

















gluecom

GLUE EXPERTS



Sustainability Report 2024

Table of Contents

Letter from the Co-Owners	03
Introduction to Gluecom	04
 Environment	06
 Energy Reduction & Transition	07
 Carbon Footprint	10
 Circular Packaging	13
 Zero Waste	15
 Biodiversity & Nature	16
 Circular Economy	18
 Social	19
 Diversity & Inclusion	20
 Training & Development	23
 Employee Wellbeing	25
 Governance	28
 Corporate Culture & Responsible Partnership	29
 Transparency	30
Looking to Our Future	32

Letter from the Co-Owners

“

We are very pleased to present the first publication of the sustainability report of Gluecom Group. Working in a sustainable way is not new for our group; very much on the contrary. Ever since the group became a family-owned business some 15 years ago, all strategic decisions have been made with a long-term view in mind. And that is what sustainability is all about, in our opinion.

The decision to make this report helped us to further structure and explicit our sustainability strategy and to align our five main manufacturing sites on the same track. This exercise is an excellent opportunity to benchmark more between the sites and learn from one another. We are confident that this will lead to important further improvements for the entire group in the future.

Our sustainability strategy is explained in this report by using the ESG framework. 2024 is the first year for which we have calculated certain KPIs for all our manufacturing sites, and this will be the base year for comparisons in future years. We have already set some ambitious targets for 2027 and for 2030, and these will be fine-tuned moving forward.

We look forward to embarking on this journey with our suppliers, clients, and employees and driving our company towards a more sustainable future.

”



Louis Piette & Xavier Desimpel
Co-Owners Gluecom Group

Introduction

With headquarters in Belgium, Gluecom is one of Europe's leading producers of industrial adhesives. We focus on 3 product groups – dispersion adhesives, jelly glues and hotmelts. Our products are widely used in the paper and packaging industry, graphic arts, woodworking, and other industries in general. We offer a combination of experience, highly qualified people and the latest technology with local service and close customer contact. Gluecom continues to achieve annual growth due to continuous investment in new equipment and facilities, research and development, a huge commitment to customer service and the dedication of more than 130 co-workers.

Over the past years, we have grown as an international group operating from 5 production sites located in Belgium (Lokeren and Bruges), France (Paris) and the United Kingdom (Birmingham and Basildon), and 3 trading operations located in Poland, Germany and the United Kingdom. In short, we combine the benefits of a group with the sharpness and focus of an SME.

Since the creation of the group under its current name in 2011, Gluecom Group has worked on becoming a more and more sustainable company simply by always focusing on the long term. This is reflected in our investment strategy, product portfolio development, financial structure, HR policy and shareholder structure, among other things. With this sustainability report, we want to lay down the next steps in Gluecom's sustainability strategy.



100%
Family-owned



130+
employees



8
operational sites



5
laboratories



working in
80+
countries



€50m
net revenue



100+
years of
experience



- 1924**  **Labord** Located in Paris, France, Labord produces Demcomelt hotmelt adhesives and distributes a range of other glues across the French market.
- 1938**  **Merckx** Gluecom's main site in Bruges, Belgium, specialising in the production of dispersion adhesives.
- 1959**  **Pafra Adhesives** Operating from Basildon, UK, Pafra is our centre of excellence. They specialise in dispersion adhesives.
- 1979**  **Demcopack** Based in Lokeren, Belgium, Demcopack produces jelly glues.
- 1986**  **Ace Adhesives** Based in Birmingham, UK, Ace manufactures and distributes a variety of dispersion adhesives across multiple sectors.
- 2017**  **Gluecom Poland** A distribution centre providing adhesives and expertise across Central Europe.
- 2024**  **Gluecom Germany** A trading hub supplying industrial adhesives and technical support to the German market.



Environment



Our goal is to minimize the environmental impact of our operations by focusing on key areas that address the most pressing nature-related challenges. These six areas are: (1) Energy reduction and transition, (2) Carbon footprint, (3) Circular packaging, (4) Zero waste, (5) Biodiversity and nature, and (6) Circular economy.

By concentrating on these vital aspects, we are not only reducing our environmental footprint but also tackling the broader issues affecting our planet, from resource depletion and waste, to deforestation and climate change.



Energy Reduction & Transition



At Gluecom, managing our resources most efficiently is an important economic and environmental topic. This standpoint also reflects how we consume energy in our operations: we are committed to reducing our energy consumption to the technical minimum. We will transition to renewable and green energy sources for the energy consumption we simply can't avoid in the coming years.

The first focus point is on minimizing our current energy consumption. We will do this by optimizing our production processes, installing energy-efficient infrastructure in our production sites and offices, and upgrading our existing infrastructure where possible.

Optimizing our production processes is the first step towards reducing our energy consumption. The biggest opportunities for energy reduction are identified within the production of our hotmelt adhesives. These energy reduction opportunities can be obtained by a combination of optimizing the production process itself and investing in new infrastructure.

At our site in Paris, the hotmelts are manufactured at high temperatures – the production process contains tanks that need to be heated to 170°C.

Previously, these tanks were constantly kept at this high temperature, resulting in high energy consumption even when we were not producing. Today, we have optimized this process by programming the required heat in the tanks according to activity – a decrease in temperature during the weekend and shutdown of the tanks during holidays.

By replacing one of our hotmelt mixers with a new electric mixer, we can increase efficiency to over 90% to 95%, compared to 65% with the current design. As such, we will be able to reduce the required power for the same mixing capacity. On a yearly basis, this infrastructural upgrade is estimated to represent a saving of >400 MWh of electricity, decreasing carbon emissions by >8 tons per year.

The mixer will be installed with better insulation in combination with an adjoining insulated melter to melt some of the ingredients before injecting them into the mixer. This will increase efficiency and reduce mixing time, allowing more production while consuming less energy. It is estimated that this new system will save 15-20% in heating costs, representing a saving of 40 MWh of natural gas and eliminating >7 tons of carbon emissions annually.



In addition to our production processes, we also focused on minimizing the energy consumption in our offices. We have changed the lighting at our sites in Bruges, Basildon and Birmingham to LED lighting. Additionally, we upgraded the isolation at our sites in Basildon and Birmingham by installing double glazing. At our site in Lokeren, all lighting will be changed to automatic LED lighting in 2025, and we will replace the current oil burner to heat the offices with a heat pump. We want to decrease fossil fuel consumption and avoid unnecessary energy consumption through these initiatives.

The key to energy reduction lies not only within our infrastructure but also in employee awareness. We have established effective

energy awareness campaigns at some of our sites, and plan to extend these successful programs to all remaining locations during the upcoming year.

Our site in Basildon has a sustainability and environmental policy in place. All employees receive and go through this policy during their onboarding program. In addition, the policy is displayed in the coffee room to ensure all employees keep this policy in mind during their day-to-day work.

At our Paris site, we have an energy awareness campaign that focuses on closing the doors to keep the warmth inside and turning off the lights when you leave a room.

