



SUSTAINABILITY REPORT
2019

УСТОЙЧИВОСТЬ
SÜRDÜRÜLEBİLİRLİK
SOSTENIBILITÀ
ODRŽIVOST
NACHHALTIGKEIT
可持續性
SOSTENIBILIDAD

UDRŽITELNOST
HÅLLBARHET
DURABILITÉ

ZRÓWNOWAŻONY
ROZWÓJ

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113-YEAR FAMILY TRADITION
INTERNATIONAL AT OVER 30 LOCATIONS
940 EMPLOYEES
OVER 50 RENOWNED PARTNERSHIPS
6 BUSINESS UNITS

ABOUT THIS REPORT

The Sustainability Report of the Biesterfeld Group covers the developments in 2019 and applies to the whole Group. It serves as a separate, non-financial Group report and describes the company's responsible conduct and commitment on a global level.

In the following pages, the Biesterfeld Group presents all the sustainability-relevant data and key figures transparently and comprehensively for direct and indirect stakeholders.

The report shows the Progress Report according to **the United Nations Global Compact and is based on the Core Option of the latest framework of the internationally recognised Global Reporting Initiative (GRI), the so-called GRI Standards.** This ensures transparent presentation and comparability of data and evaluations through the years. We use the **emissions factors from**

the GEMIS database (GEMIS: Global Emission Model for Integrated Systems), which was created by the German Environment Agency (UBA) in collaboration with the German Öko-Institut.

In this year's report we have documented our sustainability management and its extension to our branches in France, the Netherlands, Portugal, Spain and Sweden. For a detailed list of our sites included in the 2019 report, can be found on p. 20 – our locations. Centrally controlled processes and products are applied throughout the Biesterfeld Group.

For ease of readability, we generally use the male form in this report when designating groups of persons and occupations. It goes without saying that we always address all sexes equally.



[WORLD MAP]



Thomas Arnold, chairman of the board

DEAR READERS,

It is with great pleasure and a certain amount of pride that I present to you the sixth sustainability report of the Biesterfeld Group.

It is and always has been a matter of course: We take responsibility and always reconcile our economic goals with ecological and social aspects. In 2019, as in the years before, the issue of sustainability was again an important part of our activities, and deeply rooted in all divisions of our family business. We ensure that it remains an integral part of everything we do by defining, implementing and continuously developing company-wide standards for the safe and responsible use of critical products and resources.

I personally believe that sustainability is also directly linked to the two topics of progress and innovation, and responsibility for employees. To foster the former in our company, we created the Biesterfeld Innovation Award and bestowed it for the first time

in 2019. More than 100 exciting ideas and approaches were submitted by Biesterfeld employees. The best of these suggestions not only received a prize, but were also directly implemented. In order to take responsibility for our most essential resource, our employees, and support them even better, we inaugurated the Biesterfeld Health Day last year. On that day in March, we offered a wide range of seminars, talks, workshops and activities revolving around health, sports and nutrition at our Hamburg facility. Since the event received such a positive response from our staff, we have since published further suggestions, tips and tricks on those topics in a monthly Intranet contribution called “#Healthforyou”.

But we support sustainability topics externally as well, as for example with a project in Malawi focusing on restoring well systems. Malawi is one of the least developed countries in the world and about half of its population has no access to clean drinking water. As part of the project, Biesterfeld works with local communities to identify and repair defective bore holes and wells, giving the inhabitants of the region unlimited access to clean drinking water.

We owe the implementation and development of our sustainability activities, as well as our positive business development, to our employees, who work together across divisions and national borders to achieve our sustainability and economic goals. Every single individual has an important role to play, and contributes their personal abilities and strengths to the common success. Characterised by ethical and responsible actions, we as a family business will continue to build our activities in line with the demands of sustainable business practices.

I hope you enjoy reading our sustainability report.

Thomas Arnold

**ADDED VALUE IS
THE FRUIT OF
VALUING OTHERS**





FROM HAMBURG
OUT INTO THE WORLD
WE ARE BIESTERFELD



OUR BUSINESSES AREAS



For more than 113 years now, the Biesterfeld Group has been a service and distribution company, as well as operating in the worldwide trade in raw materials.

Today, the Biesterfeld Group, with over 30 global locations, is a successful distributor of plastics, rubber, and basic and speciality chemicals. **Years of market and product experience, great depth of expert knowledge and trusting partnerships with customers and suppliers are the defining features of the distribution company.** With its four operating divisions and two service companies, **the Biesterfeld Group offers its customers not only an extensive product portfolio, but also complex application advice and solution expertise covering this product range.**

Biesterfeld Plastic is the Group's largest division. Around 315 employees are engaged in the continuous development of Biesterfeld Plastic, as one of the leading distributors for plastics and additives in Europe, North Africa, Latin America and the CIS region. Through the long-standing, mostly exclusive, distribution partnerships with global market leaders in the plastics industry, the division offers its customers a virtually complete and homogeneous product portfolio. A wide range of services, such as development-based technical consulting and tailored

logistics solutions, are guaranteed by a comprehensive, decentralised infrastructure with personal contacts locally.

The product portfolio includes plastics and additives for industries such as automotive, healthcare, industrial and consumer goods, construction, toys, packagings, household appliances plus electronics and electronics.

Biesterfeld Spezialchemie is one of the internationally leading distributors of products and solutions in the speciality chemicals and food industries. The Group's second-largest division, its special attributes are solution-based applications expertise, innovative strength and formulation know-how. Around 320 employees not only develop customised solutions, but also ensure an innovative product range and continuous supply availability from regional warehouse locations.

The wide-ranging product portfolio, which is characterised by long-term cooperation with leading suppliers worldwide, focuses on the requirements of selected industries such as personal care,



healthcare, cleaning, paints/varnishes and coatings, high-quality intermediates, polyurethanes, polymer additives, construction, adhesives, lubricants, composites, food and electronics and energy.

Our third division, **Biesterfeld International**, offers global distribution of base chemicals and specialities. Around 85 employees at 11 locations offer expert and customer-focused services in the fields of application consulting, product development, logistics and financing. Local proximity to customers and suppliers as well as long-term partnerships characterise this division. Biesterfeld International's portfolio includes commodities and specialities in the areas of industrial chemicals, pesticides and fertilisers, salt, pharmaceutical raw materials and active ingredients, and feed and food additives.

The international distribution of high-performance polymers, technical elastomers, silicone rubber compounds and additives is the focus of the **Biesterfeld Performance Rubber** division, founded in 2016. Business activities are focussed on application technology consulting for the rubber processing industry and development of innovative local customer solutions, carried out by around 35 qualified employees. As well as synthetic rubber, compounds of high-quality silicone and fluorosilicone rubbers and carbon black, the product range also includes high-performance polymers and the complete portfolio of corresponding additives.



STRONG INDIVIDUALLY UNBEATABLE TOGETHER



The operating divisions are continuously supported by the two Biesterfeld service companies:

The employees of **Biesterfeld ChemLogS** are responsible for compliance, sustainability, QSHE (Quality, Safety, Health & Environment) in the international chemical trade, REACH (European Regulation for the Registration, Evaluation, Authorisation and Restriction of Chemicals) as well as customs and export controls and assisting the management systems. They support the whole Group with their specialist knowledge and expertise and ensure daily implementation of national and international standards, regulations and internal guidelines in order to guarantee the smooth running of all Biesterfeld processes and compliance with international norms.

As a full-service provider, **BIT-SERV** specialises in the development, implementation and operation of business applications. BIT-SERV provides active support to our business divisions, with particular focus on SAP® ERP applications, in-house CRM developments, web developments and system technology. About 30 employees are specialists with many years of experience and wide-ranging expertise in industry-specific applications. The principle objective of these employees, who combine the roles of consultants, designers and project managers, is to offer a

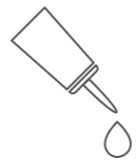

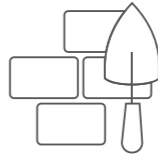


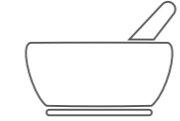

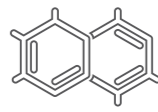
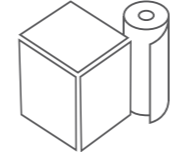
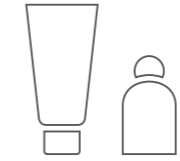




stable, solution-oriented and user-friendly IT service. Their range of services is tailored to the needs of small and medium-sized companies and is subject to strict security guidelines.

The divisions and service companies operate jointly under the umbrella of Biesterfeld AG. As the holding company, Biesterfeld AG provides the framework for the Group's business development and assumes central strategy and control functions.



OUR CLIENT INDUSTRIES

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

OUR BUSINESS MODEL

We combine tradition with innovation.

As a family business, the values of **trust, commitment and responsibility** play a key role. We trust our employees and are sure that we are pursuing a common goal to make Biesterfeld better every day. We keep our word and consistently fulfil our obligation, as employer and partner, to meet the standards that we set ourselves and others expect of us. Acting responsibly is the top priority. We operate honestly and fairly and always have our eye on the future. Therefore, we make our contribution to greater sustainability.

Biesterfeld builds on its years of corporate experience and continuously develops it. Through the expertise of our employees and close cooperation with leading producers, we offer our customers a comprehensive product portfolio with optimum service.

We obtain our products from well-respected producers with whom we have exclusive contracts in some cases. This allows us

to offer our customers high-quality products. We deliver raw materials direct at the agreed time or provide intermediate storage.

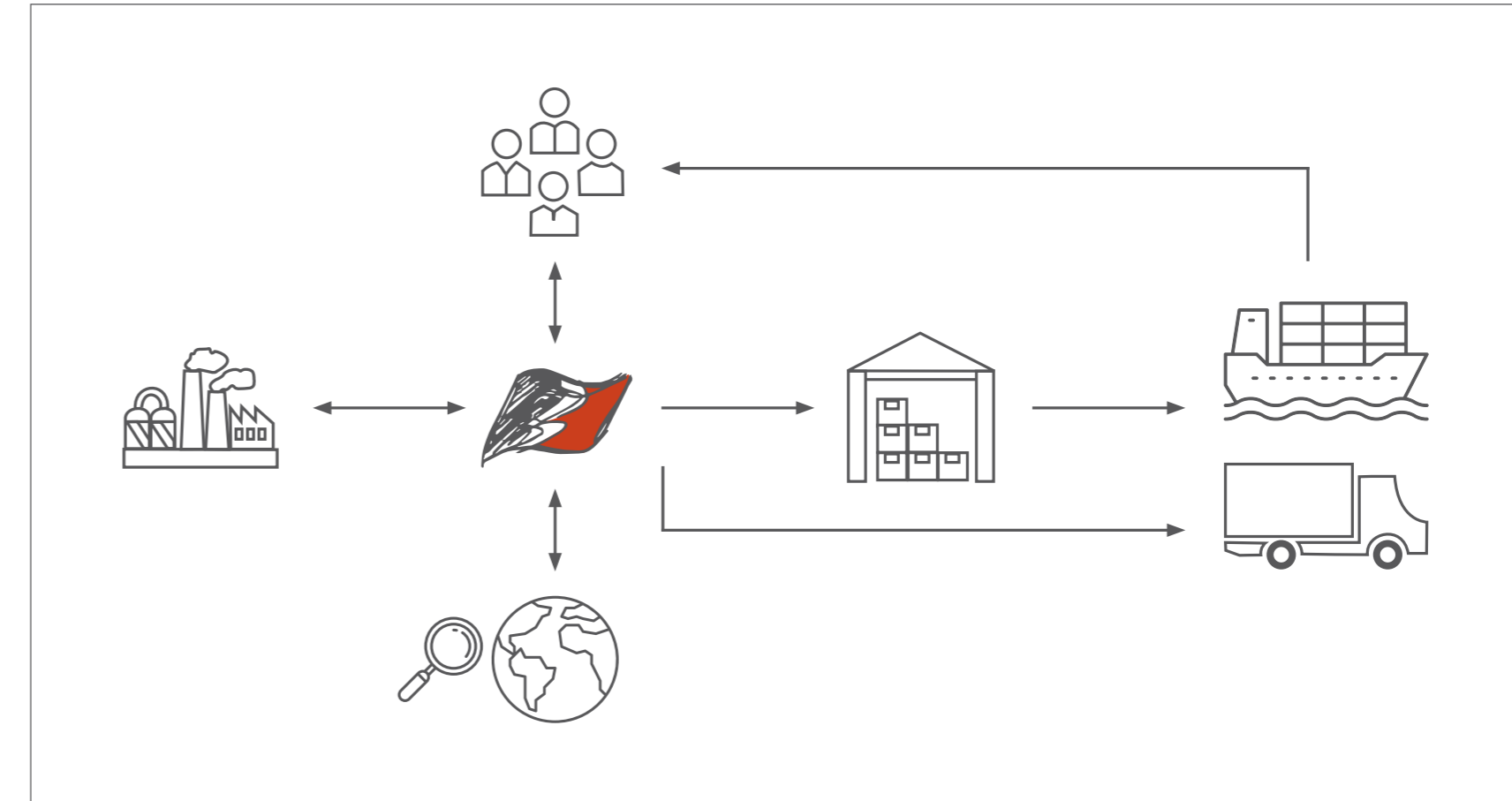
Direct customer contact helps us to respond flexibly to specific customer requirements. We see ourselves as idea generators, always managing to find appropriate solutions and answers to customer enquiries thanks to our development-related technical consulting.

