



Company

The companies of ALTANA AG develop, manufacture, and distribute high-quality, specialty chemical products and provide the associated services. ALTANA is a globally active corporation headquartered in Wesel, Germany, with an international sales share of approximately 86 percent. Its four divisions, BYK Additives & Instruments, ECKART Effect Pigments, ELANTAS Electrical Insulation, and ACTEGA Coatings & Sealants, occupy a leading position in their target markets with respect to quality, product solution expertise, innovation, and service.

ALTANA offers innovative and environmentally compatible solutions with the matching specialty products for coatings manufacturers, paint and plastics processors, for the printing and cosmetics industries, as well as for the electrical and electronics industry. The product range includes additives, special coatings and adhesives, effect pigments, sealants and compounds, impregnating resins and varnishes, and testing and measuring instruments.

The ALTANA Group, which belongs to SKion GmbH, an investment company owned by Susanne Klatten, who is also the Deputy Chairwoman of ALTANA's Supervisory Board, currently includes 49 production sites and more than 50 service and research laboratories worldwide. With a workforce of more than 6,000 employees throughout the group, ALTANA generated sales of about € 2.0 billion in the 2014 fiscal year. Its impressive earning power and high growth rate make ALTANA one of the most successful and innovative chemical groups worldwide.

Corporate performance indicators

	2014	2013
Number of employees	6,064	5,741
Sales € million	1,952	1,765
EBITDA € million	397	336
EBITDA margin %	20.4	19.0
Research and development expenses € million	114	109
Investments € million	90	94
Total production t	643,592	533,770
Gross value added € million	739	633
Final products t	505	418,450
WAI 1 ¹	3.12	6.02
WAI 3 ²	39	67
Total CO ₂ (Scope 1 + Scope 2) ³ t	219,165	147,602
Drinking water m ³	1,368,129	565,080
Non-hazardous waste t	9,302	6,286
Hazardous waste t	18,711	18,487

¹ Work Accident Indicator 1 (number of occupational accidents with one or more days of lost work time per million working hours)

² Work Accident Indicator 3 (number of lost work days due to occupational accidents per million working hours)

³ Scope 1: direct emissions; Scope 2: indirect emissions

About this report

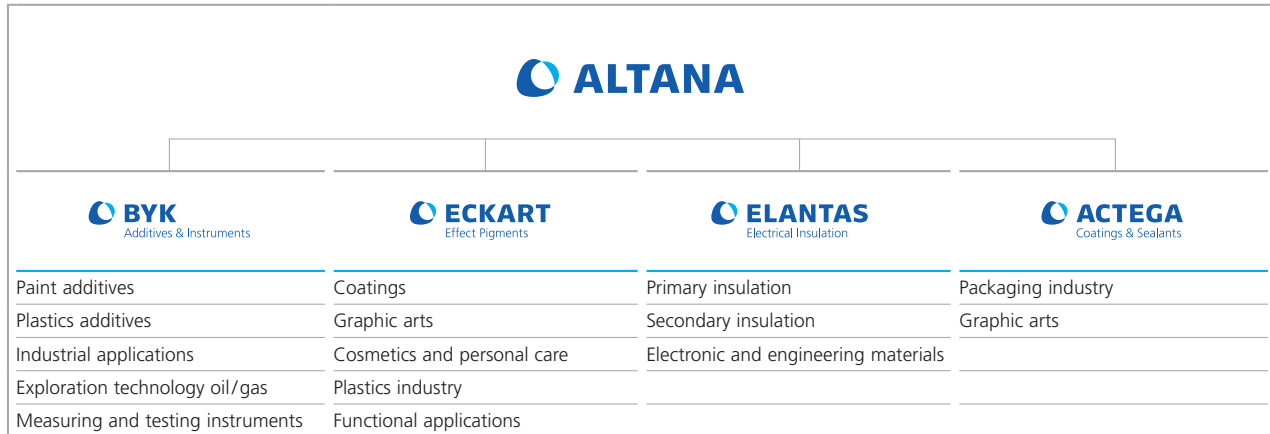
The Sustainability Report 2014 was written by ALTANA AG to provide the public, the company's employees and business partners, authorities, non-governmental organizations, and all other stakeholders with information about the implementation of sustainability in the strategy of ALTANA in terms of ecology and corporate social responsibility. The company's economic development is discussed in detail in its 2014 Annual Report.

The facts and key figures presented in this report refer to fiscal year 2014; environmental performance indicators refer to the period from October 1, 2013 to September 30, 2014. Unless otherwise noted, our

statements apply to all divisions and worldwide subsidiaries that were part of the ALTANA Group in 2014. The report follows the international G3 guidelines of the Global Reporting Initiative (GRI). We performed an in-house assessment of our compliance with GRI indicators and have concluded that the report meets the requirements of application level A.

For further information on the topics presented in this report, on further performance indicators, and concerning the GRI index, please visit www.altana.com/sustainability. The annually published report also serves as COP on ALTANA's implementation of the principles of the Global Compact. The report is available in both German and English.

Business divisions and product portfolio

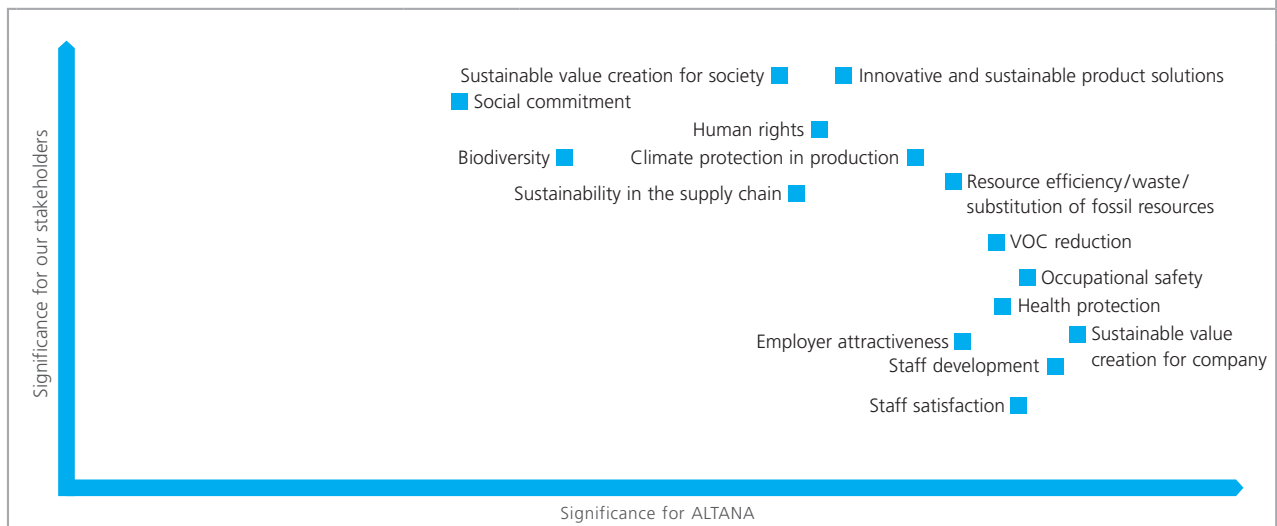


ALTANA Materiality Matrix

The ALTANA Materiality Matrix shows all topics addressed in this sustainability report. In addition, the matrix makes it

clear that the relevance of a topic is often assessed differently internally than externally. At the same time, all fields of activity are important to us. We focus special attention on topics in the right side of the matrix (see graphic).

ALTANA Materiality Matrix



Management 5	1	Preface	33	Environment
Products 15	5	Management	34	TAKING RESPONSIBILITY LOCALLY
Safety 23	6	LATERAL THINKING	38	Facts on Environmental Protection
Environment 33	10	Company	38	Resource Consumption and Waste
Human Resources 43	10	Climate Protection as an Opportunity	40	Customer Proximity and Climate Protection
Social Commitment 51	10	Acquisitions	41	Investments for Climate Protection
	11	Certified Management Systems	41	Improving Waste Disposal
	11	Compliance	42	Reducing Water Consumption
	12	Guiding Principles	42	Reducing Emissions
	12	ALTANA X	43	Human Resources
	13	Innovation Strategy	44	COMMUNICATING CONVICTIONS
	13	Awards	48	Our Employees
	13	Global Compact	48	Assessing Performance
	13	Responsible Care and Chemie ³	48	Global Employee Survey
	14	Stakeholders	48	International Exchange
	15	Products	49	Manager Selection
	16	JOINING FORCES FOR A COMPETITIVE EDGE	49	Management Training
	20	Sustainable Product Development	49	Diversity in the Group
	20	Reducing Emissions	50	Vocational Training at ALTANA
	20	Protecting the Climate	50	Social Week for Trainees
	20	Conserving Resources	50	Award
	21	Alternatives to Hazardous Substances	51	Social Commitment
	21	Guidelines and Their Impact on ALTANA	52	PROMOTING YOUNG TALENT
	22	Global Product Strategy	56	Educational Coaching at a Wesel Elementary School
	23	Safety	56	Project Weeks with the House of Junior Researchers
	24	GUARANTEEING SAFETY	57	Preparatory Vocational Support for Junior High School Students
	28	Worldwide Safety Culture	57	Competitions for Students in the Upper Secondary Level
	28	ALTANA Safety Indicators	57	Educational Projects Outside of Germany
	29	Measures for Improving Behavior	58	Volunteer Commitment
	29	Technical Safety Improvements	58	Support for Charitable Organizations
	30	Low Number of Incidents	60	Highlights and Lowlights
	31	Occupational Health Promotion	62	Programs/Goals
	31	Sports Offers	64	Global Compact: Communication on Progress (COP)

Contact

Further key performance indicators, and the GRI index can be found in the Notes to the Sustainability Report 2014 on the Internet at www.altana.com/sustainability



Preface

Ladies and Gentlemen,

As an innovation-driven company, innovation and sustainability go hand in hand at ALTANA. That's why we support the goals of the UN Global Compact initiative. Innovations enable us to manufacture products that require fewer resources and help our customers produce with low emissions and energy efficiently. We not only cooperate extensively with our customers, but also with a number of other external partners. For both sustainability and innovation require that we change perspectives in order to see more than is apparent at first glance.

We present some of these people and cooperative endeavors in this sustainability report. They couldn't be more different: start-ups, brand manufacturers, fire fighters, politicians, polar researchers, and a student who was the head of ALTANA for a day. They all have one thing in common: they open our minds to different interests and needs. And they help us create sustainable value – for our customers, our employees, our shareholders, and for the environment in which ALTANA acts. We would like to extend our heartfelt gratitude to our partners for this and for their willingness to be part of this sustainability report in text and image.

Sustainability thrives above all on the willingness of each individual to change. So I thank our employees, who with their commitment have made ALTANA a sustainable employer, business partner, and neighbor.

I wish you interesting reading.

A handwritten signature in blue ink, appearing to read 'M. Wolfgruber', with a stylized, flowing script.

Dr. Matthias L. Wolfgruber
Chief Executive Officer



Dr. Matthias L. Wolfgruber, Chief Executive Officer, and **Dr. Andreas Diez**, Vice President Environment, Health and Safety

“BOTH SUSTAINABILITY AND INNOVATION REQUIRE
THAT WE CHANGE PERSPECTIVES IN ORDER TO
SEE MORE THAN IS APPARENT AT FIRST GLANCE.”

Ladies and Gentlemen,

A development I am very pleased with is our clear improvement in occupational safety from 2013 to 2014. This is due to the many measures and efforts undertaken in the companies of the ALTANA Group, which ultimately are leading to the development of a safety culture.

In environmental protection, too, we want to “live” such culture more. Our initiative (which may seem unusual at first glance) to send two employees on an expedition in Antarctica with polar researcher Robert Swan can be seen in this context. The plan to attract true ambassadors for sustainable action was a success. After their return, the staff members devoted themselves to this task with great commitment and in internal and external lectures enthused listeners and motivated them to act more sustainably.

Last year, we expanded our portfolio of environmentally compatible products by means of acquisitions. While an acquisition we made in 2013 is characterized by a very short and thus efficient upstream supply chain, it initially threw us off of our success track in terms of achieving the key environmental figures we set ourselves regarding our own production steps. We will take up this challenge and do everything in our power to reach our environmental targets for the coming years.

The ALTANA Group is continuing unwaveringly on the path to greater sustainability. In this report, you can read about how it is doing so and which people are making a contribution. I wish you pleasurable reading and perhaps an inspiring change of perspective for your own environment.



Dr. Andreas Diez

Vice President Environment, Health and Safety

Management

ALTANA stands for sustainable profitable growth. The environmental management system we introduced, the excellence program ALTANA X, acquisitions, and research investments in future technologies support our growth path.

6	LATERAL THINKING
10	Company
10	Climate Protection as an Opportunity
10	Acquisitions
11	Certified Management Systems
11	Compliance
12	Guiding Principles
12	ALTANA X
13	Innovation Strategy
13	Awards
13	Global Compact
13	Responsible Care and Chemie ³
14	Stakeholders

LATERAL THINKING: FUTURE MAKERS

ALTANA'S PARTNERSHIP WITH THE LANDA GROUP ENABLES IT TO SPEARHEAD THE DEVELOPMENT IN DIGITAL PRINTING AND GIVES IT ACCESS TO AN ESPECIALLY SUSTAINABLE TECHNOLOGY.

Landa Digital Printing and ALTANA have been strategic partners since 2014. We hold a minority stake in the young company. The financial resources provided by ALTANA are being used for the final development step of Nanographic Printing® technology. The alliance is proof positive that ALTANA is investing with an eye to the future in order to expand the Group's position in promising environmental technologies.

Landa's Nanographic Printing technology consists of three elements: Landa Nanographic Printing® Presses, water-based Landa NanoInk® colorants and a special indirect printing process. Tiny drops of ink are ejected onto a heated transfer blanket. The ultra-thin printing image dries immediately and can be transferred to any kind of paper or plastic without penetrating this material.

While water-based inks are now used only in niche markets such as transpromo, i.e. advertising on transaction-related documents such as statements, digitally printed books and a small fraction of the packaging applications, the Landa technology with its countless usage possibilities has enormous potential for the commercial printing and packaging markets. "We have set ourselves the goal of addressing a broad spectrum of applications and thus revolutionizing digital printing, all this with a sustainable process," says Nir Zarmi, Chief Operating Officer of Landa Digital Printing.

Nanography Has Many Ecological Advantages

Nanography™ has a number of environmental benefits. The Landa Nanographic Printing process produces thin images that require less than half of the materials used in conventional printing and prints

"Digital printing is a decisive market for the future. As a strategic partner of the Landa Group, ALTANA now has access to an innovative and sustainable process. Nanography has the potential to revolutionize the printing market."

DR. STEFAN ENGEL, ALTANA



LATERAL THINKING: FUTURE MAKERS

ALTANA'S PARTNERSHIP WITH THE LANDA GROUP ENABLING
SPEARHEAD THE DEVELOPMENT IN DIGITAL PRINTING
ACCESS TO AN ESPECIALLY SUSTAINABLE TECHNOLOGY

Landa Digital Printing and ALTANA have been strategic partners since 2014. We hold a minority stake in the young company. The financial resources provided by ALTANA are being used for the final development step of Nanographic Printing® technology. The alliance is proof positive that ALTANA is investing with an eye to the future in order to expand the Group's position in promising environmental technologies.

Landa's Nanographic Printing technology consists of three elements: Landa Nanographic Printing® Presses, water-based Landa NanoInk® colorants and a special indirect printing process. Tiny drops of ink are ejected onto a heated transfer blanket. The ultra-thin printing image dries immediately and can be transferred to any kind of paper or plastic without penetrating this material.

While water-based ink is used in niche markets such as i.e. advertising on transport documents such as state-issued printed books and a wide range of packaging applications, the technology with its countless applications has enormous potential in commercial printing and beyond.

"We have set ourselves the task of dressing a broad spectrum of applications and thus revolutionizing all this with a sustainable solution," says Nir Zarmi, Chief Operating Officer of Landa Digital Printing.

Nanography Has Many Advantages

Nanography™ has a number of environmental benefits. The Landa Nanographic Printing process produces less waste and requires less than half the energy used in conventional

"WHAT CONNECTS US WITH ALTANA? WE SHARE MANY VALUES BETWEEN OUR TWO COMPANIES, ONE OF WHICH IS OUR PASSION FOR SUSTAINABLE INNOVATIONS. THAT SPURS US ON."

