



MANN & SCHRÖDER
COSMETICS

2023 SUSTAINABILITY REPORT

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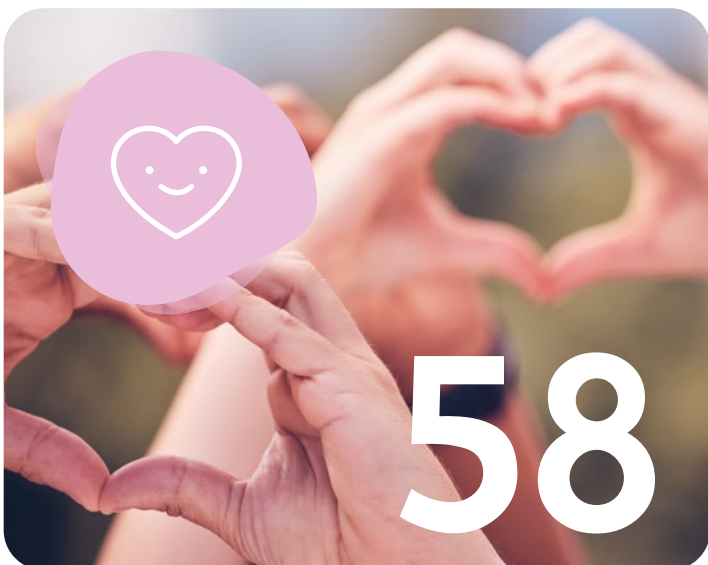
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DEAR READERS,

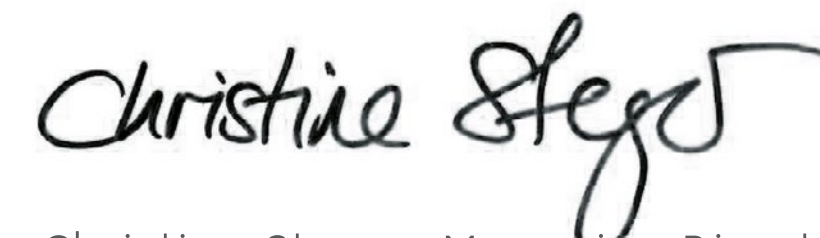
Sustainability requires more than just individual measures – it requires a fundamental change in the way we run our company. In this sense, our strategic direction is clear: we don't just wish to be economically successful, but to also have a positive impact on society and the environment. Hence, it is necessary to constantly scrutinise our processes, improve and continue to seek new solutions that are responsible in an ecological, economic and social sense.

Our family business is now in its third generation of management. Sustainable activity is a matter close to the heart of all our shareholders. Through innovation, responsibility and constant improvement, we strive to enable a worthwhile future for subsequent generations.

In specific terms, we have set ourselves the objective of reducing CO₂ emissions by 30% per product by 2030. To this end, the company has derived its own guiding principles from three UN sustainability goals and defined individual measures on this basis. We are following this objective step by step in numerous projects and are making good progress towards achieving it. At the same time, we are investing in modern technology and digitalisation. Our employees are our most important

capital. With numerous benefits and continual improvement, we create incentives and a working environment in which our workforce feels at ease. Only together can we achieve our ambitious goals and continue to flourish.

Yours,



Christine Steger, Managing Director
MANN & SCHRÖDER COSMETICS

**“THROUGH INNOVATION, RESPONSIBILITY
AND CONSTANT IMPROVEMENT,
WE STRIVE TO ENABLE A WORTHWHILE
FUTURE FOR SUBSEQUENT GENERATIONS.”**



REPORT PROFILE

REPORTING BOUNDARIES AND DATA COLLECTION

All information in this report relates to the business activities relevant to the sustainability of MANN & SCHRÖDER COSMETICS and its locations in Germany. These include operations in Siegelsbach, Hüffenhardt, Gundelsheim and Mannheim.

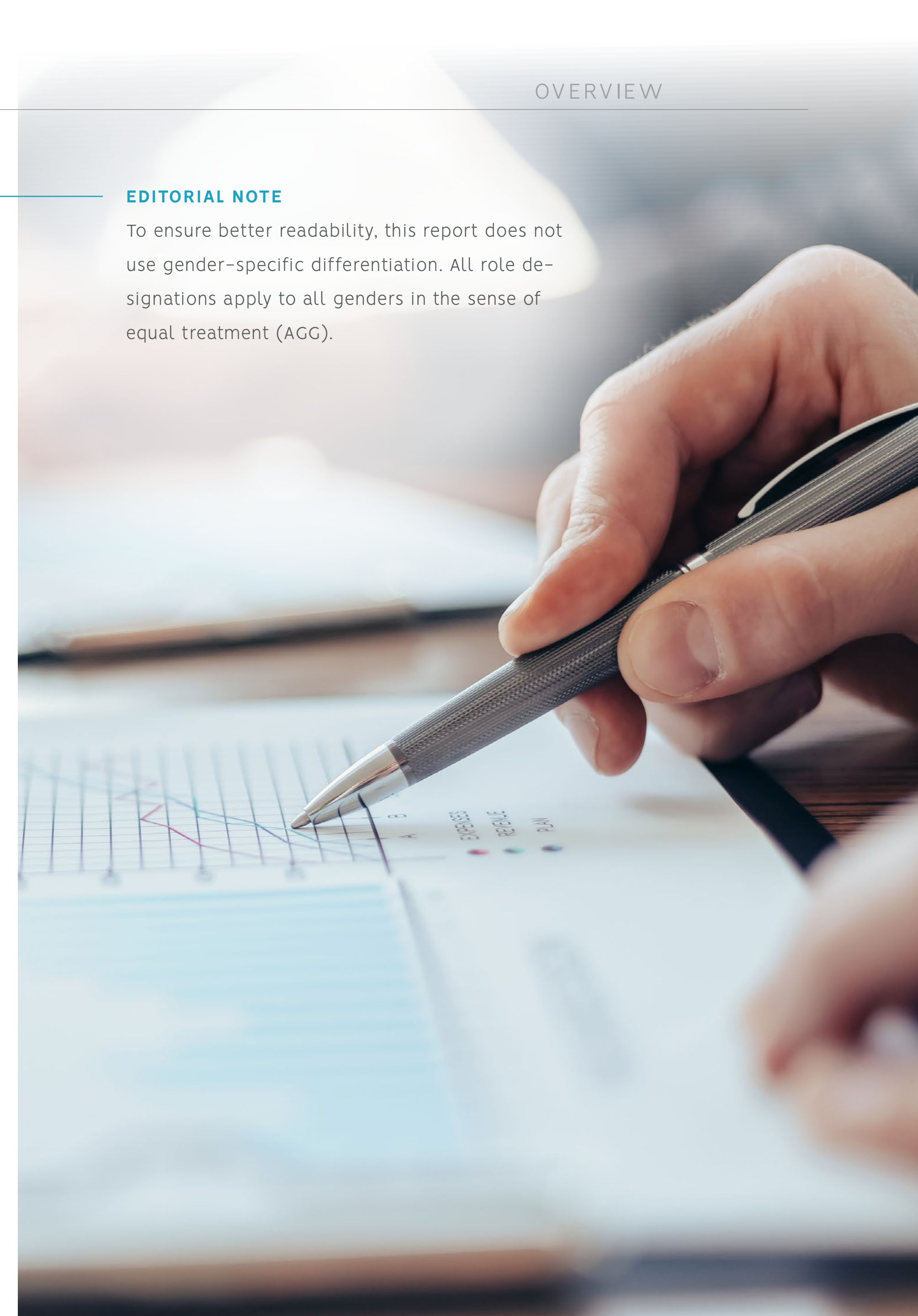
This MANN & SCHRÖDER COSMETICS sustainability report covers developments in 2023 (1 January to 31 December 2023). We have also included significant events and achievements up to the editorial deadline in November 2024 to ensure that the information contained in the report is up to date. Additional content is also available online on the company website www.mann-schroeder.de. The report is published in German and English. The next sustainability report is expected to be published in the second half of 2025 and will cover the 2024 financial year.

APPLICATION OF THE GRI STANDARD

As in the 2022 reporting year, this sustainability report is based on the guidelines of the Global Reporting Initiative (GRI), which continues to be the most globally recognised basis for comparability and transparency. We already prepared the sustainability report in accordance with the GRI standards in 2018. For 2023, the reporting of the core option is comparable to the previous year. Along with our key sustainability points, we are focusing in this report on further company-relevant sustainability endeavours at MANN & SCHRÖDER COSMETICS.

EDITORIAL NOTE

To ensure better readability, this report does not use gender-specific differentiation. All role designations apply to all genders in the sense of equal treatment (AGG).



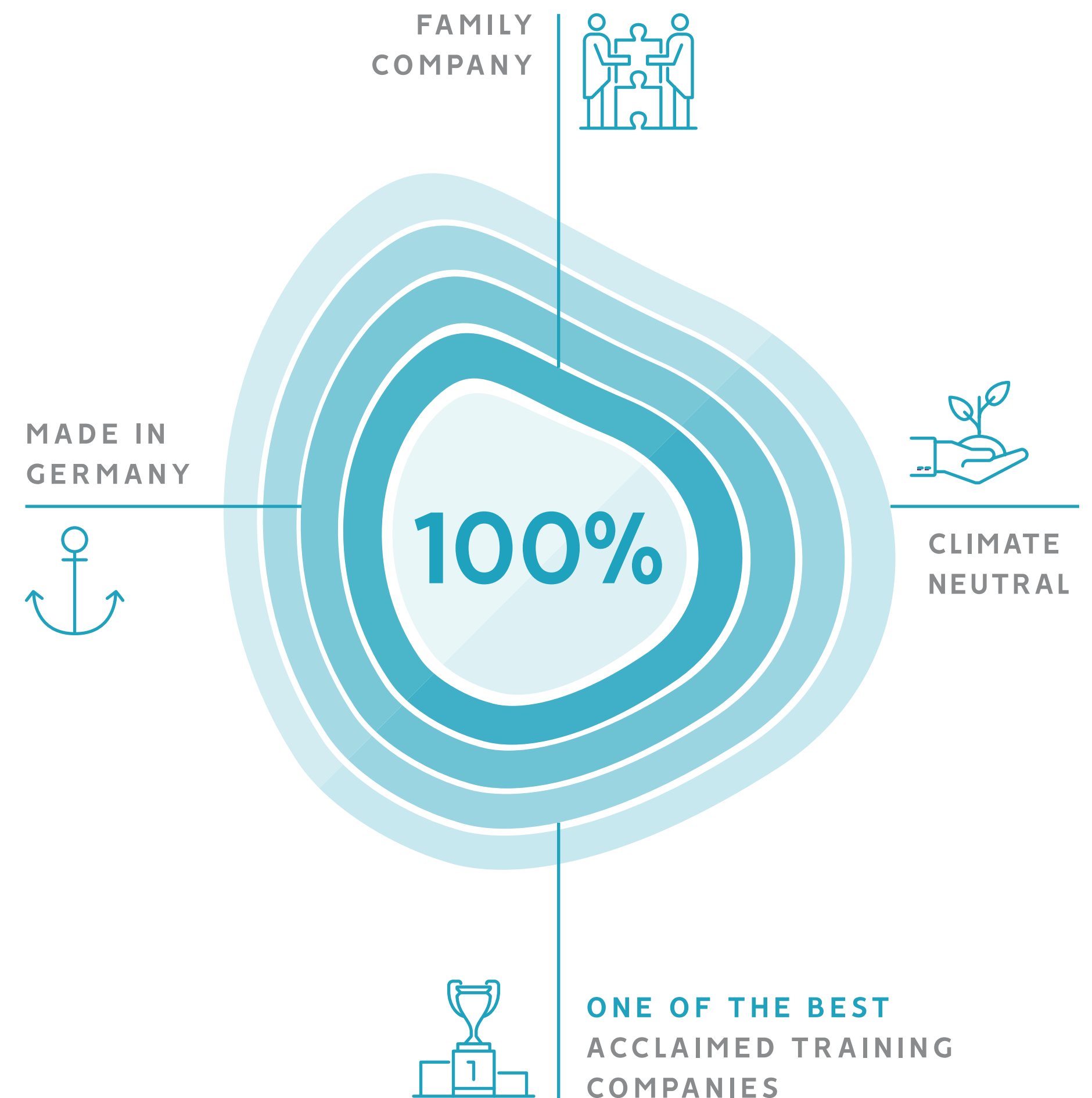
INTRODUCTION TO MANN & SCHRÖDER COSMETICS

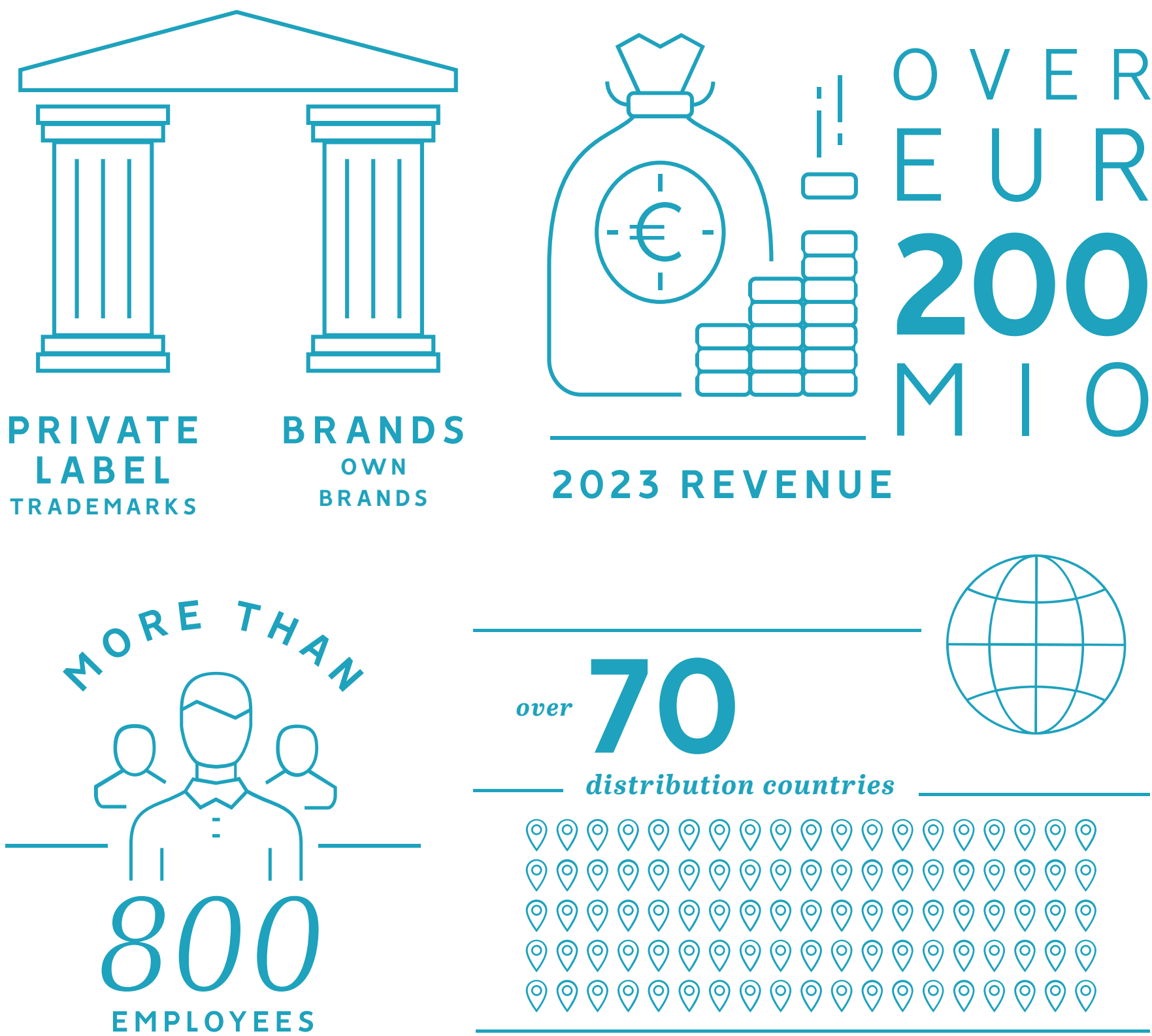
MANN & SCHRÖDER COSMETICS is a German family company specialised in manufacturing hair and personal care products. Since it was founded in 1951, the company has had its headquarters in Siegelsbach and now has four locations in Baden-Württemberg. A small business that began with the production of window putty and floor polish has developed into an innovative cosmetics company and one of the strongest private label manufacturers in the German-speaking region.

Christine Steger has been managing MANN & SCHRÖDER COSMETICS in its third generation since 2015. Sustainability aspects are an integral part of all product developments and concepts.

FOR YOU, FOR THE PLANET

The motto “For you, for the planet” makes clear the dual responsibility that we have committed to as a company: offering consumers the highest quality and best possible care experience and to ensure that our actions have as little impact on the environment as possible.





TWO BUSINESS AREAS

Our two business areas – own brands and private label – are the two pillars of our business model. Our brand portfolio is made up of hair and personal care products for the whole family. From shower gel and shampoo to sun protection, we produce almost all personal care categories. In the private label sector, we predominantly serve large drugstore chains and the retail food trade. Our customers value our comprehensive advice, coupled with our high quality standards.

As a full-service provider, we unite all areas to implement sophisticated brand concepts and products under one umbrella: Research & Development, Marketing, Production, Quality Assurance, Sales and Logistics. Around 800 employees work hand in hand to develop and manufacture personal care products made in Germany that are kind to the skin and the environment.

