

# Sustainability 2022

Report on the activities of SE Tylose GmbH & Co KG  
in the areas of the economy, ecology and social affairs



# Sustainability

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## About this report

In this report, we as a medium-sized chemical company located at Kalle-Albert Industrial Park, Wiesbaden, want to inform business partners, employees, local residents and interested parties about our performance in the area of sustainability. In addition to the data published annually by our parent company, Shin-Etsu Chemical Co., Ltd. (Japan), we are presenting our own report since 2020 about activities and projects in this sector every two years and want to encourage a dialogue with anyone who is interested in this matter.

The report format is aligned on what are known as the “Chemie<sup>3</sup>” guidelines for sustainability reporting for medium-sized companies in the chemical industry (Version 2.0). The contents and structure take into account the three dimensions of sustainability: Economy, ecology and social affairs.

For this purpose, we continue to focus on the main sustainability issues that SE Tylose GmbH & Co. KG deals with in its daily business. The introductory section, “Portrait of SE Tylose GmbH & Co. KG”, provides information about our company, about our understanding of sustainability and how we implement the resulting demands made on us.

This sustainability report relates to our financial years 2021 and 2022 so covers the period from 01.01.2021 to 31.12.2022. Unless otherwise stated, the facts, figures and information reported here apply to the entire company based in the Kalle-Albert Industrial Park, Wiesbaden, provided nothing to the contrary is stated. During the reporting period, there were no material changes to the size or structure of the company or to ownership.

To ensure better readability, we largely refrain from using gender-specific double references in this report. All references are to be understood as gender-neutral.



## Foreword from the Board



**Fumio Arai**  
Managing Director



**Dr Diethart Reichel**  
Site Director

Dear readers,

SE Tylose GmbH & Co KG has been committed to sustainability for many years. With our products and our ecological and social commitment, we make an active contribution to the efficient use of resources and to environmental protection and to social responsibility. We strongly support the "Sustainability Guidelines for the Chemical Industry in Germany", which are summarised in the initiative Chemie<sup>3</sup>.

Our parent company, Shin-Etsu Chemical Co., Ltd., Japan has been reporting annually on current and future sustainability activities for more than 10 years. In addition to activities in the main areas of human rights, labour standards, environment and anti-corruption, Shin-Etsu Chemical is working on a Carbon Neutral Strategy 2050. European Union legislation on sustainability is mandatory for SE Tylose, so we consider it appropriate to continue to present a separate report.

All three dimensions of sustainability – economy, ecology and social affairs – are of equal importance to our activities:

- ▶ In order to be able to continue to supply our customers with our products Tylose® and Tylopur®, we invest in innovation, which in turn contributes to increasing the efficiency of our production processes and the quality of our products. Our water-soluble cellulose ethers are manufactured from a renewable natural product - cellulose. This cellulose originates from certified sustainable forestry or is generated as a by-product during cotton manufacturing.
- ▶ Many products in which our cellulose ethers are incorporated as a small but effective component – for example paints or plaster – last for years and thus bind CO<sub>2</sub> for the long term. We are continuously working to further optimise the ecological balance of our products.
- ▶ As a good neighbour, we support initiatives that are themselves advocates for the vulnerable – such as a school with a funding priority for special mental needs, a food bank for those in need or a children's hospice.
- ▶ We show special responsibility towards our employees not only being bound by collective agreements, but also, for example, through our training programmes, the promotion of a healthy working environment and employee health.

- ▶ In addition, the training of future skilled workers is an important concern for us, as is our desire to offer as many trainees as possible a long-term job after they have completed their training.
- ▶ We are planning social actions that contribute to environmental protection and will participate in activities to keep bodies of water clean in the future.

We continue a systematic approach to our many sustainability activities and continue to develop and implement our sustainability strategy.

You can find out more about our activities in 2021 and 2022 on the following pages.

