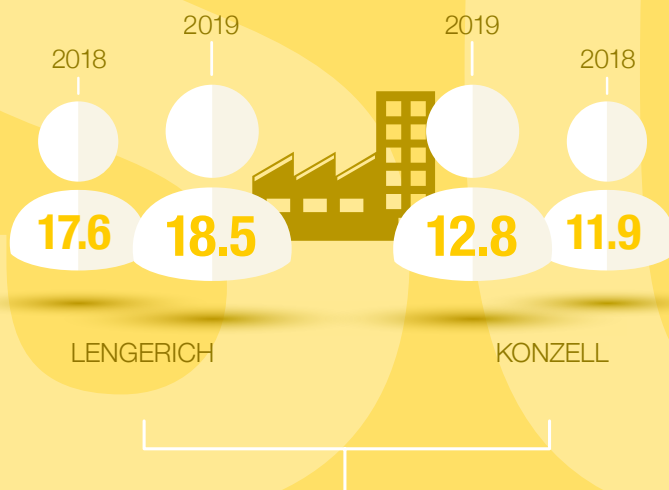


# SOCIAL COMMITMENT

Thanks to their extensive know-how and manifold skills, our employees are the key resource behind Bischof + Klein's corporate success. With diverse ideas, measures and actions, we again succeeded resoundingly in recruiting, developing and retaining employees during the 2019 reporting year.

## LENGTH OF EMPLOYMENT



The above-average length of employment at Bischof + Klein KG (16.5 years) increased again in comparison with the previous year (15.5 years).

## WORK-LIFE BALANCE



The work-life balance is an important concern at B+K.

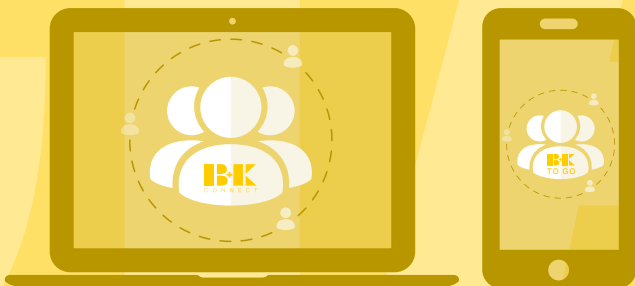
## GREAT PLACE TO WORK® CULTURE AUDIT



WELFARE • TEAM SPIRIT  
EMPLOYEE DEVELOPMENT  
REMUNERATION • CONFLICT MANAGEMENT  
COMMUNICATION • SOCIAL COMMITMENT

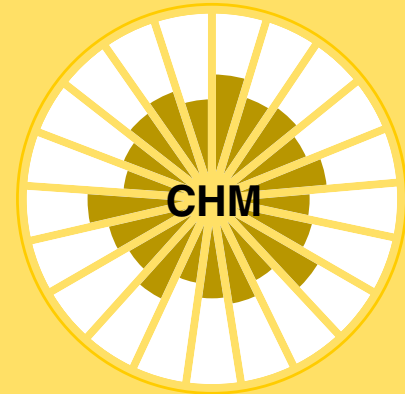
B+K's personnel and cultural work was analysed in the Great Place to Work® Culture Audit in 2019.

## DIGITAL COMMUNICATION



In 2019, we continued to extend our digital communication. Besides B+K Connect, the employee app "B+K to go" and information screens were installed. 300 employees were already using "B+K to go" within the first month!

## ACTIVE FOR HEALTH



In 2019, 941 employees took part in 24 different actions initiated by the corporate health management department.

Over the following pages, we report on our commitment and successes in establishing B+K as an attractive employer. There, you can find out more about the high quality of our training and further training, about our cross-plant knowledge exchange thanks to new digital media, about our reinforcement of health and safety awareness and about our fostering of equal opportunities and integration.



# MAKING A POSITIVE CONTRIBUTION TOGETHER

Our company thrives on our committed and skilled employees who feel strong loyalty towards Bischof + Klein and enjoy coming to work each day. With diverse ideas, measures and actions, we ensure time and again that something special is created: a noticeable, positive difference for everyone.

