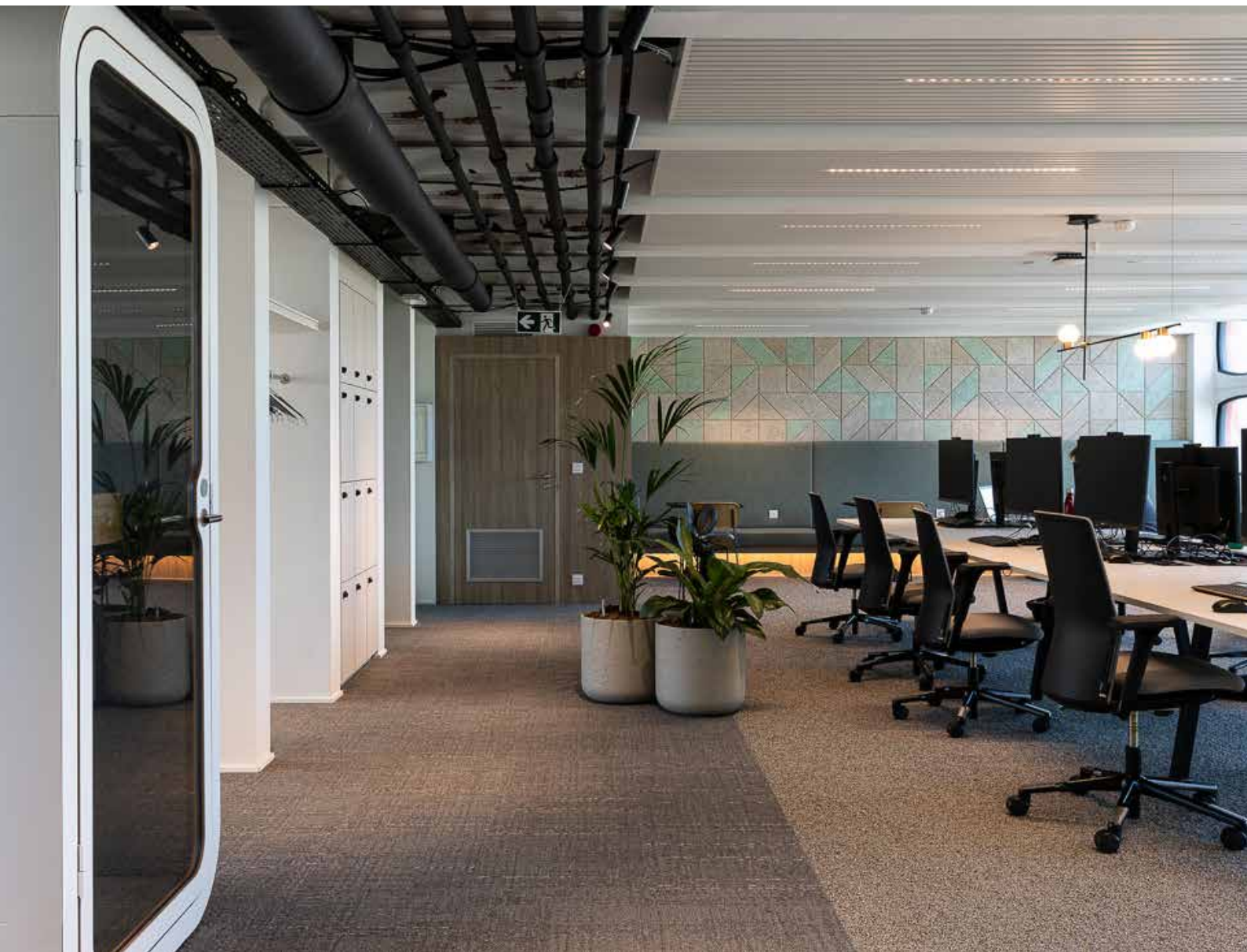


SUSTAINABILITY REPORT

— 2023 - 2024 —



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GRI 1.1

1. FOREWORD

The Green Deal and the recent CSRD regulations present many companies with major challenges and the accompanying headaches. Corporate social responsibility and sustainable business are integral to any contemporary strategy. Its proper application is an absolute necessity and will also make companies stronger and more competitive.

These have been important cornerstones of our strategy at PAMI for years. Being increasingly conscious of raw materials of all kinds, of energy and the environment, of our employees and our working environment, of our customers and suppliers, in short of all our stakeholders, is central to this.

PAMI has already been CSR-certified, the only one in our industry, since 2013. So being respectful of all our stakeholders and taking into account the three Ps (People, Planet, and Prosperity) is also ingrained in our policy. And we are going ever further in this: we are now also UN Global Compact certified and we recently obtained ECOVADIS Silver certification. The ambition is to scale this up to gold in the short term.

The labour market is still under pressure. Our human resources policy therefore remains focused on keeping our employees motivated and engaged. All kinds of training programmes as well as a focus on diversity and inclusion (social employment through Bewel) support this.

We maintain many sustainable long-term relationships with customers and suppliers through Customer Intimacy, customised solutions, and flexibility. We are increasingly unburdening our customers through our integrated approach with local proximity and tremendous responsiveness as key strengths.

Quality, sustainability, and environmental friendliness are evident in our local production in Pelt and in our products. In doing so, our ambition is to be carbon-neutral by 2027. In addition, demand from governments and large companies for circular solutions is also still increasing. PAMI is committed to taking back and recycling its products at the end of their life cycle. However, products can also be given a new life with our circular approach (reuse, remanufacture, refurbish, etc.). PAMI responds to this very strongly and has already achieved several concrete applications in this area. No greenwashing, but real, sustainable solutions that concretely help companies achieve their CSRD goals.

Thanks to our own transport and installation teams, we are also responsible for the take-back, reuse, and sustainable recycling of packaging materials. And we're seeing strong progress in our continuing efforts to make our vehicle fleet greener.

This sustainability report gives you a clear overview of PAMI's sustainability performance and the improvements we have achieved in this regard. Our ambition to go ever further in this remains ingrained in our strategy. PAMI is committed to making sustainability, CSR, and circularity an increasingly prominent place in our policies and thus aims to contribute to a sustainable future for our company, our employees, and society.

*Goswin Fijen, Managing Director
Lode Essers, Strategic Advisor
Hendrik Essers, Strategic Advisor*

The image is a full-page aerial photograph of a city, likely Paris, with a prominent red overlay. A white rectangular frame is centered in the upper half of the image, containing the text. The city's architecture, including a large cathedral spire on the left and various rooftops, is visible through the red tint.

GENUINE CONCERN FOR PEOPLE, PLANET AND PROSPERITY

PAMI IS THE ONLY BELGIAN OFFICE INTERIOR DESIGNER WITH A

CSR CERTIFICATE

Attention for Corporate Social Responsibility (CSR) has been growing exponentially in recent years, both in society as a whole and in the public sector. PAMI did not sit and wait around for this development to occur, quite the contrary.



Since as far back as 2013, PAMI has been the only Belgian company in its sector with a CSR Performance Ladder certificate

As a family-run SME, we took our responsibility for people, planet and prosperity long before any legal requirements took effect in this area.

For PAMI, being conscious of the impact of our activities on people, the environment and business operations is far from a hollow concept or slogan. It is the future. In addition to our CSR certificate issued by Kiwa, this is also objectively and measurably demonstrated by our Sustainability Report.



ELECTRICITY



2,05 MWh

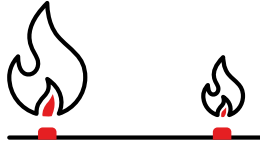
2006



1,75 MWh

2023

NATURAL GAS



9,6 GJ

2006



7,5 GJ

2023

CO₂



2321

2007



1694

2023



0

2027

PROCESS WATER



2,8

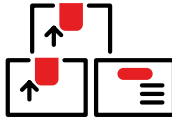
2006



1,5

2023

CARDBOARD



41 T

2006



17 T

2023

PLASTICS



173 T

2006



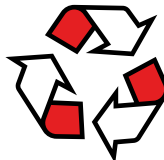
31 T

2023

SUSTAINABLE FOREST MANAGEMENT



RECYCLABILITY



100%

ETHICAL ENTREPRENEURSHIP



SUSTAINABILITY REPORT

Every year, we account for our actions as an enterprise in our sustainability report.

In addition to subjects such as the environment, energy performance, consumption of raw materials and safety, it also addresses our special focus on trade ethics.

The wellbeing of our employees is our top priority in that regard, followed immediately by our integrity and social responsibility as a company.

The illustrations to the left and the brief explanations on the following pages reflect just some of our impressive achievements over the past few years when it comes to corporate social responsibility. Please see pami.eu/en/sustainable for more detailed information.

ECOVADIS SILVER RATING

In June 2024 Pami received a silver rating from EcoVadis, a global standard. With a score of 71 out of 100, Pami ranks among the top 15% of the companies assessed by EcoVadis in the past 12 months. This achievement is marvellous recognition of the efforts made by our team to integrate sustainable practices in all of our business processes, from design and production right down to delivery and installation. For Pami corporate social responsibility is more than a hype. It is an integral part of our business strategy.

Although we are proud of our silver medal, we do not see this as the end of our sustainability journey. With our score of 71/100 we missed the Gold Rating by a whisker. In fact, the cut-off score for this Gold Rating was 72/100. In the coming weeks we will study the improvement suggestions in depth in order to take our sustainability strategy to an even higher level.





2,05 MkWh

2006



1,75 MkWh

2023

ELECTRICITY

Thanks to efficient utilisation of our machinery and considerable investments in relighting, frequency-controlled dust extraction and high-efficiency motors, PAMI has managed to consistently reduce its electricity consumption since 2006, despite a growth in revenue of 120% during the same period.

Our total electricity consumption dropped by 14,8% in 17 years, while our consumption per €100 of revenue fell by 61,3%!

Of the 1.75 MkWh of electricity consumed in 2023, we produced an 20,8% with our own solar panels.



9,6 GJ

2006



7,5 GJ

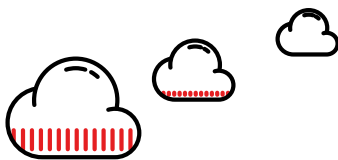
2023

NATURAL GAS

When it comes to natural gas, we see the same consistent reduction contrary to what one might expect based on the growth of the company.

Here, the optimisation of business processes and better heating control in the offices make all the difference.

This reduced consumption automatically leads to reduced emissions too, which we have always managed to keep well below the legally permitted values. Performing better than what is strictly required is in our nature, and applies here as well.



2321

2007

1694

2023

0

2027

CO₂

The spectacular drop in electricity and gas consumption has resulted in a reduction in our CO₂ emissions by over 26% in the past 17 years.

To reduce our CO₂ emissions even further, we are currently focusing on further optimising the processes under our control, which we can consequently use to make structural improvements ourselves.

It is our ambition to become carbon-neutral by 2027.



2,8
2006

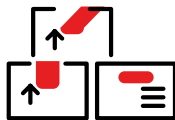


1,5
2023

PROCESS WATER

Over the years, we have managed to optimise our production processes such that we now need a mere 54% of the process water we used to consume back in 2006. The foundation for this lies in our sophisticated degreasing plant.

After degreasing, the water used in the plant is filtered and systematically reused. The small residual wastewater from the degreasing process is not dumped, but disposed of by an authorised processor. As a result, PAMI is officially recognised as a 'zero discharger' of process water.



41 T
2006



17 T
2023

CARDBOARD

We have reduced our cardboard consumption by 59% in 17 years. In addition, all the 12 tonnes of cardboard we still use every year consists of 100% recycled materials.

PAMI mostly uses cardboard as packaging and protective materials, which allows us to deliver our goods to clients undamaged and in a clean way. All the cardboard used for this purpose is taken away, sorted and reused by our assembly team.



173 T
2006



31 T
2023

PLASTICS

Conscious product development has allowed us to drastically reduce our plastic consumption in recent years. In addition, all of the plastics we currently use are 100% recyclable.

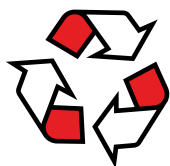


SUSTAINABLE FOREST MANAGEMENT

Since 2011, our forest management system has borne the PEFC label (Programme for Endorsement of Forest Certification).

Thanks to this certificate, we are now able to offer our customers wood products from sustainably managed forests at no extra cost.

PEFC respects and supports the global, internationally agreed procedures for certification and sustainable forestry. The procedures are monitored by independent organisations.



RECYCLING

Thanks to the use of high-end, high-quality materials, our products have an extremely long lifespan on top of being 100% recyclable.

This means that at the end of the life cycle, PAMI commits to taking back its products for recycling.

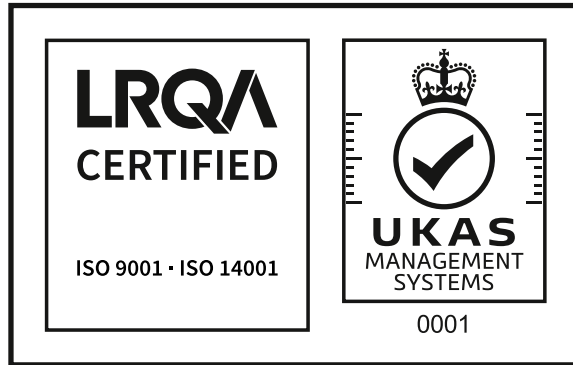


ETHICAL ENTREPRENEURSHIP

Sincere pursuit of a just, peaceful and inclusive society is also a cornerstone of corporate social responsibility.

That's why we subscribe to all 17 of the United Nations' Sustainable Development Goals (SDGs).

As we hold ethics in very high regard, SDG 16, 'Peace, Justice and Strong Institutions' receives particular attention. This means we require all our suppliers to uphold the human rights described by the UN as well as observe an anti-corruption policy. All our employees and suppliers have signed up to this principle.



PAMI IS THE FIRST BELGIAN OFFICE INTERIOR DESIGNER WITH AN

ISO 14001 CERTIFICATE

PAMI was the first in our sector in Belgium to obtain the ISO 14001 certificate back in 2003. This is the ultimate proof that our commitment to reducing our impact on the environment on a continuous basis is deeply rooted in our genes.



