

Act

today

think about tomorrow

The Hettich logo, consisting of a stylized graphic of four parallel diagonal lines above the word "Hettich" in a bold, sans-serif font, is displayed on the dark grey facade of a modern building. The building is partially obscured by a field of purple lavender flowers in the foreground.

# Contents

Foreword	3	<b>Hettich as an Employer</b>	<b>22</b>
<b>The Hettich Group</b>	<b>4</b>	Occupational safety	22
Values and tradition	5	Health	24
Our products	5	Apprenticeships and further training	26
<b>Sustainability Strategy</b>	<b>6</b>	Starting a career	26
Responsible corporate management	6	Further training	27
Our priorities and goals	7	Networking	27
<b>Technology for Furniture – Process Management</b>	<b>9</b>	Corporate culture – new forms of teamwork	28
Responsibility	9	Digitalisation - Award Digital Champion	28
Stakeholder participation	9	Diversity and equal opportunities	28
Innovation and product management	10	Involvement of our colleagues	29
Research and development	10	Hettich news internal	29
Environmentally relevant substances	12	Sustainable projects of our colleagues	30
Rules and processes	12	<b>Commitment to Society</b>	<b>31</b>
Compliance	12	Foundation study funds „Studienfonds OWL“	31
Quality	12	Promoting voluntary work	31
Suppliers and purchasing policy	13	Working with schools and universities 2019	31
Worldwide production network	13	Local commitment	32
<b>Ecology</b>	<b>14</b>		
Environmental policy	14		
The effects our activities have on the environment	15		
EMAS environmental management system	16		
Environmental programme and corporate environmental performance	16		
Buildings and properties	16		
Transportation and traffic	17		
Energy and resource management	18		
Transparency through environmental key figures	18		



*Jana Schönfeld*

*Sascha Groß*

Dear Reader,

As a family run company with more than 130 years of history, we are proud of being able to sustain our position in a global market environment. Our aim is to combine business success with ecological, social and civic responsibility.

Our products are „long-lasting“ in the true sense of the word: They keep furniture comfortably movable for a long time and thus ensure a long furniture life. Which pleases our customers. This alone sets a clear signal for sustainability.

But for Hettich, sustainability means much more: We are committed to using the natural resources entrusted to us as responsibly as possible in order to preserve our planet for all of us and for future generations.

Of course we cannot master this great challenge alone, but only together with our customers, suppliers, partners and many others.

Our commitment to sustainability begins by encouraging our colleagues at Hettich to take on more personal responsibility. After all, sustainable behaviour begins with each of us personally. Only if we change ourselves, our own attitude and our behaviour can we expect the same from others. This is how we establish sustainable thinking and acting step by step in all our activities, without losing sight of economic efficiency.

This Sustainability Report summarises our activities and provides information on our priorities, on goals we have already achieved, and on the challenges that we will be facing in the future.

# The Hettich Group

Resident in Kirchleugern – At home the world over. We are one of the world's largest manufacturers of furniture fittings. Every day, our colleagues in almost 80 countries take up the challenge of developing intelligent technology for furniture. As a family-owned company, we concentrate on accomplishing long-term corporate objectives independently of outside influences.

## Management

The Hettich Group is divided into independently operating business units which are strategically managed by Hettich Holding at our headquarters in Kirchleugern. On 1 January 2020, Dr. Andreas Hettich, shareholder in the fourth family generation, moved from the operational management of Hettich Holding GmbH & Co. oHG to the chairmanship of the Advisory Board of the Hettich Group. After almost 20 years in operative business, 13 of which as CEO, Dr. Hettich will concentrate in future on the strategic management of the Group and act as a link between the Hettich shareholders and the Group. As of January 2020, the Hettich Group is managed by Jana Schönfeld and Sascha Groß, together with all Management Team colleagues worldwide.

## Worldwide presence

With subsidiaries and partner agencies as well as production sites in America, Europe and Asia, we are never far from our customers wherever they are in the world. Hettich stands for a strong partnership with the furniture and white goods industry, specialist retailers and the trades as well as the DIY sector. We are specialists in every market segment, know the various demands and meet them in every product we develop. – The success of our customers and partners is also our success.

## Business development

The Hettich Group turned over a total of € 1.1 billion in the financial year 2019. Compared to the previous year, this saw an increase in turnover of 3.2 percent. The foreign share was 72 percent. In view of the heterogeneous economic development on the global markets in 2019, the achieved sales growth is of great importance. The increase in 2019 was only possible because the entire Hettich team is pulling together worldwide and we are very consistently serving the needs of different markets.

Worldwide, the Hettich Group employed an average of 6,700 colleagues in 2019, of which more than 3,600 in Germany. 219 training positions in the technical and commercial areas were offered and filled.

## Investments

In 2019, the Hettich Group has again invested around 10 percent of its annual sales in the future. Key areas of investment were the innovative drawer platform AvanTech YOU as well as the expansion of production capacities for the Asian growth markets: In Indore/India a further production site with 28,000 square meters of hall space was opened in 2019.

## Prospects

At the time of publishing this Sustainability Report, we are in the midst of the most difficult situation worldwide for decades. The effects of the Corona pandemic are currently neither health wise nor economically foreseeable. They will also have a significant impact on the course of business in 2020 for the Hettich Group. However, we are confident that we will overcome the challenges of the global crisis together through the flexibility and commitment of all Hettich colleagues as well as through the partnership with our customers and suppliers and will also take advantage of the opportunities arising from the crisis.



## Values and tradition

### Family-owned company

The Hettich Group is entirely family owned. We think long-term in generations. Corporate freedom and independence are key principles that mean everything to the Hettich family. Our company has a history that is defined by outstanding engineering achievements and bold enterprising decisions, showing that heritage has a future.

Family businesses are a mainstay of the German economy. Already in 2016 the Foundation for Family Businesses (Munich, [www.familienunternehmen.de](http://www.familienunternehmen.de)) has named the Hettich Group as a top 500 family business for its outstanding business achievements.

### The Hettich brand

Technology for furniture – that’s our passion. The Hettich brand stands for quality, innovation, reliability and closeness to customers throughout the world. The Hettich family vouch for this with their name.

### Our products

We create the perfect combination of intelligent technology, functionality and design. It is with this claim that we develop and produce a variety of fittings for all sorts of different functions. From drawer and runner systems to hinges and from folding door to sliding door fittings. Because good furniture needs good solutions – for the home, working world and quality of life. Our Hettich products keep furniture movable and comfortable for a long time. This is how we bring long-term pleasure to our customers. – And by doing so, we are already setting a clear signal for sustainability.

# Sustainability Strategy

## Responsible corporate management

As a family business, our strategies are always aimed at sustained existence and not short term success.

We understand lawful and ethical conduct at home and abroad to be the key to real, sustainable success. We set priorities in ecology, social and civic responsibility as fields of action in which we aim to define a sustainable way forward that will give the company economic prosperity. Decisive factors here are the energy-efficient, resource-conserving production of our high-quality and thus sustainable products, as well as the ability of our colleagues to assume more personal responsibility through new ways of working together.

### Hettich Code of Conduct

Every day our products reach many people all over the world. This privilege also means a great responsibility for us. At Hettich we are committed to ethical business practices. And we make sure that every colleague is empowered to do the right thing.

Our company has had a code of conduct since 2014: As a binding guideline for legally compliant and responsible action, it is valid for all Hettich companies. It is the standard for dealing with each other at Hettich, but also with our business partners. The code is intended to provide us with guidance in our

everyday work and to sharpen our reaction to critical and questionable situations.

In 2019, in view of our growing international activities, we have once again completely revised the Hettich Code of Conduct. It also explicitly describes the protection of human rights, which is a matter of course for us: We categorically reject any form of forced, compulsory or child labour, exploitation or discrimination. We do not do business with partners who do not observe these principles.

To promote awareness of Hettich's behavioural standards, we have developed a special e-learning unit for internal initial training as well as regular follow-up training. In this way, we constantly remind ourselves to adhere to the principles and values laid down therein. Our goal is: „Together we protect what is important to us“.

### Hettich sustainability guidelines

In our sustainability guidelines we document our responsibility for the preservation of the natural foundations of life. We are committed to continuous improvements in energy consumption, the avoidance of environmental pollution and the minimization of health risks and hazards in the workplace.

### Certifications

The implementation of our principles is regularly verified by internationally recognized certifications: These include the strict European environmental management system EMAS (Eco-Management and Audit Scheme), which requires an improvement in environmental performance, but also certified energy management systems in accordance with ISO 50001 and the quality standard ISO 9001.





