





## **Rhenus Lub**

### **SUSTAINABILITY REPORT 2021**

#### **Contents**



#### Interview

#### with Dr Max Reiners

#### Why has Rhenus Lub published this first sustainability report?

As a family business, sustainability is nothing new for us. We've been committed to sustainability for generations. My family and my wife's family were originally farmers, and my eldest daughter also studied agriculture in England. It's hard, therefore, not to have a close relationship with nature. This sustainability report serves to demonstrate to the outside world what we've already been doing for a long time. But it is intended only as a reference document for those who can't come to witness our understanding of – and commitment to – sustainability for themselves.

## What importance is attached to sustainability among the partners in Rhenus Lub?

Sustainability is very, very important to my family, who are now the fourth generation of owners. For example, the youngest partner, Christopher Reiners, has a car that is gathering dust – because he travels by public transport. This goes a small way to demonstrating that sustainability and

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nature are genuinely important to the partners and not just a question of paying lip service.

### Is this also reflected in Rhenus Lub's management?

Yes, absolutely. The management shares this view. For example, I remember when we wanted to chop down a tree here a few years ago. My colleague Dr Hentrich said: "No, we're not felling any trees unless it's absolutely necessary!" You can see that it's not just the partners but also the managers who share this way of thinking – and I believe that it also extends to a great many of our employees.

#### How can industry be reconciled with nature?

We're on a plot of land that is very green – even though we're in the middle of an industrial estate. There are lots of trees here. We're always proud of the "green lungs" that we've helped to create here – not only to my delight but also to the delight of our employees and the benefit of residents, who enjoy a view of greenery instead of looking out on an industrial wasteland.

## What impact do lubricants have on sustainability?

Lubricants play a huge role in sustainability. They reduce friction, which in turn reduces energy consumption – and therefore also CO<sub>2</sub> emissions. So far, little thought has been given to this relationship but, in practice, lubricants play an essential role in reducing emissions around the world. Without good and long-lasting lubricants such as those we develop and manufacture, global energy consumption would be a great deal higher.

### In your view, what is the biggest driver of sustainability at Rhenus Lub?

Our family company aims to act as a responsible partner to our stakeholders in the long term. These stakeholders include not only our customers, employees and partners, but also the general public. Likewise, responsibility, respect and performance play a vital role.

In this context, my grandfather Wilhelm Reiners cared deeply about the welfare of Rhenus Lub's employees, and his sense of responsibility led him to take his own initiative and go beyond general developments or the legal requirements. This also made its mark on future generations – on my father, on me and on my children.

## Your belief in sustainability is also clear from your commitment to social responsibility. Tell us a bit about that!

Out of a sense of personal commitment, we've been an avowed member of the UN Global

Compact since 2011 – when we were one of the first companies in Germany to join. Back then, we were already able to demonstrate our commitment to a sustainable economy. This was so important to us that my daughter Isabella Kleeschulte, now one of the company's partners, has worked to support this objective at the company from day one.

But this commitment also calls for action at the regional level. As a member of the Initiativkreis Mönchengladbach (the Mönchengladbach initiative group), we play an active role in shaping our region. For example, I suggested a lecture series on the topic of sustainability – and our commitment to a local special school forms another plank of our work in this area. These are all commitments that we, as a company, see as a matter of course – and as being more important than simply giving ourselves a green coat of paint.

#### Can you give us a specific example of where you now do things differently in your private life because of your own views on sustainability?

When washing my hands! For some time now, I've turned the water off while lathering my hands. My daughter and I calculated that it's possible to save at least 2,000 litres of water a year in this way. And if everyone saved 2,000 litres of water, it'd be really good for the environment – because water shortages are going to be an increasing problem.

Safer process.
Safer profit.





## Rhenus Lub company profile THE SAFER PRODUCTS

Rhenus Lub is a leading international system provider of special lubricants, application consulting services and process solutions for modern metalworking and metal processing.

Founded in Mönchengladbach, Germany, in 1882, the company develops and manufactures water-miscible metalworking fluids and neat oils for demanding machining applications, special products for metalworking, and special greases and special oils.

As an experienced specialist in metalworking processes, Rhenus Lub understands its customers' fluid management and believes in taking a holistic view of lubricant applications. This is a decisive factor in order to successfully prolong service lives and reduce process costs.

Products from Rhenus Lub are particularly suited to demanding applications and combine effective performance, innovation, long service life and maximum safety.

As an innovation leader, Rhenus Lub invests an above-average amount in research and development, with over 20 per cent of all employees working in this area. This makes Rhenus Lub one of industry's preferred premium partners. Working in close collaboration with its customers, the company produces metalworking fluids and highperformance greases that meet the highest quality standards. These products are successfully used in wide-ranging and demanding applications by leading companies in sectors including mechanical engineering, the automotive and automotive supply industry, and the rollerbearing, food and aerospace industries.



