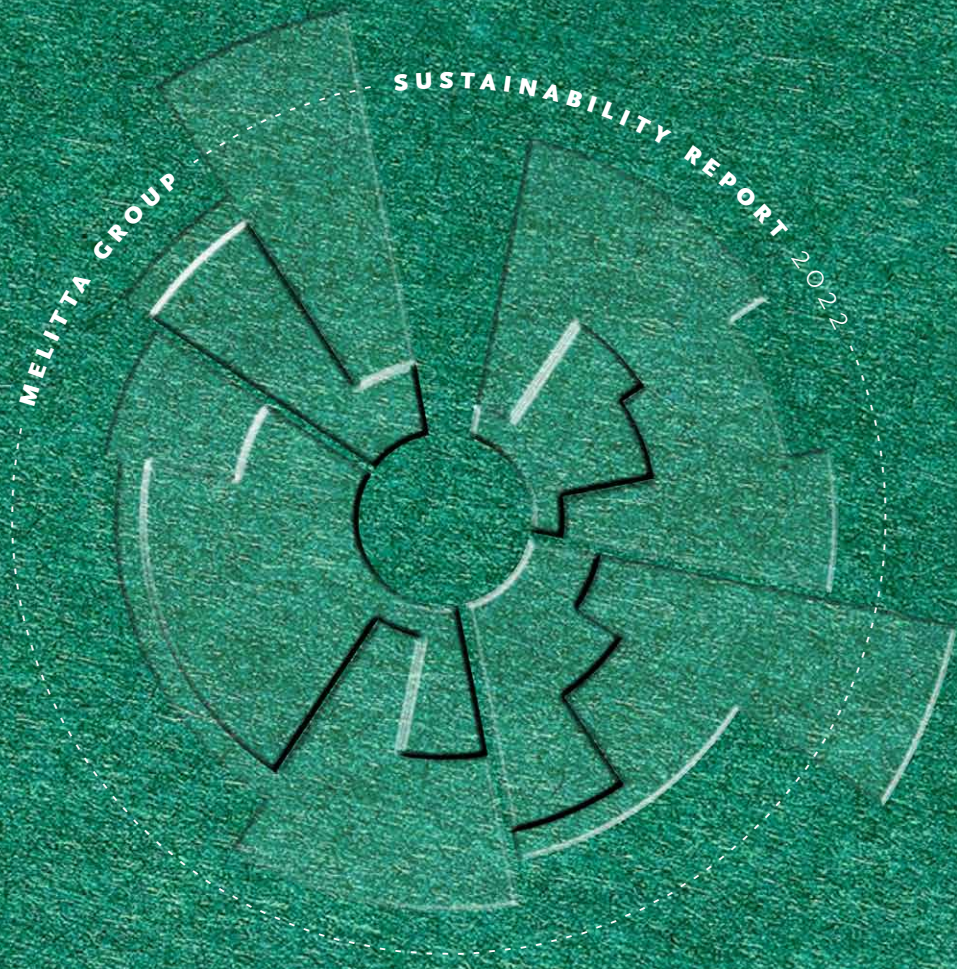


MELITTA GROUP

SUSTAINABILITY REPORT 2022



Highlight initiatives and projects that illustrate our transformation approach and our progress over the past fiscal year can be found in our online annual report.



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Dear readers,

“Transform to Flourish” – this guiding principle expresses our belief that a sustainable transformation can create a promising future, as well as a healthy, vibrant, and just world. We are convinced that Regenerative Value Creation will allow nature and society to prosper – and we want to play our part in this process.

Six of the nine boundaries of our planet have now been exceeded. In order to preserve our habitat and thus the basis of our prosperity, we must therefore revise our relationship with nature. In doing so, we need to align ourselves with its abilities and limitations and return to a way of living and doing business that is viable and sustainable for our global ecosystems and that enables them to regenerate.

As a family business with 115 years of tradition, our confidence in the future, our entrepreneurial courage, and our strong focus on the people who work directly or indirectly for us have helped us overcome numerous adversities. Despite all the challenges of our economic, ecological, and social environment, the fourth and subsequent generations of owners will continue to shape the transformation process on the basis of our corporate values. Apart from the obvious need for transformation, we also see opportunities for us to join hands with our business partners and shape a future worth living for us all.

We are currently developing our strategy for the next ten years. A core element of this strategy is a comprehensive transformation. In our Sustainability Statement published in late 2019, we at the Melitta Group set ourselves the goal of ensuring that our products have no detrimental impact on the environment or social systems. We want to help pave the way from a consumer society to a meaningful society, while working towards an intact environment in harmony with people’s well-being. We want a world in which an ecologically meaningful way of living and working becomes a self-evident and collective reality.

We have therefore refined our entrepreneurial alignment: in future, it will be shaped even more by the dimensions “Regenerative Value Creation”, “Work Culture”, and “Social Business”. Over the coming years, we will align our corporate identity, our structures and processes, as well as our products and supply chains, more consistently with these three strategic dimensions. Among other things, they form the basis for our commitment to shaping the future of our most important commodities and product ranges – coffee, plastics, pulp, and electrical appliances.

Of course, we are still a long way from where we want to be. And like many others, we regard our transformation into a sustainable company as a journey. Along the way, we are constantly learning – while both the goals and the best way to achieve them are still only partially clear. However, one thing is certain: we want to achieve a visible and tangible relevance for society and for the preservation of our habitat and thus lay the foundation for the Melitta Group’s successful business operations in the coming decades. We are convinced that we can achieve this with innovation, cooperation, and courage.

In the past fiscal year, we made considerable progress in this regard: we defined our targets and KPIs more precisely, raised awareness of sustainability-related issues among our target groups, and implemented numerous measures. At the same time, we expanded our partnerships, adapted our sustainability structures, and improved our processes for complying with sustainability standards. Most importantly, we worked on our future concepts and enhanced our coffee, pulp, plastics, and electrical products to ensure they become or remain pioneers of sustainable development within their sectors. This report – which represents the non-financial section of our annual report – provides information on this progress.

We look forward to engaging with you and working together on solutions for a sustainable economy!

With best regards



Jero Bentz



Volker Stühmeier

In our primary areas of action – coffee, plastics, pulp, and electrical appliances – we pursue future concepts designed to set standards in their respective industries.

KATHARINA ROEHRIG

What is the Melitta Group's vision with regard to sustainability?

Katharina Roehrig We firmly believe in the need for a regenerative economy, as this is the only way to ensure a future worth living for us all. We are therefore currently in the midst of a comprehensive transformation process, which we have entitled "Transform to Flourish". It comprises three dimensions of thinking and acting: the Regenerative Value Creation of our products, a Work Culture based on appreciation and respect, and a Social Business approach aimed at community-oriented wealth creation. In our primary areas of action – coffee, plastics, pulp, and electrical appliances – we pursue future concepts designed to set standards in their respective industries.

Why do Regenerative Value Creation, Work Culture, and Social Business play such an important role for the Melitta Group?

Stefan Dierks We regard these three dimensions as the cornerstones of a sustainable, regenerative economy that not only preserves existing systems, but also contributes to their recovery. Our goal is the transformation from a consumer society to a meaningful society, in which a company's value creation is not only measured by growth and profit maximization, but also by its social and ecological objectives and achievements. This requires the consistent implementation of the circular economy principle, the exclusive use of renewable energies, and a regenerative approach to

agriculture. And all embedded in a culture of cooperation built on appreciation and respect, as well as a commitment to good environmental and living conditions – even beyond our core business. This also means that we want to engage with the communities around our operations and thus contribute to a future worth living.

How can this transformation be achieved?

Katharina Roehrig We have been working on this transformation for around ten years now. In 2015, we initiated a cultural change process aimed at promoting openness for frequent change, strengthening our feedback culture, and enhancing our leadership methods and principles. It quickly became apparent that the best way to convince people was by engaging in discussion, setting an example of the desired behavior at management level, and implementing lighthouse projects. Moreover, we need to keep putting sustainability on the agenda – despite the occasional setbacks – while embedding the sustainable transformation not only in our minds, but also in our hearts and souls.

Stefan Dierks A sustainable transformation can only succeed if it is conceived and implemented collaboratively and holistically, as it involves systemic challenges that require comprehensive and far-reaching change. This requires thorough – and sometimes ruthless – analysis in order to understand

A sustainable transformation can only succeed if it is conceived and implemented collaboratively and holistically.

STEFAN DIERKS

which changes need to be made in which topic areas. Based on these findings, we then constantly refine our strategies and the measures we derive from them.

What role do managers and employees play in this process?

Katharina Roehrig A decisive one! After all, effectively embedding the

transformation in all areas of the company is such a complex task that it can only be implemented as a joint effort. It is therefore essential to get people on board, and to motivate them to drive the transformation processes with a good deal of personal initiative. This not only speeds up the implementation process, but also generates a greater diversity of ideas.

Embedding the sustainable transformation in minds, hearts, and souls.

KATHARINA ROEHRIG

[Stefan Dierks](#) At the same time, we need a new openness for external viewpoints and insights, initiatives and movements – as well as for other players in our industries. We have therefore not only significantly expanded our cooperation with sustainability experts, futurologists, and universities in recent years, but also stepped up and benefited from our involvement in associations and working groups. This too has been a learning process which has greatly enriched us. We will therefore continue to expand our internal and external collaboration over the coming years.

How will the Melitta Group develop over the next ten years?

[Katharina Roehrig](#) We have formulated very clear future concepts for our primary areas of action, all of which we want to achieve by 2030 at the latest. Our aim is to play a pioneering market role in these value creation areas and thus increase our economic, ecological, and social impact. At the same time, we want to align our business activities even more closely with the three dimensions mentioned above – Regenerative Value Creation, Work Culture, and Social Business.

The strategic priorities for the next ten years are currently being elaborated for the Group and – based on these – for the operating divisions. Transformation will remain a key topic throughout, as it is a continuous, never-ending process.

Our goal is the transformation from a consumer society to a meaningful society, in which a company's value creation is not only measured by growth and profit maximization, but also by its social and ecological objectives and achievements.

STEFAN DIERKS

FACTS
AND FIGURES



THE MELITTA GROUP

We are shaping the future, especially that of coffee, plastic, pulp, and electrical appliances.

Our vision: none of our products should harm the habitat of people and nature.

Our entire value chain is geared toward the strict alignment of our brands and companies with the goals of a regenerative economy.

In this way, we can create a healthy, vibrant, and just world for us all – a world in which an ecologically meaningful way of living and working becomes a self-evident and collective reality.

1.1 FACTS & FIGURES

We are an internationally active, family-owned group of companies. We owe our existence to Melitta Bentz, who revolutionized coffee enjoyment around the world with her invention of the coffee filter in 1908. We have since written a unique success story with many more pioneering innovations.

At the end of 2022, the companies of the Melitta Group employed a total of 5,957 people (prior year: 5,904) and generated sales of € 2.3 billion (prior year: € 1.9 billion).

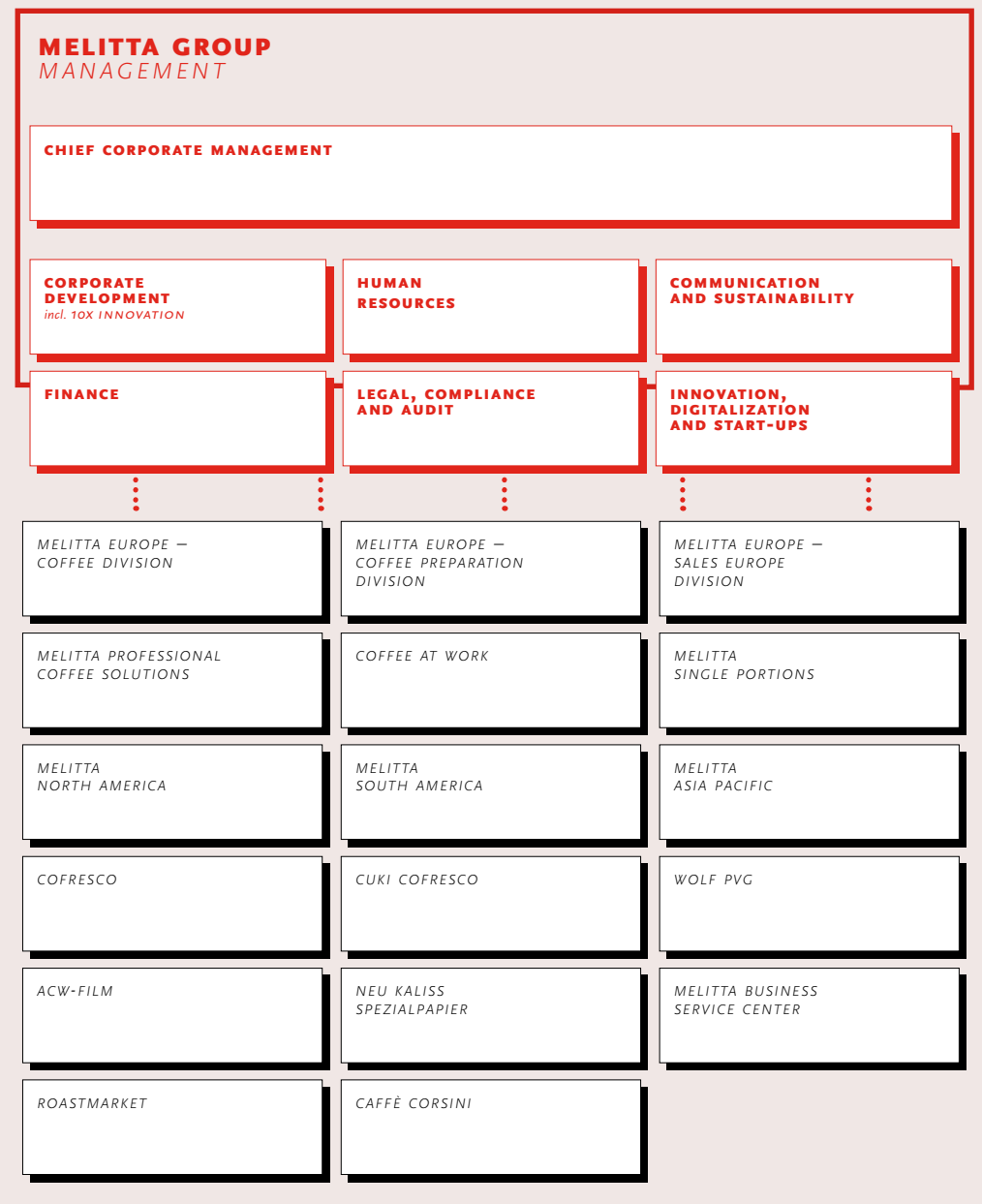
1.2 ORGANIZATIONAL STRUCTURE AND CORPORATE GOVERNANCE

In organizational terms, the Melitta Group consists of a central management holding company (Melitta Group Management) and 17 operating divisions. Chief Corporate Management defines the Group's strategy and manages its business portfolio. It is supported in these efforts by six corporate divisions: Corporate Development; Human Resources; Communication and Sustainability; Finance; Legal, Compliance & Audit; and Innovation, Digitalization and Start-ups.

The Melitta Group is headed by Chief Corporate Management. Its members are Jero Bentz, a fourth-generation member of the owning family, and Volker Stühmeier. Chief Corporate Management defines the Group's strategy and acts in line with the principle of collective representation as per the Articles of Association and its rules of procedure.

The members of Chief Corporate Management are appointed by the partners following a vote by the Advisory Council and base their management activities on the guidelines defined in the Partners' Charter. The Advisory Council has seven members, four external and three family members, and is governed by its own rules of procedure.

A detailed description of our operating and corporate divisions and their economic development can be found in our Finance Report.



General Partner of Melitta Unternehmensgruppe Bentz KG: Jero Bentz

Limited Partners: Dr. Thomas Bentz, Thomas Dominik Bentz, Claudia Tauß, Johannes Tauß, Maximilian Tauß, Jara Bentz, Dr. Stephan Bentz, Eva Maria Bentz, Alexandra Taufmann, Tilman Bentz, Nora Sophie Bentz

Advisory Council: Joachim Rabe (chairman), Dr. Stephan Bentz, Jara Bentz, Claudia Tauß, Alastair Bruce, Javier González, Andreas Ronken

1.3 BUSINESS FIELDS AND BRANDS

We divide our offerings into three business fields: With the core brands Melitta®, Café Bom Jesus®, Café Barão®, and Caffè Corsini®, our **Coffee** business field offers a wide range of filter coffee, instant cappuccino, whole bean, and single-serve products in its regional and international markets. This business field also includes roastmarket.de, Germany's largest online marketplace for coffee.

The products of the **Coffee Preparation** business field marketed under the core brand Melitta® comprise coffee filters, filter coffee-makers, fully automatic coffee machines, electric kettles, and milk frothers. This business field also includes Melitta Professional Coffee Solutions, a specialist for professional hot beverage preparation in the system and non-system catering segments, as well as fresh at work®, a full-service provider for coffee and water in the workplace.

The **Household Products** business field comprises consumer and catering products for the freshkeeping and storing of food, as well as waste disposal products, dust filter bags, and dust filter accessories. The core brands in this business field are Toppits®, Cuki®, Swirl®, Albal®, handy bag®, BacoFoil®, and Wrapmaster®.

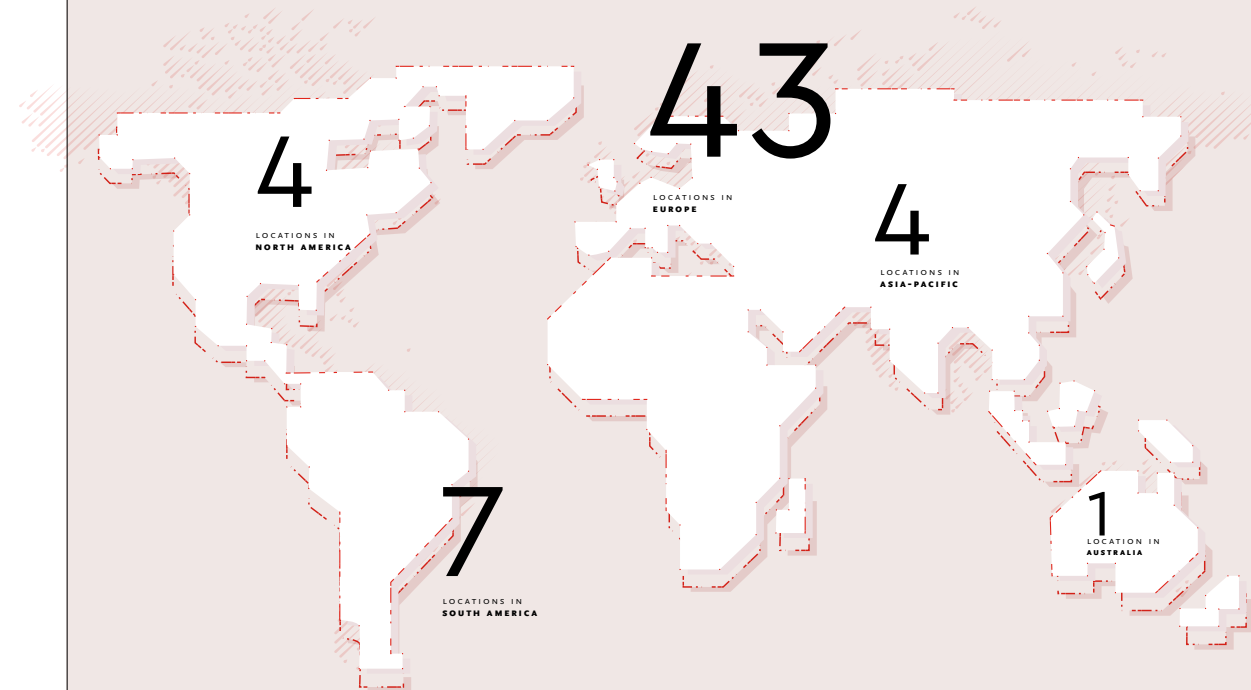
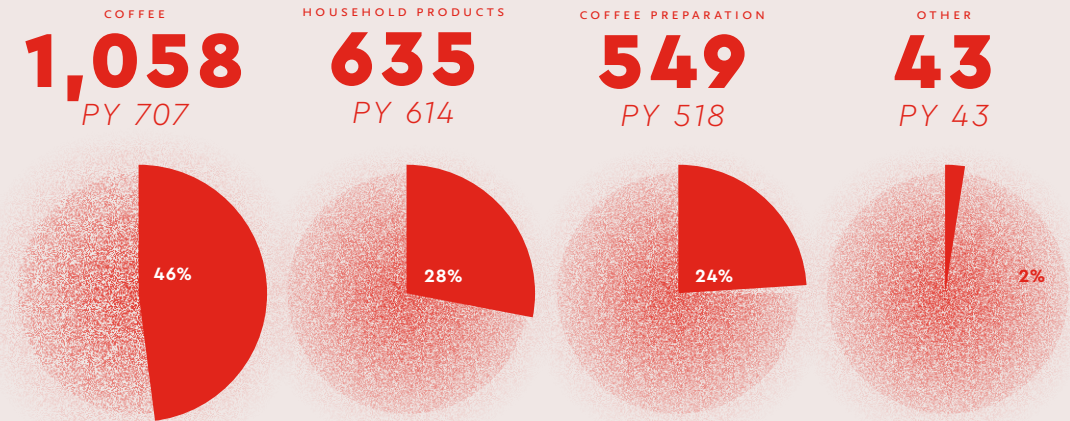
The other products we offer are mainly focused on industrial clients. These include specialist papers and non-wovens, as well as flexible packaging solutions for the consumer goods industry.

1.4 LOCATIONS AND MARKETS

Our main base is in Minden, Germany. We are represented by our own employees in a total of 59 locations and on five continents. Our products are available in 86 countries

around the world. In many of these countries, we are among the quality and market leaders with our products and services.

Sales by business field in € million



TRANSFORMING WORLD



TRANSFORMING BUSINESS

TRANSFORM TO FLOURISH

Our world is evolving. We are currently in the midst of an all-encompassing transformation. As a global society, we must fundamentally change the way we generate our prosperity in order to safeguard our livelihoods.

TRANSFORMING BUSINESS

Sustainable and Regenerative Value Creation is a non-negotiable. It has long become a license to operate. A company is only future-proof if it has a visible and tangible impact and is thus relevant for society and the preservation of our habitat.

We regard the transformation of our core business as an opportunity to offer our business customers products that stand out from the competition through positive effects in their production and use. With the aim of enabling all stakeholders and ecosystems in the value chain to regenerate and flourish.

TRANSFORM
TO
FLOURISH

Our goal – a **transformative corporate strategy**

We regard the promotion of sustainable development and transformation, also beyond our core business, as part of our corporate mission. Our vision: none of our products should harm the habitat of people and nature. Our entire value chain is geared toward the strict alignment of our brands and companies with the goals of a regenerative economy. Or to put it another way: we either do it sustainably – or we don't do it at all. An approach which presents numerous challenges, but also opens up a wealth of opportunities.

We believe that this is the only way we can create a healthy, vibrant, and just world for us all – a world in which an ecologically meaningful way of living and working becomes a self-evident and collective reality. We are therefore working on the further development of our corporate strategy, in which sustainability requirements are systematically integrated.

This is done both at the level of the individual operating divisions and for our strategies at Group level. To ensure the success of these efforts, we take a holistic approach and always link sustainability with innovation and a culture of cooperation. In this way, we create the conditions for the most future-oriented and efficient promotion of sustainable development inside and outside the company.

Via – our **three strategic dimensions**

For the future alignment of our business activities, we are therefore focusing more strongly on three strategic dimensions: Regenerative Value Creation, Work Culture, and Social Business. They will increasingly determine our way of doing business and manifest themselves more and more strongly in all our areas of action.

Regenerative Value Creation

According to the latest studies, we as a global society have already exceeded six of the nine planetary boundaries. This means that “less bad” is no longer good enough. Instead, we need to make our global value creation “more good” and in so doing give ecosystems the opportunity to regenerate. We at Melitta intend to and will contribute to this by developing 100% circular production processes and product cycles. We

are committed to renewable energy sources, regenerative agriculture and resource utilization, as well as the circular economy. Our goal is a meaningful economy in which the value created by a company is not only measured by growth and profit maximization, but also determined by social and ecological goals. Moreover, we attach great importance to green tech: innovative technologies that prevent or reduce environmental harm from the outset or remedy damage that has already been done.

Work Culture

We associate the term “Work Culture” with a fundamental attitude that underpins everything we do: it is based on appreciation and respect for people and the environment – throughout the Group and in our value chains and their environment. This is because long-term success and continuous development are only possible in tandem

with appreciation and respect for our employees and our business partners. For us, Work Culture therefore comprises our HR strategy, our commitment to respecting human rights, product safety and transparency, as well as our long-lasting supplier and customer relationships.