### **Creating a sustainable foundation – Document management system**

To do this, sub-areas of sustainability are organized in our document management system. The system provides support for all colleagues, because it maps the essential corporate processes, tasks and goals of the following areas:

- Occupational safety
- Facility management
- Human resources management
- Product development
- Production, procurement, logistics
- Quality management
- Legal compliance
- Strategy, finance and risk management
- Environmental management

Our document management system meets international standards and specifications, and is being improved continuously in consultation with top management. In the course of this, we attach great importance to lean and efficient processes.

### **Our priorities and goals**

As part of our sustainability strategy, we place a long term emphasis on ecology, social and civic responsibility as areas in which action needs to be taken:

#### **1) Ecology:**

**The efficient use of energy and resources in production and infrastructure is at the focus of our endeavours to protect the environment.**

The company's consumption of energy is a key indicator for all Hettich production and logistics operations. Hettich products conserve resources by using as little material as possible, providing a long useful life and including a high proportion of recycled and recyclable materials. Within the supply chain, we also take account of the ecological aspects on the part of our suppliers.

#### **Our goals:**

- We will systematically continue improving our energy efficiency.
- We will continuously reduce our CO<sub>2</sub>- emissions.
- We want to address the remaining fields of action in material cycles. Through repeated use of materials at the end of the product life cycle, we want to achieve closed material cycles.
- We save resources by further optimising our products and packaging in terms of weight and material.

# Sustainability Strategy

## 2) Social responsibility:

**Our responsibility as an employer focuses on diversity and equal opportunities, personal responsibility, health and occupational safety.**

We combine entrepreneurial action with social responsibility and expect the same from our suppliers and service providers. Our cooperation is based on a culture of trust and fairness and we define high social standards in our purchasing conditions.

### Our goals:

- We move away - where possible - from the culture of being office based and head towards working independently and with flexible working hours.
- We improve internal information and communication between all Hettich colleagues.
- We promote health and occupational safety for long-term employability.
- We promote diversity and equal opportunities.
- We promote personal responsibility.
- We permanently monitor and improve the low occupational accident rate.

## 3) Responsibility to society:

**Multifaceted commitment for a better coexistence**

As a responsible member of society, we as a company make monetary and material donations for education and science, art, culture and social causes. At the Hettich locations we are active locally with various sponsoring measures and we support voluntary activities of our colleagues. Our companies contribute to national tax revenues and social security contributions. At our German locations in particular, we regularly train junior staff in various professional fields.

### Our goals:

- We promote the voluntary activities of our colleagues worldwide.
- We improve the biodiversity at our sites.
- We are locally involved in social projects.
- We establish contacts with young people at an early stage in order to inspire them to start a career with us.



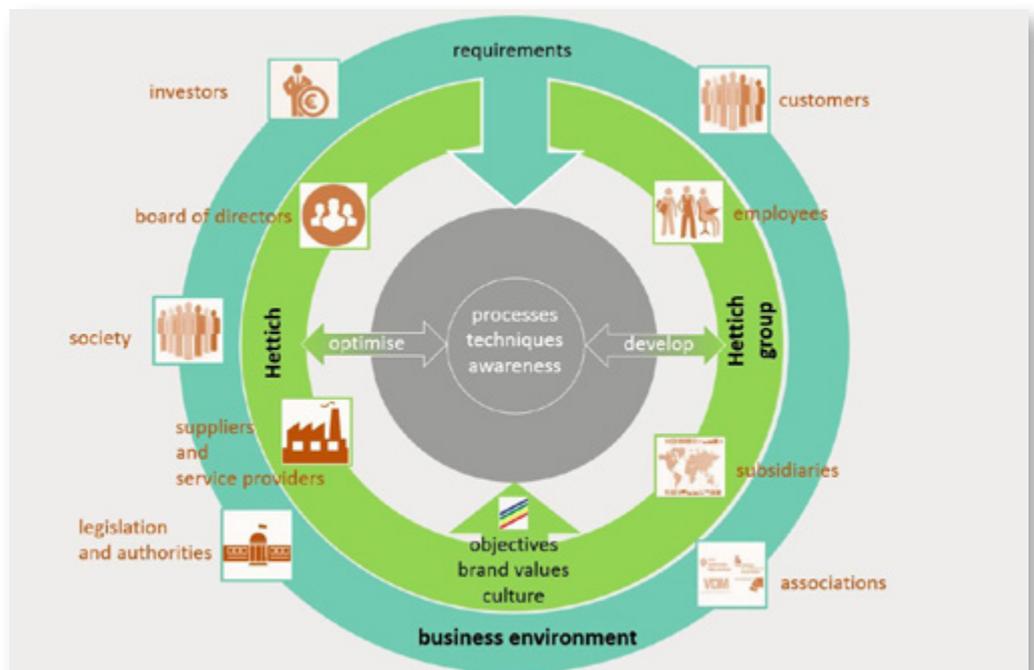
# Technology for Furniture – Process Management

## Responsibility

As a family business with a history of more than 130 years, sustainability is an essential part of our corporate culture – and a management principle. The „Corporate Responsibility“ team manages the sustainability aspects of environment, quality, occupational safety and social affairs in the Hettich Group. Our Hettich brand values, our corporate culture and our corporate goals form the guidelines according to which we develop, implement, monitor and optimise our standards and management processes.

## Stakeholder participation

We cultivate open communication and are in a continuous exchange with our stakeholders. Through workshops, audits or networks, among other things, we determine our fields of action for sustainability in the areas of economy, ecology and social affairs. We are committed to a trusting relationship with the public and the authorities, our suppliers, service providers and customers. This is done by means of information and cooperation as well as by involving our partners in our sustainability measures. We also actively involve our own colleagues: through workshops, our internal digital corporate platform Hettich Connect or Hettich Idea Management.



# Technology for Furniture – Process Management

## Innovation and product management

### Innovation and product management

Customer benefits through innovation, quality, closeness to customer and reliability – this is what we are working for at Hettich. The corporate strategy of the Hettich Group is future focused. Only those who recognise trends and developments at an early stage can act with foresight. We want to offer the solutions of tomorrow today. So that new fitting products are available exactly when they are needed on the market.



Our key questions are:

**What do the end customers want in the future in terms of functionality and design of furniture?**

**And what fitting solutions do we need to develop now to meet precisely these demands in the medium to long term?**

In the field of research and concept development, we continued in-depth studies in designing the home environment in 2019 under the aspects of multifunctionality as well as ergonomics and ecology. Together with customers or external institutes we have carried out various projects on social and technical trends. Our in-house ideas have also been incorporated into our research and development activities.

We work particularly closely with universities, research institutes and industrial partners. Working together in this way is strategically important in terms of being able to identify trends that are relevant to our business and also from the aspect of playing an active part in shaping them.

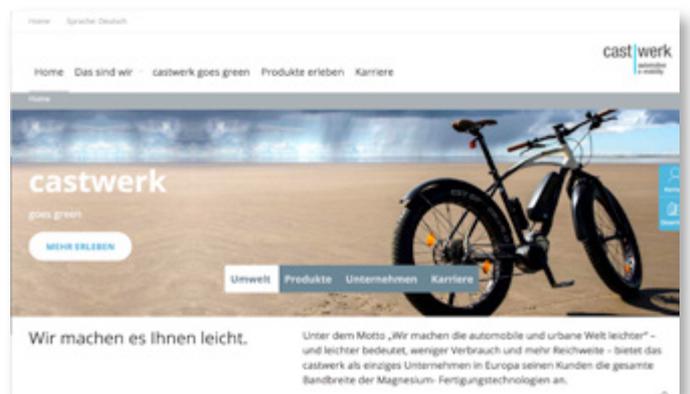
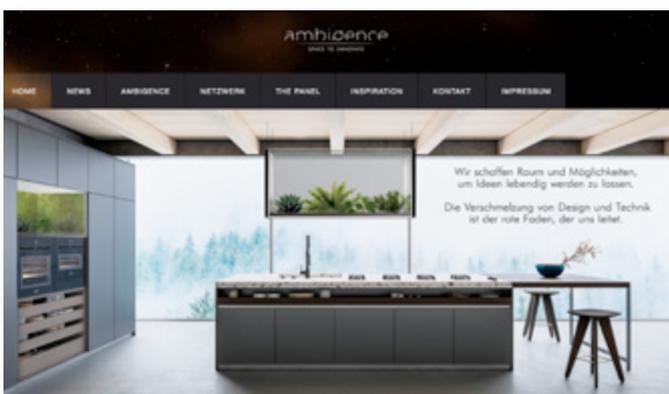


### Our Business Unit „ambigence“

Ambigence combines the specialist knowledge, design technology and manufacturing expertise of a wide range of partners in a value-added network. Staging the International Design Award, we also have our finger on the pulse of time. The competition invites students of design and architecture to develop progressive furniture concepts.

