

SUSTAINABILITY REPORT



J.J. Darboven Holding AG & Co. KG

Foreword



As a company with a rich tradition, we have always believed in defining our corporate responsibility anew every day towards our employees, partners, customers and everyone whose livelihood is based on coffee, tea and cocoa cultivation. The year 2020 showed the importance of holistic global thinking and action. We have therefore consciously focused our attention on togetherness and have – at least in a figurative sense – moved closer together. We all developed a greater awareness of closeness in these times, of being there for each other and of togetherness, although contact reductions and distance regulations were the order of the day. Despite restrictions, it was also important for us to provide support in word and deed: for example,

with solidarity campaigns for the severely affected gastronomy and hotel industry. Especially at a time when we are suffering setbacks ourselves, we must not forget the people who have to struggle even more with the turbulent circumstances. For this reason, we have shown ourselves to be a responsible partner on equal terms, with the FAIR FOR YOU Tour and the #supportlocalgastronomy campaign, in order to draw more attention to our long-standing partners in the gastronomic and hotel industries, and show solidarity with them. With our sustainability report for 2020, we want to focus on all the things we have been able to achieve despite the global measures and restrictions, and with which we have set a clear example: only together will we manage to regain our freedoms. Only if we stand together, show helpfulness and responsibility can we change the world for the better. We accept the challenge and go one step further every day.

I wish you continued joie de vivre. Stay healthy!

A handwritten signature in dark ink, appearing to read 'Albert Darboven', written in a cursive style.

Yours, Albert Darboven



With and for one other

A new togetherness for the future

When we are thrown out of our fixed structures overnight, it is our values that give us security. With a high degree of cohesion and willingness to help, we showed our customers, partners and suppliers that they could rely on us in the pandemic year 2020. We also took specific measures for our employees to protect them and their health at all times. At the same time, despite all the challenging circumstances in the past year, we have also always kept our corporate responsibility in terms of sustainability in focus.

Rail instead of Road!

Since 2020, we have been increasingly relying on freight transport between Hamburg and Sauerlach – and thus save 584 t CO₂ for the outward and return journey.



#supportlocalgastronomy

Coffee Day 2020 was all about solidarity with our out-of-home customers.



Help for 1 million tea farmers!

With our COVID-19 Response Programme, we have been able to help many tea-pickers and farmers around the world through our membership of the ETP.



Product & supply chain

Taking responsibility. Creating trust.

More and more customers want to know where our products come from – how they are harvested, processed, transported, stored and packaged. The corona pandemic has become a real driver for this responsible consumption. With these developments in mind, we want to outline the journey of our hot beverages even more transparently, because our Fairtrade pioneer Café Intención shows us what can develop from corporate responsibility and due diligence.

Thank you ETP! The COVID-19 Response Programme helped more than one million tea farmers and pickers worldwide.



* Since the 1920s, our Darbeans have embodied the joie de vivre that is in every coffee bean.

For more human rights in business

The supply chain due diligence act

The German government had been planning it since mid-2020, and it has now been passed: the supply chain due diligence act. The first hurdle for more fairness in world trade has been taken. But how did it actually come about? As global supply chains develop, fundamental human rights are constantly violated in trade and production. These include child labour, starvation wages and a lack of labour rights. The destruction of the environment is also becoming an increasingly explosive issue in this context. Illegal deforestation in South America and continuous water and air pollution are just some of the issues the law aims to improve.

People are at the centre of our actions

For us as a large traditional German roaster, it is a matter of course to take responsibility for human rights and compliance with environmental standards along the supply chain, insofar as it is subject to our influence. We are aware that transparency and the greatest possible openness are the basis for this. For this reason, we have long complied with the legal requirements for sufficient, truthful and complete reporting to government agencies, business partners, investors and, above all, the public. True to our company motto “For the joy of living”, improving the living and working conditions of coffee growers in the countries of origin is particularly close to our hearts. Through certified products and cooperation with various cooperatives, we have been contributing to better human rights at origin for decades, something which we continuously pursue and expand.

Our commitment to countries of origin

The Honduras Education Life Project (H.E.L.P.)