KPI	2024 ACTUALS	2025 TARGET
Sites with energy awareness campaign	2 out of 5 production sites	All sites
Energy efficiency Energy consumed per ton	244 kWh/ton produced	231 kWh/ton produced (-5.2% vs 2024)
Energy intensity Energy consumed per net revenue	122 kWh/k€	

For the energy consumption that we can't avoid, we want to decarbonize by switching to renewable and green energy sources. In the first phase, we will focus on how to shift to 100% green electricity – i.e. decarbonizing our scope 2 – and in a later phase, turning to green alternatives for gas and fuel will follow – i.e. decarbonizing our scope 1. By shifting to renewable energy sources, we want to contribute to circularity. Our ambition is to maximize the green electricity we can generate and make the excess required electricity green through our contracts at our locations.





To date, we have invested a lot in on-site green electricity production. In three of our five production sites – Lokeren, Birmingham and Basildon – we currently have 834 solar panels that cover 9.7% of the group's total electricity consumption. In our other two production sites – Bruges and Paris – we are working on investment plans to generate on-site green electricity. By 2026, a new office building will be built at our Paris site, where we will place solar panels on the roof. This new building will allow us to generate green electricity and be much less energy intensive, contributing to our energy reduction and transition ambition. We are still investigating the opportunity and capacity to generate green electricity through solar panels in

Bruges. As well as on-site renewable energy, we are also looking into off-site renewable energy. At some of our sites, the current electricity contracts already contain a high share of green electricity. For example, at our Paris site, which has the highest electricity consumption, 93% of the electricity we purchase is generated through green sources. In the future, we want to shift these contracts to 100% green electricity contracts to decarbonize the electricity we cannot generate ourselves.

In the coming years, we will further invest in sourcing green energy, and by 2030, we would like to source 100% of our electricity from green sources.

KPI	2024 ACTUALS	2027 TARGET	2030 TARGET
Volume produced electricity through solar panels used for own production	176 MWh	233 MWh (+32.5% vs 2024)	350 MWh (+ 99% vs 2024)
% self-generated renewable electricity covering total electricity consumption	9.7%	14.5% (+49.6% vs 2024)	30% (+209% vs 2024)
% green electricity consumption in total electricity consumption	90.2%	95%	100%
% green energy consumption in total energy consumption	35.2%	36.5%	

Carbon Footprint



We acknowledge that climate change is one of the major global challenges. We want to take our responsibility in this journey and want, first, to create transparency and accountability for our carbon impact. Second, we want to commit ourselves to decreasing our footprint.

2024 is the first year we calculated the group's carbon footprint. Right now, we have not yet included the greenhouse gas (GHG) emissions throughout our entire value chain, as this exercise is quite complex, but we have started with calculating the emissions coming from what we call our own operations:

- Scope 1 GHG emissions
- Scope 2 GHG emissions
- Scope 3 GHG emissions: upstream transportation and distribution – transport of finished products between Gluecom sites

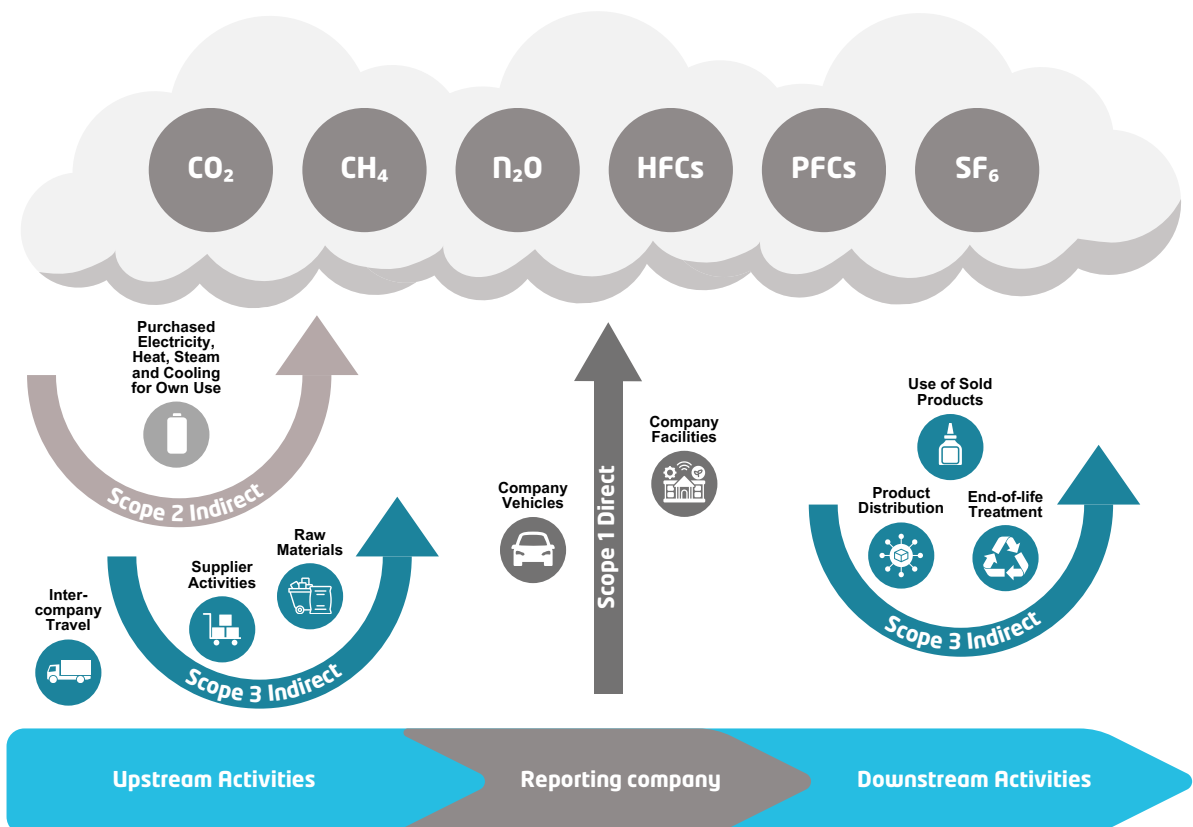
These are the emissions that we mainly control and on which we can readily have an impact.

We believe it is better to start with a small scope that we fully understand and can work to improve our carbon footprint rather than inaccurately calculating the full scope. Over the coming years, we will work on making these greenhouse gas emission calculations more accurate, reliable and comprehensive. This way, we can focus on these emissions first and map out specific plans to decrease our footprint.

Scope 1 emissions are direct GHG emissions from sources controlled or owned by the organization (e.g., emissions associated with fuel combustion in boilers, furnaces, and vehicles).

Scope 2 emissions are indirect GHG emissions from the generation of purchased energy.

Scope 3 emissions are all indirect GHG emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.



