Julius Meinl
Vienna 1862

ENVIRONMENTAL POLICY

WHAT THIS POLICY COVERS

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ENVIRONMENTAL POLICY

I. COMMITMENT TO ENVIRONMENTAL STEWARDSHIP

At Julius Meinl 1862 GmbH (hereafter abbreviated as 'Julius Meinl') we recognise that the health of our planet is foundational to our long-term success, the wellbeing of people, including our customers, consumers and employees, and the livelihoods of all farmers and workers in our supply chains. Therefore, we are dedicated to continuously minimising any negative impact our business has on the environment and implementing measures across our operations and supply chains.

Our Environmental Policy is rooted in the findings of a comprehensive Double Materiality Assessment (DMA) conducted in 2023/24, which enabled us to identify and prioritise the environmental and social impacts, risks, and opportunities most relevant to our business and stakeholders. These insights form the foundation of our Sustainability Strategy and guide our actions across key focus areas such as climate change, pollution, water resources, biodiversity, resource use, and the circular economy (see next page). They are reflected throughout this Policy, as well as in the measures and targets aligned with both the DMA findings and our Sustainability Agenda for 2030.

The implementation of this Policy is supported by regular stakeholder engagement, transparent communication, and cross-functional governance structures to ensure focus, accountability, and effective execution.

We comply with all applicable international and national environmental laws and regulations in the countries where we operate. In preparation for upcoming requirements, we are aligning our operations with the EU Deforestation Regulation (EUDR) and the Packaging and Packaging Waste Regulation (PPWR), ensuring early readiness. Beyond compliance, we have voluntarily committed to international frameworks and best practices, including the Paris Agreement and ISO 14001, underscoring our proactive approach to environmental stewardship. We also support the Ten Principles of the United Nations Global Compact, including a precautionary approach to environmental challenges, taking greater environmental responsibility, and supporting the development and diffusion of environmentally friendly technologies.

Our operations in Vicenza (Italy) are certified by the ISO 14001 Environmental Management System. This framework ensures that we systematically identify, monitor, and reduce our environmental impacts in our Italian production. Employee training, and continual improvement initiatives support our compliance and performance. By 2026 we aim for our Vienna (Austria) production site to be ISO 14001 certified as well.

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Double Materiality Assessment

The below tables provide an overview of our Double Materiality Assessment (DMA) outcomes for the environmental topics, outlining our key impacts and financial risks and opportunities in each area.

Environment · E1 – Climate Change

Material impact, risk, or opportunity	VC
Climate change mitigation	
⊖ GHG emissions (Scope 1, 2 & 3)**	▲●▼
⚠ Legislation regarding deforestation	▲●▼
⚠ Insufficient decarbonisation	▲●▼
⚠ Costs of transition to lower emissions / substitution of existing products & services	▲●▼
Climate change adaptation	
⊖ Sourcing practices**	▲●▼
⊕ Supply chain resilience**	▲●▼
⚠ Rising costs of raw materials	▲●▼
⚠ Agricultural shifts	▲●▼
Energy	
⊖ Non-renewable energy consumption**	▲●▼

Environment · E2 – Pollution

Material impact, risk, or opportunity	VC
Pollution of air	
⊖ Agricultural air/water/soil pollution**	▲●▼
⊖ Transport-related air pollution**	▲●▼
⊖ Industry-related air pollution**	▲●▼
Substances of high concern	
⊖ Agrochemicals	▲●▼
⚠ Stronger regulations on the usage of fertilisers and pesticides	▲●▼
Microplastics	
⊖ End-of-life of packaging materials	▲●▼
⊖ Tire abrasion during transport	▲●▼

Environment · E3 – Water and Marine Resources

Material impact, risk, or opportunity	VC
Water consumption	
⊖ Water consumption and withdrawal during coffee and tea cultivation and processing	▲●▼
⚠ Water shortages in coffee production due to extreme weather events	▲●▼

Environment · E4 – Biodiversity and Ecosystems

Material impact, risk, or opportunity	VC
Direct impact drivers of biodiversity loss	
⊖ GHG emissions	▲●▼
Impact on the state of species	
⚠ Spread of pests and crop diseases	▲●▼

