# SUSTAINABILITY REPORT 2018

s Meinl

Inspiring poets since 1862.



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# Our first sustainability report

This report is the first sustainability report of Julius Meinl Industrieholding GmbH and contains information about our production sites in Vienna and Vicenza as well as their associated markets Austria and Italy. As a first step, we have chosen to report on these countries, as we have the greatest impact there through our coffee roasting. We want to give our interest groups an overview of our activities and goals in the area of sustainability, focusing on our most important product: coffee. The report is GRI-referenced and prepared in accordance with the reporting principles and performance indicators of the Standards 2016 by the Global Reporting Initiative GRI. It was approved by management without third-party review and contains information on the financial year 2018. The business year at Julius Meinl Industrieholding GmbH, referred to as "Julius Meinl" in the report, starts on January 1st and ends on 31st of December.

We are planning a two year reporting period. Our next report will be published in 2021 and cover the financial years 2019/20. We will then include our tea products and more subsidaries in our reporting. In addition, we plan to provide data and information in accordance with the GRI Standards "core" option. We look forward to receiving feedback and comments from stakeholders on our reporting. Let us know if we have been able to adequately reflect your interests and expectations, concerning the relevant activities and impacts of our business.

Mrs. Marianne Witt, Sustainability Coordinator at Julius Meinl Industrieholding GmbH, will be happy to collect feedback and answer all related questions.

Please contact us at sustainability@meinl.group



# Coffeehouse 7 Culture

## Foreword

#### Dear Readers,

We are delighted to present the first Sustainability Report of Julius Meinl Industrieholding for the year 2018. This report provides us with an initial overview of current activities and initiatives that contribute to sustainable business and management.

As a family business with a history of 156 years, sustainable thinking is deeply rooted in our company. Our mission is therefore more relevant than ever: "We want to make the world a more poetic place for us and future generations - in small but meaningful steps."

With poetry we can reach the hearts of people and, by taking our business decisions in the present with consideration for the environment and society, we contribute to handing over the world we live in to future generations in good condition.



We therefore have set the goal of transforming our current single activities into a structured management approach that strengthens our company and the Julius Meinl brand for the challenges of the future. Our strategy is based firmly on the pillars of our success - product expertise, customer service and our Viennese roots - as well as on international standards for sustainability management. We set targets and take measures to continuously improue our performance and involve our stakeholders as drivers of innovation for sustainability. From now on, we will report regularly every two years on our progress and activities along our entire value chain and monitor our impacts closely.



In the coming years, we therefore need to focus on gathering information, particularly in the upstream and downstream areas of value creation, to enable informed and conscious decisions. Currently the coffee industry is affected by climate risks and impacted by the associated market price fluctuations and speculations. Dwindling livelihoods of coffee farmers in their countries of origin represent a challenge to which we would like to devote ourselves, both through our own project and active participation in industrial associations. As an internationally operating company with strong Austrian roots, we want to make a positive contribution within the scope of our possibilities and would like to inspire as many people as possible to do likewise.

Last but not least, we would like to thank all our employees who made this report possible. Only together we can walk the road to sustainability, with small but meaningful steps.

Marcel Löffler, CEO

Arno Götz, CFO

# **About Julius Meinl**

### **Business segments**

Julius Meinl is an internationally successful Austrian family business and has been a global ambassador for Viennese coffeehouse culture for 156 years.

Founder Julius Meinl I. opened a spice shop in downtown Vienna in 1862, where he sold green coffee, cocoa, tea, spices, rice and sugar. Today, the company operates in 54 countries with local subsidiaries and sales partners, and in a further 19 countries with its own subsidiaries. Julius Meinl has more than 800 employees worldwide.

Our most important markets are Austria and Italy, along with Russia and countries in Central and Eastern Europe. The company specialises in the coffee and tea sector, with coffee being the most important category. Julius Meinl Industrieholding GmbH is the market leader for hotels, restaurants and cafés in Austria, CEE, the Adriatic, Russia and Dubai. Both our business customers - hotels, restaurants, cafés or catering (so-called HoReCa customers) - and retail partners value our high-quality products and customer service. Our company ranks among the top 3 premium coffee brands in the top-premium gastronomy category over 40 countries.

In this report, we focus on information regarding the sustainability of the coffee business of Julius Meinl Industrieholding GmbH in Austria and Italy.

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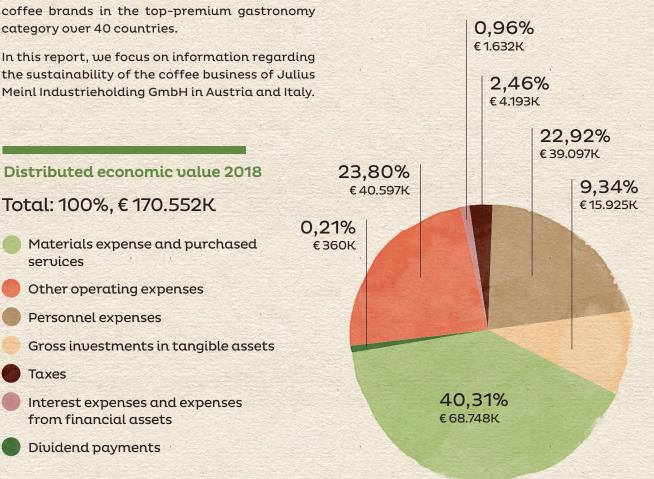
### **Production sites**

Our company is located in Julius Meinl-Gasse in Vienna, where we operate a roasting plant specializing in Viennese roasting. In 2005, we added a state-of-the-art roasting plant in Vicenza (Northern Italy), focusing on darker Italian roasts.

### **Corporate and** management structure

Julius Meinl Austria GmbH and Julius Meinl Italia SpA are 100 percent subsidiaries of Julius Meinl Industrieholding GmbH.

The Management Board Austria and Italy reports directly to the CEO of Julius Meinl Industrieholding GmbH. Group functions are located in the Holding, including Human Resources, Marketing, Controlling, Supply Chain & Procurement and Production.



# Innovation

### Julius Meinl Worldwide 2018

**Annual turnover 2018:** EUR 178.4 million

EBITDA: EUR 30.4 million

Number of employees: 845

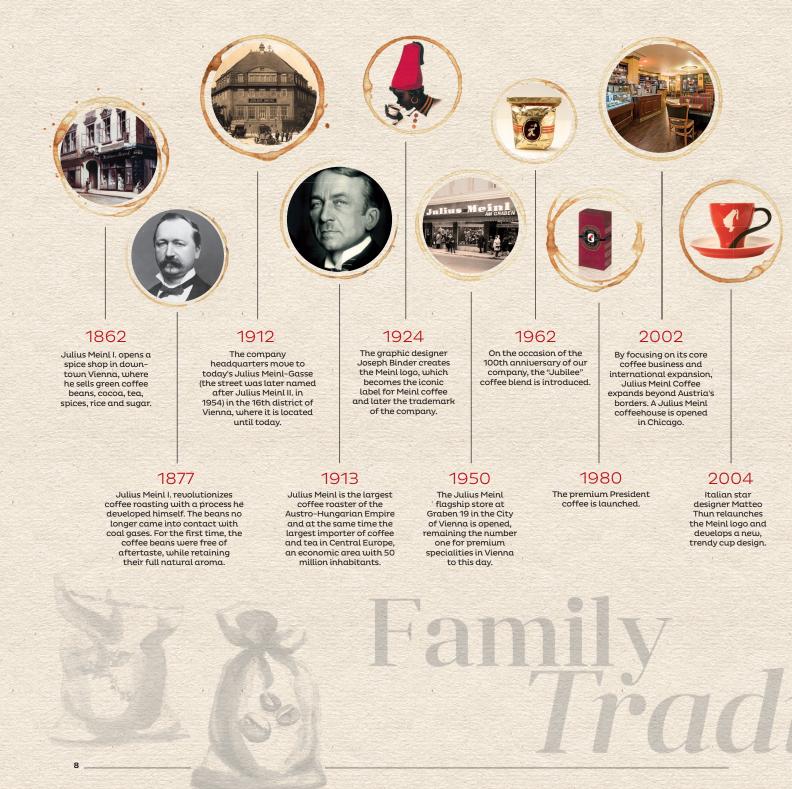
Represented in 54 countries with local subsidiaries and sales partners, in 19 countries with company-owned subsidiaries

Vienna /icenza



# "How may I serve you?

Julius Meinl I



### 2008

During the 2008 European Football Championship, Julius Meinl builds the world's largest coffeehouse between the Natural History and Art History Museums on Vienna's Ringstrasse.

