



CREATING TOMORROW

Acting circular



Future Report
2023

maco.eu

Highlights 2022

Circular Globe



Bronze Label for all Austrian locations

50,000 litres per day

contaminated waste-water, which is treated in the vacuum distillation plants and thus kept in the production cycle. Thus, 97 % of the waste-water is reused.

860,000 kWh

of electricity generated in-house

ISO 45001

AT, DE, PL successfully certified for occupational safety

19 % more hours

invested in further training

13 %

of our company cars are hybrid or electric cars

Supplier Code of Conduct

developed in 2022 & rolled out in 2023

Material Database set up

as a basis for Material Compliance, product development

15 different apprenticeships

including the "Green Job" of Waste Management and Recycling Specialist

Legal Compliance Audits

annually in all production areas

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THIS IS MACO

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This is MACO Overview

MACO is one of the world market leaders for window, door and large surface hardware and is a provider of innovative system and security solutions. Networking with electronic components is playing an increasingly important role, in addition to mechanical building hardware such as the widespread turn-and-tilt hardware.



2,1 billion

produced single and half parts per year

1947

beginning of our success story

6

production plants

357 Mio.

annual turnover



Our values Our promises

Our declared goal is to make not only our products, but also the manufacturing process more sustainable and recyclable. Sustainability is therefore firmly anchored in our corporate strategy and one of our three core corporate values:

Partnerships

We are always reliable.
We have common goals.
We trade respectfully.

Sustainability

We bear responsibility.
We remain an independent family business.
We operate economically.

Results oriented

We achieve our goals.
We see the bigger picture.
We live innovation.



95 %

in-house production
share

15

subsidiaries
worldwide

96 %

export quota

2,600

employees

Sustainability at MACO

Key Milestones

Sustainability is a core value of our corporate culture and is firmly anchored in our DNA.

1947

Founding of the company



2021

First Future Report published



2012

First certification of production sites according to ISO 14001 and OHS 18001 and 9001

2022

Sustainability is one of the six pillars of our corporate strategy

2016

Sustainability becomes one of the core corporate values

2023

MACO receives the Circular Globe Bronze label at the organisational level

2010

First department on the topic of the environment integrated into Quality Assurance

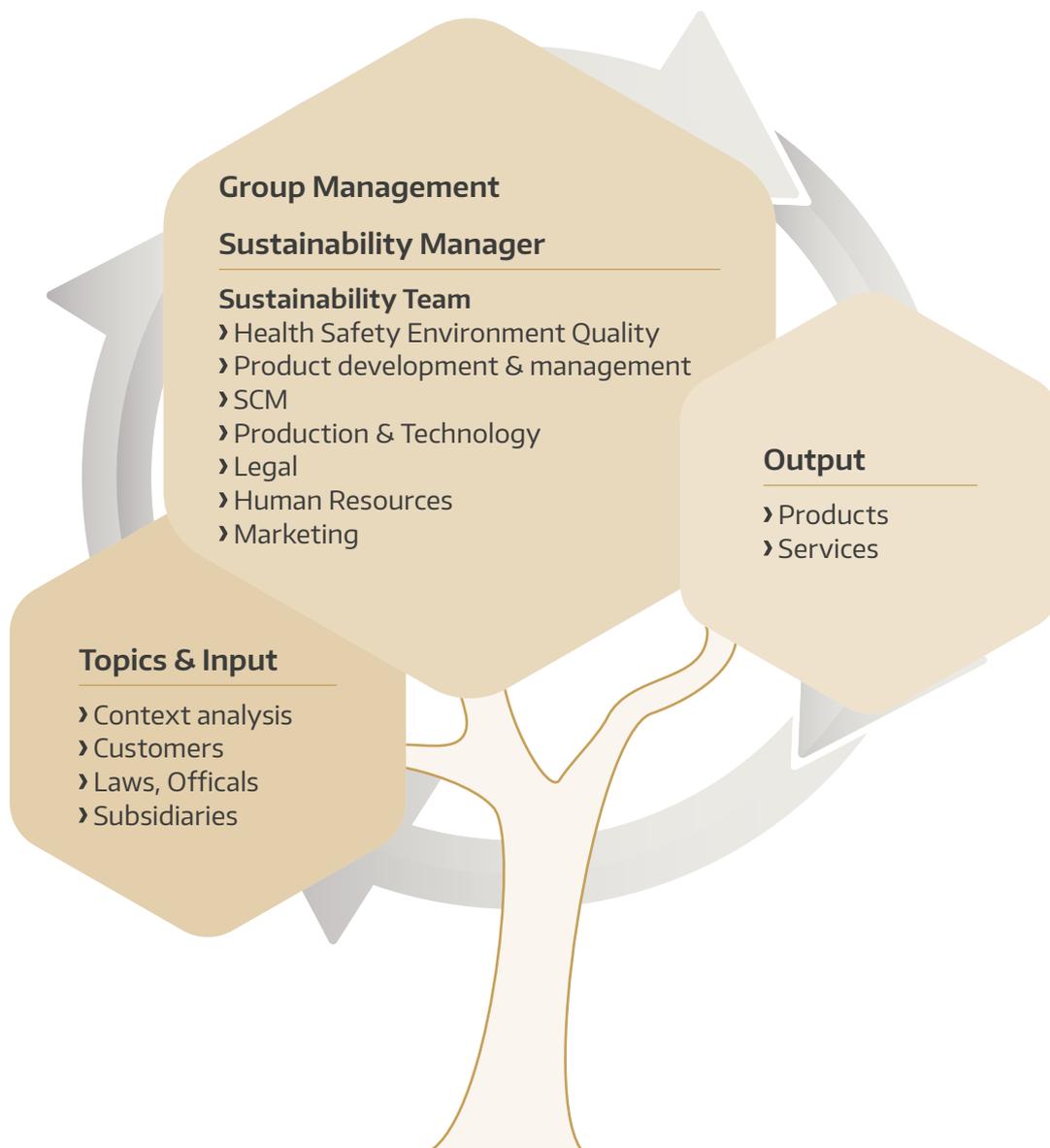
2022

ISO 45001: AT, DE, PL successfully certified for occupational safety

Our responsibility Supported by the entire organisation

MACO sees sustainability as a fundamental responsibility that should be established in every business area and actively taken up in all business processes. Every employee, every department and every manager are sensitised to and encouraged to operate sustainably.

Two Sustainability Managers form a team around themselves, consisting of members from different departments. This core team defines the most important directions, sets goals and promotes sustainability and climate protection issues – far beyond legal and official requirements. These are all derived from the corporate strategy and based on context analyses and inputs from customers and branches. This becomes visible, amongst others, within the products and services offered.



Creating Innovation. Creating Tomorrow.

“Creating Innovation” is our motivation, also in terms of sustainability. Innovation is the key to ensuring that future generations can live well on our planet. For this purpose, we not only focus our portfolio on sustainable construction products that are energy-efficient, sustainable and at the same time resilient to climate extremes. We are also questioning and changing the way we develop and produce our products. MACO Managing Directors Klaus Bichler and Guido Felix explain how this will shape the future.



MACO Managing Directors Klaus Bichler and Guido Felix

MACO is convinced of sustainable corporate governance. But what does that mean?

Felix: It means that we operate economically and efficiently in order to remain capable of acting and stay independent. But it also shows in the fact that we promote our innovative power to inspire customers at the right time with the right solutions. And for us, it means taking responsibility – for our employees, the environment and future generations. We strive to treat employees, partners and suppliers fairly, promote ethical business practices, act in a climate-conscious manner and create added value for society. In doing so, we want to actively shape and promote the corresponding standards.

The circular economy is playing an increasingly important role...

Bichler: Exactly. We need to move from linear to circular business models. The circular economy model is about reusing materials and products for as long as possible, reprocessing, repairing, recycling, extending the life cycle, and generating added value in the process. Our resource handling and environmentally friendly actions do not contradict the company's profitability but on the contrary, this creates new business opportunities.

Felix: The transformation to a circular economy must include products, services and processes. Part of our corporate responsibility is to position ourselves structurally in an optimum way for the future. We have been working hard on this recently. This has been successful and is not only shown by the certification of all Austrian locations with the Circular Globe Award.

In recent years, despite the pandemic, energy and economic crisis, many activities and investments have been made that contribute to environmental protection. Can you give us some examples?

Felix: Responsible and forward-looking use of energy resources is one of our sustainability priorities. We want to drastically reduce our energy consumption and increase our energy efficiency by 8 percent by 2025. The basis for this is an inventory overview with the help of our newly implemented energy monitoring. From these reference values, we want to calculate savings potentials and act on them. We are increasingly using our own buildings to generate sustainable electricity from solar power. The waste heat generated from the production processes is used for heating, we're converting to LED lighting and obtaining electricity from renewable and sustainable energy sources.



FOR MACO, SUSTAINABILITY IS ONE OF THE TOPICS OF THE FUTURE AND HAS THEREFORE BEEN ONE OF OUR SIX CENTRAL THRUSTS OF THE CORPORATE STRATEGY SINCE 2022.

Guido Felix,
MACO Managing Director

Bichler: We are also able to save energy today because we work much more efficiently. Ongoing technical innovations help us here as well as organisational improvements and sophisticated processes. Beyond that, we want to achieve as much as possible in terms of environmental compatibility. That is why we use, for example, new materials, such as high-tech plastics for individual articles or grain waste products for surface grinding. In addition, material management plays a decisive role where the keyword is recycling and material health. Many other MACO initiatives aim to reduce resource consumption, be it water, energy or other raw materials. How we achieve this, we will show on the next pages.

What do our fabricator customers gain from our commitment to sustainability?

Bichler: MACO is becoming more resilient to changes and bottlenecks in the market. By making ourselves increasingly energy self-sufficient, for example, energy crises as we experienced in 2022 affect us less. By recycling materials, we can better cushion against raw material bottlenecks, etc. This makes us a consistent and reliable partner for our customers.

Felix: Sustainable commitment is at the same time a driver of

innovation and quality. We are expanding and adapting our portfolio to include sustainable, recyclable products and services that enable long-life construction. To do this, we need to question the existing and take new paths. The innovation is reflected in the material composition, product design, packaging, more efficient manufacturing process and more. And our customers benefit first and foremost from this.

Sustainability is also increasingly in the focus of our end customers. How do we meet their expectations?

Bichler: We offer sustainable construction products that are characterised by a long service

life of more than 30 years and contribute to the energy efficiency of buildings. The special feature of our products lies in the technology behind them. They help people make a personal contribution in the fight against climate change without significantly changing their behaviour. In this way, we support them in a more sustainable way of life.

Thank you for the interview.



SUSTAINABILITY IN CORPORATE MANAGEMENT IS A MATTER OF COURSE FOR MACO. IN EVERY ECONOMIC DECISION, WE TAKE SOCIAL, ECONOMIC AND ENVIRONMENTAL ASPECTS INTO ACCOUNT.

Klaus Bichler,
MACO Managing Director

Environmental programme

Priorities

Decarbonising

› Progressive conversion from fossil fuels, if possible to 100 % renewable & sustainable energy sources.

