Sustainability Report





In the interest of easier legibility, the generic masculine form is used in this report. This is explicitly intended to include female and other gender identities where necessary for the avoidance of misunderstanding.

girsberger

Sustainability Report

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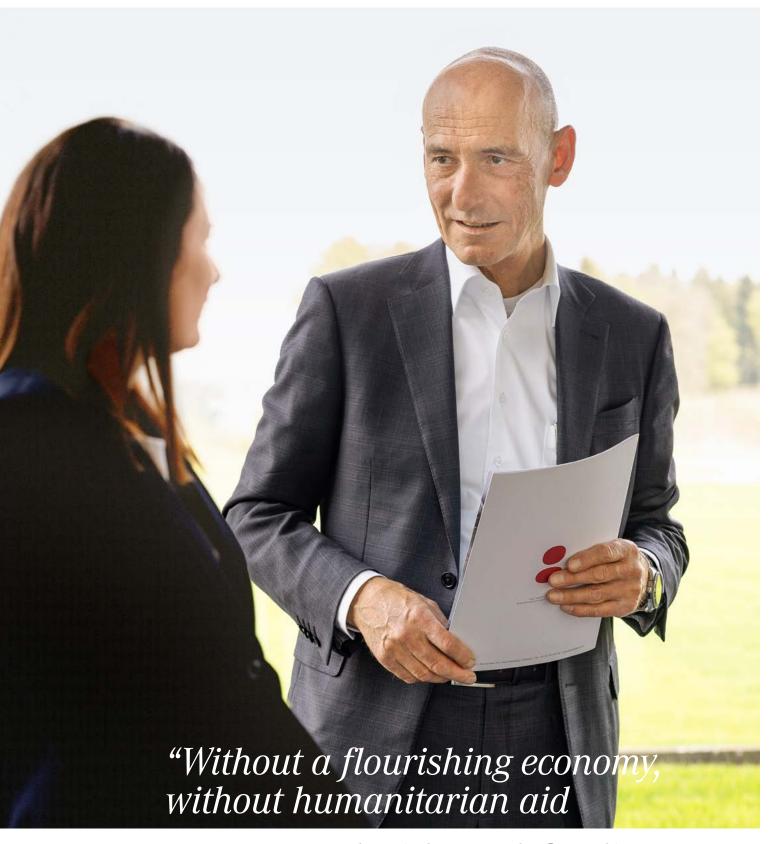
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and without defending human rights and our democratic values, global warming cannot be stopped."

Dear customers, suppliers and business partners Dear colleagues

My contribution to our 2020 Sustainability Report bore the title: "The pandemic will not go away by itself – and nor will social injustice and environmental destruction." Looking back on 2020, this is what I said:

"All of a sudden, in spring 2020, everyone's focus was solely and exclusively on the social and economic consequences of the pandemic. Greta Thunberg, the Fridays For Future campaign, climate activists and all the frequent demonstrations, events and media reports about climate change were swept away by the coronavirus pandemic. All the efforts that were being made in relation to the environment and sustainability and were previously so important suddenly became irrelevant, all over the world. And the same thing happened at Girsberger."

However, after this initial shock-induced paralysis, the world learned to live with the pandemic and at the same time came to realise that, compared with Covid, global warming is a far greater threat to humanity. In this context, I underlined our perspective in the 2020 Sustainability Report by saying:

"At Girsberger, we see ourselves as being under an ongoing obligation to ensure that the continuing threat to the environment and the need to do business sustainably are permanently rooted in our consciousness."

Less than a year after the publication of our 2020 Sustainability Report, during the night of 24 February 2022, we sent out the following information to all employees of the Girsberger Group:

"Dear colleagues

Our Group's position on Vladimir Putin's military attack on Ukraine is expressed on our website as follows:

'We are stunned and deeply shocked by the invasion of Ukraine, which Vladimir Putin has decided upon with a complete disregard for humanity. Our sympathies and sense of solidarity lie with the Ukrainian people.' With the colours of the Ukrainian flag as the background, this text is currently on the homepage of our website."

Since then, another year and more has passed during which deaths in war, armed conflicts and terror attacks around the world have continued to increase. Millions of adults and children fall victim to inhumane dictatorships, military regimes and terror organisations. There is currently no sign of an end to, or even a defusing of, the humanitarian catastrophes – neither in North Korea and Myanmar, nor in Syria, Yemen, Afghanistan, Sudan, Somalia, the Republic of Congo, and numerous other countries in Africa and the Near and Middle East.

Even within Europe, Russia is intensifying the terror of its war in Ukraine and, the longer Putin goes on driving his country ever further into the abyss, the greater the risk of an even more catastrophic escalation of this war. But Putin is still not sufficiently isolated from the global community. In some cases the UN sanctions are being circumvented, and, along with the nuclear powers of China, India and Pakistan, there are other important countries such as Iran and South Africa which have not come out in opposition to Russia's war. Even in Europe itself, one democratic country is still maintaining its political and economic links with Russia: the Republic of Serbia, where one of our production sites is located.

And what about Switzerland, where our Group is based? Switzerland is supporting the UN sanctions against Russia, accepting refugees from Ukraine and also providing humanitarian aid on the ground in Ukraine. But so far it has rejected all requests to supply weapons and munitions, directly or indirectly, that would provide crucial support for the Ukrainian army. This country, otherwise so willing to help, is taking cover behind the War Materiel Act - which is in urgent need of updating - and a version of strict neutrality that is long outdated nowadays. With its incomprehensible intransigence, Switzerland is depriving the Ukrainian defence forces of meaningful aid of any kind. It is also dismissive of its neighbours and any country which is supporting the Ukrainian army with supplies of weapons and munitions. In so doing, Switzerland has sidelined itself from the rest of the world - to its own detriment.

On the other hand, far more significant than Switzerland's behaviour is China's attempt to further strengthen its "strategic partnership" with Russia. And this at a time when China's relationship with the USA is at an all-time low. In its opposition to the West and particularly to the USA, the dictatorship in Beijing seems to be more determined than ever to boost its military capabilities and become a global superpower, while permanently preventing Taiwan from becoming independent.

In the light of these developments, we see the world today as facing the ever-increasing horror of war and the associated risk of escalation on a huge scale. By comparison, the coronavirus pandemic led to geopolitical changes of an entirely different kind. Yet when it comes to attempts to protect the environment, the effects of that threat and the current ones are the same: the efforts to reach environmental targets that are of existential importance to subsequent generations have once again lost their urgency in our day-to-day perception.

Just like during the Covid pandemic, the destructive impact of climate change is again overshadowed by a threat that is more acute in the short term. Consequently, the absolutely essential need to combat global warming has again been pushed into second place.

The dramatic consequences of this retrograde step are immeasurable. We can see it above all in the floods, droughts and famines caused by climate change in Haiti, South Sudan, Ethiopia and Somalia. In these regions and many other large areas of Africa, the death rate from malnutrition is at an unprecedented high, and many more millions of people remain at acute risk of death from starvation due to climate change. Such mass mortality is mitigated mainly by support from OECD member states, with the USA and Germany being by far the biggest donors of development aid.

However, people suffering under the horror of war are equally dependent on aid from donor countries. Their numbers have risen rapidly during the last three years and are now at an unprecedented high: the UN Refugee Agency estimates the number of people who have been forcibly driven from their homes worldwide at around 103 million. They are all dependent on emergency humanitarian aid, economic assistance and, especially in Ukraine, they rely heavily on military support.

The accumulation of all these highly dangerous threats around the world makes it impossible for any government, however responsible it may be, to focus on global warming at all times. After all, in addition to their own domestic problems, and having overcome the coronavirus pandemic, governments in the US and all democratic countries are now facing primarily foreign policy challenges. The range and scope of the humanitarian, economic and military action that they need to take have increased hugely in a very short time.

In the light of this acute pressure to step up to the plate, it seems unlikely that combating climate change will always be top of a government's agenda in the foreseeable future. A further complicating factor is that even the most responsible governments are forced to make compromises that are not only politically problematic but also, in some cases, conflict with their efforts to protect the environment. Often these compromises are financially necessary to keep the economy working, which is itself a prerequisite for a peaceful society. Anyone who is unwilling to recognise these dilemmas facing governments and the need to make difficult compromises fails to understand that the most pressing priority is to defend human rights, democracy and the free market economy.

Because, without a flourishing economy, without humanitarian aid and without defending human rights and our democratic values, global warming cannot be stopped.

Simply fulfilling these basic commitments that are of such crucial importance everywhere in the world is currently presenting every democratic and responsible government with unprecedented challenges. The resources needed to overcome the problems – be that aid supplies, infrastructure, energy, weapons, munitions, people or capital – are permanently overstretched. In view of the number of extremely dangerous threats, this is not likely to change any time soon, and so global warming will remain relegated to a secondary priority in international politics for the foreseeable future. Consequently, the primary responsibility when it comes to everything to do with the environment and doing business sustainably falls even more now on individual companies.

Because one thing must not be forgotten: the essence of sustainable development always lies in keeping all three dimensions – the environment, the economy and society – in mind and finding the right balance between them. And that may alter depending on the circumstances.

That's exactly why it is imperative to remember the following: unless companies take the initiative voluntarily and conduct their business sustainably, climate change cannot be stopped. So, companies should not only proclaim their long-term goals and intentions but also follow the right sustainable course of action at all times. Action that doesn't just pretend to be sustainable and protect the environment, but actually contributes effectively to combating global warming.

Now, more than ever, it is important for every company to undertake climate-friendly measures, innovations and investment on a scale that is significant in relation to its overall business activities.

For us here at Girsberger, it is extremely important that taking effective action to protect the environment in every way remains firmly embedded as a primary requirement across our group of companies. We want our assessment, decision-making and management processes to be as consistently economically and environmentally viable as possible, so setting environmental goals and monitoring whether we are meeting them must be integral parts of our business planning and internal reporting and control systems. This applies to all our production sites in Switzerland, Germany, Serbia and Turkey, and our branches in other countries, as well as to Mobimex AG based in Seon, Switzerland.

From the following pages of this report, you will see that, even though we were unable to fulfil all our ambitions, we have once again made significant progress. The main purpose of this report is to show that we are continuously setting ourselves new and binding objectives and pursuing them consistently.

We will most definitely continue with our attempts to protect the environment and steadily make the way we do business more sustainable, and we are most grateful for your confidence in Girsberger, Mobimex and Boreal.

Michael Girsberger

Bützberg, 31 March 2023

"The essence of sustainable development always lies in keeping all three dimensions – the environment, the economy and society – in mind and finding the right balance between them."

Business performance of the Girsberger Group

Review of 2021|2022

The economic complications caused by the coronavirus pandemic continued to be felt in 2021, albeit considerably less than in the previous year. Added to that, the global shortage of raw materials and transport capacity was particularly problematic. Due to the lack of availability, not only did our freight costs for container transport more than triple but the cost of buying our thousands of components in wood, steel, injection-moulded plastic and die-cast aluminium went up rapidly, because the prices of the raw materials used to make them had increased many times over. In order to maintain our production and delivery capability, we temporarily had to massively increase our stocks of materials, especially at Girsberger GmbH in Germany but also at Girsberger AG in Switzerland for our solid wood trading. This huge build-up of stock represented an additional, unplanned investment, which put the liquidity of the whole Group under great strain.

During the following financial year, 2022, the global shortage of raw materials and the associated increased cost of materials became even more acute. We therefore needed to keep our stocks of materials at a constantly very high level. Thanks to taking this capital-intensive action, we managed to maintain ongoing availability in our solid wood trading business, and, most importantly, ensure that all our Office and Home product ranges continued to be available with no interruption and our normal delivery times.

With the number of incoming orders generally good, our production plants were working at close to full capacity, and for long periods even had more orders than they could cope with. However, there was in fact a negative reason for this excessive strain on our working capacity. Our customers kept postponing delivery of their orders on a scale we had never seen before. The reason for these multiple postponements of the delivery date was that our customers' renovations and new building work could often not be completed on time because of the shortage of raw materials. In that sense, the shortage of raw materials also had a significant impact on our productivity. That was because the repeated postponements of delivery dates by our customers involved all our production units in a great deal of additional effort: from the sales team to production planning and control, manufacturing, packaging, dispatch and installation at the customer's premises. It resulted in countless non-productive working hours for which we could not charge. There were also additional costs for external support staff and extra trips to procure and deliver goods, and these costs could also not be passed on.

As a consequence of these complications, and the hugely increased cost of materials, only part of which could be passed on, the results for the whole Group in the 2022 financial year were not satisfactory: adjusted for currency and consolidation effects, the figures for 2022 show an increase in total net turnover of +3.2% compared with the previous year. With a company profit after direct taxation of just CHF 7000, only a break-even result was achieved.

Outlook for the 2023 financial year

Since then, the availability of raw materials has improved considerably. However, we are not expecting our material costs to fall, due to the sharp increase in energy prices.

The trends that we have seen in the office furniture market over several years are expected to continue: especially in big cities, office space is increasingly being turned into living space, while living space at home is becoming working space. As a result of this trend, personal workspaces will be further reduced in number, and shared workspaces will be smaller. Consequently, companies' need for office furniture will be less. This in turn means that net sales prices will remain under pressure. Nevertheless, this is counteracted by some current developments that are beneficial to us. There are two fundamental aspects to this: firstly, the social pressure to act in an eco-friendly way and do business sustainably will continue to increase. This means that our procurement criteria will become more and more important, including where exactly our office furniture comes from and how it was really made. The second fundamental issue is purely economic in nature: there is not yet any sign of an easing in the shortage of specialist workers, and it is impossible to say how long the present acute shortage will continue. However, while it continues, every company and organisation is obliged to try to make themselves as appealing as possible as an employer. One of the consequences of this is

that being able to offer attractive office space is becoming much more important. The nature of our service enables us to cater for these societal and economic trends: with its timelessly beautiful furniture, Girsberger offers a way of transforming living and office spaces into pleasant places in which people can work happily and productively. Our furniture is of enduring quality, highly functional, verifiably environmentally-friendly and manufactured in an entirely sustainable way – we have been climate-neutral since 2015.

On the strength of this, we will be adding numerous new models to our Home and Office product ranges during the 2023 financial year, while continuing to pursue our existing five primary objectives:

1. Increase market penetration by focusing consistently on the following areas of business:

• Office furniture: Girsberger Office

• Home furniture: Girsberger Home

- Project specific furnishings: Girsberger Customized Furniture
- · Refurbishing of commercial furniture and upcycling: Girsberger Remanufacturing
- Exclusive furniture in the high-end commercial and residential market segment: Zoom by Mobimex and Studio by Mobimex (new including Mobimex Outside)
- Timber trade: Girsberger Solid Wood

2. Expand the Girsberger Office and Home product ranges to include complete furnishing solutions for working from home

- 3. Enhance the Zoom by Mobimex and Studio by Mobimex collections
- 4. Further develop the Girsberger Customized Furniture, Remanufacturing and wood trade areas of business
- 5. Continue to manage the company in a measurably sustainable manner in accordance with the GRI (Global Reporting Initiative) guidelines and the United Nations Sustainable Development Goals (SDG)

The progress made so far in 2023 compared with last year in terms of incoming orders, turnover and operating results is positive. At the same time, though, global political and economic developments remain unpredictable even in the short term. Unexpectedly arising events with far-reaching consequences for our future business performance are possible at any time. Whether or not we achieve our business objectives for 2023 is therefore subject to risk. All the more reason for us to be ready at all times to adapt our investment plans and running costs if necessary, by taking relevant measures depending on the situation.

Our primary aim remains to preserve our corporate independence by continuing to develop the Girsberger Group as a profitable, principled and dynamic business. We regard entrepreneurial independence primarily as a responsibility – a responsibility to show creativity, courage and perseverance in maintaining a balance between commercial success, social justice and care for the environment.

