

# ***Verbio***

*Biofuel and Technology*

**Non-financial  
Statement 2018/2019**

# Group key figures

for the financial year from July 1, 2018 to June 30, 2019

## Key figures - commercial

Results of operations	2018/2019	2017/2018
Sales	779.3	685.9
EBITDA	95.1	44.8
EBIT	73.7	22.4
EBIT margin (%)	9.5	3.3
EBT	73.1	22.2
Net result for the period	51.7	15.1
Earnings per share (EUR)	0.84	0.24
Operational statistics	2018/2019	2017/2018
Production (tonnes)	721,126	722,511
Production (MWh)	706,646	608,312
Utilisation Biodiesel/ Bioethanol (%)	98.8	99.0
Utilisation Biomethane (%)	117.8	101.4
Investments in property, plant and equipment	63.8	26.6
Number of employees <sup>1)</sup>	660	563
Net asset position	2018/2019	2017/2018
Operating cash flow	44.3	11.1
Operating cash flow per share (EUR)	0.71	0.18
Cash and cash equivalents <sup>2)</sup>	74.2	90.5

## Key figures - environmental

	2018/2019	2017/2018
Production volumes, total	721,126	722,511
Energy consumption (MWh)	817,769	778,252
Fresh water consumption (m <sup>3</sup> )	1,098,362	1,131,023
Waste water (m <sup>3</sup> )	353,396	296,211
Waste (tonnes)	5,277	5,469

<sup>1)</sup> at the balance sheet date

<sup>2)</sup> at the balance sheet date, includes amounts held in segregated accounts

## Key figures - segments

Biodiesel	2018/2019	2017/2018
Sales	514.5	456.8
EBITDA	70.7	24.4
EBIT	65.7	19.6
Production (tonnes)	481,280	476,211
Utilisation (%)	102.4	101.3
Number of employees <sup>1)</sup>	158	117
Bioethanol (incl. biomethane)	2018/2019	2017/2018
Sales	254.7	219.1
EBITDA	23.8	19.9
EBIT	8.0	2.8
Production (tonnes)	239,846	246,300
Production (MWh)	706,646	608,312
Utilisation Bioethanol (%)	92.3	94.7
Utilisation Biomethane (%)	117.8	101.4
Number of employees <sup>1)</sup>	332	275
Other	2018/2019	2017/2018
Sales	16.7	15.7
EBIT	0.0	0.0
	2018/2019	2017/2018
Number of employees <sup>1)</sup>	660	563
Number of permanent contracts <sup>1)</sup>	94.24 %	93.45 %
Personnel expenses (in EUR millions)	37.2	26.7
Average employee age <sup>1)</sup>	42.19 years	42.94 years
Percentage of women employees <sup>1)</sup>	23.10 %	23.01 %
Apprentice ratio <sup>1)</sup>	2.42 %	2.49 %
Average length of service <sup>1)</sup>	7.2 years	7.59 years

## GRI 100 – Universal standards 4

GRI 101 – Foundation  
GRI 102 – General disclosures  
GRI 103 – Management approach

## GRI 200 – Economic standards 18

GRI 201 – Economic performance

## GRI 300 – Environmental standards 22

GRI 301 – Materials  
GRI 302 – Energy  
GRI 303 – Water  
GRI 305 – Emissions  
GRI 306 – Effluents and waste  
GRI 307 – Environmental compliance  
GRI 308 – Supplier environmental assessment

## GRI 400 – Social standards 26

GRI 401 – Employment  
GRI 403 – Occupational health and safety  
GRI 404 – Training and education  
GRI 405 – Diversity and equal opportunity  
GRI 406 – Non-discrimination  
GRI 413 – Local communities  
GRI 416 – Customer health and safety  
GRI 417 – Marketing and labelling

## GRI 101 – Universal standards (foundation)



With the entry into force of the German CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetzes – CSR-RUG) and the associated reporting obligations therein, VERBIO Vereinigte BioEnergie AG is obliged to present a non-financial statement in accordance with § 289 b and § 315 b HGB (Handelsgesetzbuch – HGB). In our non-financial statement for the reporting year 2018/2019 the required information concerning VERBIO Vereinigte BioEnergie AG and its subsidiaries that are required in accordance with the German CSR Directive Implementation Act (CSR-RUG) and in accordance with § 289 b and § 315 b HGB are integrated in the annual report. We do not provide separate information or ratios which differentiate between information provided by our subsidiary companies and those of the Group's parent. Our non-financial statement includes all significant information on environmental, employee and social issues in accordance with the German CSR Directive Implementation Act. In addition, we report on respecting human rights and on combating corruption and bribery. The index providing references to the respective sections and the relevant information thereon is provided in the appendix.

Significant risks arising from business relationships, products and services and from the Group's own business activities in the sense of § 315 (2) and § 289 c (3) Nos. (3) and (4) HGB, as well as how these are addressed, are presented in the Group management report in the annual report 2018/2019.

This is VERBIO's first non-financial statement, in which the Company publishes detailed information concerning its economic, ecological and social performance for the first time. The report describes VERBIO's sustainability strategy together with the relevant sustainability trends, activities and performance indicators. Taken together with the annual report, it is intended to provide a comprehensive overview of the Group's situation, taking into account financial and non-financial performance indicators.

### Reporting period

This non-financial statement is for the financial year 2018/2019, i.e. for the period from July 1, 2018 to June 30, 2019. In future, the contents of the report and the non-financial statistics provided will be updated and published on an annual basis.

### Structure

The non-financial statement 2018/2019 is based on the Sustainability Reporting Standards issued by the Global Reporting Initiative (GRI), and is structured in accordance with the GRI standards. The report has been prepared in accordance with the core requirements of the GRI standards.

### Contents

Prior to preparing this non-financial statement, its contents were defined in accordance with the GRI principles. All potential sustainability issues were identified and prioritised by an internal project team.

The statements made in this report are in respect of all entities included in the consolidated financial statements of the VERBIO Group unless stated otherwise. Financial data has been extracted from the VERBIO consolidated annual report 2018/2019.

### Editorial note

This non-financial statement is published in German (original version) and in English (non-binding translation). It is available for download at <http://www.verbio.de> in both languages.

For simplification purposes we use the term “employees”. This term relates to both male and female employees unless otherwise indicated.

### Forward-looking statements

This publication contains forward-looking statements which are based on assumptions and estimates made by the management of VERBIO Vereinigte BioEnergie AG. Although the Company's management is of the opinion that these assumptions and estimations are realistic, actual future developments and results may differ significantly from these assumptions and estimates due to a variety of factors. For example, these factors might include changes to the overall economic climate, changes to the legal and regulatory framework in Germany and the EU or globally, and changes in the industry. VERBIO can give no guarantees and accepts no liability as to whether future developments and the results actually achieved in future will match the assumptions and estimates made in this publication.

## GRI 102 – Universal standards (general disclosures)



### Organisational profile

#### GRI 102-1 Name of the organisation

VERBIO Vereinigte BioEnergie AG

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

VERBIO is one of the leading independent manufacturers of biofuels, and at the same time the only large-scale global producer of biodiesel, bioethanol and biomethane. VERBIO is a technology leader in its sector, and produces biofuels, biofertiliser and feedstuffs, as well as sterols and pharmaceutical glycerine for use as a raw material in the cosmetic and food industries at its three locations in Germany. The Group has also commenced production of VERBIO biodiesel in Canada from August 2019.

Management places emphasis on goods of the highest quality and on processes and production technologies that are particularly efficient. The basis for all our business activities and investments is meeting sustainability criteria in the production of biofuels throughout the entire value-added chain – from the procure-

ment of raw materials, through production, and up to the sale of biofuels and by-products. In this way we combine economic success with corporate responsibility and environmental protection. With our advanced technologies and the closed loop concept, which incorporates raw material procurement through to the processing of by-products as feedstuffs and fertiliser products or as high-value input materials for the foodstuff and pharmaceutical industry, we make important contributions to strengthening the agricultural economy in the region, and to providing sustainable mobility for the future.

The Group's annual production capacity amounts to approximately 470,000 tonnes of biodiesel, 260,000 tonnes of bioethanol and 600 gigawatt hours of biomethane. The Company produces its highly efficient biofuels and resulting by-products using internally developed innovative technologies. VERBIO biofuels achieve CO<sub>2</sub> savings of up to 90 percent compared to petrol and diesel. The technology developed and applied by VERBIO to create biomethane from 100 percent straw on an industrial scale is unique in the world.



### Biodiesel

*verbiodiesel* is a sustainable alternative to the fossil fuels used in the transport sector. VERBIO primarily uses rapeseed oil as a raw material to manufacture biodiesel. The production and combustion of biodiesel releases significantly less CO<sub>2</sub> than diesel. One litre of *verbiodiesel* reduces CO<sub>2</sub> emissions by approximately 12.75 kg per 100 kilometres compared to fossil-fuel diesel. This represents CO<sub>2</sub> savings of 65 percent. The combustion only releases the amount of carbon dioxide that was previously held by the plant on a natural basis. The use of biodiesel as an additive contributes to greater independence from fossil fuel oil products. In addition, biodiesel production creates practically no waste, but does generate high-value by-products such as pharmaceutical glycerine and sterols, which are used in the food, cosmetic and pharmaceutical industries.

### Bioethanol

*verbioethanol* is primarily manufactured using locally grown grain, such as rye and triticale. Premium value protein-rich animal feed is created as a by-product of the ethanol production process. Under the VERBIO biorefinery concept, distillation waste resulting from the production process is also used in a subsequent production step as a raw material for manufacturing biomethane (*verbio*gas) and biofertiliser. This manufacturing process ensures that the maximum possible amount of energy is generated per hectare of agricultural land. At the same time, this also creates a demand market for agricultural producers in the region, which secures income for the local farmers. CO<sub>2</sub> emissions savings of up to 80 percent are achieved compared to fossil petrol-based fuels. Ethanol-based fuels are now used throughout the world as a source of biogenic energy for up to 15 percent of the fuel used in internal combustion engines. This use as a replacement fuel and as an additive to the fuel used in vehicles has gained in importance in recent years.

