



## 2023 **PROGRESS REPORT**

Thinking and acting  
sustainably – for a  
future worth living



# Dear Reader,

**ZWILLING was confronted with a variety of challenges last year.** After years of strong growth amid a boom driven by the Covid pandemic, global consumer demand entered a downward trend, particularly in the crucial Chinese market. Business performance was further hindered by the backdrop of geopolitical instability, which fueled persistently high inflation rates for raw materials, primary products and energy. In response to the production decrease, we introduced short time working in 2023 at the ZWILLING plants in Solingen and Shanghai and at DEMEYERE in Herentals. We also launched a comprehensive resilience and transformation program aimed at reducing complexity in key service areas and systematically exploring new opportunities for growth.

**Despite this challenging market environment,** ZWILLING's ambitions remain as high as ever. We have continued to press ahead with sustainable restructuring and achieved some important milestones. Firstly, we have strengthened and standardized the ESG organization at Wilh. Werhahn KG. We have also further professionalized our sustainability reporting in preparation for the European Sustainability Reporting Standards. At the same time, we have taken action on climate change by developing concrete roadmaps for carbon reduction at all of our production sites around the world.

The market launch of the world's first emission-reduced range of knives, the ZWILLING Pro series, is a flagship project for us. We partnered with the Finnish steel manufacturer Outokumpu and with Stahl Krebs for the exclusive supply of Circle Green steel, which also helps improve our Scope 3 emissions. BALLARINI has enjoyed great success at its production site in Rivarolo, Italy. The cookware manufacturer's innovative ceramic coating for aluminum pans not only satisfies consumer needs for healthy cooking but also complies with the industry's rigorous safety standards.

**The topic of sustainability is increasingly permeating all areas of the ZWILLING Group,** our corporate and management culture, our core business and our supply chain processes. In this report, we document the progress we have made with our commitment to sustainability, and highlight the initiatives we have introduced and implemented in each individual action field.

We hope you find this sustainability report informative.

THE MANAGEMENT BOARD OF ZWILLING J.A. HENCKELS AG

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[www.zwilling.com](http://www.zwilling.com)



# ZWILLING at a glance

# 2023

## 813

million euros in revenue

## 19%

innovation rate

## 4,123

employees



ZWILLING offers high-quality products for modern kitchens. Its broad range of products includes knives, cookware, kitchen appliances, vacuum storage systems, grills and grill accessories, cutlery and accessories.



As part of the Werhahn Group, ZWILLING is committed to the Group's corporate values and sees itself as a family business. Our values are shared and lived by all employees under the banner "ZWILLING - We Are Family".



ZWILLING J.A. Henckels AG is organized as a holding company that manages 34 subsidiaries both in Germany and abroad, including its own production facilities and distribution companies. It is a wholly-owned subsidiary of family-run Wilh. Werhahn KG and part of Werhahn's Consumer Goods division.



# SUSTAINABLE CORPORATE GOVERNANCE



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**compliance training courses were conducted** by ZWILLING in 2023 to sensitize employees to the importance of following both legal requirements and our internal ethical standards.

# ESG reporting

In the year under review, ZWILLING reached an important milestone in **sustainability reporting** with the introduction of standardized ESG software throughout the Group.

# 6

ZWILLING production plants in Germany, Belgium, Italy, China, India and Japan were inspected in 2023 for human rights and environmental risks by means of **BSCI audits carried out by external auditors**.



## Honing our focus

ZWILLING's mission is to create sustainable value – economically, environmentally and socially. As a family owned company with a strong heritage spanning several centuries, our goal is “to make a difference by contributing to the better”. We want our diverse brand portfolio to drive the creation of ethical and sustainable production and consumption structures within our industry.

For ZWILLING, true entrepreneurship balances economic performance with social and environmental impact. By introducing binding targets, structures and processes, we continue to make sustainability an integral part of our corporate strategy and our core business. Based on the progress and insights of recent years, we maintained our commitment to sustainability during the year under review while at the same time further refining our roadmap. With the launch of the world's first low-emission range of knives, we are underscoring our ambition to significantly reduce the carbon footprint of our product portfolio. We have also extended our carbon accounting analysis beyond our own sites to the upstream and downstream value chain. Accurate data is essential for effective sustainability management. Data collection and quality throughout the Group has now reached a new level thanks to the introduction of our new ESG software.

### The ZWILLING Group at a glance

ZWILLING J.A. Henckels AG and its affiliates is a group of companies with an international presence and a history stretching back more than 290 years. Founded as a knife manufacturer in 1731, ZWILLING has grown to become a global provider of premium products for modern kitchens. Its range of products today includes knives, cookware, kitchen appliances, vacuum storage systems, grills and grill accessories, cutlery and accessories. Employing more than 4,000 people, the company generated revenue of 813 million euros in the 2023 reporting year. ZWILLING J.A. Henckels AG is a wholly-owned subsidiary of family-run Wilh. Werhahn KG and part of Werhahn's Consumer Goods division. It is organized as a holding company that manages 34 subsidiaries both in Germany and abroad. ZWILLING is led by a five-strong Management Board, which in turn is monitored

by the Supervisory Board. The ZWILLING Supervisory Board currently has seven members, including three members of the Wilh. Werhahn KG Management Board, two employee representatives and two external managers. The Supervisory Board is informed three times a year at the Board's meetings and on an ad-hoc basis in the event of significant critical issues. The Supervisory Board is appointed by the owner at the general meeting. The chair of the Supervisory Board of ZWILLING J.A. Henckels AG is also the chair of the Supervisory Board of Wilh. Werhahn KG and has a strictly supervisory function.

### A global business with strong local roots

ZWILLING has been headquartered in Solingen, Germany, since 1731. The Group now operates another seven production facilities in Germany, Belgium, France, Italy, China, India and Japan via its subsidiaries. Our range is supplemented to include merchandise primarily sourced from Asia. The Group supplies more than 100 markets worldwide and is represented by more than 20 distribution companies in Europe, Asia and North America. The company's largest markets outside Germany are the USA, China, Japan and Canada. Its products are sold worldwide via a large number of distribution channels, including specialist retailers, more than 500 ZWILLING stores and shop-in-shops, various online channels and distributors. Online retail accounted for 40 percent of total revenue in 2023.

### Memberships and initiatives

As an international manufacturer of consumer goods, ZWILLING is closely involved with numerous institutions and initiatives both in Germany and abroad. Our membership of various organizations and associations gives us valuable ideas for our sustainable development while at the same time offering us the opportunity to initiate change within both our market and society as a whole.

ZWILLING J.A. Henckels AG is a member of

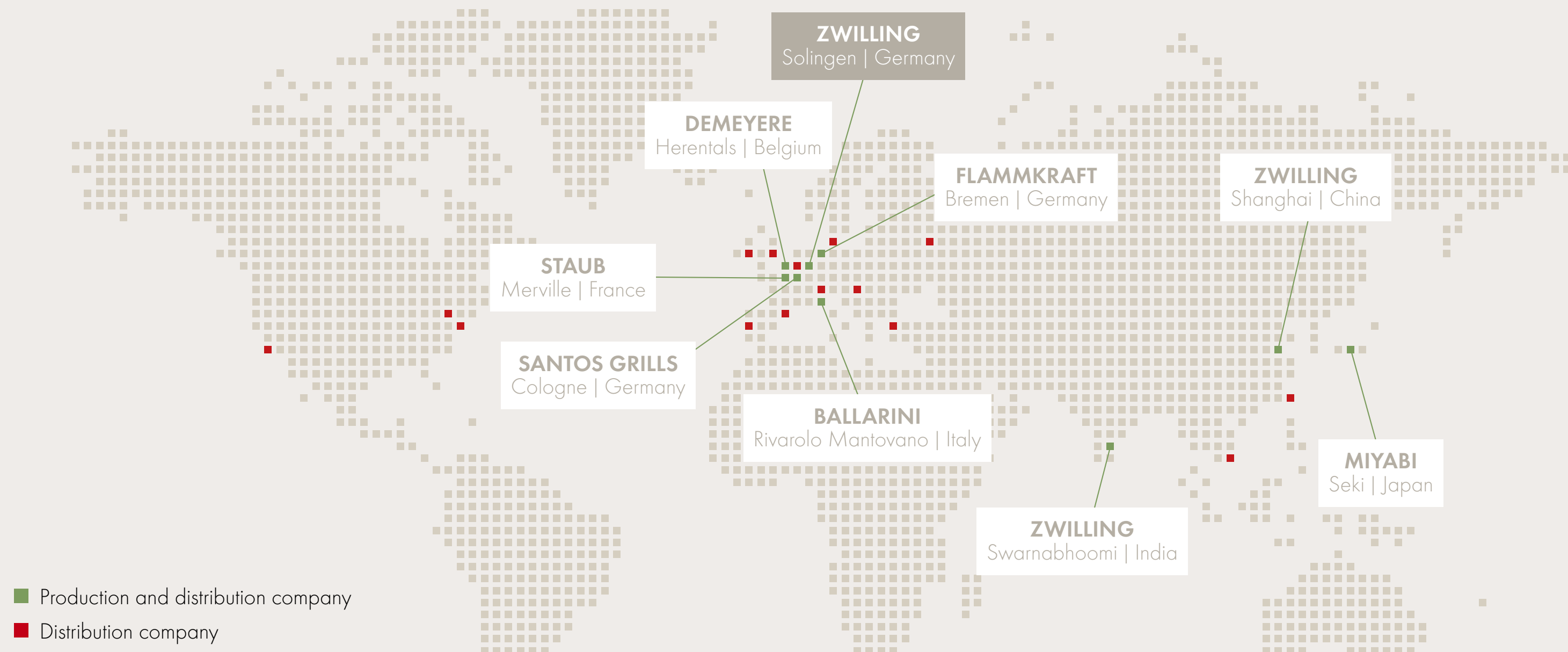
- the Solingen Employers' Association
- the ZVEI Trade Association for Small Domestic Appliances, the German E-Commerce and Mail Order Association
- the Federation of European Manufacturers of Cookware and Cutlery (FEC)
- the amfori Business Social Compliance Initiative (amfori BSCI)
- the amfori Business Environmental Performance Initiative (amfori BEPI)
- FSC Deutschland

ZWILLING also supports other organizations and is committed to their guiding principles and aims, including

- the International Organization for Standardization (ISO)
- the European Committee for Standardization (CEN)
- the CHUNO Labour Standards Association (via ZWILLING Japan)



A portfolio with strong brands



As a market leader in the premium consumer goods segment ZWILLING offers a diverse portfolio of brands. Our ZWILLING core brand is synonymous with durability, premium quality, timeless design and a flair for innovation. The portfolio also includes the STAUB, BALLARINI, MIYABI, DEMEYERE, HENCKELS, SANTOS Grills and Flammkraft brands. While each brand has its own strengths and traditions, they all share the same passion for creating special cooking experiences under the guiding principle "Inspiring the Culinary World".

- Production and distribution company
- Distribution company



Knives & scissors  
Cookware  
Cutlery  
Vacuum storage systems  
Kitchen appliances  
Kitchen tools  
Tableware & glasses



Cast iron  
Ceramics  
Accessories



Cookware  
Knives  
Cutlery  
Kitchen tools



Knives  
Knife accessories



Cookware  
Frying pans  
Special cookware  
Accessories



Grills (gas, charcoal, pellet)  
Braziers  
Grill accessories  
Cast iron  
Barbecue seminars



Premium gas grills  
Grill accessories



### The ZWILLING sustainability strategy

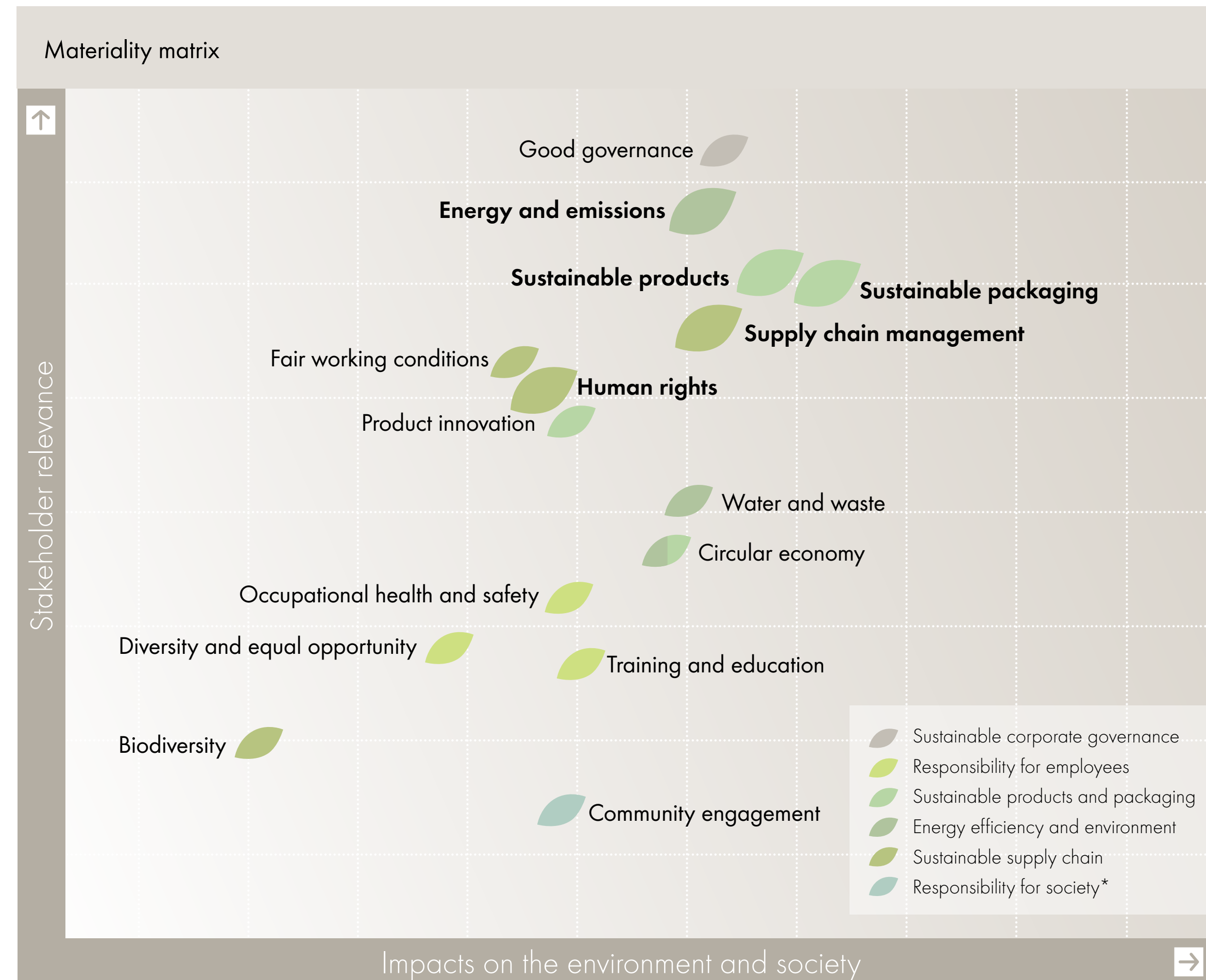
Alongside economic goals, we prioritize the environmental, ethical, and social aspects of our value chain. This commitment is reflected in our “We Care” sustainability strategy. The strategic foundation for the ZWILLING sustainability program is the materiality analysis, conducted in 2020 using the then-current GRI 2016 standards. We involved



external stakeholders, including NGOs, testing services providers, sustainability initiatives and trading partners, in the materiality analysis via online surveys and qualitative interviews. We also interviewed employees at different hierarchical levels within the Group. As a result of this analysis, we have identified the relevant action fields and assigned measurable sustainability targets to them:

- Responsibility for employees
- Sustainable products and packaging
- Energy efficiency and environment
- Sustainable supply chain
- Responsibility for society\*

The materiality analysis was reviewed for this report based on the 2021 GRI Standards. It does not yet include a description of dual materiality, as prescribed by the ESRS. According to the ESRS, the ESG action fields should be viewed from two different perspectives: The inside-out perspective focuses on the impact of business activities on the environment and society. The outside-in perspective analyzes the financial opportunities and challenges that arise from external requirements. In preparation for the reporting obligation that will apply from 2026 for the year 2025, Wilh. Werhahn KG developed a standardized methodology at the beginning of 2024 to consolidate the materiality analyses carried out individually by its divisions. This year, ZWILLING will conduct another ESRS materiality assessment using the same methodology.



