

The background features a light beige color with a faint, white outline of a world map. In the top right corner, there is an illustration of a coffee branch with green leaves and three red coffee cherries, with three dark brown coffee beans scattered below it. In the bottom right corner, there is another illustration of a coffee branch with green leaves. On the left side, there is an illustration of a coffee branch with green leaves and a single orange coffee pod.

SUSTAINABILITY REPORT 2023

———— **J.J. DARBOVEN** ————

A stylized illustration of a coffee plant with green leaves, located in the bottom right corner of the page.

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1 About us

1.1 Editorial

WE TAKE RESPONSIBILITY

Sustainability has been a key element of our business ever since the founding of our company, and we are very well aware of how dependent our most important product, coffee, is on the climate. Our responsibility to this natural product thus starts at its source. We at J.J. Darboven have been closely tied to the coffee farmers in the countries of origin for generations.

Unfortunately, climate change has become the greatest concern in the coffee-growing countries, and the studies on future developments leave little room for optimism. This makes it even more our responsibility to adapt coffee cultivation to climate change and prioritise targeted knowledge transfer. We work towards making coffee sustainable along the entire supply chain. At the same time, administrative challenges have risen through new legal requirements (such as EUDR, CSRD). As a medium-sized family company, we welcome the goals of this legislation, but its implementation needs to be made practicable for all involved, and above all must not disadvantage small coffee growers. In this Sustainability Report you can learn how complex the task is and what goals we have set for ourselves. As a Fairtrade pioneer, we will continue to be a trailblazing force and work to encourage sustainable trade.

As hot beverage experts, we are also working towards the sustainable sourcing of tea and cocoa, and are investing in the future with sustainable innovations. With our partners we work every day to conserve resources and improve living and working conditions along the entire supply chain.

In our family company, our employees are of central importance. Our shared social responsibility, the well-being of each individual, good training and further education, and the best possible health and occupational safety are the basis for our responsible action.

Our company culture is marked by diversity, the greatest possible transparency, honesty and integrity. We know that only together can we create a path to more sustainability.

Learn about our results and our strategy for the future. If you have questions or suggestions, our Sustainability Officer Juliane Schröder will be happy to address them; you can reach out to her at jschroeder@darboven.com.

I wish you an enjoyable and sustained read!

Sincerely, Albert Darboven



| Albert Darboven

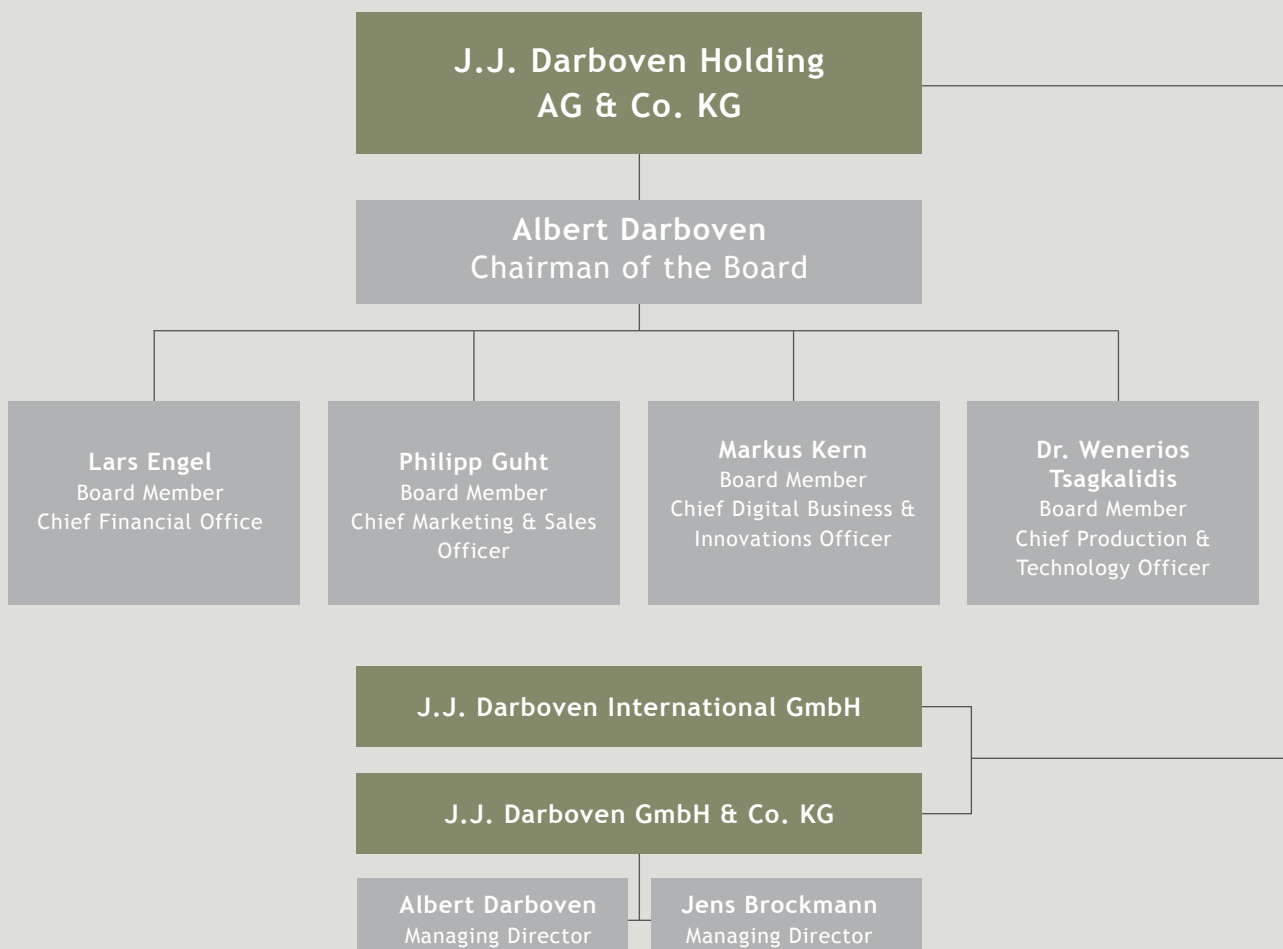
COMPANY STRUCTURE

J.J. Darboven was founded in 1866 by Johann Joachim Darboven in the “Free and Hanseatic City of Hamburg.” Ever since we have stood for quality, tradition and a pioneering spirit in the coffee and hot beverage industry.

Our company history has been marked by innovation from the beginning. In 1915 IDEE KAFFEE became the first registered coffee brand in Germany. Starting with the invention of the Darboven steam refinement process in 1927 our IDEE raw coffee was specially refined at high temperature using pure water steam. In 1993 we were the first company to introduce Fairtrade-certified coffee. Since the 1990s we have been increasingly internationally aligned.



„To us, sustainability means taking responsibility for the future - be it in our products, our use of resources or the way we support our employees. Together we are creating a more sustainable world, cup by cup.“ Juliane Schröder, Sustainability Officer



FACTS AND FIGURES

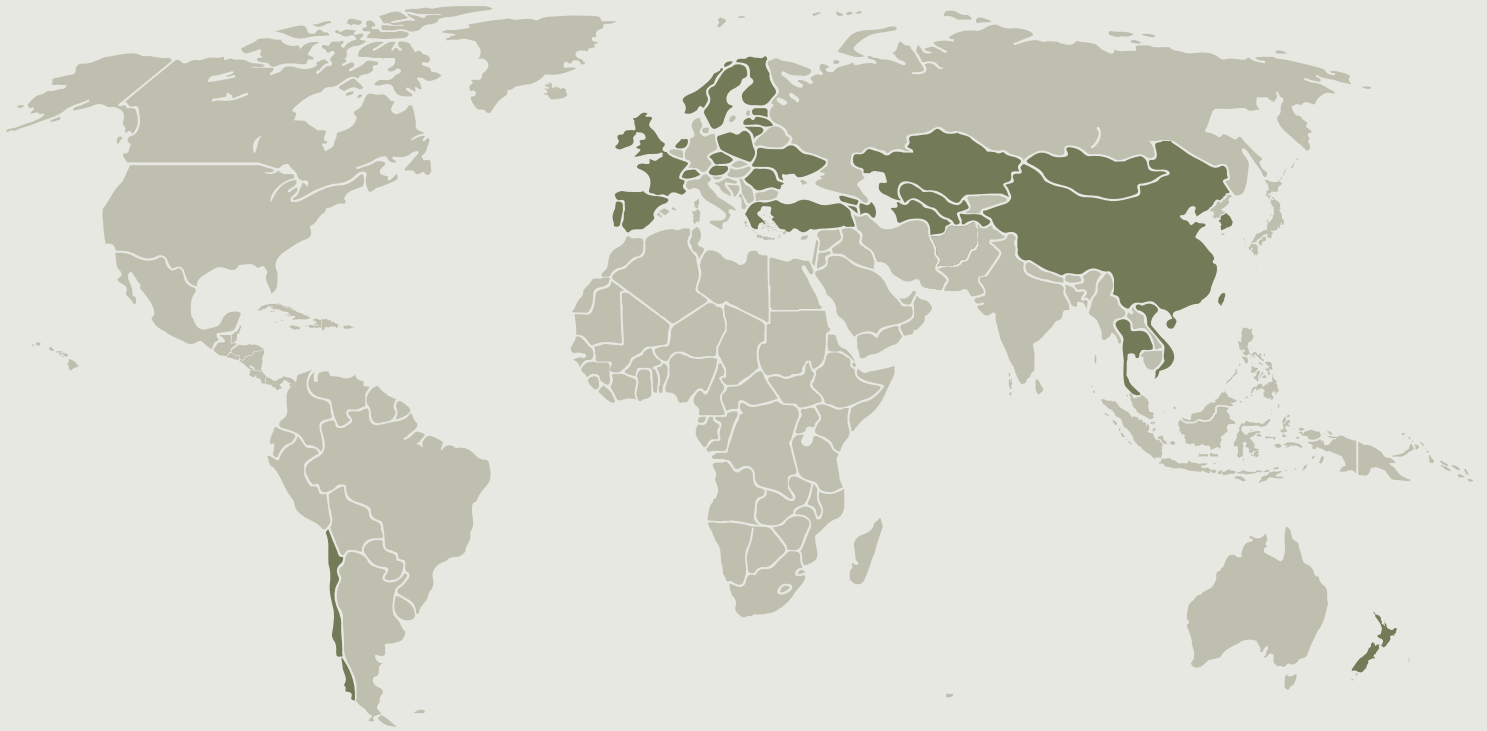
The J.J. Darboven company group is an international corporation with 16 subsidiaries in ten European countries and some 850 employees worldwide. Our corporate headquarters is in Hamburg, Germany. In the 2023 fiscal year revenues of the J.J. Darboven company group totalled about € 350 million.

In our three roasting plants in Germany and Switzerland we process about 40,000 tonnes of raw coffee annually. This processing comprises roasting to various recipes, packaging and shipping the coffee. We market our coffee, tea and cocoa products worldwide, in close partnership with trading companies in China, South Korea, Great Britain, Spain and Ukraine.



Operational companies of J.J. Darboven Holding

¹ The roasting operation in Switzerland was sold in 2024



Norway, Sweden, Denmark, Ireland, UK, Netherlands, Poland, France, Switzerland, Portugal, Czechia, Spain, Slovenia, Chile, Croatia, Slovakia, Hungary, Romania, Moldavia, Ukraine, Türkiye, Georgia, Azerbaijan, Turkmenistan, Uzbekistan, Finland, Estonia, Latvia, Mongolia, Lithuania, Kazakhstan, South Korea, China, Taiwan, Tajikistan, Thailand, Vietnam, Singapore, New Zealand

Our sales channels range from classic food retail to the out-of-home market to online shops and social shopping on platforms like Facebook and Instagram. In business-to-business we provide all-in solutions ranging from coffee, tea and cocoa to accessories to coffee machine services and individual hot beverage concepts. We also offer seminars in our in-house J.J. Darboven Academies and at customer locations, among other things towards certification to the international criteria of the Specialty Coffee Association (SCA) in the Barista Skills module.

Responsible and sustainable practices are important to us, as evidenced by our longstanding membership in industry associations like the German Coffee Association, the German Tea Association and the BAUM sustainable business network. Our promise of the highest sustainable and dependable quality is also reflected in our certifications to numerous national and international standards, including Fairtrade, EU organic, organic per the EU Eco Directive, Rainforest Alliance, Ecovadis and the DIN ISO 14001 and DIN ISO 50001 standards.

1.3 Our vision

HOW WE SEE OURSELVES

Our vision is to be a pathfinder in sustainability within the hot beverage industry, by promoting responsible and transparent business practices. Through ecological responsibility, the sustainable sourcing of our raw coffee and social justice, we work towards a world in which our activities result not just in high-quality hot beverages, but also improve the quality of life of our employees, suppliers and customers. With innovation and determination, we strive continuously to minimise the ecological footprint of our products while simultaneously making the maximum positive contribution to society. ***At J.J. Darboven we see sustainability as an integral force with a lasting effect on our business practices and the world we live in.***

Good coffee is when it's good for everyone

For us, sustainability starts with the commitment that all parties along our supply chain profit, from the coffee growers in the countries of origin to our employees to our customers. We believe that we will be successful only when we deal fairly, create just working conditions and promote long-lasting partnerships.