## Sustainability @ Rhenus Lub THE SAFER PROCESS

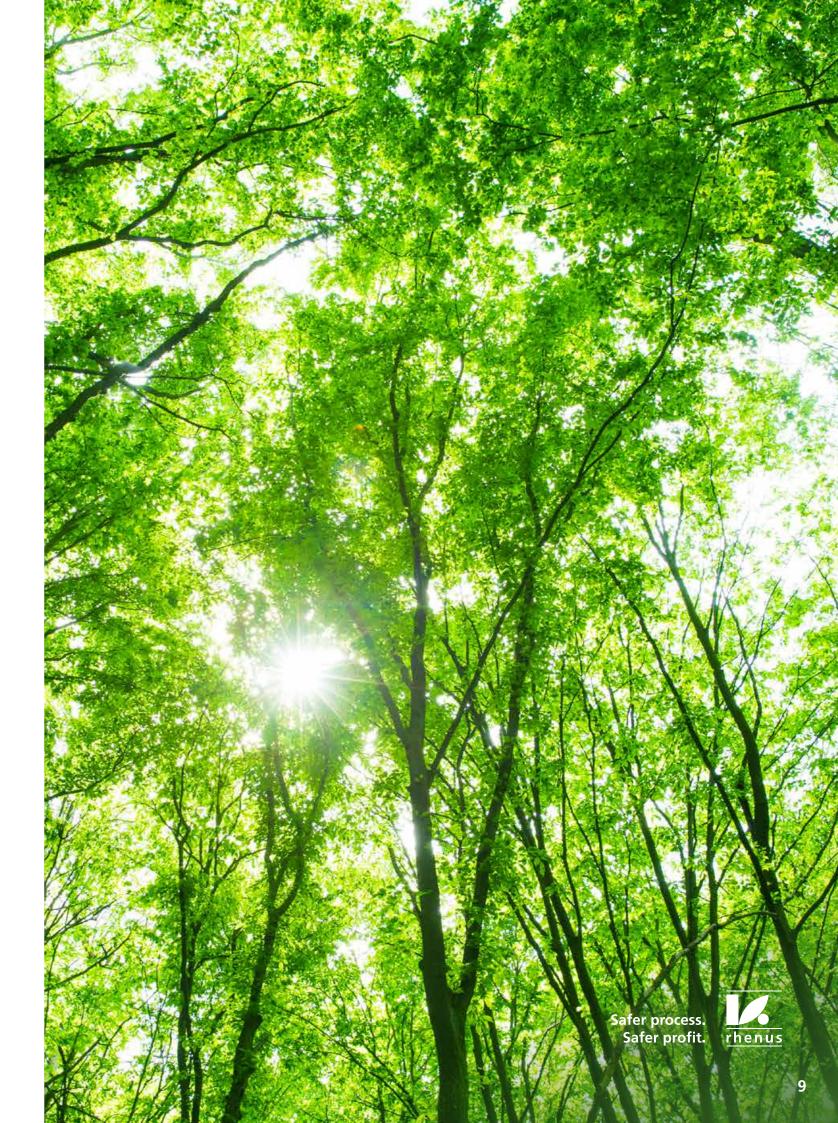
We live in a time of diverse challenges, new technologies and ever-increasing levels of performance. At the same time, the issue of sustainability is becoming increasingly important for many companies. The values of sustainability and responsibility for humans and the environment are firmly rooted within our corporate culture.

And our actions match our words – both in the manufacturing of our products and in our collaboration with employees, customers and partners.

Sustainability is becoming an increasingly important deciding factor for customers and plays a central role in our company's future orientation. For years, Rhenus Lub has been committed to a comprehensive sustainability strategy that is constantly being expanded. This commitment is reflected in innovative and thus sustainable raw materials, as well as sustainable, long-lasting and energy-efficient products – and a particular focus on environmental and climate protection. We also invest in modern infrastructure and digital technology in order to do more than just "meet" the demands of tomorrow.

The socially responsible orientation of Rhenus Lub helps to strengthen relationships with suppliers and partners, as well as with our own employees. For us, sustainability also means taking responsibility for process safety and proactive health and safety protection – indeed, we're a driving force in this area. Social commitment and personal responsibility are also key elements of a stable company. This includes not only adhering to environmental and social standards but also ensuring the compatibility of family and working life, health management, and up-to-date training opportunities. By promoting diversity and greater community engagement, Rhenus Lub creates modern conditions to ensure its future success as an attractive company operating in a sustainable manner across the board.

In this report, we've described our sustainability performance in the economic, environmental and social dimensions based on measures, initiatives and specific indicators – and always with a close link to our products and solutions.



#### **Economic dimension**

#### THE SAFER PROFIT

In terms of economics, Rhenus Lub sees sustainability as a key principle when it comes to the long-term orientation – and reliability – of its business. We're committed to continuously and sustainably increasing the company's value for our stakeholders.

