

Press Release

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Klöckner & Co offers customers individualized Product Carbon Footprints

- Determination of the CO₂-footprint for nearly all of the around 200,000 products in the Group portfolio
- The Product Carbon Footprint (PCF) takes into account all emissions of the product, from raw material extraction to delivery to the customer's factory gate (cradle to customer entry gate).
- Calculation is performed by the company's specially developed and TÜV SÜD-certified Nexigen® PCF Algorithm in accordance with recognized international standards
- Siemens Smart Infrastructure and ZF will be the first customers to receive PCFs for deliveries by Klöckner & Co subsidiary Becker Stahl-Service

Duisburg, Germany, January 30, 2023 – Klöckner & Co regards the decarbonization of industry as a major opportunity for itself and its customers. Following the introduction of CO₂ categorizations for steel, aluminum and stainless steel products and the launch of sales for CO₂-reduced products under the umbrella brand Nexigen®, the steel distributor is now taking another significant step: as a new service, customers can now have the individualized Product Carbon Footprint (PCF) calculated and "supplied" for almost every one of the around 200,000 Klöckner products. The PCF records all emissions of the product down to the kilogram – from raw material extraction to delivery to the customer's factory gate (cradle to customer entry gate). These are determined with the help of the independently certified Nexigen® PCF Algorithm, which was specially developed by Klöckner & Co in cooperation with Boston Consulting Group (BCG). Thus, CO₂ emissions become transparent and visible. The steel distributor is thus further expanding its pioneering role in the transformation of the steel industry and supporting its customers in building sustainable value chains.

Guido Kerkhoff, CEO of Klöckner & Co SE: "With the Nexigen® PCF Algorithm, we are taking another important step. We are thus enabling our customers to make their purchasing decisions on the basis of scientifically sound emissions data that is

comparable across manufacturers, and supporting them in achieving their decarbonization goals."

In the future, customers will be able to decide directly on the PCF when selecting their desired product. After delivery of the goods, they will receive the kilogram value of the greenhouse gas emissions incurred, including all important details such as batch or delivery number, by means of a digital Product Carbon Footprint Declaration. In this way, Klöckner & Co ensures that the emissions generated during transport from the Klöckner branch to the respective customer location are also taken into account.

In determining the PCF, Klöckner & Co takes into account all process steps from raw material extraction and production to processing, storage and delivery of its products. The calculation method of the Nexigen[®] PCF Algorithm has been certified by TÜV SÜD and complies with ISO standard 14067, ref. 14040 and 14044, as well as the Greenhouse Gas Protocol.

Through the Nexigen[®] PCF Algorithm, customers can now reliably and seamlessly incorporate the emissions data they receive into their calculations. This enables them to comply with regulatory requirements at an early stage, measure their own sustainability targets and also show the footprint of their products to their customers. At the same time, they contribute to the transformation of the supply chain.

The numerous advantages of the PCF have also convinced Siemens Smart Infrastructure and ZF, two long-standing strategic partners of Klöckner & Co. For this reason, both technology groups have already agreed with Klöckner & Co subsidiary Becker Stahl-Service to have PCFs calculated in the future, initially for flat steel products. At Siemens, this includes at first all deliveries to the Cham and Frankfurt sites in Germany.

With the introduction of the PCF, the steel distributor is responding flexibly to the growing demand from its customers and partners to receive transparent information on the full CO₂-footprint for ordered products. Supporting its customers in building sustainable value chains is a central component of Klöckner & Co's strategy. Under the umbrella of Nexigen[®], the company offers transparent, CO₂-reduced solutions in the areas of materials, processing and logistics, which will be significantly expanded with the introduction of the Nexigen[®] PCF Algorithm. More at www.kloeckner.com.

About Klöckner & Co:

Klöckner & Co is one of the largest producer-independent distributors of steel and metal products and one of the leading steel service companies worldwide. Based on its distribution and service network of around 140 locations in 13 countries, Klöckner & Co supplies more than 100,000 customers. Currently, the Group has around 7,300 employees. Klöckner & Co had sales of some Euro 7.4 billion in fiscal year 2021. By expanding its portfolio of CO₂-reduced materials, services and logistics under the new umbrella brand Nexigen[®], the company is underlining its ambition as a pioneer of a sustainable steel industry. At the same time, as a pioneer of the digital transformation in the steel industry, Klöckner & Co has set the goal of digitalizing and largely automating its supply and service chain. In this way, the company aims to become the leading one-stop shop for steel, other materials, equipment and processing services in Europe and America.

The shares of Klöckner & Co SE are admitted to trading on the regulated market segment (Regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) with further post-admission obligations (Prime Standard). Klöckner & Co shares are listed in the SDAX[®] index of Deutsche Börse.

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