KHS competence



THE ECOVADIS TEAM AT KHS

# Working as one

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When KPIs and progress made regarding sustainability need to be documented and substantiated for assessment by EcoVadis, this is a real challenge. By way of representation for the entire EcoVadis team at KHS, four colleagues describe how they master this task with the strong support of the entire KHS universe.

### PHOTOGRAPHY / ILLUSTRATION

Frank Reinhold

### **COVER PHOTO**

In 2023 KHS was awarded a gold medal rating by EcoVadis – a further improvement over the previous year.

KHS has had itself annually rated by EcoVadis since 2012. Over the course of the years, a well-networked core team of seven has become established at KHS' company headquarters in Dortmund, Germany. It comprises various experts from the Legal, Facility Management, Purchasing, Labor Law and Occupational Health and Safety and Environmental and Sustainability Management departments. The team members all know one another, work well together and are motivated – thus greatly simplifying communication.

Accordingly, this makes cooperation and mutual support very effective. Each colleague profits from the experience and expertise of the others. And they all work as one when it's time to put their heads together for the yearly audit in order to answer the extensive and complex lists of questions. These focus on the four central fields of environment, ethics, sustainable procurement and labor law and human rights. The particular challenges they face primarily include the increasing requirements made by the rating body and the growing number of companies vying for an award. The procurement of information across the globe in an international company like KHS is also demanding. Everyone is thus very happy when all the data required has come back from the local KHS offices with hardly any gaps. The more complete the facts are, the higher what's known as the coverage rate is - and the more points scored in the rating system.

Not least thanks to the close exchange with KHS' local organizations, the EcoVadis team successfully masters its tasks anew each and every year – and is able to constantly improve on its results in the process. In 2023, for instance, KHS recently won a gold medal for the very first time.

"I try to limit my business trips to what's absolutely necessary. My basic rule of thumb is that if only one overnight stay is planned, the meeting can probably also be held online."



Marcel Moranz Compliance officer, KHS

## Optimizations across the value chain

The commitment shown by the colleagues pays off on several counts: as occupational health and safety, climate protection and the circular economy are all major concerns for the Dortmund engineering company, rules and processes are constantly optimized. This applies to the entire value chain: from procured goods and services through corporate environmental protection to product responsibility that helps KHS customers to meet their own sustainability targets. This includes machine systems, for instance, that center on operator protection and

ergonomics, product safety and on saving on energy and resources. The EcoVadis rating greatly helps companies in their striving to constantly improve and further reduce their carbon footprint, for example. "It encourages us to adopt a critical approach to the ESG\_issues relevant to KHS," explains Marcel Moranz, who as compliance officer at KHS is responsible for governance and has been part of the core EcoVadis team since joining the company five years ago. His job focuses on the upholding of ethical standards in relation to corporate responsibility, one of the criteria for a sustainable company culture. "The rating provides us with valuable insights as it doesn't just show us the things we're good at. It can also highlight the blind spots and in doing so ultimately trigger improvement processes."

"The EcoVadis rating encourages us to adopt a critical approach to our own regulations and processes with respect to ESG issues: blind spots are highlighted and improvement processes triggered.

Marcel Moranz
Compliance officer, KHS

### **Customer demand for sustainability**

Another important reason for subjecting the company to the assessment procedure, according to EcoVadis project manager **Inga Lindstaedt-Meister,** are the demands of KHS customers. At KHS since 1996, she now works as an expert in Facility Management. When she was entrusted with interdepartmental corporate social responsibility nine years ago, Lindstaedt-Meister began seriously addressing the various issues of sustainability. Her duties include organizing and supporting SEDEX audits at the production sites in Germany, for example, during which compliance with labor law, occupational health and safety and environmental standards and business ethics in the supply chain are evaluated. She's also responsible for comparable audits at KHS' international subsidiaries - and for the EcoVadis rating as team coordinator. "Our customers attach great importance to the fact that we conform with ESG and can prove this with our rating." This can go as far as beverage producers taking KHS' EcoVadis performance into consideration in their decision to buy.

"Our customers attach great importance to the fact that we conform with ESG and are sustainable and can prove this with an EcoVadis rating. The focus must be on improvement processes so that we can maintain our standard."



