



HORN BACH
SUSTAINABILITY MAGAZINE
2021

212



CONTENTS



MAKE A DIFFERENCE

A FEELING OF HAPPINESS

What does that actually mean? One thing is clear: What makes us happy is very individual and highly personal. Often it involves the certainty that we ourselves can make a difference ...

06

INTERVIEW

“THERE IS AN URGENT NEED FOR ACTION”

We talk to AllBright Managing Director Wiebke Andersen and HORNBAACH's Susanne Jäger and Karin Dohm about management board quotas, the benefits of diversity, and the importance of role models.

22

RESOURCE-EFFECTIVE TRANSPORT

LESSONS TO LEARN FROM EMPTY TRUCKS



At Vilshofen Logistics Center, it is not just about loading goods quickly but about doing it right. We take a peek behind the tarpaulin.

28

OASES OF WELLBEING

THE HOUSE CALLING CARD

Inviting, friendly and low-maintenance: the ideal front garden. But what are the latest trends?

34



ONLINE DIY RETAIL ON THE RISE

THE HORNBAACH MAP

HORNBAACH customers bought more online during the coronavirus pandemic.

10

THE CORONA CHALLENGE

MAKING A VIRTUE OF NECESSITY



A plethora of rules, closed stores and unsettled customers: How HORNBAACH coped with the challenges presented by the second year of the pandemic.

12

CONTAMINANT-FREE SURROUNDINGS

THE DISCOVERY OF HEALTHY LIVING

The pandemic has changed the way we see and feel about our homes.

40

RECYCLING DEMOLITION WASTE

VALUABLE OR TOXIC



Did you know that construction waste is a resource that is mostly reusable?

44



VOLUNTARY WORK

RETIRED IN NAME ONLY

How former HORNBAACH employees still contribute to society even as pensioners.

48

POTENTIAL FOR OPTIMIZATION

THE PACKAGING STORY

Packaging dominates our day-to-day shopping. Can we do without it? Not really. But many things can be optimized, even if that is a lengthy process.

52



THE GLASS WOOL STORY

ALREADY THROWN OUT THE WASTE GLASS?

A batch of ISOVER glass wool contains up to 80% recycled glass. We look at how the raw material is turned into insulation.

54



CONFLICTS AND THE FUTURE

“WE NEED TO ARGUE”

We need to argue! That's one thing board member Karsten Kühn and management consultant Reinhard Sprenger agree on.

58

BEING ADAPTABLE AND RESILIENT

LET'S KEEP LEARNING

Learning is not about length of service but about the right attitude. Successful companies offer continuous learning opportunities to their staff. Some thoughts.

63



DEAR READERS,

A title page without a typical HORNBACH close-up? And that unpronounceable name?!? What is going on? Just think back to last year. Was it not a bit like a blank sheet of paper? Might not a baffled “Ha?” or an incredulous “What?” go some way to describing our feelings when we look back?

For HORNBACH, the 2020/21 pandemic year brought numerous success stories and just as many challenges and uncertainties, not to mention numerous rules and regulations in the European countries and German states where we operate. But the year was also shaped by the creativity, self-reliance, and cheery hands-on approach you would expect of a family company such as ours.

But what aspects of a year like that will endure?

People across Europe seem to have rediscovered their enthusiasm for doing it themselves during the periods of lockdown, home-schooling, and working from home, all of which triggered a renaissance in the home improvement sector. That is certainly gratifying for HORNBACH from a business perspective. From a social point of view, however, it also involved enormous efforts. Our logistics teams, for example, had to work six days a week in up to three shifts at numerous locations. Often criticized in the past, our investments in technology were no longer a matter of contention. Our colleagues at the stores advised customers, picked orders, and loaded goods until they could hardly stand – all while complying with strict hygiene measures.



Together with our business partners, our HORNBACH team made the best of the pandemic! And that even while coping with so many ??? both at work and in our private lives. We all – each and every one of us – played our part in finding the right answers!?!

Enjoy your read!

Anna Krall
CSR Spokeswoman and Editor in Chief

* In this Sustainability Magazine, terms such as “employees” and “customers” refer equally to people of all genders.

MAKE A
DIFFERENCE

A FEELING OF HAPPINESS

We wish each other all manner of good things on a whole variety of occasions. Mostly, we also wish each other happiness. What that means for us and what actually makes us happy is very individual and highly personal. Often, it involves the certainty that we ourselves can make a difference. We look at three different routes to happiness.

Anna Krall

Rarely has a year shown us how closely our mental wellbeing is linked to our ability to make our own decisions and get things done ourselves as did the past year. The longer the pandemic affected our everyday lives, the more it seemed to touch on our nerves. We felt worn down by a sense of hopelessness and sometimes even aggressive. We needed a meaningful occupation, something to make us feel useful and effective. For many, that involved a spot of gardening. For others, home improvement was a good way to channel negative feelings into more purposeful action.

For people like this, the opportunity to tackle a whole project – from the initial idea, to the planning, through to actual implementation – engenders a feeling of happiness. Once the job is done, they feel satisfied, maybe a little proud to have created something, and at ease with themselves. Even failure is not off-

bounds; they factor this into their plans and know it is always a possibility. After all, failure is a useful way for them to learn more and hone their skills. It is all about testing limits, possibly even overcoming them, or at least accepting them.

Maybe you know what I mean? When you are in the middle of a DIY project you forget everything around you. You are not hungry or thirsty, you just feel at ease and know you are using your hands to create something of lasting value. That is how Benjamin Glump experiences DIY. Yet home improvement is not the only way to access that kind of meditative flow. Christine Roth and her daughter Letizia have exactly the same feeling when they paint together. Do you have to do something with your hands to feel that way? Certainly not, says Steffen Magin, who experiences his own happiness simply by working with his mind.

“AT WORK AND AS A COACH I AM ALWAYS ON THE BALL. WHEN I AM ON THE LAWN, IT IS JUST FOR ME AND I CAN LET MY THOUGHTS WANDER.” Benjamin Glump

I have always loved going to DIY stores, they are a great place for me to pass the time. That is my kind of shopping. I also used to go there for inspiration and motivation. Nowadays I have a family, which means that time is in slightly shorter supply. When I head for the DIY store these days, I mostly already have a project in mind and then just pick up the things I need. A climbing frame for my daughter, for example. Having said that, even now I catch myself wandering through the aisles in areas of the store I did not actually need to visit.

My current craze is lawn care. I would go so far as to say that I have become a total lawn freak. My goal this year is to achieve a fantastic lawn surface. Where did that come from? In my job and in my hobby as a soccer coach, I always have to be on the ball and have a great deal of contact with people. However, the impact I have and my influence on things are hard to assess. Maybe that is why I enjoy DIY and gardening so much. There I can see the effect of my actions and what I actually achieved. Some-

times I can even smell it! I find that really satisfying. It is a fantastic way to switch off, particularly for people whose jobs are highly cognitive.

The way I see it, working on the lawn is way of combining finite things with infinity. The lawn just continues growing at the same rate regardless of what I do or not. It is alive. I am a bit of a perfectionist. That makes for a lot of work, of course, and involves far more than just buying an expensive lawnmower and mowing the lawn. My aim is to get better and better. It is a bit like when I built the climbing frame for my daughter. I made a few mistakes and would do things differently now. So I am always learning for next time. It is the same thing with the lawn. When friends ask if we bought artificial grass that confirms me in the knowledge that I actually achieved something. When I am tending the lawn, I often forget the time and am fully focused on the task in hand and at ease with myself. My thoughts begin to wander and I can relax.

Lying on the couch or reading a book is just not my thing. I relax by working with my hands. That is just how it is with me.

Opposite: Tender loving care.
Benjamin Glump nurtures his lawn.



“EVEN IF WE GO TO THE COURSE TOGETHER, WE EACH DO IT FOR OURSELVES.” *Christine Roth*

You could say the artistic streak runs in the family. That is how we both came to paint. Particularly last year, when the pandemic meant we could not visit our family in Spain, our birthday greetings turned out quite wacky. Letizia really likes hand lettering, for example, which involves providing individual letters with an artistic and creative design. That is what gave us the idea that she could use her imagination to paint congratulatory messages on large posters. We then sent photos of the posters with a video message on the individual birthdays. That looked great and was original. Not only that, it was so important for us and our family given all the limitations during the pandemic.

Since the pandemic began, Letizia has spent even more time painting and has taken part in several online drawing courses. One course dealt with the Zentangle Method, which involves painting small paper tiles with recurring patterns comprising combinations of points, lines, curves, or circles. There is no erasing, and every tile drawing is

as good as it is. The end-product looks quite complex. What she learned is that, if you paint one step at a time, it is really easy, the results are fantastic, and the 3D effect is astonishing. And Zentangle drawing in particular is a meditative and calming pastime.

We attended the training sessions on portrait and pencil drawing together. These took the form of private tuition at the studio of an acquaintance. Here, we drew ourselves realistically, each for herself. What I love about drawing is that you can just lose yourself in the forms and colors. You are at ease with yourself and forget everything around you. When you look at the results, you are amazed and often even satisfied! You always get a new picture – no two are alike. In one of our last courses, we drew a tiger’s head, which was a huge challenge and took enormous concentration. By the time we had finished, though, we were really proud of the results!

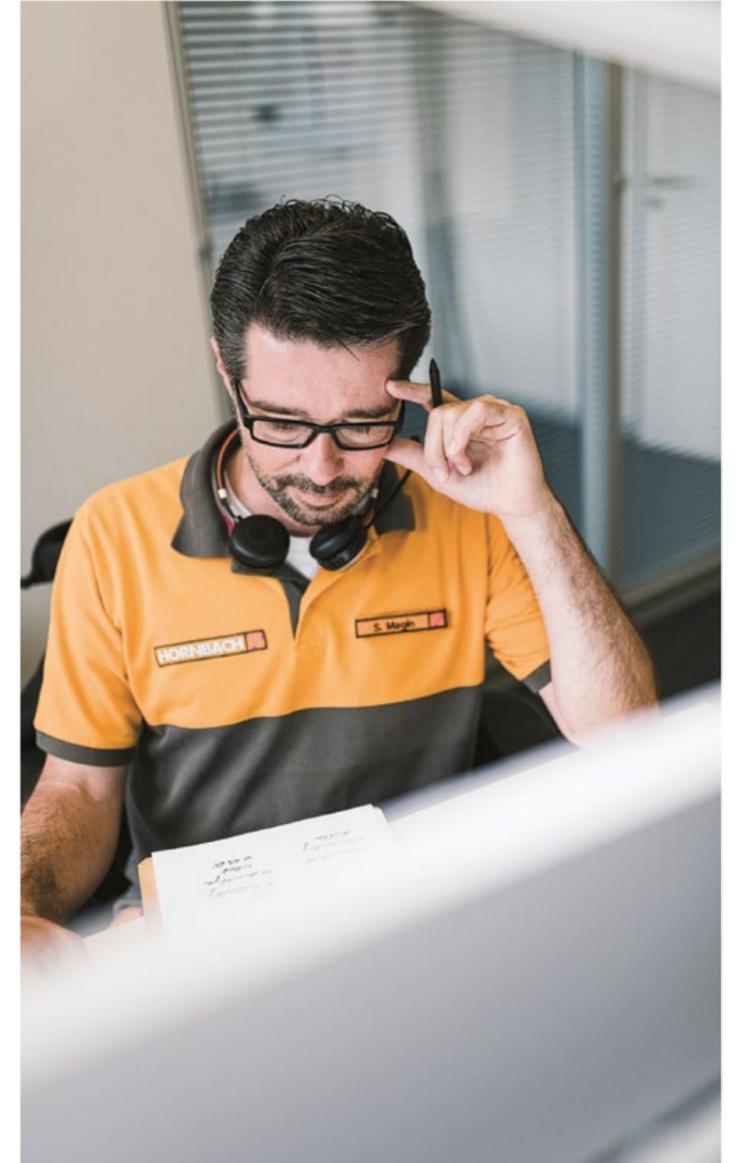
Do we sometimes paint a picture together? Not really. We would certainly get in each other’s way. But our shared hobby gives us a great deal of fun. We can both let our imaginations run free and relax. That way, we also create something that endures.

“MY DESK LOOKS JUST THE SAME IN THE EVENING AS IN THE MORNING – BUT I MADE A DIFFERENCE BECAUSE I INITIATED A CHANGE.” *Steffen Magin*

If I create something physical, I can touch it, smell it or even taste it. I can immediately see what I made. And I am physically tired in a positive way. However, we live in an ever more digitalized world and not everyone is keen on DIY or a gardening fan. You can have a similar feeling of happiness in a digital environment. My desk looks just the same when I leave as when I arrive – but I made a difference because I initiated a change or helped alter something. Having said that, I think you need a more lateral approach to appreciate yourself and your actual achievements in the digital world.

In my day-to-day work at the office, I often ponder on a sentence in our HORNBAACH Foundation. “Innovation is our tradition”. For me, that means I have to leave my comfort zone. If you try out new things, you need courage, and you will make mistakes. What matters is the confidence in your own ability to make a difference. If you promote innovation, you will encounter challenges you could not have foreseen at the outset. Courage is what counts. Even if I fail and fall down, I will pick myself up again and solve the problem. That works if we help each other to get back on our feet. It gives us the freedom to try things out together with others. If we trust one another, good things can come about. For that, you need a good deal of time for dialog and time to think it through yourself. In the end, you have a success to celebrate together!

You should take this time for yourself and count the dents in the ceiling that you “accidentally” made with the champagne corks! For me, that is what makes intellectual accomplishment tangible. I cannot actually



touch what I did, but it is there – supported by digital aids. Project management is often purely cognitive, but no less effective. I am in the flow. Everyone makes their contribution by doing what they do best. Ultimately, it is all in the mind! ◀

Above: Absolute concentration. Steffen Magin feels he makes a difference with his digital work.

Opposite: Christine Roth and her daughter Letizia spend time together pursuing their hobbies of drawing and painting.

ONLINE DIY RETAIL ON THE RISE

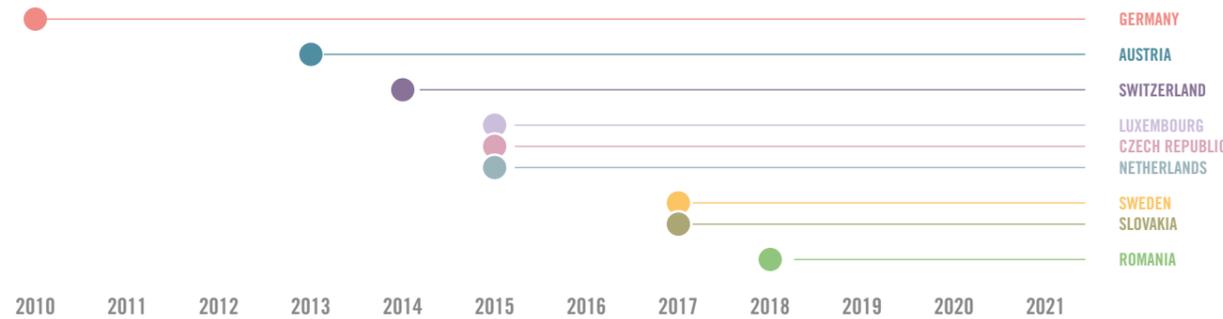
THE HORNBAACH MAP

165 36 9 7 Status: August 31, 2021

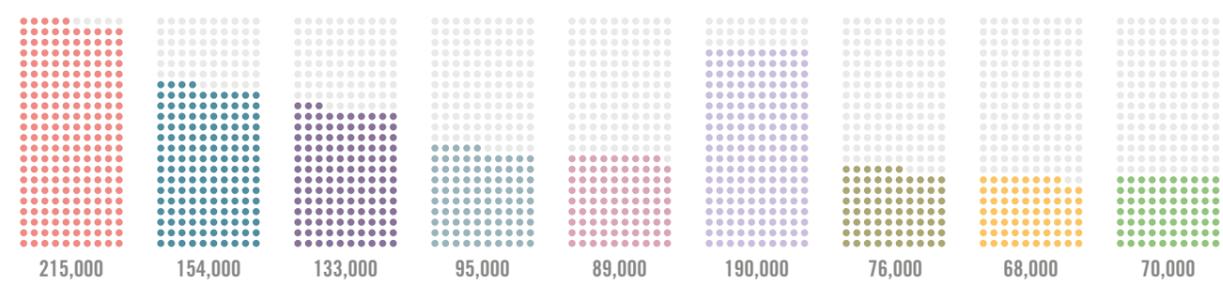
Back in 2010, HORNBAACH was one of the first DIY companies in Germany to launch an online shop. At first, only several hundred articles were available via hornbach.de. The product range has now grown to around 200,000 articles. Interconnected retail, as HORNBAACH refers to it, is now a firm component of the company's strategy in all countries in which it operates. Customers can inform themselves online about articles, their prices, and availability at the store and can also have articles delivered to their homes or building sites, or reserve them for collection at the store.

Not only that, the web shops also include configurators, advisors, videos, and other services that offer new ideas and assistance to people preparing and implementing their projects. The coronavirus pandemic and resultant restrictions on sales activities led online sales to double across the Group in the 2020/21 financial year. Particularly in countries affected by stationary store closures, HORNBAACH's customers increasingly drew on click & collect and direct mailing services. On average, the online business accounted for around 17 percent of consolidated sales in 2020/21.