So that we are successful in all of our market segments, we require well trained employees with extensive know-how and a wide range of skills in diverse processes, working techniques and areas of law. Some of these skills are part of the training, while others are only learnt on the job. We therefore attach great value to binding employees to the company for as long as possible, in combination with a high level of satisfaction. As a result, we are increasing our attractiveness as an employer continuously and in all relevant areas. Examples of this include:

- Life-long learning thanks to extensive further and advanced training options
- A good work-life balance by structuring working hours flexibly (flexitime)
- Corporate health management for a high-performance, healthy workforce
- Equal opportunities for all employees
- Wages and salaries based entirely on collective bargaining agreements for both blue-collar and white-collar employees

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WITH A VARIETY OF OFFERS AND MEASURES, OUR FAMILY-OWNED COMPANY SUCCEEDS TIME AND AGAIN IN ESTABLISHING A STRONG RELATIONSHIP WITH ITS EMPLOYEES.

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## WORKFORCE IN FIGURES

TOTAL WORKFORCE BY LOCATION, GENDER, CONTRACT TYPE, NATURE OF CONTRACT, EMPLOYEE CATEGORY										
	Lengerich	Konzell	Total	Lengerich	Konzell	Total	Lengerich	Konzell	Total	
	2017			2018			2019			
Total workforce	1,376	785	2,161	1,447	841	2,288	1,383	777	2,160	
Females/males	203/1,173	129/656	332/1,829	215/1,232	140/701	355/1,933	217/1,166	130/647	347/1,813	
Contract type	Full-time employees	1,302	739	2,041	1,373	779	2,152	1,316	715	2,031
	Females/males	138/1,164	99/640	237/1,804	146/1,227	100/679	246/1,906	155/1,161	90/625	245/1,786
	Part-time	74	46	120	74	62	136	67	62	129
	Females/males	65/9	30/16	95/25	69/5	40/22	109/27	62/5	40/22	102/27
Nature of contract	Permanent employment	1,144	621	1,765	1,177	643	1,820	1,188	643	1,831
	Temporary employment contract (fixed-term contract, temporary workers)	154	124	278	187	164	351	109	103	212
	Trainees	78	40	118	83	34	117	86	31	117
Employee category	Blue-collar	887	719	1,606	955	769	1,724	896	701	1,597
	White-collar	489	66	555	492	72	564	487	76	563

### SUCCESSFULLY RECRUITING, DEVELOPING AND RETAINING EMPLOYEES

At the end of the reporting year, Bischof + Klein KG employed 2,160 staff at its German production plants. At 18.5 years, the length of employment at B+K Lengerich is far higher than the average – the average in Konzell is 12.8 years. With a variety of offers and measures, our family-owned company succeeds time and again in establishing a strong relationship with its employees. This starts even before a contract is signed.

Our "Make a positive contribution to your life" employer campaign is enabling us to recruit employees in a compelling manner. The campaign is focussed on those aspects that are important to employees and trainees. Our advantages as an employer and trainer:

- B+K is a secure, forward-thinking employer.
- B+K offers good opportunities for advancement.
- B+K is a down-to-earth family-owned company.
- B+K entrusts its employees with challenging tasks.

As part of the campaign, B+K extended its corporate health management in 2018. 2019 saw the extensive digitalisation of the internal communication policy so that information concerning health and safety in the workplace, training and further training, and much more besides is made available to all employees at all locations (see page 51).

After having been awarded the "Germany's best training companies" seal of approval in 2017, B+K took part in the employer competition "Great Place to Work®" in 2018. This involved a survey conducted amongst 510 employees at B+K Lengerich and Konzell in April 2018. What is particularly pleasing is that 78% of respondents agreed with a central statement in the questionnaire: "All in all, I can say that this is a very good place to work." B+K's personnel and cultural work was examined in the Great Place to Work® Culture Audit in 2019, and the related processes, measures and instruments were analysed. B+K once again achieved good to very good results, particularly as regards the areas of conflict management, communication,

team spirit, remuneration, social commitment, welfare and employee development.

