



# Sustainability Report 2020

Our path towards a sustainable future.

Legal notes

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### The STOCKMEIER Holding GmbH management team

Peter Stockmeier and the management team are optimistic about the future (from left): Oliver Rechtsprecher, Matthias Vogt, Heinrich Eickmann and Dr Uwe Damrau.

The management team is responsible for the company's sustainability management, including its ecological and social impact.

 [www.stockmeier.com/en/responsibility](http://www.stockmeier.com/en/responsibility)

## You'll never get anywhere if you don't go anywhere



**Peter Stockmeier**  
Chairman & Managing Partner  
STOCKMEIER Holding GmbH

**Droughts, floods, forest fires – in a harrowing way, this year's natural disasters have highlighted that our planet is seriously threatened. We must stop or at least slow down the increasingly more obvious consequences of climate change through a strict and uncompromising implementation of ambitious sustainability goals now, at the latest – a process which we already initiated in our family business years ago.**

The main purpose of our internationally focused, long-term sustainability strategy is absolutely clearly defined: We intend to maintain a healthy balance between financial, ecological and social goals in order to lay the foundation for future growth. A comprehensive approach that is already having an effect: In the past year, 2020, we managed to successfully grow our business globally without losing sight of our responsibility towards the environment, the climate and society, a fact also proven by our financial and ecological key performance indicators for this period and illustrated in Chapters 1 and 2.

These results are encouraging and at the same time, they show that sustainable as well as responsible business practices are now not only an integral part of our strategy, but are also prioritised throughout the company. In order to secure the future of our group of companies and its

workforce, STOCKMEIER's main focus is clearly growth. However, we are also always willing to put relevant sustainability goals before short-term business gains, and to strictly further pursue these together with our stakeholders. After all, we can only successfully overcome the challenges of the future, such as population growth, climate change or water scarcity, through teamwork together with the others involved in the process.

We are convinced that we can generate sustainable growth through the optimum use of our resources without harming the planet – provided that all of those concerned make a concerted effort and take as much responsibility for their actions as we are already doing today. As a company that believes in sustainable business practices, we want to show how it is possible to sensibly and successfully reconcile financial goals, ecological needs and

social responsibilities, and to establish a shared understanding of sustainability, in the long term. This goal is not easy to reach, but nevertheless worth all of our efforts. After all, only those who go somewhere can get somewhere.

Kind regards,

Peter Stockmeier



# Sustainable for a good reason

**Sustainability is one of STOCKMEIER's six basic corporate values, and therefore an integral part of our corporate philosophy. With this report, we want to inform our customers, suppliers, trade partners, employees and the public about why sustainable business practices are so important in our company, what we actually understand by the term, how we incorporate the topic into measures and what steps are planned for the future.**

The reporting period covered by this document ranges from 1 March 2020 to 28 February 2021. This is STOCKMEIER's second sustainability report after our first one in 2019. Similar to the previous report, the second edition was also prepared on the basis of current Global Reporting Initiative (GRI) guidelines, namely "Sustainability Reporting Standards". More specifically, these encompass three universal and 33 topic-specific standards that are relevant to gain a fundamental understanding of the key sustainability topics. Together with other, closely linked guidelines that regulate STOCKMEIER's sustainability management from the holding company to the individual subsidiary management level, these standards reflect the company's management approach and therefore represent the basis on which this report was prepared. Please refer to the Appendix (page 50 ff.) for detailed evidence with regard to the use and context relevance of these standards.

## Project start in the spring of 2021

In order to gather and verify the relevance and current status of the illustrated topics as fully as possible, work on the second STOCKMEIER sustainability report already began in the spring of 2021. Numerous conversations and interviews with employees and external stakeholders were held in order to update the existing information and to add or provide

more detailed data with regard to each financial, ecological and social aspect. The results of this work were included in a detailed evaluation of the business topics that are key for the company and its most important stakeholders. This evaluation forms the basis of the STOCKMEIER Sustainability Report 2020/21.

With the aid of a multi-dimensional process, we then classified and prioritised the key and relevant sustainability topics. These are the topics which we believe to be of considerable importance for STOCKMEIER's financial, ecological and social activities, or those that are likely to have a long-term impact on the decisions made by our stakeholders. In addition, we have taken into account the extent to which STOCKMEIER can exert influence on the respective topic and its potential impact. The topics were categorised on the basis of a materiality analysis and included in the sustainability report. In this way, the STOCKMEIER Holding GmbH management team identified the sustainability topics that are of decisive importance for the company and its stakeholders.



## The Sustainability Team

The Sustainability Team is made up of colleagues from various departments who have in part worked on the STOCKMEIER Sustainability Report in small groups, as this photo of Andreas Bardossek, Laura Voges and Mike Dannenberg (from left to right) shows. The other team members are: Dr Uwe Damrau, Anna Carina Lenze, Rüdiger Striewe, Lara Kunau, Sebastian Ringels, Markus Hüser and Sebastian Burkert.





STOCKMEIER Group products and services

Distribution and production of chemicals

STOCKMEIER Chemie, STOCKMEIER Fluids (KRUSE Automotive), BASSERMANN minerals, STAUB & CO. - SILBERMANN, STOCKMEIER Química, De Noord Chemicals, STOCKMEIER Chemicals Belux, INNOCHEM, Quaron, KEMTAN, HDS-Chemie, STOCKMEIER Chemie Austria, STOCKMEIER Chemia, STOCKMEIER Russia

Products

- Distribution of industrial chemicals (organic and inorganic chemicals, solids)
- Distribution of speciality chemicals for the areas of life science, home & industrial care and CASE\*
- Distribution of AdBlue® products + equipment
- Development + production of professional cleaning agents + disinfectants
- Development + production of automotive care products + windscreen cleaners

Services

- Contract manufacturing
- Hazardous substance management
- Product development + laboratory services
- Technical advice
- Sampling service
- Logistics concepts
- Private label

Food STOCKMEIER Food

Products

- Development + production of flavours
- Distribution of food additives

Services

- Sampling service
- Contract manufacturing
- Customised product development

Tissue und Textil KAPP-CHEMIE

Products

- Development + production of printing inks and adhesive solutions for the tissue industry
- Development + production of process and finishing chemicals for the textile industry

Services

- Contract manufacturing
- Technical advice
- Product development + laboratory services

Polyurethanes STOCKMEIER Urethanes

Products

- Development + production of polyurethane systems, adhesives, coatings, primers + binding agents for industrial applications
- Development + production of polyurethane systems for sports and leisure flooring

Services

- Customised product development
- Technical advice

\*CASE stands for coatings, adhesives, sealants and elastomers

Business risk monitoring

When we evaluated the more important concerns in our business environment, we also took the identification and evaluation of the company's key business risks into account. The following key issues are the main business risks for STOCKMEIER: strategic risks, compliance risks, operational risks, financial risks and reputational risks. The evaluation of key business risks includes the identification, recording and tracking of potential project risks, an evaluation of their potential effects on business operations, the level of stakeholder concern and STOCKMEIER's ability to manage or influence these aspects.

Differentiated analysis

In order to illustrate how we intend to meet our sustainability goals, this report not only includes financial and quantitative data, but also qualitative information about our business strategy, corporate governance, supervision and management approach. Unless stated otherwise, the information provided here relates to STOCKMEIER Holding GmbH, and also covers all of its subsidiaries, joint ventures, operational businesses and affiliated companies existent during the reporting period. Where the workforce is concerned, all key figures relate only to the employees of STOCKMEIER and its operational subsidiaries, unless stated otherwise. The environmental data, on the other hand, only relate to the sites owned and operated by STOCKMEIER in Germany. We are also planning to include in future sustainability reports our most recent acquisitions in Spain and France as well as our current and future business operations in the Netherlands,



STOCKMEIER Holding GmbH is the parent company of a family business that has shareholdings in companies that trade in chemicals and companies that make intermediate and speciality products. STOCKMEIER exports to most of the world's countries. All of our international companies are controlled and managed by STOCKMEIER Holding GmbH, and included in the Group's annual consolidated financial statements.

Belgium, Austria, Poland, the Czech Republic, Romania, Hungary, Slovakia, Great Britain, Russia and the USA.

Together for more sustainability

This report illustrates the level of commitment STOCKMEIER continuously invests in the development of new and innovative processes in order to identify the risks and opportunities of sustainable development, and to reflect them in its future business strategy. Internal controls and the monitoring of these processes by the company management will continue to be of key importance. Not all of the information that affects the long-term future of a company can be re-

duced to mere figures. Some important data can potentially only be obtained by working together with stakeholders in order to step up our efforts in the area of sustainable development, and to decide and monitor measures for a number of sustainability aspects. This is how we can help to improve results in this area. In this way, we intend to accelerate key initiatives and support the global transformation by 2050.

**i** If you have any questions about this report, please contact: [Sustainability@stockmeier.de](mailto:Sustainability@stockmeier.de)

# Sustainability also needs growth

**Over the next few years, STOCKMEIER has major plans in terms of sustainability. In a joint interview, Peter Stockmeier, Chairman & Managing Partner of STOCKMEIER Holding GmbH, and Mike Dannenberg, Managing Director of STOCKMEIER Chemie GmbH & Co. KG, explain what the goals look like, how we intend to achieve them and the roles our employees, suppliers and customers play in this process.**



For Peter Stockmeier, sustainability is a key topic for the future

**For years, the topic of sustainability has increasingly become hugely important, irrespective of industries and sectors. What are the reasons for this trend, in your opinion?**

**Peter Stockmeier:** Sustainability has rapidly become an important element of almost all corporate strategies with a long-term focus. Handling natural re-

sources responsibly and effectively protecting the environment and our climate are now key competitive factors that have a major influence on financial and ecological developments in our industry sector, but also on the performance of the individual market participants. A bad sustainability score, for example, can have seriously negative consequences for a company. At the same time, each and every one of us experiences the catastrophic consequences of the decades of exploiting nature and the environment in our private lives every day.

**Mike Dannenberg:** There is also another important aspect. For the younger generation in particular, sustainability is a key criterion when it comes to choosing an employer. As a company that provides vocational training, we want to attract as many talented and high-potential candidates as possible, and ensure their loyalty to the company, particularly in these times of skilled labour shortages. We must therefore also be able to demonstrate a long-term sustainable approach



## Growth creates the preconditions for sustainable practices.

**Peter Stockmeier**

Chairman & Managing Partner STOCKMEIER Holding GmbH

in which environmental aspects and corporate responsibility play an important role. We are on the right track in this respect. The high quota of people who stay with STOCKMEIER after they have completed their vocational training, around 90%, clearly reflects this.

**Sustainability has been a priority for STOCKMEIER for quite some time. Did you recognise the implications of the topic earlier than others?**

**Mike Dannenberg:** I wouldn't put it quite like that. Even though we have already done quite a bit, we are still in the process of establishing and improving our sustainable structures and processes. However, as a family business, we have always greatly valued permanence and continuity, whether during the development of the business, in the relationships with our employees or also in terms of our succession handling. This shared understanding of values is an excellent basis for consolidating and also promoting sustainable practices. Particularly since we are a chemical company, we must approach the topic with extreme sensitivity. We therefore take into account all legal and regulatory requirements designed to protect nature, the environment and society in an accordingly strict way, for example when we commission new facilities or parts of facilities. Certifiable standards that document and guarantee our commitment are extremely important to us.

**Peter Stockmeier:** Taking sustainability principles and values into account has already become a given for us. This high level of identification with sustainable values is a strength, but at the same time also a weakness, as it has led to us in part to neglecting the documentation and verifiability of our sustainable practices. We are currently rectifying this to a great extent, and are illustrating our results and key performance indicators much more consistently. SAP helps us to make this process easier, for example, and to establish better framework conditions with a view to the future.



Mike Dannenberg is fully aware of STOCKMEIER's sustainability potential

**The group of companies has grown considerably over the past few years – especially inorganically. How well do growth and sustainability go together, in your opinion?**

**Peter Stockmeier:** Both objectives actually go very well with each other. Acting with a focus on sustainability calls for a financial basis that permits the planning, realisation and financing of sustainable practices. When you look at the matter from this perspective, growth actually creates the precondition that permits us as a company to emphatically drive the topic of sustainability ahead. By the way, this strategy is also in line with the ideas and requirements of our suppliers and customers. In a global world, especially our major suppliers, but also numerous key account customers, are increasingly looking for solutions that permit them to cover all markets throughout Europe. If we therefore want to maintain or improve our competitive position, we need European growth.

**Mike Dannenberg:** That is also precisely the reason why the prompt implementation and use of our SAP landscape in the new companies is so important to us. With this integration, we not only ensure a high level of data availability and transparency, but also establish the basis for the imple-

mentation of a Group-wide sustainability strategy. This is a long-term process. After all, it's also about the establishment of a uniform STOCKMEIER sustainability culture. However, I'm sure that we will follow this path together with all of the Group's companies and employees.

**In your opinion, what are currently the starting points that offer the highest savings potential?**

**Mike Dannenberg:** As STOCKMEIER is not a major energy consumer, and we also have very little room for manoeuvre in terms of recycling materials because we use them up almost completely during the production process, the supply chain clearly offers the highest potential. Here, we can do business even more sustainably through the utilisation of synergy effects, and reduce our carbon emissions even further. After all, STOCKMEIER's largest cost factor is procurement, so we could still make some significant changes in this area.

We already offer our major strategic suppliers, who want to go down this sustainable path with us, a range of sustainable solutions at a European level. These include, for example, trimodal distribution offers such as transport by ship, rail and



HGV that are demonstrably more environmentally friendly than road transport. Despite everything that has been achieved over the past few years, HGVs are still the number one means of transport. In order to reduce the carbon footprint of our suppliers, as well as our own, we are increasingly using multi-modal transport solutions. We intend to continue to expand this offering in the future.

