

UN Global Compact

Communication on Progress



Third sustainability report of

KNAUER Wissenschaftliche Geräte GmbH

Period: July 2019-July 2020

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This report contains only the new measures introduced during the reporting period, but not the wealth of activities established in the past in the areas described. Our first Sustainability Report was correspondingly comprehensive and is freely available both on our website www.knauer.net and on the UN Global Compact website <https://www.unglobalcompact.org/>.


CONTACT

Do you have questions or suggestions?

Please write to us: quality@knauer.net

SUPPORT BASIS FOR GLOBALCOMPACT

55 Years
Science Together



H.E. António Guterres Secretary-General
United Nations
New York, NY 10017
USA

Berlin, February 19th, 2018

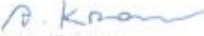
Dear Mr. Secretary-General:

I am pleased to confirm that "KNAUER Wissenschaftliche Geräte GmbH" supports the Ten Principles of the United Nations Global Compact on human rights, labor standards, environmental protection and anti-corruption. With this communication, we express our intent to implement those principles. We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. KNAUER will make a clear statement of this commitment to our stakeholders and the general public.

We recognize that a key requirement for our participation in the UN Global Compact is the annual submission of a Communication on Progress (COP) that describes our company's efforts to implement the Ten Principles. We support public accountability and transparency, and therefore commit to report on progress within *one year* of joining the UN Global Compact, and *annually* thereafter according to the UN Global Compact COP policy. This includes:

- A statement signed by the Chief Executive expressing continued support for the UN Global Compact and renewing our ongoing commitment to the initiative and its principles.
- A description of practical actions (i.e., disclosure of any relevant policies, procedures, activities) that the company has taken (or plans to undertake) to implement the UN Global Compact principles in each of the four issue areas (human rights, labor standards, environmental protection, anti-corruption).
- A measurement of outcomes (i.e., the degree to which targets/performance indicators were met, or other qualitative or quantitative measurements of results).

Sincerely yours,



Alexandra Knauer
CEO/Managing Director

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FIGURE 1 DECLARATION OF AFFILIATION 02-19-2018

Declaration on the continuous support for UN Global Compact by the corporate management

KNAUER is committed to integrate and support the ten principles into its corporate management. We want to contribute to the achievement of the 17 sustainability goals. With this "Communication on Progress" report, we describe for the third time our activities and progress in the areas of human rights, labor standards, environmental protection and corruption prevention over the past year. We also undertake to make this report available to our stakeholders and other interested parties and to make it public.

Kind regards

Alexandra Knauer, CEO

Date: 08-14-2020

Welcome to KNAUER

KNAUER Wissenschaftliche Geräte GmbH is an owner-operated, medium-sized company with 150 employees in Berlin-Zehlendorf. Since 1962, KNAUER has been developing and manufacturing high-tech laboratory instruments that are distributed worldwide.

The chemist Dr. Herbert Knauer founded the company together with his wife Roswitha on 10-01-1962. Both of them are still available for consultation to this day. The couple's daughter, Alexandra Knauer, has been CEO since 1994 and sole owner of the company since 2000. She manages the company with great commitment and responsibility. Sustainability is an important topic at KNAUER. Alexandra Knauer is therefore all the more delighted when her own sustainability activities inspire other entrepreneurs to implement them (e.g. participation in the European Sustainability Week or campaigns to avoid plastic bottles).



Our products

We are a worldwide partner of science. Today and in the future. KNAUER products and systems for liquid chromatography (HPLC) are used for the analysis of dissolved substances. For example, food or environmental samples are analyzed for contaminants or the quality of drugs is controlled. Liquid chromatography is also used for the targeted purification of valuable substances such as proteins or active pharmaceutical ingredients.



Our valves, pumps, detectors and other components are also used outside HPLC for a wide variety of processes and are popular with customers who require individual solutions. In addition, the KNAUER Academy offers various courses on HPLC and application development. The osmometer was the first KNAUER product that formed the foundation of the company's success and is still in

production today. It is used to determine the composition of mixtures.