Our Scope 1,2 & 3 Reduction Roadmap

Scope 1

To minimize our scope 1 footprint, we plan to shift our company vehicle fleet to 100% electric vehicles. To date, 50% of our company vehicles are 100% electric, 40% are hybrid, and 10% are still fossil fuel cars. Over the coming years, all new company cars will be electric, phasing out hybrid and fossil fuel cars. Additionally, we are working on promoting alternative mobility options amongst our employees, such as taking a bicycle to work.

In our production and offices, we are minimizing the emissions from fossil fuels by implementing energy efficiency projects and investing in greener infrastructure.

At our site in Lokeren, we will replace the oil burner with a heat pump to heat the offices, decreasing the amount of oil we consume.

At our site in Paris, we have optimized the heating process of the mixing tanks, resulting in less natural gas consumption. Additionally, in the coming year, we will replace the existing burner with a new, more efficient burner to heat the tanks, which will lead to a significant decrease in natural gas consumption and an estimated elimination of carbon emissions of roughly 7 tons.

KPI	2024 ACTUAL	2030 TARGET
Share of electric vehicles in the company fleet	50%	100%

Scope 2

To date, 90% of the electricity we consume comes from green sources. 10.7% of this green electricity is generated through our own solar panels – representing 9.7% of the total electricity consumption. In the years ahead, we will put additional effort into pushing both percentages even higher. We not only want to increase the volume of energy coming from green sources, but we also want to have a direct positive impact through green electricity generation ourselves. By 2030, our aim is to source 100% of our electricity consumption from renewable sources. This will drive our scope 2 emissions further down towards the goal of achieving net-zero scope 2 emissions.

We are looking into installing solar panels in the new office building that will be built at our Paris site, where we currently don't have any renewable energy generation yet. The same investigation for putting solar panels on the site's roof is ongoing in Bruges.

An investment is planned for the coming year at our production site in Paris, which should allow us to significantly decrease the electricity consumption required during the mixing process and eliminate roughly 8 tons of carbon emissions.

To increase transparency over our Scope 2 emissions, we have calculated these emissions using the market-based method in combination with the location-based method. In the case of the location-based method, average emission factors of the country's grid electricity consumption are used for the calculation. In the case of the market-based method, the calculation uses the emission factors of the energy supplier or an individual electricity product. Using the market-based method enables us to present company-specific purchases of energy from renewable sources in a more transparent manner.



Scope 3

As this is our first year of calculating our company's carbon footprint, we have started with putting a limited calculation and reporting scope on our scope 3 GHG emissions. To be able to understand our emissions and to be as accurate as possible in calculating those, we started by only calculating our emissions from upstream transportation and distribution limited to inter-company transport, meaning transport between different Gluecom sites. We have chosen to limit the upstream emissions from transportation and distribution to only inter-company transport, firstly because this is the most accurate data we have available and second because we believe these are emissions on which we can have a direct impact to decrease.

In the following years, we will continue working on the data availability and enhance our scope 3 emissions calculations by making these more comprehensive and accurate.

As the Gluecom group has grown to become a bigger company with multiple international sites over the past few years, optimization of our inter-company transport has gained more and more importance. As such, we have worked on optimizing the intercompany transportation between the different Gluecom sites.

Optimization of this transport provides two kinds of benefits: first, we optimized the routes so that our trucks drive as few kilometres as possible, and second, we have optimized the filling rate of our trucks so that these are filled to the maximum and as such fewer trucks are on the road. This optimization process has a direct impact on the kilometres driven by the trucks transporting our products and thus will consume less fuel.

Even though we have not yet quantified the emissions impact of the raw materials that we purchase, we are already making efforts on ways we can minimize the carbon impact of the raw materials that we buy. As such, we are engaging with our suppliers on how to decrease and minimize the carbon footprint of the raw materials that we purchase.

With some suppliers, we already have some potential collaborations to reduce the carbon footprint of the raw materials – e.g. through carbon capture. However, we are still assessing if there might be interest from the client side in paying a premium for a product with a lower carbon impact.

KPI	2024 ACTUALS	2027 TARGET	2030 TARGET
Scope 1 GHG emissions	614 ton CO ₂ e	607 ton CO ₂ e (-1.1% vs 2024)	
Scope 2 GHG emissions	70 ton CO ₂ e	65 ton CO ₂ e (-6.9% vs 2024)	Net zero
Scope 3 GHG emissions ¹	141.6 ton CO ₂ e		
Scope 1 & 2 GHG intensity ratio	35.9 kg CO ₂ e / ton produced	35.3 kg CO ₂ e / ton produced (-1.7% vs 2024)	

1. Limited scope: upstream transportation and distribution – inter-company transport

Circular Packaging



At Gluecom, we want to promote the circularity of all our resources. By focusing on circular packaging, we strive to minimize the environmental impact of the packaging of our products. We aim to reduce, reuse, and recycle our packaging material where possible.

There are three main streams of packaging used in our processes:

- Plastic packaging – such as buckets, jerry cans, foils and bags
- Paper-based packaging – such as bags and cardboard packaging
- Intermediate Bulk Containers (IBC)

For each of these packaging materials, we try to minimize our consumption while maximizing the volume of recycled packaging that we use. Paper and plastic packaging containing recycled materials account for 71% and 65% of the total packaging volume used, respectively.

The average packaging that contains recycled materials consists of 79% recycled materials for paper and 30% for plastic. In the years to come, we want to work on increasing the share of recycled materials and put initiatives in place to promote sourcing packaging containing recycled materials.

We strive to source our paper packaging in the most sustainable way possible. Today, 21% of our paper packaging is FSC or PEFC-certified. This means that this paper comes from sustainably managed forests and thus does not contribute to deforestation. As deforestation not only has a negative impact on biodiversity but also has a negative carbon impact, we believe that aiming for 100% sustainably sourced paper is a great step in the right direction.



To date, we consciously choose paper bags instead of plastic bags to package our hotmelt glues. We do this because we strongly believe this is the best way to support and contribute to a circular economy. As such, we try to minimize the plastic packaging that we use in our operations. Additionally, as our company supplies glue to make these paper bags, we also contribute to our own and our clients' economy.

To package large volumes of adhesives, we use IBC containers that can contain up to 1000 litres of glue. 95% of the IBC containers that we buy are reconditioned containers. This means that these containers have been used before and been washed out, so we can reuse them as new. This method allows us to maximise the circularity of the IBC containers we use and to minimize the volume of plastic that would go to waste when buying a new versus a reconditioned container.

Where possible, we try to reuse the IBC containers where we store our raw materials. These raw materials are supplied in big tanks, but we don't have a tank available at the site, so we refill these in IBC containers. When the IBC container is empty, we use the same container again to refill it with the same raw material when a tanker arrives. When the IBC container has become unqualified for reuse, we send it to an IBC handler company to wash it out so it can be reused as new once more.

This way, we increase the lifespan of an IBC container after a wash-out and, as a result, decrease the water consumption by eliminating washouts. We buy only a small amount of IBC containers as new. However, we make sure to purchase new IBCs made of 30% post-consumer recycled plastic to minimize our environmental impact.

