



FABER-CASTELL
since 1761

Change needs creativity.



Sustainability Details 2022/23

Overview of sustainability reporting at Faber-Castell

Faber-Castell's sustainability reporting consists of various elements, offering stakeholders information according to their interests and needs.

Our **Sustainability Insights** provide a brief and clear overview of our key initiatives, projects and targets regarding sustainability.

Our **Sustainability Details** include all currently relevant metrics, data and interpretations regarding sustainability.

The key indicators, data and consumption figures from these Sustainability Details cover all production and affiliated distribution sites.

Our previous Sustainability Reports can be found on our sustainability website.

Our sustainability reporting follows the standards of the Global Reporting Initiative (GRI) and considers the principles of the UN Global Compact. Furthermore, our projects and initiatives are linked to the United Nations' Sustainable Development Goals (SDGs).

For more information on the economic development of the Faber-Castell Group, visit the press pages at www.faber-castell.com and www.bundesanzeiger.de.

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For more information
visit our sustainability
website:
[www.faber-castell.com/
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For further initiatives
and projects check our
Sustainability Insights:
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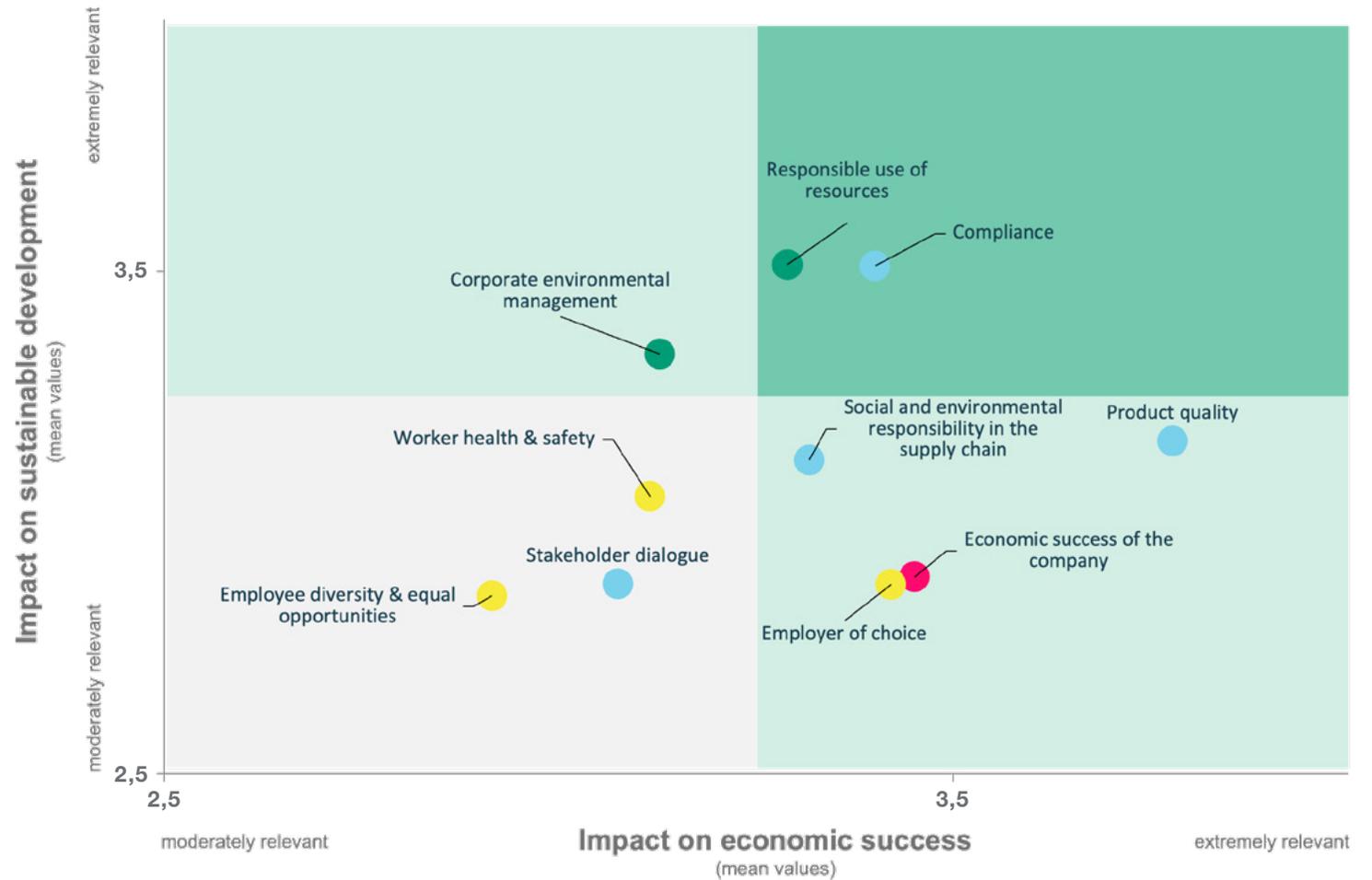


