



fielmann

CORPORATE SOCIAL
RESPONSIBILITY REPORT 2018

The Corporate Social Responsibility Report from Fielmann AG and the Fielmann Group is published in both English and German. To facilitate reading, only the masculine form is used in this document; all references to the male gender shall be deemed and construed to include any gender.

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About this report

Corporate social responsibility

Fielmann is a family business. As market leader, Fielmann assumes responsibility for the society we live in, and also works hard for the good of nature and people. We do so out of conviction because we understand that a company can only enjoy long-term success in an intact, well-balanced social environment.

In the following report, Fielmann presents its activities in the field of corporate social responsibility (CSR). We offer a transparent view on the social and ecological consequences of our actions. We do so with particular regard to customer matters, environmental matters, employee-related matters, social matters, respect for human rights, anti-corruption and bribery matters.

Unless otherwise stated, all the information in the report refers to the financial year 2018 (calendar year 2018). This report supplements the information about significant developments in non-financial matters provided in the Fielmann Aktiengesellschaft Management Report and the Group Management Report of the Fielmann Group printed in the Annual Report. Unless any other frame of reference is stated, the report includes all companies in the Fielmann Group.

The content of this report was approved by the Supervisory Board of Fielmann Aktiengesellschaft pursuant to Section 171 Para. 1 of the German Stock Corporation Act (AktG). The following non-financial report was not subject to an external audit.

[GRI 102-45](#) | [GRI 102-50](#) | [GRI 102-56](#)

Requirements pursuant to Section 289c of HGB and the Global Reporting Initiative (GRI)

The following report represents the non-financial declaration of Fielmann Aktiengesellschaft pursuant to Section 289b Para. 3 of HGB and of the Fielmann Group pursuant to Section 315b Para. 3 of HGB. Fielmann thereby complies with the provisions formulated by the CSR Directive Implementation Act set out in Sections 289b and 315b of HGB. The report was compiled based on the GRI standard of the Global Reporting Initiative (GRI).

The non-financial issues relevant to Fielmann were determined in the financial year 2017 as part of a materiality analysis, which is based on the criteria of the Global Reporting Initiative and reviewed annually by the Management Board.

To comply with the requirement of double materiality pursuant to Sections 289c Para. 3 (1) and 315c of HGB, the Management Board also defined the significance of the respective topics for the situation and business developments of Fielmann Aktiengesellschaft and the Fielmann Group during the process. The defined main topics and the materiality analysis process are set out in detail on pages 18–21 of this report. The result was checked and validated by the Management Board for the financial year 2018.

Section 289c of HGB	GRI	Fielmann Corporate Social Responsibility Report
Environmental matters (Section 289c Para. 2 (1) of HGB)	– Energy (302) – Emissions (305)	Responsibility for the environment
Employee matters (Section 289c Para. 2 (2) of HGB)	– Employment (401) – Training and education (404)	Responsibility for our employees
Social matters (Section 289c Para. 2 (3) of HGB)	– Customer health and safety (416) – Customer data protection (418)	Responsibility for our customers
Respect for human rights (Section 289c Para. 2 (4) of HGB)	– Social assessment of suppliers (414)	Responsibility for society
Anti-corruption and bribery matters (Section 289c Para. 2 (5) of HGB)	– Anti-corruption (205)	Corporate social responsibility at Fielmann

GRI 102-47

Fielmann reports on the following aspects pursuant to Section 289c Para. 2 of HGB: environmental matters (Section 289c Para. 2 (1) of HGB), employee matters (Section 289c Para. 2 (2) of HGB), social matters (Section 289c Para. 2 (3) of HGB), respect for human rights (Section 289c Para. 2 (4) of HGB) and anti-corruption and bribery matters (Section 289c Para. 2 (5) of HGB).

Pursuant to GRI requirements, Fielmann reports on the aspects Energy (302) and Emissions (305) in the “Responsibility for the environment” chapter, Employment (401) and Training and professional development (404) in the “Responsibility for our employees” chapter, and Customer health and safety (416) and Customer data protection (418) in the “Responsibility for our customers” chapter. The Social assessment of suppliers (414) is covered in the “Responsibility for society” chapter, and Anti-corruption (205) in the “Corporate social responsibility at Fielmann” chapter.

Fielmann also reports on a voluntary basis – beyond the requirements of Section 289c Para. 2 of HGB – on the GRI aspects Economic performance (201) and Indirect economic consequences (203).

Pursuant to Section 289c Para. 3 of HGB, Fielmann presents in detail the objectives, concepts, measures (Section 289c Para. 3 (1) of HGB) and results (Section 289c Para. 3 (2) of HGB) of every aspect in the financial year. This presentation is supplemented by relevant non-financial performance indicators (Section 289c Para. 3 (5) of HGB). Fielmann provides details on significant risks in the “Corporate social responsibility at Fielmann” chapter on page 15 (Section 289c Para. 3 (3) and (4) of HGB). Readers familiar with the GRI standards are referred to the relevant GRI indicators using identifications like [GRI 102-45](#). An overview of the GRI indicators is available in the Notes on page 56.

Structure of the report

Fielmann's Corporate Social Responsibility Report is divided into five main chapters, preceded by this overview and the contents page:

- Corporate social responsibility at Fielmann
- Responsibility for our customers
- Responsibility for our employees
- Responsibility for society
- Responsibility for the environment

Dear Shareholders, Dear Friends of the Company,

As a family business, we think in the long term. We assume responsibility for our customers, our employees and for society. For Fielmann, investing in society is also an investment in the future. Our objective is to have satisfied customers, not maximum profit.

Our company philosophy is rooted in long-term thinking. Fielmann has defined guiding principles that ensure ethical, sustainable behaviour. With our Compliance Guideline we have formulated standards for our own actions and those of our partners. This way we secure that the Fielmann Group acts compliantly and that we fulfill our moral obligations even beyond the boundaries of our company.

Making claims is easy, but living up to them is tough. The basis for our success is having motivated employees that live our customer-friendly philosophy.



Marc Fielmann

Günther Fielmann

For Fielmann, customer satisfaction is the most important performance indicator. A considerable proportion of the bonuses paid to store managers and the Management Board is dependent on the satisfaction of our customers. Our staff has the satisfying task of finding the best possible solution for everyone, irrespective of their budget. Customers look for brands they can trust. In the optical industry, that means Fielmann. More than 90% of our customers say they intend to come back to Fielmann for their next pair of glasses.

We are deeply rooted in the optical industry and cover every stage of the value chain. Fielmann is a designer, manufacturer, wholesaler and optician. We supply our stores directly, thus cutting out any intermediaries. In doing so, we endeavour to achieve the highest possible quality standards. Fielmann takes part in the development of globally valid testing methods and supports the further development of the ISO standards.

As the market leader, we set standards: our quality controls – for lenses and frames in equal measure – are much more stringent than required by statutory regulations. In 2018

as in other years, all the glasses models in the Fielmann collection successfully passed our comprehensive quality tests in the laboratory in Rathenow.

At Fielmann, branded products are only sold if they meet our strict quality standards. We only work with brand manufacturers that can guarantee us the quality of their products via the CE declarations of conformity and certifications.

In addition, Fielmann has drawn up a binding guideline for its suppliers (Code of Conduct). This Code of Conduct is based on the recognised principles of the UN Global Compact and contains a catalogue of basic values that ensure responsible and ethical behaviour along the entire supply chain for all of Fielmann's main products.

Fielmann is not only the leader in terms of quality, but also in service, expertise and training. We continuously qualify our employees and thereby ensure a level of expertise that we can guarantee to our customers in the stores. Every year, Fielmann invests tens of millions in training and development courses. In the reporting year 2018, this figure stood at more than €20 million.

Fielmann is a modern family business that offers flexible working times and a family-friendly environment. 30% of our employees work in part-time positions. The proportion of women in management positions also stands at 30%.

As market leader, Fielmann assumes responsibility for the society we live in, and also works hard for the good of nature and people. We plant a tree for each employee every year. So far, we have planted more than 1.5 million trees and bushes. In 2018, Fielmann planted more than 40,000 trees and bushes in Germany, Switzerland, Austria and Italy. On top of all that, Fielmann also sponsors a wide range of youth sports. Well over 100,000 girls and boys in more than 10,000 teams play and win wearing shirts sponsored by Fielmann.

For Fielmann, a responsible interaction with the environment is a matter of course. As an internationally active company, we are also fully aware of our responsibilities regarding the climate. In future, Fielmann plans to become even more energy-efficient and continues to reduce the emissions of damaging greenhouse gases. In 2018, we reduced energy consumption in stores by 3% and cut the CO₂ emissions per square metre of store space by 8%.

We feel that the responsibility to people, animals and nature outweighs the highest profits. As a company, we want to give back some of the things that we gain from being part of a community. This belief is the basis of our long-term commitment to society. We thank all our employees for their dedication, conscientiousness and competence. Thanks are also due to our customers, associates, friends and shareholders for remaining loyal to the company. This loyalty is both a motivation and an obligation.



Günther Fielmann



Marc Fielmann



MASSAGE
MUELLE
ERAPIE
DRAINAGE
ATH + PNF

flemont

flemont

Chemnitz, Markt

Corporate social responsibility at Fielmann

About Fielmann

Fielmann stands for fashionable eyewear at fair prices. 90% of all German citizens have heard of Fielmann. 24 million people across Europe wear a pair of glasses from Fielmann. We are the market leader in the German-speaking countries and sell half of all glasses. Fielmann is deeply rooted in the optical industry and is active at every level of the value chain. We are a designer, manufacturer, wholesaler and optician. Time and again, Fielmann has pioneered customer-oriented services in optical retail. The basis for our success is customer-friendly services, a large selection of products at guaranteed best prices, the best technical equipment and highly skilled employees. Our guiding principle is "You are the customer". A clear customer focus has taken us to the top. We recognise ourselves in our customers. Our employees are committed to this philosophy. Using its key competence – an uncompromising customer orientation – Fielmann will also thrive in new markets.

Business activities

Fielmann Aktiengesellschaft, which has its headquarters at Weidestraße 118a, Hamburg, Germany, is the Group's listed parent company. It invests in and operates optical businesses and hearing aid companies. It furthermore manufactures and distributes visual aids and other optical products. These products include glasses, frames, lenses, sunglasses, contact lenses, related articles and accessories. It also sells merchandise of all kinds as well as hearing aids and their accessories.

Fielmann is expanding and serving the needs of its customers by opening new stores. As at 31.12.2018, Fielmann operated 736 stores (previous year: 723).