A COLLECTIVE JOURNEY TO A

CIRCULAR ECONOMY

Another tenet central to our operation is the term circularity, which comprises an integral part of our sustainability policy. You will discover some cases on pages 20-21.

2. PROFILE

PAMI OVER THE YEARS

PAMI was a sole proprietorship when it was founded in 1958. The establishment of PAMI NV followed in 1982, together with a move to the Nolimpark industrial estate in Pelt. The factory and the Experience Centre are still at this location, with another Experience Centre in the Tour & Taxis buildings in Brussels and soon followed by a third in Rotterdam (NL) . There is also a Sales Office in Luxembourg (LU) and Hamburg (DE).

On 1 July 1992, the Essers family took over the company, building PAMI into one of the largest independent manufacturers of office interiors in Belgium. In March 2022, the shares were acquired by New Office Invest bv (Goswin Fijen).

The holding, PAMI International NV, was established on 31 December 2023 as follows:

- Pami nv (production company – sales company)
- Interpam nv (logistics – EDP)
- Pami OG (real estate)
- Pami Lux sa (sales subsidiary in Luxembourg)

Pami nv presents itself as a production and sales company, while Interpam nv takes care of installing and assembling the furniture at customers' premises.



THE PAMI GROUP

This sustainability report essentially focuses on the results, activities and specific efforts by the PAMI group. The PAMI sales activities consist of direct sales to end-users in the Benelux.

The direct sales are generated by a sales team. Each account manager is responsible for sales within a certain region. The support of an internal sales team strengthens the professional operation of the external sales team. Direct sales are divided into the following groups: end users, tenders, mail orders and exports. In addition, our products are sold through a dealer network. This network mainly operates in foreign markets, including the Netherlands, France, and Luxembourg.

Pami profiles itself as a Workspace Designer, providing guidance from A to Z of furnishing projects. The Horizon 2025 strategic plan stipulated that Pami wants to be the most customer-oriented company in the sector with the best personalised solutions. Customer Intimacy is central to this.

Pami is also focusing more and more on digital applications and circular economy, 2 trends that fit within the company's sustainable strategy and are translated into CSR certification.

OUR PRODUCTS

The products we make are durable, high quality and finished to the finest detail. What's more, they meet the strictest environmental and ergonomic standards. Our extensive collection includes work tables, conference tables, drawer units, roller tambour cabinets, sliding door cabinets, hinged door cabinets, mobile archives, partitions, specific electrification solutions, and more.

Our broad range means we can cater to most market segments. Together with Vitra, Alias, Artifort, Fritz Hansen, Viasit, Wilkhahn, Buzzy Space, Viasit, Hay and many other partners, we manage to create innovative (office) concepts time and again.

OUR PARTNERS:



HYBRID WORKING, ALSO AT PAMI

'Working' has long since ceased to be synonymous with 'going to work'. After all, employees are given the option to structure their work and private lives differently, and to have more say in where and when they work. Ever longer traffic jams promote homeworking or teleworking, for example, and ongoing IT evolutions also make this possible. In short, we live in a completely different world as a result of various technological and societal evolutions. And as such, a new vision of work is emerging, namely Hybrid Working. At Pami, we're on board: we are giving Hybrid Working a sustainable character, paying attention to flexible organisation, dynamic management, smarter working and working from home.

Nonetheless, office-based working remains popular, due to the social contact, project work, meetings and so on. The office has become a meeting place, a kind of unifying factor within the organisation.

A modern office offers various types of activity-related work environments:

- Flexible workspaces in an open landscape (non-personalised bench desks)
- Project workspaces for teamwork
- Concentration workspaces
- Creative brainstorm environments
- Formal meeting rooms (small and large)
- Informal meeting rooms (lounge, coffee corner, etc.)
- Lockers for personal storage (clean desk)
- Secondary workspaces that are gaining in importance

An efficient work environment:

- Is cost-saving
- Increases productivity by up to 10%
- Creates greater satisfaction and engagement
- Reduces absenteeism
- Entails lower infrastructure costs
- Is an inspiring work environment

Since the Covid pandemic, working from home has certainly taken on a different dimension. Whereas only the 'early adopters' experimented with it before, it has now been widely adopted in almost all offices, helped by the state of digitisation in our work environment. Yet this increase in scale has faced us with a new challenge.

It has created a kind of hybrid market for home office furniture with professional specifications. To meet this demand, we have invested in a focused offering as well as a webshop for this segment. Its success has more than confirmed the need for it.

**THIS IS A WIN-WIN SITUATION
FOR BOTH EMPLOYERS AND EMPLOYEES.**



3. KEY FIGURES

■ turnover



Figure 3.1 Retail price turnover

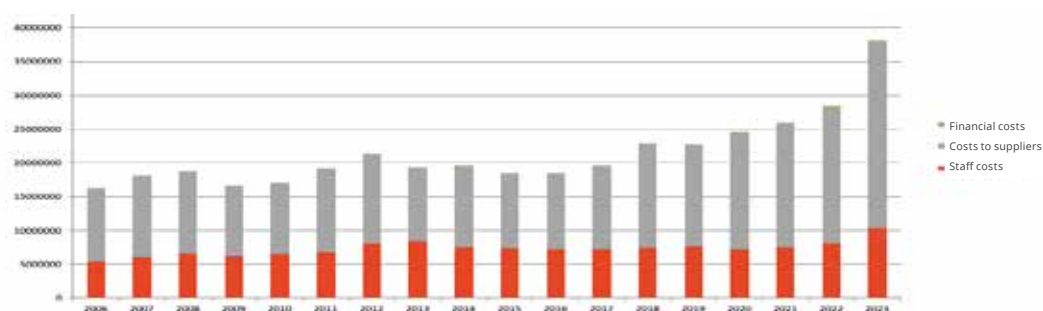


Figure 3.2 Distribution of operating costs



Figure 3.3 Subsidy/tax ratio



1 NO POVERTY



8 DECENT WORK AND ECONOMIC GROWTH



SDG 1 - No Poverty – A prerequisite for eradicating poverty is stable jobs with fair pay

SDG 8 - Decent Work and Economic Growth – As well as acting in accordance with the international labour rights (ban child labour, no forced labour, freedom of association, etc.), participation in training and education programmes is also essential to this goal

We provide stable jobs in an economically healthy company and safeguard its results. Despite the global crisis that has threatened us in recent years, we have succeeded in keeping our head above water. Meanwhile, we've even had the most successful years in PAMI's history.

All our suppliers subscribed to our code of conduct in which we stipulate that the United Nations labour and human rights are a condition of doing business with PAMI.

We regularly host young students in our production hall for 'workplace learning' courses. This gives young people a slice of education that could prove to be very valuable throughout their careers. We also regularly offer holiday work.

4. EVOLUTION OF SUSTAINABILITY POLICY

A lot of gathering and analysing of figures and data went on before our sustainability report saw the light of day. This was in aid of obtaining the ISO 9001 quality certification and the ISO 14001 environmental certification. Our commitment to these ISO certifications means we are constantly looking for better solutions, even if we are already using a certain method. After all, there is always room for improvement! We communicated these figures internally via quarterly meetings in front of middle management and the reports were always available for inspection internally.

Due to the increasing attention surrounding sustainable enterprise, PAMI decided to compile these data and analyses into a sustainability report as well. We now make this information public once again by way of this report. The information in this edition of the sustainability report covers a broader horizon, offering a better perspective for some of the figures. This is the eleventh time we have published this report.

We have also embraced the concept of circularity in our business operations, and we consider this to be an integral part of our sustainability policy. We have been involved in circularity for some years now, and we are realising a growing number of great projects in this segment. Cabinets are repurposed, tables are given a new top, interiors are adapted to new standards, and more.

If you have any questions about this sustainability report, please do not hesitate to contact us!

Mr. Jean Govers
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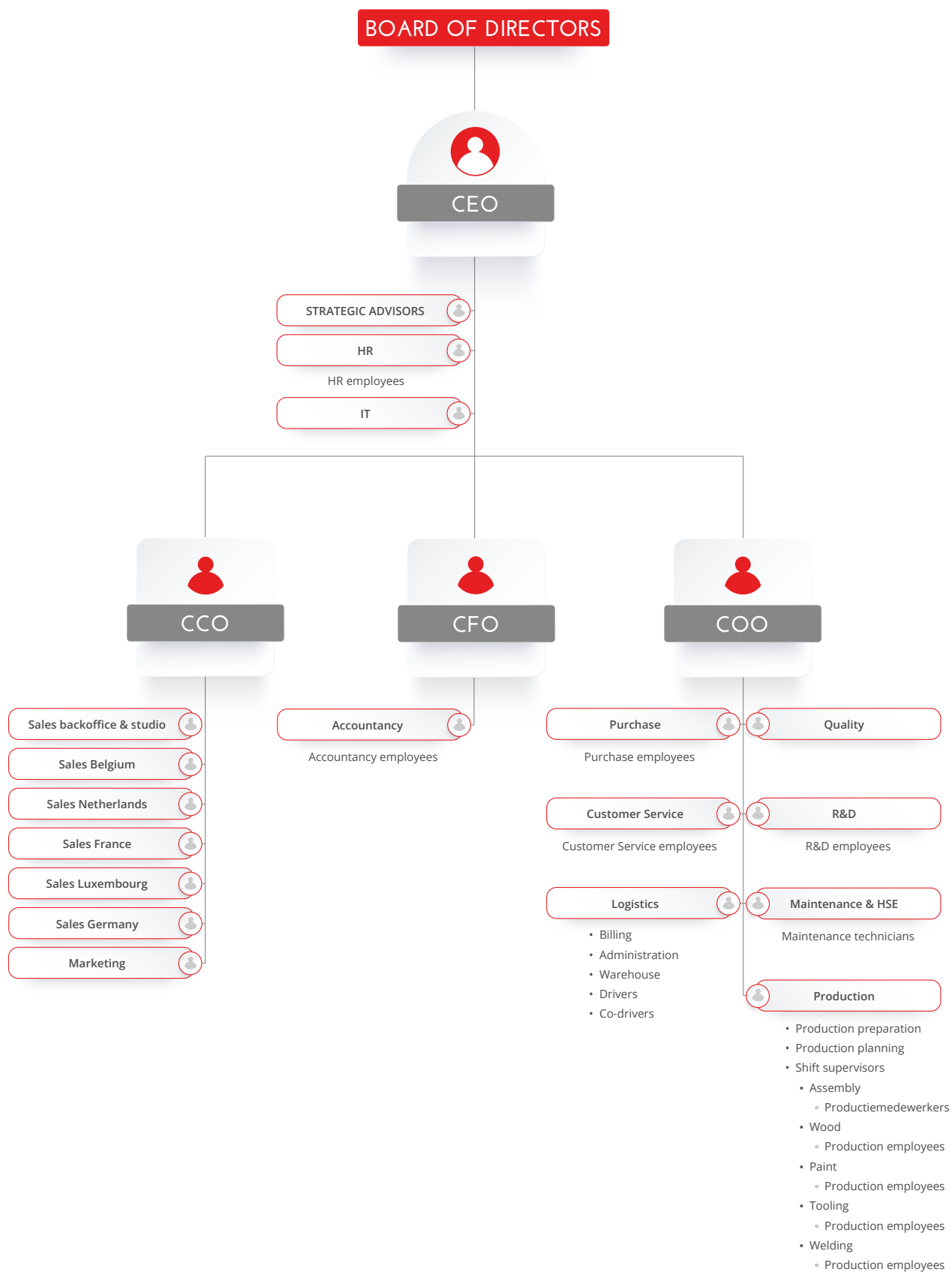
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5. STRUCTURE



5. SUSTAINABLE ENTERPRISE IN PRACTICE

6.1. VISION

As a leading designer and manufacturer, we supply high-quality office furniture at competitive prices. We want to continue to invest in product development and in ergonomic, contemporary design that meets the highest standards. Customers can count on great flexibility and a high level of service. Particular attention is paid to corporate social responsibility, taking People, Planet and Prosperity into account.

6.2. MISSION

We love to create inspiring and exciting workplaces that improve job satisfaction and work efficiency.

6.3. VALUES

- Teamwork and collegiality
- Integrity
- Flexibility
- Quality
- Customer focus
- Innovation
- Passion

6.4. SUSTAINABILITY STATEMENT

As a dynamic enterprise, PAMI is constantly focused on the future. Day in, day out, we keep an eye on important key values such as good quality, safety, and care for the environment. We create innovative and inspiring work environments that enhance people's wellbeing and, with the use of space optimisation, have a positive impact on the environment and society. In short, we help our customers find sustainable and motivating solutions to properly accommodate their employees – their human capital.



SDG 16 - Peace, Justice and Strong Institutions – Ethical policy



We require all our suppliers to uphold UN human rights and have an anti-corruption policy. All our employees and suppliers have declared to agree with this principle.



**WE GUARANTEE SUSTAINABILITY IN THE BROADEST SENSE OF THE WORD.
HOW DO WE ACHIEVE THIS IN SPECIFIC TERMS?**

- By faithfully applying the principles of Corporate Social Responsibility. In every action, every decision, and every plan, we consider the three Ps of CSR: People, Planet and Prosperity. With good management and attention to innovation, we develop not only environmentally friendly and sustainable products with an eye for quality, but also healthy and safe workspaces. In all our activities, we strive to limit the impact on the environment and the surroundings to a minimum. It goes without saying that this goes beyond the commitment to comply with all legislation and regulations.
- By positioning ourselves as a responsible company, with attention and respect for ethical behaviour and honest business activities. We like concise and crystal-clear communication with all stakeholders and ensure that our employees have a pleasant and safe work environment. PAMI firmly disapproves of unethical behaviour (such as child labour, forced labour and other human rights violations) and we wish to see this applied further down the chain for the entire production process.
- By encouraging sustainable forestry, supporting various charities and engaging specifically in various civil society organisations.
- By developing an integrated approach that is woven into our entire organisation. In doing so, we continuously strive to improve using targeted objectives. Our policy is founded on a care system that inextricably links quality, the environment, safety and sustainable forestry. As such, PAMI complies with the ISO 9001 and ISO 14001 standards that are verified and certified by independent institutions. For sustainable business operations in accordance with the ISO 26000 guideline, we have had our organisation certified as per the CSR performance ladder, the ultimate tool for striking the perfect balance between People, Planet and Prosperity.
- By incorporating circularity as early as the design phase and integrating it into our provision. With awareness of the finite nature of raw materials and energy, we are becoming increasingly committed in this regard and raising the bar ever higher through the company's objectives. We already offer our customers a number of circular products and a number of circular options for their used furniture, and we're always on the lookout for new possibilities. We also encourage our suppliers to continuously increase their level of circularity.



