

# Semperit Sustainability Innovation Policy

Innovation is a cornerstone of our business approach with a particular focus on the development of innovative products, processes and materials. While striving for innovations, we carefully identify, assess and address potential impacts on the environment and people involved.

## Innovation

Semperit's innovation management strongly focuses on sustainability. We believe that what distinguishes truly outstanding products is not only the best product quality and performance but also the environmental and social responsibility of the manufacturer. We believe that innovations require processes that improve sustainability in the manufacturers resource use and in benefit to the consumer. We will continuously improve our processes and practices as technology and material science advances. We will make consistent and measurable progress in implementing this commitment (our Sustainability Innovation Policy) throughout Semperit's innovation management program in order to meet our sustainability targets (reduction of energy, waste and emissions).

For this reason, our objective is to develop:

1. Product designs and materials that most effectively and efficiently meet our customers' requirements,
2. Excellence in processes with focus on energy, emissions, waste and water reduction and climate change mitigation to minimize potential negative impact on environment and people,
3. Use of sustainable, environmentally friendly (renewable/recycled) and less harmful raw materials in the field of polymers, natural rubber, carbon black etc. wherever possible, and
4. Solutions that are effective and efficient during operation focusing on waste reduction and circular principles (including durability, reusability, repairability, and recirculation by using recyclable content in products and packaging) that provides added value to the environment and our customers.

To achieve these objectives and improve the sustainability aspect of our innovation management, we are concentrating our efforts on the following fields of action.

## Commitment to innovation excellence

- We will continuously improve our processes, practices, and products and strive to constantly improve efficiency and effectiveness of our development efforts and processes.
- We will implement structured processes to identify solutions with the lowest impact on environment, workplace, and product safety.
- We will make sustainability an integral part of our R&D- and innovation processes.

- Cutting-edge product design, raw material, and process know-how as well as state-of-the-art tools and methods (innovation funnel, lessons learned, KPIs, FEM, and CFD) allow us to create best-in-class solutions.
- Our commitment to innovation excellence demonstrates to all our stakeholders and the public that we will work collaboratively to develop sustainable, market-driven, and innovative solutions to the challenges in our markets.

## Highest standards of product safety and stewardship

To meet and continuously improve on the highest standards of product development we focus on three features: optimal customer benefit, highest safety standards, and environmental compatibility. We strive to understand and manage any health, environmental, and social impact associated with our products, pass this information along the supply chain, and ensure our standards are also met by all our partners.

## Identification of customer needs and requirements

We engage in an open dialogue with our customers to understand their needs and requirements allowing us to develop value added products and services that provide sustainable competitive advantages.

## Training and knowledge management

We continuously seek to improve the price/performance ratio of our products and services by training our employees and actively promoting knowledge management and sharing.

## R&D cooperation and innovation networks

In close cooperation with universities, research institutions, and suppliers we conduct basic research to constantly grow our knowledge of materials, processes, and products.

## New and renewable materials

We are constantly investigating alternative more sustainable raw materials that could offer benefits in terms of environmental protection, particularly in order to minimize pollution of air, water and soil due to emissions, hazardous substances or microplastics. The Executive Board and all employees are fully committed to this policy by underlining that continual improvement contributes to sustained competitiveness and success!

**The Executive Board**  
Semperit AG Holding