



Sustainability Report
2020

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Foreword

Dear readers,

Since the founding of the Heraeus family pharmacy in 1660, our entrepreneurial activities have repeatedly required adjustments to changing conditions in order to take advantage of new opportunities. Sustainability has become a central entrepreneurial guiding principle and has long been incorporated into the principles of our entrepreneurial and social actions.

In the recently published mission statement “Heraeus 2025”, we have again committed ourselves to further anchoring responsibility in our company and to pursuing environmental, social, and governance goals.

The Heraeus Group, which grew out of the pharmacy, currently has a diversified portfolio of operating businesses called Global Business Units, each with individual needs, objectives, and challenges in their respective markets. In their operational activities and strategic considerations, they play a key role in the responsible use of natural and financial resources. They are guided by the central framework and guidelines of the Heraeus Group. These activities

support the Global Business Units in defining their operational goals, selecting measures, and monitoring performance by key performance indicators.

With this report, we document which fields of action are at the forefront for us and which goals we have set ourselves for the future.

In addition, we were able to expand our data transparency in the reporting period, laying the foundation for the further development of our sustainability strategy. This progress is important in order to anchor sustainability even deeper in the company. Starting in 2021, the Global Business Units will identify material ESG topics and plan respective activities.

In this report, we also describe how we use our innovative strength and technical expertise to make an active contribution to a sustainable and better world with our customer-centric products and solutions. In this, we focus on activities concerning the environment, health, electronics and industrial applications.



The coronavirus pandemic has presented our society with major challenges over the past two years. Heraeus specifically developed products for the healthcare sector to support the battle against the pandemic. Examples are our UV-C air disinfection solutions against coronaviruses, medical technology components such as catheters, and sensors that are used for lung ventilators and in the cold chain management of vaccines.

Product developments from Heraeus are also helping to shape the sustainable mobility of the future: from battery additives for greater ranges in e-mobility and catalysts for the production of green hydrogen or for fuel cells to temperature sensors for more efficient operational management of charging stations and electric motors.

In times of growing scarcity of resources, Heraeus products also make a targeted contribution to reducing the CO₂ footprint: for example, through precious metal recycling or through components and materials for solar and wind energy.

I hope you will enjoy reading this sustainability report.

Jan Rinnert

Chairman of the Board of Management, CEO
Heraeus Holding GmbH

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About this Report

This is the Heraeus Group's third sustainability report. The report's objective is to make our activities and our progress towards integrating sustainability into our business transparent to our stakeholders.

Reporting period and scope

This report covers the period from January 1, 2019 to December 31, 2020. It also provides information about important activities that took place either before or after that period, up until the editorial deadline in August 2021. Heraeus publishes sustainability reports every two years. The previous report was published in November 2019. Our next report is scheduled for 2023 and will cover the years 2021 and 2022.

Contents and reporting standard

In this report, we focus on Group-wide topics, goals and roadmaps and unless indicated otherwise, our statements apply to all our eleven operational businesses (Global Business Units) and all our sites around the world. In our effort to bring more relevant information to our stakeholders, we are introducing a new structure with this report. While building and reporting on compliance are the basis, we also report on our progress with a particular emphasis on environment, people and innovation.

Throughout the report, we showcase select outcomes and activities of our Global Business Units in short story format, referring to how these initiatives contribute to the United Nations SDGs (Sustainable Development Goals). Some of these stories link to more detailed web content.

As indicated in our 2018 report, we have introduced a Group-wide software solution in 2020 for reporting energy requirements, water consumption and waste volumes for all production sites worldwide. The initiative enables us to report on these indicators on Group level and to calculate Scope 1 and Scope 2 carbon emissions for our Group. To extend our data reporting, we have also included gender, regional and age-specific diversity figures in our report.

Heraeus aligns this report on the Sustainable Development Goals of the United Nations. Projects from the Global Business Units show our specific contribution to selected sustainability goals.

Format and contacts

This report is published digitally in English and German and can be downloaded at www.herae.us/responsibility.



In order to make the report easy to read, it includes a glossary of specialist terms and a key figures disclosure overview.

We look forward to this report providing new impetus for dialog with our business partners, employees, the interested public and further stakeholders. We look forward to keeping in touch with you and continuing our exchange of ideas!

Ágnes Gergely

Group Sustainability Manager
Heraeus Holding GmbH

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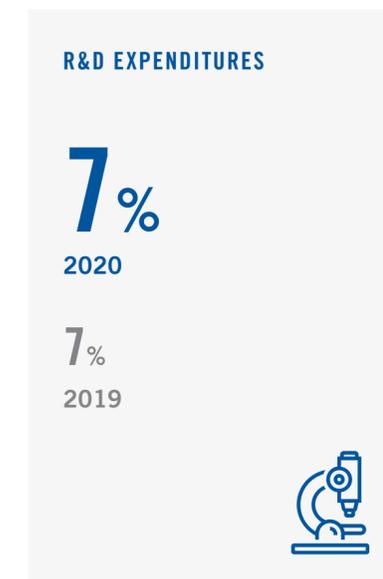
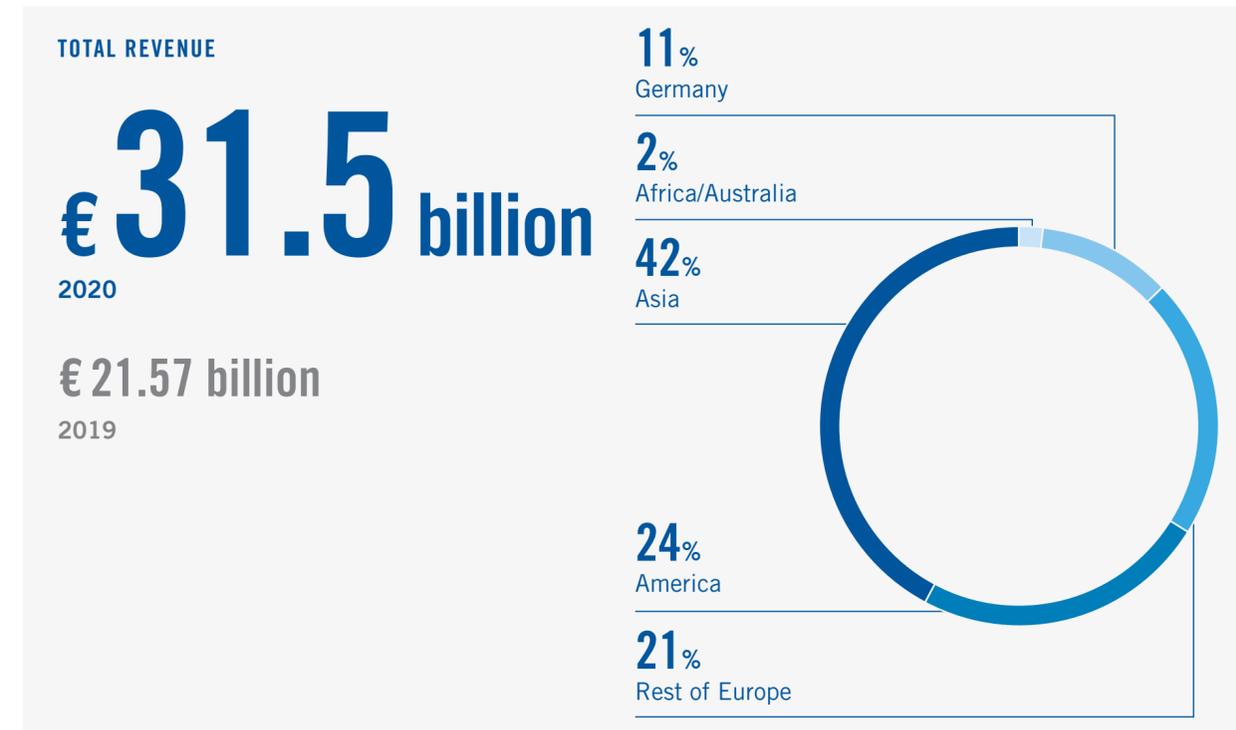
Family-owned portfolio company

Heraeus, technology group headquartered in Hanau, Germany, is a leading international family-owned portfolio company. The company's roots go back to a family pharmacy started in 1660. Today, the Heraeus Group includes businesses in the environmental, electronics, health and industrial applications sectors. Customers benefit from innovative technologies and solutions based on broad materials expertise and technological leadership.

In the 2020 financial year, the FORTUNE Global 500 listed group generated revenues of €31.5 billion with approximately 14,000 employees¹⁾ in 40 countries. Heraeus is one of the top 10 family-owned companies in Germany and holds a leading position in its global markets.

The Heraeus Group has eleven Global Business Units under the umbrella of the Heraeus Holding. These units are market-oriented and functionally structured. An overview of all Global Business Units and corporate start-ups can be found on page 65, section [Overview Heraeus Global Business Units](#).

Heraeus at a glance



¹⁾ Excluding temporary workers.

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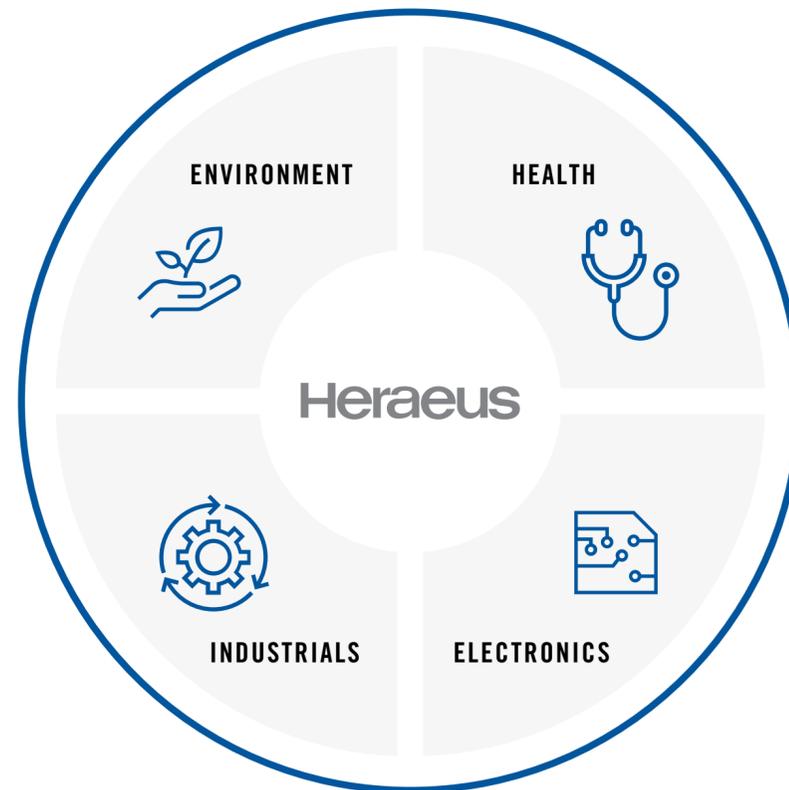
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The Global Business Units of the Heraeus Group operate in four fields of activity.

Activity fields



ENVIRONMENT



The development of sustainable technologies for a clean environment represents one of the key activities at Heraeus. With its photovoltaics products, the company makes a significant contribution to resource-efficient power generation. Another key activity of Heraeus is the manufacturing of specialty light sources to purify air and water. As a precious metal specialist, the company has extensive expertise in the manufacturing of industrial products containing precious metals for various applications. Heraeus provides services throughout the precious metal cycle from procurement through processing to recycling. Coating and refining processes along with colors and products for the pharmaceutical industry that contain precious metals round off Heraeus' broad expertise in the precious metal cycle and in industrial products in the field of activity Environment.

HEALTH



Global population growth and the aging demographic structure are driving increasing demand for cutting-edge materials and technologies in the medical sector. Heraeus has a long tradition of involvement in this market; indeed, the business began as a pharmacy. Today, Heraeus is one of the leading manufacturers of orthopedic products, particularly biomaterials, and a key supplier in the area of cardiology and minimally invasive surgery. Heraeus carries out research on solutions and develops products that contribute to medical progress.

ELECTRONICS



Digitalization and interconnectedness are increasing rapidly around the globe, and electronic components are becoming smaller, longer lasting, and more efficient. Heraeus supports customers from the information technology, automotive, telecommunications, and consumer goods industries by offering a broad range of innovative joining and coating technology solutions. It is also a technology leader in the production and processing of high-purity quartz glass. This is the raw material for the production of optical fiber cables for the telecommunications industry and is used to make components for the production of ever smaller semiconductor chips.

INDUSTRIALS



Heraeus has long been a partner of choice for industry based on the Group's in-depth expertise in high-temperature processes and in various sensor applications. Heraeus is a recognized specialist in measurements for molten steel, iron, and aluminum, while also continuously developing its portfolio of products ranging from high-performance sensors to complete measuring systems. The field of activity Industrials also includes start-up activities, sensors, and electronic chemicals.

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Our products contribute to a sustainable future.

HERAEUS PRECIOUS METALS

Electrocatalyst makes green hydrogen more cost-effective

The efficient production of green hydrogen will help determine whether global climate targets can be achieved. At the heart of its production is electrolysis, which uses electrocatalysts containing precious metals. These rely on the rare precious metal iridium to produce hydrogen as an energy carrier for industrial and fuel cell applications. Global Business Unit Heraeus Precious Metals has succeeded in developing a particularly efficient catalyst that uses up to 90 percent less iridium at a higher output.

 [Read more about how Heraeus Precious Metals contributes to the energy future](#)

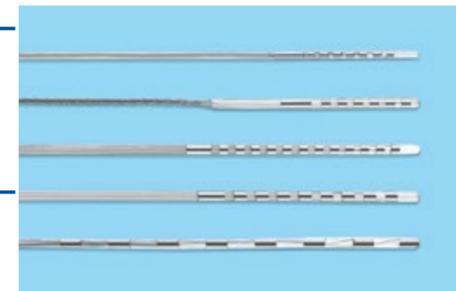


HERAEUS MEDICAL COMPONENTS

Neuromodulation: Stimulating a better way of life

In the field of medical technology, the Global Business Unit Heraeus Medical Components is continuously evaluating the market and looking for new opportunities to achieve its mission of improving 100 million lives every year. One therapeutic market trending in the industry for its clinical success is neuromodulation, which is the alteration of nerve activity through targeted delivery of stimulation in the body. When conventional medicine reaches its limits, this treatment method can bring patients the help and relief they have been longing for. Therefore, after only a few years, Heraeus Medical Components has evolved to offer vertically integrated complete solutions as a sustainable partner to medical device manufacturers.

 [Read more about how neuromodulation supports patients](#)



HERAEUS ELECTRO-NITE

Steel processing: Every degree counts for the climate

Stopping climate change: In 2019, energy-related global CO₂ emissions were around 33 billion metric tons. The iron and steel industry alone caused 7.2 percent of this, making it the largest emitter among individual industries at the same time. The Global Business Unit Heraeus Electro-Nite has been the leading specialist for measurement technology in molten metals for almost 50 years. Precise measurement technology is the starting point for reducing the amount of CO₂ and costs at temperatures of more than 1,500 degrees Celsius, while at the same time increasing occupational safety at the blast furnace.

 [Read more about how a small measuring system has a big impact not only on the environment](#)



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HERAEUS MEDICAL

Personalized medicine reduces risks also for joint replacement

The medicine of the future is highly personalized and increasingly takes into account individual factors such as age, clinical picture and medical history. This development can also be observed in orthopedics and traumatology, especially in arthroplasty. Patient-specific approaches make it possible to reduce infection risks after joint replacement surgery. The Global Business Unit Heraeus Medical makes a significant contribution to this with bone cement containing antibiotics.

