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Rhenus Lub

Sustainability Report 2024

Photo source: Leonard Kleeschulte, 14 y.o.

Rhenus Lub
SUSTAINABILITY REPORT

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Photo source: Leonard Kleeschulte, 14 y.o.

Sustainability report
RHENUS LUB

Our growing understanding of sustainable development and the role that companies play in it has enabled us to align our sustainability report even more closely with the expectations of our stakeholders.

In addition, we link the individual sections back to the UN Sustainable Development Goals (UN SDGs) to demonstrate continuity in our objectives.

Although we are not currently legally required to do so, we are already aligning ourselves with the format that will be required in future by the European Corporate Sustainability Reporting Directive (CSRD) and the associated reporting standards of the European Sustainability Reporting Standards (ESRS). This helps us to systematically advance our sustainable development and better meet the expectations of our stakeholders.

Foreword

ISABELLA KLEESCHULTE

„Living sustainability. Taking responsibility. Shaping the future."

At Rhenus Lub – responsibility that connects

At Rhenus Lub, sustainability is not a trend, but deeply rooted in our DNA as a family-owned company. Long before the United Nations established a global roadmap with its 17 Sustainable Development Goals in 2015, we knew what was important – and how we would get there.

Our perspective does not end with the quarterly report. We think and act across generations. For decades, we have been living up to our responsibility – towards the environment, society, our employees and our customers.

Today, we, the fourth generation, are actively shaping this path: digitally, socially and ecologically – with passion and vision.

Change means rolling up our sleeves

Our journey towards a sustainable future is characterised by courage, innovative spirit and a drive to get things done. We don't want to manage, we want to shape the future. This requires everyone – employees, managers, partners and customers. Only together can we bring about real change.

We set ourselves ambitious goals because we are convinced that sustainability is not a cost factor, but an investment in our future viability. Especially in a world full of uncertainties, we are consistently pursuing the path of our family-run company and focusing not on quick profits, but on long-term stability and trust

Successes we are proud of

The fact that we are on the right track has been confirmed by, among other things, our improvement to a B score in the Carbon Disclosure Project (CDP).
This milestone spurs us on to actively implement further projects in the future.

What makes us strong are the many dedicated people at Rhenus Lub:

- They develop sustainable products and packaging,

- design our main site to be energy-efficient efficiently (certified according to ISO 50001),

- promote an open, appreciative management culture and

- are committed to local environmental projects such as forest reforestation and urban quality of life in Mönchengladbach.

We think globally, but our headquarters is and will remain in Mönchengladbach. This is where we pool our strengths to drive sustainable innovation – with a strong team, clear values and regional roots.

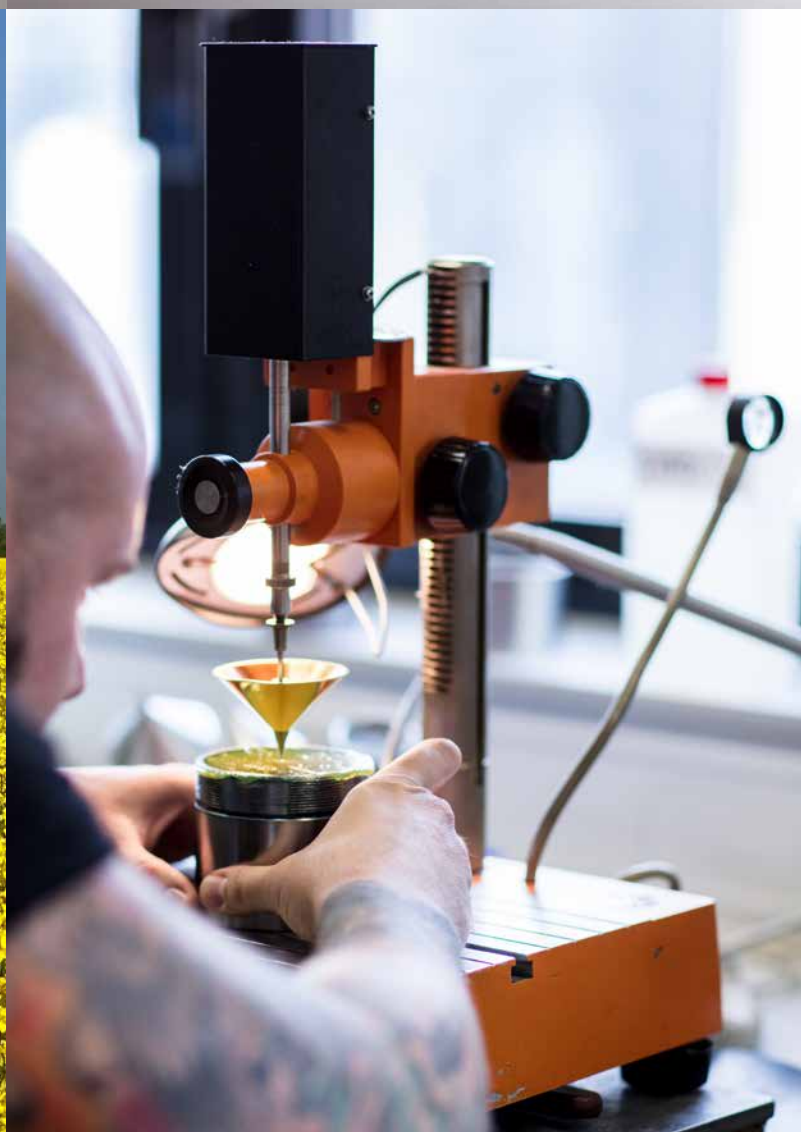
We are proud of the long-term and trusting relationships we have built with our customers and partners. Because true sustainability comes from cooperation, from working together as equals – with clarity, focus and mutual appreciation.

Sustainability is our attitude

We take responsibility. We are convinced that, with courage, openness and humanity, we can create a future we can be proud of. Let's continue on this path together – with attitude, heart and mind.

Yours, Isabella Kleeschulte
Partner and Head of Sustainability and Digitalisation

Photo source: Leonard Kleeschulte, 14 y.o.



Principles
SUSTAINABILITY STRATEGY

Sustainability and responsibility for people and the environment are firmly anchored in our corporate culture and guide our actions in all areas, from the manufacture of our products to our cooperation with employees, partners and customers. For years, our company has been committed to a comprehensive sustainability strategy that is continuously being developed. This is reflected in our use of innovative and sustainable raw materials and the manufacture of durable and energy-efficient products. We also invest in modern infrastructure and digital technologies to meet future requirements.

Our social responsibility helps us to build strong relationships with suppliers, partners and employees. Particular emphasis is placed on process reliability, occupational health and safety. Social commitment, environmental protection and the satisfaction of our employees, for example through a good work-life balance, are also key priorities for us.

We promote diversity and social commitment in order to continue to run our company successfully and sustainably in the future.

To systematically underpin this sustainable approach, we have been a member of the UN Global Compact since 2011, where we receive many ideas for action and important impetus through disclosure in our annual progress report. We have been a member of the UN Global Compact Network Germany e. V. since 2023.

Since 2018, we have been conducting a comprehensive climate balance in accordance with the Greenhouse Gas Protocol for Scopes 1, 2 and 3. Since 2023, we have been a member of the Science Based Targets Initiative (SBTI) and are successfully reviewing our approach to supporting the 1.5-degree target and the net-zero target by 2050. We are thus clearly committed to the Paris Climate Agreement and are following the ambitious path to climate neutrality.

Sustainability @ Rhenus Lub
THE SAFER PROCESS

The design and regulation of sustainable development are essential components of our corporate management. We consider sustainability to be one of the most important factors for success and integrate the planning of sustainability goals and measures into our corporate due diligence process. This task is led by the top management. To implement the measures, a comprehensive, cross-divisional project group has been appointed, whose strategic task is to oversee sustainability in various sub-projects.

Monthly reports to the management and intensive monitoring of the measures ensure progress. It is particularly noteworthy that a member of the shareholder family is personally involved in the work of the working groups. Many issues are not new to Rhenus Lub, but have already been evaluated and improved through our integrated management system, which has been in place for decades. Our established processes and procedures in the area of environmental protection, including water protection, emission control, hazardous materials and waste management, as well as occupational safety, are effective and far-reaching.

As we operate in a highly regulated environment at our Mönchengladbach site in North Rhine-Westphalia, many CSRD and ESRS topics are already comprehensively monitored and do not require additional consideration. This is also reflected in the double materiality analysis carried out in accordance with CSRD.