We are in the process of further intensifying cooperation – both within our Group and with external parties. After all, a comprehensive transformation requires diversity and co-creation. The recognition of common, pre-competitive tasks and continuous dialogue are essential prerequisites for the establishment of trusting relationships. Our task is therefore to create a fertile breeding ground for innovative learning, to encourage a wide range of experiences, and to share insights. We want to educate and empower, while generating a networked culture of inspiration that will enable us to unleash our individual and collective potential.

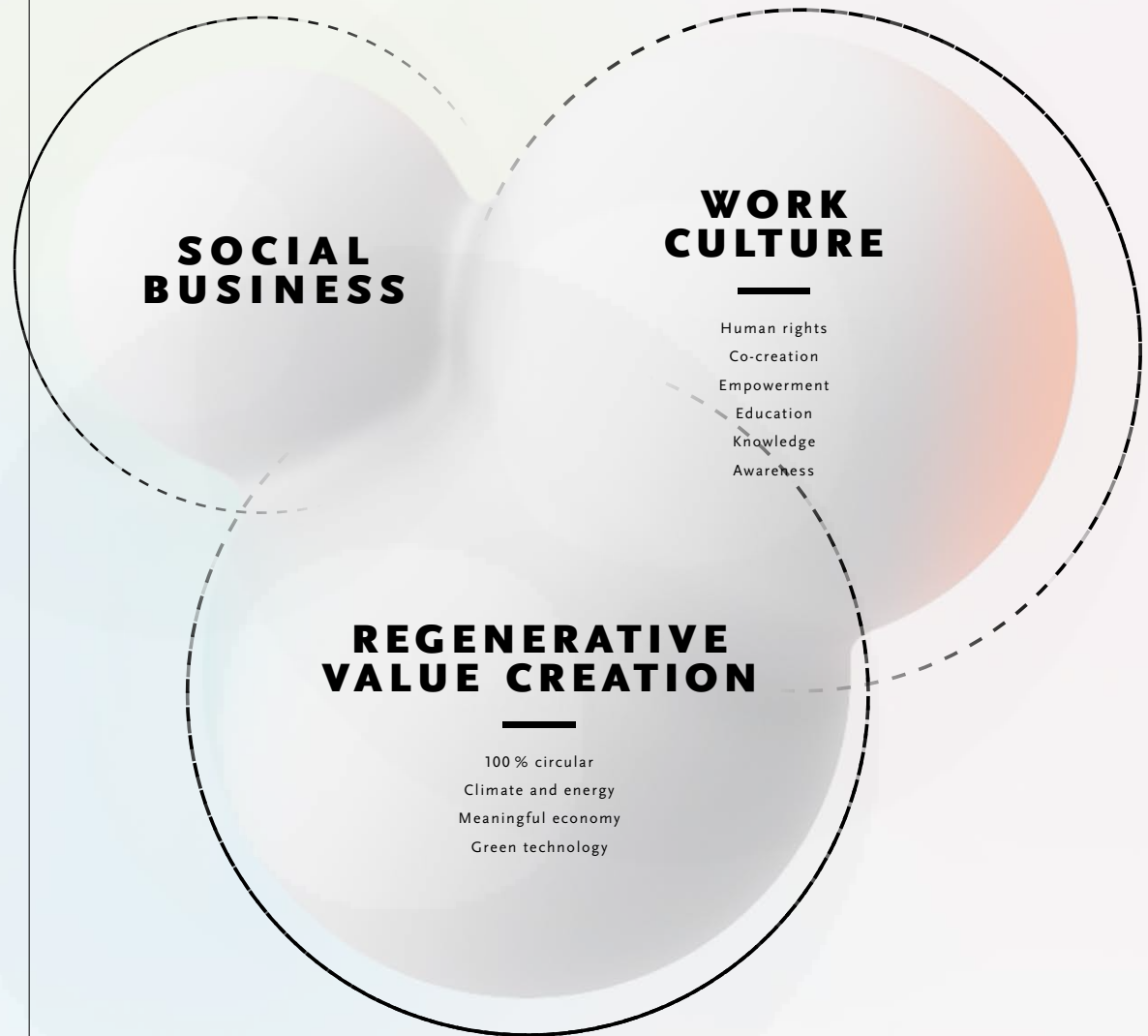
Social Business

In its purest form, the concept of Social Business involves the principle of reinvesting profits in the company, its supply chains, and/or their environment. We aim to make a contribution to good environmental and living conditions through our actions – even beyond our own business operations. This approach will become an increasingly integral part of our business model in future. Together with our partners, we want to help solve the world’s social and environmental problems and to improve the living conditions of all stakeholders in a way that ensures long-term prosperity, human dignity, and social justice. We aim to link ecological and economic processes – also in developing and emerging nations – and to drive those technical innovation processes and infrastructures that deliver both positive environ-

mental outcomes and economic benefits. This is the only way we can ensure the continued existence of stable and thus secure value chains.

These three strategic dimensions form the cornerstones of our sustainable corporate identity and our strategic orientation. Due to their fundamental importance for the ongoing development of our Group, we will assign the key topics of our sustainability agenda to these three dimensions in future. As overarching, holistic principles, they therefore complement the four categories of our Sustainability House: Product and Supply Chain Responsibility, Environmental Responsibility, Social Responsibility, and Responsibility for Employees.

The three strategic dimensions provide long-term orientation for our future actions and illustrate that sustainability can only be fostered in a holistic, integrated, and symbiotic manner due to the numerous interdependencies between different areas of action. We will therefore systematically incorporate these dimensions into our further planning and actions and take account of the current framework conditions and strategic requirements when filling them with life.



2.2 GUIDED BY INTERNATIONAL STANDARDS

Compliance with numerous standards

In structuring our sustainability engagement, we are guided by sustainability-relevant standards and agreements at a global and national level. These include in particular:

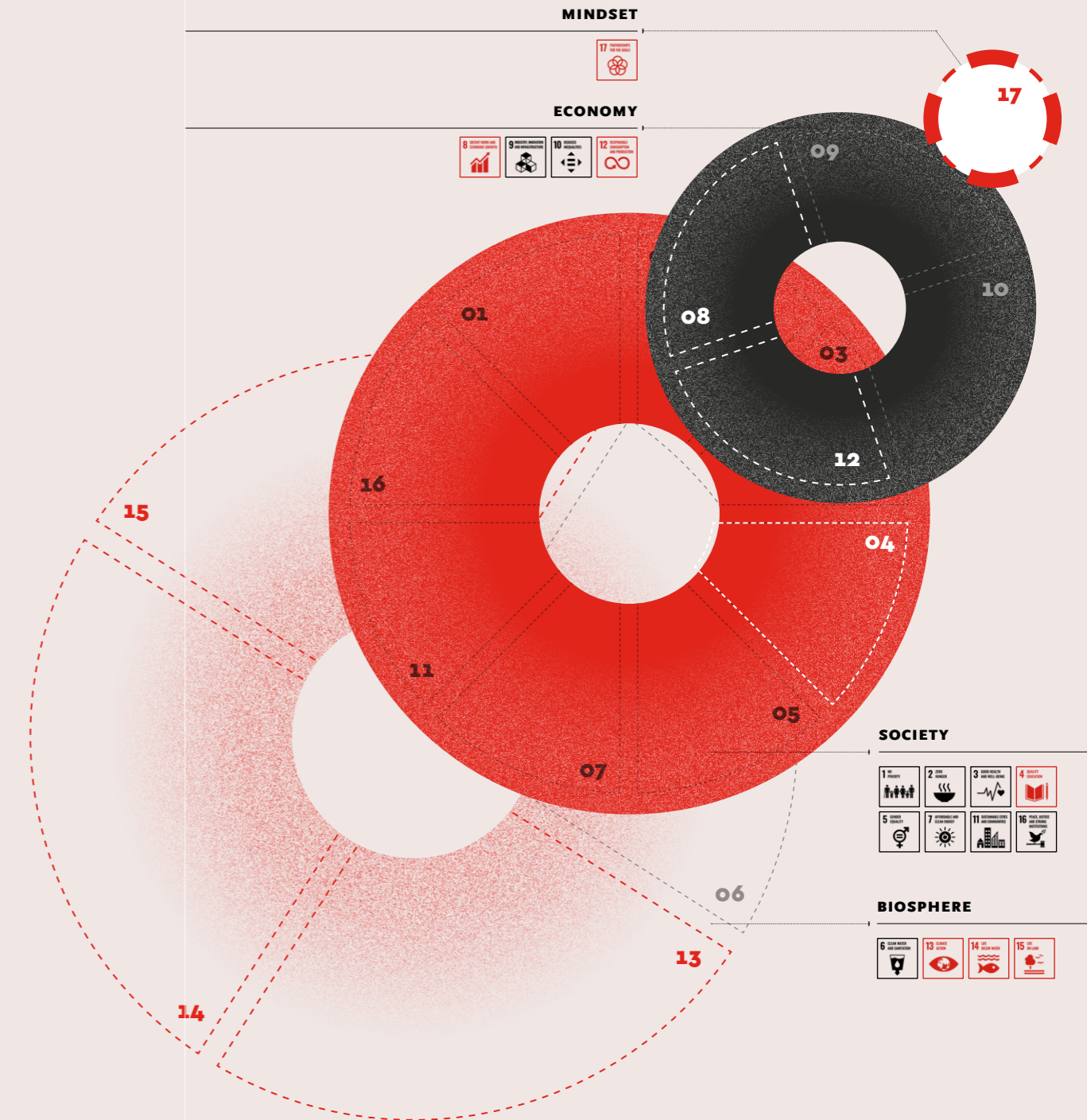
- The principles of the UN Global Compact
- The UN Universal Declaration of Human Rights
- The Core Labor Standards of the ILO
- The UN Guiding Principles on Business and Human Rights
- The Rio Declaration on Development and Environment, 1992
- The UN Resolution “2030 Agenda” of 2015 and the associated Sustainable Development Goals
- The Paris Agreement (2015) to avoid dangerous climate change
- The Rio Convention on Biodiversity of 1992 and the resulting Kunming-Montreal Global Biodiversity Framework (GBF) of 2022

In our various areas of action and business fields, we are also guided by industry-specific initiatives and standards (such as the Greenhouse Gas Protocol and its standards, the Global Coffee Platform, and the Coffee Sustainability Reference Code, or the Global New Plastics Economy Global Commitment of the Ellen MacArthur Foundation). For the development and implementation of our sustainability measures, our processes are based in particular on the OECD Due Diligence Guidance for Responsible Business Conduct and the National Action Plan for Business and Human Rights.

Commitment to 2030 Agenda

We are committed to the 2030 Agenda and the corresponding Sustainable Development Goals (SDGs) of the United Nations and have aligned our sustainability engagement with these goals. This is because the SDGs outline how we can achieve a future worth living for all people. They provide us with guidance for our transformation process and also enable us to compare our engagement with that of other companies. We consider the following seven SDGs to be particularly relevant for us:

- **SDG 12 Responsible consumption and production** In addition to the development of regenerative production methods and the properties of our products, the promotion of sustainable, conscious consumption is an essential part of our core business as well as its marketing and communication.
- **SDG 8 Decent work and economic growth** Healthy economic growth can only be achieved on the basis of decent working conditions, both in our own company and in our supply chains.
- **SDG 13 Climate action** Compliance with global climate protection targets and our own respective targets is a prerequisite for a future worth living.
- **SDG 15 Life on land** Many of our raw materials and products, especially coffee and pulp, have a direct and indirect impact on landscapes and the environment.
- **SDG 14 Life below water** We frequently use plastics, particularly in our Household Products range. Consequently, we believe it is our responsibility to promote a circular plastics economy and thus help prevent marine plastic and microplastics.
- **SDG 4 Quality education** In a complex world and in the midst of a complex transformation process, education is the key to a holistic and systemic understanding of the challenges and the development of solutions.
- **SDG 17 Partnerships for the goals** No single player can shape the transformation alone; what we need are innovative and cross-sector partnerships.



2.3 EMBEDDING THE SUSTAINABLE TRANSFORMATION

Over the past years, we have firmly embedded the sustainable transformation in our business processes and structures by means of various measures such as voluntary commitments, guidelines, and memberships:

Code of Conduct

In our Group-wide Code of Conduct, we define clear rules for all our staff, especially with regard to human rights, to corruption prevention, and our day-to-day dealings with one another as well as with our business partners and other stakeholders.

Supplier Code of Conduct

We make clear demands of our suppliers via our Supplier Code of Conduct, which is an integral part of our agreements with suppliers. It requires them to observe the ILO's core labor standards and other human rights and environmental conventions. The Supplier Code of Conduct is also the basis for our supply chain measures in line with the requirements of the German Supply Chain Due Diligence Act ("Lieferkettensorgfaltspflichtengesetz" – LkSG).

Values, policies, and guidelines

Sustainability is one of our seven core values. We take great care to ensure that our values are also reflected in our policies and guidelines. One such example is our Business Initiatives Guideline, in which sustainability criteria have been systematically integrated into the development of business initiatives, i.e. all significant, strategic measures and projects that lead to changes in the procurement, manufacture, or marketing of our products and services.

Medium- to long-term targets

In our Sustainability Statement, we committed ourselves in 2019 to concrete, ambitious targets

for our main business activities over the next five to ten years. We regularly report on the progress made in achieving these targets.

Processes for management, data, and reporting

We have implemented a sustainability management system and the relevant sustainability software throughout the Group, which keeps us informed about the status of key non-financial performance indicators at our operating divisions and at Group level in the form of regular data campaigns, for which employees have been appointed in each operating and corporate division. We are currently in the process of refining the underlying management and reporting system based on the requirements of the Corporate Sustainability Reporting Directive (CSRD) and, in particular, integrating it more closely in our management systems for key financial performance indicators.

Involvement in associations and initiatives

We are involved in various associations and initiatives which deal specifically with sustainability issues. For example, we are a member of the Sustainability Committee of the German Brands Association ("Markenverband"), the Administrative Council of the German Central Packaging Registry ("Stiftung Zentrale Stelle Verpackungsregister"), the German Environmental Management Association ("B.A.U.M. e.V.") and its corporate advisory board, the Consumer Education Alliance ("Bündnis für Verbraucherbildung"), the German Working Group on Packaging and the Environment ("Arbeitsgemeinschaft Verpackung und Umwelt AGVU"), the German Coffee Association ("Deutscher Kaffeeverband e.V."), and the Global Coffee Platform (GCP).

What we achieved in 2022

- ⊕ Enhanced our Group-wide risk management system with regard to sustainability risks
- ⊕ Implemented 23 Group-wide projects under the leadership of Corporate Communication and Sustainability for the holistic integration of sustainability into our processes and value chains
- ⊕ Created and implemented launch of strategic roadmaps for the operating divisions and corporate divisions to integrate sustainability into departmental strategies
- ⊕ Developed dashboards to monitor focus projects in all operating divisions and corporate divisions
- ⊕ Expanded our participation in various committees, associations, and working groups
- ⊕ Considerable progress made in the implementation of individual roadmaps in the operating divisions, especially regarding the further development of products and packaging, use of resources, and CSR

What we are currently working on

- Further integration of the dimensions Regenerative Value Creation, Work Culture, and Social Business into our strategies and processes
- Further development of the controlling, data and reporting management system, also in connection with the requirements of CSRD and other legal sources
- Intensification of cooperation with organizations of the coffee sector, especially German Coffee Association ("Deutscher Kaffeeverband e.V."), and the Global Coffee Platform (GCP)

2.4 OUR SUSTAINABILITY ORGANIZATION AND COMMUNICATION

Clear structures and responsibilities

Our sustainability engagement is part of the remit of Chief Corporate Management. It is supported by the Advisory Council, which advises and assists Chief Corporate Management with the further development of the Melitta Group's attitudes and fundamental alignment. The commitment of our shareholders is also an important basis for our actions.

The Sustainability Strategy Board, which is composed of Chief Corporate Management and the Managing Directors of the operating and corporate divisions, decides on the strategic development of the Group's sustainability engagement.

Within the Corporate Communication and Sustainability division, the Sustainability Team steers and coordinates the Group-wide transformation and provides impetus for the development of Group-wide sustainability strategies and roadmaps, as well as for the individual programs of the operating divisions. In cooperation with the other corporate divisions and operating divisions, it refines our sustainability engagement, ensures its integration into the corresponding business strategies, and defines the sustainability targets and KPIs. In addition, the Corporate Sustainability Team is responsible for Group-wide sustainability communication and stakeholder dialogue.

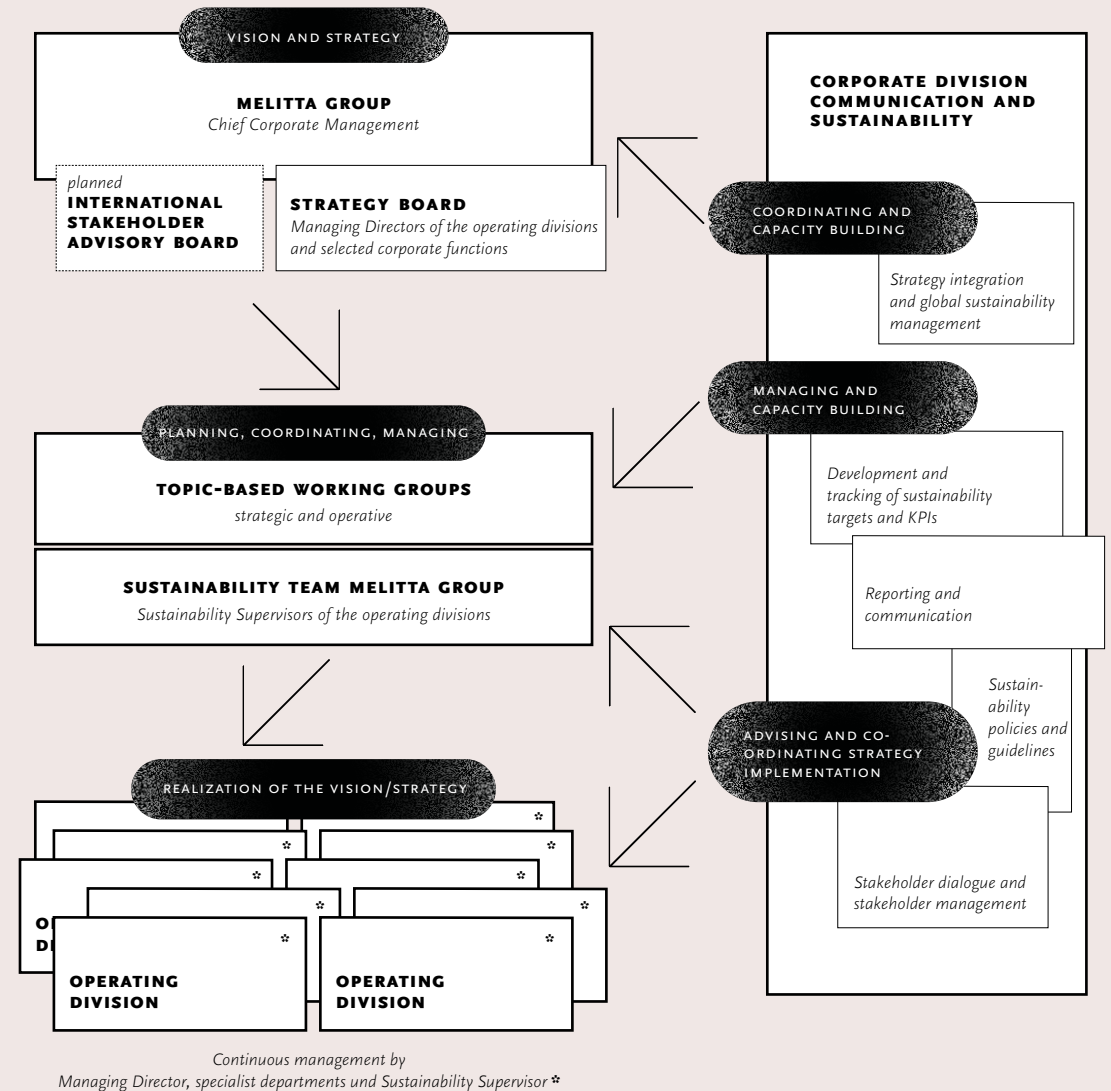
A Sustainability Supervisor has been appointed for each operating and corporate division, who reports to the respective Management Board and – if necessary, together with other designated sustainability managers in the respective specialist departments – coordinates and

ensures strategy integration and the implementation of the measures. Working groups on individual focus topics have also been formed at strategic or operational level.

Communication guided by standards

We regularly report on our sustainability performance and the activities developed for this purpose. To this end, we prepare a comprehensive Sustainability Report and a Sustainability Update on an alternating annual basis. Both reporting formats are based on a Declaration of Conformity with the German Sustainability Code ("Deutscher Nachhaltigkeitskodex" – DNK), which is also audited in accordance with the requirements of the CSR Directive Implementation Act ("CSR-Richtlinien Umsetzungs-gesetz" – CSR-RUG). Moreover, we report on our progress in articles, editorials, and posts on our website, on our Intranet, and on the social media channels we use. We also participate in public discourse with events, exhibitions, speeches, and contributions to discussions.

We apply external standards throughout our communications to enable transparent and comparable measurement of our progress. The content and structure of these standards is based on the requirements of the German Sustainability Code (DNK). In some cases, we also use extended KPIs and requirements of the Global Reporting Initiative (GRI), as well as the requirements of the EU guideline on CSR reporting ("CSR Directive", 2014), and the German CSR Directive Implementation Act of 2017 (CSR-RUG). With regard to the reporting of greenhouse gas emissions, we employ the standards and emission factors of the Greenhouse Gas Protocol.



What we achieved in 2022

- ⊕ Enhanced the Sustainability Supervisor network
- ⊕ Expanded communication measures, especially in social media channels, and participated in external podcasts and blogs on the topic of sustainable transformation
- ⊕ Participated in panels, trade shows, lecture series, and exhibitions in the field of sustainable transformation
- ⊕ Promoted exchange, cooperation, and communication culture

What we are currently working on

- Linking existing governance structures in the areas of risk management, compliance, HR, finance, and sustainability
- Expansion of sustainability structures in the operating divisions
- Further expansion of communication activities in cooperation with other organizations and initiatives

2.5 DIALOGUE WITH OUR STAKEHOLDERS

Identification of stakeholder groups

A number of different stakeholder groups are interested in our activities. At the same time, we are active in many business fields and sectors in which sustainability issues are being discussed in detail at a national or global level by stakeholders from a wide range of groups in society, or in which we address sustainability-relevant topics. We have identified and prioritized these stakeholders on the basis of internal analyses and discussions within the Corporate Sustainability Team and in consultation with the operating and corporate divisions.

Our stakeholders include our business customers, consumers, our employees, our suppliers, and our investors. They also include representatives of the media and other multipliers, science and research, consumer organizations, trade unions, and politicians, as well as relevant non-governmental organizations and civil society.

Stakeholder dialogue

We communicate regularly with our stakeholders using a range of channels, such as face-to-face meetings, surveys, events, gatherings, and trade shows. We offer opportunities for dialogue via our website, our Intranet, our social media offerings, newsletters, magazines, and other types of public relations work. We also engage in dialogue with our stakeholders via numerous initiatives, collaborations, and associations in which we participate. In late 2021, we conducted an extensive stakeholder survey. Based on these findings, we subsequently updated our materiality matrix and our Sustainability House.

