

ABICOR BINZEL Sustainability Report 2021

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Planet
Progress**
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WE SUPPORT





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Sustainability is essential. As a manufacturing company that celebrated its 75th anniversary in 2020, the topic of sustainability at ABICOR BINZEL is deeply anchored in our values. From our point of view, it is no longer possible to grow the company's success, and thus the value of the enterprise, without at the same time pursuing a holistically sustainable strategy.

In this context, we have been committed for many years with the globally recognised certifications according to DIN EN ISO 9001 and DIN EN ISO 14001 to produce in an environmentally friendly manner, minimise waste, protect employees and enable our customers and welders worldwide to have a safe and healthy workplace. Regular employee training, subsequent tests and audits ensure that laws and regulations are complied with – by our suppliers as well.

We are strong in the development of sustainable innovations, and thus support our customers in achieving their goals. This is made possible, among other things, by our own research and development department, as well as our Innovation and Technology Centre (ITC), where test welding can be carried out and the results evaluated directly in the in-house laboratory. These include measuring the CO₂ footprint of welding cells, lighter welding torch cable assemblies with positive effects on the musculoskeletal system of the welder, as well as the consumption of resources and extraction technology solutions that guarantee health, safety and sustainability, to name just a few developments. On the following pages we will present these and other projects in more detail.

We have also succeeded in significantly reducing air freight – in some cases halving it – and switching to sea freight when shipping our products worldwide. Here we are actively working on further optimisation. In strategic considerations and analyses, we take a closer look at regional and self-sufficient supply chains so that interdependencies between manufacturers and production sites such as China can be reduced.

Giving new sustainable ideas and creativity freedom and promoting them is anchored in our "corporate DNA". For example, we are actively involved in cooperations in which we bring environmental projects forward, such as cleaning polluted air in large cities. Here we are part of the development process and have contributed welding technology for the construction of prototypes.

Since 14.02.2022 we are now an official partner of the UN Global Compact. For 2022, we have set out to find out how we can measure our own CO₂ footprint. Next year, we want to start with targeted measurements. In a third step, we can then define when we, as a company, want to be CO₂ neutral. Workshops with employees will be initiated this year.

The Federal Government needs the support of industry in order to achieve the sustainability goals that have been set. This third of CO₂ emissions is our responsibility. We have to do something about that. This is what we are facing.

A handwritten signature in blue ink, appearing to read 'J. Schleicher'.

Jens Schleicher, CEO / Spokesman of the Management Board



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**"The earth is not only our common heritage,
it is also the source of life."**

Dalai Lama



Our understanding of sustainability

ABICOR BINZEL has been successfully operating on the international market for over 75 years and is the world market leader and innovation engine for manual and robot-controlled arc welding. The development, production and distribution of durable products has been a matter of course since the beginning.

Sustainability is a very important issue. As an industrial company, we not only want to consider the 17 sustainable development goals in the United Nations agenda on sustainability adopted in 2015, but also to support them actively. This attitude is anchored in our corporate values and is already supported in a wide variety of completed as well as ongoing and planned projects, which we want to highlight in this document.

It has never been our claim to place the requirements of the legislator under the cloak of sustainability. Of course, ABICOR BINZEL is a for-profit company that adheres to applicable laws and guidelines. In order to become a sustainable company in the sense of the UN Global Compact, we have already taken the first steps and are at a good starting point.

For this purpose, we appointed a sustainability officer to the Executive Board at the end of 2020. With our commitment, we as an industrial company want to support the United Nations in achieving the goal of a more sustainable and better future for all people. We do not want to make our contribution with empty words, but through concrete measures and responsible action.

Corporate goals = Sustainability goals

Sustainability goals do not conflict with classic corporate goals, which also include making a profit. If you look deeper, it quickly becomes clear that topics such as, for example, the health and well-being of employees, high-quality education, and measures to conserve resources, contribute to a sustainable increase in the company's success in the long term. For several years, it has become increasingly difficult for companies to recruit professionally qualified employees. They prefer modern, sustainability-oriented employers, who not only think about preserving our environment, but also about safeguarding human rights, good working conditions and protection against



corruption. It is our conviction that achievement of the original corporate goals alone only works in a holistic responsible context.

A major challenge will be the goal of climate-neutral management. As a manufacturing company, we cannot keep up with the new economy: "You can't make an omelette without breaking eggs", because emissions and other waste products are the result. Our goal is to permit the lowest possible emissions – which leads us to our first sub-target for 2022: finding out how we can measure our CO₂ footprint.

We are looking forward to the challenge of supporting the UN Global Compact with concrete measures and hope that many more companies will follow this path. Because the best start and contribution is beginning with yourself.



Tree planting campaign at Binzel do Brasil Industrial Ltda.

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**“The beginning is the most important part
of the work.”**

Platon





ABICOR BINZEL – Welding technology that connects

Alexander Binzel Schweisstechnik GmbH & Co. KG, under the umbrella brand ABICOR BINZEL, is a leading international specialist and technology developer for welding and joining technology. The high-quality, efficient and innovative solutions are suitable for a wide variety of applications and fields. The focus is always on users and their individual welding tasks. With a clear industry orientation, process-oriented products and a global service network, ABICOR BINZEL is among the top addresses for welding and joining – worldwide.

