



-10%

TOTAL WASTE VOLUME IN 2022

compared to 2021

91.2%

waste diverted from disposal

CO₂ emissions (Scope 1 & 2)
dropped to

128.9 *(ktons/year)*

VOC EMISSIONS DECREASED TO

35.4 *tons per year*

28.1%

of the total amount of
aluminum used for the
production of printing
plates was recycled

Focus on our Planet

Our ambition

We believe that a thriving society is one based on a thriving natural ecosystem. Sustainability is a journey that will span over decades, yet climate change requires immediate action. As a manufacturing company, we acknowledge that our operations have a significant impact on the environment. Therefore, in order to contribute to counter-balancing this global challenge, Agfa supports the global objectives set by the Paris Agreement.

At Agfa, we are committed to continuously improving the balance between our environmental impact and our economic performance in our own operations. Equally importantly, we are committed to marketing sustainable products and solutions that enable our customers to contribute to the same objectives. New Agfa products are thus designed, developed and manufactured so that production, storage, transport, use, but also end-of-life waste management, have minimal impact on the environment based on our 'no sustainability throwback' principle.

We also make sure to serve markets that are key for the net-zero transition, such as the clean energy market, and strive to promote digital solutions that offer a more efficient use of resources and produce less waste than analog equivalents.

The fight against climate change requires commitment and cooperation on many fronts: proactive compliance with EU, local and national policies, voluntary measures tailored to our organization and the societal behavioral change needed to support such objectives. Climate action is and will be one of the main points of attention in our future plans, both in terms of reducing our operational impact and delivering increasingly better solutions to the market.

Our policies

Our values are reflected in the Group's Code of Conduct (CoC). To support the translation of the CoC into clear day-to-day processes, we rely on a series of policies and corporate guidelines, both at global and local level.

Our Corporate Sustainability Management Policy and our Safety, Health & Environment Policy are the main references driving the processes addressed in this chapter. Due to the nature of these topics, their management and focus are defined and coordinated at local level, both upon the basis of specific local and national legal requirements, and on the type of operations carried out at each plant. More details are given throughout the chapter.

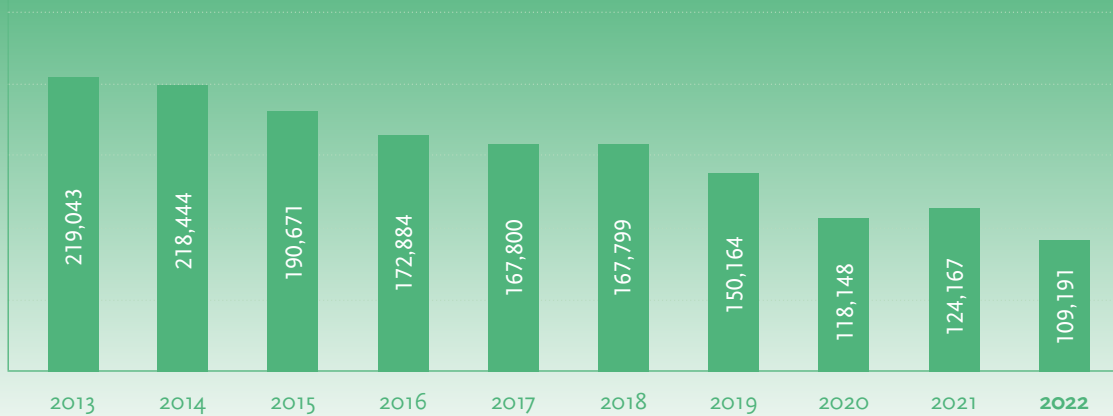


2022 at Agfa *in a snapshot*

While sustainability was traditionally addressed at team and divisional level, since 2020 we have focused on building an overall corporate sustainability approach to frame and coordinate projects, resources and target setting between different geographies and departments. In 2022, we consolidated our efforts to serve our ambition and translated them into concrete actions and bold plans for the future. We also continued to invest resources to reduce our operational footprint (both in terms of energy use and CO₂ emissions), increase materials circularity and reduce waste generation.

While we are nowhere near the end of the journey, some improvements are already visible in many of these areas compared to 2015, the year in which the Paris Agreement was signed. Beneath is a summary of the main achievements of 2022, showing the results of our continuous commitment to the highest operational standards. The reported Key Performance Indicators must be interpreted in line with our worldwide volume by weight of manufactured products which, compared to 2021, decreased by 12.1%.

Production volumes (tons/year)



Compared to 2021, our film manufacturing plants decreased production volumes by 11.4% (total by weight), driven by a 15.1% decrease in the production of chemicals (including developing fluids) and an approximately 7.7% decrease in (PET) film production itself. The decrease in (PET) film production is a trend that has been continuing over the past years due to overall reduction of market demand.

Our global production of printing plates decreased by 12.8% in 2022 compared to the previous year.

Production volume by weight for equipment decreased by 3% in 2022. In terms of numbers, this includes approximately 775 units produced for graphics applications (in Cambridge, Manerbio and Mississauga sites) and approximately 19,970 units for medical applications (in Munich, Peiting, Peissenberg and Wuxi sites).

Agfa supporting local biodiversity

In September 2002, the Fund for the Conservation of Birds of Prey (F.I.R.) placed a peregrine falcon nest box on the 70-meter high 'GEVAERT' factory chimney of our Mortsel plant in Belgium. Since then, the beacon for everyone who visits our headquarters is now also a home for a peregrine falcon couple. In 2022, for the 16th year in a row, the couple came back to its nest and mom and dad took turns brooding their four eggs.

Every Spring, the livestream of their return can be watched on our website:
www.agfa.be/slechtvalken.

This project is carried out with the support and cooperation of the local city of Mortsel, Natuurpunt Land van Reyen (an independent voluntary association that ensures the protection of vulnerable and endangered nature in Flanders) and Vogelbescherming (a Belgian nature conservation organization).



1. Resource scarcity and efficiency (raw materials)

Relevance and boundaries

Reducing the use of raw materials, especially for non-renewable resources, is an essential step in achieving a circular economy. At Agfa, we do this by designing out waste and pollution, i.e. ensuring efficient use of the primary raw materials used as input in our operations and keeping products and materials in use by maximizing the recycling and reuse of any leakage and/or of any secondary material. The focus of this section of the report is on the recycling of raw materials.

Our management approach

Due to the relevance of our materials efficiency optimization process, we formally appointed one of our managers in our Belgium HQ to more efficiently coordinate our project proposal process so as to better contribute to circular economy.

Raw materials efficiency and recycling is coordinated at local level however and is normally material-stream specific. Each production line is in charge of mapping the mass balance between its inputs and outputs and identifies opportunities for improvement. Production managers are continuously scouting for new ideas and best available technologies are implemented wherever possible to ensure the highest standards in managing material flows, e.g. reducing losses, increasing output for unit of material input, etc.

More details are provided below for the streams of some key materials:

Aluminum

Aluminum has been an essential material for us, both for its intrinsic value to Offset Solutions products, but also for the environmental impacts of its production, e.g. a very high energy demand. To confirm that, in 2022, the European Commission included bauxite (the precursor of aluminum) to its list of 30 materials that are essential to the functioning and integrity of a series of industries and, at the same time, have a high supply risk.

We aim to raise the bar for the sustainable use of aluminum therefore and increase its use efficiency by:

- Implementing a circular supply chain model for our printing plates (from plate to plate);
- Recycling and preventing landfilling via secondary applications for scraps (from plate to secondary use).

Plastic

In the case of plastics, the urgency for action is even greater because, in many cases, existing infrastructure is not able to provide adequate collection and treatment for the materials placed on the market. This is why on the one hand we are committed to contributing to the development of new technologies and partnerships for transforming waste into value and, on the other, we are striving to participate in the creation of a market for secondary raw materials by incorporating recycled content into our own product portfolio.

Agfa is a leading company in the manufacture of polyester for photographic film applications. Polyester waste from the film production process, or used polyester coming back from our customers, is recycled in the form of shreds and reused in our production process. Our film consists of 60% new PET material and 40% recycled PET.

Here are some examples of multi-year projects we participate in with the view of contributing to turning plastic into value:

- **Plastics to Precious Chemicals (P2PC)** – a program to obtain precious chemicals that can compete with virgin oil-based or agro-based chemicals. This Flemish government funded project (VLAIO) involves the collaboration of a consortium of two SME's, three industrial partners and two academic partners to evaluate the use fractions of pyrolysis oil originating from plastic waste as a feedstock for the chemical industry;
- **PET2VALUE** for the upcycling of PET for use in high value applications via supply chain collaboration between Agfa-Gevaert NV, Centexbel, Luxilon, Tenco and BCF, UGent and the VUB. Partners will use PET-waste from Agfa's inhouse film processing and upcycle it into material that can be used to produce tennis racket strings and 3D printed bike parts, e.g. handlebars with comparable mechanical properties to the actual materials made of virgin polymers.

Operation Clean Sweep® for ZERO PELLET LOSS

Operation Clean Sweep® (OCS) is an international product stewardship program aimed at helping every plastic resin handling operation implement good housekeeping and pellet containment practices to work towards achieving zero pellet loss in the environment. Plastic pellets are produced, stored and transported in large volumes, so both the manufacturing industry and transport sector actors have a key role to play in supporting this initiative. Companies that sign this program's pledge are committed to implementing measures such as preventive and corrective actions against spills, employee training and accountability for spill prevention, containment, clean-up and disposal, performance monitoring, compliance with all applicable regulations governing pellet containment, etc.

Since 2018, Agfa has been supporting the initiative and mainly participates by controlling the spread of PET dust. We have set up specific actions in our finishing processes to prevent the loss of plastic chips, grains and dust.

For instance lighting in the waste collection room has been optimized, chips from cutting lines are now transported in closed instead of open containers and we prevent packaging breakage in transport pipes and sleeves. In addition, we have worked with the SGS company to carry out an inventory of potential emission points to define where strict measuring is needed.

In light of the above, we have set up prevention and awareness raising programs among employees by including relevant information in our regular information tours and planning observation rounds on this topic, as well as writing articles in our internal magazine and hanging posters and banners around the plant. Employees are also instructed to report any finding to a dedicated team.

Renewable raw materials

The use of renewable feed stock instead of fossil based raw materials is something that is on the radar of our Research & Development efforts. The likelihood of using such materials depends on the possibility of maintaining the same technical performance and ensuring the economic viability of the final products. Limitation also resides in the fact that it must be considered in view of the whole product life cycle to avoid that the initial substitution of material by renewable ones does not generate a negative outcome at a later stage of the life cycle.

An example of our actions related to renewable raw materials is the Tune2Bio project, a government funded project (VLAIO) that seeks to develop the knowledge and expertise needed to tune the biodegradability of (bio)polyesters for more sustainable plastic applications. With the support of Centexbel and KU Leuven, Agfa, together with Oleon, Sioen and Bio-4plastics, are working on film-based products and processes to reach proof of concept for new and more sustainable products.

Silver

We produce silver-based light sensitive films for imaging products that serve for many applications. Silver halide technology is key in X-ray technology and other medical applications and is also used to test materials for their safety in a non-destructive way, e.g. pipelines, cars, airplanes, etc. The captured X-ray images are recorded on light sensitive films for diagnosis, consultation and archiving.

Thanks to its low contact resistance and high electrical and thermal conductivity, silver is also used in complex Printed Circuit Boards (PCBs) that control all electronic devices. Silver is therefore an essential material to our business and we make efforts to recuperate and recycle it as much as possible. Measures to reduce production losses vary between technological improvements and the education of operators, whenever necessary.

Our indicators

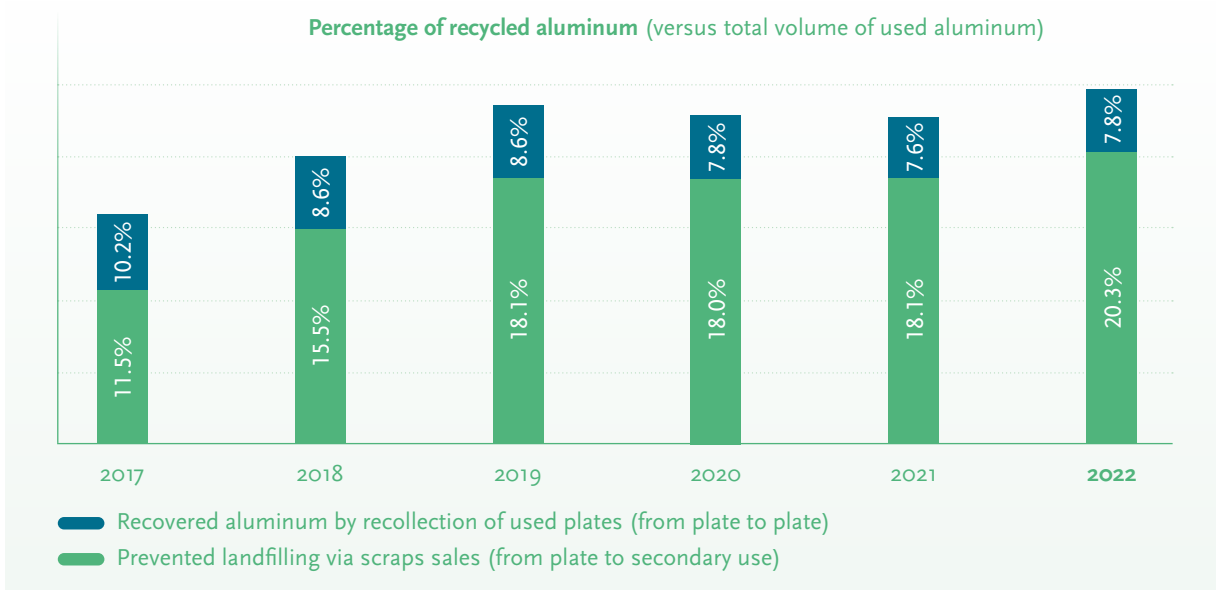
1. Production volumes (tons/year)
2. Percentage of aluminum recovery (%)

Our 2022 performance and activities

Percentage of aluminum recovery (versus total volume of used aluminum)

In 2022, 28.1% of the total amount of aluminum we used for the production of printing plates was recovered for recycling, either by implementing a circular supply chain model for our printing plates (from plate to plate), or by recycling and preventing landfilling via secondary applications for scraps (from plate to secondary use). This represents the highest volume of recycled aluminum since our monitoring started.





We see that the market is clearly moving towards the recycling of aluminum as a secondary raw material. This can be explained by the complexity of the plate-to-plate model, which is an implementable solution only if partners in the value chain are geographically close and if there is a general increase in recycling by customers themselves. In the case of our system, it is progressively introduced at those customer sites that process sufficient volumes of printing plates and are also organizationally able to enter this system since it requires extensive collaboration and engagement across the value chain.



2. Circular Economy: Waste management & product recycling

We believe that Circular Economy, even when resulting from the interlink of numerous complex processes, can be fundamentally based on three main principles, as explained by the Ellen MacArthur Foundation:

- Design out waste and pollution;
- Keep products and materials in use;
- Regenerate natural systems.

According to the most recent Circularity Gap Report, the global economy is currently only 7.2% circular. Considering that this percentage shrinks year on year due to rising material extraction and use, actions to render business circular must be accelerated urgently.

At Agfa, our end goal is the continuous increase of the circularity of materials wherever possible. This represents a challenge however due to the various types of materials used in our manufacturing processes across the world, as well as certain materials that remain in the products that we place on the market. It can be difficult therefore to recycle within the existing infrastructure and further minimize production waste without a broader change to the business model.