Usage reduction

› Covering material and energy usage as well as extending product life-cycles

Material reuse

› Conscious use of materials that not only have an initial low carbon footprint, but are also recycled equivalently

Material health

› Progressive reduction in the use of materials that adversely affect the environment or human health at every stage of the product life cycle

Our Framework

SDG & ESG

Our goals are based on 17 Sustainable Development Goals (SDGs)¹ and follow 12 very specific goals. At the same time, we take into account the ESG criteria, which focus on the three major topics of environment, social affairs and governance.

MACO wants to contribute to these fields of action by acting responsibly:



¹ In the 2030 Agenda for Sustainable Development, the 193 member states of the United Nations defined the 17 Sustainable Development Goals. These are intended to ensure sustainable development on an economic, social and ecological level.



THE CLIMATE CHANGE CHALLENGE

Our environmental commitments

Record heat, heavy rain, storms and droughts endanger people and buildings – climate change is here, and the consequences also affect us in Europe. The building sector and the construction industry contribute significantly to climate change through fossil heating energy and CO₂ emissions in the production of buildings and construction products. As a supplier to the construction industry, MACO is therefore also directly responsible. We must and want to make a significant contribution to reducing CO₂ emissions in Europe and to operate in a resource-efficient manner. How we do this?





Highlights 2022

Material Database

successfully set up

860,000 kWh

of electricity generated in-house

Circular Globe Bronze Label

for all Austrian locations

Acting Circular Thinking in cycles

The current prevailing economic model puts a big strain on nature and society by taking from the environment, producing, using and ultimately disposing. Resources are exploited and large amounts of waste are generated. To counteract this, MACO is moving from linear to circular business models. Sustainability Manager Petra Engeler-Walch gives an insight into what this means.



“

TO WHAT EXTENT CIRCULAR ECONOMY
CAN BE INTEGRATED INTO OUR BUSINESS
MODEL OR IS ALREADY PART OF IT?
WE HAVE ADDRESSED THIS AT AN
ORGANISATIONAL LEVEL IN 2022. NOW WE
KNOW WHERE WE CAN START AND IMPROVE.

Petra Engeler-Walch
Sustainability Manager

Why the path to a circular economy?

The climate crisis is here. However, we still live in a “throwaway society” that pays too little attention to the fact that the required resources are finite. MACO is also tied to these resources. If we want to continue living and doing business as before, we must find a way to make the economy and our products circular. This means protecting ecosystems, consuming as few raw materials as possible and processing them as effectively as possible. However, this also means making products as durable as possible and recycling them at the end of their life cycle in order to return them to the material flow in an equivalent form.

How does this affect MACO?

First, on a strategic level. In 2022, we dealt intensively with how and to what extent circular economy can be integrated into our business model or is already part of it. The first important step was a comprehensive inventory to see where MACO stands with regard to the circular economy. How circular is our value chain? For this we have undergone a Circular Globe assessment.

What happens during such an assessment?

All of our business and production processes have been scrutinised and evaluated according to various aspects. Is sustainability embedded in the corporate strategy? Does MACO consider the principles of eco-design in product development? Do we pay attention to the procurement of secondary rather than primary substances? How much hazardous waste do we produce? What does our energy consumption look like? With the help of these and many other questions, we were able to identify weaknesses, but also those aspects that have the greatest impact on our sustainability. We know exactly where we are already good, but also where we can start and improve. This supports our development towards a circular economy.

So the MACO sustainability strategy is regularly reviewed and adapted?

Indeed. For example, we gather insights from customer or employee surveys, market data as well as political or regulatory developments. The calculation of key figures is also constantly evolving

and through improved data collection and granular calculation models, we can adapt key figures and sustainability goals to the state of the art and set them even more precisely.

From 2023, the Austrian MACO plants will carry the Circular Globe Bronze Label.

...and thus MACO is once again a pioneer as we are the second Austrian company ever with a Circular Globe certification! We achieved a pleasingly high score in the initial assessment in mid-December 2022 and the bronze level in the maturity assessment at organisational level for all Austrian locations. We are very proud of this!

Thank you very much for the interview.

Pioneers in Austria

The Circular Globe label confirms from outside that MACO aligns its activities, products and services with the requirements of a circular economy.





Sustainable and circular

The focus is on four fields of action that flow into each other and contribute to our circular economy:

The **carbon footprint** shows which activities in the company generate how many greenhouse gases. In this way, we can identify emission hotspots in business areas along the value chain and derive concrete savings potentials and reduction targets (more on this on page 20).

We want to expand the number of **circular products** in our portfolio and make them clearly visible to customers. The cradle to cradle certification of the first products is on the agenda for 2023 (more on this on page 32).

With the **material database**, we create the basis for the evaluation of materials used in products, production processes or packaging. This will include the use of "healthy" or recycled materials already in the product development process, which make our products as durable and environmentally friendly as possible (more on this on page 29).

We deal intensively with **product compliance**, which requires current master data (such as weight, volume, etc.) as these are also required for calculating the carbon footprint. In 2022, processes were implemented so that our master data is always up to date.

CO₂ FOOTPRINT

CO₂ Footprint Currently Scope 2 & 3

- At company level
- At process level
- At machine level
- At article level

CRADLE TO CRADLE

Cradle to Cradle Circular products

- › “Healthy” materials
- › Recycled & recyclable products
- › Social fairness
- › Environment friendly

CIRCULAR GLOBE

Circular Globe Circular economy

- › Readiness to change to circular economy
- › Directional for organisation
- › Implementation of considered aspects
- › Results

MATERIAL DATABASE

Material Database All materials & purchased parts

- › Technical criteria
- › Purchase criteria
- › Compliance criteria
- › Eco criteria

PRODUCT COMPLIANCE

Product Compliance

- › Basis for SCIP compliance, CO₂ footprint, optimisation of storage and transport

We buy consciously

Resource procurement

2022 was a very challenging year, especially in terms of resource procurement. Triggered by the Ukraine war, the scarcity of raw materials and gas, and the cushioning of the resulting effects was our primary task. Despite the challenging situation, we were not only able to ensure the supply but we also did not lose sight of our focus on sustainability.



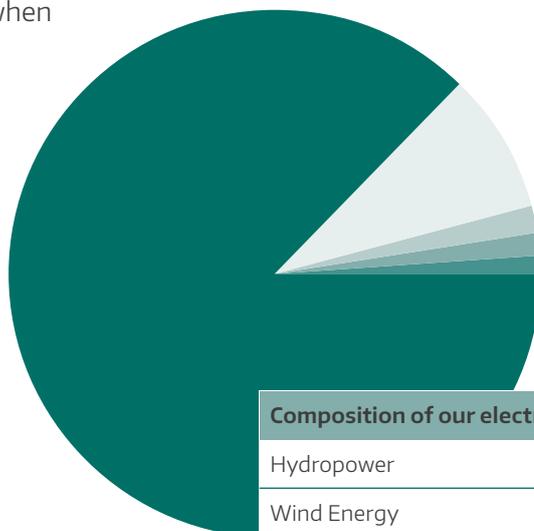
Raw material recycling	Total in tonnes/year	As a % of total raw material requirements
Zinc	377	5
Aluminium	133	52
Steel	5,550	21
Plastic	65	13

Supplier Code of Conduct

We rely on long-term partnerships and pay close attention to their sustainability certifications, climate-neutral production processes or the use of recycling technology when selecting our suppliers. A separate Supplier Code of Conduct was developed in 2022 and will be rolled out in 2023 to ensure compliance with our values. Safe working conditions, respect for human rights or compliance with legal requirements as well as ethical and respectful treatment of employees along the supply chain are just a few of the topics. This is the first step towards the Supply Chain Act.

Highlights

- › **Regional suppliers:**
We pay attention to short transport routes.
- › **Climate-friendly transport:**
More than 70 % of our zinc deliveries are by rail
- › **Clean supply chain:** Long-term partnerships with selected, sustainable suppliers
- › **100 % green electricity:** from renewable and sustainable energy sources such as hydropower and wind energy
- › **Turning old into new:** We see raw material recycling as an essential component of modern waste prevention. We already use innovative recycling for the four most important raw materials of zinc, aluminium, steel and plastic.



Composition of our electricity in %	
Hydropower	87.3
Wind Energy	8.6
Photo-voltaic systems	1.7
Solid or liquid biomass	1.5
Other green energy	1



“

AROUND 21 % OF OUR STEEL AND 52 % OF OUR ALUMINIUM USED IN PRODUCTION ARE RECYCLED. THIS NOT ONLY SAVES RAW MATERIALS, BUT ALSO ENERGY AS SECONDARY ALUMINIUM REQUIRES ONLY 5 % OF THE ENERGY REQUIRED FOR PRIMARY PRODUCTION!

Evelyne Rath,
Head of Purchasing



The foundation of our climate strategy

Carbon footprint

Saving CO₂ is the order of the day. As part of our operational climate management, we dealt with MACO's carbon footprint. This gives us clarity as to what activities in the company generate how many greenhouse gases. In this way, emissions hotspots in business areas or along the value chain can be identified and concrete savings potential derived.



