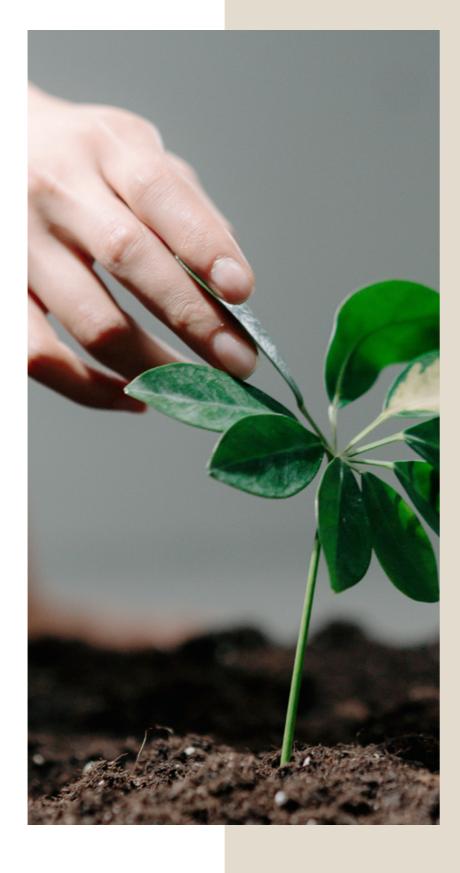


FOCUS ON THE FUTURE

SUSTAINABILITY STATEMENT 2023



CLIMATE CHANGE concerns us all.

Whether we want to admit it or not, climate change is here and we as a society are called upon to find solutions. Due to our lifestyle and the growing global economy, carbon dioxide emissions continue to increase - in contrast, the global "climate budget" has already been exhausted. So what can be done?

In the UN's Paris Agreement on Climate Change, the international community committed itself to limiting global warming to well below 2°C, and if possible even to 1.5°C above pre-industrial levels. This requires a significant reduction in ${\rm CO_2}$ emissions by the year 2050.

What does this mean for the Scheurich-Group?

We are committed to the 1.5 C° target and see it as our social as well as corporate duty to do our utmost to achieve it.

We want to achieve carbon neutrality by 2035 in all our sites.

With this ambitious commitment in mind, we are giving top priority to improving efficiency of our factories, replacing CO_2 in energy and raw materials and realising sustainable investments in our comprehensive sustainability strategy.



O4 » Our Goals

WE TAKE UP the challenge.

Many companies are not yet actively dealing with their carbon footprint and have neither set targets nor developed an action plan. Environmental awareness and sustainable value creation have always been a central focus of our mission statement. We want to live up to this to live up to this claim in the future as well.

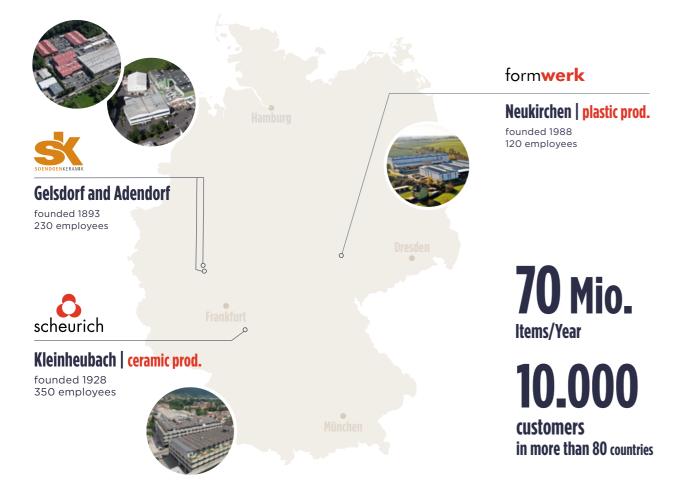
Where does the **Scheurich-Group** stand?

