

Tchibo

SUSTAINABILITY REPORT 2024



Image: Tchibo

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CEO FOREWORD AND ABOUT THIS REPORT

Dear readers,

We find ourselves in a challenging environment: there is a general awareness of ecological and social responsibility, yet at the same time, we experience uncertain conditions and a lack of legal certainty. In this challenging environment, it is up to us as a company to demonstrate our position and maintain a clear course. And we are doing just that: as a family business, it is natural for us to take on responsibility. We have been committed to this for years and continue to pursue this path consistently, because we are convinced that our engagement can make a difference. It requires the courage to take new paths and the willingness to drive change. In our work, we constantly keep these transformations in mind and adapt our approach accordingly.

Our actions are driven not by obligation, but by a genuine desire to make a positive impact. At Tchibo, sustainability is embedded in our corporate values and business activities. We are convinced: today, we must secure the livelihoods of the people in our supply chains and protect natural resources - because they form the basis of our business.

Based on this conviction, we have continued to act consistently over the past year. This report demonstrates our progress and provides an outlook on how we are gradually moving closer to our goals.

Milestones of the year 2024

Our work focused on environmental protection and the promotion of fair working conditions. Significant progress has been achieved in our **supply chains**:

- We have gradually expanded our **coffee programme** in order to support farmers in sustainable agriculture. We started in 2023 in Brazil, Honduras, and Vietnam. By 2024, we were able to extend the programme to Guatemala, Tanzania, and Colombia.
- We continue to rely on 100 % sustainable **cotton** for our textiles and are committed to improving working conditions and preventing child labour in India's cotton fields.
- We are proud of our **innovations in circular economy**. In 2024, we successfully utilised recycled 'textile-to-textile' fibres for our sportswear for the first time. With our furniture series, 'CN3,' we set important standards in terms of quality and durability.
- We also achieved considerable progress in logistics in 2024: We are pleased to have been awarded the Lean and Green 2nd Star again for our CO₂ savings. Moreover, in a pilot project, we used 26,000 reusable shipping bags, saving valuable resources

All these successes are the result of collaborative efforts. The 'We instead of I' philosophy is deeply ingrained in our corporate culture and is the key to successfully overcoming complex challenges. Our thanks go to our employees, our partners in the supply chain, and our customers, who support this path through their trust and decisions.

Outlook

We will continue to invest consistently in the sustainability of our business and core processes. Always with an eye on our vision: 'A world where joy of life and responsibility are compatible.'

I warmly invite you to delve deeper into our projects, data, and goals on the following pages, and continue this journey with us.

Best regards,
ERIK HOFSTÄDTER
CEO TCHIBO GMBH

Erik Hofstädter



About this report

Sustainability continues to gain importance, both socially and regulatory-wise. Legal requirements are becoming more demanding, and require reliable, transparent reporting. We are currently preparing for CSRD-compliant reporting. This process involves a gradual transition from our previous GRI reporting format to the new CSRD logic. Pending the full implementation of the CSRD, we will refrain from external auditing of our report.

All information in this report refers – unless otherwise noted – to the sustainability-related business activities of Tchibo GmbH in Germany, including the company headquarters in Hamburg, the roasteries in Hamburg and Berlin, and the warehouse locations. For questions or comments, our Corporate Responsibility Team is available via the contact form on our website or by email at sustainability@tchibo.de.

Sustainability report 2024

The current Sustainability Report 2024 builds on the combined report 2022/2023, which was published in 2024. Due to the ongoing Omnibus procedure at the European level, the 2024 report is not fully adapted to the CSRD reporting standards. However, the report structure and individual content components have been revised in preparation for reporting obligations.

The report continues to summarise information relevant to our stakeholders and document our progress. The basis for the content structure is the current materiality analysis (see chapter: Material topics). Our communicated strategic sustainability goals remain unchanged until 2027 and are explained in more detail in the individual chapters. Further reports and additional information are available on our sustainability website at www.tchibo.com/sustainability.

Outlook

In the further transition phase until the CSRD reporting obligation for our fiscal year 2027, we ensure that key information on measures, goal achievement, and challenges is transparently documented. We are consistently developing the necessary reporting formats, structures, and key figures.

We continuously publish current content on our sustainability website. (www.tchibo.com/sustainability).

General disclosures

Organisational profile

Tchibo GmbH, founded in Hamburg in 1949, is a family-operated business structured as a GmbH; its sole shareholder is maxingvest ag. The company is headquartered at: Überseering 18, 22297 Hamburg. Tchibo offers a wide range of coffee products under the brands Tchibo, Gala from Eduscho, Qbo, Davidoff Café, Jihlavanka, and Caffè Molinari, as well as single-serving systems Cafissimo and Qbo. This is complemented by a weekly rotating non-food assortment and selected services (such as Tchibo Mobile). Distribution is carried out in a multi-channel model through own branches, depots in grocery retail, and online shops.

As of the reporting year 2024, Tchibo maintained subsidiaries in Bulgaria, Germany, Hong Kong, Austria, Poland, Romania, Switzerland, Slovakia, Czech Republic, Turkey, and Hungary. A subsidiary in Dubai is responsible for distribution and marketing for the Tchibo and Davidoff brands in the MEA region. The distribution network includes around 900 branches (approximately 550 of which are in Germany) and about 20,900 depots; there are own online shops in Germany, Austria, Poland, Switzerland, Czech Republic, Slovakia, Turkey, and Hungary. Roasteries are located in Hamburg and Berlin, as well as in Marki (Poland) and Modena (Italy). Primary logistics locations are Bremen, Neumarkt, Gallin, and Cheb (Czech Republic), complemented by additional distribution locations, such as Senec (Slovakia), locations in Austria (commissioning coffee), and Kampinos (Poland).

Globally, Tchibo employs around 10,400 people, approximately 6,150 of whom are in Germany. The operational network consists of one headquarters, four roasteries, about 900 branches (820 of which have coffee bars), over 20,900 depots - 18,700 of which are in Germany - as well as four central logistics locations. Additional services are provided through Tchibo Mobil, Tchibo Travel, insurance offerings, and partner collaborations in the online shop.

Markets served

The following outlines developments in key markets for coffee and non-food items.

Austria: Eduscho Austria, based in Vienna, is market-leading with the two brands, Tchibo and Eduscho, impressing with its extensive roasted coffee range, its non-food products, and coffee bars. Distribution is carried out through approximately 120 Tchibo/Eduscho branches, grocery and specialty retail, as well as the online shop.

Poland: Tchibo has been active in Poland since 1992. After two years of successful presence in the Polish market, Tchibo opened its own coffee roastery in Marki in 1994. In 1999, a second brand, Gala, was introduced to the Polish market. To date, over 40 Tchibo branches have been opened in the stationary retail sector. Since early 2008, Tchibo has offered customers the opportunity to order non-food products and coffee via the online shop.

Romania: Tchibo has been active in the capital city, Bucharest, since 2001. Comprehensive distribution is carried out through retail. With coffee recipes tailored to the country-specific taste profiles, Tchibo is now present in all market segments of roasted and instant coffee in Romania.

Russia: In 1994, Tchibo established its first Russian branch in Saint Petersburg, followed by a second location in Moscow a year later. Within a few years, Tchibo achieved a high level of brand recognition in Russia and developed into one of the leading coffee providers. With the onset of the war in Ukraine, we ceased supplying coffee and, in July 2022, sold our Russian subsidiary, thereby ending all activities in Russia.

Switzerland: Tchibo entered the German-speaking Swiss market through direct sales in 2001. Initially, the Tchibo non-food assortment was offered via the internet and an order catalogue. In 2002, Tchibo opened its first branches in Lucerne, Winterthur, and Basel. Today, around 39 stores offer all three Tchibo ranges. Furthermore, Tchibo is represented with coffee in grocery retail.

Slovakia: In 1991, Tchibo entered the market of the former CSFR and was the first international coffee supplier to quickly increase its brand awareness. Following the division of Czechoslovakia, Tchibo opened a branch in Bratislava in 1993. Coffee distribution has since been carried out through wholesale and retail. The Eduscho brand has been available in Slovakia since 1998.

Czech Republic: In 1991, Tchibo entered the market of the former CSFR and was the first international coffee supplier to quickly increase its brand awareness. Today, Tchibo is the market leader in roasted coffee, with its international brand Tchibo and local brand Jihlavanka. The distribution of food and non-food products is carried out through Tchibo stores and depots in the retail sector.

Turkey: In 2006, Tchibo became active in the Turkish market with its first branch in one of Europe's largest shopping centres, Istanbul Cevahir. Following successful market entry, distribution expanded to over 50 Turkish branches. Tchibo is also represented with coffee in grocery retail.

Hungary: The first Hungarian Tchibo branch was established in Budapest in 1991. Since then, coffee has been distributed nationwide through retailers. With the Eduscho brand, Tchibo has become the market leader in Hungary. There are now 20 branches in Hungary, and the development of further locations is being continuously evaluated.

Supply chain

Our business models are built on partnerships with suppliers and producers in Asia and Eastern Europe (Non Food), as well as traders, cooperatives, and farmers in coffee-growing countries. Beyond quality and price criteria, we commit to adhering to and continuously improving human rights standards in these partnerships. The disregard for labour and social rights is a systemic risk in procurement markets (see chapter: Workforce in the Supply Chain). Our goal is to mitigate this risk by involving local stakeholders in the implementation of improvement measures. We see it as our entrepreneurial duty to take responsibility for our actions.

The enforcement of labour, social, and environmental standards requires transparency across the entire supply chain. Given the complexity of supply chains, this transparency is pursued through long-term supplier relationships and targeted cooperation programmes to map all necessary stages. More on supply chain transparency can be found [here](#). Due to the constantly changing Non Food assortment and the continuous development of coffee products, the Tchibo supply chains undergo annual changes. The underlying supply chain structure is briefly outlined below. Further information can be found under [Non Food](#) and [Coffee](#).