Positive influence along the entire value-creation chain

We strive to exert a positive influence on the environment and on society at every point of our value-creation chain. From the sourcing of sustainable raw materials to the use of renewable energy in production to the development of environment-friendly packaging, we look to innovative solutions to minimise our ecological footprint.

Sustainability as a tradition

Sustainability is deeply rooted in our history. For over 150 years we have proven that responsible business is not just morally right, but can also be financially successful. We build on this tradition and continuously develop new concepts to meet the ecological and social challenges of our time.

Our responsibility for the future

Our responsibility doesn't end with our products. We invest in the future by promoting sustainable innovations, giving our employees further education opportunities, and together with our worldwide partners working on solutions to fight climate change, conserve resources and improve the social standards in coffee production.

As an international hot beverage company, we have an immediate interest in making our business practices as sustainable as possible, so that the availability of coffee as a raw material is assured in the future in the face of climate change. So that everyone - along the supply chain all the way to our final customers, and we as a company - benefits from good coffee in the future as well.

THE INFLUENCE OF CLIMATE CHANGE

Climate change effects like droughts and extreme weather events exacerbate the pressure on resources, with direct consequences for the availability and cost of coffee. Our societal model depends on many environmental factors, and is vulnerable to numerous direct consequences of climate change:

CLIMATE



- Climate change results in poor harvests, quality fluctuations and scarcity of raw materials.
- Water scarcity affects the growth of coffee plants and coffee harvests.
- The loss of biodiversity endangers soil quality in growing areas, decimates the natural enemies of pests and makes coffee plants more vulnerable to disease.

SOCIAL



- Poor harvests and climate events increase the risk of insecure employment and exacerbate poverty exponentially.
- Reacting to environmental changes requires strengthened social responsibility, with knowledge transfer through education in sustainable cultivation techniques, and protection measures for workers.

GOVERNANCE



- Climate change demands comprehensive climate strategies from business and the intensive monitoring of supply-chain risks.
- Bottlenecks and resource scarcity heighten the risk of corruption, and call for transparent, sustainable business practices.

As part of our future CSRD reporting requirement, in 2024 we already did a materiality analysis to identify the most important issues for us with regard to the efficient use of resources.

A LOOK AT OUR SUPPLY CHAIN

A close look at our entire supply chain is key to understanding how we as a company are affected by the ongoing consequences of climate change. Climate changes affect not only coffee cultivation in the countries of origin, but also the availability, quality and costs of our raw materials. At the same time, climate change affects logistical processes and distribution channels, in turn affecting our ability to continuously offer customers high quality products. By analysing the consequences of climate change along our entire supply chain, we can identify risks early on and develop measures to become more resilient and sustainable over the long term. Our supply chain - here using coffee as an example - can be subdivided into five major sections.

1. Cultivation and harvesting

Coffee is grown in over 70 countries along the Coffee Belt. The varieties of relevance for world trade are Arabica and Robusta. Arabica - fine, floral, aromatic - is grown mostly in Central and South America and Africa, at altitudes of 800 to 2500 metres. Most Robusta - stronger, spicier, higher in caffeine - is grown at altitudes between 200 and 800 metres in Vietnam and India. Our growing regions extend across tropical Central and South America, with our largest growing region in Brazil, Honduras and Peru, as well as Africa (Ethiopia), Southeast Asia (India), Vietnam and Indonesia, and parts of Oceania. These regions enjoy moderate climates without extremes of temperature. Vegetation such as shade trees protects the coffee plants from sun and wind. Sufficient precipitation and good soil are important for good harvests. Once the coffee cherries are ripe and turn red they are ready for harvesting, which can be by hand or machine. About 2.5 kilograms of coffee cherries need to be picked to make 500 grams of roast coffee.

2. Processing and drying

There are basically three coffee cherry processing methods of relevance for our supply chain:

Natural ("dry") processing: The coffee cherries are dried in the sun.

Washed ("wet") processing: The fruit flesh and pectin layer are removed by water after the coffee is de-pulped. The beans are then sun-dried. This pretreatment reduces drying time but uses more water. Washed coffee has a better flavour than coffee made with dry treatment.

Semi-washed ("half dry") processing: The fruit flesh is removed by water, followed by sun-drying. The beans are turned frequently to prevent moulding.



Cultivation and harvesting



Coffee Cherries



Processing and drying



Transport and export

After one of these three pretreatment methods, the beans are peeled in a dry mill, cleaned, sorted, and prepared for shipping.

3. Transport and export

Raw coffee is shipped in sacks or “big bags” stowed in shipping containers.

Jute sacks: Traditionally, raw coffee is packed in jute or sisal sacks. These materials are breathable, meaning that they protect the coffee from moisture while letting it breathe.

Big bags: Larger quantities of raw coffee are shipped in plastic fabric sacks, often with an extra layer to catch moisture.



Roasting and packaging

4. Roasting and packaging

The coffee beans are roasted in our roasting plants. The aroma and familiar colour are created by a Maillard reaction, with the flavour varying depending on the roasting time and the origin of the coffee. Quality control is performed by our trained personnel. After roasting the beans are packed airtight. Most coffee for retail is vacuum-packed or packaged with a protective gas, to maximise its shelf life.



Roasting and packaging

5. Distribution and consumption

Finally, the finished coffee is delivered to dealers, restaurateurs and consumers around the world.

The long journey across many borders that every coffee cherry makes to reach the cups of the world’s coffee drinkers illustrates not just the vulnerability of our supply chain to the effects of climate change, but also the resource consumption that affects our company along the way. The cultivation, processing, shipping and preparation of the coffee use considerable quantities of water, energy and other natural resources. Climate change presents us with the challenge of making our supply chain more resistant and resource-conserving.

1.4 Our responsibility

SURVEY OF IMPORTANT ISSUES

What are the material, or important, issues for us at J.J. Darboven in connection with sustainability? In order to look into this and take the first steps, in 2024 we did an initial materiality analysis per the guidelines of the European Sustainability Reporting Standards (ESRS).

The process

Our materiality analysis was performed on the principle of double materiality. By this measure, material issues are those that affect either relevant financial risks or opportunities for the company, or substantial effects of our business operations on people and the environment. Through surveys, workshops and dialogues, internal stakeholders, such as board members and directors as well as employees in strategically relevant departments, were included in the materiality analysis. The insights gained were used in the prioritising of our Material Sustainability Issues.

Material Sustainability Issues

As coffee producers and hot beverage experts, for us all three sustainability areas are key for sustained, long-term business success. The central issues for us are summarised below.



ENVIRONMENT

Climate change and environmental protection

As coffee producers, we are greatly dependent on the climate conditions in the growing areas, which can influence harvest yields as well as the quality of our coffee. Temperature fluctuations, droughts and extreme weather events can endanger harvests and cause supply bottlenecks.

Energy

The processing and transportation of our products require considerable amounts of energy, resulting in greenhouse emissions. Therefore, it is critical for us to reduce our energy consumption and switch to renewable energies.

Raw materials

We source a great many raw materials around the world, especially coffee, tea and cocoa. The sustainable and ethical sourcing of these raw materials is essential to minimise negative ecological and social consequences in the countries of origin.

Packaging

Packaging is crucial for the quality and freshness of our products. But at the same time, packages contribute to the environmental burden, especially in terms of waste and CO₂ emissions.

Circular economy

To minimise the environmental burden of waste and associated CO₂ emissions and costs, we invest in recycling schemes and are working to identify and make use of ways to save non-recyclable materials and reduce the amount of production waste generated.



Harvest of a cocoa plant |



SOCIAL

Working conditions and compensation

The working conditions in the countries of cultivation and along the supply chain are of central importance for social justice. Poor working conditions or human rights violations can lead to regulatory consequences, supply chain interruptions and reputation damage.

Employee health and safety

The protection of our employees is a key aspect of our social responsibility as an employer, for our production staff as well as for the people in the cultivation regions. Occupational safety is critical to prevent work accidents, health risks and the associated consequences.

Training and expertise development

The continued and further education of our employees is a central concern for us. With it, we ensure not only knowledge transfer and the improvement of individual capabilities, but also provide fertile ground for innovation and ideas. In the cultivation regions we thus not only provide important knowledge around caring for coffee plants, which provide a living for many people, but also make ourselves an employer of choice for production and administrative staff.



GOVERNANCE

Company culture

A values-oriented entrepreneurial outlook and strong identification with it on the part of management, which is reflected in all areas of the company, form the basis for long-term business success and societal recognition. Unethical behaviour or a lack of integrity by executives or employees can compromise stakeholder confidence, damage the reputation of the company and negatively affect the working climate.

Management of supplier relationships, and combatting corruption

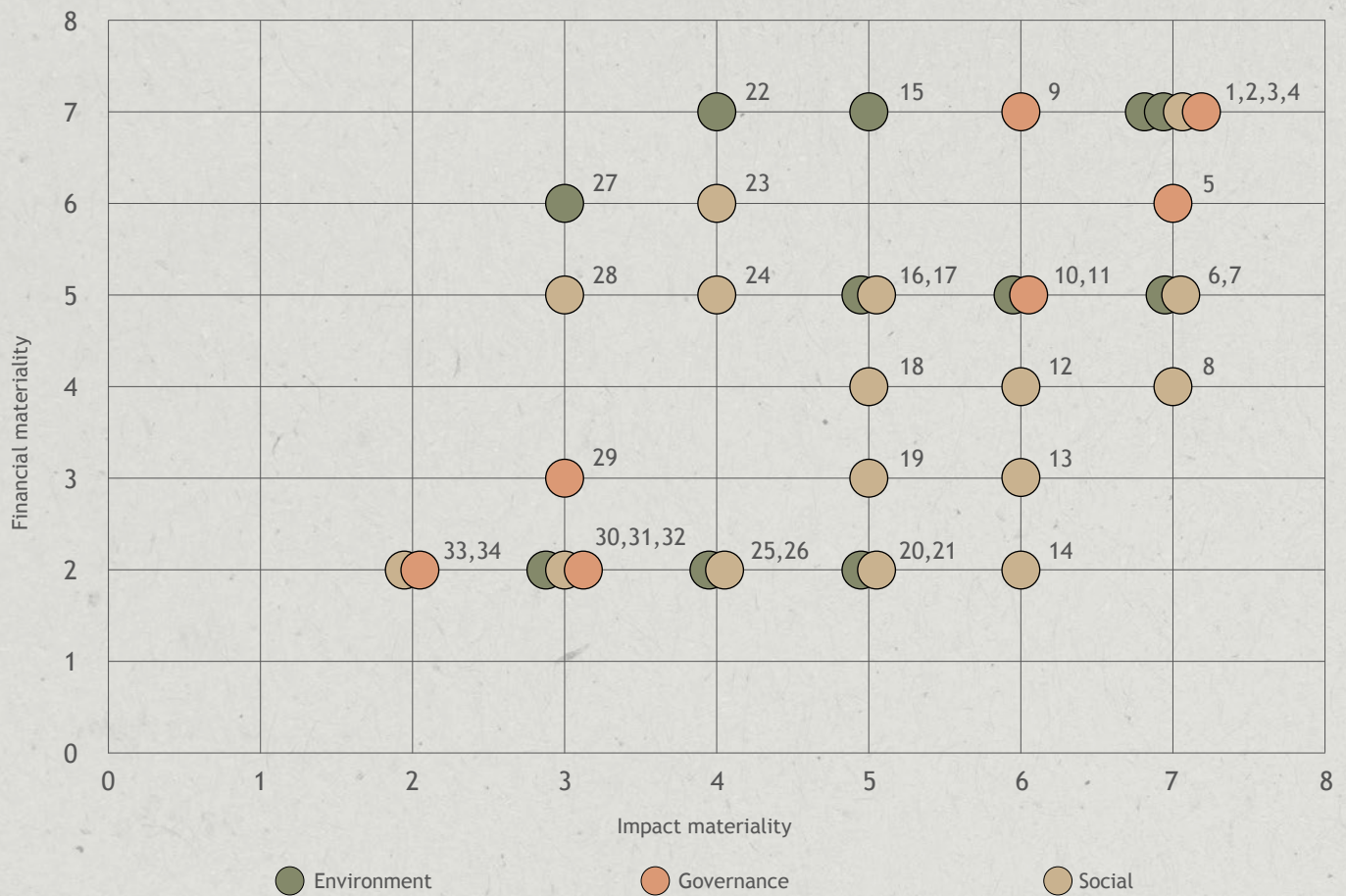
Transparent management is indispensable in order to implement and uphold social standards along our supply chain. Non-transparent supply chains can endanger our company economically as well as legally, and cause damage to our reputation.

Integration in the company strategy

The results of our materiality analysis are incorporated directly into our sustainability strategy. Going forward we want to have clear objectives for each Material Issue, and from them define associated guidelines and measures that are regularly checked and disclosed in CSRD reporting. To do so, we will further extend the existing objectives and develop a corresponding strategy and action plan for newly identified Material Issues.



