

global compact COP

2020 UN Global Compact Communication on Progress

We have been a participant in the United Nations Global Compact since 2005. As a signatory to the initiative, we have committed ourselves to ten principles derived from key UN conventions on human rights, labor, environment, and anti-corruption. At the same time, the UN Global Compact calls on all participating companies to work to implement these principles within their own sphere of influence.

The following table summarizes the key actions we took in 2020 to advance the principles of the Global Compact.

COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Link: www.unglobalcompact.org

Human rights

Principle 1:	Key actions in 2020:	Relevant GRI disclosures:	Reference:
Businesses should support and respect the protection of internationally proclaimed human rights.	- Monitored our human rights performance and practices through our "Compliance Risk Reporting and Self-Monitoring Process" - Incorporated human rights and modern slavery into our "EHS StartUp!" training for new EHS managers - Offered e-learning courses on our Human Rights Charter and our Social and Labor Standards Policy, targeted to all managing directors and senior leaders reporting directly to the Executive Board - Integrated human rights into our Site Security Standard - Adopted and published our Conflict Mineral Charter - Analyzed human rights risks connected to the deployment of new technologies	103-2: 412-1, 412-2	Compliance management Human rights

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Key actions in 2020: - Invited suppliers to a Together for Sustainability seminar in Asia - Conducted internal and external sustainability audits and inspections of suppliers and collected self-reported information - Held the presidency of the Responsible Mica Initiative	Relevant GRI disclosures: 412-3, 414-1, 414-2	Reference: Compliance management Supply chain standards Mica supply chain Human rights
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Labor standards

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Key actions in 2020: - Conducted internal audits on workplace matters covered in our Human Rights Charter, which are specified in more detail in our Social and Labor Standards Policy - Regularly and extensively included local employee representatives in company decision-making - Reviewed human rights issues within the scope of our Site Security Risk Assessments - Kept track of human rights issues through our "Compliance Risk Reporting and Self-Monitoring Process"	Relevant GRI disclosures: 102-41, 402-1, 407-1	Reference: Compliance management Human rights Fairness and dialogue
Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor.	Key measures in 2020 - Conducted internal audits on workplace matters covered in our Human Rights Charter, which are specified in more detail in our Social and Labor Standards Policy - Published on our website our UK Modern Slavery Statement, which has been endorsed by our Executive Board - Incorporated human rights and modern slavery into our "EHS StartUp!" training for new EHS managers	Relevant GRI disclosures: 409-1	Reference: Compliance management Supply chain standards Human rights Fairness and dialogue

Principle 5:

Businesses should support the effective abolition of child labor.

Key measures in 2020

- Conducted internal audits on workplace matters covered in our [Human Rights Charter](#), which are specified in more detail in our [Social and Labor Standards Policy](#)
- Held the presidency of the Responsible Mica Initiative
- Conducted internal and external sustainability audits and inspections of suppliers and collected self-reported information

Relevant GRI disclosures:

408-1

Reference:

[Compliance management](#)
[Supply chain standards](#)
[Mica supply chain](#)
[Human rights](#)
[Fairness and dialogue](#)

Principle 6:

Businesses should support the elimination of discrimination in respect of employment and occupation.

Key actions in 2020:

- Developed goals and measures to achieve a more balanced gender structure across different hierarchical levels of our business sectors
exceeded our 2021 target of maintaining a 30% representation of women (2020: 35%) in leadership roles (Role 4+)
- Supported numerous local and global employee networks
- Expanded the mandate of our Diversity Council in terms of LGBTQI+, disability and ethnicity
- Became a sustaining member of Charta der Vielfalt e.V., a German organization that promotes diversity in the workplace
- Executed a Group-wide training program on unconscious bias
- Expanded our flexible work options

Relevant GRI disclosures:

102-8, 202-1,
202-2, 401-1,
401-3, 404-1,
404-3, 405-1,
405-2, 406-1

Reference:

[Diversity and inclusion](#)
[Work-life balance](#)

Environmental stewardship

Principle 7: Businesses should support a precautionary approach to environmental challenges.	Key actions in 2020: ■ Passed third-party ISO 14001:2015 audits at 13 sites ■ Performed 10 internal EHS audits, with all audited sites being rated as "good" or "satisfactory" ■ Reduced CO₂ emissions around 25% below our 2006 baseline (2019: 15%) amid operating business growth (2020 reduction target: 20% below 2006 baseline) ■ Defined new climate action targets for 2030 and 2040 ■ Took action to lower greenhouse gas emissions ■ Reduced our water consumption at sites in water-stressed areas by 27% relative to the 2016 baseline (2019: 21%) ■ Defined new water targets for 2025 and 2030 ■ Worked towards shrinking the environmental footprint of our waste by 5% by 2025, as measured by our waste scoring system. In 2020, we achieved a 4.6% reduction (2019: 1.6%) ■ Took measures to ensure product safety (for instance REACH, GHS), plant and process safety, and transport and warehouse safety (such as internal EHS audits)	Relevant GRI disclosures: 201-2, 301-1, 302-1, 303-1, 305-1, 305-2, 305-3, 305-6, 305-7	Reference: Chemical product safety Transport and warehouse safety Environmental stewardship Climate action Waste and recycling Water management Plant and process safety
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Key actions in 2020: ■ Systematically examined potential energy savings at our production sites ■ Commercialized greener alternative products such as Cyrene™, our Stericup E filtration system and our microplastic-free functional filler RonaFlair ■ Deployed reusable and recyclable packaging, which we also offer to our customers ■ Offered sustainable mobility options to employees (such as "Jobticket" public transit passes and shared bicycles) ■ Installed at our global headquarters an extensive electric vehicle charging infrastructure, part of which is available to our employees for their own personal use	Relevant GRI disclosures: 301 - 308	Reference: Sustainable product design Packaging and recycling Climate action

Principle 9:	Key measures in 2020	Relevant GRI disclosures:	Reference:
Businesses should encourage the development and diffusion of environmentally friendly technologies.	■ Leveraged DOZN™, our web-based tool for evaluating greener alternatives to various chemicals. It is also available in a customer-facing version. ■ Developed sustainable products such as liquid crystal technologies, raw materials for natural cosmetics and “greener” alternatives to chemicals ■ Expanded our range of “green” solvents ■ Reduced packaging materials and deployed more sustainable packaging as part of our SMASH Packaging sustainable packaging strategy ■ Continued to expand the recycling programs for our Life Science and Performance Materials customers	302-4, 302-5, 305-5	Sustainable product design Packaging and recycling

Anti-corruption

Principle 10:	Key measures in 2020	Relevant GRI disclosures:	Reference:
Businesses should work against corruption in all its forms, including extortion and bribery.	■ Performed 52 internal audits on corruption-related risks ■ Expanded our range of e-learning courses to include anti-corruption and money laundering ■ Expanded and carried out anti-corruption, antitrust, data privacy, and healthcare compliance training ■ Continued to operate our SpeakUp Line, a free hotline for reporting corruption anonymously ■ Formed partnerships and engaged stakeholders to coordinate and enhance anti-corruption efforts ■ Published annual EFPIA transparency reports ■ Rolled out new guiding principles and standards for ethical interactions with health systems	102-16, 102-17, 205-1, 205-2, 205-3, 415-1	Compliance management Responsible interactions with health systems