Since its foundation in 1945 as a wholesale business for welding equipment, ABICOR BINZEL has initiated many significant developments and new standards. The first high-performance MIG/MAG shielding gas welding torch laid the foundation for many other, largely patented developments in 1963. This was followed by TIG shielding gas welding torches, the standardised ABICOR BINZEL central plug and socket system, the ABICOR BINZEL coaxial cable assembly BIKOX®, robot welding torches and robot peripherals, WH interchangeable neck torches for robot welding, the MFS wire feeder system, mounts for CAT3 PRO/iCAT/iSTM robot welding torches, as well as the ABIMIG® A T LW lightweight torch line and the powerful MB EVO PRO torch line, to name just a few of these developments. In the meantime, the company has developed into a system provider for welding technology, including the areas of extraction technology, welding with cobots and laser joining.

ABICOR BINZEL is part of IBG Industrie-Beteiligungs-Gesellschaft mbH & Co. KG, based in Cologne – a more than 100-year-old family-owned company with an international network of its own sales and production companies and exclusive partners. The IBG group includes companies in the fields of welding technology, tungsten components and construction chemicals, with more than 2,500 employees worldwide.

ABICOR BINZEL USA was founded in 1976, the first of today's 38 subsidiaries worldwide. The company not only recorded growth internationally, but the core workforce at the Giessen site has also grown and today has four building complexes. Today, ABICOR BINZEL employs more than 450 people at the site, 141 of whom have worked there for 25 years or more – and some of them are now even in the third generation.



Part of the product portfolio

Training in commercial occupations, and for industrial management assistants, is of great importance and in 2021 for the first time also in the training occupation of IT specialist for system integration. Dual courses of study are also offered. These future specialists and managers form part of the corporate future and ensure that knowledge can be passed on and maintained in-house.

ABICOR BINZEL currently employs more than 1,300 people in 39 countries worldwide. Under the company name "Alexander Binzel Schweisstechnik GmbH & Co. KG" and the umbrella brand ABICOR BINZEL, they have turned a wholesale business of welding equipment into a world market leader for shielding gas welding and cutting torches in these 75 years – and are now in the starting blocks to help shape the topic of sustainability in line with the UN Global Compact.



A photograph showing a group of diverse hands of various skin tones (light, medium, and dark brown) holding each other in a circle. The hands are positioned around the center of the frame, with fingers interlocking or resting on each other. The background is a clear, bright blue sky. The lighting is bright, creating soft shadows and highlights on the skin.

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**“Human rights begin
where prejudice ends.”**

Marie-Joseph Motier, French General



1. Human rights

Companies should support the protection of international human rights.

Principle 1

Companies should ensure that they are not complicit in human rights violations.

Principle 2

ABICOR BINZEL is committed to internationally recognised human rights standards, such as the principles of the UN Global Compact and the United Nations (UN) Universal Declaration of Human Rights. Of course, this also includes compliance with all national and international laws.

The IBG code of conduct

The principles of ABICOR BINZEL's business activities are laid down in the IBG group's code of conduct. This code is binding for all divisions and employees worldwide and specifies the minimum standards that are to be observed. This includes acting in accordance with all relevant laws and regulations, as well as promoting a culture of equal opportunities and consistent equal treatment of all employees without any discrimination.

In addition, among other things the code of conduct formulates the commitment to the protection of the environment, to the rejection of child and forced labour, as well as to compliance with occupational health and safety measures, and to the protection of workers' rights.



1. Human rights



Firmly established measures

- Compliance with the code of conduct in its subsidiaries is regularly reviewed as part of the internal audit by the IBG group. The last audit at ABICOR BINZEL took place in 2020 and was completed without objections in the field of human rights
- In order to firmly anchor the principles of the code of conduct with all employees, they are a mandatory part of the employee training programme eplas®
- The International Production Management (IPM) checks ABICOR BINZEL production sites regularly (every two years) with regard to production processes, quality and efficiency, and in this context also detects and reports any violations. However, due to the coronavirus pandemic, this was only possible to a very limited extent



All ABICOR BINZEL production facilities undertake to comply with human rights, including the prohibition of child and forced labour, in accordance with the code of conduct. Auditors are obliged to report abnormalities immediately. In order to report violations of human rights and infringements of laws and internal company codes of conduct, in October 2021 ABICOR BINZEL established a new whistleblower system with an external ombuds-person office. In the reporting period, no human rights violations by employees, suppliers or partners were reported here.

Building complex
ABICOR BINZEL
(Guangzhou) Welding
Equipment Co. Ltd.





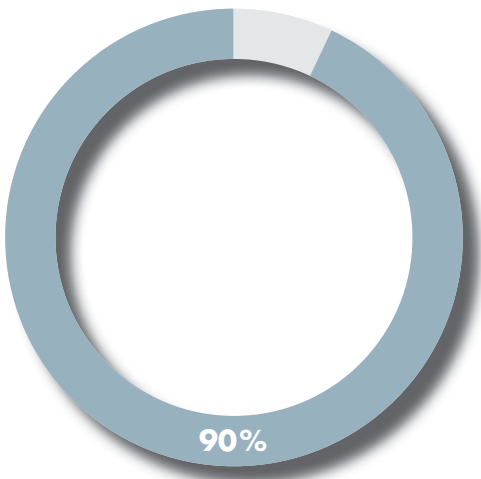
Globally accepted code of conduct of the IBG group

Supplier selection

About 90 percent of the purchasing volume from abroad is supplied by suppliers belonging to the IBG group. These companies are committed to the same code of conduct as ABICOR BINZEL. This means that the risk of human rights violations at first stage suppliers is to be regarded as very low overall.