### Biomethane

Biomethane has multiple uses as a source of renewable energy – it is multi-talented. It can be pumped into the European natural gas network and can also be used to generate electricity, for heating and cooling purposes, or as a fuel in the transport sector. *verbio*gas can be manufactured from a range of different agricultural raw materials, and from waste products. *Verbio*gas, as an advanced second generation biofuel, is

manufactured without using foodstuffs; rather, it is manufactured from distillation waste – a waste product from bioethanol manufacturing processes – and from 100 percent straw. Biofertiliser is created as a by-product of the biomethane production process, and it is returned to agricultural use to ensure that the loop remains closed. The use of straw as a raw material in our plants avoids creating damaging CO<sub>2</sub> and methane emissions, since permitting the straw to rot unused in the fields would result in direct emissions into the atmosphere. Instead, we obtain the methane by targeted means using a fermentation process, returning the liquid and humus fertiliser which is created as a by-product to agricultural use, where it is needed to provide nutrients (nitrogen oxide, phosphorus, potassium) for subsequent crops. Biomethane has the same chemical structure as fossil natural gas, and as a result it can be used by all CNG vehicles in any amount of additive or as a 100 percent fuel with no technical problems. Biofuels from waste products, for example straw, achieve a 90 percent CO<sub>2</sub> reduction, and as a result have a better effect on the climate than an electro vehicle powered using electricity generated from Germany's current electricity mix. In addition, CNG and biomethane emissions are almost free of nitrogen oxide and fine-particle emissions

### Glycerine

Glycerine is a form of alcohol with the chemical name propane-1,2,3-triol. Glycerine is found in all natural fats and oils as fatty acid esters, and plays a central role as an intermediate product in various metabolic processes. Glycerine can be obtained using petrochemical or biotechnology technologies as well as in the process of manufacturing biodiesel. *verbio*glycerin, with its 99.8 purity, meets the highest quality standards and is a material that can be used for a wide range of purposes, among others in the cosmetic, food and pharmaceutical industries.

### Phytosterine

Phytosterine (also phytosterol or sterol) is a group of chemical compounds found in plants which are part of the steroid category. Phytosterols are fat-accompanying substances which, among other things, are used as dietary supplements and have the effect of reducing cholesterol levels in humans. They are also used as raw materials to manufacture hormones.

**GRI 102-3 Location of headquarters**

The holding company, VERBIO Vereinigte BioEnergie AG, is listed on the Frankfurt Stock Exchange; its legal registered address is in Zörbig, Germany. The Group's central administrative functions are carried out in Leipzig, where some of the Group's trading activities, project development and plant construction work are performed, in addition to central operations such as treasury, accounting and controlling functions.

**GRI 102-4 Betriebsstätten**

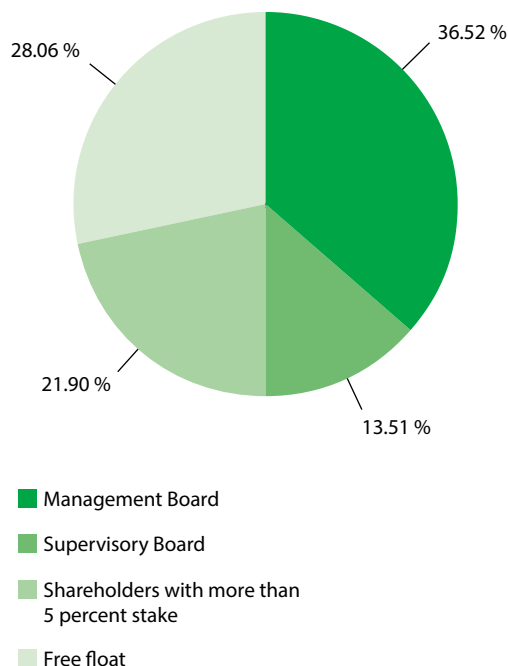
The parent company of the VERBIO Group is VERBIO Vereinigte BioEnergie AG, Zörbig. In addition to VERBIO AG itself, the significant entities belonging to VERBIO in the reporting period were as follows:

- VERBIO Diesel Bitterfeld GmbH, Bitterfeld-Wolfen/OT Greppin
- VERBIO Diesel Schwedt GmbH, Schwedt/Oder;
- VERBIO Ethanol Zörbig GmbH & Co. KG, Zörbig;
- VERBIO Ethanol Schwedt GmbH & Co. KG, Schwedt/Oder;
- VERBIO Agrar GmbH, Zörbig;
- VERBIO Logistik GmbH, Zörbig;
- VERBIO Polska Sp. z o. o., Stettin (Poland);
- VERBIO Pinnow GmbH, Pinnow;
- VERBIO India Private Limited, Chandigarh (India);
- VERBIO North America Corporation, Grand Rapids, Michigan (USA)

VERBIO Vereinigte BioEnergie AG also has further shareholdings in other companies. A detailed listing of the subsidiaries included in the Group can be found in the notes to the consolidated financial statements in the annual report 2018/2019 under Section 2.2, "Entities included in the consolidation".

**GRI 102-5 Ownership and legal form**

VERBIO Vereinigte BioEnergie AG is listed on a public stock exchange. The Company's share capital is EUR 63,000 thousand, and is divided into 63,000,000 no-par shares registered in the name of the holders. VERBIO AG's shares are listed in the Prime Standard segment of the German stock exchange (ISIN: DE000A0JL9W6) and are traded on the electronic securities trading platform Xetra, among others.

**Shareholder structure at June 30, 2019**



### GRI 102-6 Markets served

VERBIO's biofuels are primarily produced in Germany. VERBIO has also been producing Biodiesel in Canada since the end of August 2019. Biodiesel, bioethanol and biomethane, as well as by-products created in the process of manufacturing these energy products such as pharmaceutical glycerine, sterols, biofertiliser and feedstocks, are primarily sold in Germany.

### GRI 102-7 Scale of the organisation

VERBIO generated Group revenues of EUR 779.3 million in the financial year 2018/2019 with 660 employees (at June 30, 2019).

Further information and explanations of key financial ratios are provided in the "Economic report" section of the annual report 2018/2019.

### Size of the organisation

		2018/2019	2017/2018
Number of employees at June 30		660	563
Number of production locations		4	4
Sales revenue VERBIO-Group	EUR million	779.3	685.9
Equity at June 30	EUR million	338.9	300.2
Liabilities at June 30	EUR million	86.0	65.8
Production	tonnes	721,126	722,511
Production	MWh	706,646	608,312

### GRI 102-8 Information on employees and other workers

The VERBIO Group had a total of 660 employees at June 30, 2019 (June 30, 2018: 563).

The split by segment was as follows:

At June 30, 2019 23.10 percent of the workforce in the German entities were female (June 30, 2018: 23.01 percent).

Segment	Employees		Thereof part-time		Thereof temporary	
	30.06.2018	30.06.2019	30.06.2018	30.06.2019	30.06.2018	30.06.2019
Bioethanol/Biomethane	275	332	9	11	21	19
Biodiesel	117	158	2	3	5	8
Other	171	170	8	12	11	11
<b>Total</b>	<b>563</b>	<b>660</b>	<b>19</b>	<b>26</b>	<b>37</b>	<b>38</b>

**GRI 102-9 Supply chain**

Significant elements of our value-added chain are the procurement of vegetable oils and grain from sustainable sources, and our biofuel trading activities. VERBIO sources the raw materials and consumables used in production primarily direct from manufacturers, but also from national and international trading organisations. The logistic chains are subject to ongoing optimisation in order to ensure the availability of sustainable supplies of the required standardised raw materials which meet defined quality standards. Produce is primarily purchased locally or in the region close to the respective production plant.

When purchasing goods, services or components used in operating plant and equipment, VERBIO has direct contact and contractual arrangements with the respective suppliers or service providers. As the value of our products is significantly dependent on their sustainability, we are continuously examining the opportunities to use sustainable raw materials wherever possible. Accordingly, our manufacturing processes are designed to ensure maximum possible yields and to minimise the consumption of energy and consumables. In addition, we make optimal use of sustainable rail transport networks to ensure the minimum possible transport of empty wagons and to avoid unnecessary use of heavy goods vehicles.

**GRI 102-10 Significant changes to the organisation and its supply chain***Consolidation status*

There were the following changes to the companies included in the Group in the consolidated financial statements in the financial year 2018/2019:

The companies VERBIO Diesel Nordamerika GmbH, Zörbig and VERBIO Hungary Trading Kft., Budapest, Hungary were formed in the financial year 2018/2019. They have no operating businesses and represent shelf companies.

VERBIO North America Corporation, Grand Rapids/Michigan, USA ("VNA"), in which the Group holds a 51 percent share (held indirectly via VERBIO Renewables GmbH), has been included in the Group consolidated financial statements on a fully consolidated basis from October 1, 2018. In addition, XiMo AG, Horw, Switzerland, which is wholly-owned subsidiary of VERBIO AG, together with its wholly-owned subsidiary XiMo Kft., Budapest, Hungary, have been included in the Group consolidated financial statements on a fully consolidated basis from November 7, 2018. Wriezener Kraftfutter GmbH was renamed VERUM GmbH in the financial year

2018/2019. Following the sale of a shareholding in that company VERBIO AG's indirect shareholding in VERUM GmbH, held via VERBIO Agrar GmbH, amounts to 44.67 percent. Accordingly, VERUM GmbH is presented as an equity-accounted investment at June 30, 2019.

*Ownership structure*

In addition, the shareholder structure of VERBIO AG was amended during the past financial year 2018/2019 as a result of several reported changes to voting rights concerning Albertina Sauter and Alois Sauter. The details were as follows:

On April 8, 2019, in accordance with § 38 WpHG, Albertina and Alois Sauter reported that they hold instruments representing a 7.94 percent share as a result of the completion of a conditional purchase agreement for the acquisition of 5,000,000 VERBIO AG shares. On May 22, 2019, in accordance with § 33 and § 34 WpHG, on accession to the voting rights pool the voting rights report on meeting the reporting threshold with a voting rights share of 68.80 percent was effected, and on June 4, 2019 on completion of the purchase agreement the voting rights report for no longer meeting the reporting threshold for instruments held in accordance with § 38 WpHG was effected.

*Supply chain*

There were no significant changes in the supply chain.

**GRI 102-13 Membership of associations**

At the national level VERBIO is involved in the following associations, among others:

- VDB – German Biofuel Industry Association (Verband der Deutschen Biokraftstoffindustrie e.V.)
- UNITI – Federal Association of Medium-sized Mineral Oil Companies (Bundesverband mittelständischer Mineralölunternehmen e.V.)
- BVMW – The German Association for Small and Medium-sized Businesses (Bundesverband mittelständische Wirtschaft e.V.)
- AFM+E – The Foreign Trade Association for Petroleum and Energy in Germany (Außenhandelsverband für Mineralöl und Energie e.V.)
- AGQM – The Biodiesel Quality Management Association (Arbeitsgemeinschaft Qualitätsmanagement Biodiesel e.V.)