### 2009

Julius Meinl's 1862 PREMIUM coffee is launched for the restaurant trade. It is characterized by its exceptional taste, its unique design and its state-of-theart technology.

50

Trendy new retail packaging designed by Matteo Thun is launched.

2010

# The concept of the French press is

introduced. Its brewing method preserves the volatile and delicate aromas in a unique and special way.

2014

### 2012

Julius Meinl celebrates its 150 year anniversary of unrivalled quality and coffee expertise and the Julius Meinl Tea is relaunched under the term "East meets West".

### 2017

Following the long family tradition of coffee craftsmanship, Julius Meinl launches "The Originals".

### 2015

21

PAY WITH A PC PARTICIPATIN

"Pay With A Poem" starts to be a big global success.

### 2019

Julius Meinl Industrieholding GmbH publishes its first sustainability report.

0 1

### 2018

Julius Meinl expands its range of cold drinks with the launch of the Fresh Tea on the Rocks collection and the innovative Cold Brew coffee series.

# Sustainability@Julius Meinl

### Julius Meinl Code of Conduct

When the company was founded, Julius Meinl I established the fundamental values on which we base our daily activities until today: Integrity, fair business conduct and compliance with all relevant laws have been part of our business for 156 years. Our Code of Conduct continues to set out the principles and rules for our conduct in the following areas:

- Ethics in our business conduct Guides our conduct in the event of conflicts of interest, corruption and bribery, political activities and compliance with competition laws
- Respect in the workplace Guides our conduct in the event of discrimination, harassment and alcohol and drug abuse
- Business integrity Guides our handling of business and financial records, procedures for audits and inspections and the handling of corporate assets and confidential information
- Obtaining advice and reporting incidents Guides our approach and responsibilities in case of compliance issues, concerns and problems

There were no incidents or reports in 2018 and no action had to be taken.

All of us, management and employees alike, are committed to these values and principles. Following the renewal and revision of the Codex in 2018, they were presented throughout the company as part of training courses and associated procedures for preventing violations were introduced. In addition to the general Code of Conduct, we have special guidelines on antitrust law that define rules of conduct with other manufacturers and our customers. In the event of suspicion, employees can contact our Compliance Officer, our Executive Board or our external law consultancy. We are currently developing a code of conduct for suppliers to address sustainability criteria in the supply chain. In the coming years, we will be communicating more intensively with our suppliers to set mutual goals.

### What we plan for 2019 -2020



Adaptation of the Julius Meinl Code of Conduct in accordance to the principles of the UN Global Compact.



100% of employees sign the Code of Conduct.



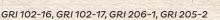
Compliance refresh.



Conduct a survey of our green coffee suppliers regarding their sustainability policy.



Development of a code of conduct for green coffee suppliers.



### Our sustainability policy

As a globally active family business, we are aware of our responsibility to future generations. We know that sustainability means more than simply complying with the law. For this reason, we at Julius Meinl adhere to the principles of our Code of Conduct and have also adopted the Ten Principles of the United Nations Global Compact as the basis of our sustainability policy.

The results of our internal materiality analysis (see p. 14) were incorporated into the sustainability policy. It covers those areas in which Julius Meinl's business activities have the greatest impact on the environment and society:

#### **Responsible employer**

The health, safety and well-being of our employees are of great concern to us. This includes promoting personal development, equal rights and opportunities for all, and family-friendly working environment.

#### **Responsible corporate management**

Julius Meinl operates within the framework of the relevant laws and regulations and also takes measures to combat corruption and illegal practices. It is important to us, that our business partner's conduct is consistent with our values.

# Respect for human rights and environmental protection along the value chain

For Julius Meinl, respect for human rights and environmental protection are of central importance in terms of corporate culture. We respect human rights in every form and expect this from our suppliers and partners. We endeavour to take appropriate measures for environmental protection, the sustainable use of resources and waste avoidance and reuse.

#### **Quality products**

We take our values into the future by cultivating the Viennese coffee culture and family heritage. We offer the best quality in all our products and, at the same time, take into account aspects of sustainability.

#### **Customer orientation**

We strive for trusting, long-term relationships with our customers and offer them excellent products and services. We want to contribute to making the world a more poetic and hence better place for us and future generations in small but meaningful steps. 99

Marcel Löffler CEO Julius Meinl Industrieholdung GmbH

Though we know that poetry alone is no solution for global environmental and social problems, we consciously want to set an example with this mission. In contrast to dry facts, poetry can reach people's hearts and create emotions. In a world full of challenges, we need to find solutions together. Even if the step's sometimes seem small to us when facing today's big issues: every little step counts.

### What we plan for 2019 -2020



Our goal is to integrate a sustainable approach and associated decisionmaking mechanisms into our structures and processes by 2020. We need to drive forward the development of competencies in order to further develop our positioning in our core business in the long term. We see this as an important competitive edge in order to open up new markets and business opportunities that will also strengthen positive impacts along our entire value chain. Through this, we will be in a position to make a contribution to global social challenges. To date, our risk management includes financial, technical and legal risks. From 2020 onwards, we want to broaden our perspective and include topics along the entire value chain. We therefore will use the GRAS tool to obtain additional information on the situation in the countries of origin of our green coffee. https://www.gras-system.org

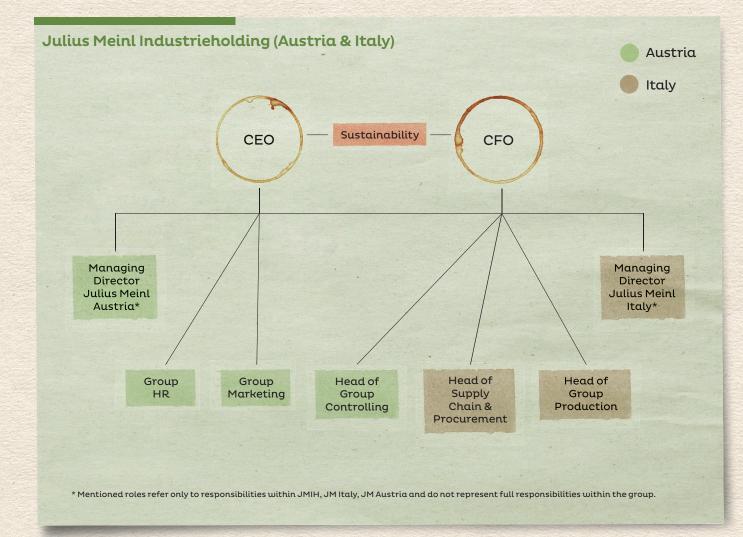
### Julius Meinl Sustainability Team

In order to continuously improve Julius Meinl's sustainability performance, the topic has been anchored in several departments of the organisation. The Sustainability Coordinator reports to the CEO and CFO and is responsible for managing and coordinating the Sustainability Team and its activities. The team consists of management representatives from all relevant departments in Vienna and Vicenza, meets twice a year and holds ad hoc or topic-related video conferences.

The implementation of the measures taken so far is reviewed, initiatives are discussed and the sustainability agenda consistently developed. Decisions and progress are reported to management on a quarterly basis. Coordination with the workers council at the Vienna and Vicenza production plants is ongoing.

