


Sustainability at TER Chemicals

Sustainability Highlights 2025

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Sustainability at TER Chemicals

Shaping tomorrow.
Together.

In this brochure, we invite you to discover how sustainability has become an integral part of everyday business at TER Chemicals – shaping how we think, decide and act across our organization.

Driven by the ambition to contribute to a more responsible and resilient chemical value chain, we have developed a comprehensive strategy for environmental, social and governance (ESG) aspects, that is steadily taking root across TER Chemicals. This strategy comes to life through the commitment of our employees in different roles and regions, through concrete actions, local initiatives and a continuous dialogue with our stakeholders.

Across our business, we are striving to reduce environmental impacts, expand more sustainable product solutions, strengthen transparency, promote ethical behavior and support the well-being and development of our people. Whether by increasing the share of climate-neutral energy, improving supply chain due diligence, digitizing processes or building long-term partnerships based on shared values – our goal is to embed sustainability into the fabric of our daily operations.

This brochure highlights key elements of our sustainability journey, including selected activities, targets, and progress we have achieved so far. The content is structured around four strategic action fields that guide our approach:

Sustainable
Organization

Sustainable Supply
Chain

Sustainable
Portfolio

Sustainable
Culture

You will also find insights into selected projects, certifications and key figures that illustrate both our current impact and our long-term ambitions.

We hope this publication offers a clear and engaging insight into how TER Chemicals approaches sustainability today – we welcome your ideas, questions and dialogue as we continue this journey together.



Foreword from Management

At TER Chemicals, sustainability is not an add-on. It is a fundamental element of how we think, decide, and act as a company. In an environment characterized by rapid change, global uncertainty and increasing environmental and social challenges, we are convinced that long-term economic success can only be achieved through responsible and forward-looking business practices.

As a family-owned company with a long-standing history, we have always taken a future-oriented perspective. This mindset continues to shape our approach to sustainability today. We see it as our responsibility to contribute to a resilient chemical value chain – for our customers, our suppliers, and our employees alike.

Over recent years, we have made significant progress. We have transitioned our operations to green electricity, offset our operational emissions, strengthened supply chain due diligence, and worked intensively on increasing transparency across our product portfolio. At the same time, we have laid the foundation for structured sustainability governance and ESRS-aligned reporting.

We are aware that sustainability is not a destination, but a continuous improvement process. It requires collaboration across departments, regions and value chain partners, as well as data, discipline and openness – all supported by a corporate culture that encourages responsibility and learning.

With this brochure, we would like to share how TER Chemicals approaches sustainability today: pragmatic, structured and committed to ongoing improvement. It reflects the dedication of many colleagues across the organization who contribute their expertise every day.



Oliver Leptien
Chief Operating Officer



Andreas Früh
Chief Executive Officer



Uta Seiler
Chief Financial Officer



TER Chemicals at a Glance

The TER Chemicals Distribution Group is a globally operating distributor of specialty chemicals and chemical raw materials, headquartered in Hamburg, Germany. As part of the TER Group, we support customers and suppliers across a wide range of industries:

 Adhesives	 Plastics	 Rubber	 Coatings	 Construction	 Lubricants
 Personal Care	 Home Care	 Pharma & Health	 Food & Nutrition	 Animal Nutrition	 Wax

Our core competence lies in connecting manufacturers and markets. We act as an interface between global producers and regional customer needs, combining technical expertise, regulatory knowledge and market insight. In doing so, we go beyond mere distribution.

Our services include logistics and warehousing solutions, formulation and application expertise, regulatory guidance and tailored value-added services provided through us and qualified third-party partners. All activities are carried out under strict chemical compliance, quality assurance and safety standards.

