



Sustainability Report

2018

2018 Sustainability Report

The 2018 Sustainability Report, in which Interseroh gives full details of its social and ecological business performance, is the fourth such report. With this report, Interseroh shows customers, employees, suppliers and the wider public the values that the company follows in its day-to-day business, the impact of its business activities on society and the environment, and the kinds of progress it is making in terms of sustainability.

Unless otherwise stated, the key figures and information presented here relate to the financial years 2017 and 2018. The report contains no gender-specific differentiation but uses the male designation throughout. In the spirit of gender equality, any gendered terms apply to all sexes.

This **Sustainability Report** was prepared in accordance with the Standards (2016) of the Global Reporting Initiative (GRI) and in accordance with the GRI Standard: Core option. Interseroh has once again prepared an online Sustainability Report, which systematically presents in a clear and standardised format the topics and indicators defined as material topics by the company.

The menu system can be used to view all of the relevant information on the individual GRI Standards.

In addition, we also provide you with the entire report as a downloadable PDF.

Supplementing Interseroh is publishing a new issue of its [Sustainability Magazine this year “zero waste solutions”](#). The magazine offers insights into the development process for a range of customer solutions, while showcasing initiatives to improve sustainability within the company.

Report online:
[web.interseroh.de/
sustainabilityreport](http://web.interseroh.de/sustainabilityreport)

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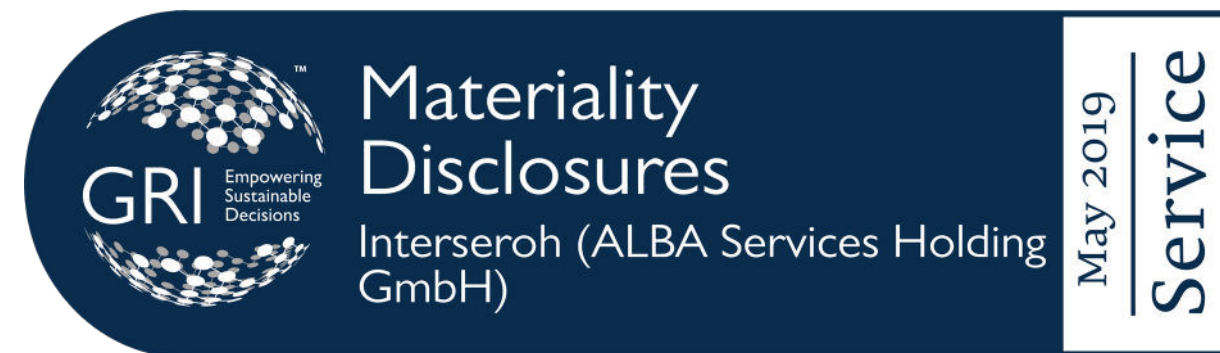
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GRI Content Index



For the Materiality Disclosures Service, GRI Services reviewed that the GRI Content Index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the German version of the report. All of the GRI Standards listed in the GRI Content Index below were published in 2016.

GRI 101: Foundation

In preparing this Sustainability Report, Interseroh has taken into account the reporting principles of the Global Reporting Initiative (GRI), defined under the standard „101 Foundation“.

GRI 102: General disclosures

Organisational profile

GRI 102-1: Name of the organisation

Interseroh is one of the market’s leading providers of environmental services for closing product, material or logistics loops. Under its guiding principle of ‘zero waste solutions’, the company advises customers throughout Europe on the responsible handling of recyclable materials. Interseroh thus helps them to improve their own sustainability performance and conserve primary resources.

Interseroh and ALBA are both brands that operate within the ALBA Group. The holding company that controls the Interseroh brand has operated under the

name of ALBA Services Holding GmbH since 2018. When we refer to ‘Interseroh’, we refer to all the companies operating under the umbrella of ALBA Services Holding GmbH.

GRI 102-2: Activities, brands, products and services

When it comes to closing the product, material or logistics loop, Interseroh is one of the market’s leading ser-

vice providers. For over 27 years, the company and its services has been reducing the strain on the environment while simultaneously safeguarding the supply of raw materials to the economy.

Interseroh works alongside customers throughout Europe to develop individual, industry-specific solutions

and leverage both ecological and economic potential. The company’s business model is based on four pillars that embody the principles of a holistic, closed-loop economy:

ReDuce – To prevent waste, Interseroh deploys sophisticated multi-use systems and pooling solutions that optimise customers’ logistics processes while simultaneously cutting costs. One core service here, for example, is the pooling system set up by Interseroh for returnable fruit and vegetable transport packaging, which saves the consumption of 22,000 tonnes of paper, paperboard and cardboard every year.

ReUse – Interseroh extends product lifecycles by using highly efficient systems for the taking back, sorting and reuse of recyclable materials. In the field of IT refurbishment, for example, it collects hardware from businesses, refurbishes and then resells it. Interseroh

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has established a new business model known as [SIMPLI RETURN](#) for recycling lithium-ion batteries internationally. Interseroh also sells recycled toner cartridges under its ReUseMe brand.

ReCycle – Once the options for waste prevention and reduction have been exhausted, the focus then turns to recycling. Important applications include the taking back and recycling of packaging (Dual System Interseroh and transport packaging). Small traders and manufacturers can obtain a licence for their sales, shipping and service packaging through the new [Lizenzero](#) online shop. Interseroh also supplies its customers with high-quality recycled raw materials such as the high-performance recompound Procyclene, which is a direct and equivalent substitute for primary raw materials in manufacturing.

ReThink – Interseroh analyses, appraises and optimises company processes with sustainability in mind – regardless of whether the job at hand is waste volume, material flows or logistical and infrastructural processes. Tailor-made service models are developed as solutions here. Interseroh also offers facility services for customers in the commercial, technical and infrastructure segments.

Interseroh offers 26 core services and is continuously expanding its portfolio in accordance with the objectives of its sustainability strategy (see [GRI 102-16: Values, principles, standards and norms of behaviour](#)).

You can find further information on Interseroh’s services at <https://www.interseroh.de/en/company/companies-and-locations/>.

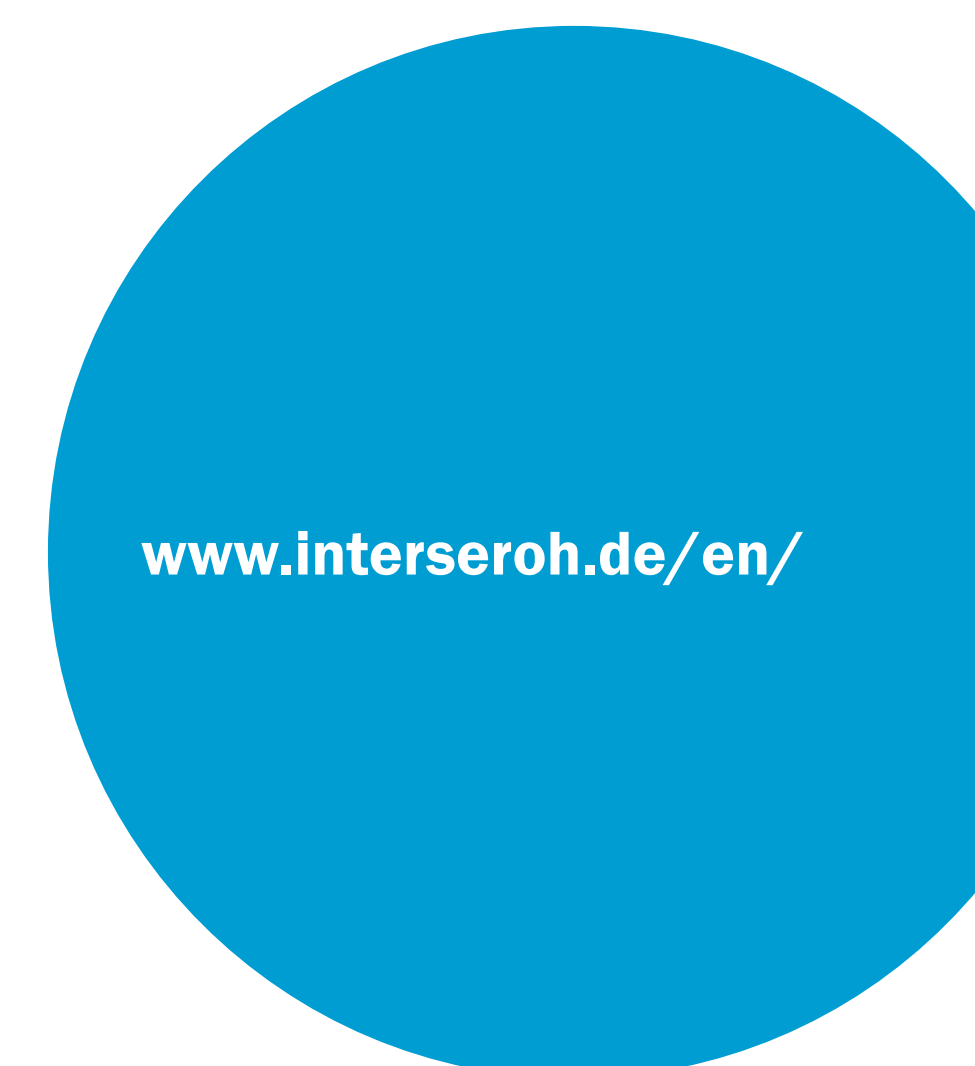
GRI 102-3: Location of headquarters

ALBA Services Holding GmbH is headquartered in Berlin, Germany. The head office of INTERSEROH Dienstleistungs GmbH is in Cologne, Germany.

GRI 102-4: Location of operations

Interseroh is represented by a total of 33 locations in eight European countries. These locations are categorised as office premises, sales branches, sorting and processing plants, washing depots and counting centres; while some sites are owned outright by Interseroh, others are leased. At 88.4 percent, Interseroh’s largest revenue share is earned in Germany; other strategically important markets include Austria, Poland, Italy, Slovenia and Croatia.

ITL logistics GmbH, with a subsidiary near Munich, was fully integrated into the Group in 2017. Also in 2017, Interseroh opened an office for IT refurbishment in Berlin. Interseroh opened a new sorting plant for light packaging in Marl (North Rhine-Westphalia) in 2019. (Due to damage sustained in a fire, one of the sorting plants with a capacity of 200,000 tonnes has been out of service since 24 April 2019.)



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GRI 102-5: Ownership and legal form

Alongside ALBA Group plc & Co. KG (40 percent share-holding), a Chinese fund holds a 60 percent stake in Interseroh. This joint holding is managed through ALBA Services Holding GmbH.

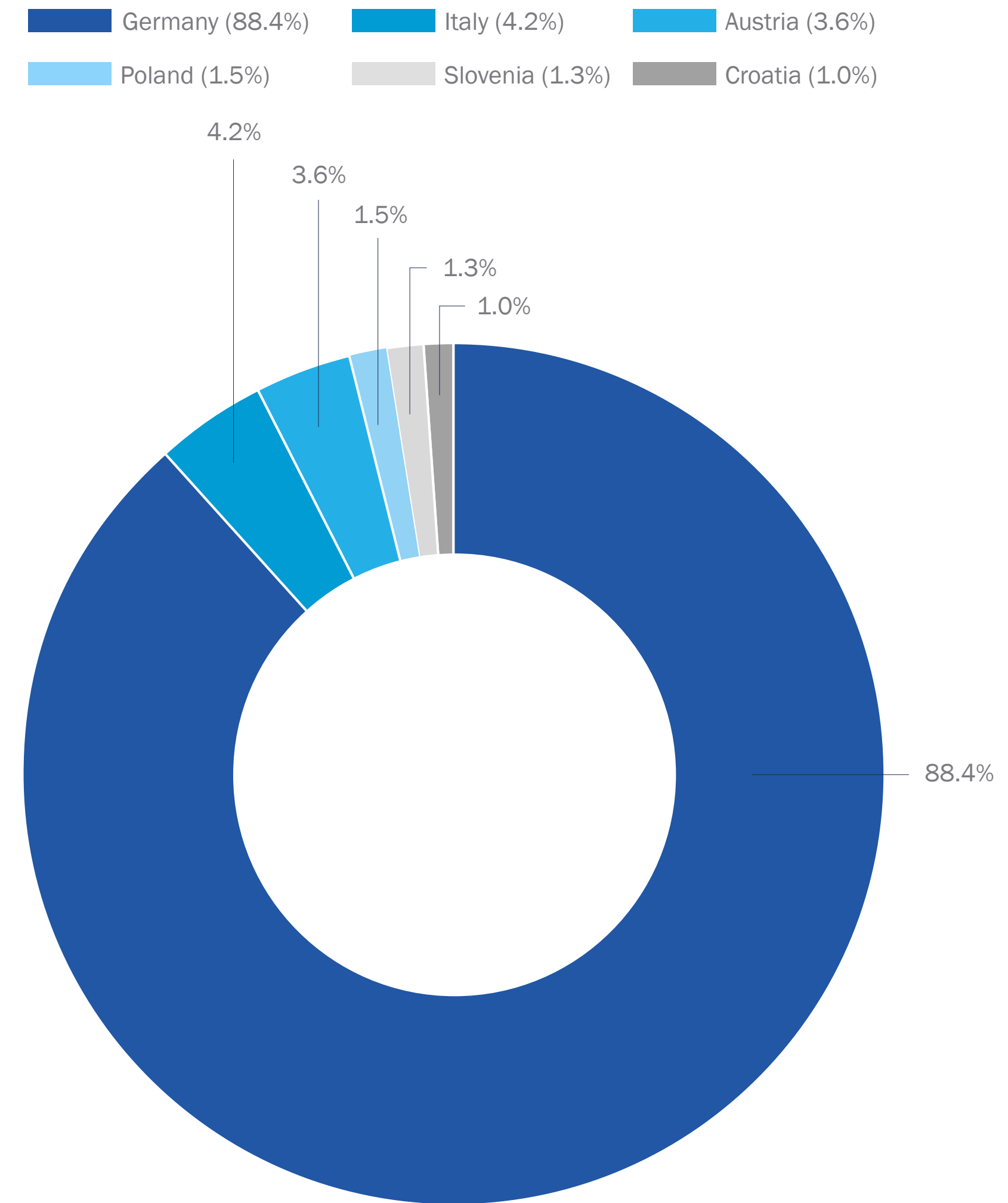
Management responsibility for this company is shared between the two parties under the overall strategic guidance of Dr Axel Schweitzer, CEO of ALBA Group plc & Co. KG. ALBA Services Holding GmbH is managed by Hans-Stefan Kalinowski, Dr Timo Langemann and Markus Müller-Drexel.

GRI 102-6: Markets served

In 2018, Interseroh posted revenue of 739 million euros. This represents year-on-year revenue growth of 43 percent. Revenue grew significantly, in particular due to the increased market share in the dual systems segment.

The majority of this revenue was earned in Germany. The company earned 11.6 percent of this revenue in other countries.

Revenue by region 2018



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GRI 102-7: Scale of the organisation

Interseroh employs 1,791 people (2018), operates 33 sites and does business in eight countries. In 2018, the company posted revenue of 739.2 million euros, which represents year-on-year revenue growth of 43 percent.



GRI 102-8: Information on employees and other workers

On 31 December 2018, Interseroh employed a total of 1,791 people. This represents a year-on-year increase of 13.1 percent compared with the prior-year figure of 1,583. Of these, 91.7 percent (2017: 93.0 percent) are employed in Germany. A breakdown of gender by region is not provided, since it would have little statistical value.

The proportion of female employees increased marginally from 34.0 percent (2017) to 34.2 percent (2018).

The share of part-time employees rose to 16.4 percent in the reporting period (2017: 12.7 percent). This is attributable largely to the growing demand on the part of employees for more flexible working arrangements, which Interseroh tries to provide whenever possible. The proportion of employees on fixed-term contracts

rose slightly from 12.4 percent in 2017 to 12.6 percent in 2018. Subcontracted labour fell slightly in the reporting period from 232 persons in 2017 to 216 in 2018. A breakdown by gender is not provided at this juncture. Interseroh uses the services of freelancers only on rare occasions.

Employees¹ – breakdown by employment contract type and gender			
	2016	2017	2018
Total	1,646	1,583	1,791
Female	551	538	613
Male	1,095	1,045	1,178
Full-time	1,439	1,382	1,498
Part-time	207	201	293
Permanent contract	1,424	1,387	1,566
Fixed-term contract	222	196	225

¹ Basis: headcount, excl. subcontracted labour; figures as on 31 December of each year. Employee numbers were stable in the reporting period.

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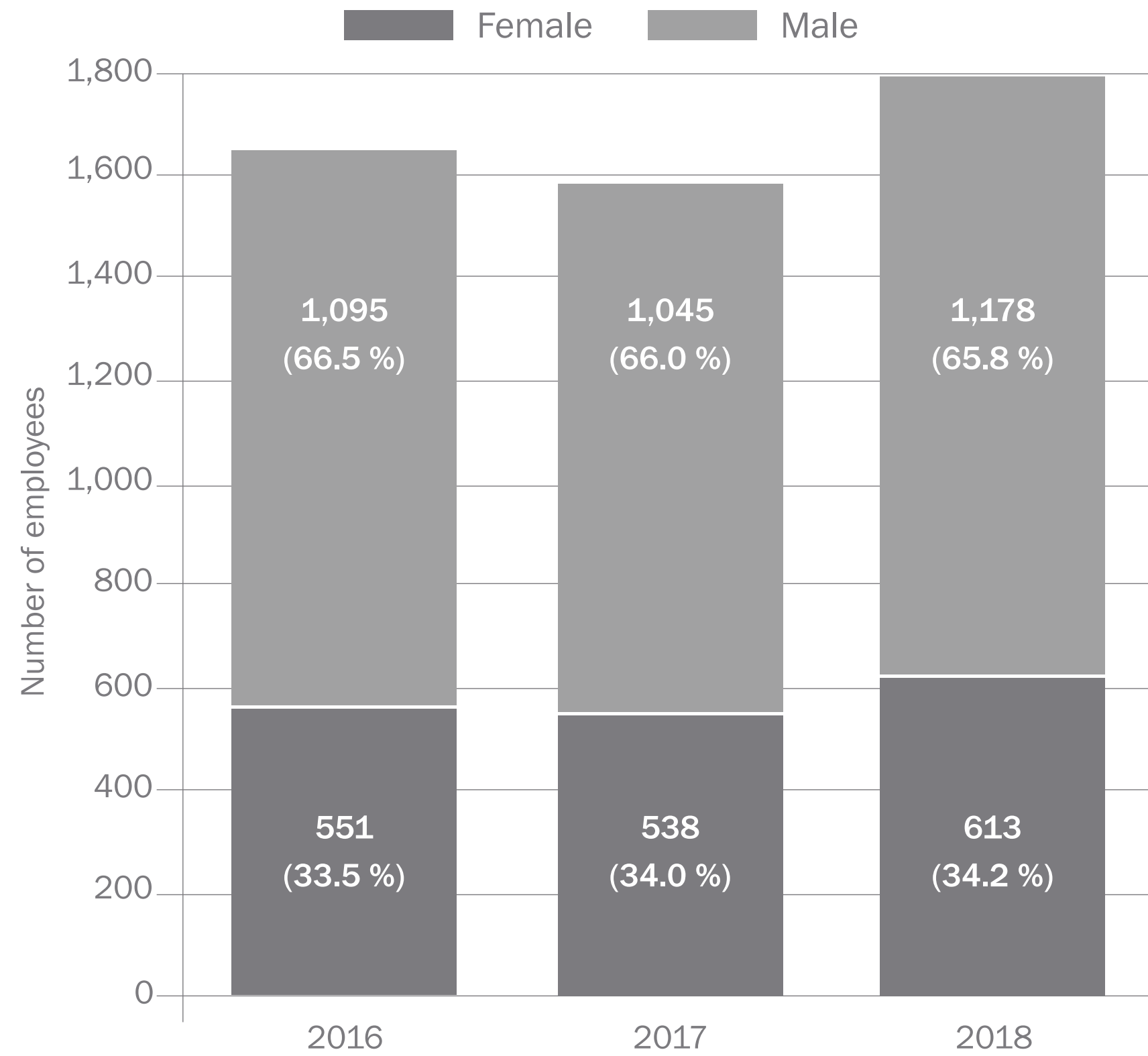
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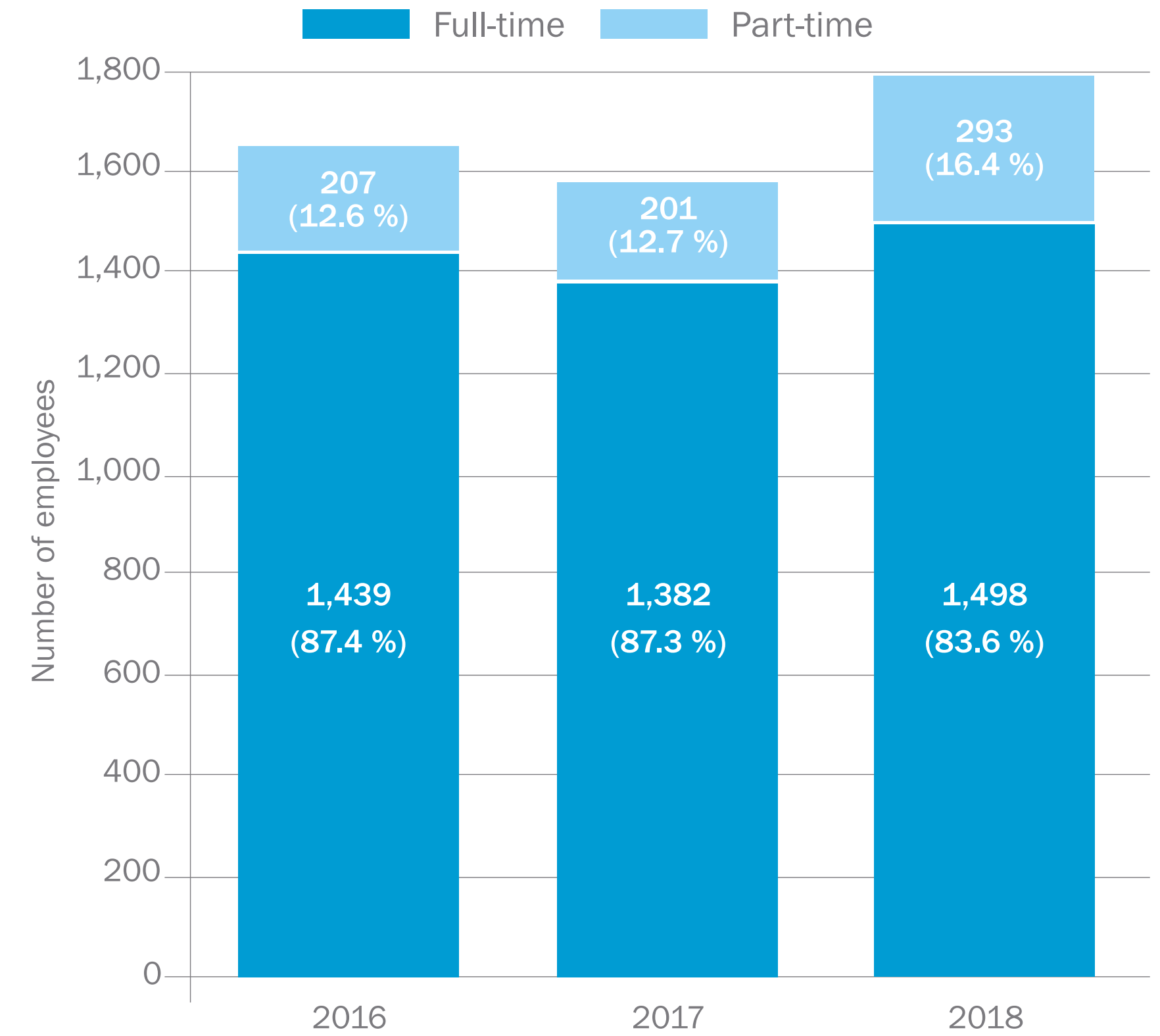
∨ Strategy

Employees¹ by gender



¹ Basis: headcount, excl. subcontracted labour; figures as on 31 December of each year. Employee numbers were stable in the reporting period.