In addition to senior management, all officers responsible for the various systemic areas such as the environment, occupational safety, quality, energy, hazardous goods, waste and incidents are also firmly integrated into the process. These experts have extensive knowledge in their respective areas and ensure that all relevant information is incorporated into decisions and measures.

In addition, we work closely with external experts to draw on additional expertise. For example, the energy efficiency analysis is supported by the Energy Efficiency Agency of North Rhine-Westphalia, while the planning of energy-saving measures is carried out with external specialists. We work with scope future GmbH to design the overall process from materiality analysis to reporting.

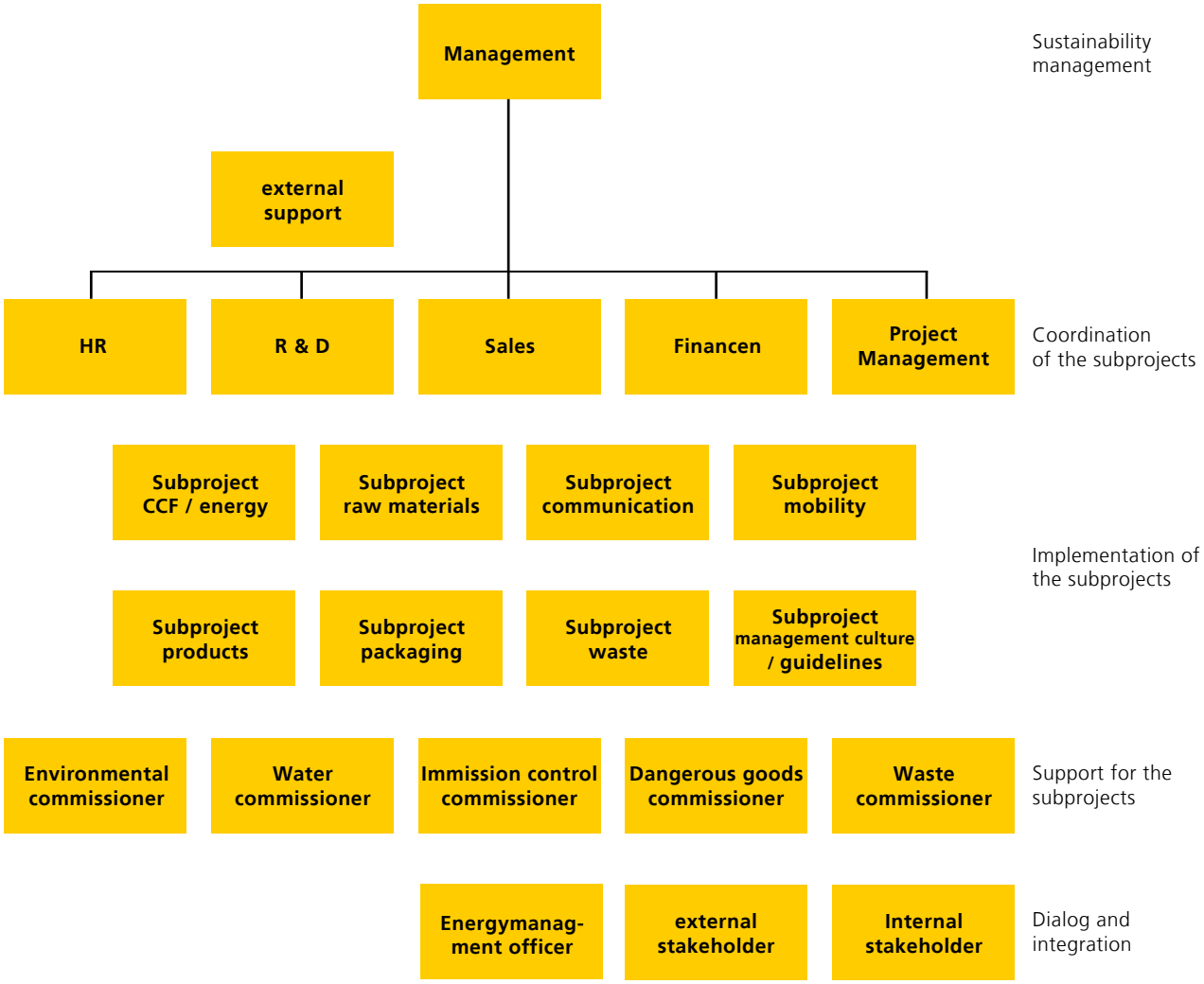


Figure 1: Sustainability organization at RL

Our focus and approach to sustainability issues have so far been based primarily on the United Nations' 17 Sustainable Development Goals (SDGs). These remain of central importance to us and provide us with clear guidelines. At the same time, however, we have decided to comply with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD). This will enable us to address the diversity of sustainability issues in a more targeted manner and ensure that we pursue our goals even more precisely.

Since 2023, we have therefore introduced a new Sustainability Due Diligence Process that systematically supports our sustainability programme and forms the basis for our future measures.

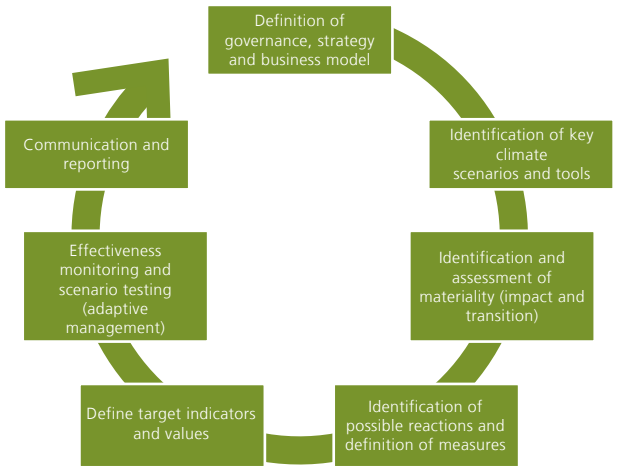
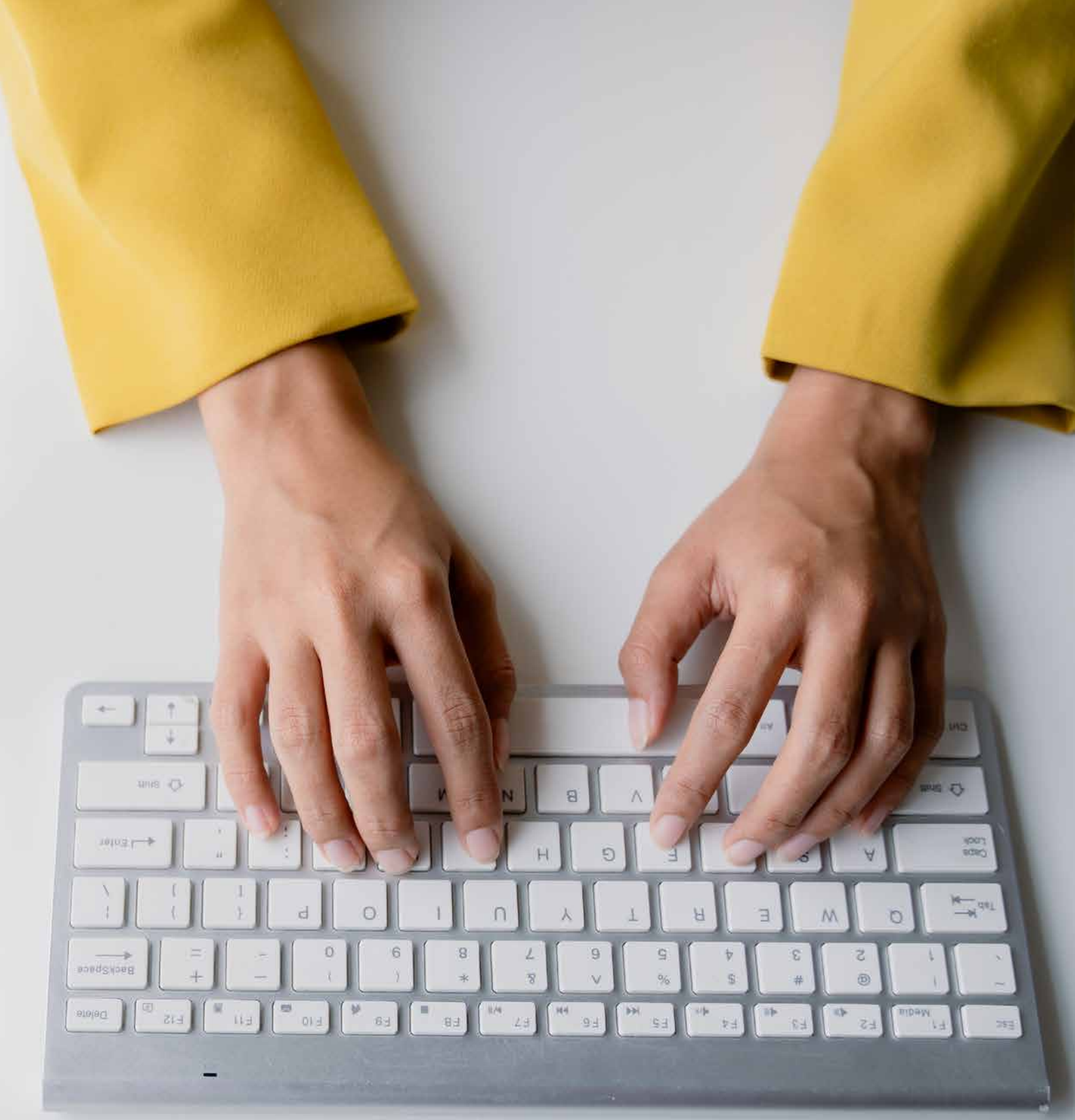


