



MartinBauer

GRI-Sustainability Report 2023

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GRI 2: General Disclosures

2-1 Organizational details

Since 1930, MartinBauer has stood for unique expertise in botanical products worldwide. In cooperation with our customers, we develop tailor-made solutions for the tea, beverage, food, pharmaceutical and animal nutrition industries. Our products are based on responsibly sourced, high-quality botanical raw materials from more than 80 countries. Our headquarters are located in Vestenbergsgreuth, where the company was founded. With more than 20 production and distribution sites worldwide, we keep our finger on the pulse of local and global markets, staying abreast of trends and traditions. Thanks to our decades of experience in a wide range of industries, we have a deep understanding of the needs of our customers and of end consumers. Our aim is to pass this knowledge and the creative solutions of our development experts on to our customers. More than 2,300 employees worldwide, many of them with decades of experience, are dedicated to maintaining this competitive edge. This is a key reason why many of our business partners have been placing their trust in us for decades – something we are very proud of.

MartinBauer is part of the nature network, a fourth-generation family business with a long-range, value-driven corporate strategy. MB-Holding directs the group of companies under the nature network umbrella. It offers a globally unique spectrum of botanical-related products and services, including the responsible procurement of high-quality botanical raw materials, their gentle processing using certified methods, the development of innovative products, and laboratory, consulting and distribution services.

2-2 Entities included in the organization's sustainability reporting

Our financial reporting is done in the form of a management report for the nature network as a whole and therefore has a different scope than this report.

As they are not considered materially important, the report does not include sites where no production takes place. With a view to environmental impact, we have determined that our sales-only sites each contribute less than 1% of our greenhouse gas emissions.

For this report, MartinBauer includes all its production sites worldwide. Unless otherwise stated, the data presented refer to all the following sites:

- Europa
 - Germany: Vestenbergsgreuth, Kleinostheim, Alveslohe
 - Italy: Nichelino, Rivalta di Torino
 - Poland: Witaszyce
- Asia
 - Turkey: Izmir
 - China: Hangzhou, Wuhu
 - Sri Lanka: Dickoya
- North and South America
 - Argentina: Misiones
 - USA: Secaucus, Reno, Islandia, Bethlehem, Terrebonne

2-3 Reporting period, frequency and contact point

The reporting period covered by this report is January 1, 2023 to December 31, 2023. Our previous report was from 2023 (with data from 2022).

Publication date:

February 2025

Contact:

Sustainability Team, MB-Holding GmbH & Co. KG

2-4 Restatements of information

The previous report referred exclusively to German sites, while this report includes all production sites worldwide. As a result, the reports are not directly comparable.

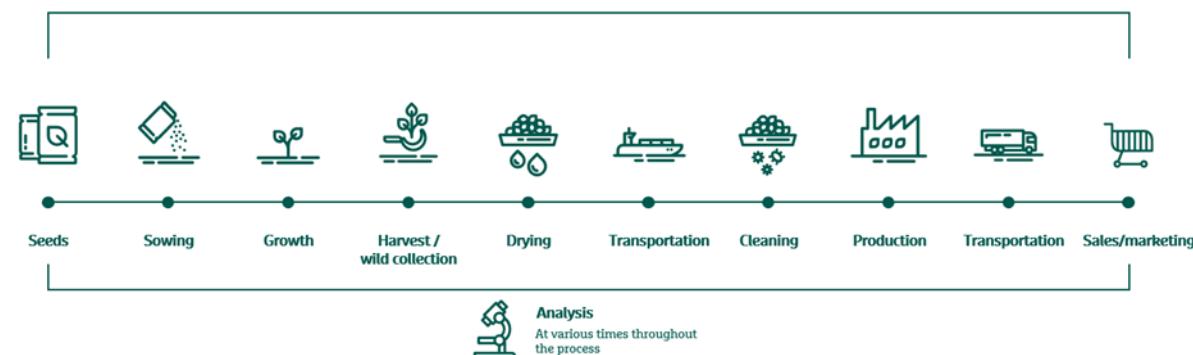
2-5 External assurance

This report has not been externally assured. As part of our reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD), we will adapt this report in line with the requirements of the new European regulations and have it assured and published accordingly.

We report in accordance with the GRI Standards.

2-6 Activities, value chain and other business relationships

Our value chain begins in rural areas of 80 countries around the world where we source our more than 200 different botanical raw materials. Supply chains vary in complexity depending on the place of origin. In order to minimize risk, we strive for a high level of transparency in terms of supply chain security, quantity, quality and responsible dealings with people and the environment. Our quality management therefore starts in the country of origin of our raw materials. For our botanical products, we strive for the highest quality and safety standards – a goal we pursue using an integrated supply chain management concept.



We ensure compliance with local laws and our own Supplier Code of Conduct, and we apply even higher criteria to select products with our own active and sustainable supply chain management standard, which we call mabagrown. We are aware that many of the major challenges in the countries of origin cannot be solved alone. That is why we are involved in alliances such as the Living Income Community of Practice and the Initiative for Sustainable Agriculture and Supply Chains (INA), to take effective action in concert with government organizations and like-minded companies.

We have always relied on cooperation with our raw material partners. We enjoy a relationship of mutual trust with them, thanks to our strict quality standards, fair dealings and personal contact. In addition, we give our raw material partners long-term contracts, thus providing them with planning security.

Through our close contact with raw material partners, we identify challenges early on and can address these with targeted projects. Challenges are identified by means of internal and external audits based on established standards (Rainforest Alliance, FairWild, etc.) and our Supplier Code of Conduct. We audit compliance with our mabagrown standards on three levels:

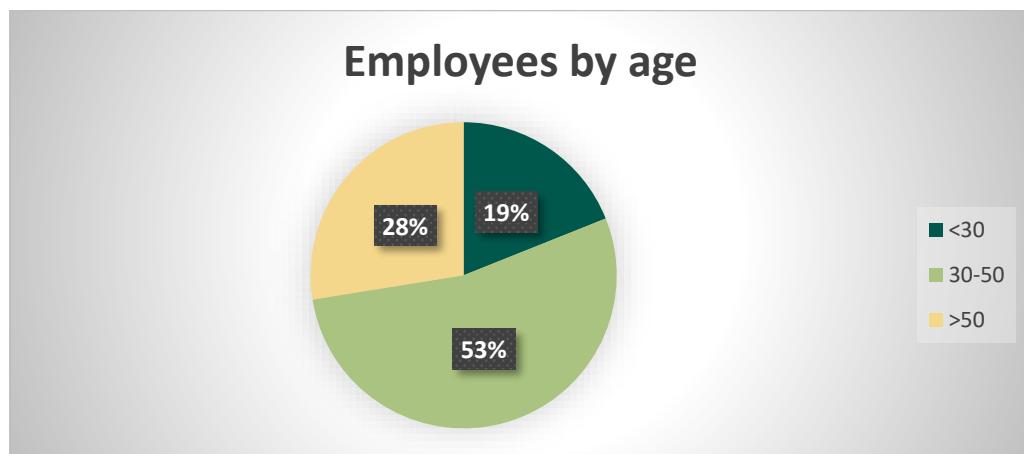
- **Local:** Using a monitoring system, our raw material partner in the region continually assesses whether small farmers and wild harvesters meet the mabagrown requirements.
- **Regional:** A specially trained team of auditors regularly monitors our raw material partners in the various growing regions by means of audits lasting several days.
- **Independent external monitoring:** The mabagrown standard and its implementation are continually monitored by an independent supervisory body. Beyond the scope of our management system, raw material partners in the area of origin are also subject to random inspections.

It is our goal to implement mabagrown with additional raw material partners in consultation with our customers. Due to the high standards and associated costs, this is a long-term process. We must therefore assess whether customers are willing to help shoulder the higher operating costs and investments that are associated with sustainability in the short term. We see sustainability as an investment in the future that is shared by all players along the supply chain.

Regular, good-faith discussions with our raw material partners are essential if we are to openly discuss problems and identify solutions. The aim of our sustainability projects is to improve environmental, living and working conditions along our supply chains. Hands-on projects are particularly important to us, as we see sustainability as a corporate responsibility.

2-7 Employees

At the end of 2023, MartinBauer employed 2,102.49 people (in FTE) worldwide. It is very important to us to have a stable workforce that supports and develops our company. We see ourselves as a fair employer and, accordingly, want our employees to be able to plan with us for the long term. This also helps us to retain knowhow in our company and benefit from many employees with extensive experience. We set great store in the training of new employees and continually enhancing their qualifications. In the reporting year 89.7% of the workforce have permanent contracts. In 2023, there was a total of 233.9 new hires (in FTE) worldwide. That is 15.6 FTE contracts more than in the previous year.



The age distribution of our employees is slightly concentrated in middle-age but generally balanced. We are thus stably positioned for the future. We actively seek to achieve a balanced age distribution. For example, in Germany we take on many trainees and promote young talent.

The proportion of women in the company remains at 26%. A majority of our employees work in production. In some cases, this involves strenuous physical labor and shift work, and work of this kind is sought in greater part by men. We take various measures to be an attractive employer for all genders (e.g. participation in Girls' Day, a women's network, recruiting measures, signatory to the Diversity Charter). We raise awareness for diversity in our corporate communication and increasingly offer specific training opportunities for women in management positions. Where the operational framework permits, we offer our employees flexitime and the opportunity to work remotely. For example, employees can return to work flexibly after parental leave and gradually increase their weekly working hours as their personal circumstances permit.

2022: Gray 2023: Green	Women		Men		Total	
Total employees (FTE)	527.95	526.10	1,512.71	1,503.39	2,040.66	2,029.49
Permanent employees	499.95	454.60	1,447.10	1,372.00	1,947.05	1,826.60
Temporary employees	13.00	69.50	50.30	139.39	63.30	208.89
Full-time employees	441.50	418.50	1,491.00	1,435.89	1,932.50	1,854.39
Part-time employees	86.95	86.00	28.40	29.00	115.35	115.00

2-8 Workers who are not employees

All essential activities are carried out by employees and thus by personnel obligated to work as instructed specifically by the employer. The number of workers not employed directly by MartinBauer amounted to only 37 persons in FTE worldwide in 2022. The 2023 data for this indicator will be provided in the next report, as software-based data collection needs to be optimized due to quality reasons.

2-9 Governance structure and composition

MartinBauer is divided organizationally into three hubs: Europe, North America and East Asia. Independently of this, MartinBauer consists of various legal entities. The overarching organization is MB-Holding GmbH & Co. KG. It oversees the entire nature network and also produces a management report. The following entities are factored into this GRI Report:

- Martin Bauer GmbH & Co. KG
- Martin Bauer Polska Sp. z.o.o.
- Martin Bauer S.p.A.
- MB Med S.r.l.
- Martin Bauer A.S.
- Martin Bauer Argentina S.A.
- Martin Bauer Inc.

- Strong Brews LLC
- Core Botanica Processors & Exports LLC
- Martin Bauer Plant Extracts (China) Co. Ltd.
- Martin Bauer Tea & Botanicals (Wuhu) Co. Ltd.
- Martin Bauer Hayleys (Pvt.) Ltd.

Each unit has its own management. Ultimate authority rests at the hub level. MartinBauer's Europe hub is headed by CEO Sebastian Sieben, the North America hub by CEO Ennio Ranaboldo, and the East Asia hub by CEO Liu Zhiming. MartinBauer is in the hands of MB-Holding, with Anne Wedel-Klein as CEO.

In recent years, MartinBauer has implemented a role-based framework in Germany to achieve parity between specialist and management roles. Our employees' development paths thus do not depend on leadership within the department but rather allow for specialist careers, which are immensely important for the Group's overall knowhow.

Executives and managers	Level 1			Level 2			Level 3			total		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
2023	1	23	24	19	55	74	39	60	99	59	138	197

As can be seen in the table, the proportion of women at Levels 2 and 3 is significantly higher than at Level 1. The overall proportion of women in management positions is 30% – higher than the proportion of women as employees in general, which is 26%. We aim to increase the percentage of women in upper management positions and to at least maintain the percentage of women in all management levels (in comparison with the total workforce).

2-10 Nomination and selection of the highest governance body

In the case of the management board, attention is paid to the knowledge, requisite skills and professional experience of its members, as well as to diversity in its composition. This ensures that the body possesses the knowledge, skills and professional experience required to perform its duties properly. Oversight of the management board is provided by the partner's meeting.

2-11 Chair of the highest governance body

MartinBauer is part of the nature network and is controlled by the latter's parent company MB-Holding. The Group CEO is Anne Wedel-Klein.

2-12 Role of the highest governance body in overseeing the management of impacts

The parent company of the group, MB-Holding, is the highest governance body. MB-Holding outlines a strategic framework and overarching goals to which MartinBauer is held accountable. Reporting, including sustainability reporting, is the responsibility of MB-Holding. It centrally controls budgeting, financing and compliance.

2-13 Delegation of responsibility for managing impacts

Sustainability is considered an integral part of corporate management. Therefore, each management team is responsible for sustainability goals and the actions taken to achieve them, which are assigned to specific divisions and departments.

Within the divisions and at our sites, certain sustainability tasks are performed centrally by departments. For example, social issues are handled by Human Resources, energy efficiency issues by Engineering, and sustainability issues in the supply chain by Procurement.

To manage our climate protection initiative, each site has an employee with the additional function of Climate Representative and Energy Representative. In addition, a central Energy Management Team has been founded, tasked with establishing a global energy management system and driving forward energy efficiency projects and the introduction of renewable energies. This global team raises awareness for our climate protection agenda and other sustainability issues and pursues strategic, Group-wide goals and promotes targeted initiatives at our sites.

2-14 Role of the highest governance body in sustainability reporting

Sustainability reporting is carried out by the Sustainability department. The sustainability and reporting strategy, including the materiality assessment, is managed by a steering committee consisting of select members of the management boards. Approvals in the area of reporting are given by senior management.

2-15 Conflicts of interest

Conflicts of interest must be disclosed immediately within the company. No conflicts of interest arose in 2023.

2-16 Communication of critical concerns

In the event of misgivings or critical concerns, any employee can contact their direct superior, senior management, or the respective works council. The report will be treated confidentially and does not lead to the employee suffering any disadvantages. This is part of our Code of Conduct. We did not receive any information on critical concerns in the reporting year.

In July 2023 we introduced a software-based complaints system for anonymous grievances in line with the Whistleblower Protection Act. From 2024, this is also used for external grievances to meet the requirements of the German Supply Chain Due Diligence Act.

2-17 Collective knowledge of the highest governance body

We ensure that managers possess the knowledge, skills and professional experience required to perform their duties properly. In the case of specialist questions on the subject of sustainability, the Sustainability department provides support with its knowhow.

2-18 Evaluation of the performance of the highest governance body

This is confidential information that we do not publish.

2-19 Remuneration policies

This is confidential information that we do not publish.

2-20 Process to determine remuneration

This is confidential information that we do not publish.

2-21 Annual total compensation ratio

This is confidential information that we do not publish.

2-22 Statement on sustainable development strategy

As a fourth-generation family business, taking responsibility has always been part of our strategy. We are convinced that holistic, sustainable thinking and action is the prerequisite for long-term, value-creating growth and an essential component of our corporate responsibility.

"We are profoundly committed to sustainability. It is at the core of our business. We have embarked on the path of ambitious transformation and are helping our customers do the same. Our aim is to be the leader for effective sustainability in our markets," says Anne Wedel-Klein, CEO of MB-Holding, responsible for corporate sustainability, and a member of the fourth generation of the owning family.

We have aligned our strategy with the United Nations Sustainable Development Goals. We are currently focusing on seven goals within which our corporate action can have the greatest impact.

Our Code of Conduct and Supplier Code of Conduct are based on the following guidelines:

- International Bill of Human Rights
- United Nations Convention on the Rights of the Child
- International Labor Organization (ILO) conventions
- OECD Guidelines for Multinational Enterprises
- Science Based Targets initiative (SBTi)
- Ethical BioTrade Standard of the Union for Ethical BioTrade (UEBT) (as of July 2020)
- United Nations Global Compact (UNGC)
- German Supply Chain Due Diligence Act

Other certifications and assurance standards to which we have subscribed include: ISO 50001, Rainforest Alliance, Sedex/SMETA, EcoVadis, FSSC 22000.

Our newly defined **sustainability strategy** for the period 2024-2030, based on our materiality analysis, is informed by the following six overarching goals. Further strategic goals can be viewed at the end of the report.

1 Significantly reduce our environmental footprint:

By 2030 at the latest, we plan to achieve climate neutrality – both at our sites and in our supply chains. By protecting biodiversity and making sparing use of natural resources along the entire value chain, we sustainably secure the foundations for our business.

2 Strengthen our supply chains:

We are increasing the share of sustainably produced raw materials. In our supply chains, we protect the environment, exercise due diligence for human rights, and improve the living conditions of the people in our sourcing regions in close cooperation with our raw materials partners.

3 We work with customers and raw materials partners to shape sustainable value creation:

It takes a powerful alliance to effect fundamental change. We forge close partnerships and work hand-in-hand with our partners. This enables us to multiply the sustainable impact of all players along the entire value chain.

4 We fulfil recognized sustainability standards and our reporting is transparent:

We apply verifiable standards to our products, helping our customers to make more sustainable purchasing decisions. We easily fulfil and go beyond the legal requirements, thanks in part to our

membership of the UN Global Compact and the Science Based Targets initiative.

5 We measure our progress:

Our robust data and coherent systems are establishing the basis for even more efficient and transparent sustainability management. Our optimized systematic approaches and improved measurability and controllability will enable us to make steady progress toward achieving our goals.

6 Be an engaged and attractive employer:

We offer our employees a safe, healthy, fair and diverse working environment. We incorporate them in our sustainability commitment and give them plenty of scope to get active on their own initiative. We champion local and global general welfare projects at our locations.

Our commitment to employees and to a vibrant civil society around our global sites is close to our heart.