Three Categories

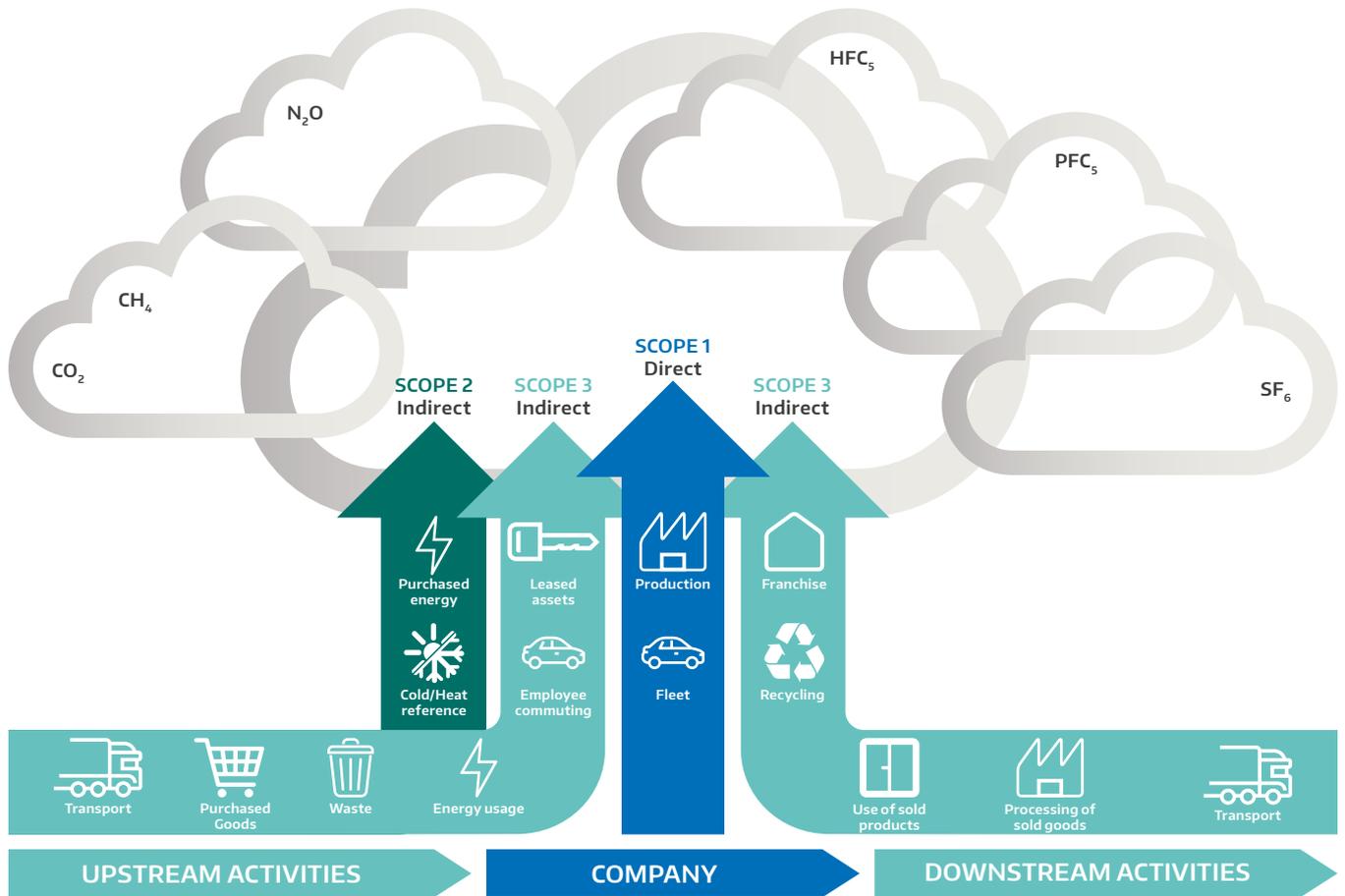
Greenhouse gas emissions are covered by the Greenhouse Gas Protocol² and divided into three categories or “scopes”. MACO is currently calculating its carbon footprint at company level for Scope 2 and Scope 3 (upstream activities), and by 2025, we want it to be at product level³ for all three scopes.

	Scope 1	Scope 2	Scope 3
Calculation basis	direct emissions from own combustion processes	indirect emissions from purchased energy	indirect emissions within the value chain, i.e. from upstream and downstream business activities
Examples	e.g. Natural gas heating, refrigeration units, company cars etc.	e.g. electricity, water vapour, district heating etc.	e.g. purchased raw materials and services, their transport and distribution, business trips, use of the products sold etc.
CO₂ footprint calculation at MACO	Planned for 2023	100 % predictable	We can calculate the carbon footprint created for the raw material production of the metals and plastics processed in our products > CO ₂ values recorded in the material database.

² The Greenhouse Gas Protocol is a global tool for reporting greenhouse gas emissions.

³ The product carbon footprint includes the sum of emissions resulting from the production, use, recycling and disposal of the respective product.

Greenhouse gas emissions within the value chain



THE CARBON FOOTPRINT IS AN IMPORTANT MEASURE FOR ASSESSING OUR CLIMATE IMPACT AND SUPPORTS THE FURTHER DEVELOPMENT OF OUR SUSTAINABILITY COMMITMENT.

Markus Hillinger,
Sustainability Manager

We protect resources

Saving energy

As a manufacturing company, our energy needs are relatively high. Therefore, we bear a special responsibility for the conscious use of energy in every form. In 2020, we set ourselves the goal of improving our energy efficiency by 8 percent by 2025. In addition, we are pushing for renewable energies and investing in photovoltaic systems at all our production sites.

Recognise savings potential

Since 2022, we have been setting up transparent energy reporting at all Austrian locations. This evaluates how much energy is used in the company and allows cross-location comparability. From this, savings potential can be derived in the future.

Investing in more efficiency

Better energy efficiency can also be achieved by replacing old machines or production tools. In all production areas, the machinery is evaluated and, where ecologically and economically most sensible, renewed. In 2022, a total of five machines were renewed in Austria, for example in die casting technology. Successive injection moulding machines with new, energy-efficient drive technology are also used in injection moulding technology. This will not only save several hundred thousand kilowatt hours of electricity in the coming years, but also reduce CO₂ emissions per machine.

Energy project in Trieben

How can we become more independent of gas, secure our energy supply and at the same time increase energy efficiency at the Trieben site? This was the focus of the project initiated in 2022 and developed together with Siemens. In three steps, it will be possible to save more than 5,000 MWh of process heat and electricity and around 1,900 tonnes of CO₂. The measures range from the installation of new heat pumps and the lowering of the flow temperatures to better heat distribution and the use of existing heat pumps for heating the office space. The focus is always on decarbonisation.

From 90 to 30: Cold instead of hot compressing

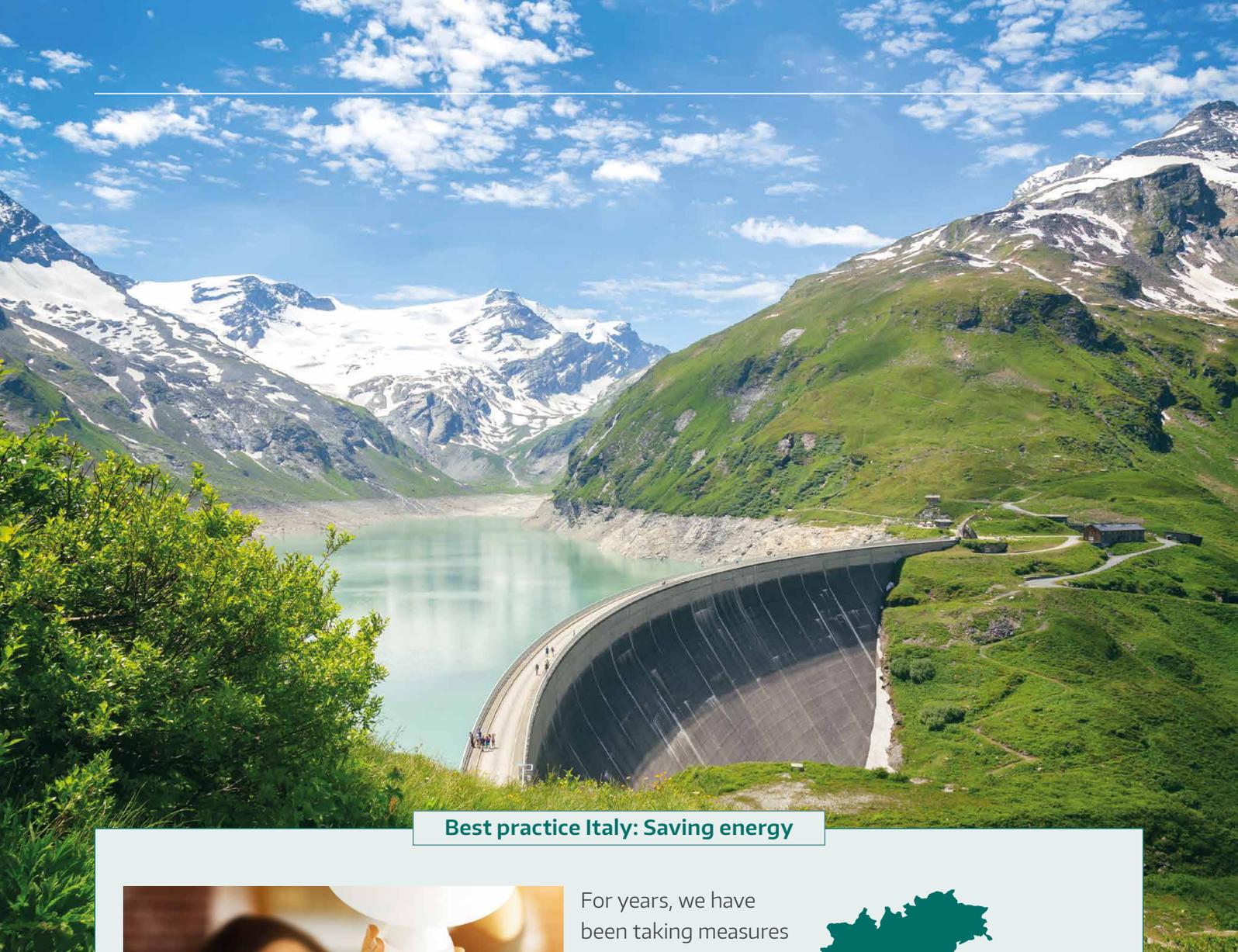
In order to seal the surface of our finished parts, such as our handles, they have so far been dipped in 90-degree hot baths. By changing the chemistry added to the baths, 30-degree hot baths are now sufficient for the same result.

For the heating of the baths, we can reduce the energy requirement from the previous 2,000 kWh to the current 140 kWh. This results in an annual saving of around 600,000 kWh.

LEDs reduce energy consumption

In 2022 we have further replaced the lighting systems at our Austrian locations with LED lamps. Therewith we can save another million kWh of electricity annually.





Best practice Italy: Saving energy



For years, we have been taking measures to reduce our energy consumption – in production processes, in the factories, in everyday work. Here are just a few examples:



- › **LED lighting:** The previously used neon or metal vapour lamps, which develop their full luminosity only after a start-up time of several minutes, have been replaced in the warehouses by LED lamps. According to calculations, around 20 percent of the total annual electricity consumption can be reduced.
- › **Air conditioning of the buildings:** Groundwater is an ideal heat transfer medium because it has an almost constant temperature of approx. 10° Celsius all year round. At the company headquarters in Italy, we use this to cool the server room and the buildings. Automatically controlled blinds are used for cooling in summer and for insulation in winter.
- › **Switching off lights:** At night and during the day, by means of motion detectors, the light switches off when employees leave the office.
- › **Heating:** The heating control also works with motion detectors. If the office is not occupied, the room temperature remains on standby (night lowering). If the window is opened for ventilation, the heating valve closes during the ventilation phase.

13 %

of company cars are hybrid or electric cars

Mobile – but green

We are close to the customer, and we rely on green mobility. Over the past two years, we have successively renewed our company fleet, where already over 13 percent of company cars are hybrid or electric cars and this trend is rising!

Through further measures, we reduce...

- ... **working travel:** 40 percent of working hours in home office for all those with computer workstations
- ... **travel between plants:** focus on online meetings instead of on-site meetings
- ... **petrol/diesel consumption:** The network of E-charging stations at our international company locations will be continuously expanded, for example in the UK in 2022.
- ... **car journeys:** incentives for alternative mobility concepts, for example through cooperation with firmenradl.at (see page 50).

Best practice UK: Hybrid company fleet



Our sales team in the UK has been driving 100 % hybrid cars since 2022. In addition, four E-charging stations were built, which can be used by all employees. This is how we want to

motivate as many colleagues as possible to switch to E-mobility.



