



SUSTAINABILITY REPORT

УСТОЙЧИВОСТЬ
SÜRDÜRÜLEBİLİRLİK

2022

UDRŽITELNOST
HÅLLBARHET
DURABILITÉ

ODRŽIVOST
NACHHALTIGKEIT
可持續性
SOSTENIBILIDAD

SOSTENIBILITÀ
ZRÓWNOWAŻONY
ROZWÓJ

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116 YEARS AS A FAMILY BUSINESS
INTERNATIONAL PRESENCE AT AROUND 50 LOCATIONS
1117 EMPLOYEES
OVER 50 REPUTABLE PARTNERS
3 OPERATIONAL BUSINESS DIVISIONS

ABOUT THIS REPORT

The Biesterfeld Group publishes a separate, annual Group report without a financial focus. This report is based on a self-imposed commitment and is intended to outline our company's responsible operations and efforts on a global level for 2022.

The Biesterfeld Group includes all direct and indirect stakeholders and publishes all sustainability data and figures in full and with full transparency in the presentation of this sustainability report. To ensure that data and analyses can be compared with previous years, the Communication on Progress of this report concerns the United Nations Global Compact (UNGC). The emissions factors compiled and presented in this report are derived from the GEMIS database (Global Emission Model for Integrated Systems) compiled by the German Environment Agency in partnership with the Öko-Institut. The Öko-Institut is one of Europe's leading independent research and consultancy institutions working for a sustainable future.

In our report on the Biesterfeld Group this year, we describe our current sustainability management and report on the further development of our operative and strategic measures to improve our sustainability balance. We also list all global group locations covered in this report (see p. 21).

All references to customers, suppliers and partners relate to the company in question rather than individuals.



Stephan Glander, CEO

DEAR READERS,

We can look back on a successful 2022. Despite the tangible after-effects of the COVID-19 pandemic and global delivery and production bottlenecks plus geopolitical tension, we were able to achieve sustainable growth.

In 2022, we were also able to successfully maintain our position in the chemicals market and continue our international growth in challenging circumstances for our industry.

Sustainability is and will remain a key consideration for us as a family business. We want to fulfil our commitment and our responsibility to our partners, our employees and our global environment. Trust and reliability play a key role when dealing with our customers, suppliers and employees from all around the world.

The geopolitical situation and global economy have also shaped 2022. Restrictions continued to hinder our professional and personal daily lives. However, as a result of our successful crisis management – shoulder to shoulder with our partners and all employees worldwide – we, as the Biesterfeld Group, have ensured that we not only remained successful economically, but were also able to expand our sustainable product portfolio further and intensify our work to protect our planet.

Furthermore, in 2022, we resumed our diverse health and fitness portfolio after the COVID-19 pandemic, because we firmly believe that in doing so, we not only contribute to physical fitness, we first and foremost create balance and, through shared activities, promote teamwork as one of our central success factors. While we offer our employees a long list of benefits and a diverse programme of further training opportunities, we are committed to working to protect our environment, not only at our headquarters in Hamburg, but at all our locations around the world.

We are also increasingly gearing our range of services for customers and suppliers according to the sustainability concept. In addition to a multitude of sustainable product alternatives in our portfolio, we have strengthened our internal structures and

launched a Sustainability Round Table, for example. This is where current sustainability issues are discussed and projects are initiated so that we can continue to remain a reliable, sustainable partner for our customers, suppliers and employees.

We strive to fulfil our responsibility to combine long-term growth with consistent sustainable management. This level of progress requires strong partnerships with suppliers and customers. And it just isn't possible without a highly motivated team. I would like to take this opportunity to thank our colleagues from all locations for their tremendous hard work in 2022. We have once again overcome a challenging year, forged ahead with the growth of the Biesterfeld Group and achieved not only our economic, but also our social and environmental goals in the process.

I hope you enjoy reading our ninth sustainability report!

Stephan Glander

**VALUED EMPLOYEES
CREATE VALUE
FOR CLIENTS**





SERVING THE WORLD FROM HAMBURG 
WE ARE BIESTERFELD

OUR BUSINESS MODEL

The Biesterfeld Group was founded in 1906 as a trade and service company with headquarters that have remained located in Hamburg ever since.

The Biesterfeld Group is a wholly family-owned business to this day and is now one of the world's leading distributors of plastics, rubbers and specialty chemicals. In addition to traditional chemical distribution services, the company is primarily characterised by technology-based expertise and consulting on a broad product portfolio. We use this service-oriented product enhancement to cultivate close business relationships based on trust with our partners in all business divisions (Biesterfeld Plastic, Biesterfeld Performance Rubber and Biesterfeld Spezialchemie).

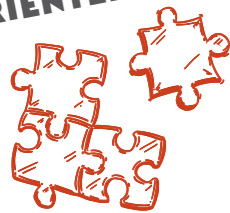
creasingly important to our stakeholders. The stable corporate culture we have built on the basis of these values and the mutual trust between our employees, customers and suppliers are an essential part of our success. We ensure that the resulting commitments are fulfilled and that we act responsibly every step of the way. We offer all of our employees, customers and suppliers the continuity of a family-owned business and place great value on providing an atmosphere of trust.

We strive to gain an in-depth understanding of what our customers want and need from us so that we can always find a suitable solution for every customer enquiry. Based on the network of suppliers that we have established over the years, we offer our customers a comprehensive product portfolio and a technical consulting service focused on development, and often come up with ideas for new, innovative solutions in the process.

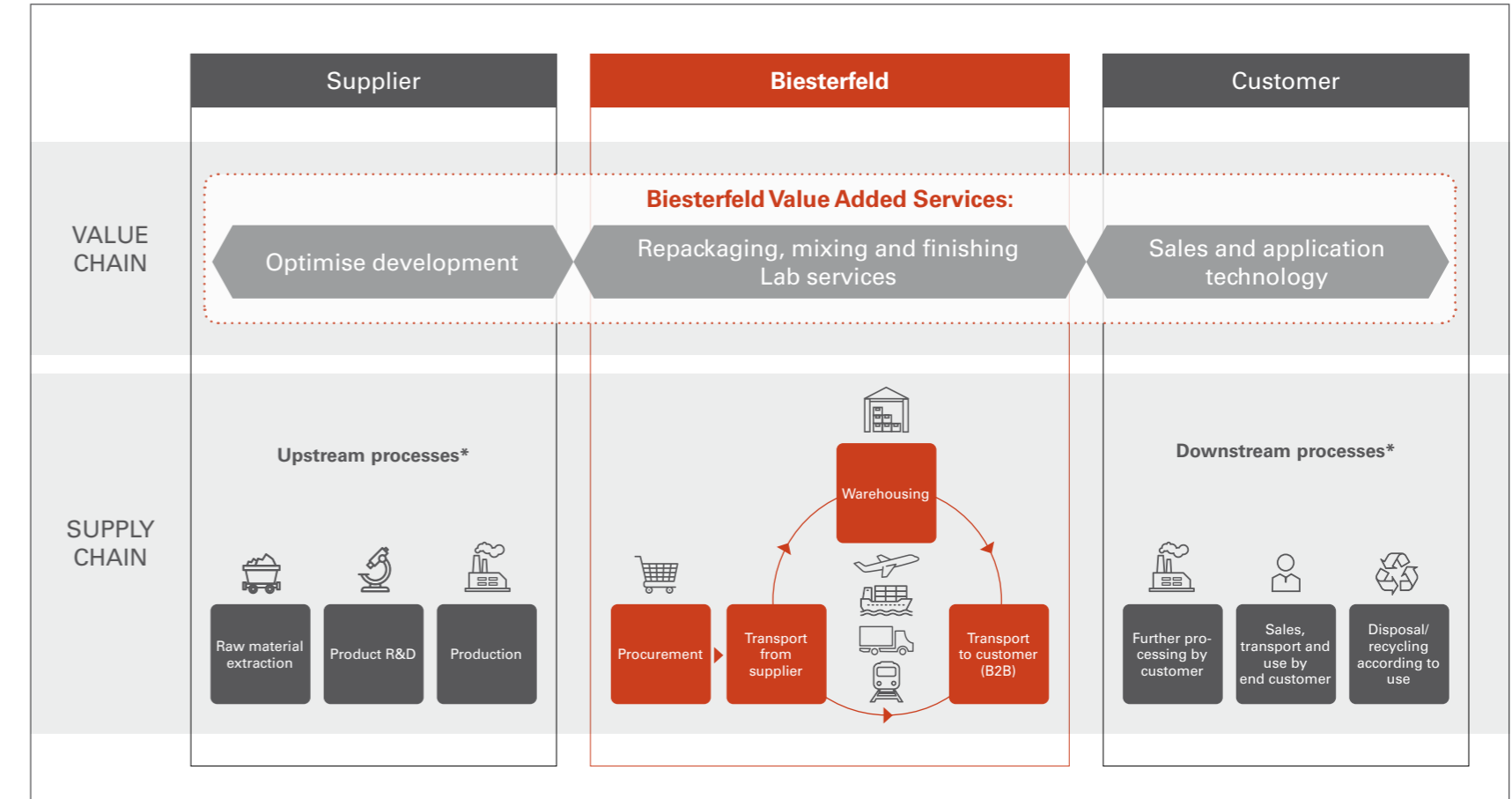
In the volatile market conditions that the chemicals market is currently experiencing, distribution partners face increasing complexity and requirements. That's why the many years of experience, qualified expertise and strong solution-oriented approach of our employees when it comes to our customers and suppliers is especially relevant and in demand.

In this ever-changing market environment, values such as trust, responsibility and commitment are in-

ALWAYS
SOLUTION-
ORIENTED



OUR SUPPLY CHAIN



*idealised, simplified processes

OUR BUSINESS DIVISIONS

The Biesterfeld Group has continually grown as a trade and service company in the last 116 years since it was founded.

With more than 1000 employees, we serve our customers in Europe, North and South America, Asia and Africa from over 50 locations and thereby generated total revenue of around EUR 1.66 billion in 2022.

**STRONG
INDIVIDUALLY,
UNBEATABLE
TOGETHER**



Biesterfeld AG, based in Hamburg, Germany, is the strategic holding company of the Biesterfeld Group. The holding company takes charge of all central strategic and management activities and encompasses our Finance & Accounting, Controlling, Corporate Strategy, HR & Legal and Corporate Communications and Marketing departments. Subsidiary b.yond ventures has opened up new opportunities for innovation and collaboration with start-ups since it was founded in 2021.

Through our subsidiaries Biesterfeld Plastic, Biesterfeld Performance Rubber and Biesterfeld Spezialchemie, we operate in the plastics, rubbers and specialty chemicals business divisions. The two service companies Biesterfeld ChemLogS and BIT-SERV

support and supplement the operating business divisions in quality and safety management, compliance and IT.

Operating business divisions of Biesterfeld AG

Biesterfeld Plastic is a leading international distributor in the plastics industry. Global plastics producers such as Celanese, INEOS, LG Chem, CHIMEI, Delrin, SYENSQO, ExxonMobil, BASF, LX MMA, LyondellBasell and SK Chemicals have long-term partnerships with Biesterfeld Plastic and have grown alongside the company for many decades. Thanks to its locally based sales team and technical engineers, the distributor makes its expertise available to customers from a wide range of segments. This includes giving independent material recommendations, consulting on product development and process optimisation and offering customised commercial and logistics solutions.