Coffee

After the coffee harvest, the initial processing of the coffee cherries takes place locally. This can be done directly by the farmers on the farm, or by a processing facility where the beans are delivered. Depending on the country of origin and the supply chain, there are different types of processing, such as dry, wet, or semi-washed. In the next step, the raw coffee is segmented into qualities, determined by factors such as size, density, defects, and colour. Certified coffees are always separated from conventional coffees. From there, the journey towards sale continues: if the processing facility does not have an export licence, it sells the beans to an export or import company, potentially via an intermediary. In some countries, it is legally required that large portions of local production must be sold through an auction. Subsequently, the beans are sold to roasteries – this, too, can happen in multiple steps. After transportation to Germany, the coffee beans are checked for potential residues, stored temporarily, further cleaned, roasted, and packaged. They finally reach consumers through retail.

Non Food

From cotton cultivation, through harvesting and transportation of the raw material, to the finished garment, many steps (precursor stages), such as spinning, weaving, knitting, dyeing, washing, assembling, and packaging, are necessary, often carried out by various suppliers in different countries. Additionally, there are suppliers of parts like buttons, zippers, and applications. A complete list of Tchibo's textile manufacturers and wet processing units can be found in the section **Supplier Policies & Guidelines**, under Supply Chain Transparency.

Material topics

Since 2012, our strategic orientation has been based on materiality analyses. In the fiscal year 2024, we significantly advanced the methodology of our annual materiality analysis to prepare for future reporting obligations under the Corporate Sustainability Reporting Directive (CSRD):

Methodology and approach

- Alignment with the guidelines of the European Sustainability Reporting Standards (ESRS) with the underlying assessment dimensions (e.g., severity, likelihood, remediability)
- Evaluation of the impacts of our business activities on people and the environment (inside-out perspective) and of the resulting opportunities and risks for our business success (outside-in perspective)

Integration into corporate processes

- Corporate risk management system: Application of the underlying criteria to assess the Outside-In perspective (likelihood and financial impact)
- Issue management topic radar: Incorporation of societal trends to prioritise topics
- Additional risk analyses: Ongoing analyses following the requirements of the Supply Chain Due Diligence Act and by service providers, especially in our coffee supply chains
- Continuous stakeholder management

Process of materiality analysis 2024

- Identification: Comprehensive examination of our own activities as well as the entire upstream and downstream value chain
- Evaluation & prioritisation: Assessment of identified topics by experts and external stakeholders through guided expert interviews
- Validation: Review and approval of the final results by the responsible committees

Results and material topics 2024

Our material topics for the fiscal year 2024, and their contribution to the Sustainable Development Goals (SDGs), are visible below. The topics form the basis of the subsequent report structure. In the individual chapters, we detail the challenges of each topic and our strategies for addressing the material impacts, risks, and opportunities in this area. Further information on economic performance and global developments can be found in the consolidated financial statements of maxingvest ag.

Cluster	Topic	SDGs
ENVIRONMENT	Climate change	SDG 13
	Pollution and water resources	SDG 6, SDG 12
	Biodiversity and ecosystems	SDG 14, SDG 15
	Resource use and the circular economy	SDG 12
SOCIAL	Own workforce	SDG 3, SDG 5, SDG 8
	Workers in the value chain	SDG 8
	Affected communities	SDG 11
	Consumers and end-users	SDG 3, SDG 12
GOVERNANCE	Business conduct	SDG 16

ENVIRONMENT

Climate change

Challenges

Coffee, cotton, and wood are key raw materials for us. The advancing climate change jeopardises their availability and the livelihoods of people involved in cultivation. To counter these impacts and risks, we are committed to the 1.5-degree target, in accordance with the findings of international climate research and the Paris Agreement. From this, we derive concrete, science-based measures for effective emission reduction.

Strategy, goals & measures

By setting science-based climate targets, validated by the Science Based Targets Initiative (SBTi) in 2024, we are making our contribution to the reduction of greenhouse gas emissions (GHG):

- By 2030, we aim to reduce our direct emissions (Scope 1 + Scope 2) by 42 percent compared to 2022. For our agricultural supply chains (Scope 3, especially coffee cultivation), we aim for a reduction of 30.3 percent, while for non-agricultural supply chains – such as consumer goods and packaging – we plan a reduction of 25 percent.
- Our long-term goal is to achieve net-zero emissions across the entire supply chain by 2045.

Translated into measures, we focus on:

Reducing energy consumption at our own sites (see Energy)

1. Reduction of Scope 1 and 2 emissions through:
 - Use of renewable energies at international sites
 - Increasing energy efficiency at production and logistics sites
 - Transition to electromobility.
2. Reduction of Scope 3 emissions through:
 - Increased use of materials such as organic cotton and recycled polyester
 - Transition to renewable energies (electricity and heat) among suppliers
 - Alternative drive systems in transport logistics (biofuels, e-fuels, HVO100, electrification)
 - Implementation of our coffee programmes at origin

We are advancing our climate protection collaborations with suppliers and partners through active participation in the following global initiatives: SBTi, UNFCCC Fashion Industry Charter for Climate Action, and coffee&climate. As a founding member of the ZEMBA Initiative, we are committed to emissions-free shipping. Additionally, in 2024, we were once again awarded the Lean and Green 2nd Star for our CO₂ savings.

Energy

The total energy consumption at Tchibo has steadily decreased in recent years. While it was 169,435 MWh in 2022, it reduced to 164,093 MWh in 2023—a decrease of approximately 3 %.

To further reduce energy consumption, the following measures are planned:

- An annual increase in energy efficiency in the roasteries by 1.5 %
- Gradual conversion of the vehicle fleet to e-mobility
- Expansion of LED lighting in the headquarters and branches in Germany
- Energy-saving initiatives through green IT
- Implementation of ISO 50001 at all German locations

The data is extracted from invoices or meter readings by the respective business units, with a small portion based on estimates. Our energy-saving measures are managed locally at each location, therefore, the overall savings cannot be broken down into individual measures.

	2022	2023
FUEL CONSUMPTION (NON-RENEWABLE)	90,483 MWh	81,339 MWh
FUEL CONSUMPTION (RENEWABLE)	0 MWh	0 MWh
ELECTRICITY CONSUMPTION	73,190 MWh	77,076 MWh
THERMAL ENERGY, COOLING ENERGY, STEAM CONSUMPTION	5,761 MWh	5,678 MWh
SOLD ELECTRICITY	0 MWh	0 MWh
SOLD THERMAL ENERGY	0 MWh	0 MWh
SOLD COOLING ENERGY	0 MWh	0 MWh
SOLD STEAM	0 MWh	0 MWh
TOTAL ENERGY CONSUMPTION	169,435 MWh	164,093 MWh

Foundation of climate accounting

The creation of the climate balance is conducted in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), which forms the methodological basis for ISO 14064. The operational control approach is applied for setting organisational boundaries. In line with this approach, Tchibo records all emissions from activities over which the company exercises complete operational control and which it can therefore directly influence.

The business year 2022 was established as the base year for the revised climate balance, in accordance with the SBTi's guidelines. The increase in emissions since 2018 is attributable to a methodological change in accounting. With the development of science-based targets, it became necessary for the first time to report agricultural emissions separately and with increased granularity.

The calculation of greenhouse gas emissions is conducted in CO₂ equivalents (CO₂e). The emission factors used for this are consistently based on CO₂e and sourced from recognised databases and sources, including AIB, DEFRA, DBEIS, Ecoinvent, and Global Changer. For accounting logistics emissions, the GLEC Framework for Logistics Emissions Methodologies from the Smart Freight Centre is additionally employed.

Analyses of operational processes have shown that emissions of greenhouse gases other than CO₂ within the Scope 1 and Scope 2 boundaries are not material. Therefore, the presentation focuses on CO₂, even though the calculation basis is always CO₂e. Biogenic CO₂ emissions are not relevant to Tchibo's Scope 1 activities and are therefore not separately disclosed.

Internally, we aim to implement Carbon Accounting Software by the end of 2025. This will ensure improved data quality and, prospectively, earlier data availability in the future. In this report, we use 2023 data as the 2024 data was not fully available at the time of reporting.

Scope 1 and 2

The gross volume of direct GHG emissions (Scope 1) was 17,296 tonnes of CO₂ equivalent in 2023. The gross volume of location-based, indirect, energy-related GHG emissions (Scope 2) was 34,148 tonnes of CO₂ in 2023, representing an increase of about 0.8 % compared to 2022.

The gross volume of market-based, indirect, energy-related GHG emissions (Scope 2) was 9,096 tonnes of CO₂e in 2023, down about 10.6 % from 2022. Compared to the base year 2022, we managed to reduce emissions in Scope 1 & 2 by 2,808 tonnes of CO₂ in 2023, which corresponds to a decrease of approximately 3.7 %.

In 2023, Tchibo emitted 26,392 tonnes of CO₂ at its own sites, with its own vehicles, and through grid-connected energy consumption (Scope 1 & 2, market-based). The roasteries accounted for about 46 % of the emissions, where we aim to achieve further reductions with our ISO 50 001-certified energy management system and, in the long term, achieve net-zero emissions by electrifying our roasting processes.

The underlying consumption values are derived from invoices or meter readings by the respective business units, with a small portion based on estimates. Our reduction measures are managed decentrally at the respective locations, so the overall savings cannot be broken down into individual measures.

Scope 3

Approximately 69 % of our total CO₂ emissions (Scope 1, 2 & 3) are attributed to upstream processes, particularly coffee cultivation and textile and product manufacturing. Therefore, the significant potential for reduction lies in distributing products manufactured with reduced emissions.