Yours

Fumio Arai  
Managing Director

Dr Diethart Reichel  
Site Director

## 1.

## Portrait of SE Tylose GmbH & Co KG

SE Tylose GmbH & Co KG (SE Tylose) belongs to the Japanese Shin Etsu Group. As one of the leading international chemical companies, the Shin-Etsu Group employs more than 24,000 people worldwide and achieved a turnover of around 17 billion US dollars in 2022.

SE Tylose, Wiesbaden employs around 570 people in research and development, production, sales and administration, including around 30 trainees. Here, SE Tylose develops, produces and distributes cellulose ethers. With an annual capacity of about 65,000 tons, we are one of the world's leading companies in the production and distribution of methyl cellulose (MC) and hydroxyethyl cellulose (HEC). These water-soluble cellulose ethers are manufactured from a renewable raw material - cellulose. The cellulose we use mainly originates from sustainably managed wood and a partly from a by-product from cotton production.

SE Tylose is located in the Kalle-Albert Industrial Park in Wiesbaden-Biebrich. This is the second-largest industrial park in Hessen, in which more than 70 companies are located, the majority of which are from the chemical industry.

### The products and their applications

The production of cellulose ether at the Wiesbaden site has a long tradition. The trademark Tylose® was registered as early as 1928 and the first production plant for methyl cellulose went into operation in 1935 at the former Kalle plant - the predecessor of today's industrial park. SE Tylose offers more than 200 different cellulose ether products to the customers.

The areas of application are diverse. In the building materials and paint industry, the products under the brand name Tylose® ensure a workable consistency of ready-mixed mortars, tile adhesives, plasters and fillers. They thicken varnishes and emulsion paints and enable paint to be applied evenly and with little splashing. Tylose® is also used as an excipient in toothpaste, shampoos and hair conditioners. In the ceramics industry, Tylose® is used as a highly effective plasticiser and binder in the production of particle filters or catalyst carriers, which are used to clean exhaust gases.

High-purity cellulose ethers manufactured according to Good Manufacturing Practice (GMP) under the brand name Tylopur® are used in the pharmaceutical industry – including tablet coating or for the time-delayed release of active ingredients. Manufactured strictly in accordance with food safety regulations, Tylopur® products are used in the food industry - amongst other things as thickeners and binders. In particular, the property of forming thermal gels serves new areas of application such as plant-based meat alternatives and gluten-free baked goods.



## 2.

## Sustainability in the company

SE Tylose is very aware of its corporate and social responsibility and carries out activities in the field of "Environmental Social Governance (ESG)" as an integral part of its business. Our actions are guided by the UN Sustainable Development Goals (SDGs), the National Action Plan "Business and Human Rights" (NAP) and the CSR Directive Implementation Act (CSR-RUG).

We are continuously working to analyse the risks and opportunities that climate change may bring to our business. This report provides information on our initiatives that we have already addressed and implemented in relation to climate change.

One of the greatest challenges of climate change is reducing climate-damaging CO<sub>2</sub> emissions. We are working intensively to identify energy-saving potential at our company and to implement appropriate measures. We are currently taking initiatives to further strengthen respect for human rights, which are of the highest importance in our company. We have introduced an internal Code of Conduct for our employees and an external Code of Conduct for our business partners, which, together with our Human Rights Policy, our Corporate Social Responsibility Policy and our commitment to environmental protection, document our commitment to sustainability. We actively communicate our guidelines and our sustainability statements on economy, ecology and social issues to our business partners.

We will continue to comply with the relevant international codes of conduct and do our part to strengthen the human rights described therein.

### Sustainable Development Goals (SDGs)

SE Tylose aims to adopt a sustainability strategy in accordance with the Sustainable Development Goals (SDGs) developed by the United Nations in the economic, environmental and social fields. These illustrate the challenges we face in the 21st century. This also applies to capital investments, the development of new products and the opening up of new business areas. We are confident that our product offering facilitates the achievement of these goals and that the applications of our products are in line with these goals. For the parallel pursuit of sustainable development of human society, improvement of quality of life and reduction in environmental impact, we believe it is essential to maximise efficiency in production.

