



fielmann

CORPORATE SOCIAL
RESPONSIBILITY REPORT 2019

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

As a family-run company and market leader, Fielmann assumes responsibility for the society we live in, works hard for the good of nature and people. We are convinced that a company can only enjoy long-term success in an intact, well-balanced social environment.

In the following report, we give particular regard to customer matters, environmental matters, employee-related matters, social matters, respect for human rights, anti-corruption and bribery matters. Fielmann thereby offers a transparent and comprehensive view on the social and ecological consequences of its actions and presents its activities in the field of corporate social responsibility (CSR).

Unless otherwise stated, all the information in the report refers to the financial year 2019 (calendar year 2019). This report complements the information provided in the Fielmann Aktiengesellschaft Management Report and the Group Management Report of the Fielmann Group printed in the Annual Report with significant developments in non-financial matters. Unless any other frame of reference is stated, the report includes all companies of 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 as part of a materiality analysis, which is based on the criteria of the Global Reporting Initiative and updated 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 16–19 of this report. The Management Board has checked and validated the result of the materiality analysis for the financial year 2019.

Section 289c of HGB	GRI	Fielmann Corporate Social Responsibility Report
Environmental matters (Section 289c Para. 2 (1) of HGB)	<ul style="list-style-type: none"> – Energy (302) – Emissions (305) 	Responsibility for the environment
Employee matters (Section 289c Para. 2 (2) of HGB)	<ul style="list-style-type: none"> – Employment (401) – Training and education (404) 	Responsibility for our employees
Social matters (Section 289c Para. 2 (3) of HGB)	<ul style="list-style-type: none"> – Customer health and safety (416) – Customer data protection (418) 	Responsibility for our customers
Respect for human rights (Section 289c Para. 2 (4) of HGB)	<ul style="list-style-type: none"> – Social assessment of suppliers (414) 	Responsibility for society
Anti-corruption and bribery matters (Section 289c Para. 2 (5) of HGB)	<ul style="list-style-type: none"> – 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 chapter “Responsibility for the environment”, Employment (401) and Training and professional development (404) in the chapter “Responsibility for our employees”, and Customer health and safety (416) and Customer data protection (418) in the chapter “Responsibility for our customers”. The Social assessment of suppliers (414) is covered in the chapter “Responsibility for society”, and Anti-corruption (205) in the chapter “Corporate social responsibility at Fielmann”.

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 chapter “Corporate social responsibility at Fielmann” 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,

Fielmann is a family business. We think in the long term and assume responsibility for our customers, our employees and for society. For us, investing in society means investing in the future. Our objective is to have satisfied customers, not maximum profit. Sustainable behaviour has been a core component of our corporate philosophy from the very beginning.

Our skilled and committed employees are the basis of our success. They embody our customer-friendly philosophy and offer our customers the kind of advice that they would like to receive themselves: always fair, friendly and competent – irrespective of the budget. Customer satisfaction is our most important performance indicator. A considerable proportion of the bonuses paid to our store managers and the Management Board is dependent on it. Our customers trust us, more than 90% of them say they intend to come back to Fielmann for their next pair of glasses.

As the market leader and an internationally active company, we take our responsibilities seriously and are committed to achieve the highest possible quality standards. Our compliance guidelines define the standards that we demand of ourselves and of our partners. In this way, we ensure law-abiding and ethical behaviour and do justice to our moral obligations beyond our company's requirements.

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. In 2019, all the glasses models in the Fielmann collection once again successfully passed the comprehensive quality tests in the laboratory in Rathenow. These high standards also apply to our partners. 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, we only sell branded products if they meet our strict quality standards. We have signed our suppliers up to



Marc Fielmann, Chief Executive Officer

our Code of Conduct as a binding guideline, which is based on the recognised principles of the UN Global Compact. A catalogue of basic values enables Fielmann to ensure responsible and ethical behaviour along the entire supply chain for all our main products. At the time of publishing this report, the Code of Conduct is publicly available on our company website.

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 the top three management levels below the Management Board stands at 30%. The target figure for the composition of the executive board will be set at at least one woman by 31 December 2024. The promotion of our employees is an investment in the future. Every year, we invest tens of millions in training and development courses. 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.

In addition, Fielmann assumes responsibility for the society we live in, works hard for the good of nature, people and the environment. We plant a tree for each employee every year. Since 1984, we have planted more than 1.6 million trees and bushes. In 2019, we planted more than 52,000 trees and bushes in Germany, Austria, Switzerland and Italy. In order to plant even more trees in future and make an active contribution to climate protection, Fielmann has partnered with the state government of Schleswig-Holstein and the forestry commission to launch the "Einheitsbuddeln" initiative. This enabled us to plant a 10-hectare forest with a total of 30,000 trees in the Rendsburg region in 2019 as well as to recruit a large number of companies and private supporters to plant more than 100,000 trees. In addition, Fielmann sponsors a wide range of youth sports. Well over 100,000 girls and boys in more than 450 teams play sports wearing shirts sponsored by Fielmann.

For us, a responsible interaction with nature is a matter of course. Our pledge to the environment is a significant contribution to the protection of the climate. But Fielmann goes even further: in future, we plan to operate even more energy-efficient and continue to reduce the emissions of damaging greenhouse gases. In 2019, we reduced power consumption in stores by more than 6% and cut the CO₂ emissions per square metre of store space by 11%.

We coordinate the many different measures via our corporate social responsibility management and transparently present the objectives and achievements in this report. There is still a lot to do in the coming years: besides continuing our outlined commitments, we see many other areas in which we can become even more sustainable. Avoiding microplastics and providing a sustainable collection of glasses are great ways to complement the variety of measures that we will implement in the current financial year.

When taken alone, many measures only have a small effect, but when added up they can make a great contribution to becoming more resource-friendly and sustainable. With this in mind, I thank all our employees for their dedication and sense of responsibility throughout 2019. Their skills, expertise and dedication are the pillars of our success.

I also like to thank our customers, partners, friends and shareholders for their loyalty to the company. This level of trust is both a motivation and an obligation for us.



Marc Fielmann

GRI 102-14



Cologne, Schildergasse

Corporate social responsibility at Fielmann

About Fielmann

Fielmann stands for fashionable eyewear at fair prices. 90% of all German citizens know Fielmann. 25 million people in Europe wear a pair of glasses from Fielmann. We are the market leader and sell half of all glasses in the German market.

With customer-oriented services, glasses at fair prices and a high level of professional competence, we have democratised eyewear fashion. We are deeply rooted in the optical industry and are active at every level of the value chain. "You are the customer" is our guiding principle. A clear customer focus has taken us to the top. With our Vision 2025, we will take this philosophy into the digital future and into neighbouring European countries and will shape the optical industry for the benefit of consumers – without compromising on quality.

Business activities

Fielmann Aktiengesellschaft, which has its headquarters at Weidestraße 118a, Hamburg, Germany, is the Group's listed parent company. Fielmann AG 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, serves the needs of its customers by opening new stores. As at 31 December 2019, Fielmann operated 776 stores (previous year: 736).

