

Sustainability Annex

Preface

In addition to the sustainability progress on pages 46 and 47, and the employee and environmental key figures on page 15, this Sustainability Annex provides information on the activities of Gebr. Heinemann for the period from January 1, 2024 to December 31, 2024. In previous years, Gebr. Heinemann used the standards of the Global Reporting Initiative (GRI). For the 2024 financial year, the company has based its reporting on the European Sustainability Reporting Standards (ESRS). Gebr. Heinemann chose this approach in order to gain early experience with the future reporting obligation under the Corporate Sustainability Reporting Directive (CSRD) on a voluntary basis. For the 2024 financial year, a full sustainability report in accordance with ESRS will be created in 2025. The following section outlines key sustainability aspects at Gebr. Heinemann that explain its ambitions in line with its 2030 sustainability strategy.

General Information	
Subject	Insights
Scope of Reporting	Gebr. Heinemann's nonfinancial reporting for 2024 covers the scope of consolidation corresponding to its financial statements. In its sustainability efforts, Gebr. Heinemann considers both its business operations and its upstream and downstream value chains, which are included as far as possible in the company's sustainability reporting. If the coverage limits differ, this is made clear in the presentation of the data. Relevant data available up to the editorial deadline of March 25, 2025, is taken into account.
Strategy 2030	Gebr. Heinemann's commitment to sustainability is seen as an integral part of the corporate DNA. For this reason, the company pursues a holistic, long-term approach to sustainability that combines environmental and social responsibility with human-centric values, emphasizing transparency for stakeholders and compliance with regulatory frameworks. Gebr. Heinemann's strategy is founded on the principles of the United Nations Global Compact (UNGC), the Science Based Targets initiative (SBTi), and its own Code of Ethics. Applying the ESG (Environmental, Social, Governance) structure, the four areas of action are Environment, Social, Governance, and Responsible Value Chain – the latter reflecting the company's central position in the value chain linking the industry and the consumer. Cooperation with customers, partners, and suppliers is essential for achieving these ambitious goals: Gebr. Heinemann is committed to educating and empowering its employees, thereby responsibly shaping the future workforce. The company is dedicated to inspiring partners to develop sustainable solutions for products and logistics that respect human rights in the value chain. Furthermore, Gebr. Heinemann is committed to providing consumers with worthwhile experiences through thoughtfully designed shops, a wide range of sustainable products, and impressive employees. The goal is to achieve long-term, measurable sustainability targets by 2030, validated through ISO standards, certifications, and ratings. To this end, the global planning and reporting systems have been expanded to include more nonfinancial quantitative and qualitative information.

Governance Structure	<p>To achieve its sustainability goals, Gebr. Heinemann has established a governance structure for the entire group. Co-CEO Raoul Spanger oversees sustainability management, while the Corporate Sustainability department coordinates activities. As Gebr. Heinemann views sustainability as a cross-cutting issue across all areas of the organization, responsibility for implementing sustainability is decentralized to the respective areas, with the Corporate Sustainability department playing a supporting and advisory role. The governance includes a global sustainability steering committee (CS Committee) to oversee strategy and targets and three subcommittees for environment, diversity, equity and inclusion, and responsible value chain. The CS Committee, led by Raoul Spanger, includes CCO Inken Callsen, CFO Dr. Kai Deneke, and other key leaders.</p> <p>The Sustainable Minds network of corporate ambassadors drives the 2030 sustainability strategy. This network exchanges knowledge, shares examples of social and ecological commitment, and develops innovative ideas. It includes members from all levels and is vital to the company's sustainability governance, embedding the strategy throughout the organization.</p>
Policy Commitments	<p>The core of Gebr. Heinemann's policy framework is its Code of Ethics, a set of basic rules of conduct that implements the company's mission statement. Complementing the Code of Conduct, the company's internal policies guide employees and partners in upholding ethical, social, and environmental principles. Covering areas such as environmental impact, human rights, confidentiality and anti-bribery, these resources define expected behaviors in daily work. The company's policies include:</p> <ul style="list-style-type: none"> • Policy Statement on Human Rights • Environmental and Energy Policy • Diversity, Equity, and Inclusion Policy • Supplier Code of Conduct <p>Employees and external stakeholders can access them via the intranet and the company website.</p>
Approach	
Subject	Insights
Process to Determine Material Topics	In 2023, Gebr. Heinemann conducted a double materiality analysis in accordance with the CSRD standard. This involved analyzing activities, the business model, business relationships, and the value chain, identifying potentially material sustainability aspects and impacts, risks and opportunities, and assessing, prioritizing, and evaluating potentially material topics. The process involved ongoing stakeholder engagement and resulted in a materiality matrix. The results are updated on an annual basis, with a new full materiality analysis planned for 2026.
Stakeholder Engagement	Key stakeholders for Gebr. Heinemann include employees, customers, business partners, joint venture partners, and interest groups. They are involved through surveys, meetings, association work, and interviews for materiality analysis. By considering their interests, Gebr. Heinemann aims to better understand their needs in relation to sustainability, which helps the company to improve its activities and increase satisfaction. The results of the stakeholder interviews helped to determine the key sustainability issues for Gebr. Heinemann and determine Impacts, Risks, and Opportunities (IROs).
Handling Impacts, Risks, and Opportunities (IROs)	Examples of identified risks and opportunities include the increasing regulation of climate and environmental protection and the associated costs or cost savings potential through reduced use of resources in procurement and waste disposal. The management of physical and transition risks, chances, and opportunities is integrated into the internal risk management process. It includes the systematic identification, analysis, and evaluation of risks, which are categorized into six groups. A three-tier risk matrix helps to assess the likelihood and impact of risks. Risk mitigation measures are implemented and continuously monitored. Regular reports and updates ensure transparency and strategy adjustments. The consolidated risk assessment allows for a comprehensive view of the overall risk profile and supports strategic decision-making. Gebr. Heinemann's risk management is decentralized and coordinated by a risk manager under the CFO's supervision. Risk owners and representatives in various departments play key roles. The risk manager is responsible for annual risk reporting to provide the management with an overview of major risks and the effectiveness of measures taken. Quarterly updates are also conducted to inform the risk committee about high-rated risks, new or re-evaluated risks, and the overall risk position.
Methodology	The reported KPIs and data points were derived from the general standards ESRS 2, the environmental standards ESRS E1 and ESRS E5, and the social standards ESRS S1 based on a materiality analysis performed as prescribed in the general standard ESRS 1. For qualitative and quantitative data query, validation, and reporting, the carbon footprint is calculated and controlled according to the GHG protocol, excluding Scope 3 Category 1 for data availability and quality reasons. For emission factors, Gebr. Heinemann uses the Plan A platform for the audit-compliant compilation of its greenhouse gas inventory, which in turn accesses the Exiobase database for (product-based) emission factors as part of a license agreement.