We are always looking for sustainable products that we can add to our portfolio. By working closely with our producers and customers we can respond more quickly to economic developments in the market. We pass on customers' wishes and requirements to our producers and provide support for the development and optimisation of products in regard to sustainability. In our sales activities, we ensure that statutory and political requirements are complied with for all orders and deliveries.

WE ALWAYS HAVE THE FUTURE IN FOCUS



OUR SUPPLIER CHAIN



OUR STAKEHOLDERS

As a family business, we are committed to sustainable development in our industry and to raising awareness amongst our partners so that they will make their own contribution in this respect. It is particularly important to understand the different social demands that our interest groups make on the company and to do justice to these expectations. We therefore encourage exchanges with all our stakeholders and use various means of communication to reach them in the best possible way.

**WE LISTEN,
COMMUNICATE
OPENLY AND ARE
TRANSPARENT**



We value active communication with our stakeholders. **Our direct and regular exchanges are based on openness and understanding.** As an employer, we focus on our employees, and they are our direct stakeholders. It is in our own interest to maintain long-standing employment relationships, which we achieve through fair and respectful interaction. Our managers are required to conduct regular one-to-one staff appraisals to identify the needs of their staff, encourage them and, in particular, sustain their motivation.

Furthermore, we actively use our intranet to maintain internal communication with and amongst our Biesterfeld workforce worldwide. Via our intranet we can provide information on all company-related issues. In this way, our employees always ha-



ve an insight into the business results and plans for the financial years, and can read corporate policies and follow current internal company news. In our social intranet B-Connect, redesigned in 2019, all employees have the right to upload, comment on and like contributions. In addition to company-related issues, the intranet also has a forum, where our staff are able to make private enquiries or requests.

Apart from direct communication with our customers, we also conduct customer surveys and evaluations. This enables us to respond to specific requests and constantly optimise our service. We provide information on new products and offer alternative, sustainable products. Evaluating customer reviews and comments enables us to meet the latest market requirements and ensure, or increase, customer satisfaction. In addition, the evaluation allows us to inform our producers about new requirements and

industry developments and participate in the development of potential new products.

To reach all our stakeholders simultaneously, we consistently issue news and press releases, which are also published on our website. We inform them about current changes in the company, new and existing partnerships, product innovations and upcoming events. By providing central contacts for each product or subject area, we enable interested parties to make specific enquiries. We also offer a contact form to cover all other areas. In addition to communication via traditional media and our website, we use the social network LinkedIn. In this way, all stakeholders have an insight into our company and for example always have the latest information on products, events and job vacancies.

We regularly inform our capital providers, including the Biesterfeld family, the banks and investors, about the financial status of the Biesterfeld Group. They are given information about business development and insights into the company's strategies. Their assessments and analyses enable us to pursue our goals. In addition, we publish the Biesterfeld Group's results of operations in the Bundesanzeiger (Federal Gazette) in accordance with German commercial legislation.

Customer acquisition and networking are achieved by, for example, **attending national and international trade fairs and relevant events and conferences.** These present opportunities for us to

receive questions, suggestions and requests, and in some cases to establish initial business contacts. Participants are able to speak face to face with our experts and satisfy themselves of their expertise.



The world's largest trade fair for the plastics processing industry is the **K Fair**, which is held every three years. Also in 2019 we were present there and shared a stand with our long-time partner CHIMEI **to engage in dialogue with our partners, customers, the media and visitors**. We made effective use of the ten days at the fair to convey our sustainability concept to our partners. In addition to customers and suppliers, many of our logistics

representatives accepted our invitation and visited us at the fair. Together we discussed our path towards greener logistics and, with our participation in the **"Operation Clean Sweep"** initiative, we gave them an insight into the concept of careful and conscientious use of resources. Further information on our participation can be found on p. 42.



K Fair in Dusseldorf



Jens Schuermann and Jens Imbeck (from left to right) at the K Fair

Also, our Biesterfeld France subsidiary took part in the **Plastic Expo in Tunis** in 2019 together with colleagues from Biesterfeld Plastic and Biesterfeld International. This collaboration of Biesterfeld employees was intended to further intensify the company's presence in the Maghreb region and optimally serve this market. Joint discussions with customers and suppliers gave the team new ideas and approaches for new developments and also highlighted the commitment and future path of Biesterfeld.

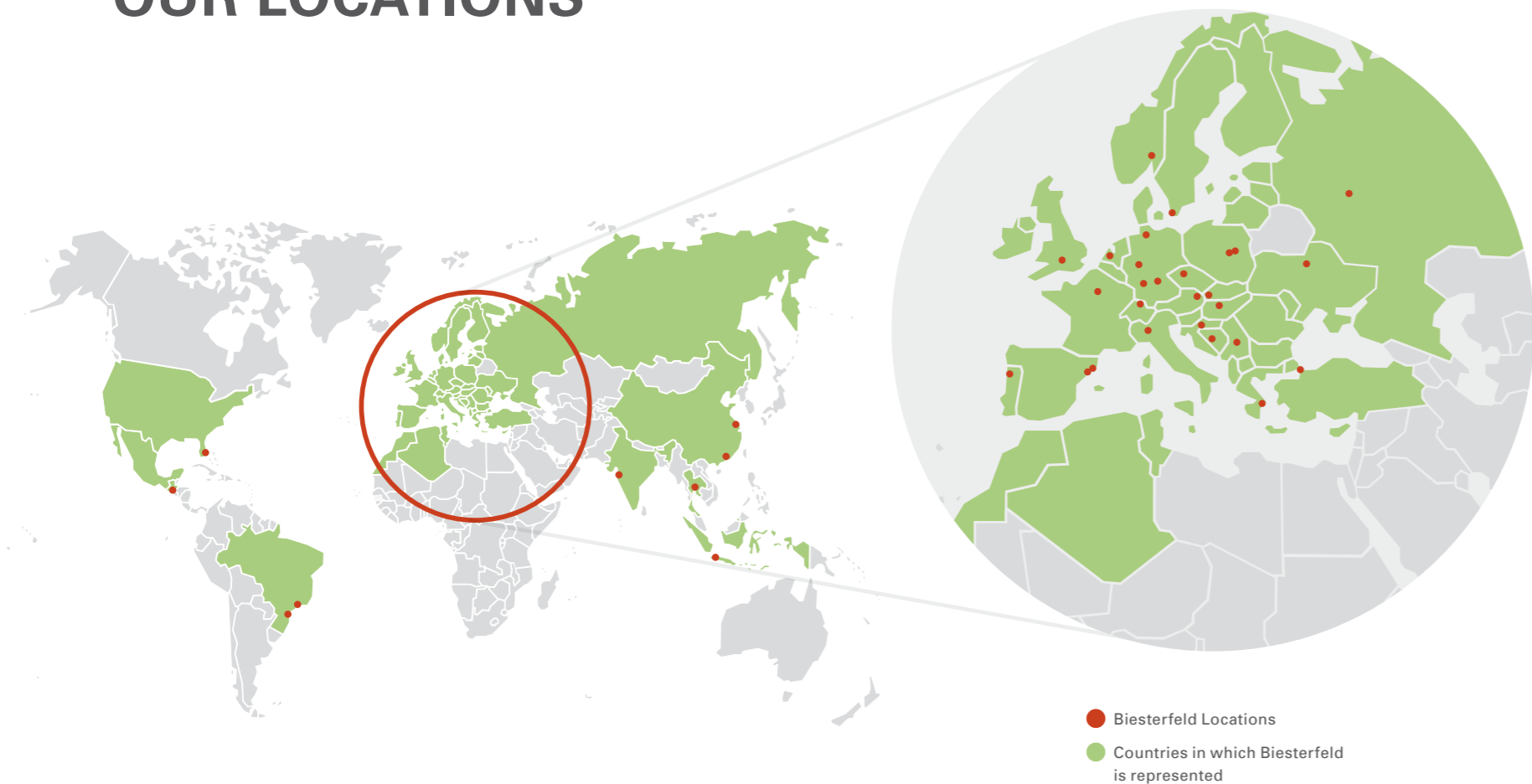
We facilitate mutual understanding and discourse **on matters of sustainable development and procurement in the chemicals industry** through our membership of chemical associations and initiatives. We encourage an exchange of experiences and knowledge in relation to responsible conduct in the chemical industry and raise awareness of important issues. By participating in the **Responsible Care Programme of the German Chemical Trade Association (VCH) and the German Chemical Industry Association (VCI)**, we ensure that the principles of responsible conduct are integrated in our corporate structure and that we continuously improve. For example, we submit our performance indicators annually and have ourselves audited by an external company at regular intervals

INITIATIVES:

- AGA employers association
- FECC (European Association of Chemical Distributors)
- ICTA (International Chemical Trade Association)
- United Nations Global Compact
- VCI Association of the Chemical Industry
- VCH Chemical Distribution Association
- PlasticsEurope e.V.
- Operation Clean Sweep®



OUR LOCATIONS



Biesterfeld AG

Hamburg, HQ (DE)

Biesterfeld Plastic

- Abingdon (GB)
- Athens (GR)
- Bailerup (DK)
- Barcelona (ES)
- Culemborg (NL)
- Florianópolis (BR)
- Hamburg (DE)
- Hamina (FIN)
- Istanbul (TR)
- Kiev (UA)
- Cologne (DE)
- Liestal (CH)
- Limhamn (SE)
- Milan (IT)
- Moscow (RU)
- Nuremberg (DE)
- Oporto (PT)
- Römerberg (DE)
- Rueil Malmaison (FR)
- São Paulo (BR)
- Warsaw (PL)
- Vienna (AT)

Biesterfeld Spezialchemie

- Barcelona (ES)
- Bratislava (SK)
- Budapest (HU)
- Grodzisk
- Mazowiecki (PL)
- Hamburg (DE)
- Istanbul (TR)
- Kiev (UA)
- Liestal (CH)
- Milan (IT)
- Moscow (RU)
- Norrköping (SE)
- Parainen (FIN)
- Prague (CZ)
- Oporto (PT)
- Rueil Malmaison (FR)
- Vestby (NOR)
- Warsaw (PL)
- Vienna (AT)
- Zagreb (HR)

Biesterfeld International

- Bangkok (TH)
- Guatemala City (GT)
- Hamburg (DE)
- Hong Kong (CN)
- Istanbul (TR)
- Jakarta (ID)
- Miami (US)
- Mumbai (IN)
- São Paulo (BR)
- Shanghai (CN)
- Warsaw (PL)