2-23 Policy commitments

We are committed to major international sustainability standards and incorporate their principles in our Code of Conduct. The following lists the standards we follow:

- Our Code of Conduct applies to all employees worldwide and is based on our values and sustainability principles. The Code of Conduct establishes a uniform set of guiding principles for ethically and legally proper actions and behavior. It sets minimum standards and provides orientation for employees. It provides concrete guidance for dealing with conflict situations. Potential violations are analyzed and reviewed with the interests of all employees and the company in mind, and their causes are eliminated. This includes the prosecution of misconduct in line with applicable local law.
- As part of the nature network, MartinBauer Germany is a signatory of the Diversity Charter and promotes diversity among its workforce.
- Also by virtue of its membership in the nature network, MartinBauer is represented in the UN Global Compact.
- In the reporting year, MartinBauer Germany was once again awarded a gold medal by rating agency EcoVadis and it continued to improve its position in the overall rating.
- Along our value chains, we contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).
- The 17 global goals chart the path toward sustainable development for countries, municipalities, private individuals and companies. They provide the framework for the contribution we can and must make as a company in order to maintain a viable environment and continue to thrive as a company. MartinBauer is committed to all 17 SDGs. However, due to the type of influence exercised by our company, we cannot contribute to all goals equally. We therefore focus on those to which we can make the greatest contribution.

The following SDGs are most relevant for us:

 2 ZERO HUNGER  <p>End hunger, achieve food security and improved nutrition and promote sustainable agriculture; ensure fair wages in supply chains</p>	 7 AFFORDABLE AND CLEAN ENERGY  <p>Ensure access to affordable, reliable, sustainable and modern energy for all; more renewable energies; greater energy efficiency; sustainable energy management</p>
 8 DECENT WORK AND ECONOMIC GROWTH  <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION  <p>Ensure sustainable consumption and production patterns; make sustainable and efficient use of natural resources; avoid waste; recycle; ensure safe disposal; minimize social and ecological risks</p>
 13 CLIMATE ACTION  <p>Take urgent action to combat climate change and its impacts: contribute to greenhouse gas neutrality worldwide; limit temperature increase to 1.5°C; promote climate change adaptation in supply chains and at sites; encourage employee and partner involvement in climate protection</p>	 15 LIFE ON LAND  <p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, ensure deforestation-free supply chains, and halt and reverse land degradation and halt biodiversity loss</p>
 17 PARTNERSHIPS FOR THE GOALS  <p>Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development; enable suppliers in developing countries to operate sustainably and to implement the SDGs</p>	

2-24 Embedding policy commitments

Our risk management is based on the main features of generally accepted standards and extends across all companies and business units.

We ask our suppliers to confirm their compliance with the Supplier Code of Conduct. In addition, surveys are issued in some cases to assess risks. We have an audit system for managing our supplier relationships. There is also a dedicated team for supplier qualification and certification.

Issues of product safety and environmental and social sustainability have always been important to us. That is why – in addition to adopting other standards – we developed our own mabagrown procurement standard more than a decade ago and have been implementing it step by step with likeminded customers and our raw material partners. Not only does our own team regularly check compliance on site, but our participating partners are also monitored by an independent body.

MartinBauer has a Code of Conduct that is known to all employees and that establishes internal guidelines and rules of conduct.

2-25 Processes to remediate negative impacts

We have set goals and measures that enhance our positive impact on humans and nature while also minimizing the negative impact of our operations.

Our risk management system helps us identify risks at an early stage and head off negative consequences with concrete action. What matters most is for our risk management system to identify the right information at the right time. This provides us with a good overview and a high degree of transparency. It enables us to maintain control over processes at all times.

MartinBauer is committed to transparency and positive cooperation. It is always possible to lodge a grievance or make contact via the contact details available on the website. An anonymous, digital grievance mechanism was instituted at MartinBauer in 2023. Incoming grievances are treated confidentially and taken very seriously. They are forwarded to the appropriate departments so that measures can be taken and assistance sought.

2-26 Mechanisms for seeking advice and raising concerns

There are various outlets for our employees to seek advice or raise concerns, particularly in cases of suspected ethical or legal misconduct. These are described in our Code of Conduct. If employees or third parties believe in good faith that the Code of Conduct or an applicable law has been violated, they can report their concerns to their supervisor, senior management or, where applicable, the respective works council.

If the employee is unable to discuss their concerns with their supervisor, for example because the supervisor is involved in the situation, they can contact a personnel officer, the works council, or the supervisor's immediate supervisor or employees in the Legal department. Cases brought forward are treated in strict confidence and do not result in any disadvantages for the employee in question.

Anonymous reports can be made in writing at any time. The software-based complaints system enables our employees worldwide to remain in contact with the person processing the report and to exchange information with them. A software-based reporting system was introduced in Germany in July 2023 and will gradually be applied worldwide. In addition, since 2024 MartinBauer has been making this software available to people outside the company. This should help to remedy defects both in our own organization and in the supply chain as early and sustainably as possible. Unfortunately, mistakes can happen in any organization. It is important to us to identify and correct them in a timely manner and to learn from them in the interests of continually improving our organization.

2-27 Compliance with laws and regulations

For us, compliance with laws, guidelines and our Code of Conduct is the basis for sustainable success. Violations can result in personal liability and reputational damage for the company itself as well as negative consequences for business partners and suppliers. Our Code of Conduct sets out our binding principles; it is a mission statement. It regulates the way we deal with key partners, as well as ethical and legal challenges in the workplace, in business relationships and in the handling of information. It also addresses the topics of the environment and product safety.

We expect our business partners to act in accordance with our Code of Conduct. Our Supplier Code of Conduct is the foundation of every supplier relationship we have. It defines the non-negotiable framework for handling social, environmental and ethical obligations and challenges.

We require compliance with these criteria throughout the entire supply chain. Thus each supplier must also oblige its employees, representatives, subcontractors, etc. to comply with our standards.

Instances of non-compliance with the law, regulations or our Code of Conduct are reviewed in a systematic process. It is important to us to remedy deficiencies in our own organization or in the supply chain as early and sustainably as possible. Unfortunately, mistakes can happen in any organization. It is important to us to identify and correct them in good time and to learn from them in the interests of continually improving our organization. We will therefore introduce a grievance mechanism for people outside the company in 2024.

Integrity and legally compliant behavior are the basis of our company's sustainable success. Violations can result in personal liability and reputational damage for the company itself, as well as negative consequences for business partners and suppliers in the form of price agreements and market imbalances.

In response to the survey for the GRI Report, no compliance incidents were reported for the year 2023.

2-28 Membership associations

End consumers increasingly want to know where the ingredients in products come from and what criteria they were sourced according to. Certified sustainable products are increasingly in demand. As a company, we use process certifications both for guidance and as way to confirm the quality of our practices.

We currently have the following product and process certifications:

Certification	Description
Bio Suisse Organic 	The international Bio Suisse Certification is aimed at farmers, processors and traders outside of Switzerland who wish to sell organic products with a Bio Suisse label in Switzerland. Focuses include animal welfare, gentle processing, climate strategy and social requirements.
EU organic label 	The EU organic label stands for certified ecological production of food that is produced, processed, imported and traded in accordance with EU organic regulations. Organic farming is particularly resource-saving and based on the principle of sustainability. The use of synthetic chemical pesticides and easily soluble mineral fertilizers is prohibited.
DE-ÖKO-006 	Energy Management in accordance with ISO 50001 ISO 50001 is an international standard designed to help organizations and companies develop systematic energy management. Among other things, it certifies the existence of an energy management system in compliance with the standard.
Fairtrade 	As a leader in the global movement to make trading fairer, Fairtrade supports businesses and governments while connecting farmers and workers with the people who buy their products. Fairtrade's approach enables farmers and workers to have more control over their lives and decide how to invest in their future.
Fair for Life 	Fair for Life is a certification program for fair trade within responsible supply chains and corporate social responsibility.
FairWild 	FairWild's vision is to create a world where biodiversity, people and businesses thrive in harmony through sustainable wild harvesting. FairWild works with harvesters, producers and brands in the wild plant trade to secure a fair and sustainable future for wild habitats and people.

Certification	Description
 Fair Trade <small>U S A ™</small>	<p>Fair Trade USA is a global network of diverse producers, businesses, consumers, advocates and organizations that put people and the planet first.</p> <p>Fair Trade USA has a globally recognized certification program for improving livelihoods, ensuring sustainable sourcing, protecting the environment, and building resilient and transparent supply chains.</p>
 Naturland	<p>Naturland's certification criteria go beyond the requirements of the EU's organic regulations:</p> <ul style="list-style-type: none"> • For both crop production and animal husbandry, the entire farm must be converted to organic. • Fertilization and feeding are more strictly regulated. • There are detailed guidelines for all processing methods and elements. <p>Naturland members and partners are subject to high standards. They must meet both organic and social standards and, as of January 2010, can also be certified in accordance with Naturland Fair standards. Independent inspectors regularly monitor compliance and certify that farms are operating sustainably in every respect. Only then do their products receive the Naturland or Naturland Fair seal.</p>
 NOP (National Organic Program)	<p>The National Organic Program (NOP) is the national organic regulation of the USDA (United States Department of Agriculture). As with the EU organic regulation, no synthetic chemical pesticides and mineral fertilizers may be used. NOP-certified products can be marketed in the USA.</p>
 Rainforest Alliance (RFA)	<p>The Rainforest Alliance is creating a more sustainable world by using social and market forces to protect nature and improve the lives of agricultural and forestry producers. The alliance includes farmers, forest communities, businesses, governments, civil society and millions of citizens in 70 countries.</p>
 Union for Ethical BioTrade (UEBT)	<p>UEBT is a non-profit association that promotes a respectful approach to sourcing. It works to regenerate nature and ensure a better future for people through the ethical sourcing of ingredients. The goal is to contribute to a world in which humans and biodiversity can thrive.</p>

We are also active in the following committees and associations:

Committees/Associations	Description
American Botanical Council (ABC) 	The American Botanical Council is committed to helping people live healthier lives through the responsible use of herbs and medicinal plants. The ABC is an independent, nonprofit research and education organization dedicated to providing accurate and reliable information for consumers, healthcare practitioners, researchers, educators, industry and the media.
American Herbal Products Association (AHPA) 	The American Herbal Products Association is the national trade association and voice of the herbal products industry in the United States. Founded in 1982, AHPA's mission is to promote responsible and sustainable trading to ensure that consumers have informed access to a wide variety of safe herbal products.
Assoziation ökologischer Lebensmittelhersteller e.V. (AöL) 	The AöL association is committed to a high-quality, ecological and sustainable nutrition culture. Its goal is to encourage holistic social, economic and ecological business management. Solidarity, cooperation and open exchange of views among members are the basis for its economic and political success.
B.A.U.M. e.V. – Netzwerk für nachhaltiges Wirtschaften 	As a network, B.A.U.M. is committed to advancing its central cause: a viable future thanks to a sustainable economy within our planet's limits. Founded in 1984, today the association has almost 800 members. It is a strident voice on the national and European stages for sustainably operating companies and a driving force behind the eco-social market economy. B.A.U.M. supports its members and other companies interested in transforming themselves to establish and expand sustainability strategies. It connects stakeholders from business, politics, science, the media and professional associations.
Carbon Disclosure Project (CDP) 	CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. The global economy looks to CDP as the gold standard of environmental reporting.

Committees/Associations	Description
 China Beverage Industry Association (CBIA)	<p>CBIA was officially registered by the Ministry of Civil Affairs in 1993. It is a trans-sectoral national professional organization that represents the common interests of its members from beverage companies and institutions across the country.</p>
 Climate Collaborative	<p>The Climate Collaborative is a group of manufacturers, retailers, distributors, brokers, suppliers and other concerned businesses from the natural foods industry that work collaboratively to take bold action to reverse climate change. This community of businesses has joined forces to create pathways to action, connecting companies to resources and working together to create solutions.</p>
 Deutscher Nachhaltigkeitskodex (DNK)	<p>The D NK (German Sustainability Code) provides support with establishing a sustainable development strategy and provides a path to sustainability reporting. Regular reporting makes the development of the company visible over time. To comply with the D NK, users produce a declaration on 20 criteria and the supplementary non-financial performance indicators in the database.</p>
 EcoVadis	<p>EcoVadis is the world's largest provider of business sustainability ratings, creating a global network of more than 150,000 rated companies.</p>
 Polski Komitet Zielarski (Polish Herbal Committee)	<p>The Polish Herbal Committee brings together representatives from the pharmaceutical industry, companies involved in the sale of herbal medicines, representatives of scientific entities, growers of herbal plants, and herbal practitioners and enthusiasts. Since its foundation in 1930, the Polish Herbal Committee has developed into an officially recognized organization that contributes to shaping public opinion and has a significant impact on legislation in the herbal industry.</p>

Committees/Associations	Description
 <p>SCIENCE BASED TARGETS</p> <p>DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</p> <p>BUSINESS AMBITION FOR 1.5°C</p>	<p>The Science Based Targets initiative (SBTi) is a collaboration between its founding partners the Carbon Disclosure Project (CDP), the United Nations Global Compact (UNGC), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). It helps companies set emission reduction targets in line with climate sciences and Paris Agreement goals. Targets are considered “science based” if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – limiting global warming to 1.5°C above pre-industrial levels.</p>
 <p>Sedex Member</p>	<p>Sedex focuses on building more socially and ecologically sustainable businesses and supply chains. Sedex helps companies to achieve their supply chain goals, gain supply chain transparency, identify, manage and assess their supply chain risks, report on their supply chain, and comply with sustainability legislation.</p>
 <p>TEA & HERBAL ASSOCIATION OF CANADA ASSOCIATION DU THÉ ET DES TISANES DU CANADA</p>	<p>The Tea and Herbal Association of Canada acts on behalf of its members, including producing countries, importers, packers, allied traders, retailers and TAC TEA SOMMELIER® professionals, to promote tea and herbs. Its vision is to be the leading authority and industry voice on all things tea and herbals in Canada.</p>
 <p>TEA & HERBAL INFUSIONS EUROPE</p>	<p>THIE is a European association representing the interests of EU-based producers and traders of tea (<i>Camellia sinensis</i>) and herbal infusions as well as extracts thereof. THIE's activities focus on quality assurance and food safety, legislation (especially food law), cooperation with tea growing countries, and nutrition.</p>
 <p>Tea Association of the U.S.A. Inc.</p>	<p>The Tea Association of the U.S.A. is a recognized independent authority on tea, acting as the official voice for its members on issues related to the tea industry, particularly in the United States of America.</p>
 <p>WE SUPPORT UN GLOBAL COMPACT</p>	<p>The UNGC is a worldwide compact between companies and the UN with the aim of making the globalization process more socially and environmentally responsible. Companies participate in the Global Compact by sending a short letter to the UN Secretary General in which they declare their intention to strive towards compliance with specific minimum social and environmental standards.</p>

2-29 Approach to stakeholder engagement

MartinBauer communicates actively with its stakeholders. We know we can only develop the best possible solutions if we are attuned to our stakeholders' needs and interests. They include customers, employees, management, our owning family, potential employees, the works council, financiers, experts, consumers, neighbors, politicians, NGOs and business partners. We address key concerns of our chief stakeholder groups through established processes and clear areas of responsibility at MartinBauer as well as through our reporting.

We are proud of our relationships with our customers, most of which go back many years, and the trust we have built with them. Customers' complete satisfaction is always a priority for us.

In regular communication with our employees, e.g. at feedback meetings, we also receive important suggestions for improvement. We encourage our employees to actively contribute their feedback and ideas.

We take the concerns of local residents near our sites seriously and actively work to address them. At our headquarters in Vestenbergsgreuth, for example, we have sponsored an herb trail, we cooperate with social institutions and, as a company with a large training program, we have a connection to regional schools. We not only regularly exchange information with NGOs but have also entered into strategic partnerships with them on specific topics such as biodiversity in order to generate sustainable value for society and the environment. The expectations of our stakeholders articulated in this way inspire us and form the basis for our work.

2-30 Collective bargaining agreements

We are strongly committed to freedom of association and the right to join a trade union. For this reason, the legally required collective employee representation bodies are represented at our sites. In addition, we adhere to applicable local collective bargaining agreements at all sites where this is possible and is the standard legal and human resources policy.

All employees in Germany are subject to the provisions of collective bargaining agreements (i.e. of the Landesverband Groß- & Außenhandel or of IG Bergbau, Chemie, Energie [IG BCE]).

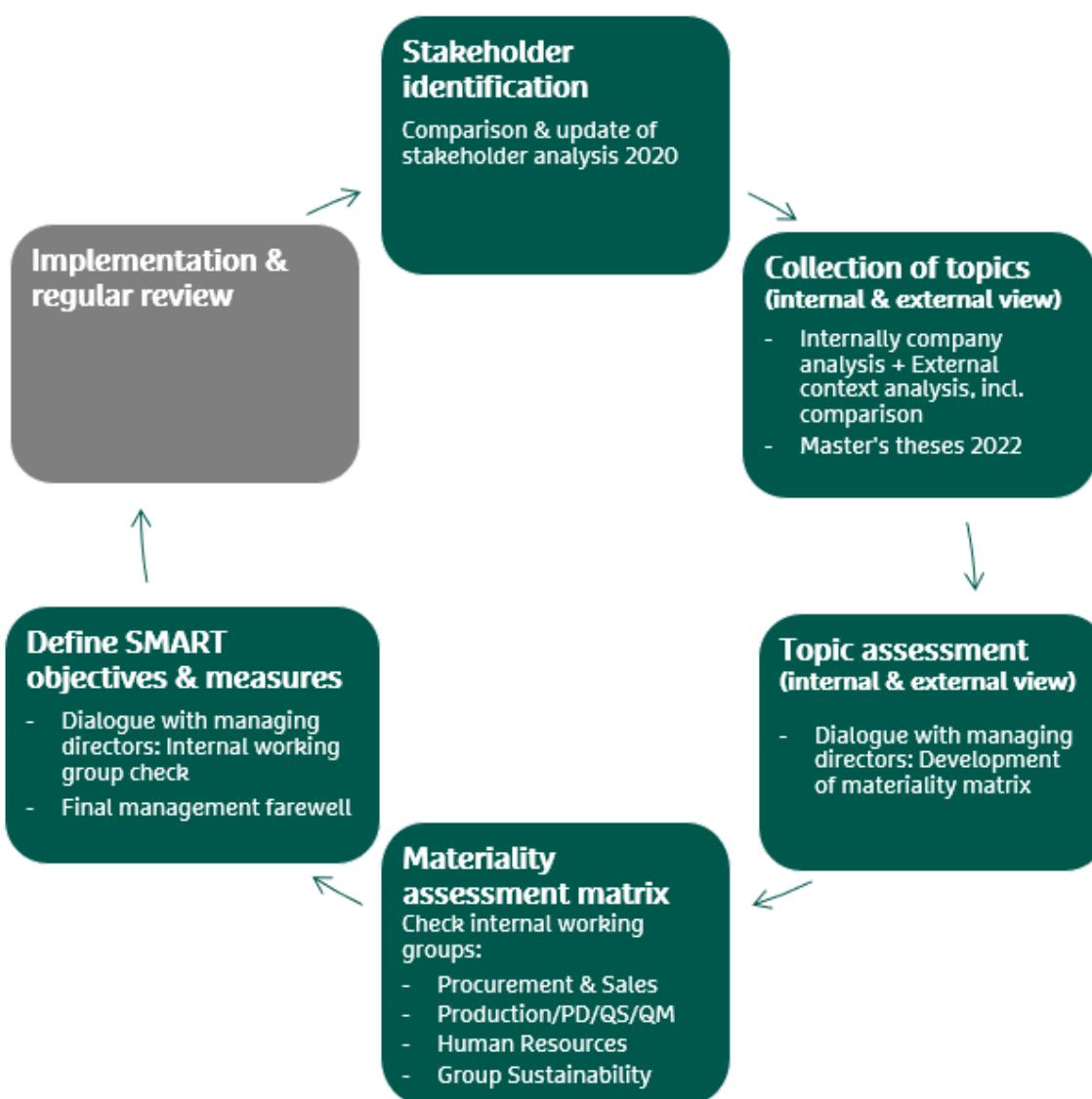
Globally, 68% of our employees are employed under collective bargaining agreements. It should be noted that there are strong regional differences, however. For Germany, Italy, China (Martin Bauer Plant Extracts Co. Ltd.) specific collective bargaining agreements are in place, whereas the other parts of the company are not covered by collective bargaining agreements.

