



Engineering progress
Enhancing lives

REHAU Sustainability Report 2021



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How to use this report

This sustainability report is being published as a navigable PDF file. As a result, all of the information in the report can be located quickly and easily. You can reach any chapter by clicking on its title in the table of contents and by means of cross-navigation on all the following pages.

Further online information, for example on the REHAU website, can be accessed via the links in the PDF. The following symbols will help you navigate:

- 🌐 Link to an external page
e.g. www.rehau.com/sustainability
- Reference to another page of the report

Page references in the tables on pages 37, 46, 53, 72, and 82 are also linked.

You can find the relevant targets for each of our areas of activity under the corresponding management approach. In addition, topics that cover the United Nations' SDGs that are relevant to REHAU are marked with the corresponding icons in the report.

WE SUPPORT



Since 2020, REHAU has been a member of the UN Global Compact initiative for corporate responsibility and its ten principles in the areas of human rights, labour norms, environmental protection and anti-corruption. The GRI standards that correspond to the principles of the UN Global Compact are marked in the report. You can find a tabular overview of these principles on pages 84 and 85.

Preface

(GRI 102-14)



Dr Uwe H. Böhlke
CEO REHAU Industries
SE & Co. KG



Dr Markus Distelhoff
CEO REHAU Automotive
SE & Co. KG

Dear readers,

The effects of the COVID-19 pandemic could be felt by all of us in 2021, and they called for new approaches to solutions and creative rethinking. In spite of raw material shortages, delays in delivery and increasing costs, our active task force management and strategic alliances enabled us to largely bridge materials bottlenecks and reduce transport costs by switching to local suppliers. Irrespective of the pandemic's economic effects, the #peoplefirst aspect remains a matter of great concern for us. Protecting our employees continues to be our top priority.

We are especially pleased that last year we accomplished further crucial steps on the basis of our sustainability strategy. We achieved our goal of driving forward the circular economy and increasing our recycling rate to more than 15 per cent. Reaching our targets makes us proud and motivates us to work even harder. We regard our commitment to sustainability as an ongoing process, and we continue to set high standards for ourselves. That's why we decided last year to surpass our original plans for reducing our CO₂e emissions by 2025 and instead to become 100 per cent CO₂e-neutral by then. For REHAU Automotive this target comprises the Scope 1 and 2 emissions; for REHAU Industries it comprises the Scope 2 emissions.

We have clearly defined our future path: We want to understand and fulfil the needs of our customers even better. That's why the REHAU Group has decided to give its business units more leeway to shape their activities and make decisions in the future. REHAU Automotive and REHAU Industries have been established as independent subgroups in order to achieve this end. Sustainability is a fixed component of both subgroups' strategy. We are determined to take on responsibility and make a significant contribution to shaping a liveable future.

Additional challenges are currently facing us as a result of the appalling developments in Eastern Europe. At REHAU Industries, we have decided to discontinue our business operations in Russia and Belarus. At REHAU Automotive, we have no operations in those countries, but we clearly feel the effects of these developments in the supply chain. However, we are convinced that we can master these challenges through concerted action. In any case, they become minor when compared to the horrific effects of the war in Ukraine. REHAU Industries has operated in Ukraine for many years. Its employees are part of our overarching REHAU family, and their safety has the highest priority for us as a family-owned company.

Our shared values are the basis of our decisions, and they unite our REHAU family. Together, we will continue to find ways to overcome our challenges, achieve our goals and help one another!

Sincerely yours,


Dr Uwe H. Böhlke
CEO REHAU Industries SE & Co. KG

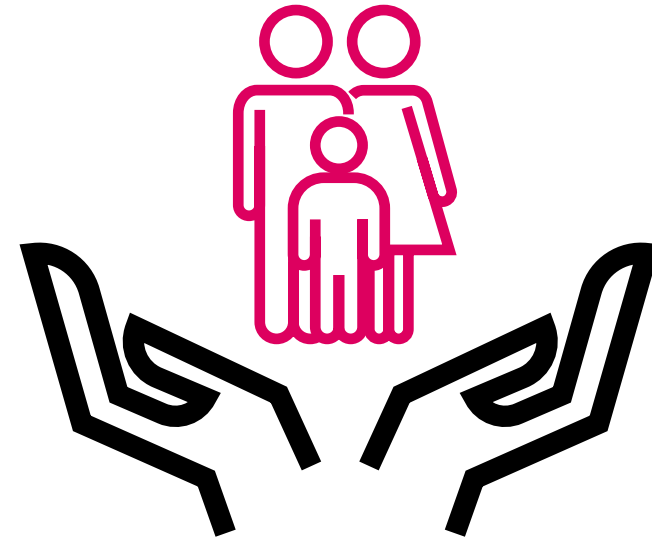
Dr Markus Distelhoff
CEO REHAU Automotive SE & Co. KG

#FamilyforFamilies

Being there for one another

After the war began in Ukraine, our main concern was the safety of our colleagues and their families who were in Ukraine or fleeing from their homes. We immediately initiated various relief efforts: an emergency aid fund that was provided with significant funding by the company, a donation account for donations from our employees, truck deliveries of non-perishable foods and an e-mail address for organising assistance. Countless offers of support from our employees, including clothing, transportation, accommodation and translation, reached us via this postbox.

 You can find out more on the REHAU website



Family for Families

Kai Kuhlow's
experiences



Sustainability in the automotive sector

Progress through recycling

On the path towards more sustainable mobility, the use of recycled polymers plays an important role in the automobile industry, as do methods for reducing vehicle weight. For years now, we have used mechanically recycled polymers in components that are located in out-of-sight areas for the automaker Audi. In the Audi A3 we have even managed to establish a “closed-loop approach” by mechanically treating our painted production waste and using it in the model’s non-visible functional components. As a result, almost 20 per cent of the polymer component of the rear bumper is based on recycled sources.

🌐 You can find out more on the REHAU website
→ Circular economy, p. 46ff.

Statement by
Jürgen Ruder



Our company

Organisational profile

GRI 102-1: Name of the organisation

In this report covering the year 2021, REHAU comprises the subgroups REHAU Automotive and REHAU Industries, which is made up of the four divisions: Building Solutions, Interior Solutions (formerly Furniture Solutions), Industrial Solutions and Window Solutions. The two subgroups have been operating as the companies REHAU Automotive SE & Co. KG and REHAU Industries SE & Co. KG since 3 January 2022. Both subgroups are part of REHAU Verwaltungszentrale AG.

→ The new structure at REHAU, p. 12f.

GRI 102-2: Activities, brands, products and services

REHAU is a leading system and service provider for polymer-based solutions in the construction, automotive and industrial sectors. REHAU is a premium brand that is synonymous with high performance, quality, innovation strength and design expertise for its customers, suppliers and employees. Our corporate culture is based on the values of trust, reliability and innovation. With expertise and a passion for innovation, we are facing up to the environmental and economic challenges related to energy-efficient construction, the use of renewable energies, water management, the mobility of tomorrow and future living, and we are developing optimally sustainable solutions in these areas.

GRI 102-3: Location of headquarters

The headquarters of our administrative centre REHAU Verwaltungszentrale AG and of the corporate units are located in Muri bei Bern, Switzerland. The headquarters of REHAU Automotive SE & Co. KG and of the two divisions Interior Solutions and Industrial Solutions of REHAU Industries SE & Co. KG are located in Rehau (Germany). The administrative headquarters of the Window Solutions and Building Solutions divisions are located in Erlangen (Germany).




GRI 102-4: Location of operations

REHAU has around 170 locations in more than 50 countries worldwide. Its international activities are focused in Europe and the EMEA economic region, which comprises Europe, the Middle East and Africa. REHAU is represented or is active in sales in more than 40 countries in EMEA. In Africa these are the Maghreb states and South Africa in particular.

01 _ Locations worldwide



REHAU has its largest companies in Germany. Here it employs around 8,000 members of staff in 16 sales offices, eleven factories, three logistics centres and two administration offices. In the Americas we operate twelve factories in Canada, the USA, Mexico, Colombia, Argentina, Brazil and Chile. In the Asia/Pacific region we have 30 sales offices, factories and logistics centres in countries including China, Malaysia, Thailand and Australia.

 [Find out more about our worldwide locations](#)

GRI 102-5: Ownership and legal form

REHAU is family-owned and the holding company takes the legal form of an "Aktiengesellschaft" (public limited company).

GRI 102-6: Markets served

REHAU is a leading processor of polymer materials, with locations on every continent. The focus of our wide range of products is on technically advanced, high-quality and complex solutions. Finishing processes such as varnishing and lamination round off the range.

- REHAU Automotive SE & Co. KG supplies many renowned national and international automakers with a variety of polymer-based system solutions for bumper, exterior and functional systems.
- The Building Solutions division offers integrated, innovative and technically high-quality programmes and complete solutions in the strategic areas "Energy-efficient construction" and "Water management".
- As an idea generator and development partner of the furniture industry, the Interior Solutions division primarily implements customised and high-quality system solutions for edging, roller blind, wall connection and surface finishing programmes.
- As a leading systems manufacturer of polymer-based solutions, the Industrial Solutions division is a partner for industrial performance and service packages of every kind. It offers mass production and volume deliveries as well as customised system developments to customers from diverse sectors.
- The Window Solutions division develops and produces functional, energy-efficient window and facade systems for private and public buildings.

With more than 120 sales offices worldwide, REHAU and all of its subgroups and divisions are close to their customers and to the markets they supply.

GRI 102-7: Scale of the organisation

REHAU, with around 20,000 employees, achieved a turnover of EUR 3.5 billion in the 2021 financial year (2020: EUR 2.9 billion).

02 _ Share of turnover at REHAU (in per cent)

Division	2019	2020	2021
REHAU Automotive SE & Co. KG	41	38	34
REHAU Industries SE & Co. KG	59	62	66
of which Building Solutions	34	34	32
of which Interior Solutions	24	23	24
of which Industrial Solutions	13	14	14
of which Window Solutions	29	29	30

- GRI 102-2: Activities, brands, products and services, p. 06
- GRI 102-4: Location of operations, p. 06f.

In the Building Solutions, Interior Solutions, Industrial Solutions and Window Solutions divisions, demand recovered during the reporting year. However, raw material prices increased at the same time.

Moreover, worldwide supply bottlenecks in the semiconductor market led to lower turnover than expected in the REHAU Automotive subgroup.

**GRI 102-8: Information on employees and other workers**

At the end of 2021, REHAU employed a total of 19,764 members of staff (2020: 19,008), of whom 7,785 (2020: 7,497) worked in administrative roles. This represents an increase of 4.0 per cent (2020: –4.6 per cent).

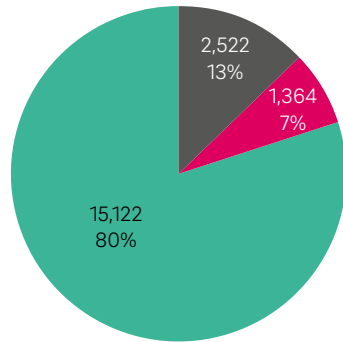
- For further figures, see the Employees chapter, p. 60ff.

The majority of REHAU employees have permanent contracts. At the end of the reporting period, around 1,375 employees were working part-time (2020: 991).

03 _ Employees by region and employment status*

Total employees in 2020

By region



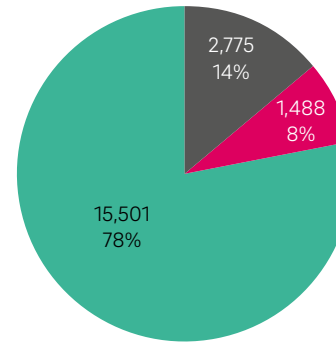
	Country	Employees
1.	DE	9,037
2.	CZ	1,138
3.	US	906
4.	FR	718
5.	HU	703
6.	MX	674
7.	CN	632
8.	RU	615
9.	PL	595
10.	BR	478

■ AM = Americas ■ AP = Asia Pacific ■ EMEA = Europe, Middle East, Africa

Region	AM	AP	EMEA	Total
Employees	2,522	1,364	14,902	18,788
Full-time*	2,522	1,362	13,913	17,797
Part-time*	0	2	989	991

Total employees in 2021

By region



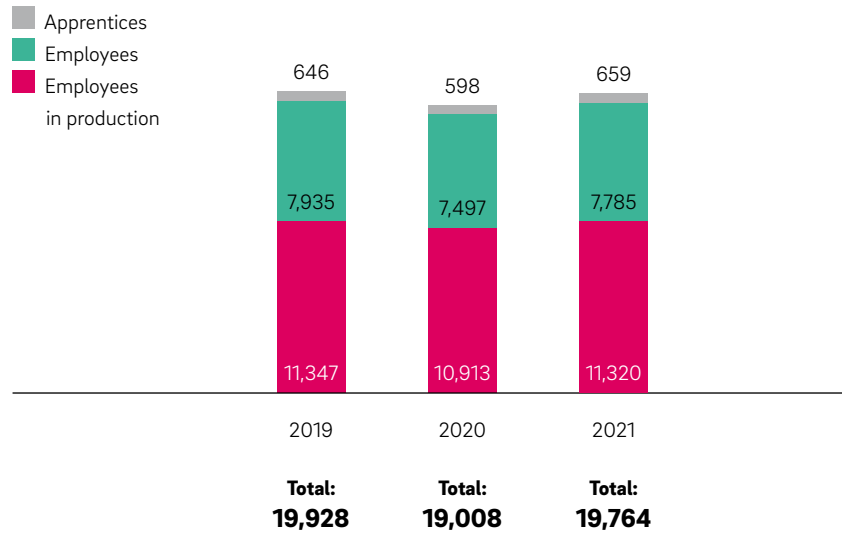
	Country	Employees
1.	DE	9,153
2.	CZ	1,058
3.	US	1,009
4.	HU	855
5.	MX	747
6.	PL	656
7.	RU	647
8.	CN	617
9.	FR	605
10.	ZA	522

■ AM = Americas ■ AP = Asia Pacific ■ EMEA = Europe, Middle East, Africa

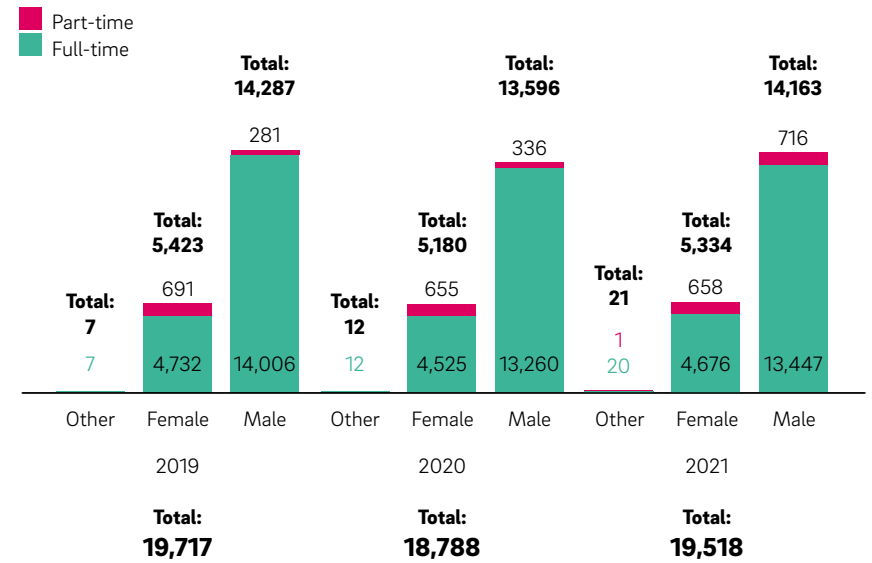
Region	AM	AP	EMEA	Total
Employees	2,775	1,488	15,255	19,518
Full-time*	2,773	1,487	13,883	18,143
Part-time*	2	1	1,372	1,375

* Number of active employees excluding contractors, temporary staff, interns and acquisitions without SAP HR connection

04 _ Number of employees by employment status



05 _ Number of employees by working hours and gender*



* Excluding acquisitions without SAP HR connection, because no detailed data is available (employees in 2019: 211, employees in 2020: 220, employees in 2021: 246)



GRI 102-9: Supply chain

We define the supply chain as the planning, implementation and monitoring of all activities related to the flow of materials and information. Depending on the sector, this also includes sub-suppliers, in raw materials extraction and the take-back or recycling of materials, for example. The main elements of this process are purchasing of the raw materials or assembled goods, order processing, and final delivery of the semi-finished goods or products to our customers.

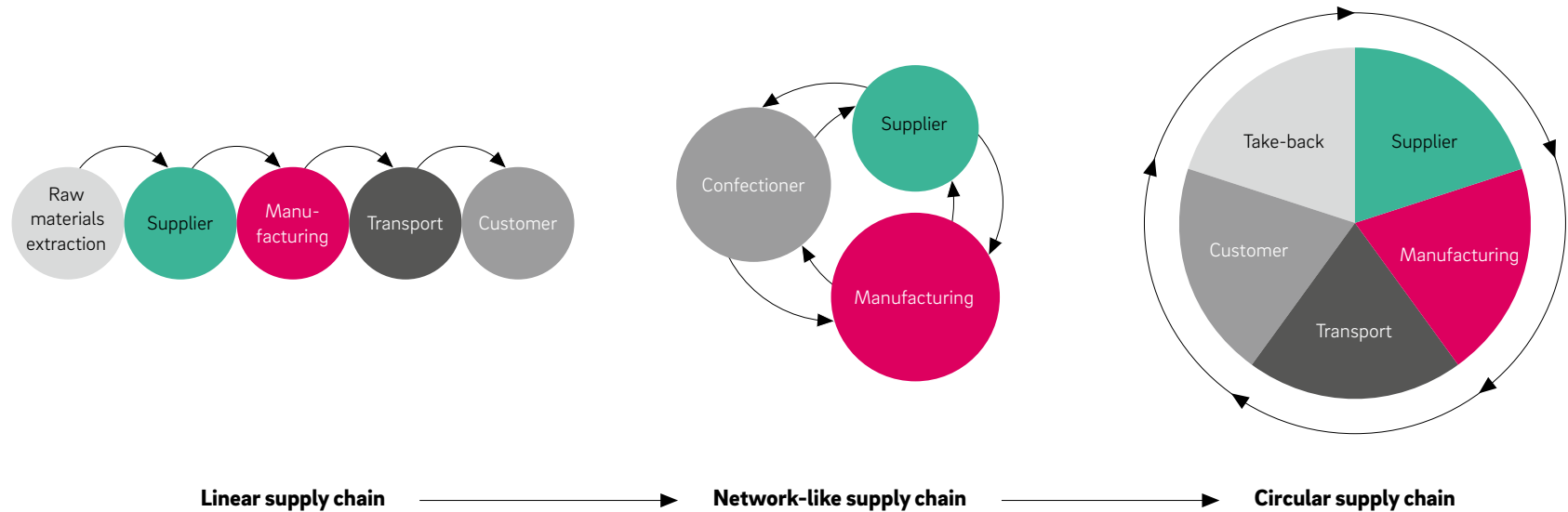
Depending on the sector, subgroup or division, this multi-stage process, with upstream and downstream connections between various companies, tends to be linear (Industrial Solutions), network-like (REHAU Automotive) or circular (Window Solutions). The companies participating in value creation come from the areas of raw material extraction, finishing and assembly stages, production or take-back, reprocessing and new production.

To ensure consistently sustainable business practices, we take care to work with companies that can demonstrate that they act sustainably and take responsibility for the environmental and social impact of their business. We work with around 30,000 suppliers, the majority of which are based in member states of the Organisation for Economic Co-operation and Development (OECD). In 2021, our purchasing volume was divided between 78 per cent directly needed supplies and 22 per cent indirectly needed supplies.

Global collaboration with suppliers can entail certain risks. For this reason, REHAU has introduced its own Supplier Code of Conduct, which our suppliers must accept as part of our terms of delivery. We plan to develop this Supplier Code of Conduct further in 2022 in order to meet the increased requirements for corporate due diligence. By doing so, we also want to further improve the environmental and social standards upheld by our suppliers and more specifically apply the relevant global standards in this area, such as the requirements of the UN Global Compact and the ILO, for example.

- 🌐 Supplier Code of Conduct
- 🌐 Supplier management at REHAU

06 _ Step-by-step transformation from linear to network-like to circular supply chains



GRI 102-10: Significant changes to the organisation and its supply chain

With effect from 1 July 2021, the REHAU Group reorganised its structure and divided the previous REHAU AG + Co into REHAU Automotive SE & Co. KG and REHAU Industries SE & Co. KG. The new structure has been legally effective since 3 January 2022. Together with RAUMEDIC and MERAXIS as well as the recently founded innovation unit REHAU New Ventures, REHAU Automotive and REHAU Industries will make up the five subgroups of the REHAU Group in the future.

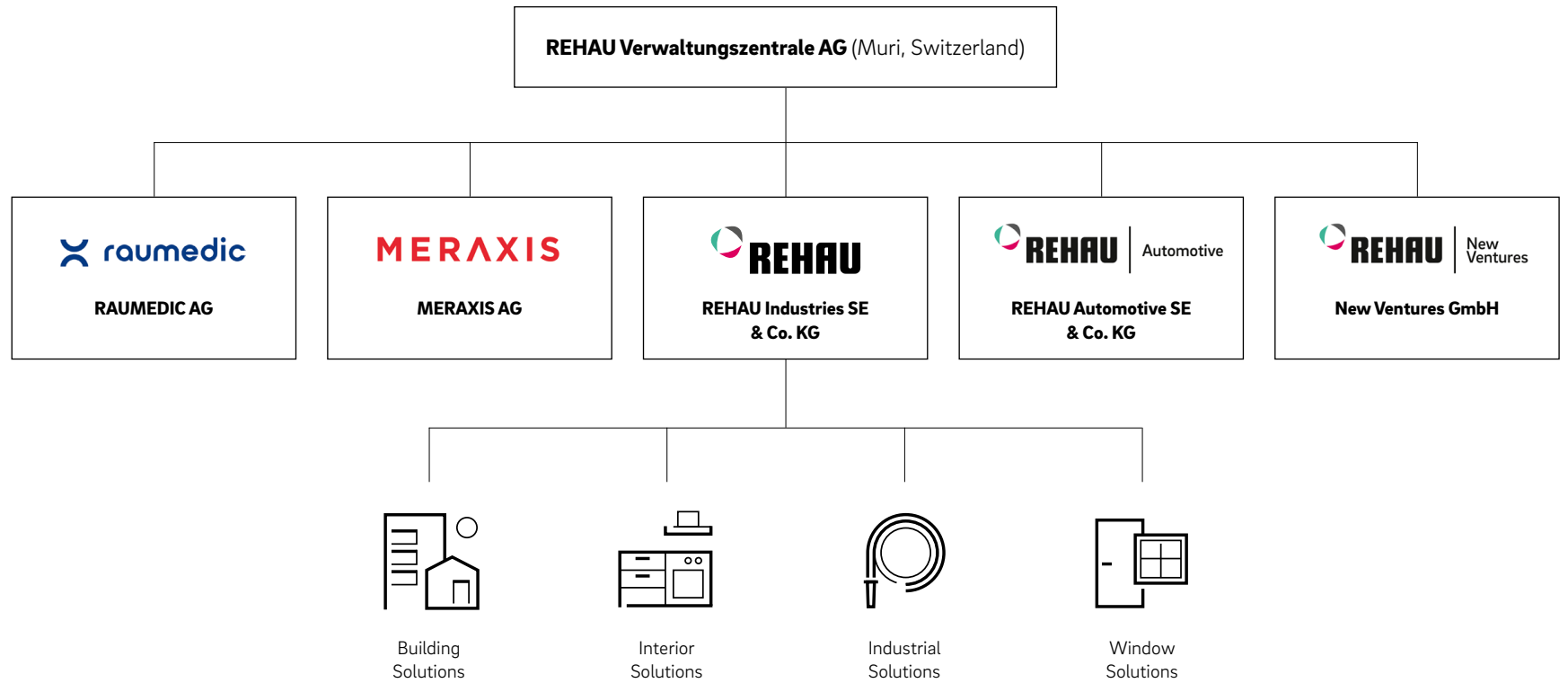
Meanwhile, after more than 20 years as President of the REHAU Supervisory Board, Jobst Wagner handed over this office to his brother Dr Veit Wagner on 1 July 2021 and took over the latter’s previous function as Vice President.

