

CSR-SUSTAINABILITY REPORT 2014



RIESS KELOMAT GMBH

FOREWORD

We are generation-minded, probably because our family business is now in the ninth and tenth generations. Some people see this as true sustainability, but it is all we know. It is our great pleasure to report for the third time on how we are continuing this tradition.

Sincere regards,



Dipl. -Ing. Julian Riess

Susanne RieB

Ing. Friedrich Riess

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For ease of legibility we have dispensed with references to “he/she” and “him/her”. The form used refers equally to men and women.

ABOUT US

SUSTAINABILITY AT RIESS KELOMAT

Our company has been in existence since 1550, primarily because sustainability is traditional at RIESS KELOMAT. This was a conviction deeply held by our forefathers. As far as we are concerned, sustainability means applying these principles in the modern era.

Healthy and responsible - cooking our way

Cooking in the 19th century involved harmful substances. When heated, pans released toxic substances. Our grandfather decided to manufacture "healthy cookware" made from porcelain enamel.

If you think this is no longer a problem today, think again. Pots and pans are still potential sources of toxins. We are committed to cookware that is free of any harmful substances and which promotes health.

Nowadays our responsibility extends even further: we are committed to energy-saving and safe cooking. We help our customers to use our quality products so that the products have a long life. We address individual customer's wishes – we put the customer first. We also don't give in to management methods that try to tell us differently.

Positive balance for nature and the climate

Our first source of energy was coal from the nearby mountain. Our grandfathers, Josef, Julian and Leopold Riess, realised that this fossil fuel is a finite resource and what would we do when it ran out? They also noticed the film of soot that covered everything. This is why the first hydroelectric power station was constructed in 1926 and henceforth all the machinery operated using inexhaustible, clean electricity.

Julian Riess also realised that if he built a dam for his power station, the fish would no longer be able to reach their spawning grounds and then how would he be able to fish next year? He thus used spare material to construct one of Austria's first fish ladders.

Today we are the only cookware manufacturer whose production shows a positive CO₂ balance. Our plant operates using electricity from three hydroelectric plants. We generate more electricity than we need and feed it into the networks as green energy.

Any impact on nature complies with agreed levels and we significantly undercut threshold values. We support the surrounding natural world and use the resources that nature has given us!

Family business

As a traditional business located on the Eisenstrasse, or Iron Road, in Lower Austria, our family has been part and parcel of this region for generations. Our employees have always been drawn from the surrounding villages. We are a big family business in two senses: our business has been passed down through the family for generations and is managed today by the ninth generation. We also regard us and our employees as one big family. We live and die by our reputation as a good employer. This is why our employees' health and satisfaction also matter to us.

Our customers are not the only people to whom we offer tailored solutions. The same applies to the people we work with on a day-to-day basis.

Managing with what there is.

When our forefathers were faced with the decision whether or not to start manufacturing porcelain enamel goods, they sold land that had long been owned by the family. They did not want to incur debts; they had to manage with what financial resources they had. Their guiding principle was – total independence!

We still adhere to this principle today. We think long term. We also apply this long-term point of view to our annual profits. We grow cautiously. Even if we had the short-term opportunity to expand capacity, we would refuse if we could not guarantee long-term utilization.

Not only is longevity important where our products are concerned, but also our tried-and-tested machinery. We avoid waste. We don't want our husbandry to make future generations dependent. Materials and energy are precious.



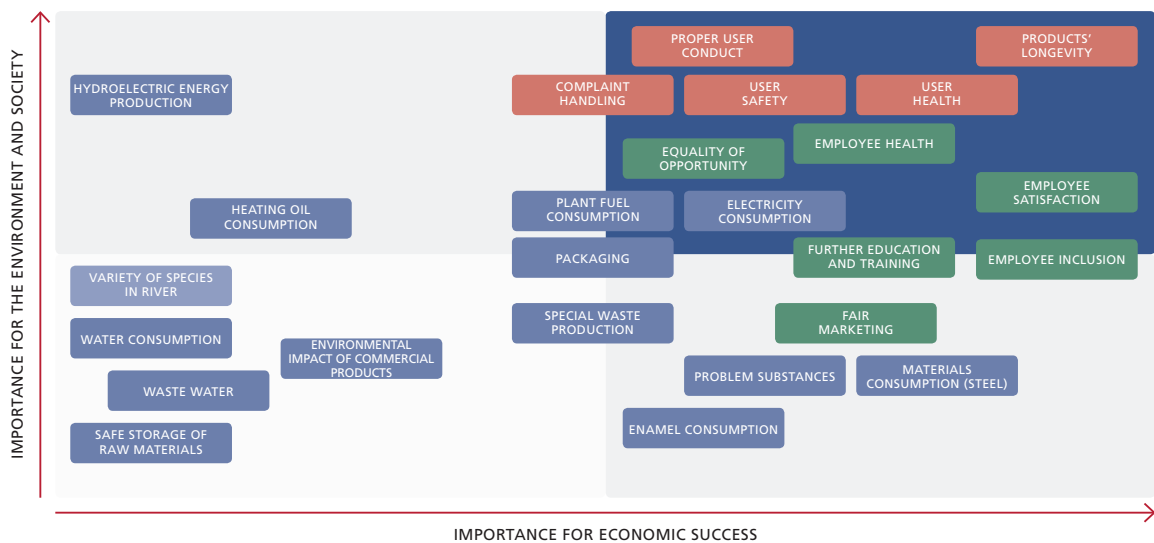
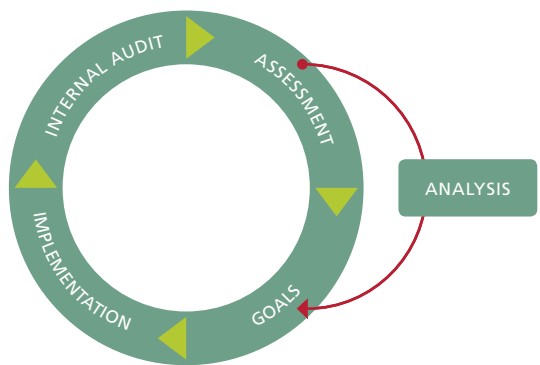
CORPORATE POLICY

WE OPERATE IN HARMONY WITH OUR SURROUNDINGS

“Our philosophy is ecological vision, a sustainable approach and social responsibility.” Julian Riess

The company uses the ONR 192500 sustainability management system to embed its centuries-old, sustainable corporate management in its processes. Sustainability management follows the circuit shown in the diagram.

In addition to general principles of social responsibility, the company has identified all the specific sustainability issues that are important to it. The starting point is annual collection of data and analysis of sustainability indicators. Particular attention is paid, as part of sustainability management, to the issues shown in the upper right quadrant of the diagram below.



WE REALISE THAT PEOPLE MAKE THE DIFFERENCE

"Clearly defined responsibilities and a good age mix foster team spirit and healthy competition."