Michael Girsberger On behalf of 363 colleagues of 21 different nationalities Our five primary objectives

SUSTAINABLE DEVELOPMENT GALS

For more information: https://www.un.org/sustainabledevelopment/













Integrating the Sustainable Development Goals (SDG)

Every company, regardless of its size and sector, is called upon to conduct its business responsibly. We abide by the ten principles of the UN Global Compact for establishing a culture of integrity. That includes, as far as we can, helping to achieve the SDGs. The Sustainable Development Goals (SDG) announced by the United Nations in 2015 set global priorities and objectives up to the year 2030, with a view to tackling the economic, social and environmental challenges facing the world. Out of the 17 United Nations goals, in this report we will address the following six as our core goals and show what contribution we, as a medium-sized company, can make to achieving the goals set out by the United Nations.

3. Health and Well-being

Ensure healthy lives and promote well-being for all, at all ages.

Our contribution: Workplace health promotion. Recreational activities in the areas of physical activity and nutrition. Support a good work-life balance (part-time work, working from home).

4. Quality Education

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Our contribution: Promoting skilled workers and junior staff. Offer training places and internships. Provide training and continuing education for all employees. Education and training of Indústria Fox employees in Brazil through the Fair Recycling project.

5. Gender Equality

Achieve gender equality and empower all women and girls.

Our contribution: Equal pay. Support a good work-life balance (part-time work, working from home). Girsberger Policy Statement Ethics and Human Rights. Promoting the education of women in Brazil through the Fair Recycling project.

7. Affordable and Clean Energy

Ensure access to affordable, reliable, sustainable and modern energy for all. Our contribution: Reduction of electricity consumption through energy-efficient equipment and processes. Obtain 100% of our energy from renewable sources. Use a photovoltaic system. E-mobility.

12. Responsible Consumption and Production

Ensure sustainable patterns of consumption and production.

Our contribution: Use manufacturers and raw materials suppliers based within 600 km of our production sites. Implement a Code of Conduct for suppliers. Ensure products have a long service life, offer guarantees on the availability of spare parts, find safe design solutions, use low-emission and reusable materials. Use of post-consumer materials. Product certifications. Remanufacturing and upcycling of existing furniture.

13. Climate Action

Take urgent action to combat climate change and its impacts.

Our contribution: Climate-neutral production. Obtain 100% of our energy from renewable sources. Use eco-friendly materials and sort waste for disposal. Use upholstery materials that comply with OekoTex Standard 100 or the EU Ecolabel. New sustainable materials (leather tanned with olive leaf extract, fabric made from recycled polyester including plastic waste from the sea, use of secondary raw material foam from old mattresses). Use of post-consumer materials. Use no PVC, heavy metals, or azo dyes. Use leather processed in ISO 14000-certified tanneries. Use solid wood sourced 100% from European and sustainably managed forests.



Organisation chart/scope

This 2022 Sustainability Report applies to Girsberger Holding AG, Bützberg/Switzerland, Girsberger AG, Bützberg/Switzerland and Girsberger GmbH, Endingen/Germany and their subsidiaries in France, Austria and Benelux. All the information and figures in this report therefore refer to the Girsberger Group companies mentioned above.

This report does not include the subsidiaries Mobimex AG, Seon/Switzerland, Boreal doo, Kraljevci/Serbia, Bo-Real Estate doo, Kraljevci/Serbia, as well as the joint-venture production company Tuna Girsberger Tic. AS, Silivri/Turkey.

The remaining property belonging to Girsberger Ind., Inc./USA was sold. This enabled the liquidation of the company to be completed at the end of June 2022. Bo-Real Estate doo/Serbia is limited to the holding of real estate, and we therefore consider its inclusion unnecessary for the purpose of environmental certification.

Boreal doo has been a subsidiary of Girsberger Holding AG since July 2016. Environmental targets also form an integral part of our economic planning as well as our internal reporting and controlling systems at this production site too.

We were unable to achieve our objective of certifying Boreal doo under ISO 9000 and ISO 14000 by the end of 2022. We had to accept that this goal was too ambitious. The next step will be for Boreal doo to prepare all its key statistics from 1 January 2023 and these will be included in the 2024 Sustainability Report.

Mobimex AG produces and sells a completely independent furniture collection. The Zoom by Mobimex brand is positioned at the apex of the top market segment and is therefore managed strictly separately from Girsberger. Mobimex AG will also prepare all its figures from 1 January 2023 to be included in the next Sustainability Report.

The Girsberger office chairs produced by Tuna Girsberger Tic. AS in Turkey are exclusively for sale in Turkey and export to the Near and Middle East. Girsberger Holding AG's shareholding in Tuna Girsberger Tic. AS is 50%. The economic crisis that has been going on for years continues to make it difficult for Girsberger Tic. AS to generate positive operating results. Therefore, for cost reasons, environmental certification has been put on hold for the time being.

Labels of the certified companies

girsberger girsberger

girsberger remanufacturing

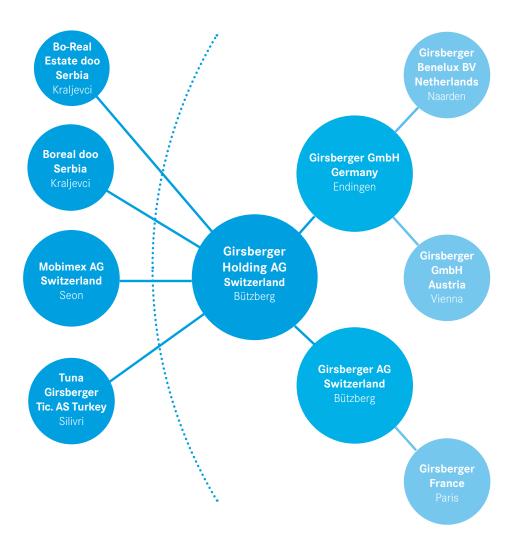
girsberger customized furniture

massivholz I bois massif

girsberger

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Organisation chart/scope of the certified companies



Scope for the Sustainability Report

Our stakeholders

We maintain an ongoing dialogue with our stakeholders to ensure that we know their interests and objectives and can take account of these in our sustainability activities. This is a continuous process that feeds into our daily work.

Investors

Because we are a family-owned company, investors are, on the one hand, kept informed on an individual basis and, on the other, are sent monthly reports from the individual companies in the group. Meetings of the Board of Directors are convened four to six times a year. The General Assembly takes place once a year.

We engage in dialogue directly with our investors and communicate with them regularly, through monthly reporting, annual reports, and end-of-year financial statements.

Customers

These can be divided into specialist retailers and direct clients. Talks are held with both customer groups at the start of each year. In the course of these discussions, we reach agreement with the specialist retail partners on how we will work together (and this applies from March until February of the following year).

In the case of both specialist retailers and direct customers, the frequency of our visits depends on the size of the customer (A-, B- or C-customer) and the current projects

"Dialogue with our stakeholders is a continuous process that feeds into our daily work." with them. It can vary from once to three times a week to once a year. During the next reporting period, we will again be conducting a customer survey among our specialist retailers and direct customers. The survey will be carried out by our service technicians. It will assess the quality of our products and the level of satisfaction with Girsberger's customer service in terms of contactability, speed, friendliness and expertise.

Facilitators (architects, designers and planners)

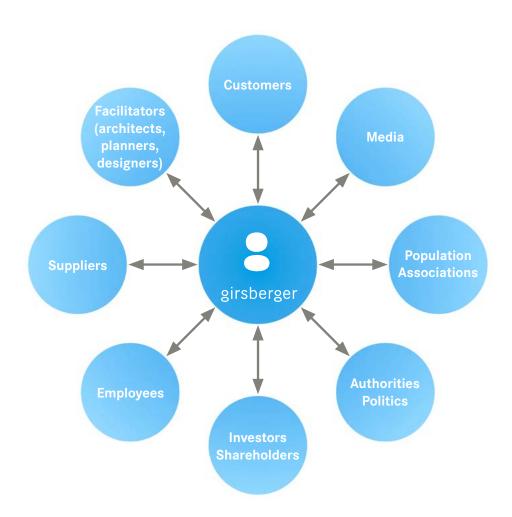
Facilitators have come to play a very important role in our business. The Customized Furniture and Remanufacturing business units have now specialised in producing bespoke furniture for commercial use, based on design by architects and interior designers, and also in refurbishing existing furniture according to their own ideas and taking account of environmental, economic and design aspects. Their ideas are then made a reality at our workshops. We are in continuous dialogue with these facilitators to develop and manufacture furniture of all kinds – from unique one-off items to series production. Often these projects have to be accomplished at high speed and require great flexibility, while maintaining the highest quality standards. Those are precisely the reasons why we also give the facilitators the opportunity to work with us in the workshop on the designs and prototypes. That is essential if such joint projects are to be completed successfully.

Employees

All employees at Girsberger companies are kept informed about current business trends at a "notice board" meeting roughly every two months. This is done personally by the managing directors as well as by means of a "digital information wall" for everyone. Urgent information is communicated via Team meetings. Managers also receive quarterly reports giving detailed information about turnover and the number of orders received by the whole group. We raise awareness among our employees about environmental issues by offering tips on helping the environment and telling them about activities in the Smaragd (Emerald) project (part of the EU's Natura 2000 network). During this reporting period, we focused particularly on food waste, meat consumption (UN report) and grey energy. We organise recreational activities to foster team spirit.

Suppliers

Suppliers are divided into categories A, B and C, depending on their importance. The criteria for their classification include social responsibility and environmental considerations. A- and B-suppliers are reassessed every year. The suppliers are told about these assessments. We are in regular contact with A-suppliers. Suppliers in Category A (which includes in particular all suppliers from high-risk regions) have to sign the "Girsberger Group Code of Conduct". This sets out the main principles and values of the Girsberger Group in terms of complying with current legislation as well as fundamental internationally recognized standards on human rights, employment rights, the environment and corruption.



Society (population, media, associations, local authorities and politics)

One of the ways in which Girsberger is in contact with the general public is by active media work, for example regularly sending out media briefings on new products, projects and partnerships, and talking directly to journalists and media representatives. Documents of interest to the general public such as our corporate mission 'WE ARE GIRSBERGER', the Girsberger environmental guidelines and reports on sustainability, with supplementary reports, are made available on our website www.girsberger.com. Other channels for sharing information and ideas include social media, where Girsberger has an active presence (Facebook, LinkedIn, Instagram and Pinterest). We also maintain active partnerships with the local population and community groups in the places where our branches are located. For example, we support clubs by making donations and get involved in environmental, sporting and cultural activities in the local area. We support non-profit and charitable institutions at home and abroad with financial donations.

Key figures at a glance

The overview does not include the figures for the non-certified companies (see explanations on page 10)

Employees	Unit	2017	2018	2019	2020	2021	2022
Number of management staff	Number	269	256	253	257	259	259
Managers - female	Number	11	12	7	8	13	12
Managers - male	Number	42	44	47	46	49	47
Composition of the workforce – age	Average	45.7	45.4	45.7	45.8	44.8	45.4
Fairness of pay – pay spread	Factor	6.5	7.2	6.7	7.4	7.0	7.0
Disciplined cases of discrimination	Number	0	0	0	0	0	0
Percentage of employee appraisals performed	Percent	100	100	100	100	100	100
Assessment of employee satisfaction (scale 1-10)	Average	8.1	8.2	8.2	8.3	8.1	8.0
Employee turnover rate	Percent	10.0	8.98	6.3	4.2	6.9	8.1
Training per employee	Hours	6.8	8.1	9.1	4.9	4.2	7.0
December and very meetavials							
Resources and raw materials		440	7/1	710	700	024	024
Wood		648	741	710	788	836	826
Metal	t 	39	32	19	13	5	4
Leather		15,090	20,675	14,436	14,551	12,390	10,075
Fabric	Ifm	56,557	50,850	39,034	38,645	43,071	48,010
Operational waste							
Wood reused to generate heat	t	255.8	268.6	262.0	257.6	295.8	325.4
Waste for incineration	t	62.9	62.9	69.8	56.2	47.7	51.9
Recyclable waste	t	170.7	159.5	158.8	135.8	128.1	118.0
Hazardous waste	t	2.0	0	2.1	0	2.0	1.2
Trazaruous waste							
Water							
Water consumption	m³	4,670	6,337	5,793	3,986	4,155	3,363
CO ₂ emissions							
Electricity	t	45.1	44.9	44.5	42.4	41.0	11.6
Heating oil		32.3	29.2	37.1	25.0	23.3	26.2
Natural gas	t	127.3	114.3	121.5	126.6	132.7	133.2
Petrol/diesel	t	525.8	531.8	502.1	440.7	474.0	499.1
Flights	t	23.5	22.6	24.5	3.7	1.9	8.8
Other significant emissions							
VOC	t	4.0	3.5	4.6	4.3	5.7	5.7
Adherence to the law							
Non-compliance	Number	0	0	0	0	0	0

Objectives and priorities

The following list shows the extent to which the objectives set for the end of 2022 were achieved and sets out the objectives/priorities to 2024.







Objective partly achieved



Objective not achieved



Continuing objective, not achieved



Continuing objective



New objective

achieved	achieved	
Area	Objectives/priorities 2021/2022	Objectives/priorities 2023/2024
Stakeholders	Focus in the area of employees	Survey of specialist dealers and direct customers by our service technicians (product quality and customer service satisfaction)
Economy	Give preference to suppliers/producers within a radius of 600 km (wherever practicable and economically viable)	Give preference to suppliers/producers within a radius of 600 km (wherever practicable and economically viable)
Ecology Product stewardship, environmental compliance	Development and production of durable, quality products, minimum use of materials	Development and production of durable, quality products, minimum use of materials
		Development of furniture with substantial proportions of post-consumer materials
	Certification of Boreal doo, Serbia to ISO 9000 and ISO 14000 by the end of 2022	Boreal doo and Mobimex AG will prepare the key figures possible for them from 1 January 2023 and will be integrated in the 2024 Sustainability Report
Resources and raw materials	An economically and ecologically sensible solution for recycling fabric offcuts is still being sought	The search for a partner or supplier continues. Occasionally, fabric offcuts are given away to neighbouring kindergartens or the like
	Further reduction of offcut values to below 10% through 100% conversion to single-ply cutter in Endingen	✓
	Changeover to recycled paper in the adminis- tration is being examined	In 2024, the administration will switch to recycled paper
Operational waste, disposal	Bützberg: maintain a share of recyclable waste of at least 88%	Bützberg: maintain a share of recyclable waste of at least 88%
	Endingen: maintain a share of recyclable waste of at least 84%	Endingen: maintain a share of recyclable waste of at least 84%
Energy consumption, emissions	Use of 100% green electricity in Bützberg and Endingen	Use of 100% green electricity in Bützberg and Endingen
	CO2 output which cannot be reduced with in-house measures is fully offset with climate-protection certificates from Fair Recycling	CO2 output which cannot be reduced with in-house measures is fully offset with climate-protection certificates from Fair Recycling
	In 2021, the oldest truck (still EURO 5) will be replaced	✓
	EcoDrive courses for frequent drivers	This objective is no longer pursued

Objectives and priorities



Objective achieved



Objective partly achieved



Objective not achieved



Continuing objective, not achieved



Continuing objective

on reducing workload and increasing holidays.

