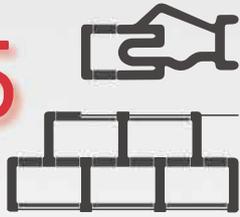




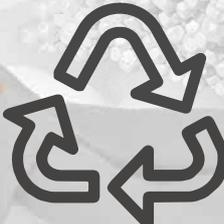
SUSTAINABILITY REPORT 2022

1835 
Year of inception in Austria

723 
Employees

99% 
Export rate

23% 
Female quota

30+ 
Years of recycling expertise

23 
Apprentices

662 
Patents and utility models

136 
Countries

Turnover **€ 356 Million**


11 
Foreign offices

Starlinger at a glance

green

Foreword

“

Today environmental, as well as social issues are many and complex. If we work together and learn from each other, there is no obstacle that cannot be overcome.

”



Dear readers,

This report represents another stepping stone on our sustainability journey. Responsible management has been deeply rooted in Starlinger for years. The establishment of our sustainability department has only deepened our resolve, and serves as a firm statement of intentions.

As with every journey, the first step is often a stocktaking exercise, to know what you have at your disposal in order to reach your targets. We have started by taking an inventory of our current initiatives pertaining to corporate social responsibility. This allows us to set specific targets for continuous improvement and to lay the groundwork for our sustainability strategy, that will drive a green transition in Starlinger.

Evidently, ambitious targets are not enough. As a forward thinking organization, adaptability will be key in responding to dynamic challenges. Today, environmental, as well as social issues, are many and complex. On our sustainability journey, we at Starlinger are committed to finding innovative solutions to the challenges that will inevitably be encountered. While these may seem monumental, step by step, moment by moment, if we work together and learn from each other, there is no obstacle that cannot be overcome.

angelika huemer
managing partner

Starlinger & Co Gesellschaft m.b.H. is the world's leading supplier of machinery for producing woven plastic packaging, plastic recycling and refinement. The company has been in the business of production of machinery for sacks, packaging fabrics, and technical textiles woven from plastic tapes for 50 years. The portfolio of the **textile packaging** division ranges from tape extrusion lines, winders and circular looms, to lines for coating, printing, and sack conversion. This allows for innovative packaging concepts. Starlinger further looks back at more than 30 years' development and production experience in recycling machinery for plastics. The product portfolio of Starlinger's **recycling technology** and **viscotec** divisions is comprised of machinery solutions for the recycling and refinement of plastics such as PE, PP, PA, PS, BOPP and (food-grade) PET.

Despite having a global scope, dedicated customer support and a singular vision of unparalleled client satisfaction define Starlinger's operations. Starlinger is a family business and, as such, combines the ambition, capacity, and innovation of a global company, with the rapport, honesty, and understanding that has been uniquely rooted and fostered in an environment of tradition and integrity since the company's inception. As Starlinger has grown, its roots remain strong. As we continue to develop new branches and reach ever-greater heights, Starlinger's family heritage ensures the company also has a firm base, remains steadfast, and provides a unique connection between the company's origins and its aspirations.

viscotec
foodgrade without compromise



About
Starlinger



Social commitment

We promote social development projects and programmes such as women in technical professions, support regional fire brigades and sports clubs and provide assistance in the event of natural disasters.

Technical experience

Thanks to our extensive experience as a machine manufacturer in the plastics industry, we are aware of the potential of plastics in the fields of processing and recycling. This combination allows us to actively promote a better integration of plastics as a valuable resource within the material loop.

Attractive opportunities

For decades, we have promoted young talents and have been training apprentices. We also support our employees with financial contributions to childcare, additional capacity building and training, and by offering health care benefits. These measures contribute to a safe and fair working environment with the possibility to acquire new skills and qualifications.

Resource-efficient production

Through efficient operations in our production plants, optimized processes within the company, and e-mobility in the areas surrounding our facilities, we reduce our energy consumption and emissions.