Best practice Benelux: Little things that make a big difference



It is often the small things that make a big difference. In 2022, employees in Benelux were made aware of what they can contribute to the ecological footprint. This starts with the separation of waste, goes through the conscious handling of packaging material to the use of the specially set up E-charging stations for electric cars. To reduce travel distances, everyone works from home one day a week and more and more meetings are taking place online. The heating in the office premises stays off on weekends and light sensors

automatically switch off the lighting when no-one is in the office.

Best practice Benelux: Project #weconnect



In 2020, we strengthened our network of offices and teams in Belgium, Luxembourg and the Netherlands. Not only in sales and product development, but also in logistics. Customers are now supplied directly from Zelhem/Netherlands, and this saves time and CO₂, as long transport routes from Austria are no longer necessary.



Best practice Germany: Sustainable corporate headquarters



Energy efficiency and environmental compatibility were the focus of the construction of the company building of our German subsidiary HAUTAU, which opened in 2010. Triple glazed windows, more than 4,000 m² of solar panels

integrated into the façade and roof area, the use of geothermal energy to heat or cool the building and the reuse of grey water make this building a true “lighthouse” for the region.



**We use the power
of the sun
Renewable
energy**



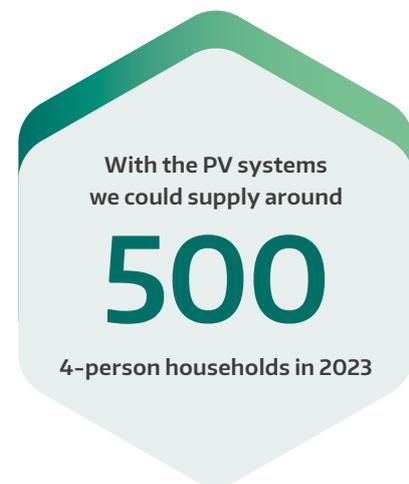
Generating renewable energy ourselves

In order to no longer be so heavily dependent on external suppliers, MACO generates more and more of its own electricity. Our goal is to equip as many roof areas of warehouses and production halls with photovoltaic systems as possible – a project that we significantly advanced in 2022. Further photovoltaic systems were put into operation at our international plants and at the Austrian sites.

Doubling of electricity generation

The expansion in Poland and the photovoltaic systems at our German site in Helpsen are planned for 2023. We will then generate more than 1.7 million kWh of electricity annually. This will enable us to cover around 80 per cent of the electricity consumption for administrative processes and building technology at the Salzburg site.

Location	Electricity generated annually
Gliwice/Poland	50,000 kWh
St. Leonhard/Italy	200,000 kWh
Trieben/Austria	310,000 kWh
Mauterndorf/Austria	100,000 kWh
Salzburg/Austria	200,000 kWh
Total	860,000 kWh

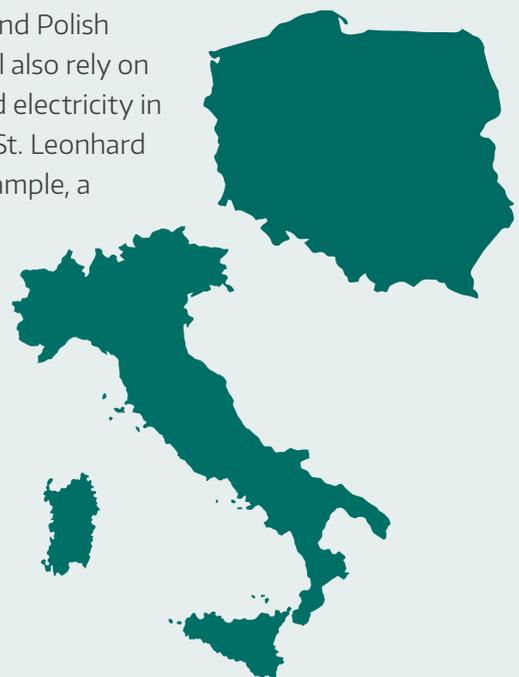


Best practice Italy and Poland: We are a power producer



In our Italian and Polish branch, we will also rely on self-generated electricity in the future. In St. Leonhard in Italy, for example, a photovoltaic system with 200 kWp is under construction.

This means that around a third of the electricity required at the Italian company headquarters can be covered. Over-production (e.g. weekends, company holidays) will be fed into the public network.





We promote healthy materials

Material management

Which materials and raw materials we use in products and production processes has an impact on our ecological footprint. How long are they functional? How well can they be repaired, reused or recycled? Is a material with a higher carbon footprint justified if we produce more durable products? We deal intensively with these questions in material management.



Our goal:
Secondary raw materials

MACO wants to use more secondary raw materials as well as healthy and recyclable materials in the future. The focus is on recyclable materials that are either recycled into biological cycles or continuously kept in technical cycles as a "technical nutrient". In this way, no waste is generated.

Material database

Since the beginning of 2021, we have been setting up a comprehensive material database that includes more than 4,000 different positions in the final expansion stage. In it, we categorise and evaluate all materials, lubricants and raw materials according to commercial and technical aspects as well as ecological key figures:

- › **Dangerous substances:** Are hazardous substances present in material or product and in what quantity?
- › **Hazard and precautionary statements:** What safety measures must be taken into account when processing the materials?
- › **CAS (Chemical Abstracts Service) number:** Thanks to this unique, international standard of designation for chemical substances, material compositions can be compared.
- › **Environmental impacts** such as CO₂ footprint
- › **Material compliance:** Raw materials must comply with (inter)national regulations such as REACH⁴ and RoHS⁵ (for electrical parts).

All raw materials and own products have already been recorded, and almost 1,200 purchased parts as well as auxiliary and operating equipment are currently included. This makes it possible to make statements about the material health of our products and thus we can prove that we meet legal requirements.



Red, Amber, Green

Based on the various key figures, all materials are divided into red, amber and green materials according to the traffic light colours. The material database is already used as a decision-making aid when designing new products. If a "green" material meets the required performance characteristics, then this is preferable. But also existing products can now be optimised in terms of their material composition and become "greener".



⁴ **REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) Regulation:** This formulated for the first time the mandatory transfer of material information along the supply chain for selected chemical substances in products.

⁵ **RoHS 2 Directive:** Restricts the use of lead, cadmium, chromium (VI), mercury and brominated flame retardants in electrical and electronic equipment within the EU.



Ecological advantages of high-quality plastics



Light as a feather

Plastic parts are 5 times lighter than Zamak parts



Sustainable

Production process requires 60 % less energy



Handling advantages

in assembly, transport and logistics



Immune to rust

Plastics do not corrode and are therefore very durable

Sustainable alternatives in the choice of materials

Fiberglass reinforced PVC: With our Multi-Matic lift parts, we have identified good CO₂ savings potentials by replacing Zamak with high-quality PVC – without loss of quality and function, of course.

Carrier material with steel cap: Articles that do not have to withstand high stress do not have to be made of Zamak. For example, we are currently researching striker plates whose basic body is made of wood or PVC. A steel cap is slipped over it, into which the safety pin can snap.

Saving material

Optimising product design and at the same time reducing production times – what potential is hidden here becomes clear from the example of our angled hinge support. By geometrically optimising this, the cycle time was reduced by 55 percent. The original part weight decreased by 26 percent – from 23 to 17 grams. This saves us material and energy, and is a win across the board.

From cold to hot

We achieve up to 50 % less material use in plastics technology by switching from cold runner systems to hot runner systems. In 2022, we also converted further top rotators to this production process, thus saving the sprue, which had to be separated and recycled in a variety-specific manner afterwards.

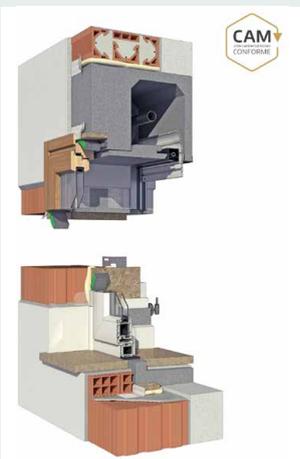


Plastics technology:

50 %

less material use thanks to hot runner systems

Best practice Italy: Mounting frame rethought



From 2023 on, the insulation material EPS (expanded polystyrene) will be used for our Libra window mounting frame with a recycling share of 15 percent. Thus, the product line corresponds to the "Criteri ambientali minimi (CAM)"⁶ which we prove to our customers by means of an environmental certificate. A successful upgrade of the mounting frame, which has already been successfully on the market for 10 years!



⁶ The "Criteri ambientali minimi (CAM)" are certain environmental requirements that distinguish emission-tested products.

We offer green alternatives

Circulatory products

The interest of our customers in recyclable products has increased significantly. In the last 1.5 years alone, there have been requests to over 3,000 articles. Our aim is to produce sustainable construction products that are energy-efficient, sustainable and at the same time resilient to climate extremes – and of course meet all legal and regulatory requirements.



Ecological development of products

In every product development, which covers around 300 new products and revisions of existing items per year, we also consider ecological measures that have an impact on project implementation. We deal with an ecological product design and the resulting carbon footprint and recyclability right from the conception phase. Material selection, manufacturing process, transport and use over the entire life cycle are also evaluated according to ecological aspects. We work on representative, standardised key figures, which make the products and product development projects comparable with regard to their environmental impact.

The ecological impact can be controlled in particular through

the use of materials. Recycled and recyclable materials that are not harmful to humans or the environment are prioritised. Here, our specially developed material database is a valuable decision-making aid. In addition, state-of-the-art simulation methods help to optimise the use of materials in existing components and to prepare them for future technology trends. For this purpose, MACO builds up internal know-how and invests in its employees.

Cradle to Cradle

We pay attention to the fact that our products comply with the Cradle to Cradle concept and are therefore circular. The concept considers the entire life cycle of a product. It defines various criteria and standards that a product must meet. The processing of "healthy" materials, recyclability

or social fairness are just some of the aspects under which a MACO working group is currently considering and evaluating our products. In 2023, we want to have the first products certified according to Cradle to Cradle. This is how we offer our customers externally certified recyclable products.

Extend the lifecycle

MACO does not sell its products directly to end customers. As a B2B company, we have little insight into where our products and systems are used. Thus, our influence to the entire life cycle of a product is limited. However, we do give our direct customers, the fabricators (i.e. window and door manufacturers), a lot to ensure that our very durable products last even longer. These include operating and maintenance



instructions for proper maintenance, installation instructions for professional installation, surface finishes that significantly increase corrosion resistance.

Service by myMACO

Our service company "myMACO" offers an extensive range of spare parts for our hardware. With window service and repair, it also ensures that windows and doors equipped with MACO products remain in use for as long as possible. The product life cycle is thereby actively extended.

In keeping with the circular idea, valuable practical experience of service and repair activities is again incorporated unfiltered into the development and optimisation of our products. This is real end-to-end development.



RETHINKING AN EXISTING PRODUCT AND USING THE STRENGTHS OF SUSTAINABLE MATERIALS IN A TARGETED MANNER TO REDUCE THE CARBON FOOTPRINT PER PIECE BY MORE THAN 50 PERCENT – THIS IS PRODUCT DESIGN À LA MACO. THE FIRST PRODUCT DEVELOPED PURELY FROM AN ECOLOGICAL POINT OF VIEW WILL BE LAUNCHED ON THE MARKET IN 2023.

