

### **Progress report**

Iphofen, September 8, Knauf Gips KG - geology & environment

Evidence of the continuous commitment 06/2018 – 05/2020

Knauf has been quarrying natural gypsum for more than 80 years. In the meantime the family-run Franconian company has become a global player, that with its more than 250 factories in more than 90 countries worldwide is among the leading manufacturers of building materials and building systems. Knauf has always been aware of its long-term economical, ecological and social responsibility - regionally but also globally. Knauf's membership in the non-profit association 'Biodiversity in Good Company' bears witness to the increasing relevance which the topic of biodiversity has for Knauf.

On the one hand the membership in 'Biodiversity in Good Company' offers Knauf Gips the possibility to give greater visibility to the company's existing and long-term commitment in the field of environmentally friendly depletion of resources and professional recultivation and renaturalization and this way sensitize other industries and companies for the importance of biodiversity in line with the association's aims. On the other hand the association offers Knauf the possibility to participate in the experience of others.





As a signatory of the Leadership declaration of the 'Biodiversity in Good Company' e.V., Knauf Gips KG acknowledges and supports the three goals of the international "Convention on Biological Diversity (CBD)":

- Conservation of biological diversity
- Sustainable use of its components
- Equitable sharing of advantages resulting from the use of the genetic resources

#### Knauf Gips KG commits itself to:

- 1. Analyze the effects of the company's activities on biological diversity and, if applicable, existing operational dependencies of biological diversity;
- 2. Include the protection of biological diversity, its sustainable use as well as the equitable sharing of advantages resulting from utilization the three core objectives of the convention on biological diversity (CBD) in the company sustainability management;
- 3. Anchor the topic with a responsible authority in the company;
- Specify verifiable and realistic objectives for the improved protection of biological diversity and its sustainable use which are verified and adapted every two to three years and also name possible challenges;
- 5. Publish activities and successes in the area of biological diversity in the annual, environmental or sustainability report;
- Inform suppliers about its biodiversity goals and integrate them step-bystep;
- Sound out co-operations with potential partners such as nature conservation organisations, scientific or state institutions in order to deepen the expert knowledge and further develop the management system.



#### 1. Effects of company activities on biological diversity

To better assess the meaning as well as the opportunities and risks of global challenges for Knauf, a materiality analysis was performed in 2014 which was to form the basis for the sustainability strategy of the Knauf Group. From this development goals and areas of activity were defined for the individual societies / companies / regions that were to lead to specialized projects. During the subsequent years they were adapted to the changed objectives of the company. The implementation of the planned specialized projects and the associated introduction of biodiversity indicators is still suspended (see Point 4). Public reporting which examines the effects of the company activities on biological diversity has not taken place anymore since the last sustainability report was published in 2016 (see Point 5).

# 2. Inclusion of the protection of biological diversity and sustainable use as well as equitable sharing of advantages resulting from the use in the operational sustainability management

The protection of biological diversity is a particularly important concern for Knauf. Wherever possible we try to make positive contributions surpassing the legal requirements. The core component of the sustainability strategy at Knauf are externally certified life cycle assessments for Knauf products, also called environmental product declarations (EPD) in accordance with EN 15804, as well as own product self-declarations (www.knauf.de/epd).

The introduction of biodiversity indicators to make the influence of raw materials extraction on biological diversity measureable (see Point 4) shall be implemented industry-wide. Knauf supports industry associations with the design and implementation of a favourable regulatory framework so that the biodiversity indicators can actually be applied (see Point 7). The establishment of a biodiversity database shall make the indicators collected in the future more useable (see also Point 4).

#### 3. Setting up a responsible authority in the company

For industry-specific reasons the topic of biodiversity is located in the department of geology & environment at Knauf. Since 2013 a graduated geologist has been dealing with the topic of nature conservation and biodiversity. Extensive further



training was provided to the geologist from 2014 until the end of 2015. Since 2018 the possibilities of settling endangered plant species in renaturalized gypsum quarries are being examined as part of a thesis at the University of Würzburg and the technical university of Bingen.