Our economic view of sustainability also includes the development of products that optimize the sustainability of our customers' production processes from an economic perspective, for example when it comes to minimising consumption, waste or energy use and thereby reducing costs.

The portfolio of Rhenus Lub special lubricants includes water-miscible metalworking fluids and neat oils as well as high-performance greases that are used in a multitude of industries – from the automotive industry to cement production. We work closely with our customers to develop and produce products in accordance with strict quality criteria, going far beyond the common standards.

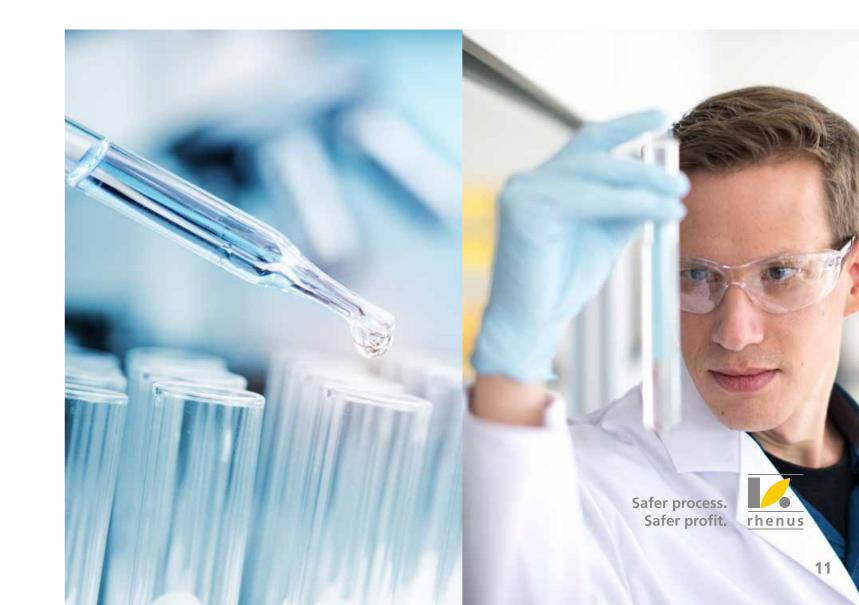
Often, the economic and social dimensions go hand in hand in terms of occupational health and safety. For example:

- **rhenus lubrineering**, the enhanced premium fluid management from Rhenus Lub, helps customers define measurable objectives and reduce costs on a lasting basis. We target our intervention where there is potential for long-term cost savings. Machining processes are analysed down to the last detail, and all relevant data is systematically recorded. This systematic collection of data forms the basis for defining realistic sub-goals. Uniform and integrated process analysis allows customers to extend the service life of their emulsions. reduce unit costs per workpiece and minimise waste – and therefore to make production processes more cost-effective and safer at the same time.
- Given their special properties, composite materials such as carbon fibre-reinforced polymers (CFRP) and glass fibre-reinforced polymers (GFRP) are important and contemporary raw materials for many industries, but they are difficult to machine. With these materials, drilling and machining operations are traditionally performed dry. However, as it is difficult to justify the dry machining of these high-strength materials both economically and in terms of health, the key to improvement may lie in alternative procedures. For the sustainable machining of fibre-reinforced plastics (FRPs), Rhenus Lub

has succeeded in developing a promising solution – in collaboration with the German Aerospace Centre (DLR), among others – by that uses metalworking fluids developed specially for this area.

On account of their properties and performance, lithium-based products make up the largest share of multi-purpose greases worldwide. However, given that modern multi-purpose greases need not only to offer excellent performance but also to be economical, lithium-based products are coming under greater scrutiny – including given the years of considerable increases in lithium prices.

In terms of this cost trend, design engineers and users must therefore weigh up whether the use of lithium-based greases can still be considered a sensible option in the long term. To make planning more reliable and independent, Rhenus Lub has developed an innovative multi-purpose grease that dispenses with lithium altogether. The rhenus CMN 2 multi-purpose grease is calcium-based but offers an equivalent level of performance and quality to lithium-based greases. Users and designers are therefore shielded from changes in lithium prices without having to forgo the well-known performance of comparable lithium products.





## **Social dimension** THE SAFER PEOPLE

When it comes to social questions, Rhenus Lub believes that sustainability means taking responsibility not only for one's own employees but also for society.

In many industries, it's no longer just about process reliability and maximum stability. Rather, the proactive protection of health and safety is just as important for ensuring successful production in the long term. For Rhenus Lub, people and their health take centre stage. With our safety and health management system, we ensure that our employees remain healthy and productive often going beyond national and international standards. Our site in Mönchengladbach is certified according to ISO standard 45001, "Occupational health and safety management systems".

We also take occupational health and safety into account when developing our products. Back in the early 1990s, Rhenus Lub was the world's first supplier to develop and successfully market amine- and boric acid-free metalworking fluids with a view to proactive employee protection. One example is the metalworking fluid rhenus FU 800, which actively protects the health of employees thanks to its innovative composition and the absence of ingredients that are harmful to health.