From February 2017 VERBIO has been a sponsor of the CNG Club e.V. which was formed at that time with the objective of promoting CNG mobility.

At the international level VERBIO is involved in the following associations, among others:

- EBB – European Biodiesel Board (Europäischer Verband der Biodiesel-Hersteller)
- ePURE – European Renewable Ethanol (Europäischer Verband der Bioethanol-Hersteller)
- Farm Europe – a European think-tank which aims to promote the development of rural regions, focusing on agriculture, energy, food, the environment and trade.

## Strategy

### GRI 102-14 Statement from senior decision-maker

As a manufacturer of sustainable biofuels, we are making an active contribution to environmental and climate protection. Our business model provides for a sustainable value-added chain, from the farmer through the collection of the raw materials and to the production plant. Material components that are not usable as biofuels are returned to the farmers and recycled as fertiliser or as animal feed, or used as components in the food, pharmaceutical or cosmetic industries. In this way a closed material cycle is created.

As far back as May 2008, more than a year before the effective date of the Biofuel Sustainability Regulation (Biokraft-Nachhaltigkeitsverordnung – Biokraft-NachV) and the Biomass Electricity Sustainability Ordinance (Biomassestrom-Nachhaltigkeitsverordnung – BioSt-NachV), VERBIO provided a study which showed evidence of being able to meet the required greenhouse gas reduction potential. All of our production locations have been certified in accordance with the Biokraft-NachV and BioSt-NachV since August 2010.

We are committed to manufacturing biofuels in a sustainable manner. This commitment includes every step of the process from the cultivation of the biomass, its transport, through to the production of fluid or gas biofuels meeting the quality standards required for use as a fuel for vehicles.

An independent certification authority performs an annual audit ensuring compliance with the legal requirements.

Our internal research and development team ensures that our technologies and plant are subject to a permanent process of improvement and optimisation in order to increase energy efficiency to the highest possible level. In addition, our technology development work is also focussed on the efficient use of the raw materials that we use. An example of this is the sterol production technology installed in our Bitterfeld location, which is now in its third expansion phase. Using this we extract sterols, in addition to pharmaceutical glycerine, from the rapeseed oil used in biodiesel pro-

duction; this is used in markets worldwide as a dietary supplement with has cholesterol-reducing properties, or as a compound for hormone production purposes.

In the same way, VERBIO's biorefinery concept underlines the multiple use of the grain raw materials offered by our ethanol production process. On completion of the ethanol manufacturing process, part of the resulting distillation waste is marketed as animal feed, while the larger proportion is reused in the adjacent biomethane production plant for energy generation purposes and to manufacture biofuel in the form of gas. After that it is returned to agricultural use as a residual by-product in the form of solid fermentation residues and liquid ASK fertiliser, creating a closed material cycle.

### GRI 102-15 Key impacts, risks and opportunities

A description of the VERBIO Group's most significant risks and opportunities is provided in the annual report 2018/2019 in the "Outlook, opportunity and risk report" section, separated into the following categories: market and sales, procurement, environment, tax and commercial law, production and technology, finance, human resources, organisation, legal rules and regulations, and other events. The management of risks and opportunities is described in detail in the risks and opportunity report in the annual report 2018/2019 on pages 35 to 46.

## Ethics and integrity

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

The VERBIO Group's employees have committed themselves to act in compliance with the code of conduct issued by the Management Board. This documents the values and rules of conduct that the employees of the VERBIO Group identify with.

### GRI 102-17 Mechanisms for advice and concerns about ethics

With the implementation of a compliance management system VERBIO Group employees are provided with guidelines on which they can base their actions, as well as a measure for assessing the behaviour of others. When questions, doubts or contraventions of these guidelines arise, whether these are matters which affect the individual concerned or matters which concern another employee or their supervisor, the employee is able to speak to their supervisor and/or to the compliance officer (if necessary, on an anonymous basis). Employees' knowledge of the compliance system is refreshed by regular training events.

## Governance

### GRI 102-18 Governance structure

The corporate management of VERBIO, as a German stock exchange listed company, is primarily governed by the German Stock Corporation Act, and in addition by the requirements of the German Corporate Governance Code in its current version.

In accordance with the legal requirements, VERBIO is managed using the “dual management system”, which provides for a strict separation of duties between the Management Board, which is responsible for the operative management, and the Supervisory Board, which has a supervisory function. The Management and Supervisory Boards work together closely in the interests of the Company.

The Management Board manages the Company independently with the objective of achieving sustainable value growth. In doing so the principle of collective responsibility is applied, which means that the members of the Management Board carry joint responsibility for the overall management of the Company. They establish the business strategy and, in coordination with the Supervisory Board, are responsible for implementing that strategy.

The Supervisory Board advises the Management Board in its function of managing the Company, and supervises its activities. It appoints and dismisses members of the Management Board, determines the remuneration system for the members of the Management Board, and fixes the total remuneration paid to the respective board members. The Supervisory Board is involved in all decisions which are of fundamental importance for VERBIO.

VERBIO has a Management Board consisting of four members, and a Supervisory Board consisting of three members. There have been no changes in the Management Board or in the Supervisory Board of VERBIO AG in the financial year 2018/2019.

### GRI 102-19 Management body responsible for assigning authority levels

Within the VERBIO Group a system of different levels of authority is applied, under which different payment limits require varying levels of approval from persons with specific positions. These approval limits are issued by the Management Board and the Managing Director to individual division and department managers in the form of powers of attorney and authorisations.

### GRI 102-20 Executive-level responsibility for economic, environmental and social topics

The Management Board has allocated board responsibilities so that the individual members of the Management Board are responsible for different matters. The current allocation of board responsibilities is described in the “Executive bodies of the Company” section of the annual report 2018/2019. The entire board reports to the Supervisory Board as the Company’s highest governing body.

### GRI 102-21 Consulting stakeholders on economic, environmental and social topics

An open and constructive dialogue with its most important stakeholders is very important for VERBIO’s commercial success. Our approach is to try to make our decisions and actions transparent in order to increase the acceptance of our business activities. Our most important stakeholders include our employees, business partners, customers, suppliers, shareholders, investors and local communities.

#### *Employees*

Having an active dialogue with our employees is important to us; to achieve this we primarily make use of employee/goal agreement meetings which are held annually with our employees. In addition, the Company has various instruments that it uses for internal communications purposes, which include, among other things, a regular newsletter, the intranet, employee events, as well as employee meetings which are held every six months.

#### *Shareholders and investors*

VERBIO has an open, transparent and timely information policy in the interests of our shareholders, investors and the interested public. Our regular reporting ensures that stakeholders are provided with information on a timely basis, and that the various stakeholders are provided with information at the same time. Comprehensive information is provided in the “Investor Relations” section of our website.

#### *Media*

VERBIO has an active and open communications policy. The VERBIO communications department provides press and electronic media with comprehensive information on relevant events on a timely basis. In this way the Company ensures transparency for the general public as well as for its stakeholders.

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

### *Supervisory Board*

The Supervisory Board supervises and advises the Management Board in the performance of its management duties. In accordance with the articles of association it consists of three members, who are elected by the shareholders at the annual general meeting. The Supervisory Board has issued internal rules of procedure in accordance with the legal requirements and the requirements of the articles of association.

### *Management Board*

The Management Board conducts the business of VERBIO AG and the VERBIO Group in accordance with the law, the Company's articles, and the rules of procedure issued by the Supervisory Board. The Company's articles of association require that the VERBIO AG Management Board consists of a minimum of two members. The Supervisory Board is responsible for appointing the members of the Management Board. At the date of the publication of this non-financial statement the Management Board of VERBIO AG consists of four members.

The Management Board of VERBIO AG had four members in total at June 30, 2019:

- Claus Sauter, Chairman of the Management Board
- Dr. Oliver Lüdtke, Management Board – Bioethanol/Biomethane, Vice-Chairman of the Management Board
- Theodor Niesmann, Management Board – Biodiesel
- Bernd Sauter, Management Board – Procurement and Logistics

## GRI 102-23 Vorsitz des höchsten Kontrollorgans

In accordance with the articles, the VERBIO AG Supervisory Board consists of three members:

- Alexander von Witzleben, Chairman of the Supervisory Board
- Ulrike Krämer, Vice-Chairman of the Supervisory Board
- Dr.-Ing. Georg Pollert, member of the Supervisory Board

The Chairman of the Supervisory Board, Alexander von Witzleben, does not simultaneously hold an additional position as a member of the Management Board. He is also not a past member of the VERBIO AG Management Board.

## GRI 102-24 Nominating and selecting the highest governance body

The Supervisory Board is elected by the shareholders at the annual general meeting. The members select a Chairman and a Vice-Chairman from among their number. These positions are for the period of their appointments to the board. The members of the Supervisory Board are, unless a different resolution is made by the shareholders at the annual general meeting which is responsible for making a resolution on approving their activities, appointed for a period up until the end of the annual general meeting for the fourth financial year following the commencement of their term of appointment, excluding the financial year in which their appointment commenced.

Further details are provided in the joint declaration of the Management and Supervisory Boards of VERBIO Vereinigte BioEnergie AG on the recommendations of the "Governmental Commission on the German Corporate Governance Code" in accordance with § 161 AktG in the version dated September 20, 2019, provided on the Company's website at <https://www.verbio.de/investor-relations/corporate-governance/entsprechender-serklaerung/>

## GRI 102-25 Conflicts of interest

Potential conflicts of interest are avoided in advance by ensuring that members of the Supervisory and Management Boards disclose any possible conflicts of interest to the members of the Boards as a whole, abstain from involvement in relevant matters, and abstain from votes on resolutions on such subjects.

Further details concerning this matter are provided in the declaration on corporate governance dated September 20, 2019 under "Independence of board members", published on the Company's website at <https://www.verbio.de/investor-relations/corporate-governance/erklaerung-zur-unternehmensfuehrung/> and in the notes to the consolidated financial statements 2018/2019 in note 12.2, "Disclosures concerning related persons and entities".