In December 2021, Dr Uwe H. Böhlke was appointed CEO of REHAU Industries. He is taking on the responsibilities of the previous CEO, William Christensen. Dr Böhlke retains his function as COO. Dr Markus Distelhoff has been the CEO of REHAU Automotive since 2019. However, since the restructuring he has no longer been a member of the Executive Board of REHAU Industries.

→ Find out more about the new corporate structure, p. 13, 21f.

REHAU sold the Telecommunications business area to the Swedish company Hexatronic in the 2021 financial year.

07_ REHAU Group



GRI 102-11: Precautionary principle or approach

UN Global Compact: Principles 1, 7

Risk management is integrated into business processes via defined information and escalation systems. It forms part of both strategic and operational management. According to the company structure, risk assessments are carried out at the level of individual subgroups, divisions and service areas and reported to executive management. Risk assessments are based on the probability of occurrence and the extent of the potential damages.

We have defined a process by which to recognise and manage environmental and social risks at an early stage. They are incorporated into the company's overall risk strategy and management via sustainability management and environmental management. As part of this reputational risk management we monitor products, production processes, locations and customer groups for which sustainability aspects is a particular factor. The focus is on topics that are ethically, socially or environmentally sensitive – for example, projects that may lead to increased air, water or soil pollution or be associated with the overuse of natural resources. This approach also covers human rights throughout our supply chain.

→ Supply chain, p. 31ff.

GRI 102-12: External initiatives

UN Global Compact: Principles 1 to 10

REHAU is a member of several renowned associations, underlining its role as an economically, environmentally and socially responsible industrial company. One important signal was its signing up to the UN Global Compact in 2020. REHAU was also welcomed into the ranks of the "50 Sustainability & Climate Leaders". This campaign is supported by the United Nations and showcases companies that treat natural resources especially responsibly.

🌐 50 Sustainability & Climate Leaders



Our memberships include the following:

- CDP, international leader in carbon and water sustainability ratings (since 2014)
- Charta der Vielfalt, international initiative promoting diversity within companies (since 2018)
- EcoVadis, international leader in business sustainability ratings (since 2012)
- Responsible Minerals Initiative, initiative for the responsible procurement of minerals from conflict-affected regions (since 2014)
- UN Global Compact (since 2020)
- 50 Sustainability & Climate Leaders (since 2020)

We also play an active role in the following organisations:

- German Sustainable Building Council (DGNB; since 2013)
- Feuille de Route France (circular economy association; since 2018)
- kununu (since 2015)
- Rewindo (German plastic profile manufacturers' recycling initiative; since 2011)

We are also members of various working groups actively involved in developing sustainability standards:

- VinylPlus – sustainable development commitment by the European PVC industry (since 2011)
- The European Plastic Pipes and Fittings Association (since 2016)
- The German Association of the Automotive Industry (VDA) working group on sustainability in the supply chain (since 2018)
- Sector Dialogue of the Automotive Industry: respect for human rights along the global supply and value creation chains (since 2020)

GRI 102-13: Membership of associations

In accordance with our sustainability strategy, in our work within associations we particularly support the targets set by the Green Deal. Fundamentally, we strive to act responsibly and with integrity – including with regard to political and non-governmental organisations. Specifically, we support the transition to renewable energy and heat as part of the implementation of the Paris Agreement on climate change, the expansion of solar power and wind energy, the climate-protecting use of co-generation power plants within local heat networks and the thermal insulation of building envelopes.

As globally active companies with a high energy demand, REHAU Automotive and REHAU Industries require internationally competitive energy prices and a secure energy supply. For this reason, we espouse free and fair trade.

REHAU is a member of a selected number of both national and international industry associations and interest groups.

These include the following organisations:

- European Plastics Converters (since 2018)
- European PVC Window Profiles and related Building Products Association (since 2006)
- RAL Gütegemeinschaft Kunststoff-Fensterprofilsysteme e.V. (association to uphold quality and workmanship of PVC window profile systems, since 1979)

- Fenster- und Fassadenverband e.V. DIN (window and facade association; since 2006)
- Gesamtverband Kunststoffverarbeitende Industrie (general association of the plastics processing industry; since 2001)
- German Association of the Automotive Industry (VDA; since 2004)
- Zentralverband Sanitär Heizung Klima (sanitary, heating and climate association; since 1999)

Strategy

GRI 102-14: Statement from senior decision maker

→ Preface, p. 03

GRI 102-15: Key impacts, risks and opportunities

At REHAU, sustainability is part of the strategy process, which is continuously reviewed and expressed in concrete terms. The central topic in 2021 was the division of REHAU into two independent subgroups. Now the task of the Executive Board of each of the subgroups is to independently review progress on the basis of the four essential areas of activity ("Sustainable growth", "Accelerating climate protection", "Driving forward the circular economy", "Promoting diversity"). The risks and opportunities arising are diverse, and depend on the focus of the respective business area.

In 2021, the activities related to the Green Deal of the European Union and to the new Supply Chain Due Diligence Act occupied both subgroups in equal measure. The risks and opportunities included the initial requirements for non-financial performance indicators from the banking sector within the framework of the stipulations of the new EU taxonomy.

The first "Circular Economy Roadmap for Germany" was published in response to the Circular Action Plan of the Green Deal, thus addressing a topic that is important for REHAU. This roadmap provides a framework for action that systematically presents the steps Germany must take in order to create a circular economy. The roadmap provides support for REHAU's basic circular economy strategy in Germany, which is the Group's most important market.

→ The circular economy, p. 46ff.

In parallel, a number of court decisions during the reporting year have shown that the topic of climate protection and the corresponding European and country-specific goals must be broken down into our KPIs.

→ Climate protection, p. 53ff.

These developments have shown us once again that our defined areas of activity will be significant for REHAU over the long term, independently of individual business areas and sectors.

REHAU Automotive used the year 2021 to create a new organisational structure and carry out a strategic transformation. Sustainability became a central pillar of its corporate strategy, and a strategic implementation plan for reaching climate neutrality in 2030 was subsequently formulated. The sustainability strategy will now be continuously refined and improved by means of an iterative annual process. In the five strategic dimensions "People & Culture", "Value Creation", "Customer Portfolio", "Technology & Product Mix" and "Regional Sales", the areas of activity "Accelerating climate protection" and "Promoting diversity" are especially relevant for the subgroups.

→ Targets for "Promoting diversity", p. 72

→ Targets for "Accelerating climate protection", p. 53



For the divisions of REHAU Industries, in 2021 the focus was on the areas of activity "Accelerating climate protection" and "Driving forward the circular economy".





→ Targets for "Driving forward the circular economy", p. 46

Initial pilot projects, stakeholder dialogues and initiatives focusing on the circular economy took place in the four divisions. The most important shared focus was on the definition of a process for assessing products in a future circular economy. The Circular Design Principles and the Circular Scorecard, which is an assessment matrix for products, were developed using a cross-divisional approach that included experts from the various specialist departments. In the future, the results of the Circular Scorecard will be a component of the sustainability strategy. In the form of KPIs they will also be included in the area of activity "Driving forward the circular economy".

→ Circular Scorecard, p. 36

→ Circular Design Principles, p. 49

08 _ REHAU areas of activity and KPIs 2021

UN SDG				
REHAU Area of activity	Sustainable growth	Accelerating climate protection	Driving forward the circular economy	Promoting diversity
Top KPI	Turnover growth of REHAU in %	CO ₂ e reduction Scope 1, 2 worldwide in %	Increase recycling rate in %	More women in management roles E0–E3 in %
Status REHAU 2021	< 1%	36%	15%	13%
Targets 2025	1–3	> 30	≥ 15	> 15
Target achieved		✓	✓	

The targets set for REHAU were thus largely reached ahead of schedule in 2021. As a result of the restructuring, they were either replaced by new targets for REHAU Automotive and REHAU Industries or continued by both subgroups.

- Targets for "Sustainable growth", p. 37
- Targets for "Accelerating climate protection", p. 53
- Targets for "Driving forward the circular economy", p. 46
- Targets for "Promoting diversity", p. 72

The position paper that was developed in 2019 still applies, but its contents were developed further.

1. Sustainable growth. This area of activity has been anchored in the DNA of REHAU as a family-owned company for decades. We want to grow sustainably and in a value-oriented manner with products, services and new business models in different industries. We are aware that our activities and our behaviour have an impact on our entire value chain. Consequently, during the reporting year we created more concrete definitions for our existing KPIs regarding due diligence. In 2022, we want to implement the five core elements of the National Action Plan on Business and Human Rights (NAP), thereby continuing the due diligence processes for our supply chain.

 Five core elements of due diligence

2. Accelerating climate protection. Our approach to climate protection is that the goals of the Paris Agreement (COP 21) are also our goals. By 2023, we want to have an initial science-based target calculated for REHAU so that we can objectively document our progress and that of our partners towards the goals of the Paris Agreement. As a precondition for this process, we are successively expanding the analysis of our emissions (Scopes 1, 2 and 3) to include the material and product levels. We are aware that climate change is also having direct effects on our business operations. That's why we are working on initial climate adaptation concepts. We aim to use these concepts as a valid foundation for long-term investment decisions by 2023 at the latest.

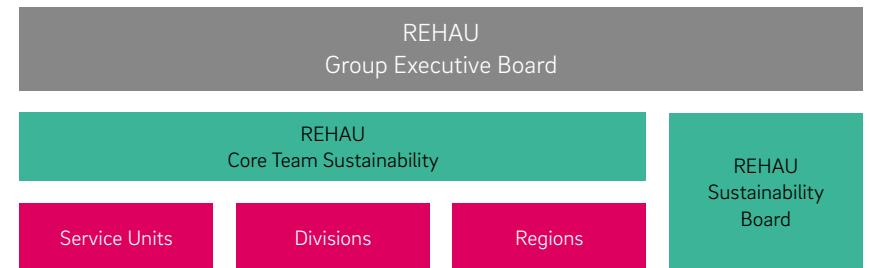
3. Driving forward the circular economy. The concept of a circular economy is associated with procurement and cost risks, but above all with great opportunities. In order to internally create the preconditions for products that can be part of a circular economy, we have developed a Circular Design Guide and a Circular Scorecard. We aim to make them part of our product development processes by 2023. As part of our external activities, we are increasingly bringing our know-how to customers, suppliers and associations in order to continue driving forward the circular economy. We expect these measures to help us define even more ambitious and longer-term targets together with our business partners in the future and to successively prepare our product portfolio for the circular economy.

4. Promoting diversity. Since 2018, we have publicly set an example to promote diversity by signing the Diversity Charter and implementing annual days of action. We respect human rights, and we follow the ground rules of the UN Guiding Principles on Business and Human Rights as well as the Universal Declaration of Human Rights. The promotion of gender diversity and inclusion is particularly important to us, as we believe it presents development potential and opportunities for REHAU. Diversity and inclusion are to become the standard in recruiting, in training and educational programmes, in personnel development and in the staffing of project teams.

- Company values, p. 19f.
- Diversity and human rights, p. 71ff.

The executive boards of the subgroups read and updated the sustainability strategy that had been formulated in 2019 and the updated status for the reporting year. The main task is still to integrate this strategy into our core business activities at the level of the subgroups and in the divisions.

09 _ Sustainability organisation



The Core Team Sustainability was expanded during the reporting year. It continues to be made up of members from the Communications, Strategy, Purchasing and Legal departments and now also includes the sustainability officers from the Industries and Automotive subgroups. In 2021, the team met once a month in order to further develop the shared sustainability strategy and guide the progress of REHAU and the two subgroups. As a result of the expansion of the team, it was possible to integrate sustainability management much more closely into the organisation. The Chair of the team is the Head of Sustainability at REHAU Industries, and the Deputy Chair is the Head of Sustainability at REHAU Automotive. At least once a year, both officials report to the executive boards of the subgroups on all key topics of sustainability management and the reporting process.

The Sustainability Board meets at least twice a year. Depending on the topic, it includes representatives from the specialist departments, the divisions and both subgroups. It is thus the interface, coordinator and initiator of subject-specific and interdisciplinary sustainability topics, projects and processes.

In 2021, the entire board met once in the second quarter and once in the fourth quarter. The topics presented and discussed at the first meeting included the current Sustainability Report. The focus was on occupational health and safety. At the second meeting, the new targets in the "Climate protection" area of activity were presented and discussed as a matter of priority. The focus was on the integration of sustainability into the governance structure of the REHAU Group. The Head of Sustainability at REHAU Industries is responsible for managing and coordinating the Sustainability Board.

In the long term, the core team and the board will ideally develop into a working body with full-time and part-time sustainability officers and coordinators. In the meantime, there are proportional capacities in all units. There are full-time officers in the Automotive subgroup and in the Window Solutions division. A team that was appointed in the reporting year is responsible for providing overall technical support regarding the topic of recycling/the circular economy. New appointments also included an interdisciplinary specialist position for energy and climate management, as well as positions for coordinators of the recycling process. The overall structure and the functions within it are purposely being structured dynamically in order to optimally depict the needs of the various divisions and locations. The structure will be expanded step by step in line with the requirements of the various sectors and their customers.

Company values

GRI 102-16: Values, principles, standards and norms of behaviour

UN Global Compact: Principles 1 to 10

We believe that corporate governance is based on values and principles of conduct that must be manifested by all employees. REHAU drives people. People drive REHAU. The values of confidence, reliability and innovation are the foundation of our corporate culture, and they characterise our leadership principles and our behaviour. We want to be a reliable partner in dealings with our stakeholders.



We are committed to laws, guidelines and market standards, voluntary commitments and our internal REHAU guidelines. We have defined these values and principles and made them available to our workforce via the intranet under the heading "YOUR REHAU". In 2021, we supplemented this resource by publishing the brochure "The REHAU Way", translating it into ten languages and distributing it to all of our employees worldwide. New employees receive the brochure together with the employment contract documents.

"The REHAU Way" describes our mindset and behaviour as well as the values that inspire our work. We want to focus on the things that really count:

- Innovations that make a successful and sustainable future possible for our customers and our employees
- Profitable growth
- The aim to become competitive market leaders in the majority of our business areas

We are working to optimally integrate the transformation that is taking place at every level into our corporate culture. We want topics such as virtual leadership, new and mobile work and digital communication to create a new mindset for the necessary adjustments. One important component of this process is the Change Pilots – interested employees who support their local projects and measures on-site all over the world.

→ Employees, p. 58ff.

In addition, binding global principles of behaviour such as the Code of Conduct provide our employees with orientation for correct, ethical behaviour in their day-to-day work. These clarify what REHAU expects of its employees, i.e. not just that they conform to laws, rules and internal regulations, but that their behaviour reflects our value system.

Important basic principles for responsible behaviour also include:

- Our corporate responsibility guidelines, as laid down in the REHAU Employee Code of Conduct, also form an important basis for responsible conduct.
 - Responsibility towards our fellow humans and society
 - Legal conformity/compliance
 - Integrity and independence in business transactions
 - Dealing with business partners and decision makers
 - Donations and sponsorships
 - Conflicts of interest, etc.
- Our commitment to an open dialogue with our stakeholders
- Our commitment to the UN Global Compact

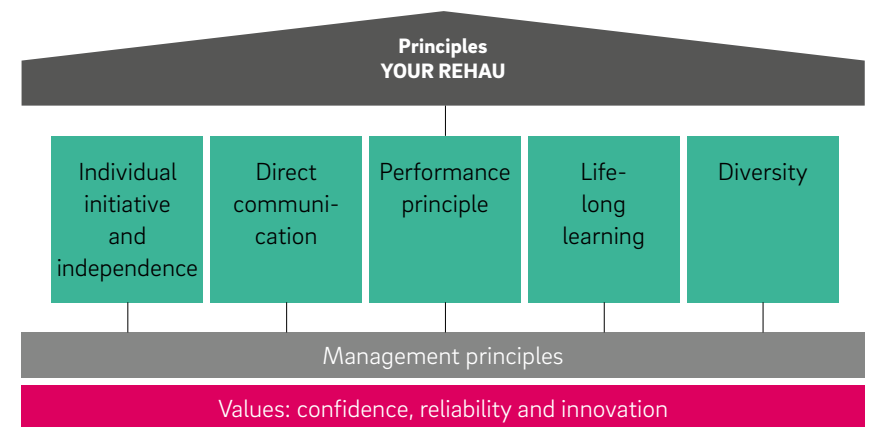
- The sustainability strategy and the four guiding principles derived from the Sustainable Development Goals (SDGs) of the United Nations:
 - Sustainable growth
 - Accelerating climate protection
 - Driving forward the circular economy
 - Promoting diversity
- Guidelines and principles of our environmental and energy management strategy.
- Our purchasing guidelines and Supplier Code of Conduct, which set the standard for sustainable procurement.

→ Ethics and compliance, p. 23ff.

🌐 Employee Code of Conduct

🌐 Supplier Code of Conduct

10 _ YOUR REHAU – values and principles



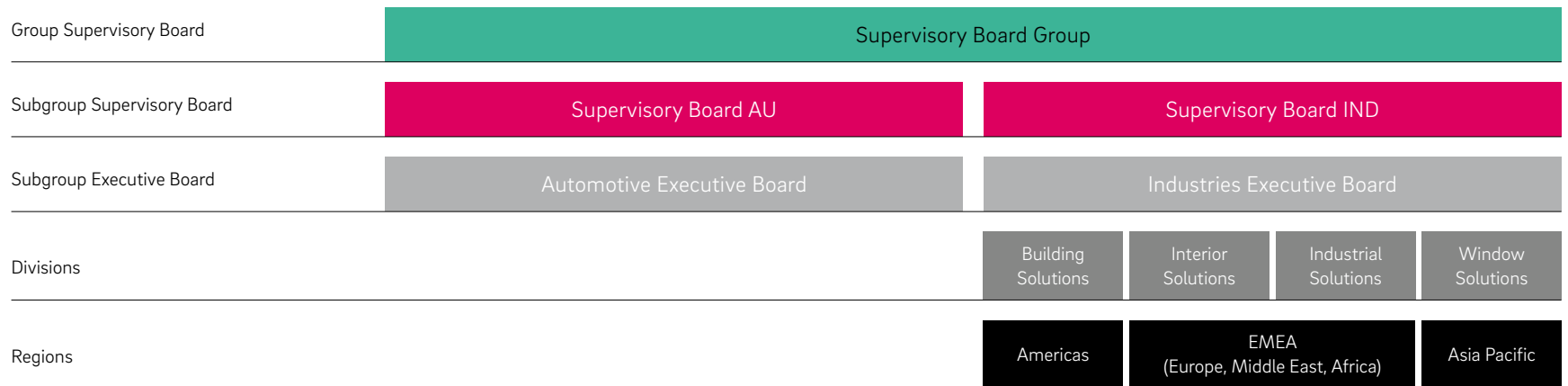
Governance

GRI 102-18: Governance structure

The corporate structure of REHAU was operatively reorganised as of 1 July 2021. REHAU was divided into two independent subgroups, REHAU Automotive SE & Co. KG and REHAU Industries SE & Co. KG. Each of them has its own executive board: the Automotive Executive Board (AEB) and the Industries Executive Board (IEB), respectively.

The top governing body of each of these two subgroups consists of a Chief Executive Officer (CEO), a Chief Financial Officer (CFO) and a Chief Operation Officer (COO). The IEB also includes the head of the CEO Office and the CEOs of the four divisions. The heads of the Americas and Asia Pacific regions became new members of this board. Both the AEB and the IEB have a duty to REHAU’s investors, customers, employees and other company stakeholders, with the goal of pursuing sustainable value creation (stakeholder value). Both of them are responsible for managing the subgroups in the interests of the company, developing the company’s strategic direction and ensuring its implementation.

11 _ REHAU company structure





The executive boards of REHAU Automotive and REHAU Industries meet at least once a year to discuss the sustainability strategy, the associated KPIs of the four areas of activity and the status quo of the implementation at the company and division levels. The executive boards take into account the proposals submitted by the sustainability management or the supporting specialist departments and decide on any necessary changes regarding the economic, environmental and social focal topics and targets. They perform these activities during their regular meetings and at other times as needed.

The Supervisory Board of each subgroup discusses and subsequently adopts the sustainability strategy, which is part of the overall company strategy, and its implementation. The Supervisory Board establishes the overall strategy and monitors the respective executive board. It appoints and dismisses the members of the executive board and, in coordination with the existing AEB or IEB, ensures long-term succession planning.

For both subgroups, corporate responsibility issues are managed by three departments.

1. Risk management includes production and procurement risks, environmental risks (including climate risks), cyber risks, customer relationships, technological and market developments and product risks, as well as their implications for the corporate and sustainability principles of REHAU.

→ GRI 102-11: Precautionary principle or approach, p. 14

2. Sustainability management works closely with risk management. It is responsible for the strategic direction and coordination of all economic, environmental and social sustainability topics. When it comes to the stakeholder dialogue, sustainability management works closely with the REHAU Communications department, which is responsible, among other things, for internal and external communication regarding corporate responsibility. Sustainability management supports the Human Resources department in the area of human rights.

→ Stakeholder dialogue, p. 27ff.

→ Diversity and human rights, p. 71ff.

3. At REHAU the global Compliance Management team is responsible for planning, managing and monitoring the company's compliance activities.

→ Ethics and compliance, p. 23ff.

Ethics and compliance

GRI 103: Management approach (including 103-1, 103-2, 103-3)

UN Global Compact: Principle 10

GRI 205: Anti-corruption

GRI 206: Anti-competitive behaviour

GRI 419: Socioeconomic compliance

Working in accordance with the law has been a basic principle for which REHAU and its employees have stood since the company was founded. We are aware that non-compliance can lead to high financial losses and considerable damage to our reputation. Compliance organisation is therefore an important element of good and sustainable corporate management. Our compliance efforts are particularly focused on combating corruption, violations of competition law, money laundering and ensuring adherence to environmental regulations. We follow the OECD's guiding principles for multinational companies and the UN Convention against Corruption of 31 October 2003. In addition, REHAU signed the UN Global Compact in 2020. We publicly acknowledge and support the ten principles of the Global Compact.

→ Overview of the principles of the UN Global Compact, p. 84f.

Our fundamental values and behavioural code are set out in our internal Code of Conduct and more specific anti-corruption guidelines. These rules are binding for all REHAU employees, regardless of their role and hierarchical level, and form the basis of all business activities. The Code of Conduct covers the following topics:



- Corporate culture
- Responsibility towards fellow humans and society
- Observing the law/compliance
- Integrity and independence in business transactions
- Dealing with business partners and decision makers
- Donations and sponsoring
- Conflicts of interest

🌐 Employee Code of Conduct

We expect the partners in our supply chain to share these values and principles and to accept our Supplier Code of Conduct.

→ Management approach for the supply chain, p. 31ff.