Introduction as of 1 January 2024



ivew
objective

	achieved	achieved		
Area	Objectives/priorities 2021/2022	Objectives/priorities 2023/2024		
Ecology		The chip extraction system is controlled in such a way that the filter from the silo and the transport line from the day filter to the silo only run when required		
	Examination of another photovoltaic system on the new warehouse of Girsberger GmbH in Endingen	Extension of the photovoltaic plant in Endingen by approx. 60 kWp		
		Examination of a photovoltaic system at the Bützberg site		
	Expansion of e-mobility through 5–6 charging stations in Bützberg, as well as at least 2 charging stations at Girsberger GmbH, Endingen	Expansion of the charging infrastructure according to the needs assessment of 2022 at the Bützberg and Endingen sites, evaluation of an e-bike charging station at the Endingen site		
	Further attempt to switch from solvent-based lacquers to water-based lacquers	A changeover is currently not yet possible		
	CO2-neutral production of printed matter	CO2-neutral production of printed matter		
Supplier assessment	Annual evaluation of supplier ratings regarding ecological criteria and their monitoring	Annual evaluation of supplier ratings regarding ecological criteria and their monitoring		
Logistics (road traffic and transport)	Optimise transport kilometres Optimise packaging where still possible	Fulfilling customer wishes with as few kilometres as possible		
Employees	Raising employee's awareness of environmental issues	Further raising employees' awareness of environmental issues with climate tips and the Smaragd project		
	Anchoring the topic of sustainability in trainees with formats such as "ClimateLabs"	Participation of trainees in the "ClimateLab"		
Social affairs Satisfaction	Focus on IT equipment (flexibility, mobility, up-to-date equipment)	Introduction of MS-Office Business Premium (cloud-capable versions), further expansion of mobile workplaces to promote work-life balance		
	Employee appraisal Revision of the supervisor appraisal interview forms	/		
	New working time models Decision and final drafting in 2021, introduction as of January 2022	New working time models Objective achieved at the Bützberg site, not achieved in Endingen Revision of working time and employment regulations at the Endingen site with a focus on reducing workload and increasing holidays.		

Area	Objectives/priorities 2021/2022		Objectives/priorities 2023/2024		
Social affairs					
Equal pay	The gradual adjustment of wages has taken place and will be completed in 2021. The review at least once a year will continue	+ +	Review of wages and salaries at the Bützberg and Endingen sites at least once a year		
Education	Maintain apprenticeships and internships	+ +	Maintain apprenticeships and internships		
Training	Individual education and training especially of employees of young age, for the targeted promotion of young talent	~	Targeted promotion of skilled workers and junior staff, further training of managers with staff responsibility		
	Promote diversity and equal opportunities, planning of training measures will be more balanced between the categories of employees, managers and management	-	Due to the priority objective of promoting professionals at a young age, this objective could not be implemented		
Workplace health promotion	Focus on health and well-being (financial participation in health check-ups and preventive medical examinations)	+ /_	Focus on health and well-being with two health days at the Endingen site and a health week in Bützberg		
		→	At the Endingen site, the following are being examined: Promotion of a company health insurance for selected additional benefits over the regular health insurance Covering the full insurance or a one-off final premium when taking out a company bike lease		
	Implementation of targeted leisure activities in the area of exercise and nutrition	+ +	Targeted activities in the area of exercise and nutrition		
Corporate citizenship	Focus on promoting and supporting employee volunteering (time credit/special leave)	+ +	Focus on promoting and supporting employee volunteering (time credit/special leave) Develop concept and implement as of 1 January 2024		
Ethics and human rights	Develop guidelines	✓	Developing a basis for audits The ten most important A-suppliers will be audited by Girsberger by the end of 2024		
Evaluation of suppliers according to social criteria	Code of conduct signed by all A suppliers, as well as the most important B suppliers	+ +	Code of conduct signed by all A suppliers, as well as the most important B suppliers		
		→	Signing of the Boreal doo Supplier Code of Conduct, evaluation of supplier turnover with subsequent classification into A, B and C suppliers		
Customer health and safety	If possible, further increase the already high verification rate for our product safety (swivel chairs 99.4% and multi-purpose/visitor chairs 89.7%) and health safety of the Office range products (swivel chairs 99.4% and multi-purpose/visitor chairs 64.4%)	+ +	At least maintain or, where possible, further increase the already high verification rate for product safety and health safety of the Office range products		





Key sustainability themes

Every reporting process begins with determining the key sustainability issues. At an initial meeting, a committee made up of members of senior management (CEO, Managing Director, the Head of Product and Brand Development, Production Manager, Marketing Manager and the Head of Sustainability) determine the focus of the sustainability strategy and the general objectives for the next two years. In a next step, these objectives are discussed and approved with the division heads. The following are the topics on which we focus in this report.

Economy			
	Procurement practices		
	Procurement markets		
Factory			
Ecology	Description of the control of the co		
	Product stewardship, environmental compliance		
	Remanufacturing and upcycling		
	New sustainable materials		
	Resources and raw materials		
	Operational waste, disposal		
	Logistics (road traffic and transport)		
	Energy consumption and emissions		
	Supplier assessment according to environmental criteria Raising employees' awareness of environmental issues		
Social affairs			
	Equal treatment, equal opportunities and equal pay		
	Employee satisfaction		
	Workplace health promotion		
	Workplace health promotion Education and training		
	Education and training		
	Education and training Corporate citizenship		

"Since more than 90% of the possible environmental impact of our products occurs during the phases before the parts and components reach our own production sites, selecting the right suppliers is of vital importance."

Economy

Economy



Supplier assessment according to social and environmental criteria



Procurement practices

We make every effort to choose suppliers who share our environmental and social values and maintain high ethical standards. This lays the foundation for long-term, sustainable procurement relationships.

We fully acknowledge the obligation on companies to do business sustainably and demonstrate social responsibility (CSR – Corporate Social Responsibility). This encompasses taking a responsible approach to people and nature, observing and complying with international legislation on human rights and working standards and fighting corruption. We enforce this by asking suppliers to sign our Code of Conduct for Suppliers and our environmental requirements.

In the last reporting period we noted that two A-suppliers in Canada and Germany had not yet signed our Code of Conduct. The two companies are now no longer among our suppliers: the Canadian supplier because we have shifted the relevant parts procurement to Germany and the second one, in Germany, because of changed requirements. Apart from one new supplier in Germany, the Girsberger Code of Conduct has been signed by all our A-suppliers and most of our B-suppliers.

Since more than 90% of the possible environmental impact of our products occurs during the phases before the parts and components reach our own production sites, selecting the right suppliers is of vital importance. In this way we can minimise any negative social and environmental impact.

Most of the products that we procure are processed at our production sites in Bützberg/ Switzerland and Endingen/Germany. In the interest of optimising quality and costs, we give preference to manufacturers and raw materials suppliers who are based within a radius of 600 km of our production sites. So, 86.6% of all our materials are sourced from Germany, Italy, Slovenia and Switzerland, 7.4% from other European countries and just 6.0% from Asia and North America. This means that we can largely be confident that the materials we buy comply with our requirements in terms of human rights and environmental standards. This is of great importance to us, because we do not have the capacity to carry out regular checks on sustainability and compliance at all our suppliers' sites.

In the light of the integration and growth of our latest production site in Kraljevci, Serbia, new suppliers have come under consideration for our supply chain. The process includes asking suppliers to sign the Code of Conduct, evaluating the volume of goods supplied – as a result of which they will be classified as A-, B- or C-suppliers for the 2023 financial year – and assessing the supplier on their environmental and social criteria.

For 2022, Girsberger again put itself forward for EcoVadis certification and was awarded the EcoVadis silver medal for its overall efforts to be sustainable in the areas of the environment, labour and human rights, ethics and sustainable procurement. This award puts us among the top 8% of furniture-making companies around the world that were assessed and certified by EcoVadis, while in the individual "Sustainable Procurement" category we are in the top 3% for the sector.

Girsberger's supply chains are, and will continue to be, affected by factors on the energy and raw materials markets, logistics issues and global events. The pandemic years of 2021 and 2022 hit our supply chains hard, especially because of the challenges on the raw materials markets and the general shortage of resources. Even though there were signs of a gradual easing of the situation in 2022, the outbreak of war in Ukraine and the resulting energy crisis in Europe put supply chains under further pressure.

The prices for natural gas and electricity have reached an unprecedented high due to the war in Ukraine and the resulting energy crisis in Europe. This hit us hard as a production company because both energy sources – natural gas and electricity – are vitally important in our supply chain. The processing of plastic granules into injection-moulded parts and, especially, the smelting of aluminium die-cast alloys are very energy-intensive and the rise in energy prices increased our costs substantially. It has also been striking

how even less energy-intensive materials and semi-finished products, including wood – a natural raw material – have been affected by significant price rises.

Unfortunately, these manifold problematic developments of recent years have obliged some of our suppliers to either realign their businesses or even cease trading altogether. Others are not far from having to suspend their production activities or parts of them. We are therefore keeping a very close eye on developments in the energy and raw materials markets and the delivery situation at our suppliers and are continuously modifying our procurement strategy. We do this with the aim of ensuring continuous availability of materials and, above all, constantly refining our procurement processes: we want to maximise resource- and energy-efficiency, minimise currency risks and reduce the environmental damage caused by long transport distances.

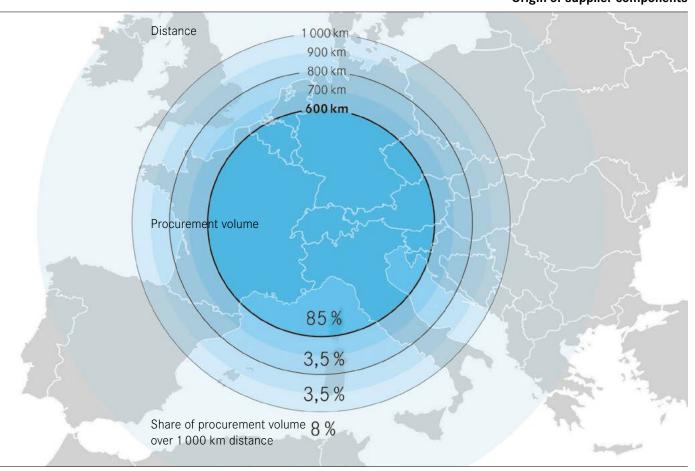
We can see no sign of any significant and lasting easing of the raw materials market, nor has the short- and medium-term energy supply situation in Europe been resolved. These uncertainties and the resulting business risks mean we have no option but to continue to maintain the unusually high and capital-intensive stocks of materials of the last three years.

Thomas Gasser



Thomas Gasser
Executive Director
Product & Brand Development,
Girsberger Holding AG

Origin of supplier components

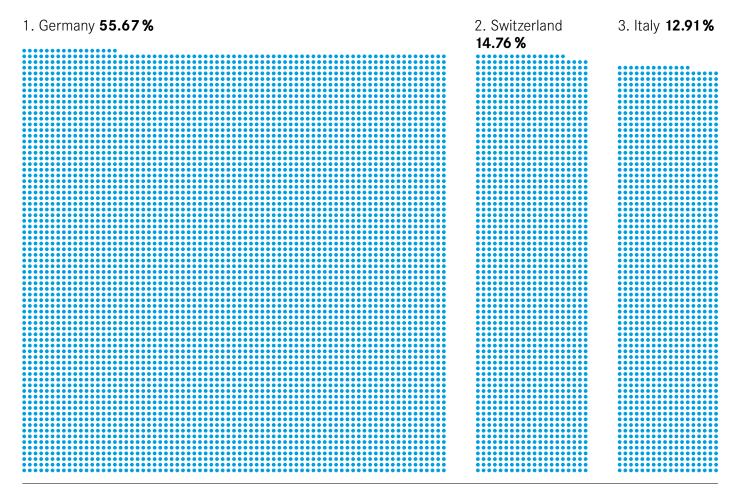


Procurement markets 2022

Suppliers Environmental Relevance Analysis	Number of suppliers	2016	2017	2018	2019	2020	2021	2022
Relevance 1 without ISO 14000 •	Total	69	65	69	71	69	69	61
with ISO 14000 •	80							
No particular risks (wood, metal, plastic processing	70			•	•			
and other services)	70							•
Relevance 2	60							
without ISO 14000 • with ISO 14000 •								
Increased emissions risk (water, air, soil, legacy issues) from	50				32			
textiles/upholstery materials, coatings, varnishes, PUR foams	40		37	40	4	34	36	28
Relevance 3 without ISO 14000	30	44	37	9				3
with ISO 14000 •	20		11	7	18		15	
High emissions risk (water, air, soil, legacy issues)		10	7	7		17		16
from leather tanning, galvanising, aluminium die casting, hazardous materials in products		8 3 2 2	6 2 2	6 2 • 5	11 4	9 3	11 3	9 2 2

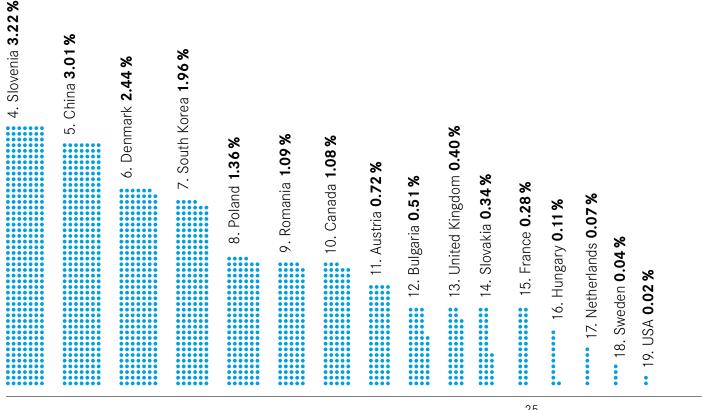
This statistic takes into account our A and B suppliers, which account for 85% of our procurement volume.

Graphic Procurement markets/suppliers





"Wherever practicable and economically viable, we give preference to suppliers or producers near our production sites, i.e. within a radius of 600 km from our respective plants."





"When developing future products, Girsberger will rely as far as possible on using post-consumer materials."

Ecology

"Girsberger Remanufacturing won the 2023 German Sustainability Prize in the 'Design' category."



Product stewardship, environmental compliance

Girsberger products are more than just pieces of furniture – they accompany many people through their personal and working lives over many years. That's what drives us on every day to create functional furniture of outstanding quality in timeless designs. Our love of detail and our commitment to sustainability are two more reasons why we at Girsberger are proud to design and develop products that are not only functional and beautiful but also sustainably produced and suitable for use over many years. Our careful product development, production, marketing, customer service and post-sales guarantee on spare parts all help ensure that our products have a long service life. We use reliable design solutions and low-emission, recyclable materials. In this way we endeavour to ensure that buying our furniture is always also an environmentally and economically responsible decision.

Out of a sense of conviction, we behave responsibly towards people, society and the environment, and our product philosophy reflects our sense that it is our duty to ensure that our furniture contributes to a more sustainable future.

All our production has been climate-neutral since 2015. For every Girsberger product, we consider the environmental credentials of the materials to be used, right from the design phase. Even though we are increasingly exposed to the pressure to cut manufacturing costs, we consistently manufacture long-lasting products using environmentally friendly materials, and we separate different materials as much as possible so that they can subsequently be returned to the recycling loop.

"We manufacture our products in an environmentally friendly way, climate neutral since 2015."

With the exception of scrap metal, large quantities of plastic, foam, textiles and waste paper tend to end up in incinerators, landfill sites and the oceans nowadays. That is why we have set ourselves the goal of using post-consumer materials wherever possible when designing new products. We enjoy the challenge of using waste materials to design and manufacture useful and durable furniture – thereby preserving resources and the environment as much as possible.

It was with this objective in mind that we launched a product development project in 2022. It consists of a range of soft seating with multiple variants, comprising different seats and matching tables. The market launch is due to be in the second half of 2023. Because we have used only post-consumer recycled materials for the seat frames, upholstery and covers, we have achieved a rate of almost 100% sustainable materials by volume and weight. The only new materials in this extensive range of soft seating are the plastic sliders and a very small percentage of steel components, which include a proportion of scrap metal.