As an opportunity to address this difficulty, we are glad that in 2021 Agfa was selected by the Flemish Government for a 1 million Euro grant as part of the strategic ecology support (STRES) initiative. This grant will partially cover our investment in new twin-screw extruder technology at our site in Mortsel, which will enable us to increase the amount of reused PET up to 1,250 tons per year, while maintaining a high-quality end product.

Relevance and boundaries

Designing out waste is one of the principles that we mainly leverage at Agfa for a successful circular business strategy. This begins with a thorough mapping of waste sources, careful process design, followed by iterative production process fine-tuning. When waste streams occur, we first investigate whether we can prevent the waste generation – if not, we move on to considering the potential for internal reuse, which would avoid transport, or sell it to third parties. Incineration for energy recovery and then landfilling are considered as final options. In this process we usually separate material recycling from energy recovery.

The focus of this section of the report is on waste management. In the absence of national definitions, the following scope is considered:

- Waste: any subject or object set out in Directive 2006/12/EC, which the holder discards, or intends to discard, or is required to discard;
- Hazardous waste: waste featuring on the hazardous waste list (Council Decisions 1357/2014 and 2017/997);
- Disposal: any of the operations provided for in Directive 2006/12/EC.

In addition, delivering innovative products and solutions that enable our customers to reduce their own waste is also one of our focuses, although this falls out of the scope of this chapter.

Our management approach

Waste management is coordinated at local level and each plant is responsible for mapping its waste generation in all areas of business operations, as well as identifying opportunities for its reduction. Local site management is responsible for defining the waste policy for their specific site. The focus of the different policies is defined at local level, both on the basis of specific

local and national legal requirements and on the type of operations carried out at each plant. All our Belgian sites for example, together responsible for approximately 40% of our overall waste, thoroughly monitor waste production throughout the year under the responsibility of the Plant Waste Manager who prepares a detailed report on an annual basis identifying sources of waste per material and per production line. This report is made available to all production managers and is used as the basis to define the 20 priority waste streams for reduction for the following year.

Processes are set up to comply with ISO 14001 guidelines at a minimum. External audits are conducted in accordance with ISO 14001 requirements for certified sites. Waste management audits may also be conducted within the context of the assessment of the environmental management system as a whole, according to local reference standards.

In partnership with different waste processors, possible optimizations of waste routing are investigated. The waste we provide is continuously sampled and monitored by waste processors to identify viable ways to recover materials or energy.

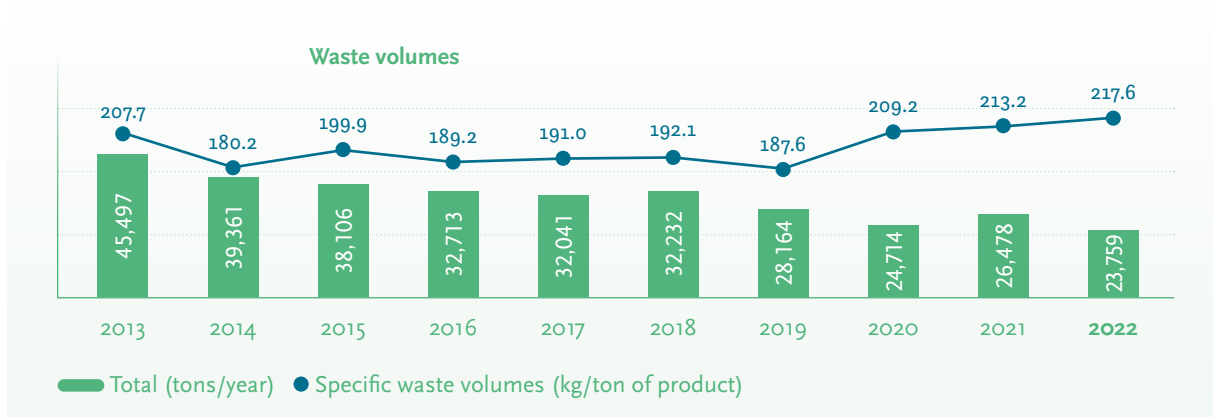
Beyond efforts to reduce waste generation at operations level, we expect all our employees and stakeholders to act in an environmentally conscious manner. We see this as a continuous process of raising awareness and adjusting and improving waste separation. To this extent, each plant sets up different activities to raise awareness around waste reduction and energy saving, not only at work, but also in everyday life outside the company.

Our indicators

1. Total waste volume (tons/year)
2. Specific waste volume (kg/ton of product)
3. Share of hazardous and non-hazardous waste (%)
4. Waste directed to disposal (%)
 - a. Incineration (without energy recovery)
 - b. Incineration (with energy recovery)
 - c. Landfill
5. Waste diverted from disposal (%)
 - a. Recycling
 - b. Physical-chemical treatment
 - c. Value recovery

Our 2022 performance and activities

In 2022, our total volume of generated waste decreased by 10.3%. The specific waste volume remained almost at the same level as last year with a slight increase (2.0%).



Since 2020, we have recorded an increase of specific waste volume. When analyzing the waste sources to determine possible corrective actions, we identified that waste is mostly generated during the start-up and stop phases of production. Unfortunately, within the context of fluctuating market demands, these cycles are difficult to avoid and no possible corrective actions could be implemented to counter the negative impact on specific waste. This reduction of (specific) waste volumes will remain a point of attention in the coming years.

In parallel, we managed to further reduce the percentage of hazardous waste by 13%, maintaining a ratio of 4:1. In this context, we will continue to optimize and collaborate with waste processors so that the ratio between non-hazardous and hazardous waste will continue to improve.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Landfill	4,103	4,214	3,586	3,462	2,669	2,910	362	295	163	206
Incineration	217	327	227	127	782	527	328	277	212	171
Recycling	37,220	30,879	29,939	24,603	24,398	24,293	22,815	20,231	22,045	19,317
Energy recovery	1,257	1,173	1,438	1,188	1,057	1,336	1,583	1,387	1,662	1,708
Physico-chemical treatment	431	187	119	192	262	146	180	71	122	56
Valorization	2,270	2,581	2,796	3,141	2,874	3,020	2,895	2,453	2,275	2,301
TOTAL (tons/year)	45,497	39,361	38,106	32,713	32,041	32,232	28,164	24,714	26,478	23,759
Non-hazardous	75%	76%	75%	86%	86%	85%	76%	74%	78%	81%
Hazardous	25%	24%	25%	14%	14%	15%	24%	26%	22%	19%

Regarding the destination of generated waste, we also managed to maintain in 2022 a very high level (91.2%) of waste that could be beneficially reused instead of going to landfill. The share of waste that ultimately remains 'waste' and is directed to landfill is still a very small fraction (0.9%) of the total volume of waste, but it has increased in 2022 as a result of a multi-year plan set for Belgian plants to remove asbestos-containing materials on roofs.

These results reflect our continuous commitment to design out waste from our processes. Our commitment translates into a constant high level of awareness and continuous implementation of small improvements within production to improve processes efficiency.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Waste directed to disposal (%)	12.3%	14.5%	12.8%	14.6%	14.1%	14.8%	8.1%	7.9%	7.7%	8.8%
Waste diverted to disposal (%)	87.7%	85.5%	86.2%	85.4%	85.9%	85.2%	91.9%	92.1%	92.3%	91.2%

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Beneficial use of waste (%)	90.5%	88.5%	90.0%	89.0%	89.2%	89.3%	97.6%	97.7%	98.6%	98.4%
Proportion waste in landfill (%)	9.0%	10.7%	9.4%	10.6%	8.3%	9.0%	1.3%	1.2%	0.6%	0.9%

3. Water and waste water

Relevance and boundaries

Water is a scarce resource. Access to fresh water is essential for human life and is a basic human right, as recognized by the United Nations. This is why we are fully committed to minimizing our water-related impacts and prioritizing actions in areas that are part of water-stressed regions.

As a manufacturing company, we use water as process and product water for both sanitary purposes and cooling. We strive to firstly minimize the amount of water used, then reduce the water discharged and its pollutant load as much as possible.

Our management approach

Water management is coordinated at local level and each plant is responsible for mapping its water use in all areas of business operations, as well as identifying opportunities for water consumption optimization, leakage prevention, evaporation loss and pollutants load reduction. Local site management is responsible for defining a specific water policy for their site. The focus of the different policies is defined at local level, both upon the basis of the specific local and national legal requirements and on the type of operations carried out at each plant. The profile of the receiving water body is always considered during negotiations with licensing authorities.

All our Belgian sites – together responsible for a large proportion of the overall water consumption of the Group – plan several measurements per month, carried out by an accredited laboratory. Monthly consumption is monitored by the responsible department to identify evolutions or anomalies. In addition to internal monitoring, external audits are conducted in accordance with ISO 14001 requirements for those sites that are certified.

Water use is mostly driven by process and cooling water as the two most relevant use categories in our processes. Waste water is always pre-treated onsite before discharge to the municipal Waste Water Treatment Plant (WWTP) to reduce the pollution load. The reuse of waste water directly in our operations before discharge to the WWTP is encouraged as far as technologically possible.

Beyond efforts to optimize water use at operations level, we expect all our employees and stakeholders to act in an environmentally conscious manner.

Our indicators

1. Total water consumption (1,000 m³/year)
2. Specific water consumption (m³/ton of product)
3. Total waste water (m³/year)
4. Specific waste water volume (m³/ton of product)
5. Waste water reuse in Mortsel, Belgium (% total water consumption)
6. Waste water pollutant load (tons per year)

Our 2022 performance and activities

Water consumption

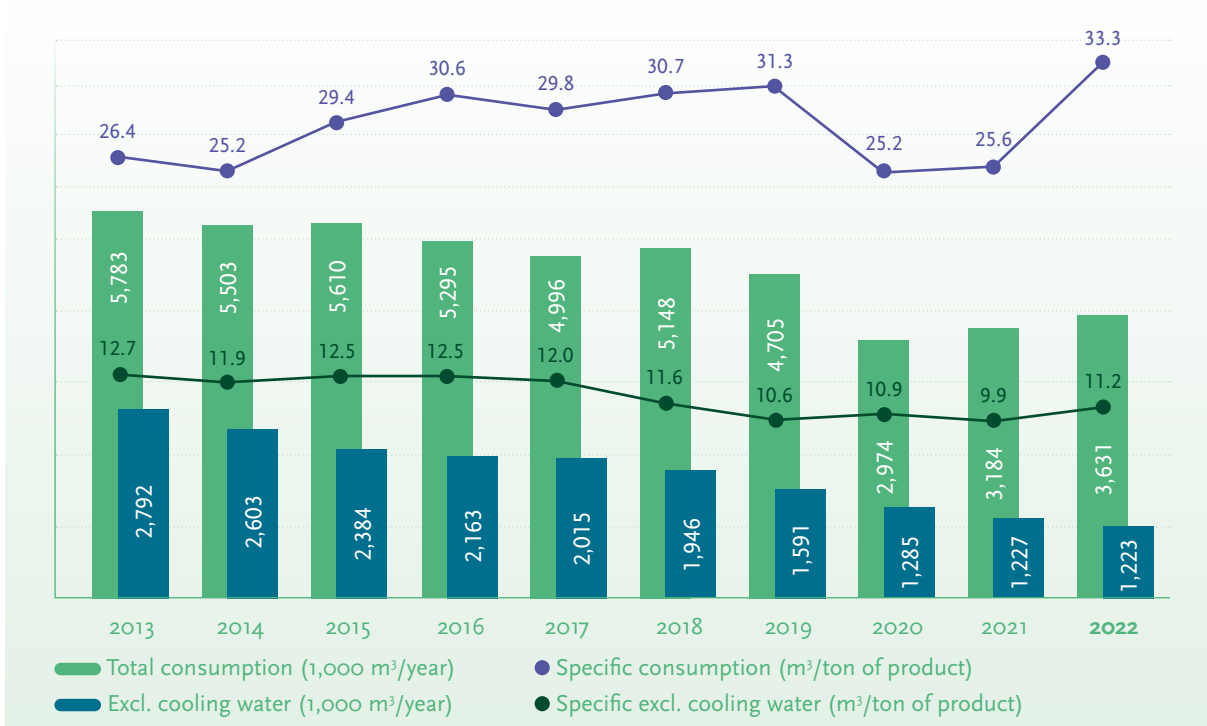
Total water consumption increased by 14% in 2022, mainly driven by higher water consumption at our Mortsel site in Belgium. This exceptionally high water consumption can be explained by a combination of reasons, namely:

- The extra need for distilled water for which our Water-As-A-Service (WAAS) installation generated 5% more loss of input than before (concentrate flow vs. ionization);
- The extra evaporation due to the exceptionally warm weather conditions in 2022 and lower thickening due to a copper corrosion problem;
- The cessation of biological water purification system use in 2022 (50,000 m³ of reused water had to be replaced by city water).

Specific water consumption also increased by 29.7% compared to 2021 and now amounts to 33.3 m³ per ton of product produced.

The trend in reduction of absolute amounts of water used in processes that exclude cooling continued to decrease by 0.4% in 2022 compared to 2021, although the associated specific value increased by 13.3% to 11.2 m³ per ton of product produced. Cooling water remains an important source of water consumption and we continue to look for solutions to reduce it.

While overall performance leaves space for further improvement, especially regarding the optimization of amounts of water used for cooling, our continued efforts to optimize the production processes allowed us to maintain specific process water consumption at the same level reaching 3.7 m³ per ton of product produced.

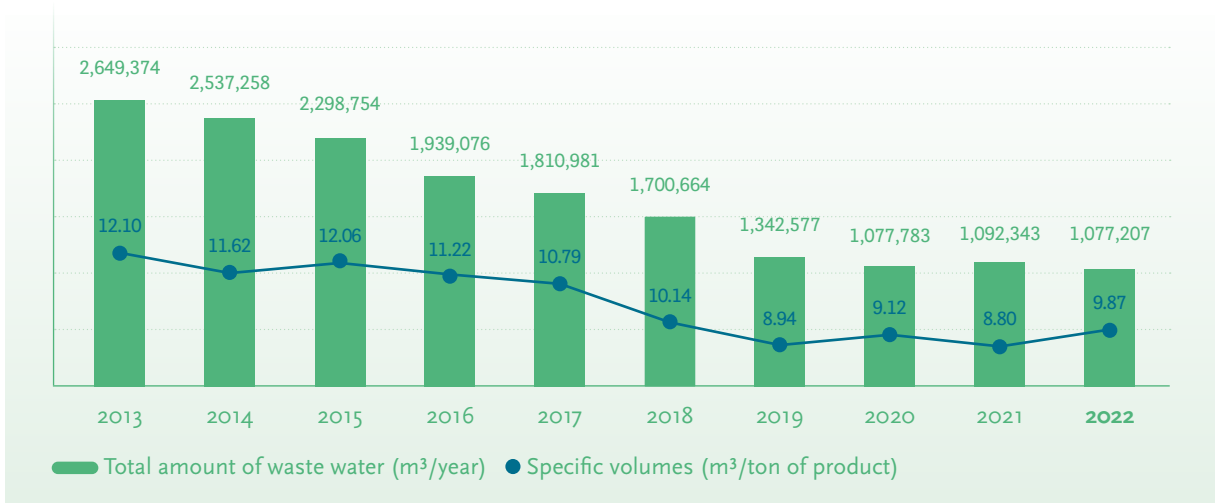


As an example of our efforts to improve water management, in 2022 a new production line for ultra-pure water was set up allowing us to save 300 tons of chemical waste (sodium hydroxide and hydrochloric acid) and optimize the reuse of water concentrate.