Inspections of the open-cast quarrying operation by Knauf took place in the Lower Franconia and Middle Franconia region for the first time in Winter 2015 with reporting to management. However, they had to be abandoned until further notice in 2019 because of staff restructuring.

4. Specification of verifiable and realistic objectives to improve the protection of biodiversity and its sustainable use, which are checked and adapted every two to three years

#### **Biodiversity indicators**

To improve the management of biodiversity in raw material extraction sites, Knauf for some time now has been planning the introduction of so called biodiversity indicators. The plan is to establish the indicators at a European level via the Eurogypsum association. To this purpose a study by the University of Liège and Gembloux financed by Eurogypsum was carried out in 2013 on whose basis a practicable indicator model was created for companies organized in the association. Eurogypsum intended to test the developed indicator model as part of a EU Life+ project and adjust the model where necessary. However, the idea was abandoned in the course of the "Fitness check" of the Flora-Fauna-Habitat Directive and the goals specified in the "EU Action Plan for Nature, People and the Economy". Instead Knauf worked closely with the EU to revise the "Guidance document on the strict protection of animal species of Community interest under the Habitats Directive" to achieve a suitable regulatory framework so that the indicators can be applied in a sensible manner. In particular the introduction of a separate chapter on "temporary nature" was and is being pursued. The foundation of the "European Network for Sustainable Quarrying and Mining" (ENSQM) also resulted in the creation of a forum which is to discuss the concepts of the EU commission on sustainable raw materials extraction in the individual member states of the EU. Knauf Gips KG was in particular active at a stakeholder workshop in Berlin (April 2018) which brought the government, industry, labour unions and nature conservation associations to one table for an intensive exchange. On the association level as well as in the company itself we are now



waiting, sifting and evaluating the so called Green Deal and the biodiversity strategy 2030 to be able to react accordingly. The plan is the adoption of an industry-wide "Code of Conduct for Species Protection" to support the EU goals for protection of biodiversity. Another goal is an internal communication initiative.

#### Biodiversity database

Knauf supports the industry associations in the further development of a biodiversity database (<a href="https://biologischevielfalt.bfn.de/22800.html">https://biologischevielfalt.bfn.de/22800.html</a>) in which the mapping results of the approval procedures and monitoring shall be entered. To make the database available nationwide for the companies of the stones & soils industry available nationwide, a working group was set up at the German Building Materials Association, which has been working on the implementation since July 2016 and in 2018 gave the signal for a concrete programming work with a meeting of the sub-working group at Knauf in Iphofen.

Knauf participates directly in the project with practical expertise via the subworking group which in 2020 is close to completion with a beta version.

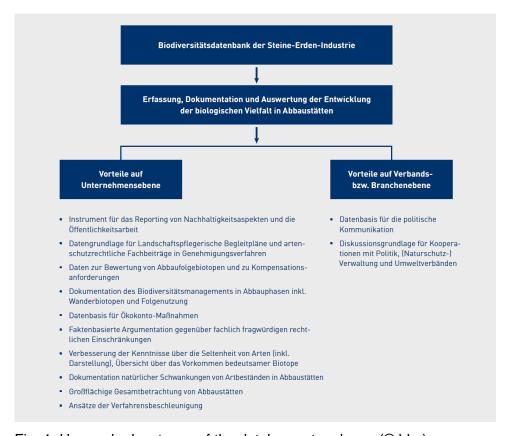


Fig. 1: Use and advantages of the database at a glance (© bbs)



## 5. Publishing the activities and successes in the area of biological diversity in the environmental or sustainability report

As a family company Knauf Gips KG reported voluntarily from 2012 to 2016 on the topic of sustainability according to the rules of the GRI (Global Reporting Initiative). The topic of biodiversity played an important role from the beginning. Because of changed focal points in the strategic orientation of the company and comprehensive organizational restructuring, no further creation of a sustainability report is planned at the moment. However, at the moment Knauf is working on a Group-wide strategy for this topic.

