



FABER-CASTELL

since 1761



FABER-CASTELL IS CARBON-NEUTRAL
FACTSHEET 2015

This Factsheet is based on data as of 31 July 2015. For more detailed information about the company, corporate social responsibility and details on the reporting guidelines according to GRI, please visit www.faber-castell.de.

FABER-CASTELL AT A GLANCE

COMPANY FACTS AND FIGURES

Faber-Castell Aktiengesellschaft	D-90546 Stein, Germany
Management Board	Countess Mary E. Gräfin von Faber-Castell, Thomas Dippold, Rolf Schifferens, Dr. Hans-Kurt von Werder
Founded	1761
Marketing/Sales regions	Europe/North America, Asia/Pacific, Latin America
Production sites	in 9 countries
Operating companies	in 22 countries
Sales offices	in more than 120 countries
Employees	approx. 8,000 worldwide
Certifications	ISO 9001, ISO 14001, FSC®-FM, FSC®-CoC, PEFC, Ecocert
CSR	Faber-Castell Social Charter, Faber-Castell projects Sustainable Forestry Brazil & Colombia; UN Global Compact; Biodiversity in Good Company Initiative; the German environmental management working group B.A.U.M.; the Bavarian Environmental Pact; Association of European Sustainability- and Eco-Management Professionals (VNU); German Network for Business Ethics (DNWE)
Foundation	Graf von Faber-Castell Children's Foundation

Detailed information on the business growth of the Faber-Castell corporate group is available on our website and at www.bundesanzeiger.de.

FABER-CASTELL PLANT CERTIFICATIONS

Regular audits performed by internal personnel and external auditors serve to identify risks and opportunities at an early stage, allowing us to find solutions and to continuously improve.

Efforts to have all plants certified against ISO 9001 (quality management) and ISO 14001 (environmental management) standards began in 1997. Upon completing of the certification of the Faber-Castell plant in China in 2011, all production locations were covered in the scope of the two internationally recognized management systems. In the years to follow, further certifications and standardization in the areas of sustainable forestry (FSC, PEFC) and Corporate Social Responsibility (Social Charter) have also been introduced and successfully implemented.

Faber-Castell locations which do not manufacture or distribute wood products do not re-

quire FSC or PEFC certification. Accordingly, “not applicable” is stated regarding sustainable forest management criteria for these certain locations. The plant in Engelhartzell, Austria, for example, specialises in plastic markers, and is therefore not within the FSC or PEFC scope. Furthermore, the locations in India are presently rebuilding and modernising their production processes as part of a re-organisation which involves construction of new buildings. ISO certification for this location is planned for late 2015.

The various certifications ensure that Faber-Castell production sites around the world meet high standards, particularly in the area of sustainability.

Faber-Castell is also reviewed by customers on a regular basis for compliance with international codes of conduct.

CERTIFICATION OVERVIEW

Country, Plant	ISO 9001	ISO 14001	FSC®	PEFC	Social Charter
Brazil, São Carlos	yes	yes	yes	n.a.	yes
Brazil, Prata	yes	yes	yes	n.a.	yes
Brazil, Manaus	yes	yes	n.a.	n.a.	yes
China, Guangzhou	yes	yes	yes	n.a.	yes
Colombia, Bogotá	yes	yes	yes	n.a.	yes
India, Goa	—*	—*	n.a.	n.a.	yes
India, Daman	—*	—*	n.a.	n.a.	yes
Indonesia, FCI	yes	yes	yes	yes	yes
Indonesia, FCII	yes	yes	yes	n.a.	yes
Indonesia, PLI	yes	yes	n.a.	n.a.	yes
Malaysia, Kuala Lumpur	yes	yes	yes	n.a.	yes
Peru, Lima	yes	yes	yes	n.a.	yes
Austria, Engelhartzell	yes	yes	n.a.	n.a.	yes
Germany, Stein	yes	yes	yes	yes	yes
Germany, Geroldsgrün	yes	yes	n.a.	n.a.	yes

*plant in reconstruction

FABER-CASTELL GROUP GREENHOUSE GAS EMISSIONS

In the 2013/14 fiscal year, the total volume of the Faber-Castell Group’s greenhouse gas emissions in scopes 1, 2 and 3 summed up to a total of 35,876 t CO₂ equivalents¹). This total amount of GHG emissions in the 2012/13 fiscal year was 32,868 t CO₂e. The increase in emissions is a result of growing international product demand and an increase in production of wood-cased pencils to approximately 193 million units.