The corona pandemic also affected our coffee growers in Honduras last year. However, the pandemic was not the only disaster that hit Honduras with full force in 2020: Hurricanes Iota and Eta hit the country with unexpected severity in October and November. Apart from the countless devastated and destroyed houses of Honduran residents, whole regions were no longer accessible. However, this difficulty existed even before the two tropical storms, owing to the national lockdown and the resulting closure of major transport routes. Some of our H.E.L.P. project farmers living in the highlands of Honduras therefore only had access to medical care under the most difficult conditions

between March and November. But our commitment does not end when the going gets tough: Thus, many farmers were provided with medical care and hygiene and disinfection items right to their doorsteps. Last year's training courses, which were organised within the scope of possibilities, were also characterised by the transfer of knowledge on the topic of corona and were linked to corresponding preventive measures. We are pleased that through H.E.L.P. we are still able to support 220 farmers in Honduras with economic, ecological and social aid.



DARE TO TAKE A STEP BACK: In Honduras, too, the everyday life of our coffee growers was shaped by corona.

Strong partnership for a fairer tea industry



As part of our commitment to a sustainable tea industry, we have been working with the Ethical Tea Partnership (ETP)

for around three years. The common goal is to drive forward long-term systemic change in tea farming, covering gender, environmental and economic aspects. When the World Health Organisation classified the coronavirus outbreak as a global pandemic on 11 March 2020, the myriad communities around tea pickers and farmers faced unprecedented uncertainty and disruption to their rural businesses. To contain the spread of Covid-19 on the tea plantations and to deal with the impact of the virus, extensive hygiene and protection measures have been taken by ETP: 348,266 masks and 550 face visors alone were distributed. In addition, the organisation has improved access to sanitation in many places. These include the construction of 1,885 hand-washing stations and the provision of personal protective equipment for health centres. However, the pandemic did not only have a negative impact on tea farmers in medical terms. The food supply was also

affected by supply shortages in the countryside. As an aid to self-help, ETP therefore provided a variety of seeds so that the farmers were able to obtain a certain degree of independence through the cultivation of fruit and vegetables. This has provided food for 7,300 in rural tea-growing areas around the world. We are happy that we could help the tea communities with our membership in the ETP. You can read more about collective engagement in the organisation here: <https://www.ethicalteapartnership.org/strategy-2016-2020-highlights/>

Valued partner on site

NKG Kala Hamburg

In the course of our efforts to ensure more transparency along the entire value chain, we would like to take the opportunity to introduce one of our long-standing partners in the green coffee trade: Neumann Kaffee Gruppe coffee warehouse in Hamburg. NKG Kala is the world's leading green coffee specialist and has been supporting us for many years in terms of goods handling and logistics.

From the container port to the green coffee warehouse

As soon as our green coffee arrives from overseas at the port of destination in Hamburg, the NKG begins its work. Its logistics department takes care of the administrative aspect of container disposition and ensures efficient cooperation between all parties that are part of this process: shipping company, forwarder, customs and J.J. Darboven. After the arrival of the goods, an incoming goods inspection is carried out by taking samples of the green coffee. The quality of the sampled goods is tested and recorded in NKG's own laboratory.



A PLACE FULL OF TREASURES: The green coffee warehouse of NKG Kala in Hamburg.

In the next step, the weight of the green coffee is checked using calibrated receiving and charging scales. Before the goods are ready for storage in silos, sacks or big bags, they are cleaned. Thanks to various cleaning and separation systems, the green coffee is efficiently freed from dust, husks, stones, wood and any other foreign components. The green coffee is then ready for final storage. A cycle that has been perfected and coordinated for years and ensures the consistent high calibre of our quality products.

More organic, more goodness!



UNDER THE MAGNIFYING GLASS: *Our products are put through their paces in quality assurance.*

One thing is certain: certified products are becoming increasingly important. Consumers increasingly want to ensure that the contents of the products they buy are harmless and that production is nature-friendly. The corona pandemic has also been a massive catalyst for this: According to the GfK Consumer Index, organic goods alone achieved historic growth in 2020.* Petra Lahmann, Head of Quality Assurance at J.J. Darboven explains the long path for a manufacturer of hot beverages to obtaining an organic label and what criteria need to be met.

Question 1

Who sets the regulations for the cultivation, processing etc of organic products?