We are proud that our equipment is used in the production of corona tests and for research and preparation of corona vaccine production.

HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

KNAUER is committed to the upholding of human rights according to the Universal Declaration of Human Rights and the German Constitution.

Supply chain: We have been preferably purchasing our materials regionally for years. We deliberately make sure that the majority of deliveries come from Germany and in the best case from Berlin (in 2019: 74% of deliveries). A smaller part of the purchases is made in the EU (18% of the deliveries). With 8% of the deliveries, the share of purchases that cannot be sourced in the EU and come from third countries such as Switzerland or Japan is the lowest. This reduces the probability of human rights violations in our supply chain.

Actions	Improvement	Projects
Organization of CSR events: - Girls' Day - KNAUER Discoverer Club (KEK) for students- Social Day ^{1 2}	Implementation of the planned events (KEK and Girls Day 2020 were cancelled due to the Corona crisis). A total of 11 groups/classes of students came to KEK, each of whom made a donation to Arche. Social Day 2019: Donation run in cooperation with Viva con Agua under the motto "RUN4WASH" in September. Total proceeds: 5 335 EUR. Social Day 2020: We organized a day at and with the city mission. Donations in kind: Underwear for the homeless Donation: 1 700 EUR.	Continuing the organization of CSR events, e.g: Social Day 2021 Girls' Day in April 21 The KEK is to be offered again from autumn 2020 if possible.

¹ <https://www.knauer.net/en/run4wash-charity-run-brought-in-5335-euros-in-donations-despite-pouring-rain/n30550>

² <https://www.knauer.net/en/loaded-with-a-pile-of-underwear-to-the-berlin-city-mission/n34511>

LABOUR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

KNAUER fulfills its legal obligations as an employer and offers employees additional services (profit sharing, children's room, business bikes, etc.). This is why KNAUER was also honored with the Leading Employer award in 2020. For example, in April KNAUER began producing disinfectant for hands and donated it to several neighboring social institutions.³

We are signatories of the Charta der Vielfalt. People from 18 nations work for us. Visitors are always struck by KNAUER's positive corporate culture and the way we interact with each other.

Discrimination is not tolerated.

In May of this year, Ms. Knauer received an award from the Federal Ministry of Economics and Energy (BMWi) for her commitment to promoting women as an exemplary entrepreneur.⁴

³ <https://www.knauer.net/en/head-of-parliamentary-group-and-district-mayor-visited-knauer/n38557>

⁴ <https://www.knauer.net/en/alexandra-knauer-awarded-as-a-female-entrepreneur-role-model/n38560>

Actions	Improvement	Projects
Modernization of selected rooms.	Among the things that have been modernized is the childcare room.	Further planned modernizations were paused at the beginning of the Corona crisis and will be implemented at a later date.
Ensure gender equality in the company ^{5 6}	On the occasion of the Equal Pay Day, KNAUER has been calculating equal pay since March 2019. At KNAUER, the value of 2.6% (21% German average) is over 18 percentage points closer to the optimum of 0%. Compared to last year, the value decreased by 0.8 percentage points.	<p>The wage gap is determined once a year. The aim is to remain within $\pm 3\%$ of the ideal (0%).</p> <p>Our ratio of women is very high in comparison with other researching and producing high-tech companies and should remain within this range.</p> <p>Share of women: 40 % Proportion of women in management positions: 44 %.</p>
Eliminating discrimination	Participation 8th Intercultural Festival 2019 in Berlin	Actions on Diversity Day

⁵ <https://www.knauer.net/en/equal-pay-day-how-fair-is-your-company/n38363>

⁶ An employee* of the gender divers is currently not employed.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Our planet is our only home and therefore worth protecting in all its diversity and beauty. KNAUER has therefore already introduced an environmental management system according to ISO 14001 in 2011. The last certification took place in January 2020.