The gross volume of other indirect GHG emissions (Scope 3) was 1,125,385 tonnes of CO₂ in 2023. The gases included in the calculation are: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃. The selection of gases included varies according to the emission factor. Biogenic CO₂ emissions have not been explicitly recorded in Scope 3, but may be part of the emission factors used. The following categories were included in the calculation:

- Purchased goods and services
- Capital goods
- Fuel- and energy-related emissions
- Transport and distribution (upstream)
- Waste
- Business travel
- Employee commuting
- Use of sold products
- Franchises

Compared to the base year 2022, our Scope 3 emissions decreased by 193,741 tonnes of CO₂ in 2023, equating to around 15 %.

Pollution & water resources

Challenges

The primary challenge lies in monitoring our global supply chains, as the greatest environmental risks occur in raw material cultivation and processing outside the EU. Compliance with statutory environmental regulations forms the binding basis of our actions. This includes regulations such as the EU Deforestation Regulation (EUDR), the Chemicals Regulation (REACH), and the Packaging Act.

Strategy, goals & measures

We pursue a proactive strategy to minimise negative environmental impacts along the entire product lifecycle, going beyond mere legal compliance. A key focus is on reducing environmental pollution and preserving water resources in our global supply chains, especially regarding chemical use in textile production and raw material cultivation (coffee, cotton).

Our Codes of Conduct (Code of Conduct and Supplier Code of Conduct) form the binding and contractually established foundation for all employees and business partners. They define our environmental standard requirements, and stipulate that breaches can lead to the termination of the business relationship. In our own roasteries, dedicated environmental teams and annual regulatory inspections ensure compliance. During the reporting period, no incidents of non-compliance with environmental laws or regulations were reported to us.

To manage environmental and social risks, we have established a multi-tiered management system (see also Risk analysis & management). Additionally, in the area of pollution and water resources, we annually require valid wastewater test reports and chemical inventory lists, particularly in wet processing plants within the Non Food segment. On this basis, we identify areas for action and implement measures.

Our goals in this area:

- **100% sustainable cotton in our textiles containing cotton:** This goal has been achieved (OCS, GOTS, CmiA).
- **100% responsibly sourced coffee:** This goal is to be achieved by 2027, through a continuous transformation process.

Chemical and water management (Non Food supply chain)

Building on our Detox Commitment from 2014 to eliminate hazardous chemicals, we manage our chemical processes operationally via membership in the Zero Discharge of Hazardous Chemicals (ZDHC) Initiative since 2018. The ZDHC Manufacturing Restricted Substances List (MRSL) has been a binding part of our Supplier Code of Conduct (SCoC) since 2020.

To enhance competency and efficiency, we have implemented targeted supply chain programmes. Following the completion of the long-term ACMT programme (2017-2022), we are focusing on new approaches:

- **Clean by Design:** In 2023, a factory in China was integrated into this efficiency programme for the first time, improving its performance in water and climate protection by over 30 %.
- **Partnership with ZDHC and IDH:** A three-year partnership initiated in 2023 supports 16 industrial parks in Ethiopia and Vietnam in establishing sustainable chemical and wastewater management.
- **Environmental Protection Engagement Program (EP2):** This programme, launched as a pilot in 2024, offers bespoke solutions for individual plants, and will be expanded from 2025.

Tchibo works with 178 wet processing plants. Key figures on chemical management (2024, selected wet plants):

- Supply chain transparency: 96 %
- Registration on ZDHC platform: 94 %
- Conducted wastewater tests: 75 %
- Review of chemical list: 60 %

Raw material cultivation (coffee & cotton)

We tackle the challenges of raw material cultivation with a strategic portfolio that includes the use of certified raw materials, global risk analyses (hotspot analyses), and support for small-scale farmers in environmentally friendly farming methods, according to our agricultural guidelines. This is achieved through context-specific measures tailored to local needs, such as training in improved agricultural practices (e.g., soil health, water management, and yield improvement). Additionally, we participate in multi-stakeholder initiatives, like the Global Coffee Platform.

Biodiversity & ecosystems

Challenges

Healthy ecosystems are fundamental for the sourcing of raw materials, and are vital for the livelihoods of people in origin countries. The ongoing loss of biodiversity, primarily driven by intensive land use, poses a direct risk to the stability of supply chains. Our risk analyses have identified coffee and cotton cultivation, forestry, and textile processing as our material areas for action.

Strategy, goals & measures

Our strategy focuses on protecting and promoting biodiversity in supply chains with the greatest impact on ecosystems.

The overarching goal is to preserve species and habitat diversity in these high-risk areas. Our measures are grouped into four fields of action:

- 1. Sustainable and Certified Raw Materials:** Mandatory use of materials safeguarded by standards, such as GOTS/OCS (cotton), Rainforest Alliance/Fairtrade/Organic (coffee), and FSC® (wood). A key measure includes using recycled fibres, which reduces land use.
- 2. Projects in Supply Chains:** Direct support for producers and processors in the form of training measures, e.g. on reducing the use of pesticides or managing chemicals.
- 3. Landscape and Sector Initiatives:** Engagement in overarching partnerships, particularly in the coffee sector, aimed at protecting entire ecosystems.
- 4. Science and Transformation:** Promotion of research and development (e.g., ECOFFEE R&D project) and participation in programmes to establish industry-wide standards (e.g. Textile Exchange Biodiversity Benchmark).

Progress in the core areas is as follows:

- **Cotton:** The proportion from sustainable sources increased from 99 % in 2022 to 100 % in 2023 and remains constant in 2024. In 2024, we achieved significant progress in our sustainable cotton cultivation projects by intensifying collaboration with Pratibha in Rajasthan (India) and successfully bringing more organic cotton-based products to the market.
- **Coffee:** In 2024, 18 % of raw coffee was certified according to Rainforest Alliance, Fairtrade, or organic standards (2023: 17.7 %).

Resource use & circular economy

Challenges

Establishing a comprehensive circular economy for our diverse product range is a central challenge in conserving resources. There are no universal material solutions; instead, individual circular solutions must be found for products ranging from textiles to hard goods to coffee, without compromising quality and functionality. The availability of innovative, sustainable materials in quantities required for the mass market presents another hurdle.

Specifically, this is evident in packaging and services. Particularly in the coffee sector, the high requirements for product protection – especially aroma protection from oxygen – must be considered when developing fully circular packaging. Simultaneously, our broad product range requires customised repair services to effectively extend the lifespan of goods, which in turn necessitates systemic innovations across the entire supply chain.

Strategy, goals & measures

Our strategy for the circular economy follows the guiding principle 'Design for Circularity.' While increasing the share of recycled and certified materials represents an important interim target for resource conservation, the strategic priority is to establish a comprehensive circular economy. This requires that all products – from packaging to textiles to hard goods – are designed for high-quality recycling. Implementation necessitates systemic innovations and close cooperation along the supply chain.

To manage and accelerate this transformation, the 'Circular Solutions Lab' was founded in 2022. As an internal unit, the Lab researches, develops, and tests circular concepts for products, business models, and material innovations in a collaborative environment. It supports departments with expertise, networks, as well as human and financial resources.

Previous results implemented in collaboration with departments include:

- Concepts for unpackaged coffee
- Plastic-reduced non-food packaging
- Reusable shipping packaging
- Use of recycled textile materials
- Development of durable products
- Establishment of second-hand offerings

Additionally, the 'Circular Solutions Academy' has been implemented as an internal training offering to embed circular economy competencies throughout the company.

Materials

In recent years, our focus in the material domain has primarily been on transitioning from conventional materials to sustainable alternatives, such as from conventional cotton to organically grown cotton, and increasing the use of recycled fibres and plastics.

Our material strategy is guided by product-specific roadmaps and a 'Sustainability Integration Matrix', which defines binding material requirements.

- **Textiles:** The goal is to source 100 % of textiles (cotton, cellulose, and animal fibres) from sustainable sources by 2025. The use of materials of animal origin is being reduced; risk materials are excluded according to the 'Animal Protection Policy', and remaining animal fibres are secured through certifications.
- **Hard goods:** Tchibo aims to manufacture hard goods from materials sourced from responsible forestry and certified by the FSC® seal. In addition to FSC®-certified wood, the focus is also on recycled materials. Our objective is to design our products for durability and environmentally friendly processing to minimise the ecological footprint. An example of this is our 'CN3' furniture series.

Our progress is as follows:

- **Cotton:** The proportion from sustainable sources reached 100 % in 2023 (2022: 99 %).
- **Synthetics:** The proportion of recycled materials decreased from 51 % (2022) to 27 % (2024). This decline is due to the material transition from PET bottles to textiles-to-textiles. Tracking is done via GRS or RCS certifications.
- **Cellulose fibres:** The proportion from sustainable sources increased from 76 % (2023) to 97 % (2024).
- **Animal fibres:** Since 2024, we have excluded the use of feathers and down for our newly launched apparel products.
- **Hard goods:**
 - **Wood & Paper:** The proportion from sustainable sources (FSC®) steadily rose from 45 % (2021) to 81 % (2024).
 - **Plastic:** The proportion of recycled or bio-based plastic was 10 % in 2025, after being 17 % the previous year (2023: 17 %, 2022: 19 %).

Textile materials used by weight:

In 2024, the materials used for our textiles were sourced 100 % from external suppliers and thus from external sources. The data is derived from our purchase contracts, making it precise.

MATERIAL (IN KG)	2023	2024
TOTAL	17,365,725	18,160,164
NOT RENEWABLE		
SYNTHETIC	7,848,737	8,316,245
RENEWABLE		
COTTON	7,370,252	7,575,920
MAN-MADE CELLULOSE-BASED FIBRES	1,938,197	2,129,473
ANIMAL FIBRES	115,247	83,676
OTHER	93,292	54,850

Materials Used for Hard Goods by Weight: Currently, we cannot disclose the materials used for hard goods due to a lack of information. We are working through IT system adjustments to be able to report this data in the future (within the next five years).

To close the material cycle, we are continuously expanding the use of recycled materials to new product categories.

Packaging

Our packaging strategy is based on four key levers: reducing material usage, sourcing sustainable materials, ensuring recyclability, and research and development.

