

**DANZER**  
**SUSTAINABILITY**  
**REPORT 2024**  
**THE ANNIVERSARY**  
**EDITION**



**DANZER**

Hardwood Excellence Since 1932.

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# CELEBRATING 10 YEARS OF SUSTAINABILITY REPORTING

Dear customers, colleagues, suppliers, community, partners, and readers,

## Welcome to this positive update!

Our first-ever “Danzer Sustainability Report 2014” (DSR2014), published in 2015, was a milestone – not only for us but for the entire industry: We were the first in our sector to link the UN SDGs to our material issues. That report chronicled the evolution of our ESG journey through detailed timelines and set forth our foundational goals.

## WHAT’S IMPORTANT TO US

1. Commitment to sustainability
2. Resource efficiency
3. Product quality
4. Responsibility toward our people and the communities we serve

Take a look back at where it all began:

### Danzer Sustainability Report 2014



Since then, we’ve continued to refine and deepen our goals. Inside this brochure, you’ll find an updated timeline that captures the progress our teams have made across all key areas.

## STAYING COMMITTED TO THE CSRD STANDARD

In Spring 2024, we released our first CSRD-aligned sustainability report: “Measuring What Matters” (DSR2023) covers activities in 2022 and 2023. Meanwhile, recent developments from the European Union – notably the “EU Omnibus Package” published in February 2025 – are delaying and potentially reshaping CSRD.

Nevertheless, the anniversary report maintains the policy statements set out in the [Danzer Sustainability Report 2021](#), as well as the governance and management policies outlined in the [Danzer Sustainability Report 2023](#). Our metrics follow a double-materiality matrix, aligning financial risks with broader environmental and social impacts – ensuring both relevance and transparency. The 2024 report focuses solely on the changes and progress made since 2023. All other information – such as procedures and the corporate governance – remains unchanged and is available in the 2023 edition.

### Danzer Sustainability Report 2021



### Danzer Sustainability Report 2023



Danzer continues to advance the objectives and key results introduced in the 2023 report, thereby also working toward SDGs.

We hope, you feel inspired as you read. If possible, we’d love for you to participate in our [stakeholder survey](#).



For any questions or comments about Danzer’s sustainability strategy, feel free to contact us at [sustainability@danzer.com](mailto:sustainability@danzer.com). I’ll be glad to respond personally.

Yours truly,

Cathy-Lynn Danzer  
Sustainability & Compliance Counsel



## MARKING MORE THAN A DECADE OF TRANSPARENT SUSTAINABILITY REPORTING: A MESSAGE FROM CEO HANS-JOACHIM DANZER

Sustainability and transparency are a part of Danzer's identity. The year 2014 marked a meaningful milestone: it was the first time we began reporting our sustainability efforts in a systematic and internationally aligned manner. That is why I am honored to write this foreword to our 10th anniversary edition — a reflection on our progress, our key objectives and results, and our contribution to the United Nations Sustainable Development Goals in 2024.

This report is the result of tremendous effort: I want to express my deep thanks to our sustainability and compliance team, who has worked tirelessly to bring it to life. More importantly, I want to recognize the many teams on the shop floor across all Danzer locations. Your daily commitment to our shared values is what truly drives our progress.

### OUR OBJECTIVES AND KEY RESULTS: DEFINING GOALS AND DIRECTION

For each sustainability topic, we start by defining clear, transparent objectives — the “what.” We then break those down into measurable key results — the “how.” This approach ensures that our goals are both actionable and accountable. By continuously monitoring our progress, we've been able to achieve concrete, meaningful outcomes. You'll find the details throughout this report.

At Danzer, our values are rooted in the responsible use of precious hardwood resources. Wood is a natural material

with qualities that no synthetic product can replicate. And it plays a central role in the circular economy we are all striving to build.

Over the past 93 years, Danzer has evolved in many ways, but one thing has remained constant: our belief in shared values and a deep sense of responsibility — to the forest resource, to the people we work with, and the communities we operate in.