In another project we are trying to produce the existing plastic seat shells that are used in great numbers in the Nava and Marel ranges out of post-consumer materials. However, implementation of this project has been delayed, simply because of the very limited availability of permanently stabilised post-consumer polyamide regranulate in injection-moulding quality, to ensure that structural components are safe. For that reason, we have had to delay the market launch until the 4th quarter of 2023.

We have set ourselves the firm and overriding objective of offering our customers an ever-wider range of furniture containing a substantial proportion of post-consumer materials.

Life cycles

Product development process

Examination

Phases

Reuse, recycling or disposal

not possible to put designation on component

The following life cycle phases of our products are systematically examined and analysed with regard to health impact, product safety and sustainability:

Who/What

Development of product concept	Product development and distribution Health and environmental considerations. Assess and consider the impact on the health and safety of users and on the environment. Choose materials during design and construction that support sustainable production, reuse and recycling.
Development and verification of conformity with norms	Product development Carry out tests to ensure that the product meets the required ergonomic, health and safety standards. Include consideration of product longevity and the sustainability of production processes.
Certifications	Independent test and certification body Carry out product testing and certification with regular monitoring for compliance with all safety-relevant national and European guidelines and norms. Evaluate fitness for purpose and ergonomics. Test product for harmful emissions.
Manufacturing and production	Product manufacturing Safe working conditions, resource-efficient and eco-friendly production processes. Put processes in place to ensure product safety and minimise waste.
Distribution, use and maintenance	Sales organisation/customer service Provide publicity and information about ergonomics, product safety and sustainability. Keep products in a closed cycle by maintaining and repairing them, to minimise waste.

Remanufacturing/product developmentOffer a complete overhaul and reprocessing

Unmixed, separable materials, material descriptions.

(Remanufacturing) service.



Type of material	Degree of achievement
Wood type (trade name) for products with characteristic wood constituents	100%
Plastics: material designation directly on component	90%
Aluminium castings: material designation directly on component	90%
Other materials such as steel, textiles, leather: identification available,	-



Material declaration





Customer health and safety

We endeavour to ensure the health and safety of our customers by acting responsibly and prudently right along the value-added chain.

All our products are subjected to multiple test procedures and plausibility checks, from the design phase through to market launch, preceded by strength calculations and simulations even at the initial development stage. The tests are based on the furniture standards enshrined in the PrSG (Product Safety Directive in the EU including Switzerland), which define detailed specifications for healthy and ergonomic design, safety, stability and strength. Dynamic and static stress testing plays a central and important role. This is carried out several times during the entire product development process, and regularly assessed and documented. Certain product categories go through additional, independent testing by the TÜV/LGA in Nuremberg to reduce risks and health implications and are then certified.

Girsberger Office products are certified, for example with the German GS quality mark, thereby demonstrating that product quality, product safety and the use of non-harmful, low-emission materials, tested for harmful substances, are an integral part of the company's strategy.

The proportion of office swivel chairs certified with the GS mark has risen from 97% in 2021 to 100% in 2022 while those certified as tested for harmful substances increased from 97% in 2021 to 100% in 2022, thereby reaching the highest possible values. We also saw an upward trend with GS-certified conference/multipurpose/visitor chairs, which went from 93.4% in 2021 to 95% in 2022, while there was a slight fall in those certified as tested for harmful substances from 67.5% in 2021 to 66.9% in 2022.

For the office swivel chairs, the launch of the new Marva range in 2021 led to a slight fall in the proportion that were certified until the range became officially certified from 2022. The products were 100% certified in 2022 for the first time.

For conference/multipurpose/visitor chairs, the proportion of GS-certified models and those tested for harmful substances continued to increase from 2020.

Product testing

Key product categories subjected to additional, independent testing to reduce risks and health impacts.

Tests for GS mark are valid for a period of 5 years. After this time, the product must be retested to cover any modifications that may have been made. Testing for harmful substances is repeated every year.









wv	vw.tuv.com
ID	0000050478

Product range	Of which with GS mark (Tested safety)	Of which tested for harmful substances	Of which ergonomics tested
Swivel chairs Office Price list 2021	97.0%	97.0%	87.0%
Swivel chairs Office Price list 2022	100%	100%	92.4%
Multipurpose chairs/visitor chairs Office price list 2021	93.4%	67.5%	_
Multipurpose chairs/visitor chairs Office price list 2022	95.0%	66.9%	_

Over the course of the next reporting period, we aim to maintain or where possible, further increase the already high percentage of products in our Office collection that are certified safe and non-harmful.

The independent "TÜV/LGA GS certification" for seating is a certificate that endorses seating which complies with technical and safety requirements. These requirements relate, for example, to the stability and strength of the chair, the use of safe and appropriate materials and to ergonomic aspects that ensure the user's health and comfort. GS certification is valid for a period of 5 years. At the end of that period, the product is tested again for the next five-year period, to account for any product modifications and the latest standards and testing requirements.

The similarly independent testing for harmful emissions, "TÜV/LGA tested for harmful substances" is a quality mark to identify products and materials which, if they involve the production or use of particular harmful substances, comply with EU directives on no, or strictly limited, emissions. The harmful emissions testing is verified every year and re-certified every five years.



Ergonomics

Ergonomically designed office swivel chairs can help reduce aches and pains. A chair that is perfectly adapted to the user's body can help encourage a healthy posture and reduce strain on the musculoskeletal system. Our TÜV/LGA-certified "Ergonomically tested" office swivel chairs comply with the specifications for dimensions and functional properties defined in international ergonomic standards. They are easy and efficient to use, which helps to keep physical strain and ill-effects on the health to a minimum, even where they are used for long periods.

Not all office swivel chairs meet the required standards, because of their design. For example, "simple office chairs" for temporary workplaces used for short periods are inferior to fully functional office swivel chairs with high backs. Nevertheless, the proportion of our office swivel chairs that were delivered as certified "ergonomically tested" was the overwhelming majority: 87.0% in 2021 and 92.4% in 2022.

The validity and details of the certification of our GS-mark, "tested for harmful substances" and "ergonomically tested" products can be seen in the independent online database Certipedia, run by the TÜV Rheinland Group.

You can find detailed information about the materials, certifications and operating instructions for all our products on the Girsberger website.

Thomas Gasser

Certipedia
Database
www.certipedia.com/search/matching_
product_certificates?q=girsberger

Girsberger
Download centre
https://girsberger.com/en/professionals/downloadcenter/







Mathias SeilerHead of Design and Marketing,
Girsberger Holding AG

Remanufacturing und upcycling of existing furniture

For many years now, we have had a servicing and customer service department that refurbishes and repairs Girsberger chairs, if they have become worn or faulty after years of use. Over time, the number of orders grew and we received more and more enquiries about worn chairs from other manufacturers. That gave rise to the separate business unit called "Girsberger Remanufacturing". The range of services it offers has grown steadily over the years and now includes the following:

- · Refurbishing and repairing Girsberger chairs and tables
- · Repairing chairs and tables made by other manufacturers
- Refurbishing furniture from public buildings (concert halls, old people's homes, restaurants, hotels, churches, etc.)
- Adding new functions and features to existing furniture (new upholstery, flame-retardant treatments, better acoustic properties etc.)
- Upcycling existing office furniture to meet new usage requirements (old office furniture is turned into new products, for example, in the context of "new work")

The purpose of all these measures is the same: to preserve existing furniture and avoid the need to buy new items. In this way we are putting the circular economy into practice and preserving precious resources. Here are a few real-life examples:

At Schweizerische Post AG, numerous Girsberger swivel chairs and visitor seats were refurbished in situ during 2023, without interfering with work processes at all. New gas springs were fitted, sliders and upholstery were either cleaned or in some cases completely replaced. Schweizerische Post saved money, because refurbishing the chairs was considerably cheaper than buying new ones. It also counted towards Schweizerische Post's own sustainability efforts and targets.

Another example is the Brauweiler Abbey cultural centre in Germany. There they had over 490 Fritz Hansen chairs, the 3107 model, the covers of which had become extremely threadbare after years of use. This is a chair design classic from the 1950s, designed by Arne Jacobsen. To throw away the chairs would have been a shame, and buying 490 new chairs would have cost a lot of money. So, we reupholstered all 490 chairs and fitted them with stacking buffers to protect the covers better in future.

The Café Boy restaurant in Zurich was furnished with 85 old wooden chairs. After many decades of use, they were worn and tatty. When the restaurant was undergoing a complete renovation, it was decided that the chairs should not be replaced but refurbished, to maintain the authenticity of the interior. The old varnish was removed by careful sand-blasting. After that, the chairs were repaired and sanded down by hand. Then they were stained in two colours and revarnished, to return them to their original condition.



For example:

When swivel chairs need refurbishing

High-quality swivel chairs are designed for years of use. Even so, after a lot of use the springs, wheels and covers can show signs of wear. It makes sense to refurbish these components, because afterwards high-quality swivel chairs are normally good for many more years of use.



For example:

When restaurant chairs are showing their age

The architecture and interior of a building often reflect the time when it was built. To preserve the overall look of a restaurant, it is often better and also more sustainable to refurbish the fittings instead of buying new ones.

Link to the project: https://girsberger.com/de/loesungen/remanufacturing/referenzen/cafe-boy/

For example:

When stacking chairs need reupholstering

Stacking chairs frequently have a hard life. After years of use, the upholstery is often worn or compressed because the chairs are stored in a stack. It is worth replacing it because the seat shell and frame are generally undamaged and can continue in service for many years to come. It may also be an opportunity to choose a different fabric or colour.







For example:

When old cabinets and tables have had their day

The "Aello" project is part of a refurnishing process in which traditional individual offices were being converted into modern, agile workspaces: hundreds of good-quality carcasses and tables that were no longer needed for storage were to be given a new purpose. They were taken apart, reconfigured, painted in bright colours and turned into new items of furniture that satisfy all kinds of different needs. (Illus. project example Aello)

Remanufacturing and upcycling of existing furniture

Another example is an upcycling project for a big Swiss corporation with a vast stock of office furniture. It had been put into storage because digitalisation and the increased flexibility and mobility of working practices have greatly changed the requirement for office furniture. Keeping it in storage tied up resources with no resulting benefit in the foreseeable future. So, the company wondered how this unused stock could be re-used to make new furniture. With this in mind, the company came up with the idea for some new furniture and then had it produced, in partnership with Girsberger and the designer Björn Ischi, who specialises in upcycling. No less than 86% of it consists of materials from the old furniture and it is ideal for the changed working patterns at the company's office. So, the unused furniture was upcycled and resources were freed up for other purposes.

Everyone has benefited from this project. The employees have new furniture that suits their changed requirements, while the company has saved money because it no longer has to keep the unused furniture in storage or buy new furniture. What's more, existing resources are being given a second lease of life, in the spirit of the circular economy. Of course, we could have simply offered the customer suitable new furniture, but that would have been far less sustainable.

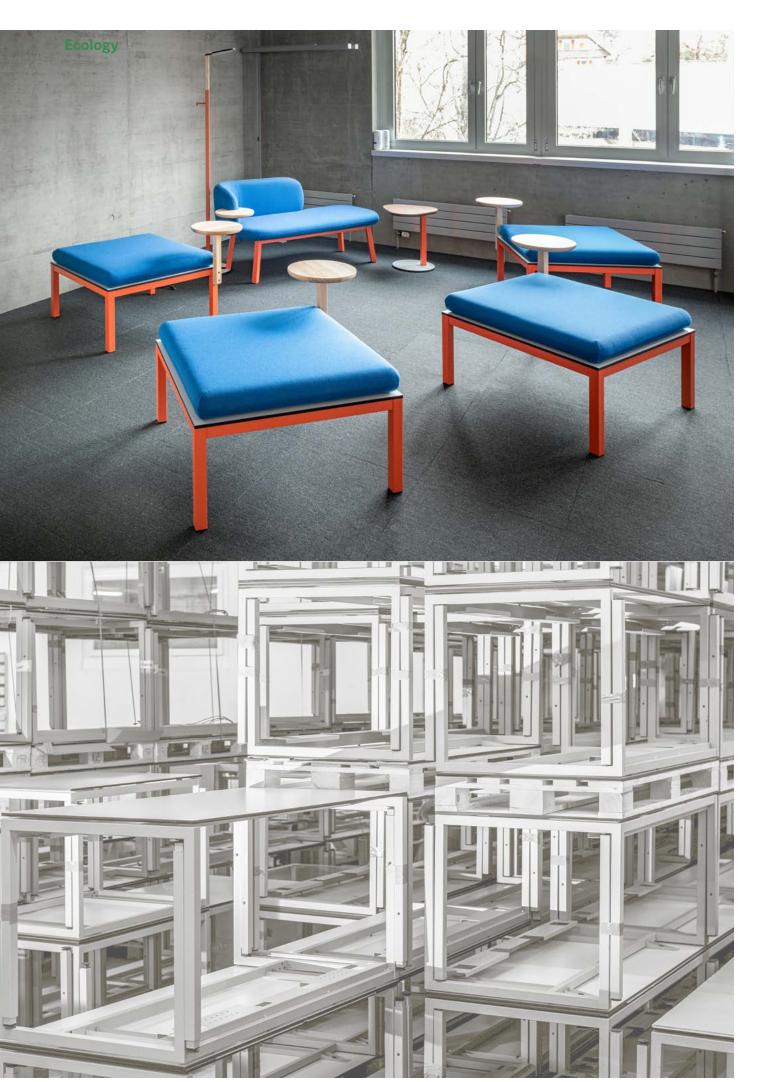
In general, we are observing how the demand for our remanufacturing and upcycling solutions is growing steadily and attracting more interest from the general public. This is confirmed by the fact that Girsberger Remanufacturing won the 2023 German Sustainability Prize in the 'Design' category. This is the most prestigious award of its kind in Europe and is awarded annually in a partnership between the German federal government, the Council for Sustainable Development and various research organisations. The prize is intended to show that acting responsibly not only helps to solve social and environmental problems on a global or local scale but can also be a way of increasing profitability and competitiveness.

Mathias Seiler



The company had large warehouses where numerous old desks and filing cabinets were being stored. This material formed the basis for designing new furniture. The company organised and led a workshop which came up with the idea of a "New Work" furniture collection, to be made from the materials in the old furniture. It was possible to re-use 86% of the old materials and parts.







New sustainable materials



SEAQUAL INITIATIVE

This global organisation has set itself the goal of clearing marine litter from the oceans and coastlines.

Link to the website: https://www.seaqual.org/

For many years now, we at Girsberger have been concerned about sustainable production and resource conservation. That's why we have had an environmental management system in place ever since 2007. This enables us to ensure that our environmental performance constantly improves, because every two years we define and implement new and higher targets for sustainability. Since 2015 all our operations at our production sites have been CO2-neutral. That puts us well ahead of other companies that are striving to be sustainable because most of them have so far only set CO2-neutrality as one of their objectives.

The next step for us must be that not only our production is as sustainable as possible but also the materials in the products themselves. Over the past two years, we have introduced various projects and measures to achieve this.

As of 2022, we have added a particularly eco-friendly material to our range, called Poseidon. The yarn in this fabric is 100% made from recycled polyester, including plastic waste recovered from the sea. The plastic waste is collected and recycled by partners authorised by SEAQUAL INITIATIVE. This is turned into SEAQUAL® YARN, which contains about 10% upcycled marine plastic (plastic waste from the sea) and 90% post-consumer PET from land-based sources. In this way we are showing our commitment to the circular economy and to overcoming one of the most urgent environmental problems of our time: pollution of the oceans by plastic waste. SEAQUAL INITIATIVE states that, for every kilogram of yarn that is produced, on average 0.6 to 1.0 kilogram of marine litter is removed from the oceans.

