

SCHULZ FARBEN- UND LACKFABRIK

SUSTAINABILITY BROCHURE

2021



BETTER. DIFFERENT. COLOR. LIFE.

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Who we are, what we do and the values we abide by while pursuing our goals, perfectly describes our Schulz claim "Better. Different. Color. Life". Our company's guiding principle is reflected in our daily life and when dealing with our business partners.

For us, sustainable entrepreneurship means to be aware of and be responsible for the impact of our actions.

We have a responsibility to our employees in offering them a safe and healthy place to work with good prospects.

Responsibility to our ecosystem and to protect its resources so that the next generation will inherit a world worth living in.

And not least, of course, responsibility to our customers and suppliers with whom we maintain strong partnerships based on respect, trust, and dependability.

Independence and sustainability, broken down into environmental, economy and social responsibility, form the basis for our medium and long-term sustainability strategy, which we are currently developing and will break down clearly into our annual objectives across the different processes. Within these pillars, action fields determine the key topics and the measures related to our commitment to sustainability.

Work and project groups are defined to implement these measures, who manage and monitor the operational implementation of the topics.

Consistently implementing these objectives ensures we are future-proof and are paving the path to success for the next generation.

Take a look at our CSR activities and get to know Schulz as a sustainable company.

BETTER. DIFFERENT. COLOR. LIFE.

"We are an active entrepreneur family with a tradition going back more than 55 years. A family who acts responsibly and manages with foresight and with a long-term view. Respect for every individual is central to our cooperation with each other. Together we ensure that the economic success of our company is sustainably assured."



MICHAEL SCHULZ
MANAGEMENT





WHY CSR?

If you wish to practice sustainability efficiently, you need to take targeted action. For this reason, at Schulz we decided to develop a sustainability strategy, which is based on the CSR (corporate social responsibility) approach and supports us to implement sustainability holistically and economically. At the heart of this strategy: Our employees!

ACTIVE SUPPORT FROM ALL DEPARTMENTS

In 2019 we set up a team that organizes, professionally supports, and handles all matters relating to sustainability. This CSR team is made up of managers and employees from various specialized departments who represent the various departments with their specialist knowledge and own perspectives. Working together in an interdisciplinary team brings to light relevant issues that need to be changed and these are worked on collaboratively. However, Schulz also works dynamically on sustainable transformation outside of the CSR team. In this way, each and every one of our employees can contribute ideas and suggestions for the CSR team at any time. This produces a well-founded approach that everyone supports and which really works.

CSR ON A DAILY BASIS

But what exactly does our CSR team do? The main task of the team is to conduct workshops and analyses and, in collaboration with the relevant departments, determine specific measures to implement greater sustainability in the company. In addition, the team publishes the latest information via the company's own channels about environmental protection or amended legal requirements and provides workshops on current topics such as human rights or supply chains. Besides their specific activities within the team, each team member acts as a type of "sustainability ambassador", raising awareness of CSR and helping to embed sustainability in the company.

OUR CSR INDEX

Actively supported by all the applicable departments, we implemented the Schulz CSR Index. The indicators in this index were set up according to the Global Reporting Initiative (GRI) and supplemented by industry and company specific indicators. This index enables us to measure, set targets for and monitor the success of all CSR-relevant company activities and projects. Furthermore, it serves as a management and decision-making tool for our strategic management.



A TEAM FOR THE TEAM!



Tobias
(Human resources)

A good CSR strategy helps to find and retain employees. This is especially important for us in human resources, as there is currently a real shortage of skilled employees. I am convinced that if you treat humans, the environment and resources with respect both within and outside of work, then you will gain the trust of potential skilled employees.



Luisa
(BA student)

Companies that manage to keep their finger on the "CSR pulse" and implement this strategy, will possess the crucial competitive advantage of the future.



Jens
(Production)

I have worked in the renewable energy field for many years and there of course, you always had corporate social responsibility activities at the forefront of your mind. In the long term, it's not only society, but the entire Schulz team that benefits from a company that acts more sustainably.



Andreas
(Marketing / CSR project management)

Acting in a sustainable way and with a sense of responsibility for the environment and your surroundings is not down to a single person. Industrial manufacturers in the chemical industry like us have both a huge responsibility and the power to change things and drive them forward. This motivates me and I am happy to address these topics in the team.



Michael
(Laboratory)

We already need to think about tomorrow, today. At present, not all end consumers are willing to pay more for sustainability, but that will change. The time will come when customers will demand it and I expect our company to have a competitive advantage as a result of its consistent CSR focus. It will bring us future security.



Christian
(Training / CSR project management)

Through my work in the CSR team I can make a contribution on a daily basis. Every day I am asked to challenge myself and critically scrutinize my actions for the company. I very much welcome the fact that Schulz tackles this topic holistically with a long-term view. Especially with regard to legal requirements (supply chain law, CO2 balance, climate protection law etc.), Schulz is constantly facing new challenges.



Torsten
(Supply chain / CSR project management)

I believe it is important to accept social and ecological responsibility within and for the company, beyond the present legal regulations. Along with your personal attitude, I am convinced that we will generate a competitive advantage with this commendable behavior.



Vladimir
(Warehouse logistics)

A consistent shift in our awareness of our environment and fellow humans is more important than ever. Everyone can make their contribution whether in private or at work. For Schulz, it is an excellent opportunity to set an example and to contribute to the future.



Patrick
(Graphic design)

Each of us can help. On a small or large scale. To be able to act sustainably, we also need to think sustainably. Being able to change things that will positively impact the future is a great motivation. Even if we have to put in a little extra work for it. In the end it's worth it and we all benefit.



Tham
(Accounts)

We are already feeling the effects of climate change and everyone should do their bit to help better protect the environment. CSR at work provides a tool that can help to decrease/reduce the CO2 or ecological footprint.



Patric
(Back office)

We are all in the same boat where our future is concerned. There is only one earth and time is short. If you consider the next generations (our children and grandchildren), we are responsible for the way their future will be. Everyone therefore has a major and decisive influence on the diminishing availability of natural resources and can work to counteract this by their consumer behavior or action. I would like to play my part as well.