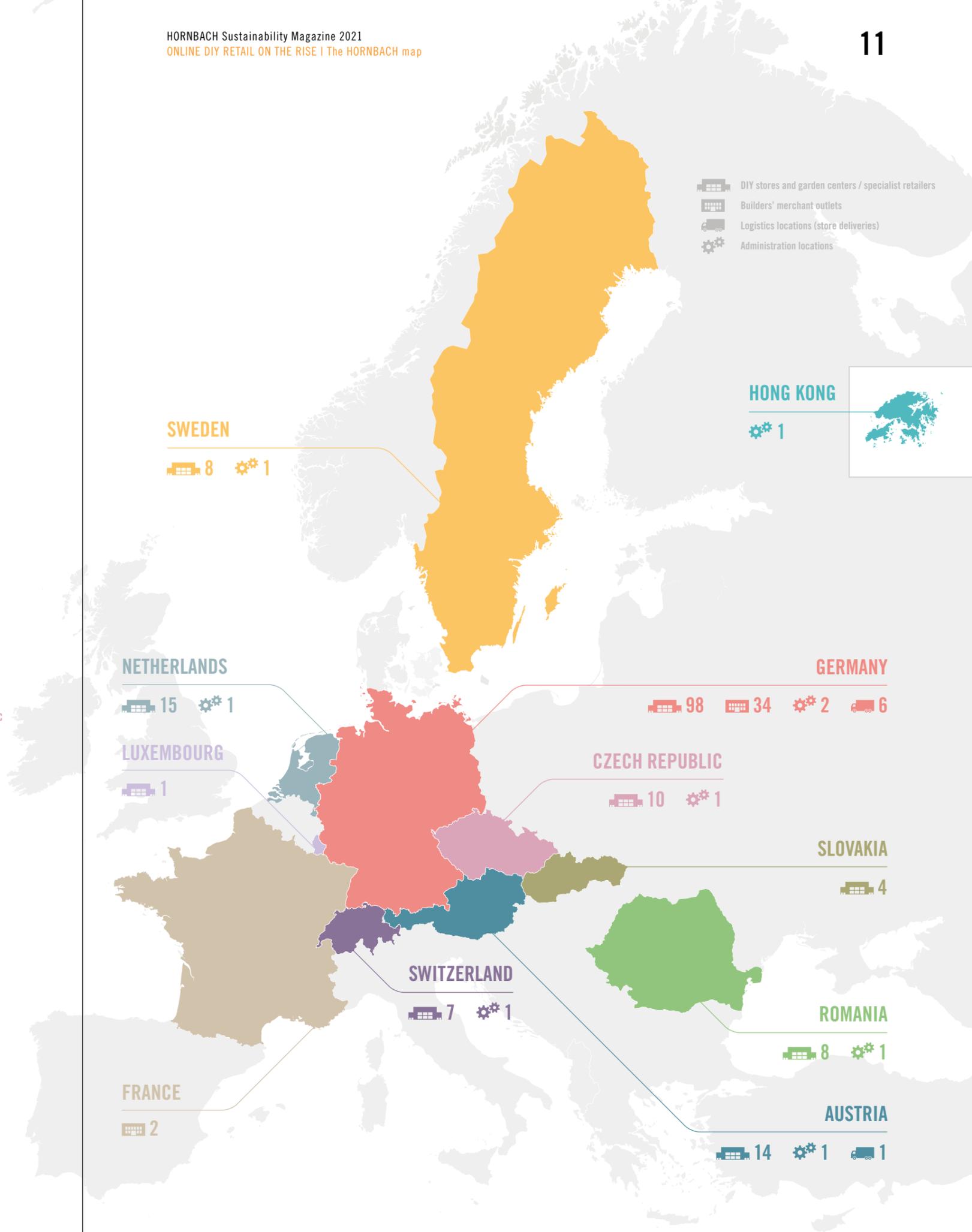
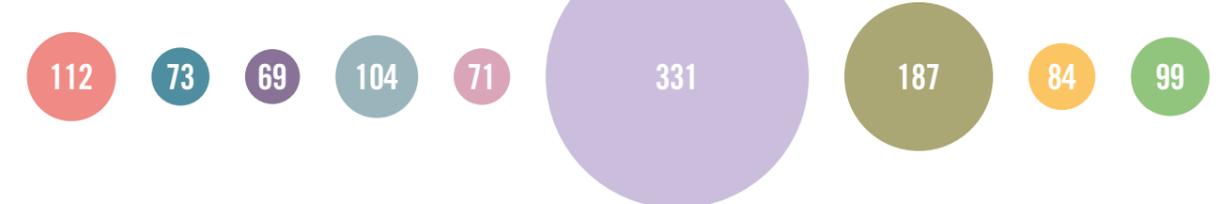
LAUNCH OF ONLINE SHOP



NUMBER OF ARTICLES at February 28, 2021



SALES GROWTH in 2020/21 financial year in %





THE CORONA
CHALLENGE

MAKING A VIRTUE OF NECESSITY

As a retailer, HORNBAACH has a clear supply mandate: to provide its customers with all they need for projects in their houses, apartments, and gardens, and that as quickly and conveniently as possible. In the past, nearly 90 percent of sales were generated by customers collecting the goods directly. Customers drove to the nearest store, took the goods from the shelf, paid, and drove home again. But what happens when that is suddenly no longer possible? Florian Preuß

Flashback: Shortly before Christmas, the worries get worse and worse. To combat the second wave of coronavirus infections, the Dutch government has already ordered a lockdown including the closure of DIY stores and garden centers as of December 15, 2020. The Federal-State Government Conference in Germany quickly follows suit. One day later, HORNBAACH has to close all of its 96 DIY stores and garden centers to private customers for the first time ever. Due to their important supply mandate, the stores had still counted as “systematically relevant” during the first lockdown beginning in March and had been allowed to stay open in nearly all federal states. There is no talk of that now. And things will soon get even tougher: Before the end of the year, the lights will go off at HORNBAACH’s stores in Slovakia, the Czech Republic, Austria, and Luxembourg as well. Out of 161 locations, only 21 are now regularly open, namely seven in Switzerland, seven in Sweden, and seven in Romania. On the stock market, this news triggers a flurry of nerves, with the share prices of both HORNBAACH companies losing significant ground at the turn of the year. Investors are unwilling to believe that HORNBAACH can manage to supply its customers and meet the sales and earnings targets it has set itself in these circumstances.

IMPRESSIVE RESULTS

All ears are pricked when the company presents its sales performance for the past financial year in its trading statement published on March 23. It is now clear that HORNBAACH Baumarkt AG managed to uphold its like-for-like sales for the final quarter (December-February) at almost the previous year’s level (-4.9 percent) and to post growth of 18.6 percent for the 2020/21 financial year as a whole. It is a record figure, the best since the IPO in 1993. How was that possible, when most stores were closed to private customers through to the end of February and only tradespeople and other customers with trading licenses were permitted to collect goods directly? The company cannot possibly have made up for all that with its online shop and by delivering goods to customers, can it? What happened?

To find answers, you need to look online. Nearly all HORNBAACH stores have their own Google pages on which customers cheerfully post assessments of their shopping experiences. More than 5,000 are added each month for the German stores alone. “On average, HORNBAACH is rated pretty consistently with 4.2 out of 5 possible stars.

But there was an outlier in January 2021. Fewer assessments were posted this month, when numerous stores were closed, but they were way more positive. The rating then climbed to 4.36”, explains Constanze Socher, Marketing Manager in Customer Relationship Management for the Germany region. If you read the individual assessments more closely, then one key driver for this improvement is soon clear: real enthusiasm for the click & collect service. “I just ordered and paid for my article online. You can choose your collection time and are allocated a parking space. That way, you can collect your goods directly and without any contact. You just call up and state your order number and parking space. Then a staff member brings the articles to the car. Fantastic”, wrote Thomas H. from Jena on January 21. Johannes B. tells of a similar experience in Vienna-Stadlau: “The move to collection due to coronavirus works really well. The store staff are now free to prepare the goods you choose online in time for collection. That limits my shopping trip to those steps that are absolutely necessary. Great!” And Hermes A. from Groningen offers the following judgement: “During the lockdown, they have a well-oiled and safe order pickup service.”

800-PERCENT GROWTH

It goes without saying that this service is not really new. HORNBAACH was the first DIY retailer to introduce the “reserve online and collect at store” option across the whole of Germany, and that in June 2011 already. In the years since then, the product ranges available via this service have been consistently expanded, the time needed to make goods available has been cut from four to two hours, and the service has been rolled out across all other regions. Demand from customers rose continually, but remained relatively modest. Then came the pandemic: During the first lockdown, the weekly share of “click & collect” sales rose year-on-year by up to 300 percent, before rocketing by an amazing 800 percent at times during the second lockdown. “Due to the pandemic, click & collect has really grown in importance and has been used by huge numbers of customers”, comments Erich Harsch, CEO of HORNBAACH Baumarkt AG. “I’ve been really inspired by the way our HORNBAACH team channeled all their energies into making this service possible even with very high volumes. And by the creativity each individual location showed in optimizing its processes and making everything as convenient as possible for customers.”

HUNDREDS OF ORDERS IN A SINGLE DAY

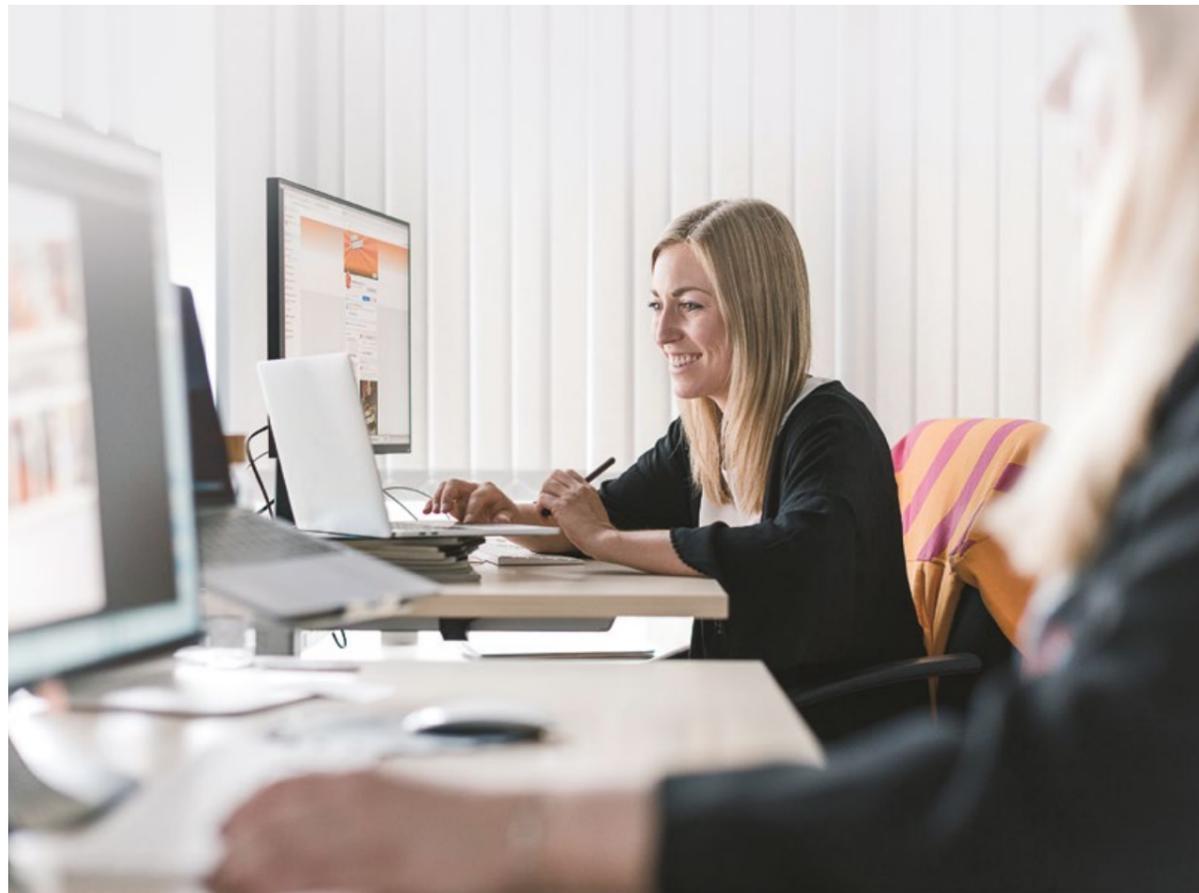
At the stores, the teams begin preparing the collection service as soon as the lockdown is announced. “On the Sunday, we heard the news that we would have to close from the Wednesday”, recalls Ronald Rebel, Store Manager in Darmstadt. “The Monday and Tuesday were then extremely busy with very high sales. To prepare in parallel for the expected increase in collections, we brought all colleagues we could reach back on board.” The team begins by clearing large spaces at the store where the shopping trolleys with reserved articles can be parked from the Wednesday. Numerous squares are set up, numbered, and suitably signposted. At the same time, two coronavirus-conformant collection stations are built in the store’s vesti-

bule. Each station has several “runners” who accept the collection vouchers, collect the freshly picked goods from the relevant square inside the store and take them out to the customer. Customers can choose their collection time based on 30-minute slots. At peak times, all timeslots are fully booked, corresponding to several hundred orders a day. By comparison, few stores matched that figure before the pandemic, and then only per week.

The company now benefits from the fact that, based on its experience in the first lockdown, work began in May 2020 already on revising the technical features of the “click & collect” service to adapt this to the new requirements of life during the pandemic. Ever more customers attach ever greater importance to minimizing contacts when shopping, so the technology team programmed a prepayment

Below: Constanze Socher scrutinized the feedback received on social media channels.

Opposite: Swedish customers also drew in great numbers on the option of collecting reserved goods with no contact.



solution for the collection service. Customers can now pay directly when making their reservation and avoid the need to stand in checkout lines when picking up the goods. The thirty-minute timeslots are also programmed in May 2020 already, with the option of rapidly and flexibly adapting the number of orders per half-hour slot to the situation at the store. Change requests from stores are to be implemented in just a few minutes. And the number of requests will soon rocket.

WEEKLY CHANGES IN OPENING RULES

The onslaught of change requests is triggered by the innumerable new rules and regulations issued from early March. In Germany, with different rules in each federal state, the situation becomes increasingly opaque. At first, individual federal states permit garden centers to open, but there are hardly any rules stating which precise parts of the product range should now be available for custom-

ers to collect directly. Instead, there are detailed regulations for the number of customers on sale areas. The first federal states now allow customers to access the whole DIY store and garden center, but soon withdraw this permission. Finally, the Federal-State Government Conference agrees an “emergency brake”, with uniform rules for all of Germany. That is when the chaos really begins, as the question as to what is allowed or banned in the individual local authority area is now linked to the latest development in local incidence rates.

That leads to situations in which HORNBAACH stores that are comparatively close have completely different opening rules at times. Some stores are open quite normally to all customers. Others can at least offer private DIY customers the “click & meet” option if they can produce a negative test result. Some can only allow commercial customers to enter the store and have to relegate all other customers to “click & collect”. Overall, between March and May there are eight different versions of opening rules in Germany



alone, with several stores merrily changing version due to rising and falling incidence rates, sometimes on a weekly basis.

“Who is still allowed in the store? What tests are accepted? What does official proof of recovery look like? It was a huge amount of work for us, and especially for store managers, to find out which specific rules now applied for each location and its customers”, recalls Steffi Mohr, who coordinates communication channels in the Germany region and therefore played a crucial role in the second and third lockdowns. Via regional directors and their assistants, all the information about new regulations and the specific consequences for individual HORNBAACH stores now lands on her desk and that of Valentin Felten, Marketing Director Germany. The two of them then decide which tasks need doing where and pass on the relevant instructions. The online editors, for example, update the important “My Store” pages in the online shop on daily basis. Using this information, customer service can update its recorded announcements and make sure they provide correct information on the telephone about stationary shopping options. Colleagues in the technology department in turn adjust the collection timeslots to the situation at individual stores. If a location is completely closed, then large numbers of timeslots are offered. If it is allowed to reopen, the timeslots have to be reduced, as the store needs most of its space and team for direct sales and to advise customers.

USING EVENT MANAGEMENT TO SHOP AT HORNBAACH

One absolute novelty for Germany is the decision taken by the Federal Government in mid-March to allow customers to visit retailers in areas with incidence rates between 50 and 100 only if they book an appointment in advance. “We received the information on a Wednesday and the new regulations were due to take effect the following Monday”, recalls Valentin Felten. “We had to react on the spot and decided to reprogram a digital event management tool. From a technology perspective, it doesn’t make that much difference whether a customer wishes to book a ticket for an event or an appointment to shop at the store.” Having said that, it was a lot of work to input the large numbers of appointments needed for so many stores. “We solved that by turning each hour spent visiting a HORNBAACH store into an individual event”, relates Sarah Bender. Together with a rapidly assembled project team

from the Marketing and Store Process Operations and Development departments, she was responsible for updating the tool. “That meant we had to intervene for every change that arose. If the region in which a store was located suddenly had an incidence rate higher than 100, we had to delete the appointments and inform those customers who had already booked a timeslot. There were also some customers we had to notify because the requirement to bring along a negative test was introduced after they had booked their appointment.”

TEST REQUIREMENTS REDUCE NUMBER OF VISITS

“It was fantastic that our head office colleagues managed to build a suitable tool so quickly and then update and manage it as well. That worked really well and our cooperation ran really smoothly”, reports Michael Behling, HORNBAACH Store Manager in Essen. “It was a bit much for many customers, though, particularly at the beginning. More than 70 percent of them preferred to drive to the store and fill in a registration form at the entrance. They were familiar with that approach from their shopping trips in town, where some retailers didn’t even offer the option of booking appointments online. When the requirement to bring along a negative test result was introduced, the number of appointments booked fell drastically. Many customers preferred to use click & collect, not least given their excellent experience with this service in the months before.”