With subsidiaries and sales offices across Europe and the United States, as well as an extensive network of logistics and warehouse partners, we ensure strong local presence and reliable supply capabilities. Long-term partnerships, trust and transparency are the foundation of our business relationships, guided by our motto:

Shaping tomorrow. **Together.**



TER Chemicals at a Glance

Why Sustainability Matters to Us

As a chemical distributor, TER Chemicals operates at the intersection of global supply chains, regulatory frameworks and customer demands. While we do not manufacture chemicals ourselves, our role in selecting, sourcing, and distributing products allows us to significantly influence the sustainability of our supply chain, as well as those of our customers and suppliers.

Customers increasingly rely on transparency regarding environmental and social impacts. Regulators are strengthening sustainability-related requirements. Employees expect purpose-driven organizations that act responsibly. These expectations shape our sustainability agenda.

We understand sustainability as a holistic concept encompassing environmental protection, social responsibility and sound governance. Our approach aims to balance these dimensions in a way that supports long-term value creation and resilience.



Our Sustainability Strategy

Our vision is to drive a responsible, resilient and transparent business across the chemical value chain. We aim to support our customers in achieving their sustainability goals, work with suppliers who share our values, and strengthen an organization in which responsibility and integrity are embedded in everyday decisions.

Our sustainability strategy is based on a double materiality assessment and regular stakeholder dialogue. It reflects both the impacts of our activities on the environment and society, and the risks and opportunities created by sustainability topics for our business. The strategy is aligned with relevant international frameworks, including the UN Sustainable Development Goals (SDGs), and implemented through four strategic action fields.



Sustainable Organization

Sustainability requires clear governance, accountability and integration into management processes.

At TER Chemicals, sustainability governance is anchored at top management level. A cross-functional sustainability team coordinates activities across departments and regions and reports directly to the Executive Board.

Sustainability risks and opportunities are integrated into enterprise risk management. Key performance indicators are gradually embedded into controlling and steering processes. The definition of our key figures follows ESRS standards, where applicable, and we are continuously improving our data quality.

Key Facts and Targets

- ISO 14001 and ISO 9001 certified management systems at selected sites.
- [Ecovadis Platinum achieved.](#)

Targets

2025:

- Launch internal communication on Sustainability Targets.
- Complete corruption risk analysis of vulnerable positions.
- Develop and implement training programs.

We have achieved all our targets in 2025 for a more sustainable organization.

2026:

- Establish continuous monitoring of sustainability goals.

2028:

- Integrate sustainability goals into corporate objectives (e.g., revenue, contribution margin).

Policies

[Anti-Corruption](#)

[Whistleblowing](#)



Sustainable Organization



ISO 14001 Certification

The first ISO 14001 certification marked a significant achievement for TER Chemicals in 2025. Beyond being an important recognition, it represents a decisive step in strengthening our environmental management and embedding structured, systematic processes across the organization.

We also developed and implemented our sustainability targets, creating a clear strategic framework to guide our actions and measure progress. Together, these milestones lay the foundation for a sustainability management system that is robust, credible, and future-oriented.



Sustainable Organization

Carbon & Climate Focus

Addressing climate change is one of the most urgent challenges of our time. As part of our Sustainable Organization, this focus area highlights our commitment to measuring, managing, and reducing our carbon footprint. We have transitioned all our sites to green electricity and fully offset Scope 1 and Scope 2 emissions. Our main climate impact lies in Scope 3 emissions along the value chain, particularly purchased goods, transport and downstream activities.

Our focus for now is on improving data quality, increasing portfolio transparency through Product Carbon Footprints (PCFs) and collaborating with partners to drive emission reductions over time.

Key Facts and Targets

GHG Emissions	2025
Scope 1 t CO ₂ e	270.44
Scope 2 (market-based) t CO ₂ e	37.28
Scope 2 (location-based) t CO ₂ e	163.04
Scope 3 t CO ₂ e	355,205.92
Total t CO ₂ e	355,513.64

GHG emissions intensity in t CO₂e/EUR: 0.000869*

Targets

Scope 1 & 2

Given that our Scope 1 and 2 emissions are already at a comparatively low level, due to a limited company fleet and the exclusive use of renewable electricity, our focus is on maintaining this position, reducing emissions where feasible, and offsetting remaining emissions each year:

- Maintain 100% green electricity for all entities.
- Offset 100% of Scope 1 and 2 emissions from operations.

