

Our Ideals

Our actions are based on set values and clear rules. We are convinced that environmental laws and economic laws go hand in hand: they are two sides of the same coin. This belief feeds into our vision and gives rise to the goals we want to reach. We also make sure nothing is lost in the process of reaching these goals. Waste is something we do not want. We act carefully, precisely, truthfully, and attentively, and create value. We accept responsibility towards our customers, partners, employees, and the environment.

Our Guidelines

This sustainability policy is based on the spirit of the Model Group's Sustainability trilogy and the Quintessence including the questions posed there, which everyone has to answer individually for themselves. Its purpose is to serve as a guideline for responsible business conduct in terms of social, economic, and ecological issues. The sustainability policy is our voluntary initiative to lay the groundwork for decency, integrity, and credibility of Model and its employees and communicate it to the outside world.

Our Commitment

The Model Group is an association of strong companies that have the freedom and responsibility to follow their own paths within the ideals and guidelines of the Group. This sustainability policy defines our commitment regarding human rights, labor rights, business ethics and environmental protection. The sustainability policy is binding for the entire Model Group with all its legal entities. It covers all employees, managers, contractors and business partners of the Model Group.

1 Empowering people

1.1 Human and Labour Rights

Our company represents a social organism consisting of voluntary members wherein everyone does what they can and contributes to the whole. Individuals are expected to have as much freedom to associate with others as possible so that their abilities can be enhanced to the fullest. In this context human rights represent an important achievement for protecting the individual against powerful organizations and institutions. We respect and value the human rights proclaimed by the international community and support compliance with these rights in our sphere of influence.

The Model Group is committed to:

- Respecting and valuing the human rights proclaimed by the international community and strive for 100 % compliance with these rights in our sphere of influence from 2025 onward.
- Excluding any form of forced labour, child labour, modern slavery, and human trafficking. All our employees can leave the company at any time in accordance with the contractually agreed notice period. We do not retain any of our employees' personal documents.
- Respecting the Convention 138 set by the International Labour Organization (ILO) on the minimum age of workers.
- Respecting the concept of FPIC as stated by the UN declaration on the Rights of Indigenous People (UNDRIP).
- Paying our employees in accordance with the applicable national legal regulations. This applies to salary, fringe benefits and overtime, as well as minimum wages, working hours and social benefits.
- Paying 100 % of our employees living wages by 2030.
- Regulating the details of the employment relationship for each employee in a contract and handing it to the employee in text form before they start work.
- Not tolerating and sanctioning any form of harassment, sexual harassment, insults, bullying, intimidation, abuse, violence and any other type of

unacceptable behavior. We strive for zero incidents from 2025 onward.

- Recognizing the right to freedom of association, collective bargaining, and complying with all local laws governing the right of employees to elect or not elect company representatives.
- Excluding discrimination based on race, skin color, gender, disability, age, sexual orientation, religion, political opinion, or national, ethnical, or social origin in hiring and employment and sanction violations of this principle.

1.2 Employee Health and Safety

The Model Group does not have employees: it has partners. We are home to strong individuals who forge connections by working together to create our vision and make it a reality. This unifying goal is the inspiration behind all our activities and is our most precious asset. It turns our employees into partners, ensuring everyone takes personal responsibility for their own actions. As an employer, we do everything we can to offer our employees a safe working environment. At the same time, we expect our employees to do their part to protect their own health and the health of their colleagues through prudent behavior and compliance with all applicable work regulations.

The Model Group is committed to ensuring:

- A continuous reduction in occupational accidents with the aim of zero avoidable accidents by 2030.
- Actively involving our employees in all matters relating to occupational safety.
- External certification of the occupational safety management system at all our production sites in accordance with ISO 45001 by 2030.
- Promoting the further education and learning of all.

1.3 Business Ethics

We are committed to ethical behavior and prohibit all forms of corruption, fraud, money laundering, bribery, conflicts of interest, data and information security incidents and

violations of antitrust laws. In particular, we demonstrate clearly that the UN Convention against corruption must be observed, and we are committed to doing so.

The Model Group is committed to the following statements:

- We reject all forms of corruption; we do not offer or accept bribes. We comply with the rules of ethical business conduct and expect our employees to demonstrate a high level of personal integrity.
- Neither private interests nor any external activities of individual employees may influence their actions in the context of their employment with the Model Group.
- We maintain a professional relationship with our market competitors. Our employees may not participate in any activities aimed at preventing or distorting free competition.
- Our aim is to implement the three basic pillars (availability, integrity and confidentiality) of secure information technology to the best of our ability, resulting in the aim of zero security breaches from 2025 onward.
- All employees and managers are aware of their responsibility for data security and data protection, receiving regular training in this area and take this guideline into account in their professional activities.

2 Protecting ecosystems

2.1 Environmental Protection

Our approach to handling environmental problems is prevention. We maintain an efficient internal system for managing the environment, follow the principle of prevention and provide an effective emergency plan in case of detrimental environmental consequences. We strive for continuous improvement of our environmental results and take a preventive stance towards environmental hazards. To this end, we collect environmentally relevant company data and publish it both in our annual publicly accessible sustainability report and as part of

the Carbon Disclosure Project (CDP) questionnaire.

The Model Group is committed to:

- Reducing our GHG emissions in line with our SBTi-validated targets to limit global warming in accordance with the Paris Climate Agreement.
- Increasing the share of non-fossil energy to 50 % by 2030.
- Decreasing our water intensity by 2030 by 5 % compared to 2017.
- Treating 100 % of discharged wastewater from our paper mills and reducing the use of water-polluting substances to a necessary minimum.
- Disposing of all hazardous waste only by authorized specialist companies.
- Reducing our waste intensity by 10 % compared to 2017 until 2030.

2.2 Responsible Forestry

- Achieve 100 % FSC-certified input materials.
- Maintain at least 90 % FSC-Certified Packaging by 2030.
- No deforestation along our value chain.

3 Creating value

Closed material cycles are the key to climate neutrality. We produce our products within a closed paper cycle. This was the principle our company was founded on in 1882.

The Model Group is committed to:

- Maintain 100 % paper waste as input materials in our paper mills.
- Achieve 85 % recycled input materials in our packaging production by 2030.
- Reduce packaging weight and minimize material consumption.
- Increase the volume of returned packaging from our customers.

3.1 Sustainable Procurement Policy

By 2026, we want to ensure that all suppliers have signed our Supplier Code of Conduct, which defines our standards for labor and human rights, environmental protection and business ethics.

3.2 Notices and Remedial Actions

If we become aware of potential negative impacts related to human or labor rights within the Model Group or within our supply chain, we will take appropriate measures to prevent or mitigate them. To ensure sustainability in our supply chain, we require our suppliers to comply with human, labor and environmental rights through our Supplier Code of Conduct.

Via our website www.modelgroup.com, it is possible to anonymously report suspected violations of this Code of Conduct, either internally or at suppliers.

Weinfelden, 05.03.2025



Elisabeth Model

Vice Chair and Director of Sustainability

A dedicated sustainability team has been appointed by the management. This team is responsible for developing the sustainability strategy and policies and regularly proposes adjustments and targets to the Board of Directors. It must also identify best practices and tools that the Model Group can use to achieve its commitments and objectives. In each unit, a regional sustainability manager is responsible for implementing the sustainability policy.

This policy will be regularly updated by the sustainability team and any changes will be communicated to interested parties. If you have any questions, please contact your local sustainability manager.