A COLLECTIVE JOURNEY TO A

CIRCULAR ECONOMY

BOARDROOM REFURBISHING - PROXIMUS

Proximus has set itself some ambitious targets. They committed to achieve net zero carbon emissions by 2040 and to be a truly circular company by 2030, and to already enable their customers to reduce their own environmental impact now. Proximus' circular model is embedded in their entire ecosystem: suppliers, employees & customers are involved in the ambition to become truly circular.

Boardroom

Proximus contacted Pami to refresh the boardroom in the iconic twin towers at Brussels North Station. After a thorough analysis, it became clear to both parties that only the existing top surface really needed replacing. Meeting chairs, cabinets, the base incorporating the AV technology, etc. were still in good condition.

With their ambitious objectives in mind, Proximus and Pami decided not to renew everything, but only to refurbish the boardroom table. The new top was designed by Pami's internal R&D department and perfectly tailored with the necessary cut-outs for the screens, controls and microphones. The Fenix top has a sleek appearance and a silky-smooth feel thanks to its distinctive nano technology.



Situation before



Situation after

LOCKER REFURBISHING

To furnish their new headquarters, a major player in the Belgian banking sector was looking for a partner to produce and install locker cabinets for their employees. Since circularity and sustainability are an integral part of their business strategy and DNA, they chose to refurbish existing locker cabinets and supplement them with new ones.

ISO 14001 certification of the production process, the possibility of using PEFC-certified wood and local, sustainable production on Belgian soil were some of the requirements in the specifications. Pami won the contract and took charge of the technical studies, production, transport, deliveries and installation. Within the agreed delivery deadline, Pami refurbished and produced +800 locker cabinets.



Situation before



Situation after



REFURBISHING CITY OF BRUSSELS - BRUCITY

The former Parking 58 site in the centre of the capital has been transformed into the new administrative centre of the City of Brussels: Brucity. The 1,700 city officials were given a brand-new home by the end of 2022. It is a 12-storey passive building (37,000 m²) and holds a BREEAM rating of Very Good.

The City of Brussels wanted to set an example and fight waste by making smart use of the materials that are already there. Reusing furniture and giving new life to existing furniture was a natural choice within the sustainability policy. The existing furniture was inventoried and analysed. This clarified which furniture needed to be refurbished or adapted to be integrated into the interior concept as 'new' furniture. The scope included workstations, office chairs, and conference and multifunctional chairs.

Pami has been responding to the growing demand for sustainable solutions for years and won this public contract after a thorough screening by the City of Brussels. Aesthetic and circular; sustainable goals were continuously aligned during the process. New and refurbished furniture complement each other perfectly in terms of colours and materials. They form a true whole within the interior concept. Moreover, it reinforces the positive image of the City of Brussels for its environmental approach.



Situation before



Situation after



6.5. SUSTAINABILITY IS A (LEARNING) PROCESS

Our quality and environmental certifications show that we have long been committed to quality and the environment. We have adapted our mission statement according to the concept of sustainable business, which is gaining in importance. And in our sustainability statement, we explain how we put this into practice. Despite the efforts already made, sustainable enterprise remains a continuous process for us, full of new challenges. It is something we have to focus on as a company day in, day out. We explain how we manage to achieve this below.

Ergonomics are top of the list

We constantly keep the applicable (European) standards in mind throughout the design and development process of our office furniture. For example, we take (individual) height adjustability into account, and the permitted reflection factor of the office furniture. The certificates we have obtained prove that we always meet the most recent requirements (2016) in this area. We have also designed several products specifically for the home office, a space that has become a hot topic due to the Covid pandemic.

Quality is an obsession

Our internal quality process guarantees that our products are of a high quality and finished to the finest detail. The procurement of raw materials, semi-finished products and trade goods also runs via a system in which we impose strict checks on both the supplier and the goods to be delivered. Our central system tracks purchase assessments (such as on delivery reliability, correct quantities and undamaged products) that we analyse and collate into reports on a regular basis.

We are better at the things we do ourselves

We are a vertically integrated company. This means we manage all our processes in-house, from product development to production and from sales to installation. This also means we can monitor and check all processes. The ISO 9001 certificate confirms that we have a solid handle on this care system, partly thanks to the implementation of internal and external audits.

Nature et environnement

In 2003, PAMI was the first in the sector to obtain the ISO 14001 certificate. This is the ultimate proof of our commitment to the environment and our surroundings.

What's more, we also have external organisations screen us on a regular basis to monitor our efforts related to the environment and energy. We pay due attention to the resulting conclusions and ensure feasible investments, such as the new heating at Interpam nv (*see 7.3 Energy and emissions*), a thorough relighting plan in the factory halls and showroom, an energy-efficient compressor, frequency-controlled extraction in the joinery, and more. Over the years, we have continued to refine our goals. We have optimised our heating, lighting, transport equipment is adapted to the latest technology, and much more.

Investing in people

As a company, it is important to invest in people, in a ROI story with an impact that is often underestimated. Creating good working conditions, close engagement and clear communication are essential here. Clearly defined responsibilities and expectations, discussed at regular (evaluation) meetings, give substance and meaning to a job.

We have also used a satisfaction survey over the last few years to examine how our office-based and non-office-based staff perceive and rate the implemented policy in a structural manner (*see 9.7*).

PAMI and society

PAMI sets itself the goal of actively contributing to society. That is why we support local clubs, youth movements, sports clubs and more by providing them with goods for raffles, game nights and so on at events.

What's more, at events we invariably ask not to give gifts, but instead to offer financial support to sponsor a charity. As an example, we have supported the 'Move to Improve' fund, which strives to help children with neuromotor (movement) issues, as well as several actions by 'Een hart voor Limburg' (such as their duckling race).

Just as we have done in previous years, we took part in the 'Techniekpromotie' project (*see section 10*) to contribute to the growth of wealth in the region.

Furthermore, our directors are active in employers' associations that demonstrate social commitment in the employer landscape. Hendrik Essers is a former chairman of Rotary Overpelt - Noord-Limburg and vice-chairman of Voka - KvK Limburg. Furthermore, Lode Essers is honorary chairman, member of the management committee and board of directors of VKW Limburg, member of the executive board of Agoria, and member of the executive committee of the VBO.

Inclusive labour market

Based on our thorough focus on Corporate Social Responsibility, Pami creates social and sustainable employment for a broad group of people, with specific attention to people from disadvantaged groups.

The collaboration with, among others, sheltered workplaces illustrates Pami's commitment to its social responsibility and building a diverse and inclusive work environment. Pami sees it as an opportunity to recognise and utilise the talents and abilities of people distanced from the labour market. By offering them an opportunity to work and grow in a supportive environment, Pami not only strengthens local employment, but also the well-being and self-development of these individuals.

We actively promote this commitment to inclusivity and diversity through our communication channels to raise awareness and inspire others. We hope to encourage other companies and organisations to actively contribute to inclusive employment initiatives. By working together to create a society where everyone has equal opportunities, we can bring about positive change and create a better future for all of us.

7. ENVIRONMENT

Our business premises stretch across about six hectares and the production plant measures 35,000 m². The rest of the site is undeveloped and landscaped with greenery. All the buildings on the site have been renovated or are newly built, which means they are all well-insulated and therefore energy-friendly. New rules on weed control have come into force, which we naturally adhere to on our sites.

The production halls comply with the **EPB standards** and are therefore in line with the energy performance regulations. What's more, a 10-yearly exploratory soil survey is carried out, as stipulated by Vlarebo. Furthermore, five-yearly emissions measurements are carried out on all combustion installations.

In our production, we work with the latest machinery capable of handling a huge variety of materials. Our production line is set up so that processes run optimally and machines run at their highest efficiency levels, with safety, energy consumption and raw material consumption key. The production plant is graded a Class 1 facility with a valid environmental licence. We also have a strict preventive maintenance schedule, carried out by our own technicians. Meanwhile, relighting to LED lighting is in full swing.

Production comprises the following departments:

- Tooling
- Welding
- Coating
- Joinery
- Assembly and packing

These departments guarantee the continuous supply of high-quality products. We constantly try to keep the environmental impact of each production process to a minimum.

One of the action points we will certainly continue to work on is reducing our CO₂ emissions.



25,6% OF OUR RAW MATERIALS
COMES FROM RECYCLED MATERIAL.

OUR PRODUCTS ARE **100%** RECYCLABLE.



7.1. MATERIALS AND RAW MATERIALS

The main raw material we process as part of our production is **steel**, followed by **wood** and PVC.

Since 2011, our forest management system has carried the **PEFC label** (Programme for Endorsement of Forest Certification). Thanks to this certification, we are now able to offer our customers wood products from sustainably managed forests at no extra cost upon simple request. PEFC respects and supports the global, internationally agreed procedures for certification and sustainable forestry. The procedures are monitored by independent organisations.



SDG 15 - Life on Land – Encourage sustainable forestry

For responsible management of one of our main raw materials, wood, we promote the use of PEFC wood. PEFC is the main European label for sustainable wood. It guarantees that the harvested wood is replanted, that it is not from conflict areas, and more. We have been PEFC-certified since 2011 as one of the first in our industry.

What's more, we use a **powder coating** as the finishing coat on our metal components. In the coating department, we group jobs by colour, as colour changes take a lot of time, and involve loss of powder and energy in particular.

The **rinse water** used to degrease components is systematically refreshed and reused (see 7.4 Water).

The purchased **semi-finished** products we process are often conductors and plastic components. We use PVC for the production of our tambour slats. This is a 'forced' choice as the M1 standard on fire-retardant properties can only be achieved with this material. Nevertheless, we are aware of its environmentally unfriendly properties, and that's why we are trying to move fast, together with our supplier, to switch quickly to worthy alternatives with the right properties when possible.

In terms of **packaging**, we mainly work with cardboard and polyethylene film. We use this packaging to deliver the goods to end users free of dust and damage. The materials are partly recyclable and partly reusable, and are also brought back and sorted by our assembly team. For the remaining packaging materials, we are assisted by the accredited institution VAL-I-PAC.

Our website now contains a section (available to all) with relevant environmental information about our products.

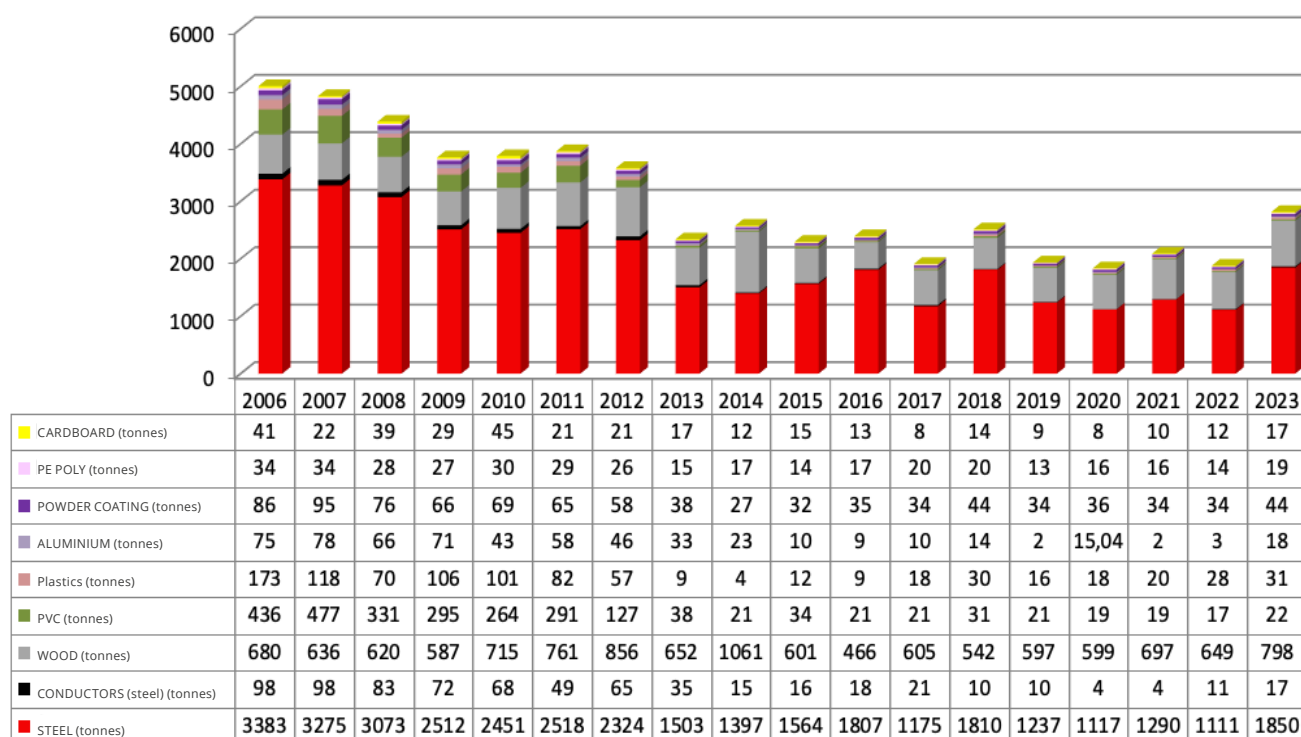


Figure 7.1 Used materials and raw materials (tonnes)

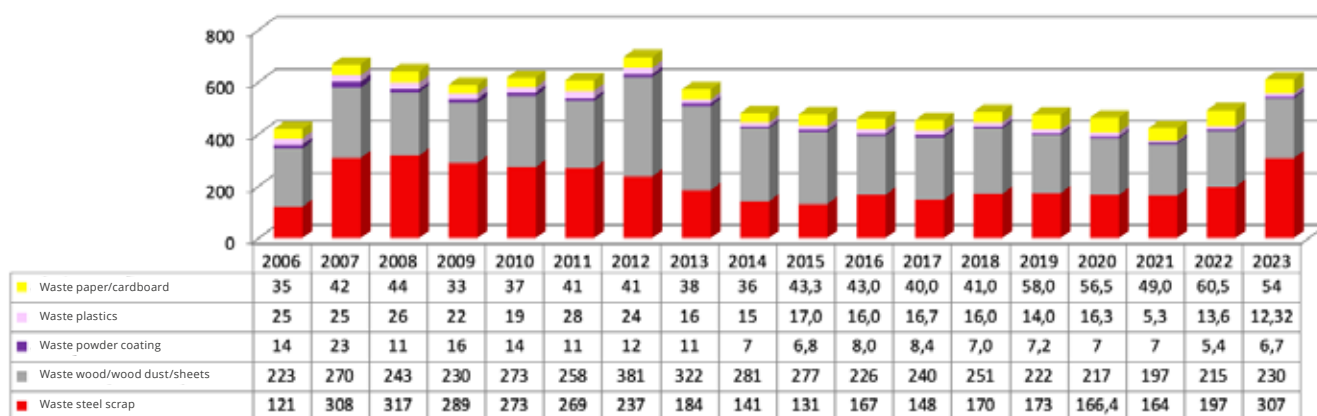


Figure 7.2 Raw material waste (tonnes)

7.2. WASTE

As we mainly work with steel and wood as raw materials for the production of office furniture, it is logical that most of our waste consists of these materials.