In order to drive ahead the topic of sustainability more strongly in procurement,

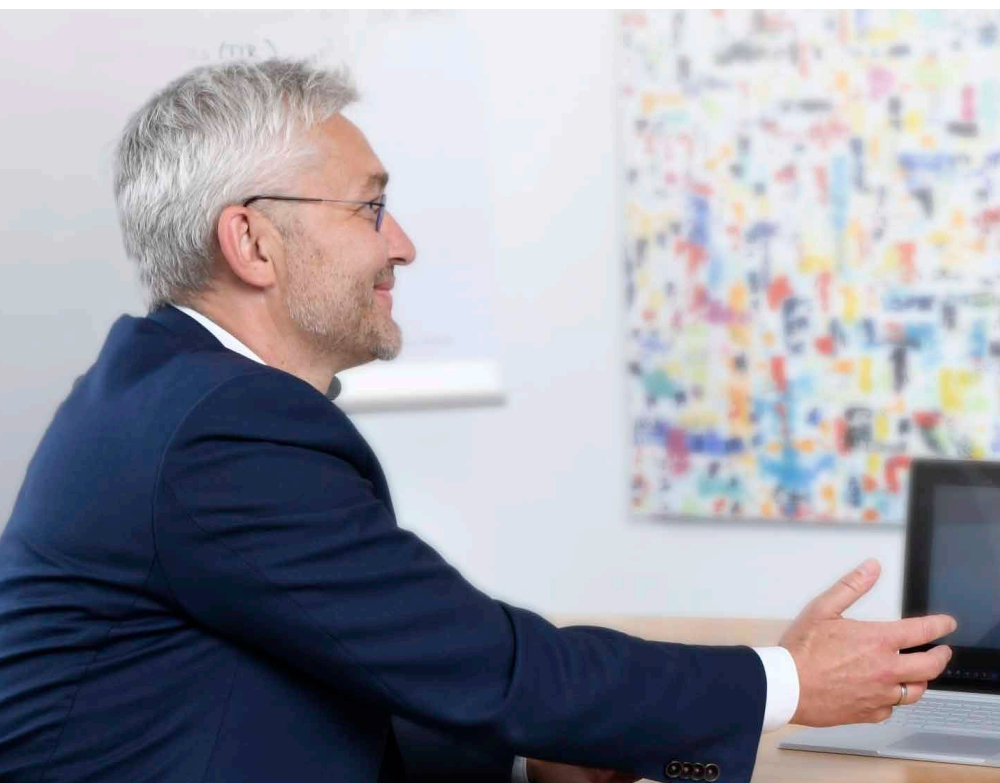
we not only need well-trained employees, but we must also encourage them to choose suppliers with ecological aspects in mind. Previously, an order would often be given to the supplier that submitted the most economical quote. The issue of any environmental pollution associated with this only played a secondary role. We must and intend to change this. This means that we must be able to give our people the necessary information about the respective supplier, their products and processes.

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**We have started our sustainability journey, but we are still a long way away from our goal.**

**Mike Dannenberg**

Managing Director STOCKMEIER Chemie GmbH & Co. KG



Mike Dannenberg develops new responsible concepts together with the Sustainability Team

**Is this one of the reasons why you initiated cooperation with the sustainability platform EcoVadis?**

**Peter Stockmeier:** Yes, although not the only one. Initially, it was about gaining a full picture of our own sustainability activities on the basis of an EcoVadis evaluation. After all, we move around two million tonnes of material every year, and in Germany alone, we have more than 300 employees that are permanently in contact with suppliers and customers. In the course of the process, we realised that one of our considerable weaknesses is the frequently inadequate evaluation of suppliers, which tended to be business-driven in the past, rather than with an ecological stance. In order to change this, we agreed a three-year cooperation with EcoVadis in the autumn of 2020 that has already shown some initial results. We not only trained our buyers to use the platform, but also already completed the first stage of the scheme. For this purpose, we selected 160 suppliers from various categories and invited them to register on the platform and to subscribe to an evaluation. By 12 November 2021, a total of 128 suppliers had already registered and 83 of these have shared their verified scorecard with us, a rate that shows that the topic of sustainability has not only resonated with us, but also with our suppliers.

**How satisfied are you overall with your progress when it comes to the implementation of sustainability measures?**

**Peter Stockmeier:** Although the COVID-19 pandemic continues to have a significant impact on our business operations (for example in terms of material availability), we are consistently pursuing the path we have chosen. We have already carried out, or a currently planning, a range of individual measures in this respect. These include, for example, the newly constructed combined heat and power system for KAPP-CHEMIE which, thanks to state-of-the-art technology,

reduces the carbon volume considerably, the installation of new compressors at the Bielefeld site, or the future procurement of renewable energy. We are confident that these and many other measures will make some contribution to us achieving the goals we have set ourselves even sooner than we expected only a year ago. We have also therefore already brought the goal date for the complete reduction of our carbon emissions to zero forward from 2050 to 2035.

**Mike Dannenberg:** Developments in the energy sector in particular are encouraging. Although we increased our output volumes, our energy consumption has roughly remained the same as last year's. To achieve this, we are investing substantial sums into modern filling equipment that consumes the same amount of energy but has a considerably higher flow rate. These efficiency improvements protect our natural resources and therefore the environment and climate. There are a number of such good approaches like this in our company; however, there is still a lot to do.

**How well-suited is the company's organisational structure to coping with these additional efforts?**

**Mike Dannenberg:** We have started our sustainability journey, but we are still a long way away from our goal. This also applies to the organisation. We have a good team in place that must and will grow over time. In addition to Anna Carina Lenze, who has been dedicating all of her working hours to the topic of sustainability since the end of last year, all of the other team members, including myself, still have other responsibilities and can only dedicate some of their time to sustainability topics. We will have to increase the team size even further at the latest when we consolidate and standardise the sustainability activities of our companies operating abroad from 2022 onwards. One first step is that Lara Kunau, who is responsible for the area of occupational health and safety, will address the standardisation and roll-out




Peter Stockmeier welcomes employee suggestions on the topic of sustainability

of our occupational health and safety policy Europe-wide over the next few months to ensure that we can develop a common understanding of the issue across all the companies in the Group.

**Peter Stockmeier:** On the one hand, there is the Sustainability Team, which introduces the measures, and on the other hand, is the management team, which is one hundred percent behind our sustainability strategy. We must also not forget of course the employees! They are STOCKMEIER's most valuable asset, also when it comes to the issue of sustainability. Many sustainable ideas, suggestions and impetus come from this group of people. They are often related to trivial matters that seem par for the course, but when all is said and done, these measures contribute considerably to the fact that we have made such good progress in the area of sustainability. That is also another reason why we have decided to revive the employee suggestion scheme.

**This means that you intend to involve the employees more actively when it comes to the topic of sustainability?**

**Peter Stockmeier:** We are already doing some of this today, for example, when we offer them the option of leasing business bikes. Our employees are amongst the most important drivers with regard to this topic. It must therefore be our goal to take them on this journey with us. This includes sharing information with them via our employee magazine and the intranet, regular dialogues that we also lead via social media, and also training offers on sustainability topics such as healthcare and occupational health and safety. In addition, we will also include the topic of sustainability in our future performance reviews in order to get better feedback on the needs and requirements of our colleagues, and ideally translate them into measures.

**Mike Dannenberg:** I think that our employees are already highly aware of this topic today. For many of them, sustainable practices tend to be a given and are no longer perceived as a special effort. If we can successfully promote and further raise this awareness, we are bound to achieve our sustainability goals. I am absolutely confident that we will. 



## Financial aspects

Throughout a company history that spans over 100 years, STOCKMEIER's business practices have always been based on key values and fundamental principles. Sustainability is without a doubt one of the most important ones.

## Establish structures, retain values

**Financial growth coupled with sustainable business practices: a combination many companies continue to find difficult to adopt, despite climate change and environmental disasters. Not so with STOCKMEIER. For us, growth is the fertile soil that sustainability actually needs to thrive. The year 2020 has once again shown that this strategy is the right approach.**

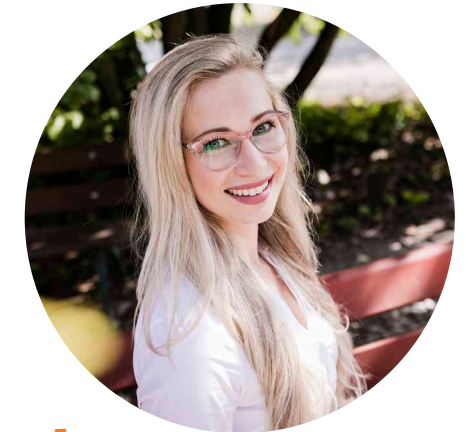
In the reporting period from 1 March 2020 to 28 February 2021, STOCKMEIER's financial performance continued to develop positively despite the fact that the effects of the COVID-19 pandemic could be felt throughout these twelve months. In the 2020/2021 financial year, STOCKMEIER Group's sales revenues increased to EUR 1,024 million (according to the consolidated financial statements). At the same time, we successfully increased the tonnage sold to 1.97 million tonnes, compared to last year. Even though these figures relate to the Group's consolidated financial statements, which only includes the figures from fully consolidated companies\*, the result for the year is extremely positive. "In a difficult year, we successfully held, and in part, even improved our market position. A success that is due to our excellent product portfolio and very good competitive position; above all, however, it is due to our committed and motivated employees, whose dedication to the company did not waver despite all of the restrictions", says Peter Stockmeier, Managing Partner of STOCKMEIER Holding GmbH. This

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**I think it's great that I am helping the company to make progress in an area that is not only highly topical, but also concerns us all.**

**Anna Carina Lenze**

Programme Manager Sustainability in Procurement



heartfelt thanks also goes to Anna Carina Lenze. The qualified wholesale and export management assistant is a talent genuinely home-grown by STOCKMEIER and has worked for the East Westphalian company

for over ten years, ever since she started her vocational training with STOCKMEIER. After various positions in the procurement area, yet another move in late 2020 was to shape her future destiny: Since then, the 30-year-old has been responsible for the company's procurement sustainability management full-time in her role of "Programme Manager Sustainability in Procurement". She has plenty to do: Her core tasks include the management and coordination of the programme, co-operating with the business units and

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\*The companies included are listed individually in the consolidated financial statements appendix. As some affiliated companies were not included in the consolidated financial statements, the figures may differ from the figures in other publications (for example, on the website or in brochures).



the further development of the supplier roadmap. She is also the moderator of the steering committee, she coordinates the continuous development of the respective skills between buyers and suppliers, and is responsible for the centralisation of the reporting system and for ensuring the growth of the programme. In addition, she also has other duties in connection with other topics related to sustainability. She hugely enjoys her job: "I think it's great that I am helping the company to make progress in an area that is not only highly topical, but also concerns us all. That thought motivates me even more." Only a few weeks ago, she passed her certification as a TÜV-certified sustainability manager in accordance with ISO 26000 after a six-day training course, and she already has the next one scheduled. Anna Carina, who was born in Herdecke, doesn't mind the extra effort required. "I find new tasks stimulating, and I'm often quite impatient. However, I can exercise patience when it comes to the topic of sustainability, where the longevity of solutions is paramount", she says with a smile.

Increasing sustainability management

STOCKMEIER is driving the topic of sustainability ahead at an impressive speed. The company already published its first sustainability report, a detailed account of its sustainability activities between 1 March 2019 and 29 February 2020, in 2020. The document illustrates the measures that have already been introduced in order to protect the environment and mitigate climate change, and to ensure the well-being of our employees and other social groups, and what the next steps look like. "For us, sustainability is not just one of our six guiding principles since it is also at the core of our corporate strategy. So, we are addressing the topic very actively", says Mike Dannenberg, Managing Director of STOCKMEIER Chemie GmbH & Co. KG and head of the ten-strong Sustainability Team. The team meets once a fortnight to discuss current issues or to

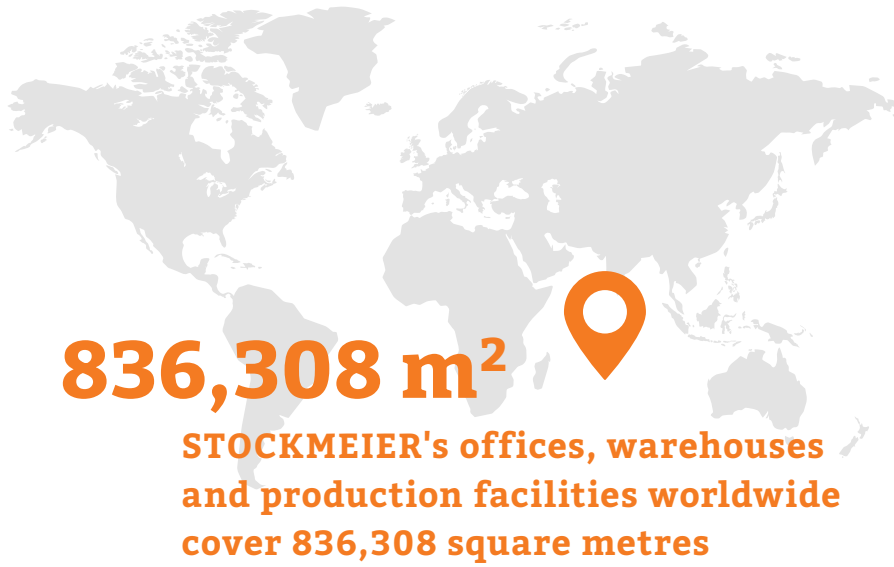
**Our management approach**

Our products and services form the core of STOCKMEIER's business. We continuously optimise the solutions, both those for our customers as well as those for our own business processes, in order to thereby become as sustainable as possible. In addition, we make every effort to use our resources in a way that makes it possible for us to continue to meet the requirements of our customers without compromising the integrity and stability of the ecosystem. We therefore meet the requirements of the present without compromising the capabilities of future generations.

develop new ideas with a view to future tasks and campaigns. "However, if necessary, we also shorten the intervals and meet more often. Sooner or later, we are bound to have to increase the number of team members; at the latest when we integrate our international sites more into the processes", says Mike Dannenberg with certainty.