🌐 Supplier Code of Conduct

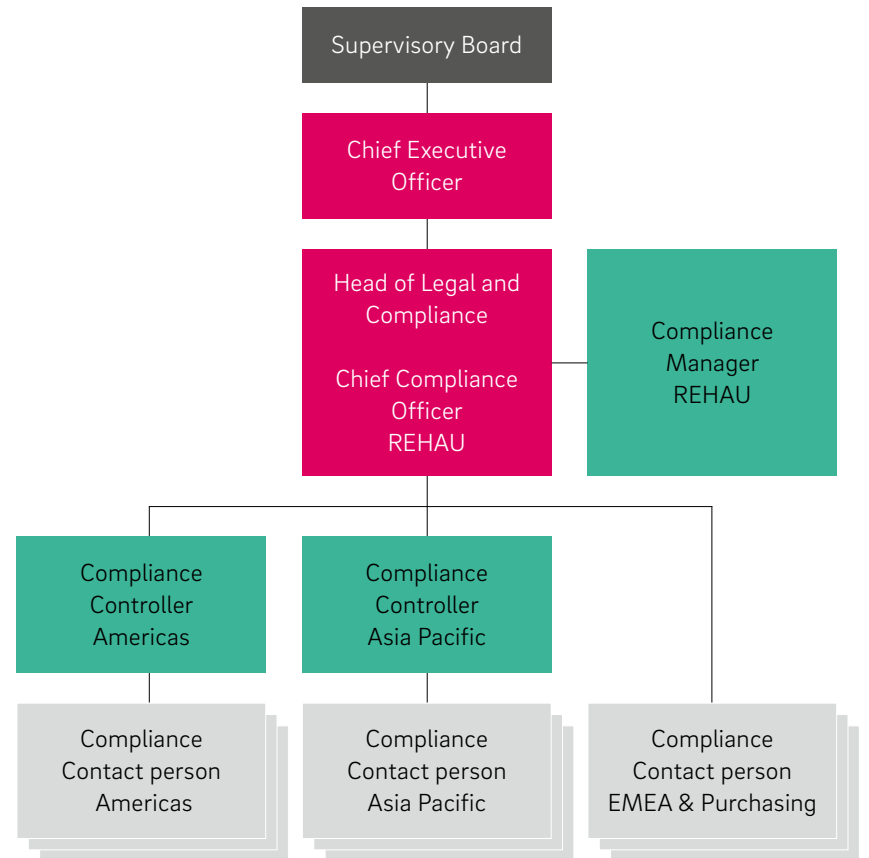
REHAU has implemented a global compliance management system (CMS) with the aim of planning, managing and assessing all of the company's compliance activities. All REHAU employees receive regular training on these topics. A culture of open discussion, trust, transparency and compliance awareness means that queries or issues can usually be speedily resolved on a case-by-case basis. Our goal is to foster a culture of compliance according to the principle "Compliance at REHAU: comply – commit – trust".

Employees and external parties such as suppliers can use the REHAU Compliance Communication System (CoCoS) to contribute to fighting corruption and complying with the law by reporting compliance violations – anonymously, if desired. CoCoS is a web-based system and fulfils all the requirements relating to data protection and data security. The information sent through the system goes directly to the compliance officer of the Legal and Compliance department. It is handled as a top priority and is, of course, strictly confidential.

🌐 The CoCoS whistleblower system

The compliance function is integrated into the Group Legal and Compliance department at REHAU. The Head of Legal and Compliance, who is also the Chief Compliance Officer of REHAU, bears ultimate responsibility for the CMS. He reports directly to executive management and the Supervisory Board. The Legal and Compliance department also regularly reviews the effectiveness of the compliance management system in order to implement appropriate measures for further development as necessary. The Executive Board and the Supervisory Board of REHAU are informed once a year about the current status of these activities as part of the compliance reporting system.

12 _ The REHAU compliance management system



GRI 205: Anti-corruption

UN Global Compact: Principle 10

→ GRI 103: Management approach, p. 23f.

GRI 205-1: Operations assessed for risks related to corruption

As part of the annual compliance risk assessment, corruption risks are assessed worldwide and registered or updated in the risk management database. About 50 (2020: 35) per cent of the compliance risks that were registered or updated in 2021 are in the category of corruption. For each risk, appropriate measures and responsible individuals are defined. The main areas of corruption risks include gifts, customer events, hospitality activities and cooperation with state-owned enterprises. Some risks cannot be directly influenced, especially in countries in which systemic corruption already exists. No significant corruption risks were reported during the reporting period.

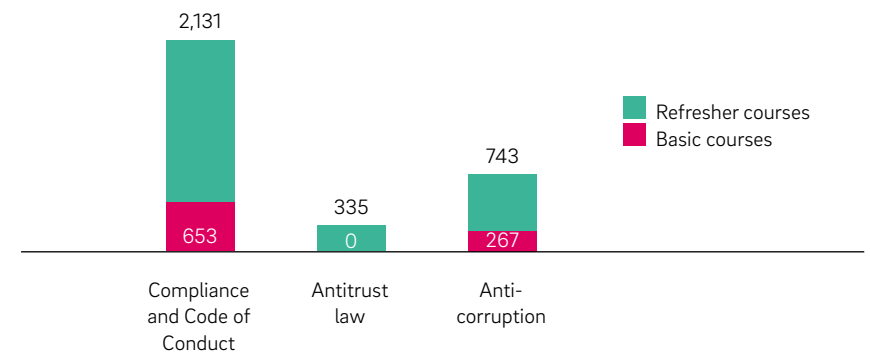
GRI 205-2: Communication and training about anti-corruption policies and procedures

Combating corruption is the focus of the REHAU compliance management system. A variety of anti-corruption measures are implemented in order to continuously raise awareness among employees. For example, REHAU has drawn up anti-corruption guidelines that are binding for all of its employees around the world, independently of their position, and can be found on the REHAU intranet. The anti-corruption e-learning module is compulsory for all new employees with third-party contact. An anti-corruption refresher course is also compulsory for all employees. Other regular compliance communication measures include general compliance information, articles on the intranet and training courses.

All employees around the world have access to the Code of Conduct – in most cases in the national language. Like the anti-corruption guidelines, it can also be found on the REHAU intranet by all employees. The e-learning modules on compliance are compulsory for all employees, including employees with third-party contact. Employees without access to computers are given on-site training.

During the reporting period, 4,129 (2020: 12,460) employees successfully completed the compliance courses. Of this total, 2,784 (2020: 5,877) completed the course on compliance and the Code of Conduct, 335 (2020: 419) completed the refresher course on antitrust law and 1,010 (2020: 5,932) completed the course on anti-corruption.

13 _ Compliance courses 2021



In 2020, we launched the internal project "Business Partner Review". The focus is on possible risks of corruption. The concrete process "Business Partner Review" was developed and defined in 2021. The first phase of the project focusing on suppliers from the SLC (Supplier Life Cycle) supplier system was successfully completed. The next phase of the project will follow in 2022 and will focus on the remaining suppliers.

→ Business partner review, p. 33

In addition, combating corruption is one of the focal points of the REHAU Supplier Code of Conduct.



GRI 205-3: Confirmed incidents of corruption and actions taken

REHAU does not tolerate any form of corruption or other criminal actions by its employees. REHAU has a zero-tolerance approach to violations. There was a small number of suspected cases of corruption during the reporting period. Following comprehensive investigation, these were not confirmed. During 2021 no public legal action relating to corruption was taken against REHAU or any of its employees. There are currently no known instances of corruption at REHAU.

GRI 206: Anti-competitive behaviour

→ GRI 103: Management approach, p. 23f.

GRI 206-1: Legal actions for anti-competitive behaviour, antitrust and monopoly practices

REHAU does not tolerate anti-competitive behaviour or other dealings that prevent unrestricted competition in an improper manner. There were no legal actions in this area within the REHAU Group in 2021.

In the interest of unrestricted competition, we require that our suppliers

- Completely refrain from anti-competitive behaviour, such as price agreements, division of market segments, price fixing, etc.
- Implement a zero-tolerance policy regarding competitive agreements and
- Provide their employees with the corresponding training

These principles are set out in the internal Code of Conduct and the Supplier Code of Conduct.

As indicated in GRI 205-2, during the reporting period 335 (2020: 419) employees successfully concluded the "Antitrust Law" refresher course.

GRI 419: Socioeconomic compliance

UN Global Compact: Principle 10

→ GRI 103: Management approach, p. 23f.

GRI 419-1: Non-compliance with laws and regulations in the social and economic area

No significant fines or non-monetary sanctions were imposed on REHAU in 2021.

Stakeholders

GRI 102-40: List of stakeholder groups

Embodying corporate responsibility also means engaging in regular dialogue with external and internal stakeholders. We want to meet the diverse expectations and needs of our stakeholder groups through active, transparent dialogue locally and in the company. We are convinced that only companies that act responsibly will be successful in the long term. We believe that responsible behaviour includes listening carefully to find out what drives the players in our business environment.

We are in contact with the following stakeholder groups:

- Customers
- Employees
- Suppliers
- Investors
- Universities and research institutions
- Media and the general public
- Business partners and competitors
- The young generation, local residents and communities
- Non-governmental organisations (NGOs)

GRI 102-42: Identifying and selecting stakeholders

REHAU maintains relationships with organisations and groups that communicate requirements, wishes or suggestions to the company. In doing so, we give priority to dialogue with stakeholders who significantly influence the economic, environmental or social achievements of the company or are strongly affected by them. Additional noteworthy indirect stakeholders include local media and the general public at our approximately 170 global locations, with whom we seek active dialogue.

GRI 102-43: Approach to stakeholder engagement

GRI 102-44: Key topics and concerns raised

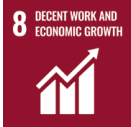



In our densely networked world, the continuous overarching dialogue with stakeholders is becoming an increasingly important element of corporate governance and strategic direction. These dialogues are becoming increasingly significant for



REHAU as well. On the one hand, they help us to identify the interests and needs of our stakeholders and to receive fresh impetus for our strategic direction. On the other, they also enable us to present our own perspectives. We have developed a variety of formats for our interactions with stakeholders, which we use in order to reach our direct as well as our indirect stakeholders. However, because of COVID-19 we were not able to implement many of these formats as usual.

When it comes to sustainability, in our dialogue with external and internal stakeholders we focus on our four most important areas of activity. The following stakeholder dialogues were especially informative for us during the reporting year.

Our most important stakeholder dialogues in 2021

Area of activity	Dialogues
	<p>“Sustainable growth”</p> <p>With regard to the Supply Chain Act, which will take effect in 2023, the multi-stakeholder sector dialogue of the automotive industry, which has been conducted since 2020 within the framework of the National Action Plan for Business and Human Rights (NAP), was especially important. Once the guidelines for action have been completed, the sector dialogue will begin the implementation phase of the five core elements in 2022.</p>
	<p>“Accelerating climate protection”</p> <p>We held a wide variety of dialogues with different stakeholder groups. The most important development was the launch of our dialogue with suppliers concerning climate protection and decarbonisation, which focused on logistics, packaging, recycling and emissions.</p>
	<p>“Driving forward the circular economy”</p> <p>We were involved in a variety of conferences and discussion panels in order to explore this topic in depth and form new networks. The most relevant events were:</p> <ul style="list-style-type: none"> • The presentation and the panel discussion at BAFA Energietag, • The multi-stakeholder workshops of the Institute for Ecological Economy Research (IÖW) focusing on “social-ecological procurement” and • The international conference on “Life Cycle Assessment” of the University of Stuttgart.
	<p>“Promoting diversity”</p> <p>The internal project Global Mindset was launched during the reporting year in order to anchor the “Promoting diversity” area of activity more strongly within the company. The aim of the project is to cooperatively develop an open mindset that helps everyone involved to understand the cultural norms and expectations of all the participants. The project’s aim is to play a key role in establishing a diverse workforce and a flexible and tolerant environment at REHAU.</p>

The discussions with our stakeholder groups have once again clearly shown us how important it is to precisely and continuously observe and integrate these various topics so that we can react promptly and appropriately to changing requirements and new focus points.

Our stakeholder engagement in 2021 – a selection

Stakeholder	Formats	Important topics	Stakeholder	Formats	Important topics
Customers The dialogue with our customers reveals the diversity of our various focus areas.	<ul style="list-style-type: none"> ▪ Sustainability workshops ▪ Customer-supplier dialogues about the Supply Chain Act ▪ Multi-stakeholder dialogues ▪ Sustainability audits 	<ul style="list-style-type: none"> ▪ Supply security ▪ Quality and prices ▪ The Supply Chain Act ▪ Use of recyclates/the circular economy ▪ Sustainability goals, CO₂e goals ▪ Sustainability ratings and rankings ▪ Sustainability management 	Employees By means of regular surveys, we continuously receive a good picture of our employees' current mood. This enables us to take up suggestions and initiate any necessary measures.	<ul style="list-style-type: none"> ▪ Global employees call ▪ Pulse surveys ▪ General and specific onboarding seminars ▪ @-learnings ▪ Annual consultation days (social audits) at the locations ▪ The REHAU daily app 	<ul style="list-style-type: none"> ▪ Health protection ▪ Current business development ▪ Wages and salaries ▪ Employee satisfaction ▪ The Global Mindset project, diversity ▪ Remote work ▪ Changes in the workplace ▪ Training/further education ▪ Suggestions
Suppliers The dialogue with our suppliers is extremely relevant to our customers, investors and society.	<ul style="list-style-type: none"> ▪ Supplier days ▪ Supplier workshops ▪ Environmental and social audits ▪ Supplier dialogues ▪ Supplier surveys 	<ul style="list-style-type: none"> ▪ Raw material and materials supply ▪ Price, quality, logistics and collaboration ▪ Use of resources/the circular economy ▪ The Supply Chain Act ▪ Sustainability management ▪ Decarbonisation (incl. logistics, packaging and recycling) ▪ Climate change, the EU Green Deal and CO₂e goals ▪ Third-party due diligence 	Investors (internal, external) Internal and external investors are showing increasing interest in the consideration of sustainability aspects. In 2021, we received the first specific enquiry about the EU's Sustainable Finance Initiative.	<ul style="list-style-type: none"> ▪ Dialogues with investors 	<ul style="list-style-type: none"> ▪ The Group's strategy and transformation ▪ Current business development and outlook ▪ Sustainability strategy (especially integration into core business operations) and activities
			Authorities	<ul style="list-style-type: none"> ▪ Discussions with authorities ▪ City council meetings 	<ul style="list-style-type: none"> ▪ Plant and equipment safety ▪ Occupational and transport safety/logistics ▪ Approval procedures ▪ Company tax audits

Rating agencies

REHAU maintains an active dialogue with the most important agencies and consulting firms. For example, we have taken part in the CDP since 2014. In 2021, we were able to confirm our B rating in the Climate Change survey, and we improved our performance in individual categories. In the Water Security survey, we once again improved our performance and received a B (2020: B-) rating.

→ CDP results, p. 44f.

An extensive dialogue with the international rating agency EcoVadis has also been taking place since 2018. As a premium member, we receive detailed analyses and can thus review our sustainability activities in all key areas. In 2021, we were able to maintain our Gold status and improve our performance in two areas. We are now in the top one per cent of the rated companies in our sector.



Civil society

Our local contacts include cities, educational institutions, cultural organisations, associations and societies, among many others. At our main administrative location in Reha, we work closely with the Hof University of Applied Sciences, which places particular emphasis on sustainability as a green tech university. At many of our locations, we also cooperate closely with the Chamber of Industry and Commerce.

Non-governmental organisations (NGOs)

We discuss the possible effects of our business activities on people and the environment with non-governmental organisations. As part of our voluntary agreement, we also support international initiatives by NGOs to highlight key areas of activity in our sustainability strategy, such as resource scarcity, climate change and inequalities. In 2021, we once again participated in the German "Diversity Day" of the Diversity Charter by organising a Diversity Week and conducted corporate volunteering activities on "World Cleanup Day".

In spite of – or precisely because of – the restrictions due to the COVID-19 pandemic, we continued to deepen our discussions during the reporting year. Many rounds of talks were conducted successfully and constructively online.

In the process, the areas of activity we defined in 2019 were once again confirmed. In 2021, REHAU and its stakeholders categorised climate protection, the reduction of CO₂e emissions and the transition to a circular economy in particular as extremely important. REHAU considers this a clear mandate to systematically integrate these topics into our core business operations.

→ Sustainability strategy, p. 15ff.

Supply chain

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 308: Supplier environmental assessment

UN Global Compact: Principles 7, 8

GRI 414: Supplier social assessment

UN Global Compact: Principles 1, 2, 3, 4, 5, 6, 10

We strive to maintain long-term partnerships with our suppliers. Our entrepreneurial responsibility extends along the entire value chain. In addition to quality and price, environmental and social criteria are especially crucial concerns for us when it comes to engaging external suppliers and service providers.

→ GRI 102-9: Supply chain, p. 11f.

The global procurement of non-production materials and logistics services, as well as of defined volumes of production material, is organised within REHAU Purchasing. The Executive Director Purchasing reports directly to executive management. The broad procurement portfolio encompasses a wide variety of purchasing categories into which our supplier pools are divided. We also distinguish according to material groups, which form the lowest level for the shaping of our purchasing strategy. They are organised by importance and value contribution. The various purchasing departments are arranged according to the material groups and each one has a strategic buyer. There are additional strategic buyers in some regions and at the divisions.

The main task of REHAU Purchasing is to make sure that our plants are supplied with materials. Through a strategic alliance, MERAXIS is responsible for the global procurement and corresponding supply chain management of defined production materials, purchased parts/trade goods and capital goods in the form of machines, systems and tools.

As part of the strategic alliance between REHAU and MERAXIS, our sustainability strategy is gradually being integrated into the supply chain. During the reporting year, the supply chain was subjected to an initial screening for Scope 3 with a focus on the automotive sector. Selected suppliers were asked about reducing their CO₂e emissions or their decarbonisation strategy. The focus was especially on logistics, packaging, recycling and current emissions. The contents of the survey were handled in greater depth in workshops with individual representatives of the supply chain. In addition, areas of activity were identified in order to anchor appropriate measures related to sustainability in the automotive procurement process.

Purchasing is a key component of the REHAU sustainability strategy and its four main areas of activity. It is responsible for the long-term achievement of the sustainability targets in the supply chain. Our supplier and material group management forms the basis for all of our activities and decisions in this regard.

At REHAU, supplier management proceeds according to the following steps:

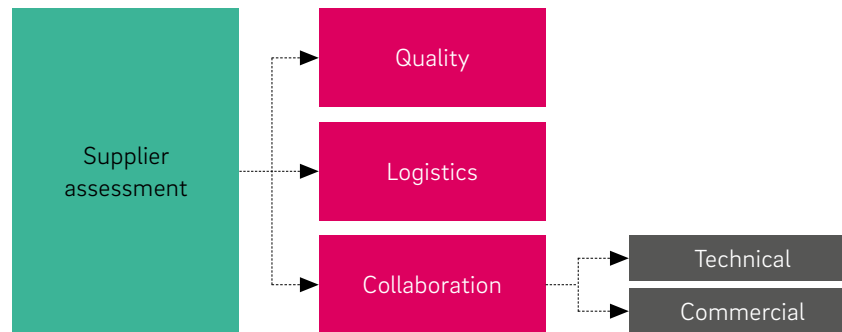
1. Supplier selection
2. Supplier assessment
3. Supplier classification
4. Supplier development

New suppliers are chosen in a multi-stage process. After registration or invitation by REHAU Purchasing, suppliers are evaluated on the basis of a self-disclosure. An initial audit is carried out, if necessary. The nature and scope of these measures depend on the respective procurement item.

→ Quality management at REHAU, p. 32f.

Our suppliers are regularly assessed in terms of quality, logistics and cooperation. In addition, all suppliers are classified according to their relevance for the company. This classification as well as the result of the supplier evaluation can form the preliminary stage of a supplier development process.

14 _ Supplier assessment at REHAU



- 🌐 Further information about the supplier assessment
- 🌐 Supplier management at REHAU

We use a variety of policies and processes to ensure our suppliers and service providers meet basic standards. Besides in-house process instructions for supplier management and the supplier development process, the main basis for all supplier agreements is the Supplier Code of Conduct (SCC).

The SCC specifies in binding terms that REHAU also expects its business partners to respect human and personal rights, comply with environmental and occupational health and safety standards and conduct their business ethically. Signing the code or a comparable set of rules is a mandatory step for our strategic suppliers. Violations of the SCC can lead to the termination of the business relationship. The contents of the SCC and any measures that would be taken in the event of an escalation are integrated into our supplier auditing process. The basis for the assessments and audits is regularly updated and supplemented. The supplier selection audits are also based on specific sustainability requirements. These are systematically incorporated into the audit results.

During the reporting year, we started a project to integrate the requirements of the forthcoming Supply Chain Act into our supplier management. In addition, we want to revise our Supplier Code of Conduct and add relevant passages in 2022. Once updated, it will be resent to our relevant suppliers.

🌐 Supplier Code of Conduct

Suppliers' compliance with social criteria is also an integral component of our sustainable procurement standard. We use on-site audits to verify whether our suppliers meet our social and environmental requirements. Audits can be triggered by supplier selection processes, product and process qualifications or customer requests, among other things. In addition to standard planned audits, these can also be carried out on an ad hoc basis. In special cases, we reserve the right to end the business relationship if a supplier fails to comply with our standards.

REHAU operates the CoCoS (Compliance Communication System) whistleblower system, which employees and suppliers can use to anonymously report unethical or illegal behaviour.

- Ethics and compliance, p. 23ff.
- GRI 308-2: Negative environmental impacts in the supply chain and actions taken, p. 34
- GRI 414-2: Negative social impacts in the supply chain and actions taken, p. 34

As part of our certified environmental management system and the certified labour and health management system, our purchasing and supplier selection processes are subject to in-house audits by the HSE department as well as by an external service provider (TÜV Rheinland) for the certification. In addition, our suppliers of production material commit to maintaining a quality management system in accordance with ISO 9001 or a comparable standard.

The REHAU quality management system meets the requirements of ISO 9001 and ISO 14001 as well as other sector-specific quality standards, such as those of the automobile industry (IATF 16949). The quality management system encompasses all areas of the company. Targets are defined every year for meeting those standards and norms. These targets serve as the basis for audits by in-house quality officers and independent external experts. Compliance is also checked by some of our customers. All of the auditors have to regularly receive further training and prove their qualifications.

The certification audits are carried out annually for environmental, quality, energy, occupational safety and health management. Each process is considered on the basis of the respective standard in the three-year certification period.

 TÜV Rheinland certificates

In 2020, the quality management team cooperated with those responsible for the areas of environment, energy and occupational health and safety to implement audit software specifically for REHAU. Among other things, this software enables audit deviations and focal areas to be more systematically evaluated. The basis of the audits was supplemented by further sustainability aspects in 2021. They should enable analyses to be carried out as necessary by the sustainability management team, e.g. for new suppliers of hazardous substances, for recycling companies and for outsourced processes that are relevant from an HSE standpoint. The technical implementation of the changes to the supplier management system is currently being carried out and should be completed in 2022.

Systematic risk monitoring of our suppliers is also an important tool for REHAU. It allows us to accurately evaluate our supplier relationships and adapt our procurement strategies accordingly. Our departments regularly coordinate the supplier-related risks as part of our purchasing strategy and audit planning. The selection is made on the basis of an initial evaluation of the respective supplier.

Key criteria that we assess across all procurement segments include quality, the risk of supply disruptions, availability and dependence, environmental protection, working conditions, protection of know-how and the economic stability of the suppliers. As part of the risk assessment, the process for the selection of new suppliers and the planning of audit measures also takes into account obvious risk factors such as geographic location, salary levels and the possible environmental impacts of business operations.

In order to uphold our due diligence obligations, we significantly expanded our measures to review our supplier base for compliance risks in 2021 with the introduction of an electronic Third Party Due Diligence (TPDD) system. These risk analyses have so far been based on the SLC (Supplier Life Cycle) supplier system. An expansion to other supplier systems will follow in 2022. At its core, this process is about the systematic and verifiable review of our business partners using external, recognised data sources with regard to corruption risks, antitrust law or environmental violations. But respect for human rights is also an important part of the audit process. Specifically, we want to do the following:

- Obtain further knowledge about the business partner with respect to possible compliance risks
 - Refrain from working with dubious partners
 - Oblige our business partners to comply with the relevant laws and our own principles as necessary
 - Monitor the behaviour of our business partners and take action if necessary
- Sustainable growth targets, p. 37
 → Management approach for diversity and human rights, p. 71ff.
 → REHAU HSE management system, p. 42f.

Because COVID-19 might affect global supply chains, we are closely monitoring the situation in order to detect possible impacts early on and take action if necessary.

