



WEYERMANN® SPECIALTY MALTS

Discover the sustainable world of **WEYERMANN® Specialty Malts**

Mich. Weyermann® GmbH & Co. KG Sustainability Report 2021





DEAR READER,

Thank you for your interest in our first CSR report, which aims to make a clear statement:

„Sustainability is an integral part of the Weyermann® corporate philosophy“.

In this report, we would like to express our special thanks to our clients, partners and staff for their attitude of trust and loyalty they always show.

With great appreciation, we now look back on nearly 145 years of Weyermann® business history, during which the company, with a pioneering spirit and providence, evolved to one of the top leaders of quality and innovation in the specialty malt industry.

As a fourth and fifth-generation family-operated company, we take decisions and work on the basis of a cross-generational business policy.

We aim to create our present actions in a way that enables all future generations to live under the same prerequisites, without limitations.

These ideals shape our handling of resources, our social habits and our economic performance. It is an essential part of our sustainability strategy.

With this report, we would like to share with you our current achievements, the targets we set, and our future challenges regarding sustainability.

We will focus on our three fields of action, i.e. Environment and Climate, Employees and Partnerships, and our Products.

Join our journey towards a sustainable future. We wish you an interesting and enlightening lecture!

Yours sincerely, the Weyermann Family

Sabine Weyermann
President | CEO
4th generation

Thomas Kraus-Weyermann
President | CEO
4th generation

Franziska Weyermann
Vice President
5th generation





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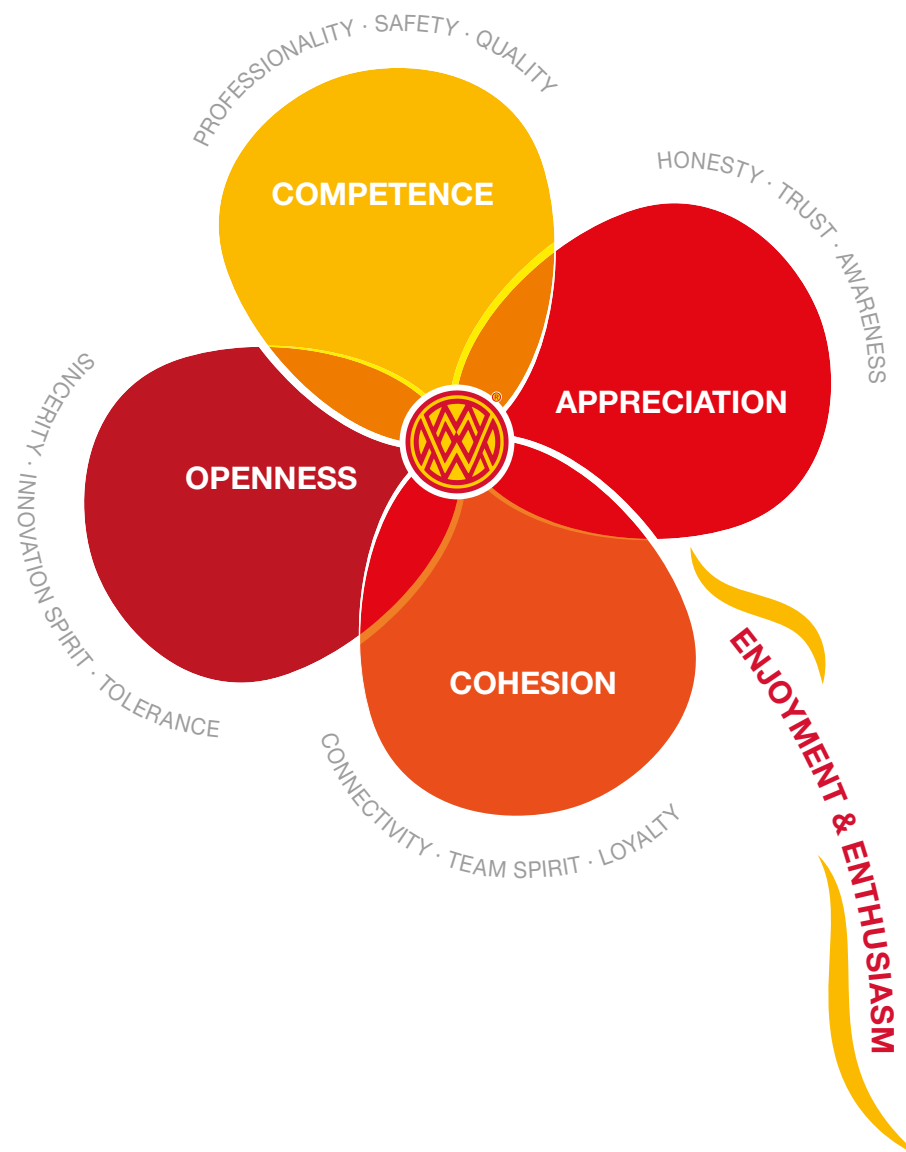
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1

MICH. WEYERMANN® GMBH & Co. KG

Founded in 1879 - A family tradition of quality and competence
for more than 140 years... day by day.



COMPANY PROFILE

At Weyermann®, we can reflect on a success story of over 140 years. With our product portfolio of more than 90 types of malt, we are today's world market leader in the field of caramel- and roasted malts.

Our family-run company, headquartered in Bamberg, Germany, is organized as a Limited Liability and Limited Partnership Company (GmbH & Co. KG) by Sabine Weyermann and Thomas Kraus-Weyermann in the 4th generation, and by Franziska Weyermann in the 5th generation.