#### Departments represented in the team:

- Global Procurement
- Fleet Management
- Production Management
- Human Resources Management
- Supply Chain Management
- Marketing & Sales Management



### **Our Stakeholders**

A considerable number of people are directly or indirectly affected by our actions: From local farmers who grow our coffee to consumers who enjoy it. At Julius Meinl we have always been aware of the responsibility for the quality of our impact. Stakeholders are the relevant persons or groups who are affected by or can influence our decisions and business activities. As those decisions have an impact on future generations, we also include them among our stakeholders. As part of a one-day workshop in September 2017, we conducted a stakeholder analysis for the first time. Representatives of the management team responsible for Human Resources, Global Procurement, Production and International Sales jointly identified the key stakeholders along the value chain. By identifying the most important concerns as well as the channels of communication through which external stakeholders engage in dialogue with various Julius Meinl departments, a list could be drawn up and included in the materiality analysis. The next step will be to weigh the issues relevant to the stakeholders.

### Stakeholders along the value chain

Employees, B2B customers, business partners and distributors, owners

Consumers, suppliers, investors Future generations, local communities, coffee farmers and workers, media & the public

#### Stakeholder Engagement

### Information Providing transparent information

Julius Meinl informs its stakeholders about the company's developments on various channels like our website www. meinlcoffee.com, Facebook, Youtube, Twitter and Instagram, in press releases and conferences or our Sustainability Report 2018

### **Consultation & Dialogue** Listening and Learning & Open Exchange

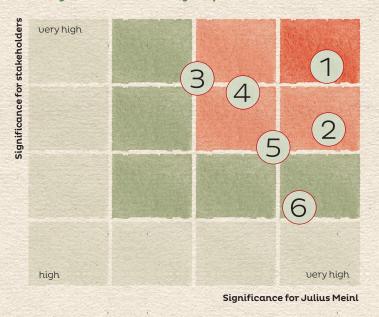
Regular exchange with various stakeholders on their concerns takes place mainly through personal conversations, but also by telephone, in meetings, customer visits and at events, trade fairs, etc.

### **Participation** Active cooperation

Cooperation with coffehouses for Poetry Day or the Pink Ribbon Initiative as well as the Colombian Heritage Program or within our membership in the Specialty Coffee Association (SCA)

### Relevant topics along our value chain

In the course of the workshop to identify the most important stakeholders, we conducted a materiality analysis. Relevant topics were identified based on the core issues of the CSR Guideline ISO 26000, the United Nations Sustainable Development Goals (SDGs), global megatrends and the GRI Sustainability Reporting Guidelines. The representatives of the management team discussed possible key issues and impacts before prioritising them. The relevance for internal and external stakeholders and the possible economic, environmental and social impacts of Julius Meinl were taken into account. Important issues for external stakeholders were identified and included through the analysis of dialogic communication formats used by various corporate divisions and the concerns raised therein. In 2018, we established our sustainability policy based on our key topics. (see p. 11)



#### Materiality Matrix: Our key topics

- 1 Prevention of environmental pollution
- 2 Customer services
- 3 Responsible employer
- 4 Anti-corruption and ethical compliance
- 5 Sustainable procurement
- 6 Risk management along the entire value chain

#### What we plan for 2019 -2020

We are aware that external stakeholders must be further involved the identification and assessment of key issues. We have therefore defined the following next steps:



Online survey of relevant external stakeholders on important environmental and social issues to complete our definition of key sustainability issues.

Qualitative interviews with five stakeholders per interest group in order to deepen the insights on selection and motives of the stakeholders concerning the relevant topics.



# Responsibility for our employees

Our long-standing corporate success, our good reputation and our passion for coffee are supported by talented and motivated employees. They make Julius Meinl a market leader in the coffee industry.

### Corporate culture

We are proud of our successul and pleasant teamwork and positive working atmosphere. Respectfulness, a high degree of personal responsibility and value orientation are the hallmarks of the cooperation between owners, management and employees at Julius Meinl. Some of our employees fathers (and even grandfathers) were part of the corporate Julius Meinl family and other employees have been associated with our company ever since their apprenticeship.

Equally important and gratifying is the fact that many bright new minds are constantly finding their way to us and enriching our company. As an internationally active company, we draw on the diversity of our employees. Today, cosmopolitan people with an entrepreneurial spirit from 15 nations find plenty of opportunities for professional development and contribute their expertise and experience to Julius Meinl.

We strive to create a familial working environment for our employees in which they can develop to their full potential. Health, safety and well-being play an important role at Julius Meinl.

#### Equal rights and equal opportunities

We are committed to equal rights and opportunities for all our employees, without any discrimination on the basis of

- race, colour, ethnicity or national origin
- gender or gender identity
- sexual orientation
- age
- religion
- handicap
- any another protected status

Decisions about employees and applicants are made solely on qualifications and work-related performance and never on non-work-related aspects.



 I started my career at Meinl as an apprentice.
Today, after more than 55 years, I am responsible for the roasting of coffee in the Vienna Roastery.

> Johannes Reischer Roasting Master, Vienna

### Introduction to Julius Meinl

Every newly hired employee joins the company and participates in an onboarding program. In addition to discussions with department heads, this includes visits to production, laboratory operations and field service. The aim is to gain an insight into the Julius Meinl culture and the various work processes as quickly as possible. The onboarding phase also includes internal training on barista basics, latte art and tea. As ambassadors of Viennese coffeehouse culture, it is important for us to convey knowledge about coffee cultivation, roasting and preparation right from the start.

#### Training

Julius Meinl attaches great importance to promoting the professional and personal skills of its employees and uses the "70:20:10" approach: 10 percent classical training outside the workplace, 20 percent information and exchange of best practice examples, 70 percent training on the job, supplemented with project assignments and job rotations.

#### Further developement

As an internationally active company, Julius Meinl has introduced a transparent and consistent process for the further development of its employees. Effective People Development (EPD) applies to the entire company and all business units.

Every year, our managers conduct employee appraisals to assess their personal performance and plan their careers.

In addition to individual employee's targets for the coming year, individual development goals are determined based on the potential and needs of the employees. These are in line with the six basic principles of Julius Meinl:

- 1. Let's do it together.
- 2. Lead & take responsibility.
- 3. Be result-oriented.
- 4. Be an entrepreneur.
- 5. Be proactive and ready for change.
- 6. Analyse & argue based on facts.

The EPD and Julius Meinl's international orientation allow employees to pursue an international career within Julius Meinl.

#### Workplace Health

The company's internal health programme includes preventive measures such as vaccinations, hearing and eyesight tests and first aid courses. These services are determined annually by HR Management together with workers council representatives and our occupational physician, and are available to all employees. Financial support for membership fees in fitness centres round off the programme.

Total: 124 Women: 35 (28,23%) Men: 89 (71,77%)

### Employees in Austria and Italy

Total number: 214 Women: 69 (32,24%) Men: 145 (67,76%)

16

57,94% Austria

42,06% Italy

Total: 90 Women: 34 (37,78%) Men: 56 (62,22%)

### Family Day

As a family business, we have a special relationship with the topic, because we know the value that a sense of togetherness and shared community activities can bring. Julius Meinl Family Day took place for the first time in Vienna in 2018 for all Austrian employees and their families. Further Julius Meinl subsidiaries will follow in the coming years.

The objective of the Family Day was to create space for personal conversations in a playful setting and through team-building activities – especially for employees who rarely see each other or usually communicate by e-mail or telephone.

There were roasting and museum tours by members of the Meinl family, play stations on the history of the company, coffee and other products, in order to

- have fun together
- increase identification with their company

 give the employees' family members an insight into the company

### What we plan for 2019 -2020



Family Day in Vicenza.



Audit Career & Family 2020 in Austria.

Introduction of a proposal system for sustainability in Vienna and Vicenza: employees are to be given the opportunity to contribute ideas on sustainable topics and projects. These are then to be discussed and evaluated among the Sustainability Team and submitted to management.

# **Our passion is coffee**

Jeannette Meinl is responsible for Green Procurement at Julius Meinl. We asked her about her passion for coffee and the challenges coffee cultivation faces due to climate change.

# To find the best coffee beans for Julius Meinl, you have to travel long distances. Where does your passion for coffee come from?