\* Social responsibility activities are not included in the current ESRS reporting requirements. We provide information about our community engagement at ZWILLING sites worldwide on our website under “Sustainability at ZWILLING”.





### Targets specified

In 2020, ZWILLING developed a medium-term plan with a 2030 horizon for the implementation of our sustainability targets. We are fully committed to this plan. Nevertheless, in response to increasing regulatory pressure and growing stakeholder requirements, we have scrutinized and redefined our targets for energy efficiency and environmental

protection as well as for our products and packaging. At the end of 2022, we agreed to reduce our Scope 1 and Scope 2 emissions by 42% by 2030 compared to our 2021 baseline, in compliance with the SBTi Net Zero standard. During the year under review, we developed site-specific reduction roadmaps and prioritized and integrated

specific measures into our investment planning. At the same time, we extended our carbon accounting to include Scope 3 emissions from our upstream and downstream value chain. Due to the insufficient availability and quality of data, we initially relied on a predominantly spend-based calculation method, although this has limitations in accurately pinpointing reduction potential.

The development of a Scope 3 target and a long-term target for 2050 has therefore been postponed. In the current year, we will focus on improving data quality to establish reliable, realistic carbon reduction targets.

### A focus on carbon reduction

We have also adjusted our targets for sustainable products and packaging – particularly in view of the EU Green Claims Directive and the growing criticism of the practice of offsetting. We are focusing on the continued reduction of product-related greenhouse gas emissions and moving away from climate certificate purchases for the time being. In this context, we will refrain from labeling products “climate neutral” when the calculated emissions have been fully or partially offset. We are now ramping up the efforts that began in the reporting year to reduce the product carbon footprint of selected ZWILLING products (see chapter 3) while simultaneously refining our carbon footprinting methodology. The aim is to define tangible reduction levels and quantifiable targets in the coming years. We are also exploring packaging solutions using recycled raw materials and promoting responsible post-consumer recycling practices. To drive measurable improvements in sustainability performance across ESG areas, ZWILLING has linked the compensation of the Chief Technology Officer (CTO) to our ESG objectives. The ZWILLING Supervisory Board sets the ESG criteria, target values and target achievement corridors as part of the Management Board’s remuneration package and evaluates performance against

### Our targets for 2030



#### RESPONSIBILITY FOR EMPLOYEES

We want to elevate employee engagement and personal development to build a diverse and happy team within the global ZWILLING family.



#### SUSTAINABLE PRODUCTS AND PACKAGING

We want to reduce our product carbon footprint\* and improve product design towards a better reparability. We want to obtain 100% of the wood used for our products from certified sustainable sources.

We also aim to convert 100% of our packaging to recyclable materials, avoid plastic where possible and environmentally worthwhile. In addition, we want to reduce packaging as much as possible and investigate possibilities to utilize reusable packaging.



#### ENERGY EFFICIENCY AND ENVIRONMENT

We have undertaken to reduce absolute carbon emissions from production and logistics sites (Greenhouse Gas Protocol Scope 1 and 2) by 42 percent by 2030 compared with the 2021 baseline year.



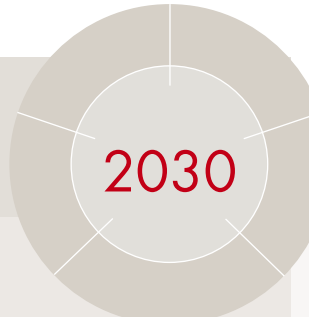
#### SUSTAINABLE SUPPLY CHAIN

We will actively develop our suppliers to comply with the social and environmental standards set by globally accepted independent organizations.



#### RESPONSIBILITY FOR SOCIETY\*\*

We want to extend our programs and act as a good corporate citizen at each site we operate.



\* Quantifiable target to be set in 2025 after evaluation of opportunities in 2024.

\*\* Social responsibility activities are not included in the current ESRS reporting requirements. We provide information about our community engagement at ZWILLING sites worldwide on our website under “Sustainability at ZWILLING”.



these non-financial targets. Management below board level can also be entrusted with the achievement of these targets.

### The ZWILLING sustainability organization

From 2026, the ZWILLING parent company Wilh. Werhahn KG will be obliged to submit consolidated ESG reporting for the 2025 reporting year. In 2022, we created the Group-level position of Sustainability Manager to spearhead and coordinate the development of sustainability strategies and establish a sustainability framework across the Werhahn Group. As the intermediary between the holding company and the business units, the Sustainability Manager is also responsible for setting up a structured data collection and reporting process. The Steering Committee, which comprises members of the Werhahn Management Board and the management teams of all the business units, acts as a strategic advisory board. The Steering Committee collaborates closely with an expert group comprised of the sustainability managers of the business units. At an operational level, various working groups prepare specific draft resolutions on data collection, IT and reporting. The rollout of our standardized IT-supported ESG software in 2023 marks an important milestone.

### The ZWILLING sustainability management

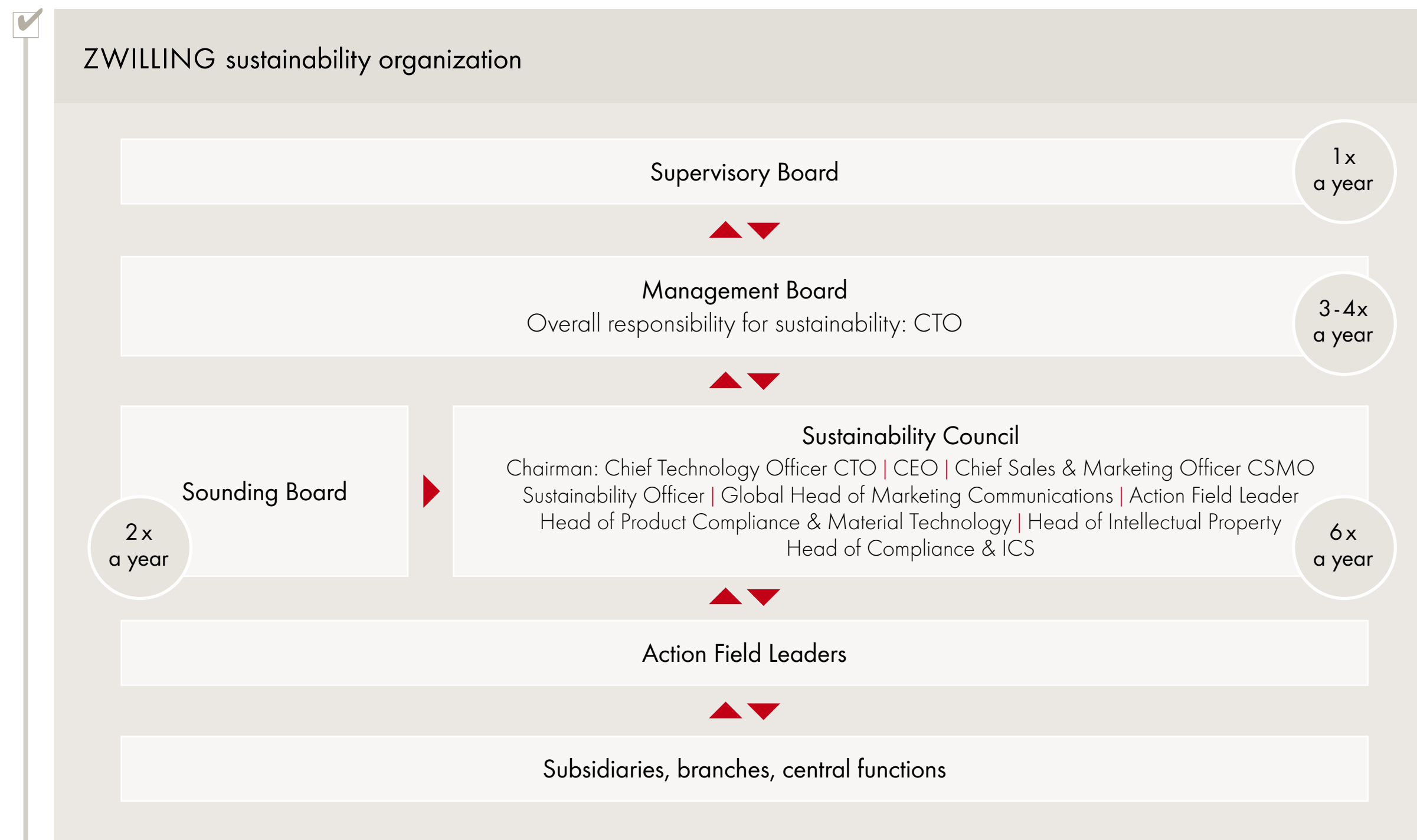
Our sustainable transformation also requires ZWILLING to manage social, environmental and ethical issues effectively. Overall responsibility for the sustainable

transformation lies with the Chief Technical Officer (CTO) of ZWILLING J.A. Henckels AG. The CTO provides information about relevant developments and progress to the entire Management Board on an ongoing basis and to the Supervisory Board of ZWILLING J.A. Henckels AG once a year. The Sustainability Officer, who reports to the CTO, works collaboratively to implement initiatives, develop a standardized data collection system, and deliver the annual sustainability report.

The ZWILLING Sustainability Council, led by the Sustainability Officer, is ultimately responsible for managing the Group's global sustainability activities. The Sustainability Council is made up of the Chief Technology Officer and the CEO, the Global Head of Marketing Communications, the Action Field Leaders, the Head of Product Compliance & Material Technology, the Head of Intellectual Property and the Head of Compliance & ICS. In the reporting year, the Chief Sales and Marketing Officer (CSMO) was also integrated into the Council. The Council makes essential decisions in support of our sustainability strategy and prepares relevant draft resolutions for the Management Board. The Sustainability Council is advised and supported by a Sounding Board consisting of representatives from the production facilities, the distribution companies and other business units.

### Sustainability reporting

We continued to improve our data management practices in the reporting year. This has increased the transparency and validity of the data and ensured compliance



with CSRD and ESRS requirements. For the first time, the ZWILLING companies collected key figures using a Group-wide harmonized software tool that aligns with the relevant standards and enables legally compliant and audit-proof reporting. We helped employees across our locations to use the new tool by offering regular training

sessions and open consultation hours during data collection. The data was validated by Global Sustainability Management, the individual departments and the Action Field Leaders, and then approved by the Sustainability Council. An independent auditing company confirmed the accuracy and reliability of the verified data.



# Corporate governance and compliance

Responsible and transparent corporate governance focused on creating lasting value is a top priority for ZWILLING. Complying with statutory requirements, regulatory obligations and internal company policies is an integral part of our leadership and corporate culture. The Group has established binding responsibilities and defined rules and processes to ensure that all of our business activities are consistent with our own ethical guidelines and statutory requirements.

ZWILLING's corporate governance principles are based on the Wilh. Werhahn KG Code of Conduct as well as ZWILLING's values, and are enshrined in a variety of internal policies and guidelines that are binding and accessible for all of our employees. These include the Policy Statement of Wilh. Werhahn KG on Human Rights and Environment-related Duties of Care, Werhahn's antitrust law guidelines, its anti-corruption policy, ZWILLING's Leadership Principles and the ZWILLING Supplier Code of Conduct.

## Compliance management system

Our global compliance management system serves to ensure that our business activities comply with regulations and ethical standards. The system is geared towards prevention to enable the company to recognize compliance risks and violations at an early stage, respond appropriately to them, and avert damage to the company and affected stakeholders. The Head of Compliance & ICS,

together with 16 local compliance officers across the subsidiaries, is responsible for implementing the compliance management system.

The compliance requirements have been integrated into the ZWILLING internal control system and are therefore subject to a systematic updating and self-audit cycle. The compliance organization is regularly audited for compliance with applicable legislation and Group policies with the support of the central Internal Audit department of Wilh. Werhahn KG and external compliance audits. These checks focus in particular on compliance and integrity in the areas of antitrust law, anti-corruption, anti-fraud, and control of and compliance with corporate due diligence requirements.

## Group-wide whistleblower system

ZWILLING employees and external third parties can report compliance violations confidentially and

anonymously via a web platform (<https://helpline-werhahn.de>) or a free hotline. An independent external ombudsman reviews these reports and takes the steps necessary to establish and clarify the facts of each case. This gives our employees an additional channel for reporting potential violations, in addition to the option to contact their line manager or the local Compliance Officer. In 2023, we continued to expand our compliance organization, trained additional Compliance Officers and stepped up our interactions with the compliance community. The data collected once per quarter on the status quo of Group-wide compliance, the nature and number of the compliance cases reported, and the preventive measures introduced were expanded to include specific inquiries on supply chain and human rights risks during the year under review.

## Compliance training for employees

In 2023, we expanded our compliance training program to help our employees act in an ethically and legally appropriate way. These training sessions provide our staff with a fundamental understanding of the need for compliance rules and raise awareness of compliance risks in our day-to-day business. In addition to online training sessions when onboarding new employees, we have also increased the number of in-class training sessions on the Code of Conduct, antitrust law and anti-corruption, as well as offering training on human rights due diligence and environmental protection for selected managers.

## Data protection

Protecting privacy rights is the foundation for trusting customer, business and working relationships. ZWILLING's high security standards and internal data protection policies ensure that personal data is handled responsibly. We regularly review documentation on processing workflows and erasure protocols as well as processing activities to make sure they are up-to-date and in compliance with data protection regulations. Established data protection processes are also critically scrutinized and, where possible, technically and organizationally optimized on an ongoing basis in relation to the rights of data subjects. We did not become aware of any reasonable complaints of privacy violations from customers or other stakeholders during the period under review.

## The ZWILLING risk management system

ZWILLING has established a Group-wide risk management system based on the requirements of Wilh. Werhahn KG. We identify and assess financial risks as part of an annual risk inventory and take steps to minimize these risks. By integrating non-financial ESG risks into our risk assessment process, we meet the requirements of the German Supply Chain Due Diligence Act (LkSG) and the upcoming EU Corporate Sustainability Due Diligence Directive (EU CSDDD).

We raised the quality of our ESG risk management to another level in the reporting year. We standardized and professionalized our methodology for analyzing risks within



our own business unit and for our direct suppliers at holding company level with the help of a tool we developed in conjunction with an international consulting and auditing firm.

Risk management within Wilh. Werhahn KG is controlled and continuously refined by a body of experts consisting of LkSG representatives within each of Werhahn's business units. ZWILLING adjusted the responsibilities within its holding structure in the reporting year. We combined the previously separate Compliance and Internal Control System (ICS) departments under the leadership of the newly appointed Head of Compliance & ICS, who, together with others, is also responsible for ESG risk analysis. The Sustainability Officer also functions as the Human Rights Officer as set out in the LkSG, while our procurement, legal and quality assurance departments are also involved in identifying and assessing human rights and environmental risks.

#### Supply chain due diligence

Having identified relevant risks for the first time in 2022, we once again conducted a risk analysis in accordance with the LkSG during the year under review – both within our own business unit and for our direct suppliers. We prioritized potential risks according to their probability of occurrence and severity. These risks are classified as urgent if their occurrence would have serious and irreversible consequences and/or could potentially affect a large number of people.