TRADITION MEETS INNOVATION

With both own brands and private label, the name MANN & SCHRÖDER COSMETICS stands for passion and responsibility, quality and sustainability in equal measure. In total, more than 2,000 different products are manufactured with state-of-the-art systems and sold in almost 70 countries.

Our company's success story is based on a harmonious unity between tradition and innovation, which will continue to define our future activities. For ten years, we have been increasingly using energy-saving production processes and focusing on maximising energy efficiency when purchasing new systems. Our power supply is 100% green energy and we fully offset our CO₂ emissions through climate protection projects. Since 2019, we have been pursuing ambitious sustainability goals with our own project team for sustainable packaging.

VISION 2045

As a company with deep-seated sustainability goals in its strategy, MANN & SCHRÖDER COSMETICS is happy to be a role model and proud to present its sustainability initiatives to the wider public.

As part of the **Vision 2045** documentary film series, MANN & SCHRÖDER COSMETICS presents its activities related to sustainability and environmental protection in a short film.

As well as the management, various experts from the areas of Research & Development, Quality Assurance and Marketing have their say. Using specific examples, they demonstrate how the company combines profitability with social and ecological responsibility and is able to reduce its ecological footprint in future.

These include optimisation measures for packaging and formulations, as well as production and logistics. In addition, MANN & SCHRÖDER COSMETICS is actively participating in the further development of scientific insights with regard to other environmental categories. Social projects in Africa support efficient and resource-saving water treatment (after the end of filming in India, see chapter Social commitment, page 59 ff.).

The Vision 2045 initiative shows with its films how leading global corporations and SMEs are taking sustainability seriously and integrating it into the DNA of their own companies.

[SEE FILM HERE](#)



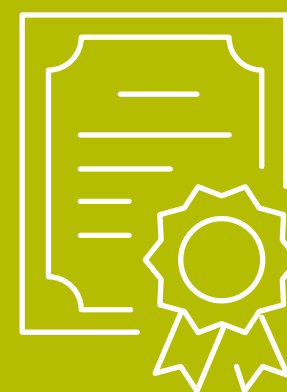


SUSTAINABILITY MANAGEMENT

OUR SUSTAINABILITY STRATEGY

REPORTING ACCORDING TO

GRI
STANDARD



COOPERATION
ON GOALS
UN
AGENDA 2030

REDUCTION OF
CO₂
EMISSIONS



SUSTAINABILITY MANAGEMENT

WE CARE²

We believe that we can only be successful in the long term with a well-founded and transparent sustainability strategy. Sustainable activity is now inextricably linked to our innovative strength.

Our holistic approach includes acting in accordance with ecological, economic and social aspects, whilst we implement our high standards of product quality and safety in all areas of the company on a daily basis. As a company, we have been climate-neutral since 2017 and have defined the further reduction of CO₂ emissions as an overarching sustainability goal.

As a family business, we also think about future generations and organise our business activities in order to inspire today's consumers with great products without burdening the world of tomorrow. Our credo is: "What's good for the skin should not harm the environment."

"WHAT'S GOOD FOR
THE SKIN SHOULD
NOT HARM THE
ENVIRONMENT."

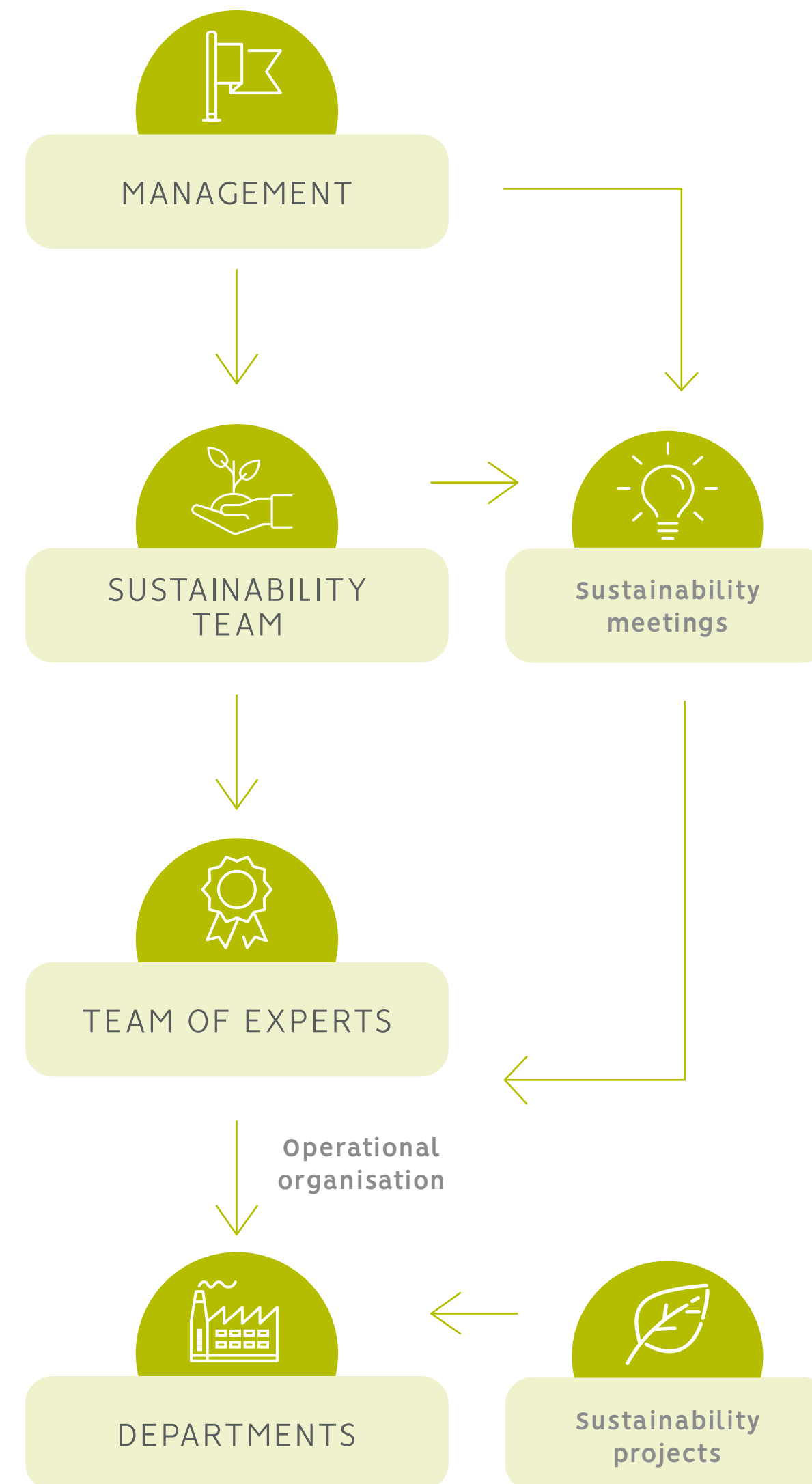


SUSTAINABILITY MANAGEMENT

ORGANISATION & MANAGEMENT

At MANN & SCHRÖDER COSMETICS, the overall responsibility for sustainability lies with the management.

In the course of regular sustainability meetings, the Sustainability Team defines the key sustainability projects, analyses progress and makes further decisions. Members of the Sustainability Team are representatives of various departments within our company with a direct connection to the defined projects. Together with an extended team of experts, they are also responsible for the operational organisation and monitoring of sustainability issues within the company.



The management of
MANN & SCHRÖDER COSMETICS
(from right to left):
Edith Dresler, Christine Steger
and Matthias Wörner.

STAKEHOLDER MAP



STAKEHOLDER-DIALOG

STAKEHOLDER GROUPS AND THEIR INFLUENCE

In order to successfully integrate the sustainability factor into all of our corporate processes in the long term, it is important to take into account the different expectations and interests of our most important internal and external stakeholder groups. Hence, we are in regular dialogue with the individual stakeholder groups and use the feedback we receive to continuously improve our own sustainability strategy and the measures derived from it, as well as to further develop sustainable concepts. The key stakeholders are visualised using the stakeholder map (left).

As a manufacturer of personal care products, we take the interests of our stakeholders into account when making decisions and, conversely, consider the impact of our decisions on others. Stakeholders include customers, consumers, employees, suppliers, journalists, scientists, neighbours, authorities and associations. Contact and dialogue with stakeholders usually takes place on a decentralised basis and is the responsibility of the respective departments and employees.



We are in dialogue with
CONSUMERS via telephone, e-mail and social media platforms.



Our
EMPLOYEES are actively involved in our app and are also in dialogue via annual employee appraisals, employee surveys and workshops.



We have established a global key account management system for our
CUSTOMER RELATIONSHIPS and also liaise directly with our customers in cross-functional teams.



In the
COSMETICS INDUSTRY, we are a reliable manufacturing partner and engage in dialogue with organisations and associations to promote sustainable products. We have helped establish initiatives and long-term partnerships.

As a member of various associations, we play a key role in the development and establishment of
INDUSTRY STANDARDS AND GUIDELINES.



BUSINESS-RELEVANT UN SUSTAINABLE DEVELOPMENT GOALS

GLOBAL GOALS FOR SUSTAINABLE DEVELOPMENT

MANN & SCHRÖDER COSMETICS takes into account and supports through concrete measures the implementation of the 17 Sustainable Development Goals (SDGs), which were adopted by the 193 member states of the United Nations in September 2015.

The United Nations' 17 Sustainable Development Goals (SDGs) serve as a guiding framework for companies to align their business activities with sustainable development. In 2018, we began to identify the SDGs relevant to our company. An SDG is relevant for us if there is a significant positive or negative impact from or on MANN & SCHRÖDER COSMETICS. With our products and solutions,

we make a positive contribution to achieving the respective SDGs. We are always aware that our business activities may also have critical impacts in some cases. To determine the impact of MANN & SCHRÖDER COSMETICS, we have used the assessments of external stakeholders and the results of our materiality analysis (see page 15).

The following page provides examples of how our commitment to sustainability contributes to the realisation of global development goals.





PROTECTION OF THE ENVIRONMENT AND LIVING CREATURES

Life on land influences life in water.

Hence, as a 100% climate-neutral company, we want to reduce our CO₂ emissions at our production sites as well as contributing to the protection of life under water. Thus, we already formulated solid microplastics out of all our products in 2019 and offer solutions without synthetic polymers for 100% of our products.

This is because only ecologically intact marine and coastal ecosystems ensure the preservation of biodiversity and therewith global food security. They are vital for the global climate system.



SUPPORTING SUSTAINABLE PROJECTS

The deforestation of international native forests is a constant threat to our planet – in terms of endangered biodiversity and increased CO₂ emissions.

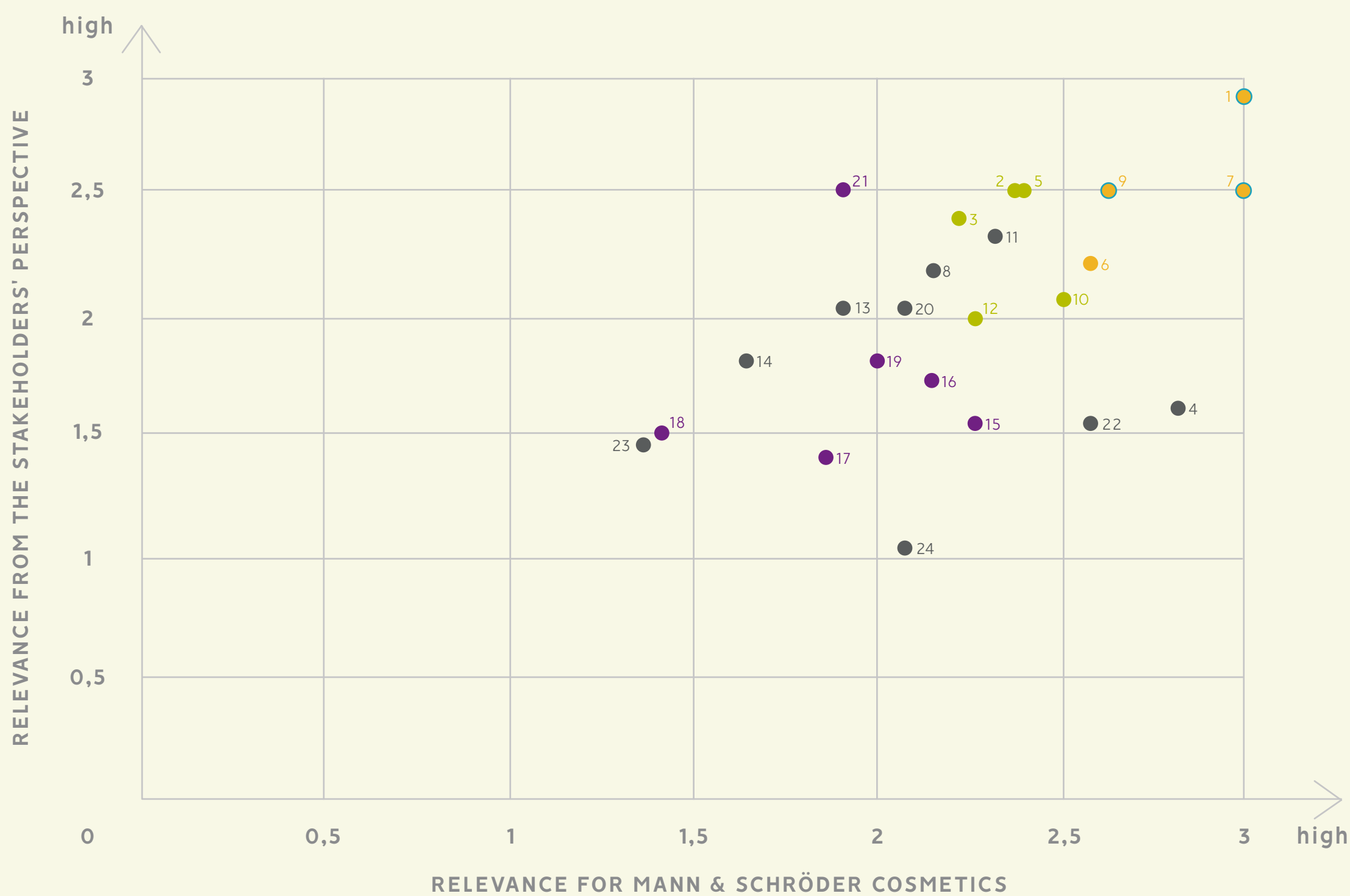
Since 2023, we have been supporting the Efficient Ovens project in India, which saves CO₂, protects forests and offers poorer families health benefits thanks to clean cooking methods. In this way, we combine climate protection and social commitment.



RAISING AWARENESS OF SUSTAINABLE CONSUMPTION

We support the goal of promoting sustainable and resource-conserving consumption. On our product packaging, we inform end customers about environmentally friendly disposal of bottles and tubes and specifically use secondary packaging with a high recycled content. As a member of the Forum Rezyklat, we are committed to a stronger circular economy and, together with other partner companies, support the sensitisation of consumers to recycling.

MATERIALITY MATRIX



- | | |
|----------------------------------------------------|-----------------------------------------------------------|
| 1 Highest quality & product safety | 13 Environmental and social standards in the supply chain |
| 2 Sustainable products/solutions | 14 Transport safety/sustainable logistics |
| 3 Environmentally-friendly packaging & circularity | 15 Employee development (training and further education) |
| 4 Digitalisation (infrastructure, processes...) | 16 Occupational health & safety |
| 5 Climate change/reduction of emissions | 17 Diversity & equal opportunities |
| 6 R&D/innovation | 18 Social commitment |
| 7 Competitiveness | 19 Compatibility of family & career |
| 8 Governance & compliance | 20 Environmental management |
| 9 Customer relationship | 21 Transparency & dialogue |
| 10 Sustainable use of materials and raw materials | 22 Leadership quality |
| 11 Responsibility in supplier relationships | 23 Noise protection |
| 12 Water/energy management | 24 Operational changes |
- Management

● Environment and climate

● Customers and products

● Employees and society

○ Particularly high relevance for business success

DETERMINING THE KEY REPORTING TOPICS

MATERIALITY ANALYSIS

The basis for our reporting is our materiality analysis, which includes all relevant topics from our stakeholders.

We have also added topics that were identified as material with regard to the business development of MANN & SCHRÖDER COSMETICS and its impact on employees, the environment and society, but which are not covered by the GRI Standards. In order to identify the material topics, a survey of all internal experts was conducted again in 2023, which also included the perspective of stakeholders. The topics already defined in previous years were again al-

located points by each expert in 2023 and assessed in terms of their business relevance, existing stakeholder expectations and possible serious – particularly negative – impacts. The graphic of the materiality matrix (left) shows the most important sustainability topics for MANN & SCHRÖDER COSMETICS according to stakeholders and internal experts.

FAIR AND TRANSPARENT

VALUES AND SOCIAL STANDARDS

Our daily actions are based on our values in compliance with rules and laws.

We believe that this solid foundation of values is inextricably linked to our responsibility towards our customers and employees. Hence, we have integrated clearly defined values into our day-to-day work and convey this aspiration to all employees. As an employer of more than 800 people, we see it as our duty to ensure fair wages and working conditions.

To make high social standards measurable, we were certified in accordance with the SMETA social standard for the first time in 2022. This makes our high social standards

and fair working conditions transparent and verifiable. We value a trusting, open and inclusive working environment and treat each other with respect. There were no cases of discrimination in the workplace in the reporting year 2023. We demand that our suppliers, customers and other business partners ensure fair working conditions for their employees and temporary workers.