My passion for coffee was sparked when I first went to Brazil with my father to visit our long-standing coffee supply partners. I am still in contact with many of them today. The wonderful thing about my job is that you can discover something new every day. It's not just about coffee, it's about the people and the families behind it. One learns so much that goes far beyond the coffee business, because coffee purchasing is multiculturally interconnected and, moreover, political factors play an important role.

# Many of your suppliers have long-standing business relationships with you. What are the advantages for a company like Julius Meinl?

Long-standing business relationships are important. On the one hand, it's about trust, on the other hand it's about the best qualities. We have known many of our suppliers for decades. They also share a passion for coffee with us. This is one reason why we can trust that they will achieve the best quality and harvest results. As a family-owned company, it is important for us to know how our coffee farmers live and to support them in the best possible way. That is one of our strengths.

# What do you pay particular attention to when purchasing and how do you check the quality of the beans on site?

During our visits at the origin, we can already see how the harvest will develop. We are often on site during the harvest. We therefore also know how our partners process the coffee cherries. Of course, we also check the quality at our partners within the framework of cuppings. These are all criteria for what qualities we can expect.

#### What is the quality of a bean and what environmental influences play a role?

This essentially depends on the following factors: the variety, the soil, the climate, the cultivation height and the processing method.

# Julius Meinl enjoys working with small farms and cooperatives. What advantages do you have and are there also advantages for local farmers?

We can rely on the qualities because we know the coffee farmers and their families personally. At the same time, we know where and how we can best support them. Because more and more often the work of the coffee farmers is no longer profitable: their means are not sufficient to buy new machines or drying plants. However, these are essential factors that influence the quality of a harvest and thus of course the selling price.

For this reason, we launched a pilot project in South America at the beginning of the year, the Columbian Heritage Program. We give farmers the means to improve the quality of their crops and achieve higher prices. It doesn't help to build schools if the families can no longer make a living from growing coffee. This is about personal appreciation, about the farmers earning so much that they and their families can really make a living from it.

to In het 21 years

Do you already see the effects of climate change on coffee cultivation and what challenges do farmers and coffee producers face as a result of the changed conditions?

Climate change has become clearly visible: high-quality coffee is growing faster than before and more and more money has to be invested in irrigation systems.

#### What measures do you consider important to counteract these risks?

We have to pay good prices to make restructuring at source possible. At the same time, industry is called upon to provide agronomists who can make the necessary changes with farmers. We are already doing this as part of our Columbian Heritage Programme.

#### What goals has Julius Meinl set itself for this project over the next three years?

Our primary goal is to enable participating coffee farmers to obtain UTZ certification. To obtain this certification, they need to meet the UTZ standards. From the first year of certification, the farmers shall meet economic, social and ecological requirements, which will be extended to more demanding ones in subsequent years. In this way, continuous improvement will be achieved.

In the future, we will purchase all of the Julius Meinl Coffee Group's Colombian coffee requirements from these farmers, thus guaranteeing them a fair and secure source of income in the long term.

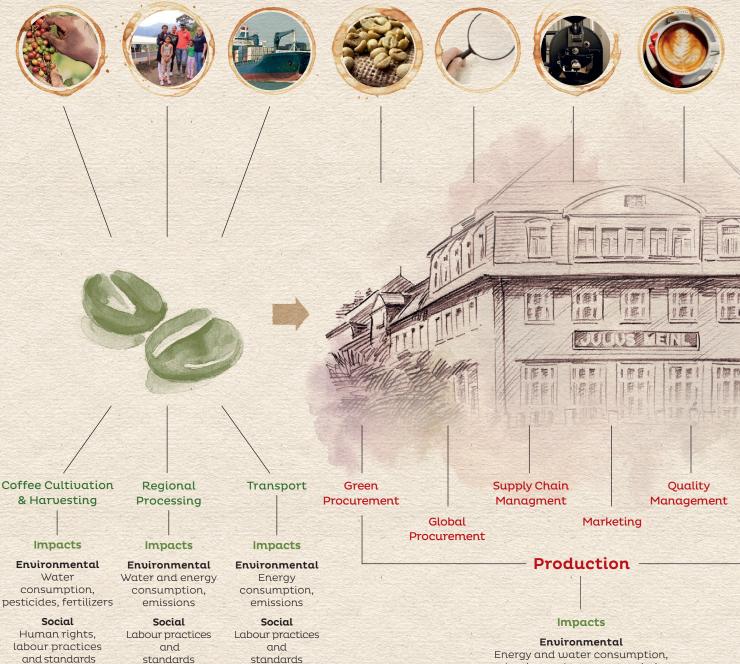
You've got UTZ certified products and Fairtrade coffee in your range. What percentage of the total purchasing volume is accounted for by coffee varieties with these two seals of quality, and what potential do you see in this for the coming years?



Currently 18 percent of the total tonnage relates to certified goods. This share will continue to rise in the future. We stand for the highest quality in Austria and internationally, which is why it is always an issue of availability for us. Only when we can be sure that we have the best UTZ and Fair Trade quality at our disposal will it be possible for us to convert more blends.

# The coffee value chain

# The journey of a coffee bean.



Economic Income creation standards

Economic Income creation standards

Economic Income creation production and transport emissions, material consumption (packaging, marketing), waste water

#### Social

Labour practices and standards, sales and marketing practices

> Economic Employment, taxes



Water consumption (l)	0,21
CO <sub>2</sub> emissions (kg)	0,77
Energy consumption (kWh)	1,13

\* refers to Julius Meinl production in Vienna and Vicenza, not to the entire coffee value chain

# Stages of our value creation

Julius Meinl obtains its coffee from many parts of the world, with the majority coming from plantations in Brazil and Vietnam. These two countries account for about 62% of total volume.



### Coffee Cultivation & Harvesting

The best cultivation areas for coffee are in the tropical countries along the equator in the 'coffee belt', where coffee plants have the optimal conditions to thrive. Our coffee beans come from Brazil, Vietnam, India, Honduras, Nicaragua, Colombia, Ethiopia, Uganda, Kenya, Tanzania, Costa Rica and Guatemala. As in viticulture, the location and the soil are decisive for the taste of the beans along with the climate. The best quality coffee is often grown on steep slopes, where a special microclimate and volcanic soil create ideal conditions.

For growth, the plants prefer locations up to 2200 metres above sea level, depending on whether they are Arabica or Robusta coffee beans.

In the wild, coffee trees can grow up to fifteen metres high. On the plantations, they are regularly pruned back to about two to three metres to enable harvesting.

After blooming, the coffee bushes bear berries. These are called coffee cherries because of their appearance. Ripe cherries can be recognised by their bright red or yellow colour. Each cherry contains two seeds - the coffee beans.

Not all coffee cherries ripen at the same time, making "hand picking" the best harvesting method for high-quality green coffee. Only the fully ripe fruits are selected and picked by hand. Other harvesting methods are stripping or machine harvesting. However, these have the disadvantage that fruits that have not yet reached their full ripeness can be harvested and processed.

### Where our coffee beans come from



### **Regional processing**

After harvesting, further processing must take place as quickly as possible, so that the fruit does not begin to rot.

The red flesh, parchment skin and silver skin are removed from each coffee bean. Various processes are used for this purpose. The beans can be prepared dry, semi-dry or wet. Each process affects the taste of the roasted beans.

In dry processing, the coffee cherries are dried outdoors and turned continuously until the pulp separates from the bean. They are then sent to a peel mill, sieved and then sorted, because the size of the beans also counts during further processing.

Wet processing separates the pulp from the kernel under running water using a press. The beans are then fermented, washed and dried under controlled conditions in a water tank. The dry beans are mechanically removed from the parchment shell and sorted again according to size. For this treatment, sufficient water must be available, which is why it takes place mainly in regions with a lot of rain during the harvest.

In semi-dry processing, processing starts in the same way as wet processing. The pulp is crushed in the press. However, here dry fermentation takes place with the help of the sun. The dry beans are then removed from the parchment shell in a mechanical peeling machine and sorted by size.