The results of the latest BSCI audits were incorporated into this risk assessment. The risk analysis was implemented by

#### The core principles of the Werhahn Code of Conduct

- **We comply with all legislation** and Werhahn Group regulations, particularly applicable occupational safety and environmental regulations.
- **We behave with compassion** and respect and are honest and loyal. We respect the dignity and personality of each individual and do not tolerate any form of discrimination, harassment or abuse.
- **We take responsibility** for our actions.
- **We act in a way that is sustainable**, conserve resources and protect health and the environment.
- **We do not tolerate any form of corruption** – we do not bribe others or allow ourselves to be bribed.
- **We compete fairly** and comply with the provisions of competition law.

local compliance officers together with human resources and health and safety officers.

We also systematically trained ZWILLING quality inspectors at our sites in China and Vietnam and integrated human rights due diligence more deeply into our risk management processes.

#### Risks within our own business unit

At ZWILLING, we work tirelessly to ensure compliance with social and environmental standards at our production sites. Where appropriate, we also deploy our Local Product Incident Teams to investigate the potential dangers posed by a product as well as any potential violations of human rights or environmental due diligence obligations. In 2023, independent external auditors conducted BSCI

audits at ZWILLING's production sites to identify risks within our own business unit, with potential risks partly assessed based on country and sector indices. The STAUB production site in Merville, France, is the only site where this audit is being conducted during the current year.

The BSCI audits identified increased potential risks in the areas of occupational health and safety and work-related health hazards in China, India and Japan. Where the audits identified specific deficiencies, we immediately took corrective action and carried out on-site re-audits to verify the implementation of these measures. We also revised our occupational health and safety protocols in some cases.

The BSCI audits also helped to raise awareness of the importance of human rights and environmental due

diligence obligations at these sites. Going forward, we will specifically draw on our experience from the BSCI audits by participating in the amfori BSCI System Project Group and take part in the further development of the BSCI system (see the Sustainable supply chain chapter).

#### Risks associated with direct suppliers

Where we identify risks associated with our direct suppliers, we address them with prevention and remedial action that we have systematically integrated into our processes, thus initiating a process of continuous improvement. The implementation of these measures will be tracked and reviewed in all significant cases. We introduce measures for indirect suppliers if required. A detailed description of the risk analysis for our direct suppliers can be found in the Sustainable supply chain chapter.

#### Reporting system for the LkSG and human rights violations

No LkSG-relevant incidents were reported within the ZWILLING Group via the whistleblower system during 2023 (2022: 1). Suppliers who fall within the relevant scope (see Sustainable supply chain chapter) can also report information via the amfori Speak4Change complaints procedure. No serious violations were reported in 2023. We pursue a zero-tolerance strategy. We do not accept any misconduct, follow up on every case and impose appropriate sanctions for proven violations. The Sustainable supply chain chapter highlights a breach at a Thai supplier that we monitored closely.



# Our goals and progress made

SUSTAINABLE CORPORATE GOVERNANCE			
Goal	Subgoal	Progress/action taken in 2023	Status
Integrate environmental and social factors more tightly in the value-added process	Expand sustainability management	Added a Junior Sustainability Manager to our core global sustainability management team at the start of 2024	
		ESRS-compliant materiality analysis to be conducted by the end of 2024 using a methodology agreed at holding company level	
	Improve data collection throughout the Group to improve transparency and validity	Expanded data collection, including with a view to meeting future ESRS requirements; ESRS index stated for the first time in this Report	
		Implemented ESG software solution for Group-wide data collection; standardized key figure definitions, plausibility checks and internal approval mechanisms	
		Standardized key figure definitions at holding company level (Wilh. Werhahn KG) in preparation for ESRS compliance	
	Again arranged for an auditing firm to carry out an audit of our sustainability report and reporting structures		
Expand the compliance management system	Expand the compliance organization	Expanded the compliance structure and increased knowledge sharing within the compliance community	

SUSTAINABLE CORPORATE GOVERNANCE			
Goal	Subgoal	Progress/action taken in 2023	Status
Check compliance with established environmental and social standards in own plants	Carry out BSCI audits at all ZWILLING production sites, also in non-risk countries, by the end of 2023	Carried out successful BSCI audits at ZWILLING plants in Rivarolo (Italy), Herentals (Belgium), Seki (Japan) and Solingen (Germany)	
RESPONSIBILITY FOR EMPLOYEES			
Goal	Subgoal	Progress/action taken in 2023	Status
Promote employee engagement and personal development to build a diverse and content workforce.	Carry out regular employee surveys and ascertain levels of employee satisfaction at all ZWILLING companies before the end of 2024	Introduced Workday Peakon survey and feedback tool in Germany, Italy, Vietnam and Scandinavia	
	Develop management principles and embed them in all ZWILLING locations by the end of 2024 using training courses and communication campaigns	Agreed and rolled out leadership principles globally with support from a diverse project team	



# Our goals and progress made

SUSTAINABLE PRODUCTS AND PACKAGING			
Goal	Subgoal	Progress/action taken in 2023	Status
Produce climate-friendly products	Reduce the carbon footprint of our product portfolio	Developed and launched first knife made from low-carbon steel (Circle Green by Outokumpu) - ZWILLING Pro Wood	
		Rollout of Circle Green steel to the entire ZWILLING Pro knife range	
Make product life cycle more environmentally friendly	Continue to reduce environmental impact throughout the product life cycle and make the entire brand portfolio climate-friendly by 2030	Optimized the ZWILLING four-star knife series in a pilot project by reducing the carbon footprint and using recycled plastic in the knife handle	
		Expanded the team to include experts for eco-design, life cycle analysis, FSC certification, sustainable packaging and environmental compliance	
		Source 100% of the wood used in our products from sustainable sources by 2030	

SUSTAINABLE PRODUCTS AND PACKAGING			
Goal	Subgoal	Progress/action taken in 2023	Status
Reduce footprint of packaging	Convert 100% of our packaging to recyclable or biogenic materials	Optimized 50 percent of the packaging for our product ranges available worldwide for sustainability	
		Launched a pilot project to replace the plastic covers for electrical appliances with reusable microfiber bags	
		Introduced plastic-free, paper and cardboard-based packaging for ZWILLING cutlery sold in premium packaging	

ENERGY EFFICIENCY AND ENVIRONMENT			
Goal	Subgoal	Progress/action taken in 2023	Status
Measure and reduce emissions	Achieve a reduction in absolute carbon emissions (Scope 1 & 2) of 42% by 2030 compared with 2021 levels	Implemented solutions to use a measurement infrastructure for collecting energy consumption data at all of our European sites and developed detailed decarbonization roadmaps at all of our production sites	
		Carried out Scope 3 analysis and integrated this into our climate reporting.	
		Formulated short-term reduction targets (by 2030) for Scope 1 & 2 based on the SBTi's corporate net-zero standard. Setting a target for reducing Scope 3 emissions in 2023 was not yet possible due to mostly spend-based data.	



# Our goals and progress made

SUSTAINABLE SUPPLY CHAIN			
Goal	Subgoal	Progress/action taken in 2023	Status
Evaluate and manage risks in the supply chain	Evaluate and minimize supply chain risks	Risk management was implemented and the risk framework/scope is being gradually expanded.	
		Harmonized and professionalized risk management at holding company level (Wilh. Werhahn KG) including choosing an IT-based tool as a long-term solution	
		A process for tracking risks was implemented and prevention and remedial action (within the framework of the LkSG) put in place.	
		Expanded data collection on Group-wide compliance incidents to include items such as sustainability, supply chain and human rights violations	
	Ensure that 80% of the value-based procurement volume from suppliers in the BSCI Scope* of the ZWILLING Group is sourced from BSCI-audited suppliers	On average, 84% of the ZWILLING Group's value-based procurement volume (in the BSCI Scope) was sourced from approved BSCI-audited suppliers.	
	20% of suppliers falling within the scope of BSCI that were not yet BSCI-audited in the previous year should now be audited each year in accordance with BSCI	Carried out BSCI audits at 42% of the suppliers not yet audited by BSCI in the previous year	

SUSTAINABLE SUPPLY CHAIN			
Goal	Subgoal	Progress/action taken in 2023	Status
Implement environmental and social standards in the supply chain	The introduction of an environmental standard covering climate protection and resource conservation in the supply chain is scheduled for 2023.	Completed evaluation of amfori BEPI 2.0 and launched rollout with strategic partners (Q4 2023)	
	80% of the value-based procurement volume falling within the scope of BEPI* should be permanently covered by BEPI and/or ISO 14001	On average, covered 28% of the ZWILLING Group's value-based procurement volume (falling within the scope of BEPI) by suppliers who have carried out a valid BEPI self-assessment or who are certified as managing their factories in accordance with ISO 14001	

\* The scope includes suppliers from a risk country that supplies the ZWILLING Group with merchandise, components or raw materials with an annual procurement volume in excess of EUR 10,000.



# RESPONSIBILITY FOR EMPLOYEES



38%

of employees in **management positions are women.**

4,123

**people were employed** at ZWILLING sites worldwide in 2023. Their commitment and expertise contributes to enhancing the value of ZWILLING over the long term.

42%

of employees at our locations world-wide are covered by **collective wage agreements.**





## MANAGEMENT APPROACH

Like the wider economy, ZWILLING is undergoing a profound transformation driven by digitalization, decarbonization and demographic change. More than 4,000 ZWILLING employees worldwide are at the heart of this process, using their expertise and dedication to make the necessary changes. Our collegiate atmosphere and values-based corporate culture founded on fairness, teamwork, a willingness to change and an entrepreneurial spirit hold the key to success in this area.

We closely examined the role of leadership in transformation and set out globally standardized leadership principles in 2023 to address the increasingly complex demands on managers who need to manage global teams in a collaborative way while also understanding digital processes and sustainability issues in depth.

During the year under review, we also continued the rollout of our dialogue and feedback tool that began in 2022 to ensure our employees are increasingly involved in our decision-making and change processes. Our aim is to foster an attitude of continuous innovation, bolster commitment to our company targets and encourage active participation within the ZWILLING family.

# Leadership @ ZWILLING: shaping change

ZWILLING sees itself as a family business with a strong set of values. The Group's management plays a key role in our value-focused approach to corporate governance, exemplifying these values in their everyday business practices to provide our employees with guidance and the reliable framework for action they need in these times of transformation. In the reporting year, we agreed a set of binding leadership principles with the help of a diverse project team and rolled them out across the Group to support our employees with their challenging work and create a shared understanding of management responsibility. The new ZWILLING leadership model takes into account the unique cultural and organizational characteristics of each of our sites and subsidiaries. It is founded on the principles of trust, diversity, entrepreneurial spirit, customer focus, teamwork and openness to change. ZWILLING management should also be capable of combining their local focus with a global perspective.

The leadership guidelines were unveiled as part of a global kick-off workshop at the ZWILLING World Conference on 24 May 2023, which was followed by a number of introductory sessions at a local level. Going forward, our aim is to use a wide-ranging series of training sessions to embed these principles in our individual markets and establish a vibrant leadership culture. Workshops on the individual leadership principles will form the core of this program, accompanied by virtual training sessions and leadership coaching. The course unit on promoting an open and respectful culture of feedback in ZWILLING's teams is just one example of these training sessions.

## ZWILLING'S leadership principles



I trust others, and others trust me.



We grow and succeed together as a diverse team.



I constantly develop my skills and embrace change.



For me, our customers come first, every day.



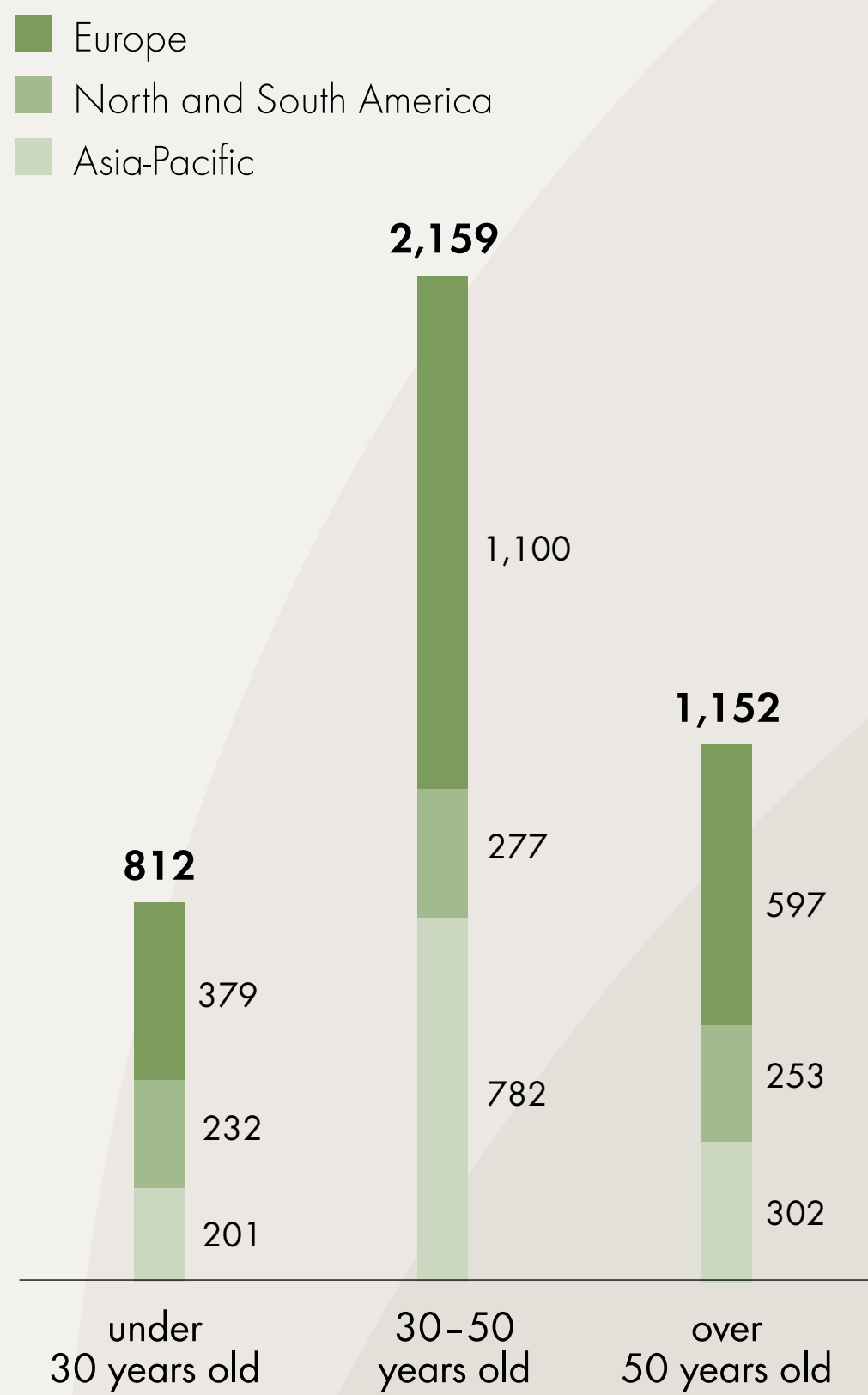
I promote global synergies and local perspectives.



I take responsibility and act like an entrepreneur.



Employees by age group in 2023



**Rollout of the global dialogue and feedback platform**

ZWILLING managers receive regular, data-driven feedback and a snapshot of employee sentiment that goes beyond subjective perceptions thanks to a global survey tool initially installed in a few select markets in 2022. After being rolled out first in Germany, Italy and Vietnam, the dialogue and feedback platform was also introduced in Scandinavia during the reporting year, with a rollout in the USA planned for the current year.

**Employee development and training**

For ZWILLING, on-the-job training for young people is an expression of our social responsibility and an important pillar in safeguarding the Group's future. At our sites in Germany, we offer a combination of university attendance and in-house vocational training in addition to the well-proven model of dual vocational training in commercial and technical roles.