Stakeholder survey and materiality analysis

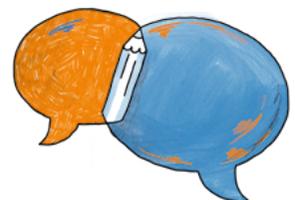
Since 2016, Faber-Castell has been conducting regular stakeholder surveys on sustainability. In April 2023, we invited participation again, where stakeholders assessed ten selected topics from two perspectives. They evaluated each topic regarding its impact on the environment, society and economy (inside-out perspective) and its influence on Faber-Castell's long-term business success (outside-in perspective).

The number and range of stakeholders surveyed have significantly increased since the beginning. Over 900 stakeholders participated in the April 2023 survey, including internal groups like employees and management, and external groups like consumers, customers, suppliers as well as representatives from unions, industry associations, local communities, external authorities, NGOs and press/media.

Key topics identified by stakeholder groups: compliance, responsible use of resources, corporate environmental management, product quality, social and environmental responsibility in the supply chain, economic success of the company and employer of choice.



The survey is a crucial basis for conducting a materiality analysis for Faber-Castell. The goal of this analysis is to refine or adjust the sustainability strategy and derive targets for improving sustainability performance. It also identifies focuses for sustainability reporting and communication.



Raw materials input

Raw materials	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Wood (boards)	pieces	547,468,486	455,512,215	533,740,036	17%	538,457,038	1%	
Plastics (conventional)	t	7,261	4,462	5,251	18%	8,249	57%	Following a decline in fiscal year 20/21 due to the Covid-19 pandemic, the absolute volume of virgin plastic as a raw material for products has once again risen in the last two fiscal years. The introduction of a new heavy plastic product in Malaysia and increased demand for larger plastic items from Colombia led to an increase in the quantity of plastic pellets in fiscal year 22/23. Data collection was also improved, allowing more quantities to be recorded.
Plastics (recycled)	t	76	144	469	225%	937	100%	The amount of recycled plastic used for products has increased significantly in recent years. We are gradually reducing the proportion of new plastic in products in Faber-Castell production and increasing the proportion of alternative plastics. The use of recycled plastics increased from 1% of the plastic granulate requirement in the 19/20 fiscal year to 10% in the 22/23 fiscal year.
Clay	t	349	140	345	146%	515	49%	Due to the recovery following the Covid-19 pandemic, raw material consumption rose in line with production volumes. In addition, more Jumbo pencils were produced in Germany, which increased the consumption of raw materials for the thicker leads. In India, there was a significant increase in the amount of clay used due to the increased production of wax crayons.
Graphite	t	335	196	269	37%	413	54%	Due to the recovery following the Covid-19 pandemic, raw material consumption rose in line with production volumes. In addition, the pencil product line in Brazil was expanded by 80% compared to the previous year, explaining the higher graphite consumption.
Kaolin	t	3,138	3,437	4,032	17%	4,146	3%	Due to the recovery following the Covid-19 pandemic, raw material consumption increased in line with the increase in production volumes.
Water-based varnish	t	86	72	143	97%	152	6%	The doubling of consumption since the 20/21 fiscal year is due to the plant in Brazil, where the use of paints containing organic solvents has been increasingly phased out in favour of water-based paints.
Paint with organic solvents	t	785	763	770	1%	865	12%	



