



# Sustainability Report 2023

**0. Table of Contents**

- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# Table of Contents

<b>1. Preface</b> .....	<b>4</b>	<b>7. Employee Rights and Human Rights</b> .....	<b>31</b>
		7.1 Diversity .....	33
<b>2. The KURZ Mission Statement</b> .....	<b>6</b>	7.2 Harassment and Bullying .....	35
2.1 Our Internal Sense of Purpose .....	7	7.3 Forced Labor .....	35
2.2 Our Mission Statement .....	7	7.4 Child Labor .....	36
		7.5 Remuneration .....	36
<b>3. Company Profile</b> .....	<b>8</b>	7.6 International Conventions and Recommendations .....	37
3.1 Top Quality Coating Technologies .....	9		
3.2 Tradition and Progress .....	10	<b>8. Health and Safety</b> .....	<b>38</b>
3.3 Consistently High Standards .....	10	8.1 Occupational Health and Safety .....	39
3.4 KURZ Core Competencies .....	11	8.2 Company Cafeterias .....	45
3.5 KURZ Surface Decors .....	12	8.3 Medical Check-ups with Health Insurance Funds .....	46
3.6 KURZ Worldwide .....	14	8.4 Health Circles for Trainees .....	47
		8.5 Yoga Classes .....	47
<b>4. Fields of Expertise</b> .....	<b>15</b>	8.6 Occupational Health Management Statements .....	48
4.1 Environmentally Relevant Information on Stamping			
Transfer Products .....	19	<b>9. Environmental Protection</b> .....	<b>49</b>
4.1.1 Conflict Minerals .....	19	9.1 Raw Materials and Materials Used .....	52
4.1.2 Titanium Dioxide .....	20	9.2 Water and Wastewater .....	53
4.2 Environmental and Social Assessment of Suppliers .....	21	9.3 Waste and Recycling .....	55
4.3 Climate Neutral Packaging .....	25	9.3.1 Waste .....	55
4.3.1 KURZ in Industry Initiatives – Commitment		9.3.2 Recycling .....	57
to our Customers .....	26	9.4 Energy Consumption and Energy Savings .....	60
		9.5 Emissions to Ambient Air .....	63
<b>5. Certificates</b> .....	<b>27</b>	9.5.1 Greenhouse Gas Emissions .....	63
		9.5.2 Direct Air and Noise Emissions .....	66
<b>6. Value Chain</b> .....	<b>29</b>	9.6 Protection of Human Health and of the Environment .....	67

**0. Table of Contents**

- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# Table of Contents

<b>10. Ethics and Compliance</b> .....	<b>68</b>	<b>13. Entrepreneurial Commitment to UN Goals</b> .....	<b>82</b>
10.1 Guideline on Gifts and Invitations .....	70	13.1 UN Global Compact .....	83
10.2 Training .....	71	13.2 Social Commitment .....	84
10.3 Evaluation and Other Measures .....	72	13.3 Sustainable Corporate Governance .....	85
10.4 Complaints Procedure and Raising Concerns about Ethics and Compliance .....	73	13.3.1 BE A GREEN LEADER .....	85
10.5 Political Party Donations .....	73	13.3.2 Global partnerships for sustainable development .....	85
10.6 Report on Procedures and Fines .....	74	<b>14. Outlook</b> .....	<b>86</b>
10.7 Subcontractors/Suppliers .....	75	<b>15. Objectives and Actions</b> .....	<b>88</b>
<b>11. Management System</b> .....	<b>76</b>	<b>16. Principles of Implementation, Key Figures, Index</b> .....	<b>90</b>
11.1 Management Responsibility .....	77	16.1 Contents .....	91
11.2 Legal and Customer Requirements / Export, Import	78	16.2 Validity Period .....	91
11.3 Risk Management .....	78	16.3 Scope of Application .....	91
11.3.1 Performance Control .....	78	<b>17. GRI Index</b> .....	<b>92</b>
11.3.2 Training .....	78	<b>18. Legal Notice – Additional Links</b> .....	<b>102</b>
11.3.3 Information and Messages .....	78		
11.3.4 Remedial Process .....	78		
11.3.5 Information Security and Data Protection .....	79		
<b>12. Principles of Implementation, Language</b> .....	<b>80</b>		
12.1 Communication .....	81		
12.2 Working Language .....	81		
12.3 Violations of the KURZ Code of Business Conduct .....	81		

0. Table of Contents

**1. Preface**

2. The KURZ Mission Statement

3. Company Profile

4. Fields of Expertise

5. Certificates

6. Value Chain

7. Employee Rights and Human Rights

8. Health and Safety

9. Environmental Protection

10. Ethics and Compliance

11. Management System

12. Principles of Implementation, Language

13. Entrepreneurial Commitment to UN Goals

14. Outlook

15. Objectives and Action

16. Principles of Implementation, Key Figures, Index

17. GRI Index

18. Legal Notice – Additional Links



# 1. Preface

# 1. Preface



Dr. Andreas Hirschfelder



The success story of LEONHARD KURZ began 125 years ago. As a specialist in surface decoration, we have always made products and surfaces unique. The recipe for our success? Change. We do not rest on our achievements, but evaluate what we can do even better in order to be prepared for the challenges of the future. We are constantly developing our technologies, our machines and our decoration solutions with a view to sustainability and are continuously expanding our product portfolio. Change and innovation are ingrained in KURZ's DNA and will continue to be increasingly important in the future.

The sustainability report marks our steps into the future, which will be characterized by increasingly comprehensive sustainability activities. We are aware of our responsibility as a company and combine long-term growth with ecological conscientiousness. That is why we are a participant in the UN Global Compact. We set ourselves ambitious goals in order to supply our customers worldwide with high-quality products while protecting the environment and saving resources. At the same time, we are a reliable employer for our employees.

In this document, we disclose the data on our sustainability activities and communicate transparently what we are actively doing as a responsible company to ensure a sustainable future. We take responsibility for developing sustainable products and solutions that will also benefit future generations.



Dr. Andreas Hirschfelder, and the entire Executive Management Board  
May 2024



Executive Management Board of LEONHARD KURZ Stiftung & Co. KG

0. Table of Contents

1. Preface

**2. The KURZ Mission Statement**

**2.1 Our Internal Sense of Purpose**

**2.2 Our Mission Statement**

3. Company Profile

4. Fields of Expertise

5. Certificates

6. Value Chain

7. Employee Rights and Human Rights

8. Health and Safety

9. Environmental Protection

10. Ethics and Compliance

11. Management System

12. Principles of Implementation, Language

13. Entrepreneurial Commitment to UN Goals

14. Outlook

15. Objectives and Action

16. Principles of Implementation, Key Figures, Index

17. GRI Index

18. Legal Notice – Additional Links



# 2. The KURZ Mission Statement

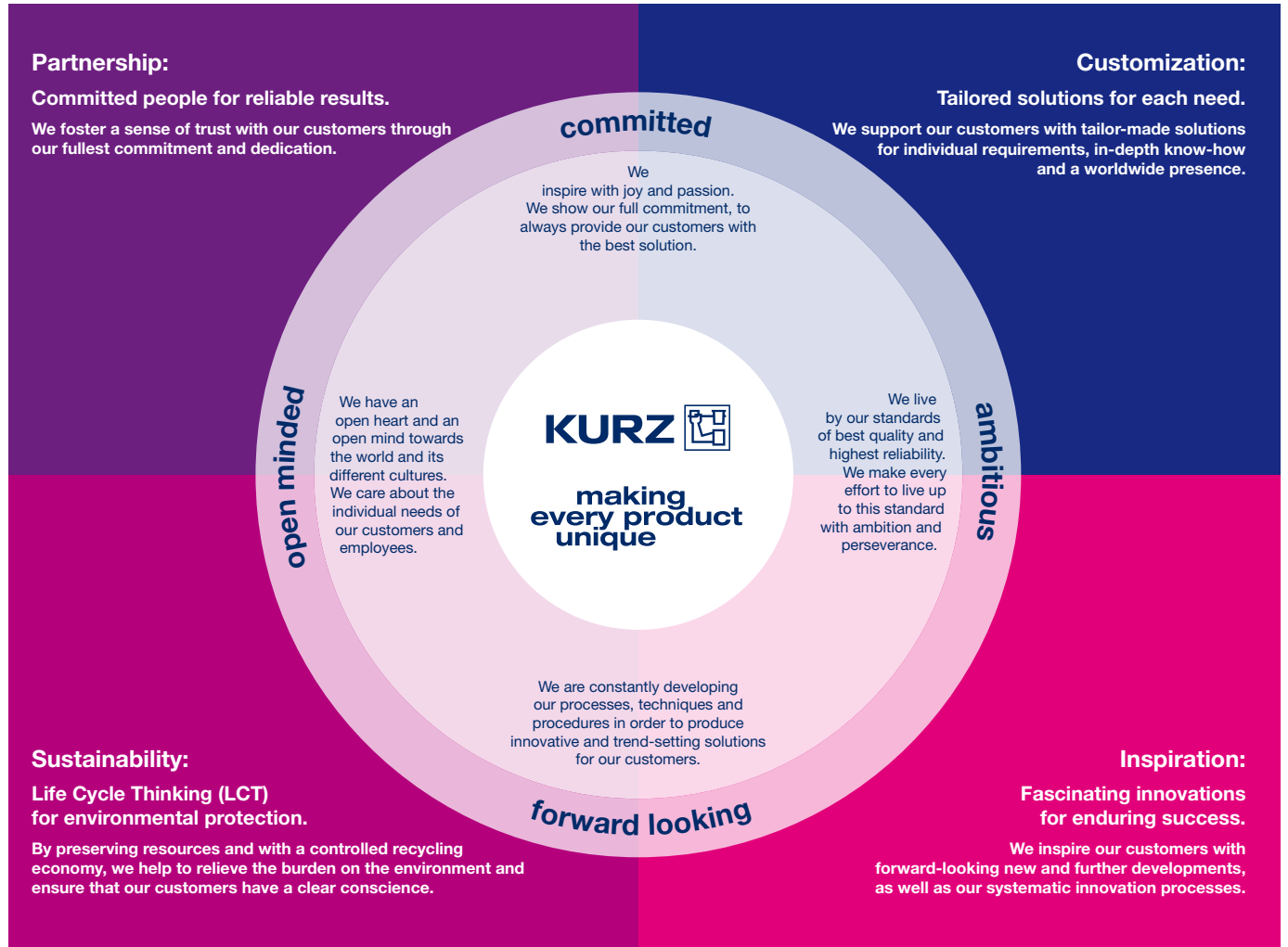
## 2.1 Our Internal Sense of Purpose

We offer every customer the best solutions for enhancing their products. This is what we are striving for, doing so with passion and ambition. We think and operate in a ground-breaking way, and we act in an open manner.

For 125 years.  
From Fuerth.  
For the global market.

#WeAreKURZ

## 2.2 Our Mission Statement



- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement

**3. Company Profile**

- 3.1 Top Quality Coating Technologies**
- 3.2 Tradition and Progress**
- 3.3 Consistently High Standards**
- 3.4 KURZ Core Competencies**
- 3.5 KURZ Surface Decors**
- 3.6 KURZ Worldwide**

- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

A large, light blue graphic of a house with a gabled roof and several rectangular windows, serving as a background for the main title.

# 3. Company Profile

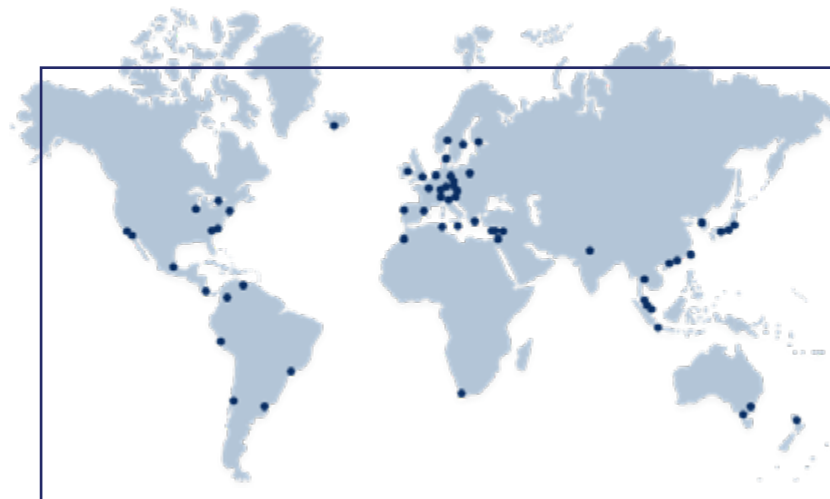


## 3.1 Top Quality Coating Technologies

KURZ<sup>1</sup> is a leading international company in thin-film technology and a market leader in the hot stamping field. With more than 5,500 employees, the surface specialist develops and produces wafer-thin decorative and functional coatings to visually and functionally enhance a wide range of products.

Surface decorations from KURZ can be found on car parts, smartphones, laptops, furniture, packaging, books, textiles, labels, and bank cards, to name but a few applications. KURZ transfer products are used in different ways to decorate a wide variety of products. As surface finishing, they enhance brands. And as adhesive seals, paper, or plastic labels, they identify goods. Transfer products from the KURZ Group protect surfaces and prevent counterfeiting. Combining visual elements with digital functionalities, they provide product protection, ensure product security, and create a virtual brand experience. From unique design to intelligent features, KURZ offers complete solutions for surfaces – from project consulting and machine and tool technology through to sustainable finishing solutions with KURZ Recycling.

The KURZ Group operates more than 30 sites worldwide and produces under standardized quality and environmental standards in Europe, Asia, and the USA. With a global network of subsidiaries, representatives, and sales offices, the surface specialist ensures short paths, reliable delivery, and individual on-site support.



More than  
**30**  
sites worldwide

<sup>1</sup> Throughout the Sustainability Report 2023, the terms 'KURZ', 'Company' and 'we' refer to LEONHARD KURZ Stiftung & Co. KG and its global subsidiaries and affiliates.

## 3.2 Tradition and Progress

Tradition and progress are not contradictory at KURZ, but rather company philosophy. While boasting the expertise and experience stemming from its 100-plus-year history, KURZ sprints into the future with ongoing product innovation. With a steady spirit of innovation, KURZ has grown into a major partner for business, government, and research in the fight against counterfeiting, as well as in printed electronics.

## 3.3 Consistently High Standards

With over 100 years of experience, KURZ develops all applied process technologies itself. Even in production machines, our know-how has yielded high product consistency, at the same level worldwide. KURZ considers itself an all-round provider of perfect coating solutions. The efficient use of foil, tool, and machine is delivered right from the start. Training, installation, and maintenance are as much part of the scope of service as the development of specialized machines for specific needs.



## 3.4 KURZ Core Competencies

### Best practice for all market requirements

- Most extensive processing spectrum
- In-house development of coatings
- Consistently secure production output with unvarying foil properties
- Reliable quality management
- Suitable transfer product fabrication

### Worldwide service

- Reliable logistics with global logistics concept
- Well positioned round the world
- Asia experts for over 40 years
- Support team for application technology

### Technologies for today and tomorrow

- Future viability through continuous further development of machines, transfer products, and techniques
- Grasp of trends with in-house design department
- Our future print prospects:  
Printed electronics and function

## 3.5 KURZ Surface Decors

### appealing



High-gloss metallic tones, glittering color effects, and artistic reliefs: KURZ coatings bathe products in a glamorous light.

### functional



Touching and experiencing – KURZ's comprehensive know-how transforms products into multifunctional tools with surface protection, touch sensors, and much more.

### protective



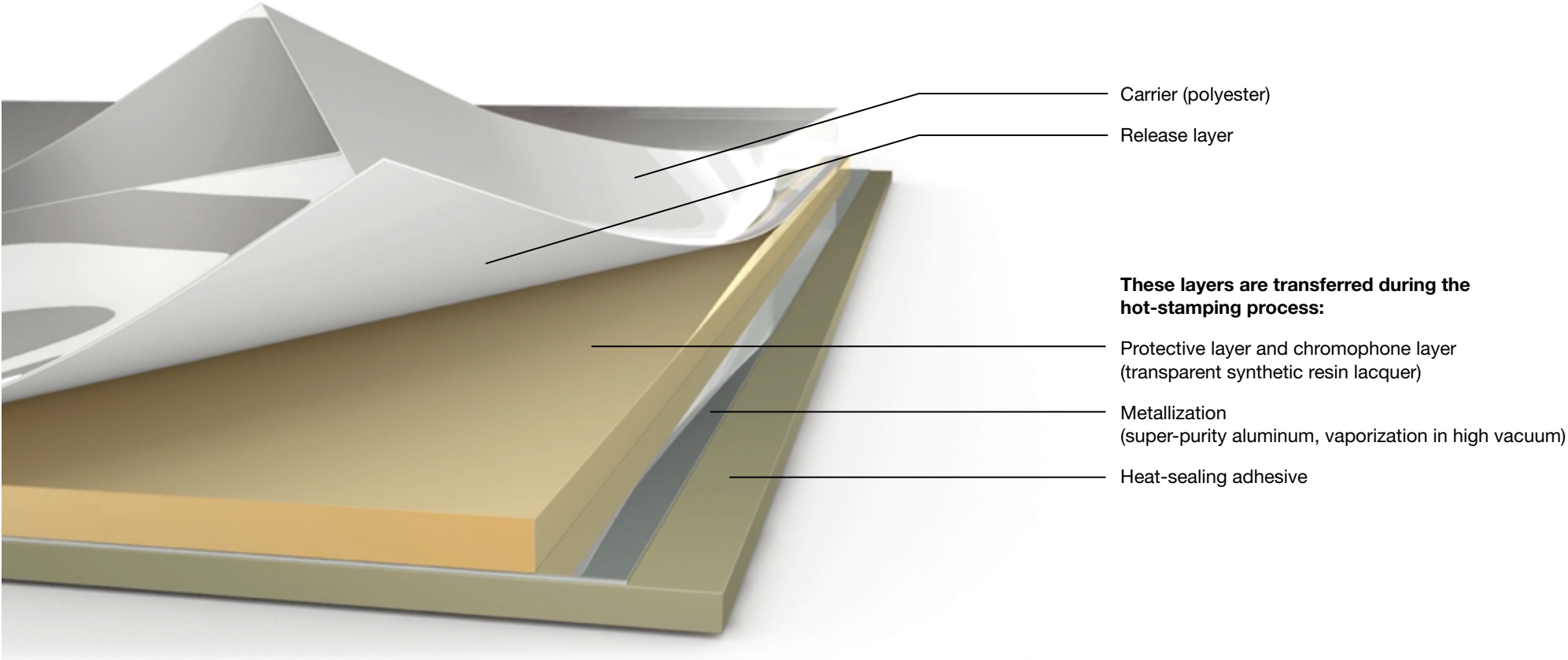
KURZ develops tailored digital solutions. We use multiscan technology to deliver custom security packages for brand protection and authentication.