The continuing professional development of our employees and a culture of lifelong learning are also vital to the success of ZWILLING's digital and sustainable transformation in the long run. Regular performance reviews and feedback

conversations provide the starting point for this continuing professional development. We build on this by agreeing customized professional development opportunities tailored to the individual expertise and seniority of each employee. In addition to continuous on-the-job training, our offering also includes special in-house training sessions and coaching programs as well as seminars given by external providers on subjects such as IT knowledge, methodological and professional skills, and leadership and social skills. These sessions are increasingly delivered via digital learning formats as well as via traditional in-person training. During the year under review, we moved ahead with our plans for a

global digital learning and training platform, with the international rollout scheduled to start in the current year.

**Fair and market-appropriate remuneration**

Reasonable and market-appropriate remuneration is one of the cornerstones of responsible management at ZWILLING. Salaries are determined based on role and qualification alone.

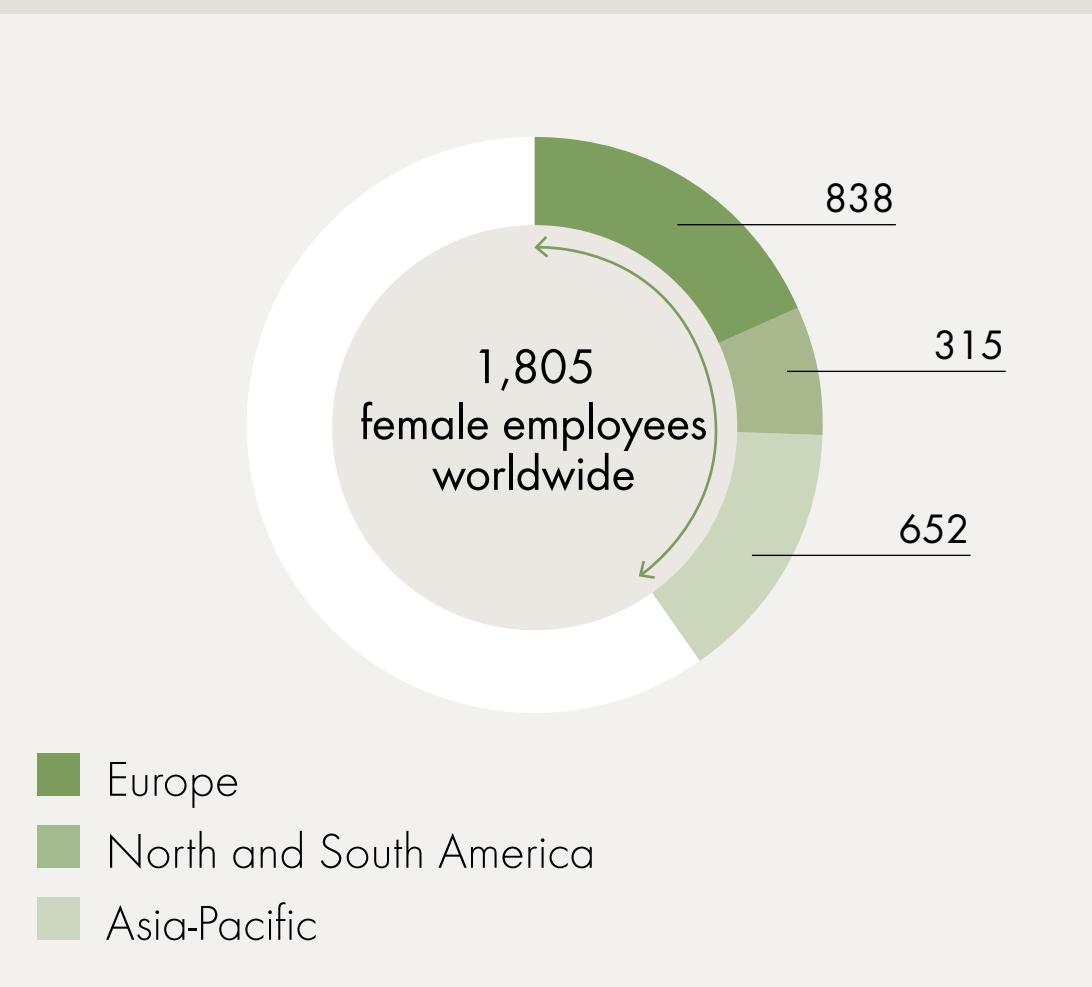
The German ZWILLING companies located at our Solingen site, being part of the Employers' Association, have entered into the collective bargaining agreement for the metal and electrical industry in North Rhine-Westphalia.

→ ZWILLING employees present a united front at our factory outlet sale at Solingen Ice Rink





Female employees by region in 2023



Our companies in countries where the provisions of collective agreements are legally binding, such as BALLARINI in Italy or STAUB in France, also comply with these. Non-pay-scale remuneration is negotiated worldwide between local management and the Management Board of ZWILLING J.A. Henckels AG. We do not involve remuneration consultants in this process.

A globally standard remuneration system is essentially in place for ZWILLING's managers, with remuneration being made up of an appropriate fixed salary and a variable, target-related bonus, which is paid once a year.

### Social benefits in addition to standard salary components

The ZWILLING remuneration systems offer social benefits in addition to the usual salary components. These supplement the state social security system and vary depending on local market conditions. In ZWILLING's Indian manufacturing plant, for example, we offer our employees virtually total cover for illness. ZWILLING also supports company pension schemes in those subsidiaries where it is standard market practice. ZWILLING's Scandinavian subsidiary, for example, invests in a pension scheme, with the subsidiary contributing eight percent of salary and employees four percent. The German employees covered by collective agreements benefit from the MetallRente pension scheme, which is subsidized by ZWILLING.

### Diversity and equal opportunity

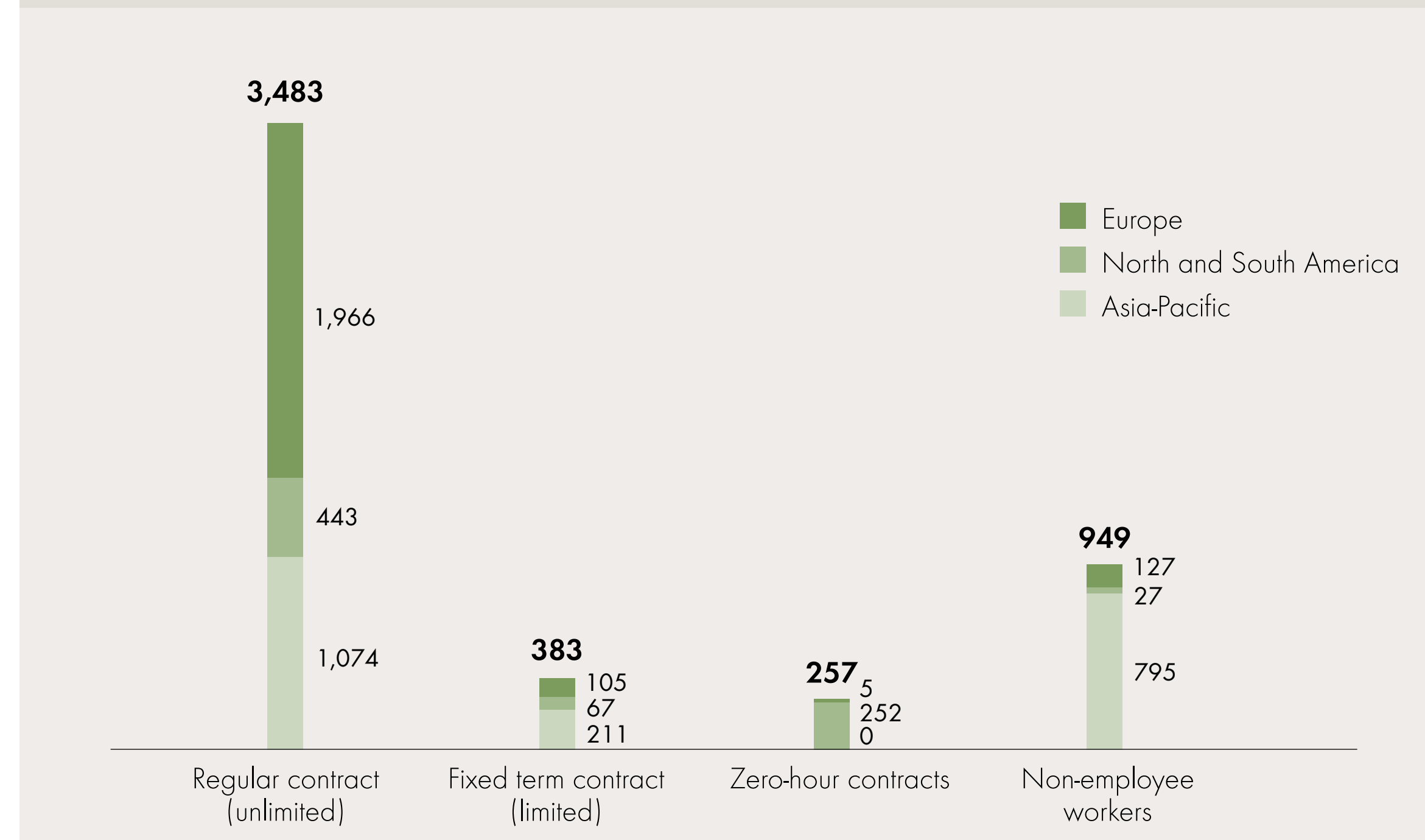
Diversity is part and parcel of how we coexist within society and the driving force for innovation and creativity. At ZWILLING, people of various ages, genders, national identities and sexual orientations work together, enriching our teams with their experience, perspectives and ideas and helping us to meet changing market and consumer requirements. Diversity is enshrined in our corporate values to promote it at every level of our business. We reject any form of discrimination and are committed to fostering an inclusive, respectful working environment where our employees can develop their personalities and individual potential, irrespective of their skin color, nationality, gender, sexual orientation, age, origin, religion or

handicap. We rigorously pursue, resolve and punish any violations of the principle of equality. No incidents of systematic discrimination were recorded in the year under review.

### Women in leadership positions

In 2023, 74 women – 38% of all upper management employees – held management positions at ZWILLING. To ensure as much gender parity as possible and the equal

Workforce by type of contract in 2023





participation of all employees, it is essential to cultivate a working environment that allows staff to align their personal and professional goals. We support our employees, regardless of gender, with flexible working time models. These include mobile working as well as part-time and other working time arrangements.

**Exchanging information and collaborating with employee representatives**

ZWILLING collaborates constructively with employee representatives at all levels. Our shared aim is to interact regularly to promote employee wellbeing and satisfaction. In ZWILLING’s German companies, a specific day is set aside every week on which the works councils and human resources department meet. In recent years, we have also concluded numerous collective bargaining agreements that have included flexible working time models aimed at improving the work-life balance of our staff. ZWILLING keeps its employees and their representatives promptly and fully informed about relevant issues. If we need to implement personnel measures or restructuring, we do so in a manner that is socially acceptable and responsible. We comply at all times with the relevant laws and notification requirements in all the countries in which we operate. In 2023, ZWILLING launched a transformation program in response to falling consumer demand in several markets and the resulting drop in capacity utilization at our production plants. The weak economy forced the Group to reduce its headcount slightly, particularly in India and China. Production at our Solingen site was scaled

Occupational safety key figures in 2023	
in the ZWILLING Group	2023
Total working time covered by an occupational health and safety management system (in hours)	5,927,791
Total working time of all non-employee workers that are covered by an occupational health and safety management system (in hours)	1,002,570
Number of employees covered by an occupational health and safety management system	84.2%
Number of non-employee workers covered by the occupational safety and health system	47.9%
Number of lost-time workplace accidents per million hours worked	9.6
Number of fatal accidents per million hours worked	0

back due to high stock levels, while short-time working was introduced for part of the workforce. To keep individual financial losses as low as possible, we increased state subsidies on a voluntary basis, with these subsidies staggered according to salary group so that employees in low salary groups continue to receive 90 percent of their net salary.

**Occupational health and safety**

Occupational health and safety is a priority for a manufacturing company like ZWILLING. From heat treatment and metalworking to manufacturing and inventory management at our distribution centers, our plants boast a high degree of vertical integration. Unfortunately, this increases potential health and accident hazards in the workplace.

We are committed to creating a safe working environment where our employees and staff from our partner firms and third parties are protected from the risk of accidents and ill health. We take the precautions necessary at each of our sites to avoid accidents, work-related illnesses and excessive physical and mental stress at work. Our safety culture aims to identify potential risks at an early stage and to take appropriate precautions in order to keep making quantifiable improvements in occupational health and safety protection over time.

The ZWILLING Chief Technical Officer bears overall responsibility for occupational health and safety. Local companies are responsible for introducing a safety organization and meeting statutory requirements. Overall, 84 percent of ZWILLING employees are already

covered by an occupational health and safety management system. Safety training is carried out regularly at our plants in accordance with statutory requirements to ensure a consistently high level of protection. We also provide special training for electricians and staff working in process development. Initial training on specific workplace hazards is given personally by the employee’s line manager. This is repeated every year during normal working hours.

ZWILLING records the accident and absenteeism rates at our production sites worldwide. The relative frequency of accidents per million hours worked fell slightly to 9.6, below the average for the German commercial sector (14.5 in 2022). There were no fatal accidents during the period under review.

**Employee health management**

ZWILLING offers its employees access to a broad range of healthcare services, from preventative medical check-ups, eye tests and exercise programs to first aid courses and vaccinations. We set up a holistic employee health management program at our Solingen site in 2022. During the year under review, we launched a health app focusing on exercise and prevention in conjunction with health insurance provider Techniker Krankenkasse. We use this mobile app to run shared initiatives such as step challenges with our workforce. In September 2023, we held another Health Day with a packed day-long program to raise awareness of health-related issues among our employees.



# SUSTAINABLE PRODUCTS AND PACKAGING



100%

of the wood used in our products is scheduled to come **from sustainable sources** by 2030.

1.6 kg

instead of 3.5 kg of CO<sub>2</sub> in 2020 is emitted by a low-emission steel ZWILLING Pro knife. The partnership with the Finnish steel manufacturer Outokumpu **reduces the product carbon footprint by more than 50 percent.**

50%

of the packaging for our product ranges available worldwide have been optimized for sustainability - **an increase of 12 percentage points** compared to 2022.



## MANAGEMENT APPROACH

The resources available in Germany for the entire year had already been used up as of 2 May 2024, the date determined by environmental organization Global Footprint Network to be this year's Earth Overshoot Day. The extraction of primary resources from nature is responsible for the majority of greenhouse gas emissions and the loss of biodiversity.

Manufacturing long-lasting, high-quality products that offer genuine value for consumers both now and in the future is at the heart of ZWILLING's brand philosophy. This means we are committed to improving our climate impact and use of resources across our entire range and integrating environmental criteria into our development and design process. As a result, we revised and substantiated our sustainability target in the action field of products and packaging in 2023.

Our strategy in this area focuses on reducing greenhouse gases and reusing products and resources, and also involves moving away from carbon offsetting as a viable solution. This enables us to focus our staff and financial resources on making our business processes sustainable. At the same time, our strategy complies with the provisions of the draft new EU Green Claims Directive, which aims to curb greenwashing, as well as the EU Ecodesign Directive.

## Next level product design – low-emission and recyclable

- ✓ Durable, high-quality functionality, materials and design are our alternative to short-lived product cycles and the over-exploitation of available resources. ZWILLING's sustainable product development strategy is designed to:
- incorporate ecodesign principles throughout the product and packaging development process,
  - reduce carbon emissions throughout the lifecycle of knives, cutlery, cookware and electrical goods,
  - keep, repair and reuse products in the value cycle for as long as possible,
  - convert 100% of our packaging to recyclable materials, and
  - restrict the use of packaging to the amount required for transport and product protection.