### Our Business Unit „castwerk“

Castwerk develops high-quality components, assemblies and systems for the automotive industry, among others. This includes the world's lightest e-scooter - for less consumption and greater range. The secret of this lightweight construction innovation is magnesium: it ensures significant weight optimisation with high strength of the load-bearing components. As the only company in Europe, „castwerk“ offers the whole range of magnesium production technologies under one roof.



<https://www.ambigence.com>



<https://castwerk.hettich.com>



<https://ifworlddesignguide.com>

# Technology for Furniture – Process Management

## Environmentally relevant substances

We consider product constituents and materials for our products holistically, i.e. not only from the point of view of functionality, performance duration, resource-saving extraction, processing or transport. For us, holistic means that we also consider their impact on the environment and on people before, during and after the use phase.

For more than 15 years, we at Hettich have voluntarily identified, evaluated and regulated environmentally relevant product constituents far more strictly than required by legal regulations such as the European REACH Regulation or the RoHS Directive of the European Union (REACH: „Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals“; RoHS: „Restriction of (the use of certain) Hazardous Substances in electrical and electronic Equipment“).

In our own in-house Hettich-Standard

- we regulate the fulfilment of national and international product safety requirements with regard to product constituents,
- we integrate the requirements and wishes of our customers
- we create awareness among our suppliers and invite them to share our responsibility
- we regulate the avoidance of inseparable environmentally relevant substances in order to further increase the recyclability of our products.

Research is constantly expanding its knowledge about the influence of substances in the environment. Therefore, our Hettich set of regulations is also subject to constant revision, in which customer needs, market requirements and legal requirements are taken into account and implemented.

## Rules and processes

### Compliance

By compliance we mean the behaviour of all colleagues in accordance with the rules at Hettich. With the help of our internal Compliance Management System, we ensure compliance with laws, guidelines and contractual obligations with our business partners. At each of our sites around the world there are designated persons responsible for compliance aspects. These ensure that everyone at Hettich knows how important it is to comply with the law. We have established a procedure for reporting compliance violations so that we can respond appropriately to violations of laws, official standards and Hettich standards – such as our Code of Conduct.

### Quality

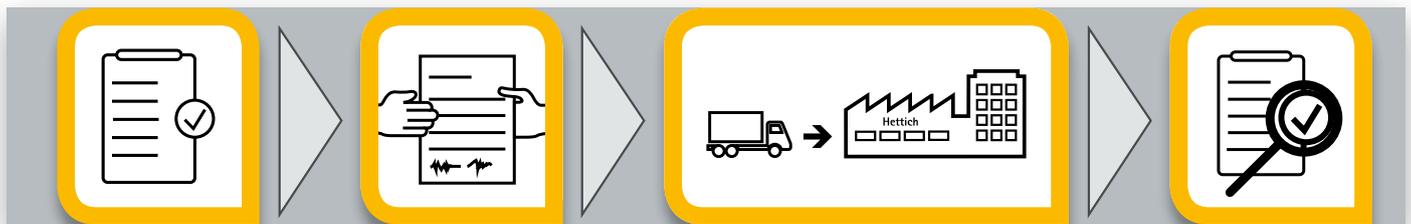
Quality is a mainstay of our sustainable business. The quality of our products with their long service life means a considerable contribution to sustainability. With our „Quality Policy“, we at Hettich are committed to actively anchoring this quality awareness in the consciousness of our colleagues worldwide. The ISO 9001 as an internationally recognised quality management system certifies our continuous improvement. We also expect our suppliers to support our quality policy and our quality goals.

Quality is no coincidence, but always the result of personal commitment. With our internal workshop programme EVQ („Attitude and behaviour towards quality“), we want to leave a lasting mark on the thinking and behaviour of all colleagues at Hettich. So that good quality ultimately emerges from the conscious responsibility of each individual.



### Suppliers and purchasing policy

With our sustainability management we want to ensure that our suppliers and service providers also meet our values and requirements for minimum standards in the areas of working conditions, social affairs and the environment. We check this commitment before our partnerships are formed, but also afterwards throughout all joint projects. Together with our business partners, we want to develop further in the long term.



### Worldwide production network

We are constantly learning from each other at our production sites around the globe. In order to achieve the set goals and at the same time live our brand values of quality, innovation, closeness to customers and reliability, our „Total Productive Management“ programme for the continuous optimisation of our production has been running successfully since 1999. Each Hettich site is responsible to define energy saving measures. Our „Working Group Energy“ collates these ideas and offers an exchange platform for cross-location energy efficiency issues. In this way, we want to make better use of synergy effects and further advance the topic of energy saving at Hettich. Networking takes place via regular meetings and our digital company platform „Hettich Connect“.

### Key figures make successes visible

Standardised information and key figures document the effects of optimisation measures. For example, successes in the area of energy consumption are very quickly apparent. With well-prepared information, we motivate our colleagues to contribute their own ideas to the optimisation processes and thus ensure the long-term success of the company. Special improvement offensives help us as a company to participate in the knowledge and ideas of our staff and thus to develop our production in a future-oriented manner.

All measures for optimisation or savings in production are inseparably linked to the areas of environmental management and occupational safety.



## Environmental policy

**We assume responsibility for the world we live in. We regard statutory provisions as minimum requirements.**

We accept a particular responsibility for preserving the natural basis of existence. We are aware that the environment related framework will change in the future: This, for example, includes higher prices for energy and materials as they become more scarce, wide ranging customer demands in relation to the environment and sweeping legal standards.

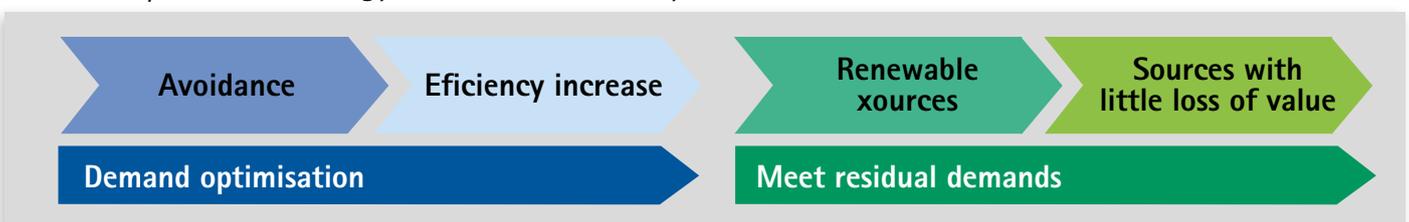
## Ecology has been an integral part of our corporate strategy since the 1990s.

Since 1993, our „sustainability guidelines“ have been in effect throughout the entire Hettich group of companies. They formulate our voluntary ecological sustainability requirements and the approach to implementing them. We have the progress made in this respect regularly reviewed by independent experts. Since 1996 we have been practising the recognised environmental management system in accordance with the European EMAS regulation (Eco-Management and Audit Scheme). We regularly undergo the strict EMAS certification procedures at several production sites.

## Hettich Code of Conduct: Environmental protection

„We want to identify and systematically implement the potential for better energy and resource efficiency.“ - The Hettich Code of Conduct describes our responsibility and duties in the area of „environmental

*Our action priorities for energy and resource efficiency*



protection“: everyone must act in an energy- and resource-saving manner in their own working environment, thus helping us as a company to master the global ecological challenges of the near future

## Two action priorities

In the long term, business activities cannot be detached from the ecological framework. Our environmental strategy for the rational use of energy and resources comprises two main priorities for action. These are increasingly taken into account in all steps of the product life cycle: development, production, logistics, product use and disposal.

- Previous demand optimisation by checking the avoidance of use of, or at least efficiency increase of used energy and resources  
Subsequent fulfilment of residual demand by using renewable sources or at least sources that lose little of their value

The particular challenge lies in the significant reduction of the specific energy requirement for production and logistics. The remaining energy needed must ultimately be covered by renewable energy sources backed up with efficient energy systems. These, for example, are combined heat and power plants which convert almost all of the energy used into electricity and usable waste heat.