Susanne Rieß

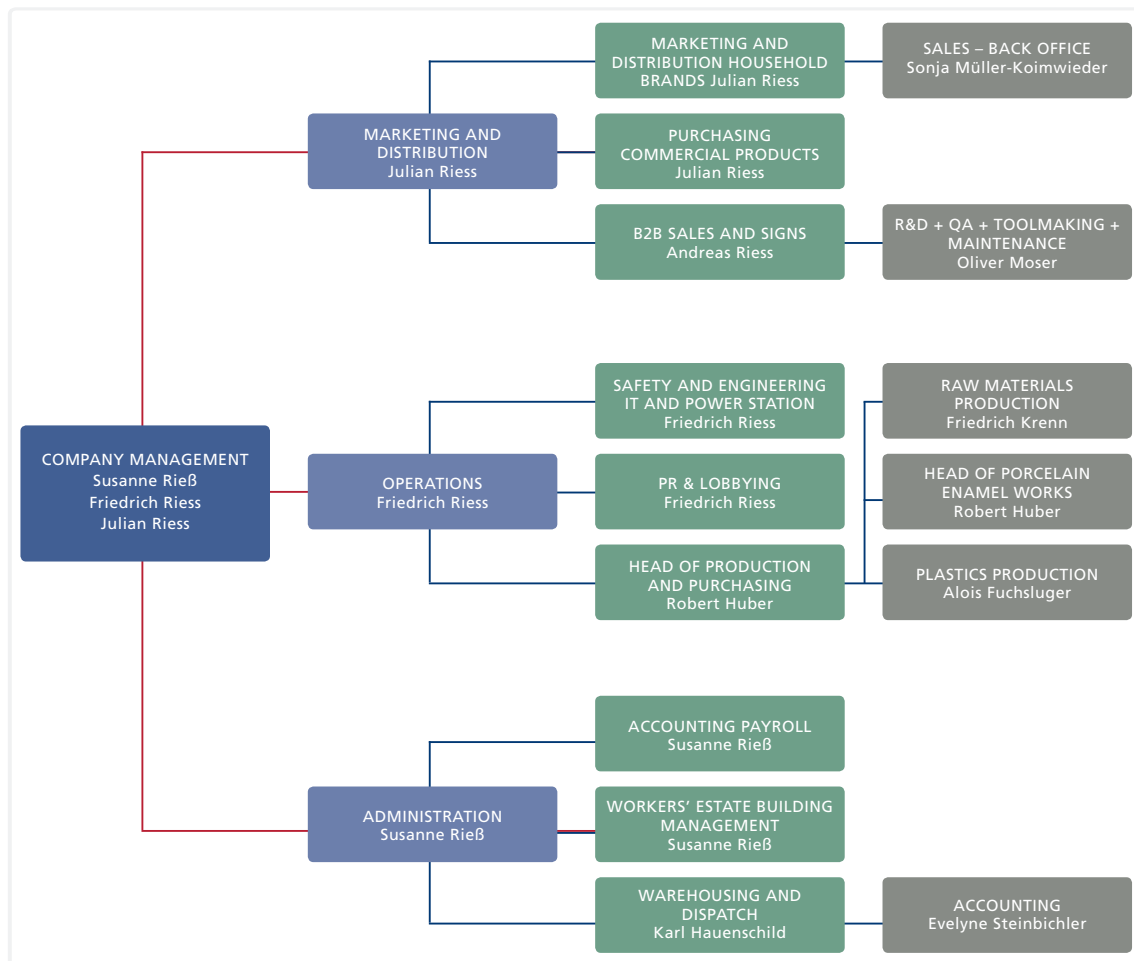
RIESS KELOMAT GmbH is 100% family-owned and is managed by the ninth generation – Friedrich Riess, Julian Riess and Susanne Rieß. There is clear separation of roles, although important decisions are always taken jointly.

Friedrich Riess is responsible for Technology and Production, Julian Riess is in charge of Sales and Marketing and Susanne Rieß handles Finance and Human Resources.

The tenth generation already has its foot in the door, with Andreas Riess. He is responsible for the Signs and Industrial Components divisions. He is also the company's Environmental Officer.

The management is supported by a team of specialists, some of whom have been with the company for a very long time and who trained here. At the same time apprenticeships, which the firm heavily promotes, ensure a good age mix.

ORGANISATIONAL FLOW CHART FOR RIESS KELOMAT GMBH



WE HAVE THREE MAINSTAYS AND BELIEVE IN QUALITY

"Three business divisions have developed out of the versatility of porcelain enamel as a material, our metal-processing know-how and our painstaking processes."

Julian Riess

The company's core expertise lies in production of thermoformed, pressed and pressure-formed metal items, injection-moulded plastic items and, above all, surface finishing with porcelain enamel. As a composite material porcelain enamel - - glass on iron - has many wonderful properties.

It can be used anywhere that extreme heat stability, UV resistance, abrasion resistance, and smooth, anti-bacterial surfaces are required. The company's extensive experience of enamelling has resulted in a range of products and services offered by the following three separate areas of business. www.riesskelomat.at



HOMEWARES

We are Austria's only cookware manufacturer and enameller. In addition to the RIESS brand produced in Ybbsitz, the Austrian KELOMAT brand has also been part of our kitchenware and cookery range since 2005.

Our comprehensive product range is complemented by some distributed brands.

www.riess.at
www.truehomeware.com
www.kelomat.at



PORCELAIN ENAMEL SIGNS

We manufacture porcelain enamel house numbers, advertising boards and road and information signs. Our signs can be found on streets in Vienna, Graz, Klagenfurt and Trieste, and at Frankfurt Airport.

The signs were enamelled at our factory and then screen-printed with images and lettering.

www.riesskelomat.at
www.emailschilder.co.at



INDUSTRIAL COMPONENTS

The B2B division manufactures innovative special orders for our customers: small-and medium-sized production runs of steel, stainless steel and aluminium thermoformed parts, as well as enamelled surfaces or oven and cooker parts, lamp shades, sanitary ware, water tanks, etc.

Our range also includes injection-moulded plastic; we have specific know-how in the field of production of special parts made from a steel and plastic composite.

www.riesskelomat.at

THE RIESS BRAND

has been synonymous with premium quality, handmade porcelain enamel cookware from Austria, and for enamel signs and custom-made articles since 1922. Highly trained employees and top quality raw materials ensure a premium finish and extreme durability.

All products meet the highest performance standards, and are certified by the European Enamel Authority and Green Brands.

THE KELOMAT BRAND

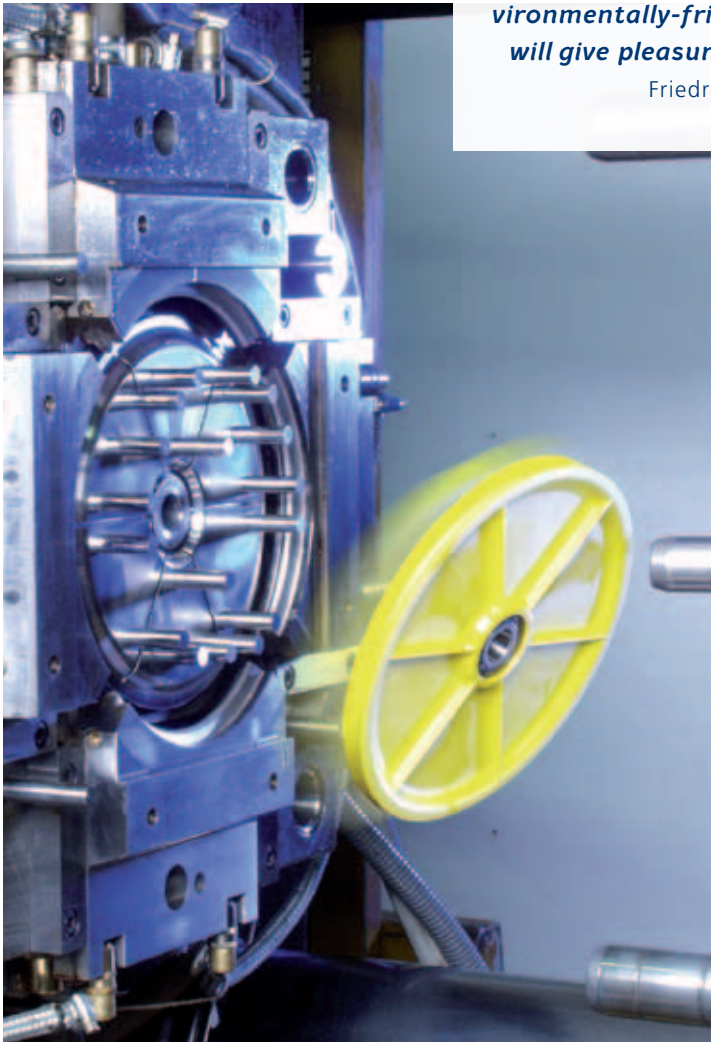
is the leading Austrian brand for high-quality stainless steel cookware and kitchen equipment. KELOMAT is known for its classic pressure cooker with safety valve, which enables speedy, energy-saving, healthy steam cooking.

KELOMAT is known for a wide range of top-quality stainless steel pots and pans, with the KELOMAT quality, non-stick, scratch resistant-surface and a complete range of kitchen utensils.



"We put our name to durable, high-quality products – the only way for us to supply a fair, humane and environmentally-friendly product that will give pleasure for a long time."

Friedrich Riess



SUSTAINABLE GROWTH

WE ARE INDEPENDENT AND BELIEVE IN TAKING THINGS ONE STEP AT A TIME

"Porcelain enamel is enjoying a renaissance, from which we are benefiting. We're pleased, but we won't let it make us arrogant."

Julian Riess

As far as RIESS KELOMAT is concerned, long-term success means organic growth and market focus.