The priorities of these issues are shown in our materiality matrix:



- 1 Climate change (biodiversity), energy, climate protection, adaptation to climate change, environmental pollution (biodiversity), resource flows including resource use
- 2 Resource flows including resource use
- 3 Appropriate compensation (ESC), health protection and safety (ESC), health protection and safety (own staff), training and expertise development (own staff), data protection (own staff), appropriate compensation (own staff)
- 4 Company culture
- 5 Whistleblower protection
- 6 Direct exploitation
- 7 Working hours (own staff), hiring and inclusion of handicapped persons (own staff)
- 8 Secure employment (own staff), balance of work and private life (own staff), water and sanitary facilities (ESC), child labour (ESC), diversity (own staff), secure employment (own staff)
- 9 Management of supplier relationships
- 10 Air pollution
- 11 Prevention and disclosure including training
- 12 Gender equality and equal pay for equal work (own staff), appropriate housing (ESC)
- 13 Appropriate housing (affected communities)
- 14 Wage negotiations (own staff), freedom of association (own staff)
- 15 Water use changes: fresh water, water usage
- 16 Waste, water extraction, water diversion
- 17 Access to high-quality information
- 18 Voluntary and informed prior consent, measures against workplace violence and harassment (own staff)

- 19 Secure employment (ESC), balance of work and private life (ESC)
- 20 Substances of concern
- 21 Social dialogue (ESC), gender equality and equal pay for equal work (ESC), working hours (ESC), water and sanitary facilities (affected communities), data protection (ESC workers), water and sanitary facilities
- 22 Land degradation
- 23 Wage negotiations (ESC)
- 24 Training and expertise development (ESC), freedom of association including the existence of works councils (ESC)
- 25 Soil pollution, water pollution
- 26 Social dialogue (own staff), diversity (ESC), measures against workplace violence and harassment (ESC)
- 27 Resource outflows in connection with products and services
- 28 Health protection and safety (consumers and end users)
- 29 Instances of corruption and bribery
- 30 Effects and dependencies of ecosystem services
- 31 Cultural rights, self-determination, hiring and inclusion of handicapped persons, appropriate nutrition (affected communities)
- 32 Animal protection
- 33 Effects on soil
- 34 Political involvement

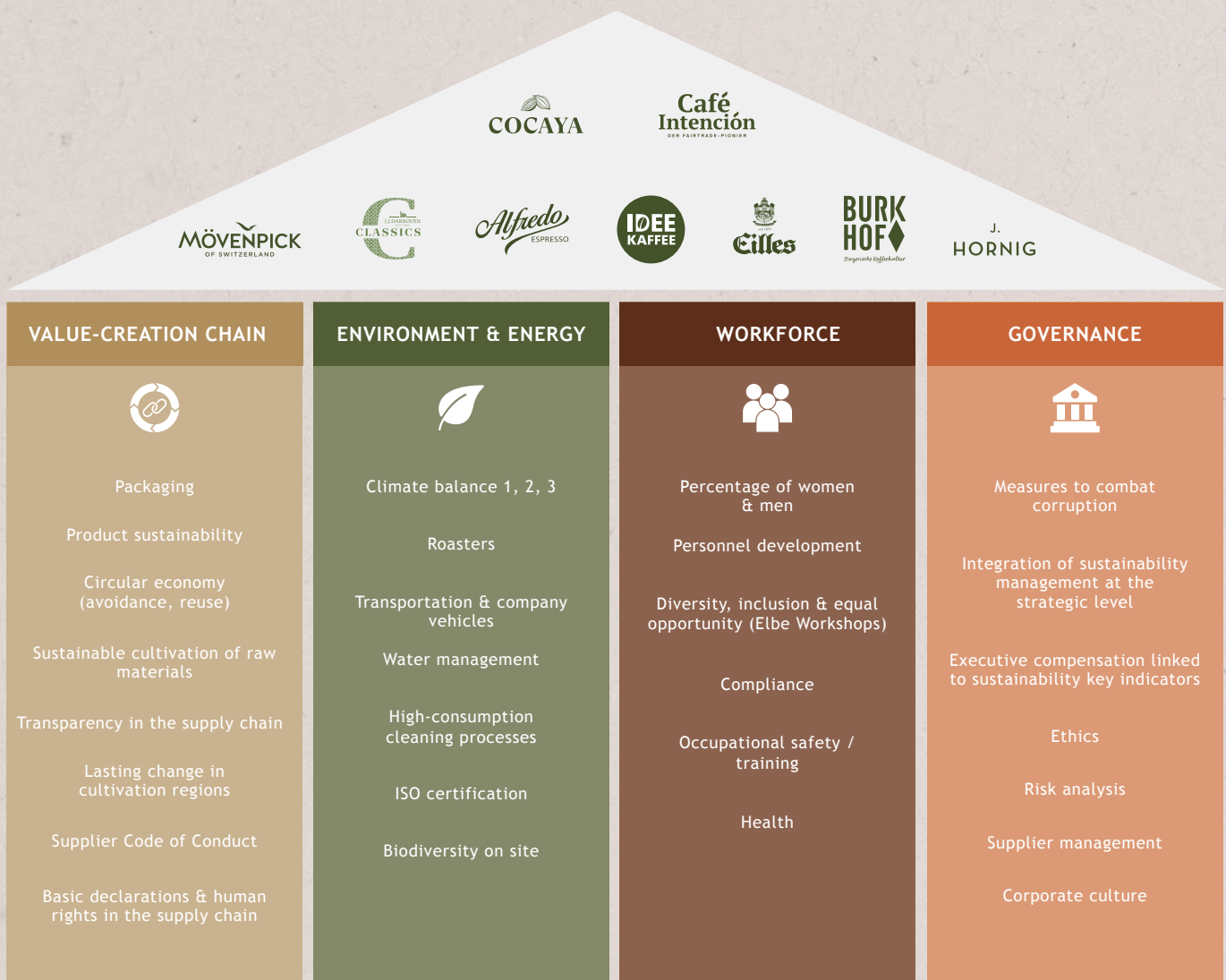




2 Strategy and goals

2 Strategy and goals

The following sustainability issues per our analysis form the basis for the J.J. Darboven sustainability strategy:



Material Sustainability Issues at J. J. Darboven

Sustainability strategy 2.1

Our sustainability strategy aims to achieve positive outcomes for people and nature along the entire value-creation chain, and most of all to avoid having negative effects. Our long experience as an innovation-driven yet traditional company stands us in good stead in this effort.

Our commitment to environment protection is reflected in our comprehensive sustainability strategy, which seeks to continuously minimise our ecological footprint, while simultaneously maintaining the highest quality standards for our products. We strive to report transparently on our progress, and together with our partners and stakeholders make a positive contribution to climate protection.

J.J. Darboven is actively pursuing measures to reduce Scope 1 and 2 emissions in order to make a lasting contribution to protecting the environment. Through targeted investment in efficient technologies, renewable energies and process improvements, we are working to significantly reduce our direct and indirect greenhouse gas emissions. Furthermore, we are working towards a reduction in Scope 3 emissions, and are in close and ongoing dialogue with all available stakeholders along the value-creation chain.

Our strategy affects the following areas: |

VALUE-CREATION CHAIN

- More sustainable procurement
- More sustainable products and solutions
- Circular economy
- Human rights

ENVIRONMENT AND CLIMATE

- Climate & energy
- Ecosystems & biodiversity
- Water

GOVERNANCE

- Risk management
- Code of Conduct
- Company ethics
- Company culture

EMPLOYEES

- Sustainability culture
- Occupational safety & health
- Learning & development
- Equal treatment
- Society





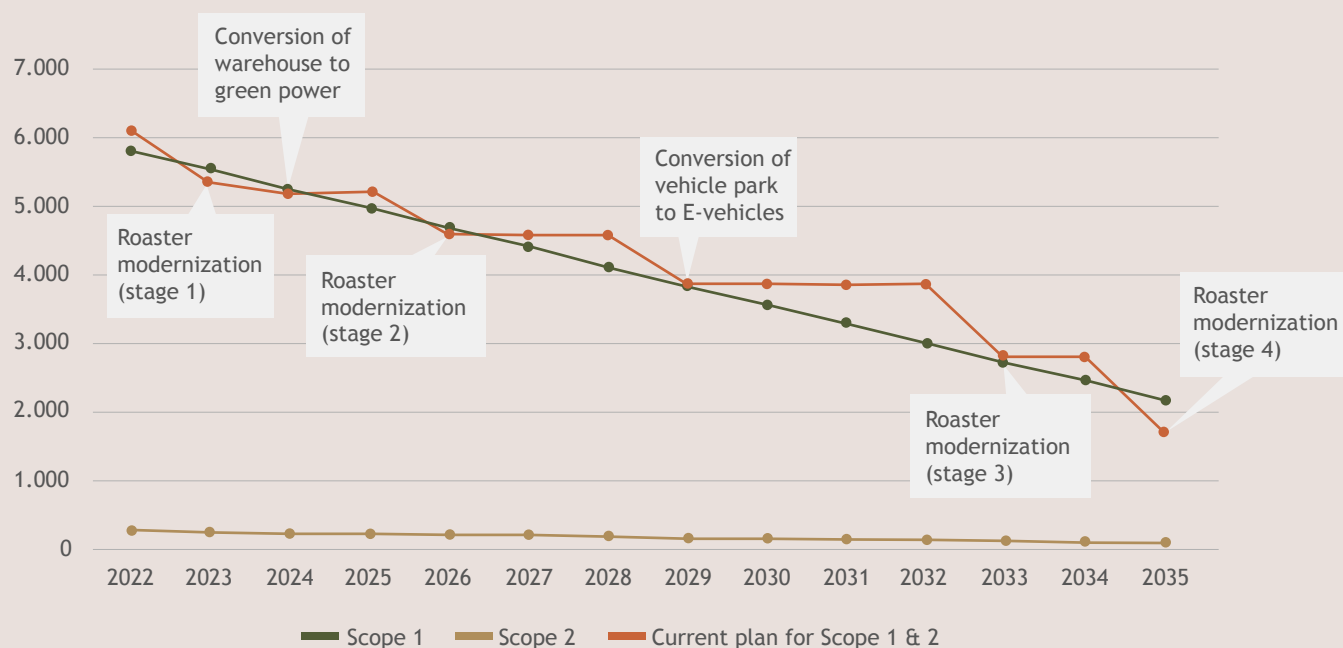
Our contribution to climate protection and global responsibility

Our emissions goals will in future be aligned with the science-based standards of the Science Based Targets initiative (SBTi), in order to reach the goals of the Paris Agreement on limiting global warming. With the SBTi Near-Term Targets we are committed to reducing our greenhouse emissions within the next five to ten years to a level consistent with a maximum global warming of 1.5°C.

The FLAG (Forest, Land And Agriculture) standard of the SBTi has our special attention. This standard provides the

world's first framework for companies in land-intensive sectors for defining science-based goals that include the reduction and elimination of emissions from land use (22% of worldwide greenhouse emissions). FLAG emissions in our case result from the cultivation and production of raw coffee, tea and cocoa. The goal is to reduce forest, land and agriculture emissions and make a sustained contribution to protecting the forests in the cultivation areas.

Scope 1 & 2 reduction goals up to now



The modernization of our roasting plants in four stages will bring > 30 % energy savings. In addition, we are following the goals of the United Nations Agenda 2030. These Sustainable Development Goals (SDG) offer us an action framework for meeting social, ecological and economic challenges. The halfway balance on implementation of the SDGs presented in 2023 by the German Federal Ministry for Economic Cooperation and Development shows that the stated goals will not be met. For us, this underlines the importance of our determination to come close to the goals through concrete measures, together with our partners and employees.