## **The effects our activities have on the environment**

**Conserving resources and energy efficiency are the key issues in production and logistics at Hettich**

### **Environmental aspects: Materials and substances**

For the most part our fittings are made of metals, in particular steel and zinc. We also use plastics for injection moulded components and in the form of powder coatings. Producing and processing these product constituents are associated with environmental impacts. Our influence on them is only very limited. Of importance, nevertheless, is the fact that on a worldwide average, 40 percent of the steel we use, our main product constituent, is made up of recycled steel. We are always looking at alternative options to manufacture our products using the most environmentally friendly materials possible. As a result of the production techniques we use, our production operations use cooling lubricants, oils and various chemicals, some of which are classified as substances hazardous to water and as hazardous substances. The appropriate safety precautions apply here.

### **Environmental relevance of our production sites:**

#### **Energy consumption**

**The company's consumption of energy is a key environmental aspect for all Hettich production and logistics operations.**

At our production sites in Kirchlingern, Berlin and Zhuhai in China, the production of drawer runners and drawer systems involves the use of many different manufacturing processes, such as stamping, waste free forming and powder preparing the powder coating lines is cleaned in the company's own waste water treatment facilities.

The production companies at Balingen, Frankenberg and Zdar nad Sazavou in the Czech Republic are highly relevant to the environment as they use en-

ergy intensive melting processes for plastic injection moulding and metal die-casting. With their high energy requirement, the hardening shops in Berlin are also of particular relevance to the environment. A large proportion of the prefabricated components at our company in Berlin are electrochemically coated with metal finishes in electroplating shops. As a result of the wide range and quantity of chemicals used for electroplating processes and the subsequent waste water treatment, this activity is also of particular significance to the environment.

This also applies to our electroplating facility at Vadodara in India, where approximately 5,000 litres of concentrated waste water containing alkaline zinc, chrome and nickel from the electroplating facility are treated in a biological wastewater treatment plant, where live algae is used for the cleaning, neutralization and natural evaporation by sunlight. The algae itself is being cultivated using sunlight. It is added to a flat, sunlit pool along with the high TDS water. Once it has absorbed the high TDS, the algae is removed from the water. After it has been dried, it is disposed off as per legal norms.

At our sales companies, the environment is not only impacted by the logistics side through packaging and shipping but, in particular, through the use of company vehicles by field service staff. At our logistics operation in Bünde, environmental aspects arise from handling incoming goods, storing products and the subsequent packaging and shipment to customers. The main environmental relevance of our logistics company therefore lies in the use of transportation packaging. The choice of logistics service providers is of particular significance in terms of indirect impact on the environment.



## EMAS – environmental management system

**We are improving our environmental performance – as proven by the world's most stringent environmental management system EMAS.**

The Hettich Group is the only leading manufacturer of furniture fittings to meet the voluntary, stringent requirements laid down in EMAS – and doing so for over 20 years.



We are improving our environmental performance – as proven by the world's most stringent environmental management system EMAS.

### Effective anchorage in the company

In the mid-nineties, the company's management decided to involve Hettich's three largest German operations in the newly developed EMAS environmental management system (Eco Management and Audit Scheme) set up by the European Community for voluntary participation. With its stringent criteria, EMAS contains effective instruments for the systematic consideration of energy and resource efficiency aspects, risk management and legal compliance. The number of Hettich companies taking part in EMAS has since grown: In the meantime, four German sites as well as our sites in Spain and the Czech Republic hold EMAS validation.

As part of the EMAS auditing cycles, operating bases are audited once a year by a state accredited environmental auditor to ensure enhanced environmental performance and compliance with every aspect of the law. This audit also includes the environmental statement which provides transparency with regard to our

impacts on the environment and improvements in environmental performance. Under EMAS, the auditors are only allowed to sign the environmental statement each year, if environmental performance really has been improved, i.e. if it has been possible to reduce the impact made on the environment.

The environmental statements of our EMAS-validated sites with detailed environmental programmes and target achievements can be found here: <https://corporate.hettich.com/de-de/unternehmen/corporate-responsibility.jsp>

## Opportunities and benefits of the system

Taking part in EMAS, the world's most stringent environmental management system, which also includes ISO 14001, provides us with legal certainty, economically viable measures to lessen our impact on the environment and a credible approach to environmental management.

## Environmental programme and corporate environmental performance

**We have set ourselves ambitious targets to implement our environmental principles and improve our environmental performance.**

## Buildings and properties

In terms of environmental aspects, the focus was placed for the first time on buildings and properties in a new build project back in 2008. Opened in 2009, the „Hettich Forum“ exhibition and administration building at Kirchlegern headquarters was designed with a zero energy balance and therefore received the European Community „Green Building Award“ at national level.

In 2011, we have built a production facility with a floor space of some 14,000 square metres at our

Kirchlengern / Bünde site for manufacturing the ArciTech drawer system: largely constructed of engineered wood which, during its period of growth, permanently bound 1,630 tonnes of climate damaging CO<sub>2</sub>, thereby removing it from the atmosphere. The Hettich Group was awarded the North Rhine Westphalia Timber Construction Prize in 2014 for this energy efficient industrial building with a very low primary energy requirement of 72 percent less than demanded by the German Energy Saving Regulation (EnEV) at that time. The building was also awarded the „Best Practice Energy Efficiency“ label from the nationwide „Energy Efficiency Initiative“ campaign staged by Deutsche Energie-Agentur GmbH.

The new construction of hall B7 in Kirchlengern in 2017/2018 with a gross floor area of approx. 24,500 m<sup>2</sup> is also a sustainable contribution to responsible industrial construction in terms of production logistics, energy technology and building typology. In a more rural environment it was a particular challenge to limit land sealing. This could be ensured by the two-storey industrial hall. The ecological footprint of the building was halved and the space efficiency increased accordingly.

The highly thermally insulated timber construction consists of around 570 cubic metres of glued laminated timber, 460 cubic metres of solid structural timber, 105 cubic metres of board stacked ceilings and 355 cubic metres or around 13,500 square metres of wood-based panels. Wood is the only building material with a positive primary energy balance. The timber construction method with a total of 1,500 tons of wood creates a CO<sub>2</sub> reduction of 70 kg CO<sub>2</sub>/m<sup>2</sup>. This corresponds to the energy requirement (according to EnEV) of 3 years in total.

More than 60 percent of the energy for heating and hot water is provided by waste heat from production. The roof is fully covered with a photovoltaic system. With an output of 285 kWp and a surface area of



1,750 m<sup>2</sup>, the system provides approx. 25 percent of the building's total energy requirements (heating, cooling, ventilation & lighting).

The sustainable properties of the building led to the award of the „Industrial Building Prize for Sustainable Building“ in 2018, offered by Messe Essen on the occasion of the special building trade fair „Baufachtag West“.

## Transportation and traffic

### Multimode transport systems

Multimodal transport systems use several modes of transport. Our logistics company in Kirchlengern/ Bünde aims to replace CO<sub>2</sub>-intensive means of transport such as trucks with means of transport such as rail or ship wherever possible. Goods to overseas destinations are generally transported by ocean-going vessel. In 2018, for example, 29,316 kg of CO<sub>2</sub> emissions could be avoided by using multimodal transport. When selecting the service providers, environmental aspects such as the determination of emissions of the tendered transports are considered and audited. In addition, the optimisation of container utilisation ensures a reduction in the number of journeys. The number of journeys was reduced by approx. 15 percent by converting the internal transport in Kirchlengern/ Bünde from „scheduled“ to „demand-oriented“.

# Ecology

Also charge privately free of cost: In a pilot project at our Kirchlengern site, we are testing the possibility of charging our colleagues' private electric or hybrid vehicles.



## Optimisation of transport routes

A well-functioning supply chain management contributes to reducing the ecological footprint. At our Berlin plant, for example, we have completed two major optimisation projects since 2018: By rationalising transport routes as well as packaging and goods handling processes, we have reduced annual CO2 emissions by a total of 126,000 kilograms.

## Mobility Management

The often great physical distance to our customers as well as to major projects requires our company vehicle fleet. The Hettich Mobility Team has set itself the task of using the vehicle fleet more effectively and environmentally friendly in the future through redesign and - where appropriate - electrification.

The first tests on the topic of e-mobility in the vehicle pool were carried out as early as 2015, and additional participation in a scientific study led to further tasks after the data were evaluated: The next step was to install a paperless, digital Car-Sharing system to manage the pool vehicles.

