

150

YEARS
INVENTOR'S
HEART



Flourished from a simple idea into a global enterprise by the power of a woman and her family.

Happy birthday, Melitta Bentz. Your vision to turn what was once considered a bothersome chore of preparing coffee into a pursuit of enjoyment has spread across the globe and will always inspire us. You created and encouraged entrepreneurship ahead of your time.



150

YEARS
INVENTOR'S
HEART

Melitta Bontz.

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Detailed information on our sustainability engagement is provided in our sustainability report. It is published every two years. Our sustainability report 2020 can be found here: report.melitta-group.com/sustainability-report-2020/



Dear readers,

The number of global challenges continues to rise. Conditions we once believed to be secure have changed – particularly as a result of the ongoing coronavirus pandemic, the war in Ukraine, disruptions to supply chains, and price volatility in numerous key markets. On top of this, climate change is having an ever greater impact – especially in the coffee-growing countries of importance to us.

We are therefore more convinced than ever of the need for a comprehensive transformation of our economic, environmental, and social systems. We believe it is our duty as a company to help promote sustainable development. Only a determined, sustainable approach will pave the way to a future worth living for us, our children, and our grandchildren.

In the past year, we therefore continued to strengthen our sustainability engagement. We are systematically integrating sustainability into our corporate strategy – both at Group level and at the level of our individual operating divisions.

As a result, many of our structures and processes are currently undergoing change – from product development and the procurement of raw materials, to our manufacturing and marketing processes. At the same time, the economic and legal conditions are changing fast. This means that we can only achieve the necessary further development of our business activities by taking innovative and collaborative action.

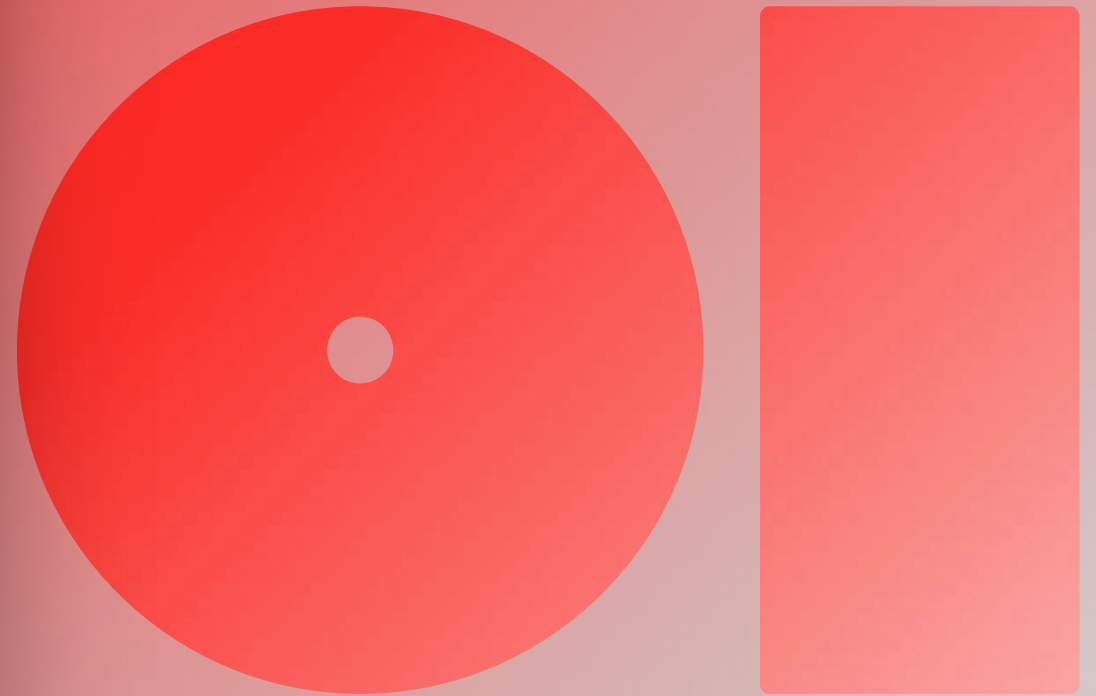
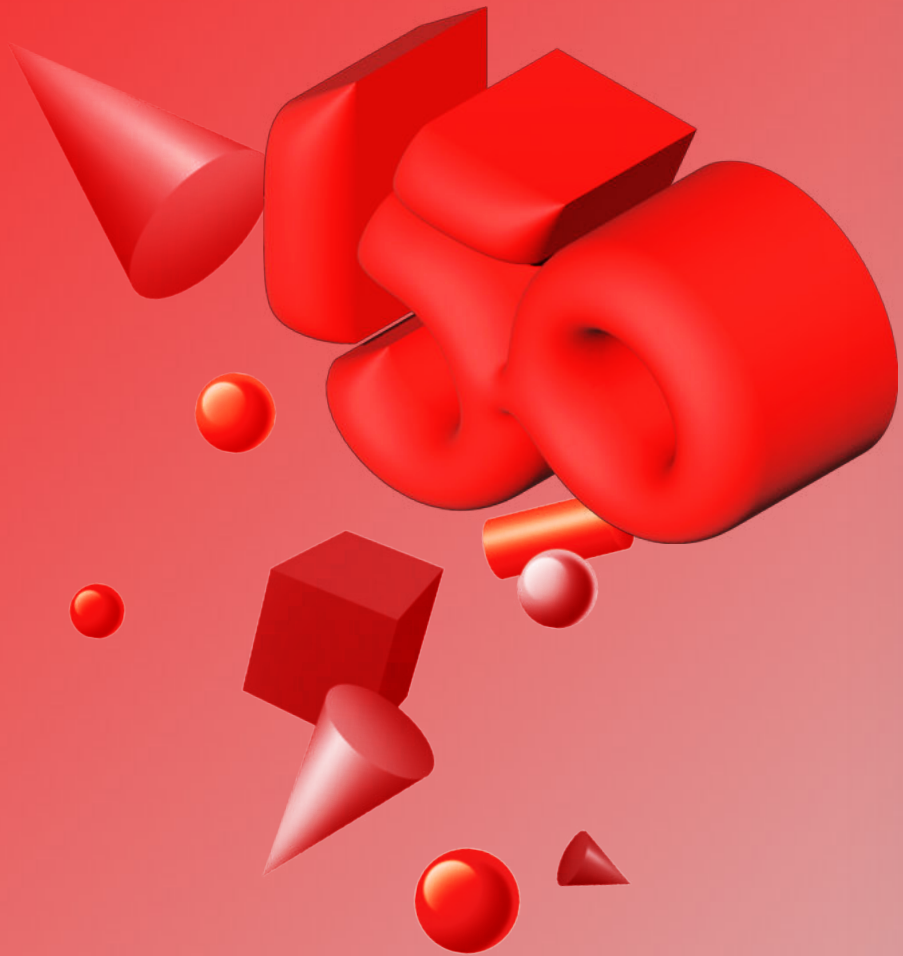
Although we still have a long way to go, we reached a number of important milestones once again in 2021. An overview of these milestones is provided in this Sustainability Update.