We aim to reduce material use to the minimum necessary for protection, and to test reusable solutions, such as our reusable shipping bag, which underwent its third test phase in 2023. We strive for 100 % recyclability of all packaging; for all Tchibo coffee packaging, complete conversion is planned by 2027, and for other brands by 2030.

Current progress achieved in 2024:

- **Coffee Packaging:** A significant advance was made in 2023 with the introduction of recyclable film for selected ranges, resulting in a CO₂ reduction of 31-45 % compared to the previous composite film. We are continuously working to improve recyclability and expand its range.
- **Coffee Capsules:** Our Qbo capsules are made from 70 % renewable raw materials (ISCC PLUS certified). Both Cafissimo and Qbo capsules are recyclable.
- **Non-Food Packaging:** Recyclability here is already over 98 %.

Packaging materials used:

The materials used for our packaging by weight account for the amount of packaging materials put into circulation by Tchibo, which typically end up as waste with private end consumers after use. The data is derived from our volume reporting for packaging licensing.

	2023	2024
TOTAL	11,521	12,474
PAPER/CARDBOARD	7,858	9,034
PLASTIC	2,174	1,862
COMPOSITE PACKAGING	1,181	1,304
GLASS	289	259
ALUMINIUM	1	1
TINPLATE	2	0
OTHER	17	14

AMOUNT OF PACKAGING MATERIALS
PUT INTO CIRCULATION BY TCHIBO
(IN TONNES)

Aftersales

Our aftersales strategy aims to extend product lifespan, thereby reducing waste and conserving resources. The central challenge lies in developing individual and efficient service solutions for our wide and diverse product range.

The services include repair, replacement, and provision of spare parts, and are currently offered for non-food sectors (electronics), furniture, coffee machines, as well as watches and jewellery. Processing is carried out through a network of specialised partners. Long-term plans include expanding the services to non-electronic products, such as textiles.

In the financial year 2025, the focus will be on data-driven optimisation of internal processes and the further development of end-of-life solutions. A specific goal is to use returned furniture for spare parts recovery to further reduce resource use. Additionally, the expansion of customer satisfaction surveys to Austria, Switzerland, and Eastern Europe is planned.

We meet the legal obligations for the return and recycling of packaging through licensing with dual systems. We also comply with legal requirements for the return of old electrical and electronic devices and batteries. Since 2023, a deposit system for the return of reusable coffee-to-go cups has been in place.

Waste

Our waste management includes the systematic recording and control of waste generation in the critical phases of our supply chain and at all relevant locations.

Our strategy for waste prevention and resource management follows the established waste hierarchy: **Reduce, Reuse, Recycle.**

- **Reduce:**

We aim to fundamentally minimise material usage. For example, we reduce the consumption of paper and cardboard, and ensure that the remaining need is met through materials from certified responsible forestry or recycled content. We have reduced our plastic usage by packaging clothing items with paper bands instead of plastic film.

- **Reuse:**

Where operationally feasible, we focus on reuse. An example is the use of reusable transport boxes for delivering picked goods to our stores and depots in the food retail sector.

- **Recycle:**

We develop solutions to enhance the recyclability of our packaging and ensure its return to the raw material cycle. Additionally, we continuously seek innovative ways to recycle waste from our coffee production.

Currently, we have not defined company-wide, quantitatively measurable goals for waste reduction. Nonetheless, we are continually working on new and innovative solutions to reduce the amount of waste generated by our business activities. As a waste producer, we take responsibility for the proper disposal and recycling of generated waste. For this reason, we systematically collect waste data at our own administrative, production, and storage locations, as well as at storage sites operated by external service providers for us.

We distinguish the waste generated and its associated impacts according to two main origins:

1. Waste from our operational business activities:

This encompasses waste generated at our own sites, as well as at sites operated by service providers on our behalf. This can be divided further into:

- **Incoming packaging waste:** Material we receive from the upstream supply chain, such as transport cartons for goods transport.
- **Operational waste:** Waste directly generated by our activities, such as through the roasting process in coffee roasteries or administrative operations.

2. Waste in the downstream supply chain:

This includes the waste generated by our Non Food product and coffee packaging after use by end consumers.

Our waste balance for Tchibo locations shows a reduction in waste volume. Between 2023 and 2024, we reduced the waste volume from 4,170 tonnes in 2023 to 4,036 tonnes in 2024. The waste volume at storage locations operated by service providers also decreased from 3,380 tonnes in 2023 to 2,572 tonnes in 2024. We record packaging through our packaging licensing and annual volume reporting.

SOCIAL

Engaging with stakeholders

As a global economic actor, Tchibo shares responsibility for addressing ecological and social challenges. To this end, we rely on cooperation and ongoing, close exchanges with stakeholders, both within and outside the company.

The selection of our stakeholders for dialogue and cooperation in the area of sustainability follows a strategic process based on clearly defined criteria. Central to this are the relevance and influence of each stakeholder group: we prioritise those actors who are significantly affected by our business activities or have a significant impact on our sustainability performance. In addition, we assess their professional expertise, credibility, and general willingness to cooperate, to ensure that the exchanges are constructive and solution-oriented. Another criterion is the potential for shared goals and creating mutual value. Particularly important to us is considering the needs of especially vulnerable stakeholders and groups, and obtaining insights through dialogues and exchange formats.

The objective of the engagement is to understand expectations and assessments, incorporate impulses into the development of sustainable business processes, and/or collaboratively work on forward-thinking solutions for ecological, social, and societal challenges. The dialogue initiates vital innovation processes – both within the company and at the societal level – and helps to identify opportunities and risks for Tchibo's business at an early stage, to enable proactive action (see our process for determining the material topics).

Engagement follows the principles of inclusivity, materiality, and responsiveness, and takes place in a theme- and occasion-oriented manner through customised formats, such as surveys, dialogue events, or participation in initiatives and alliances.

Presentation of stakeholder groups



Own Workforce

Working conditions

Challenges

In response to demographic changes and skills shortages, we are aligning our personnel strategy for our approximately 10,450 employees (about 6,150 in Germany) towards employee recruitment and retention, ensuring efficiency, and engaging in feedback dialogues. We actively enhance our attractiveness as an employer and continuously develop our organisation.

Strategy, goals & measures

Our aim is to create an organisation with efficient processes and flexible work models tailored to the needs of our employees. Our actions focus on developing employees' individual abilities and competencies, and using them optimally. To maintain our attractiveness as an employer, we continuously evolve our employer branding. We promote a corporate and leadership culture centred on trust, collaboration, respectful feedback, and diversity. Additionally, we offer initiatives to strengthen resilience and support in personal crisis situations through family services.

Staff structure 2024

	TOTAL	WOMEN	MEN
NUMBER OF EMPLOYEES IN GERMANY	6,146	4,753	1,393
FULL-TIME (%)	37	51	50
PART-TIME (%)	63	93	7
PERMANENT (%)	95	77	23

In comparison to the previous years, 2022 and 2023, we recorded a slight increase in new hires for 2024. The turnover rate among our employees in the branch area was 27 %, and in the back office it was 11 % in 2024.

New hires

New hires (excluding apprentices and trainees), broken down by age group, gender, and area of deployment in Germany

	2023	2024
TOTAL	1,326	1,402
WOMEN	1,105	1,124
MEN	221	278
BY AGE GROUP AND GENDER		
< 30 YEARS	763	787
WOMEN	617	617
MEN	146	170
30-50 YEARS	404	442
WOMEN	339	350
MEN	65	92
> 50 YEARS	159	173
WOMEN	149	157
MEN	10	16
BY DEPLOYMENT AREA AND GENDER		
IN STORES	1,165	1,143
WOMEN	1,028	988
MEN	137	155
OFFICES	146	229
WOMEN	73	125
MEN	73	104
FIELD	4	12
WOMEN	2	6
MEN	2	6
AT ROASTING FACILITIES	11	18
WOMEN	2	5
MEN	9	13

Employee turnover (%)

Departures of employees in relation to the average workforce, broken down by areas of deployment and gender

	2023	2024
TOTAL	24.8	20.5
WOMEN	24.8	21.1
MEN	31.8	17.9
BY AGE GROUP		
< 30 YEARS	48.1	46.1
30-50 YEARS	25.6	17.2
> 50 YEARS	15.2	9.0
BY DEPLOYMENT AREA AND GENDER		
IN STORES	25.0	26.8
WOMEN	23.3	25.2
MEN	56.8	49.8
OFFICES	31.8	10.9
WOMEN	29.8	10.3
MEN	35	12
FIELD	5	8.5
WOMEN	7.6	13.8
MEN	3.9	6.3
AT ROASTING FACILITIES	10.3	8.2
WOMEN	4.4	3.8
MEN	10.9	8.8

Employee benefits

We offer our employees a package of additional and social benefits, which are generally provided without distinction between full-time and part-time employees. In 2024, all employees received €150 monthly for the first three months in full-time roles (proportionally for part-time employees) as part of the inflation compensation premium. We make no distinctions based on location. Nationally, we have our administration in Hamburg, production sites in Berlin and Hamburg, a nationwide network of branches, and warehouse locations in Bremen and Neumarkt. The benefits include:

- Employee discounts
- Health promotion
- Occupational pension schemes (bAV)
- Group accident insurance
- Parental leave
- Leisure centre and sports courses (at the Hamburg location)

For temporary workers, we ensure access to our social facilities, such as the canteen and leisure centre. We fulfil our legal disclosure obligations to temporary workers and staffing agencies, and verify compliance with legal regulations (AÜG) through agreed audit rights. Claims for benefits like occupational pension schemes or accident insurance for temporary workers are directed to their direct employer.

Freedom of association, collective bargaining, child labour & forced labour

Our Code of Conduct (CoC), applicable to all employees and locations, embeds the respect for human rights and fundamental social standards. This explicitly includes the right to freedom of association and the right to collective bargaining, as well as the prohibition of child and forced labour. We encourage all employees to report any violations of the CoC and are committed to ensuring that there are no adverse consequences for those who report violations or for the individuals affected. During the reporting period, we have not identified any increased risk concerning these rights in our locations, and no violations have been reported to us for this period.