DIVERSE WORKFORCE

Gender equality is essential for us as an innovative company, as well as promoting diversity in every form. Our employees comes from 39



different nations. As in previous years, more women than men were employed by MANN & SCHRÖDER COSMETICS in 2023. We value different perspectives, experiences and skills and believe this is the only way to discover the best possible implementation methods. Since autumn 2023, we have been specifically promoting workplace participation for all employees through daily meetings with managerial levels.

IMPARTING KNOWLEDGE

Our corporate culture is constantly evolving. We encourage a sense of togetherness, because we know that good teamwork within the workforce is essential for our company's success. We train and sensitise all employees to behave with integrity and in compliance with the law. The basics are already imparted during the onboarding of new employees.



ENTREPRENEURSHIP

We act and think entrepreneurially, because we take responsibility and think outside the box. We have the courage to seek out and explore new paths. In everything we do, we focus on the needs of our customers.

PARTNERSHIP

Trust, respect, openness and reliability form the basis of our daily co-operation. We see ourselves as a team, even across departmental boundaries. Everyone works hand in hand to achieve the best possible result together. We maintain long-term relationships with our customers and suppliers, characterised by partnership, reliability and fairness.



EXCELLENCE

High quality, continuous innovation and the responsible use of resources are our top priorities. We are constantly adapting our closely interlinked work processes to the changing requirements of the markets. This enables us to work efficiently and in a service-orientated manner in order to always achieve outstanding results.

OUR VALUES ARE PART OF OUR DNA

As a family company, the satisfaction of our customers is our top priority. We achieve this goal thanks to qualified, motivated employees and reliability and high quality. We enjoy our work and have learnt that respectful cooperation strengthens our system and opens us up to new ideas. When selecting our raw materials, we set great store by high, pollutant-free quality. We invest a lot of time and energy in researching and implementing sustainable product solutions and use resources responsibly.

We defined our three core values many years ago and have not lost sight of their relevance to this day.

OUR VISION

"At home in every bathroom."

Our aspiration is to inspire our customers with high-quality products and innovations. On this basis, we wish to expand our two business areas – brands and private labels – and in the long term become the most competitive medium-sized company in Europe.

Our goal:
300 million euros in turnover and a CO₂ reduction of 30% by 2030. Shaping the cosmetics world of tomorrow for the better.

OUR MISSION

We Care²

We want to inspire our customers every day with innovative and high-quality products. With passion and responsibility, we represent quality and sustainable care for every individual and our planet.

We Care² means:

We always care in two ways:

Brands – Private labels
Passion – Responsibility
Quality – Sustainability
Every individual – Our planet

OUR STRATEGY

In our 2030 Strategy, we have set out our ambitions with regard to growth and sustainability in concrete targets.

Our values-based approach to resources, employees and partners is the ethical compass on the path to achieving these goals.

We develop and produce all our products according to the criterion of sustainability and continuously work on the expertise of our employees in order to further strengthen our innovation potential. We take advantage of the opportunities offered by globalisation and digitalisation and think ahead in terms of sustainability.

COMPLIANCE

Our compliance culture is firmly integrated into our everyday life and is based on our values and social responsibility. Our employees are sensitised to these values and treat each other and business partners with respect and fairness. In addition, our corporate principle applies: “We comply with applicable law and internal guidelines”. This is binding for all employees. In regular training sessions and through broad internal communication, all instructions and rules are communicated transparently so that they can be implemented at all levels.

COMPLIANCE MANAGEMENT SYSTEM

In 2022, we established a centralised compliance management system to firmly establish and monitor legal regulations and occupational health and safety measures. The compliance system gives us an overview of the hierarchy of responsibilities, reminds us to obtain all necessary authorisations and regulates important requirements in the operational areas, occupational health and safety (hazard prevention) and data protection. The tasks are distributed across the respective division and team managers. Our compliance officers check potential business partners with an additional compliance programme and support the management with a wide range of compliance issues.

OCCUPATIONAL SAFETY

In order to maintain our high quality standards and to continuously develop ourselves further, we promote further training programmes and conduct internal training courses. The occupational safety department provides training on occupational safety, hygiene and data security at regular intervals. It also chairs the three-monthly meetings of the Occupational Safety Committee. The meetings are attended by a member of the management and the works council, as well as safety officers from all departments and the company doctor. The company doctor also carries out work-related examinations and advises on all health issues. Safety and accident prevention are given the highest priority in our company. We not only take responsibility for products of impeccable quality, but also for the health and safety of our employees.

CODE OF CONDUCT

Based on our values of entrepreneurship, partnership and excellence, our Code of Conduct is intended to serve as a guideline for all employees. At the same time, it is a binding minimum standard that defines and specifies the key requirements with regard to our social, ecological and economic responsibility within the company, both in our dealings with colleagues



and in relation to our role as a business partner in the supply chain. Last but not least, the Code of Conduct is based on international guidelines and principles, which are supplemented by all local and national laws as well as all other applicable laws, international standards and norms and other applicable regulations.

PUTTING TO THE TEST

ANNUAL AUDITS

We work according to internationally recognised management systems in order to make our aspirations of quality, safety and sustainable management measurable and transparent in all areas of the company. These systems are audited at regular intervals by external auditors. Certificates, which we receive from the testing institutes after a one-day or multi-day audit, testify to the requirements of the respective standard being implemented.

In addition to the usual industry and sector-specific standards, we have voluntarily

committed to complying with high energy standards (ISO 14001). We also source RSPO-certified palm and palm kernel oil derivatives and are audited annually by RSPO auditors to ensure compliance with the standard.

In 2022, we were certified according to the SMETA audit (social standard) for the first time. We thereby allow our ethical and fair labour practices and values-based collaboration with our employees to be monitored by independent auditors.





Name of the certification	Purpose
IFS HPC Standard (International Featured Standard – Household and Personal Care)	Certification for household and personal care products, evaluates a company's safety and quality management system, as well as production-related processes (from purchasing to dispatch).
BRC CP Global Standard (British Retail Consortium – Consumer Products)	Evaluates a company's product safety and quality management, sets requirements for the production and delivery of safe, legal consumer goods (personal care and household) in uniform quality.
DIN EN ISO 9001	Demonstrates that a quality management system is in place to continuously improve processes and products and that normative and legal requirements are fulfilled in the company.
DIN EN ISO 14001	The aim of the certification is to encourage environmental protection, reduce environmental impact and thereby correctly implement environmental goals.
DIN EN ISO 50001	The aim of the certification is to sustainably improve the company's energy efficiency and consumption.
Cosmetics GMP (in accordance with DIN EN ISO 22716)	Proves that the company's working processes (from manufacturing to dispatch) comply with Good Manufacturing Practice (GMP).
RSPO (Roundtable on Sustainable Palm Oil)	RSPO was developed as a global standard for sustainable palm oil with the aim of establishing and promoting ecological, economic and social minimum standards for the cultivation of oil palms and integrating them into the entire supply chain.
NATRUE	With the NATRUE label, a reliable, verifiable international standard, cosmetic products can be certified as natural or organic cosmetics.
SMETA (SEDEX Members Ethical Trade Audit)	Audit process developed to verify compliance with labour rights, health and safety standards, environmental standards and business ethics throughout the entire supply chain.



PROTECT THE ENVIRONMENT AND SAVE RESOURCES

PRODUCTS AND INNOVATIONS

95% 
OF THE RAW MATERIALS USED
**ARE EASILY
BIODEGRADABLE**

OWN IN-HOUSE TEAM OF
**RECYCLING
EXPERTS** 

90% 
OF PACKAGING USED ARE
MONOMATERIALS

RESEARCH & DEVELOPMENT

SUSTAINABILITY IN THE R&D SECTOR

When R&D is mentioned, we often think of employees in white gowns and protective glasses working meticulously in labs on the composition of creams and shampoos. “That is the case for around half our employees”, says Dr. Klaus Hempel, Head of R&D. But the R&D sector also plays an important role in communication within the value chain: from suppliers to end consumers. As well as the R&D lab, Technical Product Management (TPM), Raw Materials Management (RM) and Safety Assessment (SA) are also part of this sector.

TPM is already involved with brainstorming, as well as ingredient and formulation selection. RM enquires about these raw materials and requests evidence of sustainability issues, the MANN & SCHRÖDER COSMETICS minimum standards along with potential impurities. The formulation is then developed in the R&D lab. Both the raw materials selection and manufacturing process play a role here and influence the sustainability of a formulation, for instance. Once samples have been successfully produced by the R&D lab, TPM supports the sales team in customer presentations and answers questions on the composition, labelling

options and sustainability aspects. If the customer likes our suggestion, the SA team enters proceedings. The team assesses product safety and prepares the legally required safety report. The course is now set for a new product that has undergone intensive testing in line with our social and ecological responsibility as a manufacturer.

R&D – DIVERSE SUSTAINABILITY REMIT

R&D LAB: Implements innovative formulation ideas

TPM: Communication along the value chain

RM: Point of contact for innovative, sustainable raw materials

SA: Safeguards international and national regulations and standards

R&D: Together for greater sustainability!



VEGAN

RAW MATERIALS
WITHOUT
ANIMAL ORIGIN

NATURAL AND EASILY BIODEGRADABLE RAW MATERIALS



NATURAL COSMETICS = SUSTAINABLE?

In addition to its range of prestigious standard cosmetics, MANN & SCHRÖDER COSMETICS has developed a wide range of natural cosmetics in the last few years. Be it body lotion or hand cream, shower gel or shampoo, we have the right solution for all areas of use – always focusing on good skin compatibility, of course. But are natural cosmetics sustainable per se?

Natural cosmetics differ from conventional cosmetics in several aspects. Natural and easily biodegradable raw materials are used as ingredients in natural cosmetics, whereas synthetic ingredients are also used in conventional cosmetics. Furthermore, we only use vegan raw

materials with no animal origin in our natural cosmetics. Transparency is important to us. This is why we do not use any self-created definitions or seals, but have developed and certified our natural cosmetics portfolio based on the established NATRUE standard for natural cosmetics. In addition to the ingredients used, this standard also regulates their origin and processing. This is monitored by a neutral institution that checks our formulations and audits us annually.



CERTIFIED NATURAL COSMETICS

DESIGN FOR SUSTAINABILITY

The motto of the cross-divisional Category Management (CAT) team is “close to the market and fully informed about new raw materials”. The CAT observes the market, two TMPs provide an initial assessment of the formulation and labelling and the R&D new developments team assesses its feasibility and subsequently works on the formulation.

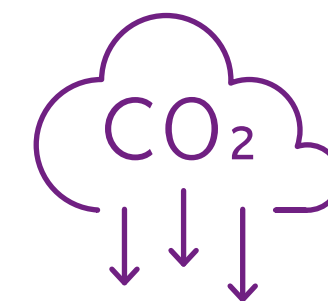
“This routine approach helps us all progress, allowing us to act sustainably and innovatively together”, says Juliane Schmid, Head of CAT. As well as daily collaboration, trade fairs are attended and suppliers invited to keep track of raw material innovations. “The cross-divisional assessment of the feasibility and chances of alternative raw material gives us the opportunity to become increasingly sustainable”, says Dr. Viktor Rein, TPM.

SUSTAINABLE PRODUCT DEVELOPMENT

This year, the R&D sector examined all formulation bases in relation to their innovative potential. “All raw materials and formulation compositions were on the table”, says Christina Lee, Team Leader of New Development at the R&D lab. “As in previous years, all formulations were reviewed again in 2023, particularly regarding emissions from the raw materials they contain.” stated Dr. Carmen Matzke, Head of Regulatory & Sustainability:

**“BY ANALYSING
INDIVIDUAL RAW MATERIALS,
WE WERE ABLE TO SIGNIFICANTLY
REDUCE OUR CO₂ FOOTPRINT WITH
REGARD TO RAW MATERIALS.”**

— Dr. Carmen Matzke —
Head of Regulatory & Sustainability





100 %
RSPO-CERTIFIED RAW
MATERIALS FROM PALM OIL
AND PALM KERNEL OIL:
MANN & SCHRÖDER
COSMETICS HAS ALREADY
ACHIEVED THIS OBJECTIVE
FOR ITS PRODUCTS.

**PRODUCT INNOVATIONS FOCUSING
ON BIODIVERSITY**

Multiple raw materials of natural origin are used when manufacturing cosmetics. As part of a research project, the extent to which a skincare cream can be developed that is as sustainable as possible depending on different oils was investigated.

To this end, the sustainability of the oils was first analysed with a focus on biodiversity. The cream was then developed and analysed in relation to its physical and sensory properties. The results and the insights gained from them will be kept in focus in future developments of new formulations.



SUSTAINABLE MONOMATERIALS

THE KEY TO A CIRCULAR ECONOMY?

In a world where sustainability and environmental protection are gaining more and more importance, recycling is playing a central role. Particular attention is paid to what are known as monomaterials, which have significant ecological benefits. But what makes monomaterials so sustainable and how can they help solve our waste problems?

paper or metal instead of several layers of different materials or packaging components. The big advantage of this is that monomaterials are much easier to recycle. Whereas time-consuming and expensive separation procedures are often required with composites to isolate the individual components, monomaterials can be reused in a single step.

WHAT ARE MONOMATERIALS?

Monomaterials are materials consisting entirely of a single type of material. In the packaging sector, for instance, this means that packaging is made up of just one plastic,

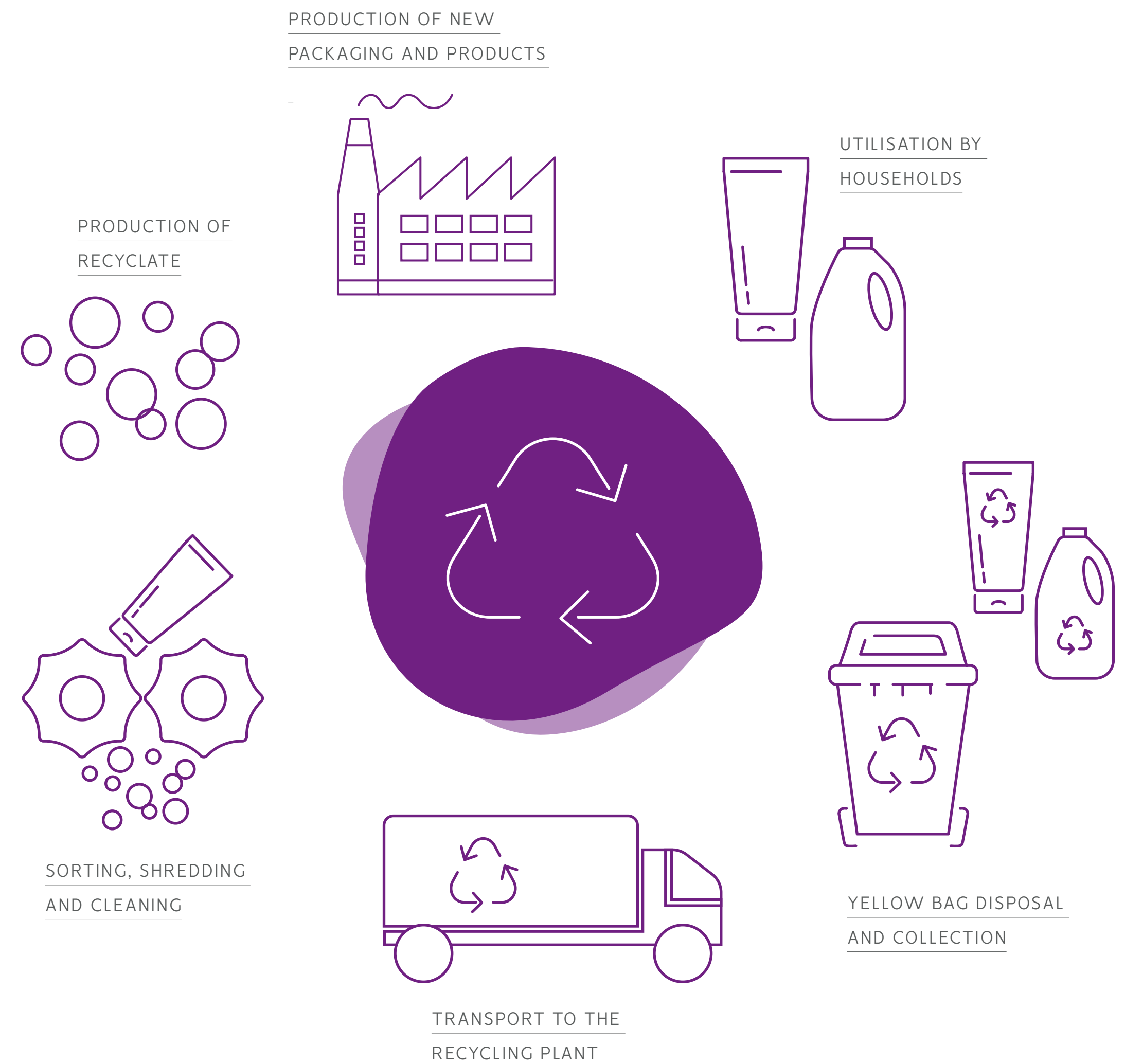
THE ROLE OF MONOMATERIALS IN THE CIRCULAR ECONOMY

A circular economy focuses on keeping resources in the cycle of usage for as long as possible and minimising waste. This is where monomaterials play a role. They are easy to sort and can be recycled without complex processes, which significantly improves the efficiency of the recycling system. Ideally, products made of monomaterials can be melted down again with no significant loss in quality.