By taking this approach, we are meeting stakeholder expectations while also complying with national and international regulations, directives and laws regarding the manufacturing, use and eventual disposal of products. We are also helping consumers to follow environmentally and climate-conscious lifestyle and consumption practices.

### Expanding our sustainable innovation expertise

During the year under review, ZWILLING invested in acquiring the expertise necessary to systematically unlock the potential to optimize our products and packaging and rapidly put our transformation goals into practice.

- ✓ We want to use partnerships, additional staff resources and targeted development programs to expand our internal pool of knowledge, access the latest research findings and ensure we comply with all statutory regulations. The Environmental Compliance Manager position we created in 2023 brings together all of our Extended Producer Responsibility activities at a corporate level. By collaborating with a global service provider for the return, recovery and recycling of products and packaging, we aim to ensure that ZWILLING meets country-specific registration and licensing requirements and reporting obligations across all of our sites.

# 19%

is ZWILLING's innovation rate. We take sustainability criteria into account from the start of the product development process.



✓ Our Sustainable Plastics task force is exploring alternatives to traditional plastics from fossil sources for our knife and pan handles. We have launched a research project with the Kunststoff-Institut Lüdenscheid plastic research institute and are currently testing the practicality of innovative plastic handles made from recycled and bio-based materials.

The aim of our cradle-to-cradle approach is to design products and packaging that are recyclable and reusable from the start of the manufacturing process so that they can be reused as high-quality resources at the end of their usage phase. In 2023, we looked closely at how we can make our processes more circular. We shared our findings and helpful tools with the ZWILLING sustainability teams around the world on an internal knowledge portal.

#### ZWILLING Pro knives – optimized for sustainability

A fully optimized product line from lifecycle analysis to market launch, the bestselling ZWILLING Pro knife range has had its product carbon footprint reduced by more



Product launch on Earth Day, 22 April 2024: the ZWILLING Pro Special Edition made from low-emission steel was initially released in Europe and Canada, with the full range set to be converted to Circle Green steel by the end of 2024.

✓ than half in a project lasting several years. First, carbon accounting was used to identify the processes generating the highest greenhouse gas emissions. This revealed that raw materials, particularly steel, were responsible for more than 50 percent of greenhouse gas emissions. These emissions – representing an average of around 7 tonnes\* of CO<sub>2</sub>e per tonne of crude steel – are generated by our suppliers as part of their steel production processes. ZWILLING joined forces in 2023 with its steel supplier Stahl Krebs and Finnish steel manufacturer Outokumpu to reduce this impact. The manufacturer is already well below the industry average, generating an average of 2.46 tonnes of CO<sub>2</sub>e per tonne of stainless steel in its standard production process for ZWILLING’s special formula steel. These emissions are now being lowered even further with the development of the new Circle Green range, which generates just 1.19 tonnes of greenhouse gases per tonne of steel – over 80 percent less than the industry average.

For ZWILLING, reducing CO<sub>2</sub> by making direct improvements to the manufacturing process was vital. As part of these efforts, we primarily use scrap sorted by type, with the share of recycled materials exceeding 80 percent. According to Outokumpu, using process heat, purchasing only low-carbon electricity and using biogas all help to deliver additional savings. Circle Green steel has the same mechanical, chemical and physical qualities as the materials used previously. The company has now had its methodology for calculating its carbon footprint per steel batch certified by an independent testing institute.

✓ A limited-edition ZWILLING Pro Special Edition made from Circle Green steel was released in Europe and Canada to mark Earth Day on 22 April 2024. The letters RC – for ‘Reduced Carbon’ – are engraved on each of these knives to let consumers know that this is an innovative product. The entire ZWILLING Pro range is scheduled to switch to low-emission steel during the current year, lowering the product carbon footprint from its original level of around 3.5 kilograms of CO<sub>2</sub> per knife to around 1.6 kilograms. The use of green electricity at the Solingen production site introduced in 2021 is another initiative that counts towards this reduction.

#### BALLARINI pans: now with PFAS-free coatings

During the year under review, ZWILLING realigned its cookware strategy in the pans segment to meet changing consumer demands and comply with new statutory regulations. As part of these efforts, the production line for aluminum cookware at BALLARINI’s site in Rivarolo, Italy, was fundamentally modified to ensure that ceramic coatings can be processed without using PFAS. The first ceramic-coated pans were released under the BALLARINI Caprera brand in 2023.

#### A second life for a STAUB classic

STAUB’s cast iron, enameled Dutch ovens are designed to have a long lifespan and are often passed on from one generation to the next. The STAUB cocotte is one of Japan’s best-known consumer brands, with several Dutch ovens in different colors and shapes regularly used in many

\* This figure was calculated by our steel producer Outokumpu and refers to the global average for a variety of steel alloys.



✓ households. Nevertheless, ZWILLING has launched a ‘second life program’ in Japan in the event that someone wishes to discard their STAUB pot. Consumers can send their used cocottes to ZWILLING in exchange for a voucher to buy a new one, for example. Heavily worn pots are recycled and fed back into the material cycle, while those in good condition are cleaned and put up for sale at a reasonable price on the STAUB Second Life portal.

#### FSC® certification expanded

We made further progress in obtaining FSC® certification for our wood-based products in 2023. Our efforts are focused on ZWILLING knife blocks, which make up around 80 percent of all of the Group’s wood products. Going forward, all new knife blocks launched in Germany will be offered exclusively as certified FSC®-quality products. After ZWILLING J.A. Henckels AG and ZWILLING J.A. Henckels Deutschland GmbH obtained FSC® certification in 2022, our sites in the UK and Scandinavia also successfully completed the certification process in 2023, with our subsidiaries in the USA and Canada set to follow during the current year. By having its membership of FSC Germany confirmed in 2022, ZWILLING underscores the importance of sourcing fully traceable wood and acting responsibly to protect forests. ZWILLING plans to participate in the FSC blockchain program in 2024 in order to meet its documentation and verification obligations under the new EU Deforestation Regulation (EUDR).

#### ✓ The ZWILLING packaging strategy: reduce, replace, recycle

Our ambition in this area remains as high as ever. During the reporting year, we stepped up our efforts to minimize the negative environmental impact of our packaging while recognizing its protective role. Firstly, we increased our capacity in the packaging division, while our product development employees attended training sessions on packaging optimization. Secondly, we rolled out a new technical infrastructure to record packaging data that was previously decentralized or unavailable centrally in one location, increase data quality and provide up-to-date information for reporting purposes.

We are using structured analysis to identify the optimization potential within our existing packaging range, switch gradually to recyclable packaging materials and use recycled materials wherever possible in order to extend the retention time of our packaging in the value chain.

At the same time, optimizing our packaging to be environmentally-friendly is now part and parcel of ZWILLING’s product design process. When releasing new products onto the market, we make sure to reduce the amount of material used in our packaging, avoid plastic wherever possible and integrate reusable components.

Our premium ZWILLING cutlery is the first example of how we are putting this strategy into practice. During the year under review, we also switched to modular, plastic-free cardboard packaging for our ZWILLING Pro knife series, with fully recyclable materials used instead of the previous transparent PET packaging and difficult-to-recycle

✓ polystyrene inserts. We only continue to use reusable plastic protectors to protect the tips of our knives during transport. We are steadily expanding the switch to sustainable packaging solutions to include other Solingen knife ranges as well as the ZWILLING cookware and Enfinigy ranges. STAUB has also modified its approach to packaging by introducing untreated cardboard product packaging in early 2024 produced from 80% recycled paper. At the same time, the plastic “Made in France” sticker will be replaced with an engraving on the product in the future. In addition to product packaging, a switch was also made to using resource-efficient materials in transport packaging during the year under review. Since ZWILLING began managing its own end customer logistics in fall 2023, the company has been saving primary raw materials by using shredded cardboard as padding in B2C shipping. This rollout was accompanied by a customer survey which revealed overwhelmingly positive feedback for the sustainable packaging option.

By introducing this set of initiatives globally in 2023, ZWILLING increased the amount of sustainably optimized packaging for ranges sold worldwide from 38 percent to 50 percent year-on-year.



BALLARINI has fundamentally modified its production line for aluminum cookware to ensure that ceramic coatings can be processed without using PFAS.







# ENERGY EFFICIENCY AND ENVIRONMENT



✓ 2,462 t

less **carbon emissions** than in the previous year were emitted by the ZWILLING production plants and sites in 2023.

✓ 42%

less **Scope 1 and Scope 2 carbon emissions by 2030** compared to the 2021 baseline year: ZWILLING has set this ambitious decarbonization target in accordance with the net zero standard of the Science Based Targets Initiative.

95%

of ZWILLING's carbon footprint is made up of **Scope 3 emissions** originating in the upstream and downstream value chain. This has been shown by the Scope 3 accounting carried out for the first time in 2023.



## The ZWILLING strategy: We Care for Climate

### MANAGEMENT APPROACH

The worldwide impacts of global warming and resource scarcity are stepping up the pressure on businesses to embrace transformation. By adopting a considerably more ambitious climate strategy at the end of 2022, ZWILLING aims to measurably reduce its environmental footprint not only within its own business but along the entire supply chain. Abandoning the model of carbon offsetting underscores our ambition to limit the environmental impact of our business activities in real and substantial terms.

ZWILLING has undertaken to reduce greenhouse gas emissions from production and logistics sites (Scope 1 and Scope 2) by 42 percent by 2030 compared with the 2021 baseline year and set specific targets for reducing its Scope 3 emissions. The Group's climate target has been revised based on the Net-Zero Standard developed by the Science Based Target Initiative (SBTi) and provides a foundation for meeting statutory disclosure requirements such as those set out in the European Sustainability Reporting Standards (ESRS) as well as individual customer requirements.

During the year under review, all of ZWILLING's production sites worldwide developed individual reduction roadmaps and began implementing them. At the same time, we expanded our climate accounting process and carried out an initial assessment of our Scope 3 emissions. Our focus during the current year is to improve data quality and use this data to set a reliable reduction target for our upstream value chain. Our plans to evaluate the possibility of joining the SBTi in 2024 have been delayed as a result.

Resources form the basis of all industrial production. As a manufacturer of consumer goods, ZWILLING also relies on using energy and raw materials. Our production sites primarily use energy for thermal processes such as smelting, tempering and drying, operating machinery and heating and lighting the buildings. In 2023, our total energy consumption fell by 14 percent year-on-year to 95,801 megawatt hours (MWh), with our production sites in France, Italy, China and Germany recording the sharpest declines. This drop in consumption is partly attributable to local energy efficiency initiatives and partly to a reduction in production caused by lower demand.

We obtain 44 percent of our energy needs from electricity, 36 percent from gas and 15 percent from coking coal. The share of renewable energy within our electricity consumption continued to rise from 20.5 percent in 2021 to 24.3 percent in 2023. Overall, energy consumption in production and logistics as well as in shops and administration (Scope 1 and Scope 2) account for around 5 percent of our carbon footprint.

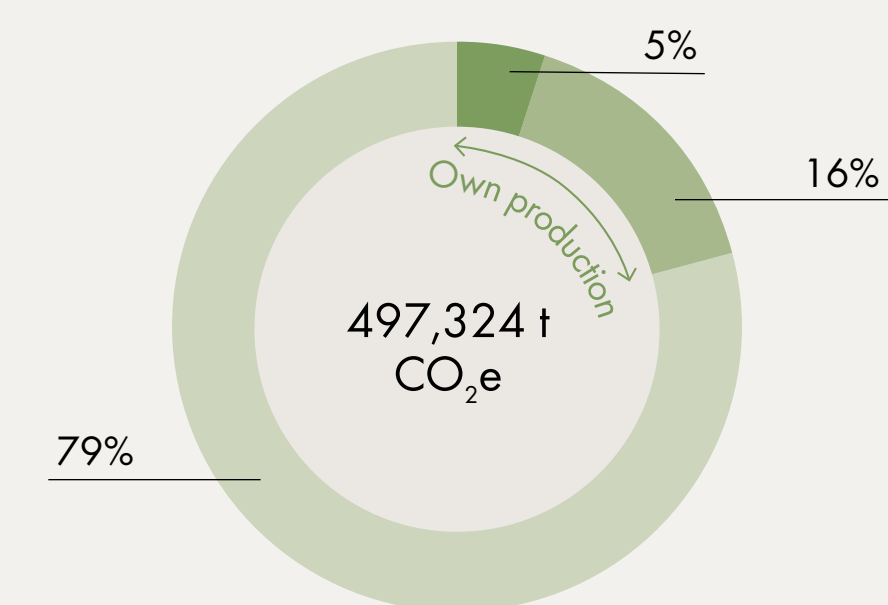
#### Making progress on the path to carbon reduction

Based on the Net-Zero Standard developed by the world-renowned Science Based Targets Initiative (SBTi), ZWILLING aims to reduce direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions by 42 percent by 2030 compared to the 2021 baseline year. Key levers for saving carbon emissions include lowering process-related emissions, enhancing energy efficiency and increasingly purchasing green electricity and using self-generated solar

power. During the reporting year, we identified the specific reduction potential at individual ZWILLING sites, developed local roadmaps with a focus on energy-intensive production plants and backed these up with tangible investment plans. We have already implemented initial measures with a significant environmental and business impact (see infobox on page 29). Our specific plans for the current year include installing additional photovoltaic systems at

#### Carbon footprint of the ZWILLING Group in 2023\*

Share of Scope 1 to 3 emissions



- Scopes 1 & 2 (production, logistics, etc.)
- Scope 3 (raw materials used for own production)
- Scope 3 (value chain and merchandise)

\* Our current Scope 3 figures are based on an analysis carried out in 2023 on the basis of 2022 figures.



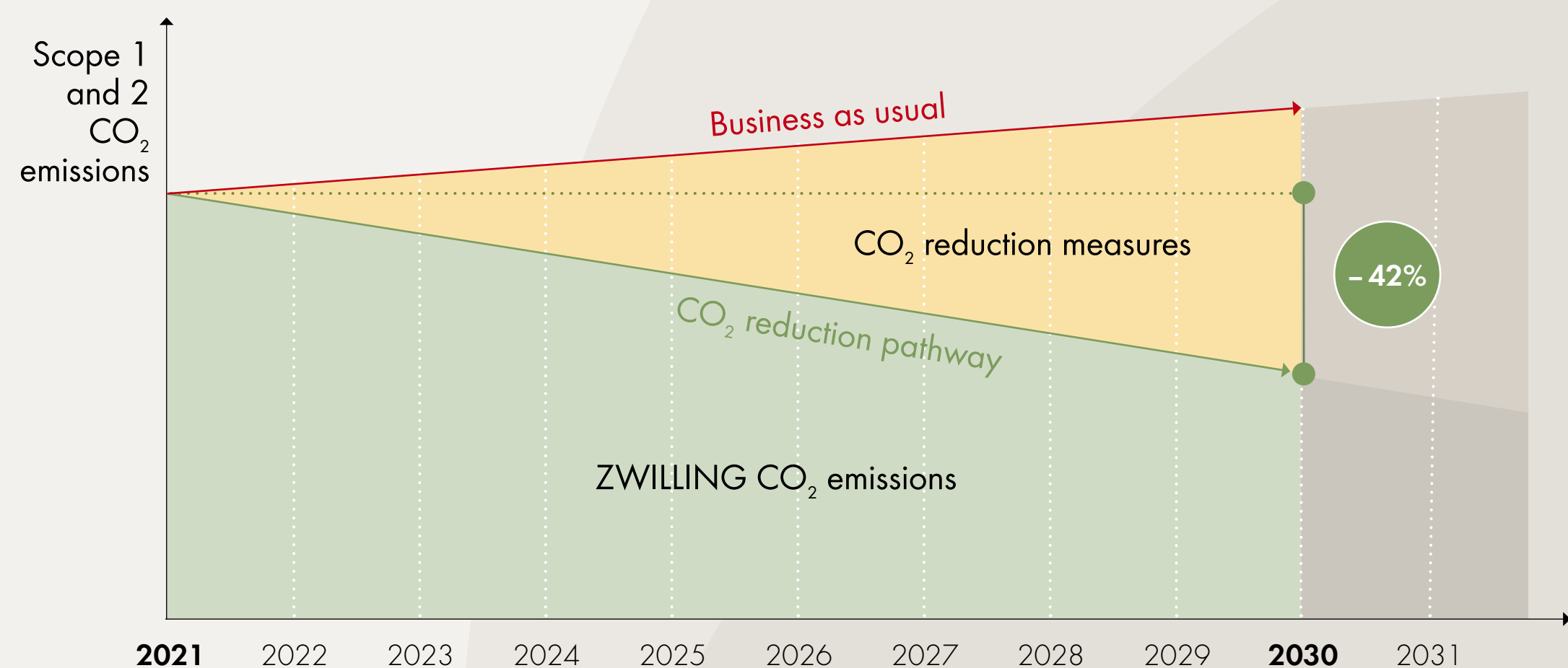
our sites at DEMEYERE in Belgium, ZWILLING Japan and ZWILLING India. We constantly review, update and systematically expand our roadmaps for individual production sites to include additional initiatives. Local teams at the facilities are responsible for ensuring the success of this transformation at a local level, with top-down coordination and support provided by the Energy Efficiency and Environment Action Field Leader and ZWILLING's Sustainability Officer.