These effects include travel restrictions that have made it harder to conduct supplier audits. We have continuously prioritised which on-site measures are absolutely essential and which measures can also be done online. This has shown that videoconferences require a clear focus and a different approach to offline meetings. As a result, we carried out several measures as quality meetings instead of audits. However, only full audits are included in the statistics.

Because of COVID-19, we also had to develop new individual approaches for the assessment of new suppliers. With the help of a risk assessment, we determine which information from the existing audit questionnaire is needed in order to approve a supplier.

During the consultations with our suppliers, it became clear how seriously they take the health protection of their employees. Many companies only allow their employees to enter the company premises, for example.

GRI 308: Supplier environmental assessment

UN Global Compact: Principles 7, 8

→ GRI 103: Management approach, p. 31ff.

GRI 308-1: New suppliers that were screened using environmental criteria

GRI 308-2: Negative environmental impacts in the supply chain and actions taken

Among other things, we use local audits to review possible environmental impacts caused by our suppliers. We conducted a total of 60 audit measures during the reporting year. As in the previous year, no violations of our guidelines were found during these audits.

GRI 414: Supplier social assessment

UN Global Compact: Principles 1, 2, 3, 4, 5, 6, 10

→ GRI 103: Management approach, p. 31ff.

GRI 414-1: New suppliers that were screened using social criteria

GRI 414-2: Negative social impacts in the supply chain and actions taken

REHAU has a zero-tolerance policy when it comes to unethical business conduct, such as discrimination, child or forced labour, corrupt business practices and cartel agreements. Signing our SCC is a mandatory step for our strategic suppliers.

→ Ethics and compliance, p. 23ff.

We pay attention to compliance with the SCC with regard to social criteria and reserve the right to take appropriate measures to verify this compliance. No significant negative social impact in the supply chain was detected in 2021.

Economic impact

GRI 103: Management approach for economic impact (including 103-1, 103-2, 103-3)

GRI 201: Economic performance

GRI 203: Indirect economic impacts

REHAU is a system supplier and service provider for polymer-based solutions. We operate internationally in the automotive, construction and industrial sectors through our subgroups REHAU Automotive and REHAU Industries, as well as the latter's four divisions: Building Solutions, Interior Solutions, Industrial Solutions and Window Solutions. The expertise we have been building for decades and our innovative spirit when it comes to circular production systems – as well as our impressive achievements in the field of polymer technology – form the basis upon which we want to approach the issues of the future relating to sustainable business and social development.

→ GRI 102-2: Activities, brands, products and services, p. 06

At around 170 locations in 54 countries, we employ approximately 20,000 people who contribute to the growth and success of our company. REHAU is continuously developing its network on five continents in order to be an active local partner. Our family-owned business wants to remain independent in the future and focus on its medium-term and long-term goals, instead of on short-term profit. We are inspired by three strong megatrends that we have identified through market analysis and customer surveys: customisation, connectivity and the circular economy. For us as a manufacturing company, the future transformation from a linear to a circular economy plays an especially important role for our strategic orientation and, in particular, for product development.

We think and act with foresight and in accordance with sustainability requirements. We consider our responsibility towards people and the environment to be a key pillar of our corporate culture and a basis for long-term growth. Moreover, we want to play an active role in society and be a positive influence on the world around us. This is what our diverse products and services stand for – for example, systems for the decentralised energy transition such as pre-insulated pipe systems, support for the mobility transition with polymer conductor rail systems for local public transport or lightweight components for a wide variety of applications in industry. We are also involved in the communities around our locations.

→ Our social involvement, p. 79

At REHAU, production waste has always been considered recyclable material, and as such has been divided into different categories. This is how the first cross-plant material cycles came about as early as the 1950s. We also continually expanded our recycling efforts in response to the increased environmental awareness in the 1980s. For example, the first external circuits were established in civil engineering through take-back concepts for old pipelines. Around twenty years ago, we extended these concepts to classic consumer products. We now operate four of our own recycling facilities for internal and external needs in Europe.

There are also new guidelines and other developments at the political level. For example, Germany, our most important market, has adopted the Circular Economy Roadmap. In addition, the new federal government has anchored the topic of the circular economy in the coalition agreement. At the European level, there is now a right to have electronic devices repaired, and the circular economy has been defined as one of six objectives of the EU taxonomy. For us, all of this is a clear signal of the paradigm shift from a linear to a circular economy and encourages us in our chosen path. We are consistently progressing along this path with our current sustainability strategy.

The possible use of secondary material is now relevant for all subgroups and divisions, as it helps us to minimise dependence on limited resources and cushion the current price increases for raw materials. It is also an important step towards achieving our targets for the CO₂e footprint, which were newly defined in 2021. In the reporting year, the first projects were therefore started in order to integrate the Circular Design Principles and the Circular Scorecard (CS) into the development process.

→ Circular Design Principles, p. 49

From 2022, the targets for the "Driving forward the circular economy" area of activity are to be expanded, thus enhancing the indicator for recyclable products. With the Circular Scorecard, we want to promote and accelerate the implementation of the principles of an integral circular economy within the REHAU Group. In the first step, product management should evaluate existing products using the CS. For new products, the development departments should be guided by these principles; existing products are to be continuously developed further in line with the CS. At the same time, the existing high quality and safety standards should be maintained.

The core elements of the CS are the four categories of energy supply (Circular Energy Supply), development (Circular Products), manufacturing (Circular Production) and society (Circular Society). These are intended to ensure a holistic approach to the evaluation. The CS and its evaluation matrix will be introduced into the development process in 2022. In this way, we want to align the business models and internal processes even more closely with the principles of the stakeholder economy, the Sustainable Development Goals and the UN Global Compact.

- Driving forward the circular economy, p. 46ff.
- GRI 102-14: Statement from senior decision maker, p. 03
- GRI 102-44: Key topics and concerns raised, p. 27ff.

15 _ REHAU Circular Scorecard



Circular Energy Supply

Energy efficiency and share of renewables in energy supply
(SDG: 7, 13 / GRI: 302, 305)



Circular Products

Recyclability of the materials, ingredients, designs and packaging used
(SDG: 12 / GRI: 301, 306)



Circular Production

Application of the cycle principle in production
(SDG: 3, 6, 12 / GRI: 303, 306, 403)



Circular Society

Systemic sustainability and stakeholder engagement
(SDG: 16, 17 / GRI: 102-43, 414)



Circular rating

We are aware that our actions and behaviour have an impact on the entire value chain. When procuring goods and services, we use a transparent, fair and competitive process. This allows us to both achieve the best value and apply high ethical standards. In future, we want to move from the classic price-to-performance ratio to a price-to-sustainability ratio in our business relationships. In autumn 2021, we started a project to improve accountability and transparency in our supply chain.

As part of the project, a new code of conduct for suppliers will be introduced in spring 2022. We are also developing a risk assessment tool to identify potential ESG risks in our supply chain.

The “Sustainable growth” area of activity is assigned to the “Economic impact” chapter. Internally, this area of activity also includes topics such as the supply chain and occupational health and safety as well as the targets that we have formulated for these topics.

- Supply chain, p. 31ff.
- Occupational health and safety, p. 63ff.



Sustainable growth targets

Targets	Deadline	Status	Achieved	Page	Targets	Deadline	Status	Achieved	Page
Sustainable growth of between 1 and 3%, calculated on the basis of the average figures for the last five reporting years, at REHAU Automotive and the four divisions of REHAU Industries	By 2030	In the reporting year, we again achieved the level of 2019, with turnover of EUR 3.5 billion. The targeted annual growth of 1 to 3% was just missed due to COVID-19.	○	17	Supplier management – embedding sustainability requirements into relationships with business partners	Ongoing	All strategic suppliers and selected new suppliers should sign REHAU's Supplier Code of Conduct. A project was started in the reporting year to further anchor the topic in operational activities and also to integrate social responsibility. Various aspects of sustainability were checked in the first supplier audits and dialogues in 2021.	●	31ff.
Gradual transition from a linear to a circular economy	Ongoing	The circular economy has been confirmed as a key area of activity of a future basic strategy. In the meantime, REHAU Automotive and the four divisions of REHAU Industries have developed concrete implementation strategies and initial measures.	●	17f., 35f.	Health and safety at work – continual reduction of workplace accidents (vision: zero)	Ongoing	In 2021, the accident rate involving accidents with more than three days of absence per 1 million working hours was 6.83 (2020: 7.66). This was just above the target of 6.64. ISO 45001 was introduced at four additional locations.	●	63ff.

● Target achieved ● Target partially achieved ○ Target not achieved ▷ New target



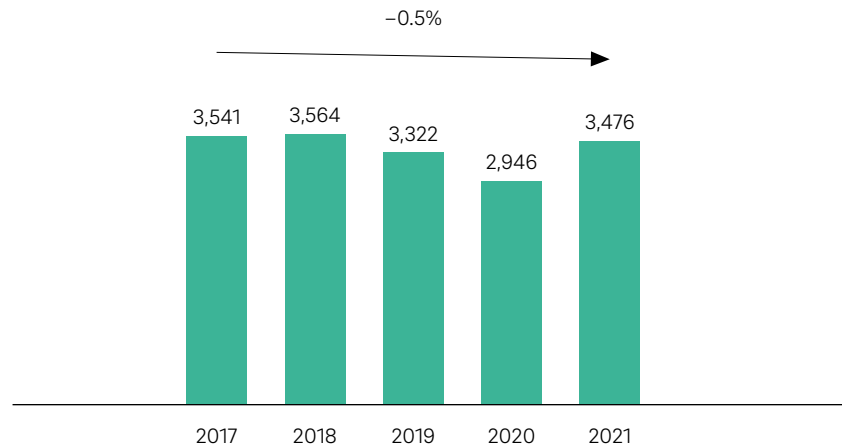
GRI 201: Economic performance

(Area of activity: "Sustainable growth")

→ GRI 103: Management approach, p. 35ff.

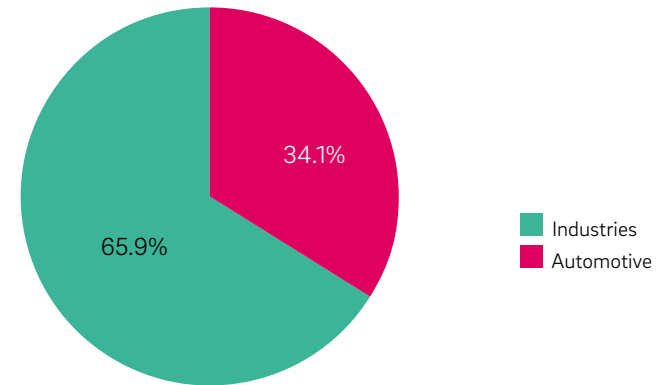
GRI 201-1: Direct economic value generated and distributed

16 _ Turnover figures (in millions of EUR)



🌐 For information concerning the biggest single company, see the REHAU AG + Co Management Report (published at www.bundesanzeiger.de)

17 _ Turnover distribution 2021



GRI 201-2: Financial implications and other risks and opportunities due to climate change

UN Global Compact: Principles 7, 8

During the reporting year, there were several landmark political decisions in connection with the Paris resolutions (COP 21) and the Green Deal goals of the European Union. In addition, at the end of 2021, the European Commission adopted technical screening criteria (TSC) for activities that make a significant contribution to the goals of mitigation and adaptation to the climate crisis. Criteria for evaluating the environmental performance were defined for the six environmental goals. These include around 80 activities to mitigate climate change and approximately 100 climate change adaptation activities. This first decision regarding the EU taxonomy will serve as guidance for investors and companies from 2022 on. This is the first time there is a benchmark for classifying a company's environmental performance. Efforts to protect the climate will, in

future, become transparent and comparable as an active part of corporate balance sheets. This helps both the (financial) business sector and the public to define when an economic activity is sustainable.

To offset fluctuations and volatile developments and to achieve our ambitious CO₂e goals, we have been using more than 100 gigawatt hours of TÜV-certified green electricity a year since 2015. In the future, we will focus even more on the direct use of renewable energies and thus reduce the financial risks described above, save costs by using our own electricity and continuously reduce our CO₂e emissions. In the reporting year, we initiated the implementation planning for a total of three photovoltaic systems at the administrative site in Erlangen and at the production site and headquarters in Rehau. These systems will be installed and put into operation in 2022.

→ GRI 305: Emissions, p. 55ff.

The climate crisis will affect all areas of REHAU's industrial production and the regional climate conditions. To date, these changes have not substantially influenced our thinking about the sourcing of raw materials, our supply chains, our development and production processes, and new business models, nor have they been taken into account sufficiently in our risk management. In the reporting year, we developed an initial basic concept for developing a climate adaptation strategy. In 2022, we want to analyse the effects of the climate crisis for individual locations. On this basis, we will also define processes for the evaluation of locations in the future.

Ensuring that development and market activities revolve around the main topic of sustainability, with an emphasis on circular products and production processes, will open up substantial opportunities for continuous, moderate growth, as well as numerous innovations and business models within the circular economy. In the reporting year, we developed our own Circular Scorecard.

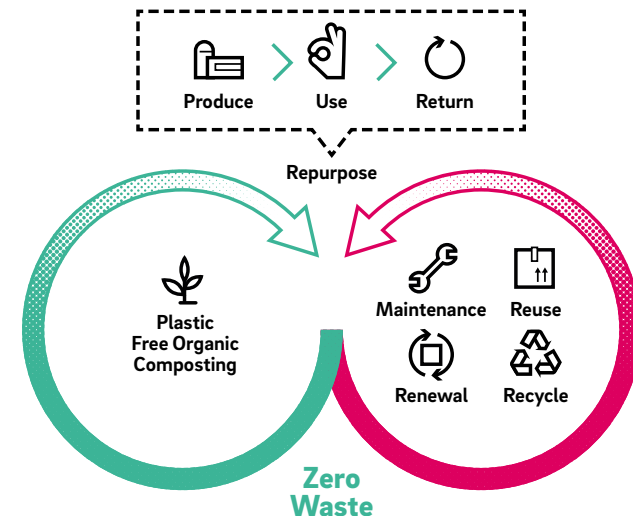
→ Circular Scorecard, p. 36

At the same time, we have started revising our KPIs in the "Driving forward the circular economy" area of activity. We want to expand our know-how regarding the processing and use of recyclates so that we can recognise and use the opportunities and risks of the different cycles. Here we distinguish between two material flows:

- In biological cycles there are only materials that can be returned to nature.
- Materials in technical cycles, on the other hand, do not return to the environment but are fed back into the loop.

Both cycles reduce dependence on primary resources and thus make a significant contribution to achieving reduction targets in the area of CO₂e emissions.

18 _ Material flows of circular economy





GRI 203: Indirect economic impacts

(Area of activity: "Sustainable growth")

→ GRI 103: Management approach, p. 35ff.

GRI 203-1: Infrastructure investments and services supported

REHAU considers itself a corporate citizen. Corporate citizenship begins with establishing a good relationship with local residents and communities. In advance of investment decisions, we investigate what effect our business activities will have on their surroundings. This includes analysing the expected emissions, the regional infrastructure and the impact on the local job market.

We respond to questions from the general public at all of our locations worldwide. Local residents who come to us with their concerns receive fast, comprehensible answers. This assistance is provided by central contact partners from a variety of departments, including that for sustainability management. We invite the public to open days at regular intervals. However, such events could not be held during the reporting year because of COVID-19.

→ Stakeholders, p. 27ff.

REHAU also supports its local regions significantly by procuring products and services from domestic suppliers. We purchase the vast majority of our technical products and services in the country in which they are needed. For example, in 2021 the German REHAU AG + Co made purchases amounting to more than EUR 320 million from local suppliers.

Our activities for the implementation of our sustainability strategy at our approximately 170 locations also promote the sustainable development of the respective regions in a variety of ways. Our ambitious climate protection and circular economy targets in particular are already having a positive impact on the local areas:

- Conversion and expansion of a demonstration plant for closed industrial cycles in the sense of circular production for training internal and external trainees (example: Prolin training centre, Rehau)
- Contribution to a local, climate-neutral heating transition through the construction of a wood chip facility (example: Viechtach plants)
- In the reporting year, the decision was taken to roll out e-mobility as part of the sustainability strategy by installing 40 charging stations, with implementation scheduled for 2022 (example: administrations in Rehau and Erlangen)
- Contribution to a local energy transition through the construction of large-scale photovoltaic systems in 2022 (example: administrations in Rehau and Erlangen)

→ Our social involvement, p. 79

Environmental impact

GRI 103: Management approach (including 103-1, 103-2, 103-3)

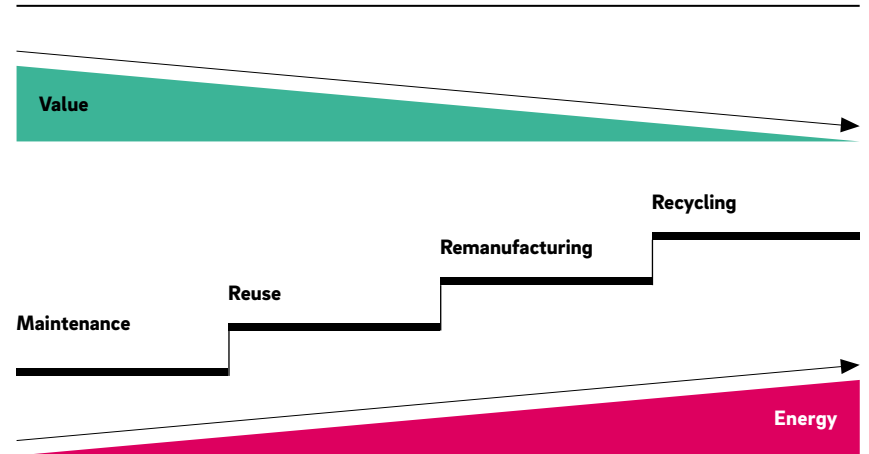
UN Global Compact: Principles 7, 8, 9

Operational environmental protection and the systematic reduction of our resource consumption are essential components of our sustainability concept. For REHAU, polymers have always been a recyclable material. As a result, the basic principle “reduce – reuse – recycle” has been in place in our factories as part of our resource efficiency strategy. During the reporting year, we increasingly addressed the necessity of circular design in our products, among other measures. In addition to recycling, circular design will play a more and more important role in the future – in product development as well as in the “redesign” after the first product life cycle. In order to reach global, national and company sustainability goals, climate protection and a circular economy must be considered and developed in tandem. In the future, recycling that is as non-destructive as possible will play an important role.

Concrete major environmental projects could not be implemented during the reporting year because the freeze that was imposed on investments on account of COVID-19 in 2020 was extended to include 2021.

At REHAU, we consider environmental protection to be a management responsibility. All of our managers – starting with the Executive Boards (AEB and IEB) – are therefore responsible for the implementation of the agreed environmental targets. This responsibility is to be put into concrete and measurable terms in 2022. The individual target agreements of the managers (Levels E2 to E0) should also include these elements in the future.

19 _ The four stages of the circular economy at REHAU



Stage

01

Providing services in order to keep the product in the use phase as long as possible. In this stage, the product's value retention is at its highest level and its energy requirement is at its lowest level.

Stage

02

Reusing the product or its individual components for the same original purpose.

Stage

03

The product is put back into good working order. Major components that show initial defects or errors are repaired or replaced. The remanufactured product corresponds to a new product.

Stage

04

Destruction of the product and reprocessing its reusable components to create a new product. As a result, waste streams are reduced. The energy requirement is highest during this stage.

In order to support and digitalise this measure, we decided in 2021 to expand our central indicator system. The segmentation of our internal reporting system was changed accordingly. In addition to the categories Quality, Costs, Employees and Process, we added Sustainability as a fifth independent category. As a result, starting in 2022 the initial set of important KPIs in the reporting to the Executive Boards and the Supervisory Board can be broken down to the factory level. In the first step of this long-term project, indicators of CO₂e emissions from Scope 2 are taken into consideration and included in worldwide monitoring processes. In the next step, we plan to expand the indicator system by including factory-specific recycling quotas. The goal is to record all the important sustainability goals comprehensively and to automate this process in the medium term.

Since 2019, REHAU's environmental and energy management has been the responsibility of the Chief Operating Officer (COO), who reports directly to the CEO. That is also the case at REHAU Automotive and REHAU Industries. It is divided between the departments of Energy Management (EM) and Real Estate Management (REM). As a rule, both departments are connected with all of our factories, branches and administrative locations around the world through local representatives. This allows us to manage the implementation of our environmental guidelines and influence the day-to-day environmental practices within REHAU.

Decisions regarding environmental and energy measures are made via the line functions all the way to the executive boards of REHAU Automotive and REHAU Industries. The environmental and energy management system provides each executive board with regular reports, which give it additional information on which to base its decisions.

20 _ Areas of responsibility for environmental and energy management

Energy Management (EM)

- Design, implementation and maintenance of the energy management system
 - Development and updating of energy-related basic principles, targets and standards
 - Creation and maintenance of energy management processes and instructions (incl. tasks, skills and areas of responsibility)
 - Monitoring the most important KPIs energy/fuels, CO₂e emissions and water
 - Advising the operational units regarding projects (e.g. energy consumption, measuring systems and plant configuration)
 - Developing alternative energy supply solutions for existing and new locations
 - Organisation and implementation of internal energy management audits
 - Organisation and implementation of regular network meetings of the local energy officers (workshops)
 - Support for and advising on the purchase of electricity, gas and certificates of origin
-

Environmental management as part of Health, Safety and Environment (HSE)

- Design, implementation and monitoring of the Health Safety Environment (HSE) management system
 - Development and updating of the HSE basic principles, targets and standards
 - Creation and maintenance of the HSE processes and the HSE instructions (incl. tasks, skills and areas of responsibility)
 - Advising on projects (e.g. health protection, accident prevention, environmental and emergency concepts)
 - Organisation and implementation of the internal HSE audits
 - Proactively informing the responsible individuals, providing advice as needed
 - Organising certifications according to ISO 14001 and ISO 45001
-

We emphasise the importance of environmental protection and environmentally friendly business activities in the following principles:

- 🌐 REHAU principles – sustainability, environmental protection, occupational health and safety
- 🌐 REHAU principles – energy management

During the reporting period we refined various measures to implement our sustainability strategy and improve our HSE and energy management systems. This concerns the topics of materials, energy, water, emissions and waste. The expansion of our energy monitoring system was another focal point.

We have implemented a number of measures to achieve the goals set out in our sustainability strategy, including in the areas of energy usage and efficiency. We promote technical discussion between responsible representatives of REHAU's departments by means of two internal workshops per year on the topic of energy management. In 2021, the workshops addressed updates of the ISO 50001 standard, energy indicators and energy benchmarks, and the use of the energy monitoring software WiriTec.

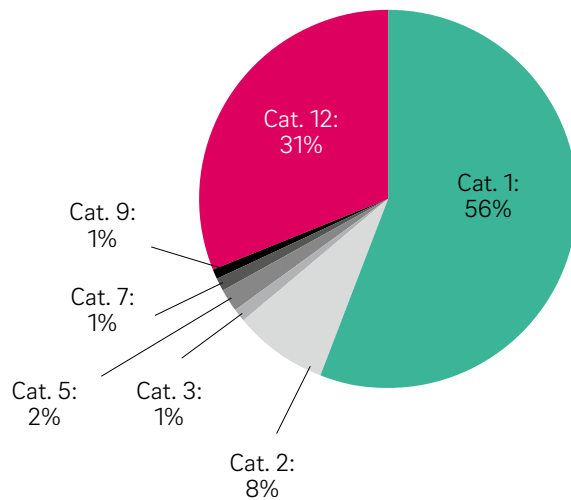
REHAU's HSE and energy management systems are certified according to the ISO 14001, ISO 45001 and ISO 50001 standards. The HSE and BES departments safeguard the continuous processing and elaboration of the ISO requirements. As in the previous year, we are continuing to work primarily on the certification of all REHAU factories according to the ISO 14001 standard, as well as the expansion of certification according to ISO 50001 and ISO 45001.