### communicative



KURZ turns products into ideal instruments of communication. Whether on or offline, KURZ solutions create brand worlds and add value to products.

### Setting up a transfer decoration



Typical composition of a LUXOR®/ALUFIN® hot-stamping foil for the graphic industry

## 3.6 KURZ Worldwide

The KURZ Group is an international leader in thin-film technology and supplies products for surface finishing and decoration. With over 5,500 employees at more than 30 sites worldwide, KURZ has an international presence and manufactures under uniform quality and environmental standards in Europe, Asia, and the USA. Thanks to KURZ's many years of experience and the constant expansion of our portfolio, we can offer our customers a wide range of products – and all from one source. A global network of subsidiaries, representatives and sales offices ensures short paths and individual, on-site consulting.

**Germany**  
**LEONHARD KURZ Stiftung & Co. KG**  
 Schwabacher Straße 482  
 90763 Fuerth/Germany  
 Phone: +49 911 71 41-0  
 E-Mail: [sales@kurz.de](mailto:sales@kurz.de)  
[www.kurz-world.com](http://www.kurz-world.com)

**USA**  
 Huntersville/Charlotte/Chicago/Detroit/Lexington/  
 Los Angeles/New York  
 KURZ TRANSFER PRODUCTS, L.P. (KTP)  
[www.kurzusa.com](http://www.kurzusa.com)

**China**  
 Hefei/Beijing/Chongqing/Kunming/Shanghai/Shenzhen  
 KURZ STAMPING TECHNOLOGY  
 (HEFEI) Co., Ltd.  
[www.kurz.com.cn](http://www.kurz.com.cn)

**Australia**  
**Sydney/Adelaide/Melbourne**  
 LEONHARD KURZ (Aust.) PTY. LTD.  
[www.kurz.com.au](http://www.kurz.com.au)

**Brazil/São Paulo**  
 KURZ do BRASIL  
[www.kurz.com.br](http://www.kurz.com.br)

**Chile/Santiago**  
 KURZ Chile S.A.  
[www.kurz.cl](http://www.kurz.cl)

**Czech Republic/Střelice u Brna**  
 KURZ Czech & Slovak s.r.o.  
[www.czkurz.com](http://www.czkurz.com)

**France/Paris**  
 KURZ FRANCE S.A.R.L.  
[www.kurz.fr](http://www.kurz.fr)

**Germany/Doebeln**  
 KURZ TYPOFOL GmbH  
[www.kurz-typofol.de](http://www.kurz-typofol.de)

**Great Britain/Watford**  
 LEONHARD KURZ (UK) LTD.  
[www.kurz.co.uk](http://www.kurz.co.uk)

**Hong Kong**  
 KURZ Hong Kong Ltd.  
[www.kurz.com.cn](http://www.kurz.com.cn)

**Hungary/Budapest**  
 LEONHARD KURZ South-East  
 Europe Kft.  
[www.kurz.hu](http://www.kurz.hu)

**India**  
**Noida/Chennai/Calcutta/Mumbai**  
 KURZ (INDIA) PVT. LTD.  
[www.kurz.in](http://www.kurz.in)

**Ireland/Dublin**  
 LEONHARD KURZ IRELAND LTD.  
[www.kurz.ie](http://www.kurz.ie)

**Japan**  
**Osaka/Tokyo**  
 KURZ JAPAN LTD.  
[www.kurzjapan.com](http://www.kurzjapan.com)

**Mexico**  
**Mexico City/Guadalajara**  
 KURZ MÉXICO S.de R.L.de C.V.  
[www.kurz.com.mx](http://www.kurz.com.mx)

**Morocco/Casablanca**  
 KURZ North Africa  
[www.kurz-na.com](http://www.kurz-na.com)

**Netherlands/Nijmegen**  
 LEONHARD KURZ BENELUX B.V.  
[www.kurz.nl](http://www.kurz.nl)

**New Zealand/Penrose**  
 KURZ NEW ZEALAND  
[www.kurz.com.au](http://www.kurz.com.au)

**Switzerland/Wallisellen**  
 KURZ Schweiz AG  
[www.kurzag.ch](http://www.kurzag.ch)

**Taiwan/Taipei**  
 KURZ CHEERS, Inc.  
[www.kurz.com.tw](http://www.kurz.com.tw)

**Thailand/Bangkok**  
 KURZ (Thailand) Ltd.  
[www.kurz.co.th](http://www.kurz.co.th)

**Tunisia/Tunis**  
 KURZ North Africa  
[www.kurz-na.com](http://www.kurz-na.com)

**Vietnam/Binh Dinh**  
 KURZ VIETNAM Co., Ltd.  
[www.kurz.vn](http://www.kurz.vn)

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile

**4. Fields of Expertise**

- 4.1 Environmentally Relevant Information on Stamping Transfer Products**
  - 4.1.1 Conflict Minerals**
  - 4.1.2 Titanium Dioxide**
- 4.2 Environmental and Social Assessment of Suppliers**
- 4.3 Climate Neutral Packaging**
  - 4.3.1 KURZ in Industry Initiatives – Commitment to our Customers**

- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links



# 4. Fields of Expertise

## 4. Fields of Expertise

KURZ, a specialist in thin-film technology and world market leader in hot stamping, develops and produces decorative and intelligent finishings for cars, electronics, packaging, textiles, cosmetics, and bank cards, among other things.

KURZ owes its leading position in surfaces to a keen sense for trends, constant contact with designers and industry experts around the world, and ongoing advancement of its solutions – for 125 years now.

The company continually invests in new technologies. The KURZ subsidiaries develop innovative solutions for functional integration into surfaces, as well as products for labeling and counterfeiting protection and the corresponding software. A comprehensive range of stamping presses and stamping tools rounds off the versatile KURZ product portfolio. Furthermore, the KURZ subsidiaries use their expertise to provide pioneering, custom-made complete solutions that include project consultancy and machine and tool technology.







**Baier GmbH + Co. KG Maschinenfabrik**

Tailor-made machine and application solutions, uncompromisingly tailored to your needs

[www.baier-praegetechnik.de](http://www.baier-praegetechnik.de)



**BURG DESIGN GmbH**

Innovative vehicle concepts for revolutionary design

[burg-design.com](http://burg-design.com)



**Canyon Graphics, Inc.**

Expertise in printing, thermoforming, 3D trimming, 2D precision cutting, lamination and injection molding.

[www.canyongraphics.com](http://www.canyongraphics.com)



**Hinderer + Mühlich GmbH & Co. KG**

High-precision stamping tools and workpiece holders that transform your products into masterpieces

[www.hinderer-muehlich.de](http://www.hinderer-muehlich.de)



**ISIMAT GmbH Siebdruckmaschinen**

Highly efficient machine systems for excellent and unique finishing of your tubes and glass containers

[www.isimat.com](http://www.isimat.com)



**KURZ Digital Solutions GmbH & Co. KG**

Tailor-made digital products and services that simplify your processes and improve user experiences

[www.kurzdigital.com](http://www.kurzdigital.com)



### **MPRINT Morlock GmbH & Co. KG**

Cutting-edge inkjet digital printing technology: Easy, understandable, manageable – so you can overcome today's and future print challenges

[www.mprint.de](http://www.mprint.de)



### **OVD Kinegram AG**

World-leading government document security solutions – protecting the identity of today's and tomorrow's citizens

[www.kinegram.com](http://www.kinegram.com)



### **PolyIC GmbH & Co. KG**

Printed touch interface technology to get you started in the production of automated functional parts

[www.polyic.com](http://www.polyic.com)



### **SCHÖFER GmbH**

Sophisticated components and injection molding tools to give you unlimited freedom in product design

[www.schoefer.at](http://www.schoefer.at)



### **SCRIBOS GmbH**

Market-leading global provider of secure and effective brand protection solutions

[www.scribos.de](http://www.scribos.de)



### **Steinemann DPE AG**

High-quality digital sheet finishing machines for unique effects through reliable and efficient processes

[www.steinemann-dpe.com](http://www.steinemann-dpe.com)

## 4.1 Environmentally Relevant Information on Stamping Transfer Products

Stamping transfer products represent no hazardous materials due to the Ordinance on Hazardous Substances (11/2010). According to REACH they have to be classified as articles (1907/2006/EG) and therefore are not subject to registration. KURZ does not use any raw materials containing volatile, ozone depleting halogenated hydrocarbons, cadmium, lead, mercury or hexavalent chromium for the production of stamping transfer products.

The vast majority of our stamping transfer products fulfill the requirements of the various national and international regulations, taking into consideration their formulations, the specifications provided by raw material suppliers and their usage in their respective specialized applications.

For more detailed information please visit our [website](#).

### 4.1.1 Conflict Minerals

With regard to the responsibilities/requirements emerging from the Dodd-Frank Act (Section 1502 – Conflict Minerals), we work with suppliers to track the material fraction of our raw materials in order to determine if minerals for our raw materials come from mining or uncertified melting practices in conflict regions. We would not knowingly use conflict materials from the DR Congo or neighboring states in the manufacture of our products. We therefore require our suppliers, with regard to the material fraction known to us in the raw material, to state in writing the due diligence and background of the material designated as conflict material within the raw materials they deliver.





## 4.1.2 Titanium Dioxide

### What does the reclassification of titanium dioxide mean?

After lengthy discussions at EU level, the European Commission adopted the 14<sup>th</sup> Adaptation of the CLP Regulation as Delegated Regulation (EU) 2020/217, published in the Official Journal of the European Union on February 18, 2020. This regulation entered into force on March 9, 2020, and had to be implemented by September 9, 2021, at the latest.

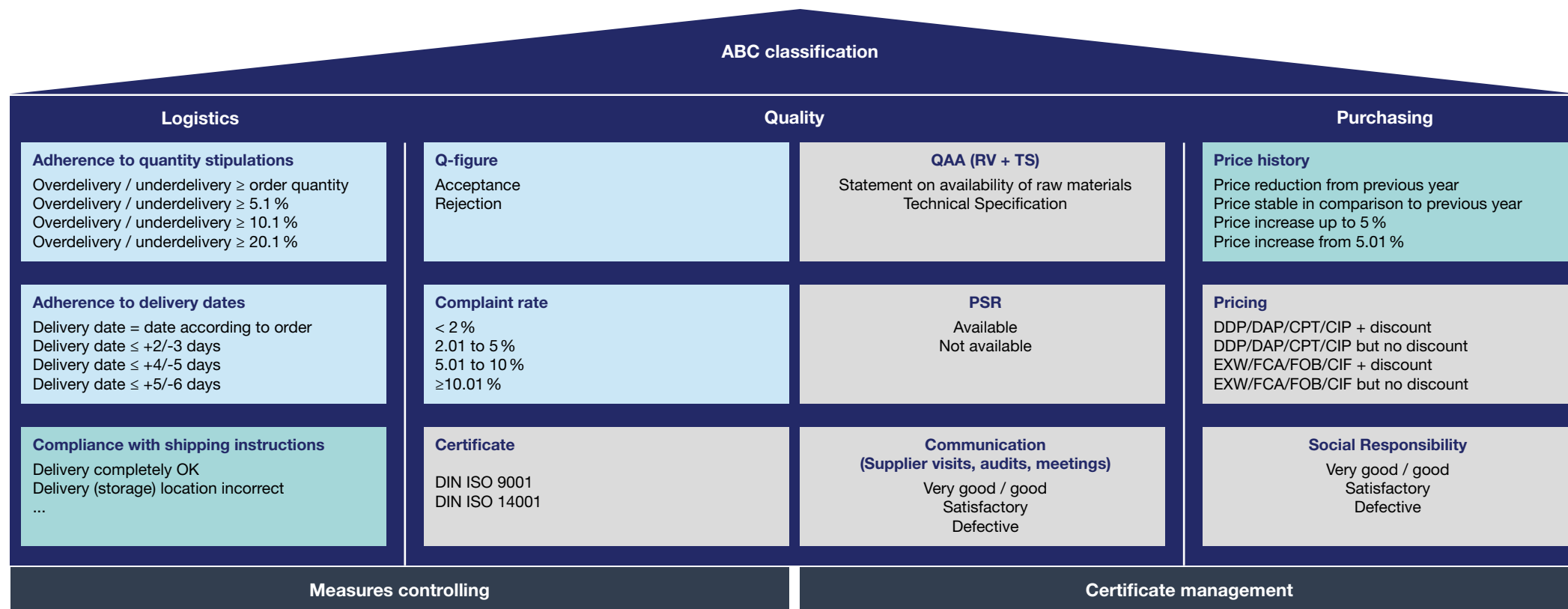
- The regulation classifies titanium dioxide in powder form with at least 1% particles with an aerodynamic diameter of  $\leq 10 \mu\text{m}$  as carcinogenic (suspected, category 2) and introduces additional EUH rates.
- The classification only applies to the pure titanium dioxide powder and to all powder products that contain at least 1% titanium dioxide in particle form or incorporated in particles with an aerodynamic diameter of  $\leq 10 \mu\text{m}$  in mixture.
- It does not apply to products, i. e., objects such as wallpaper, paper, or foil products with titanium dioxide.

### Do transfer products from KURZ need to be additionally labelled?

The EUH212 additional labelling for mixtures containing  $\geq 1\%$  titanium dioxide particles required by the regulation is not applicable to our transfer products, but only to solid or liquid mixtures (e. g., powder coatings, paints).

## 4.2 Environmental and Social Assessment of Suppliers

Quality and sustainability are important to us, which is why we place high demands on ourselves and our suppliers. We have introduced a standardized supplier evaluation system for raw material procurement in order to identify improvements and potential risks at an early stage and, if necessary, counteract them with suitable corrective measures. We carry out the evaluation on a regular basis. For us, mutual trust and loyalty are fundamental to good cooperation with our business partners. We focus on our most important suppliers – it is not the number that matters to us.



## A, B, and C – Classification

The three supporting pillars of the evaluation are the classes quality, logistics, and purchasing, whereby each range is divided again into different criteria. For example the area of environment could be found under the point quality/certificates. Under this point it is not only asked for the quality management (DIN ISO 9001) but in addition for an environmental management system according to DIN ISO 14001. In order to receive the full number of points in the criterion certificates both proofs must be present. The system is based on a classification of A, B, and C, whereby the optimum level of supplier to be aimed for is in category A, if an overall rating of 90 % – 100 % is achieved.

## Procedure

All suppliers of coating raw materials and substrates are evaluated across all plants on the basis of defined criteria. Certain evaluations, e. g., in the area of sustainability controlling, are only carried out at least once a year for our VIPS. Very Important Project Suppliers (VIPS) – this is how we refer to our core suppliers. Almost every fourth supplier in raw material purchasing is a VIPS. Subsequently, an individual evaluation is generated for each VIPS supplier, if necessary, also for the non-VIPS.

The evaluations are also sent to the VIPS A, B, and C suppliers at least once a year. If a supplier is in category B or C, he must submit an action plan on how to eliminate errors and achieve the missing score. This is checked by us, and feedback is given to the supplier.

Category	Weighting	Criterion	Weighting
<b>Quality</b>	45 %	Q-figure	35 %
		Complaint rate	45 %
		Quality assurance agreement	10 %
		Certificates	5 %
		Product safety representative	2 %
		Communication	3 %
<b>Logistics</b>	35 %	Adherence to quantity stipulations	30 %
		Adherence to delivery dates	50 %
		Compliance with shipping instruction	20 %
<b>Purchasing</b>	20 %	Price history	30 %
		Pricing	15 %
		Social responsibility	55 %

ABC Classification	Points	Traffic light color
<b>A</b>	<b>100-90</b>	<b>Green</b>
<b>B</b>	<b>≤ 89</b>	<b>Yellow</b>
<b>C</b>	<b>≤ 79</b>	<b>Red</b>

## Communication

Our goal with VIPS is to make sure that they do not fall into Area C. In order to get into conversation with our suppliers for this reason, in general, we conduct audits, go directly on site, or we invite them to our premises.

Our audits are based on audit questionnaires covering a wide range of topics. One section, for example, is whether environmental and occupational safety aspects are complied with, and whether the international standard SA 8000 (no child labor, among other things) is part of the company policy.

All our core suppliers (VIPs) are evaluated via our supplier evaluation system on the basis of environmental criteria, among other things.

We check our suppliers for environmental and social impact using our supplier questionnaire. If the supplier questionnaire is not completed or is completed inadequately, this is reflected negatively in the supplier rating. All suppliers in categories B and C are regularly required to submit an action plan to optimize deficits.

In our supplier questionnaire the social responsibility (Corporate Social Responsibility) is queried and is included in the supplier evaluation.

The compliance to the KURZ Supplier Code of Conduct (respectively suppliers own equivalent) or the CSR-guideline of the supplier is part of the social responsibility. This is determined by evaluation of the supplier questionnaire.



The supplier has to explain the following:

1. Supplier declaration: The Supplier confirms to observe the applicable law and legislation; the Supplier shall not tolerate any kind of corruption or bribe, respect basic rights and the ban on child labor and forced labor. Furthermore the Supplier shall take responsibility for the health and safety of its employees, shall ensure a fair compensation and reasonable working hours, shall act in accordance with the applicable environmental laws and shall use its best efforts to promote the observance of these principles among its suppliers.
2. Does your company have a policy on compliance and social responsibility (including the exclusion of child labor, no discrimination, no corruption / bribery, compliance with the minimum wage, occupational health and safety, etc.)?
3. “Do you agree to comply with the contents of the KURZ Supplier Code of Conduct?”
4. Conflict Minerals  
The Supplier shall not make any Supply to KURZ including Conflict Minerals or metals and/or metal compounds made or derived from Conflict Minerals (“Conflict Minerals”). If the Supplier is unable to fulfill this obligation, the Supplier shall notify KURZ prior to the first delivery in writing of the Conflict Minerals used in the production of the Supply to KURZ. Conflict Minerals shall have the meaning as defined in section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Act”) and the final rule of the Security and Exchange Commission (“SEC”), dated 22th of August 2012 (“Final Rule”) and shall include, without limitation, columbite-tantalite (coltan), cassiterite, gold, wolframite or their derivatives, or any other mineral or its derivatives determined by the US Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country with the exemptions regulated in the final rule.