### Scope 3 accounting gets underway

Scope 3 emissions, which originate in the upstream and downstream value chain, make up the majority of ZWILLING's carbon footprint by some distance. ZWILLING came to this conclusion after completing Scope 3 accounting with the help of external experts during the year under review. According to these calculations, purchased raw materials and merchandise produced

by suppliers, particularly cookware, are the main sources of these emissions, accounting for 75 percent of the total. There were some significant deficiencies in data quality and availability in carbon hotspots along our complex and wide-ranging supply chain, which initially forced us to adopt a spend-based calculation method. We used procurement volume and database-supported emissions factors to approximate the CO<sub>2</sub> emissions per euro of purchasing value for a specific product group. However, this approach shows significant ambiguity compared to calculations based on primary data such as a supplier's actual energy consumption and greenhouse gas emissions. Our focus for 2024 is to improve data availability and quality. Going forward, ZWILLING aims to collect activity and/or primary data for our most important raw materials and product groups so that we can unlock specific reduction potential along the supply chain and measure our progress. This is only possible by interacting closely with our suppliers. The amfori BEPI Portal, where suppliers provide information on their environmental performance, is a good starting point for exchanging environmental data and initiatives with suppliers (see Chapter 4: Sustainable supply chain). We can use it to make our suppliers more aware of environmental issues and providing relevant information and start a conversation with them.

ZWILLING reduction roadmap, Scope 1 and 2 to 2030



Purchasing low-emission steel from Finnish manufacturer Outokumpu significantly reduces the intensity of carbon emissions generated by ZWILLING's knife production in Solingen.





### Setting a course: decarbonizing the supply chain

Although we were not able to set a reliable target for reducing our Scope 3 emissions in 2023 due to insufficient data quality, we have already taken steps to decarbonize our supply chain. One of the biggest drivers of carbon emissions in our upstream value chain is the procurement of raw materials such as steel. Purchasing

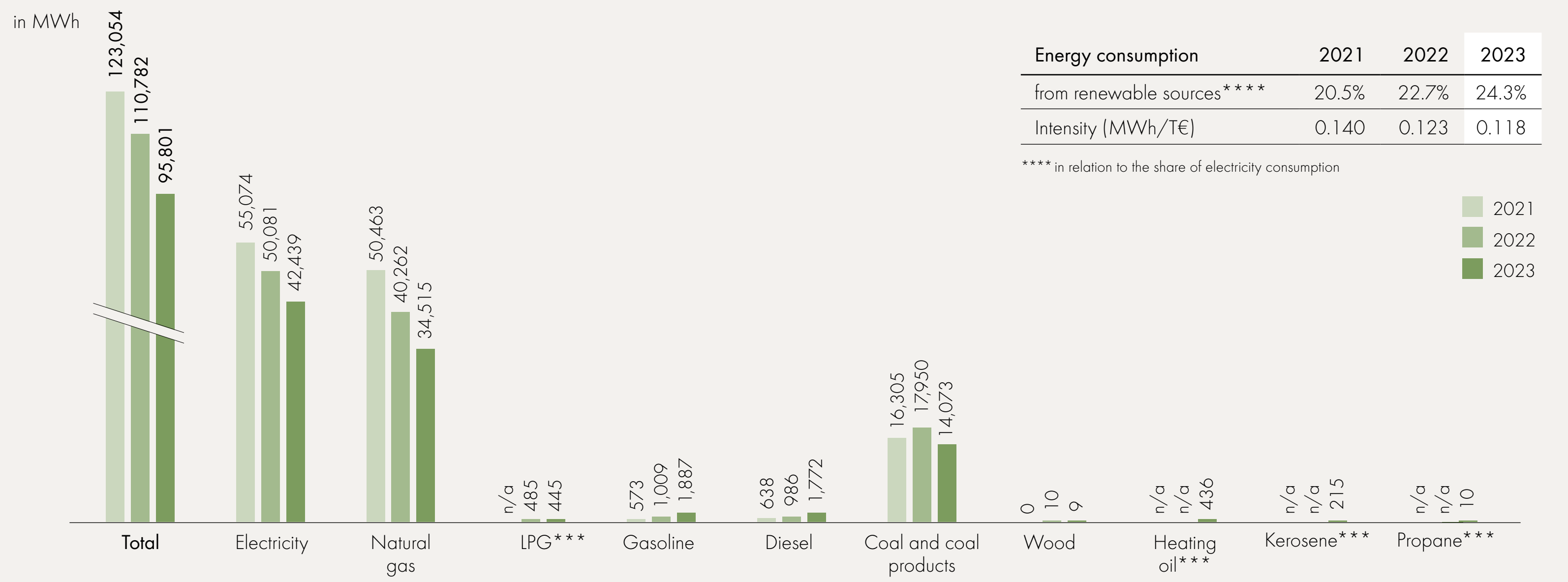
low-emission steel significantly reduces the intensity of carbon emissions generated by ZWILLING's knife production in Solingen (see Chapter 3: Products and packaging). As an additional measure, we switched all parcel deliveries within Germany to DHL GoGreenPlus shipping to significantly improve our transport-related carbon footprint over the last few miles.

### Agenda 2024: improve Scope 3 data quality

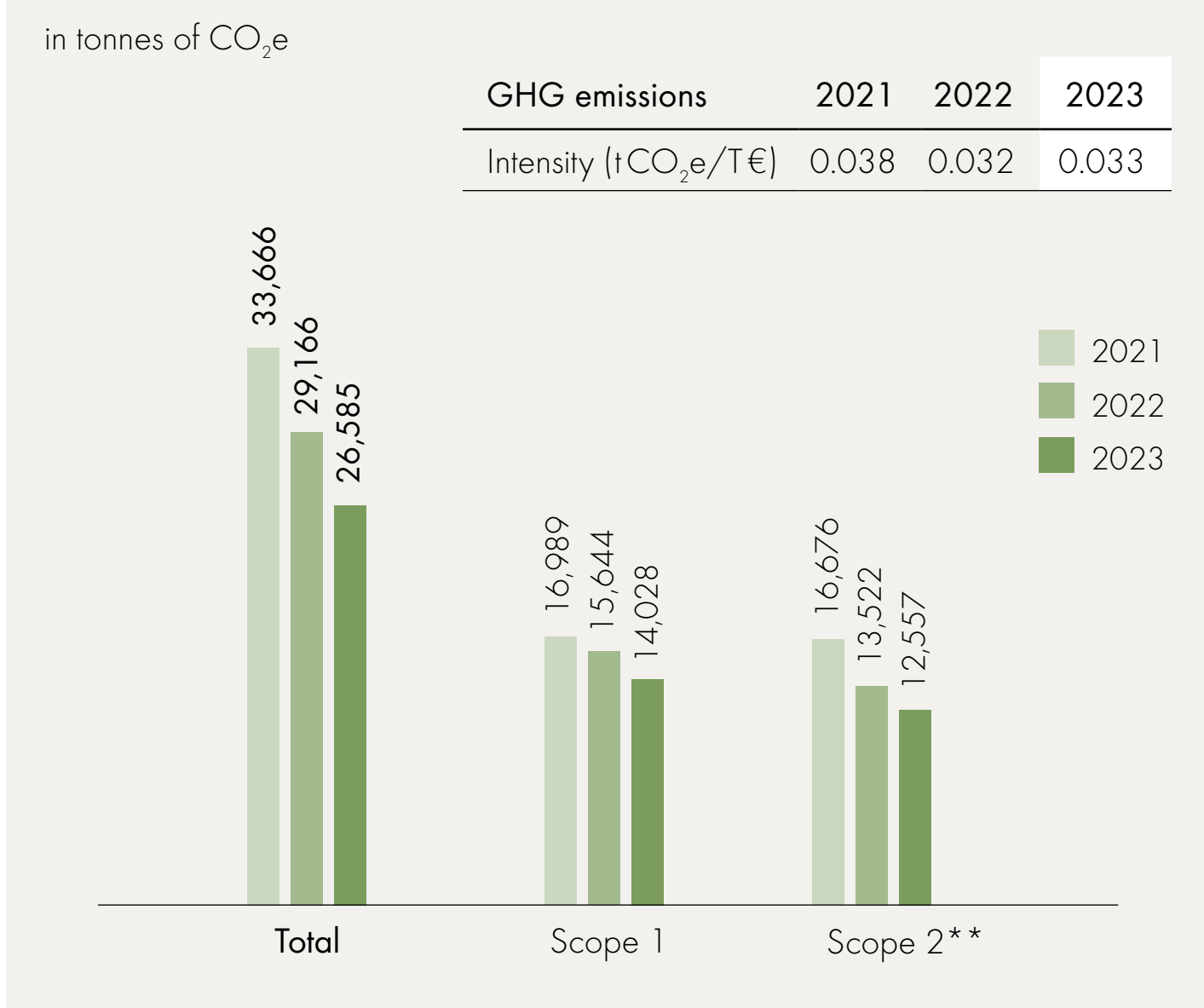
During the year under review, we made significant progress in transitioning to low-carbon business practices, especially when it comes to accounting for the main Scope 3 categories. Going forward, we want to keep broadening our efforts to continuously collect relevant data from suppliers and use the ESG software tool implemented in 2023 to

collect corresponding emissions data and key performance indicators. Our aim is to substantially improve data quality in our highest-impact product groups and use this data to set a specific target for reducing Scope 3 emissions. As well as the potential for reducing carbon emissions, we are also incorporating additional factors such as practicability, time required and cost efficiency into this target.

### Energy consumption of the ZWILLING Group in 2023



### Greenhouse gas emissions (Scope 1 + 2) of the ZWILLING Group in 2023\*



\* As part of the implementation of the ESG software, the emission factors were also harmonized across the holding company in 2023. The figures shown here for 2021 and 2022 may therefore differ from the figures reported in previous ZWILLING sustainability reports.  
 \*\* ZWILLING only purchases electricity, no heat, cool or steam. Scope 2 emissions were calculated using market-based emission factors.  
 \*\*\* LPG was included for the first time in 2022. Heating oil, kerosene and propane were included for the first time as part of the comprehensive Scope 3 analysis in 2023.



### Increasing our recycling rate

Resource conservation is an essential part of ZWILLING's sustainability agenda. We have set ourselves the target of using natural resources as efficiently as possible, establishing closed material loops and avoiding waste. Many of the raw materials we use, particularly metals, are recyclable

and can be fed back into the value creation process as secondary raw materials any number of times with virtually no loss in quality. The partnership we agreed with Finnish steel manufacturer Outokumpu in 2023 enables us to make our steel loop even smaller by using a high proportion of recycled material in the production process.

Using resources sparingly and harnessing circular processes helps us to reduce the amount of waste we generate and keep disposal volumes low. We separate and treat unavoidable waste in accordance with local regulations. At ZWILLING, we source most of the water we need from local supply networks. All wastewater is cleaned and treated before being released into the environment or municipal sewage systems.

### FOCUS ON ENERGY EFFICIENCY

ZWILLING has consistently pursued its chosen path to reducing emissions within its own sphere of influence (Scope 1 and Scope 2). For example, DEMEYERE has significantly enhanced the energy efficiency of its production plant in Herentals, Belgium, by continually monitoring, analyzing and managing its consumption.

At its production plant in Merville, France, STAUB fitted one of its gas enameling kilns with additional insulation, new fans and an air curtain, and installed a heat exchanger, significantly improving its energy efficiency and reducing its thermal energy requirements by around 25 percent.

A significant proportion of the gas consumed at ZWILLING's headquarters in Solingen is used for thermal energy to heat the office and conference rooms. In 2023, the site invested in an intelligent heating control system. Smart thermostats with presence sensors automatically switch to energy-saving mode as soon as an office is no longer occupied, reducing energy consumption by around 24 percent.

### Air pollutant filtering systems

The processes in our production plants also generate air pollution emissions. To prevent these substances from entering the atmosphere, we have installed numerous filter systems at our sites. The Solingen site uses an extraction and air filtration system. At the French STAUB plant, a special filtration system prevents the emissions to air of ferrous dust. Systems for dry/wet filtration together with dust filters ensure effective protection against air pollutants at the BALLARINI production plant in Italy. An additional after-burning system also reduces emissions of volatile organic compounds.

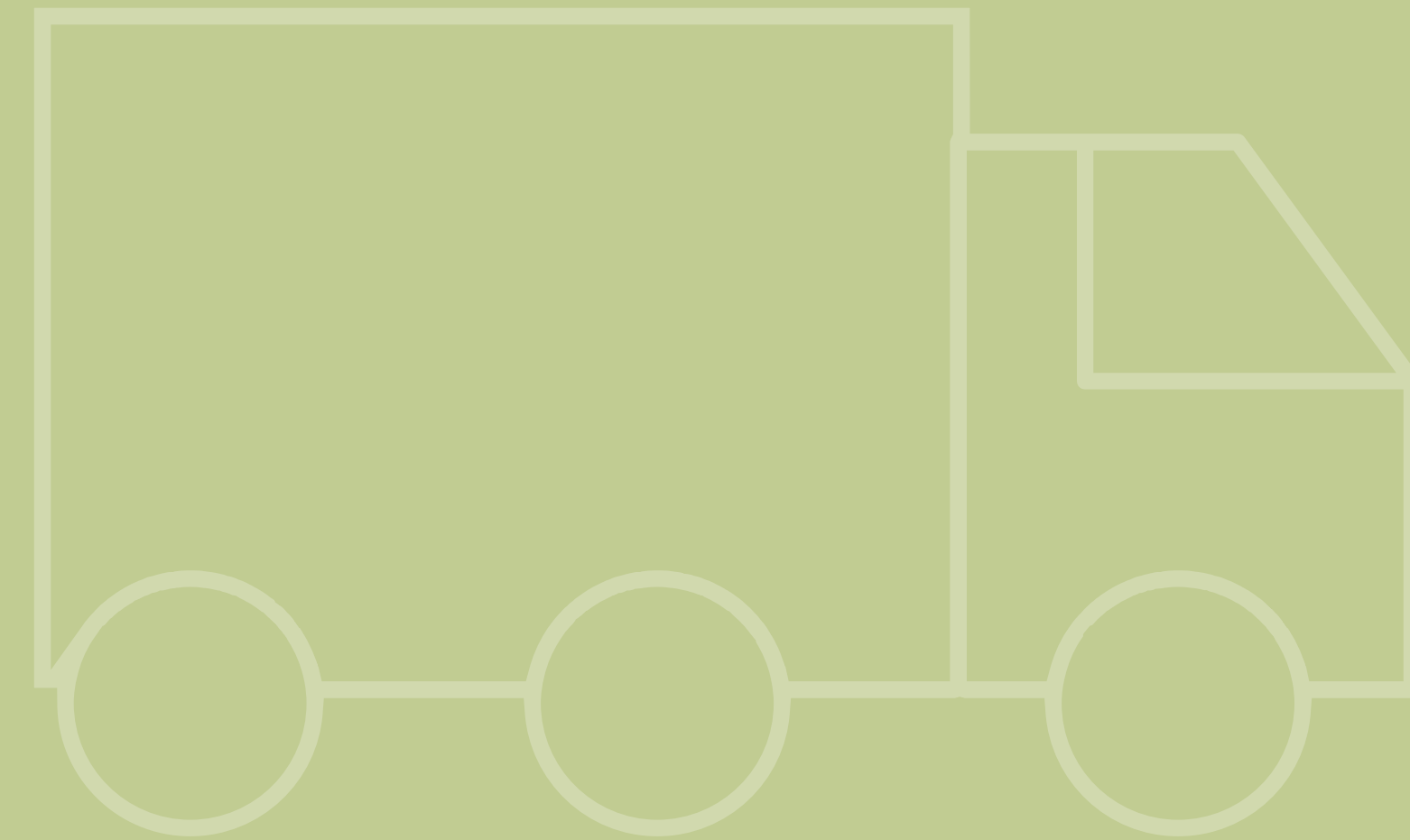


STAUB aims to substantially enhance the energy efficiency of the kilns on its enameling line. It is installing heat exchangers, modern fans and air curtains to prevent heat loss and reduce gas consumption.