EXAMPLES OF MONOMATERIALS THAT WE CAN USE FOR A BETTER CIRCULAR ECONOMY

Our refill bags are made of mono-polyethylene (mono-PE), which were made of several types of plastic (PET/PE) before they were introduced at MANN & SCHRÖDER COSMETICS. These individual layers are bonded together, therefore mechanical separation is impossible. In conventional mechanical recycling, packaging is first collected and its components are

then separated by mechanical force. This is unfortunately not possible with the previous refill bag, which consists of two different plastics. Until now, incineration as the only way this could be disposed of for energy recovery. However, a good circular economy implies that resources should be utilised in the cycle for as long as possible. We can meet this requirement with our mono-polyethylene refill bag.





WHAT CHALLENGES DO WE FACE AND WHAT SOLUTIONS DOES TECHNOLOGY OFFER?

By using our mono-PE bags, we contribute to improving recycling and thereby reducing the environmental impact. Despite the many benefits of monomaterials, there are also challenges. A central issue is the fact that monomaterials frequently offer less functional properties than composite materials. Hence, further innovation is required to make monomaterials widely applicable and to overcome the challenges associated with them.

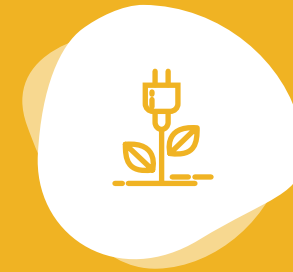
WE DELIVER IN MULTIPLE COUNTRIES – SO ALSO CONSIDER MULTIPLE PACKAGING GUIDELINES

We use a special assessment tool to evaluate the recyclability of packaging. This tool translates multiple guidelines, directives and standards so that we can consider them in our packaging strategy. As a result, country-specific recycling infrastructure and circular systems are also assessed.

“WITH THE RIGHT MIX OF RESEARCH, DEVELOPMENT AND POLITICAL SUPPORT, MONOMATERIALS CAN MAKE A BIG CONTRIBUTION TO A SUSTAINABLE FUTURE – AND BRING US A BIT CLOSER TO THE DREAM OF A WASTE-FREE WORLD.”

— Sara Zamur —


QA sustainable packaging employee



WE GO FOR GREEN

ENERGY

100%
GREEN
ELECTRICITY



10 LESS
% CO₂
IN THE USE OF RAW
MATERIALS AND PACKAGING
IN RELATION TO THE
AMOUNT OF PRODUCED



CERTIFIED
IN ACCORDANCE WITH
DIN EN ISO 50001

SUSTAINABLE SOLUTIONS

ENERGY-EFFICIENT MACHINES & SYSTEMS

We are aware of our responsibility towards our environment. Hence, we are committed to keeping our energy consumption as low as possible through our technology.

MANN & SCHRÖDER COSMETICS constantly backs the development of sustainable technology to save energy. In previous years, modern LED lighting and efficient management at the two production sites in Siegelsbach and Hüffenhardt have been able to reduce energy consumption by up to 60%.

The plant in Hüffenhardt also uses the waste heat from machines to heat the buildings. This significantly reduced the amount of heating oil used, as well as saving cooling energy for cooling the compressors. These measures allow us to save energy and protect the environment.



“WHEN WE BUY NEW MACHINES AND SYSTEMS, WE ALWAYS MAKE SURE THAT THEY MEET OUR SUSTAINABILITY REQUIREMENTS.”

Stefan Martin,
Head of Technology

2022

	From non-renewable sources	From renewable sources	Total energy consumption
MWh	8,499	7,295	15,794
Share	54 %	46 %	

2023

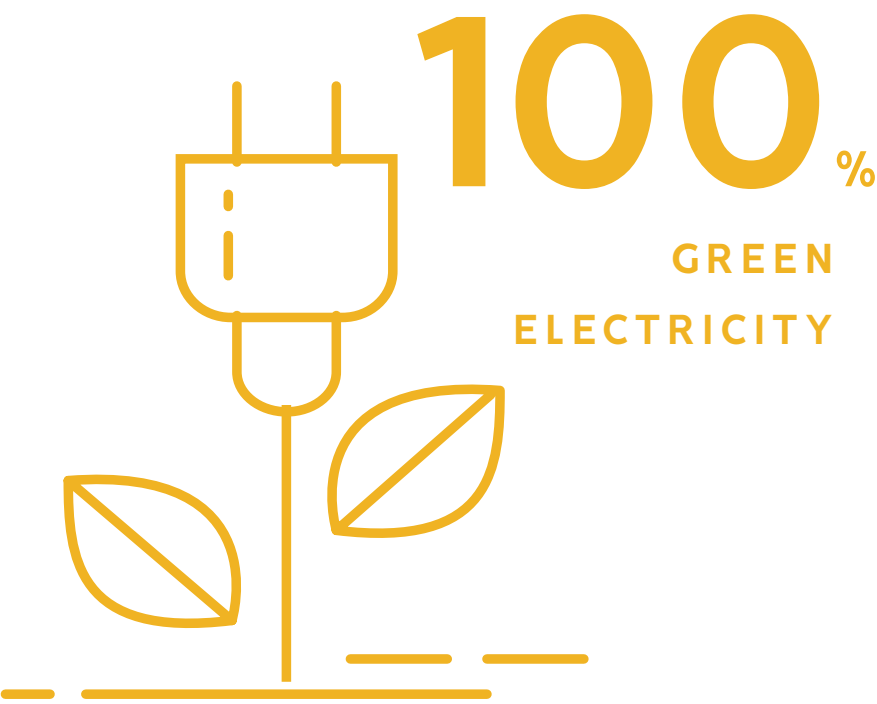
	From non-renewable sources	From renewable sources	Total energy consumption
MWh	8,835	6,934	15,768
Share	56 %	44 %	

DEVELOPMENT OF TOTAL ENERGY CONSUMPTION IN THE COMPANY

At 15,768 MWh, the total energy consumption – electricity, gas and other energy sources – of MANN & SCHRÖDER COSMETICS has remained at the same level (-0.2%) as the previous year (15,794 MWh). Taking into account the 3.45% increase in the number of units, the energy consumption per unit has generally been reduced.

REDUCE CO₂ EMISSIONS WITH 100% GREEN ELECTRICITY

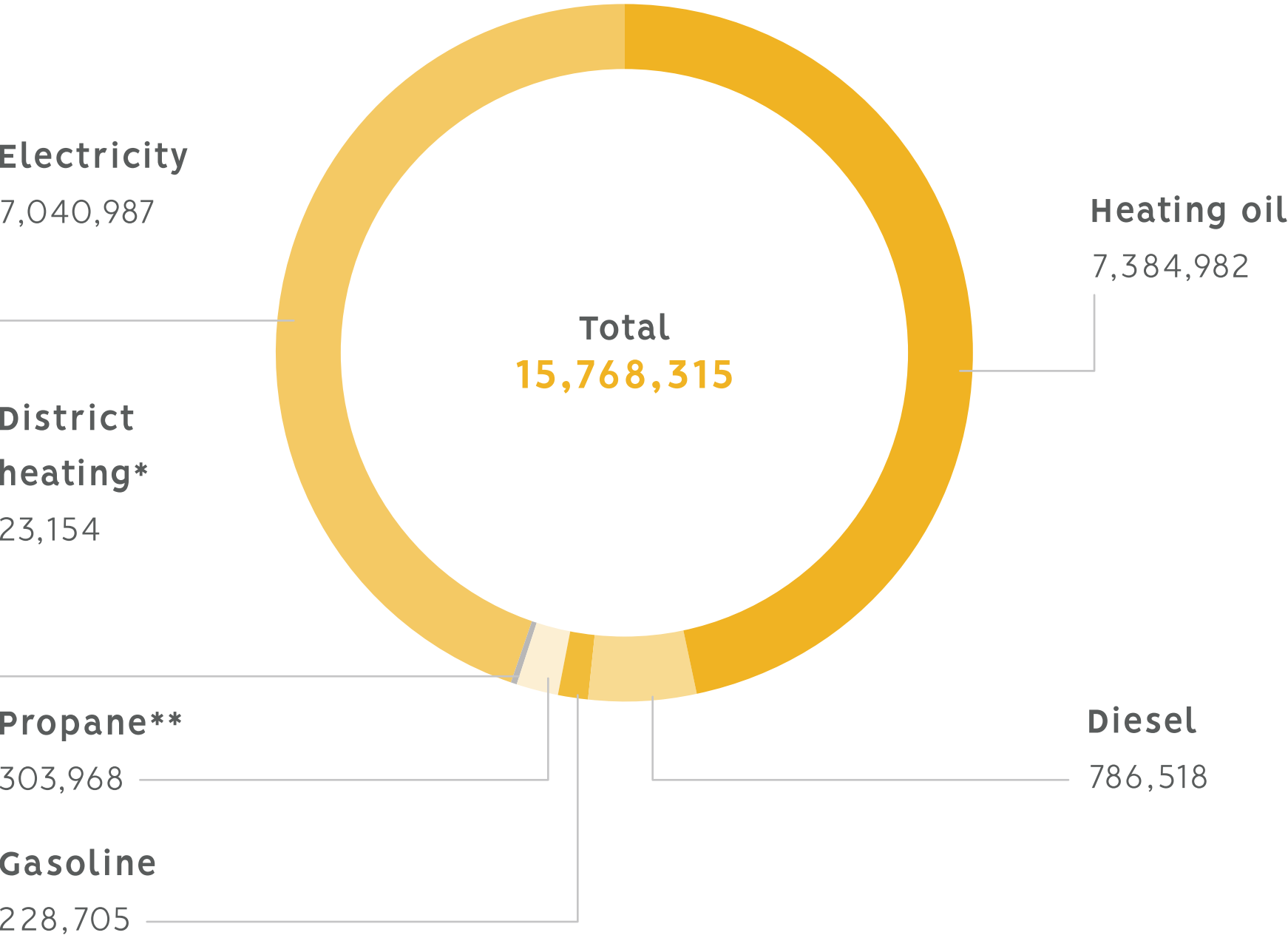
Compared to conventional electricity, which is largely generated from fossil fuels and nuclear energy, green electricity leads to much lower CO₂ emissions and thereby actively contributes to climate and environmental protection. This is why MANN & SCHRÖDER COSMETICS has relied exclusively on 100% green electricity at both production sites since January 2014. We are reducing our CO₂ emissions by using green electricity and with annual total energy consumption of around 15,700 MWh.



ENERGY VOLUME 2023 (KWH/A)

	Heating oil	Diesel	Gasoline	Electricity	Propane	District heating	Total
Siegelsbach	1,248,505	393,259	114,352	1,722,029	0	0	3,478,145
Hüffenhardt	6,136,477	393,259	114,352	5,211,713	0	0	11,855,802

ENERGY USED IN 2023 (KWH/A)



*District heating: Amount of energy generated at the Mannheim site
**Propane: Amount of energy generated at the MUNA and Gundelsheim sites

The graphic summarises the respective energy sources and quantities. The energy consumption and use by MANN & SCHRÖDER COSMETICS shown is the result of energy procurement minus feed-ins. As well as the production sites shown in the table, which have the largest energy consumption, the other sites Gundelsheim, Mannheim, Helmstadt and MUNA are also included.



As in previous reporting years, the manufacture of procured raw materials and packaging and the combustion of fossil fuels to generate heat in production were the biggest CO₂ driving forces. The resulting CO₂ emissions are shown in the table as direct and indirect greenhouse gas emissions in comparison to the previous reporting years.

SCOPE 1

The table shows that absolute CO₂ emissions have risen by 5.32% compared to the previous year (2022). Amongst other factors, this increase can be explained by the increased number of units, which rose by 7.8 million in 2023.

SCOPE 2

Emissions from the scope 2 category amount to 0 tonnes of CO₂ and therewith 0% of the total balance. Once again, no CO₂ emissions were incurred in the electricity category in 2023, since green electricity continued to be

DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS

	Emission source	t CO ₂ 2022	t CO ₂ 2023
Scope 1 (Direct emissions)	including process and building heat	2,312.28	2,435.24
Scope 2 (Emissions from purchased energy)	Green electricity	0	0
Scope 3 (Indirect emissions from upstream and downstream value chain)	including raw materials, packaging materials, transport, business travel	100,295.19	91,141.78
Total		102,607.47	93,577.03

procured and an emission factor of 0 was estimated for direct emissions. Looking at the total electricity consumption at both locations in 2023, this results in a saving of around 2,675 tonnes of CO₂ compared to the use of the conventional German electricity mix.

SCOPE 3


The largest reduction in CO₂ emissions is depicted in scope 3. In relation to the quantity, scope 3 has fallen by 10.3%. This reduction in emissions is primarily due to the company's largest source of emissions (87.6%): raw materials, consumables and packaging materials. The primary reduction was achieved thanks to the increased use of recycling packaging and replacing raw materials with high CO₂ emissions.

EMISSIONS
REDUCED BY 9,030
TONNES OF CO₂



WITH SOLAR POWER

We also use solar power across a total of 714 m². Our solar plant at the Hüffenhardt site converts the radiant energy of sunlight directly into electrical energy using photovoltaics. A total of 106,000 kWh was fed into our electricity grid in 2023 and used where required – quickly and in an environmentally-friendly manner.

714  M²
SOLAR PLANT

INTENSITY OF CO₂ EMISSIONS

Overview of the absolute figures for net turnover, number of units and CO₂ emissions

	2021	2022	2023
Turnover (net, T EUR)	150,561	179,351	201,094
Number of units produced	199,541,548	226,599,228	234,428,051
CO ₂ emissions (kg)	92,518.18	102,607,473.25	93,577,024.73

Overview of net turnover, number of units and bulk in relation to CO₂ emissions

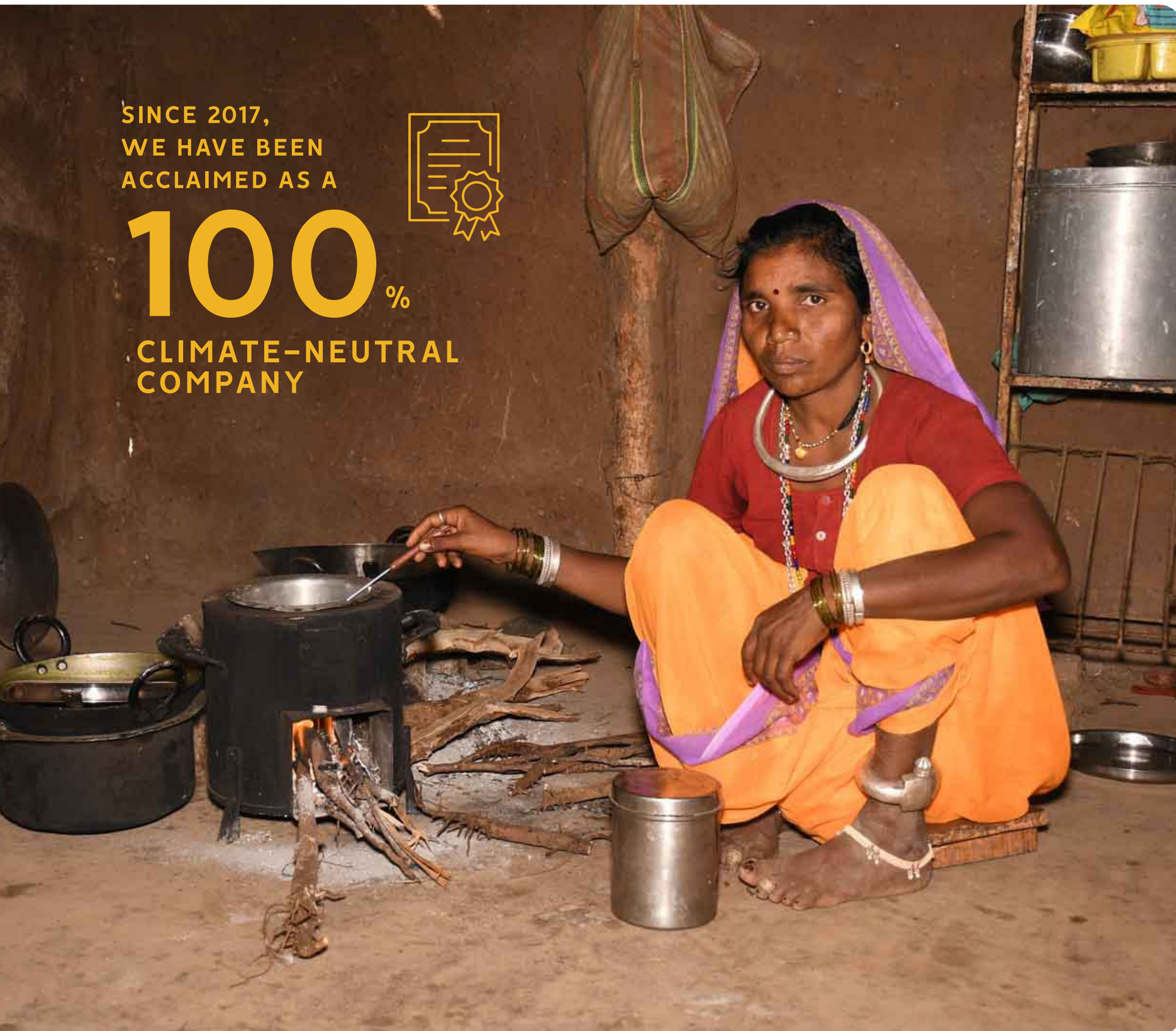
	Unit	2021	2022	2023
Turnover (net, EUR)	kgCO ₂ /EUR	0.61449	0.57210	0.46534
Number of units produced	kgCO ₂ /1,000 units	0.46365	0.45281	0.40754
Bulk produced	kgCO ₂ /kg	2.20586	2.10331	1.96154

In 2023, the average level of CO₂ emissions per 1,000 units was 0.408 kg CO₂ and therefore significantly below the previous year's level (0.45 kg CO₂/1,000 units).