In line with our analysis of the material issues and our strategy, we are pursuing the following six SDGs:

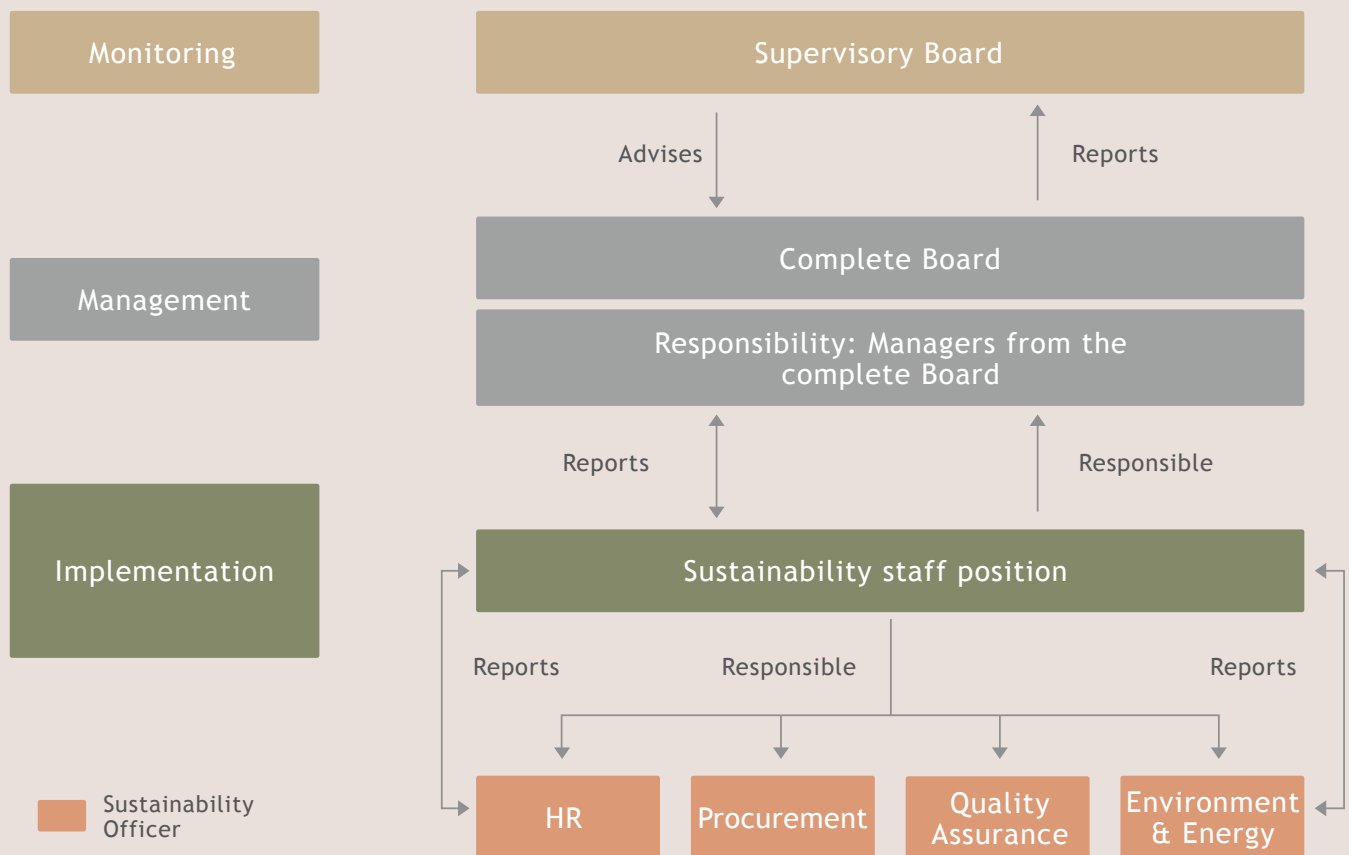
- 5 Gender equality
- 8 Dignified work and economic growth
- 9 Industry, innovation and Infrastructure
- 10 Less inequality
- 12 Sustainable consumption and production
- 13 Climate protection measures
- 17 Partnerships for reaching these goals

The J.J. Darboven SDGs. |



² <https://www.bmz.de/de/agenda-2030/halbzeitbilanz>

2.2 Governance



Governance and responsibility awareness at J.J. Darboven

Governance at J.J. Darboven is aligned towards regularly monitoring and transparently reporting on all sustainability goals. The Sustainability staff position continuously monitors the progress of our sustainability strategy and informs the Board on our success in energy savings and other important goals. In addition, in-house working groups and sub-groups define specific measures to deliver measurable results in sustainability. These groups meet regularly to monitor progress and make adjustments where necessary.

Transparency is a foundation of our sustainability strategy. It is communicated comprehensively within the company, so that all employees are informed and can actively contribute to reaching our goals. At the same time, we set great store by external communication and regular reporting to our stakeholders. We are further developing our

extensive CSRD reporting, in order to address the double materiality principle going forward. We will continue to regularly report on our progress, and starting in 2026 will prepare a CSRD Sustainability Report for the respective previous year (2025).

Reaching our sustainability goals will require clear internal communication paths. To this end, the Social Working Group has created an in-house communication plan for publication on the intranet and our digital blackboards, to ensure that all employees are continuously updated on progress and measures in the area of sustainability. This way we ensure that everyone in the company can actively contribute to reaching our sustainability goals.

Recognising and addressing sustainability risks early

Sustainability risks, such as failed harvests due to climate events or social challenges in the supply chain, are firmly integrated in our general risk management. We have de-

veloped processes to identify, evaluate and minimise these risks early on. The system is currently being further extended to include tea and cocoa for the early recognition and addressing of potential risks in these categories as well, for example supply bottlenecks or violations of ethical standards. Going forward we will work with osapiens (sustainability software) to identify and deal with sustainability risks. This collaboration will help us detect, assess and control sustainability risks in a legally compliant and resource-saving manner, for example by means of AI-supported analysis of cultivation area image data. In doing so we will ensure compliance with national and international social and environment standards, and strengthen our commitment to sustainable business.

Compliance with our Code of Conduct is another central element in our risk management. All suppliers are regularly audited for compliance with the ethical, social and ecological standards therein.

Stakeholder involvement as an integral part of our sustainability strategy

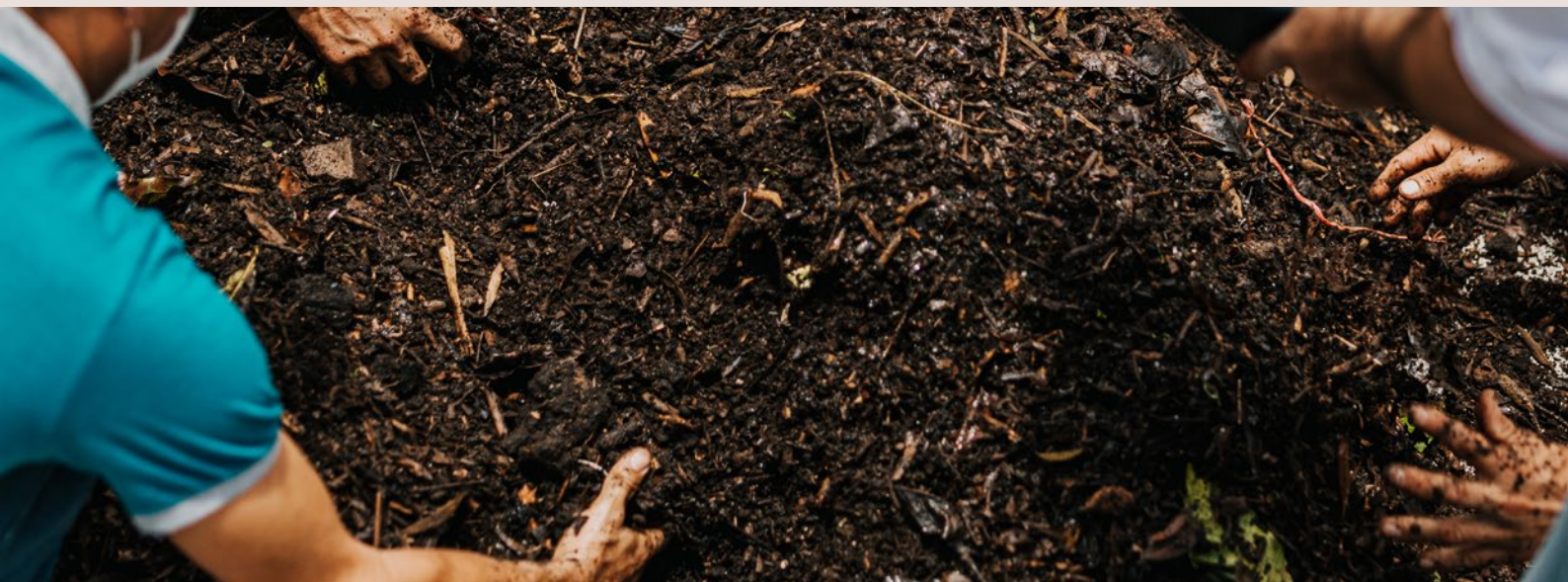
Including our stakeholders in decision-making processes is important to us. Regular dialogues with suppliers, customers, employees and affected local communities enable us to understand needs and expectations, and act accordingly. By promoting continuous dialogue we ensure that the sustainability standards we demand are met. We also give our employees the opportunity to contribute actively to the development of our sustainability goals and be part of the solution, via surveys and feedback mechanisms. Our mem-

bership in the German Coffee Association (DKV) strengthens our commitment to sustainability and ethical business practices. Through in-house initiatives like switching to multi-use cups we also encourage our workforce to take part, and actively involve them in implementing our sustainability goals.

Governance and responsible action

Our employees daily make important contributions to the success of J.J. Darboven. But we know that there can be uncertainty regarding compliance with rules and correct conduct in day-to-day work. Therefore, we see it as our responsibility to provide clear orientation aids for ethical and transparent decisions. Our Code of Conduct for employees and suppliers helps all involved abide by the rules with confidence in daily business.

We promote a culture of open communication that creates a shared understanding of our values and guidelines. ***Each employee, through his or her conduct, helps us be true to our values and reinforce the sustainable business model of J.J. Darboven. We thank all employees for their daily efforts towards reaching our company goals and lasting success. Their commitment and integrity are the central elements in our sustainable governance.***



2.3 Goals

We have translated our sustainability strategy into clearly defined goals that we will implement step by step. In line with the key issues we have identified and the materiality analysis we did for the first time this year, in the first step we are focusing on four central areas that have the greatest influence, based on our business operations:

- Packaging
- Raw materials
- Energy & climate
- Workforce

In the coming years we will successively expand our goals, and in the next step focus on water and biodiversity in particular. By doing so our intention is to address rising demands and meet our own responsibility and expectations.

A SURVEY OF OUR GOALS:



PACKAGING

Our overarching goal at J.J. Darboven is to avoid the use of packaging as far as possible. Where this is not feasible we will examine existing packaging

and improve it with the goal of reducing its extent and the amount of materials needed, and using recyclable materials.

1. **Examination of current packaging:** Through regular analyses we identify potential for improvement and reduce unnecessary material usage and oversized packaging.
2. **Design improvement:** We modify package designs to minimise the amount of material used, without compromising the protection of our products.
3. **Working with suppliers:** Together with our package suppliers, we develop innovative solutions for reducing material use and improving recyclability.
4. **Customer education:** We inform customers on the importance of recycling and the responsible use of packaging materials, in order to raise their awareness of environment-friendly alternatives.
5. **Recyclability:** Starting in 2025, for new products we will get third-party evaluations of the recyclability and ecological advantages of packages.



RAW MATERIALS

We want to use ecologically and socially responsible raw materials and make supply chains more sustainable.

We are working towards a sustainable

raw materials sector in which forward-looking business activities by all actors along the value-creation chain result in:

- A liveable income for farmers;
- Conservation of natural resources, especially forests and their biodiversity;
- Assured upholding of human rights in the value-creation chain;
- No child labour.

During the last two years we have pursued three central measures:

1. **Supply chain transparency.** Evaluating potential risks and improvement possibilities in the supply chain and obligating suppliers to comply with our Code of Conduct.
2. **Sourcing guidelines.** Development of guidelines for Procurement to bring about more sustainable sourcing.
3. **Risk analyses.** Performance of annual risk analyses for coffee, our main raw material, in order to identify any risks and derive appropriate measures.

Responsible sourcing of raw coffee

By 2030 we want to be sourcing all our raw coffee 100% responsibly. In addition, we are working towards 100% of our needs being met through responsible sourcing programmes. For raw coffee, this conversion follows recognised standards of the Global Coffee evaluation. The J.J. Darboven coffee line will be successively expanded with certified sustainable and responsibly grown coffee. By 2030 30% of our coffee will be certified to a recognised standard (Fair-trade, Rainforest Alliance and/or EU Organic). We intend to achieve this first and foremost by purchasing more certified coffee and through the planned launch of an additional certified coffee.



ENERGY

Coffee roasting is energy-intensive, so improving our energy efficiency is important. With a special catalogue of measures for more sustainable energy use, we are setting up for a long-term shift.

1. **Reducing energy consumption:** By 2025 we hope to reduce our energy consumption by 20% per product unit.
2. **Reducing electricity consumption:** A further reduction in electricity use by 20% is planned through efficiency increases, for example in our compressed air systems.
3. **More efficient heating systems:** By improving the heating systems in production and logistics we plan to reduce our heating energy needs by up to 30%.



WORKFORCE

As a family-owned company, we place our employees at the centre of our efforts towards more sustainability and social justice. We want to have a lasting positive influence on the people along our entire value-creation chain. As a company, we can have the greatest immediate impact on our own facilities and the people who work there. Along the upstream value-creation chain we work with the suppliers who best ensure implementation of social standards.

We promote the continuous further development of our employees and strengthen their professional knowledge and abilities. Our offerings comprise:

- Training and structured onboarding programmes
- Regular development and feedback reviews, plus offerings for professional further education and dual study
- Leadership development programmes to promote a strong leadership culture

We consider healthy, safe working conditions to be essential. Therefore we invest in the ongoing improvement of our working environments:

- Implementation and monitoring of safety guidelines by certified Occupational Safety Officers, first-aid providers and firefighters.
- In addition to ergonomically optimised workplaces, we offer regular health checks, fitness club membership, company physicians and healthy food in the canteen.
- A comprehensive health management programme is executed annually and supplemented by initiatives like Health Day.