NIR ZARMI, LANDA GROUP



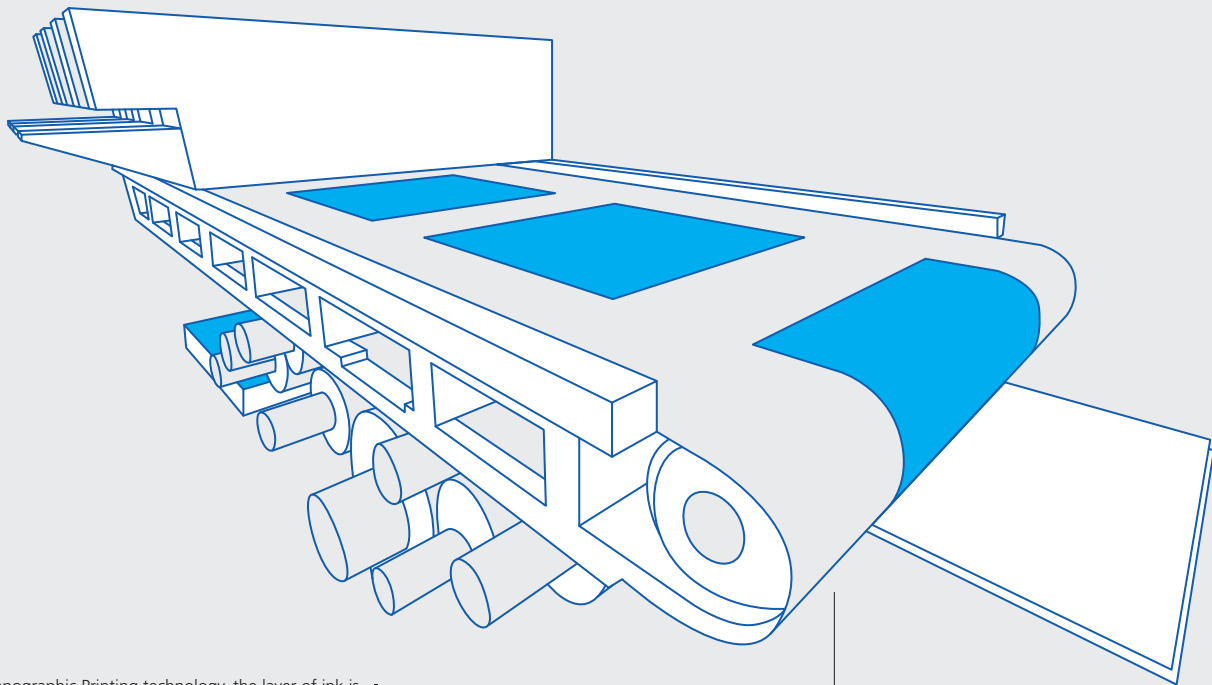


with water-based ink that contains only environmentally friendly materials. Furthermore, digital printing produces less waste than analog printing processes, as the technology makes the manufacture of printing plates superfluous and the exact number of printed sheets desired can be produced without the waste associated with make-readies and overruns. "In short, the Nanographic Printing process is good for the planet," says Landa's Nir Zarmi, summing up the advantages.

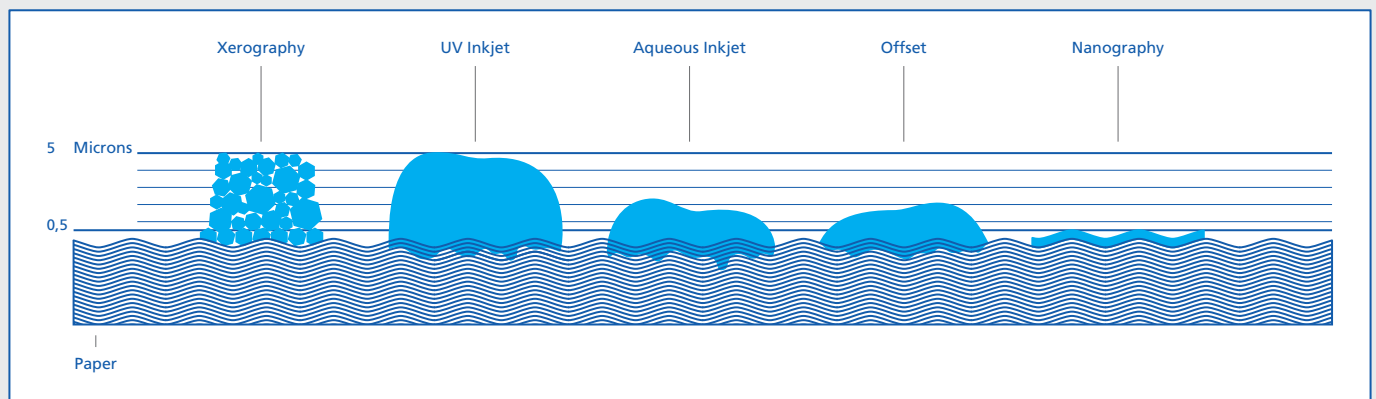
Traditionally, sustainable technologies and products have been very important at ALTANA. In all of our companies, we are working on expanding our portfolio accordingly – to the benefit of our customers. "For example, our metallic printing inks are more eco-friendly and economical than foil lamination," says Dr. Stefan Engel, Global Head of Digital Printing at ECKART and one of ALTANA's experts on the cooperation with Landa. "Our prod-

ucts can be applied exactly on the desired spots and thus avoid waste." The same applies to ACTEGA's overprint varnishes, which also replace foil.

The partnership with Landa has opened up further potential for our coatings, additives, and effect pigments. The alliance is based on values such as innovative spirit, openness, trust, and the mutual appreciation the two companies have for each other. Moreover, the two companies have a similar understanding of responsibility. "We do more than just our work," says Dr. Engel. "We are working on a sustainable future."



Using Nanographic Printing technology, the layer of ink is much thinner than with conventional processes. It is 500 nanometers thick, half as much as with offset printing.



LANDA'S DIGITAL NANOGRAPHIC PRINTING PROCESS PROTECTS RESOURCES. THE INKS ARE WATER-BASED AND REQUIRE LESS PIGMENT THAN CONVENTIONAL PRINTING INKS.

Company

ALTANA AG is a globally active group of companies. It develops, produces, and sells high-quality specialty chemicals, including additives, special coatings and adhesives, effect pigments, sealants and compounds, impregnating resins, as well as testing and measuring instruments. The company is based in Wesel, Germany.

In 2014, ALTANA enlarged its Management Board and redistributed the tasks within it. The Chairman of the Management Board, Dr. Matthias L. Wolfgruber, continues to oversee core functions such as Corporate Development, Innovation Management, and Human Resources. In addition to the financial affairs of the Group, Martin Babilas now assumes responsibility for the ACTEGA Coatings & Sealants and ELANTAS Electrical Insulation divisions. The new member of the Management Board, Dr. Christoph Schlünken, is in charge of Environment & Safety, ALTANA Excellence, as well as the BYK Additives & Instruments and ECKART Effect Pigments divisions. A complete overview of the responsibilities of the members of ALTANA's Management Board is provided in the Annual Report 2014.

In the 2014 fiscal year, the ALTANA Group generated sales of €1,952 million and achieved EBITDA (earnings before interest, taxes, amortization and depreciation) of €397 million. The company's sales were evenly distributed between all regions of the world. Detailed information on ALTANA's financial results can be found in our annual report, where we also listed the public grants and social benefits the companies in our group received in the 2014 fiscal year. The annual report can be called up at www.altana.com/annual-report.

Climate Protection as an Opportunity

Sustainable management combines economic efficiency, environmental and health protection, and corporate social responsibility. It is the basis of our activities at ALTANA. As we advance our portfolio, we make a concerted effort to continuously expand our offer of climate-friendly innovations. This particularly concerns the development of water-based products to reduce emissions from volatile organic compounds (VOC). You will find more detailed information in the Products chapter.

At the same time, we analyze the potential financial risks posed to our group by the consequences of climate change. Such risks arise primarily from rising energy prices, as well as from higher prices for fossil raw materials that we need for production.

Of our sites, only one might be directly affected by climate change. ELANTAS PDG is based near the Mississippi River. It is not out of the question that in the distant future water could reach the site due to the rising water level.

Acquisitions Enrich Our Sustainable Portfolio

In addition to product development, ALTANA uses acquisitions and investments to achieve targeted expansion of the Group's sustainability profile. In 2014, the company's minority stake in Landa Digital Printing, three acquisitions, and ALTANA's cooperation with the Spanish technology center ITENE served this purpose.

The acquisition of technologies and customer-specific know-how from the Dutch company Royal DSM added water-based wax emulsions to our portfolio. They can be used primarily to manufacture composite material for the construction and automotive industries. This business is helping BYK expand its range of wax additives in a customer-oriented way.

With the acquisition of the companies Premiata and Overlake and their integration into the newly established ACTEGA do Brasil, the ACTEGA Coatings & Sealants division now has a presence in Latin America. The new company has three production sites. Its portfolio consists of water-based and UV curable coatings, as well as printing inks and coatings based on renewable raw materials, including soy. ACTEGA do Brasil sells some of these products under the brand name Ecolake.

BYK signed an agreement with ITENE, whereby BYK has taken over the sale of clay-based additives for bioplastics and for the packaging industry.

Certified Management Systems Serve Environmental Aims

The ALTANA Group seeks to continuously reduce the environmental effects of its business activities. The managing directors of the Group's various companies have therefore committed themselves in writing to ensuring that appropriate improvements are made in their firms. To determine the effects on the environment, we have implemented internationally recognized management systems. It is the task of the individual companies to have their systems certified. This also applies to companies integrated into the Group within the framework of acquisitions.

In 2014, we made further progress in this area. ELANTAS Isolantes Elétricos do Brasil had its environmental management system certified according to ISO 14001. In addition, ELANTAS Beck in Hamburg and BYK-Chemie in Wesel (which have already received environmental certification) had their energy management systems audited based on ISO 50001. This certificate is an important prerequisite for energy-intensive companies to apply for tax relief in Germany. It can also mean partial exemption from the German Renew-

able Energy Sources Act (EEG) apportionment. This is not the case with the sites named.

Opinions within the Group differ about whether it is an advantage for an individual company to have its own energy management system. Some believe this is a sensible means of controlling energy flows and of achieving the CO₂ reduction goals we have set ourselves. In their opinion, a certificate can also enhance positive publicity, especially since it is playing an ever-greater role in customer relations. More and more companies are checking to see whether their suppliers have a certified energy management system.

Others, however, see a separate energy management system as having no added benefits, apart from tax advantages, neither for the company nor for its processes and sustainable management overall. In their view, well-established environmental management systems have a sufficient range of tools to control energy flows, heighten efficiency, and improve the environmental balance. ALTANA considers a well-functioning environmental management system as being suitable regarding the issue of energy as well.

Compliance: Training and Workshops

ALTANA has had a comprehensive Compliance Management System (CMS) since 2008. Detailed information about this system as well as our group's leadership and responsibility structures can be found at www.altana.com/sustainability.

Our goal is to continuously advance this system and adapt it to the criteria of the IDW 980 audit standard valid in Germany. As a result, we sought an exchange with external experts in 2014. They confirmed that we chose the right system.

ALTANA's Code of Conduct, a binding guideline for all of our employees and managers worldwide, is a component of the CMS. It provides information about proper behavior in

instances of corruption, accepting or giving advantages, discrimination, and conflicts of interest. Moreover, on the basis of the "Corporate Guideline HR" published in 2014, all ALTANA companies have committed themselves to adhering to these regulations. In addition to ALTANA's Code of Conduct, ELANTAS Beck India informed all of its staff members about the law on sexual harassment at the workplace that went into effect in India in 2013.

Training programs on ALTANA's Code of Conduct have been offered electronically on an online platform since 2010. Aside from German, English, and Chinese versions, an Italian version was added in 2014. It provided training to 270 employees last year.

The e-learning program (exclusively in English) developed in 2014 addresses the issues of corruption and corruptibility. With it, we have trained 300 managers. Also, we used our annual controller meetings in the U.S. and China in 2014 to heighten the participants' knowledge about the issue of compliance. At both events, the subject was taken up during a whole day of lectures and workshops.

With internal audits, we check to see whether our business processes contain compliance risks and, if they do, define measures to eliminate these risks. In 2014, we performed 19 audits of this kind.

Film Conveys Guiding Principles

"We want to be leading in everything we do" – this is the motto of ALTANA's Guiding Principles. Last year, we shot the film "We are ALTANA," in which employees from Germany, the U.S., Italy, India, and China talk about their work. It can be called up on our website.

The 36 women and men featured in the film work in different capacities. Among them are production workers as well as managers and specialists. Some were ambassadors

for the Guiding Principles in their company when the latter were introduced in 2011.

In short sequences, the employees explain their personal understanding of the values and qualities that characterize ALTANA. The result is a kaleidoscope of our group, which is marked by an innovative spirit and customer orientation. Participation in the film was voluntary. All of the employees spoke in front of the camera without a script. That makes our film particularly authentic. And it's why we decided to use some of the sequences for our new "ALTANA plus" image campaign launched at the beginning of 2015.

Sustainable Management with ALTANA X

Our internal ALTANA Excellence program – ALTANA X, for short – was initiated in 2013. The goal is to make processes more efficient in an effort to cut costs in the long run. Of a total of 108 projects, eight have a direct link to sustainable management. Some of the projects expressly seek to optimize the use of material or energy to protect resources or improve safety. For example, thanks to improved boiler cleaning processes we have reduced the use of raw materials for cleaning agents at BYK in Wesel and thus made their disposal superfluous. At ACTEGA DS in Bremen, improvements in the manufacture of Provalin have reduced the amount of material needed and at the same time cut disposal costs.

In other projects, the sustainability effects are a result of intended economic process optimizations. This applies, for instance, to a project launched by ELANTAS Beck in Hamburg, where we are conserving energy in the manufacture of resins thanks to more efficient production processes. At its Wackersdorf site, ECKART is optimizing the atomization of aluminum into powder and thus will also consume less energy.

Innovation Strategy

Sustainable management is often rooted in innovations. ALTANA invests around six percent of its total sales in innovations, which is above the industry average. Moreover, we are continually working on making our internal innovation management as efficient as possible.

A good example is the realignment of BYK's research and development in 2014. The move helps establish an international innovation structure with sites in Germany, the U.S., and Asia. Processes were changed and tasks redistributed. In a nutshell, the changes aim to speed up innovation processes at BYK and to enable the company's researchers to react as quickly as possible to market needs. For particularly when it comes to the development of environmentally compatible, sustainable, or VOC-free products, we receive important impetus from our customers.

Independently of our internal commitment to innovation, we enter into exchange and cooperation with external partners to promote it. Most of them are our customers, but they also include other suppliers and scientific institutes. In our view, an exchange of knowledge is of the utmost importance for future innovations.

In this context, we also observe the development of innovation culture in German industry. In 2014, we commissioned the market research institute Forsa to conduct a study for us for the second time. In this cross-sector study, 250 top decision-makers and 250 career entrants were surveyed on the topic. One outcome of the study, titled "Industry Innovation Index 2014," is that the majority of companies in Germany focus on internal innovation programs but do not sufficiently open up to the outside.

Awards

In 2014, the German "Land of Ideas" initiative staged a competition called "NRW-Wirtschaft im Wandel" (A Changing Economy in North Rhine-Westphalia). The competition was mounted under the aegis of the economics minister of North Rhine-Westphalia. A jury consisting of representatives from industry, associations, and politics selected the prize-winners. ALTANA was given an award for its successful transformation from a conglomerate into a pure specialty chemicals supplier.

Global Compact in the Supply Chain

As a member of the worldwide Global Compact initiative of the United Nations, we have committed ourselves to implementing its principles in our supply chain. We share the corresponding code of conduct with our suppliers on our purchasing platform, among other places, where they can sign the voluntary initiative. A total of 480 companies have done so since 2010, with 161 signing it in 2014. When we visit suppliers, we conduct audits to ensure that they are adhering to the voluntary commitments. In 2014, we audited 21 companies in India, Poland, and the U.S.

Responsible Care and Chemie³

The basis of our activities is the chemical industry's worldwide sustainability initiative, called Responsible Care. All of ALTANA's managing directors personally signed this voluntary initiative and, based on it, submit an annual report to the German Chemical Industry Association (VCI), which uses the data for its annual Responsible Care progress report.

In Germany, the sustainability initiative Chemie³ (Chemistry³) has set itself the goal of pushing ahead sustainability, above and beyond the objectives of Responsible Care. The initiative was established by the VCI, the German Mining, Chemical and Energy Industries Union (IG BCE), and the German Federation of Chemical Employers (BAVC). ALTANA supports this initiative because it is in line with our group's Guiding Principles. An important part of the work of Chemie³ is to convey to members exemplary solutions and approaches for sustainable management. A publication called "Good Practices" serves this purposes. One of the first reports was devoted to an innovative sealant that our company ACTEGA DS developed (see ALTANA Sustainability Report 2013). With its help, bottle cap manufacturers can use considerably less steel.

in Wesel alone. Guests gathered information about the products we manufacture, visited laboratories, and took guided tours of the production halls. At some sites, children gained their first practical experiences in experiments developed especially for them. And young people had the opportunity to collect information about the apprenticed trades on offer.

Stakeholders

In our communications, we rely on dialogue with various interest groups. They include neighbors, local political representatives, and the media, as well as public authorities, associations, investors, customers, and suppliers. The exchange serves to strengthen trust in our products and the safety of our plants.

On the one hand, we determine stakeholders relevant to us on the basis of our experience and the communications needs we identify. On the other, we analyze which groups may have special expectations or fears vis-à-vis the chemical industry and adapt our communications accordingly. Our annual reports and annual sustainability reports are an important component of our communications with interest groups, as is participation in association meetings or other events. ALTANA's regular Germany-wide open house activities are among them.

Eight of our group's sites took part in this action day in September 2014. A total of 8,000 visitors attended, 4,500

Products

We want to be leading in everything we do. This particularly concerns our innovative products, which conserve resources and protect the climate. We help our customers manufacture with low emissions and energy-efficiently. Furthermore, with our PVC-free and thus plasticizer-free closure seals for glass jar lids, for example, we help them increase the safety of their products.

