

thyssenkrupp Materials Services: Climate neutral by 2030

- Key sustainability target achieved 20 years ahead of schedule
- First batches of CO₂-reduced steel already available from stock
- Data and digitalization crucial levers for green supply chains

thyssenkrupp Materials Services is reaffirming its own sustainability ambitions and significantly increasing the climate protection targets it has set itself: The company will operate on a climate neutral basis worldwide as early as 2030 – around 20 years earlier than originally set. "With this decision, we are taking responsibility in the fight against climate change and making clear our claim to leadership in the industry. After all, as the biggest mill-independent materials distribution and service provider in the Western world, we can exert an influence in over 40 countries around the world," says Martin Stillger, Chairman of the Executive Board of Materials Services.

In the area of climate protection, the company focuses on those aspects where improvements can be made through its own efforts: For example, all direct emissions at the more than 400 locations worldwide and all the company's own indirect emissions from energy consumption are reduced as far as possible. In this way Materials Services achieves a reduction in CO₂ emissions of more than 100,000 tons per year by 2030. This corresponds to the consumption of a small German town with around 12,500 inhabitants and is around 60 percent less than in fiscal year 2017/2018 (187,220 tons). Energy efficiency programs, the switch to green electricity, investments in photovoltaics and the switch to LED lighting, for example, all serve to achieve this goal. The service center in Krefeld will be the first Materials Services location to operate climate neutrally by 2024.

Emissions that cannot yet be avoided with the current status because neither corresponding technologies nor the necessary infrastructure are currently available on the market are offset by climate protection projects. This applies, for example, to parts of the company's own truck fleet or to special machinery and vehicles in the area of steel mill services in Germany. "It goes without saying that we will invest in appropriate technologies for greater climate neutrality as soon as they are available," says Stillger.

Further focus on green customer products and solutions: first CO₂-reduced steel already available

In addition to its own goal of becoming a climate-neutral organization by 2030, the company also wants to support its customers in this challenge. Various levers will be used to achieve this. First, thyssenkrupp Materials Services will increasingly offer CO₂-reduced products in the future – the first batches of CO₂-reduced steel are already available to customers. Second, the portfolio includes services to make

customers' supply chains sustainable, such as solutions to reduce greenhouse gases or recycle products. "Our customers are already increasingly concerned with sustainability. It's not just about green products, it's about compliance with all standards along the supply chain and optimizing them," explains Martin Stillger.

Digitalization as a key driver: "Bits reduce tons"

The power of data and digitalization are essential for the implementation of the measures, because they ensure transparency and thus also sustainable action along the entire supply chain. In the sense of "bits reduce tons", the use of goods and materials management can be made significantly more efficient. This supply chain optimization allows for "green" effects to be achieved through less waste in procurement, scheduling, production, processing, transport and logistics. In the automotive industry, for example, the company uses an AI solution that helps minimize waste in the supply chain. Incorrect deliveries are avoided, and inventory costs, storage costs and the number of transports are reduced.

Sustainability follows a holistic approach

Sustainability is firmly anchored in the corporate strategy "Materials as a Service" and follows a holistic approach that goes far beyond the "green" aspect. In line with the internationally known ESG criteria, the company is also working on initiatives and projects that promote diversity and social commitment and raise standards along the supply chain.

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About thyssenkrupp Materials Services

With around 480 locations – 271 of them warehousing locations – in over 40 countries, thyssenkrupp Materials Services is the biggest mill-independent materials distributor & service provider in the Western world. The wide-ranging capabilities offered by the materials experts enable customers to concentrate more on their individual core business and span two strategic areas: global materials distribution as a one-stop-shop – from steel, tubes and pipes, nonferrous metals and specialty materials to plastics and raw materials – and tailored services in the areas of materials management and supply chain management. An extensive omni-channel architecture offers 250,000 customers worldwide round-the-clock access to more than 150,000 products and services. A high-performance logistics system ensures that all deliveries are integrated smoothly into customer production processes on a just-in-time or just-in-sequence basis.

Media contact:

Lars Bank

thyssenkrupp Materials Services

Head of External & Internal Communications Segment Materials Services

Email: lars.bank@thyssenkrupp-materials.com

Phone: +49 (201) 844-534416