The employees at six companies are represented by an official works council. Eight companies do not have a works council. In keeping with company policy and our Code of Conduct, employees can establish representatives bodies, which are highly valued. MartinBauer maintains and supports open communication with our employees and the company management.

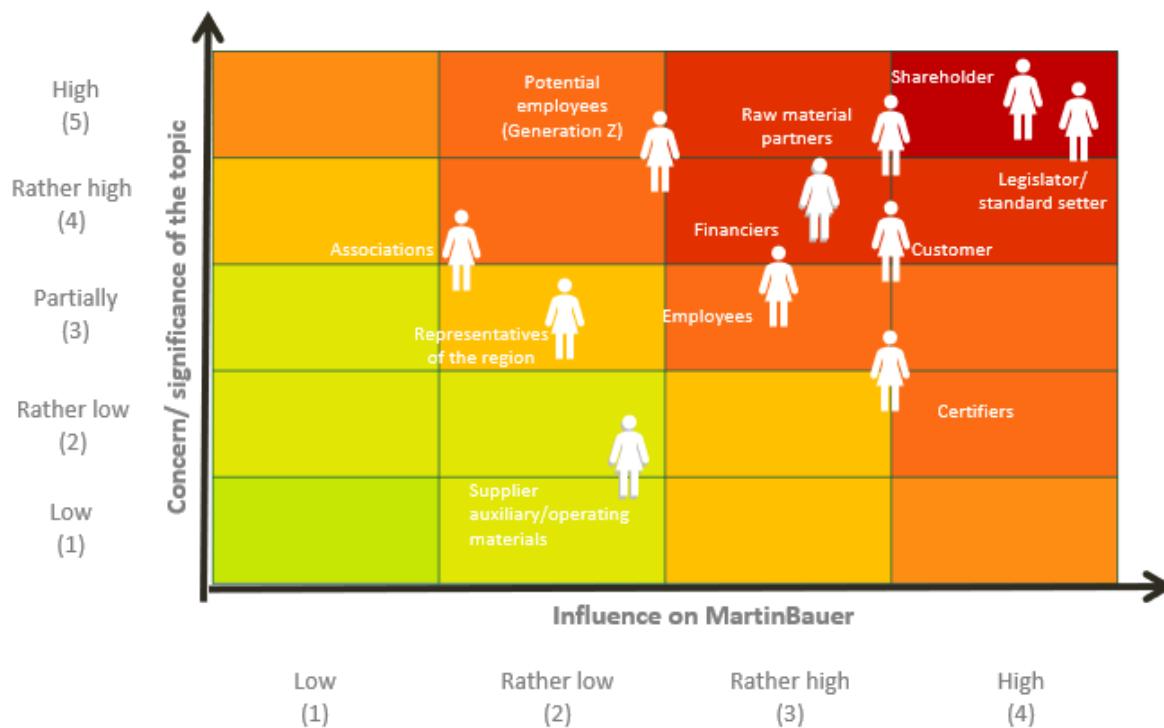
GRI 3: Material Topics

3-1 Process to determine material topics

MartinBauer has established a process for determining material topics. It is overseen by the Sustainability department and regularly updated. The list of material topics were drawn up with the help of workshops. The following groups were involved in the stakeholder and materiality analysis process: the Sustainability department, specialist departments, senior management (represented by a steering committee), the owning family (represented by Anne Wedel-Klein) and external experts. This is not yet a complete materiality analysis in accordance with the EU's CSRD. Currently there is no financial (outside-in) consideration, but this requirement will be taken into account for reporting in 2024/25 line with CSRD 2026.



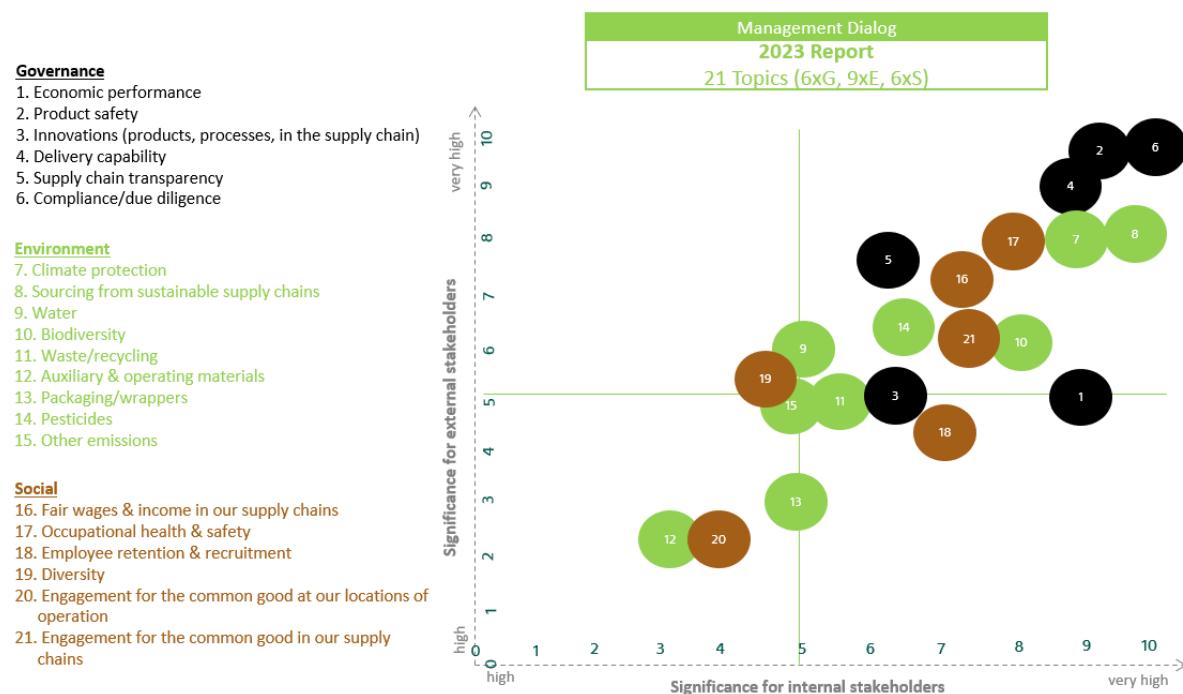
In the first step, stakeholders were identified and classified in terms of how they are impacted and/or the importance they attach to the topic, as well as in terms of their influence on the topic and the company. In summary, stakeholders increasingly rated the importance of sustainability higher than in previous years. This can be attributed primarily to the fact that sustainability issues such as climate protection have a higher profile and that there is increased attention to the importance of adapting to climate change and developing resilience strategies – also, that legislation on sustainability issues, particularly relating to the EU Green Deal and related regulations (CSRD, Supply Chain Act, etc.) is intensifying.



In a second step, workshops were held with senior management, the Sustainability department, Procurement, Purchasing, Human Resources, and Technology and Production. For the analysis, it was also possible to draw on master's theses written within the company on the subject area. The analysis examined the extent to which the material topics defined in the past are still relevant, whether new topics have emerged, and how much weight should be attached to each. The basis was provided by the material topics used by the company in the past, a list of the GRI's topic areas, and topics that have been addressed in sustainability reports in the industry. The importance of the topics for both internal and external stakeholders was assessed. Since the workshops were conducted with different groups, it was possible to review the assessment in a way that brought together multiple perspectives.

The results of the workshops were discussed with senior management and ultimately used to make decisions on the material topics. For the topics identified as material, intelligent goals were developed in consultation with the relevant departments. As MartinBauer is part of the nature network, there are overarching established targets that MartinBauer contributes to. There are also specific goals for MartinBauer, connected with concrete targets, areas of responsibility and measures. The goals of the material topics can be viewed at the end of this report, except for those that may only be communicated internally for operational and competitive reasons.

The material topics are shown in the following graphic. The topics are structured according to the three pillars of sustainability – Environment, Social, Governance (ESG). All topics in the top right quadrant are considered material for MartinBauer and are therefore dealt with in this GRI Report.



3-2 List of material topics

The materiality analysis discussed in the preceding section yields a list of MartinBauer's most important topics.

ESG pillar	#	Material topics
Governance	1	Economic performance
	2	Product safety
	3	Innovation (products, processes, in the supply chain)
	4	Supply capability
	5	Supply chain transparency
	6	Compliance / due diligence
Environment	7	Climate protection
	8	Sourcing from sustainable supply chains
	9	Water
	10	Biodiversity
	11	Waste/recycling
	14	Plant protection products
Social	16	Fair payment & income in our supply chains
	17	Occupational health & safety
	19	Employee retention and recruitment
	21	Commitment to general welfare in our supply chains

Good Corporate Governance

3-3 Management of material topics

We owe our success to our passion and our love of nature. Be it peppermint, hibiscus, rooibos or mate, our products are based on responsibly sourced, high-quality botanical raw materials that are gently processed using certified methods

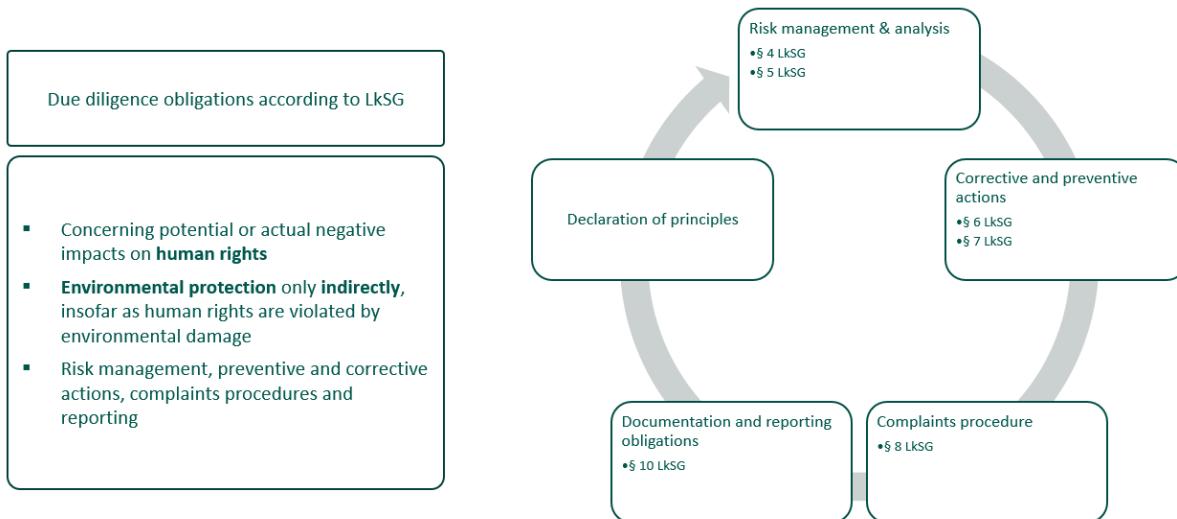
In cooperation with our customers, we develop tailor-made solutions for the tea, beverage, food, animal nutrition and pharmaceutical industries. What we want above all: creations and innovations for the most successful products of tomorrow.

A strong economic performance is key to continuing to operate successfully in the future and remaining a reliable partner for our customers and suppliers. Profitability enables us to make sustainable investments and promote sustainable projects – whether by expanding our active sustainable supply chain management or through supply chain projects. We never lose sight of the relationship between sustainability and economic success.

In cooperation with our partners, customers and suppliers, we run a successful business, developing popular creations and products in line with market needs

To achieve this, we rely on fair and trusting cooperation with our employees and on their innovative contributions. Our employees are a cornerstone of our success. We strive to position ourselves as an employer of choice so that we can be attractive to new employees, and we actively promote ourselves as an employer and as a business that provides training. As part of the nature network, MartinBauer Germany is a signatory of the Diversity Charter and promotes diversity in its workforce

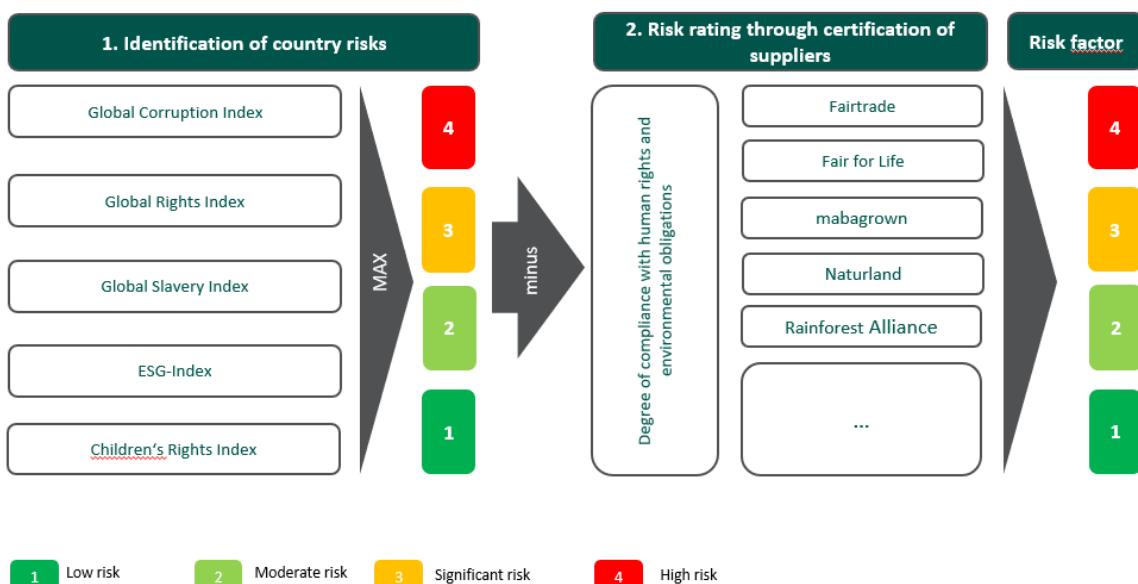
We know that our supply chain is highly complex. The procurement of our numerous raw materials from various countries presents us with challenges. Our Procurement department is constantly working to further intensify contact with our suppliers and to obtain comprehensive information about our raw materials. We support our supply chain partners with educational opportunities, social projects, and assistance with climate change adaptation. We require our suppliers to protect universal human rights, to refrain from using child or forced labor of any kind, and to comply with legal requirements on health and safety in the workplace. In addition, we expect our suppliers to respect their employees' right to freedom of association and collective bargaining, to comply with legal requirements on working hours and wages, and to take a clear stand against any form of abuse. We also require our suppliers not to tolerate discrimination. We use the contents of the German Supply Chain Due Diligence Act as a guideline for the implementation of our human rights due diligence obligations in the supply chain.



Because of its size, MartinBauer is not itself subject to the LkSG. However, it has voluntarily committed to implement the relevant processes. Such processes were adapted and optimized in an analysis of the current situation through to the formulation of measures. Our Supplier Code of Conduct was revised to be more stringent and shared with our suppliers. Thanks to a risk analysis, we know which suppliers are more likely to be at risk of violating human rights and environmental due diligence obligations. Particularly with these suppliers, we make sure that the requirements of our Supplier Code of Conduct are understood and implemented accordingly. Ways to achieve this include targeted training on the contents of the Code and queries on the status of implementation. In particularly high-risk areas, we conduct on-site audits.

RISK MANAGEMENT & ANALYSIS

Methodology of risk analysis



We do not tolerate corruption in our company. The guidelines for our employees are laid out in our Code of Conduct, which contains our compliance principles. MartinBauer strictly observes applicable local law at its sites. Our Code of Conduct and Supplier Code of Conduct have been updated to be in line with, among other things, the new requirements of the German Supply Chain Due Diligence Act (LkSG) and the upcoming EU Corporate Sustainability Due Diligence Directive (CSDDD). We provide our employees with targeted training on the new compliance requirements in their specialist area.

Our software-supported complaints system ensures anonymous reporting of any violations that may occur. The system will be available to both our employees and external persons.

201-1 Direct economic value generated and distributed

The financial reporting for MartinBauer is part of the management report of MB-Holding and is publicly available. MartinBauer's total sales in the reporting year 2023 amounted to €486.5 million. Revenues declined by €140 million compared to the previous reporting year, 2022. This reflects the company's economic situation in 2023.

201-2 Financial implications and other risks and opportunities due to climate change

Climate-related risks affect MartinBauer directly. Since our products come from nature, we have a duty to protect it. The aim is therefore to identify and evaluate significant risks at an early stage in order to ensure the positive development of MartinBauer's business.