Rhenus Lub is also certified according to ISO standard 21469 for food-grade lubricating greases. This means that our management system meets the requirements of this standard on the "Safety of machinery – Lubricants with incidental product contact – Hygiene requirements".

|  | 2021 | 2020 | 2019 |
|--|------|------|------|
| Average age of employees in years                          | 46   | 46   | 45   |
| Age structure of employees in %                            |      |      |      |
| <= 30 years  | 6    | 7    | 10   |
| 31–40 years  | 24   | 26   | 26   |
| 41–50 years  | 27   | 26   | 28   |
| > 50 years   | 42   | 42   | 37   |
| Average length of time working at the company in years     | 13   | 13   | 13   |
| Fluctuation<br>(voluntary departures of<br>employees) in % | 3.3  | 2.0  | 2.4  |

In addition to health management and adherence to social standards, the concept of social sustainability at Rhenus Lub also includes employee satisfaction, the compatibility of family and working life, the promotion of diversity, and up-to-date training opportunities. Our social sustainability indicators include the age structure of the workforce, how long they have worked for the company, and employee turnover.

In the year of reporting, the average age of employees at Rhenus Lub was 46 and remained constant relative to 2020. Both the average length of time at the company and employee turnover serve as indicators of satisfaction and

our employees' strong sense of attachment to the company. Between 2019 and 2021, the average length of time that our staff had worked at the company remained steady at 13 years. In the reporting year, employee fluctuation was at a low level of just 3.3%. The proportion of women at the company was 24%, and some 11% of employees were not born in Germany. As well as Germans, the workforce includes nine other nationalities. In terms of equal treatment and gender equality, all vacant positions are advertised internally and there is parity among the equal opportunities representatives on the works council of Rhenus Lub.

The further training of our employees is a key plank of our sustainable staffing policy. The "SAM" e-learning system is used to train all employees on numerous occupational safety and environmental issues. In 2020, a total of 3,553 SAM training courses were delivered in addition to 79 regular courses of further education and training with a total of 428 participants. Rhenus Lub also supports 1–2 diploma students each year.

We believe in respect and dedication and therefore in social commitment at a personal level. Through greater community engagement, Rhenus Lub creates up-to-date conditions in order to ensure its future as an attractive company operating in a sustainable manner across the board. We're conscious of the responsibility we have for our corporate actions. With that in mind, we champion a strong and liveable environment around the globe and in the Lower Rhine region, particularly in the vicinity of our company head-quarters in Mönchengladbach. Here, Rhenus Lub focuses on individual, carefully selected initiatives and projects in the region. These include:

- support for the Initiativkreis Mönchengladbach (the Mönchengladbach initiative group) for positive development and promotion of the city and its residents since 2006
- support for the Catholic Peace Foundation and the Institute for Theology and Peace that it supports by creating a new workspace for research in the field of European foreign and security policy
- student café: support for the Förderzentrum Nord Mönchengladbach since 2012 has helped to provide students with a protected environment where they receive a balanced breakfast

- Christmas donation to social institutions, since 2010 (e.g. modernisation of the Dahlener End playground, exercise equipment for children at the "Rainbow House" in the Rheindahlen area)
- commitment to "Wissenscampus MG",
   which has been bringing together a broad
   alliance of stakeholders from regional industry,
   academia, politics, administration and society,
   since 2019
- **support for the Clean-up Initiative** for a clean city of Mönchengladbach, since 2017

As a company that operates internationally, we also take responsibility at the global level. The UN **Global Compact** initiative brings together businesses that go the extra mile to ensure sustainable social, environmental and economic globalisation. As an active member of the initiative, we've been working to ensure greater corporate responsibility within our area of influence, including across international borders, for over 10 years with a view to making the economy fairer and more sustainable. When we joined the UN Global Compact in 2011, we declared our intention to adhere to defined social and environmental standards in the areas of human rights, working standards, environmental protection and the fight against corruption – and we stand by our corporate responsibility for humans and the environment.

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## **Environmental dimension**

#### THE SAFER PLANET

When it comes to the environment, sustainabilit is one of the main purposes of lubricants. The primary task is to reduce friction and to protect against corrosion and wear, resulting in longer machine running times or tool life and therefore the efficient use of raw materials.

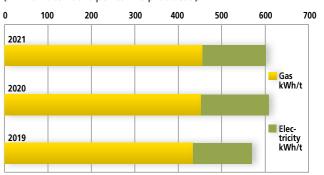
Rhenus Lub develops, produces and distributes application-oriented and emission-reducing lubricants, thereby contributing to the reduction of energy use, the conservation of resources and therefore to environmental sustainability with a view to maintaining a safe planet.

