

SUSTAINABILITY AT CAFEA GROUP AND INITIAL FLAGSHIP PROJECTS



Our Vision

We are committed to responsible business conduct along the entire value chain in the production and distribution of soluble coffee and hot beverage specialties, while showing respect and appreciation for people, nature and resources.



Our mission for more sustainability

At CAFEA – a European group of companies and a family business – we produce and distribute high-quality coffees, soluble coffee and cocoa drinks, instant beverages made from chicory and cereals, as well as powdered milk products and vegan products.

Build upon a strong foundation of tradition, high quality and a sense of responsibility for people and nature, we are working towards a sustainable future. The CAFEA Group acts in an economically, socially and ecologically responsible manner, and our products are designed and produced in accordance with preserving the basis of life for future generations.

To achieve this, we take innovative steps along our entire value chain: from the fair and ecological procurement of raw materials, through climate-friendly logistics and production, to resource-conserving packaging.

Partnering with our customers, we are jointly making a contribution to offering sustainable products in the retail market.



UN Sustainable Development Goals (SDGs)

The United Nations (UN) Sustainable Development Goals (SDGs) set globally consistent benchmarks for priorities and targets for a sustainable development by 2030.

CAFEA's sustainability focus is reflected in particular in seven of the 17 United Nations Sustainable Development Goals.

Ecologically sustainable



Socially just



Economically efficient



significant SDGs for CAFEA-Group

FLAGSHIP PROJECT: “RESOURCE-EFFICIENT PACKAGING”: FOR OVER 30 YEARS WITH LIGHTWEIGHT GLASS



The CAFEA Group consistently uses lightweight glass as packaging material for its soluble coffee brands within Europe: for greater resource efficiency and optimal circular economy solutions.

Glass – the natural raw material with potential

Glass is made from natural raw materials and is 100% recyclable. Lightweight glass packaging contains 60% recycled glass and 40% natural resources (quartz sand, dolomite, soda).

The CAFEA Group is using jars with a reduced wall thickness for packaging its coffee powder. On average, these jars weigh 60g less than comparable jars with a standard wall thickness. With a total volume of over 40,000 tons of glass per year, this reduction has an enormous impact on the consumption of resources and energy as well as the emission of greenhouse gases.

In the life cycle of a glass, greenhouse gas emissions occur primarily at three points: production, transport and recycling.

Less raw materials and energy are needed to produce a lighter glass, less fuel is used for its transportation, and less material also means less energy is utilized in the recycling process.

This measure has enabled CAFEA to avoid over 55,000 tons of CO₂ equivalents.*

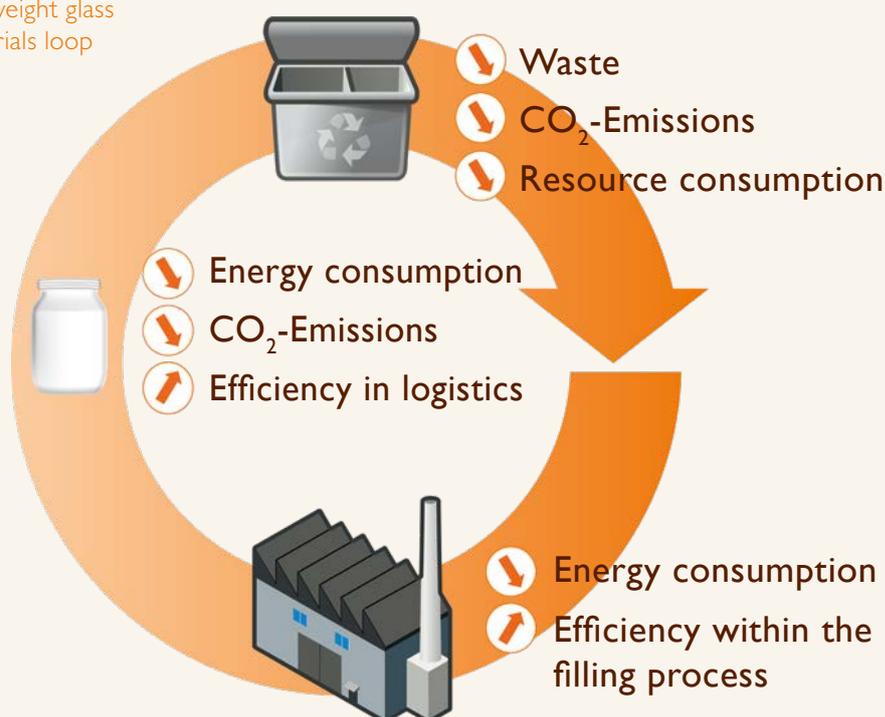


Good to know: waste separation and dual system saves CO₂

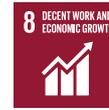
Glass recycling is a system that does not generate any further waste materials. High collection rates for glass in Germany and Europe ensure that new food packaging is created from used food packaging and as a result lead to a lower volume of waste.

*Review period from 2010 to 2020; calculation according to Greenhouse Gas Protocol using emission factors

Benefits of using lightweight glass in the recyclable materials loop



FLAGSHIP PROJECT: “PRODUCTION PROCESSES”: RESOURCE- AND CLIMATE-FRIENDLY



Biomass combustion

In a production plant in Belgium, CAFEA has been using wood chips to produce heat and steam for many years.

At another plant in Germany, coffee grounds which remain as waste from the production of coffee products are burned and used to generate heat and steam.