After processing, the dried green coffee beans, also known as "raw coffee" or "green coffee", are filled into bags or containers and shipped.

#### **Ecological and social impacts**

In the past, coffee was mainly grown in areas where large trees provided shade and shelter from the wind. Nowadays, coffee is mostly grown on larger, unshaded plantations. This makes it easier for farmers to harvest. However, by eliminating the natural protection of trees, the soil loses nutrients faster and plants become more susceptible to pests. To prevent this, coffee farmers have to use more fertilizers and pesticides, which in turn lead to higher production costs. The mainly small farmers are often unable to afford financing and over-indebted. In addition, they are exposed to strong price fluctuations on the world market.

The risk for Julius Meinl of finding pesticide residues in the coffee beans is very low. Pesticides are mainly found in the outer flesh of the coffee cherry, which is removed during the processing of the coffee beans. We regularly check our coffee beans for pesticide residues by random sampling. In recent years, not a single sample has been identified as exceeding the legal limit.

### What we plan for 2019 -2020

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We are aware of the problems involved in the cultivation and harvesting by farmers. This is why Julius Meinl launched the "Colombian Heritage Program" in 2018.



It is intended to provide around 50 Colombian farmers with support to generate a secure source of income through building up building up knowledge on gentle forms of cultivation. In this way, we intend for the farms to be preserved for future generations and that they can provide families with a livelihood. You can read more about our project on page 36.

We are also looking forward to working with organizations on human rights and social standards, such as the United Nations Global Compact.

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# **Green Coffee Procurement**

Julius Meinl sources its green coffee mainly directly from the countries of origin from producers and cooperatives, as well as from international trading houses in Europe, America and Japan. With many of these suppliers, we have had business relationships for decades, based on mutual trust and fairness.



For each batch to be purchased, our quality control department receives a representative sample and checks whether the beans meet Julius Meinl's requirements. If this is the case, the desired quantity is purchased.

### **Certified coffee**

18 percent of the volume of green coffee that Julius Meinl purchases meets internationally recognised sustainability standards. This coffee is certified by Fairtrade, UTZ or the Rainforest Alliance (RFA). This certification is intended to guarantee that the coffee was grown and harvested responsibly and that the farmers are paid fair prices for their coffee beans.

### Transport

90% of the green coffee purchased is shipped to Genova, Trieste and Livorno; the remaining 10% is shipped to the northern European ports of Antwerp and Hamburg.

Usually the green coffee is delivered from the port of arrival via truck. The coffee bound for the roasting plant in Austria is also delivered to Vicenza, where it is thoroughly selected & cleaned before being sent on to Vienna.

In 2016 we tested intermodal transport, a combination of train and truck, for the first time: approx. 20% of the cargo from the Italian ports was transported by rail to Padua with the so-called "last mile" being carried by truck. Unfortunately, this test operation has so far not proven to be sufficiently reliable. We are continuing to work on improving the use of intermodal, environmentally friendly transport solutions. They are also to be expanded in Austria.

### Total volume 2018: 17,435 tons

UTZ	ORGANIC Fair Trade	RAIN FOREST
2.442	619	118
14,01%	3,55%	0,68%
Statistics of the	The second s	and the second

# **Production & Roasting**

Before the green coffee begins its journey to Vicenza, a sample is tasted. If the decision is made to buy the coffee after the tasting, a sample of that green coffee is sent to the respective roasting plant. This sample is used upon delivery of the green coffee to check the goods. If this is approved, blending specialists and roasting masters from Julius Meinl become active. They develop a taste profile accordingly to the specific varieties that are combined in a blend. We traditionally use highland Arabica and Premium Robusta beans to create our blends.



Creating new blends requires great experience, creativity and skills, which are also needed for the reproduction of existing coffee varieties, as the well-known taste must always remain the same.

The roasting process in Vienna and Vicenza is computerized and uses state-of-the-art technology. A roasting master constantly monitors the roasting process, guaranteeing the finest nuances and high quality of the coffee.

During roasting, the coffee beans are strongly heated so that they develop their aroma. The height of the temperature and the roasting time determine which taste characteristics of the coffee are accentuated with the development time playing an important role here. So that the beans do not burn, they are constantly kept in motion and immediately cooled after roasting. During the roasting process, the coffee beans lose water and become lighter. Depending on the degree of roasting, they lose up to 20% of their original weight while doubling in size. The colour changes during roasting from green to light or dark brown.

Experts distinguish between light, medium and dark roasts. With light roasting, the coffee tastes rather sour and fruity, but very aromatic and complex. With dark roasting, the coffee becomes tangier, with a slight caramel note. The reduced acidity can show a distinctive, espresso-typical bitter note.

Our coffee studio in Vienna develops our premium blends, special blends and numerous single origins as well as specialty coffees. All blends are traditionally roasted in a drum roaster. Computerized and environmentally friendly, this is done under the care of our roasting master Johann Reischer, who has been working for Julius Meinl for more than 55 years.



### **Responsible production**

Our roasting plants in Vienna and Vicenza are certified according to the food safety guideline IFS, the International Food Standard. Compliance with this standard ensures that our coffee is produced in accordance with customer requirements and the law and that we continuously improve our internal food safety management system. Our production site in Vicenza is also certified according to the ISO 9001 quality management standard.

#### **Environmental management**

In addition to these standards, we have implemented an environmental management system at our roasting plant in Vicenza in accordance with the globally recognised ISO 14001 standard. This defines our environmental policy, objectives and measures, and takes into account potentially harmful environmental risks that could arise from our production.

As a result of the numerous improvements made in recent years regarding the environmental friendliness of our production, we can highlight a number of climate-friendly measures as of 2018:

- The loading and unloading of green coffee was changed from traditional jute bags to full ship containers. This meant we were able able to increase the volume of coffee per container by ten percent and save energy in transportation.
- The roasting plants in Vienna and Vicenza were able to achieve a continuous improvement of the roasting results through numerous upgrades. The annual savings amount to around € 500,000. In 2018, we achieved an improvement of 2-3 % in the ratio of green coffee to roasted coffee.
- Energy recovery system in Vicenza. We use the waste heat from our roasting machines to heat or cool our offices, reduce our energy consumption and thus also our CO2 emissions. The savings here amount to 2.1 MWh per year and thus 1,050 tonnes of CO<sub>2</sub> per year. In Vienna, roasting gases are filtered, with the resulting heat recirculated and reused for production.

- The conversion of indoor and outdoor lighting to LED in Vienna was 80 percent completed in 2018. The full conversion is planned for 2020. The exterior lighting of the buildings is lightdependent and digitally adapts to the natural lighting conditions by dimming to prevent night-time light pollution.
- In both production sites, Vienna and Vicenza, we obtain our electricity climate-neutrally from hydropower and other renewable energy sources. In general, we pay attention to maximum energy efficiency in our production processes and in our energy consumption.

## The production in Vicenza has the following management systems certifications:

- ISO 14001 Environmental Management
- ISO 9001 Quality Management
- BS OHSAS 18001 Standard for international occupational health and safety
- IFS International Food Standard Food Safety Standard

The production in Vienna operates in accordance with IFS International Food Standard.

### What we plan for 2019 - 2020



Establish environmental and energy management systems in Vienna.

# Sustainability



66 We are convinced that good ideas for a better environment are also good ideas for better business. 99

> Alessandro Rettore Head of Group Production



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GRI 102-11, GRI 103-2, GRI 103-3

# **Global Procurement**

### **Procurement guidelines**

In addition to our Code of Conduct (see page 10), which contains rules for employees when dealing with suppliers, we have special purchasing guidelines for Global Procurement.

These apply to the entire Julius Meinl Group and provide clear instructions for purchasing processes. The guidelines are accompanied by an authorization plan that describes exactly who is allowed to approve purchases in the company and up to what amount.

Both documents are regularly updated and distributed to all key positions. These, in turn, are responsible for communication in their area of responsibility. Compliance with the guidelines is checked through internal audits.