In the event such Conflict Materials are used by the Supplier in the production of any Supply, and the Supplier is under the Act and the SEC final rule obliged to file either a FORM SD and/or a Conflict Minerals Report to the SEC, the Supplier shall submit a copy thereof to KURZ.

All core suppliers (VIPS) are evaluated based on social criteria with our supplier rating system among other topics.

92 % of all VIPS meet the requirements 100 %, 8 % have to explain which actions will be taken to reach a score of 100 %.

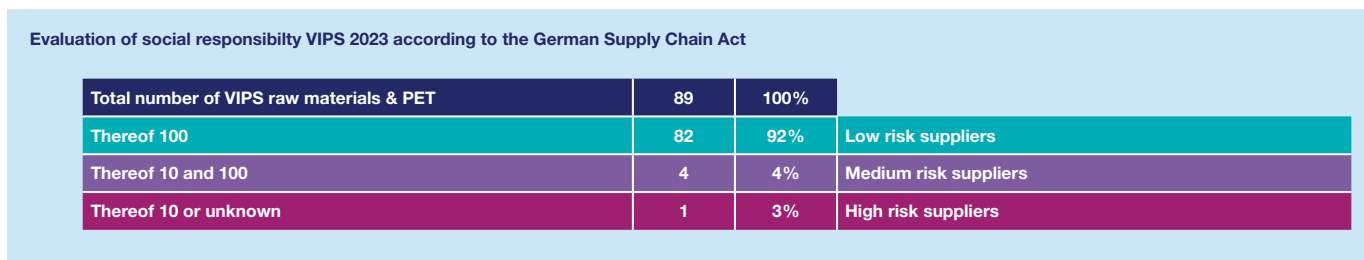
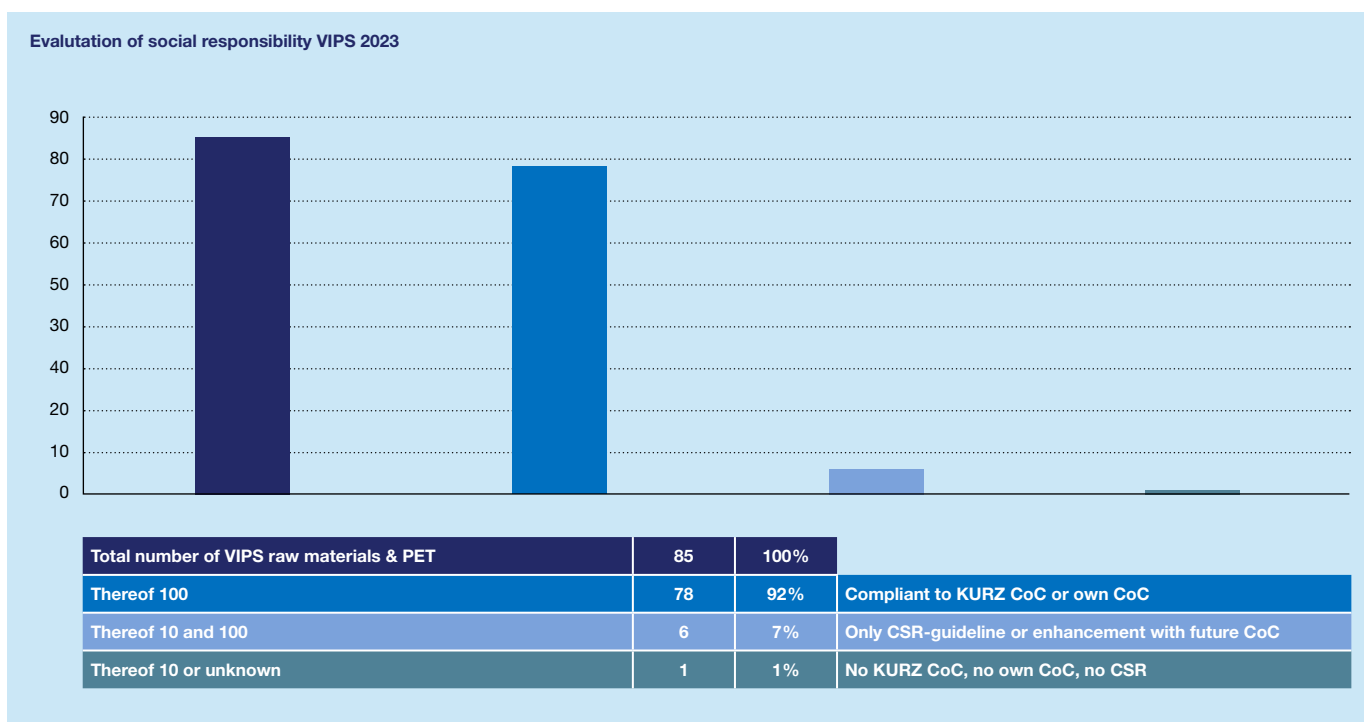
If the supplier questionnaire is not completed or is completed inadequately, this is reflected negatively in the supplier rating. All suppliers in categories B and C are regularly required to submit an action plan to optimize deficits.

Since 2023 KURZ has to report to the Federal Office for Economic Affairs and Export Control (German BAFA) according to the the Act on Corporate Due Diligence Obligations in Supply Chains.

The company publishes a report every year on how it has fulfilled its due diligence obligations. This is made available to the public and to the responsible authorities in Germany.

The core elements of the due diligence obligations include the establishment of a risk management system to identify, prevent or minimize the risks of human rights violations and damage to the environment. The Act sets out the necessary preventive and remedial measures, makes complaint procedures mandatory and requires regular reports.

The company analyses whether their actions can lead to violations of human rights or environmental standards. They must evaluate and prioritize the identified risks appropriately.





## 4.3 Climate Neutral Packaging

KURZ primarily purchases climate-neutral packaging material that bears the 'Climate Partner' label. By using climate-neutral packaging, we contribute to global climate protection and support recognized climate protection projects.

Climate-neutral packaging is implemented in three steps:

### 1) Calculation of the CO<sub>2</sub> emissions of the packaging product

The product carbon footprint of packaging products can be calculated on the basis of company and order-specific information. In the case of packaging, the cradle-to-gate approach, which takes into account the raw materials used, their transport, and the actual production process, is usually chosen as with printed materials.

### 2) Offsetting CO<sub>2</sub> emissions

Packaging is climate neutral when its carbon footprint has been calculated and balanced. Emissions are offset by internationally recognized climate protection projects, such as a hydropower project in Indonesia or a forest conservation project in Kenya. These projects provide a measurable CO<sub>2</sub> reduction and are regularly reviewed. As a result, customers are offered climate-neutral packaging.

### 3) Product labeling and transparent presentation of the process

For each climate-neutral order, you receive the climate-neutral label with an order-related ID number. By entering the ID number on the Climate Partner website, the CO<sub>2</sub> compensation process becomes transparent and traceable. In addition to information about the order and the CO<sub>2</sub> volume, information on the supported climate protection project is also provided.



### 4.3.1 KURZ in Industry Initiatives – Commitment to our Customers

For KURZ, sustainability is more than just a word. This is reflected in the products and processes throughout our company – and in our commitment. As a member of numerous industry initiatives, we are committed to increasing sustainability in various sectors and providing important impetus on the way to a circular economy.



**FFI** represents German manufacturers in the supplier industry, in politics, and in business, and presents their interests on the international stage.



**Cepi 4evergreen** aims to increase the contribution of fiber packaging to a sustainable circular economy, raise awareness of its benefits throughout the EU and promote the development of collection systems and recycling infrastructures.



**RecyClass** is an initiative of different sectors to promote the recyclability of plastic packaging in Europe; assesses the recyclability and makes specific recommendations based on these assessments.

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise

## 5. Certificates

- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links



# 5. Certificates

## 5. Certificates

The effectiveness of our management systems is tested and verified by external inspectors at our production sites in Germany, Switzerland, China, and Malaysia. Our environmental management system has been certified under [ISO 14001](#), our energy management system under [ISO 50001](#), and our occupational-safety management system under ISO 45001.



- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates

**6. Value Chain**

- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links



# 6. Value Chain

## 6. Value Chain



As long ago as the 1970s, sustainability was already close to the heart of LEONHARD KURZ, a family business. Long before process exhaust air treatment was a standard in the industry today, our plants already boasted state-of-the-art air pollution control systems. Highly polluting substances had already been banned from KURZ decors five decades ago. Since its founding in 1899, LEONHARD KURZ has put a premium on protecting our employees, customers, and the world.

We have long been concerned with sustainability. To us, design and recyclability are not contradictory – quite the contrary. That’s why we not only advise our customers on our transfer products; we also support our customers if they wish to improve the recycling path, have questions about the recycling options for their products with KURZ transfer technology, want to harmonize testing methods, or rethink their own sustainability concepts. Together, we ensure that recyclability is guaranteed along the entire value chain of our products and as far as possible, the products of our customers.

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain

**7. Employee Rights and Human Rights**

- 7.1 Diversity**
- 7.2 Harassment and Bullying**
- 7.3 Forced Labor**
- 7.4 Child Labor**
- 7.5 Remuneration**
- 7.6 International Conventions and Recommendations**

- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# 7. Employee Rights and Human Rights



## 7. Employee Rights and Human Rights

- The monetary factors must be in line with the market
- As part of our diversity management, we address the social diversity of employees and the personal life situation of the individual employee (work-life balance, career and family, new career models)
- We prevent social discrimination against minorities and improve equal opportunities in the company
- We communicate the usefulness of the activity to our employees and make their contribution to achieving the company/departmental goals clear

We take the social commitment of our company seriously. It is therefore important to us to fulfill our responsibility towards employees, customers, and society in our day-to-day work. Wherever we can, we provide support in various ways, for example:

- Provision of one-off assistance to employees in social emergencies
- Active addiction prevention
- Measures to reconcile work and family life
- Measures to promote occupational safety and maintain the health of the workforce

We respect the human rights of our employees and treat our employees with dignity and respect in accordance with the standards of the international community.

We attach great importance to the training and further education of our employees and have set up our own training facilities and programs for this purpose. We also use external training companies for specialist training.





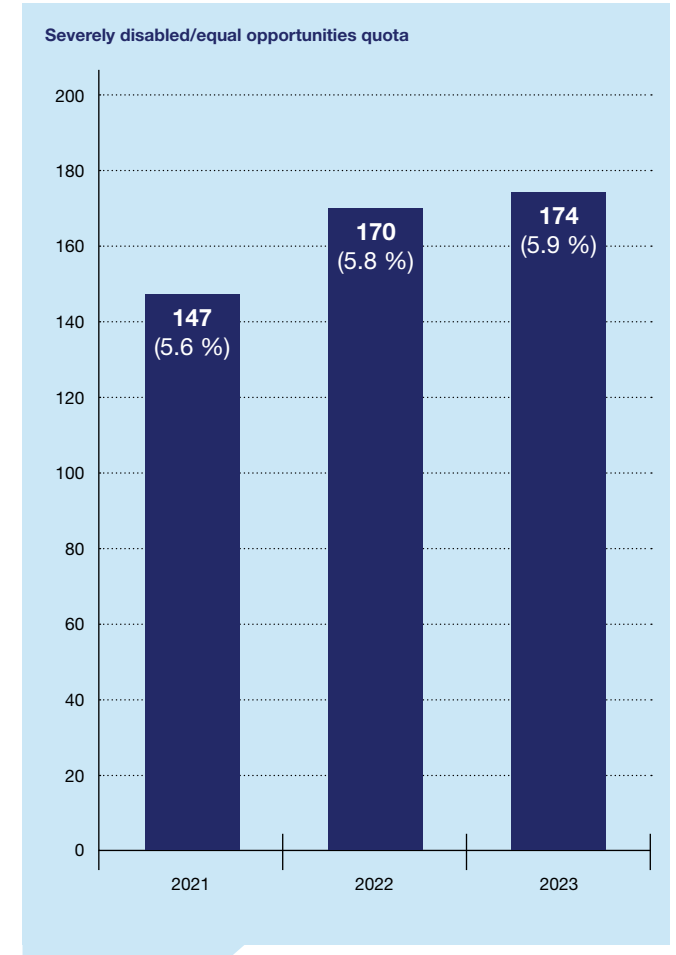
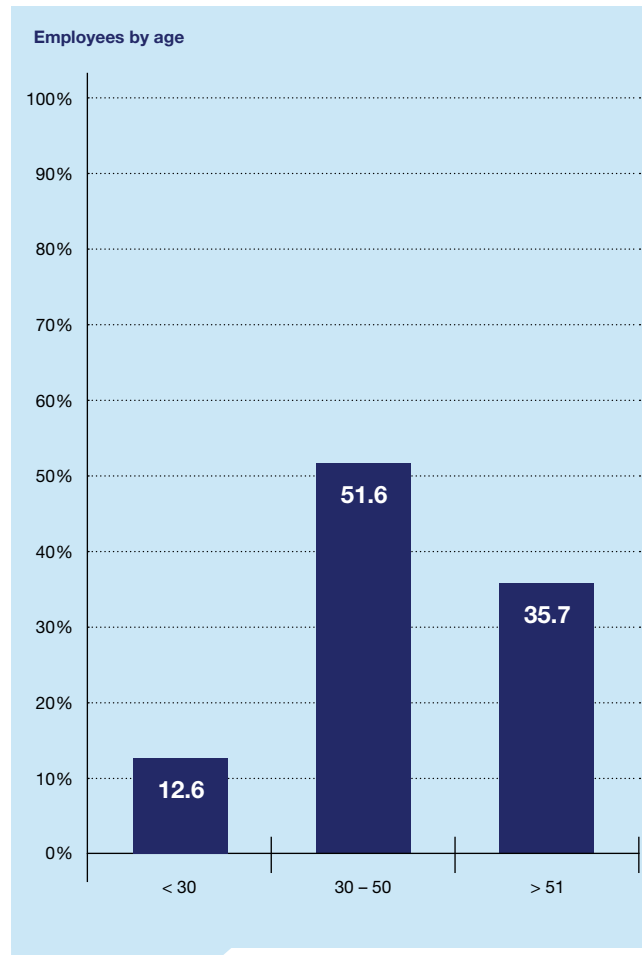
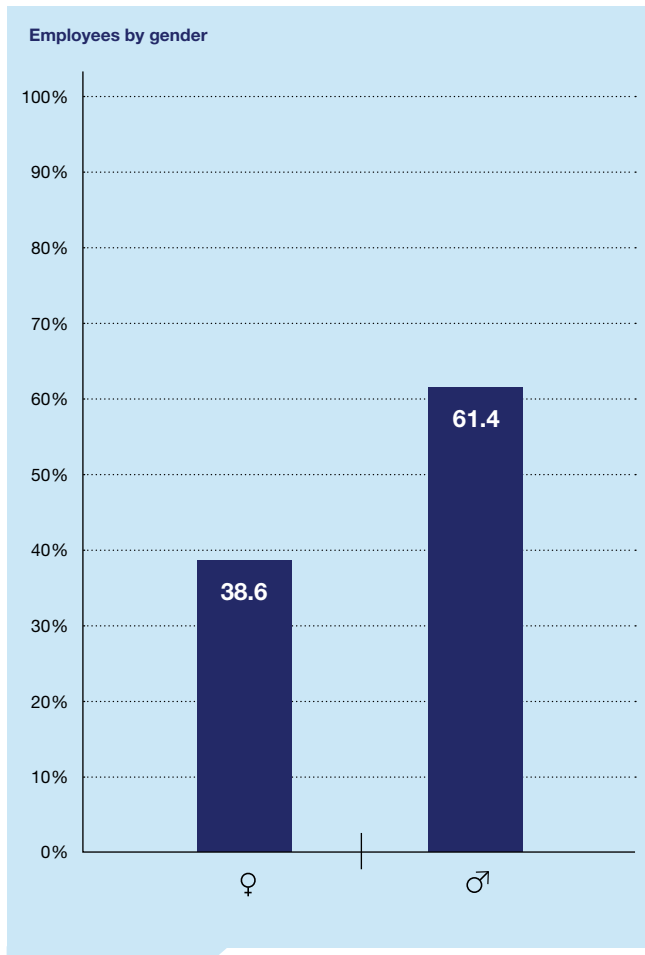
## 7.1 Diversity

We do not discriminate against any of our employees for their race, skin color, age, gender, sexual orientation, ethnicity, disability, religion, political views, membership of an employee organization, or marital status. This applies to both recruitment and employment processes, such as promotions, incentives, access to training, assignment of duties, salary, fringe benefits, disciplinary measures, termination, and retirement. All applicable laws and regulations must be observed. We do not require pregnancy tests unless they are required by law.



## Personnel key figures

In 2023 KURZ has employed 140 new employees at the Fuerth and Sulzbach-Rosenberg sites.



## 7.2 Harassment and Bullying

We are committed to a working environment without harassment and bullying. Our employees do not need to worry about being treated roughly or inhumanly in their workplace. Sexual harassment or assaults, physical harassment, mental or physical coercion, and hurtful statements are prohibited. According to the equal opportunity officer, there were no reported cases of discrimination in the reporting period.

## 7.3 Forced Labor

KURZ undertakes, in accordance with Section 5.3 of the Code of Business Conduct, to reject all forms of forced labor, slave labor, work obligations, and prison labor. Any work performed is performed voluntarily, and our employees can leave the company at any time subject to the applicable notice period.



## 7.4 Child Labor

KURZ undertakes not to use child labor in any stage of the production process. According to Section 5.4 of our Code of Business Conduct, our employees must have reached the minimum age for employment in the country in question or an age at which they are no longer subject to compulsory schooling, whichever is higher. Under no circumstances may our employees be younger than 15 years of age (with the exception permitted under ILO Convention 138 on the Minimum Age for Employment (ILO Minimum Age Convention No. 138)). Employees under the age of 18 may not be involved in work that, according to ILO Minimum Age Convention No. 138, would endanger the health, safety, or moral principles of young adults. Participation in regulated apprenticeship programs which comply with the requirements of Article 6 of ILO Minimum Age Convention No. 138 is not prohibited.

In Germany, the prohibition of child labor is regulated by the Youth Employment Protection Act (the country, 'JArbSchG').

## 7.5 Remuneration

Due to the function/activity performed, a classification into the pay grades in the collective bargaining agreement takes place irrespective of gender. In Germany, the remuneration transparency law, which came into force in 2018, ensures equal remuneration for women and men.

All benefits granted by LEONHARD KURZ to its full-time employees (e. g., medical care, company pensions, parental leave, non-tariff vacation pay) shall also be granted by KURZ to temporary employees and part-time employees.