Energy-saving production, the targeted selection of raw materials – including renewable raw materials – and optimised logistics are three kev pillars of the company's approach to improving it environmental balance sheet on a lasting basis.

In a time of increasingly scarce natural resources, our top priority must be the responsible handling of energy, water, waste and our carbon footprint. As this is particularly pertinent to manufacturing at Rhenus Lub, we've also defined these indicators as environmental sustainability factors.

#### **Energy consumption**

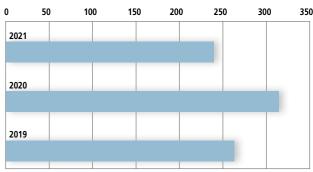
(in kilowatt hours per tonne produced)



In the reporting year 2021, the relative total energy consumption was at approximately the same level as the previous year. The increase of around 6% relative to 2019 resulted from, among other things, the construction of a new office building and the procurement of multiple systems and machines.

#### **Energy consumption**

(in litres per tonne produced)



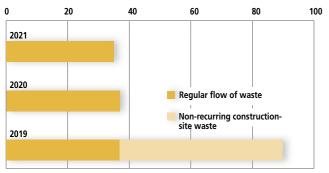
In 2021, the specific water consumption fell by 11% relative to 2019. In the meantime, there had been a disproportionate increase in water consumption in the reporting year 2020, partly due to the new percolation system, which had to be sprayed with water.

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#### Quantity of waste generated

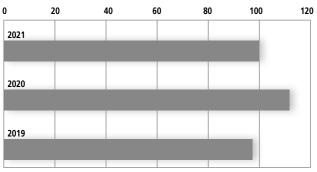
(in kilograms per tonne produced)



The volume of waste fell by around 5% relative to the previous year in the reporting year 2021 and, when adjusted for extraordinary items, by around 8% relative to 2019. In 2019, the demolition of buildings resulted in the production of construction-site waste as extraordinary items that led to an increased value of 89 kg per tonne produced (without special items, the value was 38 kg per tonne produced in 2019).

#### CO, emissions\*

(in kilograms per tonne produced)



\* Scope 1 \* Scope 2: direct and indirect energy-related emissions

Energy-related  $CO_2$  emissions fell by 9% in the reporting year 2021 relative to the previous year. This was partly due to the reduction in fuel consumption for RL company vehicles.

Rhenus Lub offers numerous products that make a positive contribution to reducing greenhouse-gas emissions – relative to conventional alternatives – in their various applications:

• For example, Rhenus Lub launched rhenus LKO 2 to provide an extremely low friction coefficient and therefore to achieve significant reductions in CO<sub>2</sub> emissions. The product is particularly well-suited to use in special applications in the railway industry – for example, for lubricating bow collectors and pantographs, such as one-leg or diamond pantographs. Even at room temperature, rhenus LKO 2 reduces friction in bearings under high loads and provides exceptionally high performance even at high temperatures. Thanks to innovative additives, customers benefit from the grease's considerably longer service life.

Rhenus Lub is increasingly developing highperformance and yet resource-efficient lubricants that are harmless to health, as well as being particularly sustainable and economical. Moreover, the company is focusing its orientation on sustainable concepts and regularly engages in collaborations with research institutions:

As part of a several-year research project in collaboration with the University of Wuppertal, a metalworking fluid was developed that gives special consideration to aspects of sustainability. The metalworking fluid is produced using sustainable raw materials and synthesis methods, and the base oil and additives are largely plant-based. This is beneficial for the customer, which attaches great importance to sustainable working materials and wants to consolidate a resource-and raw material-efficient production process at its company. In addition to the developed formulation, Rhenus Lub also benefits from

the research project in terms of the reinforcement of its expertise in the development of sustainable solutions for complex tribological applications. This helps Rhenus Lub to expand and successfully continue with its sustainability strategy.

The European Eco Label (EEL) appears on products that make a special contribution to resource efficiency, sustainability and environmental protection. It is also awarded to lubricating greases and offers customers across the EU a standardised form of information as well as certainty when it comes to selecting a product based on environmentally friendly parameters:

With the new point lubricant rhenus LSN 04
 XT (partial loss lubrication), Rhenus Lub has
 developed a powerful lubricating grease in
 line with the requirements of the EEL. This
 technologically advanced lubricant, which is
 currently being tested by Deutsche Bahn, has
 a much smaller impact on water, soil, air and
 human health than conventional products.
 Rhenus Lub is therefore bolstering the further
 expansion of its sustainable and yet high performance tribological solutions – and
 taking responsibility for the protection of
 human health and the environment.

At Rhenus Lub, adherence to environmental-protection guidelines is firmly established and certified by the ISO 14001 management system, which we have implemented at our German locations for years and are constantly working to improve. Among other things, Rhenus Lub also applies these requirements to the formulation of its metalworking fluids.