[!\[\]\(e10773081adcaeab632f9dd4c8931cd5_img.jpg\) Read more about how bone cement reduces individual infection risks](#)



HERAEUS ELECTRONICS

Power electronics for the world of tomorrow

The world is on electricity: consumption of electrical energy is increasing year by year, e-mobility is picking up speed, the power density of semiconductors is overcoming ever new limits, and at the same time electrical systems are expected to become more efficient. The answer to all these challenges is innovative power electronics. It ensures the required reliability combined with longer service life and low consumption values. And at the same time, it offers the required higher power densities, operating temperatures and switching frequencies. Over the past two years, the Global Business Unit Heraeus Electronics has developed a whole range of components and substrates that make a decisive contribution to this desired development of power electronics.

[!\[\]\(d5831b2ac75eb48b4c49d27e61d24c03_img.jpg\) Read more about how smart substrates increase the life of automotive and industrial applications](#)

[!\[\]\(d3d0bc9cbc0b5499f7bfafd3278057f7_img.jpg\) Read more about how fine wires and ribbons are enabling new generations of technology](#)



HERAEUS NOBLELIGHT

Infrared dryers make battery and vehicle production more efficient

Whether it's faster production of lithium batteries for the booming e-vehicle market or energy-saving application of a desired two-tone paint finish in car production, both can be sustainably optimized using innovative drying processes from the Global Business Unit Heraeus Noblelight. In the first case, special infrared emitters increase the production numbers of electrodes for batteries while improving quality; in the second, carbon infrared modules enable partial intermediate drying of car parts, thus saving a complete drying cycle.

[!\[\]\(64aa49a093b417cefcbea2338d3c32ec_img.jpg\) Read more about how Heraeus Noblelight supports battery production](#)

[!\[\]\(c44c1590e4070d8cc0b28ab85cb00ddf_img.jpg\) Read more about how infrared emitters make automotive painting more efficient](#)



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Vision 2025

Our way into the future

To continue the history of the Heraeus Group and our path of sustainable growth, we are focusing on five major areas of activities.

By 2025, we will...

... strengthen the Heraeus Group's portfolio of diversified businesses with substantial investments.

... develop the degree of independence of the individual businesses of the Heraeus Group to enable the businesses to focus on their specific missions and opportunities.

... improve the competitiveness of each of the Heraeus Group's businesses through customer focus, innovation, and excellence in order to outperform the competition.

... leverage partnerships, networks and cooperation with market participants, customers, suppliers and other partners to achieve great results.

... make the Heraeus Group and its businesses an attractive place to work.



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Our understanding of sustainability and our mission statement shape our daily actions

Maintaining the long-term independence of Heraeus as a family-owned company is our top priority at all times and in all corporate policy decisions. This basic orientation requires sustainable economic success, which takes precedence over short-term profit maximization.

Our vision and mission statement for 2025 is to continue to invest in our diversified business portfolio and to allow our Global Business Units to focus on their specific tasks. Each Global Business Unit individually and in its own context pursues a responsible approach to financial and natural resources as well as its social environment, business partners, and employees.

We always strive to make a meaningful contribution to solving the problems of our customers, the company, and the world – through customer focus, innovation, excellence, shared values, and an attractive workplace, as well as through collaborations across our networks. We also strive to actively contribute to a sustainable and better world through our customer-focused innovation and technical expertise, not to mention our own products and solutions.

Our core values

Heraeus has established basic values in its corporate mission statement to guide daily activities at all locations worldwide.

It's a people business

- We understand leadership as a key lever for success, we value our leaders and their unique contributions and invest in their growth.
- We attract, retain and develop the most talented, skilled and motivated people and we engage the most collaborative and diverse teams.

Customer focus guides us

- We listen to our customers and deliver technologies and solutions that satisfy their needs.
- We are committed to supporting our customers in achieving their high ambitions.

Innovation leads us

- We regard innovation as a key competitive differentiator.
- We understand internal and open innovation as two equal routes for great ideas, and we pursue large and small ideas that matter.

Excellence drives us

- We believe in excellence as a key driver of success.
- We drive excellence in all areas of the business, for example supply chain, innovation, commercial and administration.

Responsibility matters

- We act with integrity and responsibility towards our partners, society, and the environment.
- We integrate environmental, social and governance (ESG) considerations into our corporate and operational business activities.

Our fields of activity in the area of sustainability

- Compliance
- Environment
- People
- Innovation



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Anchoring responsibility in the company

The individual Heraeus Global Business Units and their operating divisions are responsible for translating our responsibility for sustainable actions into specific measures. Our central management systems form the control basis for defining operational goals, selecting measures, and reviewing performance using key performance indicators.

The basis of our responsible actions is compliance with applicable laws and regulations. Since the introduction of a globally applicable Code of Conduct in the Heraeus Group on January 1, 2007, we have been continuously developing the content and structure of our compliance system. Since 2016, the Heraeus compliance system has also been part of our expanded responsibility management system.

The Heraeus Responsibility Office is responsible for compliance and data protection structures as well as for establishing and expanding reliable processes and structures worldwide. The Group Responsibility Committee also functions as a central body at the Group level for managing responsibility. Several times a year, this committee deals with all topics related to the exercise of responsibility in the various Heraeus Global Business Units. Representatives on the committee include the Chairman of the Group Executive Board, the Group General Counsel, the head of the Responsibility Office, and the heads of important Group functions. The Group Responsibility Committee was further developed in 2020 and 2021: Once a year, all management functions of the individual Heraeus Global Business Units are now briefed on new developments in the area of responsibility. Responsibility topics are now also part of the quarterly review meetings between the Heraeus Holding Board of Management and the Global Business Units, if necessary.

For Heraeus, responsible and sustainable action does not end with compliance with all applicable laws and regulations, but also includes the responsible use of financial and natural resources, the social environment, and business partners and employees.

Against this backdrop, we have launched a program for our Global Business Units in 2020 to embed sustainability more deeply in our businesses. At the Global Business Unit level, strategies are to be developed with sustainability in mind, and roadmaps for the further development of sustainability goals are to be created. Heraeus Holding has created the position of a Sustainability Manager for this purpose. The task of the Sustainability Manager is to support the Global Business Units on their way to a holistic sustainability strategy with a content framework and to anchor stakeholder and customer orientation in the respective strategies. In this way, we want to create long-term value for our various stakeholders.



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Heraeus anticipates, understands and supports the increased need for transparency, improvement and reporting on ESG issues in the EU and is committed to preparing for and adequately meeting the new requirements.

In 2020, we expanded our geographic coverage in measuring our ESG footprint. We aim to share this data with our stakeholders to increase our transparency. This also serves as preparation in view of emerging regulatory obligations.

As part of our Vision 2025, we will further embed responsibility in our business and integrate ESG aspects into our corporate governance and business activities.

Planned key measures starting 2021

The Heraeus Group is establishing a framework to

1. identify material ESG issues,
2. organize the steering system,
3. define KPIs and targets and
4. plan respective activities to improve on ESG issues.

HERAEUS GROUP

Heraeus Awards: Honoring outstanding sustainability projects

Since 2003, Heraeus has recognized teams within the company for outstanding ideas and particularly successful projects. In 2020, we also honored achievements in the area of sustainability for the first time.

More than 20 applications from nearly all Global Business Units were received for the newly introduced category. Heraeus broadcasted the awards ceremony, including the presentation of all projects, via our mobile employee app Heraeus touch – around 1,200 Heraeus employees participated digitally in the event.



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Roadmap

Material topic	Description	KPI	2020 Value	Target	Target date
ESG management	ESG governance and management system to be built and rolled out	Rollout completed	On track	Rollout completed	2023
Suppliers risk assessment	Suppliers risk assessment framework to be built and rolled out	Rollout completed	On track	Rollout completed	2023
Continuous compliance monitoring	Launch of regular continuous monitoring of compliance-relevant business figures	Monitoring system	n/a (kick-off in 2022)	Monitoring established	2025
Prevention of occupational accidents	Safety campaigns and action days are carried out for prevention. Reporting and processing of events in professional software	LTIR (number of occupational accidents with at least one day of lost time in relation to hours worked, standardized to 1 million hours worked)	3.5	<2	2025
Systematic EHS management	Roll out a global EHS management system that includes the international standards ISO 14001, ISO 45001. Global assessments will begin in 2021 and will be carried out once a year.	Percentage of production sites that are ISO 45001 and ISO 14001 certified	n/a (kick-off in 2021)	80%	2025
Compliance with legal and internal EHS requirements	For each production site, the Global Business Units demonstrate the performance of their respective EHS compliance through participation in the EHS Management System Program.	Annual participation of all production sites in the assessments of the EHS management system	n/a (kick-off in 2021)	90%	2025

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Our response to the global pandemic

The health and safety of our employees as well as customers, suppliers, and business partners are always top priorities at Heraeus. This was even more true during the outbreak of COVID-19 – an unprecedented challenge and crisis that hit our company unexpectedly. We were able to respond early and proactively through close contacts with Heraeus employees in China. As early as January 2020, for example, we convened global, regional, and divisional crisis teams with cross-functional responsibility for crisis management around the pandemic in the company. With the help of a clearly defined crisis management process, safety and preventive measures were implemented in line with national, regional and local circumstances.

All safety and prevention measures are accompanied by communication via our mobile employee app Heraeus touch. Employees at all locations can obtain up-to-date information on important topics relating to COVID-19. In the app, they will find information such as comprehensive instructions for protection in the workplace and on the road, direct contacts for assistance, global best practices, and answers to frequently asked questions and tips on safety and general hygiene. Heraeus touch also offers employees the opportunity to address their own questions regarding the virus and the pandemic. Comprehensive communication has helped raise awareness of responsible action among everyone in times of the pandemic.

HERAEUS MEDICAL

**#WeAreHME:
Communication in times of a pandemic**

In times of COVID-19, it has been a challenge for organizations and companies to maintain the emotional bond with employees. Internal communication has thus gained importance.

To highlight the outstanding contribution of employees from the Global Business Unit Heraeus Medical at the beginning of the pandemic in March 2020, the Global Business Unit launched a communication campaign #WeAreHME. In various contributions, Heraeus Medical expressed gratitude for employees on site and showed how they are dealing with the new situation in an emotional way.

The communication campaign was accompanied by regular employee surveys on work in the current situation. The results of the regular surveys were incorporated into further internal communications as well as the crisis management process.



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Protecting our employees

In line with the decrees and decisions of national and local authorities, Heraeus developed comprehensive hygiene concepts and derived individual measures to protect employees. These included, among other things, the conversion of production processes and the adjustment of shift models in manufacturing. In the office work environment, Heraeus benefited from the Group works agreement on mobile working concluded in 2019 as well as the roll-out of laptops and cloud software solutions. On the basis of both measures, it was possible to make working hours and the place of work more flexible for many employees in a short time span. In this way, the compatibility of work and family was supported in a targeted manner, particularly during the closure of schools and daycare centers.

As part of our occupational health management program, we have also set up a coronavirus hotline for all employees in Germany. Employees can address questions relating to symptoms, workplace safety or vaccinations directly to a company doctor.

Teamwork and mobile working realigned

The pandemic has changed the way many of our employees work and increased the need to use different ways to work virtually as a team.

To make the transition to remote working as seamless as possible for our employees, we have expanded our IT infrastructure. Among other things, Heraeus IT increased Internet bandwidth at the start of the pandemic to enable more users to work remotely. A special IT task force monitored developments on a daily basis and provided additional global capacity when bandwidth was scarce. Heraeus also expanded its IT services to assist employees worldwide with IT and technology issues.

We also quickly adapted our previous in-person events and training to virtual formats. The Heraeus philosophy of continuous improvement ensured that our teams were ready to meet the challenges of conducting conferences, team meetings and training sessions virtually with minimal disruption. To help individual teams make the transition to virtual collaboration, we provided assistance through our mobile employee app Heraeus touch: from guidelines for mobile working in the pandemic to tips and tricks for virtual internal events and ideas for virtual teamwork.

With the “Virtual Week”, Heraeus also introduced a new digital exchange format on the topic of “Excellent ways of working”. During the week-long format, around 60 Heraeus experts shared their experience and knowledge on new ways of working in 35 online sessions. It was an offer that reflected the spirit of the times and was taken up by approximately 3,000 employees worldwide.



HERAEUS IN SINGAPORE

The challenge of commuting: special times – special solutions

Countries such as Malaysia and Singapore came through the pandemic relatively unscathed in 2020. Normally, hundreds of thousands of people commute daily from Malaysia to the economically strong city-state of Singapore, including employees of several Heraeus Global Business Units. In mid-March, the borders were largely closed, but production must continue for the sake of customers and job security. Those responsible at Heraeus Singapore developed a comprehensive solution for their commuters.

 [Read more about how Heraeus Singapore stands up for its daily commuters](#)



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Meeting the challenges of the pandemic

We are proud of our Global Business Unit's responses to the challenges posed by the pandemic. In particular, we would like to highlight their efforts to provide uninterrupted service and consistently high-quality products to all customers.

To avoid business interruptions, Heraeus had already introduced a business continuity management policy in 2018.

By introducing shift systems across the board, we were thus able to take early action during the pandemic to limit the impact of potential infections of individual employees and continue business processes. Our teams along the entire supply chain quickly adapted to new business circumstances and put the need for health protection first. With competent teams and appropriate measures, Heraeus was able to ensure that supply chains continued to function smoothly, and customer commitments were met.

Of particular note in this context is that many of our Global Business Units are directly involved in global efforts to diagnose, treat and protect against the coronavirus.

HERAEUS IN GERMANY

Heraeus supports "Startups against Corona" initiative

Startupsagainstcorona.com was launched in mid-March 2020 by 27 pilot companies. Participating companies can post challenges related to the pandemic on the platform themselves. These include, for example, maintaining the supply chain or workforce scheduling. Start-ups then offer their solutions to these. Independent of specific requests, start-ups additionally provide solutions as general suggestions and assistance. The open format promotes collaborative approaches with other industrial companies such as Siemens, BMW or SAP. Heraeus supports the initiative as an official partner.



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HERAEUS NOBLELIGHT

Virus protection with custom-fit UV-C air purifiers

The coronavirus is not the only problem, especially in closed rooms, where such pathogens can spread particularly well due to reduced air circulation. Safe solutions that kill viruses in the air are in demand. Ultraviolet (UV) light is capable of doing this. With a wavelength of 254 nm (UV-C), it destroys the genetic material of viruses very reliably. However, potential UV-C air purifiers must be designed in such a way that their radiation is directed only against the viruses and not against humans. The Global Business Unit Heraeus Noblelight has developed its own range of air purifiers that have been tested in simulations and have already proven their effectiveness in buses, schools and nursing homes.

[!\[\]\(5f2ad55541d1c76614ad618336f6fa7b_img.jpg\) Read more about how Heraeus Noblelight gives viruses no chance](#)



HERAEUS MEDICAL COMPONENTS

Life-saving production increase via digitization

Digitization can also be a powerful agent in the fight against the life-threatening coronavirus. It not only helps to trace chains of infection, but also makes it possible to meet the rising demand for urgently needed medical technology. In 2020, the Global Business Unit Heraeus Medical Components succeeded in ramping up production of so-called PICCO catheters significantly within a very short time thanks to digital solutions. Ultimately, this is a life-saving measure for many patients, as these catheters are an important component of lung ventilators.