## GRI 102-26 Role of highest governance body in setting purpose, values and strategy

VERBIO is a Company constituted under German law. A basic requirement of German stock corporation law is the application of the dual management system. Under this system the Management Board is responsible for the management of the Company, and the Supervisory Board has a supervisory function. VERBIO's Management and Supervisory Boards have a close and trusting working relationship, and their objective is to

increase the value of the Company for its shareholders on a sustainable basis.

The task of the Supervisory Board is to appoint the members of the Management Board, to supervise their management of the Company, and to advise them in their management role. It fulfils this obligation in a responsible manner, and as a result it contributes significantly to the success of the business. It provides support to assist the Management Board in performing its tasks and participates in significant decision-making. In addition, the Supervisory Board engages the auditor based on resolutions approved at the annual general meeting.

#### **GRI 102-27 Collective knowledge of highest governance body**

The Management Board provides the Supervisory Board with regular and comprehensive information in management reports and meeting papers, both orally and in writing, about the Company's situation, regarding company strategy and the implementation thereof, and about business planning and the course of business, including the Company's financial situation and profitability as well as concerning risk positions, the management of risks and compliance issues. When significant events occur the Chairman of the Supervisory Board informs the Supervisory Board, and if necessary, convenes an extraordinary meeting of the Supervisory Board. The Chairman of the Management Board maintains regular contact with the Chairman of the Supervisory Board between the dates of the meetings held by the Supervisory Board.

#### **GRI 102-28 Appraisal of performance of the highest governance body**

The performance of the Supervisory and Management Boards are assessed by the shareholders by means of a vote on the approval of their activities, held annually at the annual general meeting.

In addition, the VERBIO AG Supervisory Board performs audits of the efficiency of its work at regular intervals using a comprehensive company-specific checklist.

#### **GRI 102-30 Effectiveness of risk management processes**

The VERBIO AG Management Board is responsible for the risk management system. It supervises and manages the Group's total risk position. At the level below the Management Board the Controlling and Risk Management department is responsible for the application and ongoing development of the VERBIO's risk management system. The specialist departments below the Management Board level report to the VERBIO AG

Management and Supervisory Boards on a regular basis concerning the Group's risk position.

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

The VERBIO AG Management Board is informed without delay when significant changes in the risk position arise. The management and supervisory bodies are provided with information on the risk position on a regular basis as part of the quarterly reporting process.

The group-wide uniform risk management system governs the recognition, evaluation, documentation and reporting of risks, and is integrated in the Company's strategy, planning and budgeting process.

The entire risk management process is evaluated and carried out by a risk manager tasked with the ongoing implementation, coordination and improvement of the process, as well as with making amendments to the system in response to ongoing changes in the Group structure. The risk management system (identification, evaluation, management and reporting) is not an annual inventory of risks; rather, it is seen as an ongoing process.

The Management Board is informed without delay by the Controlling department when significant changes in the risk position arise. In the meetings held by both the Supervisory and Management Boards the risk management system is examined and information concerning the current risk situation is discussed.

The compliance officer reports to the VERBIO AG Management Board on compliance issues on a regular basis, in particular concerning the implementation of the code of conduct which underlines VERBIO's values and corporate culture. The compliance management system is focussed on the prevention of fraud and corruption and on anti-trust law in particular.

#### **GRI 102-33 Communicating critical concerns**

In case there are matters of concern or suspicious activity, VERBIO employees are able to speak to their supervisor or to the compliance officer at any time in confidence, either personally, by telephone or by E-Mail.

#### **GRI 102-34 Nature and total number of critical concerns**

There were no matters of concern reported to the compliance officer in the reporting period 2018/2019.

#### **GRI 102-35 Remuneration policies**

##### *Supervisory Board*

The remuneration of the Supervisory Board is governed by § 14 of the Company's articles of association.



According to this, at the end of the business year each Supervisory Board member receives annual fixed remuneration of EUR 30 thousand. The Chairman receives twice this amount.

### Management Board

The remuneration of the Management Board consists of fixed, non performance-related remuneration and performance-related remuneration components, and is designed to provide incentives for sustainable corporate management. The criteria used include assessments of the tasks assigned to the members of the Management Board, as well as their individual performance, the Company's success and its future prospects. The Supervisory Board examines the reasonableness of the remuneration paid to the Management Board on a regular basis.

Detailed information on the design of the Management Board's remuneration system, the remuneration principles, and a description of the structure and amounts of remuneration paid to the members of the Management Board and the members of the Supervisory Board are provided in the remuneration report, which is included in the Group management report as part of the annual report 2018/2019.

### GRI 102-36 Process for determining remuneration

In accordance with the Appropriateness of Management Board Remuneration Act (Gesetz zur Angemessenheit der Vorstandsvergütung – VorstAG) which came into effect on August 5, 2009, as well as the respective rules in the Supervisory Board's rules of procedure, the full Supervisory Board is responsible for the determination of remuneration paid to individual members of the Management Board. The remuneration structure currently in place for the Management Board was approved by the Supervisory Board at its meeting held on September 21, 2015 and has been in effect from November 1, 2015. It is compliant with the German Corporate Governance Code, applicable case law and the applicable legal regulations. The system is based on the remuneration system previously in place that was applicable up to and including October 31, 2015. The remuneration system in place since November 1, 2015 was approved by a majority of 96.69 per cent of the shareholdings represented at the general shareholders' meeting held on January 29, 2016.

### GRI 102-37 Stakeholders' involvement in remuneration

The Management Board's remuneration system was presented to shareholders at the annual general meet-

ing 2016 and was subject to a voting resolution. This provided the shareholders with the opportunity to express their opinion on the remuneration system. The resolution to approve the Management Board's remuneration system was approved with the necessary majority.

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

The statements issued in this report apply to all entities included in the VERBIO consolidated group, unless stated otherwise. Further details of the companies included in the consolidated group are provided in the notes to the consolidated financial statements included in the annual report 2018/2019 in note 2.2.

### GRI 102-47 List of material topics

VERBIO performed a significance analysis for the purposes of preparing this non-financial statement. Accordingly, assessments were made of each sustainability aspect with significant economic, ecological and social impacts. The significant non-financial aspects identified in the significance analysis are presented in the significance matrix which follows on the next page.

Our non-financial statement only includes aspects identified in the analysis which are relevant for VERBIO or for its shareholders and which are classified as "high" or "very high". Aspects which were identified in the significance analysis as being not significant were included in the significance analysis but are not, however, included as part of our non-financial statement.

### GRI 102-48 Restatements of information

There are no restatements of information provided in earlier statements as this is the first non-financial statement issued.

### GRI 102-49 Changes in reporting

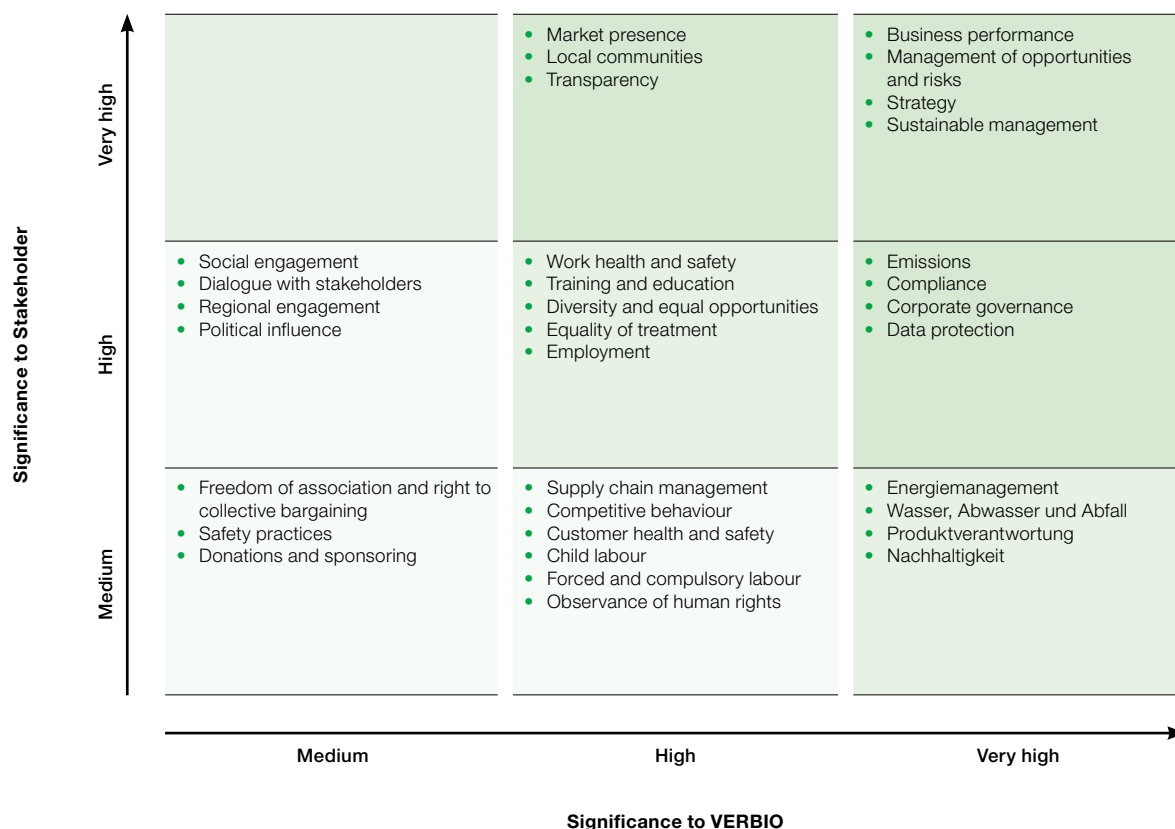
There have been no changes in the material topics or the definition of the topics compared to the previous reporting period as this is the first non-financial statement issued.

### GRI 102-50 Reporting period

This non-financial statement is for the financial year 2018/2019, i.e. for the reporting period from July 1, 2018 to June 30, 2019.

### GRI 102-51 Date of most recent report

This is the first non-financial statement issued, and accordingly it is also the most recent report.

*Significance matrix***GRI 102-52 Reporting cycle**

In future the VERBIO AG non-financial statement will be updated once on an annual basis as of June 30 and issued together with the annual report in September of each year.

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

Interested readers can address any questions or comments to Olaf Tröber, Head of VERBIO AG Investor Relations at the following E-Mail address: [ir@verbio.de](mailto:ir@verbio.de).