When it comes to leather, since 2021 we have been offering Vitoria, an unfinished nappa leather. The leather is tanned in an eco-friendly way using olive leaf extract. Making leather using this extract is not harmful to the environment. The leaves that are used for tanning simply fall from the trees when they are shaken during the olive harvest and so using them to produce the extract gives them an eco-friendly purpose.

In product development we have been working since 2021 on a range armchairs to be made almost exclusively from recycled materials. The frame, foam filling, non-woven materials and fabrics are 100% post-consumer recycled materials. We aim to produce a completely recyclable product that will be launched on the market during 2023. The biggest challenges in this product development project were to find suitable materials and ensure that they could be reliably procured for series production.

Vitoria leather collection

Vitoria is an unfinished nappa leather, tanned with olive leaf extract to give it a fine waxy feel. The leaves that are used for tanning simply fall from the trees when they are shaken during the olive harvest and so using them to produce the extract gives them an eco-friendly purpose.





In this context, it was helpful that Girsberger Customized Furniture had been involved since 2021 in the development of the Cloud Sofa. An estimated one million mattresses are thrown away and incinerated every year in Switzerland alone. The idea for the Cloud Sofa arose in an attempt to counteract that – in partnership with FINK Product Design and the MAKE FURNITURE CIRCULAR (MFC) initiative led by Eva Bucherer. They came up with a way of re-using the secondary raw material of the foam in old mattresses to make the Cloud Sofa. The whole value-added chain was set up specifically for the sofa, but with the idea always in mind that the secondary raw material could be made available for many other products. The Cloud Sofa is the first sofa to be made from recycled mattresses.

This pilot project led to valuable findings and possible ways to implement the circular economy in making new furniture. The Cloud Sofa is not part of the Girsberger collection and is only made to order.

But the findings from this pilot project were important in advancing the development of the circular economy armchair project described above.

Mathias Seiler



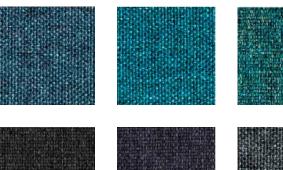
Cloud Sofa

The secondary raw material for the upholstery of the Cloud Sofa is reclaimed from waste mattresses that have been shredded and cleaned. The whole value-added chain was set up in Switzerland specifically for the sofa, but with the idea always in mind that the secondary raw material could be made available for many other products.

Link to the website: https://cloudsofa.ch/home.html

Poseidon fabric collection

The Poseidon collection is a particularly eco-friendly fabric that comes in a wide range of colours. The yarn in this fabric is made 100% from recycled polyester and includes plastic waste recovered from the sea. The plastic waste is collected and recycled by partners authorised by the organisation SEAQUAL INITIATIVE. This is turned into SEAQUAL® YARN, which contains about 10% upcycled marine plastic (plastic waste from the sea) and 90% post-consumer PET from land-based sources.















Poseidon is attractive not only for its environmental properties but also for how it looks and feels to the touch. The fabric has a natural texture and feel, very like that of wool. Poseidon is especially suitable for situations where a homely, natural-looking fabric is required but one that is robust and heavy-duty.









Link to the colour chart of the Poseidon fabric collection: https://girsberger.com/fileadmin/user_upload/girsberger/PDF/40_Stoff-Lederkarten/ CIT_Poseidon_Stoffkarte_01_23.pdf







The Fair Recycling Foundation Obstgartenstrasse 28 8006 Zürich

Website link: https://fair-recycling.com/

Environmental resources

An awareness of the environment and high quality have been vital elements in the Girsberger corporate philosophy for over 130 years. The Girsberger companies in Bützberg/Switzerland and Endingen/Germany have had an EN ISO 9001-certified quality management system for quality control in place since 1995 and since 2007 have also been EN ISO 14001-certified for their comprehensive environmental management system. This means that, in addition to complying with the legislation, we are also committed to adhering to regulatory norms, systematically taking account of all key environmental aspects, and continuously improving our environmental performance. An external certified body audits our compliance with these regulations every year.

In addition to our environmentally friendly production methods, we also take specific action to protect the environment and preserve species diversity. We have been supporting the Smaragd (Emerald) project (part of the EU's "Natura 2000" network) since 2009. As well as providing financial support, we also use this platform in-house to raise awareness of environmental issues. We do this as part of special information campaigns.

All production at Girsberger has been carbon-neutral since 1 January 2015. We use energy-efficient production methods and handle resources carefully. Nevertheless, it is not possible to avoid CO2 emissions completely in our production and distribution processes. We offset those remaining emissions – in 2022 they amounted to 691 tons – by supporting the Fair Recycling foundation.









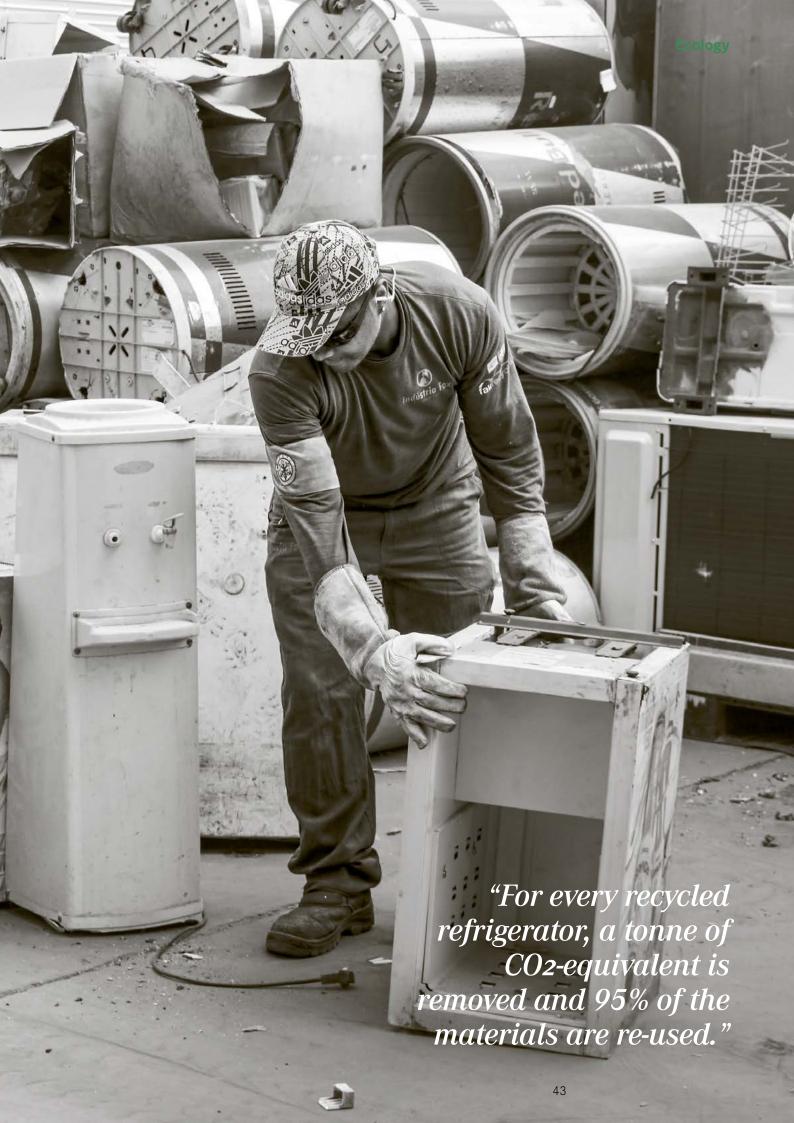


This Swiss foundation has set up a unique recycling system with its local partner Indústria Fox in Brazil. Indústria Fox collects old, inefficient cooling appliances and recycles them to Swiss standards at its plant near São Paulo. The greenhouse gases in the appliances, such as HCFC and F-gases, are completely burnt off in a high-temperature furnace. In 2022, 98,341 tons of CO₂-equivalent were removed from the atmosphere in this way. Since the project began in 2011, a total of more than 1.6 million tons have been removed. The destruction of greenhouse gases is inspected and validated by external certification bodies.

For every properly recycled refrigerator, about a ton of CO₂-equivalent is removed. Furthermore, 95% of the materials in each refrigerator are recovered and returned to the circular economy.

Fair Recycling bases all its work on the Paris Agreement and the Sustainable Development Goals of Agenda 2030. By recycling electronic waste, Fair Recycling is preventing toxic gases from entering the environment. The organisation is also socially engaged and works to set up training programmes for local workers.

Since 2019, employees at Indústria Fox have been offered the opportunity to acquire new knowledge and specialist recycling skills. Through partnerships with local institutions such as SENAI (Serviço Nacional en Aprendizagem Industrial - National Service for Industrial Training), workers can take part-time courses in the industry. Indústria Fox employs 148 people, 65% of them men and 35% women.



Resources and raw materials





Metal

Thermoplastics

Thermoset composites

Fabric coverings

Fabrics

At Girsberger, we place great emphasis on sustainability at every stage of the life cycle of our furniture. This applies above all when it comes to the responsible selection of materials that are safe for both the environment and human health. The most critical aspects in the life of a furniture item are its production, use, restoration and disposal. We are aware that our design decisions and who we select as our suppliers will have a direct impact on how efficiently we use resources. That's why we strive rigorously to develop products with less weight, fewer parts and a higher percentage of recyclable materials which are also simple to maintain and disassemble. Our design solutions ensure that Girsberger furniture is repairable, can be disassembled and that the materials used are recyclable, so enabling them to be returned to the material cycle at the end of their life. For the purposes of disposal across a range of single material classes, the exact material designations are included on all tooled components.

All steel products that we use or process, such as tubes and steel sheet, contain a high proportion of recycled metal. At the end of its product lifespan, steel is fully reused as steel scrap for new alloys. We use aluminium almost exclusively in the form of die-cast aluminium parts. These contain an average of 90% recycled aluminium – the quality, durability and finish of which is just as good as primary aluminium, as it is an almost infinitely recyclable material. Our metal finishes include epoxy powder coated, painted and chromium-VI-free electroplated finishes.

Wherever possible we use in our plastic parts only a single type of polymer such as polypropylene, polyamide or ABS. Depending on the particular application, we also use fibre-reinforced plastics for some components. The foam material we use is CFC-free, steam-chest moulded polyurethane (PUR) foam or cut PUR foam. We mark every plastic part with an identification code so that parts can be identified and sorted into the different types of material at the time of disposal in order to facilitate recycling. A certain proportion of recycled material is always used in suitable components. However, for quality and safety reasons it is not always possible to use recycled plastics.

For drawer fronts, shelves and side tables, we also use HPL solid core panels as an alternative to solid wood. HPL (high pressure laminate) comprises over 60% paper; the remaining 30 to 40% consists of phenolic resin for the core layers and a decorative top layer. Both resins belong to the thermoset group of materials, have a long service life, are virtually emission-free and can be disposed of in an eco-friendly manner.

When it comes to our standard collection of textiles and leather, we regard responsible selections across the entire range as an ongoing commitment. Our covering fabrics and mesh fabrics comply with either the OekoTex Standard 100 or the EU Ecolabel. Covering materials in their use on the product are subjected to independent annual compliance testing to retain the "Contains no harmful substances – TÜV Rheinland Certified" mark of approval. This verifies the avoidance of pollutant emissions during the manufacture and use of our products, as well as the absence of chemicals listed on the EU banned list.

The high-quality and durable upholstery fabrics in our range are made of wool, synthetic fibres, or a blend of both natural and synthetic fibres, depending on the fabric group. Covering fabrics made from synthetic materials already comprise recycled materials in significant proportions and can be returned to the materials cycle after use.



Resources and raw materials





Leather

Our "Poseidon" fabric demonstrates our strengthened commitment to the circular economy and to addressing one of the most pressing environmental problems of our time – the pollution of the oceans by plastic waste. The yarn of this fabric is made from 100% recycled polyester, which includes plastic waste from the sea. Plastic waste is collected and recycled by the approved partners of the SEAQUAL INITIATIVE organisation. This gives rise to SEAQUAL® YARN which contains approximately 10% upcycled marine plastic (plastic waste from the ocean) and 90% post-consumer PET from land sources. A further addition to our 2023 fabric collection is "Grain" fabric which comprises 92% recycled post-consumer polyester content.

In our premium upholstery finishes we also offer several leathers made from European cowhides including an all-natural nappa leather that has been tanned using sustainable olive leaf extract.

By switching from a multi-layer to a single-layer cutter for fabrics, and from manual to digital leather cutting, the Endingen site has not only been able to reduce the quantities of materials cut, but also save a considerable amount of time. The objective for 2023 is to ascertain and evaluate our offcut quantities on a month-by-month basis with the help of specialist software; something which has not been possible to date. In 2023, employees working in our cutting shop will deepen their knowledge and acquire new skills in a comprehensive "Cutting optimisation" workshop.

Small leather remnants are already reused in the shoe and bag industry. A solution for fabric remnants is yet to be found.

Packaging material

During our procurement process, we insist on environmentally friendly packaging solutions from our suppliers. The majority are reusable containers and packaging, which we return to our suppliers in each instance. The materials comprising any disposable packaging are collected by type and then recycled or disposed of in an environmentally friendly manner.

Girsberger products are delivered either by our own furniture transport vehicles or by forwarding companies that specialise in furniture transport. This enables our furniture to be shipped with significantly reduced packaging. Seating furniture is usually only covered by a light PE bag. On our aluminium star-shaped chair bases, the spokes are protected against scratching by a protective stocking made of foamed PE. In contrast, we use cardboard, PE foam film and PE bubble film as edge and surface protection for our tables and auxiliary furniture items.

Thomas Gasser

Wood as a raw material

Over the last reporting period, more solid timber was again processed in Bützberg than in 2019/2020. A total of 1,664 m³ was processed, which represents an increase of 10.9%.

In 2021, 99.9% of the total volume of timber, including so-called American walnut (Juglans nigra), and in 2022 100% was sourced solely from sustainably managed European forests.

We attach the greatest importance to sustainable forestry. In this field, the various existing eco-certificates and labels often provide insufficient certainty. Although they are awarded by various institutions, associations or so-called "independent" testing institutes, there is usually a lack of regular checks and inspections after a certificate has been awarded. Moreover, protected forests are being felled and some quality labels have proven to be deceptive eco-promises. The dangerous extent to which these abuses have reached was revealed in early 2023 by an international investigation led by the International Consortium of Investigative Journalists (a global network of 280 investigative journalists in over 100 countries). This research demonstrated how the valuable resource of wood is being threatened by illegal logging, increasing global demand and questionable certifications. In response, Greenpeace Switzerland stated in a press article dated 2 March 2023, that: "Wood labels like FSC can actually be harmful". The implication here being that every kind of label must to be critically examined.

This makes it all the more important for us to know exactly where our solid timber comes from. To ensure that our solid timber only comes from sustainable forestry practices, our timber is assessed and purchased locally by Girsberger's specialists in the field throughout Europe. This on-site assessment and procurement is associated with ongoing high travel expenses to the sometimes extremely remote forested areas of Europe. However, this effort pays off. That's because we can monitor trees on their journey from logs to the processed end product: from the very beginning, be it directly in the forest or at the log yard where the logs are collected, through to the work in the sawmill, the processes in the steaming chamber and to the years of storage in the open air – followed by kiln drying. The origin and seasoning of logs, all the way through to the usable raw product are consequently permanently subjected to our monitoring.