[!\[\]\(9c8ee003afcb6f6a71601185bbfeecdf_img.jpg\) Read more about how Heraeus Medical Components uses digitization for boosting production](#)



HERAEUS NEXENSOS

Sensors as safety aids in the pandemic

The coronavirus pandemic has increased the importance of good medical care. Temperature measuring devices play a major role in this: they ensure that cold chains are maintained during vaccine transport and that ventilators function reliably. However, the devices are only as good as their sensors, which have to withstand extreme temperatures of minus 80 degrees. The Global Business Unit Heraeus Nexensos manufactures particularly robust and durable sensor elements made of platinum that optimally cover a wide temperature range from minus 196 to plus 150 degrees.

[!\[\]\(693cd06aa2257bed54e2c00e9f50c2b6_img.jpg\) Read more about how Heraeus Nexensos supports medical care](#)



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Supporting our local communities

In addition to caring for our employees as well as our customers, we also supported charitable organizations and our communities during the pandemic.

 HERAEUS IN SOUTH AFRICA

Heraeus supports initiative against COVID-19

Helping people who themselves have too little to protect themselves effectively: This is the goal of the regional initiative “Ubuntu Covid-19 Fund” of the local chamber of commerce in the Nelson Mandela Bay region of the South African Bay region, which is also home to a Heraeus production site in Port Elisabeth. With a donation of 250,000 Rand – the equivalent of about €13,000 – Heraeus South Africa supported the regional initiative in July 2020 together with other international companies from the region. Among other things, the money was invested in protective equipment for medical personnel, the expansion of hospitals and masks in schools.



 HERAEUS IN CHINA

Heraeus Noblelight donates UV disinfection lamps

Huanggang in Hubei province was among the cities that suffered the most in the coronavirus outbreak in China. 7.5 million people live in Huanggang, which is located near the provincial capital of Wuhan. At the beginning of the pandemic, residents could not get enough supplies to contain the virus. In such a situation, it is particularly important to prevent the further spread of the virus by containing it through disinfection.

In February 2020, the Global Business Unit Heraeus Noblelight shipped 1,000 sets of UV disinfection equipment to Huanggang to support the prevention and control of the pandemic. The UV-C lamps were used in particular in hospitals.



 HERAEUS IN GERMANY

Heraeus helps local institutions in the Main-Kinzig district

At the beginning of the pandemic in April 2020, Heraeus donated 10,000 surgical masks, 2,000 protective masks, 200 protective suits and 2,000 disposable gloves to the local clinic in Hanau. The materials were urgently needed to protect staff on site and were thus a contribution to the health and safety of patients and healthcare workers.

The Global Business Unit Heraeus Precious Metals also supported in the battle against the shortage of resources at the start of the pandemic: It donated several hundred liters of basic materials to produce disinfectants to various pharmacies of the German Red Cross in the Main-Kinzig district. The disinfectants were used in local hospitals, retirement homes and by emergency services.





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Group-wide compliance management underscores importance of sustainable business practices

With its compliance management system, Heraeus has defined requirements and processes to ensure compliance with legal obligations and voluntary guidelines throughout the Group. At the Group level, the Heraeus Compliance Officer (Responsibility Office) is responsible for the management system. Operational implementation of and adherence to the compliance rules of the Group and the respective business segment is the responsibility of the managing directors, who are supported in this by the responsible compliance officers.

The Heraeus Code of Conduct serves as a central framework for the global business activities of all Global Business Units and has helped secure the company's long-term success since 2007. It contains binding regulations that are specified in seven guidelines that apply throughout the Group. The third version of the Code of Conduct, which took effect in 2018, underscores both the importance of sustainable business practices as well as the personal responsibility of each individual employee.

Group-wide guidelines

- Guideline on the procurement of goods and services
- Guideline on sustainable sourcing
- Guideline on the avoidance of bribery (invitations and gifts)
- Guideline on the conclusion of consultancy contracts
- Guideline on the prevention of money laundering
- Guideline on the prevention of antitrust infringement
- Guideline for press relations and use of the intranet

To ensure that the compliance management system works effectively and efficiently across the individual levels of the company, Heraeus regularly reviews and improves it. By means of annual surveys, the compliance officers obtain information on training conducted, invitations and gifts from third parties, and the continued implementation of compliance management on site. Internal reporting is carried out along the individual hierarchical levels of the management system, up to and including corporate and Group management. Heraeus is continuously working to document and expand the existing compliance management systems for the individual divisions and to align them with each other on the basis of the IDW PS 980 compliance audit standard.

Human rights

The new Heraeus Human Rights Policy became effective on October 1, 2018. In this policy, which supplements the Heraeus Code of Conduct, Heraeus undertakes to comply with generally recognized human rights, such as the prohibition of child and forced labor, the prohibition of all forms of discrimination, and the observance of maximum permissible working hours.

The organizational instruction on the implementation of the Human Rights Policy, which has been effective since April 1, 2020, is intended to ensure compliance with the policy principles. To this end, the policy requires all divisions to conduct a human rights risk assessment once a year starting in 2020. The result of this risk assessment and the implementation of the Heraeus Human Rights Policy, including any corrective measures, must then be presented to the division's management team or supervisory body.

Data protection

As part of the Responsibility Office, the Group's data protection team has established a respective data protection management system that is constantly being further developed. Operational implementation of data protection is carried out with the support of data protection coordinators who are appointed for each business segment, each Corporate Function, and each Heraeus company in the EU.

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Particular challenges for data protection in 2020 were the implementation of the requirements from the Schrems II ruling of the European Court of Justice as well as ensuring the handling of sensitive personal data in connection with the coronavirus pandemic in accordance with data protection requirements. Work also continued on building a strong data protection organization, in particular through training and intensive cooperation with data protection coordinators. In addition, global data protection legislation, such as in Brazil, Turkey, Japan, or the U.S. state of California, poses new challenges for the data protection team to implement appropriate processes.

Export control and customs

In the area of export control and customs, the expansion of the compliance management system is driven by the tax department. Here, a team of experts is responsible for setting up company- and risk-adjusted structures for export control and customs. The Group's Global Business Units and companies have specially trained employees for this topic, who in turn are supported in Asia and America by additional experts from the Regional Centers. In 2020, we pushed ahead with automation and continued to work on expanding an efficient and well-trained compliance organization. Particular challenges included assessing the consequences and necessary preparations related to Brexit as well as evaluating the impact of the trade dispute between the USA and China for Heraeus.

Need-based training of employees and exchange of experts

With a training concept that applies worldwide, we ensure that the responsible employees are informed about new regulations and know and understand the provisions of the Heraeus Compliance Management System. In this context, classroom training, e-learning, and other communication measures take place. Expert panels regularly exchange information on new developments under the leadership of the respective Corporate Function. This ensures that challenges and best practices are shared in order to continually raise awareness of responsibility issues. During the reporting period, data protection e-learning sessions were successfully held for all relevant employees and managers in the EU. In addition, regular workshops are held with the compliance officers in Europe, the USA and China for the sites in the respective regions to promote the exchange between the compliance officers on cross-divisional topics, challenges and best practices.

Monitoring and control

The Group's companies complete a compliance questionnaire once a year in which they provide information on the introduction and implementation of the compliance guidelines. The completed compliance questionnaire is one element of the review of the effectiveness of the compliance system. For 2020, and in some cases for 2021, further key figures will be collected to assess effectiveness. The implementation of the compliance requirements is regularly reviewed by the Corporate Audit department.

In the area of data protection, critical processes are approved by the Group's data protection team via the processing database. The data protection officer ensures that the data protection requirements are implemented in a risk-appropriate manner.

The Group's Export and Customs team regularly checks that export control and customs requirements are being met, using questionnaires and face-to-face meetings.

Reporting of indications and infringements

If a compliance violation is suspected, any employee can contact his or her manager or the local compliance officers. In addition, it is possible to contact the Heraeus Compliance Officer directly by telephone or e-mail. Furthermore, an external, independent ombudsman has been appointed to whom tips and violations can be reported. The internal and external compliance hotlines were also opened to external parties in 2020. The Heraeus Code of Conduct prohibits sanctioning or punishing employees who have reported a compliance violation in good faith, even if the report subsequently turns out to be untenable.

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Monitoring and managing risks

Heraeus pursues the goal of identifying risks in a timely manner and taking them into account in advance when making important decisions. As part of the Group-wide risk management system, a group of experts identifies risks that could potentially threaten the company's existence as well as other significant risks and categorizes them in terms of how they can be influenced. All significant risks that can be influenced are included in the catalog with corresponding management strategies or measures, assigned to a responsible person and the procedure is documented. Human rights-related risks for employees and in the supply chain are identified and assessed once a year.

Management of business interruptions

In 2018, we introduced a Business Continuity Management (BCM) policy to address risks that could threaten the existence of the various Global Business Units at Heraeus. In addition to identifying and analyzing risks

that could jeopardize the company's existence, BCM deals with the implementation of appropriate protective measures, the response to business interruptions, and the fastest possible return to normal operations. The goal of introducing the BCM guideline is thus primarily to increase the resilience of the business processes that are critical for the Heraeus Global Business Units in the face of disruptions.

With this in mind, each Heraeus Global Business Units has appointed its own Business Continuity Manager, who is responsible for implementing the BCM policy in the respective Global Business Unit. Milestones along the way include the introduction of an emergency and crisis organization, the identification and analysis of risks that threaten the existence of critical business processes, the implementation of risk-reducing measures, and the preparation of emergency and crisis plans. Implementation is largely complete and will be finalized by October 2021 at the latest. Thereafter, the respective BCM will continue to be updated on an ongoing basis and regular tests and training sessions will be held.

Cybersecurity

Cyber-attacks represent a rapidly growing risk in our digital business and working world. Heraeus counters this threat with a variety of countermeasures. Important elements include processes and guidelines for the secure operation of IT systems, regular training and information for employees, and the use of technologies to detect and defend against cyber-attacks. The IT security team at Heraeus monitors IT systems, initiates countermeasures as needed, and works to continuously improve measures. Regular simulations of cyber-attacks and audits are used to check the effectiveness of the processes.

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Integration of sustainability aspects

Heraeus intends to add sustainability criteria to its existing risk assessment when merging with or acquiring companies. In the future, the Global Business Units will also include sustainability criteria in their decisions when making major investments.

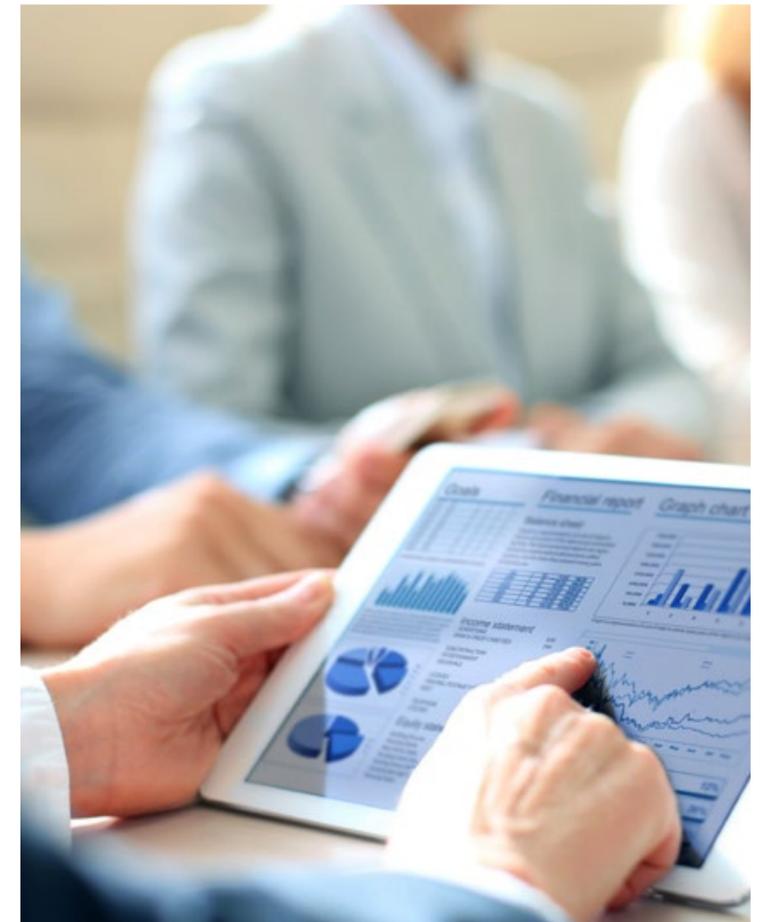
The mission of Supply Chain Excellence is to establish a supply chain that enables us to reduce our environmental footprint, satisfy our customers and continuously strengthen our competitiveness. This includes the optimization of supply chain processes, the reduction of supply chain costs and the sustainability of the derived measures.

HERAEUS PRECIOUS METALS

Reconciling investment and sustainability

Climate change affects everyone. Companies must also increasingly take this fact into account in all their decisions. One topic that is increasingly coming to the fore is capital expenditures. When making decisions of this kind, the Global Business Unit Heraeus Precious Metals will not only consider profitability in the future, but also the impact on sustainability aspects. In order to be able to deliver reliable results here as well, the Global Business Unit has established a special sustainability rating for investment processes.

 [Read more about how Heraeus Precious Metals combines investments and sustainability](#)



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Partnership-based dialog with our stakeholders

In order to identify the key challenges facing our company at an early stage and to be able to meet them successfully, we are in continuous dialog with our stakeholders.

These include, above all, our customers, employees, suppliers and experts from science, associations, and social interest groups, as well as the shareholders of the family-owned company. In addition, we derive the most important requirements that the public and politicians place on Heraeus from our own media and environment analyses.

In particular, our business segments involved in the purchase and sale of risky commodities such as precious metals face a critical public. Non-governmental organizations (NGOs) highlight problems for the environment and human rights. We take their comments and opinions seriously and ensure that all requests for information are answered.

The satisfaction of Heraeus' customers determines the competitiveness and economic success of our company. Rankings and ratings such as those from EcoVadis and the Responsible Business Alliance (RBA) provide our customers with transparent information about how we at Heraeus operate sustainably and responsibly. We have intensified the dialog with our employees. Our mobile employee app Heraeus touch is available on company and personal smartphones. All posts can be commented on and discussed by employees. Through Heraeus touch, we also provide information on sustainability-related topics that can be helpful in daily discussions with customers and other stakeholders, as well as support a high level of sensitivity among employees. The topics covered are: human rights, sustainable procurement, conflict minerals, and sustainability-relevant guidelines, audits, and reports.

In dialog with our stakeholders, we learn to better understand their needs and expectations. Our goal is to further strengthen their trust in Heraeus. The insights gained from this regularly flow into the further development of our corporate strategy and responsibility management.

HERAEUS PRECIOUS METALS

Support for hydrogen economy in Hesse

Hydrogen is regarded as the energy carrier of the future. The German government also regards the versatile chemical substance as a key element in the energy transition and has therefore drawn up a national hydrogen strategy. The implementation of the respective hydrogen economy takes place at the state level. To help the Hessian government build it up, Heraeus Precious Metals has joined forces with six other Hessian companies to launch a cross-industry initiative.

 [Read more about how Heraeus Precious Metals supports the wider use of hydrogen](#)



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Acting responsibly in the supply chain

Heraeus' suppliers are important guarantors of our business success. For this reason, Heraeus generally strives for long-term business relationships. Since joint commitment is required to sustainably align value creation, Heraeus includes suppliers in its strategy for sustainable action.

