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#### Dear Reader,

More than 50 years ago, when I began to research the production of paints from plant-based raw materials, it was my intention to develop a sustainable chemistry of the future. Turning away from fossil based chemistry, and toward renewable materials - at that time, sounded outrageous to many and for some almost scandalous!

No one had any idea then that this modest source could one day become a broad industrial feedstock. What we understand by sustainability today was already in its infancy back then. AURO has consistently implemented sustainable methods from the day it was founded. The great respect for the AURO brand all over the world is certainly the result of this authentic continuity over many decades.

Paints and coating materials correspond directly with our senses. It is believed that their visual, haptic and olfactory effects directly determine whether we feel comfortable in a room. For this reason, sustainability at AURO has always included not only a strict ecological focus, but also a continued increase in the technical performance, aesthetic quality and regard for health of the products. For us, paints are a technical material, but they are also a sensual medium and a cultural asset at the same time!

As the founder of the company, I am pleased and grateful that AURO has developed from an early ecological start-up to a successful, internationally renowned company. The current sustainability report documents not only the diversity of raw materials and products, but also AURO's comprehensive commitment to the environment - supported by people for whom consistent ecological action, 'walking the talk' is a matter close to their hearts.

Yours sincerely, Dr. Hermann Fischer







# Our program for HUMAN & NATURE

#### 40 years of sustainability in practice

Colours influence our mood and well-being. But not only that we live at a time when ecologically produced and sustainable products are becoming increasingly important, even vital and healthy living has become an integral part of our lives. As a manufacturer of natural paints, we are committed to preserving and promoting the health of people and nature.

For 40 years now, we have focused on the development and production of natural paints, varnishes, glazes, oils, waxes and cleaning agents all made from plant-based and mineral sources. We have pioneered the concept of "green chemistry" developed by AURO founder and chemist Dr. Hermann Fischer, which dispenses entirely with petroleum and instead works with sustainable raw materials. AURO natural paints are characterized by their natural look and feel, harmonious colour effects, and authenticity created by the use of natural raw materials.

With a unique combination of quality and ecology, AURO has become the market leader in natural paints and is now represented in almost 30 countries worldwide.



#### Raw material in harmony with nature

A healthy natural world is indispensable for humankind. AURO products are based on diverse, plant substances that can be renewed again and again and are thus part of the biodiversity.





All the raw materials that we use can be returned to nature's materials cycle after processing because after drying they are compostable. We have designed our manufacturing processes to be as gentle as possible. Many of the raw materials actually come from controlled organic cultivation. Wherever it is economically and practically possible, AURO also influences the social and environmental conditions of the raw material extraction where biodiversity is preserved, resources are conserved and used sustainably. We also strive for long-term partnerships with our suppliers and farmers and, thereby, help to ensure their own economic stability.

Nature conservation and sustainability are not just abstract concepts for us, they are fundamental to everything we do. In addition, we have been working closely with NABU Naturschutzbund Deutschland e.V. for more than 35 years and we support numerous nature conservation projects.

#### Climate friendly production

We use resources in a holistic and ecological way. Our production facilities operate on 100% green electricity, which we supplement with a photovoltaic system on the company roof. Our own solar thermal system is used for additional heat generation. We collect rainwater in a processing plant and use it for cleaning purposes in our production. After processing, it is of good enough quality to returned to the water cycle for reuse.

We also focus on sustainability when it comes to packaging and shipping so we use recycled ocean plastic for our paint buckets. We only use cardboard packaging for shipping and transporation to partners and customers is 'climate neutral'.

#### Permanent research for best possible products

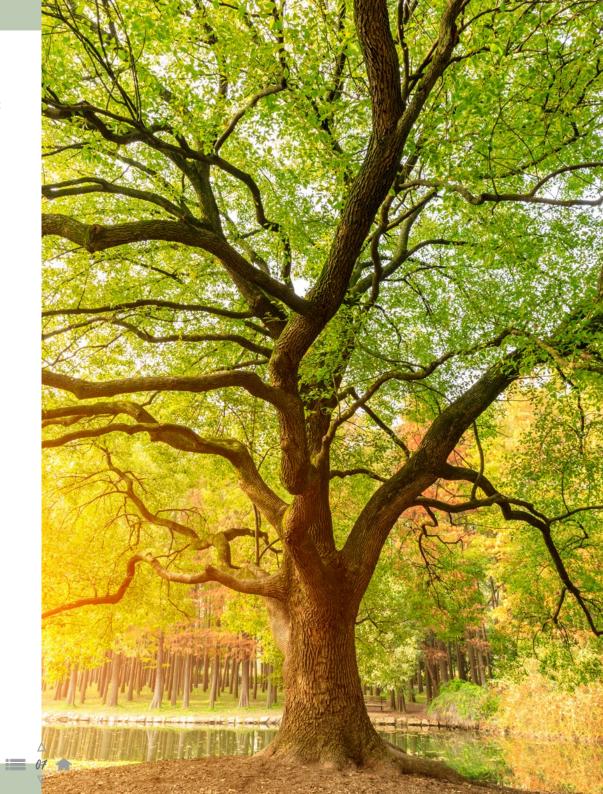
We conduct intensive research into how we can further advance both product development and energy generation from renewable sources because we are a manufacturer working in harmony with nature harnessing both sustainable action and corporate success. Part of our ongoing optimization efforts involves constantly supplementing or replacing our raw materials with those that have an even better ecological or social profile. A milestone regarding this was the development of the innovative, biogenic binder Replebin<sup>®</sup>. It consists of plant alcohol esters with organic acids and is only available from AURO.