Lubricant production is part of a much longer value chain and begins with the purchasing of raw materials. The raw materials used by Rhenus Lub include complex chemical raw materials, renewable raw materials and a wide range of base fluids. Rhenus Lub ensures that the materials meet all environmental requirements, which is also set out in the ISO 14001 environmental management standard. These requirements also include measures and objectives for the improvement of environmental performance. In parallel, Rhenus Lub therefore invests in alternative raw material solutions that help to conserve the environment and resources. We also want to increase our focus on the sustainable use of raw materials in the future.

All raw materials and additives used in rhenus high-performance lubricants are also registered in accordance with the strict provisions of REACH. REACH is the European regulation concerning the registration, evaluation, authorisation and restriction of chemicals. It is one of the strictest and most up-to-date pieces of chemicals legislation in the world. In this way, we guarantee our customers absolute safety according to the latest requirements. Moreover, Rhenus Lub also works with other lubricant manufacturers as part of pan-European consortia to ensure that all chemical products used in high-performance greases at Rhenus Lub are the subject of proactive research, documentation and registration.

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# Carbon footprint & climate neutrality

Human and commercial activities since the start of the Industrial Revolution have led to disproportionately high CO<sub>3</sub> emissions into the atmosphere, resulting in global warming. For a number of years, the world has responded to this challenge with a series of climate agreements. In December 2019, with the European Green Deal, the European Commission set out a concept that aimed to reduce net emissions of greenhouse gases to zero in the European Union by 2050 and thus to become the first climate-neutral continent. In May 2021, the German government went further on its existing commitments with an ambition to achieve net zero by 2045.

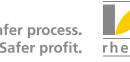
Climate change is a challenge not only for society but also for businesses, whose corporate responsibility is coming under increasing scrutiny. The starting point for an active contribution to climate protection is carbon accounting, a type of audit that can be carried out in multiple areas and that quantifies the greenhouse gas emissions of people, companies or individual products. The audit enables companies to measure emissions and to reduce and avoid them altogether through a package of individual strategies and measures.

In 2021, Rhenus Lub commissioned an independent sustainability consultancy institute, which is also well known outside of the industry, to calculate a detailed greenhouse gas balance sheet for 2019 and 2020 for the first time, thereby ascertaining its corporate carbon footprint (CCF). The aim was to represent our greenhouse gas

emissions according to their origins and therefore to lay the foundation for a corporate climate protection strategy so that, based on the results, we could define and implement areas of action in relation to climate change and sustainability. Auditing was carried out in accordance with the guidelines of the widespread and internationally recognised Greenhouse Gas (GHG) Protocol standard. The GHG Protocol defines the basic principles of relevance, completeness, consistency, transparency and accuracy based on the principles of financial accounting.

With the CCF, Rhenus Lub calculated its footprint within its own lubricant factory – from gate to gate – at its German locations. Among other things, this footprint arises due to the use of heat, fuel and power in production, management, business trips and staff commuting, as well as due to the generation of waste and waste water at the company.





Through the implementation of various energy-saving projects over previous years, we've already been able to significantly reduce our corporate carbon footprint. Our aim is to further reduce the CCF and to avoid it altogether wherever possible through modified processes. At the same time, however, we've already made use of compensation measures in order to offset the emissions that we've not yet eliminated or that are generally unavoidable. In terms of implementation, we've followed the principle of the strategic triad set out in the Kyoto Protocol (1997/2005): "Avoiding – reducing – offsetting."

In our strategy, we specified that this form of CO<sub>2</sub> offsetting will support but not replace our ongoing search for opportunities to reduce our own CO<sub>2</sub> emissions. Rhenus Lub is working continuously to further reduce its emissions on a lasting basis through avoidance, savings and other measures and to reduce resource use, for example through greater energy efficiency, process optimisation, conversion to renewable energies, or a combination of these and other methods.

Rhenus Lub has been a climate-neutral company since January 2022 and can now provide customers worldwide with lubricants from carbon-neutral production. We've achieved this through investments in internationally recognised climate-protection projects in the areas of

- wind energy
- hydropower
- transport and
- biomass

#### in the following countries:

- Turkey
- India and
- the Netherlands.

When selecting these projects, Rhenus Lub took care to ensure compliance with the highest certification standards and gave preference to projects that, as well as offering certified climate protection, put the emphasis on the expansion of renewable energies and the fulfilment of social objectives. In total, the selected climate-protection projects cover six of the 17 Sustainable Development Goals (SDGs) of the United Nations (UN), which are tackled in greater detail in the next section. Specifically, the climate-protection projects that we invest in support the following SDGs:

- SDG 7 / Affordable and Clean Energy
- SDG 8 / Decent Work and Economic Growth
- SDG 9 / Industry, Innovation and Infrastructure
- SDG 11 / Sustainable Cities and Communities
- SDG 13 / Climate Action
- SDG 15 / Life on Land

Detailed descriptions of the climate-protection projects in which Rhenus Lub invests can be found on our company website.