3 Action areas

3.1 Climate

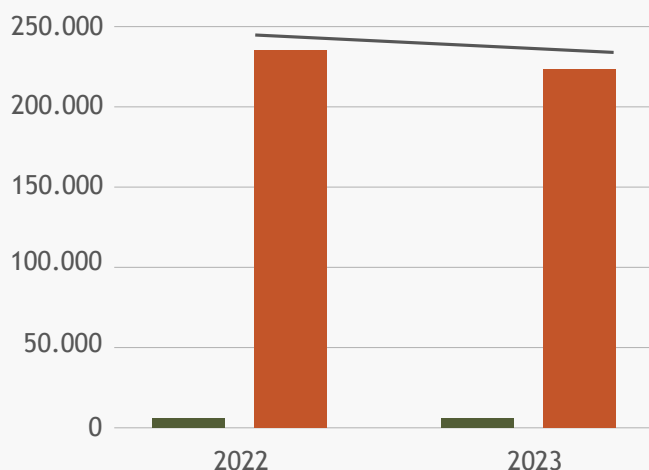
EMISSIONS

J.J. Darboven implements targeted measures towards the lasting reduction of its direct and indirect emissions (Scope 1 and 2), to make a meaningful contribution to environmental protection. Investments in more efficient technologies, renewable energies and the optimization of our processes play an important part in reducing greenhouse gas emissions. This effort is part of our sustainability strategy that not only continuously reduces our ecological footprint, but also ensures the highest quality standards of our products. Transparent communication about progress is important to

us, as it lets us make a positive contribution to climate protection together with partners and stakeholders.

ISO certifications are an important element of our commitment. J.J. Darboven has been certified to the DIN EN ISO 50001 energy management system since 2016, and in 2019 also achieved certification per the DIN EN ISO 14001 environmental management system. Both were successfully recertified in 2022, ensuring the continuous further development of our environmental goals.

	2022	2023
Scope 1	5,810	5,065
Scope 2	263	307
Scope 3	240,698	232,090
Total CO ₂ eq in Tonnes	246,772	237,462



2022 & 2023 Climate Balance:

In our annual climate balance J.J. Darboven captures Scope 1, Scope 2 and Scope 3 greenhouse gas emissions along the entire value-creation chain. This differentiation permits a comprehensive view of the emissions sources and helps us develop targeted reduction measures.

In calculating the Scope emissions we consider the following emissions categories, which will be discussed in detail below.

Scope 1: Stationary systems (such as heating, roasters, central heating plants), mobile systems (vehicle park [petrol, charging stations]), volatile gases (coolants)

Scope 2: Electricity and district heating

Scope 3: Goods and services (aluminium packaging, bagasse, inks, glass, wood, carton, paper, PE packaging, PET packaging, transportation accessories, shipping, packaging, raw coffee rest of world (organic / FT), water, upstream transportation and distribution (raw coffee seagoing container emissions, raw coffee rail, return shipping of finished product by rail and road, domestic forwarder shipping of finished product, DHL shipping of finished product), waste produced (wastewater, organic waste, electric waste, wood, plastic, recycling, metal, paper, residual waste, bulky waste, composite films, incineration), business travel (local and long-distance rail, air travel (domestic, international), diesel/petrol car), commuting (diesel/petrol car and bus, electric urban rail), downstream transportation and distribution (road and ship))

2023 RESULTS

SCOPE 1: DIRECT EMISSIONS

In 2023 we reduced direct emissions in Scope 1 by 12.8%, from about 5800 tonnes CO₂eq in 2022 to about 5000 tonnes CO₂eq. This progress is the result of targeted efficiency improvements and the use of more energy-efficient technologies, such as through investments in more modern roasters in our production facilities.

The emissions measurements of our roasting ovens in Hamburg and Sauerlach are performed by the ANECO measurement institute and TÜV Süd, and meet legal requirements.

INDIRECT EMISSIONS FROM PURCHASED ENERGY

In Scope 2 we saw a 16.7 % rise in emissions from 263 tonnes CO₂eq in 2022 to 307 tonnes CO₂eq in 2023. The increase is partly due to the switch to district heating at the Sauerlach location. This allowed us to save a large amount of natural gas and so reduce direct emissions, which however caused an increase in Scope 2 emissions. We continue to pursue the goal of optimising our energy supply and increasing the amount of renewable energy in our electricity mix. This underlines the need to switch to sustainable energy sources.

SCOPE 3: INDIRECT EMISSIONS ALONG THE SUPPLY CHAIN

Most of our emissions are in Scope 3, and these fell from 240,698 tonnes CO₂eq in 2022 to 232,090 tonnes CO₂eq in 2023, for a reduction of 3.6%. This progress reflects our ongoing efforts to establish more sustainable solutions along our entire supply chain, including measures to reduce transport emissions, optimise our logistics and make raw material sourcing more sustainable.

MILESTONES REACHED IN 2022/23:

VEHICLE PARK EMISSIONS

We revise our vehicle park guideline annually and work to continuously reduce the amount of fuel used in company vehicles, for example with more efficient petrol engines. The increasing use of electric vehicles is also having a positive effect on CO₂ emissions. While the kilometres driven by our vehicles fell by 11% in 2022, the CO₂ emissions fell by 13.2%.

2023 ROASTER CONVERSION

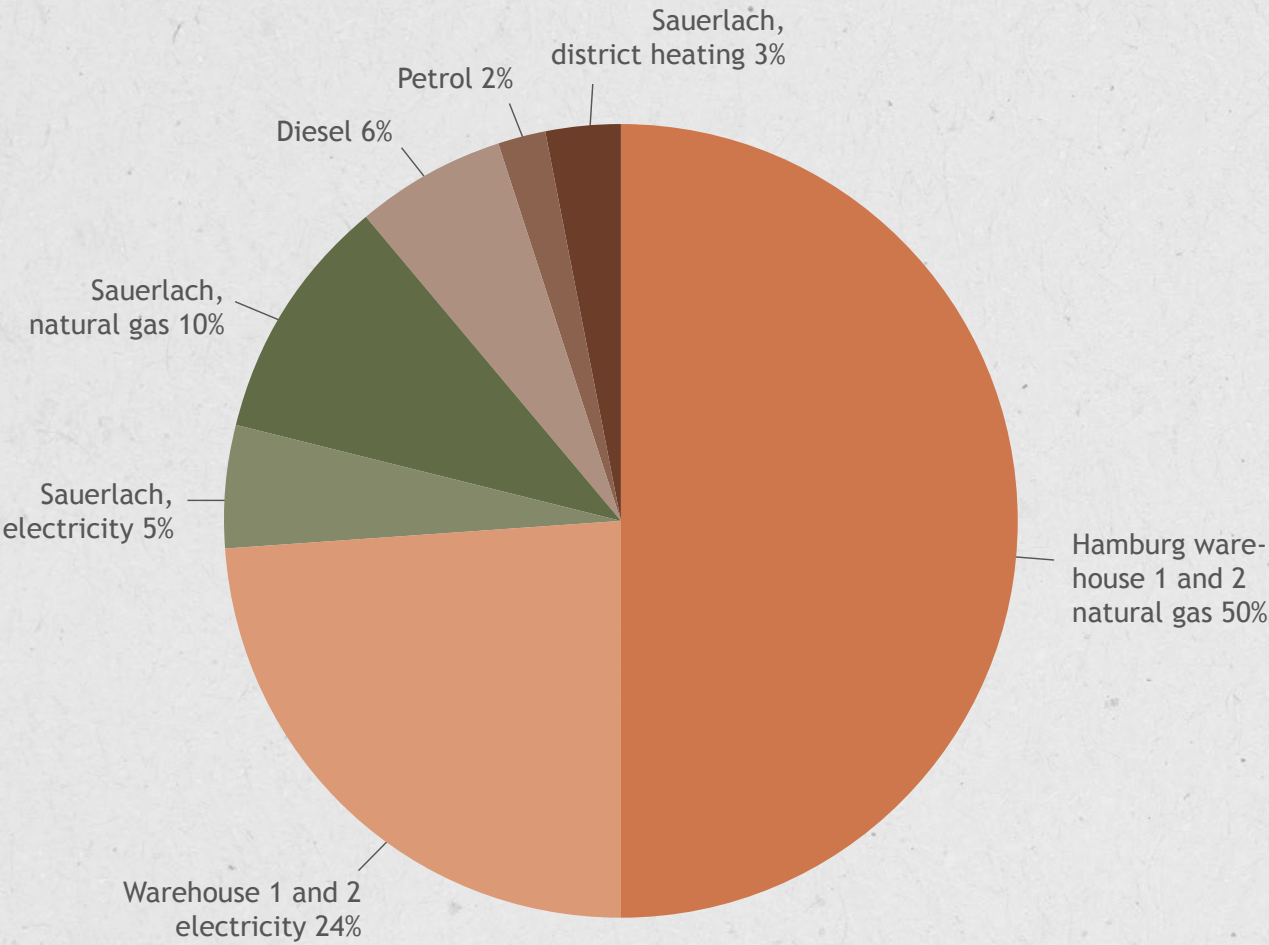
In 2023 J.J. Darboven became one of the first coffee roasting companies in Germany to have a tangential roaster. Unlike conventional drum roasters that heat with a combination of conduction and convection, tangential roasters use only convection. This makes for more even and controlled heat transfer to the coffee beans, positively influencing not just the quality of the roasting process, but also the energy consumption. The roaster also uses part of the airstream to preheat the raw coffee, giving it a more uniform starting temperature. This improves the roast consistency and saves further energy.

The exclusive use of convection heat and optimised air circulation reduces energy consumption by about 20% over conventional drum roasters.

ENERGY

Coffee roasting is an energy-intensive process, so energy efficiency is an important issue for J.J. Darboven. In 2023 the company used 31,356,630 kWh. This was 8.89% below the previous year figure, although product tonnage was only 1.5% less. This saving was achieved through continuous improvement of the roasting plants in Hamburg and Sauerlach, and the use of the new tangential roaster.

Our energy needs are covered by natural gas, electricity, diesel, petrol and district heat. The application areas of these energy media and their share of the total requirement are shown in the following diagram:



Shares of energy media and users

The largest energy users are summarised in the Overview of main energy users. Together they account for over 75% of the company’s total energy needs. Among the largest

energy users are all our roasters, the vehicle park, heating, and compressed and conveyor air blowers.

Users	Energy source	Consumption (kWh)	Share of total energy consumption
Natural gas roasters, Hamburg, total	Natural gas	11,960,248	38 %
Natural gas roasters, Sauerlach, total	Natural gas	3,172,292	10 %
Conveyor air, Hamburg	Electricity	2,742,803	9 %
Vehicle park	Petrol, diesel, electricity	2,544,504	8 %
P15 heating, Hamburg	Natural gas	1,649,355	5 %
Electricity, Sauerlach	Electricity	1,552,256	5 %
Heating, Sauerlach	District heating	821,000	3 %
Hamburg, roasters	Electricity	279,459	1 %
	Subtotal	24,721,919	79 %
	Total energy needs	31,356,630	100 %

Reduction of electricity consumption for conveying raw and roast coffee, example from Hamburg

An important strategic energy goal is the 20% reduction of electricity used for conveying raw and roast coffee. Conveying is done by compressed air, and air is also compressed for other purposes in operations.

This accounts for 25% of all electricity used at the Hamburg facility. To make the consumption changes over the years comparable a key indicator was defined, the SEU (Signif-

icant Energy Use). This is the electricity consumption in kWh for conveying a kilogram of roast coffee in Hamburg. As can be seen from the chart below, contrary to expectations the SEU has risen. However, overall energy use (electricity and gas) per tonne of roast coffee is clearly sinking, and we continue to work on further significant reductions.

Hamburg	Unit	2021	2022	2023
Electricity use, infrastructure (conveying) per tonne roasted coffee	kWh energy/t roasted coffee	63.83	74.60	93.60

SEU (Significant Energy Use) for raw and roast coffee |

With the commissioning of the new tangential roaster, the energy consumption for raw coffee conveying at the facility rose by 14 kWh/t. Although the tangential roaster itself is substantially more energy-efficient than other roasters, as previously stated, the careful conveying of the beans to a hopper height of about 30 metres takes rather more energy than needed for the old roasters.

The increasing level of automation in production, in which pneumatic valves are used, also demands more compressed air. To meet this need as efficiently as possible, in 2024 a new, larger compressor was acquired, which went into operation in mid-2024. In addition, another more efficient air compressor was installed in 2024 to meet the increasing energy demand for raw coffee conveying.

Measuring system for energy demand documentation

To gain a better understanding of the energy consumption of the Hamburg location, and so more transparency, electricity and natural gas demands are measured and documented at multiple delivery points every quarter hour by the ISYS energy tracking system. In 2023 we also connected new electric meters to further improve the data capture rate. Our data capture rate is now just under 80%, which means that all large consumers are captured. The Sauerlach facility was incorporated into ISYS in June 2023, and the capture rate for electricity there is very nearly 100%.