16	JOINING FORCES FOR A COMPETITIVE EDGE
20	Sustainable Product Development
20	Reducing Emissions
20	Protecting the Climate
20	Conserving Resources
21	Alternatives to Hazardous Substances
21	Guidelines and Their Impact on ALTANA
22	Global Product Strategy

JOINING FORCES FOR A COMPETITIVE EDGE: TRAILBLAZERS

TOGETHER WITH FEINKOST DITTMANN, ACTEGA DS HAS BROUGHT A PACKAGING INNOVATION ONTO THE MARKET: A PVC-FREE CLOSURE FOR GLASS JARS.

Plasticizers in PVC closures have many disadvantages. When they come into contact with oily and fatty foods they may migrate and thus can be deleterious to consumers' health. In addition, there is the danger that when the packaging is incinerated, dioxins will be emitted. When Timm Reichold, the managing director of Feinkost Dittmann, learned of these facts in the mid-2000s, he knew immediately that his company's gourmet foods packaged in glass jars needed closures with sealing compounds devoid of PVC. But there were no such alternatives at the time. Reichold needed an innovative partner.

He found one in ACTEGA DS. Ten years ago, the gourmet food manufacturer and the sealant specialist pooled their resources and were joined by the closure manufacturer Pano to form an unusual triad. The cooperation has set standards in the food packaging industry. Feinkost

Dittmann, the market leader for gourmet delicacies in Germany, was the first company in its sector worldwide to introduce PVC-free closures for its products. "As a family-owned business, we want to guarantee our customers maximum product safety," says Reichold, explaining his motivation. "In addition, we have a special responsibility to protect the environment."

Such innovative closures have been made possible by Provalin. Under this brand name, ACTEGA DS sells thermoplastic elastomers (TPE) that can be used to manufacture PVC-free and thus plasticizer-free sealing compounds for glass jar lids. Consumers recognize this from the blue seal inside the lid.

Provalin is suitable for both hot and cold filling of foods. Moreover, it can withstand the high temperatures that arise during sterilization and pasteurization. Last

"ALTANA's top priority is to give our customers a competitive advantage with our products, enabling them to have an edge in their markets. This can lead to lasting success if we can combine this goal with advantages for consumers and the environment. This ambition paid off in our cooperation with Feinkost Dittmann. It's an important milestone in the advancement of our thermoplastic elastomers under the brand name Provalin."

WILFRIED LASSEK, ACTEGA



JOINING FORCES FOR A TRAILBLAZ

TOGETHER WITH FEINKOST DITTMANN, ACTEGA DS HAS
A PACKAGING INNOVATION ONTO THE MARKET: A PVC
FOR GLASS JARS.

Plasticizers in PVC closures have many disadvantages. When they come into contact with oily and fatty foods they may migrate and thus can be deleterious to consumers' health. In addition, there is the danger that when the packaging is incinerated, dioxins will be emitted. When Timm Reichold, the managing director of Feinkost Dittmann, learned of these facts in the mid-2000s, he knew immediately that his company's gourmet foods packaged in glass jars needed closures with sealing compounds devoid of PVC. But there were no such alternatives at the time. Reichold needed an innovative partner.

He found one in ACTEGA DS. Ten years ago, the gourmet food manufacturer and the sealant specialist pooled their resources and were joined by the closure manufacturer Pano to form an unusual triad. The cooperation has set standards in the food packaging industry. Feinkost

Dittmann, the market leader for delicacies in Germany, is a company in its sector working for PVC-free closures for its customers. "As a family-owned business, we guarantee our customers maximum product safety," says Reichold, managing director. "In addition, we have a responsibility to protect the environment."

Such innovative closures are made possible by Provalin. Under the name, ACTEGA DS sells thermoplastic elastomers (TPE) that can be used to manufacture PVC-free and phthalate-free sealing compounds for glass jars. Consumers recognize the seal inside the lid.

Provalin is suitable for the long-term filling of foods. More importantly, it can stand the high temperatures required for sterilization and packaging.

"THANKS TO ALTANA, WE ARE LIVING UP TO OUR RESPONSIBILITY FOR CONSUMERS. WITH THE PVC-FREE CLOSURE, WE GUARANTEE THEM MAXIMUM PRODUCT SAFETY."

TIMM REICHOLD, FEINKOST DITTMANN





but not least, it guarantees that no undesired substances migrate from the TPE into the food over a longer period. Hence Provalin is ideal for packaging oily and fatty foods such as olives and antipasti.

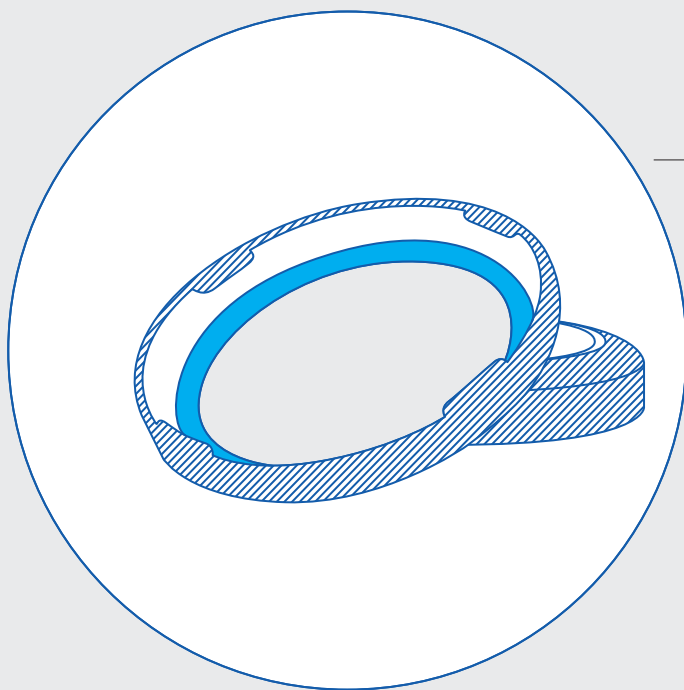
ACTEGA DS marketed the first PVC-free sealants back in the 1980s, albeit for bottle caps. "The cooperation with Feinkost Dittmann was a tremendous opportunity to optimize our TPE development for application in vacuum screw closures," says Wilfried Lassek, the managing director of ACTEGA DS. "That was a key milestone in our sustainable product development."

Provalin not only had to prove itself under the different production conditions of different bottling plants. In addition, the material had to be durable enough to last for up to 36 months.

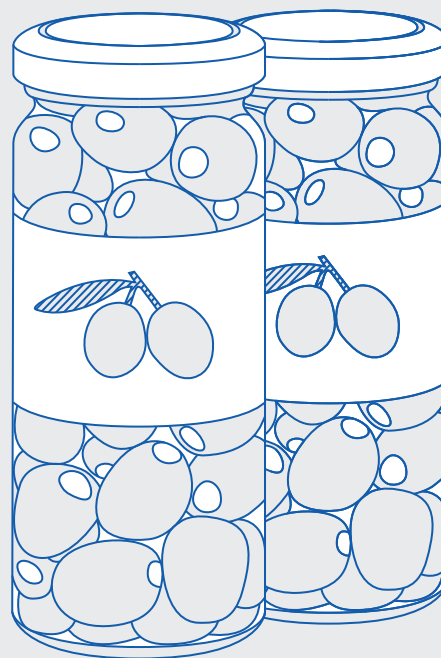
86 Million Provalin-Equipped Closures in 2014

The partners needed around six years for the development work. The debut came in 2011: the first antipasti jar with Provalin. Since then, Feinkost Dittmann has gradually converted the closures of its entire range of products to accommodate the innovative sealant. The method had to be adapted to all kinds of lid sizes. This process is now almost complete. In 2014, the gourmet product manufacturer sealed 86 million jars with the blue seal.

The innovation met with a tremendous response in the industry. Experts rewarded the partners' commitment with the German Packaging Prize 2011. Consumers were also thrilled. A study found that eight of ten consumers buy gourmet food closed with the blue seal. "Provalin offers us a real competitive edge," says Reichold.



Under the brand name Provalin, ACTEGA DS sells thermoplastic elastomers (TPE), which are used to make PVC-free and thus plasticizer-free sealing compounds for glass jar closures. Consumers recognize this from the blue seal inside the lid. In 2014, Feinkost Dittmann closed 86 million jars with this seal.



Provalin is ideal for packaging oily and fatty foods such as olives and antipasti.

MAKING PRODUCTS SAFER: ACTEGA DS, FEINKOST DITTMANN, AND A CLOSURE MANUFACTURER JOINED FORCES TO DEVELOP THE FIRST PVC-FREE AND THUS PLASTICIZER-FREE SEALING COMPOUND FOR GLASS JARS. THE PRODUCT INNOVATION HAS GONE DOWN EXTREMELY WELL WITH CONSUMERS.

Sustainable Product Development at ALTANA

The sustainability of our products is a core component of our corporate responsibility.

We aim to ensure that our products generate as few emissions as possible and need as little resources as possible. In addition, we look for alternatives to harmful substances wherever possible.

With these objectives in mind, our companies successfully differentiate their respective portfolios, and did so again in 2014. This innovation strategy enables them to access new markets or new customer groups, or to utilize new technologies that were not used at ALTANA hitherto.

Reducing Emissions

Our product strategy aims at reducing emissions from volatile organic compounds (VOC). We achieve this goal by steadily expanding our portfolio of water-based paints, additives, coatings, and pigments. An exemplary new development for this strategy from the year under review are the water-based printing inks that ACTEGA Colorchemie brought onto the market under the name ColorFlex. They are conceived for flexible plastic packaging used for food. Overall, the ACTEGA division increased the share of its products based on water and not solvents to approximately 55 percent. Of the 106 thousand tons of finished goods the division sold in 2014, 35 thousand tons of water replaced fossil-based solvents. About 86 percent were VOC-free coatings.

Protecting the Climate

In addition to reducing VOC emissions, we are also working on cutting CO₂ emissions. This can be done in various ways. First, the use of new technologies in manufacturing can help

reduce the ecological footprint of our products. Second, our products can help our customers reduce emissions and energy consumption.

In the context of new technologies, biotechnology, which has not been used much so far in the specialty chemical industry, opens up interesting possibilities. BYK-Chemie has already gathered its first biotech experiences. With a few products, it replaced traditional catalysts with enzymes. The enzymes' sustainability is indisputable because they are water based, non-toxic, and biodegradable. Furthermore, as they can be processed at much lower temperatures, they have the advantage that they save energy during manufacture and thus reduce emissions. Thanks to the lower temperatures, moreover, secondary reactions, for example color changes that occur when traditional catalysts are used, can be avoided.

When it comes to helping our customers manufacture climate-friendly products, a new development by our company ELANTAS Beck as well as the cooperation between BYK and the Spanish technology center ITENE achieved milestones. With the product group co-Shield, which has already been patented in the U.S., ELANTAS is now offering a groundbreaking two-layer concept for insulating coatings. It prolongs the life of energy-efficient, speed-controlled motors.

BYK's cooperation with ITENE will push ahead worldwide usage of climate-friendly bioplastics based on polylactic acid (PLA). The additives resulting from the collaboration improve the mechanical resilience and thermal resistance of packaging materials for which the bioplastic is used.

Conserving Resources

Extremely efficient resource consumption is an important component of sustainable product development. In 2014, trailblazing new developments of our companies once

again contributed to improving our customers' products in this regard.

ELANTAS Beck India developed four products that are manufactured with oil from cashew shells. In terms of sustainable management, we view this innovation as a particularly remarkable step. It shows the potential that lies in reusing plant waste.

A new bonding agent developed by BYK that optimizes metal primers improves the corrosion resistance of metals, thus increasing their lifespan. Svelon, a new, PVC-free sealant that ACTEGA DS developed in cooperation with the U.S. Dayton Systems Group, enables beverage cans to be provided with a twist-off cap. As a result, the cans can be closed again – an important benefit for consumers. A water-based encoding varnish from ACTEGA Terra not only makes it easier to print individual labels, but also makes the printing process more sustainable as it reduces the use of material.

Alternatives to Hazardous Substances

Wherever it is possible and economically sensible, ALTANA strives to replace harmful substances. With this strategy, we often open up new markets for our companies. An example is Lasersafe from ECKART. The first heavy metal-free pigment can be used for the increasingly popular practice of laser marking of plastics. A new group of thixotropy additives that BYK brought onto the market is produced without the substance NMP (N-Methyl-2-pyrrolidone), which is toxic to reproduction.

With the introduction of a new ToySafe paint series, ACTEGA Terra offers safety not only to toy manufacturers. Food packaging manufacturers can also rest assured that these paints do not contain any substances that are detrimental to human health, such as Bisphenol A, benzophenone, heavy metals, and plasticizers.

The success of the plasticizer-free sealant Provalin encouraged ACTEGA DS to extend this portfolio to other applications. As a consequence, the company has tapped new markets. On the one hand, it modified its Provalin recipe such that the material no longer contains animal-derived components (ADC). Now Provalin can also be used for kosher and vegan food packaging.

On the other hand, with ProvaMed the company is offering a transparent, plasticizer-free, low migration thermoplastic elastomer (TPE) that is suitable for sterilization procedures in medicine and pharmacology. As such, it can be used as a sealant for syringes and infusion bag closures, among other things.

Guidelines and Their Impact on ALTANA

The legal framework for our company's activities consists of national laws and international guidelines. We attentively follow the development of projects that affect us and participate in the opinion-making process they give rise to, for example within the framework of online surveys launched by lawmakers.

The introduction of nano registers that has been discussed for some years impacts a number of our companies. In our view, such registers are not needed, because the rules of the EU-wide REACH regulation suffice for registering the nanomaterials that are used for respective substances. We took this stance during the Internet consultation that the EU requested different stakeholders to participate in.

If nano registers are introduced nonetheless, we advocate the establishment of an EU-wide institution to keep the administrative costs and effort for the companies affected within certain limits. National registers, which are currently planned in some European countries, should not be created because they increase the bureaucratic burden in the companies.

We stick to the criticism we expressed in the previous years on the definition of the term “nano” that is currently under discussion. This concerns two aspects. First, the definition is so broad that according to experts it unnecessarily extends to powder and normal pigments. Second, it is not practical because it refers to the tiniest particles (so-called primary particles). But as a rule, chemical companies process agglomerates or aggregates, a large amount of particles that clump together.

Finally, we make reference to the fact that there is still a lack of measuring methods to examine the materials at reasonable expense. The only method with which primary particles can be identified is expensive electron microscopy. A statistical evaluation of the results is hardly reasonable.

The planned legislation on hydraulic fracturing in Germany makes testing of this unconventional method of gas and oil production more difficult. While we regret this, we are pleased that tests will not be ruled out completely. In our view, hydraulic fracturing is a controllable technology that can help pave the way for an energy turnaround in Germany, enabling us to refrain from using coal and use more environmentally friendly natural gas for generating energy instead.

The risks of the technology that have been discussed publicly refer to groundwater protection. We therefore advocate transparency. All of the substances in the fracturing liquids should be published. This also concerns our additives. Our goal is to contribute to environmentally compatible fracturing and, in keeping, to develop non-critical products. Therefore, we are gathering data to evaluate the effects of our additives on the environment.

2014 we provided information on two substances to the International Council of Chemical Associations (ICCA), which it published on the Internet. For reasons of confidentiality, we cannot publish further information. This concerns our additives. For with them we are not bringing substances onto the market but are creating an effect. The chemical associations have not found a solution to this special case to date.

Global Product Strategy

ALTANA has registered eleven substances under the EU-wide REACH regulation. In line with our voluntary commitment regarding the worldwide Global Product Strategy (GPS), in

Safety

ALTANA relies on a uniform safety culture. Technical and organizational measures contribute to enhancing work safety and anchoring the issue firmly in our employees' minds. Our top priority is to reduce the number of accidents. We are constantly working on minimizing dangers and improving the protection of our employees' health.

24	GUARANTEEING SAFETY
28	Worldwide Safety Culture
28	ALTANA Safety Indicators
29	Measures for Improving Behavior
29	Technical Safety Improvements
30	Low Number of Incidents
31	Occupational Health Promotion
31	Sports Offers

GUARANTEEING SAFETY:

FIRE DEPARTMENT HELPERS

THE COOPERATION BETWEEN BYK AND THE WESEL FIRE DEPARTMENT INCLUDES JOINT TRAINING AND SPECIAL FIRE-FIGHTING VEHICLES.

In a very sophisticated technological environment, safety plays a key role. This applies particularly to chemical companies. For many years, BYK in Wesel has cooperated intensely with the local fire department. The collaboration is extraordinary. We not only know this from first-hand experience, but it is also confirmed by Christoph Hegering, the assistant chief of the Wesel fire and rescue department.

Chemical reactions require high temperatures, and some raw materials are combustible or caustic. To guarantee the protection of employees, neighbors, and the environment, the corresponding laws and regulations prescribe detailed safety measures. Among other things, some companies are required to develop their own fire departments. This would have been the case with BYK in Wesel too.

But due to the proximity of our plant to the main fire department in Wesel, we

were given permission by the regional administration to forego having our own company fire service. Instead, we support the municipal fire department, among other things, in its regular special training of personnel to fight industrial fires. In addition, we are helping them purchase special fire-fighting equipment used to fight industrial fires and other large fires. Finally, we provide special equipment on our factory grounds and maintain it on a regular basis.