Biesterfeld Performance Rubber

- Abingdon (GB)
- Athens (GR)
- Bangkok (TH)
- Barcelona (ES)
- Chisy (FR)
- Culemborg (NL)
- Florianópolis (BR)
- Hamburg (DE)
- Istanbul (TR)
- Kiev (UA)
- Liestal (CH)
- Limhamn (SE)
- Milan (IT)
- Moscow (RU)
- Prague (CZ)
- Oporto (PT)
- Römerberg (DE)
- Rueil Malmaison (FR)
- Saint Ouen l'Aumone (FR)
- São Paulo (BR)
- Warsaw (PL)
- Vienna (AT)
- Zagreb (HR)

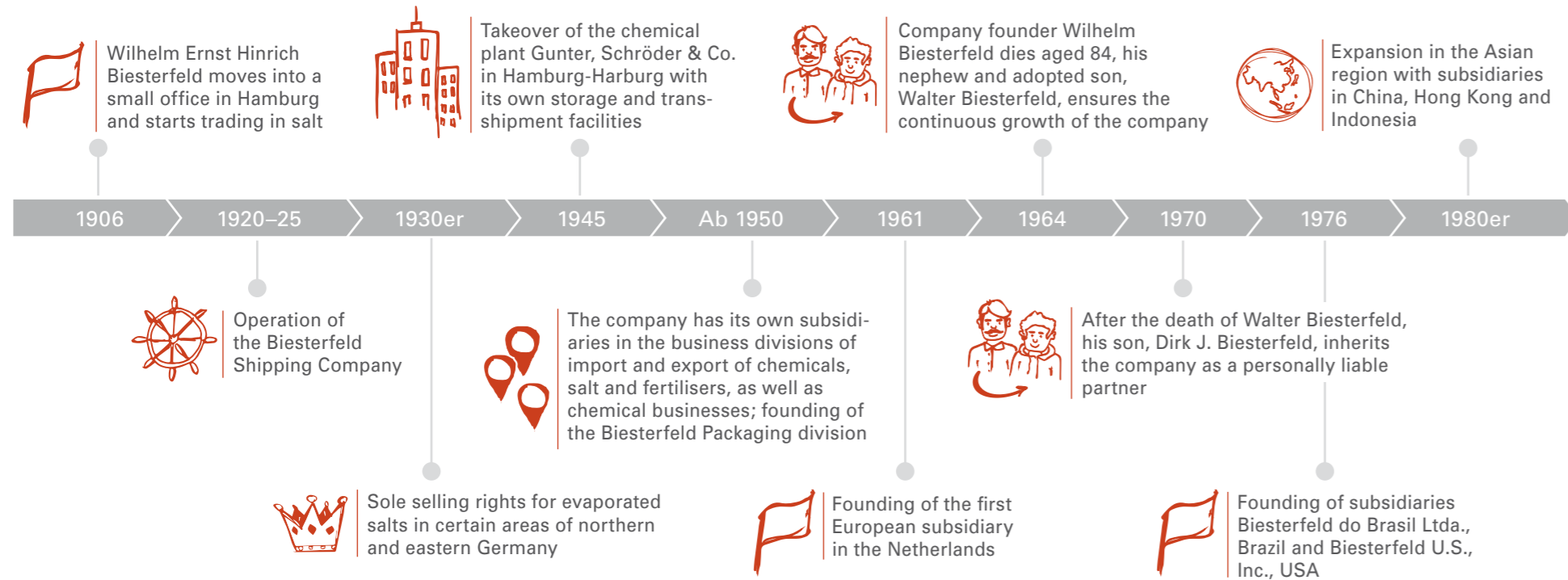
Biesterfeld locations included in this year's Sustainability Report

LOOKING BACK OVER THE HISTORY

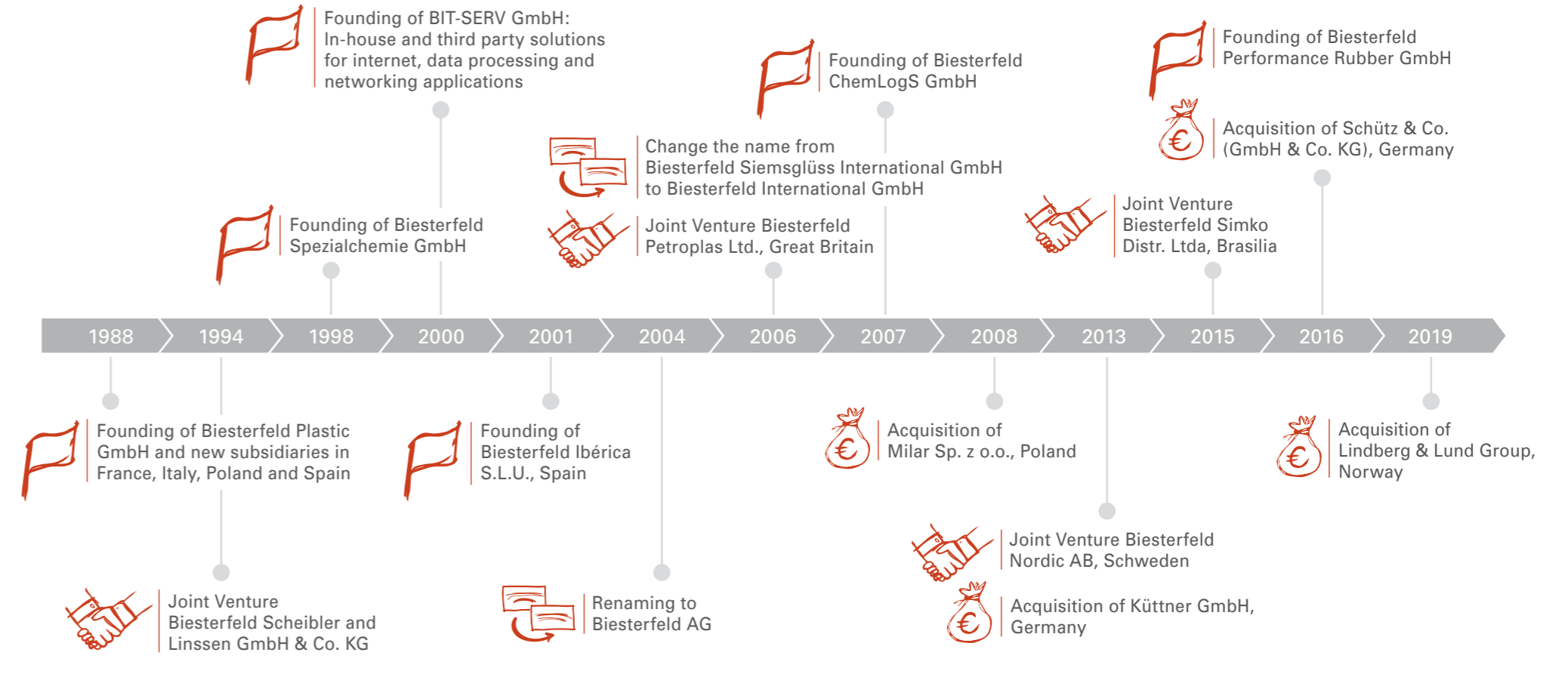
The story of Biesterfeld began in Hamburg in 1906. Initially geared to the salt trade, the eponymous founder Wilhelm Ernst Hinrich Biesterfeld quickly proved his business acumen. For example, he obtained exclusive selling rights for evaporated salt in certain areas of northern and eastern Germany. As a result of this successful milestone, he set his sights

shortly after on the chemical and fertiliser trade. The new portfolio opened up further opportunities, which led to international expansion. Today the Biesterfeld Group is an **international corporation with more than 30 subsidiaries worldwide**, and the company is now in its third generation of family ownership.

OUR HISTORY



OUR HISTORY



FACTS AND FIGURES

The combination of our skills in the individual business divisions is what distinguishes us and has made us what we are today, namely one of the leading international distributors of plastics, rubber, and basic and speciality chemicals.

Our experienced employees are always on hand to advise our customers, numbering around 20,000, supporting them in selecting and making best use of our products.

2019 included numerous activities within the Biesterfeld Group. We are in a constant process of optimisation, based on the pursuit of our **'One Biesterfeld'** strategy, which involves rethinking long-standing structures, utilising synergies and strengthening the consistent market presence and brand identity of the Biesterfeld Group. For example, subsidiaries operating in the same region have been merged, enabling us to benefit from an exchange of experience and utilise standardised systems and tools. In addition, process flows have been improved, allowing expertise to be shared. The offices in Spain were merged in 2019, and in 2018

the French subsidiaries of **Biesterfeld Plastic and Biesterfeld Spezialchemie were combined to form Biesterfeld France**. The homogeneous product range and uniform corporate image of the locations allow us to focus more on our business activities and simplify internal processes.

Long-term relationships with leading producers and transparent communication by means of constant direct contact partners enable us to strengthen and further expand cooperation. For example, we have started distributing Vistalon™ ethylene propylene diene monomer (EPDM) rubber in the UK and Ireland. Vistalon™ EPDM rubber has extraordinary physical properties and outstanding processing advantages. As well as good ozone and UV stability, it is very resistant to chemicals and heat, is very flexible in cold conditions and has good electrical insulation and an excellent compression set.



Lindberg & Lund AS

In addition, we can supply the extensive portfolio of textile enzymes throughout Europe and in Russia, Turkey and North Africa and also the natural and sustainable portfolio of, for example, ready-to-use peel-off, peeling and rinse-off masks, seawater, clays, marine actives as well as various micro and macro algae in other countries.

Besides successfully developing our distribution partnerships, we have expanded the Biesterfeld Group. **Biesterfeld Spezialchemie acquired the Norwegian Group Lindberg & Lund AS**, based in

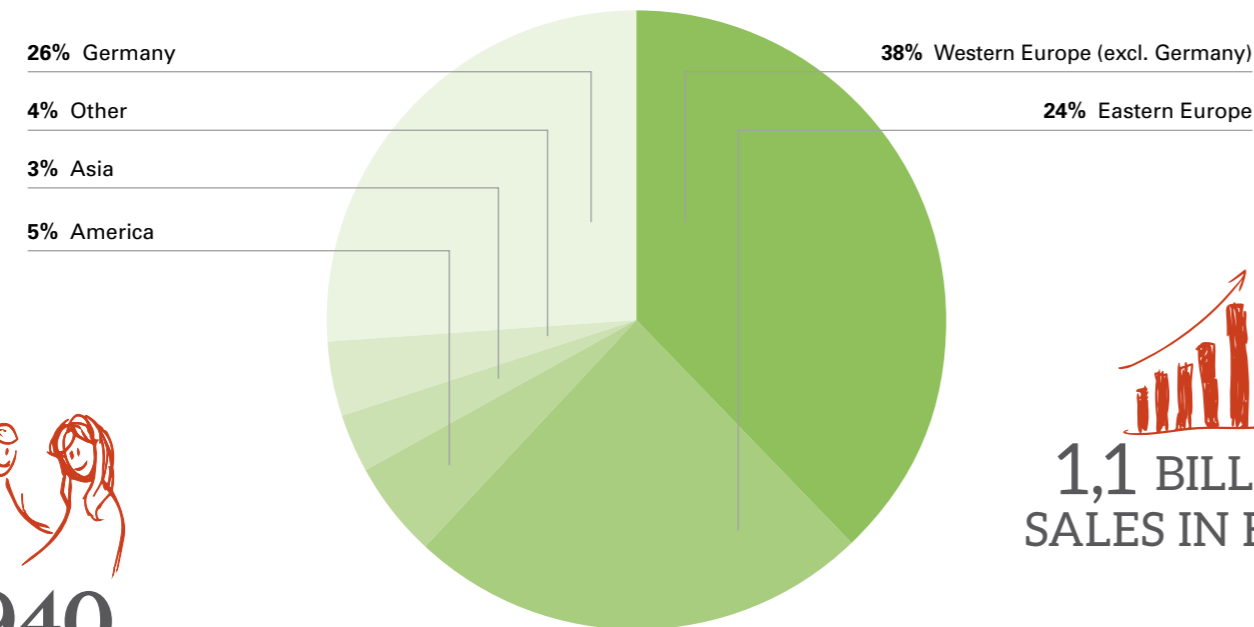
Vestby, and other subsidiaries in Sweden and Finland. The approximately 50 employees in the areas of application technology, distribution, administration and warehousing are now part of the Biesterfeld family. This step will enable us to extend our strategic presence in Scandinavia. The overlap of strategic market segments and the supplier portfolio are perfectly tailored to the Biesterfeld Group.