### HIGH-QUALITY TRAINING – FOR THE VERY BEST PROSPECTS

Awards at state level confirm the high quality of training at B+K. Amongst other measures, we ensure this by means of seconded employees and numerous specialist trainers. Above-average examination results demonstrate the success of our commitment: in 2019, three former trainees in Konzell received accolades for top performances in vocational college.

At 5.4%, our training rate surpasses the IHK recommendation. Due to the demographic trend, however, the number of suitable applicants, particularly for the various industrial training professions, is becoming ever smaller. We are meeting this challenge with our employer brand campaign, through which we are accessing new potential for B+K, flanked by various actions. For instance ...

- we cooperate with secondary schools, and offer taster days, internships or application training courses for schoolchildren.
- we conduct the MIG planning game at our company, in which pupils from a grammar school were guests at B+K for a week,

slipped into the role of managers at a fictitious company and were required to make business decisions in 2019.

- we participate in MINT rallies, in which pupils are given a practical insight into professions in the areas of mathematics, informatics, natural sciences and technology.
- 16 "training ambassadors" report on the training and work at B+K at secondary schools in and around Lengerich and Konzell. Our ambassadors were given an award by the chamber of trade and commerce for their commitment.
- we maintain close contact with universities through specialist internships for students, for instance.
- our trainee blog (<https://mach-ein-plus.de/blog/>) offers authentic reports on daily work which the B+K trainees structure themselves.

The trainee blog forms part of B+K's social media strategy, which includes the B+K career website ([www.mach-ein-plus.de](http://www.mach-ein-plus.de)) as well as the Facebook page ([facebook.com/bischof.klein](https://facebook.com/bischof.klein)), on which we regularly post information about our company for trainees and potential trainees.

### GETTING AHEAD THROUGH ADVANCED TRAINING AND KNOWLEDGE EXCHANGE

B+K offers trainees good chances of being hired, and advanced training starts after the initial training, because life-long learning is a firm element of the B+K corporate philosophy. Amongst other instruments, we offer diverse training measures in order to be able to accomplish company-wide know-how transfer. One of the numerous options for individual qualification is our e-learning programme, which we continued to develop in 2019. With this programme, the participants are able to set their own learning speed, topics and exercise times on the computer. The topic of e-learning will continue to increase significantly in importance at B+K – a corresponding company agreement has laid the foundation for this.

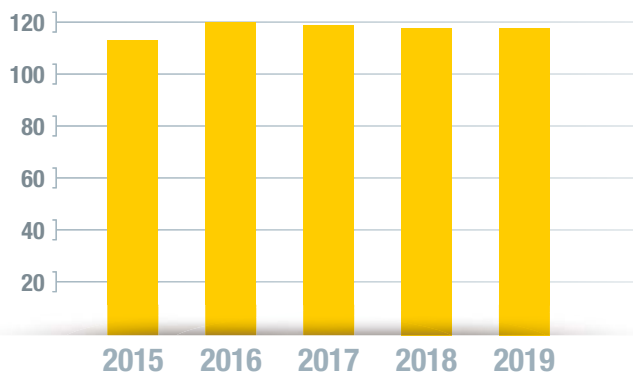
Our employees also have access to many other training and qualification measures such as a manager and junior staff development programme, for instance, which optimally prepares existing and future managers for their management tasks within the company at an early stage. In 2019, we launched a trainee programme in which two former trainees spend time working in all of the company's areas of excellence. An individual training portfolio which covers the areas of project management, process knowledge and intercultural skills, amongst others, was compiled to accomplish this. After the respective three to four-month practical phase at one of our international subsidiaries, each trainee will have independently processed a project.

