

INVENTOR'S HEART



Our world is evolving.

We are currently in the midst of an all-encompassing transformation, on our way into a new era. Entrepreneurs, decision-makers, scientists – in short, everyone of our generation - has the opportunity to help shape completely new ways of life. With one foot still firmly planted in the old structures, we are using the other to grope our way into the new and unknown. There seems to be no end to the highly complex problems and challenges we face. This underlines the need for a radical approach, but above all for action and a willingness to take risks. Not in a reckless manner, but with a clear vision. In these

highly volatile times, the one

thing we know for sure is that we can only achieve this transformation together – abandoning the old competitive mindset and embracing co-creation, knowledge sharing, and open innovation ... moving from "I" to "we", from personal patents to open source, from intellectual property to shared knowledge, from frantic reaction to dynamic creation, from "mine" to common goods, to global community – this is how our planet can transform and flourish in the future.

Our common future.

MELITTA GROUP TRANSFORM TO FLOURISH



### subordinate rather than superordinate we humans are part of earth's diverse and self-regulating ecosystem.

PLANETARY BOUNDARIES

### Sustainability is a non-negotia-

ble. Earth's ecosystems are collapsing; many limits of what our planet can withstand have been exceeded. For too long now, we have treated our planet as a seemingly inexhaustible resource in our pursuit of personal ambitions and what we perceive as greater prosperity.

Anything is possible. The fascinating ability of our planet to constantly regenerate is an immutable and unstoppable law of nature. In ways that were previously unimaginable, we as a global community can have a fundamental say in whether and how this transformation will preserve our habitat. Our actions will help guide and shape the process. We can close cycles again, allow diversity to flourish, reactivate or reinvent the disturbed equilibrium of give and take.

People's attitudes have long begun to change from buying and consuming to preserving and regenerating - away from the constant clamor for "faster, farther, bigger". Consumption and luxury are no longer regarded as appropriate models for our aspirations - they have been replaced by more meaningful ideals. The focus is shifting to a value-based approach as we strive to find better solutions for us all This does not mean that individuality will vanish, but that it will always be accompanied by the question of whether it serves the greater good and helps us achieve our common goal.

In order to change the world and preserve our habitat, we need to revise our relationship with nature, submit to its rhythms and align ourselves with its abilities and limitations - living, interacting, and working within the boundaries of our planet. We determine what prosperity means for us. Our return to a way of living and doing business within the limits of what is viable and sustainable for our planet is a non-negotiable. The future of generations to come depends on our ability to respect these boundaries once again – and we need to move fast. Scientists, environmentalists, activists, pro-ecology political parties, and forward-thinking businesses have been advocating a more respectful approach to nature for decades. Their voices and efforts have helped to raise awareness of important ecological

issues and to promote green technologies and alternatives – the foundation for much needed change, radical rethinking, and systematic policy reform, both now and in the future. As the consequences of global warming and the pollution of our planet become increasingly visible, sustainability has become a mainstream concern for society – it will be the central task of future generations, affecting all people, and changing expectations, lifestyles, and values around the world.

from consumer society to mean-ingful society: ecological values create new markets as drivers of economic transformation.

The vision of the future advocated by the current generation is an ecologically intact world in harmony with the well-being of its inhabitants. For them, economic transformation is not just an abstract idea to be discussed and explained, it must become a measurable and tangible reality. This calls for more than mere lip service and vague target agreements. They want claims such as fair, 100% recyclable, diverse, carbon-neutral, climate-positive, or CO2-free to be underpinned by hard data and a transparent analysis of the underlying value chains - measurable and immutable, with clearly visible action and change.

More than any generation before, it sees its future at risk and is united in the need and urgency for globally networked action.