The advantage of burning biomass is that only the amount of CO₂ that was previously absorbed from the atmosphere during the growth of the biomass is released. Compared to natural gas, which would otherwise be used in production plants, biogenic fuels are therefore virtually CO₂-neutral in the direct combustion process. Compared to natural gas, biogenic fuels produce only low greenhouse gas emissions in the upstream chain, e. g., through the production and transport of the wood chips. In the period under consideration from 2010 to 2020, CAFEA saved more than 215,000 tons of CO₂ equivalents by burning biomass instead of natural gas in its two plants.*

Biogenic fuels contributing to climate protection



*Review period from 2010 to 2020; calculation according to Greenhouse Gas Protocol using emission factors

Sustainable and fair coffee production

For purchasing and trading, the CAFEA Group cooperates with organizations such as Fairtrade and Rainforest Alliance to promote sustainable, environmentally friendly coffee production throughout its supply chain. Already, more than **50% of the raw coffee purchased by CAFEA is sustainably grown.**

The fair trade of coffee ensures that workers and producers can sustain their livelihoods from coffee farming even when world market prices fluctuate. Coffee farmers started forming cooperatives because they enjoy clear benefits as a result. With the Fairtrade seal, CAFEA documents its commitment to fulfilling human rights due diligence obligations along the supply chain.

Source: How Germany drinks coffee – DKV Coffee Study 2021

Clean energy and energy efficiency

At the CAFEA sites, **95% of the coffee grounds waste** generated in production is burned as biogenic fuel for **energetic use** in specially designed boiler plants.

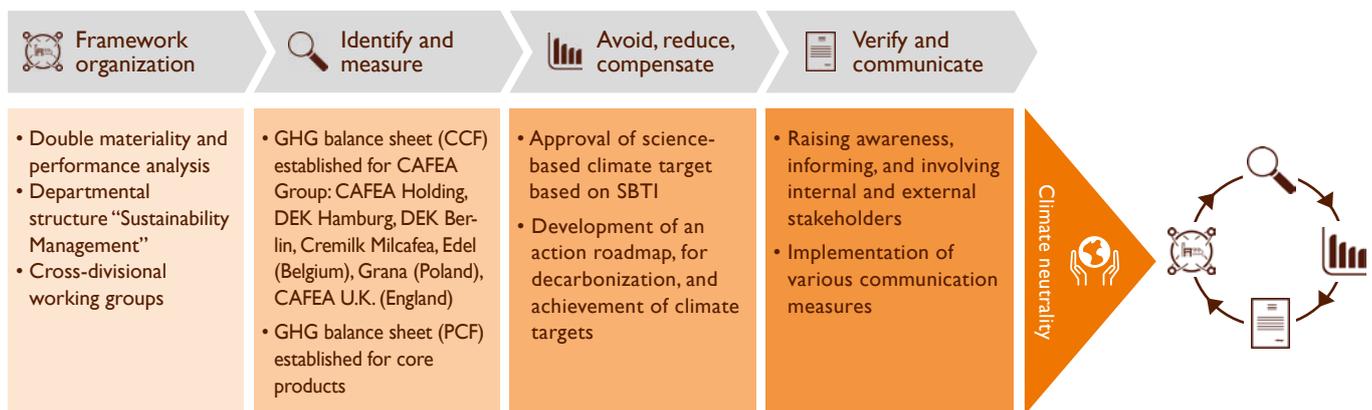
Thereby, CAFEA Group reduces the energy required for the coffee production and the CO₂ footprint of its coffee products.

In addition, CAFEA saves greenhouse gas emissions via the reduction of fossil fuels (gas) and waste (Scope 1). The German plant was thus able to achieve a **reduction of 167,377 tons of CO₂ by using biomass instead of natural gas** (base year: 2010).

AN AMBITIOUS CLIMATE PROTECTION STRATEGY SETS CLEAR TARGETS



In order to anchor the sustainability claim more firmly in the group of companies and to ensure a high level of effectiveness in the area of climate, the CAFEA Group started a strategy process in 2020, which is showing initial progress in its third year:



As part of our sustainability and climate protection strategy, we have set ourselves ambitious targets for our relevant areas of action by 2025 and 2030, respectively, including:

- **Supply chain:** Our key raw materials such as green coffee, raw milk, cocoa, and sugar are 100% traceable at least to the country of production by 2025.
- **Customers:** For our customers, we are a reliable partner for sustainably conceived and produced hot beverage products and are involved in joint projects to help our customers achieve their sustainability goals.
- **Climate:** In line with the Science Based Targets initiative and the 1.5°C target, we will reduce our greenhouse gas emissions by 42% in Scope 1 and Scope 2 and by 25% in Scope 3 by 2030.
- **Resources:** We conserve resources by keeping material use as low as possible, further reducing the use of plastics, and strengthening the use of recyclates in our packaging. By 2025, we will offer all sales packaging in a recyclable design.

To live up to our claim and meet the targets we have set ourselves, we are focusing on the following priorities and measures in 2023:

- Design and implement measures at all CAFEA sites per the principle: "Avoid and reduce instead of compensate".
- Publication of a sustainability declaration in accordance with the German Sustainability Code (DNK).
- Introduction of an indicator-based sustainability controlling system and regular evaluation, improvement, and updating of our processes.
- Close cooperation with our customers within the supply chain due diligence act framework.
- External verification of our GHG footprint and action plan to reduce our Scope 3 emissions.



Deutsche Extrakt Kaffee GmbH was awarded a silver medal in recognition of its sustainability successes for the second time! This puts us among the top 16% of companies in the industry assessed by EcoVadis.

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