Stakeholder survey 2021

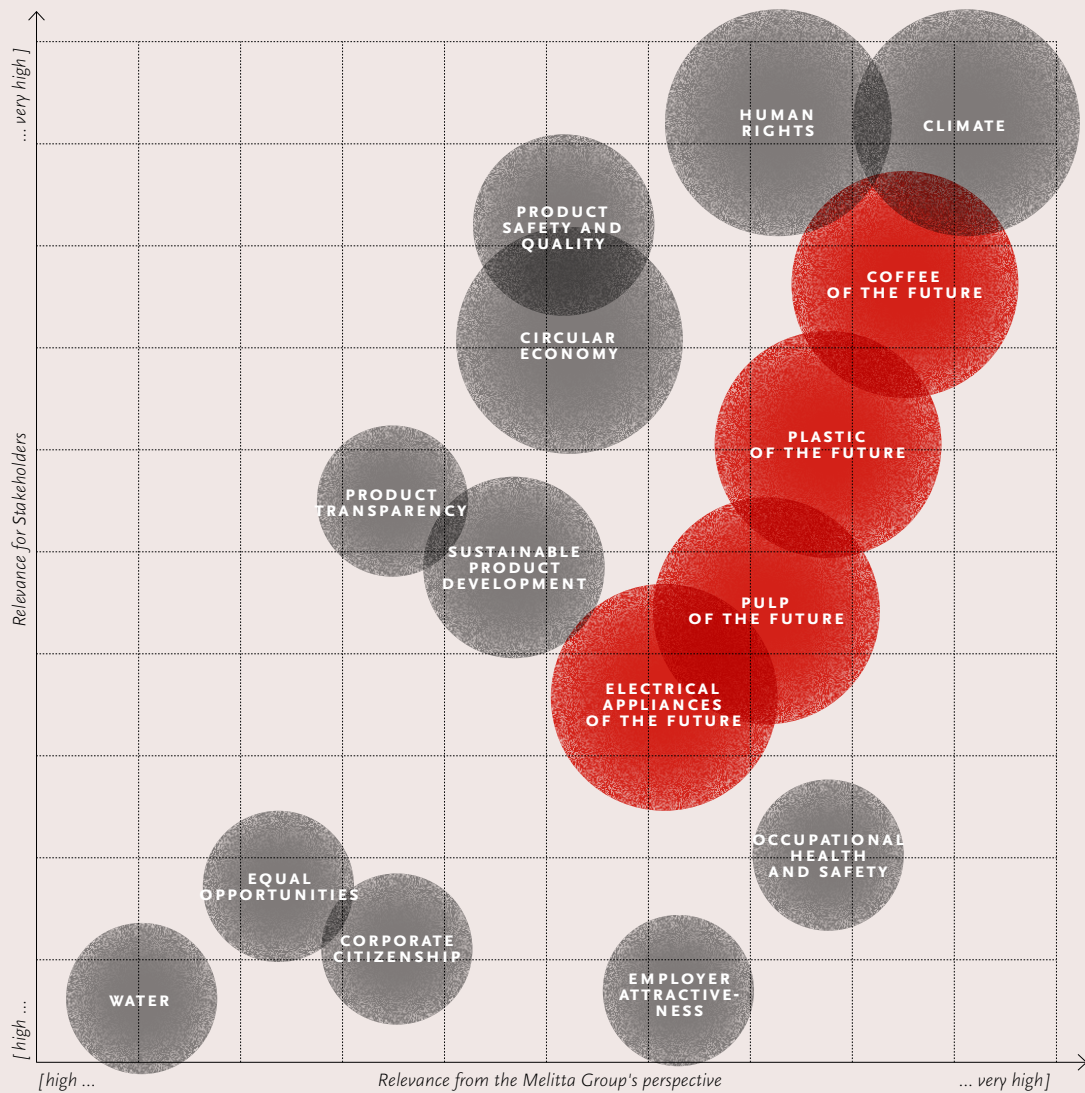
In order to review our materiality matrix, we conducted a stakeholder survey in 2021. We interviewed a total of 103 persons in the most important regions for us – Germany, Brazil, and North America. Further interviews were also conducted with selected stakeholders to explore specific issues in greater 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 resulting changes to our materiality matrix were described in our Sustainability Update 2021.

What we achieved in 2022

- ⊕ Finalized and evaluated a stakeholder survey (including in-depth interviews on outstanding strategic topics)
- ⊕ Intensified and expanded our stakeholder dialogue and engagement, particularly in the areas of coffee, energy, and socio-economic dialogue on transformation

What we are currently working on

- Expansion of stakeholder dialogue through participation in exhibitions, panel discussions, conferences, industry meetings, and parliamentary breakfasts
- Further expansion of our stakeholder network, particularly in the areas of coffee, energy, and transformation, as well as intensification of dialogue with key stakeholders.



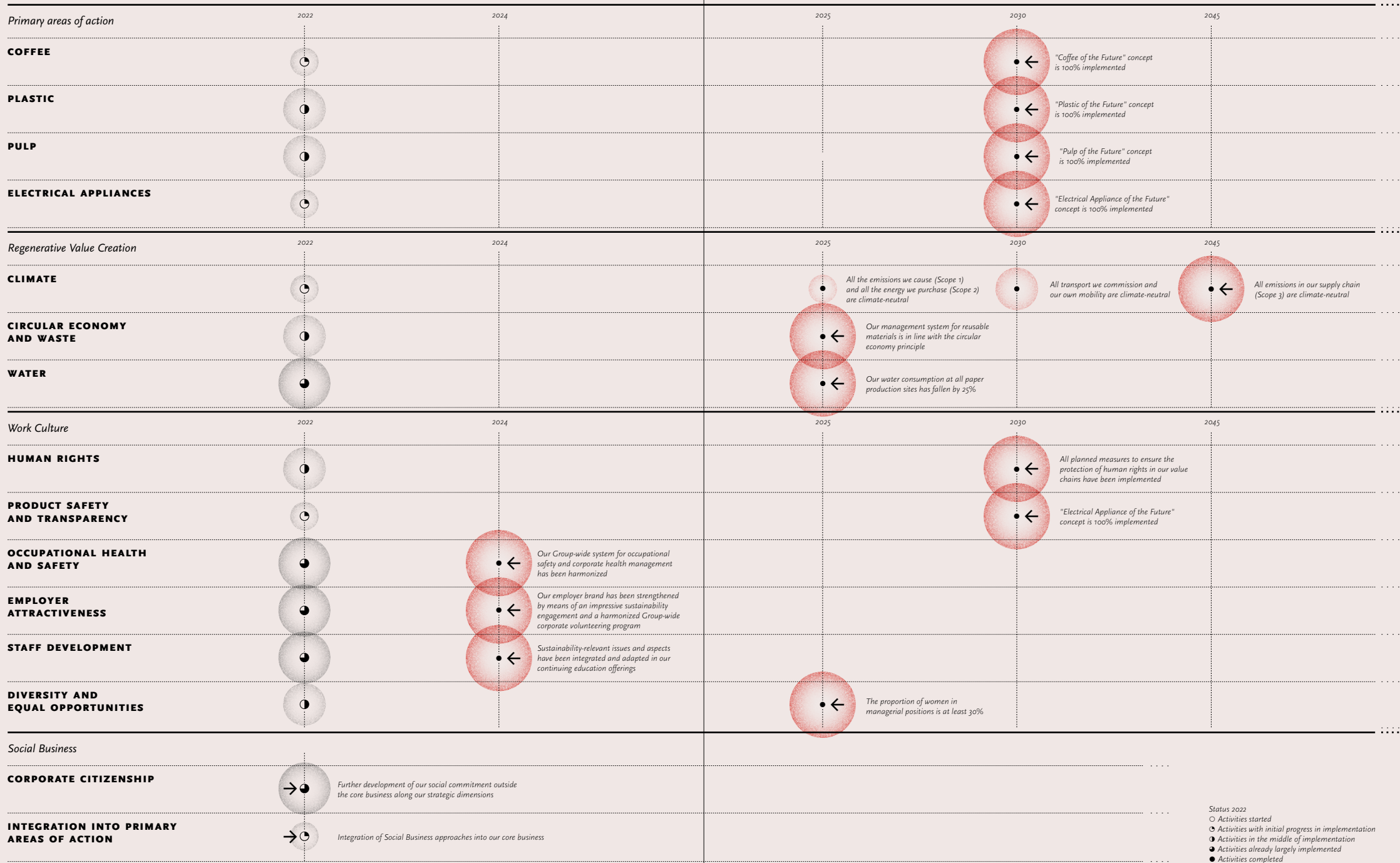
2.6 OUR MATERIALITY MATRIX

Our materiality matrix comprises 15 topics which are highly or very highly relevant both for our stakeholders and from the perspective of the Melitta Group. Our primary areas of action are our future concepts (Coffee of the Future, Pulp of the Future, Plastic of the Future, and Electrical Appliance of the Future). In shaping our key topics, we are guided by our three strategic dimensions: Regenerative Value Creation, Work Culture, and Social Business.

2.7 OUR TARGETS

We have defined future concepts for all of our key value creation areas – coffee and coffee cultivation, plastics and plastic products, paper and pulp, and electrical appliances – which we want to achieve by 2025 or 2030. We believe that these areas offer the greatest leverage for contributing to sustainable development. We have therefore designated these as our primary areas of action.

In addition, we have defined targets for all other topics identified as material. Topic managers have been appointed in the individual business fields to implement these targets. They are supported by staff from Corporate Communication and Sustainability (Z-KN), in particular with regard to strategy derivation, project management, the setting of sub-targets, and the definition of suitable KPIs. At Group level, the Corporate Sustainability Team is responsible for coordination and management. The achievement of these targets is monitored by Chief Corporate Management, supported by a management and reporting system implemented and managed by the Corporate Sustainability Team.



Status 2022

- Activities started
- ◐ Activities with initial progress in implementation
- ◑ Activities in the middle of implementation
- ◒ Activities already largely implemented
- Activities completed

2.8 CONDUCT IN COMPLIANCE WITH LAWS AND DIRECTIVES

Strategy and measures

Our overriding goal is to behave in a compliant manner at all times and to prevent violations of legal and internal requirements – both in our business units and in our supply chain. In particular, this includes the avoidance of corruption and bribery.

We have established a variety of processes and measures to achieve this overriding goal. The various compliance elements are currently being optimized, expanded, and merged into a Group-wide compliance management system under the leadership of Corporate LCA (Legal, Compliance & Audit).

The Melitta Code of Conduct is a central component of compliance in our company: it is binding for all our employees and forms the basis of our day-to-day business activities. Its content is based on key international and national conventions and principles for compliance with laws and directives, sustainable development, and respect for human rights. Our Melitta Code of Conduct is communicated throughout the Group and its principles and compliance are exchanged within teams via our managers. We demand that our suppliers and business partners act with integrity by means of our Supplier Code of Conduct and under certain conditions require that it is included in the supplier contracts. The Supplier Code of Conduct defines minimum requirements for working conditions and environmental standards, which are also based on the relevant international conventions.

Review

Our compliance processes are continuously adapted to changing requirements and needs. To this end, regulatory and market requirements are continuously analyzed – also with the aid of external consultants – and implemented in the management system by means of appropriate structures and processes where necessary. Corporate LCA is responsible for central coordination and management.

Our guidelines are also an important component of our compliance. Any violation of these guidelines will be prosecuted under labor law. Moreover, the corporate division LCA collaborates with all business units, their Management Boards, and the relevant mandated employees to ensure compliance with all statutory, regulatory, and internally defined requirements. In the fiscal year 2022, no significant fines or non-monetary sanctions were issued or initiated against the Melitta Group. The introduction and launch of a Group-wide whistleblower management system is being prepared for 2023. Furthermore, the establishment of a Group-wide compliance management system is planned, which will be coordinated by a central Compliance Office and a corresponding cross-divisional committee for the entire Group.

Responsibility and sensitization

Corporate LCA is responsible for central coordination and control. It defines the Group-wide compliance requirements – where necessary in cooperation with other corporate divisions. Corporate LCA helps the operating divisions establish and implement the corresponding structures and processes, also with regard to clarifying the national legal situation in the respective country. The Managing Director of Corporate LCA reports directly to Chief Corporate Management, both via regular reporting formats and where needed on an ad hoc basis.

Managers and employees are sensitized and trained by means of target group-specific information on the Intranet and in our staff newsletter etc., as well as via targeted and mandatory internal training.

Target achievement

The further development of the existing legally compliant structures and processes into a more mature, and more comprehensive Group-wide compliance management system is slated for 2023/2024. A key element of this is the introduction of a Group-wide whistleblower system for external and internal notifications, which is set to be released in 2023.

Internal Audit's targets regarding its review of the existing processes in accordance with the Audit Plan were achieved in 2022.

Risks

With regard to our own business activities, we have identified potential risks with regard to combating of corruption and bribery and have mitigated these as far as possible with the aid of existing compliance measures. Moreover, the risks will be reduced even further by the Group-wide compliance management system that is currently being established. The risk portfolio is currently being expanded beyond our own production processes. The aim is to have integrated the corresponding due diligence processes in our supply chains by the end of 2023 in accordance with the requirements of the German Supply Chain Due Diligence Act (“Lieferkettensorgfaltspflichtengesetz” – LkSG).

Significant risks arising from our business activities, our business relationships, our products and services in the value chains which are very likely to have a serious negative impact on combating corruption and bribery may arise in the further process. However, we currently have no relevant indication of such issues.

WE DEVELOP, CO-CREATE
AND INVEST ALONG OUR...

PRIMARY AREAS OF ACTION

Our products and supply chains can be broken down into the following main areas of value creation: coffee and coffee cultivation; plastics and plastic products; paper and pulp; and electrical appliances.

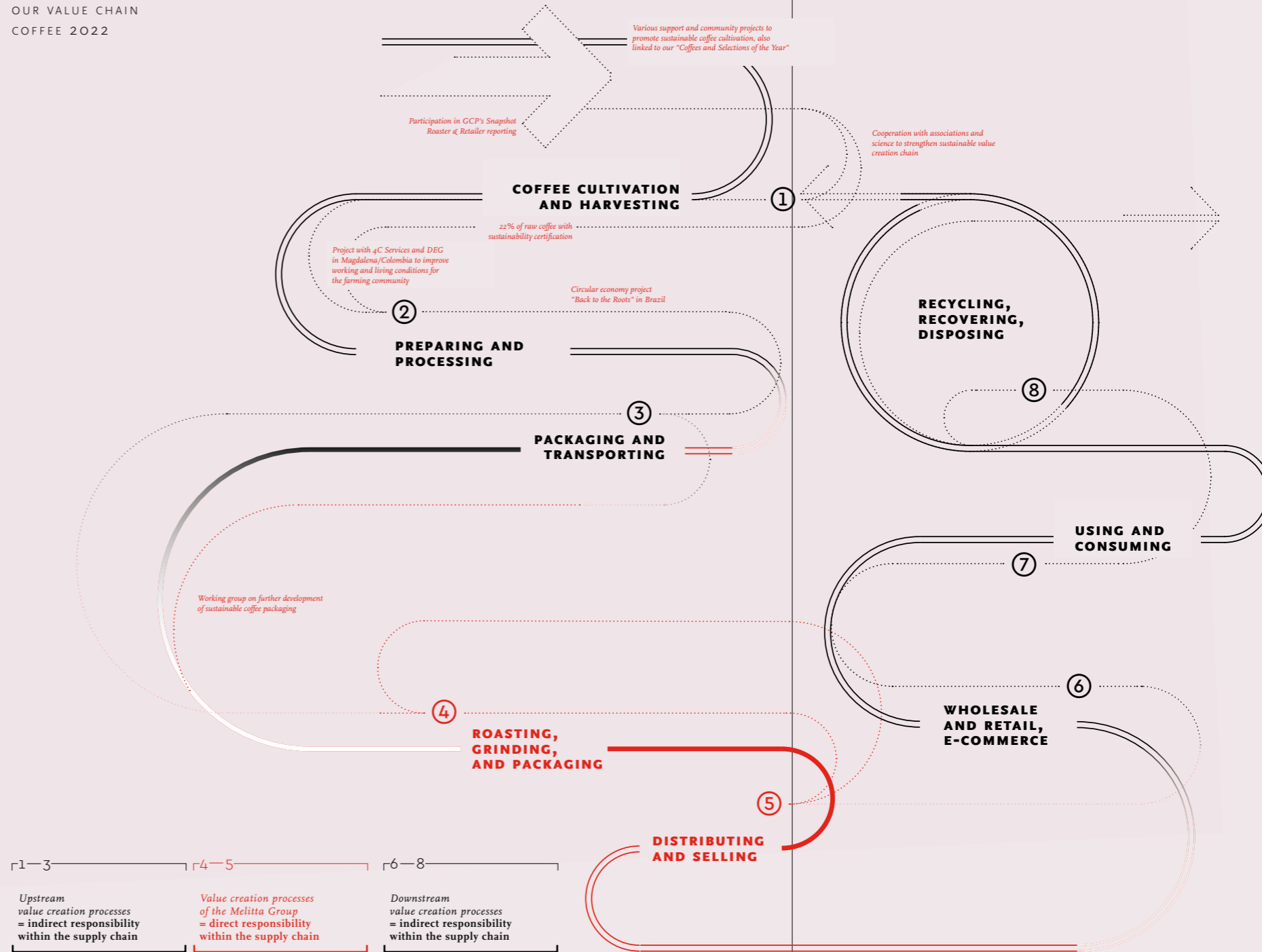
We have developed future concepts for each of these areas of the value chain. As we believe that the shaping of our value creation areas provides the greatest leverage for contributing to sustainable development, they represent the primary areas of action for our sustainability engagement.

When shaping these areas, we are guided by the three strategic dimensions of Regenerative Value Creation, Work Culture, and Social Business and systematically integrate these dimensions into our planning and actions. Only by linking these three dimensions will we be able to successfully shape the necessary transformation together with other players in the respective sectors and beyond. We shall therefore refrain from presenting the individual dimensions separately here, but instead describe their interaction in the respective area of action.



**WE CREATE
THE FUTURE
OF COFFEE**

The "**Coffee of the Future**" is grown in a way which enables all people involved locally to live comfortably long-term and which preserves or regenerates the local ecological systems. It is processed, transported, and roasted in a climatefriendly way which also uses water sustainably and has packaging which is recyclable and – whenever possible – reusable or made from re-cycled materials. It is prepared in an energysaving fashion. Insofar as corresponding structures exist, the coffee grounds are recovered in the most environmentally compatible way (materials recovery, composting) in line with the principle of a circular economy.



Challenge

In our Coffee business field, we are particularly reliant on procuring raw coffee, which we process at our own roasting facilities in Europe, North America, and South America. We purchase goods from almost all coffee-growing regions of the world in order to source the quality and quantity we need. We source our raw coffee from farmers, cooperatives, exporters, importers, and international raw coffee traders.

In recent years, the consumption of coffee grown mainly by small farmers in the so-called coffee belt along the equator has increased around the world. Market surveys assume that demand will continue to grow steadily. This will result in medium and long-term opportunities for all participants in the value chain.

However, in order to take advantage of these opportunities, there must be a broad-based commitment to sustainable coffee cultivation, as producers and their communities in many regions are facing complex challenges:

→ **Environmental:** climate change, decreasing biodiversity, soil degradation, water shortages, pesticide ingress

→ **Social and societal:** risk of violating human rights, labor rights, and gender equality standards, as well as rural exodus

→ **Economic:** risks due to fluctuating market prices, uncertain harvests, poor market access

In addition, challenges also arise during the transporting, roasting, and packaging of coffee.

The further development of our strategy based on the "Coffee of the Future" vision and the measures derived from it in the sector and in our supply chains gives us the opportunity to establish sustainable coffee cultivation so that we can continue to offer our customers sufficient quantities of the desired qualities in the future.

Our objective is that **by 2030** at the latest, all of the raw coffee we source and all of the roasted coffee we sell is what we call the "**Coffee of the future**".

Targets and KPIs

To achieve this goal, we rely on a mix of measures along the entire value creation chain:



Coffee cultivation and harvesting: develop and implement projects to address the environmental, social, and economic challenges of coffee farms, their employees and communities, with the aim of scaling results in the coffee-growing countries and regions



Procurement: increase the proportion of raw coffee sourced with sustainability certificates and verifications in line with the Coffee Sustainability Reference Code of the Global Coffee Platform



Production and transportation: expand resource-conserving roasting and climate-friendly transportation



Packaging: expand the proportion of ecological packaging
Marketing: raise awareness of sustainable consumption with corresponding marketing and communication activities



Recycling, recovery, disposal: develop measures for the circular economy of biogenic materials

In order to ensure the efficient and coordinated behavior of all operating divisions within the Melitta Group, we have developed a Theory of Change in which we prioritize the areas of action and the results we are aiming for, and derive our measures from this. Roadmaps have been developed – or are currently being drafted or refined – for each operating division.

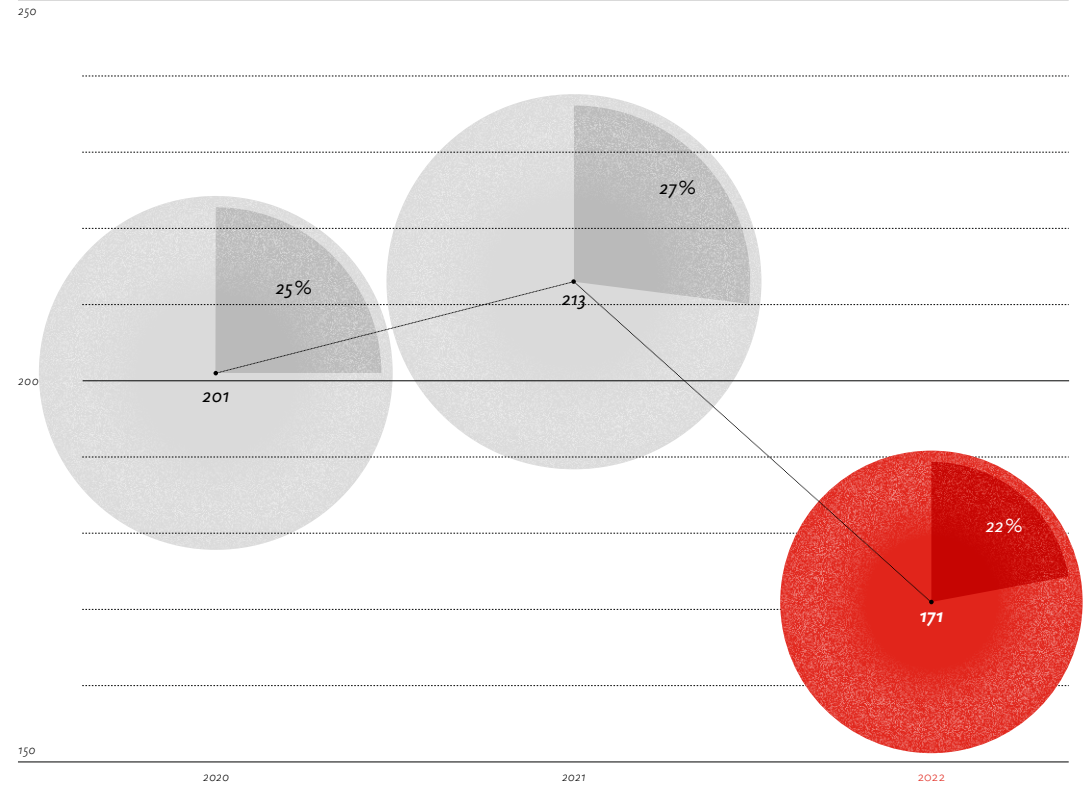
We are convinced that the numerous sustainability challenges in the coffee value chain can only be effectively addressed by taking a collaborative and cross-company approach. As one of the world's ten largest roasters, we therefore believe that it is our responsibility to be active in national and international organizations,

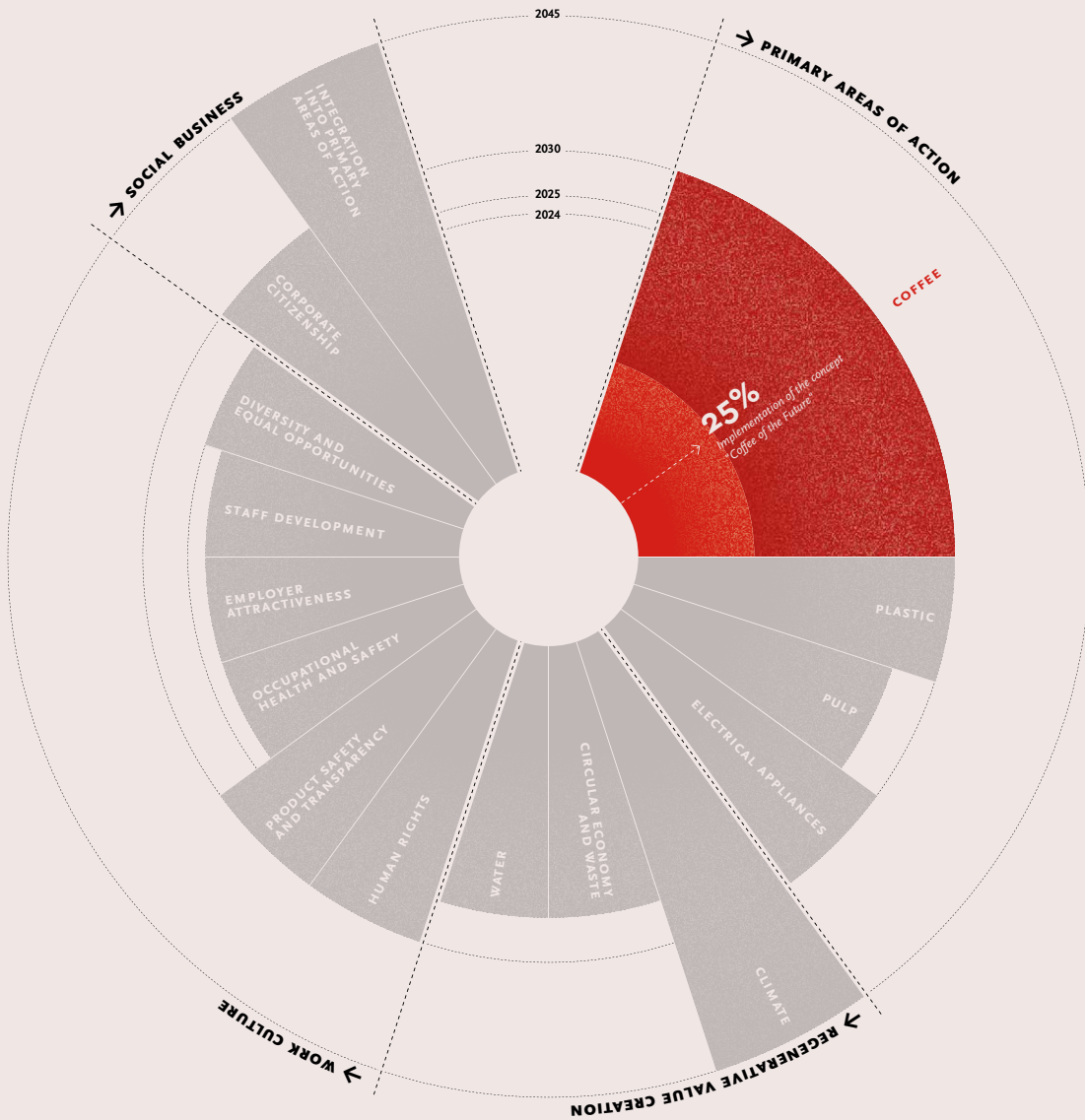
associations, and initiatives and to make relevant contributions for a sustainable global coffee industry. This includes, for example, developing and implementing sustainability standards, helping to compile the necessary information and data, and initiating and implementing training, innovation, and community projects in the coffee-growing regions.