Firmly established measures

- A systematic review of external suppliers takes place within the framework of up to 25 audits carried out annually. Concentration here is on the approximately 50 A-suppliers with a purchasing volume of > EUR 100,000/year
- The topic of human rights has already been integrated into the audits in order to sensitise suppliers and identify possible violations



Share of purchasing volume from abroad from suppliers who are committed to the IBG code of conduct.

Responsibility for employees and society

ABICOR BINZEL is aware of its responsibility towards its employees, society and the environment. The company also proactively fulfils the resulting obligations in a variety of ways. Of course, this includes all measures to comply with all generally accepted working standards, to protect the environment, and an active occupational health and safety management.

Social engagement

ABICOR BINZEL is active as a donor and sponsor of social projects, institutions and organisations. For example, the Peiper children’s cancer ward in the University Hospital Giessen and Marburg was supported in the reporting period with a donation of more than EUR 2,000. This commitment is supported by management and the works council alike.

Objectives

- ➔ This practice is to be maintained in 2022.
- ➔ At the suggestion of an ABICOR BINZEL employee, it is planned to carry out a typification campaign for the German blood stem cell register (DKMS).

Donation handover to the Peiper children’s cancer ward



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**“We are not only responsible for what we do,
but also for what we do not do.”**

Molière



2. Labour standards

Companies should maintain freedom of association and the effective recognition of the right to collective bargaining.

Principle 3

Companies should stand up for the elimination of all forms of forced labour.

Principle 4

Companies should stand up for the abolition of child labour.

Principle 5

Companies should stand up for the elimination of discrimination in recruitment and employment.

Principle 6

ABICOR BINZEL calls for respectful and dignified interaction within the company and with third parties and promotes a culture of equal opportunities and equal treatment. Discrimination based on ethnicity, religion, age, gender, physical condition or sexual orientation is consistently prevented. ABICOR BINZEL respects freedom of association and the right to collective bargaining and advocates the abolition of child labour and the elimination of all forms of forced labour.

Company co-determination

Since 1994, our works council along with the representatives for severely disabled persons represents the interests of our employees. In close cooperation with the works council, youth and trainee representatives take care of the special needs of young employees and trainees. Through its membership in the employers' association and the application of the collective agreement, ABICOR BINZEL is committed to collective bargaining autonomy, whereby collective agreements in Hesse for the metal and electrical industry apply to all employees covered by collective agreements.

The works council and management regularly discuss concerns in the company. If necessary, negotiations are conducted with the aim of concluding necessary works agreements. In the 2021 reporting period, for example, due to the coronavirus pandemic, agreements were adopted on staggered working hours, employee health protection and working from home. Another instrument of co-determination is the company suggestion system, where employees can submit ideas for improvement. With the introduction of a shop floor management system (SFM) in 2021, such ideas have since been communicated directly on this platform. Depending on the value of the improvement suggestion, employees receive small to large bonuses. These range from a fuel voucher to several thousand euros.



Equal opportunities in all departments

Action against forced and child labour

ABICOR BINZEL explicitly rejects all forms of forced and child labour in accordance with the IBG group's code of conduct. As a sustainably committed company, ABICOR BINZEL also demands this from its suppliers.

2. Labour standards



Occupational safety

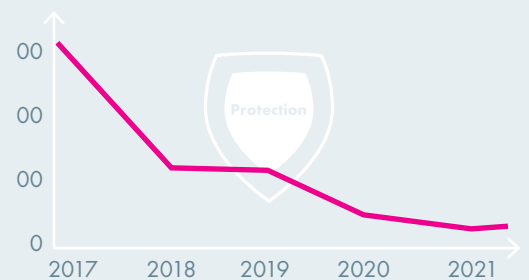
In a company with a lot of manual work, occupational safety is an important topic. That is why ABICOR BINZEL sees occupational safety as a central part of the quality and environmental management system (QM/EM system) and is committed to complying with or exceeding legal requirements for the prevention of accidents and protection against health risks. ABICOR BINZEL is certified according to DIN EN ISO 9001:2015 and DIN EN ISO 14001:2015.

Firmly established measures

- A full-time occupational safety specialist analyses hazard potentials, records them in an annual report and develops the necessary measures
- Regular training courses sensitise employees to safety in the workplace
- Occupational safety standards are regularly reviewed by the BGHM employers' liability insurance association as part of the quality seal "Sicher mit System" (SmS) audit. This is based on the National Guide to Occupational Health and Safety Management Systems

In 2020, ABICOR BINZEL received the seal of approval with a good rating. The occupational safety committee consists of management, works council, the safety officer and the company doctor, and meets quarterly.

Development of accidents at work



The already low level of accidents at work has been further reduced.

Positive development

Thanks to consistent measures, the number of reportable accidents at work has developed very pleasingly in recent years and fell to five accidents in 2020 – a very positive development with currently more than 450 employees. Incidents were spread over five different departments, which indicates individual causes of accidents and largely excludes structural problems. Nevertheless, it is a declared goal to further reduce the number of accidents at work.