Energy consumption training

To sensitise employees with regard to reducing energy consumption, there are regular online training sessions using the SAM® tool from the Secova company. In 2023 the training rate was 98.0%, only slightly under the previous year rate of 98.9%.

Employees receive online training on the issues of “Waste - proper disposal,” “Energy saving at work” and “Environmental protection at company - basics.” In 2024 apprentices will take part in the “Energy Scouts” training programme by the Chamber of Commerce.



Recycling of packaging

Location	Number	Percentage
Hamburg	1065	98 %
Sauerlach	119	100 %
Total	1184	98 %

Energy and environment-related training sessions

WASTE AND CIRCULAR ECONOMY

Waste is an important part of environmental management; resources must be conserved and waste handled in an environmentally compatible manner. We have five central principles in this regard:

- Waste avoidance
- Preparation for waste re-use
- Waste recycling
- Other waste usage (energy generation, infill for excavation and demolition sites, etc.)
- Elimination of waste

In the last two years we have implemented further important steps in our waste handling:

- Coffee waste as a residual material. The coffee skins left over from roasting are used to generate biogas or for organic composting.
- Multiple instead of single use. Reusable cups have taken the place of single-use cups in Hamburg, Sauerlach, and our subsidiaries in Poland, Czechia and Slovakia.

Waste balance at the Hamburg location

In 2023 the waste volume at the Hamburg location declined by 74 tonnes. This reduction is primarily due to a decline in the amount of coffee skins, which can be explained by the lower volume of such skins produced by the new R 4000 roaster. Initial measurements have shown that the process results in about 0.5% less skin, which is removed by aspiration.

Another positive development is a drop in the amount of residual waste by 27 tonnes, for example through reusable to-go cups. The waste separation rate of residual waste remained almost constant at 15%.

2023	2023		2022		Change from 2021
	Amount t	Percentag	Amount t	Percentag	
Coffee skins	322.98	47 %	417.54	55 %	29 %
Paper	167.78	25 %	135.05	18 %	-20 %
Film	15.68	2 %	17.16	2 %	9 %
Composite film	39.92	6 %	25.33	3 %	-37 %
Residual waste	99.98	15 %	127.27	17 %	27 %
Metal	16.30	2 %	10.34	1 %	-37 %
Wood	18.61	3 %	20.55	3 %	10 %
Electronic waste	1.92	0 %	2.73	< 1 %	0 %
Bulky waste	0.00	0 %	0.63	< 1 %	0 %
Batteries	0.00	0 %	0.00	0 %	0 %
Fluorescent tubes	0.00	0 %	0.00	0 %	0 %
Total	683.17	100 %	756.59	100 %	

Waste balance at Hamburg |

Waste balance at the Sauerlach location

The waste balance at Sauerlach changed little from the previous year. Here as well, the different types of waste are in the same ratio to each other as in 2022. The larger

amount of coffee skins is associated with higher production volume (+6.3% in 2023). The waste separation rate is 12%.

2023	2023		2022		Change from 2021
	Amount t	Percentage	Amount t	Percentage	
Coffee skins	126.00	77 %	116.05	76 %	-8 %
Paper	17.09	11 %	17.30	11 %	-4 %
Residual waste	19.06	12 %	19.50	13 %	-1 %
Total	163.6	100 %	153.3	100 %	

Waste balance at Sauerlach

PACKAGING

J.J. Darboven is mindful of its ecological responsibility. Accordingly we continuously strive to conserve the resources used for packaging and comprehensively improve our packaging management.

We want to make our packaging as environment-friendly as possible. This is the goal of an interdisciplinary team of employees in the Projects, Production, Production Planning, Quality Assurance, Sustainability, Marketing, Procurement and Technical areas, who are working on replacing existing components with more environment-friendly alternatives. Along with aluminium-free materials, we are looking into mono-composite films. These show high recyclability and are considered environment-friendly. Initial tests were held in Sauerlach in 2023.

All our own vacuum-packed items have already been changed to all-paper outside wrappers, whose outer film can be recycled completely as paper. This lets us save about 12 to 14 tonnes of plastic per year. The paper we use is already 99% recycled, which is the natural limit of what can be done in this area.

In addition to our own efforts for improving packaging, we also cooperate with the German Coffee Association to identify suitable materials to protect our products while simultaneously reducing the environmental burden.

Recyclable packaging materials

As part of the German Coffee Association's "More sustainable packaging" project, the recyclability of polypropylene (pp) monofilm is being enhanced and its barrier function tested, towards achieving a recyclability of 90%. This involves investigating the recyclability and storage behaviour of PP monofilm, and coffee tastings to determine if there are any effects on product quality and flavour. The project duration is set as two years.

In-house we are working on the technical conversion and upgrading of our systems to increase our use of recyclable packaging materials. To this end we run tests on the use of different films from different manufacturers, their barrier function and their storage properties. Our goal is to use material that is highly recyclable while protecting the flavour and quality of our products.

Since April 2023 we have been running trials on switching pouch packs to recyclable mono-composite film. We expect the first market-ready products in 2025. This introduction involves the development of suitable films in close cooperation with our suppliers, and the technical modification of our packaging lines.

Since 2024 we have been working on converting the film packaging of our bean articles to recyclable materials.

Further packaging goals

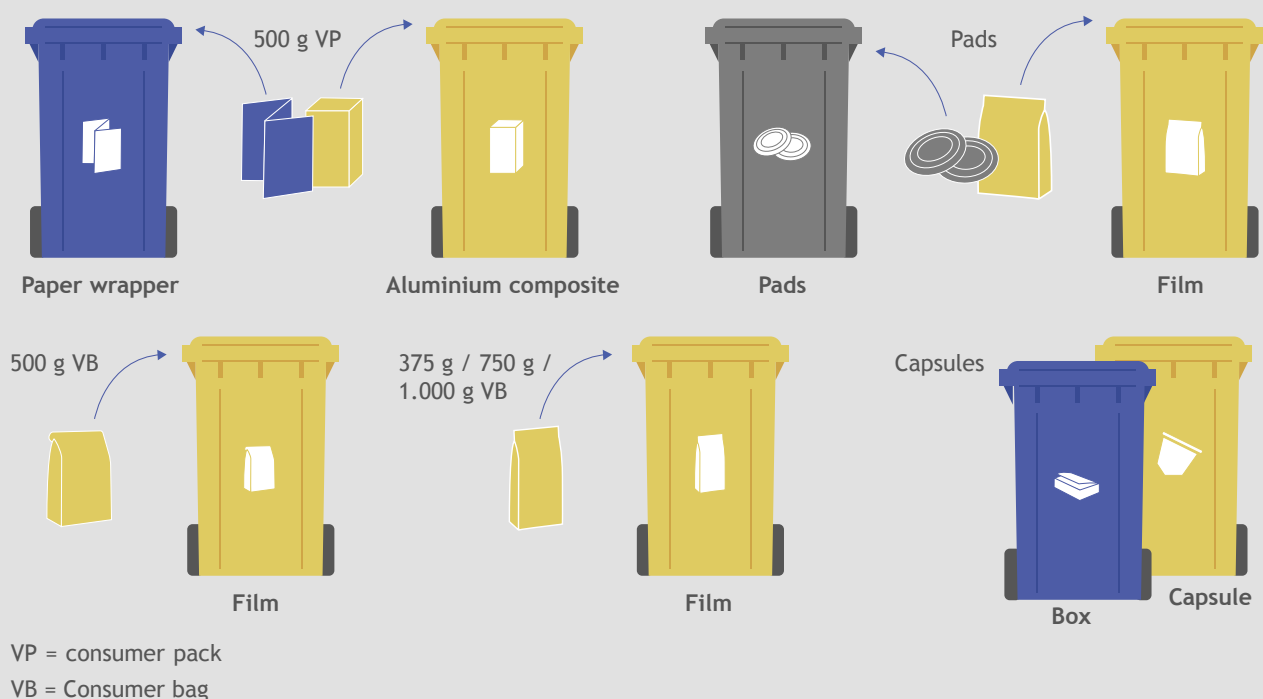
We have set ourselves ambitious goals for the further improvement of our use of packaging materials and reduction of the associated environmental impact.

By 2030 we want to switch our product packaging to 100% recyclable materials. Although aluminium has good protective properties, we intend to reduce our use of it by at least 70%, and entirely if possible. We are also working towards at least 70% recyclability per cyclos-HTP. That institute has developed a requirement and evaluation catalogue for examining and testing packaging and products, which is derived from the requirements of ZSVR (German Central Packaging Registry).

In connection with the improvement of our recycling rate we intended to further expand our production capabilities by making upgrades and conversions for the use of mono-composite films (PP and PE). Obstacles to recycling, like black colours containing soot, nitrocellulose-based inks or unfavourable package designs that conflict with the current requirements of the recycling infrastructure, will likewise be identified and remedied.

We are also working towards the 100% recyclability of our shipping and carton packaging to FSC standards by 2030. Starting in 2025 all J.J. Darboven consumer packages will bear disposal instructions. The disposal instructions will be successively added in product introductions, upgrades and layout updates.

Disposal instructions on J.J. Darboven consumer packs



3.2 Supply-chain management

RESPONSIBILITY IN THE SUPPLY CHAIN

At J.J. Darboven sustainability starts where the supply chain starts. From sourcing of the raw materials to delivery of the products, we follow a comprehensive approach that ensures the upholding of ethical, social and ecological standards. Especially for coffee, the raw material we use most, we rely on certified and responsible sources. At the same time, we support initiatives that promote more sustainable cultivation methods and improve the living conditions of the people in our cultivation regions.

Our approach to responsibility is evident in our longstanding partnerships with suppliers who adhere to our Code of Conduct. In 2024 we introduced a Code of Conduct for vendors as the foundation for working with J.J. Darboven. The Code is based on national law and international standards, and the economic and human rights guidelines of the United Nations. It requires all vendors to adhere to clearly defined principles like occupational safety, environmental protection, anti-corruption and social responsibility. It centres on transparency, integrity and a clear commitment to sustainable practices. We encourage our vendors to take active part in meeting the challenges, and we assist them in implementing these fundamentals.

In view of the challenges posed by climate change, we are actively working to make our supply chain more climate-resilient. With measures like support for water-conserving growing methods, improvement of soil health and protection of biodiversity, we contribute to addressing the ecological challenges of agriculture.

We are committed to maintaining human rights and ensuring fair working conditions along our entire supply chain.

This includes support for social projects in the countries of origin of our raw materials, and close cooperation with our suppliers to continuously improve their social standards.

Responsible supply chain management is an ongoing process. Therefore, we work continuously to improve our standards by pursuing innovative approaches and cooperating closely with our vendors. Through training courses and knowledge exchange, we promote the transfer of Best Practices and help our suppliers implement sustainability goals. In this way, together we create a supply chain that meets the highest demands in ethics and sustainability.

So that we can act more socially and ecologically sustainable in the future, we are redoubling our efforts to further reduce ecological impacts and improve social conditions in our supply chain. In doing so we will further increase the transparency of the supply chain together with all involved parties, and actively contribute to a more sustainable future.

COMPREHENSIVE RESPONSIBILITY - OUR OBJECTIVES BEYOND COFFEE:

In 2025 we will prepare ambitious goals and strategy for our cocoa and tea supply chains.

Responsibly sourced palm (kernel) oil:

- Securing of at least RSPO segregation certification of all palm (kernel) oil components in purchased items (such as biscuits, current status quo 100%) and upgrade to identity-preserved certified palm oil by 2025.
- Inclusion of requirements in product specifications, as far as possible no substitution for certified palm oil.
- Annual supplier audit

SUSTAINABLE COFFEE

The production of coffee is the core business of J.J. Darboven. By 2030 we want to source 100% more sustainable coffee. Our understanding of sustainable coffee encompasses environmental protection, social justice and the securing of long-term availability in the face of global challenges like climate change, population growth and increasingly scarce agricultural land.



ECOLOGICAL SUSTAINABILITY

More sustainable coffee respects the environment and furthers the protection of natural resources. This includes:

- Shade cultivation. Growing coffee under shade trees supports biodiversity, protects the soil and promotes a healthy ecosystem.
- Certifications. We avoid chemical pesticides and fertilisers, instead using natural methods to control pests and improve the soil.
- Saving water resources. Sustainable irrigation techniques conserve water.
- Climate-friendly cultivation methods. The use of renewable energy and reduction of emissions makes the CO₂ footprint smaller.



SOCIAL SUSTAINABILITY

To us, sustainability also means improving the living and working conditions of people in the regions where our coffee is grown:

- Fair working conditions. Our cooperation with Fairtrade ensures fair pay and working conditions for coffee farmers and coffee workers.
- Community development. Education and health projects, and infrastructure investments, strengthen local communities.
- Protection of human rights. Child labour, discrimination and other human rights violations have no place in our supply chains.



ECONOMICAL SUSTAINABILITY

A stable long-term coffee trade is essential for the economic future of the producers:

- Fair trade. We pay higher Fairtrade prices that cover the production costs and enable the farmers to make an appropriate profit.
- Long-term trade relationships. Through stable partnerships, we encourage economic security for producers and buyers alike.
- Investment in quality. Training and modern cultivation methods boost coffee quality, and thus the competitiveness of the producers in the market.