Raw materials input

Raw materials	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Paper packaging (total)	t	6,151	5,868	8,493	45%	10,510	24%	The sharp increase in absolute volumes in the fiscal year 21/22 is due to the expansion of the data collection area. Data from the new site in Elgin (USA) has been integrated since this date. In line with the strategy, the global Writing and Drawing production sites are gradually switching from disposable packaging made of virgin plastic to cardboard and paper product packaging.
Paper packaging (product)	t	4,527	4,034	6,608	64%	6,938	5%	
Plastic packaging (total)	t	1,839	1,372	1,518	11%	1,345	-11%	
Plastic packaging (product)	t	1,495	855	1,448	69%	1,288	-11%	
Packaging (total)	t	7,990	7,240	10,011	38%	11,855	18%	
Product packaging (total)	t	6,022	4,889	8,057	65%	8,226	2%	
KPI plastic packaging	t / per one million pcs. of produced products	0.55	0.51	0.50	-2%	0.37	-26%	
Water (total)	m ³	273,601.76	248,612.13	252,974.27	2%	294,724.65	17%	Due to a leak in the water system at the site in Malaysia and an increase in production volumes, e.g. of inks, water consumption in the fiscal year 22/23 higher than in previous years.
Amount of recycled rainwater	m ³	122.33	195.51	242.15	24%	477.58	97%	Local measures were implemented in Indonesia and Malaysia to reuse more rainwater.



Raw materials output

Products	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Wood-cased pencils	million pcs.	2,120	1,900	2,119	11%	2,286	8%	
Ink writing instruments, markers, erasers and writing accessories	million pcs.	982	553	704	27%	937	33%	In the 20/21 fiscal year, the Covid-19 pandemic led to temporary production shutdowns and sharp declines in production, particularly in Peru, Malaysia, India and Brazil. The recovery from the Covid-19 pandemic has been visible since fiscal year 21/22.
Other products	million pcs.	255	226	182	-19%	363	99%	
Produced ink	kg	893,393	564,957	695,310	23%	900,553	30%	
Writing instruments (total)	million pcs.	3,102	2,453	2,822	15%	3,223	14%	
All products (excluding ink)	million pcs.	3,358	2,679	3,005	12%	3,586	19%	

Waste water	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Waste water	m ³	119,583.55	89,916.53	114,385.22	27%	123,282.57	8%	Parallel to the decline in production, which was due to the lockdown during the Covid-19 pandemic in the 20/21 fiscal year, less wastewater was also produced. Correlating with this, the volume once more increased due to the production increase in the 21/22 fiscal year.
KPI waste water	m ³ / per one million pcs. of produced products	35.61	33.57	38.07	13%	34.38	-10%	

Emissions	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
VOC emissions from paint coating	t	116	103	141	37%	139	-1%	Following the Covid-19 pandemic, the production volume and the corresponding emissions increased and remained at a similar level in the 22/23 fiscal year.
Property boundaries (average per day)	dB(A)	60	64	55	-14%	61	10%	
Property boundaries (average at night)	dB(A)	53	58	61	6%	57	-6%	



Raw materials output

Waste	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Hazardous waste	t	620	391	518	32%	597	15%	The volume of hazardous waste was slightly higher in the 19/20 fiscal year than in the 22/23 fiscal year, although the production volumes are similar. This difference is due to the mild winter in 19/20 at the Stein site in Germany, which meant that many of the wood pellets produced could not be used for heating but had to be disposed of as hazardous waste because no further storage space was available. The development in subsequent years can be explained by the production shutdown caused by the Covid-19 pandemic in some countries and the subsequent recovery. For example, the production volume of liquid products in India increased and, correlating with this, so did hazardous waste.
Household waste	t	4,239	4,985	5,087	2%	5,340	5%	In the 20/21 fiscal year, a new Cosmetics production site was opened in Elgin. (USA), which increased the absolute volume.
Waste (total)	t	4,859	5,376	5,605	4%	5,937	6%	The amount of waste correlates with the production volume, which has recovered significantly since the Covid-19 pandemic. This also means there was an increase in waste volume in the 22/23 fiscal year.
KPI waste	t / per one million pcs. of produced products	1.45	2.01	1.87	-7%	1.66	-11%	From fiscal year 20/21, the waste-intensive site in the USA was included in the scope of consolidation. With higher production volumes, the amount of waste was kept stable and the KPI in the area of waste thus improved.