Figure 2: Sustainability due diligence process at Rhenus Lub

When dealing with sustainability issues, the various sub-projects are given equal consideration and evaluated within the management team and across departments. To ensure that issues are prioritised in a targeted manner, a double materiality analysis was carried out for the first time in 2023 as part of the Sustainability Due Diligence Process (SDDP) in accordance with the requirements of the new CSRD at the top issue level. This methodology has enabled us to clearly identify the issues with the greatest need for action and to address them in order of priority.

Both internal and external scenarios and sources were systematically evaluated to determine the status of each topic. We also consulted representatives of various stakeholder groups, including NGOs, banks and customers, to identify their perspectives on the respective topics and incorporate them into our decisions.



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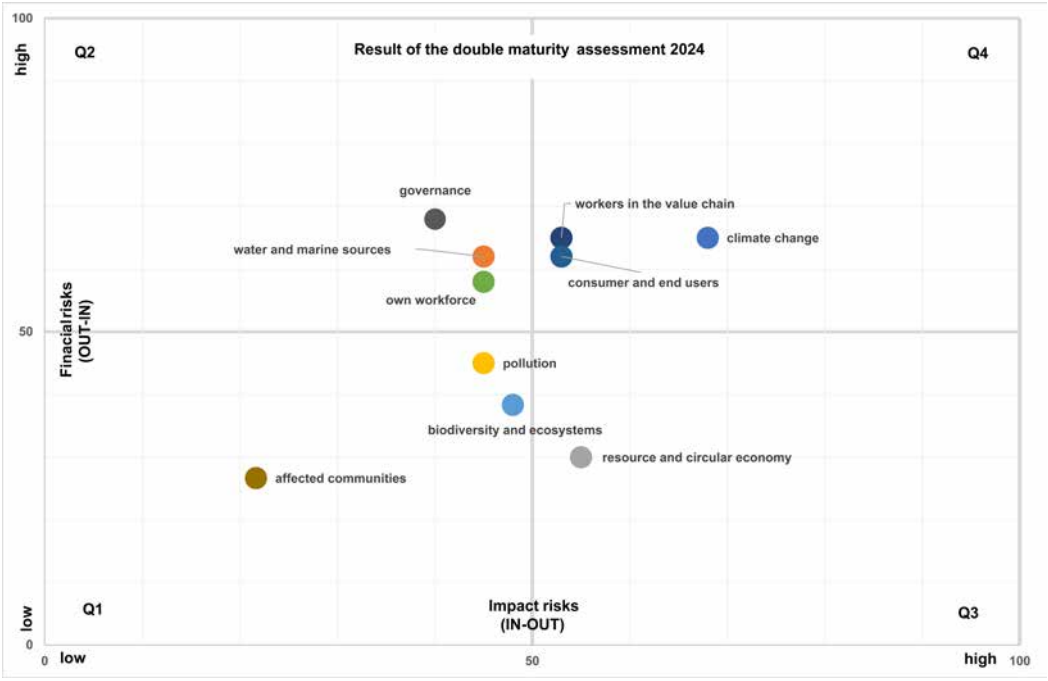

Figure 3: Result of the double materiality analysis 2024

The topics in quadrant 4 indicate the greatest need for action, as they represent both a high risk of impact for the company and a significant external risk to our business model. The topics in quadrants 2 and 3 are also classified as essential, but mainly concern either opportunities or risks.

Issues in Quadrant 1 are by no means unimportant, but are already well covered by effective measures or systems or currently show a lower probability of negative impacts. However, this may change in future materiality analyses based on new findings.

Other topics and details were also evaluated, but are not listed here for the sake of clarity. Based on the materiality analysis, the existing sub-projects were re-evaluated and prioritised to ensure that we are addressing the key issues in the best possible way.

The sub-projects for sustainable development focus on the following areas:

- Energy and corporate carbon footprint (CCF)
- Product Carbon Footprint (PCF) for products
- Raw materials (with regards to PCF)
- PCF packaging
- Wast management
- Mobility
- Communikation
- Management culture

Figure 4: Project mix topics

No.	Quadrant of materiality materiality analysis	Topic	Project/ Process Energy	Project products (PCF)	Project packaging (PCF)	Subproject Waste	Management culture/ management guidelines	Mobility sub-project	Topic effectiveness
1	Q4	Climate protection Climate change	9	9	6	9		6	45
2		Respect for human rights internally					6		12
2		Respect for human rights Supply chain	3	3	3				12
3		Internal working conditions	3			3	6		12
3		Working conditions supply chain	3		3				9
4		Relationships (incl. customers)	6	9					24
5	Q2	Corporate ethics and culture	3	3		3	9	3	27
6		Water and marine resources	6	3		3			12
7		Equal treatment Equal treatment internally					6		6
7		Equal treatment externally							3
8	Q3	Use of resources Circular economy	3		6	9			24
9	Q1	Environmental pollution		6	6	9			27
10		Biodiversity and ecosystems		6	6	6			24
11		Influence					9		12
12	Commitment	Compliance with legal requirements	j			j	j		
		Effectiveness of measures:	36	39	30	42	36	9	

Structure of the detailed report (ESG)

The report structure is based on the three main pillars of sustainable development:

Environment (E): Business activities aimed at reducing the company's impact on natural resources and the resulting risks and opportunities.

Social (S): Business activities aimed at protecting the rights of all people and groups that come into contact with the company's activities

Governance (G): The management of the company in compliance with legal and other applicable rules

Figure 5: ESG structure

The sub-topics are based on the main topics of the ESRS reporting standards.

Each topic chapter is divided into the following sections: Principle, Projects and Initiatives or Products, Results and Data.

E ENVIRONMENT

CLIMATE (E) ENVIRONMENT

Principle: "We are actively committed to climate protection and are committed to implementing the Paris Climate Agreement and the 1.5-degree target. We have set ourselves the ambitious goal of reducing our CO_2 emissions by 50% by 2030 compared to the base year and of being CO_2 neutral by 2050. In addition, we see it as our responsibility to support our customers on their way to CO_2 neutrality .

Through innovative products and consulting, we want to work with our customers to make a positive contribution to climate protection and overcome the challenges of climate change together.

Based on our formulated climate protection policy, we have evaluated all ongoing initiatives and projects in the sub-projects and have been able to identify significant progress. Our Corporate Carbon Footprint (CCF), which we have been measuring annually since 2018 as part of our Environmental Management System (EMS), shows that we are clearly on track to meet the ambitious targets set by the Science Based Targets Initiative (SBTi). These targets, to which we committed in 2024, have been successfully validated and confirmed by the SBT

Our goal is to achieve a 56% reduction in Scope 1 and Scope 2 emissions by the end of 2030 compared to the base year 2018.