Employees¹ by employment contract type



¹ Basis: headcount, excl. subcontracted labour; figures as on 31 December of each year. Employee numbers were stable in the reporting period.

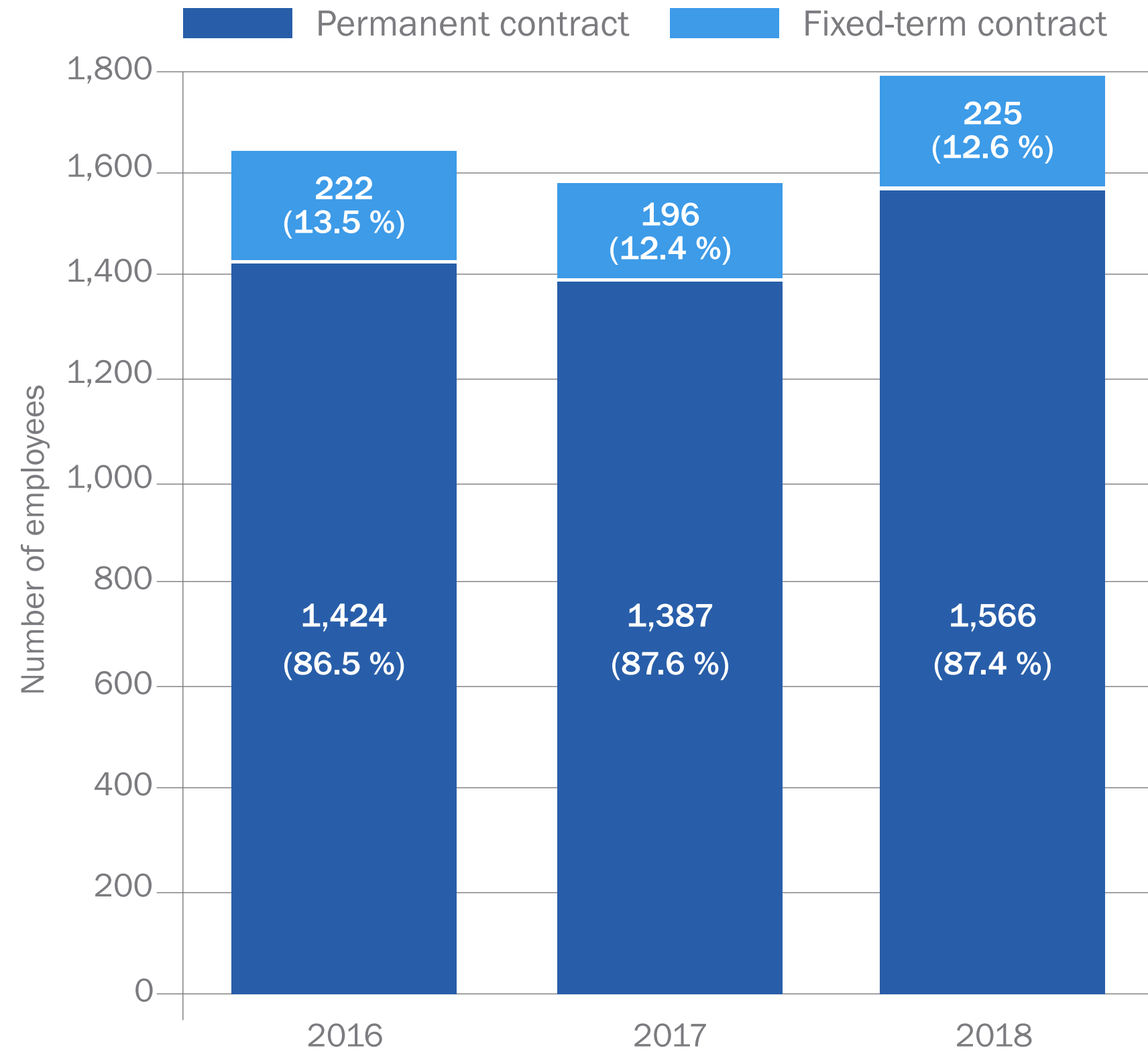
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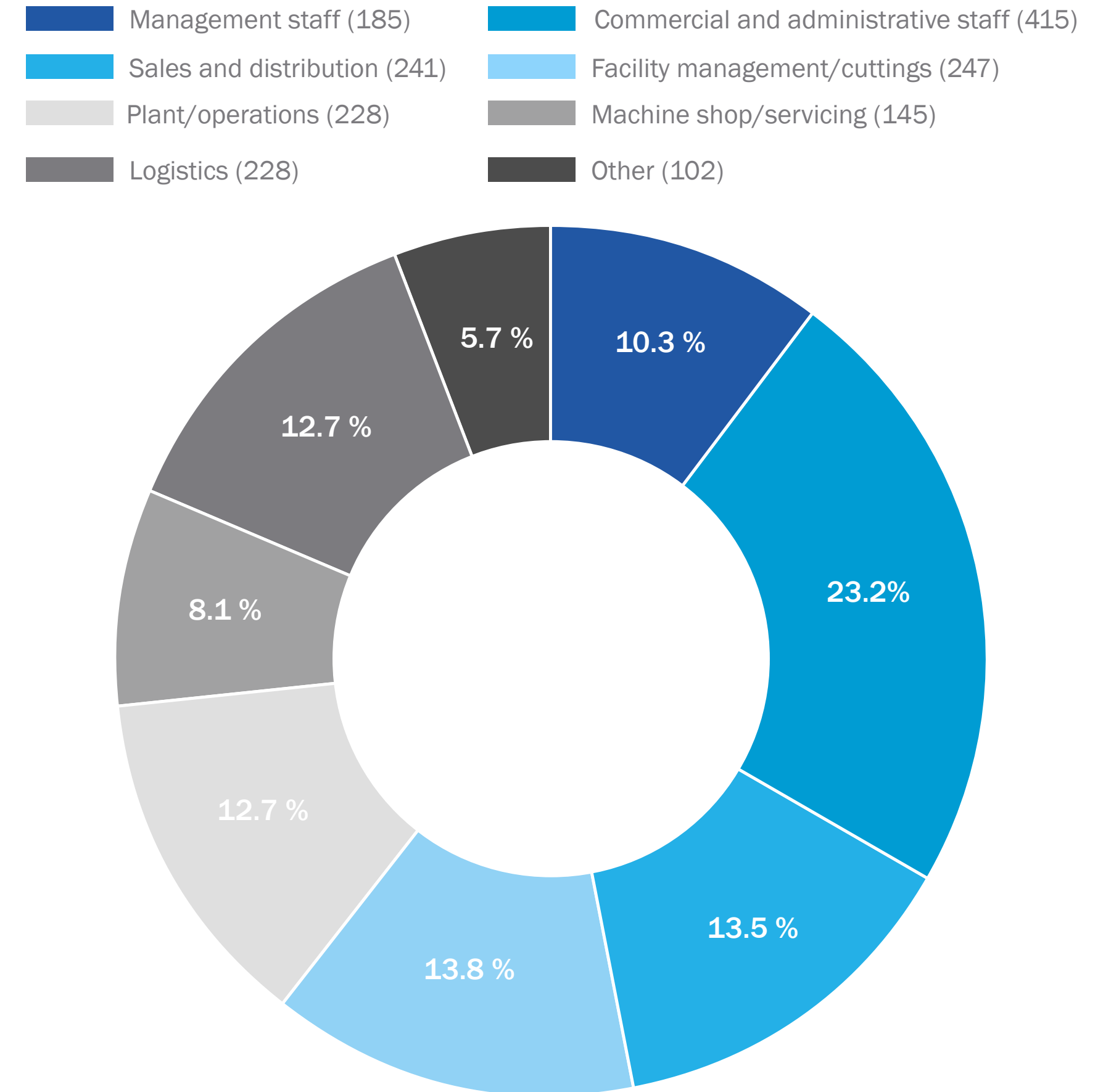
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Employees¹ by work time



¹ Basis: headcount, excl. subcontracted labour; figures as on 31 December of each year. Employee numbers were stable in the reporting period.

Employees by employment type



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GRI 102-9: Supply chain

As an integrated services provider, Interseroh coordinates around 1,900 external service providers and suppliers in Germany alone. These providers and suppliers are active primarily in upstream and downstream logistics for collection/transportation, and in the treatment/processing of materials and waste. Here, Interseroh is interested in establishing long-term, trusted partnerships.

For suppliers who provide waste management or logistics services, Interseroh is careful to choose businesses that are socially and ecologically responsible. This reflects the company's goal of implementing sustainability along the entire value chain.

To this end, Interseroh has developed a Supplier Code of Conduct, which is referred to in particular during contract negotiation and audits (see also [GRI 308 Supplier Environmental Assessment](#) and [GRI 414 Supplier Social Assessment](#)).

Interseroh itself fully meets the transparency requirements expected from suppliers. Interseroh has been a **SEDEX** ([Supplier Ethical Data Exchange](#)) member since 2013. SEDEX is a membership organisation for companies that have undertaken to ensure the continuous improvement of ethical behaviour in their supply chain.

GRI 102-10: Significant changes to the organisation and its supply chain

During the change of ownership, all systems were systematically separated from the ALBA Group. This carve-out was largely completed in 2018.

In May 2017, Interseroh acquired ITL logistics with a new site. Since April 2018, Interseroh has also held a 40 percent share in REMEDIA TSR and has been able to significantly expand its business in Italy as a result. INTERSEROH Dienstleistungen GmbH set up the SIMPLi RETURN joint venture together with Saubermacher Dienstleistungs AG in June 2018 to take back and recycle lithium-ion batteries.

There were no significant changes to our supply chains in the reporting period.

GRI 102-11: Precautionary principle or approach

Interseroh considers itself responsible for actively taking precautions to avoid risks to the environment and its employees and to be prepared to resolve problems quickly in the event of an emergency in order to avoid potential losses or damage.

Integrated management system

These principles are implemented within the framework of our integrated management system. This encompasses

all processes and workflows for quality, environment, and health and safety, and fulfils the provisions of the international standards ISO 9001 (Quality Management), ISO 14001 (Environmental Management), ISO 50001 (Energy Management), ISO 22000 (Food Safety), BS OHSAS 18001 (Occupational Health and Safety Management). It also meets all the requirements for certification as a waste management company.

Interseroh converted its systems to the new environmental management standard in 2017 and to the new quality management standard in 2018. The systems successfully passed the first ISO monitoring audit for quality, environmental and health management in 2018.

Risk early warning system

In 2018, Interseroh introduced a proprietary tool to improve the effectiveness of the risk early warning system throughout the Group. The process and reporting lines are set out in a guideline that is currently being prepared.

Promoting environmental awareness

Promoting environmentally-aware employee behaviour is a key aspect of Interseroh's application of the precautionary principle. Here, the company is careful to provide a comprehensive background on environmentally relevant topics. The aim is to motivate and enable

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staff to make a personal contribution to environmental protection and resource efficiency both in the workplace and at home.

This is achieved primarily by job-related training, professional development and internal employee communications. Our sustainability ambassadors play a key role as multipliers: they are responsible within their departments for gathering information on all aspects of sustainability and undertake projects promoting environmentally-aware behaviour. The standards that all our employees must follow are also set down in the new Code of Conduct.

The company's environment programme also requires all sites to work continuously towards improving their environmental performance. In the reporting period, all sites were also required to focus on mobility as a general topic.

In the individual companies and at all locations, individuals have been appointed who are responsible for maintaining internal and legal occupational safety and health standards. In all areas of its work concerning occupational safety and health – such as in relation to preparing the online hazard assessment – Interseroh is assisted by external service providers (see [GRI 403: Occupational Health and Safety](#)).

GRI 102-12: External initiatives

By regularly signing the **Germany Sustainability Code**

([DNK](#)) in 2013, Interseroh has publicly committed itself the principles of sustainable business development. Interseroh was one of the first 70 companies to follow the German Federal Government's invitation to sign the Code.

As a partner of the **Centre for Sustainable Corporate Governance** ([ZNU](#)), Interseroh regularly participates in its events, contributing its expertise on sustainability, recycling and the circular economy. The ZNU represents the cooperation of research and business: 50 partner companies join forces to make sustainability something accessible, feasible and credible. The tools developed by the ZNU to do so are both scientifically sound and practice-oriented.

Interseroh has been actively involved in the **Pathway towards a <2°-economy initiative** ([2degreeeconomy](#)) since 2017. The aim of the joint project between Foundation 2° and the WWF Germany is to show that an emissions-neutral economy is not only possible but that it also creates new opportunities. Participating businesses from the building, transport and industrial production sectors are working together to implement specific, cross-company and cross-sector project ideas for reducing greenhouse gas emissions. They strongly believe that it will only be possible to limit global warming to well below 2° Celsius with the help of industry.

Since the end of 2017, Interseroh has also been involved in the **Wirtschaft macht Klimaschutz** ([WmK](#)) dialogue forum, an initiative of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety

(BMU). Its aim is to network a wide range of German industrial companies for climate protection purposes and to initiate practical climate protection measures within companies. Interseroh supports the Circular Economy Working Group.

In 2019, Interseroh became a member of the **Circular Economy Initiative Germany**, a collaborative project between acatech (German Academy of Engineering Sciences), SYSTEMIQ and the Federal Ministry of Education and Research (BMBF). The aim of the initiative is to develop a circular economy roadmap for Germany by pursuing the strategic vision of circular value creation in Germany together with long-term goals for resource productivity.

GRI 102-13: Membership of associations

As an environmental services provider, Interseroh intends to act as an ambassador for sustainable development, and take an active part in shaping debate as a member of selected associations and advocacy groups.

The **Federation of the German Waste, Water and Raw Materials Management Industry** ([BDE](#)) is the industry association for the closed-loop and resource economy and is Interseroh's most important association by a wide margin. Some 30 ALBA Group employees – including nine Interseroh employees – are members of various working groups on topics such as electrical recycling and dangerous goods.

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Interseroh also actively supports the **German DIY, Building and Horticultural Trade Association BHB** with sponsoring and presentations. This work involves identifying and promoting new approaches for the building trade (for example recycled plastics and returnable pooling for building goods pallets).

Interseroh has been a member of the **German Packaging Institute (dvi)** since 2016. The organisation promotes knowledge transfer and dialogue between industry companies, institutions and partners. The dvi also organises conferences and congresses. Here, Interseroh contributes its expertise on the topic of packaging optimised for recycling – such as with a presentation on optimisation options given in a working group.

Interseroh has also been an active member of the **German Sustainable Building Council – DGNB e.V.** – since 2017. The association wants to raise awareness of and promote sustainable construction methods.

INTERSEROH Dienstleistungs GmbH is a member of the **United Against Waste e.V. (united-against-waste)** association. The association promotes the sustainable management of food resources in the catering industry.

Markus Müller-Drexel, Managing Director at INTERSEROH Dienstleistungs GmbH, chairs the Community Committee on Environmental Protection at the Bonn/Rhein-Sieg and Cologne Chambers of Industry and Commerce (**IHK**). Interseroh is also active in the **Building Sector and Environmental/Machine Technology Association (VDBUM)** and is a solution provider for

Deposits and Pooling at **GS1 Germany (GS1)**. Furthermore, Interseroh is a partner and promoter of **Markenverband e.V. (Markenverband)**, which represents the interests of branded businesses in Germany.

Organisational profile

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GRI 102-14: Statement from senior decision-maker

GRI 102-15: Key impacts, risks and opportunities

Ethics and integrity

Strategy

GRI 102-14: Statement from senior decision-maker

Dear Readers,

Last year's UN World Climate Conference in Katowice, Poland, clearly showed how the climate problems our planet is facing are now more urgent than ever. The wasteful use of resources is a tremendous burden on our planet. At the same time, everyone involved realises that tackling the problem requires solutions that are global in scale.

The circular economy offers an exciting approach to finding a solution. For a circular economic paradigm to work, however, traditional views of wealth creation must be challenged and questioned. New perspectives are needed if we are to create innovations that will help us to decouple economic growth from the use of resources.

This is why we continue to pursue new ideas with our made-to-measure solutions. "We work with our customers to develop new approaches to design-for-recycling, to create upcycling solutions, to prepare products for recycling or reuse and to design new models for the sharing economy. To get closer to our vision of 'zero waste solutions', we are increasingly expanding our international horizons.

Our 2018 Sustainability Report presents a transparent picture of Interseroh's services. It explains how we are

advancing the frontiers of sustainability in our core business and at our sites, how we have developed over the past two years and what challenges we intend to meet in the future. Our focus is on our new sustainability strategy, which sets out the targets and KPIs (Key Performance Indicators) we use to measure our progress every year. You can read what some of our solutions look like in practice in our [Sustainability Magazine](#).

We wish you an informative and stimulating read and look forward to working with you to further advance the development of a circular economy.

Your Executive Management

Hans-Stefan Kalinowski

Dr. Timo Langemann

Markus Müller-Drexel

GRI 102-15: Key impacts, risks and opportunities

Interseroh's business model is oriented on tackling urgent social and ecological challenges. If we look at the enormous demand for resources from the industrialised countries, strategies are increasingly required that can balance economy against ecology. In this light, the idea of a holistic, circular economy therefore offers a particularly sustainable model.

As a recycling specialist with the mission goal of 'zero waste solutions', Interseroh's aim is to secure a sustainable basis for the increasing demand for raw materials and to prevent the unnecessary wastage of our va-

luable resources. In 2017 alone, Interseroh's recycling activities and other services saved around 5.8 million tonnes of primary resources and avoided 834,129 tonnes of greenhouse gas emissions.

Growing awareness

Global challenges such as climate change and a growing awareness among members of society and the business world alike of conserving resources and promoting climate protection are also helping to ensure that demand for Interseroh's services has risen steadily over the last few years.

Recycling is increasingly important for Interseroh's customers. Companies who use a systematic approach to recycling to anchor resource loops in their core business will reduce their dependency on volatile primary resource markets, protect the climate and safeguard their competitiveness. For Europe's economies, the Ellen McArthur Foundation's report [Achieving 'Growth' Within'](#) (2017) estimates the economic potential of the circular economy to be around 320 billion euros by 2025.

Increased political regulation

Political developments also highlight the growing importance of protecting resources and the environment. At the 2015 World Climate Conference in Paris, for example, 196 countries agreed to pursue efforts to limit global warming to a maximum of 2 degrees Celsius. These countries also adopted the UN's 17 Sus-

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GRI 102-14: Statement from senior decision-maker

GRI 102-15: Key impacts, risks and opportunities

Ethics and integrity

tainable Development Goals (SDGs). At the UN Climate Change Conference in Katowice in 2018, further measures were agreed to counteract climate change.

One specific legal change that directly affects Interseroh is the new German Packaging Act. In force since 1 January 2019, its requirements include higher recycling rates – which from 2019 will rise to 58.5 percent for plastics – and a greater use of recycling materials. The Act is based on the concept of product responsibility, which means that the ‘initial distributor’ of sales packaging has to take responsibility for its closed-loop circulation. Interseroh therefore works closely with packaging manufacturers to contribute its recycling expertise at an early stage in the packaging design process. Interseroh’s online shop [Lizenzero](#) also enables small and medium-sized companies to comply with the Act by licensing their packaging.

The plastics strategy of the European Union is also having an impact on Interseroh’s business. The EU’s declared aim is to use innovative solutions to reduce plastic waste and encourage recycling. It plans to work with partners from all over the world in an effort to bring about global change and find global solutions.

Volatile commodity prices

Risks arise for Interseroh primarily from price volatility in relation to raw materials. While trends here are often difficult to predict, these prices have an indirect effect on the demand for Interseroh’s services. Interseroh attempts to mitigate these risks by means of forecasts

based on continuous analysis and observation of the relevant markets.

The company views the recruitment of qualified employees, and IT specialists in particular, as a further risk. Not only is competition for well-qualified specialists growing fiercer, but digitalisation, which is also having a major effect on Interseroh’s areas of business, makes these personnel essential for a company’s future success. Interseroh is therefore focusing on proactive HR planning and greater recruiting effort.

Risk management at Interseroh

For the early identification, analysis and control of the opportunities and risks arising from these developments, Interseroh has introduced a management and control system as part of a unified approach to risk management. Core modules within this risk management system include strategic and operational corporate planning, internal reporting, internal control and compliance (see [GRI 307: Environmental Compliance](#) and [GRI 419: Socioeconomic Compliance](#)), treasury management and the risk early warning system.