Fielmann Aktiengesellschaft stores

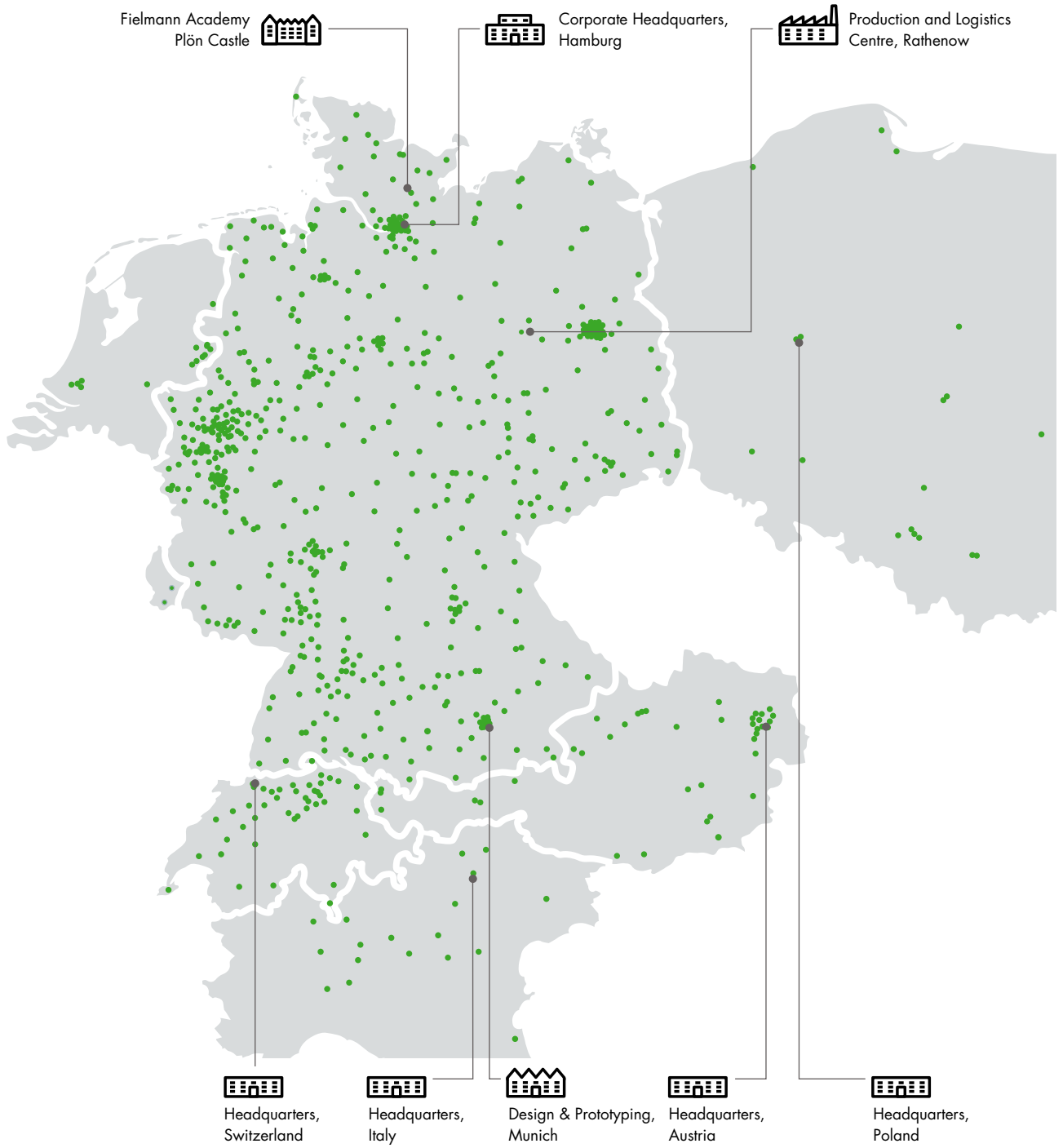
Country	2018		2017	
	Number of stores	Share of overall sales	Number of stores	Share of overall sales
Germany	600	79.3%	597	78.9%
Switzerland	43	11.8%	42	12.4%
Austria	38	5.8%	37	5.9%
Others ¹	55	3.1%	47	2.8%
Total	736	100.0%	723	100.0%

GRI 102-4 GRI 102-6 GRI 102-7 GRI 102-10

¹⁾ In the EU member states of France, Italy, Luxembourg, the Netherlands and Poland, the Group operates 55 stores. These stores are grouped with our 46 smaller outlets in Belarus and Ukraine and are represented in the "Others" segment. Further information is provided in the Annual Report.

Fielmann: Locations in Europe

GRI 102-6



Opticians regard themselves as healthcare professionals, helping those with poor eyesight. In Germany, opticians are permitted to carry out eyesight tests, determine prescriptions and fit contact lenses. They advise their customers on the choice of lenses and frames, and use the selections to manufacture individual pairs of glasses in the workshops. In Germany, every optical retail store approved by health insurance schemes must be managed by a master optician.

The optical profession

Product	Description
Frames	Fielmann stores showcase the whole world of fashion eyewear: over 2,000 frames, the fashionable Fielmann Collection, major brands and international designer glasses.
Lenses	Our Production and Logistics Centre is located in Rathenow, Brandenburg. Under a single roof, we produce mineral-based and plastic lenses, fit them into the customers' individual frames and then deliver them overnight to our stores. Customers also find lenses from major brands and well-known manufacturers at the best prices in Fielmann stores.
Sunglasses	Whether as a fashion accessory or with a customised prescription, Fielmann provides a wide selection of sunglasses: the Fielmann Collection, major brands and international designer sunglasses.
Contact lenses	Fielmann sells contact lenses from major brands and well-known manufacturers at the best prices, including free follow-up.
Hearing aids	At the end of the financial year, Fielmann operated 193 hearing aid studios and plans to increase this figure to 350 in the long term. Fielmann offers its customers all the major brands and popular hearing aids at the best prices.

The main products of Fielmann Aktiengesellschaft

GRI 102-2

Key figures of Fielmann Aktiengesellschaft		2018	2017
External sales	incl. VAT in € m	1,650.70	1,606.20
Consolidated sales	excl. VAT in € m	1,428.00	1,386.00
EBITDA	in € m	295.9	291.3
Equity capital	in € m	709.2	695.0
Debt	in € m	235.6	230.7
Number of stores	as at 31.12.	736	723
Employees	as at 31.12.	19,379	18,522

The following table includes countries with more than 5% of the total sales or total costs:

	2018			2017		
	Germany	Switzerland	Austria	Germany	Switzerland	Austria
Sales (in € m)	1,132.10	168.1	82.7	1,093.70	171.6	81.3
Result before taxes (in € m)	217.1	24.7	14.3	207.3	29.5	15.2
Employees	16,200	1,424	817	15,427	1,379	811

GRI 102-7

Memberships and awards

As craftspeople, German opticians are organised in guilds. More than half of the owner-managed stores are members of marketing or purchasing groups. Fielmann is also a guild member. In addition, Fielmann is involved with the overarching umbrella organisation for opticians in North Rhine-Westphalia, the optical industry's Central Association of Opticians (ZVA) as well as the German Federal Guild for Hearing Healthcare Professionals (biha).

In Switzerland, Fielmann is a member of the Swiss Federation of Opticians (AOVS), the Vaud Opticians' Group (GVO), the Association of Swiss Advertisers (SWA) and the Swiss Association for Hearing Acoustics (VHS). In Austria, Fielmann holds memberships of the Austrian trade association and the Austrian Economic Chamber.

The Fielmann Academy at Plön Castle regularly organises colloquia on optical and ophthalmological subjects. The aim of these events is to provide a forum for presentations and further training involving opticians, doctors, students and scientists. The colloquia were first held in 2007. Since then, they have become established as a permanent fixture for science and practical application. In total, more than 5,400 visitors have attended 42 events to learn about the latest developments in the optical industry.

Günther Fielmann's social commitment is widely recognised and testified by many awards:

2000: Federal Cross of Merit, first class

2002: Honorary title of Professor of the State of Schleswig-Holstein

2004: Honorary doctorate from the Christian-Albrechts University of Kiel

2005: Honorary citizen of the communities of Staftsedt and Lütjensee

2007: Honorary member of the German Forest Protection Association (SDW)

2012: German Retail Prize, from the German trade association, lifetime achievement category

2016: Great Cross of Merit of the Order of Merit of the Federal Republic of Germany

2016: Honorary citizen of Schleswig-Holstein

2017: Honorary citizen of the town of Plön

GRI 102-12 GRI 102-13

Organisation and corporate governance

Fielmann is a family business and thinks across the generations. Fielmann Aktiengesellschaft is the Group's listed parent company.

Supervisory Board

The Supervisory Board monitors the work of the Management Board and advises where necessary. It consists of 16 members. Eight members are elected by the shareholders in accordance with the provisions of the of the German Stock Corporation

Act (AktG), and the other eight members are elected by the employees in accordance with the Codetermination Act (MitbestG).

The Supervisory Board includes an HR Committee, a Mediation Committee and a Nomination Committee. There are no further committees. It was decided that an Audit Committee need not be formed. Before the annual balance sheet meetings, all Supervisory Board members have the opportunity to obtain a detailed briefing on the content and results of the audit in a discussion forum attended by the Chief Financial Officer (CFO) and the chief auditor. The Supervisory Board is also given the chance to ask questions and make suggestions.

GRI 102-18

Management Board

Günther Fielmann is the founder, majority shareholder and Chairman of the Management Board of Fielmann Aktiengesellschaft. In the financial year 2018, he shaped the corporate strategy and ensured that the corporate philosophy was observed¹⁾. With the creation of the co-CEO structure in April 2018, Marc Fielmann took over responsibility for the executive leadership of Fielmann AG.

The entire Management Board is responsible for the day-to-day management of the company. In the financial year, the Management Board was made up of six people. Fielmann Aktiengesellschaft is represented by one Chief Executive Officer (Günther Fielmann or Marc Fielmann), jointly by two members of the Management Board, or by one Management Board member and an authorised signatory. Regular Management Board meetings are held in order to make strategic decisions and to resolve inter-departmental issues.

The work of the Management Board is governed by the statutory regulations, the Articles of Association and the rules of procedure. Fielmann lists the responsibilities of the individual board members at: <https://corporate.fielmann.com/de/investor-relations/unternehmen/vorstand/>.

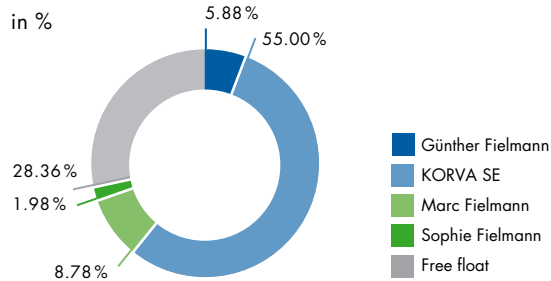
Ownership structure

Fielmann has the legal status of a German Aktiengesellschaft. We regard ourselves as a family business. This is reflected in the personal responsibility of the founding family for the well-being of the customers, the employees and the company. The family's attachment to the company is mirrored by the ownership structure of Fielmann Aktiengesellschaft.

Via the family's holding company KORVA SE, the Fielmann Familienstiftung and direct equity, the Fielmann family controls 71.64% of the shares in Fielmann Aktiengesellschaft. The remaining 28.36% of shares are in free float. 55.00% of the shares owned by the Fielmann family in Fielmann Aktiengesellschaft are held in KORVA SE. With 92.50% of the votes, the Fielmann Familienstiftung has the decisive influence on KORVA SE and therefore the majority rights in Fielmann Aktiengesellschaft. These majority rights are permanently secured.

¹⁾ Marc Fielmann has been responsible for Corporate Strategy since February 2019.

Ownership structure of Fielmann Aktiengesellschaft



Günther Fielmann has thereby strengthened his decision to integrate his children into management responsibility of Fielmann Aktiengesellschaft and carried out his long-held plans to ensure a cross-generational company succession. Besides his position as sole Management Board member of the Fielmann Familienstiftung, Günther Fielmann is also the sole Management Board member of KORVA SE for life.

GRI 102-5 GRI 102-18

Compliance

Our company and our success are characterised by the mutual trust and shared responsibility of all our employees, by the protection of nature and natural resources, and by our behaviour in business life. Misconduct by an individual can cause enormous economic damage. The loss of trust that accompanies legal infringements is even more serious.

Fielmann has established a comprehensive compliance system that works to achieve law-abiding and ethical behaviour among its employees and business partners. The system comprises a compliance guideline, individual stipulations for risk areas and a risk management system. We take both local and international laws into account.

GRI 103

Compliance guideline

Statutory regulations are varied and complex. The Management Board of Fielmann Aktiengesellschaft has adopted a compliance guideline to give employees a clear framework. Employees can access this guideline at any time.

The compliance guideline is continuously updated. The Management Board identifies the main risk areas, and draws up concrete stipulations and directives that must also be complied with in addition to the statutory provisions. The guideline provides concrete orientation for the employees in their daily work and ensures that what they

do remains lawful and proper. Should the Management Board identify new areas of risk, new directives including concrete stipulations shall additionally be approved. The employees will be immediately informed of any amendments or updates.

Besides maintaining law and order, ethical principles must also be taken into account at Fielmann. Every employee pledges to comply with Fielmann's customer-oriented rules. In turn, Fielmann pledges to respect its customers, employees and society, and to contribute to this end in many ways. This commitment is highly important to us.