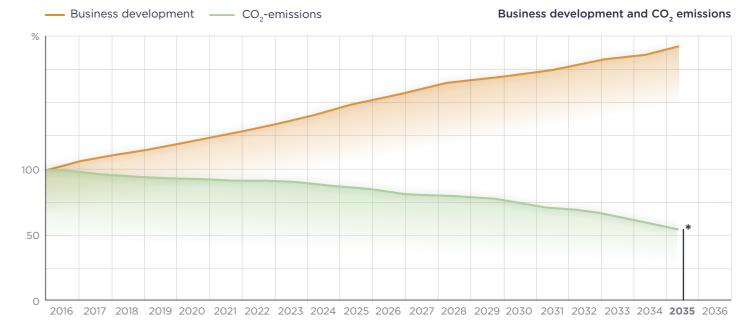
All three companies in the group have been dealing with the topics of sustainability and climate neutrality for many years in interdisciplinary teams as part of energy management. We are proud of the many achievements and projects that have already

been implemented. Forward-looking investments in our own energy generation with photovoltaic systems, a combined heat and power plant and a new kiln with state-of-the-art firing technology, which is also - also suitable for the use of hydrogen - are just a few successful measures of our transformation concept on the way to climate neutrality.

For all our ambitions in this direction, it is important for us not to view economic growth and climate neutrality as contradictory, but congruent.

That is why we are working towards our goal with a clear strategy and a comprehensive catalogue of measures: we will be climate neutral in our sites by 2035.





*Currently remaining gap, which we will close with climate protection projects and further measures.

We want to

achieve carbon neutrality by 2035.

We want to be carbon neutral in our sites by 2035. In detail, this means:

- Driving significant progress along the value chain (recycling, recyclability).
- Obtaining 100% of our electricity from renewable sources or generating it ourselves.
- Reduce fossil fuels steadily and replace them with CO₂-free alternatives (e.g. green hydrogen).
- Increasing the proportion of recycled materials in our products = reducing the depletion of raw materials.

GROW ECONOMICALLY & BECOME CARBON NEUTRAL:

Carbon neutrality means having a balance between emitting carbon and absorbing carbon from the atmosphere in carbon sinks. In order to achieve net zero emissions, all worldwide greenhouse gas (GHG) emissions will have to be counterbalanced by carbon sequestration.

Source: www.europarl.europa.eu/news/en/headlines/society/ 20190926STO62270/what-is-carbon-neutrality-and-how-canit-be-achieved-by-2050

Three areas - one basis: sustainability

We implement forward-looking measures as well as large and small projects within our companies in three areas.

consistent profitability **Economy** Material cycle & innovation

Ecology Climate protection & energy

growth

(A) **Social behavior** fair **Corporate culture**

& commitment

fair use

» Every measure must make sense ecologically AND economically. Carbon neutrality should not be at the expense of our businesses. «

SALES RETAIL SCHEURICH, SOENDGEN, FORMWERK

Ralf Rammo

Managing Director



MATERIAL CYCLE & INNOVATION

In the area of material cycle and innovation, we include the procurement of operating and auxiliary materials, product development and processing, as well as shipping and handling.

We work in interdisciplinary teams to develop alternative production processes. the optimisation of material consumption

and the reduction of packaging.



CLIMATE PROTECTION & ENERGY

The area of climate protection and energy currently has the most attention. How can we cover energy needs sustainably, switch to renewable energies, significantly reduce the CO₂ footprint of our plants? These and similar questions urgently need to be answered.



Having ambitious climate targets is one thing - but we don't want to engage in short-term reaction. For us as the Scheurich-Group, it is important to » Rather than greenwashing,

be able to map investments in an economically sensible way in every case. Only steady growth guarantees that we can invest step by step in the development of ecologically compatible products and in corresponding measures.

OUR PATH TO

carbon neutrality.

In addition, we would like to involve our employees at our locations, because only together can the successful planning, development and implementation of each project succeed.

we will intensify our measures and make improvements in investments to achieve our goals. «

SALES PROFESSIONAL SOENDGEN, FORMWERK

Ralf Schwinn

Managing Director

CORPORATE **CULTURE & COMMITMENT**

A good corporate culture is the basis for achieving our ambitious goals. A lived value orientation and the satisfaction of our employees are at the top of the sustainability agenda. This area also takes care of the implementation of our local responsibility by promoting social and environmental projects in the region.



MATERIAL CYCLE & innovation.

A central task in the area of material and innovation is the careful use of raw materials and resources. Another essential goal is to continuously increase the efficiency and modernise the plants in order to reduce the CO₂ footprint here as well.



Always on the lookout for alternative production methods, Soendgen also proves that innovative ideas can be implemented in the upstream manufacturing processes. In plaster mould production, for example, it has been possible to reduce raw material requirements by up to 50 % in some cases, thus saving not only valuable drying energy for the environment, but also a great deal of weight handling for our employees.