^ Strategy

Ethics and integrity

GRI 102-16: Values, principles, standards and norms of behaviour

v Governance

Ethics and integrity

GRI 102-16: Values, principles, standards and norms of behaviour

For Interseroh, sustainability is at the core of our corporate strategy. The company therefore assumes responsibility in all areas – for dealing with customers, partners and employees as well as with society and the environment. As a result, our new sustainability strategy has a clear vision with clear goals against which our success can be measured.

Sustainability strategy

Interseroh fundamentally revised its sustainability strategy in 2017 and 2018. Our aim was to strengthen those activities and fields of endeavour in which we can make a real contribution to the specific targets of the UN's Sustainable Development Goals (SDGs) while also developing our business with a focus on our customers and markets.

The SDGs, along with the needs of our customers and our core expertise as an environmental services provider, provided the framework within which we formulated the focal points of our own strategy.

The experts from our Sustainability Advisory Board, together with employees from different business units, were involved in the various workshops carried out as part of this structured process. They examined the feasibility and compatibility of our ideas and approaches.

This resulted in a total of four action areas, which reflect strategic principles and are underpinned by several strategic points of focus.

Sustainability programme

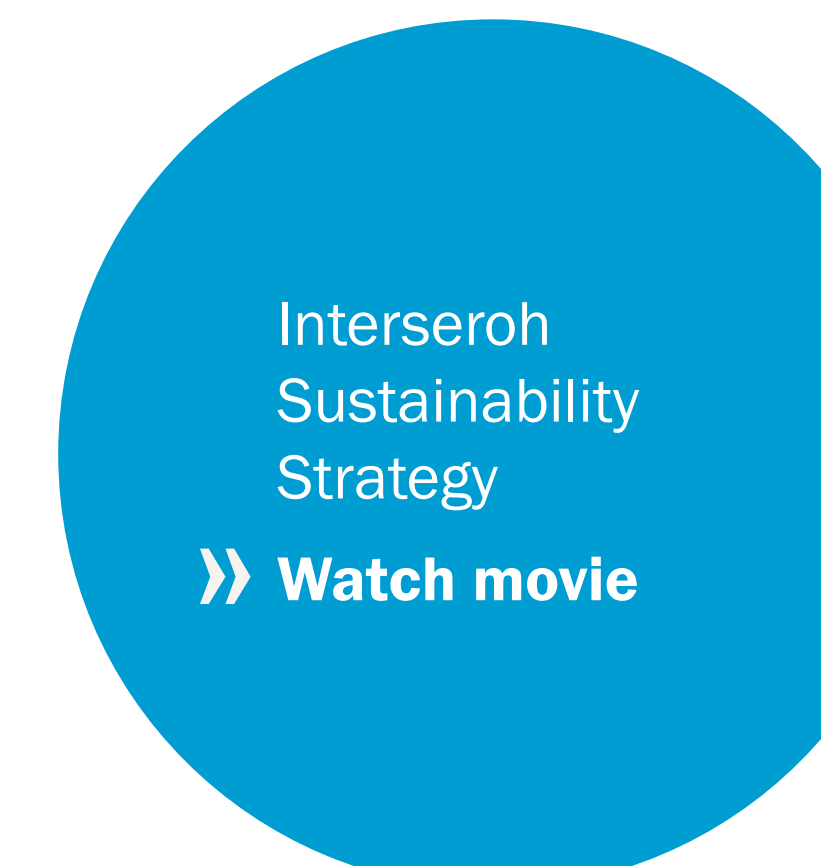
Interseroh has defined specific targets and key figures for each strategic point of focus. The resulting [sustainability programme](#) includes high-level tasks applicable to all company divisions and aims to achieve the broad-based integration of sustainability thinking in all business processes. The sustainability management team uses these goals to guide its activities and measures its successes.

Internal rules of conduct

The company's new Code of Conduct sets out the professional standards and principles that its employees are required to adhere to in their daily work. It covers our corporate values and rules of conduct as well as the ethical, moral and legal obligations of all employees and managers. It identifies sustainability as a matter of great significance for the company as a whole. The Code of Conduct is also a commitment to the outside world to be responsible and environmentally aware in all of our dealings with business partners and the public.

Interseroh's corporate culture and our motto 'we are one' play a decisive role in the workplace. These were developed by Interseroh employees in an all-inclusive process to which everyone – regardless of their job

role, location, age or affiliations – was invited to contribute. They are based on the values of respect, communication and responsibility. In 2018, Interseroh raised its corporate culture to a higher level by means of a competence model. This provides a shared understanding of our vision and values and guidance for employees throughout the company.



Strategy

Ethics and integrity

GRI 102-16: Values, principles, standards and norms of behaviour

Governance

Interseroh sustainability strategy

no waste of

ideas

Innovations are the lifeblood of successful transformation processes. We try out **every idea that brings us closer to our goal of closed loops** – even if we risk failure by doing so. This is the only way to create the kind of disruptive changes that our linear economy needs.

➤ We provide our customers with support for their efforts to professionalise their sustainable practices and integrate sustainability into their reporting processes by fully exhausting the **digitalisation potential** of our services.

➤ We extend **product lifetimes** by tapping into new markets and expanding the business models we have developed for them to achieve an annual revenue growth of at least 20 percent with these models.

➤ To ensure that manufacturing and retail can use resources more efficiently than before, we work with our customers to develop new **design-for-recycling approaches**.

no waste of

talent

Our **employees** and their capabilities lie at the heart of our expertise as an environmental services provider. In order to make sure they can perform at their best for our customers every day, we need to provide for and guarantee their health and safety, motivation and career development.

➤ We want to promote the **physical and mental health of our employees** while reducing our sickness, accident and staff turnover rates to below the averages for the industry. This is why we provide a safe, value-oriented and innovative working environment that actively supports personal development.

➤ We want to guarantee full and effective participation to **absolutely everyone** at all levels of our company – and independently of age, gender, ethnicity, religion or social status. This is why we ensure that **equal opportunities are truly equal** for all (potential) employees within our company.

no waste of

resources

We believe that resource usage is future-oriented only if it involves absolutely no waste at all. This is why we work on new ways of **closing material loops** every day.

➤ To rid the planet of plastic waste in the long term, we develop new **upcycling solutions for plastics** every year. We also work to improve the quality and quantity of the **secondary raw materials** that we create and offer to manufacturers for use in their production processes.

➤ If global warming is to be kept under the limit of two degrees Celsius, global resource consumption must become decoupled from economic growth. This is why we are developing new **material and logistics loops** with which we intend to save at least 5 million tonnes of resources and 800,000 tonnes carbon dioxide equivalents annually.

➤ To achieve significant reductions to the per capita environmental impact, especially in urban areas, we also take an integrated approach to **waste prevention** and to achieving a substantial increase in recycling rates.

zero waste solutions

no waste of

knowledge

In order to develop a comprehensive circular economy, we have to **share our experience and knowledge** – and not only with our customers, but with all areas of business and society at large. This is the only sure way to raise awareness about the ecological and economic benefits of efficient closed-loop management.

➤ We see it as our duty to promote sustainable lifestyles and patterns of consumption. In this context, we act as an intermediary to ensure that **knowledge about the circular economy** is established in education, politics, business and civil society.

➤ We want to develop and (internationally) scale up **approaches and standards for closed-loop solutions** suitable for any industry. To do so, we are working closely with our partners, stakeholders, suppliers and customers. At the same time, we give our employees the creative space they need to participate in relevant initiatives for developing solutions in the circular economy.

^ **Ethics and integrity**

Governance

GRI 102-18: Governance structure

GRI 102-22: Composition of the highest governance body and its committees

GRI 102-31: Review of economic, environmental and social topics

∨ **Stakeholder engagement**

Governance

GRI 102-18: Governance structure

Interseroh and ALBA are both brands that operate within the ALBA Group. The holding company that controls the Interseroh brand has operated under the name of ALBA Services Holding GmbH since 2018. Interseroh represents all the companies operating under the umbrella of ALBA Services Holding GmbH.

Dr Axel Schweitzer, one of the two co-CEOs of the family-run business ALBA Group, also chairs the Supervisory Board of ALBA Services Holding GmbH. ALBA Services Holding (Interseroh) is managed by its three managing directors Markus Müller-Drexel, Hans-Stefan Kalinowski and Dr Timo Langemann.

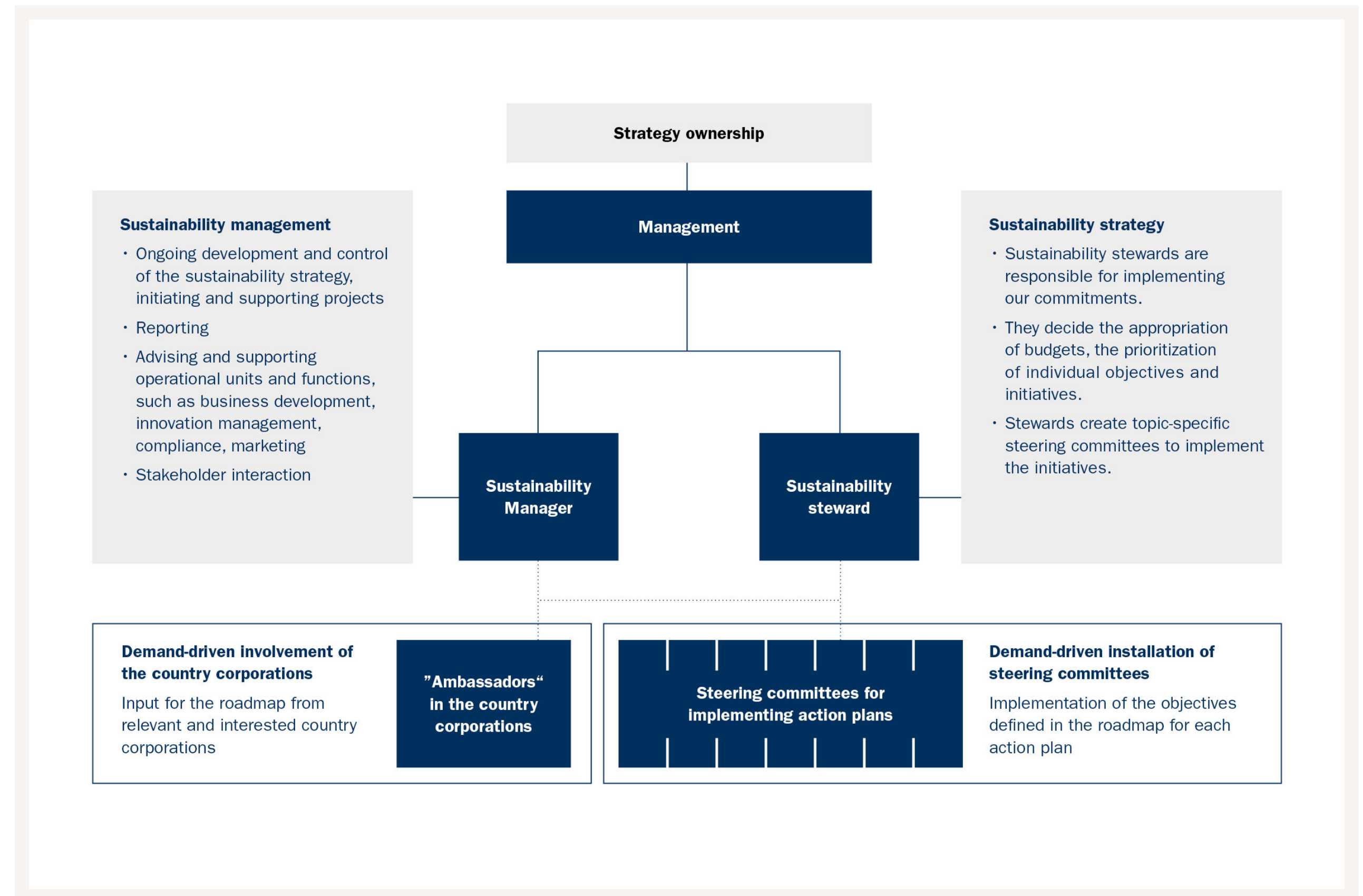
Responsible management, sustainable strategy and decision-making, and an open corporate culture are the principles they follow in day-to-day business. The Executive Management is responsible for implementing the sustainability topics that are defined as material. Within the team, the topic of sustainability is a key part of Markus Müller-Drexel's portfolio.

The two Sustainability Managers report directly to Müller-Drexel. These managers are responsible for coordinating sustainability topics. They track the implementation of sustainability goals in the company divisions and integrate the foreign companies with their market-specific sustainability activities. They are

supported by seven steering committees, who are responsible for implementing the sustainability strategy's points of focus.

Interseroh's sustainability management supplements the integrated management system that comprises the

processes and workflows for quality, the environment, and occupational safety and health. The basis for expanding the integrated management system to include additional sustainability aspects is provided by the statements of the international standard on the social responsibility of organisations (ISO 26000).



^ Ethics and integrity

Governance

GRI 102-18: Governance structure

GRI 102-22: Composition of the highest governance body and its committees

GRI 102-31: Review of economic, environmental and social topics

v Stakeholder engagement

GRI 102-22: Composition of the highest governance body and its committees

Interseroh is managed by a team comprising the three managing directors of ALBA Services Holding GmbH:

Hans-Stefan Kalinowski has a wealth of experience in senior finance and administrative positions with large corporations, and as a member of the GEFMA (German Association for Facility Management) industry association plays an active role in shaping and developing the facility management sector.

Dr. Timo Langemann has many years of experience in B2B service, supply chain management and digitalisation. His expertise has made a valuable contribution to the development of Interseroh.

Markus Müller-Drexel has over 26 years of experience in recycling and the circular economy. He is a member of numerous associations, including the Federation of the German Waste, Water and Raw Materials Management Industry (BDE), the Cologne/Bonn Chamber of Commerce and the Association of German Chambers of Commerce and Industry (DIHK).

The **Supervisory Board** of ALBA Services Holding GmbH, which supervises the Executive Management, comprises five members:

- Dr Axel Schweitzer (Chairman)
CEO and member of the Executive Board of the ALBA Group plc & Co. KG (Berlin)

Member since 25 April 2017

- Ying Wang (Deputy Chairman)
Managing Director of the SICHUAN Entrepreneur Fund (Chengdu, China)
Member since 25 April 2017
- Wu Yang
COO of Chengdu Techcent Environment Co Ltd. and CEO of Chengdu Zhongde Techcent Investment Co Ltd. (Chengdu, China)
Member since 25 April 2017
- Achim von Quistorp
Head of Mergers & Acquisitions and Managing Director of ALBA International Holding GmbH (Berlin)
Member since 25 April 2017
- Li Han
Chairman of Ginfinit Investment (Hangzhou, China)
Member since 25 April 2017

GRI 102-31: Review of economic, environmental and social topics

Every three months, the Executive Management carries out a review of commercial, ecological and social issues and their effects, risks and opportunities.

^ Governance

Stakeholder engagement

GRI 102-40: List of stakeholder groups

GRI 102-41: Collective bargaining agreements

GRI 102-42: Identifying and selecting stakeholders

GRI 102-43: Approach to stakeholder engagement

GRI 102-44 Key topics and concerns raised

∨ Reporting practice

Stakeholder engagement

GRI 102-40: List of stakeholder groups

One goal of Interseroh's sustainability strategy is to talk regularly with stakeholders about various topics of relevance to sustainability. Interseroh not only sees its role as being a strong advocate for the development of the economy towards a circular model, but also seeks to develop new, resource-friendly solutions that are capable of supporting a sustainable future. Accordingly, it is essential to know the needs, requirements and interests of the company's key stakeholder groups.

These include in particular customers and potential customers, researchers, suppliers, employees and experts working in the field of sustainability.

GRI 102-41: Collective bargaining agreements

In 2018, 38 percent of total employees at Interseroh were covered by collective bargaining and works agreements. Due to new hires of staff not subject to collective agreements, the number fell slightly compared with the prior-year figure of 41 percent.

GRI 102-42: Identifying and selecting stakeholders

Interseroh's most important stakeholders include customers and potential customers, researchers, suppliers, employees and experts working in the field of

sustainability. Stakeholders were selected as part of preparing Interseroh's sustainability strategy. This selection was reviewed and confirmed in the course of revising the materiality analysis in 2017 and 2018.

The makeup of Interseroh's Sustainability Advisory Board, which was very closely involved in the development of our sustainability strategy, is tailored to reflect the interests of our stakeholders. Advisory board members include customer representatives from a variety of industries as well as representatives from science and research.

GRI 102-43: Approach to stakeholder engagement

Interseroh works through a variety of interest groups and associations (see [GRI 102-12: Initiatives](#) and [GRI 102-13: Associations](#)) to help shape discussions and drive the trend towards a closed-loop economy. We regularly engage in interchange with other environmental services providers, suppliers and partners in the circular economy.

Interseroh also organises workshops to familiarise its **customers** with the principles of the circular economy. Here, both sides work to develop ideas about how customers can manage their products and materials in a closed loop. Interseroh uses audits to engage with suppliers at regular intervals.

Regular dialogue days are just one form of **staff** interaction used by Interseroh. Important strategic deci-

sions are usually announced at these events, where employees can also raise and express their views on topics of concern. In December 2018, for example, Interseroh carried out a staff survey on the in-house cultural project 'we are one'; 75 percent said that they were aware of the communication campaign. However, most of the respondents did not think that it had changed their own behaviour. Interseroh intends to address this by implementing various measures to integrate the project more closely in the company's corporate culture.

Interseroh appointed its first **Sustainability Advisory Board** in autumn 2016. The six external advisory board members brought with them sustainability expertise from science, industry and civil society. Twice a year, the six experts meet with members of the Executive Board and Interseroh's sustainability management team. These meetings are held to discuss general issues relating to the circular economy and recycling, ideas and strategies for advancing our sustainability strategy, and any new issues relevant to sustainability. A total of four meetings had taken place by spring 2018 and these culminated in the publication of the new Interseroh sustainability strategy (see [GRI 102-16: Values, principles, standards and norms of behaviour](#)).

^ Governance

Stakeholder engagement

GRI 102-40: List of stakeholder groups

GRI 102-41: Collective bargaining agreements

GRI 102-42: Identifying and selecting stakeholders

GRI 102-43: Approach to stakeholder engagement

GRI 102-44 Key topics and concerns raised

v Reporting practice

GRI 102-44 Key topics and concerns raised

In 2016, Interseroh generated ideas both for day-to-day business and its sustainability strategy, in large part thanks to the newly appointed Sustainability Advisory Board. While Board members considered Interseroh’s sustainability strategy to be eminently credible, they also saw considerable potential in the functional interpretation of the strategy..

Based on this insight, Interseroh revised its sustainability strategy in 2017 and 2018, setting out quantifiable goals, specific action to be taken and relevant key figures. As part of the climate strategy also adopted during the reporting period, Interseroh introduced a control process involving regular two-year surveys, starting with the corporate carbon footprint calculation for 2017 (see [GRI 305: Emissions](#)).

This enabled Interseroh to implement all of the recommendations and requests made by the Sustainability Advisory Board during the reporting period.

Stakeholder engagement

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

GRI 102-46: Defining report content and topic boundaries

GRI 102-47: List of material topics

GRI 102-48: Restatement of information

GRI 102-49: Changes in reporting

GRI 102-50: Reporting period

GRI 102-51: Date of most recent report

GRI 102-52: Reporting cycle

GRI 102-53: Contact point for questions regarding the report

GRI 102-54: Claims of reporting in accordance with the GRI Standards

GRI 102-55: GRI Content Index

GRI 102-56: External assurance

Material Topics

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

All of the business units associated with ALBA Services Holding GmbH at home and abroad have been consolidated. In principle, all qualitative information and quantitative data refer to ALBA Services Holding GmbH as a whole. Whenever information also references the ALBA Group, this is clearly identified with a corresponding annotation.

Overview of all consolidated companies:

- INTERSEROH Dienstleistungs GmbH
- INTERSEROH Pfand-System GmbH
- INTERSEROH Pool-System GmbH
- INTERSEROH Product Cycle GmbH
- Repasack Gesellschaft zur Verwertung gebrauchter Papiersäcke mbH
- CARElean GmbH
- Relenda GmbH
- ITL logistics GmbH
- INTERSEROH ProServ GmbH
- ALBA Recycling GmbH
- ALBA Facility Solutions GmbH
- ALBA Property Management GmbH
- KVB Kunststoffverwertung Brandenburg GmbH
- Brandenburgische Boden Gesellschaft für Grundstücksverwaltung und -verwertung mbH
- Projektgesellschaft Nauen GmbH
- INTERSEROH Austria GmbH (Österreich)

- profitara austria GmbH (Österreich)
- INTERSEROH Zbiranje in predelava odpadnih surovin d.o.o. (Slowenien)
- INTERSEROH Plastics Research & Development, raziskave in razvoj d.o.o. (Labor in Maribor, Slowenien)
- INTERSEROH Organizacja Odzysku Opakowan S.A. (Polen)
- Polski System Recyklingu - Organizacja Odzysku Opakowań S.A. (Polen)
- INTERSEROH d.o.o. za posredovanje u zbrinjavanju otpada (Kroatien)
- INTERSEROH Service Italia S.r.l. (Italien)
- Profesio agencija za privremeno zaposljavanje d.o.o. (Joint Venture 60 Prozent, Kroatien)
- Remedia TSR S.r.l. (Joint Venture 40 Prozent, Italien)*
- SIMPLi RETURN GmbH (Joint Venture 51 Prozent)

*associated, not fully consolidated

GRI 102-46: Defining report content and topic boundaries

As part of its 2017 strategy review, Interseroh again conducted a comprehensive materiality analysis. As Interseroh products and services are designed to contribute to overcoming global challenges, this was based on the targets of the Sustainable Development Goals (SDGs). The higher-level <2-degree goal was also included.

First, Interseroh's sustainability management team, assisted by the sustainability consultancy akzente kom-

munikation und beratung GmbH, considered the potential impact of Interseroh's activities on each of the SDG targets. The aim was to draw up a shortlist of issues that Interseroh as an environmental services provider can meaningfully contribute to. In the next step, Interseroh evaluated the potential added value for the company of supporting the selected SDG targets. In order to integrate stakeholder expectations appropriately into the process, Interseroh then carried out an online survey of the Sustainability Advisory Board. The six external members of the Advisory Board combine sustainability expertise from science, industry and civil society with professional experience in sectors as diverse as private equity, certification, retail, construction and the circular economy.