Research successes, such as the 100% self-developed biogenic binder Replebin®, enable us to produce even better sustainable paints. AURO paints create a healthy indoor climate, they are low-emission and breathable. Our "classics" - wall and ceiling paints or the professional clay paints - can be tinted in almost 800 colour shades with our COLOURS FOR LIFE system, with colourants from consistently mineral sources. With the range of purely mineral, environmentally friendly high-grade lime paint, plasters, fillers and coloured paints, AURO also tackles the issue of mould. The high-grade lime paints are based on hydrated lime and do not contain any synthetic substances. Due to the high pH value, they are alkaline and do not give mould a chance.

The extraordinary paints from the Ecolith professional system are completely free of microplastics and other environmentally harmful ingredients: The biological colours are unique on the market and enormously powerful thanks to the graphene technology used. This gives the coatings significantly increased adhesion, durability and flexibility.

#### Organic growth

As a commercial business, AURO strives to grow continuously but we understand that economic growth must be in harmony with the environment by renewing nature and the people with whom we work.





# Sustainability and GROWTH



How are the questions of the future being solved at AMRO? Why economy and ecology are important and good for business at the same time.

### AURO celebrates its 40<sup>th</sup> anniversary in 2023, which milestones are of particular importance?

Milestones often have their very special meaning and there are numerous highlights in the company's history. Picking out individual ones can distort the picture a little and for this reason, I prefer to take a comprehensive view. The wide spectrum of outstanding events for AURO range from special awards, such as numerous environmental prizes, to the development of an extensive product range free of harmful chemicals to the sustainable setting of aesthetic trends. Exemplary are the special colour effect of using natural pigments and, the groundbreaking new product developments and their core building blocks, such as our in-house proprietary binder Replebin® and the systems based on it.



### A company that reconciles man and nature, business and ecology, is deeply rooted in AURO's history. How does this work?

Our understanding of a sustainable company does not mean being exclusively profit-oriented, but also attaching importance to enabling a high quality of life for current and future generations. Balancing this always requires critical self-reflection at the corporate level. We live this every day and that is exactly why the AURO brand stands for responsible and environmentally friendly corporate success.



#### AURO is a stock corporation. How can this approach be reconciled with the owners?

Perfectly! Even as a stock corporation, we are still a family business. Our shareholders not only like this mentality, but also share it without limitations.

## Is the connection between people and nature something that strengthens and develops in the markets? What is the biggest challenge in the market?

Certainly, there is a growing awareness among consumers for environmentally friendly products and also for ecological paints. We are, of course, pleased about it. At the same time, however, this development also gives rise to numerous greenwashers who simply attribute sustainability to their products, mostly based on human compatibility. This is of course nonsense - a sustainable product consists of biomass and not "well-tolerated" liquid plastic.

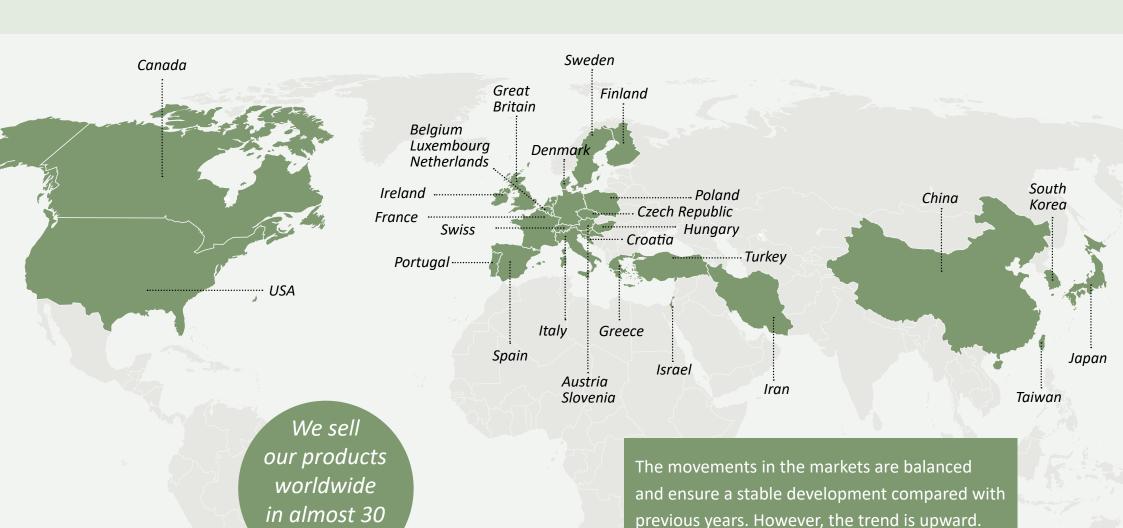
#### What are AURO's biggest areas of investment and innovation for the future?

We are a forward-looking company and invest a great deal in our future and competitiveness. For this reason, development, renewal and expansion are fundamental in all areas of the company. From raw materials to production, from research and development to human resources, and from additions to the product range to social and environmental commitment. At present, our current focal paints are the future orientation of our production on the

one hand and, research in several internationally funded research and development projects as a basis for future product innovations on the other.