Employees can save funds in long-term accounts at our sites in Fuerth and Sulzbach-Rosenberg in order to retire early. Once employees on collective bargaining agreements have reached the age of 57 (Or 55 years of age for shift employees), they have a (collectively agreed) entitlement to up to 2.5 hours of retirement leave per week.



## 7.6 International Conventions and Recommendations



In addition to the laws and regulations of the individual countries, the conventions and recommendations of international organizations such as the UN, the OECD, and others are primarily addressed to their member states and not directly to companies. Nevertheless, we also regard these agreements and recommendations as important guidelines for KURZ and for our employees, and we expect the same from our business partners and suppliers.

The most important of these agreements are listed below:

- Universal Declaration of Human Rights, UNO 1948
- European Convention for the Protection of Human Rights and Fundamental Freedoms, 1950
- ILO (International Labor Organisation) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, 1997 and ILO Declaration on Fundamental Principles and Rights at Work, 1998
- OECD (Organisation for Economic Cooperation and Development) Guidelines for Multinational Enterprises, 2000
- 'Agenda 21' on sustainable development (final document of the basic conference on environment and development, Rio de Janeiro 1992)
- Member of the UN Global Compact Network since 2021

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights

**8. Health and Safety**

**8.1 Occupational Health and Safety**

**8.2 Company Cafeterias**

**8.3 Medical Check-ups with Health Insurance Funds**

**8.4 Health Circles for Trainees**

**8.5 Yoga Classes**

**8.6 Occupational Health Management Statements**

- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links



# 8. Health and Safety

## 8.1 Occupational Health and Safety

Employee health is an important issue for us because we want to not only maintain it in the long term but also promote it. For this reason, occupational health and safety has been firmly integrated into our management systems for many years.

Legally binding regulations are the highest priority for us, and we also set internal standards for ourselves. Our long-term goal is to prevent accident and health risks as far as possible and to support our employees with preventive, health-preserving services and measures.

Our large number of occupational health and safety officers make an important contribution to this. In addition, we have laser, radiation, fire, and explosion protection officers, as well as experts on hazardous substances and health protection. This means that we have the right points of contact and specialist knowledge directly at KURZ, which enables us to act and implement quickly. Our occupational health and safety specialists are supported by numerous safety officers who are appointed throughout the entire company.

In order to continue to advance in the areas of occupational health and safety, we use our regular safety committee meetings to agree on targets and optimization measures. There, topics such as risk assessments, prevention, accident statistics, and accident black spots as well as the effect of measures are discussed together with the management, managers, company doctors, occupational safety specialists, safety officers, and the works council, which is regarded as the spokesperson for all employees.



We implemented the occupational health and safety management standards in accordance with ISO 45001 at our production sites in Fuerth and Sulzbach-Rosenberg; part of the production site in Sulzbach-Rosenberg is certified in accordance with ISO 45001.

## Risk assessment and employee engagement

A central element of our occupational health and safety management is the performance of risk assessments. When assessing the required activities for all work areas of the company, we comply with legal requirements and incorporate recommendations from accident insurers as well as findings in occupational health and safety. The results of the risk assessments are prepared and documented in accordance with the current requirements of the Ordinance on Hazardous Substances ('GefStoffV') and the Ordinance on Industrial Safety and Health ('BetrSichV').

Through this solid process, we can identify hazards in the workplace, assess risks, define measures to protect employees, and monitor the effectiveness of the measures. The risk assessments are prepared and regularly updated before a new activity is commenced.

We also see the performance of risk assessments as opportunities to identify weaknesses and to transfer the knowledge and solutions gained from them to other work areas. In order to continuously improve working conditions, we consider it essential to also involve our employees in the evaluation processes. The link between the employees on site and the occupational safety experts consists of the numerous safety officers, whose responsibility includes passing on weaknesses identified by the employees to the responsible occupational safety specialist.



## Psychological risk assessment

Our risk assessments are holistic and therefore include all risk factors, such as those recommended by the Federal Institute for Occupational Safety and Health. In doing so, we attach particular importance to assessing psychological stress. In a concept specially developed for this evaluation, we conduct a voluntary and anonymous survey of all our employees using a questionnaire recommended by our accident insurers.

In this way, we involve all employees and ensure a significant result. The stress priorities determined by the survey are then discussed with employee representatives, representatives of the works council, the HR department, occupational health and safety officers, and relevant managers, and measure concepts are developed. The effectiveness of the measures is assessed at regular intervals.





### Telephone hotline for psychological counseling

Since 2012, we have been working with a psychological practice and have set up a telephone hotline with them for our employees: All German employees have the opportunity to seek help for psychological problems free of charge, quickly and anonymously. If an employee wants support, there is a guarantee of an initial personal consultation within 48 hours. If this consultation reveals that the problem is a mental disorder with an illness value, our employees receive follow-up appointments within the next two weeks (a combination of individual and group therapy, depending on the case). The costs are then covered by the health insurance. In the case of a mental disorder without disease value, KURZ covers the costs of 2–3 counseling hours in the psychological practice.

### Safety precautions

Derived protective measures correspond to the state of the art and are fundamentally determined by us according to the S-T-O-P principle. The S-T-O-P principle refers to the following order of priority: Substitution (complete elimination of the source of danger), before Technical solutions, before Organizational and Personal solutions.

Despite the consistent pursuit of this principle, it is essential that our employees wear personal protective equipment. Suitable and appropriate protective equipment is selected by our occupational safety officers and made available to our employees free of charge.

Regular activities are also carried out to check the effectiveness of the protective measures in order to ensure compliance with occupational exposure limits (noise, hazardous substances). The protective measures also include regular inspections and maintenance of work equipment and machines. A test and maintenance plan can be found in each risk assessment document.

### Information of the BÄD (Company medical office)

KURZ is a mixed company of industrial and salaried employees. As a result, 10% of our employees in Germany must be trained as first aiders.

Due to the size of our company, that is between 120 and 130 first aiders. In 2023, we had a total of 260 first aiders on the job, 187 at the Fürth site and 73 in Sulzbach-Rosenberg. The 10 refresher courses and courses for new first aiders offered, were always fully booked. In 2024, the first aider courses are fully booked again which indicates a high level of interest

among our staff.

Our employees are regularly invited to basic and preventive medical checkups. The aptitude, compulsory, and offered examinations were very well received in 2023.

Once a year in the fall, LEONHARD KURZ employees have the opportunity to take advantage of a flu vaccination. These employees also qualify for being subsidized by LEONHARD KURZ for screen glasses, provided they spend at least 30% of their working day in front of a computer screen.

### Eldercare and childcare support

LEONHARD KURZ works with a company that offers our employees individually tailored, comprehensive information, advice and referral services in the areas of care for relatives in need of care (homecare/eldercare) and childcare. The aim is to offer our employees non-bureaucratic and rapid help in stressful situations. The advice is anonymous.

### Child holiday care

We have been intensively involved in the Fuerth Alliance for Families since 2011. The alliance was established to support working parents in Fuerth companies and to promote the compatibility of family and career. Our employees' children can attend childcare during the holidays and we pay 50% of the childcare costs. This way, we enable our employees to obtain easily affordable and highly qualified care for their children.

## Employee training and instruction

An important basic component of preventive occupational health and safety is employee training. Only sufficiently qualified employees can recognize hazards and apply safety regulations appropriately.

To support regular oral instruction, a few years ago we introduced an e-learning system that enables all employees to study individually and in a way that is tailored to their work activities.

The training courses cover all safety-relevant topics, such as handling hazardous substances, handling loads, and conduct in an emergency, and are updated as required. The contents of the training courses are accessible to every employee at all times, and various contact persons are available to answer questions or to assist with language barriers.

## AGG training (eLearning training on the General Equal Treatment Act)

German employees (incl. temporary workers, temps, interns) complete an eLearning training on the General Equal Treatment Act on their first day of work. Since last year, we have a new eLearning training with a final, demanding comprehension test to ensure that what was heard was understood. There is also a contact person in the company for complaints.

## Support for further training and advancement

KURZ supports job-related and in-service training for its employees in a variety of specialist areas. These include, for example, continuing education courses according to recognized state or public law qualifications, degree courses or also job-related continuing education courses without state recognition. Support is provided in the form of paid time off and/or cost absorption.

In addition, KURZ offers numerous opportunities for internal training. The 'KURZ College' section covers all further training courses:

'KURZ College inside' contains training courses and short seminars from KURZ employees for KURZ employees. External Trainers are invited to KURZ for 'KURZ College inhouse' training courses.

In addition 'KURZ College individual' Courses are offered to our employees at external sites.

The Training and Courses are well received. One of our best-attended 'KURZ College inside' courses is 'Sustainability at KURZ'. Participants learn how the various KURZ Business Areas implement sustainability on a daily basis.

How environmentally friendly are our production and working methods? What impact do our products have on issues such as recyclability, compostability and Life Cycle Thinking? As KURZ we contribute our part to the topic and would like to inform all our employees about it.

Leadership and Management, as well as IT-Classes were other preferred courses.

Another well frequented example of our KURZ College Inside seminars is 'Responsibility in occupational safety'. Our Environmental and Safety Managers train employees on the benefits of risk assessments in everyday work, on hazardous substances and their special properties, and on protective measures at KURZ.

By training our staff we ensure a profound understanding of expertise knowledge, trendsetting topics and individual skills throughout the company.

	KURZ College inside		KURZ College inhouse		KURZ College individual	
	Number of trainings	Attendees	Number of trainings	Attendees	Number of trainings	Attendees
2021	115	1856	76	694	105	398
2022	110	1450	96	1293	113	93
2023	93	1120	86	819	176	792

## Work-related injuries and illnesses

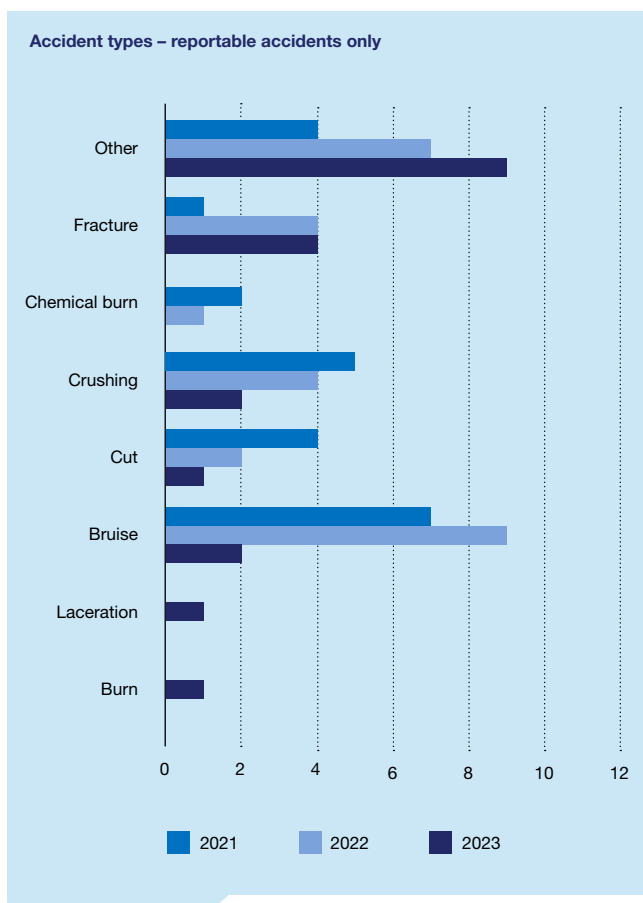
Accidents cannot be ruled out, but we do our utmost to avoid them and to continuously reduce the accident rate through improvement measures. Not only reportable accidents, but also accidents that result in few or no lost working days are analyzed, assessed, and, if necessary, adaptation measures initiated. In accident statistics and risk assessments, all accidents and the resulting measures are documented in order to detect any clusters or weaknesses. When recording reported accidents, we ensure that the causes of accidents and injuries are precisely documented so that any clusters can be identified and, where necessary, counteracted.

Number of accidents under reporting obligation

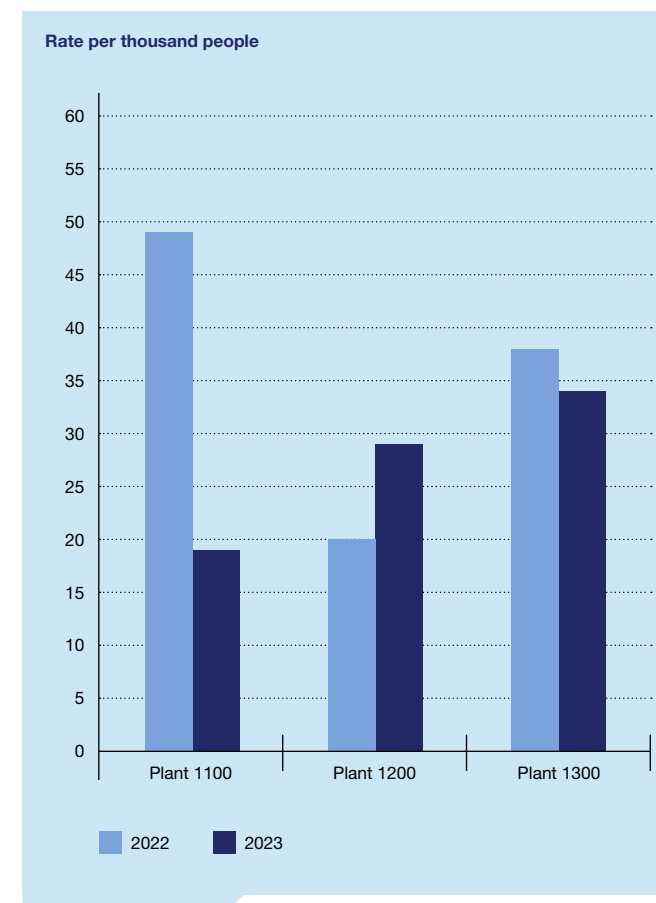
	2021	2022	2023
Fuerth Plant 1100	46	49	24
Sulzbach-Rosenberg Plant 1200	15	15	17
Sulzbach-Rosenberg Plant 1300	11	19	17

Number of occupational diseases 2022 and 2023

	Fuerth	Sulzbach-Rosenberg
Suspected cases	0	0
Acknowledged cases	0	0



The Rate per thousand people enables us to compare the production sites and the industry. This figure refers to the number of reportable workplace accidents each year per 1,000 industrial employees:



### Suppliers and service providers

We draw the attention of the service providers working on our sites to our applicable safety regulations through our guidelines for third-party workers. Our purchasing conditions require suppliers to comply with all applicable statutory safety regulations. We use construction site coordinators on in-house construction sites and for conversion work.



## 8.2 Company Cafeterias



A wide variety of dishes are prepared on site daily in company cafeterias. The use of high-quality, seasonal, and regional ingredients is a top priority at company cafeterias, as well as the requirement for fresh products.

LEONHARD KURZ intends to implement traffic-light labeling of food and beverages (Green: Desirable, Amber: Neutral, Red: Undesirable), which allows the health value to be estimated.

The offering follows the criteria of regionalism, seasonality, and sustainability. Animal welfare and sustainable fishing issues also play a major role. Moreover, with health and wellness products the KURZ Group wants to create offerings for healthy snacking in vending machines and shops.

## 8.3 Medical Check-ups with Health Insurance Funds



Employee health is an important benefit of KURZ as an employer. In cooperation with various health insurance companies, LEONHARD KURZ offers its employees various preventive medical check-ups every year, which are provided by doctors for a fee. This year, we were once again able to offer various preventive check-ups, which were well received by our employees.

### Lung function test

In cooperation with the Siemens company health insurance fund, KURZ gave its employees at the Fürth and Sulzbach-Rosenberg sites the opportunity to have a lung function test carried out. The test was offered in May 2023, and numerous employees took advantage of this opportunity.

The lungs are one of the most important human organs and are essential for a healthy life. The aim of a lung function test is to record the functional status of the airways in order to detect possible changes at an early stage.

### Shoulder and neck screening

Poor posture and lack of exercise can lead to muscle tension in the shoulder and neck area. Stress can also be the trigger for painful tension. Over three days in September and October 2023, a total of 168 employees in Fuerth and Sulzbach-Rosenberg had the opportunity to be screened. The screening was carried out in collaboration with the Barmer health insurance company.

Muscle tone measurement uses surface electrodes to record the muscle tension of the underlying muscle fibers. The diagnostics provide information about the ability to relax and tense as well as about functional restrictions in the measured areas. Based on the respective analysis results, the employees were given individual advice and received recommendations for prevention, training suggestions and relaxation exercises.

### Nutritional advice

Physical and mental health begin with a healthy diet. In the canteens at our sites in Fuerth and Sulzbach-Rosenberg, great importance is therefore attached to healthy and vitamin-rich food. Since 2023, we have had a specialist in occupational health management with various additional qualifications at the company medical service at the Fuerth site. Employees who would like to find out more about healthy eating can get individual advice there. This year, 17 employees took advantage of individual nutritional advice. In addition to individual consultations, lectures are also offered on various topics relating to healthy eating.

### Running activities

Running increases physical endurance, strengthens the heart and lungs and has an overall positive effect on health. To motivate employees to train their physical endurance and stay fit, KURZ in Fuerth and at the Sulzbach-Rosenberg site offers participation in a company run once a year.

Company runs and running training have been a tradition at KURZ for many years. Participants can take part in the running and Nordic walking categories. In 2023, the company run entered its 14th round and a total of 85 employees took part. Joint training always begins a few weeks before the run to prepare for the five-kilometer course. Depending on their level, employees can join the running group for advanced runners or the group for beginners and train under professional guidance.

## 8.4 Health Circles for Trainees



This year, we were able to offer the following modules for our trainees:

- The 'Nutrition & Exercise' module (Fuerth and Sulzbach-Rosenberg, April to May)
- Addiction and drug abuse (July)
- Successful start to training (September)

## 8.5 Yoga Classes

Flowing movements and guided breathing, stretching the entire body and strengthening the entire body, and relieving tension – that's yoga! In addition, yoga has a calming, balancing effect and can thus contribute to stress reduction, among other things. At LEONHARD KURZ, yoga classes are offered on an ongoing basis. Two out of the typically three courses every year at each location, are largely funded by the health insurance funds. KURZ pays two-thirds of the course fee for the third course.

In 2023, the implementation of the courses required a great deal of organizational talent on the part of the trainers. Thanks to online training, larger premises, and flexible schedules, the courses were carried out as well as possible and were attended by a total of 57 people.



