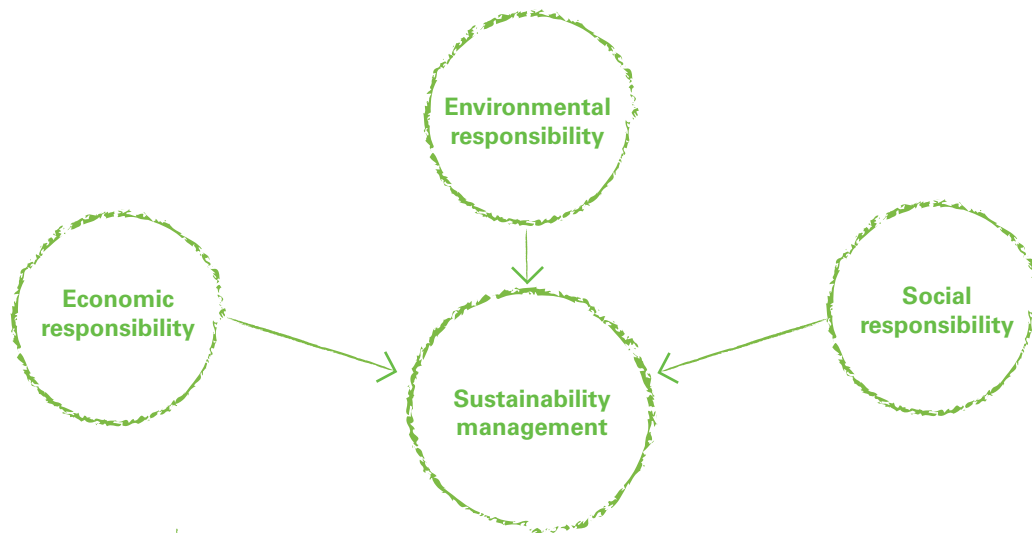


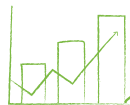
Responsibility at Katjes

As a family-run company, Katjes is particularly aware of its responsibility for the future of the environment and society. Sustainable management is therefore given top priority at Katjes. The issue of sustainability is also one that is personally very important to the managing partners, Tobias Bachmüller and Bastian Fassin. They keep a close eye on the progress Katjes is making in its efforts to be more sustainable, and are open to new ideas.

In order to streamline the various initiatives within the company and to balance economic, environmental and social interests, Katjes introduced its own sustainability management system in 2014. This system coordinates the company's sustainability measures and brings them together under the hashtag **#MissionGrünOhr** (#MissionGreenEar). Katjes focuses on measures that relate closely to its core business, i.e. in production and for its own employees, but is also always thinking beyond these and gathering new ideas.

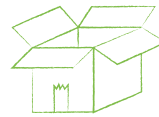


Success in figures





- By switching to green electricity, Katjes reduced its carbon footprint by **28 percent** between 2012 and 2016.
- Around 50 percent** of the electricity consumed at the Emmerich site comes from our Katjes' cogeneration unit, heat from which is used for the production process and for heating.
- In the period from 2014 to 2017, Katjes succeeded in reducing its water consumption by **14 percent** per tonne produced.
- Since 2016, **100 per cent** of the cardboard packaging used has been FSC-certified.
- Katjes gives a „baby cheque“ for **1,000 euros** for each child born to an employee.
- In 2016, Katjes planted **186 trees** in the Ideas Garden.
In 2017, a further **136** have been planted at a different site.


Actions taken in production and distribution




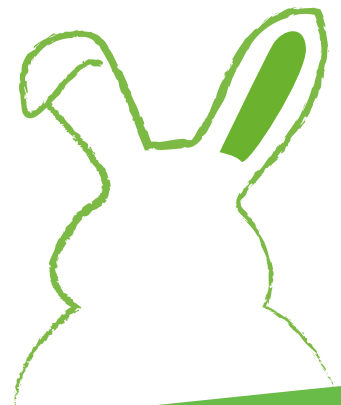
Katjes' commitment to the environment is particularly evident in product strategy and production. Katjes' general aim in production is to improve efficiency. On the one hand, this cuts costs and is consistent with the company's economic responsibilities. On the other, action in this area also benefits the environment.