Climate change entails numerous risks in agricultural supply chains but it should also be regarded as an opportunity. The need for low-emission products can open up new areas of business, create scope for additional revenue, and drive the development of technology.

OPPORTUNITIES:

- Possibility of cultivating new plant species
- Longer vegetation phases
- Earlier harvests or multiple harvests per year
- Yield increases
- Safeguarding the company through forward-looking climate protection as part of our Go Zero project

RISKS:

- Declining yield quality
- Harvest reduction or failure
- Arable land becomes infertile
- Competition for arable land as demand for food, feed and energy crops increases
- Rising raw material prices
- Labor shortage due to rural flight
- Social instability in regions supplying raw materials
- Change in water availability at the company's extraction sites and in the supply chain
- Financial burden or questionable feasibility with regard to the required conversion to renewable energies in the supply chain and at the company's sites

As part of the new materiality assessment under the CSRD, we will initiate a financial (outside-in) consideration of impacts, risks and opportunities (IROs).

201-3 Defined benefit plan obligations and other retirement plans

Financial reporting for MartinBauer is carried out as part of the management report of MB-Holding and is available for public inspection.

201-4 Financial assistance received from government

Financial reporting for MartinBauer is carried out as part of the management report of MB-Holding and is available for public inspection.

202-1 Ratio of standard entry level wage by gender compared to local minimum wage
All our employees worldwide earn a salary equal to or above that established by local laws and regulations. Our starting salary is normally above this minimum.

The average ratio of our entry-level wage to the minimum wage globally is 1.34 (in the previous year the ratio was 1.18). That means the average starting salary is around a third higher than the minimum wage. Three concrete examples: in the U.S. the ratio of entry-level wage to the minimum wage is 1.43; in Argentina it's 1.27; and in Turkey it's 1.38.

For our employees in Germany who are covered by collective wage agreements, the salary can be viewed at any time in the remuneration table. The starting salary is also included there. In Germany, salaries are based on the collective wage agreement for wholesale and foreign trade and the collective wage agreement for the chemical industry; they are above statutory minimums.

By adhering to the remuneration table, we ensure that gender differences play no role in determining compensation. As a result, entry-level compensation is generally based on the qualifications of new employees and the functional importance of their role for our company. At all our sites of operation, compensation (especially starting salaries) is not gender-specific. That means there are no differences in entry-level pay between men and women. We do not collect data on a possible gender pay gap.

202-2 Proportion of senior management hired from the local community

We are convinced that we can find highly qualified local employees in every country in which we operate to keep our business moving forward. When foreign assignments are made, it is for the purpose of knowledge transfer and developing our employees' international skills. The majority of our employees and executives come from the respective country or region of our global sites. In addition, we make a point of ensuring that our management teams at all levels are as international as possible to reflect broad market experience and regional customer preferences. We do not record precise information about the countries of origin of our employees and managers.

MartinBauer operates in three geographic hubs to best address local, market-specific needs: Europe, North America and East Asia.

204-1 Proportion of spending on local suppliers

Where possible and appropriate, MartinBauer sources goods and services from local suppliers. A large part of MartinBauer's global procurement runs through the company headquarters in Vestenbergsgreuth, Germany. To ensure our delivery capability and product diversity, we source our raw materials worldwide. We do not have information regarding the proportion of spending on local suppliers.

205-1 Operations assessed for risks related to corruption

Our sites are regularly audited for corruption risks or have to report to MB-Holding. In the reporting year, this was the case for all MartinBauer companies.

205-2 Communication and training about anti-corruption policies and procedures

Anti-corruption is part of our Code of Conduct and thus a prerequisite at MartinBauer. The Code of Conduct and further regulations are available on our intranet and therefore can be viewed quickly and easily by all employees. In addition, we have a comprehensive training system. As part of our efforts

to establish a company-wide compliance system and revise our Code of Conduct and Supplier Code of Conduct, in the 2023 reporting year we drew up guidelines for our employees and announced a set of intensive training measures for 2024. A top-down approach is used to ensure that everyone working for the company around the globe is aware of and complies with these guidelines, as passed on by their respective managers.

205-3 Confirmed incidents of corruption and actions taken

According to our internal reporting, no fines or non-monetary penalties were imposed in the reporting year on MartinBauer or its managers for non-compliance with laws or regulations relating to corruption.

206-1 Legal actions or anti-competitive behavior, anti-trust, and monopoly practices

According to our internal reporting, no fines or non-monetary penalties were imposed in the reporting year on MartinBauer or its managers for non-compliance with laws or regulations relating to anti-competitive behavior, anti-trust, and monopoly practices.

Environmental Protection

3-3 Management of material topics

We consider the impacts of our activities on the environment across the entire value chain: from the extraction and processing of raw materials to product development to production and logistics. For example, we use natural resources in the form of raw materials and energy sources for our manufacturing processes. We support our partners in the supply chain on environmental issues. Our goal is to conserve resources, consistently avoid or reduce harmful impacts on the environment, and minimize risks. That applies to our sites and our upstream supply chain.

MartinBauer and all other companies in the global nature network are committed to climate neutrality. By 2030 at the latest, we aim to leave no CO₂e footprint. To achieve this, we launched our Go Zero project, which incorporates both our supply chain and our sites around the world. “Our pledge covers not only our more than 30 sites worldwide but also our entire value chain,” says Anne Wedel-Klein, CEO of the nature network and great-granddaughter of the company’s founder Martin Bauer. “This means that our climate-neutral operations begin right in the fields where our more than 200 botanical raw materials grow, such as tea, peppermint, hibiscus, chamomile and fennel. In fact, around half of our emissions are already generated there.” With its plan to reduce all environmental impacts to zero, the nature network is making a concrete contribution to the Paris Agreement’s goal of limiting global warming to 1.5°C by the end of this century.

“Climate change is the greatest challenge of our time. But that is not the whole story. Innovative solutions for combating climate change also represent the greatest opportunity of our time. We have taken the decisive step with our climate goal – for our company, our customers, and the people who enjoy our natural products. Together, we are becoming a driving force for urgently needed change,” says Sebastian Sieben, CEO of MartinBauer Europe.

As a first step, the nature network has set itself the goal of achieving climate neutrality at its more than 30 sites around the world. In its offices, warehouses and production facilities in Germany, the nature network already uses 100% green electricity. In 2022, 47% of the electricity we used internationally was green. In 2023 we were able to increase the share of green electricity by eight percent. By 2025, we want to source 80% green electricity. Each site makes its contribution to the nature network’s common reduction target, for example with energy-saving programs and investment in CO₂e -friendly technology.

Looking at the environmental impacts of companies holistically, supply chains and upstream products often play a crucial role. the nature network works with over 400 raw material partners worldwide and has set itself the additional goal of reducing greenhouse gas emissions – which the nature network can only influence indirectly – to zero by 2030 at the latest.

For this to succeed, raw material partners need to be convinced, involved and empowered using a step-by-step plan. The nature network helps them to record their emissions for the first time and to identify the biggest opportunities for reduction. A joint strategy is then developed, and implementation is supported to the best of our ability with knowhow and best-practice experience.

Emissions are generated in agricultural supply chains, but there are many opportunities in land management and cultivation methods to reduce CO₂e emissions. Many measures such as implementing targeted crop rotation, incorporating plant residues into the soil, using fertilizers more precisely and properly, planting hedges and shade trees, contribute to removing greenhouse gases from the atmosphere, improving biodiversity, and increasing agricultural productivity. “The action we are taking on climate neutrality aims at holistic, sustainable development that benefits the climate

and people. This is exactly the kind of change we want to achieve as we develop our business and our supply chains," says Gisbert Braun, Head of Group Sustainability.

We collect/use our GHG emissions data at three different levels of detail: detailed, semi-generic, and generic.

Detailed data collection is based on real farm data and scientifically sound GHG emissions calculations. Primary data from our supply chains are collected with the help of the Cool Farm Tool, which is regularly updated by the Cool Farm Alliance and works with scientifically recognized emissions factors. Furthermore, GHG emissions calculations carried out using other recognized methods, such as product carbon footprinting or life cycle assessments, are included in detailed data collection.

Semi-generic data collection is based on a set combination of real operating data and emissions factors derived from technical literature and empirical values. This data collection and processing is carried out with the help of an Excel tool that was created in cooperation with consulting firm KlimAktiv and that is continuously being improved.

Key processes in the supply chain that contribute to GHG emissions were included in the data collection. The definition of these processes is based on experience with the Cool Farm Tool. As a result, we already have a good overview of the sources of GHG emissions in our supply chain.

Generic data collection is based on emission factors derived from technical literature and empirical values. This data collection and processing is carried out with the help of an Excel tool that was created in cooperation with consulting firm KlimAktiv and that is continuously being improved.

The decision on which form of data collection to use for raw material partners is made on the basis of minimum standards set by MartinBauer as well as voluntary criteria defined by purchasing departments. In this way, a minimum level is set for raw material partners, but purchasing departments can opt for detailed levels of data collection.

The objective for the **data collection** in 2023 was for at least semi-generic data collection to be carried out for all direct raw material partners, provided they are also producers of the botanical raw materials. For trade partners, generic data collection was favored. For raw material partners that have mabagrown certification, detailed data collection was used.

All data received about purchasing quantities and GHG emissions are first subjected to a plausibility check. This is done through data triangulation with technical experts from the various purchasing organizations. The aim is to ensure that no incorrect data have been reported on the system side or through manual adjustments. In case of doubt, the purchasing department is asked to verify or rerun the data.

Once our corporate carbon footprint (CCF) is calculated in this way, we have it certified by TÜV. The 2023 CCF is the fourth consecutive CCF to be calculated and certified on the basis of the international GHG Protocol.

For the manufacture of our products, we – and our suppliers – require a certain amount of energy, which is in turn associated with a corresponding amount of greenhouse gas (GHG) emissions. In light of climate change, we feel a duty to make our energy supply increasingly more efficient and to continually reduce our GHG emissions. MartinBauer has a global energy management team that supports its sites around the world and monitors energy management. The ISO 50001 certification of some sites is also managed by this team. The team identifies optimization potential and manages and supervises energy-saving measures. It maintains a close relationship with the Sustainability

department. The energy management team systematically collects data from individual sites to find potential for optimization. Business intelligence is used to summarize and analyze the data and to prepare forecasts.

The precious resource of fresh water is already in short supply in some regions of the world, and the problem will grow more acute in the coming decades. With regard to water availability, increasing regulation, and the significance of the topic for the company's reputation, MartinBauer is paying increased attention to the topic of water management. We are working to use water as efficiently as possible and to continually reduce our wastewater generation and wastewater load.

Natural raw materials are the basis of our products. MartinBauer's wellbeing is therefore directly linked to the diversity, availability and flourishing of plant life. The cultivation and wild harvesting of plants is an excellent way to create many opportunities to preserve and promote biodiversity. We create biodiversity plans in collaboration with our suppliers, supporting them with our knowhow.

301-1 Materials used by weight or volume

From anise and horehound to lemon balm and mint, cinnamon and lemongrass – our portfolio features around 200 raw materials from over 80 countries.

Omissions: We do not publish the exact weights or volumes of materials we use, as we consider this information confidential.

301-2 Recycled input materials used

Both our raw materials and our finished goods are natural botanical substances, which means that the use of recycled materials is out of the question. We do not use recycled material to any noteworthy extent in the manufacture of our products.

301-3 Reclaimed products and their packaging materials

MartinBauer is aware of and complies with all paper, cardboard and plastic packaging regulations. We encourage our sites to participate in reduction or recycling activities while continuing to ensure the safety of our products and the environment.

As a B2B supplier, we mainly supply our customers in bulk containers (e.g. "big bags"). We are committed to the longest possible use of packaging. This also applies to recycled materials in packaging, although here we are bound by corresponding food standards in legislation that prescribe certain packaging materials.

Also as a B2B supplier, we do not supply finished products to end customers. Our natural products are used in the food industry. In that context, our herbal and fruit tea blends are composted or disposed of as organic waste by the end customer, thus entering the natural cycle of materials. Reusability is not a relevant consideration in this regard.

So far, we have not kept figures for the recycling rate in packaging materials, but we intend to include this in future GRI data collection.

302-1 Energy consumption within the organization

MartinBauer has a global energy management team that supports its sites around the world and monitors energy management. The ISO 50001 certification of some sites is also supervised by this team. The team identifies optimization potential and manages and supervises energy-saving measures.

In the 2023 reporting year, MartinBauer's German sites used 100% green electricity. In Italy, Poland and Turkey, we partially use electricity from renewable sources. Biomass in the form of wood residues is used in Argentina and Sri Lanka.

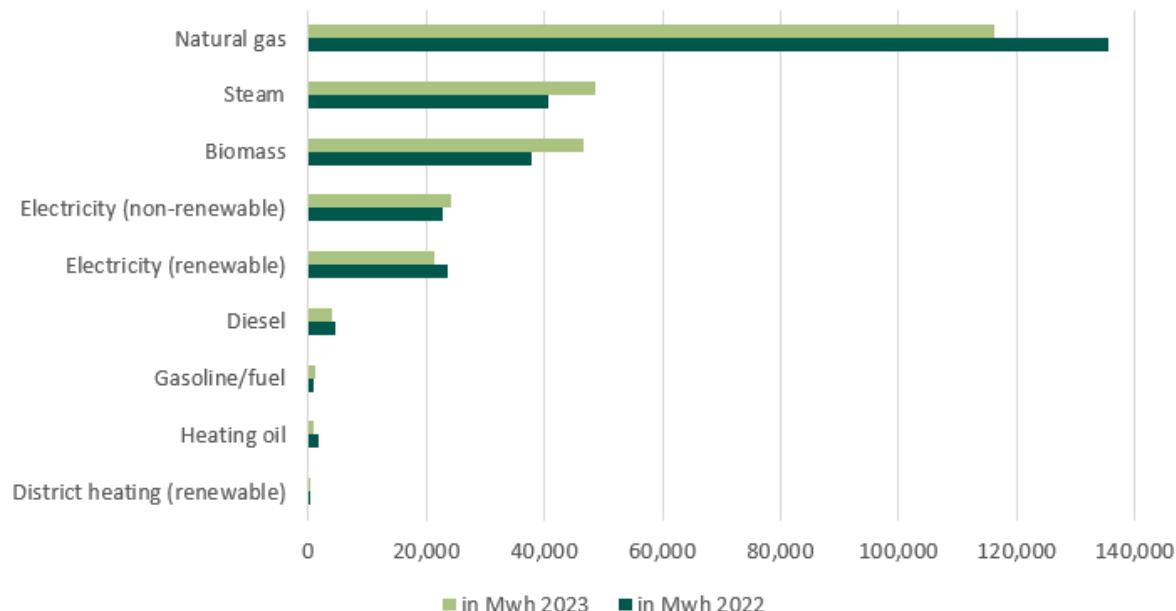
Energy consumption according to source	Total in MWh, 2022	Total in MWh, 2023
Renewable	61,680	68,081
Non-renewable	206,340	195,097

The percentage of renewable energy in our heating and electricity supply is therefore 26%. This is three percent more than in the previous year. Non-renewable energy accounts for 74%.

Energy consumption by energy source	Total in MWh, 2022	Total in MWh, 2023	% difference
Natural gas	135,478.7	116,203.2	-14%
Steam	40,807.7	48,603.1	+19%
Biomass	37,731.8	46,511.6	+23%
Electricity (non-renewable)	22,783.8	24,080.9	+6%
Electricity (renewable)	23,651.6	21,376.5	-10%
Diesel	4,647.8	4,112.2	-12%
Gasoline/fuel	908.2	1,206.2	+33%
Heating oil	1,652.1	891.1	-46%
District heating (renewable)	297.0	192.5	-35%
TOTAL	267,958.7	263,177.3	-2%

Both the increase in steam (heat from fossil sources) and the increase in biomass (wood) are production-related.

Energy sources - comparison 2022/2023



302-2 Energy consumption outside the organization

Energy consumption outside MartinBauer, i.e. by significant upstream and downstream activities related to our business operations, is not reported separately. Instead, greenhouse gas emissions are considered relevant, as they serve MartinBauer as a control parameter.

302-3 Energy intensity

Energy intensity within the organization in 2022 was 427.82 MWh per million euros of value added. In 2023 the energy intensity was 540.96 MWh per million euros of value added. We are aware that energy intensity is only one, limited indicator of energy efficiency in our processes, as our product portfolio is so diverse.

302-4 Reduction of energy consumption

MartinBauer has its own global energy management team that is responsible for monitoring and optimizing energy consumption worldwide. The team provides our sites with expertise in energy-saving projects. In a project designed to run until 2025, the energy management team is creating structures and standards at our sites and training local energy officers. In addition, our Go Zero project provides the opportunity to have energy-saving projects promoted internally within the Group. In this way, we are helping our sites make a decisive contribution to climate neutrality.

For example, the decision was made to build a new spray tower in Germany. The new equipment not only allows us to reduce our dependence on third parties for drying, it also makes processes more flexible thanks to its modern spray technology and high degree of automation. With the new spray tower in Kleinostheim, we are able to reduce energy requirements for drying by around 50%, cut transport costs, and save over 800 tonnes of CO₂e.

302-5 Reductions in energy requirements of products and services

Innovation is one of the key drivers of sustainability. We are continuously working to further optimize the sustainability performance of our products. In that domain, we are working on the IT-based creation of product carbon footprints (PCF), through which we aim not only to record but also to reduce the CO₂e value of our products. A significant share of our PCF data is based on energy data, both in our own production operations and in the supply chain.

303-1 Interactions with water as a shared resource

We are aware that water is a scarce resource in many regions and that this scarcity will become more acute in the future. We identified water as a material issue in the materiality analysis for this GRI report and are continuously working to optimize our water management. Where necessary, we work on wastewater treatment, in some cases with our own wastewater treatment plants.

Based on analyses conducted at the sites, we can state that there are no significant impacts on water quality or water availability resulting from the withdrawal of water or the disposal of wastewater at our international sites.

We are aware that water is one of the essential resources for our international agricultural supply chain. Within our mabagrown supply chains, we have set ourselves the goal of implementing further water consumption analysis and optimization measures, including with regard to the impact of climate change on the availability of water for our suppliers.