Currently, our Scope 3 survey only covers directly attributable CO_2 sources from our business operations. Emissions arising from the production and transport of raw materials are not yet fully accounted for. To change this, we have developed a new tool that enables us to assess CO_2 emissions at the recipe level for each raw material. This tool is currently in the validation phase, and we are confident that we will be able to report our complete Scope 3 emissions starting with the next report.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

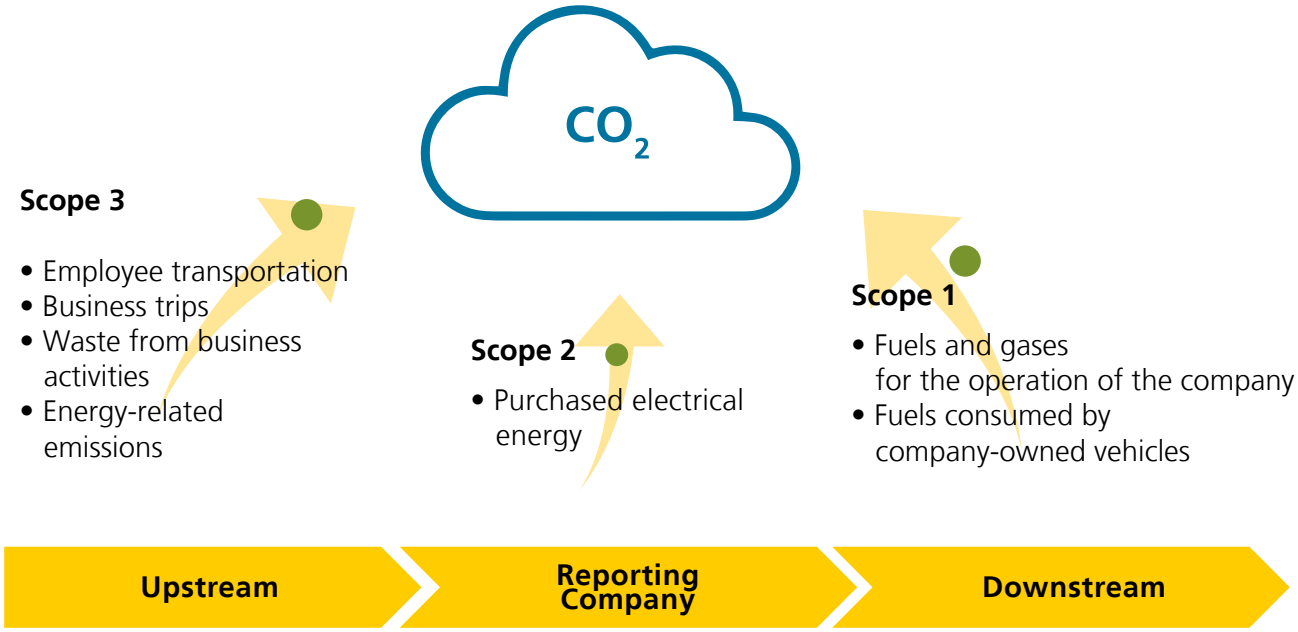

Figure 6: Scopes considered in the 2023 CO_2 balance

Projects and initiatives

100 percent green electricity: only green electricity from the socket

Rhenus Lub implemented an important measure for greater sustainability back in 2019 when it switched to green electricity. Now, only certified green electricity comes out of the sockets in both the factory and the administration. It comes exclusively from renewable energies and is generated in an environmentally friendly way. In this way, Rhenus Lub supports the energy transition in two ways: through the direct purchase of ecologically generated electricity and through the surcharge payable for this, 75% of which goes towards climate protection.

The energy audit in accordance with DIN 16247-1 is a systematic examination that serves to analyse, measure and evaluate a company's energy consumption with the aim of reducing energy consumption. This was carried out for the first time in 2023 and has yielded various ideas for reducing energy consumption.

Preparation of an energy efficiency analysis with the support of the Energy Efficiency Agency NRW to identify further potential at the company's Mönchengladbach site. This has resulted in a comprehensive list of measures that will be implemented over the next few years.

These measures will enable the SBTI target to be achieved as early as 2027. As our main CO_2 emitter in Scope 1 and 2 is natural gas for thermal post-combustion of process exhaust gases for odour neutralisation, technical measures will be taken in 2025 to replace this emission source with biological processes.

Development of a comprehensive mobility concept: New travel guidelines and company car guidelines take greater account of environmental aspects. The increased use of electric vehicles is also being examined, especially once a photovoltaic system has been installed on the roofs of the company premises.

Product Carbon Footprint (PCF)

Rhenus Lub is currently working with its partners along the supply chain to determine a CO_2 footprint for selected products from the Rhenus Lub portfolio. The basic principles have been established and can already be evaluated on a recipe-specific basis. As a result, we will also be able to report our Scope 3 footprint with raw material data from 2023 onwards. We plan to validate and certify our measurement methodology for PCF calculation in 2025.

In addition, we would like to point out that basic data for a uniform standard is being developed across the industry. This data and the basis for calculation are being determined as part of the Sustainability Initiative for the Lubricant Industry (NaSch) by the Association of the Lubricant Industry (VSI) and the European umbrella organisation (UEIL). Rhenus Lub is part of this initiative.

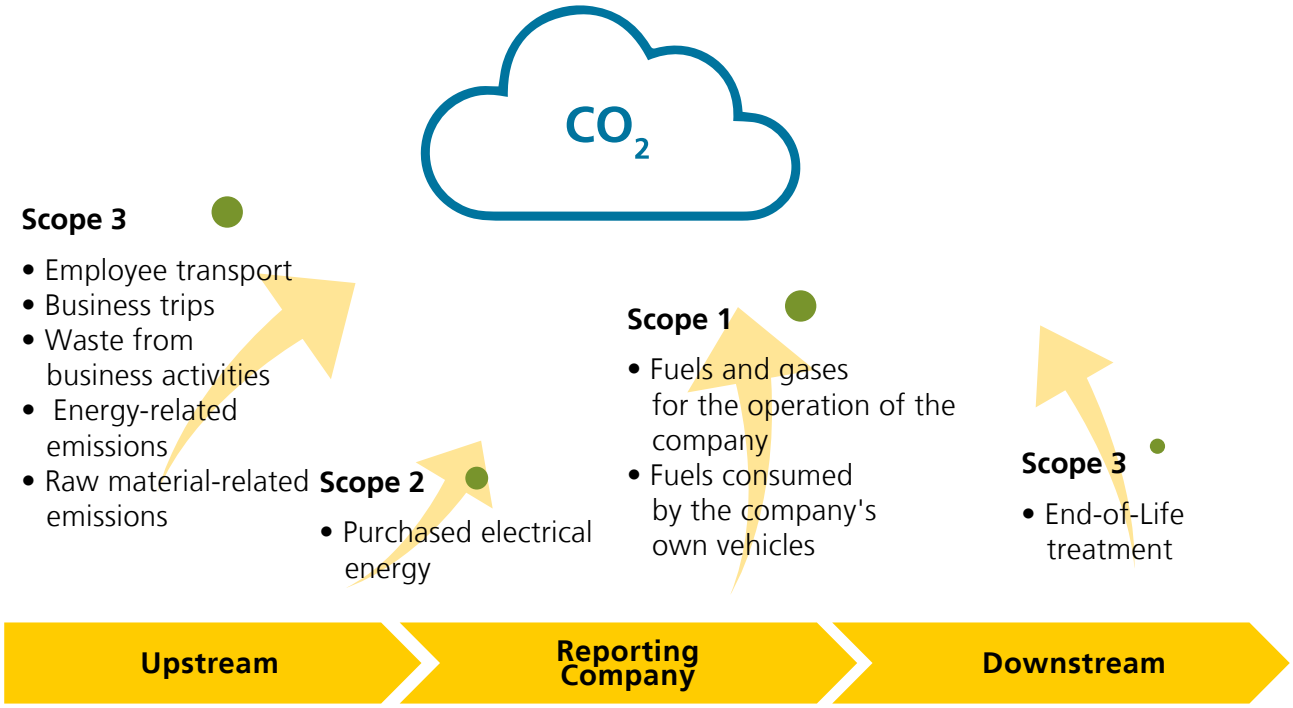

Figure 7: Areas included in the carbon footprint from 2024

Products for reducing PCF

Although we have not yet fully disclosed our Product Carbon Footprint (PCF), we have already made significant progress in developing products that have a significantly lower carbon footprint than their conventional alternatives. Particularly noteworthy is the use of biogenic base oils instead of fossil raw materials, which makes a decisive difference to the CO_2 balance of these products. This innovative approach has already led to the first successful product launches and will be further expanded in the future.