### MOVING FORWARD: QUALITATIVE RESULTS WILL MATTER

As we publish our 2024 sustainability report, we are already looking ahead: Our 2025 report will include qualitative objectives and key results, acknowledging that not every meaningful effort can be fully captured in numbers. We continue to adapt our indicators to the context at hand — because we've learned that pragmatism often delivers more than rigid systems.

Needless to say: There is always more to be done, and more to consider. To stay focused, we prioritize our actions based on a double-materiality matrix. Once again, we are proud to share our progress with you.

A heartfelt thank you to everyone at Danzer who works every day to make this journey possible.

Very best

Hans-Joachim Danzer

# DANZER TIMELINE OF MAJOR EVENTS

1932 – 2014

Danzer’s major events of the first 82 years can be found at [Danzer Sustainability 2014 page 14/15](#)

2015

Published first Danzer Sustainability Report (DSR2014), first company to incorporate SDGs in sustainability reporting

UK Modern Slavery Act

Introduction of Free Form wood inlay

2016

Souvans Investment in flooring plant

Mother-of-Pearl developed for automotive

2017

Corporate Responsibility Reporting Awards (CRRA) shortlists DSR2014 for Best First Time Report

Danzer World Wide Meeting in Bedford, PA

2018

Automatic Formatting Line

CRRA places DSR2016 5<sup>th</sup> in the category Materiality and Relevance, 10<sup>th</sup> in Openness and Honesty (61 reports evaluated)



| 2019  | 2020   | 2021  | 2022   | 2023   | 2024   |
|---|--|---|--|--|--|
| <p>Closure Souvans</p> <p>Cyberattack by Russian hackers</p> <p>Sale of minority stake at Interholco and subsequent investments</p> <p>US Trade War with China</p> <p>Roll-out VS 4000 2.0, the most high-tech slicer and safeguarding system</p> | <p>Wood 4 Real Coalition</p> <p>Corona Crisis and temporary capacity reductions</p> <p>Introduction Automated cutting line for wear layers in Melnik</p> | <p>Divestiture of Danzer Forestland</p> <p>Sale of Bradford Forest</p> <p>Turnover peak due to home-improvement boom during Corona Crisis</p> | <p>Danzer celebrates 90 years</p> <p>Dissolution of Sydfaner Warehouse</p> <p>Hans-Joachim Danzer celebrates 20 years as CEO</p> <p>Establishment of Objectives and Key Results for Sustainability</p> | <p>EU Deforestation Regulation</p> <p>UN Global Compact Participation</p> <p>Move of Danzer Holding to Liechtenstein</p> <p>Danzer Worldwide Meeting on purpose and strategy in Petersburg, Germany</p> <p>30M€ peak Danzer flooring lamella production</p> <p>First licensing agreement for patented lightweight board</p> <p>Five Objectives and Key Results set for all Danzer</p> <p>Installation of 1MWh solar panels in Melnik</p> | <p>Full divestiture of Interholco</p> <p>Merger of Veneer Europe and Specialty Division</p> <p>Move of peeling equipment to slicer hall, "innovation hall"</p> <p>Packaging award for Hennessy Paradis Cognac</p> <p>Virtual Veneer Warehouse</p> <p>Prepared for EUDR compliance on-time (before the delay of implementation)</p> <p>New slogan, "Danzer: Hardwood Excellence since 1932"</p> |
|   |  |   |  |  |  |
|   |  |   |  |  |  |