In 2019, the vehicle pool included three electric vehicles and, as company cars four electric vehicles and one plug-in hybrid vehicle. Currently the fleet has already been expanded by four plug-in hybrid vehicles and one electric vehicle. At Kirchlengern site, an e-scooter is used for internal plant traffic.

In addition to the use of electric vehicles including home charging solutions for company car users and the establishment of an electric charging infrastructure, the Hettich Company Car Directive was also revised in 2019 with regard to CO2 emissions and drive technology, thus creating further incentives for more climate-friendly mobility behaviour: The mobility budget now offers the possibility to use the unspent budget for other offers, such as bicycle leasing.

Currently, a car-sharing exchange for the formation of carpools is being integrated into the digital Car-Sharing system of the pool vehicles. With corpo-

rate benefits such as the offer of discounted tickets on public transport (Jobticket) or the possibility of bicycle leasing through deferred compensation (JobRad), we support environmentally friendly mobility behaviour among our colleagues.

Other activities to make mobility management more environmentally friendly are being planned, such as a motivation leasing scheme or a fuel-saving competition.

## Sustainable travel planning

In order to avoid unnecessary travel in advance, we have expanded our travel policy to include the aspect of sustainable travel planning: Before every business trip, we check whether it can be replaced by telephone or video conferences, thus completely avoiding traffic-related CO2 emissions. If a business trip is indispensable, we want to take both economic and ecological aspects into account, for example by combining dates that are geographically close to each other, dispensing with domestic flights or using rail instead of car.

## Energy and resource management

### Own energy generation – Kirchlengern

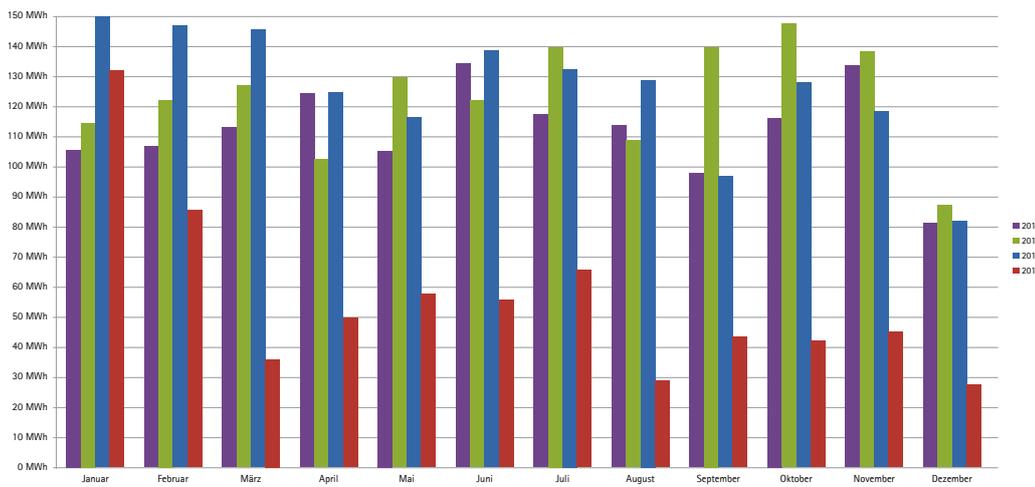
To implement our energy concept, we are further expanding the share of combined heat and power generation. In addition to the existing combined heat and power plants at the Kirchlengern site, the combined heat and power plant in the new building B7 was put into operation at the end of 2018. Three heat pumps were also installed in B7: Two water-to-water heat pumps use the waste heat from the cooling system for heating processes. One air-to-water heat pump is used for cooling and heating processes depending on the weather conditions. In 2019, the amount of heat obtained via combined heat and power generation - including used waste heat - amounted to 6,408 MWh at the Kirchlengern site.

In 2019, the company's own photovoltaic systems on the roof of the „Hettich Forum“ and the new building B7 generated 189 MWh of electricity from the power of the sun. The total amount of electricity generated at Kirchlegern site through photovoltaic and combined heat and power generation in 2019 was thus 3,669 MWh.

### Own energy generation – Berlin

A combined heat and power plant was also commissioned at our Berlin site at the end of 2019 to supplement the heat supply at the site.

an average electricity consumption of 4500 kWh could be operated for one year. In addition to the energy savings, an improvement in the hall air quality and thus the working conditions was achieved. This suggestion for improvement came from one of our Hettich colleagues. The optimisation was successfully implemented through the close cooperation of our „Hettich Idea management“ with the various production areas.



### Energy saving through heat recovery – Frankenberg

Since the beginning of 2019, a new, modern and energy-efficient compressor plant has been operating at our Frankenberg site to supply the site with compressed air. The „waste product“ of compressed air production is waste heat, which can be „recycled“. The heat generated via the newly installed heat recovery system is used to heat halls, parts of the offices and the service water of the sanitary facilities. This system saves 1,502,700 kWh of heat output. This corresponds to the average annual demand for electrical power of 334 households in Germany, each with 4,500 kWh per year. With CO2 emissions of approx. 500g/kWh (national average in Germany 2018), we will save approx. 750 tonnes of CO2 in Frankenberg if the potential is fully exploited.

### Energy saving through optimisation of ventilation motors – Kirchlegern

In 2019, a total of 1,777 MWh of energy could be saved annually at the Kirchlegern site by switching off or reducing the output of the ventilation motors on the powder incinerators in two production halls. – With this amount, 394 four-person households with

### 100 percent green electricity – Kirchlegern and Spenge

The Kirchlegern and Spenge sites have been using 100 percent green electricity since 2017. In addition to the second photovoltaic system on the new building B7 in Kirchlegern, the Hettich Group sees this as an opportunity to further promote the topic of renewable energies.

Our sales company in Italy has also been obtaining sustainable energy from a hydropower plant since May 2019.

### Recycling production waste – Frankenberg

By recycling die casting material and redesigning the internal flow of goods at our Frankenberg plant, a large number of products could be converted to regranulate while maintaining the same quality. Thus, the actual waste can be reused through systematic processing. In addition to the recycling of 94 tonnes of former plastic waste, this will avoid approximately 302 tonnes of CO2 equivalents generated by the product ranges each year.

# Ecology



## Waste prevention

Over the past two decades, we have continuously increased the recycling share of our waste and residual materials. Today, the recycling rate at the Kirchlengern site is 98 percent.

We continuously digitalise our processes to avoid paper waste. With the possibility of digital invoicing, we also invite our suppliers to save resources. For the remaining requirements, we have been using recycled paper for many years to the greatest extent possible. Our international locations also aim to reduce their waste volume beyond the legal requirements and thus protect the environment.

Our **sales company Hettich UK** in Great Britain has been using a shredder for the large volume of incoming cardboard packaging since 2016. The shredded material is then reused as packaging material. In addition to avoiding waste, the amount of bubble wrap can be reduced. When shipping less sensitive products, the boxes are banded instead of being placed in an outer carton. This also reduces packaging waste at our customer. Our customers are also encouraged to place fewer but larger orders. This also reduces the amount of packaging and protects the environment. The above measures resulted in an annual reduction of 41 percent in purchased cardboard boxes and 81 percent in purchased bubble wrap at Hettich UK.

Our **distribution in Canada** focuses on recycling and provides containers for recyclable waste. 98 percent of the products are shipped daily with recycled pallets from Germany. Cartons, boxes and filling material as part of container shipments from Germany are also reused. In the future, the use of plastic in the office and at trade fairs and events will also be avoided.

Our **sales companies in Singapore, Indonesia and Vietnam** have already completely eliminated the use of plastic bottles. In addition, the digitalisation of processes here saves around 200 sheets of paper per month.

Since 2019, all colleagues in our **sales company in Italy** have been using reusable water bottles that they can refill from a water dispenser. This has led to a reduction of about 6000 plastic bottles per year and encouraged many other subsidiaries to follow suit.

## Conservation of resources through less scrap material

As part of the Total Productive Management in Kirchlengern, a team has successfully dealt with the reduction of reject parts in drawer production. Following a workshop and implementation of the measures developed there, the number of rejects of finished components was reduced by 7,200 per year, thus making an important contribution to the conservation of resources.