Waste reduction in the production processes is inextricably linked with product development. In other words, the optimisation of steel and wood usage goes hand in hand with waste reduction, as far as product properties will allow. The graphs below are interlinked.

We gather the waste and work together with licensed processor Renewi for collection. The latter is responsible for recycling into reusable materials, with their motto: 'There's no such thing as waste'.

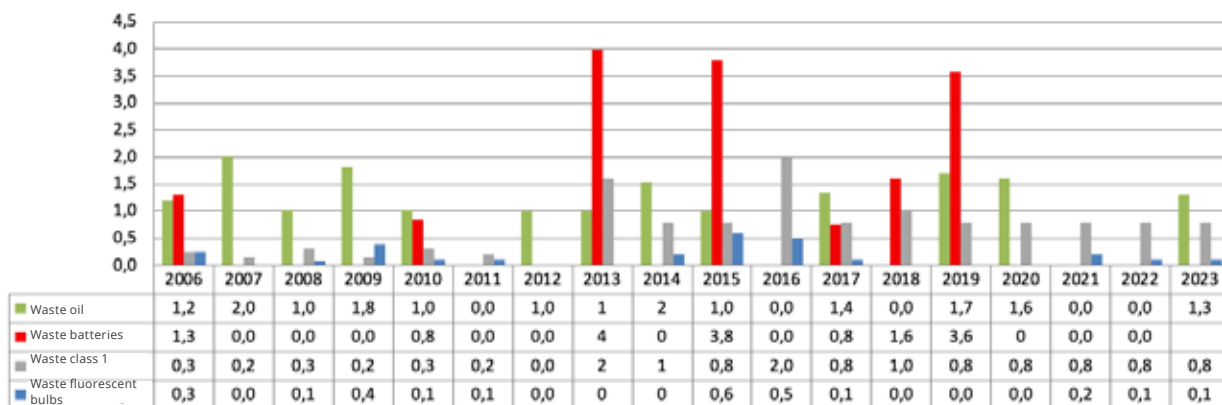


Figure 7.3 Waste by-products (tonnes)

Waste is not just created during the production process, but also during packaging. As mentioned before, we mainly use cardboard and polyethylene film as functional packaging materials that are recyclable and/or reusable. Our own assembly teams also bring the packaging materials back after installation. Within PAMI, we manage the waste flows by sorting returned packaging materials and reusing them where possible (see table below with total amounts of reused packaging). Why do we see this as a triumph? We have seen a significant reduction in the use of cardboard (graph on previous page), paired with a steady reduction of the volume of reused packaging in this graph. This is easy because we regularly review packaging, and as such, are becoming increasingly 'lean' in our packaging methods.

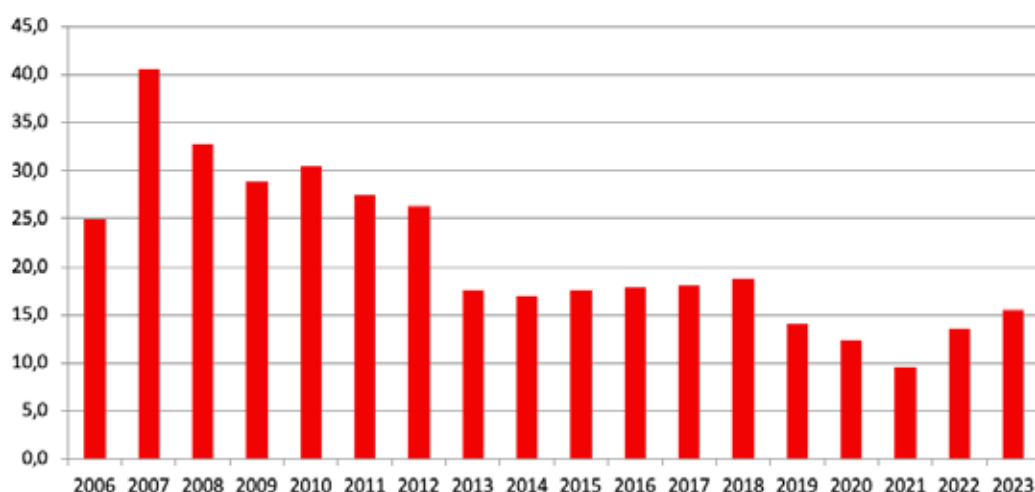


Figure 7.4 Reused cardboard packaging (in tonnes)

We also strive to deliver trade goods for projects directly to the customer. Because the goods do not require warehousing and are less prone to damage during transport and loading manoeuvres, less packaging material is used this way. We submit an integrated annual environmental report to OVAM every year.



SDG 12 - Responsible Consumption and Production – Although this SDG mainly relates to food, stopping any waste is a good thing

We have a permanent annual target in the company to reduce waste generation. This really starts with waste sorting, with reduction as its logical next step.

7.3. ENERGY AND EMISSIONS

PAMI chooses environmentally friendly **natural gas** for heating its buildings and the sanitary water (where required), as fuel for the powder coating ovens and for drying the components after degreasing. Process water is also heated with natural gas. Using natural gas means no emissions of sulphur oxides and reduced emissions of nitrogen oxides. Carbon dioxide constitutes the largest share of emissions. Our combustors are inspected for emissions annually. This year once again, all measured values met the permitted limits.

Gas consumption related to turnover is still declining overall. Consumption is also declining in absolute terms and when measured in relation to degree days. Improved heating control in the offices is bearing fruit from this year onwards. A better solution for operating the boilers in the factory is also being sought.

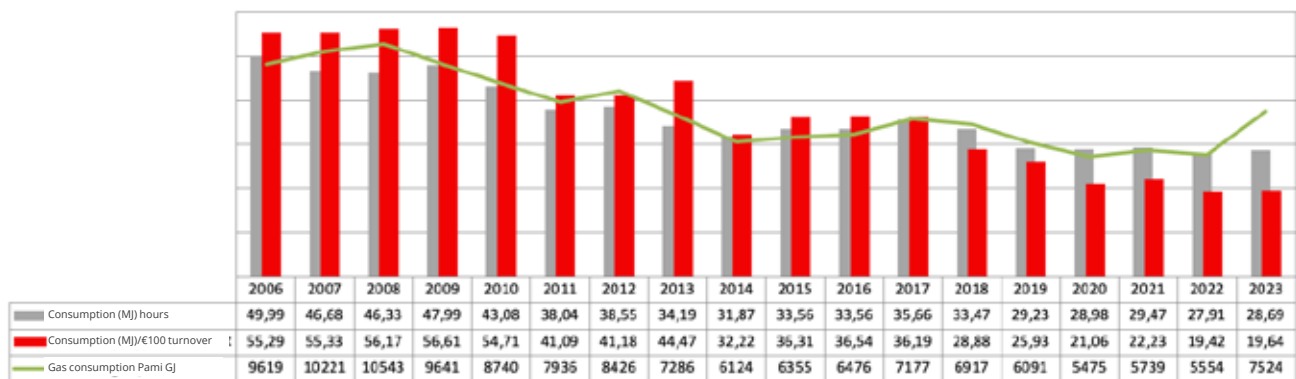


Figure 7.5.a PAMI's gas consumption (megajoule/year)



Figure 7.5.b Interpam's gas consumption (megajoule/year)

Despite the fact that the make/buy ratio increased, the **electricity consumption** relative to sales fell again. This is a result of the investments we made in recent years in relighting, frequency-controlled dust extraction, high-efficiency motors and more.

Another positive aspect is better utilisation of the machinery due to increased sales. The consumption taken into account includes both the power purchased and the portion of our solar power we consumed ourselves.

Thanks to the glorious sunshine, our solar panel installation achieved a great return. 363.763 kWh of green electricity was produced, of which we consumed 287.257 kWh ourselves.



SDG 7 - Sustainable Energy – Increasing the share of renewable energy in the mix

SDG 13 - Climate Action – Adopt circular business models and encourage energy-efficient transport

SDG 9 - Industry, Innovation and Infrastructure – Commitment to circularity



Since 2011, our roofs have been put to good use with solar panels. In 2023, they generated 363.763 kWh of which we consumed 287.257 kWh. The rest was fed into the grid.



Climate efforts can be summarised as 'continually reducing raw materials, energy and waste'. As well as waste and circularity, our energy consumption is also part of the annual targets.



We use the most energy-efficient trucks available at the time of purchase to transport our products. We have also commissioned some of the most energy-efficient vans for 'last-mile' delivery in low-emission zones. Incidentally, we recently planned to replace our entire fleet with fully electric commercial vehicles, with the first batch of 10 passenger cars being recently commissioned.

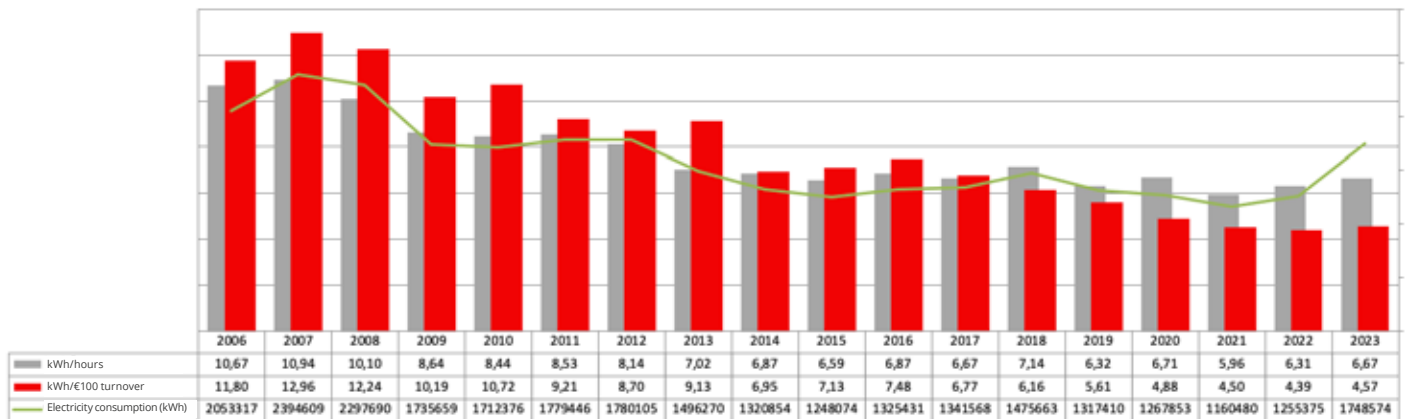


Figure 7.6 PAMI/Interpam's electricity consumption (kWh/year)

TRANSPORT

Since our production takes place in Belgium and we have an associated logistics department with a fleet of vehicles, the distances to be covered are relatively short. This results in less pollution. When we install on-site at the customer, we also prefer full delivery to minimise emissions.

As for our company cars, 'sustainability' is a point we are constantly working on. Our entire fleet is being systematically replaced by full electric commercial vehicles. The first batch of +10 passenger cars was commissioned in 2022. For group travel (trade fairs, training courses, etc.), we encourage our employees to travel together (four people per car). Due to poor or no connections, public transport is often not an option, although a combination with the car could offer a worthy alternative. Lighter and lighter engines (eco versions) are also being chosen for replacements. Our truck drivers have completed training on eco-driving, with periodic refresher courses. Homeworking is also strongly encouraged from within the company. We also play a role in our customers' homeworking by offering specific home office furniture.

7.4. CO₂

The emissions measured are scope 1 and scope 2 emissions, direct and indirect emissions respectively. These are the result of electricity use and also occur during the conversion of fossil fuels into electricity (excluding commuting). In the reduction of the CO₂ emissions, we mainly focus on the optimisation of processes under our control that we can then manage and improve.

Pami is committed to complying with the GHG Protocol. Our emission calculations are carried out according to the 'Bilan Carbone' methodology, developed by ADEME, and use internationally accepted and updated GABI tables. This approach ensures that our carbon footprint is calculated accurately and in line with international standards.

