

BECKERS SUSTAINABILITY STRATEGY

# Towards 2030

**At Beckers, we are determined to ensure our company is part of the solution for a sustainable future. For us 2020 was extremely important in this regard. We launched our 2030 Sustainability Strategy, set ambitious targets and KPIs to measure our progress with it, and rolled it out across the whole organization. Our sustainability strategy is now the core of our company strategy.**

Together with our stakeholders, we have the potential to make a huge difference throughout our value chain and we take this challenge seriously.

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IT'S TIME TO ACT. WE ARE ACTING.

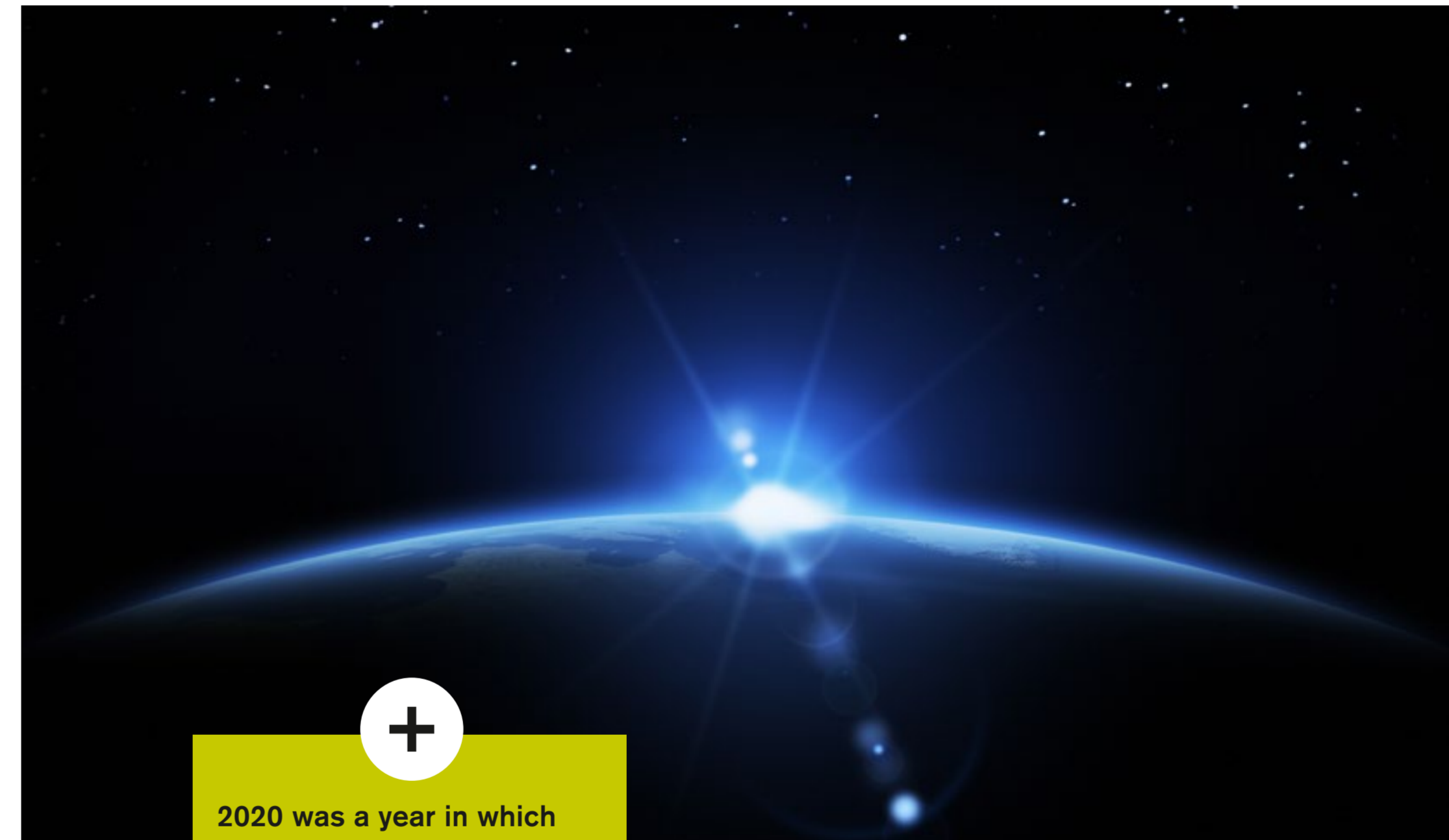
# The big picture

**Covid-19 dominated our lives in 2020. Experts see the virus not only as a global health challenge but as one of many indications of a major crisis in our system.**

With the extinction of species, loss of biodiversity, humans living closer to nature than ever before, as well as our globalized society – we've given this virus the perfect environment to spread.

