

# UN Global Compact Communication on Progress 2016

# HANIEL



Corporate responsibility is an integral component of Haniel's corporate strategy. That was confirmed by the Holding Company when it signed up to the UN Global Compact on 27 March 2014 and when it committed again (ONLINE LINK) in 2016 to implement the 10 principles. In the 2016 Communication on Progress, the Haniel Holding Company reports on management systems and measures to implement the 10 principles in the areas of human rights, labour standards, environmental protection and anti-corruption.

Principle	Obligations and management systems	Measures in 2016	Performance in 2016	Further information
<b>Human rights and labour standards</b>				
1. Supporting human rights	Code of Conduct	Human rights aspects and labour standards embedded in the code of conduct; divisions are required to issue appropriate regulations	Continual	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK) Corporate Governance (ONLINE LINK)
2. Excluding human rights abuses				
3. Safeguarding the freedom of association and the right to collective bargaining	Sustainable investments by the Holding Company: A: Management processes throughout the investment cycle phases B: Decision-making process in financial investments	Integration of appraisal criteria in accordance with the principles of the UN Global Compact in key management processes throughout the investment cycle phases and in the decision-making process in financial investments	A: Application of negative industry list and CR criteria catalogue (in all potential acquisition opportunities) B: CR aspects were taken into consideration and regular meetings of the CR Committee to further develop decision-making processes for financial investments	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK)
4. Eliminating all forms of forced labour				
5. Abolishing child labour				
6. Eliminating discrimination				
	Investment projects of divisions: Capital Expenditure an valuation guidelines	Integration of CR aspects and principles of the Code of Conduct in guidelines	Inclusion of CR aspects in decision-making processes relating to investment projects of the divisions	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK)
	Sustainable procurement	Revision of Holding Company procurement guidelines to incorporate CR aspects and the principles of the UN Global Compact	New procurement guidelines entered into effect on 14 June 2016	
	Increasing employee awareness of anti-discrimination	Employee training programme on General Equal Treatment Act	Participation of all specialist and executive staff in training	
	Development and continued education	A: Annual individual performance assessment for employees B: Offer of a comprehensive continuing education programme at the Haniel Academy as a central component of human resources development within the Haniel Group C: Needs-based offer of participation in external specialist continuing education and training sessions	A: Annual employee dialogues on competencies and potential with all employees and agreement on individual development measures B: Expansion of Academy curriculum to include seminars and training sessions to prepare specialists and executives for the challenges of the digital transformation C: Continual	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK)
	Health management	Further development of the company health management in line with requirements	Offer for all employees to participate in health check-ups  Offer for all employees to prevent psychological stress (e.g., training sessions on progressive muscle relaxation) and conduct of a risk assessment of psychological stress in the workplace	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK)
	Work-life balance	A: Flexible working time models based on works agreements on trustbased working hours and on telecommuting/home office B: Parental leave concept: establishment of mentoring model; subsidising care of pre-school children C: Member of the Fair Company Initiative	A: Continual B: Continual C: Continual	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK)

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<b>Human rights and labour standards</b>				
	Diversity	A: Increase share of women in leadership positions B: Works agreement on partial retirement	A: Target share of women working at the Holding Company remains at ten per cent for the first management level and 6.25 per cent for the second management level B: Works agreement entered into force on 1 January 2016; Internal communication and individual counselling offered to interested employees	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK) Group report of the Management Board Haniel Group Employees (ONLINE LINK)
<b>Environmental protection</b>				
7. Precautionary environmental protection 8. Promoting greater environmental responsibility 9. Diffuse environmentally friendly technologies	Code of Conduct	Environmental aspects embedded in the code of conduct; divisions are required to issue appropriate regulations	Continual	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK) Corporate Governance (ONLINE LINK)
	Reduction of the Holding Company's ecological impacts	A: Increase in energy efficiency at the business location B: Procurement of electricity from renewable energy sources C: Sustainable fleet: Green Car Policy D: Climate-neutral post	A: Reduction of energy consumption by 15 per cent in comparison to 2014 through commissioning of heating and cooling generation equipment B: Use of electricity created 100 per cent from renewable energy sources; by 2019 by the Holding Company C: All new company cars acquired in 2016 acquired in consideration of CO <sub>2</sub> limits; inclusion of an electric car in the fleet D: Use of CO <sub>2</sub> -neutral post since August 2016	
	Reduction of the divisions' ecological impacts	Agreement of targets with the divisions that contribute to a reduction in the ecological footprint	A: Energy efficiency at CWS-boco: reduction of energy used per kilo of laundry (aggregated average across the 3 primary products) by 10 per cent as compared to 2012 B: Ecological advantages of ELG recycling: savings of approximately 4,212 million tonnes CO <sub>2</sub> for customers through ELG's recycling activities as compared to the use of primary raw materials C: Environmentally-friendly print advertising material at TAKKT: increase in share of advertising materials made from certified sustainable paper sources to 98.8 per cent	Haniel Annual Report 2016: Corporate Responsibility (ONLINE LINK)
<b>Fighting corruption</b>				
10. Measures against corruption	Code of Conduct	Compliance-related issues, e.g. anti-corruption aspects, are embedded in the code of conduct; divisions are required to issue appropriate regulations	Continual	Haniel Annual Report 2016: Corporate Governance (ONLINE LINK)
	Compliance management systems	Continued safeguarding of compliance with statutory and internal company regulations through preventive measures, including a compliance reporting system, a compliance officer and a compliance helpline	Continual	Haniel Annual Report 2016: Corporate Governance (ONLINE LINK)
	Raising awareness of employees	Training in compliance-related issues	Continual	Haniel Annual Report 2016: Corporate Governance (ONLINE LINK)