For J.J. Darboven sustainable coffee is not just a goal, it is a responsibility, to secure the future of coffee culture and the people who make it possible.



EAR4U WHISTLEBLOWING PROCESS

The protection of human rights and the environment in the coffee supply chain is essential if there is to be a sustainable future. Companies in the coffee industry have come together under the umbrella of the German Coffee Association to address ills in supply chains. Ear4U is a specially developed whistleblower system that offers stakeholders a way to report human-rights and environmental risks anonymously.

TRANSPARENCY AND RESPONSIBILITY

With Ear4U issues like child labour, forced labour, inadequate occupational safety, environmental pollution, and violations of land and freedom rights can be reported. Processing of reports is provided by the independent company Global Risk Assessment Services (GRAS), ensuring that every case is thoroughly investigated. All reports received are investigated and processed within ten business days. Results and remedial measures are communicated transparently.

With the EAR4U whistleblowing process J.J. Darboven is living up to its commitment to more transparency, collaboration and ethical action - and calls others to work together on a more sustainable coffee supply chain.



EUDR - FOCUS ON DEFORESTATION-FREE SUPPLY CHAINS

The protection of global forests is a central element of sustainable business. With the EU Regulation on Deforestation-free Products (EUDR) the European Union is setting a new standard in the fight against deforestation and for the protection of primary forests. This regulation requires companies to take comprehensive measures to ensure that the production of imported goods like coffee does not involve deforestation or ecological and social risks.

EUDR REQUIREMENTS:

- Information that coffee is deforestation-free (for example through analysis of remote sensor data like satellite images)
- Information on compliance with relevant legal mandates (such as employee rights, environmental protection, land use rights)
- Risk assessment (based on various criteria like risk level of the country, presence of forest, presence of indigenous population etc.)
- Risk reduction (e.g. requirement of additional information, performance of audits, supplier assistance)
- (Transparent) reporting (documentation of due diligence obligations, due diligence declaration)

Going forward J.J. Darboven will ensure that the coffee it sources is deforestation-free with the help of AI-assisted image data evaluation. This technology makes it possible to efficiently interpret remote sensor data and identify possible risks early on. Compliance with EUDR is also anticipated to become an integral part of reporting requirements per the Corporate Sustainability Reporting Directive (CSRD).

RISK ANALYSIS - RESPONSIBILITY GOING BEYOND LEGAL REQUIREMENTS

The German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz, LkSG) requires companies with 1000 or more employees to meet due diligence obligations in their supply chains.

Although this law does not apply to J.J. Darboven, since we have fewer than 1000 employees, as a direct supplier of affected companies we consider it appropriate to proactively establish a risk assessment process. This makes us not only a responsible partner for companies subject to LkSG, but also underlines our commitment to more sustainable and responsible supply chains.

The risk assessment process will help us identify potential human rights and environmental challenges early on, and derive appropriate response measures. For this purpose we have initiated and integrated into our risk management many measures that go beyond legal requirements, including our Basic Declaration on Respect for Human Rights and Protection of the Environment. In it we explicitly undertake to adhere to the conventions named in the LkSG and uphold internationally recognised standards.¹

Procedure

By means of risk analysis we identify risks of human rights and environmental violations along the supply chain. Based on the results, in cooperation with the importers of the respective shipments we develop appropriate remedial or preventive measures.

Our risk analysis is based on a two-stage approach:

Abstract risk observation. As a member of the German Coffee Association, for 2023 J.J. Darboven used sector-specific risk analyses developed by that association in cooperation with Global Risk Assessment Services (GRAS). Every year risks like occupation safety, child labour and the use of chemicals are examined in 18 coffee-growing countries.

Specific risk observation. Based on the abstract risk observation J.J. Darboven performs company-specific assessments in cooperation with our coffee importers. For this purpose Procurement provides Quality Assurance (QA) with

a retroactive list of all coffee deliveries (shipments) coming in during the year, including information on the origin, amount, importer and certification. The results of abstract risk observation are then combined with the shipment list, and the identified risks are weighted and prioritised (e.g. by shipment size, ratio of shipment to total harvest in country of origin, certification) per the appropriateness criteria defined in LkSG §3, Para. 2, for the purpose of deriving targeted measures. The effectiveness of the measures derived will in future be examined as part of CSRD data analysis via osapiens.

Measures to minimise risk at direct suppliers

To minimise risks at suppliers with whom J.J. Darboven deals directly, we use the following preventive measures:

- Development and implementation of suitable procurement strategies and purchasing practices
- Avoidance of risky business relationships or reduction of risk in cooperation with suppliers, in future via osapiens
- Inclusion of sustainability criteria in the selection of new suppliers
- Contractual requirement of supplier compliance with LkSG in the supply chain through our Code of Conduct and the respective compliance guidelines of LkSG
- In future, required contractual assurance of adherence to and implementation of expectations along the supply chain, via osapiens
- In future, agreement on and implementation of risk-based monitoring measures

³ Grundsatzklärung über die Achtung der Menschenrechte und den Schutz der Umwelt. <https://www.darboven.com/de-de/verantwortung/grundsatzklarung-uber-die-achtung-der-menschenrechte-und-den-schutz-der-umwelt-in-lieferketten>. Letzter Aufruf: 18.11.2024.

The GRAS project

Supported by the German Federal Ministry for Consumer Protection, Food and Agriculture (BMEL) and the Renewable Raw Materials Agency (FNR), the GRAS project works to promote the environmentally-sound use of resources for a sustainable bioeconomy and create transparent and traceable supply chains. Technologies like high-resolution remote sensor and satellite data are used to ensure the

development and monitoring of sustainable and deforestation-free supply chains. It also combines ecological and social sustainability aspects in risk factors. Important biomass-producing regions (EU, US, Canada, selected countries in Central and South America and Southeast Asia) are examined in the project.

STRATEGIC DEVELOPMENT

2023

- Annual retroactive risk assessment process for all raw coffee purchased the previous year
- GRAS data as the starting point
- Derivation of measures for risky suppliers

- Retroactive inclusion of additional data for tea, cocoa and coffee accessory items in the risk assessment process
- Derivation of measures for risky suppliers

2024

2025

- Annual implementation for all commodities
- Examination of measures
- If necessary, adjustment of risks

FAIRTRADE PIONEER

Since 1993 our Café Intención brand has been a pioneer in Fairtrade and more sustainable coffee enjoyment. To us, “fair” means that the people who support their families by working in coffee cultivation can make a good living and lay a sound foundation for future generations. Specifically, that means supporting farmers as partners in the areas where our coffee is grown, where help is needed most. The ongoing effects of climate change threaten coffee cultivation and thus the livelihoods of many families in a very existential way. Fairtrade Germany forecasts that 50 percent of today’s cultivated area could be lost by 2050. We are well aware that real change requires a comprehensive approach. We want to exert all our efforts towards bringing that about, hand in hand with the locals, with a clear mission: We want to drive the shift to more sustainable consumption. Because to us sustainability is not a trend, but an attitude to live by, along with our customers.

Our shade tree project

With the continuation of our commitment as a Fairtrade pioneer, as a first step we are focusing on practical action to counteract specific climate effects that endanger harvests, and therefore incomes, in the areas in Honduras and Peru where our coffee is grown. The solution is as simple as it is efficient: We’re planting shade trees!

Rising temperatures, extreme weather events, soil erosion, disappearing biodiversity - these are just a few of the immediate challenges that climate change brings for coffee farmers. To protect the coffee plants, for every pack of our “Peru” and “Honduras” country coffees we plant a shade tree. They help cushion the effects of climate change in our cultivation areas, and so ensure that the coffee plants can continue to grow well despite more difficult conditions. This protects not just harvests, but also the long-term livelihoods of our coffee farmers.



Why are shade trees the first step? |

1. They protect from high temperatures.
2. They protect from extreme weather events and prevent soil erosion.
3. They improve soil quality and nutrients.
4. They provide additional income for coffee growers.
5. They promote biodiversity.

THREE STEPS TO FAIR AND MORE SUSTAINABLE COFFEE ENJOYMENT

1. Adapt coffee cultivation to climate change!

- Together with selected coffee cooperatives, we are taking a first step by planting shade trees.

2. We know our coffee growers!

- We get all the Arabica coffee for all Café Intención products from coffee cooperatives in this project.

3. Take action together!

- We want to give our consumers and customers a way to make a direct impact with their buying choices.

- 1 pack = 1 shade tree, for “Peru” and “Honduras” country coffees and our double-certified AHM 1000 whole bean Espresso and Cafe Crema.

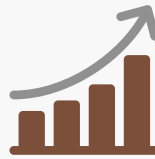
| Where our coffee cooperatives are located



| H.E.L.P. project participants from Honduras



MARKET LEADER¹
in the certified coffee category



TOP 10
of highest-revenue organic
brands in Germany²



OVER € 1.2 MILL.
Fairtrade premium for our coffee
cooperatives at the source³

¹ NielsenIQ MAT 01/2023 | ² NielsenIQ 2022 | ³ Fairtrade Performance Report 2023

FAIRTRADE PREMIUM

In addition to the shade tree project, the coffee growers in these areas get financial support through a Fairtrade premium. This is a defined amount of money paid for a product in addition to the sale price. The resulting earnings - in 2023 amounting to €1.2 mill. - go to small farmer cooperatives and employees of the cooperatives' plantations, who jointly decide what to use the Fairtrade premium for. Among the possibilities are investments in education and health care, local infrastructure and measures to improve agricultural methods and quality control. For example, the Café Orgánico Marcala S. A. de C. V. (COMSA) coffee cooperative in Honduras used part of the premium to run its own integral international school.

PROJECT H.E.L.P.: PERSPECTIVES FOR A SUSTAINABLE FUTURE

The Honduras Education Life Project (H.E.L.P.) was our aid project in that country from 2015 to April 2023. Its purpose was to improve the living and working of coffee farmers and their families in the region of Santa Bárbara in Honduras. Through targeted help for self-help, for many years and in many areas of life we helped small farmers build a stable livelihood. The H.E.L.P. project in the Santa Bárbara region made a key contribution to creating sustainable social, ecological and economic structures.

Training and coaching for sustainable agriculture

The sustainable cultivation of coffee is the basis of the local economy, as is the knowledge of how to cultivate and care for coffee plants and the soil.

- Farmers were educated in the efficient use of fertilisers, to reduce costs and protect the environment.
- By raising awareness of soil analysis and targeted planning of fertilising - conventional, mixed or organic - resource efficiency was improved.
- The composting of harvest residues, like the pulp from coffee bean processing, helped create organic fertiliser.
- Innovative methods like the use of "mountain micro-organisms" helped revitalise the soil and establish sustainable practices.

Education - The basis for development

- Education creates opportunity, and so we supported seven schools in Santa Bárbara in the vicinity of H.E.L.P. producers.
- Constructive improvements like new classrooms, school kitchens, sanitary facilities and multifunction halls brought improved surroundings for learning.
- We also provided school meals to enable daily schooling without distractions.

Medical care for rural areas

In remote areas like Santa Bárbara access to medical care is often very limited; we were able to help in this area.

- Our project supported three clinics in Choloma, Las Flores and San Manuel del Triunfo, which cover over 85% of the H.E.L.P. producers.
- The clinics offer primary care in general medicine, dentistry, pre-natal and paediatric medicine.
- We subsidised urgently needed construction like treatment rooms, sanitary facilities and waiting rooms, to improve care.

Certifications for more sustainable coffee

One focus of H.E.L.P. was the preparation of producers for certifications like “Organic” and “Rainforest Alliance.”

- We created an awareness for more sustainable coffee cultivation, without the use of chemical pesticides or fertilisers and favouring the planting of shade trees.
- Training and coaching on-site provided the knowledge necessary to meet strict certification criteria.

- The result: 40 of the more than 250 producers successfully passed Organic Certification. This not only promotes more sustainable coffee cultivation as a way to protect the soil and environment, but also establishes it as a future economic asset for producers.



H.E.L.P. project participants from Honduras

3.4 Social

OUR TEAM - DIVERSITY, INCLUSION AND EMPLOYEE DEVELOPMENT

In 2022 and 2023 J.J. Darboven, in Hamburg and at our other locations in Germany and abroad, saw stable employee development and headcount growth. With their diversity and expertise, our employees made decisive contributions to our success.

Location	2022	2023
Hamburg workforce	399	410
Sauerlach workforce	42	42
Holding	8	9
International	6	9

Number of employees in Germany:

GENDER DISTRIBUTION AND WOMEN IN LEADERSHIP POSITIONS

We are proud that the percentage of female employees at our German locations continues to rise. With 32.3 % in 2022 and 32.7 % in 2023, women consistently make up a third of our staff.

Hamburg and Sauerlach workforce	2022	2023
Women	147	153
Men	308	314

Gender distribution: |

The number of women in executive positions at J.J. Darboven remained unchanged at eight in 2022 and 2023, including subsidiaries of the company. We see this constant amount as a meaningful step towards a balanced and diverse leadership culture. Our programmes for promoting leaders are being constantly expanded in order to bring more women into leadership positions.