FROM „ONE MAN OPERATION“ TO MIDSIZER!



Dieter Schulz and his wife Herta Schulz

When Dieter Schulz started his business on 1 April 1966 under the name "Pinsel Schulz" (literally 'paint brush Schulz'), his priority was initially to provide specialist retailers with painting supplies. Once the new DIY business model emerged at the end of the 1960s, Dieter Schulz soon recognized that this meant the start of a new era for him. "I relied on my gut instinct then, and it was the right thing to do," says Dieter Schulz.

After purchasing second-hand stirrers and filling machines, and moving to a bigger production facility in Bad Kreuznach, Schulz started to produce his own paint in the 1970s. "Success was not long in coming; together with my new key DIY companies I created a range of own brands, which included all the products from the basement to the roof," says Schulz. In subsequent years, Dieter Schulz also successfully asserted himself on the market and his company continued to develop and grow.

At the beginning of the 1990s, he moved to a new plant at Langenlonsheim, managing the company succession with his son Michael.

Today, Schulz Farben- und Lackfabrik GmbH is one of the most important German paint producers for retail companies and the course is already set for the next generation: an investment of more than €26 million has been made in the construction of a new logistics building, the restructuring of the production process and in machines and facilities. This promising investment serves to satisfy 100% of future customer demands and safeguards the jobs in the Rhine-Nahe region.

STRONG GROWTH IN RECENT YEARS

The current site was constructed in 1998. Since then, the output has more than quadrupled in volume and therefore requires a significant expansion in capacity. Along with the extraordinary expansion of the premises, the production and supply chain processes will also be optimized. Automation and optimized transport and warehousing processes will serve to optimally fulfill rising customer requirements. The extension guarantees that we can quickly and suitably react to the applicable order volume.

POSITIONED FOR A SUSTAINABLE AND SECURE FUTURE

Upstream of the new construction and conversion, the relevant preparations were made in 2020 to continue serving customers at the highest level even during the construction phase. In the neighboring state-of-the-art marketing and distribution center on Altnah 32, the sales-related departments are arranged close to each other to ensure the best possible coordination and communication.

Relocating the finished goods logistics of a key account to a hall at the other end of the street created the necessary free areas for production and filling. In addition, the production of products that contain solvents was outsourced to a supplier as only waterborne products will be manufactured in Langenlonsheim in the future. "This is an important and consistent step towards our sustainable company focus" stresses managing director Andreas Spies.

Besides well-thought-out waste and water circulation concepts, the plant restructuring also takes into account measures relating to occupational health and safety. "The reconstruction and expansion measures mean increased employee safety, we will start an organized two-shift operation and can ensure smooth workflows at any time. Due to the capacity and product expansion, we will increase our productivity enormously" Spies explains.