Material Topics					
Subject	Insights				
Climate Action	Gebr. Heinemann's goal is to take responsibility for future generations with the smallest carbon footprint in global travel retail. The company aims to achieve net-zero GHG emissions for Scopes 1 and 2 and a 50 percent reduction for Scope 3 by 2030 compared to 2019 (baseline year).				
	Scope	2024 Emissions (t CO ₂ e)	2019 Emissions (t CO ₂ e)	Change	
	Scope 1	3,279	6,346	-48.33%	
	Category 1: Stationary Combustion	952	3,751		
	Category 2: Mobile Combustion	2,263	2,149		
	Category 5: Fugitive Emissions	64	446		
	Scope 2	7,873	19,007	-58.58%	
	Category 1: Purchased Electricity ¹	5,570	15,677		
	Category 2: District Heat	2,303	3,329		
	Scope 1+2	11,152	25,353	-56.01%	
	Scope 3	64,314	86,080	-25.29%	
	Category 2: Capital Goods	7,305	7,408		
	Category 3: Energy and Fuel-Related Emissions ¹	1,314	9,292		
	Category 4: Upstream Transportation	19,670	28,510		
	Category 5: Waste	1,842	3,758		
	Category 6: Business Travel	6,184	6,724		
	Category 7: Employee Commuting	3,779	5,000		
	Category 9: Downstream Transportation	24,220	25,389		
	Environmental Protection	<p>Gebr. Heinemann consistently strives to reduce emissions across all scopes, and has made significant efforts in the following areas, among others:</p> <ul style="list-style-type: none"> Reducing energy consumption and switching to renewable energy: While distribution centers and headquarters already use 100 percent renewable energy, green electricity is gradually being extended to other outlets and facilities. In 2025, Gebr. Heinemann implements the ISO 50001 certification for energy management at its headquarters and the distribution centers in Allermöhe and Erlensee. Reducing transportation emissions: Gebr. Heinemann continues to use electric vehicles and alternative fuels such as hydrogenated vegetable oil (HVO) to reduce transportation emissions. In addition, 1,223 tons of CO₂e are saved annually by using biofuel-powered ships in sea freight. A multimodal transportation test project was successfully completed, involving rail transport from Erlensee in Germany to Turkey. As an organizational measure, the company is optimizing packaging schemes, ordering processes and transportation routes, and creating regional hubs, for example in Norway, to reduce transportation emissions. Travel policy: Gebr. Heinemann's global travel policy restricts air travel and promotes alternatives such as rail to reduce emissions. Employee commuting: A wide range of incentives are offered to encourage environmentally friendly commuting options. <p>Gebr. Heinemann's dedication to environmental protection is evident not only in its policies, but also in the integration of these principles into its operations. In the coming years, the company will extend the ISO 14001 certification for environmental management at the Allermöhe distribution center, its headquarters, and the Erlensee distribution center, and is working with its branches to obtain additional certifications (such as EMAS). Furthermore, sustainable furniture concepts and recycled materials are being used to demonstrate the company's ambitions in all its shops. The BREEAM standard is followed for shopfitting and refurbishments.</p>			