SINCE 2017,
WE HAVE BEEN
ACCLAIMED AS A

100%

CLIMATE-NEUTRAL
COMPANY



CLIMATE-NEUTRAL COMPANY

Together with ClimatePartner, we log our company's annual CO₂ emissions and create a comprehensive Corporate Carbon Footprint (CCF) based on the Greenhouse Gas Protocol. This covers all greenhouse gas emissions from Scope 1 to 3, including the supply chain of raw materials and packaging materials. In 2023, emissions totalled 93,577 tonnes of CO₂.

As a manufacturing company, MANN & SCHRÖDER COSMETICS cannot completely avoid CO₂ emissions. However, we endeavour to take a holistic approach to climate protection. Our aim is to avoid unnecessary emissions, reduce existing emissions and offset unavoidable emissions. We do this by purchasing emission certificates and support a climate protection project to provide efficient ovens in India. This contribution supports the distribution of ovens requiring less firewood and reduces both air pollution in indoor areas and CO₂ emissions.



YOU CAN ALSO FIND MORE INFORMATION ABOUT
THE PROJECT HERE

ENERGY AUDIT 50001

M&S SUCCESSFULLY ISO 50001 CERTIFIED

The level of priority given to energy-efficient manufacturing at MANN & SCHRÖDER COSMETICS is also demonstrated by how the company was certified in 2019 in accordance with internationally recognised standards for energy management (DIN EN ISO 50001). The aim of the certification is continual improvement of the company's energy-related performance.

"Collecting energy-relevant data is essential for us as a manufacturing company to increase our energy efficiency in the long term", says Matthias Wörner, Management of Technology and Operations at MANN & SCHRÖDER COSMETICS. "Only if we know the detailed consumption of every

piece of equipment can we identify specific potential savings and act more efficiently." This is why MANN & SCHRÖDER COSMETICS decided to introduce its energy management system in accordance with the standard from the outset and has been successfully DIN EN ISO 50001:2018 certified since the end of October 2019.

"COLLECTING ENERGY-RELEVANT DATA IS ESSENTIAL FOR US TO INCREASE OUR ENERGY EFFICIENCY IN THE LONG TERM."

IMPLEMENTING ENERGY-SAVING MEASURES

Our progress in implementing our energy targets and action plan is audited annually by an external testing institute. Furthermore, our energy consumption (electricity, heat, gas, oil and compressed air) is systematically recorded and monitored.



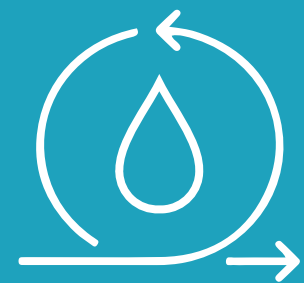
Matthias Wörner,
Management of Operations





RESPONSIBLE USAGE

WATER



OPTIMISED
PURIFICATION



CAREFUL
APPROACH



EFFICIENT THANKS TO
OSMOSIS



KEY RESOURCE

WATER – THE SOURCE OF LIFE

**Just like we need air to breathe, we need water for survival.
We consider water a precious, vital commodity and therefore invest
in modern technology so we do not waste this valuable resource.**

Water is an important component of most personal care products. It makes creams and lotions smooth, dilutes cleansing surfactants and binds water-soluble substances such as glycerine. Since the human body is made up of around 65% water, it is easy to understand

that products for its care also contain large proportions of this building block of life. Encouragingly, we could reduce our water consumption per product once again in reporting year 2023.

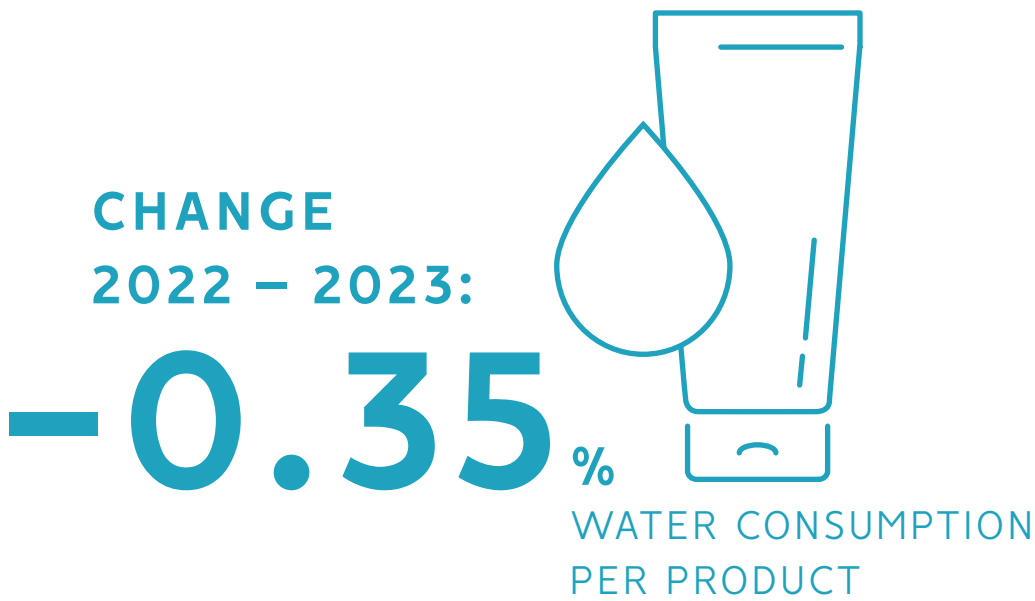
WATER CONSUMPTION
MANN & SCHRÖDER COSMETICS

	2022	2023	Change 2022 – 2023	
	absolute	absolute	absolute	in %
Absolute water consumption	94,339 m³	97,270 m³	+2,931 m³	+3.10%

WATER CONSUMPTION
BY PRODUCTION SITE

	2022	2023	Change 2022 – 2023	
	absolute	absolute	absolute	in %
Hüffenhardt	69,511 m³	70,176 m³	+665	+0.95%
Siegelsbach	24,828 m³	27,094 m³	+2,266 m³	+9.12%
Products Number of units	226,599,228	234,428,051	+7,828,823	+3.45%

We manufactured 3.45% more products in 2023 than in the previous year (2022), whereas water consumption increased by just 3.1% in the same period. This means that our use of water per product produced has fallen by 0.35%. Our careful approach to water is therefore paying off and our water-saving measures are taking effect.



CAREFUL APPROACH

We are aware of the value of water and have committed ourselves to a careful approach with this vital resource. In specific terms, this means that we have been investing in technology for years and establishing targeted measures to save water.

Different systems and modern technology have allowed us to save water whilst increasing production. As well as efficient water desalination, cleaning our pipework with the pigging system and steam cleaning, we can take further measures to save even more water.

ECOBULKS AND SURFACE JET

In spring 2020, we replaced IBC containers with Ecobulks. These containers are bevelled so that less filling material sticks to them once they are emptied. This makes cleaning much easier, saves water and helps to utilise the quantity produced more efficiently. The containers are cleaned at dedicated cleaning

stations. The surface jet used since then is very efficient in terms of water consumption and cleaning can be done in just 15 minutes.

BOILER CAPACITY

Better utilisation of boiler capacity is another key step towards saving water. We achieve this by increasing the production volume to the boiler's full capacity in order to optimise the batching ratio, i.e. commissioning the boiler for cleaning. The fact is that whether a production boiler works with a large or small capacity, it has to be cleaned after every use regardless. Full boiler utilisation is beneficial for the ratio of filling material/cleaning and thereby for the water consumption of each individual product.



90 LITRES
OF FULLY DEMINERALISED
WATER FROM
100 LITRES
OF TAP WATER

OVER
15,000
LITRES
OF WATER SAVED PER DAY

EFFICIENT THANKS TO OSMOSIS

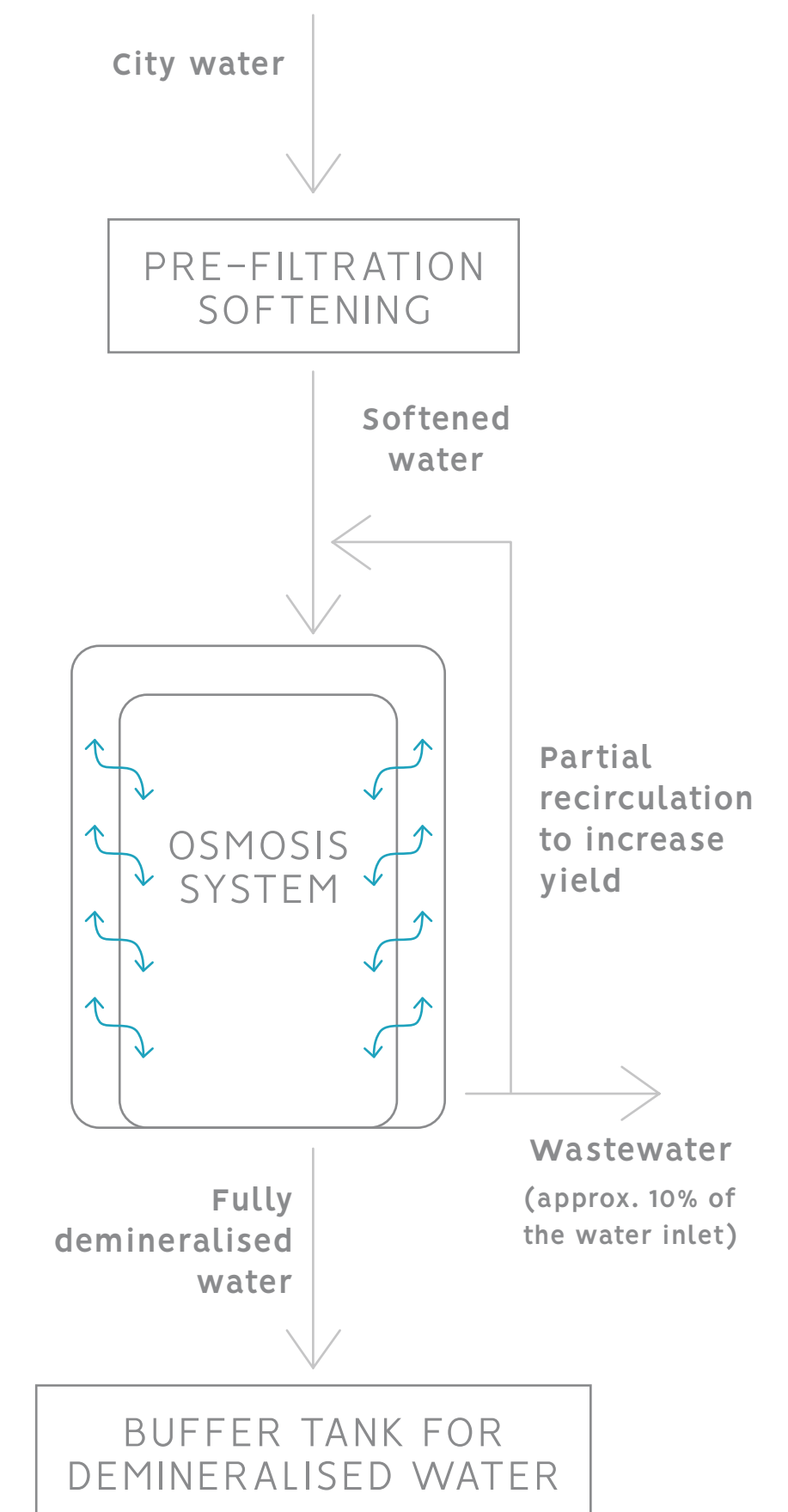
At MANN & SCHRÖDER COSMETICS, we only use purified, non-saline water for manufacturing our personal care products. This allows us to determine exactly which ingredients should be included in our products and which should not. Non-saline water also has the advantage of being non-corrosive. It is therefore gentle on materials, which extends the service life of machines.

To obtain pure, non-saline water, we use the most efficient and ecological method with the osmosis system. To do so, we work with an osmosis system of the highest configuration. Around 90 litres of fully demineralised water can be obtained from 100 litres of tap water and 10 litres are fed back into the wastewater as salt concentrate (retentate). The system separates salt from water using a filter system and returns demineralised water to a buffer

tank, which acts as a kind of storage tank. Pure water can then be used for the production of care products.

Investing in additional buffer tanks also has a positive impact on water consumption. Thanks to high storage capacity, the osmosis system has to be started up and cleaned less frequently. This allows us to save over 15,000 litres of water per day.

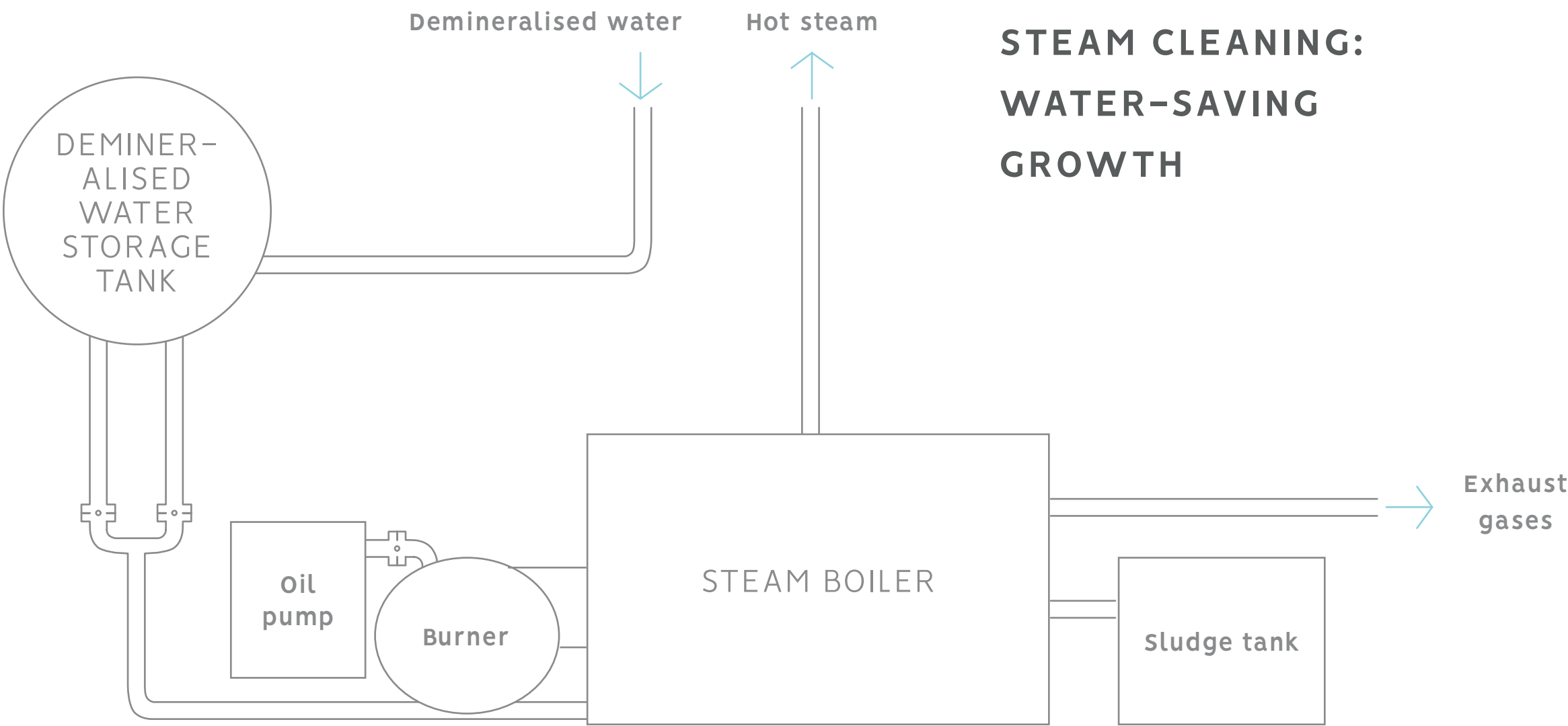
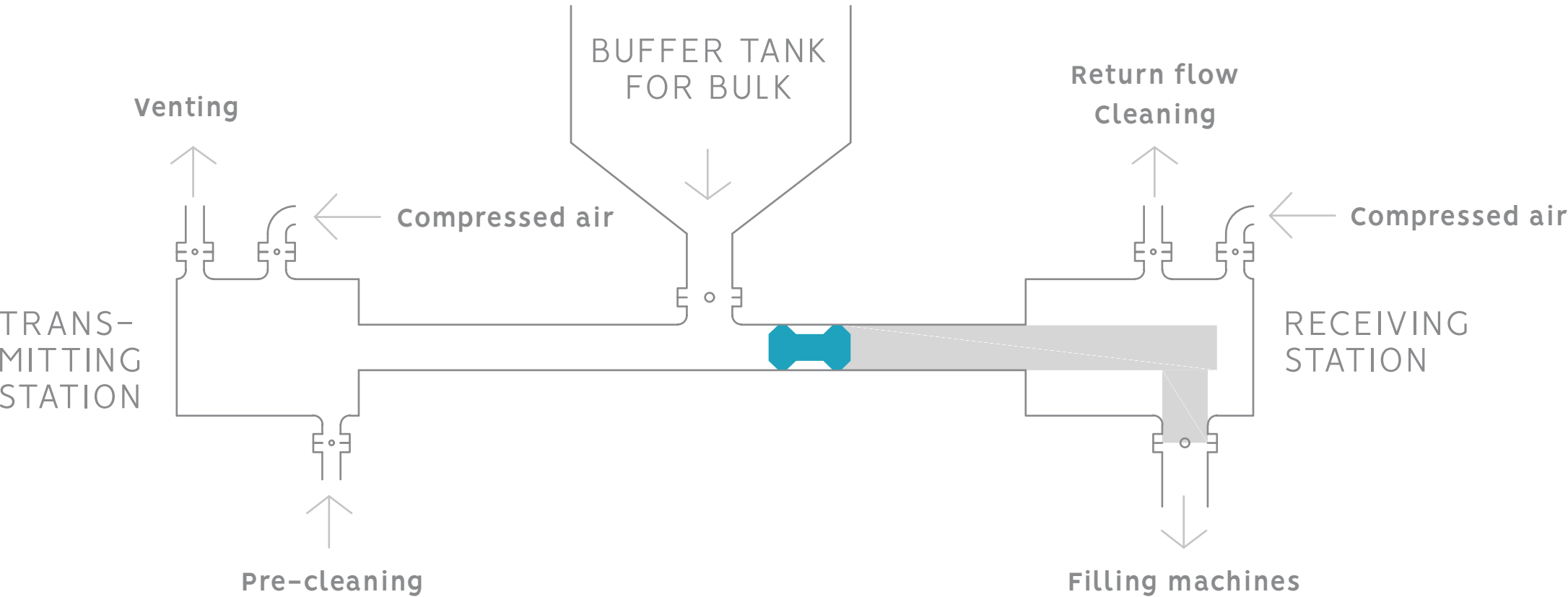
OSMOSIS SYSTEM: EFFICIENT AND ECOLOGICAL



INGENIOUS PIGGING

We have fitted our pipework system with ingenious pigging technology. The pigging system has two positive effects: it salvages filling material and helps to save water. This is because a small rubber stopper (pig) pushes any remaining filling material through the pipes at the end of the filling process to clean them. Consequently, far less water is required for cleaning.