Until then, the company continues to count on international growth. Even though the majority of our business operations are still based in Germany, we are already generating more than a third of our turnover in other European countries and in North America. Currently, around 1,800 employees work for the group of

companies at its more than 50 business sites in Germany, the Netherlands, Belgium, France, Austria, Poland, the Czech Republic, Romania, Hungary, Slovakia, Great Britain, Spain, Russia and the USA, primarily on the procurement of large volumes of chemicals from producers in order to sell them on to our customers in smaller volumes. Our customer base includes companies from a wide range of industry sectors, such as the automotive and transport industry, the chemical industry, coatings and construction chemicals, distribution, food and drink, local government, paper and packaging, personal care and cleaning. Warehousing, guaranteed availability, technical advice and on-site liaison are other important



STOCKMEIER Group organisational chart



\* STOCKMEIER Chemie, STOCKMEIER Fluids, BASSERMANN minerals, STAUB & CO. - SILBERMANN, STOCKMEIER Química, De Noord Chemicals, STOCKMEIER Chemicals Belux, INNOCHEM, Quaron, KEMTAN, HDS-Chemie, STOCKMEIER Chemie Austria, STOCKMEIER Chemia, STOCKMEIER Russia

services for our customers, who can make their procurement processes easier, save on costs and also lower their risk thanks to our offering.

Tax issues gain importance

STOCKMEIER is well-prepared for the future with its extensive product portfolio. The Group's stable and comfortable financial position is another contributing factor. Adequate untapped bank credit lines are available for liquidity injections. The Group has always met all of its payment obligations on time, and whenever possible, it pays supplier invoices early to benefit from cash discounts. Around half of the Group's assets are fixed assets. The balance sheet total has increased marginally. The Group's long-term financing is secured by an above-average equity ratio. Equity increased from EUR 239.98 million to EUR 280.53 million, corresponding to an equity ratio of 50.8%.

The topic of sustainability is also gaining importance in the finances area of the business. Since 2017, the European Corporate Sustainability Reporting Directive obliges 550 companies in Germany alone to publish a non-financial disclosure report that not only contains information about its business model but also on sustainability aspects such as environmental, employee and social aspects, or respecting human rights and combating corruption. Since 2021, tax aspects must now also be included in this report. For the first time, the Global Reporting Initiative (GRI), which sets the global standards for sustainability communication, has declared tax issues as sustainability relevant. "For companies, taxes are an important financial decision driver. At the same time, the public wants to know whether the companies are also 'good' taxpayers. The issue of tax therefore becomes an important sustainability factor; a development also reflected in various stock exchange indi-

ces and ratings", explains Matthias Vogt, STOCKMEIER Holding GmbH CFO.

Clear responsibilities

The STOCKMEIER parent company, STOCKMEIER Holding GmbH, is responsible for the success of the group of companies, which it oversees from its head office in Bielefeld. Its team of four management executives is the highest level with direct responsibility for the area of sustainability, including the Group's ecological, social and climate change associated impact. The management team verifies and supervises all safety, health and environment related guidelines, programmes and measures that might affect or have an influence on our employees, customers, shareholders and neighbouring communities. All of our business processes are continuously monitored and evaluated via our risk management procedures. These particularly cover operation-

al safety and environmental protection, IT security, compliance and the evaluation of bad debt risks on the basis of continuous monitoring. Procedure rules and position-specific guidelines ensure clarity about the respective responsibilities within the company.

The "Sustainability" steering committee, which consists of members of the STOCKMEIER Holding GmbH management team, is responsible for the sustainability strategy. The "Sustainability" steering committee meets regularly with the Sustainability Team and is responsible for operationalising sustainable business processes and guidelines throughout the entire company, coordinating and communicating fundamental principles and decision-making processes regarding sustainability matters, setting goals and key performance indicators for important sustainability priorities, and evaluating the sustainability outlook and risk management. A wide-ranging catalogue of responsibilities that does not faze Mike Dannenberg, though: "Of course, we are still only at the beginning where some topics are concerned. But what is much more important, after all, is that there is now an awareness of sustainability throughout the entire company and beyond among our stakeholders, and a willingness to address the topic together with us. After all, we can only solve this challenging problem together."

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We can only solve this challenging problem together with our stakeholders.

Mike Dannenberg  
Managing Director STOCKMEIER Chemie GmbH & Co. KG

Stakeholder dialogue

Consequently, the dialogue with the internal and external groups involved in the topic is quite intensive. On the one hand, there are the employees, "the heart and soul of the company", as Peter Stockmeier respectfully refers to them. We want to make STOCKMEIER a company where motivated employees are given responsibilities that are in line with their capabilities. After all, they serve a wide supplier spectrum, which also includes some of the world's largest oil companies as well as major speciality chemical companies. Through professional account management, we have a mutual and open exchange with suppliers in order to understand the risks and opportunities from a wide range of industries. We also want to learn from our customers what challenges they are facing and what support they need. We utilise this knowledge, enriched by the feedback from our customers that

reaches us via the sales teams and the technical support team, to develop and manufacture further high-quality sustainable products and services that are individually adapted to the respective customer requirements.

As a family business, we do not have many shareholders. Instead, we take the views of our financing partners into account in our decision-making processes. We inform them immediately about the developments in our company. As a member of numerous industrial and trade associations, we are also constantly in dialogue with various industry groups with whom we exchange industry-specific specialist knowledge and the latest findings. STOCKMEIER is a member of, for example, the German Chemical Distribution Association [VCH, Verband Chemiehandel e.V.], the Fecc European Association of Chemical Distributors, the German Chemical Industry Association [VCI, Verband der Chemischen Industrie e.V.] and the Hygiene and Surface Coating Industry Association [IHO, Industrierverband Hygiene und Oberflächenschutz].

Acting with foresight

Comprehensive precautionary management is very important to STOCKMEIER. We therefore fully adhere to the 1992 Rio Declaration on Environment and Development precautionary principle in all our decisions and daily activities. We use several mechanisms to identify the hazards, risks and impact of our products. We carry out tests for selected products in order

The six fundamental corporate values



Respect

Respect means politeness, decency and tolerance of difference and diversity. It is important to treat each other as equals, to listen and to not only recognise boundaries but to also respect them. Our day-to-day cooperation is characterised by the motto "We are all part of the big picture!" We demonstrate what it means through core skills such as credibility, reliability, self-reflection and fairness, for example.



Passion

STOCKMEIER focuses on positive working conditions and a high degree of creative freedom in order to foster a passion for work among its employees. Transparent communication, praise and appreciation help everyone to enjoy their work and also strengthen team spirit. Successes are celebrated, even small ones, as this is motivating, which ultimately again engenders passion.



Trust

Trust is the basis for good working relationships. It instils motivation and strengthens mutual loyalty. Communication is key for building trust: giving and receiving feedback is just as important as lending an ear to others. STOCKMEIER operates honestly and transparently, and at the same time, the company also maintains confidentiality. Process safety is important; however, mistakes can still be made that must be confronted in order to find the right solution.



Sustainability

Protecting the environment and the available resources is very important to STOCKMEIER. All decisions are therefore made for the long term – in relation to nature and also our customers, suppliers and workforce. STOCKMEIER does not want to be measured by its words, but by its deeds: employees are supported, offered further training and encouraged to look after their physical and mental health.



Courage

STOCKMEIER is characterised by the courage to follow new paths and to take calculated risks. Courage calls for confidence, for believing in and voicing own opinions, but also for being able to accept constructive criticism – as it can help to improve the chances of making wise decisions. Instead of acting alone, it is about teamwork and mutual support, and about overcoming obstacles together.



Responsibility

Responsibility also includes fairness. This applies to employees, who are offered a secure job in a pleasant working atmosphere, as well as to customers and suppliers. STOCKMEIER has also committed itself to making sustainable decisions due to a feeling of responsibility for the environment. This encompasses questioning our own practices and adapting them for reasons of environmental protection or the company's success, if necessary.

External initiatives

The following initiatives help us with the external auditing and support of the various standards:

- Responsible Care®
  - ISO 9001
  - ESAD II
  - ISO 14001
  - DIN EN 16247 (energy audit)
  - RSPO (Roundtable on Sustainable Palm Oil)
- GMP+ and FAMI-QS (feed standards)
  - bluesign® (textile standard)
  - EcoVadis
  - Sedex
  - ecratum
  - GATE50
  - FSSC 22000
  - ISO 22000



to identify any associated hazards. When testing is not feasible, we comply with the applicable regulatory identification and classification requirements and recommendations in order to identify any product ingredients that may pose a hazard. During the classification of our ingredients and products, we follow the criteria of the globally harmonised system (GHS) for the classification and labelling of chemicals. The GHS offers a standardised approach to the classification of chemicals and the

the precursors of the substances in our portfolio. We have analysed these substances on the basis of the GHS criteria, and have carried out technically robust classifications of our products on the basis of these analyses. At STOCKMEIER, several departments evaluate the product risks – for example, the toxicology, industrial hygiene, sustainability, transport and packaging technology departments. If risks are identified, suitable mitigation measures are implemented.



All product ingredients are strictly monitored and transparently labelled

communication of product safety information. At STOCKMEIER, the GHS standard is applied and implemented through the issuing of safety data sheets (SDS) in country-specific languages. For a thorough analysis of ingredients, we evaluate publicly available information from renowned sources, such as the United States Environmental Protection Agency (EPA), the United States Agency for Toxic Substance and Disease Registry (ATSDR), the World Health Organisation (WHO) and the European Chemicals Agency (ECHA), for example. We collect internal information from our chemical ingredient suppliers in order to facilitate the proper handling and classification of our materials and products. In addition, we also carefully analyse all of

Ethics and integrity as priorities

As an internationally active company, it is important to us to clearly state what a company stands for and where we draw the line. With this goal in mind, we have defined six values in workshops with STOCKMEIER Group managers to guide our company. These guiding principles form the basis of our daily work and are the foundation of successful and future-oriented personnel development. They determine STOCKMEIER Group's business, ecological and social practices and therefore underpin the various codes of conduct and fundamental principles we apply within the company and to our relations to external groups such as customers and suppliers.

Code of Conduct

Our Code of Conduct applies to all employees and all contracted partners that are agents for a STOCKMEIER Group company. They are obliged to strictly comply with its rules. As part of this commitment, we already require all employees to their confirm compliance with the Code of Conduct on the date of their initial employment, and to undergo annual refresher training. STOCKMEIER's key contact person for internal and external whistle-blowers with regard to concerns related to the Code of Conduct is the company's chief financial officer (CFO). All respective reports are thoroughly investigated. In addition, remedial measures are implemented in order to ensure that STOCKMEIER Group's expectations are met. These may, in certain circumstances, go as far as the termination of a business relationship with a customer or supplier.

Guidelines

Through the quality, environmental and occupational health and management guidelines, the company management, as well as all employees, commit to addressing these issues independently, and to continuous improvement. In achieve these goals, a company must give its employees a high degree of personal responsibility. Regular training courses and the smooth flow of information are preconditions for this. Besides these guidelines, many aspects are regulated through procedure rules, sales and procurement guidelines as well as other documents. The STOCKMEIER Group therefore ensures that the international competition law standards and human rights as well as the associated fight against child labour, the exploitation of workers and corruption are heeded and promoted.

Correct in every sense

Any business policy that heeds legal regulations and is guided by clearly de-

defined fundamental values serves the long-term interests of the company. We strive for strict adherence to the highest ethics standards and pursue a zero-tolerance policy towards any breaches of competition/antitrust laws or any form of corruption. STOCKMEIER companies are committed to implementing and complying with competition and antitrust law standards, avoiding conflicts of interest, maintaining data protection and information security, upholding business integrity, complying with country embargoes and sanctions lists and promoting and developing these fundamental principles in all areas of business. We use four main mechanisms to prevent corruption:

- The **dual control principle** involves the requirement that two individuals must approve a process before it can be conducted. The dual control principle is applied to all business transactions with external impact as well as financial matters.
- The **separation of duties concept** requires tasks to be carried out by more than one person. In business, the division of work by separating a single task and allocating it to several people is an internal control element to prevent fraud and mistakes.
- The **SAP authorisation concept** protects the SAP system against the execution of transactions and programmes through unauthorised access. Users can only execute transactions and programmes in the SAP system if they have the respective authorisation level.
- STOCKMEIER is committed to instilling a **compliance culture** in its workforce that is fully in line with all laws, internal fundamental principles and best practices.



3 questions for Matthias Vogt  
CFO of STOCKMEIER Holding GmbH

You have now been a member of the STOCKMEIER management team for around six months. What do you reckon so far?

In actual fact, we managed to continue the successful steady growth of the previous years in the second year of the pandemic. It is an outstanding achievement that is above all due to our wide product portfolio, the company's good position in the most important global markets and the amazing dedication of our employees. At the same time, I see potential when it comes to the further development of individual business areas and the improvement of internal processes, for example during the integration of future potential acquisitions.

Talking about internal processes: what's the latest situation?

In the areas of finance, management accounting and financial reporting, we are currently reviewing our strategies with the aim of establishing clear roles and responsibilities – within the respective organisations, but also between the holding company and the operational segments. We are even already one step further with regard to our IT, where we are already successfully implementing a newly defined strategy (SIT-25). We will generally establish more transparency in the company, for example with a modern Group-wide reporting system. We are also carefully scrutinising our current performance. We intend to improve our touchpoints with all of the other departments in the organisation.

Do we actually have the right employees for these tasks?

HR is facing major challenges. For one, talented people must be identified and promoted, and we must ensure career development transparency and equal opportunities. At the same time, there is an impending gap due to the retirement of the so-called baby boomer generation. STOCKMEIER's attractiveness as an employer in this market therefore also plays an increasingly more important role. Over the past two years, the working world has changed dramatically. We must now find the answers to these changes that are the most suitable for us.