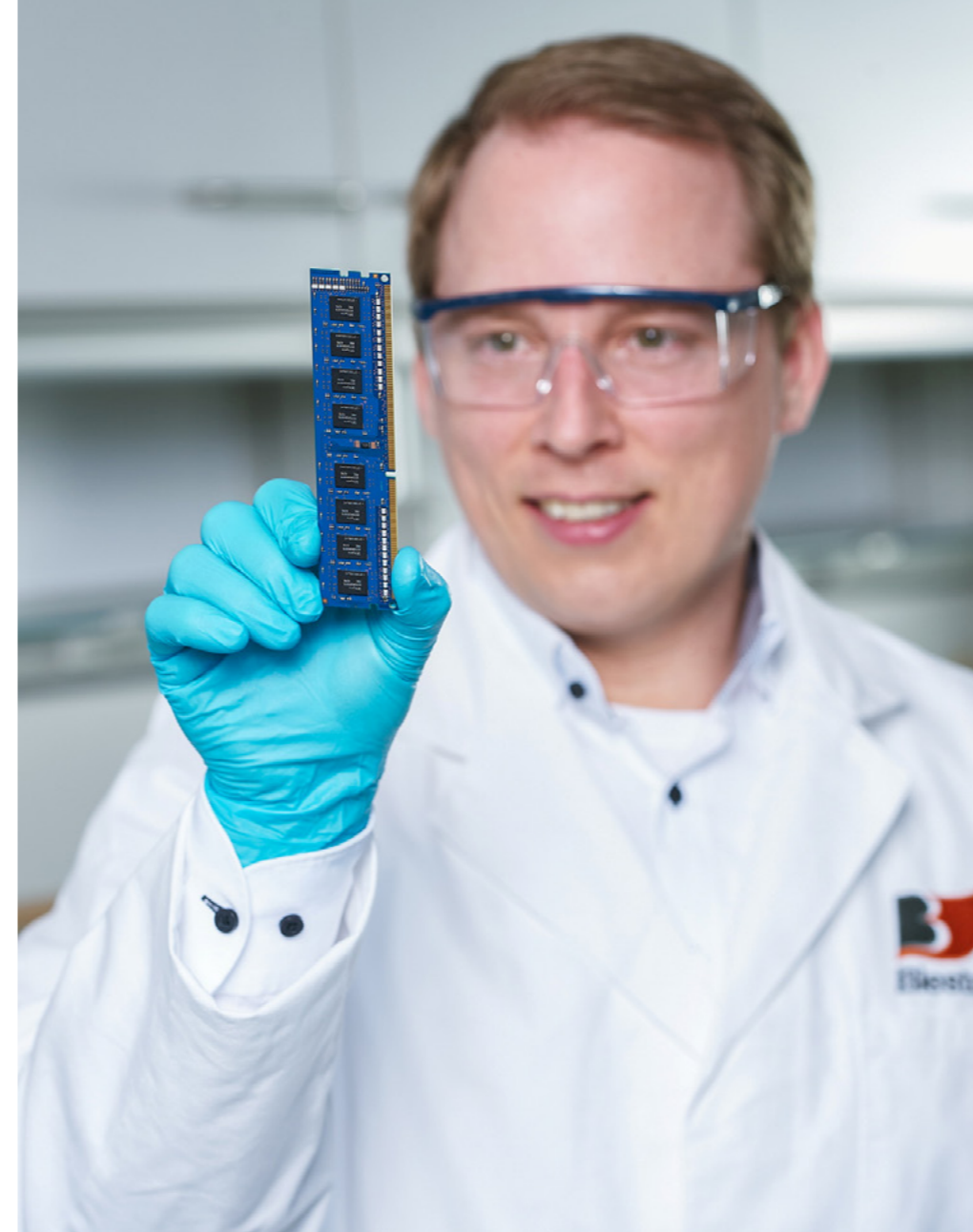
Biesterfeld Spezialchemie is one of the leading international distributors of products and solutions in the world of specialty



[BIESTERFELD.COM]



[BIESTERFELD.COM]



chemicals as well as the pharmaceutical and food industries. The company offers technology-based expertise and consulting on a product portfolio that focuses on the requirements of selected industries, such as composites and tooling, personal care and cleaning, healthcare, paints and coatings, adhesives, polyurethane, construction, nutrition and food supplements, and electrical, electronics and energy.

Biesterfeld Performance Rubber is a leading international distributor for the rubber processing industry, offering technology-based expertise and consulting as well as customised solutions in the product segments of synthetic rubbers, fillers (carbon blacks), additives (e.g. antioxidants, accelerators, flame retardants and metal oxides) and customised silicone rubber compounds.



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Biesterfeld service companies



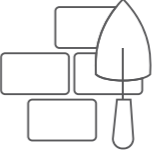




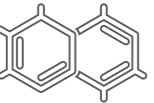
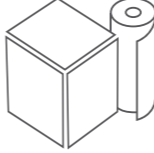
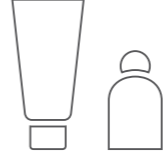


It falls to **Biesterfeld ChemLogS** to ensure the responsible and correct implementation of quality and safety management systems (quality, safety, health and environment) within the Biesterfeld Group. The team is responsible for the introduction and support of management systems such as ISO and compliance, the implementation of Responsible Care standards and the creation and checking of relevant safety data sheets for Biesterfeld Group products. International regulations are afforded consideration and complied with throughout all processes.



[BIESTERFELD.COM]

As a full-service IT provider, **BIT-SERV** specialises in the development, implementation and operation of business applications. Employees provide a range of IT services for head office and all other locations around the world. The company's services range from SAP support to web development and system technology. BIT-SERV therefore enables fault-free and secure working and contributes to the creation and optimisation of modern business processes and workflows.

OUR CUSTOMERS' INDUSTRIES

 Adhesives & Sealants	 Automotive & Transportation	 Coatings & Construction	 Composites & Tooling
 Electrical, Electronic & Energy	 Food & Feed	 Household & Consumer Goods	 Industrial Markets & Synthesis
 Packaging	 Personal Care & Cleaning	 Pharma & Healthcare	 Plant Protection & Plant Nutrition

OUR STAKEHOLDERS

Transparent communication is one of the most important pillars of our sustainability strategy.

The volatile market conditions that Biesterfeld finds itself in and the changing requirements of our stakeholders demand exceptional ability to adapt. To action this accordingly, at Biesterfeld we rely on open communication via various channels and in doing so promote a proactive approach to communication with all our stakeholder groups.

To consistently operate sustainably and achieve our sustainability goals, we also motivate our partners and suppliers to act in accordance with our shared goals. **Our goal is to work together when it comes to protecting the planet, using resources responsibly and upholding human and labour rights.** This is another area in which proactive updates on our company's progress with its sustainability efforts and ongoing and transparent communication with all our stakeholders is essential to enable us to achieve our goals.

Our employees are a central pillar of our organisation and are one of our most important groups of stakeholders. Their commitment and trust are crucial for the successful implementation of our goals. As a family-owned company, we place great value on offering stability and support as an employer. To support these

goals, we foster an open culture of communication. Regular discussions, open Q&A sessions and surveys enable us to understand the our employees' priorities and act accordingly. One example of this is the Biesterfeld Dialogue for structuring open feedback meetings. These measures are intended to promote open, transparent and confidential dialogue between employees and managers. **We increasingly use the Biesterfeld Intranet called 'B Connect' as part of our global communications.** Our Intranet not only functions as a tool for our group-wide communications, but also enables interactive discussion between our team members around the world. Furthermore, our Intranet functions as a central platform for access to company documents like plans, policies and forms as well as event details.

The satisfaction of our business partners, customers and suppliers, with whom we work closely and collaboratively and establish mostly long-term business relationships built on trust, is of paramount importance in our work. We identify our customers' needs through regular surveys and reviews with a view to offering our partners excellent reliability and transparency, and meeting demands. We use the knowledge we gain to better understand our markets and to implement the new requirements without delay. In addition, we drive forward sustainable product

development together with our suppliers, customers and other partners.

We continually publish news on our website, to reach all stakeholder groups at once. In this way, we provide information on current developments, new and existing partnerships, our innovation activities and upcoming events. Because we assign cen-

tral points of contact for each product and/or area, all interested parties can contact the right person every time and get the answers they need. Our contact form on the company website allows anyone to ask any other questions they might have. In addition to communication via digital and print media plus our website, we use social networking sites like LinkedIn to distribute information. This ensures that all stakeholder groups have a



comprehensive insight into our company and always have access to up-to-date information about the latest products, company news, events and job vacancies.

We regularly keep our investors, including the Biesterfeld family and banks, informed about the financial status of the Biesterfeld Group. We provide insights into our economic development and explain our long-term corporate strategy. The Biesterfeld Group's operating results are published in the Federal Gazette and on the website in line with German trade law.

We use our presence at national and international trade fairs and numerous industry events and conferences to strengthen our network and make new contacts. Here, customers have the opportunity to meet directly with our experts and see our specialist expertise for themselves. After the outbreak of the COVID-19 pandemic, we made a decision to turn down a large number of face-to-face events in a bid to protect our employees and only resumed on-site meetings with our partners once the infection status began to improve. Lots of events throughout this period were held online instead, however, and digital solutions were capitalised on to enhance our day-to-day communications. Even after the COVID-19 pandemic, we continue to offer the option to use various digital and hybrid formats to ensure the protection of our employees and provide the necessary flexibility.



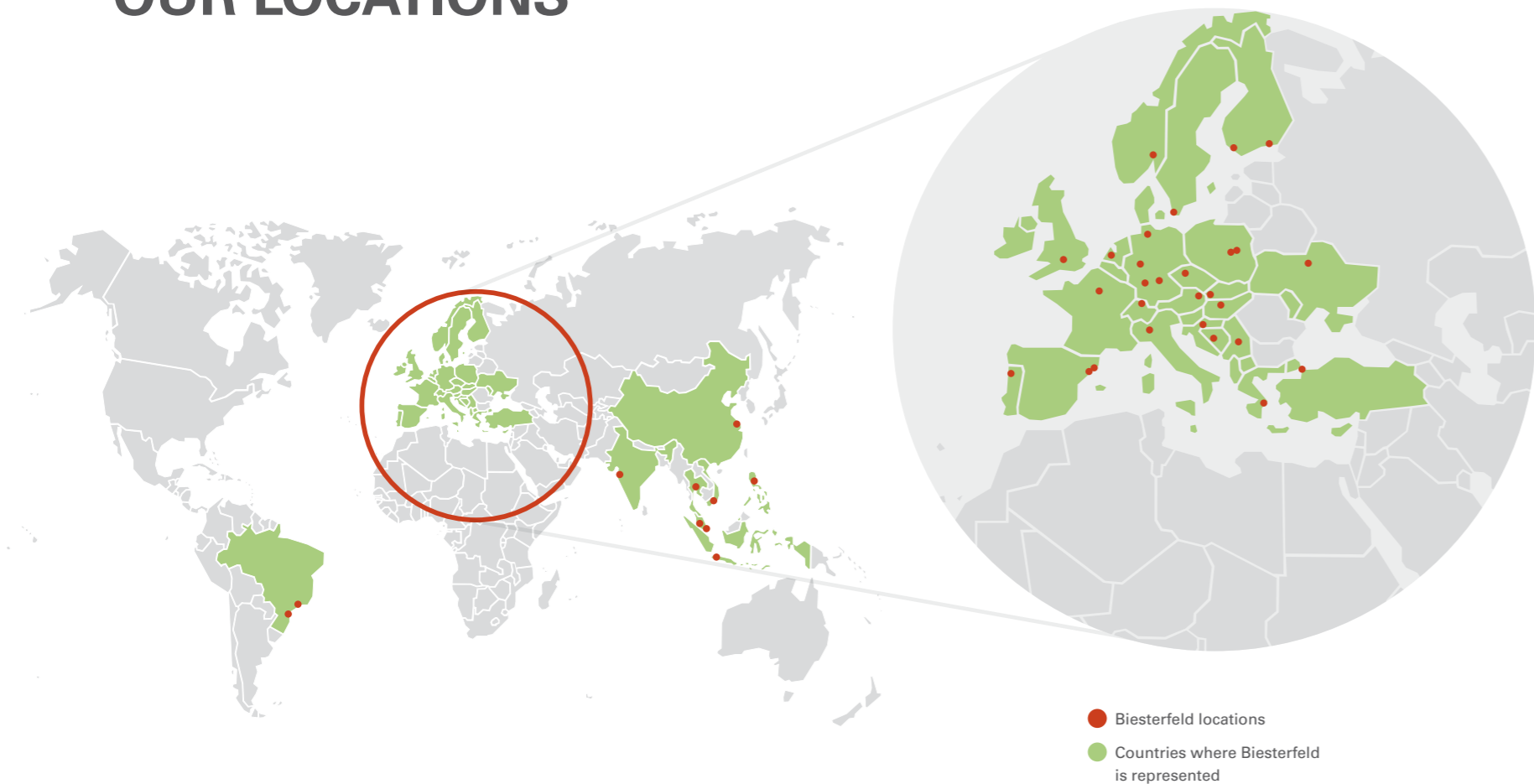
To maintain an active insight into the development of our industry and to share experiences and information with other companies in our industry, we are a committed member of various chemical associations. By taking part in the Responsible Care programme run by the German Chemical Distribution Association (VCH) and the German Chemical Industry Association (VCI), we fulfil our responsibility to integrate the principles of running a business responsibly into the very fabric of our company. This also allows us to continually improve. Every year, we communicate our KPIs to an external company that performs regular audits on our efforts.

