



FABER-CASTELL

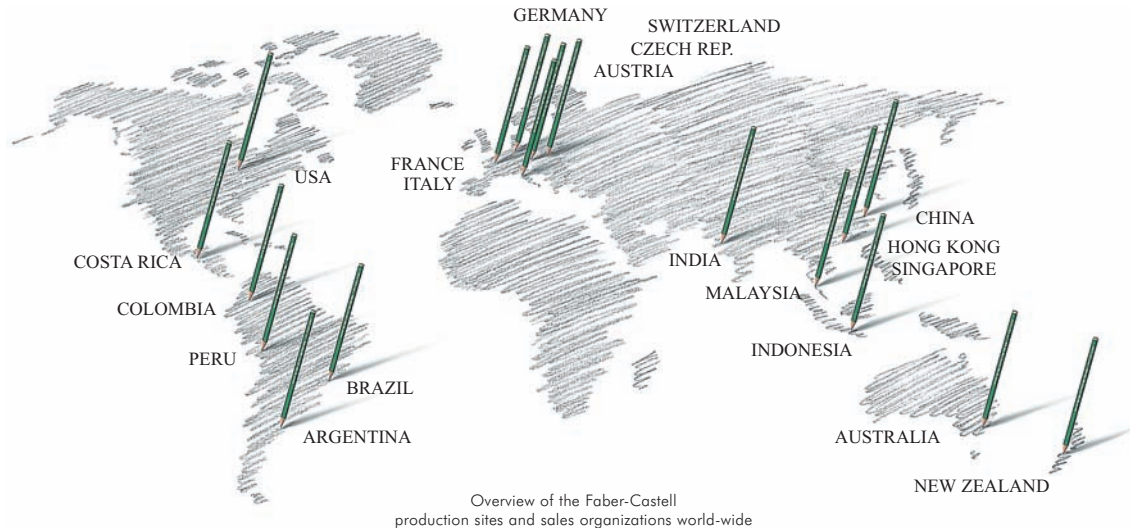
since 1761



A MATTER OF RESPECT

QUALITY • ENVIRONMENT • SOCIAL STANDARDS

THE INTERNATIONAL GROUP OF COMPANIES



FABER-CASTELL manufactures at 15 locations round the world, marketing its products through 18 sales organizations. The group is represented in over 120 countries.



Faber-Castell headquarters at Stein near Nuremberg



Faber-Castell Brazil

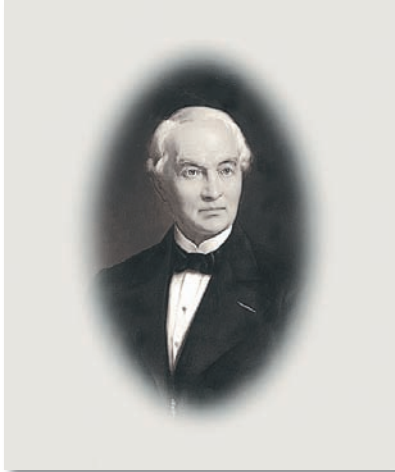


Faber-Castell Malaysia



Faber-Castell China

OUR QUALITY IS A TRADITION



“From the outset, I strove to rise to the highest position
by producing the best that could be made in the
whole world.” (*Lothar von Faber, 1869*)



Pencil with silver extender, about 1900

OUR TRADITION IS A COMMITMENT



“What Lothar von Faber did 150 years ago is still exemplary:
selling products made from quality materials to correspondingly high
standards on the most important world markets.” (*Count A. W. von Faber-Castell, 2002*)



“Perfect Pencil” with extender and integrated sharpener, 1996

A. W. FABER. N° 2

1761 The cabinet-maker Kaspar Faber first produces his own pencils in Stein (the origins of the company)

from **1839**

- improved graphite/clay process
- first brand-name writing implement. Lothar Faber marks his pencils "A.W. Faber"
- Lothar Faber is the first to define the hardness of pencils, on a scale in use to this day
- the first hexagonal pencil

