

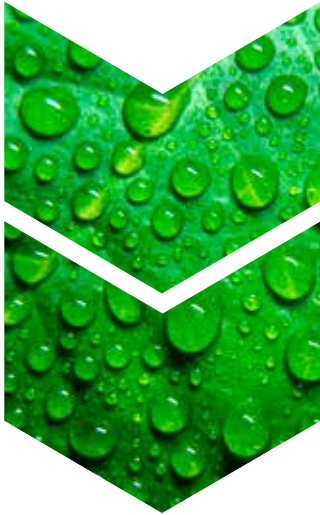




SUSTAIN- ABILITY

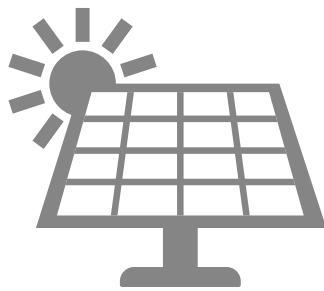
‘Live and let live.’

From the Klinger and Kubinger corporate values



TRANSPARENCY

The window to sustainability

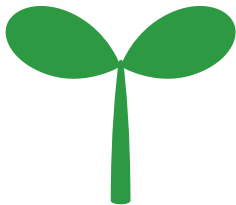


PV INSTALLATION

Setup of a 2 MWp photovoltaic installation at HSF in Malacky

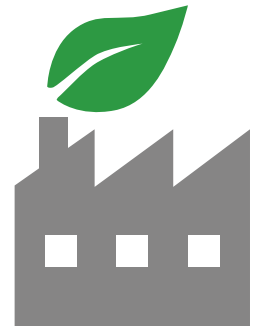
BUILDINGS

Construction of a new energy-efficient production site at HSF in Malacky



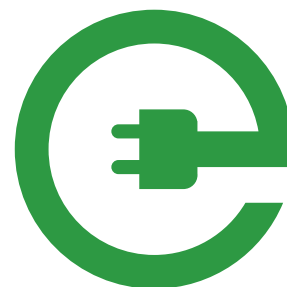
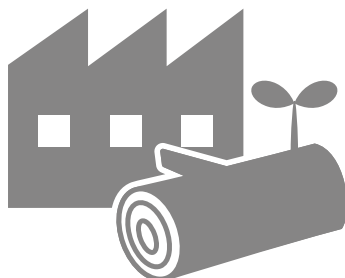
ISO 14001

Certification of all Internorm production sites



HEATING WITH SCRAP WOOD

Switch from natural gas to biomass heating at Kastrup

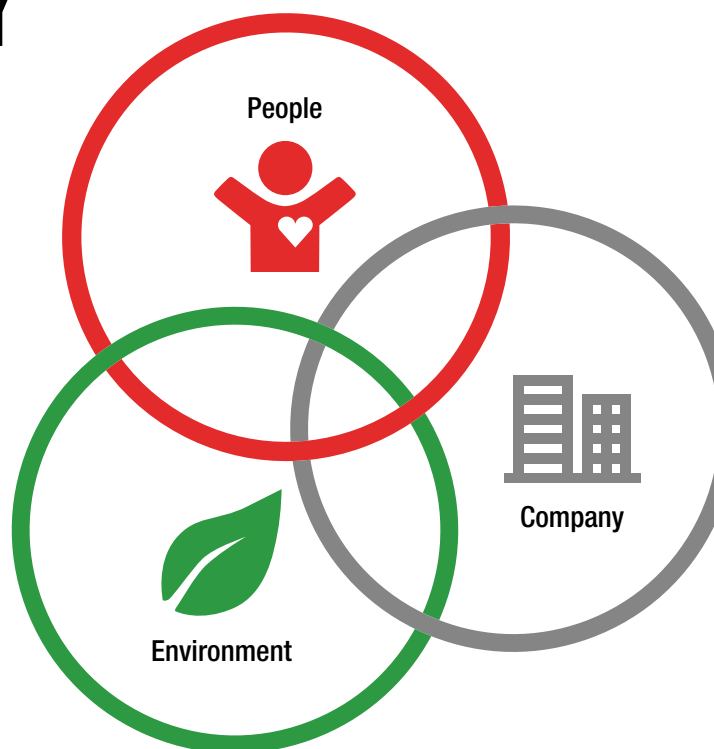


GREEN ELECTRICITY

Share of more than 80% renewable electricity in total electricity consumption (calculated for 2021, with guarantees of origin)

SUSTAINABILITY AT IFN

Since IFN was established in 1931, sustainable corporate governance has always been a key component of its corporate values. With his core value ('Live and let live'), Eduard Klinger (Sr.) shaped both the company and our understanding of sustainability to this very day.