### **Global Procurement**

In addition to Green Procurement, for purchasing of green coffee, Julius Meinl also has Global Procurement, a department responsible for purchasing all material but coffee, such as machines, trade food and POS material.

These three categories include a large number of subgroups and their associated products. In 2018, we collected information on the manufacturing and usage of five key products and considered how we could become more sustainable in procurement in the future.



### What we plan for 2019 - 2020



Within the next two years, we will review further product groups for sustainability criteria and strengthen our cooperation with suppliers to this end. In addition, we will revise our purchasing guidelines.

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Franz Steirer Owner of Sugar&Co







ulius Mein

### Machines and equipment

# Commercial coffee machines for the catering trade

- 100% of our purchased machines are produced in the EU
- 60% of our commercial coffee machines have an energy-saving mode
- Some of our producers publish a sustainability report

#### Grinders

100% of our coffee grinders come from the EU

#### Automatic coffee machines

- 70% of our fully automatic machines come from the EU
- 100% of our automatic coffee machines have an energy-saving mode

#### **Capsule machines**

- 20% of our purchased machines are produced in the EU, the rest in China\*.
- 85% of all capsule machines have an energy saving mode

### Trade Food

#### Capsules

In 2018 the capsules were still made of plastic with an aluminium seal

#### **POS Material**

#### Coffee-to-go cup

In 2018 the cups were still made of paper with a PE coating, the lids were made of heat-resistant polyethylene (PE)

#### Coaster

100% of our coasters are FSC (Forest Stewardship Council) certified. The paper is sourced from socially and environmentally responsible forestry

\* Reasons for China: The EU market is monopolised by OEMs (Original Equipment Manufacturers). Since we provide a system-compatible capsule, it is not possible to cooperate on a European level. China is well advanced in terms of technology and product understanding. China has the best price-performance ratio.

# **Packaging & Disposal**

The packaging of our coffee has to meet several requirements. On the one hand, they have to appeal to our customers and, on the other hand, they have to meet quality and hygiene criteria that both meet our own requirements and comply with legal regulations. The EU legislation provides for a large amount of mandatory information, which we list on all packaging. When using materials, we pay attention to what they are used for (i.e. what purpose they must serve), how often they are used and what happens to them after use. Packaging should be as light as possible in order to cause as few emissions as possible during transport due to its low weight.

In general, we try to avoid and reduce waste in production. Several years ago, we began to reduce the waste of packing materials through technical measures for our packaging machines. As a result, we have saved approx. 1.5% of the packaging material used for coffee to date.

We use reusable pallets and large coffee bags (Big Bags) for the transport of the coffee. These are repaired by us as often as possible and reused until end-of-life. The seed skins of green coffee beans resulting from the roasting process are pressed into pellets in Vienna and thermally utilised by an energy company. All other waste is collected separately and properly disposed of in accordance with the European Waste Catalogue.

We research new materials and test recyclable packaging. This is a particular challenge, as our demand for quality and freshness is very high. As for the Fez, our technologically highly developed, innovative bean container for coffee grinders, which is made of plastic, and also with the composite packaging of our coffee varieties, we have not yet found alternative material solutions that meet our high material and functional requirements as well as legal regulations.

We are aware that in a way we are also responsible for waste generated after the consumption or use of our products. Our business customers can hand over the Fez to our service team for proper disposal. We have no direct influence on the end consumer. Therefore, it is all the more important for us, to use materials that do not pollute the environment, even if they are not disposed of properly.



### What we plan for 2019 -2020



Global sourcing of compostable coffee-to-go cups and lids made of bagasse by 2020.

By : be

By 2020, all capsules in our range will be made of biodegradable materials that can be composted industrially.

## **Customer Service**

### Hotels, Restaurants, Cafés

"How may I serve you?" It was with these words that Julius Meinl I. welcomed his customers to his business more than 155 years ago. To this day, this attitude is part of our corporate culture. At Julius Meinl, worldwide service of the highest quality is a top priority.

All our technicians have completed the SCA (Specialty Coffee Association) barista courses, which are recognized according to worldwide standards. We have a large service team and our technicians regularly visit customers on site. They carry out all maintenance work and check the settings of the machines. If necessary, they train the catering staff to prepare the perfect espresso. Not only does the correct handling of the commercial coffee machines and grinders contribute to this, but also the correct daily cleaning.

Repairs are carried out quickly and, if possible, directly on site. This reduces valuable machine downtimes to a minimum. If this is not feasible, we immediately provide a replacement machine to bridge the gap.

### Consumers

201

Our principle "How may I serve you?" naturally also applies to our end consumers. Our high-quality coffee products are successfully distributed by a large number of trading partners. If consumers have questions or complaints about one of our retail products, our quality assurance team is at their disposal. Requests or complaints usually reach at the generally accessible address on our website, or by telephone at the reception desk, and are immediately forwarded to the appropriate department. The team takes each request seriously and works according to a standardised complaint management system to deal satisfactorily with the problem. Our aim is to provide consumers with rapid feedback on their concerns. Inquiries and complaints can also be made specifically at coffee\_complaints@meinl.at.

It takes excellent beans to make a perfect coffee, and years of experience. We pass on this know-how and our passion to our customers in every visit.

Thomas Krisko Coffee consultant

# **Next Generation**

Dr. Christina Meinl is Head of Innovation in Global Marketing at the Julius Meinl Coffee Group and has been Vice President of the global Specialty Coffee Association (SCA) since 2019. We asked her about the challenges the coffee industry is facing and the potential opportunities that this could present for Julius Meinl.



Being in charge of innovation, where do you see the challenges and how do they relate to sustainability?

Climate change and the development of coffee prices are the global challenges of the future. Julius Meinl was founded in 1862 and has been a family business for more than 155 years. Sustainable entrepreneurship has always been very important to us and still is today. It is about assuming responsibility and not seeing innovations detached from the climate crisis and the scarcity of raw materials. The development of new products has always been a top priority for us and under today's conditions it is more of a challenge than ever. It is important to us to remain interesting, both with the products and with the brand, but with global trends in mind.

# What is your greatest concern, and where do you see the greatest leverage at Julius Meinl in making coffee production climate-friendly?

Measures to reduce the amount of waste along our value chain are of great concern to us and we are working intensively on compostable materials and zero waste concepts. In addition, there is still potential for optimisation in the areas of production and transport. Here, too, new technologies are needed, for example to further reduce energy consumption, which we will face up to in the future. You are Vice President of the Speciality Coffee Association SCA - what changes do you see in the global market with regard to climate and environmental awareness?

There is a lot of public discussion about zero waste and the causes and consequences of climate change. But also what each individual can do is of great importance. This is changing consumer awareness and buying behaviour step by step. We are only at the beginning of this rethinking process. It's not a big move yet, but the signs are there and internationally companies are already reacting.

### The exchange of experience, knowledge transfer, research and training are the primary instruments of SCA. Do you also set priorities in this network on ecological and social issues?

Absolutely! We have launched e.g. a "Price Crisis Initiative" to address the problem of low prices for coffee producers. They are not paid enough for their coffee to maintain profitable farming. A study conducted by SCA in 2017 on the profitability of coffee farms showed that a large part of it falls below the price threshold for profitability. The initiative is addressing this problem in order to find opportunities for joint solutions. SCA's Equity, Diversity & Inclusion (ED&I) Task Force is concerned with developing support processes for generational change, multicultural skills, or managing change at member organisation level. The Task Force was set up in the hope of being a role model for others. It develops materials for training on ED&I principles and conducts gap analyses and other audits of SCA policies and practices.

# What aspects of sustainability besides packaging and the environment are particularly important to you?

I put people first. I personally find the compatibility between family and work very important for the future. In my opinion, in order to promote top people and get young talents, every modern company today must be open to the desire for family and work and provide opportunities for flexibility and openness. This promotes satisfaction, health and personal happiness. For me, this is also a definition of sustainability.

# What would you like to implement together with your network partners for a sustainable future?

I dream of a fairly traded, consumer-friendly and waste-free single-portion coffee of highest quality.