# Keeping our distance to cope with the crisis

**The STOCKMEIER Group's handling of the COVID-19 crisis shows that the company's employees and management can rely on each other even in difficult times. Sustainable business practices as well as confidence in our own strengths were decisive to ensuring that the company managed to do so well during the 2020/2021 financial year despite the pandemic.**



Compliant with COVID-19 regulations thanks to social distancing: In June 2020, Peter Stockmeier was joined by 23 colleagues for a special group photo, with everyone standing apart from each other

When the COVID-19 pandemic reached Europe at the beginning of March 2020, STOCKMEIER also had to change from one day to the next. This change not only involved making it possible for its employees to work from home as soon as possible – the entire strategy design of the group of companies also had to be adapted to the new situation. "In recent years, the only way for us had been up; we had been very successful and managed to continuously expand our group of companies. We invested our profits in acquisitions, and at the time of the outbreak of the COVID-19 crisis, we were in negotiations with a pretty major southern European distributor, for example. We immediately suspended all talks until further notice and shelved any invest-

ments that were not urgently necessary", recalls Peter Stockmeier.

Nearly all our employees managed to get used to working from home, rather than at the office, in a very short space of time

and there were hardly any problems. The new employees who joined the company right in the middle of lockdown were also integrated perfectly into the existing teams and onboarded by their new colleagues remotely via Microsoft Teams. Thanks to an efficient hygiene concept, none of the Group's sites had to close, and none of the production and filling lines had to be shut down. On the contrary: while some areas were hit harder by the crisis, others did disproportionately well. Obviously, the STOCKMEIER product that was most in demand in 2020 was disinfectant. In the course of the COVID-19 pandemic, we upped the production capacity for hand sanitiser fifteen-fold, at times. The areas of the Group that performed above-average and the dedicated teamwork of the employees made the COVID-19 year 2020 STOCKMEIER's financially most successful year since the company was founded in 1920.



## Always up to date

During the COVID-19 crisis, the employees are regularly kept up to date about current events related to the coronavirus, as well as its impact on the STOCKMEIER Group. Besides personal update memos from Peter Stockmeier on behalf of the management team, the employees can also find information on topics such as the coronavirus track and trace app or compulsory mask wearing on the "SIGI" intranet. All communications are published in two languages – German and English.



“

The COVID-19 measures undeniably affect processes. Wearing a mask when you are doing physical work makes it even more strenuous than usual. For some employees, distributing our workforce across more shifts has also disrupted their home life routines. Nevertheless, this was necessary to ensure that we were able to keep production up and running. We are therefore reducing contact between the departments. The lack of personal contact is a shame, but it has certainly helped us to stop the spread of the virus, so far.

**Dirk Ruppmann, Operations Manager KAPP-CHEMIE**



“

For me, it was my first working-from-home experience in a career that has spanned 33 years to date. Luckily, as my children are all teenagers, I did not have to look after any small kids at the same time. On the one hand, not having to commute and therefore save time, petrol and energy was great; but on the other, I really missed the personal contact with my colleagues.

**Julia Kempenich, Reception/Organisation, KAPP-CHEMIE**



“

As I started with STOCKMEIER on 1 April 2020, so during lockdown, my induction was certainly a challenge. However, thanks to my team colleagues, who welcomed me in a very friendly and extremely organised way via Microsoft Teams, starting whilst working from home ultimately didn't do me any harm. I was integrated into the team immediately and was able to play my part right from the start.

**Marco Richter, Marketing & Communications, STOCKMEIER Chemie**



“

Our motto for as long as the pandemic continues is: "Let's stay negative" (*laughs*). We never saw it as a matter of: How can we avoid each other and keep our distance? It was rather: How can we continue to work hand in hand and efficiently with each other in this new situation? As not everyone can work from home, we relied on staggered shift starts, the mandatory wearing of masks and the reduction of the number of people in indoor areas.

**Dr. Matthias Scherr, Operations Manager Gablingen site, STAUB & CO. – SILBERMANN**



“

At the start of lockdown, the first thing I did was to quickly set up a decent workspace at home, including a new office chair and screen, so that I had the right setup for several weeks of working from home. The coordination with the managers and colleagues worked really well. We had already become used to communicating via Microsoft Teams even before coronavirus, as I had rarely been on the premises in Bielefeld in the previous weeks.

**René Wieseotte, Sales & Product Manager, Speciality Chemicals, STOCKMEIER Chemie & KEMTAN AG**

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During the pandemic year 2020, many employees naturally looked at the bigger picture and showed extreme flexibility with regard to the rescheduling of their working hours and relocation to other jobs. From 2021 onwards, many employees also took up the offer of being able to book and attend vaccination appointments in Eilenburg, also during their working hours.

**Frank Lippold, filling, packaging & warehousing team member at STOCKMEIER Chemie Eilenburg**





## Ecological aspects

Planet Earth's ecosystem is becoming increasingly unstable. At STOCKMEIER, we want to do everything we can to stop this process, or to influence it in a positive way.

## Still on course

**Besides numerous other aspects, sustainable business practices also encompass the ability to use the available resources so efficiently for the production process that the output can be increased but the energy consumption remains almost unchanged. That's a feat that STOCKMEIER once again managed successfully in 2020 and proves that we are on the right path with our ecological improvements.**

In the past year, the company consumed 82 kilowatt hours of energy per tonne of direct sales. Compared to 2019, it has therefore managed to improve its energy intensity (a key performance indicator for the energy efficiency of a company calculated as energy unit per unit of business activity) by 3.3%. This progress becomes even clearer if we look back to 2014. Since then, we have managed to increase the energy intensity by around 22% and in doing so, make a valuable contribution to more environmental protection.

Looking back, Andreas Bardossek, Operations Manager and HS/REACH Team Leader, considers the positive development of this important key performance indicator to be one of the highlights of 2020, particularly in view of the fact that the STOCKMEIER Group's direct sales tonnage has increased by around 17.5%: "Despite this considerable increase in production output, our improved environmental footprint and efficiency gains, which are primarily due to investments into more efficient plant and targeted management, obviously ensure that we are able to supply our customers without a proportional energy consumption increase. This shows how highly efficient our production processes have now also become from an ecological perspective." Andreas Bardossek's final summing up is also thoroughly positive with regard

to the annual total ecological footprint: "In 2020, we improved our performance indicators in all of the important areas, and have in part even exceeded our own expectations. However, what is even more decisive in the long term is that we have once again made quite a bit of progress on our way to becoming a sustainable and responsible company – and we have done so in a really difficult business environment that still suffers considerably from the impact of the COVID-19 pandemic."



**In 2020, we improved our performance indicators in all of the important areas.**

**Andreas Bardossek**  
Operations Manager and HS/REACH Team Leader

### Reduced ecological footprint

This is an achievement that is not only a reflection and proof of a sustainable company management approach but also the result of a strategy with a comprehensive focus that not only includes the internal but also external groups. Andreas Bardossek: "By taking ecological aspects into account during the planning of new processes and facilities, and consciously managing environmental risks, we are improving our own performance and can communicate it transparently. At the same time, we are thereby also helping our customers. Thanks to our ground-work, they can not only optimise processes and therefore the products they sell, but also improve their own environmental performance."

### A comprehensive approach

The basis for this successful strategy and the subsequently implemented measures is an integrated management system that includes sustainability and is also used to continuously monitor and evaluate the ecological impact and risks of STOCKMEIER's business operations. All relevant performance indicators are recorded, analysed and processed further – always with the aim of reducing the

ecological impact of our business activities through environmentally compatible approaches in the following areas:

- Improving the efficiency of our consumption of resources such as energy, water and raw materials
- Reducing our carbon and other gas emissions as well as other factors that affect climate change
- Mitigating the environmental impact of noise, water and soil pollution
- Disposing of waste in a proper way
- Performing management, operational and technical controls to minimise the discharge of emissions that harm the environment

The comprehensive approach and above all the continuity with which STOCKMEIER addresses the topic of sustainability give Andreas Bardossek reason to be optimistic about the future: "Sustainability is above all about the long-term synergy of a wide range of quite different components that ultimately all serve the same goal: the conservation of nature and the protection of the environment through lowering our consumption of natural resources." Despite the success so far, he also believes there is still room for improvement in his own company, for example when it comes to recording relevant data: "As a

multinational company, we now operate sites in numerous European countries, for example in Germany, Spain, France, the Netherlands and several countries in Eastern Europe. Nevertheless, we only include the energy data from our German sites in our sustainability report on the basis of a specific financial year." In addition, the energy consumption and carbon emissions data are only related to the energy directly consumed by our own production facilities and delivery vehicles in the course of our so-called direct sales, i.e. transport by means of the company's own fleet of vehicles. However, data regarding the emissions of third-party transport companies (i.e. external companies used for deliveries directly from the producer to the end customer using externally owned means of transport) and regarding the further ecological impact associated with this, are not included in the report, as this information was not available when it was prepared.

### Energy consumption reduced further

The STOCKMEIER Group's gradual direct energy consumption reduction over the past few years also continued in 2020. During this period, our business operations

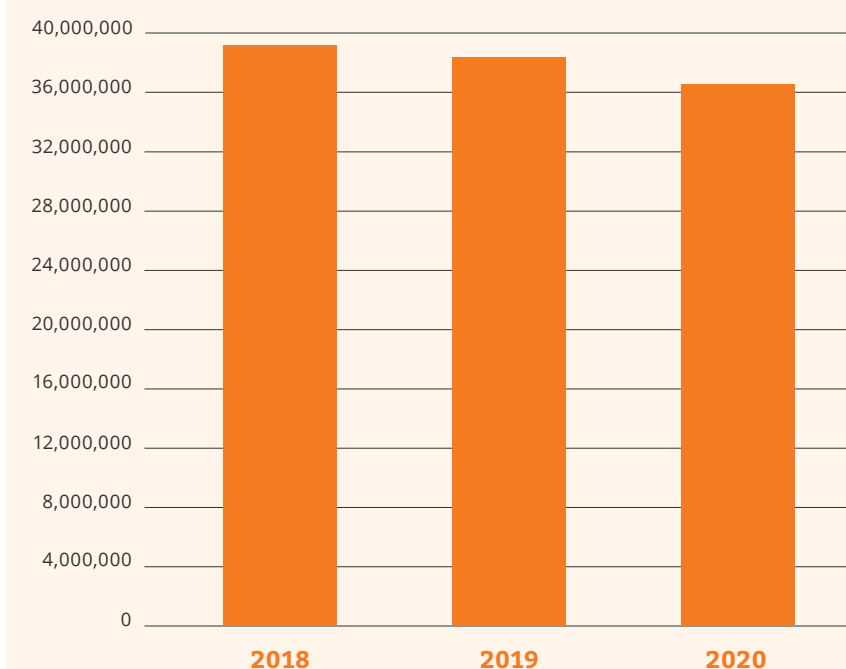
**22 %**  
increase in  
energy intensity  
since 2014

”  
**At STOCKMEIER, we are improving our own performance simply by paying more attention to ecological aspects.**

**Andreas Bardossek**



**STOCKMEIER'S energy consumption in kWh from 2018 to 2020**



consumed around 36.6 million kilowatt hours of energy, and therefore almost 6% less than in 2019. Almost half of this is due to the use of diesel fuels for delivery vehicles and forklifts. The remainder of our energy consumption can be allocated to the natural gas, heating oil and electricity used for heating, lighting and the running of our production facilities and offices.

In almost all areas, we have managed to achieve significant energy savings, and to therefore successfully implement our overriding energy consumption reduction strategy. The following individual measures contributed to this: changing the interior and exterior lighting to LED, fuel-efficient driving as well as optimisation of the HGV routes and packaging.



### Changing the interior and exterior lighting

In order to reduce the energy consumed by our interior and exterior lighting, we have committed ourselves to equipping all of the respective buildings and facilities with LED lights, which use up to 20% less energy than ordinary light sources, during all future building and renovation measures. The new lighting systems will, in as far as this is sensible, be equipped with motion sensors in order to use the energy they consume as efficiently as possible.



### Fuel-efficient driving

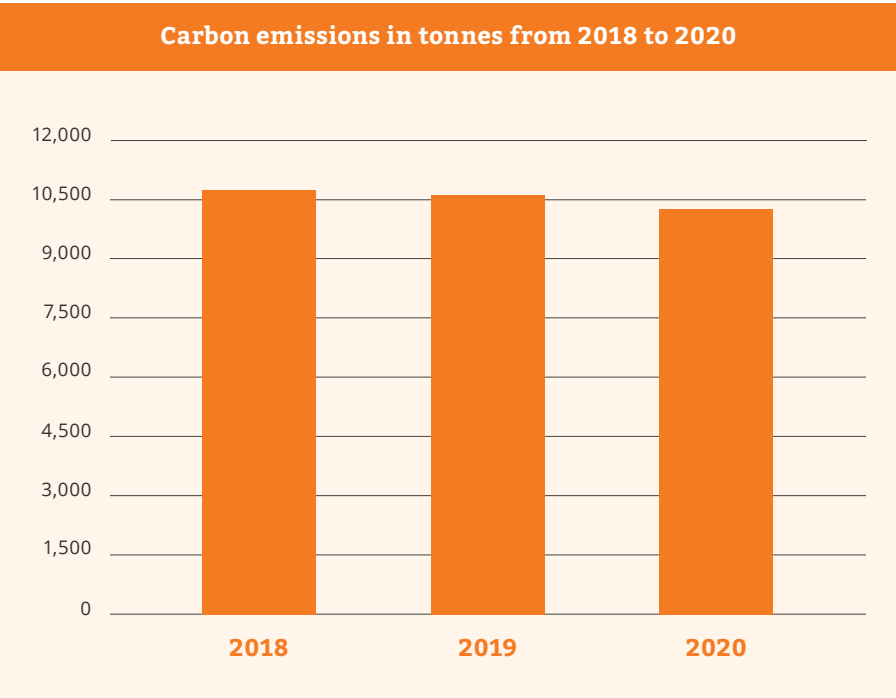
Fuel-efficient driving helps to mitigate the impact on the environment. This also includes anticipatory driving with regard to the flow of traffic. Maintaining a constant speed at low revolutions per minute, changing up a gear in good time and checking the tyre pressure regularly can all help to improve a vehicle's fuel-efficiency, and at the same time increase safety.