GRI 102-11

GRI 102-16

Compliance system

The Management Board is responsible for the continuous development of the compliance system. Amendments shall be communicated to all employees in good time. In the event of compliance issues, employees are instructed to contact their superior, the internal audit department or the Management Board directly. The internal audit department uses regular checks to inspect the company-wide implementation and application of the valid guidelines.

Risk management

Fielmann's comprehensive risk management system enables the company to identify and make use of opportunities in good time, while also keeping in mind the potential risks. All the main planning and control elements lead to a detailed reporting system. Using defined thresholds, Fielmann regularly assesses whether and which concentrations of risk exist within the Group. This systematic monitoring is integrated in all relevant processes. By way of both monthly and yearly reporting, potential risks are identified and evaluated with regard to their potential significance for the business position of Fielmann.

For the financial year 2018, our evaluation shall also include material risks as per Sections 289c and 315c of HGB, insofar as they have or could have serious negative consequences on environmental, employee and social matters, as well as on attempts to respect human rights and combat corruption. This concerns the material risks related to Fielmann's own business activities (Section 289c Para. 3 (3) of HGB), as well as the material risks linked to our business relations, products and services (Section 289c Para. 3 (4) of HGB). The risk management system takes into account the likelihood of risks arising and their potential impact, as well as the basic measures for addressing the identified risks.

The basis for evaluation is provided by entry sheets for the stated risk indicators. A traffic light system is used to document the potential severity of the risk for the matters stated. The risks are categorised as follows:

- Green: good situation (expected damage has an extent of less than 1% of anticipated pre-tax profit)
- Green-yellow: slightly negative deviation from good situation (expected damage has an extent of between 1% and 3% of anticipated pre-tax profit)
- Yellow: risk of critical situation occurring (expected damage has an extent of between 3% and 5% of anticipated pre-tax profit)
- Yellow-red: critical situation (expected damage has an extent of between 5% and 10% of anticipated pre-tax profit)
- Red: highly critical (expected damage has an extent of more than 10% of anticipated pre-tax profit)

The risk identification, evaluation and assessment are carried out in a decentralised way by the individual departments of Fielmann Aktiengesellschaft. The Controlling department coordinates and is responsible for the process, and forwards the risk reports from the individual departments to the Management Board. The effectiveness of the information system is regularly assessed by internal audits and an external audit.

GRI 102-11

Significant risks pursuant to Sections 289c and 315c of HGB

Fielmann has checked all the main issues presented in this report for significant risks pursuant to Sections 289c and 315c of HGB. No significant risks were identified from business activities, business relationships or products and services which are likely to have serious negative effects on the aspects stated in Sections 289c and 315c of HGB. Consequently, the assessment of risk is at "low" (green).

For further information on our risk management system as well as on the financial risks and opportunities, please refer to the explanations in the Group Management Report.

Anti-corruption measures

Fielmann's ordinary business activities include optical retail and hearing acoustics, mainly within the European Union. Bearing this in mind, Fielmann assesses the risk (Section 289c Para. 3 (3) of HGB) in the company and its environment as low. Fielmann is also not aware of any significant risks regarding business relationships or products and services (Section 289c Para. 3 (4) of HGB). Nevertheless, Fielmann deals with the issue of corruption in its compliance guidelines and in a separate directive on accepting and offering gifts and allowances. Furthermore, Fielmann obliges all suppliers to sign up to its Code of Conduct, which expressly rejects all forms of corruption.

Fielmann assesses all business locations for corruption risks. The corresponding assessments are made at irregular intervals. Any evidence of corruption is targeted for further investigation.

Assessments	2018	2017
Number of stores	736	723
Assessed stores	88	78
Proportion of assessed stores (in %)	12	11

GRI 103 GRI 102-16 GRI 205-1

Financial assistance received from governments

Fielmann is not aware of the participation of a government as shareholder. Fielmann receives individual, publicly regulated funding programmes for further training and professional development. Beyond that, the company does not receive any state subsidies for operating its businesses.

GRI 201-4

Corporate social responsibility management

For Fielmann, responsible and ethical behaviour is part of who we are. It represents a core component of our corporate philosophy. A clear customer focus has taken us to the top. Fielmann attaches great value to the responsible interaction of all our employees with each other, to the protection of nature and natural resources, and to our conduct in business life. The basic rules of behaviour formulated for this purpose are available to all employees.

GRI 102-16

Corporate social responsibility organisation

The Management Board and the respective managements of the Group subsidiaries are responsible for ensuring the socially responsible behaviour of Fielmann Aktiengesellschaft. As part of their departmental duties, the various board members are responsible for the numerous activities described in detail in this report.

The activities of Fielmann Aktiengesellschaft in the fields of environmental protection, ecology, protection of historical buildings, youth sports and in the promotion of science and research have been coordinated by the Communications and Public Relations department for decades. In the context of corporate social responsibility management, this department takes on a key role. It documents the work of all the board's areas of activity, and communicates regularly with the entire Management Board.

Through its managers, the risk management system (RMS) and the internal audit, the Management Board ensures transparency so that it can take measures, where necessary. The overall responsibility for corporate social responsibility management and its further development remains with the Management Board.

With its non-financial declaration (CSR report), Fielmann reports every year about corporate social responsibility in the company.

Materiality analysis and main topics

Fielmann has added to its reporting on corporate social responsibility pursuant to Sections 289b and 315b of HGB in the financial year 2017 and now presents its wide-ranging activities according to the principles of the Global Reporting Initiative (GRI).

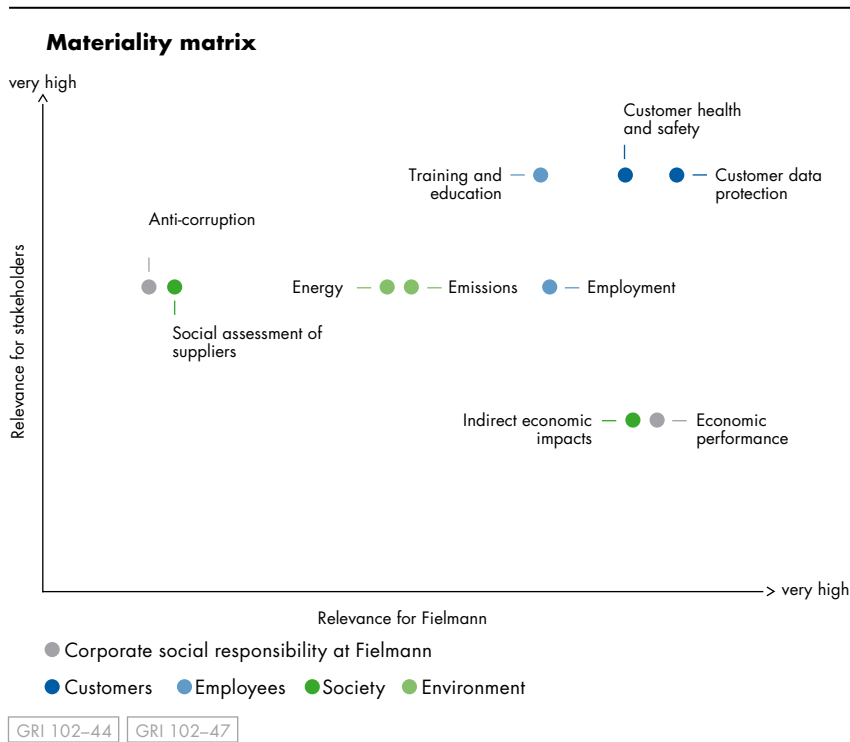
The Management Board of Fielmann Aktiengesellschaft carried out a materiality analysis in September 2017, accompanied by detailed preparations with internal and external stakeholders. The issues of material importance were identified in a systematic process based on the GRI standard and in consideration of the definition of materiality pursuant to Sections 289c Para. 3 and 315c of HGB. Afterwards, the issues were selected due to their materiality for the stakeholders and for the company, and their meaning assessed in the two-dimensional materiality matrix.

The assessment of the topics was carried out according to the following aspects:

- Company environment:
Opportunities and risks in the political, legal, economic, ecological, technological and social environment
- Internal company analysis:
Strengths and weaknesses of the competences and resources, the business model, the product portfolio and the value chain
- Stakeholder expectations:
Deductions and assumptions regarding the expectations of customers, suppliers, business partners, employees, consumer and environmental organisations, industry associations, shareholders and the media

The issues deemed to be of material importance were also assessed with regard to their double materiality pursuant to Sections 289c and 315c of HGB – thereby going beyond the stipulations of the GRI standards. The entire Management Board assessed, validated and approved the results of the materiality analysis in the financial year 2018.

GRI 102-46



Stakeholder dialogue

Fielmann has identified the key stakeholders as part of a systematic process. They are consulted at regular intervals or whenever required. Their suggestions and ideas are requested and documented. Fielmann’s main stakeholder groups include customers, employees and managers, the Supervisory Board, shareholders and investors, banks, the works council, suppliers, associations, public authorities and the media. External stakeholders can send Fielmann their questions and suggestions on social responsibility matters via the e-mail address: nachhaltigkeit@fielmann.com. Incoming e-mails will be read by the Communications and Public Relations department and, in collaboration with the respective divisions, answered.

Stakeholders	Interaction	Frequency
Customers	Satisfaction survey	Regular
Employees and managers	In a transparent and continuous dialogue process	During regularly held strategy and work meetings
Supervisory Board	In a transparent and continuous dialogue process	Four board meetings per year, individual voting and committee meetings
Shareholders and investors	In a transparent and continuous dialogue process	Regular investor relations meetings
Banks	In a transparent and continuous dialogue process	Regular
Works council	In a transparent and continuous dialogue process	Regular votes involving the works council, the HR director and the members of the Management Board
Suppliers	In various formats	On demand
Associations	In various formats	On demand
Public authorities	In various formats	On demand
The media	In various formats	On demand

GRI 102-40 | GRI 102-42 | GRI 102-43 | GRI 102-53

Objectives, measures, results and performance indicators

Pursuant to Section 289c Para. 3 of HGB, Fielmann has developed in detail the objectives, concepts, measures (Section 289c Para. 3 (1) of HGB) and results (Section 289c Para. 3 (2) of HGB) of every aspect. This presentation is supplemented by relevant non-financial performance indicators (Section 289c Para. 3 (5) of HGB). The issues are described in the following chapters:

- Corporate social responsibility at Fielmann:
 - Economic performance (GRI 201)
 - Anti-corruption (GRI 205)
- Responsibility for our customers:
 - Customer health and safety (GRI 416)
 - Customer data protection (GRI 418)
- Responsibility for our employees:
 - Employment (GRI 401)
 - Training and professional development (GRI 404)
- Responsibility for society
 - Indirect economic consequences (GRI 203)
 - Social assessment of suppliers (GRI 414)
- Responsibility for the environment
 - Energy (GRI 302)
 - Emissions (GRI 305)

The aspects listed above fully cover the five required aspects (environmental, employee and social matters, as well as respect for human rights and anti-corruption) of Sections 289c Para. 2 and 315c of HGB (see “About this report”, p. 2). They will be presented individually in the following chapters of this report. Fielmann reports in detail on the respective measures and objectives of corporate social responsibility management and presents the results in the reporting year.



Responsibility for our customers

You are the customer

Our guiding principle is “You are the customer”. We offer our customers the kind of advice that we would like to receive ourselves: always fair, friendly and competent. Time and again, Fielmann has pioneered customer-friendly services in optical retail. Digital technologies are developing rapidly. Fielmann sees it as its responsibility to keep information security and data protection in line with the progress of technical innovations. We view digital innovation and customer-oriented data protection as a symbiosis and not a contradiction, and are therefore digitising the optical industry to the benefit of consumers, without compromising quality. All of Fielmann’s digital services are optional. Customers are free to choose which digital services – if any – they wish to use.

Fielmann has formulated internal data protection standards and fulfilled the new legal directives that commenced with the European General Data Protection Regulation (GDPR) on 25 May 2018. We safeguard the customer-oriented and lawful processing of the data entrusted to us through clear responsibilities, our data protection management system as well as technical and organisational measures. As the market leader, we set standards for the whole industry. We take part in the development of globally valid quality testing methods and support the further development of the ISO standards. Our quality controls are much more stringent than required by statutory regulations. This applies both to lenses and to frames.