1874 Lothar von Faber (now raised to the peerage) paves the way for laws to protect trademarks

1905 The famous green "Castell 9000" pencil is introduced

1856 The company acquires one of the largest reserves of good-quality graphite in Russia, and thus an independent source



Pencil production in 1861



The first brand-name pencils, A.W. Faber Polygrades



The Castell 9000

1961 SV bonding is patented
(prevents the lead
breaking)

1978 Faber-Castell starts production
of cosmetic pencils for client
companies

1998 Introduction of the FABIQUUS inte-
grated management system for quality,
the environment, and social standards

1998 The first Faber-Castell factory
is certified to the ISO 9001
international quality standard

2001 The factories in Europe, India, Malaysia,
and Brazil are certified to the new ISO
9001:2000 standard

2002-05 Certification of all
remaining Faber-Castell
factories



Pencil production in 1911



Quality checks



Production of artists' colour pencils

OUR SEAL OF QUALITY

Our products accompany their users on the road from pre-school child to professional artist, from student to statesman – and from generation to generation. Their excellent quality is of course a prerequisite for customer satisfaction and therefore brand loyalty.

The Grip 2001 pencil is one of the many examples of Faber-Castell's commitment to quality. Thanks to its patented 'bumps' for a non-slip and ergonomically correct grip, it became the only pencil in the world to receive four international design awards – in addition

to being nominated one of the “best products of the year” by the well-known magazine *Business Week*.

It is not only their functionalism and aesthetics that make our products so unique, but also their convenience. For example, the sharpener built into the pencil extender cap; the “filling station” for highlighters; or the way the pencil leads are securely bonded to the wood to prevent them shattering. But the bright non-fade colours of our artists' colour pencils also meet up to the highest demands.



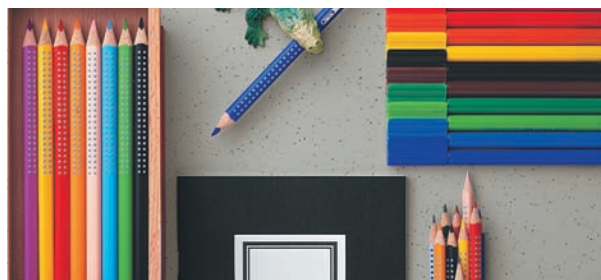
OUR QUALITY SPEAKS THE SAME LANGUAGE EVERYWHERE

Whether a Faber-Castell product was made in China or Peru, the quality is consistently high. Quality for us means convenience and ease of writing, reliability, the use of environment-friendly materials, and an optimum price/performance ratio.

Most of our factories have already been certified to the ISO 9001:2000 international standard. But that is not enough for us. We want to “produce the best that can be made in the whole world”, as the visionary Lothar Faber expressed it over 150 years ago and, true to

his motto, turned the small family business into one of the world’s leading companies.

Nowadays we have quite different means at our disposal. Interdisciplinary teams, from research to production and marketing, are working on innovative product solutions in all our factories around the world. Being close to the regional markets also allows us to take account of national preferences.



ENVIRONMENTAL AWARENESS

*“Nature does not need to make an effort to be great.
It already is.”*

Robert Walser (1878-1956), Swiss author



Faber-Castell plantation with two-year-old pine saplings

COMMITTED TO NATURE

*“Nowhere will you find nature practising.
Her works are all masterpieces.”*

Johann Peter Hebel (1760-1826), German author



In harmony with nature



FABER-CASTELL

GERMANY



CASTELL



1926

Early forms of recycling:

- re-use of paint solvents
- timber waste used to generate electricity

1993

The use of water-based paint in the German factories reduces organic solvents to a minimum

1956

A water turbine covers 30% of the electricity needs at Stein

1998

The FABIQUS management system is set up for quality, the environment, and social standards

1999

The German factories are certified to international environmental criteria (ISO 14001)

from **1984**

10 000 hectares of pine forest are planted in Brazil as resources for pencil production



Employee with tree seedlings in Prata



One of the pine plantations at Prata, Brazil



Employee with pine-wood slats

1999 Pine plantations in Brazil certified by the FSC (Forest Stewardship Council)

2000

- Faber-Castell joins BAUM (association for environmentally aware management)
- founder member of COUP 21, a regional environmental initiative within AGENDA 21

2001 Faber-Castell Brazil introduces the environmental programmes *Arboris* and *Animalis* to protect flora and fauna, and *ECOMmunity* to increase environmental awareness among employees and the populace.