Agfa Westerlo (Heultje) in Belgium has also continued to work with Hertecant Flanges and Magazijnen Hendrickx, two companies from the neighborhood, to prepare the building of a large basin to collect rainwater. Agfa and Hertecant Flanges will be able to use the collected water for their production needs as of 2024.

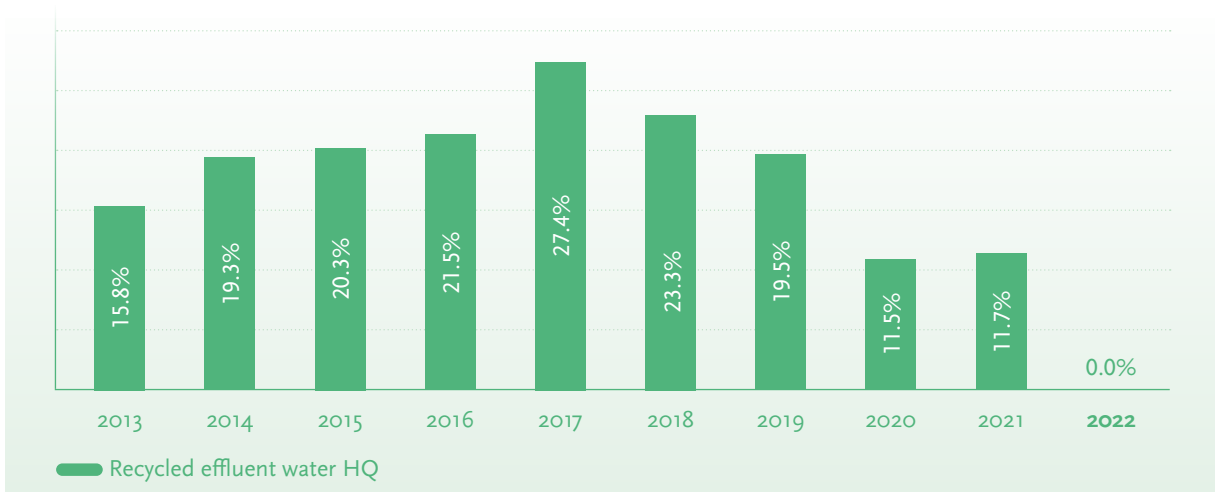
Waste water volumes

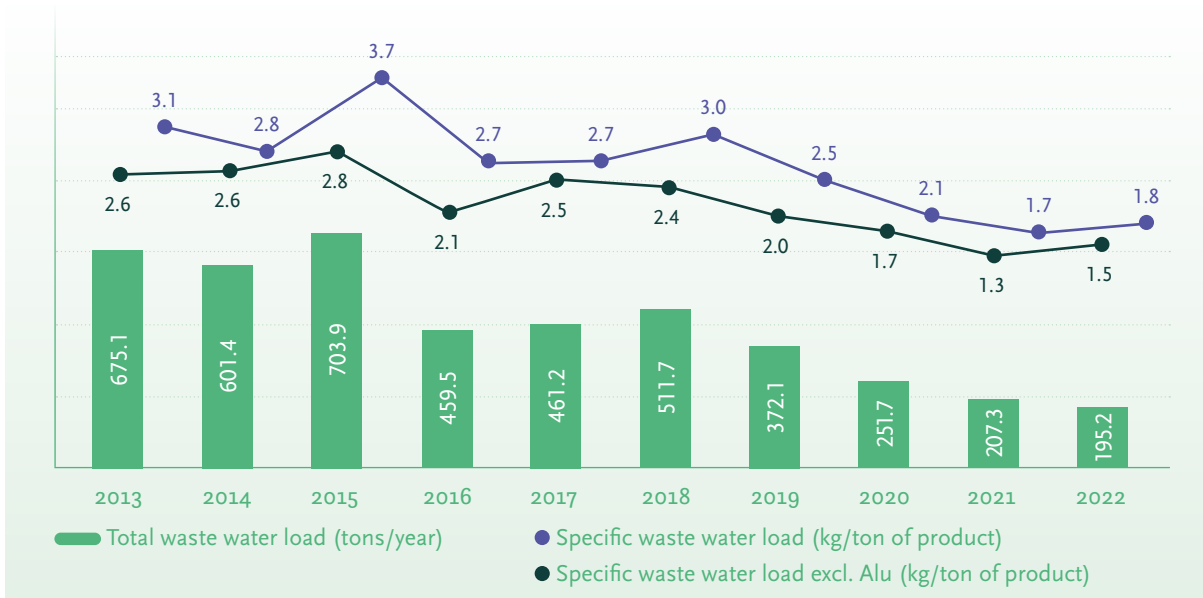
Total volume of waste water decreased slightly in 2022 by 1.4%, whereas specific waste water volume increased by 12.1% and resulted in 9.87 m³ per ton of product produced.



Up until 2021, we made use of a biological water purification system for waste water at our head office site in Mortsel, Belgium. This was set up in a way that allowed us to reuse its effluent as washing or cooling water. We traditionally reused a significant amount of water, although this decreased in 2020 and 2021 due to the overall reduction of water sent to treatment because of reduced production volumes.

We did not make use of this installation in 2022, as some of its equipment (e.g. pumps) was reallocated to accelerate the Per- and PolyFluoroAlkyl Substances (PFAS) removal and avoidance program. Getting our biological water purification system up and running again would require a large investment, so we are currently assessing whether it is relevant to do so, or whether it would not be more ecologically beneficial to act on the root cause instead by investing in ways to prevent the use of water in our manufacturing and Research & Development processes.





	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
COD	524.1	473.1	491.3	462.9	322.7	373.4	347.4	255.4	177.8	155.1	150.3
N	17.8	20.4	17.9	15.7	9.5	9.5	12.1	10.7	10.0	9.8	10.5
P	97.0	66.5	56.4	54.2	38.1	37.3	34.4	34.4	10.9	1.6	1.0
AOX	0.9	0.5	0.4	0.3	0.3	0.3	0.3	0.2	0.1	0.2	0.1
Heavy metals excl. Al	0.5	0.5	0.3	0.4	0.4	0.2	0.3	0.2	0.1	0.1	0.1
Aluminum	77.5	114.2	34.9	170.4	88.5	40.5	117.2	71.2	52.8	79.4	33.2
Total waste water load (tons/year)	717.8	675.1	601.4	703.9	459.5	461.2	511.7	372.1	251.7	246.2	195.2

In parallel, we continue to use other water purification systems and these continue to deliver positive results, with trends going in the right direction for several years in a row. Waste water pollution load decreased by 5.8% in 2022. The specific pollution load excluding aluminum increased by 10.5% in 2022, which still corresponds to a low value of 1.5 kg per ton of product produced and confirms the optimization of the water treatment.

The residual COD value further decreased in 2022 by 3.1% to 150.3 tons per year, which is again the lowest value ever. The other values maintain its low figure.

We are proud to see that the performance trends and specific results achieved reflect our efforts and commitment with regards to efficient water management. This is a point of continuous attention for us and several optimization measures are put in place every year.

Our commitment for the future on Circular Economy

We strongly believe that Circular Economy will have an increasing role to play in the future as one of the key process design tools to achieve a sustainable way of doing business. This is why in the coming years we will continue in our commitment to improve our performance around three main areas:

1. Maximize resource efficiency at all our sites;
2. Increase the amount of post-industrial recycling of our materials;
3. Increase partnerships with our customers and third parties to identify cooperative business models.

In addition to new technical implementations, we also plan to strengthen training and awareness raising activities around key issues.

Since 2021, we have been assessing the possibility of setting global targets on specific KPIs defined so far. While we considered it premature to set these targets we have, in part thanks to a more focused exchange with our stakeholders, identified certain priority areas for action such as PET, packaging and the possibility of increasing the use of bio-based materials.

Even if outside the scope of this chapter, we also focus on delivering innovative products and solutions that enable our customers to increase their own circularity (for more details refer to our section on ‘Sustainable Business Solutions’) and this will certainly remain a high priority on our agenda.

4. Energy usage

Relevance and boundaries

We fully support global commitment to the Paris Agreement, which means we fully support sustainable energy consumption and believe that every organization should contribute to more efficient energy use.

The reporting scope for this annual report covers primary energy, i.e. natural gas, fuel oil, etc., and secondary energy, i.e. purchased electricity and steam. Energy consumption related to local site fleets is not included in the indicators listed beneath.

Even if outside the scope of this chapter, energy efficiency is also an important decision criterion when evaluating and purchasing products and services. Moreover, we also focus on delivering innovative products and solutions that enable our customers to reduce their own energy consumption.

Our management approach

Energy management is coordinated at local level and each plant is responsible for mapping its energy uses in all areas of business operations and identifying opportunities for reducing such energy consumption. Local site management is responsible for defining the specific energy policy for their site. The focus of the different policies is defined at local level, both upon the basis of specific local and national legal requirements and on the type of operations carried out at each plant.

To ensure the highest efficiency in energy use, our sites in Suzano, Wiesbaden and Wuxi are certified ISO 50001, a standard that provides us with a framework to continually improve energy management.

More details are provided regarding the management approach for Belgium, whose sites produce approximately 37% of our total production volumes and, as such, are among those driving the figures for our overall energy use.

Our Belgian facilities comply with the National Energy Policy Agreement (EBO). The Belgian government runs an energy audit on the plants every four years to assess the potential for projects to increase energy efficiency. The EBO sets applicability criteria defining thresholds for primary energy use and an EBO report is prepared annually.

Moreover, an Energy Management Team is in charge of monitoring and planning projects that can improve overall energy efficiency, be it by reducing leakages from buildings, upgrading machinery, purchasing electricity, etc. This team reports directly to the Production Plant Manager who supervises overall production performance for Belgium.

Beyond technical machineries maintenance, employees are regularly trained to ensure efficiency in operations. All works on machinery are carried out by recognized technicians and every leak is reported to the government through a logbook system.

Beyond efforts to reduce energy consumption at operations level, we expect our employees to act in an energy-conscious manner and we set measures to minimize our overall impact, e.g. shutting down heating in empty buildings during holidays, hybrid work and optimized office occupation, etc.

Our *Make the Switch!* campaign was also launched in 2022, using visuals and online training to provide some tips to save energy in the workplace (and at home) and foster small behavioral changes that can yield significant energy savings.

Our indicators

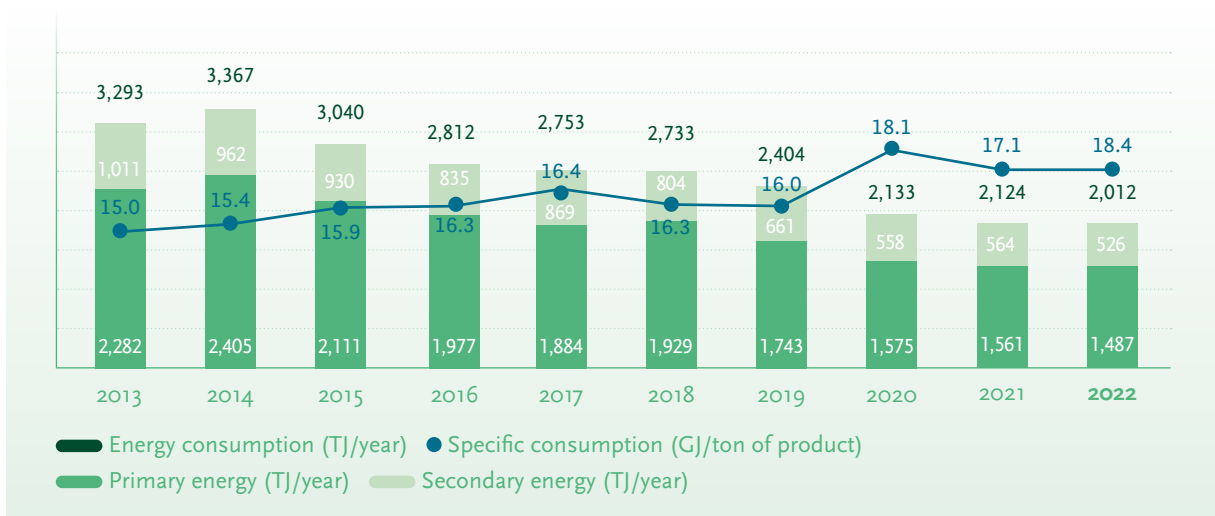
1. Total energy consumption (TJ/year)
2. Energy consumption of primary energy (TJ/year)
3. Energy consumption of secondary energy (TJ/year)
4. Specific energy consumption (GJ/ton of product)

Our 2022 performance and activities

Energy consumption

Total energy consumption (primary and secondary together) continued to decrease by 5.3% in 2022 compared to 2021. This decrease is the result of ongoing analysis, monitoring and optimization of energy efficiency and is mostly driven by a reduction in the use of natural gas and electricity.

Specific energy consumption however increased by 7.7% to 18.4 GJ per ton of produced product. This value remains higher than in past years however due to changes in the frequency of production as start-up/stop phases of production campaigns are proportionally responsible for a higher share of energy consumption.



The consumption level of both primary and secondary energy decreased in 2022, respectively by 4.7% and 6.8%, showing the positive impact of the improvement measures taken in 2022 as we continued to invest in reducing our energy consumption and improving its use efficiency.

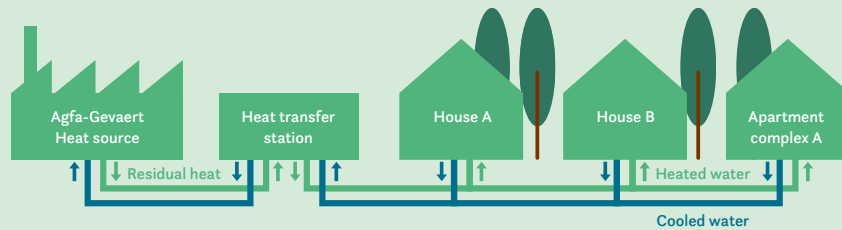
For example, to supplement the Combined Heat and Power (CHP) units, green electricity is generated by the solar panels installed at our Mortsel site in Belgium. In Wiesbaden, the steam is now extracted from the business parks central supply allowing for higher efficiency of this installation.

Overall, further sub-optimizations of existing installations continue to be a point of effort to continuously improve the efficiency of our installations and tailor them to specific needs and requirements. In 2022 for instance, we enabled the use of residual heat from Combined

Heat and Power (CHP) in the heating process of our polyester line for drying purposes so that 1,600 tons of CO₂ can be effectively saved as of 2023. A project for redirecting VOC exhaust from active coal installation to thermal oxidizer was also implemented in 2022 to get 730 tons less CO₂ emitted from 2023.

A Flemish heat-net thanks to Agfa's residual heat!

Beyond optimizing our in-house processes, another way to maximize the efficient use of energy is to join forces with others. 'Warmte Verzilverd' is a project in Flanders with direct citizen participation, aimed at using industrial residual heat to provide homes with heating. The residual heat from our Mortsel site supplies the central heating and sanitary needs of more than 300 households. The project is funded with direct citizen participation and financially supported by the Flemish government.