Customer data protection

Digitisation brings great progress, but also leads to increasingly complex IT systems. To many people, the purposes for which their personal data is being used is no longer transparent. Some people are entirely indifferent to this development and others would like to have more detailed information on how their data is processed.

Fielmann takes all its customers’ interests seriously and treats the provided data carefully and conscientiously. We process personal data with our customers’ interests in mind and in accordance with the applicable laws of the countries in which we operate. Fielmann regards data protection and digital innovation as a symbiosis and not a contradiction.

Fielmann protects its customers’ personal data with its good name and the data protection guarantee: all customer data is processed in line with the GDPR. We immediately comply with any requests for information, deletion or updates, while observing the statutory retention periods.

Business environment and requirements

Legislators have responded to customers' wishes for personal data protection, privacy and the transparent processing of personal data with the GDPR, in effect since 25 May 2018, and the associated amendment of the German Federal Data Protection Act (BDSG). Fielmann has defined its own data protection standards that fully comply with the legal stipulations of the new GDPR.

GRI 103

Objectives

Fielmann combines innovative services with customer-oriented data protection. Fielmann regards its customers as responsible citizens. They are always entitled to find out how and for what purposes their data is being used. We are digitising the optical industry for the benefit of customers.

As part of the business activities of all the Group companies, Fielmann only collects, processes and uses personal data if the required legal basis exists. We respond immediately to any submitted enquiries or complaints regarding data protection. Special attention is given to the protection of our customers' personal data. Clearly, Fielmann also processes the personal data of its employees, business partners and shareholders confidentially and in accordance with the data protection directives. Our objective is to continuously further develop our organisation, processes and systems to ensure that personal data is always processed and stored in accordance with the law. We work closely with the regulatory authorities and document our data protection system properly in order to ensure that the system remains consistent with statutory requirements. We take care to implement the necessary amendments and improvements in good time.

Share of answered enquiries within five working days Our aim is to deal with any requests for information, deletion or updates within five working days, while observing the statutory retention periods. We make every effort to live up to this aim, but accept that there may be some exceptions for operational reasons. (Target level: 95%).

Training level of project managers Data protection is not just a technical issue. Through regular training, we ensure that all project managers are informed about legal requirements and the additional data protection standards at Fielmann. Furthermore, the project managers are familiar with the technical and organisational measures, and are obliged to observe them to the full. (Target level: 100%).

GRI 103

Concepts, management and measures

Data protection has always been of great importance to us. Fielmann customers can rest assured that their personal data is processed securely, in their interest and in accordance with the law. We back up this promise with strict data protection standards, a data protection system and far-reaching technical and organisational measures.

Fielmann formulated standards in its directive on data protection and privacy in order to fully comply with the statutory requirements of the GDPR. This internal directive presents the data protection and privacy principles and their implementation at Fielmann Aktiengesellschaft as well as at its national and international subsidiaries. It documents and sets out which requirements must be observed and implemented when processing personal data.

Fielmann has committed itself to the following data protection and privacy principles:

- Legality and fairness of data processing
- Purpose of data processing
- Transparency in data processing
- Data avoidance and minimisation
- Data protection by design and default
- Data deletion and storage limit
- Factual accuracy and up-to-date data
- Confidentiality and data security
- Maintaining the rights of the persons concerned

The implementation of the data protection and privacy standards is ensured by way of a centralised data protection system. This embeds the data protection directive in all parts of the company.

This directive governs the responsibilities within the system as follows: The Management Board of Fielmann Aktiengesellschaft and the respective managements of the subsidiaries are responsible for the lawful processing of personal data. Within the framework of the data protection system, the Data Protection Officers, the Legal department, the Governance department and a law firm specialised in data protection and privacy laws work closely together. Nevertheless, the overall responsibility for the data protection system and its further development remains with the Management Board.

As far as required by applicable national laws, the companies in the Fielmann Group have appointed a Data Protection Officer. The Data Protection Officers are responsible for information, cooperation and monitoring tasks, as set out in Article 39 of the GDPR. They inform and advise the boards, managers and employees on the relevant data protection stipulations and monitor compliance with the regulations. The Fielmann Data Protection Officers are equipped with sufficient staffing and financial resources.

Fielmann's data protection and privacy standards

The Fielmann data protection system

The company Data Protection Officers are consulted before the approval of guidelines, training documents or key decisions on data protection and privacy. They check and assist all the relevant projects and work towards ensuring a lawful management of personal data.

The Legal department is appointed by the Management Board to consult on decisions relating to data protection and privacy. It is charged with regularly checking and further developing Fielmann's data protection and privacy standards with regard to statutory stipulations and technological changes. For this purpose, our in-house legal experts work together with an international law firm specialised in data protection and privacy.

Besides the IT architecture and the business processes, the "Governance" unit carefully monitors information security and data protection. It further develops the technical and organisational measures on data protection, assists all projects relevant to data protection and offers concrete support when it comes to implementing internal guidelines and legally governed regulations. This unit set up a project-based data protection team in the financial year 2018 to implement and further develop the data protection standards. In addition, a "subject rights" process was established with in-house staff who were specially trained. Governance is responsible to the Management Board for the documentation, evaluation and security of sensitive data. In this role, the Governance department plays a central role in the continuous further development of the data protection system.

Technical and operative measures for data security

The Governance department receives instructions from the Management Board, the Data Protection Officers and the legal department and translates them into technical and organisational measures that, in turn, are received by the employees responsible for processing personal data. As part of the revision of the standard contract for order processing as per Article 28 of the GDPR, the technical and organisational measures to be agreed upon were reviewed and revised in 2018.

The technical and organisational measures are determined in consideration of the given risks, the present state of technology, the implementation costs and the type and extent of the circumstances and purposes of the data processing, pursuant to Article 25 of the GDPR. In order to guarantee a level of protection appropriate to the risks, these measures include the following:

- the pseudonymisation and encryption of personal data
- the ability to permanently ensure the confidentiality, integrity, availability and capacity of the systems in relation to the data processing
- the ability to quickly reestablish the availability of personal data in the event of a physical or technical incident
- a procedure for regularly testing, assessing and evaluating the effectiveness of the technical and organisational measures that ensure that the data is processed securely.

All enquiries regarding data protection can be made at any time and free of charge to the number +49 (0)800 34 35 626 or e-mailed to datenschutz@fielmann.com. All data protection enquiries sent to us by those affected or by regulatory authorities are documented, checked and processed. Since May 2018, Fielmann has pointed this out to all customers via information brochures.

If customers are interested in Fielmann's new digital services, they are comprehensively informed about which data are collected by the company, and for what purpose. In this event, customers must give their explicit consent in written form. The right to object is open at all times.

Data protection is not just a technical issue. It is important to Fielmann that all employees understand the statutory requirements and additional internal stipulations. The proper way of implementing the technical and operative measures should also be available to employees. Only once data protection is fully embedded in the daily work of employees will it be possible to continuously raise the data protection level. What's more, Fielmann regularly trains all the project managers and has also instigated the following measures:

- Commitment of all employees to data protection (upon recruitment)
- Distribution of the directive on data protection and privacy
- Regular training on data protection
- Distribution of a flyer to employees containing basic information on data protection
- Distribution of a flyer to customers about data protection

Data protection and privacy is deeply embedded at Fielmann from an organisational, technical and management perspective. The proper processing of personal data is governed by strict data protection standards that are continuously reviewed and further developed by the legal department. The data protection system uses clear responsibilities, technical and operative measures, and regular training to achieve a constant improvement of data protection.

GRI 103

Results in the reporting year

In the reporting period, there were no infringements regarding breaches of customer privacy or losses of customer data. We are also unaware of any unauthorised access to data or infringements against statutory stipulations or the internal data protection directive. Fielmann engaged in constructive communications with the data protection authority in Hamburg throughout the reporting year.

With regard to the enforcement of the new GDPR, Fielmann implemented the necessary changes in the reporting year by 25 May 2018. In the second half of 2018, the data protection system was further integrated with the information security management system (ISMS).

Training courses and professional development

The Data Protection Officers will continue to attend to their legally governed supervisory duties. The legal department is further developing the data protection directive, and the Governance department is improving the data protection system.

Share of answered enquiries within five working days In the financial year 2018, a total of 205 enquiries related to data protection were sent to Fielmann. These included requests for data information, deletion and updates. We were able to answer the enquiries within five working days in 88% of cases (Achieved level: 88%). For a further 7% of the enquiries we needed up to ten working days for the final answer. Fielmann will further optimise the processes to achieve its target level of a 95% response within five working days.

Training level of project managers Through various information measures and training, all project managers were informed about legal requirements and the data protection standards at Fielmann in 2018 (Achieved level: 100%). The training of project managers to deal with technical and organisational measures remains a continuous process.

GRI 418-1

Quality assurance

Fielmann is the market leader in terms of prices and quality. Our quality assurance not only monitors legal compliance, but also covers Fielmann's guarantees for the quality of its products: Fielmann provides a Three Year Warranty on all glasses. Our customers buy without risk and we take every complaint seriously. If customers are not satisfied with their choice of new glasses, Fielmann will exchange the pair or reimburse the full purchase price. This guarantee is valid at any time.

Business environment and requirements

Almost all the products sold by Fielmann, including lenses, frames, over-the-counter reading glasses, contact lenses, contact lens cleaning products and hearing aids, are medical products. They are subject to the European Directive 93/42/EEC. In Germany, the Directive is covered by the medical products law (MPG). The CE mark attests to the marketability of a medical product within the European Economic Area. Regulation (EU) 2017 / 745 on medical products came into force on 25 May 2017. It largely replaces, among others, the European Directive 93/42/EEC.

Fielmann also sells sunglasses without prescription. They are considered as personal protective equipment as per the European Directive 89/686/EEC, which also applies in Germany. This directive was replaced by the Regulation (EU) 2016/425, applicable in all EU member states, governing personal protective equipment with effect from 21 April 2018. Health and occupational safety is now guaranteed by a clear and uniform EU law without it having to be implemented into the laws of all individual EU member states. Legal regulations stipulate that only trained opticians are permitted to carry out the fitting and dispensing of prescription glasses, as well as carrying out eyesight tests.

Payments by statutory health insurance providers are preceded by a so-called pre-qualification process. This checks whether the requirements for sufficient, appropriate and fit-for-purpose manufacture, sale and fitting of medical aids is being fulfilled. It includes a test regarding the specialist qualifications, general and organisational requirements as well as spatial and practical requirements. If all the conditions are met, the business premises will receive a corresponding certificate and are then entitled to arrange payments with statutory health insurance providers.

These provisions and measures are essential for the protection of customer health. Incorrectly fitted lenses can lead to prismatic side effects, which can bring about fatigue, nausea or headaches.

Fielmann maintains and improves the quality of its products along the entire value chain. With regard to the current state of technology, we do not believe it is possible to ship prescription glasses in Fielmann quality. We are pursuing the strategic goal of providing customers with a unique experience in an omnichannel world of quality prescription eyewear. This requires innovative technologies such as real-time 3D try-on technologies, millimetre-precise lens fitting and an online eye test. Fielmann Ventures is developing these key technologies independently and in partnership with technology companies and innovative start-ups. We do not tolerate any loss of quality in comparison to our service in the stores.

GRI 103

Objectives

Fielmann regards its quality assurance as a significant competitive advantage. For us, it is not enough to simply meet the statutory requirements governing product quality. Instead, we commit ourselves to stricter quality standards that are continuously further developed and tested at our own quality laboratory in Rathenow.

Share of assessed suppliers Fielmann's objective regarding collaboration with suppliers is for its frames, lenses, sunglasses, contact lenses and hearing aids to be sold exclusively by suppliers who can guarantee us the quality of their products via CE declarations of conformity as well as full test documentation. Fielmann corroborates these guarantees with additional tests in its own lab. (Target level: 100%).

Share of assessed frames in the Fielmann Collection Fielmann also aims to ensure that all the frames in Fielmann's own collection successfully pass the quality tests in Rathenow (Target level: 100%).