The interests of employees are represented by the works council. We ensure that the works council and the economic committee are involved timely and comprehensively in all material operational changes, in accordance with the provisions of the Works Constitution Act (BetrVG).

These changes include, among others, restructurings, the relocation of business units, fundamental changes in work organisation, and the introduction of new working methods, as well as all other consultations prescribed by the BetrVG. The implementation of measures takes place only after the completion of the legally prescribed participation process, based on agreements made with the works council (e.g., reconciliation of interests, social plan).

Collective agreements apply to all employees in Germany, except for the management of Tchibo GmbH. Legal co-determination is exercised by the works council (35 members, 5 members of the youth and trainee representation) and the equally composed supervisory board. At works meetings, these bodies and the management provide information on business developments and answer questions from the workforce.

Occupational safety & health protection

Challenges

At Tchibo, we bear the responsibility of creating a work environment that promotes and sustains the health and performance of our employees. A central element is the provision of management methods, processes, and support offerings that facilitate a balance between professional engagement and personal demands. Occupational safety and health protection are integral components of our corporate management.

Strategy, goals & measures

We do not apply a certified management system for occupational safety and health protection. Our measures and activities are conducted in compliance with legal regulations, and are supplemented by voluntary health-promoting offers. All measures apply to all employees within the organisation.

At Tchibo, 100 % of the workforce is represented in occupational safety committees. A dedicated representative body for severely disabled employees advocates for their interests and is complemented by seminars and discussion offerings. In 2024, the proportion of employees with severe disabilities employed by us was 5.2 %.

Our Occupational Health Management (OHM) consolidates all measures to promote health and to balance work and personal life. A dedicated team from Human Resources and – since mid-2024 – Purchasing & Work Environmental Services coordinates offerings divided into four core areas: 'My Family,' 'My Health,' 'My Sport,' and 'My Nutrition.' These include, among others:

- **Occupational Safety and Health at the Workplace**

We prioritise occupational safety through regular examinations of workplace ergonomics and potential stressors, such as noise. Based on the results, we implement optimisation measures. Our medical services and occupational safety professionals provide advice and support to employees at the locations. The topic of 'Healthy and Safe Leadership' is established as a binding guideline in the leadership handbook. We continuously work on modernising the work environment of our employees, step by step creating a healthy, modern workspace, for instance with new furniture and screens. Moreover, we have maintained hybrid working models. Working from home and even from abroad ('workation') remains possible, facilitating the balance between family, work, and leisure. The occupational health service offers advice to all employees on health protection and prevention, as well as providing legally required occupational health check-ups and vaccinations.

- **Occupational Reintegration Management**

For employees returning after illness-related absences of over six weeks, we offer structured Occupational Reintegration Management. This includes tailored solutions, such as adapting the workplace, working hours, or tasks, to ease reintegration. A specific reconnection programme is in place for reintegration after parental leave.

We conduct regular and occasion-based risk assessments for all workplaces and workflows according to legal requirements; since 2020, this has included mobile working. A continuous improvement process ensures that new legal requirements and insights from daily operations are incorporated into our protective measures. All employees receive annual training on their rights and responsibilities concerning occupational safety and behaviours in emergencies.

For confidential reporting of hazards, employees have access to two channels:

1. The external whistleblowing hotline
2. Members of the works council

Work-related accidents are recorded through a standardised process and reported to the relevant trade association. If necessary, our occupational safety specialists and the occupational health service conduct accident investigations. We use the insights gained to further develop protective measures.

In the reporting year 2024, there were 75 reportable work-related accidents with downtime of at least three working days. Of these reported accidents, 26 were classified as commuting accidents, occurring outside the direct influence of the company. Seven cases were related to slip accidents on icy or wet surfaces, and seven cases involved bicycle or e-scooter accidents. There was one work-related fatality associated with a commuting accident. The recording of work-related injuries is currently limited to our own employees. No work-related illnesses were reported in the reporting year 2024.

Diversity & equal opportunity

Challenges

We employ an internationally diverse workforce, composed of employees from various cultures, backgrounds, and generations. This diversity requires respectful and fair interaction as the foundational basis of our collaboration.

We view diverse teams as a key prerequisite for fostering creativity and innovation. At the same time, we operate in a labour market characterised by increasing competition for skilled workers. Creating a diverse and inclusive work environment is a strategic factor for us to attract qualified employees and retain them long-term within the company.

Strategy, goals & measures

Tchibo is committed to ensuring a work environment that is free from discrimination and is based on respect and fairness. This commitment is enshrined in our company principles and the binding CoC. The CoC stipulates, among other things:

'All employees and business partners have the right to fair, courteous, and respectful treatment by supervisors and colleagues. No one may be discriminated against, that is, disadvantaged without factual reason, because of their race, colour, nationality, ancestry, gender, faith or beliefs, political views, age, physical condition, sexual orientation, appearance, or other personal characteristics.'

Compliance with the CoC is mandatory for all employees - more details can be found under guidelines for employees.

To strengthen diversity, inclusion, and non-discrimination, we have implemented targeted measures. In 2022, we established a dedicated Diversity Team and signed the ***Diversity Charter for the working world of the 'Charta der Vielfalt' association***. We are working on addressing gender-related disparities. In 2024, we conducted several events on diversity, focusing on gender equality. Additionally, mandatory training sessions in office-based roles were introduced on topics such as 'unconscious bias' and 'awareness of sexual harassment.'

During the reporting period, three violations of the CoC's anti-discrimination guidelines were reported, and appropriate procedures were initiated, all of which have been resolved.

Information on employee diversity can be found in the [metrics table](#) in the 'Employees' section.

Ratio of the base salary and remuneration of women to the base salary and remuneration of men

FIGURES IN PERCENT	2023	2024
LEVEL 7-5	43.7	42.6
WOMEN	55.3	55.3
MEN	44.7	44.7
LEVEL 4	47.3	47.4
WOMEN	58.7	59.2
MEN	41.3	40.8
LEVEL 3-2	8.3	9.1
WOMEN	38.7	37.6
MEN	61.3	62.4
HIGHER PAYGRADES	0.7	0.8
WOMEN	33.3	33.3
MEN	66.7	66.7

All employees in Germany are entitled to parental leave.

The following table shows the total number of employees who have taken parental leave (with or without part-time employment).

FIGURES IN ABSOLUTE NUMBERS	2023	2024
TOTAL	363	349
WOMEN	318	319
MEN	45	30
BY DEPLOYMENT AREA AND GENDER		
IN STORES	144	159
WOMEN	144	159
MEN	0	0
OFFICES	204	180
WOMEN	167	155
MEN	37	25
FIELD	9	8
WOMEN	5	4
MEN	4	4
AT ROASTING FACILITIES	7	2
WOMEN	3	1
MEN	4	1

The following table shows the percentage of employees who were still employed at Tchibo twelve months after the end of at least three months of parental leave (%).

FIGURES IN PERCENT	2023	2024
TOTAL	93	92
IN STORES	89	89
OFFICES	96	94
FIELD	100	89
AT ROASTING FACILITIES	100	100

Workers in the value chain

Challenges

Tchibo produces Non Food items and coffee, maintaining trade relations with suppliers worldwide. A complete list of Tchibo textile producers and wet processing facilities can be found under Supply Chain Transparency in the [guidelines section](#), and at the [Open Apparel Registry](#). In the supply chains of our manufacturing countries, we identify systemic risks regarding compliance with labour, social, and human rights.

Accordingly, we actively work within the scope of our corporate due diligence to promote compliance with human rights standards in our supply chains, and to mitigate our most significant negative impacts and risks. In our textile supply chain, potentially severe negative impacts on workers due to prevailing working conditions and social inequalities are of particular relevance. Further information on economic risks can be found in the consolidated financial statements of maxingvest ag.

A key tool for fulfilling our responsibilities is multi-stakeholder cooperation. We initiate and promote regional and international alliances with partners from the business sector, civil society (including non-governmental and human rights organisations), trade unions and the political arena. Through these cooperations, we pool expertise and advance the development and implementation of solutions. The goal of this collaboration is to effect positive change for those affected and to establish structural improvements in labour and social standards directly on-site and along our supply chains.

Strategy, goals & measures

Human rights due diligence is an integral part of our business practices. The foundation of our work is the [United Nations \(UN\) Guiding Principles on Business and Human Rights](#), and the requirements of the German Supply Chain Due Diligence Act (LkSG). We adhere to the guideline of respecting human rights, systematically preventing potential human rights violations, and remedying infringements through targeted actions and continuous improvements. Essential principles are bindingly established in the Tchibo CoC and serve as a guide for all employees at Tchibo. For our suppliers, as well as our service providers and cooperation partners, the minimum requirements for working conditions and environmental standards defined in the Tchibo SCoC apply. These are primarily based on the relevant conventions of the International Labour Organisation (ILO), the Universal Declaration of Human Rights, and the Tchibo Detox Commitment. Our statement of principles, according to the National Action Plan (NAP) and UN Guiding Principles, summarises all the foundations of our actions.

The statement of principles and further guidelines can be found in the [guidelines section](#) under 'Statement on Respecting Human Rights' as well as 'Supplier Policies & Guidelines.' These principles are also outlined in the [OECD Guidelines for Multinational Enterprises](#), and are expected to be adhered to by the members of the Alliance for Sustainable Textiles.

Risk analysis & management

In accordance with regulatory requirements, we conduct regular and event-driven risk analyses for our own business operations, as well as our supply chains. The results are directly integrated into the development of our material topics and form the basis for deriving measures.