» Sustainable production stands and falls with the efficiency of the equipment. We have optimised production machines for every product type. Thanks to our multi-component technology and ball rotation, we are ahead of the game when it comes to resource efficiency. «

Innovative and efficient is the **rotational moulding process** used in our plastic production. Up to 30% energy savings and up to 60% shorter production times are possible.

Also our plastic products are already 100% recyclable. An ever-increasing proportion of the material used is obtained from the renewable materials. Some products are made from up to 100% post-consumer recycled material.

Plastic waste from production is processed in the company's own recycling plant and completely recycled into the production of new products.





The loss-free reuse and recycling of our raw and operating materials is at the top of the agenda at our plant in Kleinheubach. For example, here at Scheurich, all clay residues produced in our blank production are 100% recycled back into the material cycle, thus conserving valuable natural resources. In addition, high-quality operating materials, such as coolants and lubricants, are processed after use and fed back into the production processes.



PRODUCTION AND LOGISTICS
FORMWERK

Patrick Schickedanz

Managing Director

CLIMATE PROTECTION

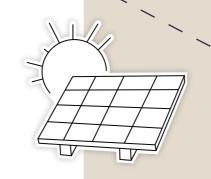
& energy.

We have been conserving resources for some time: We source the majority of our raw materials from the region; we use rainwater in clay production and closed water cycles in production.

Finally, we use packaging materials extremely sparingly and do without plastic films and filling materials as much as possible.

» We see sustainability not only as a necessary contribution to climate protection, but also as a crucial success factor within our industry. «

At the end of 2021, we installed another new production line including the kiln and produce up to 4 million ceramic planters per year, depending on the size. The waste heat from the oven is used to preheat the pots, as is the case with all our production lines. This is an important part of our energy concept!





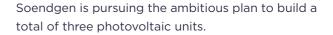
PRODUCTION AND LOGISTICSSOENDGEN, SCHEURICH

Marcus Grothaus

Managing Director

The successful energy refurbishment of our almost 100m long tunnel kiln in 2021 has made a significant contribution to our CO₂ reduction.

With this optimisation step in control and process technology, we have already come a big step closer to our ambitious plans for carbon neutrality in the plants. And: Soendgen has been included in the group of applicants for the **Energy Efficiency Award 2022.**



Creating synergies and using them as efficiently as possible: Scheurich and Formwerk have already been using large-scale photovoltaic systems have been in use for many years and will be further successively expanded in the future. With an area of 4,000 m² on all buildings, we generate electricity that we need for our production. With our planned warehouse expansion, we will put another 7,000 m² of photovoltaic surface into operation. This will bring us very close to a completely self-sufficient production.









Soendgen supports Plant-My-Tree projects

The key to a sustainably successful group of companies is the workforce. We are proud of the long-standing loyalty of our employees. Know-how and competence are the key to our success.

Continuously expanding this knowledge and personal development are important to us. Internal programmes to promote young employees, such as Fit For Future, are just as much a part of our offerings as further training in the individual specialist areas, from studies to master school.



"beefuture" bee colony at Scheurich



Cooperation with local and supra-regional partners on the topic of sustainability as well as regular action days promote employee commitment.



Every sustainability project thrives on the commitment of interdisciplinary teams. In regular project meetings, new ideas emerge that are also put into practice. Sustainability is thus an integral part of our daily activities.

Code of Conduct

Our responsibility naturally also includes zero tolerance of child labour, discrimination, exploitation and environmental hazards or destruction: with our Code of Conduct, we commit our suppliers to share this responsibility and to implement it in accordance with the standards set by the United Nations and other internationally recognised organisations.



1 POT = 1 TREE

As part of our tree planting campaign in cooperation with **Eden Reforestation Projects**, we plant a tree for every campaign pot purchased.



Fit For Future team 2023

GROWING TOGETHER – and going further.

We have accepted the challenges of sustainability and climate neutrality with the knowledge that the future will place many more demands on us as a group of companies.

For many years, we have established an active environmental and energy management system and are ISO-14001, ISO-50001 and ECOPROFIT certified. We have thus laid a broad foundation of environmental and resource-saving measures.

In the area of plastics production, we see our opportunities to further increase the recycling share in our products. Closed cycles in production, the elimination of unnecessary packaging and the expansion of alternative energy use are also on our agenda.

In the field of ceramics, too, initial trials show that we can reuse valuable raw materials to a large extent and implement an optimal production cycle.

The Scheurich-Group is in an excellent position. With know-how, commitment, innovative strength and the necessary optimism to be able to operate successfully and sustainably now and in the future.





formwark





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