Long-term partnerships

By placing emphasis on long-term relationships with customers, suppliers, employees and partners, we promote an open and welcoming atmosphere, which facilitates cooperative and solution-oriented teamwork, enabling us to carry out even more complex projects.

Innovative process technologies

Our unique process technologies enable the recycling and refinement of plastics, and thus ensure a safe reuse of plastic packaging, even allowing for food contact.

Nurturing communication

Starlinger organizes regular company events to promote communication among employees, as well as teambuilding exercises. These events are also an opportunity to convey the topics of sustainability and CSR to the entire workforce. An interdepartmental exchange is the best way to work on effective concepts and make operations more sustainable.

Global presence

As world market leader, we bear a far-reaching responsibility and are in constant contact with our customers to jointly carry out sustainable projects, to optimize production processes, and to establish improved waste management systems in their area.

Effective packaging concepts

With innovative development concepts and design for recycling (DfR), we offer our customers not only unique opportunities to capture new markets, but also to design their production efficiently and in a resource-saving way. Examples of such concepts are bottle-to-bottle, bag-to-bag, and tray-to-tray projects in the field of circular packaging.

Regional anchoring

As a family business, we are firmly anchored in Austria. As a client and purchaser, we contribute to promoting employment and economic development in the region.





In the summer of 2019, Starlinger established a sustainability department dedicated to matters of Corporate Social Responsibility (CSR), as well as the organisation and implementation of projects that minimize the company's impact on the environment and that maximize the social standards for its employees. This arises from the duty that Starlinger carries, for both its members, partners, clients, and for communities and society more broadly. Starlinger believes in playing its part for the attainment of our collective societal goals, including the Sustainable Development Goals (SDGs) of the United Nations and the goals of the Paris Agreement.

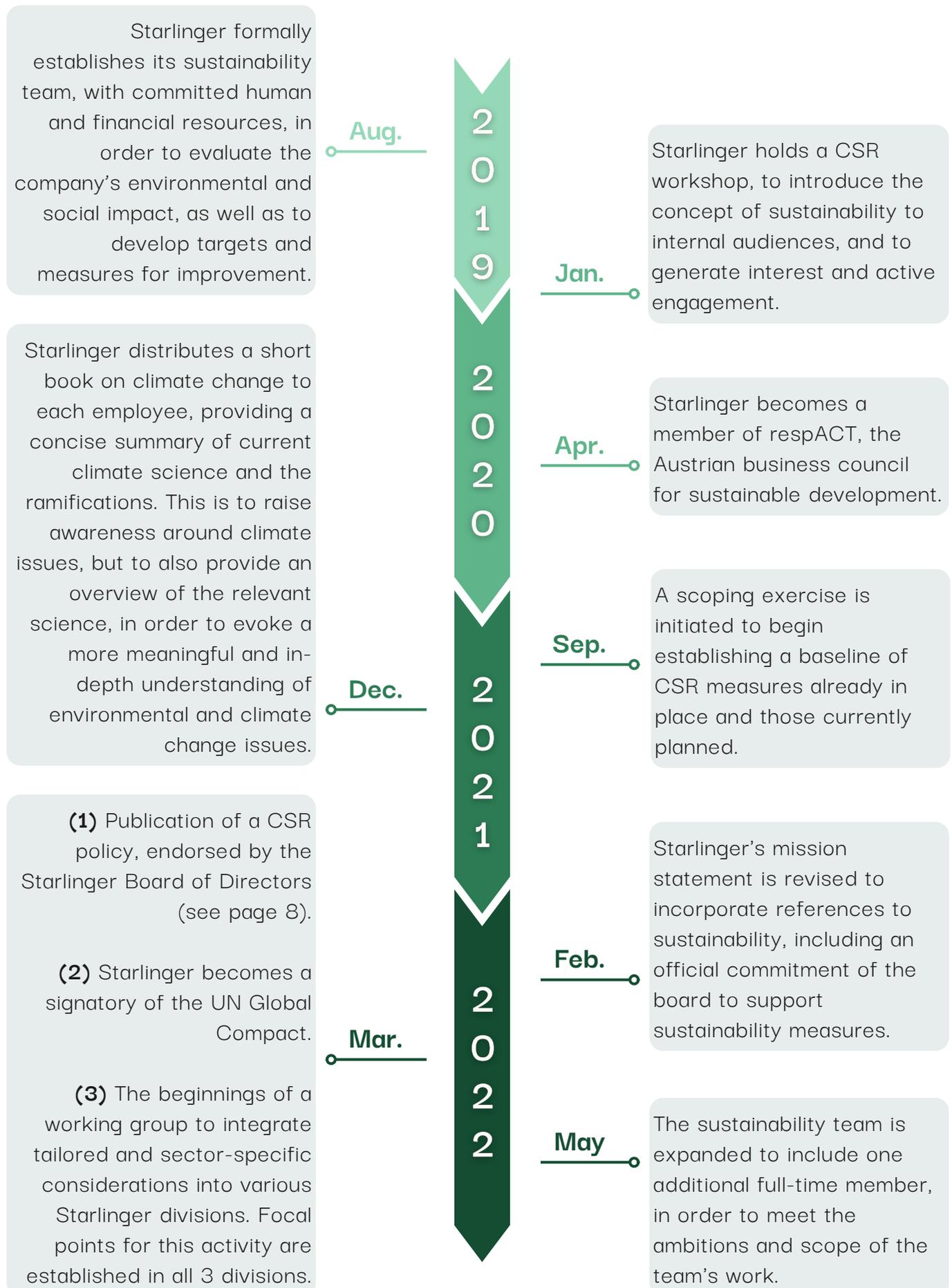
The sustainability department is a new unit of Starlinger, with a novel remit, purview, and thematic focus. While this implies that the team is unconstrained by the weight of its own history, traditions, or methods, being free to develop its own new and innovative approaches and solutions, it also means that the team must undertake a company-wide stocktake and data collection exercise in order to determine the company's baseline performance. Future environmental, social, and governance targets will be measured against this baseline.