2003

- Production facilities in Stein, near Nuremberg are certified by the FSC;
- Faber-Castell joins the Global Compact of the UN

-2005 Environmental certification of all other Faber-Castell factories (ISO 14001)



"Foxtail" pine tree, without branches



Pinus caribea seedling



Tree nursery at Prata, Brazil

TIMBER FROM OUR OWN PINE FORESTS

Faber-Castell grows 20 m³ of wood per hour. How is that possible? The company maintains its own pine plantations on 10 000 hectares of former grassland near Prata in the Brazilian state of Minas Gerais, thousands of miles from the endangered Amazon rainforests. Continuous replanting after cropping generates an ecological cycle: a million *Pinus caribea* seedlings are planted every year. This environment-friendly wood is later used to make our pencils: Faber-Castell Brazil operates the world's largest pen-

cil factory, with nearly 2 900 employees, and produces 1 500 million wood-cased pencils a year.

The Forest Stewardship Council (FSC) has awarded the managed forests at Prata its coveted certificate for “environmentally compatible, socially equitable, and economically sustainable forestry”. The “chain of custody” (CoC) certificate also guarantees that the origin of the timber can be traced from harvesting right through to the finished pencils.



One million *Pinus caribea* seedlings are planted here every year



A refuge for rare birds: the Faber-Castell forests in Brazil

SUSTAINABILITY IS RESPONSIBILITY FOR THE FUTURE

Using natural resources in a sensible way is only part of our commitment to a better quality of life. In the spirit of “integrated product policy” (IPP), the entire life cycle of our products is subjected to a critical analysis in order to reduce the overall energy requirement to a minimum and protect the environment in the long term. That includes the choice of all raw materials and production processes, packaging, transport, and everyday use, right through to disposal at the end of a product’s life. For example, Faber-Castell is the only company to use environment-friendly



The rare maned wolf lives in our forests

water-based paint for all its wood-cased pencils manufactured in Europe.

Our commitment to the environment is not restricted to production. In Brazil, for example, Faber-Castell has made an active contribution with the *Arboris*, *Animalis*, and *ECOMmunity* projects. The goal is to preserve the natural flora and fauna in the region around Prata, and to create an awareness among employees and the general populace so that they are motivated to take care of the natural environment.



Aerial photo of a Faber-Castell plantation in Brazil

OUR PAST ...

*“A socially-minded market economy comes about
not in the law books but in people’s thoughts and actions.”*

Richard von Weizsäcker (b. 1920), German president 1984-1994



In 1851 Lothar Faber set up one of Germany’s first kindergartens.
This photo was taken to celebrate the centenary.

... IS OUR FUTURE

*"You must be the change
you wish to see in the world."*

Mahatma Gandhi (1869-1948), Indian politician



Faber-Castell signed an international social charter in 2000



FABER-CASTELL

GRIP 2001



1844 One of the first company health schemes in Germany is set up

from **1859** Apartments are built for employees

1851 One of the first kindergartens in Germany is set up

1884 Lothar von Faber is a cofounder of the Nuremberg life assurance company

1859 Schools are financed and built

1992-2002 'Colour concept' in the German factories: colourful walls and façades improve the working environment



Kindergarten set up by Lothar Faber in 1851



Factory workers in Stein, ca. 1911



Company apartment block, about 1859



1993 Government project to make work more civilized: Water-based paint introduced in Germany

2001 The Count von Faber-Castell Children's Fund is set up

1996 "Quality of life" project set up in Brazil: free education and training for all employees, free leisure activities also for their families