For 2025, this resulted in the purchase of carbon credits covering a total of 314 t CO₂e. These support the Khanapur Wind Farm, an onshore wind energy project in India that helps replace fossil fuel-based electricity with renewable energy.

We have achieved all our carbon & climate focus targets in 2025.

*Based on our sales revenue of 409 Mil. EUR in 2025



Sustainable Organization

Scope 3 Emissions

- 2027:**
- Reduce business travel emissions by 20%.
- To account for fluctuations driven by trade fair cycles, both the baseline (656.54 t CO₂e for 2023/2024) and target achievement are calculated as a two-year average. Our 2027 target is therefore to reduce emissions from business travel to below 525.23 t CO₂e. Although this level has already been reached for 2024/2025 (523.11 t CO₂e on average), we will continue to track and pursue the target to ensure sustained performance under varying operating conditions.
- Provide PCFs for 70% of the portfolio.
- 2030:**
- Reduce logistics CO₂e per kg by 10% through process optimization.

Policies

[Environmental Policy](#)

External Verification of Company Carbon Footprint

We successfully completed the external verification of our 2025 Corporate Carbon Footprint by our statutory auditor for the first time. This represents an important step in strengthening transparency, accountability, and data quality in our climate reporting.

The verification provides an additional level of assurance and supports the further development of our carbon management as a reliable basis for informed decision-making and future climate targets.



Sustainable Portfolio

Our products are at the core of our business and at the core of our sustainability approach. To systematically advance our portfolio, we have established a dedicated Innovation Manager role responsible for evaluating new products and solutions in close collaboration with our Business Units.

Our ambition is to increase transparency across our product portfolio and actively promote more sustainable alternatives for all industries. We work closely with manufacturers and customers to assess products against defined sustainability criteria, including environmental impact, safety, regulatory compliance and contribution to circularity.

In addition to PCFs, recyclability is a key focus in terms of product metrics. By improving data availability and quality, we enable informed decision-making throughout the value chain and support customers in managing their own environmental impacts.

We also continuously review our portfolio with regard to hazardous substances and regulatory developments and support substitution where feasible.

Key Facts and Targets

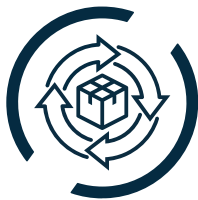
Sustainability information is now an integral part of our Product Information Management, supporting transparency, comparability, and systematic portfolio management.



Product Carbon Footprint



Geographic Origin



Sustainable Packaging



Deforestation



Renewable Material Content



Recycled Content



Biodegradability



Recyclability



Sustainable Portfolio

Targets

- 2025:**
- Develop and implement an internal sustainable procurement policy with defined criteria.

Our Sustainable Procurement Policy has been developed and is implemented across our organization. However, we did not fully achieve our targets for a more sustainable product portfolio in 2025. The analysis of our sustainable product portfolio and the growth targets based on it require a broader information base than we currently have access to. We are working closely with our suppliers to ensure we can soon provide sufficient information for both ourselves and our customers. We remain ambitious and have merely postponed the corresponding targets by one year. In order to link the analyses and strategies, we have also postponed the completion of the analysis of hazardous chemicals.

- 2026:**
- Analyze hazardous chemicals in the product portfolio.
 - Analysis of sustainable products and sales of our current portfolio.

- 2027:**
- Develop an economic growth strategy for sustainable product portfolio.
 - Review growth targets for sustainable product portfolios based on turnover in collaboration with business units.
 - Ensure 100% of the portfolio includes recyclability information in the PIM system.

- 2028:**
- Reduce the share of hazardous chemicals in the portfolio.

