



INDUSTRIE  
INNOVATION  
INVESTMENTS

# SUSTAINABILITY POSITION PAPER

B&C Group sustainability principles and contribution

January 2024



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## INVESTING WITH RESPONSIBILITY

The B&C Group (B&C) is owned by the politically and economically independent B&C Private Foundation and comprises of B&C's operating holding companies. B&C holds majority stakes in the listed Austrian industrial companies AMAG Austria Metall AG, Lenzing AG and Semperit AG Holding, and holds minority stakes in a number of technology growth companies. The B&C Private Foundation's funding activities focus on research and education.

**AMAG**  
AUSTRIA METALL



52,7 %

**Lenzing**  
Innovative by nature



52,25 %

**SEMPERIT**



54,2 %

## PRINCIPLES FOR SUSTAINABLE ACTION

This sustainability position paper forms the basis for a steady and continuous improvement of B&C's sustainability commitment. It outlines B&C's approach to sustainability and its principles with regard to the focus areas in which it has identified significant potential to influence developments.

B&C will take these principles into account in all its business activities on the holding company level (B&C Group), in relation to investment activities as well as in its own operations and procurement activities.

This commitment applies to both the B&C Private Foundation and the B&C Group. These principles will be reviewed at least once a year in order to identify necessary refinements to B&C's activities, measures and objectives.



# APPROACH TO SUSTAINABILITY

B&C considers sustainability as both a means and an objective in terms of reconciling commercial success with environmental and social responsibility over the long term. B&C consistently strives to pursue this objective within its sphere of influence.

Applicable international and national regulations form the framework for B&C's sustainability management activities, in particular the United Nations' 17 Sustainable Development Goals (SDGs), the Paris Agreement on Climate Change and the European Green Deal, as well as the guidelines and orders stemming from them.

ESG stands for environment, social and governance. These three pillars represent a key measure for B&C when it comes to assessing companies' sustainability performance. Applying a range of detailed criteria from each of these three areas – including CO2 emissions, occupational health and safety, and sustainability standards in the supply chain – facilitate the evaluation of companies' sustainability performance and makes it possible to measure their contribution to sustainable development.

## B&C'S ROLE AS A RESPONSIBLE OWNER AND INVESTOR

B&C is convinced that maintaining the performance and competitiveness of Austria and Europe as a business location is the only way to ensure lasting prosperity and social cohesion along the road to realising global sustainability targets over the longer term.

The economy should be made competitive, resource-efficient and climate-neutral. This transformation requires prudent and long-term innovation and investment activities.

B&C is mindful of the pivotal role the financial, industrial and technology sectors play worldwide in an effort to achieve the global sustainable development goals and to bring about the transition to net zero by 2050.

B&C supports the long-term and sustainability-driven success of its portfolio companies, as well as their competitiveness and power to innovate. In accordance with the purpose of the B&C Private Foundation as set out in its deed of foundation, it actively fosters entrepreneurship in Austria as well as the country's development as a business location.

Beyond its activities as an investment holding company, B&C is also involved in social projects that are aligned with the foundation's purpose.



## B&C'S SUSTAINABILITY GOALS



B&C's overriding goal is to secure and increase the value of its portfolio companies in the long term. It is also committed to playing a positive role in shaping the continued development of Austria as a business location in line with ESG criteria.



As a stable partner, B&C supports its portfolio companies on their path into a more sustainable and competitive future.



B&C integrates risks and opportunities relating to environment, social and governance into its business activities (ESG integration) and decision-making processes.



In terms of portfolio development, B&C is committed to pursuing climate neutrality within its legal and commercial possibilities by 2050.\*



B&C supports the work of the supervisory boards through professional portfolio management, particularly in areas of sustainability that strengthen the competitiveness and growth opportunities of its investments, and which have the greatest potential for impact in terms of the environment, society and governance.



In accordance with the foundation's purpose, B&C engages in various areas that foster entrepreneurship in Austria and enhance the country's standing as a business location.



# ACTION AREAS

B&C aligns its activities along three focus areas which have been identified as having the greatest impact potential:

## 1. ACTING RESPONSIBLY AND WITH INTEGRITY

In B&C's view, responsible corporate governance that creates long-term value is in the interests of all stakeholders. This involves implementing governance, risk and compliance regulations to ensure responsible conduct in business operations, and to safeguard fair and respectful treatment of B&C employees and careful environmental management in its own operations.