INITIATIVES:

- AGA Unternehmensverband (Business Association)
- FECC (European Association of Chemical Distributors)
- United Nations Global Compact
- VCI Verband der chemischen Industrie e.V. (German Chemical Industry Association)
- VCH Verband Chemiehandel e.V. (German Chemical Distribution Association)
- PlasticsEurope e.V.
- Operation Clean Sweep®



OUR LOCATIONS



Biesterfeld AG Hamburg, head office (DE)

Biesterfeld Plastic

- Abingdon (GB)
- Athens (GR)
- Bangkok (TH)
- Barcelona (ES)
- Culemborg (NL)
- Florianópolis (BR)
- Hamburg (DE)
- Hamina (FIN)
- Hanoi (VN)
- Ho Chi Minh City (VN)
- Istanbul (TR)
- Kyiv (UA)
- Cologne (DE)
- Liestal (CH)
- Milan (IT)
- Malmö (SE)
- Nuremberg (DE)
- Porto (PT)
- Rueil-Malmaison (FR)
- São Paulo (BR)
- Shah Alam (MY)
- Shanghai (CN)
- Singapore (SG)
- Speyer (DE)
- Taguig City (PHL)
- Tangerang (ID)
- Warsaw (PL)
- Vienna (AT)

Biesterfeld Spezialchemie

- Bangkok (TH)
- Barcelona (ES)
- Bratislava (SI)
- Budapest (HU)
- Grodzisk Mazowiecki (PL)
- Hamburg (DE)
- Hanoi (VN)
- Ho Chi Minh City (VN)
- Istanbul (TR)
- Jakarta (ID)
- Kyiv (UA)
- Liestal (CH)
- Milan (IT)
- Mumbai (IN)
- Norrköping (SE)
- Pargas (FIN)
- Prague (CZ)
- Rueil-Malmaison (FR)
- São Paulo (BR)
- Shah Alam (MY)
- Shanghai (CN)
- Singapore (SG)
- Taguig City (PHL)
- Tangerang (ID)
- Vestby (NOR)
- Warsaw (PL)
- Vienna (AT)
- Zagreb (HR)

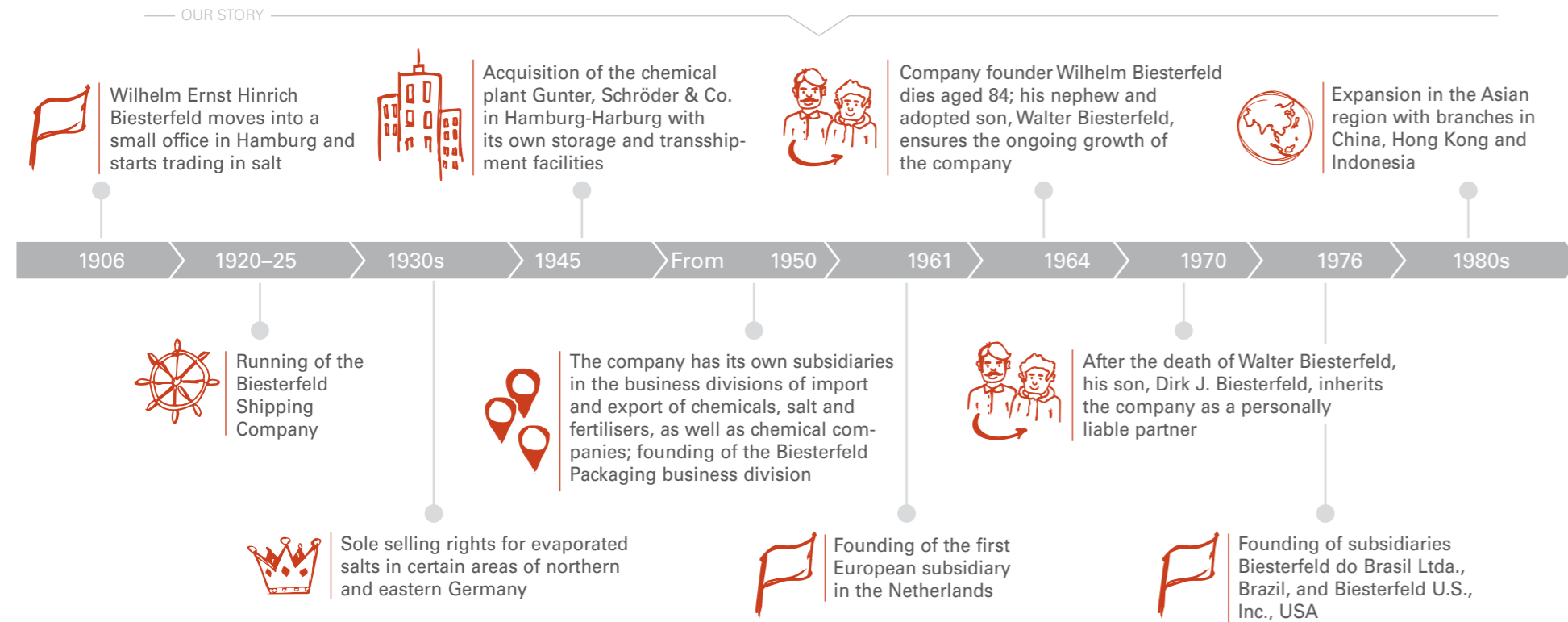
Biesterfeld Performance Rubber

- Abingdon (GB)
- Athens (GR)
- Bangkok (TH)
- Barcelona (ES)
- Culemborg (NL)
- Florianópolis (BR)
- Hamburg (DE)
- Hanoi (VN)
- Ho Chi Minh City (VN)
- Istanbul (TR)
- Kyiv (UA)
- Liestal (CH)
- Limhamn (SE)
- Milan (IT)
- Norrköping (SE)
- Pargas (FIN)
- Prague (CZ)
- Porto (PT)
- Römerberg (DE)
- Rueil-Malmaison (FR)
- Saint Ouen l'Aumone (FR)
- São Paulo (BR)
- Shah Alam (MY)
- Shanghai (CN)
- Singapore (SG)
- Taguig City (PHL)
- Tangerang (ID)
- Vestby (NOR)
- Warsaw (PL)
- Vienna (AT)
- Zagreb (HR)

OUR STORY

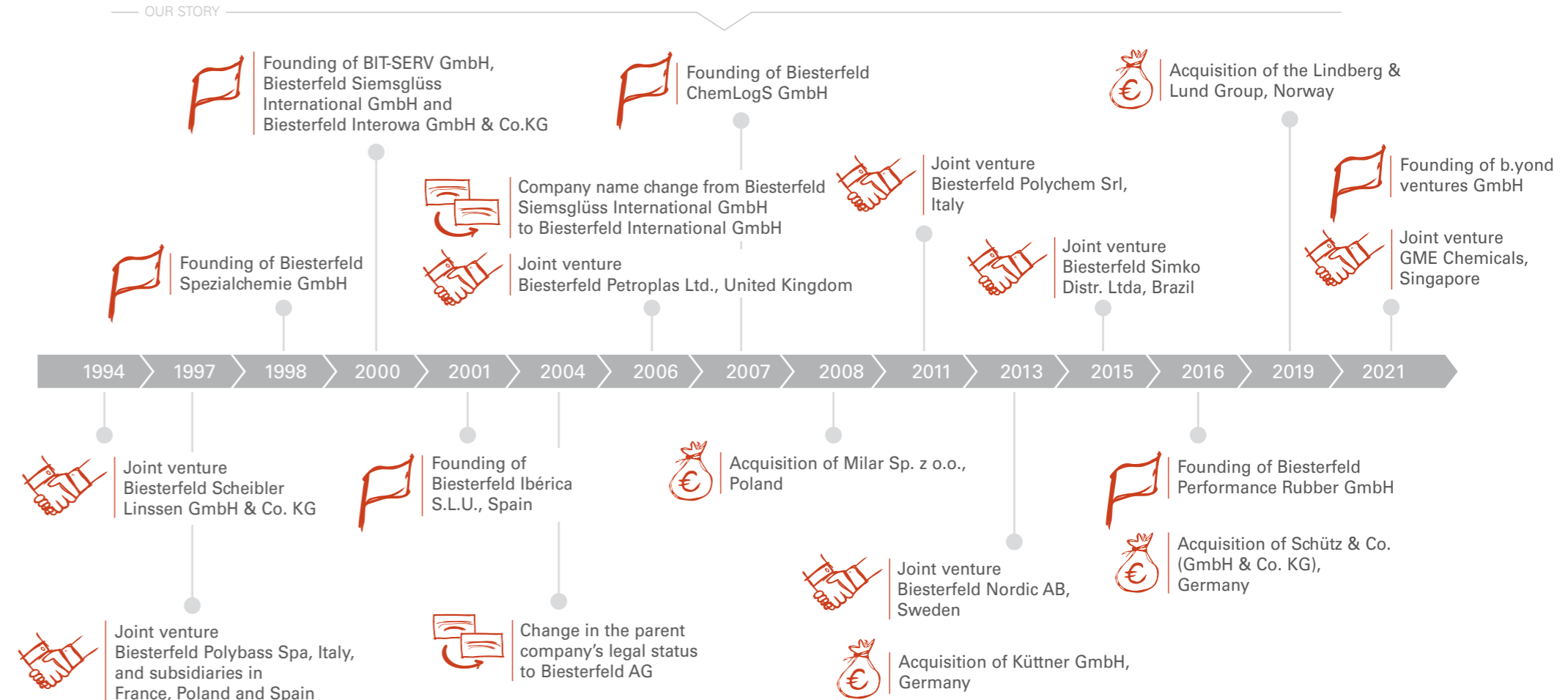
In 1906, the wholesale and export merchant Wilhelm Ernst Hinrich Biesterfeld founded the company W. Biesterfeld & Co. in Hamburg. Initially, the core of the business was in the salt trade, but subsequently chemicals and fertilisers also became important

pillars of the business. The company added its own products and international trade began. Since then, the Biesterfeld Group has continually expanded to become an internationally active business with more than 50 subsidiaries around the world.



The company is 100% family-owned. The third and fourth generation of the Biesterfeld family are represented on the Supervisory Board, with Dirk J. Biesterfeld as the Chair of the Supervisory

Board of Biesterfeld AG and his daughter Carola Biesterfeld as the Deputy Chair.



FACTS AND FIGURES

Pulling together for a sustainable future

2022 was a very successful financial year for us, in which we were able to further strengthen our market position. Despite geopolitical crises and economic downturns, we were able to rely on our trusting and long-term partnerships and further expand our market expertise in the 2022 financial year. The positive development of our joint venture with GME Chemicals, established in 2021, is particularly noteworthy. However, our other locations worldwide also recorded positive growth, characterised by the expansion of supplier and customer relations and strong revenue figures. This continually positive growth also shows us that we have emerged from the COVID-19 pandemic stronger than before, based on our well-established corporate culture.

We not only offered our employees as much flexibility as possible, but continued to be a strong and reliable partner for our customers and suppliers. This once again formed the basis for our commercial success.

OUR MANY SUSTAINABILITY TOUCH POINTS

As a family-owned business that is aware of its responsibilities, we naturally believe that people and

the environment should be treated with respect. Sustainability therefore forms a central pillar of our corporate strategy. Whether in relation to the sale of our products, our services or our commitment to employees worldwide – our focus is always on operating sustainably.

Thanks to our diverse core competencies across our business divisions, we are in a position to exploit synergies and put them to efficient use as part of our sustainability efforts. **With over 116 years of experience in our industry, our colleagues are available to more than 20,000 customers around the world. We offer comprehensive services and consulting, an innovative product portfolio, extensive market knowledge and solution-oriented and technology-based expertise.** As one of the world's leading distributors of plastics, rubbers and basic and specialty chemicals, we are committed to responsibly and sustainably shaping our role in the global economy.