PIGGING SYSTEM:
MORE PRODUCT, LESS WATER



STEAM CLEANING:
WATER-
SAVING
GROWTH

50%
WATER SAVED FROM
CLEANING THE SYSTEMS

STEAM INSTEAD OF WATER

Fast and water-saving steam cleaning has been used at our production sites since 2018. Since we switched to steam cleaning, we have saved around 50% water, not to mention needing far less cleaning agents. This also results in less contaminated wastewater. Our conclusion: steam cleaning is an excellent environmentally-friendly method.

[READ MORE ABOUT THE USE OF WATER](#)



REDUCE, REUSE, RECYCLE

WASTE MANAGEMENT



REFUSE

AVOIDING
PACKAGING WHEREVER
POSSIBLE



REDUCE

REDUCING MATERIAL
WITHOUT JEOPARDISING
PRODUCT SAFETY



RECYCLE

USE OF MATERIALS
THAT ARE EASY
TO RECYCLE



RETHINK

USE OF RECYCLED
MATERIAL

WASTE MANAGEMENT

CIRCULAR ECONOMY THROUGH RECYCLING

Packaging protects the product that is close to our hearts. It provides important information, facilitates transport and often influences the decision to purchase. For us, however, packaging must be one thing above all: environmentally-friendly! Whether paper, cardboard, plastic or glass – a responsible approach to raw materials runs through our entire value chain and does not stop when materials become waste and have to be disposed of. Together with our disposal

partners, we are consistently backing recycling and thinking in cycles. The basis of our waste management is thorough waste separation.

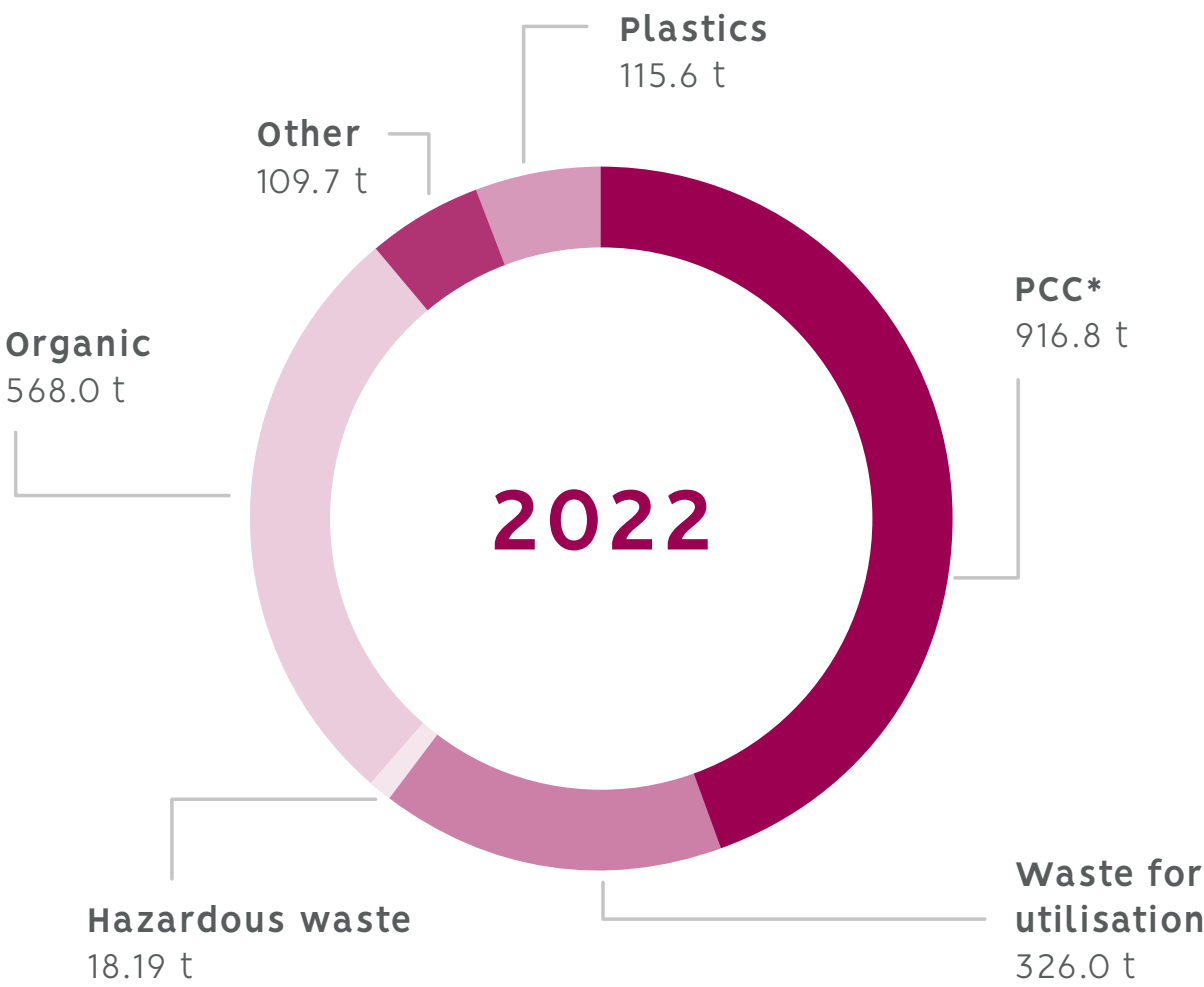


WASTE VOLUMES BY WASTE TYPE

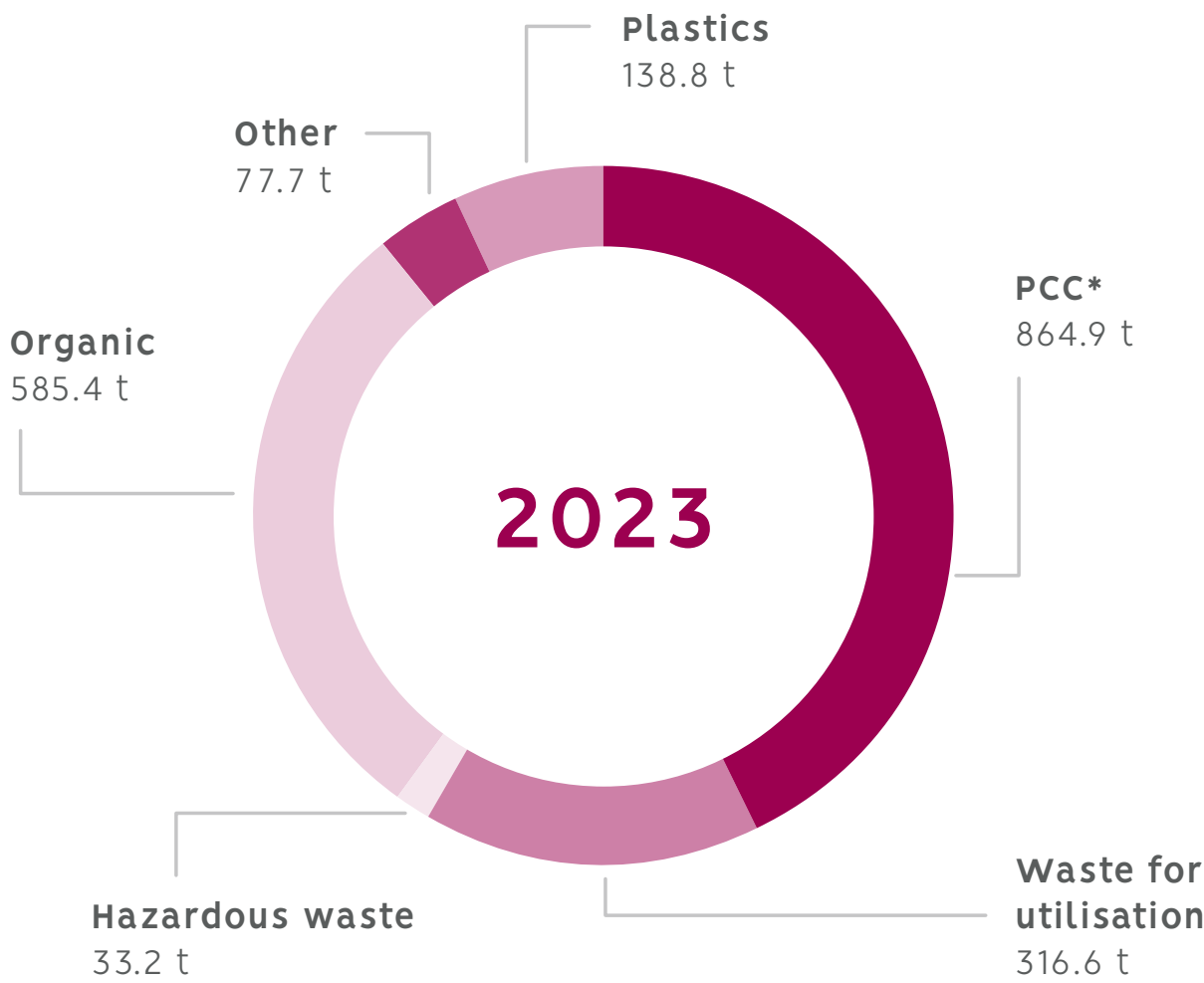
The amount of non-hazardous waste in 2023 was around 2,220 tonnes. This is almost 1.4% lower than in the previous year. The amount produced increased by 1.3% compared to 2022. Hence, the amount of waste generated could be kept at a constant level. Hazardous waste, which primarily includes raw material waste and highly flammable liquids, only accounted for a small proportion of total waste and is not analysed separately for 2023. Due to the high collection effort involved, it was therefore no longer listed separately in the sustainability report. In addition, sludge from our wastewater treatment was not included as waste in the calculation.

*PCC: Paper, cardboard, carton

VOLUME BY TYPE OF WASTE



OVERVIEW



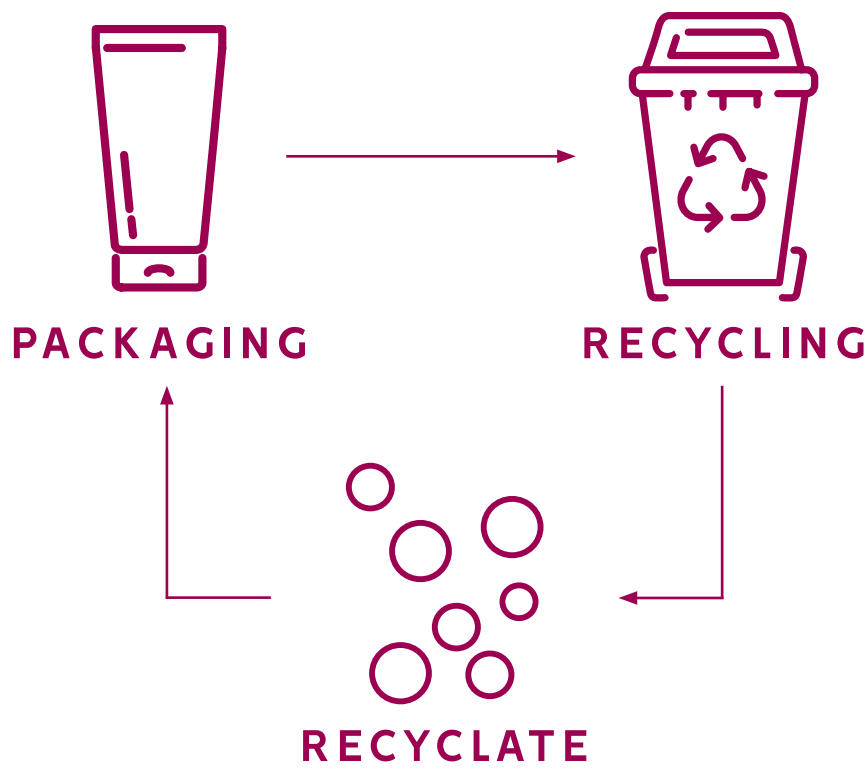
SUSTAINABLE USAGE OF PLASTICS

When using plastics, we make sure that they can either be reused (recycled) or are already made from recycled material (recyclate). This is the only way to complete cycles and conserve resources. What is known as PCR material (post-consumer recycling material) prevents the need to produce more and more plastic from fresh crude oil, which can save large amounts of energy and CO₂.



RECYCLABILITY

In the reporting year, the proportion of recyclable waste was just under 94%. Almost all paper and cardboard was recycled, which, along with film and plastics, make up the majority of the materials we recycle. All of our residual waste and recyclables containers are equipped with waste compactors to compress the volume of waste. This means that the containers can be filled for longer and need to be emptied less frequently. This saves the waste disposal companies travelling to the site and therefore saves a lot of CO₂.



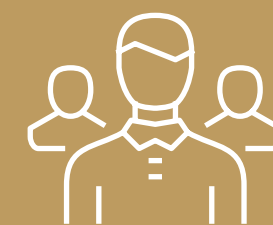


STRONG AND DIVERSE

OUR EMPLOYEES



ONE OF
GERMANY'S BEST
TRAINING COMPANIES



OVER
800
EMPLOYEES



EMPLOYEES
FROM
39
NATIONS



STRONG TOGETHER

YOU AND I – US

All employees should feel comfortable in our company and be able to develop positively, because success is only possible together.

MANN & SCHRÖDER COSMETICS is made up of many different employees at very different workplaces – with diverse tasks and daily challenges. Every individual counts and the big US as a collective. Whether palletising on the forklift, creating samples in the lab or working from home on video calls with customers, each of our employees does an outstanding job and contributes to the collective success of MANN & SCHRÖDER COSMETICS in their own way. We would like to honour this as an attractive em-

ployer and support it to the best of our ability. Examples include announcing two extra annual leave days for all full-time employees from January 2024, the possibility of mobile working for a harmonious work-life balance and the wide range of health and leisure options. We wish to strengthen the sense of US with our voluntary #gerneperdu initiative.



“FLEXIBLE WORKING HOUR MODELS AND HEALTH OPTIONS ARE IMPORTANT FOR ENSURING THE WELL-BEING OF OUR EMPLOYEES.”

Alexandra Fischer,
Human Resources Management



MOBILE WORKING

The combination of mobile working with days at the company workplace has become further established in 2023. As a modern company in a constantly evolving world of work, we would like to offer our employees more location flexibility in their day-to-day work. We believe there are many good reasons in favour of this: more time for family and leisure activities, fewer kilometres driven on the roads and therefore less CO₂emissions. Thus, the positive effects aren't just evident in an improved work-life balance for individuals, but in terms of the environment as a whole.

Thanks to new technological possibilities, our employees can dial into their online appointments and internal or external meetings quickly, efficiently and above all flexibly in terms of location, depending on their remit. We are pleased about the positive responses from different areas and the high productivity of our employees regardless of whether they work on a mobile basis, from home or in the office.

FAMILY-FRIENDLY

As a family-owned company, MANN & SCHRÖDER COSMETICS understands the needs of working parents and supports them in balancing family and career, for example, by enabling part-time work and mobile working. Our aim is to offer employees a pleasant working environment. This includes fair pay, additional company benefits and flexible working hour models. We make returning from parental leave as easy and attractive as possible, offering attractive part-time models. As in previous years, more women (57%) than men (43%) were among the 805 employees (as of 31 December 2023). The group between 30 and 50 years of age is most represented (49%), followed by the over-50s (27%) and under-30s (24%). In 2023, 30 of our employees took parental leave.