KPI	2024 ACTUALS
Packaging per produced volume Total plastic and paper packaging / total produced volume	18.0 kg/ton produced
% FSC or PEFC-certified paper packaging	21%
% paper packaging containing recycled materials	71%
Average recycled content in paper packaging that contains recycled materials	79%
% plastic packaging containing recycled materials	65%
Average recycled content in plastic packaging that contains recycled materials	30%
Share reconditioned IBCs	95%

**At Gluecom, we sell a paper-based packaging product: tape.
This tape has been FSC-certified since 2018.**

Zero Waste



At Gluecom, we believe a key lever to minimize our environmental impact is to reduce our waste streams and – where it is impossible to eliminate them completely – manage them responsibly.

We have identified 3 main waste streams:

- Operational waste
- Scrapped finished products
- Wastewater

Operational waste occurs during the production process – this includes raw material packaging. Scrapped finished products are products that don't meet the quality standard or that are about to expire. For some of our finished products, we can recycle the product if it is close to expiration date – we can mix it in with a new production batch, reducing the volume of waste that must be treated. However, this is not possible for all our products. The operational and product waste that cannot be reduced or recycled is collected by waste handlers and is treated according to feasibility – some of the waste goes to landfill or incineration, while other waste goes to biogasification. In the years to come, we will investigate if there are more sustainable options for handling our operational and product waste.

Wastewater is polluted water containing glue residue and results from cleaning the production tanks and equipment, and other containers.

In our European sites – Bruges, Lokeren and Paris – we have zero wastewater discharges, neither to the environment nor down the drain. All water that is used to clean the tanks and other equipment is collected in a basin or in IBC containers. A wastewater handler collects this wastewater – they remove the glue residue from the water and purify it for reuse.

At our sites in the UK, where we only produce dispersion glues, the wastewater is not collected in a basin but is discharged down the drain. This water goes to central purification stations, where the water is cleaned, and glue residues are removed. Both our UK production sites have a license to dispose of this wastewater down the drain as long as the solid material content in the wastewater is below a certain threshold. As such, we closely monitor the density of glue residue in the water to ensure the solid material content is as low as possible, and this threshold is maintained at all times.

We have initiatives in place at our sites to minimize the volume of wastewater we produce. One example is optimizing the production flow – producing compatible products one after another – allowing us to minimize the required wash-outs of our mixing tanks without compromising on quality.

KPI	2024 ACTUALS
Waste intensity¹ Total solid waste/total produced volume	26.8 kg / ton produced
Wastewater intensity² Total volume wastewater/total produced volume	113.7 L / ton produced
Volume wastewater discharged to the environment	0 L

1. Solid waste includes operational waste, scrapped finished products and solid material (glue residues) in wastewater.

2. Excluding data on wastewater and glue residue in wastewater from Birmingham: no data is available because the water meter was broken. This data will be included from next year onwards.

Biodiversity & Nature



At Gluecom, we want to contribute to sustaining biodiversity and natural resources. As such, we want to minimize environmental harm to our environment and nature.

By promoting products containing biobased materials, Gluecom wants to minimize environmental harm and support biodiversity. Bio-based products are wholly or partly derived from materials of biological origin – such as plants, animals, enzymes, and microorganisms. Bio-based products offer numerous benefits for the economy, society and the environment. They drive innovation to address some of the pressing challenges of our society – including climate mitigation and adaptation and transitioning to a more circular and resilient economy and green industry. Biobased products also have the advantage of being biodegradable and do not harm the environment. For these reasons, we see great added value in biobased products,

and we want to focus on promoting these further in the coming years.

For each of our products, we have mapped out the content of bio-based materials, and we have categorized these into ranges of materials containing a percentage of biobased raw materials. Over the coming years, we want to further promote bio-based use – with both our own researchers and our clients – and increase the share of bio-based materials in our products. To date, about 22% of our total production volume is made up of products that are over 95% biobased. This is mostly driven by our jelly glues.

Even more, 59% of the volume containing over 95% biobased materials are products that consist of up to 99% or more biobased material – we consider these products as fully biobased, as it is not possible to substitute this remaining 1% of products by a biobased alternative.

KPI	0% biobased materials	<50% biobased materials	50% - 69.99% biobased materials	70% - 79.99% biobased materials	80% - 95% biobased materials	>95% biobased materials
# products	273	350	25	20	33	113
Volume produced	7.470 ton	5.631 ton	752 ton	544.5 ton	309 ton	4.257 ton
Volume share	39.4%	29.7%	4.0%	2.9%	1.6%	22.4%

Additionally, to minimize our environmental footprint, we want to promote local sourcing of raw materials. This initiative contributes to an economic – supporting local industry – and environmental – less transportation – benefit.

As a European company with production sites in Belgium, France and the United Kingdom, we define sourcing locally as sourcing materials produced in Europe or the United Kingdom. This initiative enhances the company's independence from non-EU or non-UK markets and enhances the company's resilience to shocks.

While promoting biodiversity in our products, we also focus on maintaining – where possible – the biodiversity and nature of our production sites. One example of this is our production site in Paris, where we commit ourselves to preserving the biodiversity of the industrial site. First, we aim to maintain 40% planted and permeable areas. Secondly, instead of having the lawns mown, we keep sheep on a part of the green areas around this production site. According to a grazing study, soil health, water capacity and biodiversity all increase when sheep graze on green land, enhancing the soil's ability to capture and hold carbon.

KPI	2024 ACTUAL
Share of EU and UK-sourced raw material volume	88.2%



Circular Economy



As previously mentioned, we want to be an enabler of a circular economy. We do not only look at circularity from an energy or packaging point of view, but we also want our products themselves to contribute to a circular economy.

We are working on this topic from two fronts: 1 – we want our products to contain recycled materials where possible, and 2 – we want our products to enable activities in other sustainable economies.

By including recycled materials in our products, we minimize waste streams from other industries and can revalorise these in our products. One great example of this is a collaboration with a pharmaceutical company from which we buy gelatine, which is a waste stream for them but, for us, an essential material for our products.

Another example is buying sugar, which is rejected for human consumption but is still a valuable material for our production. These are some examples of how we can reuse waste streams of other industries and, as such,

contribute to circularity. We continuously seek similar opportunities to revalorise other industries' waste streams.

We aim for our products to be used in other sustainable economies. With our sales to the paper and carton industry, we strive to support circularity as this material can substitute plastic in many applications and be recycled and reused.

We are working with our clients to innovate our adhesives and tailor these to their solutions to enhance the durability and recyclability of their products. Our sales representatives, who are techno commercial, collaborate closely with our clients to optimize the application of our products – an example is assisting in the setup of machines to use less glue for the same result by working with better quality glue.

Additionally, our products have a sustainable impact on the building industry. Using our adhesives significantly reduces the industry's carbon footprint, resulting in more sustainable activities.