In close collaboration with our suppliers, we analyse the needs of our customers and strive for precisely the right solutions, al-

ways with a view to making a positive contribution to society both now and in the future. Here are just a few examples of the many sustainability activities within the product portfolio of our three business divisions, Biesterfeld Plastic, Biesterfeld Spezialchemie and Biesterfeld Performance Rubber:

Number 6 – from reject avocado to high-quality active ingredient

In Germany alone, 10.9 million tonnes of food throughout the entire value chain ended up as waste in 2020. This includes a proportion that was already classified as unsuitable for the food industry and rejected at the harvest and processing stage. Of course, this isn't only an issue in Germany, but globally. In Peru, sustainably grown avocados rejected by the food industry are upcycled twice over for cosmetic ingredient Number 6. The whole fruit (peel, flesh and pit) is cut into slices, dehydrated and then pressed so that 100% of the avocado is utilised. First, avocado oil is extracted for manufacturing pharmaceutical products, then a high-quality active ingredient rich in polyphenols that can reduce eye bags and dark circles is obtained from the by-product of the oil. This not only reduces waste, but also minimises the environmental impact.

Ecologue® – sustainable injection moulding applications from recycled household and electronic devices

In order to fulfil the increasing demand from consumers for sustainable products, Ecologue® 757 G70 is suitable for a number of

black ABS injection moulding applications. Ecologue® 757 G70 is a black, high-gloss ABS injection moulding type with 70% post-consumer recycled (PCR) content, which is obtained through the mechanical recycling of primarily household devices, keyboards, monitors and other electrical and electronic devices. Despite the high percentage of PCR, Ecologue® 757 G70 is characterised by good mechanical properties and an outstanding surface, among other things. This is possible thanks to precise monitoring of the entire production process, from the correct selection of the PCR materials used to regular quality checks of individual batches taking narrow specifications into account. The material is TÜV- and UL-certified, with no special processing instructions to be followed.

**A GROWING
COMPANY
MEANS GROWING
RESPONSIBILITY**



VESTENAMER® – a versatile specialty product

The recycling of rubber waste is an important issue in the industry, which has attracted growing attention in recent years and has gained an increasingly developmental character. Each day, 7 million old tyres accumulate worldwide, which are usually disposed of or used for incinerators. Here, Evonik's VESTENAMER pushes the boundaries of processing and can complete the material cycle.

With the aid of this unique trans-polyoctenamer rubber (TOR), recycled rubber can be reused as a raw material. As a polymer with a low melting point but a high molecular weight, TOR can diffuse into the surface of rubber powders, thereby achieving a functional surface modification.

These modified rubber particles are easier to process and simultaneously provide a surface that can be vulcanised. VESTENAMER gives recycled rubber products great flexibility, impressive mechanical properties and a longer service life, allowing them to be re-used in a multitude of applications. Such applications include rubber moulded parts, rubber mats, conveyor belts, fresh rubber compounds and road construction.

WE CONTINUALLY DEVELOP OUR SERVICE PROVISION AND OPTIMISE DISTRIBUTION

We want to offer our customers and suppliers the best service at all times, by finding customer-specific solutions and offering our

comprehensive technology-based consulting. In 2022, we not only offered our customers technical service and support across various product segments from our application laboratories in Hamburg, Poland, Norway and Turkey, together we also identified current market trends and created specific solutions. Our local experts work closely with our customers and suppliers and offer, among other things, customer seminars, training events and customised services. Beyond our own application laboratories, we also work with external laboratories and institutes and develop custom solutions for our customers.

INTEGRATED MARKET EXPANSION IN SOUTH-EAST ASIA

After achieving another milestone for our regional expansion in 2021, the opening of our own locations in South-East Asia, we were able to combine our core competencies with those of our joint venture partner GME Chemicals. With our entrance into the growth market of South-East Asia, we are continuing to progress with our geographical growth strategy and laying the foundation for strategically and sustainably strengthening our market position in one of the fastest-growing regions in the world with a focus on our core operations.

GME Chemicals operates within the markets for performance and industrial chemicals, food, pharmaceuticals, elastomers and specialty polymers and also develops innovative solutions for its

customers. The company was founded in Singapore in 1999 and has grown successfully since then. It has operating subsidiaries in Malaysia, Indonesia, Vietnam, Thailand and China and employs around 76 people.

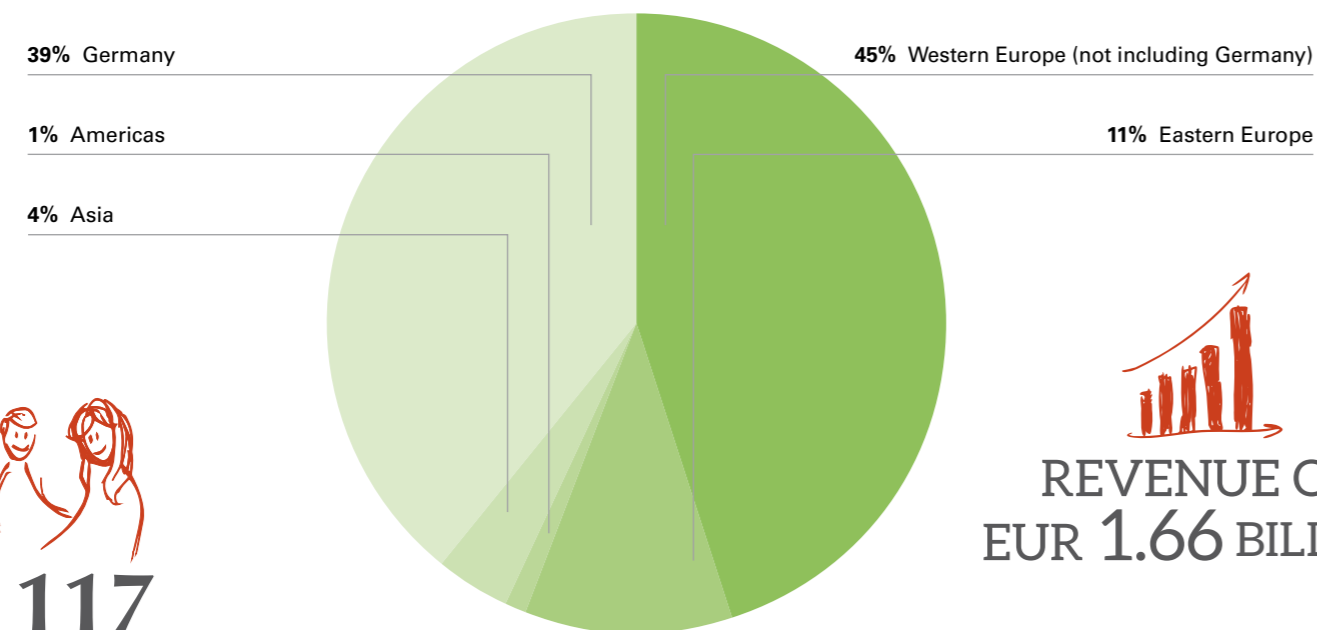
INTERNAL ORGANISATIONAL STRUCTURES SUPPORT OUR BUSINESS

In 2022, we were once again able to strengthen and expand important existing distribution partnerships and win new partners for close collaboration based on trust. The newly acquired distribution rights improve our market position, which will be supported by optimisations in our internal organisational structures. Work processes were not the only thing we were able to standardise in line with our "One Biesterfeld" corporate strategy – we were also able to develop new fields of activity.

We have therefore further strengthened our IT landscape and improved its efficiency so that internal processes in individual business divisions worldwide can be improved. Progress was made on several digital projects to offer our partners and colleagues a standard that is as uniform as possible. In addition to the implementation of SAP S/4 HANA in the first region, preparations for the replacement of our existing CRM system were stepped up. By bringing everything in line, resources can be used more effectively and regulatory requirements can also be fulfilled more easily.

First and foremost, we have the outstanding hard work and commitment of our employees to thank for our continued strong growth. Despite the challenging global economic situation, together we managed to achieve an excellent operating result for the Biesterfeld Group.

DIVISION OF REVENUE BY REGION IN 2022



1117
EMPLOYEES
GLOBALLY

AROUND 50
LOCATIONS

APPROXIMATELY
15,000
PRODUCTS

REVENUE OF
EUR 1.66 BILLION

KEY FINANCIAL FIGURES FOR THE BIESTERFELD GROUP IN 2020–2022*

	2022	2021	2020
Revenue	1,660,612	1,372,121	1,033,691
Operating costs	1,479,317	1,206,689	924,528
Wages and employee benefits	89,882	77,756	66,318
Payments to investors	10,043	29,439	19,683
Payments to the government (taxes)	25,984	23,970	10,806

* Amounts given in thousands of euros; profit and loss account not presented in full; other financial data is published in the Federal Gazette.

COMPLIANCE

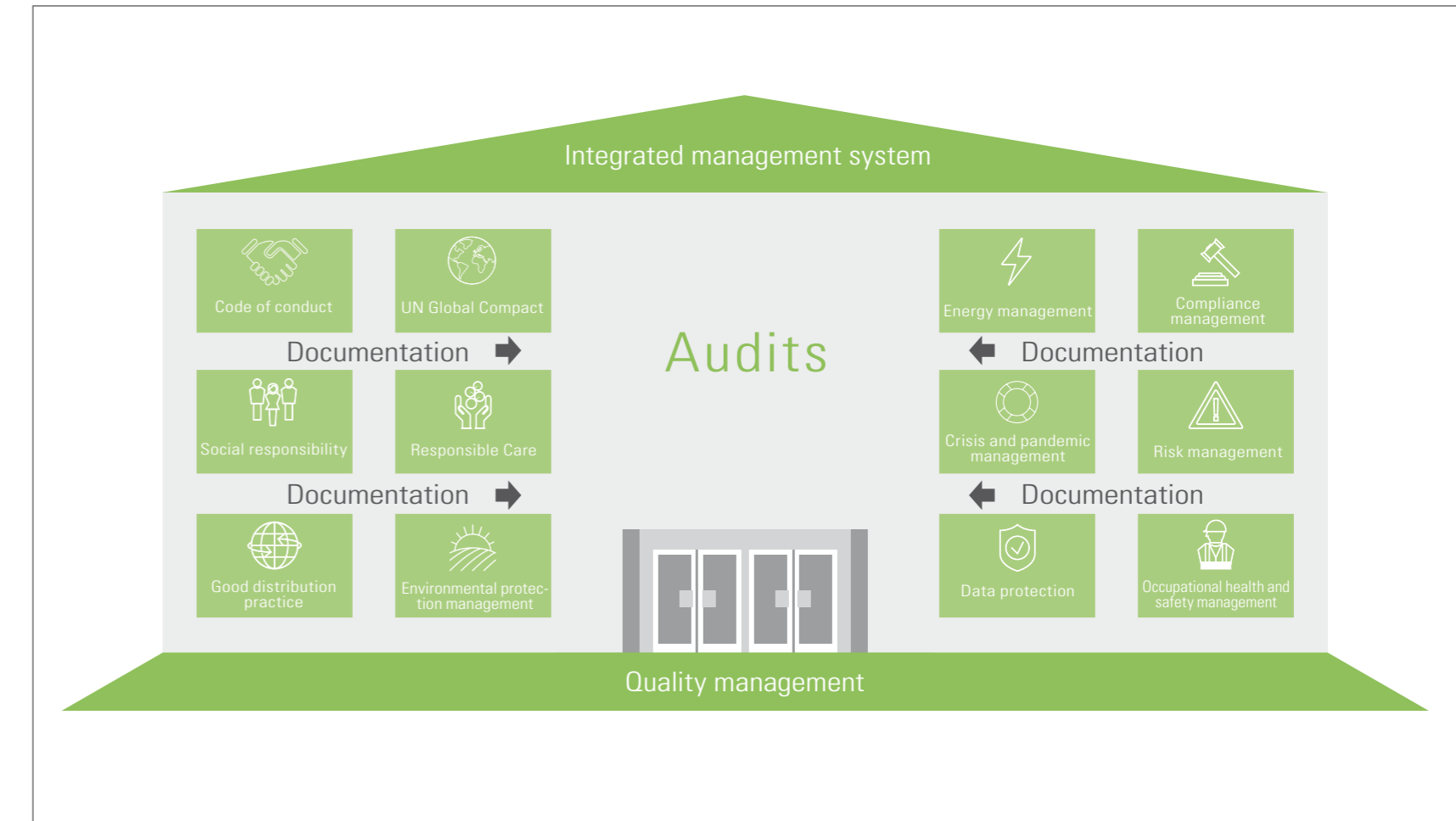
We create a safe space for our employees.