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

VERBIO aims to position itself as a social, ecological and economic business and to continue to develop this position on an ongoing basis. We have decided to prepare this report in accordance with the current GRI standard issued by the Global Reporting Initiative (GRI);

this standard has been in effect since July 1, 2018. This report has been prepared in accordance with the GRI Standards: "Core" option and reflects the material aspects of our understanding of sustainability and corporate responsibility management.

**GRI 102-55 GRI content index**

The GRI content index, which contains a statement of all the GRI standards used and which includes reference to further information, is attached as an appendix to this non-financial statement.

**GRI 102-56 External assurance**

No external audit of the non-financial statement has been performed by a firm of auditors or by any other institution. Accordingly, under the requirements of § 171 AktG the non-financial statement was audited by the Supervisory Board in accordance with § 289 b and § 315 b HGB.

## GRI 103 – Universal standards (management approach)



Vision and strategic objectives form the basis of our strategy and drive the performance standards that we set ourselves. For this purpose, the focus is on profitable growth and on the objective to continue to strengthen and build on our position as one of the leading manufacturers of biofuels. In addition, we aim to extend and optimise our value-added chain with the addition of further by-products. In doing this we commit ourselves to the concept of sustainability, and act in a responsible manner with the natural resources that our environment provides. Using the most modern technologies available we are contributing to energy security, and as a producer of biofuels with proven CO<sub>2</sub> reductions of up to 90 percent compared to the use of fossil fuels, we are making a mark on the climate protection issue.

## GRI 200 – Economic standards



### Management of opportunities and risks

#### GRI 103-1 Explanation of the material topics and their boundaries

The VERBIO Group is managed with the objectives of generating added value and ensuring a strong balance sheet. This means achieving sustainable improvements in the value of each segment and the Group as a whole. In order to achieve this, we weigh up the opportunities and their associated risks on an ongoing basis and in a responsible manner.

#### GRI 103-2 The management approach and its components

The group-wide uniform risk management system governs the recognition, evaluation, documentation and reporting of risks, and is integrated in the Company's strategy, planning and budgeting process.

The potential environmental risks include:

- a. New regulations concerning using biofuels as additives or alternative mobility concepts as countermeasures to combat global warming. Such measures could lead to significant lower levels of biofuels being sold – which would cause lower demand for the products and services offered by VERBIO.

- b. Production limitations affecting our locations as a result of changes in (regional) climatic conditions.
- c. Bottlenecks in the availability of raw materials.
- d. Extreme variations in temperature and natural disasters could lead to interruptions of production or to supply chain blockages.

The potential opportunities include:

- a. New legal regulations to reduce CO<sub>2</sub> emissions. We already generate most of our sales revenues from products which reduce CO<sub>2</sub> emissions.
- b. New legal obligations to reduce air pollution in the agricultural sector. For example, the Bioethanol segment develops and constructs straw biomethane plants which generate above-average CO<sub>2</sub> savings and which help to prevent or reduce the burning of agricultural waste products.
- c. Increasing energy taxes and energy prices will increase the demand for biofuels, in particular second generation biofuels.

Further information is provided on significant risks and opportunities in the annual report 2018/2019 on pages 35 to 46.



### Management of commercial risks

For VERBIO, risk and compliance management are integrated elements of corporate governance. As a company with global activities, we are exposed to a wide range of different risks in connection with our operating business. Based on an acceptable total level of risk the Management Board decides which risks we will accept in order to be able to exploit opportunities available to the Company.

The objective of VERBIO's approach to risk management is to identify risks as early as possible, to evaluate them appropriately, and to limit them by taking appropriate measures. From our perspective, risks are internal and external events which could have a negative effect on our ability to meet our objectives and forecasts.

VERBIO has taken the following steps in order to manage our business risks effectively, to ensure that the ethical corporate governance principles are met, as well as ensuring compliance with legal requirements:

1. Management of the operating business that is responsible for the management and control of the associated risks and dealing with those risks. This also includes the establishment of a functioning system of internal control in the individual operating entities.
2. The risk management system systematically tracks the significant risks of the operating entities and reports on them to the Management Board.
3. The system of compliance management ensures adherence with the ethical principles of corporate governance. It identifies the relevant legal requirements and new regulations, provides these to all affected entities in the Group, and conducts compliance training for employees.

### Compliance management

VERBIO applies ethical corporate management principles which go over and above the statutory requirements. These are summarised in our code of conduct. All VERBIO employees are obliged to comply with these standards.

The compliance management department is tasked with ensuring that all components of the Group are in compliance with these principles, as well as with all the relevant legal requirements. Compliance training is provided to ensure that employees are aware of risks and to provide a code of conduct for behaviour in their daily work. This is governed by the Group's compliance

guidelines. Employees are required to inform their supervisors, the compliance officer or the responsible personnel manager should they observe contraventions of these guidelines.

Prevention is a core element of the work performed by the compliance officer and by staff with management roles. They provide training, and they inform and advise management and employees, for example concerning the Group's strategy and measures, with the objective of preventing corruption. No contraventions of the compliance guidelines were identified in the years 2017/2018 and 2018/2019.

### Data protection

We process personal data relating to employees as well as from all external persons with whom we are in contact, taking into account the appropriate data protection regulations, and only for the purposes for which the data was intended.

The VERBIO Group data protection department has performed analyses of the new requirements of the General Data Protection Regulation (Datenschutz-Grundverordnung – DSGVO) which came into force in May 2018, and prepared practical implementation guidelines based on the regulation.

The DSGVO implements tighter controls for the way that companies manage personal data. As a result, there has been an increase in the legal, operative and technical demands on data protection procedures. VERBIO has taken appropriate technical and organisational measures to ensure data protection and data security.

Various coordinated technical and organisational measures are in place to ensure the security of information security at VERBIO. The technical measures include, for example, measures to recognise malware or measures taken to encrypt data in storage or in transmission. Organisational measures include matters such as guidelines, standards and working instructions. Just as important as technical and organisational measures are the measures taken to make employees aware of the issues and providing them with training, as well as regular internal data protection audits.

Responsibility is centralised with VERBIO AG's data protection officer, who is tasked with ensuring that data protection measures are implemented and maintained, with assistance from coordinators at the Group's subsidiary companies.

The data protection system implemented, based on an underlying concept, is subject to ongoing continued development and amendments to take account of the continued new challenges concerning data protection as they arise on a day-to-day basis.

No breaches of data protection rules were noted in the financial year 2018/2019.

### **GRI 103-3 Evaluation of the management approach**

The risk management system meets the requirements of the VERBIO Group's corporate governance principles and the statutory requirements in full, and is subjected to audit within the scope of the annual audit. With respect to the early risk warning system, which is part of the risk management system, the auditors of our consolidated financial statements 2018/2019 concluded that the Management Board has taken the measures required of it in accordance with § 91 (2) German Stock Corporation Act (Aktiengesetz – AktG), and that the early risk warning system is appropriate to enable the early identification of risks which could affect the ability of the Company to continue as a going concern. The compliance department reports to the Supervisory Board once a year on its work and, if applicable, on significant compliance incidents.

## **Supply chain management**

### **GRI 103-1 Explanation of the material topics and their boundaries**

In order to conduct its business on a commercially sustainable basis and in order to ensure it cooperates with the right suppliers, VERBIO places great value on its sustainable supply chain management.

### **GRI 103-2 The management approach and its components**

We also aim continue to develop solutions in the future which meet the standards that we set ourselves, to create added value for our customers and shareholders and to grow on a sustainable basis. VERBIO is working with suppliers and customers worldwide to promote sustainable commercial working practices.

Supplier audits include an examination of environmentally sound production practices used by our suppliers. These audits cover audit topics relevant to VERBIO such as compliance, organisation and the availability of resources.

### **GRI 103-3 Evaluation of the management approach**

Supplier audits are performed by experienced and qualified employees. When recognisable contraventions are identified, obligatory remediation measures are defined, which are subsequently followed up and documented by the auditor.

In the environmental sector we evaluate new suppliers using a questionnaire before we enter into contracts with them. The questionnaire addresses, among other things, their energy consumption, packaging, operational hygiene, safety documentation, environmental certification, and standards for dealing with operational emergencies.

VERBIO requests information on the status of quality management certifications for the substantial majority of suppliers already under contract on a regular basis. This information is used in the internal assessment system.

## **GRI 201 Economic performance**

The VERBIO Group publishes a comprehensive annual report at the end of each financial year (from July 1 to June 30). The annual report provides detailed information on the Group's business performance.

Condensed financial information is provided in half-year financial reports published each year as of December 31 and quarterly interim statements as of September 30 and March 31 each year.

### **GRI 201-1 Direct economic value generated and distributed**

The VERBIO Group publishes detailed statements of income using the total cost method, together with a consolidated balance sheet. The key performance indicator used is the Group's EBITDA, with the segment EBITDA applied at the segment level.

### **GRI 201-2 Financial consequences of climate change and other risks and opportunities**

Risks arising from climate change and other environmental effects are documented, analysed and evaluated in financial terms in the component business units. Risks are minimised by entering into insurance policies, among other things. However, for the VERBIO Group the opportunities arising from this issue outweigh the risks, given that reducing greenhouse gas emissions is one of VERBIO's business models.



#### **GRI 201-4 Financial assistance received from government**

VERBIO has received small de-minimis aid amounts (below EUR 35,000 for each award) of logistics and for technology subsidies supporting interdisciplinary technology projects. All subsidies awarded were awarded to the Group's subsidiaries located in German Federal states of Brandenburg and Sachsen-Anhalt. No other direct national subsidies were received.

VERBIO receives subsidies awarded directly by the European Union as part of the NER 300 programme. Total subsidies of up to a maximum amount of EUR 22.3 million have been approved under this programme for the period 2014–2021.

## GRI 300 – Environmental standards



### Environmental standards

#### GRI 103 Management approach (disclosures 103-1, 103-2, 103-3)

Our aim, to be an environmentally aware company, concerns the entire value-added chain for VERBIO's products. Accordingly, our responsibility for the environment extends from research and development through to the procurement of raw materials and components and to logistics and production, and beyond to the utilisation and disposal of our products.

Our activities are aimed at the ongoing optimisation of the resources utilised in our operations in relation to the size of the business operations. Core issues include implementing energy efficiency measures, reducing greenhouse gas emissions, the sustainable use of resources and a waste management system which provides for ways of ensuring the reuse of the majority of our waste products by competent partners.

We strengthen the energy and environmental awareness of our employees by training measures as well as in direct discussions. We see these ongoing improvements as a significant objective of our environmental philosophy.