In 2019, **Biesterfeld International obtained IFS Broker** certification in the area of "Procurement and marketing of food supplements, such as amino acids and plant extracts, and food additives". IFS Broker certification is a standard specially developed for trading companies and importers in the food industry. Based on a uniform evaluation system, this standard guarantees not only food safety, but also the quality of processes and products. Biesterfeld's internal processes were first tested intensively according to the international standard, leading to the company's successful certification, which is valid for one year.

Our company has enjoyed a successful history of more than 113 years, and continues to grow steadily. Our experienced staff enable us to adapt and respond promptly to market trends. This year, the strategic development of the Biesterfeld Group will once again lead to successful implementation of our plans and attainment of our goals.



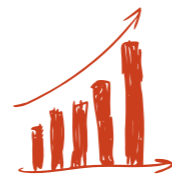
SALES BY REGION, 2018



940
EMPLOYEES
WORLDWIDE



30 LOCATIONS



1,1 BILLION
SALES IN EURO



15.000
PRODUCTS

ECONOMIC INDICATORS FOR THE BIESTERFELD GROUP, 2017–2019*

	2019	2018	2017
Turnover	1,148,609	1,220,652	1,174,604
Operating costs	1,034,570	1,104,198	1,063,289
Wages and other company benefits	66,015	62,574	60,070
Payment to financial backers	27,485	25,793	23,067
Payment to government (taxes)	12,995	13,469	12,588

* Figures in thousands of euros; there is no detailed profit and loss account; further economic data are presented in the Bundesanzeiger (Federal Gazette).

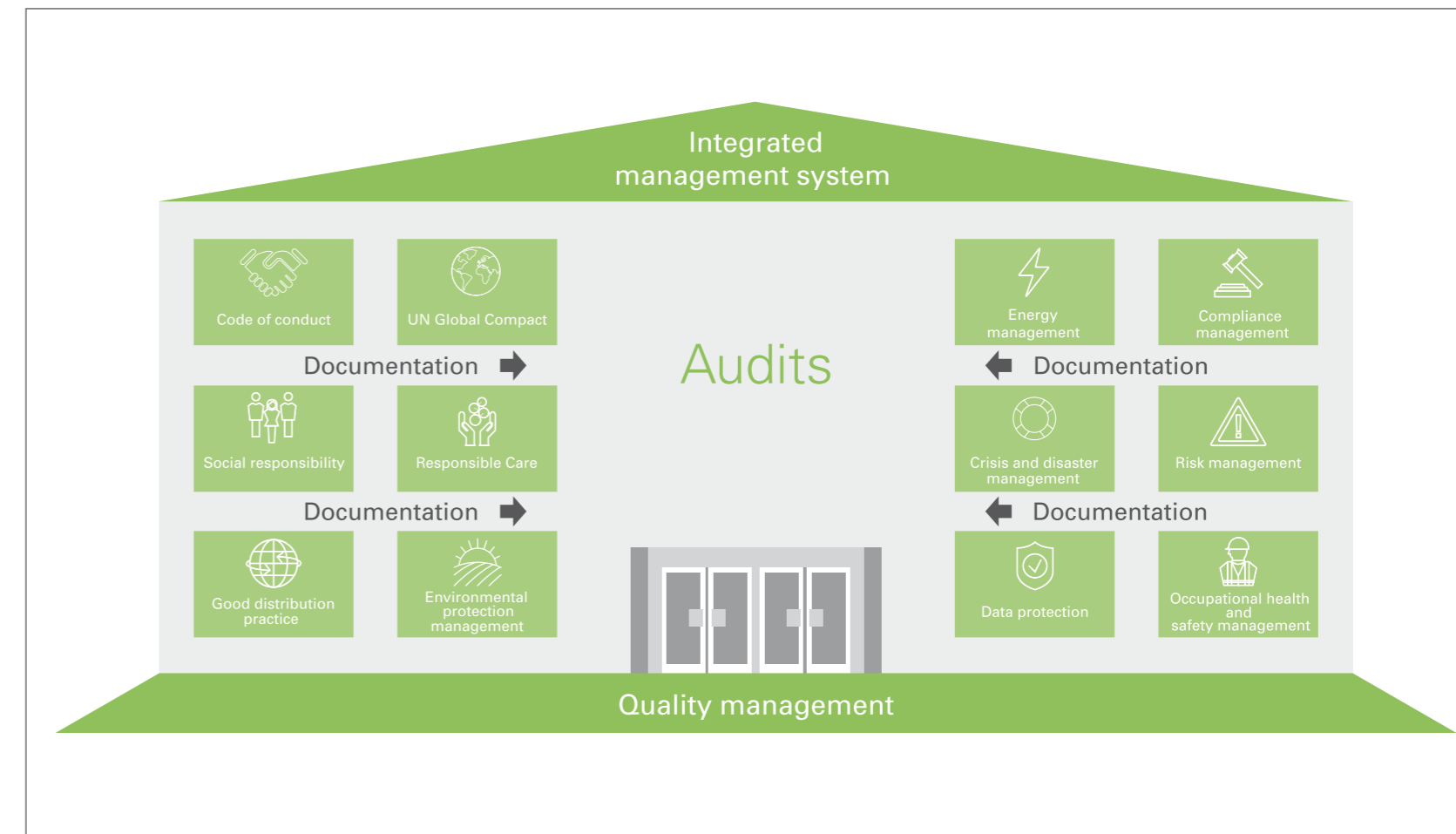
COMPLIANCE

As an international company, it is important that we adhere to clearly defined internal and external guidelines and implement our legal obligations.

Our Compliance department, which reports directly to the Chairman of the Board of Management, is responsible for ensuring compliance with these rules. It supports all subsidiaries with implementing laws and directives and is available to help them in an advisory capacity. Its activities are based on **the Code of Conduct of the Biesterfeld Group** and the integrated management system, which encompasses all the management systems relevant to us, such as compliance, quality, environment, occupational health and safety, data protection, risk and crisis management.



OUR INTEGRATED MANAGEMENT SYSTEM



[BIESTERFELD.COM]

**MANAGING DIFFERENT
LEGAL AND CULTURAL
CHALLENGES**



Our **Biesterfeld Code of Conduct** includes the key corporate and operational principles. It forms the basis for our daily interaction, regulates our dealings with business partners and customers and includes standards and guidelines that apply throughout the Group. The provisions in the Code of Conduct are an important element of our preventive measures to combat any misconduct, such as corruption, that would damage the company. The Code is binding for the whole of the Biesterfeld Group and is a prerequisite for working in the company. In particular, it addresses issues such as **compliance with competition and antitrust law, safety and social standards and human rights**. As our Code of Conduct sets out framework guidelines for our employees, and they are required to adhere to these standards in their business dealings. Any violation of these principles are immediately and appropriately sanctioned, in compliance with labour law.

Every employee receives regular training on the Code of Conduct and has direct access to the current version in German and English via the Group-wide Intranet. Our Code of Conduct is also freely accessible on our corporate website so that partners and customers can also read our business code.



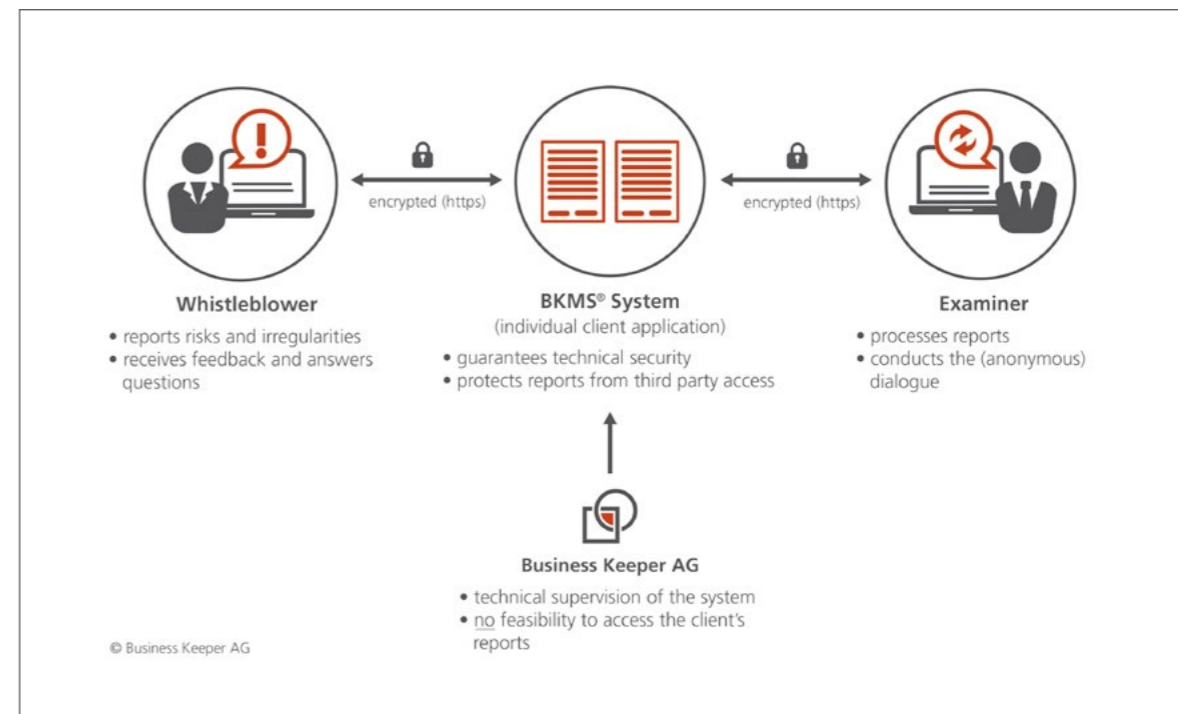
Our **compliance management system** monitors all business activities and processes and is an essential component of conscientious and sustainable corporate management. Thus, in the area of logistics, for example, structural measures are put in place to prevent any processes and conduct that are harmful to business so that legally and regulatorily compliant delivery can be guaranteed. All new and amended legislation is discussed at management level with regard to its relevance to our company and disseminated to all employees.

With the aid of our **Biesterfeld eCademy Tools**, we can train and inform the entire organisation on vital issues. Therefore, all staff have access to this online tool and receive regular training tailored to their jobs. In addition to the reminder function, exams and interactive self-learning modules, all employees receive individually issued certificates upon successful conclusion of the training. These online training sessions enable employees to complete their training flexibly within a specified period, regardless of time and place. Training by the Compliance department is binding for all Biesterfeld staff.

B HONEST – THE BIESTERFELD WHISTLEBLOWER SYSTEM

The Compliance department always tries to raise the awareness of all staff to laws, regulations and internal company rules. To minimise possible compliance risks within the company and protect Biesterfeld from conduct that is harmful to the company, the whistleblower system – **B Honest** – was introduced in 2017. Using the online reporting platform, all Biesterfeld employees

and external persons can anonymously highlight any grievances, wrongdoing or special risks in or for the company. The compliance officers process and manage each report centrally. Each piece of information submitted to the Compliance department is dealt with quickly and confidentially. In doing so, we are pursuing the goal of strengthening and constantly expanding our compliance system and complaints management.





**FORWARD-LOOKING
OUR
SUSTAINABILITY CONCEPT**

The demand for a sustainable corporate structure is firmly anchored in all divisions and at all levels of our company hierarchy.

Our employees are required to incorporate the principles of sustainable management in their decisions. Our commitment to **the United Nations Global Compact and our own Code of Conduct** reflect the importance of sustainability for the Biesterfeld Group.

We see sustainability as an ongoing learning process with long-term successes. This process of learning and self-development enables us to rethink tried and trusted methods and forge new paths. This includes using efficient tools to save electricity or paper, for example, and offering sustainable product solutions.