### BY SHAPING OUR COMPANY AND REDEFINING THE FUTURE OF BUSINESS, WE ARE SHAPING THE FUTURE FOR US ALL.



# a new economy – geared to people's needs\*.

Beacons of hope and drivers of the ecological transition. It is only natural that a society with a global mindset in the midst of transformation - away from unrestrained consumption and toward a value-based approach - should have high expectations for companies, institutions, and global players and place considerable responsibility on their shoulders. With their innovative strength and business networks, companies undoubtedly have the greatest leverage within their value and supply chains to impact habitats and societies. Their decisions with regard to resource consumption, energy efficiency, waste management, social responsibility, and human rights all have a significant impact on the environment and thus on the welfare of people.

Management scope and responsibility thus go hand in hand when it comes to aligning corporate practices with sustainable objectives. Personal benefit alone will no longer be sufficient for a brand to survive in the context of global crises. Superlatives such as the best, the most elegant, the most convenient, the highest quality, the healthiest, the most purchased, or otherwise most outstanding product or offering have become irrelevant. Customers no longer focus on what is best for them personally. They want insight, clarity, orientation, and to know what is best for everyone.

Sustainable management has therefore long become a license to operate
and is no longer in any question
among key stakeholders such as partners, customers, and governments.
Legally binding standards are increasingly being introduced and enforced.
Anyone seeking to future-proof their
business should therefore ensure it
has a visible and tangible relevance
for society and the preservation of our
habitat.

forward-looking entre-N E X T E N T R E P R E U R S H I P preneurship: impact-driven, socially responsible, free culture, community, diversity, future literacy, adaptable, ...

We as the Melitta Group – like all companies and industries – want to clearly define our role in solving global problems, i.e. our benefit for mankind – and derive our corporate objectives from this endeavor. It is in our own fundamental commercial interest to act systemically in such a way that all our actions have a positive impact on society and the environment.

Building on our pioneering spirit, our

desire to shape the future and to be there for people, we develop guidelines to structure our interaction with other industries, companies, society, and politics in order to actively drive the transformation process. In doing so, we ask ourselves questions that are fundamental for the alignment of our company, the economy, and society: How can we continue to optimize our processes, systems, and structures in such a way that business decisions support ecological and social objectives and in no way adversely affect them? How can we cooperate with other industries, companies, and suppliers to act in a consistently ecological and transparent fashion across all supply chains? How can we exert influence to readjust the political-economic network in order to cooperate effectively? How can we create a successful relationship culture - inspiring people and providing orientation in order to build confidence and trust? As a community of interlocking operating units, how can we conserve the resources we use and return them to a

value-adding cycle in order to secure our supply of raw materials? How can we successfully operate outside the realm of classical growth concepts and traditional economic logic? In everything we do, the first question is always "What is good for us all?". How can we play a meaningful role in shaping the future of our company and thus the future of humanity?

### Capabilities rather than skills.

In order to succeed in our hyper-connected, rapidly changing world - in other words, to have a positive impact on society and the environment - companies need to be adaptable. As the lifeblood of such successful companies, adaptability means always being prepared for the unexpected and learning to deal with it; always being willing to view the world from a new perspective; and always challenging and rewriting concepts or received wisdom. More than ever before, long-term success depends on how companies deal with unsettling change and global crises, as well as the resulting desires, needs, and values of customers and stakeholders.

Throughout our history, we have repeatedly demonstrated our ability to adapt and in so doing strengthened our resilience. Without doubt, this was only possible because – then as now, and in the future – we are never

satisfied with merely reacting to changing market conditions. It has always been our mission to anticipate and proactively shape change, and thus to serve as an inspirational role model.

In order to continue this dynamic approach, we want to develop more and more into a network of independent, decentralized teams - away from hierarchical structures and rigid processes. Our aim has always been to leverage both the individual and collective potential of all people in our organization. Every single employee should be involved and afforded the responsibility and autonomy needed for their creativity to fully unfold. This is how we intend to ensure that a culture of trust and openness continues to flourish within our company. This is consistent with our understanding of an appreciative corporate culture, which forms the breeding ground for the commitment and dedication of our employees. Our culture is fundamentally important for the performance of our company and its contribution to society.

