



Beckers GRI Reporting Appendix

GRI Index 2016

Since 2012, Beckers has been reporting its sustainability performance to its stakeholders, including customers, suppliers, employees, regulators and non-governmental organisations. The reporting is centred on Beckers' sustainability focus areas: climate change, raw materials, waste, health and safety, people and society, and sustainable innovation - as well as selected GRI aspects and Beckers' own topics. This report has

been prepared in accordance with the GRI Standards: Core option. The reporting consists of a separate sustainability report and this appendix published on Beckers' website. All of Beckers' 33 legal entities in 23 countries are included in the report. The GRI Index in this document compiles indicator information and any omissions to the reported data. The data has not been externally audited.

GRI CONTENT INDEX			
GRI 101: Foundation 2016 (does not include disclosures)			
GRI 102: General Disclosures 2016 (core)			
Number of disclosure	Disclosure	Comment	Page number(s) and/or URL(s)
Organisational Profile			
102-1	Name of the organisation		24
102-2	Activities, brands, products and services	Same as last year: we are not selling any products that are banned in the specific market.	20
102-3	Location of headquarters		21
102-4	Location of operations	Manufacturing sites: Argentina, Bangladesh, China, France, Germany, Great Britain, India, Indonesia, Italy, Malaysia, Mexico, Nigeria, Poland, South Africa, Sweden, Turkey, USA, UAE, Vietnam.	21
102-5	Ownership and legal form		20
102-6	Markets served	Additional markets served: Algeria, Austria, Belarus, Belgium, Bahrain, Brazil, Canada, Chile, Croatia, Czech Republic, Denmark, Egypt, Estonia, Finland, Greece, Hungary, Ireland, Israel, Jordan, Kenya, Macedonia, Morocco, Myanmar, Nepal, Netherlands, Norway, Pakistan, Philippines, Portugal, Romania, Russia (branch office), Saudi Arabia, Serbia, Slovakia, Slovenia, Spain, Switzerland, Thailand.	21
102-7	Scale of the organisation	*Total number of employees: 1,736 *Total number of operations: 24 *Net sales: 5,400 MSEK *Total capitalisation: see layout draft *Quantity of products provided 163 kton	20-21
102-8	Information on employees and other workers		2016 Beckers Sustainability report appendix including GRI Index
102-9	Supply chain		21
102-10	Significant changes to the organisation and its supply chain	Three new sites (Nagpur/India, Argentina and Mexico).	See comment
102-11	Precautionary Principle or approach	As a chemical industry organisation with high standards on environmental performance and security, Beckers performs mandatory risk analysis for new processes and materials that take the precautionary principle into account.	See comment
102-12	External initiatives	No major principles and initiatives endorsed.	See comment
102-13	Membership of associations	CEPE (European Council of Paint, Printing Ink and Artists' colours Industry). ECCA (European Coil Coating Association). NCCA (North American Coil Coatings Association). China Waterborne Coatings Platform and other National Paint associations. Swedish and French Institute of Corrosion. (We pay the Institute de la Corrosion some subscriptions to be a part of their collaborative projects.)	See comment

Number of disclosure	Disclosure	Comment	Page number(s) and/or URL(s)
Strategy			
102-14	Statement from senior decision-maker		3
Ethics and Integrity			
102-16	Values, principles, standards and norms of behaviour	CoC beckers-group.com/sustainability/our-approach/	20
Governance			
102-18	Governance structure		6
Stakeholder engagement			
102-40	List of stakeholder groups		2016 Beckers Sustainability report appendix including GRI Index
102-41	Collective bargaining agreements		2016 Beckers Sustainability report appendix including GRI Index
102-42	Identifying and selecting stakeholders		22
102-43	Approach to stakeholder engagement		2016 Beckers Sustainability report appendix including GRI Index
102-44	Key topics and concerns raised		2016 Beckers Sustainability report appendix including GRI Index
Reporting practice			
102-45	Entities included in the consolidated financial statements	All of Beckers' 33 entities in 22 countries are included in the sustainability report.	See comment
102-46	Defining report content and topic boundaries		22-23
102-47	List of material topics		23
102-48	Restatements of information	No restatements.	See comment
102-49	Changes in reporting		22-23
102-50	Reporting period	1.1.2016-31.12.2016	See comment
102-51	Date of most recent report	3.6.2016	See comment
102-52	Reporting cycle	Annual	See comment
102-53	Contact point for questions regarding the report		24
102-54	Claims of reporting in accordance with the GRI Standards		22
102-55	GRI content index		2016 Beckers Sustainability report appendix including GRI Index
102-56	External assurance	No external assurance.	See comment
Material Topics			
Environmental standards			
GRI 103: Management Approach 2016 and GRI 301: Materials 2016			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
301-1	Materials used by weight or volume	178,490 ton (149,000 ton). Renewable biobased content is 1071.2 ton (0.72%).	See comment