But if it were not for Covid-19, the top news of the year might have been the fact that, in Europe at least, 2020 was the hottest year on record. Across the globe the effects of climate change were felt – whether it was the wildfires in Australia or later in the United States, or regions of the Arctic reaching 38°C in summer, climate-related extreme weather events were constantly in the news, even if the headlines focused on the unfolding pandemic.

The impact of the system crisis we face is not limited to the environment. Covid-19 has made inequalities more visible in our societies. We've seen how fragile many of our achievements are, for example in women's and children's rights. There is a risk that the pandemic sets back progress in many of these



2020 was a year in which the world listened to scientists, a year in which the voices for real change became stronger.



Also watch the video in our digital report!



## Our vision

Beckers will become the most sustainable industrial coatings company in the world.



## Our purpose

We will transform our industry by developing solutions that give surfaces a new meaning and create maximum positive impact for our customers, for society and the planet.

areas, and it has become clear that the most devastating consequences of Covid-19 have been felt by the weakest in our societies.

But 2020 was also a year in which the world listened to scientists. Despite the pandemic – or because of it – the voices for real change became stronger. The voices came from across society including business. Businesses everywhere – among them our customers and suppliers – want to be part of the solution. For many this means that small adjustments will no longer be enough. What is needed now is transformation toward sustainable solutions.

As a company Beckers has long recognized that we have an important role to play in this space. We want to transform our industry by developing solutions that create maximum positive impact for our customers, society and the planet. That's our purpose. We want to be a leader in the transformation of our industry – and we mean business.

For Beckers 2020 was pivotal in this regard. We launched our 2030 Sustainability Strategy, set ambitious targets and KPIs to measure our progress with it, and rolled it out across the whole organization. Our sustainability strategy is now the core of our company strategy. We are changing the way we measure the success of our business. Success will no longer be measured only by growth, but by the value that we create through our people and products for society and the planet. We want to be part of the solution! That is our responsibility and our purpose.

WHAT. WE. DO.

# Our strategy process

**At Beckers, we are determined to ensure our company is part of the solution for a sustainable future.**

In July 2020 we launched our 2030 Sustainability Strategy setting out how we will do this. The strategy is divided in three streams and contains ambitious goals and actionable key performance indicators for each. Last fall, we kicked off the real work by communicating these across the company. In this report we show how we have begun implementing our 2030 Sustainability Strategy, making sustainability our priority even in the midst of the Covid-19 pandemic.

## Rolling out the strategy

The UN and world leaders call the years up to 2030 the “Decade of Action”. We also are clear that it will be our actions, not just words or strategy that will create impact and therefore have worked quickly to translate our goals into activities. After publishing the sustainability strategy in July 2020, the Executive Committee worked together with the sustainability team to finalize the KPIs and targets for each of

## + EVENTS & ACTIONS 2020

- + Video messages by the CEO and members of the Executive Committee on the main messages
- + Sustainability employee survey
- + Kick-off meetings with important internal stakeholder groups  
🌀 Stakeholder engagement
- + Communication campaign plan for further in-depth internal and external communication
- + Development of a company-wide sustainability dashboard
- + Digital Advent calendar for all including important messages on the sustainability goals, the sustainability award short list entries and pre-holiday fun
- + Initial workshops with functions and preparation of site workshops

the three streams. These ambitious goals were then challenged and approved by internal expert groups and finally, in September, by the Beckers Board. In fall 2020 we started fully rolling out the strategy across the company with a series of events designed to get everyone on board (see box for details).

## The three streams

The 2030 Sustainability Strategy is divided into three work streams: **People with impact, Products with impact and Operations with impact.** Within each stream we have defined our approach, set ambitious goals and strong KPIs.




## Progress towards our goals

The progress we made towards our goals in 2020 is set out in detail in this report. It is also visible throughout Beckers. Within each stream, these are some of the highlights.