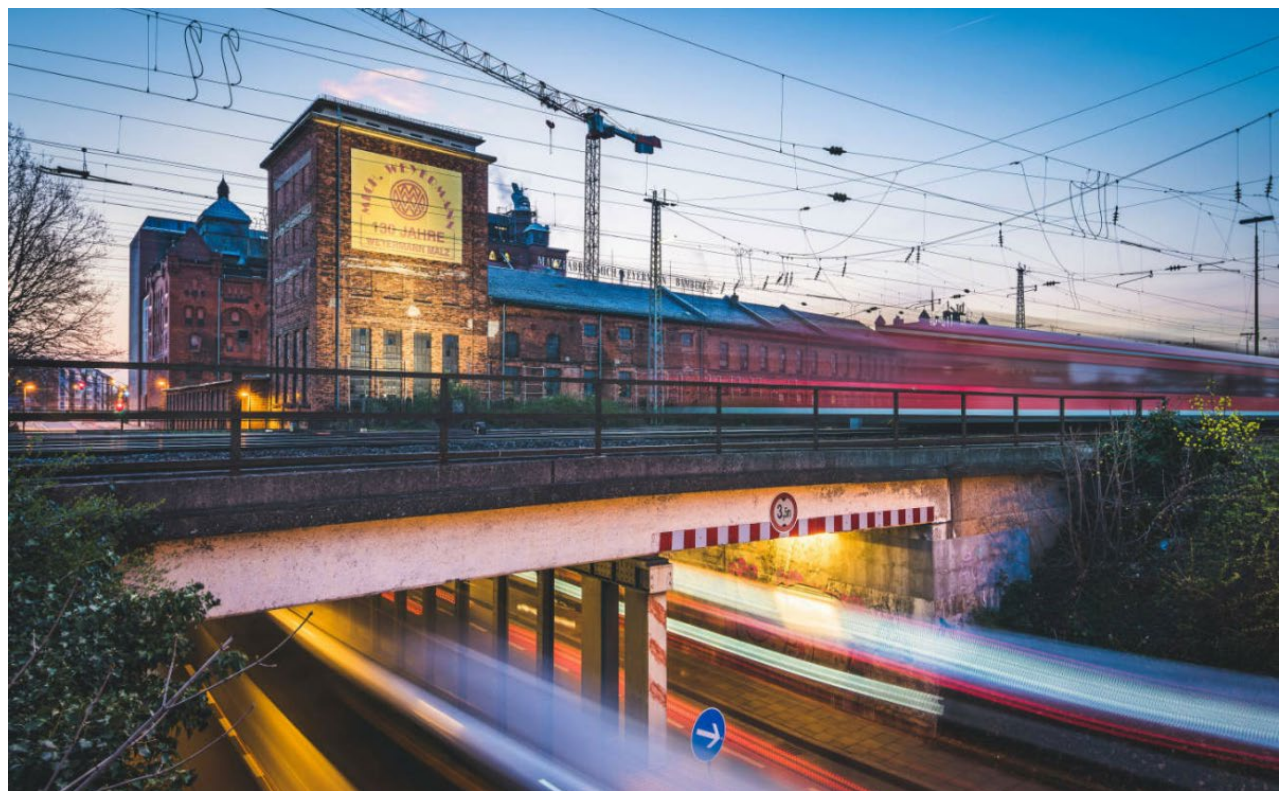
In addition to the specialty malthouse in Bamberg, belong two more production sites in Clingen and Hassfurt as well as our grain elevator in Lessau, all in Germany, to the Mich. Weyermann GmbH & Co. KG.

The Heinz Weyermann® Röstmalzbierbrauerei Bamberg GmbH, also located at the Bamberg headquarters, is another member of the Weyermann® family.

Through our logistics and loading center in Bamberg, we currently supply distribution partners in more than 50 countries and about 135 global markets with our products.

In addition to our own truck fleet, we cooperate with certified forwarders, thus also ensuring our high standards of quality in logistics.

In the reporting year 2021, we had 265 highly motivated employees in our company.





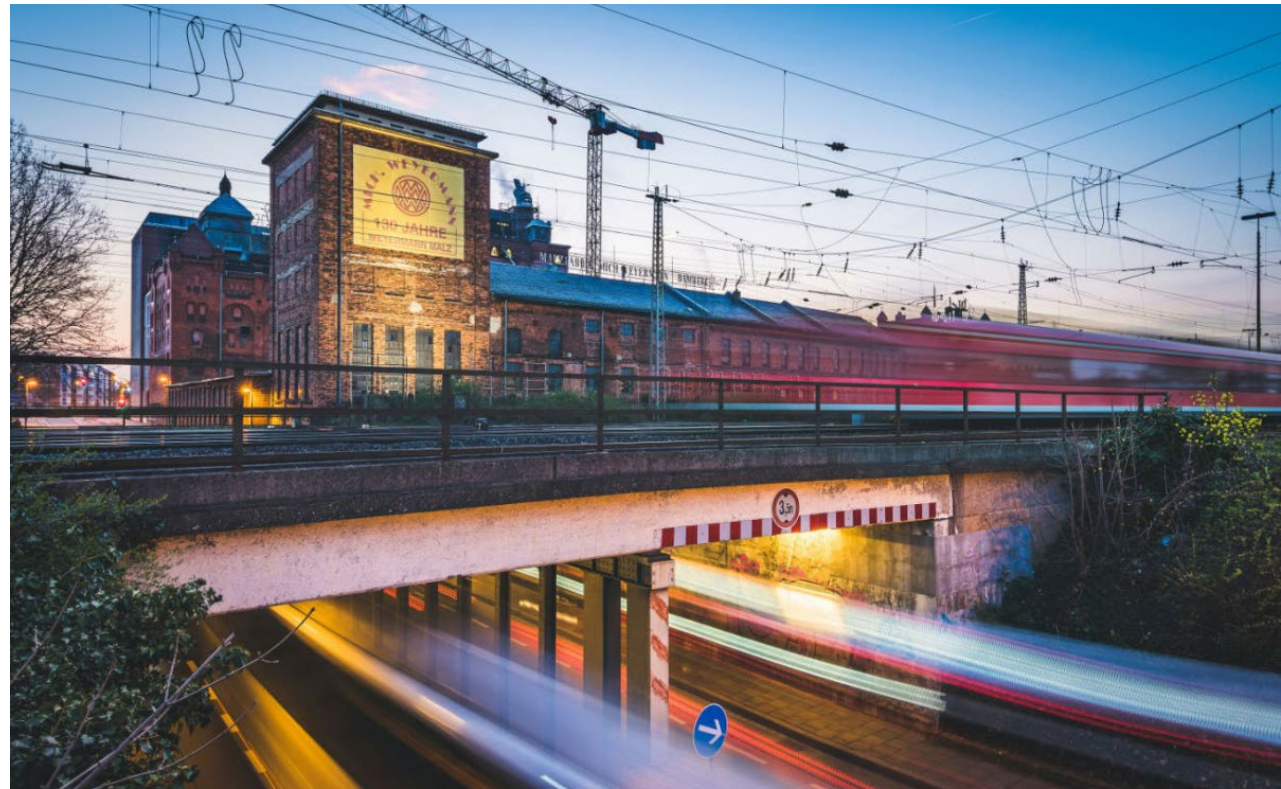
ETHICS AND INTEGRITY

Our business culture is based on the principles of ethics and integrity stipulated in our **Code of Conduct**. This code of conduct defines basics and standards serving as guidelines both for us and our suppliers. Adhering to this code is the prerequisite for any business relationship with Weyermann® and its suppliers.