### Optimisation of HGV routes and packaging

By constantly optimising product transport patterns, STOCKMEIER's transport planners combine routes to improve HGV load capacity and fuel efficiency. Inefficient packaging increases transport costs and waste, and also affects warehousing and stock-holding capacities. More efficient, reusable packaging such as, for example, intermediate bulk containers, help to reduce costs, emissions and material consumption.





**Lower carbon emissions despite increased output**

Our production facilities do not produce greenhouse gases as a direct by-product. Our direct greenhouse gas emissions are therefore zero. However, STOCKMEIER does produce greenhouse gas emissions through the use of energy, although again, the positive development in this area over the past few years is ongoing. In 2020, we therefore once more managed to slightly reduce our carbon emissions compared to the previous year, and in doing so, lower the carbon emissions per tonne sold, which are now around 33% lower than in 2014.

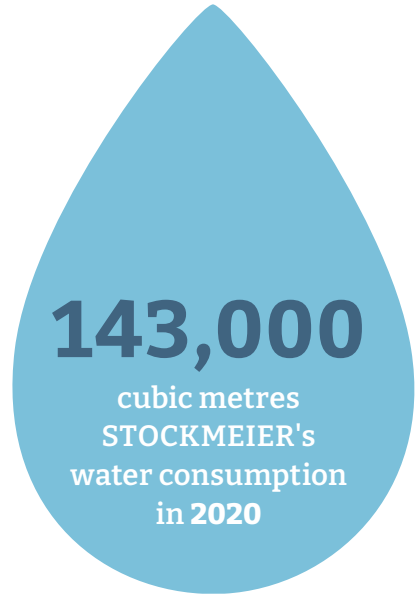
These are encouraging results, which we managed to achieve through focusing on reducing energy consumption and greenhouse gas emissions in a targeted way. We are committed to continuing along this path and to achieving zero greenhouse gas emissions by 2035. We are aware of the fact that the early energy and carbon

emission intensity gains may include so-called "quick wins", and that later gains may call for even greater effort and focus. STOCKMEIER will not stray from the path it has decided to pursue and will keep its eyes firmly on the goal of a sustainable future and zero greenhouse gas emissions.

**Wasting no water**

In view of increasing global water scarcity, using our valuable resource water with great care is becoming ever more important. Even though our company is not a major water user, we are aware of the need to use water carefully. We therefore cover more than a third of our water consumption with groundwater, which comes from the company's own wells. Two-thirds of the water we use is obtained from the municipal water supply system.

Thanks to the careful use of this valuable resource, the STOCKMEIER Group managed to limit its water consumption in 2020 to 143,000 cubic metres. We were



able to largely compensate this required around 3% increase in our water consumption, compared to the previous year, by using more well water, whilst using almost the same level of municipal water as we did in 2019.

More than half of the water used in total by STOCKMEIER flows directly into the end product as an ingredient. The other half of the water consumed by the group of companies is used by the production facilities, typically to regulate the temperature in



the chemical tank systems and for cleaning. Water is also consumed in our offices, and in the sanitary and kitchen facilities of our buildings. The resulting wastewater is monitored and treated at the production facility as required before it is reintroduced into the municipal treatment systems via the sewers. Compared to last year, we managed to reduce the volume of reintroduced water to around 61,000 cubic metres. We have therefore made considerable progress towards our long-term goal of avoiding the reintroduction of water completely in the future.

**Significant waste reduction**

The goal of the STOCKMEIER Group is to supply its customers in the best way possible whilst at the same time keeping our resource consumption as low as possible. An important focus of these efforts lies on the reduction of waste from production facilities. We intend to reduce the volume of waste transported to landfill sites and incineration plants, to conserve natural resources such as wood and minerals and to reduce the requirement for new raw materials in order to save energy.

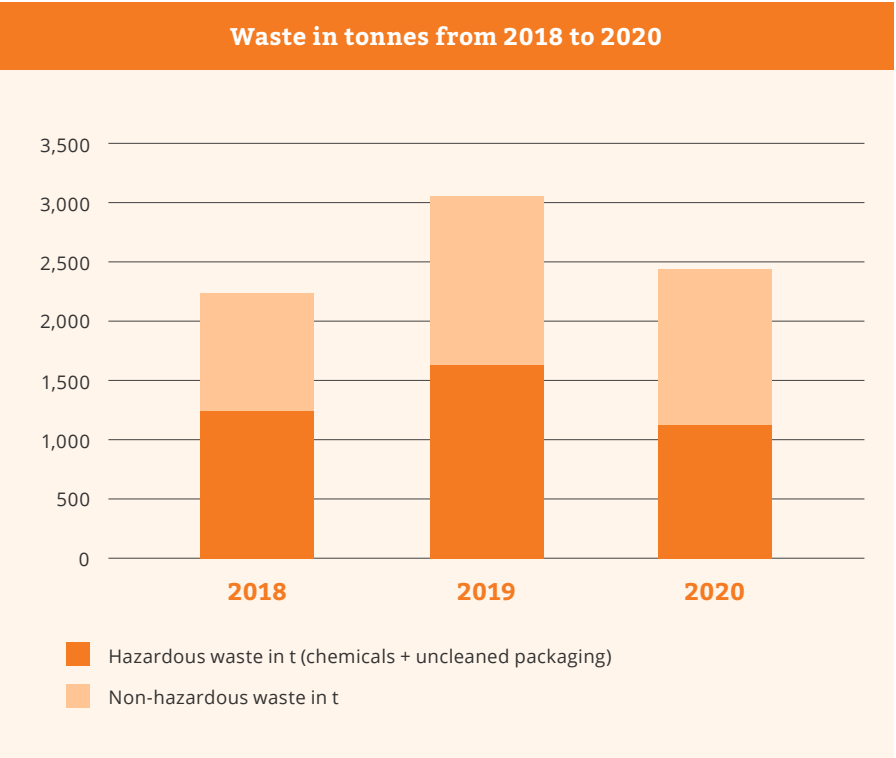
We generally distinguish between hazardous waste, such as chemicals and uncleaned packaging, and non-hazardous waste, such as plastics, packaging, paper and wood. We managed to make significant progress in both areas in 2020. In the area of hazardous waste alone, we successfully reduced the total volume by more than 32% to 1,141 tonnes, compared to last year. The development in the area of non-hazardous waste, where we recorded a total volume of 1,314 tonnes, and therefore a reduction of almost 5% compared to last year, is similarly positive. Top of the list in this area

are the segments non-recyclable waste (-52%) and plastics (-46%), where we almost halved the volumes produced, compared to the previous year. This is primarily due to the use of recycled materials and reusable packaging, such as intermediate bulk containers (IBC) and pallets, for example. However, the increased use of home working solutions by the employees during the pandemic is also likely to have played a quite significant role here.

Decisive ideas for improvements are frequently put forward by our own workforce. For example, on the initiative of two employees, we already started a project a year ago that involves cleaning used, empty plastic canisters, shredding them in an on-site shredder and treating them

to become reusable material. For Andreas Bardossek, a perfect example for how a great idea becomes a sustainable process: "Often, a small thing becomes the starting point for a complex logistical solution. You only have to keep your eyes open and your mind switched on to spot the potential."

These and numerous other measures have contributed to us being able to successfully reduce the overall volume of waste by almost 20% to 2,454 tonnes in 2020, compared to the previous year. This is an outstanding result that motivates us to consistently continue down our chosen path. We therefore continue to feel committed to the goal of reducing waste of any kind and origin produced in connection with our business operations to zero.







**Commitment to climate change appeals to our partners, customers and employees**

We are fully aware of the fact that we will not achieve zero carbon by 2035 alone by making technical changes (particularly with regard to our own fleet of HGV). We are therefore already intensively addressing possibilities for carbon compensation today, such as, for example, participation in tree planting projects, the acquisition of nature compensation sites for reforestation and so on. We are making a concerted joint effort now for a green and sustainable future.



**Establish and maintain**

As the results described above show, we managed to further improve our ecological footprint in 2020 through a number of measures, and have made good progress on our way to reducing our carbon emissions fully by 2035. In order to also keep the direct consequences of our business activities for nature and the environment as low as possible in future, or to imple-

ment solutions that resolve them completely, we are planning a range of additional measures. These include the use of renewable energy from 2022 onwards, and also the use of our own wells, the long-term establishment of nature compensation sites and keeping the soil sea-

ling on our premises as low as possible. A comparatively large part of the overall extent of our premises, 44%, is therefore neither covered by buildings nor sealed. In addition, some of the precipitation is fed into the surrounding green spaces from the sealed areas through drains.



Currently still a prototype, but soon standard: In future, canisters for STOCKMEIER will initially be made in part and later on fully from recycled material.



**Conservation of natural spaces**

Sealing land has a negative impact on the natural water balance. As less precipitation can permeate the soil, many of the processes that normally take place there stop or take place at a slower pace. The groundwater pollution and substance concentration rise, for example, as the soil can filter fewer nutrients and pollutants when precipitation infiltrates it only here and there. At the same time, there is an increasing risk of potable water scarcity, increased drought damage and stronger flooding due to lower groundwater discharge.

Despite this, increasingly more soil is being sealed in the business as well as the private sector. These are developments that are extremely worrying and which we do not intend to support. Keeping soil sealing on the STOCKMEIER premises as low as possible, and the long-term establishment of nature compensation sites are important goals of our sustainability strategy. Currently 44%, and therefore a comparatively large part of our total land neither has buildings on it, nor is it sealed. In addition, some of the precipitation is led away from the sealed areas and into the surrounding green spaces through drainage in order to supply plants, shrubs and grasses with sufficient quantities of water.

**Sustainability is teamwork**

Despite these numerous measures and initiatives, we realise that sustainability only works if all of the stakeholders involved in the value creation process are integrated into the process right from the start and support it actively. Andreas Bardosseck agrees: "Sustainability is and remains teamwork. As a matter of principle, at STOCKMEIER, we therefore not only focus on our own sustainable practices but also address the monitoring of the upstream and downstream processes and ensure their safety. The associated measures primarily concern our suppliers and other service providers involved in the resulting supply chains."

We have worked closely together with most of our around 1,300 suppliers, which include renowned multinationals

such as Shell, Dow Chemical, BASF, Evonik and ExxonMobil, as well as major regional manufacturers, for many years, and trust them implicitly. Regardless of this, we expect all suppliers who cooperate with us to comply with all national laws and regulations. With the potential risks in mind, we therefore evaluate all new suppliers in terms of their compliance with recognised social and environmental standards as well as their employment and environmental practices as a matter of principle. STOCKMEIER suppliers are subject to an approval procedure before they are given the green light. This procedure encompasses a risk assessment with regard to legal, financial, operational or reputational relevant risks. New suppliers must pass this evaluation with flying colours before entering into a business relationship with STOCKMEIER.





Clear rules for a sustainable supply chain

The STOCKMEIER Supplier Code of Conduct forms our standard for checking environmental criteria at our suppliers. We encourage our suppliers to conserve natural resources and to actively commit to reusing and recycling. In addition, suppliers must meet responsible procurement standards that are based on international standards, and encompass key aspects such as workplace health and safety, environmental guidelines, the prevention of harassment at work, diversity, ethics and employment practices as well as a carbon emissions analysis. We expect our suppliers to conduct their relationship with us and our customers, partners and other suppliers in a fair and ethically responsible way and to comply with our sustainability principles. These principles must be applied to all the activities of our



The STOCKMEIER Supplier Code of Conduct specifies the rules for a sustainable supply chain

suppliers and, if applicable, their downstream supply chain. These activities are monitored as part of the EcoVadis evaluation and through supplier self-audits. In the event of a suspected increased risk, the evaluation is carried out in the form of an on-site visit by a STOCKMEIER team

that follows a set supplier evaluation procedure with the aid of a checklist. Suppliers are informed promptly of how we expect them to deal with any potential breaches and the resulting consequences of such an audit.



ecovadis

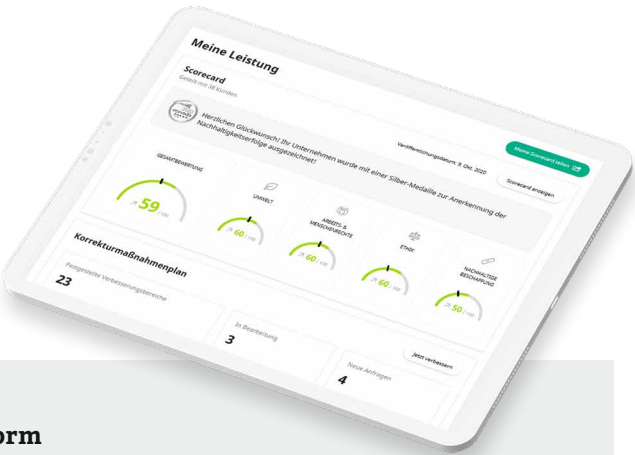
Wie können Sie umweltbezogene, soziale und ethische Risiken unzähliger Lieferanten weltweit überwachen?

Risiken managen | Kosten reduzieren | Effizienz steigern

EcoVadis rating platform

More than 75,000 companies worldwide have so far registered with the EcoVadis rating platform in order to optimise their own performance in the area of sustainability on the basis of the evaluation or their results. Thanks to its wide reach, which extends to over 160 countries, and a high level of practical relevance with over 200 industry sector examples, EcoVadis is one of the most important global sustainability rankings.

www.ecovadis.com



Our core sustainable procurement principles

Human rights

We insist on a respect for human rights in all dealings with any supplier stakeholders (e.g. team members, customers, suppliers, shareholders and communities). The suppliers should support the fundamental principles of the Universal Declaration of Human Rights.