303-2 Management of water discharge-related impacts

Effluent discharge at our sites is regulated by official permits. We are not aware of any deviations or violations in the reporting period.

At our Vestenbergsgreuth site, we have our own wastewater treatment plant for our process wastewater. The treated water meets legal standards and, based on its quality, can be discharged into a nearby outlet channel or stream.

303-3 Water withdrawal

The total amount of water withdrawn for the 2022 reporting year was 897,266 m³. For the 2023 reporting year the total was 901,878 m³.

Water withdrawal by source	Total (m ³) 2022	Total (m ³) 2023
Surface water	51,086	58,872
Ground water	240,332	212,608
Produced water	16,750	7,785
Third-party water	589,098	622,613

303-4 Water discharge

According to the information available to us, in the 2023 reporting year we complied with the effluent limits as stipulated by permits. Specific effluent loads for our sites are not published in this report.

Water discharge by destination	Total (m ³) 2022	Total (m ³) 2023
Surface and ground water	134,596	112,229
Water from third parties (indirect discharge)	522,532	583,351

303-5 Water consumption

The difference of 206,298 m³ between water withdrawal and water discharge results from distillation processes, other emissions into the atmosphere, and residual moisture in some final products.

We have production sites in regions with high overall water stress. To determine the level of water stress in regions, we refer to the World Resources Institute, more specifically the Water Risk Atlas. We have assessed the water risk for our sites using the Aqueduct Tool, which is currently available in a beta version. Any site that the Water Risk Atlas rates as at least "medium-high" (2-3) is considered to be one with water stress. In this assessment, a water use index of more than 20% is reached, thus exceeding the threshold for water stress according to the German Environment Agency (UBA). According to this definition, we have six production sites in a region with water stress: China (Wuhu), Poland (Witaszyce), Turkey (Izmir), Sri Lanka (Colombo), Italy (Nichelino, Rivalta), and USA (Islandia). Two of these sites (Turkey, Sri Lanka) are at high risk (3-4). The other four sites have a rating of medium-high. We have no sites in regions with extremely high water-stress (4-5, water use index >80%).

The importance of water as a resource is increasing. We identified water as a material topic as part of MartinBauer's materiality analysis and set ourselves the goal of conducting further water consumption analyses in 2024.

Water consumption	Total (m ³) 2023
Water consumption at sites with water stress (Turkey, China, Sri Lanka, Italy, USA)	71,226.87
Water consumption at sites without water stress	135,071.24
Total	206,298.11

304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

To our knowledge, our non-German MartinBauer sites are not directly in or in the vicinity of any protected areas (especially water protection areas, nature conservation areas). Our main site, in Vestenbergsgreuth, Germany, is 800 meters from the Steigerwald Nature Park, a landscape protection area. The raw material storage facility in Demantsfürth is directly adjacent to a bird sanctuary and the Aischauen landscape conservation area. The corresponding environmental protection regulations are adhered to and are part of the site management in those locations.

304-2 Significant impacts of activities, products and services on biodiversity

Natural raw materials are the basis of our products. MartinBauer's wellbeing is therefore directly linked to the diversity, availability and flourishing of plant life. The cultivation and wild collection of plants is an excellent way to create opportunities to preserve and promote biodiversity.

Our operations have various impacts on nature and biodiversity. The activities of MartinBauer have a direct effect on the environment and biodiversity at our own production sites, for example through soil surface sealing or air and water emissions. We counteract these by consistently monitoring them as part of our environmental and energy management, and by avoiding or minimizing them as much as possible through suitable technological measures (e.g. our own wastewater treatment plant, increasing energy efficiency, changing energy sources, etc.).

So far, we have not established an overarching program for unsealing surfaces or optimizing the seepage of rainwater. However, this is already under discussion at individual sites. We will improve the state of our concrete data; once we have reliable figures, we will define concrete goals along with strategies for achieving them.

A large part of our impact on biodiversity is indirect and can be found in our supply chains, more precisely in the extraction and transport of raw materials by our suppliers. Specifically, there are risks of potential overexploitation of, or adverse effects on, wild populations or ecosystems due to unsustainable wild harvesting or cultivation methods. We have therefore developed procurement guidelines that enjoin our suppliers to pay attention to potential adverse effects on biodiversity and to consistently avoid or minimize them through appropriate methods.

With the introduction of our active and sustainable supply chain management mabagrown in 2012, we began to monitor the implementation of these requirements in regular on-site audits. We also use independent, external auditors for this purpose. In addition, we advise and assist our mabagrown suppliers on various issues, especially environmental sustainability. For example, in cooperation with our supply partners, we develop individualized plans for the protection of biodiversity in wild harvesting (Management Plan) and cultivation (Biodiversity Action Plan). For these conservation concepts, we first assess the situation on site for potential positive and negative consequences of our partners' current operations on local nature and the environment. The data serve as a basis for planning further action, whose purpose is to minimize any adverse effects on nature and contribute to the preservation and enhancement of local biodiversity. We support our partners in the implementation of these measures in an advisory capacity, and in some cases also financially through the mabagrown Premium Fund.

Due to the complexity of our global supply chains and the wide variety of ecosystems affected, it is not possible to measure specific individual effects on local biodiversity. However, we do record the

number of management plans and biodiversity action plans initiated and individual projects implemented in this area.

For example, in 2022, 92 management plans were initiated and 110 biodiversity action plans were developed.

304-3 Habitats protected or restored

The greatest leverage our company has over the protection and sustainable use of biodiversity is ecologically and ethically responsible procurement practices. We are committed to intact ecosystems both in our supply chains and at our sites. For example, during the reporting year we participated in the reforestation project “100.000 Bäume für Oberfranken” (“Ten thousand trees for Upper Franconia”) close to our Vestenbergsgreuth site.

With regard to our supply chain, we are active in various international projects. For example, in collaboration with our mabagrown raw materials partner in Paraguay we are testing various regenerative agricultural practices with farmers. We are primarily doing this in response to regional challenges such as soil erosion, illegal deforestation, and biodiversity loss. Through training, monitoring and practical experiments on demonstration plots, we hope to improve soil health and counteract the effects of climate change. The effectiveness of these measures is compared to traditional agricultural practices. The most effective are then introduced on a grander scale and other regenerative agricultural practices are tested.

304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations

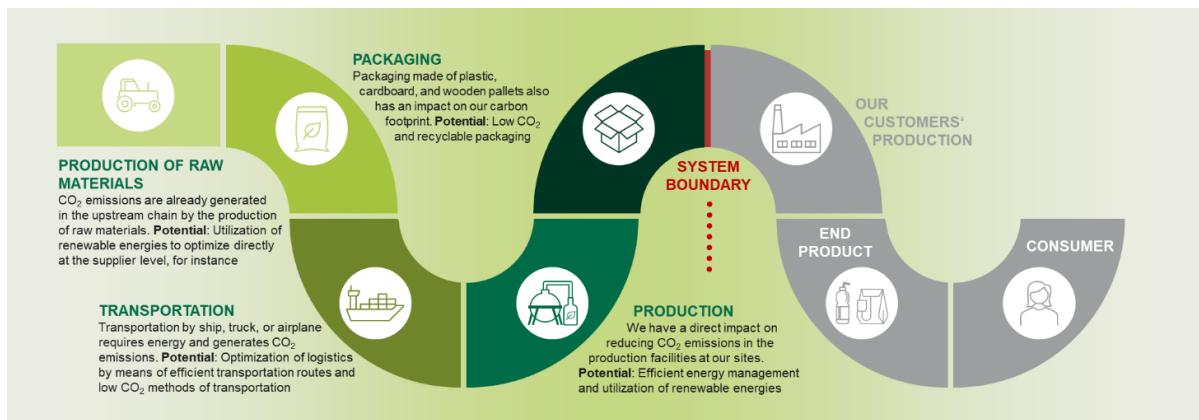
As a company involved in the international trade of botanical raw materials, we share responsibility for the lawful handling of these natural resources. We are committed to complying with applicable national (e.g. nature conservation laws) and international (e.g. CITES) legislation and expressly expect the same from our partners.

To the best of our ability, we actively check whether items to be procured have protected status. If we find out that they do, we oblige our suppliers to provide the relevant approvals.

In addition, we strive to transfer items with a known risk status to our mabagrown procurement standard, or to establish other certifications, in order to gain more insight, oversight, and certainty regarding compliance with required sustainability criteria. However, the additional effort involved always requires a corresponding commitment from our customers.

305 GHG accounting according to the GHG Protocol

MartinBauer's CCF was calculated in collaboration with consulting firm KlimAktiv, using the KlimAktiv CO₂e calculator, in accordance with the Greenhouse Gas (GHG) Protocol and on the basis of the Scopes defined in the standard. We have our methodology and our CCF certified by TÜV Rheinland.



The CCF analysis includes emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and the HFC refrigerant gases R22, R134a, and R410a. All greenhouse gas emissions were converted to tonnes of carbon dioxide equivalent (tCO₂e) based on their 100-year global warming potential (GWP).

The analysis of the CCFs includes emissions that fall under Scopes 1, 2 and 3. The following subcategories were excluded because their relevance and/or influenceability for the CCF as a whole was low or non-existent: capital goods, downstream transportation and distribution, processing, use and end-of-life treatment of sold products, upstream and downstream leased assets, franchising, investments.

We use several tools to determine our CCF:

- Cool Farm Tool for data collection from mabagrown suppliers in the botanicals supply chain
- KlimAktiv software for data aggregation and footprint calculation
- Databases such as EcoInvent for emission factors
- Sources such as the Food and Agriculture Organization (FAO) for certain statistics

The CCF was calculated in collaboration with our partner KlimAktiv, a consulting firm that provides CO₂e accounting systems and services related to CCFs and climate neutrality.

305-1 Direct greenhouse gas emissions (Scope 1)

Greenhouse gas emissions	2020	2021	2022	2023
Scope 1	29,312	30,707	30,598	24,516

Emissions in tCO₂e

86% of the greenhouse gas emissions in Scope 1 are caused by the combustion of natural gas, followed by coolant losses at around 7% and diesel consumption by the company's vehicles at around 4%. Reduction options and efforts are focused on the biggest categories in order to achieve the greatest possible effect. Primarily through measures as part of our global site energy management strategy, we were able to save around 6,000 tCO₂e compared to 2022. Slightly reduced production capacity utilization also contributed to this reduction.

305-2 Energy indirect (Scope 2) greenhouse gas emissions

Greenhouse gas emissions	2020	2021	2022	2023
Scope 2	52,129	50,747	35,948	35,101

Emissions in tCO₂e

59% of the greenhouse gas emissions in Scope 2 result from the provision of directly sourced steam. 41% are in the electricity consumption category. Emissions from purchased electricity are to be further

reduced in the coming years by sourcing 80% green electricity by 2025 and 100% by 2030. The continued switchover to green electricity enabled us to save almost 1,000 tCO₂e compared to 2022.

305-3 Other indirect (Scope 3) greenhouse gas emissions

Greenhouse gas emissions	2020	2021	2022	2023
Scope 3	184,257	166,329	165,436	153,426

Emissions in tCO₂e

86% of Scope 3 emissions are attributable to category 3.1 ("Purchased goods and services"). 39% of the emissions result from the purchase of tea, another 34% from the purchase of botanicals. 6% result from the purchase of flavors and ingredients, and 4% from the purchase of packaging. 7% of emissions are attributable to category 3.3 ("Fuel & energy-related activities").

Thanks to optimization projects in the supply chain, for example in the area of drying, and to improved CO₂ analyses we were able to save around 12,000 tCO₂e compared to 2022. A slight decline in purchasing volumes of our plant raw materials also contributed to that.

305-4 Greenhouse gas emissions intensity

The intensity of GHG emissions in the reporting year 2023 was 437.91 tCO₂e per million euros. Our intensity ratio is provided for greenhouse gas emissions per value added in millions of euros.

305-5 Reduction of greenhouse gas emissions

In 2023, our greenhouse gas emissions decreased by 10.9% compared to the previous year.

This shows that our efforts have been successful. We monitor our greenhouse gas emissions as part of our Go Zero campaign, using this information to undertake numerous measures to reduce our greenhouse gas emissions and achieve our goal of climate neutrality by 2030.

Go Zero commits MartinBauer and all other companies in the nature network to achieving climate neutrality by 2030 at the latest. Our promise covers not only our more than 30 sites worldwide but also our entire value chain. That means that our climate-neutral business activities start right in the fields.



WE'RE ON THE RIGHT TRACK.

→ 2030

Measure

Our annual CO₂e footprint includes **Scopes 1, 2 and 3** in accordance with the internationally recognized Greenhouse Gas (GHG) Protocol. It is **regularly tested** for completeness and plausibility by independent certification body **TÜV Rheinland**.

Reduce

We will reduce our CO₂e emissions by **55%** by 2030 by switching to **renewable energies**, introducing **energy-efficient processes**, and initiating CO₂e reduction measures at farms – in **irrigation** and **drying**, for example.

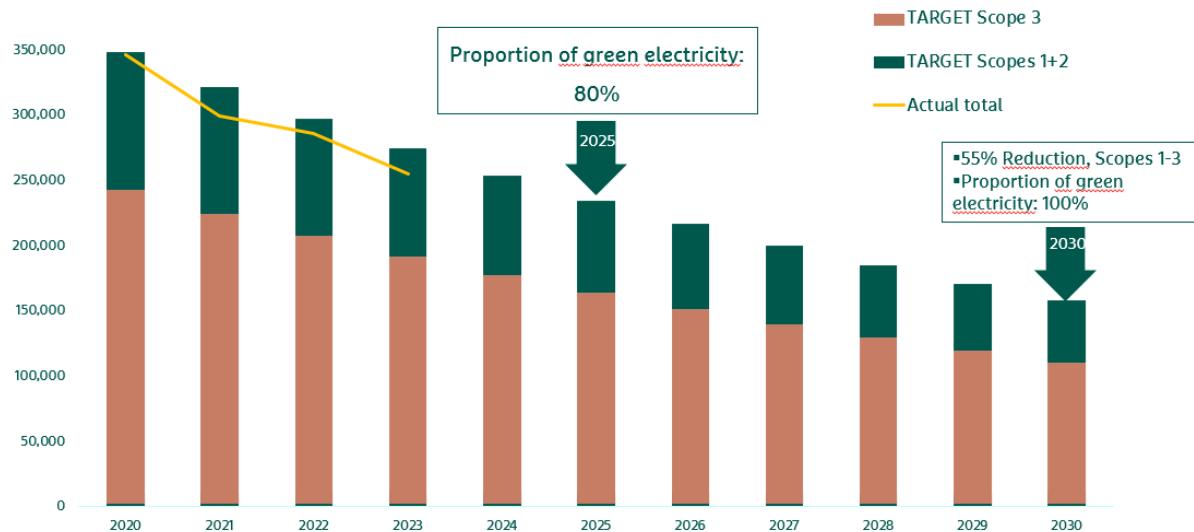
Compensate

We only compensate for those emissions that we cannot reduce. Our CO₂e compensation measures are implemented in line with rigorous, internationally **recognized standards** and primarily in **our own supply chains**.

Our approach is structured into three steps.

- Measure: In the first step, we determine and evaluate our CCF.
- Reduce: In the second step, we reduce our greenhouse gas emissions as much as possible.
- Compensate: In the third step, we compensate for the greenhouse gas emissions that cannot be reduced despite all our efforts.

MartinBauer has a CO₂e reduction plan. This provides for continuous reductions at our sites and in the supply chains.



The reduction path shown describes our target up to 2030. By 2023, MartinBauer had already achieved a 26.44% reduction compared to 2020 and is thus on track to reach its goal.

From 2022 to 2023, we achieved this reduction primarily in the areas of botanicals procurement, heat generation, electricity, and coolant. By contrast, our emissions in the areas of upstream logistics, business flights, external services and waste increased over the same period.

To achieve our reduction target, we analyzed our reduction potential and identified key actions we can take. For example, we supported several reduction projects through our Go Zero Fund in 2023 too. These included construction of a photovoltaic plants at our site in Sri Lanka. For our headquarters in Vestenbergsgreuth, we are drawing up a site development concept that focuses primarily on our reduction goals in the area of energy efficiency and the use of natural gas. Findings from this project will form the basis for further measures at our sites.

With the mabagrown Premium Fund we also initiate projects that help the people in our supply chains – including small farmers and wild collectors – become more resilient. The fund is created from the premium for Rainforest Alliance-certified products and from monies from MartinBauer and our customers. We have used the fund to support 19 projects around the globe.

In a collaborative project with the University of Hohenheim and 22 mabagrown raw materials partners in Croatia, Serbia and Germany, we are working to improve the efficiency of artificial drying in our supply chain and lessen its environmental impact. Real-time monitoring sensors are integrated into the dryers, airflow distribution is optimized, and sustainable energy sources like photovoltaic plants are installed. These improvements lead to significant energy savings, reduced carbon emissions, and enhanced dryer performance. The innovations enable producers to achieve lower operational costs and make a positive contribution to environmental protection.

305-6 Emissions of ozone-depleting substances (ODS)

Data on this topic are not yet being collected centrally as part of our international GRI survey. The data are available at the individual sites and are monitored locally.

305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions
 Carbon dioxide accounts for the largest share of our emissions. Other greenhouse gases such as nitrogen oxides, sulfur oxides, ammonia, methane and volatile organic compounds are only produced in small, insignificant amounts during the manufacture of our products at our sites. In our supply chains, greenhouse gas emissions (CO₂e) are produced in the following processes: fertilizer use and the management of waste and recycling materials. NO_x and SO_x emissions via combustion processes at our sites mainly result from the combustion of natural gas and are monitored at each site to make sure they do not exceed legally prescribed limits. In the supply chain, these emissions mainly result from drying processes and the use of fossil fuels. They are currently not part of our GRI reporting.

306-1 Waste generation and significant waste-related impacts

Our operations are associated with various waste-related impacts, which we monitor. We review available options for avoiding waste and reusing packaging wherever possible. If we cannot reuse a material, we check whether another use for it can be found or if it can be recycled

Plant-based waste from production in Germany has a very useful function in agriculture: it is a natural fertilizer for our plants. Our residual waste is disposed of by certified companies.