A detailed report on our progress is published every two years in the Sustainability Report.

We are always happy to receive your questions, suggestions, and criticism. We regard sustainability as an ongoing process of shared learning and enrichment.

With best regards,

Jero Bentz Volker Stühmeier



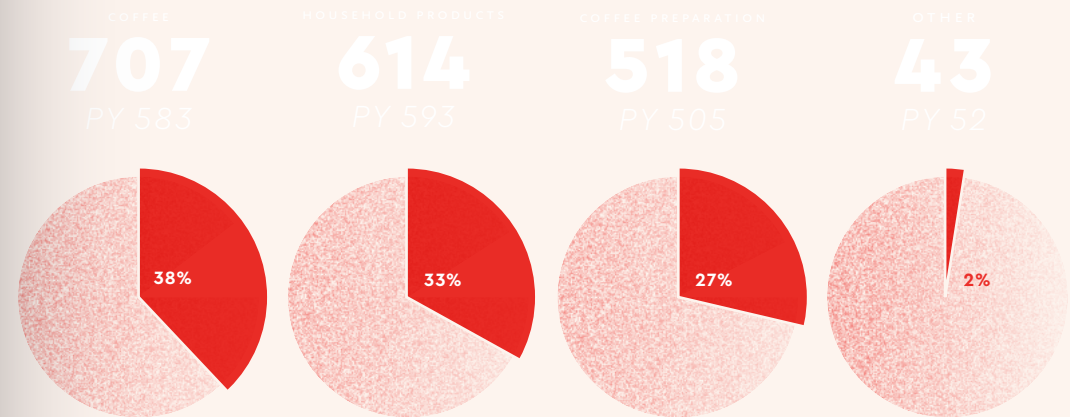
THE MELiTTA GROUP

WHO WE ARE
THE MELITTA GROUP

We are an internationally active, family-owned group of companies. We divide our offerings into three business fields: Coffee, Coffee Preparation, and Household Products. For the B2C segment, we also produce special papers, nonwoven materials, and packaging films.

Sales by business field in € million

All three major business fields recorded a positive trend with significant sales growth in some cases



Sales in € million

Development of sales 2016-2021 in € million





OUR ATTITUDE OUR APPROACH

OUR ATTITUDE, OUR APPROACH

Sustainability is an expression of our attitude as a company: we firmly believe that it is the task of companies to make people's lives better. As an independent family business, we see it as our responsibility to contribute to a transformation process which places sustainability at the center of everything we do.

We regard sustainability as an ongoing process. This is why we take a transformational and holistic approach to sustainability and place great importance on always linking sustainability with innovation and a culture of cooperation.