The IFN corporate values form the basis of our business

ENTREPRENEURIAL COURAGE AND DILIGENCE MAKE US SUCCESSFUL

- WE strive to achieve constant further development.
- In doing so, WE take entrepreneurial risks.
- Mistakes are opportunities for improvement.
- We see it as a personal obligation to ensure the high quality of our products and services.

LIVE AND LET LIVE

- WE take responsibility for people, the company and the environment.
- WE base our actions on the principle to life adopted by Eduard Klinger (Sr.) – 'Live and let live'.

TRUST

- Trust and respect towards employees, customers, partners and owners form the basis of our success.
- Openness and honesty characterise our corporate culture.

We believe that sustainability means taking responsibility for people, the environment and the company with the long term in mind. Because it is only when all three dimensions are taken into account during decision-making that the company can develop successfully over generations.

Together with the owners and the members of the Executive Board, this understanding was translated into guiding principles and areas of activity that serve as our guidelines on our sustainable development journey.



WE DO IT

Convinced of living a sustainable life

WE DO IT RIGHT

Taking sustainable and consistent action

OUR SUSTAINABILITY PRINCIPLES

We do it

Convinced of living a sustainable life

IFN develops and manufactures products that improve buildings' energy efficiency through insulation, the incidence of daylight, heat input, shading and smart ventilation.

We believe that sustainable development means combining economic, ecological and social considerations and seizing the opportunities that arise from this.

Throughout IFN Holding, we focus on sustainability as part of our entrepreneurial activities so we can continue successfully developing the family-run business over the next generations.

We believe it is important to take proactive steps in this regard. We set ourselves apart – with respect to sustainability, too – through our drive. Together with our employees, we are resolutely working towards a sustainable future.



We do it right

Consistently taking sustainable action

If we are to do the right thing, it is important that we understand the impact our activities have and the concerns our stakeholders have. We make our decisions based on facts. This gives us a firm foundation on which to improve our performance in economic, environmental and social terms.

We design products sustainably: We pay attention to the products' durability and recyclability. When selecting materi-

als, we strive to avoid negative environmental impacts.

We manufacture sustainably: Conserving resources and working in cycles take priority in our company. We constantly reduce our energy usage and cut CO₂ emissions along the value chain.

We work sustainably: We are an attractive employer that is characterised by fair working conditions, sustainable corporate values and a spirit of partnership.

WHAT WE DON'T KNOW YET, WE LEARN

Sustainability is development



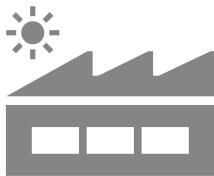
What we don't know yet, we learn

Sustainability is development

Do we have all the answers when it comes to sustainability? No! But we are working on it. We rely on our innovative strength, not to mention active communication within the network to learn new things, develop further and find the right answers.

To this end, we need to be open to new things as is anchored in our corporate culture and draw on the extensive skills of our employees. That is why we promote qualification and individual development opportunities for our staff.