The cooperation is multifaceted. The top priority is to train the 70 fulltime and 200 volunteer fire department employees on active duty in Wesel. "Everyone here has to be able to fight an industrial fire," says Hegering. Two-day training stints on the grounds of the Rotterdam International Safety Center (RISC) prepare them for this task. Twice a year, accident scenarios are gone through here, situa-

"Good cooperation presupposes predictability and reliability. Our longstanding cooperation with the Wesel fire department has helped strengthen our understanding for one another enormously. We have built well-functioning structures together that enable us to act quickly and competently in an emergency."

KLAUS HIRLE, BYK



GUARANTEEING SAFETY FIRE DEPARTMENT HELPERS

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The cooperation is mutual. The priority is to train the 200 volunteer fire department members on active duty in Wesel. BYK has to be able to fight fires, says Hegering. Two days a week on the grounds of the national Safety Center. They train them for this task. Two scenarios are gone through

“ALTANA IS A PARTNER WITH WHICH WE CAN TALK OPENLY AND HONESTLY. SO WE KNOW THAT COMMUNICATION WILL WORK IN AN EMERGENCY.”

CHRISTOPH HEGERING, WESEL FIRE DEPARTMENT





tions that would be conceivable at BYK. They include pumps and filling facilities that catch on fire.

In this training program financed by BYK, the firefighters learn under which conditions they can use water, foam, or powder to extinguish a fire and which additional rescue and security measures are needed.

In parallel, BYK has its own employees trained to be so-called fire department helpers. Two helpers have to be available on each shift. In the event of an emergency, they support the fire department as "scouts" with their knowledge of the site or carry out preparatory work, for example switching on fire wells on the factory grounds. They are also trained with the fire department, learning how to use respiratory protective equipment, among other things. The knowledge gained

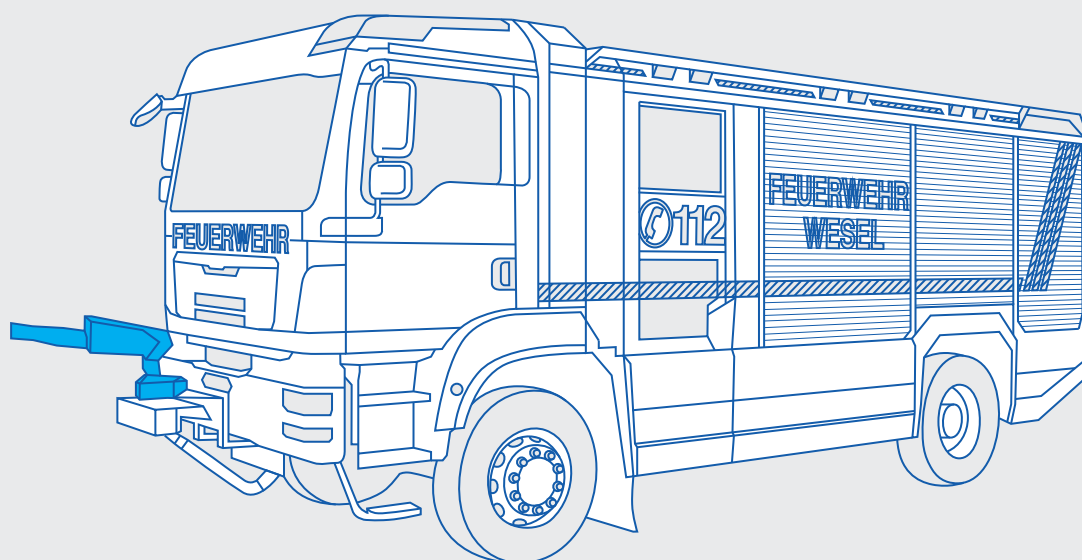
from the reciprocal training is deepened by regular joint exercises and on-site visits to the BYK plant grounds.

Joint Crisis Management

But this is not enough for successful cooperation. "Open and honest interaction with one another is paramount," says Hegering. "Good cooperation is based on the partners being predictable," adds Klaus Hirle, the head of Work and Health Protection at BYK-Chemie. "This sows trust."

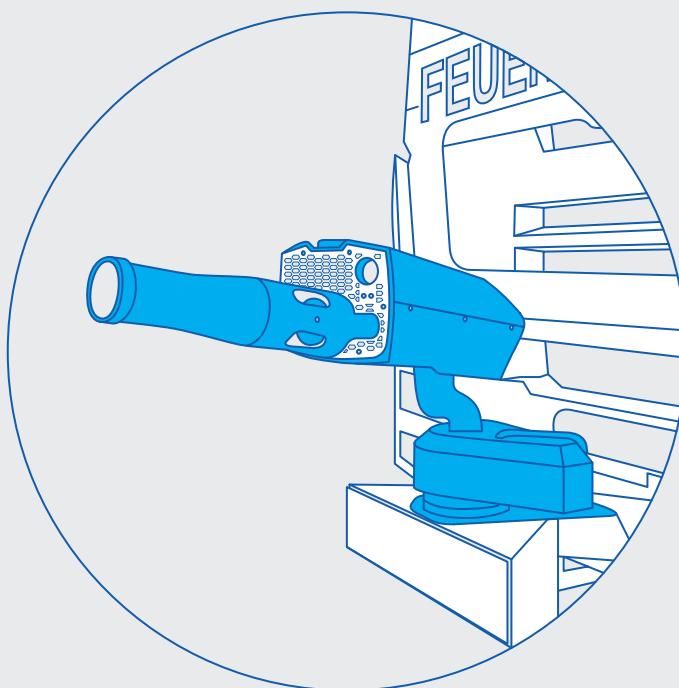
Joint debriefings by the managers, analyses, and above all the willingness of both sides to talk openly about mistakes and to learn from them are additional aspects of the partnership. Both Hegering and Hirle are convinced that "in the case of an emergency, we could react much faster and better than a few years ago." Thanks to the preventative safety measures tak-

en, though, they have not had to put their firefighting skills to the test.



The 18-ton large-tank fire truck TLF 4000, which was purchased with financial support from BYK, is particularly suitable for extinguishing large fires. The big advantage of this fire-fighting vehicle: With its 4,500 liter tank and the foam and extinguishing powder it carries it can be deployed immediately to fight fires.

With the help of a control device, the water/foam monitor in the front of the vehicle, with a capacity of 1,500 liters a minute, can be operated even while the vehicle is being driven. The fire fighters can begin extinguishing the flames in the very first minutes, before the hoses are connected with fire wells or fire hydrants at the location.



AT ITS WESEL SITE, BYK COOPERATES CLOSELY WITH THE LOCAL FIRE DEPARTMENT. EMPLOYEES TRAIN TOGETHER WITH FIRE FIGHTERS AT THE PLANT AND RECEIVE SPECIAL TRAINING FOR FIGHTING INDUSTRIAL FIRES; THE COMPANY HELPS PURCHASE SPECIAL FIRE-FIGHTING EQUIPMENT.

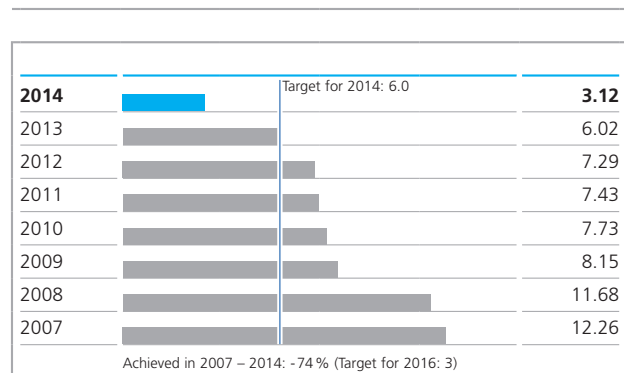
Uniform Safety Culture Worldwide

As an employer, it is ALTANA's duty to protect its more than 6,000 employees from dangers and to offer them safety at the workplace. The basis for the technical and organizational measures we implement are the laws valid in the region where the respective site is located. In addition, we have developed a uniform safety culture applicable at all of ALTANA's sites. By implementing a wide range of measures, we ensure that our safety culture is firmly anchored in the minds and behavior of all of our employees.

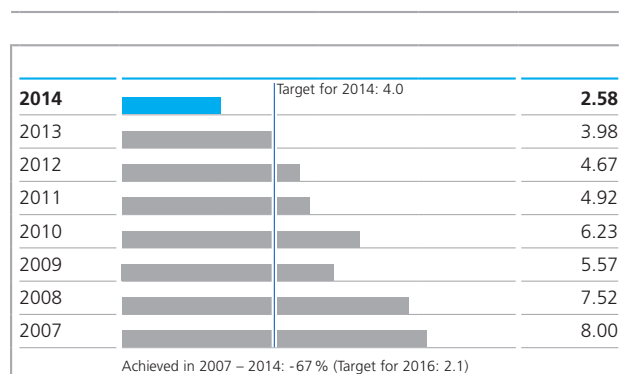
ALTANA Occupational Safety Indicators

With the Work Accident Indicator (WAI) we continuously collect data on occupational safety from all our sites worldwide. Each year, we define upper limits to achieve our most important goal, namely, to reduce the number of occupational accidents. Since we began recording this information in 2006, we have been able to lower the number of accidents step by step, as the graphics on the side show.

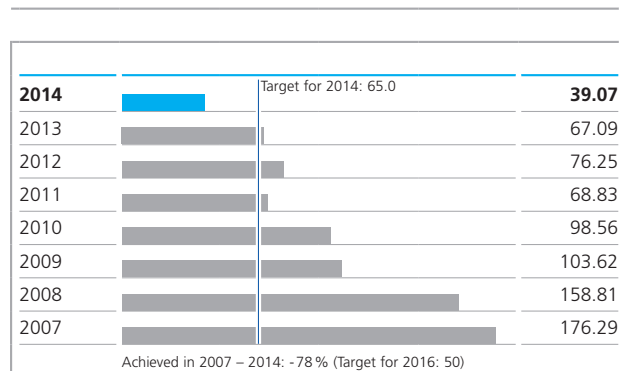
WAI 1



WAI 2



WAI 3



The Work Accident Indicator is divided into three categories:

- WAI 1: Number of occupational accidents with lost work time of one or more days per million working hours,
- WAI 2: Number of occupational accidents with more than three days of lost work time per million working hours,
- WAI 3: Number of lost work days due to occupational accidents per million working hours.

In 2014, as in the previous years, there were no fatal accidents in our company. The figures in all three areas were significantly lower than the upper limits we had defined. In three of our four divisions, we already reached the level we had defined for 2016.

It is particularly noteworthy that for several years a number of our companies have worked so safely that there has been no lost work time due to accidents. ECKART has achieved this for more than ten years at our U.S. site in Schererville, for four years at our Chinese site in Zhuhai, and for two years at our Wackersdorf site in Germany. ELANTAS Beck India has been accident-free for more than ten years. The employees at ACTEGA Foshan (China), ACTEGA Kelstar (U.S.), and ACTEGA Rhenacoat (France) have worked for more than three years without any lost work time due to accidents.

This positive development is the result of various safety measures implemented at ALTANA. An important contributing factor is that we exchange best practice models between our sites.

Measures for Improving Behavior

In spite of all our success, we are aware of the fact that we cannot slacken in our efforts. Particularly at the sites where the WAI statistics were good, the management had the impression that the employees' safety awareness in everyday work had let up – a very human development.

At the Schererville site, the number of near accidents increased. As a result, we are offering the forklift operators there special training and examining the situation in monthly safety talks with the employees. At ELANTAS Beck India in Pimpri and Ankleshwar, we have introduced special audits and so-called safety hunters to make the employees realize

how important it is for safety to, say, clean tools and devices after use and put them back in their place.

Safety awareness and safe behavior were also addressed by BYK at its Wesel site. Safety experts and the executive management, supported by an external consultant, developed a safety program called "sicher@BYK" (safe@BYK). The aim of the program is to address and promote safety-compliant behavior across all divisions and levels of hierarchy. Regular investigations of dangers at the workplace (called job safety analyses at BYK), dialogue-oriented instructions, and anonymized documentation of occupational accidents on the Intranet serve to sharpen employees' safety awareness. In regular team meetings, line managers, safety officers and employees develop suggestions for improving occupational safety.

Technical Safety Improvements

In addition to examining employees' safety behavior, we regularly probe how we can continue to improve our technical equipment and make it safer in terms of ergonomics.

In Ankleshwar, India, for example, we built a separate elevator shaft outside the production building to replace the pulley system used inside. As a result, employees can transport raw material pallets safely. In Schererville, so-called scissor lift tables now make it easier to stack packets on pallets. Employees no longer have to bend down, because with low weights the table top remains at work height thanks to special springs in the mechanism, and only sinks down with increasing weight. At the Zhuhai site, ELANTAS installed a new dosing machine. The machine obviates the need to add powders manually, as the latter are fed automatically into the reactor vessels. This not only prevents dust from accumulating, but also reduces the risk of explosions.

Low Number of Incidents

Fires, explosions, and leakage of chemicals pose dangers to our employees and neighbors, to the company and the environment. Our goal is to prevent such incidents from occurring. This is the basis of our process and plant safety at all of our sites.

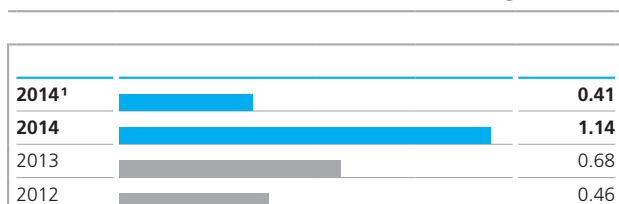
In keeping with the laws of the respective region, we generally equip new production facilities with sumps or catchment basins to prevent chemicals from leaking out. Many existing plants have been retrofitted accordingly. Closable wastewater pipes and sealed surfaces also help prevent chemicals from being released into the environment.

Needless to say, we register every relevant incident, no matter whether it is in production or in a warehouse, in a technical center or a lab. But our definition of "significant incidents" differs from that of the German Chemical Industry Association of (VCI).

The VCI categorizes an incident as being "significant" if a fire or explosion causes a defined loss amount or injury or if a defined amount of chemical leaks out. The amounts vary depending on the substance or mixture. This applies regardless of whether the chemical was caught in a special container or a sump or actually made its way into the environment (water or air). In our view, however, an incident is only "significant" if the substance is actually disseminated into the environment. For in all other cases, the technical preventive measures implemented are conducive to plant safety.

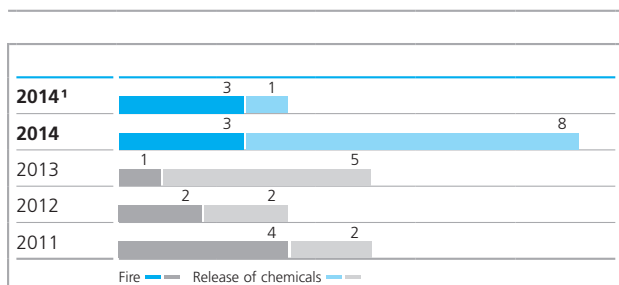
Based on ALTANA's own definition, we registered four significant incidents in 2014. At the ECKART site in Louisville, Kentucky, wastewater contaminated with aluminum was dispersed into the environment through a leaky pipe. However, the leak in the sewage pipe was not located on our property. The contamination of the soil by the metal was remedied swiftly. Neighbors suffered no harm.

Number of incidents according to process safety incident (PSI) for 2014/2013/2012 related to one million working hours



¹ According to ALTANA's specific definition of significant incidents.

Number of incidents in absolute terms for 2014/2013/2012/2011 differentiated according to fire and release of chemicals



¹ According to ALTANA's specific definition of significant incidents.

In addition, there were two deflagrations. At ACTEGA Rhenania's site in Grevenbroich, a forgotten grounding led to a minor deflagration in which an employee suffered slight burns. During repair work on a pipeline at ELANTAS Zhuhai, there was a deflagration with a large shooting flame. No employees were injured.

At ECKART's Hartenstein site, an explosion occurred while pigments were being ground together with solvents in December 2014. No one was injured, but there was extensive material damage. The cause analysis had not been completed when this report was printed.

Occupational Health Promotion

At ALTANA, we have traditionally attached great importance to preventive measures to protect human health, in order to reduce lost work time due to illness and to enhance employees' wellbeing. At our sites in Germany, we registered a sickness rate of 4.2 percent in 2014. Compared to the data of the chemical industry in Germany and the data published by the central statutory health association (GKV), this figure is in the same general range at around 4 percent.

In Germany, representatives of all of our companies regularly exchange information about their respective occupational health promotional measures and provide best practice examples. The following measures were successfully implemented in 2014: As the first company in the Group, BYK began offering employees over 40 a comprehensive, free checkup by a company physician. The response is extremely positive. At its Wackersorf site, ECKART had good experiences with a new model for shift workers: employees over 50 switch shifts after a maximum of three days.

An occupational reintegration management system for employees who are unable to work for more than six weeks due to illness is being discussed. The aim is to give employees the opportunity to perform certain tasks during the illness phase if they want to and if the tasks do not impair the recovery process. Medical advisory opinions need to be obtained.