Innovation is an important factor for growth, together with historic products. New ideas stem from close contact with customers, customers' representatives and designers, are jointly developed and subsequently launched on the market.

In the 2009 financial year the company sold approximately 500 000 sales units of enamel cooking ware, in 2013 the quantity of sales units sold had increased to 612 000. This means an average growth of the own production of 5,6 %.

A total of 53% of annual turnover can be attributed to porcelain enamel products, 42% to KELOMAT cookware and 5% to commercial goods and kitchen accessories. Germany is the most important export market, with the biggest increase in 2013. We export to a total of 35 countries.

In addition to Europe, the USA and, in recent years Japan, Korea and Australia, are important markets for enamel cookware.

GOAL ACHIEVED:

RIESS brand cookware's export quota has been increased to over 50%.

NEW GOAL:

Develop new distribution partnerships for further export market expansion.

WE LISTEN TO OUR CUSTOMERS AND ADAPT TO THEIR NEEDS

"We have swum against the tide. Instead of optimizing our range, we have listened to our customers and banked on a diverse range. Our customers love it."

Friedrich Riess

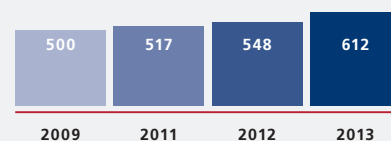
In addition to quality work, a high level of flexibility and speed of supply are declared corporate aims.

Approximately 6,000 moulds guarantee that we can respond very flexibly to customer requirements. We manufacture special, one-off requests in addition to small-scale production runs. All 800 to 1,000 product lines are available to customers ex stock.

Goods are put together per order and delivered "just in time". Depending on the quantity ordered, goods are dispatched either by parcel service or by freight forwarders and railway.

The entire logistics process is governed by the motto "Save resources wherever possible". We minimise staffing levels and wasted journeys, thus saving working time, energy and fuel.

enamel cookware own production in 1000 sales units





"Porcelain enamel is nothing more than glass on iron, permanently fused together in the kiln."

Friedrich Riess



ENVIRONMENT FRIENDLY PRODUCTION

WE NEED IRON, GLASS, WATER AND VERY LITTLE ELSE

"If new developments aren't in keeping with our sustainable working methods, we start to think out of the box."

Friedrich Riess

Technically speaking, porcelain enamel is the term for a composite material made from glass and iron. Glass is melted and anorganically fused with the metal substrate in the kiln.

Production in our manufacture doesn't generate any CO₂, because we use our own hydroelectric power plants. The entire value creation chain is geared to saving resources and is continually optimised; this is ensured by a proprietary environmental programme.

Iron: from rough sheet steel to saucepan

The rough, high-quality steel sheets are transported by rail from Voestalpine AG in Linz to the ABC Metal Centre in Mauthausen, Upper Austria. The raw material is temporarily stored here and cut to the required widths as necessary, before being rolled into coils. This optimises use of the sheet metal and minimises waste during cutting.

The goods are delivered to Ybbsitz via a regional forwarding agent, where they are cut into the basic shapes, the circles for pans and lids, or stamped and moulded direct into the desired shape using the deep drawing press. The pan rim is then moulded and the handles are mounted.

Only minimal offcuts are produced thanks to optimised sheet use, and these offcuts are returned to the raw materials cycle. As production uses the cold-forming technique (no heat), this saves energy and reduces the environmental impact.

The resulting blanks are degreased in an alkaline bath, so that the glass coating can perfectly fuse with the metal in the kiln. This is the final step before enamelling.

GOALS ACHIEVED:

Investment in a new osmosis system for the degreasing process has cut the use of cleaning agents by half in 2013.

Modification of a mechanical deep-drawing machine has avoided increased use of energy by a new, hydraulic model (see box).

The company received the HELIOS price 2014 for energy efficiency of the county of the Austrian Economic Chamber of Lower Austria for this.



Old mechanical machine/Constr.1953/Modified 2013
New hydraulic machine

Press force t.	70	125
Load KW	11	87
Idling power KW	1,4	17,7
Pcs./min. at same level	8	4-6
Load per t.	0,16	0,70
Idling power per t.	0,02	0,14

The old, mechanical deep-drawing machine no longer complied with the latest safety techniques, but the new, hydraulic machine used significantly more energy. This is why the old machine was brought up to standard with the latest safety regulations and approved in 2013 by the TÜV.

Glass: a durable, natural surface

By individually tailoring the enamel dross's composition it is possible to produce almost any shade of colour. The glassy coating, called porcelain enamel, consists of glass, potash and metal oxides. The various raw materials are mixed and melted at temperatures of 1,000 °C to 1,200 °C in the kiln. The liquid enamel mass is then set and broken into flakes (granules) or frits. At the enamel factory the granules or frits are finely milled and combined with the pigments. Water is the only suspension medium used.

Porcelain enamel: two become one

Now it is time for the enamelling process. The iron moulds are coated inside and out with the enamel dross base, dried and fired in the kiln. When the temperature reaches around 850 °C, the iron moulds and the layer of glass fuse. They are then immersed in the chosen colour of enamel dross, dried and fired again in the kiln.

WE USE OUR RESOURCES CAREFULLY

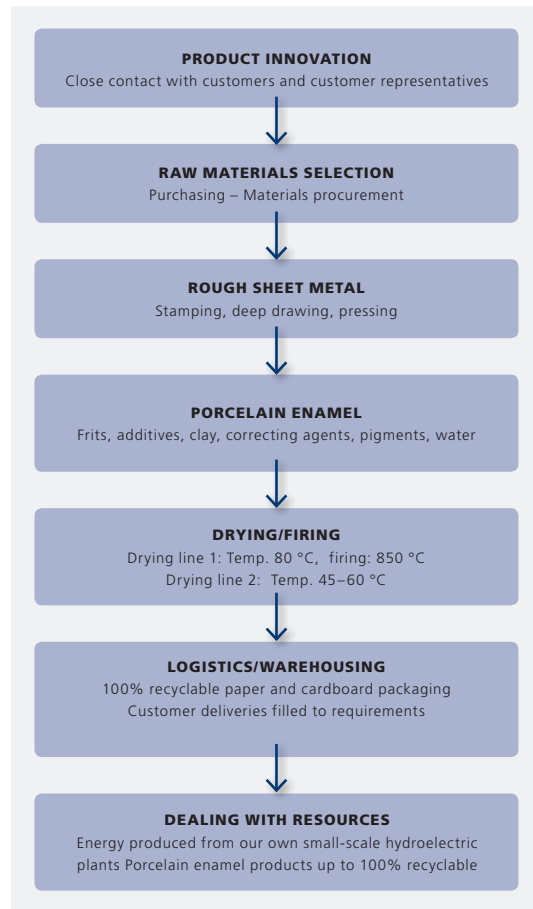
"The company adheres to the basic principles of sustainable management out of fundamental conviction."

Anton Schörghofer, Safety Centre

Waste management

The company has developed a customized waste management concept to minimise the environmental impact of production. All waste, including any iron and sheet steel offcuts, is collected separately and recycled by a licensed company.

Together with iron, enamel dross is one of the waste products from the production process. The enamel dross that is not used during production is collected, treated and the majority reused in the production process.



Contaminated porcelain enamel which cannot be treated is filtered, dried and then removed by an authorized waste management company.

The waste water is treated and recycled as part of the production process. The water required is recycled several times to save resources. New technologies and modern automated spraying machines also help to optimise use of any remaining enamel dross and at the same time to cut CO₂ emissions.

GOAL ACHIEVED:

In 2013, heat recovery in the base enamel spraying plant prevented 27.64 tonnes of CO₂ per annum being released into the atmosphere.

NEW GOAL:

Unmixed recycling of enamel to increase recycling rate.

Heat recovery

The kiln is the most energy-intensive stage in the production of porcelain enamel. Over the years we have developed a sophisticated system for optimum energy use.

Porcelain enamel is fired in what is known as the U-type furnace (240 KW). This means that fired forms exit and those waiting to be fired enter at the same time, to prevent excess heat loss. The heat generated during firing at 850 °C in the 240 kW kiln is used in three ways:

- To fire the porcelain enamel in the kiln at 850 °C
- To dry the goods in the drying kiln at between 45 and 80 °C (after the enamel dross has been applied)
- To heat the production hall.

GOAL ACHIEVED:

The aim of heating the entire plant using recovered heat has been almost fully achieved.