### What. Products with Impact.

- + Market introduction and line trials of new net-sustainable products
- + Further development of a rating scheme and indicator for the sustainability of coatings
- + Fostering value chain partnerships including collaboration with key customers to better understand the downstream challenges
- + Partnerships with suppliers to find opportunities to collaborate on use of more sustainable raw materials

 **Pushing the limits with innovations in bio-based and recycled products**

 **Making building envelope maintenance more sustainable**

 **Our highlights and progress**

 **Water-based paints help Czech customer lower VOC emissions**

### We. People with Impact.

- + 2020 occupational health & safety focus: work towards zero accident goal and additionally implementing strict measures to prevent the spread of Covid-19
- + Enhancement of leadership journey: training of people managers in team efficiency and conflict management
- + Implementation of non-discrimination policy
- + Development and roll-out preparation of new code of conduct training format
- + Introduction of people growth and feedback culture
- + Advancement of children's rights
- + Improvement of gender diversity among new recruits

 **Taking care of our employees through the Covid-19 pandemic**

 **Establishing a strong feedback culture at Beckers**

 **Our engagement with Global Child Forum**

 **Diverse teams drive innovation**

### Do. Operations with Impact.

- + Signed new contracts for green electricity
- + Implementation of waste management initiatives on different sites
- + Continued roll-out of initiative to introduce reconditioned paint barrels in France and Germany
- + Significant increase in number of suppliers approved for their CSR approach
- + Strengthening supply chain sustainability through the initiation of supplier awards
- + Climate assessment and emissions tracking since 2011 to limit our impact

 **It's all about the small steps**

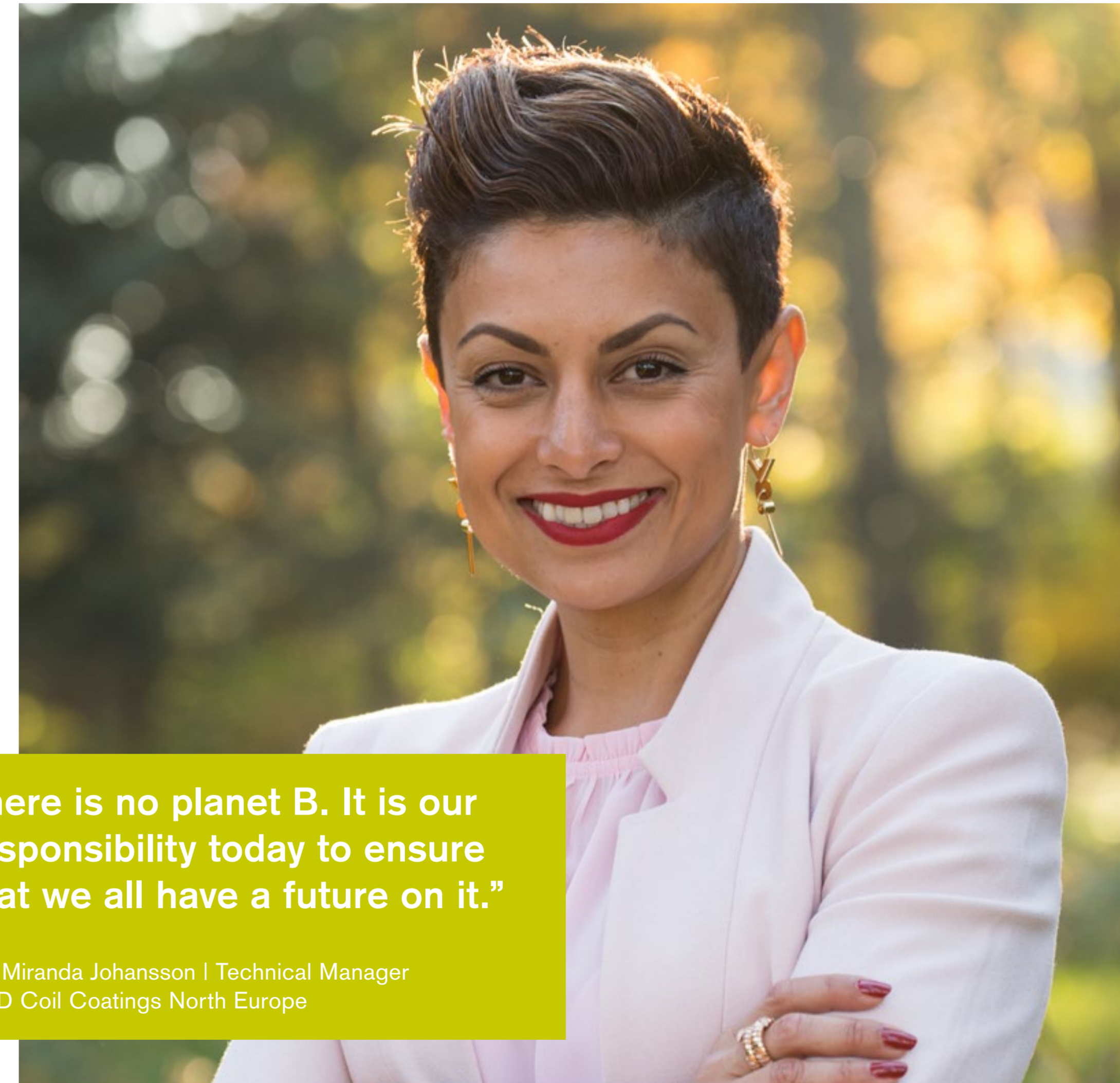
 **Recognizing sustainability improvements in our supply chain**