Areas of activity



Climate-friendly production



Sustainable product design

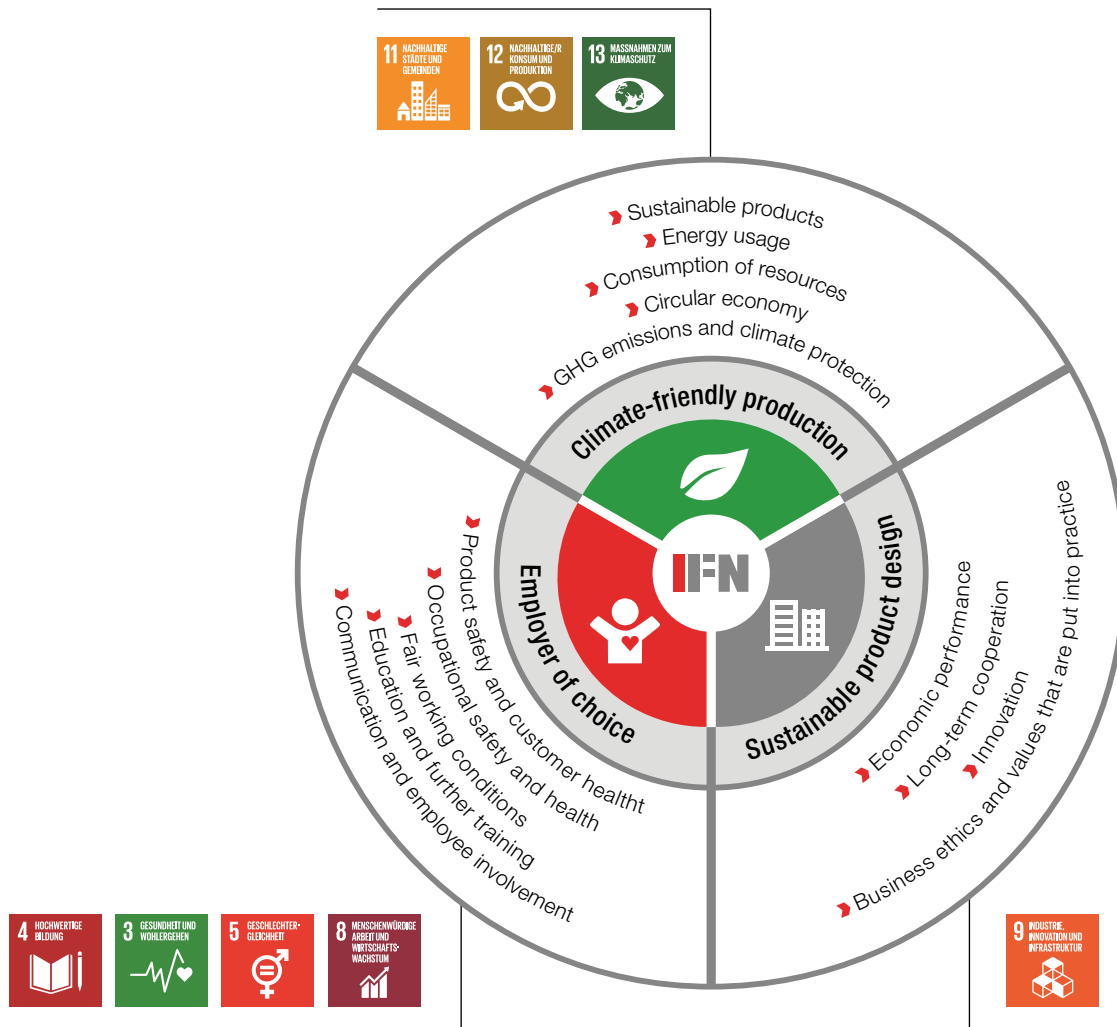


Employer of choice

OUR GOALS	Climate-friendly production	Sustainable product design	Employer of choice
	Cutting CO ₂ emissions (Scope 1 and 2) Reducing use of fossil fuels	Recyclability	Purpose-driven company
	Increase in renewable energies within the network	Longevity	Staff involvement in our economic success
	Cutting energy consumption and material usage	Repairability	Focus on education and further training
Sustainable economic growth			











Our business activities have an impact on our environment and our surroundings alike. We believe that taking consistent, sustainable action means continuously improving our performance

in economic, environmental and social terms by focusing on the areas of activity that are relevant to us. The guiding principles thus become our guidelines on our sustainability journey.



The essential issues identified in the materiality analysis are described in more detail in the table below.

ESSENTIAL ISSUES	AREAS OF ACTIVITY	COVERAGE BY SDGS
ECONOMIC PERFORMANCE IFN attaches a great deal of importance to stable corporate development. Successful entrepreneurial action is promoted through modern corporate governance principles and tools.		9
SUSTAINABLE PRODUCTS Product durability, repairability and recyclability are important to us. IFN invests in innovative products and solutions that contribute to sustainable development, ensuring the company's long-term success.		12 13
CONSUMPTION OF RESOURCES Careful use of resources is important for economic and environmental reasons. Our top priority is avoiding wasting resources in production materials, operating supplies and packaging.		12 13
LONG-TERM COOPERATION Quality, trust, respect and fairness are all absolutely essential for long-term, consistent cooperation.		

