

Sustainability Report | 2021-2022



04	Letter from the CEO
06	Strategy
09	Environment
09	Climate Change Mitigation and Energy
12	Social
12	Working Conditions – Own Workforce
16	Equal Treatment and Opportunities for All – Own Workforce
20	Governance
20	Corporate Culture
24	Responsible Supply Chains
27	KPI Table
31	GRI Content Index

## LETTER FROM THE CEO

GRI 2-22

### Dear readers,

The release of our 2021/2022 Sustainability Report marks a significant milestone for the Heraeus Group. As we navigate the complexities of the global business landscape, our commitment to sustainability and corporate responsibility remains at the forefront of our strategic vision.

Two years ago, in our 2020 Group Sustainability Report, we underscored the urgency of addressing carbon emissions and the imperative of fostering diversity within our ranks. Today, I am proud to share the significant progress we've made on these fronts.

**Environment:** our commitment to the environment is not just about compliance; it's about leadership. We have successfully set up targets to align our own operations with the 1.5°C global warming trajectory, echoing the ambitions of the Paris Agreement. Our Group-level commitment to a 42% absolute decarbonization<sup>1</sup> from 2021 to 2030 is not just a number; it's a reflection of our dedication. I am particularly proud that all our Operating Companies have embraced this vision with individual commitments.

Our transition to renewable energy sources, exemplified by our partnership to derive energy from regional photovoltaic plants or rooftop installations, is a testament to our proactive approach. We understand that the journey to carbon neutrality requires both strategic investments and daily operational changes. From energy-saving measures at our facilities to responsible sourcing practices, every step counts.

Furthermore, our ongoing project to measure Group-wide Scope 3 emissions underscores our holistic approach to environmental stewardship. We have set the goal of having the Group's full Scope 3 emissions measured by mid 2024.

**Social:** at Heraeus, the safety and well-being of our employees are paramount. We've set ambitious targets, aiming for an LTIR of less than 2 by 2025. Our commitment is evident in the early 2023 figures, which indicate a promising trend towards our goal. Furthermore, our aspiration for zero health-related incidents is supported by our endeavours to have 80% of our production sites fulfill our internal EHS management system requirements.

Our commitment to diversity, equity, and inclusion (DEI) has been unwavering. In 2022, we elevated DEI to a Group-overarching priority. The majority of our Operating Companies have not only set their own diversity targets but also instituted a detailed reporting mechanism, updating the Group Management Committee every quarter. This level of accountability ensures that we remain true to our goals and values.

In the realm of talent management, we take immense pride in our approach to nurturing and developing our workforce. A testament to our effective talent management strategy is the fact that the majority of our leadership positions are filled from within our talent pool. This not only underscores our belief in the potential of our employees, it also reinforces our commitment to providing growth opportunities and fostering a culture of internal advancement.

This strategy's effectiveness is evident, as more than 60% of vacant management positions were filled internally between 2019 and 2022.

In the reporting year, we began crafting our HR Ambition, a strategic foundation aimed at making Heraeus an "employer of choice" in an increasingly competitive labor market. This ambition is built on four key pillars: boosting our attractiveness for top talent, nurturing leadership development, promoting a culture aligned with Heraeus values, and being a staunch ambassador for diversity, equity, and inclusion. Through centralized and decentralized training programs, we invest in the ongoing professional development of our managers and employees. Our digital learning platform ensures our workforce is equipped with the skills and knowledge for the future.

**Governance:** we have significantly bolstered our sustainability management governance. The establishment of a robust Group Sustainability Team, with the Head of Group Sustainability reporting directly to me, is a testament to the importance we place on this domain. Additionally, the creation of the ESG Chapter, which convenes monthly, ensures swift decision-making and provides Board oversight, including my personal involvement, on ESG topics.

<sup>1</sup> Scope 1 & 2 GHG emissions

At Heraeus, we are immensely proud of the positive impact our products have on the environment, a concept we fondly term as our “handprint.” Recycling precious metals, for instance, significantly reduces the CO<sub>2</sub> footprint by approximately 98% compared to primary materials. Our innovations in iridium catalysts pave the way for green hydrogen production, while our precious metals catalysts play a pivotal role in reducing the harmful effects of nitrous oxide, a very potent greenhouse gas.

Heraeus is also a significant player in the photovoltaic industry. Our silver metallization paste significantly enhances the efficiency of PV modules. Through recycling initiatives, like the recovery of the rare earth element neodymium, we not only ensure resource security but also contribute to significant CO<sub>2</sub> savings. These are but a few examples of how our products are leaving a lasting, positive imprint on our planet.

We are in the midst of identifying our Group material topics, signalling our intent to broaden our sustainability ambition. This means that our next report will not only encompass a wider range of topics but will also be underpinned by even more robust commitments.

To our stakeholders, I want to extend my heartfelt gratitude. Your unwavering support and constructive feedback have been instrumental in shaping our sustainability journey. As we move forward, I personally commit to ensuring that the Heraeus Group remains at the forefront of sustainability, setting benchmarks, and driving positive change.

In conclusion, I invite you to delve into this report, to understand our initiatives, appreciate our achievements, and join us in our ongoing journey towards a sustainable and inclusive future. Your trust and partnership are invaluable to us, and together, I am confident that we can create a legacy of positive impact.

Enjoy the reading.



**Jan Rinnert**

CEO and Chairman of the Board of Managing Directors of Heraeus Group

# STRATEGY

GRI 2-1, -2, -6, 201-1

## OUR STRATEGY AND BUSINESS MODEL

### A Family-Owned Technology Group

Headquartered in Hanau, Germany, Heraeus is a world-leading technology group with operations worldwide. Incorporated in 1851, its roots can be traced back to a family pharmacy founded in 1660. Today, the Heraeus Group is an internationally active portfolio company with innovative technologies and solutions based on broad materials expertise and technology leadership.

As an internationally active family-owned organisation, the Heraeus Group maintains a broadly diversified portfolio that is managed from Heraeus Holding GmbH (“Heraeus Holding”). The Operating Companies being part of the portfolio determine their respective business strategies while Heraeus Holding determines the corporate portfolio strategy and reviews and challenges the performance of the Operating Companies. Under its umbrella, the Operating Companies operate more than 100 sites in 40 countries. Heraeus Holding structures its Operating Companies into four overarching Business Platforms, each comprising several Operating Companies:

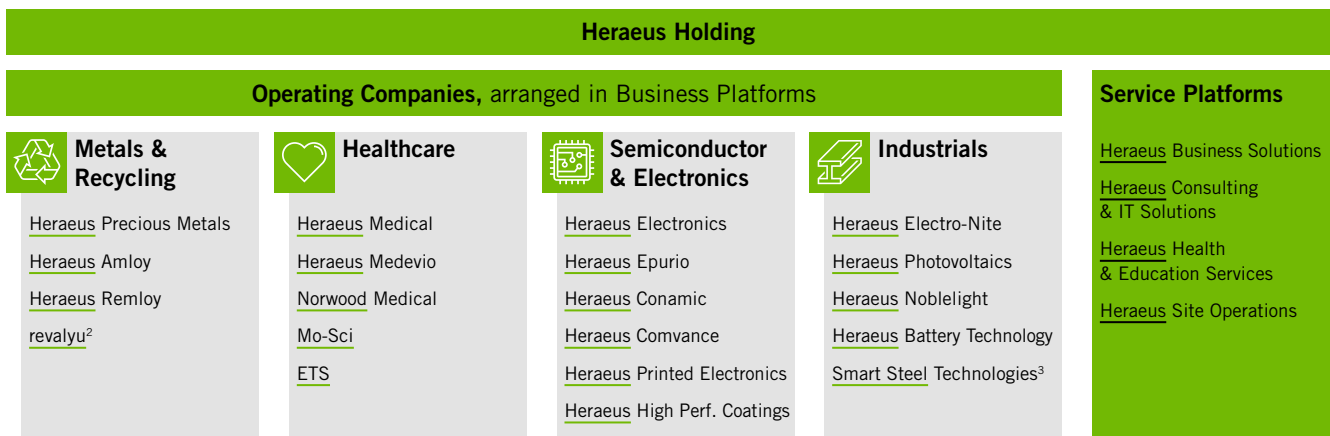
- Metals & Recycling**  
 Materials and technologies related to metals, especially precious metals, and circular economy
- Healthcare**  
 Materials and technologies related to medical technology, orthopedics, and infection management

- Semiconductor & Electronics**  
 Materials and technologies for electronics, e-mobility, semiconductors, optical fibers, and digital technologies
- Industrials**  
 Materials and technologies for industrial production and processes

The Operating Companies are partly supported by the Heraeus Service Platforms, which provide complementary business-boosting offerings such as high-value services and consultancy.

Heraeus’ Operating Companies are leading providers of products on numerous global sales markets, including medical equipment, semiconductors, chemicals, steel, photovoltaics, and automotive products. This wide range of markets necessarily translates to a correspondingly wide range of framework conditions, market and national regulations, and manufacturing materials and processes in addition to opportunities, risks, and areas of impact. Heraeus Group thus cultivates a shared understanding of operational independence under a guiding strategic umbrella. The Operating Companies act independently within their segment and according to their respective business environments. Group strategy and governance are designed to provide both a binding framework of responsibility as well as the necessary scope for individualized realization.

### Overview of Heraeus Group



<sup>2</sup> Majority shareholding  
<sup>3</sup> Minority shareholding

*GRI 2-3, -4, -5, -9, -10, -12, -13, -14, -15, -17*

## Report Content and Reporting Period

This Group Sustainability Report has been structured with a view to the guidance of the European Sustainability Reporting Standards (ESRS), which the Group is to comply with as of the reporting year 2025. The scope of reporting comprises all Group companies that are included in the consolidated group of the relevant financial report. A small number of Operating Companies, such as Norwood Medical, Mo-Sci, ETS, and SKO may partially diverge from the standard company processes. In 2021, Heraeus Group purchased Norwood Medical, a US-based healthcare company; this entity has been included in the 2021/2022 reporting accordingly.

The reporting period for this 2021/2022 Sustainability Report was January 1, 2021, to December 31, 2022. As the report was prepared in late 2023 and published in December 2023, we have also included information on our progress in 2023 in certain areas. Up until now, Heraeus Holding has published sustainability reports every two years. Going forward, and in light of changes to the regulatory framework, we plan to report annually. Future sustainability reporting will prospectively be integrated with our annual financial reporting by 2026.