2002-03 Pilot project in India: social charter extended to suppliers ("public private partnership")

2000 The internationally valid Faber-Castell social charter is signed

2003 Faber-Castell joins the Global Compact of the UN



Research at Faber-Castell Brazil



The social charter displayed for all to read



Colourful factory at Geroldsgrün, Germany

THE INTERNATIONALLY VALID SOCIAL CHARTER

Count Anton Wolfgang von Faber-Castell, chairman of the board of Faber-Castell, opened a new chapter in the company's long history of social responsibility when he signed the social charter. This is one of the first voluntary agreements of its kind, in scope and international applicability. It guarantees that all Faber-Castell factories will adhere to the conditions of employment called for by the International Labour Organization (ILO):



Ratification of the social charter by Faber-Castell and IG Metall on 3 March 2000

no forced labour

no child labour

payment of
adequate wages

no excessive
working hours

equal opportunities
and treatment

freedom of association
and right to collective
bargaining

safe and healthy
working conditions

agreed terms
of employment

PEOPLE ARE OUR MOST VALUABLE RESOURCE

Respecting the importance of employees is traditional at Faber-Castell. Over 150 years ago, the company set standards among European manufacturers. Napoleon III even sent a delegation to Stein to learn about the exemplary social services introduced by Lothar von Faber. In the mid-19th century he had built apartments and schools for his workers, introduced a savings scheme, and was cofounder of a life insurance company.

We feel committed to this tradition, as the social charter shows. An internal commission* carries out regular monitoring audits to see that the conditions are adhered to. Every two years, a committee made up of representatives of international trade unions verifies that the conditions are put into practice worldwide.



* representatives of the FABIQUS management system for quality, the environment, and social standards

KNOWLEDGE IS QUALITY OF LIFE

There are still far too many people in the world with little or no access to education and knowledge. Can industry change that? We think they can make a considerable contribution to improving their workers' qualifications. Faber-Castell Brazil has shown what is possible. In specially equipped classrooms, qualified teachers hold free training courses, ranging from basic reading and writing, foreign languages and computer skills, all the way to university entrance and

even an MBA course. There are courses on hygiene and preventing drug dependence, and leisure activities such as music and handicrafts. To help employees and their families make good use of their free time, the Faber-Castell Club provides them with free sports grounds, a swimming pool, and other leisure facilities. We want to improve the quality of life for our employees, in the long term as well as the short.



Training course at Faber-Castell Brazil



Faber-Castell Club, Brazil

WE TAKE SOCIAL RESPONSIBILITY SERIOUSLY

A decisive factor is involving local authorities in improving the quality of life. Therefore there are numerous projects aimed at supporting hospitals, schools and kindergartens, charitable organizations, and other initiatives to help people. This means both financial assistance and people's time and talents – at local and

national levels. In Brazil, Faber-Castell employees do voluntary work in hospitals, day-care centres, and drug advice centres. In Germany we set up the Count von Faber-Castell Children's Fund to provide help for underprivileged children, via international charities.