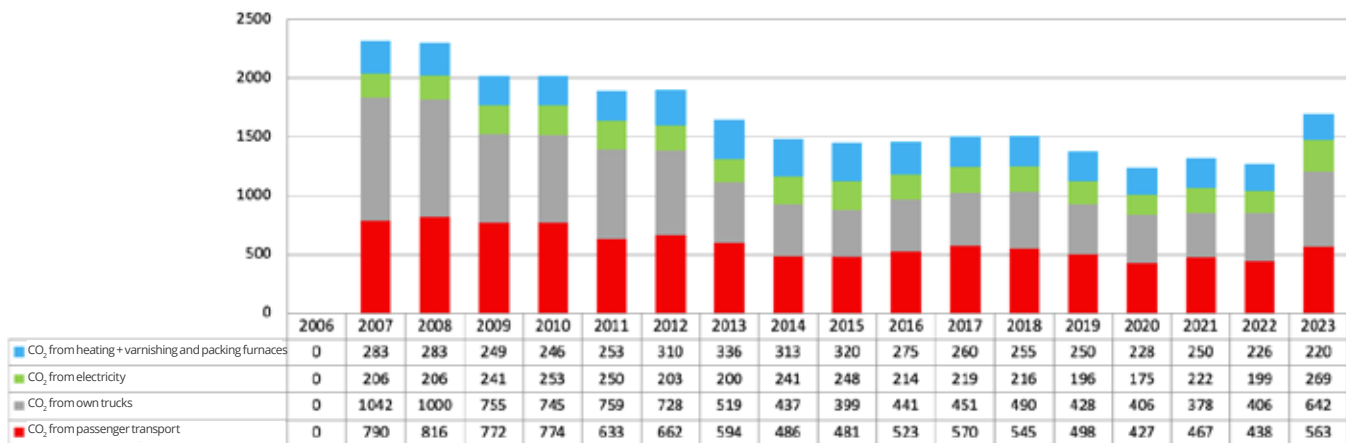


Figure 7.7 Total annual CO₂ emissions



SDG 11 - Sustainable Cities and Communities – Work close to home/Offices in protected buildings

On average, our employees live close to our company. As such, many of our people cycle to work. Our bicycle leasing plan makes this even more appealing. Our lobby to introduce public transport to the industrial estate has been fruitless so far, but we will continue to push for this – in cooperation with our industry group.



When a space became available in the renovated Tour & Taxis building in Brussels, we didn't hesitate to establish our Brussels showroom there.

7.5. WATER

Our **water consumption** is partly of a sanitary nature and partly the result of industrial treatment, mainly from pretreatment prior to the coating process. We commissioned a new degreasing process in 2008, and the optimisation of the installation did take some time. However, since 2009 we have seen a steady decline in industrial water consumption (despite some fluctuations).

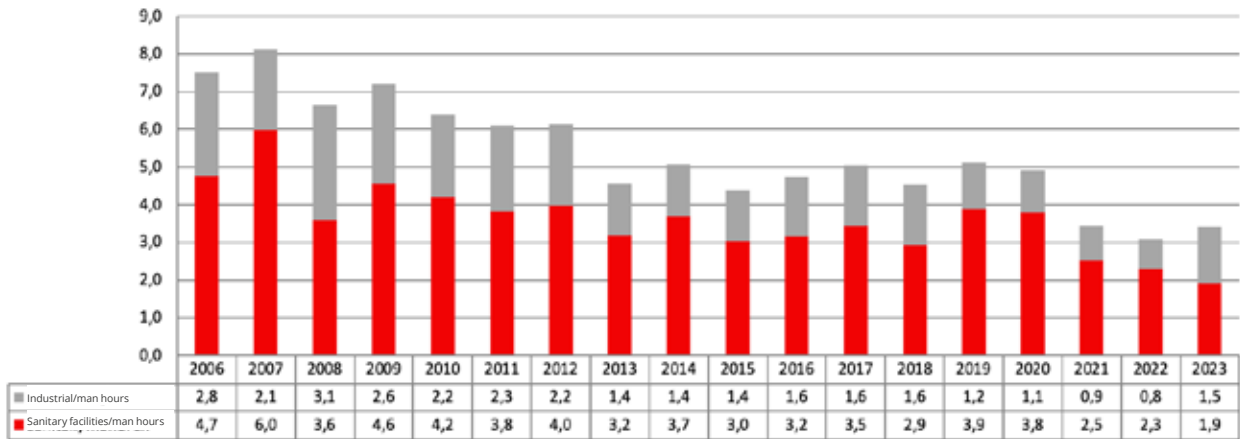


Figure 7.8 Water consumption

As mentioned, the degreasing installation generates the most industrial waste water. After degreasing, the water is refreshed and systematically reused. This means we do not discharge any process water. All of the water used is removed by a licensed processor, which means we are officially recognised as a 'zero discharger'. Only the sanitary waste water is discharged through the sewerage system. Rainwater is collected in four settling tanks on the site.

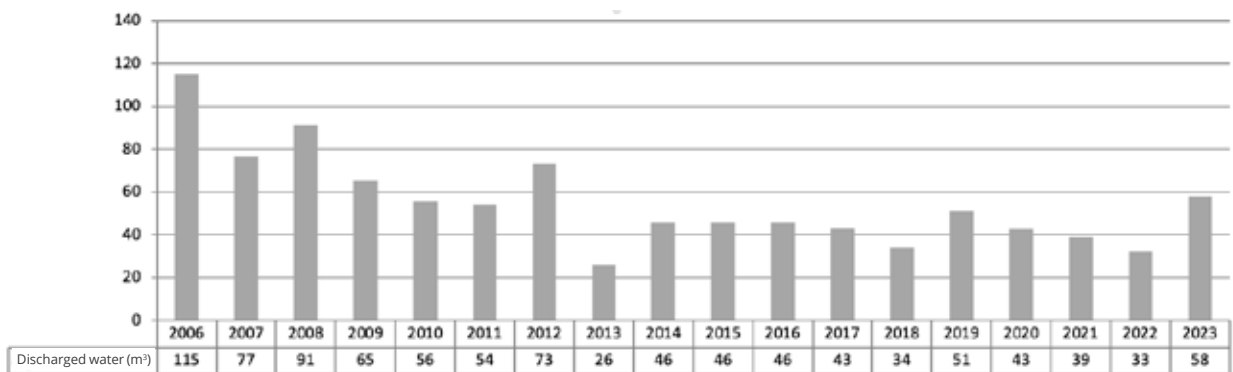


Figure 7.9 Disposed process water



SDG 6 - Clean Water and Sanitation – Reducing water consumption

SDG 14 - Life below Water – Systematically reducing water consumption



We are very frugal with process water and also encourage our employees to use sanitary water thoughtfully. We have optimised our process to such an extent over the years that our consumption is minimal. Of course, Covid-19 did involve a lot of hand-washing.



Our water consumption has been monitored and systematically reduced for years. Thanks to the latest technology, our process water is extremely minimal, and we also have our waste water processed by a licensed processor. As a result, we have a zero discharge certificate.

8. OPEN COMMUNICATION WITH STAKEHOLDERS

For us, sustainable enterprise is always done in an open dialogue with the relevant stakeholders. This way of communicating closely aligns with the principles of the CSR performance ladder. It also means we are fulfilling the expectations of the **ISO 26000 guidelines**.

We update the list of stakeholders every year and assess it on a number of aspects. While each stakeholder has different interests in our company, they also have a specific impact on our company. That's why we create a tailor-made approach for each of them, and we communicate through a wide range of channels. The following is an explanation of our approach to the most relevant stakeholders.

8.1. INTERNAL TARGET GROUPS

8.1.1. EMPLOYEES

As CSR starts with every individual employee, this target group represents one of the most important stakeholders in the graph. For this reason, it is important they are actively involved in the CSR policy.

We believe it is very important to give our employees a say, and to give them the opportunity to communicate their own new ideas and wishes. After all, they need to be able to do their jobs and be motivated and engaged. By informing our people correctly and in a timely manner, we want to further enhance their involvement.

Communication with our employees takes place in different ways and through a variety of channels. Such communication channels include a great staff newspaper (Pamirazzi), digital newsletters, a welcome brochure and company visit for new employees, coaching and training moments, satisfaction surveys, departmental meetings, quarterly meetings with an informal moment afterwards, and more.

We also make sure to organise interim information sessions to keep everyone informed when major decisions are taken, when new products are launched, and if there are changes in the workplace. There are also two comprehensive staff meetings every year.

The unions are represented by our own employees. They are a point of contact for both office workers and non-office workers. The monthly Works Council meetings always include two board members.



8.2. EXTERNAL TARGET GROUPS

8.2.1. CUSTOMERS AND PROSPECTS

This group of stakeholders can be divided into the following categories:

- Direct sales to the groups:
 - End users
 - Tenders
 - Mail order
 - Export
- Sales via a dealer network, mainly to foreign markets such as the Netherlands and France

Our customers are mainly in the (upper) middle segment. We are mostly focused on co-creation, on products that are sustainable, safe, and compliant with strict ergonomic standards. Direct communication takes place through the account managers, who each have their own customer portfolio for their region. We generally communicate with them via the websites, the Pamizine, digital newsletters, corporate brochures and product brochures, trade fairs, events, advertisements, social media (Facebook, LinkedIn, Pinterest, Instagram) and press releases. We also ask for customers' opinions after each completed project through a satisfaction survey.

The prospects are represented by those who may become our customers, both in the short term and long term. The communication methods used are very similar to those used for our customers, and can certainly influence the decision of whether or not to enter into a business relationship with us.

8.2.2. SUPPLIERS

We can divide our suppliers into two large groups: suppliers of raw materials and semi-finished products for the factory, and suppliers of trade goods.

When choosing and selecting our suppliers, we take several factors into account, including their sustainability policy. After all, we expect our suppliers to subscribe to the same principles for sustainable enterprise as we do.

8.2.3. ENVIRONMENT AND SOCIETY

This group of stakeholders comprises everyone who comes into contact with our group as an outsider, without any direct connection. They represent public opinion. The industrial area in which the factory is located already minimises nuisance, as we are in a quasi-unpopulated area.



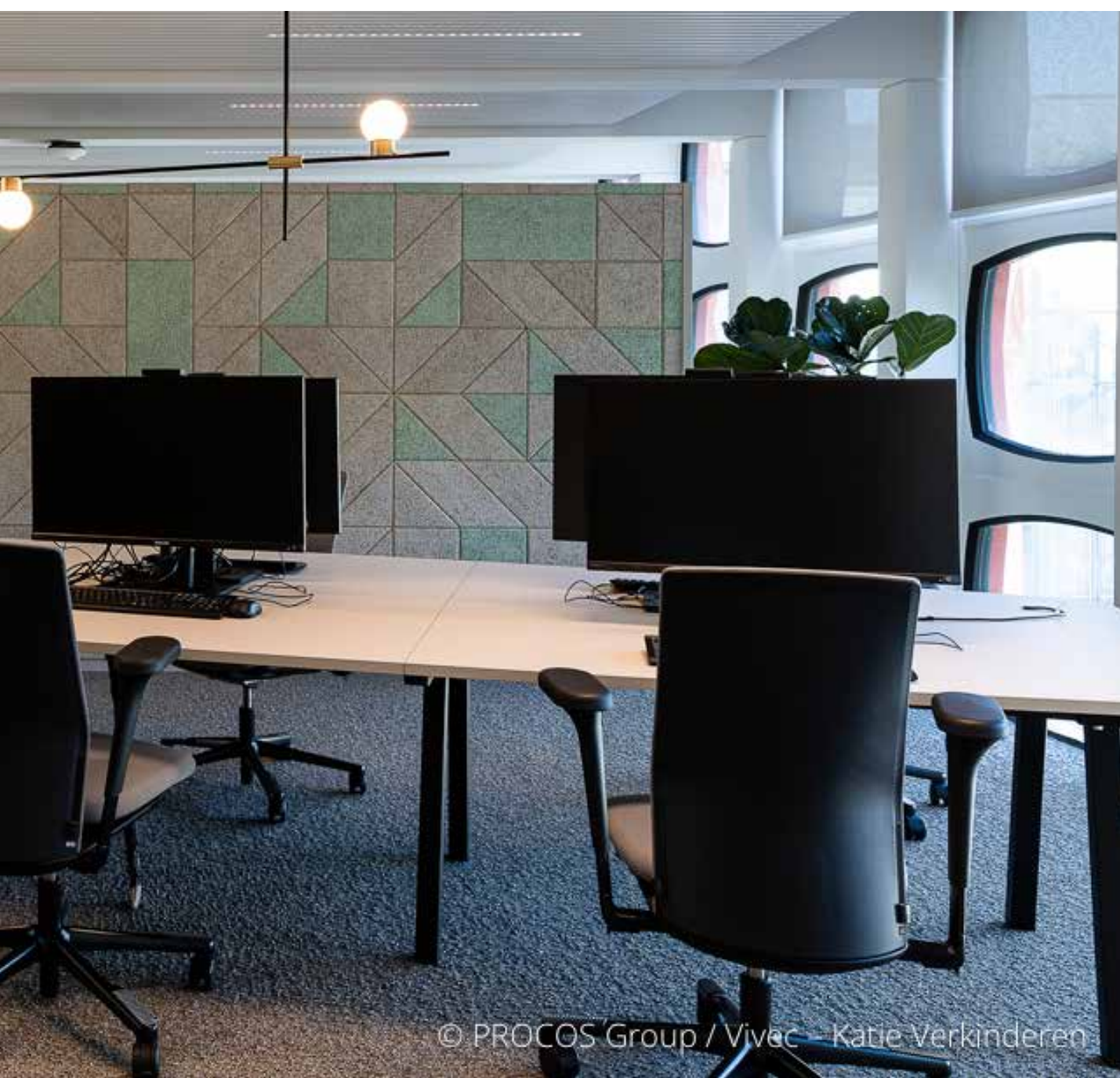
8.2.4. PROFESSIONAL RELATIONSHIPS

Architects, prescriptors and facilities agencies help set the trends in the office world. As such, it is important that PAMI – as a supplier – strikes the right note in every communication addressed to these stakeholders. We communicate with them, among other things, via the website, digital newsletters, corporate and product brochures, and more. The personal contact our account managers have with this group is also very important to strengthen our position.