Fielmann Aktiengesellschaft stores

Country	2019		2018	
	Number of stores	Share of overall sales	Number of stores	Share of overall sales
Germany	602	78.8%	600	79.3%
Switzerland	43	11.8%	43	11.8%
Austria	38	5.8%	38	5.8%
Others ¹	93	3.6%	55	3.1%
Total	776	100.0%	736	100.0%

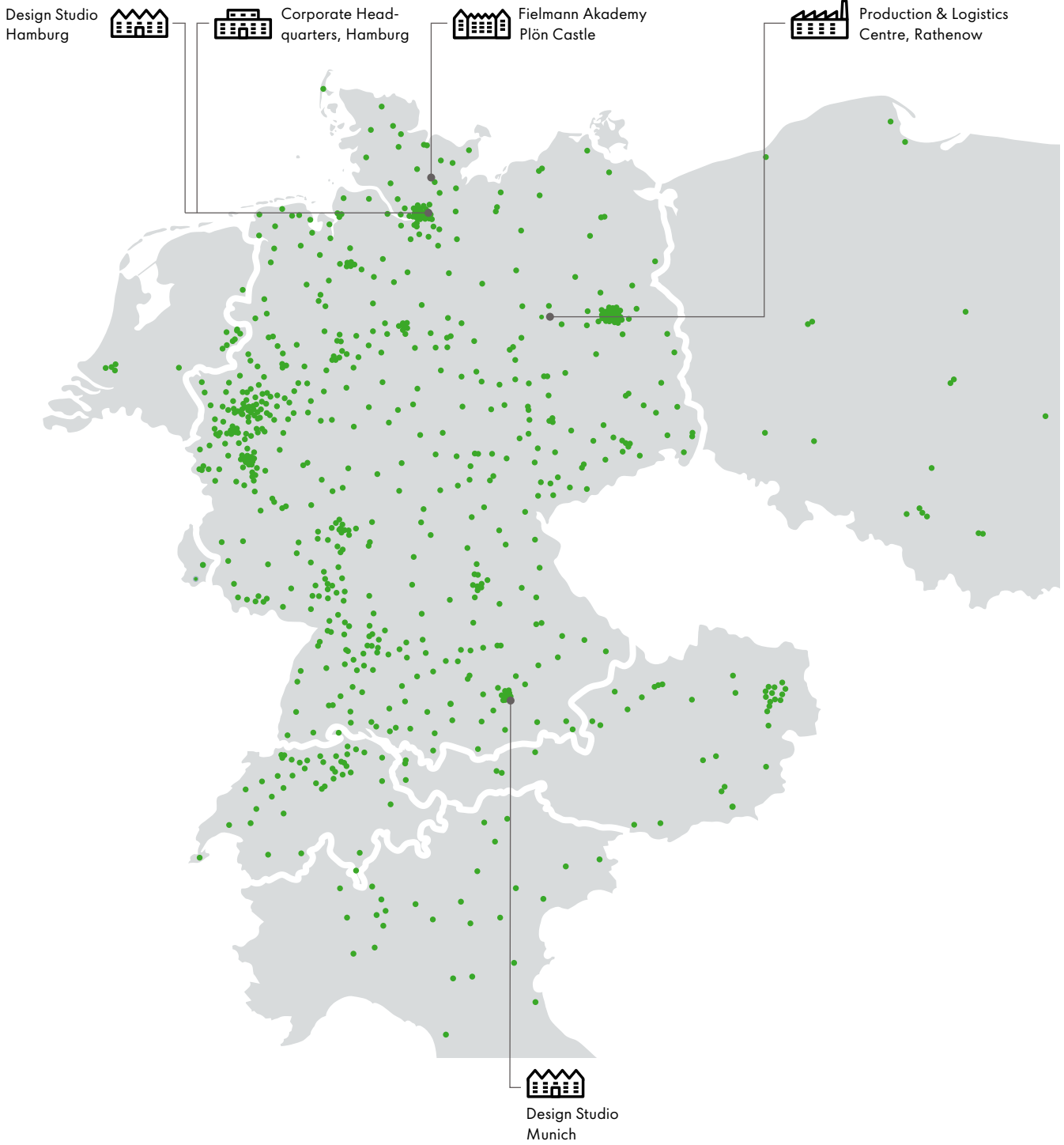
GRI 102-4 GRI 102-6 GRI 102-7 GRI 102-10

¹In the EU member states of France, Italy, Luxembourg, the Netherlands, Poland and Slovenia, the Group operates 93 stores. These stores are grouped with our 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



The optical profession Opticians regard themselves as craftspeople and health-care providers. In Germany, opticians are permitted to carry out eyesight tests and fit contact lenses. They advise their customers on the choice of lenses and frames, 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 main products of Fielmann Aktiengesellschaft

Product	Description
Frames	In our stores, Fielmann showcases the whole world of fashionable eyewear – our very own Fielmann collection, international designer and brands.
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 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.
Contact lenses	Fielmann sells contact lenses from major brands and well-known manufacturers at the best prices.
Hearing aids	In over 200 hearing aid studios, Fielmann offers its customers all the major brands and popular hearing aids at the best prices.

GRI 102-2

Key figures of Fielmann Aktiengesellschaft		2019	2018
External sales	incl. VAT in € m	1,764.6	1,650.7
Consolidated sales	excl. VAT in € m	1,520.7	1,428.0
EBITDA	in € m	384.7	295.9
Equity capital	in € m	726.6	709.2
Debt	in € m	639.9	235.6
Number of stores	as at 31.12.	776	736
Employees	as at 31.12.	20,397	19,379

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

	2019			2018		
	Germany	Switzerland	Austria	Germany	Switzerland	Austria
Sales (in € m)	1,198.10	179.2	87.9	1,132.10	168.1	82.7
Result before taxes (in € m)	215.1	29.3	17.0	217.1	24.7	14.3
Employees	16,987	1,436	809	16,200	1,424	817

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 (HS). In Austria, Fielmann holds memberships of the Austrian trade association and the Austrian Economic Chamber. In Italy, Fielmann is involved in the inner city purchasing group association, maintains contacts to the retailers' trade and business association and is a member of the service association.

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 6,000 visitors have attended 48 events to learn about the latest developments in the optical industry. Company founder 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 in 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 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 and majority shareholder of Fielmann AG. Up to November 2019, he was also Chairman of the Aktiengesellschaft's Management Board. Marc Fielmann, the son of the founder, has been working in the company since 2012, joined the Management Board in 2016 and became the sole Chairman of the Management Board at the end of last year.

Günther Fielmann had planned this succession for a long time. With the creation of the dual chairmanship in April 2018, key areas of responsibility were handed over to Marc Fielmann. In February 2019, Günther Fielmann also passed on the responsibility for the corporate strategy and announced his intention to retire from the Management Board in advance of the Supervisory Board meeting of 21 November 2019.

During the meeting on 21 November 2019, the Supervisory Board of Fielmann Aktiengesellschaft praised Günther Fielmann's lifetime achievements, thanked him for his untiring dedication and unanimously approved the consensual ending of Günther Fielmann's work on the Management Board.

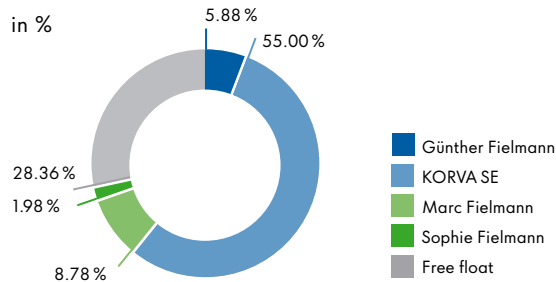
The entire Management Board is responsible for the operational management of Fielmann Aktiengesellschaft. In the financial year, the Management Board was made up of five people (up to 21 November 2019), respectively of four people (as of 21 November 2019). The company is represented by Marc Fielmann, Chief Executive Officer (CEO), 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 in German 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 connection to the company is also reflected in 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.