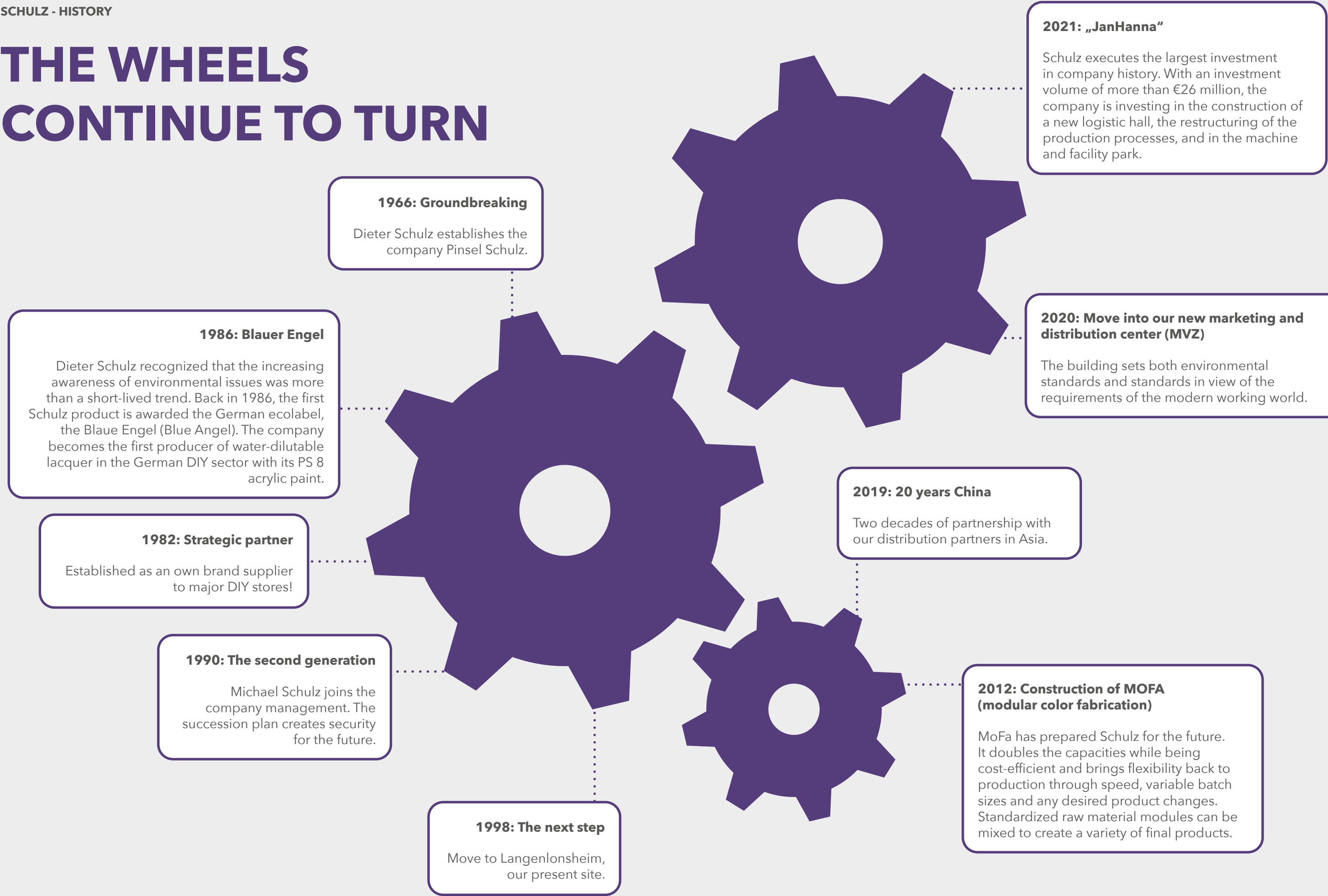
JUNIOR STAFF ON STAND BY

The project bears the name "JanHanna". The choice of name clearly signifies the long-term future-focused thinking of the family-run medium-sized company. The project name is inspired by the first names of both Michael Schulz's children. Both are currently completing a degree course and will take on responsible positions in the company in a few years.

"I am delighted that my children have decided on this path. We are thereby setting a positive course for the future of the company and are safeguarding the site and jobs as a major regional employer. This is how you might imagine a medium-sized business in Germany!", Michael Schulz seems very happy and content.



THE WHEELS CONTINUE TO TURN



INVESTMENT FOR THE FUTURE



We avoid unnecessary transport and thereby CO2 emissions thanks to our newly created logistic points.



Regulated driving and walking routes create space and lower the risk of accidents on our premises.



- 175,000 sqm enclosed space
- Intralogistics
- Shelf systems for 23,000 pallet bays



Outsourcing solvent-based products increases the occupational safety for on-site employees.



Schulz safeguards jobs at its Langenlonsheim site for the long term.



CSR ASPECTS OF MODERNIZING OUR PRODUCTION

As a result of new pump and transfer connections we save energy and material, and protect the environment.

Thanks to the new silo park we achieve almost dust-free production and thereby protect our employees' health.

Minimizing production waste by setting out a clear concept in the wastewater and disposal field.

The logistics hall will be constructed by a general contractor in a systematic design: Major construction components are produced industrially in the contractor's own manufacturing plants and delivered to the construction site according to a just-in-sequence strategy. This significantly reduces waste of resources and emissions compared with conventional construction. The system we are using for the logistic halls has been granted a gold certificate by the German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen, DGNB).



THE THIRD GENERATION STANDS BY

The major new construction and restructuring project bears the name "JanHanna".

Not by chance. Jan (22) and Hanna (20), the children of the CEO Michael Schulz, are the third generation that, sooner or later, will take the reins of the family-run company. Jan is studying economics of small and medium-sized companies in Kaiserslautern

and Hanna is completing her course on SME management in Koblenz. Both want to gain work experience after their studies in other companies in order to be well prepared to step in the footprints of their father and grandfather. As a rough timetable, both are expected to join the company in the next five years.

Michael Schulz: "There is still enough time but I'm very happy that this will happen. This is how we safeguard long-term jobs in the region."

Jan Schulz: „There is no set date. My course still has another one and a half years to go. I would like to first gain work experience in an external company and then join here."

Hanna Schulz: „I just started my studies. It's a good idea to see how things are done elsewhere, which can be done as part of a work placement within the course."

Eyes firmly on the future (from left to right): Andreas Spies, Herta Schulz, Dieter Schulz, Hanna Schulz, Jan Schulz and Michael Schulz

ECOLOGICALLY SOUND



OUR RESPONSIBILITY

We are committed to being a sustainable enterprise and accept responsibility for future generations. Which is why we have set ourselves the task of generating our profits in an environmentally friendly way. This means not just talking the talk, but also walking the walk: We conserve the earth's climate and resources through:

- Efficient production methods
- Cutting-edge waste water and waste management and recycling
- Increasing the proportion of eco-friendly products
- Measures to reduce energy consumption and emissions
- Regular training about the sustainable handling of our products
- Projects for greater biodiversity



EFFICIENT PRODUCTION METHODS

The recent conversion of our production to closed systems represents a milestone in our environmental protection efforts. In comparison with open systems, we require significantly less water to clean our facilities and the deployed material can be used more effectively.

Furthermore, a new pigging system was bought and commissioned in 2014. Pigging systems help recover more residual product in the supply lines and help to avoid cross contamination in the production process. This causes less "transition paint" and consequently also less waste material.



In addition, we have invested in a new automatic boiler cleaning system, as well as new pump and transfer connections, which enables a more efficient use of the raw materials and avoids needing cleaning water.

A new cleaning procedure complements these technical innovations. In April 2020, we revised the way we handle "transition paint", which cannot be sold and accumulates with production and batch changes. By January 2021, this approach has already enabled us to return 64,480 liters of paint back into the process and avoid generating a further 71,750 liters.

That's a total of 136,000 liters of paint that did not need to be thrown away.

Not only have we invested in new machinery and facilities, but we have also started to extensively digitalize our production. At Schulz in future we will be able to precisely measure the energy required and used in individual production stages, which will enable us to continuously improve our operation and use material even more efficiently.

All these innovations in the production field help save precious water, use less energy and effectively protect the resources of our planet.

STATE-OF-THE-ART WASTE WATER/WASTE MANAGEMENT AND RECYCLING

In 2020, Schulz received 28,788 m³ of water, 8,242 m³ of which was disposed of as waste water. This is about three percentage points more waste water than in 2019. However, in view of our production output, the water requirement was reduced by 1.5 percentage points compared to the previous year. This is attributed to the modernization of our production facilities. But we want to achieve even more: Our goal is to sort our waste water from 2023 and to recycle re-usable water back into the production circuit with the remaining water being recycled in our own treatment plant.

In the field of application technology, our eco-friendly wash stand for painting tools is already in use and helps to save water.

Along with continuously optimizing our water consumption and waste water management, we pursue a clear recycling strategy.