## TRAINING PROFESSIONS AT B+K

B+K undertook recruitment in the following training vocations in 2019:

- Business administrator (VWA) (m/f/d)
- Electrician (m/f/d)
- Industrial clerk (m/f/d)
- Industrial mechanic (m/f/d)
- Plastics processing engineer in combination with practical experience (B.Sc.) (m/f/d)
- Machine and line operator (m/f/d)
- Media designer (m/f/d)
- Printed media processing engineer (m/f/d)
- Packaging processing engineer (m/f/d)
- Process engineer (m/f/d)

## NUMBER OF TRAINEES IN LENGERICH AND KONZELL



### B+K CONNECT – OUR DIGITAL PLATFORM

One important focal point is the expansion of internal, digital communication. The B+K Connect communication platform was introduced throughout the entire Group in 2018. It enables networked working and therefore fosters the simplification of our work and coordination processes across the company. As a digital platform, B+K Connect is being continuously extended through measures such as the integration of external communication partners, for instance. Mapping the B+K intranet employee portal on B+K Connect was also implemented in 2019.

This enables exchange between employees and teams to be extended with the aid of B+K Connect, thus linking the sites and fostering another of B+K's big differences: we focus on human interaction.

### INFORMATION TO GO – INTO THE DIGITAL FUTURE WITH THE B+K APP

What's new at B+K? Since December 2019, all employees and interested parties can find out directly and immediately – with "B+K to go", the new employee app for smartphones. The public area offers the latest news and everything worth knowing about new packaging solutions from B+K as well as facts concerning the topic of plastic packaging.

The internal area is exciting for all B+K employees. This is where the executive board provides information about important issues and employees report on projects and events. All divisions are requested to use this new communication channel to inform staff about their activities. Users can like, comment or ask questions. The exchange platform for ride sharing opportunities and small ads are also interactive. The app enables rendezvous for joint sporting activities as well as planning other pursuits across departments and divisions. Users can also find the following here:

- Internal job advertisements,
- Corporate health management appointments,
- Shift plans,
- The canteen menu,
- News about events and
- Latest information about FIT 20+.

A glossary explains important new terms at B+K. "What was PDP again?" In the future, the app can be used to quickly answer such questions – or to ask them directly. The app will be continuously extended with information options.

### INFORMATION SCREENS: QUICK INFORMATION FOR EVERYONE

Information screens located at highly-frequented entrance and intersection points are additionally supplying all employees at B+K Lengerich and Konzell with the latest news and essential information. Projects in the context of FIT 20+, developments at B+K or events such as welcoming new trainees are presented clearly and succinctly on the screens. Additional services such as the weather and a global news ticker are also shown there. A QR code additionally invites employees to provide feedback, submit suggestions and offer criticism. Naturally, the contents on the information screens can also be found in the employee portal under "Top News" and in the "B+K to go" employee app.

The objective of new digital communication media such as the information screens and the "B+K to go" app is to improve and speed up the flow of information in the company, and particularly to include the company's blue-collar employees, who are not connected to the intranet. The notice board is becoming increasingly obsolete.

## SPECIFIC ESTABLISHMENT OF KNOW-HOW

HOURS OF TRAINING PER EMPLOYEE CATEGORY (MEAN VALUE) BY LOCATION

Hours of training per employee (mean value)	Lengerich	Konzell	Total	Lengerich	Konzell	Total	Lengerich	Konzell	Total
	2017			2018			2019		
For white-collar employees	13.62	35.76	16.48	11.24	15.20	11.75	7.42	17.02	8.75
For blue-collar employees	5.84	9.60	7.52	6.15	8.77	7.30	4.09	8.86	6.21



# HEALTHY, SAFE AND MOTIVATED WORK

We assume responsibility for all Bischof + Klein employees, for both their health and their safety. To achieve these objectives, we have established extensive measures which benefit the entire workforce – individually, holistically and continuously.

In accomplishing this, corporate health management at B+K not only offers specific measures, actions and stimuli that are aimed at maintaining the health of our employees. We also want to sustainably foster and strengthen the employees' fundamental health consciousness. The B+K health manager plays a central role in this: she is available as a trustworthy and competent contact person for all matters relating to the topic of health.