COMMUNICATING DIGITALLY

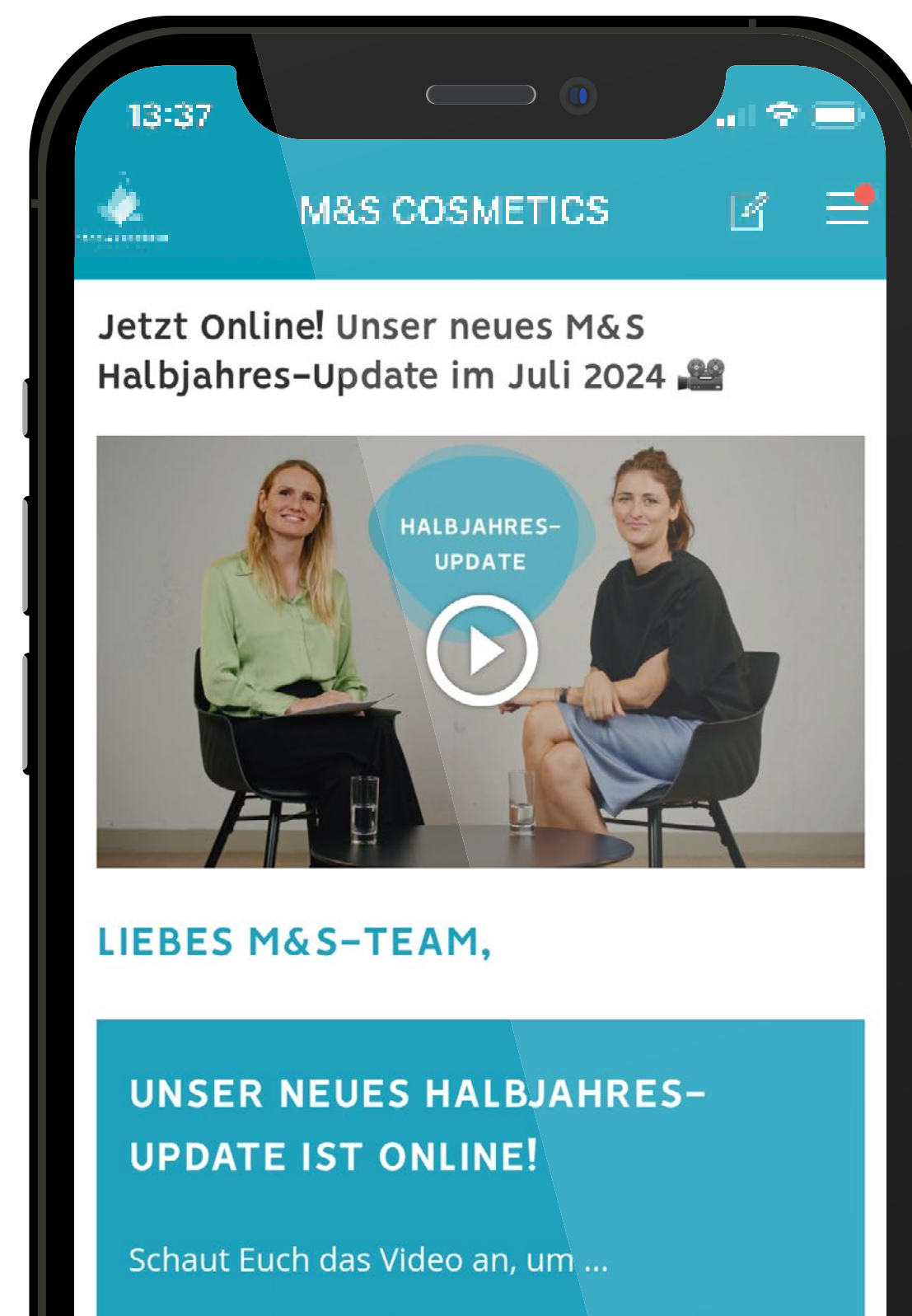
Good communication is an important component of the daily working routine and the basis for successful cooperation. Our company's own employee app is a very popular and practical way of communicating with and for our employees. This is reflected not least in the average registration rate of 88% of our workforce. Our employee app is constantly evolving with new uses and has featured in the new COSMuS user profile since the reporting year.

In almost 150 news articles in 2023, we provided information on current topics relating to the company and are delighted with the great commitment of our employees to joint campaigns, such as the MANN & SCHRÖDER COSMETICS Easter prize draw.

COMPANY UPDATE

Since 2023, the biennial update for our employees has been available in video format. Especially in challenging times like these, we wish to respond to our employees' wish for greater transparency. As part of the update, the management reports on the company's financial

situation, responds to questions from the workforce and provides information on ongoing projects. There are of course also a variety of access options, e.g. quickly and easily via the employees' app.



**CYCLING DOESN'T
JUST SAVE ON
CO₂
BUT ALSO
BOOSTS HEALTH.**



BICYCLE FOR EMPLOYEES

Those who cycle to work are rewarded. MANN & SCHRÖDER COSMETICS has been a cooperation partner of a bike leasing company since September 2021 and employees can lease a bike or e-bike at a reduced rate. Cycling saves CO₂ and promotes health too – both aspects that we very much welcome.





HEALTH-FOCUSED WORKPLACE

The topics of health and workplace safety are a major priority in our company. We set a standard that goes beyond current legislation. In addition to safe, ergonomic workplaces, e.g. with PPE or height-adjustable desks, we also offer our employees a wide range of activities for improved well-being. With our health days related to backs, a fascia workshop and many more exercise and sports programmes, we would like to provide the opportunity for team sport or for personalised sporting pursuits. What's new in 2023 is MANN & SCHRÖDER COSMETICS collaborating with two gyms so our employees can start personal training on a good footing.



A particular highlight for us are annual company runs, in which we have regularly taken part for many years. In total, our teams have participated in five runs throughout 2023 and have covered around 400 km. So with our in-house step challenge in mind, all we can say is: get running!

FREE EYE TESTS

Through our company doctor, we offer all employees regular examinations, including eye tests, for example. If the need for computer glasses is identified, MANN & SCHRÖDER COSMETICS will contribute to the costs. Safety glasses in your own prescription are also subsidised.

ANNUAL LEAVE

As an employer of over 800 people, we have decided to increase the number of annual leave days and communicated this to the workforce. Specifically, all full-time employees will gain two extra days of annual leave from the coming year. For part-time employees, this ruling applies on a pro rata basis according to working days.

PROMOTING YOUNG TALENT

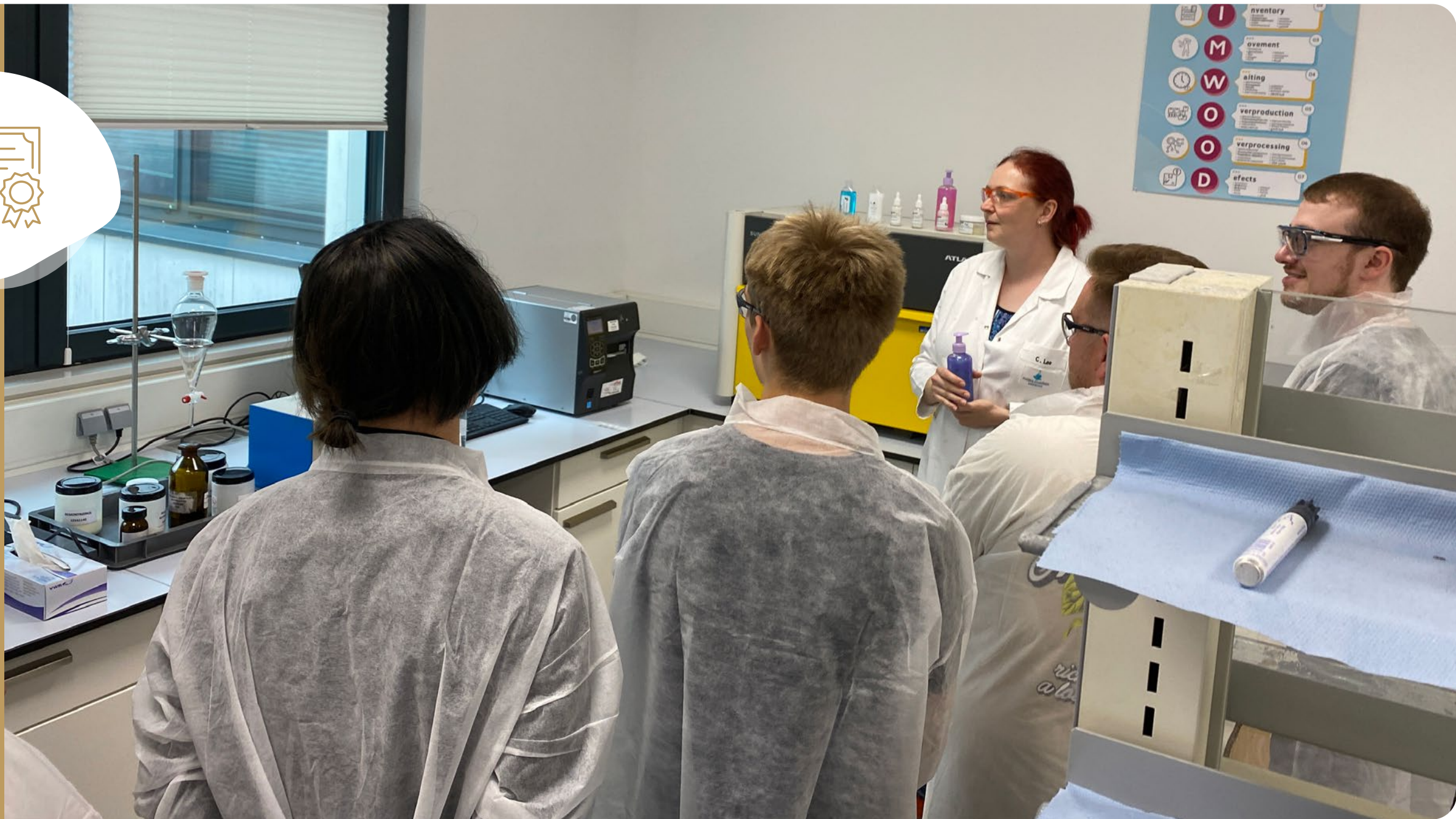
As an innovative company, MANN & SCHRÖDER COSMETICS wants to shape the future and involve the younger generation from the very beginning. In 2023, we employed 41 trainees and students from the dual study system in a total of 14 different apprenticeships and dual study programmes. Young people are accompanied by mentors. For us, training predominantly represents tangible experiences, self-confidence and a sense of personal growth. Special activities such as driver safety training also ensure a sense of good team spirit and, of course, improved road safety. In the reporting year, we have been acclaimed six times by renowned institutes for our outstanding training quality.

ACCLAIMED

TRAINING WITH
QUALITY

As in previous years, MANN & SCHRÖDER COSMETICS is again in 2023 one of Germany's best training centres. This is confirmed by evaluations by Focus Money, Top Ausbildung, F.A.Z. Institut, Capital, Handelsblatt and WELT.

[READ MORE ON
TRAINING AND STUDY](#)



GIRLS' DAY

As part of Girls' Day, 15 girls had the chance to experience MANN & SCHRÖDER COSMETICS up close. Whether in Research & Development, IT or Technology, it was a day full of exciting discoveries for the young girls and a glance at interesting areas of our company.

GO
GIRLS! ♀



TRAINING CONCEPT

As part of an HR initiative, we developed a training concept in 2021 in which processes were standardised and procedures were adapted at a uniform level. New trainers and mentors who took over the respective specialist areas according to their qualifications were trained and educated within our organisation. All content was revised in line with the relevant specifications (e.g. IHK training framework plan and DHBW specifications) and tightened up where necessary. This project has made training and the dual study programme at MANN & SCHRÖDER COSMETICS more comparable and transparent within the various professions.

We introduced the digital report booklet the previous year. Our trainees can use the app to log their weekly training records online and send them directly to their trainers. This saves time, money and paper. Thanks to the simple operation of the app, which is used to main-

tain training records, trainees can also complete their report booklet on the move. All instructions and tasks are documented in the report booklet. It is available on all end devices at any time in digital form

TRAINING COOPERATION

In 2023, MANN & SCHRÖDER COSMETICS entered into a training cooperation with a company specialising in conveyor technology.

Trainees in technical professions can experience departments that don't exist in our company. The same applies for our partner company: their trainees come to us to complete training segments that our cooperation partner does not offer.

TRAINING FOR ALL

It's not just apprentices and students who learn at MANN & SCHRÖDER COSMETICS; all employees receive regular training. In addition to mandatory training in occupational safety and data protection, we offer hygiene and GMP training, driver training, learning units on sustainable packaging and awareness, as well as courses on mobile working and managing virtual teams on our own online learning platform. Employees also have the opportunity to take part in customised training courses at external institutes.

ONBOARDING

To give new employees the best possible start, our HR department is constantly working to optimise the M&S onboarding process. They receive the most important training and basic information about their new working environment on an extra onboarding day. All further details can be found below – including the mandatory training that all employees must regularly complete. Documents for administrative staff are now provided only in digital form, which significantly saves on paper and counts towards our sustainability goals.





SAFETY & PREVENTION

MANN & SCHRÖDER COSMETICS goes beyond the applicable standards and laws to ensure a safe and hygienic working environment. With this in mind, we analyse and monitor relevant work processes for potential health and safety risks and take appropriate measures to reduce hazards. A further objective is to avoid accidents at work and to protect our employees through preventive health measures. The aim is to prevent employees from being absent from work for long periods of time.

We work closely with an external occupational safety company and hold joint meetings of the Occupational Safety Committee every three months. Topics relating to accident prevention and protection in the workplace are discussed here. The participants from MANN & SCHRÖDER COSMETICS include representatives from various departments of our company and the works council, as well as the company

doctor. The meeting is chaired by the occupational safety department and a member of the management.

In 2023, the number of accidents at work resulting in more than three days' absence from work was 19.

There is no group of employees in our company that is exposed to such a high risk due to their work that a particularly high rate of illness is recorded. If risks are discovered during the risk assessment, we immediately establish measures to reduce exposure.

CO-DETERMINATION

In our opinion, a trusting cooperation between employers and employees can only bear fruit if employees have a say. We promote this co-determination by conducting surveys – for example, on satisfaction with working from home. The company's own app also promotes internal communication, as it gives all employees the opportunity to share their opinions and ask questions. We are happy to take on board suggestions for improvement and implement them where possible.

WORKS COUNCIL

The works council is the most important link between employees and the employer. It represents the interests of all employees, both in administration and production, and is in constant dialogue with the company management in a spirit of trust. HR management and the works council meet on a weekly basis. Information on significant operational changes is provided in a timely and comprehensive manner in accordance with legal requirements – negotiations are possible at any time.

[READ MORE ABOUT EMPLOYEES](#)

LEADING EMPLOYER

Once again in 2023, MANN & SCHRÖDER COSMETICS was recognised as a Leading Employer and, according to studies from F.A.Z. Institut, WELT and Focus, is one of Germany's best employers.





CLOSE TO OUR HEARTS

SOCIAL COMMITMENT

SUPPORTING THE
REGION



DONATIONS
FOR THOSE IN NEED



CLIMATE PROTECTION
PROJECT IN

INDIA

SOCIAL COMMITMENT

ACTIVE ASSISTANCE

As a company, we have assumed responsibility for people and our planet. In our view, this also includes our commitment to the common good.



MANN & SCHRÖDER COSMETICS supports regional associations and organisations in particular, but also helps abroad.

We are convinced that organisations and associations that look after people in need, children and young people, as well as providing a home and care for animals, are indispensable for a strong community. That's why we offer our support!

WIDE-RANGING DONATIONS

We support the vulnerable, associations and institutions with donations in kind from our hair and personal care product portfolio. Here we focus on regional nurseries, sports clubs, animal homes and charitable organisations such as food banks. In 2023, we donated goods worth almost 30,000 euros to four local food banks in Baden-Württemberg.

In the event of war and disaster, we of course also help people beyond our national borders. Like last year, a large donation with over 14,000 shower gels, shampoos and baby care was sent to Ukraine.





CAN DONATIONS FOR PEOPLE IN NEED

Helping people in need motivates our younger employees too. Under the motto “every can counts”, trainees and dual students organised participation in the Dosenaktion Heilbronn project in 2023 – with the aim of supporting people in need in Heilbronn and the surrounding area.

With an appeal to colleagues, they were able to collect a total of 319 cans at the four MANN & SCHRÖDER COSMETICS locations. The cans and tins were then passed on to five social partners to distribute food to those in need through the Dosenaktion Heilbronn project team.

Price increases in the food industry are causing more and more people difficulties – food is becoming too expensive for many. The can campaign enables people in financial need to be given a hot meal. The can donations also have the advantage of directly reaching those in need, having a long shelf life and being able to be used by anyone.

ACTIVE FOR A GOOD CAUSE

When it comes to getting involved with a good cause, our employees don't hesitate to play their part. In February 2023, M&S colleagues played football together for a good cause at a charity tournament held at the Neckarhalle in Obrigheim.

THE TOURNAMENT
RAISED AROUND

€4,000

FOR THE CHILDREN'S
HOSPICE IN MOSBACH.