## 8.6 Occupational Health Management Statements

“

When I started working at KURZ last year, I was excited to see that they offered yoga classes. They offered four classes at different times and different locations. If you couldn't make it to your class you could easily go to one of the others or join online. I took the one at 5:30 p.m. so I could go right after work on my way home, which was very convenient for me.

It was a lot of fun. Both locations had a pleasant atmosphere. Yoga mats, pillows and blocks were available and the groups weren't too big. The instructor considered the different levels of experience. I felt so relaxed afterwards. I'm excited to join the class again this year.

Employee from marketing, February 13, 2023, about the yoga courses.

”

By the way, the top 3 occupational health management activities (by participants) in 2023 were:

- Preventive medical check-ups
- Company runs
- Yoga courses





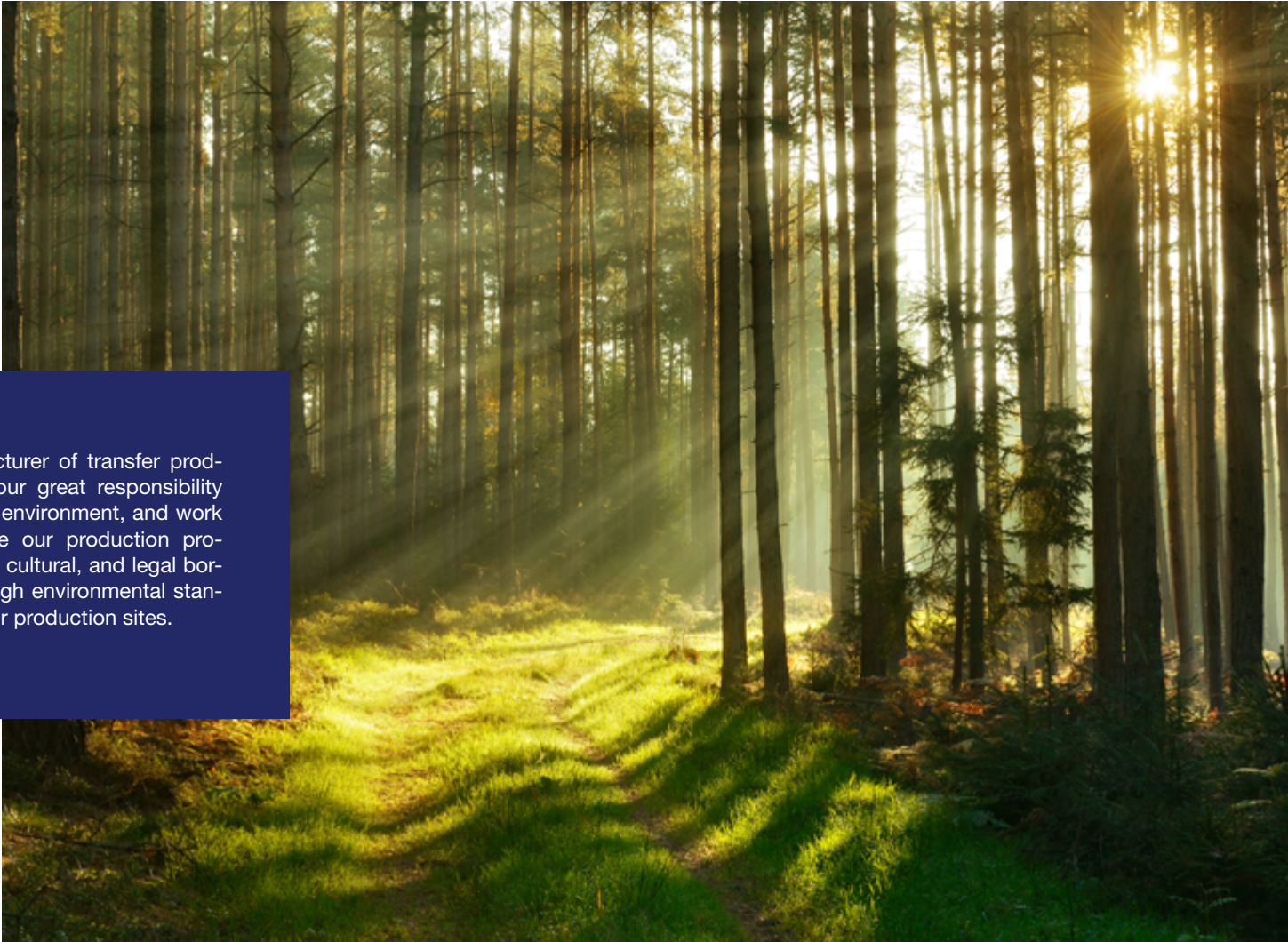
- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
  
- 9. Environmental Protection**
  - 9.1 Raw Materials and Materials Used**
  - 9.2 Water and Wastewater**
  - 9.3 Waste and Recycling**
    - 9.3.1 Waste
    - 9.3.2 Recycling
  - 9.4 Energy Consumption and Energy Savings**
  - 9.5 Emissions to Ambient Air**
    - 9.5.1 Greenhouse Gas Emissions
    - 9.5.2 Direct Air and Noise Emissions
  - 9.6 Protection of Human Health and of the Environment**
  
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# 9. Environmental Protection

A large, stylized graphic of a leaf or plant branch in a light blue color, positioned on the right side of the page behind the main title.

## 9. Environmental Protection

Environmental protection is an integral part of our business activities. We are committed to minimizing the environmental impact of our products and manufacturing processes, and to reducing our pollutant emissions.



As a worldwide manufacturer of transfer products, we are aware of our great responsibility toward mankind and the environment, and work continuously to minimize our production processes. Beyond national, cultural, and legal borders, we set the same high environmental standards and goals for all our production sites.



There are central guidelines and environmental directives on, for example, raw material selection and handling, and which have been issued by corporate management and are valid worldwide. In order to ensure compliance with these standards, to reach these goals and to target continuous improvement, environmental management systems have been set up and an environmental officer appointed, who reports directly to management. Our environmental, energy, and occupational safety principles apply to all employees of the KURZ Group. It forms the basis of the environmental, energy, and occupational policies at our subsidiaries throughout the world:

We encourage our staff to be engaged and take competent and responsible environmental and safety-conscious actions, and to make healthy lifestyle decisions.

We provide safe workplaces. Conditions that are hazardous to health are determined and the hazards eliminated or, at least, minimized wherever possible.

We take precautions to reduce the environmental effects of our operations, and to provide a healthy and safe working environment for our employees.

We provide for economical use of resources and energy, in production as well as in product development and plant layout.

Compliance with all measures and our environmental focus are regularly monitored as part of management audits and authority inspections. There have been no complaints to date which would have led to penalties such as fines or other sanctions.

Before new areas or plants are put into operation and through the development of new processes or products, environmental risks are assessed and avoided wherever possible. Through lively exchange with authorities, we ensure compliance with the regulations as confirmed by their approvals.

## 9.1 Raw Materials and Materials Used

Comparing KURZ transfer finishing to other decoration processes clearly reveals that the wafer-thin aluminum layer makes the decoration of packaging with KURZ transfer technology extremely efficient and resource conserving.

We ensure low material wastage and efficient use of the raw materials used. Where possible, we use bio-based or recycled materials, both in the manufacture of our products and for all our acquired materials. This means that our packaging materials are also continuously checked for environmental relevance and, if necessary, optimized to this end. We use reusable packaging wherever possible.

We also pay attention to ecological aspects when using our operating materials such as oils, lubricants, and refrigerants. Our developers have set themselves the task of continuously increasing the proportion of renewable or bio-based raw materials. For example, experiments are currently underway with bio-based carrier materials and raw materials. Where technically possible, we will use PET carrier materials with recycled content.

We obtain a significant proportion of our solvent in bio-based and regenerated form. We reuse our solvent mix recovered through distillation for internal processes.

We reduced the carrier thicknesses from 12 to 10 or 6  $\mu\text{m}$ , which leads to a significant reduction in the product carbon footprint.



## 9.2 Water and Wastewater



Water is the basis of life – so we pay great attention to one of the world's most precious resources and treat it with care. The relatively low water consumption for an industrial operation is caused, among other things, by use in sanitary facilities, as a raw material in lacquer production, for cleaning purposes, and as classic drinking water.

The Fuerth site is located in the extended water protection zone, which is why we are aware of our responsibility and attach great importance to water protection.

We have therefore not only appointed a water protection officer for our Fuerth and Sulzbach-Rosenberg sites but may also use the designation of specialist vendors in accordance with the WHG (Water Resources Act). Through our existing environmental management system, we continuously monitor compliance with the legal requirements and the additional requirements imposed by ourselves. We don't differentiate between the two at our production sites around the world.

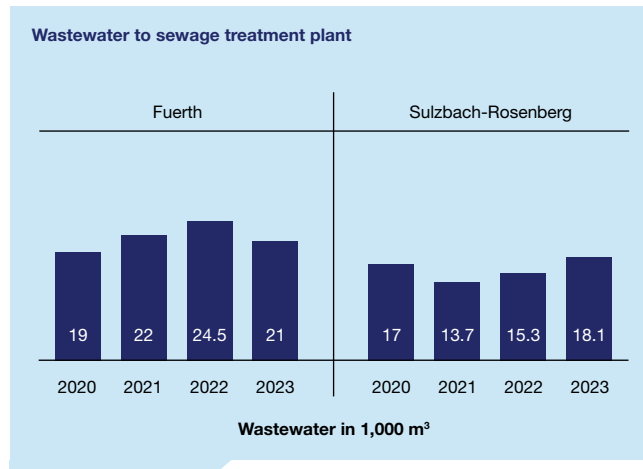
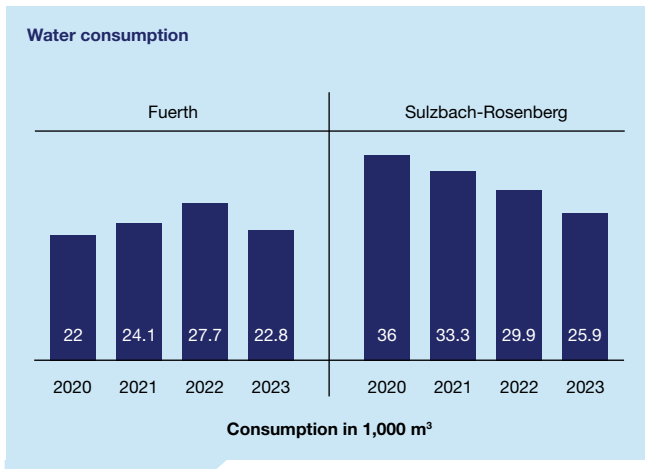
Cooling processes required for production are generated by refrigeration systems in a closed circuit. Fresh water is therefore not used for cooling purposes. The water is sourced from regional drinking water suppliers; we do not extract ground or surface water.

Through measures such as installing chemically impermeable floors, double-walled containers, and automatic leak monitoring, we can guarantee that no harmful substances get into the ground or surface water. Thanks to our comprehensive containment concept, we can catch escaping substances before they reach the sewer system or other undesirable areas. Our employees are specially and regularly trained in the handling of water-polluting substances.

The effluent that accumulates from sanitary facilities and the rainwater is discharged directly into the sewerage system and sent to the local sewage treatment plant. In doing so, we comply with the discharge requirements. Our rainwater is monitored for unwanted ingredients using oil skimmers.

When purchasing new water consumers, we pay attention to water-saving systems and products. Wherever possible, we work with closed water circuits. For example, we operate vacuum distillation plants to recover water and close loops.

Our customers do not need water or wastewater when processing and using our products.



## 9.3 Waste and Recycling

### 9.3.1 Waste

The top priority is waste prevention. But wherever waste is unavoidable, we have sought sensible ways to recycle it. Initiatives for reducing waste accumulation are an important component of our process development. Examples of implemented measures include optimization of foil widths, use of thin substrate wherever possible, reduction of coating weight, and use of polyester off-specification batches for press proofs. Any unavoidable waste that must be discarded should be recycled in an environmentally sound and meaningful way. As a manufacturer, we feel responsible for the fate of our waste. We value the capability to retrace and manage its path to the end. Disposal partners must thus be authorized, and processing techniques must be viable and sensible from an energy standpoint. As a basic principle, we deliver waste only to facilities that have been previously assessed and audited by our qualified personnel.

We only dispose of our waste within Germany. Any defective batches or residual transfer products that accrue are never sold to purchasers who could transport waste to emerging or developing countries.

The conscious handling of hazardous waste is of particular importance to us. Therefore, we do not import, export, transport, or treat hazardous waste.

In order to adequately fulfill all these obligations and self-imposed requirements, we have appointed a waste management officer and integrated all waste processes into our environmental management system. We evaluate the different types and volumes of waste annually. In the event of abnormalities, we investigate the causes and develop concepts involving all relevant departments and areas of responsibilities.

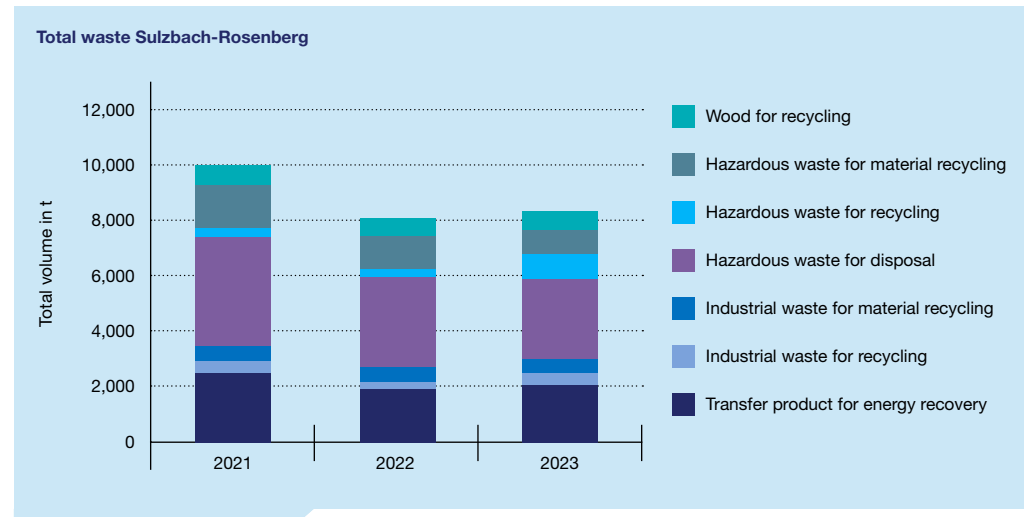
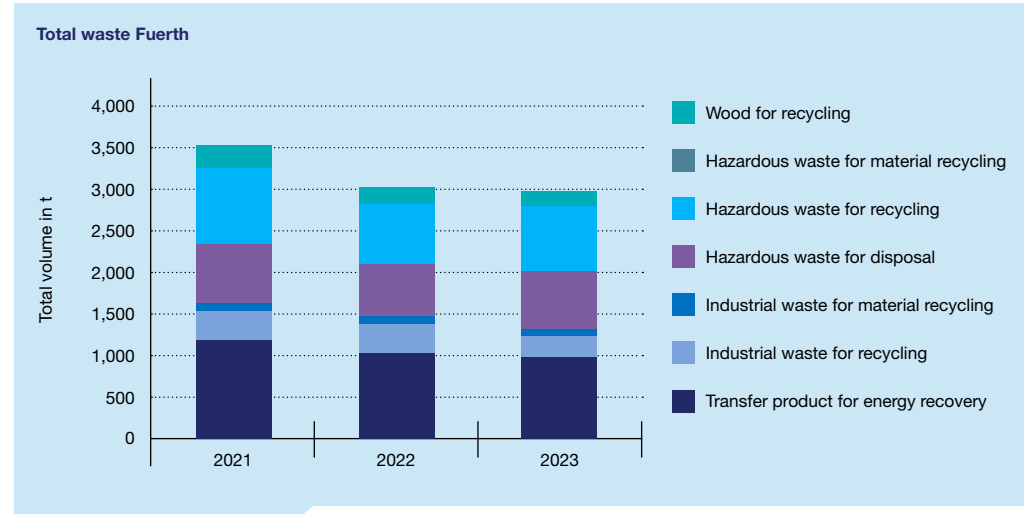


We regularly train our staff on topics such as waste avoidance, sorting of waste, and careful handling of waste.

The issue of hazardous goods is closely linked to this. In order to ensure compliance with all dangerous goods regulations, we have appointed a dangerous goods officer and train numerous employees in the area of dangerous goods.

One of our largest amounts of waste is a product of the disposal of carrier materials or bad batches of our transfer products. This type of waste, which is generated by us and our customers, consists of a PET carrier film with dry varnish. In other words, a quite common and non-hazardous trade refuse containing no dangerous or toxic substances whatsoever. It could be handled as normal household waste, but that's not enough for us: Wherever possible we put our internal PET-waste into our RECOSSYS® recycling stream (see chapter 9.3.2). The rest of our transfer product waste is used

for energy recycling. Thanks to the polyester substrate's high fuel value of approx. 34,000 kJ/kg, its fuel mass fraction is very well suited to producing fuel surrogates. The fuel surrogates are primarily used in the cement industry, but also in power stations. This replaces and sustainably protects fossil energy sources like coal and fuel oil. We recommend our customers to take part in our RECOSSYS® program (see chapter 9.3.2) when possible and if not, that our customers also energy recycle foil residues from the stamping process. Our stamping foil residues meet the comparatively very stringent limit values of most fuel surrogate plants (chlorine, antimony, etc.). By using it as a substitute fuel, the use of gas, oil, or coal is reduced in the plants approved for this purpose.





## 9.3.2 Recycling

In all our waste streams, we are investigating the possibility of material reduction or if this is not possible of recycling in order to close material streams. Wherever possible, we prefer disposal methods that enable material or energy recycling. E.g. the material on which our customers receive their transfer product is an extremely thin PET carrier material, which becomes residual material after processing by the customer. By reducing the carrier thickness from 10 µm to 6 µm, a large amount of residual material is already avoided. The amount of PET residue that nevertheless accumulates can be recycled with excellent energy efficiency.

For many years now, we have therefore recommended that our customers use the waste material they produce for energy recovery. However, since we regard PET as a valuable raw material, we have made it our mission to find a way to recycle the carrier materials.

After several years of research, we have developed a process for recycling PET residue – RECOSSYS®. With the installation of our KURZ recycling plant in Fuerth, we are the first and only known manufacturer able to convert used PET material into a valuable raw material.

We sell a PET-based recycled compound under the registered brand name RECOPOUND®, which was created from our customers' transfer carrier residues. In all our recycling activities, we focus on closing loops. We have also set ourselves the goal of reusing the PET carrier recycled by us for the manufacture of new transfer carriers.