KPI	2024 ACTUAL
Share recycled raw material volume	8.0%





Social



In 2024, Gluecom has grown to 130 staff operating across 9 locations in 5 countries, including manufacturing plants in the United Kingdom, Belgium, and France, as well as trading operations in the United Kingdom, Germany, and Poland. We want our employees to feel part of the Gluecom family and to make 1 coherent group.

We firmly believe our employees are our most important asset. Employees bring skills, knowledge, and expertise that drive our organization's success. Their capabilities can lead to innovation, efficiency, and competitive advantage. Therefore, we want to create an enjoyable working environment where each employee feels valued and can grow towards their full potential.



Diversity & Inclusion



We are committed to fostering a workplace where diversity is celebrated, inclusion is embraced, and gender equality is championed. These values are at the core of our organizational culture, guiding our actions and decisions as we strive to create a more equitable and inclusive world for all. Practically, this translates into creating a work environment where all employees feel valued, respected, and empowered to succeed. We believe in the importance of raising awareness and providing comprehensive training on diversity, discrimination, and harassment issues to all employees. Through ongoing open communication and dialogue, we strive to create a culture of understanding, empathy, and mutual respect. This environment of trust enables our employees to be innovative and to come up with bold ideas, supporting the company's sustainable growth.

Our pay and benefits package reflects our dedication to fair compensation, with wages meeting or exceeding the national living wage standards.

Additionally, we offer comprehensive benefits such as meal vouchers and 13th-month compensation. To address wage equality, we monitor and analyse pay data to identify and address disparities, ensuring that all employees receive fair and equitable compensation for their contributions.

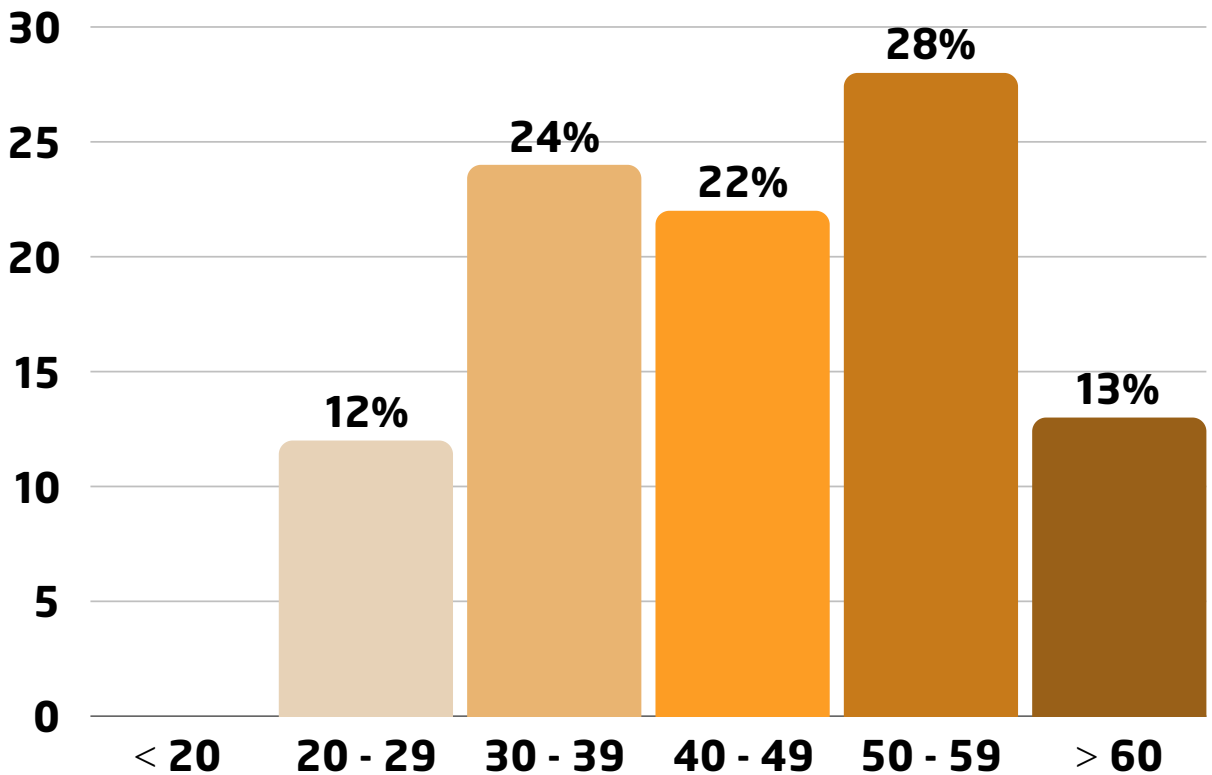
Furthermore, we are dedicated to promoting the inclusion of employees with disabilities in the workplace. At our site in Paris, we have a collaboration with a sheltered workshop – the garden is maintained by people with a disability. At our other sites, we are also proactively investigating how we can collaborate with other sheltered workshops and how we can support and create opportunities for people with a disability.

Our grievance mechanism ensures that employees have a confidential and effective channel to report discrimination or harassment incidents, and our remediation procedures prioritize the well-being and support of victims.

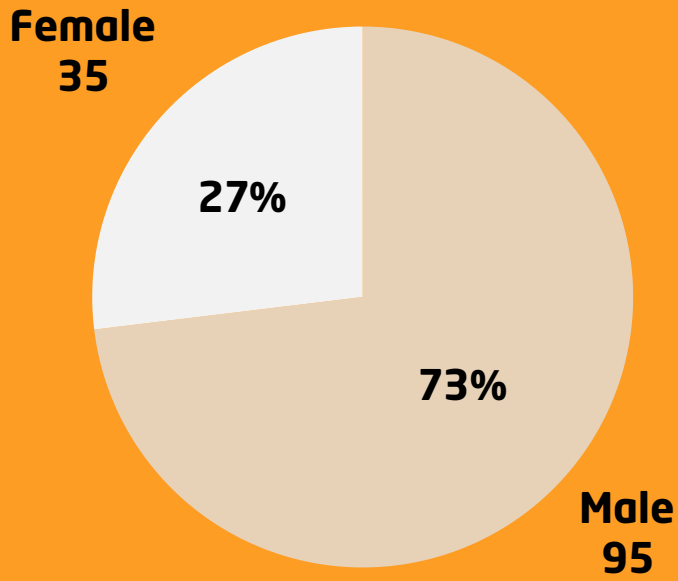
KPI	2024 ACTUAL
Total headcount	130
Different nationalities	12
Female representation at the managerial level	29%