Publishing of the activities and successes in the area of biological diversity does take place at the moment through this progress report.

## 6. Information on the integration of suppliers in the Knauf biological diversity goals

To control the sustainability of the products of the supply chain even more tightly, Knauf as the manufacturer and its suppliers of raw materials and materials work together even more closely. This is supported by the code of conduct for suppliers which was developed and published in 2015 (<a href="www.knauf.de/lieferantenkodex">www.knauf.de/lieferantenkodex</a>). In 2018 the Knauf Gips KG called attention to the importance of the topic by integrating the advertising banner <a href=""The supply chain lives" competition">"The supply chain lives" competition</a> into its email communication. In November 2019 the code of conduct for suppliers was revised and updated, and translated into Spanish, Chinese, Russian and French for smaller, regional suppliers.

## 7. Cooperation with potential partners such as nature conservation organisations, scientific or state institutions

#### Modifying the legal framework

Stricter requirements in environmental protection result in the possibilities of raw material extraction shrinking rapidly. Due to the decrease in FGD gypsum resulting from the agreed coal withdrawal act, the company faces the challenges



of reconciling the political desire for increased social housing, a wave of renovations to lower the energy consumption in the building sector and thus a growing need for natural gypsum with an increasing shortage of viable storage sites, legal restrictions for recycling, drastically more stringent permit requirements and decreasing acceptance in the population. The focus of activity in the area of biodiversity therefore is still to support a flexibilisation in the species protection law and to make the positive contribution of a domestic raw material extraction for nature conservation and species protection visible. We were able to use the results of the research project "Temporary nature: Legal and technical framework conditions" (FKZ 3516 81 0800, UFOPLAN 2016 / Bundesamt für Naturschutz [German Federal Agency for Nature Conservation]) to start a dialog with the Landesbund für Vogelschutz in Bayern e.V. [Bavarian regional association for bird protection] (LBV) and the Naturschutzbund Deutschland e.V. [Nature and Biodiversity Conservation Union] (NABU) to discuss the topic of temporary nature in raw material extraction sites. Starting from an association initiative in Baden Württemberg, common ground was identified as part of several workshops (2018-2020) which were closely supported by Knauf professionally and organizationally. This lead to a joint discussion paper. This discussion paper forms the basis for a concrete proposal to change the German federal act for the protection of nature and was handed over to the Ministry of Environment in a joint letter of the federal association of the stone, soils and building material industry as well as the Naturschutzbund in 2020.



### Gemeinsames Diskussionspapier

# Natur auf Zeit in Rohstoffgewinnungsstätten

Rohstoffgewinnungsstätten bieten eine hohe Standortsvielfalt, nährstoffarme Standorte und eine sehr hohe Dynamik. Diese Faktoren sind in unserer Kulturlandschaft nur sehr selten als Trio anzutreffen. Dadurch entstehen naturschutzfachlich wertvolle Biotopstrukturen für zahlreiche gefährdete Tier- und Pflanzenarten. Aufgrund des geltenden Artenschutzrechts kann jedoch die Situation entstehen, dass sich Betriebe veranlasst sehen, durch eine rechtlich nicht zu beanstandende Vermeidungspflege die Entstehung naturschutzfachlich wertvoller Biotopstrukturen erst gar nicht zuzulassen. Dadurch wird eine Besiedlung durch zahlreiche gefährdete Arten schon im Ansatz verhindert. Diese absurde und kontraproduktive Vorgehensweise muss im Sinne der biologischen Vielfalt gestoppt werden. Ziel und ausdrücklicher Wunsch ist, dass die Betriebe Natur auf Zeit aktiv fördern. Dafür brauchen die Betriebe eine praktikable und rechtssichere Lösung.