Unlike click & meet, which was only needed for a limited period and met with a subdued reception from customers, click & collect remains highly popular even in the weeks after the store closures, when normal shopping has long been possible throughout the stores again. Even in Sweden, where stores were never required to close, the option of reserving goods online and then collecting them freshly picked at the store, is being used far more often than before the pandemic. The stores there have perfected “curbside pickup”, an option in which the goods are provided on a contact-free basis in special parking bays. Other regions also found innovative solutions in the course of the pandemic. Using tools and products from HORNBAACH’s product range for commercial customers, for example, in December 2020 the store in Gerasdorf in Austria built an outdoor collection station for reserved goods. The advantage here is that customers can open



the compartments and collect the goods they have already paid for even outside normal store opening hours.

GETTING EVEN BETTER AT MEETING CUSTOMERS’ NEEDS

“Our colleagues at the stores became really creative during this unique period, channeled all their energies into tackling the problems on hand, and found solutions that have sustainably convinced our customers,” enthuses Oliver Heiligenstein. He heads the “Store Process Operation” team at Group Headquarters. Over the past months, his team worked particularly closely with the stores and pressed ahead with enhancing numerous solutions. The pickup station in Austria has long become best practice and served as the model for a second version that was developed in record time and is now being installed at many locations. The aim is to consistently improve service standards – and customer satisfaction in parallel. In a recent survey, more than two

thirds of HORNBAACH’s customers in Germany stated that they had been really impressed by the smooth running of processes in the click & collect service. That is a fantastic result. However, the same survey also revealed areas where action is needed. Around a quarter of those surveyed had been annoyed that they could not collect the goods at the desired times as the timeslots were already fully booked. Some would have preferred shorter routes and others wanted flexible collection sites. For Jan Hornbach, Managing Director International at HORNBAACH Bau-markt AG, the key insight is clear. “The pandemic has really speeded up numerous trends, such as customers’ desire for greater convenience when making their purchases and for higher quality of service. Customers have gratefully accepted many new options and are really using them. Our aim has to be that of getting ever better at meeting our customers’ changing needs and offering them a perfect shopping experience.” >

Steffi Mohr coordinated activities for the individual communication channels in Germany.

BOMBARDED ACROSS ALL CHANNELS

“Communication leads to community, that is, to understanding, intimacy, and mutual valuing.” This widely known, eminently positive assumption by the US psychologist Rollo Reece May was really put to the test, also at HORNBAACH, at the beginning of the coronavirus pandemic.

Florian Preuß

“Everyone I know and all my family, we have always enjoyed shopping at HORNBAACH. But the things happening there at the moment are completely out of order! We were shamed, humiliated, and pilloried! I was made to feel as if I had forgotten my ‘Yellow Star’ and had been discovered! No law makes it mandatory to wear a mask. We only have ordinances that are not legally binding.” These abrasive words chosen by M. B. from outside Berlin when writing to Hornbach’s management in August 2020 leave you gasping for breath. Is she really comparing the facemasks, which the coronavirus protection ordinance also requires in this federal state, with the emblems used by the Nazis in the last century to humiliate people of Jewish faith? Is there any sensible way to respond to this? Even when criticism is as crude as this, the company’s own approach is politely but clearly communicated by the individual store management, often supported by central customer service: by letter, by mail, on social networks, and in response to Google assessments. In the latter category, between the first and third wave of the pandemic more than 1,000 assessments in Germany alone include the catchword “coronavirus” and more than 300 refer to “masks”.

WORDS WHICH UNSETTLE

As well as critical comments from people who, even without relevant health issues or medical certificates, do not wish to wear masks at HORNBAACH stores, the company also receives many messages from people making exactly the opposite complaint, particularly during periods of high incidence rates, roughly from November to March. Even those urging greater caution sometimes choose unsettling words. Reporting on his visit to the store in Kaiserslautern

at the end of November, J. K. explicitly refers to the skin color of another customer, and this irritates many in HORNBAACH’s team: “I was at the second checkout at your store yesterday evening. Just as I was about to pay for my goods, a black man came and stood quite close to me. He also wasn’t wearing a proper mask, but just had a dark scarf instead. I asked him to stick to the minimum distance. Then he got quite cross. The woman at the checkout didn’t seem to notice any of this and just carried on scanning my items. I think it might be time to remind your staff about the virus and the necessary precautions.”

WHEN ARGUMENTS BETWEEN CUSTOMERS ESCALATE

Sending a written answer from elsewhere offers an opportunity to choose words carefully, but directly on site at the store the situation is often trickier. Things sometimes escalate before the team can intervene. In November 2020, for example, an argument about minimum distances between two customers, one 70 and the other 75, at a Globus store in Brandenburg becomes physical. The older customer ultimately has to be taken to hospital by ambulance. Similar disputes also arise at HORNBAACH’s stores, most of which directed at the staff of external security firms whose job it is to ensure compliance with the latest coronavirus regulations. Fortunately, these are isolated incidents and in most cases the store management can intervene successfully and clarify the situation, if need be by taking decisive action. Shortly after the stores reopen in March 2021, for example, Zeljko Kostic has to jump into action in Remseck. Several customers are standing at the information desk and calling for the store manager. They tell him about another customer who is walking

round the sanitary department without a mask and, despite friendly requests, also not keeping his distance. Kostic sets out directly: “I then calmly explained our hygiene requirements to the customer. However, he was not interested. I then offered him the alternative of using our click & collect service. Finally, in a normal tone of voice I asked him to leave the store if he was not prepared to comply with the measures.”

EXTRA RULES MAKE LIFE MORE DIFFICULT

Shortly after the onset of the pandemic, discussions about mask-wearing requirements also arise in the other countries in which HORNBAACH operates its stores. In Switzerland, for example, the rules allow customers to visit a store without a mask if they have

medical certification. However, the rules also require the retailer to put measures in place to make sure that the mask-free customer does not come too close to others. If this is not possible, the contact details of all customers present have to be recorded immediately. “This rule may work in smaller stores with a dozen customers. On large spaces like ours, however, it is not feasible. We cannot seal off individual areas of the store at short notice with barriers or tapes, neither can we suddenly collect data from hundreds of customers”, explains Reto Kaspar. As Marketing Director Switzerland, he is also responsible for public relations. In recent months, he repeatedly had to explain why HORNBAACH cannot put the mask exemption into practice. “In these cases, our store teams gave customers a friendly explanation of the situation and recommended they use our online shop

For many customers, the requirement to wear a mask when shopping was a perennial topic in letters, mails, and online comments.



including home delivery. In the vast majority of cases, we managed at least to allay customers' understandable disappointment about not being able to visit the store."

LITTLE SYMPATHY FOR ENDLESS BACK AND FORTH

One perennial topic that repeatedly crops up during the second lockdown from mid-December is the unequal treatment of private and commercial customers. While DIY and gardening enthusiasts now only have access to goods at 140 HORNBACH locations if they use the click & collect service, tradespeople and other professionals with trading licenses are still able to enter nearly all stores. The word "two-tier society" quickly becomes a standard fixture in complaint letters and social media comments. "Normal members of the public have to stay outside. OK, then I'll buy my screws and tools on the net", writes Facebook user Stephan Sch., for example, in January. In its replies, HORNBACH regularly points out that the company does not make the rules itself but has to comply with official requirements. From early March, these are updated at ever shorter intervals and include ever more detailed rules. "That's when things got trickier. Many customers had little sympathy for the back and forth in the requirements. People just didn't know what the latest rule was: test or no test, registration or no registration. And we had several cases of misinformation which made life harder for us", recalls Michael Behling, Store Manager in Essen. One day at the end of February, for example, he received two completely different sets of information from the authorities about private customer purchases in the garden center. This was followed in March by two different versions of pandemic-related rules appearing simultaneously on the website of the Federal State of North Rhine-Westphalia: "That was a technical problem that caused great confusion among our customers. We were the lucky ones who had to carry the can without it being our fault."

COMMUNICATIONS FLOW AS MAMMOTH TASK

To provide customers with all the information they need about what is currently allowed or not ahead of their visit to the store, the 161 "My Store" pages on the online shops are now checked daily and updated when necessary. These pages let visitors know which parts of the store they can visit, whether it is mandatory to book an appointment,

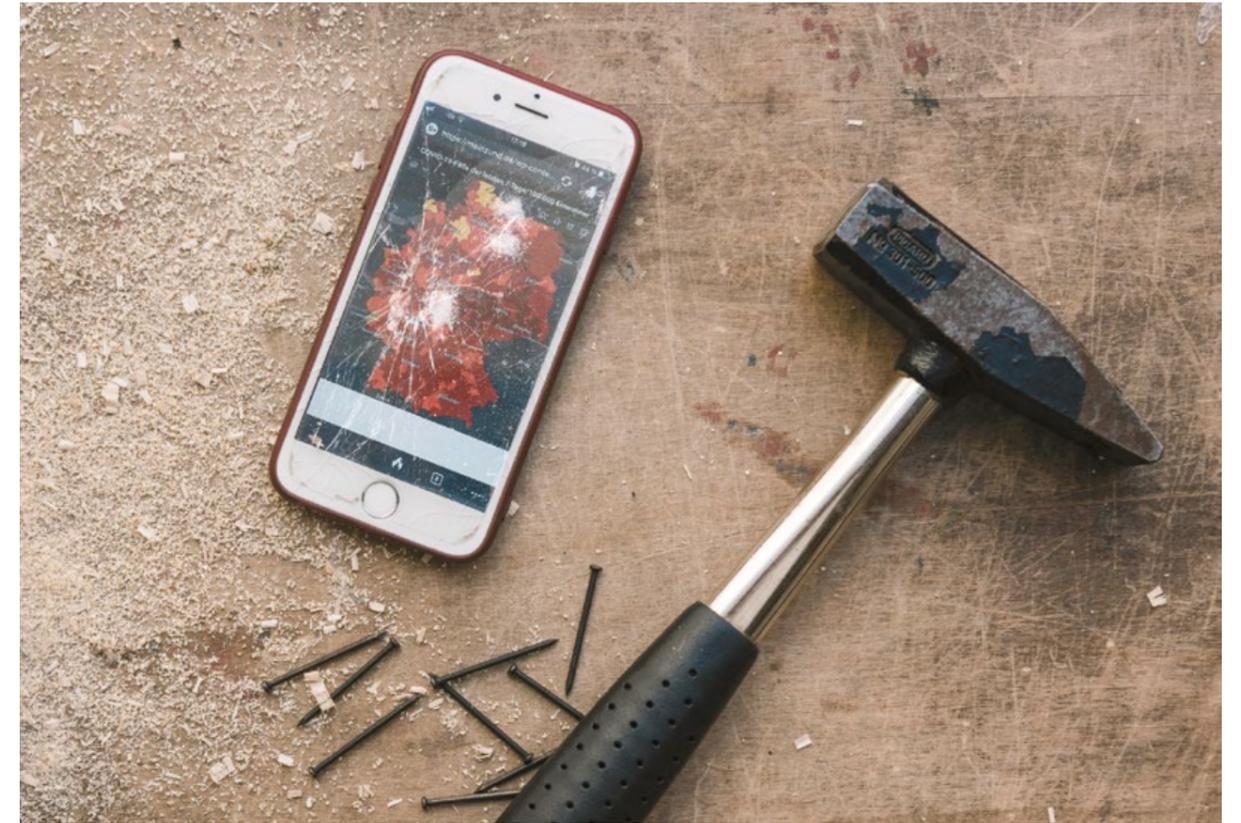
what hygiene measures are in force, and whether a coronavirus test center is available in the car park. "That was one-way communication, i.e. telling customers what was possible. But they of course had so many questions and used every available channel. They didn't just call us, they also posted questions on social media. That broadened the channels via which we communicate with customers so much that safeguarding the flow of information became a mammoth task", recalls Valentin Felten, Marketing Director in Germany.

EXPLODING NUMBERS OF CALLERS FROM DECEMBER

"The regular updates on 'My Store' really helped us to answer customers' queries", says Carsten Frässdorf, Team Head at the Customer Service Center in Halle. Just like at other service locations, the team here has been working flat out since the beginning of the pandemic. In 2020, the number of calls received across the group each day about online orders is consistently around 30 percent up on the previous year's period. In mid-December, when several sites in Europe have to close, caller numbers rocket, rising more than 150 percent. As if that were not enough, colleagues also have to deal with questions about individual locations. With the first store openings in February, the number of customers calling to inquire about the situation at their local HORNBACH store already rises more than 200 percent. The peak, with calls more than 300 percent up on normal levels, comes at the beginning of May. "The longer the lockdown measures lasted, the more annoyed and impatient customers became in their reactions. They often expected this: If the government presses a given button, then HORNBACH has to implement it immediately. If a further easing of measures was announced on a Friday afternoon for the following Monday, for example, then by Saturday morning – before the rules had even been officially published – some customers already wanted to know how that would affect their shopping next week", recalls Carsten Frässdorf.

GREAT DESIRE FOR MORE NORMALITY

Facing growing impatience and the ever greater desire for store openings, the social media team at HORNBACH's head office also considers publishing changes in the individual regions on Twitter, Facebook, and co. "But it soon



became clear that the rules varied very widely between individual federal states and were often short-lived", explains Nadine Pelka, Social Media Manager in the German Marketing department. The team opts in favor of clear communications with a brief reference to the "My Store" pages. It adds well-meaning advice that, to be on the safe side, customers should check again two hours ahead of their visit just to make sure there had not been any changes. That goes down well with many users. "At the same time, we also noticed that people had a huge need for more normality. They were just longing to share information and their experiences with projects in their homes and gardens", adds Nadine Pelka. The team launches its initial ideas, such as a plants quiz or balcony design tips, at the beginning of April already. Users respond enthusiastically and are thrilled with the contents. "You shouldn't forget that many people have been so keen on DIY since the beginning of

the pandemic. You get the impression that everyone was doing outdoor kitchens or a pool in 2020. Balconies were another huge topic. We attracted many new customers and users, especially among younger generations. They are so keen on getting inspiration and guidance and sharing their experiences. Just the kind of thing HORNBACH does best." ◀

The longer the lockdown measures lasted, the more impatient and irritable some customers became.



INTERVIEW

“THERE IS AN URGENT NEED FOR ACTION”

In the fall of 2020, women held no more than 68 out of 671 management board positions at listed German companies. That is way too low, particularly when compared with other countries, says the Federal Government. In June 2021, the government passed a law introducing mandatory requirements for future appointments. But will this lead to greater equality of opportunity? Will anything change in the low proportion of women in top management positions? We discuss the difficulties of quotas, the predominance of a certain gut feeling, the benefits of diversity, and the importance of role models.*

Florian Preuß

WIEBKE ANKERSEN, SUSANNE JÄGER, AND KARIN DOHM: THE QUOTA FOR WOMEN ON THE MANAGEMENT BOARDS OF LISTED COMPANIES IS NOW ON ITS WAY. WHAT DO YOU MAKE OF IT?

Wiebke Ankersen: Government quotas tackle symptoms rather than causes. We can see this legislation as a symbolic milestone, as public acknowledgement of the fact that there is an urgent need for action.

Karin Dohm: For me, the legislation is more of a means to an end and will have relatively little impact as it only affects a small number of companies. Having said that, I do see it as a wakeup call. The key aspect is the message it sends to management boards, and even more to supervisory boards, that they should take a more targeted approach to the whole topic, not least since the voluntary commitment companies signed in 2011 has largely been ineffective.

Dr. Wiebke Ankersen is Managing Director of the AllBright Foundation, a not-for-profit organization that is committed to raising the number of women and increasing diversity in private-sector management positions.

Susanne Jäger: I am not a great fan of quotas, as they try to enforce something that actually has to come about in a different way. I personally would also not be keen on being the “token female”.

KD: There are investigations which show that awareness levels only begin to change from a certain threshold upwards, when women make up around 30 percent of management or supervisory boards. Until that threshold is met, I see a certain likelihood of women being labeled one way or another. Incidentally, some men only reach their positions because they have the right network or represent specific areas of the company.

WA: We always look at how management board members are recruited. On this level of the hierarchy, there are not many objective selection criteria, no assessment centers, mostly not even a job description. That means that gut feeling plays a major role. The crucial factor is the suitability of the candidate from the perspective of the supervisory board chairman and the CEO. And that is where the “Thomas cycle” comes in. Until just recently, there were more men called Thomas and Michael than women

in the management boards of German companies. Their backgrounds are often identical. They are in their mid-fifties, come from West Germany, and are economics or engineering graduates. Men from a certain background recruit men with a similar background because they trust them most to do the job. Women very often lack the equivalent counterpart to hand them the job. They are still too exotic for that. When it comes to recruitment, that means women always face greater uncertainty. Appointing a woman is viewed as more risky because it is still relatively unusual. That only changes when this critical mass of 30 percent is reached. Then women are free to be seen simply as top managers rather than first and foremost as women. Incidentally, that also places a great burden on women. They are totally visible and everyone scrutinizes their actions. If they fail, they also fail “as women”.

SJ: We have already seen that in our sector, for example at Kingfisher. When Veronique Laury (CEO 2015 – 2019) left her role, there was a great deal of publicity. As I see it, there is less of a fuss when a male board member leaves his role. Women seem to be far more in focus.

