

UN Global Compact

Communication on Progress

2018



Corporate responsibility is an integral component of Haniel's corporate strategy. That was confirmed by the Holding Company when it signed up to the UN Global Compact on 27 March 2014 and when it committed again in 2018 to implement the 10 principles. In the 2018 Communication on Progress, the Haniel Holding Company reports on management systems and measures to implement the 10 principles in the areas of human rights, labour standards, environmental protection and anticorruption.

Principle	Obligations and management systems	Measures in 2018	Performance in 2018	Further information
Human rights and labour standards				
1. Supporting human rights 2. Excluding human rights abuses 3. Safeguarding the freedom of association and the right to collective bargaining 4. Eliminating all forms of forced labour 5. Abolishing child labour 6. Eliminating discrimination	Code of Conduct	Human rights aspects and labour standards embedded in the Code of Conduct; divisions are required to issue appropriate regulations	Continual	Haniel CR Report 2018: [Link] Integrating Corporate Values [Link] Other Topics Haniel Annual Report 2018: [Link] Corporate Responsibility [Link] Corporate Governance [Link] Non-financial statement 2018
	Sustainable investments by the Holding Company: A: Management processes throughout the investment cycle phases B: decisionmaking process for financial investments	Integration of appraisal criteria in accordance with the principles of the UN Global Compact in key management processes throughout the investment cycle phases and in the decisionmaking process in financial investments	A: Application of negative industry list and CR criteria catalogue (in all potential acquisition opportunities) Issuance of guidelines and principles for CR management and organisation at the divisions B: CR aspects were taken into consideration in decisionmaking processes for financial investments	Haniel CR Report 2018: [Link] The Divisions' Commitment to CR [Link] CR Considerations for Acquisitions Haniel Annual Report 2018: [Link] Corporate Responsibility [Link] Non-financial statement 2018
	Investment projects of divisions: Capital Expenditure and valuation guidelines	Integration of CR aspects and principles of the Code of Conduct in guidelines	Inclusion of CR aspects in decision-making processes relating to investment projects of the divisions	Haniel CR Report 2018: [Link] CR Considerations for Acquisitions Haniel Annual Report 2018: [Link] Corporate Responsibility [Link] Non-financial statement 2018
	Sustainable procurement	Holding Company procurement guidelines to incorporate CR aspects and the principles of the UN Global Compact	Continual	Haniel CR Report 2018: [Link] Other Topics
	Anti-discrimination	Continued assurance of compliance with statutory regulations by informing employees of General Equal Treatment Act (AGG), appointing an AGG Officer and making a complaints form available for download from the intranet	Continual	
	Development and continued education	A: Annual individual performance assessment for employees B: Offer of a comprehensive continuing education programme at the Haniel Academy as a central component of human resources development within the Haniel Group C: Needs-based offer of participation in external specialist continuing education and training sessions	A: Annual employee dialogues on competencies and potential with all employees and agreement on individual development measures B: Continued education for Holding Company employees at Haniel Academy or with external providers on average of 2.5 training days per FTE in 2018 C: Continual	Haniel CR Report 2018: [Link] Responsibility for Employees Haniel Annual Report 2018: [Link] Corporate Responsibility [Link] Non-financial statement 2018

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	Health management	Further development of the company health management in line with requirements	<p>Offer for all employees to participate in health check-ups, preventative check-ups and sports courses</p> <p>Offer for all employees to prevent psychological stress (e.g., training sessions on stress management)</p> <p>Check-ups for employees over 50</p>	<p>Haniel CR Report 2018: [Link] Responsibility for Employees</p> <p>Haniel Annual Report 2018: [Link] Corporate Responsibility</p> <p>[Link] Non-financial statement 2018</p>
	Maintaining employability	Works agreement on Occupational Integration Management after longer periods of illness	Internal communication and individual solutions for working hours and workload for affected employees	
	Achieving work-life balance	<p>A: Flexible working time models based on works agreements on trustbased working hours and on telecommuting/home office</p> <p>B: Parental leave concept: establishment of mentoring model; subsidising care of pre-school children</p> <p>C: Member of the Fair Company Initiative</p>	<p>A: Continual</p> <p>B: Continual</p> <p>C: Continual</p>	<p>Haniel CR Report 2018: [Link] Responsibility for Employees</p> <p>Haniel Annual Report 2018: [Link] Corporate Responsibility</p> <p>[Link] Non-financial statement 2018</p>
	Diversity	<p>A: Increase share of women in leadership positions</p> <p>B: Works agreement on partial retirement</p>	<p>A: Target share of women working at the Holding Company remains at 10 per cent for the first management level and 6.25 per cent for the second management level</p> <p>B: Internal communication and individual counselling offered to interested employees</p>	<p>Haniel Annual Report 2018: [Link] Employees</p>
Environmental protection				
<p>7. Precautionary environmental protection</p> <p>8. Promoting greater environmental responsibility</p> <p>9. Spread environmentally friendly technologies</p>	Code of Conduct	Environmental aspects embedded in the Code of Conduct; divisions are required to issue appropriate regulations	Continual	<p>Haniel CR Report 2018: [Link] Integrating Corporate Values</p> <p>[Link] Other Topics</p> <p>Haniel Annual Report 2018: [Link] Corporate Responsibility</p> <p>[Link] Corporate Governance</p> <p>[Link] Non-financial statement 2018</p>
	Reduction of ecological impacts	<p>A: Increase in energy efficiency at the business location</p> <p>B: Procurement of electricity from renewable energy sources</p> <p>C: Sustainable fleet: Green Car Policy</p> <p>D: Climate-neutral post</p> <p>E: Sustainable company cantina: procurement of environmentally friendly and socially acceptable foods</p>	<p>A: Reduction of energy consumption by 17 per cent in comparison to 2014 through commissioning of heating and cooling generation equipment</p> <p>B: Use of electricity created 100 per cent from renewable energy sources; by the Holding Company</p> <p>C: All new company cars acquired in 2018 acquired in consideration of CO₂ limits</p> <p>D: Continual</p> <p>E: Continual, switch to e.g., tap water dispensers in June 2018 and organic coffee in October 2018</p>	<p>Haniel CR Report 2018: [Link] Other Topics</p> <p>[Link] Non-financial statement 2018</p>

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Fighting corruption	Commitment to biodiversity	Beehive at the business location	Yield of 36 kg honey in 2018	
10. Measures against corruption	Code of Conduct	Compliance-related issues, e.g. anti-corruption aspects, are embedded in the Code of Conduct; divisions are required to issue appropriate regulations	Continual	Haniel CR Report 2018: Integrating Corporate Values Other Topics Haniel Annual Report 2018: Corporate Responsibility Corporate Governance Non-financial statement 2018
	Compliance management systems	Continued safeguarding of compliance with statutory and internal company regulations through preventive measures, including a compliance reporting system, a compliance officer and a compliance helpline	Continual	Haniel CR Report 2018: Other Topics Haniel Annual Report 2018: Corporate Governance Non-financial statement 2018
	Raising awareness of employees	Training in compliance-related issues	Continual	Haniel CR Report 2018: Other Topics Haniel Annual Report 2018: Corporate Governance Non-financial statement 2018