Optimised working hours

To exploit this plant's maximum output, it is operated on a 2 or 3 shift rota as part of an optimised working time model.

SHIFT 1: The products to be fired are dried in the firing kiln (temperature approx. 80 °C) and then fired. The excess heat from the firing kiln is used to heat the drying kiln.

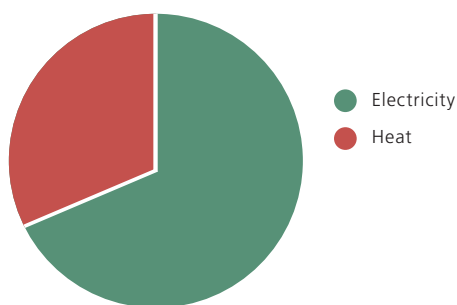
SHIFT 2: Any exhaust gases from the drying kiln during Shift 1 are now used for the second, slower drying line. During this drying process the goods are suspended just below the production hall roof on conveyor belts and dried with the exhaust gases from the drying kiln. Depending on the time of year the temperature beneath the roof is 45-60 °C.

Handling hazardous substances

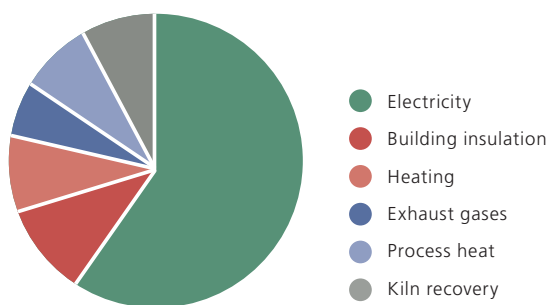
Oils, acids and alkalis for degreasing the metal moulds are stored in drums or plastic containers, which are placed on drip trays. These are made from acid- and oil-resistant sheet steel and are sized according to the container on top of them.

RIESS KELOMAT GMBH ENERGY PIE CHART

Former electricity and water consumption



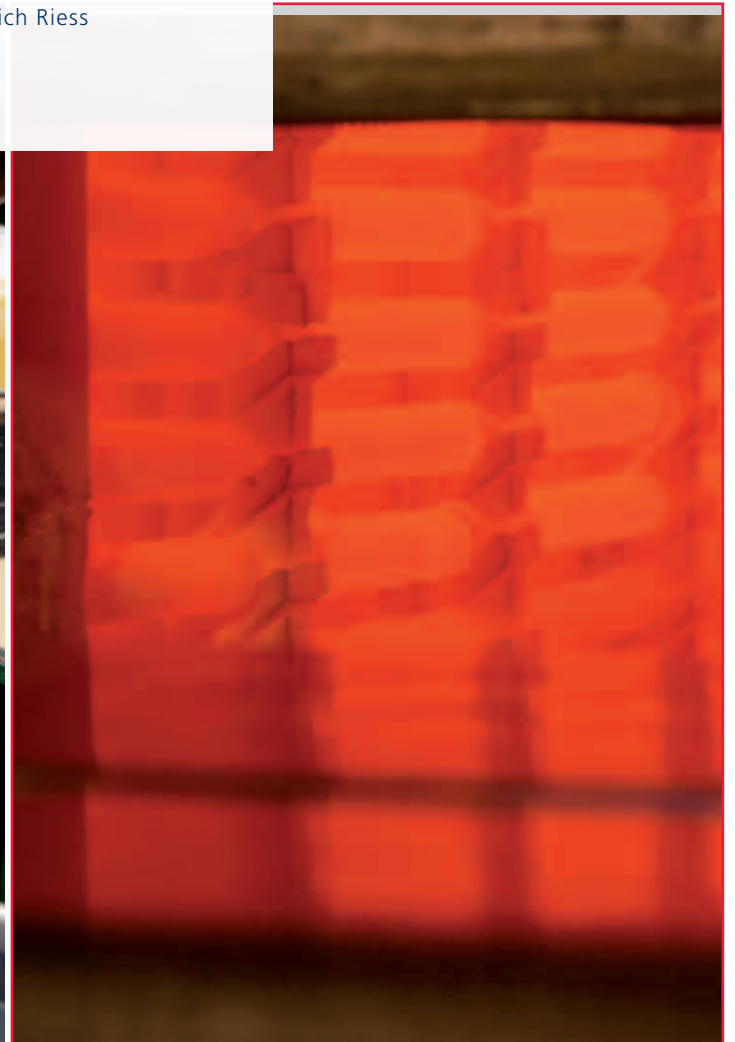
New electricity consumption and heat recovery





"We aim to avoid any waste."

Friedrich Riess



WE BORROW WATER AND USE IT CAREFULLY

"Water is our most valuable asset, which is why it matters to us whether we return it to the environment clean or not." Andreas Riess

Water – for cooling and rinsing

Water for the plant comes from our two springs and three aquifers. The water is primarily used as a coolant and for rinsing and is used several times. Cooling uses most of the water. The company adopted a sustainable water conservation concept very early on, which has resulted in water savings of 90% since 1976. RIESS KELOMAT's waste water statistics for production are far below the official maximum limits. By integrating a water treatment plant in 2001, we further reduced volumes of waste water. The waste water is filtered and recycled as rinsing water. In 2003 the company was awarded the province of Lower Austria's water conservation prize for its activities in this field.

GOAL ACHIEVED:

In 2013 six new water meters were introduced for constant monitoring of water consumption, to avoid leaks and unnecessary water consumption.

Water – for CO₂-neutral production

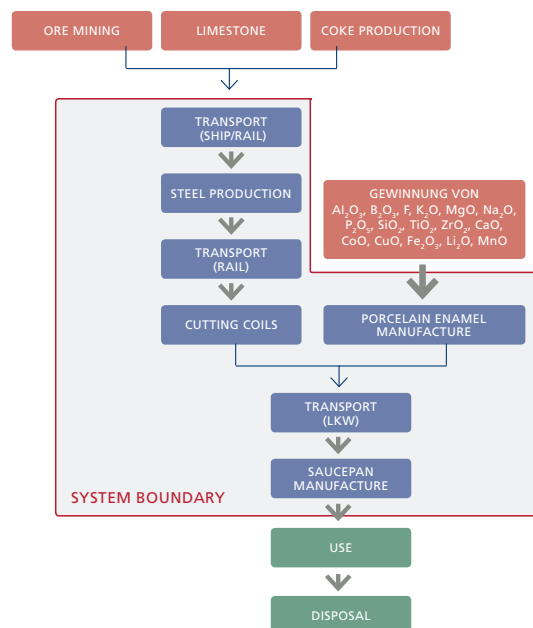
Between 1926 and 1935, the current owners' ancestors built three watermills and hydroelectric plants along the Großer and Kleiner Ybbs rivers, at the site in Ybbsitz. The soot and polluting gases from the old, coal-fired kilns were replaced with emission-free, electric enamelling kilns.

Together, the three hydroelectric plants generate more than 800 kW. With an average flow rate of 10 m³ per second, this equates to energy production of approximately 6,400,000 kWh per annum. Use of this sustainable, environmentally friendly energy has saved more than 4,600,000 kg of carbon dioxide and 3,584 kg of sulphur oxide and dioxide. Put another way, in terms of fossil fuels this has saved approximately 1,050,000 m³ natural gas, or 1,250,000 kg heavy heating oil, or approximately 1,900,000 kg coal. Our production is therefore CO₂-neutral, which has been confirmed by a product ecological impact assessment according to ISO 14044 conducted by the Wieselburg campus of the Wiener Neustadt University of Applied Sciences.

The study investigated emissions and environmental impacts from transportation of the raw materials, via porcelain enamel and steel production, to the finished, enamelled cookware (consideration was not given to the production stages outside the system boundary, as there is too little solid data for this).

The following three points are essential for CO₂-neutral production by the company within the defined system boundaries:

1. Surplus green electricity from the three hydro electric plants
2. Low volumes of waste water (23% of input)
3. High proportion of metal recycling (35% of input).