The analysis process comprises the following systematic steps:

- Risk identification:
 - Initially, potential risks are identified by evaluating external sources (e.g. country indices, NGO reports, industry-specific studies) and internal data (e.g. purchasing volumes, product categories, type of business relationship). Insights from past sustainability and procurement activities are also included in this step.
- Risk Assessment:
 - Subsequently, the identified risks are evaluated based on their expected severity and likelihood of occurrence. This assessment is supplemented and validated by the expertise of internal specialist departments and existing audit experiences.
- Risk Prioritisation:
 - The weighted risks are visualised in a risk matrix, prioritised, and categorised on a scale. Prioritisation is based on the following criteria:
 - Severity and likelihood of the risk
 - Product-specific risks of the respective product group
 - Type and extent of the business relationship
 - Our influence and management capabilities
 - Our own contribution to the identified risk
- Supplier Engagement:
 - Targeted requests for self-disclosures and sustainability questionnaires from suppliers. In addition, supplier discussions are conducted, and audit results are used to validate risk assumptions.

A key component of the risk analysis is the complaints procedure (see also Complaints Mechanisms). Incoming reports are documented, analysed, and integrated into the risk analysis. The outcomes from complaints are combined with country-specific analyses and industry-related indicators to initiate targeted prevention and remediation measures, and to assess the effectiveness of existing measures. Recurring patterns or particularly severe individual cases are directly factored into the weighting and prioritisation of risks. In this way, the complaints procedure also serves as an early warning system, allowing us to identify structural risks early and implement targeted prevention and remediation measures.

Coffee

The risk analysis, updated in the reporting year 2024, has confirmed the previously known risks, such as living wages, workplace discrimination, and excessive working hours in certain cultivation areas. Specifically, regarding our coffee supply chain, we are part of the joint complaints procedure by the German Coffee Association, Ear4U, from which we derive insights for risk evaluation and prioritisation. To achieve the greatest possible transparency regarding areas of action, Tchibo also collaborates with the independent non-profit organisation Enveritas. In 2024, Enveritas published country reports and analyses for all coffee-producing countries where Tchibo regularly purchases. Based on this data, we have developed customised solutions with the people in these regions, or adjusted existing measures. Enveritas also verifies whether the programmes are being implemented and if they have an impact.

Through our coffee programme, we focus even more on supporting coffee farmers in our supply chains. In 2024, we expanded the programme to Guatemala, Tanzania, and Colombia. With regionally tailored programmes, we help coffee farmers diversify and stabilise their income, and to make their cultivation methods future-proof. This includes promoting good farming practices, agroforestry, reforestation, the cultivation of fruit trees and other crops, and the sowing of new coffee varieties that are better protected against extreme weather conditions. Implementation is carried out in close collaboration with trainers and agronomists from exporters and other partners. The specific measures are coordinated regionally to achieve the greatest possible impact.

Depending on the country and supply chains, Tchibo collaborates with local partners and NGOs, as well as other companies and organisations, such as World Coffee Research and the German Coffee Association. Our goal is to continuously strengthen the inclusion of external stakeholders and potentially affected parties in risk analysis, implementation of measures, and effectiveness controls.

Non Food

The risk analysis, updated in the reporting year 2024, has confirmed the previously identified risks, including insufficient occupational safety measures, workplace discrimination and excessive working hours due to low income in key production countries. Based on the results of our risk analysis, we implement tiered measures. We prioritise areas with the greatest potential impact on people, and where we can exert the greatest influence. Our strategy encompasses the following pillars:

- **Supplier Management and Audits:** We aim for long-term business relationships to establish a stable framework for continuous improvements. Selection of production facilities follows defined quality and sustainability requirements. Compliance with our contractually binding SCoC is verified through social and environmental audits.
 - **Audit Process:** We audit new production facilities for our Tchibo products before signing contracts. Awarding contracts is contingent upon meeting minimum requirements. In the case of zero-tolerance violations (e.g. blocked emergency exits, pay below minimum wage, lack of employment contracts), a suspension is enacted until resolved. For other violations, improvement plans with deadlines are agreed upon.
 - After a pilot phase, the participatory audit format 'Collective Change Action' (CCA) was integrated into our audit programme. In 2024, it was implemented at five strategic production sites in Bangladesh and China.

- Acceptance of Third-Party Audits: To avoid audit redundancies, we accept equivalent audit results from standards like Amfori BSCI, SA8000, SMETA (4-Pillar), and WRAP, provided they cover our zero-tolerance requirements.
- Supplier Qualification and Dialogue (WE Programme): Since audits are only snapshots, we rely on our dialogue-based 'WE Programme.' This programme supports strategic suppliers in making permanent and sustainable improvements to working conditions. The programme is aligned with the conventions of the ILO and focuses on five key areas: wages and working hours, freedom of association, anti-discrimination, health and safety at work, and combating modern slavery and child labour.
 - In 2024, the scaling of the WE Programme was financially supported by the DRK Foundation and the Netherlands Enterprise Agency (RVO). Additionally, two companies, Fenix and Beirholm, decided to implement the WE Programme in their supply chains, such as in India and Pakistan.
- Promotion of Social Dialogue and Freedom of Association: We believe that the sustainable establishment of labour rights requires active representation of workers. Thus, we have concluded a Global Framework Agreement with the international trade union federation IndustriALL Global Union. This agreement establishes processes for social dialogue and conflict resolution in our non-food supply chains.
- Industry Initiatives and Multi-Stakeholder Cooperation: To address systemic challenges like low wages or insufficient building safety, we engage in industry-wide initiatives. As co-founders, we actively participate in the initiative 'ACT (Action, Collaboration, Transformation),' the 'International Accord for Health and Safety in the Textile and Garment Industry,' and the 'Alliance for Sustainable Textiles.' The focus here is on the needs of particularly vulnerable stakeholders and groups in the implementation of corporate due diligence obligations.
 - ACT is an agreement between global brands, retailers, and trade unions to achieve living wages for workers through industry-wide collective bargaining linked to fair purchasing practices. In 2024, Tchibo signed an individual, legally binding support agreement for Cambodia, to promote the conclusion of collective agreements at the factory level.
 - All of Tchibo's textile producers in Bangladesh (39 factories as of 2024) are fully integrated into the Accord. They must meet the Accord's building and safety standards and resolve all identified deficiencies within a year. New factories are regularly added to the agreement. By 2024, approximately 90 % of the safety-relevant deficiencies of our producers in Bangladesh were rectified. In Pakistan, we are continuously working to integrate all our producers (2024: 6) into the Pakistan Accord. We strive to ensure that all our suppliers benefit from the improved safety measures of the Accord and, thereby, improve working conditions and safety standards.
- Complaint Mechanisms (see Risk Analysis & Management)

The effectiveness of the aforementioned measures is measured, among other things, by the increasing number of factories integrated into the WE Programme (18 new factories in 2024). Over 400,000 workers have participated in the programme since 2008. We increased our WE purchasing volume to 69 % in 2024 (2023: 54 %).

Working conditions

Occupational safety & health protection

Our SCoC is the contractually binding foundation for all our suppliers, service providers, and cooperation partners. In 2023, we revised the SCoC to align it with the protected rights positions of the LkSG. The SCoC explicitly obliges our partners to provide a safe and hygienic working environment, and includes specific requirements on occupational safety and health protection:

- Implementation of rules and processes to ensure occupational safety
- Conduct regular occupational safety training
- Workers' right to withdraw from immediate danger situations

To monitor our human rights risk management, we have appointed two Human Rights Officers, who report directly to the management. At the beginning of 2024, we also published our **policy statement on human rights and environmental responsibility**.

Coffee

The global coffee supply chain is predominantly characterised by small-scale farming, where the majority of farmers operate on areas of less than five hectares. This presents specific challenges for the implementation of standardised occupational safety measures, compared to professionally managed plantations. Process steps such as the hulling of coffee cherries occur partly directly on the farms and partly at external service providers (mills).

As part of our due diligence obligations, we conducted an analysis of the material risks to health and safety at the workplace in the coffee supply chain. We particularly identified the following risks:

- **In cultivation:** Risks from the use of agrochemicals with inadequate protective equipment, physical strain from heavy loads, risk of injury from tools, and environmental risks, such as sun exposure and animal bites.
- **In processing:** Health burdens from high dust development, requiring respiratory protection, as well as hazards from handling heavy machinery, necessitating hearing protection and safety briefings.
- **In transport:** Increased accident risk due to poor infrastructure in many cultivation regions.

To address these risks and promote health and safety, we employ a multi-step approach that relies both on established third-party standards and our own direct engagement, including:

- **Coffee procurement according to certified standards**

Part of our approach involves purchasing raw coffee that has been certified by independent organisations. These standards define requirements for occupational safety and agricultural practice, whose compliance is verified through regular audits. In the reporting year 2024, 18 % of our raw coffee was certified according to standards such as Rainforest Alliance, EU Organic, and Fairtrade (2023: 17.7 %).

- **Programme for Sustainable Coffee Growing Regions**

In 2024, we revised our programme for sustainable coffee-growing regions to directly enhance our collaboration with coffee farmers in our main growing countries. This programme consolidates previous individual projects and aims to strengthen the economic resilience of the farmers. In 2024, training sessions on occupational safety in farming, partly in cooperation with the ILO Child Labour Platform, were conducted.

We have set the goal to source 100 % of our raw coffee by 2027 from sources that are either certified or verified as responsibly purchased according to the Enveritas standards.

Non Food

Our SCoC is the contractually binding foundation in which we define zero-tolerance violations as including unsafe buildings, inadequate fire protection, and blocked escape routes. Compliance with these requirements is checked in all quality, social, and environmental audits. There is an increased risk of dangerous or unsafe work in all processing steps of our non-food items. Our specific risks for occupational safety and health protection, as well as action policies (Social and Environmental Country Risks and Policies), can be found under *Supplier Policies & Guidelines*.