306-2 Management of significant waste-related impacts

MartinBauer's waste management is decentralized, managed individually by each site. MartinBauer Germany consigns its waste to certified waste management companies that are able to verify the proper disposal of the waste using electronic procedures.

306-3 Waste generated

See 306-4

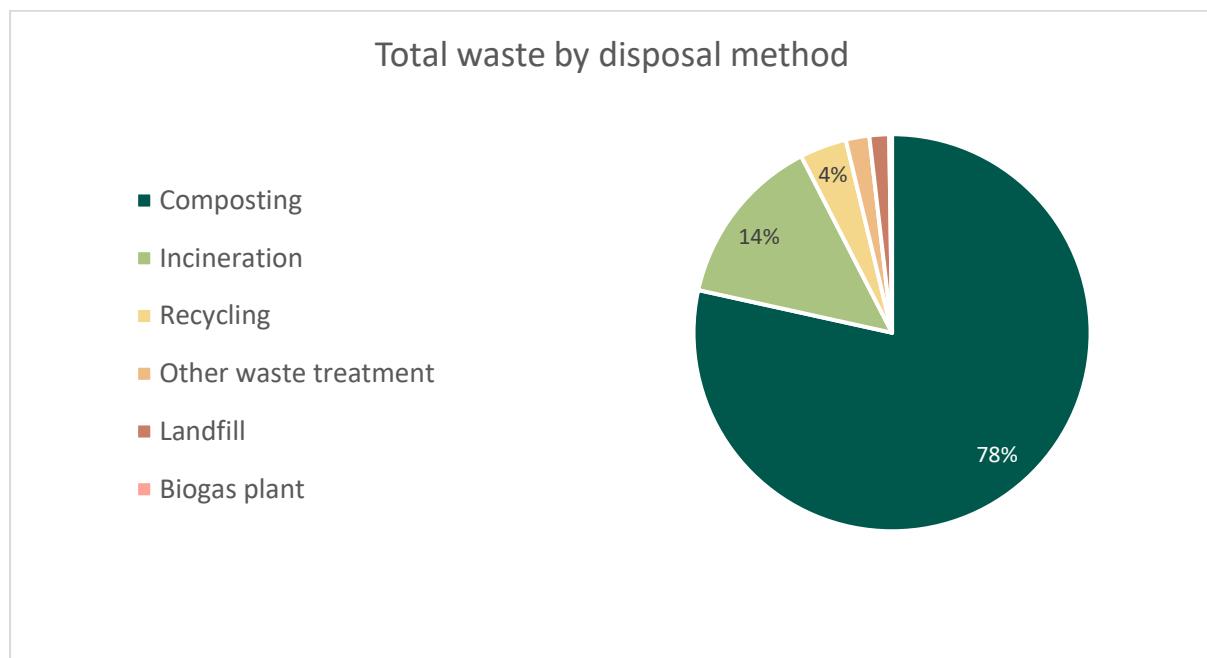
306-4 Waste diverted from disposal

Type of waste and recycling/disposal method	Total (t) 2023
Total waste (hazardous and non-hazardous)	57,755.19
1. Hazardous waste intended for disposal	1,097.45
1.1 Hazardous waste intended for incineration	1.75
1.2 Hazardous waste intended for landfill	0.07
1.3 Hazardous waste disposed of through other methods	1,095.64
2. Certain non-hazardous waste intended for disposal	9,013.20
2.1 Non-hazardous waste intended for incineration	8,074.41
2.2 Non-hazardous waste intended for landfill	929.36
2.3 Non-hazardous waste disposed of through other methods	9.43
3. Non-hazardous waste sent for recycling	2,203.54
4. Non-hazardous waste sent to a biogas plant	132
5. Non-hazardous waste sent for composting	45,309.01
6. Non-hazardous waste intended for chemical-physical treatment	0

The types of waste listed above, including the respective recycling or disposal method, are not comparable with those listed in the previous GRI Report. The current list is the result of our efforts to optimize waste classification in a global context and prepare for the EU's CSRD requirements.

98% of the waste generated is non-hazardous; only 2% is hazardous waste requiring special disposal.

The share of non-hazardous waste that can be sent for recycling, composting or to a biogas plant is 84%.



306-5 Waste directed to disposal

Not relevant. Otherwise see 306-3 & 306-4 for waste data.

308-1 New suppliers that were screened using environmental criteria

As a precondition to doing business together, we expect our raw material partners, our indirect suppliers, and generally all business partners to accept our Supplier Code of Conduct. New or potential suppliers first undergo an internal evaluation process. In the reporting year, around 50% of all new suppliers worldwide were audited or assessed explicitly with regard to environmental criteria. Those suppliers were selected on the basis of risk assessments. With the German Supply Chain Due Diligence Act in mind, we are working to further optimize the assessment process as part of our risk management system.

Jointly with the Nuremberg Institute of Technology, we have created an evaluation matrix for the risk assessment of suppliers. It is applied to new suppliers, thus determining the next steps to be taken. If the risk classification is high, annual personal audits are mandatory. If the risk classification is low enough, the auditing process is changed to so-called self-assessment. For existing suppliers, risk classification is performed annually. In addition to country indices (e.g. corruption indices, environmental indices), individual suppliers' certifications are also taken into account.

308-2 Negative environmental impacts in the supply chain and actions taken

In the case of suppliers with particularly pronounced risks, critical raw materials, or problems that become apparent during assessment, we make sure to conduct on-site audits. That enables us to identify and tackle issues such as improper waste and water management and the incorrect application of fertilizer and plant protection products. We confront these issues head-on and work with our raw materials partners to make the required improvements.

Employees & Society

3-3 Employees & Society

Sites

Globalization and digitalization are transforming working environments worldwide, and we also face the challenge of demographic change. We seek to be a reliable partner for our employees in the long term. Our careers and development program helps our employees to realize their full potential. The training of new employees is very important to us. On the one hand, it enables us to recruit qualified young people and train them in line with the needs of our business. On the other hand, it is a way of fulfilling our social responsibility to the next generation. In addition, we empower our employees through our efforts in the areas of professional and career development. For example, we offer additional training at "the nature network Campus." To ensure that our employees know more than just their own area of expertise, we offer insights into the various aspects of MartinBauer's business in our Insider Live lecture series. We support our employees in lifelong learning, helping them to meet dynamic challenges

- Discrimination is not tolerated at MartinBauer. MartinBauer is committed to equal opportunity and diversity and has signed the Diversity Charter in Germany.
- In Germany, our tea&she women's network is aimed at empowering women in management positions and offering them a platform for dialogue and networking.
- At our sites with collective bargaining agreements, remuneration tables can be viewed by all employees at any time.
- MartinBauer strictly observes local labor legislation.
- Our Code of Conduct applies to all employees and can be viewed at any time. It is also published on our website. This Code of Conduct sets out the principles of behavior to which MartinBauer is committed.
- We care about the health of our employees. Occupational health and safety is regulated at MartinBauer via the Code of Conduct, which applies worldwide. In addition, the collective bargaining agreements valid in Germany contain regulations on health protection. We take measures to protect our employees at all our sites
- We offer our employees in Germany the opportunity to participate in Health Weeks and bike leasing.
- To support the compatibility of family and career, where suitable we offer our employees the option to work remotely, flexible working hours and a subsidy for childcare in Germany.
- Regular training and continuing education on the topic of health are important to us, as is the promotion of workforce diversity and work-life balance. We support our employees by raising awareness about health and complement preventive measures with education on healthy nutrition, free fruit in the cafeteria at our Vestenbergsgreuth site, and a company sports program.
- The MartinBauer sites in Germany and Turkey are certified via a Sedex / SMETA audit.

Supply Chain

The United Nations Guiding Principles on Business and Human Rights explicitly highlight corporate responsibility for supply chains. This is because the activities of companies can also have unintended negative impacts on human rights. This is particularly true for global companies with complex supply

chains. Particularly at risk of human rights violations in supply chains are population groups that are already marginalized in the country of operation and are thus especially vulnerable, such as children, women and religious or ethnic minorities.

We use the contents of the German Supply Chain Due Diligence Act as a guideline for the implementation of our human rights due diligence obligations in the supply chain. Working with the Nuremberg Institute of Technology, we have established a project to help us optimally meet our due diligence obligations. One aspect is the creation of a tool for annual risk assessment based on various recognized indices, supplemented with certifications and our own mabagrown standard. We require our suppliers and partners to respect universal human rights and require them to adhere to the Supplier Code of Conduct we have developed. In addition, we conduct supplier audits.

We offer our suppliers and supply chain partners assistance on environmental issues, and we also support them with social projects. Our projects are intended to benefit the people who produce our raw materials and to have a positive impact on their living and working conditions. We focus on projects with our direct suppliers, on topics including health, youth development and women's empowerment. Examples of our projects are described in more detail under 413-1.

401-1 New employee hires and employee turnover

We have not identified any gender-specific or age-specific peculiarities in employee turnover. A detailed analysis of the turnover rate by age and gender has not yet been undertaken for MartinBauer. Age and gender are not selection criteria in the hiring of new employees. Accordingly, information on newly hired employees' region of origin, gender and age is considered immaterial and is not recorded.

New hires (FTE)	Natural turnover rate	Turnover rate of employees leaving the company	Early turnover rate of employees leaving the company
233.91	6.19%	4.87%	1.63%

The companies with the highest turnover rate of employees leaving the company (resignation or dismissal) are MB Med S.r.l. in Italy (with 27.9%) and MartinBauer Argentina S.A. (24%). The companies with the lowest turnover rate of employees leaving the company are our sites in Sri Lanka, China, Turkey, Poland and MartinBauer S.p.A. (Italy), which all have 0%. The early turnover rate (resignation or dismissal within one year) is generally low. The two companies with the highest rates are MartinBauer Germany's Alveslohe site (9.1%) and Strong Brews LLC U.S.A. (4.75%). The global average turnover rate of 4.87% is low in comparison with other companies.

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Benefits are granted in accordance with applicable collective bargaining agreements or local regulations. In general, this ensures that there is no discrimination.

Health insurance, retirement benefits and parental leave are offered at all production sites. All employees are insured against loss of income due to ill health via these benefits or public programs. 93.75% of our sites offer employees a life insurance policy.

401-3 Parental leave

Parental leave is available to our employees worldwide. The exact conditions depend on the applicable local regulations. It should be noted that we only collect data on persons who have informed us about their pregnancy. It is possible that other employees have become parents but have not informed the

company. Although it can be assumed that the number of such employees is small, a slight inaccuracy in the statistics cannot be ruled out.

During the reporting period a total of 50 women and 40 men were granted parental leave.

Percentage of eligible women who took parental leave	Percentage of eligible men who took parental leave
100%	75%

The proportion of eligible men who took parental leave is lower than the previous year. In the 2022 reporting year, the figure was 91.7% but in 2023 that figure dropped to 75%. As a family-friendly employer, we are committed to making it easy for employees to return to work after taking parental leave. Where possible, we therefore offer flexible working hours and the opportunity to gradually increase hours when returning to work. In addition, we offer the option of working remotely if the job permits.

403-1 Occupational health and safety management system

We are aware that work-related illnesses can arise, such as physical strain on the back or musculoskeletal system or psychological strain due to stress. We work very hard to minimize these risks and take targeted action to counteract them.

All of our sites have their own occupational health and safety systems, complying with applicable local law. Our production site in Sri Lanka has a certified occupational health and safety management system in accordance with ISO 45001.

The handling of hazardous materials is regulated at our sites as part of occupational health and safety and in accordance with statutory regulations. Since we work in the food sector, we are subject to stricter requirements regarding the handling of hazardous materials and maintaining hygiene standards. In addition, we are mindful that it is not permitted for employees suffering from cold symptoms, skin conditions, etc. to work in production areas in the food industry. If there is no way to avoid the use of hazardous substances, technical and/or personal protective measures are always taken. Regular training sessions on these topics are provided, as are legally required medical examinations.

The effectiveness of occupational health and safety measures in Germany is reviewed in regular audits. Comprehensive safety briefings are carried out and instructions provided.

In Germany, we offer Health Weeks as part of our health management program, during which employees can undergo thorough checkups and receive advice. There is also a company sports program, which affords opportunities to keep fit and prevent health problems. We offer our employees free vaccinations, such as an annual flu shot. We promote healthy eating in our cafeterias, for example by giving out fruit free of charge.

403-2 Hazard identification, risk assessment, and incident investigation

Country-specific legislation is complied with. We strive to protect our employees via risk identification and assessment.

In addition to site-specific and country-specific risk analyses, we adhere to different occupational health and safety systems at our various sites. These include ISO 45001 and ISO 22000 in Sri Lanka and Wuhu, China, and OSHA in the United States.

Every incident is investigated so that managers, works councils and employees know how to prevent accidents.

Our sites assess their occupational health and safety risks independently. In some cases, the task of assessing risks is performed by external consultants. At other production sites, this task is performed by specified internal safety officers. If risks are identified in the assessment process, standards and procedures are optimized and appropriate training provided.

In Germany, risk assessments are systematically carried out for all tasks in accordance with occupational health and safety laws. Managers are responsible for making sure assessments are performed and documented within their area of authority, in order to ensure a safe workplace and prevent work-related health hazards. They are equally responsible for ensuring that applicable safety standards are monitored and complied with. Occupational safety specialists and medical experts are consulted when assessing hazards. The risk assessment process is rounded out by an effectiveness audit.

403-3 Occupational health services

Our goal is to ensure that all potential sources of danger for our employees are identified and eliminated or mitigated. This applies to MartinBauer employees and to workers who are not employees but whose work and/or workplace are supervised by MartinBauer. In the event of injuries, it is in our own interest to contribute to a quick and complete recovery.

Every incident is reported internally and analyzed, after which corrective measures are outlined. The responsible occupational health services respect our employees' right to privacy. The confidentiality of workers' personal health-related information is ensured in accordance with applicable local regulations.

403-4 Worker participation, consultation, and communication on occupational health and safety

Occupational health and safety issues are regulated via our Code of Conduct and occupational safety protocols. We comply with the relevant regulations to protect our employees from work-related accidents. We maintain and update our approvals, permits and registrations, as well as our knowhow. All employees are required to report potential dangers immediately and are also expected to watch out for the safety of the others in their team. To increase our employees' safety awareness, we regularly conduct safety trainings and briefings, and we monitor and evaluate safety in the workplace.

403-5 Worker training on occupational health and safety

Occupational safety and health training is offered to all employees. All MartinBauer employees are entitled to a safe and ergonomic workplace. Regular occupational safety and health training courses are held at all sites worldwide in line with local workplace conditions. Special training courses are held for employees working in areas of high risk. Training for employees in offices or administrative areas in Germany is mainly conducted online. The knowledge imparted is subsequently reviewed with mandatory tests.

Training is provided in the local language or in a language easily understood by the participants.

In the 2023 reporting year, employees working in production completed an average of 14.15 hours of training. For employees working in administration it was an average of 11.58 hours. The majority of the training was related to health and occupational safety.

403-6 Promotion of worker health

We have various health promotion measures for our employees. As part of our health management initiative, Health Weeks are held for employees in Germany to inform them about important topics and raise health awareness. Events include lectures, personal counseling appointments, and preventive medical checkups. We offer free vaccinations, such as an annual flu shot. To promote mindful behavior and prevent psychological stress, we regularly hold presentations and provide information as part of the nature network Campus. In Germany, we held training sessions on mindfulness, resilience and other topics in 2023. Also in Germany we offer yoga courses as well as other company sports, such as soccer, jogging and tennis. The cafeteria at our headquarters in Vestenbergsgreuth participates in a reusable packaging system and offers employees fruit free of charge. We also provide tea to our employees free of charge in our kitchenettes.

In Germany, we started a bike leasing program in 2020. On the one hand, we want to help our employees stay fit and healthy. On the other hand, encouraging them to commute by bike rather than by car helps protect the environment and reduce greenhouse gas emissions. Bike leasing offers flexibility, both for personal use and on the way to and from work. Our employees also benefit financially from favorable repayment and taxation conditions, and the provision of green electricity from e-bike charging stations at the site. Switching to cycling also saves them fuel costs. To further encourage cycling, we take part in the Germany-wide Stadtradeln.de ("city cycling") campaign, in which teams compete over three weeks for the most kilometers cycled. In the end, the total CO₂e reduction is calculated.

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

For each specific workplace and situation, we take a targeted approach to avoiding or mitigating significant negative impacts on occupational safety. In areas such as the transportation of samples, fire protection, or the handling of hazardous materials, for example, there are specific guidelines on areas of responsibility, the labeling of hazards, and precautionary measures to be observed in order to eliminate potential hazards for all parties involved to the greatest extent possible. There are specially trained employees for this, e.g. hazmat officers for relevant areas such as logistics.

403-8 Workers covered by an occupational health and safety management system

Worldwide, 100% of MartinBauer employees are covered by a certified or mandatory occupational health and safety management system. There is no single uniform system for occupational health and safety management around the globe; rather, each location has its own regulations. In Sri Lanka and China (Wuhu), for example, we have a certified management system in accordance with ISO 45001. Independent of this, local law is complied with at all sites.

403-9 Work-related injuries

The following table shows the total number of work-related accidents worldwide per 1,000,000 hours worked. It includes both workplace and commuting incidents.

Type	Total
Total work-related accidents	216
Of those, reportable accidents	44
Workplace accidents	198
Commuting accidents	18
Work-related accidents per 1,000,000 hours worked	7.10
Serious accidents	1
Serious workplace accidents per 1,000,000 hours worked	0.31

There were no work-related fatalities at MartinBauer in the reporting year.

Work-related accidents are primarily burns, cuts, bruising and falls. MartinBauer's sites in Vestenbergsgreuth and Kleinostheim (Germany), Argentina and Wuhu (China) have the highest work-related accident quotas at >10 per 1,000,000 hours worked. According to German accident insurance organization DGUV, in 2023 the average in the food and hospitality sector was 18.51. At MartinBauer this figure was considerably lower, at 7.10.

MartinBauer has set itself the goal of reducing work-related accidents in Germany to zero by 2025. This goal is primarily pursued via its Safety First campaign.

Accidents are monitored and evaluated as part of occupational health and safety. Wherever possible, measures are taken to ensure that these are avoided in the future. Our employees receive annual training on occupational safety and are given protocols to follow for the area they work in.