Figures and data

	2019	2020	2021	2022	2023	2024
Scope 1 [t]	3,418	3,377	3,355	2.797	2.655	2693
t CO_2/t product	98	111	101	88	100	101
Scope 2 [t]	0	0	0	0,00	0,00	0,00
t CO_2/t product	0	0	0	0	0	0
Scope 3 [t]	4,082	3,147	3,343	3.509	3.374	3193
t CO_2/t product	116	104	101	110	128	119
t CO_2 total for Scope1+2	3,418	3,377	3,355	2.797	2.655	2693
t CO_2 total for Scope1+2+3	7,500	6,524	6, 698	6.307	6.029	5886
kg CO_2/t product	214	215	202	197	228	220

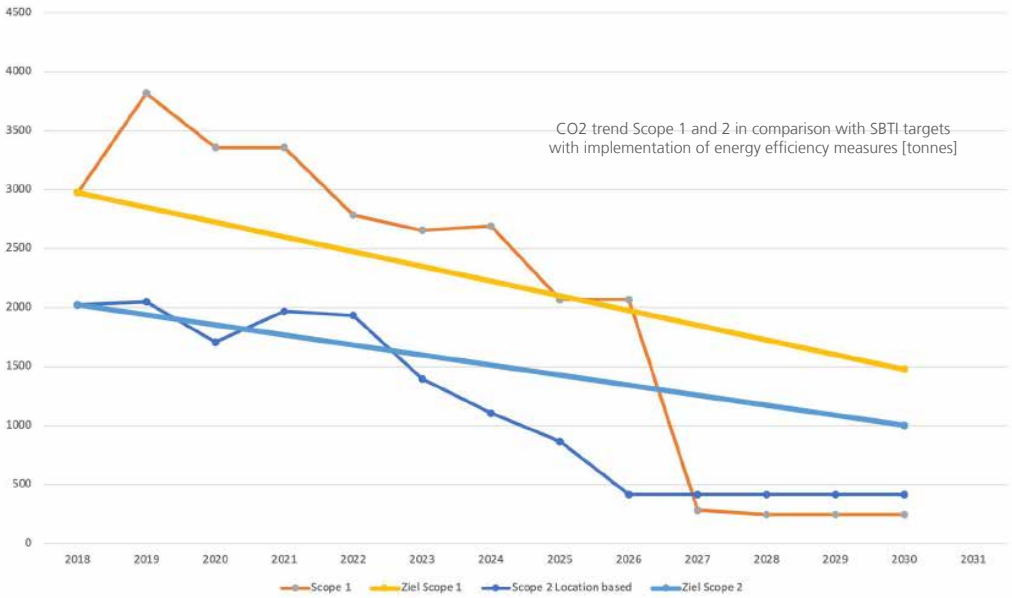

Figure 9: SBTI goals and measures

Photo source: Leonard Kleeschulte, 14 y.o.

Pollution
(E) ENVIRONMENT

Principle: "We are committed to preventing pollution in the air, water and soil. Through continuous innovation in our production processes and products, we focus on environmentally friendly technologies to minimise emissions. Our waste management strategy aims to avoid, reduce and safely dispose of waste wherever possible. We work to avoid environmentally harmful substances and make a positive contribution to protecting the air, water and soil through sustainable practices. Our goal is to promote the responsible use of natural resources and preserve a clean environment for future generations."

Our goal is to avoid any pollution of the air, water and soil. This commitment is not only based on the legal requirements of the Immission Control Act, but is also our deep conviction. For years, we have been working on a wide range of projects to systematically measure and reduce the amount of pollutants. With the help of regular monitoring and a specially developed environmental indicator, we can quickly identify the extent to which our projects and initiatives are effective and meet our reduction targets.

In accordance with legal regulations, we are obliged to monitor all emissions in the area of pollution strictly in accordance with the provisions of the Immission Control Act and the associated ordinances. In recent years, we have always been able to ensure that we do not exceed any limit values. Extensive measures, including those within the scope of the Hazardous Incident Ordinance, are regularly reviewed by our authorised personnel and the relevant authorities, enabling us to continuously confirm the effectiveness of our measures to prevent emissions.

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All gases, waste water and waste escaping from our processes are recorded and monitored in strictly controlled procedures so that they always comply with the low limit values. In addition, we have taken additional measures to reduce the amount of waste leaving our control area and thus minimise any impact on the environment during further processing.

In 2024, we achieved significant success through targeted measures, particularly in reducing fat waste from production residues.I Here, we were able to achieve a sustainable reduction of 30% compared to 2023 by recycling residual fats and using reusable containers.

We offer targeted solutions for applications that place special demands on environmental protection. For example, we have developed a biodegradable lubricant for rail transport that has been awarded the ECO label and is used specifically for lubricating points. This helps to prevent soil contamination in the vicinity of the tracks.

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Figures and data

Waste category Quantity [kg]	2020	2021	2022	2023	2024
Waste oil/flushing oil	208,340	292,200	210,960	211,080	222,760
Used water/flushing water	271,072	244,158	279,180	285,440	341,554
Grease waste	405,042	376,249	431,164	323,749	224.300
Plastic films	23,210	17,110	18,180	14,430	11,750
Used devices	722	426	593	428	611
Glass	0	0	100	300	120
Wood	15,220	15,910	12,550	17,620	10,500
Laboratory waste (Biotest)	218		234	310	141
Laboratory chemicals and raw materials	16,417	9,210	6,116	4,914	4,982
Solvent mixtures	1,179	2,952	649	695	300
Oil-containing operating fluids	36,456	34,834	38,374	35,262	39,906
Paper/cardboard	88,310	105,471	86,669	67,304	72,086
Rest	2,036	917	1,210	1,348	1,847
Residual waste	119	149	215	163	179
Scrap	13,764	14,442	22,430	23,026	13,400
Packaging with hazardous residues	19,373	24,990	26,378	19,082	22,314
Recyclable materials	17,960	19,480	30,940	40,900	18,300
Overall result	**1,119,438**	**1,158,498**	**1,165,942**	**1,047,811**	**985,048**

Figure 10: Total amount of waste per category in kg calendar years 2020-2024

Water and marine resources

(E) ENVIRONMENT

Principle: "We are committed to protecting water and marine resources. Our production processes have been designed and continuously adapted to minimise water consumption and treat wastewater responsibly. We are committed to researching and developing more environmentally friendly lubricant solutions that have no harmful effects on water and marine environments. Through continuous improvement of our practices and close cooperation with stakeholders, we contribute to protecting natural resources and ensuring a sustainable future for generations to come."

We have implemented numerous measures to reduce water consumption. For example, the cooling water for process cooling has been transferred to a closed circuit, which significantly reduces the demand for fresh water. In addition, we have optimised water-intensive cleaning processes to further minimise fresh water consumption in this area as well. A large proportion of fresh water is used in sanitary facilities, which is why we have introduced water-saving programmes and provided our employees with targeted training on the responsible use of water.

In this area, too, we can draw on our many years of experience in applying our ISO 14001-certified environmental management system. As we operate in Germany in the strictly regulated field of water and wastewater management, our processes are subject to clear guidelines for the responsible use of water and the protection of surrounding waters.

Our wastewater is discharged into the public sewage system via protected and monitored channels and treated in municipal sewage treatment plants. To comply with the Water Protection Ordinance and the Water Resources Act, extensive measures have been implemented.

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The Water Protection Ordinance and the Water Resources Act stipulate extensive protective measures to ensure that the wastewater we treat complies with the maximum pollution levels specified in municipal regulations. Appropriate measuring devices and shut-off valves ensure that, in the event of an incident, discharge to the outside is prevented. These measures have helped us to consistently comply with all legal limits in recent years.

In our supply chain, we are currently assessing all raw materials in terms of their potential risk to water and marine resources.

We do not use any substances in our products and processes that lead to the formation of microplastic residues in marine resources. This review is carried out in close consultation with our suppliers and the Association of the Lubricant Industry (VSI). We develop and distribute lubricants for our customers that either do not release any unexpected substances in their respective applications or are biodegradable and harmless. This means that they have no negative or legally problematic effects for our customers.