A deliberate choice based on its superior recycling quality, we use tinplate as a packaging material. In doing so, Schulz helps to bring less plastic in circulation and to promote recyclable packaging.

As well as tinplate, Schulz also relies on innovative recycling projects.

THE SMALL THINGS ALSO COUNT

As sustainability is part of our company culture, we also try to incorporate little changes in our daily work: We try to print out as little as possible, we collect empty ink cartridges and return these to the producers and we have voted against plastic stirrers.

For example, we dry our sewage sludge, so it can be used by the construction industry. Our sewage sludge is therefore used to produce new bricks – a perfect example of recycling.

In the past year, we also installed a high-efficiency paper and cardboard press, as well as a new foil press. We don't simply dispose of foil and cardboard, we systematically return it to the material cycle.



The same applies to our empty raw material containers: Thanks to our barrel press, we can save space and make fewer trips when returning our empty barrels to recycling depots. Which reduces our transportation by 65%.

Along with our presses, we also use clever return systems. For example our bulk containers (IBCs). Instead of being disposed of at Schulz, they get collected, returned and reconditioned and fed back into the production cycle.

We organize our remaining waste using the "Valorlux" collection and recycling system.

The name "MEWA" stands for an especially successful project in terms of preventing waste. These special cleaning cloths increase the cleanliness of our facilities and proudly prevent 40 metric tons of waste per year.

ECO-FRIENDLY PAINTS

Waterborne coatings are a core component of our product range. Coatings are referred to as waterborne coatings if they contain a significantly smaller proportion of organic solvents than conventional coatings, and therefore a high water content. These products mean that less hazardous solvents are released into the environment.

Some of our waterborne coatings carry the Blaue Engel ecolabel due to their particularly low content of organic solvents. By 2024 we aim to increase the number of paints bearing the Blaue Engel by a further 25%. At present, more than 50% of our products bear this blue ecolabel.



www.blauer-engel.de/uz12a

In addition to our waterborne coatings, our range also includes two eco-friendly products made from the natural construction material: clay paint and clay roll-on plaster. These are produced using up to 95% renewable and/or regenerative raw materials, are biodegradable and have a positive impact on the indoor climate. And of course, these two products contain no solvents.

Reducing CO₂ together – this motto also defines our cooperation with our suppliers. We source raw materials that have been produced with renewable raw materials according to the certified biomass balance method. This gradually increases the proportion of binders based on renewable raw materials in emulsion paints, which protects fossil resources and reduces greenhouse gas emissions. In the biomass balance method, our supplier uses biomass instead of fossil resources as raw material for binders right at the start of the value-added chain. This biomass is then assigned to specific Schulz products. This method has the major benefit of using renewable raw materials within the existing production network. The product properties are completely preserved.

In 2018, we were presented with the Red Dot award for our Soft Nature product concept.

The concept of an eco-friendly paint container, our "Soft Nature Brainypack", including the preservative-free content, puts the focus on a healthy indoor climate and sustainable use of raw material.



MEASURES TO REDUCE ENERGY USE AND EMISSIONS

As a manufacturer, Schulz requires a huge amount of energy. We are trying to reduce our energy consumption by means of technical innovations and ingenious projects. And these endeavors are bearing fruit: Compared with 2019, we were able to reduce our power demand by about 5.3 percentage points.

But we are still trying to further improve which is why we plan to build a new photovoltaic system. The goal is to generate 25% of the total energy needed by Schulz using this photovoltaic system, without any emissions.

We are also trying, of course, to save energy outside of our production. In our company we are increasingly using energy-saving equipment such as LEDs or solar panels and have recently converted a new office building - our marketing and distribution center "MVZ" - which sets standards in energy efficiency.

To further reduce our emissions, we will have consolidated our external warehouse site by 2022, thereby significantly reducing transport routes.

REGULAR TRAINING FOR THE SUSTAINABLE HANDLING OF OUR PRODUCTS

We want our paints to be used appropriately and in an environmentally responsible way. Which is why we hold a number of customer training sessions and workshops each year that show how to work with our products efficiently and cleanly.

We also regularly conduct application and product tests. Also in cooperation with our customers.

PROJECTS FOR GREATER BIODIVERSITY

We actively contribute to protecting biodiversity by creating habitats for bees on our premises. Through sponsorship, three bee colonies have found a home in Langenlonsheim.



SMALL CLOTHS! BIG IMPACT!

In production, we used to use rags for cleaning, all kinds of old clothes, towels etc. After use, the rags were disposed of and could not be used again. This system was replaced by MEWA's cloth leasing service.

Using this service we now receive cleaning cloths, which are picked up after use and specially cleaned. These cleaning cloths can be used several times as they are extremely robust.

THE BENEFITS:

Cost saving:

Previous total cost of old rags per year: €33,810.40 (obtaining and disposal)

New total cost of MEWA replacement cloths per year: €29,567.60 (incl. logistics)

Eco-friendly: We needed 2400 kg of old rags per month, which were disposed of right after use. The basic package for the MEWA replacement cloths is about 21,000 cloths with an estimated loss of about 5000 cloths annually. They are also 100% 'Made in Germany' and cleaning is subject to strict environmental regulations.

Occupational safety: As the old rags were all different shapes, lengths and materials, there was a risk of injury as a result of them getting caught or snagged on work equipment or rotating machine parts. The new replacement cloths are smaller, square, and are made of a robust, non-elastic material. It is almost impossible to get entangled!

Industrial hygiene: The old rags were not desirable from a microbiological perspective. At worst, the rags could have been contaminated with bacteria and mold, which increased the risk of our products being contaminated. The change rags are washed at 92 °C according to the customer, i.e. separately. According to microbiological testing by our special department, all tested cloths achieved good results after washing.

DID YOU KNOW?

According to the Verbraucherzentrale North Rhine-Westphalia (customer advice center), each federal citizen adds about 16 items of clothing per year to the curbside collection or the used clothes container - that equates to a clothing mountain of about 1.1 million metric tons of textiles per year.