SE Tylose supports the 17 Sustainable Development Goals (SDGs) set by the United Nations and contributes with its products to the achievement of the following goals (SDG 2, SDG 3 and SDG 13), among others:



SE Tylose produces cellulose ethers under the brand name Tylose<sup>®</sup>, which are used in the cultivation of crops in agriculture. Tylose<sup>®</sup> is used as a binder to produce uniform seeds, which increases planting per acre and thus yields. The food additives produced under the brand name Tylopur<sup>®</sup> Food contribute in many ways to sustainable nutrition and the fight against hunger worldwide. Tylopur<sup>®</sup> is used in a variety of different food applications. It is an essential ingredient in the production of gluten-free bakery products, which offer people with coeliac disease or gluten intolerance alternatives to conventional foods. Tylopur<sup>®</sup> is used as an essential ingredient in plant-based meat substitutes. Plant-based alternatives containing Tylopur<sup>®</sup> require on average 95% less water and land to produce than the same amount of beef from conventional animal farming, without compromising animal welfare.



The pharmaceutical excipients produced under the brand name Tylopur<sup>®</sup> Pharma have a wide variety of applications in the production of medicines and food supplements. They are used, for example, as coating agents for tablets, pellets or capsules. Tylopur<sup>®</sup> is also used for the production of capsule shells. The plant-based origin enables patients to follow a vegetarian or vegan diet. Tylopur<sup>®</sup> products as tablet binders allow a constant release of the active ingredient over a longer period of time.



Our Tylose<sup>®</sup> products are used as additives in building materials and paints to improve their workability and quality. After curing and setting, our cellulose ethers are incorporated long-term into the building material components. Thus, the CO<sub>2</sub> bound in them does not represent an additional emission into the atmosphere. As mentioned under SDG 2, our Tylopur<sup>®</sup> products contribute to meat substitution. Animal agriculture is one of the main sources of methane (greenhouse gas) emissions, so the availability of meat alternatives with Tylopur<sup>®</sup> helps to reduce methane emissions.

Resource efficiency, increased productivity, smart business processes and health improvement are the key issues we are working on. In this endeavour, we are committed to broadening our range of actions and continuing to drive innovation throughout our operations. It is our stated goal to contribute to the SDGs in all aspects, whether by expanding the scope of existing products or developing new ones.

In addition, in accordance with the global Responsible Care Global Charter® we are continuously working to improve environmental protection, occupational health and safety, and process safety at our company.

### Further development of our employees

We produce and sell cellulose ethers that are essential for improving quality of life as well as for sustainable applications in everyday life.

We have highly motivated employees who work on this mission. Our success is based on the knowledge, energy and passion of these people. We foster a culture where everyone is respected and valued and has equal opportunities to contribute. We invest in the development of our people through training programmes and various career development opportunities. We are proud that our colleagues are committed to working towards our goals.

### Sustainability Task Force

SE Tylose has brought together a team of experts from different divisions of the company working on both department specific and cross-departmental issues as a "sustainability task force". It agrees on goals and sets up a system of key performance figures to make the topics to be worked on and our further development comprehensible and transparent. The integration of the future sustainability strategy into our overall strategy as well as the support of the sustainable development of the company is fully ensured by the top management, since several of them are part of the task force.

We map the topics that are essential for our company in connection with sustainability in a so-called key matrix, suggested by Chemie<sup>3</sup>. In doing so, we take into account structural and social developments, as well as internally determined priorities from various departments such as research & development, human resources or environmental management. We analyse the topics selected in this way to improve our sustainability performance based on our own targets and guidelines as well as the expectations of stakeholders such as customers, employees, business partners and the local public. We regularly review the weighting of the topics as well as the implementation in our company.

We strive for high quality level of our work in our daily tasks, which reflects in the quality of our products. We are a reliable partner for our customers and suppliers and at the same time a fair and reliable employer. Respect for human rights, equal rights, safe working conditions and market remuneration are integral parts of what we do. Examples of this are social benefits and flexible working time models, a health programme for all employees and ensuring equality and educational opportunities. In close cooperation with our partner InfraServ Wiesbaden, we train skilled workers to meet our need for qualified personnel.