Sustainability is an aspect they too evaluate constantly. That's why we highlight the evolutions around this a little more via the known means of communication.

We assess these stakeholders in a variety of areas, from involvement in the organisation to the influence and importance to us as a company.





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9. WORKING AT PAMI

9.1. Our people are happy@work!

The mission we convey to our customers is 'We love to create inspiring and exciting workplaces that improve job satisfaction and work efficiency'. It goes without saying that we want to achieve this for our own employees, too. Although for them, we strive to make it not just about the workspaces, but about the entire work environment.

Keeping our values in mind (see 6.3), values we tightly hold on to, we strive to provide our employees with a challenging job, a pleasant and safe work environment and a sincere, social attitude. Our human resources policy guarantees **open and honest communication** and information (see also 8.1.1), paying attention to the employee, family and work. We involve our employees in all **events that are important** to our company so that they feel they are genuinely part of the big picture (this includes the opening of the new showroom and participation in trade fairs by providing tickets and buses). What's more, regular staff activities (such as the New Year's reception or a barbecue just before the summer holidays) create a happy atmosphere and a pleasant work ambiance between colleagues.

We believe our employees are true company ambassadors. Together, we form a team that brings to the table more than 60 years of knowledge, experience, craftsmanship and creativity, and achieves unique office projects day after day. Both in our offices and in our production spaces, we strive for good, **ergonomic working conditions** and we pay due attention to safety.

What's more, we are all too aware that **training and coaching** (see 9.4) promote employees' development and growth. By offering training opportunities and investing thoughtfully in skills, people confidently take on their responsibilities and perform their jobs with the greatest satisfaction. That's why we always try to offer our employees a work environment in which they can be the best version of themselves. That's what's expected from them, after all. Thanks to defined competence profiles (see 9.5), our office workers and non-office workers are also perfectly aware of what's expected from them. We organise annual **evaluation interviews** for our office workers. We have updated the evaluation cycle to be a more open dialogue between the supervisor and employee, with a focus on strengths and space for detecting talents that are not (yet) utilised to the full. This new approach was welcomed by supervisors and employees alike. For our non-office workers, we maintain a constant and open feedback culture. Supervisors evaluate their staff's skills using our competence matrix. This can be discussed on the initiative of both the manager and the employee.

Protecting the **work-life balance** is also a focus that is consciously on our agenda. As such, we always try to accommodate our employees' requests to work part-time. But we also value a human touch. With a personal gift or a token of sympathy, we give the significant events in our employees' lives (such as births, marriages and deaths) the place they deserve in a setting that suits them. We're taking this one step further with the introduction of structural teleworking. The framework surrounding hybrid working was also created together with our employees and is reviewed periodically.



In short, we make plenty of effort to keep our employees happy@work. But how do our employees feel about this policy? We test this internally via a three-yearly **satisfaction survey** (see 9.7). There are different surveys for office workers and non-office workers as their interests may differ.



SDG 2 – Zero Hunger/Malnutrition – Availability of healthy food (drinking water)



SDG 3 - Good Health & Wellbeing – Both physical and mental health

The health and safety of our employees is of paramount importance to our company. We offer chilled drinking water for everyone. No products with harmful effects on human health are used in our facilities. As well as safe and ergonomic workspaces, we also actively participate in the bicycle leasing scheme made possible by our government. This is used extensively – we even had to double the number of bicycle parking spaces. We have an anti-bullying policy for psychological wellbeing.



Finally, the safety of our consumers is also safeguarded as our products meet the latest European product standards. These same standards also guarantee the ergonomics of our products.

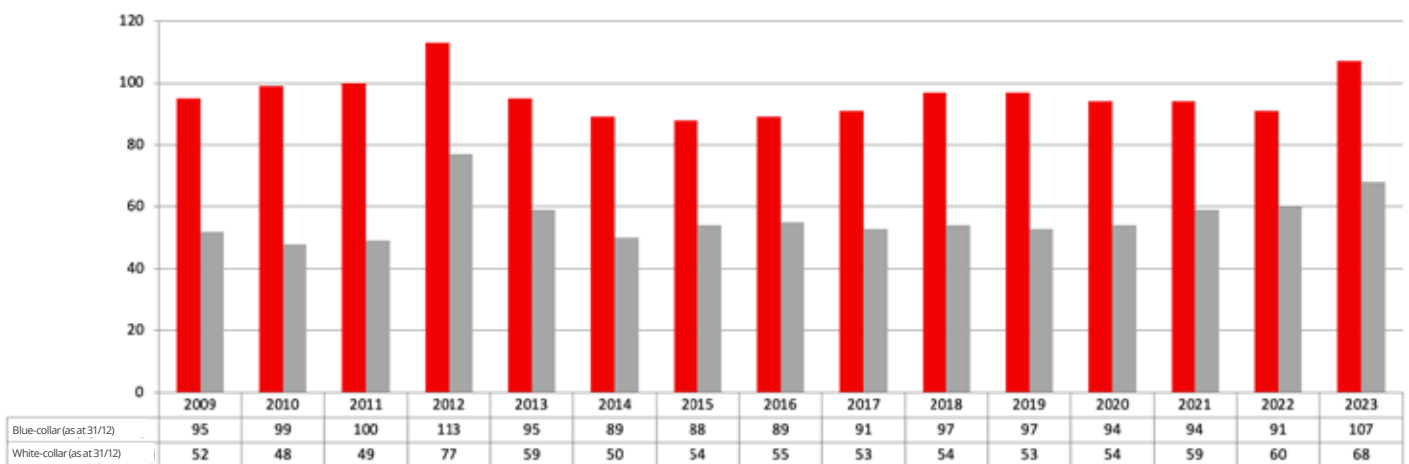


Figure 9.1 PAMI employees



9.2. 9.2. WORKFORCE AND TURNOVER

The **workforce** is split into office workers and non-office workers:

We always try to build a long-term partnership with both customers and suppliers. After all, this is the most profitable for both partners. However, we also want to build long-term relationships with our employees. And proof of our efforts in this regard thrives on the workplace, because we employ people who have been with our company for many years!

In our group, we manage hourly rotas in a flexible manner. All possible options are allowed, including part-time working, time credits or career transitions.



SDG 10 - Reduced Inequalities – Ensure that all recruitment candidates are given equal opportunities by way of a neutral selection procedure.



Our staff turnover is very low, but we only use functional criteria during recruitment processes. Invariably, vacancies are filled by interim employees who can grow into permanent employees.

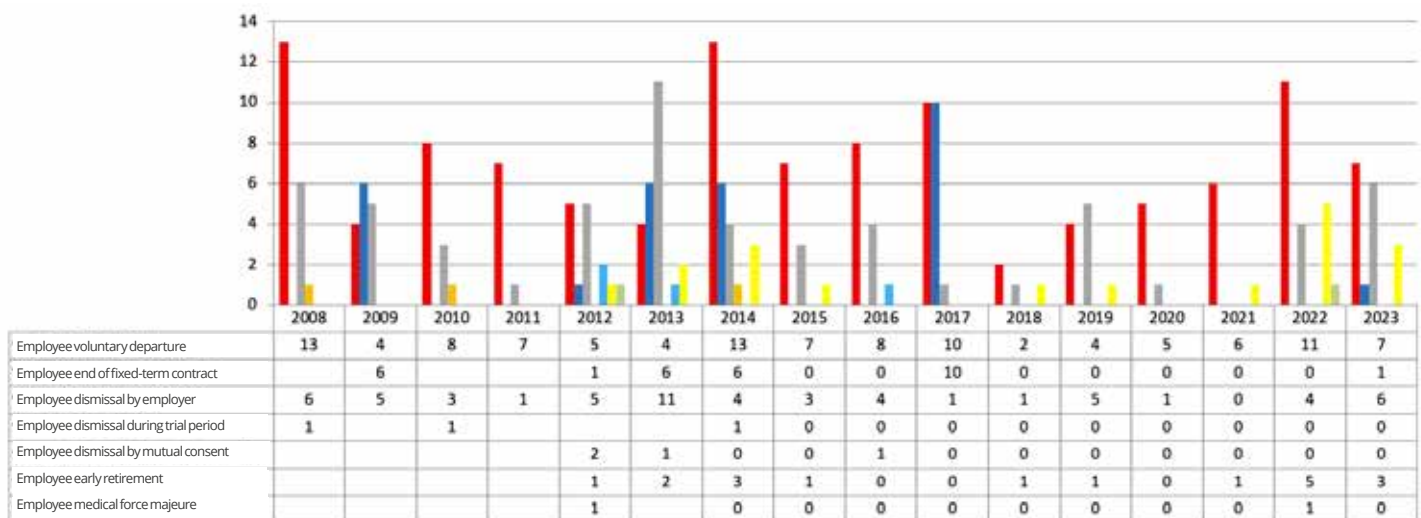


Figure 9.2 Employee departures

9.3. SICK LEAVE AND WORKPLACE ACCIDENTS

After the Corona pandemic, we noted a reasonable increase in absenteeism in 2022 (in the whole sector, by the way), which fortunately is now improving again. We have an **absenteeism policy** that uses interviews with frequent absentees to find out the reason for the absence and whether anything can be done by the company in this regard.

Our VGV committee functions well, and has once again ensured that the number of workplace accidents has remained very low this year. In 2023, there were 3 workplace accidents with absence. Of course, even a single accident can significantly skew the ratio. Safety is constantly highlighted with poster campaigns and clear instructions for all machines. New machines are also becoming safer and safer.

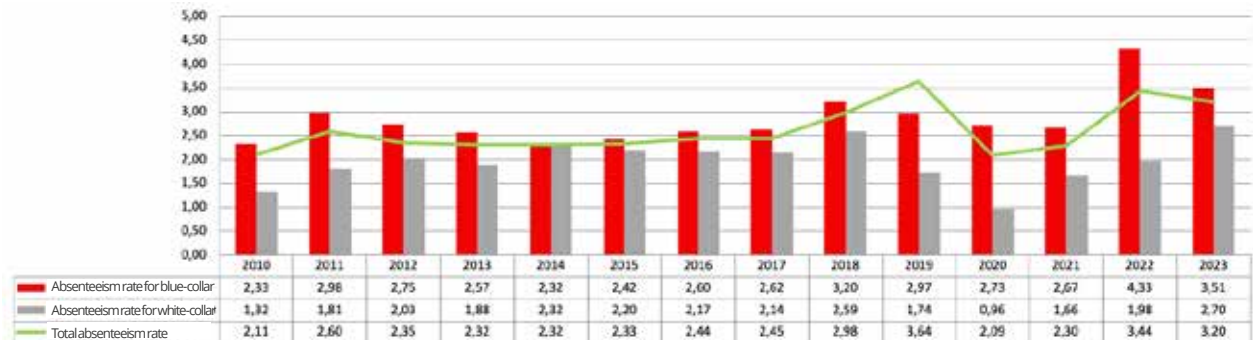


Figure 9.3 Absenteeism rate

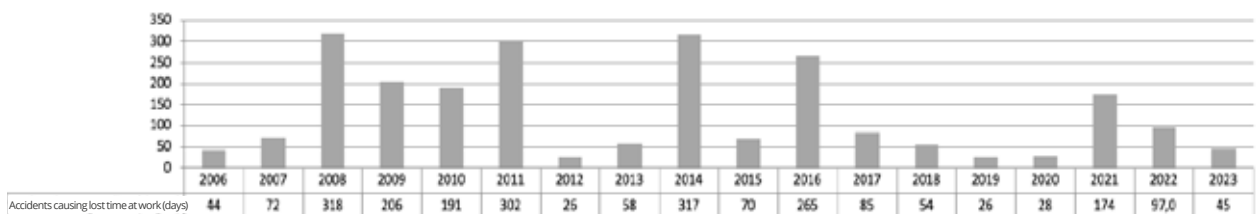


Figure 9.4 Time lost due to work accidents (days)

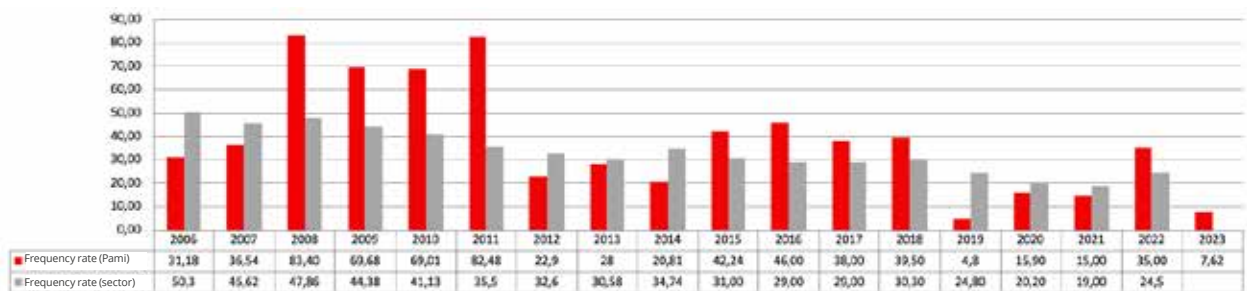


Figure 9.5 Time lost due to work accidents - Frequency rate (number of accidents x 1,000,000 / hours worked)

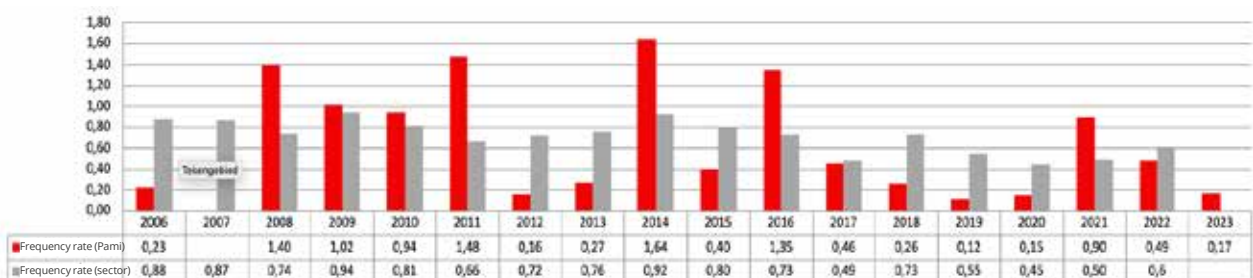


Figure 9.6 Time lost due to work accidents - Severity (number of workdays lost x 1,000 / hours worked)





9.4. TRAINING AND COACHING

We pay great attention to the development of our employees at all levels by providing targeted coaching and training opportunities.