The code of conduct is guided by national or international legal regulations, the Ethical Trading Initiative (ETI) Code, follows the International Labour Organization (ILO) rules, and is based on these principles:

1. Compliance with legal rules
2. Prohibition of corruption and bribery
3. Compliance with human rights
4. Fair wages and working hours
5. Right to freedom of association
6. Occupational Health and Safety
7. Environment protection

Our **Code of Conduct** is known by all our employees and can be viewed online on our website at any time.





MEMBERSHIPS AND INITIATIVES

As a global enterprise, we set great store on interdisciplinary exchange with different stakeholders. So we have joined important industry and trade associations and foster a great number of social, environmental and economic initiatives.

With this engagement, we take responsibility for our business practice, take an active part in sustainability initiatives, and promote the exchange of expertise and information in our industry.

As a member of the globally recognized SEDEX (Supplier Ethical Data Exchange) online platform, we are committed to manage our entire supply chain according to ethical principles. Furthermore, we conduct audits in the fields of safety, environment, and business ethics on a regular basis. Thereby, we comply with the ETI basic code and the ILO principles.

As the world's leading producer of certified organic malts, the Mich. Weyermann® GmbH & Co. KG as well as the Heinz Weyermann® Röstmalzbierbrauerei Bamberg GmbH, are certified according to the applicable EU-eco regulations and association guidelines, such as Bioland, Naturland, Demeter, and Bio Suisse.

We support Slow Food Deutschland e. V., an association engaged in a socially and environmentally responsible food system.

Furthermore, we align our sustainability management with the Sustainable Development Goals (SDGs) regulations and policies, and contribute to achieving the UN sustainability goals.

The 2030 Agenda with its 17 SDGs was adopted by the United Nations in 2015 as a guide towards securing globally sustainable development. The 17 goals consider both the environmental and social, as well as the economic sustainability, and had been further specified with 169 sub-goals.

To intensify the exchange of expertise within the industry, we have become members of important national and international industry and economic associations.

- Deutscher Mälzerbund e. V.
(German Maltsters Association)
- Deutscher Brau- und Malzmeisterbund e. V.
(German Master Brewers and Maltsters Association)
- Deutscher Brauerbund e. V.
(German Brewers Association)
- Bayerischer Brauerbund e.V.
(Bavarian Brewers Association)
- Oberfränkischer Braugerstenverein e. V.
(Upper Franconian Brewing Barley Association)
- Thüringer Braugerstenverein e. V.
(Thuringian Brewing Barley Association)
- Brewers Association
- American Distilling Institute
- American Society of Brewing Chemists
- Master Brewer Association of the Americans

These associations cultivate exchanges of expertise, cooperation among peers, and, at the same time, represent important interests of the industry.

As an active member, we are committed to complying with and implementing the principles and agreements of the respective initiatives and associations to the best of our knowledge and belief.

To advance and evolve development, research and education in our industry, we are also a member of

- the Weihenstephan research center of brewing and food quality of the TU Munich,
- the brewery trial and science institution in Berlin (Versuchs- und Lehranstalt für Brauerei, VLB),
- the DOEMENS special academy in Gräfelfing,
- the Organization of Hops Research,
- the association for promoting growth of quality barley in Bavaria (Verein zur Förderung des Bayerischen Qualitätsgerstenanbaues e. V.), and
- the association for promoting professional training in the brewer's and maltster's trade (Verein zur Förderung der Berufsausbildung im Brauer- und Mälzergewerbe).



2

RESPONSIBLE LEADERSHIP

We aim to set a clear statement with our first CSR report:
Sustainability is a integral part of our corporate philosophy.



SUSTAINABILITY MANAGEMENT



MATERIALITY ANALYSIS

In a comprehensive materiality analysis together with our stakeholders, we identified seven relevant sustainability aspects for Mich. Weyermann® GmbH & Co. KG

In this context and as a first step, we summarized important corporate sustainability topics of ecology, social and economy/governance, performing an industry, environment, and business analysis, in a shortlist with a total of 19 items.

As a guidance, we particularly used the recommendations and suggestions laid down in the 17 Goals of Sustainable Development (SDGs) and the Global Reporting Initiative (GRI).



STAKEHOLDER INQUIRY

We at Weyermann® appreciate our partner's opinions. For this reason, we invited 299 of our most important national stakeholders, and 262 of our international stakeholders for a materiality analysis.

In an online survey we asked our employees and clients, among others, to assess the 19 major sustainability aspects evaluated beforehand with regards to their priority for any responsible corporate activity of Mich. Weyermann® GmbH & Co. KG.

Moreover, all of the inquiry participants were given the opportunity to provide additional online feedback on our handling of the sustainability issue.

The survey results were validated by an external service provider, included in the materiality review as a stakeholder relevance, and submitted to the business management for a final voting.



MATERIALITY WORKSHOP

Finally, the 19 sustainability aspects were prioritized by the executive board and selected managers according to their business relevance for Mich. Weyermann® GmbH & Co. KG in a materiality workshop moderated by an external consulting corporation.

Afterwards, the workshop results were evaluated and included in the materiality matrix as a business relevance.



SUSTAINABILITY ORGANIZATION OF MICH. WEYERMANN® GMBH & CO. KG

In our sustainability organization, we focus on implementation and monitoring of our set goals. Therefore, we extended the field of responsibility for sustainability management from the executive board to our managers of the relevant technical departments.

This is how we successfully integrate input and know-how of each department when setting goals, and early identify and possibly optimize any deviations from scheduled objectives. In addition, managers serve as important multipliers to transmit the impact of the sustainability theme to all corporate departments and encourage employees to become an active part of the process.

We are convinced that only full integration of our sustainability management in the overall organizational structure will lead to achieving our goals.