Policies

[Sustainable Procurement](#)



Sustainable Portfolio



innovaTERkitchen

In our innovaTERkitchen, we test, refine, and develop product concepts under real-life application conditions, translating trends into practical solutions. For example, many consumers want to reduce their meat consumption without giving up familiar products, a group largely represented by flexitarians, who account for more than 85% of buyers of vegan meat alternatives. For this target group, our innovaTERkitchen developed HYBRID alternatives that combine conventional and plant-based ingredients, enabling lower meat consumption while significantly reducing the use of additives.



Sustainable Supply Chain

Responsible sourcing is a key lever for sustainability in chemical distribution. TER Chemicals operates with a global network of suppliers and logistics partners. All our suppliers undergo an extensive approval process, which includes agreeing to the requirements of our Supplier Code of Conduct. Our Supplier Code of Conduct defines minimum standards regarding environmental protection, human rights, labor practices and business ethics.

ESG criteria are increasingly integrated into supplier selection, evaluation and contract processes. Our approach aims not only at compliance, but at building long-term, responsible partnerships.

Targets

2026:

- 80% of suppliers' commitment to our Code of Conduct or equivalent tracked electronically.
- Transparent supplier management system with sustainability criteria implemented.

Due to organizational changes within our logistics department, our goal of reviewing reduction potential in packaging has been postponed by one year, as has the development of related reduction goals. We believe it is important to conduct a thorough analysis of the potential in this critical area of environmental protection, which is why we have been waiting for the right expertise to be available.

2027:

- 100% of suppliers' commitment to our Code of Conduct or equivalent tracked electronically.
- 100% of suppliers are covered by risk analysis and mitigation measures.
- Packaging reviewed for reduction potential.

2028:

- Reduction goals for packaging developed.

Policies

[Supplier Code of Conduct](#)



Sustainable Supply Chain



Public Whistleblowing Tool

To promote transparency and integrity, TER Chemicals provides a whistleblowing system that is accessible to both employees and external stakeholders. The tool offers a secure and confidential channel to report potential misconduct or concerns related to our business activities. In this way, we encourage open dialogue and support responsible business conduct across our value chain.



Sustainable Culture



Our employees play a decisive role in our success and in implementing sustainability. To empower them and secure strong leadership for the future, we invest in comprehensive talent and leadership development programs designed to cultivate internal potential and prepare our next generation of leaders.

Beyond these initiatives, we offer extensive training and development opportunities across all business areas and employees. Through our 180°-interviews, we foster a strong culture of feedback and learning: employees and managers engage in an open, respectful dialogue, reflect together on strengths and areas for growth, and thus actively shape their personal and professional development.

We aim to foster a culture based on integrity, inclusion and shared responsibility. Diversity, equity and inclusion are addressed through awareness measures, leadership development and engagement initiatives. We believe that diverse perspectives strengthen decision-making and innovation.

Key Facts and Targets

- 95.6% participation in the 180°-interviews.
- External whistleblowing platform available to all employees plus confidential advisors elected by the workforce to represent them before the management.
- Wide range of employee benefits, such as Wellpass and JobRad program.



Targets

- 2025:**
- Train 100% of employees in ethics-related policies (Whistleblowing, Code of Conduct and Ethics Guideline).
 - Ensure all relevant staff are trained in business conduct topics (anti-money laundering, anti-corruption).



Sustainable Culture

Although with a participation rate of 97.7 % we were not able to reach our target in the 2025 ethics training, we ensured broad commitment to our ethical principles: All employees reviewed and signed the updated version of our Code of Conduct. This shared baseline enables us to further enhance engagement in future training initiatives. Based on risk analyses, anti-money laundering and anti-corruption trainings were also offered to all relevant positions, with a participation rate of 84.1 % and 95.9 %. We will continue to work on improving participation rates in this area as well.