We address the identified risks in our supply chains with a bundle of preventive and reactive measures (see also Risk Analysis & Management). Regarding occupational safety and health, we have implemented the following measures:

- **Supplier Management and Audits**

- **Supplier Qualification** (WE Programme)

- **Industry Initiatives** (International Accord):

- As a founding member of the 'Accord on Fire and Building Safety in Bangladesh' in 2013, we are also involved in its transition to the 'International Accord on Health and Safety in the Textile and Garment Industry' (2021) for structural improvements in building safety. The Accord, extended by six years at the end of 2023, independently reviews building safety, fire protection, and electrical installations, provides improvement plans, and establishes safety committees and complaint mechanisms.
- In 2022, we joined a pilot project by the Bangladeshi government to introduce an occupational accident insurance in the country for the first time. The five-year project aims to establish a permanent occupational accident insurance for workers in the textile industry that meets international standards.

- **Standards for raw materials:**

For specific raw materials, we utilise certifications and standards that include requirements for occupational safety, health protection, and chemical management, such as the Global Organic Textile Standard (GOTS), the Forest Stewardship Council® (FSC®), and Cotton made in Africa (CmiA).

Freedom of association and collective bargaining

The right to freedom of association and collective bargaining is part of the universal human rights, the economic, social, and cultural rights of the UN Covenant, as well as the globally valid core labour standards of the ILO. It is also included in our agricultural policy for farming, valid since 2022.

constitute a zero-tolerance breach of our SCoC.

Coffee

The right to freedom of association and collective bargaining is embedded in the certifications with which we certify our raw coffees. During the reporting period, we are not aware of any violations of the right to freedom of association and collective bargaining among Tchibo coffee suppliers.

Non Food

Some of the certifications and standards we use for raw materials in non-food items include the right to freedom of association and collective bargaining.

In the 2024 reporting period, we did not receive any complaints through our complaints mechanisms regarding violations of freedom of association among rights holders. However, we were asked by an NGO to comment on a complaint from 2023. This complaint involved an incident in the Tchibo supply chain, for which we successfully advocated for remediation and redress. In many countries from which we source our non-food items, there is an increased risk of violations of the right to freedom of association and collective bargaining. Therefore, we believe that the violations reported through the complaints mechanisms in recent years are not isolated incidents, but rather examples of widespread labour rights violations in this area.

For this reason, Tchibo became the first German trading company in 2016 to enter into a Global Framework Agreement with IndustriALL Global Union. It applies to our non-food supply chains and, beyond our SCoC, ensures that workers have the opportunity to organise in trade unions and conduct collective bargaining. We sensitise our WE Programme facilitators with the necessary expertise to identify issues of freedom of association and the right to collective bargaining in factories and resolve them with those affected. Thus, we strengthen the field of 'freedom of association and worker representation' through our WE Programme.

As part of our strategy to promote living wages, our membership in ACT is a key component. It supports the right to collective bargaining and wage negotiations in the textile industry in Bangladesh, Cambodia, and Turkey. Through ACT, we aim to achieve rising wages through regular wage negotiations between trade unions and employers throughout the textile industry of a country, combined with better purchasing practices and long-term business relationships of purchasing companies. The foundation for this is the strengthening of trade union rights in the form of freedom of association and the right to collective bargaining, which we actively work on with member companies, IndustriALL Global Union, and local trade unions and industry associations.

Child labour

The prohibition of child labour is part of the universal human rights, the economic, social, and cultural rights of the UN Covenant, and the internationally recognised core labour standards of the ILO.

Our SCoC is contractually binding for all our suppliers, service providers, and cooperation partners. It explicitly states that Tchibo does not tolerate child labour, and specifies restrictions and conditions under which young people may be employed. Violations of this constitute a zero-tolerance breach of our SCoC. We verify compliance with these requirements in all quality, social, and environmental audits. Our Agricultural Policy for agricultural supply chains, effective since 2022, also explicitly excludes child labour and stipulates restrictions and conditions for employing young people.

As child labour is a structural issue that cannot be solved by a single company alone, we engage in multi-stakeholder cooperation. We have joined the ILO's Child Labour Platform (CLP). This platform pools efforts from companies across various sectors and leverages the ILO's established relationships with governments to contribute to the eradication of child labour at the political level. We are active in the CLP in both the coffee and Non Food sectors.

Coffee

Our risk analyses indicate that the actual risk regarding child labour is only elevated in Honduras. To protect children during the labour-intensive harvest season, we operate three childcare centres in Honduras, together with our partner Becamo. These centres offer children a safe place, reliable meal provision, age-appropriate care, and educational opportunities while their parents work on the farms. In the coffee sector, the CLP is active in Uganda, Vietnam, and Honduras.

As a preventive measure, we utilise certifications that incorporate the prohibition of child labour in their criteria. The two main causes of child labour in rural areas are lack of access to education and insufficient income. As part of our programme for sustainable coffee-growing regions, we implement measures directly aimed at improving the income situation of the farmers. These include:

- **Training:** We provide knowledge to enhance the quality and productivity of coffee cultivation.
- **Resource Access:** We facilitate access to financing and essential materials, like fertilisers.
- **Diversification:** We encourage the cultivation of additional crops (e.g. fruit and vegetables) among coffee plants, contributing to soil health improvement and family food security.

During the reporting period, we have not identified any proven violations of the prohibition of child labour among Tchibo coffee suppliers.

Non Food

The risk of child labour is particularly high at the deeper levels of the non-food supply chain, such as raw material extraction and the production of semifinished goods. Our management approach to combat child labour is multi-faceted, combining binding guidelines with direct and indirect prevention measures.

We verify compliance with the SCoC through our social and environmental audits of our direct business partners. We also emphasise long-term supplier relationships to create a stable framework that reduces economic incentives for child labour. Our qualification programme WE addresses child labour as one of five key areas. Through continuous presence in the factories, WE programme staff can identify risks that might not be visible during occasional audits.

Our involvement with the ILO's CLP in the non-food sector focuses on the Indian cotton sector. To prevent child labour in the Indian cotton sector, we joined forces in 2024 with 23 other companies and two spinning mills to launch the 'Harvesting the Future' project in Madhya Pradesh, India, under the leadership of the Fair Labor Association. This initiative trains small farmers, conducts awareness campaigns in local communities, and works closely with local authorities and schools. Additionally, our Global Framework Agreement with the umbrella union IndustriALL Global Union strengthens the role of unions that locally monitor and enforce labour rights, including the prohibition of child labour. As a further preventive measure, we use certifications for specific raw materials that embed the prohibition of child labour in their criteria. During the 2024 reporting period, no violations of the child labour prohibition were reported to us by our direct producers of non-food items (see also Risk Analysis & Management).

Forced labour

The prohibition of forced labour is part of the universal human rights, the economic, social, and cultural rights of the UN Covenant, and internationally recognised core labour standards of the ILO. Our SCoC is contractually binding for all our suppliers, service providers, and cooperation partners. It explicitly states that Tchibo does not tolerate practices of modern slavery, including forced labour. Violations of this constitute a zero-tolerance breach of our SCoC. We verify compliance with these requirements in all quality, social, and environmental audits. Our agricultural policy for agricultural supply chains, effective since 2022, also explicitly excludes modern slavery and forced labour. We address the risk both directly and indirectly with a series of preventive measures.

Coffee

The following certifications, with which we certify our raw coffees, include the prohibition of forced labour: Rainforest Alliance, Fairtrade. In the predominantly small-scale farming origins from which we source our raw coffee, there is no increased risk of forced labour. However, on large farms, the risk of forms of modern slavery, such as debt bondage, increases.

During the reporting period, we have not identified any proven violations of the prohibition of forced labour among Tchibo coffee suppliers.

Non Food

The following certifications and standards we use for raw materials in Non Food items include the prohibition of forced labour: CmiA, Fairtrade, FSC®, Organic Cotton Standard (OCS). In some countries, regions, sectors, and certain processing stages of our Non Food items, there is an increased risk of forms of modern slavery. This is particularly true for deeper levels of the supply chain, that is, in the production of semifinished goods and raw materials.

Our specific risks for forms of modern slavery and corresponding action policies can be found under **Supplier Handbooks & Guidelines**, in the Supplier Policies & Guidelines section.

To address the risks in cotton cultivation, in 2024 we collaborated with 23 other companies and two spinning mills under the leadership of the Fair Labor Association to launch the 'Harvesting the Future' project in Madhya Pradesh, India, which also includes the topic of fair recruitment practices in its measures.

During the reporting period, no violations of the forced labour prohibition were reported to us by Tchibo producers of Non Food items.

Affected communities

Challenges

Our global supply chains present us with various challenges regarding the rights and livelihoods of communities in growing regions, especially in our coffee supply chain. High water consumption, the discharge of inadequately treated wastewater from wet processing, and the use of agrochemicals are potential negative impacts on local communities. The implementation of technical solutions is influenced by structural factors, such as small-scale producer structures, limited investment opportunities, and incomplete government regulation and traceability.

Strategy, goals & measures

Our mechanisms can be found in the Risk Analysis & Management chapter. During the reporting period, we are not aware of any proven violations of the rights of indigenous peoples in or by Tchibo operations, nor among our suppliers of raw coffee and non-food products. During the reporting period, there were no own operations with significant negative impacts on local communities. Consequently, there were no noteworthy programmes for their engagement or promotion.

Consumers & end-users

Challenges

To enable our consumers to engage in sustainable consumption, we design our products and supply chains sustainably, ensure reliable quality and durability, and comply with local and global laws. The greatest challenge in achieving these goals arises from our business model with its complex, global supply chains. Different legal levels in production countries, varying sustainability standards along the value chain, and sheer complexity require systematic management. The central task, therefore, is to consistently enforce our high standards and make them visible to consumers through transparent communication and education.

Strategy, goals & measures

Since the supply chains for our coffee and non-food businesses differ significantly, we have developed a specific strategy with tailored measures and goals for each area. We involve our consumers through transparent product and corporate communication to encourage them to make sustainable purchasing decisions.

After highlighting our strategy and measures for sustainable product and supply chain development in the previous chapters, we now focus on product quality for coffee and non-food items, as well as customer communication.