5. Greenhouse gas (GHG) emissions

Relevance and boundaries

At Agfa, we fully support the need for urgent climate action and the objectives set by the Paris Agreement. To contribute to this global call for action, we are strongly committed to continuously improving the environmental performance of our own operations and, equally importantly, to placing sustainable products and systems on the market that help our own customers contribute to the same objectives.

We understand GHGs as those set out by the United Nations Kyoto Protocol.

The data reported covers sites under the operational control of Agfa, i.e. Agfa manufacturing sites and administrative facilities worldwide. Sales organizations are excluded from the data scope.

The reporting scope of the data in this annual report covers:

- Direct (Scope 1) emissions from:
 - Generation of electricity, heating, cooling and steam;
 - Physical or chemical processing;
 - Fugitive emissions.
- Indirect (Scope 2) emissions from:
 - Generation of purchased electricity, heating, cooling and steam.

Direct (Scope 1) emissions coming from the transportation of materials, products, waste, workers and passengers are not in scope. Other indirect (Scope 3) emissions are not in scope for the time being. The data reported refers to CO₂ equivalents generated from the activities' scope indicated above. Other GHGs emissions, e.g. CH₄, PFCs, NF₃, are not in scope of the calculations.

Although it is out of the scope for this chapter, GHG emissions are also an important decision criterion when evaluating and purchasing products and services. Moreover, we also focus on delivering innovative products and solutions that enable our customers to reduce their own GHG emissions.

Our management approach

The management of GHG emissions is coordinated at local level and each plant is responsible for mapping its emissions in all areas of business operations and identifying opportunities for reducing them. While the general drive is certainly to ensure that highest standards for emissions management are in place, local site management is responsible for defining the specific policy for the site. The focus of the different policies is defined at local level, both upon the basis of specific local and national legal requirements and on the type of operations carried out at each plant.

Direct (Scope 1) GHG emissions are calculated as tons of CO₂ equivalents by multiplying the fuel amounts with corresponding emission factors. The conversion factors used for natural gas, liquid fuel and coal are those recommended by CEFIC. Regarding the calculations for indirect Energy emissions (Scope 2), the conversion factor used depends on the site.

More details are provided regarding the management approach for Belgium, whose sites produce approximately 37% of our total production volumes and, as such, are among those driving the figures for our overall GHG emissions.

In addition to the provisions from the National Energy Policy Agreement (EBO), our Belgian sites comply with the caps set by the European Emission Trading System (ETS). On this basis, we annually report our GHG emissions data to the government by the end of March. As of 2020, due to optimization projects and the implementation of a low temperature waste heat grid, the Belgian site of Heultje is no longer covered by the ETS scope.

The Energy Management Team is in charge of calculating annual GHG emissions. Regarding the calculations for indirect energy emissions (Scope 2), CO₂ conversion factors are calculated following the recommendations of the Belgian EBO and using the hourly gas mixture received from our electricity supplier.

Beyond the efforts to reduce GHG at operations level, we set measures to reduce our overall impact and therefore also expect our employees to act in an environmentally conscious manner. Beyond technical machineries maintenance, employees are regularly trained to ensure efficiency in operations.

Our indicators

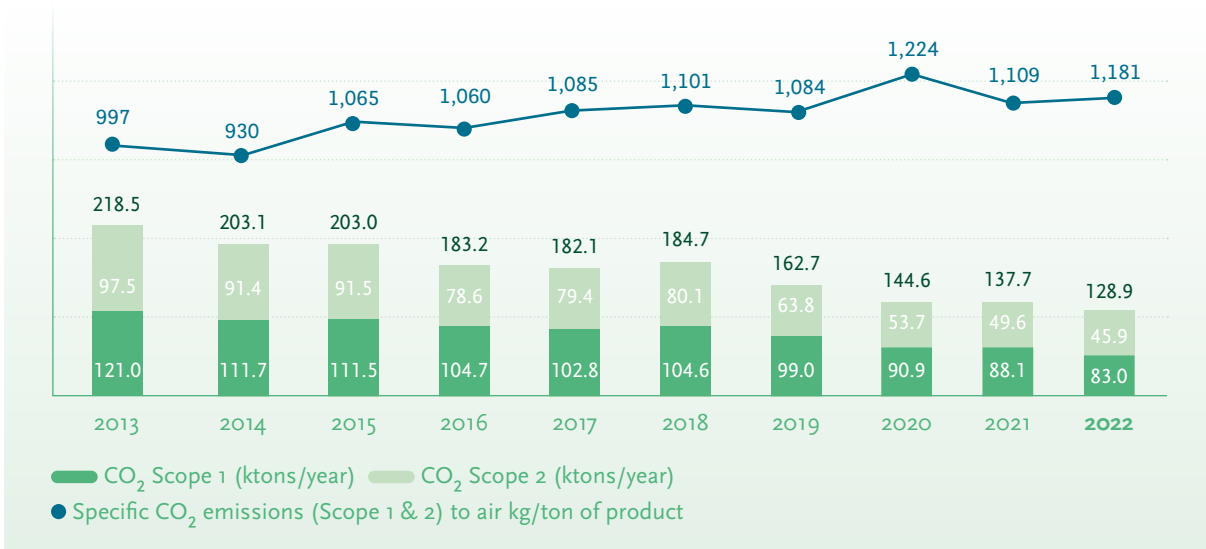
1. Total CO₂ emissions to air (ktons/year)
2. Direct CO₂ emissions (Scope 1) to air (ktons/year)
3. Indirect CO₂ emissions (Scope 2) to air (ktons/year)
4. Specific CO₂ emissions to air (ktons/product)

Our 2022 performance and activities

CO₂ emissions to air

In 2022, both the direct amount of CO₂ emissions (Scope 1) and the indirect amount of CO₂ emissions (Scope 2) decreased, by 5.8% and 7.5% respectively compared to 2021. This represents a total decrease of 6.4% of all CO₂ emissions associated with the operations of the whole Agfa group (scopes 1 & 2 together). This positive trend has been present for several years and adds up to a substantial decrease of our total greenhouse gas emissions (-41% since 2013).

Specific CO₂ emissions (Scope 1 and 2 together) remained higher than in past years due to changes in the frequency of production as start-up/stop phases of production campaigns are responsible for a proportionally higher share of CO₂ emissions.



While we are glad that the absolute impact of our CO₂ emissions reflects our commitment to continuous improvement of our processes, in the coming years we will strive for decoupling emissions from production so as to also reduce specific emissions.

The reduction of GHG emissions from our own operations is a point of continuous attention and it is extremely important as a reflection of our company's commitment towards fighting climate change. This is why further optimization measures of varying degrees of impact are put in place every year. As an example of our CO₂ reduction projects, 100% of the bought volume of electricity in Belgium in 2022 came from renewable resources.

We are on the move

In 2022, we continued to look at our impact beyond operations and put a lot of effort into the electrification of our Belgian car fleet. This Mobility Program concerns both the vehicles used for on-site staff commuting and employee company cars. At the end of 2022 in Belgium, (Plug-in Hybrid) Electric Vehicles already represented 7% of our plant's fleet.

The program will evolve year on year, strongly backed-up by a new mobility plan launched in Belgium in 2022, enabling Agfa employees to lease a bike and extend the range of company cars to Electric Vehicles (EVs) and Plug-in Hybrid Electric Vehicles (PHEVs). As Agfa wants to fully commit to a greener fleet, cars with CO₂ emissions higher than 120 g/km (WLTP standard) have also been excluded from this range. This has been welcomed by our employees. At the end of the 4th quarter of 2022, 95% of ordered company cars were EVs or PHEVs. Overall, it represents a great addition to the measures to stimulate carpooling (already implemented for some years), such as fiscal benefits and the possibility of parking closer to the factory entrance, etc.

This mobility plan has been coupled with necessary infrastructure adaptation, e.g. installing 32 charging stations in our Belgium car parks in 2022. An expansion with 99 extra charging points is already foreseen for 2023.



6. Other emissions to air

Relevance and boundaries

Although we do not formally identify this topic as material in our materiality matrix, air emissions going beyond GHGs are normally managed together. These are pollutants with adverse effects on climate, ecosystems and air quality. Striving to address these emissions is therefore part of our overall strategy of continuously improving our environmental performance and reducing our impacts.

The reporting scope of the data in this annual report covers:

- Ozone-depleting substances;
- NO_x (Calculated as NO₂);
- SO₂;
- Volatile Organic Compounds (VOC);
- Volatile Inorganic Compounds (VIC), e.g. HNO₃, HCl, NH₃, H₄N₂, Cl₂, F₂, HF, H₂S, HCN.

Our management approach

As for other topics strictly linked to operational performance, the management of emissions to air is coordinated at local level and each plant is in charge of mapping its emissions in all areas of business operations and identifying opportunities for their reduction.

Air emissions must be closely monitored to comply with local regulations and emission limits may apply in some countries for specific compounds, according to local guidelines. Processes are set up to comply with ISO 14001 guidelines at a minimum.

Our indicators

1. Emissions of ozone-depleting substances (tons CO₂ equivalent/year)
2. NO_x, SO₂, VOC, VIC emissions (tons/year)
3. VOC emissions (tons/year)
4. Specific VOC emissions (kg/ton of product)

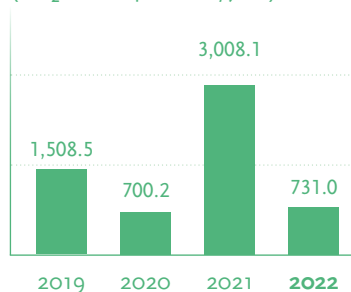
Our 2022 performance and activities

Ozone-depleting substances (CO₂ tons equivalent/year)

Further to the resolution of an internal defect in a cooling machine at the Mortsels site in 2021, we are glad to confirm that emissions of ozone-depleting substances for 2022 are back to a normalized value. We will continue to make efforts to further reduce and optimize the use of installations containing these substances.

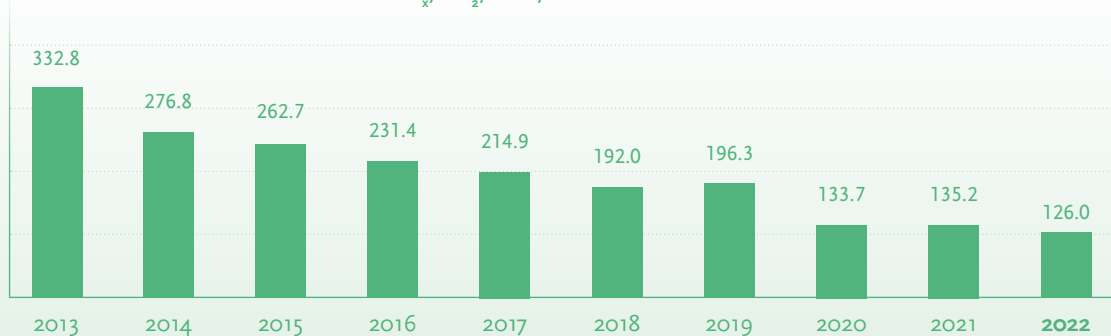
Ozone-depleting substances

(CO₂ tons equivalent/year)



We only report data starting from 2019 because we had previously detected some misalignment in the calculation methodologies between some of our sites. We consider the reported data more representative for data comparison purposes as they have been calculated in the same way by all sites.

NO_x, SO₂, VOC, VIC emissions to air



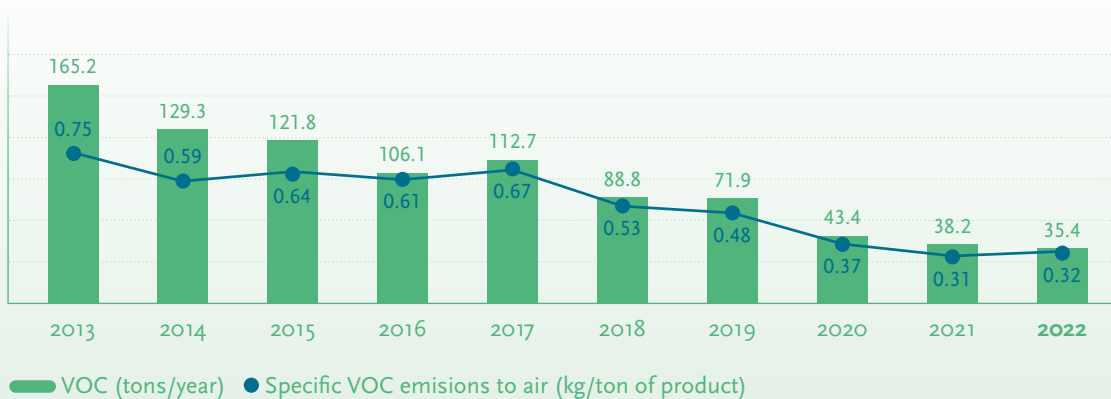
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
NO _x	141.6	140.4	137.5	120.3	99.4	99.0	119.0	86.8	93.1	87.9
SO ₂	23.5	5.1	1.5	1.5	0.8	1.5	2.7	1.1	1.5	0.9
VOC	165.2	129.3	121.8	106.1	112.7	88.8	71.9	43.4	38.2	35.4
VIC	2.5	2.0	1.9	3.5	2.0	2.8	2.8	2.4	2.4	1.7
TOTAL (tons/year)	332.8	276.8	262.7	231.4	214.9	192.0	196.3	133.7	135.2	126.0

VOC emissions to air

Air emissions excluding CO₂ decreased in 2022 by 6.9%. This decrease is almost entirely due to the lower NO_x emissions associated with natural gas consumption.

As a result of continuous efforts and optimization of processes, the VOC emissions trend is in continuous decrease and absolute emissions decreased by 7.4% in 2022. In parallel, specific VOC emissions maintained a low level of 0.32 kg per ton produced.

We also continue to increase our solvent recovery rate through improved business practices and plant modifications. This is also due to several optimizations made possible by the automation of solvent balance tracking.



Our commitment for the future on Climate Action

The commitment towards decoupling GHG emissions and energy use from production volumes is and will continue to be one of the focal points of our work in the coming years. We will continue to reflect this commitment in our corporate strategy by identifying priority projects on an annual basis, both in our operations but also in cooperation with partners along the value chain.

We will also continue to fully support the implementation of the European Green Deal, a package of policy initiatives aimed at setting the European Union on the path to a green transition, with the ultimate goal of reaching climate neutrality by 2050. It is surely a key tool to achieve sustainable development. We consider this of the utmost importance to drive the entire industry towards more sustainable production and we fully support it both via all our sectors' associations and our own processes.

With a vision to gradually become a net-zero organization, we will continually set targets for ourselves, be that on overall emissions or on specific areas or raw materials use. While some plans are already very concrete, such as a reinvestment plan in energy production (industrial heat pump, mechanical vapor compression and electrical boiler) approved for 2023 that will allow us to further reduce our CO₂ emissions significantly in Belgium from 2024 on, others are still being defined. In those latter areas we have already increased our efforts to transparently exchange with partners that can help us in identifying gaps, defining corrective actions and improving our overall performance and maturity to enable us to make formal commitments.

In addition to new technical implementations, we also consider training and awareness-raising around sustainability topics as key to driving behavioral change and supporting innovation.

7. Sustainability in the value chain

Relevance and boundaries

Nowadays, value chains stretch around the globe and companies cannot solely focus on their own products and direct processes anymore. It is crucial that business practices conform to stakeholders' expectations, not only internally, but also globally across their value chain, to avoid business and moral disruptions. Controlling the entire value chain is so challenging that it is impossible to do without considering partnerships as a key tool to drive business sustainability transformation.