Due to changes in the availability of certain qualities – caused in part by weather conditions – we were unable to maintain the high proportion of certified coffee in 2022. At the same time, we increased the proportion of products from joint projects in coffee-growing countries, such as Colombia. For the future, we are looking at ways to increase the proportion of raw

coffee that meets the current GCP definition of certified or verified sustainable coffee cultivation. Moreover, we are currently working on a concept for “regenerative growing regions”. By taking a holistic approach, this concept aims to ensure the long term, sustainable development of local coffee cultivation and enable rapid scaling to other coffee-growing regions and countries.

QUANTITY OF RAW COFFEE PURCHASED *in 1,000 t*
PROPORTION WITH SUSTAINABILITY CERTIFICATION *in %*





What we achieved in 2022

- ⊕ Further developed a Theory of Change to ensure efficient and coherent Group-wide approach
- ⊕ Further developed the roadmaps for every relevant operating division
- ⊕ Expanded our involvement in the Global Coffee Platform (including participation in the (further) development of Coffee Sustainability Reference Codes, the “Social Well-Being in Brazil” project and Roaster @ Retailer Reporting)
- ⊕ Expanded our involvement in the German Coffee Association (including participation in the “Legal Obligations Sustainability” working group for the implementation of LkSG requirements. In particular, these include carrying out a comprehensive risk analysis for the main coffee-growing countries, establishing a “Coffee” whistleblower management system, and initiating the “QC Conta” project to establish local whistleblower systems)
- ⊕ Supported a climate change research project at the University of Florida, USA
- ⊕ Continued the circular economy project “Back to the Roots” in Brazil
- ⊕ Continued the project “Higher yields for coffee farms in Colombia”
- ⊕ Implemented existing and new community projects as part of our “Coffee of the Year”, “Selection of the Year”, and “Barista Perfection” editions in Brazil, Guatemala, Honduras, India, Mexico, Peru, Zambia, and Tanzania
- ⊕ Analyzed human rights risks in the supply chain as part of the LkSG implementation
- ⊕ Established a working group for the further development of sustainable coffee packaging
- ⊕ Involved in the working group “Sustainable packaging at the German Coffee Association”

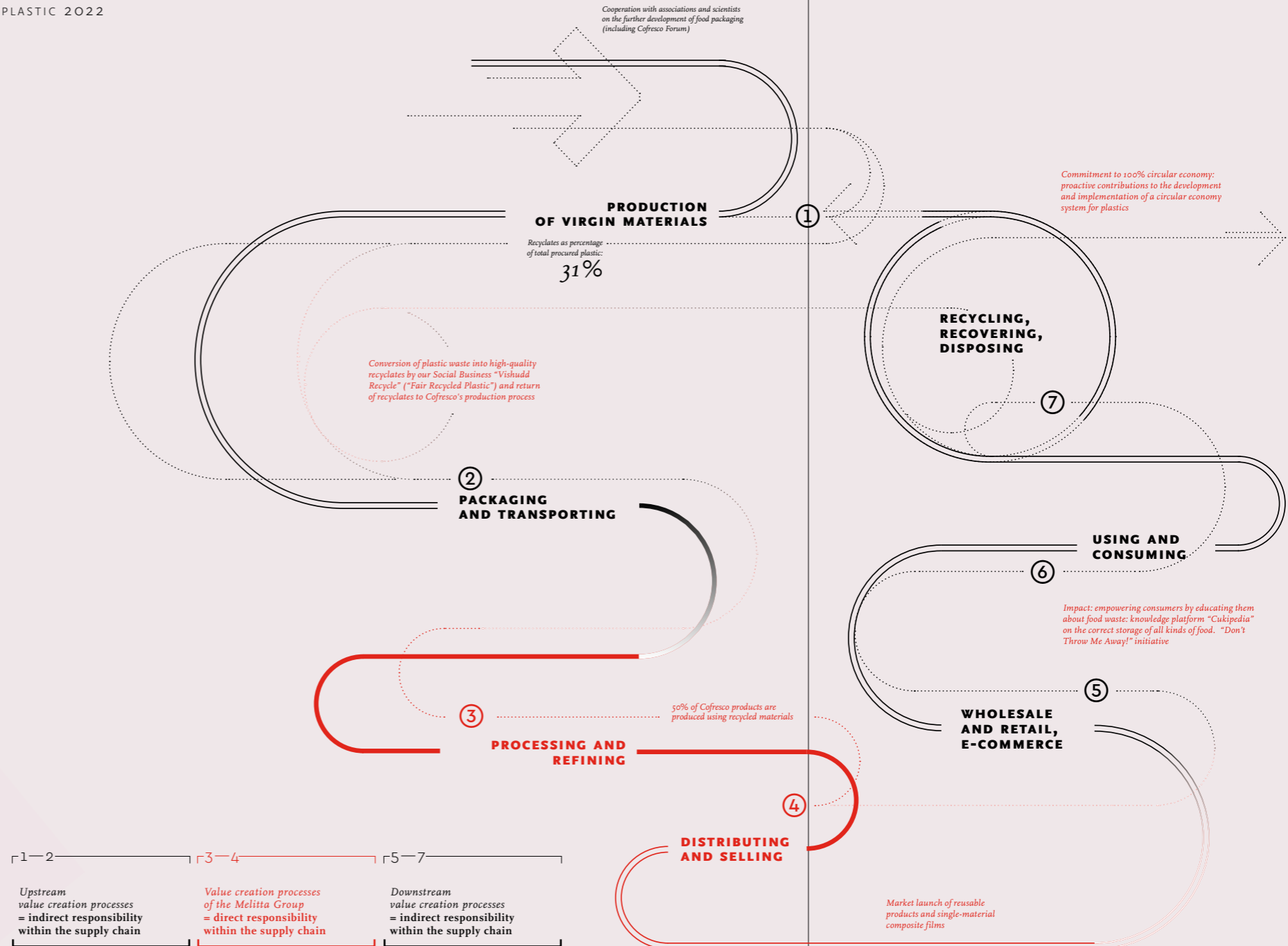
What we are currently working on

- Continuation or completion of the above-mentioned collabs and projects, communication of the respective findings
- Development of further sustainability projects and measures in the coffee-growing countries, also in collaboration with 4C Services and the Sucafina Group
- Development of systemic commitment to regenerative coffee-growing regions in Brazil
- Integration of our new majority shareholdings Caffè Corsini and Roastmarket into the Theory of Change
- Further development of roadmaps to implement the defined targets in all operating divisions
- Development of solutions for more sustainable coffee packaging



**WE CREATE
THE FUTURE
OF PLASTIC**

The "**Plastic of the Future**" is made from recycled and/or sustainable, renewable raw materials in a climate- and resource-friendly manner and can be used multiple times in suitable product ranges. In addition, it undergoes materials recycling at the end of its useful life or, if no disposal structures are available, it biodegrades fully in the natural world.



Challenge

In our Household Products business field, we produce a large number of different household and food packaging films, as well as garbage bags and vacuum cleaner bags, for domestic and commercial use. Our operating division ACW-Film also develops, produces, and supplies various composite films for the storage and transportation of food for the consumer goods industry. In addition, we use plastics for the packaging of some of our product ranges.

In our value creation area "Plastics and plastic products", the ecological impact of plastics entering our environment that do not decompose, or only slowly, presents numerous sustainability-relevant challenges: if plastics do not enter the materials or energy recovery system, they can pollute soils and bodies of water for decades. Studies show that no effective collection, sorting, and recycling systems are used in many countries, meaning that the lion's share of plastics produced worldwide are not adequately recycled or recovered.

Nevertheless, it has become clear in recent years – for example during the coronavirus pandemic – that plastics are an important and sometimes irreplaceable material for packaging and products. We therefore see future growth opportunities in the production and supply of plastics, provided we continue to develop them in line with the principles of the circular economy and help establish plastics on the market that are not harmful to the environment.

Our objective is that **as of 2030**, we will only process and sell plastics which we call the "**Plastic of the Future**".

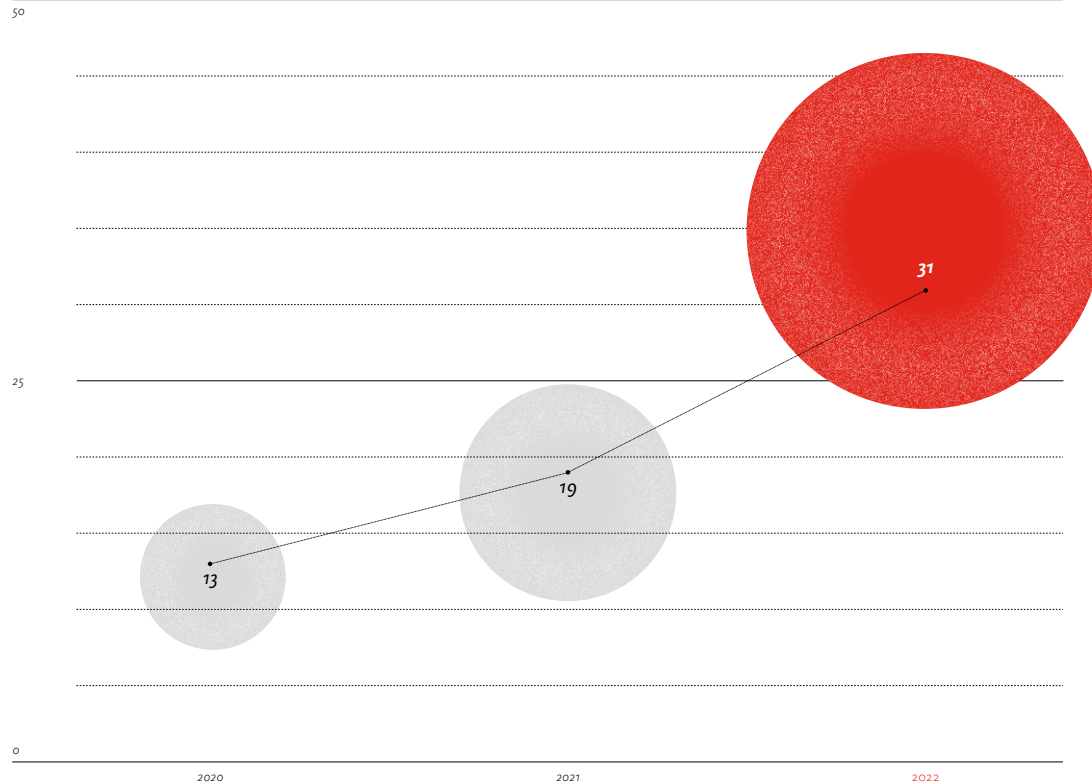
Targets and KPIs

To achieve this goal, we want to do the following by 2025:

- further increase the proportion of **high-quality recyclates** in our products,
- raise the share of **recyclable products and packaging**,
- develop plastics which **decompose** within an **eco-friendly** length of time,
- expand our range of **reusable products** and packaging, and
- make proactive contributions to **developing and implementing** a high-performance **circular economy system** for plastics.

SHARE OF POST-CONSUMER/-INDUSTRIAL RECYCLATES IN THE TOTAL VOLUME

in %



VOLUME OF PLASTICS

in t

	2020	2021	2022
Total volume	55,976	58,797	50,427
Use of post-consumer or post-industrial recyclates	7,251	10,983	15,582

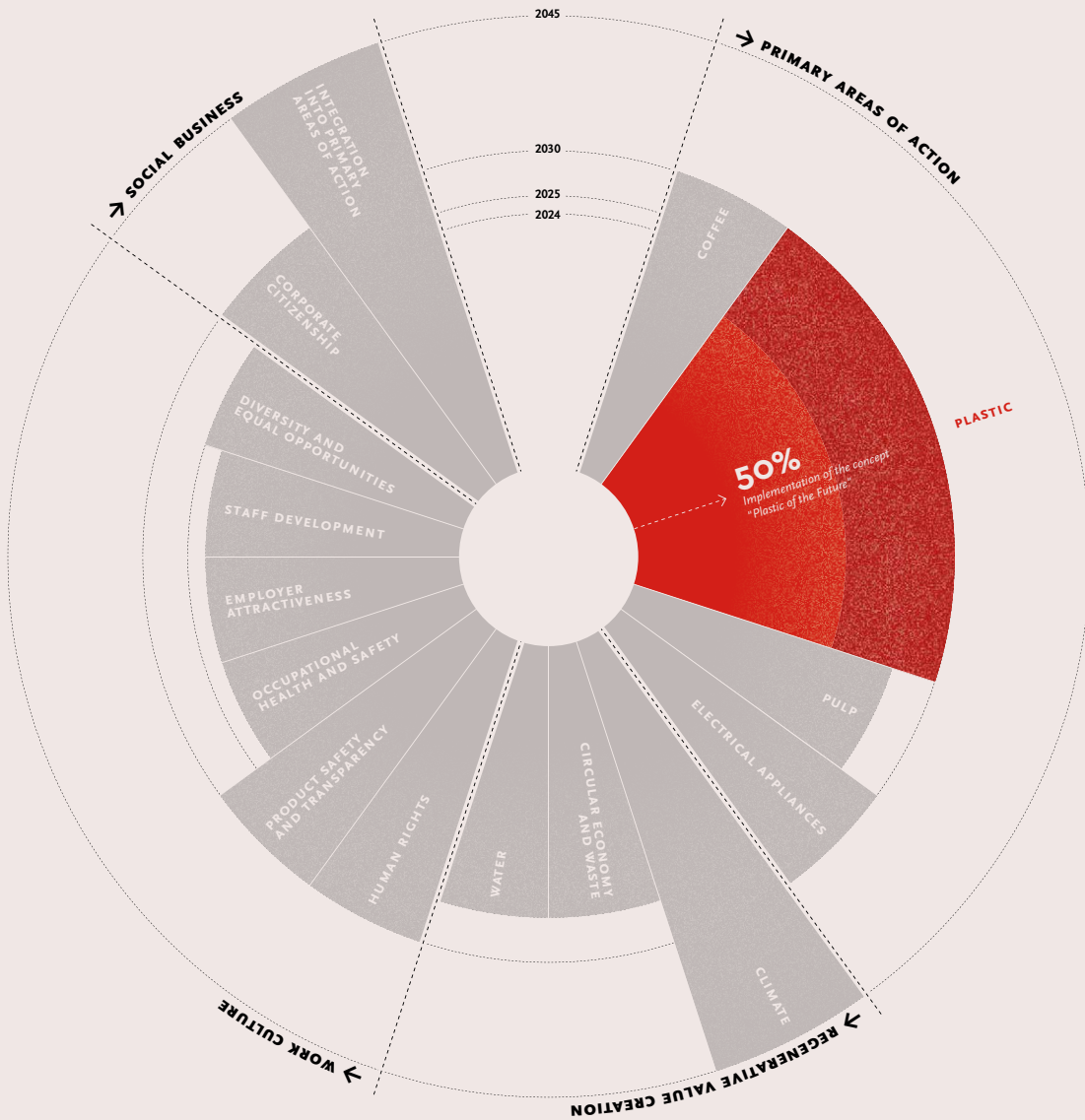
We firmly believe that a consistent and comprehensive implementation of the circular economy principle can reduce the environmental impact of plastics. After all, from a holistic viewpoint, plastics have a better eco-balance in many applications than many other materials. We therefore advocate a reorganization of plastics production and recycling in line with the approach “ReDesign – ReCycle – ReUse – ReDuce”. To this end, we actively seek a dialogue with other market participants, initiatives, and scientific institutions, for example via the forum of experts regularly hosted by our operating division Cofresco.

Over the past ten years, we have already revamped many of our plastic products with a view to greater environmental compatibility. This includes, in particular, a higher proportion of recyclates and renewable raw materials in the films and vacuum cleaner bags we manufacture. Since the end of 2022, half of Cofresco’s products are already made from

recycled waste materials from the production of renewable resources or recyclates. The largest share of these products are food wrapping films and bags with 70 percent recycled resources and bin liners made from 80 percent recycled plastic.

In order to achieve the above mentioned targets in a systematic and coordinated manner, we launched the “Plastics at Melitta Group” project in 2020. Representatives of all our operating divisions are involved in the project, whose aim is to establish a common understanding of our objectives and approaches, to intensify collaboration, and to jointly develop forward-looking solutions. This will result in a consolidation of the individual roadmaps of the operating divisions to create an overall commitment for the Melitta Group, which will also be reviewed by an independent third party with regard to its content and implementation. As the Ellen MacArthur Foundation has not accepted any new subscribing

companies since 2022, we will develop the commitment in accordance with the relevant principles, but will finalize it with another suitable and credible partner for the year 2030. Given the planned revision of the European legal framework as a result of the Packaging and Packaging Waste Regulation (PPWR), which is expected to set new framework conditions until 2030, we have also revised our timeframe.



What we achieved in 2022

- ⊕ Expanded the use of post-consumer and post-industrial recyclates from 19 to 31 percent
- ⊕ Started using plastic recyclates produced from plastic waste at our Social Business in Bangalore (India) ("Fair Recycled Plastic" initiative)
- ⊕ Determined CO₂ footprint of various plastic products we manufacture as the basis for further optimization measures
- ⊕ Increased the proportion of recycled or renewable raw materials in many of our plastic products, e.g. bin liners, aluminum foil, cling film, freezer bags
- ⊕ Replaced plastics in our products with alternative, more sustainable materials
- ⊕ Launched N-Viron-Flex, a single-material composite film for the food sector which is recyclable and made using just one material type
- ⊕ Launched products that can be used multiple times, e.g. silicone lids
- ⊕ Changed packaging materials, e.g. use of more environmentally friendly alternatives, multiple use of materials, and conversion to reusable outer packaging
- ⊕ Founded the start-up "Blanana OnlineDivision" to offer sustainable product solutions, e.g. detergents, concentrated cleaning agents
- ⊕ Renewed support of the "Don't Throw Me Away!" initiative of the Hollen Environmental Center (since 2015)
- ⊕ Expanded the "Cukupedia" information platform, a knowledge database for consumers on the correct storage of food in the fridge
- ⊕ Continued to host the Cofresco Forum, a forum of experts dedicated to the further development of food packaging (held regularly since 2001)
- ⊕ Further developed the recording and KPI system, analyzed supply chains, evaluated risks, and derived improvement potential
- ⊕ Developed and specified roadmaps for each affected division with the aim of merging all roadmaps into a Group-wide plastics roadmap with a corresponding external commitment for the year 2030

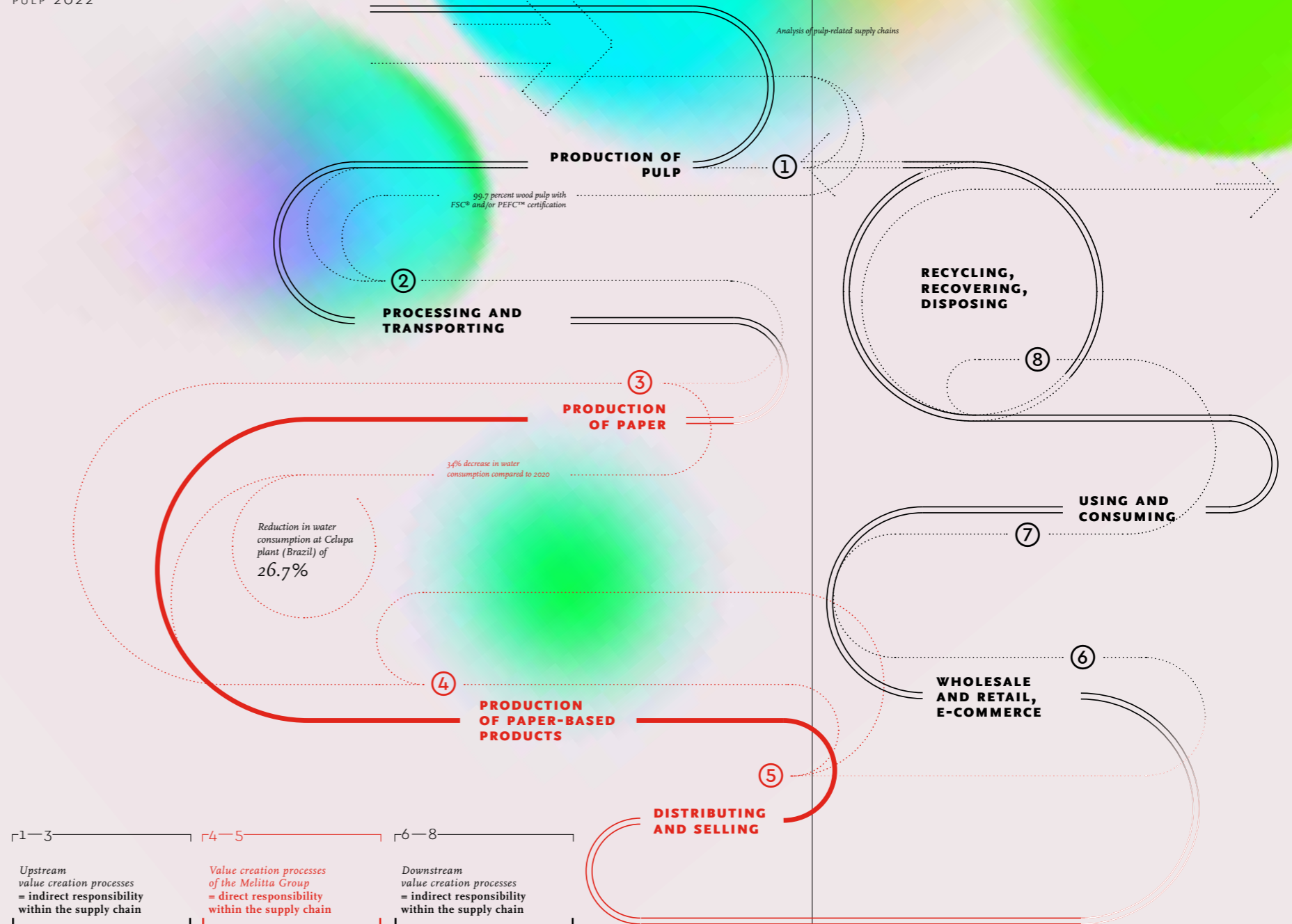
What we are currently working on

- Further integration of sustainable raw materials in our household product ranges
- Establishment of a working group for reusable solutions
- Continuation of the above-mentioned cooperations and projects
- Development of the Group-wide roadmap and the corresponding external commitment



**WE CREATE
THE FUTURE
OF PULP**

The "**Pulp of the Future**" comes from recycled or sustainably managed sources and is processed in a climate-friendly way which uses water sustainably. It undergoes material recycling at the end of its useful life and biodegrades fully in the natural world.



Challenge

We require pulp in particular for the production of coffee filter papers (Melitta Europe – Coffee Preparation Division), and vacuum cleaner bags (Wolf PVG), as well as special papers and nonwovens (Neu Kaliss Spezialpapier). In addition, much of our packaging is made of paper or cardboard.

