

Corporate news

KAP PUBLISHES 2025 ESG STRATEGY

- Commitment to the Ten Principles of the UN Global Compact
- ESG committee implemented and new sustainability manager appointed
- Progress regularly monitored using defined KPIs
- New factories meet highest environmental and quality standards

Fulda, 17 August 2022 – KAP AG (“KAP”), a mid-sized industrial holding company listed on the stock exchange, today published its ESG strategy. This includes a comprehensive sustainability programme and targets that are to be achieved by 2025. Progress will be monitored on a regular basis using defined sustainability-related key performance indicators (KPIs). It also includes a commitment to the Ten Principles of the United Nations Global Compact (UNGC) that is to be realised before year-end 2022. KAP aims to reduce its energy consumption by 10% by introducing various efficiency measures. In addition, emissions are to be cut significantly by switching to green electricity at all relevant locations. In order to embed sustainability within its organisation, the company has set up an ESG committee. Moreover, the new sustainability manager, Dr Karsten Riest, took up office as of 1 July 2022. His task will be to implement the sustainability strategy and develop it further.

Eckehard Forberich, member and Spokesman of the Management Board of KAP AG:

“We have taken an in-depth look at the manifold impacts of our actions and have firmly embedded sustainability in our business model. We executed in-depth analysis and extensive structuring processes to assign targets to all material ESG topics, underpin these with measures and make them measurable with KPIs. We are also committing to the Ten Principles of the UN Global Compact. This is our contribution towards broad-based and multidimensional societal change for sustainability in business.”

ESG committee monitors implementation of the sustainability targets

The 2025 ESG strategy covers five strategic action fields – ethics & compliance, products, employees, the environment and the supply chain. It is based on the topics deemed material for the KAP Group based on a systematic materiality analysis. The programme’s implementation is monitored by the ESG committee, which consists of the members of KAP AG’s Board of Management, the sustainability manager as well as subject-matter specialists from the relevant departments. The progress made in implementing the strategy is described on an annual basis in KAP AG’s non-financial group report.

KAP's 2025 ESG strategy – prioritising four SDGs

The topic of sustainability is already widely embedded throughout the KAP Group. The adopted sustainability strategy is based on the company's previous extensive ESG activities, such as implementation of a code of conduct or the publication of meanwhile five separate non-financial group reports. KAP is guided by the objective of sustainable development to secure the future and, through its business operations, makes a contribution towards achievement of individual Sustainable Development Goals (SDGs) of the United Nations. KAP is prioritising four: SDG 5 (gender equality), SDG 8 (decent work and economic growth), SDG 9 (industry, innovation and infrastructure) and SDG 13 (climate action).

Focus on resource-efficient production and developing sustainable products in our segments

The segments' operating activities have a significant impact on the environment and society. Consequently, their sustainability focus is placed on ways of conserving resources and improving energy efficiency as well as on developing environmentally friendly products.

In 2021 as well as the first half of 2022, the KAP Group made great progress in its segments. In the *surface technologies* segment, for example, KAP set up one of the most efficient, state-of-the-art etching and passivation plants worldwide for light metal components at the site in Jasper, Alabama. It meets the highest environmental and quality standards and is the largest of its kind in the United States. In the *engineered products* segment, a new production hall including a state-of-the-art production plant for technical yarns with regenerative after-burning system is being built at the site in Hessisch Lichtenau, Germany. The innovative process significantly increases customers' production efficiency. This significantly improves the sustainability footprint of KAP AG's customers' products and thus also their carbon footprints. Further details about the sustainability contribution of the KAP segments and techniques developed by KAP can be found in the published [2021 annual report](#) and in the separate [2021 non-financial group report](#).

Follow this [link](#) to download the complete 2025 ESG strategy from KAP AG's website.

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About KAP AG

KAP AG is a listed industrial holding company focused on upper mid-size operating companies that seizes attractive growth opportunities in their respective niche markets. Specifically, KAP AG focuses on four distinct operating segments: engineered products, flexible films, surface technologies and precision components. The Company uses targeted acquisitions to strengthen its existing operating segments or takes advantage of new market opportunities. KAP allows its shareholders to participate in its long-term profitable growth through an attractive dividend. The Group currently has some 2,900 employees at 28 locations in twelve countries. KAP AG's shares are listed on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard, ISIN DE0006208408).