# SUSTAINABLE SUPPLY CHAIN



# 84%

of the ZWILLING Group's **procurement volume by value** within the relevant Scope\* is attributable to suppliers who can demonstrate a valid BSCI audit.

# 117

BSCI **audits** took place at ZWILLING suppliers in 2023. All audits were carried out semi-announced by external audit companies.

# 42%

of the BSCI scope suppliers not audited in the previous year **successfully underwent a BSCI audit** in 2023.

\* The scope includes suppliers from a risk country that supplies the ZWILLING Group with merchandise, components or raw materials with an annual procurement volume in excess of EUR 10,000.



## MANAGEMENT APPROACH

Our corporate responsibility encompasses not only the entire value creation process but also our relationships with our suppliers. We aim to conduct all procurement processes in a manner that is both ethically and legally compliant.

To track supply chain risks, we introduced a risk management system in accordance with the Supply Chain Due Diligence Act (LkSG) in 2022. Following its successful implementation, we refined our methodology in the reporting year and ensured its integration into all relevant procurement processes. We have added key ESG aspects to our purchasing conditions and introduced a new ZWILLING Supplier Code of Conduct that requires our suppliers to uphold human rights and environmental standards. We also standardized the risk assessment criteria for the entire Werhahn Group last year.

In 2023, we significantly expanded our commitment to sustainability in the supply chain. The task of systematically tracking improvement measures was in many cases carried out by our own employees. This has fostered a more collaborative dialogue with suppliers on social and environmental issues and led to further positive changes.

In the reporting year, we integrated environmental considerations into our management approach and began onboarding suppliers to the Business Environmental Performance Initiative (BEPI).

# Socially and environmentally responsible supply chain

## Complex procurement structures

As an international consumer goods company with a comprehensive product portfolio, ZWILLING buys raw materials, intermediate products, merchandise and packaging from approximately 400 suppliers worldwide – primarily from Asia and Europe. In 2023, we procured goods and services worth a total of 377 million euros. Of this, around 133 million euros was for merchandise, 48 million euros for raw materials and components, and 196 million euros for indirect materials and services.

## Supplier Code of Conduct introduced

Establishing and managing a stable and reliable supplier base is critical for achieving smooth-running production processes and maintaining competitiveness. Besides economic considerations such as quality, delivery reliability, service quality and cost, a supplier's ethical, social and environmental practices are increasingly important for selection and evaluation. Our approach to supplier management is based on the Werhahn Code of Conduct and the Wilh. Werhahn KG Policy Statement on Human Rights and Environment-related Duty of Care adopted in 2023. The ethical, social and environmental standards set out in these documents are specified in the ZWILLING Supplier Code of Conduct, which we introduced Group-wide in the reporting year. Our Code aligns with the Code of Conduct of the globally recognized amfori Business Social Compliance Initiative (amfori BSCI), in which we have participated since

- ✓ 2017, and reflects national and international laws and standards including:
  - the German Supply Chain Due Diligence Act (LkSG)
  - the Universal Declaration of Human Rights of the United Nations
  - the UN Convention on the Rights of the Child
  - the core principles of the International Labour Organization (ILO).

The binding nature of social standards for our suppliers is emphasized by the inclusion of our Supplier Code of Conduct (CoC), which mirrors the amfori BSCI, as an integral part of our purchasing conditions. We asked suppliers to acknowledge the revised terms and conditions by signing them for confirmation of their compliance and cascading the terms to their own suppliers. Overall, the roll-out of the Supplier CoC has raised awareness of the importance of human rights and environmental concerns within the ZWILLING supplier network.

## amfori BSCI as a key component of risk management

The amfori BSCI program checks and ensures compliance with the requirements of our Supplier CoC. The regular social assessment process is carried out by every supplier who

- operates in a risk country as defined by the amfori ESG Risk Compass,
- regularly supplies merchandise, components or raw materials to ZWILLING and
- turns over more than 10,000 euros annually with the ZWILLING Group.



Monitoring takes the form of audits carried out by independent auditors at the suppliers' factories. The suppliers' sustainability performance is thoroughly assessed during the on-site inspections. In the reporting year, 117 BSCI audits took place at production facilities that supply ZWILLING. This means that we once again achieved our own target of obtaining at least 80 percent of our procurement volume by value from BSCI-audited suppliers. Some of these suppliers leverage amfori's industry-wide shared audits, which adhere to the same principles as BSCI audits. ZWILLING is responsible for managing the BSCI audits of around

50 percent of our suppliers. We introduce new suppliers to the program, organize re-audits and initiate and monitor remedial action for any risks identified. The results of the BSCI audits are fed into our integrated risk management system. Building on our initial risk analysis from 2022, a project led by Wilh. Werhahn KG with external support implemented a Group-wide approach in 2023 that adheres to the LkSG requirements. The first step involved analyzing abstract human rights and environmental risks using country and industry indices from reliable independent sources. The second step involved identifying

the specific compliance risks of our existing supplier network by means of BSCI audits and setting priorities for future preventive and remedial measures.

#### Dealing with increased risks

In the reporting year, our risk analysis and BSCI audits identified an increase in health and safety risks and remuneration concerns at certain Asian suppliers. To mitigate these risks, we are fostering a process of continuous improvement by collaborating with these suppliers in the development of detailed preventive action plans. This process relies on open communication and shared learning as well as a common commitment to human rights. Progress is monitored and reviewed frequently. If a supplier rejects or fails to implement the corrective measures, however, ZWILLING reserves the right to terminate the business relationship as a last resort.

BSCI audits regularly reveal excess working hours at Chinese suppliers. Based on our duty of care, we evaluate local conditions thoroughly and engage in dialogue with suppliers to implement sustainable improvements.

#### Active risk management:

In 2023, we increased our efforts to support the tracking of supply chain risks by our own employees on-site. To help us in this regard, we trained our quality inspectors in China and Vietnam on the topic of social standards. With the help of a jointly developed, standardized monitoring methodology, we were able to review the implementation of proposed improvement measures at our suppliers. Working

# 1

## supplier audit in 2023 identified violations of the BSCI zero-tolerance rules, which were resolved.

closely with suppliers increases the acceptability and effectiveness of these measures. The Purchasing employee responsible for the specific supplier is brought in when needed to ensure smoother execution.

#### Case study: improving working conditions together

We foster a culture of open and respectful communication and maintain a zero-tolerance policy for disrespectful behavior. A recent example from the Asia-Pacific region shows the effectiveness of this strategy. In April 2023, a regular BSCI audit revealed that a Thai supplier had passed on the costs of mandatory work documents to its migrant employees from Myanmar. This meant that the employees started their employment owing the company more than one month's salary. This practice, while legal under local Thai law, directly contradicts the BSCI Code of Conduct's principles on fair recruitment and was therefore classified by the auditors as a violation of the BSCI's zero-tolerance policy on bonded labor.

### COMMITMENT STRENGTHENED

ZWILLING has been a member of the amfori BSCI System Project Group since the beginning of 2024. The working group is international and consists of an amfori core team and approximately 20 company representatives. In their regular meetings, the project group fosters knowledge sharing and discusses how to continually improve amfori BSCI in order to navigate the complexities of a rapidly changing global landscape. This group serves as a vital sounding board for amfori, facilitating discussions with seasoned professionals on pressing issues and generating valuable feedback to shape future-oriented solutions.







As soon as ZWILLING learned about the case, we intervened immediately and made it clear that the practice was not compatible with ZWILLING's values and human rights duty of care. The high cost of work documents effectively trapped the workers in debt, hindering their ability to meet their basic needs.

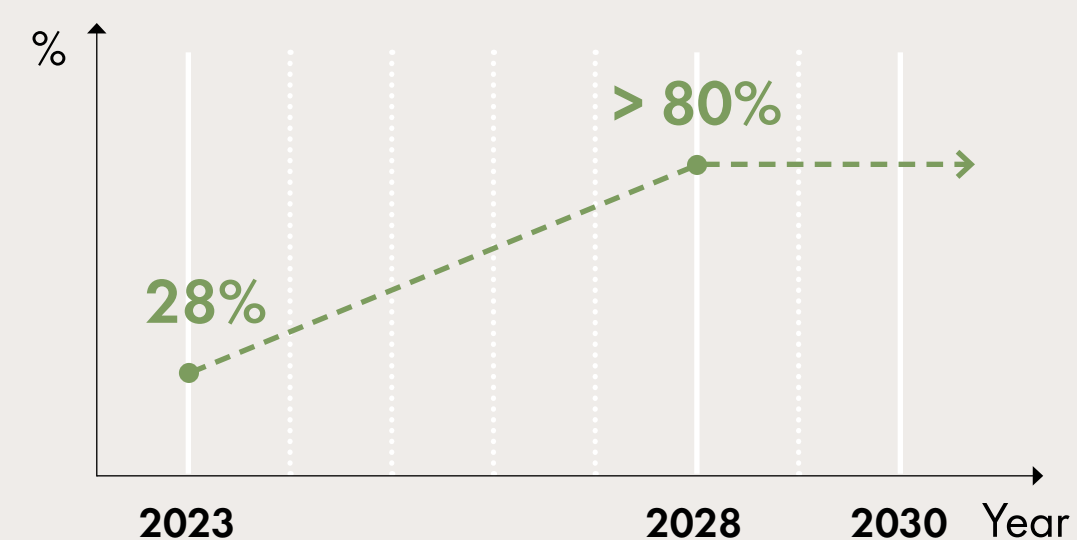
Our biggest challenge was overcoming the supplier's initial reluctance to address the issue. We needed to establish a shared understanding of the problem and develop a solution that respected both the Code of Conduct and the local regulations. Through regular online meetings and on-site visits, we were able to comprehensively assess the situation, educate the supplier on the issue and prompt them to reconsider.

A collaborative effort involving ZWILLING Purchasing, the DEMEYERE subsidiary (the supplier's main customer) and amfori BSCI experts led to the successful implementation of significant corrective actions by the supplier. For example, the supplier arranged for the cost of the working papers to be reimbursed to employees who were still working for the company - with financial support from DEMEYERE. At the same time, the previous procedure was discontinued and internal process regulations revised. In the future, the supplier will cover all recruitment fees and



Sustainability was the main theme of the ZWILLING Global Purchasing Conference in Shanghai on 14/15 November 2023.

### Environmental standards along the supply chain



The ZWILLING Group has implemented 28% of its procurement volume by value within the relevant Scope\* with suppliers who leverage the BEPI program or ISO 14001 certification to manage their environmental sustainability efforts.

costs. In addition to introducing new recruitment structures, the supplier's HR department attended an amfori training course on responsible recruitment. The re-audit carried out in April 2024 confirmed that the corrective and remedial measures had been successfully implemented. Overall, the supplier achieved a B rating. The incident was closed after a one-year joint improvement phase. The supplier also introduced measures aimed at strengthening occupational health and safety. This case highlights why, in the absence of local legal requirements,

expert communication skills, perseverance and commitment are crucial to driving meaningful change for supplier employees.

### BEPI 2.0: anchoring environmental standards in the supplier network

ZWILLING joined the amfori Business Environmental Performance Initiative (amfori BEPI) in 2021 to improve not only social standards but also the environmental performance of the factories producing for ZWILLING. At the core of the BEPI lies a self-assessment process where suppliers disclose environmental data, like energy and water consumption. This provides an overall picture of the strengths and potential risks of the production facility. The information shared on the amfori BEPI platform fosters transparency and enables the development of initiatives for improved local environmental management.

In the year under review, amfori significantly overhauled the BEPI program, streamlining the self-disclosure process for suppliers. Following an internal evaluation, ZWILLING initiated the first wave of BEPI onboarding with strategic suppliers at the end of 2023. These suppliers account for 28 percent of the ZWILLING Group's procurement volume by value in the relevant Scope. The rollout to the rest of our supplier base will happen this year. We plan to carry on onboarding suppliers. Our aim is to reach around 80% of procurement volume by value in 2028 with business partners who actively manage and improve their environmental sustainability performance with BEPI, ISO 14001 or equivalent programs.



## Key figures at a glance

Governance and compliance indicators	
	2023*
Number of incidents of discrimination, including harassment	6
Number of incidents of discrimination, including harassment - reported exclusively via Whistleblowing Hotline	1
Number of incidents of discrimination, including harassment - reported within the entity	5
Total amount of material fines, penalties, and compensation for damages: work-related grievances (in euros)	0
Number of severe human rights issues and incidents	0
Total amount of material fines, penalties, and compensation for damages: severe human rights impacts and incidents (in euros)	0
Number of severe human rights cases remedied by the undertaking	0
Total number of confirmed incidents of corruption or bribery	0
Number of convictions for violation of anti-corruption and antibribery law	0
Amount of fines for violation of anti-corruption and antibribery law (in euros)	0
Total monetary value of financial and in-kind political contributions (in euros)	0
IkSG-relevant incidents	0

\* Data first collected in 2023.