- 🌐 ISO certifications



Various different sources were consulted when it came to acquiring environmental information. Data on the consumption of gas and heating oil, CO₂ emissions and water consumption is collected at all factories worldwide on a monthly basis. Electricity consumption is measured in detail using various measuring points and sensors at the factories. We are able to report on our global emissions in accordance with Scope 1 and Scope 2. For the first investigation of our Scope 3 emissions, we began a relevance analysis of all 15 categories in 2019 in order to determine the emission focal points and clarify the data basis that is used to calculate the emissions. The relevance analysis was completed during the reporting period. Since then, a follow-up project has been launched for the subgroups REHAU Automotive and REHAU Industries. The purpose of this project is to make a more detailed analysis of the complete areas. The automotive subgroup is additionally faced with the task of creating an initial overall analysis of the CO₂e footprint of a complex component.

21 _ Relevance analysis, Scope 3 emissions*



- Cat. 1: Purchased goods and services
- Cat. 2: Capital goods
- Cat. 3: Fuel and energy related activities
- Cat. 4: Upstream transportation and distribution
- Cat. 5: Waste generated in operations
- Cat. 6: Business travel
- Cat. 7: Employee commuting
- Cat. 8: Upstream leased assets
- Cat. 9: Downstream transportation and distribution
- Cat. 12: End-of-life treatment of sold products

* On the basis of the 15 categories specified for Scope 3

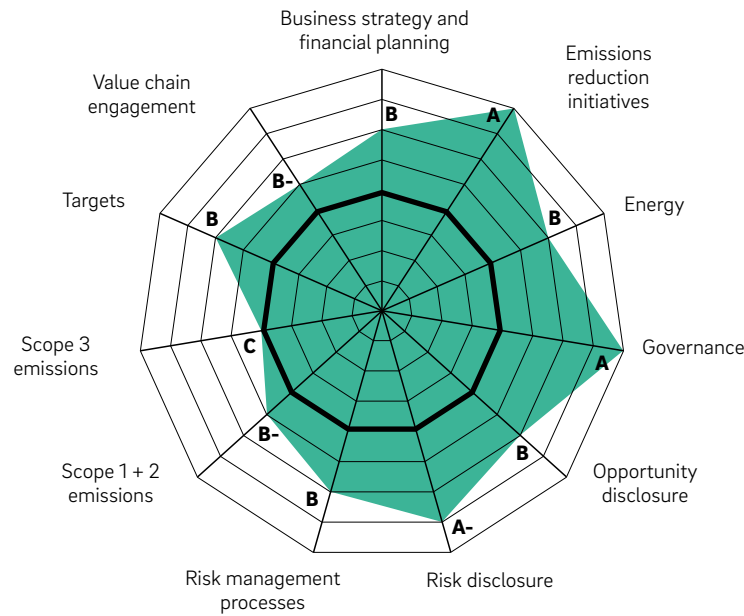


The step-by-step selection process is based on the following criteria: the possibility of influencing the emissions, their degree of impact and their amount. We plan to include the MERAXIS subgroup in the calculation of the Scope 1, 2 and 3 emissions in 2022.

→ GRI 305: Emissions, p. 55ff.

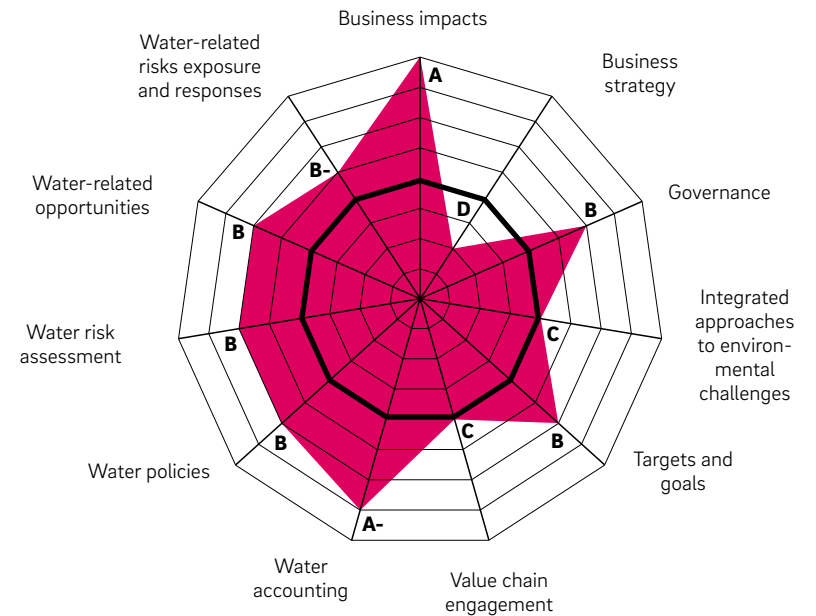
Furthermore, we have been participating in the CDP since 2014. In 2021, we further improved our performance in individual parts of the Climate Change survey and received the same rating of B as in the previous year.

22 _ CDP result Climate Change survey REHAU 2021



We are also continuing to work on improving the data quality of our international branches and factories in the areas of energy and water monitoring. In 2021, we implemented the measures required for setting up comprehensive monitoring at the plants in Klaipeda (Lithuania) and Buenos Aires (Argentina) so that these plants can be included in the monitoring process in 2022.

23 _ CDP result Water Security survey REHAU 2021



In the reporting year we once again improved our performance in the Water Security survey of the CDP and received a B rating.

→ GRI 303: Water and effluents, p. 50

The circular economy

UN Global Compact: Principles 7, 8, 9

GRI 301: Materials

GRI 303: Water and effluents

GRI 306: Waste

GRI 307: Environmental compliance

→ GRI 103: Management approach, p. 41ff.



Targets for “Driving forward the circular economy”

Targets	Deadline	Status	Achieved	Page	Targets	Deadline	Status	Achieved	Page
Increase the average proportion of recyclates in our products to 15% in the EMEA region by 2025	2025	The average proportion of recyclates used in all REHAU products was 15.2% in the reporting period.	●	17, 47f.	▷ New target Reduce water consumption per EUR of factory revenue by 10% relative to 2019	By 2025	Water consumption was reduced by 3.5% in 2021.	●	50
Implement at least one sustainable flagship project in each division	2025	In 2021, Interior Solutions launched RAUKANTEX eco.protect on the market. This is a sustainable product line based on recyclates and bio-based materials. Window Solutions developed Window ID, a digital ID that makes it possible to track a window throughout its entire product life cycle, from production to recycling.	◐	48	Reduce production waste by 2% relative to the previous year in relation to the output in tonnes (factories worldwide)	Ongoing	The target for hazardous waste was achieved. A reduction of non-hazardous waste was achieved, but the target of 2% was missed. Starting in 2021, the amounts of hazardous and non-hazardous waste have also been divided into the categories “utilised” and “eliminated”.	◐	51f.

● Target achieved ◐ Target partially achieved ○ Target not achieved ▷ New target



GRI 301: Materials

(Area of activity: "Driving forward the circular economy")

UN Global Compact: Principles 7, 8, 9

→ GRI 103: Management approach, p. 41ff.

GRI 301-1: Materials used by weight or volume

The product ranges of REHAU Automotive and REHAU Industries did not change during the reporting period. We manufacture products according to specific customer requirements as well as standard products for a range of B2B applications. As an international producer of polymer-based solutions, REHAU has comprehensive expertise in the processing of materials such as polyolefins, technical polymers, silicones and thermoplastic elastomers.



The total output of all of REHAU's factories amounted to 534,763 tonnes in 2021. Material usage increased by approximately 16 per cent worldwide compared to 2020. This was due to increased sales in all divisions of the subgroup REHAU Industries. Output did not increase in the Automotive subgroup in the reporting year.

GRI 301-2: Recycled input materials used

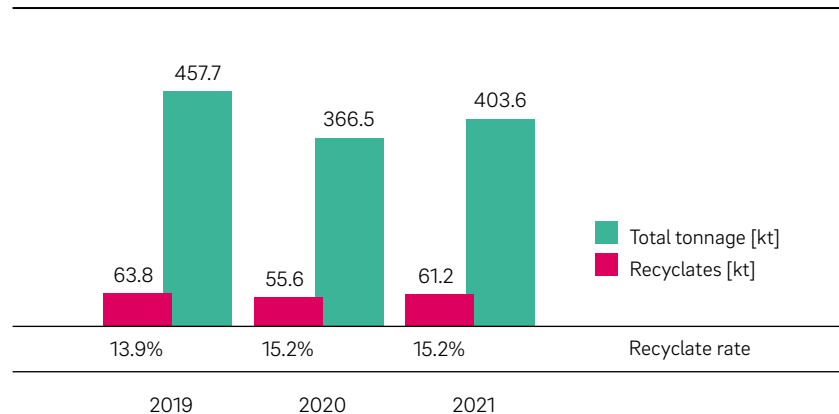
Recyclable material accumulated during production – known as recovered material or production material – is recorded, classified and, depending on the results of the evaluation, inspected again and fed back into the manufacturing process.

During this process, REHAU makes a distinction between different material flows. These are categorised based on EN ISO 14021 as follows:

- Internal reusable material:
 - Recovered material A (RM A): material that has already been processed and can be fed back into the same process without restrictions (the same article or an article with the same formulation).
 - Recovered material B (RM B): polymers that were separated out from the waste material stream and cannot be reused in the same process or have been processed by means of a complex recycling process. Polymers that are reused after undergoing simple processes (such as grinding) do not belong in this category.
- External material: material from external sources or processes that has already been processed (post-consumer or post-industrial material).

At REHAU, only recovered material B and externally procured reusable material is regarded as a recycle. We have further sharpened the internal definition of this material. These material streams form the basis for determining our recycles quota – in other words, the proportion of recycled materials in a product. By contrast, recovered material A is fed into the same process and is not regarded as a recycle.

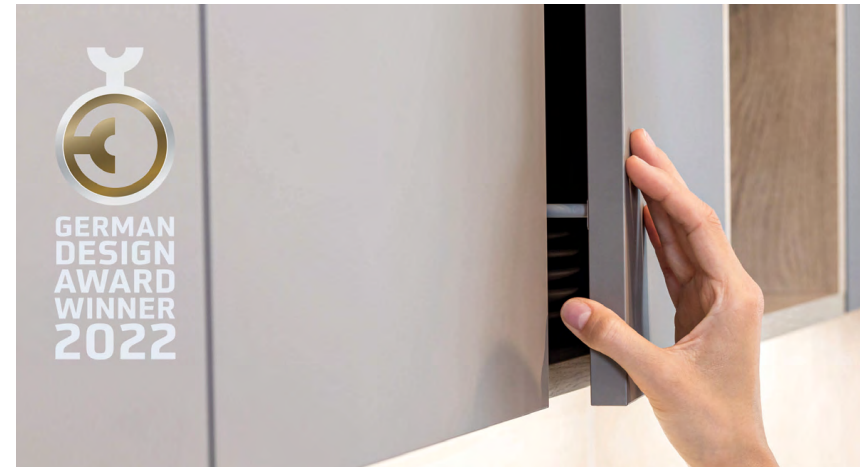
24 _ Recycled input materials used (EMEA region)



During the reporting period the observed total tonnage increased once again, and in the subgroup REHAU Industries it has returned to roughly its level before COVID-19. For the divisions of REHAU Industries, we can continue to represent only the recyclates quota for the EMEA region. For the subgroup REHAU Automotive, we provide the worldwide figures.

GRI 301-3: Reclaimed products and their packaging materials

Whether windows, pipes used in civil engineering or edge bands for the furniture industry, many of our products contain recycled polymers. We aim to continually increase our use of secondary raw materials by consistently recycling production waste and processing post-industrial and post-consumer waste in our own, or external, recycling facilities. Currently, the average rate across all divisions and products within the surveyed EMEA region is more than 15.2 per cent. This means that we already reached our original target for 2025 in 2021 as well, even though the sale of the Telecommunications business area removed a significant contributor to the recyclates quota in the Building Solutions division. One of

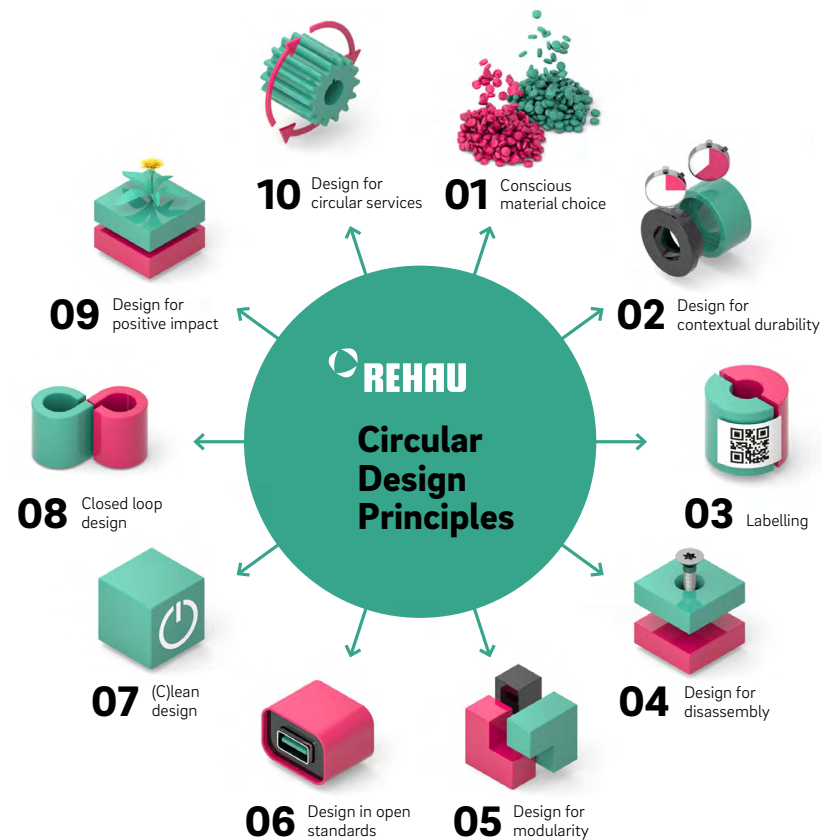


the factors that enabled us to reach this target was the sustainable product line RAUKANTEX eco, which was introduced by the Interior Solutions division in 2021. The RAUKANTEX eco edge band consists of 50 per cent post-industrial recyclates and is comparable with a classic polypropylene edge band with regard to its design, quality and workmanship.

During the reporting year the executive management decided to expand the targets of the area of activity "Driving forward the circular economy", starting in 2022. The recently developed REHAU Circular Scorecard provides the framework for the evaluation and implementation of the closed-loop approach within the REHAU Group. Its aim is to continuously help improve our products and services in many different areas of sustainability.

→ Circular Scorecard, p. 36

25 _ REHAU Circular Design Principles



As guidelines for product development, the REHAU Circular Design Principles are part of our Circular Design Guide. These ten principles each consist of a definition, examples and leading questions that make it possible to systematically address the topic of circular design without any previous knowledge. Thus we can already ensure the recyclability of our products at a very early stage of development as well as evaluating the recyclability of our existing products.

In the area of packaging, we continue to focus on the triad "reduce – reuse – recycle", because the best packaging is the packaging that is not needed. This is also underlined for our suppliers in this area in our Supplier Code of Conduct.

🌐 Supplier Code of Conduct

During the reporting year, we continued to reduce the thickness of diverse packaging films in order to reduce the volume fraction in the area of polymers. Our most important project was the reduction of the transport packaging for our sound-absorbing domestic drainpipe RAUPIANO. Thanks to the investment of more than EUR 2 million overall in a new plant technology, the thickness of the necessary protective film can be reduced by almost 50 per cent. In addition, more than 700,000 separators per year are no longer needed.

In total, the increased turnover in business areas that primarily use polymer films has only enabled us to maintain, but not to reduce, the current ratio of packaging made from sustainable sources of raw materials. As a result, packaging made of paper or corrugated cardboard, as well as cardboard and wooden spoons, once again made up 65 per cent of the total in 2021.

GRI 303: Water and effluents

UN Global Compact: Principles 7, 8, 9

→ GRI 103: Management approach, p. 41ff.

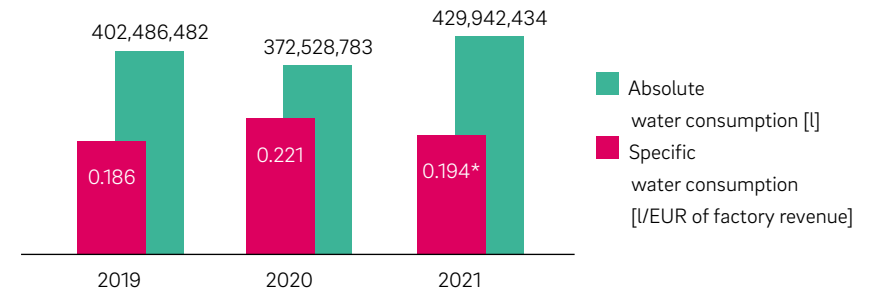
GRI 303-5: Water consumption

Water consumption is measured as it is supplied to each factory. We change the process water in our factories completely up to twice a year, depending on the location. As a result, the water footprint of our products (l/kg of factory output) varies depending on the production process and the product, e.g. between 0.19 l/kg (window profile, extrusion) and 3.6 l/kg (external automotive fittings, injection moulding).

We are continually working to reduce water loss, e.g. through more efficient tool-changing and conversion to closed or semi-open systems. These measures reduce evaporation and the frequency of filter backflushing, for example. We also sometimes deliberately drain water (approximately 2–3 m³ per week) to achieve a certain level of water exchange. However, the circular use of water has its limits. What this means for us in concrete terms is that a further reduction of water consumption or an increase of water recycling would compromise product quality.

During the reporting period, neither water quality nor water availability was significantly impacted by water withdrawal at our factory sites or administrative locations. The divisions of REHAU Industries achieved a water efficiency indicator that was similar to that of 2019. There were several production stoppages at the factories of REHAU Automotive due to insufficient use of capacity and longer lockdowns. In order to completely rinse out the resulting residues, more frequent changes of the process water were required. The commissioning of the new factory in Újhartyán (Hungary) and its painting facility also resulted in increased water consumption. This accounts for the decrease in the water efficiency indicators of the subgroup, and thus also of the company as a whole, to 0.194 l/EUR in 2021 compared to 2019.

26 _ Specific and absolute water consumption



* Of which 0.021 l/EUR factory revenue in the new factory in Újhartyán (Hungary). The commissioning of the painting facility at the plant resulted in increased water consumption.

At our factory in Blaenau Ffestiniog (Wales), we are actively relieving the burden on the local water supply by adding purified rainwater to the process water for our window extrusion production.





GRI 306: Waste

(Area of activity: "Driving forward the circular economy")

UN Global Compact: Principles 7, 8, 9

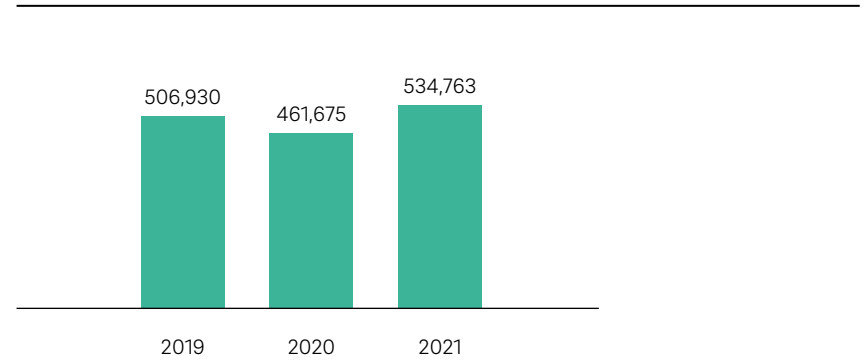
→ GRI 103: Management approach, p. 41ff.

GRI 306-3: Waste generated

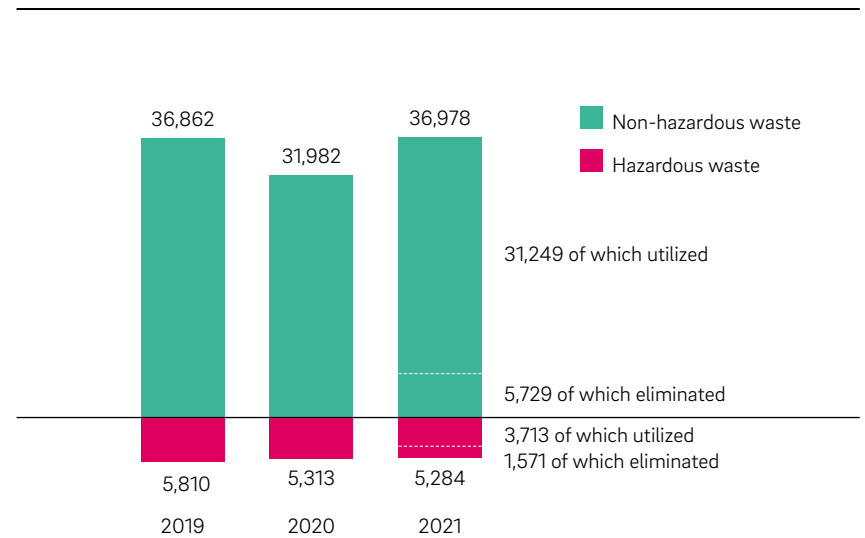
REHAU strives to avoid waste throughout the life cycle of its products. Throughout the company, we record the amount of waste generated at least semiannually and categorise it as "hazardous" or "non-hazardous". Starting in the reporting year, we will also add the criteria "recycled" and "eliminated".



27 _ Total global material output (in tonnes)



28 _ Global waste (in tonnes)





The environmentally friendly and legally secure recycling, treatment and elimination of waste is a top priority at REHAU. We periodically monitor the waste-disposal providers with whom we work on recycling and waste elimination, and assess them using criteria such as the legally secure documentation and plausibility of the methods used, the amount of material disposed of and the type and cost of the waste disposal.

The waste volumes from REHAU factories worldwide have been recorded and reported since 2017. In addition to the goal of reducing waste volumes by 2 per cent compared to the previous year, each factory defines its own specific targets in order to meet the needs of its factory-specific and production-related dependencies. In one of our factories, the volume of hazardous waste was significantly reduced by means of process improvement.

The volume of non-hazardous waste in relation to the production output could be slightly reduced. However, the goal of a 2 per cent reduction was not reached. This was due, among other things, to the significant increase of production in plants with a higher specific volume of waste. The target for 2022 remains a 2 per cent reduction of the total waste volume across all categories.



GRI 307: Environmental compliance

(Area of activity: "Accelerating climate protection")

UN Global Compact: Principles 7, 8, 9

→ GRI 103: Management approach, p. 41ff.

GRI 307-1: Non-compliance with environmental laws and regulations

During the reporting period, REHAU received no significant fines or non-monetary sanctions for non-compliance with environmental laws or regulations.

Climate protection

UN Global Compact: Principles 7, 8, 9

GRI 302: Energy

GRI 305: Emissions

→ GRI 103: Management approach, p. 41ff.



Targets for "Accelerating climate protection"

Targets	Deadline	Status	Achieved	Page	Targets	Deadline	Status	Achieved	Page
Reduce CO ₂ e emissions due to energy consumption (Scope 1 + 2 – market-based) by 30% relative to 2018 figures	2025	CO ₂ e emissions were reduced by 42.6% by 2021. The target was reached ahead of schedule, and new targets were defined for REHAU Industries and REHAU Automotive.	●	17, 55ff.	Reduce primary energy consumption per ton of output by 30% relative to 2009	2020	By 2019, 25.7% had been achieved. The target was missed in 2020 with 20.6%. It will be replaced by a new target (see below).	○	54
▷ New target for REHAU Automotive Reduce CO ₂ e emissions due to energy consumption (Scope 1 + 2 – market-based) by 100% relative to 2018 figures	2025	Scope 1: The target has not yet been achieved. Initial projects are in the planning phase. Scope 2: The target was achieved for the EMEA region.	◐	56f.	▷ New target (valid for REHAU Automotive and REHAU Industries) Reduce primary energy consumption per EUR of factory revenue by 15% relative to 2019 level	2025	As of 2021, primary energy consumption could be reduced by 0.5%.	○	54
▷ New target for REHAU Industries Reduce CO ₂ e emissions due to energy consumption (Scope 2 – market-based) by 100% relative to 2018 figures	2025	The target was achieved for the Industrial Solutions, Building Solutions and Interior Solutions divisions.	◐	56f.					