Ownership structure of Fielmann Aktiengesellschaft



GRI 102-5

GRI 102-18

Compliance

Fielmann has 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. Fielmann takes both local and international laws into account.

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

GRI 103

Compliance guideline

As at 31 December 2019, Fielmann operates stores in 14 countries. 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 and regularly checks the main risk areas and draws up concrete stipulations and directives that must also be complied with in addition to the statutory provisions. The compliance guidelines and the supplementary directives provide concrete orientation for the employees in their work and ensure 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. Managers also pledge to comply with the company-wide leadership guidelines. In turn, Fielmann pledges to respect its customers, employees and the 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 has set up a comprehensive risk management system that 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.

Since the financial year 2018, our evaluation has also included 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 risk indicators are evaluated using entry sheets. 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 of its main products to sign up to its Code of Conduct, which expressly rejects all forms of corruption. At the time of publishing this report, the Code of Conduct is publicly available on our company website.

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	2019	2018
Number of stores	776	736
Assessed stores	94	88
Proportion of assessed stores (in %)	12	12

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. Fielmann attaches great value to the responsible interaction of all our employees with each other, to the protection of the environment and natural resources as well as 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 the necessary 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 annually 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).

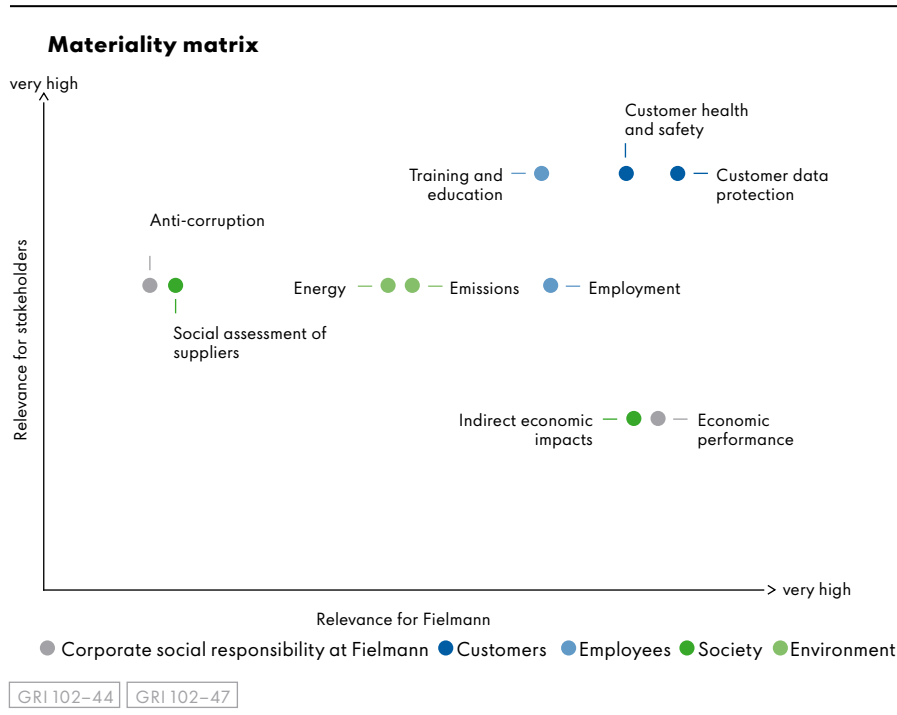
The Management Board of Fielmann Aktiengesellschaft carried out an extensive materiality analysis for the first time in the financial year 2017. This was accompanied by detailed preparations with internal and external stakeholders. The issues of material importance were identified in a systematic process 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 as well as for the company and assessed in the two-dimensional materiality matrix with regard to their meaning. The defined issues are regularly checked, validated and prioritised by the Management Board with regard to their meaning and assessment. We are working on the continued further development and optimisation of our generally applicable corporate social responsibility objectives. As of 2020, we will further expand our corporate social responsibility management in order to appropriately fulfil our own demands and those of our stakeholders. The Management Board has confirmed the materiality matrix for the financial year 2019 as outlined in this report.

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 topics 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.

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 email at nachhaltigkeit@fielmann.com. Incoming emails will be read by the Communications and Public Relations department and answered, in collaboration with the respective divisions.

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 documented the 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. 2-3). 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, competent – and above all, irrespective of their budget. Time and again, Fielmann has pioneered customer-friendly services in optical retail. We are shaping the optical industry for the benefit of consumers – without compromising on quality. All of Fielmann’s digital services are optional. Customers are free to choose which services they wish to use online. We see it as our responsibility to keep information security and data protection in line with the progress of technical innovations. In doing so, we view digital innovation and customer-oriented data protection as a symbiosis and not a contradiction.

Fielmann has formulated internal data protection standards in order to fulfil the relevant legal requirements, particularly the EU General Data Protection Regulation (GDPR). Our objective is to process data transparently, honestly and securely at all times. We treat all personal data confidential. This includes all the information that can be taken from an identifiable person. Such data is subject to legal protection, irrespective of whether it is in digital or paper form. 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. The quality of our products has always been of particular importance to us. Our quality controls are much more stringent than required by statutory regulations. This applies both to lenses and to frames. We take part in the development of globally valid quality testing methods and support the further development of the ISO standards.

Customer data protection

Digitisation brings great progress, but also leads to increasingly complex IT systems. We protect our customers’ personal data with our good name and guarantee that all personal data shall be treated confidentially and conscientiously at all times.

All customer data is processed in line with the GDPR. It may only be used for the purposes for which it has been expressly entrusted to us and for which there is a legal basis. 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). We have 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 and regards customers as responsible citizens. Our customers are always entitled to find out how and for what purposes their data are being used. As part of the business activities of all the Group companies, we only collect, process and use personal data if the required legal basis exists. We respond immediately to any submitted enquiries or complaints regarding data protection. Special attention is paid to the protection of our customers' personal data. 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 implement the necessary amendments and improvements in good time.

Share of answered enquiries within twenty working days We aspire to deal with any requests for information, deletion or updates within twenty 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%). In this respect, we adhere to the processing time of one month as stipulated by the GDPR.

Training level of project managers Data protection is not just a technical issue. Through regular trainings, we ensure that all project managers are informed about legal requirements and the additional data protection standards at Fielmann. In addition, all employees at our stores and the company headquarters are given information about the reporting concept for dealing with data protection infringements. The project managers are also 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's data protection and privacy standards 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 Fielmann data protection system We ensure the implementation of the data protection and privacy standards 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 respective Data Protection Officer is responsible for information, cooperation and monitoring tasks, as set out in Article 39 of the GDPR. He informs and advises the boards, managers and employees on the relevant data protection requirements and monitors compliance with the regulations. Our Data Protection Officers are equipped with sufficient staffing and financial resources. 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, Fielmann's "Governance" unit carefully monitors information security and data protection. This department 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. Fielmann has had an expanded data protection team since 2018, which is responsible for the implementation and further development of the data protection standards. A separate customer service team specialises in dealing with enquiries related to "subject rights". Governance is responsible to the Management Board for the documentation, evaluation and security of sensitive data. In this role, the Governance department continuously further developed the data protection system in the reporting year 2019.

Technical and organisational 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 further developed in 2019.