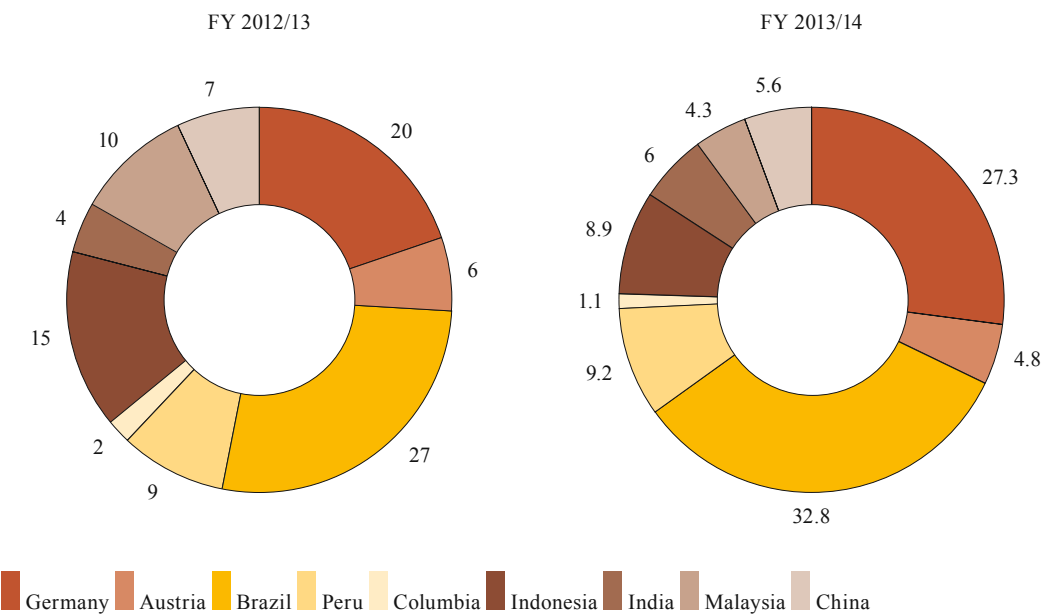
Many measures aiming to reduce CO₂ emissions are already in place. For instance, buildings at our central location in Stein, Germany, have undergone renovations for energy efficiency, thereby being able to contain the increase emissions by only 9 %, although the amount of production rates have increased by more than 11 %.

The increased amount of scope 2 emissions in Germany is due to the renovation of the hydro-power turbine in Stein, which normally provides 30% of the site’s electricity requirements. During the construction, the turbine generated less electricity from hydropower, and therefore the remaining energy demand was procured externally.

Approx. 20 % more electricity was consumed in Malaysia in the 2013/14 fiscal year due to a roughly 40 % increase in eraser production.

The increase in the scope 3 emissions for Brazil was due to expansion of the scope with more data on domestic and international passenger flights. Additionally, the production increase by 15 % leads to increase of transport emissions for delivery of goods.

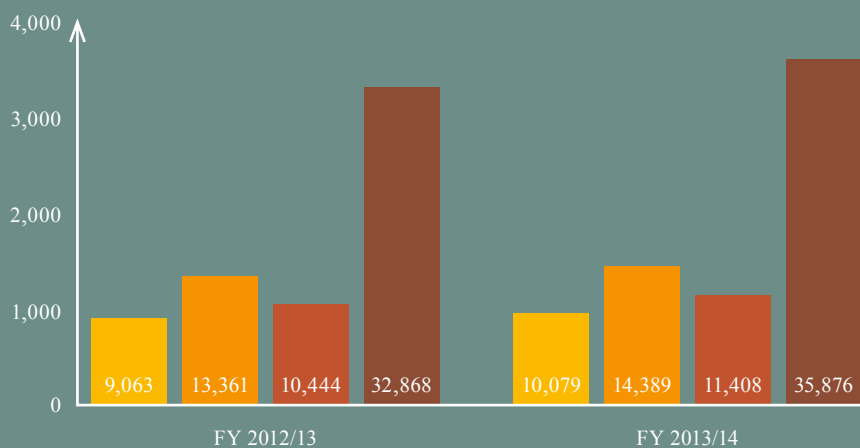
BREAKDOWN OF CO₂ EMISSIONS IN TCO₂E FOR FISCAL YEARS 2012/13 AND 2013/14



GREENHOUSE GAS EMISSIONS BY COUNTRY

[t CO ₂ e] Fiscal year	Scope 1		Scope 2		Scope 3		all Scopes	
	12/13	13/14	12/13	13/14	12/13	13/14	12/13	13/14
Faber-Castell Group	9,063	10,079	13,361	14,389	10,444	11,408	32,868	35,876
Germany	1,308	2,250	2,702	4,893	2,726	2,603	6,736	9,747
Austria	72	39	245	210	1,525	1,474	1,841	1,722
Brazil	6,119	6,111	1,801	1,846	1,093	3,757	9,013	11,714
Peru	542	566	1,716	2,134	562	581	2,821	3,280
Columbia	27	40	51	51	461	293	539	384
Indonesia	874	943	2,654	1,587	1,370	641	4,898	3,171
India	— ²⁾	51	496	846	982	1,231	1,478	2,129
Malaysia	— ²⁾	— ²⁾	2,851	1,202	414	320	3,265	1,523
China	121	79	845	1,620	1,311	305	2,277	2,004