Compliance with all applicable laws at the international, national, regional and local community level

We are aware of the fact that local customs, traditions and approaches differ. However, at the very least, we expect our suppliers to comply with local, national and international laws, such as (and including) all environmental, occupational health and safety and labour laws. We expect our suppliers to subscribe to the International Labour Organization's core labour standards.

Forced or compulsory labour

Our suppliers must not use any forced or compulsory labour, and their employees must be free to terminate their employment after an appropriate period of notice. The employees must not be obliged to leave securities, deposits or documents with their employer.



Child labour

We refuse to accept the use of child labour along the supply chain. No one below the legal minimum age must be forced to work. Children must not carry out any dangerous work or tasks that are inappropriate with regard to their level of personal development.

Equality and diversity

We refuse to accept illegal discrimination of any kind in business relationships, and expect the active promotion of diversity. Our suppliers must not discriminate against anyone in terms of recruitment, remuneration, further education, promotion, employment contract termination or retirement.

Employee well-being and further development

If at all possible, our suppliers should consider flexible working time models to improve the work-life balance of their employees, and support the further education and personal development of their team members.

Disciplinary measures

Employees must be treated with respect and dignity. Any physical or verbal abuse or other kinds of harassment as well as any kind of threats or other forms of intimidation are prohibited. Their freedom of association must be respected to the legally permitted extent.

# Supply chain monitoring

**Sustainable supply chains where goods and commodities as well as information are exchanged in a resource-saving way promote the protection of the environment, the climate and people. They are increasingly becoming a decisive benchmark when it comes to evaluating the sustainability of production processes and products, and to identifying and removing potential risks along the entire supply chain.**



In order to keep the environmental harm as low as possible, STOCKMEIER increasingly integrates road transport via HGV into multi-modal transport solutions

In many European countries and at EU level, there is already a regulatory focus on supply chains. In Germany, for example, the Bundestag parliament passed an "Act on Due Diligence Obligations in Supply Chains" in the spring of 2021. It will come into force in January 2023. For Marina Breiltgens, customer success manager with the industry-leading sustainability rating platform EcoVadis, a resolution that represents an important first step, as it permits companies to implement an effective scheme with regard to due diligence obligations and to establish a risk management system, or to adapt already existing systems: "In order to promote the intended positive impact on the supply chain and to gen-

erate an added value for the company, it is necessary to go beyond a compliance-focused approach and to integrate the topic of sustainability into the business processes and thereby also into the procurement processes. Globally, most companies are still facing a lot of work in this respect."

## Cooperation with EcoVadis

In keeping with our fundamental principle of driving the company's growth exclusively through ethically responsible and legal business practices, we have developed a Supplier Code of Conduct that specifies the employment standards and practices, basic environmental prin-

ciples and documentation and monitoring guidelines with which we expect our suppliers to comply. In addition to this code of conduct, there are also clear fundamental principles and guidelines that specify a comprehensive set of health and safety requirements for our business premises, including confidentiality or immaterial goods handling criteria, and also state that we operate a zero-tolerance policy with regard to conduct that is in breach of the law.

With the aim of making our supply chains even more sustainable, we decided to cooperate with EcoVadis in 2020. The first step was to identify any social and ecological risks as well as their impact on our activities. On the basis of this, we will now develop sustainable strategies and goals. In parallel, we are strengthening and extending relationships with our suppliers in order to prepare them for the imminent new requirements. "We are inviting our suppliers to register with EcoVadis for a sustainability performance evaluation. The good news is that most of the responses to this request have been positive", reports Anna Carina Lenz from the STOCKMEIER Sustainability Team. Until now, over 50% of the 160 suppliers we initially approached have therefore already registered with EcoVadis and have made their data available. This first step is scheduled to be completed by the end of 2021 in order to have an initial database available that will provide the information we need to drive the matter ahead.

## Silver for STOCKMEIER

The team can expect to do the lion's share of the work in 2022, when the remaining 1,140 suppliers have to be contacted. A huge, but also an extremely worthwhile effort, reckons Mike Dannenberg: "For one, we will end up with an overall sustainability rating for our own company, including detailed information on the individual categories. However, it is at least just as important that our suppliers also agree to being evaluated by EcoVadis. This shows us who is serious about sustainability and who is only paying lip service."

The two partners have initially limited their cooperation to three years, with an option to extend it. At least where the company's own rating is concerned, there is also already some positive news: STOCKMEIER has already achieved silver status on the EcoVadis rating platform ranking. The next few months will then show the statuses of our suppliers. Anna Carina Lenze is not too worried: "Time and again, I notice in the course of my day-to-day work how seriously companies are now taking the topic of sustainability. Most have their own code of conduct that is based on the same industry standards and fundamental principles as our code of conduct or the EcoVadis standards. In almost all cases, there is a broad consensus with regard to the application of these codes. I am therefore confident that most of our suppliers will also score well in the EcoVadis rating."



## 3 questions for Marina Breiltgens

Customer Success Manager EcoVadis

### What is the main purpose of EcoVadis?

Our assessment platform uses detailed sustainability assessments to help companies manage risks in their supply chain, reduce costs and drive innovation. At the same time, through collaborative solutions, we support companies in reviewing sustainability performance in their supply chain and in establishing and optimising their sustainable procurement programmes.

### How are the companies and suppliers evaluated?

Each company receives a customised questionnaire. Its sustainability performance in the areas of environment, employment and human rights, ethics and responsible procurement is evaluated and encompasses all of the most important CSR effects of the respective company context. The focus is on rating the CSR management system and the evaluation is carried out on the basis of documented proof. In addition, we carry out a complementary verification audit that covers a wide spectrum of contributions from external stakeholders and takes information and data from over 100,000 sources into account.

### Specifically with regard to this industry, where do you currently see the greatest need for action?

Sustainability is and remains a long-haul issue. Even companies that are already addressing the topic as efficiently as STOCKMEIER must continuously work on improvements and increase the transparency along their supply chain even further. In future, this will not only be about due diligence with regard to human rights, but also about numerous other sustainability challenges such as, for example, mitigating climate change, carbon emissions or the circular economy.





## Social aspects

We are not only responsible for protecting our environment but also for preserving the society and community in which we live. That is why we focus on the people who work for the company as well as others.

## Safeguard the future with corporate responsibility

**A few years ago, Guido Grevener became seriously ill with a pulmonary embolism that left him incapacitated for many months. However, the STOCKMEIER Fluids MRP Planner gradually fought his way back to life, not least also thanks to the help of his employer: "In this difficult situation, the company supported me unconditionally and gave me the time I needed to get back on my feet. That's typical for STOCKMEIER: if someone needs help, they will actually get help."**

This support also inspired self-help. It took the now 53-year-old almost five months to recover from his serious illness; after that, he made some fundamental changes to his life: "I changed my diet and started to exercise more. It was a happy coincidence that STOCKMEIER initiated its bicycle leasing scheme at the same time, because that gave me the decisive impulse." Guido Grevener, who had been overweight since his youth, used his chance and participated in the project, which is financed directly by STOCKMEIER. He now rides his second leasing scheme bike and has found a hobby he would be loath to miss despite a complicated stomach operation in 2018. "Cycling is simply wonderful – especially also because I can do it together with my wife. She also has a leasing scheme bike from STOCKMEIER now, and is just as enthusiastic about it as I am."

In the 20 years he has worked for the company, he has experienced STOCKMEIER as an employer that responds with understanding and consideration to the needs of its employees. An attitude he continues to benefit from to this day: "What I have gone through has made me a passionate volunteer, for example, in an obesity self-help group and a community transport bus scheme. If there's a clash with my working hours, that's usually not a problem. We always find a good solution." Whilst he only



**I also have STOCKMEIER to thank for the fact that I have regained my health.**

**Guido Grevener**  
Disponent STOCKMEIER Fluids



uses the bike for his five-kilometre commute to work from time to time, it has become his trusty two-wheeled companion after work. That's one reason why he remains loyal to the bike leasing project, which has gradually become increasingly popular with the workforce. The same applies to his employer, who supported him during this difficult time with complete disregard for the company's own interests: "At work, it's like in any good relationship: sometimes you give, and sometimes you take. At the end of the day, what is important is that both partners always act with fairness and decency."





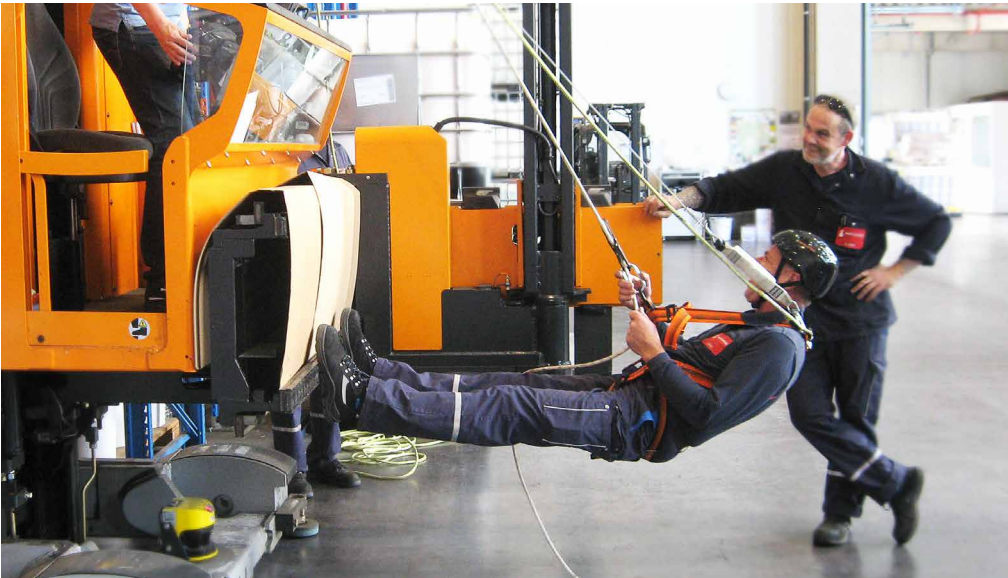
Guido Grevenner has made good use of STOCKMEIER's bike leasing scheme since 2016

Healthcare

Guido Grevenner's example shows: the well-being of our colleagues is a top priority for the company. We want our employees to return to their families safely and in the same state they arrived for work. That is why we have established a comprehensive health management scheme that focuses very much on safety and prevention. A measure that pays off in two ways: Whilst it improves the, in any case already very good, safety culture at STOCKMEIER, the company increases its profitability through the avoidance of accident or illness related absences, and thereby secures jobs in the long term.

All accidents and near misses are recorded, analysed and communicated within the company, especially if they result in Group-wide measures. To keep the workforce up to date on any potential changes, each employee completes at least one training course a year and can also learn more online, for example via our in-house intranet, which has a dedicated section called "Learning from accidents". On the basis of detailed documentation and special training videos, our colleagues can learn more about specific safety topics in a quick and uncomplicated way. In addition, we hold

quarterly occupational health and safety meetings that are attended by everyone who is responsible for workplace safety and health protection where we evaluate any accidents. Beyond this, we also hold an occupational health and safety meeting in the production facilities with fewer than 20 employees twice a year. We promote the nationwide cooperation of our companies through an annual meeting, and ensure that those responsible for workplace safety are in continuous communication.



Safety first: colleagues from KAPP-CHEMIE practising abseiling for emergencies

Our goal is 100% accident prevention, the professional management of safety risks and the operation of modern and safe plants, and safe products. For this purpose, at STOCKMEIER, we appoint safety officers who are respectively accountable. These managers provide a multi-stage training programme that represents a key element of our in-house training. One important goal of their work is to learn from incidents and near misses, and to plan new investments in protection measures.

Our goal: no more accidents and injuries

An important key indicator for accidents at work is the overall quota of accidents that must be reported (lost time injury rate, LTIR). In 2020, our LTIR quota was 2.73 (incidents with subsequent incapacity for work for  $\geq$  three days excluding accidents on the way to and from work based on 200,000 working hours), although we recorded neither any fatalities nor any work-related illnesses. Our company's quota was therefore significantly below the industry average. A positive result; however, we will not rest on our

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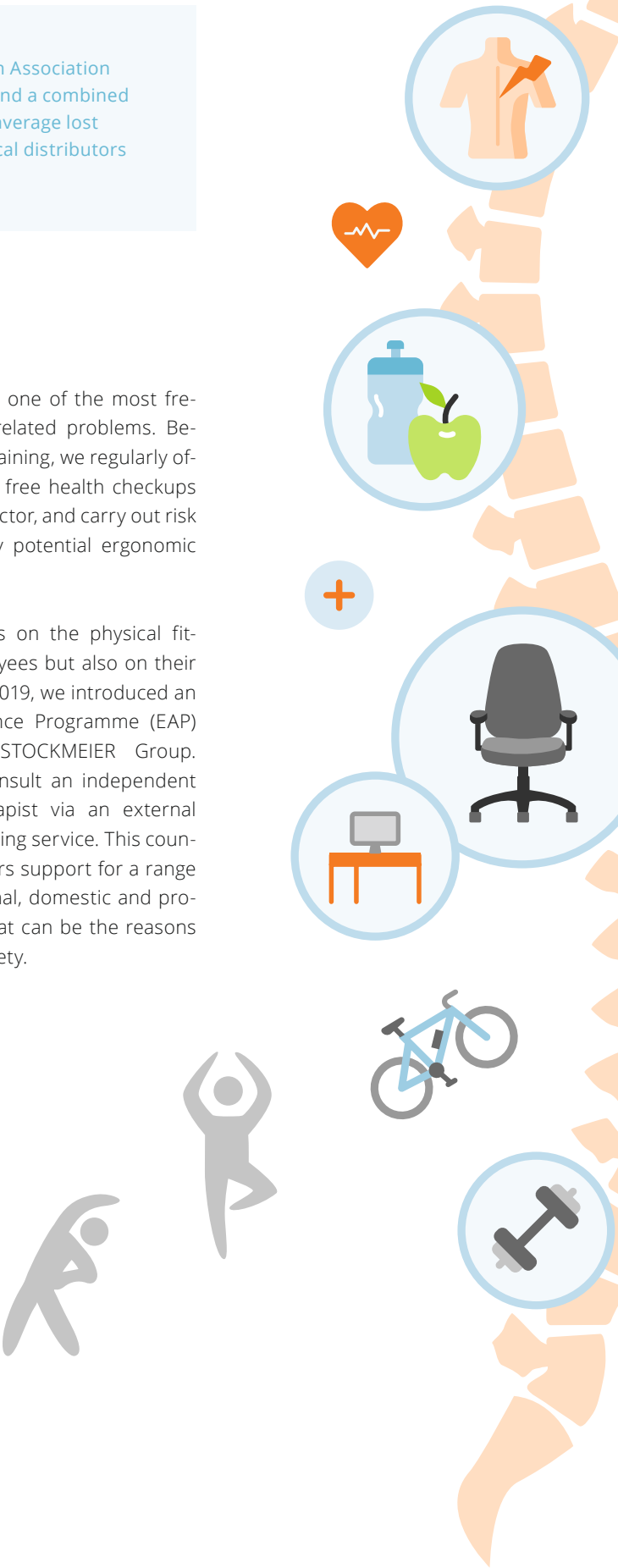
A comparative study by the German Chemical Distribution Association (VCH) in which 71 companies with over 7,000 employees and a combined turnover of EUR 6.2 billion participated, showed that the average lost time injury rate (LTIR) among the group of German chemical distributors amounted to 6.4.

laurels. In actual fact, we consider it our job to reduce this value to zero. After all, all accidents and injuries are avoidable. We will therefore continue to work on improving our quota. In 2018, we already took a first step towards an ISO certification for one of our companies as part of a cooperation with the employers' liability insurance association. In the long term, we intend to achieve full coverage with regard to the new ISO standard 45001.