- 2026:**
- Deliver unconscious bias training for all managers.
Already in March 2026, we held an externally facilitated workshop on unconscious bias for our managers. Unconscious bias is normal, but it is not neutral – which is why we focused on our managers first, so they could apply the workshop’s key insights in their daily work and decisions.

- 2027:**
- Extend unconscious bias training to all employees.

Policies

[Code of Conduct](#)



Women's Day

For a few years now, we have been hosting a business breakfast with our employees on International Women's Day to discuss gender equality and its development. We appreciate the wide-ranging discussion among our diverse employees and will continue this already cherished tradition.



Ratings, Certifications and Initiatives

Independent recognition of our sustainability performance

External ratings, certifications and initiatives play an important role in our sustainability approach. They provide independent validation of our efforts, help identify improvement areas and enable transparency for customers, suppliers and other stakeholders.

TER Chemicals participates in recognized international frameworks and assessment platforms that evaluate environmental, social and governance performance based on clear criteria and external verification.

Together, these ratings, certifications and initiatives form an important pillar of our sustainability management. They strengthen trust, enable comparability and help ensure that our sustainability commitments are not only defined internally, but also recognized and validated externally.

EcoVadis Platinum – Independent ESG Excellence

EcoVadis is one of the world's leading sustainability rating platforms, with more than 130,000 companies assessed globally. The EcoVadis assessment evaluates sustainability performance across four key areas:

Environment

Labor & Human Rights

Ethics

Sustainable Procurement



The evaluation covers our policies, implemented measures, targets and our quantitative KPIs. In addition, EcoVadis conducts an independent 360° external watch, screening publicly available sources such as media reports and stakeholder information to ensure a comprehensive and objective assessment of our sustainability management.

TER Chemicals has been awarded the EcoVadis Platinum Medal, placing our sustainability management among the top 1% of rated distribution companies worldwide. This distinction reflects the maturity, consistency and effectiveness of our ESG approach across all assessed areas.

For you as our stakeholders, the EcoVadis Platinum rating provides clear, independent evidence of our sustainability performance. It supports your supply chain assessments, enhances transparency and serves as a strong point of differentiation in a competitive market. Above all, it underlines our credibility and our commitment to continuous improvement.





Additional Certifications and Initiatives

In addition to EcoVadis, TER Chemicals participates in further recognized initiatives and management systems that support our sustainability journey:

Responsible Care®

A voluntary global initiative of our industry aimed at continuously improving health, safety, environmental protection and security, beyond common legal requirements.

UN Global Compact

Commitment to align our business strategies and operations with principles on human rights, labor standards, environmental protection and anti-corruption.

RSPO – Roundtable on Sustainable Palm Oil

Supporting sustainable palm oil production through globally recognized environmental, social and economic standards.

ISO 14001

Certified environmental management systems at selected sites, providing a structured framework to identify, manage and reduce environmental impacts.

IntegrityNext

A platform for ESG risk management and supplier monitoring, supporting transparency and due diligence across our supply chain.

Looking Ahead

Sustainability at TER Chemicals is a continuous journey. In the coming years, we will focus on deepening integration, strengthening data quality, expanding partnerships and translating strategy into measurable impact.

We believe that progress is achieved through collaboration, transparency and long-term commitment and we actively welcome the ideas, feedback and perspectives of our stakeholders as part of this journey.

We look forward to shaping tomorrow. **Together.**

If you have any further questions, please feel free to contact us.

Kathrin Raabe
Sustainability Manager

sustainability@terchemicals.com



Additional Key Figures for TER Chemicals

To provide a more comprehensive overview of our sustainability performance, we have compiled a selection of key figures below.