At Agfa, our value chains are extended and diverse due to our variety of products and services and the multitude of markets we work in. They include the wide range of our suppliers, e.g. raw materials and packaging suppliers, our distributors, customers and many more. Supply chain sustainability management is based on detailed supply chain analysis and monitoring, informed risk assessment and a set of policies to deal with partners. These include the Supplier Sustainability Declaration (SSD), Code of Conduct, Safety Health & Environment policy, Supplier Performance Standards, etc. One of the horizontal enablers of these processes is the exchange of information across the value chain.

This section focuses specifically on the exchange of information with two of our groups of partners, i.e. customers and suppliers.

Our management approach

The exchange of information across our value chain occurs through multiple channels. At global level, we mainly use our corporate website, e.g. to make all our products' Safety Data Sheets (SDSs) and Annual Report publicly available to disclose progress regarding our sustainability performance. These are complemented by a series of tools that are more or less relevant depending on the country and/or the specific markets.

Suppliers

Engagement with our suppliers is coordinated by the Agfa Purchasing department following specific local and national legal requirements. The Agfa Purchasing team is a corporate team supporting and servicing all Agfa divisions, although for some regions and depending on specific business needs, dedicated local staff may be appointed.

Supplier selections are run following a structured qualification and assessment process that looks into different areas that will be of relevance in future relations, like resource and quality management. Approved suppliers are then classified according to a tiering system based on their impact on business profit and continuity for Agfa, but also Agfa end-customers and on the related supply market complexity and risk level. This classification is then used to define the frequency of qualification and control processes such as audits or scorecards where different aspects of supplier performance is included (e.g. health hazard evaluations, number of complaints, corrective actions taken, etc.).

Moreover, the Agfa Supplier Code of Conduct (CoC) is an important document to back up our collaboration with suppliers. The Supplier CoC is available on our corporate website, is included in our core and key suppliers' contracts and is referred to in all our purchase orders through our Purchasing Conditions. It requires compliance to the laws of the applicable legal systems, the maintaining of compliance systems and the suppliers' capacity to demon-

strate a satisfactory record of compliance with the law and widely accepted forms of fairness and human decency in their conduct.

Customers

Engagement with our customers is coordinated at local level by each division following specific local and national legal requirements.

Some programs are set up at regional level, based on the local context and customer interest in engaging on sustainability specifically. For instance, we have set up GreenWorks in North America, a customer accreditation scheme that recognizes customers in the graphic communications industry who have demonstrated environmental responsibility and achieved greener outcomes through the use of technology, products, services and practices.

Our 2022 performance and activities

In 2022, we consolidated our efforts to increase engagement across our supply chain on sustainability topics, which remained essential for the acceleration of our progress. Consolidating and giving higher visibility to the initiatives already implemented or in progress, both internally and externally, was a necessary first step. We therefore acted to transparently communicate current strengths, gaps and plans to address these at different levels. More specifically this means that we:

- Gave internal visibility to sustainability targets, commitments and responsibilities to make sure all of our teams are on board, e.g. during Infotours (internal quarterly business updates), internal magazine, Intranet, events etc;
- Increased external visibility, transparency and clarity in our communication towards our stakeholders by regularly including the sustainability topic in our presentations for analysts and the press and using the dedicated section on our website to share regular updates;
- Improved our own skillset, e.g. providing training and ad hoc support to teams on sustainability related impacts. In 2022 for example the Agfa Purchasing team followed a training dedicated to sustainable procurement;
- Answered several customer corporate social responsibility and sustainability questionnaires;
- Rated our current performance via the EcoVadis questionnaire, renewing our bronze medal.

In addition to the rating of our current performance, the outcome of the EcoVadis assessment provided a list of recommendations for potential continuous improvements. As a result, we reinforced our processes in 2022 in the areas of procurement and communication all along the supply chain. Our Potential Supplier Assessment (PSA) used for the qualification of new (potential) suppliers for example, now includes a sustainability score. A process is also ongoing to define and insert a sustainability KPI in scorecards that should be fully operational in 2023.

All exchanges served as the basis to refine our sustainability strategy and create the next steps in our journey. The activation of our teams worldwide is translating into a continuous increase of focus on these topics and a more proactive approach towards addressing them with customers, peers and stakeholders in general.





DEGREE OF SEVERITY OF ACCIDENTS WITH
MINIMUM ONE WORKING DAY LOST

-28% *compared to 2021*

1 task force

set up to **further reduce** the
number of accidents

32.8%

women share in all **new hires** of permanent positions

GETTING READY FOR THE FUTURE OF WORK:

Almost **17 hours** *per employee training*
online (average in 2022)

Our goal? To ensure a safe,
inspiring, diverse and inclusive
work environment, with equal
opportunities to thrive and grow

Focus on our people

Our ambition

Agfa owes its success to its people and builds its future on the competences, passion, creativity and commitment of all of its teams. People are the engine of everything we do, therefore providing a safe, caring, inspiring and inclusive work environment with equal opportunities to thrive and grow is key to progress in a sustainable way. This is the vision we want to encompass in our corporate culture: promoting our ability to learn from each other at a company level, listening to our customers and being market-driven to achieve results. We want to positively impact the health and well-being of our employees by ensuring supportive working conditions, but also that of people externally by helping them evolve towards digital solutions, energy transition and qualitative patient care through our offerings.

Our policies

Our values are reflected in the Group's Code of Conduct (CoC). To support the translation of the CoC into clear day-to-day processes, we rely on a series of policies and corporate guidelines, both at global and local level. In 2022, our Corporate Safety, Health & Environment (SH&E) policy, HR Recruitment policy, Global Learning & Development policy, Compensation & Job Evaluation policy, have all been consolidated under our overarching Sustainability Management Policy and Diversity, Equality & Inclusion policy.

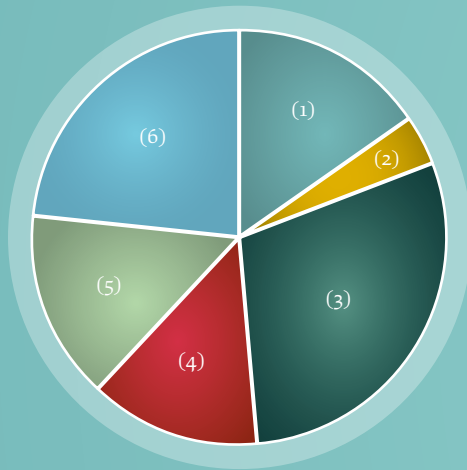


We are Agfa

NUMBER OF EMPLOYEES

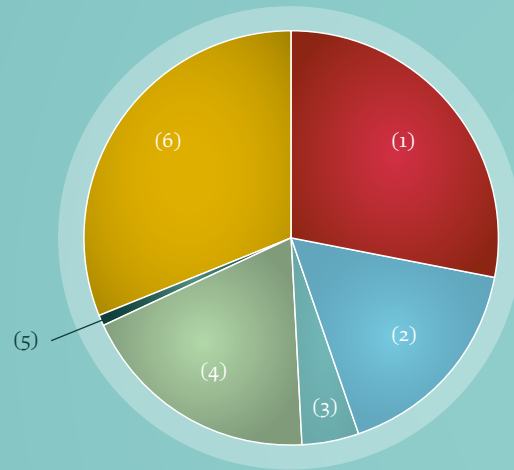
A TOTAL OF
6,936
 in 2022 or 6,688
full-time equivalents

EMPLOYEES PER CORPORATE FUNCTION



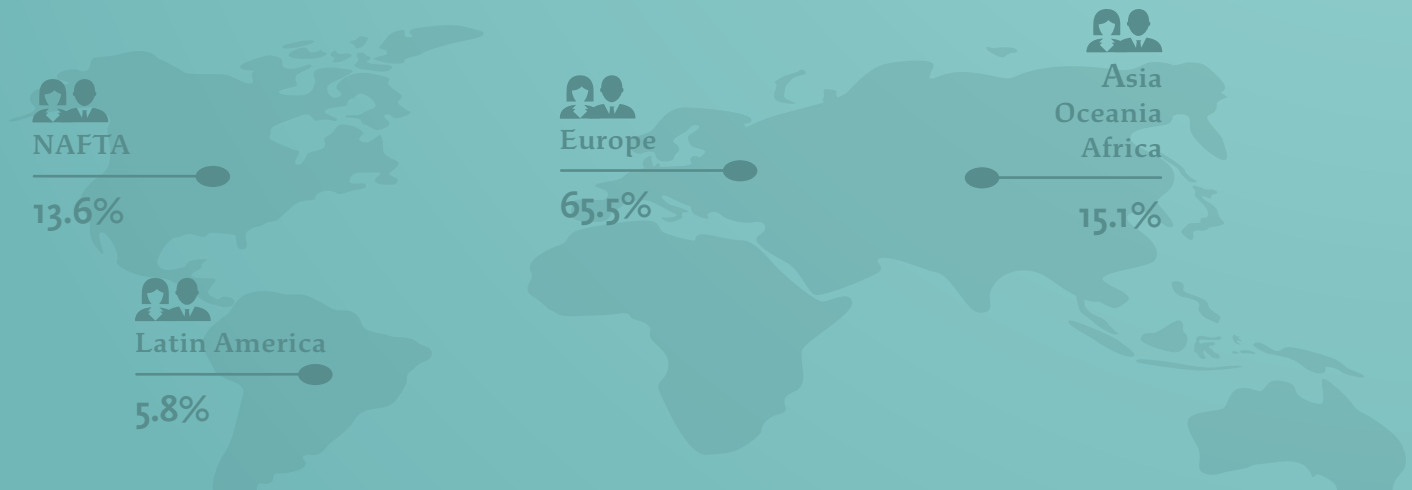
- (1) General & Administration **15.5%**
- (2) Logistics & Supply chain **3.8%**
- (3) Manufacturing **31.5%**
- (4) Research & Development **12.7%**
- (5) Sales **15.1%**
- (6) Service **21.4%**

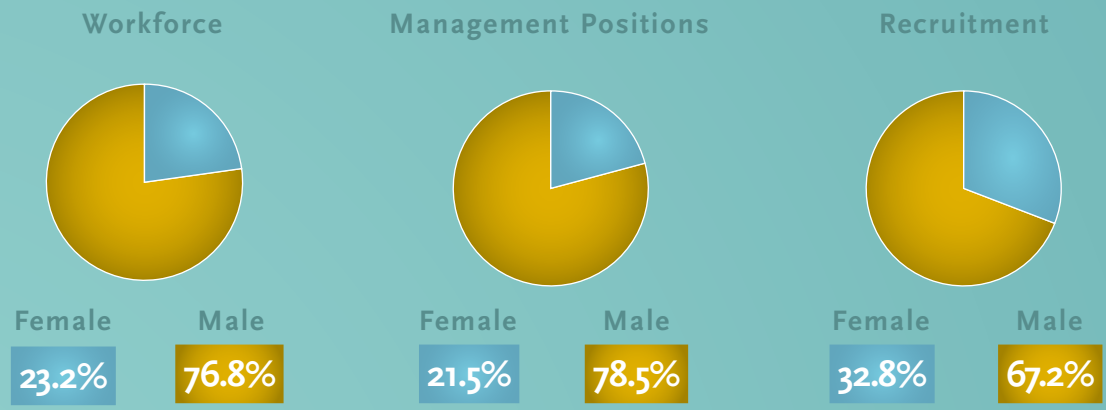
ALLOCATION OF EMPLOYEES



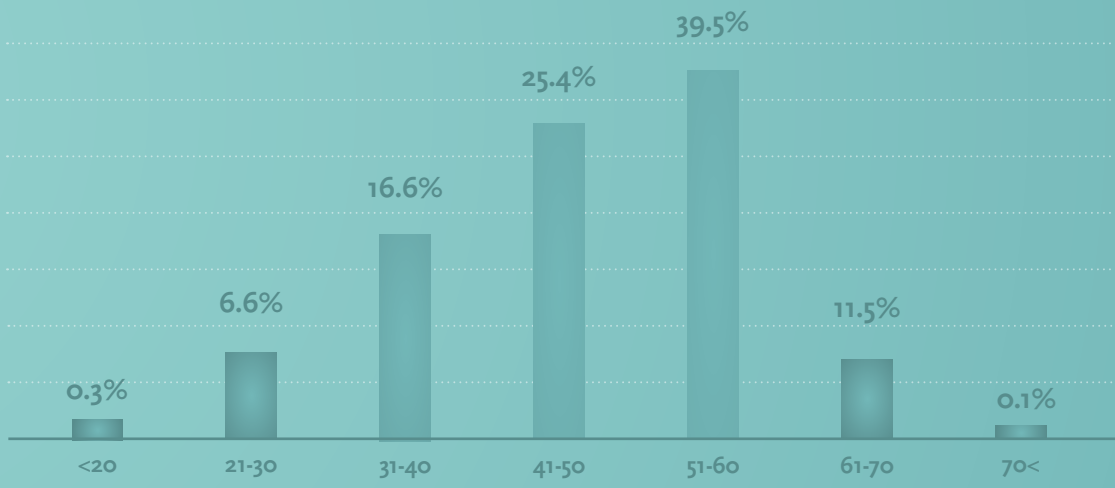
- (1) Offset Solutions **19.9%**
- (2) HealthCare IT **17.1%**
- (3) Digital Print & Chemicals **10.1%**
- (4) Radiology Solutions **15.2%**
- (5) Executive Management **0.1%**
- (6) Support services **37.6%**

EMPLOYEES PER REGION





EMPLOYEES BY AGE GROUP



AGFA HAS 83 NATIONALITIES - The Top 5 are:



2022 at Agfa *in a snapshot*

Since 2020, we have been focused on building an overall corporate approach to frame and coordinate projects, resources and targets between different geographies and departments and translate them into concrete actions. 2022 has been a year of consolidation, where we maintained our focus on key topics such as health & safety and learning & development.

This year, a significant part of our effort has also been put into finding ways to better understand our people's expectations and develop a corporate culture of Diversity, Equality & Inclusion. This was mainly driven with the creation of a Global Diversity, Equality & Inclusion Council and three Employee Resource Groups working on gender equality, ethnicity and collaboration across generations, as well as the launch of the first Agfa-wide engagement survey as a tool to monitor our company's culture and well-being.

Almost 70% of the company's staff participated in the survey, which was already a great engagement marker, and more than 18,500 individual comments were received. It has been an opportunity to celebrate what we are doing particularly well, while learning where opportunities lie to make things better.

There were some very positive messages in the results, such as the fact that people are, in general, proud to work for Agfa. Staff feel they can be autonomous, know what they need to do to carry out their work properly, and can see how their work contributes to Agfa overall. Also worth celebrating is that we scored quite favorably with regards to diversity, equality and inclusion.

The general engagement score for the company however, which showed 58% favorability, is 15 percentage points lower than the external benchmark (73%) and therefore there will be work to be done to listen to concerns and improve. We are therefore taking a deeper dive into the engagement survey results to implement a two-pronged approach of overall company-level actions, paired with grass-roots actions within teams to create visible results to help increase engagement across the company.

Also of note was that engagement varied to quite an important extent depending on site, country, age, grade and other demographic markers, so this is also something that we will be looking at in closer detail so as to maximize the impact of remedial actions.