Environment · E5 – Resource Use and Circular Economy

Material impact, risk, or opportunity	VC
Resource inflows, including resource use	
⊖ Non-renewable raw material sourcing	▲●▼
Resource outflows related to products and services	
⚠ Stronger regulations on the use of packaging material	▲●▼

⚠ Financial risk
↗ Financial opportunity
⊕ Positive impact
⊖ Negative impact
⊖~ Potential negative impact

Value Chain
▲ Upstream
● Company operations
▼ Downstream

**Impacts, risks and opportunities highly relevant for stakeholders

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II. SCOPE

This Policy applies to Julius Meinl 1862 GmbH and all of the subsidiaries and their employees. All employees receive and have access to this Policy and are encouraged to contribute to the hereafter described commitments to environmental stewardship. Where necessary, guidance can be sought from line managers or the Global Sustainability Team.

This Policy should be read in conjunction with the following frames and procedures, where applicable, including but not limited to our Sustainability Strategy, our Supplier Code of Conduct, our Procurement Policy and our Sustainable Green Coffee Policy.

III. KEY FOCUS AREAS

1. Energy Efficiency and Emission Reduction

At Julius Meinl, we are committed to the **continuous improvement of energy use,** focusing on both energy mix and energy efficiency.

We have set ambitious 2030 climate targets aligned with the 1.5 degree goal as defined in the Paris Agreement. Based on the methodology of the Science Based Targets initiative (SBTi) we **aim to reduce our Scope 1 and 2 (market-based) emissions by 42% and our Scope 3 emissions by 30% by 2030,** using 2022 as our baseline year. By 2040 we aim to be at Net Zero.

Our decarbonisation strategy is multi-faceted and integrated across our operations, supply chains, and product life cycles.

These measures and projects are based on the precise monitoring and continuous analysis of both direct (gas and fuels) and indirect (electricity, heat, cold) energy sources and their consumption, as well as the targeted avoidance of any potential losses. Particularly for the measures and targets revolving around Scope 3, we are working closely with partners across our value chain to transition from database-derived emission estimates to primary supplier data. This will enable more accurate tracking and more targeted reduction measures in the years ahead.

Key levers of our decarbonisation strategy

3.8%* **Scope 1**	Reduction of emissions during the coffee roasting process through the implementation of catalytic converters in all roasting machines and piloting emission-reduced/free roasting technologies.
	Emission reduction of our company fleet through the electrification of our fleet and the optimisation of both fleet structure and delivery routes.
	Expand ISO 14001 certification to our production plant in Vienna (Austria).
	Increase share of renewable energy for heating of offices.
0.3%* **Scope 2**	Increase in the share of renewable and self-produced electricity. Wherever renewable energy contracts are available, subsidiaries are expected to switch contracts at the next possible time.
	Increase share of renewable energy for district heating and cooling.
95.9%* **Scope 3**	Promote regenerative agricultural practices and climate change mitigation and adaptation measures across our green coffee supply chains, particularly through our Responsibly Selected Coffee Initiative. From the end of 2025 and onwards, all coffee globally purchased and roasted in our production plants in Vienna and Vicenza is 100% responsibly selected.
	Reduction of emissions from product use by fostering innovation in energy-efficient coffee machines, while also enhancing product longevity through regular machine maintenance checks and customer education on proper care and usage.
	Lowering of material- and waste related emissions, guided by a packaging policy and strategy aligned with the EU Packaging and Packaging Waste Regulation (PPWR).
	Increasing the procurement of products and services with reduced emission and low(er) environmental impact (e.g. less packaging, more renewable input materials).

*of our 2022 Corporate Carbon Footprint baseline

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Fleet Emission Reduction

We are committed to **decarbonising our vehicle fleet** in line with our target to achieve **net-zero carbon emissions by 2040,** with an interim goal of **reducing Scope 1 and 2 emissions by 42% by 2030** (vs. our 2022 baseline). Since fleet operations are a major contributor to direct emissions, transitioning to a low-emission mobility model is essential. Key steps include optimising fleet structure and route planning and increasing the use of electric vehicles (EV).