It is clear to us that each individual advance we make as part of our sustainable commitment helps to make the world more environmentally aware.

Over the years we have observed increasing demand from our customers and suppliers in regard to sustainability-related issues. In addition to the numerous questionnaires that we receive on environmental and social issues, many people request our latest Sustainability Report. We are really pleased about this trend, since the pace of climate change, with the associated impacts, and the question of how to deal

appropriately with non-renewable raw materials present us all with challenges that we can only face together with innovative solutions and responsible action. For this reason, we try to constantly make our supply chain more future-proof and we regularly remind all our partners and customers about the important positive effects of acting in a sustainably conscious way. Therefore, we wholeheartedly embrace the motto **“Deeds, not words”** and hope that other companies will follow our example.

We have set ourselves the goal of steadily reducing our consumption of resources and energy in order to best protect the environment and avoid endangering the world for future generations. Accordingly, we endorse the following statement by the Brundtland Commission regarding its perception of generational justice: **“Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”**

(Taken from the Brundtland Commission’s “Our Common Future” report from 1987.) “Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs.”)

SUSTAINABILITY PROGRESS

ON THE ROAD TO A PAPERLESS OFFICE

A few years ago we started to sustainably redesign processes that involve a lot of printing out and filling in manually. For example, vacation requests and pay slips are now generated and transmitted electronically. By using the **appropriate tools, we can make the processes more effective and transparent.**

Building on the experience gained to date, we are in the process of changing the travel expense management at Biesterfeld locations in Germany. In 2018 a project group was formed with responsibility for introducing a new travel expense system. By converting the tried and trusted travel expense accounting system, which was hitherto based on an Excel list, we will save 38.6 kg paper per year. In the past, travel expenses were recorded electronically in the Excel list, then printed off and presented to the line manager together with supporting documents. After checking the travel expenses claims, the line manager in turn sent them to the relevant bookkeeper. The process was therefore neither fast nor transparent. Since the introduction of the new travel expense tool, claims are entered electronically and the process is started via workflow. Sales representatives always have a transparent overview of their claims and knows what stage of processing they have reached. The travel expense tool shortens the process

considerably, saves a lot of time and sharply reduces paper consumption. As a result of the successful implementation and positive feedback, we are working on introducing the system across the whole Group.



EVERY ONE OF US IS
JOINTLY RESPONSIBLE
FOR THE FUTURE



BIESTERFELD INNOVATION AWARD

Who knows best how the Biesterfeld Group can become even better and more successful? For us, the answer is very clear: our staff! They motivate themselves anew every day and are totally committed to their work. And they are precisely the people who know what innovative ideas are relevant for the Biesterfeld Group. This year saw the launch of our Biesterfeld Innovation Award, which provides gives our staff with a platform through which to contribute their own ideas, giving free rein to their creativity. **Over 100 submitted ideas** were examined and assessed by a five-



person jury consisting of employees and external experts. The provider of ideas of the Top 10 were invited to present their concepts in person to the jury. The numerous proposals included ideas for optimising our marketing and sales activities and more effective design of work processes, but also ways to improve the working atmosphere and social activities in the Biesterfeld Group. Many proposals have already been implemented or are currently at the planning stage. The keen response to the call for entries and the numerous submissions **made the event a complete success.**

SUSTAINABLE UNIVERSITY CONCEPT

To sustainably expand the personnel concept and to train up-and-coming talent for the Biesterfeld Group, we have developed a new concept for professionalising university cooperations. The aim is to sustainably adapt **personnel work at Biesterfeld to the growing internal and external needs.** As part of this approach, various projects have been launched, both to attract new qualified employees to our company and to provide further education opportunities within the company through the courses offered by selected universities. To this end, existing cooperations are being further expanded and new universities selected which offer relevant degree courses. To be directly approachable for young talent, Biesterfeld regularly takes part in job fairs at partner universities. This year, for example, we took our own stand to the **“Forum Wirtschaftsakademie”** at the University of Münster, the

“Chance” fair at the University of Applied Sciences Osnabrück and **the recruitment fair** at the University of Applied Sciences Wedel. In addition to participating in university fairs, Biesterfeld will in future offer company visits and invite students from partner universities to the company headquarters in Hamburg. By means of various workshops, they will be able to form their own picture of Biesterfeld as a company and potential employer. In addition, Biesterfeld employees regularly give guest presentations at partner universities to introduce interested students to our company and our business model.

BIESTERFELD HEALTH DAY AND #HEALTHFORYOU

Sustainability means more than just being on the right track economically and steadily cutting energy consumption and emissions. It is also about **using the resources we have sensibly and sparingly,** and that includes human resources, our employees. Their health is very important to us. For this reason, we held our first Biesterfeld Health Day, to inform our employees about nutrition, health and fitness. For a whole day Biesterfeld employees had the chance to participate in various presentations, workshops, courses, health tests and massages. They were given lots of useful tips on integrating healthy eating into their everyday working life. In addition, our employees had the opportunity to visit the Smoothie



Bar. The overwhelming enthusiasm and positive feedback gave us the idea to publish monthly items on the intranet, taking a closer look at the subject of health. These #Healthforyou items focus on different topics and concentrate on presenting information and exercises for a healthier lifestyle. For example, recipes have been collected, a health quiz with fantastic surprises has been initiated, running campaigns have been started and information has been provided on food which is important for a balanced diet. Some of the items are accompanied by themed snacks, such as nuts or fruit, in the canteens.



SUSTAINABLE PRODUCT SOLUTIONS

We support our customers in producing **sustainable products, improving their ecological footprint and implementing sustainable business practices**. In addition, in our portfolio we offer sustainable raw materials for our customers.

Biesterfeld Spezialchemie, for example, supplies **textile enzyme products**. They are used as catalysts to speed up processing, which allows shorter washing times at lower temperatures. Some products require fewer surfactants, thus reducing the environmental impact. This gives customers of Biesterfeld Spezialchemie a reliable and trusted product that enables sustainable processing techniques and a more efficient production process.

Furthermore, Biesterfeld Spezialchemie has acquired distribution rights for **Kalaguard® SB** for Poland, the Czech Republic, Hungary, Slovakia, Bulgaria and Slovenia. For household applications such as cleaning products, detergents, hand dish-washing liquids, cleaning cloths and fabric softeners, Kalaguard® SB acts as a preserving agent and thereby helps to prevent the growth of microbes. The product has been classified as a low-risk substance by the European Commission for applications subject to the Bioci-



dal Products Regulation, and is preferred to traditional biocides in order to promote the use of products with a more favourable environmental and health profile for humans and/or animals.

In addition, Biesterfeld Spezialchemie offers the extensive portfolio of **aromatic extracts and the odour absorber DeoPlex®** almost the whole of Europe. Aromatic oil and hydrosoluble extracts, which can be used in products as an alternative to perfume, are available in the portfolio. DeoPlex® neutralises the scent in cosmetic formulations or can be used to minimise the unwanted inherent odour of other raw materials. It is also used in detergents and animal care products. DeoPlex® is also available with the USDA Organic certificate and is therefore suitable for use in natural cosmetics.



Our Biesterfeld Plastic division supplies the product **INZEA®**, a bio-based and completely biodegradable and compostable polymer in accordance with EN 13432. It is based on polylactic acid (PLA) and starch from renewable and non-genetically modified raw material sources which are not in competition with the food chain. It is suitable for food contact and can be processed by injection moulding, extrusion and thermoforming with conventional processing machines. INZEA® can be used in a wide range of applications and segments such as packaging, bags, coffee capsules, bottles, housings, household, catering, cosmetics, agriculture, 3D printing and short-life parts.

The innovative product range **ECOZEN®** is also part of the Biesterfeld Plastic portfolio. The temperature-resistant PETG consists partly of renewable raw materials and offers very good transparency, excellent impact strength and remarkable chemical resistance. It can be 100% recycled and is frequently used in cosmetics packaging, household items and toys.

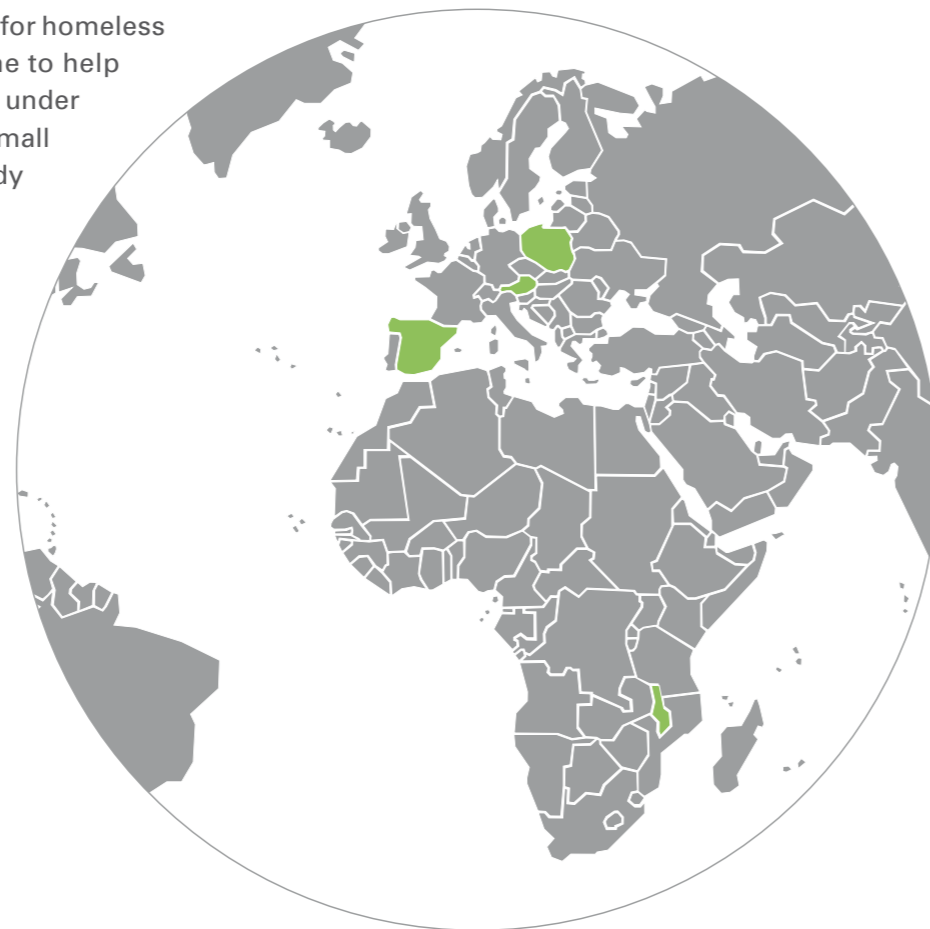
WHAT ARE WE DOING IN...?

In 2018, our colleagues in **Austria** did voluntary work cooking for homeless people, and this year they again gave up some of their time to help people in need. This project was held at the end of the year under the slogan **“Christmas in a Shoe Box”**. It involved packing small gifts and toiletries in shoe boxes and sending them to needy children. The enthusiasm of our colleagues in Austria was tremendous and they were all keen to help, so everything was quickly collected and packed. In total, 23 shoe boxes with small gifts were sent to children in Romania.

Our **Polish subsidiary** offers staff on site **fresh fruit as a healthy snack**. Various seasonal fruits are delivered each week and are then available to all employees for free.

In addition, the Biesterfeld subsidiary in **Poland** became involved in the community and donated around 2000 PLN **to a local sports club**. The donation was used to organise a tennis competition for children.

In **Spain**, Biesterfeld staff receive a **daily lunch voucher** and can enjoy the benefits of freshly cooked meals every day.



OUR CLIMATE PROTECTION PROJECT IN MALAWI

Since 2016 we have been compensating for our business travel with **certified climate protection projects**.

We have now been able to reduce the emissions from our travel as far as possible. In order to do something good for the environment beyond this, we are exploring new avenues and utilising additional opportunities.

Through our compensation we would like to support projects that **benefit people in need and improve their quality of life**. Therefore, like last year, we again chose the certified climate protection project in Malawi.