In our value creation area “Paper and pulp”, the production process in particular is associated with sustainability-relevant challenges: as pulp is

usually made from wood fibers, virgin wood is needed for the production of primary material. Large quantities of water and chemicals and a great deal of energy are used to produce new paper from these wood fibers. This in turn results in various types of pollution and high CO₂ emissions. In addition, many countries lack the structures to implement sustainable forestry. The consequences are uncontrolled logging, a reduction in the stock of trees, and a monoculture of fast-growing tree species that influences the ecosystem. In addition to these environmental impacts, pulp production can give rise to humanitarian and social challenges.

Nevertheless, the environmentally and socially responsible production of pulp can make a contribution to sustainable forestry, and pulp does not always necessarily have to be wood-based. This also opens up opportunities for new, future-oriented solutions and products.

Our aim is to make our vision of the **"Pulp of the Future"** a **reality: By 2025** we want to switch to using recycled paper and pulp. In cases where this is not possible for legal or other reasons, we want to use only forestry resources from certified, sustainably managed forests. In doing so, we are guided by the concept of the "Pulp of the Future".

Targets and KPIs

At 99.7 percent, we already procure a high proportion of certified pulp. These certifications are from the Forest Stewardship Council (FSC®) and the Programme for the Endorsement of Forest Certification Schemes (PEFC™). We have been a member of FSC® International since 2020: we support the organization's activities and advocate its objectives. As the FSC® is a supply chain certification, this commitment also has an impact on shaping the sustainability of supply chains. We are aware of the fact that the continuous development process demanded by the FSC® for national and regional forestry standards is an important prerequisite for improving the protection of biodiversity and greenhouse gas storage in forests.

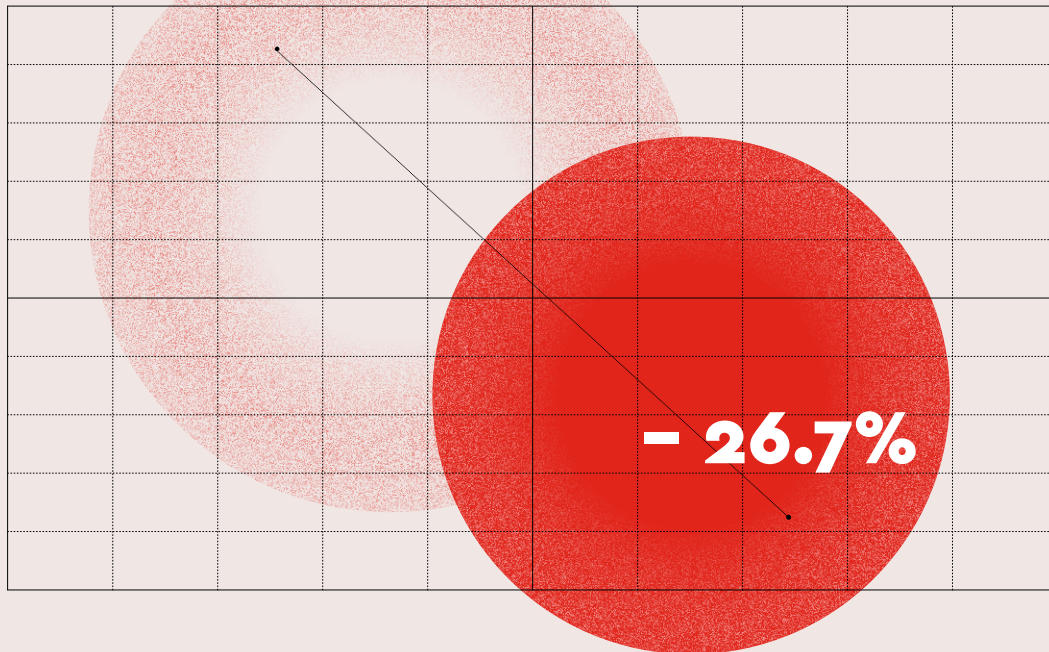
Our operating divisions Melitta Europe – Coffee Preparation Division (Minden site) and Melitta South America (Celupa site) have their own FSC® certifications for paper production and are audited annually regarding their compliance with the certificate's requirements. In 2021, we obtained FSC® certification for the paper conversion facilities of our operating divisions Melitta North America and Melitta Single Portions. In 2022, we dealt in particular with the impact of the EU regulation on deforestation-free supply chains and products on our processes, as well as options for using wood-free pulp.

Besides sourcing certified pulp, we want the production of our paper-based products to have as little impact on the climate as possible and to use water sustainably. Our goal is to reduce water consumption at our paper-producing facilities by a further 25 percent by 2025. We have already achieved this target at our paper mill in Celupa with a 26.7 percent reduction of water consumption from 2020 to 2022.

At our largest paper-producing facility in Minden, we already succeeded in significantly reducing water consumption several years ago: whereas the average German paper plant requires 10 m³ of water per ton and produces 9 m³ of waste water according to the German Paper Technology Foundation (“Papiertechnische Stiftung”), our site in Minden consumes only 3 m³ of water per ton and produces 1.3 m³ of waste water. This significantly below-average consumption level was made possible in particular by consistently recirculating process water, by using water treatment plants and filters, as well as by investing heavily in modern machines and systems.

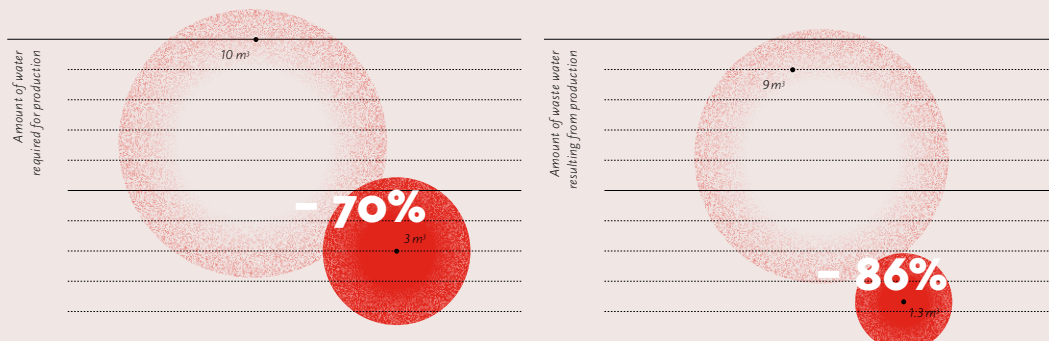
REDUCTION OF WATER CONSUMPTION 2020 — 2022

Paper mill Celupa, Brazil



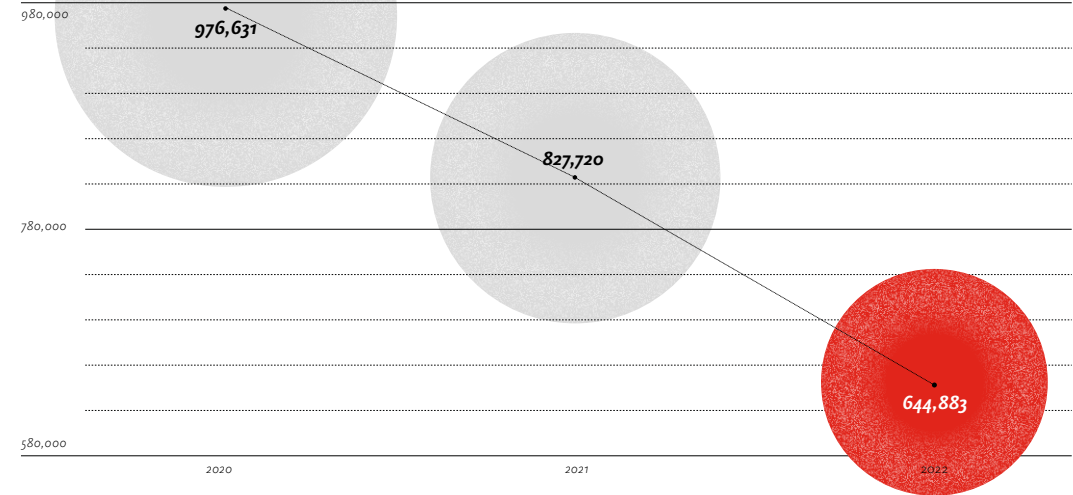
COMPARISON OF WATER CONSUMPTION FOR PAPER PRODUCTION

Figures of German Paper Technology Foundation vs. Minden site
Water consumption in m³ on average per metric ton



TOTAL WATER WITHDRAWAL

at our paper-producing sites in m³

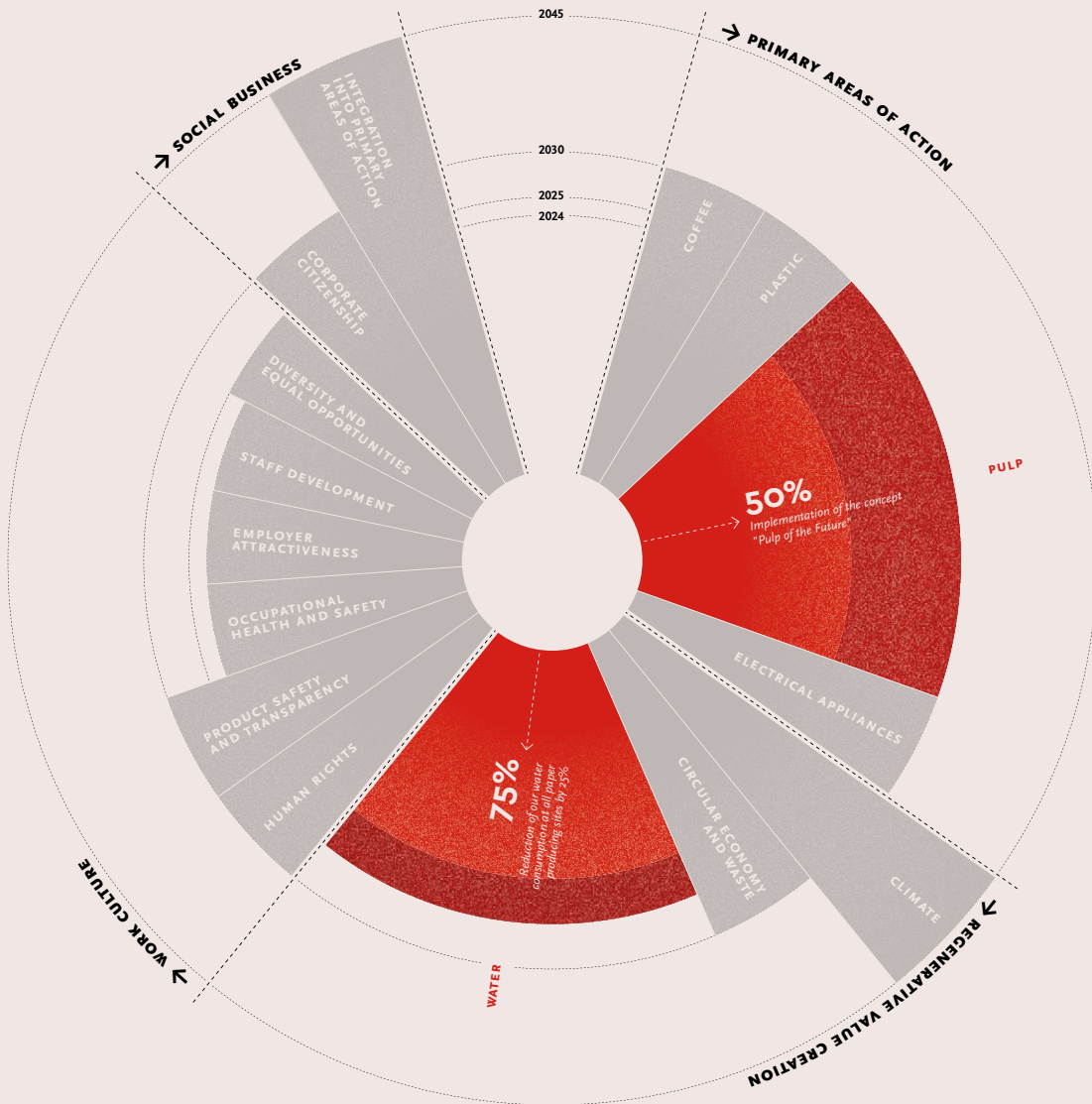


SHARES OF THE WATER WITHDRAWN in m³

	2020	2021	2022
Surface water	358,773	165,167	64,611
Groundwater	505,698	547,586	483,814
Seawater	0	0	0
Produced water	0	0	0
Water from third parties (municipal water)	112,160	114,967	96,458

AMOUNT OF PULP PROCURED

	2020	2021	2022
Total volume in 1,000 t	51	48	47
Proportion of wood pulp with FSC®/PEFC™ certification in %	99.3	99.3	99.7

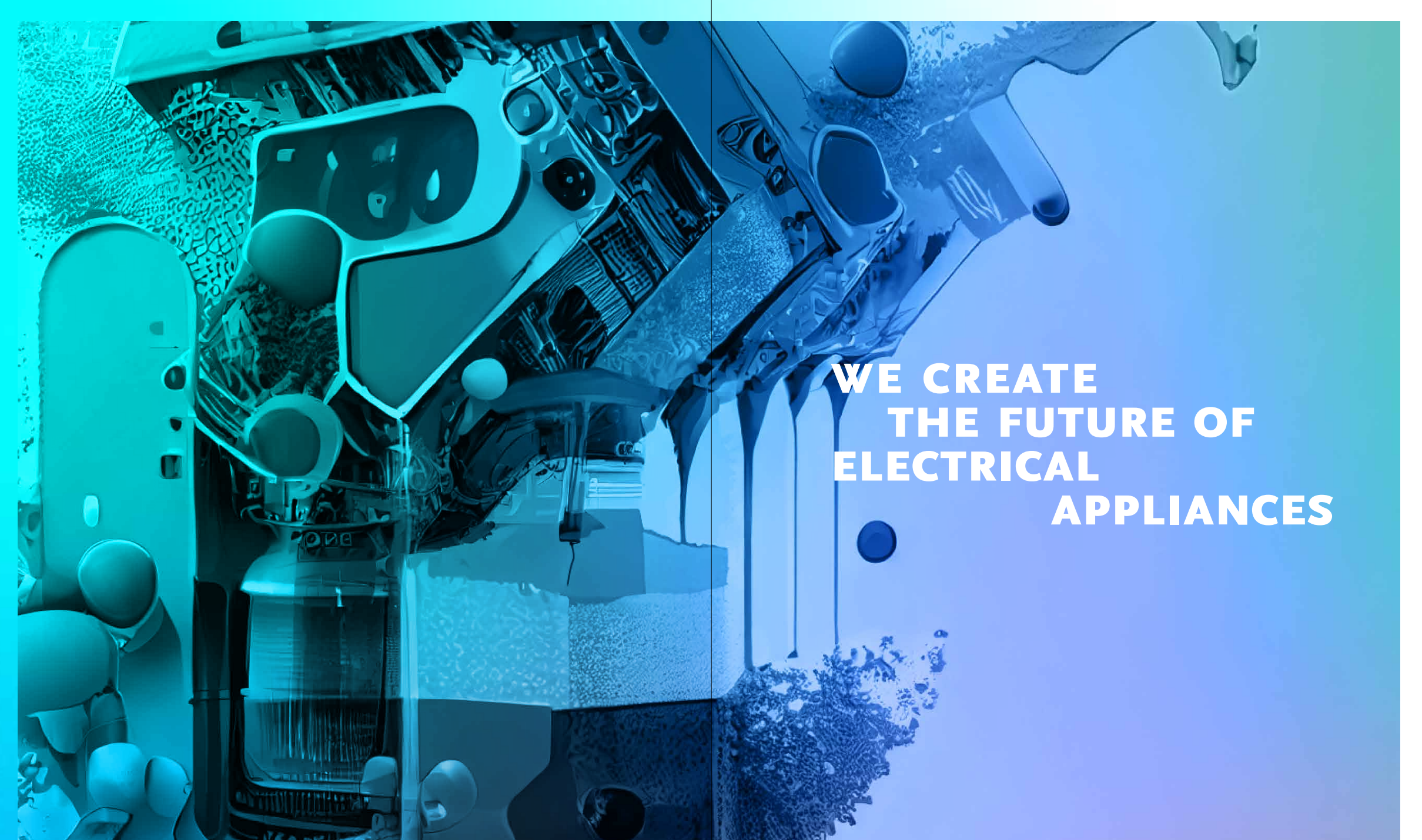


What we achieved in 2022

- Analyzed pulp-related supply chains, assessed risks, and derived improvement potential
- Tested and verified pulps as alternatives to wood-based pulp as part of a life cycle assessment
- Renewed our existing FSC® and PEFC™ certifications
- Implemented a new FSC® standard at the operating division Melitta Europe – Coffee Preparation Division (checking for origin from conflict regions)
- Implemented core labor standards from the extended list of requirements of the FSC® standard (human rights)
- Optimized production technology to improve water cycle management at Melitta South America's Celupa facility

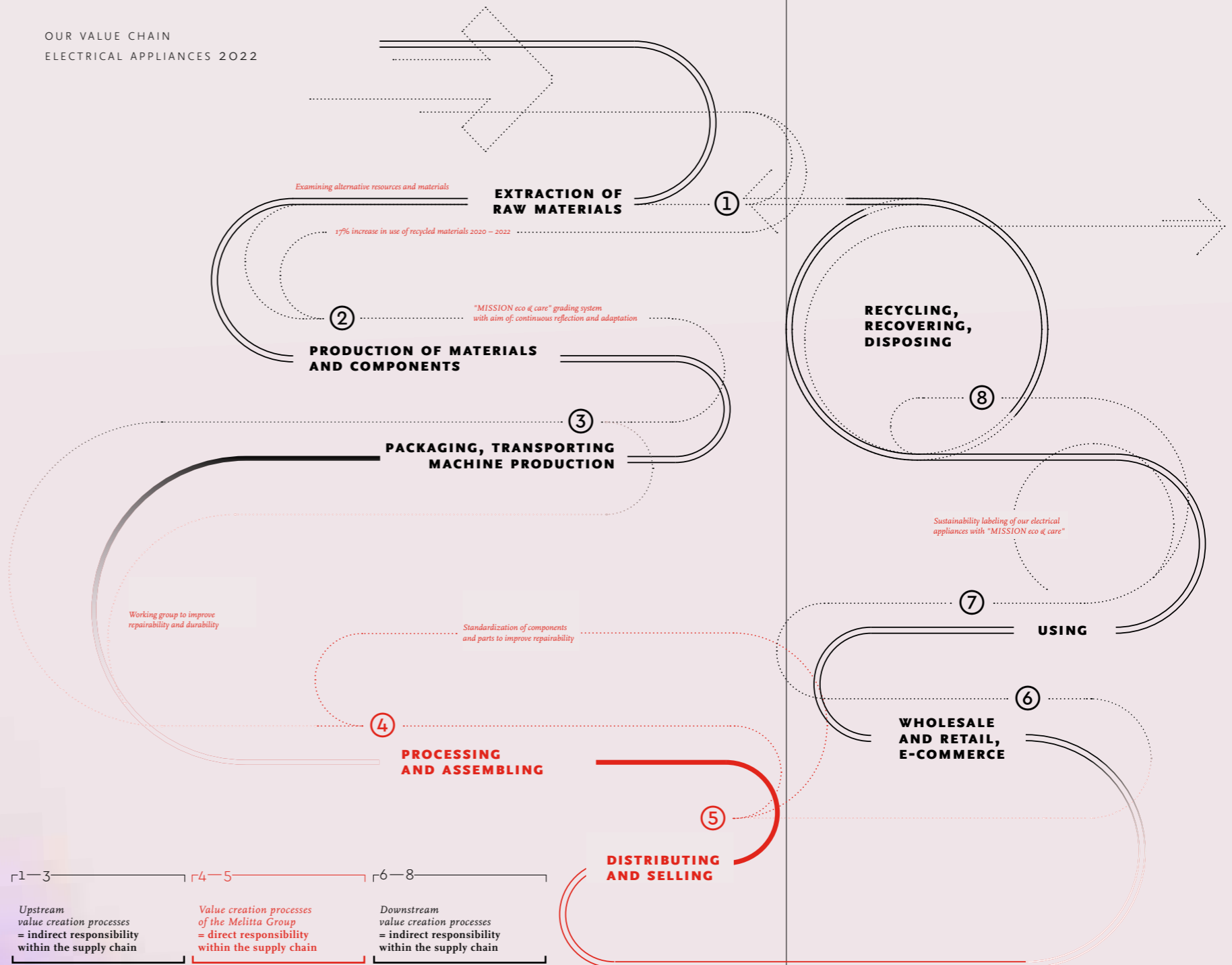
What we are currently working on

- Determination of the need for further action, examination of strategic options, as well as preparation of roadmaps for the relevant operating divisions
- Production launch of new filter systems to reduce the required water volumes at Melitta South America
- Implementation of requirements from EU regulation on deforestation-free supply chains and products



**WE CREATE
THE FUTURE OF
ELECTRICAL
APPLIANCES**

The "**Electrical Appliance of the Future**" consists of recovered and/or responsibly sourced raw materials and components and is produced in compliance with globally recognized human rights and labor standards. It meets the highest standards in terms of quality, including useful life and product transparency, can be used in a way which conserves energy and resources and can be repaired using spare parts. It is also reused or recovered at the end of its useful life (provided the corresponding structures are in place).



Challenge

We offer various electrical appliances in our Coffee Preparation business field. These include filter coffeemakers, fully automatic coffee machines, electric kettles and milk frothers, as well as single-serve systems. In addition to this, our operating divisions Melitta Professional Coffee Solutions and Fresh at Work produce high-performance, fully automatic coffee machines for companies, hotels, and the food service industry, or rent them out as part of a comprehensive service offering.

The main sustainability-relevant challenges in our value creation area "Electrical appliances" relate to their production, their use, and their recycling. This is because electrical appliances not only consume energy, but also contribute to the emission of greenhouse gases during their manufacture. Furthermore, the useful life of the appliance and the possibility to repair it, as well as the recyclability of the materials used, have an effect on the degree of environmental impact. Often, electrical appliances also contain harmful substances which can be detrimental to health and the environment if they are not disposed of correctly.

With our many years of experience in the development of high-quality electrical appliances, we want to provide our customers with products that are not only compelling in terms of their usage, but also in terms of maintenance, repairs, and the provision of spare parts. This also includes the lowest possible energy consumption and the introduction of innovative models such as leasing or renting.

By 2030 all electrical appliances we distribute are to be best-in-class in their respective markets in terms of energy consumption, durability, their use of sustainable materials, and repair and service offerings. Our work here is guided by the concept of the "**Electrical Appliance of the Future**".

Targets and KPIs

Our activities focus first of all on the products manufactured by the operating division Melitta Europe – Coffee Preparation Division. These include, in particular, filter coffeemakers, fully automatic coffee machines, electric kettles, and milk frothers for domestic use. In a second step, we plan to analyze and further develop the electrical appliances of the other operating divisions (primarily coffee machines and fully automatic coffee machines for commercial users). As we already successfully apply many of the principles of the circular economy for our high-quality commercial machines, such as reparability etc., we have a solid foundation to build on.