● Target achieved ◐ Target partially achieved ○ Target not achieved ▷ New target



GRI 302: Energy

(Area of activity: "Accelerating climate protection")

UN Global Compact: Principles 7, 8, 9

→ GRI 103: Management approach, p. 41ff.

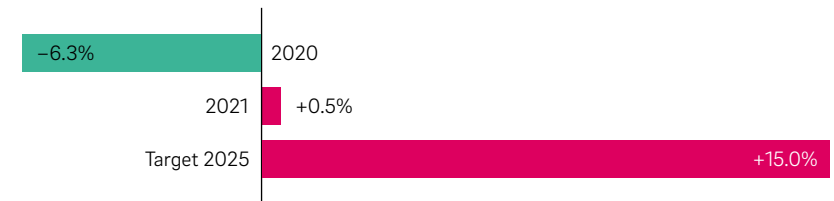
GRI 302-1: Energy consumption within the company

In 2020, we defined new targets for the reduction of our primary energy consumption. The reference year for calculating the related key indicators is 2019. Only the primary energy consumption for fuels and electricity is reported. This approach aims to simplify monitoring and reduce the number of sustainability indicators.

In the reference year 2019, the company's total electricity, gas and heating oil consumption amounted to 640 gigawatt-hours. This amount was approximately 85 gigawatt-hours greater than the figure for the original reference year 2009. Thanks to strict measures for boosting energy efficiency, our energy footprint (measured in kWh/EUR factory revenue) was continually reduced, despite consistent company growth.

In order to reinforce our systematic commitment to climate protection, we have defined stricter requirements in our targets. Starting in 2022, the Scope 2 emissions are being reported to executive management on a monthly basis as part of the new KPI Sustainability, together with the KPIs for Quality, Process, Costs, and Employees. For Scope 1, this controlling process, which will begin in 2023, is now in the planning stage. As a result of this decision, an annual budget of approximately EUR 1 million for energy efficiency measures was determined for the subgroups REHAU Automotive and REHAU Industries.

29 _ Percentage reduction in primary energy consumption relative to 2019



* During the reporting year, as in the previous year, it was not possible to achieve a significant improvement relative to the new reference year due to COVID-19.

In 2021, the operational focus of our energy management was on retaining ISO certification, receiving ISO 50001 recertification and expanding the energy monitoring system. These measures affect the factories in Feuchtwangen and Śrem (Poland). In 2022, we will also implement sustainable energy production projects – specifically, photovoltaic systems at the administrative locations in Rehau and Eltersdorf and a woodchip heating system in Viechtach. At the Feuchtwangen 2 factory, a farmer supplies us with biogas, which is then transformed into sustainable electricity and heating or cooling in a cogeneration power plant. We plan to implement the same concept for our biggest automotive factory, Feuchtwangen 15, in cooperation with the City of Feuchtwangen in 2022.

Our plans call for all REHAU locations worldwide to be operated with electricity from renewable energies by 2025. As part of these plans, we have authorised extensive investments so that in the medium term we can exclusively run our production operations climate-neutrally and exploit additional potential in the area of energy efficiency.



GRI 305: Emissions

(Area of activity: "Accelerating climate protection")

UN Global Compact: Principles 7, 8, 9

→ GRI 103: Management approach, p. 41ff.

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

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

GRI 305-3: Other indirect GHG emissions (Scope 3)

GRI 305-5: Reduction of GHG emissions

When monitoring GHG emissions, REHAU bases its measurements on international environmental and climate reporting guidelines, such as the Greenhouse Gas (GHG) Protocol, CDP and the Global Reporting Initiative (GRI). Emissions are calculated as CO₂ equivalents. This means that, in addition to CO₂, other greenhouse gases such as methane (CH₄) and oxides of nitrogen (NO_x) are also taken into account when calculating emissions, and their climate impact is converted into CO₂ reference values. We currently only report on CO₂e emissions according to GHG Scope 1 (all direct emissions caused by combustion at our own sites) and Scope 2 (indirect emissions from purchased energy). The relevance analysis that was begun in 2019 to improve the availability of data for our Scope 3 emissions (all other indirect emissions from services provided by third parties as well as upstream and downstream processes) was concluded in 2021.

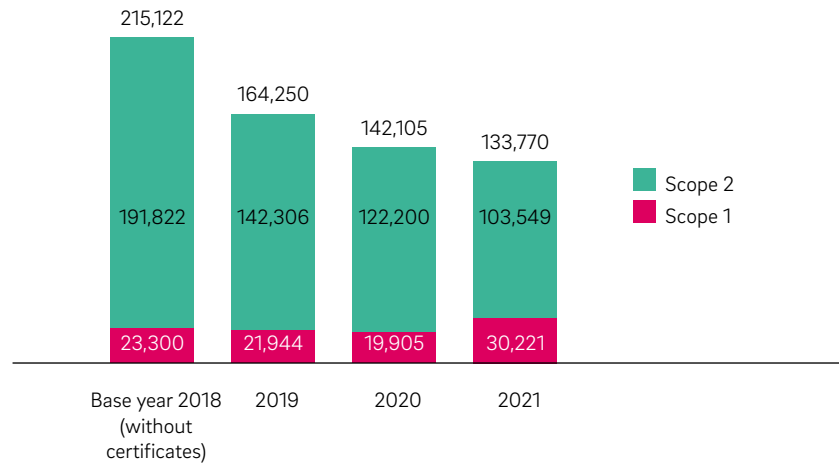
→ Relevance analysis of Scope 3 emissions, p. 44

In 2021, 48.7 per cent of the electricity for our factories came from renewable energy sources. The guarantees of origin for our green energy are properly cancelled by our energy suppliers in the register of guarantees of origin in order to avoid double counting.



In 2021, these emissions were reduced by 42.6 per cent in comparison to the reference year 2018. As a result, our goal was achieved ahead of schedule, mainly because we are supplying an increasing number of our locations with CO₂e-neutral electricity. There was a significant increase of Scope 1 emissions because of the commissioning of the painting facility at our new plant in Újhartyán (Hungary) and the increased volatility of our existing painting facilities. During the reporting year, the total impact of COVID-19 amounted to only a small special effect.

30 _ Market-based greenhouse gas emissions (in tonnes CO₂e)

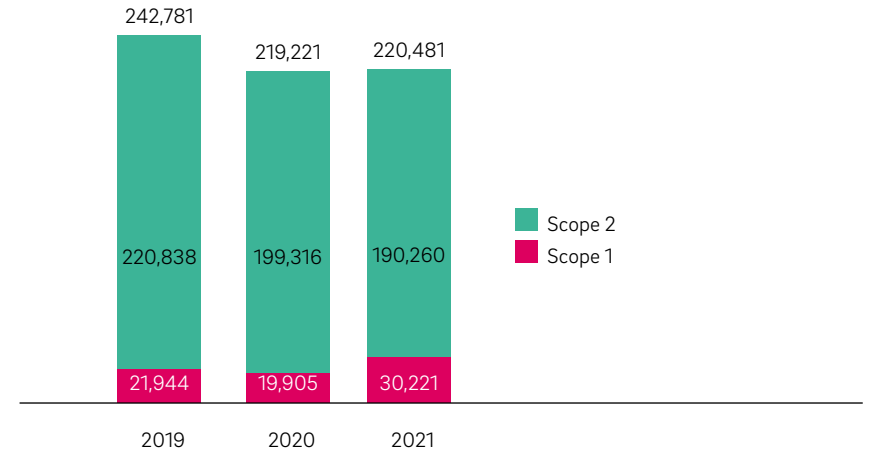


"Market-based" = all agreements with energy suppliers and their individual emission factors are included.

Data for REHAU Industries and REHAU Automotive excluding the Cullman (Alabama, USA) production location

We therefore adjusted our previous targets and the corresponding roadmap in 2021. The target for the two subgroups REHAU Automotive and REHAU Industries is to generate zero Scope 2 emissions by 2025 at the latest, independently of the company's growth – in other words, to reach a balance of zero tonnes of CO₂e. REHAU Automotive is already striving to reach this target worldwide by the end of 2022, and it aims to also achieve the target for Scope 1 by 2025. As a result

31 _ Location-based greenhouse gas emissions (in tonnes CO₂e)*



* Location-based details are only available from 2018 onwards.

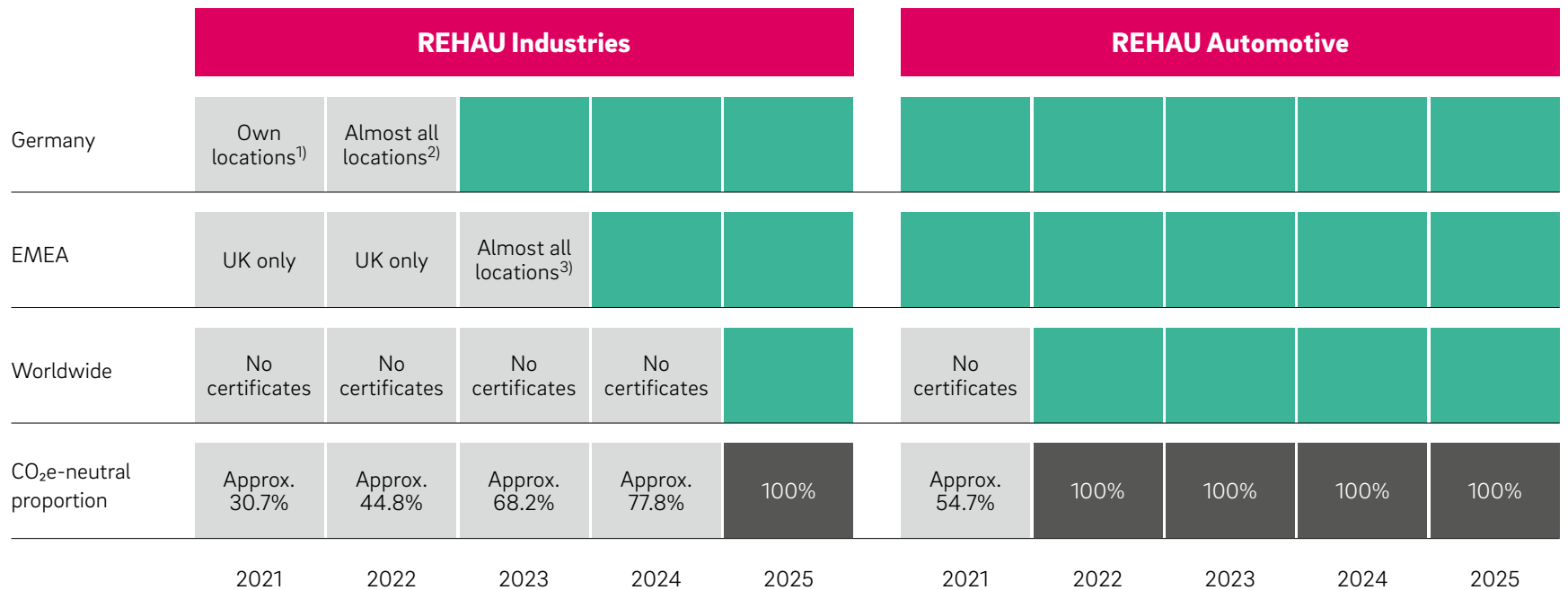
"Location-based" = the average emission factors of the respective countries where REHAU has production sites are used to calculate emissions.

Data for REHAU Industries and REHAU Automotive excluding the Cullman (Alabama, USA) production location

of this decision, it has created comprehensive long-term budgets for energy efficiency measures, projects for the use of energy from renewable sources and the supply of green electricity (with proof of origin).

→ Climate protection as part of the sustainability strategy, p. 15ff.

32 _ Roadmap to CO₂e neutrality (Scope 2)



¹⁾ Feuchtwangen (plant 2), Viechtach (plant 5), Rehau administration ²⁾ Excluding Wittmund ³⁾ Excluding Gzhel, Russia ■ Complete

In addition to the gradual conversion of all of our worldwide locations to CO₂e-neutral energy, we plan to cooperate with external investors to develop our own generation of electricity and heat from renewable energy sources. This will include photovoltaic systems, local heating generated with "green gas", woodchip

heating systems and wind turbines. For example, in 2022 we will set up a two-megawatt-peak photovoltaic system at our administrative location in Erlangen by means of a PPA (power purchase agreement) model.

Employees

GRI 103: Management approach for employees (including 103-1, 103-2, 103-3)

GRI 401: Employment

GRI 402: Labour/management relations

GRI 404: Training and education

The values of confidence, reliability and innovation are the foundation of our corporate culture. At the same time, they form the basis of our management principles and the way we treat our employees. We want to be a reliable partner of our workforce, and our actions are correspondingly driven by internally defined, communicated and documented values.

Strategically, the Human Resources unit has always been directly anchored in executive management. The Global Head of Human Resources is responsible for operational implementation. The HR functional strategy that is annually coordinated with our corporate goals forms the framework of our personnel work. During the reporting year, this strategy focused on the following areas in particular:

- The monitoring and design of the transformation process
- The further development of the corporate culture (feedback and leadership, values, diversity, global mindset)
- Continuation of the regular pulse surveys with a significant increase in the participation rate and improved approval ratings in plants, sales offices and administrations worldwide
- The modernisation of the global remuneration system (performance management)
- Personnel development and talent management, concrete implementation of a succession planning process

Our human resources policy aims to foster the development of individual employees, as well as collegial cooperation within the Group – even in an economically challenging environment. At the same time, in order to remain fit for the future, the company needs to address such things as the demands of digitalisation and new mobility trends, and contend with an increasingly volatile economy overall. One of the key tasks in terms of HR work at the company continues to be to shape

the ongoing transformation processes and future-oriented restructuring within individual subdivisions in a way that is successful and fair. At the same time, we seek to retain employees in a competitive labour market and attract young, able talent, in particular for the digital transformation.

In order to optimally respond to the different requirements, we want to know our employees' needs as well as possible. We have developed a variety of formats for this purpose:

- Regular consultation days at all locations worldwide
- "Round tables" with members of the executive management and top-level HR managers at alternating locations
- Interactive virtual and global all-employee calls (German/English). With this format, which was introduced in 2018, executive management can inform all employees about current developments quickly and simultaneously. Needs, problems and questions can also be discussed and directly clarified during these sessions, using a special online tool. In 2021, four of these calls were held as scheduled. In them, the CEO of the REHAU Group provided all employees with a first-hand account of recent business developments and results
- Unit-specific town hall meetings to support good communication and employee involvement, especially at the plant locations. They were also conducted virtually, due to COVID-19
- Regular pulse surveys, a digital instant feedback tool featuring standardised questions and a free text field that our staff can use to address suggestions, proposals and criticism in a targeted and anonymous manner

REHAU uses a variety of personnel management tools. These ensure, among other things, that employees act in accordance with the company's strategic goals.

→ Our personnel management tools, p. 70

The findings we gather through a variety of formats and tools inform our considerations regarding the company's development.

The identification and continuous development of special potential among employees in our own company is a key success factor for REHAU. To accomplish this, we implemented a holistic process for all management levels worldwide, covering performance management, individual development and succession planning. It has been designed both to improve leadership behaviour at REHAU and consistently drive forward the cultural transformation we are seeking. A structured self-assessment also enables employees to actively shape their own development within the company.

We strive to maintain long-term employment relationships. We offer a range of programmes to help our employees develop their skills and qualifications. That is why the talent management programme pursues a holistic approach. It starts with the recruitment and development of trainees, guiding the next generation of employees from academia into their first target roles, and personnel development programmes for technical employees, managers and project managers.

We have also been steadily expanding our activities around work-life balance for several years. Depending on each country's conditions and resources, we offer our employees worldwide a variety of different programmes for their respective stage of life. Part-time working models enable employees to effectively reconcile work and family life.

Our employees also have the option of taking sabbaticals.

For us as an employer, making work as flexible as possible with respect to time and place, for example, is an important factor for our future. Because of COVID-19, we further increased our employees' flexibility with regard to their choice of working location and hours during the reporting year. In 2020, on the basis of REHAU's culture of trust, the Executive Board officially resolved that for all appropriate jobs at administrative locations, sales offices and plants, "Every employee whose range of tasks makes mobile work possible can do mobile work at his or her own discretion in order to increase his or her efficiency as well as that of the team."

REHAU AG + Co was once again certified in Germany as a Top Employer for its personnel work during the reporting year.



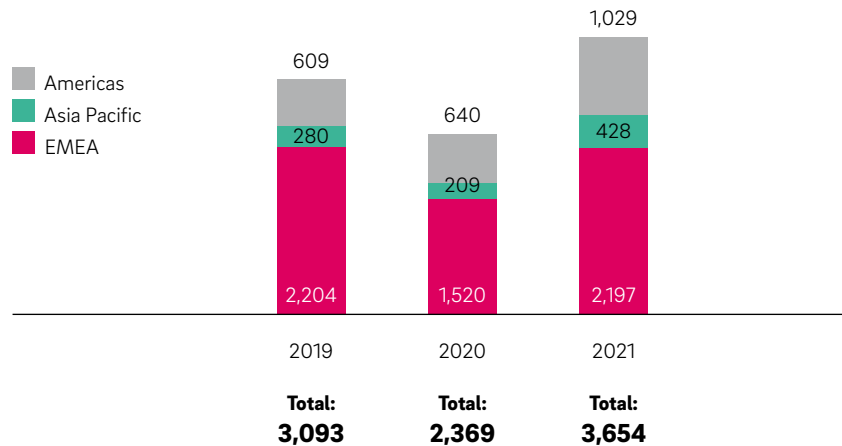
GRI 401: Employment

→ GRI 103: Management approach, p. 58f.

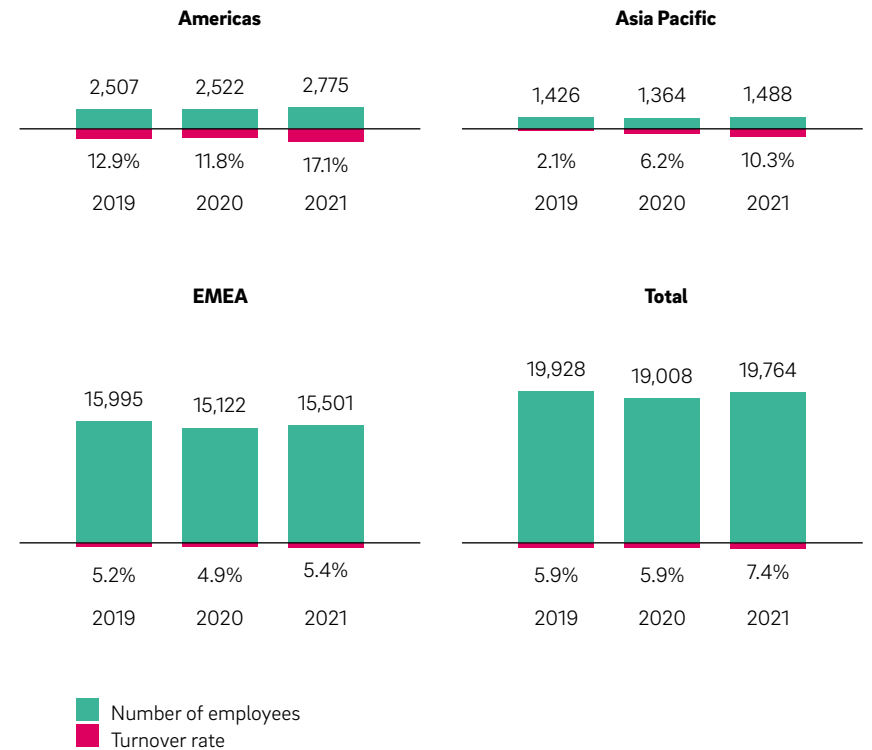
GRI 401-1: New employee hires and employee turnover

The global turnover rate was 7.4 per cent in 2021. REHAU regrets the departure of employees, as we endeavour to bind our employees to our company for the long term.

33 _ New hires

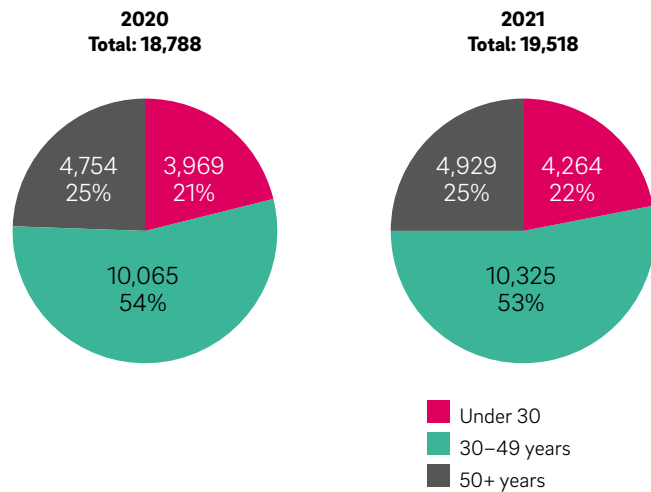


34 _ Number of employees and turnover rate



→ GRI 102-8: Information on employees and other workers, p. 08ff.

35 _ Number of employees by age group*



* Excluding acquisitions without SAP HR connection, because no detailed data on age structure is available (employees in 2020: 220, employees in 2021: 246)

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

All company benefits are provided to full-time and part-time employees alike. Both can take advantage of the wide range of mobile working options, for example. The precise conditions vary from country to country.

In Germany, REHAU offers, for example, the following prudential measures:

- Offers regarding the company-organised pension scheme and contributions to capital formation
- Models for early retirement, as well as exemption phases via working time accounts
- Additional accident and overseas health insurance for work-related accidents during business trips
- Support in the event of bereavement
- Various health service options

Moreover, employees can purchase REHAU products via our in-house retail service and receive special terms from our partners for the following:

- Building services (windows, furniture)
- Insurance (life, disability and supplementary health insurance)
- Bank loans
- Bicycle leasing via deferred compensation
- PC/mobile device leasing via deferred compensation
- Shopping at various external suppliers via corporate benefits

GRI 401-3: Parental leave

Enabling a good work-life balance is a given for us as an employer. Accordingly, we are committed to ensuring that our employees can reconcile their careers and personal life plans. Parental leave is regulated by country-specific labour laws. As an international group, we nevertheless try to meet the different requirements.

36 _ Parental leave in Germany*



* The data refers to the German subgroups REHAU Automotive SE + Co. KG, REHAU Industries SE + Co. KG as well as REHAU Montage und Logistic GmbH (which made up a total of 47 per cent of the REHAU Group in 2021). The basis for the calculation is the calendar year under consideration. Thus the employees taken into account are those that commenced parental leave during the calendar year and had not yet returned as of 31 December. The duration of the parental leave can be between one month and four years. In addition, parents can share the parental leave. As a consequence of this, employees can be counted multiple times, i.e. in up to four calendar years.



GRI 402: Labour/management relations

→ GRI 103: Management approach, p. 58f.

GRI 402-1: Minimum notice periods regarding operational changes

In accordance with our values of trust, reliability and innovation, we communicate directly and transparently with our employees and involve them in operational change processes at an early stage. Statutory and other applicable regulations are rigorously observed. We received consistently positive feedback from our employees for our communication strategy in relation to the split of the German REHAU AG + Co and the associated changes under company law in the reporting year.