MAJOR SUSTAINABILITY ASPECTS

These major sustainability aspects resulted from the stakeholder inquiry and the workshop:

Environment:

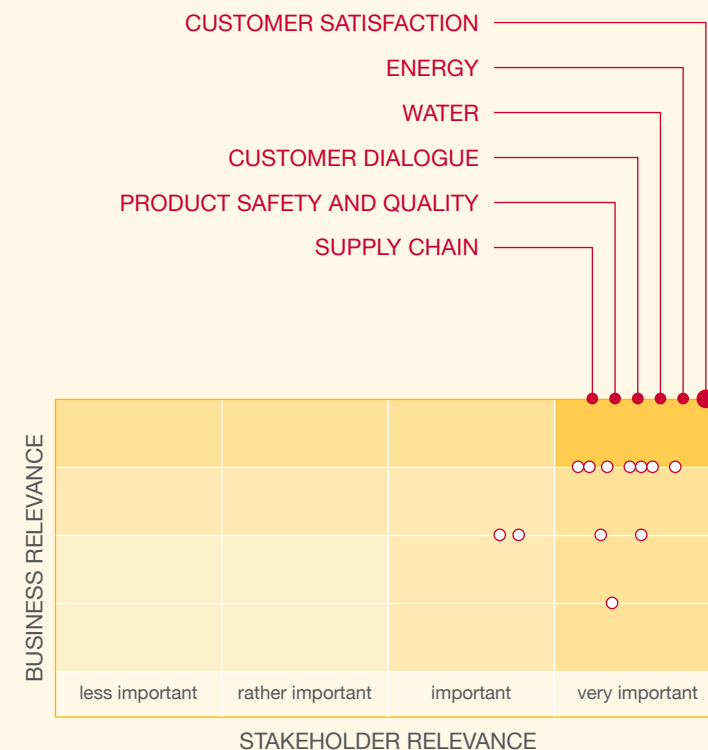
- Water management
- Energy and energy efficiency
- Sustainable packaging systems¹

Social:

- Product safety and quality
- Customer satisfaction

Economy/Governance:

- Supply chain and availability of sound logistical processes
- Customer dialogue



¹ All in all, 36 of our internal and external stakeholders took the opportunity to provide feedback about the way the Weyermann® GmbH & Co. KG deals with the sustainability topic. This feedback represents some high relevance regarding the field of sustainable packaging systems, so we subsequently added this topic as a major field of action.



SUSTAINABILITY STRATEGY

OUR VISION

As a family-operated enterprise, we know about the importance of thinking and deciding cross-generationally.

Therefore, our understanding of sustainability is a process and a long-term goal. We are convinced that every one of us has to become conscious of his or her responsibility to overcome the global, environmental and social challenges and to preserve a earth worth living on for future generations.

OUR MISSION

Since our foundation in 1879, we have always been trusted because of our high standards of quality, and are well known for our safe products and best service.

Together with our highly engaged team of top talents, we have set the goal to align these business values with our relevant sustainability aspects.

This is how we contribute to protect our environment and ensure our future growth at the same time.

Furthermore, we always focus on the wellbeing and advanced training of our employees and on the satisfaction of our customers during our daily work.

OUR PRIORITY FIELDS OF ACTION

- Water management
- Energy and energy efficiency
- Sustainable packaging systems
- Product safety and quality
- Customer satisfaction and dialogue
- Supply chain and availability of sound logistics processes



OUR GOALS

Based on the results of our materiality analysis, we defined three fields of action, in which we are aiming at further future improvements by targeted management:

1. **ENVIRONMENT AND CLIMATE**
2. **EMPLOYEES AND PARTNERSHIPS**
3. **PRODUCTS**

Within these three categories, the sustainability topics set in the materiality analysis will each be found with their set goals.

We investigated our impact on the respective sustainability topic and the topic's impact both on us and the status quo regarding our dealing with the sustainability aspect.

On this basis, we drafted our ambitious goals to be reached by 2035, at the latest.

1. ENVIRONMENT AND CLIMATE

Through a continuous process of improvement and innovative technology, we will further optimize using our water resources sparingly and efficiently. Furthermore, we aim at fueling all eligible production steps with 100 % renewable energy. In cooperation with our suppliers, we seek solutions and approaches towards more sustainable and recyclable packaging systems. Basically, our intention is to optimize and/or reduce packaging.

2. EMPLOYEES AND PARTNERSHIPS

To keep meeting the needs and requirements of our employees and customers, we will further distribute and optimize their points of contact with us. We also aim at an even closer collaborative partnership with our suppliers and a better connection with their respective ERP systems.

3. PRODUCTS

To maintain our quality and innovative leadership and to continuously develop our malting and brewing technology, we have scheduled the expansion of our research and development department and the extension of the technical staff training programs. In this regard, we will intensify our cooperation with highly recognized technical institutes both in the fields of research/development and of employees training. Furthermore, our aim is to evolve the promise of quality and safety of our products in terms of sustainability.



3

ENVIRONMENT AND CLIMATE

We save our resources by responsible treatment,
innovation and efficient technology.



WATER MANAGEMENT

Water is an essential source of life for human beings and nature. Although there is currently hardly any lack of fresh water in Germany, our top priority is handling our water resources carefully and efficiently.

In this regard, we further promote and implement the use of innovative and efficient technologies: At our production facilities in Bamberg, Hassfurt and Clingen, all based in Germany, we use water meters, which reliably and precisely indicate our actual water use. This is how we ensure handling our water resources efficiently and sparingly.

Alongside efficient, effective monitoring we are always concerned about optimizing the use of water in our value chain. For example, we were able to reduce the water need of the lauter tun by about 4% by warming it up.

During steeping, all of the barley is covered and soaked with water in large, cylindro-conical vessels with tapered bottoms. By taking up vegetation water, the barley begins to germinate.

The water, well-tempered by the recovered exhaust heat of the vacuum evaporation unit, accelerates the process of fresh water entering the kernels, thus starting the following step, i.e. germination, more quickly. Therefore, less steeping water is needed.

Moreover, we always use state-of-the-art technology to set the water supply during germination, for example in Bamberg and Clingen. Maintaining our equipment on a regular basis is part of our corporate self-image and quality promise.

We also plan to check the water requirements of the grain types we use during each production step in order to identify savings potentials.

We cover our overall water supply with four company-owned wells. This ensures our independence from external suppliers and variations in prices and costs. Moreover, our independent water supply saves the water resources of the surrounding communities.

The solid residues released into the wastewater, via production processes like cleaning grain, are of purely biological origin.

We are currently investigating the possibility of using this effluent as another energy source for parts of our production process.



WITHDRAWAL OF WATER 2021 BY PRODUCTION SITE

Withdrawal of water in m³	per ton of product
Total (excl. Heinz Weyermann® Röstmalzbierbrauerei Bamberg GmbH)	4,76
Bamberg	4,60
Clingen	3,80
Hassfurt	5,60

AMOUNT OF WASTEWATER 2021 BY PRODUCTION SITE

Waste water in m³	per ton of product
Bamberg (incl. Heinz Weyermann® Röstmalzbierbrauerei Bamberg GmbH)	3,71
Clingen	2,01
Hassfurt	3,33



ENERGY AND ENERGY EFFICIENCY

According to the German Federal Environment Agency, about 762 mio. tons of greenhouse gases were released in 2021. This is an increase of 4.5 % compared to the previous year. Releasing 247 mio. tons of CO₂ equivalents, the energy sector is one of the most carbon-emitting economies.²

At Weyermann®, we aim to contribute to climate and environment protection by reducing our energy usage or increasing our manufacturing energy efficiency with innovative technologies.