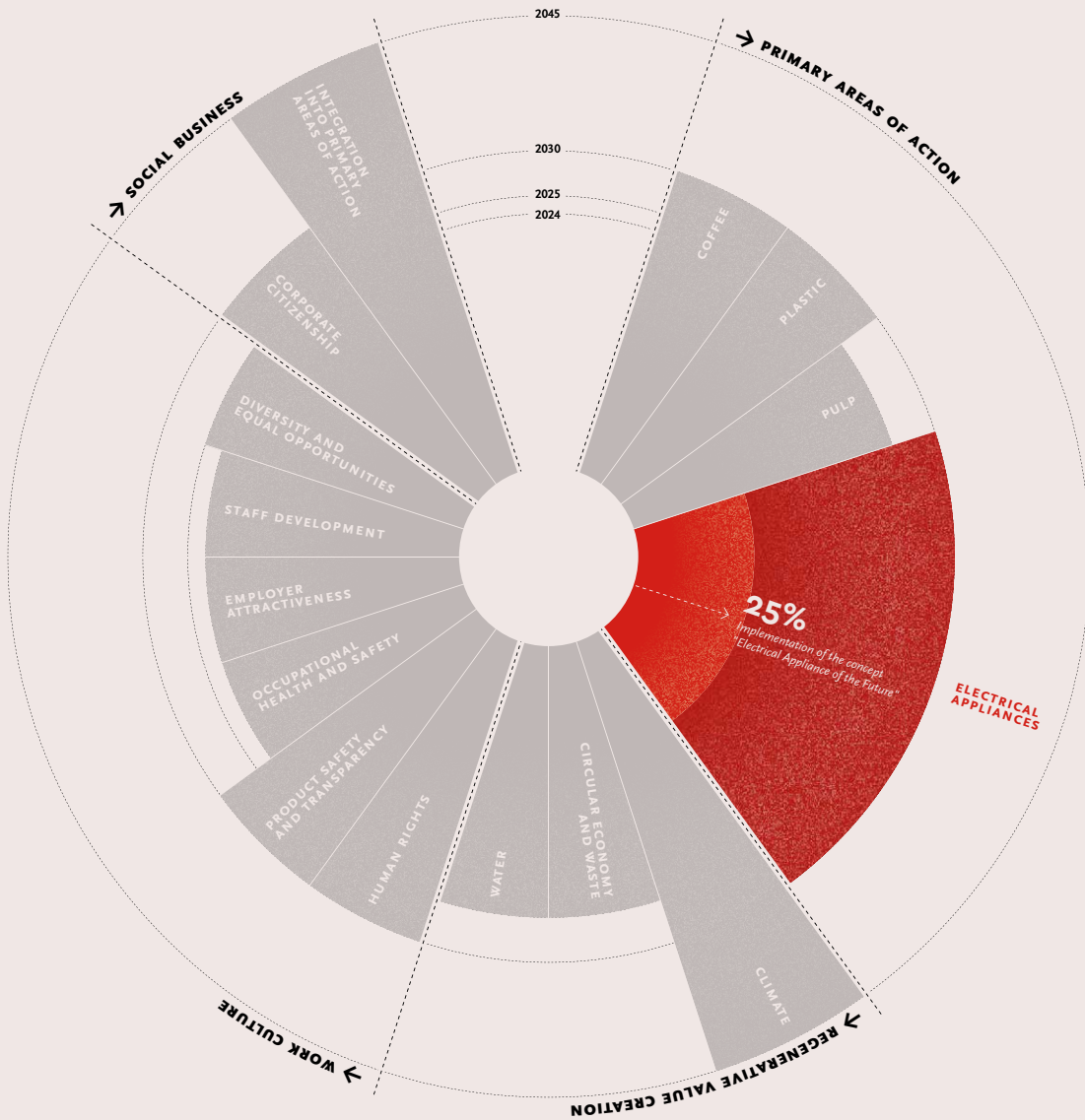
In order to measure the sustainability of our electrical appliances, we have been using our MISSION eco & care grading and labeling system since 2013. The system, which was (further) developed together with external experts, analyzes products

in terms of their production (e.g. materials used, resources consumed, packaging), their usage (e.g. energy efficiency, product safety, service life) and their end of life (e.g. recyclability of product and packaging). In 2022, we comprehensively updated this system, taking into account the latest standards and findings. In the coming years, we intend to further develop MISSION eco & care so that we can also apply this grading system to other products of our company.

After systematically integrating numerous sustainability requirements into our product development process in 2020, we are currently working hard to improve the reparability and durability of our smaller electrical appliances. To this end, we set up the "FCM Reparability" working group in 2022 to develop and implement ideas for an economically viable expansion of our repair service for filter coffee machines. We made progress in this field in the past year, particularly with regard to the standardization of components and parts. Moreover, various

bio-based and recycled materials were examined to determine their usability and availability.

In 2022, we also examined numerous alternative resources and materials for the manufacture of our electrical appliances. One area of focus was the use of recycled plastic for our filter coffee machines. We also worked on solutions to make the packaging of our electrical appliances even more sustainable. We will continue these highly promising tests in 2023 and then gradually make the necessary changes.



What we achieved in 2022

- ⊕ *Comprehensively enhanced our MISSION eco & care grading system*
- ⊕ *Started "FCM Repairability" working group to test and improve the repairability of filter coffee machines*
- ⊕ *Began analyzing the use of alternative resources and materials (especially plastic recyclates) for the production of our filter coffeemakers*
- ⊕ *Started analyzing the use of more sustainable packaging for our electrical appliances*

What we are currently working on

- *Development of solutions to increase the repairability of our filter coffeemakers*
- *Expansion of our repair service*
- *Further analysis of using alternative resources and materials for the production of our filter coffeemakers*
- *Further analysis of using more sustainable packaging for our electrical appliances*
- *Launch of a next-generation project "Mission Eco & Care 2.0" with a focus on materials, transparency and digitalization, energy and water consumption, raw material consumption (e.g. cleaning chemicals), recyclability, and CO2-free life cycle*

... OUR CLEAR MISSION

**100%
REGENERATIVE
VALUE CREATION**

In view of the current overstepping of many planetary boundaries, Regenerative Value Creation has become a necessity. It is no longer a question of being “less bad”, but of making a positive contribution to the protection and, above all, the regeneration of physical, ecological, and social systems. This requires a completely different way of doing business. We are working on this throughout our entire business.

Our business model requires the procurement and processing of many natural resources, often in energy-intensive processes. An intact environment is therefore crucial for us – for both economic and ethical reasons.

In addition to the integrated consideration of Regenerative Value Creation in our prioritized areas of action, we also take a holistic approach to this dimension in other processes that are not, or only partially, covered by the areas of action.

Our goals are climate neutrality and 100 percent circular production processes and product cycles.

To this end, we are focusing on renewable energy sources, regenerative use of resources, and the circular economy. This is the only way to create an economic system that can meet the needs of society and our environment.

4.1 CLIMATE

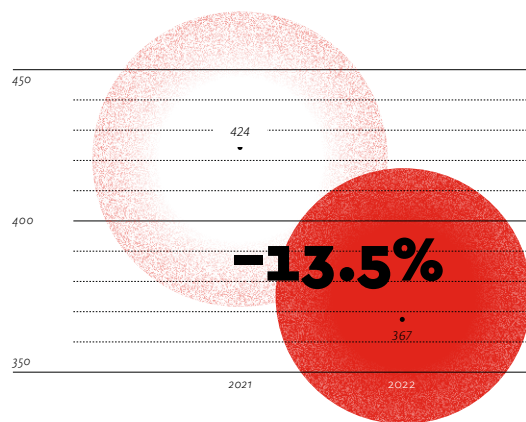
Challenge

In 2022, our production facilities and administrative sites consumed a total of 367 million kilowatt-hours of energy. This represents a reduction of 13,5 percent compared to the prior-year figure (424 million kWh).

CO₂ emissions caused by our activities (Scope 1 and 2) amounted to 107,467 tCO₂e in the fiscal year 2022. Compared to the previous year (125,904 tCO₂e), they decreased by 14.6 percent.

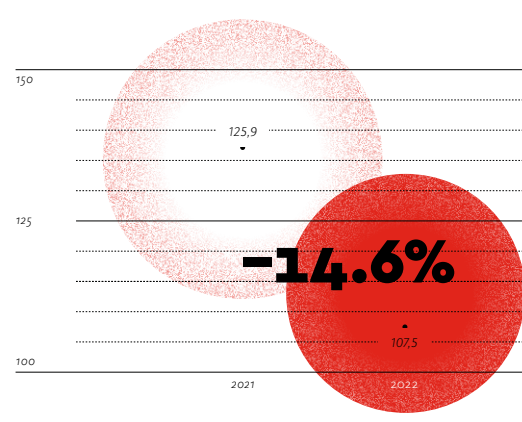
ENERGY CONSUMPTION OF THE MELITTA GROUP

production facilities and administrative sites in million kWh



CO₂ EMISSIONS OF THE MELITTA GROUP

Scope 1 and 2 in thsd. tCO₂e



Targets and KPIs

We are pursuing an “Energy Concept of the Future” for our sites and have set ourselves the following emission targets:

→ **By 2025** Climate neutrality for all emissions we cause ourselves, e.g. by burning fossil fuels (Scope 1); and for all emissions caused by the energy we purchase, e.g. electricity (Scope 2).

→ **By 2030** Climate neutrality for all emissions resulting from transport directly caused by us or directly commissioned by us, as well as from mobility (Scope 3).

→ **By 2045** Climate neutrality for all emissions caused by preliminary work and third-party services which we purchase (Scope 3).

We intend to achieve these targets primarily by means of measures to generate our own power, by procuring renewables, by constantly reducing our energy consumption, and by investing in modern systems and machines. A list of measures developed for the first time in 2020 and continuously expanded since then sets out which measures are to be taken at what time by which operating division or corporate division.

For those emissions which cannot be avoided at present, we plan to achieve calculated climate neutrality with the aid of certified offsetting measures during a transitional phase. In each case, we will follow the hierarchy of “avoid – reduce – offset”. In this particular case, we regard offsetting as a sensible and temporary addition to the net zero approach of the Science









Based Targets initiative. We are currently in the process of defining exactly how this path can be implemented – also in light of the prevailing absence of global and overarching regulations on the calculation and allocation of offsetting measures.

We conducted the systematic recording and accounting of Scope 3 emissions for the first time in 2020. Based on the lessons learned and the results, we are currently conducting enhanced accounting for 2021 and 2022. Building on this, we plan to develop a roadmap for reducing Scope 3 emissions.





In order to secure third-party validation of our detailed targets and measures, we submitted our Commitment Letter to the Science Based Targets initiative in July 2023 and participa-

ted in the reporting process of the Carbon Disclosure Project for the first time as the entire Melitta Group. There are various reasons why our total energy consumption has fallen: these include, in particular, reduced production in some of our value creation areas and the implementation of energy-saving measures. In addition, our paper mill in Celupa, Brazil, was equipped with a biomass power plant that has made a significant contribution to reducing CO₂ emissions.

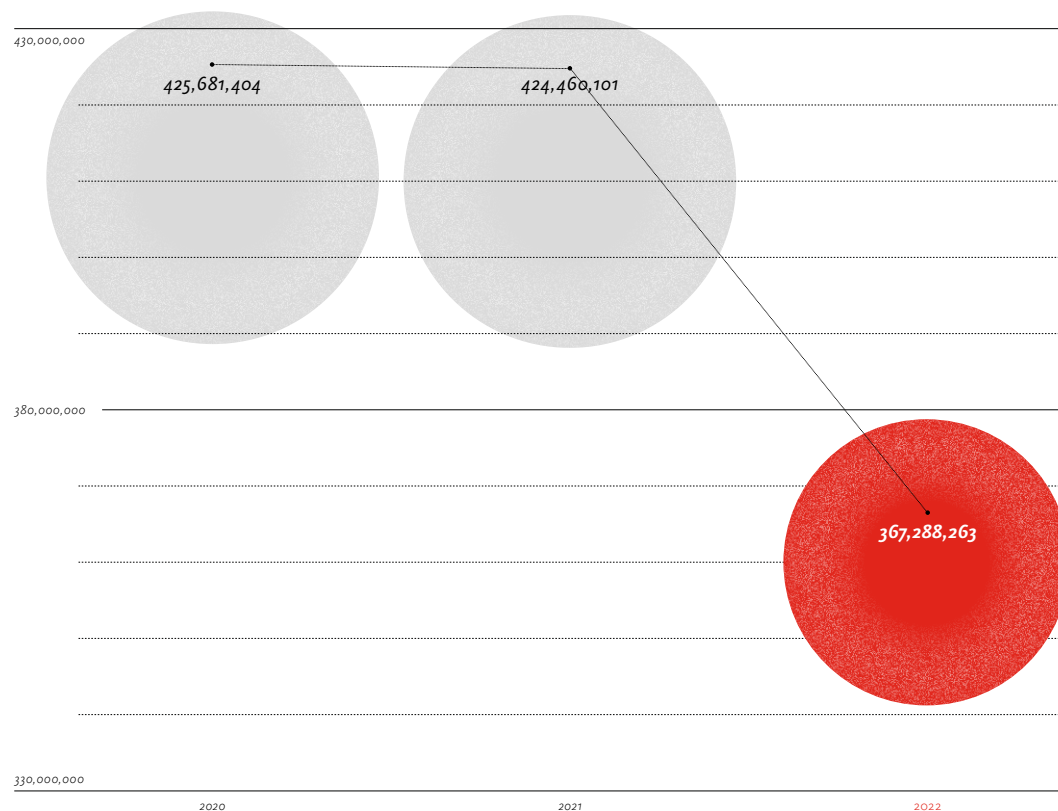
What we achieved in 2022

-  *Constructed a biomass power plant (Melitta South America)*
-  *Installed a new, more energy-efficient coffee roaster (Melitta South America)*
-  *Launched a more energy-efficient system for generating compressed air (ACW-Film)*
-  *Developed an action plan to reduce logistics-related CO₂ emissions (honored by the “Lean @ Green Award”)*
-  *Installed energy-saving pumps and lighting fixtures (Melitta Europe – Coffee Preparation Division)*
-  *Reduced the use of natural gas in the drying process (Neu Kaliss Spezialpapier)*
-  *Prepared for the purchase of CO₂-neutral electricity*
-  *Converted vehicle fleet to lower-emission or emission-free vehicles and expanded charging infrastructure on company premises*

What we are currently working on

-  *Joining the Science Based Targets initiative: development of a roadmap based on the submitted Commitment Letter*
-  *Change to green electricity and strategic energy procurement for renewable energies*
-  *Launch of a biomass power plant (Melitta South America)*
-  *Implementation of a heat recovery project (WPVG)*

TOTAL ENERGY CONSUMPTION WITHIN THE ORGANIZATION *in kWh*



ENERGY CONSUMPTION WITHIN THE ORGANIZATION *in kWh*

	2020	2021	2022
Fuel consumption from non-renewable sources *	201,401,424	213,158,801	189,995,442
Fuel consumption from renewable sources **	433,720	387,776	686,773
Electricity consumption (<i>self-generated and third-party</i>)	160,355,757	151,992,325	140,662,667
Heating energy consumption (<i>with cooling energy</i>) ***	2,309,300	2,843,209	2,434,622
Cooling energy consumption (<i>no separate energy purchase</i>)	0	0	0
Steam consumption	66,312,708	59,658,640	40,518,273

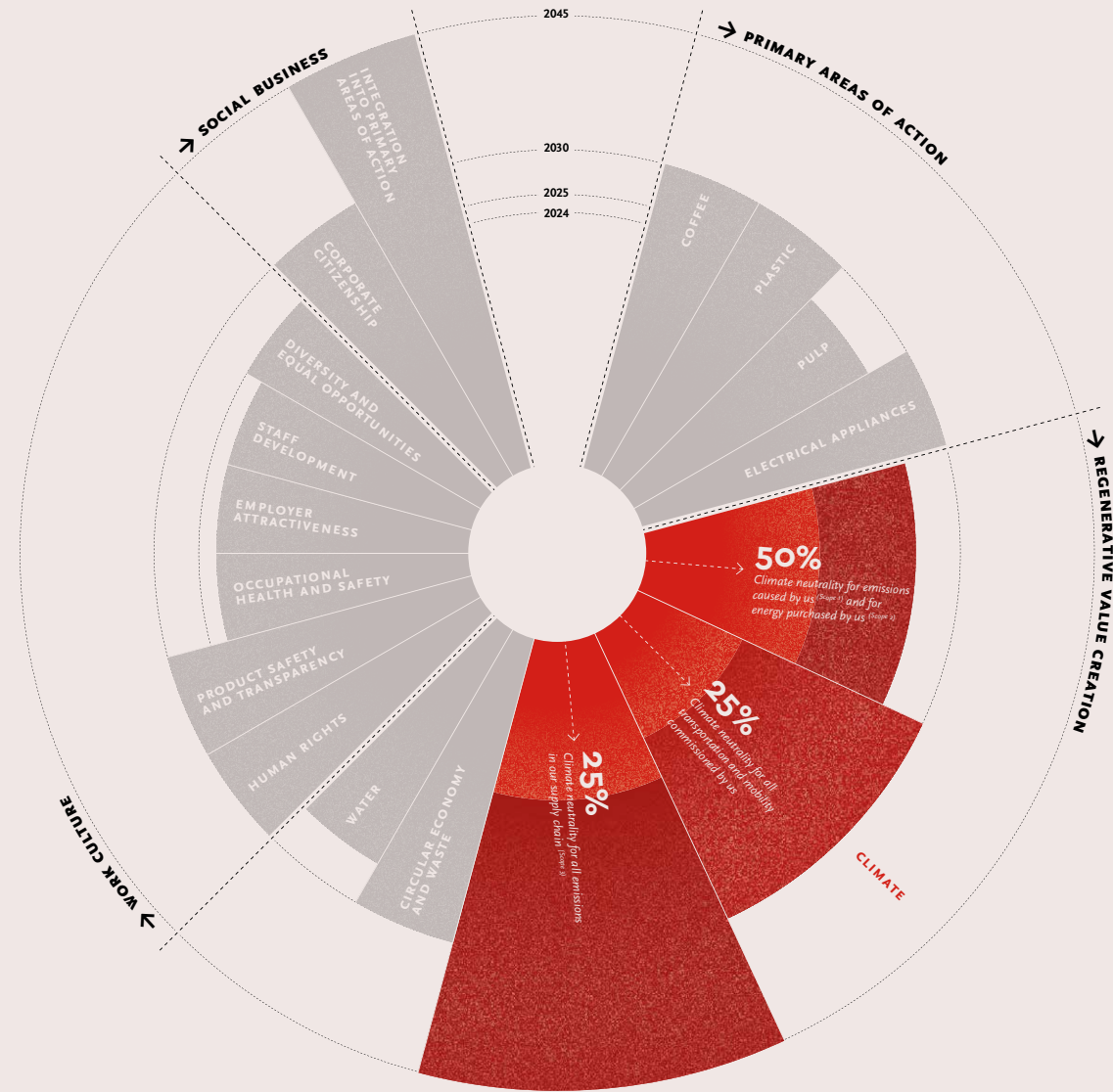
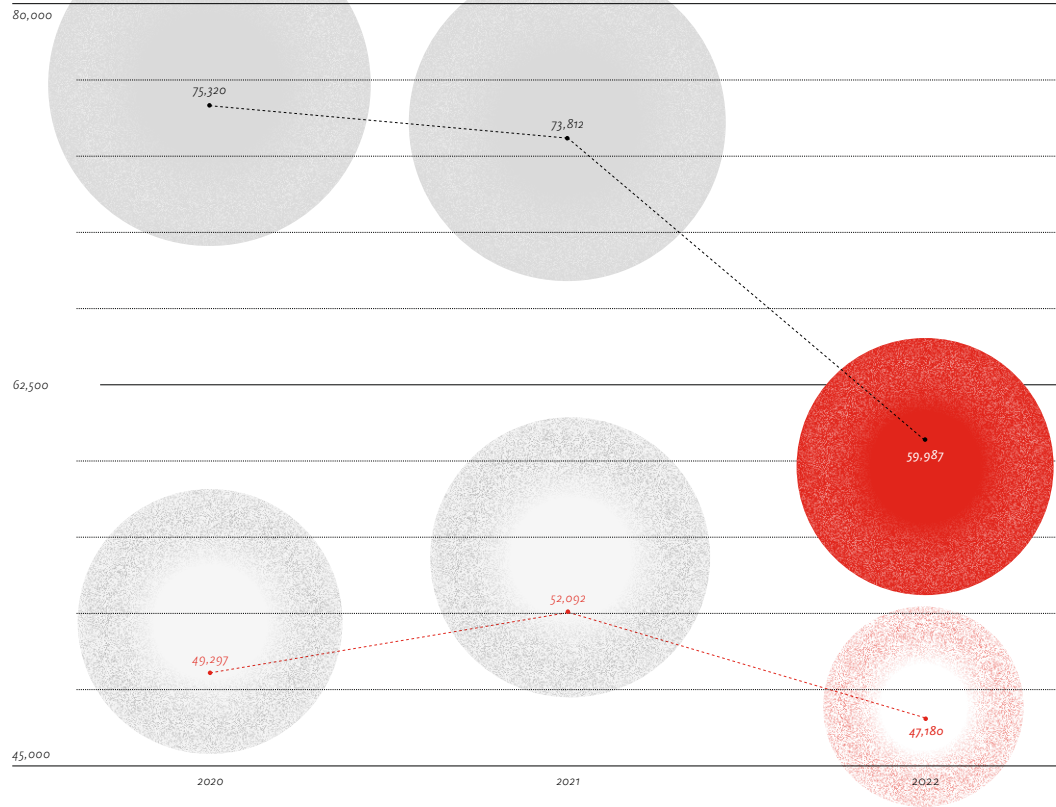
ENERGY SOLD *in kWh*

	2020	2021	2022
Electricity	3,749,805	1,936,116	5,322,816
Heating energy	1,381,700	1,644,534	1,686,697
Cooling energy	0	0	0
Steam	0	0	0

All figures are total for the organization

* natural gas, heating oil, LPG, petrol, diesel ** biofuels *** district heating

GROSS VOLUME OF DIRECT (Scope 1) AND INDIRECT ENERGY-RELATED GHG EMISSIONS in tCO_{2e}



4.2 CIRCULAR ECONOMY AND WASTE

Challenge

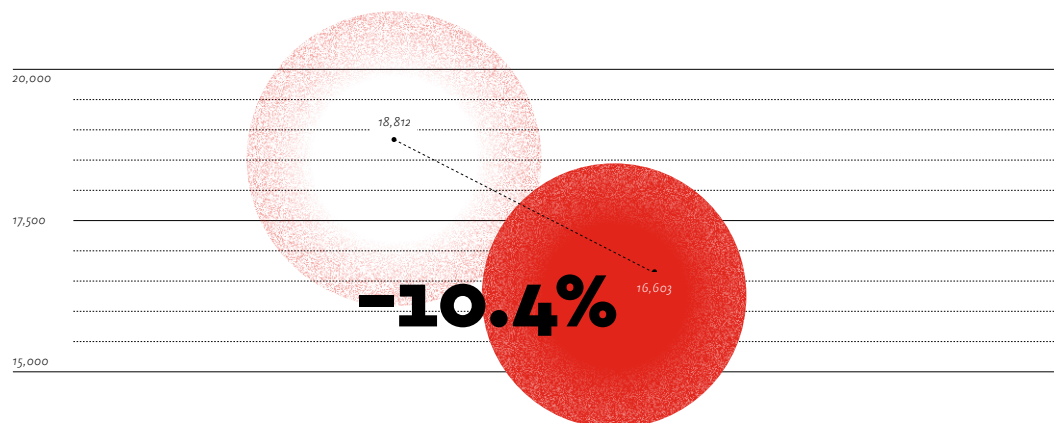
The circular economy is an essential element of the regenerative economy approach. Closing material cycles is necessary for all resources in order to ensure that the required commodities are still available in future. Moreover, the use of recycled materials often results in potential savings, which will become even greater in the future due to legal regulations on the participation in emissions trading.

A total of 16,853 metric tons of waste was generated by our group in 2022. This includes, in particular, wood, metals, electrical appliances, glass, construction waste, chemicals, paper/cardboard/card, organic waste, and residual waste. 67.2 percent was recovered externally and 32.8 percent disposed of externally. 0.8 percent of the total waste volume was hazardous waste.

Compared to the previous year, the volume of waste was reduced by 10.4 percent. The total volume of waste was reduced by 15.0 percent compared to 2020.

VOLUME OF WASTE OF THE MELITTA GROUP

compared to previous year in t



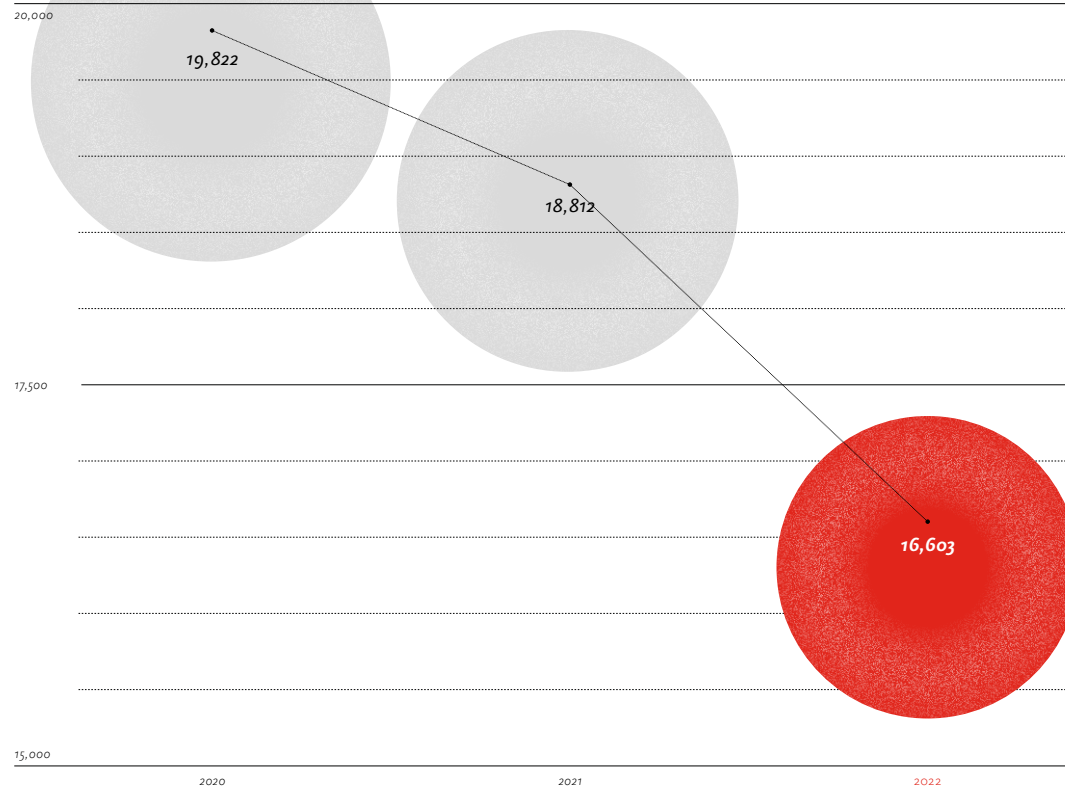
Our target is to have developed a management system for reusable materials and integrated it **fully** into the Group in line with the **circular economy** principle **by 2025**.