FULLY AUTOMATED IN THE FUTURE

TECHNOLOGY LEADERSHIP IN ARCHITECTURAL PAINT PRODUCTION

At Schulz, our products are produced using the world's most advanced production plant for architectural paints, the "modular paint factory (MoFa)". It is an efficient and fully automated plant that can produce large quantities of base material. This base material is the starting material for all Schulz products. Corresponding auxiliary materials as required by the formulation, complete the respective final products. The MoFa is the centerpiece of our production machinery and enables flexible, cost-effective and environmentally friendly production.

A SHORT STORY ABOUT MOFA

To continue growing and being sustainable, we had to radically renew our production at the beginning of 2011. As we couldn't justify a conventional silo plant economically, we set an aspirational and ambitious goal: To develop a tailor-made and fully automated plant. For this we borrowed expertise from the automotive and food production industry, centuries-old paradigms were turned upside down, we collaborated with scientific institutes

and therefore consulted many creative minds. And this plan worked out. By the end of 2012, we commissioned the first modular paint factory of the architectural paint sector.

BENEFITS FOR HUMANS AND THE ENVIRONMENT

Commissioning the MoFa meant that production also became easier for our employees. It eliminated the heavy muscle work involved in transporting raw material bags and significantly reduced dust exposure in production. In general, the extensive automation drastically improved occupational health and safety for our employees. Powdered raw materials were processed in a closed system, which eliminated any dust formation in the work area.

Besides these social improvements, the MoFa also means a major environmental step forwards: Compared with conventional dissolver plants, 20% less water is needed to clean the plant and material is used much more efficiently. The number of batches to be produced has reduced by a factor of 5 as well as the number of interim cleaning processes.

RECYCLED!

WHAT EXACTLY IS TINPLATE?

Tinplate is a thin, cold-rolled steel sheet, with a usual sheet thickness of 0.1 to 0.5 millimeter. Once produced, it has no expiry date or permanent loss of quality. This means that tinplate packaging can be recycled any number of times and processes to create new products.

Consequently, our tin of paint today may be the bottle caps of tomorrow.



RECYCLING IN DETAIL

Up to 93% - this figure speaks for itself. The disposal, preparation and melting of used tinplate is so effective that it achieves the highest recycling rate of any packaging material. For comparison: this proportion is about 60% for plastic. Tinplate, therefore, already exceeds the recycling targets of Germany and the EU. In view of the energy balance of tinplate, it does require a relatively high amount of energy to produce but recycling the material can save up to 95% energy compared with producing new packaging. As we are convinced of the enormous possibilities of recycling this material, we want to continually increase the percentage of tinplate packaging in our range. Schulz therefore actively promotes a sustainable circular economy through the integration of tinplate.

OUR LOGISTICS AT A GLANCE

Thanks to its high stacking strength, tinplate packaging can be safely stored and transported throughout the year and at any temperature. That saves space and reduces transportation, which in turn actively saves CO2. Due to its high breaking strength and puncture resistance, transportation is also straightforward and requires no secondary packaging, which again prevents waste. Tinplate also increases the service life of our products: Environmental influences such as humidity, oxygen or light, which could affect the quality of the filled products, are reliably kept at bay. As a result, by using tinplate we avoid our products getting damaged and requiring disposal.



SUSTAINABLE AND ENERGY EFFICIENT



A BUILDING FOR THE FUTURE

On 31 January 2020 it was ready: Our new marketing and distribution center - "MVZ" for short - was opened. About 340m² training and sample area, 11 offices, 1 large seminar room and an inviting coffee kitchen now provide a new workplace for about 30 employees.

The building sets standards environmentally as well as with regard to the requirements of the modern working world.

IT COULDN'T BE MORE EFFICIENT

The MVZ is an energy-efficient building that takes architectural sustainability seriously and puts this into practice.

A sensor-based ventilation system that measures oxygen, intelligent light regulation and an automatic heating system guarantee a building that runs in a way that benefits the climate and its inhabitants' health. In practice this means that when windows are open, the heating switches off. If there's a shortage of oxygen in the room, a warning signal sounds, which informs you that it may be beneficial to get fresh air.

Overall, compared with a comparable building, this structure requires 60% less power and 90% less heating energy per year.

And our employees benefit too: The high air quality, optimum lighting and the highly comfortable heating provide a productive and healthy working environment.

NEW WORK AT SCHULZ

The modern office is much more than just a place to work. It is a meeting point, a place of social interaction.

The MVZ offers short distances, spaces for creative work and informal meetings as well as for focused work. Teamwork and project work are just as easy here as uninterrupted work alone. The architecture of the MVZ promotes an active exchange of knowledge and optimized interface management.

Our MVZ gives us a flexible environment for our employees and customers, which cultivates innovation and competence.

ECONOMICALLY VALUABLE



KEEPING THE FUTURE IN VIEW

We stand by our convictions and want to do more than just talk about sustainability, we also want to act sustainably. This is why Schulz is investing in expanding and intensifying its sustainability efforts.

In the past two years, Schulz has invested more than €150,000 in training and further training its employees.