We already implemented an ISO 50001-certified energy management system for our company in 2017. Apart from the assessment and introduction of new appropriate and energy-efficient technologies, the certification program encourages improving our energy efficiency regarding usage and employment.

The electric power supply of our facilities in Bamberg (including the logistics center - Brennerstrasse and the logistics and loading center - Böttgerstrasse), in Clingen, and of our grain elevator in Leesau is based on 100% green water generated power. This is how we contribute to reducing our emissions and minimizing the proportion of fossil energy sources plus their output of climate-damaging greenhouse gases. In the year under review, the emission reduction was around 2,853 tons of CO₂ equivalents.

To additionally reduce the indirect emissions created by the provision of eco-power, we plan to continuously reduce our overall usage of electricity with savings and optimization strategies in the process chain.

Moreover, the Weyermann® logistics and loading center in Bamberg, Böttgerstrasse, has its own photovoltaic power plant. The power generated will be 100% fed into the public power supply system.

That way we also reduce the proportion of fossil energy sources and contribute actively to reaching the national goal set by the German Government. In the reporting year, 171,716 kWh of solar electricity were fed into the grid. We aim to increase the generation of green electricity by installing photovoltaic systems on appropriate roof areas of our other facilities.

We are particularly proud of the sustainable energy supply at our site in Hassfurt. Here, four 8- or 12-cylinder combined heat and power plants generate thermal and electrical energy.

The gas they use is composed of about 10-15% of regenerative hydrogen, which is produced in the so-called power-to-gas procedure. This process creates hydrogen with electrolysis through wind energy. We store the compressed hydrogen, then feed it into our Hassfurt plant via gas pipes.

In cooperation with the Technical University of Applied Sciences Amberg-Weiden, we investigate possibilities to develop gas engines operated with 100% hydrogen. As soon as an appropriate engine will have been developed, we will increase the proportion of hydrogen and examine the technology at other company facilities.



² Source: <https://www.umweltbundesamt.de/presse/pressemitteilungen/treibhausgasemissionen-stiegen-2021-um-45-prozent>



We fully utilize both the electricity we generated and the thermal energy for corporate purposes, and also feed the surplus into the public grid. In 2021, the surplus we generated was 507,916 kWh. By fully using the energy we produced, and by feeding the surplus of energy into the grid, we generate a theoretical energy conversion efficiency of about 100% at our Hassfurt facility.

Producing thermal energy, we implemented further highly efficient energy management systems at our plants. We can use the waste heat from the refrigeration plants for the drying process in the kiln.

With our heat exchanger, developed in the 1970s as a Heinz Weyermann/ Air Fröhlich patent, we can cool down the hot air from the roasters by heat exchange and warm up the incoming air at the same time to dry our malt.

This efficient cycle system results in saving about 35% of energy. Furthermore, the heat of the roasting facility and the air of the kiln-drying process are coupled. That is, waste air of the energy-intensive roasting plants is used to preheat the kiln process air.

There is some more savings potential generated with the compressors of our Bamberg and Hassfurt refrigeration systems. They support reducing power consumption by about 30%.

Step by step, we will exchange our vehicle fleet to reach full electric mobility. Needless to say that we will charge our vehicles with green power.

In recent years, we have technically modernized our Heinz Weyermann® Röstmalzbierbrauerei Bamberg GmbH. Apart from installing a new, more energy-efficient steam boiler including an energy retrieval system, we have optimized other steps in the process with technical innovations.

For the resulting energy and CO₂ emission savings potential, we were awarded a financial grant.

As mentioned above, the Bamberg facility (including its logistics center plus its logistics and loading center) as well as the Clingen and Leesau facilities were exclusively operated with green power in the reporting year.

Apart from fuel oil, we also used natural gas to produce heat at these premises. The energy consumed at the Hassfurt site came from our proprietary heat and power plants, which are also operated with natural gas.

ENERGY CONSUMPTION IN 2021 per energy source and site in kWh or kWh/t

Absolute energy consumption at non-producing sites in kWh	Logistics Centre (LOZ) Brennerstrasse, Bamberg	Logistics and Loading Centre (LVZ) Böttgerstrasse, Bamberg	Grain elevator, Leesau	Production site-specific energy consumption in kWh/t	Bamberg	Clingen	Hassfurt
Electrical power p.a.	120.061	226.025	174.195	Thermic energy	881	787	–
Percentage of green power	100%	100%	100%	Electrical energy	108	146	–
Fuel oil	–	1.405.251	–	Heat and power plant/ Natural gas	–	–	835
Natural gas	230.156	–	–	Total energy	989	933	835



SUSTAINABLE PACKAGING SYSTEMS

Our high quality super tear-resistant PP single-use bags with a waterproof PE inlet protect and ensure the good quality of our brewing, caramel and roasted malts. With a polyethylene (PE)-based, waterproof inlet, we guarantee best flavor and product protection. The external polypropylene (PP) packaging additionally provides adequate transport protection and safe storage of our products.

Without exception, our malt bags have a freshness seal in the form of a red and white double-headed seam, a single LOT number coded with a D2 barcode for rapid back tracing, the imprint of the country of origin, exact weight, and clear type label, best-before date, and filling date with time in seconds.

We have been striving to create even more sustainable packaging systems in the future. In this regard, we already brought into service our Big Bag filling plant in 2003, enabling lots between 400 and 1,200 kg per packaging unit. This saves packaging material when large quantities are purchased.

The wood of our pallets is FSC-certified, so we encourage responsible and sustainable forestry. Moreover, wood is a carbon-neutral, renewable resource, and depending on wear, pallets can be re-used easily.

To guarantee the regular disposal of our one-way bags, we offer all our customers the service of taking along used bags. We are always open-minded about new thoughts of what can or may be produced from our one-way bags.

For example, we have recently heard from our US distribution partner that the local breweries' used malt bags are resold to a producer of insulation materials.

We would be happy to initiate similar projects complying with the applicable laws and regulations here in Germany.

This is what we work for... day by day.

Together with our suppliers, we are currently reviewing the proportion of recycled materials of our packaging systems. Disclosing the proportion of recycled material enables us to further optimize our and our customers' waste management.

Depending on the percentage of recycled material, we encourage our packaging manufacturers to further enlarge this proportion to save primary materials.

Apart from avoiding and reducing packing materials, we examine the possibility of using single-layered bags without liners or of developing an alternative paper bag to replace our PP one-way bags.

This process presents us with new challenges. After all, our goal of developing more sustainable packaging systems must not compromise product quality.