NEW GOAL:

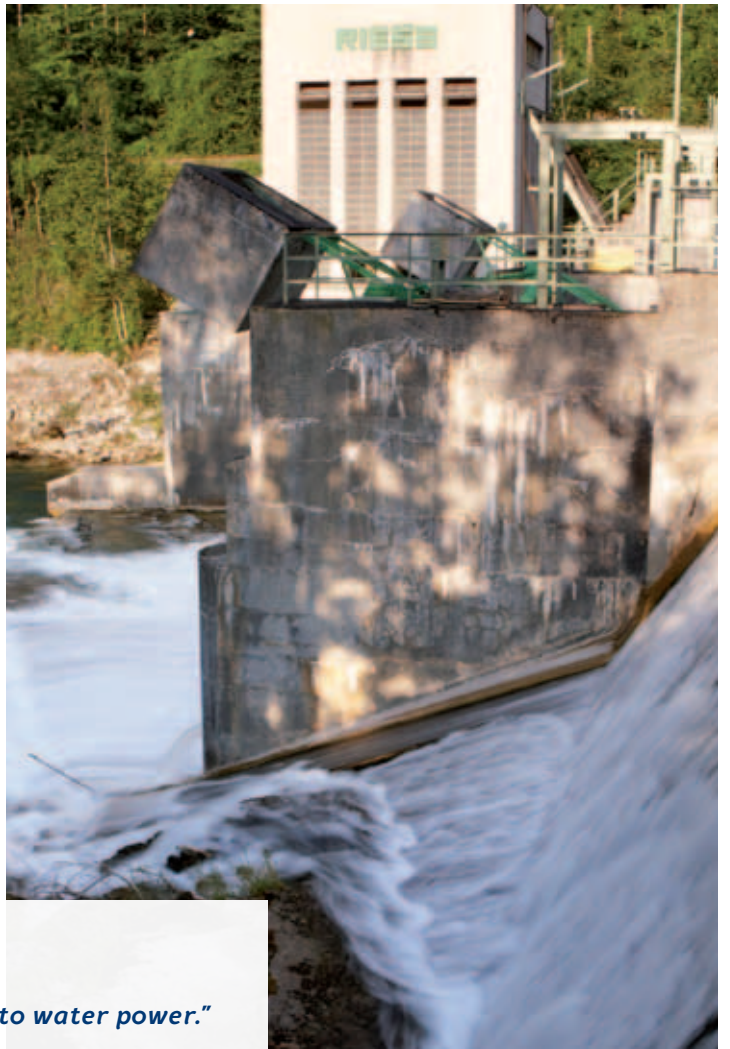
We plan to build a new, environmentally friendly power station on the reservoir level of an existing power station, to cover the supply of electricity with our own hydroelectricity in the event of an increased requirement and to further improve the CO₂ footprint.

Water – the fishes' habitat

Since 2005 there has been an improved fish ladder, with 15 natural-looking pools measuring two to four metres in diameter and up to one metre in depth.

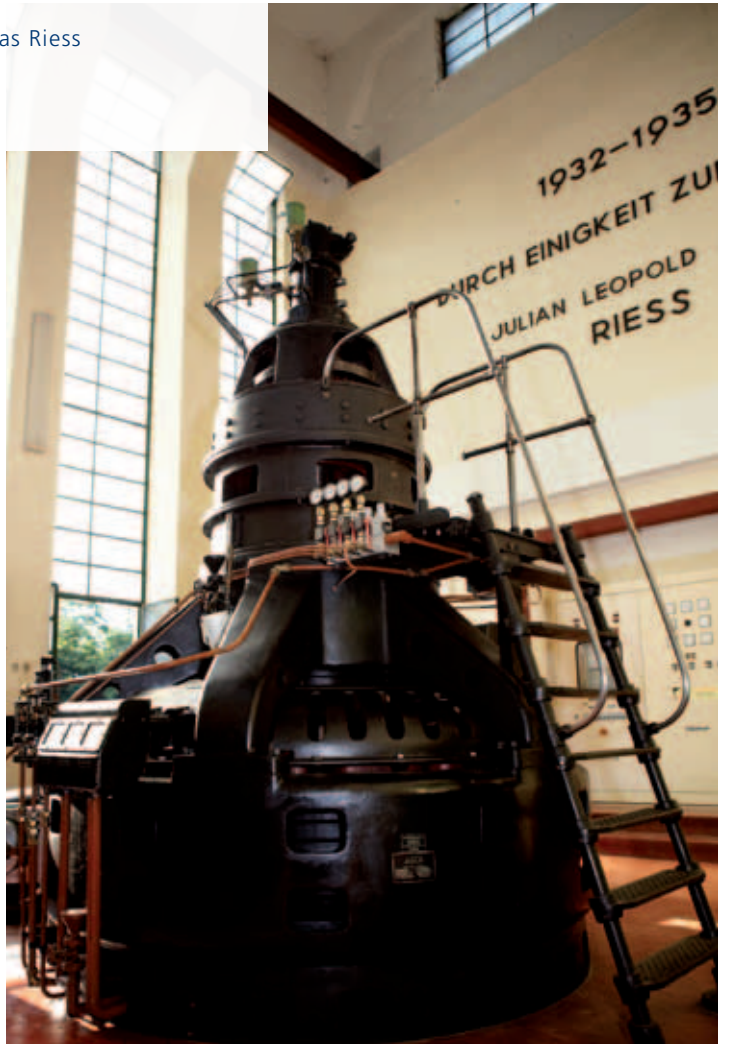
NEW GOAL:

Together with the new hydroelectric plant, we plan to build a fish ladder that is also suitable for Danube salmon.



"We owe much to water power."

Andreas Riess



PRODUCT SUSTAINABILITY PROFILE

WE ARE CONVINCED THAT PORCELAIN ENAMEL IS A SUSTAINABLE MATERIAL

"We are not only proud of our product quality, but above all that we manufacture in harmony with nature." Friedrich Riess

Multiple favourable properties

Porcelain enamel combines the favourable properties of metal with those of glass. It is not only used for household items, but also in the engineering and construction fields. Enamelled surfaces exhibit the abrasion-resistance that is typical of glass and are extremely durable, abrasion-, corrosion-, weathering and heat-resistant.

Further to these properties, porcelain enamel can be used where taste should not be affected and products should be non-hazardous to health. The surfaces stay smooth and retain their bright colours even after many years of use. Riess's high-quality porcelain enamel products comply with applicable European standards with regard to their resistance to acids and alkalis.

As little – recyclable – packaging as possible

We also minimise use of resources where packaging is concerned. We exclusively use fully recyclable paper and cardboard. A high proportion of products are purposefully supplied without surrounding cardboard. The majority are simply wrapped in tissue paper to protect against dust. The only exceptions are large products such as sets of saucepans and large baking and roasting tins. Like KELOMAT saucepans and pans, these are packed in cardboard, but we still take care to use materials carefully.

We use large, second-hand boxes from a partner firm to ship the goods. The packing we use to protect the goods from damage comes from shredded old packaging and is 100% recyclable. Any leftover cardboard we can't use is sent to a local firm, to ensure a packaging cycle that is as smooth and continuous as possible.

In 2011 the company was awarded the "Embalissimo" packaging prize for Aromapot packaging. The Austrian Packaging Association considered the product presentation for KELOMAT kitchen utensils, using a hanging tab, to be an exemplary packaging solution and conferred on it the "Vorbildliche Verpackung 2012" award.

Easily recyclable end product

Porcelain enamel products are easy and cheap to recycle. Used products are returned to the materials cycle via the metal recycling system. The metal in the products can be almost infinitely recycled. Porcelain enamel does not contain chlorine and is inflammable, which is why the production process and recycling do not release toxic emissions, such as dioxins. During the melting process porcelain enamel helps to form the necessary slag in the furnace.

TEN GOOD REASONS TO USE RIESS PORCELAIN ENAMEL IN THE KITCHEN:

- 1. CO₂ neutral. It is exclusively made from natural materials and produced in an environmentally friendly way in Austria.**
- 2. Perfect for healthier and energy-saving cooking.**
- 3. Induction cookware is suitable for cooking and baking on all types of cooker.**
- 4. Totally odour neutral.**
- 5. Bacteria inhibiting and easy to clean.**
- 6. Scratch-resistant, due to the non-porous, smooth, tough surface.**
- 7. safe for use by people allergic to nickel.**
- 8. Available in a wide variety of colours and designs.**
- 9. Durable and, if cared for and used properly, this cookware will last for many years.**
- 10. Completely recyclable into scrap metal.**



*"For the love of nature
we avoid excess packaging."*

Andreas Riess



WE ARE HAPPY TO PASS ON OUR KNOWLEDGE OF PORCELAIN ENAMEL

"We frequently realise that with the knowledge about the material, consumer can take even more advantage of their kitchenware."