The KNAUER Garden - A paradise within the heart of Zehlendorf

The organically cultivated and awarded company garden is an oasis for bees and other insects. The garden was awarded the special prize "Biodiversity" in the competition "Berlin's most beautiful company garden". But that's not all: the natural and extensive organic garden on the company's property is a place where people, plants and animals feel at ease. No use of pesticides or insecticides and only selective intervention. We see the garden as a model for a sustainable recycling economy and are committed to reusing materials wherever possible in the future.



Goldfinch broods in the KNAUER garden 2020

KNAUER supports alternatives to car travel through business bike contracts and job ticket subsidies of 15 EUR per month.

Actions	Improvement	Projects
<p>Supporting a traffic turnaround through: Promoting cycling / Goal: conclusion of at least 10 or more contracts by employees (= fewer drivers)</p>	<p>11 % (16) of the employees have signed at least one business bike contract (as of July 8, 2020)</p>	<p>Continue the offer and advertise internally again and again.</p>
<p>As part of the sustainability week 2020: Extension of the bicycle racks on the premises</p>	<p>About 10 additional parking spaces for bikes.</p>	<p>If capacities are well filled, consider further demand.</p>
<p>Start public transport promote: so far there was no offer by the company for all employees.</p>	<p>Launched in January 2020; 14% (20) of employees have taken up the Job Ticket offer since then.</p>	<p>Continue the offer and advertise internally again and again.</p>
<p>Identifying which of our suppliers have significant environmental aspects in their activities, whether they are certified according to ISO 14001, and entering information regarding their certification in our inventory management system.</p>	<p>Data collection for our most important suppliers has been completed.</p>	<p>The evaluation of the environmental impact of our suppliers will be even more strongly integrated into the selection and approval process. Continuation of the project until completion in 12/2020.</p>
<p>Electricity / Promotion of renewable energy: Maintain photovoltaic system, use regenerative electricity economically.</p>	<p>Since 2010 purchase of electricity from renewable sources. Conclusion of a new electricity supply contract in July 2020 with the company NaturEnergie.</p>	

Actions	Improvement	Projects
Promote biodiversity (here: insect diversity)	The cooperation with a beekeeper for beekeeping in the KNAUER garden is carried on. Regular inspection and equipping of the large insect hotel for wild bees and other insects as well as the nesting boxes for birds and bats. A colorful and insect-friendly flower meadow serves as a source of insect and bird food.	Continue the garden concept of biodiversity and recycling activities. Gradual conversion of the planting to achieve higher resistance to heat and drought (climate change).
Promoting environmental awareness: KNAUER Sustainability Week in June 2020	Start of the video series on sustainability at KNAUER, each employee received a book on climate change and had the opportunity to listen to a lecture (Knauer: committed to climate) by Ms. Knauer.	Recording and publishing more videos.
Promoting environmental awareness: Sustainability week ⁷	Realization of the sustainability week with actions, including: Reusable vegetable bags, stainless steel lunch boxes and information material distributed. In addition there was an offer for a professional bicycle check.	Continue to carry out action days in the future.
Promote environmental awareness: Introduction of Ecosia as the standard search platform.	Launched during the Sustainability Week in June 2020.	Consider when setting up new computers.

⁷ <https://www.knauer.net/en/KNAUER/Sustainability>

Actions	Improvement	Projects
Modernization of selected offices and meeting rooms.	Energy-saving lighting was installed in the modernized offices and meeting rooms.	
Modernization of selected offices and meeting rooms.	Old furniture was given away and not thrown away.	
Application for a large subsidized energy audit to determine savings potential and possible improvements in building and energy technology.	Inspection, transmission of the necessary information for the analysis.	Completion of energy consulting and derivation of measures.
Application as an active research partner in an EU project with the aim to contribute to sustainable industrial processes by creating a new value chain. ⁸	Project started on September 1, 2019 as EU project IMPRESS (official).	Complete the work packages punctually and carefully and complete the project successfully with completion after 4 years.
Exchange room for employees since June 2019 (Second Life / less waste)	The renovation and signage of the exchange room ("room of wishes") was completed.	Maintain the offer.
Promoting environmental awareness: Creating a flyer on the subject of honey and bees.	Completion and printing in 2020.	If required: reprint.