The business segments of Heraeus pursue the goal of aligning their value chains sustainably. To this end, suppliers are expected to meet the requirements of the Heraeus Supplier Code of Conduct. This includes compliance with laws and international standards as well as ensuring fair and safe working conditions and operational environmental protection.

Identification of risky suppliers and verification measures

Heraeus' suppliers are regularly reviewed for risks. While central purchasing conducted a systematic risk analysis of suppliers in 2019 and 2020 and derived measures from this as necessary, this annual task will be performed by the purchasing departments of the business segments starting in 2021. The basis for the review is, and in future will increasingly be, the data on suppliers that is collected via the "HeraPro" platform on the basis of comprehensive self-disclosure by our suppliers. We will continue to manage this platform centrally beyond 2020.

Current international and national legislative initiatives – such as the German *Lieferkettensorgfaltspflichtengesetz* (Supply Chain Due Diligence Act) – are aimed at mandatory protection and enforcement of recognized human rights in global supply chains in the future. Accordingly, as part of the systematic risk analysis of suppliers, Heraeus also identifies potential human rights-related risks in the supply chain and, if necessary, defines appropriate measures to minimize the risk. In addition, in the event of suspected human rights violations, both Heraeus employees and external parties have the option of reporting them via the compliance hotline (see also page 24, section [Responsibility Management – Reporting Information and Violations](#)).

In the case of high-risk suppliers, central purchasing carried out random on-site audits in 2019 and 2020, and in the further course of 2020 only as remote audits due to COVID-19, in order to check compliance with the requirements set out in the Code of Conduct for Suppliers. These also include compliance with human rights.

Since 2016, Heraeus has been conducting quality audits to determine how suppliers are positioned with regard to social and ecological aspects. If there are doubts about the accuracy of the information, documents are requested as proof.

The quality audits take into account the following social and environmental aspects:

- Occupational safety
- Prohibition of child labour
- Prohibition of forced labour
- Granting of adequate wages ("living wages")
- Granting of freedom of association
- Management of natural resources
- Compliance with environmental regulations

Dealing with conflict materials

In 2019 and 2020, Heraeus has further improved the processes for requesting and reviewing Conflict Minerals Reporting Templates (CMRTs). To this end, we have developed uniform rules for the review of supplier CMRTs. The interfaces between procurement, the Responsibility Office and the Global Business Units have been precisely defined. A great deal of information on the topic of materials from conflict zones as well as the current list of approved suppliers for such materials can now be accessed via a SharePoint. Since 2021, central procurement and the Responsibility Office have increasingly handed over responsibility for the topic of materials from conflict zones to the purchasing teams of the Global Business Units, so that responsibility is exercised more closely to the facts. However, certain governance tasks will remain with the Responsibility Office to support the Global Business Units and ensure that responsibility is taken by them.

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Compliance check when buying and selling precious metals

For precious metals and precious metal-bearing scrap, the Global Business Unit Heraeus Precious Metals conducts a compliance check to determine whether the precious metals come from sources that are free of defects and conflict. The requirements differ depending on the raw material source.

Precious metals can come to Heraeus as primary raw materials from mines, as industrial secondary raw materials from our customers, or as pure precious metals from smelters. Heraeus Precious Metals accepts materials only from smelters that are certified to internationally recognized standards and meet these high requirements. In addition, all new precious metal suppliers are required to sign our “Code of Conduct for Suppliers of Precious Metals” before entering into a contract.

Since 2012, Heraeus Precious Metals has had due diligence processes independently audited on a regular basis in accordance with the London Bullion Market Association standard and, since 2019, also in accordance with the London Platinum and Palladium Market standard. The audit firm’s report is publicly available. Heraeus Precious Metals takes the auditors’ recommendations into account in order to continuously develop its own processes. To this end, Heraeus Precious Metals maintains a dialog with partners in business, politics, and society. For example, the business segment is involved as a member of various precious metals associations at the national, European, and international

levels in order to continuously improve due diligence standards, particularly with respect to gold, silver, platinum and palladium, tin, tantalum and tungsten, and cobalt. These include, for example, the International Platinum Group Metals Association (IPA) and the Fachvereinigung Edelmetalle (FVEM).

The compliance check is conducted by Heraeus at intervals of one to three years based on the respective risk assessment. Every suspicion is investigated. In the areas of precious metals trading and recycling, suspicious activity reports for money laundering were submitted to the local authorities in 2019 and 2020 if there were indications of money laundering or terrorist financing. Employees and business partners have the opportunity to report any irregularities to an internal or external compliance hotline at any time. (🌐 [Grievance mechanism or sourcing policy](#)).

Increased requirements for direct purchase from precious metal mines

Heraeus purchases precious metals directly from mines only if compliance with the Code of Conduct for Precious Metals Suppliers has been verified and ensured by an on-site audit. Heraeus requires an audit report from a recognized independent organization. If no audit report is available, Heraeus employees with expertise in the field perform the independent review of the mine.

HERAEUS PRECIOUS METALS

More transparency in gold production

Responsibility has traditionally played a very important role in our precious metals business. Investors, the luxury and electronics industries are increasingly demanding that purchased gold meets the strictest environmental, social and government criteria. An indispensable prerequisite for this is that the origin of the gold can be fully traced from the source to the buyer. To this end, the Heraeus Precious Metals Global Business Unit, in cooperation with partners, has developed new methods that can be used to certify the desired transparency. Among other things, DNA technology makes gold completely traceable. Two major Swiss banks are already using the new methods.

🌐 [Read more about how Heraeus Precious Metals makes the origin of gold transparent](#)



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Sustainability in production and beyond

We have a responsibility to protect the environment, conserve resources and ensure safe working conditions at our sites (for detailed information on occupational health and safety at Heraeus, see page 31, chapter [People](#)). In doing so, we are guided by the precautionary principle to proactively avoid or minimize any impact on the environment and health. For this purpose, we use a continuous improvement process for our production facilities. Our aim is not only to use energy more efficiently, but also to further optimize all procedures and processes. The aim is to conserve natural resources and further reduce or eliminate waste. Particularly in the case of hazardous substances, the principle is to replace them as completely as possible.

EHS – Environment, Health, Safety

As a portfolio company, Heraeus has developed an overarching structure to define uniform EHS processes, guidelines or software worldwide. Operational implementation then lies with the Global Business Units as well as their regional locations and includes the following EHS tasks:

- Reporting of key figures to control the achievement of objectives by means of globally standardized reporting software
- Evidence of compliance with locally applicable legislation through legal cadastre
- Environmental and safety aspects in operational target, revenue and cost planning

Our involvement in associations

As a member of various associations, Heraeus also promotes an exchange of ideas on the topics of the environment, sustainability and health.

- International Platinum Group Metals Association (IPA)
- European Precious Metal Federation (EPMF): Member of various subcommittees, e.g. for “REACH”
- Bundesverband der Deutschen Industrie e.V.: Environment, Technology and Sustainability Committee
- Verband der Chemischen Industrie e.V. (VCI): Member of the Chemical Sustainable Strategy Working Group
- Zentralverband Elektrotechnik- und Elektronikindustrie e.V. (ZVEI): Member of the Materials Policy Working Group
- Bundesverband der Deutschen Industrie e.V. (BDI): Member of the Materials Policy Working Group



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EHS development path: on the way to globally uniform EHS standards

Our EHS management primarily pursues four goals to develop Heraeus into an even safer and more successful company:

1. create safe working conditions,
2. ensure EHS compliance,
3. protect the environment and
4. conserve natural resources at all our sites worldwide.

The Heraeus Production System (HPS) sets global standards and guidelines along the entire value chain. In 2020, a fundamental revision of the HPS took place, as part of which the EHS framework was also expanded. For this purpose, we summarized our EHS principles in a separate EHS development path, which – affiliated with the Heraeus Production System – defines binding EHS guidelines for our worldwide production sites. Our EHS development path takes particular account of the fact that our sites have different EHS characteristics and risk

exposures. It thus enables sites to improve their EHS management in an individually appropriate, step-by-step and sustainable way by following clear guidance and using proven tools. With this orientation, the EHS development path has been operationally active since August 2020 and provides important guidance to all sites. A central EHS software supports the implementation.

At Group level, Corporate EHS is responsible for the development path. To this end, the unit has five tasks:

1. set and track the milestones,
2. maintain the path including the associated processes,
3. provide training materials,
4. manage the assessment program and
5. report the implementation status to Heraeus Group management on a regular basis.

EHS managers from the Global Business Units set area targets based on the development path and track the implementation of these. At each site, local site managers then steer the implementation of the EHS development path with the support of the site EHS managers. They are additionally supported by regional EHS coordinators.

The EHS development path defines three standardized levels: Basics, Advanced and Expert. Requirements are defined for each level and their fulfillment is checked as part of an annual internal assessment. If a site actively implements the requirements and tools in the basic and advanced levels, it will manage EHS issues well in accordance with ISO 14001 and ISO 45001. When expert status is achieved, the site can make continuous improvements to ensure that EHS topics there are “Best in Class”. When all requirements of a level are met, the site is assigned to the next level. A level is considered achieved when at least 80 percent of the requirements are effectively met. The site is then assigned to the next level.

Once a year, each site carries out a self-assessment regarding the EHS development path, which is then verified by a colleague from another site as part of an assessment. The EHS assessment consists of a site visit, a team dialog, and a document review. The assessments are part of the sites’ continuous improvement strategy.

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EHS Compliance Management

Heraeus is committed to complying with the legally applicable requirements in the areas of environmental protection, health protection, and occupational safety, which are specified by numerous legal regulations as well as technical codes and permit requirements. This is monitored by the local EHS managers at the sites. They are supported by a central legal register, global and local audits, and the integration of EHS aspects into the design and change phases of processes.

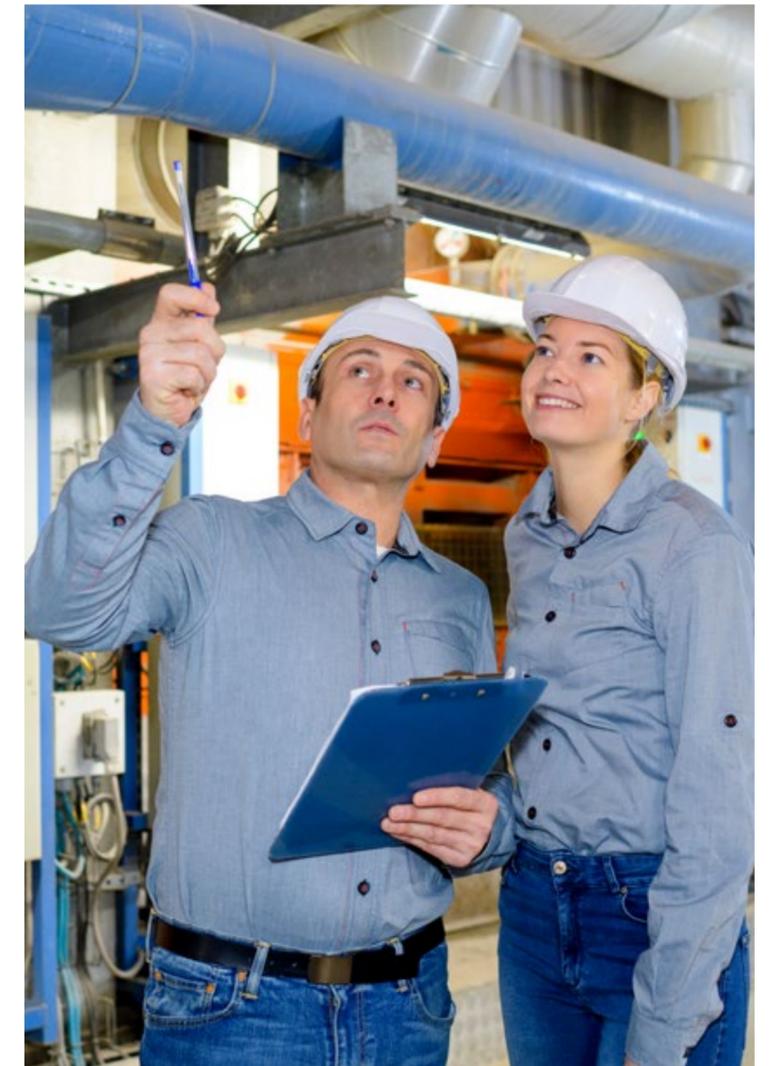
EHS legal register

In the EHS area, the ENHESA monitoring service is used. The global system enables the identification, tracking and analysis of current laws, regulations, directives, standards at international, national, and local level and also provides information on changes and innovations.

Corporate EHS Compliance Audit Program

Audits are an important tool for continuously identifying potential environmental and occupational safety risks at sites and taking appropriate action. Through this structured process, we help ensure that Heraeus is a trustworthy partner for employees, residents, customers, and authorities.

On behalf of Heraeus Group Management, specialists in environmental protection, health and safety regularly inspect our sites as part of the Corporate EHS Compliance Audit Program. Using precisely defined criteria, they record how the legal requirements and permit conditions are implemented on site and support the site managers in dealing with any deviations identified. The aim is for each site to undergo an audit within a certain period of time. The current selection for audits is made on the basis of risk classification and past EHS performance.



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Further increase energy and resource efficiency

We pursue the Group-wide goal of increasing energy and resource efficiency in production. The individual Global Business Units define corresponding operational targets and develop measures to achieve them. In addition to optimizing existing production sites and processes, we generally invest in the energy efficiency of buildings and facilities when constructing new sites.

In 2020, we introduced a software solution for reporting energy requirements, water consumption and waste volumes for all production sites worldwide.

Energy and resource efficiency

	Amount	Unit
Energy Consumption	559,954,963	kWh
Sum of Scope 1&2 Emissions	206,902	t CO ₂ e
Water Consumption	1,150,974	m ³
Wastewater Discharge	733,546	m ³
Non-Hazardous Waste	34,231	mt
Hazardous Waste	7,257	mt

Control of target achievement with reporting software

Our globally deployed software clearly presents the following indicators by collecting information from our sites and Global Business Units:

- Accidents resulting in lost time and lost time incident rate
- Energy consumption
- Greenhouse gas emissions (Scope 1 and 2 emissions)
- Water consumption
- Waste

HERAEUS ELECTRONICS

Spools for bonding wires: once there and back again thanks to recycling

The Global Business Unit Heraeus Electronics supplies bonding wires on spools to customers worldwide – well packaged, of course. To specifically reduce packaging waste and make the supply chain more sustainable, a team from Malaysia set up an Eco-Center for Circular Economy. Now the spools are returned to Heraeus and the materials are recycled.

[Read more about how Heraeus' Eco-Center works](#)



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Solar energy for new buildings

Newly constructed administrative and production buildings not only comply with current energy standards, but some also use photovoltaic systems to generate electricity. The solar power is used to operate buildings and plants and reduces Heraeus' carbon footprint.

In 2020, for example, Heraeus commissioned a 180-square-meter system with a projected annual output of 28,000 kWh on a new administrative building in Kleinostheim. This plant alone saves 17 tons of CO₂ per year. Two significantly larger photovoltaic systems will follow in 2021 and 2022 on the roofs of production buildings in Hanau and Kleinostheim. The solar modules use products that are among the most efficient on the market, thanks in part to the use of Heraeus silver conductive pastes. In this way, Heraeus can make a significant contribution to achieving climate targets using its own products.