Health protection

For many years, ABICOR BINZEL has established a wide range of health prevention measures. These include, for example, regular visits by the company doctor, the provision of height-adjustable desks and the financing of workplace glasses.

Sports and preventive services

Ongoing programmes include free health and sports courses, such as back courses, Qigong, Tai Chi, badminton or the "active break", as well as participation in company runs. If possible again, a next participation in the Stanley Tucker company run in Giessen is planned for 2022. Unfortunately, due to the coronavirus pandemic, many offers could not take place in 2021.

ABICOR BINZEL also participates in the BusinessBike programme and supports the purchase of a bicycle or an e-bike for employees and their partners. A bike can be leased for a monthly amount for a period of four years, depending on its value.



A total of 196 BusinessBikes have been applied for so far



With the health coach into the active break

Examination days and health days

Examination days and health days take place in alternating years.

Firmly established measures

- On examination days, employees are offered a health check-up in cooperation with the University of Giessen
- On health days, various organisations provide information on health and prevention topics at their stands
- Various sports courses such as back courses, Qigong, Tai Chi, badminton or even active breaks take place several times a week. Some were offered online during the pandemic

Objectives

- After the corona-related cancellations in 2020 and 2021, the objective is to resume health days and examination days as well as face-to-face courses from 2022.

Coronavirus protection measures

In many areas, health protection in 2021 meant in the first place coronavirus protection measures. In order to reduce the risk of infection among employees, the following measures were taken:

- Expansion of the possibility of working from home and continuation of time-shifted work in production departments
- Offer of the use of protective masks, disinfectants, protective gloves and air purifier devices
- Two free rapid coronavirus tests per week for employees as well as for external visitors
- Communication of the applicable rules of conduct
- Coronavirus vaccinations (first and second vaccinations) by the company doctor in summer 2021 – also for employees and their relatives
- Seamless continuation through booster vaccinations in December 2021

All measures aimed at containing the pandemic will continue and, if necessary, be adjusted, including at short notice.

Attractive employer

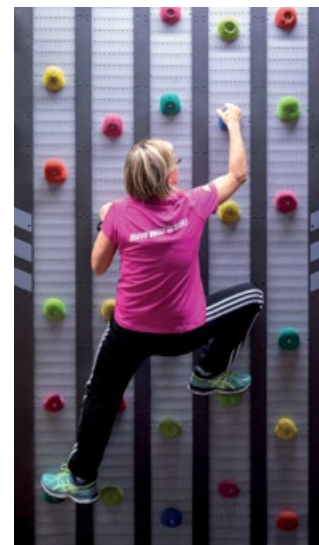
The satisfaction of all employees is an important pillar for sustainable corporate development.

Firmly established measures

- Attractive, performance-related payment with Christmas and holiday bonuses as well as performance-related allowances
- 35-hour working week
- A family-friendly flexitime model
- In 2021, the works agreement improved the framework conditions for working from home in the interests of employees
- Since 2021, digitisation of personnel management has facilitated time recording, holiday planning and sick leave for employees
- An employee portal has been set up for non-industrial employees that enables time recording even when working from home
- Four privacy-protected terminals have been set up for industrial employees, where they can enter working hours, plan leave and submit notifications of illness

Objectives

- Opening of the new employee canteen in the new plant 3B in spring 2022, which may also be used for private events such as birthday parties with colleagues.
- Payroll accounts are also intended to be available via the employee portal terminals and other functions stored, such as the independent upload of notifications of illness.



Trial offer for the "EVEREST" climbing wall on health day



2. Labour standards



We rely on the strengths and abilities of all our employees

Diversity

With approximately 1,300 employees in the branches and foreign representations in 38 countries worldwide, diversity is a matter of course for ABICOR BINZEL, and daily corporate practice. In 2021, employees with over 20 different nationalities worked at ABICOR BINZEL in Buseck. Five percent of employees are severely disabled (or equivalent) and are represented by an independent representative body for severely disabled persons.

Promotion of young talents

The promotion of young people is particularly important for ABICOR BINZEL. For this reason, we have firmly established measures for the promotion of young talents.

Firmly established measures

- Regular student internships and holiday jobs
- Hiring student workers as part of StudiumPlus (dual study system)
- Support in the preparation of thesis
- Increase in the number of trainers

In 2021, ABICOR BINZEL employed 28 trainees in six different occupations and an additional StudiumPlus participant.

Objectives

- For 2022, it is planned to enlarge the training workshop in order to offer trainees more space for project work, among other things.

Structured training

For continuous training measures, ABICOR BINZEL has set up the eplas® training programme, in which all employees receive individual annual plans. These include training courses on quality and environmental management, occupational safety and health protection tailored to the area of work, as well as the code of conduct, antitrust law, the General Equal Treatment Act (GETA) and practical vocational training. This structured training system is an important element in anchoring labour standards in the company.

In addition, employee training courses to achieve or deepen language skills, Microsoft applications, sales training, etc. have so far taken place externally. This is to get a new platform with in-house training.

Objectives

- In 2022, the "BINZEL Academy" is to establish in-house training courses in order to reach more employees.
- The programme for leadership training is to be expanded.