At ELANTAS' two Chinese sites, the management launched an anti-smoking campaign. The three top managers there serve as role models – they quit smoking themselves. Second, a smoking ban was introduced for the entire factory grounds, and as a third measure, a financial reward is offered to every employee who stops smoking. To be eligible, the employee has to sign a written agreement. If the employee has a relapse, he or she has to pay back twice the amount he or she received.

Sports Offers

An important component of our prevention strategy are the sports options that more and more companies are offering their employees, often right on site. The most recent example is the Pimpri site of our company ELANTAS Beck India. In the new administrative building there, a fitness room was provided with equipment in 2014, and a badminton court was set up in a storeroom that is no longer needed. Both employees and managers participated in the first tournament.

Environment

Environmentally friendly management is a key component of ALTANA's corporate strategy. Our goal is to steadily reduce the energy consumption at all sites and in all areas. To this end, we have installed special heating cabinets and energy-saving electric motors at our new production plant in Wallingford. We also implement this objective in other environmentally relevant areas, such as waste.

34	TAKING RESPONSIBILITY LOCALLY
38	Facts on Environmental Protection
38	Resource Consumption and Waste
40	Customer Proximity and Climate Protection
41	Investments for Climate Protection
41	Improving Waste Disposal
42	Reducing Water Consumption
42	Reducing Emissions

TAKING RESPONSIBILITY LOCALLY: CLIMATE PROTECTORS

BYK USA HAS ERECTED A NEW, LEADING-EDGE MANUFACTURING FACILITY IN WALLINGFORD THAT MEETS THE MOST STRINGENT ENVIRONMENTAL PROTECTION REQUIREMENTS.

In our company, growth and sustainability go hand in hand. Nothing illustrates this better than the expanded plant that BYK USA opened in 2014 in Wallingford. It is ALTANA's largest investment outside of Germany to date.

With the new manufacturing facility in Connecticut, the additives manufacturer has doubled its capacities in the U.S. Moreover, it is now closer to our customers. The plant has taken over the manufacture of almost 200 products that BYK USA had hitherto imported from Europe. "Thanks to the local manufacturing, we are now more flexible. We can react to inquiries faster. At the same time, we reduce our carbon footprint because overseas transports are significantly reduced," says Dirk Plas, President BYK USA, summing up the advantages.

In addition, by 2016 BYK USA will have created around 40 new jobs, some of them

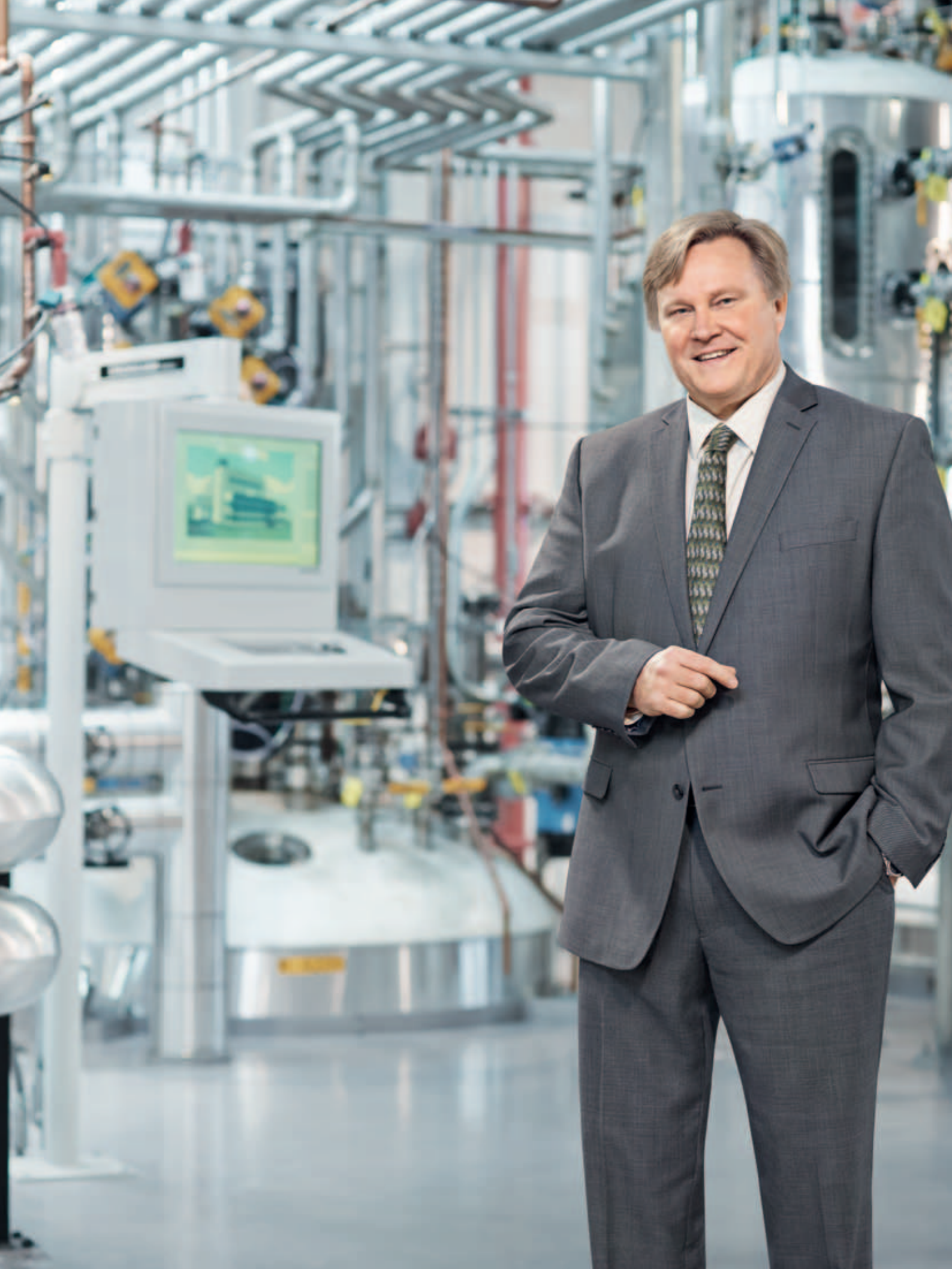
highly skilled, in Wallingford. The first 22 new employees, including researchers and developers, engineers, as well as chemical operators and maintenance technicians began work in 2014.

"BYK USA helps position Connecticut as a leader in manufacturing in the U.S. That strengthens our global competitive position," says Nancy Wyman, Lieutenant Governor of the state of Connecticut, which provided loans to subsidize the construction of the facility. "This expansion means more good jobs with good benefits for Connecticut's workforce in an industry that has wages around 30 percent higher than average annual wages."

"Another plus is the high level of automation of the new plant, which is a driver for sustainability, environmental protection and safety in the workplace," asserts Plas. The Lieutenant Governor is convinced that "workplace safety and environmental

"With our state-of-the-art facilities all over the world, for example in Wallingford, we have taken responsibility for the environment and our surroundings. Our customers reduce their carbon footprint and at the same time we create a healthy climate for our employees and neighbors at the location."

DIRK PLAS, PRESIDENT BYK USA



TAKING RESPONSIBILITY CLIMATE PROTECTION

BYK USA HAS ERECTED A NEW, LEADING-EDGE MANUFACTURING FACILITY IN WALLINGFORD THAT MEETS THE MOST STRINGENT ENVIRONMENTAL PROTECTION REQUIREMENTS.

In our company, growth and sustainability go hand in hand. Nothing illustrates this better than the expanded plant that BYK USA opened in 2014 in Wallingford. It is ALTANA's largest investment outside of Germany to date.

With the new manufacturing facility in Connecticut, the additives manufacturer has doubled its capacities in the U.S. Moreover, it is now closer to our customers. The plant has taken over the manufacture of almost 200 products that BYK USA had hitherto imported from Europe. "Thanks to the local manufacturing, we are now more flexible. We can react to inquiries faster. At the same time, we reduce our carbon footprint because overseas transports are significantly reduced," says Dirk Plas, President BYK USA, summing up the advantages.

In addition, by 2016 BYK USA will have created around 40 new jobs, some of them

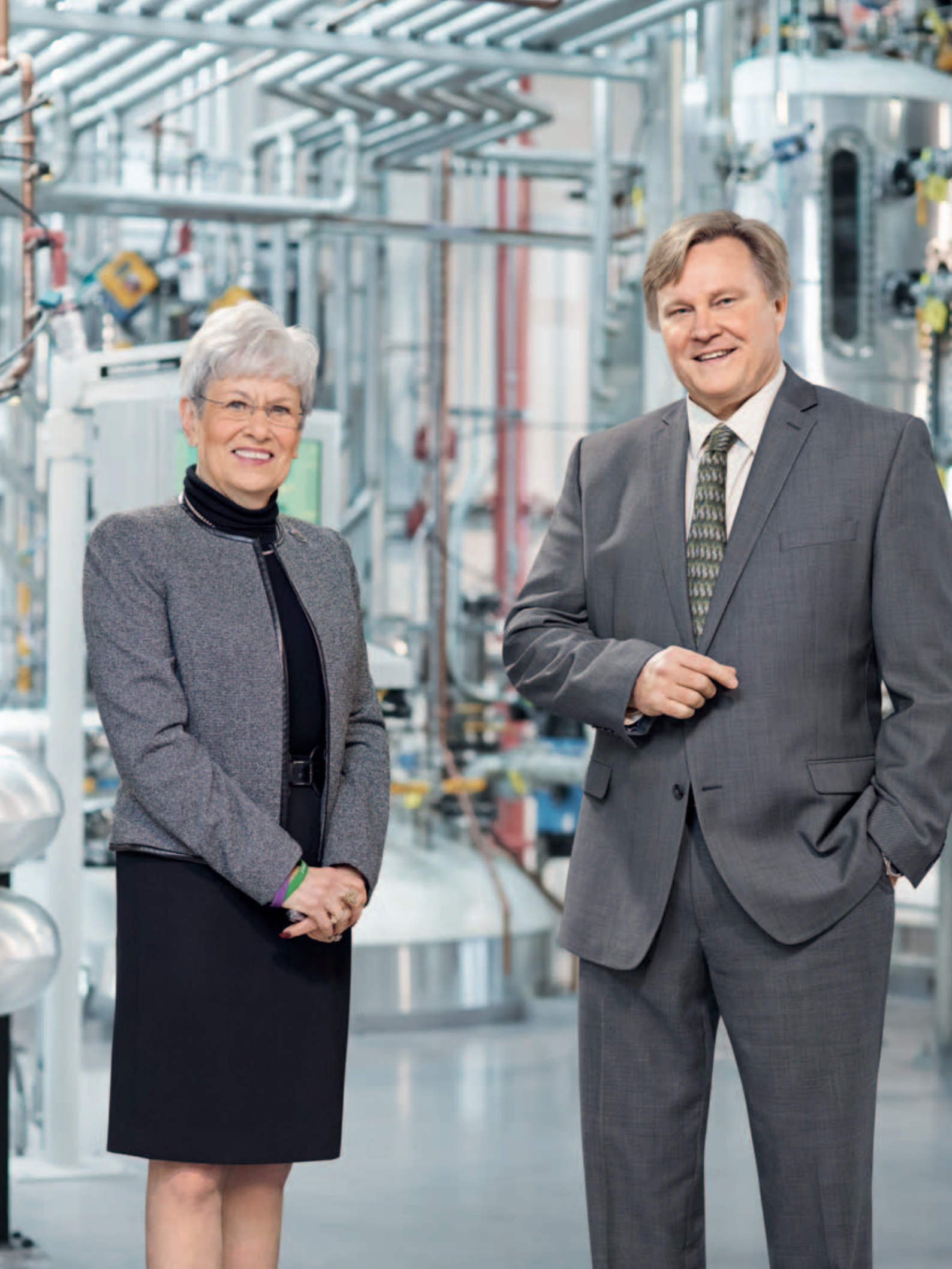
highly skilled, in Wallingford. 22 new employees, including engineers and developers, engineering technicians and chemical operators and technicians began work in

"BYK USA helps position Connecticut as a leader in manufacturing. That strengthens our position," says Nancy Wyman, Lieutenant Governor of the state, which provided loans for the construction of the facility. "The facility's location means more good jobs and benefits for Connecticut's manufacturing industry that has wages 10 percent higher than average."

"Another plus is the high quality of the new plant, which is a plus for sustainability, environmental protection and safety in the workplace. The Lieutenant Governor of Connecticut says: "workplace safety and

"BYK USA HELPS POSITION CONNECTICUT AS A LEADER IN MANUFACTURING, BALANCING THE NEEDS OF BUSINESS WITH ENVIRONMENTAL PROTECTION AND COMPREHENSIVE SUSTAINABILITY EFFORTS."

NANCY WYMAN, LIEUTENANT GOVERNOR OF CONNECTICUT





protection are keys to a higher quality of life. They are an important factor for the state's business climate."

Closed Systems Reduce Emissions

The plant's state-of-the-art equipment includes closed systems with a total of 18 tanks from which raw materials are fed right to the production vessels. This reduces the VOC emissions in the exhaust air. Elevators optimize the material flow. New filling stations facilitate workflows and prevent products from overflowing. A collection tank prevents chemicals from being released into the environment in the case of incidents.

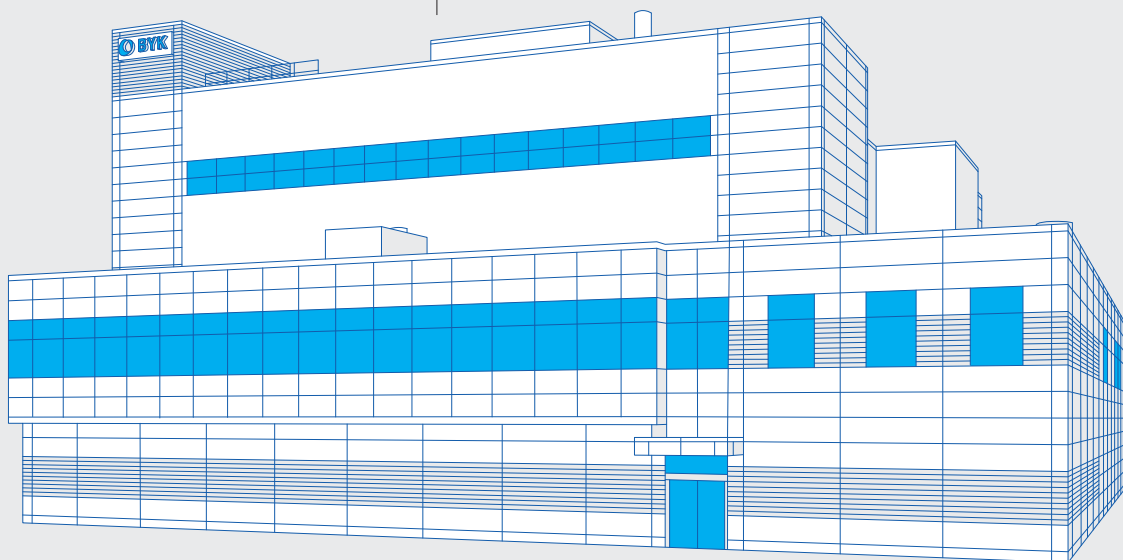
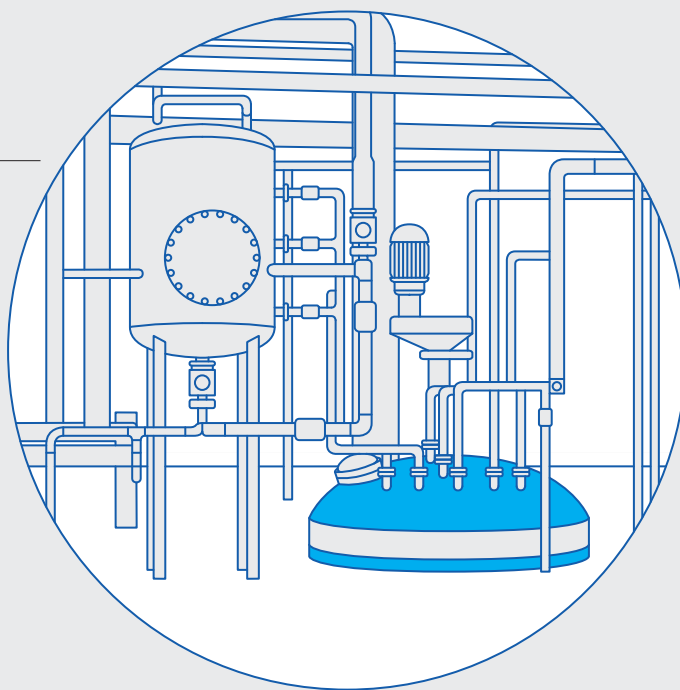
A specially designed ventilation system ensures healthy working conditions in the manufacturing plant and reduces the risk of explosions. High capacity cooling towers plus the use of special thermal oil for heating and cooling of the reactors

improves the site's energy efficiency and also helps reduce emissions.

Most processes that had to be carried out manually in the existing plant are now automated. This applies to the entire process control. As a result there will be fewer off-spec batches, which improves quality and reduces the amount of energy needed for rework. Furthermore, the automated process reduces the risk of incidents.

The plant, equipped with state-of-the-art technology, contains closed systems with which raw materials are fed directly into production vessels. That reduces emissions of volatile organic compounds (VOC) in the exhaust air.