Oak is and will remain a highly sought-after wood for the foreseeable future. Consequently, this species has become heavily overexploited and is at risk of ruthless logging. For this reason, we have been working with the French APECF Association (Association pour l'emploi des chênes et des feuillus français) since 2019. This association, whose members include all the processors of French hardwoods, is supported and promoted by the government of France. The association aims to safeguard the limited availability of this resource in the medium and long term, and also to secure employment in the sector. With this in mind, the association has set itself the task of disseminating and implementing an "EU Transformation" quality seal. The companies accredited by the association are obliged to export any oak logs purchased under this state-supported label exclusively to EU member countries, Switzerland and England, and then to process this timber only within these borders. Each company is audited at least once per year. During these inspections, the timber purchased through EU sales must have demonstrable confirmation of its ecological integrity and traceability. In addition, inspections may also be carried out on site at the customers of accredited companies. Under this strict set of rules, the use and further processing of French oak logs is strictly controlled and managed in an environmentally friendly manner.

Further information about this quality mark is available at: https://label-apecf-80. webself.net/presentation.

Due to the expansion of our timber trading operations, which have been a separate Girsberger business unit since 2014, the volume of our own solid timber requirements is now of secondary importance. At the storage sites of Girsberger's wood processing





International Consortium of Investigative Journalists (ICIJ)
Link to the website: https://www.icij.org/investigations/deforestation-inc/



Peter Reichen Head of Wood Trading, Girsberger AG





Wood as a raw material

companies in Switzerland, Germany, France and Austria, a stock of approx. 5,000 cubic metres of air- and kiln-dried wood is permanently available for our wood-processing customers to choose from.

The trend towards using oak timber across all timber grades has continued to increase over the last reporting period, reflecting a dominant 62.8% share of the production in Bützberg (1,044 m³ of a total of 1,664 m³). In addition to this, 17.7% (294 m³) of European black walnut, 6% (99 m³) of elm, 5.3% (88 m³) of European walnut and 4.5% (75 m³) of ash were processed. In total, these five species account for 96.3% of the total volume of our processed timber. These five named species are all semi-ring-porous or ring-porous (coarse, deep cell structure in the early wood), lending the wood a depth of character and expressiveness. The once highly sought after furniture woods like beech, maple, cherry, wild service tree, pear, etc. continue to remain in muted demand and corresponded to only 3.7% of our total timber demand for production in Bützberg for the years 2021/2022.

The challenge in the coming years will continue to be to properly assess our timber needs for all species. Oak in particular needs to be stored for a very long time until it can be processed in line with our quality requirements. Depending on the thickness of the rough-sawn planks, the storage period between log cutting and processing must not fall below three to five years. This means that decisions already need to be taken now about the oak qualities, thicknesses and finishes that will be in demand in three to five years' time. Well-planned and forward-looking decisions in wood procurement, in addition to economic success and the best possible availability, will also influence our ecological footprint. The better our warehouses are deployed, the more carefully we will be able to handle the valuable raw material that is wood. This is another way in which we are able to circumvent ecologically questionable procurement processes

Our very special business depends on three cornerstones:

- the fascination of wood and our maxim:
 "Beautiful solid wood from sustainable forests"
- · our specialist expertise and
- our close connections with our trusted wood suppliers in Europe.

We intend to continue to nurture and consolidate these vitally important values – for the good of our customers.

Peter Reichen

Origin of the woods

2018

2019

2020

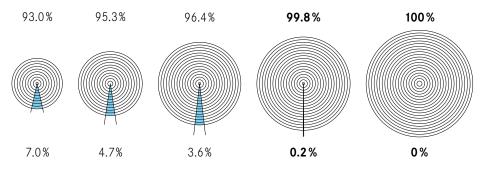
2021

2022

(Approximate percentages)

Europe

(Switzerland, Germany, Austria, France, Italy, Belgium, Slovenia, Hungary, Croatia, Czech Republic, Bosnia-Herzegovina, Slovakia, Poland, Serbia, Romania)



Other

(USA, Canada, Georgia)





Environmental relevance and business ecology

Every year we prepare an environmental relevance analysis for the processes and activities in our company. We use a measurement and control plan, as well as legal requirements, to do this. This analysis helps us to classify which of our processes are relevant to the environment, and helps us to secure the sustainable further development of the company. In this way, important matters become adopted into our objectives. We continuously monitor our progress in achieving targets by using key performance indicators.

Excerpt of environmental topics showing relevance by site:

Girsberger AG, Bützberg							
Process	Type of activity		Measures				
Administration	Business travel	CO ₂ emission	CO2 compensation 100% since 2015 Provide preconditions for e-mobility				
Woodworking	Cutting	Resource consumption	Offcuts are continuously monitored and optimised				
Surface	Suction/sand- blasting	Emissions	Where possible, blasting is used to avoid waste lye				
Logistics	Transport	CO ₂ emission	Press ahead with electric vehicles and e-charging stations				
Infrastructure	Lighting	Energy consumption	Where lighting needs to be replaced, it is changed to LED				
Infrastructure	Power consumption	Energy consumption	Investigating a photovoltaic system for the Bützberg site				
Infrastructure Disposal		Waste	Continue waste separation and recycling, expand this wherever possible				
Girsberger GmbH, Endingen							
Process	Type of activity	Environmental relevance	Measures				
Administration	Business travel	CO ₂ emission	CO2 compensation 100% since 2015 Provide preconditions for e-mobility				
Cutting	Cutting	Resource consumption	Offcuts are continuously monitored				
Logistics	Transport	CO ₂ emission	External by hauliers; electric vehicles and e-charging stations internally				
Infrastructure	Power consumption	Energy consumption	Extension of the photovoltaic system for self-consumption				
Infrastructure	Disposal	Waste	Continue waste separation and recycling, expand this wherever possible				

Operational waste, disposal

Bützberg site

The wood waste which we use for heating, continues to account for the largest share of recyclable waste at 86%. This share of waste has increased compared with the previous reporting period, since our heating requirements were higher due to the weather, and we were also able to further reduce the use of fossil fuels for emergency operation. The remaining waste, both recyclable and non-recyclable, has not only decreased compared to the total amount of waste, but also decreased in absolute numbers. This can certainly be attributed in part to our efforts to reduce waste; but our progress here has been most marked in the field of packaging. Waste volumes however will also remain project-dependent. Particularly in remanufacturing projects, peaks in disposal may also occur in the future. Overall, we were able to exceed our target of recycling at least 88% of our waste with an achieved 93%. We also intend to maintain this target of 88% for the next reporting period.

Endingen site

At the Endingen site, the amount of non-recyclable waste increased slightly by 6%. However, we succeeded in reducing the total amount of waste by 12% during the reporting period. At the Endingen site, too, the reductions were observed primarily in wood, cardboard and plastic film. In effect, the typical packaging materials that we are continually trying to minimise and reuse directly so that waste does not occur in the first place. Due to the general reduction in the amount of waste generated, the non-recyclable part was brought into sharper focus. Unfortunately, we therefore did not achieve our objective of maintaining this share at a minimum of 84%. Over the reporting period, the recyclable share fell to 81%. In the reporting period ahead, however, we wish to maintain our target of at least 84% and to reduce our non-recyclable share of waste to the same extent as that for our total waste.





Roland AmmannHead of Production and Logistics,
Girsberger AG

Operational waste	Unit	2017	2018	2019	2020	2021	2022
Girsberger AG, Bützberg							
Waste wood recycled as heat	t	255.8	268.6	262.0	257.6	295.8	325.4
Waste for incineration	t	38.9	39.3	48.7	34.6	23.9	27.8
Recyclable waste	t	54.3	35.4	44.4	24.6	21.4	24.9
Hazardous waste	t	2.0	0	2.1	0	2.0	1.2
Girsberger GmbH, Endingen							
Waste wood recycled as heat	t	0	0	0	0	0	0
Recyclable wood	t	4.6	7.8	5.9	6.9	1.0	1.4
Waste for incineration	t	24.0	23.6	21.1	24.0	23.8	24.2
Recyclable waste	t	116.4	124.1	114.5	111.2	106.7	93.1
Share recyclable Bützberg	%	88.4	88.5	85.8	89.1	92.5	92.4
Share recyclable Endingen	%	82.9	84.8	85.1	83.1	81.9	79.6





Logistics (Road traffic and transport)

Road traffic and transport in Switzerland

During the current reporting period, we replaced one truck and our vans with new vehicles. This means that, with respect to exhaust emission standards, our entire transport fleet is entirely compliant, but we are still using fossil fuels. Presently, there are no vehicles with CO2-neutral energy sources on the market that can cover our transport needs in an economically justifiable way. For our regular works transport between the Endingen and Bützberg sites, we will examine in 2023 together with our haulage company whether the use of an electric truck is possible and economically justifiable.

The decrease in fuel consumption in 2020 during the Covid pandemic, due to restricted travel, was unfortunately not sustainable. Fuel consumption in 2021 and 2022 has stabilised at pre-pandemic levels again.

During 2022 we conducted a survey among our employees regarding e-mobility. This showed that our current charging infrastructure is sufficient in both Bützberg and Endingen. However, according to the analysis of this survey, the demand for charging facilities will increase from 2024. We have taken this into account in our investment planning for the coming reporting period.

Transport in other markets

Outside Switzerland, our products are delivered by specialist furniture removal companies. We intend to retain this system for the time being.

Roland Ammann



Energy consumption



Bützberg site

There were no changes in the proportionate energy consumption at the Bützberg site. Heating consumes the most energy at 50%, followed by transportation at 30% and electricity for plant operations at 20%.

If we take a closer look at the development of these areas, we see that heating energy consumption, adjusted for heating degree days, remains very stable. We were able to further reduce the consumption of fuel oil as a back-up and safeguard in the event of a failure of the wood-based heating system. We generated over 95% of the heating energy at the Bützberg site during the reporting period in a CO2-neutral manner from our own wood waste. In terms of fuels, as expected, consumption has returned to pre-Covid levels. Significantly reducing this consumption will only be possible by switching to electric vehicles. In the case of vehicles weighing less than 3.5 tonnes, the technology has now advanced to such an extent that such vehicles represent real alternatives for many applications. The affordability and economic aspects of electric vehicles have also improved. Whenever we purchase vehicle replacements, we firstly check whether an electric vehicle would make sense and are convinced that we will be in a position to report on our initial experiences in the next two years.

With regard to electricity consumption, we analysed our consumers in response to the large escalation in energy prices in 2022 and attempted to identify potential savings. This has been achieved successfully with our lighting, for example. We were able to do away with all of the decorative exterior building lighting, dispense with illuminating our exhibit at night, and have reduced security lighting to a minimum. As a result of this, after an increase in 2021, we were able to reduce our electricity consumption in the following year to below the level of the 2020 pandemic year. It is our intention to continue working on this over the coming years. Scope for additional savings remains in wood chip extraction systems and in the lighting of production work areas. The exploitation of this potential has been incorporated into our targets for the next reporting period.

Energy consumption

Energy source	Unit	2017	2018	2019	2020	2021	2022
Girsberger AG, Bützberg							
Heating oil	MWh	132	119	152	103	80	99
Wood	MWh	1,919	2,015	1,965	1,761	2,048	1,928
Electricity	MWh	850	812	795	755	817	749
Diesel	MWh	1,224	1,209	1,146	1,047	1,126	1,193
Petrol	MWh	65	92	84	74	96	110
Girsberger GmbH, Endingen							
Natural gas	MWh	821	737	784	817	856	859
Electricity	MWh	181	196	204	189	207	202
Petrol/diesel	MWh	662	671	633	515		
Diesel	MWh					537	474
Petrol	MWh					30	110
Water consumption							
Girsberger AG, Bützberg							
General	m³	1,482	1,487	1,297	1,194	1,215	1,202
Irrigation	m³	638	1,393	776	804	387	913
Process water	m ³	2,281	2,999	2,538	942	1,547	351
Girsberger GmbH, Endingen							
General	m ³	750	698	683	746	657	761

The entire electricity requirement for the Bützberg site is covered by electricity that has a Swiss hydropower certificate of origin of. We intend to maintain this arrangement for 2023 and 2024. In the coming reporting period, we will also investigate the feasibility of installing a photovoltaic system at the Bützberg site.

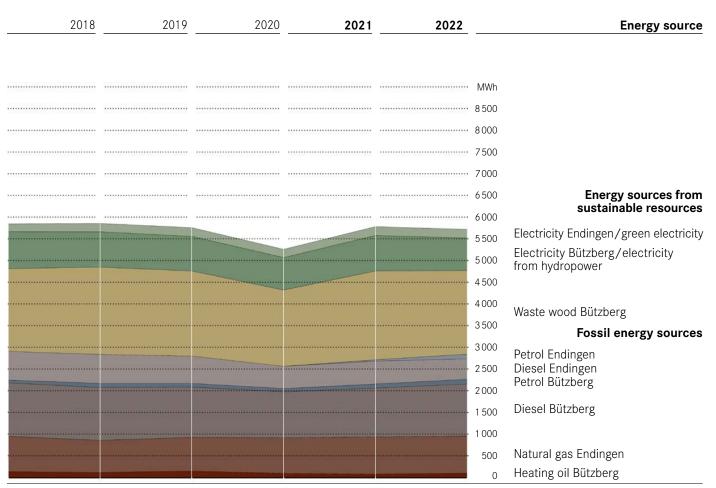
Endingen site

At our Endingen plant, the distribution of energy consumption has also only changed slightly. Heating is responsible for the most energy consumption at 52%, followed by fuels at 35% and electricity at 13%.

As expected, there was an increase in heating energy consumption, adjusted for heating degree days, due to the newly built warehouse. In the second half of 2022, indoor temperatures were reduced to a maximum of 19°C in order to save on heating energy. Consumption of fuels has also risen again slightly, but not to the pre-Covid pandemic levels in Switzerland. Compared to the 2019/20 levels, we were 6% lower in 2021/22. In the coming reporting period, we will strive to stabilise consumption at this level. As regards electrical energy, our consumption is again back at 2019 levels. We purchased green electricity from our energy supplier through to the end of 2022. Moreover, we were able to extend this supply contract once again. For 2023, we have also set ourselves the objective of enlarging our photovoltaic system. We intend to install an additional approx. 60 kWp and also use this generated energy internally.

Roland Ammann

Overview energy consumption



Water

Water consumption at the Endingen site is mainly a consequence of usage in the sanitary facilities and social areas. The consumption figures remained respective stable and lie within the normal fluctuation range.

In Bützberg, general water consumption accounts for 43% over the reporting period and has been stable over four years at approx. 1,200 m³/year. Process water for wood drying is the next largest consumer at 34%, followed by the irrigation of green areas at 23%. Water consumption for both process water and irrigation varies widely. In the case of irrigation, this is dependent on the weather, whereas process water consumption depends on the usage of the wood drying system. In 2022, we completed an upgrade to the water treatment process that will enable us to make 30-50% savings in process water consumption. The 2023 figures will show definitively whether this remains achievable in the long term. The reduced consumption in 2022 is promising, but since the savings only occurred over a few months and system usage additionally influences consumption, only the figures for the full 2023 year will provide a reliable assessment.

Roland Ammann

Emissions



In terms of emissions, CO2 stands in the foreground at both sites under review. Our CO2 emissions were recompiled for this report and categorised into Scopes 1 to 3. At both sites, fossil fuels for mobility (in addition to heating energy at Endingen) are the main emitters of CO2. We had set ourselves the objective of expanding the charging infrastructure for vehicles weighing up to 3.5 tonnes in the current reporting period. However, a needs assessment for staff and fleet planning at both sites indicated that the existing infrastructure would be sufficient to meet demand until the end of 2023. We are however again considering a respective expansion for 2024.