ESSENTIAL ISSUES	AREAS OF ACTIVITY	COVERAGE BY SDGS
EMPLOYER OF CHOICE As an employer, we believe it is important to create attractive working conditions and jobs for existing and new employees alike. We offer: social benefits, meaningful tasks, trust, a work / life balance, participation and communication – not to mention flexible working models.		5 8
COMMUNICATION AND EMPLOYEE INVOLVEMENT IFN values open internal communication. It supports active employee involvement through ideas and knowledge management. We also maintain a partnership-like relationship between Management and the employee representatives.		
PRODUCT SAFETY AND CUSTOMER HEALTH IFN products are characterised by the highest level of safety. The materials used, the entire production process and the finished product are subject to stringent quality assurance measures to ensure product safety. It is important to minimise the risk of injury during both production and assembly – not to mention during the use phase. The products are also designed to make a positive contribution to customer health by reducing negative environmental impacts.		3
BUSINESS ETHICS AND VALUES THAT ARE PUT INTO PRACTICE Taking ethically responsible action and complying with the law are priorities in our company. IFN ensures ethical conduct through measures such as putting its values into practice, introducing compliance rules and offering training.		
OCCUPATIONAL SAFETY AND HEALTH Employee health protection measures and the prevention of work-related accidents are key goals. Employee health and safety includes both physical and mental – not to mention social – aspects. IFN helps its employees to stay healthy and safe by creating working conditions and a workplace health promotion system.		3
INNOVATION Innovation is absolutely vital at all stages of the value chain. It is evidenced through the likes of new processes, new products and services, or new business models. When innovations are implemented, the benefits for customers are further increased. Innovation forms the foundation of IFN's differentiation strategy.		9
CIRCULAR ECONOMY In addition to avoiding waste, IFN attaches a great deal of importance to recycling-based waste collection, separation and disposal.		12 13
ENERGY USAGE Optimising energy usage, continuously enhancing energy efficiency and switching to renewable sources of energy are all important steps for IFN if it is to promote sustainable development and reduce its use of fossil fuels.		13
EDUCATION AND FURTHER TRAINING Education and further training are absolutely indispensable for employees' personal development and the company's success. IFN helps its employees to both bring their skills to the table and further improve their skills by providing comprehensive development opportunities. Another important aspect is offering apprenticeships with prospects for the future.		4
GHG EMISSIONS AND CLIMATE PROTECTION At IFN, emissions are primarily generated by material usage, energy consumption during production, and logistics. We need to reduce our emissions if we are to do our bit for climate protection. That is why we are implementing appropriate measures in the company.		11 12 13



Compliance and risk management

In addition to our IFN corporate values, the Code of Conduct, the IT security and data protection policy and the risk management process are key tools for preventing violations of internal company and legal regulations. Legally compliant and responsible conduct is our highest goal in all of IFN's business units.

IFN Code of Conduct

IFN stands for responsible treatment of all its stakeholders. Existing systems and documents form the key foundation and the basis for morally, ethically and legally sound conduct. Transparent and fair conduct on the market and within the company ensures the interests of the individual Group companies and employees – not to mention the IFN Group's competitiveness – in the long term. So the IFN Code of Conduct – which sets out responsibilities – is at the very heart of our communication activities. A Compliance Officer has been appointed in each business unit and at IFN level. If employees suspect that potential violations are taking place, they are welcome to contact their line manager, the Compliance Officer responsible for the business unit in question, the respective Management Team or the

IFN Compliance Officer. The IFN Code of Conduct is publicly available to all stakeholders on our website and on the business units' websites. Employees, customers and business partners can also report violations of the Code of Conduct through our Whistleblowing Office.

IT security and data protection policy

In addition to the IFN Code of Conduct, the company's IT security and data protection policy is a key component of our compliance regulations. In particular, it aims to prevent company-related or personal data from leaving the company on the one hand, and malware from entering the company on the other. Furthermore, our employees are to be protected from (often) unknowingly unlawful data usage (storage and processing), so as to meet the requirements set out in the European Union's General Data Protection Regulation (GDPR).