Therefore, this sustainability report 2022, which is the first report of its kind, will largely be a reflection of this stocktaking exercise, and will further outline some of the achievements already made and preliminary measures implemented.

Despite its recent genesis, the sustainability team has already undertaken a number of measures to lay the groundwork for a more systematic approach to sustainability in Starlinger. Recent highlights include:



Sustainability



The Corporate Social Responsibility Policy outlines our engagement within the realm of sustainability management, as well as binding objectives to guarantee our work is responsible with respect to the environmental and the social impacts of our business.

- We support initiatives that are aligned with our values as indicated in our **Mission Statement**.
- We will adhere to the principles established in the **UN Global Compact**.
- We foster community relationships and innovative collaboration to promote **environmental** and **social justice**.
- We will integrate environmental and social criteria into our **procurement** processes.
- We strive for **continuous improvement** by regularly reviewing our environmental and social impacts and setting specific targets to enhance our performance.

We aim to systematically design and implement a sustainability management and monitoring system, to measure our impact on the environment resulting from daily operations and evaluate our social actions to set regular targets for continuous improvement. The responsibility for the development and implementation of the aforementioned areas lies with the management of Starlinger, supported by the sustainability team.

As a company with a global presence, we, Starlinger, in line with our goal to mainstream environmental and social considerations throughout our facilities, offices, and divisions, herein commit to the following actions:

ENVIRONMENTAL COMMITMENT

We encourage and promote **environmental awareness** among our employees and provide learning opportunities to increase employee capacity and competency in this area.

We will pursue **energy, water, and waste efficiencies** through the implementation of a comprehensive resource management framework, including a monitoring system.

We will **reduce greenhouse gas emissions and pollution** in all parts of our operations and divisions, and aim to offset remaining unavoidable emissions.

We will **reduce travel activities** where possible and integrate environmental considerations into the way we organize and conduct conferences and meetings.