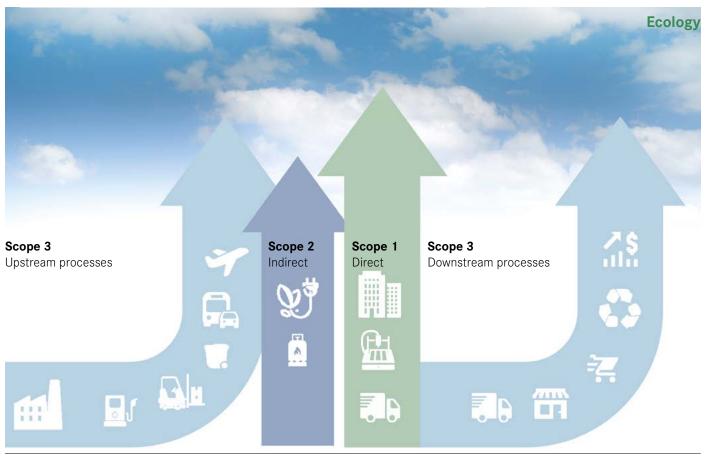
All of our CO₂ emissions falling under Scopes 1 and 2, as well as quantified emissions under Scope 3, are fully offset with certificates from the Fair Recycling Foundation.

Bützberg site

For the present report, we have recalculated the emission factors for CO₂, but also for SO_x and NO_x, using current figures provided by the FOEN (Federal Office for the Environment). The SO_x and NO_x emissions however are so low, at 0.006 and 0.3 tonnes respectively, that we will remain mindful of these, but will not discuss these further in this report.

Under Scope 1, fuel is by far the largest item, accounting for 87% of the total. We note that emissions have returned to their previous customary levels, following the reduced mobility caused by the pandemic. Furthermore, the CO2 emissions from the oil heating system, at 6%, belong to direct emissions under Scope 1. For this classification, we have succeeded in keeping the proportion of oil used to cover our heating energy requirements at a low level. Our wood heating worked reliably and there were few very cold days that could not be covered by our wood heating alone.

Under Scope 2, we report on our electricity usage. Here, we almost exclusively used electricity with a Swiss hydropower certificate of origin. The adjusted conversion factor, according to the FOEN, and the simultaneous savings that we were able to achieve in 2022 more than halved the CO2 emissions under Scope 2 compared to previous years.



Procurement of raw materials and goods, fuel and energy, transportation, logistics, waste, business travel, employee commuting

Procurement of energy, gas

Buildings, plant and equipment, vehicle fleet Transportation, distribution, use of goods, returns, recycling and disposal

CO₂ emissions

Girsberger AG, Bützberg	Unit	2017	2018	2019	2020	2021	2022
Scope 1							
Petrol/diesel	t	345.0	348.4	329.3	300.0	323.9	344.5
Heating oil	t	32.3	29.2	37.1	25.0	23.3	26.2
Scope 2							
Electricity	t	34.0	32.5	31.8	30.1	32.7	13.1
Scope 3							
Flights	t	13.5	14.3	18.6	1.5	1.5	6.0
Total compensation via							
Fair Recycling	t	424.8	424.4	416.8	356.6	381.4	389.9
Girsherger GmhH. Endingen							
Girsherger GmhH. Endingen							
Girsberger GmbH, Endingen Scope 1							
<u> </u>	t	180.9	183.3	172.9	140.7	150.1	154.6
Scope 1	t t	180.9 127.3	183.3 114.3	172.9 121.5	140.7 126.6	150.1 132.7	154.6 133.2
Scope 1 Petrol/diesel	t t						
Scope 1 Petrol/diesel Natural gas	t t						
Scope 1 Petrol/diesel Natural gas Scope 2	t t	127.3	114.3	121.5	126.6	132.7	133.2
Scope 1 Petrol/diesel Natural gas Scope 2 Electricity	t t t	127.3	114.3	121.5	126.6	132.7	133.2
Scope 1 Petrol/diesel Natural gas Scope 2 Electricity Scope 3		127.3	7.8	8.2	7.6	8.3	133.2

13 CLIMATE ACTION

Emissions

Only flights were able to be quantified for Scope 3 emissions. These fell to almost zero during the pandemic and rose again slightly in 2022. Constituting only 1%, the quantifiable and offset emissions falling under Scope 3 are insignificant, yet we will continue striving to reduce emissions in procurement (e.g. CO2-neutral printed materials), among employees (charging infrastructure for private vehicles), and the life cycle of our products to positively influence such emissions under Scope 3.

In addition to CO2 emissions, we have set ourselves the objective of investigating whether it is possible to convert our solvent-based lacquer and paint systems over to using water-soluble products. To this end, we conducted an extensive study in conjunction with the Bern University of Applied Sciences in 2021 which unfortunately showed that water-soluble systems would not meet our requirements. The water-based systems performed worse in both chemical and mechanical resistance testing. What was decisive for us, however, was the visual appearance, where the water-soluble systems were unable to meet our requirements.

Consequently, our VOC emissions will remain at 5 to 6 tonnes per year.

Endingen site

At the Endingen site, our CO₂ emissions were also significant. NOx has been assessed, however will not be considered further at this point due to the very small amount of 0.1 tonnes.

The situation with CO₂ is very comparable to Bützberg. Under Scope 1, fossil fuels were foremost with 52%, followed by heating energy with 46%. On account of heating with natural gas, the heating energy CO₂ emissions for Endingen are significantly higher than those for the 95% CO₂-neutral heating using wood waste at Bützberg.

The emissions under Scope 2 in Endingen also derive exclusively from electricity. According to the supplier, the electricity supplied in 2022 was CO₂-free (already offset), meaning that the electricity in 2021 and 22 accounted for only 1% of total CO₂ emissions. Under Scope 3, again only flights qualify and these account for 1% of Endingen's total emissions. The non-quantifiable savings under Scope 3 include the efforts already mentioned for the Bützberg site.

Roland Ammann

"We are committed to equal treatment and equal opportunities. Employment, promotion, appraisal, remuneration and severance are always and exclusively based on job position and performance."

Social affairs





Manuela Kurbjuhn Head of Human Resources, Girsberger GmbH



Nadine Zürcher Head of Human Resources, Girsberger AG and Girsberger Holding AG

Our employees and corporate citizenship

Equal treatment, equal opportunities and equal pay

Motivated, committed employees with a high level of expertise are the key to the successful further development of our group of companies. For this reason, the satisfaction of our employees and their identification with the company are permanently given the highest priority as a fundamentally important objective.

We place particular importance on tolerance, open-mindedness, flexibility and mutual respect in our daily actions and in our dealings with one another. We regard diversity as an opportunity and our resource for inventiveness and innovation. Our corporate culture is characterised by a shared passion for our products and collegial cooperation as the basis for a high level of identification with the company. Girsberger employs people with a total of 21 different nationalities. This diversity is an enrichment for all of us and it promotes cultural exchanges. We are committed to equal treatment and equal opportunities. Employment, promotion, appraisal, remuneration and severance are always and exclusively based on the job position and performance. Personal traits such as gender, ethnic background, nationality, age, sexual orientation or gender identity, religion or political views must never be decision-making criteria. Furthermore, discrimination, any kind of harassment, intimidation, oppression, exploitation and physically or psychologically unsafe working conditions are always unacceptable and will not be tolerated at Girsberger.

The mission statement "WE ARE GIRSBERGER" and the Girsberger Quality Commitment together form the basis of our corporate culture, corporate governance and employee management.

We review pay equality on a regular basis, at least once a year, to ensure that there is also strict equality for all employees in terms of wages and salaries. At the Bützberg site, this is done using the online "Logib" tool provided by the Federal Office for Gender Equality (FOGE); in Endingen, this is done after an internal analysis of identical or comparable tasks.

The past reporting period continued to be dominated by the worldwide Covid pandemic and was also largely affected by the restrictions imposed by the respective national governments. At the Endingen site, the number of sickness-related absences was at a high level of 4,438 hours in 2022. To prevent infection, strict hygiene measures were observed and, where possible, employees were transferred to working from their home offices. This enabled us to maintain daily operations without interruption, especially in the production area. After the measures were lifted in the spring/summer of 2022, a sense of normality returned. It was again possible to organise events for employees and maintain social contacts. Working from a home office, which was recommended and in some cases mandated during the pandemic, has now become an established part of our employees' everyday working life. More flexibility in the organisation of work also positively supports or influences a harmonious work/life balance. Looking back, one of the biggest challenges in the reporting period was recruiting new employees. The shortage of skilled workers was and also remains clearly noticeable at Girsberger. The recruitment of employees, especially specialists and junior staff, i.e. trainees, will remain one of the foremost challenges of the coming reporting period. The baby boomers will be leaving the company in the next few years since they will have reached their retirement age, which will exacerbate this challenge. We are in the midst of a demographic shift. This means that our future recruitment campaigns will, for example, also increasingly explore new avenues via social media to address different target groups and also use these channels to bolster our image as an employer.

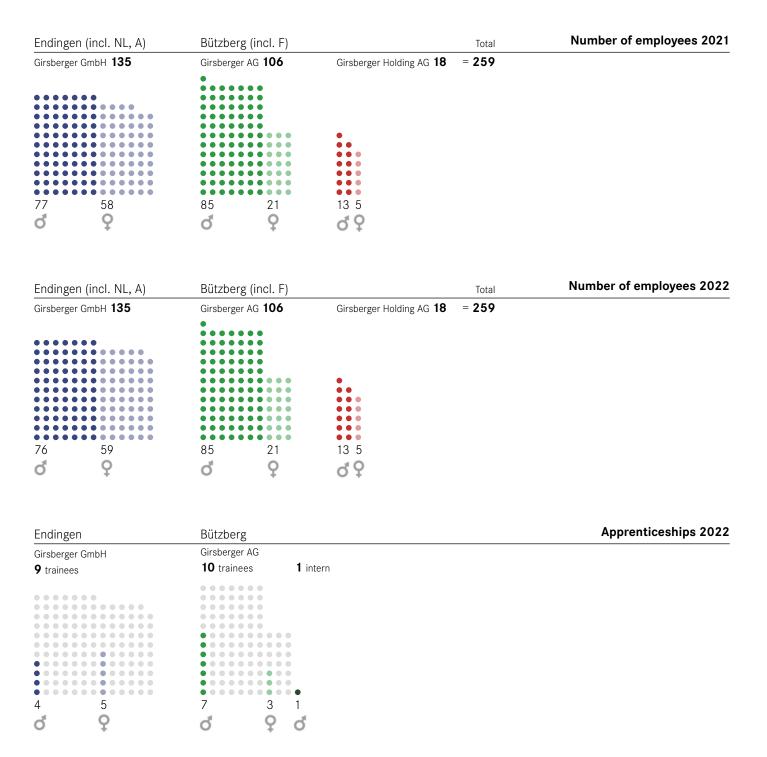
The company's attractiveness as an employer will continue to be strengthened and consolidated in the future with targeted measures. Our respective objectives and actions here are described in the following topics.

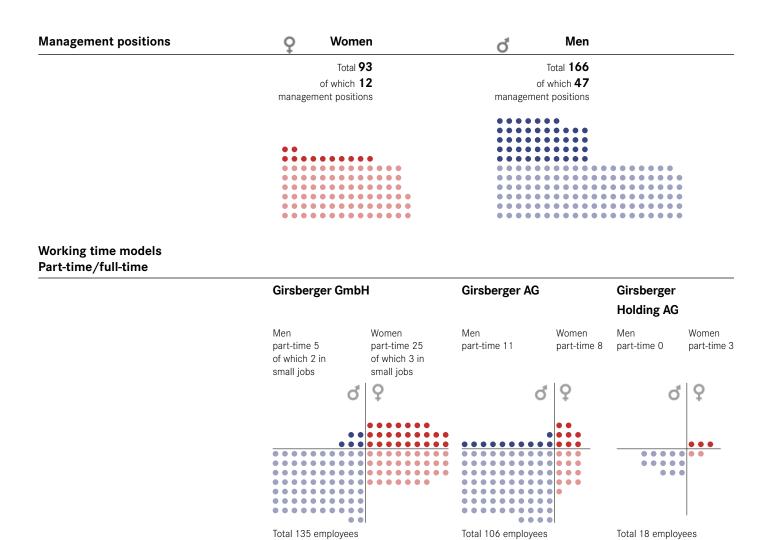
Manuela Kurbjuhn, Nadine Zürcher

Employees in number

The certified companies Girsberger Holding AG, Girsberger AG and Girsberger GmbH with their sales units, employ a total of 259 employees (including 19 trainees) from 21 nations. In the reporting years 2021 and 2022, the workforce remained stable; the turnover rate increased from 6.9% (2021) to 8.1% (2022). The increase in 2021 at the Endingen site is due in particular to retirements and the departures of employees on long-term sick leave who were unable to return to work. At the Bützberg site, the percentage of 8.8 is below the 2019 level (10.8%).







"WE ARE GIRSBERGER - We share a sense of unity that is attributable to tolerance, open-mindedness, flexibility and professional cooperation."

Nationalities	Endingen	Bützberg	
2022	Girsberger GmbH	Girsberger AG	Girsberger Holding AG
	17 nationalities	7 nationalities	3 nationalities
	Germany, France,	Switzerland,	Switzerland,
	Syria, Kosovo, Netherlands,	Germany,	Germany,
	Afghanistan, Poland,	Italy,	Italy
	Latvia, Austria, Belgium,	France,	
	Italy, Kazakhstan, Croatia,	Eritrea,	
	Pakistan, Romania, Turkey,	Iran,	
	Russian Federation	Macedonia	



Employee satisfaction



An open culture of discussion and feedback, as well as annual performance reviews covering work satisfaction and performance plus supervisor appraisals are the core components that allow us to address the needs of our employees. During our annual performance reviews, the level of employee satisfaction concerning five factors is ascertained on a scale ranging from 1 (minimum) to 10 (maximum). Returning an average score of 8.0, the score at the end of 2022 is slightly lower than that for 2021 which gave an average of 8.1.

The annual review form relating to the appraisal of supervisors was revised at the beginning of the reporting period. Employees are asked to rate the following six criteria: leading by example; feedback; delegation of tasks in line with skills; delegation of tasks in line with scope for action and decision-making; sharing of information necessary for the completion of the respective task as well as for support and encouragement. The 2021 and 2022 appraisals returned an identical average score of 8.8 on a rating scale of 1 (minimum) to 10 (maximum). Any appraisals of 5 or lower are analysed by the managers, then discussed in a joint meeting with the employees and/or supervisors concerned; objectives are defined and any necessary measures are implemented. The human resources department is responsible for implementation by 30 June each year. In order to meet employees' increasing need for flexibility, one focus in the year under review was on extending the range of available hard- and software. The basic version of Office 365 (email via office.com plus Microsoft Teams) was made available to all employees. Individual business processes were revised, e.g. in customer service and in timber trading, to be able to take advantage of new opportunities. By the end of 2022, 80 or 47% of all employees out of a total of 169 users will have a notebook computer, so enabling them to work from any location (Bützberg site 50%, Endingen 43%). All project managers were furnished with CAD-capable laptop computers. Fifty three percent of the workforce has a PC, which also makes it necessary for them to work on site. The tasks undertaken by 34% of the employees within this percentage require them to work on site (warehouse, shipping, carpentry workshop, reception, etc.). The slightly lower rating for the IT system in the employee survey - from 8.0 (2021) to 7.9 (2022) - is attributable to the dissatisfaction of individual employees with some of the software that is used.