The organisation of the management system is based on our own experience as well as on the DIN EN ISO 9001:2015 quality standard. Due to synergies

achieved, this system also meets energy saving requirements under DIN EN ISO 50001 as well as the requirements of European and national law.

#### GRI 301 Materials

##### GRI 301 – Materials used

Given the nature of the Group's products, VERBIO naturally – and consciously – mostly uses renewable raw materials.

#### GRI 302 Energy

##### GRI 302-1 Energy consumption within the organisation

VERBIO's energy use is primarily driven by the quantities of biofuels produced, and by plant utilisation efficiency. Energy efficiency and the associated reduction in CO<sub>2</sub> emissions are an established part of our business model.

The total energy consumption of the four VERBIO production locations, including the vehicle fleet, in the reporting year totalled 817,769 MWh (previous year: 778,252 MWh), an increase of 5 percent compared to the previous year.

The acquisition of an initial five IVECO CNG-powered heavy goods vehicles for the VERBIO Logistik GmbH fleet was an important start and a milestone towards achieving CO<sub>2</sub>-neutral heavy goods transport. A further three Scania cab tractor units followed. The heavy goods vehicles are powered with biomethane from 100 percent straw manufactured in VERBIO's own production plants. In addition to a 90 percent reduction in CO<sub>2</sub> emissions, these vehicles significantly reduce emissions of fine particulate matter and nitrogen oxide emissions compared to a diesel heavy goods vehicle. We have opened our own CNG/biomethane filling station at our Schwedt location in order to be able to fill heavy goods vehicles as well as passenger vehicles in our CNG pool with our own *verbiogas*. We are already

using our experience in using alternative fuel sources powered using biomethane in order to enter into discussions with other transport companies which are interested in a logistics system which is almost CO<sub>2</sub>-free.

It is our objective to continually reduce our energy consumption on an ongoing basis. To achieve this, energy managers in all of VERBIO's departments analyse energy consumption and develop appropriate action plans for the efficient use of existing energy sources.

	Units	2018/2019	2017/2018	-/+ %
Total energy consumption	MWh	817,769	778,252	+5.08

The data recorded, including the specific ratios, relate only to VERBIO's production locations (Schwedt/Oder, Bitterfeld, Zörbig) and the logistics centre at Schwedt/

Oder, and are primarily based on measurements and calculations.

### GRI 302-3 Energy intensity

	Units	2018/2019	2017/2018	-/+ %
Quantity of biofuels produced (Bioethanol, biodiesel, biomethane)	t	769,860	764,463	+0.71
Energy intensity	MWh/t	1.06	1.02	+0.04

The energy intensity shown takes account of the total energy consumption for the production locations in proportion to the production of biofuels (bioethanol, biogas, biodiesel).

The specific energy consumption at VERBIO's production locations is almost unchanged at 1.06 MWh/t compared to the previous year, despite the increase in the production volumes.

### GRI 302-4 Reduction of energy consumption

VERBIO has set itself the objective of achieving a continuous reduction in the specific energy consumption in production. The basis for targeted efficiency meas-

ures is set out in energy management systems complying with DIN EN ISO 50001 and energy audits, which have been implemented step-by-step in all areas of the business successively since 2009.

In addition to meeting statutory requirements and legal requirements imposed under licence, we implement economically relevant energy efficiency measures identified as part of a conscious and responsible approach to the use of energy in our office buildings, vehicle fleet, workshops, storage areas and production processes. Assessments of measures taken to reduce energy consumption are made in annual energy reports produced for the Group's production plants.

## GRI 303 Water

### GRI 303-1 Water withdrawal by source

Water is a valuable and scarce resource. Accordingly, as an industrial business we believe we have an obligation to act responsibly concerning our water consumption and sources of water. We make an effort to mini-

mise water consumption in our production processes, in our buildings and in our other activities.

The Group's fresh and drinking water requirements are met from public water utility networks, spring water sources, and from private water works.

The water consumption is almost unchanged compared to the previous year despite higher production volumes.

	Units	2018/2019	2017/2018	-/+ %
Quantity of biofuels produced (bioethanol, biodiesel, biomethane)	t	769,860	764,463	+ 0.7
Water consumption (total)	m³	1,098,362	1,131,023	-2.89
Specific water consumption per unit of biofuels manufactured	m³/t	1.43	1.48	-0.05

The data collated, including the specific ratios, only relate to VERBIO production locations (Schwedt/Oder, Bitterfeld, Zörbig) and are obtained by using water meters.

## GRI 305 Emissions

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

	Units	2018/2019	2017/2018	-/+ %
Direct CO <sub>2</sub> -emissions	t	135,793	126,319	+ 7.5

## GRI 306 Effluents and waste

	Units	2018/2019	2017/2018	-/+ %
Total volume of waste water discharges	m³	353,396	296,211	+ 19.0

The data recorded is in respect of the VERBIO production locations (Schwedt/Oder, Bitterfeld, Zörbig).

**GRI 306-1 Water discharge by quality and destination**

The VERBIO Group draws water exclusively from public or private suppliers. Waste water is not pumped directly into open waters; instead it is sent for treatment at the respective location by municipal or private waste water treatment plants.

**GRI 306-2 Waste by type and disposal method**

We have a consistent objective at all of our production locations: the first priority is to avoiding creating waste, second priority is recycling, and, where possible, both are preferable to treating waste. For this purpose, we

see it as an ongoing task to investigate new methods of making appropriate use of waste and residual products, both at our production locations and elsewhere. When selecting waste processes, we cooperate with reliable partners and approved waste disposal experts to ensure that all statutory obligations are met in full.

The total waste generated by the production locations requiring disposal in the financial year 2018/2019 amounted to 5,277 tonnes (previous year: 5,469 tonnes). As a result, it was possible to reduce the volume of waste by approximately 4.6 percent.

	Units	2018/2019	2017/2018	-/+ %
Total waste requiring disposal	t	5,277	5,469	-4.6

**GRI 306-3 Significant spills of hazardous substances**

There have been no spills of harmful, hazardous or similar substances at VERBIO locations in the financial year 2018/2019.

**GRI 306-4 Transport of hazardous waste**

Approved waste handlers collect the small amount of hazardous waste generated and are responsible for its treatment in accordance with the applicable regulations.

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

The waste water generated at the production plants is treated at the respective water treatment plants in accordance with the statutory requirements.

**GRI 307 Environmental compliance**

We are aware of the potential consequences of our business on the environment. These range from the procurement of raw materials and their processing, the product development process and production through to logistics. For this reason, we monitor the entire value-added chain, and in doing so we evaluate, among other things, compliance with legal requirements, environmental standards and guidelines. It is our objective to protect resources, avoid negative impacts on the environment, take measures to reduce risks and, in this way, to ensure our long-term commercial success.

There have been no known contraventions of environmental laws and regulations in the reporting period.

**GRI 308 Supplier environmental assessment**

Our supplier audits include an examination of environmentally sound production practices used by our suppliers. These audits contribute, among other things, to supervising the quality of our products and, where necessary, to making amendments to the best of our ability and in a transparent manner.

## GRI 400 – Social standards



### Company pension arrangements

#### GRI 103-1 Explanation of the material topics and their boundaries

The VERBIO Group provides the majority of its employees with company pension arrangements in the form of defined benefit and defined contribution plans which are part of general framework agreements, as well as individual commitments.

#### GRI 103-2 The management approach and its components

VERBIO's pension provision strategy focusses on providing defined contribution plans, provided that this is permitted under the rules of the respective country. This is necessary in order to be able to provide both the employees and the Company with a sustainable and transparent pension system.

#### GRI 103-3 Evaluation of the management approach

VERBIO pays a purely employer-financed contribution to company pension arrangements for the majority of its employees.

### Training and education

#### GRI 103-1 Explanation of the material topics and their boundaries

Providing support for employees to obtain qualifications and further education and training is done by VERBIO as a matter of course. In return, we expect engagement, ambition and loyalty from our employees. Life-long learning is a particular challenge in view of the demographic challenge. However, VERBIO also views life-long learning as an opportunity, and accordingly has firmly established training processes.



### GRI 103-2 The management approach and its components

VERBIO provides a comprehensive range of training programmes. These include, among others, presence training events, a digital compliance learning programme and training on the code of conduct. For our production staff we offer specific and local training courses and training programmes which, in addition to providing qualifications for individuals, also contribute to work safety and product quality. This offering is complemented by a range of training opportunities, qualifications and development programmes on offer at our various locations, which are primarily focussed on technical requirements. In addition to the training programmes, the continuing further education of employees is of particular importance.

### GRI 103-3 Evaluation of the management approach

In order to provide targeted continuing further education of our employees, performance reviews are held and employee development plans are prepared for VERBIO's employees on a regular basis. This is managed using the Group's talent management process. Employee reviews were held for all employees qualifying for bonuses in the year 2018/2019. Employees that do not qualify for bonuses are employees on temporary contracts, as well as apprentices and heavy goods vehicle drivers.

## GRI 401 Employment

### GRI 401-1 New employee hires and employee turnover

A total of 52 new jobs were created in the financial year 2018/2019. 84 employees have left the Group. These positions have, or will be, replaced. The employee turnover rate is 13.82 percent (2017/2018: 14 percent).

### GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

In addition to a fixed salary, VERBIO employees receive a variable payment. The variable payment consists of a success-based component and a component that is linked to the individual performance of the employee. The total of the variable remuneration components paid on a monthly basis amounted to approximately EUR 600,000 in the financial year 2018/2019. The one-off payment for the financial year 2018/2019, which is paid in October 2019, is expected to be approximately EUR 3.0 million.

The company pension scheme is an important component of VERBIO's employee remuneration arrangements. The scheme is available to employees at most locations. The scheme consists of a purely employer-financed arrangement in which payments are made into a pension scheme. A pro-rata payment is made for part-time employees.

In order to support families with young children, VERBIO makes payments towards the cost of child care. The subsidy paid totalled EUR 54,000 in the reporting period.

## GRI 403 Occupational health and safety

### GRI 403-1 Workers' representation in formal joint management-worker health and safety committees

Occupational safety committees (Arbeitsschutzausschüsse – ASAs) are established in accordance with § 11 Occupational Safety Act (Arbeitssicherheitsgesetz – ASiG).

The membership of these committees consists of the following:

- Employer representatives – as a rule the employer is represented by the Managing Director and the Head of Production
- Employee representatives – process engineers, representatives of repair and maintenance teams, representatives of the production shift present at the date of the meeting
- Safety officers
- Safety specialists
- Works doctor
- External specialists, by invitation

The ASA meetings are held once each quarter. These meetings are public; all employees have the right to attend and have the opportunity to put questions to the ASA.