Targets and KPIs

We have therefore analyzed our materials cycles in recent years and are currently identifying data and solutions to improve these cycles. We believe that the following areas are particularly important levers for achieving our goal:

- Further development of our disposal structures and, in the long term, resource management in our supply chains
- Increased reuse of waste within our own production processes
- Change to reusable systems
- More extensive waste separation and recovery

TOTAL WEIGHT OF WASTE *in t*

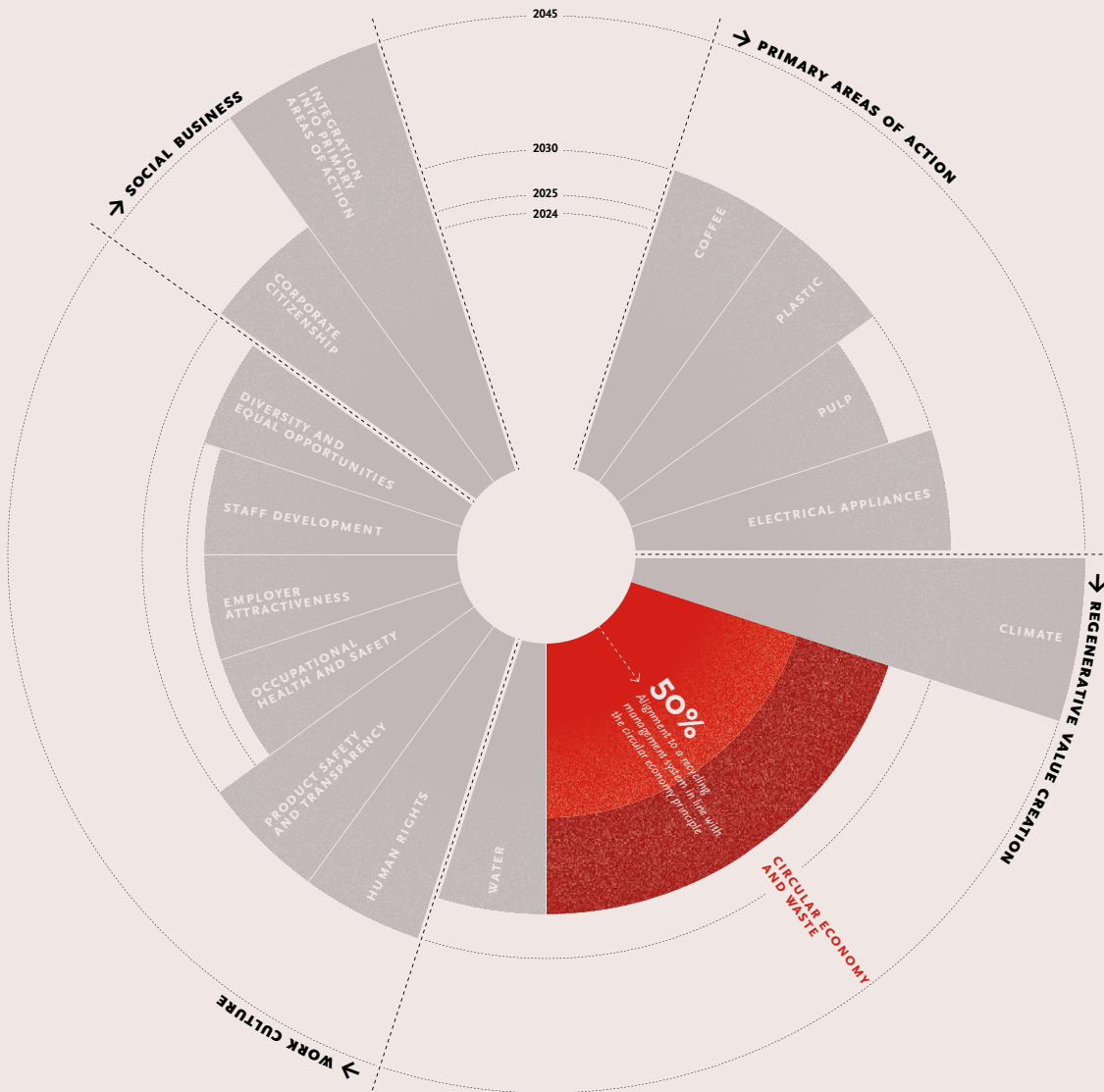


NON-HAZARDOUS WASTE *in t*

	2020	2021	2022
Total weight	19,709	18,791	16,448
– thereof disposed of externally	7,489	5,493	5,124
– thereof recovered externally	12,221	13,297	11,324

HAZARDOUS WASTE *in t*

	2020	2021	2022
Total weight	113	21	155
– thereof disposed of externally	86	6	28
– thereof recovered externally	27	15	128



What we achieved in 2022

- ⊕ Developed a reusable material concept to identify potential for optimization
- ⊕ Improved data quality and understanding of defined waste KPIs
- ⊕ Continued lighthouse measures "Fair Recycled Plastic" (processing and recycling of plastic waste) and "Back to the Roots" (recycling of organic waste from the harvesting and processing of coffee)
- ⊕ Processed organic coffee waste for energy generation and fertilizer production (Melitta South America)
- ⊕ Collected and recycled aluminum waste in production (Cuki Cofresco)
- ⊕ Conducted a detailed on-site analysis of waste streams with the aim of reducing waste and increasing waste recyclability (Melitta Professional Coffee Solutions, Melitta North America)
- ⊕ Introduced improved waste sorting (ACW-Film)
- ⊕ Optimized disposal routes for organic waste (roasted coffee pellets and raw coffee dust), use of press containers, bulk inliner recycling (Melitta Europe – Coffee Division)

What we are currently working on

- Establishment of a Group-wide platform for developing ideas and exchanging best practices on the topic of "reusable material and circular economy"
- Continuation of the lighthouse measures "Fair Recycled Plastic" and "Back to the Roots"
- Conducting a detailed on-site analysis of waste streams with the aim of reducing waste and increasing waste recyclability (Melitta Europe – Coffee Preparation Division)
- Conversion of the current waste collection concept and implementation of a waste training campaign (Melitta Professional Coffee Solutions)

SHAPING OUR WORK CULTURE ...



... AS A PREREQUISITE FOR OUR CLEAR MISSION [4.]

**WE LIVE
ON DIVERSITY,
TO CREATE
IMPACT.**

Our Work Culture is based on our attitude, which is shaped by appreciation and respect. These are the prerequisites for sustainable relationships with all relevant stakeholders – from our customers and employees to our business partners and their workforces.

The transformation to a regenerative economy also requires new and more intensive collaboration – both within our own organization and between organizations. After all, we can only develop a shared understanding – and thus the necessary creativity and impact for a far-reaching, sustainable transformation – if we work together on the basis of a trusting relationship and constructive cooperation between equals. Our aim here is to achieve long-term and innovative partnerships and to foster them in such a way that we can shape the transformation together in the interests of everyone involved.

This concerns human rights issues and questions of product safety and transparency as the basis for all further action, as well as how we shape cooperation within the company. We regard fair and equitable interaction with one another, safety and openness, as well as diversity, co-creation and joint, innovative learning as key elements of a Work Culture based on sustainability. **Our goal is to create a networked culture of inspiration and collaboration to unlock individual and collective potential** and thus successfully shape the transformation. This also requires a shared understanding of systemic dependencies, which can often only be generated by working together. Additional expertise in creative processes is essential in this regard.

Challenge

Studies by human rights organizations regularly come to the conclusion that violations of human rights and/or international labor standards occur in globalized supply chains for a number of reasons. This is one of the reasons that the United Nations developed its Guiding Principles on Business and Human Rights. All member states are called upon to integrate these into their respective

political and social frameworks via National Action Plans.

The German government has complied with this request, for example by adopting the Supply Chain Due Diligence Act (“Lieferkettensorgfaltspflichtengesetz” – LkSG) in June 2021. The LkSG came into force on January 1, 2023. It obliges us to fulfill the human rights and environmental due diligence obligations set out in the law in an appropriate manner in order to avoid or minimize human rights or environmental risks or to

put an end to violations of human rights or environmental obligations and, if necessary, to take remedial action. At a European level, the European Commission presented the Corporate Sustainability Due Diligence Directive (CSDDD) in February 2022. The aim of the CSDDD is for companies in the EU to implement certain due diligence obligations in order to avoid the negative impact of their business activities on human rights and the environment in their value chains both inside and outside Europe.

Targets and KPIs

Our overarching objective is to ensure the protection of human rights in our company and all our supply and value creation chains at all times and to meet in full our obligations in this regard. We are guided here by the OECD Due Diligence Guidance for Responsible Business, and the National Action Plan on Business and Human Rights, and are committed to the United Nations Universal Declaration of Human Rights, and the ILO Core Labor Standards. The requirements of the LkSG are covered by our comprehensive risk management system.

The highest probability of human rights violations is in our complex and often globally organized supply chains. Our strategies and measures to protect human rights are therefore focused on our purchasing and management processes in the value creation chain. Of central importance here is our Supplier Code of Conduct, in which we set clear requirements for our suppliers and business partners with regard to compliance with human rights and thus create the prerequisites for joint processes with regard to analysis, prevention and, if necessary, remediation. Violations of our Supplier Code of Conduct can ultimately lead to the termination of our cooperation. However, our focus is

always on the continuous improvement and empowerment of our suppliers.

In our Global Procurement unit and in some of our operating divisions, we audit our suppliers using the IntegrityNext and Sphera tools. We are currently working on expanding our activities in this field and harmonizing them across the Group.

Our overarching objective is to ensure the **protection of human rights** in our company and **all our supply and value creation chains at all times** and to meet in full our obligations in this regard.

What we achieved in 2022

- ⊕ *Group-wide uniform implementation of the LkSG requirements, establishment of a comprehensive (risk) management system*
- ⊕ *Established an LkSG pilot group with the participation of various operating divisions to ensure the uniform design of legally compliant procurement processes*
- ⊕ *Started the abstract risk analysis required by the LkSG for our supply chains at country and product group level*
- ⊕ *Established working groups and partnerships in the coffee supply chain, e.g. establishment of the coffee-specific Ear4U whistleblower system coordinated by the German Coffee Association (“Deutscher Kaffeeverband e.V.”)*
- ⊕ *Analyzed our own logistics, production and head office locations with regard to LkSG-related risks*

What we are currently working on

- *Further implementation of the LkSG requirements in all operating divisions, including implementation of the specific risk analysis for prioritized suppliers*
- *Participation in the initiatives for social standards and social audits SEDEX and amfori BSCI*
- *Review, revision and publication of all LkSG-relevant policies*
- *Group-wide training on human rights and LkSG requirements in purchasing departments*

5.2 PRODUCT SAFETY AND TRANSPARENCY

Challenge

Our corporate culture is inextricably linked with our tremendous passion for quality. Excellence is one of our seven core values. Safety and transparency have the utmost importance in everything we do.

This also applies to our products. We are the quality leader in many of our markets and stand out from the

competition with exceptional durability, great reliability, and consistent product properties. High levels of product safety and quality are therefore closely connected with our reputation and economic success in all business fields.

This is also true for transparency: we want our customers to be able to understand what commodities and materials the products they buy are made of, how they are procured and manufactured, and what impact the

use and disposal of these products has on the environment and society. Moreover, we want to inform our customers about the correct usage of the product and offer a wide range of opportunities for dialogue.

Targets and KPIs

Our overriding objective is to deliver the quality and transparency our customers expect and to give them pleasure and security at all times when using our products. We want to expand our quality leadership in numerous markets.

We therefore consistently demand high quality standards during the development of our products and draw on impressive innovations, new methods, and scientific findings to assist us in this. We are in close contact with our customers and regularly conduct customer surveys and product testing. In addition, we run collaboration projects with our B2B customers to develop new products or enhance existing ones.

We also demand high standards of our suppliers, as the quality of our products is largely dependent on the ingredients and materials which we procure. Consequently, we have defined clear quality criteria for the goods they supply. Incoming merchandise and raw materials are systematically checked to ensure they comply with the agreed standards.

Moreover, we attach great importance to carefully monitoring the quality of our production processes. Effective control mechanisms and safeguards have been in use at all our operating divisions for many years to ensure end-to-end quality throughout the production chain. All products are tested throughout the manufacturing process to ensure they are safe, legally marketable, and meet the defined quality standards.

As the Melitta Group manufactures a wide range of differing products, responsibility for the quality management systems lies with the operating units. Quality management systems certified to ISO 9001 are in place at all operating divisions where this is expedient and appropriate. Furthermore, in addition to the legal requirements, our quality management system includes various voluntary commitments and involvement in national and international quality initiatives and certificates. These include, for example, IFS Food, IFS HPC, BRC Consumer Products, FSSC 22000, QAI Organic, and HACCP. In recent years, we have significantly increased the amount of information provided about our products' components and their manufacturing. As well as the details required by law, this includes additional voluntary disclosures, such as the MISSION eco & care label. This label offers consumers a quick insight into how sustainable our electrical appliances are.

We offer our customers a large number of communication options and channels. For instance, as well as customer service addresses, our website contains FAQs, videos, instructions for use, and information on recipes. Customers can submit suggestions and criticism to us via all the usual channels and these are logged and responded to by our customer service teams. We regularly measure customer satisfaction, primarily by using consumer surveys and the net promoter score method.

As part of the transformation process, additional requirements – such as reusability, reparability, environmentally friendly disposal, and recyclability – are becoming increasingly important. These demands are being made by government authorities, as well as by our corporate clients and end consumers. We are therefore systematically integrating environmental and other requirements into our product design processes.

We attach particular importance to the topic of “Product safety and transparency” in our value creation area of “Electrical appliances”. After all, these products potentially pose the greatest risks during use. We comply with standards and have our appliances tested by independent third parties. Our objective is to further develop our electrical appliances with regard to product safety and transparency in accordance with our “Electrical Appliance of the Future” concept. This sets the highest standards with regard to:

- ➔ Quality of use and useful life
- ➔ Availability of spare parts and repairs
- ➔ Ability to recycle and reuse the product and packaging
- ➔ Holistic approach to structuring supply chains responsibly
- ➔ Energy and resource consumption

What we achieved in 2022

- ⊕ Implemented several new or amended laws and regulations throughout the Group regarding product safety and transparency
- ⊕ Successfully (re-)certified our quality management systems
- ⊕ Expanded our packaging instructions and information offerings
- ⊕ Expanded the “Cukupedia” information platform, a knowledge database for consumers on the correct storage of food in the refrigerator
- ⊕ Renewed our support of the “Don't Throw Me Away!” educational initiative of the Hollen Environmental Center (since 2015)
- ⊕ Expanded our consumer communication and sustainability information

What we are currently working on

- Preparatory measures for the implementation of future regulations (e.g. EU Packaging Regulation, Deforestation-free Supply Chains, EU Ecodesign, Strategic Environmental Assessment Directive, EU Green Claims Regulation)
- (Re-)certification of several of our quality management systems

5.3 OCCUPATIONAL HEALTH AND SAFETY

Challenge

Health and safety are the basis and prerequisite for our business activities. We have therefore developed management systems and introduced measures at all our operating and corporate divisions to ensure the highest possible level of work safety and to maintain and promote the health of our employees.

Targets and KPIs

In order to make these measures and activities as effective as possible, we aim to harmonize our Group-wide system for occupational safety and corporate health management by 2024. To this end, we are reviewing various measures (e.g. uniform specifications, occupational safety support, and training tools) regarding their transferability to other operating divisions and are preparing the development of a Group-wide strategic alignment for our occupational safety and health management activities.

As the Corporate Sustainability Reporting Directive (CSRD) may result in a number of requirements for our Group-wide occupational health and safety management system, we have postponed the timeframe for achieving this goal from 2023 to 2024. We are currently in the process of analyzing the relevant standard (ESRS-S1) and deriving appropriate measures from it.

As accident risks vary from one operating division to another, the responsibility for ensuring high standards of occupational safety lies with the individual operating units. Most of our companies have developed their own occupational safety management systems with a focus on

preventive safety measures. All our sites have implemented technical occupational safety measures, even beyond the statutory requirements. Our efforts are now focused on preventing behavior-related accidents through a combination of technical, organizational, and personal protection measures, including the relevant training for staff and the respective teams.

Furthermore, steering committees or occupational safety committees have been set up at all sites. Our corporate head office supports the operating divisions with a host of Group-wide occupational safety measures.

We offer our staff numerous health-promoting measures to maintain and improve their health. These include sports programs and Health Days, as well as ergonomic assistance and preventive check-ups. The operating divisions are also responsible for the specific design of the offerings. Corporate HR supports and coordinates these measures where possible and sensible.

	2020	2021	2022
Number of deaths due to work-related injuries	1	0	0
Number of work-related injuries *	99	100	99
Rate of work-related injuries * 1 **	1.98	2.02	2.11
Most common work-related injuries	Crushing, hitting, cutting, as well as twisting, tripping, and slipping	Crushing, hitting, cutting, as well as twisting, tripping, and slipping	Crushing, hitting, cutting, as well as twisting, tripping, and slipping

* With absence from work beyond the day of the accident

** Calculation: number of accidents at work with absence from work beyond the day of the accident x 200,000 / hours worked in real terms

What we achieved in 2022

- ⊕ Expanded a platform for occupational safety specialists in Germany to share their experiences
- ⊕ Organized four information exchange events on the topic of occupational safety in Germany
- ⊕ Defined standard minimum content for risk assessments in several areas of the company
- ⊕ Implemented improvements to the Secova SAM instruction and training tool
- ⊕ Implemented several measures to raise awareness of occupational safety issues among managers
- ⊕ Strategically realigned occupational health management (e.g. expansion of corporate medical services, expansion of health-promoting offers, reaching new target groups)

What we are currently working on

- Continuation and expansion of the information exchange events on occupational safety in Germany
- Analysis of CSRD requirements and derivation of appropriate measures
- Establishment of an international platform for occupational safety specialists to share their experiences
- Closer linking of occupational safety and health management issues
- (Further) development of occupational safety regulations and health management offerings with regard to remote working
- Expansion of health-promoting offers (e.g. digital offers, Health and Action Days with new content, offers for employees' children)
- Establishment of a dedicated "Health" page on the Intranet

5.4 EMPLOYER ATTRACTIVENESS

Challenge

Surveys and analyses conducted among students, workers, and our own staff prove that our well-known brands and our presence in Germany and abroad make us a popular and attractive employer. A survey of our employees conducted in 2020,

for example, found that almost every one of our employees would recommend Melitta as an employer. And we also receive extremely positive feedback on the employer-rating platform kununu, as well as during job interviews.

Nevertheless, we want to strengthen our appeal for our current and future employees by further developing our

employer brand in terms of content and communication in line with our transformation process. One area we are focusing on in particular is the recruitment of employees from the generations Y and Z.

Targets and KPIs

Our objective is to further strengthen our employer brand in the coming years and to further boost our attractiveness for our current and future employees. We want to retain our skilled and motivated employees and recruit dedicated applicants with excellent professional and personal attributes and skills. We define employer branding as the identity-based, internally and externally directed positioning of a company as a credible and attractive employer.

All activities are based on the employer branding strategy that we jointly developed with our employees in 2020. The resulting brand essence and the employer brand claim “make it happen” were launched in 2023. The task now is

to make both our brand essence and corporate culture visible and tangible at every touchpoint with external candidates and internal employees.

To achieve this goal, we have developed a comprehensive raft of measures which are gradually being implemented. The first step is to focus on raising the visibility and perception of our employer brand. In addition to traditional digital communication via social media, we are also focusing on direct contact with our target group. For example, we are expanding our cooperation with selected universities by participating in teaching, research and product development activities. In addition, we create concrete entry opportunities and offer internships, part-time jobs for students, and thesis placements. We also take part in career orientation events, inform pupils about

the apprenticeships we offer and provide them with a first taste of work experience.

We cooperate with partners from the sports sector at a regional, national, and international level. This collaboration also serves to raise awareness and strengthen the profile of the Melitta® brand – also as an employer brand – and to expand our CSR activities.

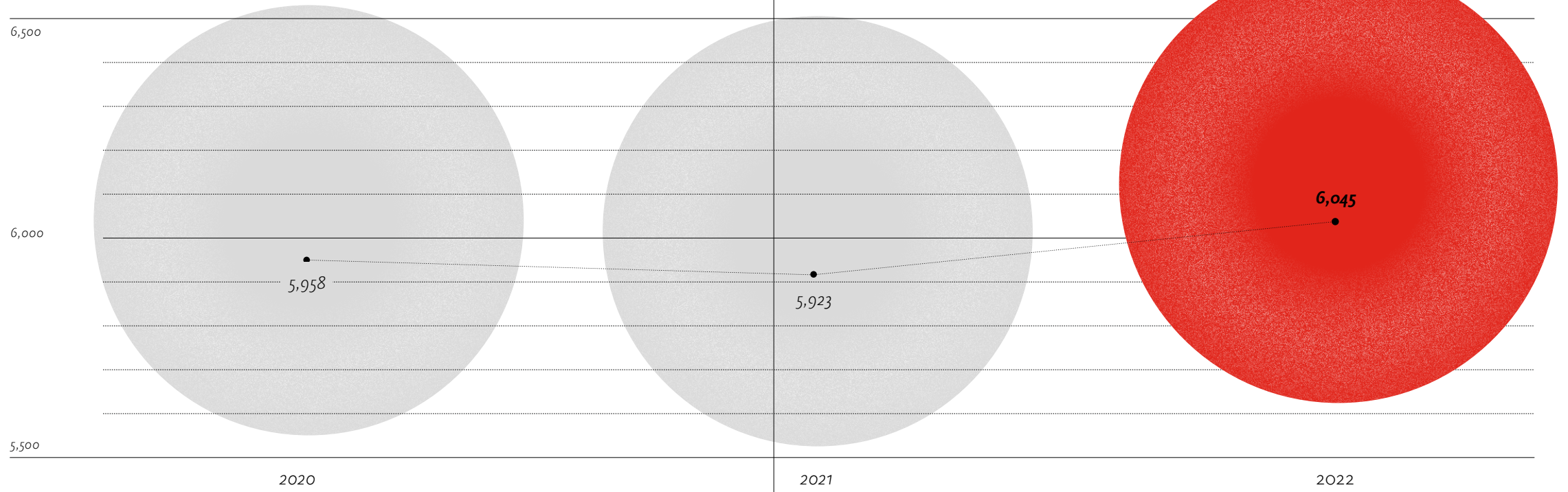
What we achieved in 2022

- ⊕ Implemented and refined our employer branding strategy
- ⊕ Go-live and roll-out of our new employer brand with a campaign on the brand promise “make it happen”
- ⊕ Concluded a Group works agreement on flexible working
- ⊕ Introduced an advisory service for parents (“Parent Guide”)
- ⊕ Implemented a vacation program for our employees’ children
- ⊕ Expanded our collaboration with daycare centers

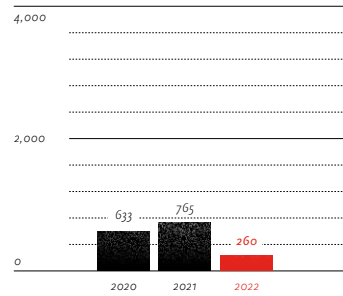
What we are currently working on

- Internal and external implementation of our employer brand at a global level
- Implementation of a work-life balance management system and training of certified work-life balance managers
- Development of a care guide for family caregivers and acute individual cases
- Organization of a vacation camp for our employees’ children

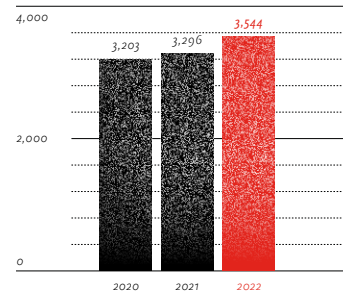
TOTAL NUMBER OF EMPLOYEES OF THE MELITTA GROUP



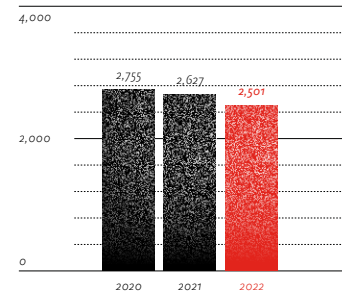
NUMBER OF TEMPORARY STAFF



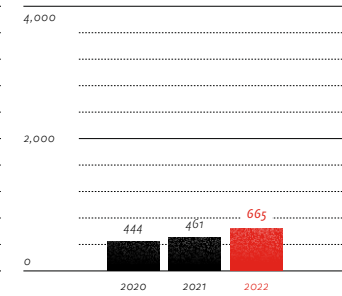
NUMBER OF WHITE-COLLAR STAFF



NUMBER OF BLUE-COLLAR STAFF



NUMBER OF MANAGERIAL STAFF



Challenge

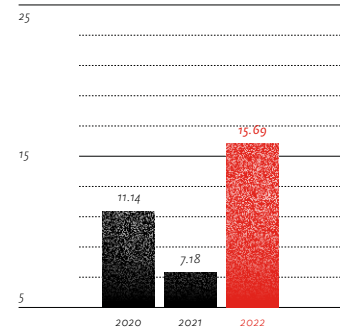
We attach great importance to continuous and challenging vocational training and the professional development of our employees, as this not only contributes to their satisfaction but also forms the basis of our future viability. In addition to our general internal and external training programs, we have therefore developed various dedicated programs in recent years. These include, for example, our trainee program or special offers as part of our talent management program. The Global Leadership Program was introduced specifically for managers and has already established itself as a successful development program. We are also preparing for the launch of the new career architecture, which will be rolled out in 2024.