Energy & CO₂

Energy from non-renewable sources (Scope 1)	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Natural gas	MWh	9,394	11,137	10,853	-3%	9,737	-10%	The reduction in the last two fiscal years is due to the switch from natural gas to heating oil at the Stein site, which had to be carried out during the energy crisis.
Liquid gas	MWh	998	760	766	1%	838	9%	The increase in the consumption of liquid gas is due to the increase in production (also +9% in fiscal years 22/23) at the Brazilian plants.
Diesel	MWh	1,689	1,457	1,313	-10%	1,345	2%	
Petrol	MWh	783	584	490	-16%	471	-4%	
Heating oil	MWh	308	177	474	168%	2,552	439%	Individual data was adjusted retrospectively due to improved measurement technology. As a result of the energy crisis, the Stein site was forced to switch to a new heating system for heat generation in the 22/23 fiscal year from natural gas to heating oil, which resulted in a large increase.
Energy from non-renewable sources (Scope 1) (total)	MWh	13,171	14,114	13,895	-2%	14,943	8%	

Energy from renewable sources (Scope 1)	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Energy (from hydropower)	MWh	1,856	2,002	1,795	-10%	1,757	-2%	The reduction is due to annual fluctuations in the volume of water. In the 20/21 fiscal year, an exceptionally large amount of energy was generated from hydropower. A decline was therefore recorded in the two subsequent fiscal years.
Energy (from solar systems)	MWh	0	296	1,383	368%	1,517	10%	At the end of fiscal year 20/21, a photovoltaic system (PV system for short) was installed at the plant in Malaysia, which generated electricity throughout the year for the first time in fiscal year 21/22 and can cover around 30% of electricity consumption. A PV system was also installed at the Indian plant in fiscal year 21/22, which explains the further increase in fiscal year 22/23. Thanks to this system, India can supply itself with around 11% of its own renewable energy.



Energy & CO₂

Energy from renewable sources (Scope 1)	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Bioethanol	MWh	28	10	22	125%	31	43%	The site in Brazil switched from petrol to bioethanol.
Biodiesel	MWh	243	275	280	2%	273	-3%	
Biomass	MWh	102,343	115,649	109,224	-6%	133,171	22%	In the production of wood-cased pencils in Germany, Brazil and Indonesia, the wood waste produced is used to generate thermal energy, which is utilised directly for the subsequent process stages. The energy generated from this correlates with the production volume at each location. The increase in biomass in Brazil and in wood chips in Indonesia in fiscal year 22/23 is due to the increased production volume. The development of wood pellet consumption at the Stein site in Germany corresponds to the development of production volumes there.
Wood pellets	MWh	4,929	4,397	4,635	5%	3,549	-23%	
Wood chips	MWh	2,437	2,393	2,278	-5%	2,625	15%	
Energy from renewable sources (Scope 1) (total)	MWh	111,837	125,023	119,618	-4%	142,922	19%	