Friedrich Riess

Many people still know very little about porcelain enamel as a material. We use many different ways to inform customers and interested parties about porcelain enamel, how to clean and care for it, and how to cook safely, properly and healthily when using it. With every item purchased, consumers receive detailed information about porcelain enamel and instructions on how to use it safely. It is very easy for customers to contact the company with questions and complaints. The company also provides information via the Internet, in the press and publications, and through PR.

GOALS ACHIEVED:

New websites

www.riess.at and www.riesskelomat.at. The RIESS brand and RIESS KELOMAT GmbH have a new website, which presents the range more clearly. There is a new, comprehensive FAQ section.

KELOMAT cookery book

gives important advice on using the KELOMAT pressure cooker safely to cook healthy food using the energy-saving pressure steam technique.

"Cooking using porcelain enamel cookware"

is a book that provides essential information about porcelain enamel, together with tasty recipes.

Dealer training

It is our dealers' sales staff who come into direct contact with consumers. We therefore provide our dealers with training, to impart expert knowledge about porcelain enamel.

Factory visits

It goes without saying that our production processes are transparent. RIESS opens its factory doors to visitors so they can see traditional porcelain enamel being produced.

NEW GOALS:

We plan to produce videos, to make information about porcelain enamel even easier to understand and higher profile. We also intend to develop cookery courses which will teach the correct way to cook using enamel cookware.

WE BELIEVE IN THE POWER OF GOOD DESIGN

"Good design lasts; many of our product designs are successful in the market since decades."

Julian Riess

Artists and designers value porcelain enamel as a material, the high-quality production and the company's receptiveness to experimental work.

Long tradition of design

In the 1960s and 70s Carl Auböck, the father of Austrian industrial design, designed striped, belled pots in porcelain enamel.

In 2003 leading British designer Tom Dixon developed his "multifunctional enamel living surfaces" (enamelled seating units) in Ybbsitz. Californian pop artist Mel Ramos published a new, limited edition of his famous series of "Pin-Ups" enamel signs.

VIENNA DESIGNWEEK has several times chosen RIESS as a partner firm. Viennese design duo "Polka" developed "Polka Pots", pots with far too many handles, which are reminiscent of fantastic animals.

In 2013 British designer Oscar Wanless worked in Ybbsitz. By experimenting with different and intrinsically "wrong" positive and negative shapes in the metal pressing machine, he created objects and containers with almost textile-like qualities - metal frills and flounces. Garden furniture emerged from the moulds for signs.

Current product design

"Democratic pan design – beautiful, functional-cookware for every home." Since 2008 Viennese designers Dottings, founded by Sofia Podreka and Katrin Radanitsch, have designed three product lines under the RIESS "truehomeware" brand.

Peschke Design is responsible for KELOMAT's design.

NEW GOAL:

Continue the cooperation with Dottings and other design agencies.



*„We are always open
to new ideas.“*

Julian Riess



EMPLOYEES

WHAT WE DO IS DETERMINED BY OUR FOCUS ON PEOPLE

“Throughout our business’s history we have never paid mere lip service to social commitment and a work-life balance.”

Susanne Rieß

Company housing

The houses date from the 1930s, when the company experienced a sharp decline in production due to the economic crisis. In order to avoid making employees redundant, RIESS had its employees construct 15 houses, divided into a total of 30 flats, on a nearby plot of land. Employees lived free of charge in the flats and were able to grow vegetables in the gardens.

Eleven of the original 15 houses still exist. Nowadays these flats are let to employees on reasonable terms to help them get a start in life. The apartments can be occupied until the employees have built or purchased their own homes.

Family-friendly working hours

At the request of employees, RIESS KELOMAT GmbH switched from standard working hours to shifts. The majority of employees work from 5.45 to 13.45, which allows for an excellent work-family-life balance.

More than three-quarters of the workforce live in the neighbouring communities of Ybbsitz, Waidhofen/Ybbs and Opponitz. Some employees are also farmers, so this is another reason why they value the hours of work.

Safety and healthcare

“RIESS KELOMAT is one of the safest places I have ever worked.”

Ing. Anton Schörghofer, engineer, Safety Centre

Safety is paramount at RIESS KELOMAT GmbH. The workforce receives regular training on the latest safety regulations relating to handling acids and alkalis or operating machinery. The safety of all plant and equipment is regularly checked by a works safety committee.

RIESS KELOMAT quickly and reliably rectifies any defects that occur. The safety centre’s safety officers help the company to remove causes of potential accidents. The company has low accident statistics. The company has several, well-trained first aiders ready to provide a rapid response in the event of injuries.

We invest continuously in employee safety, to reduce noise and dust pollution and provide optimum lighting at workstations. There is a works doctor whom employees can consult at Mödling occupational health centre, a modern centre for occupational health and safety at work, for anything from vaccinations, to examinations for recurring health problems.

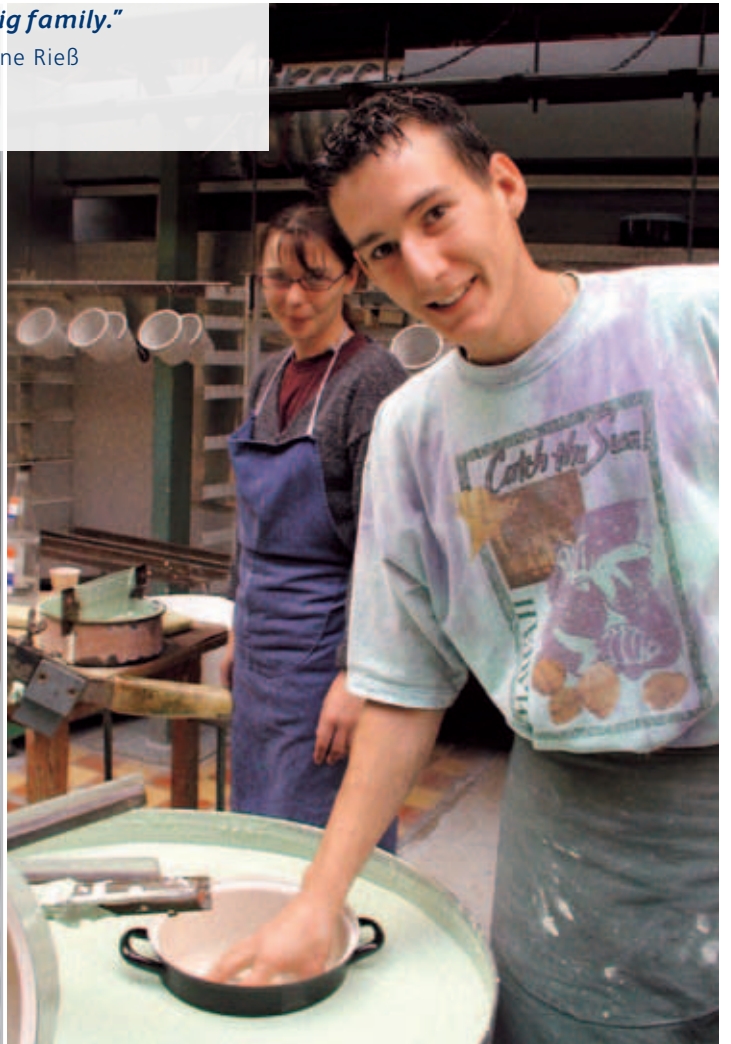
Communal activities

The company, in conjunction with the Works Council, also makes a commitment to fostering a community spirit amongst employees:

- Mid-summer bonfire
- Christmas party
- Works outings
- Hiking day
- Employees’ football tournament
- Apple campaign in autumn/Tea for all employees in winter
- Hire of company cars and buses



***"We see ourselves
and the employees
as one big family."***
Susanne Rieß





WE PUT HEART AND SOUL INTO EVERY
ITEM WE MANUFACTURE

"There are lots of stages to all our products. In order to be perfect every piece not only requires enormous expertise, but also love of craftsmanship." Julian Riess

Apprenticeships – learning on the job

For generations we have attached great importance to thoroughly training employees in metalworking, special enamelling and plastics processing techniques, as well as machine tool and fixtures construction. We are proud that every year we train several apprentices, often in dual apprenticeships, most of whom (very) successfully complete them.