Targets and KPIs

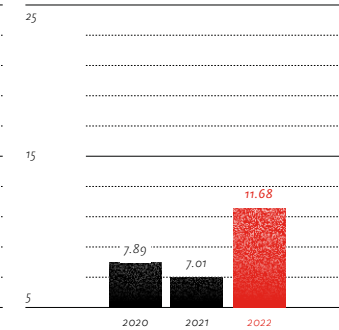
In addition to continuous and needs-based training and education, we systematically integrated sustainability-relevant issues and aspects, adapted as appropriate, into our staff development activities in 2022. These include the internal and external exchange of expertise, as well as the integration of a "Sustainability" trainee position into our trainee program. Moreover, we train sustainability experts in the various departments and integrate sustainability aspects into the vocational training and continuing education of our managers.

TRAINING AND CONTINUING EDUCATION *in hours on average*

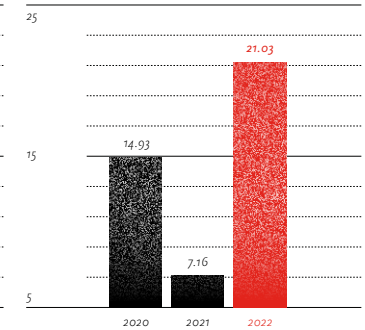
PER EMPLOYEE



PER EMPLOYEE: WHITE-COLLAR STAFF



PER EMPLOYEE: BLUE-COLLAR STAFF



What we achieved in 2022

- ⊕ Continued our Global Leadership Program developed in 2021 while integrating the requirements of transformative leadership
- ⊕ Developed and offered training measures ("Inform & Improve") that address current needs and future challenges in our day-to-day work
- ⊕ Created and filled a "Sustainability" trainee position

What we are currently working on

- Continuation of the Global Leadership Program
- Introduction of a digital learning management module as a central and global learning platform
- Establishment of a partnership with LinkedIn Learning to expand our own online learning offering (including sustainability training)
- Expansion of the trainee program from five to ten participants

5.6 DIVERSITY AND EQUAL OPPORTUNITIES

Challenge

Together with “Familiarity” and “Initiative”, “Diversity” is one of the core elements of our employer brand. We need staff with different skills and experiences as our wide-ranging portfolio, global presence, and business fields – with widely differing market structures in some cases – require a variety of talents and personalities. With this in mind, we believe that the diversity of our employees – with regard to their age, gender, origin, cultural environment, education, world view, and much more – is one of our great strengths.

Targets and KPIs

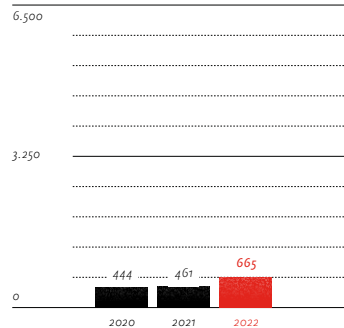
It goes without saying that we offer all our employees the same opportunities for professional development. This includes ensuring gender equality. Our goal is to increase the proportion of women in managerial positions in our Group to at least 30 percent by 2025. We are currently developing a corresponding portfolio of measures, especially with regard to senior management positions.

Discrimination of all kinds is, of course, unacceptable to us. There were no confirmed cases of discrimination in 2022.

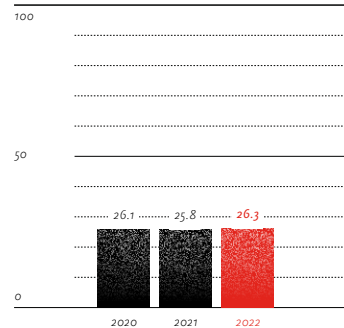
We survey the satisfaction of our staff – also with regard to their work-life balance – with the aid of an external agency and using a proven methodology. We systematically evaluate the results, discuss them in workshops with our employees, and use them to derive effective measures.

NUMBER OF MANAGERS

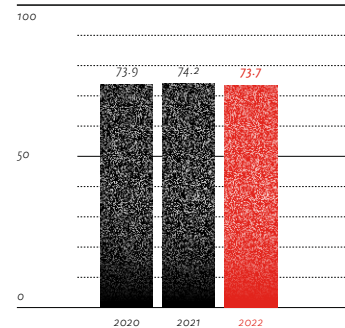
IN TOTAL



FEMALE in %

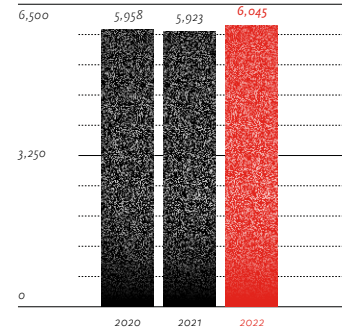


MALE in %

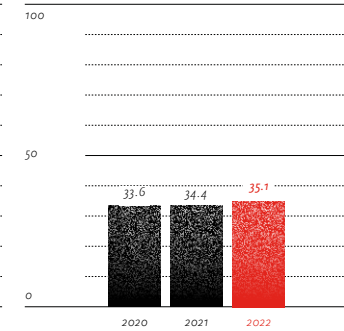


NUMBER OF EMPLOYEES

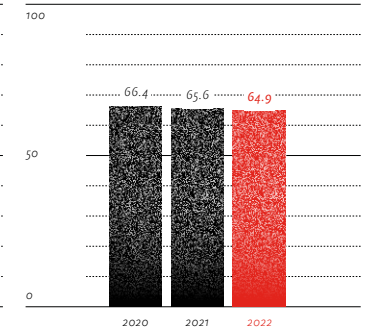
IN TOTAL



FEMALE in %

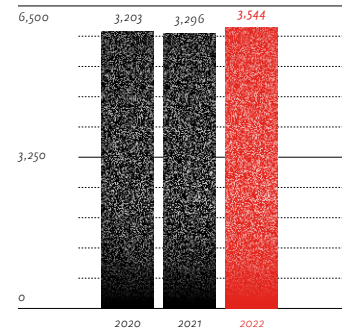


MALE in %

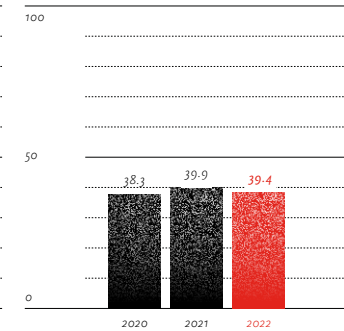


NUMBER OF WHITE-COLLAR STAFF

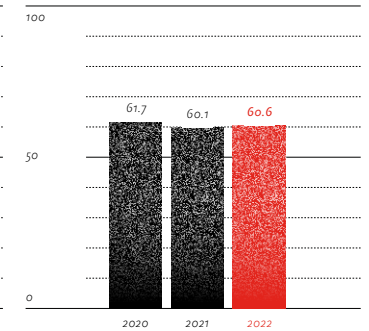
IN TOTAL



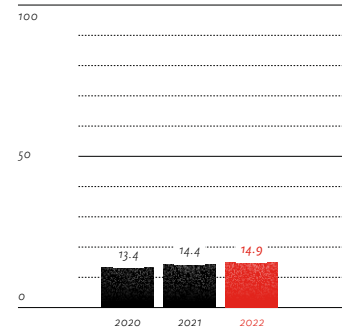
FEMALE in %



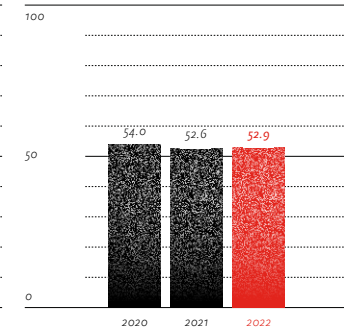
MALE in %



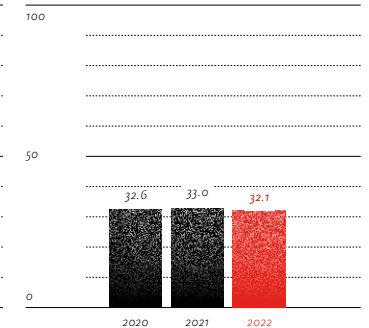
< 30 years old in %



30 – 50 years old in %

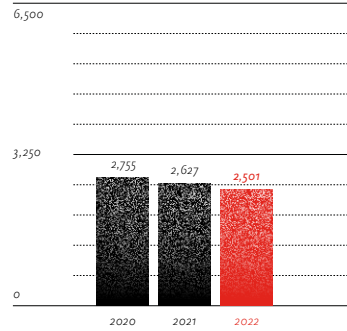


50 > years old in %

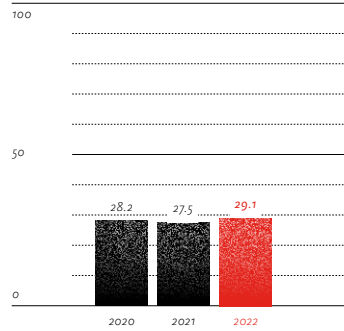


NUMBER OF BLUE-COLLAR STAFF

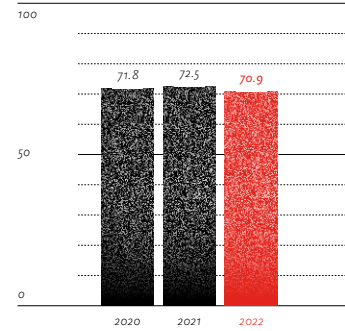
IN TOTAL



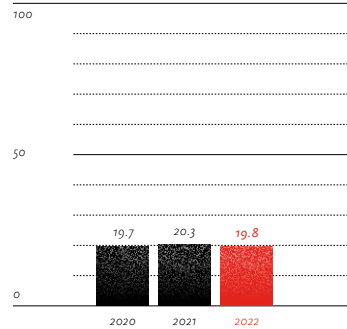
FEMALE in %



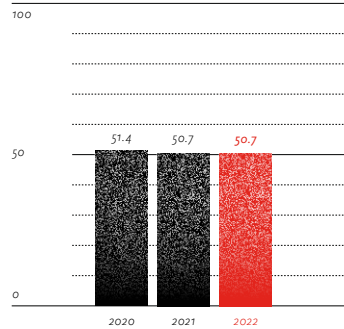
MALE in %



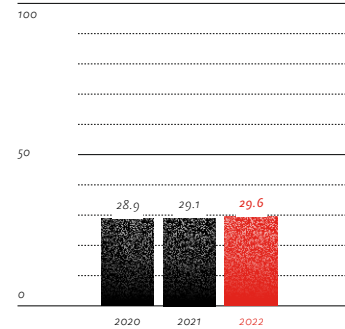
< 30 years old in %



30 – 50 years old in %

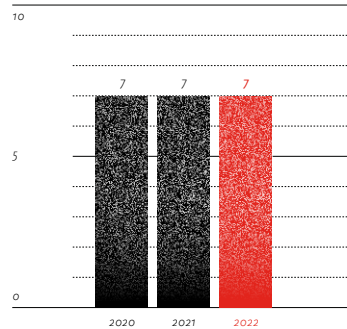


50 > years old in %

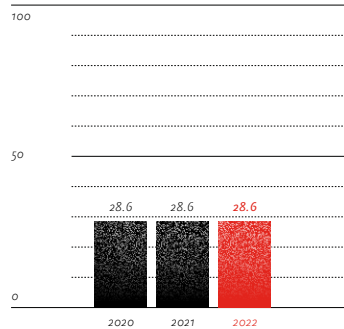


MEMBERS OF THE MELITTA GROUP'S ADVISORY COUNCIL

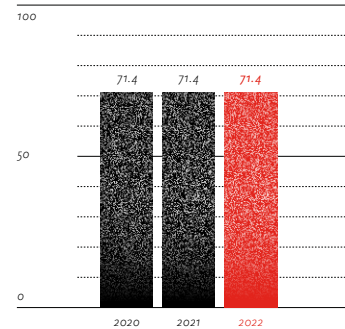
IN TOTAL



FEMALE in %



MALE in %



What we achieved in 2022

- ⊕ Adapted and enhanced our working methods, including the expansion of digital collaboration formats and associated remote working concepts to ensure a good work-life balance
- ⊕ Increased the proportion of women in management positions at Managing Director level

What we are currently working on

- Refining and embedding the employer brand in our processes and identity
- Further development of processes for the training and continuing education of our employees
- Development and implementation of a concept to attract Generation Z to our company, particularly in our vocational training programs

WE ARE ENTREPRENEURS AT HEART



NEXT ENTREPRENEURSHIP...

SOCIAL BUSINESS
—
AN INTEGRAL ●
PART

As a globally operating group of companies, we see ourselves as part of a global network and a global community, as well as an impact-oriented organization that takes responsibility and helps make people's everyday lives easier and better. We are convinced that only equal and fair business and supply relationships have the necessary resilience to remain stable in an increasingly fast-changing environment and thus ensure the required quality. We are therefore currently testing various approaches, which we refer to collectively as "Social Business".

The concept of Social Business, which was developed by Nobel Prize winner Prof. Muhammad Yunus, is geared toward reinvesting profits either in the company or its supply chains and their environment. We are testing this innovative approach with our flagship initiative "Fair Recycled Plastic". We have founded our first subsidiary, the Social Business company Vishuddh Pvt. Ltd. in Bangalore, India, with whom we are integrating this principle into our business.

Based on the findings of this initiative, we will transfer the Social Business principle to other activities, for example in the coffee sector. We are currently exploring opportunities for this, for example, in Brazil.

However, it is not possible to fully adopt this sophisticated approach in all areas. We are therefore also employing other methods to support the communities around our locations, in our supply chains, and in the respective sectors. Moreover, we are currently working with local stakeholders to find ways of establishing sustainable structures and how we can support their formation and existence in the long term. At the same time, we are expanding our existing corporate citizenship activities and support the promotion of the "data commons" principle.

6.1 **FAIR RECYCLED PLASTIC:
SOCIAL BUSINESS IN PLASTIC RECYCLING**

Challenge

Plastics have numerous benefits: these include, above all, their flexibility, low weight, and durability. They protect, ensure hygiene, and facilitate transportation. They also often have a better environmental footprint than other materials.

However, if plastics are not disposed of properly after use, many of them pollute our ecosystems. Plastics must

therefore be produced, used, collected, and recycled as part of a circular economy. Moreover, we should use as many plastics as possible that biodegrade naturally and without residue after use.

In the Indian metropolis of Bangalore, for example, around 3,500 tons of waste end up on the roadside or in illegal landfills every day. There is no nationwide state disposal system. This is a problem for the environment, but at the same time enables

people to earn a living in the informal sector: the so-called waste picking communities, who come from one of the poorest former “castes” and have subsisted for many years by collecting and selling this waste. In Bangalore, there are an estimated 15,000 men and women who work as waste pickers.

What we achieved in 2022

- ⊕ *Founded the recycling company “Vishuddh Recycle” as a Social Business in Bangalore*
- ⊕ *Started processing the plastic waste collected by partner companies*
- ⊕ *Began recycling the recyclate produced for the production of Swirl® and handy bag® bin liners*
- ⊕ *Started cooperation with the Smile Foundation and Hasiru Dala Trust*

What we are currently working on

- *Expansion of production capacity to approx. 2,000 tons of recycled plastics per year*
- *Creation of further jobs*
- *Intensification of cooperation with Smile Foundation, Hasiru Dala Trust and other Social Business organizations*
- *Analysis of possibilities for scaling our commitment beyond Bangalore, possibly with partner organizations*

This not only creates a better waste infrastructure in Bangalore, but also generates additional sources of income and better living conditions for the waste pickers.

Targets and KPIs

Our “Fair Recycled Plastic” initiative aims to help rid the oceans and soil of plastic. It is designed to be an innovative example of sustainable plastic production and recycling, while also demonstrating how the living conditions of local waste picking communities can be improved.

The recycling company Vishuddh Pvt. Ltd. was founded in Bangalore (India) in 2020 as a joint venture between Yunus Social Business Fund gGmbH and Melitta’s operating division Cofresco. This Social Business organization produces around 2,000 tons of plastic recyclate from low-density polyethylene waste every year. In turn, Cofresco uses the recyclate to

produce bin liners under the Swirl® and handy bag® brands.

“Vishuddh Recycle” sources the plastic waste from waste disposal companies that ensure better working conditions for their waste collectors. All the profits generated flow back to the company or its supply chain or are invested in education and healthcare for local people. For example, “Vishuddh Recycle” supports the Smile Foundation and the Hasiru Dala Trust. The Smile Foundation provides free primary healthcare in poor neighborhoods with mobile clinics. The Hasiru Dala Trust carries out educational activities such as community libraries and workshops to promote the social, emotional, and cognitive growth of children and helps them achieve a better school leaving certificate.

This not only creates a better waste infrastructure in Bangalore, but also generates additional sources of income and better living conditions for the waste pickers – thus opening up new future prospects and greater esteem. The initiative receives financial support from “DEG – Deutsche Investitions- und Entwicklungsgesellschaft” as part of the “develoPPP” program of the German Federal Ministry for Economic Cooperation and Development (BMZ).

Challenge

We are convinced that it is the responsibility of every company to improve people's lives – also beyond its core business. We therefore support numerous social and cultural initiatives, educational projects, and sports. In addition, we regularly take part in donation and aid campaigns. We do not donate to political parties, nor do we make donations to state organizations.

Targets and KPIs

To target and coordinate our corporate citizenship activities in the most effective way possible, we pursue a Group-wide social responsibility strategy. The principles behind this strategy include prioritizing areas where our business activities have a direct impact and where we can observe the urgency and success of the projects ourselves. Moreover, we generally aim for medium to long-term cooperation and define quantitative or qualitative targets together with our cooperation partners.

A good example of this type of commitment is our partnership with the Hollen Environmental Center for the "Don't Throw Me Away!" initiative. Our operating division Cofresco has been supporting the initiative since 2015 and provides various forms of assistance. The aim is to reduce food waste by informing primary school pupils about the value and proper handling of food. Every year, around 50 primary schools are visited to educate children about the production and use of food with the aid of games and other child-friendly materials. Competitions are also held, for example with GEOlino. In 2018, the initiative received a national award from the German government for its "Commitment to Tackling Food

Waste". In 2021, "Don't Throw Me Away!" was selected by UNESCO as a best-practice example of digitalization on the topic of sustainable development.

A project sponsored by the German Foundation for Consumer Protection, which we have been supporting since 2023, is aimed at the same target group. The project "More conscious and sustainable consumption – from knowledge to action" aims to raise awareness among children of sustainable behavior and sensitize school-children to sustainable consumption. This initiative, which is being implemented by the Consumer Advice Center Schleswig-Holstein ("Verbraucherzentrale Schleswig-Holstein"), also uses analog and digital materials in the classroom that are tailored to the needs of children. We are contributing to the project both financially and in terms of content.

Other projects which we sponsor include:

- Social projects (e.g. German Child Protection League, Kinderlachen e.V., Day of Caring, community projects in the coffee-growing regions, various projects to support socially disadvantaged people)
- Educational projects (e.g. Cuki Save the Food, Ayrtón Senna

Institute, various school and training projects)

- Cultural projects (e.g. German Hygiene Museum Dresden, LWL Prussia Museum Minden, various cultural events)
- Sports (e.g. GWD Minden, Bessel Rowing Club, Minden Wolves, various local and international soccer clubs such as Arminia Bielefeld, Borussia Dortmund, and Manchester United)

Our sports partnerships enable us to reach millions of people together with the sports clubs themselves – at a regional, national, and also global level. In close cooperation with the clubs, we jointly develop new forms

of communication and targeting, both at the stadium and via various electronic media. At the same time, we are also working hard to provide people with sustainable enjoyment on match days, e.g. via coffee from sustainable cultivation. In addition, we support the clubs' efforts to promote social objectives in their respective regions. We intend to expand these partnerships over the coming years, also with regard to promoting conscious consumption.

From 2022 onward, based on a Group-wide strategy which goes beyond activities in our core line of business, we will make a substantial contribution to society as a good citizen and thereby increase our positive impact as part of society.

We will place a particular focus on partnerships which offer project participants inclusive business opportunities. Due to the prevailing conditions since 2020, the process has been delayed by several months.

From 2022 onward, based on a Group-wide strategy which goes beyond activities in our core line of business, we will **make a substantial contribution to society as a good citizen** and thereby increase our positive impact as part of society.

What we achieved in 2022

- ⊕ *Successfully continued existing projects and programs*
 - ⊕ *Prepared the joint project with the German Foundation for Consumer Protection*
-

What we are currently working on

- *Based on the existing programs: examination of further options for integrating the Social Business principle into our business*
 - *Initiation and launch of the project on conscious consumption with the German Foundation for Consumer Protection and the REWE Group*
-

6.3 THE “DATA COMMONS” PRINCIPLE

The collection and consolidation of data in order to evaluate and manage our actions is becoming increasingly important. Legislators and other stakeholders expect us to make the effects of our decisions and measures transparent and to demonstrate both their positive and negative impact on people and the environment. For us and the participants in our supply chains, this means that the ability to collect, consolidate, and securely share data is essential for our future involvement in economic activities. Examples of this are the EU Deforestation Regulation (EUDR) and the LkSG.

Against this backdrop, we advocate the “data commons” principle. Its aim is to enable all stakeholders to generate and share data easily – free of charge or at very low cost – while maintaining data sovereignty and security. To this end, we work together with the Berlin-based association “Sine Foundation e.V.”, which is committed to a cross-sector data commons approach. Together with the Sine Foundation and other companies, we are currently launching an initiative to bring the “data commons” principle to SMEs.

What we achieved in 2022

- ⊕ *Developed a common understanding of the importance of the “data commons” principle for our further strategic development with the Sine Foundation*
-

What we are currently working on

- *Preparing the further development of our management and reporting systems in accordance with legal and strategic requirements, together with the Sine Foundation*
 - *Advocating for a data ecosystem in the coffee sector that meets future legal and other requirements for proof of impact*
 - *Establishing a “data commons” initiative for German SMEs*
-

In 2019, we published our Sustainability Statement, in which we described the most important medium and long-term goals of our sustainability agenda.

We report annually on the progress we have made in implementing these goals: we publish a comprehensive Sustainability Report every two years and a Sustainability Update in the years between. All publications to date on our sustainability agenda can be found on our website.

This comprehensive Sustainability Report relates to the fiscal year 2022. Unless otherwise stated, all facts and figures published here refer to the reporting date of December 31, 2022. The editorial deadline was September 30, 2023.

The content of this report is based on the criteria of the German Sustainability Code (“Deutscher Nachhaltigkeitskodex” – DNK). A DNK Declaration of Conformity was published at the same time as the publication of this Sustainability Report and can be viewed on the DNK website. It incorporates the information and key figures from all the operating and corporate divisions described in the chapter “The Melitta Group”.

We plan to gradually move our sustainability reporting to the Internet and link it increasingly with our financial reporting.

This report has not been audited by external auditors.

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