# Present in the following countries: AURO WORLDWIDE

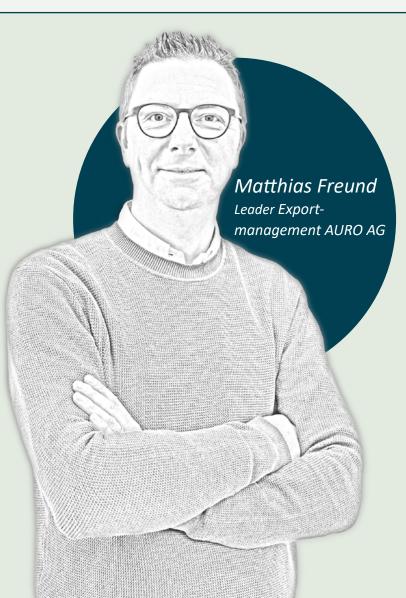


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countries

# AMRO in markets: INTERNATIONAL





The worldwide desire for consistently natural paints and why interest in them is steadily growing.

#### In which parts of the world does AURO operate?

We are currently working with customers in Europe, Asia and North America. In total, we are represented or are active ourselves in almost 30 countries. We are constantly working to expand our global customer base.

#### What is important in the marketing of the products in the countries?

When marketing in the target countries, we attach particular importance to ensuring that our reliable and progressive partners on site are familiar with our colours and our finishes as well as the local market. Above all, however, it is important that the uniqueness of AURO and its products is understood and conveyed in all the markets in which we trade.

#### What does the company want to achieve by exporting its products?

Our missions is to make ecological paints available to as many people as possible. We started this campaign 40 years ago and we now see that the desire to buy consistent, environmentally friendly products is increasing worldwide.

#### What arguments are used to sell in the export markets?

The interest in consistent natural paints is growing steadily worldwide. Due to species extinction and climate change many people are realizing that things like biodiversity and the responsible use of existing resources are important. This is what AURO cares about and why the company was formed. By using biogenic raw materials and the possibility of returning product residues to the



natural raw material cycle, we are helping to promote global biodiversity. Through this and the high technical quality of our products, we offer a genuine alternative to conventional, petroleum-based products. Many people have recognized this and are increasingly actively asking for plastic free products.

#### To what extent does sustainability play a role in global shipping?

We pay special attention to the most intelligent shipping methods, for example, avoiding air freight as far as possible and to always choose the most ecological shipping route. Our common goal, together with our distribution partners, is to pack and dispatch shipments as efficiently as possible in bulk, so that unnecessary small consignments and transports are avoided. When packaging our products, we pay attention to plastic-free packaging materials. For example, we use wooden crates, wooden pallets, cardboard boxes or crimped packing paper instead of plastic pallets andboxes, foils or artificial filling chips.

#### Is there cross-cultural collaboration?

Regular visits or virtual meetings offer a very good opportunity to exchange ideas with our foreign partners. This is important for all of us to stay in touch with news and developments, but above all, it offers the possibility to get to know different cultures. We want to learn and teach what we have learned. Through this intercultural exchange we want to contribute to diversity and friendly networking of the world. We are always looking for new partners abroad to further pursue this goal.

"Through the high technical quality of our products, we offer a genuine alternative to conventional, petroleumbased products."





#### Our unique

SUSTAINABILITY PRINCIPLE



Our products are strictly ecological, just like all our entrepreneurial activities since the company was founded in 1983. We have been following the principles of sustainability; so renewability, biodegradability and social aspects.





#### Sustainable management

Only a company that consistently invests in sustainable product, social and personnel-related corporate responsibility can be economically successful.



An important aspect of our understanding of sustainability is our long-standing commitment to social projects and sponsorships. The focus of these commitments is on the support and contributions of man and nature.





### Plant and mineral raw materials

For our paints, varnishes, glazes, oils, waxes, cleaning and care products, we only use substances that originate from biological sources. The products can be returned to nature's material cycle without any problems.



For our paints and plasters, we use containers made of recycled plastics from ocean plastic, therefore reducing the burden of plastics in the oceans. The tin plate used for paints, oils and glazes has a very high recycling rate, thus reducing the use of resources and saving CO<sub>2</sub>.





#### Climate friendly production

Renewable energy plays a role in climate-friendly processes. The power supply in the company consists exclusively of green electricity. The company is constantly reviewed for its economic efficiency and identified energy efficiency measures are initiated.

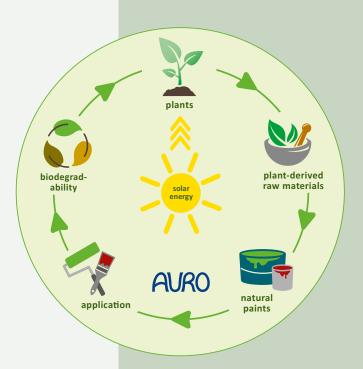


#### Pioneering Research & Development

With a unique concept and our know-how of many years for the best ingredients we combine technology, quality and environmental science. This makes our products powerful and exceptional.

## We are part of the BIODIVERSITY

Since the foundation of the company, sustainable action has been the fundamental part of corporate culture at AURO. Our mission is to preserve and promote the health of people and nature. To achieve this, we draw from a cosmos of diverse, ever-renewable plant substances. This means that our products are part of the earth's biodiversity. For the production of our comprehensive range, we rely on oils, resins, waxes and pigments from nature. The raw materials, which originate from plant and mineral sources, can be returned to nature's cycle of materials after processing.





#### The diversity of plants: Our motivation

Future "green chemistry" is dependent on intact, rich biodiversity. Any impoverishment of the animal and plant world limits it. After all, plants offer an immeasurable wealth of raw materials, which are completely biodegradable. This is because each individual plant represents a highly efficient chemical factory that produces its products completely waste-free.

## Raw materials are our basis FROM NATURE

In our entire product range, we give preference to basic materials of biogenic origin. We make sure that our substances are biodegradable and are obtained and processed as gently as possible. It is only through the modification of basic substances from nature, in combination with our technical knowledge and skills, that we develop high-quality, modern and high-performance products.