Our company contributes to supporting the region, the residential areas in our neighbourhood and the families of our employees. To this end, we have developed a donation guideline with which we support various charitable institutions, such as a neighbouring children's hospice, the food bank run by the Kolping Family, Wiesbaden-Biebrich and the Johann-Hinrich-Wichern-Schule - a school with a focusing on special mental needs. In addition, SE Tylose is regularly involved in the "Girls' and Boys' Day" for children of employees, the "Jugend forscht" perspective forum in the industrial park and the "Wiesbaden Engagiert!" action week.

### Working conditions, occupational safety and safe production

The health and well-being of our employees is close to our hearts. "People, environment and biodiversity" (UN Sustainable Development Goal 8) is therefore a high priority. We are committed to exemplary occupational safety - supported by the operation of safe facilities, regular training programmes for employees, individual protective equipment of a high technical standard and appropriate hygiene concepts. A health programme for employees complements these activities.

We provide our customers with information on the safe and sustainable use of our products, which also include training for distributors and customers as well as the provision of specific documentation and certificates. In this way, we promote understanding and awareness of our products throughout our supply chain.

We work permanently to identify and exploit potential improvements in our production processes. Continuous reduction of energy consumption is our goal and is validated annually through the certification of our energy management system according to ISO 50001.

In addition to improving energy efficiency and the associated reduction in CO<sub>2</sub> emissions, we strive to reduce the use of raw materials and water through recycling and circular economy. Our largest raw material in terms of volume, wood pulp, is sourced from suppliers who have committed to sustainable forest management. Since 2021, we have been certified according to PEFC (Programme for the Endorsement of Forest Certification Schemes) to provide chain of custody evidence of wood products and to support the issue of sustainability along the value chain.

Thanks to a central wastewater treatment plant for the industrial park that is specially adapted to the production wastewater that accumulates, our wastewater is biologically purified and discharged into the Rhine following mechanical and chemical pre-treatment. The extensive purification technologies applied (anaerobic, aerobic and de-nitrification) meet the high regulatory requirements for efficient wastewater treatment and allows the extraction of biogas, which is used within the industrial park to generate energy contributing to reduction in the use of fossil fuels.

A good economic result, which secures jobs, strengthens our infrastructure and allows for successful investments, is one of the cornerstones of our success. Therefore, fair business practices that are expressed in long-term supplier, distributor and customer relationships are important to us. To this end, we carry out evaluations of new suppliers and regularly check the work performance of existing suppliers with on-site audits.



### Sustainability Assessment

“Sustainability” encompasses many areas of a company and is in a constant state of change. Therefore, it is important for us to also evaluate our sustainability performance with external partners. We want to cover all three pillars, i.e. economy, ecology and social issues, so we have been using the EcoVadis assessment since 2013 to communicate our sustainability qualification to our business partners. EcoVadis is one of the largest providers of sustainability assessments and analyses more than 100,000 companies worldwide according to their environmental, social and ethical competence using leading standards such as GRI, UNGC and ISO 26000. After each assessment, we use their experts' concrete suggestions to further improve our activities.

We are proud to have again achieved top scores in the 2022 rating. Since 2016, SE Tylose has been in the top 5 percent of the best positioned companies in the same category (industrial production of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber) on the topic of "sustainability", as rated by EcoVadis.

## 3. Action areas

### 3.1 Supply chain

SE Tylose sources raw materials from different regions of the world. Our aim is to keep supply routes short and sustainable, for example by using ships and rail instead of roads. We strive for a trusting and long-term cooperation with our suppliers and partners and rely on strategic partnerships that ensure stable processes within our supply chain.

As part of our supplier management, we pay attention not only to the quality and reliability of deliveries but also to compliance with environmental and social standards, which are reviewed as part of continuous risk-based supplier audits and supplier assessments.

#### Action area supply chain

We are monitoring the developments surrounding the European Union's Supply Chain Act as well as the Supply Chain Sourcing Obligations Act passed by the German Bundestag and are intensively addressing the requirements that will arise for us as a result. Against this background, we are continuously working to improve our processes and policies and see our approach to sustainability along the supply chain as a dynamic process.