Minutes of each meeting of the ASA are created; these minutes are available to all employees and can be inspected at any time. A tour of the production plant is conducted at each ASA. These include a visit to each part of the plant, in particular those parts of the plant where occupational accidents have occurred or where problems have been identified over the past period.

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

Our occupational safety processes are improved on a continuous basis. All employees are provided with instruction in safety matters relevant to their individual workplace, for example with e-learning materials. The instruction provided ranges from general safety information for office or laboratory personnel to specialist instruction for the production and repair and maintenance departments. The teaching units include assessment testing.

#### Occupational accidents:

	2018/2019	2017/2018
Occupational accidents	16	23
LTIF <sup>1)</sup>	3.52	5.58

<sup>1)</sup> Lost time injury frequency (rate)/200.000 working hours.

There were no accidents resulting in deaths during the reporting period.

## GRI 404 Training and education

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

At June 30, 2019 a total of 16 trainees (June 30, 2018: 14) were employed as trainee chemists, laboratory chemists, mechatronic engineers, industrial mechanics, automotive mechatronic engineers, and heavy goods vehicle drivers. In order to ensure that high quality standards are met, VERBIO works with occupational training centres in the respective regions in which it operates. Statistics measuring the average number of hours of training per year per employee are not recorded.

### GRI 404-2 Programmes for upgrading employee skills and transition assistance programmes

Competent employees help to keep the Company innovative and competitive. For this purpose, we support our employees in their professional and personal development by organising training events and seminars. In addition, VERBIO supports employees who study on a part-time basis. During the reporting period, five employees were in part-time training programmes supported by VERBIO.

### GRI 404-3 Percentage of employees receiving regular performance and career development reviews

Employees and management receive feedback in annual employee meetings. All employees are provided with an assessment of their performance in these meetings. In September 2018 employee meetings were held with a total of 372 employees (66 percent). In addition, personal and technical development needs are discussed and a review is made of measures taken.

## GRI 405 Diversity and equal opportunity

### GRI 405-1 Diversity of governance bodies and employees

At VERBIO, all employees are equal, irrespective of their ethnic origin, age, sex, sexual identity, religion, political views, national or social origin or other factors. VERBIO's human resources management places emphasis on promoting diversity in its employee structure. At the same time, the Company makes sure that it offers equal opportunities to all of its employees. This includes ensuring that men and women are given equal remuneration.

The average age of VERBIO's employees is 42.19 years (June 30, 2018: 42.94).

The age structure at June 30, 2019 was as follows:

	Male	Female	Total
Under 30	12.12 %	4.24 %	16.36 %
30–50	38.03 %	12.73 %	50.76 %
Over 50	26.52 %	6.36 %	32.88 %

The age structure at June 30, 2018 was as follows:

	Male	Female	Total
Under 30	12.92 %	4.07 %	16.99 %
30–50	34.69 %	12.57 %	47.26 %
Over 50	29.38 %	6.37 %	35.75 %

VERBIO implements the statutory requirements for equal opportunities for women and men which were enacted with effect from May 1, 2015 as follows:

*Supervisory Board:*

The Supervisory Board set a target of 33 percent female participation in the Supervisory Board at its meeting held on September 21, 2015, with an implementation period of up to and including June 30, 2017. As the Supervisory Board already consists of one female and two male members, this target has already been met. In its meeting on May 8, 2017 the Supervisory Board extended its resolution beyond its expiry date of June 30, 2017, extending it for a further five years up until June 30, 2022.

*Management Board:*

The members of the Management Board and their areas of responsibility are determined by the Supervisory Board. The Management Board currently consists of four male members.

The Supervisory Board is required to take account of diversity when making appointments to the Management Board, and to set a target for female participation. The Supervisory Board is of the opinion that VERBIO's success is evidence that the current management team has proved itself. The current members of the Management Board have been appointed to office until December 31, 2020. There has been and continues to be no question of changing the composition of the Management Board for the sole purpose of increasing the female participation rate. There is also no question of VERBIO increasing the size of the Management Board in order to meet a quota for female participation. In view of the successful work performed by the current Management Board and under consideration of the remaining term of their service contracts, at the current time the Supervisory Board does not see any practical necessity or legal possibility to improve female participation in the Management Board. Also, in future the Supervisory Board wishes to continue to select candidates, male or female, who possess the necessary qualifications and personal integrity and, in its opinion, are most suited to the position, irrespective of their gender. Accordingly, at its meeting held on September 21, 2015 the Supervisory Board set a target for female participation in the Management Board up until June 30, 2017 at zero, indicating its intention to maintain the status quo. In its meeting on May 8, 2017 the Supervisory Board extended its resolution beyond its expiry date of June 30, 2017, extending it for a further five years up until June 30, 2022.

*Management levels below the Management Board:*

In making appointments to management positions the Management Board pays attention to diversity in a

manner consistent with the needs and the industrial sector structure of the Company. A target of 25 percent was set by the Management Board for female participation in the first management level on September 21, 2015, to be achieved by June 30, 2017. This target has been achieved. It was not necessary to set a quota for female participation in the second management level as VERBIO acts in a purely holding company function with a flat management structure, so that there is only one relevant management level with personnel and management responsibility below the Management Board. In its meeting on June 20, 2017 the Management Board extended its resolution beyond its expiry date of June 30, 2017, extending it for a further five years up until June 30, 2022.

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

For VERBIO it is self-explanatory that men and women should be treated equally. This also applies to pay levels. In doing so, the standard entry-level wages and salaries paid to employees in the production sector are more than 40 percent above the legal minimum wage.

**GRI 406 Non-discrimination****GRI 406-1 Incidents of discrimination and corrective actions taken**

We view the diversity of mankind as an enrichment. We do not tolerate any unequal or unfair treatment on the basis of sex, ethnic origin, religion or opinion, disability, sexual orientation or age. This principle applies throughout the Group. Employees can report possible cases of discrimination to their supervisor, the compliance manager or the personnel department. Complaints are examined and the complainant is informed of the results of the investigation. A register of discrimination cases is not maintained. All managers have been trained in requirements of the General Equal Treatment Act (Gleichbehandlungsgesetz – AGG) using E-Learning techniques and have communicated the most important aspects to employees.

**GRI 413 Local communities****GRI 413-1 Operations with local community engagement, impact assessments, and development programmes**

VERBIO contributes to the economies of its production locations by creating jobs and providing tax revenues, and in this way, it supports the structure of those regions. In addition, our social engagement with local

communities includes making donations or taking part in sponsoring projects for local initiatives.

#### **GRI 413-2 Operations with significant actual and potential negative impacts on local communities**

We are conscious of our impact on the environment and we are concentrated on the efficient use of resources and on environmental protection in order to minimise the impact we have. However, there is damage which results from VERBIO's business activities with negative consequences for the local communities from, for example, noise and odour emissions. In order to reduce these emissions, we constantly invest in our existing production plants. At the Zörbig location, an investment was made over recent financial years in additional regenerative thermal oxidation (RTO) plants to treat exhaust air.

#### **GRI 416 Customer health and safety**

##### **GRI 416-1 Assessment of the health and safety impacts of product and service categories**

We have a comprehensive responsibility for ensuring that our products are, provided they are used properly, safe for humans, animals and the environment. In order to ensure the ongoing quality and safety of our products, VERBIO has implemented an integrated quality management system along the entire value-added chain. Our products are subject to regular audits and assessments, designed to provide our customers with a high level of assurance and to establish trust in our products. The foundation for this is compliance with statutory requirements and with internal standards over and above these standards. We subject our high-quality objectives to annual inspections by external companies in accordance with ISO 9001:2015. Customer and supplier audits, as well as regular internal audits in various company departments, also contribute to the supervision of the quality of our products, and enable us to make changes where necessary and in a transparent manner.

Our quality management system is particularly focussed on creating co-products in the process of producing our biodiesel and bioethanol, these are used to manufacture and supply our customers with food products or animal feed. Our customers are provided with information concerning the proper use of our products and the potential risks that they carry. VERBIO performs regular assessments of complaints and returns from customers and uses them to make continuous improvements to the quality and safety of our products.

#### **GRI 417 Marketing and labelling**

##### **GRI 417-1 Requirements for product and service information and labelling**

Our product labelling is designed to meet the appropriate legal regulations. Sales specifications and various supplier specifications provide information on product contents and use.

Products that are traded as animal feed are labelled to specify their source, ingredients and use.

Products supplied for use in the food industry are additionally identified as kosher and halal, i.e. as being suitable for consumption by people of the Jewish or Muslim faiths respectively. The relevant third-party certification has been obtained for this purpose.

## GRI content index

GRI-Standard	Indicator	Disclosure	Reference	Page
<b>GRI 101 – Universal standards (foundation)</b>				<b>4</b>
<b>GRI 102 – Universal standards (general disclosures)</b>		<b>Organisationsprofil</b>		<b>6</b>
	GRI 102-1	Name of the organisation		6
	GRI 102-2	Activities, brands, products and services	Annual Report 2018/2019; Group management report and technical glossary	6
	GRI 102-3	Location of headquarters		8
	GRI 102-4	Location of operations	Annual Report 2018/2019; Group management report	8
	GRI 102-5	Ownership and legal form	Annual Report 2018/2019; The VERBIO share	8
	GRI 102-6	Markets served	Annual Report 2018/2019; Group management report	9
	GRI 102-7	Scale of the organisation	Annual Report 2018/2019; Group key figures, Segment key figures, Consolidated financial statements	9
	GRI 102-8	Information on employees and other workers	Annual Report 2018/2019; Group key figures	9
	GRI 102-9	Supply chain		10
	GRI 102-10	Significant changes to the organisation and its supply chain		10
	GRI 102-13	Membership of associations		10
		<b>Strategy</b>		<b>11</b>
	GRI 102-14	Statement from senior decision-maker		11
	GRI 102-15	Key impacts, risks and opportunities	Annual Report 2018/2019; Group management report, in particular: Outlook, opportunity and risk report	11
		<b>Ethics and integrity</b>		<b>11</b>
	GRI 102-16	Values, principles, standards and norms of behaviour	Code of Conduct ( <a href="https://www.verbio.de/en/group/compliance/">https://www.verbio.de/en/group/compliance/</a> )	11
	GRI 102-17	Mechanisms for advice and concerns about ethics	Code of Conduct ( <a href="https://www.verbio.de/en/group/compliance/">https://www.verbio.de/en/group/compliance/</a> )	11