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### Specialty Coffee Association (SCA)

The Specialty Coffee Association (SCA) is a member association with thousands of coffee professionals and organizations in over 100 countries around the world. Education, events and research for everyone are the focus of this non-profit, member-based association. The common goal is to improve the quality of coffee worldwide, in an inclusive, fair and sustainable way.

# Social Investments & Engagements

### The Viennese Coffeehouse Culture

Julius Meinl is a worldwide ambassador of the traditional Viennese coffeehouse culture, which, in combination with the enjoyment of our coffee, creates space for inspiring time-outs and poetic moments. The recipe for our success is classic Viennese roasting artisanery and comprehensive customer service.



The Viennese coffeehouse not only stands for its unique coffee culture, but also for its inspiring effect on artists and poets. In this sense, Julius Meinl has set itself the goal of bringing numerous poetic moments into people's everyday lives and to motiuate as many people as possible worldwide to rediscover their creativity.

We want to create a way for people from the digital world back to real life. It's important for everyone to take online time-outs, meet friends, exchange thoughts over a cup of coffee and experience special moments of poetry. **9** 

Renata Petovska Managing Director Julius Meinl Austria

### **Poetry for Change**

When Julius Meinl launched the **#PoetryForChange** initiative, the idea was as simple as effective: to motivate people to become creative themselves. Unfortunately, the "poetry of everyday life" is far too often lost in daily stresses.

We take digital time outs far too rarely, yet it is precisely these moments of calm in which our thoughts can wander and open up new worlds. Viennese coffeehouse culture has been the cradle of art and literature and a second home for many creative minds. Here one can reflect, let ideas grow and spin fantasies, reinvent history or paint the future in the most beautiful colours. To this day, positive visions have the power to bring people together and generate emotions that are important in a modern world full of challenges.

With our initiatives "PayWithAPoem" on 21 March, the day of poetry, and "MeetWithAPoem" on 1 October, the day of coffee, we invited people worldwide in 2018 to pay for a cup of coffee or tea with a poem in their favourite coffeehouse or restaurant. Every poem, short or long, rhyming or not, counts as a valuable contribution that is rewarded with a cup of coffee or tea. Poetry can touch and reach people's hearts. We would like to invite people to absorb these positive emotions and carry them out into the world, because there is so much we can do together to make this world a place worth living in for future generations.



### Pink Ribbon Initiative

Julius Meinl has been a committed partner of the Pink Ribbon Initiative of Austrian Cancer Aid since 2016. In 2018 we supported the Pink Ribbon Breakfast at Café Hummel with Pink Ribbon coffee specialities and cups. For each breakfast, 19 euros went to Cancer Aid. In addition, we provided Pink Ribbon cups as a donation for the Vienna Coffee Roaster Ball.

We see it as our mission to keep the characteristic Viennese coffeehouse culture young and alive. In Julius Meinl we have found a partner who, like us, has been committed to preserving this philosophy for generations. We share this love for coffee and the way to enjoy it. However, this tradition can only be preserved if we also work together to protect our environment and act sustainably.

Christine Hummel Owner of Café Hummel



### I Bambini delle Fate

We support this social enterprise that offers economical help to projects favoring social inclusion by innovative and sustainable educational programs. Franco Antonello, with the help of Bianca Gumiero, have founded this initiative for families dealing with autism or other handicaps and Julius Meinl is proud to contribute. As we believe our coffee to be a source of inspiration for small meaningful steps that can make the world a better place, we decided to sustain the "Bambini delle Fate" projects that help autistic children and teenagers to achieve personal autonomy.



Every small step can make the world a better place, from a poetic cup of coffee to caring for each other. ??

Andreas Hosp Managing Director Italy

### What we plan for 2019 -2020



In the upcoming years, we also want to run these initiatives under the motto "Poetry for the Planet". This way we want to sensitize people enjoying our coffee to pay attention to the planet and to express their thoughts about it with a poem.

### Colombian Heritage Project

In 2018 Jeannette Meinl together with CEO Marcel Löffler and CFO Arno Götz visited coffee farmers in the area of the municipality of Libano in Colombia to learn about their current problems and needs in person.

The farms visited are over 1000 metres above sea level and the area is very steep and poorly managed. The farmers lack drying machines to dry their coffee cherries on site. This leads to a loss of quality and to considerable financial losses in sales.

The farms are very small and cover an area of about two hectares. Most coffee fields are managed by the older generations. The younger population has moved to the city and it can therefore be assumed that these areas will no longer be cultivated by the next generation. This poses a major problem for Colombia and for coffee production itself, as more and more cultivation areas are being lost to the world market.

In 2018 Julius Meinl decided to set up a Heritage Project to counteract this development. The aim is to preserve the farms for future generations and give people a livelihood.

### What we plan for 2019 -2020



Purchase of environmentally friendly solar coffee dryers to improve product quality and yield.



Cost coverage for UTZ certification for all farms in the project and their renewals.



Training by an agronomist to ensure that the soil is properly worked and know-how transfer takes place.



Financial support of the local school attended by children of the coffee farmers.



GANA 183





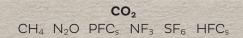
## Our goals at a glance

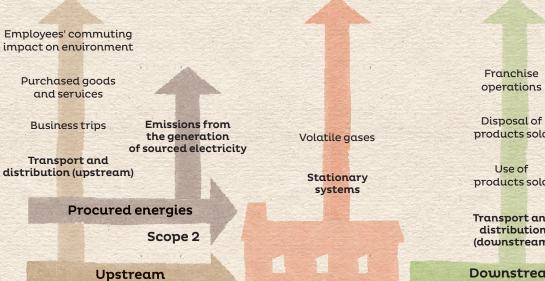


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### **Data & Facts:** Environment

CO<sub>2</sub> Emissions in tons





value chain

Scope 3 upstream

Scope 1

operations

products sold

Use of products sold

Transport and distribution (downstream)

Downstream value chain

Scope 3 downstream

	Vienna	Vicenza	Total
GHG (direct, Scope 1)	807	2.877	3.684
Natural Gas	729	2.877	3.607
District heating	78		78
GHG (indirect, Scope 2)	, 9	35	45
Electricity	9	35	45
Other indirect GHG-Emissions (Scope 3)	689	955	7.276
Transport (upstream)			3.982
Fleet (downstream)	689	955	1.644
Transport (downstream)			6
Total GHG-Emissions	1.505	3.868	11.005

Waterconsumption per kg coffee produced

0,19 l Vienna 0,21 l Vicenza 0,21 l Total

	the second se
9.598	9.908
6.899	6.899
2.699	3.009
	6.899

#### Environmental impact of production per kg coffee

	Vienna	Vicenza	Total
Waterconsumption (l)	0,19	0,21	0,21
CO <sub>2</sub> Emissions - Scope 1-3 (kg)	0,94	0,31	0,77
Energy intensity (kWh)	2,18	0,96	1,10
		and the second se	Real Contraction of the second

#### **Energy consumption within the organization in kWh** (production/administration/fleet)

	in the second seco	and the second the second do no many reservations of	and the second statements do not second statements of
	Vienna	Vicenza	Total
Electricity (kWh)	524.010	2.176.761	2.700.771
Natural Gas (kWh)	2.690.475	10.618.050	13.308.525
District heating (kWh)	382.580		382.580
Fuel consumption fleet (kWh)	2.160.724	2.997.700	5.158.424
Total	5.757.789	15.792.511	21.550.300

#### Energy consumption outside of the organization in kWh (fleet)

	And the second
Total energy consumption of freighters (kWh)	1.268.083

41

#### Material used in tons

900,00	
800,00	
700,00	
600,00 ·····	
500,00	
400,00	
300,00	
200,00	
100,00	

	Aluminium	Household ferrous metal	Industrial foils	Other compound material	Paper	Plastics	Total
Vienna	0,02	4,00	3,00	35,00	63,18	60,95	166,15
Vicenza	0,00	0,00	362,00	0,00	273,98	0,00	635,98
Total	0,02	4,00	365,00	35,00	337,16	60,95	802,12