For this reason, we discuss various scenarios with our internal and external teams of experts. In addition to clever minds, we need time to find viable solutions for us, our customers, and the environment.



In logistics, we are looking for suitable development paths to use more sustainable materials or reduce the need of packaging materials.



4

EMPLOYEES AND PARTNERSHIPS

Weyermann® - Focus on the individual.



CUSTOMER SATISFACTION AND DIALOGUE

Our satisfied customers encourage us to give our best day by day. They are our source of inspiration and have developed us to what we are today: a company with over 140 years of pioneering history. To keep it that way, we have launched a variety of projects.

At our Bamberg site, we created our **Weyermann® Guest Center** as a place for gathering and exchange. At that location, we welcome our customers, beer enthusiasts and friends of good taste from all over the world.

In addition to in-house seminars and customer events, **public beer and gin seminars**³ are also held in the wonderful ambience of the Weyermann® Guest Centre.

We offer these premises to external enterprises and organizations to be booked for their own events.

On Wednesdays, Weyermann® grants their visitors a glimpse behind the scenes of the red-yellow Weyermann® world in a **public tour** around the premises.³ Besides, groups can also book tours in German, English, Spanish, and Russian after an individual date arrangement.

In our **Weyermann® Shop LIVING & DRINKING**, we offer not only home accessories and red and yellow Weyermann® items but also a large and individual selection of beer and spirits from the Weyermann® brewery and the in-house distillery.

Each Saturday, the shop's Open-Bottle Day takes place³. On that day, visitors may taste a selected Weyermann® brewing specialty.

Quality, reliability, and a highly motivated team are the pillars of our first-class customer service. Our competent team of advisors is there to help customers in case of questions and concerns regarding our malt products.

We provide our services as comfortably and effectively as possible, i.e. we offer our support via any possible channel, be it phone, email, social media or face-to-face - keeping close contact to our customers is our highest priority.

We value a friendly, efficient and open conversation. Our perfect after sales service is as self-evident as our up-front professional consultation.

Weyermann® relies on qualified expert staff with long-term industry expertise and love for the product.



³ Due to the persisting COVID-19 situation, we refrained from public events in the reporting year.



According to our international customer base, we offer dialogue with our purchasers in various languages.

Weyermann® also shows its innovative capacities in the field of customer advice. Developing the **Malt Aroma Wheel®**, Weyermann® opened customers the door to the Weyermann® malts' flavor world.

The Malt Aroma Wheel®, which was temporarily protected by trademark law, offers a detailed flavor profile for each single Weyermann® malt type. They differentiate the following categories: Roasted flavors, smoke, fruits/nuts, malt flavors, caramel, and taste.

The Malt Aroma Wheel® enables customers to learn about the eclectic aromatic of each malt type. It makes the selection of the right malt type from our product portfolio much easier and offers completely new ways of recipe design.

Our customer consultants are happy to contribute to the success of creative ideas emerging from these flavors with their know-how.

Another important part of our excellent customer services is the so-called community building. With transparency and openness, we show our national and international customers that they are part of the global Weyermann® family.

Product and manufacturing workshops and facility tours with our expert consultants make our products tangible and disclose what is behind the Weyermann® brand.

We plan to further expand this way of relationship management in the years to come, e.g. by creating an interactive platform. We would like to offer our customers the opportunity to enter into an even more active conversation with us.

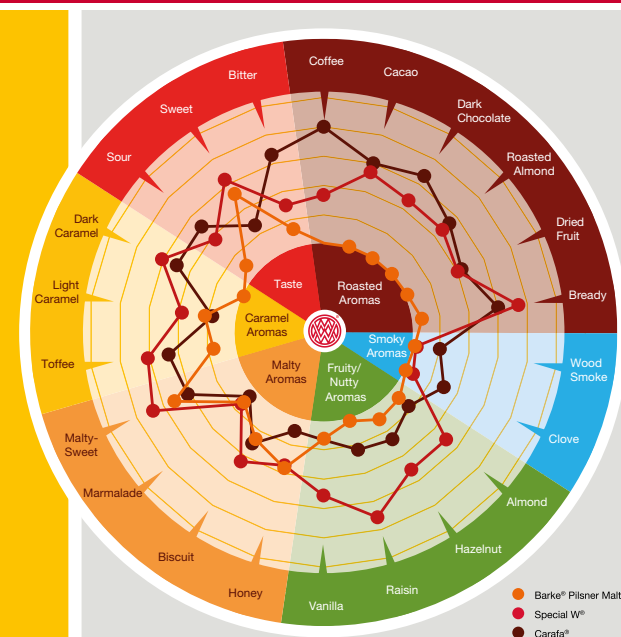
Besides, we will further specify and enlarge our workshop schedule. The participation at trade fairs and organizing events offers us profitable opportunities to get in touch with our customers.

We see the praise we receive for our work as an incentive to continue to develop. We plan to conduct regular satisfaction surveys to gather suggestions for further improvement potential.

As a family-run company, it is also very important to us to pass on the trust placed in us and the satisfaction of our customers to the next generation.

This is what we work for... day by day.

WEYERMANN® MALT AROMA WHEEL®



AROMA CHARACTERISTICS

Roasted Aromas Coffee, Cacao, Dark Chocolate, Roasted Almond, Dried Fruit, Bready

Smoky Aromas Wood Smoke (Beech, Oak), Clove

Fruity/Nutty Aromas Almond, Hazelnut, Raisin, Vanilla

Malty Aromas Honey, Biscuit, Marmalade, Malt-Sweet

Caramel Aromas Toffee, Light Caramel, Dark Caramel

Taste Sour, Sweet, Bitter



SUPPLY CHAIN

As a manufacturing industry, we know about the need for an efficient, resilient supply chain management system. Even minor interruptions of the upstream and downstream supply chain can lead to supply uncertainties and bottlenecks.

We actively work on avoiding these risks. In supplier audits, we regularly review and assess the performance in relation to existing and emerging delivery contracts. The most important criteria are, among others, compliance with legal regulations, with the high standards of hygiene and safety we set, single process efficiency, and sustainability aspects.

Grain is our most important resource, so our risk management strategy is permanently focused on it. In this respect, we always take an anticipatory attitude considering ecological and economic aspects. In order to guarantee security of supply, Weyermann® supports the local growth of brewing grains with a targeted and sustainable procurement policy.

It is important to us to be regionally active. Depending on our facility sites, we use this regionality to cooperate directly with farming facilities in Bavaria, Thuringia, Bohemia and the neighboring regions. The resources are stored at the site situated closest to the respective brewing barley facility.