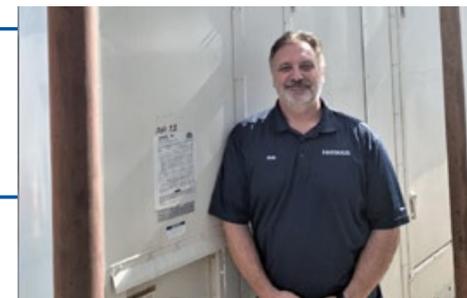


HERAEUS CONAMIC

**Clever and sustainable:
Reuse instead of new air handling system**

It doesn't always have to be new: In 2018, the Global Business Unit Heraeus Conamic in Chandler, Arizona, took over a production building previously used by another Global Business Unit, Heraeus Precious Metals. With one problem: Most of the air-conditioning equipment on the roof was outdated – and would have required costly replacement. However, while checking the infrastructure on site, those responsible noticed an existing chilled water air handling system used in cooling the former inductive high temperature melting processing area. Instead of disposing the system, the idea was to convert this cooling unit into the main cooling system for the entire site.

 [Read more about how clever repurposing saves costs and protects the environment](#)



Ensure chemical safety

We process around 15,000 chemicals in our production facilities. Safety for people and the environment is a top priority in all production processes. The safety data sheets, which provide information about the hazards and appropriate measures for health and environmental protection, are an essential basis for the safe handling of chemicals. We therefore use software to prepare the safety data sheets for Heraeus products in accordance with legal requirements in more than 40 languages and keep them constantly up to date. The safety data sheets for raw materials and production aids are also regularly reviewed and made available centrally.

Product Stewardship

Heraeus bears special responsibility for the evaluation and registration of the substances it produces in accordance with the European Chemicals Regulation "REACH" and comparable regulations worldwide. This includes precious metal-based substances in the respective volume bands and other substances required for production. Here, too, we keep all registration dossiers up to date and also use a substance volume tracking system to monitor whether the dossiers may need to be adjusted.



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Attractive working conditions

The success of Heraeus lies in the hands of our approximately 14,000 employees. Their expertise, motivation, and focus on innovation are key success factors in global competition. With attractive working conditions and a variety of career prospects within the company, Heraeus is well positioned in the labor market. Our attractiveness as an employer determines whether we are able to attract and retain motivated and hard-working talents. That is why we engage in an open dialog with our employees about what requirements an ideal workplace should fulfill.

We demand and promote respectful, appreciative interaction as the foundation of every good working relationship. In our HR strategy, we regard leadership and excellence as key strategic levers for achieving our goals and advancing the organization. We train and qualify our employees to prepare them for the requirements of the future, such as digitalization. In doing so, we also promote entrepreneurial thinking and diversity. Creating a healthy, safe working environment for our employees is a matter of course for us. In addition, we specifically promote preventive healthcare and are committed to achieving a work-life balance.

To continue on our path of sustainable growth, one of our focal points with our Vision 2025 is to further strengthen the Heraeus Group and its operating businesses as an attractive place to work. We value our employees and

leaders and invest in their growth. We also foster diverse and collaborative teams.

Responsibilities and steering

Binding Group-wide guidelines, standard processes and systems relating to human resources topics are defined and provided by the central human resources management department at Group headquarters in Hanau.

Based on this common framework, the HR Managers assigned directly to the Global Business Units since May 2020 carry out HR work with their teams tailored to the Global Business Unit. The decentralized teams drive organizational and employee development in their Global Business Units and, in line with the Group-wide framework, develop complementary approaches and benefits for their employees at the sites, for example on retirement and health care as well as work-life balance. This is done in coordination with the other local Global Business Units and, if necessary, with the support of external service providers. The Heraeus Holding supports the exchange of information and best practices between the Global Business Units.

Our corporate values and the Heraeus Code of Conduct, which applies throughout the Group, serve as the basis for respectful interaction. This also appeals to the personal responsibility of employees in complying with laws and internal rules. Heraeus is committed to respecting human rights and labor and social standards based on the ILO principles.

This includes prohibiting child labor and forced labor as well as all forms of discrimination and ensuring safety in the workplace. To underscore this commitment, a Group-wide Human Rights Policy was adopted in fiscal year 2018 to supplement the Code of Conduct. In addition to the principles, this policy also defines Group-wide minimum standards, for example with regard to starting age and permissible working hours as well as salary and social benefits. Every employee is encouraged to report violations of the Code of Conduct. In addition to the internal Compliance Management contacts, an external ombudsman is also available for this purpose (see also page 23, section [Compliance Management](#)).

Our corporate culture includes trusting cooperation between employer and employee representatives as well as open dialog via employee meetings and employee appraisals, but also occasion-related employee surveys. In Germany, fundamental participation rights of our employees and their representatives are also regulated by legal requirements such as the Works Constitution Act. Elected employee representatives exist for employees at all German sites.

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Employee and leadership development

Leadership model

The foundation of our corporate culture is the Heraeus Leadership model. It outlines our understanding of excellent leadership and a leadership culture that supports our growth goals.

The four pillars of our Leadership model are: Leading the business – ensuring business success, Leading the organization – creating a high-performance organization, Leading people – leading employees, and Leading myself – leading oneself. With this holistic model, responsibility, performance, integrity, appreciation and the willingness to change are firmly anchored in our corporate culture.

Heraeus Leadership model



HERAEUS ELECTRONICS

Prepared for the future with higher leadership quality

The future of companies is determined not only by their business plans and products, but also by their managers and subsequently their entire workforce. In order to succeed in the long term, a company not only needs a corporate culture, but also a leadership culture, which is often neglected in the day-to-day business. The Global Business Unit Heraeus Electronics has recognized the importance of this issue and has developed a multi-year initiative for effective leadership that is already having a very positive impact on the company's development.

[Read more about how Heraeus Electronics is further developing its own leadership culture](#)



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Training offerings for managers and employees

In order to put the Leadership model into practice and to live the values in our daily operations, we support our managers and employees through centralized and decentralized training programs.

During the coronavirus pandemic, the use of virtual learning measures also ensured that new managers, for example, could be trained in the basics of employee management, such as employee motivation, interviewing, and conflict management, as well as Heraeus-specific management topics. Digital learning opportunities also support employees in reflecting on their own role regardless of time and place, and in further developing themselves according to their individual learning needs.

Digital learning has been promoted at Heraeus since 2019 – since 2020, 100 percent of all Heraeus employees have access to the global learning platform myHR Learning, which has now been rolled out across the board. There, they can find out about the continuing education offerings, register for training courses, and complete online training.

All employees also receive regular individual feedback. In order to anchor leadership excellence and corporate values in the long term, reflections take place, for example, as part of the annual employee appraisals. Development potential is discussed, and follow-up measures are defined, such as

individual project assignments, mentoring or training measures. In the case of the manager population, the leadership qualities aligned with the Leadership model have a direct influence on the amount of bonus payments.



HERAEUS COMVANCE

In-house academy: More know-how thanks to personal training sessions

Whether agile working methods, change management, or PowerPoint: To keep its employees up to date, the Global Business Unit Heraeus Comvance has launched an academy. The in-house, personal training program takes place across all locations and countries. The special feature is that all training is conducted by internal experts. This has the decisive advantage that knowledge that already exists in the company can be passed on and shared with one another – ultimately benefiting not only the employees, but also the customers.

[Read more about how Heraeus Comvance supports its employees with training offers](#)



HERAEUS SITE OPERATIONS

Leadership culture at Heraeus Site Operations

Heraeus Site Operations has been conducting its own leadership days as a site operator since 2018. The goal of these measures is for management to develop a common understanding of leadership. Under the motto “Strengthen leadership. Reduce absenteeism. Increase performance. Strengthen motivation.”, the leadership culture is to be further developed together with the managers.

To this end, the Leadership Days focused on various topics: In a first step, eight fields of action of excellent leadership were defined and underpinned with a series of lectures. In 2019, Heraeus Site Operations conducted a broad-based Waste Hunter training course. The aim was to raise awareness of the topic of waste and thus establish the idea of sustainability in the minds of those responsible at an early stage.

The entire lead team also underwent 360-degree feedback and shared the results with the divisions in an open process. This ensured greater transparency in our dealings with each other.



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Talent management and succession planning

With our global talent management, we have been pursuing the strategic goal of identifying talent throughout the company at an early stage and preparing them to take on critical roles since 2015. By filling open management and key positions internally and offering global deployment opportunities, we create attractive development paths for our talents and promote their loyalty to Heraeus.

In order to achieve this strategic corporate goal, the focus of talent selection is not only on the performance of the talents, but in particular on their potential for taking on more senior positions. The fact that Heraeus' top management is closely involved in the talent process and helps drive the measures makes it clear how important talent management is to Heraeus.

Whereas previously a distinction was made between a Group-wide approach, the Global Talent Program, and decentralized development measures in the Global Business Units and Corporate Functions, since 2020 the best of both initiatives has been brought together in a joint talent pro-

gram. Elementary components from the former Global Talent Program have been transferred to the division-specific initiatives and thus made available to more employees overall. As part of the Heraeus portfolio approach, the Heraeus Global Business Units are being given more responsibility for talent development, thus creating more freedom for the individual design of development measures.

Waste Hunter campaign #alwaysaskwhy: Identify and reduce waste

In this global internal communication campaign, operations and administration staff were trained virtually and on-site in 2019/2020 to identify and eliminate waste in existing processes. A dedicated website with videos, graphics and materials provided information about the 7+1 types of waste and provided impulses to change the status quo. The Waste Hunter concept follows the lean philosophy and was communicated on various levels during the campaign period through roadshows, videos, webinars, eLearning and more. More than 3,000 employees were trained in the first year of the campaign. The eLearning is still accessible.

Lean Six Sigma program: Sustainably anchoring our lean culture locally in the production areas

The Lean Six Sigma framework provides a sustainable approach for continuous improvement and organizational culture change. It combines the best approaches for process optimization to maximize efficiency and ensure customer focus in all business processes. A standardized and internal Lean Six Sigma training and certification is provided for employees by employees. The tools and methods learned are applied in cross-functional projects bringing sustainable impact. Most recently, projects in procurement, customer service and production have increased productivity in this way at the Global Business Units Heraeus Conamic and Heraeus Electronics.

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Between 2015 and 2018, a total of 170 talents were identified and developed in the two talent programs at the time. Of the Global Talents 2018 who completed their two-year talent journey at the end of 2020, 88 percent have progressed to a more senior position. A further 86 talents have already been identified since the relaunch of the joint talent initiative at the turn of 2019/2020. The distribution of this talent by region is ten percent in the Americas and 23 percent in Asia; 62 percent of the talent is deployed in Germany – with the remaining five percent spread across Europe and Africa. The proportion of women in the talent program in the same year is 26 percent.

In total, this makes 256 talents since the beginning of Heraeus talent management who are professionally accompanied in their development.

HERAEUS EPURIO

Interview: Heraeus Talent on a special support measure

Promoting talent at an early stage in all Global Business Units around the globe has long been one of Heraeus' strategic goals. In 2020, a new joint worldwide talent program was launched for the Global Business Units and the Corporate Functions of the portfolio company. A key component of this program is the Talent Development Center. Vanessa Remoquillo, Senior Global Manager for Marketing & Communications at the Global Business Unit Heraeus Epurio, is one of the talents in 2020 who have completed the Talent Development Center. In the video interview, she presents the process and its special challenges, but also describes her personal impressions and shares her insights.

 [Watch the complete interview about the Talent Development Center](#)



Learn how to solve complex commercial and supply chain problems with a team of experienced consultants

The Expert Program is a development opportunity for motivated Heraeus employees who want to think outside the box in their daily work and strengthen their skills in project work. The experts work as a team member of the Heraeus internal consulting organization for the duration of a Commercial Excellence or Supply Chain Excellence module. To participate, they need a strong track record within Heraeus, significant development potential and functional knowledge of Marketing & Sales or Supply Chain topics. It is regarded as an official step in personal career development and a prerequisite for future assignments. So far, more than 30 employees have participated in the program.



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Heraeus Virtual Week: Excellent ways of working – by employees for employees

In an effort to modernize and continue global employee communication while respecting the COVID-19 health prevention measures, a new digital employee format was realized in 2020: one week of virtual interaction with the Heraeus global workforce focusing on excellent ways of working. More than 35 sessions and keynotes were offered by employees for employees, sharing best practices, experiences and knowledge on new ways of working. Over 60 speakers shared their excellent ways of working and more than 3,000 Heraeus colleagues used this new way of digital communication and collaboration.

Digital access for all

Digitalization is fundamentally changing the world of work in production and administration at Heraeus. The associated efficiency gains and greater flexibility represent a competitive advantage and make our employees' work easier. In order to tap into the opportunities of digitalization at an early stage, know-how and a willingness to change are required. Continuing education at Heraeus therefore also has the task of preparing every employee for the digital future and taking them along on the journey.

This begins with access to digital offerings via a common platform – the Heraeus touch employee app. The app informs employees, promotes dialog, and simplifies processes – for

example, when submitting specific requests. Heraeus touch makes it possible to access information, exchange information within the company, and take advantage of learning opportunities at any time and on the go, even with private devices. We are continuously developing Heraeus touch in order to expand service and added value for our employees while simplifying its use.

With our mission "Digital Access for All", we are working to gradually provide personal access to the app for employees worldwide who were previously not digitally connected due to their job. This applies in particular to employees in production who do not have a computer workstation. In 2018, 60 percent of employees were digitally connected. In the course of 2020, we succeeded in providing personal access to more than 90 percent of all employees. More than 70 percent of employees actively use it.

We are also continuously developing new digital offerings for the continuing education of our employees, which we provide via our global learning platform myHR Learning (see also page 39, section [Training offerings for managers and employees](#)).

Training of skilled workers

With our training programs, we want to attract talented people and prepare them for their work at the company. At our locations, we cooperate closely with educational institutions and recruit suitable graduates in a targeted manner.

In Germany, we have always relied on the country's successful dual education program. We currently offer training in around 30 dual apprenticeships and dual study programs, with the spectrum ranging from two-year Chamber of Industry and Commerce (IHK) degrees to master's degrees. There is an increasing focus on teaching digital skills, including additional qualifications such as "additive manufacturing" and "systems integration" in technical apprenticeships or programming skills in commercial apprenticeships. Our apprentices and dual program students are all equipped with digital devices. The student groups are characterized by a high level of diversity in terms of origin, age and previ-

Awards for our vocational training

- Hesenchemie 2020 Apprentices Competition "Ideas for the Digital Company"
- 3rd place: Glass apprentices, "VR safety goggles for safe and accurate glass processing"
- Special prize RKW Hessen: Mechatronics apprentices "Air Monitoring System"
- "Germany's best apprenticeships" 2018: 5 out of 5 stars for dual apprenticeships and dual study programs

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ous education. Both refugees and young people with difficult educational biographies are given professional opportunities at Heraeus.

In the 2020 reporting year, 71 graduates (136 in total in 2019/2020) successfully completed their training or dual studies at Heraeus in Germany. They were given the opportunity to be hired on or – with appropriate qualifications – to continue their studies. In total, the company employed 289 trainees and dual students in Germany at the end of 2020. Where possible, we cover our need for qualified employees with graduates from our own training programs.

Fair compensation and company benefits

Heraeus pays attractive, competitive salaries that depend not only on location factors but also on the job profile, qualifications and experience. These are supplemented by company social benefits. Where possible, we establish a uniform salary framework in the countries through local collective bargaining agreements. In Germany, for example, compensation is based on the collective agreements of the chemical industry. In the non-tariff area or in the absence of local collective agreements, we achieve performance- and market-

oriented compensation by applying an objective international job grading system. In general, compensation at Heraeus includes a base salary and often a variable bonus that allows employees to participate in the success of the business. Through our International Assignment Guideline, we also ensure throughout the Group that all employees receive adequate support and compensation based on the type of assignment in another country. Overall, Heraeus' compensation practices are designed to attract and motivate employees, reward performance, and support long-term employee retention.