Emissions and consumption	2025
Scope 1 t CO ₂ e	270.44
Scope 2 (market-based) t CO ₂ e	37.28
Scope 2 (location-based) t CO ₂ e	163.04
Scope 3 t CO ₂ e	355,205.92
Total t CO ₂ e	355,513.64
Offsets in t CO ₂ e	314
Sales revenue in Mil. EUR	409
GHG emissions intensity in t CO ₂ e/EUR	0.000869
Energy use (electricity and heat, MJ)	1,785,620
thereof renewable (MJ)	1,254,096
Non-hazardous waste (t)	425.17
Hazardous waste (t)	0.00
Total waste (t)	425.17
thereof recovered (t)	8.83



Additional Key Figures for TER Chemicals

Employee characteristics	2025
Number of Employees (Headcount)	360
thereof female	184
thereof male	176
Permanent employees	338
thereof female	176
thereof male	162
Temporary employees /non-guaranteed hours	22
thereof female	8
thereof male	14
Full-time employees	302
thereof female	136
thereof male	166
Part-time employees	58
thereof female	48
thereof male	10
Employees in top management	46
thereof female	17
thereof male	29
Compensation metrics	
Gender pay gap	23.5
Annual remuneration ratio	8.6
Employees not paid an adequate wage	0
Health and safety	
Employees covered by health and safety management system (%)	99.4
Number of work-related accidents*	10
Days lost to work-related fatalities, accidents and ill health**	0

*no distinction between recordable and non-recordable
**referring to recordings within legal limitations



Additional Key Figures for TER Chemicals

Employee characteristics	2025
Social agreements & protection	
Employees covered by collective bargaining agreements	0
Employees covered by workers' representatives (%)	100
Employees covered by social protection (%)	98.7
Trainings & skills development	
Employees participating in regular performance review (%)	96.9
Average training hours per employee	5.01

Reports and incidents	2025
Whistleblowing reports	0
Employee complaints	1
Confirmed discrimination and harassment incidents	0
Confirmed corruption incidents	0
Confirmed information security incidents	0
Confirmed data security incidents	0
Confirmed cases of child labor, forced labor or human trafficking	0



Certificate from the independent auditor regarding a company Greenhouse Gas Emissions Statement

To the Management of TER Chemicals GmbH & Co. KG

Audit opinion

We have reviewed the Greenhouse Gas Emissions Statement (Scope 1, Scope 2 and Scope 3) of TER Chemicals GmbH & Co. KG, including its domestic and foreign subsidiaries (TER CHEMICALS DISTRIBUTION GROUP), for the period from 1 January 2025 to 31 December 2025, with limited assurance.

Based on our review, nothing has come to our attention that leads us to believe that the company’s Greenhouse Gas Emissions Statement for the specified period has not, in all material respects, been prepared in accordance with the criteria of the Greenhouse Gas Protocol (GHG Protocol).

Basis for the opinion

We conducted our review in accordance with international auditing standards. We are independent of the company and have complied with professional standards.

Responsibility of the legal representatives

The company’s management is responsible for:

- Preparing the Greenhouse Gas Emissions Statement in accordance with the criteria of the GHG Protocol
- Selecting the appropriate scope categories and emission factors
- The internal controls necessary to ensure the data is recorded accurately.

Responsibility of the auditor

Our task is to issue an review opinion with limited assurance based on our review.

Our work included, amongst other things, the following activities:

- Interviewing the staff responsible for data collection
- Assessing the suitability of the methodology used and the data sources
- Random checks of consumption data (e.g. electricity, gas and fuel bills)
- Review of the underlying emission factors for Scope 1, Scope 2 and Scope 3
- Analytical review of the aggregated calculations.

Limitation of liability

This certificate is intended solely for the management of TER Chemicals GmbH & Co. KG. We accept no liability or responsibility towards third parties.

Hamburg, 17 June 2026

Dr. Ehlers · Gruttke · Dr. Volkmann und Partner mbB
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Christian Ehlers, Jun 24, 2026 15:24 UTC
Christian Ehlers
Wirtschaftsprüfer

TER Chemicals Distribution Group

TER Chemicals GmbH & Co. KG
Börsenbrücke 2 | 20457 Hamburg | Germany
T +49 40 300501-0 | info@terchemicals.com

www.terchemicals.com

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