Petra Lahmann: The requirements for the cultivation, import, processing, packaging and distribution of “organic products” are regulated throughout the EU by the EC Basic Organic Regulation (EC) No. 834/2007 of 28 June 2007 on organic production and labelling of organic products, and in the future, in the revision of this regulation, which will come into force in 2022. This

means that all stages from cultivation and import to processing and distribution are subject to this control procedure and must be verified.

Question 2

What is the route a J.J. Darboven coffee product has to take in order to be awarded organic certification?

Petra Lahmann: First of all, the country of origin must have already renounced chemical insecticides and pesticides in the cultivation of the coffee plants for five years in order to be able to market the products as “organic” at all. Once a plantation is in the control procedure, soil samples must also be checked for pesticide residues. Organic products must also be clearly labelled “organic” and stored separately from other conventionally grown products so that mixing is excluded. During processing, careful records of the raw material input of the green coffee and finally the roasted coffee, ground coffee and the quantities of the finished product are necessary. The decisive factor is that we as the company J.J. Darboven are then subject to the control procedure of the EC Basic Organic Regulation (EC) No. 834/2007.

Question 3

Is compliance with the requirements of the regulation also checked in Germany?

Petra Lahmann: Yes, of course. Corresponding authorities are responsible for this in the various federal states. In Hamburg, responsibility lies with the Ministry for Economic Affairs, which authorises special expert certification companies to inspect the companies. In every company that produces organic products there is also a contact person, i.e. an organic officer, who manages these processes internally. Our company is inspected once or twice a year by an external certification company to ensure that the requirements of the Organic Farming Ordinance are being met. If this examination is successful, a new certificate is issued, which is valid for one year. However, the certificate is only issued for the production site, not for a specific product.

* Source: GfK Consumer Index Total Grocery 01 | 2021; Corona und kein Zurück

Doubly certified junior staff

Fair cocoa enjoyment with Cacaó Intención
 Café Intención, Fairtrade pioneer and number one in the Fairtrade and organic coffee segment, has had a new partner at its side since 2020: the double-certified Cacaó Intención. The three versions: 70% fine flavoured cocoa, 60% fine flavoured cocoa with orange flavour and 40% fine flavoured cocoa, are made from pure cocoa and the finest organic cane sugar. The organic cocoa beans come from the Dominican Republic, Santo Domingo region, one of the best cocoa growing regions in the world. However, the Dominican Republic is also the second poorest Caribbean country after Haiti. Thanks to Fairtrade, however, Cacaó Intención can show its gratitude to the cocoa growers and their cooperatives CONACADO and COOPROAGRO. Because Fairtrade not only gives them fair minimum prices that protect them from falling world market prices: The organisation additionally supports projects such as road construction, school facilities and local health centres.



CACAÓ INTENCIÓN: *Twice certified tastes twice as good!*

With Café Intención, J.J. Darboven was able to generate a Fairtrade premium of €1,593,534 in 2020! This is an increase of 1.5 % compared to the previous year.*



* The Fairtrade Premium is a defined financial premium paid in addition to the selling price of a product. The smallholder cooperatives decide independently and collectively in which projects the Fairtrade premium is invested, such as education and health care projects.

Our coffee brands



Our tea brands



Our cocoa brands





WELCOME ABOARD, KATHARINA AND LIV-MERIT! *The two future energy scouts are based in Hamburg.*

Ecological responsibility

Step by step to more environmental protection in Hamburg and Sauerlach

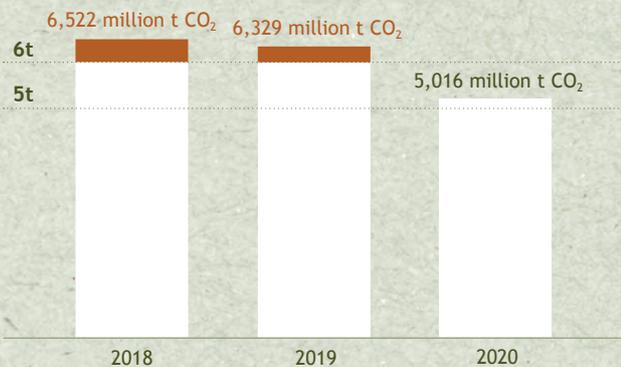
As an internationally active company, we take the protection of the environment very seriously. We regard sustainable management and the conservation of natural resources as being our contribution to environmental protection for present and future generations. All employees of our traditional company are therefore obliged to comply with our in-house environmental standards. In addition, J.J. Darboven has been working on numerous ways to reduce energy consumption for years. Our commitment ranges from CO₂reduction logistics to effective recycling management with regard to our waste.