The RECOSSYS® process needs almost no effort for our customers: They collect the distinct PET carrier material separately in accordance with the framework agreement. Our premise is a single-variety processing, other residual materials or hazardous waste must not be included. A pickup of the material takes place, if the collected residual material quantity corresponds to our pickup criterion requiring that the transport emissions are in a reasonable balance. RECOSSYS® offers a competitive advantage that also clearly benefits our environment. We achieve CO<sub>2</sub> savings of up to 40 %, based on a transfer product with 6 µm carrier thickness. We reduce Scope 3 emissions by up to 90 %, based on the disposal of transfer products. Our goal is to include as many customers as possible in our RECOSSYS® community in order to become more sustainable together.

We also asked ourselves how the recyclability of products is influenced by our transfer products. Therefore, we have had several investigations and tests carried out that enable us to make qualified statements.

Paper and cardboard decorated with KURZ transfer finishing can be recycled without restriction by existing collection, sorting, and recycling machinery. Every type of KURZ-finished product can be recycled without additional expenses. Our decorative layers for LUXOR® products are demonstrably deinkable.

When it comes to the biological degradability and compostability of packaging, KURZ transfer decoration has been proven safe. Our LUXOR® MTS 220, for example, was certified in accordance with DIN EN 13432 as a harmless additive for the composting process. The minimal decorative layer (≤ 1% by weight) does not affect the process. Prerequisite: The cardboard itself is compostable (disintegration according to DIN EN 13432). Thanks to KURZ's extremely thin transfer layers, this is now possible in almost all applications we know of.

We support our customers in creating a holistic recycling cycle through research and development of products and processes. On our [website](#), we inform our customers and all interested parties about the recyclability of transfer-coated products.

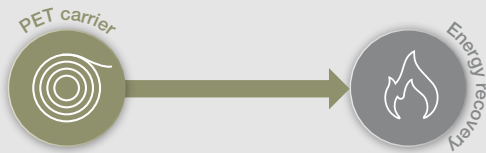
Our goal is to offer customers freedom of design at maximum efficiency. That's why we are working with them to develop pioneering plastic decorations that do not impair the recyclability of their products.

In addition, our products can now be used to finish recycled material with the same high quality and creativity as virgin material.

## What happens to residual material?

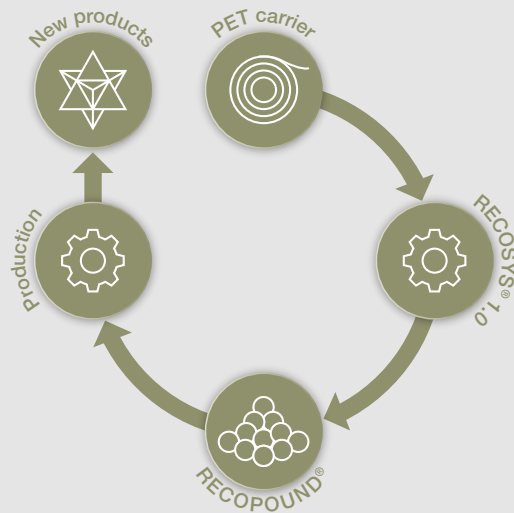
### A) Thermal recovery

PET carriers have been energetically recycled in the past.



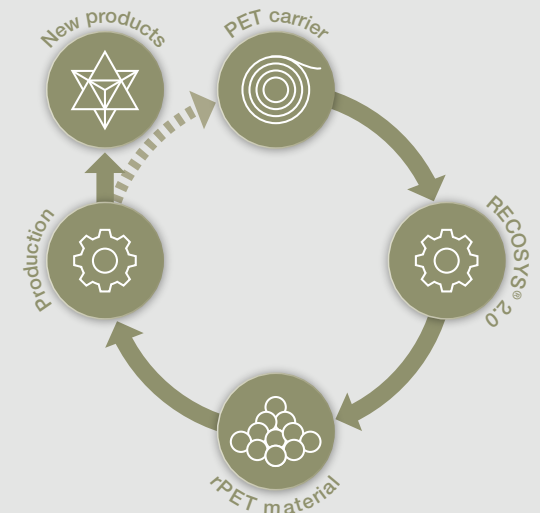
### B) RECOPOUND®

We are reducing the thickness of our PET carriers from 12 µm to 10 µm or 6 µm. RECOPOUND® material from which new products are manufactured.



### C) RECOSYS® rPET

Always a step ahead towards a circular economy: With KURZ RECOSYS® 2.0, the reduced PET carriers are recycled into rPET, which can be reprocessed as RECOSYS® rPET raw material and offers a wide range of uses. In this way, we assume responsibility along the entire value chain and come a long way closer to our goal of the closed loop.



### How does RECOSSYS® 2.0 work?

1.

If the total quantity of residual material is considered ecological, the remaining amount of PET is collected.



2.

Feeding of residual material into the KURZ recycling plant (RECOSSYS® 2.0).



3.

Recycled PET waste is turned into valuable rPET material...



...

with a wide range of possible applications.



## 9.4 Energy Consumption and Energy Savings

We have been maintaining our environmental awareness for decades, and an eco-audit was carried out in conjunction with our first environmental report in 1998. Since 2002, we have had an environmental management system in place, certified in accordance with ISO 14001, in which energy has always played a major role. In 2014, an energy management system in accordance with ISO 50001 was implemented in the existing system.

### Energy management

Together with the cross-departmental energy team, our energy managers record and evaluate energy consumption at regular intervals and calculate efficiency improvement measures and potential savings on this basis. Among other things, we encourage our employees to act in an energy-saving manner through annual training, because avoiding energy is our top priority. That's why we take energy efficiency into account right from the planning stage of new plants, buildings, or production processes.

	Fuertth		Sulzbach-Rosenberg	
	2022	2023	2022	2023
Total fuel consumption (not renewable)	38%	37%	27%	25%
Total fuel consumption (renewable)	0%	0%	0%	0%
Electricity consumption (electricity purchase + own generation)	21%	23%	31%	32%
Natural gas consumption	32%	24%	26%	24%
Fuel oil consumption	3%	10%	0%	4%
Solvent regenerate	3%	2%	0%	0%
Heat recovery exhaust air purification	3%	3%	15%	15%
Fuels	1%	1%	0%	0%
Electricity sold	0%	0%	0%	0%
Heat sold	0%	0%	0%	0%
Cooling energy sold	0%	0%	0%	0%
Steam sold	0%	0%	0%	0%
<b>Total energy consumption</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Conversion factors for different energy units ([volker-quaschnig.de](http://volker-quaschnig.de))

We source all our electricity in Fuerth and Sulzbach-Rosenberg from renewable sources. We supplement the purchased green electricity with internally generated energy, e. g., from photovoltaic systems.

We want to increase the proportion of internally generated energy to a maximum in the coming years.

We generate our heat energy through natural gas, heating oil, and the firing of solvent regenerate, which we obtain from residual lacquers. The energy used in our regenerative post-combustion plants is not completely lost but is used to the very best of what is technically possible. We achieve an efficiency of up to 95 percent. We use the recovered heat energy directly in our production processes again.

### Solar carport project

The project is currently being implemented and has not yet been commissioned, so all data is based on forecasts and expectations of how the systems will work in the future. Actual commissioning is expected towards the end of 2024.

The planned solar carport has an installed capacity of 1,244 kWp. The expected generation volume was determined on the basis of historical data from the PV system on our mechanical plant. This results in an expected annual generation volume of approx. 1,200,000 kWh/a. As we already use 100 % green electricity at the Fuerth site, the solar carport does not generate any CO<sub>2</sub> savings. In relation to the total electricity requirements of the Fuerth site, the solar carport can cover approx. 4.4 %.

In addition, 16 wall boxes with 2 charging points each for electric vehicles are planned in the solar carport system, which can be used by employees to charge their private vehicles.

### Recycling of energy & solvents



### Constant expansion of photovoltaic systems



### Highly developed systems and controls



### 100 % green electricity in all German production sites



## Increasing energy efficiency

Through our energy measures program, we are continuously reducing our energy requirements, and by means of the measures implemented in the reporting year, we were able to reduce the total energy consumption by around 6,000 GJ.

To evaluate our energy intensity, we introduced key figures with the commencement of our energy management program, which are evaluated annually and communicated within the organization.

In addition to efficiency improvement measures within the company, our development teams are working intensively on different optimizations in order to reduce the energy requirement for the already very energy-efficient application of our transfer products. Due to its thin layer thickness of approx. 4 µm, the application process requires the lowest energy input per square meter of finishing surface compared to alternative processes.

### Electric heater project in Sulzbach-Rosenberg

The project is currently being implemented and has not yet been commissioned, therefore all data is based on forecasts and expectations of how the systems will be operated in the future. Actual commissioning is expected towards the middle of 2024.

The electric heaters will take the previously unused surplus from the PV park and convert it into thermal energy. This will then be used directly in our process heat network, reducing the load on our natural gas-fired process heat boilers. Around 950,000 kWh of natural gas can be saved by using the surplus PV electricity. As the emissions of the PV electricity in Scope 1 and 2 amount to 0 g/kWh, the process heat generated here is CO<sub>2</sub>-neutral. Compared to the combustion of natural gas (202 g/kWh), this results in an estimated CO<sub>2</sub>-saving of 190 tons per year.

	Measures	Savings in GJ	Types of energy included	Method for calculating Savings	Location	Year of Implementation
Energy goal 1	Automatic exhaust flap control according to solvent concentration	4,860	Natural gas	Calculation	Fuerth/Sulzbach-Rosenberg	2023
Energy goal 2	Integration of automatic control systems to reduce electricity consumption of production machines during downtime	115	Electricity	Estimation	Sulzbach-Rosenberg	2023
Energy goal 3	Replacement of older compression chiller machines with higher efficiency and refrigerant with lower GWP	1,080	Electricity	Estimation	Sulzbach-Rosenberg	2023
	<b>Total Savings</b>	<b>6,055</b>				

## 9.5 Emissions to Ambient Air

### 9.5.1 Greenhouse Gas Emissions

#### Corporate carbon footprint and the path to climate neutrality

In order to offer our next generations a future worth living in, we regard the fulfillment of the German climate protection law and/or the goals set by the EU Green Deal on climate neutrality as one of our most important tasks. Due to that KURZ made a commitment to climate neutrality by 2040 in Scope 1 and 2.

For this reason, we are currently working intensively on determining our Scope 1 to 3 emissions, which we want to define and pursue for our climate targets. For the Fuerth and Sulzbach-Rosenberg sites, we were already able to record Scope 1 and 2 emissions for the reporting period. The calculations were carried out based on the GHG protocol, the

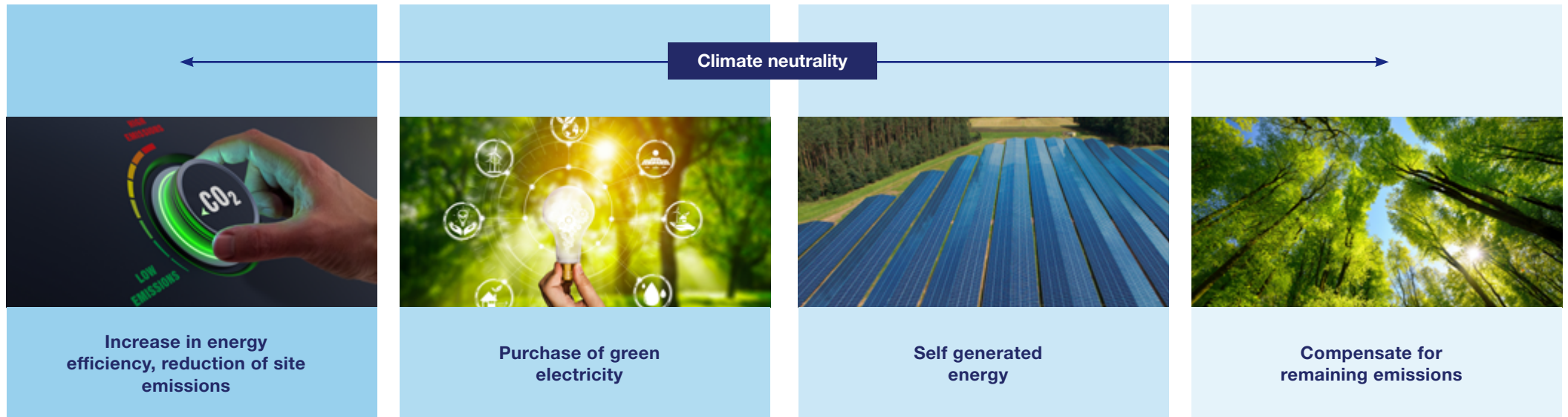
climate relevant gases defined therein are included in the calculations. The total emissions are presented in CO<sub>2</sub>-equivalent values. The emission factors and GWP values refer to the IPCC status report and provide for a time horizon of 100 years.

Our commitment:

**Climate  
neutrality by  
2040**

in Scope 1 and 2

On the way to climate neutrality, we consider the three pillars of ‘improving energy efficiency and reducing direct emissions’, ‘consuming green energy’, and ‘generating energy ourselves’ to be the most important in deriving measures. We are therefore continuing to do everything in our power to produce more energy efficiently and with lower emissions, and are continuing to expand the proportion of our own energy generation systems.



As part of our environmental and energy management program, we already collect and coordinate climate relevant measures and objectives. Projects such as the purchase of electric cars, the expansion of photovoltaic systems, and the use of bio-solvents contributed to reducing emissions.

On the other hand, we had already carried out comprehensive Scopes 1 to 3 observations as part of product carbon footprint calculations based on ISO 14067. The system limit of the footprints includes all identifiable Scope 1 to 3 emissions over the entire product life cycle, i. e., ‘cradle to grave’.



## Direct Scope 1 emissions

Most of Scope 1 emissions come from the combustion of the solvents used in our production. We have already been able to offset the emissions caused by the natural gas used by supporting gold-standard compensation projects. The remaining and smaller proportion of Scope 1 emissions is made up of combustion emissions from heating oil and fuels as well as gases escaping in minimal quantities from refrigeration systems.

## Indirect Scope 2 emissions

By purchasing 100 % green electricity and generating our own electricity, we have already been able to completely reduce Scope 2 emissions at LEONHARD KURZ.

## Indirect Scope 3 emissions

To date, the far more complex and difficult to determine Scope 3 emissions have only been partially recorded. The greatest impact of Scope 3 is suspected to be by the emissions of purchased goods.

2023	Scope	Fuerth [t CO <sub>2</sub> equ.]	SuRo [t CO <sub>2</sub> equ.]	Total [t CO <sub>2</sub> equ.]
Electricity	2	0 %	0 %	0 %
Gas	1	0 %	0 %	0 %
Solvents	1	52 %	88 %	76 %
Fuel oil	1	38 %	9 %	19 %
Fuels for plant transports	1	7 %	1 %	3 %
Escaping gases (e. g., from leaks)	1	3 %	1 %	2 %
<b>Total emissions Scope 1 + 2</b>		<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

## 9.5.2 Direct Air and Noise Emissions

We supply the solvent used in our production to state-of-the-art post-combustion plants. The air emissions generated by these combustion processes are measured and evaluated at regular intervals by certified bodies. **At 85%, we are significantly below** the permissible limit values for all of our post-combustion plants worldwide.

With complex noise insulation enclosures and noise reduction measures, such as noise barriers, we keep our noise emissions as low as possible.

The application process of our transfer products does not result in any further emissions for our customers. Due to the dry and solvent-free process, it can be regarded as emission-free.

We apply for and have the necessary environmental permits (e.g., emission control) and registrations, and we comply with the operational and reporting requirements of these permits.

We are significantly below the permissible limit values



## 9.6 Protection of Human Health and of the Environment



### The current status at LEONHARD KURZ Stiftung & Co. KG (January 23, 2024)

According to the EU regulation 1907/2006 dated 18th December 2006 (REACH REGULATION), our finishing products are classified as articles and therefore are not subject to registration. Therefore, the preparation of a safety data sheet is not mandatory for our finishing products. For the customer using the finishing products this means that the duty to check whether special requests or restrictions resulting from the used raw materials have to be considered is not applicable. Additionally the finishing product (article) fulfills the requirements of article 67 (REACH REGULATION) and complies with the conditions of the restrictions listed in Annex XVII.

KURZ, as a downstream user, only utilizes raw materials and substances for its transfer products that, according to information provided by our suppliers, are not subject to authorization requirements under Annex XIV dated November 24, 2021. At KURZ, we do not incorporate SVHC substances from the candidate list in the production of our transfer products.

Should any changes in the classifications of raw materials used herein or amendments to the SVHC list affect transfer products (REACH / Art 33; > 0.1 % by weight of authorized ingredients), we will duly inform our customers in a separate communication, including the SCIP number, as required by law. In such cases, an immediate substitution program will be initiated in consultation with our customers.

For our customers, this means that, when using our transfer products for the intended purpose of enhancing their products, no further REACH-related activities regarding our transfer products are necessary.

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance**
  - 10.1 Guideline on Gifts and Invitations**
  - 10.2 Training**
  - 10.3 Evaluation and Other Measures**
  - 10.4 Complaints Procedure and Raising Concerns about Ethics and Compliance**
  - 10.5 Political Party Donations**
  - 10.6 Report on Procedures and Fines**
  - 10.7 Subcontractors/Suppliers**
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# 10. Ethics and Compliance

A large, light blue graphic of a document with a checkmark is positioned in the background of the right side of the page. The document is tilted and has several horizontal lines representing text. A circular checkmark is located at the bottom right of the document graphic.

## 10. Ethics and Compliance



In our endeavor to offer all manufacturers the best solutions for product enhancement and to be the first choice for all aspects of surface finishing in all our target groups, we have always committed ourselves to comply with the highest standards of ethical conduct when dealing with employees, customers, suppliers, government agencies, and authorities.

“A company’s good reputation is based not only on the quality of its products and its economic success, it is also significantly influenced by the company’s attitude towards its employees, business partners, and the public. For us, this means that all our values and our corporate actions are based on prescribed legal and ethical standards. We understand the importance of the relevant laws, regulations, principles, and standards, both internally and externally, and we are committed to complying with them.” (KURZ Code of Business Conduct).

In order to comply with our commitment to these standards of ethical conduct, we have established the following policies and procedures:

The KURZ Code of Business Conduct, which is firmly anchored in our corporate policy, as well as the KURZ Anti-Bribery Policy and the Guideline on Gifts and Invitations, which came into force during the reporting period. The CEO and the Executive Management Board are committed to the KURZ Code of Business Conduct, the KURZ Anti-Bribery Policy, the Guideline on Gifts and Invitations, and the requirements, processes, and guidelines contained therein.