As a measure of the degree of modification, the following examples show a comparison to food products that characterizes the deviation from the natural origin. While wild fruits or salt, unprocessed, represent the purest form of a natural substance, processed flour is already slightly modified by the baking process, and saccharin, as a fully synthetic sweetener, represents the end of the comparison.









 $lime \triangleq salt$ 

mineral materials





renewable natural materials





processed natural materials

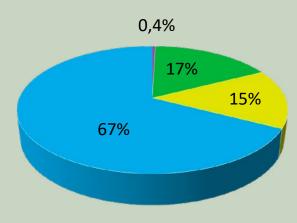




synthetic materials



## Distribution of basic materials in the product range



Rounded values

### Evidence of the substances

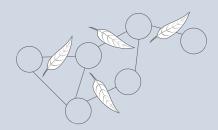
Before we select a new raw material for a product series, we intensively research the properties of the material, but also of the plant. We specifically coordinate the compositions of the ingredients - effective, high-quality and innovative.





#### Research & Development

Quality and performance - these are the basic characteristics that our products must have. In addition, they can also be aesthetically, care and cleaning, and have a pleasant feel. To achieve this, we have many specialists working on research and development.



## Progress - nature and technology OUR QUALITY



We research with knowledge and enthusiasm - because technology, quality and the environment are our top priorities. This drive gives rise to unique products. Our wall paints, varnishes, glazes, oils or waxes, care and cleaning products are more than just "green" products. Each item incorporates many years of scientific and plant chemistry expertise, a level of quality that goes far beyond a good living experience.

Research and development is of decisive importance. Therefore, we have comprehensively expanded our personnel in this area over the past few years.



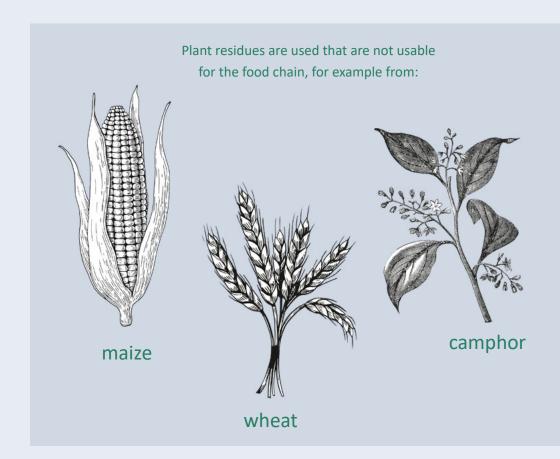


# The future with renewable RAW MATERIALS

#### Our strength lies in the plant

AURO develops products in an integrative way - by combining plant-chemical knowledge from decades of experience and the latest scientific research methods. This expertise was used in 2015 to create the biogenic binder Replebin®, which consists of plant alcohol esters with organic acids. The raw materials required for this come, for example, from the residues of corn and wheat that cannot be used in the food chain. The starch still present in these ingredients is the basis for our raw materials for Replebin® production. In almost all AURO paints and plasters the modern binder is used and guarantees excellent quality and sustainability of the products.





## Ecological tinting system COLOURS FOR LIFE

#### Pure mineral pigments

AURO was the first paint manufacturer to succeed in developing a machine tinting system for wall paints, varnishes and glazes with consistently environmentally friendly pigment pastes. With the pigments from mineral spinels, a new colour spectrum was made possible for the first time. The shades of violet, yellow, blue, orange and green now make many other nuances possible. Only red is left out of the range, as there is not yet an alternative mineral pigment for colour production. As before, pigments made from iron oxides, English red and Persian red are used. With the biogenic binder Replebin®, which we developed ourselves and which has its origin in plant starch, we can now produce even better natural paints.



#### Almost 800 natural colour shades

Whether as a luminous full shade, lightened with white or only lightly coloured as off-white, in the COLOURS FOR LIFE colour fan we show almost 800 colour shades. The ecological variety of colours is very popular among retailers and customers. The original spreads with their authentic and natural appearance are incomparable. The colour shades are simply tangibly alive.



#### COLOURS FOR LIFE

The professional system



Because of the use of Replebin®, COLOURS FOR LIFE coatings are low-emission, permanently white and naturally consistently sustainable. The AgBB-compliant paint can be applied on all common substrates by roller, brush or spray.



# The future in RESEARCH



### We manufacture our products according to the latest technical and environmental standards.

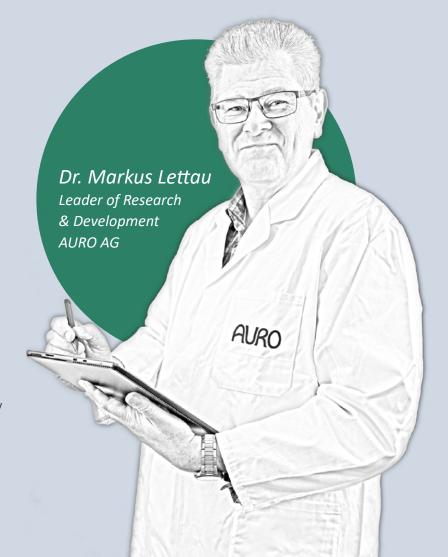
## What raw materials are used in paint production and how do they differ from manufacturers of conventional paints?

