

“At Danzer, Sustainability is a mindset,
not a forest management concept.”

Hans-Joachim Danzer



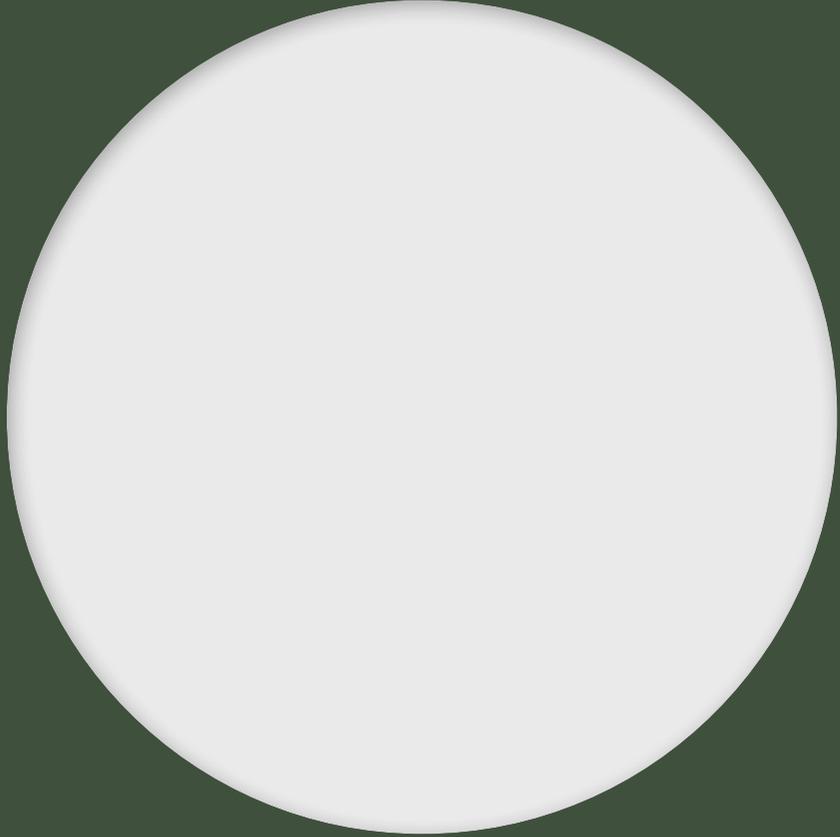
FROM FOREST FLOOR TO GLOBAL RESPONSIBILITY

10th Anniversary of Sustainability Reporting



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FOUNDED IN 1932

Karl Danzer built a governance model of independence, reinvestment, and stewardship – the foundation of Danzer’s success.



FROM LEGACY TO VERIFIED RESPONSIBILITY

- 1960S
Karl Danzer expands into Africa, bringing more than business – building schools, housing, and hospitals for workers and their families.
- 1999
Acquisition of IFO (Congo): sustainable forest management paired with community investment – medical care, clean water, electricity, classrooms, and a future for over 8,000 people.
- 2004
ISO 14001 certification in North America and OLB legality standard adopted, embedding structured environmental and traceability systems.
- 2007
First FSC® and PEFC certifications, verified by SGS, marking independent verification of Danzer’s responsible sourcing systems.
- 2014
First Sustainability Report published – opening our “doors and data” for public scrutiny and dialogue.
- 2018
Danzer Sustainability Report 2016 recognized globally for Materiality and Transparency by Corporate Responsibility Reporting Awards.
- 2020
Danzer helps form Wood4Real Coalition to champion authentic wood and responsible communication in Europe.
- 2023
Danzer joins the UN Global Compact and begins preparing for EU Deforestation Regulation (EUDR) compliance.
- 2024
Danzer Finalized Divestiture of African Activities. Aligned with Danzer’s long-term vision to innovate and lead in sustainable hardwood in the Northern Hemisphere.



● ● ● A STATEMENT FROM OUR CEO

Dear Reader

This year marks the 10th anniversary of Danzer’s sustainability reporting – a moment to reflect on our journey, not just over the past decade, but since our founding in 1932.

Long before sustainability was a global priority, it was embedded in the way we worked: using resources responsibly, thinking in generations, and caring for people and place.

The roots of our industry lie in the principle of Nachhaltigkeit – sustainability – first coined by German forester Hans Carl von Carlowitz in the 1700s. That philosophy shaped us. It guided my grandfather when he invested in African operations in the 1960s, building schools, housing, and hospitals for workers and their families. It still guides us today.

●●● A STATEMENT FROM OUR CEO

We began formally reporting on our performance in 2014 to increase transparency, strengthen accountability, and invite dialogue. But the turning point came a decade earlier, in 2004, after we were publicly challenged. We looked hard at ourselves, committed to greater openness, and sought third-party certification. In 2007, we took a bold step, gaining FSC® certification, testing our resolve and shaping our identity.

Our approach has always been to let actions speak louder than words: making the most of every tree, reducing residuals (or eliminating waste), and creating better products from the same raw material. We see hardwood as both a beautiful resource and a path to replacing materials with heavier environmental impacts – a philosophy now embedded in our product development, operations, and culture.