We share the goals of the United Nations Agenda 2030 and are committed to the relevant sustainability standards and agreements at both the global and national level. Important reference points for us are the Greenhouse Gas Protocol, the New Plastics Economy Global Commitment of the Ellen MacArthur Foundation, the United Nations Guiding Principles for Business and Human Rights, and the Coffee Sustainability Reference Code of the Global Coffee Platform. Our aim is to align our value creation processes in such a way that they always meet strict sustainability requirements.

The central areas of action for our sustainability engagement

THINK
LONG-TERM
ACT
SUSTAINABLY



PRODUCT AND SUPPLY CHAIN RESPONSIBILITY

- Coffee of the Future
- Plastic of the Future
- Pulp of the Future
- Electrical Appliances of the Future
- Human Rights



ENVIRONMENTAL RESPONSIBILITY

- Climate
- Circular Economy
- Water



SOCIAL RESPONSIBILITY

- Product Safety and Quality
- Sustainable Product Development
- Product Transparency
- Corporate Citizenship



RESPONSIBILITY FOR EMPLOYEES

- Diversity and Equal Opportunities
- Employer Attractiveness
- Occupational Health and Safety

RESPONSIBLE CORPORATE GOVERNANCE

Economic Efficiency and Innovative Strength – Anti-Corruption – Compliance

VALUES AND IDENTITY

Sustainability – Success Orientation – Excellence – Passion – Cooperation – Commitment – Appreciation

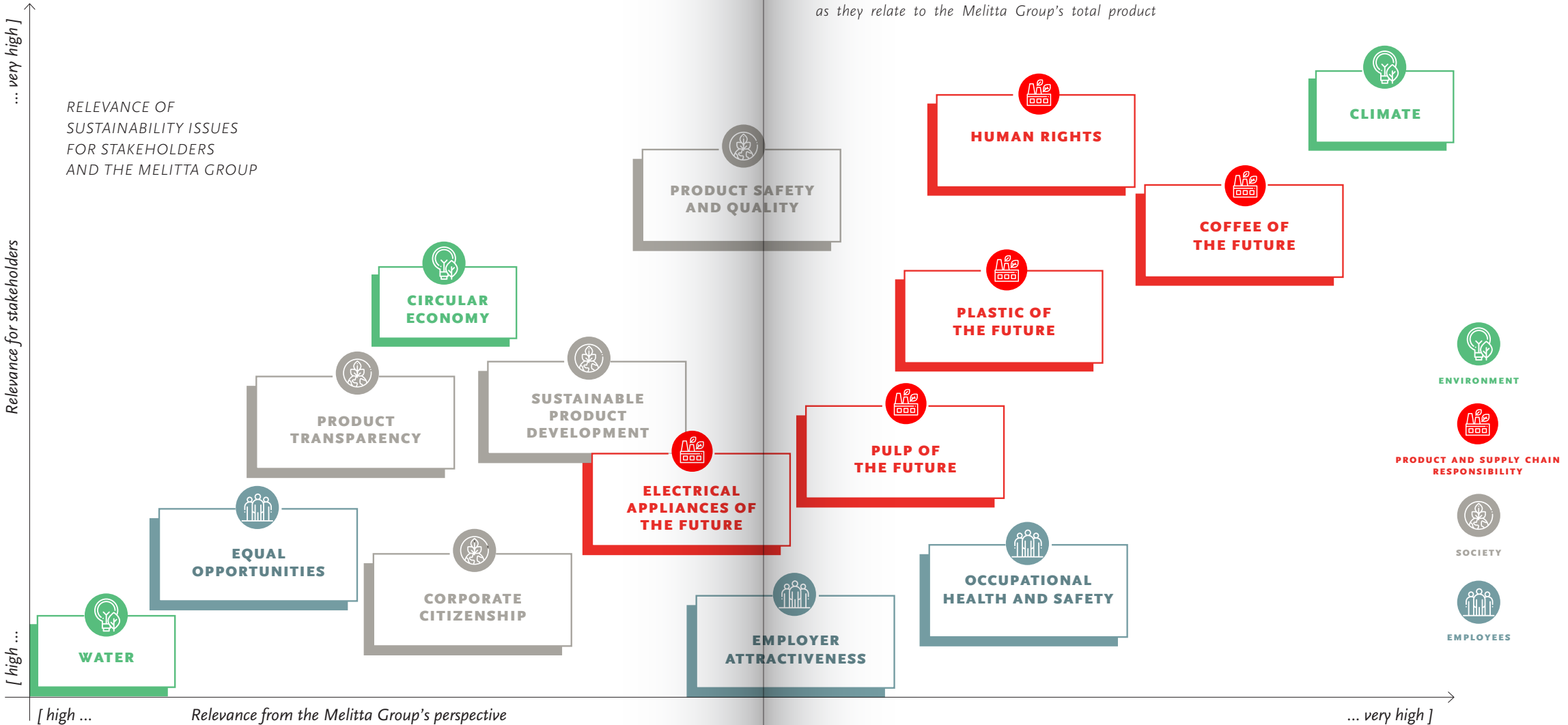
OUR MATERIALITY MATRIX

In order to further intensify the dialog and update our materiality matrix, we conducted a stakeholder survey once again in 2021.