Our certification in accordance with ISO 37001:2018 – Anti- Bribery Management System (ABMS) – for the business area Banknotes has passed its surveillance audit in the last reporting period. We plan to expand the scope of our certification to include OVD Kinegram AG and its document security solutions business. The purpose of this expansion is to take further preventive measures and to protect our reputation as a trustworthy and reliable supplier for government documents.

## 10.1 Guideline on Gifts and Invitations



The KURZ Guideline on Gifts and Invitations describes KURZ's process for receiving and issuing gifts and invitations. Gifts that are likely to affect the ability to make appropriate and objective business decisions, or that may merely give the appearance of such an impairment, may not be accepted or offered by KURZ employees or by third parties acting on behalf of KURZ. Gifts or other gratuities are not permitted without exception if the donor expects or suggests that they expect a corresponding consideration. The acceptance of cash or items exchanged for cash is prohibited without exception. Special rules apply with regard to dealings with public officials.

## 10.2 Training

### Communication and training on anti-corruption policies and procedures

All members of the control body are informed of the anti-corruption organization's policies and procedures. All our employees are regularly informed about the anti-corruption policies and procedures of KURZ as part of our internal employee communication.

KURZ strives to implement the KURZ Code of Business Conduct in all its contracts with third parties such as agents and consultants. All third parties in the business area Banknotes have been contractually obligated to comply with the KURZ Anti-Bribery Policy. We are currently working on expanding these obligations on third parties of other divisions of the Business Area Security. Other individuals or organizations are informed of policies and procedures via a reference to the KURZ Code of Business Conduct in our Terms and Conditions, as well as a reference on our website.

No member of the Executive Management Board received anti-corruption training during the reporting period. Employees for whom an increased risk of corruption has been identified as part of ISO 37001 due to the nature of their work have been trained by the Group Compliance Officer. During the reporting period, KURZ has held online courses on the KURZ Code of Business Conduct for all its employees and specific training courses on anti-corruption for all employees of the Banknotes division.

### Training for employees on human rights policies and procedures

During the reporting period, no specific training on human rights policies or procedures affecting human rights aspects relevant to the business activities was provided. For the next reporting period, KURZ plans to conduct training as part of an online course on its Code of Conduct, which also contains KURZ's Declaration of Principles on Human Rights in the context of the German Supply Chain Due Diligence Act.



## 10.3 Evaluation and Other Measures

### Business premises that have been evaluated on corruption risks

As part of its Anti-Bribery Management System, KURZ continuously checks three facilities for corruption risks in relation to its activities in the Business Area Security. As part of the risk assessment, the fact that customers of the Business Area Security largely consist of public officials and the involvement of third parties remain corruption risks. Established policies, controls, and processes are continuously reviewed and evaluated to mitigate this risk.

### Significant investment agreements and contracts that contain human rights clauses or have been screened for human rights aspects

The organization strives to agree in all its investment agreements and contracts with its suppliers that they comply with the laws of the applicable legal system, that they do not tolerate any form of corruption and bribery, that they observe the fundamental rights of their employees, and that they observe the prohibition of child and forced labor. Suppliers are also called upon to take responsibility for the health and safety of their employees in the workplace, to ensure fair remuneration and working hours, to observe environmental protection laws, and to promote compliance with these principles in the best possible way with their own suppliers.

### Business premises subject to human rights screening or human rights impact assessment

Human rights screening or human rights impact assessments were conducted at two of the business locations during the reporting period.





## 10.4 Complaints Procedure and Raising Concerns about Ethics and Compliance

The Group Compliance Officer (GCO) is the point of contact for stakeholders to seek advice on ethical and lawful conduct and integrity at the organizational level, or to report concerns in this regard. In order to support him in his work a Deputy Group Compliance Officer (DGCO) has been nominated. Both can be reached at [compliance@kurz.de](mailto:compliance@kurz.de). KURZ guarantees the independence of the GCO and DGCO. Employees were informed about the role of the GCO and DGCO via internal corporate communications.

Training of employees on the role of the Group Compliance Officer and the planned whistleblower system is regularly carried out as part of the Anti-Bribery Management System. Training of all employees is planned for the next reporting period.

KURZ has set up a whistleblower system '[KURZ Incident Reporting](#)' for reporting concerns regarding unethical and non-compliant conduct as well as integrity at organizational level, which is accessible to all employees and external persons 24/7 and in the languages German, English, French, and Spanish. Reports can be provided anonymously and will be treated confidentially. KURZ has also implemented a procedure for investigating any concerns raised. As part of the set-up, KURZ will also implement a non-retaliation policy.

During the reporting period, there were four cases reported of non-compliance with business ethics. In one case non-compliant conduct was confirmed.

## 10.5 Political Party Donations

KURZ is committed to supporting society in social and economic development and to contributing to sustainability in our social environment. The KURZ Anti-Bribery Policy prohibits gratuities to political parties or party organizations, politicians or political initiatives.



## 10.6 Report on Procedures and Fines



### Non-compliance with social and economic laws and regulations

No significant fines or non-monetary sanctions were imposed for non-compliance with social and economic laws and/or regulations during the reporting period. The total monetary value of significant fines was zero, and the total number of non-monetary sanctions was zero. There were no cases raised in dispute resolution procedures.

### Legal proceedings for anti-competitive behavior, antitrust, and monopoly formation

KURZ complies with all national and international antitrust and competition laws in the countries where it does business. No legal proceedings were pending during the reporting period due to anti-competitive behavior and violations of antitrust or monopoly law. No results of closed legal proceedings, including court rulings and judgments, were recorded either.

### Confirmed corruption incidents and actions taken

There were no incidents of corruption during the reporting period. No employees have been dismissed or received a warning due to corruption. There have been no confirmed incidents where contracts with business partners have been terminated or not renewed due to corruption violations. No public legal proceedings related to corruption have been initiated against KURZ or its employees.

### Violations related to health and safety impacts of products and services

During the reporting period, there were no violations of rules and/or voluntary codes of conduct related to the health and safety impact of products and services, neither of rules that resulted in a fine or a sanction, or rules that resulted in a reminder of voluntary codes of conduct.

### Incidents in which the rights of indigenous peoples have been violated

Due to the geographical location of its business premises, KURZ has no points of contact with indigenous peoples. There have been no incidents in which rights of indigenous peoples have been violated.

## 10.7 Subcontractors/Suppliers

The KURZ Declaration of Principles on Human Rights can be found on the homepage of KURZ. Our procurement network ensures that our production facilities are supplied with materials of the required quality and quantity at competitive conditions. The local selection of suppliers is not a target. However, there is a great deal of interest in purchasing locally due to various advantages. (e.g. savings in CO<sub>2</sub> emissions, supporting the local economy and society).

KURZ continues to do everything in its power to ensure that it only does business with subcontractors or suppliers who, for their part, have made a commitment to international human rights and environmental protection. We undertake to monitor the ethical conduct of our suppliers and to take immediate and decisive action if questionable ethical conduct on the part of subcontractors or suppliers comes to our attention. For the purpose of committing suppliers to ethical and environmental standards KURZ has established a Supplier Code of Conduct.

In 2023, raw materials, goods, and services worth around € 165 million were procured for own production. Around 80 % of them were sourced locally. We consider suppliers local if they produce in the EU (with the exception of the UK). There were no significant changes to our supplier structure.



- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance

**11. Management System**

**11.1 Management Responsibility**

**11.2 Legal and Customer Requirements /  
Export, Import**

**11.3 Risk Management**

**11.3.1 Performance Control**

**11.3.2 Training**

**11.3.3 Information and Messages**

**11.3.4 Remedial Process**

**11.3.5 Information Security and Data  
Protection**

- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# 11. Management System



## 11. Management System

Our management systems are designed to ensure compliance and all applicable laws and regulations. Operational risks can thus be recognized and eliminated in good time, and a continuous improvement process can be maintained. KURZ management systems consist of the following elements.

### 11.1 Management Responsibility

Managers are appointed who are responsible for the implementation and regular monitoring of each management system.



## 11.2 Legal and Customer Requirements / Export, Import

We look at, monitor, and understand the laws and regulations affecting us and the additional requirements imposed on us. We comply with the laws and regulations for export and import control, which apply to the import and export of goods and technical data, including items carried in luggage as samples or goods samples. We conduct a selection process for new customers, subcontractors, and suppliers to ensure that they do not conduct business with unauthorized units.

## 11.3 Risk Management

A risk management system has been established in order to identify in good time the environmental, health, safety, information security, and occupational safety risks associated with our business operations, to assess the particular significance of each individual risk, and to ensure compliance with occupational safety and other safety regulations with the help of appropriate organizational measures and technical aids. The investigation of potential safety risks extends to warehouses and other storage facilities, production facilities, and operating facilities, as well as laboratories and test facilities.



### 11.3.1 Performance Control

Written standards, performance targets, objectives, and implementation plans must be established. In addition, there is a regular target/actual comparison of the planned data and the services actually provided.

### 11.3.2 Training

We respect and promote our employees working independently. To this end, we offer our employees appropriate training programs.

### 11.3.3 Information and Messages

We provide our employees, customers, subcontractors, and suppliers with clear and unambiguous information about our performance, processes, and expectations. A clear system for handling complaints is in place.

### 11.3.4 Remedial Process

If deficiencies are found during internal or external audits, assessments, tests, investigations, or controls, a corresponding regulated process flow is provided for the prompt implementation of remedial measures.



### 11.3.5 Information Security and Data Protection

Our intellectual property rights and other sensitive information are important assets of our company, which can take both logical and physical form, and must be carefully protected by every employee. In addition to our self-imposed standards and interest in adequately safeguarding company-specific information, it is a matter of course for KURZ to adequately handle the sensitive information of our customers and partners and thus always ensure their confidentiality, integrity, and availability. Since this is a particular concern for KURZ, we would like to not only make a promise in this regard but also demonstrate that we meet stringent international security standards.

As early as 2019, we introduced an Information Security Management System (ISMS) for this purpose, with which we put our established processes to the test and, if necessary, revise them and introduce new processes. At the same time, our Information Security Manager is also responsible for

certifications in the area of information security. LEONHARD KURZ Fuerth and BURG Design were thus able to objectively and credibly demonstrate its professional handling of highly secure data through TISAX assessment for the automotive industry and certification in accordance with the industry-independent ISO/IEC 27001 standard. In addition the operation of the KURZ digital services infrastructure in Fuerth is certified according to ISO/IEC 27001.

Before the introduction of our ISMS, however, the issue of information security was also a top priority at KURZ. Due to our large number of customers from the automotive, banknote, government documents, and other security solutions sectors, this is self-evident. However, by operating our ISMS, information security has been formalized, which has once again improved our already professional handling of sensitive information.

KURZ is aware that the introduction and operation of its ISMS and the appointment of the associated responsibilities alone are not sufficient to guarantee a high level of information security. It is therefore our aim to constantly review, evaluate, and continuously improve the associated processes and measures in the sense of a PDCA cycle.

KURZ is also aware that any well-thought-out process is ineffective if it is not actively applied by employees. This is why extensive awareness-raising measures are being carried out both at the start of the activity and on an ongoing basis. Among other things, our employees are informed that information security affects everyone and that everyone bears responsibility for keeping data safe.

Based on the measures taken, KURZ can, to the best of its knowledge and belief, certify that previous (cyber) attack attempts on our company have not led to an unwanted

disclosure of sensitive information about our customers and partners. Consequently, there were no information security incidents during the reporting period.

We respect our employees' privacy and only store personal and medical data of employees that is absolutely necessary for operational, legal, or contractual purposes. The corresponding documents and the information contained therein are only accessible to a group of persons who require access to this data for legitimate operational purposes. Employees are entitled to view their own personnel file at any time.

We ensure compliance with all statutory provisions on the protection of employee data.


In order to protect the privacy of customers, KURZ restricts the collection of personal data, collects data lawfully, and discloses how the data is collected, used, and protected.

In addition, KURZ shall not publish or use personal customer information for purposes other than those agreed and shall inform customers appropriately about changes to the data protection guidelines or measures.

Additional information is available on our [website](#).



- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language**
  - 12.1 Communication**
  - 12.2 Working Language**
  - 12.3 Violations of the KURZ Code of Business Conduct**
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links



# 12. Principles of Implementation, Language



## 12.1 Communication

The company's managerial staff are responsible for ensuring that they communicate the values and principles expressed in the KURZ Code of Business Conduct to employees in a sufficient manner and that they monitor their compliance. They should encourage employees to contact their superiors and other designated persons for these purposes if they are in doubt about the best way to proceed in a given situation.

## 12.2 Working Language

Our working language is English. This applies in particular to communication with our subsidiaries and affiliated companies. Within those subsidiaries and affiliated companies, communication takes place in the respective national language. Occupational health and safety documents and warnings are also available in the local languages of our employees.

## 12.3 Violations of the KURZ Code of Business Conduct

Violations of the provisions of our Code of Business Conduct are investigated and penalized. Any potential consequences under labor law can only arise from the statutory provisions, the employment contracts, the relevant ordinances, or the company agreements and other agreements.



- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language

**13. Entrepreneurial Commitment to UN Goals**

**13.1 UN Global Compact**

**13.2 Social Commitment**

**13.3 Sustainable Corporate Governance**

**13.3.1 BE A GREEN LEADER**

**13.3.2 Global partnerships for sustainable development**

- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# 13. Entrepreneurial Commitment to UN Goals



## 13.1 UN Global Compact



The UN Global Compact is a United Nations initiative that aims to promote a more inclusive and sustainable economy across industries and borders. Companies that are part of the UN Global Compact undertake to act in accordance with its principles. Participating companies must submit a report once a year as proof of their progress.

The initiative is based on ten principles, e.g. the protection of international human rights, which participants undertake to uphold. In principle, any company can join the UN Global Compact as long as it commits to working towards implementing the ten principles of the UN Global Compact through learning, dialog, projects, process improvements or other measures.

In this respect, the UN Global Compact supports companies in acting responsibly and advancing their own sustainable development goals. It is not about compliance with regulations, but rather about transparent, open communication and the commitment to adapt to the future as a company through sustainability strategies.

LEONHARD KURZ has been a participant in the UN Global Compact since 2021 and has thus reached an important milestone in terms of sustainability. The company consistently increases its sustainability activities year after year in order to achieve ambitious long-term sustainability goals. We follow the universal principles of the UN Global Compact and are involved in the areas of human rights, labor, the environment, and the fight against corruption.

LEONHARD KURZ is also part of the Peer Learning Group, which is organized by the UN Global Compact Germany. The Peer Learning Group is a platform for exchange and a collective of companies that have made progress in their climate management. Several meetings take place online and in person each year, where not only the progress and implementation of the climate strategy are discussed, but also how new topics, standards or legal requirements can be addressed.

[unglobalcompact.org](https://unglobalcompact.org)

## 13.2 Social Commitment

The aim of the support group for engineering studies is to increase awareness of the engineering profession and engineering studies among students, parents, and teachers by demonstrating the high importance of the engineering profession in society and ensuring an improved flow of information on engineering tasks between schools, research institutes, and professional associations. In addition, KURZ is involved with donations for schools, youth welfare, Kinderarche gGmbH (child and youth welfare institution), special education institutions, among others.



## 13.3 Sustainable Corporate Governance



### 13.3.1 BE A GREEN LEADER

Sustainability shapes brands. To gain the upper hand, make a credible case along the value chain. As experts in surface finishing, we deliver sound strategies because to us, as a family company, it matters to leave a better world for future generations. We follow strict environmental and safety standards around the world. We develop products and processes that conserve resources and provide cost-effective individual design freedom for surfaces – entirely in the sense of Design for Recycling. We help make product cycles as environmentally friendly as possible and make our customers leaders in sustainability.

### 13.3.2 Global partnerships for sustainable development

Unfortunately, it takes more than a lone pioneer to get customers to rethink their green priorities. That's why we rely on the power of the collective and cooperate with an international network of professional bodies and industry initiatives for a mutual, sustainable future. This bundled know-how from different branches of industry allows us to cultivate a far-reaching understanding of our customers' issues, while presenting them with global solutions.

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals

#### **14. Outlook**

- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# 14. Outlook



## 14. Outlook

The increasing demand for raw materials and the steep price increases in commodity markets worldwide are cause for concern at many companies. If raw material supplies are at risk, the entire value chain can be affected.

To make matters worse, industry has until now had to absorb a large part of raw material price hikes itself and could not pass them on. Despite corporate efforts, raw material prices are becoming a risk to the economy. In the long term, there is no doubt energy prices will rise. For industry and compared internationally, high power costs pose an increasing threat to competitiveness because for one, they increase production costs and for another, they severely curtail consumer purchasing power. The demand for energy efficient products and efforts to configure production processes yet more efficiently stems from high energy prices. We would like to make even more progress here and make a push to reduce specific energy consumption and its associated CO<sub>2</sub> emissions, especially with regard to German federal government greenhouse-gas reduction targets by 2030 (2045).




- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook

**15. Objectives and Action**

- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index
- 18. Legal Notice – Additional Links

# 15. Objectives and Actions





## 15. Combined Objectives and Actions

Potential for improvement	Possible programs to rectify weaknesses or for improvement	Current status
Prevent energy losses in the area of some dryers due to improved insulation with new insulation technology	Improved insulation of the supply and exhaust air ducts and, if necessary, the dryers	Completed in 2023
Reduction of the amount of IPA used in production	Reduction of portion in coatings and reduction of the application quantity by 2/3	Completed in 2023
Older chillers using high-GWP refrigerants	Replacement of oldest-generation chillers	Ongoing objective/action
Reduce power consumption by replacing inefficient lamps	Conversion to LED	Ongoing objective/action
Successful implementation of self-learning heating thermostats in test	Expansion of self-learning heating thermostats in all buildings on site	Ongoing objective/action
Parking space for PV systems still unused	Solar carport on one parking lot	To be completed by 2024
Increase in house generation of electric power from renewable energies	Optimize photovoltaic systems	To be completed by 2024
Strengthening e-mobility/hybrid technology in the fleet and use of electric cars for in-plant transport	Integrate fleet regulations and billing modalities for hybrids and full-power vehicles into current fleet regulations	Completed in 2023
Compressed air optimization	Replacement of old compressors and installation of heat recovery	To be completed by 2024
Modernization of the boiler plant and system in building 1	Installation of an electrical heat pump and an gas fired boiler for supporting	To be completed by 2024
Optimization of the gas consumption for the thermal compustion process for solvents	Installtion of an adsorption wheel for the concentration of exhaust air flows	To be completed by 2025
Optimization of the gas/oil consumption for the heating system	Integration of electric thermal oil heaters for using excess electicity of the free field PV park for the heating system	To be completed by 2024
Consumption of plastic cups for laquer sampling in the manufacturing areas in Fuerth, which are disposed after a single use	Replacement of the disposable plastic cups with reusable stainless steel cups in some areas, cleaning in a small parts cleaning system that already exists.	To be completed by 2024

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action

- 16. Principles of Implementation, Key Figures, Index**
  - 16.1 Contents**
  - 16.2 Validity Period**
  - 16.3 Scope of Application**

- 17. GRI Index
- 18. Legal Notice – Additional Links

# 16. Principles of Implementation, Key Figures, Index

## 16.1 Contents

This report complies with GRI standards. Reporting has been preceded by a process of identifying the main issues. Compliance with GRI standards is mapped in the GRI content index (see Chapters 15/17).