This committment applies to all **company-owned, leased, or contracted vehicles** globally, including logistics, employee transport, and benefit cars. Our primary action is a **gradual transition to EVs** followed by plug-in hybrids and other lower-emission alternatives where full electrification is not yet feasible. In addition, we aim to reduce the use of benefit cars by **offering mobility allowances,** where practical and cost-effective, encouraging more sustainable transport choices.

Additional measures and their expected impacts include:

- **Promoting energy efficiency.** Where feasible, fleet vehicles shall be equipped with telematics systems to monitor fuel consumption, driving behaviour, and route optimisation, aiming to reduce overall fuel use and emissions.
- **Using renewable energy** for EV charging wherever possible.
- **Sustainable vehicle procurement,** favouring low-emission, fuel-efficient models. Vehicles must meet or exceed the emissions standards of the region they are operating in. Vendors with credible sustainability policies, carbon reduction strategies and sustainable recycling and disposal practices must be prioritised.
- **Regular maintenance and training of employees** on eco-driving practices to extend vehicle lifespan and minimise environmental impact. Eco-driving contributes amongst others to minimising tire abrasion by promoting smoother acceleration, consistent speeds, and reduced braking intensity, thereby decreasing friction and mechanical wear.
- **Annual reporting** on emissions reduction, fuel use, and EV adoption

The responsibility for the implementation of these measures and monitoring the impact lies with the respective local Managing Directors and person responsible for fleet management.

When outsourcing delivery to a third party, we prioritise partnerships with low-emission logistics providers.

Further information on definitions of benefit cars and key features of a mobility allowance can be found in a separate Q&A for fleet-related topics.

2. Sustainable Sourcing and Procurement

Responsible Coffee Sourcing and Environmental Stewardship

Our Corporate Carbon Footprint baseline calculation from 2022 revealed that our Scope 3 accounts for 95.4% of total emissions, with green coffee alone being responsible for 75.1%. As a result, green coffee procurement is made central to our sustainability efforts regarding both environmental stewardship and social responsibility. Our primary measures to reduce the environmental impact in our coffee supply chain revolve around our **Responsibly Selected Coffee Initiative and our Generations Programme.**

We are committed to sourcing **100% responsibly selected coffee by the end of 2025.** 'Responsibly selected coffee' refers to green coffee purchased globally and roasted in our plants in Vienna and Vicenza that meets the sustainability criteria of the **Global Coffee Platform's Coffee Sustainability Reference Code (Coffee SR Code).** This internationally recognised framework sets sustainability criteria across environmental, social, and economic dimensions through 12 principles. Our goal is to expand our Responsibly Selected Coffee Initiative to include all Julius Meinl-branded coffee products by the end of 2028.

Our alignment with the Coffee SR Code supports key environmental objectives across our coffee supply chains. By purchasing coffee produced under sustainability schemes that meet or exceed the criteria of the Coffee SR Code, we contribute to:

- **Climate change mitigation and adaptation** through practices such as agroforestry, climate risk assessments, and responsible resource use at farm level.
- **Biodiversity conservation,** including the protection of natural forests, prevention of ecosystem degradation, and safeguarding of native flora, fauna, and soil biodiversity.
- **Sustainable pest and disease management** that reduces dependence on agrochemicals and follows safe storage, handling, and disposal practices, in compliance with a list of prohibited pesticides.
- **Water resource management,** including efficient irrigation, reduction and recycling of water use, protection of critical water sources, and farmer training on water-saving techniques.
- **Pollution prevention and resource efficiency,** by encouraging integrated farming systems that minimise chemical runoff, reduce waste, and promote circular approaches.

By prioritising suppliers that implement these practices, we strengthen the climate resilience of coffee farming communities and our own supply chain, while securing long-term access to high-quality coffee and reducing our environmental footprint.

For further information please refer to our Sustainable Green Coffee Policy.

Broader Sustainable Procurement Commitments

Our **Supplier Code of Conduct** applies to all our suppliers and includes clear expectations regarding environmental stewardship, responsible sourcing, and compliance with applicable laws and standards.