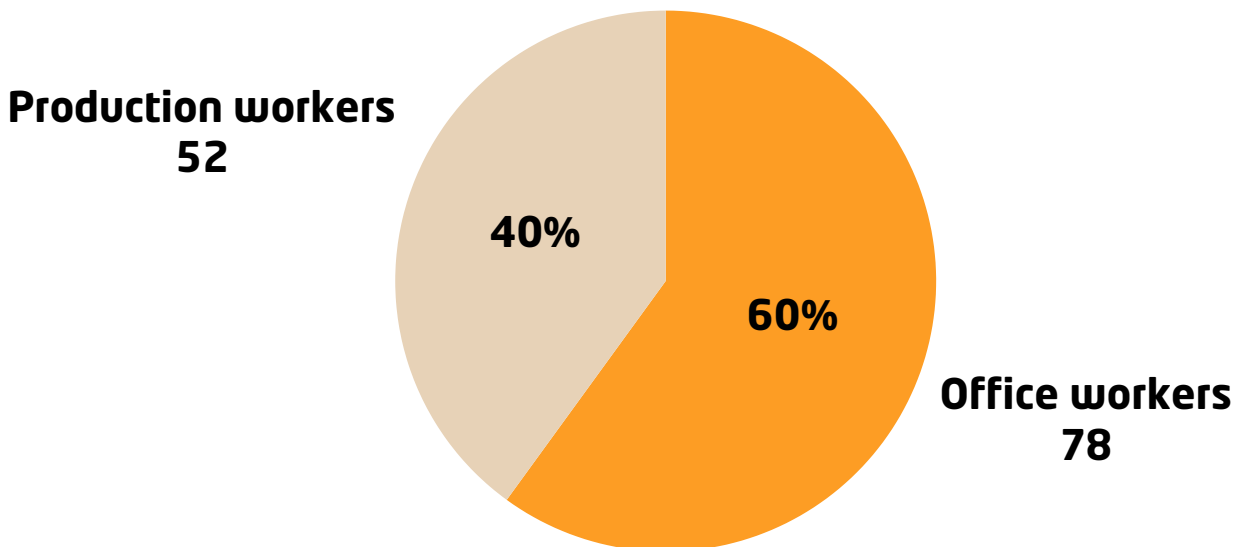
AGE - % OF THE WORKFORCE



GENDER



BLUE- VS WHITE-COLLAR



Training & Development



At Gluecom, we believe in our people, and we are convinced of the added value of long-term investment in our employees. We want our people to thrive and develop themselves in the best way possible.

We are committed to supporting the development and advancement of all employees, regardless of gender, nationality, or any other factors. We recognize the importance of providing opportunities for growth and career advancement tailored to the unique needs of our workforce. Our dedication to fostering a supportive and inclusive workplace extends to promoting professional development through various initiatives and resources. Through ongoing training, skill-building programs, and career guidance, we aim to empower our employees to reach their full potential and achieve their career goals.

In 2024, over 800 hours of formal training were followed over all the different sites. These trainings are a combination of mandatory and voluntary trainings that take place in a formal educational setting. The main topics of these trainings were on how to operate the machines, diversity & inclusion, and safety. If an employee wants to follow additional voluntary training, they can openly discuss how this will impact their development with their manager.

As well as formal training, we also focus on informal training – all of this training happens on the job. We believe that learning from your colleagues and sharing knowledge between employees is a great opportunity for development. The majority of the on-the-job training is focused on operations, information systems and best practices.



As Gluecom has grown steadily over 2024, we don't only want to focus on sharing knowledge between colleagues at the same site, but we want to open this up wider and set up a knowledge-sharing program over our different sites. This way, sites can learn best practices

and tips and tricks from each other, resulting in a group feeling and increased effectiveness. We are working on the setup of a new ERP and CRM software over the different sites. This will enhance the collaboration and knowledge-sharing opportunities between the different sites.

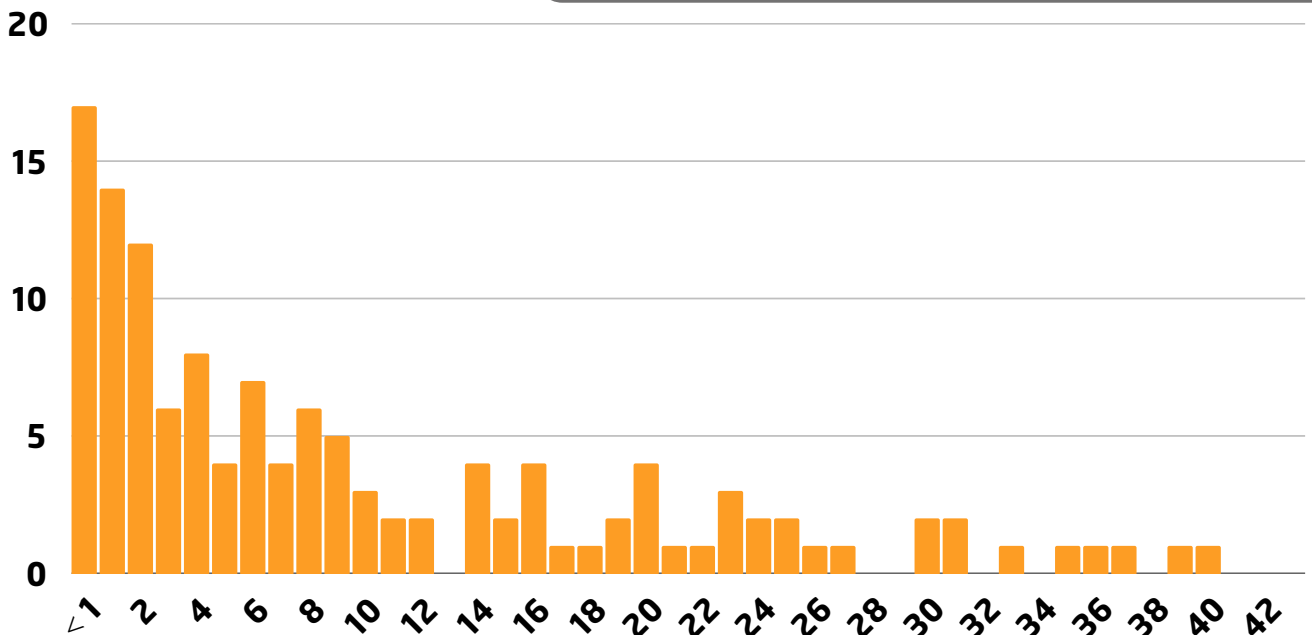
KPI	2024 ACTUAL
Average training hours per employee per year ¹	11.2 hours/employee/year

1. This is a very rough estimate. For 2024, we did not have the correct tracking systems in place to calculate this accurately, but it gives an indication of the magnitude of training. For the coming years, we will work on setting up the right systems to track and calculate this KPI accurately.

When looking at how long people have been working at the Gluecom group, we are very pleased that a lot of our staff have already been with us for more than 10 years – representing 33% of our employee base. Even more, we have some employees who have already been with us for almost 40 years. This effectively conveys the

idea that investing in our people is paying off – people remain motivated in their jobs and enthusiastic about working for the company. We are invested in keeping this KPI moving to the right by focusing on our employees and strengthening the Gluecom family.