We interviewed a total of 103 persons in the most important regions for us – Germany, Brazil, and North America. Further interviews were also conducted with selected stakeholders to explore specific issues in greater depth. During several in-house workshops, the topics identified as material were then plotted in the matrix according to their relevance for the Melitta Group.

The following changes have been made compared to our previous materiality matrix:

- Almost all topics previously identified as material have changed in relevance from the point of view of the Melitta Group and its stakeholders and have therefore been re-positioned within the materiality matrix.
- In the future, we will report “Product Safety and Quality”, “Product Transparency”, and “Sustainable Product Responsibility” as separate areas of action, as they relate to the Melitta Group’s total product development. At the same time, the former material topic “Consumer Awareness” has been transferred to the areas of action “Product Safety and Quality” and “Product Transparency”.
- The former material topic “Biodiversity” has been integrated into the interface topics, especially into “Coffee of the Future” and “Pulp of the Future”.
- The former material topic “Plastic in the Ocean” has been integrated into the topic “Plastic of the Future”.





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OUR MOST IMPORTANT PROGRESS

SUSTAINABILITY MANAGEMENT

- ⊕ Further specification of our targets
- ⊕ Further development of our KPIs and the processes for recording and evaluating them
- ⊕ Expansion of our Group-wide and division-specific sustainability structures
- ⊕ Development and implementation of roadmaps and action plans for the individual product ranges and operating divisions



PRODUCT AND SUPPLY CHAIN RESPONSIBILITY

- ⊕ Coffee: expansion of our range of certified sustainable coffees and initiation of further measures for sustainable development in coffee-growing regions
- ⊕ Plastic products: increased share of recyclates and recyclable packaging
- ⊕ Paper: expansion of our FSC® certifications and increased share of certified grades
- ⊕ Electrical appliances: further development of our MISSION eco @ care grading system and piloting the use of recyclates



ENVIRONMENTAL RESPONSIBILITY

- ⊕ Coordination and definition of group-wide climate neutrality targets and implementation of further analyses for our production sites
- ⊕ Increased use of green electricity and development of a roadmap for 100% green electricity
- ⊕ Development and launch of a package of measures to save water
- ⊕ Refinement of our waste recording and reporting system and initiation of measures for increased recycling



SOCIAL RESPONSIBILITY

- ⊕ Revision of our Codes of Conduct 2022 and development of a Statement of Principles for Sustainable Development
- ⊕ Expansion of repair options for our electrical appliances
- ⊕ Intensified and expanded our consumer communication on conscious consumption
- ⊕ Continued our corporate citizenship activities



RESPONSIBILITY FOR EMPLOYEES

- ⊕ Start of the employer branding strategy
- ⊕ Expansion and further development of our training programs and further integration of sustainability aspects
- ⊕ Expansion and further development of digital cooperation formats
- ⊕ Establishment of a Group-wide occupational health and safety committee



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RECYCLING SOCIAL BUSINESS IN INDIA

As part of the Fair Recycled Plastics initiative, Cofresco has joined forces with Yunus Social Business to establish Vishudd Recycle in Bangalore. At the plant, employees produce around 2,000 metric tons of plastic recyclate annually from film waste, which is then used to manufacture garbage bags under the Swirl® and handy bag® brands. The first reclaimed plastic recyclates were delivered to Cofresco's production site in 2022. The plastic waste is sourced from socially oriented waste management companies that ensure decent working conditions for their waste pickers. All profits generated by the social business Vishudd Recycle are invested in expanding the business or in supporting local community projects.

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**N-VIRON-FLEX®:
A NEW FILM
GENERATION**

With its new N-Viron-Flex®, ACW-Film has developed a single-material composite film that sets new standards in the food industry. In contrast to the conventional composite films used for food packaging, N-Viron-Flex® can be easily recycled as it is made using only one material type. Moreover, unlike many other sustainable alternatives, the new film can also be easily processed on new or existing packaging machines – without any major changeovers or loss of quality.