This keeps transport distances as short as possible and our CO₂ footprint correspondingly low.

Our own grain elevator in Leesau, with a storage capacity of 45,000 t of grain, is particularly important in terms of supply security.

The grain elevator in Leesau is situated in Upper Franconia, Bavaria, Germany, one of our main Bavarian growing regions, and is directly supplied with crops from the surrounding farms. Due to its prominent position, we permanently invest in the expansion of the site's capacities and its state-of-the-art technical equipment. This is how we ensure a permanently high resource quality.

We also use the expansion of our storage capacities to minimize the procurement risks involved with resources, supplements and working materials as well as packaging materials. By building the logistics center - Brennerstrasse in 2006 and opening our logistics and loading center - Böttgerstrasse in 2018 we managed to significantly extend our storage capacities.

Our proprietary truck fleet provides us with a high degree of flexibility and independency. Certified logistics service providers, connected to our company through many years of seamless business relationships and complying with our high standards, complete our fleet. Thus, together with a professional internal distribution and an excellent connection, we ensure a reliable supply within Germany.

Our trucks are always in top condition. That way, we aim to constantly reduce consumption and transport emissions.

To reduce transport-related emissions, we also ship by rail. After a short truck transport route to Bamberg freight railway station, around 80% of our overseas containers will be sent to the respective overseas ports by train. This applies also to our Clingen and Hassfurt facilities.

A chain is only as strong as its weakest link. Therefore, we exclusively cooperate with reliable, superior partners in all sections of our supply system. Weyermann® highly appreciates long-term business relationships, which are fruitful for both sides. These relationships are based upon fairness, loyalty, transparency and personal contact.

The goal we agreed on is to further enhance and expand the existing close cooperation with our partner suppliers.

Furthermore, we plan to connect more of our suppliers even closer to our respective ERP systems to further optimize the interaction with our company.



ATTRACTIVE EMPLOYER

Our employees are a solid pillar of Weyermann® GmbH & Co. KG. We deeply care for their wellbeing and satisfaction. We take great efforts to meet the requirements of an up-to-date, appealing employer.

Apart from performance-based salary above the agreed scale, we offer our employees special payments and contributions to occupational retirement plans. We also pay 50% of complementary health insurance fees.

To make it easier for parents to maintain their work-family balance, we offer them mobile work opportunities. Besides, our parent employees are preferred when booking a Bamberg City school vacation program for their kids.

A strong sense of unity and enjoyment is vital for work satisfaction. We foster team bonding, spirit and exchange across all employees in a variety of events.

In addition to an introduction evening for new employees, we arrange events such as biennial works outings, team-bonding meetings, and have celebrations for a variety of reasons.⁴

We express our recognition and appreciation for the work of our employees through voluntary additional

benefits. For example, we contribute to their expenses at the hairdresser's and provide work cloth including cleaning.

At Weyermann®, common business courtesies like gifts for weddings, Christmas, house moves, etc., create an open-minded atmosphere.

Additionally, we honor our employees by sending individual social media posts for business anniversaries, birthdays, or achievements.

Our company magazine „Malzkörnchen“ keeps all members of the Weyermann® team up to date on innovations, thus strengthening the feeling of participation.

With a welcoming style, design and decoration, we provide an atmosphere of wellbeing on all our premises. Any benefits for our employees can be viewed online at any time.

Our low fluctuation rate and the long-term employment reflect our employees' well-being and satisfaction. We consider this status quo as an encouragement to continuously improve. One of our most important goals is to further expand and optimize the interaction between management and employees.

JOINERS AND LEAVERS IN REPORTING YEAR 2021

	Women	Men	Total
Joiners	3	9	12
Leavers	8	13	21

FLUCTUATION RATE IN REPORTING YEAR 2021

	Women	Men	Total
Fluctuation rate	12,12%	6,73%	8,10%

⁴ Due to the persisting COVID-19 situation, we refrained from team events in the reporting year.



DIVERSITY

Diversity is an integral part of our corporate culture, which is why we have a zero-tolerance policy for any kind of discrimination in our **Code of Conduct**.

We encourage our employees to enrich their job environment with their individual personality.

As a global enterprise, we appreciate cultural diversity in our employees as a great asset. Apart from their technical expertise, employees of 17 nations also contribute with their cultural knowledge. Weyermann® sets great store on and actively promotes intercultural exchange.

We also focus on heterogeneous rather than homogeneous groups when it comes to the age structure of our employees. We are convinced that working together in mixed-age teams helps to promote the exchange of experience and to develop new approaches. We see a great advantage in a wider range of expertise, capacities, and perspectives. We strictly reject any form of age-related discrimination.

Another challenge we face is our industry's inherent low proportion of female employees. At Weyermann® in 2021, the proportion of women in leadership positions was 28% - and 26% overall.

Two of the three business executives in the reporting year were women. So our management takes an important pioneering part here.

Weyermann® is conscious of the positive impact female business leaders have on the company's success and will further increase the proportion of women both in management and in any other business units.

In the future, Weyermann® will strive to create an even more attractive work environment for females. So we currently collect various ideas to create projects and initiatives leading to a higher proportion of women in our company.

In this regard, we already implemented the Weyermann® WOMENPOWER events. It offers female employees opportunities to network cross-departmentally and encourages open dialogues.

We will increasingly use role models, by portraying women working successfully in the beer and malt sector. By doing so, we intend to eliminate outdated gender stereotypes and encourage women to actively shape our industry.

PROPORTION OF EMPLOYEES ACCORDING TO AGE AND GENDER IN 2021 (incl. management and leadership)

	Women	Men	Total
Age group 15-20	1	12	13
Age group 20-30	17	40	57
Age group 30-40	25	55	80
Age group 40-50	12	31	43
Age group 50+	13	50	63
Total	68	188	256



EDUCATION AND TRAINING

With their commitment and enthusiasm, our employees contribute to Weyermann®'s daily success. Based on various training offers providing technical know-how, we have been able to advance complex projects and optimize processes.

Thanks to our highly educated and motivated employees, we are at the top of our industry's quality and innovation leadership today.

Due to COVID 19, our education and training rate was below average in the reporting year. In total, 107 of our 256 employees attended our education and training programs.

Apart from job- and sales-related training, we offered management workshops, foreign language courses and individual communication coachings.

To adapt to the changes and requirements of our work environment and to comply with our **product safety and quality** commitments, we will continuously expand our technical education and training programs.

We place a special focus on our corporate language. In our Lingva Eterna® language coaching concept, we promote the cautious use of speech. In this regard, we provide our employees with free of charge Lingva Eterna® books and offer them an appropriate communication education program.