# 17 Sustainable Development Goals (SDGs)





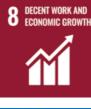














15 LIFE ON LAND









Rhenus Lub supports the implementation of the 17 Sustainable Development Goals (SDGs), which were adopted by the United Nations in 2015, within its area of influence.

As well as tackling poverty and hunger and calling for education, health, equal treatment and decent work for all, the 17 SDGs also incorporate objectives such as climate protection, sustainable consumption and sustainable production.

With our products and solutions, we want to contribute to the achievement of the SDGs in many ways and to the realisation of a sustainable global community. The topics set out below represent a selection of the SDGs that are currently the focus of our business activities and our broader community engagement:

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23



#### **Goal 4: QUALITY EDUCATION**

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

- Regular donations to the the Förderzentrum
   Mönchengladbach-Nord educational centre:
   Rhenus Lub rises to its social responsibility to
   the region around its company headquarters
   by funding selected projects. Förderzentrum
   Mönchengladbach-Nord is a good example
   of this. Since 2012, Rhenus Lub has provided
   financial support to the school, which focuses
   on the areas of learning, emotional and social
   development, and language.
- Regular further education and training:
   79 training courses with 428 participants in
   2020.
- Regular support for diploma/doctoral students as part of close collaboration with the Niederrhein University of Applied Sciences.

#### Goal 8: DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

- Rhenus Lub has been an active member of the UN Global Compact initiative since 2011.
   Global Compact is a United Nations initiative in which companies align their strategies and processes to universal principles relating to human rights, work, environment and the fight against corruption, as well as adopting measures to advance the social goals.
- Support for the wind projects Borusan EnBW
  Enerji in Mersin, Eskoda Enerji and Baki
  Elektrik Üretim in Balıkesir, all in Turkey. The
  employment of locals with the necessary
  technical qualifications for the position takes

- priority during construction and operation of the wind farm and is promoted by all project activities. Preference is given to the local procurement of building materials for the foundations, cables and access roads. Moreover, the project will contribute to the expansion of the wind power industry in Turkey.
- Support for the Vishnuprayag Hydroelectric run-of-river power station project in the Indian state of Uttarakhand. The project activities led to direct and indirect job creation for the local population during both the construction and operating phases.
- Support for the Cevizlik run-of-river power station project in the eastern Black Sea region of Turkey. Some 300 jobs were created during the project's three-year construction phase.

## Goal 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.

- Open percolation of rainwater to avoid flood waves in rivers in the event of prolonged or heavy rainfall (Rhine), replenish the water table, and relieve the burden on public sewer systems.
- Energy savings thanks to lamps of the lowest energy class (LED) in all new buildings.
- Energy savings thanks to consumptionoptimised high-frequency charging devices for all forklift trucks.
- Automated deactivation of frequency converters for speed control of stirrers and pumps in the grease factory during standstill.
   Power savings of approx. 70,000 kWh/year.

- Support for the Cevizlik run-of-river power station project in the eastern Black Sea region of Turkey. Improvements were made to the streets in the village of Soğuksu, making it easier for residents to access surrounding markets. Moreover, the aerial cableways in the vicinity of the project are serviced regularly in order to improve safety conditions.
- Support for a project to build a metro for local public transport in Delhi, India.

13 CLIMATE ACTION

#### **Goal 13: CLIMATE ACTION**

Take urgent action to combat climate change and its impacts.

- Climate-neutral company since 2022
   thanks to offsetting with climate-protection certificates. Rhenus Lub declares its support for the principle of "avoid, reduce, offset".
- CO<sub>2</sub> savings thanks to use of 100% green electricity throughout the company site.
   This reduces CO<sub>2</sub> emissions by approx.
   2,200 tonnes/year.
- Participation in the Ecocockpit initiative of Effizienz-Agentur NRW.
- All steel barrels and IBCs that arise internally are sent for recycling.
- Waste quantities of flushing oils and flushing greases have been significantly reduced.
- Support for the wind projects Borusan EnBW
  Enerji in Mersin, Eskoda Enerji and Baki
  Elektrik Üretim in Balıkesir, all in Turkey. The
  projects replace electricity from fossil fuel
  sources, reducing greenhouse gas emissions
  and other hazardous substances (SOX, NOX,
  fine particulate matter) that are produced
  during the transport and burning of fossil
  fuels. Wind energy neither leads to pollutant
  emissions in the atmosphere nor produces

- residues that can have a harmful effect on soil, water, etc.
- Support for the Vishnuprayag Hydroelectric run-of-river power station project in the Indian state of Uttarakhand. The project activities reduce emissions of greenhouse gases thanks to the use of renewable energy from hydropower, avoiding the generation of power from fossil fuels and the resulting CO<sub>2</sub> emissions.
- Support for the Cevizlik run-of-river power station project in the eastern Black Sea region of Turkey. The project contributes to the reduction of greenhouse gas emissions from the national power grid, reducing the impact of global climate change in the medium and long term.
- Support for a project to build a metro for local public transport in Delhi, India.
   Emissions reductions are achieved by reducing greenhouse gas emissions per passengerkilometre compared with conventional modes of transport.
- Support for a project for the generation of biogas from pig manure in North Brabant, Netherlands. The project's operation avoids the use of fossil energies, thereby saving some 11,947 t of CO<sub>2</sub>.