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

- process for regularly testing, assessing and evaluating the effectiveness of the technical and organisational measures for ensuring the security of the processing

Standard processes for enquiries 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 via email 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, we have 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.

Training courses and professional development Data protection is not just a technical issue. All employees must understand the statutory requirements and additional internal stipulations. Information on the technical and organisational measures is also 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. In addition, 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. The data protection system uses clear responsibilities, technical and organisational measures as well as regular training to achieve a constant improvement of data protection.

GRI 103

Results in the reporting year

In the reporting period, there were no relevant infringements regarding breaches of customer privacy or losses of customer data that could lead to an actual risk to the rights and freedoms of the persons concerned. We are also unaware of any unauthorised access to data and further infringements against statutory stipulations or the internal data protection directive. We engaged in constructive communications with the data protection authority in Hamburg throughout the reporting year.

We developed our data protection system and the Information Security Management System (ISMS) much further in the reporting year 2019. The ISMS was reviewed in an external audit in the context of activities as an insurance agent for the Zero-Cost Insurance policy.

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.

Percentage of answered enquiries within five working days In the financial year 2019, a total of 6,155 enquiries related to data protection were sent to us, corresponding to 0.025% of the total customer number. Over 5,400 enquiries (0.022%) were objections to advertising and the rest (0.003%) can be divided between information, deletion, anonymisation and rectification, among others. We were able to answer the enquiries within five working days in 79% of cases (achieved level: 79%). For a further 6% of the enquiries, we needed up to ten working days for the final answer. The newly set processing time of 20 days is based on the GDPR-stipulated processing duration of one month, and we need this time to do justice to the complexity of individual circumstances. In addition, we will continuously further optimise the processes to achieve our target level of a 95% response.

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 2019 (achieved level: 100%). The training of project managers to deal with technical and organisational measures remains a continuous process.

GRI 418-1

Quality management

Fielmann is the market leader in terms of prices and quality. Our quality management not only monitors legal compliance but also covers our guarantees for the quality of our products. We offer a Three-Year Warranty on all glasses. Our customers buy without risk as 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.

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 devices law (MPG). The CE mark attests to the marketability of a medical device within the European Economic Area. The new official version of the European Medical Device Regulation (MDR) was introduced on 25 May 2017. It is mandatory as of 26 May 2020. It replaces the European Directive 93/42/EEC and requires adaptation to nationally applicable laws. In Germany, the Medical Devices EU Amendment Act (MPEUAnpG), which adapts the German Medical Devices Law (MPG) to the applicable EU stipulations, is still in the legislation process. The MDR leaves plenty of companies facing challenges as many of its provisions are not yet adequately formulated, meaning that considerable amendments may be necessary. The classification rules for medical devices are changing with regard to the software for medical devices, so that medical devices containing software will have to be certified by a so-called "notified body" in future once the MDR comes into effect. Besides prescription glasses, Fielmann also sells sunglasses without prescription. These are considered as personal protective equipment as per Regulation (EU) 2016/425 on personal protective equipment. 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 also 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 our products along the entire value chain.

Fielmann is shaping the eyewear industry in Europe for the benefit of consumers – without compromising on quality. The online sale of glasses in Fielmann quality will combine innovative technologies such as reliable 3D try-on, millimetre-precise 3D lens fitting and an online eye test. Fielmann Ventures is developing these key technologies independently as well as in partnership with technology companies, innovative start-ups and the agile project organisation team at Fielmann AG. We do not tolerate any loss of quality in comparison to our service in the stores.

GRI 103

Objectives

We regard our quality management 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.

Percentage of assessed suppliers As a distributor, our objective regarding collaboration with suppliers is for our 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%).

Percentage of assessed frames in the Fielmann Collection We also aim 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, we undertook a wide range of measures to ensure the quality of our products. For example, Fielmann built its own laboratory several decades 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 management, we also undertake the following measures in order to guarantee the quality of our 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 according to 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 or long-lasting production stoppages, we have implemented a comprehensive risk management system with corresponding precautionary measures and are insured against non-excludable losses.

Centralised quality control in Rathenow We supply more than 8.28 million frames every year. All eyewear models in the Fielmann Collection have been successfully tested to EN ISO 12870 standards in our 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. We sell 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.

We take part in the further development of internationally recognised ISO standards for frames and lenses, and also update our 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.

We only sell branded products if they meet our strict quality standards. In addition, we work exclusively with brand manufacturers that can guarantee us the quality of their products via the CE declarations of conformity and certifications. We also regularly check selected samples of all deliveries in order to guarantee a consistently high level of product quality.

Automated control systems 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, which may have a reporting obligation under the law, are documented, assessed and – if required – reported by quality management. 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.

Regulation (EU) 2017/745 on medical devices will change the demands on the manufacturers and traders of medical devices. For this reason, Fielmann set up a partnership with a German global market leader in the medical devices industry back in 2018. A team of experts works together with a law firm specialising in

the field to develop, document and transparently communicate interpretations as well as guidelines, measures and documentation obligations. Through constructive discussions with the responsible authorities, we are working on the development of a sufficiently concrete standard that will give both us and other companies legal certainty.

Similarly to the procedure for the General Data Protection Regulation, a project team made up of employees from the legal department, governance, quality management, Fielmann Ventures and other divisions was set up at the beginning of 2019 to develop a guideline, regulations, measures and a project portfolio to guarantee a far-reaching and lasting compliance with the MDR.

On this basis, we are confident of being able to fully account for the requirements resulting from the MDR by 26 May 2020. In the event of any changes resulting from deviating interpretations of the legal situation, sufficient budget and project resources have been provided, and the availability of external partners (law firms, test labs and certification partners) has been contractually secured.

GRI 103

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 2019, there was no incident that needed to be reported to the relevant authorities in line with the medical devices law.

Percentage of assessed suppliers In the reporting year 2019, we sold frames, lenses, sunglasses, contact lenses and hearing aids exclusively from listed suppliers (Achieved level: 100%).

Percentage of assessed frames in the Fielmann Collection In 2019, all the frames in the Fielmann Collection successfully passed the strict quality tests in Rathenow (Achieved level: 100%). This corresponds to a total test amount of 9,482 lab tests.

GRI 414-1

GRI 416-1



Responsibility for our employees

Basis of our success

Our employees are the pillars of our success. In line with our corporate philosophy of “You are the customer”, they offer our customers the kind of advice that we would like to receive ourselves: always fair, friendly and competent – irrespective of their budget. We recognise elites: Fielmann offers talented young people clear objectives and compelling values. For this reason, we invest tens of millions in training and development courses every year. We assist our employees in all phases of their careers and offer them individual career plans.

Countries and regions We transfer the certainty, the high-quality products and expertise that we, as market leader, offer to our customers in Germany to our neighbouring European countries. We are rapidly driving our expansion in our growth markets of Italy and Poland. In September 2019, we acquired 70% of shares in the Slovenian optical chain Optika Clarus, thereby entering our 14th European market. As at 31 December 2019, Fielmann employed a total of 20,397 employees (previous year: 19,379).

Staff as at balance sheet date	2019	2018
Employees (excluding trainees)	16,129	15,526
Employees in Germany	13,102	12,736
Employees in Switzerland	1,239	1,222
Employees in Austria	638	641
Employees in other countries	1,150	927
Trainees	4,268	3,853
Total employees	20,397	19,379

In our core markets of Germany, Austria, Switzerland and Luxembourg, we employed 19,282 people (94.5%) as at the balance sheet date. Another 1,115 employees work for Fielmann in adjacent European countries.