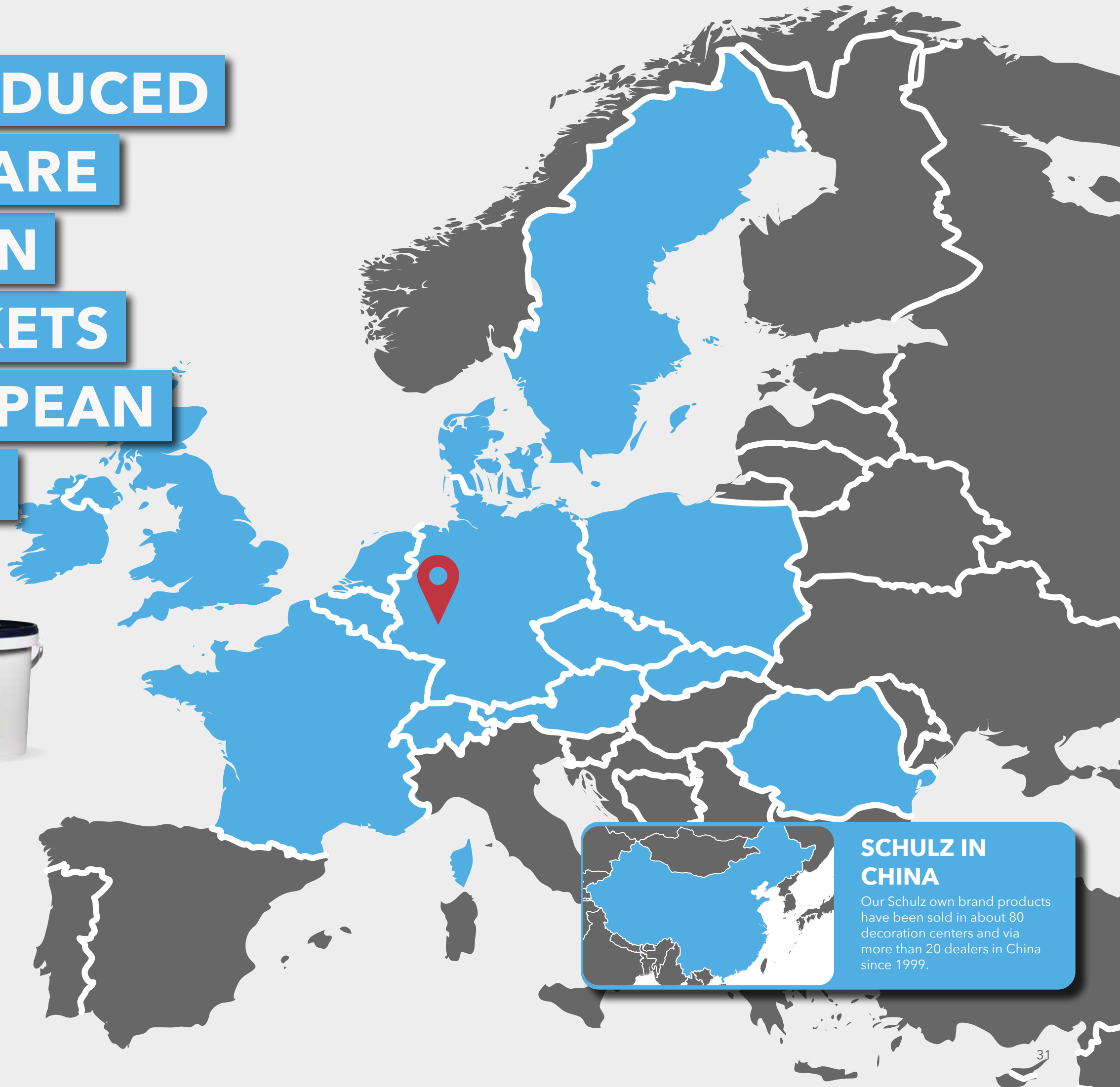
In 2020, the company made a major investment in the field of occupational health and safety. During the Covid-19 pandemic, we made various investments: masks and personal protective equipment, air cleaning concepts in break rooms, free rapid tests, Covid bonuses.

Occupational health and safety was also drastically increased as a result of extensive investments in production.

In addition to these investments, we also significantly increased our participation in offers made by the chemical industry association³ and plan to extend our association work.

To ensure the high quality of our products and keep a constant eye on the requirements of our customers, Schulz is involved in extensive auditing, which are performed by independent testing institutes as well as the TÜV.

**PAINTS PRODUCED
BY SCHULZ ARE
AVAILABLE IN
1,236 MARKETS
IN 14 EUROPEAN
COUNTRIES.**



SCHULZ IN CHINA

Our Schulz own brand products have been sold in about 80 decoration centers and via more than 20 dealers in China since 1999.

PRODUCT INFORMATION MANAGEMENT!



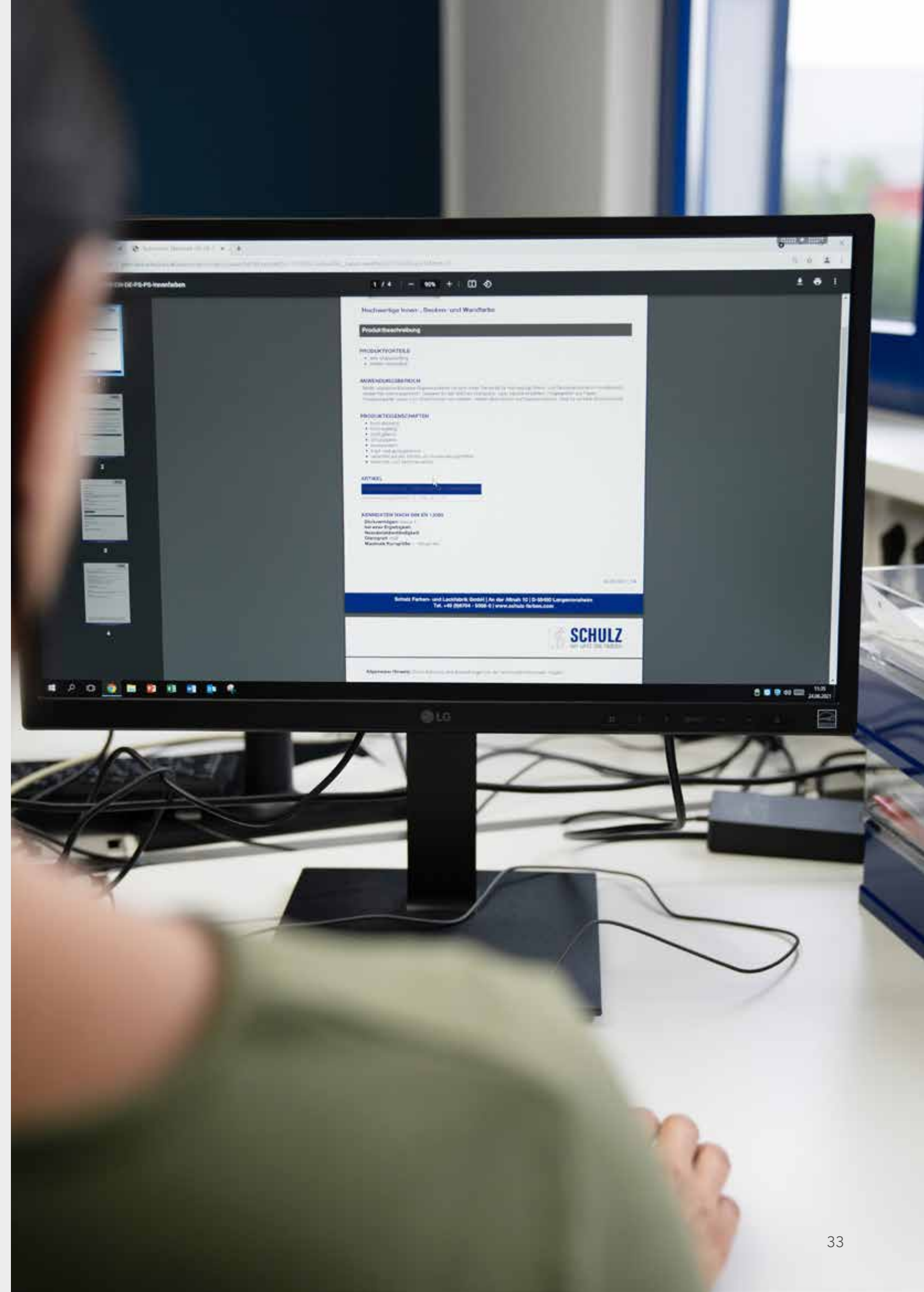
Providing transparent, responsible, and consumer-friendly product information for our customers is a matter particularly close to our hearts.