The result of this systematic process was a materiality matrix. This provided Interseroh with the basis for its new sustainability strategy (see [GRI 102-16: Values, principles, standards and norms of behaviour](#)). From this, the company also identified those topics that were of greatest importance to Interseroh according to the requirements of the GRI standards of the Global Reporting Initiative. All SDG targets considered to have a particularly high potential impact or a high relevancy for Interseroh's stakeholders or its business activities were classed as essential. Of particular relevance were business-related topics involving resource conservation and waste prevention (SDG 12.2 and 12.5), sustainable cities (SDG 11.6), sustainable economic growth (SDG 8.4) and the <2-degree goal.

Interseroh uses a data tool to collect and manage the

^ Stakeholder engagement

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

GRI 102-46: Defining report content and topic boundaries

GRI 102-47: List of material topics

GRI 102-48: Restatement of information

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GRI 102-55: GRI Content Index

GRI 102-56: External assurance

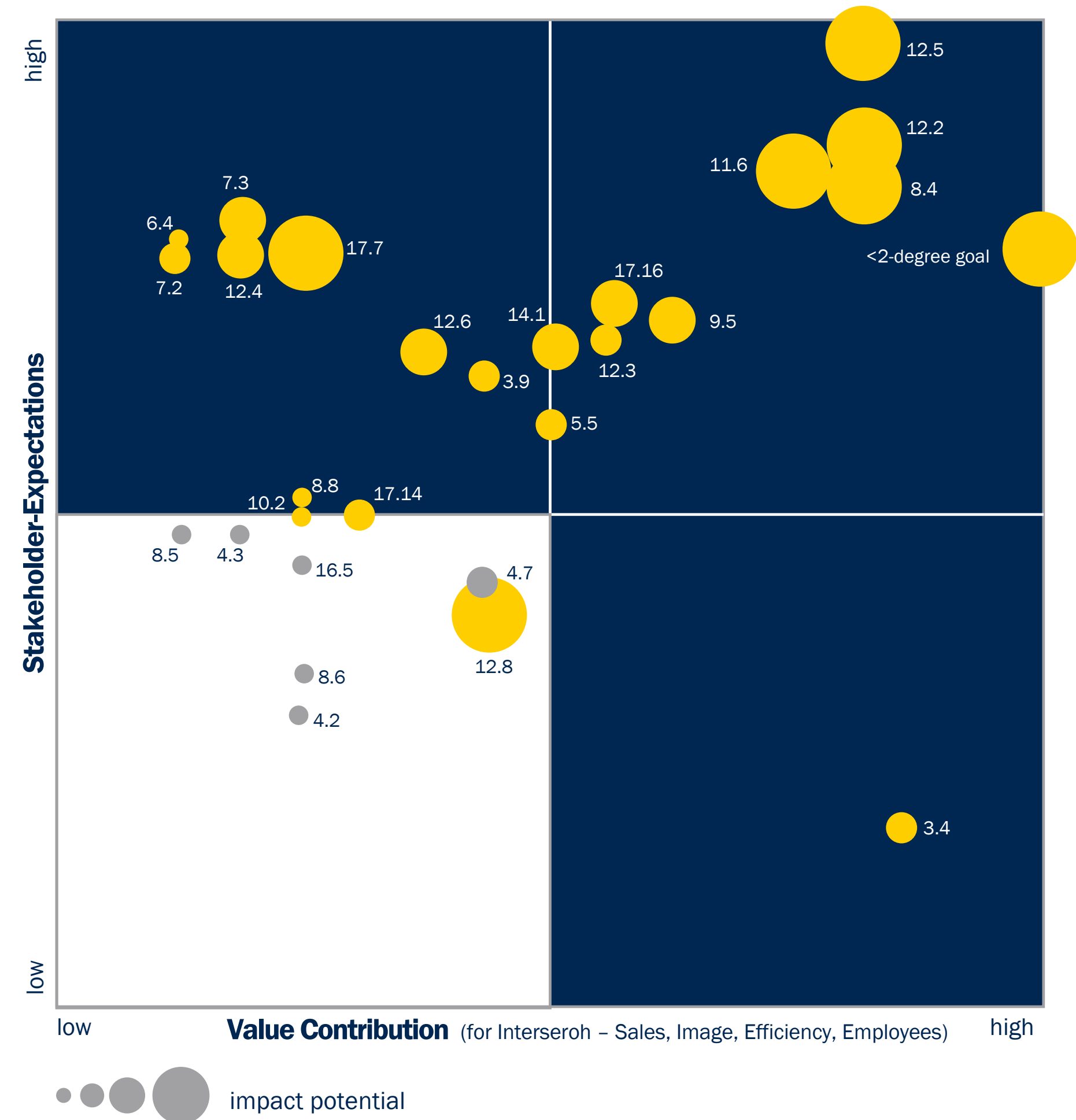
∨ Material Topics

relevant key performance indicators and information across a range of company locations. Each year, the company reports on its progress towards meeting its targets in its sustainability programme.

GRI 102-47: List of material topics

The material topics are the result of the systematic process for creating the materiality analysis (see 102-46: Defining report content and topic boundaries).

Materiality matrix



© akzente

^ Stakeholder engagement

Reporting practice

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∨ Material Topics

SDG target	Topics
SDG 3.4 Reduction in premature mortality from non-communicable diseases through prevention and treatment, promotion of mental health and well-being.	GRI 403: Occupational health and safety
SDG 3.9 Substantial reduction in the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.	GRI 305: Emissions GRI 306: Effluents and waste GRI 414: Supplier social assessment
SDG 5.5 Ensuring the full and effective participation of women and equal opportunities for leadership at all levels of decision-making in political, economic and public life	GRI 401: Employment GRI 404: Training and education GRI 405: Diversity and equal opportunity GRI 406: Non-discrimination
SDG 6.4 Substantial increase in water-use efficiency across all sectors, ensuring sustainable supply of freshwater and a substantial reduction in the number of people suffering from water scarcity	GRI 303: Water GRI 306: Effluents and waste
SDG 7.2 Substantial increase in the availability and use of renewable energy	GRI 302: Energy
SDG 7.3 By 2030, double the rate of improvement in energy efficiency	GRI 302: Energy
SDG 8.4 Improvement in resource efficiency in consumption and production and decoupling of economic growth from environmental degradation	GRI 301: Materials GRI 302: Energy GRI 303: Water

^ Stakeholder engagement

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

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∨ Material Topics

SDG 8.8

Protection of labour rights and promotion of safe working environments, particularly for migrant workers and those in precarious employment

GRI 401: Employment
 GRI 403: Occupational health and safety
 GRI 406: Non-discrimination
 GRI 407: Freedom of association
 GRI 412: Human rights assessment
 GRI 414: Supplier social assessment
 GRI 419: Socioeconomic compliance

SDG 9.5

Enhancing scientific research, encouraging innovation and substantially increasing the number of research and development workers

GRI 201: Economic performance

SDG 10.2

Empowering and promoting the social, economic and political inclusion of all irrespective of age, sex, origin, religion, etc.

GRI 405: Diversity and equal opportunity
 GRI 406: Non-discrimination

SDG 11.6

Reduction in the adverse per capita environmental impact of cities, including by paying special attention to municipal waste management

Conservation of resources – Interseroh-specific indicator

SDG 12.2

Achieving the sustainable management and efficient use of natural resources

GRI 301: Materials
 GRI 302: Energy

SDG 12.3

By 2030, halving per capita global food waste

GRI 306: Effluents and waste

SDG 12.4

Achieving the environmentally sound management of chemicals and all wastes

GRI 306: Effluents and waste
 GRI 307: Environmental compliance
 GRI 308: Supplier environmental assessment

^ Stakeholder engagement

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

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∨ Material Topics

SDG 12.5

Substantial reduction in waste generation through prevention, reduction, recycling and reuse

Conservation of resources – Interseroh-specific indicator
GRI 301: Materials
GRI 306: Effluents and waste

SDG 12.6

Encouraging companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

GRI 203: Indirect economic impacts

SDG 12.8

Ensuring that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

GRI 203: Indirect economic impacts
GRI 404: Training and education
GRI 413: Local communities

<2-degree goal

Tackling climate change

GRI 302: Energy
GRI 305: Emissions
GRI 306: Effluents and waste
GRI 307: Environmental compliance

SDG 14.1

Prevention and significant reduction of marine pollution of all kinds, in particular from land-based activities

GRI 305: Emissions
GRI 306: Effluents and waste
GRI 307: Environmental compliance

SDG 17.14

Enhanced policy coherence for sustainable development

GRI 102-43: Approach to stakeholder engagement

SDG 17.16

Enhancement of partnerships and multi-stakeholder initiatives that mobilise and share knowledge, expertise, technologies in support of sustainable development

GRI 102-43: Approach to stakeholder engagement

SDG 17.7

Promoting environmentally sound technologies to developing countries on more favourable terms

GRI 203: Indirect economic impacts

^ Stakeholder engagement

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

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GRI 102-56: External assurance

∨ Material Topics

GRI 102-48: Restatement of information

For the first time – thanks to the help of the Fraunhofer Institute UMSICHT – Interseroh has been able to report its Scope 4 emissions for the year 2017. The ‘resources SAVED by recycling’ study by the Fraunhofer Institute UMSICHT shows how many primary resources Interseroh products and services were able to replace (see [Interseroh-specific indicator](#)). For reasons of methodology, these figures were previously only possible at the level of the entire ALBA Group.

GRI 102-49: Changes in reporting

The materiality analysis conducted in 2018 resulted in adjustments to material topics (see [GRI 102-47: List of material topics](#)).

The companies and investments acquired in the period under review did not result in any changes to this report. They account for only 1 percent of total revenue, and some were owned by Interseroh for only a few months of the reporting period.

In 2019, Interseroh will link all of its major new sites to its environmental data collection system and include these figures in the next Sustainability Report.

GRI 102-50: Reporting period

Unless otherwise stated, the report and the key figures it presents relate to financial years 2017 and 2018.

GRI 102-51: Date of most recent report

Interseroh’s last Sustainability Report appeared on 20 June 2017.

GRI 102-52: Reporting cycle

Interseroh’s 2018 Sustainability Report is the fourth such report, in which the company offers a systematic summary of its social and ecological business performance according to the standards of the Global Reporting Initiative (GRI). The report is published every two years.

Interseroh supplements this report with its annual Sustainability Magazine. Entitled “zero waste solutions”, the magazine offers insights into the development process for a range of customer projects, while showing how sustainability is being advanced within the company.

GRI 102-53: Contact point for questions regarding the report

Questions about the Sustainability Report or general enquiries about sustainability at Interseroh should be directed to sustainability management:

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GRI 102-54: Claims of reporting in accordance with the GRI Standards

This Sustainability Report was prepared in accordance with the GRI Standard: Core option.

^ Stakeholder engagement

Reporting practice

GRI 102-45: Entities included in the consolidated financial statements

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GRI 102-55: GRI Content Index

GRI 102-56: External assurance

∨ Material Topics

GRI 102-55: GRI Content Index

Interseroh publishes its Sustainability Report in a clearly structured format online. It also represents the GRI Content Index and will be available for downloading as a PDF file.

GRI 102-56: External assurance

This Sustainability Report has not been externally assured.

Material Topics

^ Reporting practice

GRI 201: Economic performance

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 201-1: Direct economic value generated and distributed

GRI 201-2: Financial implications and other risks and opportunities due to climate change

v GRI 203: Indirect economic impacts

GRI 200: Economic

GRI 201: Economic performance

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Global megatrends such as resource scarcity or climate change are key factors that have helped to ensure that the relevance of Interseroh’s service portfolio has risen steadily over the last few years. **The UN Environmental Programme UNEP estimates that some 90 billion tonnes of raw materials are consumed globally. This means that consumption has nearly quadrupled since 1970, when around 22 billion tonnes of raw materials were used. Yet resources are limited and raw materials are becoming scarcer and more expensive. Solutions for improving resource efficiency and for closed-loop management are therefore increasingly in demand.**

Interseroh is steadily expanding its business model to meet these needs. The company has therefore set itself the goal of closing new loops for its customers at the level of products, materials and logistics. Interseroh’s sustainability efforts aim to save at least 5.5 million tonnes of resources and approximately

800,000 tonnes of greenhouse gases every year. Both of these goals were achieved in 2018 (see programme under G102-18: Governance structure).

To ensure these goals can be met in the future, the sustainable orientation of internal processes is relevant. This includes the continuous reduction of our own ecological footprint (see GRI 305: Emissions), increasing our attractiveness as an employer (see GRI 401: Employment) and raising society’s awareness of the concept of the closed-loop economy (see GRI 102-12: Initiatives and GRI: 102-13: Associations).

GRI 201-1: Direct economic value generated and distributed

In 2018, Interseroh posted revenue of 739.2 million euros, representing a substantial year-on-year growth of 43.4 percent. Personnel costs rose to 74.8 million euros (2017: 68.1 million euros) over the same period. The total cost of the staff pension scheme in 2017 was approximately 90,000 euros. In 2018, this fell to just under 72,000 euros as a result of contract terminations and retirements by employees. The overall profit declined by 67.8 percent year-on-year to 6.7 million euros. This is mainly due to the increase in revenue at

the expense of earnings from the Dual System Interseroh (DSI).

^ Reporting practice

GRI 201: Economic performance

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 201-1: Direct economic value generated and distributed

GRI 201-2: Financial implications and other risks and opportunities due to climate change

∨ GRI 203: Indirect economic impacts

Direct economic value generated and distributed (in Million euros)			
	2016	2017	2018
Revenue	491.8	515.6	739.2
Personnel expenses	71.2	68.1	74.8
Profit (EBT)	27.3	20.7	6.7

GRI 201-2: Financial implications and other risks and opportunities due to climate change

Climate change is one of the greatest challenges of our time. By setting itself the task of conserving resources and avoiding wastage, Interseroh also helps to cut CO₂ emissions. The company exerts its greatest influence through the services and solutions that it develops for customers. Thanks to Interseroh’s recycling activities, 834,129 tonnes of greenhouse gases were avoided in 2017.

Since many services provided by Interseroh target the growing demand for low-emission products and processes, this represents an opportunity to expand the company’s business. Interseroh uses scientific reports and certificates based on this research to ensure that savings related to emissions and resources are transparent for the customer. The trend towards more resource conservation and CO₂ savings is also reflected in recent

regulatory changes such as the EU plastics strategy, the new German Packaging Act and the WEEE amendment on the taking back of waste electrical equipment.

While Interseroh’s business is not directly impacted by the negative effects of climate change, sites could be affected by isolated regulatory measures such as energy-oriented refurbishment initiatives. The consequences of these opportunities and risks have not been quantified to date.

^ **GRI 201: Economic performance**

GRI 203: Indirect economic impacts

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 203-1: Infrastructure investments and services supported

v **GRI 300: Environmental**

GRI 203: Indirect economic impacts

GRI 103: Management approach (including 103-1, 103-2, 103-3)

To turn the vision of a closed-loop economy – in which resources are conserved and raw materials are reused – into reality, action is required by citizens, companies and countries.

With its services, Interseroh is actively contributing towards the establishment of the circular economy (see GRI 102-2: Activities, brands, products and services). Beyond this, the company also considers its engagement for a sustainable society and social issues to be an important pillar of its corporate culture. Accordingly, the company has set itself the target of acting as an intermediary for sustainable development and actively promoting the idea of the closed-loop economy.

GRI 203-1: Infrastructure investments and services supported

Interseroh’s business activities in 2017 were able to save approximately 5.8 million tonnes of primary resources and prevent the release of 834,129 tonnes of greenhouse gas emissions. These were the findings of research from the Fraunhofer Institute for Environmental, Safety, and Energy Technology (UMSICHT).

Interseroh therefore plays a key role in supplying resources to business and society while protecting the environment.

The recycling activities of Interseroh’s parent company, the ALBA Group, succeeded in saving approximately 30.2 million tonnes of primary resources and preventing the emission of 4.1 million tonnes of greenhouse gases.

^ GRI 203: Indirect economic impacts

GRI 301: Materials

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 301-1: Materials used by weight or volume

GRI 301-2: Recycled input materials used

v GRI 302: Energy

GRI 300: Environmental

GRI 301: Materials

GRI 103: Management approach (including 103-1, 103-2, 103-3)

The Earth’s resources are limited. If we are to sustain the long-term future of the economy and society, we must therefore use these limited resources as efficiently as possible. This is where Interseroh’s services are making a significant contribution. As an environmental services provider, the company also feels duty-bound to lead by example by configuring its own processes to be as efficient and resource-friendly as possible.

Interseroh itself consumes comparatively few raw materials, as its core business is in the service sector. Material consumption is generally confined to detergents, which are mostly used in washing depots, and the printer paper used by administrative sites. As digitalisation proceeds, the demand for paper will continue to fall, as it did in the reporting period. It is the company’s aim to continue to reduce its use of raw materials.

GRI 301-1: Materials used by weight or volume

As a service provider, Interseroh consumes comparatively few resources itself; appreciable quantities are consumed primarily by administration (printer paper) and washing (detergents). The quantities consumed of both material groups are strongly influenced by business development.

Printer paper is used mainly by our administrative sites, which consumed 27,222 kilograms in 2018 (2017: 27,468 kilograms). To reduce consumption, Interseroh is raising employee awareness about techniques for saving paper while continuously expanding its electronic billing system. Despite the expansion of the business, paper consumption was 0.9 percent lower than in the previous year.

Detergents on the other hand are primarily used at non-administrative sites. Detergent usage is greatest in the depots operated by INTERSEROH Pool-System GmbH as part of the washing process for returnable transport packaging. By adjusting the concentration of detergent, we managed to reduce the volume used in

2018 compared with the previous year. Total usage at all sites amounted to 189,545 litres in 2018. This is a reduction of 213,390 litres, or 11.2 percent, compared with 2017.

GRI 301-2: Recycled input materials used

As an operator of recycling systems, it is Interseroh’s task to maintain closed material cycles in which the resources used by its customers are fully re-used (see Interseroh-specific indicator). In providing this service, the use of raw materials is therefore limited primarily to (partly recycled) printer paper and cleaning agents. The quantities consumed of both material groups are strongly influenced by business development.

^ **GRI 301: Materials**

GRI 302: Energy

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 302-1: Energy consumption within the organisation

GRI 302-2: Energy consumption outside of the organisation

GRI 302-3: Energy intensity

GRI 302-4: Reduction of energy consumption

GRI 302-5: Reductions in energy requirements of products and services

v **GRI 303: Water**

GRI 302: Energy

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Conserving natural resources and combating climate change are two of the biggest challenges now facing the global community. Energy efficiency is a key factor in meeting these challenges. Interseroh not only strives to provide products and services that help customers establish more energy-efficient processes, but also designs its own internal processes to be as energy-saving and resource-friendly as possible.

As part of the company's environment programme, all sites are required to work continuously towards improving their environmental performance. All of Interseroh's sites are certified to ISO 50001 (Energy Management). By discovering potential energy savings and introducing appropriate courses of action, the aim is to reduce energy demand as a continuous process, which will also reduce Interseroh's specific ecological footprint (see Sustainability Programme, GRI 102-16: Values, principles, standards and norms of behaviour). Energy consumption is therefore logged and managed in detail per site, and discussed annually with the Executive Management.

To achieve further improvements through environmental management, Interseroh encourages environmentally responsible behaviour on the part of all employees and publicises projects carried out within the Group. The aim is to raise awareness, reduce con-

sumption and increase efficiency (see GRI 302-4: Reduction of energy consumption).

GRI 302-1: Energy consumption within the organisation

Total energy consumption in 2018 was 66,366 megawatt hours (MWh) – 1,386 MWh higher than the previous year's figure of 64,980 MWh. This represents an increase of 2.1 percent. The increase in consumption was due mainly to a rise in output at our most energy-intensive site in Eisenhüttenstadt. This site used 2,103 MWh more than in the previous year.

The energy sources most relevant for Interseroh are gas, diesel, heating oil, electricity and district heating. Previously, consumption was covered almost exclusively by energy derived from fossil fuels. Our relatively small site in Vienna switched to green electricity in 2016. Its consumption totalled 24,706 kWh in 2018. The Cologne site and the sorting plant in Walldürn will convert to green electricity in 2019 as part of our climate strategy.

GRI 302-2: Energy consumption outside of the organisation

Interseroh does not track all of its energy consumption outside of the company – that is, the consumption by key upstream and downstream activities in connection to its business activities. However, as we consider

these CO₂ emissions (Scope 3) to be substantial, we collect and evaluate them extensively in terms of their corporate carbon footprint (see GRI 305: Emissions).