DEVELOPMENT OF ALL EMISSION SCOPE FOR THE FISCAL YEAR 2012/2013 AND 2013/2014



¹⁾ According to the Kyoto Protocol, greenhouse gas emissions include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), fluorocarbon (HFCs), sulphur hexafluoride (SF₆) and perfluorocarbons (PFCs).

A 'CO₂ equivalent' or 'CO₂e' is utilised as a standardised unit for quantifying the global warming potential of other gases in relation to the global warming potential of CO₂.

²⁾ No scope 1 data was recorded for these plants.

Rounding differences are possible.

INPUT AND OUTPUT BALANCE OF PRODUCTION SITES

INPUT		FY 2012/13	FY 2013/14
Raw materials	Wood (slats)	139,017 t	138,298 t
	Plastics	6,340 t	5,743 t
	Clay	320 t	335 t
	Kaolin	3,258 t	4,355 t
	Graphite	552 t	536 t
	Water-based paint	101 t	82 t
	Paints containing organic solvents	1,032 t	1,054 t
Water	Water total	344,589 m ³	312,522 m ³
	including groundwater (e.g. wells)	201,658 m ³	171,346 m ³
	including water from water utilities	142,931 m ³	141,177 m ³
Non-renewable Energy	Natural gas	12,361,356 kWh	11,328,445 kWh
	Liquid natural gas	178 m ³	—
	Diesel	1,555,701 l	1,768,159 l
	Heating oil	18,173 l	37,466 l
Renewable energy	Hydroelectric power	1,229 MWh	664 MWh
Electricity	Electricity (grid mix)	59,820 MWh	67,684 MWh
OUTPUT		FY 2012/13	FY 2013/14
Products	Wood-cased pencils	2,133,409,325 units	2,326,778,831 units
	Ink pens, markers, erasers and writing accessories	794,065,322 units	701,020,554 units
Waste water	Indirect discharge into sewer system	166,666 m ³	164,232 m ³
	Direct discharge into waters via company wastewater treatment facilities	3,994 m ³	14,404 m ³
Emissions	VOC emissions from paint ¹⁾ at property border	362 t	303 t
	Average noise at property border (day) at property border	62 dB(A)	64 dB(A)
	Average noise at property border (night)	52 dB(A)	59 dB(A)
CO ₂ emissions	Scope 1	9,063 t CO ₂ e	10,079 t CO ₂ e
	Scope 2	13,365 t CO ₂ e	14,389 t CO ₂ e
	Scope 3	10,444 t CO ₂ e	11,408 t CO ₂ e
Waste	Hazardous waste	535 t	485 t
	Non-hazardous waste	3,552 t	4,244 t
	Total percentage of recyclable waste	—	56 %

Raw materials

Improvements in resource efficiency have resulted in lower wood consumption in production of wooden slats for the manufacture of wood-cased pencils.

Non-renewable energy

A slight increase in transport volume resulted in an approximately 13% increase in diesel consumption by company-owned commercial vehicles. The increase in heating oil consumption resulted from use of small quantities of heating oil instead of natural gas at the Stein location due to market factors.

Renewable energy

One of the by-products of wood-cased pencil production is sawdust. This wood waste is reused in the form of pellets for energy utilisation at the Brazilian and Stein locations, or for external sale. Lower hydropower energy generation was due to the temporary shut-down of the hydropower turbine in Stein location for renovation purposes. The turbine resumed full operation again in 2015.

Electricity

The approximately 13% increase in power consumption was mainly due to greater manufacturing-related usage at production plants in Brazil, Indonesia and Peru.

Products

Wood-cased pencil production increased by approximately 9% in the fiscal year 2013/2014 in comparison to 2012/13, which was a result of higher global demand. Production of ink pens, markers, erasers and writing accessories declined by 12%.

Wastewater

Direct water discharge through company water treatment facilities increased by more than 10,000 m³. This is mainly due to the construction and modernisation of a core pencil production facility in Indonesia.

Emissions

VOC emissions sank mainly due to pencil paint optimisation measures in Brazil. Noise emissions at some plants have risen due to manufacturing and technical building-related factors. Measures are thus being introduced to reduce noise levels.

Waste

In fiscal year 2013/14, 158 tonnes of hazardous waste were reported treated according local regulations, and over 2,000 tonnes of non-hazardous waste were produced. More than 56% of total waste was recyclable in fiscal year 2013/14. Specific global targets are in place for increasing the relative amount of recyclable waste.