IFN Online Academy

We attach a great deal of importance to compliance with legal regulations and internal guidelines. To keep our employees'

knowledge up to date, they must attend mandatory e-learning courses on data protection and compliance annually. Likewise, these training courses form an integral part of the onboarding process for new employees.

Risk management

Risks in all business segments are systematically analysed and assessed at regular intervals. During risk identification, the probability of occurrence and the extent of damage is assessed. Our goal is to identify risks at an early stage with a view to minimising the risk to the company as far as possible. For IFN, the key elements of corporate risk management are complete risk management by implementing risk management measures in the corporate governance activities.

At IFN, risks are identified by the Managing Directors, by responsible division managers and, potentially, by employees tasked with risk identification activities. This involves identifying and classifying potential hazards for the department. The designated risk is assessed using the company's internal risk matrix. Management is required to monitor its divisional risks at certain intervals and to keep them up to date. Risks are communicated through annual reviews with the company's Management Team.

IFN's risk policy aims to view risks holistically. In addition to legal requirements relating to the European Commission's Green Deal initiative, climate change also requires risk profiles be adjusted in the areas of the environment, people and the company. As a first step, physical and transitory environmental and climate risks will



be increasingly taken into account in the business units' risk catalogues in future. The aim is to conduct an analysis of climate-related risks and opportunities for IFN in accordance with the 'Task Force on Climate Related Financial Disclosures' (TCFD) panel of experts. The following risks and opportunities have already been identified for the Group as a whole:

RISKS AND OPPORTUNITIES	IMPACT ON IFN
Extreme weather (storms, floods, heatwaves)	Site evaluation and adaptation, if necessary
Demographic change	Product adjustments to changing user needs
Political and legal risks	Compliance with regulations and product adjustments
Thermal / energy renovation measures	The company's potential for growth
Changes in consumer behaviour	Continuous product development is a must
Efficiency in production and our use of resources	Identifying and leveraging potential for optimisation

OUR WAY



Business ethics and values that are put into practice

The IFN Group's Code of Conduct is published on the website. This Code of Conduct applies to all IFN Holding employees. Employees commit to comply with the Code of Conduct when they sign their employment contract.

The IFN Group also brings this Code of Conduct to the attention of the main business partners.

A Trust Centre, which is contactable by email, has been set up too.

Combating corruption

There were no reported cases of corruption during the 2022 year under review.

Anti-competitive conduct

No legal proceedings were instituted in the 2022 year under review on the grounds of anti-competitive conduct or cartelisation and monopolisation.

Compliance with environmental requirements

In the 2022 year under review, no significant fines or non-monetary sanctions were imposed due to failure to comply with environmental protection laws and regulations.

There were no reported cases of the organisation failing to comply with environmental laws and/or regulations either.

Compliance with socio-economic requirements

In the 2022 year under review, no significant fines and non-monetary sanctions were imposed due to failure to comply with laws and/or regulations in the social and economic sector.

HIGHLIGHTS

» COMPLIANCE TRAINING

Completed by 80% of employees in 2022

» DATA PROTECTION TRAINING

Completed by 85% of employees in 2022

Long-term cooperation

Trust and respect towards employees, customers, partners and owners form the basis of our success. Our goal is to keep growing the family-run company successfully over the generations.

Economic performance

The related data can be found in the consolidated financial statements.

HIGHLIGHTS

» LENGTH OF SERVICE

Our longest-serving employee started their well-deserved retirement after 50 years of service.



Innovation

Innovation is one of the most important drivers of the company's sustainable economic development. As innovation enables progress and gives us a competitive edge, we continuously invest a lot of energy in development within the IFN network.

Sustainability innovations

The table below outlines highlights from the individual companies:

COMPANY	INNOVATIONS	IMPLEMENTATION DATE
Internorm	Introduction of system-supported compressed air control	2023
	80% reduction in soft PVC seals	2024
	Sensors for identifying maintenance needs	2026
	Improvement in product recyclability	2027
	Modification of the door design for aluminium doors in panel construction – enabling glass replacement	2027
TOPIC	Optimisation of the number of colour changes	2023
GIG	Use of aluminium with a high recycling rate	
Skaala	Front door with sound insulation	2023
	Material optimisation of the Alfa 40	2023
	Product optimisation of the outward-opening window in terms of U value and sound insulation	2023
	Building components' M1 classification	2024



Sustainable products and resource consumption

As part of the European Green Deal initiative, the EU has set itself the binding target of achieving climate neutrality by 2050 with the 'Fit for 55' package.