CO ₂ emissions	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Scope 1	tCO ₂ e	4,580	5,148	4,408	-14%	5,028	14%	In the fiscal year 21/22, the site in Brazil switched from petrol to bioethanol and at the same time there was a switch from diesel to biodiesel in Indonesia. China was also able to reduce its consumption due to the lockdown during the Covid-19 pandemic. All measures combined achieved an absolute reduction of 14% compared to the previous fiscal year. In the following fiscal year 22/23, an increase in CO ₂ emissions was recorded due to rising energy consumption in Scope 1. This can be attributed to the significant increase in production in Indonesia and Brazil on the one hand and the switch from gas to the more CO ₂ -intensive energy source heating oil in Germany on the other.
Scope 2	tCO ₂ e	20,171	14,995	13,653	-9%	8,726	-36%	In both fiscal years, CO ₂ emissions were reduced through the increased use of electricity from renewable sources and the purchase of certificates of origin (certified green electricity, RECs) in Scope 2.
Scope 3	tCO ₂ e	9,223	6,235	6,575	5%	8,466	29%	In Scope 3, the end of the Covid-19 pandemic had a major impact on CO ₂ emissions, as business trips were able to take place again and were partially made up for.
CO ₂ emissions (total)	tCO ₂ e	33,974	26,379	24,635	-7%	22,219	-10%	
KPI CO ₂ emissions	tCO ₂ e / per one million pcs. of produced products	10.12	9.85	8.20	-17%	6.20	-24%	Thanks to various measures, such as the use of green electricity, the switch to bioethanol/diesel and more efficient processes, the CO ₂ intensity has been continuously reduced.



Energy & CO₂

Energy	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Purchased electricity from renewable sources	MWh	44,551	38,893	44,478	14%	53,371	20%	The locations in Austria and Peru have been purchasing electricity from 100% certified renewable sources since fiscal year 21/22. Malaysia and Brazil started purchasing electricity from certified renewable sources in the 22/23 fiscal year.
	%	75%	79%	83%	5%	88%	6%	The share of renewable energies in Scope 2 was increased by 11% from fiscal year 20/21 to fiscal year 22/23.
Purchased electricity from non-renewable sources	MWh	12,121	8,223	6,783	-18%	5,221	-23%	The switch to purchased electricity from renewable sources is considered to be the best way to achieve the strategic goal.
Purchased electricity mix from renewable & non-renewable sources	MWh	2,397	1,785	2,137	20%	2,378	11%	
Purchased electricity (total)	MWh	59,069	48,901	53,397	9%	60,969	14%	Due to the recovery from the Covid-19 pandemic, production volumes rose in parallel with energy consumption. Nevertheless, the proportion of renewable sources has risen continuously.
Purchased district heating	MWh	527	556	478	-14%	0	-100%	The European logistics centre moved in 2022, which is why it is now heated with natural gas instead of district heating. As a result, district heating dropped by 14% in the fiscal year 21/22 and will be phased out in the coming years.
Energy from Scope 1 + 2 (total)	MWh	184,077	188,038	186,910	-1%	218,835	17%	
Energy from renewable sources (total)	MWh	156,387	163,915	164,096	0%	196,293	20%	
	%	84.96%	87.17%	87.79%	1%	89.70%	2%	
Energy from non-renewable sources (total)	MWh	25,292	22,337	20,678	-7%	20,163	-2%	
	%	13.74%	11.88%	11.06%	-7%	9.21%	-17%	
Share of purchased energy (total)		32%	26%	29%	10%	28%	-2%	The proportion of purchased energy was reduced by 2%, which is attributable to the achievement of the energy self-sufficiency target.



Energy & CO₂

Energy	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
KPI energy self-sufficiency (share of self-produced energy from renewable sources)	%	62%	67%	65%	-4%	66%	2%	Despite the increase in energy consumption due to the increase in production, an improvement was recorded in fiscal year 22/23 with regard to achieving the energy self-sufficiency target.
KPI energy efficiency	MWh / per one million psc. of produced products	54.82	70.20	62.20	-11%	61.03	-2%	The efficiency of energy consumption deteriorated during the Covid-19 pandemic despite fewer products being produced. The reason for this was the base load. Nevertheless, an improvement can be seen after the end of the Covid-19 pandemic.