Most of our paints are water-based. For this reason, water which AURO obtains from the nearby Harz region with its deposits of particularly soft water, is an important basic raw material. Moreover, we use mineral fillers and pigments for colouration and the covering power of the paints. The binder, the core component and backbone of a paint, is produced in-house at AURO, and the raw materials required for it come from the remains of corn and wheat plants that cannot be used in the food chain. The starch still present in these is the basis for our raw materials for Replebin® production. The additives needed to adjust the functionality of AURO products are obtained from renewable raw materials such as rapeseed or castor

oil. In particular, the provenance of these key raw materials are the differences to the conventional paints, where these are petrochemically based!

### Are there any other renewable raw materials that are needed for paint production?

Classic natural substances, such as linseed oil or stand oils are used in AURO oil products for floor and/or furniture care. In addition to oils, AURO also uses a wide range of fats in its own soap production, which in turn is the basis for many of our cleaning products. Thus, controlled biologically cultivated fats are used like linseed oil, rapeseed oil or castor oil.





#### How are raw materials extracted from plants?

The processes can be very different. Oils and fats are obtained by simply squeezing the fruiting bodies, waxes by tapping them off the leaf surface of the plants. Alcohol or acetic acid are obtained by fermenting sugar, as it is done in beer or wine production. Ultimately, there are no limits to the "chemical" technology here. At AURO, we also rely on gentle processes and gentle chemistry, and we leave the raw materials in their natural form as far as possible.

### To what extent are mineral substances and products from the petrochemical industry used?

In the area of mineral raw materials, these are fillers, such as calcium carbonate or kaolin, but also pigments, which at AURO are also of purely mineral origin. With the COLOURS FOR LIFE tinting system, we offer the only ecological tinting system on the market, which uses mineral pigments only. Petrochemicals play a very minor role in our production processes. We refrain from using them as far as possible and only use them where we are legally obliged to do so, in particular for the preservation of the paints. They have only a very small share in the formulation, with bio-based and mineral raw materials making up the largest part. The incentive in research & development is to find a bio-based counterpart for petrochemical raw materials used in classic paint and coatings production and to implement it into the AURO formulations.

### Where do you see potential for development in the area of sustainable paints?

In 2010, AURO decided to develop the core component of a paint, the binder, itself and to manufacture this in its own production plant. In the recent past, we have already been involved in projects on how to expand the pool of raw materials for binder production. The focus here is on modifying the in-house binder in order to extend its properties to new areas of application. We believe that external research should strive to increasingly produce other components of paint formulations from biomass.

### Why do the newly developed COLOURS FOR LIFE varnishes and stains have such good properties?

Technologies have come a long way in recent years and biobased binders and paints no longer have to hide behind conventional petrochemical products. In addition to the ecological aspects, they are also often technologically superior, as many natural substances also have special properties. Nature often protects itself and has perfected many protective mechanisms in the course of evolution.

#### Which research projects are currently being pursued?

We are dealing with many technical issues in order to further advance the use of bio-based paints. This can be an approach to develop new types of flame-retardant paints or to develop systems that, through suitable technologies, can do without synthetic preservatives in the future. In these projects we cooperate with renowned research institutes and this year we even started a project that falls under European funding (Horizon 2020). In this project, we are working in an interdisciplinary way with researchers and universities in Finland, Sweden, Latvia and Germany.

#### **Current research projects**

#### Horizon 2020, Wood For Health

The overall objective is to develop coatings with antimicrobial properties based on natural substances. A hospital serves as a model, in which wooden surfaces are to be installed that are antimicrobially equipped with coating materials. www.woodforhealth.eu

#### biofalR

The aim is to replace synthetic biocides in facade paints with biobased latent heat storages.





# We provide TRANSPARENCY

#### Full declaration

Usual for us, unusual for most manufacturers: The full declaration of all ingredients. As a genuine manufacturer of natural paints, we declare our ingredients comprehensibly and to the fullest extent for the consumer on the product label and on the website. The complete declaration of the ingredients is what AURO does and amplifies the high quality of AURO products and the natural raw materials used, which are carefully selected.





#### Commodity science

Knowing what's inside? In the jungle of greenwashing, we give our customers orientation. In the AURO raw materials guide, all the raw materials we use for paints, care and cleaning products are explained in detail. The meaning, the country of origin and the use in the product are listed without gaps. We believe: More transparency is not possible.







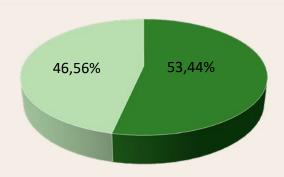
# Our energy management AT THE HEADQUARTERS

We use 100% green electricity. Since 1999, we have been working in a climate-friendly manner in the administration and production processes of our headquarters. The electrical energy used comes from renewable sources, obtained from onshore wind power. Supplemented by the photovoltaic system on the company roof, we are thus guaranteed to work green. From July 2023, further 148 modules will generate a total output of 62.9 kWp. The projected CO<sub>2</sub>-reduction amounts to 36,000 kg/year. An additional solar thermal system is used to generate heat.





#### Green electricity guaranteed





EEG

Other renewable energies

**Electricity labeling 2021** 

#### **Environmental influences**

CO<sub>2</sub>-Emissions (g/kWh): 0 | Radioactiv waste (g/kWh): 0

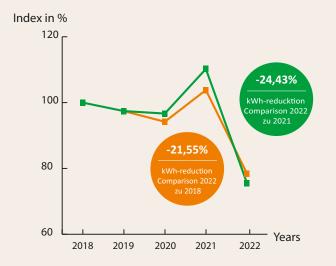
The generation of electricity has an impact on the environment. Shown is the amount of  $\mathrm{CO}_2$  emitted per kWh and the amount of radioactive waste produced per kWh. Biomass is  $\mathrm{CO}_2$  neutral because the amount released during combustion is the same as the amount previously removed from the atmosphere. Source: Scholt Energy Control GmbH.