B&C has implemented a sustainability strategy at the holding company level to make sure that sustainability is firmly enshrined in the day-to-day work. B&C's strategy is based on three defined focus areas in which B&C is committed to making a definitive contribution to sustainable development, while at the same time continuously improving its performance in each of them.

## 2. SUSTAINABLE PORTFOLIO DEVELOPMENT

To create added value for the B&C Group and its stakeholders, the long-term development of the B&C portfolio calls for the balanced consideration of financial, environmental, social and technological aspects. B&C is committed to reducing greenhouse gas emissions in accordance with the Paris Climate Agreement and to supporting its portfolio companies on their path towards climate neutrality within the limits of their respective opportunities.

B&C understands that this path involves both opportunities and risks and will require ongoing evaluation with regard to technological and ecological feasibility as well as the overarching political framework. Nominating suitably qualified supervisory board members, a supportive investment management team and the long-term commitment as an investor in line with the foundation's purpose create all of the prerequisites for embedding and promoting sustainability across all aspects of our activities as an investment holding company.

B&C also provides venture capital for innovative growth companies that offer added value which safeguards the future viability of the industry. ESG criteria are considered both in these investments and in active investment management measures.

## 3. SOCIAL COMMITMENT

B&C is committed to supporting Austria's positive development as a location for business and industry. Through its commitment to social practices, B&C thrives to support research and innovation initiatives to bring about a lasting improvement in the operating framework for business.

A healthy economic system also requires a solid foundation in the form of high-quality education and fair access to it. Therefore, B&C focuses specifically on business education and supports pioneering educational initiatives in order to maximise their impact.

B&C's fostering activities include fundings of research and science through the award of the Houska Prize for application-driven research, financial and economic literacy through the MEGA Foundation for Education, innovation and location research through the eXplore! initiative, and law and economics with a focus on capital markets and corporate law, as well as research into new technologies by funding university programs, e.g. in the form of an endowed professorship at the Montanuniversität Leoben partnered by AMAG and a PhD program at the TU Wien partnered by TTTech.

## NOTE

\* Refers to Scope 1 and Scope 2 emissions. Reducing of Scope 3 greenhouse gas emissions is also systematically supported. Targets are pursued in accordance with the current state of knowledge, research and technological and economic feasibility.

Greenhouse gases are categorized according to the emission sources into three scopes:

Scope 1: directly generated emissions from owned facilities and buildings;

Scope 2: indirect emissions from purchased energy, for example electricity and district heating;

Scope 3: other upstream and downstream indirect emissions, e.g. from business travel and purchased materials.

## THE B&C GROUP



### Long-term partner of Austria's industry

The B&C Private Foundation is an independent foundation that has pursued the goal of fostering Austrian entrepreneurship and the country as a business location since its establishment in December 2000. This primarily takes the form of long-term investments in Austrian industrial companies through its holding companies in the B&C Group. It holds majority stakes in Lenzing AG (52.25%), Semperit AG Holding (54.2%) and AMAG Austria Metall AG (52.7%). The B&C Group also holds a minority (10%) interest in VAMED AG. Its mission statement is to ensure that these companies' headquarters and research centers remain in Austria for the long term.



### Investments in technical and industrial innovation

The B&C Group has been investing in technology growth companies since 2016 through B&C Innovation Investments (BCII), and currently holds stakes in TTTech, Frequentis, Flightkeys, contextflow, TriLite, Kinexon, Citrine, klarx, Awake Mobility and neoom. As a minority investor, BCII pursues an investment strategy that focuses on industrial tech companies, with the aim of increasing the value of the portfolio companies without the necessity for a quick exit.



### Sustainable focus through funding activities

The B&C Private Foundation fosters Austria's development as a business location through numerous initiatives aimed at improving the commercial and legal framework. Initiatives include among others the Houska Prize, Austria's largest private prize for application-driven research, the MEGA Foundation for Education with a focus on creating equal access to education and raising economic literacy, the Austrian Supervisory Board Day and Vienna Corporate Law Day, the endowed professorship at Montanuniversität Leoben partnered by AMAG, and the eXplore! initiative for innovation and location research.

## IMPRINT

### Editor:

B&C Holding Österreich GmbH

January 2024

It is of great importance for B&C to engage with business partners and stakeholders on the topic of sustainability.

Please contact us at [sustainability@bcholding.at](mailto:sustainability@bcholding.at) if you have any questions or additional suggestions regarding sustainability.



[www.bcgruppe.at](http://www.bcgruppe.at)



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