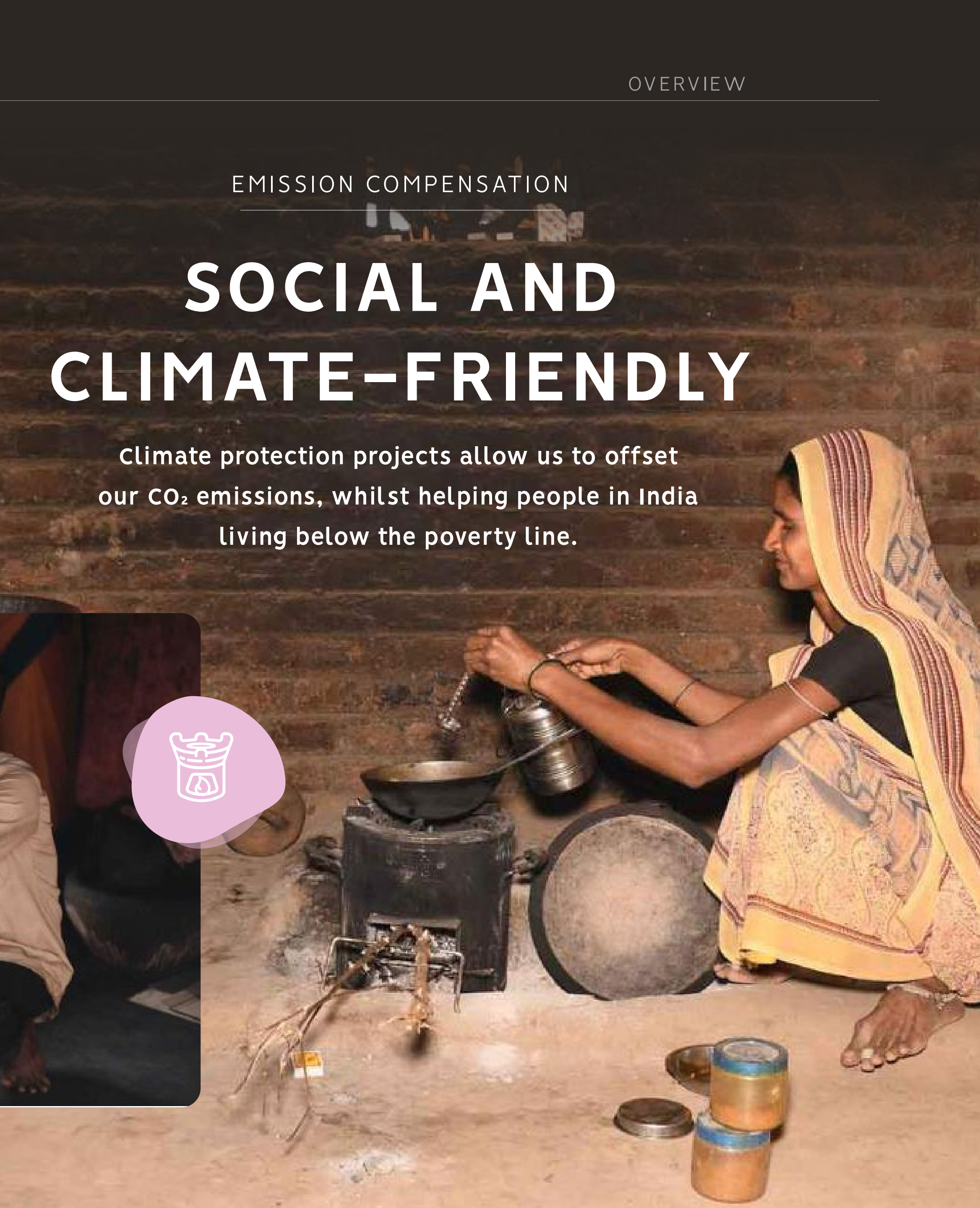


In collaboration with ClimatePartner, we have been measuring our CO₂ emissions since 2017 and offsetting them via climate protection projects. This demonstrates how social commitment and climate protection go hand in hand at MANN & SCHRÖDER COSMETICS. Our previous climate protection projects were in Africa, and we have been supporting projects in India since 2023.

By supporting the Efficient Ovens projects, we are helping poorer families and households in India to improve their living conditions and save CO₂ at the same time. Families who use these efficient ovens also benefit from this clean cooking method from a health perspective, since they are no longer exposed to dangerous smoke pollution.

Since efficient ovens require far less wood for cooking, deforestation is significantly reduced, thereby protecting the environment.

[YOU CAN ALSO FIND MORE INFORMATION ABOUT THE PROJECT HERE](#)



EMISSION COMPENSATION

SOCIAL AND CLIMATE-FRIENDLY

Climate protection projects allow us to offset our CO₂ emissions, whilst helping people in India living below the poverty line.





INTERNATIONALLY RECOGNISED GUIDELINES

GRI INDEX

GRI REPORTING

Mandatory standards to achieve the Core version:

GRI 100: UNIVERSAL STANDARDS

GRI 102	General disclosures	Description	Page
102-1	Name of the organisation	MANN & SCHRÖDER COSMETICS	p. 5
102-2	Activities, brands, products and services	Manufacturing hair and personal care products	p. 5
102-3	Location of headquarters	Siegelsbach, Germany	p. 5
102-4	Location of operations	Sales in over 70 countries worldwide	p. 6
102-5	Ownership and legal form		
102-6	Markets served	Supplying trade partners (food and drugstore markets). Export to 70 countries	p. 5 – 6
102-7	Scale of the organisation	804 employees (as of 31/12/2022)	p. 6, p. 50
102-8	Information on employees and other workers	Personnel structure	p. 57
102-9	MANN & SCHRÖDER COSMETICS supply chain		
102-10	Significant changes to the organisation and its supply chain	No significant changes are known in the reporting period.	–
102-11	Precautionary principle or approach	Sustainability strategy	p. 8 – 21
102-12	External initiatives	Dialogue with stakeholders Social commitment	p. 11 f. p. 58 – 61
102-13	Membership of associations and interest groups	Unternehmerverband, Deutsche Gesellschaft für Kosmetik (DGK), Industrieverband Körperpflege- und Waschmittel e.V. (IKW), Un- ternehmerzirkel, Forum Rezyklat, Roundtable on Sustainable Palm Oil (RSPO), Verband soz. Wettbewerb, Chamber of Industry and Com- merce	p. 11 ff.
	Strategy		
102-14	Statement from senior decision-maker	Foreword by the Managing Director	p. 3
	Ethics and integrity		
102-16	Values, principles, standards and norms of behaviour	Sustainability strategy Values and compliance Management systems	p. 8 – 21 p. 16 ff. p. 16 ff.
	Governance		
102-18	Governance structure	Organisation and management	p. 9



GRI 102	General disclosures	Description	Page
	Stakeholders		
102-40	List of stakeholder groups	Stakeholder map	p. 11 – 12
102-41	Collective bargaining agreements	AT MANN & SCHRÖDER COSMETICS = 0%. It should be noted at this point that there are no collective bargaining agreements	–
102-42	Identifying and selecting stakeholders	Stakeholder map	p. 11 – 12
102-43	Approach to stakeholder engagement	Stakeholder groups and their influence	p. 11 ff.
102-44	Key topics and concerns raised	2023 materiality analysis	p. 15
	Reporting practice		
102-45	Entities included in the consolidated financial statements	Company portrait	p. 5 – 6
102-46	Defining report content and topic boundaries	Report profile	p. 4
102-47	List of material topics	2023 materiality analysis Report profile	p. 14 p. 4
102-48	Restatements of information		p. 4
102-49	Changes in reporting		p. 4
102-50	Reporting period	1 January to 31 December 2023	p. 4
102-51	Date of most recent report		p. 4
102-52	Reporting cycle	Annual reporting	p. 4
102-53	Contact point for questions regarding the report	See imprint	Last page
102-54	Claims of reporting in accordance with the GRI Standards	Application of the GRI standard	p. 4
102-55	GRI content index		p. 62 ff.
102-56	External assurance	No external assurance of this report was performed.	–

GRI 200: ECONOMY

GRI 201	Economic performance	Description	Page
201	Management approach		p. 10
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability strategy	p. 8 – 21
GRI 202	Market presence		
202	Management approach		p. 58 – 61



202-2	Proportion of senior management hired from the local community	This figure is not relevant to MANN & SCHRÖDER COSMETICS's management, therefore is not recorded.	p. 59 – 61
GRI 203	Indirect economic impacts		
203	Management approach	Social commitment	p. 66 – 71
203-1	Infrastructure investments and services supported	MANN & SCHRÖDER COSMETICS is aware of its societal responsibility. We focus our commitment to social issues on the target groups of end customers, business partners and local authorities within the predominantly entrepreneurial sphere of activity in Baden-Württemberg. Support for overarching social issues is focused on the core areas of children, women, sport, environment and education.	p. 66 – 71
GRI 204	Procurement practices		
204	Management approach		–
204-1	Proportion of spending on local suppliers		–
GRI 205	Anti-corruption		
205	Management approach	Values and compliance	p. 16 ff.
205-3	Confirmed incidents of corruption and actions taken	No incidents were reported or uncovered in the reporting period.	–
GRI 206	Anti-competitive behaviour		
206	Management approach	Values and compliance	p. 16 ff.
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	No incidents were reported or uncovered in the reporting period.	–

GRI 300: ECONOMY

GRI 301	Materials (economy)	Description	Page
301	Management approach	By using recyclates, product cycles can be closed and resources conserved. In 2023, MANN & SCHRÖDER COSMETICS focused on the use of recyclates from the yellow bag.	p. 27 ff.
301-2	Recycled input materials used	Circular economy	p. 27 ff.
GRI 302	Energy		
302	Management approach	MANN & SCHRÖDER COSMETICS is continually working on further reducing its energy consumption. Extensive measures were defined for this purpose in 2019 as part of certification in accordance with DIN EN ISO 50001 (energy management).	p. 30 ff.

GRI INDEX

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– 400

302–1	Energy consumption within the organisation	<div>Additional energy figures per site</div> <table><thead><tr><th></th><th>Heating oil</th><th>Diesel</th><th>Gasoline</th><th>Electricity</th><th>Propane</th><th>Electricity</th><th>Total</th></tr></thead><tbody><tr><td>MUNA</td><td>0</td><td>0</td><td>0</td><td>31,028</td><td>46,253</td><td>0</td><td>77,281</td></tr><tr><td>Mannheim</td><td>0</td><td>0</td><td>0</td><td>2,500</td><td>0</td><td>23,154</td><td>25,654</td></tr><tr><td>Gundelsheim</td><td>0</td><td>0</td><td>0</td><td>50,525</td><td>221,975</td><td>0</td><td>272,500</td></tr><tr><td>Helmstadt</td><td>0</td><td>0</td><td>0</td><td>31,818</td><td>0</td><td>0</td><td>31,818</td></tr></tbody></table>		Heating oil	Diesel	Gasoline	Electricity	Propane	Electricity	Total	MUNA	0	0	0	31,028	46,253	0	77,281	Mannheim	0	0	0	2,500	0	23,154	25,654	Gundelsheim	0	0	0	50,525	221,975	0	272,500	Helmstadt	0	0	0	31,818	0	0	31,818	p. 30 ff.
	Heating oil	Diesel	Gasoline	Electricity	Propane	Electricity	Total																																				
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Helmstadt	0	0	0	31,818	0	0	31,818																																				
302–4	Reduction of energy consumption		p. 30 ff.																																								
302–5	Reduction of energy requirements for products and services		p. 30 ff.																																								
GRI 303	Water																																										
303	Management approach	On the basis of its values and priorities, MANN & SCHRÖDER COSMETICS has committed itself to the responsible use of water as a resource. The company is using modern technology and procedures to save water.	p. 38 ff.																																								
303–1	Water withdrawal by source	Use of water	p. 40																																								
GRI 304	Biodiversity																																										
304	Management approach	–	p. 26																																								
304–1	Operating sites located in or adjacent to protected areas	Omission: The standard disclosure or part of the standard disclosure is not applicable.	–																																								
GRI 305	Emissions																																										
305	Management approach		p. 34 ff.																																								
305–1	Direct GHG emissions (Scope 1)		p. 34																																								
305–2	Energy indirect GHG emissions (Scope 2)		p. 34																																								
305–3	Other indirect GHG emissions (Scope 3)		p. 34																																								
305–5	Reduction of GHG emissions		p. 34 f.																																								
GRI 306	Wastewater and waste																																										
306	Management approach	MANN & SCHRÖDER COSMETICS is committed to the conscious use of raw materials and materials throughout its entire value chain. This also applies when materials become waste and have to be disposed of. Together with our waste disposal partners, we consistently pursue the goal of recycling.	p. 45																																								
306–2	Waste by type and disposal method	Volume by type of waste	p. 46																																								
GRI 307	Environmental compliance																																										
307	Management approach		p. 16																																								

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307-1	Non-compliance with environmental laws and regulations	In the reporting period, no fines or non-monetary sanctions were imposed upon MANN & SCHRÖDER COSMETICS for non-compliance with environmental laws and regulations.	-
GRI 308	Supplier environmental assessment		
308	Management approach		
308-1	New suppliers that were screened using environmental criteria	At present, suppliers are not yet screened using specific environmental criteria.	-
GRI 400: SOCIAL			
GRI 401	Employment		
401	Management approach		p. 49
401-1	New employee hires and employee turnover	Personnel structure	p. 50
401-2	Benefits provided to full-time employees		p. 50 ff.
GRI 402	Labour/management relations		
402	Management approach		p. 56
402-1	Minimum notice periods regarding operational changes	Employee co-determination at MANN & SCHRÖDER COSMETICS is based on statutory provisions. The most important body is the works council, which is in constant dialogue with company management in a spirit of trust. This particularly applies to economic decisions regarding the development and future of the company and jobs. Information on significant operational changes must be provided in a timely and comprehensive manner in accordance with legal requirements. Negotiations must also be possible.	p. 56 p. 57 ff.
GRI 403	Occupational health and safety		
403	Management approach		p. 56
403-3	Employees with a high incidence of or risk of diseases associated with their professional activity	There are no groups of employees at MANN & SCHRÖDER COSMETICS that are exposed to such a high risk due to their work that a particularly high rate of illness is recorded. As part of the risk assessment, appropriate risk reduction measures are defined and implemented where risks are present.	
GRI 404	Training and education		
404	Management approach		p. 53 ff.
404-1	Average hours of training per year per employee	The work involved in obtaining detailed key figures is not proportionate to the knowledge gained.	p. 53 ff.
GRI 405	Diversity and equal opportunity		
405	Management approach		p. 57

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405-1	Diversity of governance bodies and employees	Personnel structure	p. 57
		Diversity and equal opportunities	
GRI 406	Non-discrimination		
406	Management approach	Values and compliance	p. 16 f.
406-1	Incidents of discrimination and corrective actions taken	No incidents of discrimination in the company are known in the re- porting period. We expect our suppliers and business partners to ensure fair and safe working conditions for their own employees, for the temporary and agency workers they employ and for any subcontractors they work with.	-
GRI 407	Freedom of association and collective bargaining		
407	Management approach	Values and compliance	p. 16 f.
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No incidents are known in the reporting period.	-
GRI 408	Child labour		
408	Management approach	Values and compliance	p. 16 f.
408 -1	Operations and suppliers at significant risk for incidents of child labour	No incidents are known in the reporting period.	-
GRI 409	Forced or compulsory labour		
409	Management approach		p. 16 f.
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	See point 408-1	-
GRI 410	Security practices		
410	Management approach	Values and compliance	p. 16 f., p. 56
410-1	Security personnel trained in human rights policies or pro- cedures	Compliance officers	p. 19

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GRI 411	Rights of indigenous peoples		
411	Management approach		–
411-1	Incidents of violations involving rights of indigenous peoples	We are not aware of any such incidents.	–
GRI 412	Human rights assessment		
412	Management approach	Values and compliance	p. 16 f.
412-1	Operations that have been subject to human rights reviews or impact assessments	All business locations are in Europe and therefore in OCDE countries. Only some raw materials and packaging are procured from non-OCDE countries; in such cases, all relevant human rights aspects are taken into consideration during the supplier assessment.	–
GRI 413	Local communities		
413	Management approach		
413-2	Operations with significant actual or potentially negative impacts on local communities	There were no significant negative impacts on the local community during the reporting period.	–
GRI 414	Supplier social assessment		
414	Management approach		
414-1	New suppliers that were screened using social criteria		p. 16 f.
GRI 415	Public policy		
415	Management approach		–
415-1	Political contributions	No financial or in-kind contributions were made to political parties or similar institutions during the reporting period.	–
GRI 416	Customer health and safety		
416	Management approach	Management systems Our quality assurance and quality control process	p. 24 p. 27 f.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	None of the incidents mentioned occurred at MANN & SCHRÖDER COSMETICS during the reporting period.	–
GRI 417	Marketing and labelling		
417	Management approach		
417-2	Incidents of non-compliance concerning product and service information and labelling	In the 2023 financial year, MANN & SCHRÖDER COSMETICS did not face any anti-trust fine proceedings or third-party claims based on anti-trust. Nor were any fines imposed on the company for infringements of legal regulation in other material cases.	–

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GRI 418	Customer privacy		
418	Management approach	Values and compliance	p. 18 f.
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None of the incidents mentioned occurred at MANN & SCHRÖDER COSMETICS during the reporting period.	–
GRI 419	Socioeconomic compliance		
419	Management approach	Values and compliance	p. 18 f.
419-1	Non-compliance with laws and regulations in the social and economic area	No significant fines were issued in the reporting period.	–

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Publisher

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MANN & SCHRÖDER
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