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THE PERFORMANCE AND WELL-BEING  
OF OUR EMPLOYEES ARE CRUCIAL.

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## ACTIVE PROTECTION OF PERSONAL HEALTH

The corporate health management measures extend far beyond traditional topics such as exercise and diet: today, the central tasks of CHM are to ensure comprehensive health promotion and illness prevention adapted to the employees and the transformation taking place in the world of work.

To achieve this, a needs analysis was conducted on the basis of around 500 individual and group discussions with B+K employees, future action areas for our CHM were derived and numerous measures were developed in 2018 as part of what were dubbed the "boiler suit and office offensives". In 2019, these measures were focussed on as follows by B+K:

- The following early detection procedures were conducted in Lengerich: thyroid gland, cardiovascular and vascular screening, each with diagnostics and individual advice.
- In Konzell, all employees were offered skin screening, back screening and an osteoporosis check.
- 111 employees are benefiting from reduced rates at a fitness studio in Lengerich thanks to the cooperation with B+K (2018: 103).
- In Lengerich, B+K employees are able to take part in a weekly yoga course to recharge their energy reserves.
- The sense of togetherness is being enhanced through joint participation in competitive events such as the "Lengerich health run", the charity football tournament organised by Preußen Lengerich and the regional "Teutolauf" sporting event as well as the "Rainer Volkslauf" in Konzell. B+K teams from across all divisions and departments took part in these.

### KNOWING EARLY ON WHAT DOES YOU GOOD

Sound health awareness is the best prevention. This is why we provide our trainees with help and instruction in establishing a comprehensive understanding of health from an early stage. Once again, particular value was attached to the B+K prevention offensive for trainees in Lengerich and Konzell in 2019. We would like to contribute to preparing our trainees for an independent, self-organised and healthy life and to foster solidarity and cooperation between them. To do this, we offer the trainees a special joint action in each training year:

- Visit to a low-level ropes course (1st year of training) and a climbing forest (2nd year of training).

- Cooking course that teaches the basics of a healthy diet (3rd year of training).
- Fostering teamwork in various adventure games, in which cooperation in a team is trained as well as logical thinking.

### DESIGNING SUSTAINABLY SAFE WORKPLACES

Our objective is to maintain and further extend safety in the workplace for all employees. The B+K safety concept therefore encompasses three activity levels as regards the topics of work safety and health and safety at work: legal regulations which merely govern general aspects, specific safety measures developed by the company on its own behalf and, by no means least, the personal responsibility of the employees. The reason being that the latter should not only observe certain regulations and measures but should also be able to recognise and eliminate sources of danger. The extensive knowledge of the topic of safety at work that is conveyed during briefings and accident discussions helps to achieve this. Amongst others, the following areas form part of the B+K safety concept:

- The work safety department tracks legal specifications and provides information on them, checks the effectiveness of safety precautions, offers suggestions for improvements and continues to increase the employees' and managers' awareness regarding the purpose of these measures. The department is supported by the safety officers from the divisions.

## FOCUS ON SAFETY

ACCIDENT RATE/ABSENCE RATE BY PLANT

	Lengerich	Konzell	Total	Lengerich	Konzell	Total	Lengerich	Konzell	Total
	2017			2018			2019		
Employees as full time equivalent (FTE*)	1,334.45	762.84	2,097.29	1,415.55	803.61	2,219.16	1,350.98	745.55	2,096.53
Number of industrial accidents (reportable**)	43	14	57	31	16	47	27	14	41
Accident rate***	32.22	18.35	27.18	21.90	19.91	21.18	19.99	18.78	19.56
Absence rate****	7.25	6.40	6.97	7.41	6.74	7.18	7.53	6.65	7.23

\* FTE = Full Time Equivalent (conversion of all employees to full time)  
 \*\* Reportable industrial accidents: inability to work for > 3 days  
 \*\*\* 1,000-man rate = calculation of reportable industrial accidents per 1,000 FTEs  
 \*\*\*\* Health-related absence rate with and without sick pay in percent (including: absences due to illness, industrial accidents, accidents on the way to work and health cures incurred with and without sick pay)



- Technicians, the works council and the safety department produce systematic hazard assessments in order to implement preventive safety measures. The causes of each accident are systematically analysed in the team; measures for avoidance are then defined.
- Extensive training measures for supervisors and employees lead to a change in safety awareness in the long term.
- Employees of external companies are provided with information on internal regulations and modes of conduct in the form of a leaflet and are given instructions on-site so that they can move about safely at B+K's premises and go about their work without being endangered.