Junior staff development is a top priority





Management principles

Managerial staff at ABICOR BINZEL act according to the following management principles:

1. Clear objectives determine our actions
2. We make decisions and take responsibility
3. Control and feedback are necessary
4. We motivate with scope for action and performance incentives
5. We support our employees
6. Information and communication enable successful cooperation

Employee satisfaction

ABICOR BINZEL is aware that society is changing and that a wide range of transformation processes are also taking place in the company. This includes mediation between young and more experienced employees, as well as the orientation of the company to rapidly changing market conditions. Until now, employee satisfaction in the company has not been systematically recorded. The first measures were taken in 2021 to enable this to be done in the future.



Already implemented improvement measures

- Creation of a new position for corporate communications that reports directly to the management board
- Employee satisfaction survey at the end of 2021

Objectives

- ➔ Internal communication is to be improved, among other things, with regular newsletters.

Transparent complaint process

Complaints of any kind are taken very seriously at ABICOR BINZEL. Depending on the individual assessment, different contact points are available for this purpose.

Firmly established measures

- Supervisors and the works council are regarded as internal contact persons for complaints
- If discrimination is suspected, employees can contact the GETA complaints office, which is staffed by a male and a female ombudsperson

New measures

- Since October 2021, an external ombudsperson office has also been available. This can be contacted by employees in confidence if they suspect breaches of the law within the company

Objectives

- ➔ This instrument is to be further established in 2022. In the reporting period, no complaints were received by the ombudsperson's office.



Qualified employees make us successful

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**“If we take the future seriously,
then we must stop leaving it to others
and become active ourselves.”**

Jane Goodall





3. Environmental protection and climate

Companies should follow the precautionary principle when dealing with environmental problems.

Companies should take initiatives to promote greater environmental awareness.

Principle 7

Principle 8

Attitude and objectives

ABICOR BINZEL sees it as both a challenge and an opportunity to support the UN Global Compact with concrete initiatives to preserve our environment. For us, technological progress and forward-looking action in the sense of holistic sustainability is a matter of course. This is also made clear by the three awards that have been given to our company in recent years.

In 2018, Alexander Binzel Schweisstechnik GmbH & Co. KG was the **winner of the IHK company award** in the industry category and is thus regarded as the “driving force” of the domestic economy that is also internationally successful. 2019 was an achievement, **winner of the “Großer Preis des Mittelstandes”** (SME grand prix), after we were already among the finalists in 2018. This is considered Germany’s most coveted business award and honours companies that are strong in the following five competitive goals:

1. Overall development of the company
2. Creation/securing jobs and training places
3. Modernisation and innovation
4. Engagement in the region
5. Service and customer proximity

In the following year followed the title of **winner of “Hessen-Champions 2020”** in the category world market leader – an award from the Hessian Ministry of Economic Affairs, Energy, Transport and Housing, which was announced and presented online at that time by the then Minister of Economic Affairs Tarek Al-Wazir, among others.



ABICOR BINZEL awards

Measures to protect the environment

Since 2019, ABICOR BINZEL has been making small but excellent contributions to environmental and species protection:

- Employees are encouraged to use the ECOSIA www.ecosia.org search engine, which plants a tree for each search query
- Planting of five fruit trees on the company’s own meadow behind the building/plant 4
- Sponsorship of a bee colony in the course of the project “SAVE BEES & TREES”, supervised by a regional beekeeper, to protect the largest pollinators of wild plants and agricultural crops

Objectives

- ➔ Expansion of the orchard on the company’s own premises.



BINZEL bees



3. Environmental protection and climate



Established environmental programme

Since 2012, ABICOR BINZEL has had an environmental programme with objectives, defined measures and deadlines that are reviewed, verified and tracked every year. Steps are currently being defined here to reduce energy consumption, and also the daily volume of traffic, by including working from home in normal operations, to name just a few examples.

This environmental programme is part of the ABICOR BINZEL environmental management system, which meets the requirements of DIN EN ISO 14001:2015 and is certified by TÜV Nord. The environmental management system is part of an "integrated management system" that contains written regulations on a wide variety of areas. The basis for the integrated management system was the quality management system according to DIN EN ISO 9001:2015, which has also been certified by TÜV Nord since 1995. Regulations on occupational safety are also included in the system and have been awarded the "Sicher mit System" (SmS) seal of quality since 2013 following successful certification by the employers' liability insurance association. In addition, however, the system contains all relevant regulations within our company:

- Company organisation
- Business processes
- Safety at work
- Occupational health and safety
- Fire protection
- Environmental protection
- IT organisation (ITIL)
- Data security
- Compliance with laws
- Development of products and services
- etc.



Raising environmental awareness in all areas of the company

Ongoing measures to reduce energy consumption at the site at a glance

- Completion of the new plant 3B according to KfW 55 standard incl. photovoltaic system
- Continuous replacement of defective luminaires with LEDs in line with the manufacturing cycle
- Testing of a photovoltaic system for building/plant 4

Workshops with interested employees are planned from 2022 in order to raise the awareness of everyone at ABICOR BINZEL on the subject of sustainability, to start ideas for further projects and to define concrete next steps and objectives. First registrations have already been made.

Prior to the commitment to the UN Global Compact, the projects and actions listed in the following were already implemented at ABICOR BINZEL.





Photovoltaic system on building/plant 3B

Buildings and processes

EV charging stations

At the moment, we are still at the very beginning of the development towards electromobility for company vehicles as well as for the company's internal vehicle fleet. However, in order to make the topic more attractive for our employees, the range of EV charging stations will be expanded from one to ten additional double columns in 2022. The maximum exhaust emission is now included as an emission limit value in the company car regulations. The course has been set to make electric cars more attractive for everyone.