## Key topics on the agenda in 2021

In 2021 we will complete the full roll-out and integration of the 2030 Sustainability Strategy across the company. Employee engagement will continue to be a main focus. Each colleague will take responsibility for the sustainability strategy in their own sphere of influence. Driving forward the 2030 Sustainability Strategy will be a key priority in everyone's daily work. The global sustainability team offers support to everyone across the company with trainings, workshops and communication material. All sites will develop individual roadmaps as well as action plans and strategies for sustainable investments.

We will integrate our products into the Beckers Sustainability Index. This will make our portfolio more transparent and give our customers a holistic view of how the improvements in our products can help them to make progress towards net-sustainable products.

We will enhance the internal environmental audits of our sites and initiate a global industrial investment plan. We will hold the next global employee engagement survey to continuously listen to our colleagues and define actions to optimize the employee experience.



**“There is no planet B. It is our responsibility today to ensure that we all have a future on it.”**

Dr. Miranda Johansson | Technical Manager  
R&D Coil Coatings North Europe

CONSTANTLY IN TOUCH

# Stakeholder engagement

**It is important to understand our stakeholders' needs and requirements so that we can work together along the value chain, find opportunities and address risks.**

GRI 102-40  
GRI 102-42

The four key stakeholder groups we will focus on for our communication, engagement and activities are: customers, employees, suppliers, and regulators and communities.

We are constantly in touch with our stakeholders through the channels described in the table on p. 21. This builds on listening to and engaging with representatives of all our important stakeholders during a stakeholder dialogue we held in 2019, with a two-day multinational workshop at which all four key groups were represented. Read more about the process on p. 7 of our Sustainability Report 2019.

## What our stakeholders told us

The feedback we received from our stakeholders confirmed that sustainability is a priority for customers and suppliers alike. Many saw the need for a profound system change in the industry and called for thought leaders to work together. Together we must move away from fossil-based raw materials toward greener chemistry and from linear business models to more circular thinking. Our stakeholders agree with us that there is a need for bold, long-term vision and goals, and that we need to work with partners along the value chain.

## Focus on internal stakeholders in 2020

The message from the internal stakeholders at our 2019 workshop was clear: we should build on team spirit, engagement and awareness among employees in all our regions. That is what we have done in 2020, focusing our communication on our employees with the aim of securing their commitment to our 2030 Sustainability Strategy. Colleagues from numerous Beckers sites with different backgrounds were involved in the finalization of our goals for 2030. Further internal feedback rounds, interviews and the initiation of expert groups for each stream to validate goals, KPIs and targets on a regular basis ensure broad involvement in this strategic topic. Since October 2020 the sustainability team has been holding workshops with functions and sites, and an internal communications campaign makes everything transparent.



GRI 102-43  
GRI 102-44

## Stakeholder communication

### Customers

Customer focus means we serve our customers by creating value through sustainable solutions that encompass both products and services.

- + Local, flexible and professional customer service
- + Workshops and pilot projects on sustainable product developments with customers
- + Closely and directly connected to customers
- + Market research and business development

How we engage and communicate with them

### Suppliers

Beckers relies on the products and services provided by our crucial partners and we cooperate for better synergies.

- + All regular suppliers are asked to sign our Supplier Code of Conduct
- + Participation in EcoVadis assessment and acting upon its results
- + On-site supplier audits
- + Dedicated sustainability workshops to evaluate joint developments with suppliers

### Employees

We live our values. We share the Beckers spirit, we have a strong sense of belonging. We are conscious about assuming responsibility. We aim to be a top employer and offer our employees valuable opportunities to grow personally and professionally.

- + Dialogue with Union representatives in many countries and the EWC (European Works Council)
- + Regular internal communications, learning opportunities and trainings
- + Health & safety committees
- + Global employee surveys and feedback through Check-in Conversations

How we engage and communicate with them

### Regulators and Communities

We take our responsibilities as corporate citizens seriously. We comply with or exceed all applicable regulations in countries we operate in and aim to positively contribute in our communities.

- + Transparency through reporting (GRI report and local environmental reporting)
- + Local social activities and initiatives
- + Employee social engagement