Overview of employment contracts ¹⁾	2019	2018
Total employees	19,282	18,441
Male	28.3%	27.8%
Female	71.7%	72.2%
Employees with full-time contracts	13,457	12,824
Male	36.4%	35.8%
Female	63.6%	64.2%
Employees with part-time contracts	5,825	5,617
Male	9.6%	9.4%
Female	90.4%	90.6%

GRI 102-8

¹⁾ There are no reports of other gender identities in the company for 2019.

Remuneration Our most important performance indicator is customer satisfaction. A considerable proportion of the bonuses paid to store managers and the Management Board is dependent on this factor. We give our 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. Our employee remuneration is higher than the recommendations made by the Central Association of Opticians (ZVA).

At the beginning of 2020, we introduced a profit-sharing scheme for the store teams. This new scheme was developed in the reporting year 2019 by HR and Sales as part of a joint project. This team bonus is also largely based on the development of customer satisfaction. In this way, we recognise the dedication, competence and commitment of our employees, without whom our company's success would not be possible.

GRI 102-41

Diversity in the workforce We attach great value to diversity and view variety in the workforce as a success factor. We regard the requirements stipulated in the General Equal Treatment Act (AGG) as a matter of course. At our company, no employees or customers are discriminated against because of their ethnic background, skin colour, gender, religion or ideology, disability, age or sexual orientation.

We encourage diversity and equality. The target figure for the composition of the executive board is to have at least one woman by 31 December 2024. The proportion of women in the top three management levels below the Management Board now stands at over 30%. More than 30% of our employees work in part-time positions. We are therefore highly successful in accommodating individual requests for a better work-life balance.

In the reporting year 2019, we tested a support service in three regional areas and then made it available to all our employees as of 1 January 2020. In partnership with a specialist service provider, we now provide support for employees facing difficult personal situations. The free and anonymous service includes individual consultations on parental leave, child care arrangements, support with regard to questions on illness and care needs as well as with personal challenges and crises.

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

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. Every year, over 15,000 young people apply for a vocational training course at Fielmann. More than 1,700 young talents start their career with us.

Business environment and requirements

Due to our rapid growth, we are increasing efforts to recruit qualified new employees. The general conditions for this growth are challenging: the optical industry and hearing aid business are experiencing almost full employment. 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.

To attract the best applicants, we launched the apprentice campaign www.optiker-werden.de at the end of 2017, which led to us recruiting 37% more apprentices in the reporting year 2019 than in the year prior to the campaign. Similarly, we began a campaign for the hearing aid business at the start of 2019 using the website www.akustiker-werden.de, and also reported a significant increase in the number of applications and recruitments here.

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 with the customer, opticians act as consultants for both fashionable eyewear and good vision. In the workshop, they work as craftspeople. Legal regulations stipulate that only trained opticians are permitted to perform eyesight tests as well as fit and dispense prescription glasses. The work of hearing healthcare professionals is also wide-ranging. Their work boosts the quality of their customers' lives. As experts and empathetic consultants for good hearing, they find individual solutions for customers. As digital craftsmen, they program state-of-the-art hearing aids, customise them to each customer's needs and manually produce perfectly fitting earpieces.

The hearing aid market is a growth market. In Germany, more than 1.3 million hearing aids were fitted in 6,700 hearing aid shops in 2019. In our society, people are living longer and have ever greater demands. They not only want to see well, but also to hear well. In the core catchment areas, our long-standing customers alone require more than 100,000 hearing aids per year. For this reason, we continuously expand this business area. At the end of the financial year, we operated 207 hearing aid studios and plan to increase this figure to 350 in the long term.

We support the training to become a master optician and master hearing healthcare professional with a wide range of further training programmes and financial assistance. This support includes, among other things, a grant for purchasing learning materials and the partial payment of fees, through to full sponsorship and the “Master at Zero Cost”.

GRI 103

Objectives

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

All our 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 also managed by trained hearing healthcare professionals.

Where possible, we fill the management positions from within our own ranks. This applies to our stores but also to our headquarters in Hamburg as well as to our production and logistics centre in Rathenow. We place great demands on our managers. These are reflected in our leadership principles. Our managers are given assistance in the form of specially developed leadership training courses. The focus here is on future-oriented leadership behaviour and the considered management of challenging situations. This serves to preventively support our managers’ health.

Our 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 million and € 20 million. 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.

Newly created jobs each year Fielmann is expanding and aims to create new jobs every year.¹

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

Training and professional development We train and develop our employees according to their needs. On average one working week per year is spent on training and professional development measures. We plan to continue this measure in the next few years on a similar scale. The colloquia at the Fielmann Academy at Plön Castle 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 we offer our employees. This is why we invest tens of millions in training and development courses every year. In the reporting year 2019, this figure stood at more than €20 million.

Investing in the future 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 as well as about the customization process for their chosen glasses.

By offering hearing services, we fulfil 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 careers in the hearing acoustics business with us. We actively support the apprentices in career planning and also offer them the opportunity to attend the school for master craftspeople. Through dedicated trainee programmes, we qualify our future leaders.

What's more, we offer 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 the Hamburg headquarters, we provide attractive perspectives with a range of apprenticeships and dual degree courses.

Besides the customer needs, technical possibilities and trends in fashion are also in constant change. This 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.

We see excellent potential in the regionalisation and digitisation of the available courses. Classroom events will remain important over the coming years. Digital learning services will aid the learning process both before and after the classroom-based courses, and also enable a form of learning that is independent of time and place. In this way, we will reach more employees in a shorter time and can promote a good work-life balance. In addition, we will enable our staff to better integrate training into their daily working lives.

After Fielmann completed the building of another training and professional development centre in Offenbach in 2018, a further training centre was opened in Erfurt in 2019. We invested a total of €1.8 million in the building project. This new facility can offer more than 500 courses every year and train over 5,000 people in total.

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. When employees return to Fielmann after being away for a while (such as on parental leave), we encourage a step-by-step reintegration into working life.

Career at Fielmann 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 and part-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

Results in the reporting year

We are continuing to expand and are increasing our efforts to recruit qualified new employees. With only 5% of all optical stores, we train 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 December 2019, 4,268 apprentices (previous year: 3,853) were learning their trade with Germany’s market leader.

We managed to successfully implement our personnel measures in the reporting period and thereby achieve the objectives we set ourselves.

Newly created jobs each year Fielmann created 898 additional jobs last year (previous year: 857).

Training days In the reporting year 2019, we once more invested over € 20 million in training and continued professional development. On average, our employees in Germany attended 6.4 days of continuing education and training in 2019 (previous year: 6.0 days).

	2019			2018		
	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	16,987	108,757	6.4	16,200	97,517	6.0
Male	4,808	35,228	7.3	4,490	30,096	6.7
Female	12,179	73,529	6.0	11,710	67,421	5.8

GRI 404-1



Responsibility for society

Social responsibility

As a family business, we assume responsibility for our customers, our employees and for society. We think in the long term and believe that 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, we campaign for nature and society. We are 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.

We respect 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. In the context of our Code of Conduct, we oblige our suppliers to comply with these standards. At the time of publishing this report, the Code of Conduct is publicly available on our company website.

GRI 102-16

Business environment and requirements

We assume responsibility where we are active in business and where help is required. We are 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

Every year, we plant a tree for each employee, support long-term monitoring projects for nature and environmental protection, support medical projects and research, are involved with organic agriculture and monument preservation, and support kindergartens and schools. On top of all that, we sponsor a wide range of youth sports.