YEARS OF SERVICE



Employee Wellbeing



People spend a lot of time in their jobs. Therefore, we are convinced it is essential that people can start their work happy and can go home happy. By fostering a supportive and positive work culture, we encourage open communication and empathy among team members. We provide flexible work arrangements to accommodate diverse needs

and to promote a healthy work-life balance. The safety of our Gluecom co-workers is our biggest priority – all employees should feel mentally and physically safe at their work. That's why we strive for a zero-accident workplace. Through regular safety training and awareness programs, we try to foster a strong safety culture amongst our employees.

KPI	2024 ACTUAL
Accident frequency rate ¹	38.9
Accident severity rate ²	0.29
Number of lost time accidents ³	7
Number of lost working days	52

1. Number of lost time accidents per 1 million hours worked

2. Number of lost days due to lost time accidents per 1000 hours worked

3. A lost time accident is any work-related injury or illness which prevents that person from doing any working day after the accident. Lost time injuries are defined as occupational accidents that result in time lost from work of one day/shift or permanent disability or a fatality.



By organizing team activities both on the local and group level, we want to foster an environment of social connections and team bonding.

In 2024, we organized the 'Tour of Flanders' – a 3-day group-wide event taking place in Belgium. During the 3-day event, a number of sports, social and cultural activities were organised – a bicycle tour, a hiking tour, a city tour and a visit to our site in Bruges.

With these events, we want to strengthen the relationships between colleagues and the organisations.

Each site also organises team activities on a local level. For example, there are dinners before Christmas and New Year's break or before the summer holidays. For 2025, we want to work on more consistently organising team activities at the local sites.



Another initiative to stimulate the Gluecom group's feelings among employees is the quarterly newsletter, which we started publishing in 2025. With this newsletter, we want to provide updates to the local teams about the group's strategy and long-term vision, as well as about local achievements and success stories.

At Gluecom, we believe that a sustainable company provides not only profit but also

purpose. That's why we want to give back to the local communities in which we operate, and we do this in different ways. One of our initiatives is working together – where possible – with sheltered workshops to create opportunities for people with disabilities.

Another initiative is supporting local charity organisations by collecting the caps of plastic bottles or organising a cake bake-and-sale.



The Gluecom Quarterly Newsletter

A New Hotmelt Hub

BRUGES GETS AN UPGRADE

Our Bruges facility has now become the main logistics hub for hotmelt distribution, with new racking systems now in place. This development strengthens our distribution capabilities and marks another step forward for the Gluecom Group.



Project Cumulus

COMPETITION WINNER



We're excited to announce the winning name for our new digital strategy: Project Cumulus. Voted for from a host of creative entries, this name perfectly symbolises unity and growth. Just like cumulus clouds that gather and expand, Project Cumulus will bring our offices and factories across Europe together under one connected, cloud-based CRM system. It represents our ambition to streamline operations, enhance collaboration, and achieve new heights of efficiency as a group.

Congratulations to Ian Higgins (pictured second from the right) from the Ace Adhesives location for submitting the winning entry, who receives a £250 voucher of his choice. Thank you to everyone who participated - your creativity and support continue to drive Gluecom forward.

In The Spotlight

AZTEC ADHESIVES

This month, we're shining a spotlight on Aztec Adhesives, part of the Gluecom Group. Based in Cheshire, UK, Aztec has been providing adhesive solutions for industrial applications since 1987. They specialise in two-part epoxy adhesives, often used for bonding and sealing metals, concrete, and masonry.

Headed-up by Ian Ward, Aztec provides us with decades of experience to support various industries and projects.

This spotlight is a chance for everyone to get to know their work a little better and understand their place within the Gluecom family.



The Aztec team meeting Xavier - from left to right: Kevin Brown, Ian Ward, Iain McNeill, Coran Millward.

Have We Missed Something?

LET US KNOW

We'd love to hear what's happening across the Gluecom Group. If you have news, achievements, or events to share, let us know – your story could feature in our next newsletter!

nathan.adcock@pafra.com

QUARTERLY NEWSLETTER - EDITION 01

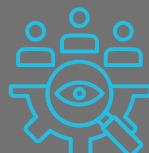
WWW.GLUECOM.EU



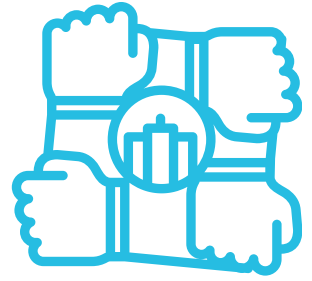
Governance



At Gluecom, we recognize that strong corporate governance provides the foundation for sustainable business success. Our governance framework is built on two essential pillars: Corporate Culture and Responsible Partnership, and Transparency. Through these pillars, we foster trust among our stakeholders, ensure ethical business practices, and create long-term value. We believe that responsible governance goes beyond compliance—it's about creating a corporate culture that supports our sustainability goals, building lasting relationships with suppliers and customers, and maintaining transparency in our financial and non-financial reporting. By implementing robust governance practices, we aim to drive sustainable growth while upholding our commitments to our employees, communities, and the environment.



Corporate Culture & Responsible Partnership



At Gluecom, we want to foster a corporate culture that is built on mutual trust between our employees, our suppliers and our clients. We realise that trust is an important factor in our way of doing business. Our strategy is focused on long-term sustainable growth, and this is visible in everything that we do – from engaging in long-term relationships with our suppliers to being a reliable producer for our clients.

Every day, we work to be our client's preferred partner as we deliver reliable and qualitative products. Gluecom prioritizes customer satisfaction and retention by consistently striving for excellence in our products and services. We continually gather feedback and insights to improve our offerings, ensuring that every interaction exceeds expectations.

Our commitment to safety and quality is unwavering. As all of our sites are ISO 9001 certified, we adhere to rigorous standards and quality control measures throughout the production process, guaranteeing the integrity and reliability of our products and services.

Furthermore, we offer a variety of hazard-free products, eliminating any risk from our customers. Clear communication with our customers is paramount at Gluecom. We provide transparent information about our products and services, promptly address any inquiries or concerns, and keep our customers informed at every stage of their journey with us. Through these efforts, we foster trust and loyalty, strengthening our relationships with our valued customers.

From a supply chain perspective, we recognize the importance of maintaining strong relationships with our suppliers and upholding high standards across our supply chain. As part of our commitment to supporting local economies, we prioritize the use of local

suppliers whenever feasible, contributing to the growth and sustainability of our communities. Additionally, we seek out suppliers who have established Corporate Social Responsibility (CSR) policies, aligning with our values of social and environmental responsibility.

As clear communication is integral to our supplier relationships, we maintain open lines of communication, fostering collaboration and ensuring mutual understanding of expectations and requirements. Based on these actions, we cultivate partnerships built on trust, integrity, and shared values.