### Efficient and

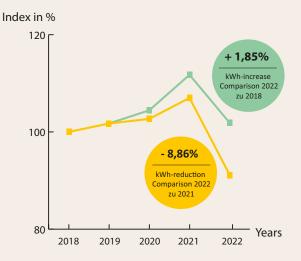
#### **ENVIRONMENTALLY FRIENDLY**

#### Decreasing gas consumption and green electricity

Reducing energy consumption is an important contribution to climate protection. The new gas heating system installed in 2022 consumes around 20% less than the old heating system. We have thus succeeded in further reducing CO<sub>2</sub> emissions. The savings of gas and electricity are shown in the following tables.



Gas consumption: savings in percent



**Electricity consumption: savings in percent** 





#### Compostable paint residues

Each year, we filter around 8,640 kg of solids from our production wastewater, which can, of course, be returned to the natural material cycle without hesitation. The dried production residues from the vessels are first dissolved with AURO stripping paste and then cleaned with rainwater from our cistern. The filtered suspended solids are dried and the purified water is discharged into the public sewer system. The dried paint residues can be returned to the natural cycle, as it is biomass and can be used for fertilization.



# Paint buckets with recycled OCEAN PLASTIC

We have changed over. Since mid-2022, our paint buckets have been made from recycled plastic collected from the sea.

#### Recycled plastic

The recyclate is obtained from reused sources in the maritime industry, such as used fishing nets, trawls and ropes. A further PCR fraction comes from household recycling collection such as yellow sacks/yellow garbage cans. The containers can be recycled again.

#### Less PET plastic

Only the lid and handle are made of white primary plastic, which is absolutely necessary for the stability of the container. The new plastic used can be completely recycled.

#### Relief for the oceans

With our paint buckets made from recycled ocean plastic we are relieving the oceans and making a contribution to put plastic waste to good use.





We save about 45%  $C\theta_2$  per container by using ocean plastic.

# Metal containers, paper and glass UNLIMITED RECYCLABLE

Metal and paper packaging reliably protects the goods from external influences during transport and storage.



#### Metal containers

Our metal containers must be impermeable to light, gases, liquids and solvents for the paints, oils, care and cleaning products. In addition, tinplate is particularly environmentally friendly due to its high recycling rate. Like glass, metal is a permanent material. It can simply be melted down and reshaped again and again without any loss of quality. In this way, a new metal raw material is constantly being created for production, entirely in the spirit of a circular economy.

#### Paper packaging and glass

Sustainable packaging such as paper, cardboard and bags are often the best choice. The most important raw material, wood fibres, is a renewable resource and also the most recycled of all packaging materials. Glass is 100% recyclable and can be reused an infinite number of times without any loss of quality. This makes it a sustainable material and waste glass a valuable raw material.





# Climate-friendly: Savings IN PRODUCTION

Implement, reduce and equalize sustainability measures in the company.

The responsible use of resources is part of our corporate culture.

#### Rainwater harvesting

At AURO, rainwater is collected in a water treatment system and cleverly used in a targeted manner. The water can be returned to the local water cycle in good quality after processing. Even the vessels in our paint production are rubbed with a stripping paste made from wheat bran after use, before they go into the washing line, and then cleaned with treated rainwater.

#### Energy-efficient lighting

In the production and warehouse locations, we use LED lighting using the latest technology. Besides the lower power consumption, the longer service life of the lamps and the resulting reduction in maintenance work are significant advantages.

#### Continuous improvements

Optimization in the production processes and improvements for the employees are continuous activities and a never-ending striving for perfection in everything we do. Harmonious processes are created and optimal responses are made to the various challenges. For example, our raw material storage and the production department are placed close together to reduce the energy requirement per kg of finished product.







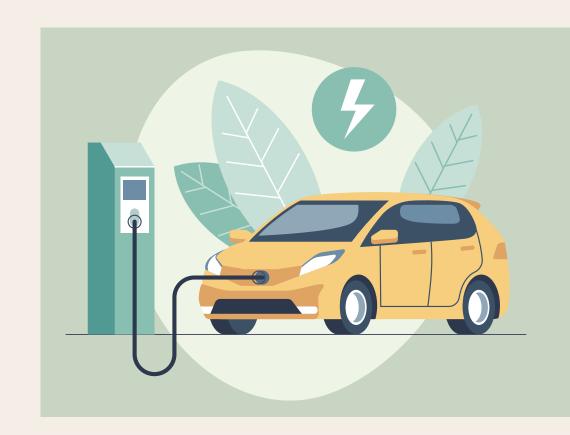
# Even more sustainable in the future: MODERNIZATION

#### Modernized passenger car fleet

The passenger car fleet is continuously modernized to keep emissions as low as possible. We are focusing on fuel-efficient variants in the respective vehicle classes. The cars with combustion engines are gradually being replaced by electric cars. Besides, a charging facility with two charging stations and a total of four charging points will be added from the middle of this year.

#### New production building in 2023

A new production building with most modern equipment has been under construction since 2023. The new solutions ensure that products are manufactured as efficiently as possible. This will lead to a significant increase in production output and reduce the workload of the employees in the manufacturing process.



## Sustainable shipping CARDBOARD BOXES

#### Environmentally friendly packaging

Cartons are made of corrugated or solid board with varying percentages of kraft paper and recycled paper. We use only cardboard boxes for our product shipments. The raw material for the production of cardboard is wood and is therefore

one of the most sustainable and renewable resources in the packaging sector. In addition, together with DPD, we support the climate protection with every order by offsetting the emissions generated during transport.