Mathias Habersatter,
Head of Product Innovation and Development



We make multiple use of resources Water and chemicals

Water is one of the most important, if not the most valuable resource in the world and water scarcity has long been a global problem. Especially the surface treatment of our products is characterised by a high consumption of water and chemicals.

Thus investing in new technologies that make the production process more efficient, ecological and recyclable makes a lot of sense.



Keeping water in circulation

Now, we only have to change the water in the cleaning basins of our galvanising plants in Trieben once a month, thanks to the eight circulating water systems. Our freshly galvanised items are dipped in cleaning basins for a final rinse and any residues are removed. The contaminated water from the basins is then treated in the circulating water systems by means of various filters and ion exchangers. We move around 30,000 litres of process water per hour in circles within our systems.

In 2023, two of the eight circulating water systems will be renewed. They will then not only run more stable and clean the water more efficiently, but they will also be less frequently serviced. Thanks to UV sterilisation, organic substances such as algae will be destroyed, which will increase the service life of the system. Since the fresh water supplied is very hard, an

osmosis system is additionally connected upstream. The effects can be clearly seen as we need less chemistry in the water treatment. At the same time, the baths need to be renewed less often.

Chemical savings thanks to automatic dosing

So far, the chemicals in our different surface treatment baths have been dosed mainly by hand. This led to a relatively high chemical consumption and fluctuations in the composition. From the beginning of 2023, most of our baths will be dosed fully automatically and precisely. This significantly reduces chemical consumption, is good for the environment and the pocket.

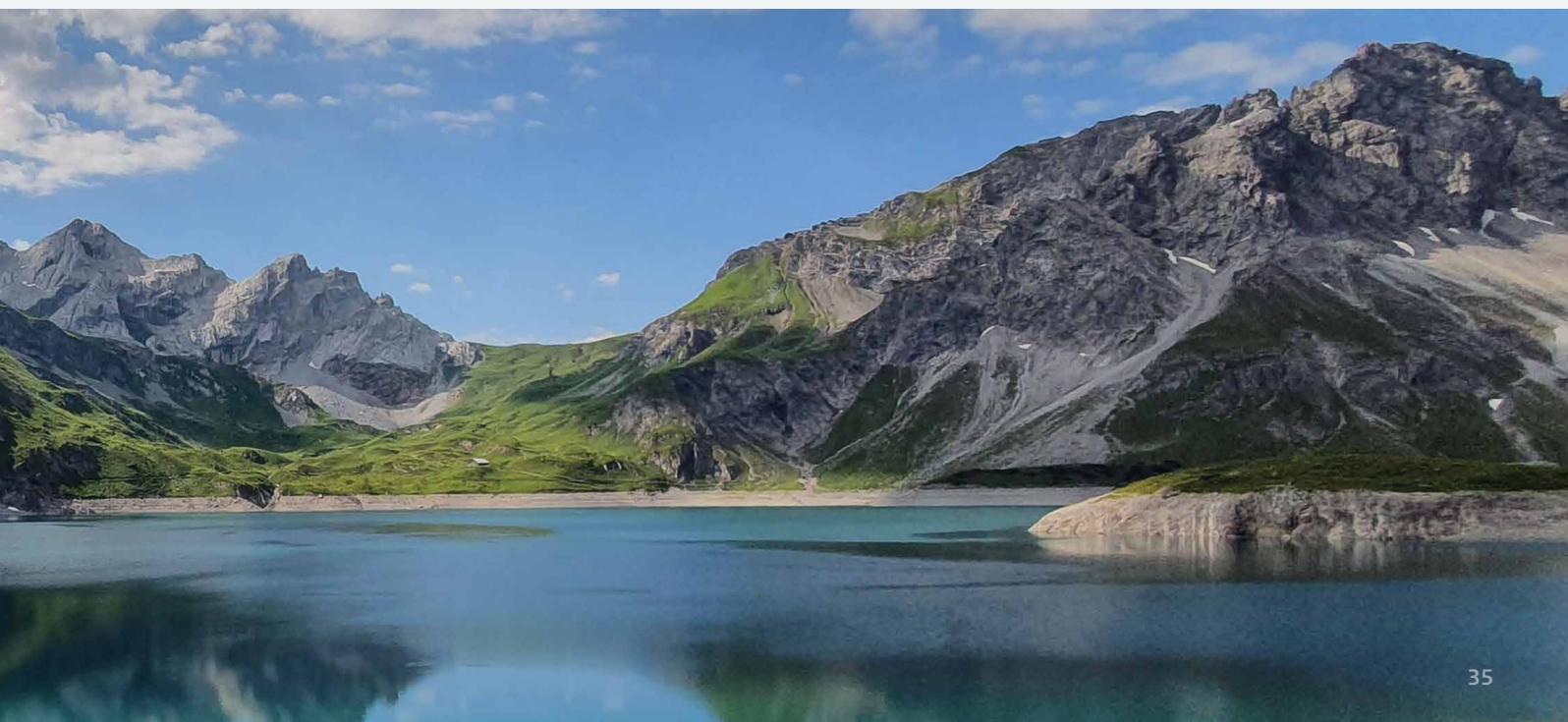
Waste-water treatment

The most chemically contaminated wastewater (CSB, nickel) is treated by MACO in vacuum distillation plants. As a result, 97 percent of this waste-water can be recycled back into the production cycle. The

first plant was commissioned in 2021 and the second in 2022. Not only the consumption of fresh water, but also that of chemicals has hereby been significantly reduced.

Zinc differently

The surface of around 140 of our Zamak products is no longer treated with chemistry or zinc, but rather are ground with a waste product from a naturally renewable grain. This ensures beautiful aesthetics with consistent function and quality, and 214 million ecologically produced parts every year!



Highlights

- › Exclusively Euro VI5 HGVs⁷
- › Efficiency: 70 percent full loads in double-decker trucks
- › Containers on rail: In Russia alone, we save 195,170 kg of CO₂ through intermodal deliveries between Kaluga and Novosibirsk.



We are on the move sustainably

Packaging and transport

Short, direct routes. Maximum utilisation of the trucks. Efficient & intermodal transport. Recyclable packaging: This is how we design logistics sustainably. When it comes to the delivery of raw materials, transport between our plants and shipping to our customers, one thing is always in focus - our ecological footprint.

Transport tracking

An inventory as a basis for future environmental protection goals and CO₂ savings is made possible by a permanent tracking of our logistics. Since mid-2022, we have been using a transport management platform to record where which trucks are on the road and how much CO₂ they consume along the way.

Secure cargo skilfully

In 2022, several logistics employees trained to become certified Cargo Security Officers (according to EN ISO/IEC 17024). They check packaging units, loading and transport equipment and securing material according to the latest

regulations and standards. They also independently calculate how these must be loaded to prevent accidents and be correctly secured during transport. This was successful as in 2022, there were no transport damage or accidents during the loading of our products.

Packaging database

All 354 packaging materials available at MACO can be found at the touch of a button in the newly created packaging database. Clarity, efficiency, packaging sizes optimised for the product, reduction of packaging growth, cost savings – the advantages speak for themselves.

Reusable instead of disposable

Instead of cardboard and plastic, we use reusable packaging wherever possible, with our half parts being shipped in plastic boxes between the plants in Austria and Poland. What's the positive impact on the environment? Take for example the article carrying handle - thanks to the stackable boxes, up to 24,000 parts per pallet can be transported in a space-saving manner. This means that we reduce 520 cardboard boxes (Octabins) per year and increase truck utilisation by 25 percent.

⁷ The Euro VI emissions standard specifies limit values for the emission of air pollutants.





Packaging made of recycled material

Where can packaging be ecologically optimised? Take for example our Rustico product range. Since mid-2022, we have been using film bags made of LDPE (Low Density Polyethylene), a non-toxic plastic that consists of more than 80 percent recycled material, for these bags. And it can be recycled again. That is why we label the bags accordingly so that our customers can recycle them professionally.

Best practice Italy: Packaging recycling²



Our Italian subsidiary MAICO has been using a particularly environmentally friendly material for packaging small orders since autumn 2022. This is a reusable and recyclable bubble

wrap, which already consists of 30 percent recycled material. This saves valuable resources with around 220,000 running metres of film needed per year.

The packaging material used for the delivery from Austria to Italy is also given a second life – as a filling material in the packaging boxes which results in hardly any rubbish.





MAKING PEOPLE FIT FOR THE FUTURE

Our social commitment

Society's demands and needs are constantly changing, and we are changing with them. MACO picks up on trends and developments, not only in terms of our products or production processes, but also as an employer and a part of society.

We want to make MACO a great place to work. That's why we've created an environment that offers opportunities for development, promotes diversity and motivates people to participate. We invest in education and training, and are expanding our initiatives in occupational health and safety. We want to make our employees fit for the future, because we are well aware that their knowledge and skills are the key to a sustainable development.



Highlights 2022

28 %
female apprentices

Digital learning platform:

2,400
successful learning
units completed

Number of safety specialists

quadrupled



We live diversity

Inclusion & Equal Opportunities

As an international company with employees of different cultures, ethnicities and ages, we are pleased about the enormous range of mentalities and attitudes within the teams. It's exactly this diversity that enables us to remain innovative and adaptable. This is why we create a corporate culture in which everyone can reach their full potential.



Part-time & maternity/paternity	Unit	2020	2021	2022
Employees on maternity/paternity leave	Number	34	26	26
of which Male	Percent	5.9	3.5	19.2
Family time	Number	5	6	7
Parental part-time	Number	52	44	44
Partial retirement	Number	35	30	40

Work & Family in harmony

There are a variety of reasons that require professional flexibility. In order to facilitate the compatibility of work and family, MACO has a versatile program up its sleeve covering family-friendly shift models, temporary reduction in working hours, home office or comprehensive time-out management.



Award-winning!



For its commitment as a family-friendly employer, in 2021 MACO received the full certificate "berufundfamilie".

Successfully managing generational differences

What are the wishes of the different age groups within the company – from Generation X (1965 to 1979) to Generation Z (1995 to 2009)? This topic is MACO's current focus. For example, more and more young men are taking paternity leave, where this was almost unheard of in the past. The HR department sensitises managers to these generational differences, which are decisive for employee satisfaction.

Caring for relatives

In many families, there are parents or siblings who need to be cared for at home. MACO supports employees who have such a double burden, for example with flexible working hours or reduced hours.

Strengthening cohesion – Family Festivals & more

We see our employees as part of the MACO family. We are taking many measures to increase the sense of belonging and satisfaction of our employees. In 2022, Family Festivals took place at all locations as part of the 75th anniversary. In Austria alone, we welcomed around 1,500 visitors, who enjoyed a varied entertainment program. In addition, company excursions, sports competitions, joint hikes, ski days and much more are held each year.