^ **GRI 301: Materials**

GRI 302: Energy

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 302-1: Energy consumption within the organisation

GRI 302-2: Energy consumption outside of the organisation

GRI 302-3: Energy intensity

GRI 302-4: Reduction of energy consumption

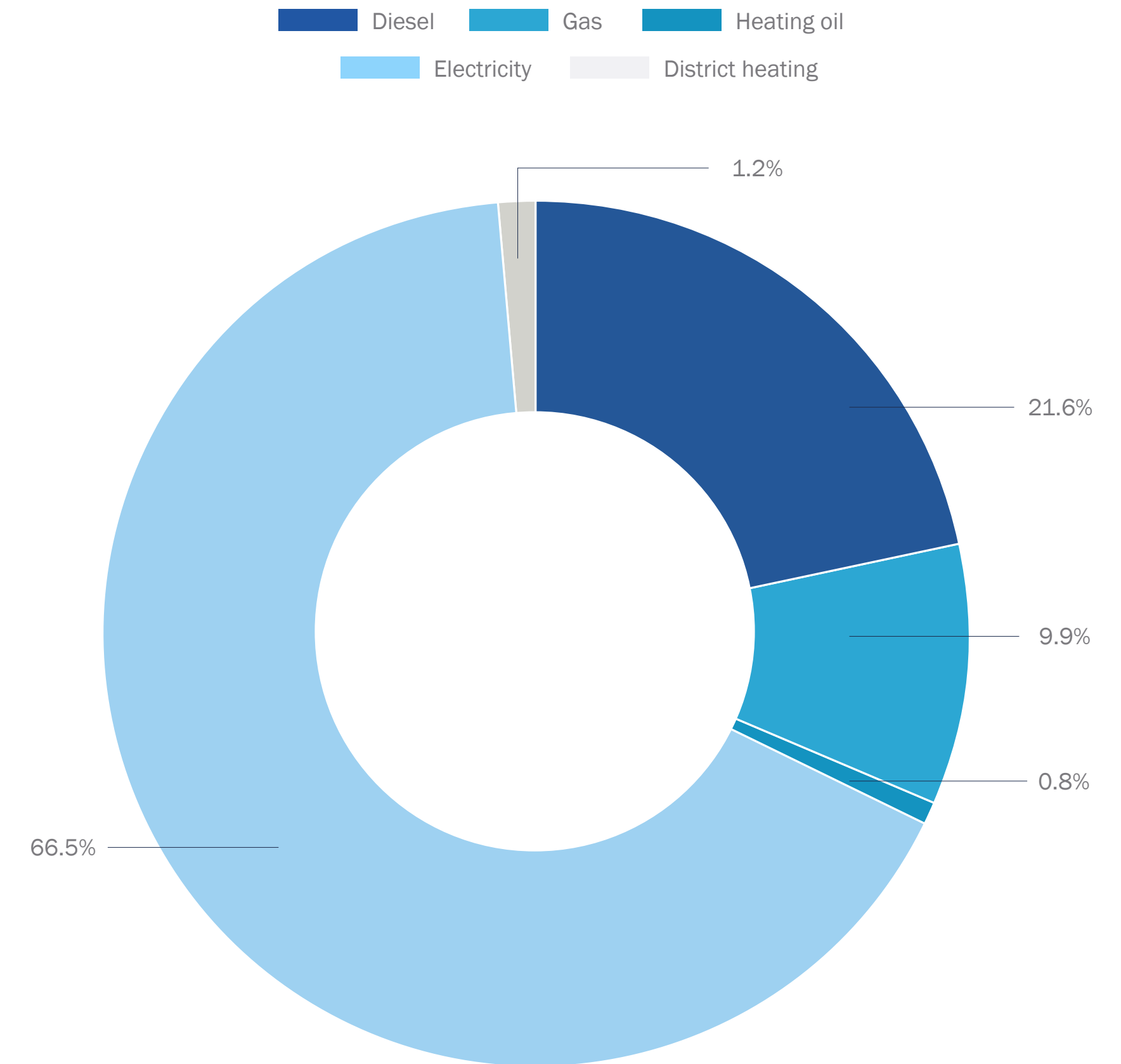
GRI 302-5: Reductions in energy requirements of products and services

∨ **GRI 303: Water**

Energy consumption from fossil fuels (in MWh)¹			
	2016	2017	2018
Total	69,433	64,959	66,342
Diesel	13,505	13,807	14,302
Gas	8,142	7,516	6,596
Heating oil	976	591	514
Electricity	44,823	41,830	44,145
District heating	1,987	1,214	785

¹ Due to rounding, there may be minor deviations when totals are calculated; Sources: The figures stated for energy consumption are in each case based on measurements made at sites, invoices from suppliers and – if no invoice was available – on well-qualified estimates. Data collection techniques mean that quantities are given in megawatt hours (MWh). Typical conversion factors are used for the figures stated in accordance with publicly available sources.

2018 consumption by energy source



^ **GRI 301: Materials**

GRI 302: Energy

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 302-1: Energy consumption within the organisation

GRI 302-2: Energy consumption outside of the organisation

GRI 302-3: Energy intensity

GRI 302-4: Reduction of energy consumption

GRI 302-5: Reductions in energy requirements of products and services

v **GRI 303: Water**

GRI 302-3: Energy intensity

In 2018, Interseroh's total energy consumption was 66,366 MWh) (2017: 64,980 MWh). We have managed to considerably reduce our corporate energy intensity in recent years: from 141.2 MWh per million euros in 2016 to 89.9 MWh in 2018.

GRI 302-4: Reduction of energy consumption

A long-term comparison shows we have reduced our total energy consumption from 73,603 MWh in 2014 to 66,366 MWh in 2018. This is a reduction of some 9.8 percent. 2017 was an exception. Due to planned production cutbacks at our energy-intensive plastics recycling plant in Eisenhüttenstadt of approx. 20 percent, total energy consumption was 1,386 MWh lower than in 2018.

Interseroh continues to optimise its processes and considers energy efficiency when purchasing or replacing equipment. The documented procedures and checklists for shutting down equipment cover all units that can be switched off to help reduce plant energy consumption.

Other measures include the installation of highly efficient compressed air units with intelligent adaptive controllers, the replacement of fluorescent tubes with LEDs and the deployment of presence detectors. These and other measures have been designed to reduce our energy requirements still further.

Energy intensity¹

	2016	2017	2018
Absolute energy consumption (in MWh)	69,444	64,980	66,366
Energy intensity (in MWh per 1 million euros of revenue)	141.2	126.0	89.8

¹ Energy types included: Gas, diesel, heating oil, electricity, district heating and green electricity.

Reduction in energy consumption

	2016	2017	2018
Absolute energy consumption (in MWh)	69,444	64,980	66,366

GRI 302-5: Reductions in energy requirements of products and services

As a recycling company, reducing energy consumption (see [GRI 302-4: Reducing energy consumption](#)) in our own facilities results in direct benefits for our customers because it allows us to offer them products and processes that require less energy and therefore emit fewer greenhouse gases.

^ **GRI 302: Energy**

GRI 303: Water

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 303-1: Water withdrawal by source

GRI 303-2: Water sources significantly affected by withdrawal of water

GRI 303-3: Water recycled and reused

v **GRI 305: Emissions**

GRI 303: Water

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Although a scarce and especially valuable resource, water is an essential part of many of Interseroh’s services. Interseroh is very careful to utilise water sparingly in all of its processes. Over 85 percent of this water is used at non-administrative sites: for the washing of returnable transport packaging crates at locations operated by INTERSEROH Pool-System GmbH, for the cleaning of pre-shredded plastic waste, and for the swim-sink separation process used in plastics recycling at the plant in Eisenhüttenstadt.

As part of the environment programme, all sites are required to work continuously towards improving their environmental performance, and this includes working to reduce water consumption. Causes of avoidable water consumption such as leaking taps or pipes are resolved as quickly as possible. All employees are also encouraged to use water sparingly.

GRI 303-1: Water withdrawal by source

In 2018, Interseroh consumed approximately 129,365 m³ of water. This represents a year-on-year reduction of 30.6 percent.

This consumption is largely attributable to the increased water recovery at the Eisenhüttenstadt plant,

Total water withdrawal (in m³)

	2016	2017	2018
Absolute water consumption	106,550	99,055	129,365

where all the process water used in production is now recycled several times. The process water supply is used mainly to maintain the necessary water quality. This allowed this site to reduce its total water withdrawal by 47.3 percent compared with the previous year.

GRI 303-2: Water sources significantly affected by withdrawal of water

Interseroh sources its water from municipal and private utilities. No water is taken from other sources (such as a company-owned well).

GRI 303-3: Water recycled and reused

In 2018, Interseroh consumed approximately 129,365 m³ of water. Most of this was attributable to the Eisenhüttenstadt production plant, which consumed 51,145 m³ in 2018. To minimise water consumption, all process water is recirculated and reused several times. The use of recycled water saves 70 m³ of fresh water every hour. This works out at 403,200 m³ recycled water over the entire 2018 reporting year.

^ **GRI 303: Water**

GRI 305: Emissions

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

GRI 305-3: Other indirect (Scope 3) GHG emissions

GRI 305-4: GHG emissions intensity

GRI 305-5: Reduction of GHG emissions

v **Interseroh I: Environmental impacts of services**

GRI 305: Emissions

GRI 103: Management approach (including 103-1, 103-2, 103-3)

The conservation of natural resources and climate change are two of the biggest challenges now facing the global community. Interseroh wishes to play its part in limiting global warming. The company achieves this by providing products and services to customers on the one hand, and by continuously reducing its own environmental footprint on the other. This objective was set out as part of the sustainability strategy: greenhouse gas emissions are to be reduced continuously, site-specific optimisation work is to be carried out and the corporate carbon footprint (CCF) is to be calculated.

In 2017, the company used this CCF to formulate a climate strategy and define goals:

- **By 2025, Interseroh will reduce its site emissions (Scope 1 and 2) by 50 percent compared with the 2015 baseline.**
- **As regards logistics, Interseroh is continuously looking for areas of potential optimisation and working towards its goal of reducing logistics-related emissions.**
- **In the future, Interseroh wishes to use its services to make an even greater contribution to the circular economy and reduce emissions. In 2018,**

Interseroh set itself a quantifiable goal for this area: The company aims to save at least 5.5 million tonnes of raw materials and 800,000 tonnes of greenhouse gases annually with its services.

GRI 305-1: Direct (Scope 1) GHG emissions

In 2018, Interseroh’s site-based greenhouse gas (GHG) emissions, including emissions from business travel, totalled 29,449 tonnes of CO₂ equivalent (CO₂-e), and therefore a year-on-year increase of 900 tonnes. This represents an increase of approximately 3.0 percent, which is due mainly to the expansion of the business.

^ **GRI 303: Water**

GRI 305: Emissions

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

GRI 305-3: Other indirect (Scope 3) GHG emissions

GRI 305-4: GHG emissions intensity

GRI 305-5: Reduction of GHG emissions

∨ **Interseroh I: Environmental impacts of services**

Greenhouse gas emissions (in tonnes CO₂-e)^{1, 2}

	2016	2017	2018
Scope 1 – direct GHG emissions (GRI 305-1)	5,505	5,347	5,271
Diesel	3,598	3,666	3,798
Gas	1,641	1,522	1,335
Heating oil	266	159	138
Scope 2 – indirect GHG emissions (GRI 305-2)	24,378	22,794	23,893
Electricity	23,758	22,415	23,646
District heating	620	378	247
Scope 3 – other indirect GHG emissions Business travel (GRI 305-3)³	429	440	285
Total greenhouse gas emissions	30,312	28,581	29,449

¹CO₂-e emissions are calculated on the basis of the Greenhouse Gas Protocol specifications. Scope 1 and 2 are based on data from account statements and meter readings using the VDA 2014 emission factors. Logistics emissions were calculated for the first time using the Global Logistics Emissions Council (GLEC) framework. The emission factors used for logistics emissions were those set out in the DSLV 2013 guidelines. A number of methods were used to calculate other Scope 3 emissions. These include in particular the expenditure-based method and the use of emission factors from the studies of Interseroh carried out by the Fraunhofer Institute.

²Rounded values, minor differences in totals are possible.

³To enable comparability over several years, only the emissions from business travel are reported in this table in Scope 3.

^ **GRI 303: Water**

GRI 305: Emissions

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

GRI 305-3: Other indirect (Scope 3) GHG emissions

GRI 305-4: GHG emissions intensity

GRI 305-5: Reduction of GHG emissions

v **Interseroh I: Environmental impacts of services**

Corporate carbon footprint

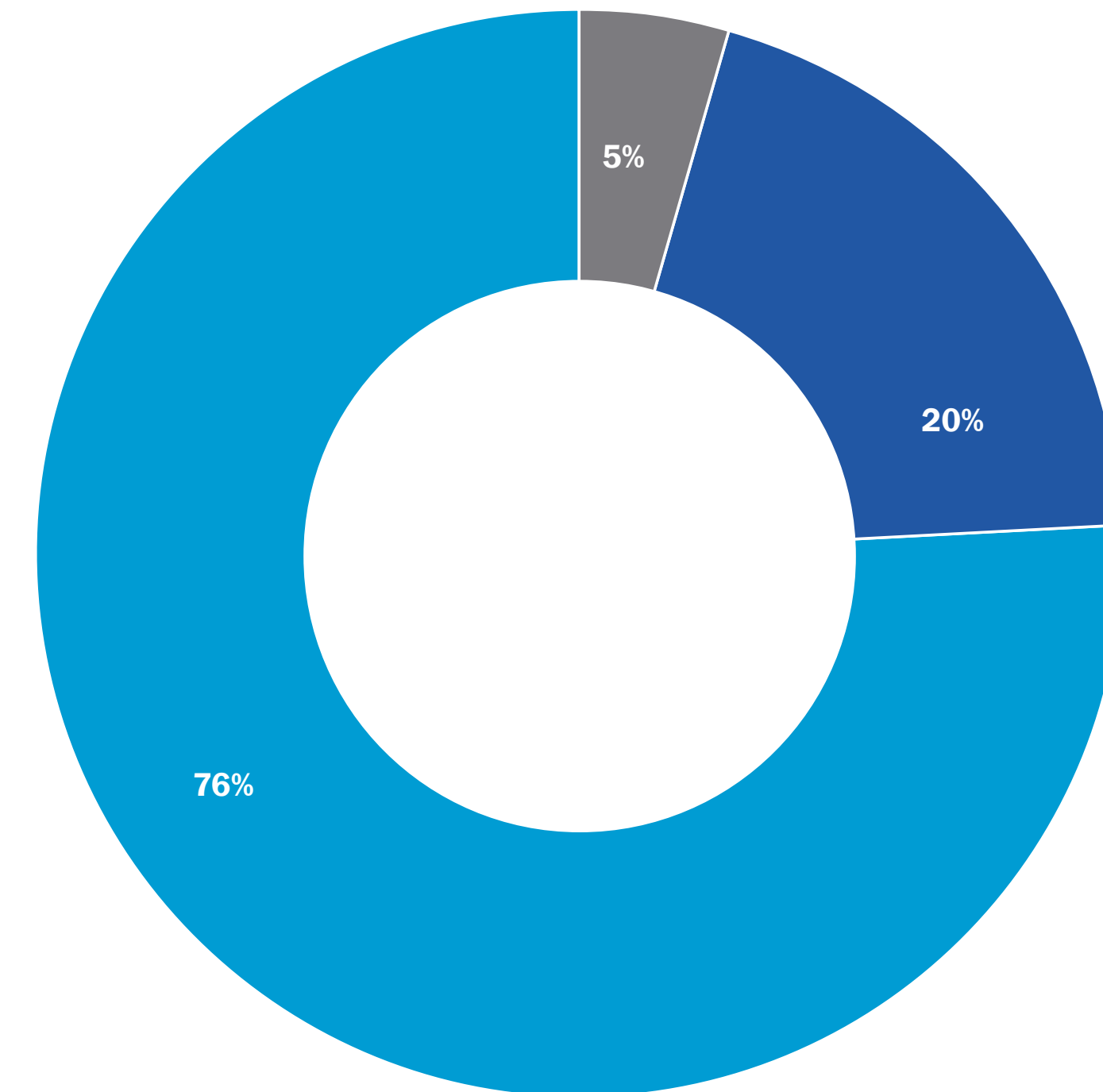
In 2017, Interseroh once again provided a full calculation of its corporate carbon footprint. A total of 115,751 tonnes of CO₂-e were generated by Interseroh’s activities in 2017. The large part of these emissions stemmed from the business model of contracting work to logistics services providers. Around 69 percent of the emissions reported in Scope 3 – amounting to 60,386 tonnes of CO₂-e – can be attributed to transportation services.

Compared to 2015, emissions have therefore risen by 11,743 tonnes of CO₂-e. This is due both to the expansion of the business (largely as a result of the Dual System Interseroh) and to the expansion of our database, particularly within the facility operation and at our international sites. In order to further improve data quality, Interseroh introduced a standardised in-house process that was able to replace the assumptions made in Scope 3 with data and thereby enhance the accuracy of our calculations.

Interseroh applies the results to make informed business decisions. The company aims to cut emissions when placing logistics orders, for example. One option here is to offer incentives to optimise tour planning. The data and insights gained are also being used to manage the company’s business units.

Corporate Carbon Footprint 2017¹

- Scope 1 – direct GHG emissions: 5,347 tonnes of CO₂-e
- Scope 2 – indirect GHG emissions: 22,794 tonnes of CO₂-e
- Scope 3 – other indirect GHG emissions: 87,611 tonnes of CO₂-e



¹ Rounded values, minor differences in totals are possible.