For Biesterfeld, integrity is a core value of our compliance culture. As a company operating internationally, it is incredibly important that we demonstrate that we act with integrity and stay true to ourselves and our values. If close collaboration between employees, customers and suppliers is to be guaranteed, compliance with internal and external rules and regulations and legal provisions is non-negotiable. We strictly adhere to all legally binding requirements and stick to the commitments we have chosen to make. Our central compliance business unit reports directly to the Executive Board. This contributes to the implementation of our voluntary commitments and strengthens our culture of integrity as an integral component of the Biesterfeld philosophy. In addition, the compliance business unit supports all subsidiaries in implementing national and international legislation and guidelines. This team is on hand to advise all specialist departments across the Biesterfeld group. Our activities and processes are based on the **Biesterfeld Group Code of Conduct** and the integrated management system. This system includes all

relevant areas such as data protection, occupational safety, security and compliance as well as quality, environmental, health, risk and crisis management.



OUR INTEGRATED MANAGEMENT SYSTEM



**OVERCOMING
VARIOUS
LEGAL AND
CULTURAL
CHALLENGES**



The fundamental principles and behavioural guidelines of our company are set out in the **Biesterfeld Code of Conduct**. This code includes standards and guidelines that apply to everyone in the group and thus provides the basis for our daily dealings with one another. It particular, it governs our interactions with our business partners and functions as an important part of our efforts to prevent misconduct that could be damaging to the company's reputation, such as corruption. The Code of Conduct is binding for all activities in the company and applies to the entire Biesterfeld Group and all employees around the world. It covers specific issues such as **compliance with anti-trust and competition law, safety and social standards and human rights**. Any breaches of one or more of the principles set out in the Code of Conduct are dealt with immediately to minimise the risk of further breaches.

Training takes place at specified intervals to ensure that all employees are familiar with the principles of the Code of Conduct. An up-to-date version of the Code of Conduct is directly available to all employees in German and English on the group-wide Intranet. In addition, our Code of Conduct is freely available to all stakeholder groups on our corporate website. www.biesterfeld.com

On key topics, we offer comprehensive trainings and information for the whole organisation through our **Biesterfeld eCademy Tool**. Through this, all employees receive customised training that is

tailored to their role and is repeated at regular intervals. In addition to reminders to complete a course, tests and interactive self-study modules, employees receive certificates upon successful completion of their training sessions. Employees must complete this online training by a specified deadline – but can do so whenever and wherever it suits them. This allows us to ensure that the training sessions are informative and offer flexible access to guarantee effective learning. Within this context, we also endeavour to make all Biesterfeld employees aware of laws, rules and internal guidelines.

Our **compliance management system** monitors all business activities and processes in line with our commitment to run our business responsibly and sustainably. This system identifies and prevents processes and conduct with the potential to damage our business in advance, so that we can rest assured that everything we do is legal and compliant. We regularly inform our employees about amendments to laws and legally relevant developments that are of importance for our company. Our goal is to guarantee transparent and legally compliant management, that not only complies with legal requirements but also contributes to a sustainable and ethically responsible corporate culture.

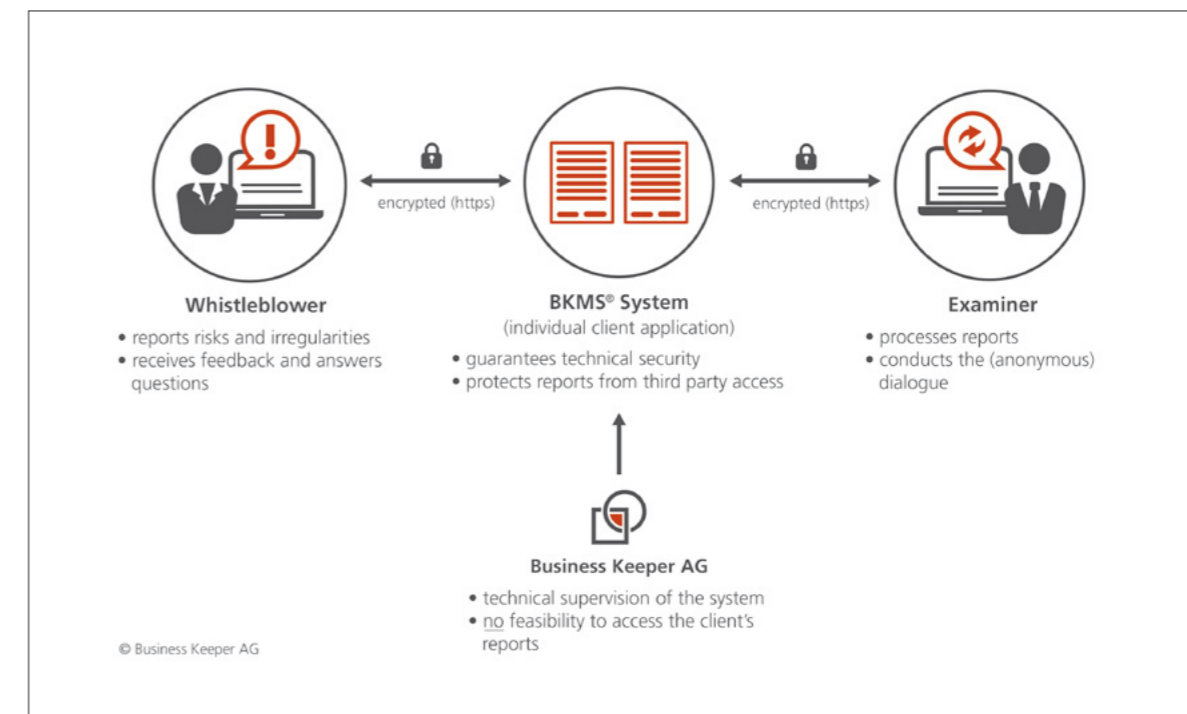
B HONEST – THE BIESTERFELD WHISTLEBLOWER SYSTEM

The Biesterfeld whistleblower system – **B Honest** – was introduced in 2017 with the goal of minimising potential compliance risks within the company and protecting Biesterfeld from any conduct that could damage its reputation. All Biesterfeld employees and external parties can use the online whistleblower system

to anonymously report any grievances, criminal behaviour or special risks within or for the company. Every report logged is processed and managed centrally by compliance officers. We have set ourselves the goal of improving and continually building on our compliance system and complaint management procedure.

Find out more on our website:

www.biesterfeld.com/en/xx/company/sustainability/whistle-blower-system





FUTURE FOCUS
OUR
SUSTAINABILITY CONCEPT

We are committed to sustainability as an essential part of our corporate philosophy

We factor the principles at the heart of running a sustainable business into every decision we make in line with our commitment to the United Nations Global Compact and our own Code of Conduct.

The central pillar of our sustainability efforts is that all employees are careful to act in the best interests of the environment and considering social and financial aspects too. The sustainable growth of the Biesterfeld Group in various areas is only possible thanks to the personal commitment of every individual.

Our goal is to continually reduce the consumption of natural resources and energy so that we can keep doing our best to protect the planet for the benefit of future generations. In doing so, we support the following statement made by

the Brundtland Commission: **“Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs.”**

(From the Brundtland report “Our Common Future” from 1987)

We believe that continuous process optimisations are essential to ensure long-term success. In addition to an increasing range of sustainable product solutions, we primarily rely on the use of efficient tools to save on resources such as electricity and paper. Continually adapting our processes allows us to check that established ways of doing things are still the best and to improve them through strategic optimisations.

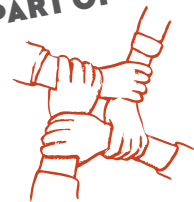
The increasing interest in our sustainability commitment – including from our customers and suppliers – proves to use that

we are heading in the right direction. Enquiries about environmental and social issues and questions regarding our sustainability report are coordinated centrally, so that we can make sure that all areas of the Biesterfeld Group are moving in the same direction.

The purpose of our efforts is to continually optimise our supply chain and make it future-proof. Our goal is to contribute to increasingly sustainable products and ways of working together with our partners.



IT IS ONLY POSSIBLE TO SHARE RESPONSIBILITY AS PART OF THE TEAM



OUR SUSTAINABILITY PROGRESS

Biesterfeld's goal is to actively live sustainability throughout the company and integrate it into our work processes. With this in mind, we communicate our measures and targets to our employees as part of our sustainability efforts.

In an important step towards more sustainable corporate financing, in 2022 Biesterfeld and Landesbank Baden-Württemberg (LB-BW) agreed to tie their asset-backed commercial paper (ABCP) financing programme to sustainability requirements. As a result, Biesterfeld has been refinancing its trade receivables through Germany's first sustainability-focused ABCP programme since the summer of 2022. Refinancing through ABCP has been an integral component of our sustainable – that is, long-term and stable – financing strategy for many years. Within this context, Landesbank Baden-Württemberg made a donation to Hanseatic Help e.V. on behalf of Biesterfeld as part of our commitment to the ABCP programme.

In 2022, we established the Sustainability Round Table (SRT), which meets monthly to discuss current and future sustainability issues and promote sustainability together. One representative from each department takes part in this SRT. The aim of the SRT

is to pool the interests and specialist knowledge of the individual departments on sustainability to discuss and work out a wide range of sustainability issues.

We are also working hard to promote sustainability within our operating business divisions. All three operating business divisions organise events and seminars for partners and customers to discuss current and future sustainability trends and find tailor-made sustainable solutions together.

In 2022, a Regional Sustainability Team was also established in the Biesterfeld Plastic business division. Starting with three employees with primary responsibility at the Hamburg site, the team quickly grew to include key contacts at all international sites. The Hamburg employees with primary responsibility initially provided these regional colleagues with extensive training on the existing sustainability initiatives and key sustainability terminology. These training courses were then translated into the relevant languages to ensure that all employees in each region could benefit. The Regional Sustainability Team aims to identify regional requirements so the Biesterfeld Plastic business division can position itself internationally for a sustainable future.

In addition, our operating business divisions have maintained their external commitment to promoting sustainability through various channels. For example, Biesterfeld Spezialchemie is a member of the Chemicals Knowledge Hub, which focuses on sustainability and innovation. This platform also publishes specialist articles on sustainability trends by our colleagues in the relevant departments. In addition, Biesterfeld Plastic was again the main sponsor of the AMI Polymer Sourcing & Distribution Conference in 2022, which had the theme "Spotlight Sustainability – a Challenge into Opportunity". This year's topics included recycled polymers and the circular economy in the plastics industry, with a keynote speech from a Regional Sustainability Team representative.

ACHIEVING SUSTAINABILITY GOALS IN COLLABORATION WITH OUR PARTNERS

As the Biesterfeld Group, we want to support initiatives outside of our company to achieve the global sustainability goals of climate protection and good living conditions. By doing this, we aim to fulfil our responsibility to support local and international projects with long-term economic, environmental and social impact.

NEWSPAPER SPONSORSHIP

For us, supporting young people along their path into the world of work is more than just an important part of fostering youth development and recruiting new talent. We are also actively involved in promoting the education of young people within our regions. **We believe that discussing current global events is essential to general education and understanding the diversity of our world.** As part of our participation in the Hamburger Abendblatt regional daily newspaper's reading sponsorship scheme, we provide schoolchildren and students with access to information and news about global events.

You can find out more here (article in German):
<https://www.abendblatt.de/abonnement/lesepaten/>

OPERATION CLEAN SWEEP®

Plastics do not belong in nature. That is why our Biesterfeld Plastic business division is actively involved in supporting the goals of the global initiative Operation Clean Sweep®. Through our voluntary commitment, we raise awareness of the responsible and sustainable use of resources and actively promote the proper disposal and recycling of plastic materials. Our participation also raises awareness of the importance of responsible plastic use, and we are committed to preventing plastic granules, pellets, flakes and powders from entering the marine environment. Specific measures include ensuring that floors and storage areas are thoroughly cleaned to prevent excess plastic granules from entering water bodies or the natural environment. The collected raw material is then properly disposed of or, where possible, recycled. We also tell our international logistics partners about our involvement and try to get them involved in the Operation Clean Sweep® initiative.