Number of disclosure	Disclosure	Comment	Page number(s) and/or URL(s)
Material Topics			
Environmental standards			
GRI 103: Management Approach 2016 and GRI 302: Energy 2016			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
302-1	Energy consumption within the organisation		18–19
302-3	Energy intensity		19
GRI 103: Management Approach 2016 and GRI 305: Emissions 2016			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
305-1	Direct (Scope 1) GHG emissions		17
305-2	Energy indirect (Scope 2) GHG emissions		17
305-3	Other indirect (Scope 3) GHG emissions		17
305-4	GHG emissions intensity		17
305-7	Nitrogen oxides (Nox), sulfur oxides (Sox), and other significant air emissions		19
GRI 103: Management Approach 2016 and GRI 306: Effluents and Waste 2016			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
306-2	Waste by type and disposal method		19
306-3	Significant spills	No significant spills during 2016.	See comment
Social standards			
GRI 103: Management Approach 2016 and GRI 401: Employment 2016			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index

Number of disclosure	Disclosure	Comment	Page number(s) and/or URL(s)
Social standards			
GRI 103: Management Approach 2016 and GRI 401: Employment 2016			
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
401-1	New employee hires and employee turnover		2016 Beckers Sustainability report appendix including GRI Index
GRI 103: Management Approach 2016 and GRI 403: Occupational Health and Safety 2016			
103-1	Explanation of the material topic and its Boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
403-1	Workers representation in formal joint-management-worker health and safety committees	We have EHS Committees for 21 of our 24 sites. Covering all workers (and all employees) at site. The three missing are very small and will have a HSE committe in place by the end of 2017.	See comment
403-2	Type of injury and rates of injury, occupational diseases, lost days and absenteeism and total number of work-related fatalities	Zero fatalities in 2016.	15
GRI 103: Management Approach 2016: Training and education 2016			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
Own disclosure	E-learning completion rate		Page 11 in this appendix
GRI 103: Management Approach 2016 and GRI 413: Local Communities 2016			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index

Number of disclosure	Disclosure	Comment	Page number(s) and/or URL(s)
Social standards			
GRI 103: Management Approach 2016 and GRI 413: Local Communities 2016			
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
413-1	Operations with local community engagement, impact assessments and development programs		12-13
Beckers own topics			
GRI 103: Management Approach 2016 and Product stewardship			
103-1	Explanation of the material topic and its boundary		2016 Beckers Sustainability report appendix including GRI Index
103-2	The management approach and its components		2016 Beckers Sustainability report appendix including GRI Index
103-3	Evaluation of the management approach		2016 Beckers Sustainability report appendix including GRI Index
Own disclosure	Supplier assessment: Percentage of raw material supply evaluated.	<p>Our aim is to cover the suppliers of majority of the raw materials that we use, that is why we target the spend, the annual purchase turnover.</p> <p>We use the EcoVadis online assessment, that combines CSR assessment with data management tools and provide expertise evaluating the answers given. EcoVadis is structured in four modules: Environment, Labour practice & Human rights, Fair business practice and Sustainable Procurement.</p> <p>Among the four modules, suppliers are most advanced in environment and least advanced in fair business practice – the same for Beckers ourselves.</p> <p>* 71% of the total raw material spend is covered.</p> <p>* 52% of the assessed suppliers with a satisfactory score (33/63) - target 55% by end of 2017.</p> <p>We have set a target score on 40, to be approved without corrective actions. Business segment average is 60.</p>	See comment

Additional information on stakeholder engagement and key topics (102-40, 102-43 and 102-44)

Beckers has identified the following stakeholders as the most important to focus our communication, engagement and activities on: customers, employees, suppliers, regulators and communities.