GRI 103

Concepts, management and measures

Even before the introduction of the Three Year Warranty in 1977, Fielmann undertook a wide range of measures to ensure the quality of its products. For example, Fielmann built its own laboratory many years ago, where the quality of the products is assessed before they are added to the collection.

Our very own Quality Management department is responsible for all the quality assurance measures in the company. This unit is deeply incorporated in Fielmann's entire value chain and has reported directly to the Chairman of the Board since 2006. Besides the organisational and process-related integration of the quality assurance, Fielmann also undertakes the following measures in order to guarantee the quality of its products:

- Process control through our own production facilities
- Centralised quality control in Rathenow
- Automated control systems
- Continuous further development of the test criteria

Process control through our own facilities

By manufacturing many of the products we sell, we are able to control the complete value chain, from checking the raw materials to mounting the glasses. A quality management system set up in accordance with DIN ISO 9001 ensures a standardised organisation with highly automated manufacturing and testing processes at a consistently high quality.

Before a lens completes the production process, it is tested up to ten times. Every single lens is tested to see if there are any mistakes in the surface and material used, while all the optical and geometric parameters are also checked. In the unlikely event of disruptions to operations or long-lasting production stoppages, Fielmann has instigated a risk management system with comprehensive precautionary measures. Fielmann is insured against any loss that may nevertheless occur as a result of long-lasting shortages.

Centralised quality control in Rathenow

Fielmann supplies more than 8 million frames every year. All eyewear models in the Fielmann Collection have been successfully tested in accordance with EN ISO 12870 standards in our quality laboratory in Rathenow. They are rust-proof, non-fade and release much less nickel than is stipulated by the German Commodities Ordinance. This applies without exception to all price categories.

We simulate a three-year period of wearing glasses as part of our rigorous tests. The frames must meet the highest operational requirements – as must the hinges. A special solution is sprayed onto the glasses to test the reactions to sweat, make-up and weather conditions, and it also allows us to check the colour fastness and stability of the coating. After successfully passing the tests, the frames are given a Three Year Warranty and are added to the Fielmann Collection.

Sunglasses are subjected to the same procedures, but also have to comply with the strict requirements regarding the lenses' UV protection. Fielmann sells a wide range of sunglasses with so-called "UV-400" protection, which goes beyond the standards required by the EU and is labelled in the form of a sticker or print inside the frame.

Fielmann takes part in the further development of internationally recognised ISO standards for frames and lenses, and also updates its far-reaching internal guidelines and stipulations. With many test methods, such as for nickel release in metal frames, Fielmann sets stricter criteria than required by the standards. We regularly check our test procedures and develop them even further.

At Fielmann, branded products are also only sold if they meet Fielmann's strict quality standards. We only work with brand manufacturers that can guarantee us the quality of their products via the CE declarations of conformity and certifications. Fielmann also regularly checks selected samples of all deliveries in order to guarantee a consistently high level of product quality.

In the event of returns, experienced opticians check the returned items and document their findings on durability, material defects or similar problems. If complaints are frequently received about specific products, the Quality Management department quickly steps in to take corrective measures. Customer queries and test results that may have to be reported to government agencies are documented, assessed and – where necessary – reported.

Our IT-based check of incoming goods reduces potential risks and ensures our quality standards over the long term. Sample sizes, test results and product features that require improvements are documented in a system and quickly communicated to the production department. We inform the suppliers throughout the entire period about the results of the current checks and about possible changes to the product quality. We are capable of responding rapidly in the event of any variations in quality.

GRI 103

Automated control systems

Results in the reporting year

With our own production facilities, the centralised quality controls in Rathenow and automated control systems, Fielmann has taken comprehensive measures to comply with statutory regulations. What's more, our own quality requirements are much stricter than required by law.

In the financial year 2018, there was no incident that needed to be reported to the relevant authorities in line with the medical products law.

Share of assessed suppliers In the reporting year 2018, Fielmann exclusively sold frames, lenses, sunglasses, contact lenses and hearing aids delivered by listed suppliers (Achieved level: 100%).

Share of assessed frames in the Fielmann Collection In 2018, all the frames in the Fielmann Collection successfully passed the strict quality tests in Rathenow (Achieved level: 100%).

GRI 414-1 GRI 416-1



Responsibility for our employees

Basis of our success

The basis of our success is our skilled and committed employees who embody our philosophy. They recognise themselves in the customers and offer them the kind of advice that they would like to receive themselves. They have the satisfying task of finding the best possible solution for everyone, irrespective of the budget. Our employees continuously participate in training courses, take tests and receive certifications. We recognise elites and offer talented young people clear objectives and compelling values. We assist our employees in all phases of their careers by providing targeted measures and offering them individual career plans.

Fielmann is the market leader in Germany, Austria and Switzerland, and is expanding in neighbouring European countries. We are rapidly driving our expansion in our growth markets Italy and Poland. As far as we are concerned, expansion is not an end in itself. We are expanding in order to meet customer needs.

Our success abroad is attributable to the fact that we have been able to export the principles of our success into the neighbouring countries. We offer consumers the certainty of being able to get high quality products and expertise at reasonable prices. Compared to Germany, we stand out even more clearly from the competition when it comes to location, selection, price and expert advice.

As of 31 December 2018, Fielmann employed a total of 19,379 employees (previous year: 18,522).

Countries and regions

Staff as at balance sheet date	2018	2017
Employees (excluding trainees)	15,526	15,105
Employees in Germany	12,736	12,379
Employees in Switzerland	1,222	1,183
Employees in Austria	641	646
Employees in other countries	927	897
Trainees	3,853	3,417
Total employees	19,379	18,522

In our core markets of Germany, Austria and Switzerland, we employed 18,441 people (95.2%) as at the balance sheet date. Another 938 employees work for Fielmann in adjacent European countries.

Overview of employment contracts¹	2018	2017
Total employees	18,441	17,617
Male	27.8%	27.0%
Female	72.2%	73.0%
Employees with full-time contracts	12,824	12,300
Male	35.8%	34.4%
Female	64.2%	65.6%
Employees with part-time contracts	5,617	5,317
Male	9.4%	9.6%
Female	90.6%	90.4%

GRI 102-8

Remuneration

For Fielmann, customer satisfaction is the most important performance indicator. A considerable proportion of the bonuses paid to store managers and the Management Board is dependent on the satisfaction of our customers. In addition, Fielmann gives its employees the opportunity to acquire an interest in the company. More than 85% of our employees hold Fielmann shares and receive dividends in addition to their salaries. This is a motivational factor and our customers benefit as a result. Fielmann's employee remuneration lies above the recommendations made by the Central Association of Opticians (ZVA).

GRI 102-41

Diversity in the workforce

Fielmann views diversity among its employees as a success factor. We attach great value to diversity and regard the requirements stipulated in the General Equal Treatment Act (AGG) as a matter of course. At Fielmann, no employees or customers are discriminated against because of their race or ethnic background, gender, religion or ideology, disability, age or sexual identity.

Fielmann encourages diversity and equality, and is encouraging women to take on management positions, for example. The proportion of women in the top three management levels below the Management Board stands at over 30%. The share of highly qualified women with professional experience continues to rise. By adopting flexible working arrangements, Fielmann has established a family-friendly environment for its employees. Approx. 30% of our employees work in part-time positions. Fielmann is

¹⁾ There are no reports of other gender identities in the company for 2018.

therefore highly successful in accommodating individual requests for a better work-life balance.

Every year, over 10,000 young people apply for a vocational training course at Fielmann. More than 1,500 young talents start their career with us. Our apprentices are the best in the business – as testified by the national awards they win. In the German optical industry competition, Fielmann has accounted for an average of 80% of the regional winners and 97% of the national winners over the last ten years.

Career opportunities are wide-ranging at Fielmann. Whether in one of the more than 700 stores in Europe, the Fielmann Academy at Plön Castle, the design studios, the production facilities or the headquarters – an apprenticeship at Fielmann opens many doors.

Training at Fielmann

Business environment and requirements

Fielmann is continuing to expand and we are increasing our efforts to recruit qualified new employees. The general conditions for this growth are challenging: as demographic changes are leading to a reduction in the numbers of high school graduates, fewer young people are choosing to enter an apprenticeship in skilled craftsmanship. The optical industry and hearing aid business are experiencing almost full employment.

The job of an optician is wide-ranging. When opticians determine the customer's prescription, they are performing a task that, in Germany, is still associated with ophthalmologists. When choosing a frame and lens, opticians act as consultants for both fashionable eyewear and good vision. In their workshop, they work as craftspeople. When it comes to an eye test, frame selection, lens advice, optometric fitting, people place great trust in the expertise of their optician – as confirmed by independent reports. Legal regulations stipulate that only trained opticians are permitted to fit and dispense prescription glasses, and administer eyesight tests. Equivalent qualifications are also required for fitting contact lenses.

The hearing aid market is a growth market. In 2018, more than 1.4 million hearing aids were fitted by ENT doctors and 6,600 hearing aid shops in Germany. In our industrialised society, people are living longer and have ever greater demands. They not only want to see well, but also to hear well. Our long-standing customers in the core catchment areas alone require more than 100,000 hearing aids per year. Fielmann is serving the needs of its customers in this sector and is therefore expanding steadily. At the end of the reporting year, Fielmann had 193 hearing aid studios, with plans to increase this to 350 in the long term.

Hearing healthcare professionals are experts for good hearing, digital craftsmen and empathetic consultants. Their work boosts the quality of their customers' lives. They analyse people's hearing needs and find an individual solution for every customer. Modern hearing aids are technological masterpieces. Hearing professionals program them, customise them to each customer's needs, and manually produce perfectly fitting earpieces.

GRI 103

Objectives

Fielmann is not only the market leader in terms of price, but also in matters of quality, service, expertise and training. Fielmann's training is continuously improved, further developed and certified. We continuously qualify our employees and thereby ensure a level of expertise that we can guarantee to our customers in the stores.

All Fielmann stores in Germany and abroad are run by master opticians and optometrists. They are supported by a team of friendly, competent staff consisting mainly of certified opticians. Naturally, the in-store hearing aid studios are managed by trained hearing healthcare professionals.

Where possible, we fill the management positions in our stores, headquarters in Hamburg, and production and logistics centre in Rathenow from within our own ranks. We place great demands on our managers. They receive training courses in customer orientation, employee and business leadership, as well as staff and organisation development.

Fielmann stores generate between five and ten times the sales revenues of the average optician, and our bigger stores record up to fifty times the sales of an average optician. Our flagship stores in big cities achieve turnovers of between €4 m and €20 m. Since stores of this size are unique in the industry, we have to train store managers ourselves. The Fielmann Academy at Plön Castle prepares the next generation of opticians for Europe. In Plön, we train more than 7,000 opticians every year. The Academy is also available to external opticians for master craftsman's courses and colloquia.

Fielmann makes an important contribution to the training of skilled trades in Germany. Our vocational training is carried out with German precision and thoroughness, both in Germany and abroad. We also transfer our standards with regards to secure, fair and family-friendly working conditions to the new markets.

Newly created jobs each year Fielmann is expanding and aims to create new jobs every year¹.

¹Fielmann reports its own key indicators for the "Employment" topic and does not orientate itself to the GRI standard in this case.

Training and education Fielmann trains and develops its employees according to their needs. On average, one working week per year is spent on training and education measures. We plan to continue this measure in the next few years on a similar scale. The Fielmann Academy colloquia will remain a permanent fixture for the exchange between science and practical application.

GRI 103

Concepts, management and measures

We can only extend our lead in the market if each and every one of our employees is the best in his or her field. Satisfied customers are the prerequisite for our success and the basis for the job security that Fielmann offers its employees. This is why we invest tens of millions in training and development courses every year. In the reporting year 2018, this figure stood at more than €20 million.

Our apprentices undertake three years of optical training. The vocational school teaches the theoretical skills and the master opticians in the stores train the craftsmanship. Additional training courses at the Fielmann Academy at Plön Castle and at the central training workshops deepen and complement their education.