Dieses Diskussionspapier wird unterstützt vom NABU Bundesverband, gemeinsam mit seinen Landesverbänden Baden-Württemberg, Bremen, Hamburg, Hessen, Mecklenburg-Verpommern, Niedersachsen, Nordrhein-Westfalen, Rheinland-Pfal.

















#### **Example: Discussion paper temporary nature**

More nature in active quarries - since 2018, Knauf Gips KG has been supporting an initiative by the Industrial Council Baden Wurttemberg (ISTE) and the Naturschutzbund (NABU) organizationally and technically to be able to implement migratory biotopes in quarries without legal risks. (Image: Page 1 of the joint discussion paper, © ISTE)

#### Promoting research

Knauf traditionally maintains close and open contact with the regional nature conservation associations, authorities and universities. Apart from regular study excursions for members of the listed actors and joint publications, enabling of research in quarries of the company is also among these interfaces. This research is to be strengthened over the coming years. To this purpose, research work at the technical university of Bingen and the University of Würzburg are planned or in implementation.





**Example: Research in quarries** 

Quarries as arks - as part of a thesis, the University of Würzburg and the technical university of Bingen have been examining which requirements have to be fulfilled to settle endangered plant species in renaturalized gypsum quarries since 2018. (Image *Scorzonera purpurea*, the red salsify in the gypsum quarry of Markt Nordheim (Lower Franconia, Bavaria)

#### Strengthening co-operations

Together with the Bavarian raw materials associations, Knauf Gips KG promotes the work of the "Management of habitats of FFH-relevant amphibian species in raw material extraction sites" project of the Bavarian regional association for bird protection project. The goal is to support the endangered amphibians with their populations which are protected according to Appendix IV of the FFH guideline in active quarries. At the same time a contract with state entities is intended to give quarry operators legal certainty for the promotion of this target, thus ensuring that prohibitions do not arise. After initial difficulties and intensive discussions with the regional administrations, many companies could be won for the project since 2018.





#### **Example: Species protection through raw materials extraction:**

Since 2018 the number of participants of the amphibian project of the Bavarian regional association for bird protection (LBV) and the industrial associations in Bavaria has increased significantly. To support the public relations work, the Bavarian industrial building material association launched its own website on the project in 2019. (Image: Screenshot of the homepage on the project under <a href="www.natur-auf-zeit.de">www.natur-auf-zeit.de</a> © BIV)

#### Using innovations

With the introduction of the Bavarian regulation on compensation, a new instrument is available to Knauf Gips KG through the eco-account (compensation balance) model to compensate interventions. Since then, this is being prepared at multiple Bavarian sites and was for the first time set up in 2020 in close cooperation with the District Administration of Kitzingen (Lower Franconia).



#### Example: Eco-account Hüttenheim

After several years of lead and implementation time, the eco-account could be set up in 2020 in the Hüttenheim quarry (Lower Franconia, Bavaria). With this voluntary, comprehensive measure to promote biodiversity, Knauf Gips KG can cost-effectively compensate future interventions or trade the generated compensation points (image: view on a part of the quarry with the Knauf factory in the background and knapweeds and pincushion flowers in the foreground).



#### **Improving communication**

The relevance of properly operated and renaturalized raw material extraction areas for nature conservation and biodiversity is not widely known to the general public and still leads to surprised astonishment even in expert groups. Communicating this issue to interested groups of persons is increasingly important, not only because of the community "licence to operate" but also to generate mutual understanding and learn from each other. Co-operations with rather unusual partners are also helpful for this.



Example: Natural garden days 2019 in Heidelberg

The conference topic of "natural resources" by the Naturgarten e.V. association examined the use of stones, gravel and grit in a garden close to nature and gave Knauf Gips KG the possibility to show that the use of domestic, regional building materials has a two-fold benefit for nature. A habitat arises in the garden and another habitat in the landscape with an unrivalled good carbon footprint. (Image: Screenshot of the Knauf presentation recorded for publication on the Internet <a href="https://youtu.be/RX0gUqo4Wug">https://youtu.be/RX0gUqo4Wug</a> © naturgarten e.V.).