This project identifies and repairs defective wells in Malawi. In addition to repairing the damaged municipal water points, local people are given training to enable them to carry out construction, maintenance and operation of the boreholes themselves in the future. As a result of these measures, the Malawian villagers will no longer have to boil water, and can drink it safely without any processing. At the same time, the risk of disease resulting from the use of fuel for boiling or the spread of water-borne diseases is reduced.

With the aid of modern water pipes and the provision of fresh drinking water, carbon emissions are simultaneously reduced by 10,000 tonnes of CO2 per year. In addition, the project helps to combat deforestation and desertification in large parts of Malawi by reducing the use of firewood.

We hope that this offsetting will enable us to make a **contribution to sustainably improving the living conditions of local people**.



OUR SUSTAINABILITY OBJECTIVES AND STRATEGIES

OPERATION CLEAN SWEEP®

Our Biesterfeld Plastic division is involved in the international initiative **Operation Clean Sweep®** on a voluntary basis, highlighting just how serious the issue of plastics in the environment actually is: **They do not belong in nature – and certainly not in the sea.**

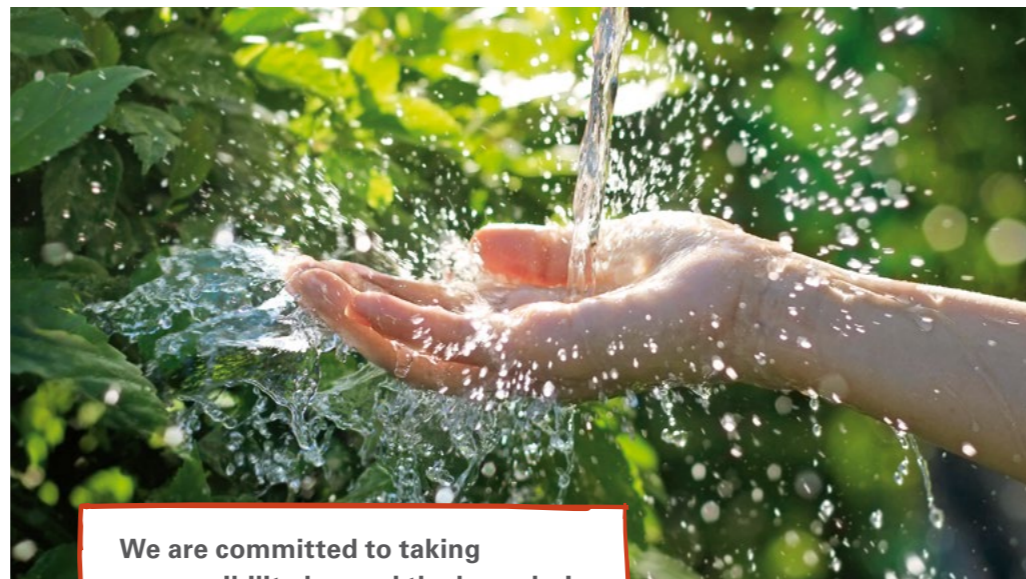
By participating in this global initiative, we want to raise awareness about the importance of **conscientious and careful use of resources** and proper disposal of plastic as well as recycling. The objective is to ensure that plastic granules, pellets, flakes and powders do not end up in the marine environment. One way to achieve this is for all companies in the plastics supply chain (manufacturers, distributors, logistics companies and processors) to comply with strict (storage) site management and retention measures.

For example, strict cleaning of floors and storage areas should mean that no surplus plastic granules are washed into stretches of water or the environment in general. The raw material collected through systematic cleaning is then disposed of properly or – if possible – recycled.

We have set ourselves the task of informing our international logistics partners about this and also convincing them to participate in the Operation Clean Sweep® initiative. To do this, we use our stand at trade fairs or provide information through brochures. **For more information please visit www.opcleansweep.eu.**



[OPCLEANSWEEP.EU]



We are committed to taking responsibility beyond the boundaries of our own business activities.

We must preserve what is good and venture something new in order to take Biesterfeld successfully into the future.

We are convinced that our economic growth can only be sustained in the long term if we **constantly integrate and invest in ecological and social corporate responsibility**. The long-running success story of the Biesterfeld Group is based on high standards and goals which we set for ourselves and which are consistently pursued by experienced employees. The focus is always on ethical and responsible behaviour. It is clear to us that a forward-looking policy must put sustainability at the centre of everything we do as a company.

We attach great importance to ensuring that our actions are consistent with our corporate principles, and we take up the challenge of achieving all this from a sustainable point of view. Biesterfeld staff are encouraged to contribute suggestions and ideas that they consider should be part of the sustainable commitment of the Biesterfeld Group. In this way, the sustainable development of the Biesterfeld Group can be continuously advanced.

Our Company Group is in an ongoing process of sustainable optimisation. This entails systematically reviewing processes and attempting to make them more efficient. Conservation of resources and environmental protection play an important role and are always incorporated into the restructuring process.



We are convinced that sustainability can only be achieved if everyone involved pulls together. That's why we also strongly encourage our suppliers and partners to grab the initiative and commit to conserving the environment and natural resources as well as protecting people and their working rights, just as we do. Regular communication and a proactive information policy on sustainable development are essential for the Biesterfeld Group because we want to always act in a discerning and responsible manner.



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

**OUR ENVIRONMENTAL
RESPONSIBILITY**

We should look to the future to recognise what matters today.

For this reason, sustainable business practices are very important to us and are the focus of our interest.

Environmental protection is extremely important to us, out of conviction and responsibility for society. Consequently, we know what our company consumes and we evaluate the potential impact on the environment. **We set ourselves ambitious targets to keep our consumption to the minimum and to use the available resources as effectively and efficiently as possible.** In particular, we concentrate on those areas where we have a direct influence in order to initiate positive changes. At the same time, we see it as our mission, through communication, ideas and innovative solutions, to inform and raise awareness in all other areas where we have no direct influence. Ultimately we all, collectively, bear responsibility for protecting our world.

As part of our sustainability strategy we shall cut back our consumption of energy, water, paper and other raw materials to the absolute minimum in order to reduce our ecological footprint. For this reason, we record our energy consumption and emissions every year and compare it with the previous year. We also use 2014 as the base year for our first-time reporting. The transparent presentation of these figures underlines our intention and our determination to improve.



We calculate our company's CO₂ emissions in accordance with the **Greenhouse Gas Protocol (GHG Protocol*)** and **DIN EN ISO 14064**. As we have no emissions actually occurring within the company from our activities, we treat the indirect emissions caused by the procurement of energy as being caused by our activities. The levels are determined using information from the GEMIS database.

* Global standard for measuring, managing and reporting greenhouse gas emissions.
DIN EN ISO 14064 Greenhouse gas accounting and verification

HOW WE REDUCE OUR ENERGY CONSUMPTION

We know the areas where we consume the largest amounts of energy and can therefore design suitable measures. Our activities mainly take place in the offices at the Biesterfeld sites, which means that lighting, air-conditioning and ventilation systems plus small appliances and office electrical equipment are an important focus for us.

In Hamburg, we have been purchasing green electricity for our two locations since 2017. By using climate-friendly energy from 100% environmentally friendly sources, we avoid 158,7 tonnes of attributable CO₂ emissions annually.

ENERGY CONSUMPTION AT COMPANY LOCATIONS IN HAMBURG 2019*

The consumption of energy amounted to approx. 1,746 kWh per employees. Compared to the previous year, we have a reduction of -18%.

Energy sources	GJ	kWh	CO ₂ emissions in t
Electricity	1,195	331,830	170
District heating (for room heating)	1,514	420,647	110
Total	2,709	752,477	280

* The figures have been rounded off.

In this year's Sustainability Report, we have included other company locations which can be found on the world map on p. 20. As part of our sustainability strategy, we pursue the goal of recording all emissions and energy consumption of the entire Biesterfeld Group in the report. This enlargement takes place within the framework of defined processes, so that all data is properly recorded.

ENERGY CONSUMPTION OF THE SITES MENTIONED IN THE SUSTAINABILITY REPORT IN 2019*

Employee energy consumption at the specified sites was approx. 2,396 kWh. In comparison to the previous year we have a reduction of -35%.

Energy sources	GJ	kWh	CO ₂ emissions in t
Electricity	3,352	931,204	478
District heating (for room heating)	2,073	575,899	151
Natural gas (for room heating)	621	172,361	35
Total	6,046	1,679,436	664

* The figures have been rounded off. Heating consumption for the UK is included in the electricity consumption because heating is provided via the air-conditioning system.



HOW WE REDUCE OUR EMISSIONS

The Biesterfeld Group's vehicle fleet is one of the indirect consumptions resulting from our activities. To keep these consumptions as low as possible, we are in a continuous modernisation process managed by the Group Fleet Manager. Currently the fleet consists of 89 company vehicles, which meet the latest standards and therefore have low petrol and diesel consumption.

BIESTERFELD GROUP FLEET 2019*

Fuel type	Total consumption in litres	Total consumption in megajoules	CO ₂ emissions in t
Diesel	152,168	5,627,178	500
Petrol	29,575	980,021	84
Total	181,743	6,607,199	584

* The figures have been rounded off. All vehicles registered to the Hamburg headquarters are covered.

Furthermore, employees' travel to the offices is considered an indirect emission, which we determine annually. The good connections to our locations means that employees can travel to work by public transport. To further encourage this, Biesterfeld subsidises monthly travel with HVV (Hamburg Transport Association).

MEANS OF TRANSPORT BY WHICH EMPLOYEES TRAVELLED TO WORK IN HAMBURG 2019*

The emissions per employee for travel to work amounts to approx. 0.8 tons CO₂ per working year. This value has remained constant compared to the previous year.

Means of transport	Journey to/from work in km per working day and employee*	CO ₂ emissions in t per working year**
Bicycle	14	0
Train	117	12
Car	82	145
Local public transport	20	173
Total	–	330

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

** The emission values are calculated by multiplying the number of kilometres travelled.

As we have subsidiaries all over the world and engage in international trade, business trips are an integral part of our activities. We have now replaced many trips with web-based meetings and are increasingly turning to other ways of keeping the number of business trips to a minimum. For example, we use online training sessions or train colleagues who can pass on the knowledge they have acquired to their colleagues.

To set an example and to do something good for the environment and for people, we have compensated for our business travel since 2016. This year, we have again offset the emissions from our business travel by means of a certified project. You can read more about this on p. 41.



BUSINESS TRIPS ACROSS THE BIESTERFELD GROUP 2019*

Flights	Distance in km	CO ₂ emissions in t per year
International flights	2,879,120	439
Domestic flights	381,110	90
Total	3,260,230	529

* The figures have been rounded off.

As a distributor, we act as the link between manufacturers and customers. Therefore, our transportation of goods accounts for the bulk of our emissions. Optimisation programmes and intelligent route planning in logistics service to achieve greater efficiency.

TRANSPORT OF GOODS ACROSS THE BIESTERFELD GROUP 2019*

Type of transport	Amount in t	Average distance in km	CO ₂ emissions in t per year
Road	164,595	280	2,317
Inland waterway	29,451	3,290	3,313
Sea	68,291	12,708	10,509
Air freight	158	4,183	516
Rail	7,806	383	113
Total	270,301	20,844	16,768

* The figures have been rounded off. Quantity and distances are taken from the ERP system and are based on deliveries within Germany (incoming and outgoing)..

We attach great importance to ensuring that our business activities are consistent with our corporate principles, and we take up the challenge of achieving this in terms of sustainability. We ensure that we always act in an ethical and responsible manner, and this forms the underlying principle of our corporate values as a family business. As our economic growth is linked to our indirect emissions, there is limited scope for reducing these. Nevertheless, we are searching for further measures to reduce our ecological footprint. This includes digitizing our processes in order to cut our paper consumption and the quantity of waste produced. In addition we aim to save energy and emissions with innovative and efficient technologies.

Based on our values from previous years, we can compare our emission and energy data and take appropriate measures. In this manner, we were able to optimize processes this year in order to keep our energy consumption and emissions low.

For example, through energy-saving solutions, we were able to reduce the consumption per employee in the Hamburg offices by -18%. Compared to our base year, we have saved about 27 tons of CO₂.