 **Product strategy:** The new strategy adopted in 2016 of focussing purely on veggie products without animal gelatine, resulted in a reduction in CO₂ emissions. One concrete example of this: the gelatine-free production of Bodo the Bear results in around 20 per cent less greenhouse gas emissions than the production of fruit gums containing gelatine.

 **Energy management:** Katjes has an ISO 50001-compliant energy management system. In addition, the company is taking active steps to increase its energy efficiency: since 2014, any broken light bulb is replaced by a particularly economical LED bulb. Since that year, Katjes has been producing a considerable proportion of the energy required to light these bulbs in its own cogeneration plant at the Emmerich site. The benefit: the heat generated can be used directly in the production process for drying the confectionery, one of the most energy-intensive stages, and in the heating system at the site. As far as electricity which is not produced at the site itself is concerned, Katjes is fully committed to renewable energy and purchases green electricity produced solely from hydropower. By switching to green electricity, Katjes reduced its CO₂ emissions by 28 percent between 2012 and 2016. The climate target until 2022: 35 percent less CO₂ emissions than in 2012.

 **Water:** Katjes has implemented a range of improvements which have made it possible to cut water consumption significantly at the plant and in the offices in Emmerich. For example, cleaning processes have been improved, the pipeline system has been examined thoroughly for possible leaks and machinery has been replaced. Thus, in 2017, compared to 2014, 14 percent less water was consumed per tonne produced. By 2022, another 12 percent of water is to be saved.


 **Logistics and distribution:** Together with its suppliers, Katjes has succeeded in significantly reducing the consumption of stretch wrap, which is used for wrapping deliveries. This has been achieved for example by using more highly automated processes and a new, thinner material. Katjes has also adopted a new approach to the cardboard packaging of its products. 100 per cent of the cardboard used is now certified with the FSC eco-label.




Taking action for our employees and for society




At Katjes, we are convinced that sustainability is not just a strategic corporate principle, but something that has to be practised throughout the company and which addresses not just environmental but also social concerns. This is why Katjes takes responsibility for its employees and for people in general, inside and outside the company. For example, at Katjes, equal opportunities and family life are key elements of the corporate culture which have been developed over the years and are put into practice throughout the company.

 **Equal opportunities:** At Katjes, equality of opportunity is a given. We pay the same wages for the same work, irrespective of gender. When hiring or promoting employees, the only thing that matters is their qualifications, and the best qualified applicant gets the job.

 **Work/life balance:** The company is passionate about promoting a healthy work/life balance. Our flexible part-time options make it easier for parents to return to work, including those in management positions. Katjes has also established a framework within which both mothers and fathers can make individual arrangements for taking their parental leave. On top of this, Katjes gives each baby born to an employee a cheque for 1,000 euros as a start in life. We know that arranging childcare in the summer holidays can be a challenge for parents, so Katjes cooperates with a professional holiday care, in which children of employees can spend three of the six weeks of vacation.

 **Further training:** Katjes feels it has a responsibility to encourage its employees to continue their education and training. This is why we plan and evaluate individual further training such as English and French language courses and encourage trainees, in particular, to take part. Katjes is also pushing for integration and has been employing a refugee from Bangladesh as an apprentice since 2017. From the summer of 2018, a refugee from Eritrea should begin his apprenticeship at Katjes.

 **Ideas management:** Every year, the trainees at Katjes develop an idea for a project relating to the company's environmental or social responsibility, which is then implemented. For example, the Katjes trainees made sure that children from families in need were able to start school with a satchel, the same as everyone else. We also have an internal ideas management programme on the theme of sustainability: as a special incentive, the company plants a tree for each idea submitted, which enhances the local environment and also improves air quality. This has created an impressive meadow orchard, the Katjes Ideas Garden. In the future, Katjes will ensure that for every submitted idea, existing orchard meadows can be maintained.