High-performance cooling towers and special thermal oil for heating and cooling reactors improve the site's energy efficiency and contribute to reducing emissions.



BYK USA'S STATE-OF-THE-ART PRODUCTION FACILITY MEETS THE MOST STRINGENT ENVIRONMENTAL PROTECTION REQUIREMENTS. THE PLANT'S HIGH DEGREE OF AUTOMATION IS A CONTRIBUTING FACTOR. AT THE SAME TIME, WE CREATE NEW, SKILLED JOBS.

Facts on Environmental Protection at ALTANA

Environmentally friendly management is a central component of ALTANA's strategy. In 2007, we set ourselves the goal of reducing our energy consumption, in relation to gross added value, by 30 percent by 2020. We also seek to reduce our water consumption and the waste produced when we manufacture products. To measure our success on the path to these objectives, we have defined key performance indicators and each year gather relevant data.

Due to the acquisitions ALTANA made in 2013, we not only increased the amount of finished goods we manufactured in 2014. Our energy and water consumption, as well as our CO₂ emissions and the amount of non-hazardous waste we produced, also grew.

On the other hand, our new rheology products in particular have significant advantages in the upstream supply chain. They consist of non-fossil raw materials (clay), and are processed with no additional manufacturing steps. Since our production sites in the U.S. are in close proximity to mines where raw materials are extracted, the transportation distances are short. All of these factors have a positive impact on the environmental performance of the supply chain.

In 2014, ALTANA produced around 505,000 tons of finished goods, an increase of 86,000 tons compared to 2013. Overall, our companies needed about 490,000 tons of raw materials plus water. Fossil raw materials constituted the lion's share, some 400,000 tons (approximately 82 percent). Non-fossil, non-renewable raw materials (for example clay) comprised around 66,000 tons, while renewable raw materials accounted for 23,000 tons. Additionally, we used around 44,000 tons of water as raw material. Remarkably, since we began collecting this data in 2007, the share of renewable raw materials and other, non-fossil materials as well as water has steadily increased.

Resource Consumption and Waste

The table of environmental performance indicators for 2007–2014 on the opposite page shows how ALTANA's energy consumption, CO₂ emissions, and waste volumes have developed in comparison with the respective previous year and since we began collecting the data in 2007.

As a growth-oriented company, ALTANA does not use absolute key performance indicators to reflect the company's growth. Instead, we gather absolute data on drinking water consumption, the total amount of CO₂ emissions, and the volume of hazardous and non-hazardous waste. We set these data in relation to gross value added and derive key performance indicators and targets from them for each year.

If we only consider the companies that belonged to ALTANA prior to 2013, it becomes clear that to a certain extent they have made very good progress in sustainable management. These companies have reduced their water and energy consumption, as well as their waste volumes, and thus reached the defined targets.

A look at the key performance indicators of all ALTANA companies, including the newly obtained ones, shows that the values of four of six key performance indicators have increased (See graphics on page 40). The reason is the acquisition of the rheology business mentioned above. This technology, which is new for ALTANA, is distinguished by lower environmental burdens in the supply chain, but involves higher energy consumption and larger quantities of waste in production.






At the same time, we anticipate that in 2017 and 2020 we will reach the environmental targets we set for these years respectively, by implementing improvement measures in the coming years. The only exception is water consumption; we will not be able to reduce our use of water by the amount defined by 2017.

Environmental data ALTANA 2007–2014

	2014	2013	2007
in € million			
Production of finished goods (t)	504,927.01	419,060.74	350,796.74
Natural gas (MWh)	404,129.91	211,006.29	169,034.91
Oil	17,730.72	24,508.01	39,588.06
Coal	0	0	0
Power consumption (purchased) (MWh)	258,143.59	204,566.12	198,416.30
Drinking water (m³)	1,368,129.91	562,887.23	737,125.90
Ground/surface water (m³)	1,181,952.00	737,581.85	419,805.00
CO ₂ emissions (t)			
total	219,165.20	148,120.77	146,130.58
internal (Scope 1) ¹	91,486.62	51,985.27	47,084.22
external (Scope 2) ²	127,678.58	96,135.51	99,046.35
CSB ³ (t)			
direct ⁴	12.37	6.26	0
indirect ⁵	22.12	3.40	0
Hazardous waste (t)			
total	18,711.60	18,573.42	17,987.65
recycling	3,596.81	4,247.38	3,247.69
thermal utilization	10,717.54	9,316.38	8,259.69
disposal	4,397.25	5,009.67	6,480.27
Non-hazardous waste (t)			
total	9,302.54	6,214.16	8,717.44
recycling	3,929.44	2,110.06	2,933.55
thermal utilization	847.85	1,951.56	848.46
disposal	4,525.25	2,152.54	4,935.43
Inert waste (t)	7,727.90	0	0
Ozone	0	0	0
Locations near nature reserves	1	1	0






¹ Emissions from ALTANA's own energy generation, e.g. for heat.² Emissions from third parties due to purchased energy, e.g. electricity.³ Chemical oxygen demand: pollution of wastewater with organic chemicals.⁴ Discharge in rivers, lakes, etc. after purification.⁵ Discharge in the public sewage system and the corresponding treatment plants.

Drinking water (without water as raw material) per gross value added

in dm ³ /€			
2014¹		Target for 2014: 1.0349	0.7820
2014			1.8510
2013			0.8890
2012			1.0560
2007			1.5300





¹ Data excluding the companies acquired in 2013.

CO₂ energy total per gross value added






in kg/€			
2014¹		Target for 2014: 0.2360	0.2329
2014			0.2970
2013			0.2340
2012			0.2440
2007			0.3030

¹ Data excluding the companies acquired in 2013.

Hazardous waste total per gross value added





in g/€			
2014		Target for 2014: 31.115	25.320
2013			29.320
2012			31.750
2007			37.330

Non hazardous waste total per gross value added






in g/€			
2014¹		Target for 2014: 11.9854	7.9400
2014			12.5900
2013			9.8100
2012			12.2300
2007			18.0900

¹ Data excluding the companies acquired in 2013.

Hazardous waste disposal per gross value added

in g/€			
2014		Target for 2014: 8.379	5.950
2013			7.910
2012			8.550
2007			13.450

Non hazardous waste disposal per gross value added

in g/€			
2014¹		Target for 2014: 5.4978	3.1400
2014			6.1200
2013			3.4000
2012			5.6100
2007			10.2400

¹ Data excluding the companies acquired in 2013.

Customer Proximity Improves Climate Protection

With new production facilities in the regions, for example the U.S., we are now even better connected with our custom-

ers and markets. Thanks to these measures, we are enhancing our delivery reliability and creating new jobs in the regions, jobs that are shaped in accordance with our globally uniform safety standards. Our proximity to customers

also contributes to climate protection because it makes overseas transports of raw materials and finished goods superfluous. As a result, the energy consumption connected with transports and the resulting CO₂ emissions are eliminated.

The dimensions of the savings potential can be illustrated with the following example. In Wallingford, BYK is now manufacturing a number of products for the North American market that were previously produced in Wesel. In 2014, BYK USA imported 7,400 tons of finished goods and intermediates from Wesel, which led to around 1,900 tons of CO₂ emissions. These will be done away with in the future.

Investments for Climate Protection

Our companies reduce energy consumption in various ways and thus contribute to climate protection. This is illustrated by a few examples of new investments in sites in the U.S., the Netherlands, India, China and Germany.

In 2014, ELANTAS PDG's extensively renovated laboratory building at its St. Louis site became fully operational. Behind the historic façade there is now an energy-efficient new building with insulated windows and exterior walls as well as efficient ventilation and lighting. At its Ankleshwar site, ELANTAS Beck India finished a heat-recovery project. Exhaust heat produced when thermal oil needed for production is heated now preheats the raw materials in the tanks. As a consequence, natural gas consumption in Ankleshwar can be reduced by seven percent. At its Pimpri site, the company installed various new pumps, including thermal oil pumps, which also reduce energy consumption.

ECKART installed a new afterburner for cleaning waste air at its site in Schererville. The solvent vapors arising during production combust autothermally, in other words with-

out additional natural gas being fed in. That reduces the energy consumption and CO₂ emissions by seven percent. At its Hartenstein site, the company began building a highly efficient combined heat and power unit in the fall of 2014. As of the end of 2015, the unit's energy will be used to heat the heating water for the office and production buildings as well as the thermal oil, and at the same time will cool the air in the cooling units. At ECKART's site in Zhuhai, China, 14 new centrifuges will cut the energy consumption by 50 percent compared with the old centrifuges.

By participating in the Clean Tec Region initiative in the Netherlands, BYK-Cera is also helping to reduce ALTANA's CO₂ emissions. At its Deventer site, the company began operating a photovoltaic facility for electricity generation in 2014. A new boiler in production, coupled with further measures, will help conserve 22,500 cubic meters of natural gas. Also, BYK-Cera partly switched to efficient LED technology in Deventer and Denekamp. For driving back and forth between the two sites, employees have access to an environmentally friendly electric vehicle (BMW i3).

At the company's Wesel site, BYK's fleet also has two of these vehicles. Since 2014 staff members eligible for a company car have been able to choose this car model. The vehicle can be comfortably charged at four charging stations on the company's grounds. Although still in the initial phase, the offer is meeting with great interest. The employees who are using it are convinced of the advantages.

Improving Waste Disposal

To reduce the amount of water to be disposed of after it is used to clean production and filling containers, ACTEGA implemented various innovations at several sites. Some of them resulted from our internal suggestion system. For example, at its Lehrte site ACTEGA Terra installed special

tanks that enable washing water to be reused. In the U.S., ACTEGA Kelstar reduced the amount of water that has to be disposed of by 15 percent thanks to multiple use and with the help of special pressure systems.

For its part, ACTEGA Rhenania introduced a special method for filtering solvents used to clean mixing vessels. This enables multiple use of solvents.

Reducing Water Consumption

Last year, ELANTAS Beck India made a number of investments to significantly reduce water consumption at its sites in Pimpri und Ankleshwar. At its Pimpri site, the company replaced the old, leaky extinguishing water pipeline with a new pressure pipe. In Ankleshwar, cooling water for pumps is now fed back to the storage tank in a cycle rather than consuming it in a through-feed method. In the future, the vacuum pumps will also be cooled using this method.

Reducing Emissions

In the preceding years, ECKART had invested considerable sums to cut dust emissions arising from copper processing at its U.S. site in Painesville. The objective is to reduce copper dust emissions to one pound a year in the long run. In 2014, the company ushered in additional improvements, among other things, by installing a filter. In the next step, it will optimize the atomization of molten aluminum into powder and thus manufacture even finer powder particles. This will reduce the energy consumption.

At its Zhuhai site, ELANTAS installed special cameras in warehouses and workshops used to measure and control indoor dust emissions. To absorb the VOC emissions, the company installed two active carbon filters. They are quieter than conventional filters and additionally conserve energy.

Human Resources

Our employees are our most important resource. Therefore, ALTANA promotes their professional development and prepares them for positions of leadership. We put particular emphasis on recruitment of young talent, specialists, and managers. Together with our sustainability ambassadors we aim to anchor sustainability awareness in the minds of our employees and have initiated various projects, including training on the topic of energy conservation.

44	COMMUNICATING CONVICTIONS
48	Our Employees
48	Assessing Performance
48	Global Employee Survey
48	International Exchange
49	Manager Selection
49	Management Training
49	Diversity in the Group
50	Vocational Training at ALTANA
50	Social Week for Trainees
50	Award

COMMUNICATING CONVICTIONS: SUSTAINABILITY AMBASSADORS

IN 2014, TWO ALTANA EMPLOYEES SET OUT ON AN EXPEDITION TO ANTARCTICA WITH THE POLAR RESEARCHER ROBERT SWAN, OBE (ORDER OF THE BRITISH EMPIRE). THEY RETURNED AS PASSIONATE ADVOCATES OF CLIMATE PROTECTION.

Theoretical knowledge is important, but only first-hand experience promotes a deep understanding of sustainability. We share this conviction with the polar researcher and environmentalist Robert Swan, OBE, a former Special Envoy for the United Nations' environmental program. He has regularly explored the seventh continent since 1989. In 2014, two ALTANA employees joined one of his expeditions for the first time.

The two staff members were Michela Michelotti, quality and EHS manager at ELANTAS Italia, and Dr. Michael Bessel, laboratory head at BYK's Wesel site. They returned as passionate ambassadors for sustainability and climate protection.

After a stormy crossing from Tierra del Fuego through the Drake Passage, they not only experienced the magic of nature during glacier hikes, boat trips, and unique encounters with humpback whales.

They also got a glimpse of the effects of climate change, having seen glaciers melting with their own eyes.

It is clear to the ALTANA ambassadors that "Antarctica has to be preserved as a nature reserve," as Dr. Michael Bessel said. Mining of raw materials there has to remain prohibited even after 2041, when the UN moratorium expires. So, the ambassadors assert, resources have to be protected worldwide. An initiative launched by Swan called "2041" represents these objectives.

"The trip to Antarctica made us aware that we have no time to lose," says Michela Michelotti, summing up her experiences. "If we want to live in harmony with nature and the environment, we have to act now. Everyone can contribute to global resource protection, at work, in private life, everywhere." During lectures at the ALTANA Global Management Meeting,

"The ALTANA Group has been committed to protecting the climate for years, for example by maintaining its own energy and environmental management system certified in compliance with ISO 14001. Now it's a question of protecting resources on a personal level in everyday life. That's easier than one might think, and it gives us a feeling of satisfaction. We not only convey this message within the company, but also outside of it, at schools for instance."

MICHELA MICHELOTTI, ELANTAS



COMMUNICATING CON SUSTAINAB AMBASSAD

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After a stormy crossing from Tierra del Fuego through the Drake Passage, they not only experienced the magic of nature during glacier hikes, boat trips, and unique encounters with humpback whales.

They also got a glimpse of climate change, happening right before their eyes as glaciers melted with their own eyes.

It is clear to the ALTANA team that "Antarctica has to remain a nature reserve," as Dr. Bessel said. Mining of raw materials is to remain prohibited. When the UN moratorium on nuclear testing was launched by Swan called "Antarctica" ambassadors assert, it is to be protected world heritage. The initiative launched by Swan calls for a "Antarctica" presents these objectives.

"The trip to Antarctica was a reminder that we have no time to waste," Michelotti, summing up the experience.

"If we want to live in a sustainable world and the environment, we must act now. Everyone can contribute to source protection, at work and in life, everywhere." Dr. Bessel, ALTANA Global Manager.

"I'M HAPPY THAT ALTANA IS TAKING RESPONSIBILITY FOR THE OPPORTUNITIES OF FUTURE GENERATIONS AND, TOGETHER WITH THE AMBASSADORS, MOTIVATING PEOPLE TO PROMOTE SUSTAINABILITY."

ROBERT SWAN, OBE, FOUNDER OF THE "2041" INITIATIVE, POLAR RESEARCHER AND ENVIRONMENTALIST





in their respective companies, and in their local surroundings at schools and with opinion makers, the two colleagues have since advocated improved climate protection including personal action.

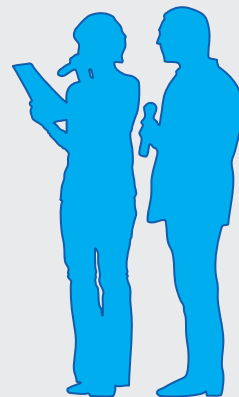
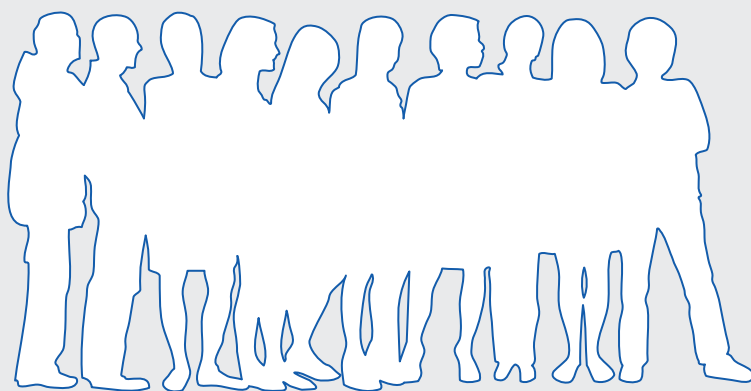
With their activities, the two ambassadors have given people food for thought about how to act sustainably in daily life. In addition, they have initiated new projects at ALTANA, including training on the topics of waste separation and projects related to energy conservation at the three ELANTAS sites in Italy and a survey of employees at BYK's Wesel site. The survey found that awareness of sustainability is very pronounced and the employees are prepared to act.

A Question of Communication

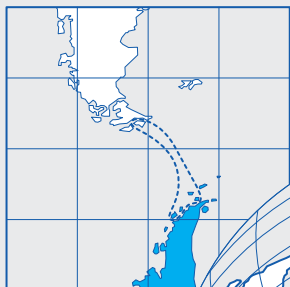
This proves that ALTANA's commitment in recent years has borne fruit. "Many ALTANA companies are certified in accordance with ISO 14001," says Michela

Michelotti. This, she adds, is proof that ALTANA takes climate protection and resource conservation seriously. "But the expedition also gave me an important new perspective. Ultimately, sustainability is a question of communication. Those who champion it have to be persuasive on an emotional level."