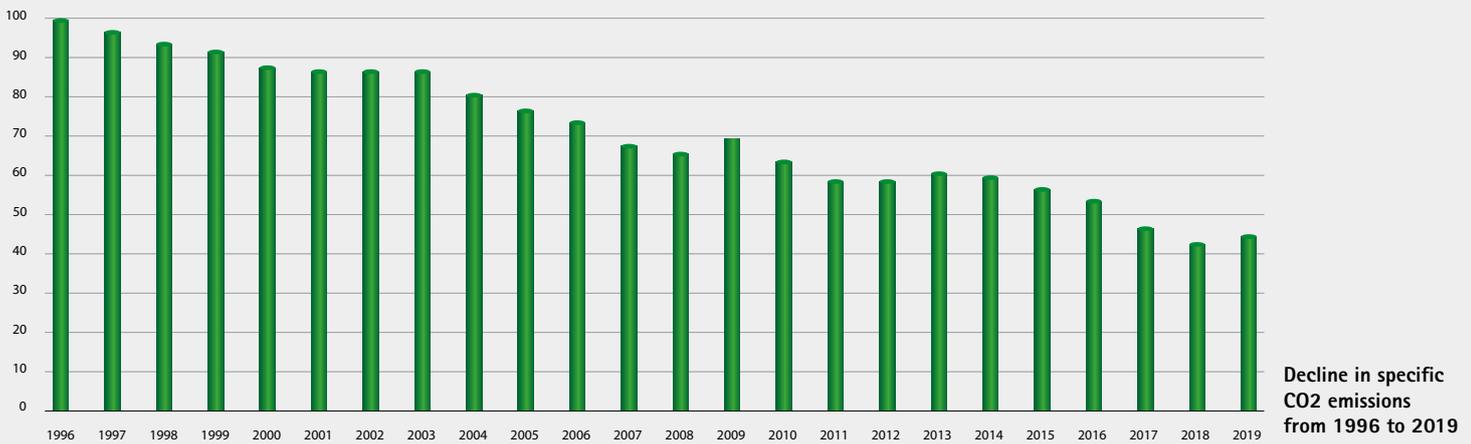
## Sustainable packaging solutions

Our packaging engineers develop customised packaging for all areas of industry. In the design and dimensioning of packaging materials the packaging effort is limited according to the criteria „avoid, use, recycle“. In addition to strict packaging tests and transport simulations, the fulfilment of legal, customer-specific, logistical and high quality requirements, the environmental goal of „mono-material packaging“ applies at Hettich. This means: avoidance of composite packaging materials, reduction of plastics and the use of only one packaging material within a packaging unit if possible.

For many years we have been using environmentally friendly, biodegradable and recyclable moulded fibre inlays for our drawer frames, back panels and railings.

We use recyclable corrugated cardboard and waste paper for cartons, liners, padding and fillers.

Trend of specific standardised CO2 emissions



For plastics, preference is given to recyclable materials such as polyethylene and polypropylene, which can be recycled. In order to further reduce the amount of plastics, we are currently testing a material thickness reduction for foil bags.

When shipping pallets, the use of high-quality film with better pre-stretching reduces the need for stretch film. We also use reusable packaging such as mesh boxes, stake pallets and plastic trays. We use paper bags, corrugated cardboard fillers or unusable pallets to secure the load.

**Some examples of savings:**

By changing the wrapping foil for pallets from a 20 micrometre to a 15 micrometre thick pallet wrapping foil, for example, we save 0.111 kg foil per pallet on one of our drawer systems. This corresponds to a saving of about 8 tons of plastic per year. Also by optimising the number of drawer sets on a pallet, approx. 8,800 pallets are saved annually and the number of transport routes and thus the associated CO2 emissions are reduced. Furthermore, the conversion from 2- to 1-corrugated basic cartons contributes to the saving of packaging material and thus to the conservation of resources.

**Social-ecological commitment „Corporate IT“**

Through its partnership with a non-profit company, the „Corporate IT“ department makes a valuable contribution to the conservation of resources and promotes no discrimination for people with disabilities. By processing and remarketing 92% of our decommissioned IT and mobile equipment, we have been able to avoid a total of 150,688 kg of iron equivalents, 292,918 kWh of energy and 91,954 kg of CO2

equivalents within four years. At the same time, the sponsorship of a workplace for people with disabilities was introduced.

**Transparency through environmental key figures**

With the help of regularly collected environmental key figures, we can identify ecological and usually also economic optimisation potential and evaluate the success of measures. From 1996 to 2019 we have recorded a 55 percent reduction in specific CO2 emissions for the entire Hettich Group. This represents a decline of about 2.3 percent per year.

# Hettich as an Employer

## Employees' rights

As an internationally operating company, we are committed to the Universal Declaration of Human Rights. We adhere to the principles of the UN Global Compact and we are committed to the core labour standards of the International Labour Organisation (ILO). Our internal code of conduct communicates our corporate values and ethical principles to every colleague at Hettich worldwide. Violations of this policy are disciplined and reprimanded by our compliance management.

## Corporate Benefits

Far beyond meeting international standards and legal requirements, we offer our colleagues a variety of „corporate benefits“: These range from company pension schemes, addiction prevention, employee advice, job tickets/job bikes, compatibility of family and career to Christmas baking with the children of our Hettich colleagues. One of the main focuses of our sustainability management is the promotion and development of our colleagues to more personal responsibility. We implement this with the help of various programmes and modules: These include our „new ways of working together“ concept, individual working time models or the possibility of mobile working.

## Test seal „Highest fairness in the job“

We strive to create a particularly attractive and fair working environment for our colleagues. In 2018, the news magazine Focus (issue no. 08/18) confirmed that we are on the right track: The test seal „Highest fairness in the job“ was awarded to employers who offer their employees particularly fair working conditions. With 94.6 out of a possible 100 points, the Hettich Group took 3rd place in the metal industry sector. The objectives for corporate culture, working climate and fairness were evaluated.

## Occupational safety

### Safety Excellence

Approximately 80 percent of all accidents are caused by a behavioural fault of the injured person. With our self-developed „Safety Excellence“ method, we are striving for a permanent improvement of our low occupational accident rate. „Safety Excellence“ supplements the classic elements of occupational safety with the building block of behaviour-based occupational safety. Using emotional arguments, the concept aims at gaining awareness and changing the behaviour of our colleagues.

Our guiding principle „Safety without compromise“ brings the measures and activities of the „Safety Excellence“ method to a common denominator. In this way, we provide all Hettich colleagues with assistance in their daily, safety-relevant decisions, so that in case of doubt, they can choose the clearly safe course of action. – Even if this may seem complicated or time-consuming at first.

Our mascot „Safety“ points out safe behaviour for various dangerous situations so that accidents do not occur in these situations. To determine the effectiveness of the „Safety Excellence“ method, we have introduced a practical audit system in operating areas. All Hettich colleagues are educated accordingly with special workshops on behaviour-based occupational safety.



## Accident rates successfully reduced

The result of the „Safety Excellence“ method is already clearly visible: Measured against the industrial sector average, we have below-average accident rates in the Hettich production companies. In the period prior to 2007 (start of „Safety Excellence“), the average annual lost time due to an accident per Hettich employee was approx. 0.80 days. Within only two years, this key figure was improved by about 50 percent. In 2019, it was 0.24 days below the previous year's level and thus at its lowest level since the introduction of the „Safety Excellence“ method.

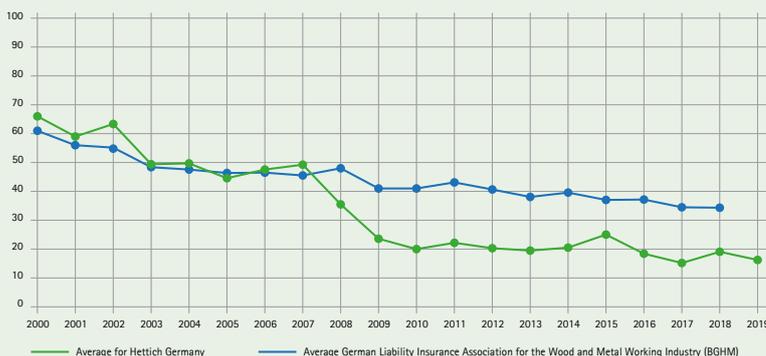
A significant reduction is also in evidence across Hettich's German operating bases when measured using the 1,000 man rate employed by the Employers' Liability Insurance Association for the Wood and Metal Working Industry (Berufsgenossenschaft Holz und Metall - BGHM), which quotes the number of notifiable accidents per 1,000 employees. Before the „Safety Excellence“ method was introduced, the average 1,000 man rate at Hettich's German companies was still in the region of 50 accidents per 1,000 members of staff, putting it just below the BGHM average.

Since 2007, the 1,000 man rate has fallen at Hettich's German operations: currently approximately 16 accidents per 1,000 employees, some 52 percent below the average figure quoted by BGHM.