In addition to compensation, employees can also benefit from other financial services, such as the contribution to travel costs when using public transport, which is granted in many places. At locations without statutory pension insurance, we also strive to provide our employees with financial security in old age through company solutions, such as a contribution to the cost of pension insurance. In the United States, for example, all employees have access to a savings plan that we have set up with a leading provider of pension insurance. We want our employees to be as well informed as possible about their entitlement to additional benefits. A

good example is the overview provided to our employees in Singapore. This shows at a glance the entitlement to additional days off for childcare or the amount of financial support available for the birth of a child, marriage or death of a close relative. Another example of the flexibility of our additional benefits is the tariff-based future payment in Germany ("tariflicher Zukunftsbeitrag"). This can be freely used to a large extent for a for a phase of life account ("Lebensphasenkonto"), the company pension scheme, additional days off or additional pay.

Learning journey: Focus on customer orientation

This program offers employees in Germany from the supply chain area and from the development of automation and robotics solutions the opportunity to get to know state-of-the-art supply chain processes in other companies. On each training date, a different market leader and potential Heraeus customer, such as Volkswagen, Bosch, Siemens, GE and many more opens its doors to demonstrate optimization projects and processes with a dedicated topic like Industry 4.0, performance management or digital factory. Interested Heraeus employees can register for each date. A total of 15 different learning journeys have been conducted by an external consulting agency to date.

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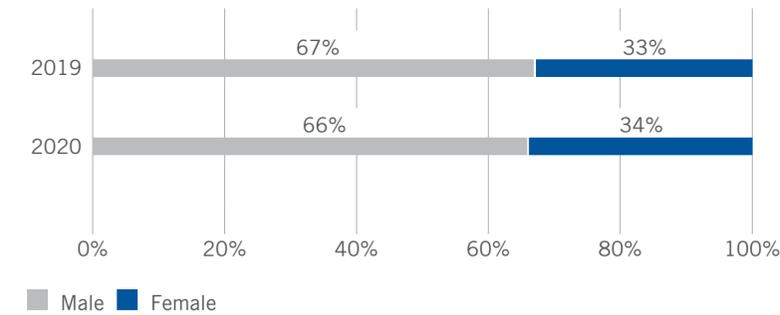
Importance of diversity and inclusion

For Heraeus, a sustainable orientation of its business activities goes hand in hand with a responsible use of the resources involved in the value chain as well as with its responsibility as an employer. Thus, topics such as gender equality and cultural diversity are becoming increasingly important as strategic levers in human resources marketing, recruiting, and employee and talent development in order to counteract the shortage of skilled workers, especially in specialist functions. In addition, we are convinced that a diverse workforce can help us better understand our key markets and customers, generate more business opportunities, produce stronger innovations, and thus secure a leading position for Heraeus in global sales markets over the long term. Another reason for us to focus on diversity in our daily activities is the changing role models in our society.

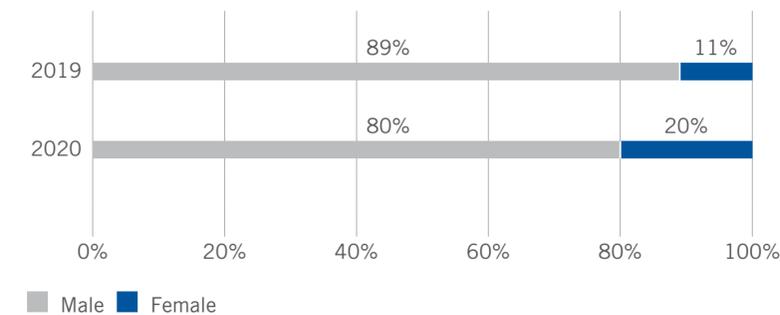
We track gender-, region- and age-specific diversity metrics at the Heraeus Group level as well as at the level of our Global Business Units. Overall, 34 percent of our employees are female. In executive management, which includes Global Business Units Leadership Teams and Corporate

Function Heads totaling about 100 people, the proportion of women has increased from 11 percent in 2019 to 20 percent in 2020.

Gender diversity at Heraeus

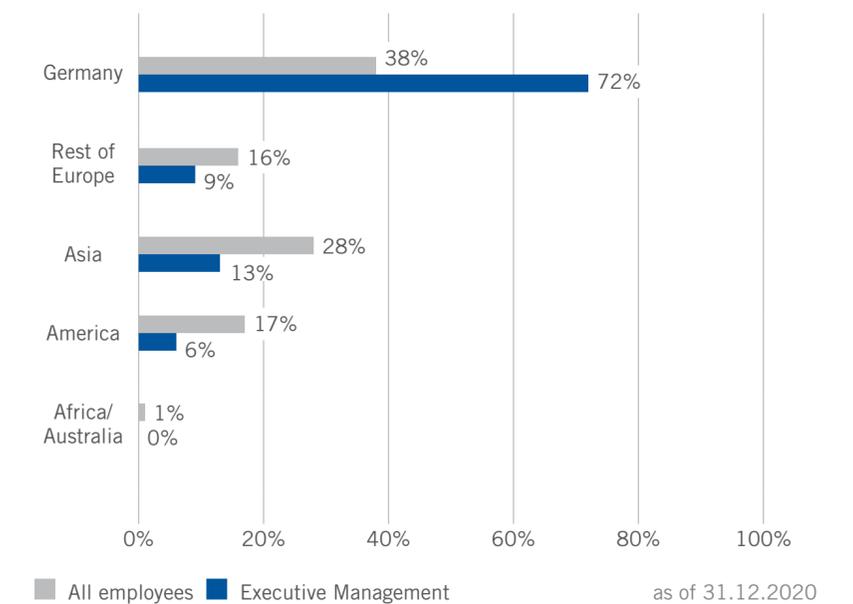


Gender diversity in the executive management



Due to the international setup of our Global Business Units, 62 percent of our workforce is employed outside of Germany. Since our Group headquarters and eight of the eleven business headquarters of our Global Business Units are located in Germany, we see a high proportion of executives (71 percent) being based in Germany. However, Asia and the Americas are gaining in importance in terms of regional representation in our management team. We also continually ensure that we are close to our markets when it comes to upcoming new hires and replacements.

Employees and executive management by regions



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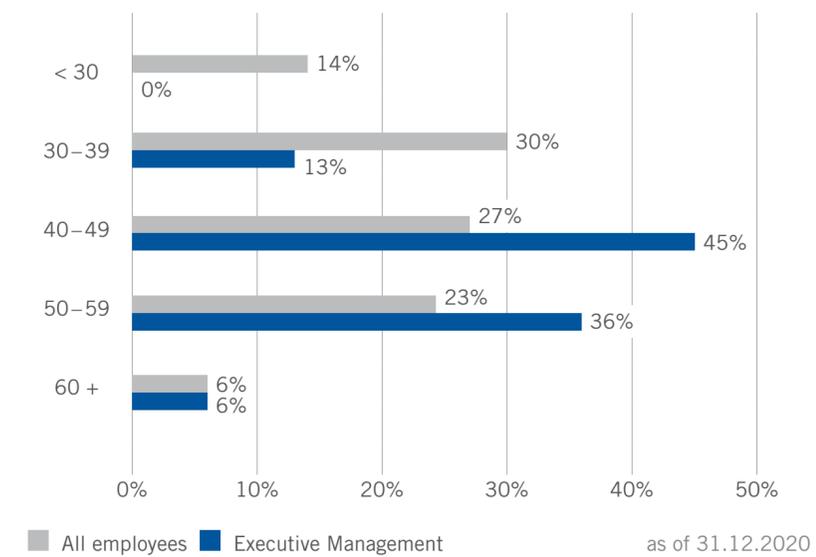
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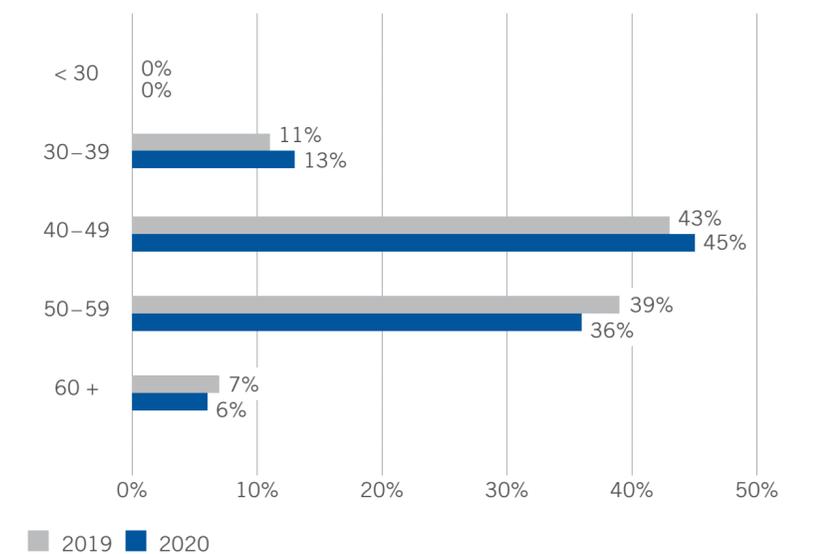
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Age diversity in executive management vs. all employees



Age diversity in executive management



We are proud to have a balanced distribution of our employees across all age groups at Heraeus. The age structure of our executive management is higher compared with the overall field of our industry.

In various Global Business Units, initial projects were launched to foster and spread diversity. Especially, in the US, there is a stronger focus to prevent discriminatory behavior. To counteract this, special management training based on diversity and inclusion is provided in a targeted manner. In the US, each location also has the option of selecting holidays individually to meet the regional circumstances and individual needs of the employees.

HERAEUS PRECIOUS METALS

More diversity for more innovations

The best teams are diverse, and diversity leads to the most innovations – as many studies have shown. Diversity is also an important topic for Heraeus and therefore an integral part of the corporate culture. In this context, the Global Business Unit Heraeus Precious Metals has launched extensive measures and defined goals, primarily to make its own management teams more diverse.

[Read more about how Heraeus Precious Metals is becoming more diverse](#)



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HERAEUS IN THE USA

Black Lives Matter: Heraeus USA stands by its values

The Black Lives Matter movement, which has been active since 2013, was given new impetus by the murders of Ahmaud Arbery and George Floyd in 2020. The renewed focus on systemic racism prompted Heraeus USA to actively address issues of diversity and inclusion. A good example is the Heraeus site in Buford, Georgia. The site is located in Gwinnett County, a north-eastern suburb of metropolitan Atlanta that is one of the most diverse counties in Georgia. It is important for Heraeus to introduce and promote employee programs such as training, focus groups, and open dialogs to actively promote equality and the continuation of values in order to reduce prejudice. This is to ensure that all employees feel a sense of belonging and safety in their entire environment.

 [Read more about how Heraeus USA stands by its values](#)



Awards

Heraeus constantly strives to review its own performance as an employer and compare it with applicable industry standards. In doing so, we always pursue the goal of constantly improving and creating optimal working conditions for all employees.

Our continuous efforts pay off – as we can see from various awards and distinctions that evaluate our HR work or our image as an employer. Since 2013, Heraeus has consistently ranked among the “Most Attractive Employers for Students and Young Professionals in the Natural Sciences” in the Universum Ranking. In 2019, Heraeus was also named among the “Most Attractive Employers in the City of Frankfurt”. In 2020, the Trendence Institute named us a top employer for students in the natural sciences. In addition, Heraeus secured a place on the list of “Germany’s Best Employers” published by the newspaper “Die Welt” in the same year. We are particularly proud to be among the most valuable employers for the common good in Germany, as determined by a population survey conducted by the newspaper “WirtschaftsWoche”.



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Work-life integration

Heraeus wants to ensure an integrative connection between the two most important areas of work and private life. To this end, we offer our employees a variety of options. In general, we strive for good work-life integration for all of our employees. We act on this value but are aware that putting it into practice is different at each of our locations.

Nine percent of our German employees have decided to work part-time. Often, our employees reduce their working hours to care for children or family members. Parents who return to work after parental leave receive preferential job offers. Of the 113 employees currently on parental leave, 98 percent are returning to work. 4.1 percent of our employees work on temporary contracts, primarily to cover peak order periods or temporarily unfilled jobs.

In addition to flexible shift models and working hours whenever possible, we support our employees in the important matter of childcare options. In addition to our own Heraeus Family Center with integrated kindergarten and after-school care, we offer support in finding care close to home. We advise employees with dependents in need of care in our specially established care office.

In Singapore, we have introduced flexible working arrangements that include working from home and staggered working hours. These arrangements are helpful for those who need to take care of family matters or unforeseen life situations. The flexibility offered by staggered working hours is particularly welcomed by employees with young children who participate in the childcare programs. Our employees are happy with the flexibility because it shows that the company cares about them and trusts them to perform their duties regardless of where they work.

Employee surveys

Heraeus believes that a clear understanding of our workforce and its needs is the foundation for attracting, retaining, training, rewarding, and supporting employees to be their best.

For this reason, Heraeus conducts employee surveys from time to time to gather this information. In this way, the company can gain insights into changing employee attitudes, motivation levels, and satisfaction levels. Depending on the objective, data is obtained either through employee satisfaction surveys, employee culture surveys, or employee engagement surveys. In Germany, employee surveys are conducted in close consultation with the works council.

Satisfaction, culture and commitment: Employee surveys in the Heraeus Group

In 2019, the Global Business Unit Heraeus Medical conducted the “Happy Medical Employee” satisfaction survey. The aim of the survey was to measure satisfaction with the coronavirus crisis management of the management team. During the pandemic, Heraeus Medical conducted this survey again several times and incorporated the results into crisis management.

The Global Business Unit Heraeus Medical Components uses surveys to assess the organizational culture of recent acquisitions within the first months after closing. The Global Business Unit developed a process to support the success of the post merger integration from a cultural perspective. The ultimate goal is an engaged workforce that drives business success.

The Global Business Unit Heraeus Photovoltaics conducted the “High Performance Team Engagement Survey” in 2020 to measure employee engagement. The Global Business Unit Heraeus Electronics also uses this tool. The Global Business Unit initiated the “Change Survey” for the first time in 2016 and transformed it into the “Heraeus Electronics Survey” in 2019. All surveys are conducted once a year and aimed at obtaining feedback on employee engagement, leadership, and change culture.



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Committed to the health of all employees

COVID-19 shaped 2020 in a special way (see also page 17, section [COVID-19](#)). Heraeus continues to offer a variety of programs that go far beyond the legal requirements, particularly in Germany. All German employees were given the opportunity to participate in free health screenings that include consultations about individual risks. The results of the screenings are recorded in a so called health passport. Over the years, developments can be highlighted, and preventive measures discussed. In 2019, 1,098 employees participated in the campaign throughout Germany. Cancer screenings are also conducted regularly, most recently a skin cancer screening in 2020. Heraeus had 1,457 employees participate in this program throughout Germany.

In order to maintain the health of employees in the workplace, the existing offers have been expanded. The increasing importance of mental health in the workplace is taken into account by a new risk assessment – any stress that may occur should be analyzed in advance if possible.