#### Sustainable purchase of raw materials

The majority of our cellulose raw material comes from sustainable forestry. This is confirmed by the corresponding certification (PEFC). For our petrochemical raw materials as well as our acids and alkalis, we are working with our suppliers to assess whether and when sustainably produced variants of these raw materials are available.



### Sustainable purchasing of packaging materials

In the area of packaging materials, we have already succeeded in converting some to more sustainable alternatives with a recycled content. We are currently assessing how to convert our entire portfolio to more sustainable or reusable packaging.

## 3.2 Environmental protection

As a company in the chemical industry, we are aware of and conscious of the environmental impact of our manufacturing processes. Environmental protection and energy efficiency are cornerstones of our corporate philosophy and part of our corporate policy. It is our obligation to use our knowledge to limit our emissions on the protected assets including air, water and soil to a minimum. The requirements of ISO 14001 "Environmental Management" and ISO 50001 "Energy Management" ensure that we are continuously working towards this goal. These requirements are regulated in detail via procedural instructions in the management manual. In order to set targets and control environmental management, we undertake annual environmental audit reports in all production plants. In these, the individual environmental projects are tracked and documented in detail with the corresponding optimisation and/or energy saving target.

We are continuously looking at optimisation measures - from substituting hazardous substances to increasing efficiency through improved heat recovery systems for the production facilities. Our current projects are designed, among others, to increase energy efficiency by saving electricity and reducing specific steam, compressed air and nitrogen consumption. Some examples from the 2022 business year:

- ▶ Replacement of conventional fluorescent tubes with LED lighting
- ▶ Steam savings through process optimisation in the area of leaching and distillation
- ▶ Electricity savings through technical modification of pumps and run-time reduction of laboratory equipment
- ▶ Reuse of accumulated hot condensate to save steam
- ▶ Optimisation of the compressed air flushing of product-carrying plant components, thereby reducing compressed air consumption
- ▶ Optimisation in the settings of nitrogen inertisation, thereby reducing nitrogen consumption
- ▶ Use of apparatus with special seals, resulting in a significant reduction in leakage.

The emission values of all our production plants are measured regularly, always comply with the permissible emission values specified by the authorities, and are often significantly lower than these.

In 2021 and 2022, there were no reportable environmental events or violations at our company.

### Life Cycle Assessment (LCA)

Our Research & Development department has been working on the topic of sustainability for many years. After various successful milestones on the way to a complete LCA, we developed a standard-compliant LCA analysis together with an external service provider in 2022. Based on the globally recognised ISO 14040/44, a Product Environmental Footprint (PEF) was created in concrete method design, as proposed by the European Commission at the end of 2021.

An LCA aims to consider all environmental impacts of a product throughout the entire process chain, in terms of many possible so-called environmental impact categories. This typically starts with greenhouse gas emissions (category global warming) and goes on to emissions such as sulphur dioxide, nitrate or phosphate and all material and energy consumption. In the action area of environmental protection, the analysis provides concrete, quantitative statements on eco-balance and identifies potential for improvement.

The study was conducted in relation to the two product types MC and HEC. In case of HEC, the contribution of energy demand was slightly more prominent concerning the environmental impacts, whereas for the case of MC, the involved chemical raw materials, which are obtained by external suppliers, appear to have a larger impact in most categories.

From our study, we were able to derive findings on how the environmental impact can be reduced. The next goal is to incorporate these results into the current corporate strategy to improve our ecological footprint and to obtain an Environmental Product Declaration (EPD) for our products. An EPD compiles standardised, environmentally related product information. In future, this will allow a comparison of the environmental impact of the production and use of cellulose ethers at SE Tylose with that of other producers in a clear and neutral way.

We see our efforts in this context as a contribution to UN Sustainable Development Goal 13: Climate action. SE Tylose has been ISO 14001 certified for over 25 years.