### Notifiable accidents per 1,000 employees (1,000 man rate)

- Average quoted by the German Liability Insurance Association for the Wood and Metal Working Industry (BGHM)
- Average for Hettich Germany



### Accident related lost time in days/year per employee Hettich Group



# Hettich as an Employer

## Health

Demographic change and longer working lives present companies and their workforces with new challenges. The Hettich Group meets these challenges with preventive health promotion measures.

In 2019, 52 employees of the Hettich locations in Ostwestfalen-Lippe celebrated their 25th, 40th or 50th anniversary of service in a total of 1,500 years of corporate loyalty. This means an average of over 28 years of employment with our company. – A figure that makes us particularly happy, because we are already doing a lot to maintain and actively promote the physical and mental health of our workforce.

### Company healthcare management

#### Our programme: „Hettich Vital“

„Hettich Vital“ bundles all health promotion measures for our colleagues. These include company health management, company integration management, compatibility of family and career as well as company medical care and addiction prevention.

Corporate health management (BGM) is a cross-company strategy within the Hettich Group. The tasks include supervising and supporting the individual companies in setting up and implementing occupational health activities in the „Hettich Vital“ programme. The aim is to inform our colleagues, to support them in health-conscious living and working and to strengthen the health competence of the individual.

The needs-based offers of the Hettich Vital programme are drawn up in consultation with the personnel managers and works councils of the individual companies, the occupational safety specialist and the company doctors. The range of company measures for health promotion is available to all colleagues in the company.

A network of BGM coordinators across the individual companies ensures close exchange within the entire Hettich Group.

### Health advice

We also offer our colleagues support in mental health promotion. For some years now, Hettich has been working with an external health counselling service: Anyone who so wishes receives an anonymous and free initial consultation for problems in their professional and private life. We also offer regular seminars, e.g. on conflict management, via the internal „Hettich Academy“.

### Compatibility of family and career

Many of our colleagues perform a balancing act between career, family and partnership every day. In the event of unforeseeable circumstances, such as a parent needing care or lack of childcare, this can become a real challenge. We want to provide support in these situations as well, and to this end we work together with an external service centre for the compatibility of family and career, which can provide quick and free advice on suitable offers of help.

### Company medical care and addiction prevention

When it comes to workplace-related health issues, our colleagues receive support from the company doctors.

Addictions and dependencies have an impact on the social and professional environment. Hettich offers an internal addiction counselling service as the first point of contact for those affected, their relatives and managers. Colleagues with addiction problems receive practical advice and information on external counselling centres.

Health fair Hettich USA



### Company integration management

Hettich has appointed a dedicated officer and set up a secretariat for company integration management. The aim is to prevent possible incapacity to work on the part of colleagues through individual and tailor-made company measures. Preventive measures and health promotion programmes are derived from the practical findings of company integration management. The focus is initially on all colleagues who have been ill for more than six weeks within a twelve-month period.

### Healthy Working

Thanks to our self-developed Safety Excellence method, we have succeeded in keeping our occupational accident rate stable at a low level over the long term. However, healthy working means much more than „no accidents“: With the „Healthy Working (‘‘Gesundes Arbeiten’’)’’ project, Hettich is setting an important example in the development of culture. The aim is to promote not only the physical but also the mental health of our colleagues. By means of workshops we determined together with an external service provider the psychological stress in the workplace. For us, the question of healthy working is answered by careful use of our own resources – and by the personal attitude of each individual, because mutual appreciation and attentiveness strengthen the well-being of us all.

### Special activities 2019:

#### Health fair Hettich USA

At our site in the USA the annual health fair took place for the 10th time in 2019. The colleagues had the opportunity to carry out tests, e.g. on the body mass index or blood pressure. In addition to tips on healthy eating with appropriate recipes, a wealth of medical information was provided. Additionally, two masseurs were on site.

#### Sponsoring „Widufix Lauf“

Hettich is main sponsor of the „Widufix Run“, a charity run to promote vocational training in the Herford district. In 2019, the Hettich team again supported the creation of 16 new apprenticeships through its participation.

Gesundes  
Arbeiten



# Apprenticeships and further training



## Starting a career

We take part in numerous projects, such as "Girls'Day" and the MINT initiative which set out to get women interested in careers with a focus on mathematics and natural sciences. Taking place each year at the company's Kirchleugern headquarters, Hettich Careers Information Days provide school students, their parents and teachers with the opportunity to talk directly to Hettich apprentices and apprentice instructors and find out more about the various trades in which apprenticeship training is available. In 2012, Hettich invested € 1.1 million in extending the technical training centre at Kirchleugern. No less than 1,600 square metres are now home to the metalwork, mechanical and electrical engineering apprenticeship departments as well as training and communal rooms. Along with classic apprenticeship training, there is also the



option of completing a dual Bachelor's degree programme in business information technology.

## Best place to learn

Hettich is proud to have again received the „Best Place to Learn“ seal of approval from AUBI-plus in 2019 and to retain it for the next 3 years. This German training seal is only awarded to companies that can prove that they are providing young people with excellent qualifications for the labour market. This award helps us to score points in the highly competitive market for trainees.

## Further training

As a company, we want to be sustainably competitive. This includes competent and committed colleagues. After the (career) start, we therefore ensure long-term prospects and development opportunities in the family business Hettich, with various elements of personnel development.

## Hettich Academy

The Hettich Academy is an internal service provider for international personnel development and a network for communicating expertise within the Hettich Group. It ensures that qualification needs are met and provides a comprehensive training programme for all departments.

## Shift and Share – Knowledge exchange in the network

A new format for exchanging information was introduced at the beginning of 2018. The principle „shift & share“ is very simple: The topics for the lectures come voluntarily from colleagues who have tried something new and would like to share their experiences. The choice is diverse: from new work formats and agile working methods to new technical tools. An event

lasts 60 minutes - with consistent adherence to time: There are three lectures of 20 minutes each with three groups of listeners who rotate every 20 minutes to the next lecture. The speakers will then be available for a short question and answer session. The compact format thrives on simplicity: no long preparation, but simple authentic reporting from everyday work.

## Networking

### Inter|Action

Since 1994, Inter|Action has been a networking programme for Hettich colleagues to build professional networks, get to know the diversity of the Hettich Group and develop their intercultural communication and project management skills. International projects are worked on in teams. The events and training courses at Inter|Action are generally held in English.



# Corporate culture – new forms of teamwork

We test new forms of cooperation such as cross-company network structures, cooperation models, agility or self-organised teams. In this way we want to create a working environment in which each and every one of us can passionately contribute with the best personal qualities.

We at Hettich promote our culture of collegiality, respect and openness with numerous measures. We focus on integration in every respect, which is evident in many large and small steps. Our motto is: We are all one „Hettich“ together.

André Häusling and Stephan Fischer as editors of the Haufe book: „The Way to an Agile HR Organization: Models and Practical Examples for Successful Transformations“ (Haufe book, ISBN 978-3-648-13439-9, 1st Edition: April 20, 2020) therein describes the experiences we gained so far with our strategy „More courage, personal responsibility and agility“.

## Dynamic office

At Kirchlengern site, a „dynamic office“ was set up as a place for spontaneous meetings and information exchange. Colleagues from other Hettich locations are also always welcome to spend time here between meetings. The contemporary furnished rooms radiate a positive atmosphere and should encourage „out-of-the-box“ thinking.

## Digitalisation – Award Digital Champion

Our activities in the field of „digitalisation“ are also being recognised: in 2019 we were named „Digital Champion“ in the DEUTSCHLAND TEST. The competition was organised by the German business journal „Focus Money“ with scientific support from the Hamburg Institute of International Economics (HWWI). Being among the participating companies from the „metal industry“ sector, we have thus set standards.

## Diversity and equal opportunities

Equal opportunities is the key to making diversity an instrument for ensuring the success of an international company. On the renewed signing of the Diversity Charta (Charta der Vielfalt) Hettich undertakes to create a working environment free from prejudice and exclusion. Our climate of acceptance sets out to promote the potential of diversity in the workforce in the best way possible.





## **Involvement of our colleagues**

Hettich promotes an open corporate culture and relies on various communication tools. We also ensure that all our colleagues have equal access to information – regardless of their field of activity.