100% circular - foundation of the transformation. A regenerative approach along our entire value chain is an indispensable step on the road to a resilient and environmentally friendly economy - to conserve, restore, and regenerate resources rather than deplete or destroy them. The need for a regenerative economic model and the disruptive potential this offers represent a sea change in 21st-century business practices. Regenerative strategies are not only beneficial for the environment, but crucially also bring economic benefits: research conducted by the Ellen MacArthur Foundation shows that the circular economy is currently only being implemented in a small portion of the global economy. The circular economy can play a vital role in halting and reversing biodiversity loss as it promotes sustainable resource management and can make an important contribution to ecosystem regeneration, especially when organic residues are returned to the biological cycle. By reducing resource consumption and optimizing resource efficiency, we can reduce the pressure on ecosystems and preserve natural habitats The introduction of effective waste management systems, as well as the ongoing expansion of recycling and reuse systems, will enable us to minimize the amount of waste going into landfills, incinerators, or the environment by recovering resources and extracting as much value from them as possible. By steadily shifting to

PURPOSE ESETONED PROBLEMS = SOCIETY-BUSINESS



renewable energy sources as well as renewable raw materials and their recycling, we can fulfill our social and environmental responsibilities while at the same time saving money. Naturally, the circular economy is no panacea for the challenges we face in the field of biodiversity and must be complemented by a wide range of interlocking measures. However, we believe it can make an important contribution to the broader objective of halting and reversing the loss of biodiversity. The transformation of our complex world can only succeed if all factors interact in a mutually beneficial manner.

The complexity of circles. Such complex solutions as circular systems cannot be created single-handedly - neither by policymakers nor by business, and certainly not by individual companies. A truly closed-loop economy requires unprecedented interaction between all players - in business, government, and civil society. Going it alone or adopting a stand-alone solution is not a viable approach for forward-looking entrepreneurs in pursuit of a common goal. The key to success will be the formation of alliances between different systems and approaches. Supply chains are too complex, too sensitive, and too closely entwined with market dynamics, meaning that any minor change will impact the processes of upstream and downstream units.

Governments obviously play an active role in creating a future- and innovation-friendly environment. In our view, an effective mix of policy instruments should include policy adjustments, legal frameworks, incentives, subsidies for sustainable technologies, or the setting of recycling quotas. We are happy to contribute to public discourse on the joint design and further development of these instruments.

The standardized valuation of planetary resource usage is a factor or yardstick which consumers, companies, and politicians can use to identify areas for action and draw consequences. This valuation – and in some cases, socially responsible pricing - of ecological and social goods will make it easier to identify development opportunities for far-reaching market changes. This would allow us to develop entirely new market categories, business models, technologies, and strategies based on ecological and social responsibility. However, as long as we do not value the effects of environmental and social goods, we tend to underestimate or even ignore them as we cannot incorporate them into our economic decision-making processes.

Raising public awareness of the benefits and opportunities of using resources in a sustainable manner is something we are very passionate about. Consumers should be empowered and encouraged to consciously make ecologically and socially sensible purchasing decisions. This will play a decisive role in accelerating the transition to a circular economy. The more an individual can understand the impact of his or her decisions - both positive and negative - and the more these decisions are proven by facts and underpinned by data, the more he or she will be able and willing to actively engage in the transformation process.

It is both our aim and our responsibility to use sensible ideas and sustainable innovations to enable people – especially those from disadvantaged backgrounds and poorer countries – to live a life in tune with our environment that is both affordable and dignified. Encouraged by the hope and commitment of Generation Global, we will join forces with companies from a wide range of sectors and industries with the same mindset in order to facilitate and shape the ecological transformation.

### Everything is connected. We are all dependent on each

other. The overriding objective — the preservation of our habitat — is more than just motivation, it must be regarded as a roadmap for the future and achieved at all costs! It is a vision for the world, a global objective, and a never-ending challenge for which we can all put solutions and strategies in place right now, in our own lifetimes.