They can learn trades such as screen printing, plant electrician and mechanical engineer. Many apprentices (dual electrical and mechanical engineering apprenticeship) go on to study for a Master of Science degree.

GOAL ACHIEVED:

Jasmin Adelsberger completed her apprenticeship as a printing technician/screen printing with distinction in 2013.

Continuing professional development

"We need generalists, not specialists. Qualified apprentices and employees must have a wide range of specialist knowledge." Friedrich Riess

Every employee can choose from 80 different training and CPD courses every year. This pro-

motes employees' long-term loyalty and personal development and ensures success in the market as a result of premium product quality. There are courses on the latest IT topics and various modules in the fields of hydraulics, electrical and plastics engineering, languages and organisation management, so employees can enhance their qualifications.

We also offer personal and health education seminars in addition to the technical CPD courses. Two to three employees per year also take the enamelling course at Iserlohn University of Applied Sciences in Germany. CPD also encompasses the Zukunftsakademie Mostviertel (Project IQ Net) for training in the subject of intelligent materials.

GOAL ACHIEVED

The "Zukunftsakademie Mostviertel" is another partner of our advanced training on offer for employees, focusing on the topic of intelligent materials. 26 training sessions were held in 2013.

NEW GOAL:

We also promote managers from within the ranks of our employees and help them to develop through training and attending specialist conferences.

Promoting team spirit

"In addition to the skills of a craftsman, we also place great emphasis on responsibility and team spirit." Susanne Rieß

The company participated in the generation mentoring scheme by WIP = Wirtschaftsantrieb am Punkt, an independent association of SMEs in Lower Austria which represents SME interests, a CPD programme for management, specialists and employees. The model, which is based on a system of in-house mentors, is supposed to dispel prejudice and generate positive synergy from interaction between the generations.

Prospective new employees have an opportunity to familiarise themselves with the business during a taster week. If they are taken on they are offered a comprehensive training programme. Each company department regularly organises cross-departmental guided tours, with a brief period of training.

"This way everyone is familiar with and understands the procedures and connections between work processes. It makes communication on a daily basis easier and promotes improved mutual understanding", is how Robert Huber, head of goods management, explains the programme.

NEW GOAL:

As a result of positive feedback both the generation mentoring scheme and internal guided tours will continue.

INTERVIEWS

Oliver Moser, department manager and apprentice master

You did a dual apprenticeship at RIESS and have followed it up with a masters in the field of Preproduction Management. How has this helped you?

Oliver Moser: Very early on management gave me responsibility for technology, so straight after my master's examination I was able to acquire experience as a manager. I was still keen to take a master's course whilst working, to expand my horizons.

Would you recommend this route to junior colleagues and, if so, why?

Oliver Moser: Of course! I think it's particularly important to gain a foundation through an apprenticeship. The subsequent part-time courses let you link practical experience to theory and incorporate what you learn direct into the company. This means other colleagues and I are constantly encouraged to consider and promote other points of view and new ideas.

Why do you value RIESS as an employer? What do you particularly like?

Oliver Moser: RIESS KELOMAT GmbH is a family business where employees' opinions still count. You really feel part of the company. I particularly like the diversity of technology that is used in the company. This makes my work highly varied and continually presents me with new challenges.

Reinhard Pöchhacker,
Plant electrician, member of the Works Council

How do you rate training at RIESS?

Reinhard Pöchhacker: Very good. Even as an apprentice the wide range of tasks in many different areas provides a good basic knowledge - everything is here, from the lawn mower, to 80-year old presses and our three hydro-electric plants. Because we have an ongoing apprenticeship scheme there are guaranteed to always be new (budding) skilled workers in RIESS's different departments.

Johann Geierlehner,
Tool making and maintenance

What is your professional development like at RIESS?

Johann Geierlehner: It is very diverse, because our range of duties is very wide and therefore we are able to constantly develop. Also every route is open to us where continuing professional development is concerned and we have the support of management.

What do you especially like about RIESS?

Johann Geierlehner: The very good atmosphere within the company and the family-friendly hours of work.



Generation mentoring

Rene Hümer, representative for the "Old" generation, Friedrich Krenn, representative for the "Young" generation

"We have clearly improved communication and the transfer of knowledge between generation X ("old") and generation Y ("young"). Specifically, young employees took long-serving employees step-by-step through new methods (PC, technical aids, etc.). The next stage will be transfer of knowledge from generation X to generation Y, to pass on knowledge in a structured way."

Reinhard Pöchhacker, member of the Works Council

"The scheme is clearly having an impact. The relationship between young, old and management has been much improved."

COMPANY

WE LOOK FOR PARTNERS WHO THINK AS WE DO

"RIESS KELOMAT is a long-standing partner of ours, with very high quality and environmental expectations. It is fascinating how Riess has developed an extremely successful business model from traditional craftsmanship, sustainability and contemporary design." Manfred Stiedl, Agent für Pemco-International, Brugg

To produce the desired, high quality products, the company sets standards for purchasing of raw materials and its commercial goods. All RIESS KELOMAT's suppliers are urged to sign the BSCI Code of Conduct 2009 (BSCI = Business Social Compliance Initiative). www.bsci-intl.org

Quality takes top priority when choosing suppliers, followed by supply capability and price. We also place emphasis on strengthening the Austrian economy and short transport distances.

The rough sheet metal is purchased exclusively from Voest Alpine AG in Linz. We consider short transport distances when selecting suppliers for the raw materials for porcelain enamel. The raw materials for porcelain enamel come from Germany, Belgium, the Netherlands and Italy.

NEW GOAL:

introduce the BSCI Code of Conduct 2014

WE WANT TO MAKE A CHANGE

"As a company we should actively shape our environment." Friedrich Riess

Friedrich Riess is actively involved in various working parties, in the trade association (medium-sized business initiative), in the Austrian Enamel Association (Österreichischer Email Verband - ÖEV) and the Wirtschaftsanstrieb am Punkt (WIP) initiative, where in addition to addressing the topic of sustainability he also represents the interests of proprietor-run medium-sized companies.

Well-trained employees are the lifeblood of a healthy economy and the backbone of the company. We are therefore dedicated to investing time and money in training young people and committing ourselves to regional development projects.

GOALS ACHIEVED:

The company became a member of the Zukunftsakademie Mostviertel (aim: expand the range of tertiary education and research expertise in the region).

We also proactively support the following educational institutions, by supplying equipment or carrying out project work: Waidhofen Higher Technical Institute and Business College, Ferlach Federal Higher Technical Institute for Educating and Experimenting, St. Pölten University of Applied Sciences, Wieselburg University of Applied Sciences.

NEW GOAL:

Cooperation with Krems University of Applied Sciences.

WE HAVE BEEN IN THE AREA SINCE 1550 AND ARE DEEPLY ROOTED HERE

"I particularly value the fact that despite globalization and pricing competition, RIESS KELOMAT has never questioned its location at Ybbsitz." Josef Hofmarcher, mayor of Ybbsitz

The firm is an old-established business in the market town of Ybbsitz. With a workforce of more than 100, RIESS KELOMAT is an important employer in the region. Up to 48% of employees are drawn from the local community.

The company supports a wealth of social, sporting and cultural activities in the town, such as the Health Day in Ybbsitz, various clubs (Amstetten district teachers' choir, voluntary fire service) and cultural events (various balls and concerts in the region). The works site and production hall are regularly used for voluntary fire service exercises. There are numerous cooperations with cultural events which use the traditional production hall as a venue.



"We have been manufacturing in Ybbsitz since 1550, so the region is very dear to us."

Friedrich Riess



List of suppliers for porcelain enamel production

- WBW Welser GmbH, Ybbsitz
- Seisenbacher GmbH Lasertechnologie, Ybbsitz
- Fuchs Metalltechnik GmbH, Ybbsitz
- Holubovsky Gerberei und Handel GmbH, Ybbsitz
- Tatzreiter Transporte, Ybbsitz
- Atlas-Blech-Center GMBH, Mauthausen
- Voest Alpine AG, Linz
- Wendel, Deutschland
- Ferro, Rotterdam
- Colorobbia S.p.A, Italien
- Pemco International, Belgien
- Baumgarten Henkel, Deutschland
- Maschinenbau Hinterleitner, Biberbach
- Coser Werkzeug, Wels
- Ingenieurbüro Sicherheitstechnisches Zentrum, Ing. Anton Schörghofer, Ybbsitz
- AMZ – Arbeitsmedizinisches Zentrum Mödling
- Thalmaier, Gebrauchte Kartonagen, Braunau
- Spediton Weiss, Wien
- DPD, Paketdienst, Leopoldsdorf



COMPANY HISTORY

1350 Existence of the house and estate „sup eben apud tanzstatt“ first documented.

1550 Establishment of a hammer mill. Production of simple iron pans and cauldrons. Iron smelted into bars for making tools.