Figures and data

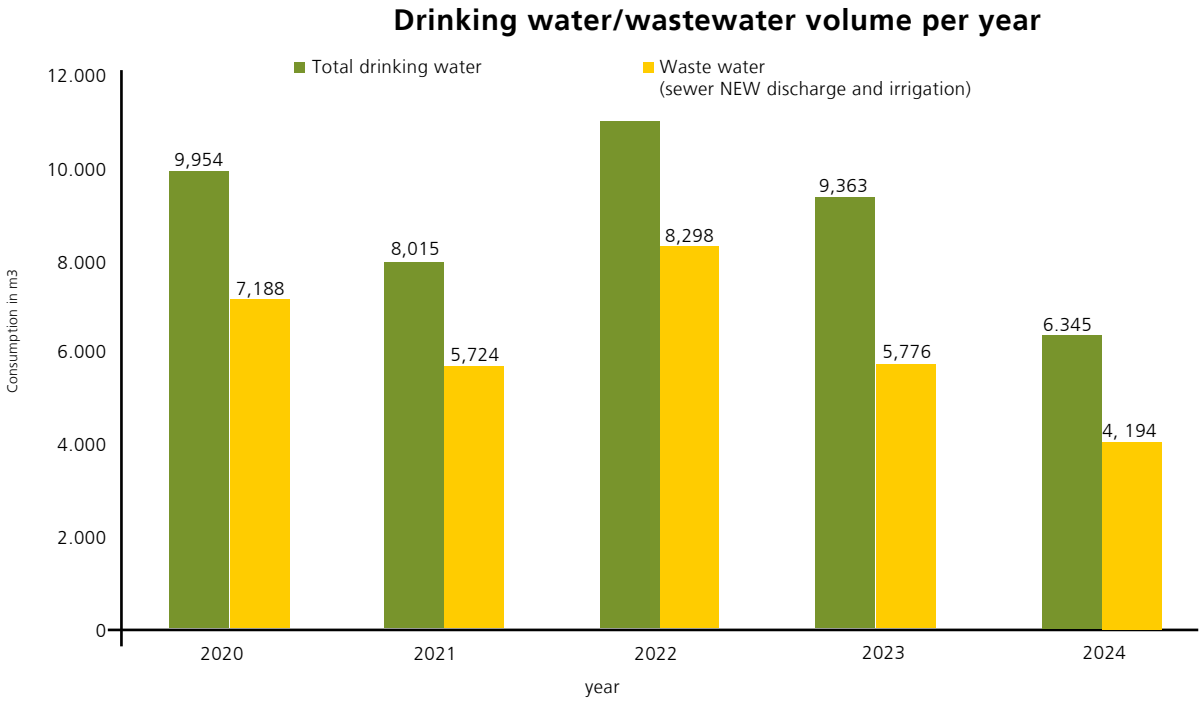

Figure 11: Water balance calendar years 2019-2024

Biological Diversity & Ecosystems
(E) ENVIRONMENT

Principle: "We recognise the importance of preserving biodiversity and protecting the ecosystem. Although we currently believe that our company's direct impact on these issues is low and that there are no immediate risks, we take responsibility and strive to minimise our ecological footprint. Our corporate policy emphasises respectful treatment of the environment, promotion of the ecosystem and cooperation with relevant stakeholders in order to achieve a positive impact on biodiversity. We are committed to sustainable development, which not only meets the requirements of our Industry standard, but also ensures long-term environmental integrity.

As part of our materiality analysis, we conducted an in-depth review to determine whether and to what extent our company could impact the local or global ecosystem or whether our products have an impact on biodiversity. Our site is located in an area that is not considered threatened, and there are no known endangered species. This was also confirmed by a representative of BUND, who participated in the analysis as a stakeholder.

The sealing of the ground by our buildings has a direct impact on the local ecosystem. To compensate for this, we have expanded unsealed brownfield sites and created a wildflower meadow that contributes to promoting biodiversity. In addition, in 2023 we began supporting regional reforestation projects that create forest areas without economic use. These projects help to restore natural habitats for a variety of species.

In 2023, we supported a reforestation project in Ratingen with over a hundred trees, planted 1,000 trees in the Hardter Wald forest in 2024, and are planning another project in the Mönchengladbach area by 2025, where we will plant over 1,000 trees. We are not only committed to optimising our CO_2 balance, but also aim to offset our ecological footprint through our production sites.

Our employees are actively involved in these projects to raise awareness of the importance of biodiversity and promote their identification with this important issue.

In our supply chain, we analyze and evaluate the potential environmental impact of raw material extraction and processing. We work closely with our suppliers to minimize potential threats to ecosystems.

Our product developments also take into account the protection of ecosystems and biodiversity. In summer 2023, we received the EU Ecolabel for our high-performance biolubricant rhenus LAE 2. The EU Ecolabel is a voluntary environmental label awarded to products and services that have a low environmental impact throughout their entire life cycle. Companies that use products with this label benefit from an improved environmental balance, greater customer loyalty, and easier access to certain markets. rhenus LAE 2, a high-performance EP grease, was specially developed for use in lubrication points where excess grease could end up in the ground, sewage system, or waterways. Instead of mineral oils, rhenus LAE 2 uses synthetic esters with excellent properties. These ensure that bio-lubricants are now just as effective as mineral oil-based esters in many areas. This development demonstrates our forward-looking approach to actively promoting the protection of ecosystems, and we will continue to launch innovative products that protect biodiversity in the future.

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Resource use and circular economy

(E) Environment

Principle: "We are committed to sustainable resource use and promote recycling. We continuously invest in innovative technologies to minimise the consumption of raw materials and use recyclable materials in and with our products and packaging. Through efficient production processes, we strive to avoid and reduce waste and establish a closed value chain. Together with our employees and customers, we are committed to leaving as small an ecological footprint as possible and contributing to a sustainable future."

Optimised use of resources is a central component of our business policy. This is where our economic and ecological interests converge, not only against the backdrop of sustainable development, but also with a view to increasing efficiency and profitability. The analysis, evaluation and continuous improvement of resource utilisation, as well as the introduction of circular economy models where possible, are firmly anchored in our ISO 14001-certified environmental management system.

As part of our Rhenus Lub Competence Program service program, we already offer selected customers the collection of used, non-water-miscible cooling lubricants. These lubricants are specially recycled and reprocessed so that a large proportion of the cooling lubricant can be reused. Thanks to a high proportion of re-refined material, in which the base oil is distilled from the cooling lubricant, we are able to return almost all of the cooling lubricant back into the cycle.

In the past, we have also attached great importance to the material or thermal recycling of our waste. As a result, we have achieved our target of 99% recycling rate for our waste. Less than one percent of the waste was disposed of without further use.

A large part of our projects to promote recycling and the circular economy focus on packaging. Industrial packaging must not only our products not only protect them safely, but also meet our customers' requirements while being cost-efficient and environmentally friendly.

Recyclable or biodegradable packaging is becoming increasingly important. In recent years, we have increased the proportion of reusable or recyclable packaging to transport containers, and we use both plastic and steel.

We fill our cooling lubricants in steel drums, among other things – and here we rely on so-called Reko drums. These drums can not only be reused up to 10 times, but can also be recycled afterwards. This results in considerable savings in raw materials and an efficient contribution to the circular economy.

In addition, the use of reconditioned packaging reduces CO_2 and other greenhouse gas emissions by up to 80% compared to new packaging. In 2024, we were able to save almost 950,000 kg of CO_2 by using over 48,000 Reko drums.

To further reduce our ecological footprint, we source these reusable barrels exclusively from within a 250-kilometer radius of our site in Mönchengladbach. Their regional production and processing contribute to the creation of a sustainable circular economy that benefits Rhenus Lub, our customers, and the environment. We are also working to continuously increase the proportion of recyclable drums. If the market does not offer enough reusable drums, new drums are purchased from within a radius of no more than 100 kilometers to avoid unnecessary transport and reduce CO_2 emissions. In the plastics sector, we are increasingly focusing on recycled materials, i.e., recycled plastics, in order to reduce the need for new materials and optimize the use of resources. This also contributes to the reduction of plastic waste, as plastics are returned to the production process. In the future, Rhenus Lub will primarily use the following types of packaging made from recycled materials:

- **PCR cartridges** made from post-consumer recycled material for filling fats in smaller containers.
- **Intermediate bulk containers (IBC)** made from partially recycled material, with a capacity of 1,000 litres. Their rectangular shape ensures high efficiency in storage and transport.
- **Blow-moulded containers** made from partially recycled material, which we use in various sizes up to 20 litres.