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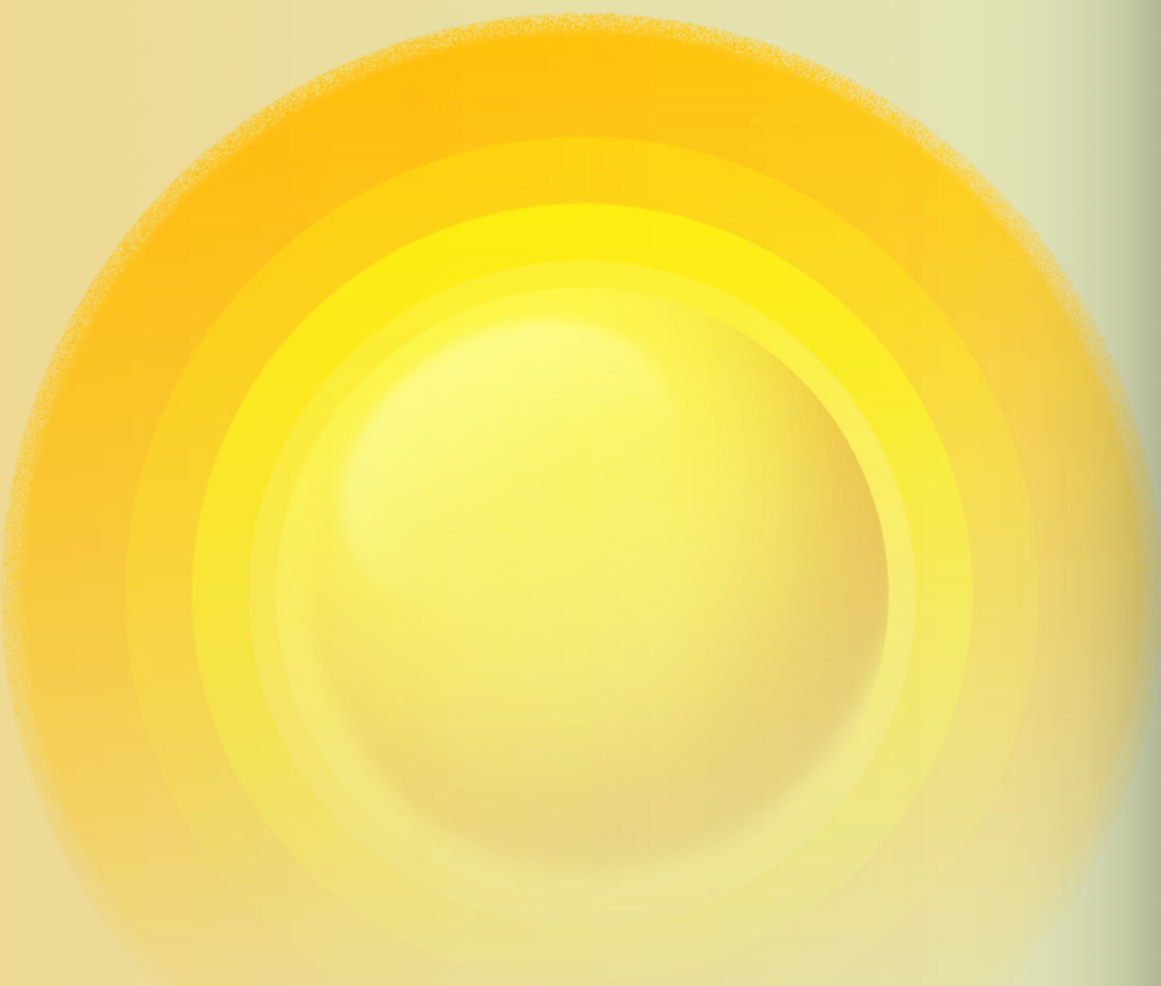
**MORE AND MORE
RECYCLATES USED BY
SWIRL® AND TOPPITS®**

Significant steps toward a circular economy: since 2021, Swirl® bin liners have been made from 80 percent recyclate – and the same applies to bags under the handy bag® brand as of 2022. For cling film and the Zipper®, ice cube, SafeLoc®, and freezer bags of the Toppits®, Albal®, and Bacofoil® brands, this proportion rose from 35 to 70 percent last year. The target: by 2025, all products manufactured by Cofresco and Cuki are to be made exclusively from recycled or renewable materials and to be fully recyclable or compostable after use.

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SOCIAL COMMITMENT AROUND THE WORLD

From awareness campaigns and educational projects to community initiatives, the companies of the Melitta Group once again engaged in a wide range of social activities during 2021. For example, various projects were initiated or continued in coffee-growing countries, coffee and food donations were made and social commitment driven forward in North America, educational materials for children and students in need were financed in Brazil, and projects for children suffering from cancer were supported in Germany. In addition, there were spontaneous aid campaigns, local Days of Caring, exercise days for a good cause, and numerous corporate citizenship projects that the Melitta Group has been involved in for many years.



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MAJOR STEPS IN **CHANGING ENERGY SUPPLIES**

A growing number of Melitta Group units are now harnessing the power of the sun: at Melitta North America, the coffee roasting plant in Cherry Hill, New Jersey, already uses a photovoltaic system to meet around 20 percent of its total electricity requirements. At Melitta Europe – Coffee Division – and at fresh at work, the groundwork for solar power generation was laid during the reporting period. The year's most significant energy projects also included replacing a natural gas boiler with a biomass boiler at the Celupa plant of Melitta South America. Once everything is completed, we expect this measure to reduce CO₂ emissions by around 70 percent. Further progress was also made throughout the Group with regard to e-mobility and the use of green electricity.