Stakeholders			
Customers	Employees	Suppliers	Regulators and Communities
Customer focus means we serve our customers by creating value through sustainable solutions which encompass both products and services.	We are highly dedicated to our jobs and live our values. We share the Beckers spirit, we have a strong sense of belonging. We are conscious about assuming responsibility. We offer our employees valuable opportunities to grow personally and professionally. We aspire to become an employer of choice.	Beckers relies on the products and services provided by our crucial partners and we cooperate for better synergies.	We are deeply engaged when it comes to our environmental and social responsibilities. We comply with or exceed all applicable regulations in countries where we operate. Beckers Group wants to positively contribute to our communities by both providing reliable employment and by giving back through charitable giving and social responsibility programmes.
How we engage			
<ul style="list-style-type: none"> Local, flexible and professional customer service Closely and directly connected to customers Market research and business development 	<ul style="list-style-type: none"> Union representation in many countries EWC (European work council) Regular individual performance reviews and training programmes Health & safety Committees Local employee surveys 	<ul style="list-style-type: none"> Individual meetings and partnerships New supplier evaluation and introduction Participation in EcoVadis assessment and act upon its results On site supplier audits Joint development projects with selected partners 	<ul style="list-style-type: none"> Reporting (GRI report and local environmental reporting) Local social activities and initiatives
Key Issues			
<ul style="list-style-type: none"> Product design Product quality and performance Customer dedicated technical account managers and service technicians Joint development together with our customers 	<ul style="list-style-type: none"> Healthy & safe working conditions Training & education Anti-corruption Talent management Gender diversity No discrimination Employee wellbeing 	<ul style="list-style-type: none"> Long term relationships and product innovation Capacity planning Compliance with laws and regulations Anti-corruption Healthy & safe working conditions Respect of human rights and ensuring elimination of child labour Anti-competitive behaviour 	<ul style="list-style-type: none"> Environmental impact Local regulatory compliance Product safety and labeling standards Training & Education Quality of life for people in the community

Disclosure of Management Approach

This section presents the management of our material topics for sustainability. When shifting to GRI Standards for 2016 reporting, we decided to review our material topics, reflecting our roadmap for fulfilling our vision.

The creation of the topic 'Product Stewardship' enabled us to condense the number of material topics from 17 to eight. We still have the same focus on sustainability; this reorganisation of our topics makes them simpler and more structured for our stakeholders.

This section evaluates our management approach, and will be included in our yearly GRI reporting as we review any changes in impact, risks and requirements.

Own topic: Product Stewardship	
Reason for materiality	We created 'Product Stewardship' as one of our eight material topics. Ultimately, this topic will help us to develop more products for our customers that meet their needs and fulfil our shared vision of sustainability. Our most vital areas to improve are: choice of raw materials, suppliers, product performance for applicators and end user, and finally what happens with scrapped painted materials.
Boundary	Impact across the whole value chain from raw materials suppliers to Beckers, applicators and end users. Note that customer H&S is covered by this topic. It means taking responsibility for sustainability issues along the length of the product value chain.
Policy	Beckers Code of Conduct and Beckers Supplier Code of Conduct.
GRI Disclosures	301-1 and 301-2 Materials.
Beckers Indicators	Percentage of raw material supply evaluated according to sustainability criteria (Ecovadis). Percentage of suppliers with a satisfactory score (>40).
Goal	> 80% of raw material supply evaluated according to sustainability criteria (Ecovadis). > 55% of suppliers with a satisfactory score (>40) (by end of 2017).
Responsible	CTO (Products), COO (RM and suppliers) Responsibility is linked to performance assessment and incentive programmes.
GRI 306: Effluents and Waste	
Reason for materiality	As a chemical industry manufacturer, resource usage is material and is already measured and targeted. This means minimising wasted material and closing packaging material loops.
Boundary	Impact in own operations, caused by Beckers.
Policy	Code of Conduct and HSE Policy.
GRI Disclosures	306-2 Waste and 306-3 Spills.
Beckers Indicators	Total waste kg/ ton produced.
Goal	10% reduction 2020 from 2013 baseline.
Responsible	Local MD. Responsibility is linked to performance assessment and incentive programmes.

Compliance

Compliance with laws and regulations including but not limited to human rights, environment, health and safety, anti-corruption, anti-competitive behavior, protection of personal data and privacy is clearly regulated by laws and our Code of Conduct.

Compliance to our CoC is continuously followed by the Management of the Group. The Chief Administrative Officer is in charge of internal audits and compliance on a global level.