^ **GRI 303: Water**

GRI 305: Emissions

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

GRI 305-3: Other indirect (Scope 3) GHG emissions

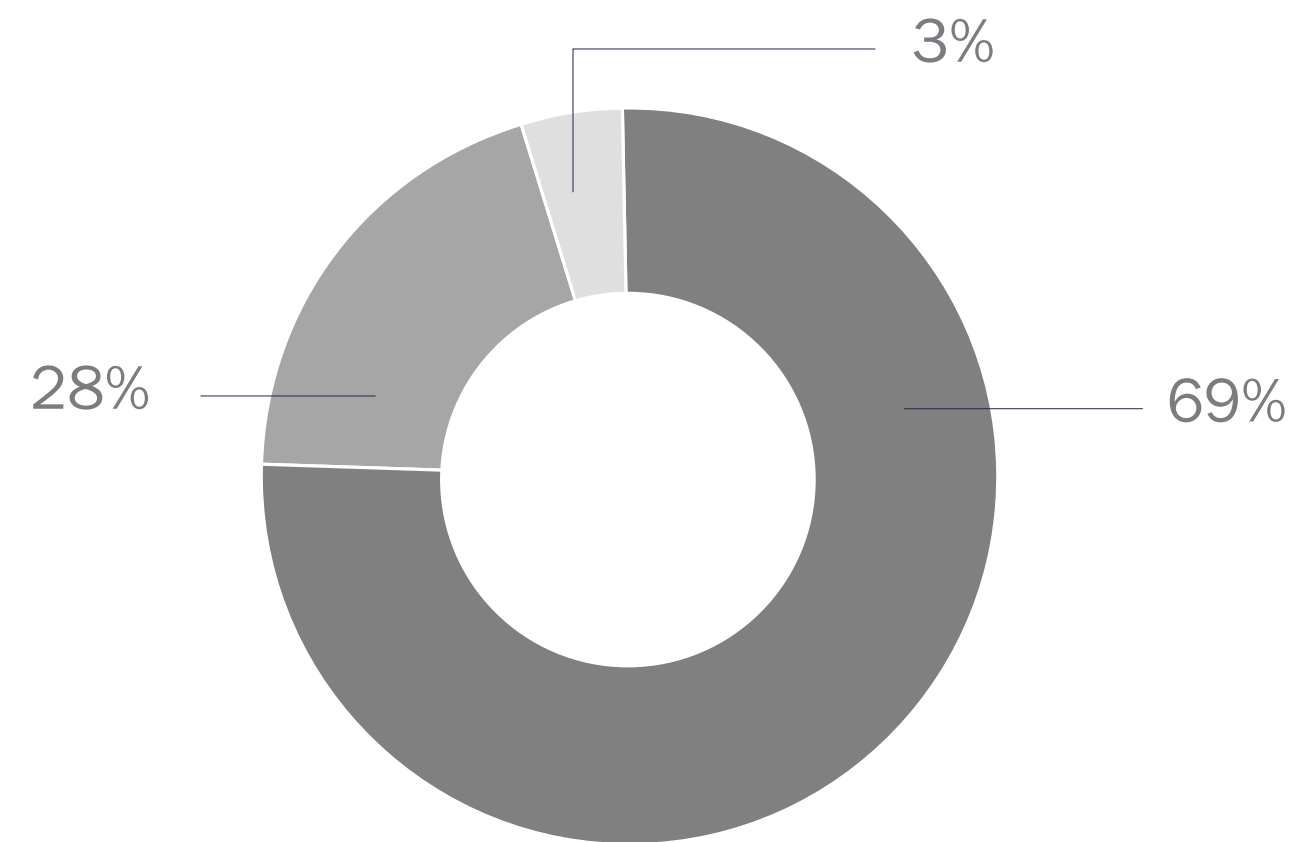
GRI 305-4: GHG emissions intensity

GRI 305-5: Reduction of GHG emissions

∨ **Interseroh I: Environmental impacts of services**

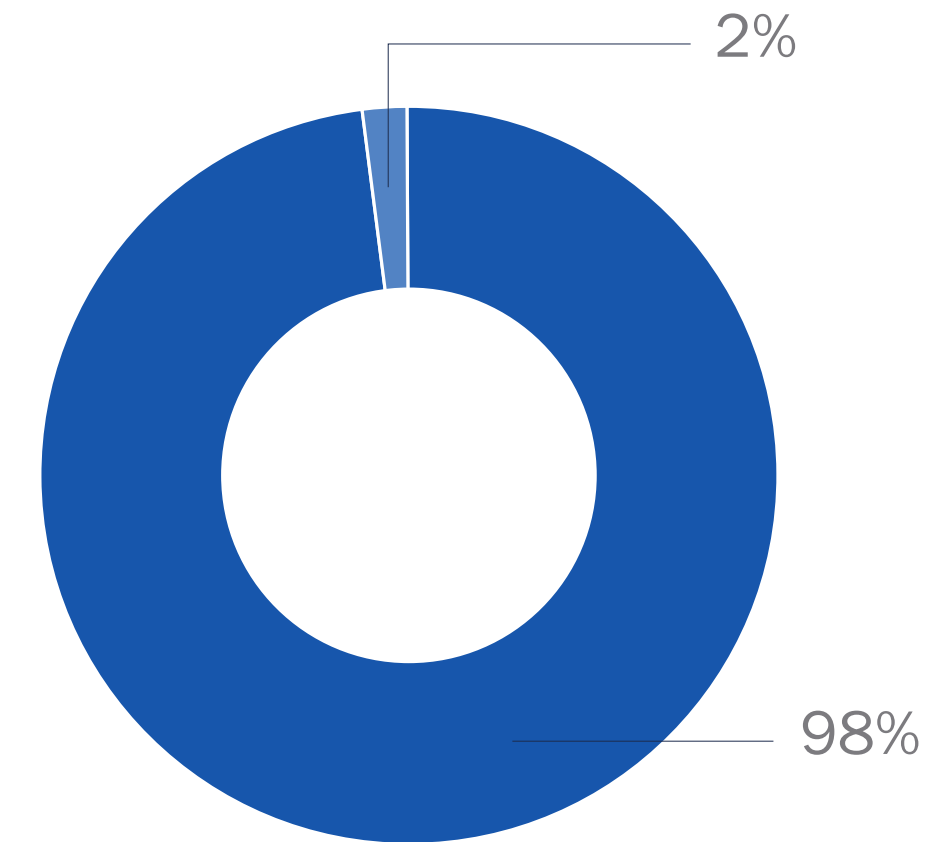
Corporate Carbon Footprint 2017¹

Scope 1 – direct GHG emissions



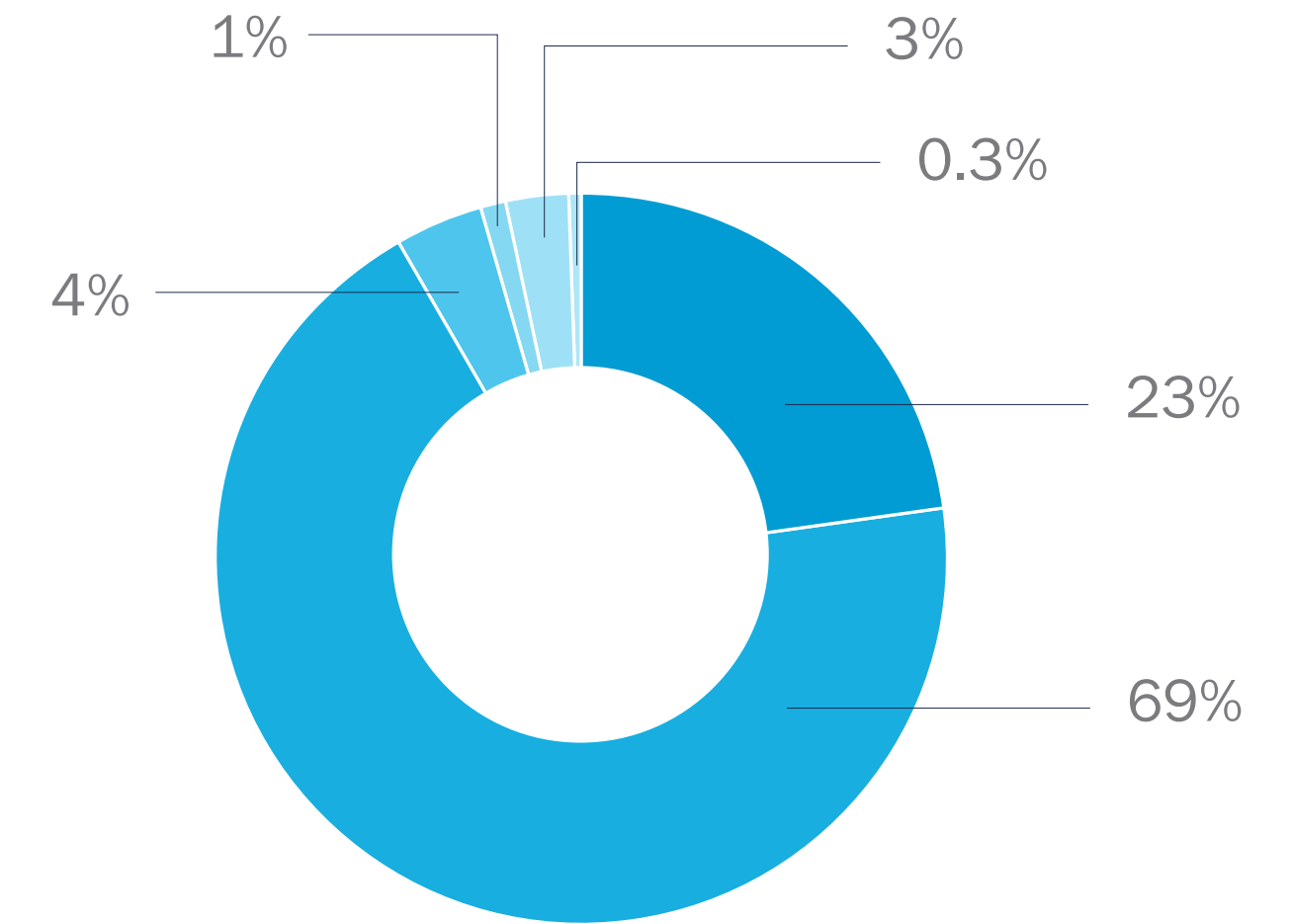
Heating oil: 159 tonnes of CO₂-e
 Diesel: 3,666 tonnes of CO₂-e
 Gas: 1,522 tonnes of CO₂-e

Scope 2 – indirect GHG emissions



Electricity: 22,415
 District heating: 378

Scope 3 – other indirect GHG emissions Business travel



Purchased goods and services: 19,757
 Collection, transport and pooling: 60,386
 Production of fuels used : 3,451
 Waste generated by operations: 714
 Business travel and commutes: 3,022
 Use and disposal of sold products: 280

¹ To enable comparability over several years, only the emissions from business travel are reported in this table in Scope 3.

^ **GRI 303: Water**

GRI 305: Emissions

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

GRI 305-3: Other indirect (Scope 3) GHG emissions

GRI 305-4: GHG emissions intensity

GRI 305-5: Reduction of GHG emissions

∨ **Interseroh I: Environmental impacts of services**

GRI 305-2: Energy indirect (Scope 2) GHG emissions

See overall presentation under [GRI 305-1: Direct \(Scope 1\) GHG emissions](#).

GRI 305-3: Other indirect (Scope 3) GHG emissions

See overall presentation under [GRI 305-1: Direct \(Scope 1\) GHG emissions](#).

GRI 305-4: GHG emissions intensity

In 2018, Interseroh’s total CO₂-e emissions (direct and indirect site emissions plus emissions from business travel, see overall presentation under [G305-1: Direct \(Scope 1\) GHG emissions](#)) amounted to 29,449 tonnes. The intensity of GHG emissions in relation to revenue amounted to 39.8 tonnes per million euros. The intensity has therefore been substantially reduced from the previous year’s figure of 55.4 tonnes per million euros revenue.

GRI 305-5: Reduction of GHG emissions

In 2018, Interseroh’s site-based GHG emissions, including emissions from business travel, totalled 29,449 tonnes of CO₂-e), and therefore a year-on-year increase of 900 tonnes. This is an increase of 3.0 percent.

GHG emissions intensity

	2016	2017	2018
Total GHG emissions (in tonnes of CO ₂ -e)	30,312	28,581	29,449
Intensity of GHG emissions (in tonnes of CO ₂ -e per 1 million euros or revenue)	61.6	55.4	39.8

The low figure for the previous year is mainly attributable to the Eisenhüttenstadt site, where alteration work required the plant to be shut down for an extended period in 2017. As a result, electricity consumption at the site was approximately 5.1 MWh lower than in 2016. Consumption rose by 2.5 MWh when normal operation resumed in the following year, 2018.

Compared with the 2015 reference year (31,460 tonnes of CO₂-e), Interseroh reduced its emissions by 6.4 percent.

To reduce emissions still further, Interseroh converted its Cologne site and its sorting plant in Walldürn to green electricity at the beginning of 2019.

^ GRI 305: Emissions

Interseroh I: Environmental impacts of services

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Interseroh I: Environmental impacts of services

v GRI 306: Effluents and waste

Interseroh I: Environmental impacts of services

GRI 103: Management approach (including 103-1, 103-2, 103-3)

As an environmental services provider, the issue of environmental impacts is of critical importance to Interseroh not just for its own locations, but also for its entire core business.

With its vision of ,zero waste solutions‘, Interseroh’s mission is to make a significant contribution to a fully functional circular economy in which raw materials are used efficiently and retained within a closed loop for as long as possible. Interseroh’s products and services have therefore been designed to make a significant contribution to conserving resources and reducing environmental impacts.

More specifically, the company has set itself the goal of delivering services that will save at least 5.5 million tonnes of raw materials and 800,000 tonnes of greenhouse gases annually. This objective is also one of the key point of focus of the company’s sustainability strategy. These performance targets are implemented and monitored annually with the cooperation of the individual departments.

Interseroh I: Environmental impacts of services

Interseroh offers a range of services proven to reduce the raw material usage and greenhouse gas emissions of its customers. In 2017, Interseroh’s recycling activities were able to save 5.8 million tonnes of primary resources and avoid 834,129 tonnes of greenhouse gases (Scope 4 target). The calculation, which reveals Interseroh’s specific contribution for the first time, is based on the studies carried out by the Fraunhofer Institute UMSICHT. The services analysed include recycling, IT equipment refurbishment, mobile counting centres, and ink and toner cartridge recycling.

Interseroh has therefore greatly exceeded its original target of saving at least 3.5 million tonnes of primary resources annually and at least 500,000 tonnes of greenhouse gas emissions. As Interseroh intends to continue improving in this particular area, it has increased its targets to a minimum of 5.5 million tonnes of resources and 800,000 tonnes of greenhouse gases.

Interseroh I: Environmental impacts of services

GRI 306: Effluents and waste

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 306-1: Water discharge by quality and destination

GRI 306-2: Waste by type and disposal method

GRI 306-3: Significant spills

GRI 306-4: Transport of hazardous waste

GRI 306-5: Water bodies affected by water discharges and/or runoff

GRI 307: Environmental compliance

GRI 306: Effluents and waste

GRI 103: Management approach (including 103-1, 103-2, 103-3)

As in any company, waste and waste water are also generated at Interseroh. As a recycling services provider, Interseroh naturally ensures proper handling of these waste streams and keeps them as low as possible. The aim is therefore to save – and where possible, recycle/reuse – water within the company as well.

As part of the company’s environment programme, all sites are required to work continuously towards improving their environmental performance. Meetings are held at least once a year between site managers to discuss areas with potential for optimisation. The company also adopts measures designed to minimise the generation of waste and also separates recyclable waste on all of its premises. Progress is always being made in separating other materials. In addition, Interseroh also educates its employees on how to avoid the production of waste. In 2018, for example, a workshop for Interseroh employees was held in Cologne on the topic of zero waste.

GRI 306-1: Water discharge by quality and destination

Wherever possible, Interseroh treats water for reuse (see [GRI 303-3: Water recycled and reused](#)). Significant

quantities are produced mainly at those sites with high water usage, namely at Eisenhüttenstadt, Mönchengladbach and Sankt Leon Rot.

Because the detergents used in its washing depots are strongly diluted, they can be safely discharged into the normal sewage system without having to be treated.

Water that cannot be treated for technical or other reasons is discharged after use into the municipal sewer system as waste water. In 2018, Interseroh discharged 113,001 m³ of waste water. This equates to 87.4 per cent of total water withdrawal.

GRI 306-2: Waste by type and disposal method

In 2018, a total of 1,108 tonnes of waste were generated at Interseroh’s sites. This represents a year-on-year decline of 7.6 percent versus the prior-year figure of 1,199 tonnes. This unavoidable volume of waste is collected and separated so as to ensure that it is recycled correctly. Besides the separate collection of paper in the workplace, central collection points are also offered for packaging, biodegradable waste and residual waste. A minimal amount of hazardous waste is produced by Interseroh’s sites, and this is disposed of separately. At the headquarters in Cologne, individual collection boxes are provided for batteries, toner cartridges, mobile phones, CDs and energy-saving bulbs.

Water discharge (m ³)	Water discharge (m ³)		
	2016	2017	2018
Total water withdrawal	106,550	99,055	129,365
Water discharge	97,761	88,529	113,001

^ **Interseroh I: Environmental impacts of services**

GRI 306: Effluents and waste

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 306-1: Water discharge by quality and destination

GRI 306-2: Waste by type and disposal method

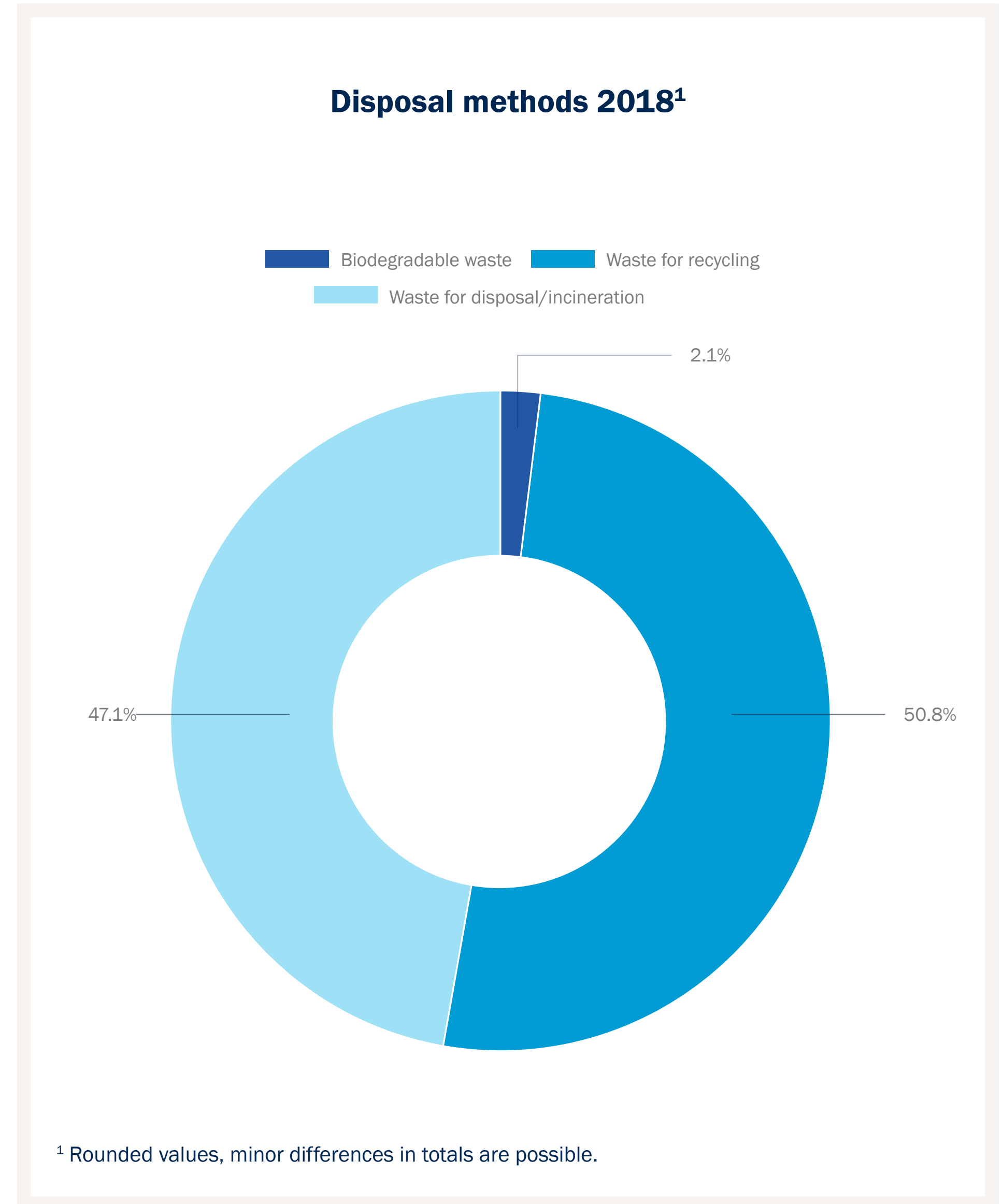
GRI 306-3: Significant spills

GRI 306-4: Transport of hazardous waste

GRI 306-5: Water bodies affected by water discharges and/or runoff

∨ **GRI 307: Environmental compliance**

Waste by disposal method (in tonnes)¹			
	2016	2017	2018
Biodegradable waste	21	22	23
Waste for recycling	630	599	563
Waste for disposal/incineration	515	577	522
Total weight of waste	1,166	1,199	1,108



^ **Interseroh I: Environmental impacts of services**

GRI 306: Effluents and waste

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 306-1: Water discharge by quality and destination

GRI 306-2: Waste by type and disposal method

GRI 306-3: Significant spills

GRI 306-4: Transport of hazardous waste

GRI 306-5: Water bodies affected by water discharges and/or runoff

v **GRI 307: Environmental compliance**

GRI 306-3: Significant spills

A minimal amount of hazardous waste is produced by Interseroh’s sites, and this is disposed of separately. At the headquarters in Cologne, individual collection boxes are provided for batteries, toner cartridges, mobile phones, CDs and energy-saving bulbs.

In 2018, no harmful substances, materials or similar were released at any of Interseroh’s sites.

GRI 306-4: Transport of hazardous waste

Interseroh handles the transportation of hazardous waste for some of its customers. The company employs specially trained personnel for this purpose and complies with all the safety regulations in force for each material. Interseroh’s SIMPLi RETURN, for example, organises the transportation of lithium-ion batteries to recycling plants. Reverse logistics take care of the transportation of small batteries (GRS take-back system) and electrical scrap.

Interseroh’s own production processes do not generate any hazardous waste and therefore do not require transportation.

GRI 306-5: Water bodies affected by water discharges and/or runoff

Water that cannot be treated for technical or other reasons is discharged after use into the municipal sewer system as waste water. In 2018, Interseroh discharged 113,001 m³ of waste water.

None of this is discharged without first being treated or checked. All wastewater is discharged via public sewers or treated and then conveyed to approved sewage treatment plants.

^ **GRI 306: Effluents and waste**

GRI 307: Environmental compliance

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 307-1: Non-compliance with environmental laws and regulations

v **GRI 308: Supplier environmental assessment**

GRI 307: Environmental compliance

GRI 103: Management approach (including 103-1, 103-2, 103-3)

To enhance its compliance with statutory regulations, ALBA Services Holding GmbH has appointed a new compliance officer and assigned him the task of developing and implementing a compliance management system (CMS) for ALBA Services Holding GmbH, INTERSEROH Dienstleistungs GmbH and other affiliated companies.

The following topics, among others, are covered:

- General compliance with the law
- Anti-discrimination and equal opportunity
- Occupational safety
- Environmental protection and innovation
- Data protection
- Antitrust legislation and fair competition
- Integrity and anti-corruption
- Gifts and perquisites
- Donations and sponsoring
- Avoidance of conflicts of interest
- Fair procurement
- Trade secrets and intellectual property

Our guidelines on anti-corruption, donations, sponsoring and on gifts and benefits are currently being revised.

Should any employee have compliance-related questions or information, they can contact the legally qualified ombudsman of ALBA Services Holding GmbH, Stephan Rheinwald, by email or telephone. Any breaches reported or identified are reviewed by company management and processed accordingly. Depending on the gravity of each case, the consequences may include spoken warnings or disciplinary action, and claims for compensation may also be asserted where appropriate.

When setting up the CMS, we published a new Code of Conduct for ALBA Services Holding GmbH in 2018 to ensure our compliance with the law. The Code of Conduct applies to all Interseroh employees. It regulates behaviour between employees, explains Interseroh's corporate values and its position on compliance issues such as the prevention of corruption, money laundering and financial integrity. It also sets out Interseroh's position on environmental protection and sustainability, and explains our quality and environmental management system. The entire Code of Conduct is available for all employees to read on the intranet.

GRI 307-1: Non-compliance with environmental laws and regulations

No violations were reported for 2017 and 2018.

^ **GRI 307: Environmental compliance**

GRI 308: Supplier environmental assessment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 308-2: Negative environmental impacts in the supply chain and actions taken

v **GRI 400: Social**

GRI 308: Supplier environmental assessment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

As an integrated services provider, Interseroh coordinates around 1,900 external service providers and suppliers in Germany alone. Ensuring sustainability is comprehensively observed along the entire value chain is therefore a complex challenge. As Interseroh's own responsibility goes beyond its own boundaries, the company is careful to choose businesses that are socially and ecologically responsible when contracting suppliers to provide customers with indirect services in relation to disposal or logistics orders. Interseroh has therefore developed a **Supplier code that serves as a basis of cooperation.**

Interseroh's Supplier Relationship Management (SRM) system has been set up to maximise transparency and efficiency when working with its suppliers. SRM records store supplier data such as certificates, and general information about the company and its environmental/quality management systems.

GRI 308-2: Negative environmental impacts in the supply chain and actions taken

Interseroh applies stringent environmental criteria to supplier selection. New suppliers must therefore complete a prescribed screening process that is designed to confirm that they are capable of meeting Interseroh's minimum requirements for suppliers. Around 1,900 suppliers and service providers work for the company. Of these, Interseroh visits at least 100 every year and interviews them about processes and environmental criteria. Interseroh conducted 126 audits in 2018.

^ **GRI 308: Supplier environmental assessment**

GRI 401: Employment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 401-1: New employee hires and employee turnover

GRI 401-3: Parental leave

v **GRI 403: Occupational health and safety**

GRI 400: Social

GRI 401: Employment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Interseroh can achieve its mission goal of ‘zero waste solutions’ only with the help of its employees. This is why it is very important that the company supports its employees, offers them opportunities for personal and professional development, and helps to ensure that they stay fit and healthy. For Interseroh, this means offering high-quality training and professional development, a decent wage, flexible working hour models, and personal options for promoting good health and achieving a work-life balance. Activities in Human Resources are aligned with these objectives and backed up with measurable KPIs (see [GRI 102-18](#)).

In this context, Interseroh has launched a comprehensive process in which employees have developed new, shared values for all ALBA Services Holding companies under the motto of ‘we are one’ – regardless of their job position, location, age or gender. Interseroh began communicating and implementing the new corporate culture in 2018 and will be pressing on with it in 2019.

To ensure sustainable workforce planning, the company also developed its first ever personnel strategy in 2018, which is integrated in its sustainability strategy and corporate culture. The competency model developed by Interseroh offers guidance for employees at all levels, establishes a clear requirements management system and a feedback culture for strategic personnel development, and enables open and transparent talent management practices. New positions and vacancies are filled by the targeted promotion, training and professional development of its own employees (see [GRI 404 - Management approach](#)). If roles cannot be filled from the workforce, the focus is on the recruitment of well-qualified personnel.

GRI 401-1: New employee hires and employee turnover

The total number of new hires rose again in 2018 to 544 (2017: 379), 32.5 percent of whom were women. The number of employees leaving rose slightly in the reporting period from 261 in 2017 to 269 in 2018. Despite this, staff turnover fell to 16.3 percent (2017: 16.5 percent). The increase in staff turnover between 2016 and 2017 was due to restructuring measures

at ALBA Facility Solutions GmbH and INTERSEROH Dienstleistungs GmbH which involved site closures.