Resource and Waste Management	Gebr. Heinemann focuses on avoiding and reducing packaging materials, particularly in transportation packaging. In addition, the company prioritizes the use of a high percentage of recycled materials and a robust recycling rate when selecting materials. Whenever feasible, the company transitions to reusable alternatives. Reducing waste and increasing the recycling rate in waste management is a priority. Gebr. Heinemann has launched projects for regular and partially automated weighing of waste at several sites to improve knowledge of waste streams. The company is approaching its stakeholders, such as landlords, to ensure that waste is measured and disposed of correctly. To promote the circular economy along the entire value chain, a circular economy plan will be rolled out from 2025.			
Diversity and Equal Opportunity	Gebr. Heinemann is committed to implementing and pursuing the best DE&I strategy in global travel retail. For this reason, a global strategic approach that allows for local adaptations is followed. The DE&I strategy, created in 2023, is subject to clearly defined targets and responsibilities. The combination of quantitative and qualitative targets and transparent processing with the locations drives effective progress. In this context, equality and anti-discrimination play an essential role in its actions.			
	Incidents and complaints ²	Unit	2024	2023
	Incidents of discrimination	Number	1	4
	Complaints filed through channels for people in own workforce to raise concerns	Number	18	1
	Severe human rights issues and incidents connected to own workforce	Number	0	0
Occupational Health and Safety	Gebr. Heinemann is committed to providing the best working conditions in global travel retail. This includes strict compliance with national and international labor laws, as well as compliance with and regular review of occupational health and safety standards. In addition, the representation of employee and stakeholder interests in the companies is promoted. The inclusion of employees in one-on-one meetings and feedback mechanisms complements these measures.			
	Health and safety management ²	Unit	2024	2023
	Employees covered by health and safety management	Headcount	10,131	8,718
Ethical Business Culture	Gebr. Heinemann has significantly improved its EcoVadis sustainability rating from 40 to 60 points and is now among the top 35 percent of rated companies. The EcoVadis rating is a globally recognized assessment process that evaluates the sustainability performance of companies in the areas of environment, labor and human rights, ethics, and sustainable procurement.			
	To further strengthen the commitment to quality, safety, and sustainability a range of ISO certifications has been implemented for the headquarters and the two major central distribution centers in Allermöhe and Erlensee. In addition to ISO 50001 and ISO 14001 certifications, ISO 9001, ISO 28000, and ISO 45001 have been implemented at the Allermöhe distribution center. In addition, other entities are certified, such as with EMAS at locations in Hamburg, Frankfurt, Hannover, and Dortmund. Critical concerns will be communicated to the Executive Board with appropriate whistleblower protections. Employees are encouraged to report inconsistencies or violations of directives or laws in their daily business. Employees can contact their manager, compliance advisor, or works council. Furthermore, a whistleblowing channel system was set up at the beginning of 2023.			
Supplier Relations	Gebr. Heinemann engages in structured collaboration with its partners. In addition to the extensive joint green business plans, suppliers are involved in individual projects aimed at making the supply chain more sustainable. Through this structured collaboration with key suppliers, a significant portion of the CO ₂ e emissions resulting from supply activities will be avoided. Furthermore, the aim is to create a sustainable product portfolio by working with suppliers to develop exclusive products that have distinct sustainable characteristics compared to the established assortment. After initial launches in the Liquor and Confectionery categories in 2024, more products with sustainable characteristics will be introduced across categories in the coming years.			
Human Rights in Gebr. Heinemann's Supply Chain	Gebr. Heinemann is committed to ensuring the highest human rights standards in the travel retail industry. To achieve this, close collaboration with suppliers is essential to achieve a sustainable impact throughout the supply chain. Suppliers are required to be transparent about how they manage their supply chains and ensure compliance with high standards. Recognized third-party standards and certifications are used to complement direct engagement and ensure thorough monitoring and compliance across the supply chain. In the coming years, the human rights analysis along the value chain will be further expanded following the risk-based approach in line with the Lieferkettensorgfaltspflichtengesetz (LkSG – German Supply Chain Due Diligence Act) and the upcoming CSDDD.			
Sustainable Product Experience	Together with its suppliers, Gebr. Heinemann is committed to offering consumers a sustainable product portfolio. High standards and a range of sustainable attributes are applied when evaluating products, and suppliers' sustainability performance is also taken into account when making portfolio decisions. A highly differentiated rating approach is used, taking into account category-specific sustainable product attributes, including packaging, sourcing, and ingredient characteristics. Furthermore, consumers are provided with complete transparency regarding the sustainable attributes achieved and given full access to this information. By openly disclosing these details, Gebr. Heinemann builds trust and demonstrates its commitment to sustainability.			

¹ Excluding Unifree Duty Free Isletmeciliği A.S. due to ongoing REC process (only 2.1 - purchased electricity).
² All employee groups (including trainees, students, apprentices and interns) as of Dec. 31.