Next to fostering a supportive and positive working environment, we want our employees to believe in the company they are working for and want to give them the opportunity to help the company grow. For a couple of years, our employees have had the opportunity to buy corporate bonds of the company with an attractive return. By these means, we want our employees to be invested in the company and be an enabler for long-term sustainable growth.

In line with Gluecom's long-term strategy, Louis Piette became co-owner in 2022, next to Xavier Desimpel, to co-lead the company. This co-ownership ensures that the company is carried by two people and, hence, is more robust against possible shocks in the leadership. The combination of a more experienced mind and a young entrepreneurial mind provides the company with a profound basis for long-term sustainable growth.

Additionally, all the Gluecom manufacturing sites are owned by the group. This is a clear strategic decision, making sure that the company is better able to cope with more difficult times by having lower fixed costs. Additionally, this strategy provides us the opportunity to invest optimally in all our sites.

Transparency



We are working on our transparency both financially and non-financially. Every month, an overview of the group’s sales results is shared with the managerial level. With this initiative, we want the local teams to be more aware of their performance and of the expectations for the coming months. This enables the sites to proactively adjust where necessary. Additionally, since 2014, we have been making internal consolidated statements, and we published our consolidated accounts for the first time in 2024.

Through our business, we not only create added value for our company but also create value across the entire value chain. We maintain close cooperation with our suppliers and customers and focus on creating innovation in the industry. As an employer, we create jobs, and we generate purchasing power through wages and salaries. By paying taxes and levies, we help to finance communities and support public infrastructure.

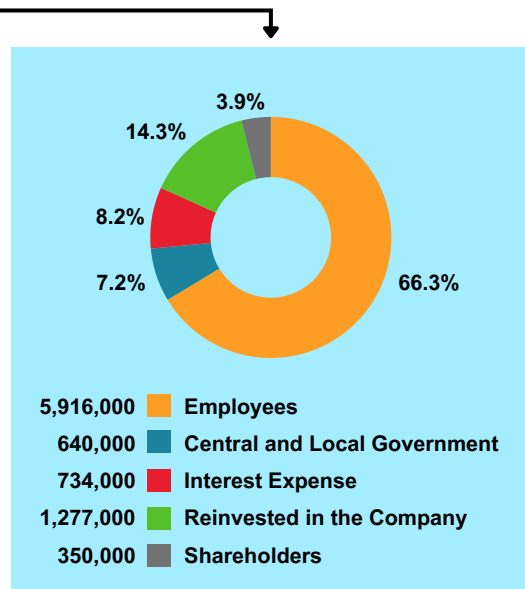
With this added value overview, we want to be transparent about where the added value flows to.

For this year, the added value statement is based on figures from 2023, as we don’t yet have the 2024 consolidated figures available. We will work on having our financial consolidation available earlier so we can include the figures from the corresponding year from next year onwards.

The added value statement indicates that most of Gluecom’s generated sales flow back into the global economy. The largest share of the added value – 67% – went to our employees in the form of salary and other benefits. Central and local governments received 7% in the form of tax revenues, and 8% went to interest expenses. 4% of the added value was distributed as dividends to our shareholders. The remaining added value remains in the company and is available for investments in future growth.

INCOMING	FIGURE (€)
Sales	48,373,000
Other Income	933,000

OUTGOING	FIGURE (€)
Depreciation	1,279,000
Cost of Materials	32,306,000
Other Expenses	6,803,000
Value Added	8,918,000





We believe sustainability is an important guiding principle for doing business, and therefore, we want to be transparent about what we currently do and where we can improve. This sustainability report forms the basis for our sustainability efforts.

Additionally, we regularly undergo an EcoVadis assessment. EcoVadis evaluates companies in terms of four categories: environment, labor and human rights, ethics and sustainable procurement.

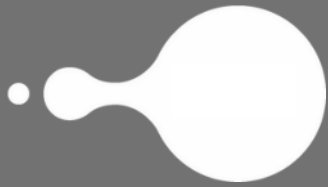


Our recent achievement of the Bronze medal from EcoVadis underscores our dedication to corporate sustainability, and highlights the significant steps we are taking towards a greener future.

This recognition places Gluecom amongst the top 35% of companies assessed by Ecovadis, reflecting our efforts in implementing sustainable practices across our operations. It signifies that we are meeting high standards in environmental stewardship, ethical practices, and social responsibility.

Our largest site in Basildon has an ISO 14001 certification for its Environmental Management Systems. This site represents 24% of the total working hours, 15% of the total energy consumption and 30% of the total produced volume. This certification shows our commitment to embedding sustainable practices in our day-to-day operations. To date, this is the only Gluecom site with this certificate. However, in the coming years, we want to investigate further how our other sites can achieve this certification. Our ambition is for all of our sites to carry this certificate by 2030.

KPI	2024 ACTUALS	2030 TARGET
Locations Covered by ISO 14001-Certified Environmental Management System	1	All sites
Working Hours from Locations Covered by ISO 14001-Certified Environmental Management System	24%	100%
Energy Consumption from Locations Covered by ISO 14001-Certified Environmental Management System	15%	100%



Looking to Our Future



Sustainability is not just a goal at Gluecom – it's an integral component of our overall business strategy. By focusing on reducing our environmental impact, supporting our customers in their sustainability efforts, and leading the change in creating eco-friendly adhesive solutions, we are committed to making a tangible difference.

We believe that through collaboration and innovation, we can collectively work towards a more sustainable future. Together, we can drive positive change, ensuring that sustainability remains at the core of everything we do.



To learn more about the Gluecom Group and to find information on our product range, please visit:

www.gluecom.eu

UK & Ireland

ACE ADHESIVES LTD

Shenstone Drive
Northgate, Aldridge
WS9 8TP
UNITED KINGDOM
T +44 1922 459393
sales@aceadhesives.co.uk
www.aceadhesives.co.uk

PAFRA ADHESIVES LTD

Pafra House Bentalls
Basildon, Essex
SS14 3BU
UNITED KINGDOM
T +44 1268 290610
sales@pafra.com
www.pafra.com

World & Benelux

DEMCOPACK DAVIS

Waterstraat 6
9160 Lokeren
BELGIUM
T +32 9 340 47 60
sales@demcopack.com
www.gluecom.eu

MERCKX

Pathoekeweg 122
8000 Brugge
BELGIUM
T +32 5 045 84 80
sales@merckx.be
www.gluecom.eu

France & North Africa

LABORD

ZI Chemin des 50 Arpents
91180 St.-Germin-Lés-Arpajon
FRANCE
T +33 160 85 52 00
sercom@labord.com
www.gluecom.eu

Poland

DEMCOPACK POLSKA

Mieczysława Pozaryskiego 32
04-703 Warszawa
POLAND
T +48 222 99 86 60
info.pl@demcopack.com
www.gluecom.eu

Germany

GLUECOM DEUTSCHLAND

Mühlackerstrasse 77 75417
Mühlacker-Lomersheim
DEUTSCHLAND T +49 7041
8166278
verkauf@gluecom.eu
www.gluecom.eu