Facts and figures

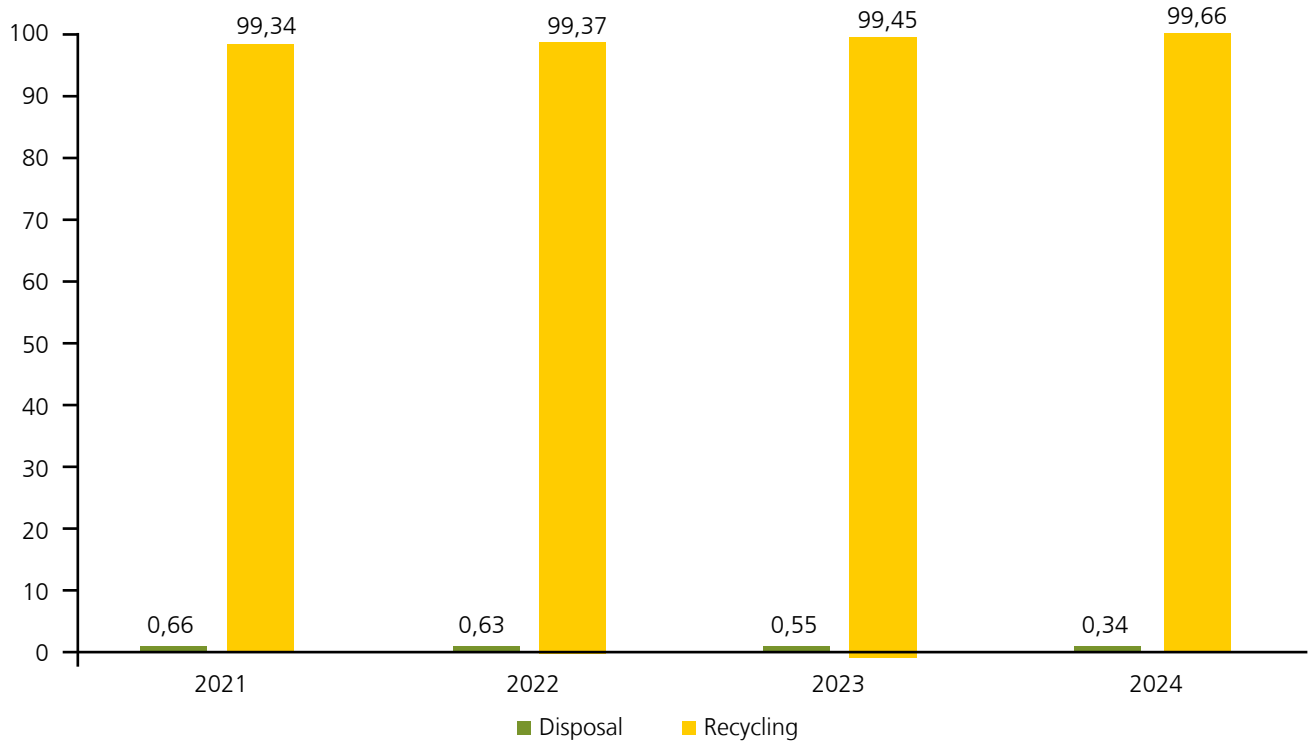


Figure 12: Overview of waste recovery rates for the calendar years 2020–2024

(S) SOCIAL RESPONSIBILITY

OWN EMPLOYEES

(S) SOCIAL RESPONSIBILITY

Principle: "We attach great importance to working conditions, equal treatment and human rights within our company. We are committed to creating a workplace characterised by respect, fairness and equal opportunities.

Every employee deserves a safe and supportive environment in which they can develop their full potential. Discrimination of any kind is not tolerated, and we are actively committed to upholding human rights. Together, we strive to maintain to promote a corporate culture based on diversity, inclusion and appreciation.

For many years, we have been using an effective occupational safety management system that is regularly reviewed both internally and externally and is certified according to ISO 45001. As a chemical company, we comply with the strict safety requirements of German legislation without exception.

Social sustainability at Rhenus Lub includes in addition to comprehensive health management and compliance with social standards, we also focus on the satisfaction of our employees. We pay particular attention to work-life balance, the promotion of diversity and modern training and development opportunities. Our sustainability indicators include the age structure of the workforce, length of service and employee turnover. In the reporting year, the average age of our employees was 48. The average length of service fell slightly and stood at 13 years in 2024. It is particularly pleasing that the employee turnover rate remains at a low level of just 2.0%, which is high level of commitment our employees have to the company.

Women make up 23% of the workforce at Rhenus Lub, and around 8% of our employees come from a total of nine other countries.

The further training of our employees is a central component of our sustainable human resources policy. Our e-learning system 'SAM' offers training courses on quality, energy, occupational safety and environmental topics, and between 2020 and 2024, our employees completed a total of 5,758 SAM training courses. In addition, 79 regular further education and training courses were held with a total of 428 participants. More than 60 personal training sessions were also conducted. This ensured that over 99% of employees were classified as having a 'high' level of training.

Rhenus Lub also supports 1-2 diploma or doctoral students each year to promote young scientists.

Figures and results

	2021	2022	2023	2024
Average age of employees in years	46	47	47	48
< = 30 years	6	13	7	9
31 - 40 years	24	22	24	23
41 - 50 years	27	26	27	27
> 50 years	42	38	42	41
Average length of service of employees in Years	13	14	13	13
Staff turnover (voluntary departures) in %	3,3	3,2	3,8	2,0

Figure 13: Key figures relating to personnel

Employees in the supply chain
(S) SOCIAL RESPONSIBILITY

Principle: "We actively promote fair working conditions, equal treatment and the protection of human rights within our supply chain. We maintain trusting relationships with our suppliers and demand compliance with the highest standards in terms of labour law and human dignity.

Through market observation and transparent communication, we support integrity in our supply chain. Together with our partners, we work to promote sustainable practices and make a positive social contribution along the entire value chain."

Projects and initiatives

All our raw material suppliers undertake in their contracts to comply with our Code of Conduct and the provisions of the UN Global Compact (UNGC). This ensures that the highest standards in terms of labour law, human dignity and fair working conditions are maintained throughout our entire supply chain. We conduct comprehensive discussions with all direct contractual partners to ensure that these values are observed in all processes. Although we are not directly subject to the Supply Chain Due Diligence Act, we have proactively adopted the required measures to protect human rights within our supply chain. Our complaint system, which was implemented as part of the Whistleblower Protection Act for compliance complaints from our employees, is also open to external parties. This means that complaints concerning our suppliers can be submitted to us from any source. This ensures that we can take immediate action to maintain our high standards.

We currently work mainly with suppliers based in Germany or within the EU, where compliance with strict EU guidelines on occupational health and safety, equality, fair wages and the prevention of discrimination is guaranteed. These trusting relationships support our efforts to promote sustainable practices along the value chain.

As part of our due diligence supply chain process, we also check whether there are any potential risks relating to fair working conditions and human rights at lower levels of our supply chain. This includes a careful analysis of the countries of origin in comparison with the Fund for Peace's Fragile States Index, particularly with regard to human rights. Furthermore, we take into account the EU classifications for critical raw materials and the ILO assessments on working conditions and child labour. These measures ensure that we maintain integrity in our supply chain and make a positive social contribution together with our partners.

For New Allocations:
Screening of sourcing countries and raw materials against the Fragile States Index, UN Global Compact (UNGC) principles, EU critical raw materials, and the ILO list of critical raw materials.

Suppliers

Contract with a requirement to act in accordance with UNGC principles

Self-assessment through on-site visits, if necessary

Figure 14: Due Diligence Supply Chain Process

Affected community
(S) SOCIAL RESPONSIBILITY

Principle: "Rhenus Lub is involved in local initiatives and projects to promote quality of life and sustainable development at its locations. Through open communication, partnership-based cooperation and the commitment of its employees, the company strives to achieve a long-term, positive impact in the region."

We are currently reviewing our entire supply chain to ensure that raw materials that may originate from areas of risk for indigenous communities do not have a negative impact on them. To this end, we analyse the Fragile States Index and work closely with our suppliers to review supply chains back to their source, such as mines, and identify potential issues. For Rhenus Lub, the term "communities" encompasses the immediate neighbourhood of the production site as well as the local urban community. In the absence of specific challenges in dealing with indigenous groups, the term is broadly defined and includes, in particular, interested residents and municipal structures.