1. Employee Well-Being, Human Capital and Learning & Development

Governance

While details for each process are provided in the sections beneath, the general management and key responsibilities for these topics fall under the remit of the Human Resources department due to its key role in the different stages of engagement with employees.

Several Global and Regional HR Business Partners build, maintain and develop relationships with senior leaders/managers and employees and act as a point of contact for management, while being involved in important business decisions. Monthly check-ins ensure thorough follow-up and exchange over the course of the year.

As we have entered into a comprehensive transformation journey, strengthening our Human Resources expertise is a top priority for the Group to help us put our people at the center of our transformation. This is why, since September 2021, our Chief Human Resources Officer Gunther Koch is also a member of the Executive Management Team.



“The transformation of Agfa is not just about processes and operating models – it’s also about our people, culture and purpose. It’s about creating an environment where our people feel they belong, where they can be their best self and be emotionally invested to deliver on Agfa’s promise to society, customers and shareholders.”

GUNTHER KOCH, *Chief Human Resources Officer*

Diversity, Equality & Inclusion

We want our company to be a place where diversity of both people and thought is valued everywhere – a place where we are all able to be ourselves and feel a sense of belonging. Getting this right will strengthen our performance by bringing us even closer to our people’s needs, and the needs of our customers.

Diversity at work means employing a workforce that reflects the society in which it exists and operates. For Agfa, diversity means all the characteristics that make individuals unique, such as gender, race & ethnicity, age, ways of thinking, education, etc. Inclusion refers to the culture and work environment set up that makes everyone feel welcome and where diversity is an element of strength.

Our focus for 2022 was on the way we recruit and develop people, on exploring ways to foster a more inclusive environment and on making sure our policies and processes always promote equal opportunity.

Relevance and boundaries

We strive to create a work environment that is safe, inspiring and inclusive, with equal opportunities to thrive and grow by creating a climate of trust, tolerance and openness. We believe that diversity, inclusion and integration of such diversity is a key factor to succeed in this vision. Agfa’s corporate culture further aims to promote an environment where people are connected to the company and experience a sense of belonging.

Agfa is active in more than 100 countries and has its own production centers, R&D centers and sales organizations in more than 40 countries. At Agfa, employees representing more than 80 nationalities with different backgrounds, personalities and visions work together every day. This diversity enriches the organization as it is the engine of Agfa's performance, innovation and overall culture.

Our management approach

Agfa has policies and procedures in place to ensure the implementation of its vision. Since 2003, the Agfa Board of Directors has implemented a policy of equal employment opportunities and it stands behind a zero-discrimination policy in which there is no room for discrimination on the grounds of race, religion, political opinion, color, gender, age, nationality, disability, or any other legally unacceptable classification. This commitment is part of Agfa's Corporate Governance Charter under 'Appendix A: Code of Conduct'; this document can be consulted on Agfa's website: <https://www.agfa.com/corporate/investor-relations>.

The Corporate Governance Charter and all the main policies and procedures were updated in 2020. The different parties involved in projects, such as employees and subcontractors, must get the same attention. The Corporate Governance Charter and the procedures set out minimum requirements in terms of ethics, non-discrimination and respect for human rights. A basic principle is to ensure that every person involved in projects is treated with respect.

It is further detailed in Agfa's Diversity Charter.

In the Diversity Charter, Agfa commits to the following:

- Apply the non-discrimination principle in all its forms and for all phases of life at Agfa, i.e. recruitment, promotion, retirement;
- Educate management and employees to enable them to deal with challenges related to DEI;
- Actively address all kinds of discrimination.

This Charter is fully endorsed by Agfa's management and, together with social partners, is fully committed to actively support it. Agfa also expects that all of its employees respect the rights and individualities of all people.

In addition to the behavior expected from employees, we continue to hold leaders at Agfa accountable for promoting and bringing to life our commitment to creating a diverse and inclusive workplace where everyone has a sense of belonging and can be their best and most authentic selves.

While we continue to raise awareness by rolling out our DEI toolkit and trainings (focusing on awareness and skills development, unconscious bias, leader and manager capabilities, etc.) on a company-wide basis, we also have responded to the need to develop a broader, more articulated DEI strategy and plan. The development of a DEI strategy requires strong sponsorship from our senior leaders, but we also want to involve, engage and empower all of our employees to be part of the solution.

For that reason, a Global Diversity, Equality & Inclusion Council was launched in 2022 to create the global workforce necessary for Agfa's business success. The Global DEI Council will drive and ensure that Agfa's purpose and strategic priorities are thoroughly embedded into DEI tactics and tie these to broader organizational goals and KPIs. The Global DEI Council is the accountable body to communicate the value of inclusion, both internally and externally.



Through its global and cross-functional composition, the Global DEI Council will focus on gaining a deeper understanding of how the regional business conditions affect and guide the work of Diversity, Equality & Inclusion. As a result, we will have a platform for shaping and sharing best practices globally to influence inclusionary actions and behaviors for all Agfa colleagues. The Global DEI Council will also help to identify and break down outdated norms and barriers for DEI success.

“Anyone can contribute to a more inclusive workplace. Our ERG provides a collective voice for the concerns of any colleague about issues that impact their identity group in the workplace, and we aim to help resolve them. There is always room for improvement, so we will have a long but interesting and certainly successful journey ahead of us.”

VINCENT VALENTEYN, *ERG Lead EMBRACE*

This Global Council has been strongly connected to the setup in 2022 of Employee Resource Groups (ERGs) covering different areas of diversity:

- **EMBRACE** – a group working together to create a culture of open access to maximize inclusivity for ethnically diverse employees, building strong employee relationship, and connecting people in an environment that will recognize that each person has different circumstances and provide them the exact resources and opportunities needed to maximize and reach their full potential.
- **Equal Gender Opportunity (EGO)** – a group working together to accelerate the personal development and professional advancement of women and men through transformational learning and leadership opportunities and experiences.
- **Generations Working Together (GWT)** – a group working together to ensure employees of different age groups feel supported in their career stage and are open to creating an inspiring learning environment to poise Agfa and its employees with knowledge and capabilities for future success.

These ERGs are a key part of what we do and how we operate at Agfa. Each group has a very diverse representation of our Agfa divisions, geographies and functions and gets an active Executive Management Team sponsor to share ideas, views and perspectives. The goal is to capture the energy and ideas of passionate voluntary members to raise even more awareness internally.



“Since the announcement of this global initiative here at Agfa, I’ve been identifying and creating a group of global employees that will work with commitment and diligence to provide awareness of our current standards and provide solutions to increase gender equity within our organization.”

LATONYA PHILLIPS, *ERG Lead Equal Gender Opportunity (EGO)*



“I joined Agfa two years ago and I am still in my twenties. This contrasts with most of my colleagues who are 50+ and have often spent most of their professional lives at Agfa. This situation presents unique challenges. I wanted to be part of the ERG initiative and work on it, finding solutions to keep the longest-serving Agfa colleagues motivated and supported in a changing environment, to make sure their relevant knowledge and experience will not be lost, and make Agfa a more attractive and engaging company for new and younger Agfa employees. Together with our motivated ERG team, I believe we can make Agfa a better workplace for all generations.”

TOBIAS HAEGENS, *ERG Lead Generations Working Together (GWT)*

The role of Talent Acquisition and HR practitioners is integral to the development of processes to close barriers to inclusion. Agfa’s Talent Acquisition and HR professionals therefore play an important role in attracting, retaining and supporting highly skilled, diverse candidates to meet and exceed organizational goals.

Our target(s)

Our Employee Well-being, Human Capital and Learning & Development indicators:

1. Total % man/woman workforce;
2. % Man/woman per job category;
3. % Man/woman in new hires;
4. Employees by age group;
5. Employees by nationality;
6. Average salary/managerial level.

Our 2022 performance and activities

Since we are committed to diversity and inclusion in its broadest sense, i.e. in terms of culture, ethnicity, socio-economic status, age, gender etc., related activities are not dealt within a silo, but are embedded in the different organizational processes described in this chapter. We also acknowledge that there is currently room for improvement within the organization, which is why we decided to focus on DEI as one of the main priorities for action in the sustainability roadmap for 2022 and the years to come.

In order to make such a strategy actionable in a broad field, gender diversity and equality has been one of our key work streams in 2022, based on our defined quantitative targets and a concrete action plan. For Agfa, this involves recruiting from a gender-balanced pool of candidates for every vacancy, keeping the benefits of the already achieved results by increasing retention and improving the satisfaction of employees, while also fostering diversity within decision making roles.

In 2022, we continued to use the series of activities in place to reach our targets, fully aware that quantitative results would only be visible over time due to the nature of the topic. These activities are organized around five pillars:

EMBED

Focused on the translation of gender diversity objectives at corporate level into team objectives, bolstered with regular progress reporting. Dialogue with the global DEI Council and the Equal Gender Opportunity ERG will further help to map the progress (to be) done and influence decisions that will go towards achieving Agfa's gender representation ambitions.

EMPOWER

Focused on understanding the needs of the current workforce, identifying the gaps faced by women to have equal access to positions and providing the right tools and training internally to address these topics.

ATTRACT

Focused on ensuring that our vacancies get adequate visibility to a broad set of candidates by using non-stereotyped wording, as well as diverse promotional material and platforms for publication. Ensuring that our career webpage portrays diverse testimonials of our current employees.

SPONSOR

Focused on engaging at local level to develop future talents, e.g. working with schools and supporting STEM (Science, Technology, Engineering and Mathematics) initiatives.

SHARE

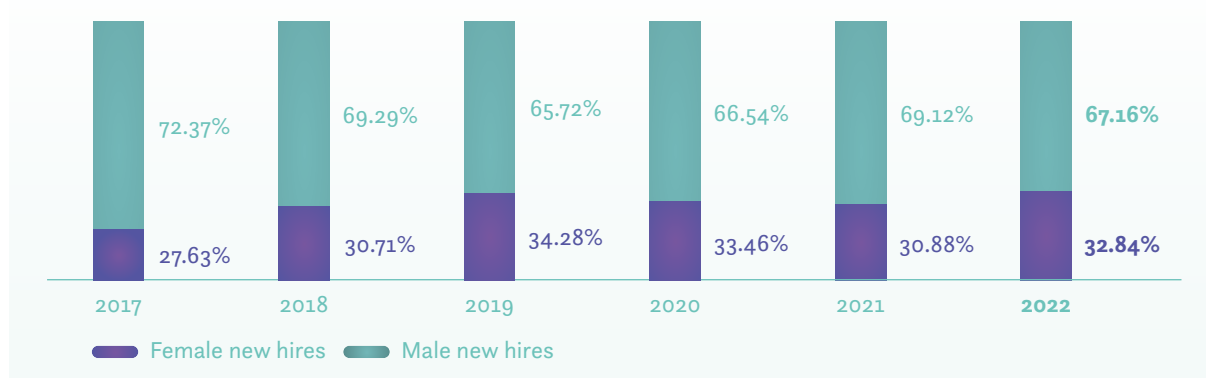
Focused on increasing the visibility of these topics both internally and externally, e.g. creating dedicated communication material for our social networks and giving visibility to this topic in our corporate newsletter. The vision, actions and progress on sustainability topics has therefore been presented to Agfa employees at each Infotour (internal quarterly business updates) and other events such as AgfaPolis (a HealthCare IT event in Ghent, Belgium) in 2022.

Since 2015, the composition of the Board of Directors (BoD) complied with legal obligations relating to gender diversity as provided by the Belgian law of July 28, 2011. Agfa has a recruitment policy focused on diversity, including gender diversity. The legal requirement that at least one third of the members of the Board of Directors be of the opposite gender is therefore met. More information regarding diversity for the BoD can be found in the Corporate Governance Statement.

Beneath is a summary of our global 2022 performance for the workforce as a whole. For the purpose of reporting on DEI, Executive Management functions are divided into two categories. The channels to reach, retain, and motivate these two categories are different and, therefore, it is more practical to monitor our performance separately to understand the impact of our activities.

Headcount/management level	2018		2019		2020		2021		2022	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Employee	24%	76%	25%	75%	24%	76%	24%	76%	23%	77%
Manager	21%	79%	22%	78%	22%	78%	23%	77%	23%	77%
Middle Manager	15%	85%	15%	85%	16%	84%	17%	83%	18%	82%
Executive Manager (Level 2)	9%	91%	9%	91%	10%	90%	10%	90%	12%	88%
Executive Manager (Level 1 and 0)	6%	94%	12%	88%	15%	85%	13%	87%	11%	89%
TOTAL	23%	77%	24%	76%	23%	77%	23%	77%	23%	77%

Percentage of female/male employees on recruitment



Percentage of new employees by age group

	≤20	21-30	31-40	41-50	51-60	61-70	70<
2016	4.36%	33.03%	31.97%	20.29%	8.97%	1.00%	0.00%
2017	5.16%	34.69%	32.57%	16.78%	8.93%	1.25%	0.00%
2018	3.54%	33.79%	31.66%	18.81%	9.77%	1.85%	0.10%
2019	6.85%	36.34%	29.88%	16.98%	8.50%	1.10%	0.32%
2020	2.92%	33.27%	32.68%	18.48%	11.28%	1.36%	-
2021	3.33%	36.49%	30.18%	16.84%	10.53%	2.11%	0.53%
2022	1.71%	28.14%	28.57%	22.60%	15.99%	2.99%	0.00%

Our different talent acquisition initiatives helped reach 32.8% female recruitment over the course of 2022. While this was below our target of 37%, the achievement was unfortunately in line with the availability of female talents in the markets in which Agfa is actively recruiting.

In 2022, we indeed remained challenged by a combination of reasons. Some barriers are common to the whole market, considering for example the burden of unpaid care and domestic work, which already fell disproportionately on women before the COVID-19 pandemic and further increased during the pandemic, decreasing the global number of women available on the labor market. Some other challenges are specific to our organization as we operate in tech & industry where there is a known major shortage of women for this specific sector, therefore there is not always a choice between male and female candidates at a time when speed of hire is a crucial requirement.

Our target(s)

With a commitment to working on the different elements as part of a DEI strategy, we focused on gender parity as the first area around which to set targets. Although we initially started with a straightforward approach to gradually increase the percentage of women as share of all new hires in permanent positions and high management positions year on year, we are in the process of refining our approach to integrate a combination of three elements in our annual goal setting:

- The population mix of our actual recruitment;
- The external market representation by functional area;
- A pre-defined ambition level for Agfa.

We believe this will allow our target to better reflect the current and future market reality in Agfa's core segments and support our long-term gender parity ambition.

Independently, the minimum legal requirement that at least one third of the members of the Board of Directors be of the under-represented gender will remain a point of attention when changing or extending its composition.

Remuneration policies and practices

Relevance and boundaries

To support our overall commitments regarding Diversity, Equality & Inclusion, we apply non-discriminatory remuneration. Employing people is a long-term strategic investment and global organizations continue to experience competition in recruiting and retaining staff. Agfa considers market conforming remuneration packages as a tool to attract the best talents on the market.

Our management approach

The remuneration policy in place for our Board of Directors and Executive Management Team (EMT) is described in our Corporate Governance Charter; criteria are set by the Nomination and Remuneration Committee. The goal of the policy is to ensure that qualified and expert professionals can be recruited, retained and motivated, taking into account the nature and scope of their individual responsibilities.

With regards to the general workforce, we have a Global Compensation Policy in place which ensures that salaries are in line with the market, are fair and are defined across different geographies in a consistent manner. The policy is built on the principle that Agfa is committed to Pay for Performance and, on this basis, the individual employee's remuneration is based on the following parameters:

- Criticality of position and scarcity of skills on the market;
- Performance and expertise in role;
- Future potential of the employee;
- External (market) benchmark;
- Internal benchmark, i.e. salaries of peers.