Promoting employability

Illness-related absences lasting several months pose major challenges for both employees and companies. Together with the works council, company doctor and

the Austrian initiative fit2work, we accompany convalescents back into everyday working life. This includes, for example, part-time opportunities, the establishment of a health-appropriate workplace, and subsidies and services. This is because reintegration into the workplace is often also an important psychological step for one's healing process. In this way, we want to increase employee satisfaction, bind know-how within the company and counteract the shortage of skilled workers.



We invest in people Education & Training

We provide our employees with a productive work environment, we nurture talent and help them achieve their career goals. From apprenticeship training to professional further qualification, and on to management development, we rely on a wide range of training courses tailored to our employees' needs.

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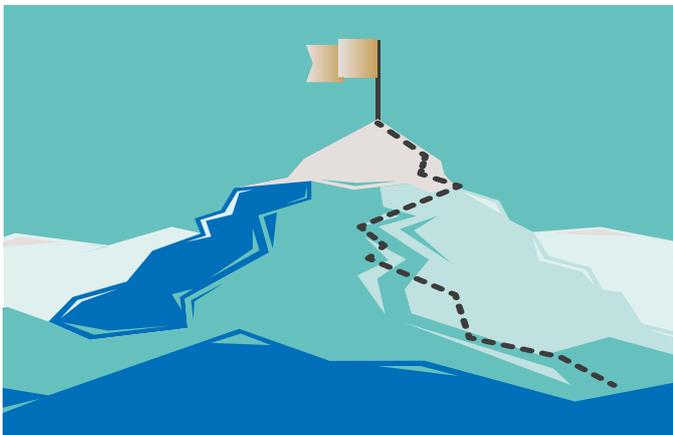
Organisational development through internal exchange

How does MACO have to change in order to stay fit for the future? The entire MACO team is working on this as part of a group-wide roll-out transformation project.

44 three-stage workshops with an average of 23 participants – that's more than 1,000 employees who have dealt intensively and in a structured way with the external and internal image of their department over the past two years. One of the goals is to improve communication within and between departments, and to uncover possible conflicts and problems. Based on the results of the comparison, measures were defined, which are now

Training and further education	Unit	2020	2021	2022	Change compared to 2021 in %
Total (incl. vocational school)	Hours	32,595	29,942	35,769 ⁸	19.5
Average per employee	Hours	130	96	102	6.2
Completed apprenticeships	Number	25	30	22	-26.7

⁸ The hours recorded are those that fall within working hours, including learning time spent at MACOveriversity.



being successively implemented. This process is accompanied by a team of "Integral Organisational Developers". These 25 comprehensively trained employees advise managers in the transformation project and mediate in conflicts where required. More will be part of the training from June 2023 onwards in order to advance our organisational development in the future.

New Training Catalogue

At the beginning of 2023, our new training catalogue will be published (in Austria) which summarises the diverse range of MACO trainings

and makes it easier to quickly find the right training course.

Digital learning platform

Digital learning – when, where and how you want. This is made possible by the MACOveriversity E-learning platform, which was launched in Austria in October 2021. Around 830 active users, 65 published learning contents and over 2,400 successful training completions are the success figures from the first year. And more than half of the content was created by employees themselves. This enables users to find answers to those problems they encounter during their daily

work and gain insight into what is happening within the company. Now, the roll-out is gradually continuing in production and in the branches.



Establishing a good leadership culture

A leadership culture that motivates, encourages and creates a stable framework for empowering staff is our goal. The 2021 employee survey showed that there is still room for improvement in management behaviour at MACO. That's why we have created several new topics in 2022:

› **"270-degree feedback":**
This is intended to anchor a feedback culture within the company in a structured way, where managers receive feedback from their superiors, other managers and their

employees on the basis of guidelines.

› **Coaching as leadership competence:** The management team was taught basic coaching skills and qualities in a workshop lasting several days. In 2023, the next management level will be trained.

› **Support for managers who have only recently started as managers**

› **Training for team leaders in indirect leadership roles:**
Team spokespersons from

Salzburg and Trieben, who lead professionally but not disciplinarily, were trained in the autumn on their tasks, how to deal with stress and conflicts as well as communication.

› **Method kit:** The "Toolbox", introduced in 2022, is a helpful tool for all MACO managers. It provides development impulses for teams and individuals, and materials that support managers in both team as well as employee development.

Best Practice in Italy: Leadership course



Helping to shape corporate development and growth, always keeping an eye on responsibility towards our planet and general well-being. With these goals in mind, we want to sensitise

our managers to sustainable development in this leadership course. For 5 months, 11 people regularly take themselves out of everyday office life and work in teams on tasks, address grievances and develop new ideas in the "Safe Zone". Here, team building and individual personal development are fully covered.





“

THE MORE FIT FOR THE FUTURE OUR MACO TEAM IS, THE MORE SUCCESSFUL OUR COMPANY WILL BE. OUR STRATEGIC PERSONNEL DEVELOPMENT ENABLES US TO COMBINE THE LEARNING NEEDS OF EMPLOYEES WITH MACO'S KNOW-HOW REQUIREMENTS.

Lisa Filzwieser,
Team leader personnel and organisational development



We promote young talents

Apprenticeship training with conviction

Career orientation, training and specialist development of young people has always been a key focus of our corporate strategy. Over 50 years, more than 700 young apprentices have learned with us. Encouragingly, almost half of them still work for the company.

And what is also extraordinary in the industry, is that with almost one third of female apprentices, we train an above-average number of girls in technical industrial occupations.

And not unsurprisingly, more than half of our apprentices complete their apprenticeship with excellent or good marks.



True-to-life & practice-oriented

We want the best specialists and so we invest in our young talents. They learn in our in-house training workshops on state-of-the-art machines. And after a short training phase, they are allowed right into the centre of the action within the various departments. The MACO apprentice academy is totally unique as personality development is in the foreground. With additional training courses such as "dealing with money", "first aid", "dealing with addictive substances" or the "forklift license", we offer our young colleagues training which is relevant to everyday life.

Promoting talent

These programs, some of which are unique in the industry, make our apprenticeships special:

- › In-house course for **"Apprenticeship with A-Levels"**
- › **Apprenticeships after A-Levels** - shorter training periods provide an incentive for specialist training
- › **Second-education apprenticeship** - MACO offers, in addition to the statutory apprentice allowance, a voluntary wage compensation

Our apprentices are winners

Again and again, at national and regional competitions our apprentices prove how high-quality the training at MACO is. For example, in mid-November 2022, MACO apprentice Dominik Steiner dominated the tough field of participants in Process Technology Apprenticeship and took first place. This competition is organised by the Styrian Chamber of Commerce.



Key Figures	2020	2021	2022
Total apprentices	100	82	75
Female	26	26	21
% of women	26	32	28
Male	74	56	54



KEEPING THE QUALITY OF TRAINING HIGH HELPS TO SECURE TOMORROW'S DEMAND FOR SKILLED WORKERS AND KEEPS THE REGION VIBRANT AND ECONOMICALLY STRONG .

Andreas Platzer,
Head of Apprenticeship Training

2022: Apprenticeship training in figures

15

different apprenticeships – including the "Green Job" of Waste Management and Recycling Specialist

Around **300**

taster days

12

second-time apprentices

75

apprentices

20

apprenticeship starters in September 2022

21

female apprentices

More than **700**

young apprentices have learned with us

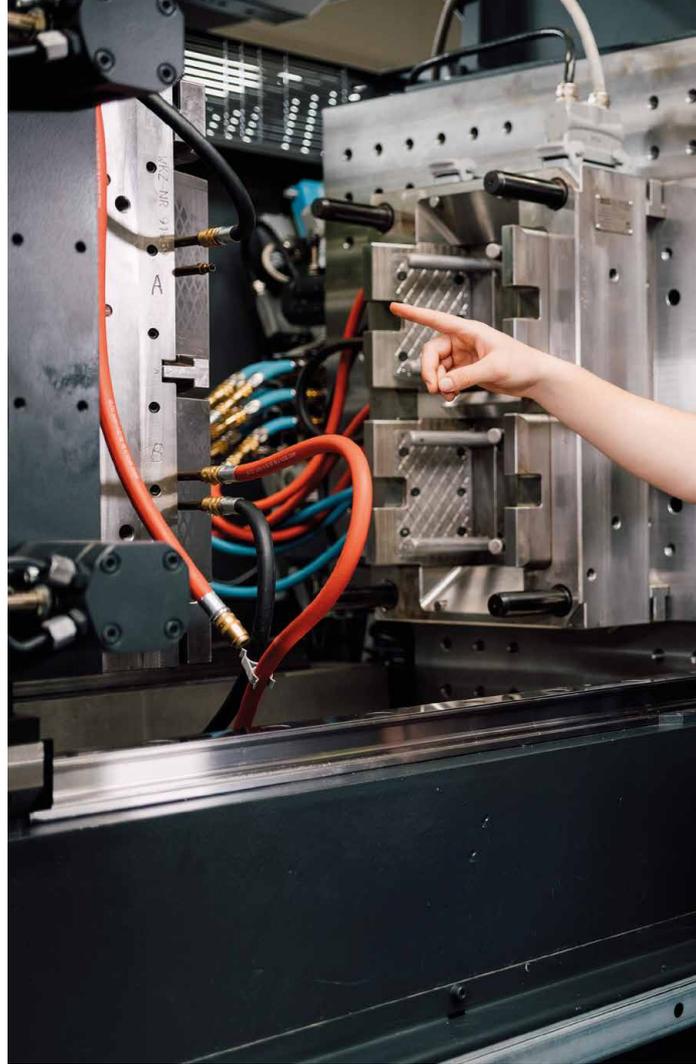


We protect our workforce Health & Safety

While Corona still kept us in suspense at the beginning of 2022, the focus of our activities shifted to occupational safety during the year.

And that paid off because our occupational safety measures are taking effect. In 2022, not only did the number of accidents at work fall by 18 percent, but there were also fewer serious accidents. Accordingly, sick leave due to accidents also fell by 15 per cent at all Austrian sites.

However, our motto remains as before - every accident is one too many.



Sick days & accidents at work	Unit	2020	2021	2022	Change compared to 2021 in %
Total (incl. accidents)	Hours	102,441	118,348	130,718	10.5
Sick days due to an accident	Hours	-	3,652	3,095	-15.3
Average per employee	Hours	114	117	115	-2.3
Workplace accidents	Number	41	33	27	-18.2

Safety inspections are carried out up to

5 times

a month in each production area.



Standard for occupational safety further rolled out

We are currently implementing the DIN standard ISO 45001 "Management systems for safety and health at work" in our factory in Poland (Level 1 audit successfully passed). All Austrian plants as well as our subsidiary HAUTAU were successfully certified in 2022. This ISO standard is to be extended to all MACO sites in 2023.



Increased staff

The issue of occupational safety is becoming increasingly important. For this reason, in 2022 MACO has increased its team of security specialists in Austria and Germany and quadrupled it. They regularly carry out internal audits with regard to employee protection, advise on the implementation of safety measures and implement them together with the departments.

Safety First Program

Specially trained safety mentors support their colleagues and managers in further increasing or improving occupational safety. A central task is, together with team leaders and fire protection staff, to check each production area up to five times a month in terms of safety, to uncover danger points and to implement measures.