You can find out more here:
www.opcleansweep.eu.



RSPO LICENCE

RSPO stands for 'Roundtable on Sustainable Palm Oil' and is a World Wide Fund For Nature (WWF) initiative. Our Biesterfeld Spezialchemie business division has been a licensed RSPO distributor for many years. This means we are supporting the initiative dedicated to **promoting sustainable farming methods and preventing environmental damage caused directly by extracting palm oil**. If palm oil has RSPO certification, you can be sure that no rainforest damage was caused during its production process. It also means that legal provisions have been complied with and no child labour has been involved. RSPO certification for palm oil is the globally recognised confirmation that the product has been sustainably sourced. The licence allows for certified products to be bought, stored and sold. By supporting this initiative, we are promoting transparency and sustainability along the supply chain.

You can find out more here: <https://rspo.org/>



OUR PREPARATIONS FOR THE FUTURE

In an increasingly international market, the Biesterfeld Group strives to meet the constantly changing needs of its customers, the requirements of its suppliers and the interests of its employees. To achieve this, the company is committed to continuous learning and change processes and supports its employees in their professional development.

In 2022, for example, the "Five Principles of Modern Leadership" were developed. These describe how collaboration within the Biesterfeld Group should be structured. Due to the group's dynamic growth, working on a positive leadership and corporate culture continuously is important. After all, leadership style and culture determine how we work together, shape the working atmosphere and are crucial to identification with the company. These five principles are **trust, teamwork, communication, responsibility, and support and standards**. Their purpose is to define and specify the guidelines of Biesterfeld's management culture for the future. They have been implemented worldwide within the Biesterfeld Group, and the HR department offers training courses for managers and other supporting initiatives.

The Biesterfeld Group also wants to help all colleagues organise their working days more flexibly and optimise their work-life balance. Even before the COVID-19 pandemic, remote working was possible. This was extended, particularly during the pandemic, to ensure that all employees could continue to provide the same

high-quality service to customers and suppliers while working remotely using an independent platform (Citrix) provided by our IT subsidiary.

Even though the number of infections is decreasing, the option of remote working is being deliberately maintained and has been permanently established and expanded under the "Remote Working" company agreement. Since 2022, our German employees have been able to work remotely for 60% of their working hours across the country.

We also continued to expand our digital capabilities in 2022. In line with the multi-stage implementation plan for the global roll-out of SAP S/4 HANA, intensive preparations were completed to make the new ERP system available to colleagues at our two Italian companies. In addition, collaboration between the Biesterfeld Group's major digital projects was strengthened to ensure a globally coordinated implementation of SAP S/4 HANA and a new CRM system based on harmonised data and process management.

The Biesterfeld subsidiary **b.yond ventures GmbH** was founded back in 2021 with the aim of entering into start-up collaborations for the Biesterfeld Group. Working with start-ups enables us to identify and harness external sources of innovation. This allows us to respond flexibly to changing market requirements by lever-



[BIESTERFELD.COM]

aging the agility and creativity of start-ups. Since b.yond ventures GmbH's focus is not primarily on financial investment in start-ups, but rather on mutual added value in terms of further business development, the collaboration can benefit both the start-ups and the Biesterfeld Group.

The first partnerships in 2022 include a joint development programme in supply chain management and the first strategic collaborations in Biesterfeld's product markets. Even in selecting suitable start-up partners, particular attention was paid to start-ups that focus on sustainable solutions and whose business models aim to replace conventional methods and processes.

The **Digital Innovation Unit (DIU)** was also established in 2022. Made up of four new colleagues, it analyses digital trends, external drivers and innovations and assesses their suitability for the Biesterfeld Group. Together with colleagues from the operational and administrative business divisions, challenges are examined and processes optimised, digitalised or automated.





**HAND IN HAND FOR A
FUTURE WORTH LIVING**

**OUR ENVIRONMENTAL
RESPONSIBILITY**

We want to conserve resources

The principles of resource conservation are of central importance to us, and we are committed to acting responsibly, carefully, and with a forward-thinking mindset. To consistently pursue this goal, it is essential to monitor our company's consumption of various resources, analyse their potential environmental impact and implement targeted reduction measures. This systematic approach ensures that we continue to reduce our consumption and use available resources sparingly.

Even small improvements represent success and help to raise awareness of the importance of sustainable practices within our social environment. We also want to raise our employees' environmental awareness in order to gradually reduce our environmental footprint while promoting a sustainable corporate culture, thereby actively contributing to a greener future.

We record our energy consumption levels and emissions each year and compare them with consumption in previous years. We calculate the CO₂ emissions produced by our company based on the **Greenhouse Gas Protocol (GHG Protocol) and the DIN EN ISO 14064** standard. Due to our activity as a distributor, we take the indirect emissions caused by purchased energy into account as the emissions produced by our activities. We calculate these figures based on information provided in the GEMIS database.

OUR ENERGY CONSUMPTION

Before we can take steps to reduce emissions, we need to identify our main sources of consumption. These include lighting, air conditioning and ventilation systems, and small and electrical appliances (office equipment). We use modern and efficient products and solutions to reduce energy consumption. For example, we have been using green electricity at all our Hamburg sites for several years already. In 2022 we extended this resource-conserving energy supply to include the Nuremberg site.

ENERGY CONSUMPTION FOR THE GERMAN COMPANY SITES IN 2022*

In 2022, we recorded energy consumption for heating of approximately 1531 kWh per employee at the company's Hamburg site. This represents an increase compared to 2021. This is related to our employees returning to the office after the COVID-19 pandemic subsided. On the other hand, despite a slight increase in employee numbers and a rise in office presence, we were able to

reduce our electricity consumption slightly compared to the previous year by saving energy through energy-efficient practices. Relocating one of our offices from Römerberg to Speyer also helped reduce electricity consumption.

Energy sources	GJ	kWh	CO ₂ emissions in t
Electricity	969	269,060	146
District heating (for heating purposes)	2,353	653,643	158
Total	3,322	922,703	304

*The figures have been rounded.

**NOTHING WORKS
WITHOUT POWER.
BUT THINGS CAN
WORK WITH LESS.**



As part of our sustainability strategy, we are constantly working towards our long-term goal of recording the emissions and energy consumption of the entire Biesterfeld Group such that our published figures are comparable. As we are still in the process of roll-

ing out sustainability management internationally within the Biesterfeld Group, we do not have emissions data for all sites in 2022. Therefore, we have focused on the German headquarters' electricity consumption.

POWER CONSUMED AT OTHER SITES IN GERMANY FROM 2020 TO 2022*

Sites	2022			2021			2020		
	GJ	kWh	CO ₂ emissions in t	GJ	kWh	CO ₂ emissions in t	GJ	kWh	CO ₂ emissions in t
Speyer**	16	4,373	1.66	1	237	0.04	–	–	–
Römerberg	–	–	–	40	11,138	6.05	68	18,921	10.28
Cologne	23	6,339	2.71	12	3,249	1.29	12	3,337	1.02
Nuremberg	12	3,416	1.86	13	3,615	1.60	14	3,827	1.49
Total	51	14,128	6	66	18,239	8.98	94	26,085	12.79

* The figures have been rounded up.

** There was a relocation from Römerberg to Speyer at the end of 2021, so no electricity figures are available for 2020.

OUR USE OF TRANSPORT

We have identified our vehicle fleet, employee commuting, business travel and goods transport as significant sources of indirect consumption resulting from our activities.

As part of our fleet management, we try to keep our company cars' fuel consumption and the resulting CO₂ emissions as low as possible. The fleet currently consists of 94 company vehicles, which meet the latest standards and, as such, do not consume large amounts of petrol or diesel. As our sales team has grown compared to the previous year, so has the number of company cars. This led to an increase in total consumption.

BIESTERFELD GROUP VEHICLE FLEET 2022*

Type of fuel	Total consumption in litres	Total consumption in megajoules	CO ₂ emissions in t
Diesel	119,293	4,411,467	392
Petrol	17,592	582,941	50
Total	136,885	4,994,408	442

* The figures have been rounded; all the vehicles permitted at the Hamburg headquarters site have been recorded.

The exhaust emissions produced by employees travelling to and from company sites are also classed as indirect company emissions. Thanks to the favourable transport links around our company sites in Hamburg city centre, most employees are able to leave their cars at home and use public transport instead to get to work. To encourage this behaviour and increase the number of employees taking public transport to work, Biesterfeld pays an allowance towards the monthly costs charged by the HVV (Hamburger Verkehrsverbund, the Hamburg Public Transport Association).

HOW OUR EMPLOYEES TRAVEL TO THEIR WORKPLACE IN HAMBURG IN 2022*

In 2022, our employees returned to the office more frequently as the COVID-19 pandemic subsided. As a result, our CO₂ emissions from employees travelling to our Hamburg site increased slightly by 10% in the year-on-year comparison.

Mode of transport	Outward and return journey in km per working day and employee	CO ₂ emissions in t per working year No. of employees 427	CO ₂ emissions in t per working year No. of employees 342
Bicycle	10	0	0
Long-distance train	117	10	8
Car	48	75	61
Local public transport	38	178	142
Total	–	263	211

* The figures have been rounded and state the average distance per working day and employee.

Business trips are essential to our work within the Biesterfeld Group because of our international activities and our customer-centric service ethos. However, we are working to reduce our business travel by promoting the use of the latest technologies and increasing the use of telephone and video conferencing.

BIESTERFELD GROUP BUSINESS TRIPS 2022*

Aeroplane	Distance in km	CO ₂ emissions in t per year
International flights	1,964,715	579
Domestic flights	129,986	40
Total	2,094,701	619

*The figures have been rounded.

Transporting goods is part of our business model as a distributor. Our operational business divisions are the link between the producer and the customer. In 2022 we managed to carry on growing our business. Our commercial success is also reflected in the increased transport of goods, which caused our total CO₂ emissions to rise compared to the previous year. We are always striving to improve the logistics of our supply routes and warehouses through optimisation programmes and well-thought-out route scheduling.

BIESTERFELD GROUP TRANSPORT OF GOODS 2022*

Type of transport	Volume in t	Average distance in km	CO ₂ emissions in t per year
Road transport	214,606	388	1,830
Inland waterways	31,180	152	3,104
Maritime shipping	79,078	7,971	25,835
Air freight	178	4,913	2,760
Rail transport	9,514	410	144
Total	334,556	13,834	33,673

*The figures have been rounded. Volume and distances have been calculated from the ERP system. The figures are based on deliveries (incoming and outgoing) that relate to Germany.

As a family-owned company, we always strive to act ethically and responsibly in line with our corporate values. As our economic growth increases, so do our indirect emissions, so we are increasingly trying to introduce efficiency measures to reduce our direct and indirect emissions. We are constantly striving to take additional measures to reduce our environmental footprint. We also help save energy and reduce emissions through the use of innovative and efficient technologies. Despite the obstacles presented by our indirect emissions, our goal is to actively contribute to a more environmentally friendly operation.

Overall, our consumption figures have risen this year compared to 2021. This was mainly the result of greater maritime freight goods transport. In addition, we have continued to grow as a company, which has increased our CO₂ emissions, mainly due to our vehicle fleet and business travel. Despite more and more colleagues returning to the office after the COVID-19 pandemic, our energy consumption at headquarters and the associated CO₂ emissions have risen only slightly, thanks to the increased use of green electricity and energy-efficient practices. The growth in goods transport, and therefore emissions, is directly related to our core business and commercial success as a distributor. Thanks to our logistics and supply chain teams, we were able to reduce emissions per euro of sales compared to the previous year.

Overall, we are trying to identify and reduce our carbon footprint through global emissions tracking. To achieve this, we will continue to implement targeted measures over the next few years that contribute to continuous emission reductions, while maintaining our economic success, which is the basis for bringing more sustainable products and solutions to the market.