We will strengthen **circular economy principles** and promote the recyclability of post-consumer and post-industrial waste materials.

SOCIAL COMMITMENT

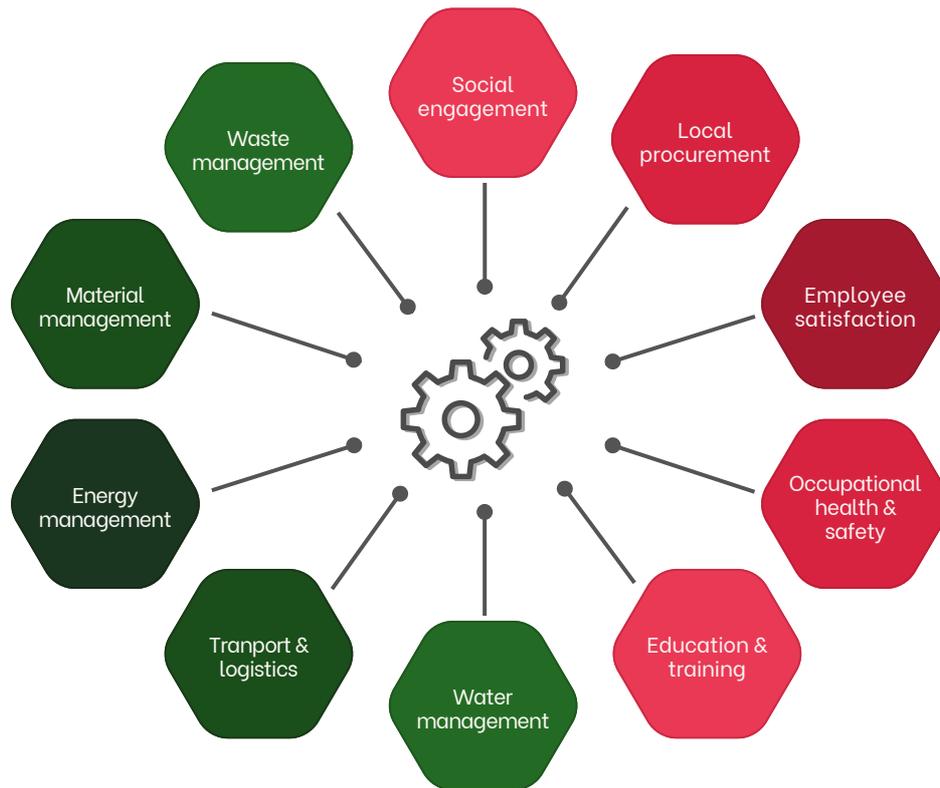
We provide opportunities for **training and career development** to enable our employees to expand their capacities and competencies on a professional as well as personal level.

We support **diversity and inclusion** and do not discriminate against any person based on race, colour, religion, sex, nationality, age, disability, or other characteristic.

We promote attractive **working environments with high social standards** and maintain safe and healthy working conditions for our employees.

We foster a **culture of sound business ethics** and integrity at all levels of our organization and will operate with transparency in our dealings.

We implement appropriate measures to ensure the **data protection** of our employees, customers, and business partners.



As a close working community, the need for synergy among the various offices, divisions, and teams in Starlinger is of paramount importance. The interconnection between various elements can often seem lost in the increasingly compartmentalised structure of the working environment. It is therefore a more holistic system's perspective that the sustainability team seeks to promote.

Both the environmental and social components of sustainability are incredibly complex and dynamic systems. Every action we take has an associated impact. To approach such varied and complex issues, it is evident that the focus must shift from individual topics, to addressing multiple interrelated issues simultaneously.

Starlinger therefore aims to integrate environmental and social considerations using the long-term and comprehensive outlook that defines systems thinking. The sustainability team's focus will therefore be on new ways of working, novel strategic frameworks and, crucially, on fostering dialogue and engagement between Starlinger employees.