All the foundations for this global transformation have already been laid and it will continue to gather momentum. Just how well and how quickly this transformation will succeed, however, depends on how we perceive the urgency and seize the opportunity to tackle something of such magnitude. There will be many difficult questions along the way and we will constantly need to seek and find new answers. We must face up to the realities of our environment and take on the challenges ahead in order to shape the future for ourselves and our planet.

It can be very inspiring to remind ourselves of just how powerful we can be as a community when it comes to shaping our own future.

### 150

YEARS MELITTA BENTZ



FROM

MELITTA BENTZ

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MELITTA GROUP

Flourished from a simple idea into a global enterprise by the power of a woman and her family.

Melitta Bentz, your vision to turn what was once considered a bothersome chore of preparing coffee into a pursuit of enjoyment has spread across the globe and will always inspire us. You created and encouraged entrepreneurship ahead of your time. Nowadays Melitta is far more than a name or a business – she is our invisible power and guides us with her spirit. She has made us conviction champions, inspiring us to carry on her legacy.

The vibrations of her heartbeat carry us until today and further into the future.

HER SPIRIT GUIDES US ..

... TO MOVE BEYOND

### WE ARE INVENTOR'S HEART

### WE ARE ENTREPRENEURS AT HEART

We are shaping the future of coffee, plastic, pulp, and electrical appliances. No single product that we produce should harm our habitat. Our entire value chain is geared toward the strict alignment of our brands and companies with the goals of a regenerative economy.

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

### New dimensions of value creation.

Our holistic and systemic approach enables us to constantly reflect on our business practices, to measure our efficiency and to develop new concepts based on these findings. We are steadily establishing our commitment to a regenerative economy with a focus on social business. This will be accompanied by structures, processes, and completely new priorities and standards within our organization and beyond. In this way, we are playing an active role in the development of a fundamentally new economic system.

We are on our way – not yet where we want to be – but our vision and mission constantly inspire and oblige us to put our skills to work for the needs of humanity. OUR STRATEGIC DIMENSIONS COMPREHENSIVELY
AND COLLABORATIVELY IMPACT ALL OUR BUSINESS ACTIVITIES
AND MANIFEST THEMSELVES VIA OUR AREAS OF ACTION IN
EACH OF OUR PRODUCTS AND SERVICES.



## WE THRIVE ON DIVERSITY, TO CO-CREATE IMPACT.

The expertise of our employees is our intellectual capital. Their ingenuity, adaptability, foresight, and creativity are the source of our individual and collective strength to shape the future — to create impact in every dimension.

Diversity is vitality. Vitality is the key to tackling the most fundamental problems of our age. For us as a company, it requires an unprecedented level of collaboration – both within our own organization and across industries outside our own boundaries. This is the only way that the different approaches of various players can be harmonized in order to unfold their full impact.

Co-Creation is an ancient method and the only meaningful form of human interaction for transforming complex systems. The recognition of our mutual dependence and constant dialogue are essential for such far-reaching and trusting relationships to succeed. The way we work together will determine the success of the ecological transformation.

Learning and experience belong together. As a diversely networked organization, we create space in which individuals can fully express their potential and work together collectively. This allows us to continuously generate and test new ideas. We see it as our duty to provide a fertile breeding ground for innovative learning, to encourage a wide range of experiences, and to share insights.