With regard to the collection of key performance data, changes were made during the reporting period to the Group software solution used. The improved system for collecting data relevant to carbon accounting now allows us to gather Scope 1 and Scope 2 data from all sites (previously only production sites). Our reporting of emissions factors in CO<sub>2</sub> equivalents has thus been updated Group-wide. Other related processes for collecting and verifying data were also adjusted. These improvements help ensure a higher level of accuracy and quality of our carbon accounting data.

## External Assurance

This report has not been subjected to external review by an auditing company. We are currently focused on preparing our organization to fully meet the requirements of both the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD). As part of this process, we are in intensive contact with a number of consulting and auditing companies for relevant guidance on the above-named changes and frameworks. As this work is still ongoing, the decision was taken not to subject this 2021/2022 report to a formal external assurance. Nevertheless, the preparation of a materiality assessment and selection of performance indicators is being carried out specifically with a view to ensuring future auditability of our sustainability reporting.

## SUSTAINABILITY GOVERNANCE AT HERAEUS

### Effective Structures to Operationalize Strategy and Responsibility

The Heraeus Board of Managing Directors is the Group's highest governing body. It comprises the Group Chief Executive Officer (CEO), Chief Financial Officer (CFO), and two Chief Operating Officers (COO)<sup>4</sup>. Its perspective on the Portfolio is enriched via the Group Management Committee, which is made up of the members of the Board of Managing Directors and six other executives from Human Resources, Legal, Investments, Portfolio Management and M&A. The Board of Managing Directors bears responsibility for the topic of sustainability from a portfolio perspective.

The Head of Group Sustainability provides the interface between the Group sustainability framework and the sustainability strategies in the Operating Companies. The Head of Group Sustainability reports directly to the CEO and is tasked with defining the sustainability framework for the Heraeus Group, guiding sustainability development at the various Operating Companies, supporting them with implementation,

and working towards ensuring adherence to Heraeus Holding's regulatory standards such as CSRD. In 2023, the Group's primary platform regarding the organization of topics arising from responsibility – the Group Responsibility Committee – launched an ESG Chapter, which meets on a monthly basis. The Group Sustainability Team reports to the ESG Chapter on key sustainability-related topics. The ESG Chapter is made up of the CEO, CFO, Group Human Resources Officer (Group HR Officer), the Group General Counsel, and the Head of Group Sustainability. It is charged with discussing and deciding on ESG (environment, social, governance) topics, measures, and targets from a portfolio perspective – and not operationally. Likewise from 2023, the Sustainability Network has begun meeting on a monthly basis, comprising the Sustainability Heads of the Operating Companies and relevant corporate functions, to exchange on general Group direction, best practices, and learnings. These structures and processes ensure the Operating Companies are empowered to create an own sustainability strategy, roadmaps, and targets as well as Heraeus Holding's adherence to regulatory standards and a minimum consistency among the Operating Companies.

<sup>4</sup> At year-end 2023, one of the COOs will leave Heraeus.

## Ongoing Dialogue with Stakeholders Shapes Our Development

With Operating Companies active in segments ranging from electronics and industrials to health and recycling technology as well as its tradition as a family-owned company, Heraeus has a correspondingly broad group of interested stakeholders. Such stakeholders include, above all, our customers, our employees and employee representative bodies, our suppliers, our shareholders, investors, financial institutions and other capital market players as well as local communities, associations, social interest groups, and scientists. In addition, own media and environment analyses are used to ensure we have a full picture of the most important expectations regarding Heraeus Holding on the part of policymakers and the general public.

The principle of ongoing open dialogue on activities, successes, and, naturally, areas for improvement is one we pursue with our stakeholders. The insights gained from such dialogue regularly flow into the continued development of our corporate strategy and responsibility management, such as into how we deal from a corporate portfolio perspective with crucial risk topic areas. In formulating policies, we have taken into account the valuable perspectives and interests of key stakeholders. Maintaining a lively exchange of feedback and ideas allows us to identify key challenges facing our Group at an early stage and to meet them successfully. By better understanding stakeholders' needs and expectations, we aim to further strengthen their trust, as well as foster sustainability at Heraeus.

---

## FOCUS OF REPORTING AND MATERIALITY

The primary aim of this report is to provide interested stakeholders with enhanced transparency on how Heraeus Holding is managing sustainability-related topics and taking on challenges in this area. Topics for this report were guided by the issues reported on in past sustainability reports, namely environmental management, social responsibility, and governance and compliance. In the area of environmental management, the topics of climate change mitigation and energy are the focus of our reporting; we see these areas as both carrying the greatest risks and offering the greatest opportunities for positive impact. In the area of social responsibility, our focus areas are working conditions and equal treatment and opportunities for our worldwide workforce. With respect to compliance and governance, our overall business conduct, in particular with respect to supply chain management, and our corporate culture are the focus. As Heraeus Holding is still in the process of adjusting its systems and processes to fully CSRD-compliant sustainability reporting, this 2021/2022 Sustainability Report is not structured around the results of a materiality assessment.

In order to comply with the sustainability reporting standards coming into effect as well as to meet our stakeholders' expectations, a materiality assessment and corresponding identification of material topics will in future provide the basis for Heraeus Holding's reporting. In 2023, Heraeus Holding began a materiality assessment according to the ESRS principle of "double materiality," i. e. such that an evaluation

of materiality from two perspectives is achieved. The double materiality assessment will consider both the inside-out perspective (impact Heraeus has on a topic) and the outside-in perspective (risks and opportunities a topic creates for Heraeus). To kick off this process, Group Sustainability held a number of workshops in 2022 with relevant Group functions and the support of external consultants. The workshops focused on creating a knowledge foundation on the upcoming reporting requirements and determining the best approach to carrying out a corresponding materiality assessment by Heraeus Holding with dual perspective.

Our objective in conducting the double materiality analysis is to assess and understand the Group's relevant and significant environmental, social, and governance-related risks and opportunities as well as impacts on society and our environment. In order to properly identify and prioritize the material topics, with the support of a consultancy, all Operating Companies have provided their structured and exhaustive inputs to the Group Sustainability Team. To validate this bottom-up approach, we cross-challenged the input with the related Group functions, engaged with relevant internal and external stakeholders, and conducted a peer analysis. As of the time of writing, we are finalizing a list of Group-wide material topics. Going forward, we will be focusing on ensuring full adherence to ESRS and CSRD reporting through improving governance on these topics, improved KPI reporting, and target setting.



## ENVIRONMENT

### CLIMATE CHANGE MITIGATION AND ENERGY

GRI 2-23, -24, 201-2, 302-1, -2, 305-1, -2

#### OUR COMMITMENT TO REDUCING ENVIRONMENTAL IMPACT

We feel a responsibility to protect the environment and conserve resources. In doing so, we are guided by the precautionary principle to proactively avoid or reduce any impact on the environment. For this purpose, we apply a continuous improvement process for our production facilities. Our goal is to not only use energy more efficiently, but also to further optimize all procedures and processes. An overarching ambition is to conserve natural resources and continually reduce or eliminate waste.

In particular, the reality of a changing world climate is an area of impact Heraeus views as very relevant. The imperative of mitigating climate change is a challenge we are tackling head on. We want to align our activities with the goal of limiting global warming to 1.5°C and have implemented a

Group-wide near-term target for Scope 1 and Scope 2 emissions. We aim to reduce our Scope 1 and 2 emissions by 42% until 2030, compared with the base year of 2021. As we are aware that the majority of our emissions are Scope 3 emissions, we have set the goal of having the Group's full Scope 3 emissions measured by mid 2024.

We aim to lessen our portfolio's overall impact through emissions reduction and lower total energy consumption. Our efforts aim to dovetail measures at these two crucial levels. We base our carbon accounting on the guidance of the Greenhouse Gas Protocol and are striving to principally align our operations with the framework of the Science Based Targets initiative (SBTi).

#### POLICIES & RESPONSIBILITIES

In a first step towards making our operations as efficient, safe, and environmentally friendly as possible, Heraeus Holding has asked the Operating Companies to apply the standards of the ISO 14001 (environmental management) and ISO 45001 (occupational health and safety) frameworks and has formalized these in its own EHS Development Path for Group Operating Companies. The EHS Development Path defines milestones and a framework for tracking progress as well as a corresponding assessment program (see also Our Commitment to Safe Work). Implementing the standards of ISO 14001 is designed to help achieve reductions in companies' environmental impact.

The energy we purchase is a significant lever for managing impact. Energy and carbon accounting are included in the corporate controlling handbook. The handbook is updated once a year and contains relevant guidance on these topics.

The topic of climate change mitigation from a portfolio perspective is managed by Group Sustainability and relevant decisions are made by the ESG Chapter. Operationally and strategically, these topics are all managed within the Operating Companies. Regular exchange between the Operating Companies' Sustainability Leads regarding decarbonization takes place in the monthly Sustainability Network meetings.

#### ACTIONS & RESOURCES

##### Emissions Data Consolidated and Decarbonization Targets Aligned

The topics of energy consumption, energy procurement, and emissions are a key area of action for reducing environmental impact. As such, Heraeus Holding began collecting energy consumption data for the Group in 2020 and has calculated Scope 1 and Scope 2 greenhouse gas (GHG) emissions since then. All Operating Companies and the Service Platform were required by the Board of Managing Directors to measure their Scope 1 and 2 emissions in an auditable way by the end of 2022. To support the Operating Companies in implementing this transformation, the Group switched in the reporting period from an external software solution to an internal tool realized and maintained centrally. The new tool has been designed to

enable data gathering and processing in accordance with the Greenhouse Gas Protocol as well as ensure auditability.

In 2021 and 2022, two Operating Companies also measured their Scope 3 emissions and a further two have started data collection for this. In order to enable all Operating Companies to measure their Scope 3 emissions and aggregate emissions at Group level, a corresponding tool was launched centrally in 2023 with the aim of ensuring consistent calculation of Scope 3 emissions Group-wide from mid 2024.

On the back of our current data foundation for reporting years 2021 and 2022, the Board of Managing Directors has stipulated that the Operating Companies define own Scope 1

and Scope 2 emissions targets principally aligned with the requirements of the Science Based Targets initiative. The Board of Managing Directors understands “SBTi alignment” to mean that the Operating Companies are to avoid introducing decarbonization targets that are not SBTi-compliant. The exact targets chosen are determined individually by the respective Operating Companies.