403-10 Work-related ill health

We are aware that work-related illnesses can arise, such as physical strain on the back or musculoskeletal system or psychological strain due to stress. We work very hard to minimize these risks and take targeted action to counteract them.

There were no reportable instances of work-related ill health in the reporting year.

404-1 Average hours of training per year per employee

We want lifelong learning to be a constant companion for our employees throughout their careers. That begins with our commitment to our trainees and continues through to retirement. Our aim is to provide our employees with extensive training so that they can gain further skills and qualifications.

We introduced the nature network Campus to share learning opportunities throughout the Group. We also offer online and in-person lectures on various topics. As part of our Insider Live lectures, MartinBauer employees introduce their colleagues to their area of expertise, their activities, or exciting projects. The program gives our employees insight into other areas of operation within the company. In addition, experts outside the company provide us with fresh ideas on various topics as part of our "Gedanken tanken" series.

Many of our training and education programs take place in the form of eLearning. This allows employees to receive training flexibly, at their own pace, and makes it easier to test what they have learned.

On average, our employees around the world invested 12.67 hours in training in the 2023 reporting year. The reported average of training hours per employee is lower than the actual number of hours. In Germany, for example, only time spent on mandatory employee training and development is recorded, but not participation in our Insider Live lectures and “Gedanken tanken” formats or external training courses.

Our German sites have extensive trainee programs, thus supplying our need for well-trained specialists. Sustainability is an integral part of in-company training. As part of their in-company training, our trainees work on their own sustainability projects in groups. The projects are developed independently and carried out with support from the relevant departments. The trainees then present their results to the staff.

404-2 Programs for upgrading employee skills and transition assistance programs

MartinBauer consistently aligns the qualification of employees with job- and work-related skills.

In Germany, we introduced the nature network Campus as a training and development platform to strengthen the skills of our employees. We also offer online and in-person lectures on various topics. As part of our Insider Live lectures, MartinBauer employees introduce their colleagues to their area of expertise, their activities, or exciting projects. This program gives our employees insight into other areas of operation within the company. In addition, experts outside the company provide us with fresh ideas on various topics as part of our “Gedanken tanken” series.

404-3 Percentage of employees receiving regular performance and career development reviews

As a family business, personal interaction is especially important to us. MartinBauer maintains open and honest dialogue with its employees. We do not currently keep statistics on how many employees had a performance review and a development interview in the reporting year. However, we encourage our managers to give feedback to employees and to accept it from them in return.

Employees who receive variable remuneration (primarily levels 1-2) have an annual interview with their supervisor that reflects on aspects such as personal professional development and performance.

406-1 Incidents of discrimination and corrective actions taken

As stipulated in our Code of Conduct, any discrimination against individuals is not tolerated at MartinBauer. No incidents of proven discrimination came to light in the reporting year.

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

We are strongly committed to freedom of association and the right to join a trade union. For this reason, the legally required collective employee representation bodies are represented at our sites. In addition, we adhere to the applicable local collective bargaining agreement at all locations where it is the standard legal and human resources policy.

In 2023, there were no strikes directed against MartinBauer.

In the reporting year, there were no MartinBauer sites where the right to freedom of association and collective bargaining was violated or at risk. Therefore, no additional measures had to be taken to ensure alternative forms of employee participation or to remedy discrimination against trade unions.

Our supply chain extends worldwide and includes many different suppliers. Our Supplier Code of Conduct requires freedom of association as well as the right to organize employee associations or

trade unions. Even though we monitor our suppliers in detail, there remains a residual risk of non-compliance with those requirements. We are not aware of any violations of the right to freedom of association and collective bargaining. Due to the complexity and international nature of our supply chain, we are aware that 100% compliance with these obligations cannot be guaranteed. However, we endeavor to minimize the risk of a violation through discussions with our suppliers and through audits and guidelines such as the Supplier Code of Conduct.

408-1 Operations and suppliers at significant risk for incidents of child labor

MartinBauer does not permit any form of child labor at its own sites or on the part of its suppliers. Our Supplier Code of Conduct explicitly prohibits child labor. By signing it, our suppliers confirm that no persons younger than 15 years of age are employed – unless permitted by ILO convention or local law. In countries that fall under the developing country exception to ILO Convention 138, the age limit is 14. Suppliers also certify that they will not allow work to be performed that is likely to be harmful to the health, safety or morals of children (ILO Convention 182).

No incidents or risks relating to child labor were identified at the MartinBauer sites in the reporting year. This was verified by, for example, Sedex/SMETA audits at our sites in Germany and Turkey.

With a view to our supply chain and in preparation for the German Supply Chain Due Diligence Act, we restructured and optimized our risk management system. From that, we identified a generally increased risk of child labor in certain regions, primarily in Africa and Asia. Suppliers with higher risks are subjected to an expanded review in the form of audits or assessments. Within our mabagrown supply chains, with their special commitment to sustainability, we have established an expanded review of our suppliers and are in close dialogue with them about improvements and programs to support young people and families.

409-1 Operation and suppliers at significant risk for incidents of forced or compulsory labor

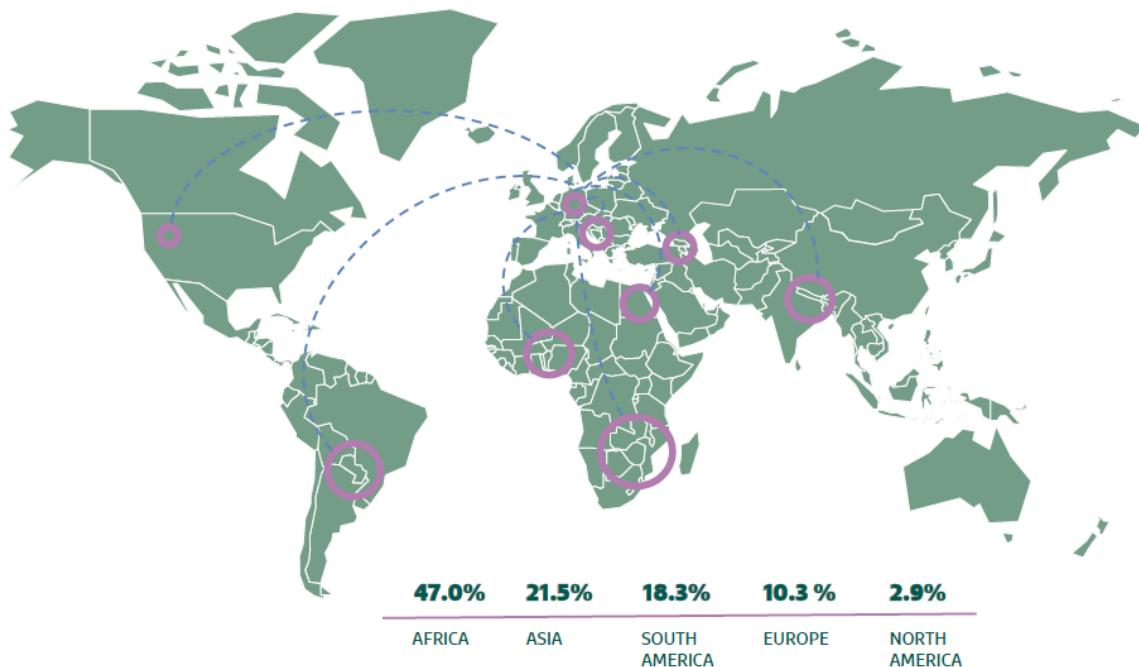
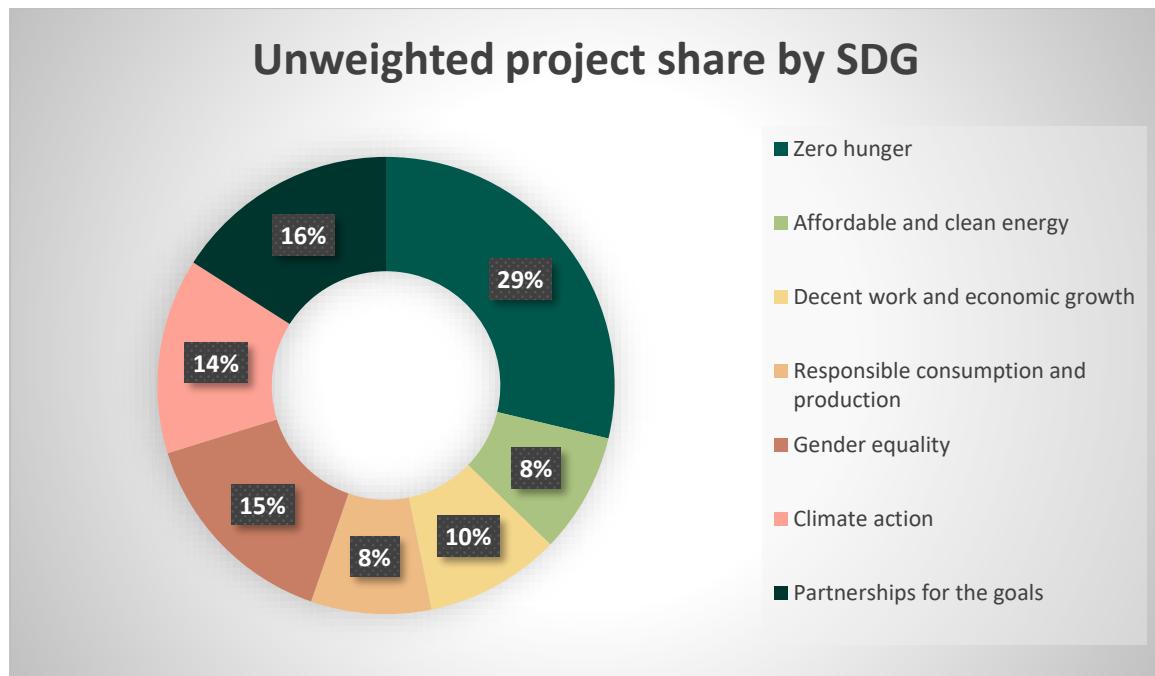
MartinBauer does not permit any form of forced or compulsory labor at its own sites or on the part of its suppliers. Our Supplier Code of Conduct explicitly prohibits all forms of forced or compulsory labor in the supply chain (including upstream suppliers). We have no information on instances of forced, compulsory or slave labor for the reporting year.

413-1 Operations with local community engagement, impact assessments, and development programs

We are in dialogue with the communities and residents at our locations of operation. In doing so, we strive to be a good neighbor and to avoid causing negative impacts as a result of our business activities, while at the same time creating added value for society. We engage with the communities where we operate. We have no information about complaints for the 2023 reporting year.

We are particularly proud of our engagement in our supply chains and our good collaboration with local communities. Since 2015, we have helped people and communities in our supply chains through more than 120 sustainability projects in 26 countries. In the reporting year, our supply chain projects contributed to the following SDGs:





The majority of our budget for supply chain projects is deployed in Africa.

With our active and sustainable supply chain management standard mabagrown, we have created not just certification but a procurement philosophy. We aim for long-term cooperation with our raw material partners. mabagrown includes holistic, controlled supply chain management for both cultivation and wild harvesting, as well as on-site cultivation consulting from our experts.

In addition, we carry out a large number of projects to improve the living standards of the local population and conserve biodiversity. Four ongoing projects from our portfolio are presented below as examples. They demonstrate our efforts to help young people and women, as well as our farmers.

Project in Nepal: Gaining ground with regenerative agriculture

We are pursuing successful approaches to making production more resilient – for example with our mabagrown-certified turmeric and ginger supplier in Nepal. The creation of kitchen gardens has improved food security for local families, while soil health is heightened through the use of home-made organic fertilizers and plant protection products. Small farmers are now better adapted to climate change thanks to the successful implementation of regenerative practices. They achieve higher yields and have control over their own production costs. This way, we overcome risks at our raw material sources and secure a robust supply.

Project in Zimbabwe: Clean drinking water saves lives

The drilling of 20 boreholes so far in Zimbabwe's Mbire District has improved access to safe water for people in, for example, the Masoka Clinic. This has had a positive impact on hygiene, greatly reducing the number of suspected cholera cases and deaths. Access to safe water has also made a huge difference to the local maternity ward and for the women who must walk many miles to give birth there. Besides the clinic, the boreholes now serve over 500 households and around 3,500 people. The central government and local government in Mbire and all the communities involved are thrilled by the positive developments.

Project in Egypt: Empowering women via micro-enterprises

The first phase of the HANA program focused on providing healthcare services to rural areas and giving agricultural workers training on healthy diets. The most impactful work in the long term, however, was the second phase, relating to women's empowerment. A support program lasting several years gave women better access to personal development options by offering literacy courses and small loans. The overall objective of the project is for 300 women to run successful micro-enterprises and thus earn additional income for their families. The project helps women acquire reading, writing and arithmetic skills – the foundations for starting a successful business. Mother-and-child health seminars are also offered.

413-2 Operations with significant actual or potential negative impacts on local communities

As far as we know, none of our business activities have significant negative impacts on local communities. As part of our sustainability strategy, we pursue the goal of improving local living conditions and contributing to the enhancement of local communities. In doing so, we actively support the achievement of the United Nations' Sustainable Development Goals. MartinBauer sees itself as a partner of the regions where it does business.

414-1 New suppliers that were screened using social criteria

As a prerequisite to doing business, we expect our direct suppliers and business partners to sign our Supplier Code of Conduct. New or alternative suppliers generally go through an evaluation process.

414-2 Negative social impacts in the supply chain and actions taken

With a view to the German Supply Chain Due Diligence Act, we have expanded our goal for the objective assessment of our suppliers. In the future, we will classify our suppliers to a risk group based on a combination of various country risk indices and certifications. This risk factor will influence how we proceed. For example, it may lead to specific actions being taken or audits carried out with the supplier.

In the reporting year, we assessed 87.81% of our existing suppliers worldwide according to social criteria on the basis of our risk assessment. This was an increase of 58.91% over our figure in the 2022 reporting year (28.90%). We did not identify any significant potential or actual negative social impacts in our supply chain. We see this policy as a reinforcement of our commitment to the supply chain and plan to continue with it.

416-1 Assessment of the health and safety impacts of product and service categories
MartinBauer stands for high-quality natural products. Each of them fulfils very precise specifications in terms of quality and product safety. Ensuring the quality of our products is our most important task. It begins in the countries where our botanical products grow, continues through their processing and transportation, and does not stop until they are enjoyed by our customers.

Anyone who processes food bears a great responsibility. To ensure the safety of our products, we adhere to strict standards, regularly conduct our own inspections, and undergo monitoring from external parties. All products are subject to comprehensive quality and inspection regulations. Product quality and product safety have top priority in our company.

Our products are thoroughly and carefully inspected on the basis of detailed knowledge of the supply chains. Our sister company PhytoLab, the leading specialist laboratory for botanical analysis, is responsible for these inspections. The independent, accredited laboratory, which is part of the nature network, is very familiar with the variety of plants used by MartinBauer. With a wealth of experience gained over many decades, it makes a valuable contribution to our product safety.

We inform our customers about the properties of our products. Any questions can be answered by the experts in our Regulatory Affairs department as well as by customers' regular contacts within the company. In addition, many of our products are certified, either according to our own mabagrown standard or according to another recognized standard such as Fairtrade, FairWild, Rainforest Alliance, Fair for Life or the EU organic logo.

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

We have no information on violations of safety or health regulations relating to our products for the 2023 reporting year.

All customer complaints regarding product quality and service are carefully processed. If necessary, corrective measures are taken and their effect reviewed.

Goals, Actions, Successes

MartinBauer has set itself sustainability goals in order to achieve its own business goals and to support the nature network's overarching sustainability strategy. Alongside the primary goal and the deadline for achieving it, the general framework defines subgoals and actions for achieving them. The tables below provide an overview of the sustainability topics on which we are taking action. We aim to continue documenting our progress towards achieving our goals as part of our sustainability reporting. To do so, we are now providing an overview of the status quo and an assessment of the progress we have made using the traffic light system.

Project status on schedule	
Project status somewhat behind schedule	
Project status behind schedule	
Not yet begun	

Our goals are listed under the ESG criteria of Environment, Social, and Governance. Within each of these criteria, we list our main goals and give a deadline for reaching them. We then describe our subgoals, including actions to be taken, the deadline, and the status quo.

ESG Criterion: Environment

Climate Protection



Main goal: Operations at our sites and in our supply chain to be climate neutral by 2030 at the latest

Deadline

2030

Subgoal	By	Action to be taken	By	Status quo
By 2030, reduce our greenhouse gas emissions in Scopes 1, 2 and 3 by 55% (baseline 2020)	2030	Follow our detailed Go Zero action plan for Scopes 1, 2 and 3	2030	In 2022 we reduced our CCF by 6% and in 2023 by 10.9% compared to the previous year and by 26.44% compared to the baseline. That puts us on schedule.
By 2030, reduce greenhouse gas emissions from purchased energy by 52% (baseline 2020)	2030	<ul style="list-style-type: none"> - Follow our detailed Go Zero action plan for Scopes 1 and 2 - Develop and install our Global Energy Management team; appoint local energy officers; introduce an energy management system - By 2025, introduce an ISO 50001 international energy management system for all sites 	2030	We have established a central Energy Management team and decentral energy officers to pursue our Scopes 1 and 2 reduction plans. We are setting up an energy management system in accordance with ISO 50001. We are building a Global Sustainable Supply Chain Services team to better assess and reduce our Scope 3 emissions.
Convert 80% of our purchased electricity to green electricity by 2025, and 100% by 2030	2025/2030	Conduct a feasibility analysis for green electricity by the end of 2023. This includes purchased electricity and our own generation.	2025	Our non-German sites are working continually to increase the share of green electricity used there (by installing their own photovoltaic plants and buying in green electricity). By 2025 around 80% of the energy will come from green electricity.