# DANZER COMPANY VALUES

## WE LOVE HARDWOOD



We understand forestry and respect the values of wood resources

We have a passion for hardwood and love it

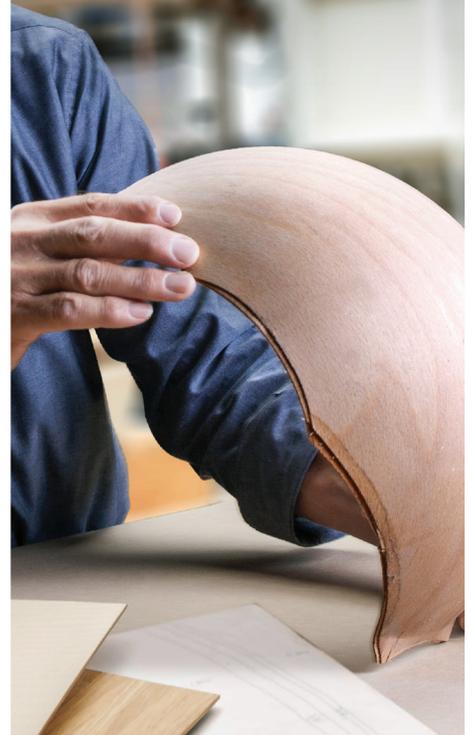
## WE CREATE VALUE



With professionalism, excellent products and services we create value for customers, suppliers, landowners and society at large

We regard profit as a result of good management, not its purpose

## WE MAKE QUALITY TANGIBLE



We believe that quality is a mind-set, not a product feature

We pursue a quality-focused approach in all aspects of our work

We improve safe manufacturing practices through state-of-the-art engineering, design, and awareness

## WE INNOVATE



We invest in innovation to create new and better solutions from hardwood

We are curious, have tolerance for change and embrace initiative

## WE TRUST

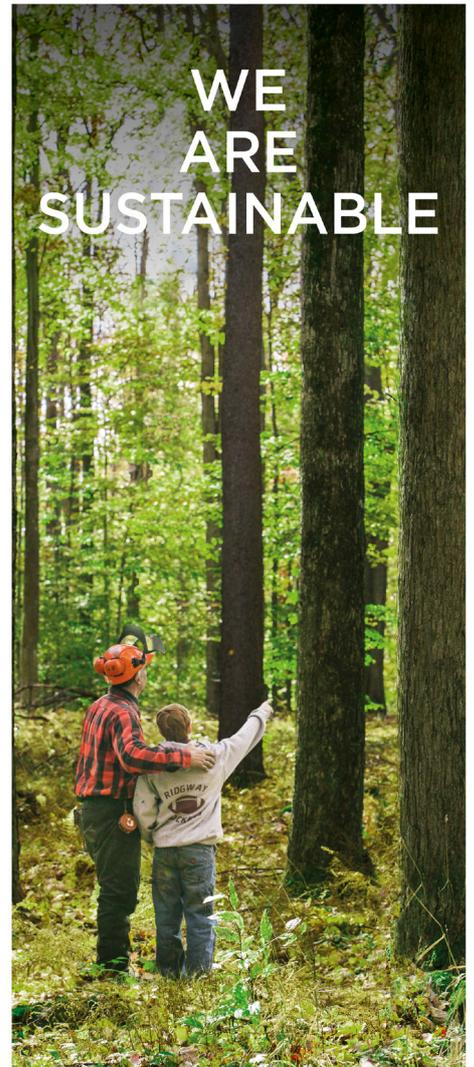


We partner with stakeholders long-term and welcome their input

We are proud of the diversity of our people, products and markets

We believe in continual improvement, training and learning together

## WE ARE SUSTAINABLE



We believe that sustainability is a mind-set, not only a forest management approach

We commit to responsibility and accountability at all levels

We take decisions based on relevant facts, data, and science

# OBJECTIVE AND KEY RESULTS

## PLANNING AHEAD: SETTING OKR TARGETS FOR 2025 AND BEYOND

Social, environmental and economic responsibility is part of Danzer's corporate DNA. The United Nations Sustainable Development Goals (UN SDGs) outline 17 specific objectives. They are part of the 2030 Agenda — a global plan to promote lasting peace and prosperity while protecting the planet. At Danzer, we focus our commitment on five Objectives where we can make the most impact on these Sustainable Development Goals (SDGs): Climate Action, Clean Water and Sanitation, Life on Land, Decent Work and Economic Growth, and Good Health and Well-Being. While there may be minor variations in our approach, we do recognise our part in achieving all the United Nations Sustainable Development Goals. Below, we share measurable outcomes.