To strengthen our commitment to environmental stewardship and social responsibility along our value chain, we are in the process of implementing a **risk-based due diligence system.** This system will help us identify suppliers and product categories that are considered high-risk, for example, due to environmental impact, geographic location, or sector-specific issues.

Our Procurement Team is encouraged to look for sustainable product optimisations or alternatives.

3. Resource Optimisation and Waste Reduction

Coffee production generates significant amounts of waste and utilises various resources throughout its value chain. From the cultivation of coffee beans to processing and packaging, various by-products are produced, depending on the chosen methods. Similarly, the production of our other products, such as tea, trade foods, POS materials, and equipment, involves the use of diverse resources, including renewable, non-renewable, and virgin materials. By incorporating **circular economy principles** into our operations, we strive to **optimise resource use,** contributing to a more sustainable future for our industry, while proactively preparing for the upcoming EU regulations on packaging. We are focused on integrating sustainability criteria into our procurement of machines, capsules, trade foods, and POS materials, including considerations for energy efficiency and recyclable or renewable packaging.

To advance the circular economy and **gradually close material cycles,** we rely on innovation and various collaborations with different stakeholders along the value chain. The following principles apply to promoting a functioning circular economy, which also covers the requirements of European legislation, such as the upcoming Packaging & Packaging Waste Regulation (PPWR):

- Continuous transition to **fully recyclable packaging** by 2030
- **Reduction of primary packaging material** use where possible and gradual use of secondary instead of primary materials as well as **optimisation of packaging** to reduce resource use wherever possible
- Fostering **internal recycling**

A Packaging Policy and Strategy, which will be developed in 2026, will provide further guidance to both internal and external stakeholders.

Additionally, we are continuously working on enhancing the longevity of coffee machines and grinders through regular machine maintenance checks and customer education on proper care and usage. Furthermore, take-back concepts are in place for porcellaine cups and machines to be returned at the end of contracts.

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IV. MONITORING, REPORTING, AND CONTINUOUS IMPROVEMENT

We publicly disclose our environmental impacts, including GHG emissions, fleet transition progress, and resource use, on an annual basis and in alignment with the European Sustainability Reporting Standards in our sustainability report. The report includes identified impacts and risks as well as the preventative and remedial measures we implement as part of our due diligence process. Continuous improvement is embedded into all operational and sourcing practices, supported by regular training and capacity building throughout our global organisation.

We will regularly review and refine our policies and practices in alignment with evolving industry standards, stakeholder expectations, and new insights from our due diligence assessments.

To demonstrate our commitment, we have established the following measurable targets for Julius Meinl, including all our subsidiaries:

Target	To be achieved by	Status 2024
Scope 1 & 2 emission reduction of 42% compared to the 2022 baseline	2030	-5% vs. 2022 baseline
Scope 3 emission reduction of 30% compared to the 2022 baseline	2023	+6% vs. 2022 baseline*
Net Zero	2040	In progress
100% responsibly selected coffee roasted in our plants in Vienna and Vicenza	End of 2025 onwards	71%
Generations Programme projects in 4 countries	2026 onwards	Currently two projects running (Colombia and Uganda), two others underway.
Establish environmental and energy management system (ISO 14001) in Vienna on top of our already existing certification for our Italian production site	2026	In progress
Complete installation of catalytic converters on all roasting equipment	2026	In progress
Installation of PV panels in Austria	2025	In progress
Expansion of pure electric and hybrid vehicles to a share of 30% of our fleet	2030	In progress
Elimination of non-recyclable packaging	2030	In progress
Development of a Packaging Policy and Strategy	2026	In progress
Development of a Climate Transition Plan as part of our Environmental Policy and Decarbonisation Strategy	2027	In progress
Further leverage multi-stakeholder partnerships (particularly c&c and GCP memberships) to scale climate change adaptation and mitigation measures in coffee origin countries	2030	In progress

* Emissions are currently increasing in line with business growth. Furthermore, our current use of databank estimates for Scope 3 does not reflect ongoing emission reduction efforts.

V.GOVERNANCE

The implementation of this Policy is overseen by our Corporate Operations Officer and our Global Sustainability Director, both reporting directly to the CEO of Julius Meinl 1862 GmbH.

Approved by:

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COO
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