People who take part in training courses at Fielmann will be comfortable at all levels of the optical industry: skilled craftsmanship, industrial production and professional management. We are the only training provider in the industry that doesn't just introduce its apprentices to the optical trade in general, but can also include its own design studios, frame production and its own lens surfacing facility in the internal training program. Clearly it is of great benefit to our customers that our staff has a specialist knowledge about the design and aesthetic concept of glasses, about the production of frames and lenses, and also about the customization process for their chosen glasses. By offering hearing aids, Fielmann fulfils customer wishes beyond their visual needs. We also plan to expand in this area, and will open even more hearing aid studios. In Germany and Switzerland, Fielmann trains and develops hearing care professionals. More than 150 apprentices per year begin their career at Fielmann in the hearing acoustics business. We actively support the apprentices in career planning and also offer them the opportunity to attend the school for master craftspeople. We also use trainee programmes to qualify our future leaders.

What's more, Fielmann offers vocational training at the Production and Logistics Centre in Rathenow: courses in forwarding, warehouse logistics, IT and industrial mechanics for the optical industry are all available. At its Hamburg headquarters, Fielmann provides attractive perspectives with a range of apprenticeships and dual degree courses.

Investing in the future

Customer needs, technical possibilities and trends in fashion change constantly, which is why we train our employees so often and allow them to develop and expand their professional expertise in many ways. Our opportunities for development are equally open to everyone. Our regular seminars provide concrete possibilities for further personal and professional development.

Fielmann sees excellent potential in the regionalisation and digitisation of the available courses. This will enable us to train people at more flexible times and at any location. On the one hand, we will reach more employees in a shorter time while, on the other hand, we can promote a work-life balance, enabling our staff to better integrate their training into their daily lives.

In 2018, we took an important step in the field of regionalisation by opening the Fielmann Training and Professional Development Centre in Offenbach on 1 August 2018. In an area covering 2,000 square metres and three floors, Offenbach now hosts our 7th training centre for optics and our 2nd training centre for hearing acoustics. Up to 120 participants can receive training in a maximum of 12 events per day. Fielmann invested approximately. €2 million to build this training centre.

Our courses offer a wide range of customised training. This makes it possible to target the further development of specialist skills, as well as skills in communication and leadership. Employees who have been absent from work for a lengthy period of time also receive our full support when they return. In this way, Fielmann encourages a step-by-step return to working life.

We place great demands on our managers and, as a rule, develop them from within our own ranks. We also offer master courses at Plön Castle, both full-time. State-of-the-art technology combined with innovative teaching methods add to the high standard of our training.

The Fielmann Academy at Plön Castle was founded as an educational institution for the optical industry. At Plön Castle, more than 100 instructors and trainers, as well as dozens of other professionals, provide superior training to our employees on subjects such as the company philosophy, optical craftsmanship, frame and lens consulting, eyesight tests and biomedicine.

With this trainee program, Fielmann prepares future managers for the demanding work involved in running a store. Further development is aided by targeted training sessions.

GRI 103

Career at Fielmann

Results in the reporting year

Fielmann is continuing to expand and we are increasing our efforts to recruit qualified new employees. With only 5% of all optical stores, Fielmann trains more than 40% of Germany’s future opticians. After successfully completing their training, we employ around 80% of the graduates – more than 4,000 in the last five years. As at 31.12.2018, 3,853 apprentices (previous year: 3,417) were learning their trade with Germany’s market leader.

Fielmann managed to successfully implement its personnel measures in the reporting period and thereby achieve the objectives it set itself.

Newly created jobs each year Fielmann created 857 additional jobs last year (previous year: 649).

Training days In the reporting year 2018, Fielmann once more invested over €20 million in training and continued professional development. On average, our employees in Germany attended 6.0 days of continuing education and training in 2018 (previous year: 6.1 days).

	2018			2017		
	Number of employees	Working days for training and professional development	Average number of training and professional development days	Number of employees	Working days for training and professional development	Average number of training and professional development days
Entire workforce	16,200	97,517	6.0	15,427	94,816	6.1
Male	4,490	30,096	6.7	4,117	27,493	6.7
Female	11,710	67,421	5.8	11,310	67,323	6.0

GRI 404-1



Responsibility for society

Social responsibility

As a family business, Fielmann plans for the long-term. We assume responsibility for our customers, our employees and for society. As far as we are concerned, investing in society is an investment in the future. Our company's values are characterised by mutual trust and shared responsibility, by the protection of natural resources, and by our ethical behaviour in business life.

As market leader, Fielmann campaigns for nature and society: for environment and nature conservation, for heritage preservation and culture, and for education and research. Fielmann is committed to the society in which we live and work because we understand that a company can only enjoy long-term success in an intact, well-balanced social environment. For this reason, we want to give back some of the things that we gain from being part of a community. This belief is the basis of our long-term commitment to society.

Fielmann respects law and order, both locally and internationally. We expect the same from our employees and our business partners. Mistakes made by individuals can cause enormous economic damage. The loss of trust that accompanies legal infringements is even more serious. We expect our business partners to recognise the same ecological and social standards that we set for ourselves. We oblige our suppliers to comply with these standards as part of our Code of Conduct.

GRI 102-16

Business environment and requirements

Fielmann assumes responsibility where the company is active in business and where help is required. Fielmann is particularly committed to the environment and nature protection, education and research, as well as the preservation of historical monuments and culture. We encourage investments in infrastructure and services. Our focus lies on long-term partnerships with charitable, regional organisations.

GRI 103

Objectives

Fielmann plants a tree for each employee every year, supports long-term monitoring projects for nature and environmental protection, supports medical projects and research, is involved with organic agriculture and monument preservation, and supports kindergartens and schools. On top of all that, Fielmann sponsors a wide range of youth sports.

Planting trees The tree is the symbol of life. Fielmann's objective is to continue planting a tree for each employee every year.

Investing in young talent Fielmann donates kits and equipment, offers prizes and cups, and also promotes youth tournaments and competitions. Well over 10,000 girls and boys teams play and win wearing shirts sponsored by Fielmann. We plan to continue this commitment over the next few years on a similar scale.

Funding museums and archives Fielmann supports local museums, archives and historical societies holding regional collections. Every year, Fielmann spends a significant six-figure amount on this cause. We wish to continue our commitment to this area in a similar dimension.

GRI 103

Concepts, management and measures

Fielman Aktiengesellschaft's social activities have been coordinated by the Communications and PR department for decades. This department reports directly to the Chairman of the Management Board Marc Fielmann, and is also responsible for documenting and publishing the activities. The Chairman of the Board decides on the amount and manner of the commitment, while bearing in mind the regulations in the German Stock Corporation Act (AktG), the Articles of Association and the Rules of Procedure for the Management Board.

Protection of environment and nature

Fielmann has been active in the protection of the environment and nature for many years. Fielmann creates green classrooms and playgrounds, sets up biotopes and orchards, and supports forestation projects and renaturation campaigns. Fielmann also regularly supports larger activities that benefit the community. For example, the company is a partner of the Federal State of Schleswig-Holstein in the festivities for German Unity Day 2019. As a symbolic opening act, the Minister President Daniel Günther and the Chief Executive Officer Marc Fielmann planted 16 trees, representing Germany's 16 Federal States in November 2018 at Christian-Albrecht University in Kiel.

Günther Fielmann runs three organic farms on more than 2,000 hectares, including 900 hectares of farmland, in Schleswig-Holstein: Hof Lütjensee in Stormarn, Hof Ritzerau in the Duchy of Lauenburg, and Gut Schierensee near Kiel in the district of Rendsburg-Eckernförde. The farms are all members of Bioland – the largest organic food association in Germany.

At Hof Ritzerau, the Ecology Centre at Christian-Albrechts University in Kiel is implementing a long-term monitoring programme which will scientifically monitor the conversion of conventionally cultivated land into organic cultivation, and then observe organic farming for an initial period of 15 years. In the conflict between economy and ecology, the effects of conventional agriculture and the subsequent organic farming on the land, water, plants and animals are being studied.

At Hof Lütjensee, Fielmann breeds endangered species of old domestic animal breeds as genetic reserves, such as Red Holstein cattle (old type), Angeln Saddleback pigs, Husum Red Pied Saddleback pigs, and Jezersko–SolĐava sheep.

Fielmann takes up the idea of team spirit and the concept of developing young talent by supporting youth sports. We donate kits and equipment, offer prizes and cups, and also promote tournaments and competitions. We regard the youth work undertaken by regional sports clubs as an important social contribution to our society.

The Fielmann Academy purchased Plön Castle in January 2002 from the Federal State of Schleswig-Holstein. Fielmann preserves this heritage site for the good of society. The Fielmann Academy at Plön Castle regularly hosts meetings for the worlds of politics and business, the arts and culture.

For many years now, Fielmann has generously supported local museums, archives and historical societies holding regional collections, as well as all kinds of cultural institutions. We fund selected exhibits, support and facilitate restorations, and advise small voluntarily managed local history museums in partnership with the state museum association.

GRI 103

Results in the reporting year

Fielmann has achieved the objectives it set itself in 2018 in the fields of infrastructure investments and subsidised services.

Planting trees In 2018, Fielmann planted a total of 30,095 trees (previous year: 29,352) and 12,418 bushes (previous year: 11,831) in Germany, Switzerland, Austria and Italy.

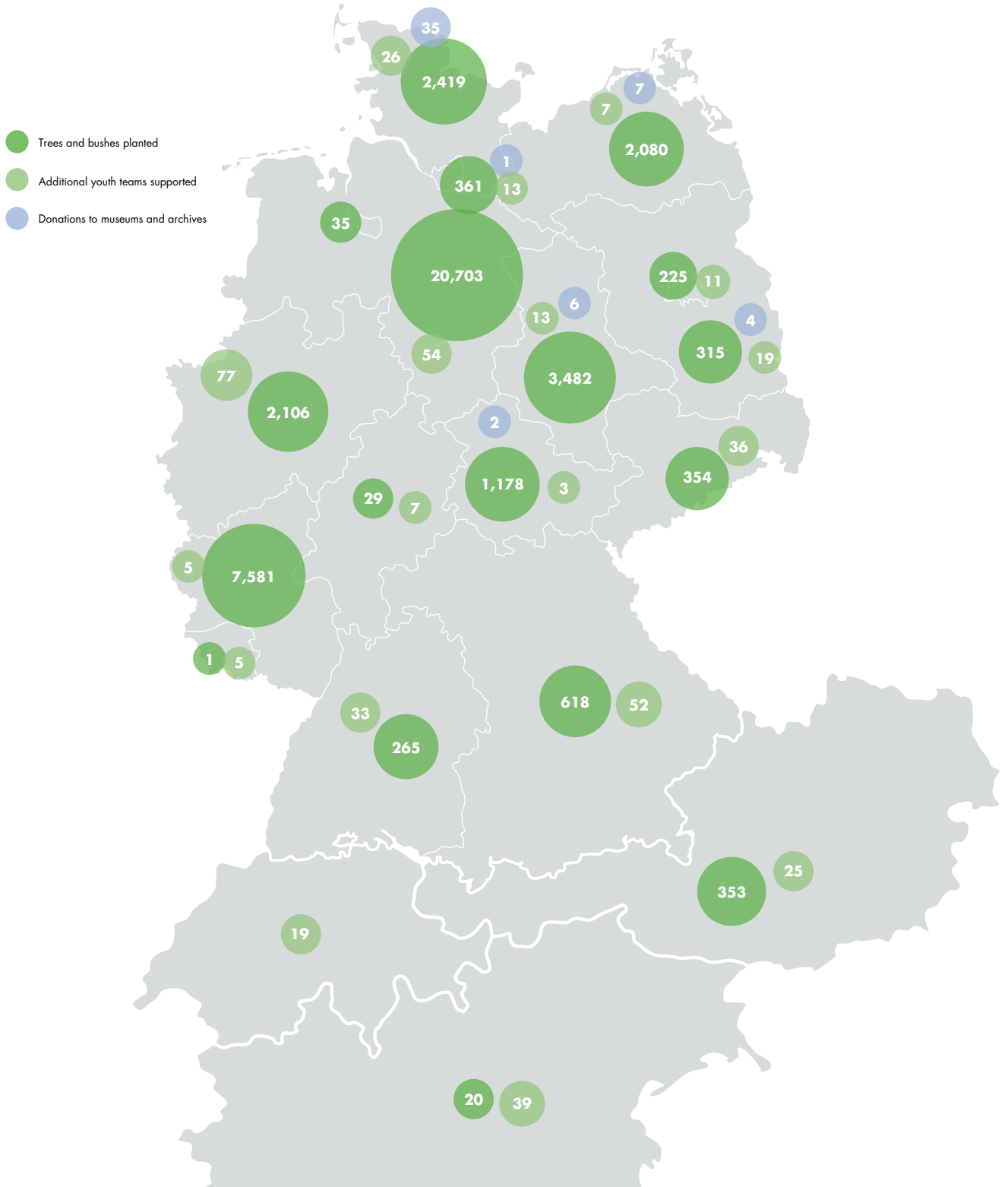
Investing in young talent In 2018, Fielmann sponsored 439 teams in youth sports (previous year: 400).

