

COMMUNICATION ON PROGRESS: UN GLOBAL COMPACT

Corporate Responsibility is an integral component of Haniel's corporate strategy. The Holding Company underscored this by joining the UN Global Compact on 27 March 2014.

In its first Communication on Progress, the Haniel Holding Company reports on management systems and measures to implement the ten principles in the areas of human rights, labour standards, environmental protection and the fight against corruption.



PRINCIPLE	OBLIGATIONS AND MANAGEMENT SYSTEMS
Human rights and labour standards	
1. Support of human rights	Code of Conduct
2. No complicity in human rights abuses	
3. Upholding the freedom of association and the effective recognition of the right to collective bargaining	Investment and enterprise valuation guidelines
4. Elimination of all forms of forced and compulsory labour	
5. Abolition of child labour	
6. Elimination of discrimination	
	A: Management processes along the phases of the investment cycle B: Decision-making processes relating to financial investments
	Development and continued education
	A: Works agreement on confidential work B: Works agreement on telecommuting/home office
	Health management
Environmental protection	
7. Precautionary approach to environmental challenges	Code of Conduct
8. Promotion of greater environmental responsibility	Increasing employee awareness
9. Diffusion of environmentally friendly technologies	
	Reduction of Holding Company's climate footprint
	Reduction of divisions' climate footprint
Anti-corruption	
10. Anti-corruption measures	Code of Conduct
	Compliance management system
	Compliance guidelines

MEASURES IN 2014	ACCOMPLISHMENTS IN 2014	FURTHER INFORMATION
Integration of human rights aspects and labour standards into the Code of Conduct and requiring the divisions – to the extent legally permissible – to issue corresponding guidelines	The updated Code of Conduct entered into force on 17 March 2014.	Page 31 – 34 CR Scorecard 2014 www.haniel.de/en/responsibility/corporate-governance/code-of-conduct
Integration of CR aspects and the principles of the Code of Conduct into the guidelines	The updated guidelines entered into force on 1 November 2014. Since then, all investment and acquisition proposals by the Holding Company and the divisions must factor in CR aspects and the implications for the objectives in Haniel's CR action areas must be weighed and assessed.	Page 31 – 34 CR Scorecard 2014
Launch of a project to integrate review criteria in accordance with the principles of the UN Global Compact within the key management processes along the phases of the investment cycle and in the decision-making process related to financial investments	A: CR review criteria have been integrated into the upstream assessment process for potential acquisition targets. B: Since the autumn of 2014, CR aspects have been taken into consideration when deciding on financial investments.	Page 31 – 34 CR Report 2013, Page 35
A: Launch of a project aimed at increasing penetration of annual development reviews B: Offering of a comprehensive further education and training programme at the Haniel Academy as a central component of human resources development within the Haniel Group	A: In 2014, supervisors held a review with 98.6 per cent of Holding Company employees to discuss their abilities and potential, and agreed on individual development plans.	Page 31 – 34 CR Scorecard 2014
A: Flexible working hours through flexitime or part-time B: Offering employees option to work from home office if this is possible	B: The works agreement on telecommuting/home office entered into force on 1 January 2014.	Page 31 – 34
Development of a holistic approach for a company health management system with comprehensive measures relating to health care, sport and fitness, nutrition and stress prevention.	In 2014, health-promoting measures were expanded, for instance to include a more comprehensive sport offering and the provision of fruit.	Page 31 – 34
Integration of environmental aspects into the Code of Conduct and requiring the divisions to issue corresponding guidelines	The updated Code of Conduct entered into force on 17 March 2014.	Page 31 – 34 www.haniel.de/en/responsibility/corporate-governance/code-of-conduct
A: Employee training on CR issues B: Regular communication on issues relating to CR, including week-long campaign with comprehensive information on waste management, paper use and energy efficiency	Publication of the first CR Report on 26 April 2014	Page 31 – 34 CR Scorecard 2014
A: Launch of a project to increase energy efficiency and identify potential savings and to implement initial measures B: Procurement of electricity from renewable sources of energy C: Continuous reduction of CO ₂ emissions from company cars through Green Car Policy	B: 100 percent of the electricity used by the Holding Company is generated using renewable energies. C: The CO ₂ thresholds for newly acquired company cars were reduced by 10g/km in 2014.	Page 31 – 34 CR Report 2013, Page 15
Agreement of targets with the divisions in order to help reduce their climate footprint	A: CWS-boco saved 8.5 per cent in energy used per kilogramme of laundry throughout the Group [aggregated from figures for hand towel rolls, mats and workwear] as compared to 2012. B: The "Optimize my Day" dispatch planning tool introduced in 2013 enabled CWS-boco to drive 850.000 fewer kilometres in 2014. C: TAKKT increased the share of revenue attributable to sustainable products to 6.6 per cent.	Page 31 – 34 CR Scorecard 2014 CR Report 2013, Page 27
Discussion and consolidation of compliance-relevant issues such as anti-corruption aspects in the updated Code of Conduct and requiring the divisions to issue corresponding guidelines	The updated Code of Conduct entered into force on 17 March 2014.	Page 29 www.haniel.de/en/responsibility/corporate-governance/code-of-conduct
Continuous monitoring of compliance with statutory and internal Group requirements through preventative measures, including compliance reporting, a compliance officer and a compliance helpline	Presentation on Compliance at the 2014 Group Conference focusing on anti-corruption and antitrust law issues	Page 29
Development of new compliance guidelines	The compliance guidelines entered into force on 1 May 2014.	