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RECYCLABLE SNACK PACKAGING OF KARL KARLO

The new Date Bites by Karl Karlo are not only organic, vegan, and gluten-free: they are also free of artificial additives and added sugar. What's more, their packaging is also certifiably recyclable. Because only smart snacks are offered under the Karl Karlo brand: delicious – and at the same time natural and sustainable.

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TRAINING: LEARNING MORE ABOUT SUSTAINABILITY

The Melitta Group launched several training initiatives in 2021. The aim is to give employees a deeper understanding of sustainability and enable them to implement even complex sustainability projects. Melitta South America, for example, developed a wide-ranging training program focusing on climate change and CO₂ emissions, diversity and equal opportunity, waste management, and the supply chain. Cuki, on the other hand, is focusing on the challenges of the circular economy and plans to put around 300 employees through its training program by the end of 2023. At Melitta North America, all new hires are provided with detailed information about sustainability issues; in addition, regular meetings are held to inform all employees about the progress made in implementing the local and global sustainability agenda.

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IMPROVING LIVING AND WORKING CONDITIONS IN COLOMBIA

Together with 4C Services, Melitta Europe – Coffee Division – has launched a project to improve working and living conditions in Colombia. Co-financed by the German Investment and Development Corporation (“DEG Impulse – Deutsche Investitions- und Entwicklungsgesellschaft”), the “develoPPP project” aims to help up to 1,000 people on small coffee farms achieve higher yields from sustainably grown coffee by introducing improved agricultural practices and better market access. The multi-year project complements the numerous community initiatives in the coffee-producing nations that Melitta Europe – Coffee Division – has been developing for many years, especially in connection with its annual coffee editions “Coffee of the Year” and “Selection of the Year”. Our on-site social commitment has been supplemented since 2022 by community projects of the Barista Perfection Range.

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ECOPOR® FILTER ECO-FRIENDLY VACUUMING

The new generation of Swirl® vacuum cleaner bags with EcoPor® filters now have recycled paper instead of virgin cellulose in their filter layers, thus saving a further 10g of CO₂ per bag compared to the previous bags. With a total of 45 to 60 percent recycled material while maintaining a high filtration performance of 99.9 percent, Swirl EcoPor® is the only environmentally friendly bag with this listing on the market and is gradually replacing the Swirl MicroPor® family. The goal is to stop using oil-based plastics for Swirl® vacuum cleaner bags by 2030.

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RECYCLING COFFEE WASTE IN BRAZIL

Together with the Hanns R. Neumann Foundation, Melitta South America has been working on the “Back to the roots” project since 2020. The aim of the project, which is supported by the German Investment and Development Association (DEG), is to develop solutions for the economically profitable processing and reuse of organic waste from coffee cultivation and processing. This not only reduces environmental pollution, but also opens up new economic prospects for many people in the region. Last year, the foundations for the multi-year project were laid and the people involved were approached and integrated into the project.

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LEAN & GREEN AWARD

Melitta Europe – Sales Europe Division – has received the Lean & Green Award for its action plan to reduce CO₂ emissions. The concept, which has been endorsed by TÜV Nord, aims to achieve a 20 percent reduction in logistics-related CO₂ emissions by the end of 2024. The award was presented by GSI, a network of non-profit organizations that works around the world to establish cross-company standards for industry and commerce.

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CERTIFIED ENERGY AND ENVIRONMENTAL MANAGEMENT SYSTEMS

In 2022, the environmental management system of Melitta Professional Coffee Solutions was certified in accordance with DIN EN 14001. The operating division's energy management system was already certified according to DIN