In 2022, the Operating Companies began including decarbonization as a topic in the Quarterly Review Meetings, a performance dialogue platform between the Group Management Committee and the Operating Companies. In cases where setting own targets in full alignment with the goal of limiting global warming to 1.5°C was not feasible, the Operating Company is required to provide an explanation (comply-or-explain principle).

The Operating Companies are presenting updates on their progress toward target achievement quarterly from 2023.

### **Site-Specific Reduction Measures to Achieve Optimal Effect**

The Heraeus Operating Companies are each charged with implementing measures specific to their activities and the parameters in which they operate that will aid achievement of their respective emissions targets. These measures vary by Operating Company and site location.

The majority of the Operating Companies have, for instance, implemented energy efficiency measures. The Heraeus Digital Hub offers support to enable digital energy measuring and taking smart conservation action. To this end, the in-house consultancy Supply Chain Excellence has developed a “Decarbonization Walk” framework that guides on-site assessment of production facilities. Its checklist helps identify impactful energy efficiency measures.

In addition to energy efficiency measures, the type of energy consumed is a key lever for reducing emissions at the Operating Companies. A major step here is the procuring of energy for our operations from renewable sources. To this end, Heraeus Site Operations, Heraeus Precious Metals, and Next Energy, a major solar park operator and provider of solar power in the Rhine-Main region, have signed a 20-year power purchase agreement (PPA). On the basis of this agreement, the German Heraeus sites will receive up to 40 GWh of renewable power annually from regional solar plants. The plants are scheduled to be erected and commissioned in the course of 2024 and will make a significant contribution to meeting our electricity needs through green power.

Several Heraeus sites have invested in own renewable power systems such as rooftop photovoltaic (PV) facilities or similar

near-/off-site installations. As of the end of 2022, a total of seven Heraeus sites around the world already had own PV systems in operation, and eight more have work in progress. In 2023, on-site PV installations at the Hanau headquarters were started. Some of the smaller Heraeus sites can successfully cover 100% of their energy needs with solar energy. Larger production sites with corresponding energy needs typically cover up to 20%.

In addition to energy efficiency measures, on-site PV facilities, and long-term measures such as regional solar PPAs, energy attribute certificates (EACs) have also been purchased by some sites as a measure to aid in achieving decarbonization targets in the short term.

### **Training Targets Decarbonization Capacity-Building**

Communication on the topic of energy conservation as well as concrete training on methodologies and tools were intensified at Heraeus in the 2021 and 2022 reporting years. Several workshops for the Group Management Committee on the topic of decarbonization were held in the period. These workshops were organized by Group Sustainability, with support from an external consultancy, and covered corporate carbon emissions reduction strategies and options. Workshops and presentations on the topic of energy efficiency were held as part of the 2022 Virtual Week – a platform to share knowledge between employees – with the aim of sensitizing staff and raising engagement. The Group also provided extensive training on practical aspects of carbon accounting (Scopes 1 & 2) for those concerned with the topic in a practical capacity.

In-house conferences with peers were organized for relevant internal specialists and Group-wide talents in 2023, with the aim of enhancing industry exchange and learning from best practices. The Commercial Excellence in-house consultancy team has launched modules in 2021 that address meeting customer needs with respect to decarbonization.

### **Low-Impact Materials Handling and Products**

In addition to our efforts to reduce emissions, chemicals safety is another important aspect of minimizing environmental impact. We diligently monitor the cutting edge of scientific insight into critical chemical substances and constantly take relevant developments into consideration in ongoing research and development (R&D) and engineering. Where necessary, critical substances are phased out. Furthermore, in 2021, we launched an internal knowledge base on chemicals safety to ensure that comprehensive information is accessible throughout the Group.

We also maintain extensive communication with both our staff and our customers about the composition of our products and related product safety. Since 2022, we have managed our IMDS (International Material Data System) activities centrally for the Group. For our staff we hold regular internal chemicals safety discussion and information sessions. Chemicals safety is a key component in Group EHS management, and emergency response programs with corresponding training components are in place at all relevant sites (see also Our Commitment to Safe Work). An EHS news platform on the Heraeus intranet provides up-to-date information on relevant chemicals topics.

### Stringent EHS Management System

Heraeus maintains a comprehensive EHS management program oriented on internationally recognized best practices. It is designed to ensure compliance of all sites with both ISO 14001 and ISO 45001 (work safety) and has been assessed

by multinational certification bodies like SGS, TÜV Rheinland, TÜV Süd, and DEKRA. It is reviewed on a continual basis and adjusted where necessary.

The Group conducts regular EHS Compliance Audits to evaluate adherence to all applicable legal obligations. The audits are based on the categories of the Enhesa database and comprise site visits with appropriate follow-up processes on all findings. The Enhesa legal register details the specific EHS laws and regulations, applicability, and compliance status for each Heraeus site. The exact audit procedures and requirements depend on the site, its location, and type of operation, and high-risk sites (e.g. activities involving hazardous chemicals) are given first priority within the internal EHS Compliance Audit program. All sites with ISO 14001 environmental management certification are subject to regular certification and surveillance audits, in addition to internal audits of the internal Management System by Corporate EHS.

---

## TARGETS

Heraeus Holding began measuring carbon emissions for the Group in reporting year 2020. We are now able to publish our Scope 1 and Scope 2 emissions for years 2021 and 2022 and as of publication have set a corresponding Group

reduction target of 42% by 2030 (base year 2021). Certain individual Operating Companies have also prepared own reporting according to the requirements of the Carbon Disclosure Project (CDP).

## SOCIAL

### WORKING CONDITIONS – OWN WORKFORCE

*GRI 2-23, -24, 403-1, -2, -3, -4, -5, -6, -7, -8, -9, -10*

#### OUR COMMITMENT TO SAFE WORK

One of our greatest responsibilities as an enterprise is to create a healthy and safe working environment for our employees. At Heraeus we are thus committed to the precautionary principle of sustainable operations as our guide to proactively avoid or minimize negative impact on safety and health. We have formally embedded this commitment in our Heraeus Vision 2025, our Global EHS Policy, and in the Heraeus Code of Conduct.

We view the task of promoting and preserving as far as reasonably possible the health of our employees as resting on three main pillars of responsibility: compliance, culture, and continuous improvement. Compliance with all statutory and regulatory obligations creates a robust framework by which our employees and value chain associates can rely on us as a trusted partner. In cases where compliance with all relevant requirements does not adequately mitigate risk and we

view the upholding of our EHS values to be threatened, we set higher standards.

The safety of our employees and protection against work-related accidents, injuries, and illnesses is a high priority that we embed in operations through lived safety culture. Both employees and executives are expected to fully demonstrate a commitment to occupational safety. To ensure comprehensive compliance and that risks are in view as much as possible, the Heraeus production facilities apply a process of continual improvement. Review and further development of safety practice is carried out on an ongoing basis founded on our vision of achieving a fully accident-free workplace.

The Heraeus mindset and effective EHS culture represent a set of shared values that sustainably benefit our employees, customers, suppliers, surroundings, and the environment.

---

#### POLICIES & RESPONSIBILITIES

Compliant and safe operations are the top priorities for all Heraeus sites globally. To ensure EHS processes are implemented in a uniform and consistent manner at all sites worldwide, Heraeus has implemented a structure with clearly defined responsibilities at all hierarchy levels. Functional guidelines set out concrete modes of action at all operational steps, and relevant software is used to support process accuracy and efficiency.

Overarching responsibility for EHS policy and decision-making is held at Group level by the CEO and the CFO and is delegated to the Operating Companies' Presidents. The executive level defines the Heraeus Global EHS Policy and the Heraeus Code of Conduct; these are binding for all operations globally where Heraeus has management control. The highest priority of the Global EHS Policy is to create a safe and secure work environment for all Heraeus employees, contractors, and visitors. To ensure all locally relevant factors are taken into account, the Operating Companies are responsible for rolling out corresponding EHS management systems at their locations. Their management team is crucial in accelerating deployment of effective EHS management processes throughout the organization and strengthening the compliance mindset with the goal of at all times minimizing the incident rate.

##### **A Robust Framework of Clear Safety Communication**

The Global EHS Policy is available to all Heraeus employees digitally. The Heraeus Code of Conduct is provided to all

new employees; they must formally recognize their obligation to adhere to its stipulations by confirming and signing the Code of Conduct. The Code is also available via the corporate intranet as well as publicly on the Heraeus website. In formulating policies, we have taken into account the valuable perspectives and interests of key stakeholders. Our Board of Managing Directors has expressed a strong will to enhance the role of ESG criteria in our corporate decisions (Vision 2025). Our employees, too, have a deep-rooted interest in maintaining a safe and secure work environment. Moreover, our Global EHS Policy specifically embraces the interests of legislators with a statement that we comply with statutory obligations, even setting higher standards where necessary.

Our EHS management system – the Heraeus EHS Development Path – is carefully designed to comply with international normative standards and at the same time to ensure reliable processes throughout our value chain. The Heraeus EHS Development Path consolidates EHS services, processes, insurance contracts, legal requirements, and standards into a single streamlined program. Specifically, our systems have been developed in accordance with the requirements of both ISO 14001 and ISO 45001. These frameworks enhance management control as well as help to lessen environmental impact (see also Our Commitment to Reducing Environmental Impact). This phased excellence initiative ensures that global EHS best practices are implemented throughout the Group's operations.

## Integrating Evolving Ambition

The Heraeus EHS management system also undergoes continuous review. All Heraeus sites perform corresponding self-assessments on a regular basis in addition to participating in a Group internal assessment managed by Corporate EHS. On the basis of these assessments and Group review,

systems are further developed and adjusted accordingly where necessary. All sites must meet the requirements of the Heraeus EHS management system. Sites are likewise required to perform EHS risk assessments for each workplace and activity as well as report and investigate any and all accidents. Where accidents occur, appropriate preventive and corrective actions must be implemented.

## ACTIONS & RESOURCES

### A Global EHS Vision

Launched in 2020, the Heraeus EHS Development Path provides the foundation for systematically designing and implementing health- and safety-related actions and processes throughout the Group. This framework defines three levels of EHS compliance – Basic, Advanced, and Expert – with corresponding requirements for each level. All sites where Heraeus Operating Companies have management control are required to apply this framework. If a site has actively implemented the requirements and tools of the Basic and Advanced EHS levels, this corresponds to EHS management in line with ISO 14001 and ISO 45001. When a site reaches Expert status, their measures and continued EHS improvements are “best in class.”