Our fleet has been expanded by six cars. Thus, the emission per vehicle for the year 2019 amounts to 6.6 tons of CO₂ and has remained the same as in the previous year.

The emissions caused by employee travel have remained constant. 72% of our Hamburg's employees use local public transport. This is due in particular to the central location of our Biesterfeld offices in Hamburg city center and the subsidized tickets.

Emissions from business travel were reduced by approx. 267 tons of CO₂. The fact that online meetings are increasingly being used plays a key role here. Despite the reduction of emission values, we have not made any adjustments to our compensation value.

By optimizing Logistics processes, we are able to achieve a reduction in emissions from the transport of goods.



ENVIRONMENTAL INDICATORS 2019

Compared to 2018 and the base year 2014

Typo of emission	CO ₂ in t, 2019	CO ₂ in t, 2018	CO ₂ in t, 2014
Scope 2 Energy consumption at the company headquarters	280	286	307
Scope 3 Vehicle fleet	584	546	436
Employees' journeys to work in Hamburg	330	300	287
Business trips	529	796	614
Transport of goods	16,788	38,164	19,169
Total	18,591	40,092	20,813

* The figures have been rounded off.

The explanations of the calculations can be found on the previous pages under the corresponding tables.

Scope 2: The emissions resulting from the energy with which we use to run our building.

Scope 3: Emissions caused by our activities.



**THE DRIVING POWER
BEHIND BIESTERFELD
OUR EMPLOYEES**



Our employees are the driving force behind Biesterfeld. It is their performance and motivation that enables us to remain successful. We trust our staff and value highly their role in putting the values and standards of Biesterfeld into practice.

It is in our interests to maintain the stability and diversity of our workforce in the Biesterfeld Group. Therefore, we constantly work on optimising sustainable personnel recruitment.

We keep ourselves informed about the latest developments in the labour market and analyse the interests of potential employees. This means we can assess what criteria an employer should meet in order to maintain the interests and motivation of employees in the best possible way. In addition, we encourage active communication with and between staff within the Biesterfeld Group so that we can respond promptly to requests for change and identified needs. Departmental meetings and employee surveys, as well as general events such as works council meetings at which, for ex-

ample, the management board is available to answer employees' questions, are all means whereby we seek to identify employees' needs as best we can and subsequently implement appropriate changes.

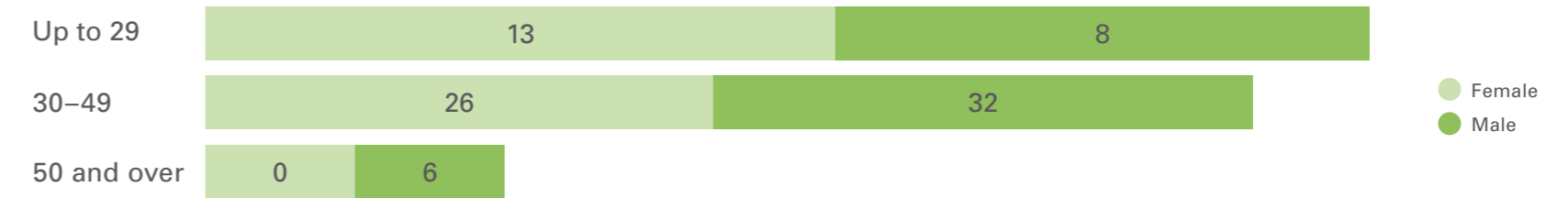
DIVERSITY AS AN INTEGRAL COMPONENT AT BIESTERFELD

At our 30 locations worldwide, people from more than 100 nations work together at Biesterfeld. Therefore, it goes without saying that we do not tolerate any form of discrimination. Regardless of gender, age, religion, nationality and/or sexual orientation, at Biesterfeld: **human being is human being**. We see it as our duty to respect the diversity of our employees and we know that each employee is an enrichment for our company. Their individuality makes us unique together.

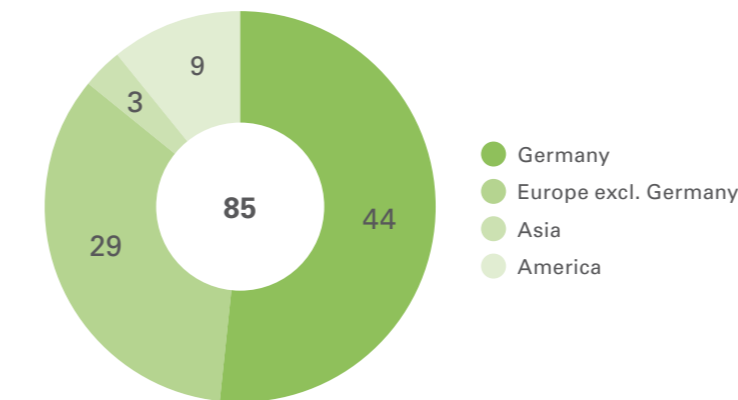
**FOR US,
EVERY EMPLOYEE
IS UNIQUE IN
THEIR OWN WAY**



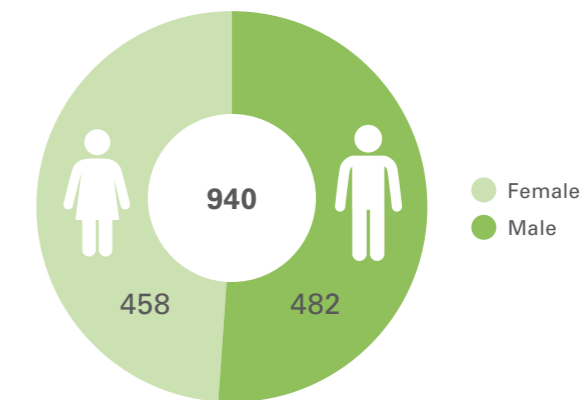
NEW HIRES BY AGE GROUP 2019*



NEW HIRES BY REGION 2019*



WORKFORCE BY GENDER 2019*



102-16, 102-45, 102-46, 102-47, 102-48, 102-49, 103-1, 103-2, 103-3, 401-1, 401-2, 401-3, 403-4, 403-8

102-45, 102-46, 102-47, 102-48, 102-49, 401-1, 401-2, 401-3

HEALTHY AND SPORTY ON THE MOVE

We are actively **promoting the well-being of our staff** by implementing a range of measures. In addition to occupational health and safety, which means ensuring that safety in the workplace always meets the latest standards, we strive to take many additional steps with regard to the health of Biesterfeld employees in the workplace. For example, we offer ergonomic office furniture, such as height-adjustable tables and back-supporting chairs. We



also reimburse the cost of computer glasses (also known as blue light blocking glasses) if an eye test shows that they are required. In addition, we offer this test annually at the Hamburg headquarters as well as a flu vaccination. Every employee has the option to take advantage of these offers free of charge.

Numerous activities outside everyday office life promote interaction between Biesterfeld employees. They can get to know each other better and also meet colleagues from other departments. Our employees can prove their team spirit and take on challenges together at various sporting events. Whether running events such as the Hamburg MOPO Team Relay, or the Hamburg Triathlon, or the annual Hamburg EuroEyes Cyclastics, **Biesterfeld employees prove that they are also a strong team in a sporting sense**. In 2019 Biesterfeld took part in a dragon boat race in Hamburg for the first time. Biesterfeld entered the race with 15 employees. The proceeds from this event benefited the Verein Hamburger Abendblatt hilft e.V. with its initiative "Children Help Children", which supports needy children in Hamburg.

Besides the team events, we have an arrangement with gyms/fitness centres in Germany enabling our employees to enjoy a balance to their daily work routine at a reduced price for monthly membership.

102-45, 102-46, 102-47, 102-48, 102-49, 103-1, 103-2, 103-3, 401-1, 401-2, 401-3, 403-3, 403-4, 403-6, 403-8

BIESTERFELD SOCIAL BENEFITS

Economic developments and the different living situations are contributing to a change in the needs of employees. As this is the driving force behind the performance and motivation of our employees, we are conscientiously working to meet these needs. Our focus is particularly on creating a pleasant working environment where our employees feel good and enjoy working. Fairness, openness and mutual respect play an important role in this.

The numerous benefits that we offer and continually expand are very popular with Biesterfeld employees. At our company headquarters, employees have a canteen with fresh, healthy and varied dishes to suit different tastes. A 50% subsidy allows them to eat cheaply and return to their work well nourished. Furthermore, on warm summer days we provide fresh fruit and smoothies. As a small thank-you for our employees' commitment, we organised in summer an ice cream van, which provided a chance to cool down a bit during the working day.

In addition to looking after our staff at the workplace, we offer flexible working hours and the opportunity for mobile working. Our relationship is based on mutual trust, so it goes without saying that we provide work models that are in keeping with modern times to enable our staff to achieve a good work/life balance. We make no distinction between full-time and part-time employees or fixed-term and open-ended contracts, because we want every company employee to feel comfortable and highly valued.

We have also provided an extensive employee discount scheme for our employees in Germany and Austria. On this platform, well-known suppliers offer their products and services on special terms, giving our employees exclusive advantages and discounts.



102-45, 102-46, 102-47, 102-48, 102-49, 103-1, 103-2, 103-3, 401-1, 401-2, 401-3, 403-4, 403-6, 403-8

OUR SOCIAL BENEFITS AT A GLANCE



102-45, 102-46, 102-47, 102-48, 102-49, 401-1, 401-2, 401-3, 403-3, 403-6, 404-2

CONTINUOUS TRAINING AND EDUCATION

Under the motto **“working together and learning from each other”**, we promote ongoing training and education for our employees through internal training courses. External speakers and employees with specialist knowledge offer training courses which are open to all Biesterfeld staff. The training courses are provided in the Intranet in the Biesterfeld further training catalogue. They deal with specialist topics such as export control, customer typology and profiling as well as methodological and social skills, such as working with Microsoft Office, presenting in English and professional discussion. The Biesterfeld Group attaches great importance to ongoing training and education. We always strive to ensure that experience and expertise is retained within the organisation and passed on to new employees.

In order to better serve the needs of our employees in the area of further development, we have also included digital learning opportunities. For example, we have organised half-yearly licences for employees who want to improve their English language skills. Employees can complete online courses tailored to their language level independent of time and location.

In addition to the internal further training catalogue of the Biesterfeld Group, our staff have the opportunity to take part in external workshops, seminars or conferences. Employees’ needs are determined on the basis of one-to-one staff appraisals with the respective supervisor. In this way, common approaches can be discussed and professional competences and interests can be intensified.



102-45, 102-46, 102-47, 102-48, 102-49, 401-1, 401-2, 401-3, 403,5, 403-6, 404-2

WE ARE THERE EVERY STEP OF THE WAY

Through varied career opportunities **we offer junior staff a promising future at our company.** With in-company training, a „dual study“ programme or in the form of a scholarship, they can begin their career with us. We support our trainees not only professionally, but also personally. In each department, two qualified permanent contact persons are assigned to provide support and advise on all questions relating to training. Our trainees are integrated fully in all our working processes from the outset. For example, they accompany colleagues on visits to customers and suppliers, take part in trade fairs and other organised events. This gives them the best possible insight into the activities and functions of an international company and teaches them step-by-step how to assume responsibility. During their training, they will work in various fields and will, in the process, be able to consolidate and apply their theoretical knowledge. We always strive to ensure that our trainees see themselves as an important part of the Biesterfeld Group. This is what sets us apart as a training company.

The great interest shown by young people in starting their careers with us is testament to our qualities as a training company and how sustainably we nurture our junior staff. On average in 2019,

we had 15 trainees, six of whom also completed a course. Four of these then started their careers with us immediately after completing their training.



EMPLOYEE KEY FIGURES 2019

By employment contract*	Female	Male	Total	Headcount in %
Temporary contract	1	1	2	0.5
Permanent contract	206	206	412	99.5
Parental leave*	Female	Male	Total	Headcount in %
Entitled to parental leave	16	7	23	5.6
Actually took it	16	7	23	5.6
Returned to work with a period of employment of at least 12 months	13	7	20	4.8
Return rate in reporting period	81%	100%	91%	
Trainees**	Female	Male	Total	
Apprentices offered positions	1	3	4	

* Figures apply to the locations considered in the report.
** Values only apply to Germany.