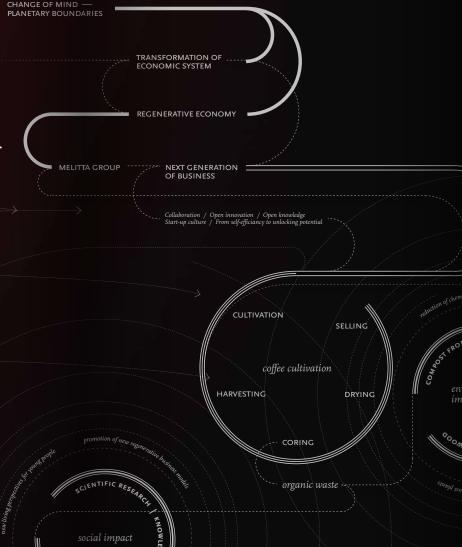
We want to educate and empower. We want to generate a networked culture of inspiration – a web of interlocking relationships, a living organism in which we grow and learn from each other: enabling us to unleash our individual and collective potential. For the best collective performance that allows vibrant futures to flourish.

### 100% REGENERATIVE VALUE CREATION

... so that living and working in an ecologically responsible way becomes a no-brainer for everyone.

We think in cycles. We strive to achieve far-reaching and healthy economic activity as a prerequisite for a healthy planet. We want to help protect our natural habitat by developing 100% circular production processes and product cycles, and by driving economic activities that serve the well-being of both people and their environment.

We are committed to renewable energy sources, regenerative resource usage, and a circular economy in order to co-create a resilient, fair, and ecologically sound economic system. — A system based on promoting and sustaining the resilience of natural and social systems while at the same time providing fair access to capital, resources, and opportunities. This is the only way to meet the needs of society and the environment.



# SOCIAL BUSINESS AS AN INTEGRAL PART OF OUR ENTREPRENEURIAL ACTIVITIES

As a global company, we see ourselves as part of a global network, a global community. We regard ourselves neither as a charity nor as an exclusively traditional company, but as an impact-oriented company. The concept of social business is both a logical consequence and an integral part of the ongoing development of our business model. We are fully aligned with and dependent on the social well-being of our stakeholders and the preservation of our habitat. Together with our partners, we are working hard to solve the world's social and environmental problems and to improve the standard of living of all stakeholders so that long-term and fairly distributed prosperity, human dignity, and social justice can flourish.

Our aim is to link ecological and economic processes – also in developing and emerging nations – and to drive those technical innovation processes and infrastructures that deliver both positive environmental outcomes and economic benefits. In this way, we want to empower people to lead an affordable and dignified life.

OUR PRIMARY AREAS OF ACTION

### COFFEE OF THE FUTURE TO CREATE IMPACT

Challenge Coffee is regarded as the world's second most important commodity, grown in over 70 countries and consumed by millions of people around the globe. In addition to its undeniable importance for the economy, coffee is cultivated in some of the most biodiverse ecosystems of our planet. As such, coffee farmers and by extension, the entire coffee industry - face significant challenges. The complex implications of climate change and monocultures often negatively impact soil biodiversity and quality, and thus crop yields and the long-term sustainability of coffee production. The resulting volatility of green bean prices is a problem that threatens income security and thus also the livelihoods of coffee farmers – making coffee farming less attractive, especially for the younger

generation.

Strategy In order to secure the future of the coffee sector, we - and our partners – are constantly developing measures and ways to establish new systemic approaches and sustainable business models along the entire coffee value chain. Our main priority is the regeneration of the coffeegrowing regions.

Target > 2025 > 2030 The "Coffee of the Future" is processed, transported and roasted in a climate-friendly way which also uses water sustainably. Coffee packaging is recyclable, made from recycled materials, and/or can be used multiple times. Our coffee machines will be in line with the circular economy and produced in an energy-efficient way. They will enable coffee to be prepared in an energysaving fashion.

Impact Wherever possible, the production of coffee helps to safeguard the future of local people and their environment, while providing all-round sustainable enjoyment for consumers.

### PLASTIC OF THE FUTURE TO CREATE IMPACT

Challenge Marine plastic and microplastics have far-reaching impacts on the environment and global ecosystems. The spread of plastic waste adversely affects both marine biodiversity and our food chain. We regard the need to develop effective collection, sorting and recycling systems as a global task – and we are working together with others to deliver solutions.