We believe that using language consciously puts a positive impact on our professional and private life.

In line with our international orientation, we encourage our employees to increase their foreign language skills. We therefore offer interested employees training courses in various languages - and the welcome opportunity to pass a certification test.

For self-organised further training, our employees can make use of the information offered in the Weyermann® library as well as our wide range of specialist magazines and newspapers.





OCCUPATIONAL HEALTH AND SAFETY

To strengthen our employees' individual stress resilience, we offer a two-weekly meditation session performed by an external service provider.

All employees may join this session during their regular working hours.

We established a 24-hour expert hotline, which our employees may use privately and anonymously in individual borderline or crisis situations.

For their holistic well-being, interested employees may participate in a Bach flowers consultation, which we internally offer every fortnight.

Both consultation and the use of the Bach flower essences and other Bach flower products are free of charge.

The measures to promote health and well-being are complemented by a pedicure offer, a 100% payment for smoking cessation programs, and a 50% grant for participation in the Kieser health and strength training.

Weyermann® also believes that wholesome food has a major impact on our physical and mental well-being.

For this reason, we exclusively offer meals without artificial flavors and preservatives in our in-house canteens. To keep the meals affordable for our employees, we cover the majority of the costs. We also provide our employees with free-of-charge water, tea, coffee, and organic apples.

COVID 19 PANDEMIC

The worldwide Covid 19 pandemic has shown how important it is to protect our health. In compliance with all legal obligations and internal guidelines, we have created a safe working environment for our employees.

In addition to the introduction of measures to ensure the minimum distance and a company-internal obligation to wear masks, this included:

- Provision of free disinfectants and protective masks
- Creation of an internal action guideline regarding suspected Covid cases
- Arrangement of vaccination appointments
- Option to use a Covid rapid test or PCR test several times a week in cooperation with a local doctor's office
- Establishing mobile workplaces
- Reducing or refraining from business trips, meetings with personal contacts and events as well as operation of canteens.
- Mandatory PCR testing for any unavoidable personal meetings for all participants
- Concept of minimizing the occupation of workplaces and commonly used corporate facilities
- Regular exchange of information
- Free PCR tests for returning travelers



5

PRODUCTS

Product safety and quality



PRODUCT SAFETY AND QUALITY

Motivated by the trust placed in us by our customers, product quality and safety have determined our daily work for over 140 years. Among state-of-the-art production sites and an efficient **supply chain**, we work with a Quality Management System certified according to the German DIN ISO 9001:2015 standard defining our demands regarding quality and customer satisfaction. To ensure the safety of our products, we implemented a Hazard Analysis and Critical Control Points (HACCP) system.

This form of risk analysis and assessment enables us to identify potential hazards for customers and to take preventive measures.

Moreover, we hold a Food Safety System Certification (FSSC) 22000 certificate for our Heinz Weyermann® Röstmalzbierbrauerei Bamberg GmbH and therefore comply with one of the strictest food industry standards, which is accepted by the Global Food Safety Initiative (GFSI).

According to the Deutscher Mälzerbund e.V. (German Maltsters' Association) regulations, the resources we use are tested for pesticides, mycotoxins and heavy metals in a rigid screening program in order to ensure compliance with the applicable EU regulations.

The health of our customers and consumers is our top priority, which is why we regularly check the NDMA value (N-nitrosodimethylamine) of our malts.

We also expressly oppose the use of genetically modified raw materials, additives and processing aids, nanomaterials, and hormones, as well as ionising radiation. Our commitments to quality and safety are summarised in a **declaration of conformity** viewable on our webpage at any time.

Another component of our meticulous quality management consists in our two-weekly meetings, where we discuss current quality topics and continuous improvement. The delivered raw materials are routinely 100% sampled in our proprietary lab.

The success of our overall product quality and safety management is, besides our state-of-the-art technical equipment, largely due to our highly motivated and qualified team. In all sensitive areas, Weyermann® employs top qualified professionals only. This once again shows that all our employees are a stable pillar of Mich. Weyermann® GmbH & Co. KG.

Only those who know their products inside out, are able to address their customers' needs and evolve continuously. For this purpose, Weyermann® has its own pilot maltings as well as a pilot brewery, pilot distillery and pilot bakery.

We continuously explore new grain varieties in our experimental malting plant. The knowledge gained from these micro-maltings ensures that our malt always meets the most demanding quality requirements, also regarding sustainability aspects.

When selecting our raw materials, we therefore consider not only important parameters such as the protein and extract content of the grain, but also the water consumption in the cultivation and processing of the respective variety, as well as its germination period and kilning properties.

How our malts behave in the brewing process and for which beer they are best suited is what the team at the pilot brewery is working on.

In the Weyermann® pilot brewery, a wide variety of new recipes are developed and beer styles are brewed.

The repeatedly award-winning Weyermann® beer creations show clearly: "Experts at Work". Of course, we are happy to share our know-how.



For professional exchange and training purposes, brewing days are regularly held at the Weyermann® pilot brewery with our customers.

Our various malt types are also used in our experimental distillery. From whisky to gin to various liqueurs: All these fine spirits are produced in-house by our master distiller with expertise and passion. This also is reflected in our numerous awards.

To share our enthusiasm for the art of distilling, we offer our customers an annual Distilling Course. In this course, one can learn more about the taste profiles of our malt specialties, and how they are used efficiently in the spirits industry.

The Weyermann® Craft Bakery also shines with creative ideas and a bread basket full of innovation. Various possibilities of using malt flours in the food sector provide space for tasteful options and new impetus.

In our experimental bakery, our master baker brings new recipes to perfection and shares the gained knowledge with our customers.

To protect the aroma and quality of our products, we use first-class **packaging systems**. This is to ensure that our malts reach our customers in perfect condition.

We are determined to keep the Weyermann® quality and innovation leadership by continuously evolving, reviewing, and, if needed, optimizing our processes.

We also see great potential in flavor research, so we will continue to intensify this in all areas, be it the malting plant, bakery, brewery or distillery.

In order to encourage and promote our employees, we will implement further subject matter education programs and expand our existing education and professional training.

Moreover, we want to expand our product safety and quality promise to include the aspect of sustainability. We have already initiated some effective projects.

For example, we also offer a range of our products in certified organic quality. We promote sustainable farming and contribute to the protection of biodiversity.

The section **Environment and Climate** includes other environmentally appropriate measures applied in the production cycle.





Our first Sustainability Report includes the period from 01 Jan 2021 to 31 Dec 2021. It will be published annually in future.

LEGAL NOTICE

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CONCEPT & CONSULTATION

Zukunftswerk eG

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