GRI 302: Energy	
Reason for materiality	As a chemical industry manufacturer, energy efficiency is material, both in terms of efficiency and climate change, and is already measured and targeted. To support sustainable development globally we need to use energy from renewable sources.
Boundary	Impact in own operations, caused by Beckers.
Policy	Code of Conduct and HSE Policy.
GRI Disclosures	302-1 Energy consumption, 302-3 Energy intensity.
Beckers Indicators	Total energy use MWh/ ton produced.
Goal	10% reduction 2020 from 2013 baseline.
Responsible	Local MD. Responsibility is linked to performance assessment and incentive programmes.
GRI 305: Emissions	
Reason for materiality	Climate impact is material and we already measure and assess it. Energy use at operations and transportation of goods has a major climate impact. VOCs have significant climate impact and may also affect health. Hence our focus is on greenhouse gases and VOC emissions, and we have set target on reduction.
Boundary	Impact in own operations and value chain, contributed by Beckers.
Policy	Code of Conduct and HSE Policy.
GRI Disclosures	305-1,2,3,4 GHG Emissions, 305-7. Other emissions.
Beckers Indicators	VOC kg emitted/ton produced.
Goal	10% reduction 2020 from 2013 baseline.
Responsible	Local MD. Responsibility is linked to performance assessment and incentive programs.
GRI 401: Employment	
Reason for materiality	Our employees are critical to our success. We are measuring employee turnover to identify opportunities for improvement.
Boundary	Impact in own operations, caused by Beckers.
Policy	Code of Conduct, Recruitment policy and Local HR handbooks.
GRI Disclosures	401-1 Employee turnover balance.
Beckers Indicators	None
Goal	No
Responsible	CFO, and global and local HR.
GRI 404: Training and Education	
Reason for materiality	We care about the professional development of our employees in the short and long-term. It is only through the know-how of our employees that we can accelerate our progress towards a more sustainable business.
Boundary	Impact in own operations, caused by Beckers.
Policy	Code of Conduct and HSE Policy.
GRI Disclosures	404-3 Career reviews (not for 2016).
Beckers Indicators	None
Goal	No
Responsible	CFO, and global and local HR.
GRI 413: Local Communities	
Reason for materiality	Social engagement with local stakeholders is an important part of sustainable development in the communities where we are active. This is because we are interdependent with our stakeholders and rely on their contribution to our success.
Boundary	Impact in own operations and local communities, contributed by Beckers.
Policy	Beckers Code of Conduct and Lindéngruppen guidelines.
GRI Disclosures	413-1 CSR programmes.
Beckers Indicators	None
Goal	No
Responsible	Local MD.
GRI 403: Occupational Health & Safety	
Reason for materiality	The health, safety and wellbeing of our employees, partners and customers is of ongoing, critical importance, and we continue to endeavour to reduce the number of accidents or incidents worldwide to zero.
Boundary	Impact in own operations, caused by Beckers .
Policy	Code of Conduct and HSE Policy.
GRI Disclosures	403-1 H&S committees 403-2 LTI.
Beckers Indicators	Lost time injury rate (LTI).
Goal	LTI 0
Responsible	Local, according to regulation. Responsibility linked to performance assessment/incentive.

Employee Statistics (Own disclosure on Training and Education, GRI 102-8 and 102-41)

The 2016 Beckers Employee Statistics are compiled from Beckers' globally used HR information system, which consolidates data from all our legal entities and is additionally aligned with headcount-related figures from our global finance

system. The figures orientate on different GRI requirements and standard HR KPIs. Unless otherwise stated, the statistics include all internal employees with December 31, 2016 as reporting date.

1. EMPLOYEES TOTAL		
Scope: all internal employees as per Dec 31, 2016		
Gender	Percent (%)	Headcount
Female	24	422
Male	76	1,314
Grand Total	100	1,736
2. PERMANENT EMPLOYMENT		
The amount of permanent employments shows internal employees with unlimited Beckers contracts.		
Scope: all internal employees as per Dec 31, 2016		
Gender	Percent (%)	Headcount
Female	24	356
Male	76	1,157
Grand Total	100	1,513
3. TEMPORARY EMPLOYMENT		
The number of temporary employments shows internal employees with fixed-term (limited) Beckers contracts.		
Scope: all internal employees as per Dec 31, 2016		
Gender	Percent (%)	Headcount
Female	30	66
Male	70	157
Grand Total	100	223
4. FULL-TIME CONTRACTS		
"Full-time" refers to the standard working hours in a country or at a site regulated by collective agreements, labour law etc.		
Scope: all internal employees as per Dec 31, 2016		
Gender	Percent (%)	Headcount
Female	23	384
Male	77	1,306
Grand Total	100	1,690
5. PART-TIME CONTRACTS		
"Part time" applies when the individual working hours of an employee are below the standard working hours described in the "Full-Time" section.		
Scope: all internal employees as per Dec 31, 2016		
Gender	Percent (%)	Headcount
Female	83	38
Male	17	8
Grand Total	100	46
6. EXTERNAL EMPLOYEES		
External employees include agency staff only (hourly rates, supervised by Beckers) - no contractors, freelancers etc.		
Scope: all agency staff as per Dec 31, 2016		
Gender	Percent (%)	Headcount
Female	5	9
Male	95	186
Grand Total	100	195