Work-related illnesses are often the result of bad working conditions. In order to avoid such cases and to ensure that our systems comply with government regulations, we cooperate closely with medical experts. At the same time, we focus extensively on the active involvement and participation of our employees in our initiatives. After all, our workforce health and well-being programme is based on the principle of "By colleagues for colleagues". For example, each of our sites develops its own programme, which also includes informative health awareness days which we organise together with external healthcare providers. The agenda includes topics such as dietary advice for a healthy lifestyle, easy fitness exercises that can be performed daily at work, and ergonomic workplace design – a topic that is currently becoming increasingly important. Some of our office workspaces are already equipped with electric height adjustable desks. In combination with high-quality office chairs, this can

prevent back pain, one of the most frequent workplace related problems. Besides advice and training, we regularly offer our employees free health checkups by the company doctor, and carry out risk surveys to identify potential ergonomic problems.

We not only focus on the physical fitness of our employees but also on their mental health. In 2019, we introduced an Employee Assistance Programme (EAP) throughout the STOCKMEIER Group. Employees can consult an independent psychosocial therapist via an external telephone counselling service. This counselling service offers support for a range of different personal, domestic and professional issues that can be the reasons for stress and anxiety.





Individual education offers

Learning is a lifelong process since every individual acquires skills and accomplishments throughout their lifetime in both formal and informal learning settings. In order to support this process, we accompany our employees through all stages of their working lives. STOCKMEIER's personnel development measures are therefore adapted to the individual requirements of every single employee and workplace, from the moment they start with the company to their retirement. We offer our colleagues a number of internal and external further education opportunities in order to consolidate and expand their linguistic, professional and personal skills. Many of

these learning processes (which are based on everyone's individual experience), take place at the workplace. Modern communication technology makes the necessary internal knowledge transfer easier. External training courses such as sales or project management training as well as long-term further qualification programmes for specialists and managers complete the development measures.

Train internally, recruit externally

The personnel management process focuses on the identification of key roles and the search for options that ensure the employment of the right employees

with the right skills, knowledge and experience in the right place at the right time. That is one of the aims of succession planning, i.e. the identification and further development of new managers who can then replace their predecessors when these leave the company. At STOCKMEIER, we therefore make every effort to recruit the best talent, to ensure that they stay with the company for a long time and to promote people on the basis of targeted development measures. These steps are generally directly linked to rising performance expectations and employee retention. This strategy helps us to maintain the strength of STOCKMEIER's management level, to secure growth and stability long term, and to plan necessary successions, including the transition stages with foresight.

Our need for appropriately qualified junior professionals is therefore accordingly high. This is one reason why we intensively focus on company-based training at all levels. We currently have 38 vocational trainees in twelve different fields, both commercial and industrial. Besides the classic vocational training system, we also offer the option of a dual education system course that includes a university degree. Several of our trainees have therefore already gained qualifications up to a Masters degree. With this commitment, we are not only meeting the needs of our company but also our corporate social responsibility: We are able to offer over 90% of our trainees an employment contract on the successful completion of their training or degree.

In addition, we also recruit high-quality candidates via a range of different personnel recruitment processes, for example at career days, via social media and also as part of classic recruitment campaigns. A varied further training and education portfolio is therefore always of the greatest importance to STOCKMEIER



STOCKMEIER GRUPPE

### Durchstarten mit STOCKMEIER



Sie sind auf der Suche nach neuen Entwicklungsmöglichkeiten? Wir sind auf der Suche nach neuen Mitarbeitern, die unser Unternehmen aktiv mitgestalten.

Lassen Sie uns gemeinsam durchstarten!

Unsere Stellenausschreibungen:  
[www.stockmeier.com](http://www.stockmeier.com)



In order to recruit new employees, STOCKMEIER relies on authentic in-house ambassadors for its marketing campaigns, such as Josephine Hartung

in order to develop these "new recruits" within the company and to expand their skills and accomplishments to prepare them for currently vacant and future positions. At the same time, we thereby offer talented young people good prospects and promotion opportunities within the company, as we believe that an employer with competent, well-qualified and skilled employees stands out in the market and is perceived as attractive.

Communication is the basis of Personnel Development

Personnel Development is always an investment in our employees with the aim of a more efficient workforce, and therefore a stronger company. In late 2017, STOCKMEIER established a dedicated department that is headed by Rüdiger Striewe. "Personnel Development aims to unlock each employee's personal and professional development potential. Together with the employees and their direct line managers, we look at possibili-



Rüdiger Striewe manages STOCKMEIER's Personnel development department

ties for change, promote their strengths and help them to work on their development potential." An important personnel development task is the promotion and teaching of key skills to enable individuals to fulfil the requirements of their current and future tasks. At the same time, we are creating an environment that is characterised by extensive input, high-quality leadership and opportunities for person-

al and professional growth. Standardised performance reviews that are carried out throughout the company help us to improve our communication and at the same time, they establish openness and transparency. "The development goals identified together in performance reviews are passed on to us. We then offer the respective employee short and long-term training courses and coaching, and promote internal knowledge transfer – in the area of professional as well as personal skills", explains Rüdiger Striewe. The review meetings also provide an important opportunity for feedback and give employees important guidance.



At STOCKMEIER, junior employees are already given plenty of scope and responsibilities whilst they are still in training

We are able to offer over

# 90%

of our trainees an employment contract on the successful completion of their training or degree

The confidential agreements, in which sustainability topics play an increasingly more important role, establish the basis for our day-to-day cooperation. At the same time, all further personnel development measures are based on these.

### Other company benefits

It is very important to STOCKMEIER to offer its employees an appropriate salary accompanied by attractive employment conditions. For us, reconciling the financial interests of the company with the needs of our employees is a priority. Our salaries are therefore guided by the usual market standards in multinational companies in our industry sector. Besides their salaries, which are regulated by collective bargaining agreements and individual employment contracts, some of our employees also receive variable remuneration components that depend on their individual performance and the success of the company.

With different working time models and flexitime options, we make it possible for our employees to maximise their potential and to master the challenges of achieving a good work-life balance in an optimum way. This is supported by modern communication tools and working-from-home solutions that are in keeping with the times – after all, today's working world is no longer about presence but about performance. Further important factors for work-life balance optimisation are models for parental leave, compassionate leave when someone has to care for a relative and flexibility in emergencies. We take the personal situation of the individual employee into consideration and respond to specific needs on an individual basis. Retaining the knowledge and experience of our teams is extremely important to us. That is why we make every effort to support all employees when they return to their workplace after taking parental leave.

### Good Corporate Citizenship

Good corporate citizenship is a term that is used to describe companies that engage with the local community and are aware of their respective responsibilities. These stakeholders act like "good citizens" beyond their actual business activities and actively support civil society projects, usually within the scope of a long-term business strategy. This engagement can extend to ecological as well as cultural matters, and take different forms, for example supporting social projects and initiatives financially and making materials available to them, or supporting the company's own employees who do voluntary work.

### Low fluctuation

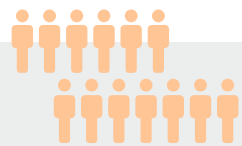
Modern health management, extensive training offers, a well-balanced salary strategy, flexible working hours, a good work-life balance as well as equal opportunities and diversity make STOCKMEIER an attractive employer and ensure that employees stay with our company for a long time. The low fluctuation rate of a mere 7.86% in 2020 also reflects this. The excellent working environment and the resulting positive atmosphere evidently increase the feeling of belonging together and the level of identification with the company. Coupled with STOCKMEIER's cooperative leadership style as well as a feedback culture that is based on mutual respect, these factors ensure that employees remain loyal to the company in the long term and in doing so, make a valuable contribution to our joint success.

### Good corporate citizens

At STOCKMEIER, social responsibility does not only extend to the provision of company health and social benefits for our employees. As good corporate citizens, we also support a number of socially relevant projects with, in part, substantial donations. In 2020 alone, we spent around EUR 400,000 on such activities, primarily those that are dedicated to helping children and young adults as well as inclusion or the better integration of people with an immigrant background. These included, for example, the Kinderzentrum im Evangelischen Klinikum Bethel children's hospital, the charity Sports4Kids and the Bielefeld equal education opportunity organisation Tabula.

In 2020, STOCKMEIER's  
fluctuation rate was

**7.86%**



## Business Innovation & Digitization (BID)



STOCKMEIER established an innovative corporate development unit in March 2018: the "Business Innovation & Digitisation (BID)" team. We intend to shape tomorrow's chemical world in close collaboration with start-ups, external consultants and also our suppliers and customers. "Our aim is not to jump on every digitisation band wagon. We demonstrate an understanding of digitisation that matches STOCKMEIER. No one will complete the digital transformation through short sprints – it is more like a marathon with many obstacles. Our aim is therefore to make a better infrastructure as well as better processes and channels available to our customers, suppliers and employees", explains Julius Weddigen von Knapp, who

heads the Business Innovation & Digitisation team. To achieve this, we are using creative learning and working methods such as "design thinking". That was also how the new customer portal MYSTOCKMEIER was initially conceived in 2018. This customer-focused creative process centres on the person on whose behalf we are acting. This focus shift leads to better products, services and internal processes. We provide space for working creatively and carry out in-house training.

### More about the BID team:

<https://www.stockmeier.com/en/open-innovation>



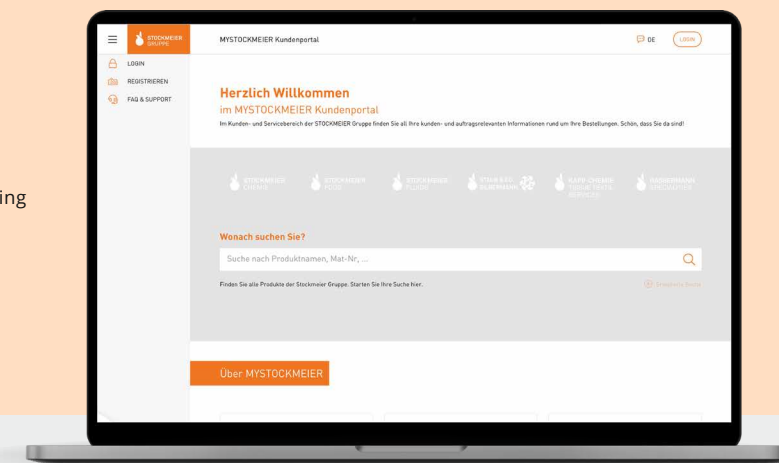
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**Our aim is to make a better infrastructure as well as better processes and channels available to our customers, suppliers and employees.**

### Julius Weddigen von Knapp

Head of Business Innovation & Digitization

The new MYSTOCKMEIER customer portal provides up-to-date information about incoming orders as well as other services in digital form







STOCKMEIER employee Michael Wolfsteiner volunteers with an aid organisation that provides access to education for orphans in Bangladesh

In addition, we also support the numerous STOCKMEIER employees who volunteer all over the world, from regularly volunteering with regional social projects to short-term missions with the THW, Germany's federal agency for technical relief, in a disaster area such as, for example, the regions in central Europe that were hit by floods in mid-2021. These activities also include volunteer projects in developing countries. For example, KAPP-CHEMIE field sales representative Michael Wolfsteiner helps abandoned children and orphans in Bangladesh, one of world's



## Compliance with international social standards

- The compliance and implementation of international rules and standards is extremely important to us at STOCKMEIER. This applies to the protection of human rights as much as to combating child labour or compliance breaches.
- We attach great value to giving everyone the same opportunities, and do not treat anyone differently or discriminate anybody for any reason. At the same time, we are aware of the differences between people and various groups of people, and imbue them with a positive value.
- We at STOCKMEIER actively encourage diversity. A mix of different cultures enriches our daily work. Getting to know other cultures also helps us to understand the different perspectives in the world and within the company. We make every effort to make our workforce more international. We are currently employing people who hail from 45 countries. We are also a diverse and inclusive employer and want to ensure that all employees feel respected, and that we appreciate their unique contribution.
- We do not tolerate any kind of discrimination and attacks on human dignity. All employees have the same rights, are equally valuable and are entitled to be treated the same, irrespective of their gender, nationality, ethnic origins, skin colour, sexual identity, impairments, age or religion. Each and every one of us is obliged to respect these human rights and to demonstrate them in practice. We will not tolerate the humiliation of certain groups or people in any form.
- STOCKMEIER condemns the exploitation of children through any form of work that robs children of their childhood or the chance of a regular school education, and harms them mentally, physically, socially or morally in any way.
- We respect the right of our employees to organise themselves in unions and to engage in collective bargaining. The works council and the management team are in constant dialogue and cooperate constructively. In Germany, comprehensive provisions are contained in the Works Council Constitution Act. Although not all STOCKMEIER Group companies have a works council, we regularly adopt the German negotiation results and works council-management agreements throughout the entire group.



poorest countries. Here, and anywhere else where colleagues need support to enable them to pursue their community engagement, we are always willing to help and give them the time off they need.