Planting trees The tree is the symbol of life and protecting nature is an investment in the future. Our objective is to continue planting a tree for each employee every year. To date, we have already planted more than 1.6 million trees and bushes. In this way, we make an important contribution to the local climate.

Investing in young talent We donate kits and equipment, offer prizes and cups, and also promote youth tournaments and competitions. More than 450 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 We support local museums, archives and historical societies holding regional collections and spend a significant six-figure amount on this cause every year. We wish to continue our commitment to this area at the same extent into the future.

GRI 103

Concepts, management and measures

Fielman Aktiengesellschaft's social activities have been coordinated by the Communications and Public Relations 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 in accordance with the provisions of 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 decades. Together with kindergartens and schools, we create green classrooms and playgrounds, work with cities and municipalities to set up biotopes and orchards and support forestation projects and renaturation campaigns. We also regularly support larger activities that benefit the community. In partnership with the state government of Schleswig-Holstein and the forestry commission, we launched the "Einheitsbuddeln" initiative in 2019. This not only enabled us to grow a 10-hectare forest with a total of 30,000 trees in the Rendsburg region but also to recruit a large number of companies and private supporters to plant more than 100,000 trees.

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 or-

ganic-food association in Germany. On 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.

On 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–Solčava 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. Since its reopening in 2006, more than 150,000 visitors have taken the opportunity to visit the Castle and its historic rooms.

For many years now, we have 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

We have achieved the objectives we set ourselves in 2019 in the fields of infrastructure investments and subsidised services.

Planting trees In 2019, we planted a total of 41,414 trees (previous year: 30,095) and 11,077 bushes (previous year: 12,418) in Germany, Switzerland, Austria and Italy.

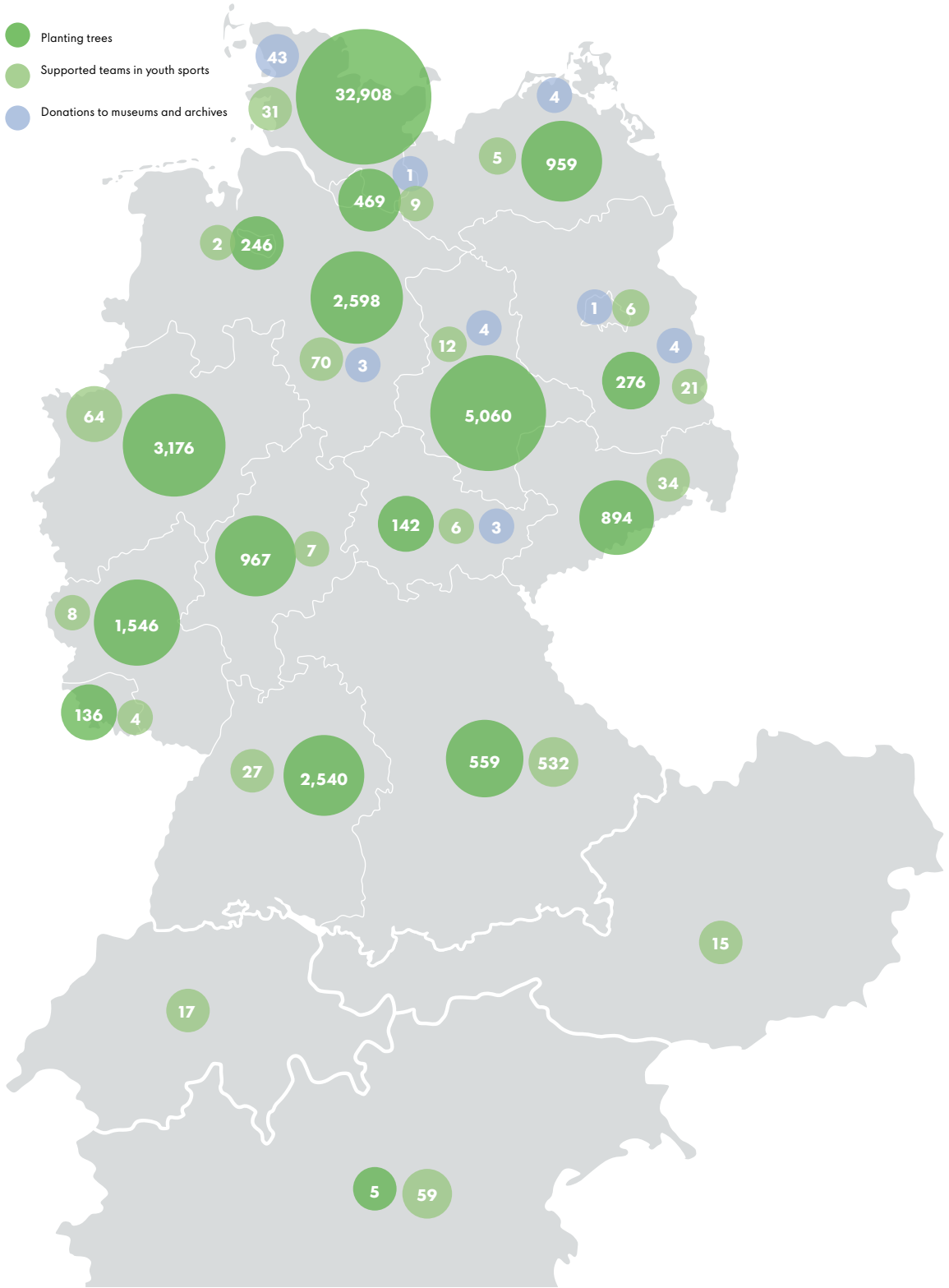
Investing in young talent In 2019, we sponsored 453 teams in youth sports (previous year: 439).

Sponsoring museums and archives In 2019, we made 62 donations for the promotion of culture (previous year: more than 50).

GRI 203-1

Social contributions in 2019

GRI 203-1



Social standards in the value chain

We endeavour to constantly meet our 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.

We have drawn up a Code of Conduct as a binding guideline for our 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, covers the entire value chain. 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 2019, we supplied 4.8 million lenses in a range of coatings and finishes, and more than 8.28 million frames (previous year: 4.8 million lenses / 8.15 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 ensures a consistently high quality.

We only sell branded products if manufacturers guarantee compliance with the strict quality standards demanded by Fielmann. 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 about the circumstances. In the event of a breach, Fielmann Aktiengesellschaft has the right to terminate any or all contractual relationships with suppliers who fail to comply with or breach the Code of Conduct without notice.

Review of suppliers Our 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. We also obtain our 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 we purchase our main products 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. We aim to offer our 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 our 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, we will have them also commit to the Code of Conduct.

GRI 414-1



Responsibility for the environment

Saving energy and reducing emissions

As an internationally active company, we have a responsibility towards the climate. We aim to use natural resources sparingly. When running the stores, our production and logistics centre in Rathenow, the Fielmann Academy at Plön Castle or our administrative locations, we pay attention to energy consumption and the reduction of greenhouse gas emissions.

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 our stores are important factors. However, these factors also have a considerable impact on our energy consumption and CO₂ emissions. Furthermore, we use 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.