Sponsoring museums and archives Also in 2018, Fielmann made more than 50 donations for the promotion of culture (previous year: more than 50).

GRI 203-1

Social contributions in 2018

GRI 203-1



Social standards in the value chain

Fielmann seeks to constantly meet its quality standards, comply with law and order, and observe ecological and social standards along the entire value chain of suppliers and partners. We regard it as our corporate duty to respect ethical principles when dealing with our employees, society and environment. For us, organic growth is the goal, not maximum profit. We expect the same of our business partners.

Fielmann has drawn up a Code of Conduct as a binding guideline for its suppliers. This Code of Conduct is based on the recognised principles of the UN Global Compact and contains a catalogue of basic values that must be recognised and implemented along the entire supply chain of Fielmann Aktiengesellschaft. These basic principles apply equally to all Group companies of Fielmann Aktiengesellschaft.

The Code of Conduct is about prohibiting corruption and bribery, regulating invitations and gifts, ensuring health and occupational safety, environmental protection and energy efficiency, and the legal obligations to prevent money laundering.

A particular focus has been put on human rights. Equal opportunities and equal treatment of employees must be promoted, without regard to people's race or ethnic background, gender, religion or ideology, disability, age or sexual identity. Every individual's personal dignity, privacy and personal rights must be respected. Forced labour, unacceptable treatment of workers, psychological cruelty, sexual and personal harassment, and discrimination must not be permitted or tolerated.

GRI 103 GRI 102-16

Business environment and requirements

Fielmann has shaped the optical industry. We cover the entire value chain in this industry. Our Production and Logistics Centre is located in Rathenow, the birthplace of German glasses production. Fielmann has bundled its expertise in production and logistics there.

Under a single roof, we produce mineral-based and plastic lenses, fit them into the customers' individual frames and then deliver them overnight to our stores. In 2018, we supplied more than 4.8 million lenses in a range of coatings and finishes, and more than 8.2 million frames (previous year: 4.8 million lenses / 8.1 million frames). In Rathenow, we use state-of-the-art technology in production, and ensure that precautions are taken to safeguard the environment, employee health and good working conditions. A quality management system set up according to DIN ISO 9001 ensures a standardised organisation with highly automated manufacturing and testing processes. This delivers a consistently high quality.

Branded products are only sold at Fielmann if manufacturers guarantee compliance with Fielmann's strict quality standards. The high standards we set in our own production also apply to the suppliers, partners and manufacturers we work with.

GRI 102-9 GRI 103

Objectives

The Code of Conduct contains a catalogue of basic values that ensure responsible and ethical behaviour along Fielmann's entire supply chain. All infringements against the basic principles and requirements of the Code of Conduct is regarded by us as a significant impairment to the contractual relationship.

Upon suspicion of non-compliance with the principles and requirements of the Code of Conduct, Fielmann Aktiengesellschaft reserves the right to demand information on the respective circumstances. If an infringement is established, Fielmann Aktiengesellschaft is entitled to terminate without notice individual or all contractual relations with suppliers who have been proven to infringe against or not to fulfil the Code of Conduct.

Assessing the suppliers Fielmann's objective is to sell frames, lenses, sunglasses, contact lenses, and hearing aids exclusively from suppliers who guarantee the Fielmann standards in the Code of Conduct with regard to social compatibility, working conditions and environmental protection. Fielmann also obtains its own impression of the conditions through additional visits to suppliers and production sites (Target level: 100%).

GRI 103 GRI 102-16

Concepts, management and measures

Wherever Fielmann purchases materials or goods from third parties, we also transfer the standards of our responsibility towards society, the environment and employees to our suppliers. It is important to us that our partners live up to the same ecological and social standards that we apply to ourselves.

Fielmann aims to offer its customers products of an ideal quality that have been produced in compliance with social and ecological standards. We therefore only work with renowned, reliable partners, and invest in long-term, trust-based business relations. The maintained ethical principles of potential business partners are a key criterion when deciding which new suppliers to select.

Upon entering into business relations, Fielmann suppliers pledge not only to comply with our Code of Conduct on their own premises, but also to ensure the same conditions with their subcontractors. The jointly signed Code of Conduct permits Fielmann to check at any time that the standards are being observed with all trade and business partners.

GRI 103 | GRI 102-16

Results in the reporting year

Continuing our long-term collaboration with reliable partners proved to be a successful approach in the reporting period too.

Assessing the suppliers In the reporting year, all the current suppliers for frames, lenses, sunglasses, contact lenses and hearing aids have committed themselves to the Code of Conduct (Achieved level: 100%).

No significant changes were made in supplier relations. For this reason, no new suppliers were audited with regard to social standards. If there are new suppliers for frames, lenses, sunglasses, contact lenses or hearing aids in the current financial year, Fielmann will seek to have them also commit to the Code of Conduct.

GRI 414-1



Gottorf Castle, Baroque garden

Responsibility for the environment

Saving energy and reducing emissions

As an internationally active company, Fielmann is fully aware of its responsibilities regarding the climate. We aim to use natural resources sparingly. When running our stores, our Production and Logistics Centre in Rathenow, the Fielmann Academy at Plön Castle or our administrative offices, we monitor the energy consumption and work to reduce any emissions that may damage the climate.

The topic of energy efficiency and environmental protection is deeply rooted in our strategy and is clearly defined in our organisation. The Management Board has set qualitative targets for energy efficiency and emissions reduction, while the quantitative targets are updated in the annual planning process.

Business environment and requirements

For our customers and employees, high-quality lighting and suitable air conditioning in the stores are important factors. However, they also have a considerable impact on Fielmann's energy consumption and CO₂ emissions. Furthermore, Fielmann uses significant amounts of energy to run the Fielmann Academy at Plön Castle, the Production and Logistics Centre in Rathenow, and the administrative offices. The company's fleet of vehicles also contributes to CO₂ emissions.

Fielmann rents most of its store locations. In shopping centres, the energy supply is managed by the owners. In such cases, Fielmann is hardly able to influence the energy mix. The information provided is often incomplete, particularly with regards to heating. For this reason, the following details mainly refer to the locations where Fielmann manages the electricity and gas contracts itself. In these locations it is possible to calculate the parameters and take the necessary measures.

GRI 103

Objectives

Fielmann aims to continuously reduce the energy consumption and emissions per square metre of its stores, offices and production sites. To do so, we mainly invest in technical innovations and services that are tested and reliable. The objectives are realistic, considering the available resources.

After the Management Board set qualitative targets for lowering energy consumption and greenhouse emissions in 2017, concrete quantitative targets were evaluated and adopted in the reporting year. In the following years, these targets will be updated annually as part of the planning process.

Energy consumption per square metre Our aim is to continuously reduce energy consumption per square metre. For 2018, Fielmann has set itself the target of reducing energy consumption in stores by 3%. We plan a similar reduction for 2019 and are aiming for a 5% reduction in 2020.

Reduction of CO₂ emissions per square metre Fielmann aims to reduce harmful CO₂ emissions caused by its business activities. The concrete target for 2018 was to reduce CO₂ emissions caused by power consumption by at least 5% for each square metre of store space. We will continue to pursue this target over the coming years.

GRI 103

Concepts, management and measures

Pursuant to the Energy Services Act (EDL-G), Fielmann arranged for energy audits to be conducted by an independent external certified service provider in 2015. The measures developed to improve both energy efficiency and data collection were prioritised, categorised and translated into achievable tasks. Another energy audit will be conducted in the current financial year.

The cross-departmental Energy Team will also review the catalogue of measures in the current financial year and, if necessary, define process changes. The team reports to the Management Board once every quarter. Where measures appear appropriate, they are presented to the Management Board and implemented once approved. The Management Board is responsible for the strategy on energy efficiency and emissions reduction. Fielmann has set up a comprehensive collection and reporting system for energy efficiency and emissions. As part of a systematic approach, all accessible consumption data is fully recorded. Besides the technical master data and power requirements for equipment, the measurement documents and time-based analyses of the consumption at individual locations are also included.

The consumption of energy from our own electricity and gas contracts in Germany and Austria is already collected and documented at meter level in a comprehensive reporting system by the central Energy Purchasing department. In future, energy purchasing will be further centralised in a step-by-step process. The aim is to document the data in our other international subsidiaries and, based on the results, to then set the target figures in order to achieve continuous optimisation.

In an attempt to improve energy efficiency in the stores, Fielmann has initiated a variety of measures. The Fixtures & Fittings department plays a key role here. This department is responsible for maintenance work, building repairs and rectifying any defects in the stores. The administrative processing and implementation of the required work are based on uniform standards.

Measures for a more efficient energy consumption

For several years now, Fielmann has been increasingly using energy-saving LED lamps in an attempt to achieve a sustained reduction in energy consumption. By switching from conventional light bulbs to LEDs, the consumption of electricity per square metre has fallen significantly. This measure alone often reduces a store's overall consumption of electricity per square metre by more than 40%.

In future, every Fielmann store will be fitted with energy-efficient lighting as part of the regular rebuilding or modernisation work. This will affect more than 30 stores per year. In the event of technical problems that impact a store's energy consumption, notifications will be sent systematically and processed centrally until a solution is found. Besides the lighting, air conditioning systems are also a major factor in energy consumption. Over the next few years, Fielmann aims to develop the portfolio of refrigerants to create a new, low-emission refrigerant blend. For this purpose, Fielmann is establishing a database so that a detailed and priority-based implementation can follow. The measures presented for improving energy efficiency contribute directly to a significant emissions reduction. Furthermore, Fielmann has adopted a variety of measures to target the reduction of greenhouse gas emissions that are harmful to the climate. For example, Fielmann uses a heating plant with combined heat and power generation at Plön Castle. This resource-efficient plant produces approx. 29% of the castle's daily power requirements.

According to a study by the Heidelberg Institute for Energy and Environmental Research (IFEU), using public transport instead of private vehicles would reduce CO₂ emissions by 73%. Fielmann encourages employees to use public transport by offering them so-called job tickets. This represents a contribution to the reduction of CO₂ emissions, particularly in those regions most affected by traffic and emissions. In the financial year 2018, 1,738 employees took advantage of this service (previous year: 1,201). As part of the 'bahn.business' business customer program, Fielmann employees travelled a total of 9,255,233 CO₂-neutral kilometres on the DB rail network. At the same time, the company's fleet of more than 300 vehicles is being developed into more energy-efficient models.

The total of over 1.5 million trees and bushes planted by Fielmann already improve the CO₂ balance of Fielmann Aktiengesellschaft in the long term. Fielmann will continue to plant a tree for each employee every year.

GRI 103

Improving the CO₂ balance

Results in the reporting year

Thanks to its strategy for energy efficiency and emissions reduction, the integration of the Energy Team, and the catalogue of measures, the Management Board has taken appropriate steps to sustainably improve Fielmann’s energy and CO₂ balance. In Austria, for example, we are already relying completely on renewable energies for our electricity needs, and therefore do not have to account for any electricity-based CO₂ emissions.