Buildings account for approximately 40% of energy consumption in the EU, which is why the renovation rate should at least double within the next decade.

Sustainable all-round window solutions

IFN manufactures building components that contribute considerably to increasing buildings' energy efficiency. Thanks to their low U values, our windows and doors are guaranteed to reduce heating energy requirements. At the same time, with modern windows the heat gains from solar radiation exceed the heat losses.

Smart solar shading reduces the need for cooling. At the same time, special geometries allow daylight to be directed inside without causing any glare.

The following innovations make our products particularly sustainable:

- Triple glazing with U_w values of up to $0.62 \text{ W/(m}^2\text{K)}$
- The ECLAZ® glass coating allows up to 11% more blue daylight into the room.
- Solar shading with RETROLux daylight control
- Product combination with smart home applications

Establishment of material cycles

Increasing the recycling rate in the materials we use is a key lever for reducing upstream emissions. This is done by:

- Internally recycling PVC waste during the extrusion process at Internorm or returning it to the supplier at Kastrup
- Using reusable containers at Internorm
- Using materials containing a proportion of recycled material (e.g. glass, aluminium and steel)

HIGHLIGHTS

➤ PURENIT

The functional material used as a lining strip has a 50% recycling rate. Production cuttings are collected at Internorm, returned to the manufacturer and reprocessed into new material.

➤ RECYCLING

Compulsory PVC cuttings are reused as granulate in Internorm's very own extrusion activities. At Kastrup, they are returned to the supplier. Glued wood cuttings are collected at Skaala and handed over to an authorised recycling company.



HARD FACTS



30 m² window surface with triple glazing could save approx. 42 tonnes of CO₂ in its lifetime.



External blinds or roller shutters can save around 8.5 tonnes of CO₂ by reducing the cooling energy requirement over their entire life cycle.



If the window controller is connected to the heating system so that it is disabled when the windows are open, this can generate energy savings of up to 10%.

Energy usage

Analysing energy consumption and implementing optimisation measures were already major priorities of ours in the past. While energy consumption has not been a major cost factor in recent years, this changed significantly at the start of 2022.

Energy-efficient lighting

The replacement of existing lighting in the halls and offices (in the form of mercury vapour lamps or halogen luminaires) with LED lighting is being pushed to cut unnecessary consumption.

This is advantageous in a number of ways. Conventional lamps are used for fewer operating hours, incur higher maintenance costs and consume more than twice the energy that LED luminaires do. What's more, they can usually only be disposed of as hazardous waste.

New buildings – such as the new HSF site in Malacky – will be fully fitted with LED lighting. At the other IFN Group sites, the lighting is continuously being replaced as part of renovations and – where appropriate – regulated by means of a smart lighting control system. Electricity consumption can be significantly reduced with the help of motion sensors and integration into the building management system.

Photovoltaic installations

It was decided that the IFN Group would invest more in photovoltaics with a view to diversifying its electricity production activities and strengthening its independence. In 2022, HSF's

new building in Malacky was fitted with a 2 MWp photovoltaic installation, which will be commissioned in 2023.

In balance sheet terms, the installation enables coverage of all of the site's electricity consumption needs.

At many other Group sites, the roof statics were also checked with respect to solar modules' load-bearing capacity. This analysis – relating to economic factors such as the local electricity price – created the roadmap for further expanding photovoltaic installations.

HIGHLIGHTS

» LEDS

HSF's new building in Malacky was fully fitted with LEDs.

» PHOTOVOLTAICS

HSF's new building in Malacky was fitted with a 2 MWp photovoltaic installation in 2022.