Commit to the 1.5°C goal of the Paris Agreement	From 2023	Participate in the Science Based Targets initiative (SBTi), setting climate protection goals with monitoring, and regular public reporting	From 2023	We submitted a commitment to SBTi in 2022. Our targets and our action plan were checked from Dec. 2023 to April 2024. In May our targets and action plans for 2025, 2030 and 2040 were officially validated by SBTi and published on the SBTi online platform.	
Make it possible to determine the product carbon footprint (PCF) for all mabagrown products starting in 2023	2023	Create an IT-based system for determining PCFs	2024	The IT system was finished and is being tested at MartinBauer Germany (MBV). A system for the objective calculation of PCFs has been developed. ISO 14067 certification should be carried out by TÜV by 2025 at the latest.	
By 2030, reduce greenhouse gas emissions from our botanical raw materials by 56% (baseline 2020)	2030	<ul style="list-style-type: none"> - Take targeted action to optimize energy efficiency in drying, irrigation and processing; optimize logistics and packaging for our products - Provide consulting on climate-efficient agricultural practices for avoiding greenhouse gas emissions and for carbon sequestration 	2030	Various climate protection projects and studies (drying, irrigation, regenerative agriculture) are being carried out with a focus on the mabagrown supply chains. Methodical best-practice solutions are being devised for drying and irrigation in particular. We must exercise more leverage in the supply chain and convince suppliers to get involved. We must also wait for economic incentives and use them expediently. It is particularly important to heighten customers' awareness of the need for due diligence and motivate them to support our commitment.	

By 2024, develop a sustainable transportation concept	2024	Develop a concept to reduce the environmental impacts of our vehicle fleet, company travel and company cars	2024	The CO ₂ e calculation for transportation is part of the corporate carbon footprint. At the German sites, incentives are in place to use electric vehicles. Because there are other focus projects, a transportation concept will be developed in 2025.	
Develop credible environmental projects to avoid greenhouse gas emissions and, starting in 2030, to compensate for unavoidable greenhouse gas emissions	2030	Analysis and development of the necessary number of compensation projects	2030	Various projects are being reviewed for feasibility. A planned composting project could not be realized as it did not live up to our own quality expectations.	

ESG Criterion: Environment

Procurement from Sustainable Supply Chains



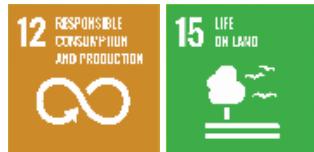
Main goal: Meet 100% of customer demand for botanical raw materials from certified sustainable or actively managed supply chains

Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo	
Gradually and proactively increase the percentage of raw materials from mabagrown supply chains so that we can continue to meet the growing demand for sustainably produced raw materials in the future	ongoing	Actively promote the use of certified products on the part of suppliers and customers	ongoing	We are implementing mabagrown in additional supply chains and continuously expanding our mabagrown portfolio.	
Improve the skills of our raw material partners in the supply chains via education and training	ongoing	Provide our raw material partners with continuous training to expand the range of certified products and climate protection measures in the supply chain	ongoing	We continue to regularly train our suppliers with up-to-date training materials. Additional training options are also offered as part of a Suppliers Day event.	

ESG Criterion: Environment

Water



Main goal: Reduce the water consumption rate at our sites and in our supply chains each year (baseline 2022)

Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo	
Analyze freshwater consumption (water balance / water footprint) at our sites and devise optimization measures on that basis	2024	Carry out water consumption analysis and devise optimization measures	2024	Data on international water consumption were collected as part of this GRI Report. We have started holding workshops at our German extraction sites. One of the aims is to reduce freshwater consumption by reusing the condensate recovered by reverse osmosis.	
Analyze water consumption in selected mabagrown supply chains and devise optimization measures on that basis	From 2024	Carry out water consumption analysis and devise optimization measures	From 2024	Water consumption analyses in mabagrown supply chains are planned for 2024.	

ESG Criterion: Environment

Biodiversity



Main goal: Preserve and promote biodiversity in our supply chains

Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo	
Commit to procuring 100% of our botanical raw materials from deforestation-free supply chains	From 2025	Create a tool to monitor deforestation; develop a system to assess risks in our supply chains	2025	Contractual obligations already exist for our partners. A monitoring concept for our international supply chain is to follow.	
Require our mabagrown raw material partners to actively preserve and promote biodiversity	2023	Actively promote biodiversity in our mabagrown supply chains via biodiversity projects	ongoing	Biodiversity action plans with our mabagrown partners are being conducted as planned. We regularly initiate and conduct adaptation projects in the supply chain.	
Promote soil fertility in our mabagrown supply chains through the use of regenerative agricultural practices	ongoing	Consulting services and targeted research projects on regenerative agriculture for our products	ongoing	Research projects to understand the effects of regenerative agriculture on agroecosystems are underway as planned.	
		Carry out additional projects in the field of regenerative agriculture	2025	Supply chain projects focusing on regenerative agriculture are underway in Paraguay and Nepal.	

ESG Criterion: Environment

Waste/Recycling



Deadline

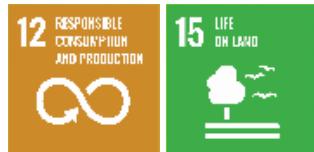
Main goal: Increase resource efficiency in production and improve our waste recycling rate

2025

Subgoal	By	Action to be taken	By	Status quo	
Optimize waste sorting to improve our material recycling rate	2024	Optimize waste sorting	2024	Waste concepts and waste balances are available for our sites. Types of waste and recycling/disposal measures are presented in this GRI Report. A company-wide waste optimization concept has been put back on the basis of the updated materiality analysis, which prioritizes climate protection and energy. That is now planned for the coming years. It has been confirmed that waste sorting and separation is performed according to the respective national requirements.	
Implement a production efficiency program by 2024 as a means to reduce transportation needs and material usage and increase occupational safety	2024	Implement a production efficiency program (Future in Tea)	2024	Future in Tea has been successfully implemented in Germany and initial investments have been made in promoting production efficiency.	

ESG Criterion: Environment

Plant Protection



Main goal: Commit to organic farming in our supply chains and optimize our use of plant protection products

Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo	
Identify and test innovative approaches to plant protection (e.g. in the field of robotics)	2025	Perform plant protection analyses and tests	2025	Concrete projects are currently ongoing that focus on innovative approaches to plant protection.	

ESG Criterion: Social

Fair Wages & Income in Our Supply Chains



Main goal: Commit to fair income conditions for the people in our supply chains Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo	
Establish a baseline with living income benchmarks for our mabagrown supply chains	2025	Collect data on living income benchmarks in our mabagrown supply chains	2025	Individual living income benchmarks are being developed with the mabagrown supply chains.	
Diversify and boost household income in our mabagrown supply chains	2025	Establish projects to diversify and boost household income in our mabagrown supply chains	2025	This topic is part of various supply chain projects in Paraguay, India, Nepal and Egypt and will continue to receive attention.	

ESG Criterion: Social

Occupational Health and Safety


8 DECENT WORK AND
ECONOMIC GROWTH

17 PARTNERSHIPS
FOR THE GOALS

Main goal: Improve the health and safety of our own employees and the people in our supply chains

 Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo	
Reduce work-related accidents in Germany to zero by 2025	2025	Implement the Safety First program	2025	Initiative successfully launched in Extract Production and rollout started in Botanicals Production, Engineering and Logistics.	
Improve the health and safety of people in our mabagrown supply chains	ongoing	Monitor our raw materials partners and suppliers and promote preventive programs on occupational health and safety as part of our mabagrown supply chain management system.	ongoing	The topic is part of various supply chain projects in Bulgaria, Germany and Egypt and is continuing to receive attention.	

ESG Criterion: Social

Employee Retention and Recruitment



Deadline
ongoing

Main goal: Be the attractive employer of choice; strengthen our employees' skills, keep them informed, and actively involve them in our sustainability efforts

Subgoal	By	Action to be taken	By	Status quo
Strengthen our employer brand for more effective employee recruitment and improved employee retention (German sites)	2024	Revamp our employer image and implement target-group-specific HR marketing measures (e.g. marketing at schools and universities, social media, staff blog)	2024	Our new campaigns for recruiting staff have been successful. We are also planning target-group-specific employer branding campaigns for young professionals, professionals, and blue-collar workers.
Find professionally and personally qualified young talent and fill all advertised trainee positions (German sites)	2023	Maintain the high level of our trainee program and improve the integration of our sustainability strategy (e.g. via sustainability workshops for trainees and instructors, trainee sustainability projects)	2023	Selection, recruitment and onboarding of 17 new trainees and dual-track students in Germany in 2023; planning and implementation of an annual trainee sustainability day; launch and continuation of sustainability projects led by trainees
Find professionally and personally qualified young talent and fill all advertised trainee positions (German sites)	2023	Optimize preboarding and onboarding process with a focus on strengthening our mentor program	2023	We offer our new employees a wide array of training and information sessions. A training series for trainee mentors starts in 2024.

Motivate our employees and strengthen their loyalty to the company	2024	Introduce an employee app to improve internal communication between managers and employees and facilitate informal dialogue	2024	A new employee app will be introduced in January 2024, initially in Germany. The Sustainability department will be responsible for highlighting the topic of sustainability. The inclusion of sites elsewhere is planned.	
		Communicate the range of attractive benefits we offer more actively and in a more targeted way, e.g. by providing information on employee pensions, bike leasing, capital-formation benefits, daycare subsidies (German sites)		We regularly optimize our provision of information on employee benefits and events.	
		Promote our women's network tea&she and support company-wide dialogue among women in specialist and management roles (German sites)		The first in-person meeting since the pandemic was held in June 2023 at our headquarters. Ongoing opportunities for dialogue via platforms, virtual meetings and walks	
Strengthen the skills of our employees (German sites)	2023	Increase the number of participants in the nature network Campus's interdisciplinary learning opportunities and support the international expansion of professional onboarding and training measures	2023	In 2023, the employees at our German sites spent an average of 14.18 hours in training and continuing education.	
		Offer our managers the support they need with leadership topics, e.g. via our "manager workshop" (basic training for managers) and talks on work hacks	ongoing	We provide continuous needs-based support of our managers on management topics. Also, the planning and running of special management training is one of the subjects offered by the nature network Campus.	

Actively involve our employees in our sustainability programs, thereby increasing our attractiveness as an employer	ongoing	Annually offer two Action Weeks devoted to the topic of climate neutrality and sustainability	ongoing	In 2023 an Action Week took place on the topic "Planting for the planet." Employees at all German sites had the opportunity to take part in the Stadtradeln cycling campaign and get motivated to leave the car at home.	
		Offer continuing education on sustainability as part of our internal Insider Live series at the nature network Campus (German sites)		In 2023 there were various Insider Live lectures for employees, including on the topic of climate protection.	
Actively involve our employees in our sustainability programs, thereby increasing our attractiveness as an employer		Facilitate eco-driving safety courses and actively promote bike leasing and green electricity deals for our employees (German sites)	ongoing	We continually inform our employees about current company offers such as bike leasing and green electricity deals. No new eco-driving courses were offered in 2023.	

ESG Criterion: Social

Diversity

8 DECENT WORK AND ECONOMIC GROWTH



Main goal: Promote diversity, inclusion, and equal opportunity

Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo
Increase the percentage of women in senior management and at least maintain the current percentage of women in all management positions (related to the percentage in the workforce as a whole)	2025	<p>Development and implementation of a diversity strategy incl. a plan of action to increase the percentage of women in senior management</p> <p>Important measures include: raising awareness for diversity in the company's internal communication, continuing education opportunities, women's network, flexible working hours, remote work, etc.</p>	2025	<p>The percentage of women in the first three management levels increased from 28% to 30%. As a manufacturing company, only 26% of our entire workforce is made up of women. This figure remained constant in 2022 and 2023. That means that we have slightly more women in management positions proportionate to the total number of staff.</p> <p>Women in management in 2023</p> <ul style="list-style-type: none"> Level 1: 4% Level 2: 26% Level 3: 39% Ø 2023: 30 % <p>Women in management in 2022</p> <ul style="list-style-type: none"> Level 1: 0% Level 2: 23% Level 3: 35% Ø 2022: 28% <p>Percentage of women in the company overall in 2023: 26%</p> <p>Percentage of women in the company overall in 2022: 26%</p>

Strive for a balanced age distribution in the company to mitigate the risks of demographic change. Promote intergenerational teamwork	ongoing	Carry out an age distribution analysis on the basis of annually collected sustainability data (GRI Report); use these as a basis for implementing measures	2024	<30 Jahre: 19% 30-50 Jahre: 53% >50 Jahre: 28% A detailed age-structure analysis is planned.	
Raise awareness among managers for the topics of diversity, inclusion and equal opportunity	2025	Conduct diversity awareness and training programs for managers, as well as programs to raise awareness within the company's internal communication	2025	We are planning relevant programs for the coming years.	

ESG Criterion: Social

Community Engagement for General Welfare at Our Sites



Deadline
ongoing

Main goal: Bolster social engagement in and around our sites

Subgoal	By	Action to be taken	By	Status quo	
Maintain our donation and sponsorship commitments, expanding them with a focus on environmental action	2024	Strictly implement the new donation and sponsorship guidelines adopted in 2023 throughout MartinBauer	2024	The donation and sponsorship guidelines have been strictly implemented worldwide. The guidelines themselves are being updated in line with current requirements.	
		Carry out an annual donation and sponsorship analysis, using it to monitor the effectiveness of our engagement		We conduct annual reporting and analyses as part of the GRI Report survey.	
Make it possible for our employees to do volunteer work	2024	Develop a corporate volunteering concept and guidelines for volunteer work	2024	A concept was drafted. In the context of the current economic situation, the timeframe for implementing the overall concept has yet to be checked for feasibility and then set.	

ESG Criterion: Social

Community Engagement in Our Supply Chains



Main goal: Support and empower the people and communities in our supply chains Deadline 2030

Subgoal	By	Action to be taken	By	Status quo	
By 2030, at least 150,000 people will benefit from our projects for improving local living conditions (baseline 2023)	2030	Implement sustainability projects to provide assistance to people on health-related issues (e.g. access to clean drinking water, health and nutrition education)	2030	In 2015-2023, we carried out 30 projects on health-related issues.	
		Implement sustainability projects to promote access to education and training for women and young people	2030	In 2015-2023, we carried out 15 projects to promote access to education and training for women and young people.	
		Implement sustainability projects to improve general living conditions	2030	In 2015-2023, we carried out 71 projects to improve general living conditions.	

ESG Criterion: Governance

Delivery Capability



Main goal: Ensure customer satisfaction via optimal delivery capability

Deadline
ongoing

Subgoal	By	Action to be taken	By	Status quo	
Ensure the long-term supply of raw materials	ongoing	Counteract supply risks (e.g. rural flight, climate change) with appropriate measures (e.g. expanding cultivation, improvement of living conditions, climate change adaptations, plant breeding projects)	2023	In 2022, the research and cultivation company Pharmaplant, which is part of the nature network, was strategically bolstered. Project cooperation is being continually expanded.	
		Support supplier development via strategic investment in selected raw material suppliers	2023	The issue of backward integration has been identified as a strategically important project and is being personally overseen by a member of the owning family.	

ESG Criterion: Governance

Supply Chain Transparency



Main goal: Increase transparency in our supply chains using digital technology Deadline 2025

Subgoal	By	Action to be taken	By	Status quo	
Develop and launch a digital solution for data exchange with our raw material partners	2025	Get all our mabagrown suppliers to use our mabatrace software	2023	mabatrace was developed specially as a transparency platform in line with specific company requirements (regarding products, agriculture, due diligence, energy, greenhouse gases) and suppliers have been incorporated into the system.	

ESG Criterion: Governance

Compliance / Due Diligence



Deadline

Main goal: Integrate the stricter standards for compliance and supply chain due diligence into our management systems

2024

Subgoal	By	Action to be taken	By	Status quo
Integrate supply chain due diligence requirements into the management systems at our sites and in our supply chains	2024	Voluntarily update our risk-based supplier management system to meet the requirements of the German Supply Chain Due Diligence Act (LkSG)	2024	The LkSG project is on schedule. Procurement processes will be adapted accordingly in 2024.
		Train our raw material partners and suppliers on the topic of due diligence in the supply chain		As part of our project, training programs are being developed and planned for suppliers in 2024.
Integrate supply chain due diligence requirements into the management systems at our sites and in our supply chains	2024	Update our Code of Conduct (COC) and Supplier Code of Conduct (SCOC) to meet the new requirements of the German Supply Chain Due Diligence Act (LkSG) and the upcoming European CSDDD guidelines	2024	The COC and SCOC are currently being updated. Subsequently, we will provide communication and training on them externally, for our suppliers, and in-house, for our own employees.
Raise awareness for the need to comply with the new due diligence requirements at our sites and in our supply chains	2024	Train our employees on the new compliance requirements affecting the areas where they work	2024	Training programs are planned as part of our LkSG project and the formalization of our compliance management.

In addition, we are committed to pursuing the following strategic goals, which we are constantly working to achieve:

Economic Performance:

Main goal: Ensure the long-term health of our company with profitable, resilient value creation

Product Safety:

Main goal: Ensure the highest product quality and safety

Innovation (Products, Processes, Supply Chain):

Main goal: Improve our products and processes with a view to sustainability and digitalization, thereby allowing us to enhance our operational excellence and reduce our environmental footprint

GRI Closing Remarks

The Global Reporting Initiative (GRI) publishes the world's most widely used sustainability reporting framework for companies and organizations. The GRI is an independent, international organization that helps companies and other organizations take responsibility for their impacts by providing them with a globally consistent language for communicating those impacts.

The GRI Index provides information on the organization (GRI 2) and material topics (GRI 3). In addition, topic-specific GRI standards on economic (GRI 200), environmental (GRI 300) and social (GRI 400) aspects are taken into account.

In MartinBauer's second sustainability report, we followed the current GRI standards and reported in accordance with them. The standard disclosures reported relate to the topics identified as highly relevant during our materiality analysis. Unless otherwise stated, the information relates to all our companies as named in this report. By expanding our sustainability management internationally, we aim to further improve the availability of data and the scope of our GRI reporting.

In the reporting year, data were obtained via newly developed, SAP-based software accessible at the various sites. The Sustainability team was available to answer questions and provide assistance in completing the survey. The breadth and depth of data varied from site to site. The data were checked for plausibility and then consolidated. The survey was designed by the Sustainability team on the basis of the GRI and the current status of the ESRS reporting standards. Data quality varies by topic and site. In the future, we aim to further professionalize our survey as well as our management of sustainability data, particularly with regard to the upcoming obligations in line with the CSRD.