OVER THE PAST 37 YEARS, YOU YOURSELF HELD NUMEROUS MANAGEMENT POSITIONS AT HORNBAACH, WHERE YOU WERE ALWAYS THE FIRST AND OFTEN THE ONLY WOMAN. DID YOU FEEL PARTICULARLY IN FOCUS?

SJ: HORNBAACH has always done things differently. The focus right from the outset was on performance and commitment, regardless of gender. That has continued through to the present day. I never had the feeling that I was exotic or subject to particularly critical observation just because I am a woman.

YOU COME FROM A DIFFERENT SECTOR, KARIN. WHAT WERE THINGS LIKE THERE?

KD: Both companies where I worked over the past 20 years had and still have very international structures. That way I could see, also in my individual teams, that other countries take a much more dynamic approach to combining family and work commitments. You have children and then you go back to work. It is quite normal. In Germany, based on my experience at least, couples’ biographies



Karin Dohm, CFO of HORNBAACH Baumarkt AG and HORNBAACH Management AG since 2021, previously held international management posts at Deutsche Bank for nine years. Prior to this, she spent 14 years at Deloitte.

*** The statutory quota**
The legislation passed by the Federal Parliament states that management boards of listed companies must include at least one woman if the companies are governed by parity-based codetermination, have more than 2,000 employees, and the board has more than three members. In future, companies will also have to state specific reasons if they plan not to include any women in the two top tiers below the management and supervisory boards.

tend to diverge as soon as the children arrive. I can think of hardly any other topic for which it is so difficult, particularly from the employer's perspective, to retain women and men at a company and to promote and develop them in the same way over the decades.

WA: There is a very strongly rooted norm in Germany. He works on his career and she earns a little bit on the side. That model is promoted by the state with the tax-splitting model for married couples. We compared the situation on labor markets in the US, Sweden, Poland, the UK, France, and Germany. Very many women go to work in Germany, but they are more likely than in any other of the countries to work fewer than 20 hours a week. That is not conducive to becoming a manager. Not only that, the state sends out quite different signals: At the top of the career ladder, it sets a quota and at the bottom, where these careers begin, it offers the tax-splitting model. This creates an unbelievable incentive not to

share work and family commitments with your partner on an equal basis, but rather to say: "Okay, you go to work and I'll take care of the children." In more than 90 percent of cases, it is the woman who says that.

SJ: That is often a real dilemma. At HORNBAACH too, we have fantastic women who would love to return after parental leave and increase their working hours. But often the requirements are just not in place. Childcare solutions are insufficient. That is different in Eastern Europe, for example, where several generations mostly support each other and it is far more normal for women to return to full-time work. And in Sweden it is not in the least unusual for men to take care of the children.

KD: For employers, that is a crucial topic: talent and investment. We hire roughly equal numbers of women and men. This talent joins our company, grows, develops, is nurtured, and shapes the company's future. And precisely

when these colleagues reach the stage where they could take on management responsibility, we often lose part of this talent. Finding ways to halt this process and retain women as sources of talent and as managers in all areas of our company is an important matter for HORNBAACH, not least given the ever-growing competition for talent.

WA: Companies can help to promote this development by offering specific incentives. Ikea, for example, has 50 percent women on all levels right up to the management, and that also in Germany. They say very clearly: If we want career paths to show similar developments, also when employees have children, then we have to do two things.

KD: After the first child, I wanted to resume my career four months after the birth and work on a 75 percent part-time basis. That was in 1998 and many of today's rules governing parental leave were not yet in place. I took up discussions with my employer and finally obtained approval for my approach, albeit after lengthy negotiations. Even then, technologized processes meant that something similar to remote working was possible in the consulting sector. Based not least on my own personal experience, I am keen to support both women and men in pursuing their careers and finding flexible solutions to help them to combine their commitment to HORNBAACH and their private lives.

SJ: I have the impression that, on the whole, we are pretty good at encouraging people at HORNBAACH. I myself have always been supported and challenged. When I joined the Board of Management in 2006, the then Supervisory Board Chairman certainly encouraged me. He pointed to my previous achievements and made it quite clear that he was in no doubt that I would continue to pursue my course

Women in management positions at HORNBAACH in 2021 in %



Share of women in management boards of leading companies in 2021 in %



We have to attract women back from parental leave at an earlier stage by making attractive offers that account for their needs. For managers, for example, that means actively inquiring: How do we need to structure your role so that you can do the job if you have a child? On the other hand, they also speak to men when they become fathers. They sit down with them before the child arrives and ask: How do you want to do this? How long would you like parental leave? We will support you if you take half of the leave, your fair share.

KARIN, YOU RETURNED TO WORK QUITE SOON AFTER THE BIRTH OF YOUR FIRST CHILD. DID YOU ENCOUNTER ANY PROBLEMS?

successfully in the Board of Management as well. That was a boost. On the other hand, I am aware that there were discussions in the past, also at our company, as to whether pregnant colleagues should retain their management positions if they returned to work. I think we have to turn the question round: What can we as a company do to make it work?

SHOULD THE COMPANY ACTIVELY TRY TO BUILD MIXED TEAMS AND RECRUIT WOMEN IN THE RELEVANT AREAS?



Susanne Jäger has been a member of the Board of Management of HORNBACH Baumarkt AG since 2006 and is responsible for areas including merchandising. She is the longest-serving female management board member at any German listed company.

SJ: Yes, not least because that is a success factor that distinguishes us from other companies in the sector. We have well-mixed teams, with older and younger members, women and men. That way, we can all inspire each other. And it also enables us to understand our customers better. We should bear in mind that women are behind more than 90 percent of DIY store purchases. Most renovation projects are initiated by women. It is they who decide that changes need to be made in their own four walls and gardens, or that they need a new kitchen or to modernize the bathroom.

WA: International studies show that mixed teams get better results. Companies with a substantial share of women in management generate significantly higher profits than those where the share of women tends towards zero. That is attributed above all to better decision-making processes and greater power of innovation. Different perspectives come into play and the range of experiences accounted for

is greater. More discussion takes place and time-honored approaches are more likely to be questioned. That can be more strenuous at times, but it also gives rise to a friction that is ultimately productive. It also leads to better customer focus and a clearer view of society and the relevant markets... and finally to higher levels of satisfaction within the company. Women employees in particular feel more represented and respected. That also creates a different dynamic within the company. Younger women are far more likely to aim for specific positions if they are already held by women. That is what makes it so important for women like both of you to be visible at the company.

KARIN, SUSANNE, DO YOU SEE YOURSELVES AS ROLE MODELS? AND IS IT IMPORTANT TO YOU TO BE VISIBLE?

KD: That is very important to me. I have been very fortunate in terms of my own background.

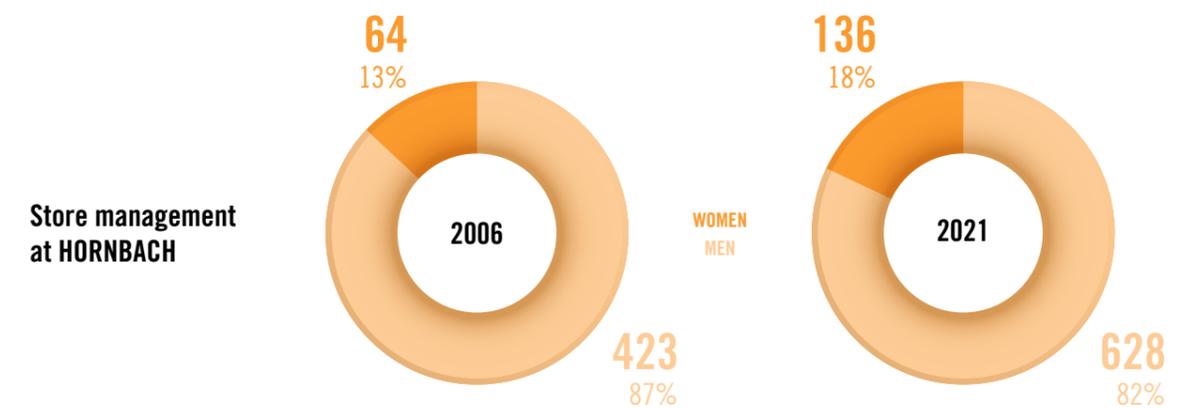
My mother always worked. My husband also has a mother who always worked. That influenced us of course. Not everyone has such a supportive background. Not only that, my inner economist is convinced that it is a waste of resources in some ways if we do not make full use of the potential available in sections of the population, in this case talented and well-trained women. From that perspective, I am happy to be a role model where that is helpful.

SJ: Being a role model is also important to me. At an internal event held by our "WoMen@Net" group, I told my story and advised our younger women colleagues: "Be brave, show yourselves. Don't just do the work in the background, present it to others as well. Move to the front. That's also fun, especially when you are successful!" Success has also been an important factor on my course. In my career, I have set up numerous projects at the company that proved sustainably successful and showed the way forward. At the turn of the millennium, I was fortunate enough to help establish the product range for which I was responsible back then, paint, wallpaper, decoration, in all of the

area where you can shape developments and gain visibility. The second aspect is the need to find supporters to promote you, propose you for interesting roles, and put wind in your sails. I would say that the process of actively looking for a supporter of this kind is still less widespread among women than among men.

WE HAVE TALKED ABOUT ROLE MODELS AND MENTORS. NOW WE NEED TO LOOK AT WHAT ROLE THE COMPANY MANAGEMENT HAS TO PLAY...

WA: Management board commitment is hugely important. They need to send out a clear message that they intend to change things to the benefit of the company. That needs suitable targets, of course, and these should be formulated as ambitiously as possible. The German railway company Deutsche Bahn, for example, currently has a 21 percent share of women in its workforce and aims to reach 30 percent by 2024. The message within the company is clear. Every manager needs to see what she can do in her area of responsibility to reach this target.



countries where we operate and to train the relevant employees. That was great fun. Of course, it was also a very challenging period, which at times involved doing three jobs all at once. But I was lucky in that I always had people who supported me and mentors at my side who recognized my performance, persistence, and potential.

KD: Susanne just mentioned two crucial aspects. Firstly, that women should more consciously move into new areas at the company. Out of the comfort zone and into a growth

However, this process has to be actively lived at the top of the company. Otherwise, no one will take it seriously and everyone will just continue to do things like before.

THANK YOU FOR YOUR TIME! <<

RESOURCE-EFFECTIVE TRANSPORT

LESSONS TO LEARN FROM EMPTY TRUCKS

Ever more goods are ordered online, so ever more goods have to be transported. To meet this great demand and minimize energy waste, the underlying logistics have to be time and cost efficient. That has consequences for staff and customers alike. For most people, the processes are invisible, but absolutely crucial when it comes to sustainability. We visit HORNBACH's logistics center in Vilshofen.

Oliver Lotz

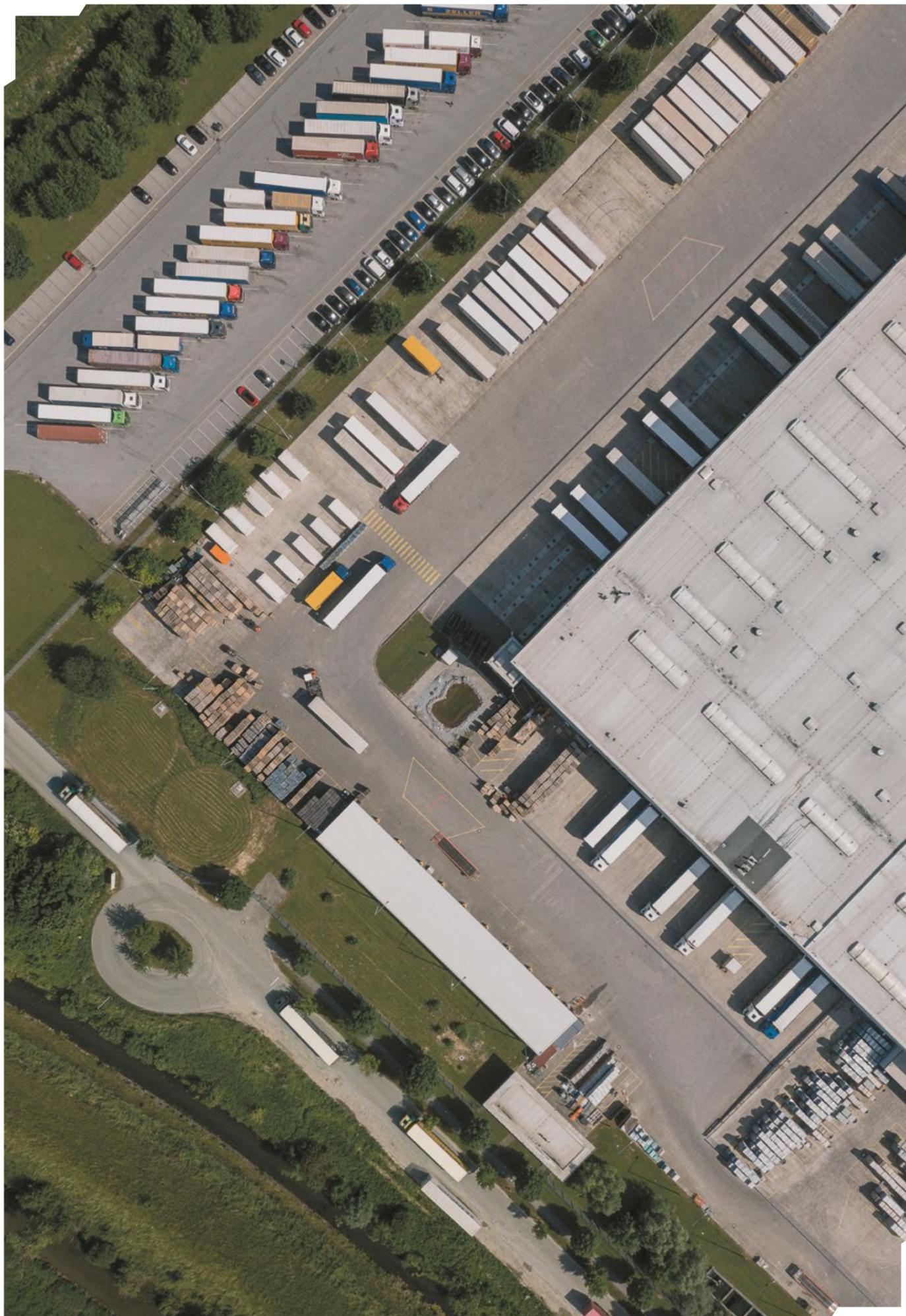
Driver speaks Bavarian", says a sign on the driver's door of the white truck. When Andreas "Andal" Juska registers his cargo at the gate, you can see why. "Hey, it's my privilege today", he says in a strong Lower Bavarian accent. A real man: broad arms, broad shoulders, broad grin. He delivers goods to HORNBACH's logistics center (LC) in Vilshofen nearly every day. His truck is one of around 90 that deliver or collect goods each day. "For me it's a great LC. People are friendly, handling is speedy, spot on." Andal turns down all offers to pass the time with coffee, snacks, or a quick shower. He lives in the neighboring town.

Docked backwards at the loading ramp, he stays sitting in his cab while an LC employee unloads the trailer with fascinating precision. In less than an hour, the 40 pallets have reached IG – incoming goods. Now the colleagues scramble to sort the packages in line with their destinations. In the worst case, the 30 packages on the pallets are destined for 30 different stores. Andreas Juska does not notice any of that, or of the rough and then detailed checks performed to make sure the number and articles are right and the packaging is not damaged. He packs away the lashing straps, shouts a quick hello to the guys

at the gate, and drives past the endless logistics hall to head for the autobahn. By then, Andal is just one more job ticked off on today's to-do list.

HORNBACH's logistics center in Vilshofen in Bavaria has 30,000 square meters of space. It is no surprise that an area this size not only transports huge quantities of goods from A to B, but also needs and uses a great deal of energy. So how do sustainability and logistics centers go together? Actually quite well. Even if the old hall roofs are unsuitable for solar cells due to load-bearing factors, the roofs of the future will be able to do just that. Then there are the electric and gas-powered forklift trucks, sophisticated ventilation technology and, alongside HORNBACH's tried-and-tested resource liners, another specific form of waste recycling: Cardboard cuttings and secondary packaging are shredded to make filling material, while timber waste will burn in future in the combined heating system.

In winter, this system makes sure that all parts of the LC, from the main hall to the regional warehouse and offices through to the direct mailing section, are pleasantly warm. The only area that is not heated is the uninsulated hall for long and bulky goods. This is where pretty much





Left: Andreas Juska is a regular at LC Vilshofen. He passes the time at the loading bay with a good film or book.