» EXPANDING PHOTOVOLTAICS

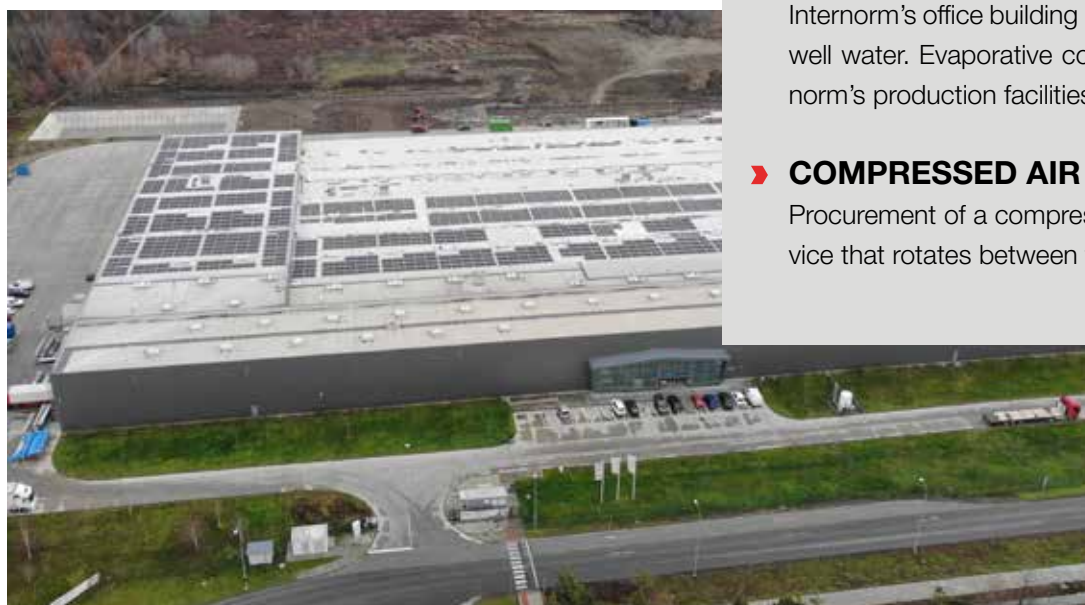
There are plans to integrate PV installations with a total output of 2.8 MWp in Austria.

» BUILDING COOLING

Internorm's office building in Traun is cooled with well water. Evaporative cooling is used in Internorm's production facilities.

» COMPRESSED AIR LEAKS

Procurement of a compressed air detection device that rotates between the plants



Greenhouse gas emissions and climate protection

Responsible environmental management means resource-conserving production and harnessing existing potential in the best way possible – in accordance with the ‘avoiding waste’ principle.

Heat recovery

During production time, the Internorm site in Sarleinsbach is heated by waste heat from the extrusion process. The waste heat is brought to a higher temperature level by heat pumps. The cooling water – which is at an optimum temperature level due to heat extraction – is fed back into the process, thus closing the cycle.

Biomass heating

In the following companies, wood cuttings from Production are collected and incinerated to heat buildings or generate process heat:

- Skaala: all production sites
- Kastrup: all production sites
- Internorm: Lannach
- TOPIC: Sarleinsbach



HIGHLIGHTS

➤ OFFICE BUILDING INTERNORM IN TRAUN

was completely renovated and extended in line with the passive house standard.

➤ HEAT RECOVERY EXTRUSION PROCESS

ensures that 613 tonnes of CO₂ are saved annually.

➤ HSF'S MALACKY SITE

is heated by means of an air-source heat pump.

➤ TOPIC IN SARLEINSBACH

Integration of an energy-efficient industrial panel heating system in the new hall building

➤ WORKING FROM HOME

Our employees have the option of working from home, which reduces the emissions generated by commuting to and from the workplace.

➤ COMBINED TRANSPORT

Internorm's containers are used in combined transport for rail and HGV transport.

➤ DIGITALISATION OF LOGISTICS

Container loading and route planning are optimised with the support of digital solutions.



Circular economy

Waste is what results when value chains are not ideal. That is why we practice waste avoidance, before recycling, before recovery and disposal. This is environmentally friendly and cuts disposal costs.

Waste management

In the production facilities, we attach a great deal of importance to precisely separating waste by type so we can recycle the waste materials in the best way possible with a view to reusing them to create new products.

That is why:

- Any PVC cuttings left over are reused in Production as PVC granulate in the extrusion process
- Different qualities of glass are collected and returned to the glass producers as cullet
- Waste wood is incinerated internally, reducing the use of fossil fuels

In addition to waste management at the sites (which is constantly being improved), we also deal with external recycling requirements.