Strategy We are convinced that wide-

scale implementation of the circular economy principle can reduce the environmental impact of plastics. We are therefore systematically adopting a circular economy approach for our plastic product ranges and packaging, and reorganizing the production and recycling of plastics. In so doing, we are applying the "ReDesign - ReCycle - ReUse - ReDuce" principle. We are constantly improving the environmental properties of plastics and developing ecologically sound alternatives that are easily recyclable or reusable. Last but not least, we are actively engaging with other market players, initiatives, and scientific

institutions in order to develop over arching collection and recycling systems – as well as the corresponding markets for recyclates – as quickly and effectively as possible.

Target > 2025 > 2030 Viewed holistically, plastics have a better ecological footprint for numerous applications than many other materials. Our ultimate goal is to offer only products that are made entirely from recycled or renewable raw materials in a climate- and resource-friendly way. They should be durable and 100% recyclable or, alternatively, be degradable in nature without causing pollution.

Impact We are thus contributing to the global development and improvement of waste management systems and promoting the sustainable production and recycling of plastics. Awareness and education are not just part of the solution, but also our mission. This is the only way to secure procurement and distribution markets and to protect and regenerate our habitat.

for the use of wood and pulp, as well as the damage to forests caused by climate change and the decrease in biodiversity, are major challenges for the pulp and paper industry. The traditional focus on monocultures of ducts. We are developing technolofast-growing tree species is a further problem, as these are more susceptible to pests and diseases and also adversely affect the natural habitats of other species. Moreover, as the world's fifth largest energy consumer and third largest industrial emitter

Challenge The increasing competition

PULP OF THE FUTURE

TO CREATE IMPACT

Strategy In order to counter these effects, we are working together with our partners to establish regenerative forest management. We procure our pulp from recycled or sustainably managed sources, with low impact on the climate and sustainable water use. At the end of its use, our pulp is recycled or biodegrades fully in the natural world.

of greenhouse gases, the paper in-

global carbon emissions.

dustry is responsible for about 5% of

Target > 2025 > 2035 We give priority to climate-neutral, resource-conserving pulp and paper products. In addition to the procurement of certified pulp, this also includes the resource-efficient production of our paper progies and processes to convert our manufacturing processes to renewable energies.

Impact Even though we already purchase a high percentage of certified pulp (99.3%), the continuous development of processes for national or regional forest management standards is essential for the protection and preservation of the world's forest resources, as well as for biodiversity, and the sequestration of greenhouse gases in our forests.

**ELECTRICAL APPLIANCES OF THE FUTURE** TO CREATE IMPACT

Challenge The innovation cycles of electrical appliances are becoming ever shorter in order to meet the rising demand of our growing and technology-obsessed society. The lack of collection and recycling systems capable of handling the complexity of these devices leads to e-waste. Resource scarcity is the inevitable consequence of this linear waste management approach. Energy consumption during use and manufacture, as well as the reparability and recyclability of the materials used, are also indicators of the comparatively high environmental impact of many electrical appliances.

Strategy In order to meet society's need for sustainable development and protect our habitat, we are in the process of comprehensively transforming our supply chains (from raw material extraction, to production, distribution, and disposal): moving toward transparent, circular, and climate-friendly value creation of energy-efficient and recyclable electrical appliances.

Target > 2025 > 2030 We want to be a pioneer for the development and rollout of sustainable electrical appliances. During the development of our devices, we reduce greenhouse gas emissions along the entire value chain – for example, by using renew able energies in production. By implementing effective collection and recycling systems and expanding our repair and service offerings, we can minimize waste and recover valuable components and materials.

product development tool helps our customers make informed choices about sustainable products and consumption. By consciously purchasing durable and repairable products, we can all play a role in promoting the circular economy. This also enables new forms of consumption to emerge, such as rental models.

Impact Our "Mission Eco&Care"

### TRANSFORM TO FLOURISH