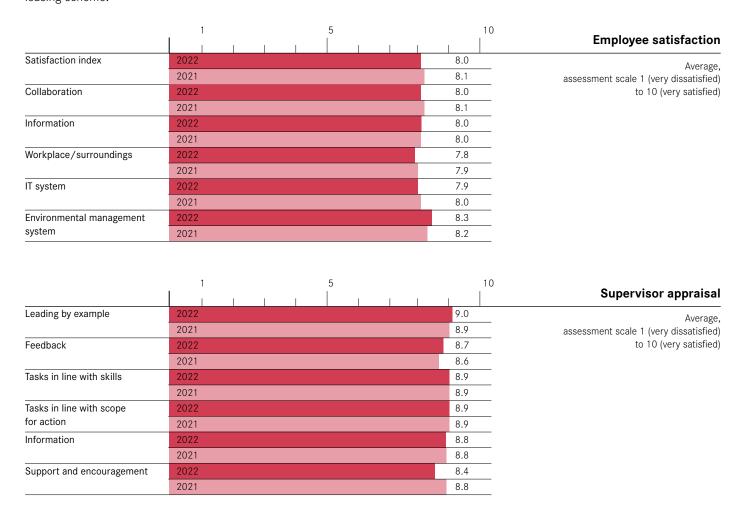
"To allow our employees to develop their full potential, we give them sufficient freedom to make decisions and act as independently as possible." In the coming reporting period, we will continue our efforts to promote flexibility and location-independent working. Where necessary and possible, fixed workstations will be replaced by mobile ones (employee's or supervisor's request, change of task area, replacement due to technical requirements, etc.). Furthermore, the imminent migration to Windows 11 will see the replacement of older PCs and notebooks that no longer meet these increased operating requirements. All Office programs will also become cloud-enabled with the introduction of Office Business Premium. This will allow further business processes to be structured independently of location.

Creating modern, flexible and family-friendly employment conditions was the primary objective behind the revision of the employment and working time conditions at the Bützberg site. The amendments therefore addressed in particular the reduction of the expected working time from 42 to 41 hours, the increase of the holiday entitlement from four to five weeks (from the age of 60 the holiday entitlement remains at six weeks, as before), individual break arrangements, more flexible daily working hours, part-time work and home office work where possible and feasible.

The Endingen site will also revise its employment and working time conditions over the next reporting period. The main focus will be on reducing working hours and increasing the number of holidays for all employees to 30 days. As from 1 September 2023, the remuneration of trainees will be increased by € 165 in the first, € 215 in the second and € 315 in the third year of training. On top of this, a team is looking into the establishment of a company health insurance scheme to offer selected additional benefits over and above those provided by regular health insurance.

Leisure activities enjoyed together serve to strengthen the feeling of unity and belonging. This might be i.e. a leisurely after-work beer, a barbecue, a game of bowling or even a

relaxed day of skiing. During 2023, the recreation rooms at the Bützberg site will be enlarged and redesigned. In Endingen, the outdoor area was upgraded during the last reporting year. An investigation is also underway in Endingen to see whether a charging station for e-bikes would also be possible within the planned scope of expansion for the e-vehicle charging station. In order to make it even more attractive for employees to take out a company bike lease, we will look into the possibility of covering the fully comprehensive insurance or offering a one-off signing bonus as a take-up incentive. By the end of 2022, a gratifying 20 employees were making use of the company's bike leasing scheme.



Workplace health promotion

Our workplace health promotion aims to prevent accidents and illnesses, reinforce the conditions that sustain good health, and improve well-being in the workplace.

At both production sites, our targets and preventative measures relating to workplace health and safety are drawn up by a specialist committee (comprising the production managers, heads of finance, safety officers, heads of human resources and an employee from production/administration from each site). Any recent incidents relating to workplace health and safety provide information for targets and preventative measures. Which occupational accidents have we experienced? Is there any evidence of a specific pattern; can a need for specific training be identified from this? Similarly, any findings from the monthly inspection rounds by the safety officer are also taken into account. After each analysed incident, preventative measures will immediately be put into place and, where necessary, training will be carried out which is monitored and documented by the safety officer.

During the reporting period, the health-related focus at the Bützberg site was on refresher courses for our paramedics (defibrillators), while ongoing safety was maintained with training courses on the use of counterbalanced forklifts, pedestrian-operated pallet

Workplace health promotion



trucks and the prevention of falls/trips. In Endingen, workplace health and safety measures are carried out annually or at specified intervals in accordance with legal requirements. In 2022, one focus was a refresher and advanced course in first aid. Thirteen employees were trained, four of them as new first aiders. Another focus was the fire safety training in June 2022; this was attended by all employees present. The emphasis was on providing training in how to behave in the event of a fire and how to use fire extinguishers. Practical exercises accompanied the theoretical training. Flu vaccinations are offered every year. During the pandemic, all company employees were eligible to receive Covid vaccinations (two vaccinations in 2021 and a booster vaccination in 2022). Workplace health and safety training hours at both sites totalled 302 hours in 2021 and 429 hours in 2022.

The low figures for employee absences at the Bützberg site in 2021 are attributable to the associated Covid pandemic. Strict masking requirements, the observation of

minimum separation distances, home-office work, no flu-related absences, no company events and further measures resulted in a very low number of absences. In Endingen, the number of absences increased from 19.1 to 25.5 days per employee in 2022. These were caused principally by long-term illnesses, but also by various respiratory diseases. In 2022, we recorded 8,609 hours without pay. Overall, the highest value in 25 years was recorded in Germany. In 2022 this figure was 5.5 percent, making it 1.5 percentage points higher than in the previous year, according to assessments by the IGES Institute (based on the sick leave records of 2.4 million DAK-insured employees). In the field of health and well-being, some activities were able to be recommenced after the Covid pandemic in 2022. Accordingly, the month of June was themed "Girsberger -Fit throughout June". Over a four-week period, employees were able to take advantage of various offers (e.g. a Nordic walking course; an introductory jogging workout/Vita Parcours fitness trail session; a run, walk & fun event; ergonomics at the workplace; snack day) as well as participate in a site-spanning team challenge (cycling, jogging, hiking or Nordic walking). A Health Awareness Day focusing on body analysis was also held at the Endingen site (body mass index, muscle mass, basal metabolic rate, total

An investigation into possible support for health check-ups and preventive medical examinations had to be put on hold due to a lack of capacity.

Specific activities in the fields of exercise and nutrition are embedded in our annual planning. During the next reporting period, we will hold a Health Awareness Week at the Bützberg site with the focus on nutrition and exercise. In Endingen, the Health Awareness Day which was first held in 2022 and met with a very positive response from the employees will be extended to two days annually. The Barmer Ersatzkasse health insurance fund is supporting us in this endeavour. In 2023, the focus will be on analysing individual stress levels and recovery capacities using heart rate variability (HRV). The plan is to repeat the body analyses to enable employees to compare these with their measurements from 2022. It is intended that the eye pressure and blood glucose measurements will be undertaken by the company physician. The health awareness days and weeks at both sites are to become an integral part of our company's health promotion programme. Similarly, the site-spanning team challenge (hiking, walking, jogging, biking) will also be resumed.

Overview absences	Absences in days per employee and year	2017	2018	2019	2020	2021	2022
	Girsberger AG and Girsberger Holding AG, Bützberg	7.7	6.5	6.0	6.8	4.7	6.9
	Girsberger GmbH, Endingen	12.0	15.9	19.3	19.2	19.1	25.5

body water and visceral fat percentage).



Training



A vitally important element in our role as managers is to identify our employees' talents and potential for development and deliberately encourage these. The options need to be discussed together, especially during the annual staff review, and that forms the basis for the employee's objectives and any measures that need to be taken. Ideally, this would lead to employees and managers taking on additional responsibilities or being promoted into more demanding roles.

The guarantee of traineeships in various vocations will remain a given at both sites and work placements will also continue to be offered wherever possible. Sustainability as a concept will also become a component of vocational training at Girsberger in future. In 2022, the offering from "ClimateLab" was incorporated in the company's training programme for the first time. Two trainees from Endingen and one from Bützberg took part in this two-day training workshop. After the course, the trainees work on a small project in the field of sustainability which they then present to ClimateLab and internally and, where feasible, also implement. Further information can be found at www.myblueplanet.ch

In the last reporting period, our focus was on the targeted advancement of young professionals, i.e., trainees and employees in their first or second job after completing their vocational training. Our development and training of young people is intended to counteract the shortage of skilled workers, as well as prevent the loss of company-specific knowledge due to retirements.

At the Bützberg site, eight employees completed professional development; five of these were awarded a Swiss Federal Professional Education and Training Diploma. During the pandemic year of 2021, many professional development courses, particularly at the Endingen site, were cancelled by the employers' liability insurance association and other providers, which is the reason for the low training rate.

We were able to offer work placements at the Bützberg site, particularly in the field of surface finishes and treatments. Students from the Bern Technical College each worked at our plant for about two weeks. In 2021 we accepted 14 work placement students, in 2022, 24. We were subsequently able to offer permanent employment to one student. At the Endingen site, hardly any work placements took place as they were cancelled by the schools due to the pandemic.

The shortage of qualified specialists will continue to be a major concern for us in the coming years. It is therefore all the more important for us to continue the development of skills in young people systematically, and to identify talented individuals and encourage and train them according to their abilities. This will remain one of our primary objectives in the coming reporting period. Another focus will be on the continuing professional development of managers with employee responsibilities.

Overview of training	Training	Unit	2017	2018	2019	2020	2021	2022
	Number of trainees as a percentage of all employees	Percent	6.9	7.8	7.1	7.4	7.5	7.5
	Trainees Girsberger AG, Bützberg	Number	10	10	9	10	10	10
	Trainees Girsberger GmbH, Endingen	Number	8	10	9	9	9	9
	Total internal and external training days	Days	192	225	244	61	76	104
	Number of hours of training per employee	Hours	6.8	8.1	9.1	4.2	5.6	7.5

Corporate citizenship

We regard it as our duty to make a contribution to society. Where feasible, we employ people with disabilities or those who have had to flee from their own country. We regard social involvement as an investment in the values of our society.

Such opportunities have mainly been available at the Endingen site. We work there with 48° Süd GmbH. 48° Süd is a non-profit organisation that offers routes to qualifications and employment, sponsored by the Caritas foundation and local authorities in the district of Emmendingen. 48° Süd helps people who have difficulty accessing the jobs market to gain qualifications and find employment. This includes the long-term unemployed, the disabled and migrants. Due to the fact that hardly any work placements occurred in the years 2021 and 2022, unfortunately no offers of employment were extended respectively, we had come to the conclusion that one of the persons concerned was not yet sufficiently prepared for regular employment. Another institution is the Centre for Occupational Health, which focuses on medical-occupational rehabilitation. Here, people are prepared to enter a new vocation after undergoing rehabilitation. Where possible, we will offer work placements to people who have undergone rehabilitation. As part of our cooperation arrangements with organisations working in the public interest, Girsberger is committed to social coexistence within society. In making this corporate commitment, we wish to fulfil our social responsibility and also make an active contribution to sustainable social development at our company sites. We work with organisations offering sheltered workplaces to people with an impairment such as the Herzogenbuchsee Regional Work Centre, the WBM Madiswil Foundation, the Dornstetten Schwarzwaldwerkstatt and the Caritas Workshop, St. Georg. Services totalling CHF 192,000 (2021) and 214,000 (2022) were able to be purchased from these four sheltered workshops.

Since 2017, Girsberger GmbH has been involved in the FAIR Ways scheme run by the Freiburg Sports Club, an association of 15 partners committed to supporting initiatives on education, exercise, the environment, and solidarity.

During 2022, not all of our agreed contributions in our commitment toward FAIR Ways at the SC Freiburg were able to be made. As a compensatory measure, a tree planting campaign was initiated. Twenty trees (sweet chestnut, red oak and bird cherry) were planted in the Schopfheim municipal forest on behalf of Girsberger GmbH. A total of 3,550 deciduous trees and 750 conifers were planted during the course of this campaign. This will allow the "SC Forest" to contribute to climate protection in the region by absorbing approximately 10 kg of CO2 per year.

For more information, visit https://www.scfreiburg.com/verein/engagement/solidaritat/fair-ways-forderpreis/

We attach similar importance to our membership of associations and organisations that are committed to environmental issues, sustainable business management, and social and economic matters. Examples include the think tank Avenir Suisse; B.A.U.M. (German Environmental Management Association) and öbu, a Swiss network for sustainable business.

During the next reporting period, we will further develop our concept for supporting the voluntary work of our employees, which had to be postponed for capacity reasons. Further objectives at our Bützberg site include a commitment to social projects like "Zweimal Weihnachten" (2x Christmas), "Schweizer Tafel" (Swiss Table) and "Gassenküche" (Soup Kitchen). In Endingen, our focus will remain on supporting the homeless within the Förderverein Essenstreff Freiburg and continuing to support the Protestant City Mission for Ukrainian Refugees, especially children.



Ethics and human rights



In conjunction with and with the support of the company focusright, Zurich, we have developed the Girsberger Statement of Principles on Ethics and Human Rights during the reporting period. The aim of this statement of principles is to formalise and describe in more detail our commitment to society, as given in the "WE ARE GIRSBERGER" corporate mission statement. It is intended to provide a framework for our company's approach to and responsibilities concerning the human rights due diligence that applies to our own business activities, as well as to our suppliers and business partners. As described in our corporate mission statement, Girsberger is committed to respecting international human rights and employment standards. We recognise that companies have a responsibility to respect human rights in their supply and value-added chains and to prevent human rights abuses, while it is the duty of the state to protect human rights. Since we are aware of this corporate responsibility, we have already been observing the basic principles of responsible business management in our entrepreneurial activities for many years.

In implementing this statement of principles, we continuously review where particular risks for human rights violations exist along our value-added chains and prioritise the most serious human rights issues. As a part of this, we rely on specific risk analyses and identify the impact of our actions on human rights.

The following areas were identified as being particularly vulnerable:

- Occupational health and safety
- · Equal treatment, equal opportunities and equal pay
- Discrimination and harassment
- Consumer protection and product safety

"The Statement of Principles on Ethics and Human Rights provides the framework for our company's approach to and responsibilities concerning human rights due diligence." Presently, the formulation of the due diligence process concerning human rights is in the conceptual phase; the process comprises six core elements and is expected to be further developed and improved in a stepwise and continuous manner. (1) Statement of principles on ethics and human rights, (2) Analysis of potential and actual risks, (3) Integration of analysis results and taking appropriate action, (4) Embedding in the company, (5) Monitoring and reporting, (6) Grievance mechanism and remediation. Parts of these six core elements, (Phases 1 and 2), have already been implemented. During the next reporting period, we will aim to develop the basis for conducting audits at our A-suppliers in order to evaluate potential and actual risks and to take appropriate action where necessary and possible. It is planned for the ten

most important A-suppliers to have been audited by Girsberger by the end of 2024. The responsibilities that make up the statement are set out in the statement of principles. We will review our strategic approaches and actions annually with the aim of continuous improvement.

In 2022, a code of conduct for preventing and countering corruption and reporting irregularities (whistleblowing) was drawn up and implemented. These guidelines must be observed and implemented by all employees within the Girsberger Group. Managers with responsibilities towards employees must exemplify these principles of conduct and ensure that they are implemented accordingly in their area of work. All employees were notified accordingly and also received a copy of these guidelines. The guidelines, in four languages, have also been incorporated in the management and quality management system. A training session to deepen the knowledge of managers in this field will be held in the third quarter of 2023.

Manuela Kurbjuhn, Nadine Zürcher



Additional information

Link to download centre: https://girsberger.com/en/professionals/ downloadcenter/



Reports

The following documents are available for download from the www.girsberger.com website and download centre using the filter 'Sustainability and Environmental Management':

2020

- 2020 Sustainability Report
- Supplementary 2020 Sustainability Report
- · Certificate of climate neutrality

2018

- 2018 Sustainability Report
- Supplementary 2018 Sustainability Report
- · Certificate of climate neutrality

2016

- 2016 Sustainability Report
- · Supplementary 2016 Sustainability Report
- · Certificate of climate neutrality

2014

- 2014 Sustainability Report
- Supplementary 2014 Sustainability Report
- · Certificate of climate neutrality

2012

- 2012 Sustainability Report
- Supplementary 2012 Sustainability Report
- Statement GRI Application-Level Check

2010

- 2010 Sustainability Report
- Supplementary 2010 Sustainability Report
- · Statement GRI Application-Level Check

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