The EHS Development Path is overseen at Group level by Corporate EHS. Corporate EHS is responsible for setting and tracking milestones, defining and developing the Path, as well as providing the relevant training materials, tools, and processes. Corporate EHS is also responsible for managing the associated site assessment program and communicating implementation status to Heraeus Holding management at regular intervals. Dissemination of the Path within each Operating Company is allocated to an Operating Company EHS Manager. They translate the overarching requirements of the Path into concrete targets for the Operating Company, lead implementation of corresponding measures, track target achievement, and communicate the status to Operating Company management. They are supported by Regional EHS Coordinators, who liaise with the Site Managers of the production sites. At each production site, the Site Manager and EHS Manager, with the assistance of additional EHS experts where needed, ensure that the requirements of the EHS Development Path are implemented.

### Expanding Competence through Training and Site Assessments

Heraeus supports its vision of achieving best-in-class EHS performance with a two-pronged development approach within the framework of its EHS Development Path. The first component is the Global EHS Assessment Program. It was

launched in 2021 and is designed to ensure up-to-date insight into the status quo at all sites and identify areas for improvement on a continual basis. This is complemented by a range of training measures tailored to enhancing the relevant competences at all levels.

In the Global EHS Assessment Program each site carries out a self-assessment with respect to the framework of the EHS Development Path. An EHS assessment consists of a site visit, interviews, and a document review, and the results of the assessment are verified by a member of staff from a different site or by Corporate EHS. Assessments are organized by the Regional EHS Coordinators. The staff who conduct the EHS Assessments are also trained in the EHS Development Path and its ambition of continuous improvement.

Implementation can only succeed, however, if appropriate competence is fostered among all staff and a safety mindset is actively cultivated. Training is thus a key component of the Heraeus EHS ambition. Foundational safety competence is ensured for both new and experienced employees via compulsory health and safety training in line with statutory requirements as well as the guidelines of the EHS Development Path. Training includes relevant practical sessions where appropriate, for instance on the correct usage of personal protective equipment (PPE). New employees also receive training on our EHS software, and all training material is available in recorded format for on-demand access. The strategic approach of the system is led by Corporate EHS, the operational part is aligned with the individual EHS departments of Operating Companies.

Global safety campaigns take place with a range of focus topics. The 2021 global safety campaigns, four in total, addressed ergonomics, safety awareness, hazardous substances, and life-critical work. 2022 saw a notable expansion of our global safety topics communication with 12 campaigns launched on topics including explosion protection, fire protection, driver safety, electrical incidents, hand safety, and hazardous materials.

For our EHS community and interested employees, Heraeus has a special program of short trainings on a monthly basis called “Power Nuggets.”

In 2021, for instance, the Power Nugget addressed such topics as machine safety, dangerous goods, risk assessment, and incident investigation. Further targeted training sessions on process safety, explosion protection, and chemical safety and law were also held. The 2022 Power Nuggets took up safe evacuation, lockout-tagout (LOTO), process safety management, physical-chemical hazards, and substitution of chemicals as focus areas. A new EHS platform on the corporate intranet additionally provides a wide range of information about health and safety topics, best practices, and initiatives for the EHS community as well as other interested persons.

Supplementary to input-oriented training, communication and dialogue on safety topics are crucial for fostering a lived safety culture. At a structural level, communication between the various EHS steering bodies is ensured via regular meetings at each respective layer. On top of this, several Heraeus Operating Companies launched EHS culture workshops during the reporting period. We also conduct regular information and discussion sessions on a topical basis, for instance regarding chemical safety. Moreover, a total of five global EHS workshops were held in 2022 with the aim of further developing of our EHS strategy and policy, the EHS Development Path and Assessment Program, as well as our Incident Management System. Within the broader EHS community beyond our own operations, experts from Heraeus participate in relevant associations and panels such as the German Industry Association (BDI), German Chemical Industry Association (VCI), German Electrical and Digital Industry Association (ZVEI), European Precious Metals Association (EPMF), International Group of Experts on the Explosion Risks of

Unstable Substances (IGUS), and International Platinum Association (IPA). Together with other industry specialists we help to responsibly shape the framework conditions for our business.

### Intensifying Compliance Audits

Due to the restrictions of the coronavirus pandemic, in the years 2021 and 2022 a comparatively low number of sites were audited under the Global EHS Legal Compliance Audit program. In 2023, we conducted EHS Legal Compliance Audits at 23 of our 89 production sites. As set out in the EHS Development Path, EHS legal compliance status of each production site is to be audited by an internal or external party at least every three years.

Our efforts to increase safety awareness and competence have continued in 2023 with 12 global safety campaigns planned as well as continued enhancements to our global training and focus program. The Power Nuggets topics for 2023 related to ergonomic risk assessment, chemical safety gloves, behavior-based safety, and cybersafety among others.

In addition, a further four global EHS project groups were held on our EHS Development Path, EHS Assessment Program, and our change management processes in 2023. The regular meetings between Corporate EHS and the EHS Managers of Heraeus Operating Companies were augmented with a sounding process to ensure that changes to our global EHS systems are aligned to operating needs. On top of this, we launched a global EHS communication platform to facilitate direct exchange between members of the Heraeus EHS community globally. Heraeus EHS experts have also made contributions to the work of the European Semiconductor Industry Association (ESIA).

## TARGETS

Targets have been set both for each Heraeus Operating Company and at Group level for Heraeus Holding. These targets cover concrete reductions in accident figures and health-related impacts as well as the implementation of measures and actions to achieve this.

The primary tracking metric Heraeus uses is lost-time incidents<sup>5</sup> per one million hours worked (lost-time incident rate, LTIR). For reporting years 2021 and 2022, the LTIR was 3.7 and 3.6, respectively. By the year 2025, we aim to achieve an LTIR of less than 2. With early 2023 figures indicating a further decrease, we consider ourselves on track to do so.

With a view to our overall ambition of achieving an end goal of zero health-related incidents, we set the additional target of having 80% of our production sites fulfilling our internal EHS management system requirements based among other things on the ISO certifications 14001 and 45001. We also aim for these sites to be certified to ISO 45001/OHSAS 18001 and/or ISO 14001 by 2025. This process was successfully launched in 2021 and as of late 2023, some 57% of sites had ISO 45001 certification and 61% had certification to ISO 14001. Here as well progress to date is in line with target achievement.

<sup>5</sup> Lost-time incidents are defined as being occupational accidents resulting in at least one day of work time lost.

In 2023, all Operating Companies continued completing EHS Self-Assessments, EHS Assessments, and EHS Compliance Audits according to a defined roadmap. These assessments will enable potential health risks affecting employees to be identified and targeted mitigation measures to be implemented. The EHS assessment program and the compliance

audit program are managed by Corporate EHS and determine if the sites meet the requirements of the Heraeus EHS Management System and regulations. By continually identifying risk and improving avoidance and mitigation, we hope to be able to make our ambition of zero-incident operations a reality.



## EQUAL TREATMENT AND OPPORTUNITIES FOR ALL – OWN WORKFORCE

GRI 2-7, -23, -24, 401-1, -2, -3, 404-1, -2, -3, 405-1, -2, 406-1, 407-1

### OUR COMMITMENT TO EQUAL OPPORTUNITIES AND AN ATTRACTIVE PLACE TO WORK

We are responsible for our nearly 16,000<sup>6</sup> employees, with whom we aim to engage in an open dialogue and nurture a respectful, appreciative interaction as the foundation of every good working relationship.

In addition to fostering strong leadership and cultivating excellence, the area of diversity, equity, and inclusion (DEI) is a value driver and key strategic topic for us. This topic was anchored in our Heraeus Vision 2025 as part of our

prioritization of ESG issues and chosen as the human resources (HR) focus area for 2023. As our aim is always to help unleash our teams' full potential, we recognize that DEI is a leadership topic, and creating an inclusive culture lies at the heart of protecting and valuing diversity. We are committed to continuing to raise awareness and drive DEI forward at Heraeus as we believe that a diverse workforce helps us better understand our markets and customers, fuel innovation, and foster growth.

## POLICIES & RESPONSIBILITIES

### Aligning Responsibilities and Vision for Success

The focus of our efforts during the reporting period was to provide a robust basis for target-oriented development and reporting. Responsibility for strategic HR topics at Group level is held by the Group HR Officer, who reports regularly to the CEO.

Operational responsibility for HR functions as well as for HR strategies lies with the respective Heraeus Operating Companies. Teams at each of the Operating Companies provide tailored support depending on the company's concrete needs. This decentralized framework was further expanded in 2021 and 2022 as it ensures both a structured approach as well as the scope to develop complementary solutions and benefits for employees around the globe, e.g. with regard to retirement planning or healthcare. Exchange of information and of best practice insights between the companies is supported through the Group's Service Platforms.

In 2022, Corporate HR began crafting the HR Ambition – our people agenda that provides the strategic foundation on our journey to becoming an “employer of choice.” In an increasingly challenging labor market, we want to attract, develop, and retain the best talent.

Our 4 key building blocks for being an employer of choice:

1. Boost attractiveness for top internal and external talents
2. Nurture leadership development to ensure great responsible (future) executives
3. Promote identity and culture in line with Heraeus values
4. Be an ambassador for diversity, equity, and inclusion

### Binding Protection of Our Values and Human Rights

The Heraeus Human Rights Policy – adopted in 2018 – codifies our commitment to respecting universally 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 Heraeus Human Rights Policy states that it is binding for all employees of all legal entities of the Heraeus Group worldwide.

The Heraeus Human Rights Operating Procedure implements the Heraeus Human Rights Policy. It stipulates that internal human rights risk assessments be carried out annually. Where risks are identified, preventive or remedial measures must be implemented.

The Heraeus Code of Conduct is the binding foundation on which all other guidance is based. It lays out employees' personal responsibility for complying with laws and internal rules. The Code of Conduct is further supplemented by the Heraeus Human Rights Policy. Adopted in 2018, it codifies our commitment to respecting human rights and labor and social standards. This includes prohibiting child labor, forced labor, and all forms of discrimination as well as ensuring safety in the workplace, as laid out in the International Labour Organization's (ILO) five fundamental principles. The Human Rights Policy sets Group-wide minimum standards, e.g. with regard to starting age and permissible working hours as well as salary and social benefits. Working conditions in Germany are largely regulated by the Group works agreement and applicable union agreements; over 75% of Heraeus staff in Germany are covered by these agreements.