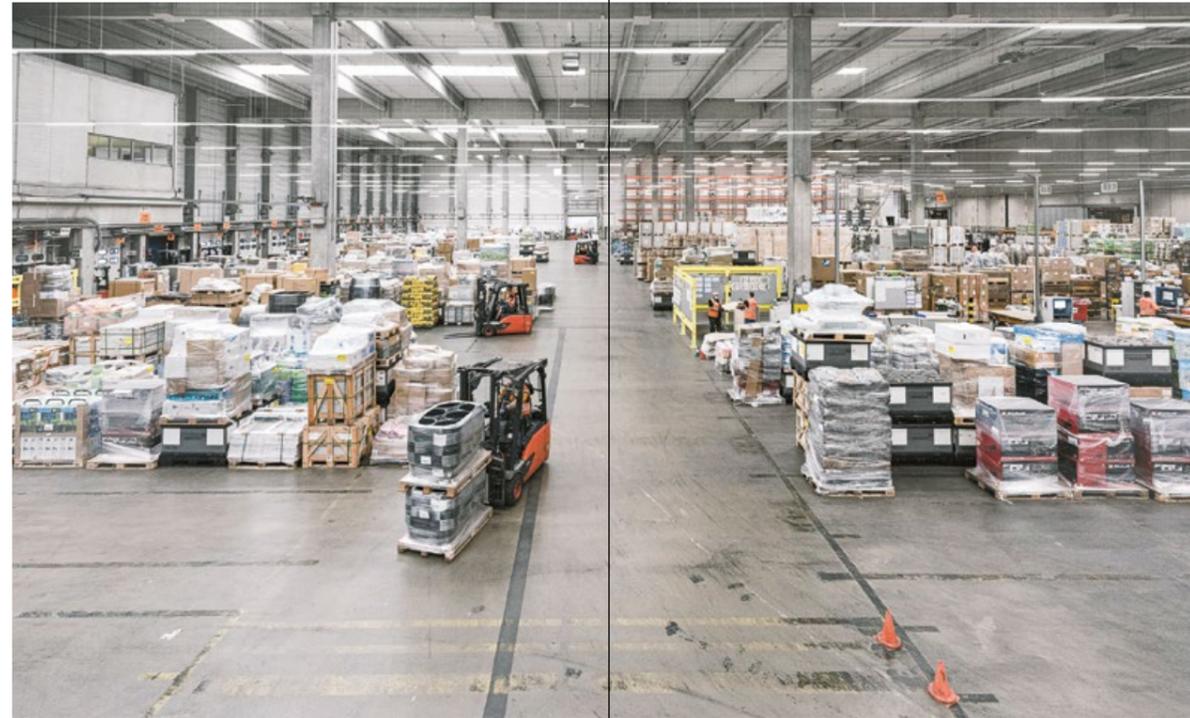
Center: Up to 70 forklift trucks are simultaneously on the go in Vilshofen. They perform a choreography that has been practiced to perfection.

Right: It takes less than a minute to assemble the robust foldable boxes. Not one of them has had to be replaced in three years.

everything that does not fit onto a standard pallet is stored. That saves huge amounts of energy. Not just that, incoming and outgoing goods are in the same section, which means that forklift trucks have only short distances to drive. That saves energy and speeds up goods handling. That is not possible for standard goods. On one side of the hall, deliveries like Andal dock on to have their goods unloaded. On the other side, innumerable pallets are in their designated zones in the outgoing goods section. Each zone stands for a HORNBAACH store supplied from here. Between these zones, electric forklift trucks buzz along well-worn yellow lines on the floor and move the valuable merchandise from left to right. This way, an average of 1,800 pallets change position within the LC each day.

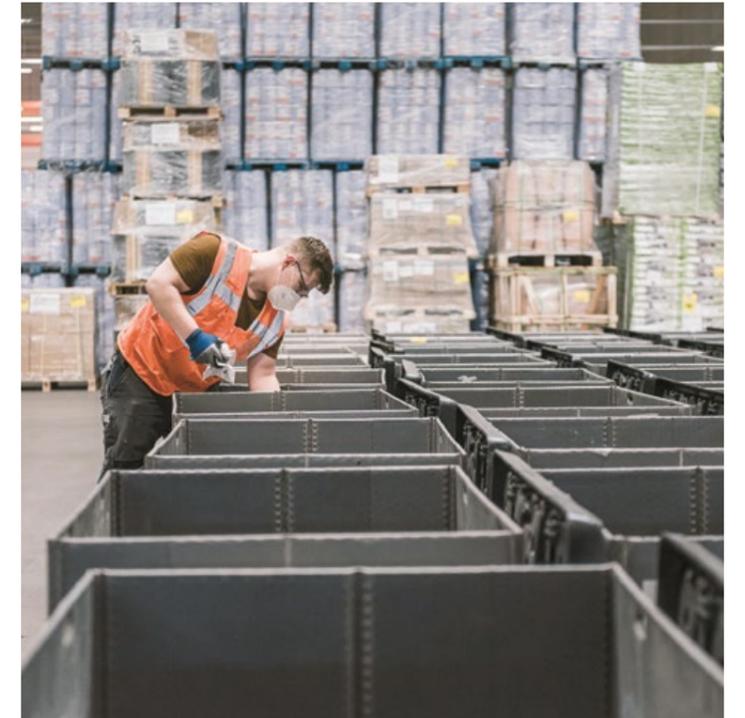
UNPREDICTABILITY IS THE NAME OF THE GAME.

Karl-Heinz Spandl has been Director of LC Vilshofen since 2016. He radiates that sense of calm you notice throughout the center and



among its 145 staff. Spandl used to work in the hectic automotive industry and knows the challenges his team faces. "The trickiest thing for us is planning. We usually only find out at about 1 p.m. what to expect the next day. And that fluctuates enormously", he says critically. "All at once, you can have 50 percent extra volume in the hall. The main thing you need, apart from great organization, is a fantastic team."

That is why the staff constantly change tasks, work in IC, direct mailing, or the regional warehouse. "Cross-qualification is one key to our success", says Spandl with regard to the variety of assignments. "After all, the tasks here are anything but uniform. In the cross-docking section, the goods stay here for two days at most. In the regional warehouse, where whole containers also arrive from overseas, they often stay with us for an entire season." This latter area offers space for 22,000 pallets and is an internal labyrinth of super-shelves. The drivers' cabs of the sci-fi-like forklift trucks soar up six-meter high



shelves. That means the drivers also receive annual abseiling training.

PILE IT HIGH

If you talk sustainability, you think of energy or the environment. At a logistics center, however, you soon realize that the big player is FTL: Full Truck Load. That sounds like heavy metal, and actually is just that. A truck trailer on the road is only sustainable when it is fully loaded. That need not mean packed to the roof. A few heavy pallets with tiles or stones do not occupy much space but, given total truck weight, leave hardly any room for other goods.

The catch is this: Nearly every product has different dimensions, and articles often cannot be piled. Here, the team uses folding boxes, inconspicuous grey boxes that offer half a cubic meter of space for a huge variety of shapes and articles. Put the lid on and they are stackable. When assembled, three boxes can fit on top of each other in a trailer. When

empty and folded, four times as many go in. Then there are pallets that can be turned into practical boxes by attaching wooden frames. Put the lid on and they too are stackable. Remember, it's about FTL.

It is the drink crate principle. On their own, bottles are round, broad at the bottom and narrow at the top, so not really stackable. In a crate, they can easily be stacked on top of each other. "The better we pack each truck, the fewer journeys we need, which makes the whole thing more resource effective and cost



KARL-HEINZ SPANDL
Director of Vilshofen
Logistics Center

"These days, we only use plastic as filling to pack hazardous or sensitive goods. And even for that we will soon be converting to shredded cardboard residue."

efficient”, explains Karl-Heinz Spandl. “We turn 45 incoming loads into 27 outgoing loads just by getting the packing right.” Shifting 55 pallets to make optimal use of the cargo space is like playing Tetris with a forklift truck. It is a real art form.

In the direct mailing center, where goods are sent to customers without detours, there is a machine that can do just that: custom-fit packing. Anyone who has ever had four new batteries delivered to their home in a fridge-size parcel will like this. Using a 3D scanner, the machine measures the articles down to the nearest millimeter and then produces a custom-fit cardboard suit. This way, there is no excess air in the box and no space is wasted. That means more boxes in the truck, fewer trucks on the road. What was it again? FTL.

HIDDEN SUSTAINABILITY

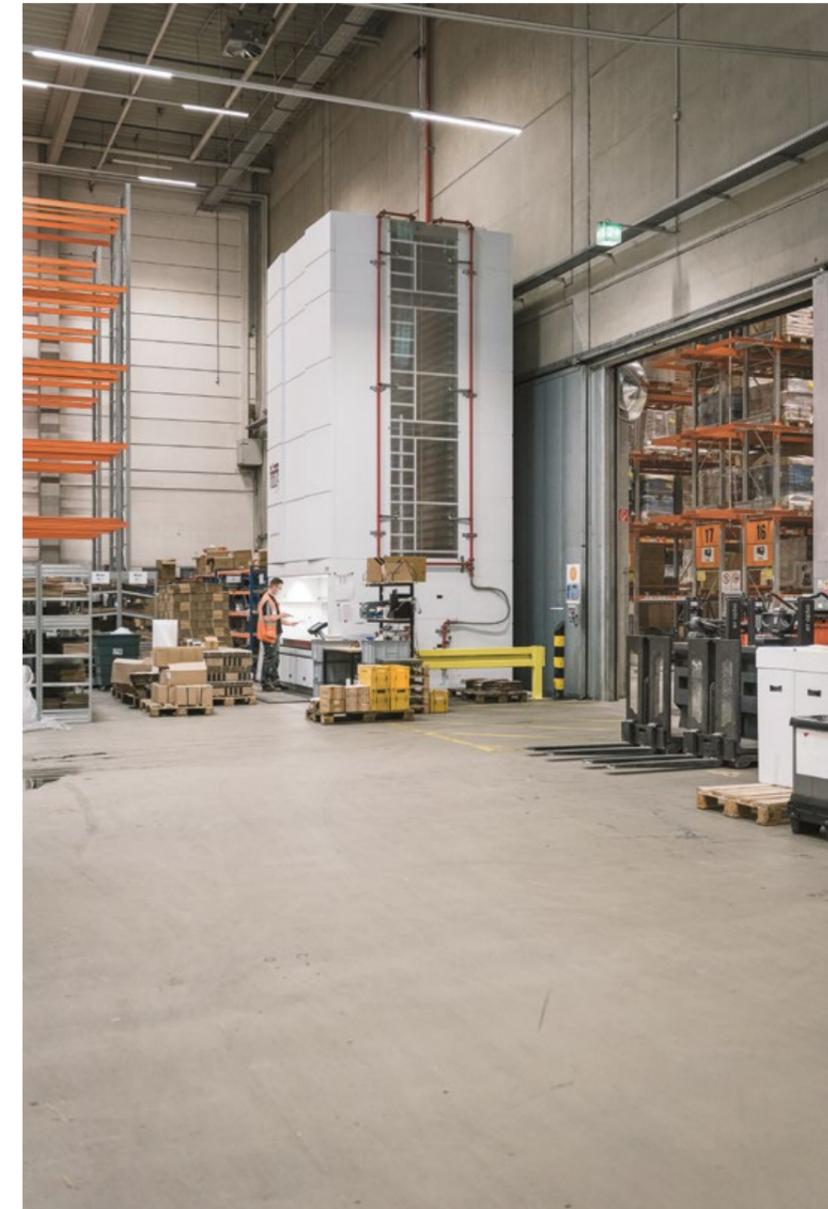
Not every work step shouts SUSTAINABILITY from the rooftops. If you look closely, though, you will find it. Parquet and laminate samples

are bundled up on just a few square meters. A team member collects replacement parts on a huge shelf lift. At the push of a button, the right drawer comes down, one move and the article is ready to send to all nine HORNBAACH regions. That saves space. Above all, it avoids time-consuming treks in safety shoes and painful feet. Spandl and his team send pet food with damaged packaging to the local animal shelter.

So is everything in tip-top shape in Vilshofen? LC Director Karl-Heinz Spandl quickly puts a damper on any euphoria: “We have a long way to go, particular in our supplier development. A project team is looking into how we can get away from cardboard packaging for long and bulky goods as well and find more sustainable reusable solutions. They would also be more stackable.” FTL! ◀◀

Below: Full truck load brought to perfection. Every package just as large as it needs to be.

Opposite: Around 1,000 articles on five square meters. Nine meters high, the shelf lift saves masses of space.



THE HOUSE CALLING CARD



Front gardens: Most people like them to be inviting, friendly, and low-maintenance. They should offer a warm welcome to visitors and cheer up passers-by. And the latest trend is to provide little oases of wellbeing for insects.

Anna Krall, Illustration Tim Linnebach

Most houses and apartment blocks in Europe have a patch of greenery in front. Many of these spaces are lovingly cared for by their owners. After all, they are a calling card for the house. “When it comes to designing front gardens, the trend towards the ‘house tree’, i.e. a tree by which the house can be recognized, has gained ever more traction in recent years”, explains Jutta Hüll. As Group Procurement Director at HORNBAACH, she is also responsible for structuring product ranges at the garden centers. House trees include large specimens, such as plane trees, as well as those that can be kept small and in shape, such as catalpas. Within the front garden, the trees may be surrounded by lawns and shrubbery. “Many people may still be familiar with this design scheme from times past. Back then, they had a bench next to the tree in the front garden so that people could sit and chat quietly with their neighbors in the next front garden”, explains Jutta Hüll. A well-balanced planting scheme, with larger and smaller plants, some of which blooming each season,



can also add color and life to the garden. This design provides insects with plentiful nutrition and habitats. Not only that, the plants enable the ground to absorb rainwater very well and help to regulate the temperature on hot days.

“At HORNBAACH, we have noticed that our customers are become ever more sensitive to the topics of climate change and biodiversity. That is why we would like to help anyone interested in building their own haven for insects”, explains Jutta Hüll. HORNBAACH offers the Floraself quality seal, which guarantees compliance with ecological and social standards in the plant cultivation process. For its Floraself plants, HORNBAACH avoids all use of glyphosates or neonicotinoids harmful to bees. “A lot has changed with our soils and manures as well. With the Floraself Nature product range, our customers can opt for near-natural products of gardener quality”, adds Jutta Hüll. «



THE SOIL

Loamy, sandy, clayey. Soils have a huge range of properties and that is why they always offer advantages and disadvantages for different types of plant. Depending on their needs, gardening enthusiasts will find the soil they need to prepare the ground for their plants at HORNBAACH's gardening centers. What all soils have in common, however, is that they are home to numerous microorganisms such as bacteria and fungi. These are important for humifying and mineralizing the ground. They share this habitat with the larvae of insects, and with mites, woodlice, and earthworms.

THE BEE

Year in year out, bees play an incredibly important role. While gathering their own food, they buzz from flower to flower and pollinate our plants. Without this free natural service, there would be hardly any fruit or vegetables for us humans. That is why it so important that wild bees and honeybees should find sufficient pollen, nectar, and honeydew in our gardens as well. When selecting their plants, customers should focus on unfilled blooms and open pollen goblets. Alongside columbine and lavender, numerous other plants are well suited for this purpose.

THE LITTLE HELPERS

If you choose the right plants, then the little helpers will also make their home in your front garden: ladybirds, hoverflies, and lacewings. Like bees, these beneficial insects also feed on nectar and pollen. Their larvae destroy huge quantities of pests such as greenflies. If the pests gain the upper hand, HORNBAACH is there to help with natural plant protection products, such as the range of little helpers offered by Neudorff.

WATERING

A watering can is a practical tool, particularly when flowerboxes have to be supplied with water. A garden hose can spare us the arduous task of carrying water to flowerbeds. Despite all its attachments and extensions, though, this too can reach its limits. Hoses for droplet irrigation have been a popular trend for several years now. These are permanently installed in the beds and provide the plant with the water it needs close to its roots. Further assistance is provided by an irrigation computer, which communicates wirelessly with an earth moisture measurement device. And the non plus ultra is smart garden irrigation via app or voice command. This supplies the plants with the right amount of water either automatically or on an ad-hoc basis whenever needed, thus minimizing any waste.

THE PLANT

Plants in all their different colors and shapes bring life to the garden. They look good and are a source of nutrition to insects. When it comes to plants, though, one key focus for HORNBAACH is on near-natural breeding and cultivation. The Floraself quality seal guarantees that the plants were produced in line with strict environmental and social standards. Compliance is checked by recognized certification systems such as Global G.A.P., Swiss Gap, or MPS.

The Floraself quality seal offers guidance and security to HORNBAACH's customers. All HORNBAACH plants have to be of flawless gardener quality, i.e. of superior value. Not only that, in its own requirements HORNBAACH goes one step further than required by the certification systems: No plant protection agents harmful to bees or containing contentious neonicotinoids may be used to cultivate the Floraself plants.

THE BUTTERFLY

As far as visitors to the garden go, butterflies are more demanding than bees. However, for butterflies as well unfilled blossoms are more productive than filled ones. During the summer, butterflies mostly have no difficulty in finding plentiful nutrition. That is slightly trickier in the spring and fall, although alyssums and aubrietias are very well suited for the spring, as are coneflowers and stonycrops at the end of the gardening season.

THE FERTILIZERS

Plants too benefit from a well-balanced diet. Substances such as potassium, calcium, magnesium, and sulfur are essential nutrients that should never be lacking. If any of these is missing, the plant is hindered in its development and in the worst case may even die. Floraself Nature offers a large selection of near-natural fertilizers which promote the growth and resilience of the plants in your garden. Having said that, simple household remedies, such as coffee residues, water from boiled potatoes, or nettle brew, also provide important nutrients for potted and garden plants.



CONTAMINANT-FREE SURROUNDINGS

THE DISCOVERY OF HEALTHY LIVING

In recent months, the coronavirus pandemic and resultant lockdowns, home office requirements, and stay-at-home messages obliged us to spend most of our time each day in our own four walls. This withdrawal into our private surroundings stimulated our appetite for home improvement and DIY. It also changed our perspective and our relationship to our homes. That is not so much about cozy trends, such as hygge and cocooning, but rather about the fundamental question: What do I need to make me feel well and safe? The health-related aspects of our living space play an important role here.