### Energy management

Energy saving potentials are systematically identified at SE Tylose through energy management. Energy efficiency programmes for plants and buildings are consistently launched and implemented. In addition, waste heat from various plant sections is used in integrated processes. All energy consumption is subject to permanent monitoring. Deviations are recorded and, if necessary, corrective measures are initiated in a timely manner. Within the framework of annual and long-term objectives, we have formulated energy-saving targets, which are implemented within the framework of projects. The energy management system and the energy optimisation of the processes are being successfully and permanently further developed with the involvement of all employees. The consistent optimisation and reduction of energy use is an essential component of the further development of SE Tylose. SE Tylose has been certified according to ISO 50001 since 2012.

### Water and wastewater

The chemical industry typically uses large amounts of water for its value-added processes. To achieve water savings, SE Tylose has carried out a number of projects. The goal was and is to reduce the use of drinking water by switching to industrial water.

The recovery of methane from the organic load in the wastewater produced is part of modern wastewater treatment plant technology. This allows methane to be recovered as a valuable fuel and reduces the use of natural gas. In addition, we have worked towards reducing the organic load in wastewater through technical innovations. In this way, wastewater treatment costs could be saved and emissions into the adjacent River Rhine reduced at the same time.

A large part of the cooling water circuits are operated with modern recooling plants, so that only a necessary minimum of thermal energy has to be released into the River Rhine.

In all of this, we are guided by scientific progress. Our Research & Development department has been working closely with technical colleges and universities in the region for many years overseeing student research projects.

### Waste

We contribute to waste prevention by participating in the recycling programmes for the packaging we use: RIGK (for the return and recycling of plastics) and REPASACK (for the disposal and recycling of paper bags).

Wherever possible, we use packaging material that can be used multiple times in order to conserve resources. We promote the reuse of big bags (FIBC), which saves up to 10 kg of material per bag if the bag is used five times. We are currently working with our suppliers on options for using recycled packaging material.

No waste is produced during the production of cellulose ether itself. Any surplus methanol is utilised in the incineration plants to produce steam contributing to reducing natural gas consumption. Waste from technical auxiliaries such as oily wastes, gear oils, metal wastes or paper are sent for recycling.

As part of our waste management, we regularly evaluate our waste balances. Approaches to waste reduction are identified at an early stage and implemented in a practical manner. Disposal processing via our waste management service provider promotes the separate collection of recyclable waste. This waste segregation allows a higher percentage of waste to be successfully recycled.

### Plant safety

High availability of production facilities is a prerequisite for sustainable production. As far as possible and from an ecological and economic point of view, it makes sense and is necessary to operate all production facilities without interruption. This is because start-up and shutdown processes are usually associated with higher specific energy requirements as well as additional resources and should therefore only be carried out when absolutely necessary.

Continuously operated production facilities significantly reduce technical wear and tear. This reduces the frequency of repairs and the resulting earlier replacement of equipment.



We pursue the same goals with our preventive maintenance and servicing. Damage should be detected as early as possible, so that any repairs can be planned in good time. This leads to less damage to the equipment as well as less waste material due to forced production stoppages.

We ensure that the production facilities meet these requirements through a variety of measures, for example

- ▶ Regularly recurring tests on all pressurised equipment
- ▶ Material-technical investigations to optimise the resistance of apparatus to substances and mixtures
- ▶ Continuous evaluation of the vibration behaviour of rotating equipment in order to detect damage to bearings or drive units at an early stage.

In the event of a malfunction or an undesired event at the production facilities, extensive safety precautions are in place to minimise the impact on the protected assets. An overall alarm and hazard prevention plan is in place for the Kalle-Albert Industrial Park. We also have implemented internal plans at plant level. All necessary activities and measures that must be taken in the event of an incident are described here. The necessity of the plans is communicated in training courses and briefings and tested in regular exercises. The plans are always kept up to date.

### 3.3 Employees

We take responsibility for our employees and customers as well as for our neighbours around our production site in the Kalle-Albert Industrial Park.

Together with our works council, we are working to further optimise our working conditions and position ourselves as an attractive and safe employer.