#### Integrating partners

What happens when the raw material extraction is finished and renaturalizing is completed? In 2019 a grazing project could be started in a quarry together with the Regional Administration of Middle Franconia and the Landschaftspflegeverband [landscape maintenance association] of Neustadt-Aisch. The goal is to make the landscaping of the geotope and biotope threatened by scrub encroachment more viable in the long-term and have local agriculture profit from it.





**Example: Protecting by using** 

Since 2019 Gelbvieh Franconian cattle have been grazing the grassland rich in herbs in the renaturalized area of the gypsum quarry Markt Nordheim. This old, local cattle breed is known for its outstanding meat quality and is marketed in regional and supra-regional gourmet restaurants. At the same time the breed is very robust and can be used in suckler cow husbandry, with little required space, for maintaining the geotope and biotope. (Image: Mother cow with its nearly full-grown calves between *Peucedanum officinale* plants (hog's fennel))

#### Maintaining partnerships

The extraction of raw materials always requires the acceptance of the local population. This also applies for the subsequent usage of previous extractions sites. The renaturalization, meaning making areas available for nature conservation is not always unproblematic and free of conflicts. In many cases the community's desire for commercial utilization or use for local recreation outweighs this. To combine these desires with legal regulations is often a major challenge. Whatever the subsequent utilization looks like, the company tries to be available in subsequent years as a competent partner and provide support beyond the statutory mandatory requirements.





#### **Example: Nature conservation versus local recreation**

Fuldatal close to Konnefeld in Northern Hesse region is a hot spot for raw materials extraction. Apart from gravel extraction, gypsum was also extracted until the mid 1990s. Actually two renaturalized Knauf quarries are supposed to provide room to nature for developing and cannot be accessed by the public - at least in theory. Because recently it has become clear that more and more people use the quarries as a destination for excursion and as a bathing lake and knowingly or unknowingly take great risks and destroy nature. For the Ahlheim municipality, which in the meantime has become the owner of the gypsum quarry Niederellenbach, this raises the question on how nature can be protected from humans, and how humans can be protected from dangers such as falling rocks, broken branches, landslides and own negligence. Since 2019 Knauf has been supporting the municipality with expertise in the assessment of geological risks that naturally occur on dynamically developing areas. (Image: Drone image of the Niederellenbach gypsum quarry with a view of the much sought-after "sandy beach")

#### Knauf Gips KG (www.knauf.de)

Knauf Gips KG, a company in the Knauf Group, is specialised in systems for drywalls and floors, plaster and facades. Knauf drywall systems are synonymous with highly effective sound, fire and heat protection at floors, walls and ceilings. On the floor Knauf flowing and levelling screeds ensure rapid construction progress. The Knauf plasters include such brand classics as Rotband, MP75, SM700 or Rotkalk. The WARM-WAND external thermal insulation composite systems are available for energy-efficient design of facades.

#### Knauf Group (www.knauf.com, www.knauf-deutschland.de)

Worldwide Knauf building systems facilitate planning and construction, offer complete solutions and assured quality. On the German market Knauf is represented by the companies Knauf AMF (ceiling systems), Knauf Aquapanel (cement-bound building boards, interior insulation, perlite), Knauf Bauprodukte (professional solutions for homes), Knauf Gips (drywall, floors, plaster and facade systems), Knauf Insulation (insulating materials made of mineral wool, glass wood and wood wool), Knauf Integral (gypsum fibre technology for floors, walls and ceilings), Knauf PFT (machine technology, plant construction), Knauf Design (surface technology), Marbos (special building materials for fixed stone pavement construction), Richter System (drywall systems) and Sakret Bausysteme (dry mortar for new buildings and reconstruction).