Building knowledge

Together with external partners, training courses tailored to MACO's needs were offered at the Austrian locations. These included "How do I handle my personal protective equipment that protects me against falling?" "What do I do in case of fire?" "How do I provide first aid". Around 90 employees took advantage of the wide range of courses. In addition, for the first time there was a one-day workshop on "employee protection" for all our apprentices.

Sensitising managers

Managers bear responsibility in many ways. The "Liability & Responsibility" training, which MACO carried out together with the AUVA, sensitised production employees in a managerial function on the topics of accidents at work,

rights and obligations of employers and employees, personal protective equipment, necessary instructions and much more.

In addition to the operational management circle, a separate training block for top management also raised awareness of the legal responsibility of each individual in the field of environmental protection.

Protective equipment

Who better to judge whether the protective equipment required for production fits correctly than the employees themselves? Therefore, they are actively involved in the decision-making process and are allowed to test and co-select safety shoes and gloves in advance.

Medical Support

Only those who are physically and mentally healthy perform well. Some of the initiatives with which MACO aims to promote the health of its employees are:

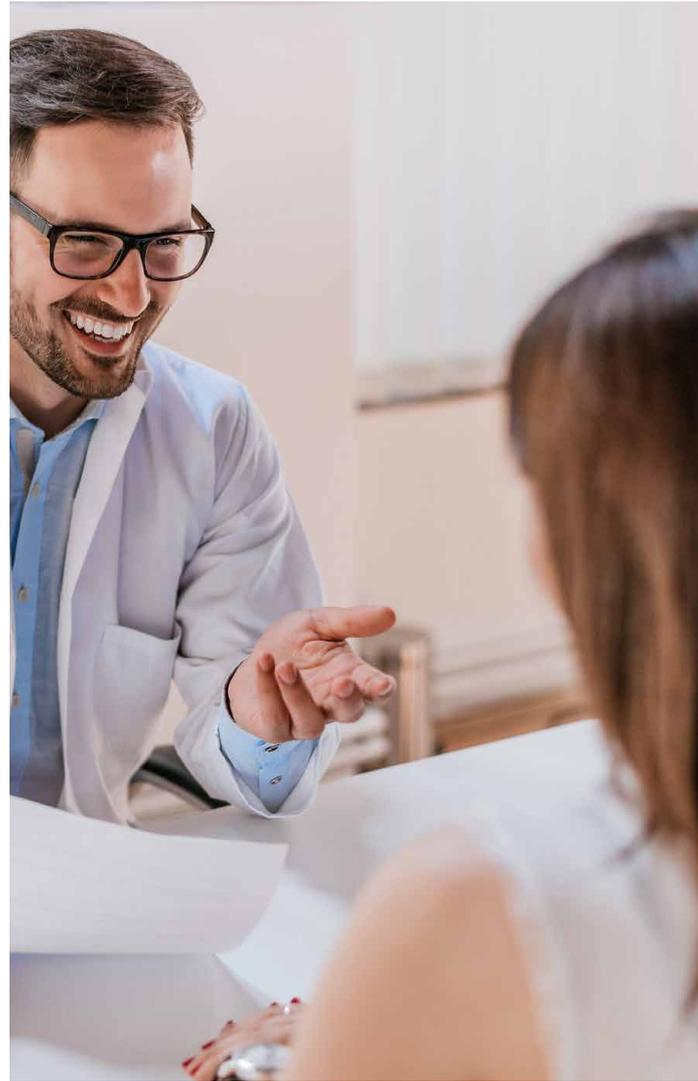
- › Advice from our own occupational physicians
- › External occupational psychology counselling for employees in challenging life situations
- › Vaccination campaigns
- › Preventive measures (such as eye examinations or body checks)

Cardiovascular check

Identifying risk factors for cardiovascular diseases at an early stage - at the Health Street offered at all Austrian MACO locations, the approximately 110 participants received immediate feedback and orientation on their current state of health. Our partner: the preventive medicine institute SIPCAN.

MACO on the move

In 2023, MACO is focusing on exercise. In cooperation with frischluft Fitness, we offer all Austrian employees a comprehensive sports programme. The combination of app and live coaching allows targeted training that improves well-being and health.



MACO pedals

Promoting the health and sustainable mobility of our employees – these are the reasons for the cooperation with firmenradl.at, which has been running since autumn 2022. Here, employees can lease bicycles cheaply through MACO with a discount of up to 30 percent.

In the interests of social justice, MACO pays up to 30 percent of the monthly leasing rate for lower-earning employees. The campaign was advertised with information events and materials at all Austrian locations. Over 90 employees have already bought a new bicycle in the first two months or are currently waiting for theirs.

We live transparency Communication & Information

We seek dialogue with all relevant target groups, whether that's employees, business partners or local residents. Only through their honest feedback can we develop and improve.



In contact with the public

We are actively continuing our dialogue with all stakeholders. On the one hand, because we present ourselves as an open company. And on the other, because we see it as our task to help shape the development of the industry in terms of sustainability. We not only provide information about our social and ecological commitment, for example through the customer newsletter, with the future report, on our website and in the customer magazine, but we are above all interested in exchange. These are just two measures that we implemented in 2022.



Customer Surveys

We want to understand the needs of our customers in order to be able to serve them optimally. Therefore, the qualitative survey of selected business partners has continued. In addition to functionality, surfaces, (service) quality and digitisation of our products, sustainability and packaging were also core topics. Some suggestions such as recyclability of products and packaging transport racks instead of cardboard or alternative materials are already being implemented. Others provide us with valuable ideas for upcoming product and production planning. One thing is clear – our customers are also increasingly incorporating sustainable aspects into their decision making and aligning their actions with the circular economy.

Climate-friendly Innovation Tour

10 months, 20 countries, 80 stops – from September 2022 to July 2023, the MACO Truck is touring through Europe. On show are the best of our products, services and systems. In addition, we are also presenting our commitment to sustainability. In this way, our customers get to know our innovations and our company better in their local vicinity and without long journeys, while we benefit from direct feedback. Additionally, the truck is climate-neutral as MACO pays a CO₂ compensation of € 2.47 Euros per 100 kilometres.



Getting employees on board

We attach particular importance to internal communication. We are working flat out to inform our colleagues transparently and promptly. In the course of the transformation project, further opportunities for dialogue and feedback were introduced.



Internal communication tools

- › Regular (multilingual) video messages from the management on the current economic situation
- › Intranet with comprehensive range of information & working documents
- › Daily updates via internal newsletters & emails
- › Introduction & welcome of new employees
- › Employee newspaper in 5 languages
- › Regular meetings and information events for managers
- › 270-degree feedback for managers
- › Annual employee appraisal - feedback & further development of employees
- › Employee surveys

Direct feedback from employees

The annual employee survey, which started in 2019, is intended to initiate further developments and improvements and give us an overview of where we currently stand. From the results, future fields of action for organisational development are derived and corresponding measures are implemented. In 2022, we focused, among other things, on the following topics:

- › **Learning > introduction of a digital learning platform**
- › **Leadership behaviour > targeted management training**
- › **Feedback > annual appraisal, 270-degree feedback**

The third round of surveys is planned for spring 2023 with a simplified questionnaire reduced to the essentials, which is intended to further increase the response rate.

Best practice in Italy: Maico Hall



In our subsidiary in South Tyrol, a monthly "Maico Hall" has been taking place since the summer. This half-hour event serves the

purpose of providing information and personal exchange where the entire team is invited. Three topics are dealt with in each case – from new products, occupational safety and ISO certifications to new marketing tools and organisational matters. All employees, with field staff being connected online, receive practical information for their everyday work. A special highlight is the question box, into which all topic suggestions for the upcoming "Maico Hall" can be placed.



Best practice in Italy: Intranet introduced



Informing all employees, even if they are scattered all over Italy. The newly set up intranet for the region of Southern and Western Europe makes this possible. In addition to

company news & information on all employees, useful templates and working documents, photos and videos, restaurant tips near the company headquarters and a birthday calendar provide the fun factor, and thereby ensure a high acceptance of the platform.





SUSTAINABLE GROWTH

Our economic stability

Responsible corporate governance and control ensures our sustainable future viability. Our management decisions are thus geared towards long-term value creation.

We follow laws, regulations and recognised standards and also develop our own corporate guidelines, which we regularly monitor. We identify risks at an early stage and use them as opportunities. We ensure transparency through open communication and regular external reviews of our management systems.





Highlights 2022

New version of our

**Supplier
Code of Conduct**

Processes implemented:

**Product & Material
Compliance**

Increased staff:

**Compliance and
Data Protection
Officer**



We follow the rules of the game

Responsible leadership

Corporate compliance, business ethics, data protection and fair pay – these are just some of the areas that make up responsible corporate management. We keep an eye on the legal framework, whether it concerns the company, the products or the materials used, and ensure their compliance.

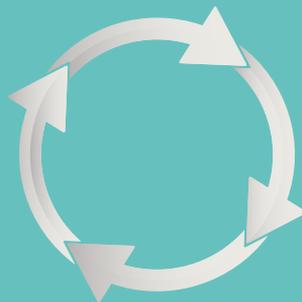
Here's an excerpt of our activities.

Company guidelines

- › Implementation and adherence to voluntary commitments

Material Compliance

- › Compliance with laws and regulations that restrict or even prohibit the use of various substances and/or materials in products



Legal Compliance

- › Compliance with laws and regulations applicable to the organisation

Product Compliance

- › Compliance with (inter)national product-related regulations throughout the entire life cycle of a product

Legal compliance

The Legal & Compliance department has Group-wide responsibility and ensures that the respective applicable laws and guidelines are complied with. A dedicated Compliance Officer ensures that all internal business procedures and processes comply with the applicable regulations and laws. Identifying compliance risks and developing processes for handling and prosecuting compliance violations are as much a part of the job description as advising employees on issues of legal compliance.

Annual audits

In addition, MACO regularly conducts “Legal Compliance Audits” at all Austrian locations. Each production area is checked at least once

a year to ensure that all laws, regulations and other legal provisions applicable to the organisation are complied with.



Product compliance

In addition to quality, functionality and safety, compliance with applicable law (such as environmental regulations) is a decisive feature of our products. In 2022, we initiated a group-wide process to ensure that our products comply with international/national standards and laws in our approximately 40 export markets throughout the entire service life. Only products that are approved in the market and meet the requirements may be sold.

In the future, the newly developed “Product Compliance Checklist” will draw our branches' attention to applicable country-specific requirements at an early stage. The comprehensive process also takes into account and integrates the fact that new market-specific regulations are constantly being added. For this purpose, we are in close coordination with our 15 sales offices.