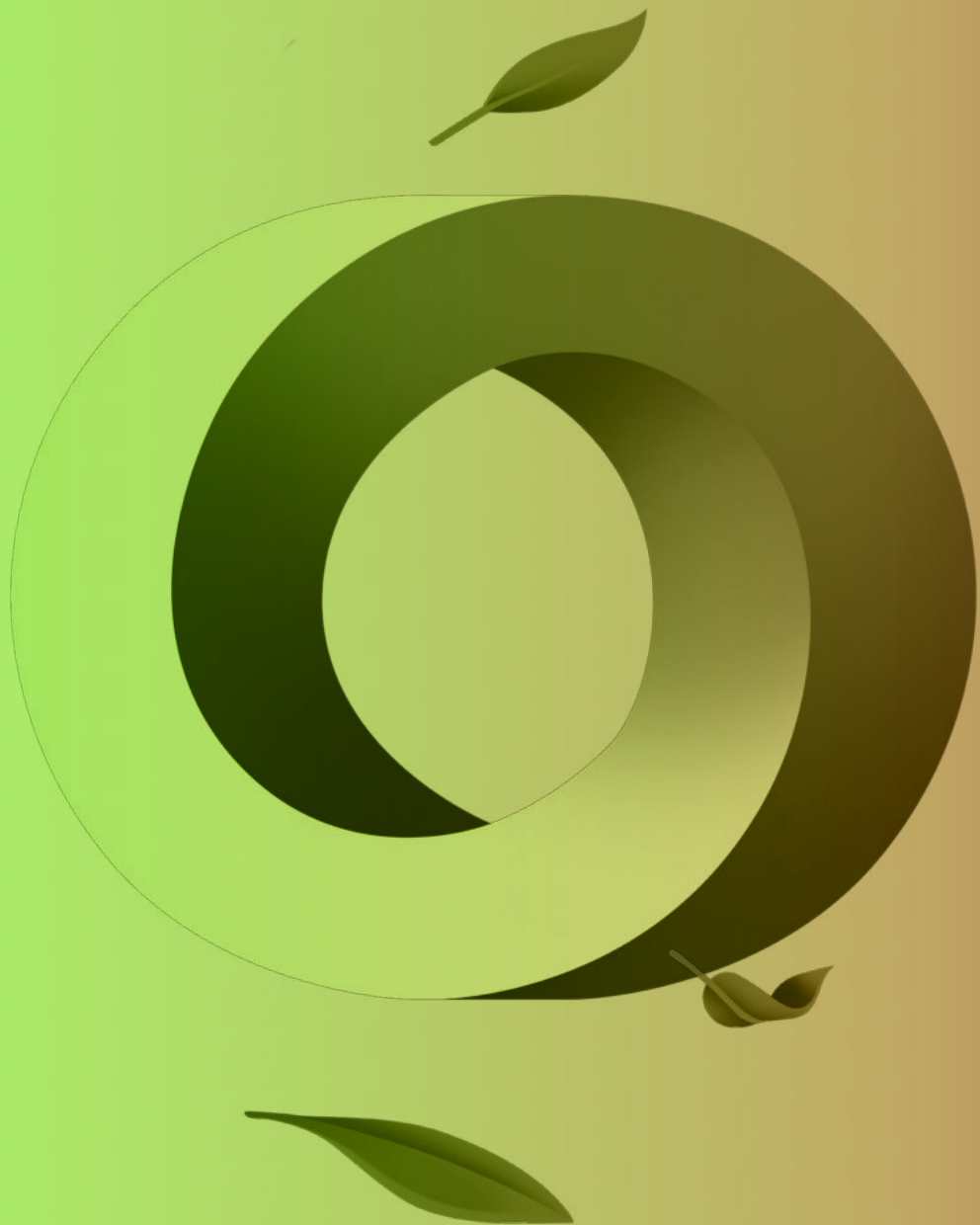
EN ISO 50001. This means that nearly all of the Melitta Group's operating divisions now have audited management systems in the areas of energy and the environment.

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ACHIEVING MORE TOGETHER SUSTAINABLE SUPPLY CHAINS

In 2021, the Melitta Group invited around 30 major European suppliers to the Supplier Sustainability Summit for the first time. The aim was to discuss future sustainability requirements in the supply chain and find ways to achieve more sustainability. The promising ideas developed at the summit will now be explored in greater depth in further workshops between the suppliers and their respective contacts in the Melitta Group's purchasing departments.



KEY PER- FORMANCE INDICATORS

KEY PERFORMANCE INDICATORS

The following KPIs include the figures for all operating and corporate divisions of the Melitta Group. However, as our paper production site in Neukölln was closed in summer 2021, the KPIs present amounts without and with the Neukölln site (where relevant).

In addition, some KPIs have changed compared to the figures published in the Sustainability Report 2020 due to improved data quality. We have marked these KPIs with asterisks.

In the future, we will use the KPIs presented here without the Neukölln site as the figures for the base year 2020.

Product and Supply Chain Responsibility

	2021	2020
COFFEE AND COFFEE CULTIVATION		
Quantity of raw coffee purchased <i>in 1,000 t</i>	213	201
Proportion of raw coffee sourced with sustainability certifications <i>in %</i>	27	25
PLASTICS AND PLASTIC PRODUCTS		
Total volume of plastics <i>in t</i>	61,375 61,964	54,982 55,976 *
Use of post-consumer or post-industrial recyclates <i>in t</i>	11,004 11,004	7,251 7,251 *
= % of total volume	18 18	13 13 *
PAPER AND PULP		
Amount of pulp procured <i>in 1,000 t</i>	44 48	42 51
Proportion of procured wood pulp with FSC® and/or PEFC™ certification <i>in %</i>	99.2 99.3	99.2 99.3

WATER CONSUMPTION <i>in m³</i>	2021	2020
Total water withdrawal at our paper-producing sites	707,684 827,720	810,187 976,631
thereof surface water	165,167 165,167	358,773 358,773
thereof groundwater	456,094 547,586	350,947 505,698
thereof seawater	0 0	0 0
thereof produced water	0 0	0 0
thereof water from third parties (municipal water)	86,423 114,967	100,467 112,160
WASTE <i>in t</i>	2021	2020
Total weight of waste	19,067	19,822 *
Total weight of non-hazardous waste	19,046	19,709 *
thereof disposed of externally	5,360	7,489 *
thereof recovered externally	13,687	12,221 *
Total weight of hazardous waste	21	113 *
thereof disposed of externally	6	86 *
thereof recovered externally	15	27 *