### Efficient paper cushioning machine

Even better for the environment. Cushioning, fixing or wrapping, the paper cushioning machine newly purchased in 2022 uses less material and now forms single-ply, rather than double-ply, paper into cushions that are used to protect our products during transport. Due to the lower paper consumption, we save another 25% with the new machine.



Material consumption paper cushing machine

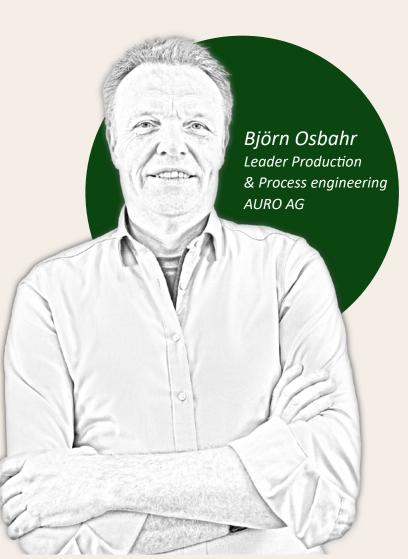




New machine

## Climate-friendly AURO-PRODUCTION





Björn Osbahr tells us how great the influence of ecological products in manufacturing is on environmental protection.

You have been with the company as Production and Process Engineering Manager since February 2022. What are your responsibilities?

I am responsible for the production area. My responsibilities include the production of AURO products and the labelling of the sales containers: the planning, control and inspection of manufacturing processes and quality assurance. One of the main tasks is to further improve the interlocking of the individual departments. We are greatly assisted in this by the ERP system introduced two years ago, in which we map the processes from raw material procurement to shipping.

#### How sustainable is the supply chain at AURO?

Our supply chain is socially and ecologically compatible. Wherever it is economically and practically possible, the company exerts influence on the specific social and ecological conditions of the origin. One example of this is the raw material achiote. Since AURO raw materials also come from exotic growing areas, we ask our suppliers to provide declarations on social standards - based on the core standards of the International Labour Organization (ILO). These include the renunciation of child labour, living wages, humane working conditions as well as freedom of association and free collective bargaining.

#### Is there a current project?

Yes, in August of this year we plan to start with a modern production plant for the manufacture of our wall paints and bases. For this purpose, a new building with a floor area of 400 m² is currently being constructed on the existing company premises. A special feature is the photovoltaic system on the roof of the hall with almost 63 kWp. In the future, this solar system will supply part of the energy required for the production of our wall paints.

#### What are the advantages of the new production plant?

The aim is to further increase the quality of our products and at the same time become even more efficient. For example, the energy requirement per kg of finished product will be reduced around 20% and the warehouse for raw materials will be brought close to production. In addition, there is a noticeable reduction in the workload of the employees. The new production plant has been designed in such a way that dust generation in the work area is eliminated as far as possible and noise pollution is reduced.

"The aim is to further increase the quality of our products and at the same time become even more efficient."









### NABU and AURO

#### **UNITED FOR LIFE**

#### For people and nature

This is the common motto and has united the German Nature and Biodiversity Conservation Union (NABU) and AURO for 38 years. For over a hundred years, NABU has been working for people and nature with convincing commitment, expertise and has a total of around 875,000 members. As a pioneer in the field of ecological natural paints, AURO is also committed to environmental protection and nature conservation. The protection of species, the preservation of forests and other ecosystems are close to our hearts. By supporting various projects, we set a sign that environmentally friendly products and sustainable production processes alone are not enough. It is even more important to be actively involved in as many environmental issues as possible.





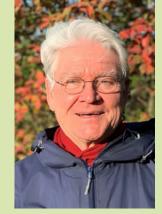


#### The Board of Trustees

Dr. Hermann Fischer has been closely associated with NABU for a long time; for many years he was an honorary member of the NABU executive committee. The founder of AURO has been a member of the Board of Trustees since 2019 and supports it in its efforts to engage in dialog with other social groups on environmental policy goals and strategies.

<u>Learn more</u>





Dr. Hermann Fischer, AURO founder, belongs to the board of trustees.

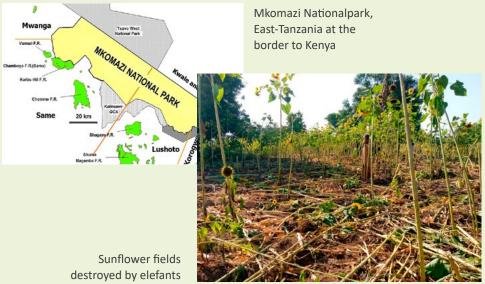


### Human-wildlife coexistence

### NABU-AURO EXCLUSIVE

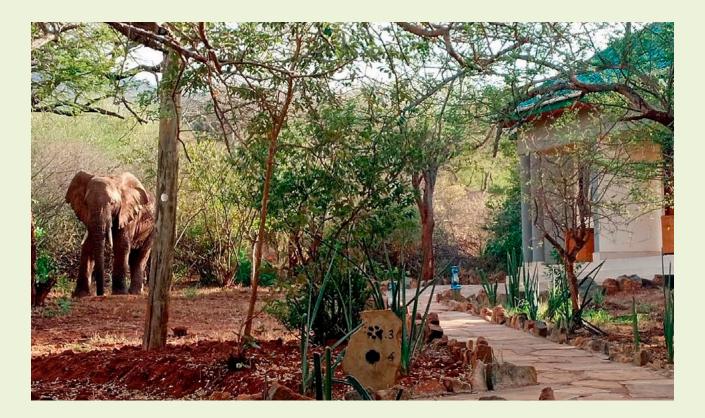
#### Elephant conservation in Tanzania

International projects primarily include those that involve local people and contribute to sustainable development. AURO exclusively supports the work of the NABU International Nature Conservation Foundation. Human-wildlife conflicts should be minimized in the vicinity of Mkomazi National Park in Tanzania. There, humans and elephants have lived together for centuries. However, as more and more land is used for agriculture, the population increases and the ancestral habitats of humans and animals are becoming smaller, conflicts are inevitable.