Vanessa Herget

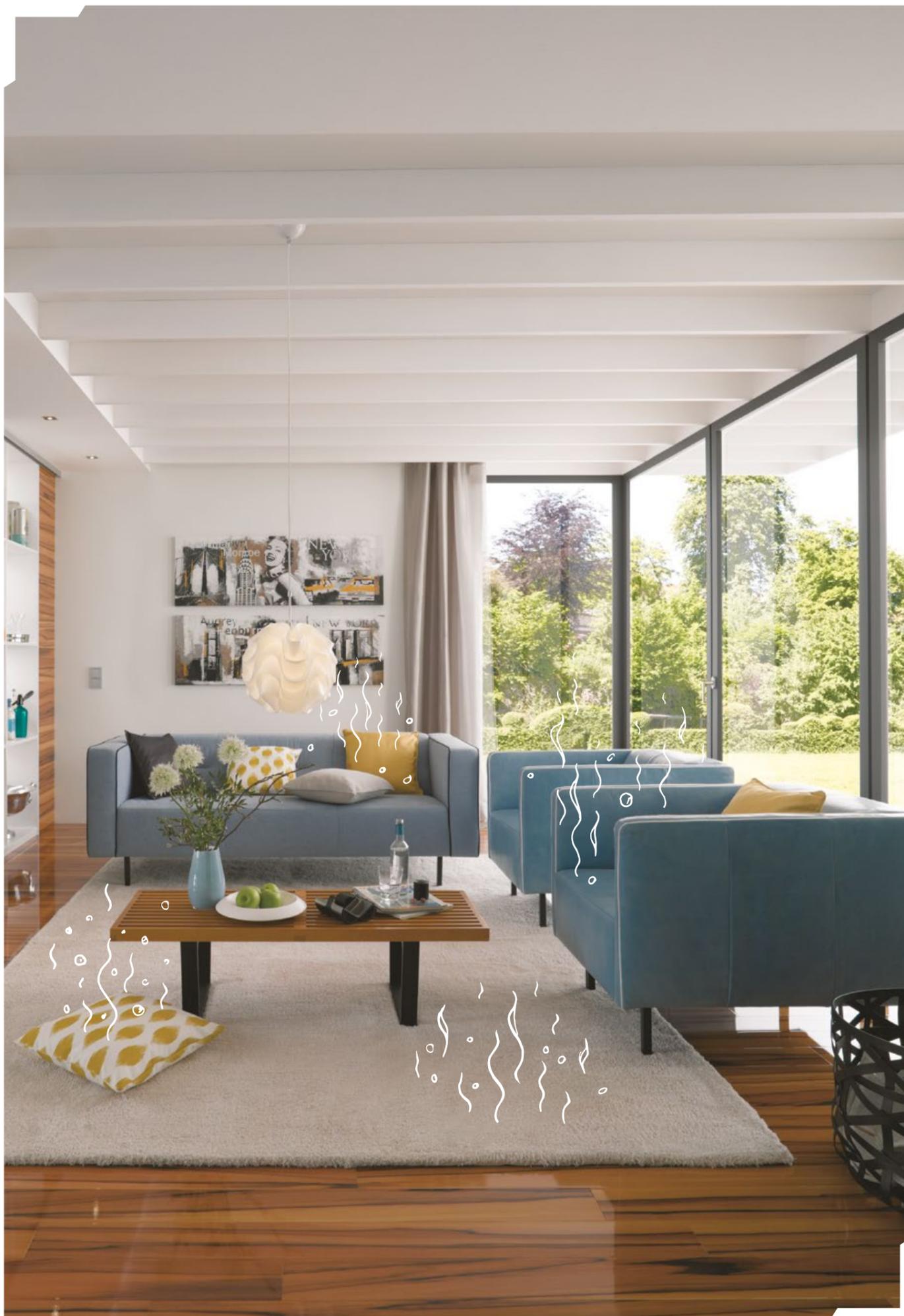
Most people spend most of their day indoors. However, we do not always feel equally comfortable everywhere. A whole number of factors influence our sense of wellbeing in a given space, enhance it or, conversely, can even make us sick. Symptoms such as headaches, nausea, allergies, and concentration problems are not uncommon. These are avoidable if you know what to look for.

The commonest cause of physical complaints and discomfort in a room is contaminants in the air. These can have health implications if they remain in the ambient air for extended periods. "In general, all materials emit substances, whether they be resins from timber or scents from ethereal oils. That is quite natural and in itself not worth worrying about", explains Andreas Back, Head of Quality Management and Environment at HORNBACH Baumarkt AG. "It only becomes relevant when you factor the air exchange rate into the equation." Thanks to improved insulation and airtight windows, this exchange rate has

fallen drastically in many rooms in recent years. "If harmful substances can no longer be removed from the air in sufficient quantities, then that increases the risk of allergies or illness", he adds.

WHEN MY OWN FOUR WALLS MAKE ME SICK

The list of potential sources of harmful substances is long and scary. Alongside physical contaminants, such as noise, damp, and electric smog, there are also biological and chemical contaminants. Biological contaminants include dust mites, mold, and bacteria. While dust mites are mainly a problem for people with allergies, an infestation with mold is harmful for everyone. It grows in damp and poorly ventilated areas and is mostly not visible to the naked eye. Chemical contaminants are often contained in construction materials, fittings, and furniture in the room. In the worst cases, these include asbestos, pesticides such as pentachlorophenol (PCP), and volatile organic com-





Above: Before renovating or building, you should take a good look at the product characteristics of the materials to be used.

Opposite: These days, there is a whole range of paints and plasters for which healthy living aspects play a key role.

Previous page: Contaminants are not always recognizable at first sight. That is why they pose such a risk for our health.

pounds (VOC) that may be present in glues, paints, and flooring. The ways in which people react to these contaminants vary widely from person to person, as does the severity of such reactions.

SO WHEN DOES A ROOM COUNT AS HEALTHY?

Put simply, a room is healthy when contaminant emissions can be reduced as far as possible. We recall that air quality and the air exchange rate have a key role to play. Regular ventilation replaces contaminants such as carbon dioxide (CO₂) and other vapors from varnishes, furniture, and objects with fresh, oxygen-rich air. Not only that, ventilation also regulates the humidity in the room. Plants can assist in improving air quality by effectively transforming carbon dioxide into oxygen, filtering some harmful substances out of the air, and enriching the air with humidity. Their leaves also make for pleasant acoustics in the room.

Having said that, whether we feel comfortable in a room or not does not just depend on the contaminant load. Lighting, colors, and acoustics also promote our sense of wellbeing and relaxation – and these factors now count as key aspects in any holistic consideration of our health.

IF IT IS GOOD FOR THE ENVIRONMENT, IS IT ALSO GOOD FOR ME?

Sustainability trends have been with us for some years now and are particularly relevant to building and renovation work. Consumers are attaching greater importance to products that are manufactured and can be disposed of in environmentally friendly ways. Building clients are relying on natural materials and regenerative resources. Alongside sustainability factors, health is also increasingly in focus. According to the OTTO Trend Study on Ethical Consumption 2020, 72 percent of German consumers see a sustainable lifestyle as being key to their own health. But are natural or



uses biomass to produce the binder. That is a more sustainable option for us. It's the same with the pot in which the natural white is sold, which is made of recycled plastic (recyclate)."

A MATTER OF PERSPECTIVE

Health consciousness and environmental awareness are by no means mutually exclusive. "Our experience during the pandemic shows us that our individual wellbeing is intrinsically linked to our surroundings – and therefore cannot be viewed separately from the health of our planet as a whole". That is how Corinna Mülhausen, a trend and future researcher, summarizes this state of affairs in a health study recently published by the Zukunftsinstitut think tank. That is a reassuring outlook – both for our own health and for our climate. ◀

TIPS FOR HEALTHY LIVING SPACE

sustainable products always the best choice when it comes to health in your own four walls? Put simply, the honest answer to that question is "yes and no". Ecological and sustainable products do not automatically make for healthy living. And healthy living is not always ecological and sustainable. People can develop allergies to the contents of natural materials, while ecologically produced wallpapers are not immune to mold. Despite this, the assumption that ecological and natural products have a lower overall share of contaminants cannot simply be dismissed out of hand.

Healthy living and sustainability can certainly go hand in hand, as is shown by Hornbach's natural white paint, to take just one example. This paint, which was specially developed for people with sensitive health and allergies, is free of all irritants, solvents, and preservatives and is therefore labeled "suitable for healthy living". Since the summer, this healthy living paint has also been available with additional sustainable benefits. "Unlike traditional binders based on crude oil, the binder used to manufacture this paint comes from regenerative resources", explains Carola Weise, the manager responsible for this private label product. "BASF has developed a procedure which

- Make sure that the construction and other materials used are healthy, avoid all materials that contain unsafe biological or toxic substances.
- Select natural plant-based paints, glues, and varnishes with no solvents and a low share of volatile organic compounds (VOCs).
- Cork flooring, parquet, environmentally compatible vinyl, or carpet made of recycled material – a huge range of ecological flooring is suitable for healthy living.
- Certificates confirming low emissions or other positive article features offer guidance to customers when they look for healthy living products. The best-known certificates in Germany are "Blauer Engel" and the "eco-INSTITUT" certificate widely used at HORNBACH.
- Fine-tune your room acoustics with curtains, carpets made of natural fibers, and cushions.
- Integrate "healthy living" plants into your living space to improve air quality and acoustics.
- Ensure adequate and effective ventilation.
- Provide as much natural light as possible.

RECYCLING
DEMOLITION WASTE

VALUABLE OR TOXIC

Construction waste accounts for a large part of all waste. However, much of it can be recycled and reused, providing it is properly separated at the building site. Legislative initiatives on European level might lend fresh momentum to recycling construction materials in future. Anne Spies

Anyone who buys or inherits an old house faces a tough decision: Is it worth renovating or is the property ready for the wrecking ball? Linda and Ralf Schmidt also asked themselves this question. Their house in Knittelsheim in Rhineland-Palatinate was built by Ralf's grandfather in 1955. As a joiner, he knew what he was doing and clearly built something solid. "The building fabric is in good shape, so demolition was never really an option", explains Ralf Schmidt. However, the insulation and heating system have to be fully renewed, and a wall has to be moved. The roof was actually alright, but its beams no longer met German DIN standards. It too has to be replaced from scratch. Just like Ralf's grandfather back then, the Schmidts decide to do it themselves. In November 2020, they start with the demolition work. Wallpaper, wood paneling, interior walls, the old Styrofoam and straw mat insulation, glass wool in the roof – it all has to go. The driveway to the house is blocked by three pink containers. Two are for rubble, one of which is already quite full with concrete blocks and mortar, and behind them another container for residual waste. Propped against the wall of the house is a pile of old heating pipes and other metal waste, which are regularly collected by the local scrap merchant. Two containers with timber have already been collected. There will be a few more before the renovation is over.

231 MILLION TONNES OF WASTE

As a matter of fact, construction and demolition account for more than half of all waste volumes in Germany. According to the Federal Statistical Office, around 231 million tonnes of such waste were incurred in 2019, 2.7 tonnes per head of the population. At 58 percent, the largest share involves floors and stones that mainly come from new buildings. These are followed by building rubble, at around 27 percent, then broken-up road materials, and other building site waste. The good news is this: Most material, in fact 87 percent, is reused. For this to work, the waste has to be separated properly. If in doubt, the container service is glad to advise customers. The pink containers in front of Linda and Ralf Schmidt's house belong to Michael Kuhn, whose company is based in the neighboring town of Bellheim. Most of his business is with commercial customers, but private construction clients in South Palatinate can also draw on his services. He currently has around 200 containers in use.

"For customers, the cost factor alone makes it worth their while to take waste separation seriously", explains Michael Kuhn. After all, it costs several times more to dispose of residual waste than of rubble that can be reprocessed and reused as a construction material. Michael Kuhn himself

WASTE TYPES

Excavated soil generally consists of natural materials such as soil, sand and stones and is used to fill gravel pits or quarries, and in landfill construction.

Mixed construction waste All waste that cannot be separated clearly counts as mixed construction waste, e.g. wallpapers, windows, wood residues, insulation materials, sheetrock, pipes, cables, and packaging. These materials cannot be treated and are sent for incineration.

Lightweight construction material and gypsum Lightweight construction materials that were mostly used in interior fittings, such as aerated concrete (Ytong), pumice stone, and gypsum, are collected separately and, if clearly separated, can be reused as raw materials for the production of gypsum products.

Timber Untreated demolition timber can be collected separately and is suitable for use in the production of new chipboards. Wood that is coated or covered is generally used as a fuel at power plants. Waste timber that is proofed or painted with preservers counts as hazardous waste and is dealt with as special waste.

Rubble includes all mineral waste and construction materials, such as concrete, bricks, natural stone, tiles, bathroom ceramics, or roof tiles. Rubble is mostly recycled and reused mainly in road construction.

Waste metal If clearly separated, waste metal such as pipes, cables, radiators, fittings, steel girders, or rain gutters can generally be melted down in full and without any loss of quality and then turned into new products.

Right: Roof tiles, mostly made of clay or concrete, go in the rubble container.

Previous page: Linda and Ralf Schmidt do part of the demolition under their own steam.



has fenced the yard of his container service with gabions made of rubble. “That is more ecological and cheaper than hauling in natural stone from far away. Not only that, the mix of materials gives it an interesting look”, he adds. Unless it has been treated or painted, old timber can be reprocessed into new chipboards for the furniture industry, which means it can be disposed of cheaply. Metal waste is even so valuable that clients are paid for it if they can deliver sufficient quantities. It goes without saying that the most sustainable approach of all is to use the old construction material directly yourself. Linda and Ralf Schmidt, for example, kept part of the wood paneling and beams and used them to build a garden shelter. And they can use the rest of the timber for heating.

MERCIFULLY NO ASBESTOS

Alongside all kinds of rubble, timber, scrap metal, and residual waste, many construction and renovation projects also involve hazardous waste. One particularly feared material is asbestos. In old houses built before the ban in 1993, asbestos can be found in the facades and not infrequently in roof panels, flooring, or gaskets. The Schmidts too were not quite sure at first whether the grey-greenish coloring on the floor was a sign of asbestos. With the help of an asbestos test kit, they took a sample and sent it to a specialist laboratory. A few days later, they were relieved to receive the all-clear. A further challenge in their renovation project was the old glass wool used to insulate the roof. Even if it does not contain asbestos, this too counts as spe-

cial waste and has to be disposed of separately. To make sure they do not inhale anything and avoid all skin contact when removing the material, the Schmidts wear whole-body protection suits, respirators, and safety glasses. It is true that glass wool is still often used for insulation in modern buildings, but these days it is processed in such a way that it no longer counts as harmful to people’s health. Not only that, there are now also products that are 100-percent recyclable (see: “The Glass Wool Story”).

THE RUBBLE STORY

All in all, over the past six months the Schmidts have filled nine containers with rubble, timber, and residual waste, as well as five big bags with glass wool. They still need to remove the roof and move the wall. These jobs are mainly expected to result in timber and rubble. But what exactly happens with their demolition waste? Whenever Michael Kuhn collects a full container from the building site, he first parks it in his yard. Residual waste containers have to be sorted there by hand. “In many cases, they still contain recyclable materials such as paper, foil, or timber”, he explains. Rubble and timber containers on the other hand are normally just set down briefly, checked for incorrect sorting, and then sent straight to the recycler. Building rubble, for example, goes to the construction material recycling plant in nearby Germersheim. There, the containers are first weighed. That is because the container service also has to pay a charge for rubble disposal. Finally, the stones and bricks land on one of the enormous rubble

mounds. To prepare it for processing, the material is first separated and pre-crushed, then ground in a crusher plant. Metal and other foreign bodies are weeded out as far as possible. The resultant recycling gravel is mostly used in road construction, as well as to build foundations and walls. According to the Federal Association of Construction Materials – Stones and Soil, recycled construction materials cover around twelve percent of demand for aggregates.

RECYCLING BOOM IN EUROPE?

There are also increasing efforts to use treated rubble in concrete production, which would enable new houses to be built. This would turn the process into a closed cycle. In Switzerland, recycling-based concrete already accounts for around 15 percent of concrete requirements. In Germany and many other EU states, by contrast, recycled concrete is not so widespread to date and does not have a good reputation. That could change in future. The European Commission has identified construction as one of the key sectors as it aims to achieve a carbon-neutral, ecologically sustainable, and contaminant-free circular economy. Setting targets for recycling materials from building and demolition waste is intended to help the EU to meet its climate targets by 2050, as are fixed recycling shares for specified construction products. By then, however, a lot still needs to be done. Across all EU states, the recycling ratio for rubble is estimated at just 40 percent. The European Construction Industry Federation (FIEC) points out that not all member states have sufficiently dense networks of recycling plants. Consultants at Roland Berger sense huge business opportunities here and have forecast growth potential of 33 percent a year for circular business models in the European construction industry, with volumes set to rise to more than Euro 240 billion by 2025. The majority of this market is expected to involve the production of renewable and recycled construction materials. ◀



Top: The old glass wool in the roof has to be disposed of as special waste. **Center:** The container service dumps the rubble at the recycling plant. **Bottom:** Untreated old timber can be used to make new chipboards.

VOLUNTARY WORK

RETIRED IN NAME ONLY

How former HORNBACH employees still contribute to society together with the company even as pensioners – two shining examples. Tilman Sanner

COMMITTED TO REMEMBRANCE

Dr. Ursula Dauth was HORNBACH's Group Press Spokeswoman for nearly 15 years. As a pensioner, she maintains her link to the company via a voluntary position.