Saving emissions through resource-efficient logistics

Our environmental management at the Hamburg and Sauerlach sites has already been certified according to DIN EN ISO 14001:2015 since 2019. In terms of energy management, certification according to DIN EN ISO 50001 has also been in place since 2016. One aim of the certification is to achieve continuous improvement in order to sustainably increase the contribution to environmental protection. We see these certifications as an incentive to develop corresponding measures even more efficiently and to reduce our energy demand as much as possible. For this purpose, we have calculated

our CO₂ emissions annually as part of a corporate carbon footprint. The Centre for Sustainable Leadership (ZNU) has determined these values for the year 2020. This not only reveals where our weak points lie in the area of CO₂ emissions. We can also draw conclusions in order to take targeted measures that will lead us further down the path to even greater energy efficiency. The individual progress made in the area of logistics last year in particular shows us what successfully implemented measures can look like:

Less CO₂, better climate!



The result of the greenhouse gas balancing for both sites totalled 5,016,390 t CO₂ in 2020.

More CO₂ savings along the way!



254 tonnes CO₂
from Hamburg to Sauerlach and back



838 tonnes CO₂
from Hamburg to Sauerlach and back

Due to the partial shift of transport from road to rail, we were able to save 584 t of CO₂ in 2020 on many outward and return journeys between Hamburg and Sauerlach.

Green drive ahead!

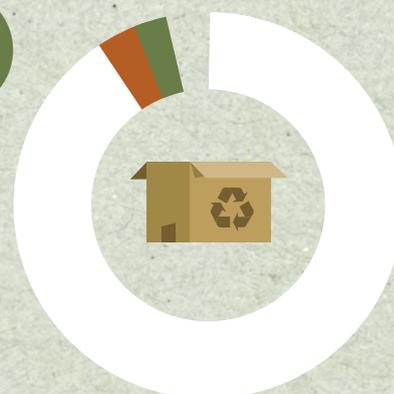


148 t CO₂
compensated

Through climate-neutral GoGreen products and services in transport and logistics with Deutsche Post DHL Group, we were able to offset greenhouse gas emissions in the form of climate protection projects.

A big step!

98%
2020



94%
2019

The recycling share of purchased cardboard for our Hamburg and Sauerlach sites increased by 4% in 2020 compared to the previous year.

Nature cooperation extended until 2023

In the wake of the extraordinary circumstances of the past year, priorities had to be reset and measures postponed. For example, we have temporarily paused our joint project with the Loki Schmidt Foundation, in which the Hamburg company grounds on Pinkertweg are being partially transformed into a near-natural habitat. For this reason, the nature cooperation will be extended until 2023. One of the next steps in the project is to cultivate the green areas along the dyke with bee-friendly plants. Even with steps that seem comparatively small, our company makes a contribution to nature conservation, because: Bee-friendly flowers and plants offer a high content of nectar and pollen to the world's most important working animal. With their help, plants are pollinated that are essential for the entire ecosystem.



CLOSE TO NATURE ON THE PINKERTWEG: Recreational space for employees, home for numerous insects.

Sustainable waste management

By recycling our waste, we not only conserve natural resources - we also do our part to reduce emissions. Among other things, we have taken this route with regard to our coffee skins. The fine protective husks detach from the coffee beans during roasting and are excellent as a fertiliser or energy source. In 2020, therefore, we made the decision to transport the coffee skins from the Hamburg site to a composting

plant in the west of Mecklenburg-Vorpommern. The idea of taking the coffee skins to a composting plant was primarily based on the regional solution. Before that, the coffee skins were transported to a biogas plant in the Netherlands.

