

KSG Group Environmental and Energy Policy

Date: July 2020

As a company rich in history, we are conscious that every production process is associated with environmental impacts and energy use. At the same time, we wish to preserve and protect our homeland and its natural and cultural-history potential in the Erzgebirge and Kamptal regions for the benefit of future generations.

Environmental protection and efficient use of resources are, therefore, among the most essential corporate responsibilities of the KSG Group. We see it as our duty to implement measures to continuously improve our environmental and energy-efficiency performance in order to sustainably minimise our environmental impact in terms of emissions, waste, waste water and the use of energy and resources. That is what our employees, our customers and the general public expect from us in the light of technological progress and the visible signs of climate change.

We see that as associated with the following principles:

- We plan, construct and operate our plants according to the most advanced technology available. When developing new technologies and optimising existing production processes, we take into account the improvement of environmental protection and more efficient use of energy.
- We undertake to always comply with all relevant legal and self-imposed regulations concerning environmental and energy requirements.
- When new plants and technologies are introduced, their environmental relevance and their energy and resource efficiency are assessed and considered at the earliest possible planning stage.
- We use all technical and business management means to prevent emissions, keep waste production as low as possible, minimise water pollution caused by our waste water and ensure safe handling of the hazardous substances present in our facilities at all times.
- Environmental protection and sustainable energy resource management are the shared responsibility of all our employees. In particular, managers ensure that employees are motivated to play an active role in shaping the company's environmental and energy management policy, and in so doing increase the sense of responsibility at all levels.
- We regularly optimise our internal emergency management system to ensure the best possible preparation for unexpected events that may have a high environmental impact.

- We motivate our customers and suppliers to adopt our environmental, energy and resource management principles and to progressively replace hazardous substances.
- We work closely with the relevant competent authorities and take the concerns and suggestions of our neighbours very seriously.
- We ensure that environmental protection, energy and resource efficiency are put into practice by applying a functioning environmental and energy management system. Regular internal audits enable us to identify new potential for the continuous improvement of existing systems. The necessary resources are provided by the company, taking account of economic considerations.

Since we first obtained DIN EN ISO 14001 environmental certification at the Gornsdorf site, we have actively practised an integrated management system encompassing all company processes within its scope. The good quality of our products and environmentally friendly, sustainable business management complement each other. And with energy management certification to DIN EN ISO 50001 at the Gornsdorf site, we are making a further important contribution to the efficient use of natural energy resources.

KSG Group

Margret Gleiniger
CEO

Sven Klöden
CTO

On behalf of Gunter Laubert
Environmental Management
Officer
Gornsdorf Site

On behalf of Frank Wolf
Energy Management
Officer
Gornsdorf Site