The further those events drift into the past and the fewer surviving witnesses are around to tell their tale, then the more important remembrance becomes", explains Dr. Ursula Dauth, former Group Press Spokesperson of HORNBACH and board member at the "Memorial Center for the Victims of the Nazi Regime in Neustadt" association. Ursula Dauth was responsible for press and PR at HORNBACH's headquarters for 14 years. She too has been "retired in name only" for around seven years now.

Her voluntary work on behalf of the memorial center is just one of several activities that still connect Ursula Dauth with her former employer in her retirement. After all, the memorial center is located in a prison building on the site of the former Turenne Barracks which, since the group acquired the site, have been known as Le Quartier HORNBACH. At these barracks, the national socialists acted early in 1933 to establish a concentration camp at which they persecuted and intimidated their political opponents. Almost 500 men from more than 80 districts in the Palatinate region were imprisoned and maltreated here.

When the association to build a memorial center was founded in 2009, Ursula Dauth represented HORNBACH from the very outset. She never considered standing down from this commitment when she retired. "That is important to me personally as well", she explains. As well as commemorating the victims of national socialism, the tasks performed by the memorial center include promoting democracy in an extracurricular context and historical research. A cooperation is in place with the University of Mainz, for example, whose students visit the memorial center to perform research. As Neustadt was also the base of the Nazis' regional administration and Gestapo, a wealth of historical files is available. These files, which survived the end of the war and are now stored in the State Archive in Speyer, make it possible to research the fates of the

men imprisoned in Neustadt. Qualified tours are available free of charge to individual visitors, groups, and schools. Although the pandemic significantly reduced visitor totals last year, nearly 1,000 people nevertheless visited the memorial center. The association has 186 members. Alongside committed individuals, these include 29 towns, municipalities, churches, companies, and other organizations. The towns that are members of the association chiefly include those from where particularly numerous prisoners came, such as Neustadt, Kaiserslautern, Pirmasens, and Speyer. The memorial center is financed by state grants and membership fees.

As well as discharging her duties on the board, Ursula Dauth also plays an active part in designing the program for the memorial center. "In that role, I have often met people who particularly moved me", she relates. One such encounter is with Friedrich Wilhelm von Hase, a contemporary witness whom she invited for a reading at the center. As the seven year-old son of Paul von Hase, one of Hitler's would-be assassins in 1944, he became a victim of the revenge taken by Nazi regime. Like all children of the assassins, Friedrich Wilhelm von Hase was put into a children's home where his origins were to be wiped out.

Her commitment to remembrance is by no means the only activity which still connects Ursula Dauth with HORNBACH during her nominal retirement. She has been a board member of the HORNBACH Foundation "People in Need" since its foundation in 2002, wrote a book – "The HORNBACH Project" – in 2018, and looks after the company's archive. When it is time to "step back" a little, she enjoys traveling to her house in the mountains in Austria. Even there, Ursula Dauth is still an active home improvement enthusiast together with her husband. "We are good customers at the HORNBACH store in Hohenems", she says. After all, there is always something to do.



Above: Dr. Ursula Dauth (left) in conversation with a staff member at the “Memorial Center for the Victims of the Nazi Regime in Neustadt” association.

Opposite: Henk Bakker (2nd from left) at work with the HORNBAChhelpt Foundation. Here, an old school building close to Rotterdam was converted in 2019 into a facility for young people living with mental disabilities.

Previous page: Dr. Ursula Dauth at the Memorial Center. Formerly HORNBACh’s Group Press Spokeswoman, she has been involved with the center for more than ten years.

DIY FOR A GOOD CAUSE

Henk Bakker was HORNBACh’s head of procurement for the Netherlands. In his “nominal retirement”, he is dedicating his time to the HORNBAChhelpt foundation.

“I’ll be right with you, I just need to take my work gloves off”, says Henk Bakker (72) when he answers the telephone to give his interview for this article. The Dutchman spent all his working life in the DIY sector, of which 16 years at HORNBACh, most of which as head of procurement for the Netherlands. And

he has always been a passionate DIY enthusiast outside work as well. His latest project is to build a new parking space for his trailer. For several years now, Henk Bakker has had more time for his hobby. He entered “retirement in name only” at the age of 65, but still maintains close links to his former employer. “I was a HORNBACh man and am still a HORNBACh man”, he explains. Around three years ago, he was approached by former colleagues who asked him to join the board of the HORNBAChhelpt foundation. Now the only pensioner on the board, he is one of the few members able to contribute technical expertise to its activities.

The Dutch foundation HORNBAChhelpt focuses above all on supporting social organizations, clubs, and initiatives with their DIY



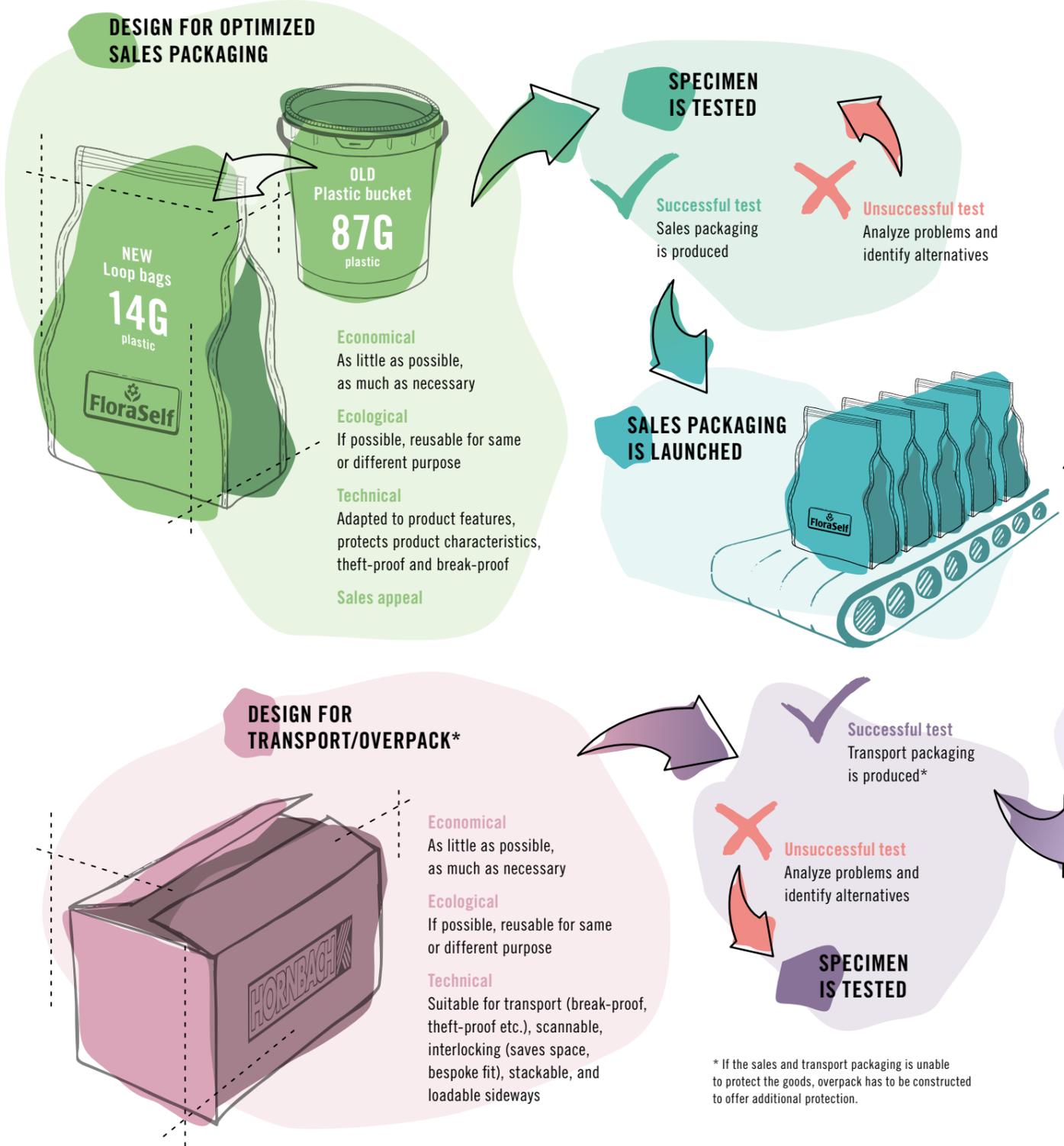
and gardening projects by offering advice, materials, and voluntary work assignments by HORNBACh staff. The idea is for each store in the Netherlands to support one project in its region each quarter. Twice a year, the foundation also promotes a nationwide project. Its work is mainly financed by HORNBACh and further donations. The work performed by HORNBAChhelpt also contributes greatly to HORNBACh’s good reputation in the Netherlands, says Bakker. The projects implemented range from installing a new kitchen at a football club to renovating a pet zoo and improving the garden at a care home. During the coronavirus pandemic, however, work assignments were long impossible. “So we provided financial support instead”, Bakker relates.

The pensioner’s commitment is by no means limited to his work on the board; he also still gets actively involved in the projects. He particularly remembers one project close to Rotterdam, not far from where he lives, in 2019.

There, an old school building was converted into a residence for young people living with mental disabilities. With assistance from HORNBAChhelpt, the former schoolyard was transformed into a green garden oasis. “That turned out so beautiful, people were happy, it was fantastic”, he recalls.

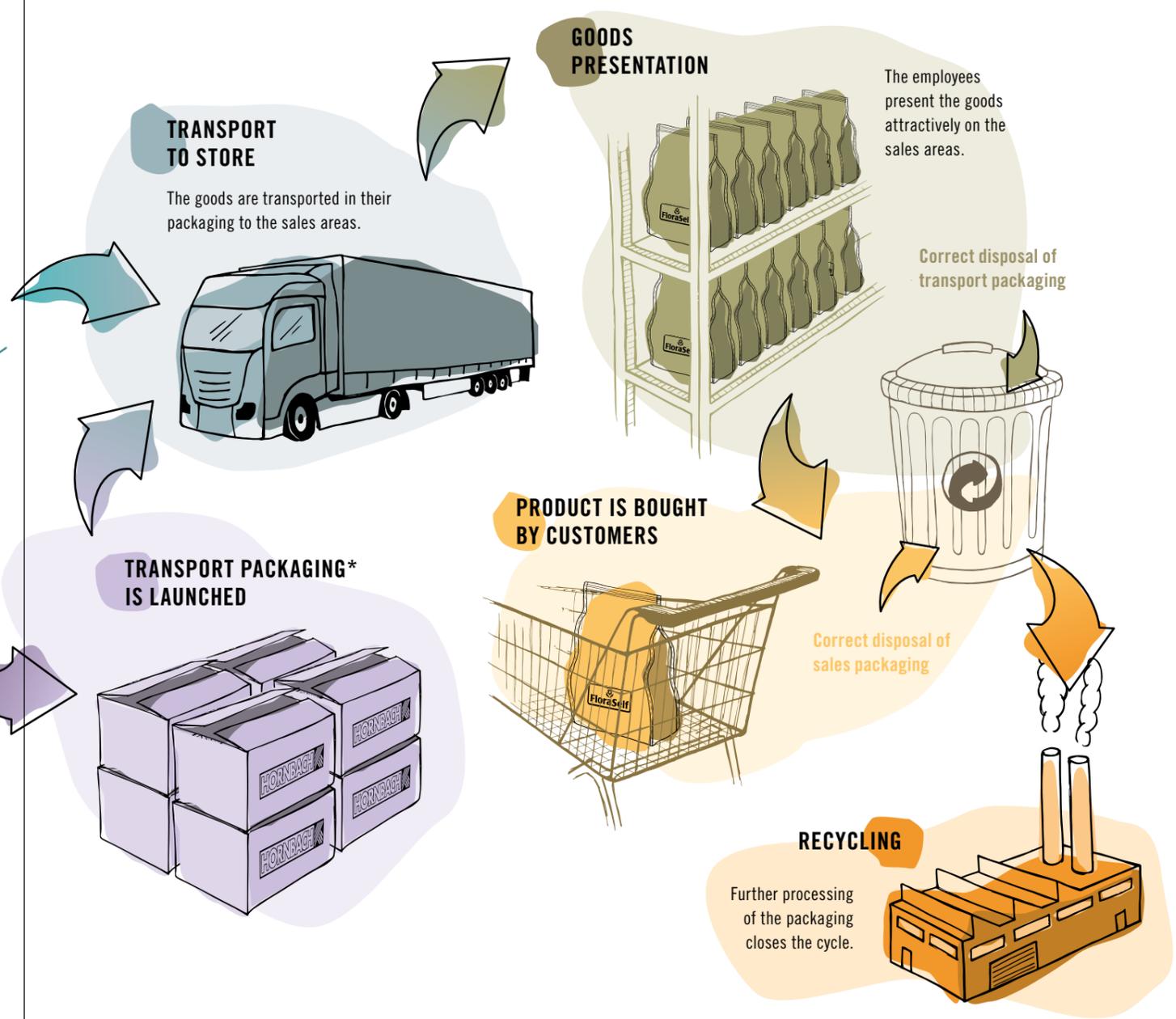
Back at home, Bakker plans to remain a pensioner in name only. “Since retiring, I’ve spent virtually every day working on one project or another”. He has expanded his mobile home into a small holiday home, with a spruced-up kitchen, furniture he himself installed, and new laminate flooring. At times, the pensioner heads for his local HORNBACh store at least once a week. His former colleagues have already shaken their heads and asked him: “You still here every day?” “Yes”, he replies with a wink. After all, he has to make up for the time lost due to the pandemic. ◀

THE PACKAGING STORY



It's everywhere you look and mostly a snug fit: packaging. It dominates our day-to-day shopping. Can we do without it? Not really. Goods have to be stored and protected as well as possible as they head from manufacturers to customers. After all, they often have to survive long journeys unscathed and then be presented attractively for sale. Packaging can do all of this. The materials from which it is made vary widely. Whether it is made of glass, plastic, cardboard/paper, steel, aluminum, or even wood depends on numerous factors. Packaging is constantly being adapted, or even redesigned from scratch,

to meet new logistical, technical, economic, and ever more important ecological requirements. There is a permanent tension that has to be managed between economic and ecological aspects. Alongside these factors, though, the way ahead is also being shaped by bans on plastics and CO2 taxes. Retailers and manufacturers alike are on the lookout for new and sustainable alternatives. Not all consumers are necessarily willing to pay more for these. That makes constructing alternative packaging a highly complex and time-consuming process, as can be seen in the example presented here:



THE GLASS WOOL STORY

ALREADY THROWN OUT THE WASTE GLASS?

Glass wool is one of the most commonly used insulation materials in house construction. This material, which is traditionally yellow and looks like cotton wool, provides good heat and sound insulation and protects against fire. It also has a convincing sustainability profile. That is because recycling glass offers a resource-effective way of manufacturing glass wool. ISOVER, Germany's oldest insulation brand, has been manufacturing glass wool this way for more than 30 years. We take a closer look. Emily Süß

Glass is our most important raw material", explains Alexander Geissels, Head of Marketing and Communication at ISOVER, which is part of the global French Saint-Gobain Group. Since the 1990s, the manufacturer has integrated waste glass into its glass wool production. HORNBACH has sold the end product at its locations since 1983. Traditionally, glass wool has been manufactured using sand. To reduce the amount of quarrying and its own sand consumption, ISOVER increased its use of recycled glass. Today, this accounts for up to 80% of the glass wool. Put differently: One roll of ISOVER glass wool contains the shards of at least 20 normal-sized wine bottles.

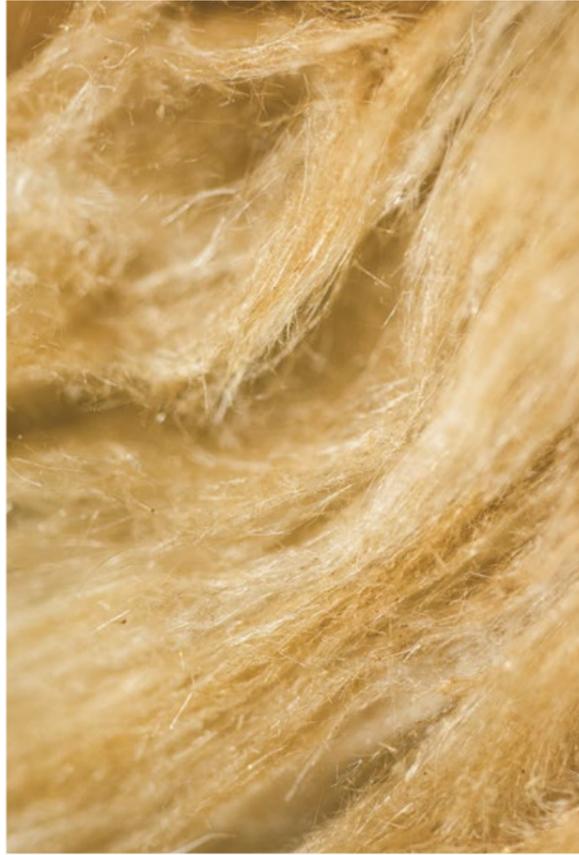
ISOVER began by procuring the industrial glass waste it uses in its production from affiliate companies, until enhancements in their own efficiency meant that ever less waste was available. To solve this problem, ISOVER turned to a source where the raw material is certainly not in short supply: public glass containers, which offer a more or less endless stock of waste glass. "For around ten years now, we have also used household glass in our production. We depend on the bottles from the containers being correctly sorted so that the materials are pure. Given the advances

made in the recycling business over the past decade, that can now be ensured", relates Geissels. "We need pure materials, as any impurities, such as metal inserts in the bottles, could hinder and disrupt our production." Some 95% of the materials from which ISOVER glass wool is made are natural mineral resources. Alongside the large share of glass, quartz sand, lime, soda, and iron ore are also added during production. The remaining 5% involves a binding agent to bond the wool. Given its moisture resistance, this has to be included to make sure the product is not limited in its utility and to make it durable.