#### JOINT PERFORMANCE FOR INCREASED SAFETY

The general measures of the B+K safety concept, the specific protective measures for avoiding accidents and the exhaustive and intensive analyses of the causes of accidents have two measurable, positive effects: increasingly better work safety and an increasingly heightened awareness of safety amongst the employees. Regarded in the long term, for instance, accident figures have fallen dramatically. The number of accidents has been significantly reduced in recent years, but approximately one accident still occurs per week. These joint efforts are being continued, because increased safety is of benefit to all of us.





# VALUES THAT MOVE US FORWARDS

As a company, we are not only part of the global economy but also of society and our local sites. Bearing this in mind, we are committed to equal opportunities and accept social responsibility in diverse ways. We therefore uphold values which in turn also indirectly benefit our employees again.

## COMMITMENT TO EQUAL OPPORTUNITIES – FOR ALL

When structuring work, our objective is to ensure that the different requirements of the employees and their relatives are met individually. This also includes the specific encouragement of women: in view of demographic change and the impending lack of skilled workers, B+K wants to further increase the percentage of female employees in the company and therefore preferably interest women in technical vocations.

During national "Future Day", at career fairs and during visits to the surrounding schools, for instance, we provide people seeking trainee positions with information on the good vocational prospects available in B+K's technical fields. This has enabled

us to continuously increase the number of female employees working in the production department. In 2019, the percentage of female employees at B+K was a total of 16.1%, once again higher than the previous year's value (15.5%).

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THE WORK-LIFE BALANCE IS AN IMPORTANT CONCERN AT B+K. THIS IS WHY WE ARE WORKING CONSTANTLY TO CONTINUE INCREASING FLEXIBILITY, PARTICULARLY IN THE PRODUCTION DEPARTMENT.

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## WORK-LIFE BALANCE



### BALANCING WORK AND LIFE MORE EASILY

The work-life balance is an important concern at B+K. Due to shift work and customers' expectations, it is not possible to accommodate every request. Nevertheless, we are working constantly to continue increasing flexibility, particularly in the production department, with a variety of ideas, measures and offers:

- Flexible part-time work for women following pregnancies or periods of time for bringing up children; occasionally, fathers also request parental leave. The part-time variants are structured very flexibly, according to hours to be worked per month, full-time or part-time days, for instance.
- Agreements governing flexitime and working from home enable employees to flexibly coordinate their work with the needs of their family. The number of hours worked are documented in a working hour account.
- Wherever possible in the service and administrative departments, our employees can use the "B+K flexitime model without core times". Clear coordination with colleagues ensures that the departments remain responsive and efficient.
- The Steinfurt regional youth welfare office and B+K are cooperating to support commuter families with children. Employees travelling to work from elsewhere can claim what is called a reserved place in a Lengerich day nursery for children under three years of age under certain conditions.

- B+K offers flexible working time regulations for relatives who act as carers as well as a qualified "care pilot" established within the company to provide individual information and advice.

### WELL INTEGRATED – AT ALL LEVELS

At B+K, equal treatment and equal opportunities are observed, appreciated and further developed in every regard. Successfully so: in recent years, the equal treatment officers have not reported any occurrences pertaining either to issues of different nationalities or to the matter of males and females working together to the personnel department.

The integration of foreign employees in the plants also proved successful in 2019. At B+K Lengerich, the ratio of persons with a non-German passport was 9.2%. B+K Konzell is located in a very rural area of Bavaria. Foreign employees made up 2.3% of the workforce at this plant. This is related to the local population structure.