Social commitment is firmly anchored in the company's practices and is supported by an annual budget. Through its participation in local initiatives such as the Mönchengladbach Initiative Group and Master Plan 3.0, Rhenus Lub actively contributes to urban development.

Here is a particular focus on promoting social projects: for example, the Mönchengladbach Knowledge Campus has been supported as an educational infrastructure for many years. In addition, the company is involved in the Förderzentrum Nord (North Support Centre), particularly in projects promoting healthy eating among schoolchildren.

Our commitment to a well-kept cityscape: the Clean-up-MG initiative in Mönchengladbach. The long-standing involvement of Isabella Kleeschulte – partner at Rhenus Lub and member of the association's executive board – underscores the personal and corporate commitment to social responsibility beyond the company's core business.

Clean-up-MG is now regarded as a living example of urban sustainability and a catalyst for an active, participatory urban society that actively contributes to the cleanliness and attractiveness of the urban environment.

Figures and results

2003: Initiativkreis Mönchengladbach: Founding member
2008: Kindergarten: Donation of sunshades
2012: Special needs school: Healthy breakfast (ongoing initiative)
2016: Cultural association: Donation of learning materials
2017: Contribution to MG 3.0 Masterplan
2017: Playground modernization
2018: Catholic Peace Foundation: Member
2019: Wissenscampus: Founding member
2021: Hofgarten Association: Donation of gardening supplies and toys
2023: Flyers for drug prevention in schools (annual since 2023)
2023: Donation of 300 tree saplings
2024: Member of Clean-up Mönchengladbach, donation of over 1,000 tree seedlings in the Hardter Wald, Mönchengldbach

Consumers and end users
(S) SOCIAL RESPONSIBILITY

Principles „We actively support our B2B customers in their efforts to offer sustainable products and services. On the one hand, we are committed to reducing CO_2 emissions in our customers' production processes through our products; on the other hand, we provide innovative products and services that minimize the product carbon footprint of their end products. Additionally, we ensure a sustainable and socially responsible supply chain. Through our collaboration, we contribute to enabling our customers to offer sustainable and environmentally friendly solutions to their consumers and end users. Sustainability is our shared path to the future."

As we exclusively serve B2B customers, our products are utilized within their business operations. In doing so, they bear the responsibility of using our products safely and correctly. Our goal is to develop products that are both safe and user-friendly, minimizing the workload and required protective measures for users.

In addition to safe handling, the CO_2 footprint of our customers, particularly in the Scope 3 area, is becoming increasingly important. For more details, please refer to the chapter on Climate Protection.

rhenus TY 155 L: the right choice for people and machines

During the development of rhenus TY 155 L, we placed special emphasis on environmental compatibility and skin-friendliness. This metal working fluid is free of biocides, skin-friendly with a neutral pH value, and has a pleasant scent.

The product is GHS label-free and classified in water hazard class 1. It does not contain boron and is therefore particularly gentle on people and the environment.

rhenus TY 155 L is also ideal for machining difficult-to-cut special materials and stain-sensitive light metals.

rhenus TU 446: Full performance and cost savings included. With rhenus TU 446 we demonstrate that high performance and a wide range of applications are not mutually exclusive. The cooling lubricant impresses with its long-term stable formulation, which keeps both machines and workpieces clean – reducing downtime, maintenance costs and scrap, and thus saving money.

In addition, rhenus TU 446: is particularly easy to handle: it is GHS-labelled and classified in water hazard class 1, which makes internal handling much easier. rhenus TU 446: also sets new standards in occupational safety: the cooling lubricant is free of SVHC substances and contains no formaldehyde deposits. This makes it an excellent alternative to products based on secondary amines and proves that performance and occupational safety can be optimally combined.

G
BUSINESS CONDUCT

CORPORATE ETHICS AND CULTURE

(G) CORPORATE GOVERNANCE

Principle: "Our corporate ethics are based on transparency, integrity, and social responsibility. We are committed to strict anti-corruption rules and reject any form of unethical behavior. Through a sustainable corporate culture, we foster an atmosphere of openness and collaboration. Our goal is not only to offer high-quality products but also to make a positive contribution to society and the environment by upholding the highest ethical standards. Through active memberships in associations and committees, we aim to support these core values in industry regulations and cooperation within our sector."

As a family-owned company, integrity, honesty, and respect for people and nature are central values deeply embedded in our daily actions. These principles shape our behavior throughout the organization and in all our relationships. Our business is built on mutual trust, both within the company and with our partners. We believe that clear rules strengthen trust by fostering transparency and reliability. For this reason, we introduced a Code of Conduct in 2022, which applies to all managers and employees. This code is actively communicated and serves as the foundation of our actions. Our suppliers are also required to adhere to the principles of our Code of Conduct, which is based on the values of the UN Global Compact (UNGC).

To ensure these principles are upheld, we implemented an anonymous reporting system in 2023, accessible to all stakeholders - both internal and external. This system is managed by an independent external organization and provides a secure and transparent way to report any violations. To date, no complaints have been reported.

Our commitment to sustainable development extends beyond the boundaries of our company. We actively participate in relevant committees and industry associations to support both our business interests and sustainability goals. Since 2011, we have been a member of the UN Global Compact and, as of 2023, of the UNGC Netzwerk Deutschland e.V., giving us access to valuable insights and initiatives for sustainable corporate management.

We are particularly proud of our 2023 Supplier Engagement Rating (SER) classification, which demonstrates that we, as a medium-sized company, operate on par with major industry players. This result reaffirms that our sustainability strategies are on the right track.

Figures and results
(continuous membership)

2011: UN Global Compact
2021: NaSch Initiative, VSI / UEIL
2023: UN Global Compact Netzwerk Deutschland e. V. (in 2023)
2023: SBTi
2023: CDP

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

NaSch
Nachhaltigkeitsinitiative Schmierstoffindustrie

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

CDP SCORE REPORT - CLIMATE CHANGE 2024

RHENUS LUB GMBH & CO

Region	Europe
Country/Area	Germany
Questionnaire	Chemicals
Activity Group	Chemicals

The CDP Score Report allows companies to understand their score and indicate which categories require attention to reach higher scoring levels. This enables companies to progress towards environmental stewardship through benchmarking and comparison with peers, in order to continuously improve their Climate Change governance. Investors will additionally receive a copy of the CDP Score Report upon request. For further feedback please contact your account manager or your key CDP contact.

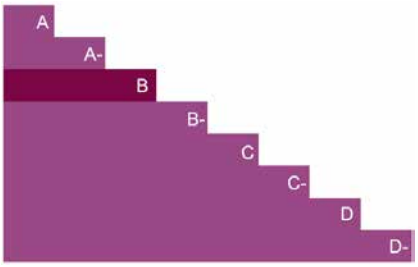
Your CDP score

B

Average performance

Chemicals	Europe	Global Average
B	C	C

UNDERSTANDING YOUR SCORE REPORT



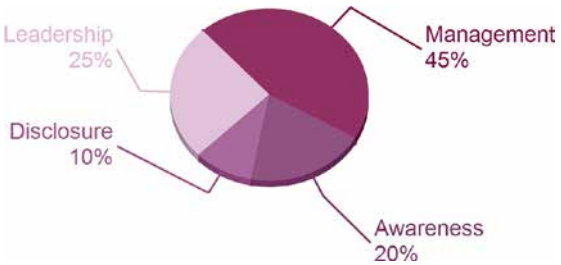
RHENUS LUB GMBH & CO received a B which is within the Global Management Band. It is above the Europe regional average of C, and equal to the Chemicals sector average of B.

Leadership (A/A-): *Implementing current best practices*
Management (B/B-): *Taking coordinated action on climate issues*
Awareness (C/C-): *Knowledge of impacts on, and of, climate issues*
Disclosure (D/D-): *Transparent about climate issues*

ACTIVITY GROUP PERFORMANCE

Chemicals

Your company is amongst 45% of companies that reached Management level in your Activity Group.



A sample of A-list companies from your Activity Group:
Bayer AG
Beiersdorf AG
SK Chemicals

*Please note that the peer group average scores are compiled with only investor-requested company scores based on 2023 Scores.

Rhenus Lub:

"For us, sustainability is not a goal, but a path – one that we are pursuing with responsibility, transparency and determination."

07/2025, Version 01,EN

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