Develop a long-term alternative energy strategy.

**Key Results:**

- Continue upgrading site vehicles to low-emission or electric models
- Keep focus on energy conservation and reducing equipment downtime
- Expand renewable energy infrastructure

Improve data quality for ancillary items

**Key Results:**

- Audit ancillary item categories
- Evaluate suppliers based on material use and disposal practices
- Identify and pilot alternative disposal methods



Lower plastic use for Danzer product packaging by another 20%, investigate alternative packaging types for quality and conduct a customer survey.

**Key Results:**

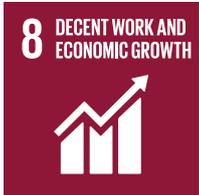
- Implement pilot projects with alternative packaging types
- Measure packaging quality through customer surveys



Track outcomes of water conservation initiatives at key sites.

**Key Results:**

- Measure both quality improvements and quantity reductions from three major water conservation projects in Indiana, Pennsylvania and Melnik



Adopt new recordkeeping systems and enhance training quality.

**Key Results:**

- Use updated recordkeeping tools company-wide before April 1, 2025
- Monitor training progress and quality through surveys
- Test new training formats like AI-enhanced modules and FUN training program.



Further reduce workplace injuries by promoting safe behaviors.

**Key Results:**

- Implement behavioral observations and feedback programs
- Lower the frequency of top-reported injury categories

# OUR 2024 PROGRESS

We continue to enhance our sustainable strategy. This is by establishing explicit and quantifiable objectives and key results (OKRs) that extend to 2025 and beyond. These goals are grounded in data, aligned with our values, and focused on continuous improvement across all areas of our business.

NEGATIVE CARBON



**Objective: achieve Negative (-) Carbon emissions to the point that more carbon is stored in our product and the forest than we emit.**

< 28% natural gas (NG), < 11% petrol, < 12% electricity,  
< 19% CO<sub>2</sub>e Scope 1, < 28% CO<sub>2</sub>e Scope 2

| Carbon reductions in specific terms                              |          |  |
|--|----------|--|
| purchased electricity  | - 3,718  | MWh  |
| natural gas  | - 89,402 | m <sup>3</sup>                               |
| petroleum products   | - 60,946 | liters                                       |
| CO <sub>2</sub> equivalents scope 1                              | - 842    | metric tons                                  |
| CO <sub>2</sub> equivalents scope 2                              | - 4,161  | metric tons                                  |
| Other carbon facts   |          |  |
| Solar power  | 10%      | of electricity demand at Melnik. CZ location |
| Biogenic Carbon Content in Product (LCA. European products only) |          |  |
| 3D-Basic   | 0.4      | kg C / m <sup>2</sup>                        |
| 3D-Classic   | 0.381    | kg C / m <sup>2</sup>                        |
| Flooring Lamella   | 0.922    | kg C / m <sup>2</sup>                        |
| Linea  | 0.057    | kg C / m <sup>2</sup>                        |
| Pressed Shells   | 0.831    | kg C / m <sup>2</sup>                        |
| Sliced Hardwood  | 0.157    | kg C / m <sup>2</sup>                        |
| Vinterio   | 0.171    | kg C / m <sup>2</sup>                        |

CONSERVE WATER



**Objective: Conserve (<) Water so that our water footprint is minimized**

< 36% water consumption in Melnik

| Water in excess of 2023 |                |   |
|-------------------------|----------------|---|
| >16.5                   | million liters | While we conserved 36% water in Melnik, we had increases of 16 and 36% in Edinburgh and Shade Gap respectively due to weather and a pipe failure. |