With our corporate guideline, we underline the importance and recognition of human rights. We support the core labour standards of the International Labour Organisation (ILO) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, which include recommendations for responsible social and environmental behaviour.

We take a firm stance against intolerance and discrimination. Our work regulations, our code of conduct, our anti-discrimination agreement and our integration agreement give employees safe guidance in their daily interaction, so that violations of human rights have no place. For example, we advertise all positions in a gender-neutral manner during recruitment procedures.

Since 2012, a compliance manager has been available to all employees as a neutral contact person. This is communicated to the employees in regular training sessions. Should there nevertheless be violations of our compliance requirements or other irregularities, we have set up a reporting procedure for our employees in order to be able to take measures as quickly as possible.

In addition, a newly developed internal code of conduct provides our employees with safe guidance in dealing with each other and with external bodies in a compliant manner.

As a progressive multicultural company, we benefit from the individuality of each person. Cultural diversity expands our creativity, our global thinking and enables us to gain new perspectives.

### Employment

We train apprentices to become skilled workers through needs-based training in the natural sciences, technical and commercial fields. By taking on trainees at our company, we secure our need for well-trained skilled workers. We are committed to measures against youth unemployment by participating in corresponding programmes, such as "Joblinge - together against youth unemployment". We determine further training and qualifications individually for the respective occupational groups or employees.

We design our workplaces in such a way that our employees can continue to work in production until they reach retirement age.

We promote the compatibility of family and career by increasingly setting up jobs for mobile working as well as part-time.

Compared to the industry average, our employees thank us with above-average loyalty to the company.



Aspect	Classification	FY2020 (person)	FY2021 (person)	FY2022 (person)
Employees	Number	555	569	573
	Number of female employees	73	74	75
	Number of part-time employees	32	32	35
	Number of female employees working part-time	23	22	22
Age of the employees	0-15	0	0	0
	16-30	89	86	88
	31-45	186	198	205
	46-60	247	243	235
	>60	33	42	45
Affiliation to the company	0 - 9 years	236	218	217
	10 - 19 years	77	111	128
	20 - 29 years	102	97	87
	30 - 39 years	110	107	103
	40 - 49 years	30	36	38

Aspect	Classification	FY2020 (person)	FY2021 (person)	FY2022 (person)
Human rights	Number of children employed	0	0	0
	Number of forced labourers	0	0	0
Diversity	Number of severely disabled employees	25	27	27
	Number of women in management positions (incl. middle management)	18	19	20
Work-life balance	Number of employees who have taken parental leave	14	15	24
	Number of employees who have been granted educational leave for further training purposes	31	34	29

### Occupational safety and protection of health

We have been certified according to ISO 45001 "Management systems for safety and health at work" since November 2019, which forms part of our integrated management system.

We have been pursuing the long-term goal of "zero accidents" since 2015. In the same year, we launched a comprehensive programme to improve the "safety culture at work". The in-depth analysis carried out at the time showed that the reasons for occupational accidents were predominantly behavioural, accounting for more than 75 percent. This led us to focus the programme on employee behaviour and to involve everyone. The comprehensive SIKU Check (Safety Culture Checklists) programme is part of this initiative. It is based on the concept of Behaviour Based Safety (BBS).

From 2020 to 2022, the severity of occupational accidents (days lost due to occupational accidents in relation to hours worked) was significantly reduced. This is due to the continuous improvement of work and plant technology and the increased awareness of safe working. During the same period, the number of accidents at work increased 1.6-fold. The causes of these accidents were mainly behavioural, which encourages us to continue to invest in behaviour-oriented occupational safety, for example through more intensive instruction and training for employees. In the following table, all occupational accidents of permanent employees, which caused at least one day of absence, are evaluated.