All staff with decision-making roles are required to adhere to the stipulations of both the Code of Conduct and the Human Rights Policy. In particular, they must also aim to ensure that all external service providers comply with these

<sup>6</sup> As of year-end 2022, excluding temporary workers.



requirements as well (see also Responsible Value Chain part). Every employee is encouraged and expected to report violations of the Human Rights Policy or of the Code of Conduct. In addition to the internal Compliance Management contacts, an external ombudsperson is also available for this purpose (see also Framework for Reporting Compliance Violations).

Our corporate culture includes trusting cooperation between employer and employee representatives. Dialogue in staff meetings and employee appraisals is encouraged, and open feedback is sought via employee engagement surveys (see below). In Germany, fundamental participation rights of our employees and employee representative bodies are also regulated by legislative frameworks such as the Works Constitution Act. Employee representative bodies are established at all German sites.

A common digital platform – the Heraeus touch employee app or intranet – keeps employees informed, promotes dialogue, offers learning opportunities, and simplifies processes within the Group any time and on the go.

### Employee and Leadership Development

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

The four pillars of our leadership model are: leading the business, leading the organization, leading people, and leading myself. With this holistic model, responsibility, performance, integrity, appreciation, and the willingness to change are firmly anchored in our corporate culture.

Through both centralized and decentralized training programs, we invest in the ongoing professional development of our managers and employees as our human capital. Via the Heraeus touch app, all employees have access to our digital learning platform: myHR Learning. In 2022 additional training content from PINKTUM has been added to increase access to a greater variety of content. These platforms offer continuous education and training opportunities in more than 150 courses covering a wide range of learning topics.

All permanent employees also receive regular individual feedback. For managerial positions worldwide, formal annual performance reviews ensure ongoing mutual appraisal of a person's career development. In addition to reflections on our corporate values and leadership excellence, development potential is discussed and follow-up measures are defined. Such measures may include individual project assignments,

mentoring, or topical seminars. In the case of individuals with managerial roles, the leadership qualities set out in our leadership model have a direct impact on bonus payments.

### Talent Management and Succession Planning

The Heraeus Global Talent Management strategy is designed to cultivate a talent management culture that aligns with the Heraeus leadership model. The primary objective is to identify, develop, and deploy talented individuals throughout the organization in order to fill the majority of critical positions from within our own ranks. This approach aims to attract and retain high-potential employees who can contribute significantly to the organization's success.

Talent management is structured via a portfolio approach whereby the Operating Companies spearhead talent development within their own company. This allows for greater scope in designing and rolling out site-specific initiatives and thereby enabling a more diverse group of employees worldwide to have access to talent development. The Global Talent Management team provides a general framework and centralized support, enhances visibility of talent on a Group level, and acts as a mediator to place talents in suitable new roles.

The Heraeus People Days take place annually at every Operating Company and serve as a key forum for identifying potential talents. In 2021 and 2022, a total of 187 talents were identified during the People Days (see also Targets).

Overall, our Global Talent Management strategy aims to create a robust talent pipeline that supports the long-term growth and success of Heraeus. As a result, more than 60% of vacant management positions could be filled internally between 2019 and 2022.

### Training of Skilled Workers

To attract diverse talents and prepare them for future roles, we operate several training programs globally. For our talent recruitment initiatives we cooperate closely with educational institutions and identify suitable graduates in a targeted manner. Where possible, we cover our need for qualified employees with graduates from our own training programs.

Young people from a diverse range of backgrounds and educational biographies are given professional opportunities at Heraeus. In Germany, we offer around 30 dual apprenticeships and dual study programs, with the spectrum ranging from two-year commercial degrees to a Master of Science. In the reporting period, a total of 203 graduates 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.

Overall, the company employed 268 apprentices and dual students in Germany as of the end of 2022.

Heraeus also participates in a cooperative apprenticeship program in Germany. As part of this program, Heraeus provides further-going training to apprentices from other enterprises in the region and thereby enhances opportunities and community development within its sites' regions. Currently, Heraeus supports some 15 apprentices from ten different companies.

### 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 through local collective bargaining agreements. In Germany, over 75% of staff are covered by a collective bargaining agreement. 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.

Generally speaking, compensation at Heraeus includes a base salary and often a variable bonus that allows employees to participate in the success of the business. Heraeus' compensation practices are designed to attract and motivate employees, reward performance, and support long-term employee and talent retention. Via our International Assignment Guideline, we ensure throughout the Group that all employees receive adequate support and compensation when on assignment in another country. In addition to compensation, employees at several Heraeus sites can also benefit from other financial services, such as a contribution to public transport costs, pension insurances, or additional days off for caregivers.

### Valuing Diversity and Fostering Inclusion

Promoting diversity and fostering inclusion are crucial in our ability to recruit and retain talented employees. A culture of respect and active advocacy for DEI topics are thus focus areas of the HR Ambition. Furthermore, we have been a signatory of the German Diversity Charter (Charta der Vielfalt) since 2007.

Our DEI journey takes different local conditions into account. The Operating Companies are thus at varying stages of this shared journey, with some having advanced considerably and others just starting to set goals, work on their culture, or create awareness. To pave the way for intensive work on this focus topic in 2023, all Operating Companies were asked in

2022 to set DEI targets. They are now providing updates on their progress in our Quarterly Review Meetings; this ensures Board oversight for the topic. To assist the Operating Companies in this area, Corporate HR launched a global DEI initiative and is developing additional support services like the DEI Community of Practice.

The concrete measures and initiatives started locally vary significantly as they are rooted in local cultures and frameworks. For companies in the US, for instance, a strong focus is preventing discriminatory behavior. Special management training on diversity and inclusion is provided in a targeted manner. Additionally, each location has the option of selecting holidays individually to meet the regional circumstances and individual needs of the employees.

We track gender-, region- and age-specific diversity metrics at Group as well as at Operating Company level. As of year-end 2022, 35% of our employees are women. At upper management level<sup>7</sup>, women made up 18% of executives. By the time of publication, nearly all Operating Companies had set gender diversity targets and the status of these will be included in future reporting.

### Supporting Gender Equality through Flexible Working Models

Heraeus wants all its employees to be able to achieve a balanced and integrative connection between the two most important areas of their lives: the professional and the personal. We offer our employees a variety of options to support them in this regard. In particular, we aim to offer a range of working models that improves equal participation in the workforce for women and men. At the same time, we are aware that putting this ambition into practice will look different at each of our locations.

Wherever possible, we offer flexible shift models and working hours. A Group-wide works agreement regulates the possibility for mobile working and applies to all Operating Companies in Germany. Local working agreements are also in place. In Germany, 10.5% of our employees have decided to work part-time, and parents who return to work after parental leave receive preferential job offers. Of the 109 employees currently on parental leave, 95.8% are returning to work.

One reason employees reduce working hours is to care for children or family members. We support our employees in the important matter of childcare in Hanau via our own Heraeus Family Center with integrated kindergarten and after-school care. At selected locations, we also offer support in finding care close to home and advise employees with dependents in need of care in our specially established care office.

<sup>7</sup> Executive management includes the leadership teams of the Operating Companies as well as corporate function heads.

### Gaining Insight: Staff Surveys at Heraeus Group

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 staff surveys to gather insights into employee attitudes, motivation, and satisfaction levels. The survey form is always tailored to the focus

of information desired. Some Operating Companies have included questions on diversity, equity, and inclusion, and in cases where this is not yet so, changes to this effect will be implemented until 2025. In Germany, employee surveys are conducted in close consultation with the works council. In 2021 and 2022, approximately 50% of Heraeus Operating Companies conducted employee engagement surveys. These were continued in 2023 as well and all Operating Companies will start the employee survey process by 2025.

---

## TARGETS

For reporting years 2021 and 2022, no targets for this area had been set.

## GOVERNANCE

### CORPORATE CULTURE

GRI 2-9, -23, -24, -27, 205-1, -2

#### OUR COMMITMENT TO A CULTURE OF COMPLIANCE

Upholding the law at all times are the non-negotiable tenets of our business practice. This fundamental set of values on which compliance at Heraeus rests is laid out in the Heraeus Code of Conduct. The Code of Conduct underscores both the importance of sustainable business practices as well as

the personal responsibility of each individual employee. Our Group-wide compliance management creates the framework for responsible business and underpins a comprehensive culture of conformity in fulfilling requirements.

#### POLICIES & RESPONSIBILITIES

The operational responsibility to act in compliance with applicable laws and regulations lies with each of the Heraeus Operating Companies. However, in order to help to achieve this, Heraeus has a clearly defined system of requirements and processes that is aimed to ensure compliance with legal obligations and operational guidelines throughout the Group. The Group Responsibility Office is the primary compliance oversight body at Group level, led by the Heraeus Compliance Officer, who is charged with overseeing the compliance management system. The Group Responsibility Committee is responsible for compliance and data protection structures that are the basis for robust governance processes. The Committee comprises the CEO, the CFO, the Group General Counsel, the Head of the Responsibility Office, and the heads of important Group functions. It is the platform where the heads of Group functions report on new processes and structures. Furthermore, statutory auditors take part in these meetings once annually, where they are informed of new developments and might also give impulses for the Heraeus Group.

Operational implementation of and adherence to Group compliance rules as well as those of the Operating Companies is the responsibility of the respective Operating Companies' Presidents; they are supported by Compliance Officers. All management functions of the individual Heraeus Operating Companies are briefed on certain and general new developments in the area of compliance annually. Compliance topics are also part of the Quarterly Review Meetings between the Heraeus Board of Managing Directors and the Operating Companies.

The fundamental framework for compliance in our Group is the Heraeus Code of Conduct. It lays out binding rules for our business conduct, covering topics such as prevention of corruption, money laundering, and antitrust violations as well as dealing with conflicts of interest or accuracy of financial documentation, which are then, where appropriate, expanded by topic-specific guidelines. All stipulations of the Code of Conduct and the supplementary guidelines are stated as applying throughout the Group. The Heraeus Code

of Conduct is provided to all new employees; they must formally recognize their obligation to adhere to its stipulations by confirming and signing the Code. The Code is also available via the corporate intranet as well as publicly on the Heraeus website.