A major project in the reporting period was the opening of the Marl plant with approximately 55 new employees and the acquisition of ITL Logistics with 33 staff, which also resulted in the creation of new jobs. We are pleased to report that Interseroh was able to increase its hiring quota for junior staff (apprentices, trainees and students) to 90 percent in 2018 (2017: 85.7 percent).

^ **GRI 308: Supplier environmental assessment**

GRI 401: Employment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 401-1: New employee hires and employee turnover

GRI 401-3: Parental leave

v **GRI 403: Occupational health and safety**

New hires	2016	2017	2018
Total new hires	279	379	544
Of which female	29.4 %	35.6 %	32.5 %
By age group ¹			
20 and under	1.8 %	4.0 %	5.7 %
21 to 30	29.4 %	39.8 %	33.8 %
31 to 40	31.5 %	29.0 %	28.9 %
41 to 50	20.8 %	14.3 %	18.0 %
51 to 60	15.4 %	11.4 %	12.5 %
Over 61	1.1 %	1.6 %	1.1 %

¹ Due to rounding, there may be minor deviations when totals are calculated.

^ **GRI 308: Supplier environmental assessment**

GRI 401: Employment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 401-1: New employee hires and employee turnover

GRI 401-3: Parental leave

v **GRI 403: Occupational health and safety**

Staff turnover	2016	2017	2018
Staff turnover	14.1 %	16.5 %	16.3 %
Number of critical notices of termination ¹	237	261	269
Of which female	30.8 %	28.4%	30.1%
By age group ²			
20 and under	0.8 %	0.8 %	1.5 %
21 to 30	23.2 %	28.4 %	30.9 %
31 to 40	31.6 %	34.1 %	26.8 %
41 to 50	17.7 %	18.4 %	20.1 %
51 to 60	16.9 %	12.6 %	15.2 %
Over 61	9.7 %	5.8 %	5.6 %

¹Critical employee turnover: Only employees whose departure usually requires new staff to be hired or existing staff to be promoted; excluding temporary staff and interns.

²Due to rounding, there may be minor deviations when totals are calculated.

^ **GRI 308: Supplier environmental assessment**

GRI 401: Employment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 401-1: New employee hires and employee turnover

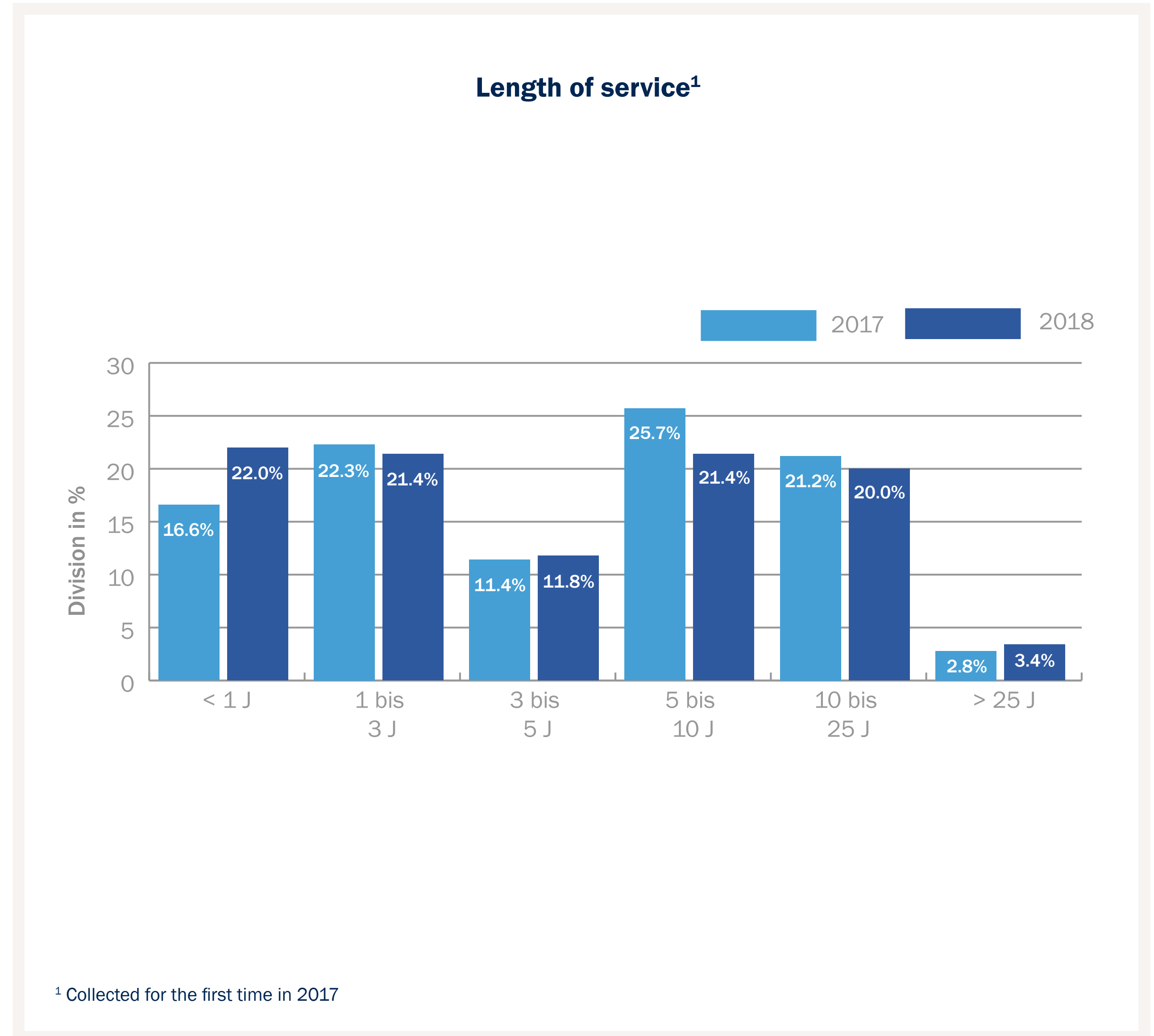
GRI 401-3: Parental leave

v **GRI 403: Occupational health and safety**

To analyse reasons for turnover in more detail, voluntary exit interviews have been held for staff in commercial roles since 2016. Interview findings are then anonymised and categorised for later discussion with supervisors and senior management. Specific interventions can then be introduced, such as optimising the onboarding programme, for example, or initiatives for developing leadership skills to reduce turnover rates over the long term (see [GRI 404: Management approach](#)).

Length of service

The average length of service at Interseroh was 6.2 years in 2018 (2017: 6.6 years). In 2017, the majority of employees had worked for Interseroh for between five and ten years on average. However, many new employees were taken on in 2018, which explains why the proportion of staff with a length of service of under a year rose to 22.0 percent from 16.6 percent in 2017.



^ **GRI 308: Supplier environmental assessment**

GRI 401: Employment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

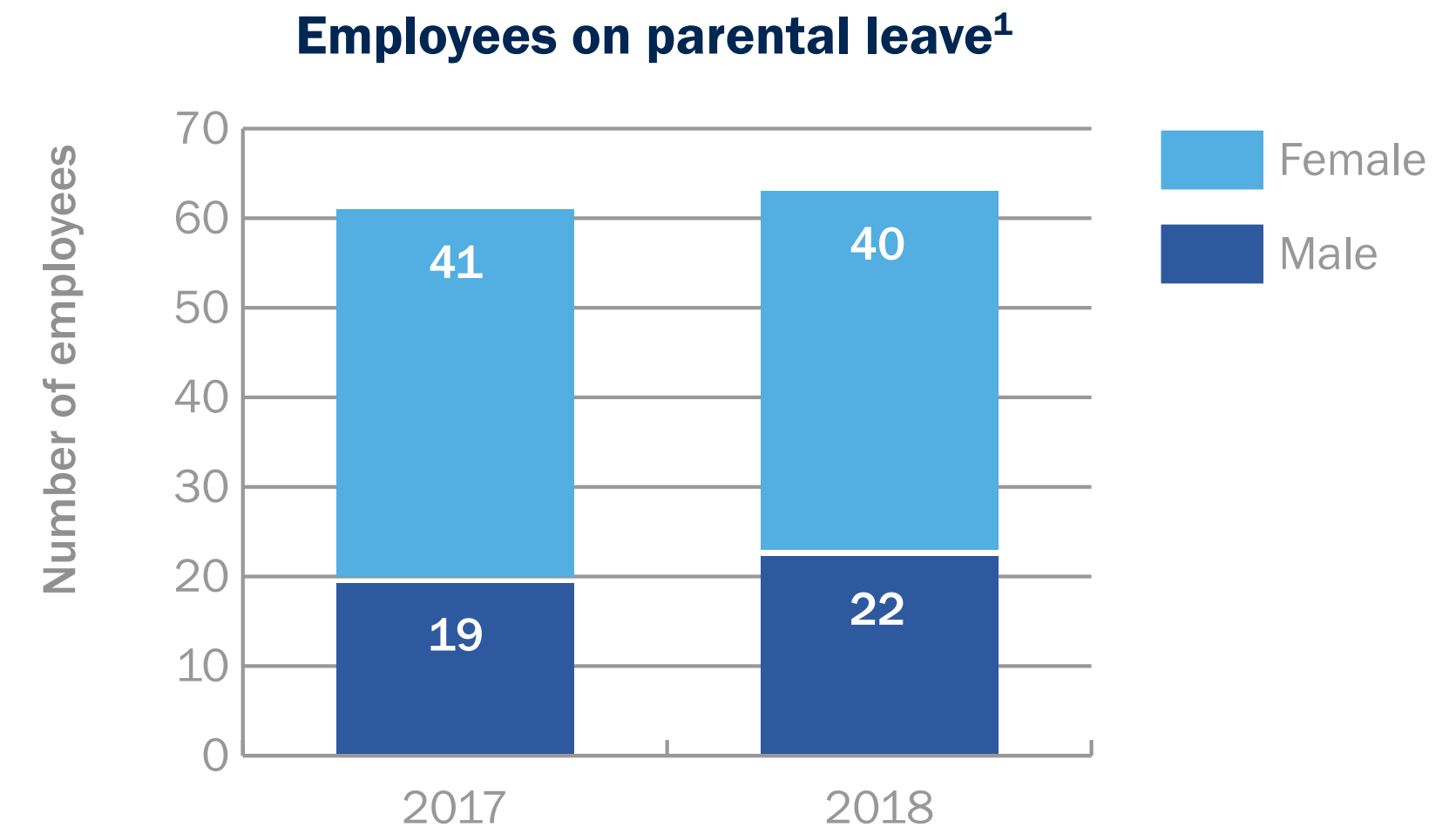
GRI 401-1: New employee hires and employee turnover

GRI 401-3: Parental leave

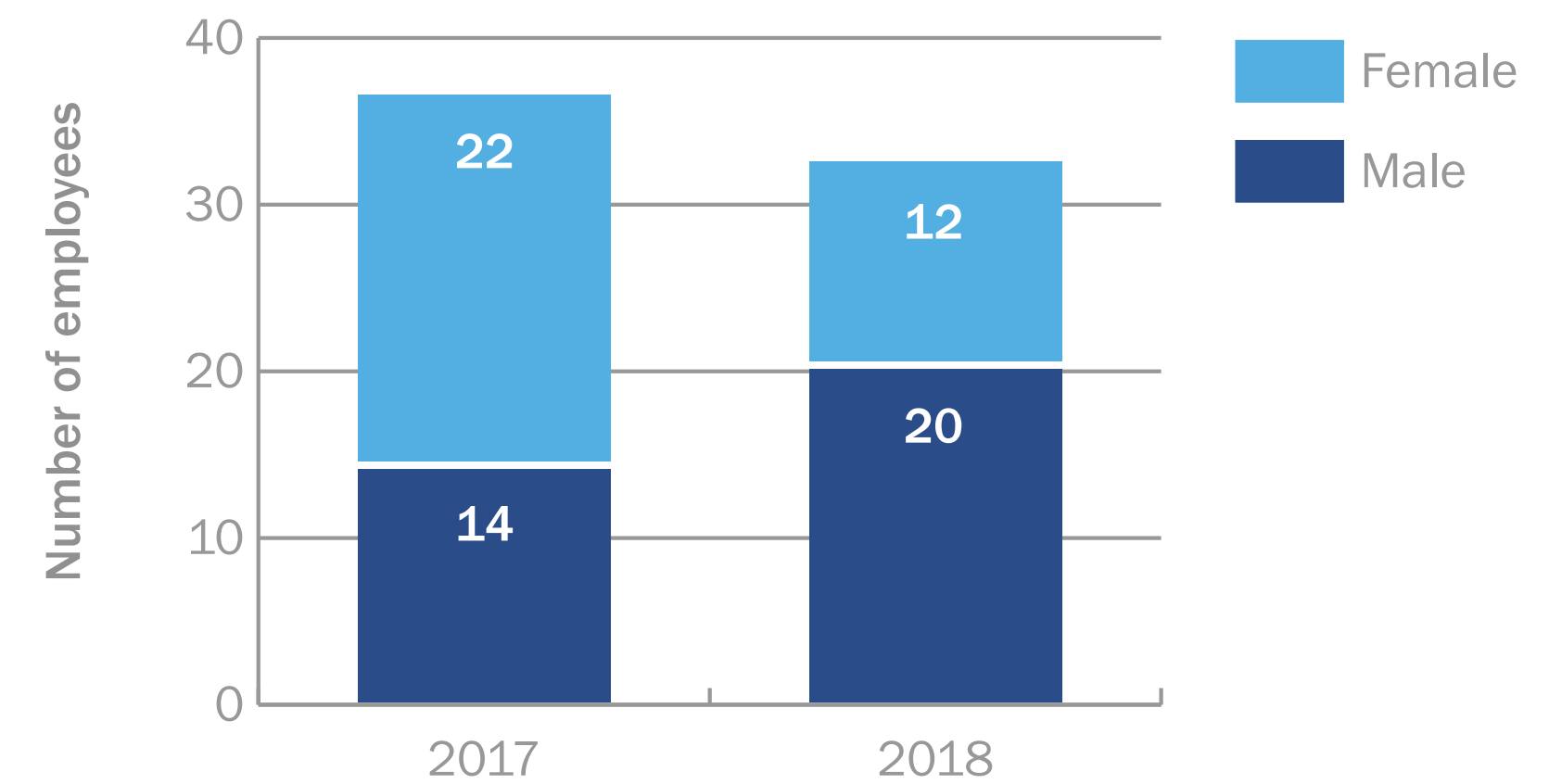
∨ **GRI 403: Occupational health and safety**

401-3: Parental leave

Interseroh attaches great importance to a healthy work-life balance and wishes to make it as easy as possible for staff to return to work after parental leave. 62 employees took parental leave in 2018 (2017: 60), including 40 women (2017: 41). The return rate was 100 percent in 2018 and 97.3 percent in 2017.



Employees who have returned to work from parental leave¹



¹ Figures collected for the first time in 2017

^ **GRI 401: Employment**

GRI 403: Occupational health and safety

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

GRI 403-3: Workers with high incidence or high risk of diseases related to their occupation

v **GRI 404: Training and education**

GRI 403: Occupational health and safety

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Interseroh takes the topics of occupational safety and employee health very seriously. Not least because staff can develop their full potential only if they are both fit and healthy. The company wishes to honour its duties of responsibility and care to its employees to the fullest extent, and has therefore implemented a comprehensive approach to occupational safety and health.

In 2017 and 2018, all of Interseroh’s primary sites had both ISO 9001 and BS OHSAS 18001 certification. In the individual companies and at all locations, individuals have been appointed who are responsible for maintaining internal and legal occupational safety and health standards. Regular meetings of the health and safety committee are held for this purpose. In addition, Interseroh is also assisted by an external service provider in relation to work concerning occupational safety and health – such as the preparation of the online hazard assessment, for example. In the event of an accident, root cause analyses are conducted by local units. On this basis, the respective management team derives and implements appropriate preventive action.

To promote the health of all employees and prevent illness, Interseroh works on the continuous development of its corporate health management system. In the reporting period, management staff at all levels in Interseroh’s subsidiaries as well as apprentice trainers were given instruction in ‘healthy leadership’ and the company’s health management programme once a year. There is also a regular exchange among the trainers on the topic of health. A comprehensive series of interviews with staff returning from long-term sick leave was also held, with a focus on industrial/technical roles. The aim is to identify correlations between the workplace and sickness absence at an early stage to enable interventions to be made.

Interseroh also offers its employees a wide-ranging programme of sports courses, health advice and preventive care. In the reporting period, an existing cooperation with the Techniker Krankenkasse health insurer was significantly expanded, and a new partnership agreement was signed with Fitness-Treff Zündorf, offering regular fitness courses. Every year since 2016, our Cologne plant has successfully held at least one ‘health day’. Each health day has its own central theme. In 2017, the focus was on ‘exercise’; in 2018, it was on preventive checkups and being aware of our senses. A planned survey on psychological dangers has been shelved; the topic will now be represented in the hazard assessment tool.

GRI 403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

Work-related accidents fell from 78 in 2017 to 74 in 2018. The corresponding injury rate per million hours worked was 25.0 (2017: 29.2). All accidents occurred in Germany. There were no deaths in 2017 or 2018. No analysis is offered of the type of injury and the severity of accidents in relation to the number of lost days, nor of the gender of injured personnel.

The number of absence days rose from 26,725 (2017) to 29,075 (2018) due to the increase in staff numbers. The average number of absence days per employee fell from 16.9 (2017) to 16.2 (2018).

^ **GRI 401: Employment**

GRI 403: Occupational health and safety

GRI 103: Management approach
(including 103-1, 103-2, 103-3)

GRI 403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

GRI 403-3: Workers with high incidence or high risk of diseases related to their occupation

v **GRI 404: Training and education**

Injuries and absence days¹

	2016	2017	2018
Accidents at work ²	75	78	74
Injuries per 1 million hours worked ³	27.0	29.2	25.0
Fatalities	0	0	0
Absence days	27,265	26,725	29,075
Average absence days per employee	16.6	16.9	16.2

GRI 403-3: Workers with high incidence or high risk of diseases related to their occupation

In 2016, 2017 and 2018, there were no notified and no confirmed cases of occupational diseases.

¹ Data not collected on external contractors.

² Absence of over 3 days, excluding commuting accidents, basis is notifications to employer's liability insurers.

³ 1,800 hours per full-time employee, 900 hours per part-time employee.

^ **GRI 403: Occupational health and safety**

GRI 404: Training and education

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 404-1: Average hours of training per year per employee

v **GRI 405: Diversity and equal opportunity**

GRI 404: Training and education

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Interseroh can achieve its goals only with the help of its employees. Accordingly, the company prides itself on offering personal support and advice to every employee, and has established a long-term HR development programme.

Company-internal training focuses on the acquisition and retention of high-quality young professionals from a pool of apprentices, students and trainees. The ultimate aim is to take on every single one of these potential employees; the current figure is 90 percent (see [GRI 401-1](#)).

Since 2016, Interseroh has been awarded the Fair Company accolade, among others for its decision not to substitute full-time positions with interns, volunteers or long-term temporary staff. As a signatory party to the Charter for Fair and Career-Relevant Trainee Programmes, Interseroh has oriented its vocational training work on ultimately preparing trainees for an expert or management role. From the outset, trainees take responsibility for certain tasks and receive support from experience management staff. External audits are used to confirm that the trainee programme is standards-compliant.

Company-internal professional development focuses on helping employees and management staff alike to reach their full potential. This starts on the first day at work, when staff receive their individual On-Boarding Plan, and continues with support from a mentor and regular Welcome Days. Where possible, Interseroh applies its HR strategy to fill new positions by the targeted promotion, training and professional development of its own employees. An important role is also played by proactive succession planning and the support for career planning provided in the context of annual employee appraisals. On a related note, a risk management system and deputation policies have been implemented successfully since 2016. The risk management system includes an annual strategic resources planning in which all key functions and senior executives are considered and appropriate actions are derived on the basis of the identified risks.

GRI 404-1: Average hours of training per year per employee

The annual employee appraisal meeting is a core instrument within HR development work at Interseroh. The HR department uses continuous training programmes to support and assist management staff in organising these meetings. Talent Conferences were also held in the reporting period to identify promising high potentials in the company. Personalised development plans are then used to help these people take the next steps in their careers.

Interseroh offers highly individualised professional development courses, coupling these with personal advice to bring out the skills and abilities of each and every employee. The curriculum is being steadily optimised and expanded, and includes technical training, seminars on methods expertise, plus workshops and coaching on social and personal skills. Digitalisation, which also has a major impact on Interseroh's areas of business, continues to be a key focus here. The #digicampus qualification programme provides training in techniques and tools in this field that are of benefit not only to employees but also to the company as a whole.

Most of these training programmes are booked via a central tool, with other courses organised on an individual basis. It will therefore not be possible for the time being to increase the number of training hours per employee centrally.

Other personnel development activities focused on the subject of management. A core focus here was the role of the manager, their rights and duties, as well as networking among management staff, with training courses on offer, among other things. Integrated health management (see [GRI 403: Occupational health and safety](#)) is another important training discipline. In the period under review, managers and educators received training in the topic of 'healthy leadership'.

^ **GRI 404: Training and education**

GRI 405: Diversity and equal opportunity

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 405-1: Diversity of governance bodies and employees

GRI 405-2: Ratio of basic salary and remuneration of women to men

v **GRI 406: Non-discrimination**

GRI 405: Diversity and equal opportunity

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Interseroh sees significant added value for the company in having a diverse workforce. For this reason, the environmental services provider has explicitly integrated the corporate values of diversity and equal opportunities into the corporate culture of ,we are one‘. The company believes strongly that diversity encourages the development of creative ideas and innovative solutions that benefit both Interseroh and its customers.

For hiring, succession planning and compensation alike, transparent criteria are applied that are based on an individual’s training, previous experience, performance and achievements.

Interseroh also supports equal opportunities by offering flexible working hours models. Support here was extended with the services of pme Familienservice in 2015. This agency helps employees by organising individual care solutions for children and dependants. Employees can also make use of counselling services offered on topics such as burnout, trauma or relationship problems.