Our **non-office workers** are trained internally as much as possible, in consultation with the employees. The more tasks and actions an employee has mastered, the more interesting it is for the company, but also the more engaging the role is for the person themselves. Meanwhile, we have fully benchmarked our wage policy for staff in line with the market and thoroughly reviewed it with an internal classification and wage table. Furthermore, we have developed a policy that contains greater rewards for the flexibility of our staff. The more jobs an employee has mastered within their department, the higher their pay can be. This is how we boost the development of our people and encourage them to attend training courses.

Our internal training courses are registered in a HR software package. This means we have a good understanding of all the efforts already made in this regard at the various departments when it comes to optimisation.

We focus strongly on training and coaching our **managers**. New managers follow intensive external training to learn how to manage employees efficiently and enthusiastically in terms of optimal performance and a pleasant working atmosphere. They receive further internal coaching after this training. In 2017, we launched an intensive leadership programme with in-depth basic training for our rookie managers and workshops and peer-to-peer coaching for the rest of the managers. In 2018, we continued this pathway with additional workshops on evaluation, appreciative leadership and individual coaching using a mix of internal expertise and external partners. In 2019, we went a step further and launched a self-managing team in production. This team continues to be guided and coached, but has the freedom to decide on a number of predetermined topics (working methods and arrangements, leave, and so on). The team members involved received communication training and will continue to be mentored and monitored. Initial evaluations show us that this project was well received and will certainly be expanded in future.

What's more, as a company we have an active stake in various networking groups where training is encouraged, both internally and externally. We also regularly call on external expertise to provide assistance. This way, we give our own people a taste of new experiences and methods, and they get the opportunity to grow and learn without becoming company blind (such as consultancy at R&D, HR, IT or marketing).

Since 2011, we have been a member of Agoria, the federation for the technological industry. Through this route, we aim to bring in even more specialised knowledge in the future.



SDG 4 - Quality Education – Lifelong and life-wide learning in the workplace



Our training plan was not set up as a short-term plan, but rather as 'lifelong learning'. Together with various training centres, we offer our staff all kinds of training. The opportunity for further training and the need for extra courses has emerged from the evaluations. We also have a partnership with technical schools called 'Techniekpromotie' – a kind of workplace learning.

9.5. COMPETENCE MANAGEMENT AND EVALUATION

As an organisation, we have a clear vision and ambition about what we want to mean in the office market. Good competencies are a real must to achieve this, for all our employees. Using a concrete competence model, we want to ensure that the profiles and competences we recruit, develop and reward are also seamlessly aligned with our corporate ambitions.

The **competence model** that we developed builds on our existing vision, values, corporate culture and evaluation processes. After thoroughly surveying management, we compiled this into a limited and coherent set of competencies that are important for everyone. These include teamwork, flexibility, customer focus, drive, commitment, quality, ethical behaviour, leadership, and more. It goes without saying that the importance of the competencies varies according to the role and position the employee performs as part of the whole.

When recruiting, we are therefore able to assess prospective employees objectively based on these defined general and specific competences. After all, it is perfectly possible to compare the requirements for a role with the applicant's profile. The competency model enables training needs for a specific job to be identified and personal growth to be encouraged.

By dealing with competence management in a structured way within this fixed framework, we as a company want to add value to the HR policy in place and create a common language. We want to take everyone to the next level and allow them to continue to grow. This will allow us to build an effective career policy for all our employees.

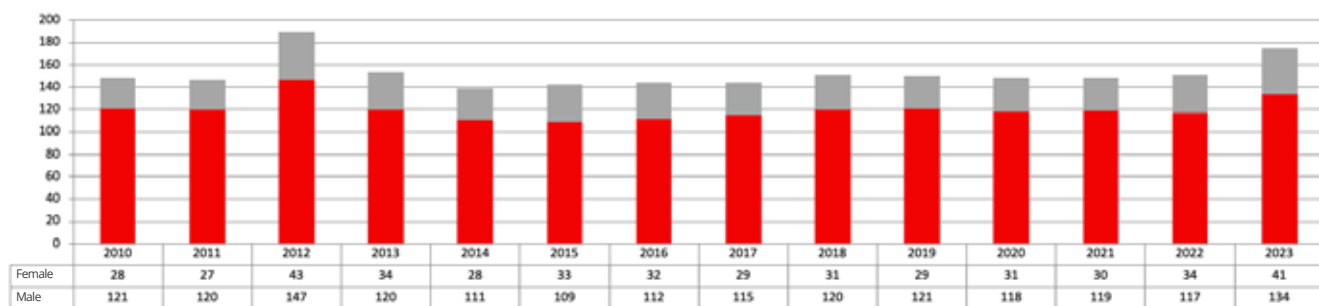
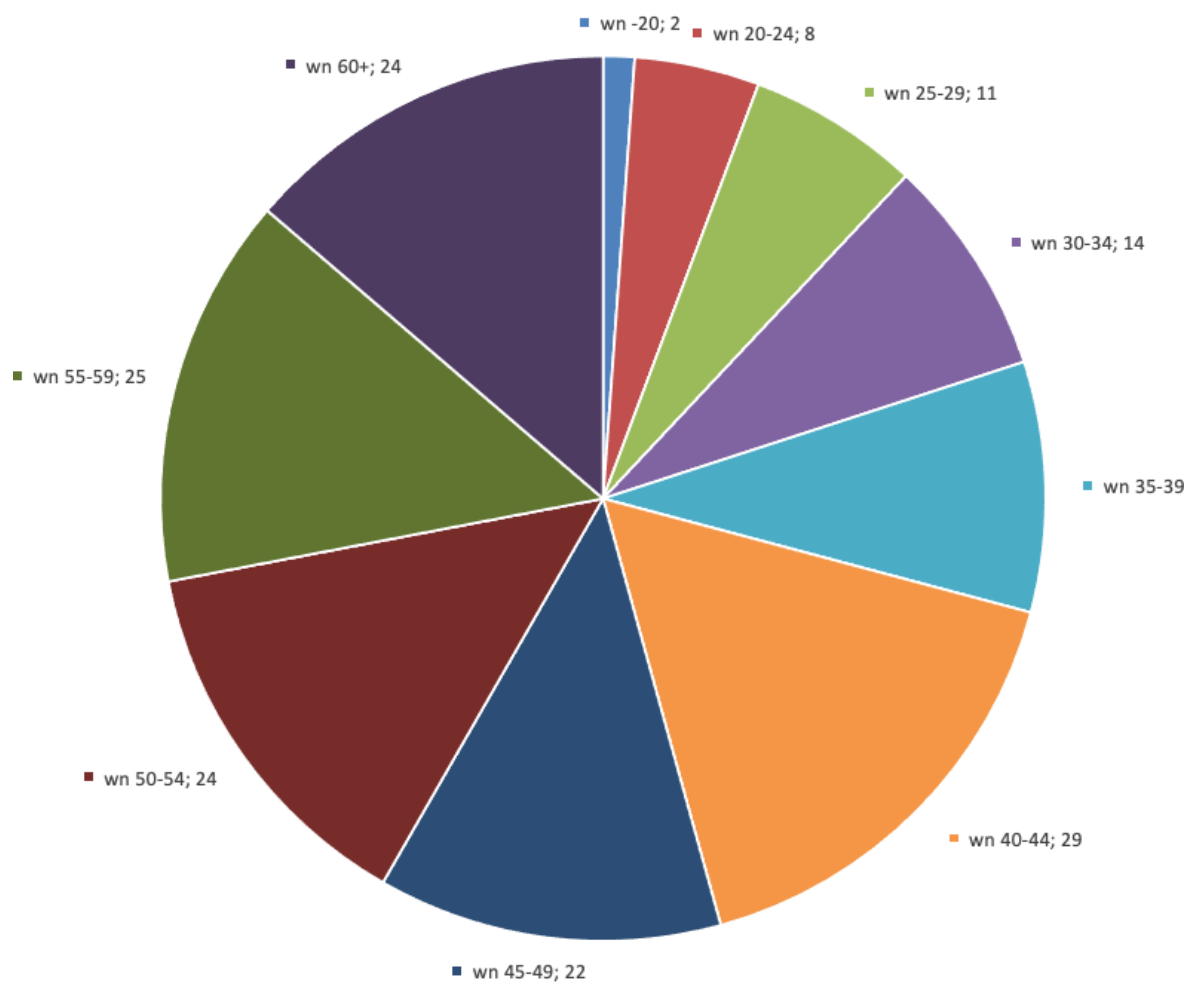


Figure 9.8 Distribution by age 2021



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
wn -20	1				0	0	1	0	2	0	0	0	0	2
wn 20-24	12	11	10	4	4	3	4	5	10	12	10	10	5	8
wn 25-29	23	19	16	14	10	12	8	7	7	6	6	4	9	11
wn 30-34	23	23	21	18	19	21	19	17	12	15	15	14	11	14
wn 35-39	9	13	21	16	15	16	19	18	20	22	22	23	19	16
wn 40-44	27	21	28	20	14	14	14	14	16	18	17	18	21	29
wn 45-49	32	34	45	30	30	27	22	25	24	13	14	16	18	22
wn 55-59	5	5	15	15	14	14	19	19	31	31	32	31	29	25
wn 60+	2	3	4	6	3	2	4	8	8	9	10	17	15	24
wn 50-54	12	18	30	31	30	33	34	31	21	24	23	20	20	24

9.6. DIVERSITY

In the context of CLA No. 104 which states that every company should prepare an employment plan for those over 45, we have chosen to open this plan to all employees with the main focus and objective being ‘**sustainable employability**’. In our view, age-aware HR management does not start at the age of 45, but at the beginning of one’s career.

PLAN 2021-2024

1. Selection and hiring of new employees:

- Expand the generic onboarding plan for new employees and intensify and further formalise HR follow-up

2. Develop employees’ competencies and qualifications

- Implement digital skills strengthening through awareness campaigns and training
- Increase flexible employability of employees through broadening tasks and horizontal job rotation
- Organise knowledge transfer through mentorship, learning networks and workplace learning

3. Career development and career guidance within the organisation

- Conduct career interviews with office workers and non-office workers
- Map out end-of-career landscape and conduct end-of-career interviews

4. Employee health, prevention and elimination of physical and psychosocial barriers to staying in work

- Focus on ergonomics: workspace organisation, research on lifting and hoisting aids
- Develop lighter materials and simpler assembly

5. Review options for adjusting working hours and work organisation

Our group has very loyal employees. More than 50% of our current workforce are over-45s. In the **diversity plan**, we really want to zoom in on sustainable employability and an age-aware HR policy. In an initial phase, we want to generate additional information for our employees through career interviews. To conduct these interviews in a professional and results-oriented manner, our managers are trained and coached in how to conduct these interviews. Actions will then be formulated to increase workability, work ability and job satisfaction.

Meanwhile, we have sent our young managers on a training course, coaching interviews are conducted regularly, and we hold peer-to-peer sessions to update the knowledge gained and discuss practical examples with each other.

These informal training courses are also registered in a software programme, so that we can better monitor who has acquired which competencies.



SDG 5 - Gender Equality – Equal opportunities for women

We do have some gender imbalance, but we do have women in all our departments, including the management team.

9.7. SATISFACTION SURVEY

How happy@work are our employees really? We constantly try to keep our finger on the pulse, question issues and draw useful lessons from them. That's why we conduct regular satisfaction surveys among our people. The results of the survey are mapped out based on potential specific actions and measures. We schedule a thorough survey into the satisfaction of our employees every few years, with surveys held in 2014 and 2016. The last survey dates back to 2020. It was then decided that a section on the Covid-19 situation and measures would be added. It was clear from this survey that homeworking really is here to stay. After an additional survey on this topic in 2021, structural teleworking was introduced. The next survey is scheduled for autumn 2024.

GRI 4.13.

10. SOCIAL CONTRIBUTION

Our organisation strives to make a positive contribution to every area of society. Wherever we can, we constructively deploy all our facilities and manpower for social causes (*see 6.5 PAMI and society*).

The Limburg Chamber of Commerce and the province of Limburg use the 'Techniekpromotie' project to show their commitment to tackling the shortage of technical personnel. After all, our industry stands or falls on the availability of technical and scientific professionals. Hence the mission to raise the intake in science and engineering study programmes by enthusing students, parents and teachers alike. What's more, they want to convince decision-makers of the broad social importance of technology. Joining forces with Limburg-based companies (including PAMI) to launch the FIRST® LEGO® League, they aim to encourage talent development among children aged 11 to 12 and create a positive attitude towards engineering. After all, our prosperity depends on industry. Companies create jobs. Innovative and creative companies attract new investment and offer our young people a future.

Rotary Pelt - Noord-Limburg

Hendrik Essers, outgoing chairman

Voka - KvK Limburg

Hendrik Essers, vice-chairman

VKW Limburg

Lode Essers, honorary chairman, member of the Management Committee and Board of Directors

VBO

Lode Essers, member of the Executive Committee

Agoria

Member of the Board of Directors

11. PRODUCT DEVELOPMENT FOR AND BY PEOPLE

Together with our customers, our interior designers create the perfect working environment tailored to each company. This motivates employees, is good for your results and benefits the atmosphere. We achieve this with contemporary furniture, innovative solutions and smart designs that are always thoughtful, sustainable, and conceived by your side at the work table.