Climate protection in focus: Our energy scouts

Identifying and raising energy-saving potential: a clear goal that our energy scouts always have in their sights. In 2020, Katharina Lutz and Liv-Merit Johannsson started their apprenticeships at the Hamburg site. This is complemented by further training to become an energy scout, a qualification organised by the Chamber of Commerce. In a three-part workshop, Katharina and Liv-Merit have already been trained in theory to become energy scouts. Equipped with a wealth of knowledge about energy efficiency, they are currently developing a sustainable project for J.J. Darboven. The two trainees are focusing on how to optimise lighting. Katharina Lutz explains:

“Among other things, we would like to install daylight sensors and motion detectors in the conference rooms of the administration building, in the changing rooms and WCs in the production department. There is still a lot of energy-saving potential here. We also want to further increase the proportion of LED luminaires. In recent years, a lot has already been done in this respect, but we want to speed up the process a little more. Lighting optimisations have a positive impact on the company both economically and ecologically.”



Social responsibility

Together through the pandemic year

The past year has presented us all with completely new challenges. Looking back, however, 2020 also shows us how important collaboration is in times of reduced contact and how important humanity and team spirit are. We too at J.J. Darboven have done our best to be there for our employees and customers in these difficult times. We have set an example and given courage – collaboratively and at eye level.

For an ongoing risk assessment, our internal crisis team established itself as a pandemic group in March 2020, consisting of eight employees distributed between the Hamburg and Sauerlach sites. Thanks to their input, we were able to define the right protective measures and ensure stability in the company's organisation. Thus, in addition to the important hygiene concept for employees, foreign workers and visitors, there was also a clear separation of shift staffing in production and logistics. All administrative staff who could perform their duties from home were required to do mobile working. Meetings were held via telephone or video conference. Outside the company, we also had to make important decisions with a heavy heart in terms of protecting the health of our employees: In 2020, for example, we cancelled our participation in INTERNORGA for the first time as one of the oldest trade fair exhibitors.

Seizing the opportunity: digital progress in the crisis

Despite all the changes the pandemic has brought to our daily work, our company has also used the crisis as an opportunity to invest in a contactless training programme, among other things. The electronic training courses via the new tool offer every J.J. Darboven employee the opportunity to complete their training completely independently since 2020. Antje Kahlen, deputy head of the pandemic group at the Hamburg site and responsible for occupational safety: "Due to the corona pandemic, we also had to deal with some problems with regard to our training on important topics such as occupational safety or hygiene: Our administrative staff were mostly working from home; the industrial staff continued to be at the sites. Our previous training programme, which was geared towards presence learning, quickly reached its limits. With an online training programme, we were able to offer all employees a customised, job-related opportunity for further training without further ado. A solution with a future." In the course of the introduction of the programme, two computer rooms were set up at the Hamburg site for the employees from production and logistics in order to offer all employees the same basic conditions.



SWEPT EMPTY: Training seminars – whether in-house or for our clients – took place either digitally or at a distance in 2020.



CONGRATULATIONS! *One of the ten winners of the campaign was the Alsterpavillon ALEX in Hamburg.*

Two strong campaigns for restaurateurs

#supportlocalgastronomy

Albert Darboven dedicated Coffee Day 2020 to out-of-home customers. As a sign of solidarity and solidarity with the badly hit gastronomy and hotel industry, a very special campaign was therefore launched. Under the guiding idea #supportlocalgastronomy, HoReCa establishments that offer J.J. Darboven coffee were invited to apply in order to benefit from support in two ways: In addition to an online presence on the J.J. Darboven website for all participants, ten other businesses were given the opportunity to win a cash prize of 1,000 euros. Ten Albert Darboven businesses were drawn from

all the entries on 1 October 2020, Coffee Day. The managing proprietor of J.J. Darboven was particularly delighted that a customer from Hamburg, to whom he was able to hand over the cheque in person, was among the winners.

10.000 €
for the HoReCa sector on Coffee Day 2020

The FAIR FOR YOU Tour

Fairtrade pioneer Café Intención also launched a solidarity campaign for the HoReCa industry in summer 2020 with the FAIR FOR YOU Tour. As part of this campaign, the Citroën HY, a fully equipped mobile outdoor coffee bar, was used. The HY toured all 16 federal states from the beginning of June to the end of September 2020, visiting local bakeries, cafés and restaurants. Starting in the far north, on the Priwall in Lübeck, the journey took its course towards Hamburg. From there, the HY stopped at many other stations in

central, western and southern Germany until its journey came to an end. The entire proceeds from the coffee sold were given to the respective businesses in front of which the HY found its stand each week. The mobile coffee bar from J.J. Darboven was thus a welcome source of financial income in difficult times.