The topical guidelines relate to the procurement of goods and services, sustainable sourcing, avoidance of bribery (invitations and gifts), conclusion of consultancy contracts, prevention of money laundering, prevention of antitrust infringement, press relations, and use of the intranet. All compliance guidelines are approved by the Heraeus Holding Board of Managing Directors and were updated in the reporting period. Managers must confirm every two years in writing that they know the Heraeus Compliance Guidelines and comply with them.

In particular the Guideline for the Prevention of Bribery (Entertainment and Gifts) and the Guideline for the Conclusion of Consultancy and Distribution Agreements are key internal frameworks relating to purchasing, distribution, marketing, and sales activities. The Guideline for the Prevention of Bribery contains a definition of bribery as well as rules for the granting of business courtesies and is addressed to all employees of Heraeus, especially those with relevant functions. Heraeus strictly prohibits all forms of direct or indirect bribery of business partners or public officers, including facilitation payments. The Guideline for the Conclusion of Consultancy and Distribution Agreements is likewise addressed to all employees of Heraeus and especially those who are entrusted with relevant activities. It stipulates in particular that the influence of consultants and distributors must not be used to grant undue favors to business partners or public officers.

The Heraeus Supply Chain Due Diligence Policy and the Heraeus Human Rights Policy are further cornerstones of our compliance structure to ensure responsible conduct throughout our operations (see also Our Commitment to a Responsible Value Chain – Policies & Responsibilities).

## ACTIONS & RESOURCES

### Regular Review and Evaluation of Risk Areas

Timely and comprehensive identification of risks is a crucial component in achieving effective compliance. The various Heraeus businesses include segments with a higher risk of non-compliance (non-regulated) and a likelihood of greater damage (precious metals) and other segments with a lower risk of non-compliance (regulated, subject to regular third-party audits). In identifying compliance risks, Heraeus focuses on segments with higher risks of non-compliance and a likelihood of greater damage.

Risk assessment at Heraeus considers various compliance-related risks such as the risk of corruption, the risk of anti-competitive agreements, the risk of being misused for money laundering, as well as the compliance risks resulting from conflicts of interest. The risk assessment process takes place at regular intervals and across all levels of the Group. The Heraeus Compliance Officer, the Group General Counsel, the Heraeus Risk Officer as well the General Counsels of relevant regions are involved in the risk assessment process. In regular intervals the Group Responsibility Office conducts a formal compliance risk assessment of the Operating Companies in a structured process. The Presidents of the Operating Companies report on compliance-related risks in the scope of the Quarterly Review Meetings.

### Risk Management: Export Business

For all segments with cross-border operations, compliant export activities and management of customs risk are crucial. Compliance management here is spearheaded by the Heraeus tax experts. On behalf of the Operating Companies and Heraeus Holding, they aim to ensure appropriate export/customs controls that take each Operating Company's specific risks into account. They also aim to ensure compliance via regular assessment questionnaires and interviews.

### Risk Management: Business Interruptions & Emergencies

The Heraeus Business Continuity Management Policy addresses risks that could jeopardize the existence of the various Operating Companies. This policy mandates the Operating Companies to establish Emergency Response Programs & Crisis Plans outlining the implementation of appropriate protective measures, how to respond to business interruptions, prepare protocols for communicating with external stakeholders, and how to achieve fastest possible return to normal operations. The Emergency Response Programs & Crisis Plans further address managerial responsibility in case of an emergency and mechanisms for stakeholders to report emergencies. Its aim is to ensure the resilience of critical business processes.

Each Operating Company has a Business Continuity Manager (BCM) and an own emergency and crisis organization. Risks that pose a threat to critical business processes are identified and analyzed on an ongoing basis and mitigation measures implemented. Emergency Response Programs & Crisis Plans are tested and updated regularly. In 2023, these plans will be expanded to include threats from cyberattacks, for instance.

### Risk Management: Cybersecurity

Cyberattacks represent a rapidly growing risk in our digitalized business world. Important measures for mitigating this risk at Heraeus 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 cyberattacks. The Heraeus IT security team – under the oversight of the Group CFO – monitors IT systems, initiates countermeasures, and works to continuously improve measures. Audits and regular simulations of cyberattacks are used to check the effectiveness of our processes.

### Dialogue Process Ensures Highly Effective Compliance

We maintain wide-ranging, active dialogue on compliance with our employees as well. Our mobile app Heraeus touch is available to employees via company and personal smartphones. All posts can be commented on and discussed by employees. We also provide information in the app on sustainability-related topics that can be helpful in discussions with customers and other stakeholders, as well as support a high level of awareness among employees. The topics covered are: human rights, sustainable procurement, conflict minerals, and sustainability-relevant guidelines, audits, and reports.

In particular, our business platforms involved in the purchase and sale of high-risk 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. Some Operating Companies regularly undergo ranking and rating procedures such as those from EcoVadis, the Responsible Business Alliance (RBA), and the Carbon Disclosure Project (CDP). Assessments by external bodies provide our customers and the public with transparent information about how we at Heraeus operate sustainably and responsibly.

By better understanding stakeholders' needs and expectations, we aim to further strengthen their trust in Heraeus. The insights gained from such dialogue regularly flow into the

further development of our corporate strategy and responsibility management, such as into how we deal with crucial risk topic areas.

### **Interactive Training Approach Embeds Compliance Culture**

To foster a corporate culture of compliance that is lived and respected throughout operations, Heraeus trains its employees extensively in compliance processes. A Group training concept guides needs-based training of staff at all sites worldwide. It aims at ensuring that the responsible employees are informed about certain new regulations and know and understand the provisions of the Heraeus Compliance Management System. Compliance training is also a formal component in the onboarding of new staff. Training uses a combination of classroom, e-learning, and other measures, depending on the topic.

To create awareness for the risks of cybercrime, all users of IT systems receive comprehensive training via e-learning sessions by Group IT. Participation is mandatory and must be confirmed by a certificate of successful completion. All users are additionally given simulations on the topic of phishing and the handling of malicious content. Data protection e-learning sessions were also held in the reporting period for all relevant employees and managers in the EU; the ramifications of the so-called “Schrems II” judgement by the Court of Justice of the European Union were a particular focus in the reporting period.

At more senior levels of the company, the ambition is to ensure compliance culture is a fully embedded priority of our company culture. Managers are regularly requested to confirm that they know the Heraeus compliance guidelines and act in accordance with them, and to participate in online training if they are not sure that they know and understand the guidelines well. Regular workshops are held with the sites’ Compliance Officers in Europe, the USA, and China to promote exchange on cross-divisional topics, challenges, and best practices. In addition, expert panels regularly share information on new developments under the leadership of the respective corporate function. This enables learning from challenges and best practices to continually raise awareness of responsibility issues throughout the Group.

### **Monitoring and Control**

Completion of a formalized compliance questionnaire is required from all legal entities and every Operating Company once per year. The Compliance Officer and the President of

the respective legal entity or Operating Company is requested to collect compliance-relevant information and answer the questions in the questionnaire. The Compliance Officer and the President confirm that they are not aware of any compliance violations other than any mentioned in the questionnaire.

Since 2021, Group Internal Audit has been regularly monitoring certain business figures that may indicate risks of compliance violations. Compliance is also a topic evaluated in internal audits. Internal audits are conducted by Group Internal Audit, in collaboration with the Group Responsibility Office, on an ad hoc basis if there are indicators of possible non-compliance.

### **Framework for Reporting Compliance Violations & Implementation of the Whistleblower Protection Act**

Although full adherence to all compliance regulations is our ambition, the provision of a framework for reporting possible violations at any time is an important component of compliance management at Heraeus. The Group makes a variety of reporting channels available to both internal and external stakeholders, including options which can be used anonymously where desired.

If a compliance violation is suspected, an employee can first and foremost contact their manager or the local Compliance Officer. In addition, it is possible to contact the Heraeus Compliance Officer directly by telephone or email. The Heraeus Compliance Officer is independent, not subject to instructions, and bound to secrecy. Furthermore, an external, independent ombudsperson has been appointed to whom hints and violations can be reported confidentially. The identity of informants (whistleblowers) is not disclosed, unless with the express written consent of the informant. The Heraeus Code of Conduct strictly prohibits sanctioning or punishing whistleblowers who have reported a compliance violation in good faith, even if the report subsequently turns out to be untenable.

These reporting channels are also made available to external parties via published contact information on the Heraeus website. In the event of suspected human rights violations, both Heraeus employees and external parties can make use of the above-named reporting modalities, including a telephone hotline. In 2023, the compliance reporting options were expanded to include a Web-based grievance mechanism. This improves accessibility by providing a safe communication platform that is available in several languages and which guarantees the anonymity of the reporting person, if desired.

## TARGETS

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 has set up a documented compliance management system based on the principles of IDW PS 980.

Current figures allow us to evaluate the effectiveness of our compliance management system. As coordination and alignment of compliance data within the Group progresses, this will allow us to set targets for this area accordingly.

## RESPONSIBLE SUPPLY CHAINS

GRI 2-6, -23, -24, -26, 308-1, -2, 414-1, -2

### OUR COMMITMENT TO A RESPONSIBLE VALUE CHAIN

Heraeus' suppliers are important contributors to our business success. For this reason, Heraeus Operating Companies generally strive 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 Operating Companies of Heraeus pursue the goal of conducting their value chains sustainably. To this end, suppliers are expected to meet the requirements of the Heraeus Group 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.

### POLICIES & RESPONSIBILITIES

All Heraeus suppliers must commit to observing human rights and environmental standards. The Heraeus Supplier Code of Conduct, which is based on the Heraeus Supply Chain Due Diligence Policy, is binding for all suppliers of the Group and acceptance must be formally confirmed. The Supplier Code of Conduct additionally stipulates that suppliers' sub-suppliers are to comply with the Heraeus human rights and environmental standards as well.

Both supplier selection and supplier engagement at Heraeus are based on a strict set of regulations that ensure compliance with current national and international legislation as well as responsible action in the value chain. The Heraeus Supply Chain Due Diligence Policy describes our principles for the selection and monitoring of suppliers, especially suppliers of precious metal-containing materials or conflict minerals. When relationships with new business partners in the precious metal business are initiated, the identification and assessment of compliance risks and human rights risks is an integral part of the due diligence process. A formalized questionnaire is the basis here.