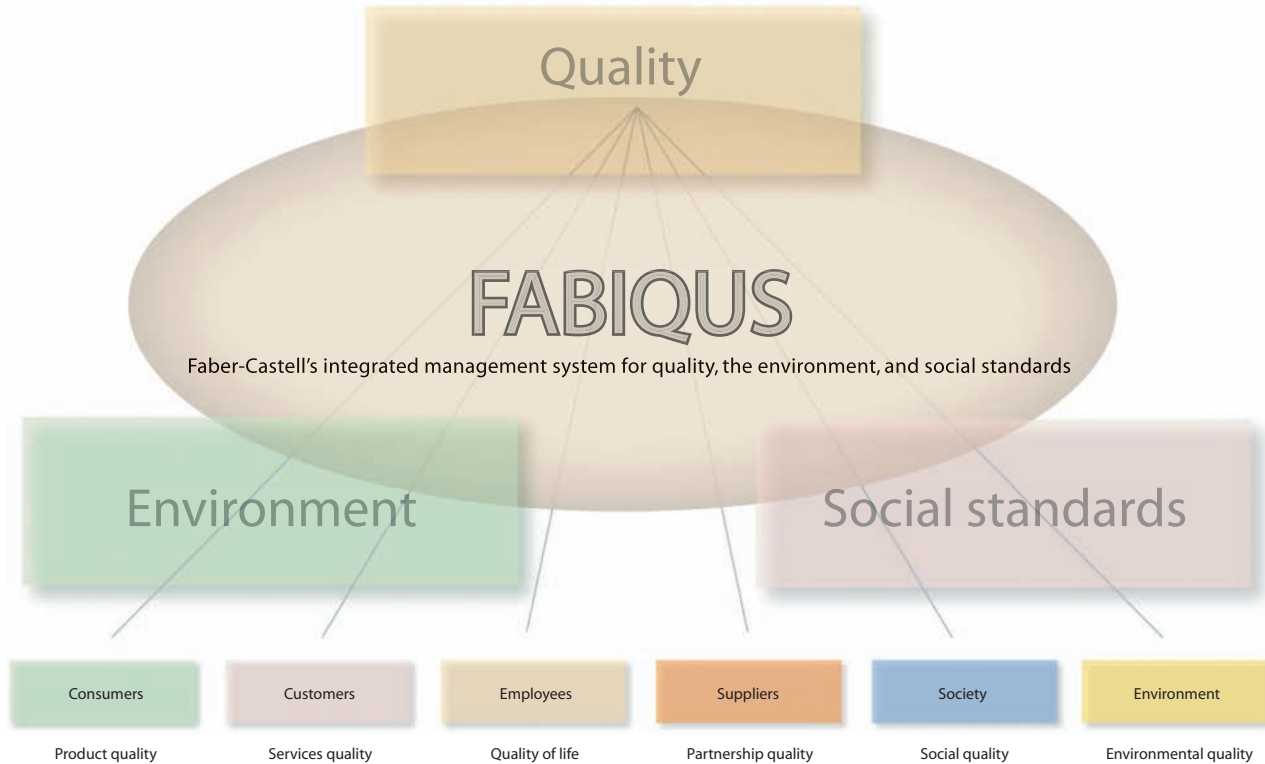


Madre Cabrine aid project, Brazil



Language course in Brazil

OUR PROGRAMME OF RESPONSIBILITY



OUR ACHIEVEMENTS ARE RECOGNIZED

Faber-Castell is a member of B.A.U.M., the German association for environmentally aware management



B.A.U.M.

Bundesdeutscher Arbeitskreis
für Umweltbewusstes
Management e. V.



Designated a "company that educates" by SENAC, the largest private training institute in Brazil

GRIP 2001:
ISPA product of the year
2000 (International
Stationery Press
Association)



Member of the Global Compact
UN organization, particularly in
the fields of human rights, work-
ing conditions, and protection of
the environment

Certified to ISO 9001:2000,
the international standard
for quality management, and
ISO 14001, the international
standard for environmental
management

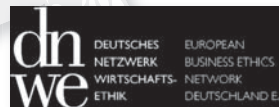


Designated a "friend of chil-
dren" by the Fundação Abrinq
pelos Direitos da Criança e do
Adolescente (a foundation for
children's rights) in Brazil



The FSC certificate is awarded for
ecologically and socially compatible
timber harvesting and processing

SCS-FM/COC-0005P
SCS-COC-00339



Faber-Castell was awarded the 2004
"Business Ethics" prize for its efforts
in formulating and implementing the
Social Charter as part of its FABIQUS
integrated management system

“As an advocate of the free market economy it is my duty to ensure appropriate working conditions for all our employees – in whatever country they may be. As head of one of the oldest manufacturing companies in Germany I see it as a tradition; and as a human being it is something I take for granted.”

A handwritten signature in black ink, reading "Anton W. von Faber-Castell". The signature is fluid and cursive, with a large initial 'A' and a stylized 'W'.

Count A. W. von Faber-Castell



this brochure is published by

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