New construction plant 3B

Adjacent to building/plant 3, a new building in accordance with the KfW 55 standard with a photovoltaic system was realised in 2021 and completed in 2022. Not only the building itself thus complies with today's regulations for reduced CO₂ but also the commissioned contractors and the planning office are regional companies with correspondingly short travel distances.

Reduction of delivery traffic

With just one small measure it was possible to reduce delivery traffic for beverages and waste sustainably: water dispensers. These are currently in a test run in the production areas and in the new canteen in building 3B. They are connected to the drinking water supply and equipped with a special filter that filters out impurities and even harmful germs. Instead of having to use plastic cups, everyone in production was given a refill water bottle. In the future, normal drinking glasses will be used in the canteen.

Digitised purchasing

A major achievement in the purchasing department is that 90% of internal processes have already been digitised. At the same time, all suppliers were requested to stop sending unsolicited brochures to ABICOR BINZEL.

Sustainable supplier management

Fairness, transparency, honesty – for ABICOR BINZEL, good relations with suppliers are a matter of course. Mutual business means talking to each other in a determined but fair and open manner. At the same time, understanding the supplier is part of it. Understanding why there are supply bottlenecks, for example, helps to communicate with internal production departments. Ideas for solutions to support suppliers are given space. Sustainable supplier management is a give and take that has a positive effect on the future for all parties involved.

Regional cooperation partners

Advertising material manufacturers, printers, office furniture suppliers, IT services, notaries and lawyers, engineering offices and contractors for new buildings, canteen management, processing partners for our products are all suppliers from the central Hesse region that we have commissioned or commission where necessary. Even in the event of failures or bottlenecks in production processes, we attach great importance to alternative suppliers in the vicinity. We always strive to orient ourselves regionally.



Many cooperation partners come from the region

3. Environmental protection and climate

Principle 9

Companies should accelerate the development and dissemination of environmentally friendly technologies.



Sustainable product developments

Products/services

Durable products

The longevity of our products is one aspect that distinguishes ABICOR BINZEL from the competition. This starts with the quality of the raw materials that form the basis of our products, goes through the processing of the materials to their return and recycling, and thus reuse in materials management. The precautionary principle for us is a long tool life and service life of our products. In addition, ABICOR BINZEL ensures a complete supply of spare parts for almost all products.

Firmly established measures

- Accompaniment of products over their entire life cycle
- Good reparability of ABICOR BINZEL products
- Provision of spare parts

User-friendly products

What physical stress are welders exposed to during work? Which muscle groups are particularly stressed? What does this mean for performance? How can this burden be reduced? What can you do preventively for your body? What does this mean for the new development of welding torches? Since 2009, ABICOR BINZEL has been conducting various studies with the Institute of Sports Science at Justus Liebig University Giessen to answer these and other questions. Already after the first study it could be proven that the torch series from ABICOR BINZEL that are equipped with the innovative weight-reduced cable assemblies reduce muscle strain by up to 35% compared to a similar standard torch and also improve the welding result.

Measures already implemented

2009: 1st study with the Institute of Sports Science of the Justus Liebig University Giessen with the aim: "Visualising what a welder feels"

2011: 2nd study with the Institute of Sports Science of the Justus Liebig University Giessen with the aim of clarifying the extent to which a regular fitness programme can also help to reduce strain during welding. Development of a preventive training programme especially for welders

2013: Publication of the "Fitness Manual for Welders" incl. training DVD, as well as a poster with instructions for daily exercises to strengthen and relax the muscles

2016: Comparative study of a new air cooled torch series with weight-reduced cable assembly and its ergonomic predecessor using an augmented reality welding simulator

Objectives 2022

- Comparative study on the physical strain on welders caused by different welding fume extraction torches.
- Comparative study of physical exertion with a welding torch series especially for applications in shipbuilding.

Product design

The topic of sustainability is taken into account centrally as early as in the design of products. This is anchored in the ABICOR BINZEL guidelines for product design and is reflected in terms of materials, reparability of products and degrees of efficiency. ABICOR BINZEL continuously reviews and revises products throughout their entire life cycle.

Planned measures

- All newly developed products must be easy to repair, suitable spare parts from ABICOR BINZEL should be easy to find and make available



Sophisticated welding fume extraction technology

- Repair instructions, especially for power sources and wire feeder units, are freely available on the internet for commercial users

Objectives

- Introduction of ABIDOC in 2022 as a central portal for retrieving product information including manuals, repair instructions and spare parts.
- From 01.01.2023: compliance with regulatory requirements on the energy efficiency of power sources, efficiency specifications for power sources, AC motors, pumps, etc.

“Cleaner“ robot arc welding cell

With a new cobot welding cell concept, supported by TWI (The Welding Institute) Cambridge ABICOR BINZEL carried out the project “Weld Galaxy” – a project funded by the European Union as part of the EU research and innovation program “Horizon 2020”. This explored how a clean cobot arc welding cell for SME users has to be constructed in order to meet the requirements of today and in the future in terms of health protection, data monitoring and productivity. In the framework of the development project, it was possible to record, store and visualise all relevant data of a welding cell, and to determine the consumption data for wire, gas and the total energy consumption of the cell, including all auxiliary consumers. In this way, in addition to productivity, the customer can also determine the environmental balance of production and products. By integrating the solution into a cloud environment, the system is flexibly scalable for both providers and users.