Occupational health management has been expanded and the aspects of absenteeism management, ergonomics, mental health as well as healthy and performance-oriented leadership have been expanded or added. Qualified advisors are available on these topics and extensive training courses are offered.

In Singapore, there are a variety of additional offers and activities. We offer virtual power-up, yoga and Tabata workouts on a weekly basis. To provide positive nutritional incentives, managers have introduced a monthly fruit day. We also hold quarterly sports events, and health screenings and health talks are offered to all employees annually. Employees are also covered by a comprehensive health insurance package that includes a variety of preventive health and hospital benefits. In the midst of the pandemic, we have also made tele-consultation and tele-medicine available through health care providers. Employees are also rewarded with quarterly bonuses for maintaining a fit and healthy lifestyle.

In the US, employee health encompasses overall well-being, including wellness and financial care. Each year, financial counseling is available to all US employees, covering a range of topics. This includes creating a monthly budget, saving for children's schooling, and an overall view of finances including retirement. US employees also have the option of converting earned leave into cash to pay for university or school fees.

In China, we offer our employees an additional health insurance and medical care plan.



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Occupational safety and health with the highest priority

The safety of our employees and protection against work-related accidents, injuries and illnesses is a high priority at Heraeus. This is also reflected in our safety culture, which is based on the vision of an accident-free workplace. To ensure this, the business segments are responsible for establishing Environment Health and Safety (EHS) management systems at their locations. The internal standards go beyond the legal requirements if we consider the remaining risks for our employees, employees of partner companies, visitors and the neighborhood to be too high.

The safety requirements differ considerably according to business field and area of application. These differences are taken into account in the individual specifications, whereby global minimum standards always apply. Particular attention is paid to the production of precious metals and fused silica, as there are special hazards here due to high pressure and temperatures as well as the substances used.

HERAEUS GROUP

Occupational safety – Working safe and healthy

Occupational safety and health protection is a very high priority for Heraeus. Every accident endangers the well-being of people and can also result in property damage, environmental impairment, downtime, and loss of reputation. We consider occupational safety and health protection to be indispensable values of our corporate culture and pursue the goal of preventing occupational accidents and minimizing health hazards for our employees. A regional awareness campaign on occupational safety topics launched at the beginning of 2018 was continued across the Group from 2019. It includes both a bi-monthly series of topics on specific aspects and special “Site Safety Days” at the sites.

[Read more about how the Heraeus Group promotes occupational safety at all levels](#)



HERAEUS ELECTRO-NITE

More safety thanks to cultural change

Several years before the official start of the global Heraeus EHS development path in 2020, the Global Business Unit Heraeus Electro-Nite introduced a very comprehensive package of measures to reduce the number of industrial accidents. In addition to the introduction of safety standards and quality management software, the specialist for measurement technology in molten metals relied primarily on the commitment and participation of employees in its U.S. plants. As a result, the number of reported accidents at Heraeus Electro-Nite in the USA fell from three to zero between 2016 and 2020. Heraeus Electro-Nite’s U.S. site was also accident-free for 1,780 days, at editorial deadline.

Specifically, those responsible in the company made five catchy basic rules such as “Safety is everyone’s responsibility” accessible to all employees back in 2016. This is the basis for concrete measures such as monthly EHS training, weekly tours of accident hazards in the branches or a “Continuous Improvement Opportunity” program, which regularly awards prizes to the best suggestions for accident prevention. All of these measures go beyond the requirements of the EHS development path. In addition, Heraeus Electro-Nite has already completed EHS certification to ISO 14001 in 2016 and to ISO 45001 in 2018.



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Better management of occupational safety with new EHS software

Risk assessments as well as the processing of EHS events are instruments in occupational safety. They serve to identify the hazards the safety and health of Heraeus derive and implement protective measures.

Heraeus introduced a professional software tool in August 2020 to simplify and streamline the creation of risk assessments, the processing of EHS events, and the tracking of measures. The introduction was accompanied by a communication campaign and training sessions. Historical accident data was transferred to the new tool. The EHS software is used by all Heraeus sites worldwide. It has simplified processes, made them more efficient, and is helping to further improve the EHS level at Heraeus sites worldwide.

In order to process EHS events as quickly as possible and initiate countermeasures, Heraeus defined reporting processes. For this purpose, all EHS events are reported, classified, investigated, and released via the EHS software. Reportable EHS events include all events from the areas of environmental protection, health protection, and occupational safety, such as occupational accidents, road accidents, environmental damage, incidents from the areas of process and plant safety, damage to buildings and plants, and soil or groundwater contamination.

Within the scope of the incident investigation, corrective and preventive measures are defined and subsequently implemented.

The EHS software immediately informs all parties involved about the respective events and directs the processing of accidents. The events are recorded Group-wide and reported monthly to the management of the Global Business Units and Heraeus Holding.

Development of accident figures

The development of lost time incidents (LTI) is decisive for the evaluation of our performance in the area of occupational safety. It measures the number of work-related accidents among Heraeus employees and temporary workers that resulted in one or more days of absence. Heraeus has been measuring this indicator centrally across all Global Business Units since 2018 and has continuously improved since then. The majority of the reported incidents were not serious accidents. No fatal occupational accidents involving Heraeus employees or temporary workers occurred in the reporting period.

Lost time incidents (LTI)

2018	2019	2020
117	113	99

Since 2020, we have also been recording accident frequency centrally across all Global Business Units using the lost time incident rate (LTIR). The calculation is based on the number of workplace accidents with a lost time incident rate of more than one working day (LTI) and the number of hours actually worked in the reporting period, standardized to one million working hours.

Lost time incident rate (LTIR)

2020
3.5

In EHS incident reporting, we focused not only on accidents but also on documenting and processing observations and near misses. These include events that could have led to injuries. Observations and near misses are an important source of learning for the future, which can help to prevent serious occupational accidents.

In addition, the various Heraeus sites report violations of EHS laws and regulations in the EHS software. During the reporting period, we did not record any significant violations of EHS laws and regulations throughout the Heraeus Group.

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Product development at the service of society

Our innovative strength is the basis for Heraeus' technology leadership.

As part of our strategic planning, we are focusing on important future trends such as health, electromobility and demographic change. We are specifically developing innovative products and solutions to help shape these trends. We have identified three important drivers for the healthy and organic growth of our Global Business Units: The early identification of trends, the development of new business ideas and the further development of our product portfolio.

Important drivers for our research and development (R&D) are pressing challenges in health and environmental protection. Heraeus is working intensively to make its contribution to the development of suitable solutions. In this way, we support our customers not only in meeting increasing legal requirements, but also in operating sustainably and effectively.

HERAEUS NEXENSOS

E-mobility: in the fast lane with platinum temperature sensors

As a trend-setting technology, electromobility is the focus of industrial and public attention. Tapping into the mass market for electromobility requires manufacturers to rapidly remove existing growth hurdles and at the same time achieve maximum efficiency in innovation and manufacturing. Precise temperature sensors for accurate data and safe control are basic requirements for the rapid development and testing of high-performance and reliable products. This makes temperature sensor technology an elementary key technology that determines the competitiveness of applications in electromobility. Heraeus Nexensos develops and supplies high-precision platinum temperature sensors for e-mobility – from charging plugs to e-motors.

 [Read more about what advantages solutions from Heraeus Nexensos offer](#)



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Drive research & development forward

Research and development (R&D) have always been a high priority at Heraeus. In R&D and application centers around the globe, we develop and test solutions together with customers and partners on site. The more than 700 R&D employees worldwide drive sustainable solutions for our customers every day.

In research and development, Heraeus relies on appropriately specialized units in the individual business segments as well as on corporate start-ups.

In both fiscal years of the reporting period, Heraeus invested seven percent of revenues (excluding precious metals) in research and development in 2019 and 2020.

HERAEUS PRECIOUS METALS

Interview: Heraeus innovation expert on innovation and sustainability

Today, innovations are strongly linked to sustainability. Companies want to reduce their carbon footprint to zero as quickly as possible. How can you steer your own innovation thinking in the direction customers want? In the video interview, Robin Kolvenbach, Head of Innovation at Heraeus Precious Metals Chemicals, explains how the Global Business Unit approaches this very issue in order to identify its customers' sustainability needs early on and meet their expectations.

[!\[\]\(9f9ff697a2edff0fecc261374e901fcc_img.jpg\) Watch the full interview on innovation and sustainability at Heraeus Precious Metals](#)



HERAEUS NOBLELIGHT

Highly efficient virus protection thanks to simulation

Special air purifiers with UV light can not only kill 99.9 percent of the coronaviruses in the air. To do so, they must have a wavelength of 254 nm (UV-C) and meet other requirements: The radiation must not be directed against humans, but only against viruses, and the air must remain in the device long enough for all pathogens to be eliminated. In order to adapt UV-C air purifiers precisely to these requirements, the Global Business Unit Heraeus Noblelight first tested its new product range in an elaborate virtual simulation, thus saving many production steps.

[!\[\]\(709ab73f873335ed78e4cc461e292a35_img.jpg\) Read more about how Heraeus Noblelight uses simulation technology to combat viruses](#)



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Open innovation as an opportunity

The innovation landscape has changed significantly in recent years. Processes, in particular, have continued to accelerate. In order to excel in this environment, Heraeus relies on cooperation with partners, openness, and interdisciplinarity. The change toward an innovation culture that is more strongly oriented toward open innovation was therefore continued in the reporting period.

Collaboration with start-ups

The focus is on collaboration with external start-ups as an important source of innovation. The goals of the targeted partnerships are the development of new products and services as well as faster market entry. To achieve this, the partners contribute their respective special skills as well as capacities and thus mutually benefit from each other.

To identify start-ups and make Heraeus known as an attractive partner to work with, we developed a variety of measures during the reporting period. At the center of these activities is a continuous scouting process that has been extended to all business segments of the Heraeus Group. This process includes the structured search for suitable start-ups, the development of relevant forms of cooperation, and the review of certain basic requirements for cooperation.

One example of successful collaborations between start-ups and Heraeus is the product AGXX – a catalytically active antimicrobial protection for use in facade paint, air-conditioning technology and sportswear. The underlying technology had been developed by the Berlin-based start-up Largentec. Now it is being brought to market maturity by Heraeus through a cooperation with exclusive licensing in these fields of application.

In order to gain even more access to Asian and, in particular, Chinese start-ups in the future, Heraeus decided to enter into a partnership with venture capitalist CM Venture Capital at the end of 2020. This enables us to approach Chinese start-ups at an early stage and to contribute our own strengths to future joint ventures.

Heraeus Accelerator Program

The Heraeus Accelerator was launched in 2019 and offers external start-ups the opportunity to further develop and market their ideas and products together with Heraeus. For this purpose, the start-ups have access to research laboratories, test equipment and Heraeus' extensive customer and partner network. The goal of the Heraeus Accelerator is to build long-term collaborations with the participating start-ups. At the same time, the program offers support with challenges outside the collaboration project – such as mentoring and advice on international taxes, rules and regulations, or the start-up's business plan.

The Accelerator Program supports the achievement of these goals by focusing on specific core topics and a clearly defined time frame of six months. At the same time, it increases the visibility of Heraeus in the global start-up ecosystems and shows young companies opportunities to collaborate with Heraeus. One batch of the Accelerator Program took place in 2019 and one in 2020.

Cooperation with research institutes

In addition to start-ups, Heraeus is also continuously expanding its cooperation with external research institutes. In the area of applied research and development, the successful collaboration between Heraeus Global Business Units and institutes of the Fraunhofer Group, which has already lasted for decades, was further intensified.

In 2020, we re-institutionalized this with a framework agreement between Heraeus and the Fraunhofer-Gesellschaft based in Munich. In addition to innovative research and development work in technical and scientific fields, consortium and cooperation projects, and initiatives such as "H2anau – Hydrogen Moves", the next generation of scientists will also receive targeted support as part of a joint master's program in the field of power electronics between Heraeus Electronics and the Fraunhofer Institute for Integrated Systems and Device Technology (IISB).

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Creating start-up structures in the Group

With a corporate incubator initiative, Heraeus promotes the development of new business models and technologies from within the company. Crucial to the growth and development of corporate start-ups are processes that are specifically geared to the needs of start-ups. To ensure that decisions can be made quickly, Heraeus has established lean structures and easy access to financial resources for its corporate start-ups. These report directly to the respective management and provide quarterly reports on their financial situation, progress in product development, and other commercial activities.

In order to be able to act more agilely and benefit from cross-linked thinking as well as interdisciplinary research and development, Heraeus promotes the following business ideas detached from its Global Business Unit structure:

Amorphous metals combine unique material properties such as high strength, elasticity and corrosion resistance. Heraeus Amloy develops amorphous alloys and produces innovative components from them, for example, using injection molding or 3D printing.

The highly porous **carbon additive** Porocarb increases the performance of lithium-ion batteries. By improving the transport paths for the ions, it improves the performance of electric vehicles and power tools, for example.

Using the **digital printing process**, metallic conductive systems can be printed in a space-saving manner with Prexonics. This innovation contributes in particular to shielding components against electromagnetic interference, for example in 5G cell phones.

In addition to these three successful start-up initiatives, another corporate start-up was launched during the reporting period: Heraeus is making the **Aerosol Deposition coating method** applicable for the first time on an industrial scale for numerous industries. The novel process enables coatings of metal and ceramics that were previously technically impossible.

HERAEUS AMLOY

Medical technology from the 3D printer

Customized prostheses and implants that adapt to the bone have long been desired products in medical technology. The solution may be amorphous metals, which have already proven to be truly multi-talented. Corresponding research work by corporate start-up Heraeus Amloy together with the University of Graz is already well advanced. Amorphous metals are ideally suited for injection molding designed for mass production, but also for maximum individuality thanks to a new technology that is revolutionizing the production of medical materials: 3D printing.

 [Read more about how Heraeus Amloy is advancing medical technology](#)



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Digitization as a driver

More than ever, Heraeus is using digitization to drive innovation. In 2019, Heraeus created the Heraeus Digital Hub, a central unit that accelerates the digital transformation in the various Global Business Units with specific projects and platforms. In doing so, the team also specifically promotes sustainable innovations within the Group – for example, optimized production processes or digitally supported machine parks can reduce energy and resource consumption. Maintaining sustainable business relationships remains an important goal in order to be able to work together on products for a better future.

HERAEUS DIGITAL HUB

Interview: Heraeus innovation expert on digitization

Digital technologies are increasingly finding their way into companies. The coronavirus pandemic has given this development an additional boost. But how can digitization succeed in large companies without abandoning traditions? Markus Kriegel comments on this in his video interview. The Group Digital Officer at Heraeus explains how Heraeus, as a portfolio company, supports its Global Business Units in digitization and how the digital transformation that has been initiated also promotes sustainability and innovation in the company.

 [Watch the complete interview on the digitization process at Heraeus](#)



HERAEUS DIGITAL HUB

Virtually on site thanks to Remote Services

Worldwide maintenance of machines or plant inspections must not only be carried out reliably, but also as sustainably as possible due to the often-long distances involved. Added to this are the current contact restrictions imposed by the coronavirus. But when physical presence is not possible, Heraeus has a very good alternative: Remote Maintenance. Modern technologies from the Heraeus Digital Hub special unit enable our service technicians to give their customers instructions via cameras and solve problems remotely.

 [Read more about how the Heraeus Digital Hub virtualizes our customer service](#)



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Broad commitment to society

Social commitment is an integral part of Heraeus' self-image and corporate culture. In accordance with the guiding principle "think globally, act locally", our locations are also committed to charitable causes related to local social and ecological challenges. Heraeus also supports and welcomes employees who volunteer to perform social tasks and thus help shape and advance the community.