It is also a matter of course that persons with disabilities are employed at B+K. A total of 91 staff (4.2% of the workforce) with severe disabilities were employed in Lengerich and Konzell in 2019.

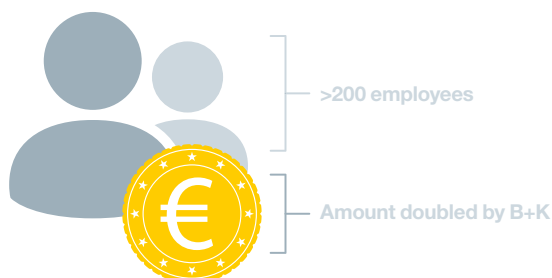


## ASSUMING AND FOSTERING SOCIAL RESPONSIBILITY

As a company, Bischof + Klein has close ties to the town of Lengerich and the community of Konzell. This is clearly expressed through diverse forms of commitment in various areas. This includes cash donations for social projects and charitable associations as well as non-material and voluntary commitment at local level. This gives us the opportunity to encounter local partners from politics, industry and society at various events, to come into contact with the plants' direct neighbours and to play an active role in community life. By doing so, we strengthen the local economy – and therefore our own locations at the same time. The following lists a few examples of our activities in 2019:

- B+K hosted the Management Information Game (MIG) in 2019. In this, schoolchildren visited B+K and took on the mindset of a company, completed tasks and then presented the results to various company representatives and MIG cooperation partners in the context of an evening event.
- Participation in the "Trainee Social Day", during which trainees from B+K Lengerich spent a day in schools, associations and other institutions, where they put their manpower to use for charitable purposes. B+K organises this campaign together with other major companies in the region and the towns of Lengerich and Tecklenburg.
- "B+K card" for the employees in Lengerich, enabling a discount to be obtained on purchases from selected traders. In 2019, over 100 service providers and catering establishments took part in this cooperation.

## "SPARE CENT INITIATIVE" 2019 FOR THE "L'ARCHE TECKLENBURG COMMUNITY"



In total, over 200 B+K employees from Lengerich took part in the "spare cent initiative".

- "Spare cent initiative", in which the cent amount of the employee's salary is donated to a charitable institution. Over 200 employees at B+K Lengerich are now taking part in this, and B+K doubles the amount that is generated at the end of the initiative (see graphic). In 2019, the cash was donated to the "L'Arche Tecklenburg community".
- A total of 16 new Plan International sponsorships – for each of the eight children being sponsored by the employees, B+K financed an additional sponsorship

Thanks to the cooperation that has been ongoing with the Evangelische Jugendhilfe (Protestant child welfare association) since 2017, B+K gives adolescents the opportunity to undertake an internship at the company. One adolescent who took part in an entry-level qualification as a packaging processing engineer at B+K from the beginning to the summer of 2019 was accepted for a three-year training course starting in August 2019. We also concluded a training contract with another young man from 2019 onwards.

### PERSONAL EXCHANGE WITH FORMER EMPLOYEES

Our close ties to our employees remain intact even following their retirement from B+K. Contact with our former employees is a matter of personal concern to us – in addition, long-serving employees also act as B+K's multipliers and advocates in the public realm. In order to channel this contact and continuing exchange with one another, the "Senioren-gemeinschaft B+K e.V." (B+K senior citizens' community, registered association) was founded in 1990 and currently numbers over 330 members.

### INDIVIDUAL AND VOLUNTARY COMMITMENT

We support the social and cultural work undertaken by the communities of Lengerich and Konzell and are particularly committed to individual associations or institutions. For instance, we support these establishments with cash donations, by placing advertisements and with other advertising measures. In addition, our employees undertake diverse voluntary commitments in various areas such as the local fire brigades, the Federal Agency for Technical Relief, the Red Cross, working with young people, involvement in local or national donation campaigns, training young athletes or upholding traditions, for instance. B+K welcomes and fosters this commitment wherever possible, because motivated employees with varied interests not only make a positive difference to our company but also to society as a whole.