We rent most of our store locations. In shopping centres, the energy supply is managed by the owners. In such cases, we are hardly able to influence the energy mix. There is a continuous increase in the number of centres and buildings where certification governs compliance with specific environmental standards. In all other buildings, 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 the financial year 2019, this was 592 for electricity (previous year: 583) and 151 for gas (previous year: 149). In these locations, it is possible to calculate the parameters and take the necessary measures. For the other locations, we are working on a structured database to be able to make the owners aware of the potential for optimisation.

GRI 103

Objectives

We aim to continuously reduce the energy consumption and emissions per square metre of our stores, offices and production sites. To do so, we mainly invest in services and technical innovations 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 2018. In the following years, these targets will be updated as part of the annual planning process.



Energy consumption per square metre Our aim is to continuously reduce energy consumption per square metre. For 2019, we set ourselves the target of reducing energy consumption in stores by 3% and are aiming for a 5% reduction in 2020.

Reduction of CO₂ emissions per square metre We aim to reduce harmful CO₂ emissions caused by our business activities. The concrete target for 2019 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 too.

GRI 103

Concepts, management and measures

Pursuant to the Energy Services Act (EDL-G), we arranged for energy audits to be conducted by an independent external certified service provider in 2019, after also doing so in 2015. The measures developed to improve both energy efficiency and data collection were prioritised, categorised and outlined in a list of measures. Based on this, we have identified further measures for improvement and are now working out how to implement them.

The cross-departmental Energy Team will also further develop the catalogue of measures in the current financial year and define any necessary process changes. The team reports to the Management Board once every quarter. Where measures appear appropriate, they will be approved by the Management Board and implemented. The Management Board is responsible for the strategy on energy efficiency and emissions reduction.

We have implemented a comprehensive collection and reporting system for energy efficiency and emissions. As part of a systematic approach, all accessible consumption data are 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 also 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.

Measures for a more efficient energy consumption We have initiated a variety of measures in an effort to improve energy efficiency in the stores. The Fixtures & Fittings department plays a key role here, as it 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.

For several years now, we have 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 40 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. We aim to continue developing 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.

Improving the CO₂ balance The measures presented for improving energy efficiency contribute directly to a significant emissions reduction. Furthermore, we have adopted a variety of measures to target the reduction of greenhouse gas emissions that are harmful to the climate. For example, we use a heating plant with combined heat and power generation at Plön Castle. This resource-efficient plant produces approximately 40% 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 means of the 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 2019, 2,735 employees took advantage of this service (previous year: 1,738). As part of the 'bahn.business' business customer programme, Fielmann employees travelled a total of 9,641,414 CO₂-neutral kilometres on the DB rail network (previous year: 9,255,233). Since 2018, we have offered our employees favourable conditions for leasing company bikes. In the financial year 2019, 790 employees took advantage of this service (previous year: 307). At the same time, the company's fleet of more than 300 vehicles is being developed towards more energy-efficient models.

The total of over 1.6 million trees and bushes planted by Fielmann already improve the CO₂ balance of Fielmann Aktiengesellschaft in the long term. We will continue to plant a tree for each employee every year. As part of the "Einheitsbuddeln" initiative, Fielmann partnered with the state government of Schleswig-Holstein and the forestry commission to grow a 10-hectare forest in December 2019. The total of 30,000 trees represent a sustainable contribution to climate protection and were planted for future generations.

GRI 103

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 contribute to any electricity-based CO₂ emissions.

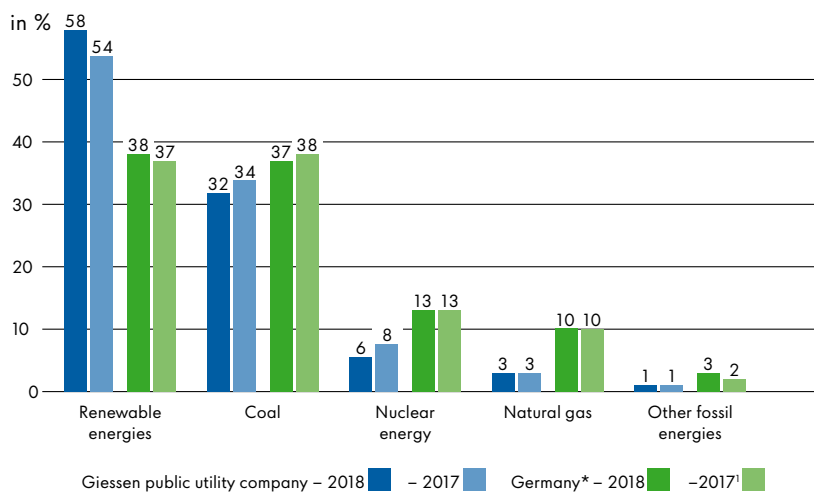
Energy consumption per square metre In 2019, Fielmann carried out energy-efficient conversions at over 39 stores in Germany alone and thereby achieved more than a 6% reduction in energy consumption per square metre of store space. Energy-saving LEDs will also be integrated into new stores in neighbouring European countries, as well as in the 9 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 11% per square metre of store space in 2019.

Purchased electricity mix in 2019 We mainly purchase 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 2018 and 2017 will be used for comparison.

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

Proportion of electricity consumption in comparison to Germany



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

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 and gas (kWh/sqm)

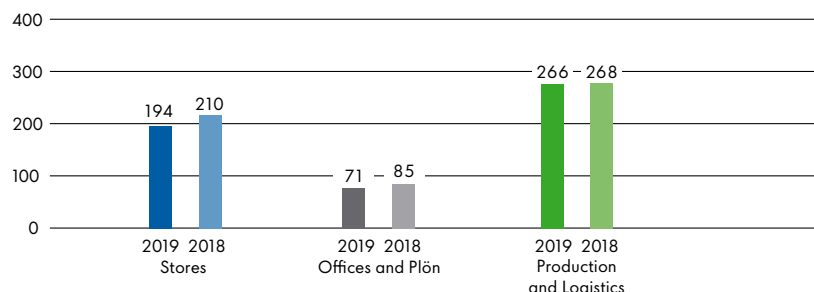
			2019				2018			
Type	Location		kWh /sqm	GJ/ sqm	Consumption (kWh)	Consumption [GJ]	kWh /sqm	GJ/ sqm	Consumption (kWh)	Consumption [GJ]
Electricity	Stores_ren	Total	194	0.70	30,211,028	108,760.00	210	0.76	32,393,545	116,616.67
Electricity	Stores_ren	of which are renewable	108	0.39	16,800,353	60,481.00	113	0.41	17,495,754	62,984.66
Electricity	Stores_non-ren	of which are not renewable	86	0.31	13,410,675	48,278.00	97	0.35	14,897,791	53,632.01
Electricity + Plön	Offices	Total	71	0.25	2,840,286	10,225.00	85	0.31	834,367	11,894.09
Electricity	Offices + Plön_ren	of which are renewable	39	0.14	1,579,483	5,686.00	46	0.17	450,642	6,424.00
Electricity	Offices + Plön_non-ren	of which are not renewable	31	0.11	1,260,803	4,539.00	39	0.14	383,725	5,470.09
Electricity	Production and Logistics	Total	266	0.96	7,564,767	27,233.00	268	0.96	7,611,456	27,401.24
Electricity	Production and Logistics_ren	of which are renewable	148	0.53	4,206,767	15,144.00	145	0.45	4,110,947	12,878.58
Electricity	Production and Logistics_non-ren	of which are not renewable	118	0.43	3,358,000	12,089.00	123	0.51	3,500,509	14,522.66
Electricity	Total for DE	Total	181	0.65	40,616,081	146,218.00	195	0.70	43,062,349	155,911.97
Electricity	Total DE_ren	of which are renewable	101	0.36	22,586,603	81,312.00	106	0.38	23,257,975	84,208.06
Electricity	Total DE_non-ren	of which are not renewable	80	0.29	18,029,478	64,906.00	90	0.32	19,804,374	71,703.92
			2019				2018			
Type	Location		kWh /sqm	GJ/ sqm	Consumption (kWh)	Consumption [GJ]	kWh /sqm	GJ/ sqm	Consumption (kWh)	Consumption [GJ]
Gas	Stores	Total	113	0.41	4,375,015	15,750	121	0.43	4,573,228	16,464
Gas	Offices + Plön	Total	262	0.94	2,274,097	8,187.00	250	0.90	2,172,724	7,812.21
Gas	Production and Logistics	Total	109	0.39	3,093,409	11,136.00	104	0.37	2,952,155	10,627.75
Gas	Total for DE	Total	129	0.46	9,742,521	35,073.00	129	0.47	9,695,443	34,903.58