<b>Non-hazardous waste in tons</b> Type of waste	Head- quarter AUT	Production AUT	Production ITA	Total	
Paper and carton	12	4	41	57	0
Plastic		9	9	18	0
Textile			42	42	Ŵ
Wood		3		3	0
Organic		15	219	234	0
Liquid			20	20	Ŵ
Electrical waste	3		11	14	0
Electrical waste	5			5	Ŵ
Mixed waste			77	77	0
Mixed waste	19	15		34	Ŵ
	39	45	420	504	



disposed

### Data & Facts: Employees

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Employees in Austria and Italy	Vienna	Vicenza	Total
Employees	124 (57,94%)	90 (42,06%)	214 (100,00%)
Women	35 (28,23%)	34 (37,78%)	69 (32,24%)
Men	89 (71,77%)	56 (62,22%)	145 (67,76%)
Fulltime	123 (99,19%)	83 (92,22%)	206 (96,26%)
Part-time/ Leased labour force	9 (7,26%)	7 (7,78%)	16 (7,48%)
Number of executives	10 (8,06%)	4 (4,44%)	14 (6,54%)
New entries	20 (16,13%)	15 (16,67%)	35 (16,36%)
Terminations incl. retirement	13 (10,48%)	14 (15,56%)	27 (12,62%)
Terminations	12 (9,68%)	13 (14,44%)	25 (11,68%)
			<b>这些新生产的生产</b>

Occupational safety	Total
Accidents at work resulting in death	· · · O
Occupational accidents with absence time	1
Occupational accident with limited ability to work	0
Occupational accidents involving medical treatment	1
Commuting accidents with fatal consequences	0
Commuting accidents	0
Number of days of accident-related absenteeism	34
Total number of accidents	1

Absenteeism (Sick-leave)	Total
Absenteeism days per employee	2,93
Absenteeism days (incl. long-term absenteeism) per employee	2,93
Number of long-term absences	1
Employees with a high incidence or risk of illness related to their professional activity	0

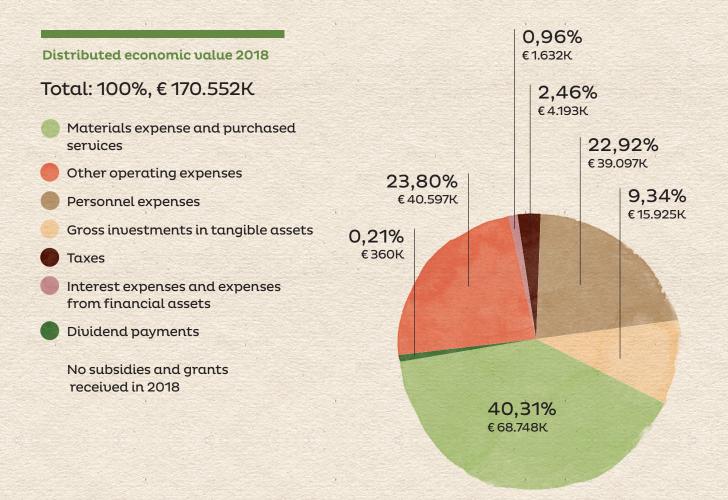
Training hours	Total
Average number of hours of training per year per employee	9,35

	Vienna	Vicenza	Total
Percentage of employees receiving regular performance and development reviews	59 (48,30%)	32 (35,56%)	91 (42,52%)
	Vienna	Vicenza	
Ratio of basic salary and remuneration of women to basic salary and remuneration of men	Vienna 0,9	Vicenza 0,83	-
of women to basic salary and			-

	Vienna	Vicenza	Total
Number of executives locally hired	8 (80%)	4 (100%)	12 (86%)
	Las Martines		a second a second

We try to make re-entry into the company after parental leave as family-friendly as possible. Employees who decide to return to the company early from maternity leave are also offered full-time employment with home office days.

### Data & Facts: Economic



Julius Meinl Worldwide 2018

Annual turnover 2018: EUR 178.4 million

EBITDA: EUR 30.4 million

Number of employees: 845

Represented in 54 countries with local subsidiaries and sales partners, in 19 countries with company-owned subsidiaries



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201-1	Direct economic value generated and distributed		7,45
201-2	Financial implications and other risks and opportunities due to climate change	Not included in risk management procedure yet, but will be from 2020 onwards	n.d.
201-4	Financial assistance received from government	None (	
	Indirect Economic Impact 2016		
202-2	Proportion of senior management hired from the local community		44
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205-1	Operations assessed for risks related to corruption	None	
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n.d.: not disclosed n.a.: not applicable

GRI	Description	Comments	Page
300	Environment		
	Material 2016		
301-1	Materials used by weight or volume		42
301-2	Recycled input materials used	None	
	Energy 2016		
302-1	Energy consumption within the organization		41
302-2	Energy consumption outside of the organization		41
302-4	Reduction of energy consumption	first report	n.a.
302-5	Reductions in energy requirements of products and services	first report	n.a.
	Water 2016		
303-1	Interactions with water as a shared resource		41
	Biodiversity 2016		
304-2	Habitats protected or restored	so far no significant effects have been identified	n.a.
	Emissions 2016		
305-1	Direct (Scope 1) GHG-Emissions		40
305-2	Energy indirect (Scope 2) GHG emissions		40
305-3	Other indirect (Scope 3) GHG emissions		40
305-5	Reduction of GHG emissions	first report	n.a.
	Wastewater and Waste 2016		
306-2	Waste by type and disposal method	hazardous waste will be reported from 2020 onwards	42
306-3	Significant spills	None	
306-4	Transport of hazardous waste	None	
306-5	Waters affected by wastewater discharge and/or surface discharge	None	
	Environmental Compliance 2016		1. 1. 1.
307-1	Non-compliance with environmental laws and regulations	None	
400	Social		
	Employment 2016		
401-1	New employee hires and employee turnover		44
	Occupational Health & Safety 2016		
403-1	Percentage of total workforce represented in formal joint management- worker health and safety committees that help monitor and advise on occupational health and safety programs	In Italy regulated by BS OHSAS 18001 management system	
403-2	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities		43
403-3	Workers with high incidence or high risk of diseases related to their occupation	None	



GRI	Description	Comments	Page
	Education and Training 2016		
404-1	Average hours of training per year per employee		44
404-2	Programs for upgrading employee skills and transition assistance programs		16
404-3	Percentage of employees receiving regular performance and career development reviews		44
	Diversity and Equal Opportunities 2016		
405-1	Diversity of governance bodies and employees		43
405-2	Ratio of basic salary and remuneration of women to men		44
	Anti-Discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	None	10
	Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	Security is provided by external service providers; access is only possible with Meinl employees.	
	Public Policy 2016		
415-1	Political contributions	None	
416-2	Customer Health & Safety 2016 Incidents of non-compliance concerning the health and safety impacts of products and services	None	
	Marketing and Labeling 2016	1 - 1 - 1	
417-1	Requirements for product and service information and labeling		30
417-2	Incidents of non-compliance concerning product and service information and labeling	None	
417-3	Incidents of non-compliance concerning marketing communications	None	
	Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None	
	Socioeconomic Compliance 2016		
419-1	Non-compliance with laws and regulations in the social and economic area	After completion of the tax audit for the years 2010-2014, subsequent tax payments for the Austrian group were made in 2018	
	Sector Supplement Food Production		
FP2	Percentage of purchased quantity proven to comply with credible, internationally recognised, responsible production standards, broken down by standards.		24
FP8	Guidelines and practices for communicating with consumers about ingredients and nutritional information that go beyond legal requirements		30

lehning.

n.d.: not disclosed

n.a.: not applicable

Gin



Happiness is when one has the pleasure to think about the beauty of nature while having a coffee at a leisurely pace in turbulent times.

On March 21, Christian Stropp from Vienna wrote this poem to pay for his Julius Meinl coffee

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