Interseroh values the work performed by its employees very highly and wants to honour this with fair

compensation. Compensation is therefore based solely on relevant expertise, experience and the individual’s own performance. Discrimination is not tolerated in any shape or form.

GRI 405-1: Diversity of governance bodies and employees

In 2018, women held 25.4 percent (2017: 19.5 percent) of Interseroh’s management positions at all levels of management. This increase is due in particular to the greater proportion of women at the third management level (2017: 25.0 percent, 2018: 30.6 percent). Gender, ethnicity, age and religion play no role whatsoever in any personnel-related decisions, including both hiring and terminations. The sole criterion is the person’s suitability for the job.

ver in any personnel-related decisions, including both hiring and terminations. The sole criterion is the person’s suitability for the job.

The largest age group represented in the workforce is the 31 to 40 age group (29.2%); the proportion of women in this age group is also the highest, at 31.2%.

2.7 percent of Interseroh’s workforce are severely disabled (2017: 3.1 percent). Most of these are employed in Germany. This places Interseroh below the national average of 4.6 percent (source: [Bundesagentur für Arbeit](#), 2019).

Women in management (in percent)			
	2016	2017	2018
Proportion of women in first-level positions	0.0	0.0	0.0
Proportion of women in second-level positions	7.1	12.0	12.0
Proportion of women in third-level positions	29.0	25.0	30.6
Average proportion of women at all management levels	21.3	19.5	25.4

^ **GRI 404: Training and education**

GRI 405: Diversity and equal opportunity

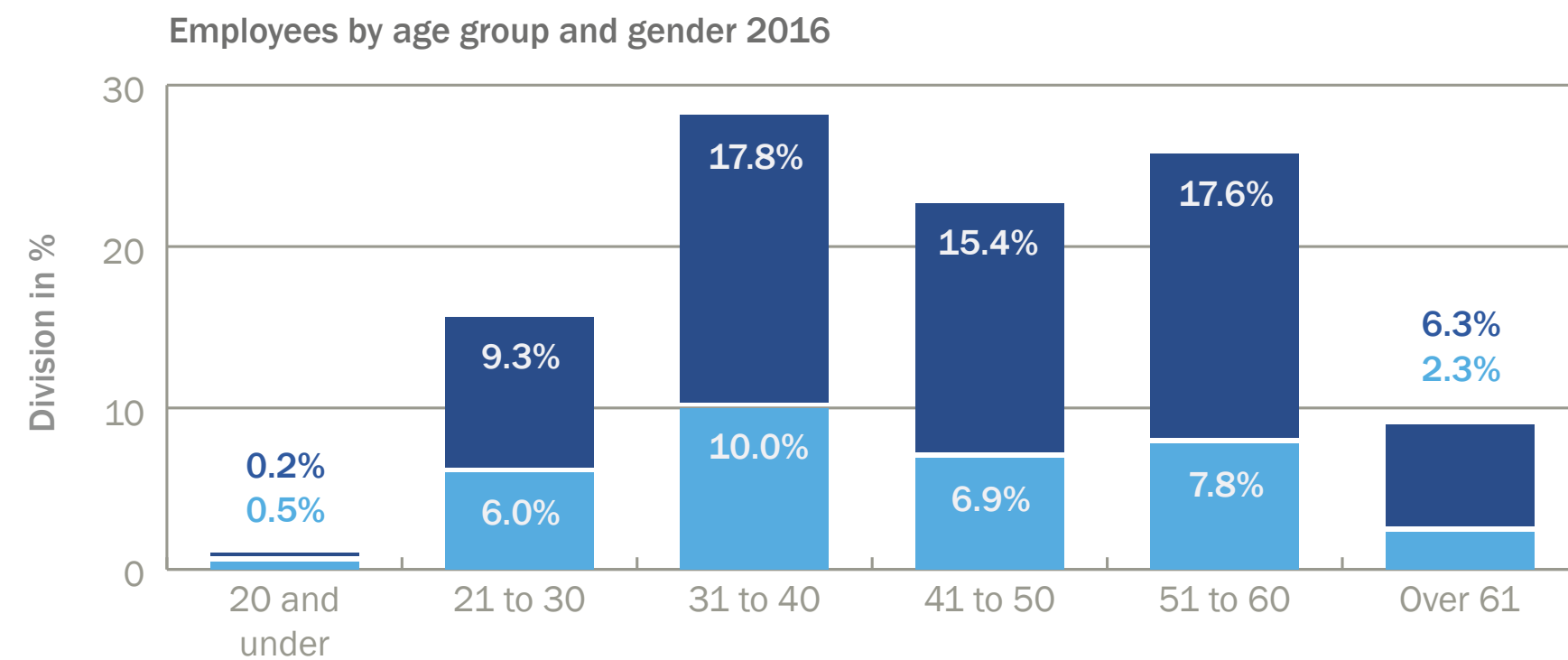
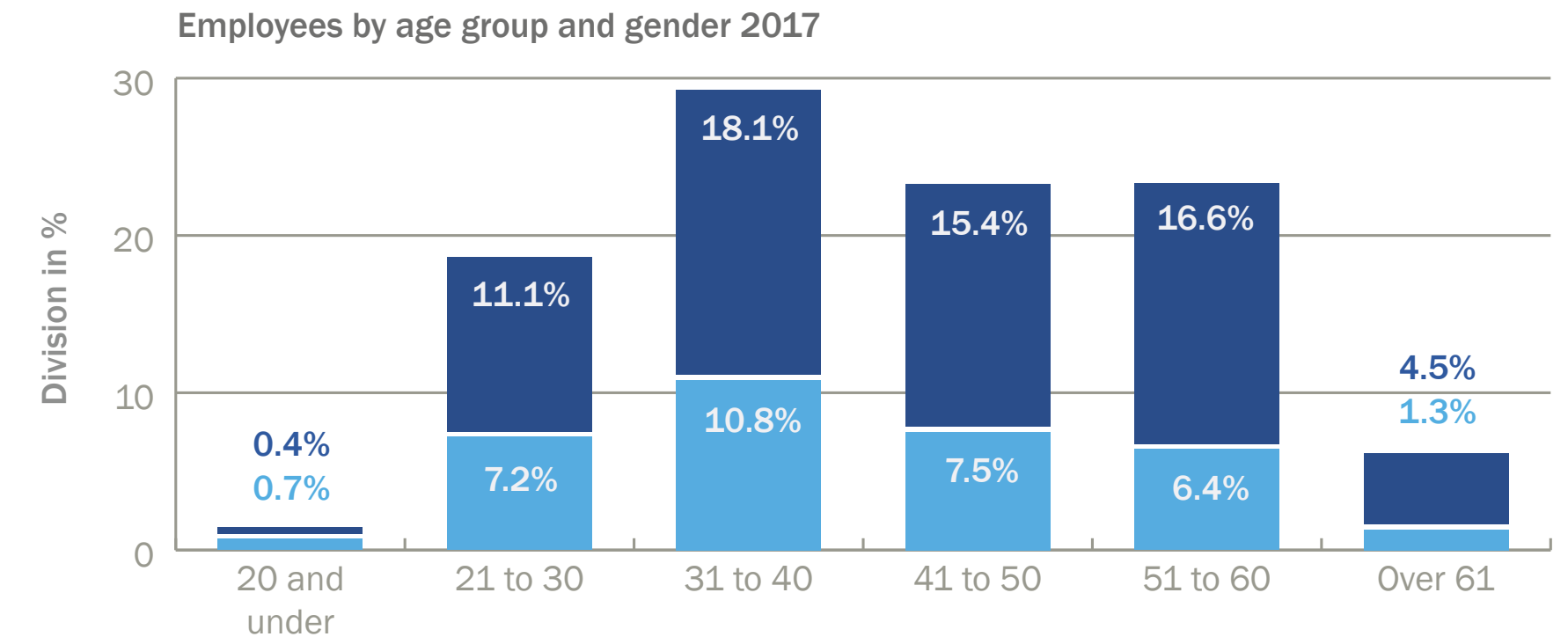
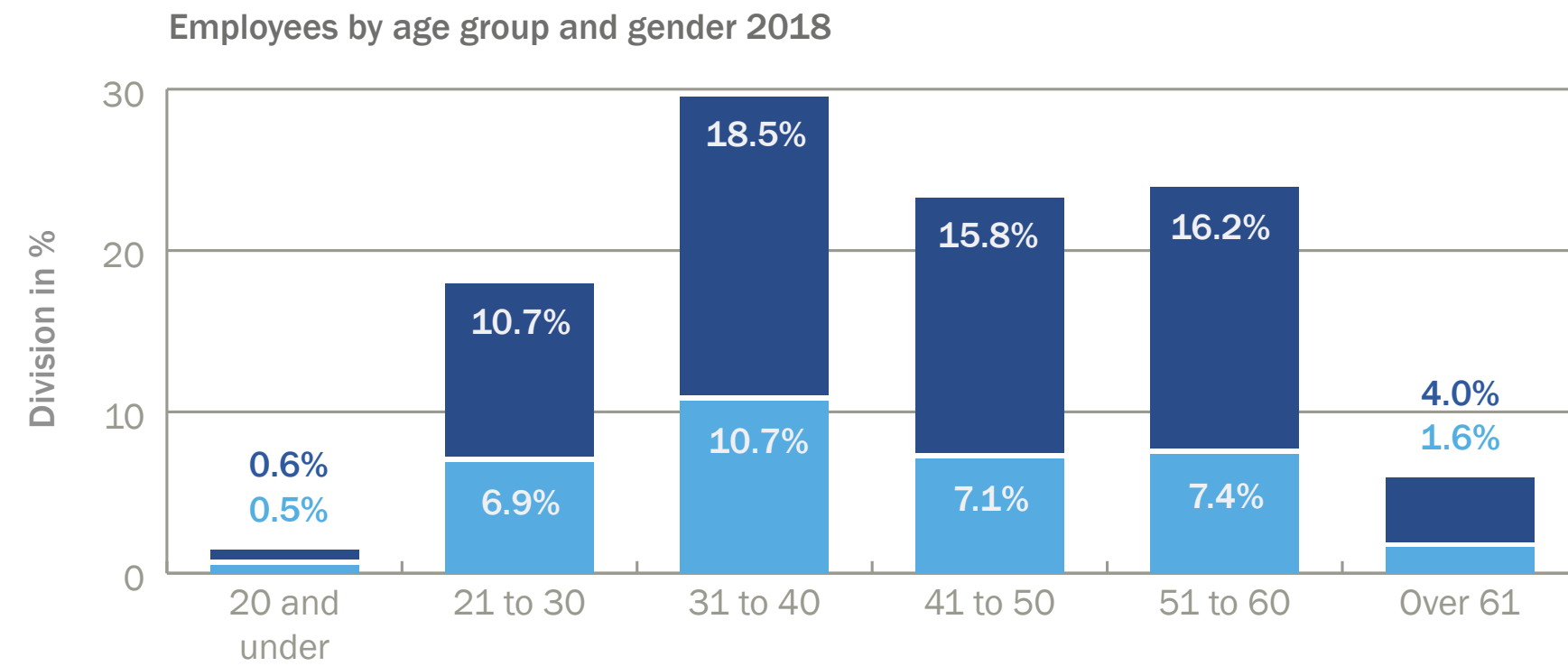
GRI 103: Management approach
(including 103-1, 103-2, 103-3)

GRI 405-1: Diversity of governance bodies and employees

GRI 405-2: Ratio of basic salary and remuneration of women to men

v **GRI 406: Non-discrimination**

Employees by age group and gender



^ **GRI 404: Training and education**

GRI 405: Diversity and equal opportunity

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 405-1: Diversity of governance bodies and employees

GRI 405-2: Ratio of basic salary and remuneration of women to men

∨ **GRI 406: Non-discrimination**

GRI 405-2: Ratio of basic salary and remuneration of women to men

The average salary paid to men in 2018 was roughly 8.8 percent higher than the average salary paid to women (2017: 7.5 percent). Hiring, succession planning and compensation is based solely on individual performance. Discrimination on the basis of ethnicity, age, religion or gender is not tolerated at Interseroh.

The deterioration in this ratio is due to the large number of new, mainly male, employees in IT and technology, where there is stiff competition for well-qualified specialists. These new employees therefore command higher salaries than in other areas.

The pay ratio between the highest and the average earners within the company fell slightly from 9.9 in 2017 to 9.3 in 2018. This is due to the fact that management at levels 1 and 2 agreed to waive part of their bonus in 2018 due to the difficult financial situation.

Compensation at Interseroh is in line with the industry standard in Germany. The company has already committed to paying the generally applicable minimum wage in the waste management industry for staff not covered by wage bargaining agreements. Blanket agreements with recruitment agencies are signed only if these guarantee compliance with the provisions of the law and the payment of the minimum wage.

^ **GRI 405: Diversity and equal opportunity**

GRI 406: Non-discrimination

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 406-1: Incidents of discrimination and corrective actions taken

v **GRI 407: Freedom of association and collective bargaining**

GRI 406: Non-discrimination

GRI 103: Management approach (including 103-1, 103-2, 103-3)

All employees should be able to work in an environment free from physical, sexual, psychological or verbal stress. Interseroh does not tolerate discrimination in any shape or form. The company's Code of Conduct sets out the principles of equal treatment in the organisation and is binding on all employees.

Moreover, the issues of non-discrimination and equal opportunities are part of the compliance management system (CMS) of ALBA Services Holding GmbH. When setting up the CMS in 2018, we published a new Code of Conduct that takes a stand on equal opportunities and non-discrimination and includes a number of guidelines designed to ensure our compliance with the law.

Should any employee have information about a possible case of discrimination, they can contact our legally qualified ombudsman, Stephan Rheinwald, by email or telephone. Any breaches reported or identified will be investigated and processed appropriately.

GRI 406-1: Incidents of discrimination and corrective actions taken

No incidents of discrimination become known in the reporting period.

^ **GRI 406: Non-discrimination**

GRI 407: Freedom of association and collective bargaining

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

v **GRI 412: Human rights assessment**

GRI 407: Freedom of association and collective bargaining

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Treating others in the workplace with dignity and respect is an integral part of our corporate culture. Interseroh is committed to the core labour standards of the International Labour Organisation (ILO) as well as to upholding social and labour standards in all of its business activities. An essential part of the core labour standards is the right to freedom of association. The company will not tolerate non-compliance with its code of conduct or internationally recognised human rights.

A fair working relationship includes the remuneration and wages of the employees. Even though Interseroh is not bound by a collective bargaining agreement, it has committed to pay the generally applicable minimum wage in the waste management industry for staff not covered by wage bargaining agreements. Moreover, the company's remuneration is in line with the industry standard in Germany and complies with all statutory regulations in order to ensure fair compensation rates.

GRI 407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Interseroh believes in the importance of decent working conditions, including in its supply chain. There were no known cases of human rights violations in the reporting years 2017 and 2018.

^ **GRI 407: Freedom of association and collective bargaining**

GRI 412: Human rights assessment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 412-1: Operations that have been subject to human rights reviews or impact assessments

v **GRI 413: Local communities**

GRI 412: Human rights assessment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Interseroh works with its managers to promote dignified and respectful interaction in the workplace. The company respects internationally recognised human rights and supports their observance in a number of ways, including introducing a compliance officer and an ombudsman’s office. Interseroh does not tolerate behaviour that undermines these rights. Interseroh is committed to the core labour standards of the International Labour Organisation (ILO).

The company does not accept the illegal employment of children or young people. Furthermore, Interseroh complies with all statutory regulations on fair working conditions, working hours and the protection of privacy. Our policies for maintaining labour and social standards as well as human rights are set out in the recently compiled Code of Conduct.

Interseroh also expects its business partners to observe comparable social standards. This applies in particular to human rights, compliance with the law, the protection of children and young people, dealing with employees, equal opportunities, health and safety in the workplace, wages and social benefits.

GRI 412-1: Operations that have been subject to human rights reviews or impact assessments

Interseroh applies stringent labour practices criteria to supplier selection. New suppliers must therefore pass a screening process to prove that they meet Interseroh’s minimum requirements for suppliers. Human rights are not covered by the audits, as most of our suppliers are based in Germany and do not therefore pose a threat to human rights.

GRI 412: Human rights assessment
GRI 413: Local communities**GRI 103: Management approach (including 103-1, 103-2, 103-3)****GRI 413-1: Operations with local community engagement, impact assessments and development programmes**
GRI 414: Supplier social assessment

GRI 413: Local communities

GRI 103: Management approach (including 103-1, 103-2, 103-3)

Interseroh's activities aim to help create a sustainable society by supporting sustainable lifestyles and consumer habits. Interseroh wants to pass on its expertise as an intermediary in order to increase knowledge and awareness of the circular economy in areas such as education, politics, business and society. This is why Interseroh actively pursues the development of cross-industry approaches and standards for life cycle management solutions. We work closely on this with our partners, stakeholders, suppliers and customers.

GRI 413-1: Operations with local community engagement, impact assessments and development programmes

Interseroh is committed to ensuring that its circular economy expertise is passed on to society. At an academic level, Interseroh provides active input to the Centre for Sustainable Corporate Governance ([ZNU](#)) at Witten/Herdecke University. In this context, Interseroh is also involved as a partner and panel member at the [Future Conference](#) in Berlin, which is organised by ZNU.

Another focus is raising awareness in the younger generation. Interseroh employees regularly give lectures at schools on the circular economy and sustainable

behaviour. In addition, our long-running "[collecting dragon](#)" project seeks to increase and extend the availability of equipment in educational institutions. Collection boxes are placed in schools, kindergartens and sponsors to collect empty printer and toner cartridges. This introduces the children to ecological behaviour and encourages them to take an active part in environmental protection. Interseroh collects the boxes free of charge and gives them a second life through remanufacturing. The range of services is currently being expanded further: In partnership with a German toner producer, Interseroh has been selling remanufactured toners online under the [ReUseMe](#) brand since May 2019.

Interseroh has commissioned [Hephata Diakonie](#) and [NEp](#) with repairing returnable crates at its Mönchengladbach and St. Leon-Rot sites. The work of repairing fruit and vegetable crates is carried out at these locations by people with physical or mental disabilities. In 2018 alone, the partnerships repaired a total of almost 800,000 crates. The partnerships have been in place for eight and five years respectively.

Another partnership exists at our Braunschweig site, where Lebenshilfe employees are responsible for cleaning outdoor areas.

Further information Interseroh's social engagement work can be found [here](#).

^ **GRI 413: Local communities**

GRI 414: Supplier social assessment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

GRI 414-2: New suppliers that were screened using social criteria

v **GRI 419: Socioeconomic compliance**

GRI 414: Supplier social assessment

GRI 103: Management approach (including 103-1, 103-2, 103-3)

As an integrated services provider, Interseroh coordinates around 1,900 external service providers and suppliers in Germany alone. Ensuring sustainability is comprehensively observed along the entire value chain is therefore a complex challenge. As Interseroh's own responsibility goes beyond its own boundaries, the company is careful to choose businesses that are socially and ecologically responsible when contracting suppliers to provide customers with indirect services in relation to disposal or logistics orders.

To this end, Interseroh has developed a **Supplier Code of Conduct** that also forms part of contract negotiations and regular audits at Interseroh. Since 2014, suppliers have also been required to answer a sustainability questionnaire, whose results are also considered during the contract award process.

Interseroh itself fully meets the transparency requirements expected from suppliers. Interseroh underlined this by joining the **Sedex (Supplier Ethical Data Exchange)** initiative in 2013. Sedex is a membership organisation for companies that have undertaken to ensure the continuous improvement of ethical

behaviour in their supply chain. Sedex guarantees transparency along entire value chains.

A **Supplier Relationship Management (SRM)** system has been set up to maximise transparency and efficiency when working with suppliers. SRM records store supplier data such as certificates, and general information about the company and its environmental/quality management systems.

GRI 414-2: New suppliers that were screened using social criteria

Interseroh applies stringent labour practices criteria to supplier selection. New suppliers must therefore pass a screening process to prove that they meet Interseroh's minimum requirements for suppliers. Our supplier audits also consider compliance with minimum wage regulations. In 2018, we carried out a total of 126 audits. Human rights are not covered by the audits, as most of our suppliers are based in Germany and do not therefore pose a threat to human rights.

GRI 414: Supplier social assessment
GRI 419: Socioeconomic compliance
GRI 103: Management approach
 (including 103-1, 103-2, 103-3)

GRI 419-1: Non-compliance with laws and regulations in the social and economic area

GRI 419: Socioeconomic compliance

GRI 103: Management approach (including 103-1, 103-2, 103-3)

To enhance its compliance with statutory regulations, ALBA Services Holding GmbH has appointed a new compliance officer and assigned him the task of developing and implementing a compliance management system (CMS) for ALBA Services Holding GmbH, INTERSEROH Dienstleistungs GmbH and other affiliated companies.

The following topics, among others, are covered:

- General compliance with the law
- Anti-discrimination and equal opportunity
- Occupational safety
- Environmental protection and innovation
- Data protection
- Antitrust legislation and fair competition
- Integrity and anti-corruption
- Gifts and perquisites
- Donations and sponsoring
- Avoidance of conflicts of interest
- Fair procurement
- Trade secrets and intellectual property

Our guidelines on anti-corruption, donations, sponsoring, and on gifts and benefits were revised in the reporting period.

Should any employee have compliance-related questions or information, they can contact the legally qualified ombudsman of ALBA Services Holding GmbH, Stephan Rheinwald, by email or telephone. Any breaches reported or identified are reviewed by company management and processed accordingly. Depending on the gravity of each case, the consequences may include spoken warnings or disciplinary action, and claims for compensation may also be asserted where appropriate.

When setting up the CMS, we published a new Code of Conduct for ALBA Services Holding GmbH in 2018 to ensure our compliance with the law. The Code of Conduct applies to all Interseroh employees. It regulates behaviour between employees, explains Interseroh's corporate values and its position on compliance issues such as the prevention of corruption, money laundering and financial integrity. It also sets out Interseroh's position in terms of socioeconomic compliance regarding issues such as human rights and child labour, social standards in the supply chain, equal opportunities and non-discrimination. The entire Code of Conduct is available for all employees to read on the intranet.

GRI 419-1: Non-compliance with laws and regulations in the social and economic area

No violations were reported for 2017 and 2018.