**OPEN AND TRANSPARENT
OUR
REPORTING METHOD**



We measure our performance and success by the levels of satisfaction among our employees, customers and suppliers.

Meeting and exceeding these expectations is our daily goal. Acting in a trustworthy and responsible manner are important characteristics that we, as a traditional family business, have always upheld and have firmly anchored in our corporate culture.

As an international operating company, we see it as our obligation to act sustainably at both global and local level. We are convinced that sustainability can only be achieved if everyone involved pulls together. **That's why we strongly encourage our suppliers and partners to grab the initiative and commit to conserving the environment and natural resources as well as protecting people and their working rights, just as we do.**

For this reason, we regularly communicate with our stakeholders and pursue a proactive information policy regarding our sustainable corporate development. We strive to maintain a strong market position, always with a watchful eye on sustainability.

Our entry into **the world's largest sustainability initiative, the United Nations Global Compact**, in 2014 was a clear indication of the direction of our corporate development. Through ambitious goals and improved processes, we shall pursue our suc-

cesses in harmony with the applicable environmental and social standards. To this end, we shall provide transparent information to our stakeholders annually through our Sustainability Report. We use this instrument to communicate essential aspects of our corporate culture, such as respect for and observance of human rights, responsible and respectful treatment of our employees, and efficient use of technology for an effective reduction of our CO₂ footprint.

The Biesterfeld Sustainability Report is based on the GRI Standards from the world's foremost sustainability standards organisation, the Global Reporting Initiative (GRI). The GRI uses clearly defined specifications to enable transparent information handling and constant comparability by means of a worldwide standard. The core option we selected contains all the important elements and specifications that a company has to include and report in order to ensure sustainable corporate governance. This information outlines the economic, environmental, social and management performance of a company. We take account of the ten principles of the United Nations in the areas of human rights, labour standards, environmental protection and the fight against corruption. The previous report covers the 2018 financial year.

LIST OF THE TEN PRINCIPLES

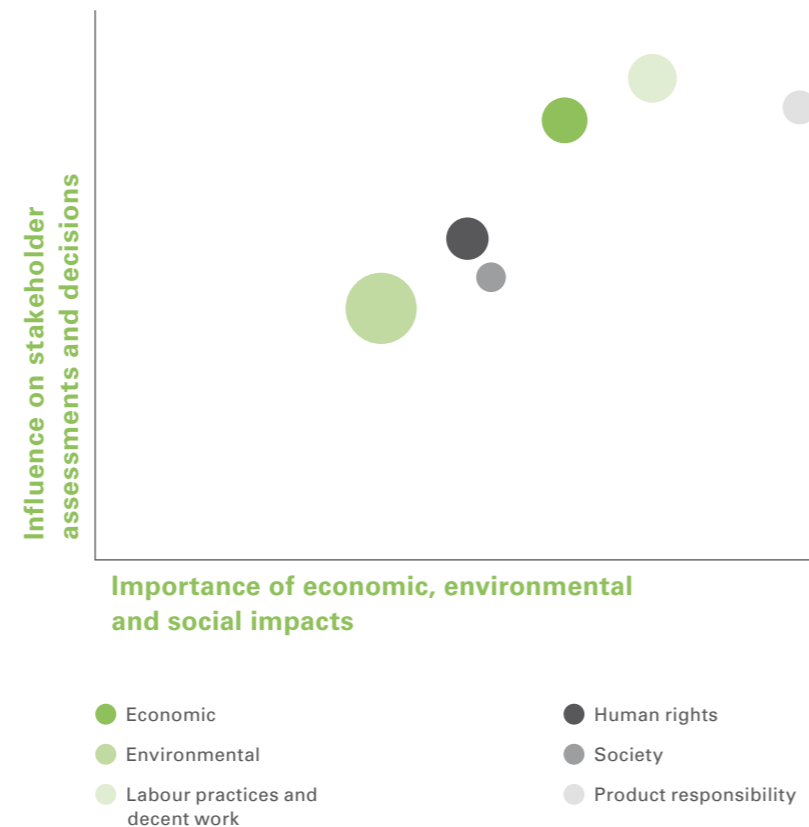
United Nations Global Compact Principles

PRINCIPLE 1	Businesses should support and respect the protection of internationally proclaimed human rights and
PRINCIPLE 2	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	the elimination of all forms of forced and compulsory labour;
PRINCIPLE 5	the effective abolition of child labour; and
PRINCIPLE 6	the elimination of discrimination in respect of employment and occupation.
PRINCIPLE 7	Businesses should support a precautionary approach to environmental challenges,
PRINCIPLE 8	undertake initiatives to promote greater environmental responsibility,
PRINCIPLE 9	encourage the development and diffusion of environmentally friendly technologies.
PRINCIPLE 10	Businesses should work against corruption in all its forms, including extortion and bribery.



MATERIALITY ANALYSIS

The materiality analysis clearly illustrates the indicators that underwent individual assessment. These indicators are grouped into categories. The circles reflect the number of indicators in each category. The x-axis shows the significance of the category in terms of its economic, environmental and social impact. The y-axis indicates how much influence the category has on the assessment made by our stakeholders. The x and y values of the categories are determined from the average value of the indicators individually assessed by ourselves. Hence, for example, we assess that the “Labour Practices and Decent Work” category has significant influence on our stakeholders’ evaluation because it was relatively highly rated in spite of the modest number of indicators. Furthermore, Product Responsibility has a major influence on our stakeholders, but is also of great importance in terms of economic, ecological and social impacts.



LIST OF SPECIFIC INDICATORS

ECONOMIC	
Aspect: Economic Performance	
201-1	Direct economic value generated and distributed
201-2	Financial implications and other risks and opportunities for the organisation’s activities due to climate change
ENVIRONMENTAL	
Aspect: Energy	
302-1	Energy consumption within the organisation
302-3	Energy intensity
302-4	Reduction of energy consumption
302-5	Reductions in energy requirements of products and services
Aspect: Emissionen	
305-2	Energy indirect (Scope 2) GHG emissions
305-3	Weitere indirekte Emissionen

SOCIAL	
Subcategory: Labour practices and decent work	
Aspect: Employment	
401-1	Total number and rates of new employee hires and employee turnover by age group, gender and region
401-2	Benefits provided to full-time employees
401-3	Return to work and retention rates after parental leave, by gender
Aspect: Occupational Health and Safety	
403-5	Worker training on occupational health and safety
403-6	Promotion of worker health
Aspect: Training and Education	
404-2	Programmes for skills management and lifelong learning

 **OUR NEXT SUSTAINABILITY REPORT WILL BE PUBLISHED IN 2021**



GRI CONTENT INDEX



This report was prepared in accordance with the GRI standards: Option “Core”. The Sustainability Report was checked internally and not submitted for external review.

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report. The service was performed on the German version of the report.

GRI standard	Disclosures	Page/URL	Omission	Comments
GRI 101: Foundation 2016				
GENERAL DISCLOSURES				
GRI 102: General Disclosures 2016	102-1 Name of the organisation	P. 5		
	102-2 Activities, brands, products and services	P. 10–15		
	102-3 Location of HQ	P. 76		
	102-4 Location of operations	P. 20–21		
	102-5 Nature of ownership and legal form	P. 12 P. 76		
	102-6 Markets served	P. 10–13 P. 20–21		
	102-7 Scale of the organisation	P. 26–27		
	102-8 Information on permanent employees and other employees	P. 61		
	102-9 Supply chain	P. 10, 15 P. 22–23		

GRI standard	Disclosures	Page/URL	Omission	Comments
Continued GRI 102: General Disclosures 2016	102-10 Significant changes in the organisation and its supply chain	P. 24–25		
	102-11 Precautionary approach and precautionary principle	P. 28–31		
	102-12 External initiatives	P. 19, 42		
	102-13 Membership in associations and interest groups	P. 19, 42		
	102-14 Statement from the senior decision-maker	P. 6–7		
	102-15 Key impacts, risks, and opportunities	P. 16–17 P. 24–25 P. 35		
	102-16 Values, principles, standards and codes of conduct	P. 14 P. 28–31 P. 54		
	102-17 Mechanisms for advice and concerns about ethics	P. 28–31		
	102-18 Governance structure	P. 10, 12, 28		
	102-40 List of stakeholder groups	P. 17		
	102-41 Collective labour agreements	P. 60–61		
	102-42 Identification and selection of stakeholders	P. 16–19		



GRI standard	Disclosures	Page/URL	Omission	Comments
Continued GRI 102: General Disclosures 2016	102-43 Approach to stakeholder commitment	P. 16–19		
	102-44 Important issues and concerns raised	P. 16–19		
	102-45 Entities included in the consolidated financial statements	P. 20–21 P. 54–61 P. 64–67		
	102-46 Procedure for determining the content of the report and the delimitation of topics	P. 54–61 P. 64–67		
	102-47 List of material themes	P. 54–61 P. 64–67		
	102-48 Restatement of information	P. 5 P. 54–61 P. 64–67		
	102-49 Changes in reporting	P. 54–61 P. 64–67		
	102-50 Reporting period	P. 5		
	102-51 Date of most recent report	P. 64		
	102-52 Reporting cycle	P. 64		
	102-53 Contact person for any questions on the report	P. 76		
	102-54 Declaration on reporting in accordance with GRI standards	P. 69		
	102-55 GRI content index	P. 69–74		
	102-56 External audit	P. 69		

GRI standard	Disclosures	Page/URL	Omission	Comments
KEY TOPICS				
Economic Standard				
GRI 103: Management approach 2016	103-1 Explanation of the main topic and its delimitation	P. 10–14		
	103-2 The management approach and its components	P. 10–14		
	103-3 Assessment of the management approach	P. 10–14		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	P. 27		
	201-2 Financial implications of climate change for the organisation and other risks and opportunities associated with climate change	P. 24–25		
Environmental Standard				
GRI 103: Management approach 2016	103-1 Explanation of the main topic and its delimitation	P. 46–47		
	103-2 The management approach and its components	P. 46–47		
	103-3 Assessment of the management approach	P. 46–47		



GRI standard	Disclosures	Page/URL	Omission	Comments
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	P. 47–50		
	302-3 Energy intensity	P. 47–50		
	302-4 Reduction of energy consumption	P. 47–50		
	302-5 Reduction of energy requirements for products and services	P. 47–50		
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	P. 48–50		
	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	P. 48–50		
Social Standards				
GRI 103: Management approach 2016	103-1 Explanation of the main topic and its delimitation	P. 54		
	103-2 The management approach and its components	P. 54		
	103-3 Assessment of the management approach	P. 54		
GRI 401: Employment 2016	401-1 New hires and employee turnover	P. 54–61		



GRI standard	Disclosures	Page/URL	Omission	Comments
Continued GRI 401: Employment 2016	401-2 Company benefits offered only to full-time employees but not to temporary or part-time employees	P. 54–61		
	401-3 Parental leave	P. 54–61		
GRI 103: Management approach 2016	103-1 Explanation of the main topic and its delimitation	P. 54 P. 56–57		
	103-2 The management approach and its components	P. 54 P. 56–57		
	103-3 Assessment of the management approach	P. 54 P. 56–57		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P. 28–29		
	403-2 Hazard identification, risk assessment, and incident investigation	P. 12, 28		
	403-3 Occupational health services	P. 56, 58		
	403-4 Worker participation, consultation, and communication on occupational health and safety	P. 16–17 P. 54 P. 56–57		
	403-5 Worker training on occupational health and safety	P. 59–60		



GRI standard	Disclosures	Page/URL	Omission	Comments
Continued GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	P. 56–58		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P. 12 P. 16–17 P. 28		
	403-8 Workers covered by an occupational health and safety management system	P. 54 P. 56–58		
GRI 404: Education and training 2016	404-2 Programmes to improve the skills of employees and to provide transitional assistance	P. 59–60		

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102-3, 102-5, 102-53



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