7. N-1, N-2 GENDER SPLIT		
N-1 includes the direct reports to the CEO (N-0). N-2 includes the sub-ordinates of the CEO's direct reports.		
Scope: N-1, N-2 internal employees (excl. e.g. Assistants) as per Dec 31, 2016		
Gender	Percent (%)	Headcount
Female	20	9
Male	80	35
Grand Total	100	44
8. N-1, N-2 AGE GROUPS		
Scope: N-1, N-2 internal employees (excl. Assistants) as per Dec 31, 2016		
Age cluster	Percent (%)	Headcount
25 – 35	7	3
36 – 50	59	26
>50	34	15
Grand Total	100	44
9. N-1, N-2 NATIONALITIES		
Scope: N-1, N-2 internal employees (excl. Assistants) as per Dec 31, 2016		
Nationality	Percent (%)	Headcount
British	7	3
Chinese	7	3
French	20	9
German	16	7
Indian	7	3
Italian	2	1
Malaysian	23	10
Polish	2	1
Russian	2	1
South African	2	1
Swedish	9	4
Grand Total	100	44
11. EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS		
Scope: all internal employees as per Dec 31, 2016		
Row labels	Percent (%)	Headcount
Non-regulated	26	455
Regulated	74	1,281
Grand Total	100	1,736

NON-REGULATED EMPLOYEES: are excluded from overtime regulations, minimum wage and other rights and protections regulated workers benefit from. Employers must pay a salary rather than an hourly wage for a position. Typically, only executives, senior managers or comparable staff belong to the group of non-regulated employees.

REGULATED EMPLOYEES: are subject to union agreements, labour standards acts etc. especially regarding salary or working time regulations. Employees who fall within this category must be paid the state-regulated minimum wage and often given overtime pay for any hours worked beyond the regular working hours.

12. EMPLOYEES BY BLUE-COLLAR / WHITE-COLLAR

Scope: all internal employees as per Dec 31, 2016

Row labels	Percent (%)	Headcount
Blue-collar	43	740
White-collar	57	996
Grand Total	100	1,736

13. EMPLOYEES BY BLUE-COLLAR / WHITE-COLLAR AND GENDER

Scope: all internal employees as per Dec 31, 2016

Row labels	Percent (%)	Headcount
Blue-collar	43	740
Female	7	50
Male	93	690
White-collar	57	996
Female	37	372
Male	63	624
Grand Total	100	1,736

14. EMPLOYEE TURNOVER BY AGE GROUP

Scope: all internal employees as per Jan–Dec, 2016

Leavers/Hires	<35	36–50	< 50	Grand total
2016 Leaver	83	50	42	175
2016 Hire	137	44	9	190
Balance	+54	-6	-33	+15

15. EMPLOYEE TURNOVER BY GENDER

Scope: all internal employees as per Jan–Dec, 2016

Leavers/Hires	Female	Female %	Male	Grand total
2016 Leaver	46	26.29	129	175
2016 Hire	55	28.95	135	190
Balance	+9		+6	+15

16. EMPLOYEE TURNOVER + FLUCTUATION RATE BY REGION

Fluctuation rate = total number of leavers / total population

Scope: all internal employees as per Jan–Dec, 2016

Leavers/Hires	CEA	NENA	SELA	CHINA	SAPME	Grand total
2016 Leaver	33	44	19	50	29	175
2016 Hire	33	26	56	34	41	190
Dec 2016 Headcount	291	410	474	277	284	1,736
Balance	0	-18	+37	-16	+12	+15
Fluctuation rate %	11.34	10.73	4.01	18.05	10.21	10.08

BECKERS GROUP E-LEARNINGS ON SUSTAINABILITY

In 2015 we conducted an online training on Anti-corruption and Anti-bribery. It successfully targeted 250 employees around the globe who were identified as susceptible to incidents of corruption, with 100% completion rate.

In 2016 we launched an online training on Beckers Code of Conduct, planned to reach all employees during 2017. We started with a selected group of 201 persons in 2016, who all successfully finalized. Completion rate 100%.

Beckers also use an online training on the sustainability framework, “Sustainability Journey” by The Natural Step. This course has been offered to 909 employees so far and the full completion rate is 65%. This training will be continued with on-site trainings to reach everyone.