We also, of course, need to implement and observe increasingly stringent regulations. As a result of progressively advancing digitalization, we are also faced with more and more new technical challenges in the field of data processing and structures. In the past year, Schulz therefore decided to introduce a PIM system (PIM = product information management), which will standardize and centrally administer all the relevant product communication and information.

To make work easier, it will also be possible in the future, to input technical data sheets and labels via an interface.

At a later project phase we will also endeavor to also integrate further print media, the website/online shop and further customer-relevant product data in the system.

An ERP interface will ensure that information is regularly synchronized in the product information system. Despite there being several thousand individual data entries, this system will ensure the product information is comprehensive and transparent. Furthermore, the system will provide efficient and evidence-based workflows, which will crucially improve our workflows in terms of quality management.





SOCIAL & DEDICATED

For us, accepting social responsibility for our fellow humans and future generations means setting an example! We see ourselves as an authentic employer, with heart and tradition, who puts the focus on their employees and future employees. Healthy and motivated employees who “live” their field of work are our biggest asset and the key factor behind the success of our company. For this reason, we support our staff, train young talent from within our ranks and provide every one of our employees with a safe and modern work environment and production site. This is how we secure the future and prospects of our company in the long term.

OUR EMPLOYEES

Schulz stands for internationality and open mindedness. For our employees from 19 countries, we offer various forms of training and advanced training that include, for example, German classes, along with traditional job-related skills training. Our company pension scheme, additional holidays and a corporate benefits platform with employees’ bonus, shows our appreciation for our employees’ loyalty and dedication. We reward pragmatic, solution-focused and creative ideas of our employees with attractive bonuses – organized by our internal suggestion system to promote ideas in the workplace: “Ideenfuchs” (ideas fox).

OCCUPATIONAL HEALTH AND SAFETY

As a result of a transparent and proactive “Covid management” and appropriate early measures, we were able to keep the case numbers in the company at a very low level, thereby maximizing occupational health and safety for our employees and ensuring a safe workflow. We were also able to offer all employees vaccination promptly and at the same time, which was well received. Regular hazard identification and risk assessment in conjunction with heavy investment in occupational safety measures for our staff in production, warehouse, logistics and administration aims to prevent accidents at work and harm to health as far as possible. Concrete measures in this area include a comprehensive migration to closed production systems and the associated reduction in dust pollution and the risk of accident, introducing a vacuum tube lifter to reduce back strain, placing aerosol air purifiers in the common rooms, providing prescription glasses for work and much more. We conduct regular training on occupational safety (fire prevention, first aid, safe loading, hazardous goods etc.). As part of this we largely use TÜV-certified health & safety software as our online training system. This increases the accessibility to information and optimizes transparency and traceability for all participants!

TRAINING AND ADVANCED TRAINING

Offering training placements and developing young talent as part of our regional commitment is especially important to us. Our extensive efforts in connection with our junior employees were commended by the German federal employment agency, who awarded us the “Ausgezeichnete Nachwuchsförderung” certificate in recognition of excellent support of young workers. As a company that offers traineeships, every year we train 26 young people on average in up to nine vocational fields and also offer them dual studies. Our goal is to fill responsible positions with our

own junior staff, as we value continuous progression – especially with our own junior staff. We support ongoing progression with the option of taking educational leave, as well as individual training and advanced training offers. In recent years, our innovative projects and campaigns in personnel management have been recognized with the “HR Excellence Award”.

PRODUCT RESPONSIBILITY

Detailed product information and strict compliance with regulatory requirements provide transparency and assurance to consumers of our products. Training and workshops (also online) for our customers helps us ensure the safe and competent use of our products. As a result, material is used efficiently, the waste volume reduced, and the environment protected. We are pushing ahead with the manufacture of preservative-free wall paint and are constantly increasing the proportion of low-emission waterborne coatings in our total production volume. This ensures the future sustainability of our product range.

SOCIAL COMMITMENT

In our social commitment, we focus especially on projects in which we can apply our specialist expertise. We are happy to provide regular donations of paint and coatings to schools, kindergartens, hospices, and other social organizations. Our team has also actively helped with renovations. As a long-standing partner of several local sports clubs and athletes, we help to promote sport and a healthy lifestyle at elite level and in the younger generation.