#### From conflict to coexistence

Elephants often leave the Mkomazi National Park at night to the nearby shambas in search of water and food, destroying people's homes and gardens. To reduce conflicts with elephants, the local people are involved. The TANZANIAN ELEPHANT FOUNDATION advocates a gentle approach to elephants. To ensure that crops are protected from the pachyderms, beehive fences are built. Elephants are afraid of bees because they can inflict painful stings on them. The fences, made of wire, are connected to beehives. If an elephant tries to enter a garden or field, the wire sets a whole row of beehives in motion. The alarmed bees fly out and deter the animals.







Beehive fences keep elephants from entering villages

#### NABU measures:

- · Attaching transmitters to the migrating elephants, so that migration routes have to be kept clear
- Establishment of an early warning system for local communities and the national park
- Installation of beehive fences
- Training local Village Game Scouts village wildlife scouts who will ensure the sustainable conservation of natural resources (wildlife, forests, apiaries, and fisheries) at the village
- Establishment of response teams
- Environmental education in schools and other institutions
- Water supply (pipeline) for the national park







#### Conserve Rugezi Marsh wetland

Africa's Gray Crowned Cranes are threatened primarily by habitat destruction and direct persecution; their populations have declined dramatically. The Rugezi Wetland is an area of high biodiversity as well as home to the endangered Gray Crowned Crane. In addition to habitat loss, hunting and trade play a major role in the wetland. As well as killing for human consumption, the eggs and young birds are also stolen from nests to be traded.

NABU International with support from the NABU corporate initiative, of which AURO is also a member, has been involved in the protection of the Grey Crowned Crane in Rwanda for many years, in recent years mainly in the Rugezi wetland and Umusambi Village near Kigali.

Educational work is carried out with schoolchildren, fishermen and farmers - with the result that people who used to hunt cranes have begun to protect them. Thanks to the Rwanda Wildlife Conservation Association (RWCA), several inhabitants of the Rugezi wetland have



also been trained as community rangers. Volunteer rangers monitor the Rugezi Marsh around the clock to protect cranes from poachers and monitor the population.

In addition to bird protection measures, natural regeneration measures on the Rugezi Marsh are also are being carried out. Preservation of the wetland not only provides a habitat for rare plants and birds, but also contributes to climate protection.



### Raw material procurement

#### WITH RESPECT AND PROTECTION

To ensure that customers can buy AURO products with a clear conscience, we attach great importance to fair sourcing of raw materials and also with regard to biodiversity protection.

#### **Ipiak**

The red dye achiote, is called "Ipiak" by the Shuar Indians and is obtained by grinding the oil seeds of the annatto bush in the Amazon lowlands of Ecuador. Ipiak is used by AURO as a raw material as a supplementary pigment in the colour wash plant glaze. We support the organization "education biotropical", which is restoring a 96% destroyed rainforest area west of the Andes. At the same time, AURO supports the Shuar Indians, who traditionally produce and use this dye.







#### Carnauba wax

The valuable carnauba wax from the Brazilian carnauba palm, is versatile and free of any fragrances. As an additive in ointments, creams and lipsticks or also as an ingredient in AURO care waxes, the wax of the palm leaves is used. We attach great importance to a statement of origin and sustainability, that way responsibility for environmental and human rights, labour and social standards in the trade chain can be assureded.





# We are committed to: SOCIAL PROJECTS

It is part of our tradition and our identity to be socially aware and at all times to promote fairness. For this reason, we are active in the area surrounding our location and we also support other social projects.

These are some examples that we are proud of:

#### Commitment to animal welfare

There are many ways to support animal shelters. Everyone can help directly with simple means. AURO supports animal shelters in the region with donations in the form of paints. Since maintenance of the facilities and the care of animals are expensive, product donations are more important than ever.

#### Viva con Agna

Realizing the vision together: "Water for all – all for water". Viva con Agua advocates for access to clean drinking water, sanitation and hygiene facilities for all people. With our Christmas cards, we supported and donated to water projects of Viva con Agua and donated to them. We will continue to promote these sustainable actions in the future.

#### everwave

AURO supports the start-up everwave, which has set itself the mission to clean rivers of plastic waste. It operates garbage collection boats and river platforms that prevent waste from entering the world's oceans. The collected material is recycled using environmentally friendly processes and fed back into a 'circular economy'.









### Imprint





/auro\_naturalpaints\_official



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#### AURO AG | As of 04.2023

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- p. 35 PixieMe; p. 40 palms: Toniflap; p. 41 dog's paw: Denys. istock: p. 11 Jakataka.
- p. 36 forest: NABU/Sebastian Sczepanski; p. 37+38 NABU/Werner Schröder; p. 39 NABU/RWCA
- p. 40 Shuar-Indian: Dr. Eckart Baum, Ipiak plant: panthermedia/Vinicius Tupinamba
- p. 41 Viva con Agua; everwave