¹⁾ VOCs are 'volatile organic compounds' which easily evaporate and exist in gas form at low temperatures.

SOCIAL RESPONSIBILITY DATA

	FY 2012/13	FY 2013/14
Employees		
Number of employees worldwide	approx. 7,500	approx. 8,000
Percentage of women	47 %	43%
Percentage of handicapped employees	1.9 %	1.8%
Number of research and development personnel	117	105
Employment status		
Percentage of directly hired employees	86.5 %	96%
Percentage of employees hired through agencies	13.5 %	4%
Employee turnover		
Turnover rate	17.8 %	20.8
Sozialcharta		
Production site participation	100 %	100 %
Production sites with plant works council	100 %	100 %
Production sites with collective agreements	86 %	86 %
Illness, accidents, fatalities		
Number of trained first-aiders	219	627
Number of reportable occupational accidents	195	119
Number of reportable accidents per million hours worked (no. accidents x 1 million ÷ total work hours worked)	8.4	6.2
Number of occupational illness cases	33	12
Number of fatalities	1	0
Apprenticeships and employee continuing education		
Number of apprentices	61	91
Average number of continuing education hours per white-collar employee	19.5	12
Average number of continuing education hours per blue-collar employee	12	8.9
Human rights		
Number of reported corruption incidents	0	0
Number of reported discrimination incidents	0	0

Employees

The number of Faber-Castell employees worldwide increased to 8,000 in comparison to the fiscal year 2012/13 primarily due to initial consolidation of the Indonesian subsidiary PLI and hiring in Brazil.

Employment status

Directly hired employees include employees on permanent and temporary contracts, excluding agency hires. The approximately 10% increase in directly hired employees resulted from the steady growth of group companies and from revised staffing policies discussed in connection with the social responsibility audits. These social audits were conducted with the aim to convert precarious employment contracts into regular direct employment contracts.

Employee turnover

Increased staff turnover was observed in China and some Latin American countries, causing the turnover rate for fiscal year 2013/14 to rise slightly by 3%. This was related to country-specific circumstances, especially in China. Faber-Castell is utilising employee retention programmes to counteract such developments.

Illness, accidents, fatalities

The number of trained first-aiders rose to over 600 employees in the fiscal year 2013/14, which could be attributed to first aid training at all production sites. The lower accident rate reflects the emphasis on occupational health and safety at Faber-Castell. Prevention measures are being implemented to further reduce the accident rate including increased documentation of 'near miss' cases. The single fatality that occurred in fiscal 2012/13 was a commuting accident in Indonesia.

Apprenticeships and employee continuing education

The number of training hours per office employee (including office workers, department heads and managers), declined slightly in fiscal 2013/14. Increased continuing education hours were allocated to employees in the production units in fiscal 2013/14, who include production and other manufacturing-related personnel.

Human rights

Faber-Castell maintains an exemplary human rights record. According to group-wide plant data from the FIS Report, the FABIQUS data management system, and Social Charter audits, no incidents of corruption or discrimination have been reported at any plants worldwide.

CSR KEY FIGURES AND BENEFITS FOR THE COMPANY

GOALS

TARGET DATE

To continue to be the lead as the 'best of class', we have introduced further innovative and high-quality products and secure existing high product quality.

ongoing

To ensure customer satisfaction and the long-term viability of the Company

To further strengthen the visibility of Faber-Castell as a global brand while ensuring solid, sustainable growth and profitability for the individual corporate divisions.

ongoing

To enhance brand values, increase Group profits, fund long-term investments to maintain and expand production facilities and jobs.

To optimise supplier management with regard to quality, the environment, social responsibility and reliability

ongoing

To uphold our high standards at Faber-Castell throughout the supply chain, promoting optimisation of supplier processes and product quality..

To support international school and children's projects.

To further expand our social responsibility and local aid activities

ongoing

To continue the Arboris and Animalis programmes.

To conduct a further biodiversity study of the forest plantation in Brazil to identify possibilities for optimising sustainable forest management and promoting biodiversity

ongoing

To initiate a biodiversity programme at the forest plantation in Colombia.

To conduct an ongoing biodiversity study at the forest plantation in Colombia to identify possibilities for optimising sustainable forest management and promoting biodiversity

As of 2015/2016

To optimise measures to reduce specific energy consumption, thereby lowering CO₂ emissions and energy costs.

As of 2015/2016

To introduce an energy management system in compliance with ISO 50001 for the German plants and develop optimisation measures for other plants.

FABER-CASTELL CONTRIBUTES ACTIVELY TO ENVIRONMENTAL PROTECTION



Faber-Castell contributes actively to environmental protection

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