A variable salary is an important part of the salary package. The amount of this variable part depends on the results of the respective division and region and on individual performance, as defined in the Global Bonus Plan. For sales and service staff, the variable part is linked to specific targets in a 'Sales Incentive Plan' or a 'Service Incentive Plan'; while for Executive Managers up to level 2 it is also linked to the achievement of ESG objectives. The Executive Management validates the funding ratio, regional and final distribution of individual performance ratings.

In addition to salary, we strive to offer competitive, as well as cost-efficient short-term and long-term benefits, as part of individual packages. The most important benefits are a pension plan, life insurance and medical insurance. Depending on local rules and customs, which can vary significantly, benefits could also include a company car or additional representation costs.

Our 2022 performance and activities

In 2022, we continue to use a Total Target Cash level as a reference salary for our employees, which is on average at the 50th percentile of the market.

The table below also gives an overview of the ratio average salary/management level between genders over the past years. We rely on strict legislative requirements to evaluate our management approach. In fact, the Belgian government requires that a gender wage report is submitted to the national workers' council every two years. This ensures that data on this aspect are regularly reviewed by an external party. These figures should be interpreted with caution as they do not include the number of years of experience in a particular position, the country of employment or seniority.

Average salary/ Management level	2018		2019		2020		2021		2022	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Employee	90%	103%	89%	104%	88%	104%	88%	104%	87%	104%
Management	94%	102%	93%	102%	93%	102%	93%	102%	95%	102%
Middle management	93%	101%	94%	101%	96%	101%	97%	101%	95%	101%
High management (Level 2)	92%	101%	97%	100%	106%	99%	106%	99%	107%	99%
High management (Level 1 and 0)	73%	102%	70%	104%	73%	105%	72%	104%	118%	98%
TOTAL	87%	104%	87%	104%	87%	104%	87%	104%	88%	104%

Career guidance, performance and talent management

The processes of career guidance, performance and talent management are those processes implemented to ensure that each individual can thrive within Agfa and can make the best use of their potential to grow and contribute to overall company performance.

In particular:

- Career guidance is the facilitation of the employee's exploration of their interests, talents, and experiences in order to identify possible career opportunities. The focus is on career change, personal development and possible other career-related issues;
- Performance management is a framework to ensure that employees continuously receive formal and informal feedback on their performance against a number of agreed targets on both the 'what' and the 'how'. It entails setting employee performance targets, ultimately aimed at achieving the company's strategy and objectives;
- Talent management is about how to attract, develop, retain and engage the right people, at all levels of the organization. It entails defining the competencies that Agfa needs, and will need, to grow successfully and identifying the existing potential within the company.

Relevance and boundaries

A skilled workforce and agile organization are essential for the continued success of our business. Failure to correctly manage talents to satisfy the current and future needs of the business would hinder our performance.

Agfa's HR policies therefore foresee a number of processes linked to the employee life cycle. An employee's career can be divided into different phases: recruitment and introduction, career evolution and end-of-career.

Competence management, performance management, continuous training and development opportunities, fair and competitive remuneration and constructive feedback are essential elements in each of these phases.

Today, many employees will make more career moves than was traditionally the case. A job-fit employee is therefore necessary in order to remain professionally employable. To this end, Agfa is strongly committed to supporting its workforce throughout all of these phases.

Our management approach

Career guidance

An internal career coach is assigned to help understand the strengths and weaknesses of the employee, what is important for them in their work, life and future career opportunities. The most important goal is to give employees confidence in themselves and in their professional future.

Performance management

Agfa introduced FeedForward as a Performance Management Framework in 2018 to focus on coaching and development, rather than solely on evaluating performance. Our FeedForward framework provides guidance and coaching tips for people managers and their employees to have value-driven conversations focusing on goal progress, feedback and personal development.

This creates a more flexible performance culture in which both manager and employee play an active role:

- Setting meaningful and result-oriented personal objectives;
- These are linked to company objectives, thus providing purpose and vision on how each person contributes to them;
- Continuously clarifying expectations and redirecting objectives;
- Giving, asking for and exchanging feedback to improve performance;
- Maintaining a dialogue on development.

Employee development is an integral part of performance management. The employee and the manager must identify personal development objectives. These support the achievement of short-term objectives, as well as long-term personal career expectations. Financial rewards for employees are partly based on the results of the performance management process.

Talent management

People Managers participate in the annual People Review process to proactively identify core talents within the organization, select development actions such as job rotation, plan soft skills training for the year and plan succession and career mapping steps. Our HR Business Partners and HR Managers are trained annually on rolling out the review and coaching people managers through the process. To a large extent, the results determine the action plan for development actions and programs for the rest of the calendar year and are followed up centrally by Talent Development for each business division and corporate center.



“Through working on the business case, I discovered that a team that is dedicated, creative and diverse can produce nice results, even in challenging circumstances.”
EVA VANDERSMISSEN, *Researcher & Participant Regional Talent Program 2022*

Leadership programs aim to equip our people managers with the skills needed to transition from team member to leading a team. This should allow them to progress to skilled people managers who coach other leaders and drive leadership behaviors across Agfa.

Since 2022, we have launched a new approach to talent management whereby senior managers are asked to identify key competencies for their department for the future, draw up succession planning for enterprise key roles and list high potentials. It further nominates key talents per region, i.e. employees who show the potential to take on roles with a broader scope and who are usually on Agfa's succession bench for wider roles. For these key talents, Regional Talent Programs are set up that focus on acquiring the skills, knowledge and practice in building a concrete business case within a nine-month track which is then presented to the regional leadership teams.



“Self-development, a strong and reliable network beyond typical business unit frontiers, the opportunity to defend a business plan in front of the Board and High-Level Management Members and, in general, getting a better, more holistic business sense of Agfa, were my main take-aways.”

STEFAN DÜBNER, *Site Manager Schrobenhausen & Participant Regional Talent Program 2022*



“The program pushed me to do and learn something new, get out of the daily business life and comfort zone and meet new people.”

ROMY KRAUTZ, *Verification Manager & Participant Regional Talent Program 2022*

Our 2022 performance and activities

In 2022 we continued to support people managers through another challenging year by providing online and live resources to coach and support team members, emphasizing empathy, mental well-being and resilience. Our efforts led to an exponential increase in access to proposed courses.

A focus on an integrated talent management approach has also been maintained. We rolled out Regional Talent Programs in HQ, EMEA, NAFTA, ASPAC and LATAM, as well as a New Leaders Track, a specific 8 - 12 month learning community for recently or soon to be promoted people managers and offered a 360-feedback survey to all participants. This tool is used to provide insights on how one is perceived in one's own role, benchmarked against a HR Consultant database (Hudson), in this case for junior leader competencies.

To support a more agile and business-driven approach, a new Virtual Development Centre (VDC) model, based on Hudson competencies, replaced the old model in 2021. After being nominated by a line manager or HR Business Partner, employees are prepared via the VDC for new or broader roles, with a targeted development track based on outcomes. The pool of participants in VDCs is global and centrally managed by Talent Development, which now makes it possible to benchmark our employees' performance in a more transparent way.

Learning & Development

Relevance and boundaries

Continuous learning and development are essential for individual and organizational growth. At Agfa, learning is a mindset. The question is not only about what roles employees can be prepared for now, but also how we can shift thinking so that employees are ready and able to succeed in whatever roles emerge in the future.

With this in mind, Agfa continuously seeks the right balance between attracting competencies from outside the company, developing internal competencies and increasing

the overall employability of employees by encouraging successful career transitions and mobility. Learning and development is the natural lever to increase the employability of our employees.

Each employee must therefore be able to further develop their unique capabilities and skills, or acquire new and advanced skills and knowledge.

Our management approach

Different roles require different skills and Agfa wants to equip its workforce with flexible skill sets which promote success in a dynamic and complex environment. For this reason, we offer a wide range of internal, external and web-based learning and development tools in technical, business and soft skills related areas. Examples of such soft skills training are sales excellence programs, which promote a customer centric approach to business via workshops on methodology, as well as mentoring to improve the quality of visits with customers.

The basis upon which to define learning and development tracks, eligibility, as well as accountability both for managers and employees, are set out in the Global Learning and Development Policy. This policy is complemented by local and divisional programs tailored to the needs of our teams. Employee development plans are aligned with competence management and integrated into the FeedForward framework.

The Agfa Talent Development team pursues the ADDIE approach to training, which stands for the five stages of a development process: Analysis, Design, Development, Implementation and Evaluation. The ADDIE model relies on each stage being done in the given order, but with a focus on reflection and iteration. The model offers a streamlined, focused approach that provides feedback for continuous improvement.

Our indicators

1. Average hours of learning per employee per year on online platforms.

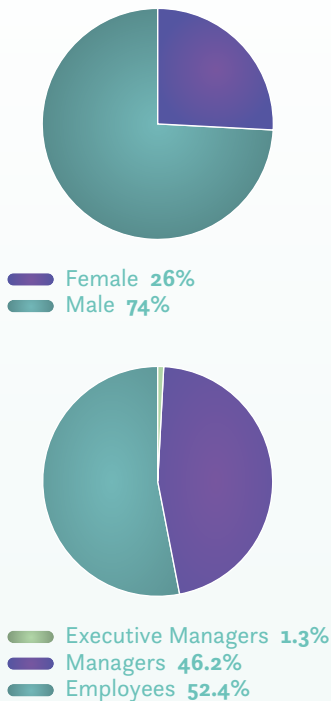
Our 2022 performance and activities

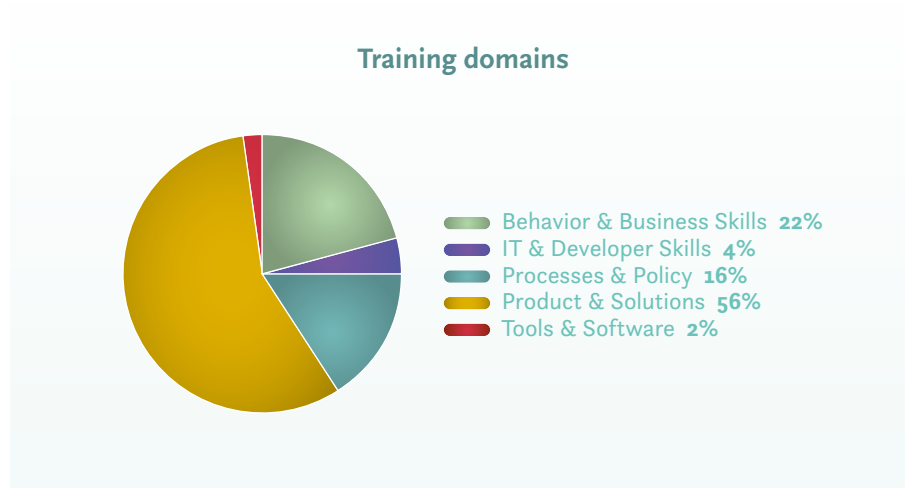
Learning & development is key to supporting the achievement of objectives in all areas of the organization's sustainability goals and each new project should always be supported by adequate training. Since the COVID-19 pandemic, new ways to connect with our employees were promoted or created to enrich the employee experience, such as learning networks to keep people more connected. As a result, our coaching tools and instruments have been increasingly digitalized and widely proposed to employees through corporate Intranet and online learning platforms such as ALP (Agfa Learning Platform), Percipio & SuccessFactors. Platform uniformization is an ongoing project and will allow a complete set of automatically retrieved data for future reporting exercises.

Thanks to learner accountability driven digital learning and a learn-anywhere-anytime approach, we saw an overall increase in the uptake of digitalized learning content in the last years. In 2022, we were also happy to combine digital learning with face-to-face trainings once again and extended our learning offer to develop employees and managers in the new way of working remotely with for example 'Working productive from home' and 'Remote leadership' modules.

In 2022, on average 63% of Agfa employees used one of the digital learning platforms, these people spent almost 17 hours learning online.

Repartition of online learning platforms





Our commitment for the future on Employee Well-Being, Human Capital and Learning & Development

At Agfa, we are committed to create a respectful, inspiring and inclusive work environment with equal opportunities to thrive and grow. To translate this commitment into actionable and measurable performance indicators, we developed a corporate sustainability strategy and began setting corporate targets. The ambition of the strategy and the scope of the targets will certainly broaden in the coming years.

We began by setting specific targets on gender equality for 2025. To achieve them, we will continue focusing on reinforcing or creating specific actions around women’s mentoring, adapting our hiring policies and leveraging partnerships that can empower women at work. This global commitment will be supported by the recent launch of our Global DEI Council, as well as the EGO Employee Resource Group, who will certainly help in defining concrete regional and divisional objectives and initiatives.

We are also strongly committed to developing our people, aligned to SDG 4 ‘Quality Education’ which is one of the key SDGs for Agfa. To this end, we benchmark Key Success Factors for Learning and Development annually to empower our people with the skills to succeed in the future digital world of work. We aim to increase the number of completed development tracks online and to keep addressing the learning needs of our people and of the business. In 2023, Talent programs will continue, probably without regional focus, to foster diversity and cultural discussions.

Work-life balance

Relevance and boundaries

Agfa strives for a good work-life balance for all its employees. This balance entails much more than just the ratio between work hours and private time. How much someone likes his or their job and how much satisfaction they derive from it is at least as important. The fact that many governments have recently raised the retirement age has also had a major impact on the wellbeing of employees. We are convinced that people with a good work-life balance are sick less often, experience less stress and feel more engaged. It is also important to acknowledge that the right balance can be different for everyone, and that people’s needs may change over time.

Our management approach

Agfa has a series of measures in place that are meant to strive for the best possible work-life balance:

- Flexible working hours, where possible;
- Part-time work options;
- Hybrid work;
- Thematic leave such as parental leave.

Agfa conducts awareness-raising campaigns that encourage people to work and live more healthily and consciously. A cornerstone of this approach is the Finnish professor Ilmarinen's House of Work Capacity model, which pays considerable attention to work-life balance and takes numerous measures to support the achievement of this balance. Within the framework of the House of Work Capacity, a minimum of three information sessions are organized each year in which themes relating to well-being at work, such as stress management, are covered.

Our 2022 performance and activities

This year, as for the previous couple of years, we continued to work on our ability to adapt to a remote and hybrid work organization. Having new colleagues joining our teams remotely and interacting with our stakeholders in new ways is becoming part of this new standard. Although working from home was already possible for a part of our employees before the COVID-19 pandemic, our approach has become more structured since then. We created Agfa Global Guidelines on Hybrid Working to provide the framework for eligibility, scheduling, arrangements and expectations. A hybrid model involves a renewed set of key characteristics and behaviors expected from both managers and employees to be successful. This is why we continued to place particular emphasis on developing these capabilities via online training (more details in the next section).



2. Respect for Human Rights

Relevance and boundaries

At Agfa, we consider respect for Human Rights as the moral imperative to our license to operate as a business. Moreover, we believe that everyone has the right to be treated with respect, care and dignity. Agfa operates in full compliance with all binding legal provisions applying to our market segments in all locations and with the general provisions of the Universal Declaration of Human Rights. In this spirit, Agfa also respects the right of its employees to organize themselves through trade unions and other organizations that represent the rights of employees in their relationship with Agfa as an employer. We also expect our suppliers to follow the same standards and adhere to the same high-level commitment we set for ourselves.