MASTER OF THE SHARDS

Piles of window, car, and façade glass tower three meters high in the shard yard at ISOVER's plant in Speyer, Rhineland-Palatinate. Each pile of fragments weighs around 1,000 tonnes. Large container trucks that would otherwise transport excavated earth or gravel arrive each day. Their cargo is the valuable raw material of glass that has already been prepared for recycling by the disposal companies. "There are good and bad shards. The perfect shard has a certain size, is flat, not mirrored, and not sharp like when glass breaks, but rather like a small crumb", explains





Jens Kaufmann, who is responsible for the glass used to make glass wool, otherwise known as “master of the shards”. “I know the chemical composition and, based on the types and quantities of shard available, can calculate a recipe for our glass. It’s a bit like baking a cake”, he says and laughs.

THE PRODUCTION STEPS: FROM RAW MATERIAL TO INSULATION MATERIAL

Of the waste glass delivered, around 70% to 80% is suitable for use. A bulldozer transports this to the production site, the batching house. On a conveyor belt, the waste glass is mixed with the natural resources of sand and lime and then forms the base material for manufacturing glass wool. This mixture is placed in a large oven, the melting tank, and melted at temperatures of between 1,300 and 1,600 degrees Celsius. Recycled glass melts at lower temperatures than other materials. Increasing the use of recycled glass has therefore also reduced the energy used by the melting oven and the resultant CO₂ emissions. In

the next step, the lava-like mass is put through the “centrifugal drawing process”, in which the molten liquid is spun by centrifugal rings into fibers. That is made possible by numerous small holes in the centrifugal ring, which press the hot molten liquid out in numerous small threads when the ring spins at high speed. Small volumes of binding agent are added to the fibers. This gives the insulation material the right form and its mechanical properties. The resultant glass wool, which now looks like soft cotton wool, is placed onto the conveyor belt that passes through the tunnel kiln. Here, the liquid binding agent hardens, ensures its adhesion, and lends the glass wool its typical color. After this, the glass wool is cut into the desired size and shape, resulting in felts or boards. The leftover cuttings are returned to production. This recycling on location ensures that no waste arises in the production process.

Finally, the longitudinally cut felt is packaged as a roll on the rolling plant. The rolls and sheets are turned into bulk packs and prepared for transport, placed on pallets, and packed in PE foil. This weather-proof packaging to protect



the glass wool during transport is important. That is because contact with water increases the heat conductivity of the insulation material and thus reduces its insulation capacity. Most ISOVER products can be compressed to a tenth of their volume, packed, and transported in a space-saving way. Trucks transport the pallets to HORNBAACH’s various outlets, where customers can take the rolls and packages from the shelves or opt for a HORNBAACH delivery service.

WASTE-FREE & 100% RECYCLABLE

Users do not need any additional materials to install the glass wool. ISOVER clamping felts are designed to be fitted between rafters without any mountings. The rolls can be combined with each other without waste and leftover rolls can be returned to HORNBAACH.

Unavoidable cuttings can be used as fillers for corners and cavities. This creates heat bridges while avoiding the need for disposal. Over its customary 50-year lifetime, a typical ISOVER insulation product made of glass wool can save up to three hundred times the energy and CO₂ emissions incurred to manufacture and transport the product. What when the insulation product reaches the end of its life-cycle? ISOVER glass wool does not become waste, but can rather be treated and returned in well-dosed form to the production cycle. This recycling is only possible with single-origin ISOVER products of the current generation. At present, ISOVER is able to accept only a limited volume of waste, but is working to expand its glass wool return system. There is one contribution we can all make: we can keep taking our waste glass to the container! ◀

Top: The glass wool story: a production cycle in which no waste arises.

Opposite: Close-up of the glass wool end product.

Previous page: A glistening gem: valuable old glass from a container. By the time the shards reach ISOVER, they have already been cleaned and crushed.

CONFLICTS AND THE FUTURE

"WE NEED TO ARGUE"

To be sustainable and innovative, companies must be willing to debate all the options, and that as often as it takes.

We talk to Karsten Kühn and Reinhard Sprenger.

Stefan Wolf, Meike Silaghi and Lea Scharf

WHAT MAKES CONFLICTS SO IMPORTANT IN COMPANIES?

Reinhard Sprenger: Conflicts are even crucial to a company's survival. They are what drives its progress and success, they create energy and determination. And they are a sign that there are common goals and shared interests. Regrettably, many companies have yet to realize that conflicts are not there to be resolved, but rather to be maintained. Different people look at and evaluate the same issue differently, and that is the lifeblood of companies. It gives rise to conflicts. That is absolutely normal and highly productive, as long as those involved do not lose sight of what they have in common, namely the desire to make a difference for customers and satisfy their needs.

WHEN DO CONFLICTS IN THE COMPANY BECOME A DISRUPTIVE FORCE?

Reinhard Sprenger: When they are not rooted in customers' perspectives. If the conflicting parties have only their own egoistic interests in mind, then that ties up unnecessary energy. That happens above all when companies are growing and departments develop their own internal logic that circles around their own interests. Rather than keeping focused on solving customers' problems, they develop a life of their own. An open-minded 'We can do it this way or that' can quickly turn into a typical 'This is the only way to do it', which is then repackaged as a rule or a regulation. In stable markets, that works quite well. Today's markets, though, are changing so fast. Many organizations are struggling to keep up with the pace of change in their environments because they are not flexible enough and have already ruled out too many options. That is when things start to grind. And it can become a real crisis if in a situation like this nobody at the company thinks to ask: 'What do our customers need?'

"CHALLENGING ONE ANOTHER OPENLY IS A SIGN OF MUTUAL TRUST"

We asked some colleagues at HORNBACH how conflict and innovation go together for them. Here's what they said.



KATJA TANNENHAUER

Merchandising,
Head of Innovation Research Project

"First of all, innovation takes courage and needs support. Only then am I willing to tackle the unknown. It is true that a lively objective discussion always moves things forward, thanks to new suggestions or aspects that may have been overlooked. This tension between encouragement and confrontation helps innovations to mature."

HOW FAR ARE WE IN THAT RESPECT AT HORNBACH?

Karsten Kühn: We consistently try to think of our company on an outside-in basis and to focus our efforts on precisely that question. That is not a matter of zeitgeist, but actually essential. And it is hard work. During the



Karsten Kühn, 52, has been on the Board of Management at HORNBACH Baumarkt AG since 2014 and is responsible for marketing, market research, and internal communications. Since June 2018, he has also been responsible for PR, organizational development, and people.

Dr. Reinhard K. Sprenger, 68, is a management consultant, author, and advisor to HORNBACH since 2016. Key focuses are management, motivation, and individual responsibility.



peak of the COVID-19 pandemic, we managed to focus all our attention on our customers' needs, and that over many months. From the very outset, we based our actions on individual situations and responded appropriately, individually and independently of processes. You could call that a down-to-earth, common sense approach. It is amazing how well it worked. Now that we have thankfully reached



CHRISTIAN HÜNERFAUTH
New Business Models

"Conflicts per se are not negative for me. On the contrary, they generate friction and are important when weighing up different perspectives and opinions. For really important topics, people never all have the same opinion. If so, it is because they are following an instruction from above or have not seriously addressed the topic. For innovations, though, it is important for everyone to be fully on board. The overall target has to be clear, but the ways to get there may differ. Then you have to discuss the details openly and honestly. Otherwise, misunderstandings arise and the innovation may come to a halt."

slightly calmer waters, I worry that we are returning to old habits in some areas. Let me give you an example: The Board of Management received a request to establish uniform home office rules for HORNBACH. We responded with just one statement: Please continue to be careful and agree that with each other in your teams so that you can address customers' needs in the best possible way in the given circumstances. Quite a few people were unsatisfied with that decision; they expected rules. For me, that is a good example of organization, something we at HORNBACH also have to deal with of course. At our stores, incidentally, the question of working from home never came up.

YOU JUST REFERRED TO A TYPICAL CONFLICT BETWEEN HEAD OFFICE AND OPERATING UNITS. CONFLICTS OF THIS KIND ARE NO RARITY AT RETAILERS. HOW DO YOU SUGGEST DEALING WITH THEM?

Karsten Kühn: That is a daily conflict and actually nothing negative. One thing is clear: The stores are HORNBACH's powerhouses. That is where our customers are and that is where decisions are taken as to what makes sense. If you accept that, then many questions are automatically resolved. There are of course other issues that have to be clarified either at head office or out in the network. The crucial factor is how you treat each other: The most important aspect of any conflict is the underlying attitude, the wish to understand your counterpart. If you respect different roles and perspectives, then you should somehow be able to tackle the matter in hand.

BUT IS IT NOT ALSO SLIGHTLY HUMAN TO TAKE A CONFLICT PERSONALLY?

Reinhard Sprenger: Conflicts about objective issues can always be solved when the different parties acknowledge their counterparts' perspectives concerning the company's future sustainability. Unless, that is, you do not want to resolve the conflict, because you want to

be in the right, you do not like your counterpart, or you are not keen on any of the solutions anyhow. Then we are in a relationship conflict and that helps no-one.

YET MANY PEOPLE SHY AWAY FROM CONFLICTS, DO THEY NOT?

Reinhard Sprenger: Most people are afraid not of conflicts but rather of the way in which they are fought out, namely in a derogatory fashion and on a personal level. That is a problem. After all, the personalization of structural conflicts means that many people fail to see how urgently we do need to argue – but rather about the right path to a common future. If we all agree on everything, we run the risk of becoming rigid.

HOW IMPORTANT ARE CONFLICTS IN DRIVING INNOVATIONS AT THE COMPANY?

Reinhard Sprenger: If a company wishes to be innovative, and thus sustainable, it has to move away from any 'This is the only way to do it' mentality. If you do that, all those who justify their existence on that basis automatically become your opponents. In that respect, we just have to accept that organizations are structurally hostile to innovation. To be innovative, then, you have to be prepared to enter into conflict with the following argument: What worked before might still make sense in part, but whether that will always be so is unclear and has to be permanently reviewed.

Karsten Kühn: With this approach, I often find that people ask about past experience. Looking to the future, though, I personally think we need to free ourselves from that. The way I see it, what really counts is the saying coined by Apple founder Steve Jobs: 'Stay hungry, stay foolish'.

Reinhard Sprenger: When companies fail, it is often not because they did something wrong. They fail because they did the right thing too long and forgot what actually drove their suc-



CHRISTINA SCHÄCHTER
HR and Organization,
Management Development

"Innovation needs constructive friction and mutual shifts of perspective. If I avoid sticking stubbornly to my own point of view and try to understand the position of my counterparts, then I can grasp what motivates them. That is the only way to find good innovative solutions. In the next step, though, it is important to have space to try new things out without anyone 'getting in the way'".

cess. What they should be doing is arguing every day: Are we stuck in the 'success trap'? Do we need to take a new approach?

ARE WE AT HORNBACH STUCK IN THE 'SUCCESS TRAP'?

Karsten Kühn: Looking back at the past 20 years I cannot say we just basked in our success and that was all. I will give you an example: We worked with great consistency to combine our digital and stationary business opportunities at HORNBACH. Another refreshing aspect is our willingness to try out new store formats. It has to be said, though, that many of the bolder changes only strike you when the need to act is all the greater. When you have good results, as we did in the



ELMAR SOMMER
Technology,
Head of Analysis & Research

"Making space for ideas and following them up with action, that's what innovation is about for me. It has something creative and forward-looking. Nobody gets anywhere by clinging on to the status quo because they are afraid of change. We in research are committed to inspiring as many people as possible and working together to put ideas into practice. After all: the future is really great."

past financial year, it is tempting not to think about changing things. We are looking very closely at whether we are nimble enough, or rather just so well organized that we do not even notice changes in what our customers expect.



KATJA SOTTMEIER

Marketing, Head of Digital,
CRM, Media & Analytics

"We might feel comfortable in a harmonious atmosphere and when we all follow the same approach, but then nothing changes. To argue means to enter into a discourse with different viewpoints. I don't mean argue in the sense of unpleasant words, personal attacks, or a lack of objectivity. I mean constructive argument. Challenging each other openly, and with no fear of recrimination if one has a different opinion, is a sign of mutual trust. For me, that provides a basis for building the future in my team and at the company."

We always have to ask ourselves the question: Who or what might be able to meet customers' desire for a nice place to live better than HORNBAACH? To answer that question honestly, we have to gain some distance and think outside the constraints of the company's current form, its mindset, and its structures. That is always difficult in large organizations, but I do not think it is impossible. What certainly does not help is departmental structures with rigid task allocations and hierarchies.

SHOULD WE ESTABLISH A 'CULTURE OF DISPUTE' AT HORNBAACH?

Karsten Kühn: Ordering that on a top-down basis makes little sense. However, I am quite sure that we should not go out of our way to avoid conflicts. I personally am allergic to meetings where we all pretend everything is perfect and we all love each other. «

SIX THESES ON CONFLICTS

Conflicts are the rule,
harmony is the exception. **1**

4 A conflict is a situation with differing expectations that is felt negatively.

Conflicts cannot be solved,
only managed better. **2**

5 All conflicts involve your own values. Conflicts are always about relationships, never about objective matters.

If you experience something as divisive,
you have something in common. **3**

6 All issues have many sides.
Ambiguity is the norm.

BEING ADAPTABLE AND RESILIENT

LET'S KEEP LEARNING

Companies need to see themselves as learning organizations and create structures and conditions to facilitate continuous learning in everyday work.

By 2035, around two thirds of our children will work in jobs that have not yet been invented. That is what the experts say, and their forecast is not really surprising. We can already observe this today. Would you have known 15 years ago what a data steward, mobile app developer, or search engineer do? Yet completely new job profiles are certainly not the only reason why we need to change our view of learning. Other reasons that come to mind are the ever-shorter half-life of knowledge and the ever-greater complexity and speed of our everyday working lives. The times in which the knowledge and skills acquired at school and in vocational training are enough to see people through the whole of their working lives are well and truly over. Given the challenges involved, traditionally structured training and development programs at companies also quickly reach their limits. To cope with the ongoing nature and increasingly dynamic pace of change, learning itself has to become continuous.

FOCUS ON PEOPLE

For us at HORNBAACH, the importance of learning is simply not up for debate. However far we digitalize its activities, our company is still a people business and that will not change. Wherever our staff draw on their specialist skills, enthusiasm, and empathy to help meet individual customer needs, we will inspire our customers. That is precisely where people make the difference in a competitive climate and why it is worth investing in training and developing them. After all, the new skills and competencies they acquire directly benefit our company. And our staff them-

selves gain a great deal from their lifelong learning. Thanks to the opportunities to receive continuous training, they remain fit for the future, whether it be in terms of their skills and methodologies, or of their personal growth, and they keep up with the world of work. The continuous learning programs we offer are intended to enable staff to cope with uncertainty and complexity, independently tackle new kinds of problem, show initiative in shaping their work environment and take responsibility for their own actions. All in all, this makes our company more agile and resilient.

That is why we plan to focus even more closely in future on professional training and development for our staff and on their personal development and gradually create the structures needed for continuous learning. In the first step, we began by looking at our understanding of and attitude towards learning. As a company, we have to credibly convey to our staff that learning is not a matter of age or of years' service at the company. Learning is rather about attitude and personal willingness to face changing conditions, always remain curious, and willing to help shape our environment. Companies have the task of creating opportunities and space for learning and of offering attractive learning programs.

At HORNBAACH, we are making efforts to build our continuous learning programs and structures in such a way that everyone has the opportunity to learn individually and under their own responsibility and to put what they have learned into practice. Only those who actively question the knowledge they have gained, develop it further, apply it to new things, and use it in a work-related context are able to deal flexibly with challenges. This way, we are leveraging our employees' potential.

Our motto sums it up: "There is always something to do." Let's keep learning! «



Some thoughts from
Stephan Schächter,
Head of HR and Organizational
Development at HORNBAACH

IMPRINT**Published by**

HORNBACH Holding AG & Co. KGaA
 Hornbachstraße 11
 D-76879 Bornheim
 Telephone (+49) 0 63 48 / 60 - 00
 Fax (+49) 0 63 48 / 60 - 42 99
 www.hornbach-holding.com

Group Communications

Axel Müller
 Telephone (+49) 0 63 48 / 60 - 2444
 public.relations@hornbach.com
 www.hornbach-group.com

Engel & Zimmermann AG
 Schloss Fußberg
 Am Schlosspark 15
 82131 Gauting bei München

Design Concept and Photography

Sebastian Struch
 Adrian Schröder
 Schröder & Schröder GmbH & Co. KG

www.sebastianstruch.de
 www.adrian-schroeder.de

Translation

Daniel Clark & Associates
 Business Communication Services
 Kopenhagener Strasse 49
 10437 Berlin
 clark@dca-communications.com

Production

Kunst- und Werbedruck, Bad Oeynhausen

HORNBACH.
 Holding

HORNBACH
 Es gibt immer was zu tun.

HORNBACH ■ BAUSTOFF
UNION



]