TRAINING

AT SCHULZ

HELLO MRS HELBIG, YOU HAVE BEEN WITH THE COMPANY SINCE 1 AUG 2019. WHY DID YOU APPLY FOR TRAINING WITH SCHULZ?

Upon gaining my Abitur (general qualification for university entrance), I looked for vocational training which would give me an insight into a variety of departments to help me find the perfect direction. Schulz offers me exactly that and more. The company is very open to supporting young and enthusiastic people with advanced training. I have also found the paint industry fascinating as the products are used all around us. Schulz was therefore the perfect choice for me.

WHAT WERE THE FIRST FEW MONTHS LIKE AT SCHULZ? WHAT HAVE YOU ENJOYED MOST SO FAR?

The initial "get to know you days" were very well designed. The trainers were very attentive and spent a lot of time preparing us for the training process and you immediately felt at ease. As trainees we were also able to get to know each other before we started in the different departments. The first few weeks working in a department were obviously very exciting, completely different from school. However, the relevant staff made sure they gave us trainees an insight into the department and set us small challenges right away. If you had any questions or uncertainties, there was always someone willing to help and you always felt you were being taken seriously.

IN THREE WORDS, HOW WOULD YOU DESCRIBE SCHULZ AS AN EMPLOYER?

Family feel, innovative, modern!

YOU JOINED THE COMPANY BEFORE COVID, WHAT HAS BEEN THE MAIN CHANGE IN DAY-TO-DAY LIFE SINCE THE START OF THE PANDEMIC?

The biggest change was, of course, how we communicate and cooperate with colleagues. Most things could only be communicated online, which

perhaps wasn't that easy for trainees. Especially during the first lockdown, when the order situation rose sky high, we, the trainees were able to experience live how the company can change at short notice and what can be achieved to use all capacities possible to guarantee punctual delivery for our customers.

WHAT DO YOU THINK OF THE APPROACH THE COMPANY TOOK TOWARDS COVID? HOW SAFE DO YOU FEEL IN THE COMPANY?

To my eyes, the company took an exemplary approach, many other companies could follow its example. In response to reforms and changes, our pandemic team reacted promptly and informed the employees.

YOU GO TO VOCATIONAL SCHOOL IN BAD KREUZNACH, HOW DID COVID CHANGE YOUR VOCATIONAL SCHOOL ROUTINE?

At the start, vocational school life was one of the biggest challenges during the coronavirus period. There was a lot of uncertainty about what day-to-day life should be like when the schools were closed, there were a lot of unanswered questions: Should I go into the company or would I be taught at home, how would I get graded etc. Fortunately, as time went by things settled down a little. Most teachers worked seriously hard to offer the best schooling possible. Of course there was no normal student-teacher interaction and in my opinion, this cannot be replaced with online teaching.

WHAT MAKES THE TRAINING WITH SCHULZ SPECIAL?

For me, the training was special because of the warm relationship between the employees and management, you rarely see this elsewhere. I also like the way that the training is adapted to today's way of thinking. You are involved in many interesting projects, and you don't just get stuck with the typical, old-fashioned "trainee tasks".



SCHULZ RECEIVED THE AWARD "BEST TRAINEES 2020" FROM THE IHK (CHAMBER OF COMMERCE AND INDUSTRY) KOBLENZ

This means, that our trainees passed their final exams in the respective examinations with the chamber of commerce and trade with excellent results! These good results were not possible, of course, without their support, therefore we thank them for their commitment.

We are very proud of our trainees and congratulate them on this great award.

WHAT TIPS DO YOU HAVE FOR ANYONE WHO IS INTERESTED IN TRAINING HERE?

Be open and friendly, don't be shy to express your opinion. Accept the challenges you are given and try to progress yourself with each one of them. If you have any problems, you will always find someone ready and willing to help.

LAST YEAR SCHULZ RECEIVED THE "BEST TRAINEES 2020" AWARD FROM KOBLENZ CHAMBER OF COMMERCE AND INDUSTRY. THIS YEAR'S EXAMS HAVE JUST TAKEN PLACE. YOU ALSO WISH TO SIT YOUR EXAM THIS YEAR. FROM YOUR PERSPECTIVE, IS THERE ANY REASON WHY THE TRAINEES HERE GENERALLY ACHIEVE ABOVE-AVERAGE EXAM RESULTS?

Perhaps the trainer has always had a good eye for hiring the right people. You're also able to spend time learning together with other trainees, many employees are also happy to help with questions about school topics.

WHEN YOU LOOK BACK, HOW DID YOU PERSONALLY DEVELOP DURING THE TRAINING?

First of all, I became more confident and tough. Also, my eagerness to discover new things and learn, or to find new solutions has definitely increased even further.

FINAL QUESTION. DO YOU HAVE ANY PLANS FOR AFTER YOUR TRAINING?

Of course, I would like to continue being part of the company after my training. I would be delighted to be offered a position that I enjoy and which is a great match for my skills and what I have learned. I am definitely motivated to continue my training or to even take a part-time course and I hope to find the right path for me.

THANK YOU VERY MUCH FOR YOUR TIME AND I WISH YOU ALL THE BEST AND SUCCESS IN OUR COMPANY! WE LOOK FORWARD TO CONTINUING OUR GOOD COOPERATION"



Marie Helbig is one of 23 trainees at Schulz. She is training to be an industrial management assistant. Our trainees are fully included in the company from day one.

Consequently, Marie works in all the relevant departments during her training to get to grips with all the operational procedures and processes. After her training, she would like to continue working with us.

As a rule Schulz takes on 95% of its trainees.

DID YOU KNOW?

42 former trainees work with us in 2021.

90% trainee hiring rate.

99% successfully complete their training.

9 vocational traineeships are on offer.





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www.schulz-farben.de

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team and all assisting departments who
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providing valuable input.**



reddot award 2018
winner





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