### **Hettich „stars“**

The so-called „star“ model of teamwork has become an essential success factor for constructive cooperation and satisfaction at Hettich. Colleagues become a „star“ and then take on special tasks: The „communication star“ is the link between the team and the team leader, the „quality star“ deals with quality issues, the „TPM star“ helps to shape the maintenance and cleaning intervals, among other things, the „occupational safety star“ identifies potential danger spots together with the team and eliminates them.



### **Hettich ideas management**

Our colleagues are as diverse as their ideas. „Hettich ideas management“ is open to all suggestions for improvement. We encourage constructive ideas for existing working methods as well as for introducing new, modified organisational processes. The ideas are evaluated and, if appropriate, implemented with the relevant specialised section. Particularly good suggestions for improvement are rewarded.

### **Hettich news internal**

There are many different ways for our colleagues to gain information on the company.

### **Hettich Dialog**

In 2019, the internal newspaper „Hettich Dialog“ was also published six times in German and English.

### **Hettich Connect**

With our digital community „Hettich Connect“ we have created a new, internal platform: It serves all colleagues worldwide to obtain and exchange information quickly and easily and paves the way for future-proof digitisation.

# Corporate culture – new forms of teamwork

## Sustainable projects of our colleagues

Worldwide, there are projects in the Hettich Group which show that sustainability is a concept that is practised and shared by all.



### Bee pastures

To enrich the unused lawns at our site in Spenge, East Westphalia, a 500 m<sup>2</sup> bee pasture was created in 2018 at the suggestion of a committed colleague. In 2019, in cooperation with a sheltered workshop, an „insect hotel“ was set up as a nesting aid for wild bees. In order to make this initiative known to bee lovers in the other Hettich subsidiaries, a separate community was created in „Hettich Connec“. Here you will find information and exchange on the idea of converting existing green spaces at Hettich into wildflower meadows and possibly starting a bee project. Inspired by this, a project group in Kirchleugern is now also committed to promoting biodiversity at the site and wants to enrich it with a bee pasture in cooperation with a social institution. Further locations are to follow.

### Biological hand washing paste

A colleague from Kirchleugern has also demonstrated sustained commitment: It is thanks to his persistence that we have completely replaced environmentally harmful washing pastes at our Kirchleugern site with a biological, micro plastic-free alternative using ground olive stones, nut shells etc.

### Foil reduction in production

A colleague from Kirchleugern showed his own initiative in reducing packaging waste. In his function as „quality star“ he asked himself the question whether the amount of foil for the pallets delivered from our Frankenberg site was really necessary. After consultation with the colleagues in Frankenberg, it was agreed to reduce the pallet wrapping by two wraps on a trial basis. The result: all test pallets survived the transport without any damage or slipping. Since then the automatic winding machine at the Frankenberg site has been permanently adjusted to the new winding variant. With approx. 12,000 pallets per year, the foil consumption has been reduced considerably. The example shows that much can be achieved with the Hettich „star“ model.



# Commitment to Society

## Foundation study funds „Studienfonds OWL“

Hettich supports the foundation „Studienfonds OWL“, a cooperation project of the universities of North Rhine-Westphalia in Eastern Westphalia-Lippe (OWL). The aim of the foundation is to support students in Eastern Westphalia-Lippe with both materials and ideas in the long term, to establish a network between sponsors and recipients and thus to strengthen the university and business location Eastern Westphalia-Lippe in the long term.

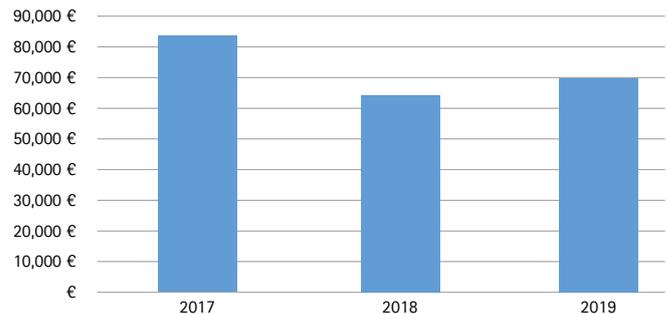
In the 2018/2019 funding year, we have again supported a scholarship holder with a one-year scholarship in recognition of social commitment and outstanding achievements. The scholarship is financed equally by federal funds and by Hettich. In addition to financial support, we also offer support with ideas: In an introductory talk we find out more about the interests and wishes of the students and exchange information about a possible internship, mentoring or participation in Hettich workshops.

## Promoting voluntary work

Outside of work, many Hettich colleagues are involved as volunteers in social welfare projects worldwide. We wish to express our appreciation to our colleagues for devoting their spare time to various activities within the social welfare sector and therefore promote this commitment since 2013: Once a year, our colleagues can put their project forward for support. These projects cover a wide range of areas: supporting children and teenagers, the ill and people in need of care, local heritage societies, rescue services and sports institutions.



Amount donated to voluntary work



Between 2013 and 2016 alone, 485 projects worldwide received funding with a total of 317,500 euros in donations.

In 2019, over 150 projects were submitted, of which 138 donation cheques were handed over to support projects. This corresponds to a sum of 69,000 euros. 86 projects came from Germany, another 52 donations went to the Czech Republic, Spain, India, Poland and England.

## Working with schools and universities 2019

We want to give young people an early glimpse of the working world and help them make the transition from school to career. If we can get school leavers excited about training at Hettich in this way - all the better! At some German locations we cooperate with selected schools in school and internship partnerships. School fairs, application training and many other activities are carried out together.

As a member of the experiMINT association, we organise annual four-day „camps“ at our Kirchlengern site for pupils from the lower grade who are interested in technology. In 2019 the groups drew their own LED lamp, built it themselves and then successfully put it into operation.

# Commitment to Society

In cooperation with the training institute of the East Westphalian economy, we carried out the student project „be smart“ for the third time in 2019 to provide an insight into the Hettich training world. In small, technical projects supervised by trainees and trainers, the pupils gained an insight into the world of Hettich training. The programme was concluded with an application training: Here the young people could bring their own application to the check and get tips and tricks for the job interview. During the project days in 2019, we also offered the day-care centre „dwarfs“ of the “Forscherhaus Herford” the opportunity to discover electricity in our training centre.



## Hettich Experience

„Hettich Experience“ is our cooperation programme with universities in East Westphalia, which enables an intensive combination of study and practice. For one semester, students work on various problems and then present the results both at the university and at Hettich.. The project work is recognised as a course achievement. Accompanied by a Hettich mentor, the groups work and control themselves largely independently. The project work helps students to form their own impression of the professional requirements, to develop their skills and to receive motivation for their own career.

## Local commitment

As a company operating on the international stage, we are also mindful of local projects and provide them with long term support. At its various operation sites, the Hettich Group supports a wide variety of charitable projects. These include sport clubs, community festivals, nursery schools and retirement homes, for example.

### Sale of Advent calendars for the Child Protection Association

Our apprentices have been showing their commitment towards the Bünde Child Protection Association since 2011 by helping to sell Advent calendars. These contain gifts from the regional business world and proceeds from selling the calendars go to the Child Protection Association.

### Hettich fittings in a vocational school in Mongolia

Carpenters are trained at a newly built vocational school in Ulaanbaator, Mongolia. We support the lessons there by providing free fittings.

### Hettich Australia supports Property Industry Foundation

As a Silver Corporate Donor, Hettich Australia has been supporting the Property Industry Foundation since 2019, a charity organization that fights against the homelessness of young people through appeals for donations and voluntary work. Our colleagues from New South Wales helped the Property Industry Foundation to set up a new house for five young people and a caretaker in Sydney. Over the next five years, the Foundation plans to build another 125 homes for young people who need a safe place to live.

### **Hettich China: Furniture and books for Chinese pupils**

Hettich China is actively involved in various charity programmes and wants to contribute to the development of rural areas in China. In November 2019, for example, 63 desks and chairs and 130 stationery sets were donated to two primary schools in southern China in cooperation with a customer.

Hettich China also took part in the charity campaign „Heartwarming Action – Love Reading“, the purpose of which is to bring the fun of reading to children in mountain regions. During their visit to a primary school in Guizhou Province, Hettich colleagues brought book shelves, children's books, school supplies and sports equipment for the pupils.

### **Hettich Czechia: Charity raffle**

Our subsidiary in the Czech Republic held a New Year's raffle for the first time in 2019. The money collected in the raffle was donated to the Domáci hospic Vysočina, a hospice dedicated to the care of palliative patients and their relatives.



*Hettich Australia supports Property Industry Foundation*



*Hettich fittings in a vocational school in Mongolia*



*Hettich China: Furniture and books for Chinese pupils*