Starlinger has a solid foundation upon which to build its sustainability strategy. While having a dedicated sustainability department is essential for Starlinger, the company has been implicitly integrating sustainability considerations into its various divisions and facilities for years. Achievements to date include:

CSR measures

“ The focus must shift from individual topics, to addressing multiple interrelated issues simultaneously.

”

Material management

Within its process and material management, Starlinger seeks to reduce resource consumption and to implement circular economy principles.

- Usage of recycled PP (rPP) pellets to reduce the amount of virgin PP material applied in operations.
- Development of machines with a long life span and provision of spare parts for older models.
- Extension of the machines' life span by repurposing used but well-functioning machines and making them available for purchase, giving them a second life.
- Increase of the life span of cooling lubricants by installing specific filters and changing them only when abraded.
- Reduction of paper and print colour toner consumption by only printing brochures in English and providing a digital system for document/invoice management.

Energy management

Starlinger has implemented various energy initiatives and further aims to increase the prevalence of renewable energy utilization in the company.

- Promotion of renewable energy by installing photovoltaic systems and employing heating systems powered by wood chips.
- Installation of LED lighting in the production halls and enhancement of the insulation (e.g. windows and roofs) further reduces energy consumption.
- Installation of automatic lighting sensors to contribute to lowering energy consumption.
- Reduction of energy consumption in the technical center by replacing the equipment for more energy-efficient models and utilising a dry cooler to allow for savings between 30-70%.
- Focusing on sustainable investment products in Starlinger's security holdings to stay true to its environmental objectives and to exercise an environmentally-conscious business culture.
- Implementation of regular maintenance and energy efficiency checks to ensure that all equipment is functioning properly, and to identify any potential leakages or inefficiencies.

Transport & logistics

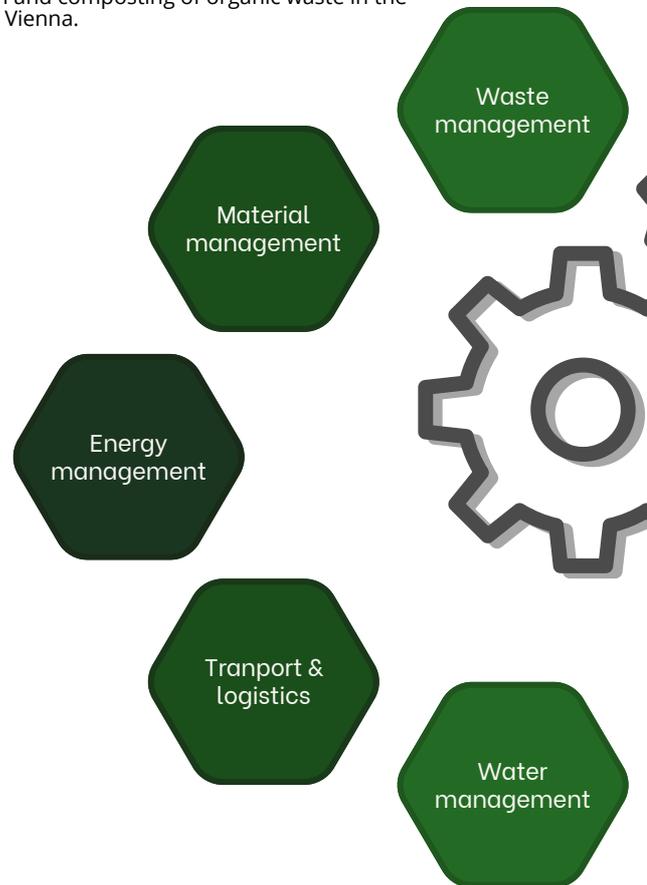
Maximising travel efficiencies and leveraging remote working possibilities is an increasingly important area of focus for Starlinger.

- Facilitation of remote working options, building on the lessons learned from the COVID-19 pandemic and the increased capacity for remote working.
- Reduction of business travel by providing data glasses to enable remote support to customers, meeting online via video conferencing, and bundling trips to maximize travel efficiency.
- Promotion of public transport and/or car sharing where possible and provision of public-transport tickets.