Social indicators

Employees	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes	
Number of employees worldwide	headcount	8,738	6,665	6,402	-4%	6,568	3%		
Proportion of women	headcount	3,768	2,803	2,789	-0%	2,828	1%		
	%	43%	42%	44%	4%	43%	-1%		
Proportion of employees with a disability	headcount	125	146	175	20%	176	1%	The Faber-Castell Group has been brought together globally as a result of the strategic reorganisation. As a result, synergies can be utilised more efficiently with the help of regional structures and duplication can be reduced. This explains the slight decline in the 20/21 fiscal year.	
	%	1.4%	2.2%	2.7%	25%	2.7%	-2%		
Proportion of employees in administration	headcount	2,808	2,130	2,266	6%	2,425	7%		
	%	32%	32%	35%	11%	37%	4%		
Proportion of employees in production	headcount	5,930	4,535	4,136	-9%	4,143	0%		
	%	68%	68%	65%	-5%	63%	-2%		
Proportion of employees with permanent contracts	headcount	7,201	6,645	5,105	-23%	5,592	10%		The sharp decline can be explained by a sharpening of the definition, which was necessary for the derivation of improvement measures.
	%	82%	100%	80%	-20%	85%	7%		
Proportion of employees who are employed via agencies	headcount	305	208	273	31%	590	116%		The increase in the figures can be explained by the fact that production volumes and therefore the need for labour increased after the Covid-19 pandemic. In addition, this key figure was analysed globally for the first time in fiscal year 22/23 with a stricter definition.
	%	3%	3%	4%	36%	9%	111%		
Number of apprentices / trainees / interns	headcount	N/A	10	70	600%	95	36%	The global number of trainees, apprentices and interns was recorded for the first time in fiscal year 21/22. Prior to this, only the number for Germany was recorded and reported.	
Proportion of women in leadership and management positions (Level 1; 2a; 2b and 3)	headcount	158	155	149	-4%	140	-6%	In fiscal year 22/23, HR published a new global definition of women in leadership and management positions and retrospectively collected new data.	
	%	35.6%	36.0%	35.8%	-1%	35.0%	-2%		
Training hours (total)	h	N/A	N/A	54,539	-	86,940	59%	The first data collection took place in fiscal year 21/22 as part of the development analysis for employees.	
Training hours per employee	h / head	N/A	N/A	9	-	14	64%		



Social indicators

Social Charter and collective labour agreements	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
Participation of the production sites in the Social Charter	%	100%	100%	100%	-	100%	-	
Reported corruption and discrimination incidents	quantity	0	0	0	-	1	-	The reported case was investigated by the Faber-Castell Compliance - Management system.
Percentage of locations that affirm that they do not tolerate child labour	%	100%	100%	100%	-	100%	-	
Percentage of locations that affirm that they do not tolerate forced labour	%	100%	100%	100%	-	100%	-	All site managers pledge this by signing the "Faber-Castell Social Charter".
Percentage of locations that insure to tolerate the right to collective bargaining	%	100%	100%	100%	-	100%	-	
Production sites with collective labour agreements	%	87%	81%	81%	-	81%	-	The production site in Colombia does not have a collective labour agreement or a trade union, but there is a committee that represents employee interests vis-à-vis the employer. The changes in recent fiscal years are due to the site in the USA, which was established in the 19/20 fiscal year and the first data was available in the 20/21 fiscal year.



Social indicators

Sickness, injuries, deaths	Unit	FY 2019/20	FY 2020/21	FY 2021/22	Δ 20/21 - 21/22	FY 2022/23	Δ 21/22 - 22/23	Notes
First responders with training	headcount	754	678	632	-7%	528	-16%	The decline is due to cancelled first aid training courses during the Covid-19 pandemic, which have been made up for in the last few months.
	%	9%	10%	10%	-3%	8%	-19%	
Reportable accidents (incl. commuting accidents)	quantity	75	56	46	-18%	67	46%	Increased working from home during the Covid-19 pandemic has led to a sharp decline in the number of reportable accidents in the workplace. The rate of people working at home fell in the 22/23 fiscal year, which also caused the number of reportable accidents to rise again. However, the number is lower than before the Covid-19 pandemic.
Fatal workplace accidents	quantity	0	0	0	-	0	-	
Absence due to illness	days	N/A	N/A	N/A	-	45,773	-	As the initial recording in fiscal year 21/22 was still not precise enough, the global number of days of absence due to illness per employee was only finally reported from fiscal year 22/23 onwards.
Absence due to illness per employee	headcount	N/A	N/A	N/A	-	7.35	-	The first data collection took place in the fiscal year 22/23, which is why the development can only be assessed in the coming fiscal years.
Accident rate	%	5.27	4.59	3.18	-31%	2.95	-7%	