She and Robert Swan see eye to eye on this. "We have the opportunity to effect positive change," asserts the former UN Special Envoy. "But each individual must recognize that we have to change our personal actions." It is wrong, the polar researcher says, to associate saving energy with a loss of comfort or with restrictions, as was often the case in the past. "In point of fact, it will help us all survive," says Swan.



In numerous internal lectures, the ALTANA sustainability ambassadors Michela Michelotti and Dr. Michael Bessel speak out in favor of improved climate protection, which includes personal action. To this end, they have launched various projects at ALTANA, for example on the topics of waste separation and energy conservation at three Italian sites, and a sustainability survey of employees at our Wesel site. They also advocate climate protection at external events, at schools, and with opinion makers, among other things.



The two ALTANA sustainability ambassadors saw and experienced the effects of climate change first hand on an exhibition in Antarctica led by Robert Swan.

The initiative founded by Swan, called "2041," is devoted to protecting Antarctica as a nature reserve. The aim is to ensure that mining of raw materials remains prohibited past 2041, when the UN moratorium ends. This can be achieved if resources are protected around the world. Everyone can make a contribution.

ANCHORING SUSTAINABILITY IN THE MINDS OF EMPLOYEES AND MOTIVATING COLLEAGUES TO ACT IN MORE SUSTAINABLE WAYS. ALTANA'S SUSTAINABILITY AMBASSADORS STAND UP FOR THIS GOAL WITHIN THE COMPANY AND OUTSIDE OF IT, FOR INSTANCE AT SCHOOLS.

Our Employees: ALTANA's Most Important Resource

In 2014, more than 6,000 women and men worked for ALTANA companies worldwide. With their above-average qualifications and their commitment, they are the most important resource for us as a knowledge-driven company. To hold our own in the competition for experts and managers, we attach special importance to our corporate culture.

ALTANA's culture is characterized by our Guiding Principles and the values of openness, trust, scope of action, and appreciation. We promote our employees' professional development and support their health with special preventative measures. At the same time, we ask our staff members to committedly apply their skills in the company.

Regular Dialogue for Assessing Performance

One of the most important instruments ALTANA uses group-wide in human resource management are so-called progress dialogues that we hold with each employee individually at least once a year. They serve to assess the employee's performance and hence are a component of staff development. In addition, they constitute the basis for individual target agreements, which we also conclude with our employees once a year. In the talks, we discuss measures that can be taken – for example, providing suitable work equipment and materials in order to enhance the work environment and work results.

Not all of the employees' contracts stipulate that the target agreements have an effect on compensation. If they do, we supplement the target agreement dialogue with a target achievement dialogue. We also conduct the latter talks at least once a year. The three dialogues together constitute the ALTANA compass dialogue.

Global Employee Survey Proves Our Attractiveness

The second important instrument of ALTANA's human resource management is our global employee survey. Every three years, we invite all of our staff members worldwide to participate. In 2014, more than 4,000 employees took part for the first time, corresponding to a response rate of 77 percent. This rate is outstanding compared to other companies. We see the results of the survey as proof that ALTANA is an attractive employer.

This is reflected by the employees' commitment to our values, among other things. At 62 percent, the approval rate is not only above the average in the global chemical industry (59 percent), but also higher than the average in all industries (60 percent). At the same time, there are regional differences. But we attribute these to a tradition and culture of restraint in these countries.

Furthermore, the results show us future fields of action. Of particular interest is how the local corporate culture might be shaped even better.

International Exchange

Two thirds of our employees work in Europe, more than 3,000 of them in Germany. Our workforce in America is 1,348, while we employ 751 people in Asia. These numbers make it clear how important international exchange is in our group. For well-connected employees who share their knowledge with others in the company are decisive for ALTANA's success. Our corporate values, including openness, stand for this.

We support our staff when they want to live in another country for a while and work for a different company. Also, we send qualified staff to other companies to work on proj-

ects, for example after we have acquired a company. Depending on the size and scope of the project, the expatriates can live for up to three years in another country. ALTANA helps them prepare for their stay by offering various consulting services and, during their time abroad, implements further measures to make the change – including for family members – as uncomplicated as possible. Forty employees have participated in these measures since they were launched. In 2014, twelve employees lived abroad.

Manager Selection with the Help of an Online Assessment Test

In keeping with our aspiration “We want to be leading in everything we do,” when hiring new managers we try to choose personalities that fit perfectly with us. To implement this process uniformly worldwide, in 2014 we developed a binding online assessment test for all companies that all applicants with an academic degree and people interested in management positions have to take. The new instrument is available in all languages relevant for ALTANA.

The assessment test is based on standardized, scientifically validated questions on abilities and personality traits. It automatically generates a profile for the applicant in regard to ALTANA competencies. This speeds up the general selection procedure.

Award-Winning Management Training

“FOKUS führen” is the name of a special management training program on leadership we developed with Haufe Akademie, a German supplier of seminars and further education measures. In 2014, we introduced it as new mandatory training for all managers who didn’t complete the predecessor

program. As the training distinguishes between disciplinary and specialist management activities, we train the respective target groups separately. Hence we can cater better to the particularities of the specialized managers. Furthermore, it improves the possibilities of forming networks within the respective groups.

Each training comprises four modules, consisting of two days each that have to be completed in a period of seven months. The German Federal Association for Trainers, Consultants, and Coaches (BDVT) awarded the program the International German Training Prize in Bronze.

Diversity in the Group

In the year under review, 25 percent of the Supervisory Board members were women. In our German companies, 21 percent of the management positions were occupied by women. This figure remains below the percentage of female employees overall. In 2014, women constituted nearly 30 percent of the workforce.

Due to the different hierarchical and contractual structures of the non-German companies, we do not calculate the percentage of women in them. Nevertheless, we set company-related goals that serve to increase the number of women in disciplinary management positions.

In Germany, we continue to pursue the goal of bringing more women into management positions with the LEADING WOMEN@ALTANA initiative. In 2014, as in the year before, we invited qualified women employees to a workshop for this purpose – this time from southern Germany. One of the themes was gender-specific communications. In 2015, a women’s mentoring network is being activated in which young female employees can learn from experienced staff members.

In 2014, there were no cases of employees being discriminated against in our companies.

Vocational Training at ALTANA: Trainees Make a Film

A total of 146 young women and men completed their vocational training at one of ALTANA's German companies in the year under review. Depending on the location, our companies offer myriad chemical, technical, and commercial trades requiring an apprenticeship. To continue to attract committed and qualified young people to the company in the future, we published a film on our website in 2014. With it, we cater to young people's needs for authentic, web-based information. The film does not focus on the subject matter of the different occupations, but rather emphasizes what our aspiration "to promote and challenge" means for trainees in day-to-day life. Trainees joined forces to develop the concept and screenplay for the two-minute film. Young people from our companies are also the actors in the film.

Social Week for Trainees

At its Hartenstein site, ECKART was the first company to introduce a voluntary social week. It is part of the vocational training program. With this offer, the company intends to strengthen the young people's social skills and at the same time promote values such as openness and appreciation. During the social week, the trainees have the opportunity to work for a child daycare center, in facilities for the disabled or the elderly, at a farm or for a charity organization. The company accompanies their work with preparatory and feedback measures. In 2014, eight trainees took advantage of this offer.

Award for ELANTAS PDG

Every year, the regional media group St. Louis Post Dispatch in Missouri ranks the best jobs in the region based on employee surveys. For the second consecutive time, our St. Louis-based company ELANTAS PDG received the best grade in the mid-sized company category among manufacturers. The company was awarded the title "Top Workplace 2014."

Social Commitment

As a good corporate citizen, ALTANA supports and sponsors social projects focusing on education, science, and research. To strengthen our local environments and to be a good neighbor, we especially promote initiatives near our sites in Germany and abroad.

52	PROMOTING YOUNG TALENT
56	Educational Coaching at a Wesel Elementary School
56	Project Weeks with the House of Junior Researchers
57	Preparatory Vocational Support for Junior High School Students
57	Competitions for Students in the Upper Secondary Level
57	Educational Projects Outside of Germany
58	Volunteer Commitment
58	Support for Charitable Organizations

PROMOTING YOUNG TALENT: ENTREPRENEURS

A DREAM CAME TRUE FOR THE HIGH SCHOOL STUDENT LEA WEYGARDT AT ALTANA: SHE BECAME THE HEAD OF A LARGE COMPANY FOR ONE DAY. THIS WAS MADE POSSIBLE BY THE STUDENT CAMPAIGN "BOSS FOR 1 DAY."

Arousing young people's enthusiasm for business topics and allowing them to experience and help shape the work of top managers for one day – that is the goal of the student campaign "Boss for 1 Day" that ALTANA sponsored for the second time in 2014. One of the most important aims of the campaign is to reduce prejudice and the distance between school and business.

Another objective is to playfully open a window to the future for students through which they can recognize the soft skills they possess. This is not apparent from school reports; such skills only become important later in professional life and can make or break a career.

Making Decisions and Managing Complex Processes

For the "Boss for 1 Day" student campaign in 2014, ten school classes from level II

secondary schools were selected and invited to a two-day boss casting. It was a unique opportunity for the students, as the casting is a professional management audit normally reserved for managers when top positions are filled. Of the 208 students participating, an expert jury chose ten finalists in a multi-stage selection process who for one day exchanged the classroom for the executive chair.

The 18-year-old high school student Lea Weygardt from Marienschule high school in Münster qualified for the boss job. She persuaded the jury in numerous tests and interviews, and in a corporate planning game with other students learned how decisions are made and complex processes managed in business. Now the finalist had to find out what it would be like to be at the helm of a big company for one day. And to separate reality from myth when it comes to the work of man-

"Working at ALTANA is exciting and opens up many opportunities to unfold and develop – even if you didn't study chemistry and outside of the laboratory. But many young people don't know this. That's why it's so important to make contact with one another directly. Both sides can benefit from this."

DR. MATTHIAS L. WOLFGRUBER, ALTANA



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secondary schools were invited. They were offered a unique opportunity for a "Boss for 1 Day" casting, a professional audit normally reserved for top positions are filled. Ten students participating, a ten finalists in a multi-stage selection process who for one day took over the classroom for the executive management of ALTANA.

The 18-year-old high school student Lea Weygardt from Marie Heineke Gymnasium in Münster qualified as a finalist. She persuaded the jury through her presentation and interviews, and in a final decision-making game with other finalists. She showed how decisions are made and how processes managed in a large company. The finalist had to find out what she would like to be at the helm of ALTANA for one day. And to separate fact from myth when it comes to

"I NEVER WOULD HAVE THOUGHT THAT A CHEMICAL COMPANY LIKE ALTANA COULD BE SO EXCITING. I WAS IMPRESSED BY HOW MANY DIFFERENT DEPARTMENTS WORK TOGETHER AND HOW THE BOSS MAINTAINS AN OVERVIEW."

LEA WEYGARDT, "BOSS FOR 1 DAY"





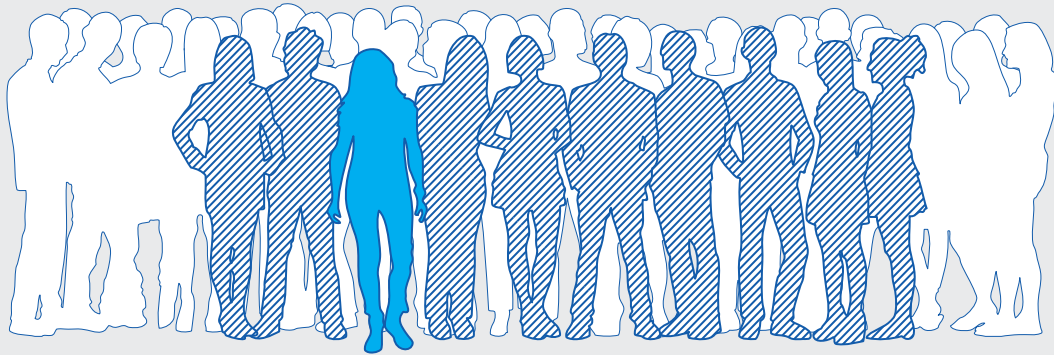
agers. And to investigate how managers deal with their corporate and social responsibility.

On December 1, the time had come. Brought by a chauffeur and welcomed by ALTANA CEO Dr. Matthias L. Wolfgruber, she sat down next to the company's CEO in the executive chair and began her duties as "Boss for 1 Day." In addition to discussing the day's mail in the morning, talks with different department heads were on the agenda. From Jörg Bauer, Vice President Human Resources, she learned about manager development, and Annette Lampe, Head of Personnel Development, told her about the mentoring program within the framework of the women's network. "The company is innovation- and knowledge-driven," Dr. Wolfgruber explained to the boss as they walked around the laboratory building. For a company to be successful, he

said, it has to have a corporate culture that focuses on people. "I was able to talk to every employee and I found they have very good rapport," said Weygardt. This was confirmed by her fellow students in the advanced sociology class whose questions Dr. Wolfgruber fielded during his visit to Marienschule high school. For Dr. Wolfgruber, it goes without saying that employees live out openness, trust, and appreciation. "Our corporate values and management guidelines apply to everyone at ALTANA, worldwide, in all of our subsidiaries."

"The role of a management board member is very demanding and multifaceted, you have to constantly switch between topics," says Weygardt, describing the role of CEO Wolfgruber. She's also impressed by how many different departments work together and how the boss maintains an overview of everything. "I never would

have thought that a chemical company could be so exciting," the 18-year-old said, summing up her impressions as "Boss for 1 Day."



Based on personal impressions, the students now see company leaders from a different perspective. A survey of the participants in "Boss for 1 Day" found that almost two thirds of the students had a more positive image of companies and managers after having personal contact with them.

Of the 208 students who participated in the "Boss for 1 Day" campaign in 2014, the jury of experts selected ten finalists who exchanged their school desk for an executive chair for a day. Lea Weygardt qualified for the top post at ALTANA.

Personal opinion about managers and companies (in percent)

My opinion changed positively due to the campaign	65
It was a great experience meeting a top manager	60
I now have a realistic picture of companies and managers	53

Source: Boss for 1 Day

Judgment of the boss (in percent)

Friendly	78
Strong sense of responsibility	75
Credible	68
Can be a role model for young people	57

Source: Boss for 1 Day

REDUCING PREJUDICES AND DISTANCE BETWEEN SCHOOL AND BUSINESS – THAT IS ONE OF THE MOST IMPORTANT GOALS OF THE "BOSS FOR 1 DAY" CAMPAIGN. BOTH SIDES BENEFIT FROM PERSONAL CONTACT. ALTANA TOOK PART IN THE STUDENT CAMPAIGN FOR THE SECOND TIME.

Our Social Commitment

We want to arouse the enthusiasm of young people all over the world for the natural sciences, technology, and mathematics. So promoting initiatives that benefit education, science, and research is at the center of our activities. To be a good neighbor, we prefer to support projects near our sites. We have sponsored many for several years.

Educational Coaching at a Wesel Elementary School

All children have potential, but often the conditions are lacking that could enable them to really develop. Educational coaching, which ALTANA carries out with the nonprofit Klausenhof Academy and the Elementary School GGS Innenstadt in Wesel that promotes inclusion, addresses this issue. The aim of the project is to individually promote disadvantaged children starting in second grade in order to give them better educational opportunities. It is geared to children with a migration background, children who are educationally disadvantaged, and children who live in socially adverse conditions, among others.

In this context, ALTANA is financing the personnel and material costs for a socio-educational expert for three years. The expert's task is to attract mentors in Wesel who will supervise and accompany the children on a volunteer basis. He or she has to train the mentors and subsequently coordinate their activities. On the one hand, those children are eligible for promotion who have particularly promising talents; on the other hand the project aims at helping children reduce deficits and thus promote the development of their personality.

The volunteer mentors do not act as tutors, but as personal contacts. They spend two hours a week with the girls or boys outside school hours. During this time, they accompany the children to music class, for example, explore the offer at the municipal library with them, or make excursions with them to natural surroundings, which are subsequently documented by the kids. In the first year, eight volunteer mentors got involved in the educational coaching project. The goal is to increase the number to 20 by the end of 2015.

Project Weeks with the House of Junior Researchers

Our cooperation with the House of Junior Researchers foundation has a tradition. In 2014, BYK continued to promote youth with special project weeks at two Wesel elementary schools. We were supported by the German Red Cross (DRK) Abenteuerland daycare center.

As in the previous years, the project weeks in the schools in March had a main theme in each grade. For example, children dealt with the topics of Clean Water, Building, and Design. The junior researchers at both schools presented the results of their projects at a closing event in April, for which ALTANA had invited parents and teachers to the conference center in Wesel. In the fall, the children visited BYK and did practical tests to research the lotus effect during three mornings.

The goal of our commitment is to get the children interested in scientific phenomena. We seek to promote their problem-solving expertise by accompanying them continuously from kindergarten to secondary school. The BYK school ambassadors even assist the young researchers regularly during school visits outside of the project weeks.

Preparatory Vocational Support for Junior High School Students

Most ALTANA companies in Germany support junior high school students, for example with internships. ACTEGA Rhenania expanded these activities in 2014. In cooperation with the Käthe Kollwitz comprehensive school in Grevenbroich, the company supported four tenth-grade students in writing their term paper for the school subject German. They wrote a report on the methods used to filtrate paints and varnishes and the challenges posed.

