

Press release
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Miele further promotes use of 'green steel'

- ▶ Memorandums of understanding with industry partners ensure supply of green steel starting in 2025
- ▶ Sustainable procurement at Miele wins second place at PwC Sustainability Awards

Gütersloh, December 8, 2022. – The Miele Group, world-leading manufacturer of premium domestic appliances, further expands its use of green steel. The company has signed memorandums of understanding with thyssenkrupp Steel Europe AG, Salzgitter AG and H2 Green Steel covering the supply of low-CO2 steel with the intent of guaranteeing the blanket use of green steel. Miele is already furnishing proof in a series project that green steel can be successfully used in the production of ovens. This creates both the technical and the strategic wherewithal to reduce CO2 emissions in the field of purchased goods and services over the long term.

'Our aspiration is to develop the best products and services for our customers with the least possible impact on the environment – wherever possible in a completely CO2-neutral way', explains Hans Krug, Senior Vice President Procurement at Miele. 'To achieve this, we are engaged in a close exchange with our suppliers and are now looking forward to taking the next step with respect to green steel'. Since November 2021, Miele has been using green steel in the production of its ovens. CO2 emissions in the manufacture of clean steel are reduced by more than 66% thanks to the use of climate-friendly sources of energy and the use of scrap steel. Following the positive experience with use in production, Miele now plans to source green steel on a larger scale. 'We would love to use more green steel with immediate effect, but this is unfortunately not possible at present on account of limited availability', says Krug.

To cover a large proportion of requirements in the long term and to secure the use of green steel across the board, the family-run Gütersloh-based company has signed a number of declarations of intent to guarantee a supply of low-CO2 steel – amongst others with Salzgitter AG. Miele is set to receive its first shipments of green steel at the end of 2025, produced and delivered as part of the SALCOS programme. Under this project, hydrogen and power from renewable sources will be in a position to completely replace the carbon that has always been needed to manufacture steel and in so doing reduce CO2 emissions in steel production by more than 95%.

In October, Miele also concluded a declaration of intent with thyssenkrupp Steel Europe AG covering supplies of climate-friendly steel from the direct reduction plant which is to come online at their site in Duisburg in 2026. This facility will have a capacity of more than 2 m tonnes and will reduce CO2 emissions at thyssenkrupp Steel by more than 20%. From the moment the plant goes online in 2026, thyssenkrupp Steel will supply Miele with climate-friendly bluemint steel. As early as May, Miele signed a similar declaration with H2 Green Steel aimed at a supply of low-carbon steel from a plant in the Swedish town of Boden which is due to produce 5 million tonnes of green steel annually from 2030 onwards.

At Miele, CO2 emissions from purchased goods and services ("Scope 3.1") account for 14% of overall CO2 emissions, second only to consumption during the usage phase of appliances (84%). Just less than 1.74 million tonnes of CO2 were released during 2021, with steel accounting for the lion's share. 'Long-term forward visibility and reliable access to green steel is of major strategic importance to us', explains Krug.

Efforts such as these and the implementation of a sustainability concept in Purchasing recently earned Miele second place in the Sustainability Award run by the PwC consultancy. The award – staged this year for the first time – supports and rewards 'groundbreaking strategies aimed at promoting the sustainability of companies' in the categories R&D, Operations and Purchasing. 'We are delighted at receiving this award', says Krug, 'as it shows that we are on the right track with our commitment in pursuit of greater sustainability in procurement and the supply chain'.

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Company profile: Miele is the world's leading manufacturer of premium domestic appliances including cooking, baking and steam-cooking appliances, refrigeration products, coffee makers, dishwashers and laundry and floor care products. Their product portfolio also includes dishwashers, air purifiers, washing machines and tumble dryers for commercial use as well as washer-disinfectors and sterilisers for use in medical and laboratory applications. Founded in 1899, the company has eight production plants in Germany, one each in Austria, the Czech Republic, China, Romania and Poland as well as two production plants belonging to its Italian medical technology subsidiary Steelco. Sales in the 2021 business year amounted to around € 4.84 bn. Miele is represented with its own sales subsidiaries and via importers in almost 100 countries/regions. Throughout the world, the family-run enterprise, now in its fourth generation, employs a workforce of around 22,300, of which approx. 11,200 employees work in Germany. The company has its headquarters in Gütersloh in Westphalia.

There are two photographs with this text:



Photo 1: In 2023, Miele will use more than 600 tonnes of green steel supplied by Salzgitter AG. In October, Konstantin Eckert and Hans Krug (both Miele) and Ulrich Grethe and Phillip Meiser (both Salzgitter) (left to right) signed a declaration of intent relating to the supply of low-carbon SALCOS steel from the end of 2025.

(Photo: Salzgitter AG)



Photo 2: From 2026 onwards, thyssenkrupp Steel will supply the Miele Group with CO2-reduced bluemint steel. The declaration of intent was signed by Konstantin Eckert (Procurement Director, Miele & Cie. KG), Hans Krug (Senior Vice President Procurement, Miele & Cie. KG), Jörg Paffrath (Senior Vice President Sales Industry, thyssenkrupp Steel Europe AG), Axel Pohl (Sales Director Industry OEM and SSC, thyssenkrupp Steel Europe AG).

Photo: thyssenkrupp Steel Europe AG

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