We offer our customers both a standard range of office furniture and bespoke solutions. The difference may be obvious, but both still have plenty of things in common:

- **Concept:** Companies grow, employees evolve and offices change. Over the years, we have learned that the best office furniture is flexible. That's why we only design products that can be adapted to the New Way of Working and the changing needs of the products' owners.
- **Quality:** Only the best raw materials and semi-finished products enter our production plant. Only the most advanced, high-tech machines are allowed to process these superior materials. The craftsmanship of our people takes care of the rest. A system of integrated quality assurance ensures that each PAMI product passes the tests for dimensions, safety, strength and durability with flying colours.
- **Ergonomics:** We pay attention to a comfortable and ergonomic working posture for everyone. That's why our furniture meets the strictest European standards related to height adjustment, fire rating, reflection, free legroom and more.
- **Acoustics:** If you can't hear it, it's working. Office furniture that absorbs noise efficiently promotes employee concentration. Think of acoustic partition walls, seating elements, sliding door cabinets, and back panels. The absorbing properties bring the noise down to an acceptable level.
- **Comprehensive solution:** Thanks to a broad range of thoughtful products, we can serve most market segments. Together with our partners, we succeed time and again in creating unique spaces for working, meeting and networking.

Together, we continuously strive for sustainability. That's why all our products are designed and manufactured with one eye on People, Planet and Prosperity.



SDG 9 – Industry, Innovation and Infrastructure – Innovation and commitment to circularity

Our products are perfectly aligned with the circular principles so that repurposing used furniture automatically reduces the environmental impact. We have carried out several projects in recent years where the function of furniture was transformed so a significant amount of raw materials could be saved.

We have also played a pioneering role in innovation in office life that has become increasingly hybrid since the Covid-19 pandemic. We were able to respond extremely quickly with home office products and services, among other things.



12. YOUR OPINION MATTERS

Our customers' opinions and experiences can always improve our services. Experiences are often communicated indirectly through our account managers, who interact with customers on a daily basis. Errors that slip the net are strictly recorded and followed up. What's more, our sales team strives to handle and resolve questions and any comments as soon as possible. Reducing shortfalls is always a prominent action point in our policy!

We also invite our customers to participate in our satisfaction surveys on a voluntary basis. Every quarter, we contact customers who have had projects installed by telephone and ask them to take part in our customer satisfaction survey.

We work with the Net Promotor Score (NPS) to determine a customer satisfaction score in a way that is clear and easy to interpret. Specifically, respondents are asked the following question: to what extent would you recommend PAMI to friends, family or colleagues?

- Ambassadors (score 9 or 10): actively recommend a supplier to others
- Apathetics (score 7 or 8): mostly recommend a supplier passively
- Defectors (score 0 to 6): will not readily recommend a supplier

The NPS is calculated using the following formula: % Ambassadors - % Defectors. The NPS itself is not expressed as a percentage, but as an absolute number. The 2023 surveys resulted in an NPS of 15.

What else do we need to do better?

Surveys were also conducted on the specific topics concerning Corporate Social Responsibility. This showed that, as we had expected, these topics are in the forefront of our stakeholders' minds. Everyone cares about a better future, and constant efforts are expected from us, too.

Our customers do not indicate any explicit wishes; rather they generally give good scores. The main concerns lie in consumer affairs. This in itself is not surprising, as it is the most specific topic for this target group.

The suppliers also score us well, with no pain points or wishes related to the CSR topics they touch on.

Our employees were surveyed too, and it appears that concerns from previous surveys are still in play. The need for development opportunities within PAMI clearly returned to the fore, and the demand for even better information about the ins and outs of the company shows a great engagement with PAMI.

What are we doing about this?

It goes without saying that we try to accommodate these wishes as best we can. Among other things, we worked on the following:

- At the request of some people, we have provided additional training and created the opportunity to be more widely employable internally. In addition, we have provided intensive training programmes consisting of workshops and coaching for both our managers in production and office workers.
- Our employees are better and more broadly engaged in ongoing projects through all sorts of channels. The results will be evaluated later.
- The effects of 'eco-driving' by our truck drivers will also be followed up further.

What else must we do?

To start with, we are going to expand on some of the wishes arising from the surveys. These concern consumer issues for customers and development opportunities for staff.

Furthermore, we want to ensure the economic future by rolling out the strategic plan for new markets.

GRI CONTENTS

STANDARD INFORMATION PROVISION PART I: Profile		Handled in
1. Strategy and Analysis		
Section	Description	
1.1	A statement from the Board of Directors on the relevance of sustainable development for the organisation and its strategy.	4
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2. Organisational profile		
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2.2	Main brands, products and/or services.	2
2.3	Operational structure of the organisation, including divisions, subsidiaries and partnerships.	2
2.4	Location of the organisation's head office.	2
2.5	Number of countries in which the organisation operates (with relevance to sustainability issues).	2
2.6	Ownership structure and legal form.	2
2.7	Sales markets (geographical distribution, sectors and types of customers).	2
2.8	Size of reporting organisation.	2
2.9	Significant changes during the reporting period related to size, structure or ownership.	2
2.10	Awards received during the reporting period.	2
3. Report parameters		
3.1	Reporting period to which the information provided relates.	4
3.2	Date of the most recent report.	-
3.3	Reporting cycle (annual, biennial, etc.).	-
3.4	Point of contact for questions about the report or its contents.	4
3.5	Process for determining report content, including relevance, materiality and stakeholders.	-
3.6	Definition of the report.	-
3.7	Specific limitations to the scope or definition of the report.	-
3.8	Basis for reporting on joint ventures, partly owned subsidiaries, leased facilities, outsourced operations or other entities.	-
3.9	Data measurement techniques and calculation bases, including assumptions used for estimates.	-
3.10	Explanation of the consequences of any reformulations of information previously provided.	-
3.11	Significant changes from previous reporting periods with respect to the scope, definition or measurement methods of the report.	2
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3.13	Policy and current practice on providing external assurance of the report.	-

4. Governance, obligations and commitment		
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4.2	Indicate whether the chairman of the highest governing body also has a managerial position.	5
4.3	For organisations with a unitary board structure: state the number of independent and/or non-executive members of the highest governance body.	5
4.4	Consultative bodies for shareholders and employees for recommendations or co-determination at the highest governance body.	8
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4.8	Internally developed mission statements and codes of conduct relevant to CSR performance, with the extent of implementation.	6
4.9	Board procedures for overseeing CSR performance, including relevant risks and opportunities and compliance with internationally agreed standards and principles.	-
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4.16	Approach to stakeholders and frequency of contacts.	8
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STANDARD INFORMATION PROVISION PART II: Management approach		
G3 DMA	Description	
DMA EC	Management approach EC	
DMA EN	Management approach EN	
DMA LA	Management approach AL	
DMA HR	Management approach HR	
DMA SO	Management approach SO	
DMA PR	Management approach PR	
STANDARD INFORMATION PROVISION PART III: Performance indicators		
Economic		
EC1	Direct economic values generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments.	3
EC2	Financial implications and other risks and opportunities for the organisation's activities as a result of climate change.	-

EC3	Coverage of liabilities related to the organisation's adopted benefits plan.	-
EC4	Significant financial support from the government.	3
EC5	Spread in the ratio of standard starting salary to local minimum wage at key business locations	-
EC6	Policy, methods and proportion of spending on locally-based suppliers at key business locations.	-
EC7	Procedures for local recruitment and proportion of senior management drawn from the local community at key business locations.	-
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through obligations of a commercial nature, or in kind or pro bono.	-
EC9	Understanding and description of significant indirect economic impacts, including their magnitude.	10
Environment		
EN1	Total quantity of materials used by weight or volume.	7
EN2	Percentage of materials used that consists of waste from external sources.	7
EN3	Direct energy consumption by primary energy source.	7
EN4	Indirect energy consumption by primary source.	7
EN5	Energy saved through savings and efficiency improvements.	7
EN6	Initiatives for the benefit of energy efficiency or renewable energy-based products and services, as well as reductions in energy requirements as a result of these initiatives.	7
EN7	Initiatives to reduce indirect energy consumption and reductions already achieved.	7
EN8	Total water extraction by source.	7
EN9	Water sources for which water extraction has significant impacts.	-
EN10	Percentage and total volume of recycled and reused water.	7
EN11	Location and area of land owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas.	-
EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	-
EN13	Protected or restored habitats.	-
EN14	Strategies, current measures and future plans for managing biodiversity impacts.	-
EN15	Number of IUCN Red List species and species on national conservation lists with habitats in areas within the scope of influence of business activities, classified by level of extinction risk.	-
EN16	Total direct and indirect greenhouse gas emissions by weight.	7.4
EN17	Other relevant indirect greenhouse gas emissions by weight.	-
EN18	Greenhouse gas emission reduction initiatives and reductions achieved.	-
EN19	Emissions of ozone-depleting substances by weight.	-
EN20	NO, SO and other significant air emissions by type and weight.	-
EN21	Total water discharge by quality and destination.	7.5
EN22	Total weight of waste by type and disposal method.	7.2
EN23	Total number and volume of significant discharges.	7.5
EN24	Weight of transported, imported, exported or treated waste classed as hazardous under Annexes I, II, III and VIII of the Basel Convention and the percentage of waste transported internationally.	7.2

EN25	Designation, size, conservation status and biodiversity value of waters and related habitats significantly impacted by the reporting organisations' drainage and run-off.	-
EN26	Initiatives to compensate for the environmental impact of products and services and the extent of such compensation.	-
EN27	Percentage of products sold where packaging was collected, by category.	7.3
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	-
EN29	Significant environmental impacts of transport of goods and other goods and materials used for the organisation's operations and the transport of employees.	-
EN30	Total expenditure on and investment in environmental protection by type.	-
Social: Working conditions and decent work		
LA1	Total workforce by employment type, employment contract and region.	9
LA2	Total number and rate of staff turnover by age group, gender and region.	9
LA3	Payments/benefits to full-time employees not available to temporary or part-time employees per large-scale activity.	-
LA4	Percentage of employees covered by a collective labour agreement.	-
LA5	Minimum notice period(s) related to operational changes, including whether this is specified in collective labour agreements.	-
LA6	Percentage of total workforce represented in formal joint committees of employers and employees that contribute to monitoring and advising on occupational health programmes.	8
LA7	Injury, occupational disease, lost days and absenteeism rates and number of work-related deaths by region.	9
LA8	Education, training, counselling, prevention and risk management programmes for the benefit of staff members, their families or local residents in connection with serious diseases.	-
LA9	Occupational safety agreements set out in formal agreements with unions.	9
LA10	Average number of hours an employee spends per year on training, broken down by employee category.	-
LA11	Programmes for competence management and life-long learning that guarantee the ongoing employability of employees and help them complete their careers.	9
LA12	Percentage of employees who are regularly informed about performance and career development.	9
LA13	Composition of governing bodies and breakdown of employees by category, by gender, age group, belonging to a particular social minority and other indicators of diversity.	-
LA14	Ratio of basic salaries of men and women by employee category.	-
Social: Human rights		
HR1	Percentage and total number of significant investment agreements that include clauses on human rights or that have undergone human rights screening.	6
HR2	Percentage of key suppliers and contractors that have been tested for human rights compliance and actions taken.	6
HR3	Total number of hours of employee training on policies and procedures on aspects of human rights relevant to operations, including the percentage of staff who attended the training courses.	-
HR4	Total number of cases of discrimination and the measures taken.	-
HR5	Activities identified as posing a significant risk to the right to exercise freedom of association and collective bargaining, as well as measures taken to support these rights.	-
HR6	Activities identified as having a significant risk of incidences of child labour, as well as measures taken to eliminate child labour.	-
HR7	Activities identified as having a significant risk of instances of forced or compulsory labour, as well as measures taken to eliminate forced or compulsory labour.	-
HR8	Percentage of security personnel who have received training in the organisation's company or procedures on aspects of human rights relevant to operations.	-

HR9	Total number of cases of violation of indigenous rights, as well as measures taken	-
Social: Social indicators		
SO1	Nature, scope, and effectiveness of all programmes and methods that determine and manage the impacts of operations on communities, including establishment, activities and departure.	-
SO2	Percentage and total number of business units analysed for corruption-related risks.	-
SO3	Percentage of staff who have received training in the organisation's anti-corruption policies and procedures.	-
SO4	Measures taken following cases of corruption.	-
SO5	Views on public policy and participation in its development, as well as lobbying.	-
SO6	Total values of financial and in-kind contributions to political parties, politicians and related institutions by country.	-
SO7	Total number of lawsuits for anti-competitive behaviour, anti-trust and monopolistic practices, as well as the results of these lawsuits.	-
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	-
Social: Product responsibility		
PR1	Life cycle stages in which the health and safety impacts of products and services are assessed for improvement and percentage of major product and service categories subject to such procedures.	-
PR2	Total number of cases of non-compliance with regulations and voluntary codes relating to health and safety impacts of products and services during their life cycle, by type of outcome.	-
PR3	Type of information on products and services required by procedures and percentage of significant products and services subject to such information requirements.	-
PR4	Total number of cases of non-compliance with regulations and voluntary codes relating to product and service information and labelling, by type of outcome.	-
PR5	Policy on customer satisfaction, including results of surveys on customer satisfaction.	12
PR6	Programmes for compliance with laws, standards and voluntary codes relating to marketing communications, including advertising, promotion and sponsoring.	-
PR7	Total number of cases of non-compliance with regulations and voluntary codes relating to marketing communications, including advertising, promotion and sponsoring, by type of outcome.	-
PR8	Total number of substantiated complaints about customer privacy breaches and loss of customer data.	-
PR9	Monetary value of significant fines for non-compliance with laws and regulations relating to provision and use of products and services.	-

GLOSSARY

ROHS: The term RoHS is the acronym for Restriction of Hazardous Substances.

It is intended to reduce the use of six substances, including lead, in the electronics industry.

REACH: REACH is a system for registration, evaluation and authorisation of chemical substances that are produced in or imported into the European Union. The name 'REACH' stands for Registration, Evaluation and Authorisation of CHemicals. The regulations came into force on 1 June 2007.

VITO: Flemish Institute for Technological Research

CPBW: Committee for Prevention and Protection at Work

GRI: Global Reporting Initiative

WORKSPACE DESIGNERS