Measures

- The project was presented to the ABICOR BINZEL BestPartners in autumn 2021, the first customers have already expressed interest and submitted concrete inquiries

Objectives 2022

- Development of the concept for the marketing of the “clean” robot arc welding cell.
- Examination of the possibilities of integrating the concept into an existing normal robot welding cell.
- National and international publications.

New welding fume extraction torch line

We ensure clean air in our customers’ industrial plants with extraction torches and aspirators developed in-house. With the xFUME® product line, ABICOR BINZEL has succeeded in introducing new extraction system solutions for manual welding workstations. Depending on the welding position and welding process, the newly designed welding fume extraction torches achieve typical coverage levels of between 90% and 98% of the welding fumes. Of these absorbed welding fumes, up to 99.95% of particles > 0.1 µm are filtered out and cleaned. Since this system detects harmful welding fumes directly at its point of origin – so-called extraction at the source – these fumes do not reach the welder’s breathing area or the other people in the surroundings of the welding workplace. And secondly, the extraction system integrated in the torch consumes considerably less energy due to the comparatively low air changing required than when using stationary extraction systems or hall extraction systems.

Measures already implemented

- Since 2021, new extraction torch types for MIG/MAG and TIG welding have been available with the xFUME® line
- Since 2021, the proven extraction units FEC and FEC W3, as well as the FES-200 and FES-200 W3, have been supplemented by the xFUME® ADVANCED extraction system
- In 2022, the xFUME® POWER 250 combination system – a power source with integrated extraction unit – has now also been added and offers further optimisation possibilities for the use of welding fume extraction



“Clean” welding cell

Objectives 2022

- Introduction of a W3-certified extraction unit from the xFUME® line for chrome-nickel welding applications.
- Introduction of a welding fume extraction unit with connections for up to four extraction torches for continuous use.
- Development of further power sources with integrated extraction module:
 - MIG/MAG air-cooled up to 350 A
 - TIG air cooled up to 200 A – both for the xFUME® line

3. Environmental protection and climate



Reducing CO₂ – for the sake of the environment

Gas management system for gas-shielded welding

With the EWR 2 and EWR 2 Net devices, consumption of shielding gas during welding in production can be reduced by up to 60%. This gas management system also ensures that there is always optimal shielding gas coverage, which in turn reduces rework and waste. Due to the savings in both manual welding and robot welding, less shielding gas has to be purchased, which means that transport from the manufacturer to the production site is reduced accordingly. Transport of gas cylinders is the primary quantity in the CO₂ backpack of the shielding gas.

Lead-free products

The REACH regulation – an EU chemicals regulation – regulates the registration, evaluation, authorisation and restriction of chemicals and mixtures derived from them in the EU. As a supplier of articles that may contain lead as a substance on the REACH ingredient list in a proportion of more than 0.1 percent by weight, ABICOR BINZEL is obliged to meet the requirements and to prove this. Currently, there are still various exemptions for the industry for using and processing lead-containing alloys, but these are gradually being reduced. In this regard, ABICOR BINZEL has already taken precautionary measures and is implementing further measures.

Measures already carried out

- Complete conversion to lead-free aluminum alloys

Objectives 2022

- Conversion to lead-free steel alloys.
- Preparation for the medium-term conversion to lead-free brass alloys, first measures are already underway.

Thorium oxide-free tungsten electrodes

With the E3[®] tungsten electrode, ABICOR BINZEL has been offering an alternative to TIG welding electrodes containing thorium oxide since 2012: users are not exposed to radioactive substances and the environmental impact is lower, as grinding dust and residual particles do not have to be disposed of as hazardous waste. Also, separate precautions do not have to be taken for transport and storage.

Measures already implemented

- In 2012, thorium-containing tungsten electrodes were completely removed from the range and replaced by E3[®] tungsten electrodes

Objectives

- Greater propagation of E3[®] tungsten electrodes among distributors and users.

Recyclates

From January 2022, individual countries require labelling of the components of the material used for the packaging of products.

Measures already carried out

- The transition of cardboard for the dispatch of extraction technology products was already started in 2021
- Transition to environmentally friendly cardboard for all products is planned for 2023, as soon as the remaining colour-printed cartons are used up
- Testing is currently underway for the purchase of plastic packaging made from 50% recyclable materials

Objectives up to 2023

- Coloured cardboard will be replaced by environmentally friendly monochrome cardboard as soon as the existing colour-printed cartons are used up.
- In 2022, the first tests of plastic packaging with a 50% recyclate content will be carried out on our various packaging machines in order to be able to complete the complete transition by 2023 at the latest.



With all these measures, we are also helping our customers and suppliers to achieve their CO₂ objectives. Because only through the extended value chain can we maximise our contribution to a healthy environment and create safe products.



Reduction of air freight

Goods are shipped by air freight when delivery times are too short and the customer needs the products quickly. With the implementation of the new cross-company software for inventory and demand planning, flows of goods can now be better predicted. In 2019, this software was introduced for the first time to optimise scheduling at the production sites in Buseck, Dresden and THERMACUT®, Czech Republic as subsidiaries of IBG. Since then, this software has created greater transparency in daily planning and enabled optimisation of the flow of goods and stock levels throughout the whole of the group.