Inga Lindstaedt-Meister
EcoVadis project manager, KHS

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The KHS sales colleagues in the various countries are particularly aware of this factor: after all, they're confronted with the high demands customers make of supplier sustainability on a daily basis. Proof of ISO certification and a successful EcoVadis rating are key criteria here. This means that motivation is very high despite the local effort needed to provide the necessary data. It must also be pointed out that EcoVadis isn't satisfied with the fact that certain standards may be regulated by law in some countries. As it can't be assumed that these are automatically complied with, the rating company demands that certain regulations are also adapted as internal company guidelines that are expressly confirmed by the management board.

"I drive an electric car, have a photovoltaic system at home, make small shopping trips on foot, reduce the room temperature and try to save electricity by using LED lighting, for instance."

Inga Lindstaedt-Meister
EcoVadis project manager, KHS

### Well-earned reward

"We sweat over the tricky questions together and celebrate our successes together," smiles Moranz in reference to the team spirit that unites his colleagues in Germany with those spread out across the rest of the world in their work. Everybody was thus all the more delighted with the improvement KHS made last year, earning a gold medal in place of its silver status from 2022. This is also how **Alexander Rieckesmann** sees it, who was particularly pleased that the efforts of the entire KHS EcoVadis team and its advocates have been duly honored. He knows that success also has its drawbacks, however.

"EcoVadis enables us to draw a comparison with companies from the same branch of industry."



Alexander Rieckesmann HSE team leader, KHS

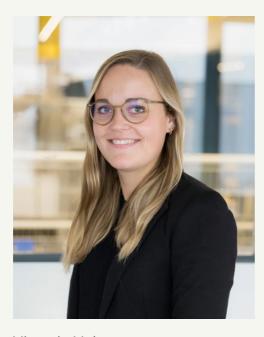
"The bar is now relatively high. We know that EcoVadis aims to further increase the rating's standards and requirements in view of the growing number of companies being assessed. This means it'll be a big challenge for us to retain our current status and develop further," the HSE<sup>2</sup> team leader claims, who describes his tasks and responsibilities at KHS as follows: "We try to optimize our processes and procedures so that we handle our resources sensibly and purposefully and save in as many areas as possible."

"The bar is now relatively high. Increasing rating requirements in the future mean it'll be a challenge to retain our gold status and develop further."

Alexander Rieckesmann HSE team leader, KHS

**Victoria Volmer** represents Procurement in the team. Following the dual work-study Bachelor of Arts degree course in economy and management she began at KHS in 2014, she first worked in Assembly and Installation Purchasing. Three years ago, Volmer moved to Purchasing Processes and Systems. Parallel to this, she's currently studying for a Master of Science in applied sustainability at the Bochum University of Applied Sciences.

"I find it very important to pass knowledge and awareness on to other colleagues to further sensitize them to the issues of sustainability."



Victoria Volmer
Procurement process analyst, KHS

In her job as procurement process analyst, she chiefly deals with the implementation of the Act on Corporate Due Diligence Obligations in Supply Chains but also with all other projects and tasks concerning sustainability in KHS' purchasing processes and supply chains. Besides various EU regulations, these encompass some of the Scope 3 emissions in KHS' corporate carbon footprint and the EcoVadis rating. "EcoVadis gives our stakeholders in-depth transparency. The results enable us to draw a comparison within our branch of industry and soundly

document KHS' sustainability achievements," Volmer says. "We can thus give KHS a positive benchmark that distinguishes us from other global companies."

"Here, I come into contact with highly motivated people whose range of expertise in sustainability means that we can get things moving."

Victoria Volmer
Procurement process analyst, KHS

<sup>&</sup>lt;sup>1</sup> ESG = Environmental, Social and Corporate Governance – an instrument of control for the financial services sector in the EU used to rate sustainable investments with regard to the consideration of environment, sustainable and social issues by companies and other corporations.

<sup>&</sup>lt;sup>2</sup> HSE = Health, Safety, Security and Environment – processes and/or activities initiated by companies to ensure occupational health and safety, security and the protection of the environment.