Commitment to the common good at all locations

The Heraeus locations take responsibility for their social commitment and align it with local needs. The following projects are examples of our commitment.

HERAEUS MEDICAL COMPONENTS

"Together we improve lives" at the Twin Cities Heart Walk.

The American Heart Association's Heart Walks have always been about coming together to raise funds to fight heart disease and stroke. The money raised helps fund innovative research to save lives.

In keeping with the motto "Together we improve lives", employees of the Global Business Unit Heraeus Medical Components participate annually in the American Heart Association's Twin Cities Heart Walk. In 2019, Heraeus employees raised more than \$25,000 in donations, placing eighth in the Twin Cities Heart Walk. In 2020, the Heart Walk took place virtually – Heraeus was able to raise around \$17,300 and again placed eighth.



HERAEUS IN GERMANY

Donations for the victims of the racist attack in Hanau

On February 19, 2020, nine people were killed in Hanau in a racially and right-wing extremist motivated attack.

Heraeus management donated an amount of €25,000 for the victims of the attacks. In a campaign, Heraeus employees were also able to further increase this donation with an additional sum of approximately €3,490.



HERAEUS IN SINGAPORE

New shoes for people in need

The Heraeus site in Singapore donated 242 shoes to the Soles4Souls organization, which uses them to help people in need in India.

Soles4Souls donates shoes to people in need. The organization is also actively engaged in the fight against poverty.



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HERAEUS PRECIOUS METALS

Cycling for the climate

The Global Business Unit Heraeus Precious Metals has launched an annual Biking Challenge in 2020. The goal is to promote healthy and sustainable mobility for the daily commute. At the same time, the challenge was combined with a donation to combat climate change.

In 2020, around 5,930 km were cycled. Through the commitment, €1,179 was donated to support projects at Atmosfair contributing to saving 77.35 tons of CO₂.



HERAEUS CONAMIC

Fused silica for the scientists of tomorrow

The Global Business Unit Heraeus Conamic has donated an optical prism worth €3,500 for the Beamline for Schools competition in September 2020. The prism was made of fused silica by Heraeus and manufactured in Hanau.

Beamline for Schools is a competition for students from all over the world, organized by CERN, the European Organization for Nuclear Research, in Geneva. The competition invites teams of students to propose scientific experiments at accelerators. In 2020, the student teams investigated a particle called the Δ^+ baryon and the Cherenkov diffraction radiation, a physical effect.

Beamline for Schools is financially supported by individual donors, foundations, and companies. In 2020, the Wilhelm and Else Heraeus Foundation supported the project as the main sponsor with €75,000.



HERAEUS IN SOUTH AFRICA

Containers for South Africa

Together with other locally based companies, Heraeus supports the development of local infrastructure for schoolchildren in South Africa.

In 2019, Heraeus donated containers and materials for the Akhanani project in South Africa. These serve as the basic framework for a training center and a soup kitchen for school children. In 2017, Heraeus donated containers to the Abraham Levy Primary School and converted them into a school library.



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Heraeus Foundations promote education and social cohesion



The tasks of the **Kathinka Platzhoff Foundation** are the targeted promotion and education of children and young people as well as the active support of older people. For example, the foundation's Family Academy offers workshops that promote understanding between parents and children as well as seniors, thus strengthening the family. In addition, the Foundation's facilities include a senior citizens' residential home, an outpatient nursing service, a day care facility for children and a family center.

www.kp-stiftung.de



The **Heraeus Educational Foundation** is particularly committed to the continuing education of teachers, focusing on training measures for teachers and school administrators. Under the motto "Personality Makes School", the Foundation reaches around 2,000 teachers each year in its seminars on topics related to personal development and school management. The aim is to optimally prepare teachers for the challenges of teaching.

www.heraeus-bildungsstiftung.de



The **Wilhelm and Else Heraeus Foundation** is dedicated to promoting research and education in the natural sciences, especially physics. It facilitates the exchange of scientific ideas, organizes international conferences and seminars, supports gifted students, and contributes to improving science education in schools. This commitment is known worldwide.

www.we-heraeus-stiftung.de



The **Heraeus Social Foundation**, established in 1973, is a support fund for active and former employees of the Heraeus Group and their dependents. Under the guiding principle "listen, speak, act", it offers a comprehensive assistance and counseling program in all social areas. The Foundation provides relief in the event of family care bottlenecks and advises employees in personal crisis situations. It establishes contacts with therapy facilities, helps with financial emergencies and provides support in the event of family difficulties. The aim of the foundation is to defuse acute crises through individual counselling and support and to solve them actively and cooperatively.

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Key figures

Energy and resource efficiency

	Amount	Unit
Energy Consumption	559,954,963	kWh
Natural Gas	170,394,538	kWh
Light Fuel Oil	596,645	kWh
Heavy Fuel Oil	254,980	kWh
Propane / LPG	26,590,940	kWh
Hydrogen	7,004,759	kWh
Electricity	340,817,201	kWh
District Heating / Steam	14,295,900	kWh
Sum of Scope 1&2 Emissions	206,902	t CO₂e
Carbon Scope 1 Emissions	45,105	t CO ₂ e
Carbon Scope 2 Emissions	161,798	t CO ₂ e
Water Consumption	1,150,974	m³
Wastewater Discharge	733,546	m³
Non-Hazardous Waste	34,231	metric ton
Hazardous Waste	7,257	metric ton

Occupational health and safety

	2018	2019	2020	Unit
LTIR	117	113	99	Number of LTIs
LTIR			3.5	LTIR

Employees

	2018	2019	2020
Total number of employees at year-end	13,858	14,190	13,911

Employees by region (in percent)

	2018	2019	2020
Germany	39%	39%	38%
Asia	28%	28%	28%
Americas	17%	17%	17%
Europe excl. Germany	15%	15%	16%
Africa / Australia	1%	1%	1%

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Employees by gender (in percent)

	2019	2020
Men	67%	66%
Women	33%	34%

Employees by age (in percent)

	2019	2020
– 30	15%	14%
30–39	30%	30%
40–49	26%	27%
50–59	22%	23%
60 +	6%	6%

Disclaimers

Scope

The current data cannot be compared with historic data due to the EHS Software introduction for reporting year 2020. The EHS software allows Heraeus to reach a much wider reporting scope versus previous years, so this report discloses environmental figures for 2020 only.

Reporting comprises production sites worldwide where Heraeus owns more than half of the voting shares (management control), or minority shareholding if it has been agreed in the contracts that the Heraeus Corporate Guidelines are binding. One Global Business Unit includes trading offices besides its production sites in the scope as well.

Assurance

No external assurance done

Carbon emissions

With regard to the Greenhouse Gas (GHG) Protocol, carbon dioxide (CO₂) scope 1 and scope 2 emissions are included for all Global Business Units from production sites based on the listed energy sources. Other greenhouse gases are considered only for one out of eleven Global Business Units emissions calculations. The CO₂e are added to the CO₂ figures, as the Group is planning to extend the scope to include all relevant GHGs in the future. 80 of 81 production sites (98%) reported energy data and are included in the CO₂ reporting.

Scope 1 includes CO₂ emissions that occur from sources controlled or owned by Heraeus associated with the combustion of primary energy sources in boilers, furnaces, vehicles within the sites boundaries. The combustion of the following primary energy sources are accounted for scope 1: natural gas, propane, light and heavy fuel oil.

The calculation methodology for scope 1 is based on the fuel analysis method, which means that the corresponding CO₂ emissions is quantified, based on the carbon content of the combusted fuel. The corresponding energy-specific CO₂ factor is based on third party provided data (e.g. UBA). One Global Business Unit is using the GaBi database.

Scope 2 includes CO₂ emissions from purchased energy such as electricity (purchased non-renewable and renewable electricity as well as electricity necessary to generate other energy sources and media that is not already covered in purchased electricity, e.g. energy needed to generate compressed air) and district heating.

The calculation methodology for scope 2 is based on the location-based method, which means that the CO₂ emission of electricity for example is calculated by multiplying the purchased electricity by country specific emission factors. The location-based emission factors for electricity used refer to the latest available country emission factors published by the International Energy Agency (IEA, 2020). One Global Business Unit is using the GaBi database as source.

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Water consumption

This is the sum of all water drawn from surface water, groundwater, rainwater, seawater or a third party (municipal water supply) that has been withdrawn and incorporated into products, has evaporated, transpired, or is polluted to the point of being unusable by other users. 76 of 81 (94%) of production sites reported water consumption data.

Wastewater discharge

This is the sum of effluents, used water, and unused water from production and manufacturing released to surface water, groundwater, seawater, or a third party, for which the production site has no further use (treated & untreated wastewater). 76 of 81 (94%) of production sites reported wastewater data.

Waste generation (hazardous & non-hazardous waste)

Non-hazardous and hazardous waste from industrial production according to local legislation in the respective country. 66 of 81 (81%) of production sites reported waste generation data.

The reporting includes production and non-production sites worldwide Heraeus holds more than half of the voting shares (management control) or shares with voting rights (management control) or minority shareholdings, if it has been contractually agreed that the Heraeus corporate guidelines are binding.

Lost time incident (LTI)

Work-related incident of a Heraeus employee (personnel who is directly employed with Heraeus contract at a Heraeus site) and of a temporary employee that results in one or more days of lost time (day of incident is excluded) or results in fatality.

Lost time incident rate (LTIR)

1,000,000 hours * LTI / total working hours (Heraeus and temporary employees).

Total working hours

The total working hour required for the LTIR calculation are automatically generated by the EHS Software for all Heraeus sites globally by multiplying the number of FTE employees and FTE temporary employees of each site with the monthly average working hours in the respective country. It includes overtime and subtracts absences like vacation, public holiday, and illness. Besides the automatic calculation, all sites may manually adjust the automatically generated hours if necessary (e.g. seasonal effects, short-time work).

Employees

The number of employees does not include temporary workers

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Overview of Heraeus Global Business Units

The Heraeus Group is organized under the umbrella of Heraeus Holding in Global Business Units. These units are market-oriented and functionally structured.

Heraeus Comvance

Heraeus Comvance is the world's largest manufacturer of synthetic fused silica for use in the telecommunications industries. With its sites in Germany and the US, the product portfolio includes high purity fused silica tubes for core rod manufacturing, large RIC cylinders as cladding for telecom fibers and preform manufacturing services.

Heraeus Conamic

Heraeus Conamic is one of the technology leaders and materials specialists for the manufacture and processing of high purity fused silica and high-end materials like ceramics and composites. With locations in Europe, USA and Asia, Heraeus Conamic offers fused silica and ceramic products ranging from semi-finished goods to complex system components to custom-tailored solutions.

Heraeus Electronics

Heraeus Electronics is a leading manufacturer of materials for the assembly and packaging of devices in the electronics industry. The company develops material solutions for the automotive, power electronics and advanced semiconductor packaging market and offers its customers a broad product portfolio – from materials and material systems to services.

Heraeus Electro-Nite

Heraeus Electro-Nite has been the global leader in the field of molten metal measurement technology for almost 50 years. The metallurgy industry benefits from complete measuring systems and customer-specific samplers for a wide variety of analysis tasks.

Heraeus Epurio

Heraeus Epurio is the technology and market leader in essential materials for capacitor, display, and photoresist applications, producing Clevios™, the pioneering standard for conductive polymers with over 30 years of demonstrated success; and ultra-pure specialty chemicals, which are a critical component in the semiconductor industry.

Heraeus Medical

Heraeus Medical focuses on medical products for surgical orthopedics and traumatology. The company is the industry leader in the field of bone cements and was several times awarded the TOP 100 Award for being one of the most innovative German medium-sized enterprises.

Heraeus Medical Components

Heraeus provides expert, comprehensive medical component manufacturing services, meeting a broad range of functional demands. Specializing in metallurgical answers to device design challenges, Heraeus' long history in precious metals and alloying are combined with world leading manufacturing experience.

Heraeus Nexensos

Heraeus Nexensos is one of the global market and technology leaders for high-precision temperature sensor technology and your expert for the production of platinum temperature sensors and heaters.



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Heraeus Noblelight

Heraeus Noblelight is one of the global market and technology leaders in the field of special purpose lamps and modules in the ultraviolet to infrared wavelength range for industrial, scientific and medical applications.

Heraeus Photovoltaics

Heraeus Photovoltaics is a global leading manufacturer for metallizations pastes of solar cells, provides advanced products and excellent services for PV industry.

Heraeus Precious Metals

Heraeus Precious Metals is a world leader in precious metals services and products as well as in trading precious metals used in industrial processes. This unit brings together all the activities in the precious metals cycle, from trading to precious metals production to recycling.



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Conflict Minerals Reporting Templates (CMRT)

Free, standardized reporting template developed by the Responsible Minerals Initiative (RMI) that facilitates transparency in the supply chain.

EcoVadis

International sustainability rating agency

Environment, Health and Safety (EHS)

Acronym for the methodology that studies and implements the practical aspects of protecting the environment and maintaining health and safety at occupation.

ENHESA

International environmental, health and safety consulting firm, providing EHS regulatory compliance assurance support to businesses worldwide.

Environment, Social and Corporate Governance (ESG)

Evaluation of a company's collective conscientiousness for social and environmental factors.

Fortune Global 500

An annual ranking of the top 500 corporations worldwide as measured by revenue, also known as Global 500.

Human Resources (HR)

Department of Human Resources Management.

IDW PS 980

Auditing standard for compliance management systems of the Institute of Public Auditors in Germany (IDW)

IHK

Chamber of Commerce and Industry

Industry 4.0

The intelligent networking of machines and processes in industry with the help of information and communication technology.

ISO 14001/45001 or DIN ISO EN 14001/45001

Standards for management systems of environment and occupational health and safety

Information Technology (IT)

Department of Information Technology

Key Performance Indicator (KPI)

A measurable value that demonstrates how effectively a company is achieving key objectives.

London Bullion Market Association-Standard (LBMA standard)

The LBMA conducts the London bullion market as a wholesale over-the-counter market for the trading of gold and silver.

London Platinum and Palladium Market-Standard (LPPM standard)

The LPPM is an over-the-counter trading center for platinum and palladium and a commodity trading association.

Lost time incident (LTI)

Work-related incident of an employee that results in the loss of productive work time.

Lost time incident rate (LTIR)

Total number of lost time injuries in a given time period divided by the total number of hours worked in that period.



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Responsible Business Alliance (RBA)

World's largest industry coalition dedicated to corporate social responsibility (CSR) in global supply chains.

Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)

A regulation of the European Union to address the production and use of chemical substances and their potential impacts on both human health and the environment.

Schrems II

Decision of the Court of Justice of the European Union (CJEU) which has been incorporated into the EU standard contractual clauses to protect data privacy for EU citizens.

Scope 1 GHG Emissions

Classification of emissions according to the Greenhouse Gas (GHG) Protocol: Scope 1 emissions are direct emissions from company-owned and controlled resources.

Scope 2 GHG Emissions

Classification of emissions according to the Greenhouse Gas (GHG) Protocol: Scope 2 emissions are indirect emissions from the consumption of purchased energy like electricity, steam, heat and cooling.

Sustainable Development Goals (SDGs)

A collection of 17 interlinked global goals for a better and more sustainable future set up in 2015 by the United Nations General Assembly.

Supply Chain

The sequence of processes between a company and its suppliers to produce and distribute a specific product or service.

Ultraviolet-C (UV-C)

Wavelength of 254 nm, which destroys the generic material of viruses.



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