GRI 403: Occupational health and safety

GRI 103: Management approach for occupational health and safety (including 103-1, 103-2, 103-3)

GRI 403-1*: Occupational health and safety management system

GRI 403-2*: Hazard identification, risk assessment and incident investigation

GRI 403-3*: Occupational health services

GRI 403-4*: Worker participation, consultation and communication on occupational health and safety

GRI 403-5*: Worker training on occupational health and safety

GRI 403-6*: Promotion of worker health

GRI 403-7*: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

(* According to the current GRI standard, the marked indicators are considered as part of the management approach.)

The REHAU occupational health and safety policy is an important matter for our company. It is based on the principle that all work-related accidents and illnesses are preventable. The health and safety of our employees is paramount, which is why we deliberately exceed the minimum standards. For us, this is part of our responsible interaction with one another as well as an expression of our appreciation of the employees. The aim is to better protect not only our own workforce but also our suppliers and service providers, as well as the employees of subcontractors. To achieve our "Mission Zero" vision of zero work-related accidents, we involve our employees in all aspects of the occupational health and safety management system.

We are gradually introducing an HSE management system (HSE = Health, Safety and Environment) at all our production sites around the world. The aim is to maintain the health of our employees, prevent work-related injuries, protect the environment and avert damage to people and the company due to criminal activities. The HSE management system is based on the ISO 14001 (environmental management) and ISO 45001 (occupational health and safety management) standards.

→ Management approach for environmental impact, p. 41ff.

Almost all locations worldwide have already been externally certified according to ISO 14001. The DIN standard ISO 45001 that was published in 2018 is gradually being implemented. In 2021, the plants in Fort Jackson and Port Elizabeth (South Africa), Győr (Hungary) and Poix (France) were externally certified according to ISO 45001. As a result, a total of 15 locations have been certified in this way to date. The plants in Celaya (Mexico), Baie-d'Urfe (Canada), Klaipeda (Lithuania), Śrem (Poland) and Visbek (Germany) are scheduled to follow in 2022.

The HSE management system is managed, continuously updated and globally coordinated by the HSE department. The HSE department and local HSE coordinators, who are found at every plant, support the respective executive managers in the assessment of possible hazards for employees in production and administration.

→ GRI 403-8: Workers covered by an occupational health and safety management system, p. 65

We would like to improve safety in the workplace further and are thus implementing numerous measures in addition to the annual employee training. For example, the COMET analyses (REHAU system for globally standardised accident analysis) should aid in determining the fundamental causes of work-related accidents.

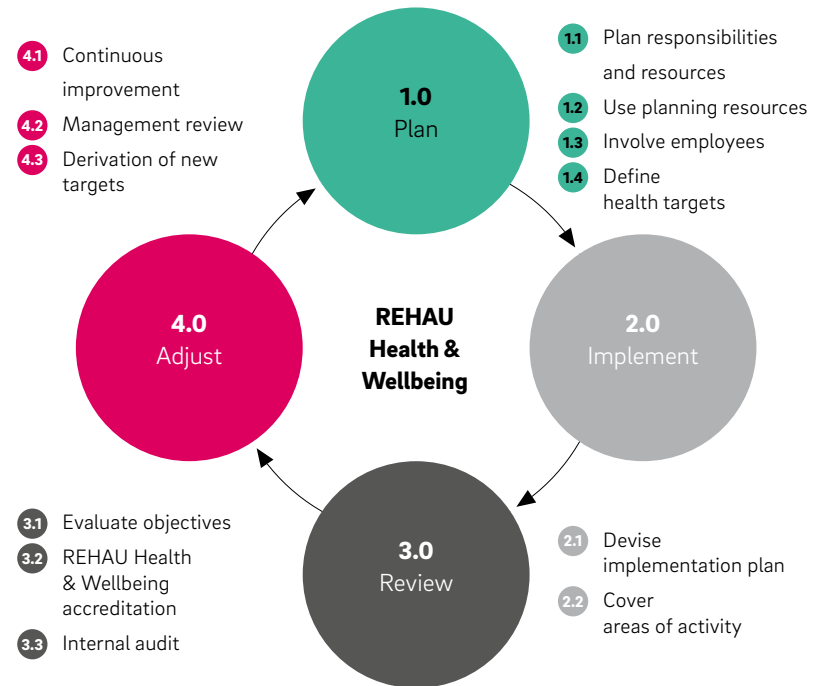
→ GRI 403-9: Work-related injuries, p. 65

In order to keep all employees up to date about relevant HSE operations at all locations worldwide, the HSE steering committee meets once every quarter at each plant. This committee consists of the HSE coordinators, health officers, company doctors/medical personnel, plant director, members of the management team and safety officers. Among other things, the participants at these meetings discuss relevant changes, incidents and KPIs/targets and receive information about important new developments. At the various locations, the participants then forward the information and resolutions to the entire workforce as part of their activities.

Our company health management system (BGM) is part of the HSE management system. REHAU Health & Wellbeing manages the BGM globally and oversees its integration into all company processes. The BGM's task is to increase the competitiveness of the company and to create a long-term health culture through higher levels of motivation and a reduction in illness-related costs.

Every year, our BGM goes through a four-stage process, the PDCA (plan-do-check-act) cycle. This process is used globally as well as at the individual locations.

37 _ Company health management system (BGM)



We involve external medical specialists in accordance with the respective country laws from the very beginning of this process. At a later stage of the BGM, an in-house REHAU contact partner ensures the optimal integration of all participants.

Furthermore, we encourage our employees and managers to establish their own resources independently in order to better meet the requirements of everyday work. We help them do this worldwide by means of a variety of programmes for the promotion of mental and physical health, such as resilience workshops. The form and variety of the offers differ depending on the region and on local resources. In addition to regular drop-in sessions with our company doctor, every location worldwide holds a health day at least once a year.

Moreover, all of our locations host a variety of employee sports activities, which we support at the local level. For example, we contribute to local gym memberships, sponsor regional company runs and support our employees' sports groups.

During the reporting period, COVID-19 prevented us from conducting in-house events for preventive health (e.g. the health days) as usual at our locations. Instead, we offered short online seminars and exercises as well as in-depth information on the intranet. These offers were well received by the employees.

- GRI 403-10: Work-related ill health, p. 66
- Target occupational health and safety, p. 37
- 🌐 Principles – sustainability, environmental protection, occupational health and safety
- 🌐 Occupational health and safety at REHAU

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

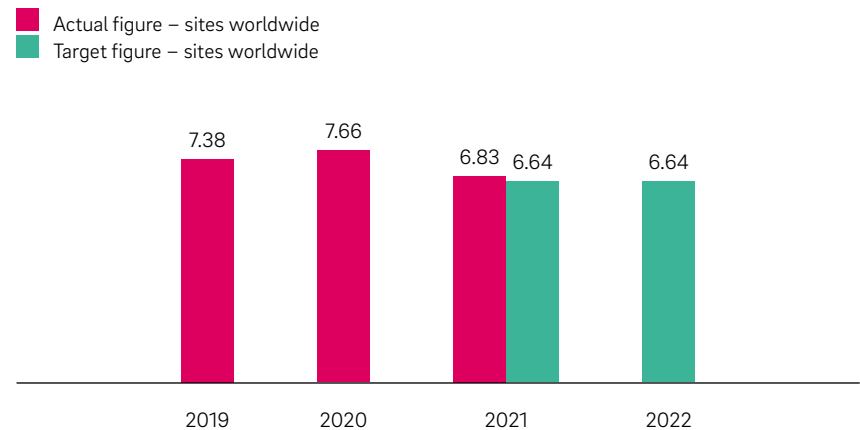
The REHAU HSE management system involves all of the employees in occupational health and safety measures and regularly provides them with information in this regard. If needed, the employees also receive training.

GRI 403-9: Work-related injuries

The accident rate fell in 2021 compared to the previous year. From now on, the locations are to implement targeted measures that are tailored to the specific causes of accidents in order to further reduce the accident rate.

In order to ensure comparability, the number of accidents is related to the working hours.

38 _ Accidents resulting in > 3 days of absence per million working hours



GRI 403-10: Work-related ill health

There is currently no indication that employees at REHAU experience a high rate of illness or greater health risks due to their occupational activities. We do not collect data related to work-related illnesses.

→ GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes, p. 67ff.

GRI 404: Training and education

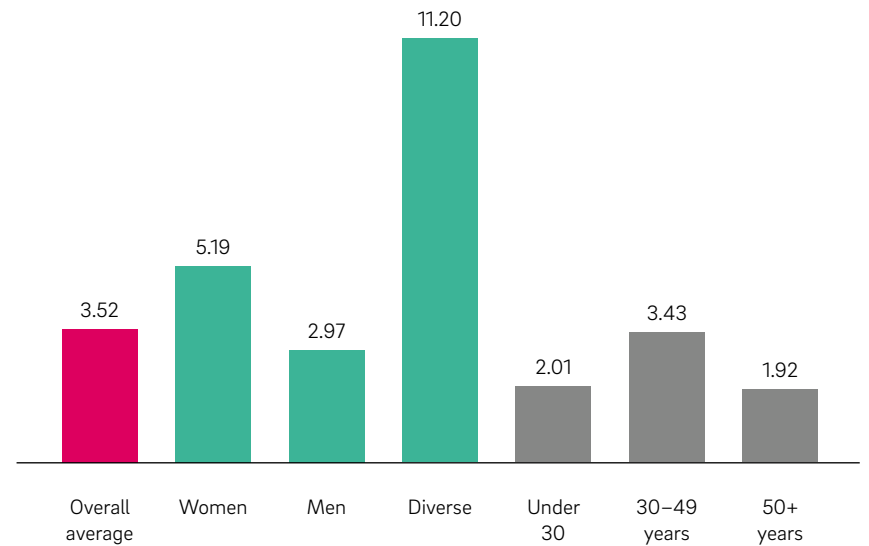
→ GRI 103: Management approach, p. 58f.

GRI 404-1: Average hours of training per year per employee

REHAU offers a comprehensive range of skill development and qualification measures that employees, managers and, if needed, trainees can use. The measures can also be attended by employees of RAUMEDIC and MERAXIS.

In 2021, a total of 10,520 employees received training worldwide, with 6,492 coming from the EMEA region. Due to the COVID-19 contact and hygiene regulations, a large part of the planned training took place as live online training. Because the Americas and Asia Pacific regions are being successively connected to the learning management system, we will first be able to report globally beginning with the 2023 reporting year.

39 _ Average number of hours of in-class or live online training per employed person in the EMEA region according to gender and age group*



* A breakdown of the data by employee category is not available.

During the reporting period, a total of 15,838 participants also took part in world-wide e-learning courses concerning topics such as compliance, REHAU Rules and Procedures, the personal data protection requirements of the GDPR and the handling of e-mails. Data protection training accounted for the largest share of participants: 2,559.

Of the 19,764 members of staff employed on 31 December 2021 (2020: 19,008), 659 (2020: 598) were undergoing professional training (including combined study). This represents a global trainee intake of 5.0 per cent (2020: 5.6 per cent).

The number of trainees at REHAU increased from 595 in 2020 to 659 in 2021. The proportion of female trainees remains stable at 22 per cent.

In 2021, of the 169 (2020: 158) trainees who completed their training at REHAU AG + Co, 79 per cent (2020: 74 per cent) were hired by the company.

GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes

REHAU enables lifelong work-related learning for all employees and managers. To this end, it operates an in-house portal that offers a wide range of training courses, e-learning programmes and a variety of qualification modules such as coaching and feedback tools.

In 2021, one focus was on revising the structure of the range of offers for improving leadership skills and building them up in the same way as the performance appraisal in the Integrated Performance and Talent Process (IPTM). The newly introduced leadership system creates a globally valid framework and structures qualification measures as well as the skills from IPTM according to the individual experiences of the managers.

The Virtual Leadership Impulses format for the international networking of executives was continued in the reporting year with the topic "Leading by example – how to be a healthy leader".

We regularly hold multi-day onboarding seminars in German and English for our new employees. Due to COVID-19 these seminars were held entirely in a live online format in 2021. One element is an introduction to the topics of sustainability and the circular economy. These complex topics are made tangible for the participants with the help of discussions, videos and an interactive game.

Employees who are taking on leadership responsibilities for the first time receive training via the BECOME FIT training course.

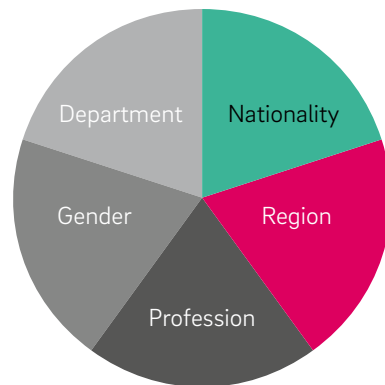
During the reporting year, new content from the standard job profile position "environmental protection and sustainability" was defined for the German locations. This content is valid for all training courses. In 2021, REHAU trainers participated in a pilot programme as part of the German federal government's Education for Sustainable Development (BNE) project. REHAU has firmly anchored the topics of environmental protection and sustainability in its training plan since 2018. The aim of the project is to provide the trainers with in-depth knowledge of sustainability and to benefit from previous practical experience. At the same time, it aims to find approaches for embedding environmental protection and sustainability even more strongly into the training measures. The following topics will be added to the existing training content from the 2022 training year:

- Recycling, reducing and reusing waste
- Ecological footprint of products
- How to address conflicting goals
- Solution-oriented thinking
- Knowledge of sustainability-related quality labels
- Understanding product supply chains
- Creation of fair working conditions
- The REHAU Sustainability Report

In general, we want to offer our employees a diverse, productive working environment, promote talent and help everyone reach their career goals. In addition, we invest in special development programmes to establish a diverse talent pool at REHAU and thus also support the objectives of the "Promoting diversity" area of activity.

Since 2020, we have been using “Diversity Dimensions” when selecting participants. These five dimensions help us to create a good mixture with respect to professional background, subgroup, division, plant, sales, administration, gender and internationality. The first positive developments are already visible: The proportion of women in the last group of our GROW development programme, which promotes and develops young talent, had increased significantly from 8 per cent to 42 per cent compared to the previous group.

40 _ “Diversity dimensions” for our development programmes



In addition, during the reporting period we introduced the Global Business e-learning course, which aims to teach all employees the basics of intercultural communication. It presents the most common sources of error and tried-and-tested strategies for successful intercultural cooperation.

In addition, country-specific e-learning courses and the online course “Unconscious bias: Recognising and avoiding unconscious prejudices” are available to all employees.

Additional programmes at a glance:

International trainee programme

This programme is a key pillar of REHAU’s integrated personnel development system. The programme’s goal is to systematically promote the next generation of employees and create an international, cross-divisional pool of experts and potential future managers. In addition to addressing an employee’s area of speciality, the programme provides insights into related departments. Participants are given social, methodological and intercultural training in an off-the-job context. In 2021, six master’s degree graduates were selected to participate in the programme. The participants (three women and three men) came from Afghanistan, Argentina, Germany and Turkey.

Management Development Programme (MDP)

The MDP trains managers around the world from within the company, thus providing the next generation of talent to fill key positions. The programme fosters international cross-divisional networks and knowledge exchange throughout the company. The MDP takes place every two years. It consists of several off-the-job modules that are held at various REHAU locations worldwide. The aim is to strengthen the participants’ leadership, strategy and change management skills. The modules combine various educational approaches and methods, including classroom instruction, coaching, mentoring, peer-to-peer learning, feedback, virtual training units and project work. They also involve customer and factory visits. The participants take the lessons they’ve learned with them to their workplaces, where they help to disseminate cross-topic and cross-divisional thinking. In 2021, we launched the seventh MDP, which included 16 participants from eight countries.

With the introduction of the Integrated Performance and Talent Management (IPTM) system and standardised succession planning at REHAU, it has become easier to find and promote potential talent at the company. During the reporting period, the management therefore decided to launch the MDP annually in the future and the GROW programme twice a year, as needed.

The GROW development programme

The GROW programme is targeted at prospective managers and specialists in EMEA. Junior staff members from a range of different disciplines and cultures work as a team to develop their individual strengths and improve their leadership, change management and social skills. Apart from that, the programme's main concern is to promote the international networking of the employees across

divisions. The programme comprises a total of five modules, which take place over a period of 15 months. Due to COVID-19, the concept was flexibly adapted to the current situation. As a result, almost all modules that were planned to take place as face-to-face events in 2021 were conducted as live online training courses.

No new GROW programme was started during the reporting period, because several groups were already running in parallel. Six nationalities were represented among the 23 employees from the two groups who successfully completed the programme in 2021. In addition to employees from Germany, it was completed by colleagues from Russia, Poland, Austria, the UK and Ukraine. Two GROW programmes kick off in 2022.

→ GRI 405: Diversity and equal opportunity, p. 74ff.



LEAD – executive leadership programme

LEAD is meant for experienced managers at the director level (E2). This programme was newly introduced in 2020/2021 and individually prepares the participants for positions below the level of the Executive Board (E1). In addition, LEAD is intended to contribute to the sustained cultural transformation, with a focus on diversity, of the REHAU Group. Further contents are selected aspects of personnel management and governance. The three multi-day modules Leadership & Transformation, Strategy for Entrepreneurs and Steering Business Operations are held within a period of twelve months. The programme usually includes classroom training, online workshops, peer sparring, business coaching, a 360° feedback process and project work. In addition to topic-related input, the focus is on sharing experiences and on international networking within REHAU. The first group consisted of twelve participants – eleven men and one woman – who came from seven different countries. Besides employees from Germany, this group included managers from Serbia, Romania, Ukraine, Brazil, China and the USA. The pilot group successfully completed the programme in December 2021.

During the reporting year, REHAU managers took part in an external seminar on sustainability for the first time. The pilot project "Leadership in Sustainability" of the German Chamber of Industry and Commerce includes not only foundation modules but also specific specialist modules, e.g. on communication, production, human resources and purchasing. The certificate course ends with an examination in spring 2022. We want to build on this and set up our own training programme for managers in 2022.

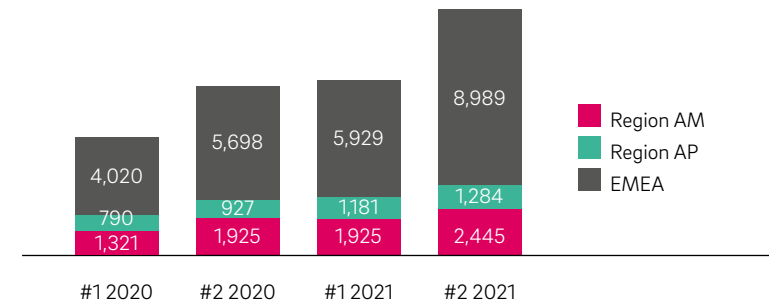
GRI 404-3: Percentage of employees receiving regular performance and career development reviews

REHAU wants to be an attractive employer and foster a culture of constructive feedback. We use various personnel management tools for this purpose, including:

- The annual performance reviews (APR) for all employees
- The agreed-upon objectives for lower (E3), middle (E2) and upper (E1, E0) management
- 360° feedback for personal position determination and personnel development
- Various management tools of our Feedback2Managers modular system within the departments
- The Integrated Performance and Talent Management (IPTM) process
- Regular feedback via semi-annual "pulse surveys", in addition to the more time-consuming, large-scale employee surveys (workplace culture surveys with Great Place to Work)

In 2021, we defined the value "trust" (communication, feedback, appreciation and inclusion) as the most important and urgent topic and asked about it in our semi-annual pulse surveys. The aim was to improve this value by 5 per cent worldwide, based on the pulse survey in November 2020. As a group, we achieved an average trust score of 57.4 per cent at the end of 2021, an overall improvement of +6.3 per cent compared to November 2020. At the same time, we were able to increase the response rate to 65 per cent in the reporting year. In addition, with REHAU Colombia we have our first national company that can bear the title "Great Place to Work".

41 _ Response rate of pulse surveys by region



These measures aim to improve communication and mutual feedback on all levels of the company. In 2020, 40 managers at levels E3–E0 took part in 360° feedback. In 2021, 85 managers participated. In 2021, we also introduced the Feedback2Managers tool, in which 226 managers, primarily from the lowest management level (E3), took part.

In 2020, a more performance, results and potential-oriented remuneration system was introduced for E3-level managers. For levels E0 to E2, this was already incorporated into the contractual agreements in previous years. In addition to clearly results-oriented KPIs, the respective target agreements also contain individual objectives for fostering value-oriented leadership behaviour.

Diversity and human rights

GRI 103: Management approach for diversity and human rights (including 103-1, 103-2, 103-3)

UN Global Compact: Principles 1, 2, 3, 4, 5, 6

GRI 405: Diversity and equal opportunity

GRI 406: Non-discrimination

GRI 407: Freedom of association and collective bargaining

GRI 408: Child labour

GRI 409: Forced or compulsory labour

GRI 411: Rights of indigenous peoples

GRI 412: Human rights assessment

We believe that a culture of mutual tolerance and respect is essential to achieving our goals as a company. Diversity is therefore very important at REHAU, and the internal rules and procedures of YOUR REHAU explicitly defined it as one of the pillars of our corporate culture as early as 2017. We have highlighted it in the current brochure on corporate culture ("The REHAU Group – The REHAU Way") and anchored it as part of the "Global Mindset" initiative. "Promoting diversity" is one of the four key areas of activity for our sustainability strategy.

Under the patronage of some members of executive management, we launched an initiative on the topic of diversity and inclusion during the reporting year. From early 2022, the first-ever REHAU diversity and inclusion officer will ensure operational implementation in the company.

The key topics for us in this area of activity include:

- Work-life balance
- Equal opportunities and gender diversity
- Cultural diversity

REHAU conforms to the core labour standards of the International Labour Organisation (ILO). The overwhelming majority of our employees work in EU member states, where the ILO standards are enshrined in law. It goes without saying that REHAU also complies with the applicable national legal regulations for the respective location. As a company headquartered in Germany, REHAU also abides by the guidelines for multinational enterprises of the Organization for Economic Co-operation and Development (OECD).

We have participated in the UN Global Compact since 2020. During the reporting year, we submitted our first progress report 2020, which covers the period from April 2020 to September 2021. However, we had recognised the ten principles of the Global Compact before then and integrated them into our Code of Conduct. In doing so, we commit to, among other things, upholding freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced labour and the abolition of child labour, and the elimination of discrimination with respect to employment and occupation.

- 🌐 Progress report UN Global Compact 2020
 - Overview of the principles of the UN Global Compact, p. 84f.
 - Supply chain, p. 31ff.

We have set out a binding behavioural code for our staff in our Employee Code of Conduct, which is available to all REHAU employees around the world. The Code of Conduct states, among other things, that discrimination based on, for example, ethnic origin, gender, religion, ideology, disability, age, sexual identity or other personal traits is unacceptable at REHAU.

- 🌐 Employee Code of Conduct



Targets for “Promoting diversity”

Targets	Deadline	Status	Achieved	Page	Targets	Deadline	Status	Achieved	Page
Minimum proportion of 15% women in management positions	2025	There was a slight increase to 13.0% during the reporting period. (Excluding acquisitions without SAP HR connection, because no detailed data regarding management responsibility and gender is available (employees in 2020: 220, employees in 2021: 246).)	○	17, 74	Regular consultations and dialogue formats to increase employee satisfaction and involvement	Ongoing	The regular all-employee calls and pulse surveys were continued in 2021.	●	58, 70
Provision of a wide range of education and training options for all employees	Ongoing	Live online formats enable all employees worldwide to take part in qualification measures. In 2021, new e-learning courses were added. These are also available to all employees, mostly in several languages. To promote diversity and inclusion, we also introduced e-learning courses in several languages to improve inter-cultural cooperation. The e-learning course “Unconscious Bias” helps all employees in recognising and avoiding unconscious biases.	●	67ff.	Mixed teams as standard in project teams, as well as training and education programmes	Ongoing	In 2021, the defined diversity criteria for mixed teams were once again implemented in the GROW programme and in the trainee programme.	◐	68f.