Maintained master data as a basis⁹

In order to be able to make statements about product compliance, the master data of our

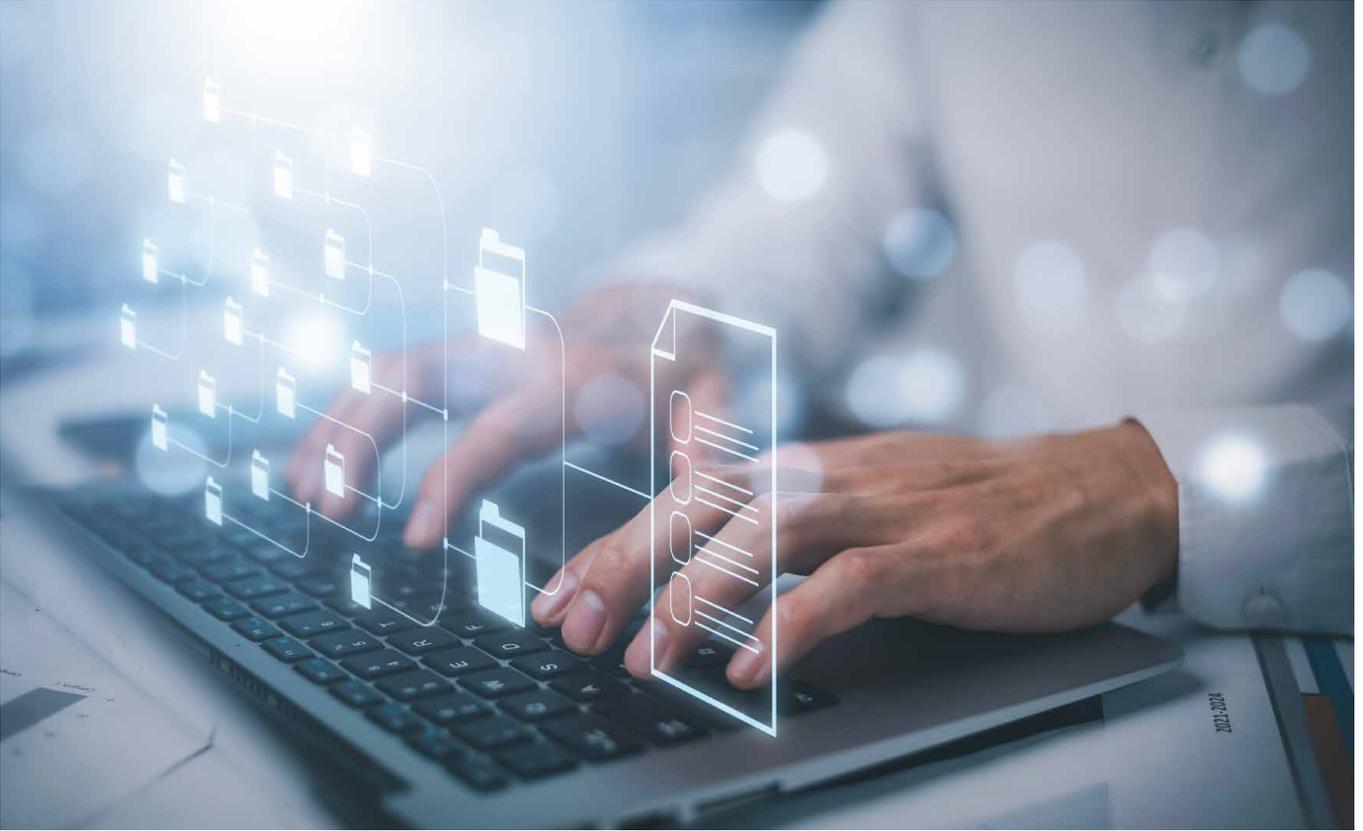
products (such as weight, volume, etc.) must be up to date. The processes necessary to collect this data were established in 2022.

Dual-use goods⁹

MACO has created the conditions so that all semi-finished and finished parts can be checked for dual use. In accordance with the legal requirements, we do not put goods with a dual purpose into circulation.



⁹ Dual-use goods are goods that have been manufactured for a civilian purpose, but due to their properties (e.g. material quality or performance) can also be used for military purposes.



Material compliance

MACO faces a variety of laws, ordinance and guidelines that make concrete restrictions on the use of chemicals and materials. The best-known material compliance regulations, the European Chemicals Regulation REACH or the EU RoHS Directive, are at the centre of the issue.

The aim is to reduce hazards posed by the product itself for humans and the environment, to protect against harmful substances or to curb the uncontrolled degradation of protected raw materials. Material compliance is at the same time a product liability prevention for the various target markets and thus part of our risk management.

To this end, we first compiled all the material compliance regulations that are relevant for our products in the various sales markets. They are now another component of requirements management and part of the material database: this is how we ensure that the materials used comply with the regulations.



The challenge of purchased items

With an in-house production share of 95 %, we can very well influence what is used in our products and what is needed for their production.

Nevertheless, our products often consist of a construction of self-made parts and purchased items. In order to be able to make statements about the material conformity of our end products, we are carrying out supplier surveys about the material composition for our purchased items.

Company guidelines

Fundamental Policy

In 2022, we updated our fundamental policy on quality, the environment and health and safety and included sustainability as one of our six strategic directions. As part of the Circular Globe Assessment, this was externally reviewed and is considered a framework for our economic activities.



Proprietary data

Several positions have been created at MACO for the purpose of protecting company information and data and complying with legal requirements. The Data Protection Officer informs and advises the management as well as the employees on their obligations and rights with regard to data protection. It also ensures that the General Data Protection Regulation (GDPR) is implemented and complied with at group level.

The Information Security Officer ensures that all company information is adequately protected at all times. For this purpose, ambitious goals and measures have been defined. For example, development of the necessary documentation, group-wide information campaigns or mandatory data protection training for all employees who have access to personal data. The effectiveness is checked, for example, by means of phishing campaigns. This makes it clear where further training is needed.



Code of Conduct

Our Code of Conduct serves us as a binding set of rules for responsible and legally correct conduct. It sets high ethical standards and gives employees as well as business partners orientation for action – whether it is about corruption, conflicts of interest, side employment or behaviour on social media.

Developed in 2022, the Supplier Code of Conduct will be rolled out in 2023.



Whistleblowing

We want to create an environment in which every employee, without worrying about possible personal consequences, points out grievances or serious risks. This is made possible by the newly implemented electronic whistleblower system in 2023. This means that every employee has the opportunity to indicate when something is wrong, completely anonymously, regardless of time and location. Data protection and data security are guaranteed.



Where the path leads us

Our ESG goals

Shaping the future sustainably today requires clear goals. We will focus on many areas in the coming years.



Material health and circulatory capacity

By 2025, at least 50 % of our raw materials should be healthy and recyclable. Here, we have several milestones:

2023: Cradle to Cradle Certificate for pilot products, non-C2C-capable products are known

2025: Selected product groups are C2C-certified



Energy Efficiency

The consistent use of LED lighting systems, the expansion of photovoltaic systems at our locations or the reduction of the basic energy loads through optimised plant operation are intended to further improve this key figure in the future. By 2025, we want an improvement of 8 % compared to 2020.



CO₂ Reduction

By 2025, we aim to reduce CO₂ by up to 20 % in defined main product groups. When developing new products, we will take the eco-design guidelines into account in the future.¹⁰



Health & Environment

We want to completely banish particularly hazardous substances (Substances of Very High Concern) from our production. The next step is the reduction or substitution of CMR (Cancerogen Mutagen Reprotoxic) substances by 2025. In the context of the circular economy, a focus is also placed on the topic of material health and associated with it, the working materials used.



Material efficiency

We want to further reduce the waste per unit produced. For example, by consistent in-house recycling, selected projects for material substitution or by identifying and closing internal materials cycles.



Water intensity

Our goal is to reduce water intensity by 5 % compared to 2020. We will achieve this by continuing to invest in new technologies that make the production process more efficient, ecological and recyclable.



Workplace accidents

True to the motto “Every workplace accident is one too many”, we strive to ensure that no employee is injured at work. Measures for this include the further development of the safety-first concept and more inspection tours.



Packaging and paper

By 2025, we want to reduce the carbon footprint of our packaging process by up to 50 %. Measures include the conversion to degradable plastic, paperless working by saving on container accompanying documents, printed forms, etc.



Diversity

Not only in top management, but at all levels. Measures include training programmes, attention to equal opportunities in recruiting, promoting female skilled workers in in-house apprenticeships and more.

¹⁰ We have revised our goal formulated in the 2022 Future Report because the term “CO₂-neutral” is too inaccurate and allows misinterpretation.

Key Figures

At a glance

Topic	unit	2020	2021	2022	Change to 2021 in %
Employees					
Employees total	Number	1,603	1,558	1,367	-12.3
female	Number	552	541	456	-15.7
male	Number	1,051	1,017	911	-10.4
Employees by age groups					
< 30 years old	Number	439	420	348	-17.1
30 – 39 years old	Number	398	372	332	-10.8
40 – 49 years old	Number	395	402	327	-18.7
> 50 years old	Number	371	364	360	-1.1
Service Years					
< 5 Years	Number	706	718	535	-25.5
< 15 Years	Number	463	436	417	-4.4
> 15 Years	Number	434	404	415	2.7
Employees by employee category					
Total apprentices	Number	100	82	75	-8.5
female	Number	26	26	21	-19.2
male	Number	74	56	54	-3.6
Workers	Number	844	846	635	-24.9
Employees	Number	567	530	657	24
Team Leaders	Number	60	69	65	-5.8
Department Heads	Number	24	23	16	-30.4
Total Division Heads	Number	6	6	4	-33.3
female	Number	3	3	3	0
male	Number	3	3	1	-66.7
Group Management	Number	2	2	2	0

Topic	unit	2020	2021	2022	Change to 2021 in %
Part-time & maternity/ paternity					
Employees on maternity/paternity leave	Number	34	26	26	0
male	Number	32	25	21	-16
female	Number	2	1	5	400
Family time	Number	5	6	7	16.7
Parental part-time	Number	52	44	44	0
Partial retirement	Number	35	30	40	33.3
Sick days¹¹					
Total (incl. accidents)	Hours	102,441	118,348	130,718	10.5
Average per employee	Hours	/	3,652	3,095	-15.3
Workplace accidents	Hours	114	117	115	-2.3
Per 1 million working hours	Number	41	33	27	-18.2
Training and further Education					
Total (incl. vocational school)	Hours ¹²	32,595	29,942	35,769	19.5
Average per employee	Hours	130	96	102	6.2
Completed apprenticeships	Number	25	30	22	-26.7
Environment¹³					
Material efficiency					
Revenue tonne per tonne of material used	t / t	0.27	0.34	0.31	-9.7
Packaging efficiency					
Packaging/revenue tonne	t / t	0.09	0.13	0.09	-28
Energy efficiency					
Energy/revenue tonne	kWh/ t	1,217	1,473	1,374	-6.7
of which electrical energy	kWh/ t	953	1,129	1,022	-9.5
of which thermal energy	kWh/ t	264	344	352	2.6

¹¹ figures without temporary staff.

¹² only hours that fall within working hours are recorded.

¹³ Since the year 2020 was characterised by Corona (and thus home office, short-time work, etc.), the values are slightly distorted.

Note: A reporting year corresponds to one calendar year. The figures refer exclusively to the Austrian branches.



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