The IDEE Sponsorship Prize

Underlining our conviction of the importance of female role models and women in leadership positions outside the company as well, in 1997 Albert Darboven initiated the IDEE prize for innovative female founders. The prize is awarded based on the degree of innovation of the respective ideas, their business success, their addressing of sustainability aspects and the personal commitment of the applicants. In 2023 in Hamburg three sustainable concepts were awarded a total purse of € 65,000.



| IDEE-Förderpreis

Inclusion and diversity

Diversity is a central element of our company culture at J.J. Darboven. We employ people from many countries and work actively to include people in our workforce who need assistance. We see this not only as an obligation, but as an ongoing opportunity to enrich our understanding through the varied perspectives of different people.

The integration into our team of three employees with special needs in 2022 and 2023 was made possible by the “Hamburg Budget for Work.”

In cooperation with the Hamburg Elbe Workshops, an institution for handicapped persons, in 2022 we had 28 employees with special assistance needs. That decreased slightly in 2023 to 27 employees.

In future we plan to promote intercultural integration schemes and environmental projects, as well as numerous cultural, sport and charitable initiatives and institutions.

Many nationalities represented among our employees

Our employees come from many countries and cultures. Their individual perspectives and ideas enrich our company culture and make an important contribution to our international success. In 2022 J.J. Darboven in Germany employed people from 31 nationalities, and 25 nationalities in 2023.

Employee development and loyalty

Our employees are the heart of our company. We consider the slight increase in headcount in 2023 as a positive sign, and evidence of the success of our ongoing effort to be an attractive employer. Through targeted measures for the support and development of our workforce, we do all we can to create lasting employee loyalty. As part of a living feedback culture, and for the personal and professional development of our employees, since 2024 we have held

regular standardized employee reviews using a guideline developed especially for the purpose. In doing so, we hope not only to uncover abilities and help employees develop to their full potential, but also to build on the mutual feedback culture in our company.

OUR COMMITMENT TO THE FUTURE

At J.J. Darboven we are mindful of our responsibility to our employees. Our goal is to promote an inclusive and diverse working environment today and in the future. We have set ourselves ambitious goals for the coming years to further strengthen equal opportunity and diversity.

We want to create a **diverse and inclusive** working environment that respects and promotes the diversity of our workforce. We will continue to pursue our cooperation with the Elbe Workshops, our support for employees from a very wide range of nationalities, and continuous growth in the number of women in leadership positions at the company. We are also preparing specific guidelines on diversity, equal opportunity and inclusion.

To further the **social involvement** of our employees, we encourage them to take part in social projects and charitable activities. To this end, we enable them to do volunteer work. We make resources available for charitable initiatives, and explicitly recognise employees' efforts. We also offer all employees the opportunity to take three days leave for volunteer work at a J.J. Darboven charitable partnership.

We set great store by a healthy working environment and open communication in the company. To further this we have introduced the role of **ombudsperson**. This new central position strengthens the relationships between employees and executives, improves internal communication and supports solution-oriented conflict management. Our ombudspersons are employees of the company and are selected by a committee. They receive external training and additional support from an independent ombudsman.

Among the tasks of our ombudspersons are communication and conflict resolution. As neutral mediators they assist in case of communication problems, to clear up misunderstandings between employees or with Executive Management. They are a confidential and safe place for employees to turn to express concerns anonymously and without fear of negative consequences. In stressful situations or personal challenges, the ombudspersons provide psychosocial support. In doing all of this, the ombudspersons actively contribute to a positive working climate, strengthen our sense of community and encourage employee loyalty.



| Social commitment with the Tafel

Healthcare at J.J. Darboven

The health and wellbeing of our people is the first priority at J.J. Darboven. Therefore, we offer comprehensive company health management, including preventive measures, check-ups and company health programmes. We promote a long-term health culture and take steps to ensure a safe and healthy workplace. Once every quarter the Occupational Safety Committee meets to discuss current issues in occupational safety and health and ensure ongoing improvement.

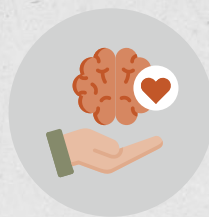


HEALTH PROTECTION

Our measures for protecting the health of our workforce comprise:

- **Company vaccination campaigns** to protect employee health.
- **Occupational integration management (BEM)** to help employees who have been on extended sick leave re-integrate smoothly at work.
- **Regular workplace inspections** by our company physician or the Occupational Safety Officer to identify potential hazards and initiate suitable preventive measures.
- **Sport and fitness** in the form of a company fitness room and an urban sport cooperation that offers employees a wide variety of options for staying in shape.

The mental health and psychological resilience of our employees play a key role. We know that a healthy work environment is critical for wellbeing and performance, so we make continuous efforts to minimise psychological stress at the workplace and create and maintain a positive working environment. A comprehensive employee survey in 2023, which had a high response rate, gave us valuable insights into our working conditions and the psychological stress at the workplace.



WELLBEING AND

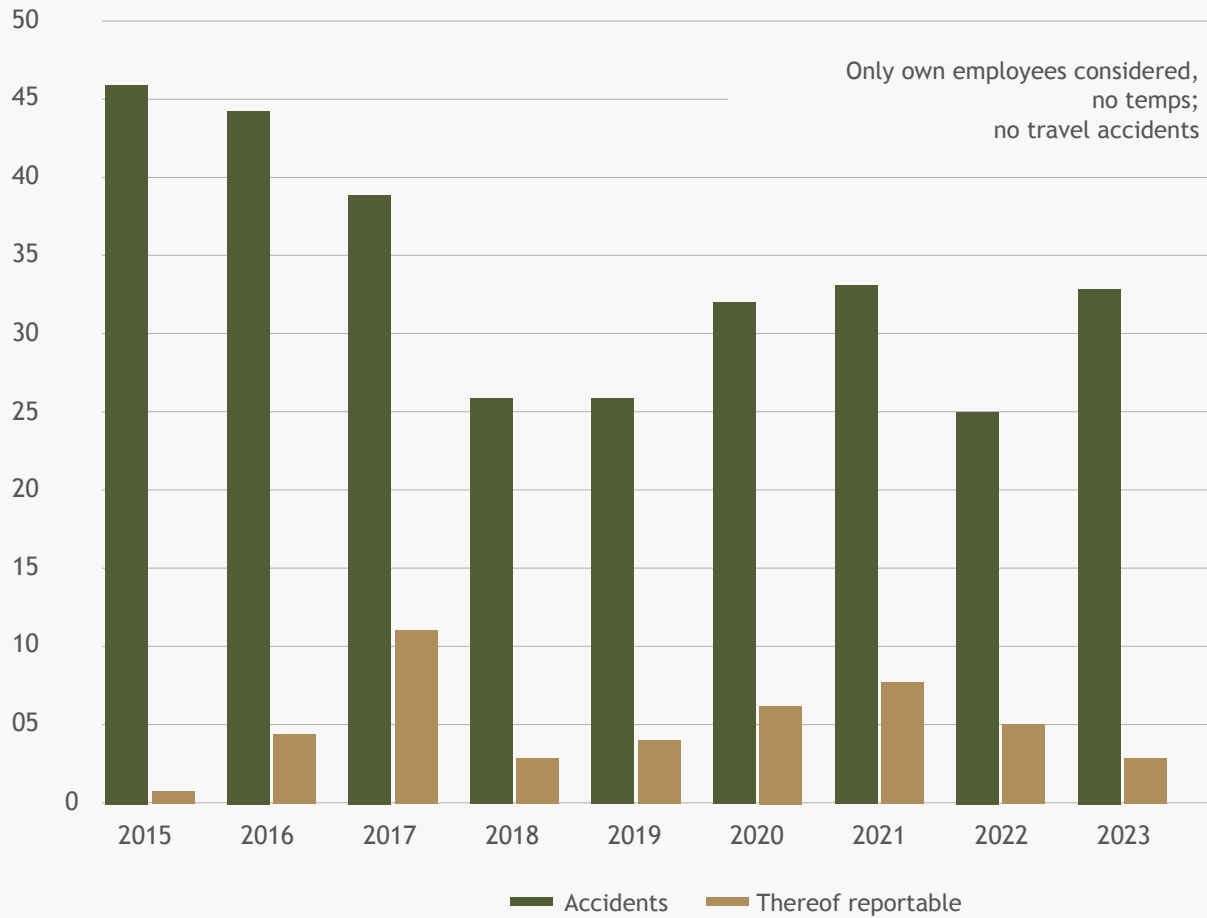
MENTAL HEALTH

Furthermore, we have already implemented specific measures to promote employee wellbeing and mental health.

- Through **leadership training** with a professional partner, our executives receive instruction in how to give effective feedback and better recognise and address psychological stress in their teams.
- With **annual development reviews** we give employees a space for open exchange of views and the furthering of their personal and professional development.
- To **improve internal communication** we have introduced information events, for example on company strategy, to create transparency and improve communication within the company. This makes an important contribution to reducing insecurities and strengthening trust in the company.

At J.J. Darboven we understand that supporting mental health is an ongoing process. We accordingly work continuously to create a healthy, safe and motivating work environment that supports the long-term performance and satisfaction of our employees. We remain committed to our goals of identifying psychological stress and taking measures to address it, thus creating a healthy and supportive workplace for all.

Number of work-related accidents 2015 - 2024



The safety of our people has high priority at J.J. Darboven. As a responsible company we implement comprehensive accident-prevention measures, and continuously analyse our safety processes so that we can minimise the risk of work accidents. Adherence to strict work safety rules and regular employee training are central elements of our strategy.

Work accidents over time

In recent years we have reinforced our efforts to improve occupational safety through specific measures. Nevertheless, the number of work accidents varies, showing that we need to analyse further and take targeted preventive measures.

- 2020: 32 work accidents
- 2021: 33 work accidents
- 2022: 25 work accidents
- 2023: 33 work accidents

The higher number of accidents in 2023 tells us that we need to further examine the causes and take additional preventive measures. The regular workplace inspections by our company physicians and Occupational Safety Officer, and our occupational safety training of employees, will be intensified to prevent more accidents.

Measures to prevent work-related accidents

All employees are regularly trained in occupational safety rules using the SAM® tool from SECOVA. This includes the operation of machines and equipment, as well as emergency measures. We do regular inspections to detect hazards early on and eliminate them. Our first-aid givers and fire marshals receive regular further training so that they can respond quickly and effectively in emergencies. Every work-related accident that takes place despite these measures is carefully analysed, so that we can develop further preventive measures and avoid such incidents in the future.





4 Conclusion and outlook

4 Conclusion and outlook

At J.J. Darboven, we consider sustainability an all-round obligation going far beyond our own company. Our responsibility involves not just our employees and direct business operations, but extends to cover our entire supply chain. Together with our partners we work on promoting sustainable standards throughout the value-creation chain, from raw materials sourcing to delivering our finished products. Especially with regard to the challenges of climate change, we are aware that more sustainable business is no longer just an option, but a necessity. Global climate changes will increasingly impact our industry, from the availability of agricultural resources to requirements for energy efficient production and transportation. Consequently, we have already taken comprehensive measures to reduce our CO₂ emissions and make our supply chain more climate-resilient.

RESPONSIBILITY IN THE SUPPLY CHAIN

We build on close partnerships with suppliers who meet our high standards in ecological and social criteria. We pay particular attention to transparent and fair working conditions, and the responsible use of natural resources. Going forward we will work even more intensively on this, in order to ensure that sustainability criteria are adhered to at every step of our supply chain.

The ongoing optimisation of our purchasing criteria and the use of resource-saving technologies enable us to continuously improve our environmental balance. At the same time, we are investing in training programmes for our suppliers, so that together we promote more sustainable growing methods and reduce climate risks in the cultivation regions.

THE EFFECTS OF CLIMATE CHANGE

Climate change is one of the greatest challenges of our time. As a globally active company, we recognise that we play a central role in reducing the negative consequences for our climate. Our future strategies focus on extending climate protection measures, reducing greenhouse gas

emissions and switching to renewable energy sources in our production and logistics chains.

Furthermore, we plan to invest more in climate-resilient cultivation methods to ensure the long-term availability of our raw materials. This means not only using environment-friendly technologies, but also helping our partners in the cultivation regions to adapt to changing climate conditions.

OUR PATH TO THE FUTURE

In the coming years we will further intensify our efforts to achieve our ecological and social goals. We will strengthen our measures to positively affect our impact on society and the environment.

We are paying particular attention to promoting an inclusive and supporting company culture that affirms the diversity of our employees and offers a healthy working environment. At the same time, we remain committed to expanding our environmental initiatives to actively address the challenges of climate change and make our contribution to resource protection.

We are aware that only through shared commitment with our suppliers, partners, customers and employees can we make a sustainable future.

J.J. Darboven remains determined to take responsibility - for our environment, for our supply chain, for society and for future generations, because:

Sustainability is when it's good for everyone.



J.J. DARBOVEN

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