1616 Company coat of arms by conferred by the Holy Roman Emperor Matthias.

1690 The Riess family took ownership of the business.

1801 Johann Riess from the iron-working town of Steyr married into the „Tanzstatt firm with the hammers“. The pan hammer mill which the Riess family owned in Steyr was sold a year later to the Werndl family and was to become the present-day Steyr Werke, part of BMW.

1890 Conversion from a smithy to a metal drawing and forming business. Water wheels give way to modern turbines and new sheet metal-processing machines replace the pan hammers.

1914 Business handed down to the seventh generation, brothers Julian, Leopold and Josef.

1922 Production of enamel kitchenware commences under the quality RIESS ENAMEL brand. Construction of a glass kiln for making porcelain enamel.

1926–1935 Construction of three hydroelectric plants along the Kleiner and Großer Ybbs rivers. Coal-fired kilns replaced with electric enamelling kilns to make the company energy-independent and improve quality through electro-enamelling.

1939–1945 Second World War. Manufacture of field crockery and/or shutdown.

1951 Handover to the eighth generation – Friedrich, Julian and Leopold.

1954 Erection of a U-shaped furnace. Expansion of machinery to include production of raw materials. Start of production of cookware suitable for electric cookers.

1965–1975 Manufacture of aluminium ware for commercial kitchens. Company buildings newly built or refurbished. Production of stainless steel goods.

1983 The Austrian coat of arms is conferred on RIESS.

1988 Production of high-quality enamel signs commences.

1995 Start of sales in Germany with own sales force.

2000 Handover to the ninth generation – cousins Julian, Friedrich and Susanne.

2001 Takeover of Austrian brand KELOMAT – RIESS KELOMAT is the only cookware manufacturer and supplier from Austria.

2005 Expansion of exports to Europe and overseas to what is currently 35 countries around the world.

2008 First sustainability report.

2009/2010 Introduction of “truehomeware” premium range (designed by Dottings) with “Aromapots” and “kitchenmanagement”. KELOMAT range expanded.

2012 Introduction of RIESS EDITION Sarah Wiener (designed by Dottings) in cooperation with celebrity chef Sarah Wiener. Friedrich Riess is awarded Entrepreneur of the Year 2012 by the Austrian Trade Association.

2013 Green Brands Certificate 2013–2015 awarded to RIESS the company and brand. RIESS KELOMAT GmbH becomes an Austrian Leading Company.



ECOLOGICAL KEY-FIGURES

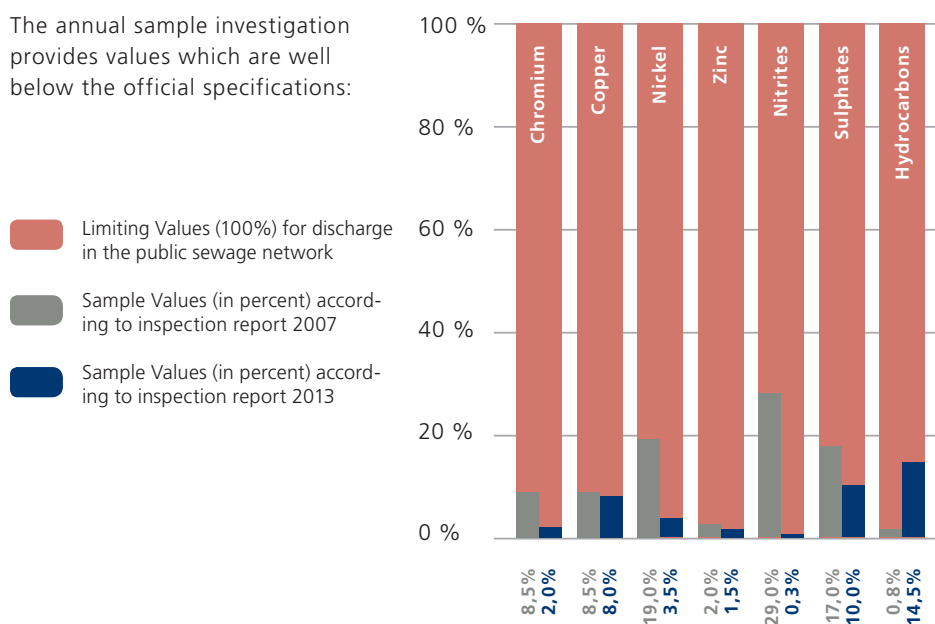
2009

2013

ENERGY CONSUMPTION		
Fuel oil (l)	24.300	20.220
Electricity (kWh)	3.529.690	2.984.910
Diesel (for emergency generator) (l)	1.350	1.395
Diesel (vehicle firms) (l)	8.180	6.675
Km travelled Representatives	258.300	236.556
MATERIAL CONSUMPTION (T)		
Steel	464	692
Enamel	87	91
Packaging material	131	111
Plastic	35	34
SHARE OF WASTE		
Waste paper (m3)	86	86
Industrial resources (t)	32	14
Acids and bases before degreasing (t)	63	56
Enamel dross (t)	49	50
WATER CONSUMPTION		
		1750 m³
WASTE WATER (PRODUCTION)*		
	870 m³	1688 m³
REFERENCE FIGURES		
Number of employees	86	121
Gross heated surface area (m²)	6.675	6.675
Quantity produced (1000 of sales parts)	500	612
ELECTRICITY FROM OWN PRODUCTION (KWH)		
Water power	6.723.975 kW	6.679.374 kW
Emergency generator	2.800 kW	1.700 kW
RECYCLING MATERIAL (T)		
Cardboard recycling	12	12
Metal recycling	160	223

*) Change from one to two shift production

The annual sample investigation provides values which are well below the official specifications:

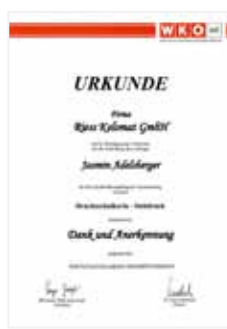


KEY EMPLOYEE FIGURES 2013
2009
2013

Total number	86	121
Permanent staff	71	83
Leasing workers	15	13
WORKING RELATIONSHIP		
Workers	60	96
Employees	23	23
Apprentices	3	2
SEX		
Female	47	47
Male	29	47
AGE		
Under 24 years	12	20
25 - 34 years	16	20
35 - 45 years	26	23
45 - 44 years	23	41
Over 55 years	9	22
EDUCATION		
School leaving examination	6	8
Specialist leaving certificate	12	14
Master's	4	4
Apprenticeship graduation	34	38
Other	30	57
PERIOD WITHIN THE FIRM		
Less than 4 years	24	63
5 – 10 years	21	27
11 – 20 years	15	9
21 – 30 years	17	15
Over 31 years	9	12
Average length of time within firm	15,6 years	10,5 years
SAFETY		
Ø Average time lost due to illness per MA	7 days	14 days
Industrial accidents	4	6
Average time lost due to reportable accidents (>3 days)	0,5	
FLUCTUATION OF EMPLOYEES		
Arrivals	16	6
Departures	3	3
Retirements	2	2
Fluctuation	6,9 %	4,1 %
VOLUNTARY SERVICES		
Further training costs per employee (euros)	140.-	525.-
Canteen *	no	no
Company apartments / houses	yes	yes
Commuter support: car sharing, company buses	no	no
Childcare within the firm *	no	no
Seminars on personality development, nutrition and health **	yes	yes

* because of the working hours model, it was not necessary to provide a canteen and a company childcare facility. See also Page 24 „Family-friendly working hours“

** Health and nutrition seminars provided. the cost of these seminars is divided as follows: 1/3 works council, 1/3 firm, 1/3 employees.



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Report Period

Total Year 2013
Planned Report Cycle: 2-3 Years

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The information presented in this publication relates to the production of porcelain enamel at the company's headquarters and production plant in Ybbsitz, Austria. This list does not include production data for the commercial goods.



WWW.RIESSKELOMAT.AT