Energy consumption per square metre In 2018, Fielmann carried out energy-efficient conversions at over 30 stores in Germany alone and thereby achieved a 3% reduction in energy consumption per square metre of store space. Energy-saving LED lighting will also be integrated into new stores in neighbouring European countries, as well as in the 8 new stores in Italy.

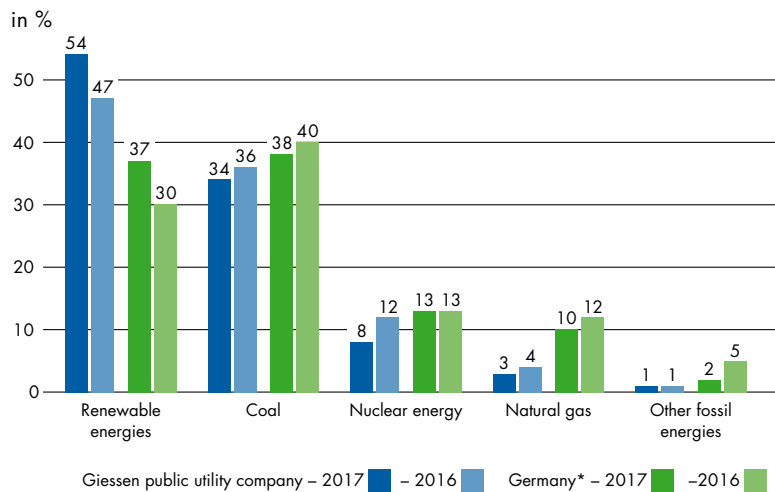
Reduction of CO₂ emissions per square metre Due to an improved electricity mix and the reduction of our power consumption in the stores, we were able to lower our power-related CO₂ emissions by more than 8% per square metre of store space in 2018.

Fielmann mainly purchases electricity from the public utility company in Giessen. This company uses an above-average amount of renewable energies in its portfolio. The electricity mix provided by the supplier is therefore typical for the company’s overall electricity purchasing. The national average electricity mix in 2017 and 2016 is shown for comparison.

The energy consumption of Fielmann Aktiengesellschaft in Germany, itemised according to renewable and non-renewable energy sources¹:

Purchased electricity mix in 2018

Share of electricity sources



¹The table includes the values for the companies in Germany for which Fielmann directly purchases electricity and gas. The energy consumption of the other locations and countries is entered step by step into the database as part of the energy management.

* Arbeitsgemeinschaft Energiebilanzen e.V. (Working Group on Energy Balances)

The energy consumption of Fielmann Aktiengesellschaft in Germany, itemised according to renewable and non-renewable energy sources¹⁾:

Consumption of electricity and gas (kWh/sqm)

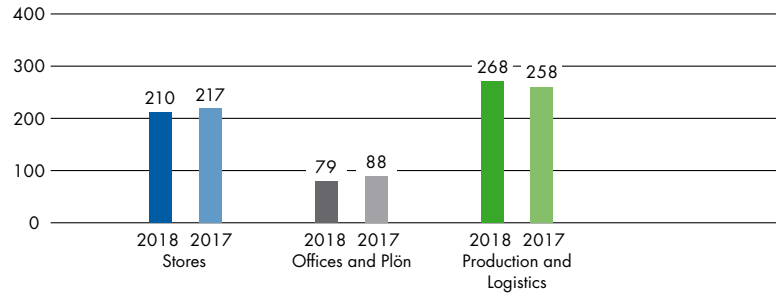
			2018				2017			
Type	Location		kWh /sqm	GJ/ sqm	Consump- tion (kWh)	Consump- tion [GJ]	kWh /sqm	GJ/ sqm	Consump- tion (kWh)	Consump- tion [GJ]
Elec- tricity	Stores_ren	Total	210	0.76	32,393,545	116,617	217	0.78	32,407,767	116,668
Elec- tricity	Stores_ren	of which are re- newable	113	0.41	17,495,754	62,985	102	0.37	15,231,650	54,834
Elec- tricity	Stores_non-ren	of which are not re- newable	97	0.35	14,897,791	53,632	115	0.41	17,176,117	61,834
Elec- tricity	Offices +Plön	Total	79	0.28	3,057,348	11,006	88	0.32	3,285,971	11,830
Elec- tricity	Offices +Plön_ren	of which are re- newable	43	0.15	1,651,274	5,945	41	0.15	1,544,407	5,560
Elec- tricity	Offices +Plön_non-ren	of which are not re- newable	36	0.13	1,406,074	5,062	47	0.17	1,741,565	6,270
Elec- tricity	Production and Logistics	Total	268	0.96	7,611,456	27,401	258	0.93	7,327,809	26,380
Elec- tricity	Production and Logi- stics_ren	of which are re- newable	145	0.45	4,110,947	12,879	121	0.44	3,444,070	12,399
Elec- tricity	Production and Logistics_ non-ren	of which are not re- newable	123	0.51	3,500,509	14,523	137	0.49	3,883,739	13,981
Elec- tricity	Total for DE	Total	194	0.70	43,062,349	155,024	200	0.72	43,021,547	154,878
Elec- tricity	Total DE_ren	of which are re- newable	105	0.38	23,257,975	83,729	94	0.34	20,220,127	72,792
Elec- tricity	Total DE_non-ren	of which are not re- newable	89	0.32	19,804,374	71,296	106	0.38	22,801,420	82,085

			2018				2017			
Type	Location		kWh /sqm	GJ/ sqm	Consump- tion (kWh)	Consump- tion [GJ]	kWh /sqm	GJ/ sqm	Consump- tion (kWh)	Consump- tion [GJ]
Gas	Stores	Total	121	0.43	4,573,228	16,464	127	0.46	4,644,246	16,719
Gas	Offices+Plön	Total	250	0.90	2,172,724	7,822	200	0.72	1,740,188	6,265
Gas	Production and Logistics	Total	104	0.37	2,952,155	10,628	102	0.37	2,902,988	10,451
Gas	Total for DE	Total	129	0.47	9,698,107	34,914	126	0.45	9,287,422	33,435

¹⁾ The table includes the values for the companies in Germany for which Fielmann directly purchases electricity and gas. The energy consumption of the other locations and countries is entered step by step into the database as part of the energy management.

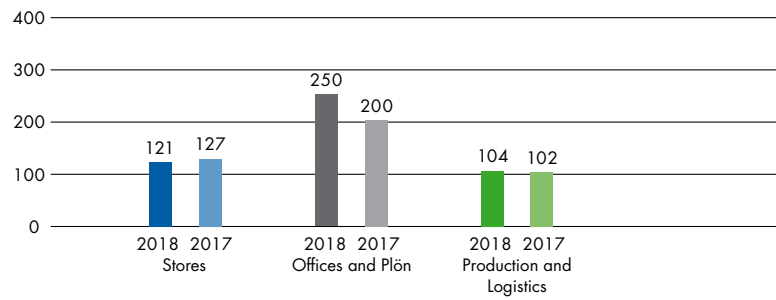
Consumption of electricity

(kWh/sqm)



Consumption of gas

(kWh/sqm)



GRI 302-1

The increase in gas consumption for the administration offices and Plön is due to the use of a cogeneration unit at Plön Castle. Since December 2017, Fielmann has relied on the key technology of combined heat and power (CHP) in the form of cogeneration units. These units are particularly resource-friendly and low in CO₂ production, as they produce heat and power simultaneously. This cogeneration of heat and power ensures that the gas used as fuel can be employed much more sparingly and efficiently than in separate production processes. In addition, the generated heat and power can be used straight away, so that there is no need for lengthy transport that may also result in losses. The use of cogeneration units saves primary energy, which indirectly leads to a reduction of CO₂ and harmful emissions compared to other modern types of power station.

The definition of greenhouse gas emissions is based on different methods. Fielmann uses the so-called “GHG Protocol” (Greenhouse Gas Protocol Standard) for its definition. The GHG Protocol was developed by the WRI (World Resources Institute) and the WBCSD (World Business Council for Sustainable Development). The GHG Protocol contains a classification of emissions. It distinguishes between Scope 1, Scope 2 and Scope 3 emissions. Scope 1 includes the emissions produced by the company itself. Fielmann has therefore decided to record the CO₂ emissions based on this established Scope 1 approach.

In the following, the results of the Scope 1 CO₂ emissions are presented. In order to take other climate-damaging greenhouse gases into account besides carbon dioxide (CO₂), equivalent carbon dioxide (CO₂e) is also included.¹

Emissions source	2018		2017		Scope 1 CO ₂ emissions
	Tonnes CO ₂ e	in %	Tonnes CO ₂ e	in %	
Stationary combustion	1,783.57	49.4	1,710.41	49.3	
Company vehicle fleet	1,829.80	50.6	1,760.00	50.7	
Total	3,613.37	100.0	3,470.41	100.0	

GRI 305-1

The refrigerant blend is calculated from the figures for 478 systems, recorded in 2017 and 2018. Based on the master data for older systems and because the refrigerant R410A is still primarily used by manufacturers, the figures for 2018 remain almost unchanged from the previous year. The overall amount of refrigerant used is a theoretical figure with regard to emissions, as the contained CO₂ only escapes in the event of damage. The weighted average CO₂e in tonnes / kg is taken in order to minimise future risks.

Refrigerant blend used

¹Besides CO₂, methane and nitrous oxide, for example, are also greenhouse gases. In order to compare the various greenhouse gases, the effect of each greenhouse gas is converted to carbon dioxide. For example, one kilogram of methane corresponds to 21 kilograms of CO₂e.

Refrigerant	2018			2017		
	CO ₂ e (t) per kg	Percentage	Weighted CO ₂ e (t) per kg	CO ₂ e (t) per kg	Percentage	Weighted CO ₂ e (t) per kg
R22	1.81	3.2%	0.06	1.81	3.4	0.06
R32	0.68	0.4%	0.00			
R404A	3.92	0.1%	0.00	3.92	0.1	0
R407A	2.11	1.1%	0.02	2.11	1.2	0.02
R407C	1.77	31.4%	0.56	1.77	37.1	0.66
R410A	2.09	62.9%	1.31	2.09	57.1	1.19
R417A	2.35	0.4%	0.01	2.35	0.4	0.01
R422D	1.81	0.5%	0.01	1.14	0.6	0.01
Average amount			1.98			1.95

GRI 305-1

We use the operational control approach as our consolidation approach for the greenhouse gas emissions from Scope 1. Stationary combustion covers all locations with their own gas contracts; bills paid by owners are not taken into account. The vehicle fleet data was collected on the basis of the provided fuel card bills.

Company vehicle fleet mix	2018	2017
Cars (number)	321	332
CO ₂ (g/km)	129	132
NO _x (mg/km)	60	81
Power (hp)	156	157
Consumption (l/km)	5.2	5.1

Our focus in this area is on a sustainable reduction of energy consumption and emissions. This also takes into account the technical and economic possibilities resulting from modernisations and conversions. From now on, Fielmann will equip all future stores with smart electricity meters. This will allow us to leverage further potential with regard to energy saving and emissions reduction. In 2019, another 150 existing stores will be refitted accordingly.

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Strategy

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102-53	Contact details for questions on the report	p. 18 et seq.
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Material issues

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Indirect economic impacts

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Anti-corruption

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Energy

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GRI 400: Social

Employment

103-1/2/3	Management approach	p. 32 et seq.
401-1	Newly recruited employees and employee turnover	Fielmann reports its own control-specific key figure for the "Employment" topic.

Training and education

103-1/2/3	Management approach	p. 32 et seq.
404-1	Average number of hours for training and education per year and employee	p. 37

Social assessment of suppliers

103-1/2/3	Management approach	p. 21 et seq., p. 43 et seq.
414-1	New suppliers assessed based on social criteria	p. 29, p. 45

Customer health and safety

103-1/2/3	Management approach	p. 21 et seq.
416-1	Evaluation of the impact of various product and service categories on health and safety	p. 29

Customer data protection

103-1/2/3	Management approach	p. 21 et seq.
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	p. 25 et seq.



Fielmann plants a tree for each employee every year and is committed to protecting nature and the environment. To date, Fielmann has planted more than 1.5 million trees and bushes.