Waste management

Starlinger has a waste management system in place in its production halls and office facilities to allow waste separation and recycling.

- Facilitation of the differentiated collection of scrap cutting materials to repurpose cutting inserts, if still operational.
- Utilization, and therefore recycling, of single-use plastic packaging material in production processes. Additional collection of PET bottles to be returned to recyclers.
- Preparation of communication materials to encourage staff to increase recycling fidelity to support the waste management measures.
- Collection and composting of organic waste in the offices in Vienna.



Water management

Water is a crucial resource which is vital for life. As with all other forms of consumption, water usage is carefully monitored in Starlinger.

- Implementation of regular maintenance checks of water consumption to detect any potential leaks early.

Social engagement

Starlinger places importance on social engagement and supports the communities in which it operates in various ways.

Sponsoring of local sports clubs and programmes for youth support, and financial support to the local fire brigade.

Regular engagement with the local municipality of the main facility to explore new opportunities to support local investment and development.

Social engagement

Local procurement

Employee satisfaction

Occupational health & safety

Education & training

Education & training

Starlinger supports training programmes and further provides opportunities for young people to explore a career in technical and mechanical fields.

Support of dedicated training programmes for apprentices, including the offer of trainings in Mathematics, English, and CAD.

Promotion of summer internship opportunities for students to encourage young people to develop transferrable skills in a dynamic and supportive workplace.

Provision of specific trainings for local technicians in various countries.

Local procurement

Starlinger's procurement approach is designed to maximise transport and logistic efficiencies and sustainability.

Introduction of local and regional sourcing and procurement. Where possible, local companies and vendors are selected, including local craftsmen for construction projects.

Expansion of the capacity of local production sites in selected locations in order to improve added value and to lessen travel and logistical burdens and requirements.

Employee satisfaction

Starlinger aims to increase employee satisfaction by retaining and fostering talent and vision, and providing a supportive and inclusive workspace.

Organization of regular company events to enhance the internal communication among staff.

Support of a work-life balance by providing the possibility to work part-time and flexitime.

Allotment of bonus payments to ensure that staff share in the proceeds of the profits in a successful financial year.

Financial support for childcare, for example by covering a portion of the cost for day care facilities.

Provision of various communication channels, including magazines and press releases, to promote dialogue, transparency, and engagement with the company activities.

Installation of access ramps and elevators to provide open access in the offices and other buildings, to increase the inclusivity of workspaces.

Occupational health & safety

Starlinger is dedicated to ensuring the health and safety of its employees, and providing them with a comfortable and secure working environment.

Provision of personal protective equipment, including protective clothing and shoes as well as masks and disinfection gel.

Support for employees who want to quit smoking by providing workshops, as Starlinger is a non-smoking company.

Installation of extraction units for the improvement of indoor air quality in the production halls, and height-adjustable working desks to ensure more comfort.

Provision of vaccine programmes, medical check-ups, and regular ordination hours by company doctors.

Providing travel insurances for technicians that are sent on assignments abroad for the entire period of their time abroad.

Promotion of mental health and employee well-being by supporting and organizing sports events for staff.

Starlinger has a long history with circularity. Already over 30 years ago, Starlinger introduced the concept of recycling into its machine production, and founded the divisions **recycling technology** and **viscotec**. The circular economy concept is a regenerative growth model, wherein waste products are seen as new inputs into a closed loop system. This is designed to reduce natural resource consumption, minimize waste generation, and create sustainable growth and jobs. It is further envisioned as a way to combat the ongoing pollution, biodiversity, and climate crises, while concurrently maintaining the value of products, materials, and resources for as long as possible.