HIGHLIGHTS

➤ PACKAGING

Internorm's retailers send the window packaging back with the containers. They are then sorted and reused.

➤ ADHESIVE CARTRIDGES

Empty cartridges from production are collected and refilled.

➤ VACUUM DISTILLATION

Waste water from the painting process is recycled at Schlotterer by means of vacuum distillation. This minimises the amount of liquid waste to be disposed of.

Old PVC windows are an important source of raw materials for waste PVC and are processed into PVC granulate through reprocessing plants. The PVC granulate is, in turn, used in new window profiles. The recyclate can be reused up to seven times.



HIGHLIGHTS

› OPINION FORUMS

Twice a year, Internorm's Management Team, the IFN Executive Board and the owners exchange ideas with the employees of the individual Internorm sites.

› COMPANY MAGAZINE

Internorm's 'Blick' magazine is published twice a year and also provides information about the other subsidiaries.

› BRIEFINGS

At Kastrup, employees receive information about innovations in weekly briefings.

Employee communication

All the companies also use classic communication channels, including the likes of:

- › Newsletters
- › Screens in Production and communal rooms
- › Notices

Interesting news is also communicated during summer or Christmas parties.

Education and further training

We pay a great deal of attention to our employees' further development so we can be considered an employer of choice.

Further training measures

Numerous measures are implemented to develop our employees' professional and personal skills. Some of the courses in



Employer of choice

'People' as a resource is one of the three pillars that the company's success is based on. At a time when skilled workers are in short supply, it is becoming increasingly important for companies to train employees themselves and be considered an attractive employer – and to keep employees in the company too. That is why we are particularly proud of the fact that we have a large number of long-term employees and workers across all our companies. Their experience forms an important part of our organisation.

Communication and employee involvement

Communicating with employees both openly and honestly is important to IFN. By using different channels, employees gain access to relevant information and are kept in the loop with respect to changes, innovations and activities.

Company portals

Internorm has 'Worx' (its information portal), which on the one hand provides information about the latest news and on the other is used as a work platform. Schlotterer uses its own communication portal, which is also available to employees as an app.

the Group are also offered online or as company-specific programmes, such as:

- IFN talent programme
- Presentation and rhetorical training
- Health and work / life balance
- IT courses
- Language courses
- First aid courses
- Basic knowledge about products
- Compliance training (mandatory)
- Data protection training (mandatory)
- Online range of hour-long training sessions.

Individual further training opportunities are discussed and agreed upon directly between employees and their line managers.

In addition to the IFN Online Academy, there are many other internal and external further training courses that employees complete.

HIGHLIGHTS

➤ APPRENTICESHIPS

Opening of a new training centre for apprentices in Traun in 2023

➤ ONLINE TRAINING COURSES

Range of online training courses throughout IFN

Occupational safety and health

IFN attaches a great deal of importance to having a safe and healthy working environment. The working conditions are created such that the risk of physical or mental impairment is minimised.

Health protection measures

At the likes of Schlotterer or Internorm, we support our employees (to name but a few examples) by means of:

- Stopping smoking and psychosocial health seminars
- Free vaccination campaigns
- Health days
- Online hour-long training sessions
- Procuring ergonomic work equipment
- Job rotation

We are attempting to roll out these measures throughout the Group one step at a time.

The following initiatives, to name but a few examples, are being implemented to reduce the accident rate:

- Workplace evaluation and accidents analysis
- Repeat briefings
- Safety inspections with safety specialists and occupational physician
- Online occupational safety training
- Preparing risk analyses

For older employees, the options of

- semi-retirement or working part-time
- Alternative employment opportunities in the company without shift work and involving less physical strain.

HIGHLIGHTS

➤ ISO 45001

GIG has a vertical management system for occupational safety and health.

➤ SEAL OF QUALITY

The 'Occupational Health Promotion' seal of quality is evidence of Internorm's commitment to occupational safety and health protection.

➤ FIRMENRADL.AT

Internorm employees can buy bicycles at a discount over this platform.

➤ JOBINITIATIVE

Twice a year, Schlotterer launches initiatives in cooperation with AMS to offer unemployed people from the local region long-term employment opportunities.

➤ CODE OF CARE

Kastrup supports this non-profit organisation that helps people on the fringes of the labour market get back into work.