● Target achieved ◐ Target partially achieved ○ Target not achieved ▷ New target

REHAU respects human rights as a matter of course and this respect is firmly embedded in its Code of Conduct. The human rights officer who was appointed in 2019 is part of Human Resources. In recent years, the personnel department and sustainability management have together developed a basic human rights concept for REHAU so that it can implement the stipulations of the National Action Plan for Business and Human Rights (NAP). The main element of this concept is the risk assessment of plants outside Europe and the in-house HR Quality Check & Social Audit Plants. In this process, the sustainability management uses the publicly available MVO CSR Risk Check to select the locations that are to be audited. This risk assessment is updated annually for countries outside Europe.

MVO CSR Risk Check

The in-house HR Quality Check & Social Audit Plants is used to check and monitor human rights risks at our locations worldwide. It consists of clearly defined requirements and checklists regarding human rights. The personnel department checks the indicators during factory inspections at selected locations. This is supplemented by an inspection catalogue that is used during consultation days at all plants, logistics centres, sales offices and administrative units.

The multi-stakeholder sector dialogue for the automotive industry was continued in 2021 as part of the NAP. The REHAU human rights officer and two representatives of the sustainability management took part in this dialogue, where they developed recommendations for action for all five of the core elements for the respect of human rights along the supply chain and value chain.

CSR – five core elements of due diligence

The main focus is on the development of management approaches to the implementation of human rights due diligence, respect for human rights in raw materials value chains and supply chain networks, and the creation of a company-wide complaint mechanism. Based on the knowledge gained, REHAU started a cross-divisional project in the reporting year. A detailed concept is to be developed by the end of 2022 in order to meet the requirements of the Supply Chain Due Diligence Act and to achieve good coverage when examining and monitoring potential human rights risks in the supply chain.

→ GRI 412: Human rights assessment, p. 78

In addition to measures that have already been implemented to assess, prevent and pursue human rights violations, REHAU is intensifying and supplementing its activities by working on a variety of projects, including the following:

- Declaration regarding REHAU's human rights policy
- Systematic risk assessment
- Preventive measures by means of targeted specialised training
- Professional continuous communication
- Expanded complaint mechanism

These measures will be successively implemented in the company's operations in 2022.



GRI 405: Diversity and equal opportunity

(Area of activity: "Promoting diversity")

UN Global Compact: Principles 1, 2, 6

→ GRI 103: Management approach, p. 71ff.

GRI 405-1: Diversity of governance bodies and employees

We want to create a culture of mutual tolerance and respect at all locations, and we explicitly oppose any kind of discrimination. We promote diversity within our company and consider it a matter of course that different genders be treated equally. Against this background, we have defined, among other



things, the "Diversity Dimensions", which serve as a guideline for selecting participants for our development programmes.

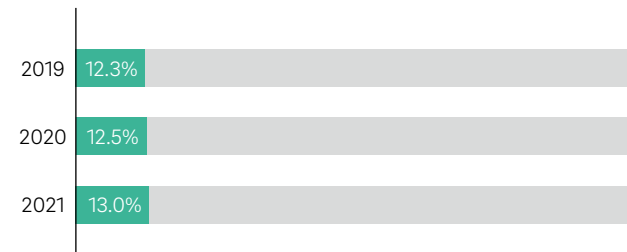
→ Diversity Dimensions, p. 68

In the reporting period, REHAU employed 5,334 women (2020: 5,180), of whom 658 worked part-time (2020: 655). During the reporting year, 21 employees stated their gender as "other" (2020: 12).

→ GRI 102-8: Information on employees and other workers, p. 08ff.

The proportion of women in management roles increased slightly from 12.5 per cent in 2020 to 13.0 per cent at present.

42 _ Women in management roles



43 _ Number of employees by age group and gender*

	2019	2020	2021
Under 30	4,488	3,969	4,264
Other	3	3	5
Female	1,226	1,102	1,112
Male	3,259	2,864	3,147
30–49 years	10,475	10,065	10,325
Other	2	9	13
Female	3,005	2,888	2,950
Male	7,468	7,168	7,362
50+	4,754	4,754	4,929
Other	2	–	3
Female	1,192	1,190	1,272
Male	3,560	3,564	3,654
Total	19,717	18,788	19,518

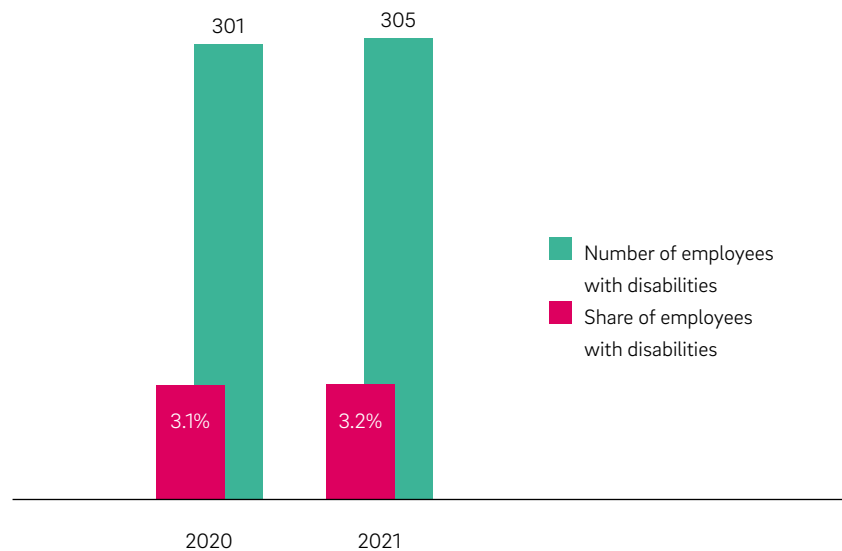
* Excluding acquisitions without SAP HR connection, because no detailed data on structure and gender is available (employees in 2019: 211, employees in 2020: 220, employees in 2021: 246)

44 _ Age structure by number of employees and region*

	2019	2020	2021
Under 30	4,488	3,969	4,264
Americas	25%	24%	25%
Asia Pacific	32%	28%	31%
EMEA	22%	20%	20%
30–49 years	10,475	10,065	10,325
Americas	54%	54%	53%
Asia Pacific	62%	66%	64%
EMEA	52%	52%	52%
50+	4,754	4,754	4,929
Americas	22%	22%	22%
Asia Pacific	5%	6%	6%
EMEA	26%	28%	28%
Total	19,717	18,788	19,518

* Excluding acquisitions without SAP HR connection, because no detailed data on age structure is available (employees in 2019: 211, employees in 2020: 220, employees in 2021: 246)

45 _ Share of employees with disabilities*



* The data is only collected in Germany and France, because there is no internationally consistent measure.

Excluding acquisitions without SAP HR connection, because no detailed data regarding disability is available (employees in Germany and France in 2020: 166, employees in Germany and France in 2021: 179)

Given the relevance of diversity as a topic, since 2018 we have been actively supporting the Diversity Charter, the Companies Integrate Refugees network, as well as the German Development Aid for Housing and Settlements.

Our administrative sites and factories have been collaborating with workshops for the disabled for decades. We are working together with more than ten facilities in Germany alone.

GRI 405-2: Ratio of basic salary and remuneration of women to men

REHAU uses uniform wage and salary groups that relate solely to the job and which all employees can access. In accordance with our performance principle, we attach great importance to transparent, performance-oriented and non-discriminatory remuneration and consistently investigate doubtful cases or complaints.



GRI 406: Non-discrimination

(Area of activity: "Promoting diversity")

UN Global Compact: Principles 1, 2, 6

→ GRI 103: Management approach, p. 71ff.

GRI 406-1: Incidents of discrimination and corrective actions taken

For us, discrimination includes any type of verbal or physical harassment, as well as sexual misconduct. The threat of harassment or the creation of an intimidating environment are also unacceptable. Employees have the right to use the existing complaints processes without reprisal. In 2019, a project was launched to achieve better transparency when handling sexual harassment. Our rules and regulations, which were developed and introduced in 2020 with the help of a diverse working group, have enabled us to achieve the following:

- Clear and transparent principles and binding rules of conduct
- Greater awareness of this issue among our employees
- Fast support for those affected by means of easily accessible and, if desired, confidential/anonymous complaint processes

No cases of discrimination were reported during the period under review.

→ Ethics and compliance, p. 23ff.

GRI 407: Freedom of association and collective bargaining

UN Global Compact: Principle 3

→ GRI 103: Management approach, p. 71ff.

GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

We are committed to ensuring fair working conditions across all of our locations worldwide. We also expect our suppliers to comply with the relevant laws and relevant collective agreements. No cases of violation of, or threat to, freedom of association and collective bargaining were reported in the reporting year.

GRI 102-41: Collective bargaining agreements

We offer our employees attractive remuneration packages comprising a basic salary or wage based on their role and variable performance-based payments, as well as a variety of additional benefits based on the relevant labour market, including appropriate and related collective bargaining agreements (for example, for the polymer processing industry, chemicals and metal in Germany). Market developments in terms of salaries are monitored on a regular basis (generally once a year). In doing so, we also consult relevant guidelines such as the core labour standards of the ILO. Throughout the world, REHAU meets the legal requirements in terms of minimum wage and additional benefits.

GRI 408: Child labour

UN Global Compact: Principles 1, 2, 5, 6

GRI 409: Forced or compulsory labour

UN Global Compact: Principles 1, 2, 4, 6

→ GRI 103: Management approach, p. 71ff.

GRI 408-1: Operations and suppliers at significant risk for incidents of child labour

GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour

We reject all forms of child labour and forced labour and have a zero-tolerance policy on this topic when it comes to our suppliers. We are not aware of any sites or suppliers that have or have had a significant risk of child labour or forced labour. None of our audits during the reporting period revealed any indications of child labour or forced labour.

GRI 411: Rights of indigenous peoples

UN Global Compact: Principles 1, 2, 6

→ GRI 103: Management approach, p. 71ff.

GRI 411-1: Incidents of violations involving rights of indigenous peoples

REHAU expects its employees and business partners worldwide to treat the various regionally shaped mentalities and cultures fairly and with respect, and do so above and beyond compliance with laws and regulations. There were no reports or cases during the reporting period.

→ Supply chain, p. 31ff.

GRI 412: Human rights assessment

UN Global Compact: Principles 1, 2, 3, 4, 5, 6

→ GRI 103: Management approach, p. 71ff.

GRI 412-1: Operations that have been subject to human rights reviews or impact assessments

After the in-house HR Quality Check & Social Audit Plants was carried out at plants in India and in the USA in 2019 and 2020, no further factory inspections could be conducted due to COVID-19. The plants for which our analysis had shown an increased risk were scheduled to be systematically audited in 2021, but this had to be postponed to 2022. All other plants are scheduled to be audited every two years beginning in 2023.

In general, the plastics industry in India and China continues to have the highest risks with respect to the environment, followed by risks for labour rights and human rights. The situation is similar for our locations in South Africa and South America. The risk assessment that was made for our plants in 2019 continues to apply without any major changes.

No cases of human rights violations were reported in 2021 via the existing reporting and complaint channels.

GRI 412-2: Employee training on human rights policies or procedures

Targeted awareness-boosting measures were held for the employees who conduct the in-house HR Quality Check & Social Audit Plants at the locations that have an increased risk of human rights issues. Internal and external training took place in 2021 in the Purchasing and Legal and Compliance units. Further training courses specialising in human rights issues are in preparation. These are to be offered as part of a basic "Sustainability" foundation module for relevant managers from 2022. The sustainability officers and the ethics and human rights officer undergo ongoing training on the subject.



→ Training and development programmes at REHAU, p. 66ff.

The topic of human rights is also addressed during the "Sustainable Fridays". The "Sustainable Fridays" are an international format on the REHAU intranet that enable all employees to obtain information about sustainability-related topics.

Social involvement

GRI 413: Local communities

GRI 103: Management approach (including 103-1, 103-2, 103-3)

As a globally active company, we are aware of our responsibility to society. That's why we want our social involvement to extend beyond our actual business operations, in line with our corporate principle "Think global, act local". We promote environmental, economic, social and cultural interests at our approximately 170 locations around the world. We have clustered our involvement in local projects according to the 17 Sustainable Development Goals (SDGs). The SDGs we have selected are the focal points of our social and cultural involvement at our international locations.



In 2022, we want to continue strengthening our international role as a good corporate citizen and to create an organisational and financial basis to support our social involvement. One important aspect of this effort will be a holistic concept that enables all of our key internal stakeholders to participate in REHAU's social involvement through an active contribution to defined projects. In line with this concept, at the beginning of 2022 we implemented an initial international flagship project, #FamilyforFamilies, which supports families from Ukraine.

→ #FamilyforFamilies, p. 04

46 _ Donations and sponsorship expenditure (Germany)

	2019	2020	2021
Donations	EUR 29,111	EUR 58,151	EUR 61,087
Sponsorship	EUR 240,821	EUR 124,620	EUR 185,540

Corporate volunteering is an important component of our social involvement at the local level. We aim to continue expanding this component in 2022. We help our employees volunteer – for example, in fire brigades, in schools, in workshops for the disabled or in chambers of commerce – by giving them time off or providing them with infrastructure resources. This personal involvement by our employees contributes to social and personal development and fosters mutual understanding.

GRI 413-1: Operations with local community engagement, impact assessments and development programs

In accordance with our guidelines for donations and sponsorships, we predominantly support projects with a direct link to REHAU, for example because of their proximity to our locations or because REHAU employees are active within the organisation in question. During the reporting period, we once again supported a variety of projects in the areas of education, health, the environment, social issues, sport and culture.

GRI 413-2: Operations with significant actual and potential negative impacts on local communities

We are not aware of any REHAU operations with significant actual and potential negative impacts on local communities. We support social projects around the world as part of our sustainability initiatives. In doing so, we aim to improve conditions in the local area and actively support the achievement of the Sustainable Development Goals.

Report profile

This Sustainability Report evaluates the activities of REHAU in 2021 and provides an overview of our values, goals and sustainability activities. This report covers the subgroups REHAU Automotive and REHAU Industries, which have been managed as companies since January 2022. REHAU Industries encompasses four divisions: Building Solutions, Interior Solutions, Industrial Solutions and Window Solutions. This reorganisation of our company was the main topic in 2021.

→ Company structure, p. 21

In 2020, we started to integrate our sustainability strategy into the core business.

Irrespective of the restructuring of the Group, we want to continuously increase the importance of the topic of sustainability throughout the Group. In doing so, our four main areas of activity ("Sustainable growth", "Accelerating climate protection", "Driving forward the circular economy" and "Promoting diversity") form the basis for our implementation strategy and of this Sustainability Report.

→ Strategy, p. 15ff.

All environmental key figures refer to REHAU production sites, unless otherwise indicated.

REHAU conserves resources across its production, sales and administration functions. Starting in 2011, all of our production sites have gradually been certified according to the ISO 14001 environmental management systems standard. Currently, approximately 98 per cent of our production volume is manufactured in factories that are certified according to the 14001:2015 standard.

→ Environmental impact, p. 41ff.

The content of this Sustainability Report follows the GRI standards of the Global Reporting Initiative (GRI) in accordance with the "Core" option. We want to offer our stakeholders transparent information about our main areas of activity, and our measures, targets and key figures.

All of the GRI standards that are relevant for this report and their placement within the report are listed under GRI 102-47.

→ GRI 102-47: List of material topics, p. 82

→ GRI 102-54: Claims of reporting in accordance with the GRI standards, p. 83

In addition to numerous internal guidelines and policies, since 2015 we have adhered to the ten principles of the UN Global Compact, which we joined in April 2020. Our 2030 sustainability strategy and the four areas of activity mentioned above are based on the United Nations' Sustainable Development Goals (SDGs). REHAU considers itself responsible for contributing to the SDGs. This report documents the relevant SDGs for each area and demonstrates how REHAU is contributing to sustainable development.

→ Company values, p. 19f.

→ Overview of the principles of the UN Global Compact, p. 84f.


🌐 UN Global Compact

🌐 The UN's Sustainable Development Goals

In the areas of occupational safety, health, energy consumption and emissions, external auditors from TÜV Rheinland have confirmed the accuracy of the data. The content of the report has also been verified by the responsible technical employees.

🌐 ISO certifications

The report is available in English and German. Further information about our company and our sustainability activities can be found on our website.

 REHAU sustainability

Our previous Sustainability Report was published in July 2021 and was entitled "Sustainability Report 2020". The current Sustainability Report was published on June 17, 2022 with the title "Sustainability Report 2021". The editorial deadline for this report was June 10, 2022. Our next report will be published in 2023.

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

The entities included in the annual financial statement are described in the Financial Report for the 2021 financial year. This report is not published.

GRI 102-46: Defining report content and topic boundaries

In 2019, the main areas of activity of our sustainability strategy were defined in a systematic process that incorporated the United Nations' 17 Sustainable Development Goals (SDGs):

1. Sustainable growth (SDG 8: Sustainable economic growth and decent work)
2. Accelerating climate protection (SDG 13: Climate action)
3. Driving forward the circular economy (SDG 12: Responsible consumption and production)
4. Promoting diversity (SDG 10: Reduced inequalities)

In 2021, we once again reviewed these topics in close consultation with internal and external stakeholders and by means of targeted desktop analyses, media enquiries and participation in conferences and panel discussions, for example.

In this process, we were particularly interested in the following issues:

- How do the previous KPIs of the four areas of activity have to be further developed on the basis of the requirements of the EU taxonomy and the Green Deal with a focus on FitFor55 and the Circular Economy Action Plan?
- What organisational structures do we need in the subgroups and divisions to ensure effective implementation of the sustainability strategy and goals?
- How do we have to further develop the (sustainability) standards in our supply chains in order to meet the requirements of the German Supply Chain Act?
- Which REHAU rules and procedures need to be adjusted or expanded in order to take important sustainability aspects from the areas of activity into account?

→ Strategy, p. 15ff.

→ Stakeholders, p. 27ff.

47 _ REHAU materiality analysis



GRI 102-47: List of material topics

Areas of activity	Topic-specific standards	Page
Sustainable growth	GRI 201: Economic performance	38f.
	GRI 203: Indirect economic impacts	40
	GRI 205: Anti-corruption	25f.
	GRI 206: Anti-competitive behaviour	26
	GRI 414: Supplier social assessment*	34
	GRI 419: Socioeconomic compliance	26
We place supply-chain-related human rights issues in this area of activity.		
Driving forward the circular economy	GRI 301: Materials	47ff.
	GRI 303: Water and effluents	50
	GRI 306: Waste	51f.
	GRI 307: Environmental compliance	52
Accelerating climate protection	GRI 308: Supplier environmental assessment	34
	GRI 302: Energy	54
Promoting diversity	GRI 305: Emissions	55ff.
	GRI 401: Employment	60ff.
Promoting diversity	GRI 404: Training and education	66ff.
	GRI 405: Diversity and equal opportunity	74ff.
	GRI 406: Non-discrimination	76
	GRI 407: Freedom of association and collective bargaining	77
	GRI 408: Child labour	77
	GRI 409: Forced or compulsory labour	77
	GRI 411: Rights of indigenous peoples	77
	GRI 412: Human rights assessment	78

To meet the transparency requirements for relevant ratings, we have expanded the report to include the following topic-specific standards:

- GRI 402: Labour/management relations
- GRI 403: Occupational health and safety
- GRI 413: Local communities

Further information

GRI 102-48: Restatements of information

Resource conservation: In 2021, we continued the process of standardising the electronic recording of the key recycling indicators. The project was completed in the first quarter of 2022.

→ GRI 301-2: Recycled input materials used, p. 47f.

GRI 102-49: Changes in reporting

Our report's general structure and methodology were retained. This Sustainability Report has been created according to GRI standards for the fourth time. The chapters of this report are structured according to the divisions of the GRI standards into general disclosures and topic-specific standards.

GRI 102-50: Reporting period

1 January 2021 to 31 December 2021.

GRI 102-51: Date of most recent report

The last report was published in July 2021. Reporting period: 1 January 2020 to 31 December 2020.

GRI 102-52: Reporting cycle

The Sustainability Report is published every year.

GRI 102-53: Contact point for questions regarding the report

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→ Legal notice, p. 86

GRI 102-54: Claims of reporting in accordance with the GRI standards

The topics and key figures presented in this report have been compiled in accordance with the Global Reporting Initiative (GRI) standards "Core" option.

The listed GRI standards were published in 2016, with a few exceptions. The standards GRI 303: Water and effluents and GRI 403: Occupational health and safety were revised in 2018 and the standard GRI 306: Waste was revised in 2020.

GRI 102-55: GRI Content Index

This report, which takes the form of a sustainability assessment, states the GRI standards used.

GRI 102-56: External assurance

In the areas of occupational safety, health, energy consumption and emissions, external auditors from TÜV Rheinland have confirmed the accuracy of the data.

 ISO certifications

UN Global Compact

Principles	Commitment and selected measures	Page
Human rights		
Principle 1 Support and respect the protection of human rights	<ul style="list-style-type: none"> For example, our company-wide Code of Conduct containing an explicit commitment to the principles of the UN Global Compact, including human rights The REHAU Way – Our values: Trust, reliability, innovation and the basic principles of the REHAU personnel concept “Your REHAU” The core labour standards of the ILO (International Labour Organisation) and the OECD Guidelines for Multinational Enterprises, which are incorporated into the company guidelines and the Supplier Code of Conduct 	20, 23 19f., 71 71, 77
Principle 2 Avoid complicity in human rights violations	<ul style="list-style-type: none"> EcoVadis rating 2021: In the category “Labour and Human Rights”, REHAU is among the top six per cent of global manufacturers of plastic products. 	30
Labour norms		
Principle 3 Uphold the freedom of association	<ul style="list-style-type: none"> Strategic sustainability management of the REHAU Group REHAU Supplier Code of Conduct Supplier management system: Supplier selection, assessment, classification and development and general purchasing and contract conditions 	18, 22 11, 32 11, 31ff.
Principle 4 The elimination of all forms of forced labour	<ul style="list-style-type: none"> Cf. the positions listed under Principles 1 and 2 German Supply Chain Act, Modern Slavery Act (UK) No violations/risks regarding freedom of association or wage negotiations were reported in 2021 for any of our locations or any of our suppliers. 	28f. 77
Principle 5 The abolition of child labour	<ul style="list-style-type: none"> Moreover, there were no reports or audit findings regarding a significant risk of child labour or forced labour. 	77
Principle 6 The elimination of discrimination	<ul style="list-style-type: none"> In 2021, the quota of women employees was 27 per cent and the quota of women in management was 13 per cent. Our annual Group-wide review did not reveal any cases of discrimination. 	74 76

Principles	Commitment and selected measures	Page
Environmental protection		
Principle 7 Preventive environmental protection	<ul style="list-style-type: none"> Matrix certification according to DIN EN ISO 14001, DIN EN ISO 45001 and DIN EN ISO 50001 REHAU principles regarding sustainability, occupational health and safety, security and environmental protection 	43 43
Principle 8 Initiatives for a greater sense of responsibility for the environment	<ul style="list-style-type: none"> Binding Group-wide sustainability goals for 2021 in the focus area of climate protection and the circular economy New medium-term and long-term CO₂e goals were defined until 2025 (Industries SE) and 2030 (Automotive SE). The previous goals for absolute CO₂e emissions (Scope 1 and 2) had already been achieved. 	46, 53 53
Principle 9 Development and distribution of environmentally friendly technologies	<ul style="list-style-type: none"> EcoVadis rating 2021: In the "Environment" category, REHAU is among the top two per cent of manufacturers of plastic products. CDP rating 2021: We received a rating of B in the Climate Change survey and the Water Security survey and improved our rating in individual areas. 	30 44f.
Anti-corruption		
Principle 10 Measures against corruption	<ul style="list-style-type: none"> REHAU Code of Conduct Supplier Code of Conduct Anti-corruption guideline Corruption risks are assessed worldwide and registered or updated in the risk management database. About half of all identified compliance risks are in the category of corruption. No significant corruption risks were reported in 2021. EcoVadis rating 2021: In the "Ethics" category, REHAU is among the top four per cent of manufacturers of plastic products. 	20, 23 11, 32 25 25f. 30



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