KEY ENVIRONMENTAL FIGURES 2022*

compared to 2020 and 2021

Type of emissions	CO ₂ in t 2022	CO ₂ in t 2021	CO ₂ in t 2020
Scope 2			
Energy consumed by headquarters	304	266	256
Scope 3			
Vehicle fleet	442	362	427
Employee journeys to work in Hamburg	211	192	195
Business trips	619	79	199
Transport of goods	33,673	16,913	14,735
Total	35,249	17,812	5,812

*The figures have been rounded.
 The calculations are explained below the corresponding tables on the previous pages.
 Scope 2: Emissions from the purchase of energy for our buildings.
 Scope 3: Emissions caused by our activities.



True success can only be achieved as a team

Each and every employee contributes to a unique corporate culture through their active involvement in the company. This culture is not only lived within the company but is also presented to the outside world and is constantly evolving. Our employees act responsibly and are actively involved in maintaining and developing the Biesterfeld Group corporate culture.

Social responsibility is a part of every employee's job within our group of companies. For us, it is a matter of course to behave morally and ethically. Collaboration between all teams and respectful interaction with each other are essential to our sustainable economic growth. Biesterfeld supports its employees by participating in events such as the MOPO Staffellauf relay race and the Cyclastics cycling race and by hosting company events such as Christmas parties and the annual summer party.

It is in our interest to maintain a stable and diverse workforce within the Biesterfeld Group. Even as part of the recruitment process, we make it a priority to ensure that potential new colleagues fit in well with the Biesterfeld Group culture.

**FOR US, EVERY
EMPLOYEE
IS UNIQUE IN
THEIR OWN WAY**



INTERNATIONAL NETWORKING AS AN INTEGRAL PART OF BIESTERFELD

As an international company, global networking is increasingly important to us. This is why we actively encourage dialogue across our sites to give our colleagues the opportunity to take on new challenges at a different site, allowing them to get to grips with different tasks and cultural diversity.

Our trainees also have the opportunity to spend time abroad. Depending on their business division and role, they can choose a foreign Biesterfeld Group site, work there in the day-to-day business and drive forward a regional project. This allows our trainees to network internationally at an early stage and gain valuable skills.

In 2022, as part of her trainee programme at Biesterfeld Spezialchemie, Benita Gutting spent a month abroad at our site in Spain.

We also give colleagues from our Hamburg headquarters the opportunity to take on new tasks in a foreign subsidiary for a set period of time. Motivated colleagues from other countries who want to take on product or project responsibility in Hamburg are also regularly offered the opportunity to apply for opportunities that are specifically advertised internationally.

This is how Paulina Schulz, a former product manager at Biesterfeld Plastic, came to work for our newly formed joint venture with GME Chemicals at our new site in Singapore this past year. In her role as Integration Manager, she is helping to integrate GME Chemicals into the Biesterfeld Group.

Ronja Haß, a former commercial assistant in Biesterfeld Spezialchemie's healthcare division, also took the opportunity to relocate to Norway for two years at the start of 2022. There, she is looking after customers in the Nordic region from our Norwegian site Biesterfeld Norge AS as Sales Manager for the Healthcare and LifeScience divisions.



Benita Gutting:
"Working for an international company and having the opportunity to travel abroad as part of my trainee programme were some of the reasons I decided to join Biesterfeld after my studies. I am grateful for the opportunity to learn about other processes, structures and corporate cultures outside of the Hamburg site. This has enabled me to broaden my expertise and international network further."

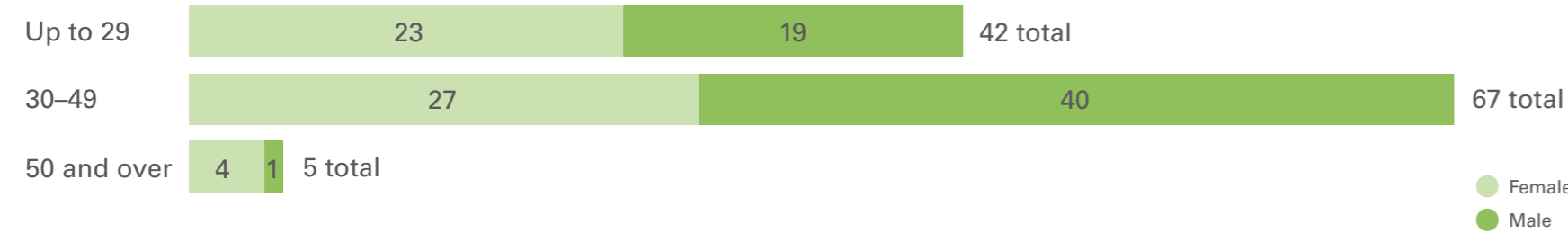


Paulina Schulz: *"My advice: Figure out your goals in life, and don't be afraid to communicate them openly to management. Taking the initiative has brought me many advantages so far, but even without that, you should always try to make the most of all the opportunities available to you. Small steps add up and get you closer to your goal."*

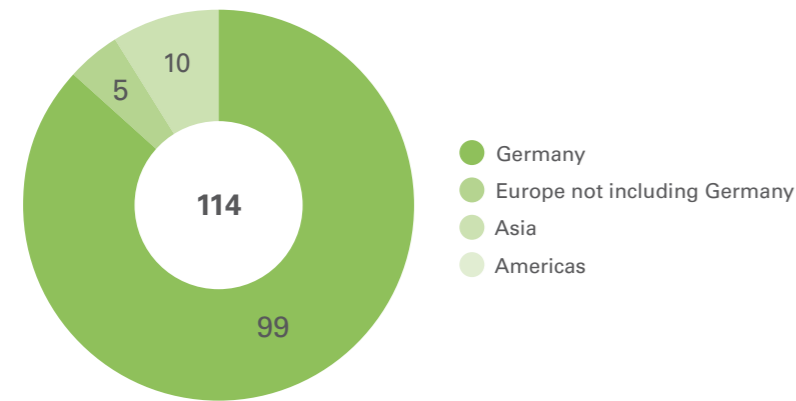


Ronja Haß:
"My conclusion after the first year is that it's a fantastic but challenging job that I enjoy every day. Actively driving the development of the healthcare business in Norway gives me a unique opportunity and the chance to make a significant contribution to the further development of Biesterfeld Norge. I am grateful for all the insights and experiences I have gained so far and look forward to the future at Biesterfeld."

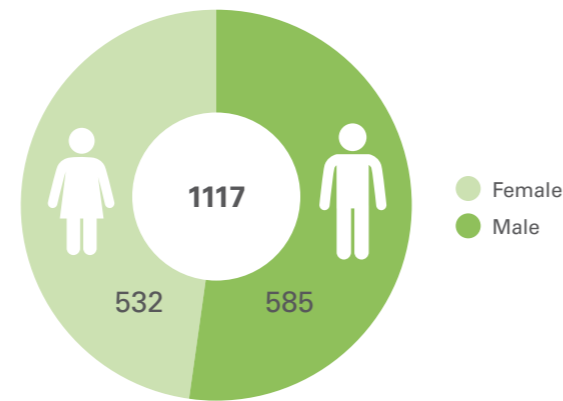
NEW HIRES BY AGE GROUP 2022



NEW HIRES BY REGION 2022



EMPLOYEES BY GENDER 2022*



* We understand diversity not only in terms of nationality but also gender. However, we have decided to record just two genders in this context to compare the figures with our data from previous years.

BEST SUPPORT FOR EMPLOYEES IN UNCERTAIN POST-PANDEMIC TIMES

INCREASED WORK FLEXIBILITY AFTER THE PANDEMIC

The effects of the COVID-19 pandemic brought about a major change in our lifestyles. This new influence continued throughout 2022. Based on our experience during the pandemic, we have increased our efforts to ensure that all Biesterfeld employees have the best possible health protection and good working conditions, including outside the office.

In addition to the permanent option of remote working, which allows us to offer our employees considerable flexibility even after the pandemic, all employees worldwide received a tax-free one-off payment in 2022. As a responsible company, we want to support our employees in coping with the financial burden of the pandemic and recognise their outstanding work in difficult circumstances.

Even after the COVID-19 pandemic subsided, we continued to ensure the safety of our employees and introduced the option of remote working through a company agreement. In 2022, we also launched a pilot project for a flexible office concept at our Hamburg site. It is important to make the best use of existing



workplaces to achieve greater flexibility and provide a suitable workplace for all employees on a permanent basis. As a result, several areas of overlapping activity and collaboration have been grouped into clusters, allowing for more flexible use of workplaces within the clusters. This allows our colleagues to share ideas more effectively, both within and between departments, and encourages teamwork.

Even after the increased return to the office after the COVID-19 pandemic subsided, we continued to provide FFP2 masks, coro-

OUR
EMPLOYEES
MATTER
TO US



navirus self-tests, and disinfectant dispensers to ensure the necessary health protection for our employees.

Our travel activities are an essential part of our long-term business relationships and, therefore, a critical component of our close collaboration with our partners. In 2022, employee travel increased again to provide the usual and desired support services to our customers and suppliers. However, our colleagues must always evaluate whether an online meeting can replace a business trip.

THE SITUATION IN UKRAINE

As an international company, we had offices in both Russia and Ukraine and served our regional customers from these locations when the war broke out. From the very beginning, the owner family, the Executive Board and many colleagues from other countries supported our Ukrainian colleagues. This included tangible, unbureaucratic financial aid and highly practical support measures, such as the provision of generators. With the outstanding support of many colleagues, as a company, we took in family members of colleagues from Ukraine and arranged for safe accommodation, care, and the necessary rest for them. The company has also always been a source of support for our colleagues in Russia. In May 2022, the Biesterfeld Group was forced to adapt its activities to the global economic environment and cease operations in Russia until further notice. Biesterfeld has already managed to resume operations at its Ukrainian site.

WE PROMOTE OUR EMPLOYEES' HEALTH

SOCIAL BENEFITS AT BIESTERFELD

Continually promoting and improving our employees' safety, health and well-being is extremely important to us. This also includes occupational health and safety. We make sure that workplace safety standards always meet the latest requirements. Our employees receive information and training from our Health and Safety Officer through Intranet posts and online briefings. We also support our employees with tips for maintaining a safe and healthy working environment when working remotely.

We provide an annual eye test at our Hamburg headquarters. Biesterfeld covers the cost of any recommended computer glasses. In Hamburg, we also organise an annual flu vaccination with the company doctor for all employees. There was also the opportunity to be vaccinated with approved COVID-19 vaccines. All employees were able to take advantage of this optional offer of free vaccination advice and administration by the company doctor.

TEAM SPIRIT, SPORT AND WELL-BEING AT BIESTERFELD

We organise various activities outside the typical office routine to build team spirit between the different departments. These measures promote dialogue and mutual understanding while providing an outlet for relieving any stress encountered in day-to-day work. Our employees demonstrate team spirit and overcome challenges together by regularly participating in various sporting events. Running events at our headquarters in Ham-

burg, the Hamburg MOPO Staffellauf Team Relay, the Hamburg City Cycle and the Hamburg Cycloclassics cycle race are examples of these. We are also happy to support participation in regional sporting events, for example, by providing professional sports equipment or paying entry fees.

In addition, we introduced the BusinessBike bicycle leasing scheme for all Biesterfeld colleagues in Germany in 2022. Employees can receive up to two bicycles with a maximum gross value of €6,000 each. The bike is leased for a fixed term of three years, and personal use is permitted. The leasing instalments are paid through a salary sacrifice arrangement. As well as motivating our employees to take part in sporting activities, switching to cycling for daily journeys can also help to protect the local environment.

Since the end of the pandemic, many sporting events have been resumed, such as monthly bowling evenings, football matches and a regular massage programme at the Hamburg site. They are once again proving extremely popular. Biesterfeld also provides subsidies for local and national fitness centre chains and swimming pools in Germany.

The Biesterfeld Running Circle was also established to allow our running enthusiast colleagues to network while promoting their sport.

**A GOOD BALANCE
IS ABSOLUTELY
NECESSARY FOR US**



In addition to sports activities and discounts, we provide our employees with complimentary hot and cold drinks in the office buildings. Lunch breaks are also catered for, with an off-site canteen near the company's headquarters in Hamburg offering fresh, healthy and varied meals at a reasonable price.