10TH
ANNIVERSARY

“A decade ago, we opened our doors and our data – because customers deserve the full story of their wood.”

Hans-Joachim Danzer



IMPACT IN ACTION

Our progress reflects measurable results in reducing carbon, saving water, improving yield, and turning waste into energy – proving that action delivers impact.



ENERGY & EMISSIONS

Scope 2 carbon emissions from purchased electricity reduced by more than 28% from 2023.

Scope 1 carbon emissions generated at Danzer locations were reduced by more than 19% from 2023.



WATER USE

Water consumption was reduced by 36% at the plant in Melnik, CZ from 2023.

A new ecological treatment system will recycle process water at the plant in Edinburgh, Indiana.



WASTE & YIELD

Log utilization improved significantly; sliced lamellas now yield up to 40% more product per log than sawn methods.

In 2023, 48,738 tons of wood residuals were repurposed as biofuel.

Machine-learning technology is used for line scanners and has increased veneer yield and minimized offcuts.

REDUCED CARBON

SCOPE 2 CO₂
EMISSIONS
DOWN

<28%

through conservation
and renewables

REDUCED WATER

WATER
CONSUMPTION
MELNIK 2024

<36%

with smarter systems

BOOST YIELD

YIELD INCREASE
with advanced
slicing technology

40%

more product per log

MAKING MORE FROM EVERY TREE

● 2007
VINTERIO introduced – engineered surface using small wood elements to reduce waste and create new decorative properties

● 2008
3D-VENEERS
Acquisition of Reholz GmbH, an innovative company that had pioneered 3D-Veneer. Enabling wood to replace plastic or metal in furniture and interior design

● 2012
LINEA & FIGURA
Premium veneers made from common species, reducing the pressure on rare wood for its qualities

SLICED FLOORING LAMELLAS
Increases yield by up to 40% versus sawn alternatives

● 2015
3D-VENEER BASIC
Cost-effective molded wood shells for furniture, replacing non-renewables

● 2019
FREEFORM METAL INLAYS
Reducing waste and manual labor

● 2020
AUTOMATED FORMATTING LINE (AFL)
AI-enabled flooring optimization increases yield and reduces offcuts

● 2024
DIGITAL WAREHOUSE
High-res scanning of every veneer bundle





NATIONALITIES

~40

THE PEOPLE BEHIND THE PROGRESS

Our workforce programs focus on continual learning, safety and diversity – building a culture where people thrive and workplaces stay safe.

TRAINING & DEVELOPMENT

Expanding the knowledge and skills of employees is essential to Danzer's success – strengthening safety, productivity, innovation, communication, and continual improvement.

For decades, we have been improving our training programs at all levels in all ESG topics.

HEALTH & SAFETY PROGRESS

Over the past decade, Danzer has strengthened workplace safety by driving employee awareness and involvement – progress reflected in declining injury rates.

SINCE THEN, DANZER HAS:

Reduced total lost time injuries by over 27% from 2023.

Top injury causes: lacerations, strains/pulls, and slips/falls of approx. 20% from 2023.

LANGUAGES

>30

EMPLOYEES

~1,200

● ● ● A STATEMENT FROM OUR CEO

Sustainability is personal. It lives in the pride our teams take when innovating, reducing plastic, or finding better ways to process material. I recall visiting our Darlington site and seeing the passion in our sales manager as he explained plastic reduction measures. That same pride, shared across Danzer, is the true engine of our progress.

We don't pursue sustainability for its own sake, but because it gives us peace of mind – knowing we've done what we can to protect employees, communities, and resources. Some decisions have cost us business in the short term, but long-term integrity has brought enduring partnerships with those who share our values.



● ● ● A STATEMENT FROM OUR CEO

Looking ahead, we will continue to prioritize sustainability and transparency through our Objectives and Key Results, focusing on climate action, biodiversity, and a circular economy. We will also report progress in numbers and actions, and deepen our dialogue with makers and businesses that care about responsible sourcing — even those who may not yet know Danzer.

To our team: thank you. Your dedication makes our sustainability story real. Together, we've built something that reflects our values and our responsibility to future generations.



Hans-Joachim Danzer

SHAPING WHAT'S NEXT

Our next phase of sustainability focuses on five core Objectives and Key Results, each with clear, measurable targets for 🌱 carbon, ♻️ plastic, 💧 water and 🛡️ safety.

💧 CONSERVE WATER

Reducing consumption and discharge by 15%.

Recycling and treating water for reuse.

Improving quality of water released back into the environment.

🌱 NEGATIVE CARBON

Cutting direct emissions from operations

Lowering electricity use across facilities.

Quantifying upstream and downstream emissions to target improvement opportunities.

🛡️ MORE TRAINING

Improving employee safety training through shared experiences.

Raising quality with better programs and translations.

Encouraging safe behavior through feedback and measurement.

♻️ ZERO PLASTIC

Reducing product wrap and strapping.

🛡️ FEWER INJURIES

Targeting top causes: lacerations, strains, and slips.

Cutting these injury types by 50%.

Empowering employees to make safety improvements possible.