Our management approach

Agfa's employee Code of Conduct (CoC)

According to the Group's CoC, all employees working at Agfa are expected to act in accordance with the highest standards of ethical conduct and integrity and in full compliance with all applicable laws of each jurisdiction in which the company transacts business.

In addition to the behavior expected by employees, Agfa's management processes are designed in a way that employees are selected, hired, assigned, trained, transferred, promoted, laid off and compensated, on the basis of ability and qualifications without discrimination due to race, color, religion, political belief, gender, age or national origin. Furthermore, the CoC prohibits:

- Discrimination against any qualified employee or applicant on the grounds of physical or mental disability, or of their disability status;
- Grants or denials of employment or promotion for the purpose of providing or refusing sexual favors;
- Sexual harassment.

The respect of these rights, as well as the individualities of each employee, warrants a working environment in which everyone is respected.

Consultants and contracting parties operating with the Company are also required to respect the CoC.

In addition to the strict application of the CoC, a formal system is established to support employees who wish to report problems such as harassment, discrimination or conflicts of interest. Agfa employees can at any time submit any question or complaint via email, phone or letter to their immediate superior or to the Group Compliance Office. Complaints and questions are handled in a systematic and confidential manner by the Group Compliance Office – specialized and independent support may be appointed for specific topics covered by the CoC in accordance with local regulation, e.g. a contact person within HR for specific HR related matters.

Freedom of association and collective bargaining agreements

Agfa enters into dialogue with employee representatives in each country where it operates. In most of these countries, employees are represented by Works Councils. At European level, a European Works Council is also in place, led by a member of our Management Committee. The Council is composed of representatives from the different business divisions and union representatives from different countries and divisions. It meets at least twice a year to

receive updates regarding the progress of different corporate activities, as well as information regarding the different business divisions.

Depending on national legislation, there are also collective bargaining agreements agreed with Trade Unions in place for some categories of workers. All existing collective agreements are made available to all employees via the relevant internal sharing platforms, e.g. the Intranet, or upon request to HR.

Supply Chain

As an organization, we are part of an ecosystem where suppliers are essential to providing our own products and services to the market. In addition to risks related to ensuring business continuity (raw materials see pages 26-29 and value chain see pages 47-48), having close relationships with suppliers means that their performance and reputation impact ours. This is why we expect our suppliers to adhere to the same sustainability standards as we do.

The Supplier CoC is available on our corporate website and contains requirements concerning compliance to the laws of applicable legal systems. It sets out the need for maintaining compliance systems, as well as the need for the supplier to demonstrate a satisfactory record of compliance with laws and widely accepted forms of fairness and human decency. The covered areas are:

- Prohibition of corruption & bribery;
- No unfair business practices;
- Anti-discrimination;
- No harsh or inhumane treatment;
- Freely chosen employment and prohibition of child labor;
- Freedom of association & collective bargaining;
- Fair working hours, wages & benefits;
- Health & safety of employees;
- Environmental protection;
- Supply chain security (AEO and CT-PAT).

The Agfa Supplier CoC is a mandatory part of our key and core supplier contracts. In the case that no specific contract with Agfa exists, our General Purchase Conditions apply as stated on all our purchase orders. Compliance with the Agfa Supplier Code of Conduct is part of our General Purchase Conditions. The Agfa Purchasing Department ensures that suppliers sign and adhere to the CoC. These aspects are regularly addressed when performing supplier qualification audits and assessments.

Both our Agfa Supplier CoC and General Purchase Conditions are publicly available on our website.

Our performance in 2022 and our commitment for the future

The Agfa CoC is fully endorsed and compliance is required for all employees. In 2022, no complaint was reported via the whistle-blowing procedure for an alleged breach of the Agfa CoC related to Human Rights.

Although the sectors and geographies of Agfa operations and the high-skilled profiles required to perform them prevent us from a high risk of child labor, the follow-up of our employee database by our Human Resources department warrants that there is no Agfa employee that can be associated with child labor either by being too young to work or being involved in hazardous activities that may compromise their physical, mental, social or educational development.

In 2022, for all its employees, Agfa complied with the necessary local workforce regulations in the countries where it operates. Where applicable, workers' councils (both national and international) were organized.

In order to mitigate the risk of sourcing raw materials, goods or services from suppliers which may not respect their employees' human rights, 100% of new contracts signed with key and core suppliers in 2022 included the Agfa Supplier CoC (this was also the case in 2020 and 2021) as an appendix.

An additional clause was added into our standard supply contract in 2022 to emphasize our requirement for suppliers to comply with ethical and responsible standards of behavior, including without limitation those dealing with human rights, conflict mineral sourcing, environmental protection, sustainable development, bribery and corruption. This is also further observed when visiting our suppliers on site.

Respect for human rights and equal opportunity will continue to be one of the key pillars supporting the work that we do, the partnerships we engage in and our business strategy priorities in the future.



3. Health & Safety

Relevance and boundaries

The health and safety of our employees is of paramount importance to us and unsafe behavior is immediately addressed. We consider it a moral obligation to provide everyone with work conditions that ensure safety at all times. Furthermore, we expect that all employees feel accountable for their own safety and that of their colleagues and guests. Visitors, contractors and suppliers are also included in our safety provisions, as safe working is an absolute must in order to be allowed to work at and with Agfa.

We consider health from a holistic point of view, paying attention to all of its aspects, both physical and mental. This includes working conditions, ergonomics, illness & burn-out prevention and healthy behavior promotion, to name but a few.

Our management approach

Activities around Health & Safety management are built on the basis of our Corporate Safety, Health & Environment (SH&E) policy. Each division appoints an SH&E Manager who contributes to the roll-out and evaluation of the policy and objectives and is a member of the Corporate SH&E Management Committee.

At least every three years the SH&E Management Committee re-evaluates the corporate policy, its organization, management system and objectives.

The SH&E Management Committee also monitors the constant development of Health & Safety legislation in countries where we are present.

Our local site management is responsible for implementing the Corporate SH&E policy and for complying with the local legislation applicable to the operation of the manufacturing site itself, under the coordination of the plant SH&E coordinator.

To ensure the highest standards, we have different policies in place at each site that include contractors and subcontractors wherever relevant. The focus of the different policies is defined at local level, both upon the basis of the specific local and national legal requirements, and on the type of operations carried out at each plant.

Full compliance with such standards begins with 'soft' measures to ensure a high level of safety awareness from the first moment anyone steps foot on our premises, e.g. user-friendly guidelines that are easy for everyone to follow. We then have strict protocols and control mechanisms in place to ensure the prevention of workplace accidents and work-related injuries, as well as proper care in those cases where they do occur. Depending on the specific operations at each Agfa plant, we also ensure adequate monitoring and prevention of potential workers' and visitors' exposure to chemicals.

Agfa's local policies are made available to all employees in their local language(s) and local training programs are in place.

In addition to Agfa's specific policies, our Brazilian site in Suzano, German site in Wiesbaden and Chinese site in Wuxi (Printing) are certified OHSAS 18001.

Observation rounds on the shopfloor are the main instrument used to closely examine activities and surroundings and to detect unsafe situations and conditions. Adequate reporting

of occurrences is key to ensure adequate follow up and, where needed, to report accidents to the authorities according to national and local legislation. The cause of each reported incident, near-accident and accident, is investigated so that the most adequate corrective measures can be implemented. Important matters are immediately communicated to all sites as an SH&E alarm and learning point.

As part of S&H measures, we also address all those aspects of people's health that can be influenced by working conditions. For instance, we provide training on the correct ergonomic set up of the workspaces, advice on how to keep active and healthy, as well as medical check-ups at some of our plants.

Mental health

Mental health is also essential when preserving the health of our employees. Activities to monitor and address concerns are defined at local level, as well as the identification and the specificity of the potential threats due to the fact that they differ based on the operations carried out at each site.

For our Belgian sites, we run a survey every five years that allows us to monitor the mental well-being of our employees. This survey helps us understand their perception of working conditions, communication and all other aspects that cause stress situations. Based on this survey, specific actions are defined to address the identified improvement areas. In addition to sharing a list of useful local sources of information for employees, specific trainings related to mental health, such as self-care, stress prevention and change management have been proposed to employees.

Our target(s)

Our vision is to achieve zero accidents. We have set a target to reduce our number of accidents with minimum one day lost by 50% by 2025 compared to the 2019 baseline.

Our indicators

1. Number of accidents with minimum one working day lost
2. Frequency rate (Fg) of accidents with minimum one working day lost
Frequency rate = (Number of accidents / hours worked) * 1,000,000
3. Frequency rate (Fg) of reportable accidents for Agfa employees
Frequency rate = (Number of accidents / hours worked) * 1,000,000
4. Degree of severity of accidents involving minimum one working day lost
Degree of severity = (Number of working days lost / hours worked) * 1,000

Scope for these indicators: Until 2021 the reported quantitative data solely covered manufacturing operations. Following the recent acquisition of Inca, the manufacturing site in Cambridge (UK) has been included in the reported scope as of 2022. Additionally, in order to have a better overview, we have also decided to add our US organizations in Elmwood, Wilmington, Carlstadt, Greenville and Waterloo that are responsible for off-site service activities to the reported scope.

By definition, a reportable accident is an accident that must be reported to the authorities according to national and/or local legislation. Reporting requirements differ widely in the countries where Agfa operates and, therefore, there is no universal definition of a reportable accident. We therefore decided to refer to the frequency rate of these accidents and used a generic definition to create a coherent indicator.

Our 2022 performance and activities

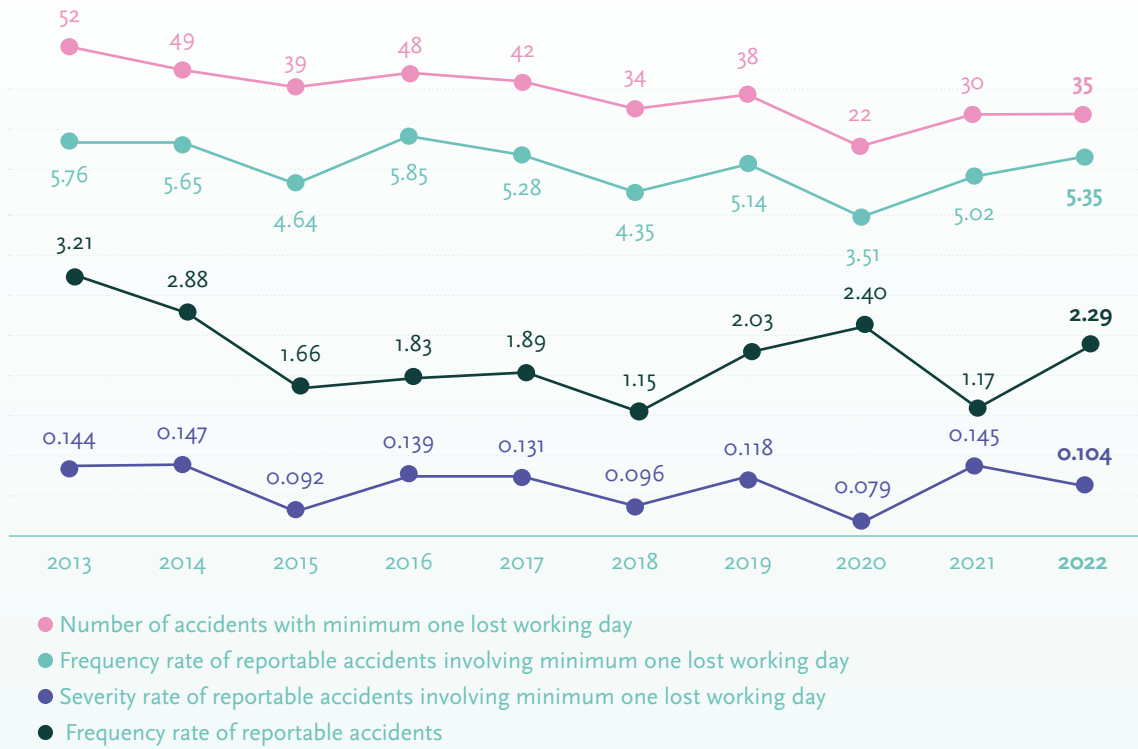
The focus in 2022 was to further increase safety at all levels of our operations. Our people safety remains our number one priority and we continued to implement all necessary safety measures, as well as adjustments to our way of working. In tandem to this, we also worked on improving Health & Safety for all:

- We continued to analyze the root causes of accidents across all of our reporting sites to learn from those with the lowest occurrences what measures have the most impact.
- The 6-S methodology (Sort, Set in Order, Shine and Inspect, Standardize, Sustain, Safety) has now been implemented in close to 80% of our labs and warehouses in Belgium as part of our two pilot projects in Mortsel. This was created upon the example of our Mississauga site (Canada). The 6-S process is a lean approach to space management that helps create a safe and efficient workplace and maximizes value-added work.
- We further rolled out the 'Brain Based Safety' initiative for our maintenance and services team in Mortsel, which has historically been one of our sites recording a high number of accidents. This initiative builds on neuroscience to deliver coaching that addresses human behavior as a root cause of work-related accidents. In 2022, ten middle managers started the individual training as part of the Safety Leadership Programme.
- We worked on the harmonization of incident reporting worldwide to ensure we always have all data at hand to carry out appropriate corrective actions.
- We introduced a new notification process for accidents to give these occurrences more visibility to senior management and increase accident investigation and follow-up.
- We increased overall communication to work on accident prevention by raising awareness regarding Essential Safety Rules at Agfa (ESRA), e.g. through our newsletters and internal communication channels and potentially dangerous situations, e.g. using a Last-Minute Risk Assessment (LMRA).

Unfortunately our effort has not been yet translated into a full positive result for 2022. Although the severity rate of accidents with more than one working day lost dropped, the frequency rate of reportable accidents almost doubled compared to the year before and the frequency rate of accidents with minimum one working day lost increased due to the registration of more accidents (35 in 2022). These higher figures are due to various factors, such as the addition of new sites and especially those in the US where legislation related to 'reportable' accidents is stricter on average than in other countries. Particularly long recovery periods for some accidents combined with a lower number of total hours worked played a significant role in this result.

Safety shall remain part of our corporate culture. Given all the considerations and data reported above, the overall long-term trend is still declining. Our ambition to halve accidents with minimum one working day lost by 2025 remains more active than ever, since programs to further reduce accidents are and will continue running at all locations. Planning and executing observation rounds remain key instruments to spot potentially unsafe situations and prevent accidents and injuries from happening. Findings from accident investigations continue to be shared between the sites to capitalize on the experience of those achieving "zero" lost time accidents, some of which have been doing this for several years in a row. This is for example the case at the Suzano plant in Brazil where a nice milestone was reached after a lot of efforts: 1,000,000 hours worked without accident!

Total Accident Tracking



At the end of 2022, an additional task force has been set up at the request of the Executive Management to define and roll out a global action plan to further reduce the number of accidents.

Our commitment for the future

We will continue investing in keeping a high level of awareness and focus on preventive measures that avoid any physical or psychological harm to our people.

To achieve our target of reducing the number of accidents with minimum one lost working day, we will continue reinforcing safety programs and education on sites with the highest number of accidents.

The impact of the 6-S program roll-out in Mortsel will continue to be monitored and, if successful in reducing the occurrences of dangerous or potentially dangerous situations, will be extended to other departments beyond the piloted ones.