Product quality Coffee

Ensuring the quality of our coffee is a high priority. The focus is on product safety and the reliable consistency of defined taste and aroma profiles, so customers receive a safe and consistent taste experience.

Our multi-step quality assurance process begins in the growing countries, where our experts are responsible for selecting and purchasing raw coffee. The evaluation before purchase is based on defined product specifications, which may exceed legal requirements. This assessment includes a visual and sensory examination of the raw materials at the producers' and traders' premises.

Upon arrival of the raw coffee in Germany, accredited external laboratories conduct chemical-physical analyses. These analyses verify the compliance with our predefined quality and safety standards. The subsequent production of roasted coffee in our plants follows the specifications from our product development. Our production facilities are certified according to the IFS Food Standard, the compliance of which is checked through regular external audits. These audits particularly focus on adhering to food safety and production hygiene standards.

A structured complaint management system for the quality area ensures the systematic recording and processing of customer feedback, completing our quality assurance loop.

Product quality Non Food

For our non-food products, we define specific requirements for product quality and safety, functionality, workmanship, and material properties. With our SCoC, we establish binding social and environmental standards for manufacturing, as our understanding of quality encompasses both product properties and manufacturing conditions.

Our quality management process is divided into four phases, covering the entire supply chain: product development, quality development, quality assurance, and the fulfilment of information obligations to our customers.

- **Product and Quality Development:** In the conception phase of new products, our product developers define requirements for safe and legally compliant items. Integral components of this process include testing product samples by independent, accredited laboratories and on-site audits at production facilities.
- **Quality Assurance:** All Non Food items undergo a final inspection according to the statistical sampling method AQL (Acceptable Quality Level). This method verifies that the predefined quality requirements are met. The inspection takes place either in an inspection centre in the production country before shipping, upon arrival at our main warehouse in Bremen, or at both locations, depending on the product.
- **Chemicals Management:** Throughout the entire Non Food supply chain, we implement the EU Chemicals Regulation, REACH. We contractually exclude the use of chemicals restricted under REACH, including substances listed as 'of very high concern' (SVHC) on the candidate list. Compliance with these requirements is verified through tests in independent laboratories.
- **Customer Information and Complaints:** We provide detailed product information and user manuals that accompany our products and are available online. These are prepared in accordance with relevant standards concerning structure and clarity. Our complaints management system governs the handling of warranty and guarantee claims, and ensures structured processing.

Sustainability communication

Sustainability messages are part of Tchibo's brand and product communication. To consolidate our sustainability efforts across all ranges and make them easily visible to our customers, we have developed an overarching sustainability tagline for Tchibo called 'Makes a Difference.' This tagline aims to provide a unified umbrella for all our sustainability activities. It is used for all topics and products that meet sustainability standards – for both coffee and Non Food. Launched in September 2024, the tagline has been featured in selected communication channels, mainly owned media such as online in the webshop, on social media, and in print magazines. The content focuses on four topics highly relevant to our customers: coffee, cotton, recycling & packaging, and wood & forestry.

During the 2024 reporting period, there were only occasional violations at Tchibo related to product and service information and labelling. These violations pertained to labels, claims, and visual representations, and they were promptly addressed.

GOVERNANCE

Business conduct

Challenges

Managing our sustainability engagement involves navigating the constantly changing regulatory and societal conditions. Addressing these challenges requires integrating sustainability responsibility into the operational processes of our business units. Effective complaint mechanisms and stakeholder dialogues are crucial in this regard. The insights gained from these about risks and grievances are used to review and, if necessary, adjust our sustainability strategy and the guidelines for employees, suppliers, and business partners. This ensures consistent implementation of the aforementioned measures and enables an appropriate response to identified negative impacts and risks.

Strategy, goals & measures

Sustainability strategy and governance

We embed sustainability as an integral part of our business strategy and ensure its integrated implementation across all departments. The strategic management, goal-setting, and coordination are the responsibility of the Corporate Responsibility division, which reports directly to the Chair of the Management Board. This division supports the departments that derive their own department-specific goals and measures from the strategic framework and implement them operationally. The transfer of responsibility and know-how is continuously promoted through internal exchange formats.

Since 2006, sustainability has been a fixed component of our corporate strategy. In 2023, we revised and realigned this strategy, leading to concrete goals extending to 2027.

Our business practices are based on internationally recognised standards and guidelines, particularly:

- The International Human Rights Charter,
- The ILO Declaration on Fundamental Principles and Rights at Work,
- The OECD Guidelines for Multinational Enterprises.

Additionally, we affirm our commitment to the UN Guiding Principles on Business and Human Rights, support the 2030 Agenda, and are members of the UN Global Compact. Tchibo is involved in various associations, interest groups, and external initiatives for economic, ecological, and social improvements. A detailed overview is provided [here](#).

Responsible business activity is the foundation for the sustainability of our company. This relies on an intact environment as a prerequisite for high-quality raw materials, respect for human rights in our supply chains, collaboration with responsible business partners, the commitment of our employees, and the trust of our customers.

No anti-competitive behaviour was reported or detected during the reporting period. In 2023, we established a dedicated team responsible for the implementation of the increased ESG regulations across Germany and the EU. The team supports the affected departments in the introduction and implementation of new ESG regulations. Compliance with internal and external requirements is verified through internal audits conducted by the corporate audit department of maxingvest ag.

Responsibilities for sustainability in the company

	Goal setting and agreement of goals/ intermediate goals	Measures and projects for implementing goals/intermediate goals	Review including reporting	Communication	External promotion on the topic of sustainability	Data protection	Issues management/ Risk management
CEO	•		•		•	•	• (Information)
EXECUTIVE BOARD	•		•			•	• (Information)
SUPERVISORY BOARD	• (Information)		•			• (Information)	• (Information)
MAXINGVEST AG	• (Information)		•			• (Information)	• (Information)
WORKS COUNCIL	•		•			•	• (Information)
SPECIALIST DEPARTMENTS: PRODUCTS	•	•	•	•		•	
SPECIALIST DEPARTMENTS: PROCESSES/SALES	•	•	•	•		•	
LOGISTICS	•	•	•	•		•	
LEGAL DEPARTMENT	•	•				•	•
HR DEPARTMENT	•		•			•	
CORPORATE COMMUNICATIONS/ OTHER STAFF		• (Support)		•			• (Information/Recording)
WORKING GROUP	•	•				•	
CORPORATE RESPONSIBILITY DEPARTMENT	•	•	•	•	•	•	•

Complaint mechanism

Effective complaint mechanisms are a central component of our human rights due diligence. We use them to identify, investigate, and remedy potential and actual negative impacts on human rights and the environment in our supply chains. Insights gained from complaints are integrated into our strategic supply chain programmes, training measures, and business processes to achieve structural improvements and prevent future violations.

Our system includes several accessible complaint channels. Complaints are handled by designated Tchibo employees, often in collaboration with local experts from our WE Program or independent external organisations in the Non Food supply chains. Based on the investigation results, we create binding action plans in collaboration with relevant departments, such as Purchasing.

The following complaint channels are available:

- **Direct complaint channel:** Individuals affected in our supply chain, their representatives, or third parties can contact us directly, confidentially, and anonymously if necessary. The central email address socialcompliance@tchibo.de is a mandatory component of our SCoC and must be displayed in all production facilities.
- **WE program:** In our Non Food supply chains, facilitators of our WE Programme act as trusted, local contact points for employees to directly report and resolve grievances.

- **Global Framework Agreement with IndustriALL Global Union:** This strategic cooperation safeguards the rights to union organisation and collective bargaining in the Non Food supply chain, and establishes a joint process for handling reported violations.
- **Multi-Stakeholder Initiatives (MSIs):** We utilise the established complaint systems of initiatives in which we are members. These include the International Accord (building safety, fire protection, and labour rights in Bangladesh), and ACT on Living Wages (especially freedom of association and wage issues in the textile industry).
- **Ear4U (Coffee Supply Chain):** Together with the German Coffee Association, we have established this industry-specific mechanism. Anonymous reports can be submitted via an app (SpeakUp®), hotlines, or an online form. The independent organisation GRAS assists with verification.
- **Corporate Whistleblowing System:** Through the system of the parent company maxingvest ag, employees and business partners can report misconduct. An independent service provider receives the reports; an ombudsman council, composed of representatives from maxingvest ag, Tchibo GmbH, and the works council, manages the processing.

Guidelines for employees

The essential international agreements and principles are defined as binding in Tchibo's CoC, which can be found in the **Compliance** section, and serve as the guiding framework for all employees at Tchibo. The CoC constitutes the ethical 'business foundation' for all employees, regardless of their hierarchical level. It includes our commitment to full legal compliance and transparency, as well as the continuous improvement of business processes from ecological, social, and societal perspectives. The CoC also regulates interactions with business partners and customers.

Within the framework of the CoC, all forms of corruption, granting or accepting benefits, are prohibited for all employees. The CoC is regularly updated, and its adherence is monitored. It is part of the welcome pack for new employees, as well as the contracts.

We regularly train our executives in the handling of the CoC. Additionally, executives confirm in writing on a regular basis that they have understood and adhered to the rules of the CoC and have reported any violations they have become aware of. They also certify with their signature that they have explained the CoC to their employees and that they supervise adherence to it. During the reporting period, no incidents of corruption were reported or uncovered.

Guidelines for suppliers and business partners

The Tchibo SCoC forms the basis for collaboration with business partners in the non-food sector. It sets binding behavioural guidelines for suppliers, business partners, and service providers regarding legal and ethical conduct. It is the foundation of all purchasing contracts and defines, among other things, minimum requirements for working conditions and environmental standards in the production of our non-food items.

We continuously develop the SCoC in light of constantly growing requirements and based on our commitments. It can be found in the **Supplier Code of Conduct** section under Supplier Policies & Guidelines. In the coffee sector, we rely on our 'Responsible Purchasing Practices' guideline, where we have established our rules for fair and sustainable partnerships. The guideline can be found in the **Documents** section under Additional Agreements & Commitments.