ENERGY CONSUMPTION	2021	2020
Total fuel consumption within the organization from non-renewable sources (natural gas, heating oil, LPG, petrol, diesel) <i>in kWh</i>	211,769,508 212,821,046	199,518,183 201,401,424 *
Total fuel consumption within the organization from renewable sources (biofuels) <i>in kWh</i>	387,776 387,776	433,720 433,720 *
Total electricity consumption (self-generated + third-party) <i>in kWh</i>	144,972,044 151,967,325	149,147,512 160,355,757 *
Total heating energy consumption together with cooling energy (district heating) <i>in kWh</i>	2,843,209 2,843,209	2,309,300 2,309,300
Total cooling energy consumption (no separate cooling energy purchase)	0 0	0 0
Total steam consumption <i>in kWh</i>	40,353,899 59,658,640	38,220,094 66,312,708
Total electricity sold <i>in kWh</i>	1,936,116 1,936,116	3,749,805 3,749,805
Total heating energy sold <i>in kWh</i>	1,644,534 1,644,534	1,381,700 1,381,700
Total cooling energy sold ***	0 0	0 0
Total steam sold	0 0	0 0
Total energy consumption within the organization <i>in kWh</i>	396,745,786 424,097,346	384,497,304 425,681,404 *
EMISSIONS **		
Gross volume of direct GHG emissions (scope 1) <i>in tCO₂e</i>	51,787 52,000	48,915 49,298 *
Gross volume of indirect energy-related GHG emissions (scope 2, location-based) <i>in tCO₂e</i>	66,277 73,791	63,856 75,320 *
TOTAL	118,064 125,791	113,771 124,618 *

* Figure corrected compared to amount stated in Sustainability Report 2020.

** Gases included in the calculation: CO₂, CH₄ and N₂o, source of emission factors and values used: Sustainable AG (VDA data, UK DBEIS).

*** For technical reasons, cooling energy is included in heating energy.

Responsibility for Employees

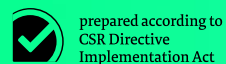
EMPLOYER ATTRACTIVENESS – DIVERSITY AND EQUAL OPPORTUNITIES	2021	2020
Number of members of the Melitta Group's Advisory Council	7	7
thereof female <i>in %</i>	28.6	28.6
thereof male <i>in %</i>	71.4	71.4
Total number of employees	5,923	5,958 *
thereof female <i>in %</i>	34.4	33.6 *
thereof male <i>in %</i>	65.6	66.4 *
Total number of managers	461	444
thereof female <i>in %</i>	25.8	26.1
thereof male <i>in %</i>	74.2	73.9
Number of white-collar staff	3,296	3,203 *
thereof female <i>in %</i>	39.9	38.3
thereof male <i>in %</i>	60.1	61.7
thereof under 30	14.4	13.4
thereof 30–50	52.6	54.0 *
thereof over 50	33.0	32.6 *
Number of blue-collar staff	2,627	2,755 *
thereof female <i>in %</i>	27.5	28.2 *
thereof male <i>in %</i>	72.5	71.8 *
thereof under 30	20.3	19.7 *
thereof 30–50	50.7	51.4 *
thereof over 50	29.1	28.9 *

OCCUPATIONAL HEALTH AND SAFETY	2021	2020
Number of deaths due to work-related injuries	0	1
Number of work-related injuries	100	99 *
Rate of work-related injuries	2.02	1.98 *
Most common work-related injuries (see OHS Group)	Bruising, hitting, cutting, and crushing	Bruising, hitting, cutting, as well as twisting, tripping and slipping

EMPLOYER ATTRACTIVENESS – EMPLOYER BRAND	2021	2020
Total number of employees	5,923	5,958 *
Number of temporary staff	765	633 *
Number of white-collar staff	3,296	3,203 *
Number of blue-collar staff	2,627	2,755 *
Number of managerial staff	461	444

EMPLOYER ATTRACTIVENESS – STAFF DEVELOPMENT	2021	2020
Average number of hours for training and continuing education per employee	7.18	11.14 *
Average number of hours for training and continuing education per employee — blue-collar staff	7.01	7.89
Average number of hours for training and continuing education per employee — white-collar staff	7.16	14.93 *

* Figure corrected compared to amount stated in Sustainability Report 2020.



The Melitta Group publishes a comprehensive Sustainability Report every two years. The last report covers the fiscal year 2020 and can be found on the Group's website. The present update covers the fiscal year 2021. All figures presented here relate to the reporting date of December 31, 2021. The editorial deadline was July 31, 2022.

Further information about the Melitta Group's sustainability engagement can be found in the DNK Declaration of Conformity, which is prepared annually and also audited in accordance with the CSR Directive Implementation Act ("CSR-Richtlinie-Umsetzungsgesetz"). It can be found on the website of the German Sustainability Code ("Deutscher Nachhaltigkeitskodex" – DNK).

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