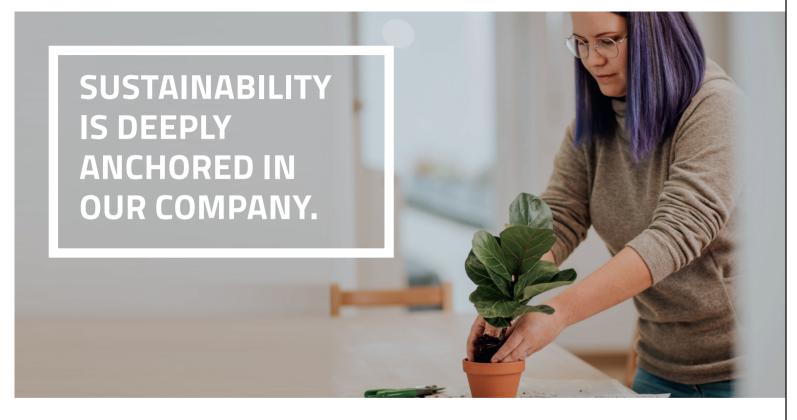


SUSTAIN-ABILITY

OUR SOCIAL AND ENVIRONMENTAL RESPONSIBILITY



We make people strong!

This commitment drives us to develop our products with great passion. And we take responsibility!

We are looking for solutions in all areas so that we can develop, produce, and distribute our products more sustainably.

BY SUSTAINABILITY WE MEAN SOCIAL AND ECOLOGICAL RESPONSIBILITY

Social Responsibility

Social responsibility is important to us, both within our company and in our relationships with our suppliers, trading partners, and customers.

- Continuous employee development and training
- Trusted supplier relationships
- Careful monitoring of our suppliers' compliance with social and environmental standards
- Sustainable corporate management and organization, e.g. e-bike leasing, regional fruit, recycling, longterm corporate decisions

Climate Protection

Climate protection is humankind's greatest challenge of the century. We are looking for ways to minimize CO₂ in everything we do.

- Supply chain optimization
- Reduction in packaging sizes
- Expansion of regional production
- Almost 100% of our books are produced in Europe
- Use of green electricity in our company
- Over 80% of our employees use an environmentally friendly means of transport to get to work

Resource Conservation

Nature and the environment mean the world to us. In the manufacturing of our products, we take care to conserve our planet's resources and produce as little waste as possible. We do this by:

- Adopting resource-saving manufacturing and production processes
- · Optimizing packaging
- Eliminating shrink-wrapping
- Using sustainable and recycable materials
- Implementing the cradleto-cradle concept
- Needs-based edition planning

Product Quality

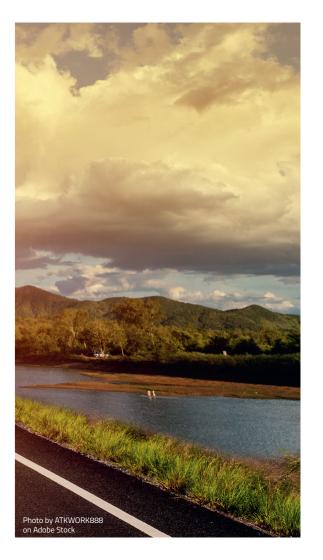
For us, quality always takes precedence over quantity. To ensure that our products can also be enjoyed sustainably, we attach great importance to a long product lifespan that is appropriate to the product's intended purpose.

- Development of durable products
- Use of high-quality materials
- Comprehensive customer and replacement parts service to support the lifespan of our products
- Commitment to high reusability or recyclability of consumables



BY 2025 WE WANT TO

- Systematically replace conventional plastics with those made from renewable raw materials
- Reduce our packaging volume in game merchandise by 25%, thereby reducing material use and transport income by 25% and saving around 35% of CO₂
- Use 100% plastics made from renewable raw materials, or materials that are completely recyclable, for our new games
- Ensure that our paper and wood components are produced from 100% sustainable FSC-certified cultivation
- Further increase the share of cradle-to-cradle products in book production by **10% per year**
- Use 100% mineral oil-free printing inks that do not contain any substances that are hazardous to the environment or to human health



WE'RE ON TRACK!