As good corporate citizens, we always strictly ensure that all of our respective activities do not have a significant negative impact on the local communities where we become involved and which we are trying to help. STOCKMEIER has never committed any serious breaches or paid any significant fines with regard to the following activities:

- Data loss or personal data breaches
- Breaches of environmental laws and regulations
- The sale of illegal products
- Breaches of product/service information regulations
- Health and safety related impact of products and services
- Breaches of workplace safety, occupational health and safety and environmental protection rules and directives, including waters affected by water recirculation.
- Breaches of the right to the freedom of association and collective bargaining agreements
- Incidents of child labour
- Marketing communications, including advertisements, sales promotions and sponsorships

\* Significant fines in this case are fines > EUR 100,000.



## 3 questions for Rüdiger Striewe

Head of STOCKMEIER's Personnel Development Department

**In our society, the topic of sustainability is primarily driven by younger people. Does this also apply at STOCKMEIER?**

In part, yes. Of course, young employees are the future of our company. Especially when it comes to the protection of the environment and our climate, they contribute many new approaches and innovative ideas. However, even our older colleagues have meanwhile developed a high level of awareness about sustainable practices. Managing to combine the energy of the young with the experience of the old results in a successful concept. It is precisely this knowledge transfer that we intend to promote more strongly in future.

**How important are the opinions of the employees in this respect?**

The opinions of the employees are very important to us. We often receive input regarding the development of new measures that we hadn't actually considered before during face-to-face conversations. This is also one of the reasons why we want to integrate the topic of sustainability more strongly into performance reviews. I am quite certain that regular feedback from our colleagues can highlight many new possibilities.

**One hoped-for result of these and other measures is the development of a uniform, international sustainability culture. How can this be achieved successfully?**

In order to achieve this, we must continue to strengthen the STOCKMEIER community spirit, which can only be achieved through continuous dialogue and the mutual exchange of information and opinions. People must have the chance to get to know each other and to talk to one another, also about the topic of sustainability. However, to facilitate this, we have to improve communication between all of the Group's national and international sites. That is why, in the medium term, we intend to also invite our international employees to our "Word-Café", which is open to all managers.



# 100 Years of responsibility

**STOCKMEIER celebrated its 100th company anniversary in 2020. Due to the COVID-19 pandemic, the company decided against any kind of celebration and donated money to charitable organisations all over Europe instead. The employees of the group of companies themselves were asked to decide who would benefit, and organised a donation campaign that not only involved monetary funding but also plenty of heartfelt passion.**

"The idea for this special donation campaign came directly from our employees", recalls Peter Stockmeier. He immediately loved the project concept when it was presented to him in late 2020: 100 charitable organisations and projects were to receive a donation of EUR 1,000 each. All employees were invited to propose the charities that were to be supported with the money. The management team already received a great number of proposals only a few days after the donation campaign had been publicised internally. Peter Stockmeier had to make some tough choices: "The response was overwhelming! We received so many good suggestions that we soon decided to donate even more and to support a few additional organisations." Besides European aid organisations, the suggestions also included many regional institutions and campaigns with which some STOCKMEIER employees are directly involved. For example the child-

hood cancer project "Fruchtalarm" [Fruit alert] suggested by Eduard Regehr, IT, STOCKMEIER Chemie Bielefeld, amongst others. "'Fruchtalarm' is a simple idea that has a huge impact. Projects like these contribute to making our world a little bit better. Our donation will make a sensible contribution to helping the staff in their day-to-day work." As part of the anniversary campaign, other donations were made to social projects in various areas, such as humanitarian aid, human rights, education, culture, hospice work, illness, disability, environment and animal welfare. Shortly after the donations were made in early 2021, Peter Stockmeier received a veritable wave of positive responses: "I had many amazing phone conversations with the organisations, and received emails or handwritten cards. We are delighted that we managed to make a difference where it matters with our donations."

## Straßenkinder e.V.

In Germany alone, 2.1 million children are affected by poverty. Strassenkinder e.V. [Street children] supports these children through education and social participation. Young people who live on the streets receive support from social workers and are offered shelter. Every day, the "Bolle" children's home, which is also run by the charity, offers up to 150 children and teenagers a leisure and educational activity programme.



I know from my own experience what it is like as a teenager when you have to struggle, and how difficult it can be at that age to avoid getting in with the wrong crowd. I am now a mother and very glad that I can spare my son this experience. However, child poverty is still a huge issue that, unfortunately, does not get enough attention.

**Jennifer Weichert, Field Sales Representative, STOCKMEIER Chemie, Berlin**



I know this hospice very well from personal experience, which is why I fully support the concept. The hospice is really something special: it provides caring support to parents with seriously ill children, for example. There is also an in-house maternity unit in which profoundly disabled children with low life expectancy are born. After the birth, the parents are given pastoral care and grief counselling.

**Ulrich von Mässenhausen, Business Development Manager, STOCKMEIER Holding Bielefeld**



**HEILHAUS**  
Geburt  
Leben  
Sterben

The multi-generational hospice is located in the Siedlung am Heilhaus, and provides care for seriously and terminally ill adults, teenagers and children, as well as their friends and families. In an atmosphere of connection, compassion and security, it supports patients on a physical, emotional and spiritual level.



## Paulinchen e.V.

Every year, more than 30,000 children and teenagers in Germany receive medical treatment for burns and scalds. Around 7,500 of them are so seriously injured that they need hospitalisation. Paulinchen e.V. provides advice and support to the families of children with burn injuries at every stage after the accident.



Many children find fire fascinating, but may not yet be familiar with basic fire safety advice, at their age. As a firefighter, I regularly deal with the consequences of this, and I see how much these children and their families suffer. The affected families often face almost overwhelming challenges in the aftermath of such incidents. That is where "Paulinchen" comes in and provides the best possible personalised care for the injured child.

**Sebastian Ringels, Technical Manager, STOCKMEIER Logistik, Bielefeld**



"Fruchtalarm" is a simple idea that has a huge impact. Projects like these contribute to making our world a little bit better. Our donation will support the day-to-day work of the "Fruchtalarm" staff.

**Eduard Regehr, IT, STOCKMEIER Chemie, Bielefeld**



The "Fruchtalarm" childhood cancer project was established in 2010 as a result of the agonising experience of one Bielefeld family. The mobile children's cocktail bar regularly rolls down the corridors of more than 30 children's cancer wards throughout Germany. The volunteer "Fruchties" create delicious and colourful fruit cocktails with the young patients from a variety of juices. "Fruchtalarm" thereby encourages the children to be active, do something self-determined and have fun, and provides a welcome change to the hospital routine.



I know the farm from attending dog school there. I saw how just touching a donkey or a cow could light up people's faces. People calmed down and opened up.

**Tatjana Niggemann, Industrial Chemical Sales, STOCKMEIER Chemie, Bielefeld**



The village Sentana provides a home for animals in need and encourages people to connect with animals. Educational activities such as farmyard tours and animal feeding sessions teach children how to interact with animals and there are also therapeutic activities for people with special educational needs. The presence of the animals creates space for growth and a positive learning atmosphere that promotes the development of social, cognitive and motor skills.



# Step by step towards the goal

**In the last financial year, we have again made good progress towards the sustainability goals we have set ourselves. This is great news, but no reason to rest on our laurels. After all, we already have the next steps in mind.**

Like any company that pursues sustainable business practices, we are also in an ongoing process that is permanently accompanied by internal and external influences. They are factors that can, in part, have a dramatic impact, as the past coronavirus years have illustrated so strikingly. Nevertheless, even in these difficult times, we have not weakened in our efforts. On the contrary: over the past two years, the focus of our business activities has shifted even more towards sustainability.

## International approach to sustainability

Sustainable business practices have long since become a global challenge and as a multinational company, we are fully aware of its magnitude. The stronger integration of our international sites into the company's sustainability strategy is therefore one of the most urgent tasks of the coming years. In this respect, digitalisation offers enormous possibilities, especially when

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**For STOCKMEIER, sustainability is not an unnecessary effort but a challenge we will continue to address on a daily basis.**

**Peter Stockmeier**

Chairman & Managing Partner STOCKMEIER Holding GmbH

This sustainability report documents this development. It not only describes the successfully introduced measures and the continued existing potential, but also proves that at STOCKMEIER, we are willing to take responsibility for our own actions and the resulting consequences. It is a sense of responsibility that is associated with the self-commitment to not weaken our efforts, and to also consistently continue to take the next steps on our joint path together.

it comes to the timely exchange of sustainability-relevant data and information within the STOCKMEIER Group. In order to achieve this networking as quickly as possible, the first IT projects have already been started and more will follow. At the same time, we must strengthen our organisation to meet these needs. We urgently need employees with extensive sustainability expertise who can apply their skills directly to their work for the common good. Sustainability training and



Through our commitment, we intend to create new opportunities for the economy, environment and society in a sustainable way

further education, but also the recruitment of new and talented employees will therefore become increasingly important in future. After all, it our aim to establish sustainable business practices as the basis for the future growth of the company in order to meet both goals.

## Focus on supply chains

Sustainability has become a key topic in many companies. However, many stakeholders are unaware of the potential they harbour. In this respect, we have made some decisive progress in 2020 and 2021. In cooperation with EcoVadis, we managed to identify our supply chains as the key starting point for further optimisations. After the successful completion of the first stage, the expansion of the supplier ratings from late 2021 onwards is therefore an important step for us in order to identify further weak points along the supply chain and to unlock additional potential. Of course, this does not mean that we will neglect other ecological topics. We therefore intend to continue to expand the more efficient use of energy, which is an aspect that we have been aware of for many years, for example, through the use of more efficient energy sources such as our new combined heat and power system in Miehlen. We have also already initiated some first steps when it comes to the future disposal and recycling of waste.

One of our medium-term goals, for example, is STOCKMEIER's certification as an approved waste disposal company. This far-reaching step would permit us to dispose of the waste and residues produced by our subsidiaries or, wherever this is possible, to treat them for reuse.

## Promoting diversity

Low fluctuation, few absences due to illness, a high quota of vocational trainees that are offered a permanent contract on completion of their training – the people at STOCKMEIER enjoy working here. However, we are also pursuing clear goals in the area of personnel. Not only do we intend to meet the imminent shortage of well-qualified and skilled personnel with suitable measures; but over the next few years, we also intend to significantly increase female manager and employee quota, which equalled 20.1% and 30.1%, respectively, at our sites in Germany in 2020. After all, at STOCKMEIER, we want someone's career to be determined by the individual's professional qualification for the job, and not by age, gender or nationality. We want to promote diversity and internationality in the company in order to become even more versatile and creative.

The numerous good ideas and concepts developed by our employees prove that we are already in a good position where this is concerned. In order to be able to integrate and utilise this expertise even better, we will also not only include the topic of sustainability as a firm element of our performance reviews, but also revive the employee suggestion scheme.

## Good things come in threes

To permit the above-described measures to develop their full potential, it is important that we regularly and consistently inform our employees, customers, suppliers and other stakeholder groups about the individual steps. The topic of communication and transparency will therefore also be one of STOCKMEIER's future top priorities. People can already learn more about the topic of sustainability at STOCKMEIER during information events, tours of the company premises and a number of different media. This open mind with respect to dialogue and exchange will also characterise our future approach. Accordingly, we are already busy with the planning of the Sustainability Report 2021, which is scheduled to be published in the autumn of 2022.

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# Glossar

<b>ATSDR</b>	Agency for Toxic Substances and Disease Registry
<b>CSR</b>	Corporate Social Responsibility
<b>Carbon footprint</b>	Greenhouse gas emissions produced throughout a product's entire life-cycle
<b>CO2</b>	Carbon
<b>Design thinking</b>	Conceptional problem-solving and new idea development approach
<b>Diversity</b>	Sociology and sociopsychology concept describing the differentiation and appreciation of group and individual characteristics
<b>Employee Assistance Programme (EAP)</b>	Scheme where employees can turn to an external organisation for counselling and advice
<b>ECA</b>	European Chemicals Agency
<b>EcoVadis</b>	Sustainability rating platform for global supply chains
<b>EHS</b>	Environment, health and safety management
<b>Energy intensity</b>	Energy unit per unit of business activity
<b>EPA</b>	US Environmental Protection Agency
<b>Globally Harmonised System (GHS)</b>	Globally harmonised chemical classification and labelling system
<b>Intermediate Bulk Container (IBC)</b>	Rigid or flexible transport containers engineered for the handling and storage of liquids and granular materials
<b>HACCP</b>	Internationally binding food quality management system based on "hazard analysis and critical control points"
<b>IHO</b>	German Hygiene and Surface Coating Industry Association
<b>LED</b>	Light-emitting diode
<b>Lost Time Injury Rate (LTIR)</b>	Globally used key indicator for the reporting of time lost due to accidents at work
<b>REACH</b>	Registration, evaluation, authorisation and restriction of chemicals
<b>RSPO</b>	Roundtable on Sustainable Palm Oil
<b>Stakeholder</b>	Anyone with an interest or concern in the progress or result of a process or project
<b>THW</b>	Germany's federal agency for technical relief
<b>VCH</b>	German Chemical Distribution Association
<b>VCI</b>	German Chemical Industry Association
<b>WHO</b>	World Health Organisation

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