The processes for the selection of distributors and consultants are stipulated in the Heraeus Guideline for the Conclusion of Consultancy and Distributor Agreements, and application is required in all instances.

Together, these policies aim to translate all applicable legislation into appropriate own regulations. In particular, Heraeus follows the Organisation for Economic Co-operation and Development's (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the requirements of the German Supply Chain Due Diligence Act (LkSG). In 2022, the Group published on its website a Policy Statement on the Implementation of the German Supply Chain Due Diligence Act and updated its Supply Chain Due Diligence Policy to align it with the Act's requirements. The Supply Chain Due Diligence Policy is also published on the internet. In 2023, Heraeus likewise updated its Human Rights Policy.

### ACTIONS & RESOURCES

#### Selection and Control of High-Risk Business Partners

In our precious metal activities, there is not always a clear allocation between suppliers and customers in the value chain. For example, precious metal mines, though they are sources of precious metals, are customers to which Heraeus provides various services such as trading and refining of precious metal-containing materials. Of course, mines can also sometimes be selling us part of their production after refining. The due diligence and "Know Your Customer" (KYC) process on mining customers have for many years already been subjected to a selection and monitoring process that is always evolving and becoming tighter, in order to better address new challenges that the precious metals sector may be facing.

Heraeus Precious Metals (HPM) is the Operating Company covering the full value chain of all eight precious metals and is in contact with all relevant stakeholders in the precious metals value chain. This starts with customers, such as mines and collectors as well as industry customers and recycling partners – and extends to legislators on national, supranational, and international level, NGOs and industry associations. During on-site mine visits, HPM seeks the exchange with unions, communities, and local governments. The findings and recommendations of organizations whose objective is to promote the observance of human rights are considered in order to build one of the strictest frameworks and processes in the world for responsible precious metals handling.



Through HPM's participation in the IPA (International Platinum Group Metals Association), EPMF (European Precious Metals Federation) and FVEM (Fachvereinigung Edelmetalle) it is in regular contact with other market participants as well as national and international legislators such as the EU Commission and the OECD. Furthermore, HPM engages in responsible mining projects such as Fairmined, Fairtrade Gold or the Swiss Better Gold Initiative.

HPM takes all reasonable steps to ensure that the precious metals in their value chain originate from legal legitimate and ethical sources. Therefore, it systematically adheres to the strictest industry standards for all metals, regions, and business partners worldwide. These may go beyond regulatory requirements. The core process of all measures is the periodical and rigorous KYC screening of all current and new customers delivering precious metal-containing material. This process identifies risks (e.g. high-risk material, high-risk country, high-risk partner) and triggers enhanced due diligence measures such as audits.

Human rights risk assessments (as one risk in the KYC process assessment) are conducted periodically for all business partners in the business areas of precious metals trading and recycling of precious metal-containing materials by the HPM precious metal compliance experts. Where required, mitigation measures are taken to reduce the risk of human rights violations and if violations are discovered in our supply chain, we engage with the business partner to encourage corrective actions. Where we face refusal and as a last resort, we disengage from the business relationship. All new business partners in precious metals trading and recycling of precious metal-containing materials must commit to the requirements of the Heraeus Supplier Code of Conduct for Precious Metal Suppliers.

Compliance with laws, regulations, and Heraeus Group policies are rigorously integrated into HPM's processes.

HPM applies strict frameworks for responsible precious metals sourcing through the Supplier Code of Conduct and Heraeus Precious Metal Sourcing Guideline. These consider potential impacts on our own employees as well as the environment and communities along our supply chain and are applied to all the precious metal business partners and their precious metals sources.

HPM's processes include precious metals compliance, security, accounting, and traceability technologies, supported by – among others – a global enterprise software system, a global compliance management system, and approval processes. The staff completes annual compliance and human rights training.

For more details on precious metals-related activities, including compliance, you can review HPM's Sustainability Report and website:

[https://www.heraeus.com/media/media/hpm/doc\\_hpm/sustainability/heraeus-precious-metals-sustainability-report-2022.pdf](https://www.heraeus.com/media/media/hpm/doc_hpm/sustainability/heraeus-precious-metals-sustainability-report-2022.pdf)

[https://www.heraeus.com/en/hpm/responsibility/compliance\\_hpm/compliance.html](https://www.heraeus.com/en/hpm/responsibility/compliance_hpm/compliance.html)

The Heraeus Operating Companies procure conflict minerals only from sources that have been going through an enhanced due diligence process in order to ensure that these are safe sources of supply for conflict minerals and that they do not participate in conflict financing. For monitoring and reviewing suppliers of conflict minerals, Heraeus applies standardized templates called Conflict Minerals Reporting Templates (CMRTs). Uniform rules apply throughout the Group for evaluating CMRTs. The interfaces between procurement, the Group Responsibility Office, and the Operating Companies are precisely defined, and substantial information on the topic of materials from conflict zones as well as the current list of approved suppliers for such materials is available centrally.

Site audits (remote and on-site) for other high-risk suppliers outside the precious metals business were also conducted in 2021 and 2022 to check compliance with the requirements of the Heraeus Supplier Code of Conduct. These also include compliance with human rights.

**Site audits must consider the following social and environmental aspects:**

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

## Upholding Human Rights at Heraeus and throughout the Value Chain

From 2023, human rights risk assessments are required of all suppliers; these are the responsibility of the Operating Companies' procurement teams and are conducted once per year. Human rights training is an integral part of the compliance training.

Heraeus furthermore maintains a variety of channels for the reporting of grievances (whistleblowing). The options and modes of contact are listed publicly on the Heraeus website, and reporting is available in several languages. In the event of suspected human rights violations, both Heraeus employees and external parties, especially victims of human rights violations, can report them via one of these reporting modalities (see also Our Commitment to Compliance Culture – Framework for Reporting Compliance Violations). From late 2023, Heraeus offers a Web-based compliance and ethics hotline to improve accessibility for Heraeus employees and external parties. The hotline is also accessible via email (using the Web platform) or telephone.

## Further Alignment with Requirements of Supply Chain Due Diligence Act

Heraeus has been working toward the implementation of the German Supply Chain Due Diligence Act (LkSG) since 2021. We have issued a formal Policy Statement on the Implementation of the German Supply Chain Due Diligence

Act, which is available on the Heraeus website. Thanks to the review and assessment procedures introduced in the past, essential requirements of the Act were already being fulfilled before the Act came into force. In late 2022, Heraeus carried out a preliminary risk assessment of the Group's main suppliers. Where required, appropriate actions were taken. In 2023, a project group designed and set up the processes and structures to fully implement the Act.

Risk assessment is based on the evaluation of country and industry risks. When compiling a risk assessment, the respective Heraeus Operating Companies may also use information which they have requested from their suppliers, researched themselves, or obtained from external sources. Depending on the risk identified, measures can range from obtaining confirmations of compliance with the Heraeus Supplier Code of Conduct to transmitting and evaluating questionnaires, collecting external data, supporting the supplier in improving human rights standards, committing the supplier to certain measures, or even on-site supplier audits. In severe cases, the relevant Operating Company may even decide not to enter into a business relationship or to terminate an existing business relationship.

Heraeus has set up several committees in 2023 to monitor the implementation of the Act and to assess the efficacy of the processes and their implementation, including the effectiveness of the compliance and ethics hotline (see also Upholding Human Rights at Heraeus and throughout the Value Chain).

---

## TARGETS

The tracking of performance and effectiveness data relating to responsible supply chain management is currently under expansion across the Operating Companies. Technical

capabilities for gathering additional KPI-relevant data have been initiated, and target setting will be undertaken as these data become available.

## KPI TABLE

## ENVIRONMENT – CLIMATE CHANGE MITIGATION AND ENERGY

Disclosure Indicator	KPI Description	2020	2021	2022	Unit	Comments
Energy consumption and mix	<b>a. Fuel consumption from coal and coal products</b>	0.00	0.00	0.00	kWh	The scope of 2020 energy data is production sites only
	<b>b. Total fuel consumption from crude oil and petroleum products</b>	-	882,412.42	983,612.15	kWh	2020: includes Nexensos and does not include Norwood, Mo-Sci, ETS, SKO
	Gasoline	-	85,552.76	0.00	kWh	2021, 2022: excludes Nexensos and includes Norwood, Mo-Sci, ETS
	Fuel oil	-	398,840.19	378,088.49	kWh	
	Diesel oil	-	398,019.48	596,523.66	kWh	
	<b>c. Total fuel consumption from natural gas</b>	170,394,538.00	199,789,955.20	177,630,086.40	kWh	
	<b>d. Total fuel consumption from propane</b>	26,590,940.00	28,450,314.65	32,583,216.36	kWh	
	<b>e. Total consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources</b>	355,113,101.00	497,117,284.87	495,672,641.50	kWh	
	Electricity	340,817,201.00	405,513,320.10	425,291,163.00	kWh	
	District heating / steam	14,295,900.00	36,625,727.31	31,152,854.83	kWh	
	Thermal Heat	-	54,978,237.45	39,228,623.69	kWh	
Gross Scopes 1 & 2 total GHG emissions	<b>Carbon Scope 1 emissions</b>	45,105.00	53,983.00	51,553.00	t of CO <sub>2</sub> -eq	In 2020, only production sites, location-based CO <sub>2</sub> emission factors, were in the scope except for one Operating Company. The method has improved to follow the GHGP as of 2021.
	<b>Carbon Scope 2 emissions (market-based)</b>	-	176,388.00	188,726.00	t of CO <sub>2</sub> -eq	
	<b>Carbon Scope 2 emissions (location-based)</b>	161,798.00	163,591.00	164,853.00	t of CO <sub>2</sub> -eq	
						2020: includes Nexensos and does not include Norwood, Mo-Sci, ETS, SKO 2021, 2022: excludes Nexensos and includes Norwood, Mo-Sci, ETS
Water	<b>Water consumption</b>	1,265,156.00	1,042,282.00	1,176,018.00	m <sup>3</sup>	Waste and water data are collected currently only from production sites and with the exception of a few, typically recently purchased Operating Companies, like Mo-Sci, ETS, Norwood.
	<b>Water discharge</b>	742,237.00	721,141.00	566,670.00	m <sup>3</sup>	
Resource outflows	<b>Total amount of waste generated</b>	42,604.00	40,503.00	36,663.00	t	Figures include Nexensos.
	Non-hazardous waste	35,273.00	33,100.00	29,273.00	t	
	Hazardous waste	7,331.00	7,403.00	7,390.00	t	