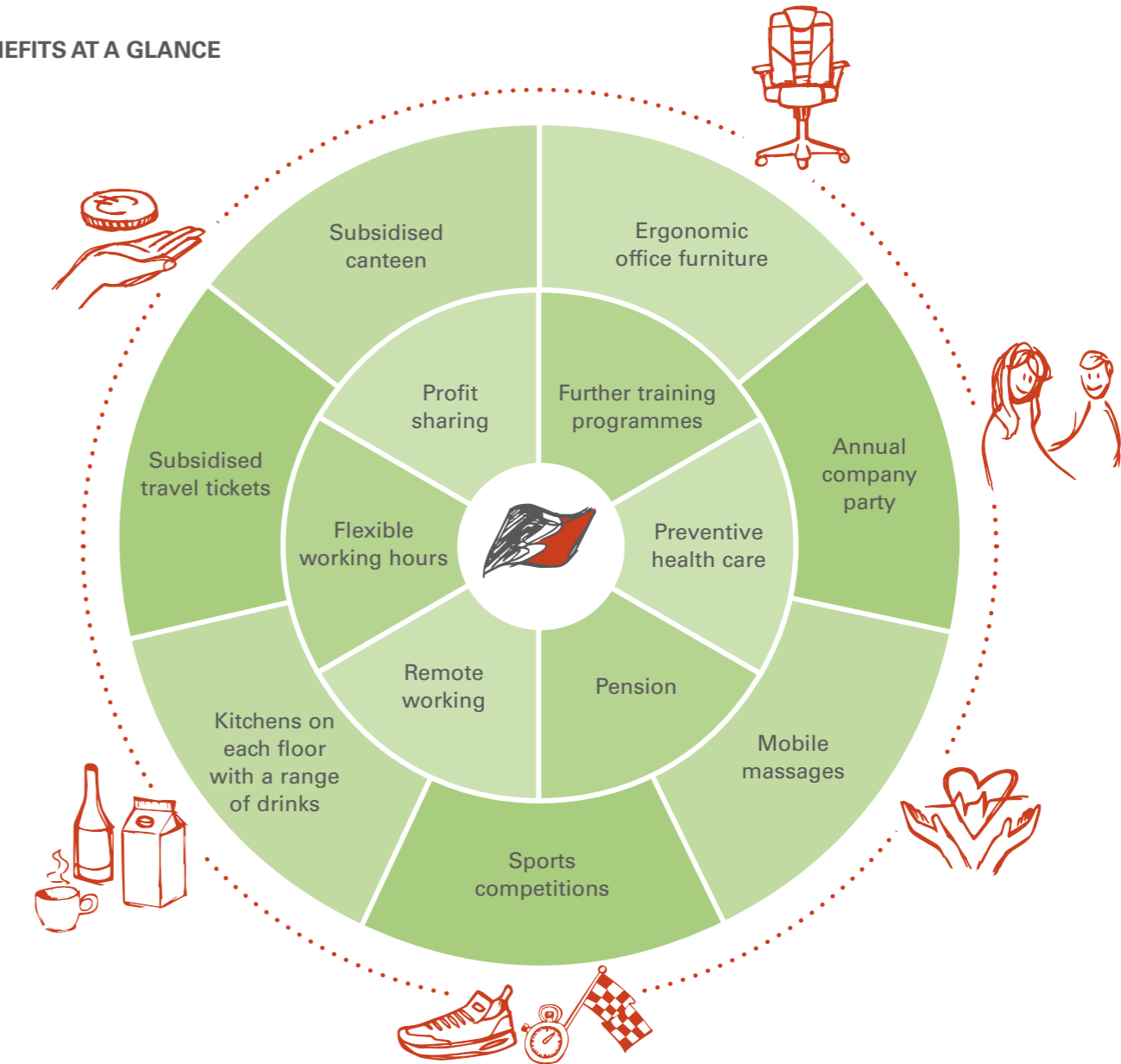
Thanks to a subsidy of more than 50%, all employees can enjoy affordable, high-quality meals there and start the afternoon full of energy. Because the contracts were maintained during the pandemic, this service was able to resume after the COVID-19 pandemic subsided and is once again very popular.

We also regularly arrange little surprises for our employees. For example, on extremely hot days, we have added refreshing drinks or vitamin-packed smoothies to the fridges in the office kitchens at our headquarters in Hamburg so our employees can refresh themselves and recharge their batteries.

BIESTERFELD #HEALTHFORYOU

We have also launched the #Healthforyou initiative to promote the health of our employees. The #Healthforyou posts on our Intranet cover a range of key topics and provide information and advice on how to lead a healthy lifestyle. As well as recipe ideas, information on healthy eating and exercise, activities such as a health quiz with attractive prizes have been organised. At the company's headquarters, themed snacks such as nuts and fruit are sometimes provided in the kitchen areas to complement the Intranet posts. Other campaigns focus on outdoor exercise or provide tips on staying positive during the cold and sometimes bleak season. All employees have also been given information outlining how to take a conscious approach to using digital media and tips on keeping physically fit when their role is mostly sedentary or consists primarily of screen work.

OUR SOCIAL BENEFITS AT A GLANCE



WE PLACE A STRONG EMPHASIS ON TRAINING AND EDUCATION

Continuous learning and training are essential for progress and innovation. That's why we have developed a diverse programme of further training opportunities for all our employees worldwide at Biesterfeld, which includes virtual, hybrid and in-person formats.

Regardless of their area of expertise and responsibility, all employees are regularly informed about this programme and, where appropriate, are specifically invited to participate in certain topics. The programme goes far beyond the limits of specific disciplines. It includes sessions about developing media literacy and improving health by implementing stress or time management strategies, among other topics. These sessions are led by both internal and external experts. They are subsequently reviewed through surveys as part of a quality assurance initiative and improved where necessary.

LEARNING TOGETHER AND SHARING KNOWLEDGE

Each team member's individual skills contribute to our company's uniqueness. For this reason, we place great emphasis on the strategic development of our employees' potential. In addition to

a comprehensive range of general training opportunities for all employees, we also offer specialised training courses. These are aimed at our specialists, up-and-coming talents and our managers. Our aim is to build on existing strengths at all levels of the organisation.

To achieve this, three formats were launched at Biesterfeld in 2021, which we successfully continued and expanded in 2022.

The **Meet the Manager** event series was continued every quarter in 2022. First-level managers introduced themselves to the participating colleagues and answered their questions. Employees who register on our Intranet can ask German senior management representatives questions on a range of topics. This covers strategic and operational aspects and provides insights into professional career paths and personal matters.

The **Biesterfeld Management Circle** programme was also continued in 2022 following a successful first run. This format allows second- and third-level managers to submit innovative ideas for expanding business relationships or optimising processes and

organisational structures. They can also participate in all events and discussion formats with first-level management for one year. By actively participating in discussions on key strategic topics and gaining an insight into senior management processes, the programme aims to prepare managers for a potentially higher management position. The development programme is supported by internal mentoring, offered by a senior manager of the participant's choice, and an external development programme.

Betti Heick, LifeScience Business Manager at Biesterfeld Spezialchemie, presented her idea to senior management in 2022.



Betti Heick: *"I would not want to miss the wonderful, enriching experience of contributing my ideas and inspiration for the Biesterfeld Group through the Biesterfeld Management Circle. The discussions with the management team, the fresh energy, the chance to work on my innovative idea, and, last but not least, the external development programme and regular sparring with our CFO really inspired me."*

The **Biesterfeld Talent Circle**, which gave our colleagues at all German sites the opportunity to apply with an innovative idea for the first time in 2021, was extended to all international sites in 2022. Over the course of the year-long programme, monthly events with managers and external speakers provide an opportunity to exchange ideas on various strategic topics and to develop the submitted idea further. This allows all Biesterfeld colleagues worldwide to submit their own innovative ideas they would like to see developed further within the Talent Circle. They can also take advantage of the opportunity to network with other colleagues and discuss ideas and experiences both with each other and with external speakers.

At the end of each round, all participants remain in the development programme as alumni. Next year, the Biesterfeld Talent Circle will include a new intake of colleagues whose ideas have proved successful in the application process, and the programme will continue.

We look at current trend topics in the annual **Trend Explorer** format and discuss them in interactive workshop formats. All our employees can register, discuss trends and their implications for the Biesterfeld Group and develop experimental ideas. Two of the four core themes of the 2022 Trend Explorer focused on sustainability aspects. For example, our colleagues discussed the

impact of the circular economy on our business activities, the increasingly 'green' purchasing behaviour of customers across all sectors and the implications for the Biesterfeld Group.

The Biesterfeld Group has been a member of the "**Maschinenraum**" network, an ecosystem of innovative family companies and SMEs, since the beginning of 2022. All employees have the opportunity to get involved in 20 different topic circles, including sustainability, and participate in various dialogue and training formats. We have already provided our own input by participating in various digital and face-to-face events to give our colleagues an additional channel for individual development.

OUR YOUNG TALENT WILL SHAPE OUR FUTURE

We also offer attractive and varied opportunities to individuals at the start of their working lives. They can start their professional career at the Biesterfeld Group by undertaking an apprenticeship, a work-study programme, a traineeship or an internship. Each programme covers different areas of activity in which our international company is involved. Each business division has two contacts for apprentices, and there are also designated contacts in HR and the specialist departments for the other programmes. We make no distinction between employees who are new to Biesterfeld and those who have been with us for longer. From the outset, we treat young talent as fully-fledged employees and get them involved in our business activities. They accompany colleagues on visits to customers and suppliers, for example, take part in trade fairs and events, and run their own small projects. This all gives them a great insight into what an international company does and how it operates, enabling them to take on responsibility step by step.




The huge interest shown in us by young people who want to start their careers here confirms we are doing the right thing as a company by providing training and supporting young talent in the long term. Taking the annual average for 2022, we had 16 apprentices, two trainees and four students following work-study programmes.

KEY EMPLOYEE FIGURES 2022


By employment contract*	Female	Male	Total	Headcount in %
Fixed-term contract	18	15	33	3.0
Permanent contract	514	570	1084	97.0
Parental leave*	Female	Male	Total	Headcount in %
Entitled to parental leave	28	3	31	2.8
Actually taken	27	3	30	2.7
Rate of return to the workplace with at least 12 months of employment	8	3	11	1.0
Apprentices**	Female	Male	Total	
Apprentices taken on	1	5	6	

* Figures apply to the sites covered in this report.

** Figures apply to Germany only.



**METHODS
AND
PRINCIPLES**



Sustainability is a journey we can only take together.

Every day, we strive not only to meet but also exceed the expectations of our employees and business partners. As a family-owned business with a strong sense of tradition, we believe it is fundamental to our corporate culture to always act in a trustworthy and responsible manner.

As an international company, we believe that the obligation to act in a sustainable manner at a global and local level is one of our most important responsibilities. That is why we encourage our suppliers and customers to become increasingly sustainable so that more and more companies are committed to protecting the environment, conserving resources and safeguarding human and labour rights.

Our clear commitment to sustainable practices is reflected in our joining the **world's largest sustainability initiative, the UN Global Compact**, in 2014. The goals we have set are consistent with the applicable environmental and social standards. Our Sustainability Report explains our key principles to all interested parties, such as respecting and upholding human rights, treating our employees responsibly and respectfully, and effectively reducing our carbon footprint through the efficient use of technology.

MATERIALITY ANALYSIS

A double materiality analysis considers a company's sustainability from two different perspectives. These perspectives are impact materiality, also known as the inside-out perspective, and financial materiality, or the outside-in perspective. This involves analysing the impact of sustainability factors, such as climate change or biodiversity loss, on our environment (impact) and future cash flows (financial).

Our internal analysis has revealed that the categories of compliance, recruitment criteria, working conditions and environmental protection, among others, are deemed particularly relevant for the Biesterfeld Group and will, therefore, serve as the basis for the Biesterfeld Group's future sustainability initiatives.

THE TEN PRINCIPLES

Principles of the United Nations Global Compact

PRINCIPLE 1	Businesses should support and respect the protection of internationally proclaimed human rights.
PRINCIPLE 2	Businesses should make sure that they are not complicit in human rights abuses.
PRINCIPLE 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
PRINCIPLE 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.
PRINCIPLE 5	Businesses should uphold the effective abolition of child labour.
PRINCIPLE 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.
PRINCIPLE 7	Businesses should support a precautionary approach to environmental challenges.
PRINCIPLE 8	Businesses should undertake initiatives to promote greater environmental responsibility.
PRINCIPLE 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.
PRINCIPLE 10	Businesses should work against corruption in all its forms, including extortion and bribery.





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