FAIR FOR YOU TOUR 2020

#FFYT2020



7,000
hot drinks

Over 7,000 hot drinks were sold during the FAIR FOR YOU Tour in summer 2020. The income generated in the process directly benefited the gastronomic establishments where the HY stopped off.



ON-SITE VISIT: Albert Darboven with the HY at Hagenbeck Zoo in Hamburg, the second stop on the FAIR FOR YOU Tour.



COFFEE GROUNDS ON THE COMPOST! *The staff of the Hotel Birke know that nature thanks them.*

Strong pillars that defy the crisis

Service, quality and humanity

In turbulent times, it is long-term relationships and trusting cooperation that give us stability. J.J. Darboven has shared these values with the family-run Hotel Birke since 1989. The company stuck to its sustainable business model even in the difficult pandemic year 2020 – and used the time of the lockdown to fine-tune important principles and projects of its environmentally friendly orientation. Further development in times of standstill was the motto here, because the crisis supports the trend towards sustainability: Consumers are increasingly looking for plastic-free packaging, transparency along the supply chain, the lowest possible carbon footprint and fair conditions of origin for the products they consume. The Hotel Birke therefore set an example for the time after the lockdown with long-term partnerships, regional products as well as trained staff.

Rainer Birke, managing director of the Hotel Birke, has relied on the high service and product quality of J.J. Darboven for its hot drinks since 1989. From the very beginning, he was able to fully identify with the owner-managed traditional Hamburg company. What was particularly important to him was constant personal contact, which is a top priority even in times of crisis. Through the expertise of the staff at J.J. Darboven was able to provide the hotel with the right hot drinks to go with its policy of sustainability. For example, it is impossible to imagine the hotel's coffee range without the Fairtrade pioneer Café Intención, which has won over Rainer Birke, both in terms of taste and ethics. When it comes to tea, the Birkes set the standard with the broad range - including various organic and fair trade certified teas varieties - of EILLES TEA. "As a hotel, at the end of the day you have to think very carefully about what you want. For us, these are clearly service, quality and humanity. Our many regular guests confirm that we are on the right track with our orientation and the products we offer," reports Rainer Birke.

Saving costs while conserving resources

As part of its sustainable development, the company not only sources fairly produced hot beverages, but has been active in a variety of areas for years. Rainer Birke laid the foundations of his ecologically sustainable hotel business back in the 1980s: After all, environmentally friendly management cannot be implemented overnight. However, it is taking the first step that counts. Just a few months ago, Rainer Birke made the next sustainability decision - the head of the building services department is to be trained as an energy manager. By investing in staff who can regularly maintain environmentally friendly equipment such as



Café Intención – guests can enjoy the fair trade coffee everywhere in the Hotel Birke.

water-saving systems in the sanitary sector in a future-oriented manner, not only costs are saved, but the equipment itself can also be used much longer as a result.

In harmony with nature

Cost savings with consistently high quality are the order of the day in gastronomy and the hotel industry. Do it yourself is the motto. At the Hotel Birke, the philosophy of "do-it-yourself" took hold years ago: from building the counter in the fireplace bar with local materials to the ecological cultivation of herbs and fruit in the hotel's own garden and greenhouse. Chemicals to make the herbs grow faster are not used here, because the fertiliser comes from our own compost just around the corner. This is enriched with coffee grounds from the hotel and restaurant. The coffee grounds accelerate the rotting of the compost and enrich the soil of the herb beds with good nutrients. A sustainable cycle is ensured by an in-house irrigation system that supplies the herbs and plants with collected rainwater as needed. A cost-effective aspect in many respects.



THE HOSTS: Rainer Birke, Jasmine Birke, Florian Buchebner (f. r. t. l.)

“We can only follow the path to a better future together. The global corona pandemic has made this very clear to us. I am proud of our dedicated team that has reshaped the way we work together. Helpfulness and solidarity hold our society together and remain part of J.J. Darboven’s responsible entrepreneurship.”

Albert Darboven

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