ZERO PLASTIC



**Objective: Zero (0) Plastic Packaging on Danzer products**

< 30% plastic packaging on Danzer products – and even more, as some savings were not quantifiable

MORE TRAINING

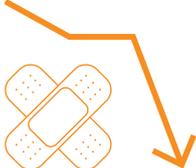


**Objective: Create a comprehensive training system**

To improve our training efforts, our More (+) Training OKR team began by addressing a fundamental requirement: measurement. A record-keeping system across the entire organization, so that setting specific, measurable training goals will be possible, was initiated. This system is laying the groundwork for setting specific, measurable training goals in 2025. Training and translation improvements are ongoing in 2025.

| Employee distribution  | Number of employees | Percentage of females |
|--|---------------------|-----------------------|
| women production (Form 542A Cognos)                                    | 257                 | 37%                   |
| men production (Form 542A Cognos)                                      | 432                 |                       |
| women administration, technical, sales, procurement (Form 542A Cognos) | 89                  | 38%                   |
| men administration, technical, sales, procurement (Form 542A Cognos)   | 148                 |                       |
| women supervision/mgmt (Form 542A Cognos)                              | 22                  | 21%                   |
| men supervision/mgmt (Form 542A Cognos)                                | 84                  |                       |

FEWER INJURIES



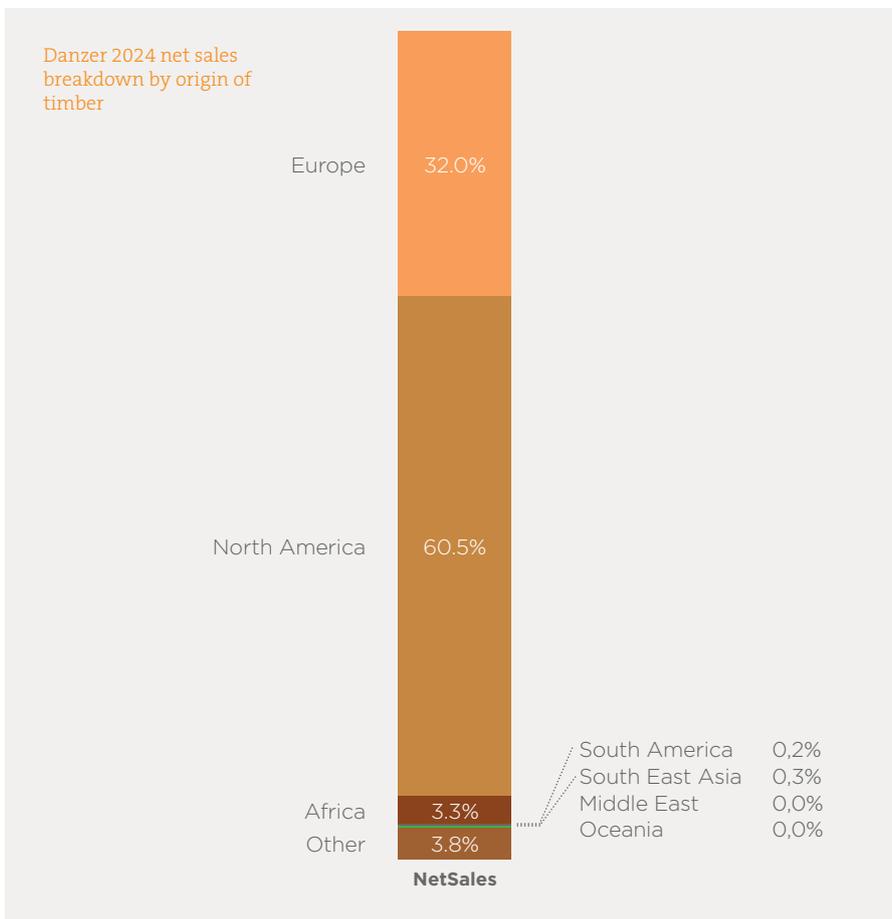
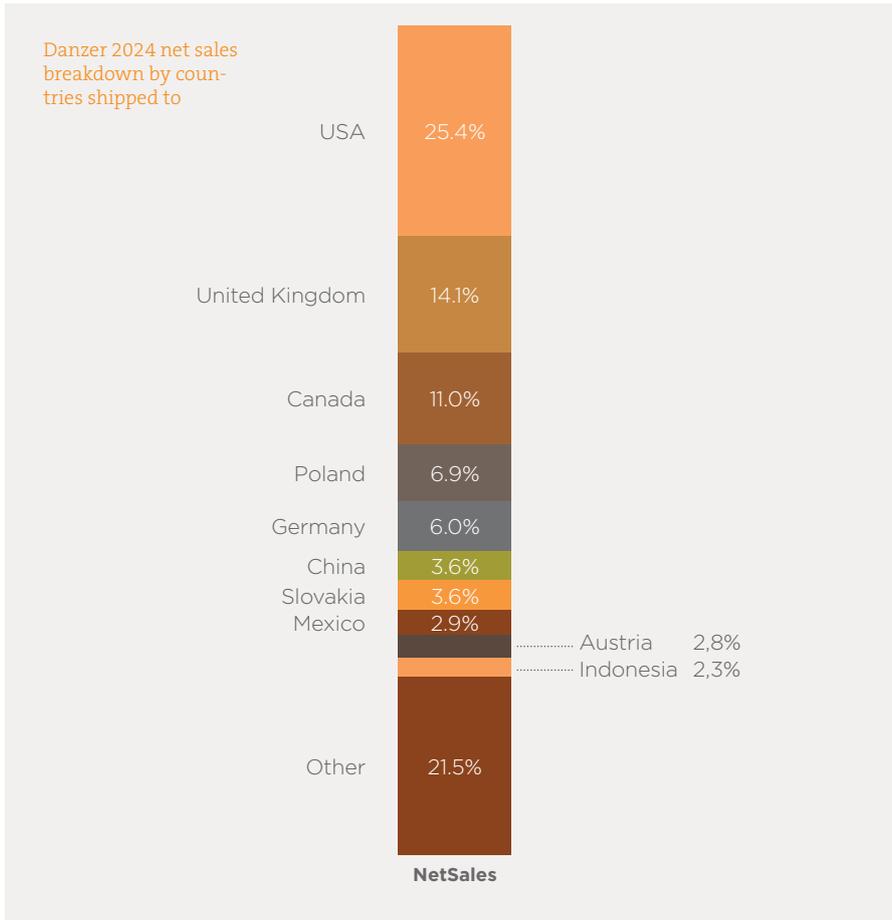
**Fewer (<) Injuries**