GRI 302-1

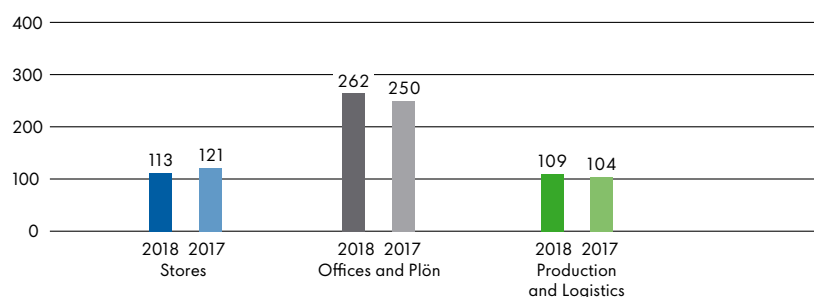
The slight increase in gas consumption for the administration offices and Plön are due to the use of a cogeneration unit at Plön Castle. Since December 2017, Fielmann has relied on the key technology of combined heat and power (CHP) in the form of cogeneration units. These units are particularly resource-friendly 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

Consumption of electricity

(kWh/sqm)

**Consumption of gas**

(kWh/sqm)



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. We use the so-called "GHG Protocol" (Greenhouse Gas Protocol Standard) for our 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. We have 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

Scope 1 CO₂ emissions

Emissions source	2019		2018	
	Tonnes CO ₂ e	in %	Tonnes CO ₂ e	in %
Stationary combustion	1,792.23	49.2	1,783.57	49.4
Company vehicle fleet	1,852.87	50.8	1,829.80	50.6
Total	3,645.10	100.0	3,613.37	100.0

GRI 305-1

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 kilogramme of methane corresponds to 21 kilogrammes of CO₂e.

Refrigerant blend used The refrigerant blend is calculated from the figures for 509 systems, recorded in 2017–2019. Based on the master data for older systems and because the refrigerant R410A is still primarily used by manufacturers, the figures for 2019 remained 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	2019			2018		
	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	1.1%	0.02	1.81	3.2%	0.06
R32	0.68	1.2%	0.01	0.68	0.4%	0.00
R404A	3.92	0.1%	0.00	3.92	0.1%	0.00
R407A	2.11	1.1%	0.02	2.11	1.1%	0.02
R407C	1.77	28.8%	0.51	1.77	31.4%	0.56
R410A	2.09	66.7%	1.39	2.09	62.9%	1.31
R417A	2.35	0.4%	0.01	2.35	0.4%	0.01
R422D	1.14	0.5%	0.01	1.81	0.5%	0.01

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	2019	2018
Cars (number)	324	321
CO ₂ (g/km)	135	129
NO _x (mg/km)	57	60
Power (hp)	157	156
Consumption (l/km)	5.5	5.2

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, we 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. Although we successfully converted more than 37 existing stores in the reporting year 2019, we did not achieve our original target. Technical problems delayed the schedule, but we are working on solutions with tradesmen, manufacturers, grid operators and suppliers to achieve our targets here next year.

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General information

Organisation profile		
102-1	Name of the organisation	Fielmann Aktiengesellschaft
102-2	Activities, brands, products and services	p. 9 et seq.
102-3	Location of headquarters	Hamburg
102-4	Operating units	p. 7
102-5	Ownership and legal status	p. 11 et seq.
102-6	Markets served	p. 7 et seq.
102-7	Size of the organisation	p. 7 et seq.
102-8	Information on employees and other staff	p. 33
102-9	Supply chain	p. 46 et seq.
102-10	Significant changes in the organisation and its supply chain	p. 7
102-11	Precautionary principle or safety measures	p. 13 et seq.
102-12	External initiatives	p. 10
102-13	Membership of associations	p. 10
Strategy		
102-14	Management statements	p. 4 et seq.
Ethics and integrity		
102-16	Values, guidelines, standards and behaviour norms	p. 13 et seq., p. 41, p. 45 et seq.
Governance		
102-18	Governance structure	p. 11 et seq.
Stakeholder inclusiveness		
102-40	List of stakeholder groups	p. 18
102-41	Payment negotiations	p. 34
102-42	Deciding and selecting the stakeholders	p. 18
102-43	Approach for stakeholder inclusion	p. 18 et seq.
102-44	Key topics and issues	p. 17
Stakeholder inclusiveness		
102-45	Entities mentioned in the Annual Accounts	p. 2
102-46	Defining report content and topic boundaries	p. 16 et seq.
102-47	List of the material issues	p. 3, 17
102-48	Reformulation of information	None
102-49	Changes in the reporting	None
102-50	Reporting period	p. 2
102-51	Date of the latest report	April 2020
102-52	Reporting cycle	This report will be published annually.
102-53	Contact details for questions on the report	p. 18 et seq.
102-54	Statements on the reporting in compliance with the GRI standards	This report was compiled in compliance with the GRI standards.
102-55	GRI content index	p. 56 et seq.
102-56	External assurance	p. 2

Material issues

GRI 200: Economic

Economic performance

103-1/2/3	Management approach	p. 12 et seq
201-4	Financial assistance received from governments	p. 15

Indirect economic impacts

103-1/2/3	Management approach	p. 39 et seq
203-1	Infrastructure investments and subsidised services	p. 43 et seq.

Anti-corruption

103-1/2/3	Management approach	p. 12 et seq
205-1	Business locations inspected for corruption risks	p. 15

GRI 300: Environment

Energy

103-1/2/3	Management approach	p. 49 et seq
302-1	Energy consumption within the organisation	p. 53

Emissions

103-1/2/3	Management approach	p. 49 et seq
305-1	Direct GHG emissions (Scope -1)	p. 54 et seq

GRI 400: Social

Employment

103-1/2/3	Management approach	p. 34 et seq.
401-1	Newly recruited employees and employee turnover	Fielmann reports its own key indicators for the "Employment" topic and does not orientate itself to the GRI standard in this case.

Training and education

103-1/2/3	Management approach	p. 34 et seq.
404-1	Average number of hours for training and education per year and employee	p. 39

Social assessment of suppliers

103-1/2/3	Management approach	p. 21 et seq., p. 45 et seq.
414-1	New suppliers assessed based on social criteria	p. 31, p. 47

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. 31

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. 26



Fielmann plants a tree for each employee every year and is committed to protecting nature and the environment. To date, we have already planted more than 1.6 million trees and bushes.
