

PRESS RELEASE

“Our industry has enormous potential for an even more sustainable future.”

Interview with Alexander Franke, newly elected President of the European industry association EPPA (European PVC Profiles and related Building Products Association) and member of the Management Board, Chief Supply Chain Officer (CSCO), of the profine Group.

Mr. Franke, congratulations on your new position as President of the EPPA. To begin with, would you outline a few key points about your position and your CV at the profine Group?

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Gladly. I have been with profine for 18 years now and have been CSCO for the group for the last four years. In this area we bundle the purchasing, production planning, order management and logistics. Material development is also part of our department.

Other positions before that were mostly commercial, both in Germany and at foreign sites of the profine Group. Before returning to Germany in 2018, I was the managing director of our subsidiary in the USA for a number of years.

Corporate Communications:
Martin Schweppenhäuser
Telefon +49 (0) 6331 / 56-18 04
Telefax +49 (0) 6331 / 56-15 15
martin.schweppenhaeuser@
profine-group.com

How important is association work in the industry to you?

In a nutshell: it is more important than ever! The European package of measures 'Fit for 55' issued in 2021 as part of the Green Deal shows enormous development potential for our industry, as we are making a clear contribution to the European climate goals with our products and solutions. At the same time, despite considerable progress in our sustainability balance sheets, we see the ongoing need to provide political actors with appropriate information on PVC and PVC windows at all times and to conduct an intensive discussion about the opportunities and risks of ongoing regulatory processes for our industry.

The handling of all these tasks is time-consuming and can only be successful if all system providers join forces for this important task and speak with one voice.

What are the currently prioritized goals of the EPPA association?

Firstly, in the political dialogue we would like to ensure that greater importance is attached to the replacement of windows as part of the decarbonisation goals of the building sector. Successful subsidy programs in individual EU states show the potential that can be released. For us, this is definitely an inspiration to think further about such concepts.

Secondly, we have made a clear commitment to further increasing our recycling volumes in the years to come and expanding our pioneering role in PVC recycling. However, this does not only include the self-commitment itself. In the areas of certification of recycling processes,

Issued by:
profine GmbH
International Profile Group
Zweibrücker Straße 200
D-66954 Pirmasens
Phone +49 (0) 6331 56-0
Fax +49 (0) 6331 56-2475
info@profine-group.com
www.profine-group.com

shipment of waste and recyclable materials as well as standardization, there are a large number of tasks that are essential to the maintaining our recycling goals.

Third: We want and need to think about the topic of sustainability further in the supply chain. The dialogue with suppliers should be deepened across the board. The constantly tightening goals of the EU will mean that we will have to network the transformation process of raw materials and corresponding production processes even more closely and, if necessary, accelerate them. After all, Scope 3 contributes to more than two thirds of all emissions in our industry.

Where do you personally want to focus your work as President?

The numerical order of the EPPA goals was deliberately chosen and also shapes the question of my personal priorities. At the same time, I cannot completely conceal the fact that, due to my entrepreneurial vocation, I pay great attention to sustainability in the entire supply chain, and can therefore certainly imagine working on this topic more intensively in the course of the coming legislature, provided that this meets with the approval of the association members.

Where do you see the biggest current challenges for the industry, in Europe and especially in Germany?

Everyone is talking about the German heating law. The general impression could arise that by purchasing a heat pump, the climate targets in the building sector can be met on one's own. This will hardly be the case - especially if you look at the efficiency targets that the EU wants to make mandatory for buildings in classes E-G by 2033.

I have a firm belief that energy saved is the most effective way to reduce emissions. At the same time, the investment in PVC windows pays off comparatively quickly for the consumer in the form of reduced energy bills, which strengthens the argument disproportionately, especially since the affordability of the climate change is the ultimate topic for the consumer!

Where do you see the greatest growth opportunities for the industry and how can profile manufacturers best exploit them?

Clearly in the field of energetic renovation. The combination of higher interest rates and high construction costs has put a severe damper on new construction activity in most European countries. A noticeable revival can probably be expected in the course of next year at the earliest. It is all the more important to pay a great deal of attention to the renovation sector especially at this time.

In the course of the global sustainability movement, it is important to show the consumer the diverse advantages of PVC windows in terms of sustainability, functionality and economy and to convince them in the truest sense of the word 'sustainably'.

How do you assess the current decision of the European Commission on the subject of lead and REACH restrictions?

As a step in the right direction. In addition to the import ban on windows containing lead, we particularly welcome the Commission's decision to continue to allow the recycling of old windows with a low lead content within the set regulatory framework. The European Parliament particularly appreciates the clear commitment of the system providers to enable the recycling cycle to be transparent from profile to profile. This regulatory commitment to the circular economy must now be followed by further steps in other laws.

The adopted legal text gives all system providers the corresponding legal certainty, which will entail further substantial investments in the circular economy.

Is this decision the merit of EPPA?

As an association, we have actively accompanied the legislative process and fulfilled our claim of feeding the discourse with data and facts that are important for an evidence-based decision. At the same time, we also cooperated with sister associations that stand up for goals similar to those of EPPA in the area of PVC. As a result we can be very satisfied.

In which areas have you, as CSCO at profine Group, been particularly committed to aspects of the circular economy?

With direct responsibility for procurement and logistics, we are responsible for essential elements of a functioning circular economy. Above all, this includes the constant further development of our procurement sources, the efficient transport of old windows and sections as well as ensuring the quality of the materials used. This requires the establishment of adapted processes in the company, which we also convey in the company.

In addition to the constant expansion of the recycling quantities and the improvement of processes, we are looking at the establishment of further cycles. As a certified waste disposal company, we are increasingly focusing on other recyclable materials. This also includes packaging residues, which are delivered to our suppliers for recycling as standard.

Where do you see further sustainability potential in the window profile value chain, apart from solutions for the circular economy in the narrow sense?

The consistent conversion of the energy supply to sustainable energy sources is a classic goal. With a view to the entire value chain, the potential continues to be great with ongoing technological progress. From decarbonization in the raw materials sector to the reduction of specific energy consumption in the production processes to the question of how

transport to the processor can be used in the most resource-efficient way possible. Through the association and our industry-wide EPDs, we have been able to measure and verify the continuously increasing energy efficiency in the production area for many years. We would like to further expand this fact-based communication on the subject of sustainability in the future.

Despite – or perhaps because of – the achievements, our industry has enormous potential for an even more sustainable future. That spurs us and our industry on every day!

As President of a European business association, what is your appeal to politicians?

It is extremely important that, in order to achieve our ambitious European climate goals, we intensify the dialogue between politics and business at all levels and let our discourse on achieving the goals in the building sector be guided by figures, data and facts. As a possible result of such a dialogue, I would like to see a standardized European model for subsidizing energy-efficient renovation and the provision of corresponding low-interest loans.

Mr. Franke, thank you very much for the interview!

Caption:

Alexander Franke, newly elected President of the European industry association EPPA (European PVC Profiles and related Building Products Association) and member of the Management Board, Chief Supply Chain Officer (CSCO), of the profine Group.

Photo: profine Group

About profine:

profine GmbH – International Profile Group – is a worldwide leading manufacturer of PVC-U profiles for windows and doors and a renowned provider of shutter systems and PVC sheets. With its KBE, Kömmerling, and TROCAL brands, the Group supplies its products to more than 100 countries and has an excellent international standing at 29 sites in 23 countries. profine Group manufactures at production facilities in Germany, France, Italy, Spain, Bosnia-Herzegovina, Russia, India, the UK, Ukraine, the USA and China, with its head office in Pirmasens, Rhineland-Palatinate, and a payroll of over 3,000.