Measures already carried out

- Thirty IBG companies are networked with software for inventory and demand planning
- For South Africa, as well as for Australia, e.g., it was possible in this way to reduce the share of air freight, and thus CO₂ emissions, by 68%
- The share of air freight to Brazil has already been reduced by 45%

Objectives

- The implementation project for inventory and demand planning is expected to be completed in 2022.
- The optimisation of supply chains is ongoing.

Expansion of drop shipment business with suppliers

In order to save freight costs, avoid double handling and reduce delivery times, for some years now products such as welding chemicals from ABICOR BINZEL suppliers have been sent directly to our customers. In 2020, the transport of 1 ton of material over 22,500 km was saved additionally.

Objectives

- Continuous further expansion of the drop shipment business with suppliers.

Electronic forms instead of paper

Circulation forms such as material requests, travel requests, holiday requests, warehouse withdrawals, inquiries to operating technology, delivery date requests and any kind of orders are processed digitally. Job applications are also received online via the new applicant portal and are no longer printed out and sent by in-house mail. In this way, the total consumption of standard paper alone has been reduced by a third in the last two years, from 300,000 sheets to 200,000 sheets.

Working from home

Introduced during the pandemic and is enduring beyond this: the possibility of working from home for employees in the administrative area. On the one hand, this offer is important for employer attractiveness, and can thus facilitate the search for skilled workers. On the other hand, there is less commuting on the roads, which reduces CO₂ pollution.

Funding of the startup project PurCity

During an EU research project, Prof. Dr.-Ing. Emil Schubert, CTO at ABICOR BINZEL and Morteza Ghorbani Eftekhari, founder of PurCity, became acquainted and it quickly became clear that ABICOR BINZEL's expertise in the field of extraction technology and PurCity's planned products for absorbing CO₂ through air purification systems in cities fit together well. The self-cleaning air purification systems developed by this startup can be installed directly on both new and existing buildings and significantly reduce CO₂ pollution in the environment. Their production is partly based on welding constructions, which are of course to be manufactured with fume extraction torches.

In close cooperation with the founder, prototypes for these air purification systems were built at the ABICOR BINZEL Innovation and Technology Centre (ITC) at the Buseck location. Depending on the size of the building, 15 to 20 tonnes of CO₂ can be saved per system. As an additional added value, the absorbed CO₂ can be sold to different markets, such as the construction industry or agriculture. ABICOR BINZEL was thus able to contribute or incorporate its welding technology and expertise into the further development of this forward-looking project.



People Planet Progress

more than welding

**“Values cannot be taught,
but only lived.”**

Viktor Frankl





4. Corruption prevention

Companies should fight against all forms of corruption, including extortion and bribery.

Principle 10

For ABICOR BINZEL, honesty and integrity are the foundations for dealing with business partners and employees. Of course, this also includes compliance with all applicable laws and regulations. In addition, ABICOR BINZEL consistently rejects all forms of corruption, including extortion and bribery.

IBG code of conduct

The code of conduct published by the IBG group in 2018 sets out binding standards for responsible business conduct for ABICOR BINZEL. A central component is the prohibition of corruption and bribery, as well as of donations to political parties. The IBG anti-corruption policy sets out the requirements in detail. Regular training courses on corruption prevention are an important tool for preventing corruption in the company and familiarising employees with anti-corruption guidelines. These are mandatory components of the eplas® training programme for employees.

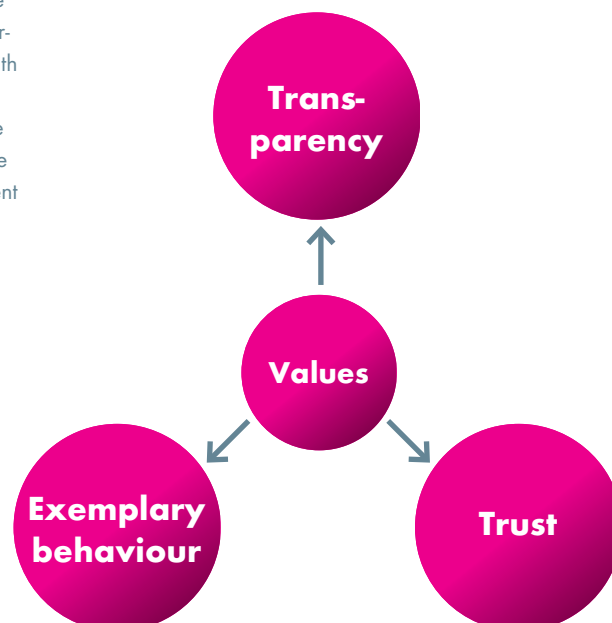
office; reported cases will be treated with absolute discretion. No complaints of corruption, bribery or extortion were received during the reporting period.

Key data anti-corruption

- IBG code of conduct
- Anti-corruption guidelines
- Ombudsperson's office
- Annual training with testing and certification

Ombudsperson's office

As a neutral point of contact for suspected corruption and other assumptions regarding infringements of the law, on 01.10.2021 ABICOR BINZEL set up an information point via an external ombudsperson's office with two ombudspersons. Employees have been informed about the establishment of the ombudsperson's office and can access the contact details at any time via the intranet (bulletin board/permanent notices). In the event of a suspected case, they can contact the complaints



Firmly anchored values are lived daily and prevent corruption



People · Planet · Progress more than welding



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