Starlinger puts this concept into practice, utilising circular principles in its operational processes. A number of initiatives already implemented attest to the three divisions' commitment to circularity, and to playing its part in the pursuit of closing the loop. An example includes:



Starlinger, in collaboration with the Upper Austrian companies PET-MAN, Greiner Packaging, and The School Milk Programme of Agrar Markt Austria (AMA), launched a joint project to provide children in Upper Austria with school milk packaged in sustainable cups made of 100% recycled PET (rPET). This regional project ensures that containers for such products are made from new rPET cups composed of 100% recycled, unprinted rPET mono material that can be recycled over and over again into 100% food-grade cups. The used cups are collected with the next school milk delivery and consequently washed and shredded. The shredded flakes are further cleaned and processed using viscotec technology. As a result, many tons of packaging waste are avoided every year. In recognition of this project's innovation and potential, Starlinger was awarded the Green Packaging Star Award 2021 and the TRIGOS 2021 Austrian award for responsible business, in the category "Exemplary project".



“

Within a given cycle, all segments of the chain must work in harmony and cooperatively, in order to make a fully closed loop system. ”

Circular Economy

Stakeholder Engagement

Efforts are already underway to determine the most important thematic areas of sustainability for Starlinger's stakeholders, to ensure that the company's sustainability efforts are inclusive and participatory from the start. To this end, a stakeholder engagement survey has been launched and distributed to employees, partners, customers, suppliers, agents, research institutions, and other relevant organizations. The survey was designed to gather a comprehensive and wide-ranging input and feedback on the most important sustainability topics for Starlinger, as seen through the perspective of our various stakeholders.

A stakeholder dialogue during the K 2022 trade fair in October 2022, and during open house events at Starlinger facilities, will further reinforce this data collection with direct qualitative interviews. Future efforts will focus on operationalising these findings, the outcomes of which will be showcased in Starlinger's future sustainability reports.

Ongoing initiatives

A number of initiatives are currently planned and are being developed. Future projects and programmes will be informed by the outcomes of the sustainability survey. The sustainability team will operationalize these findings in Starlinger, facilitating their uptake and implementation where appropriate. In order to ensure that our employees continue to be supported, and that their wellbeing is placed amongst Starlinger's top priorities, the following measures are currently in development:

Sustainability Reporting

Quantitative metrics will be essential in order to establish the company's sustainability performance baseline. Once this is done key performance indicators (KPIs) will be developed to gauge the company's progress, and identify areas that require targeted support for improvement. Future reports will include these KPIs. Each sustainability report will collect and present information from the full previous reporting year, i.e. the 2023 Sustainability Report will present the data and best practice stories from 2022.

- Implementation of measures to improve **energy efficiencies** throughout our facilities
- Promotion of **public transport** and providing the KlimaTicket for Austria to our apprentices
- Establishment of a comprehensive **data collection** and **monitoring system**
- Development of an improved **information exchange between management and employees** to ensure a broader green transition in Starlinger
- Increased uptake of **sustainability considerations** throughout the work routine

**STARLINGER'S
ROAD AHEAD**

This first Starlinger sustainability report is a firm statement of intentions. Starlinger will continue to advance its sustainability efforts, dialling up both the scope and ambition. The recently established sustainability team holds the responsibility and accountability for these efforts, which will focus on improving communication, advancing Starlinger's environmental and social agenda among staff and company operations, advocating for further technological innovation and collaboration, and reducing the company's environmental footprint.

Given that Starlinger is at the start of its sustainability journey, the road ahead holds immense potential. While there will inevitably be some course corrections, new avenues to explore, and possibly even U-turns to undertake, they are a quintessential part of the process. A journey that does not have its hurdles to overcome presents no opportunity to grow and evolve, as it is through challenge and adversity that we discover our ingenuity, fortitude, strength, and determination. Starlinger has its goals firmly in mind, its direction set. As we take our first steps, we are looking forward to where this path will lead us, to working with others along the way, and to overcoming the challenges that will inevitably be encountered, together.

“

Starlinger will continue to advance its sustainability efforts, dialling up both the scope and ambition.

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Conclusion



Starlinger Sustainability Report - October 2022

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