## SOCIAL – WORKING CONDITIONS

Disclosure Indicator	KPI Description	2020	2021	2022	Unit	Comments
Health and safety metrics	<b>Percentage of people in own workforce who are covered by the undertaking's health and safety management system</b>	-	82	76	%	Aggregated for own workforce, comprising of employees and non-employees. Non-employees are defined as persons who are not employed by Heraeus but made available to the site by another company for a fee. Contractors are not included.  The percentage provided is on an FTE basis.  The decline in 2022 is due to the acquisition of multiple businesses.
	<b>Number of fatalities as a result of work-related injuries and work-related ill health</b>					
	Own workforce	-	0	0	Amount	
	Other workforce	1	1	0	Amount	
	<b>Total number of days lost to work-related injuries and fatalities from work-related accidents</b>	1,454	1,209	1,575	Number of days	
	By non-employees	95	139	183	Number of days	Non-employees are defined as persons who are not employed by Heraeus but are made available to the site by another company for a fee. Contractors are not included.
	<b>Lost-time incident rate (LTIR)</b>	3.6	3.7	3.6	Number of occupational incidents / million hours worked	The LTIR represents an aggregated number including employees and non-employees, defined as persons who are not employed by Heraeus but are made available to the site by another company for a fee. Contractors are not included.  The original KPI for 2020, reported in the 2020 sustainability report, was 3.5. The value later changed to 3.6 due to a correction of hours worked data.

## SOCIAL – EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

Disclosure Indicator	KPI Description	2020	2021	2022	Unit	Comments
Characteristics of the undertaking's employees	<b>Total number of employees at year-end</b>	13,911	15,114	15,938	Number by head count	
	<b>Employees by gender</b>					In 2021 excl. SKO, AMS, Mo-Sci, ETS
	Men	66	66	65	%	
	Women	34	34	35	%	In 2022 excl. SKO, AMS, Mo-Sci, Erbas
	<b>Employees by region</b>					
	Germany	38	34	34	%	
	Rest of Europe	16	16	16	%	
	Asia	28	25	24	%	
	Americas	17	24	25	%	
Africa/Australia	1	1	1	%		
Diversity metrics	<b>Gender diversity at executive level</b>					Includes Operating Companies' Leadership Teams and Corporate Function Heads totaling about 100 people
	Men	80	81	80	%	
	Women	20	19	20	%	In 2021 excl. SKO, AMS, Mo-Sci, ETS In 2022 excl. SKO, AMS, Mo-Sci, Erbas
	<b>Employees by age</b>					In 2021 excl. SKO, AMS, Mo-Sci, ETS
	Up to 30	14	14	15	%	
	30–39	30	29	29	%	In 2022 excl. SKO, AMS, Mo-Sci, Erbas
	40–49	27	27	27	%	
	50–59	23	23	22	%	
	60+	6	7	7	%	
Training and skills development metrics	<b>Participants in talent advancement program in 2021/2022</b>					
	Men	-	125 (67)		Number (%)	
	Women	-	62 (33)		Number (%)	
	Total number of participants	-	187 (100)		Number (%)	
Additional KPIs training of skilled workers	Number of apprenticeships and study programs	30	30	30	Number	
	Number of graduates	71	101	102	Number	
	Number of dual students & apprentices at year-end	327	297	268	Number	

## GOVERNANCE – CORPORATE CULTURE

Disclosure Indicator	KPI Description	2020	2021	2022	Unit	Comments
Business conduct policies and corporate culture	<b>Number of unique visitors accessing compliance guidelines via intranet</b>	-	1,003	1,605	Number	
Confirmed incidents of corruption or bribery	<b>Number of convictions and the amount of fines for violation of anti-corruption and anti-bribery laws</b>	-	0	0	Number	
	<b>Total number and nature of confirmed incidents of corruption or bribery</b>	-	0	0	Number	

## GRI CONTENT INDEX

### Statement of Use:

Heraeus Holding has reported the information cited in this GRI content index for the period January 1, 2021, to December 31, 2022, with reference to the GRI Standards (GRI 1: Foundation 2021).

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Our Strategy and Business Model: A Family-Owned Technology Group
	2-2 Entities included in the organization's sustainability reporting	Our Strategy and Business Model: A Family-Owned Technology Group
	2-3 Reporting period, frequency and contact point	Our Strategy and Business Model: Report Content and Reporting Period
	2-4 Restatements of information	Our Strategy and Business Model: Report Content and Reporting Period
	2-5 External assurance	Our Strategy and Business Model: External Assurance
	2-6 Activities, value chain and other business relationships	Our Strategy and Business Model: A Family-Owned Technology Group Governance: Our Commitment to a Responsible Value Chain
	2-7 Employees	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work KPI Table
	2-9 Governance structure and composition	Sustainability Governance at Heraeus: Effective Structures to Operationalize Strategy and Responsibility Governance: Our Commitment to a Culture of Compliance
	2-10 Nomination and selection of the highest governance body	Sustainability Governance at Heraeus: Effective Structures to Operationalize Strategy and Responsibility
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance at Heraeus: Effective Structures to Operationalize Strategy and Responsibility
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance at Heraeus: Effective Structures to Operationalize Strategy and Responsibility
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance at Heraeus: Effective Structures to Operationalize Strategy and Responsibility
	2-15 Conflicts of interest	Sustainability Governance at Heraeus: Effective Structures to Operationalize Strategy and Responsibility
	2-17 Collective knowledge of the highest governance body	Sustainability Governance at Heraeus: Effective Structures to Operationalize Strategy and Responsibility
	2-22 Statement on sustainable development strategy	Letter from the CEO
	2-23 Policy commitments	Environment: Our Commitment to Reducing Environmental Impact Social: Our Commitment to Safe Work Social: Our Commitment to Equal Opportunities and an Attractive Place to Work Governance: Our Commitment to a Culture of Compliance Governance: Our Commitment to a Responsible Value Chain
	2-24 Embedding policy commitments	Environment: Our Commitment to Reducing Environmental Impact: Policies & Responsibilities Social: Our Commitment to Safe Work: Policies & Responsibilities Social: Our Commitment to Equal Opportunities and an Attractive Place to Work: Policies & Responsibilities Governance: Our Commitment to a Culture of Compliance: Policies & Responsibilities Governance: Our Commitment to a Responsible Value Chain: Policies & Responsibilities
	2-26 Mechanisms for seeking advice and raising concerns	Governance: Our Commitment to a Responsible Value Chain
	2-27 Compliance with laws and regulations	Governance: Our Commitment to a Culture of Compliance
	2-29 Approach to stakeholder engagement	Ongoing Dialogue with Stakeholders Shapes Our Development
	2-30 Collective bargaining agreements	Fair Compensation and Company Benefits

GRI STANDARD	DISCLOSURE	LOCATION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Strategy and Business Model: A Family-Owned Technology Group KPIs Financial Report 2022
	201-2 Financial implications and other risks and opportunities due to climate change	Environment: Our Commitment to Reducing Environmental Impact
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Governance: Our Commitment to a Culture of Compliance
	205-2 Communication and training about anti-corruption policies and procedures	Governance: Our Commitment to a Culture of Compliance KPI Table
	205-3 Confirmed incidents of corruption and actions taken	KPI Table
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environment: Our Commitment to Reducing Environmental Impact
	302-2 Energy consumption outside of the organization	Environment: Our Commitment to Reducing Environmental Impact
GRI 303: Water and Effluents 2018	303-5 Water consumption	KPI Table
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environment: Our Commitment to Reducing Environmental Impact KPI Table
	305-2 Energy indirect (Scope 2) GHG emissions	Environment: Our Commitment to Reducing Environmental Impact KPI Table
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Environment: Our Commitment to Reducing Environmental Impact
	306-2 Management of significant waste-related impacts	Environment: Our Commitment to Reducing Environmental Impact
	306-3 Waste generated	KPI Table
	306-4 Waste diverted from disposal	KPI Table
	306-5 Waste directed to disposal	KPI Table
GRI 308: Supplier Environ- mental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Governance: Our Commitment to a Responsible Value Chain
	308-2 Negative environmental impacts in the supply chain and actions taken	Governance: Our Commitment to a Responsible Value Chain
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work KPI Table
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work
	401-3 Parental leave	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work



GRI STANDARD	DISCLOSURE	LOCATION
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Social: Our Commitment to Safe Work
	403-2 Hazard identification, risk assessment, and incident investigation	Social: Our Commitment to Safe Work
	403-3 Occupational health services	Social: Our Commitment to Safe Work
	403-4 Worker participation, consultation, and communication on occupational health and safety	Social: Our Commitment to Safe Work
	403-5 Worker training on occupational health and safety	Social: Our Commitment to Safe Work
	403-6 Promotion of worker health	Social: Our Commitment to Safe Work
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social: Our Commitment to Safe Work
	403-8 Workers covered by an occupational health and safety management system	Social: Our Commitment to Safe Work KPI Table
	403-9 Work-related injuries	Social: Our Commitment to Safe Work KPI Table
	403-10 Work-related ill health	Social: Our Commitment to Safe Work KPI Table
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work
	404-2 Programs for upgrading employee skills and transition assistance programs	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work
	404-3 Percentage of employees receiving regular performance and career development reviews	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work
	405-2 Ratio of basic salary and remuneration of women to men	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work KPI Table
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Social: Our Commitment to Equal Opportunities and an Attractive Place to Work
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Governance: Our Commitment to a Responsible Value Chain
	414-2 Negative social impacts in the supply chain and actions taken	Governance: Our Commitment to a Responsible Value Chain

## **Imprint**

Published on December 15, 2023,  
by Heraeus, Group Sustainability  
Heraeusstraße 12–14  
63450 Hanau, Germany

+49 6181 35-5100  
info@heraeus.com  
www.heraeus.de

Contact for questions about this report:  
sustainability@heraeus.com

Concept, design and implementation:  
Heraeus Business Solutions GmbH  
Scholz & Friends Berlin GmbH

Reproduction, including excerpts, permitted only with  
reference to the source.