Sustainability is not just a project. It is a lifelong way of operating.

Sustainable action is an attitude that drives us every day.

Today and in the future.



TODAY WE ALREADY:

- Guarantee a particularly **long lifespan** for our products through strict quality management and comprehensive customer service
- Produce around **70%** of our toys (according to turnover) in Germany and Europe
- Focus on regional partnerships and produce the majority of our CATAN games in southern Germany
- Confirm that more than 90% of our Asian producers comply with our social standards; verified by certificates
- Make 100% of our books from sustainable FSC
- Plan our print runs according to demand
- Publish numerous books according to the **cradle-to-cradle principle**
- Have almost completely dispensed with shrink-wrapping
- Use green electricity and implement other sustainability standards in our everyday work.
 We have already been awarded the 1st prize by "Office&Environment" ("Büro&Umwelt") for this.





EXAMPLE"CRADLE-TO-CRADLE"

In 2016, we were among the first publishers to implement the cradle-to-cradle C2C process. The concept, in which all processes and materials used are optimized for reusability and minimal environmental impact, impressed us from the outset. Since autumn 2017, we have also been active members of the C2C Friends Association. The C2C principle is currently the most sustainable way to produce books. We use the C2C process for our books, both in the adult and particularly in the children's book sector.



EXAMPLE "CATAN"

For the CATAN brand, we are striving for sustainable production, which we are implementing step by step: First of all, we are replacing the plastic elements in all of our games with cardboard. All paper and cardboard in our products will be FSC certified. Furthermore, in the future we will use a bio-based plastic for the CATAN game pieces, which is sourced from renewable raw materials. Moreover, during the processing of this special plastic, the residual material left over from the casting of the figures will be directly re-used. We avoid enormous amounts of residual waste through this procedure.



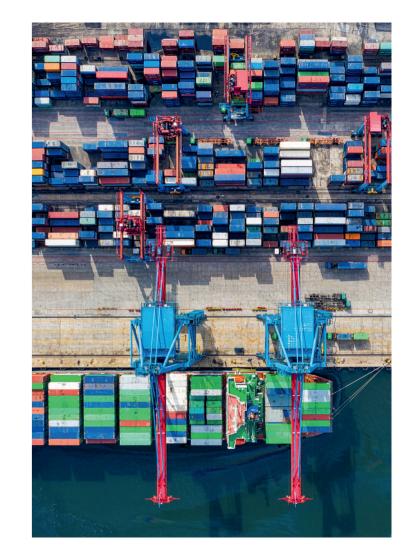
EXAMPLE"REGIONAL PRODUCTION"

To save CO2 and support regional partners, we produce most of our toys in Germany and Europe. Moreover, our top three suppliers by turnover are based in Germany. For example, we work together with the globe manufacturer Columbus in Krauchenwies, Swabia. Due to regional proximity alone, we have already been able to save around 2,000 tons of CO₂ through production at Columbus since 2018. And we also use the same regional approach in our book production.

99% percent of our books are produced in Germany and Europe

EXAMPLE"SUPPLY CHAIN"

In addition to the continued growth of regional production, certain KOSMOS products are still manufactured in Asia. Over several decades we have built trusted business relationships with suppliers in the region. Through our internal quality department, we ensure that our external partners implement the social and environmental standards we have set. We regularly audit their compliance standards and thereby make a commitment to fairer working conditions. As many as 90% of our partners are already certified according to the ICTI and BSCI labels. We also rely on intelligent logistic processes and plan our runs according to demand, constantly optimizing product packaging in terms of size and positioning.



STUTTGART LOCATION:

Franckh-Kosmos Verlags-GmbH & Co. KG

INTERNATIONAL:

Thames LLC /Providence USA Thames & Kosmos/Kent, UK