⁸ <https://www.knauer.net/en/knauer-joins-industrial-sustainability-research-project/n26937>

Actions	Improvement	Projects
Reduce paper consumption	<p>Continuous expansion of the digital processing of processes by introducing the Document Management System (DMS) in financial accounting, purchasing and sales.</p> <p>Introduction of HRworks as a new HR software at the beginning of 2020</p>	<p>Further digitalisation of processes (e.g. by using additional functions in HRWorks for travel costs, work equipment, etc.)</p>
Making paper consumption more sustainable	<p>In 2018, KNAUER decided to print brochures in smaller print runs and to make more use of the digital retrieval options on its website. This has now been established.</p> <p>In addition, the "Product Selection Guide" brochures were printed on eco paper for the first time.</p> <p>In 2019, a two-page article by KNAUER appeared in the magazine "Robin Wood" on the subject of role model function. There the various paper saving activities were presented.</p> <p>Since March, KNAUER has had its print products printed in a sustainable print shop.</p>	<p>The goal is to gradually print more brochures on eco-friendly paper (higher costs). We pay attention to environmental labels, such as the "Blue Angel".</p>

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

KNAUER is clearly committed to fighting corruption and makes sure that employees comply with the "Guidelines for Handling Gifts, Invitations and Donations" as well as the guidelines for pricing.

Actions	Improvement	Projects
Maintenance of existing regulations concerning such issues	No breaches	
Code of Conduct for dealers	Permanent visibility in the document matrix and on the website / partner area.	Create and approve Code of Conduct for suppliers 2021.
Code of Conduct for employees	The Code of Conduct was introduced in September 2019 and has been an integral part of the induction training ever since.	

ENVIRONMENTAL RESPONSIBILITY

- Environmentally friendly product development, energy-efficient production and shipping with biodegradable packaging materials.
- Membership in the United Nations Global Compact and thus voluntary commitment to contribute to achieving the Sustainable Development Goals.
- Certified according to DIN 14001 (environment) and DIN ISO 9001 (quality).
- Regular completion of an input and output balance to determine and evaluate the energy and resource flows.
- Fixed specifications for the development of new products according to ecological aspects such as low solvent consumption, repair ability and product longevity.
- 100 % green electricity as well as generation of solar power by a photovoltaic system.
- Travel management according to ecological, economic and social aspects.
- Introduction of an ecological balance sheet for selected KNAUER products.
- Ecologically cultivated and awarded company garden.



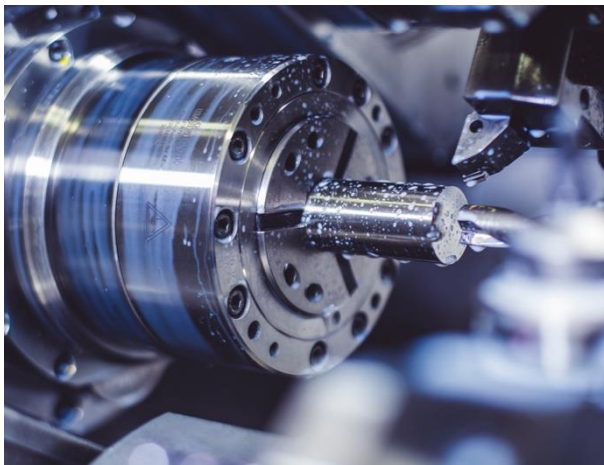
Social Day



Measures for lower paper consumption

QUALITY MANAGEMENT

The KNAUER quality management system according to DIN EN ISO 9001 ensures that products are manufactured every day to the highest possible quality. Customer satisfaction with the quality of the products and services is crucial for success.



CNC-machine



Company garden



Photovoltaic plant on the roof



Bee Hive



We separate molecules and connect people

As experts in liquid chromatography, we are continuing what the founder Dr. Herbert Knauer started: Together with users in the laboratory we develop innovative and individual solutions. We are curious and creative. This makes us the ideal partner for anyone who wants more than standard solutions.

KNAUER is a worldwide partner of science. We support research and progress, now and in the future.