Safer process.
Safer profit.



#### Outlook

Since January 2022, Rhenus Lub has been a climate-neutral company and has therefore been able to provide customers worldwide with lubricants derived from carbon-neutral production.

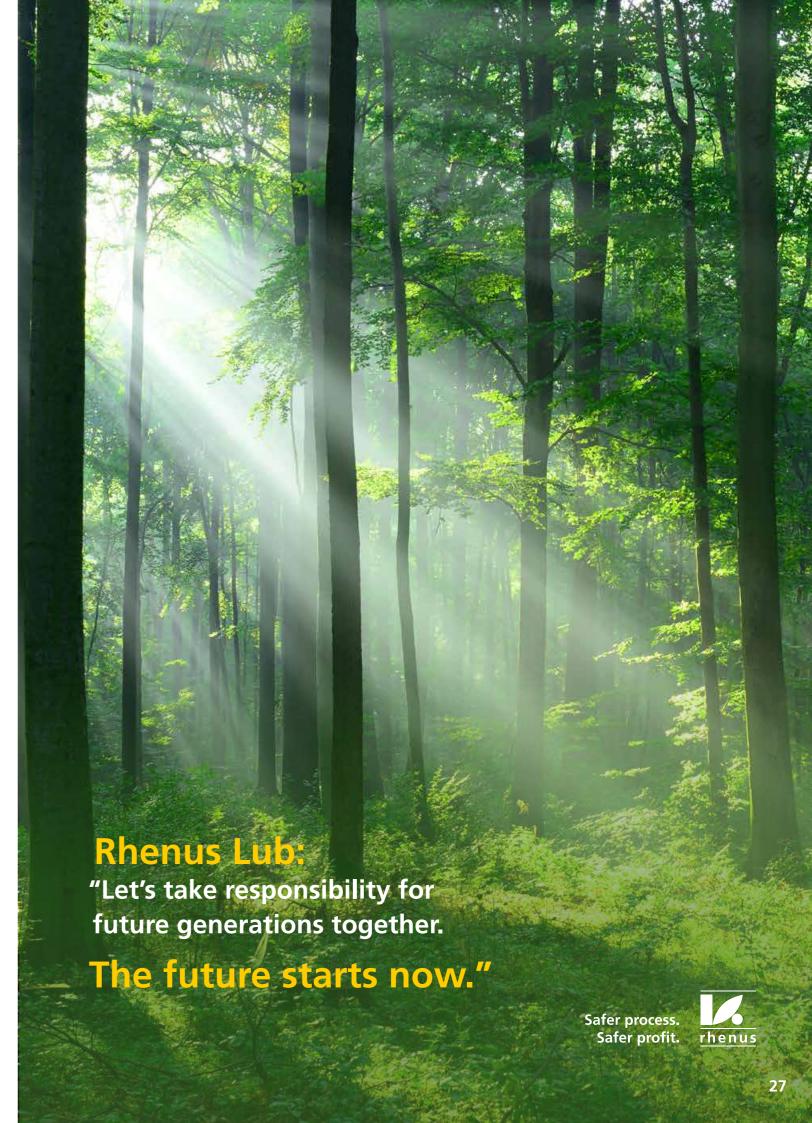
In order to go one step further and offer its customers carbon-neutral lubricant products in the future, it will need to reduce and neutralise the CO<sub>2</sub> emissions from the lubricant itself, which are primarily determined by the proportions of raw materials. Stakeholders in the lubricant industry are increasingly calling for a holistic approach and climate-neutral lubricants.

The greenhouse gas emissions and climate impact of products are generally analysed using the product carbon footprint (PCF), i.e. by examining the individual process steps from the mining of raw materials to processing, packaging and supply. As part of our company philosophy, it is therefore our declared aim to continually analyse

and optimise not only the CCF but also the PCF based on reliable data.

Rhenus Lub is a member of the Sustainability Initiative of the Lubricant Industry (NaSch), a working group of the Association of the German Lubricant Industry (VSI). The VSI is working on a unified industry standard for the calculation of lubricant greenhouse gas emissions, which is expected to be ready in the first half of 2023. We also actively support the establishment of a European association for the standardised calculation and documentation of greenhouse gas figures in the lubricant sector.

Via Siebert GmbH, Rhenus Lub is committed to the promotion of electrofuels as a climate-neutral alternative for electromobility within the framework of the eFuel Alliance. The aim here is the continued use of conventional combustion engines that can be run on electrofuels.



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