GRI-Standard	Indicator	Disclosure	Reference	Page
		<b>Governance</b>		<b>12</b>
	GRI 102-18	Governance structure	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	12
	GRI 102-19	Management body responsible for assigning authority levels		12
	GRI 102-20	Executive-level responsibility for economic, environmental and social topics	Annual Report 2018/2019; Executive bodies of the Company	12
	GRI 102-21	Consulting stakeholders on economic, environmental and social topics		12
	GRI 102-22	Composition of the highest governance body and its committees	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	13
	GRI 102-23	Highest governance body	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	13
	GRI 102-24	Nominating and selecting the highest governance body	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	13
	GRI 102-25	Conflicts of interest	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	13
	GRI 102-26	Role of highest governance body in setting purpose, values and strategy	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	13
	GRI 102-27	Collective knowledge of highest governance body	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	14



GRI-Standard	Indicator	Disclosure	Reference	Page
	GRI 102-28	Appraisal of performance of the highest governance body	Corporate Governance Declaration ( <a href="https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/">https://www.verbio.de/en/investor-relations/corporate-governance/corporate-governance-declaration/</a> )	14
	GRI 102-30	Effectiveness of risk management processes	Annual Report 2018/2019; Group management report, in particular: Outlook, opportunity and risk report	14
	GRI 102-31	Review of economic, environmental and social topics	Annual Report 2018/2019; Group management report, in particular: Outlook, opportunity and risk report	14
	GRI 102-33	Communicating critical concerns	Code of Conduct ( <a href="https://www.verbio.de/en/group/compliance/">https://www.verbio.de/en/group/compliance/</a> )	14
	GRI 102-34	Nature and total number of critical concerns	Code of Conduct ( <a href="https://www.verbio.de/en/group/compliance/">https://www.verbio.de/en/group/compliance/</a> )	14
	GRI 102-35	Remuneration policies	Annual Report 2018/2019; Group management report, in particular: Remuneration report	14
	GRI 102-36	Process for determining remuneration	Annual Report 2018/2019; Group management report, in particular: Remuneration report	15
	GRI 102-37	Stakeholders' involvement in remuneration	Annual Report 2018/2019; Group management report, in particular: Remuneration report	15
	GRI 102-45	Entities included in the consolidated financial statements	Annual Report 2018/2019; Notes to the leagal representatives, in particular: Anhangangaben, hier: Entities included in the consolidation	15
	GRI 102-47	List of material topics		15
	GRI 102-48	Restatements of information		15
	GRI 102-49	Changes in reporting		15
	GRI 102-50	Reporting period		15
	GRI 102-51	Date of most recent report		15
	GRI 102-52	Reporting cycle		16
	GRI 102-53	Contact point for questions regarding the report		16

GRI-Standard	Indicator	Disclosure	Reference	Page
	GRI 102-54	Claims of reporting in accordance with the GRI Standards		16
	GRI 102-55	GRI content index		16
	GRI 102-56	External assurance		16
<b>GRI 103 – Universal standards (management approach)</b>				<b>17</b>
<b>GRI 200 – Economic standards</b>		<b>Management of opportunities and risks</b>		<b>18</b>
	GRI 103-1	Explanation of the material topics and their boundaries	Annual Report 2018/2019; Group management report, in particular: Outlook, opportunity and risk report	18
	GRI 103-2	The management approach and its components	Annual Report 2018/2019; Group management report, in particular: Outlook, opportunity and risk report	18
	GRI 103-3	Evaluation of the management approach	Annual Report 2018/2019; Group management report, in particular: Outlook, opportunity and risk report	20
		<b>Supply chain management</b>		<b>20</b>
	GRI 103-1	Explanation of the material topics and their boundaries		20
	GRI 103-2	The management approach and its components		20
	GRI 103-3	Evaluation of the management approach		20
	<b>GRI 201</b>	<b>Economic performance</b>		<b>20</b>
	GRI 201-1	Direct economic value generated and distributed	Annual Report 2018/2019; Consolidated financial statements	20
	GRI 201-2	Financial consequences of climate change and other risks and opportunities	Annual Report 2018/2019; Group management report, in particular: Outlook, opportunity and risk report	20
	GRI 201-4	Financial assistance received from government		21
<b>GRI 300 – Environmental standards</b>				<b>22</b>
	<b>GRI 103</b>	<b>Management approach</b>		<b>22</b>
	<b>GRI 301</b>	<b>Materials</b>		<b>22</b>
	GRI 301-1	Materials used		22

GRI-Standard	Indicator	Disclosure	Reference	Page
	<b>GRI 302</b>	<b>Energy</b>		<b>22</b>
	GRI 302-1	Energy consumption within the organisation		22
	GRI 302-3	Energy intensity		23
	GRI 302-4	Reduction of energy consumption		23
	<b>GRI 303</b>	<b>Water</b>		<b>24</b>
	GRI 303-1	Water withdrawal by source		24
	<b>GRI 305</b>	<b>Emissions</b>		<b>24</b>
	GRI 305-1	Direct (Scope 1) GHG emissions		24
	<b>GRI 306</b>	<b>Effluents and waste</b>		<b>24</b>
	GRI 306-1	Water discharge by quality and destination		25
	GRI 306-2	Waste by type and disposal method		25
	GRI 306-3	Significant spills of hazardous substances		25
	GRI 306-4	Transport of hazardous waste		25
	GRI 306-5	Water bodies affected by water discharges and/or runoff		25
	<b>GRI 307</b>	<b>Environmental compliance</b>		<b>25</b>
	<b>GRI 308</b>	<b>Supplier environmental assessment</b>		<b>25</b>
<b>GRI 400 – Social standards</b>		<b>Company pension arrangements</b>		<b>26</b>
	GRI 103-1	Explanation of the material topics and their boundaries		26
	GRI 103-2	The management approach and its components		26
	GRI 103-3	Evaluation of the management approach		26
		<b>Training and education</b>		<b>26</b>
	GRI 103-1	Explanation of the material topics and their boundaries		26
	GRI 103-2	The management approach and its components		27

GRI-Standard	Indicator	Disclosure	Reference	Page
	GRI 103-3	Evaluation of the management approach		27
	<b>GRI 401</b>	<b>Employment</b>		<b>27</b>
	GRI 401-1	New employee hires and employee turnover		27
	GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		27
	<b>GRI 403</b>	<b>Occupational health and safety</b>		<b>27</b>
	GRI 403-1	Workers' representation in formal joint management-worker health and safety committees		27
	GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, absenteeism, and number of work-related fatalities		28
	<b>GRI 404</b>	<b>Training and education</b>		<b>28</b>
	GRI 404-1	Average hours of training per year per employee		28
	GRI 404-2	Programmes for upgrading employee skills and transition assistance programmes		28
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews		28
	<b>GRI 405</b>	<b>Diversity and equal opportunity</b>		<b>28</b>
	GRI 405-1	Diversity of governance bodies and employees		28
	GRI 405-2	Ratio of basic salary and remuneration of women to men		29
	<b>GRI 406</b>	<b>Non-discrimination</b>		<b>29</b>
	GRI 406-1	Incidents of discrimination and corrective actions taken		29
	<b>GRI 413</b>	<b>Local communities</b>		<b>29</b>
	GRI 413-1	Operations with local community engagement, impact assessments, and development programmes		29
	GRI 413-2	Operations with significant actual and potential negative impacts on local communities		30
	<b>GRI 416</b>	<b>Customer health and safety</b>		<b>30</b>

GRI-Standard	Indicator	Disclosure	Reference	Page
	GRI 416-1	Assessment of the health and safety impacts of product and service categories		30
	<b>GRI 417</b>	<b>Marketing and labelling</b>		<b>30</b>
	GRI 417-1	Requirements for product and service information and labelling		30



## Financial calendar 2019/2020

<b>September 25, 2019</b>	Publication of the annual report 2018/2019, Analyst's conference/annual financial statements press conference
<b>November 7, 2019</b>	Publication of the quarterly statement for the period ended September 30, 2019 (July 2019 to September 2019)
<b>January 31, 2020</b>	Annual general meeting in Victor's Residenz-Hotel, Leipzig
<b>February 6, 2020</b>	Publication of the half-yearly interim report 2019/2020 (July 2019 to December 2019)
<b>May 7, 2020</b>	Publication of the quarterly statement for the period ended March 31, 2020 (July 2019 to March 2020)
<b>September 23, 2020</b>	Publication of the annual report 2019/2020, Analyst's conference/annual financial statements press conference

## Contact address and imprint

### Publisher

VERBIO Vereinigte BioEnergie AG

### Editing

VERBIO Vereinigte BioEnergie AG

### Contact

VERBIO Vereinigte BioEnergie AG  
Ritterstraße 23 (Oelßner's Hof)  
04109 Leipzig  
Phone: +49 341 308530-0  
Fax: +49 341 308530-999  
[www.verbio.de](http://www.verbio.de)

### Forward-looking statements

The non-financial statement includes various statements concerning forecasts, expectations and information that relate to the future development of the VERBIO Group and VERBIO Vereinigte BioEnergie AG. These statements are based on assumptions and estimates and may be associated with known and unknown risks and uncertainties. Actual developments and results, as well as the financial and asset situation, may therefore differ substantially from the expectations and assumptions stated. Such differences may be due, among other things, to market fluctuations, changes in worldwide market prices for raw materials as well as financial markets and exchange rates, changes in national and international laws and directives, or fundamental changes in the economic and political climate. VERBIO does not intend to and does not undertake an obligation to update or revise any forward-looking statements to adapt them to events or developments after the publication of this statement.

This non-financial statement is published in German (original version) and in English (non-binding translation). It is available for download at <http://www.verbio.de> in both languages.

We will be delighted to send you additional information about VERBIO Vereinigte BioEnergie AG on request at no charge.

Phone: +49 341 308530-251  
Fax: +49 341 308530-998  
E-Mail: [ir@verbio.de](mailto:ir@verbio.de)

**VERBIO Vereinigte BioEnergie AG**

Ritterstraße 23 (Oelßner's Hof)

04109 Leipzig

P: +49 341 308530-0

F: +49 341 308530-999

[ir@verbio.de](mailto:ir@verbio.de)

[www.verbio.de](http://www.verbio.de)