Aspect	Classification	Unit	FY2020	FY2021	FY2022
Occupational health and safety	Number of participants in safety training	Person	555	569	573
	Occupational accident rate (number of occupational accidents in relation to working hours)	-	6,08	8,49	9,87
	Accident severity (lost days due to occupational accidents in relation to productive hours)	-	0,370	0,083	0,046
	Number of work-related fatality of employees	Person	0	0	0

We introduced e-learning software as early as 2003 that covers all topics for which there are legal requirements. Further topics from all other areas of environmental protection, occupational health and safety and energy efficiency are also included. Currently, more than 240 different modules are available for instruction. Employees successfully completed more than 11,800 instruction sessions in 2022. In addition, we offer our employees free health checks to help prevent workplace-related and general health risks.

To intensify these efforts, a Corporate Health Management was introduced on 1 April 2019 under the leadership of a Health Coordinator. There, targeted health promotion and prevention programmes are offered to all employees. This benefits the company - which can only be successful in the long term with healthy and committed employees - as well as the employees.

The goals of Corporate Health Management are:

- ▶ Health Promotion
- ▶ Increase of employee satisfaction
- ▶ Increasing well-being
- ▶ Promoting motivation
- ▶ Strengthening identification with the company
- ▶ Improvement of the working atmosphere

We successfully weathered the Covid-19 pandemic by taking appropriate health and safety measures to protect our employees. We offered vaccinations to every employee whilst updating them regularly. All areas were regularly informed about appropriate health measures. We ensured that every employee was regularly provided with FFP2 masks and free rapid tests. We also equipped meeting rooms with air filters.

### Attractive employer

The key to our success is our committed employees, many of whom have been with us for many years. As a member of the HessenChemie employers' association, we offer our employees the benefits of collective bargaining. In addition to an attractive basic salary, this includes various pension schemes, guaranteed bonuses and a company occupational disability and supplementary nursing care insurance. With additional time off for older employees, above-average holiday and leisure time quotas, flexible working time models with digital networking into the home office and the possibility of saving working time credits in long-term accounts, we enable a healthy work-life balance. We reward long-term company loyalty and encourage the hiring of older employees. Every year we train apprentices, to whom we offer secure jobs after successful completion and support in their further professional development. We train most of our future managers ourselves.

We improve our employer's image with a Corporate Health Management and an occupational medical centre.

We are committed to remain a reliable and attractive employer for our employees, who trains and is committed to collective agreements.



## 3.4 Social commitment

SE Tylose feels connected to its social environment. Maintaining good neighbourly relations with associations, institutions and local residents is the prerequisite for acceptance and understanding with regard to the company's business activities. When making donations, we focus primarily on our immediate neighbourhood in Wiesbaden-Biebrich and Mainz-Amöneburg, and in individual cases on people in need in regions suffering from war or natural disasters. SE Tylose's social commitment in 2022 focused on various charities and educational institutions.

SE Tylose employees showed social commitment by actively participating in campaigns such as "Wiesbaden Engagiert!" or the "Girls' and Boys' Day at SE Tylose".

There has been a close and long-standing relationship with the neighbouring Johann Heinrich Wichern School in Amöneburg. SE Tylose has renovated different parts of the building with a new coat of paint every year since 2011 as part of the "Wiesbaden Engagiert! In 2022, SE Tylose donated € 4,364 in materials and working time through this campaign. In addition, SE Tylose supported the financing of new pedal vehicles such as a tricycle and a kettcar for the school with € 1,000.

SE Tylose donated a total of € 3,200 to the Wiesbaden children's hospice Bärenherz in 2022. Another donation of € 2,500 went to the Wiesbaden BeA Foundation ("Be an Angel"). This was used to finance, among other things, a student worker in a Wiesbaden facility for single mothers and fathers to provide additional care and support for the children and to equip a play-room with materials.

When employees waived an anniversary celebration or relatives waived funeral donations, SE Tylose donated a total of € 300 to the Sea Rescuers (Seenotretter) and the Action Alliance for Disaster Relief (Aktionsbündnis Katastrophenhilfe) at their request.

A fundraising campaign by SE Tylose in favour of the needy in Ukraine received € 11,632 from our employees. The amount was doubled by SE Tylose to € 23,264 and donated to Action Alliance Disaster Relief.

## Legal notice

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