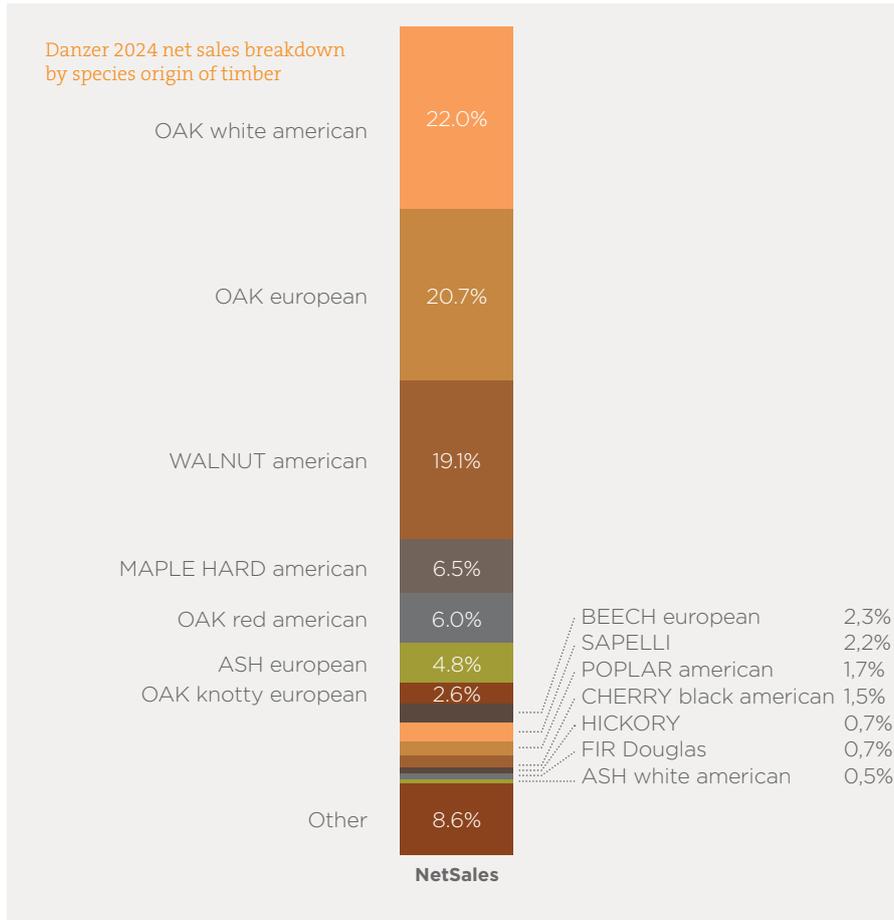
< 20% lacerations, strains/pulls, slips/falls, within the top 5 injury categories, < 27% total lost time injuries

# NET SALES & REVENUE: GENERATING VALUE WHILE ACTING RESPONSIBLE

Sustainable growth means more than profit — it means progress without compromise. At Danzer, we are committed to ensuring that economic growth no longer comes at the expense of the environment, as outlined earlier in this report. The tables below offer a clear view of the direct monetary value Danzer contributes to local economies — a reflection of our broader commitment to responsible, inclusive growth.

| Year                                  | 2024           | 2023           | 2022           |
|---------------------------------------|----------------|----------------|----------------|
| <b>Revenue by region delivered to</b> |                |                |                |
| Europe                                | 81,239         | 90,049         | 109,766        |
| North America                         | 60,496         | 65,637         | 73,661         |
| Other                                 | 24,360         | 27,694         | 26,110         |
| <b>Revenue by product group</b>       |                |                |                |
| Sawn wood                             | 39,848         | 38,891         | 48,080         |
| Sliced wood                           | 103,671        | 109,340        | 133,176        |
| Timber, specialties, services         | 22,576         | 35,149         | 28,281         |
|                                       | <b>166,086</b> | <b>183,380</b> | <b>209,537</b> |





## RESPONSIBLE PROCUREMENT



Nearly **100% of Danzer's wood supply chain** is verified by a certified due diligence system. Less than 1% of wood procured is not verified by a 3rd party, but is subject to Danzer's own due diligence to assure a sustainable and legal supply for our customers.

## LOOKING FORWARD

Danzer remains committed to transparency, responsibility, and continuous progress. We will continue reporting in alignment with the European Sustainability Reporting Standards (ESRS), sharing not just data, but the story of our journey toward a safer and more sustainable world. Our next sustainability report will be published in Spring 2026.

## DIVING DEEPER: ADDITIONAL RESOURCES

For a deeper look at the concepts introduced above, please refer to the following resources:  
Incorporated by reference:

[Double Materiality Matrix and reference tables \(page 22\)](#)



[Danzer Certificates and Declarations](#)



### **Looking for more information on business ethics or Danzer's core values?**

You can explore our Code of Conduct, along with details on our Grievance Mechanism and Integrity Line, available at