## 16.2 Validity Period

The 2023 reporting period is not identical to the 2023 financial year, which runs from February 1 to January 31. The editorial deadline was May 25, 2024. We use an annual reporting cycle.

## 16.3 Scope of Application

This report applies to KURZ. As part of its business activities, corporate integrity is the basis for KURZ's relationship with its social environment, customers, suppliers, and employees. We make every effort to ensure safety in the workplace, maintain the respect and dignity of our employees, and to make all production processes environmentally friendly. Our activities are carried out in accordance with the legal regulations, standards, and ordinances of the country in which we conduct our business. This report goes one step further and also incorporates internationally recognized standards for promoting social and environmental responsibility.



- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index

**17. GRI Index**

- 18. Legal Notice – Additional Links

# 17. GRI Index



## 17. GRI Content Index

GRI Index		References and Comments	UNGC Principles – Pages	SDGs
<b>GRI 2</b>				
<b>Organization</b>				
2-01	Organization details		9 – 12	
2-02	Entities included in the organization's sustainability reporting		14, 16 – 18	
2-03	Reporting period, frequency and contact point		91, 104	
2-04	Restatements of information		91	
2-05	External assurance		5	
<b>Activities and workers</b>				
2-06	Activities, value chain and other business relationships		9 – 18, 21 – 23, 30	
2-07	Employees		9, 34	
2-08	Workers who are not employed			
<b>Governance (Verwaltung)</b>				
2-09	Governance structure and composition	Code of Conduct		
2-10	Nomination and selection of the highest governance body			
2-11	Chair of the highest governance body		5	
2-12	Role of the highest governance body in overseeing the management of impacts		77, 78, 81	17
2-13	Delegation of responsibility for managing impacts		77	
2-14	Role of the highest governance body in sustainability reporting		5	
2-15	Conflict of interest		73	

GRI Index		References and Comments	UNGC Principles – Pages	SDGs
2-16	Communication of critical concerns		73, 81	
2-17	Collective knowledge of the highest governance body			
2-18	Evaluation of the performance of the highest governance body			
2-19	Remuneration policies		33, 36	
2-20	Process to determine remuneration		33, 36	
2-21	Annual total compensation ratio			
<b>Strategy, policies and practices</b>				
2-22	Statement on sustainable development strategy			
2-23	Policy commitments			
2-24	Embedding policy commitments			
2-25	Processes to remediate negative impacts			
2-26	Mechanisms for seeking advice and raising concerns			
2-27	Compliance with laws and regulations	In the reporting period, there were no investigations or sanctions against KURZ regarding non-compliance with laws		
2-28	Membership associations			
<b>Stakeholder Engagement</b>				
2-29	Approach to stakeholder engagement		75, 78, 83 – 85	17
2-30	Collective bargaining agreements		36	17

GRI Index		References and Comments	UNGC Principles – Pages	SDGs
<b>GRI 3</b>				
3-01	Process to determine material topics		9 – 13	
3-02	List of material topics		9 – 13	
3-03	Management of material topics			
<b>GRI 200 Economic Topics</b>				
<b>201 Economic Performance 2016</b>				
201-1	Direct economic value generated and distributed			8
201-2	Financial implications and other risks and opportunities due to climate change			13
201-3	Defined benefit plan obligations and other retirement plans		36	
201-4	Financial assistance received from government		74	
<b>202 Market Presence 2016</b>				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		32 – 33	
202-2	Proportion of senior management hired from the local community	This indicator is not relevant to KURZ management and is therefore not recorded		
<b>203 Indirect Economic Impacts 2016</b>				
203-1	Infrastructure investments and services supported		89	
203-2	Significant indirect economic impacts			
<b>204 Procurement Practices 2016</b>				
204-1	Proportion of spending on local suppliers		75	17, 10

GRI Index		References and Comments	UNGC Principles – Pages	SDGs
<b>205 Anti-Corruption 2016</b>				
205-1	Operations assessed for risks related to corruption		69 – 74	16
205-2	Communication and training about anticorruption policies and procedures		70 – 71	16
205-3	Confirmed incidents of corruption and actions taken	No incidents have been reported	74	16
<b>206 Anti-Corruption Behavior 2016</b>				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		74	16
<b>207 Tax 2019</b>				
207-1	Approach to tax	The tax concept of the KURZ company does not intend to exploit tax havens or preferential regulations. There is no tax avoidance strategy – the primary goal of tax obligations is to minimize tax risks. All disclosure and reporting obligations are observed and complied with.		
207-2	Stakeholder engagement and management of concerns related to tax	The highest control body is the CFO in close consultation with the Management Board. There is already a higher-level risk management system and an internal audit.		
207-3	Tax governance, control, and risk management			
207-4	Country-by-country reporting	KURZ does not have the information on consolidated country-by-country reporting in the form required.		



GRI Index		References and Comments	UNGC Principles – Pages	SDGs
<b>GRI 300 Environmental Topics</b>				
<b>301 Materials 2016</b>				
301-1	Materials used by weight or volume		52	12
301-2	Recycled input materials used		25, 52, 57 – 59	12
301-3	Reclaimed products and their packaging materials		25, 52, 57 – 59	12
<b>302 Energy 2016</b>				
302-1	Energy consumption within the organization		60 – 62	7
302-2	Energy consumption outside of the organization		60 – 62	7
302-3	Energy intensity		60 – 62	7
302-4	Reduction of energy consumption		60 – 62	7, 12
302-5	Reductions in energy requirements of products and services		60 – 62	7
<b>303 Water and Effluents 2018</b>				
303-1	Interactions with water as a shared resource		53 – 54	6, 12
303-2	Management of water discharge-related impacts		53 – 54	
303-5	Water consumption		53 – 54	6, 12
<b>305 Emissions 2016</b>				
305-1	Direct (Scope 1) GHG emissions		65	13
305-2	Energy indirect (Scope 2) GHG emissions		65	13
305-3	Other indirect (Scope 3) GHG emissions		65	13
305-5	Reduction of GHG emissions		57, 66	13

GRI Index		References and Comments	UNGC Principles – Pages	SDGs
<b>306 Waste 2020</b>				
306-1	Waste generation and significant waste-related impacts		55 – 56	12
306-2	Waste by type and disposal method		55 – 56	12
306-5	Waste directed to disposal		55 – 56	12
<b>308 Supplier Environmental Assessment 2016</b>				
308-1	New suppliers that were screened using environmental criteria		21 – 23	12
308-2	Negative environmental impacts in the supply chain and actions taken		74	12
<b>GRI 400 Social Topics</b>				
<b>401 Employment 2016</b>				
401-1	New employee hires and employee turnover		34	8
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		33	8
401-3	Parental leave		33	8
<b>403 Occupational Health and Safety 2018</b>				
403-1	Occupational health and safety management system		39 – 40	3
403-2	Hazard identification, risk assessment, and incident investigation		39	3
403-3	Occupational health services		39 – 44	3
403-4	Worker participation, consultation, and communication on occupational health and safety		42 – 43	3
403-5	Worker training on occupational health and safety		42 – 43	3
403-6	Promotion of worker health		45 – 48	3

GRI Index		References and Comments	UNGC Principles – Pages	SDGs
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		44	3
403-8	Workers covered by an occupational health and safety management system		39 – 43	3
403-9	Work-related injuries		43	3
403-10	Work-related ill health		43	3
<b>404 Training and Education 2016</b>				
404-1	Average hours of training per year per employee		72	4
404-2	Programs for upgrading employee skills and transition assistance programs		71, 78	4
404-3	Percentage of employees receiving regular performance and career development reviews		71	4
<b>405 Diversity and Equal Opportunity 2016</b>				
405-1	Diversity of governance bodies and employees		33 – 34	5
405-2	Ratio of basic salary and remuneration of women to men		34	5
<b>406 Non-Discrimination 2016</b>				
406-1	Incidents of discrimination and corrective actions taken	In the reporting period, there were no cases known	35	5
<b>407 Freedom of Association and Collective Bargaining 2016</b>				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		33, 36	8
<b>408 Child Labor 2016</b>				
408-1	Operations and suppliers at significant risk for incidents of child labor		36	8

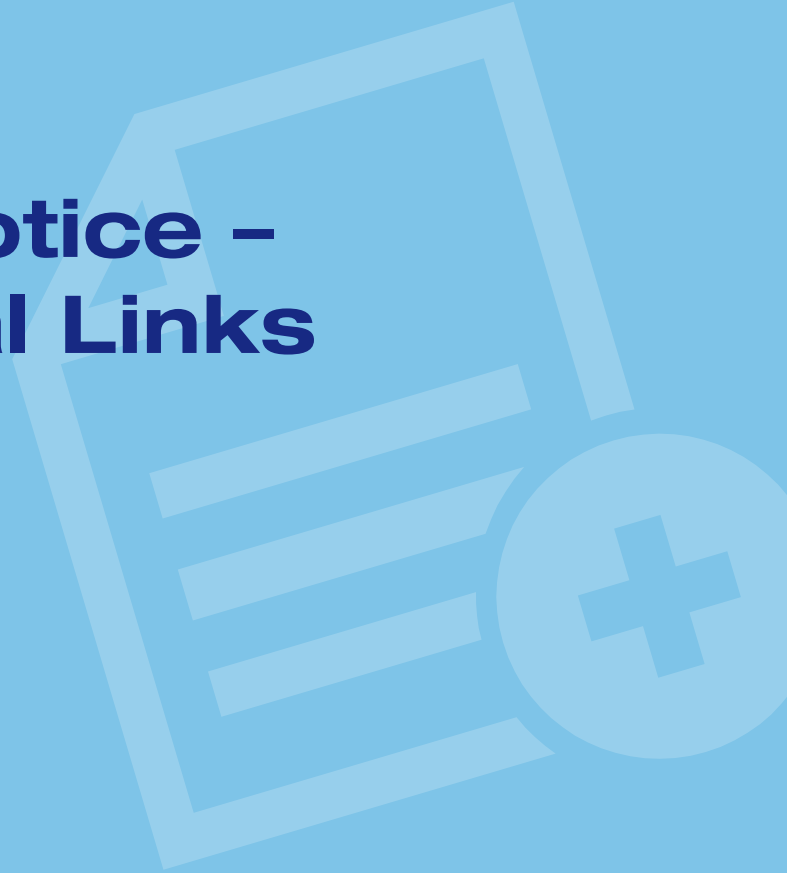
GRI Index		References and Comments	UNGC Principles – Pages	SDGs
<b>409 Forced or Compulsory Labor 2016</b>				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		35	8
<b>410 Security Practices 2016</b>				
410-1	Security personnel trained in human rights policies or procedures		69	8
<b>412 Human Rights Assessment 2016</b>				
412-1	Operations that have been subject to human rights reviews or impact assessments		71	8
412-2	Employee training on human rights policies or procedures		71	8
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		37	8
<b>413 Local Communities 2016</b>				
413-1	Operations with local community engagement, impact assessments, and development programs		87	9
<b>414 Supplier Social Assessment 2016</b>				
414-1	New suppliers that were screened using social criteria		21 – 23	8
414-2	Negative social impacts in the supply chain and actions taken		21 – 23	8
<b>415 Public Policy 2016</b>				
415-1	Political contributions	Payments to public officials extortion and embezzlement in any form are strictly prohibited and will be punished by KURZ immediately	73	16

GRI Index		References and Comments	UNGC Principles – Pages	SDGs
<b>416 Customer Health and Safety 2016</b>				
416-1	Assessment of the health and safety impacts of product and service categories			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		73	
<b>417 Marketing and Labeling 2016</b>				
417-1	Requirements for product and service information and labeling			
417-2	Incidents of non-compliance concerning product and service information and labeling		73	
<b>418 Customer Privacy 2016</b>				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		79	

- 0. Table of Contents
- 1. Preface
- 2. The KURZ Mission Statement
- 3. Company Profile
- 4. Fields of Expertise
- 5. Certificates
- 6. Value Chain
- 7. Employee Rights and Human Rights
- 8. Health and Safety
- 9. Environmental Protection
- 10. Ethics and Compliance
- 11. Management System
- 12. Principles of Implementation, Language
- 13. Entrepreneurial Commitment to UN Goals
- 14. Outlook
- 15. Objectives and Action
- 16. Principles of Implementation, Key Figures, Index
- 17. GRI Index

**18. Legal Notice – Additional Links**

# 18. Legal Notice - Additional Links



## Photo Credits

U1	Sustainability Report 2023	stock.adobe.com/lnkCrafts
Page 10	3.2 Tradition and Progress	iStock.com/Kirill Smyslov
Page 16	4. Fields of Expertise	iStock.com/alvarez
Page 19	4.1 Environmentally Relevant Information on Stamping Transfer Products	iStock.com/nikitos77
Page 20	4.1.2 Titanium Dioxide	iStock.com/RHJ
Page 23	4.2 Environmental and Social Assessment of Suppliers	shutterstock.com/Atstock Productions
Page 25	4.3 Climate Neutral Packaging	iStock.com/Petmal
Page 28	5. Certificates	iStock.com/shapecharge
Page 30	6. Value Chain	iStock.com/Georgijevic
Page 32	7. Employee Rights and Human Rights	iStock.com/Halfpoint
Page 33	7.1 Diversity (Previously Discrimination)	iStock.com/VioletaStoimenova
Page 35	7.2 Harassment and Bullying	iStock.com/Jacob Ammentorp Lund
Page 36	7.4 Child Labor	iStock.com/industryview
Page 37	7.6 International Conventions and Recommendations	iStock.com/Cecilie_Arcurs
Page 39	8.1 Occupational Health and Safety	iStock.com/Hispanolistic
Page 40	8.1 Occupational Health and Safety	iStock.com/yacobchuk
Page 41	8.1 Occupational Health and Safety	iStock.com/Edwin Tan
Page 44	8.1 Occupational Health and Safety	iStock.com/izusek
Page 45	8.2 Company Cafeterias	iStock.com/julief514
Page 46	8.3 Medical Check-ups with Health Insurance Funds	stock.adobe.com/ronstik
Page 47	8.4 Health Circles for Trainees	iStock.com/skynesher
Page 47	8.5 Yoga Classes	iStock.com/fizkes
Page 48	8.6 Occupational Health Management Statements	iStock.com/andresr
Page 50	9. Environmental Protection	iStock.com/AVTG
Page 51	9. Environmental Protection	iStock.com/AscentXmedia
Page 52	9.1 Raw Materials and Materials Used	iStock.com/Petmal
Page 53, 54	9.2 Water and Wastewater	iStock.com/fatido

Page 55	9.3 Waste and Recycling	
Page 61	9.4 Energy Consumption and Energy Savings – Recycling of energy & solvents	iStock.com/Devenorr
Page 61	9.4 Energy Consumption and Energy Savings – Highly developed systems and controls	stock.adobe.com/Justlight
Page 61, 64	9.4 Energy Consumption and Energy Savings – 100 % green electricity in all German production sites	iStock.com/Blue Planet Studio
Page 63	9.5 Emissions to Ambient Air	iStock.com/Petmal
Page 64	9.5.1 Greenhouse Gas Emissions – Increase	iStock.com/NicoElNino
Page 64	9.5.1 Greenhouse Gas Emissions – Compensate	iStock.com/Smileus
Page 65	9.5.1 Greenhouse Gas Emissions	stock.adobe.com/Serghei V
Page 66	9.5.2 Direct Air and Noise Emissions	iStock.com/patpitchaya
Page 69	9.6 Protection of Human Health and of the Environment	iStock.com/Petmal
Page 67	10. Ethics and Compliance	iStock.com/courtneyk
Page 70	10.1 Guideline on Gifts and Invitations	iStock.com/Cecilie_Arcurs
Page 71	10.2 Training	iStock.com/AzmanL
Page 72	10.3 Evaluation and Other Measures	iStock.com/gradyreese
Page 73	10.4 Complaints Procedure and Raising Concerns about Ethics and Compliance	iStock.com/Georgijevic
Page 74	10.6 Report on Procedures and Fines	iStock.com/damircudic
Page 75	10.7 Subcontractors / Suppliers	iStock.com/Sitthiphong
Page 77	11. Management System	iStock.com/Mirel Kipioro
Page 79	11.3.5 Information Security and Data Protection	iStock.com/Just_Super
Page 81	12.1 Communication	stock.adobe.com/Thurstan Hinrichsen
Page 83	13.1 UN Global Compact	stock.adobe.com/jittawit.21
Page 84	13.2 Social Commitment	iStock.com/alvarez
Page 85	13.2 Sustainable Corporate Governance	iStock.com/BlackSalmon
Page 87	14. Outlook	photocase.de/PiLens
Page 91	16.1 Contents	iStock.com/sanjeri

Follow us on:



**LEONHARD KURZ Stiftung & Co. KG**  
Schwabacher Str. 482  
90763 Fuerth/Germany  
Phone: +49 911 71 41-0

[www.kurz-world.com](http://www.kurz-world.com)

**Commercial register**  
Register court: Local court Fürth  
Registration number: HRA 5526

**Personally liable partner**  
Leonhard Kurz Verwaltungs-Stiftung  
Schwabacher Straße 482  
90763 Fuerth/Germany  
E-Mail: [sales@kurz.de](mailto:sales@kurz.de)  
Phone: +49 911 71 41-0  
Register court: Local court Fürth  
Registration number: HRB 8969  
Managing Director:  
Dr. Andreas Hirschfelder

#### **Copyright and image credits**

The content is – unless otherwise stated – protected by copyright. Photographs used are listed, unless they were taken by the author. The use of photographs in third-party publications is only possible within the framework of the respective licence of the copyright holder.