The young people spent four days at the company gathering information. ACTEGA Rhenania employees checked to see if the work the students did subsequently was correct before the students handed it in at their school. The results of the work were also presented at an event at the school. We intend to continue this preparatory vocational support in the coming years.

Competitions for Students in the Upper Secondary Level

Our activities within the framework of the "Boss for 1 Day" and "Jugend gründet" (Youth Startups) competitions are geared to high school students. In both cases, we seek to help young people test their entrepreneurial and management abilities.

For "Jugend gründet," we awarded a special prize in chemistry in 2014. The competition is organized by the Steinbeis Innovation Center at the University of Pforzheim on behalf of the German Federal Ministry for Education and Research. The aim of the competition is to get young people aged 16 to 21 to playfully go through all phases of founding a company, with the development of a business plan being the first step.

Young people who submitted a business idea from the field of chemistry in 2014 have a chance to win a special award in 2015. The special prize in chemistry is a trip to BYK USA in Wallingford. There, the young people can gather information about additives and specialty chemicals at one of our largest research and production sites.

Educational Projects Outside of Germany

ALTANA also supports educational projects outside of Germany. The best example is our longtime cooperation with the German nonprofit association Passo Fundo e.V., based in Münster. The organization has set itself the task of providing financial support to students in Brazil. It grants scholarships to talented young people who cannot afford to pay for their studies.

In 2014, ALTANA once again allocated a total of 7,500 euros to finance five university scholarships. The scholarship holders receive this support on the condition that they get involved in a social project.

Since 2013, ALTANA has cooperated with the children's aid organization Kinderhilfe Nepal e.V., based in Mainz. In 2014, we again donated money to the Parizat Nestling Home for girls in the capital Kathmandu. Daughters of imprisoned parents find a safe home there. In addition, they receive schooling and vocational training.

With our donation of 5,700 euros, the association expanded the photovoltaic and thermal solar facility, which was initially installed in 2010, on the home's new building. As a result, the girls' home will be independent from the state electricity supply. The facility generates enough electricity to operate computers, sewing machines, and rice cookers. It also heats up water. Just how important this independence is became apparent during the earthquake in April 2015. The building and solar installation withstood the quake, and,

unlike many of their compatriots, the girls and their caregivers did not have to forego hot water or hot meals.

In the Mysore district in southern India, the Development through Education (DEED) organization built a center for children who have not attended school yet for various reasons. They can participate in a three-year support program to prepare themselves for attending a regular school. During this time, they live on the DEED grounds.

Thanks to the initiative of a German student who completed a project of several months at the center, contact with ELANTAS Beck India was established. In 2014, the company donated beds, tables, and benches worth a total of 3,000 euros, enabling the center to modernize its furniture.

Volunteer Commitment

In addition to our commitment to education and research, we also see it as our task to take responsibility in society. We do so by organizing our own volunteer days, among other things. In 2014, for instance, BYK employees spent a day during their global sales meeting to cultivate the garden of the SOS Children's Village in Düsseldorf. The facility offers assistance to children and youth who live in difficult situations. Fifty-five BYK staff members from Germany, Japan, the U.S., and China pulled weeds, trimmed bushes, and painted benches.

In the U.S., our company ELANTAS PDG in St. Louis offers its employees many possibilities to get personally involved and make donations. The staff members eagerly take up these offers. Among other things, they can donate blood on certain dates. In addition, they have various opportunities throughout the year to donate clothing, food, or money to nonprofit organizations. On St. Louis World Food Day in September, a few colleagues diligently helped pack food packages.

Support for Charitable Organizations

As reported in the Management chapter, ALTANA's German companies again took part in the chemical industry's Germany-wide open house day. Traditionally, we donate income we generate, say, from selling food and drinks, for a good cause. The respective companies usually top up the amount they have earned, and this was the case again in 2014.

For example, BYK donated 6,000 euros to the Förderverein Kinderpalliativmedizin Löwenzahn & Pustebblume e.V. The association supports the work of the children's palliative team at Marien-Hospital in Wesel, which cares for children in the region who have life-shortening, and in many cases chronic illnesses.

ACTEGA Rhenania topped up the income from the open house activities to a total of 2,000 euros. The Care Service for People with Mental Handicaps in the Rhine district of Neuss and the Tafel Existenzhilfe e.V. in Grevenbroich each received 1,000 euros. At their own booth, they informed visitors to the event about their assistance to people in need. The company had already supported both organizations in 2011.

Another example is ECKART's Christmas donation campaign in Hartenstein. For a few years, ECKART has refrained from giving customers and business partners Christmas presents. Instead, the company uses the money to support nonprofit initiatives both in Franconia and on a national level. In 2014, the Amberg-Sulzbach e.V. self-help group for children suffering from cancer and the outpatient children's hospice work of the Hospiz Team Nürnberg e.V. each received 10,000 euros. These sums are not for a specific purpose; the organizations can decide themselves which projects they wish to realize with the money.

The child rights organization Save the Children received 10,000 euros for a specific Ebola aid project as well as 10,000 euros for general aid projects.

Highlights and Lowlights

Highlights

- ALTANA increased its gross value added by 16.7 percent to 763 million euros.
- Our companies' sustainable portfolio grew further due to acquisitions, our stake in the Landa Group, and our own developments.
- ALTANA brought additional products onto the market that offer alternatives to hazardous substances. Among them are BYK's new thixotropy additives and the pigment Lasersafe made by ECKART.
- Coatings labeled with ACTEGA Terra's new ToySafe seal do not contain the following substances: Bisphenol A, benzophenone, heavy metals, or plasticizers.
- Following the lasting success of the plasticizer-free sealant Provalin, ACTEGA DS brought ProvaMed onto the market for medical and pharmaceutical applications.
- ALTANA achieved all of the occupational-safety targets it set for itself. Three of the company's four divisions even reached the level defined for 2016.
- The following companies have not had any lost work time due to accidents for a longer period: ECKART, Schererville site (eleven years), Zhuhai site (four years), Wackersdorf site (two years); ELANTAS Beck India (more than ten years); ACTEGA Foshan, ACTEGA Kelstar, and ACTEGA Rhenacoat (three years each).
- In 2014, ALTANA met its environmental targets with the companies that belonged to the group before 2013, and in some cases even exceeded them.
- ECKART's new exhaust air combustion system at its Schererville site reduces natural gas consumption and thus CO₂ emissions by seven percent.
- BYK-Chemie, Wesel, and ELANTAS Beck, Hamburg, certified their energy management systems in accordance with ISO 50001.
- ELANTAS Isolantes Elétricos do Brasil certified its environmental management system in accordance with ISO 140001.
- On our electronic procurement platform, a further 161 suppliers committed themselves to adhering to the principles of the Global Compact initiative.
- An English-language e-learning program devoted to the topic of corruption was developed and implemented for managers.
- In 2014, there were no penalties for violations of legal norms.
- A total of 8,000 visitors attended Open House Day in Germany.
- Counseling services for people suffering from mental strain are now offered to employees of ECKART in Germany.
- At its Wesel site, BYK now offers all employees over 40 a comprehensive, free medical check-up.
- More and more ALTANA companies offer their staff sports options.

Lowlights

- In the year under review, ALTANA recorded four significant incidents according to its own definition, including three conflagrations/explosions and one release of chemicals. One employee was slightly injured. According to the VCI definition, there were eleven significant incidents.
- In 2014, ALTANA had to pay the following fines: due to violations of environmental law, 19,000 euros, 6,000 euros, and 1,500 euros, respectively. Another fine amounting to 1,300 euros concerned products and services.
- Contrary to its original plans, ECKART can realize only one combined heat and power plant (CHP) in Germany. This is because changes in the legal situation worsened the prospect of such investments being profitable.
- Due to an acquisition in 2013, CO₂ emissions, water consumption, and the amount of non-hazardous waste grew in part considerably in relation to gross value added.
- Our objections to the EU definition of the term “nano” remained unsuccessful. This will place a substantial burden on manufacturers of powdered products.

Programs/Goals

Core management tools for increasing performance include the measurement of performance indicators, the definition of goals, the development and implementation of action plans, and the review of goal attainment. The latter is part of the target evaluation that determines the variable income components of executive managers.

The list below shows our goals for performance indicators and important measures. The individual ALTANA companies also have detailed action plans in the context of their respective management systems.

Management

Certification of additional non-certified companies in accordance with ISO 14001 or similar standards	Ongoing
Certification of the energy management systems of all manufacturing companies in Germany in accordance with ISO 50001	End of 2016
Certification of further companies in Germany in accordance with ISO 50001	End of 2015
Open House event at all German companies	Sept. 2017
Safety summaries for the substances to be registered in 2018 to support the Global Product Strategy	End of 2018
Continued communication of ALTANA requirements for cooperation with suppliers in the context of supplier visits and audits (Global Compact)	Ongoing
Further development of the performance indicator system based on GRI	Ongoing
Evaluation of ALTANA's sustainability performance with standardized questionnaires	Annually
Need for action and implementation of measures derived from the evaluation of the sustainability performance	Ongoing

Products

Expanded development of water-based coatings, especially at ACTEGA	Ongoing
Use of renewable raw materials (without quantification)	Ongoing
Additional lifecycle assessments (LCA)	Ongoing
Development of further additives and pigments for waterborne coatings	Ongoing
Development of further VOC-reduced and/or water-based coatings	Ongoing
Development of products for resource efficiency	Ongoing
Development of products for energy efficiency	Ongoing
Development of additional products with FoodSafe seal	Ongoing

Safety

WAI 1 below 3 or WAI 2 below 2.1 occupational accidents per million working hours	End of 2016
WAI 3 below 50 lost work days per million working hours	End of 2016
Reduction of significant incidents; no significant incidents in the long run	Ongoing
Safety improvement measures from best practice examples	End of 2016

Environment

Reduction of specific environmental impact (in terms of gross value added):

CO ₂ emissions	-30 %	2007 – 2020
CO ₂ emissions	-9 %	2012 – 2020
Water; worldwide water management replaces previous targets		End of 2016
Hazardous waste	-5 %	2012 – 2017
Non-hazardous waste	-5 %	2012 – 2017
Hazardous waste for disposal	-5 %	2012 – 2017
Non-hazardous waste for disposal	-5 %	2012 – 2017
Various measures to conserve water		Ongoing
Various measures to reduce waste		Ongoing
Various measures for energy efficiency and using renewable energies		Ongoing
Replacement of combined heat and power plant at ELANTAS Italia in Ascoli		End of 2015
Further expansion of cogeneration plant depending on feasibility		Ongoing
Renewable energies: feasibility studies and stronger use		Ongoing

Human Resources

Increase in percentage of women managers	Ongoing
Sickness absence recording for preventive health care worldwide	End of 2016
Additional measures to further establish new Guiding Principles	Ongoing
Compliance seminars	Ongoing
Audits on compliance-relevant topics around the world	Ongoing
Enhancement of the health management systems	Ongoing
Anonymous counseling for employees in Germany	End of 2015

Global Compact: Communication on Progress (COP)

By participating in the U.N. initiative Global Compact, we commit to respecting human rights, creating socially compatible working conditions, promoting environmental protection, and fighting corruption.

Principle	Page	Measure taken
Human Rights		
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights	28 – 31	Health management, performance indicators, occupational safety
Principle 2 Make sure that they are not complicit in human rights abuses	13 – 14	Search for suppliers, supplier agreements, audits, Global Compact on the Internet
Labor		
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	SR 2013, 14 – 15	Supplier agreements
Principle 4 The elimination of all forms of forced and compulsory labor	11 – 12	Compliance management system
Principle 5 The abolition of child labor	11 – 12, 57	Compliance management system, support of education initiatives
Principle 6 The elimination of discrimination in respect of employment and occupation	11 – 12	Fair treatment, compliance management system, training, surveys
Environment		
Principle 7 Businesses should support a precautionary approach to environmental challenges	11, 62 – 63	Energy and environmental management system, goals
Principle 8 Undertake initiatives to promote greater environmental responsibility	33 – 42, 62 – 63	Process optimizations, technical updates, programs and goals, performance indicators
Principle 9 Encourage the development and diffusion of environmentally friendly technologies	15 – 21, 38 – 39	Product innovations, use of renewable sources and water
Anti-Corruption		
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery	11 – 12	Training, audits, and performance indicators

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GRI Index (Excerpt)
























The ALTANA Sustainability Report 2014 is geared to the G3 international guidelines of the Global Reporting Initiative (GRI). The short overview lists the respective status and references for the indicators relevant to ALTANA.

 Completely covered
  Partly covered
  Not covered

N = Notes Sustainability Report 2014

C = Cover

AR = ALTANA Annual Report 2014

	GRI standard disclosure	Reference	Status
1.	Strategy and analysis		
1.1	Preface of the CEO	p. 1	
1.2	Description of key impacts, risks, and opportunities	p. 10, N	
2.	Organizational profile		
2.1	Name of the organization	C	
2.2	Primary brands, products and/or services	C, AR, pp. 35–39	
2.3	Divisions and operational structure	C, AR, pp. 35–39	
2.4	Location of organization's headquarters	C	
2.5	Countries with major operations	C, AR, pp. 44–45	
2.6	Ownership structure	C, AR, p. 69	
2.7	Markets served	AR, pp. 35–38	
2.8	Scale of the organization	C, AR	
2.9	Significant changes during the reporting period	p. 10	
2.10	Awards received in the reporting period	pp. 13, 49–50	
3.	Report parameters		
3.1	Reporting period	C	
3.2	Date of last report	N	
3.3	Reporting cycle	C	
3.4	Contact point for questions regarding the report	C	
3.5	Process for defining report content	N	
3.6	Boundary of the report	C, N	
3.7	Limitations on the scope of the report	N	
3.8	Joint ventures, subsidiaries, outsourcing	p. 6, N	
3.9	Data measurement	N	
3.10	Changes to the statement of information provided in earlier reports	N	
3.11	Changes from previous reporting periods in the scope, boundary, or measurement methods	N	

	GRI standard disclosure	Reference	Status
3.12	GRI Content index	C, N	
3.13	External assurance of the report	N	
4.	Governance, commitments, and engagement		
4.1	Governance structure	pp. 10–11, AR, p. 69	
4.2	Independence of supervisory board chairman	N	
4.3	Supervisory board or independent members of the executive board	N	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the executive/supervisory board	N	
4.5	Linkage between executive compensation and company performance	N, AR, pp. 69–70	
4.6	Mechanisms to avoid conflicts of interest	N	
4.7	Qualification of executive bodies for sustainability	N	
4.8	Guiding principles, company values and codes of conduct	p. 12, N	
4.9	Procedures of the executive/supervisory board level for overseeing the organization's sustainability performance	N	
4.10	Process for evaluating the sustainability performance of the executive board	N	
4.11	Implementation of precautionary approach	pp. 11, 22, N	
4.12	Support for external initiatives	pp. 13–14, N	
4.13	Memberships in associations and interest groups	N	
4.14	List of stakeholder groups engaged by the organization	p. 14	
4.15	Stakeholder selection	p. 14	
4.16	Approaches to stakeholder engagement	p. 14	
4.17	Key topics of stakeholders	C	

	GRI standard disclosure	Reference	Status
5.	Performance indicators		
	Economic		
EC	Management approach	N, AR, pp. 35, 69	■
EC1	Direct economic value generated and distributed	C, AR	■
EC2	Financial implications of climate change	p. 10	■
EC3	Benefit plan obligations	AR, pp. 103, 118–121	■
EC4	Financial assistance received from government	AR, p. 93	■
	Environmental		
EN	Management approach	N	■
EN1	Materials used by weight or volume	p. 38, N	■
EN3	Direct energy consumption by primary energy source	p. 39, N	■
EN4	Indirect energy consumption by primary energy source	p. 39, N	■
EN5	Energy savings	pp. 40–41, N	■
EN8	Total water withdrawal by source	p. 39, N	■
EN11	Use of protected areas	p. 39, N	■
EN16	Direct and indirect greenhouse gas emissions	pp. 39–40, N	■
EN19	Emissions of ozone-depleting substances by weight	p. 39, N	■
EN21	Water discharges	p. 39, N	■
EN22	Waste by type and disposal method	pp. 39–40, N	■
EN23	Number and volume of significant spills	p. 30	■
EN28	Fines/sanctions for non-compliance with environmental laws and regulations	p. 61, N	■
	Labor practices and decent work		
LA	Management approach	N	■
LA7	Injuries, absenteeism, and fatalities	pp. 28–29, N	■
LA8	Risk-control and programs regarding serious diseases	p. 31, N	■

	GRI standard disclosure	Reference	Status
LA13	Composition of senior management and employee structure (e.g. age/ gender/ culture)	pp. 49–50, N	■
	Human rights	N	
HR	Management approach		■
	Society		
SO	Management approach	N	■
SO2	Business units screened for risk related to corruption	p. 12	■
SO3	Percentage of employee trained in anti-corruption policies	p. 12, N	■
SO5	Policy positions and participation in public policy development and lobbying	pp. 21–22	■
SO8	Fines/sanctions for non-compliance with laws and regulations	p. 60	■
	Product responsibility		
PR	Management approach	N	■
PR9	Significant fines for non-compliance with laws and regulations concerning the use of products and services	p. 61, N	■

Our explanations and comments on all of the GRI indicators can be found in the notes to this sustainability report. We provide this information on the Internet at www.altana.com/gri-index.



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