## Key figures at a glance

Employees worldwide								
As of 31 December 2023****	Worldwide		Europe		North and South America		Asia-Pacific	
	2022	2023	2022	2023	2022	2023	2022	2023
<b>Regular contract (unlimited)</b>	<b>3,143**</b>	<b>3,483</b>	<b>1,769</b>	<b>1,966</b>	<b>285**</b>	<b>443</b>	<b>1,089</b>	<b>1,074</b>
Female/male/other/not reported*	1,345/1,797/2/0	1,533/1,943/3/4	699/1,069/2/0	793/1,171/1/1	132/132/0/0	226/212/2/3	514/575/0/0	514/560/0/0
<b>Fixed-term contract (limited)</b>	<b>338**</b>	<b>383</b>	<b>119**</b>	<b>105</b>	<b>3</b>	<b>67</b>	<b>216</b>	<b>211</b>
Female/male/other/not reported*	180/158/0/0	217/162/2/2	49/70/0/0	41/64/0/0	1/2/0/0	40/25/2/0	130/86/0/0	136/73/0/2
<b>Zero-hour contracts</b>	<b>230**</b>	<b>257</b>	<b>4**</b>	<b>5</b>	<b>226</b>	<b>252</b>	<b>0</b>	<b>0</b>
Female/male/other/not reported*	115/115/0/0	128/129/0/0	2/2/0/0	2/3/0/0	113/113/0/0	126/126/0/0	0/0/0/0	0/0/0/0
<b>Non-employee workers****</b>	<b>925</b>	<b>949</b>	<b>203</b>	<b>127</b>	<b>2</b>	<b>27</b>	<b>720</b>	<b>795</b>
Temporary workers/freelancers/other	908/15/2	564/10/375	188/15/2	113/10/4	0/2/0	27/0/0	720/0/0	424/0/371
<b>Total employees</b>	<b>3,709**</b>	<b>4,123***</b>	<b>1,890**</b>	<b>2,076</b>	<b>514</b>	<b>762</b>	<b>1,305</b>	<b>1,285</b>
Female/male/other/not reported*	1,638/2,069/2/0	1,805/2,196/1/121	748/1,140/2/0	838/1,236/1/1	246/268/0/0	315/327/0/120	644/661/0/0	652/633/0/0

Employees by gender								
	Worldwide		Europe		North and South America		Asia-Pacific	
	2022	2023	2022	2023	2022	2023	2022	2023
Female/male/other/not reported*	1,638/2,069/2/0	1,805/2,196/1/121	748/1,140/2/0	838/1,236/1/1	246/268/0/0	315/327/0/120	644/661/0/0	652/633/0/0

\* In the USA it is not customary or legally permitted to ask employees about their age and gender, hence "not specified".

\*\* The figures from previous years have changed due to error corrections.

\*\*\* The increase in employees is due to the inclusion of the ZWILLING entities in Canada, Spain and Portugal in the reporting scope, acquisitions in the BBQ business and the expansion of the shops in the USA.

\*\*\*\* Non-employee workers were not determined on a reporting date basis, but according to annual averages.

\*\*\*\*\* All employee data was calculated as headcount figures as of 31 December 2023.



## Key figures at a glance

### Collective agreements and wages

	Worldwide		Europe		North and South America		Asia-Pacific	
	2022	2023	2022	2023	2022	2023	2022	2023
Employees covered by collective bargaining agreements	39%***	42%	76%***	76%	0%***	0%	0%***	11%
Employees paid below the adequate wage	0%	0%	0%	0%	0%	0%	0%	0%

### Training and skills development

	Worldwide		Europe		North and South America		Asia-Pacific	
	2022	2023	2022	2023	2022	2023	2022	2023
Percentage of employees who take part in regular performance reviews	70%***	61%	64%***	63%	23%***	36%	97%***	73%
Average training hours per employee and gender	n/a**	6.3	n/a**	10.0	n/a**	3.1	n/a**	2.3
Female/male/other/not reported*	n/a**	6.2/6.7/0/0	n/a**	9.5/10.3/0/0	n/a**	3.1/4.2/0/0	n/a**	3.6/1.0/0/0

### Employees by age group and region

Age group	Worldwide		Europe		North and South America		Asia-Pacific	
	2022	2023	2022	2023	2022	2023	2022	2023
Under 30 years old	640	812	327	379	124	232	189	201
30-50 years old	2,038	2,159	1,011	1,100	193	277	834	782
Over 50 years old	1,031	1,152	552	597	197	253	282	302
<b>Total</b>	<b>3,709</b>	<b>4,123</b>	<b>1,890</b>	<b>2,076</b>	<b>514</b>	<b>762</b>	<b>1,305</b>	<b>1,285</b>

\* In the USA it is not customary or legally permitted to ask employees about their age and gender, hence "not specified".

\*\* not collected in 2022

\*\*\* unaudited, added prior-year data



## Key figures at a glance

### Upper management employees by gender and region

	Worldwide		Europe		North and South America		Asia-Pacific	
	2022	2023	2022	2023	2022	2023	2022	2023
<b>Absolute</b>	160***	193	90***	121	17***	16	53***	56
Female/male/other/not reported*	66/94/0/0	74/119/0/0	31/59/0/0	38/83/0/0	8/9/0/0	6/10/0/0	27/26/0/0	30/26/0/0
<b>In percent</b>								
Female/male/other/not reported*	41/59/0/0	38/62/0/0	34/66/0/0	31/69/0/0	47/53/0/0	38/62/0/0	51/49/0/0	54/46/0/0

### Occupational health and safety

#### in the ZWILLING Group

	2023
Total working time covered by an occupational health and safety management system (in hours)	5,927,791
Total working time of all non-employee workers that are covered by an occupational health and safety management system (in hours)	1,002,570
Number of employees covered by an occupational health and safety management system	84.2%
Number of non-employee workers covered by the occupational safety and health system	47.9%
Number of lost-time workplace accidents per million hours worked	9.6
Number of fatal accidents per million hours worked	0

### Social protection

	Total
2023**	100%

\* In the USA it is not customary or legally permitted to ask employees about their age and gender, hence "not specified".

\*\* All entities within the scope of the report have stated that all employees enjoy social protection.

\*\*\* unaudited, added prior-year data

### New hires

	Worldwide		Europe		North + South America		Asia-Pacific	
	2022	2023	2022	2023	2022	2023	2022	2023
New hires	692	670	324	296	242	251	126	123

### Employee turnover rate by region\*\*\*\*

in percent	Worldwide	Europe	North + South America	Asia-Pacific
2023	18%	16%	36%	13%

### Workers' representation

in percent	2023
Employees covered by workers' representatives (worldwide)	51.89%
Employees covered by workers' representatives (non-EEA countries)	34.58%

\*\*\*\*The employee turnover rate was calculated without the entities in Canada, Portugal and Spain due to missing employee data for 2022.



## Key figures at a glance

Energy consumption of ZWILLING production sites in MWh			
Energy source	2021	2022	2023
<b>Direct</b>			
Natural gas	48,766	35,267	30,092
LPG*****	0	396	307
Gasoline	573	238**	493
Diesel	606	235**	556
Coal and coal products	16,305	17,928	14,050
Wood	0	0	0
Heating oil*	0*	0*	0*
Kerosene*	0*	0*	210*
Propane*	0*	0*	1*
<b>Indirect</b>			
Electricity consumption	52,603****	39,120***	32,592
<b>Total (market-based)</b>	<b>118,853</b>	<b>93,184</b>	<b>78,300</b>

Energy consumption of ZWILLING logistics sites in MWh			
Energy source	2021	2022	2023
<b>Direct</b>			
Natural gas	1,697	1,340	1,277
LPG*****	0	0	0
Gasoline	0	0**	0
Diesel	32	0**	0
Coal and coal products	0	0	0
Wood	0	0	0
Heating oil*	0*	0*	431*
Kerosene*	0*	0*	5*
Propane*	0*	0*	0*
<b>Indirect</b>			
Electricity consumption	2,471***	3,069***	3,708
<b>Total (market-based)</b>	<b>4,200</b>	<b>4,409</b>	<b>5,420</b>

\* Heating oil, kerosene, propane and coolants were included for the first time as part of the comprehensive Scope 3 analysis in 2023.

\*\* Allocation between production, logistics, admin and office locations as well as shops has been corrected.

\*\*\* Prior-year figures have been corrected: photovoltaic self-generation has been allocated to electricity consumption.

\*\*\*\* Prior-year figures have been corrected: photovoltaic self-generation has been allocated to electricity consumption. Allocation between production, logistics, admin and office locations as well as shops has been corrected.

\*\*\*\*\* LPG was included for the first time in 2022.



# Key figures at a glance

Energy consumption of the ZWILLING admin and office locations in MWh***			
Energy source	2021	2022	2023
<b>Direct</b>			
Natural gas	0	2,393	2,592
LPG*****	0	88	139
Gasoline	0	662**	1,231
Diesel	0	638**	958
Coal and coal products	0	0	0
Wood	0	0	0
Heating oil*	0*	0*	0*
Kerosene*	0*	0*	0*
Propane*	0*	0*	0*
<b>Indirect</b>			
Electricity consumption	0	3,170	2,242
<b>Total (market-based)</b>	<b>0</b>	<b>6,951</b>	<b>7,162</b>

Energy consumption of ZWILLING shops in MWh****			
Energy source	2021	2022	2023
<b>Direct</b>			
Natural gas	0	1,263	553
LPG*****	0	0	0
Gasoline	0	109**	163
Diesel	0	113**	258
Coal and coal products	0	22	23
Wood	0	10	9
Heating oil*	0*	0*	6*
Kerosene*	0*	0*	0*
Propane*	0*	0*	10*
<b>Indirect</b>			
Electricity consumption	0	4,721	3,897
<b>Total (market-based)</b>	<b>0</b>	<b>6,238</b>	<b>4,918</b>

\* Heating oil, kerosene, propane and coolants were included for the first time as part of the comprehensive Scope 3 analysis in 2023.

\*\* Allocation between production, logistics, admin and office locations as well as shops has been corrected.

\*\*\* Consumption figures for admin and office locations were collected for the first time in 2022.

\*\*\*\* Consumption figures for shops were collected for the first time in 2022.

\*\*\*\*\* LPG was included for the first time in 2022.



## Key figures at a glance

Energy consumption of the ZWILLING Group in MWh			
Energy source	2021	2022	2023
<b>Direct</b>			
Natural gas	50,463	40,262	34,515
LPG***	0	485	445
Gasoline	573	1,009	1,887
Diesel	638	986	1,772
Coal and coal products	16,305	17,950	14,073
Wood	0	10	9
Heating oil*	0*	0*	436*
Kerosene*	0*	0*	215*
Propane*	0*	0*	10*
<b>Indirect</b>			
Electricity consumption	55,074	50,081	42,439
<b>Total</b>	<b>123,054</b>	<b>110,783</b>	<b>95,801</b>

Direct and indirect greenhouse gas emissions of the ZWILLING Group (Scope 1 and 2)**			
in tonnes of CO <sub>2</sub> e	2021	2022	2023
<b>Scope 1 emissions</b>	<b>16,990</b>	<b>15,644</b>	<b>14,028</b>
Natural gas	11,107	8,862	7,597
LPG***	0	112	103
Gasoline	168	295	545
Diesel	189	292	525
Coal and coal products	5,526	6,083	4,769
Wood	0	0	0
Heating oil*	0*	0*	126*
Kerosene*	0*	0*	66*
Propane*	0*	0*	2*
Coolants*	0*	0*	295*
<b>Scope 2 emissions*</b>	<b>16,676</b>	<b>13,522</b>	<b>12,557</b>
Electricity purchase (location-based)	19,097	16,713	18,578
Electricity purchase (market-based)	16,676	13,522	12,557
<b>Total Scope 1 and 2 emissions</b>	<b>33,666</b>	<b>29,166</b>	<b>26,585</b>
<b>Intensity of GHG emissions (t CO<sub>2</sub>e/T€)</b>	<b>0.038</b>	<b>0.032</b>	<b>0.033</b>

\* Heating oil, kerosene, propane and coolants were included for the first time as part of the comprehensive Scope 3 analysis in 2023.

\*\* As part of the implementation of the ESG software, the emission factors were also harmonized across the holding company in 2023. The figures reported in previous years for 2021 (Scope 1: 16,669, Scope 2 market-based: 12,260) and 2022 (Scope 1: 15,542, Scope 2 market-based: 10,886) therefore differ from the figures in this ZWILLING Sustainability Report.

\*\*\* LPG was included for the first time in 2022.





## Key figures at a glance\*\*

Greenhouse gas emissions of ZWILLING production sites*			
in tonnes of CO <sub>2</sub> e	2021	2022	2023
Direct (Scope 1) GHG emissions	16,606	14,068	11,995
Scope 2 emissions (location-based)	18,347	11,342	8,811
Scope 2 emissions (market-based)	15,748	9,345	7,677
<b>Total (market-based)</b>	<b>32,355</b>	<b>23,414</b>	<b>19,672</b>

Greenhouse gas emissions of the ZWILLING admin and office locations*			
in tonnes of CO <sub>2</sub> e	2021	2022	2023
Direct (Scope 1) GHG emissions	0	930	1,357
Scope 2 emissions (location-based)	0	1,643	1,152
Scope 2 emissions (market-based)	0	755	810
<b>Total (market-based)</b>	<b>0</b>	<b>1,685</b>	<b>2,168</b>

Greenhouse gas emissions of ZWILLING logistics sites*			
in tonnes of CO <sub>2</sub> e	2021	2022	2023
Direct (Scope 1) GHG emissions	383	295	407
Scope 2 emissions (location-based)	751	1,099	2,970
Scope 2 emissions (market-based)	928	693	2,540
<b>Total (market-based)</b>	<b>1,311</b>	<b>988</b>	<b>2,947</b>

Greenhouse gas emissions of ZWILLING shops*			
in tonnes of CO <sub>2</sub> e	2021	2022	2023
Direct (Scope 1) GHG emissions	0	351	268
Scope 2 emissions (location-based)	0	2,629	5,644
Scope 2 emissions (market-based)	0	2,729	1,530
<b>Total (market-based)</b>	<b>0</b>	<b>3,080</b>	<b>1,798</b>

Energy generated by ZWILLING		
in MWh	2022	2023
Self-generated renewable energy (e.g. solar) consumed	1,554	1,501
Self-generated renewable energy (e.g. solar) sold to the grid	344	361
<b>Self-generated non-renewable energy, total</b>	<b>0</b>	<b>0</b>
<b>Self-generated renewable energy, total</b>	<b>1,898</b>	<b>1,862</b>

\* As part of the implementation of the ESG software, the emission factors were also harmonized across the holding company in 2023. The figures shown here for 2021 and 2022 may therefore differ from the figures reported in previous ZWILLING sustainability reports.

\*\* Scope 2 emissions provided by subsidiaries were calculated using market-based emission factors.



## Key figures at a glance

Waste volume of the ZWILLING Group			
in tonnes	Combustible	2022	2023
Cured paints and varnishes	yes	5	9
Water-based rinsing liquids, with hazardous substances	yes	3	62
Halogen-free processing emulsions and solutions	no	44	149
Grinding sludge, not briquettable	no	232	266
Non-chlorinated machine, gear and mineral oil-based lubricating oils	no	2	4
Packaging containing residues of dangerous substances or contaminated by dangerous substances	no	12	8
Polishing wool and felts with harmful impurities	yes	16	0
Oily waste	no	9	8
Insulation material	no	0,1	0,3
Fluorescent tubes and other waste containing mercury	no	0,4	0,6
Other non-combustible waste (including enamel sludge and particulate matter)	no	3,401	2,827
<b>Hazardous waste</b>		<b>3,724</b>	<b>3,334</b>

Waste volume of the ZWILLING Group		
in tonnes	2022	2023
Metal	2,027	1,295
Production waste	6,617*	6,027
Plastic	228	89
Paper and cardboard	940	795
Wood	219	194
Glass	2	102
Residual and other waste	956*	1,064
Cafeteria waste	147	91
Construction rubble	57	90
Biomass (e.g. green waste)	1	57
<b>Non-hazardous waste</b>	<b>11,194</b>	<b>9,805</b>

\* Allocation between production waste and residual waste in line with EURL codes has been adjusted and prior-year figures have been corrected accordingly.



# Our contribution to the sustainable development goals (SDGs)

SDG 4 // Quality education	
Targets	Actions taken at ZWILLING
<b>4.3</b> [...] ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education [...]	<ul style="list-style-type: none"> <li>Strategic investment in the training and professional development of employees to help them maximize their potential</li> <li>Introduction of the Peakon dialog and feedback platform for a more participatory working environment</li> <li>Community engagement at ZWILLING locations including helping disadvantaged individuals access education and vocational training</li> </ul>
<b>4.4</b> [...] substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	<ul style="list-style-type: none"> <li>Carefully selected training and development programs enabling employees to qualify for high-value jobs and prepare for the digital transformation</li> <li>Offer co-working, mobile working and flexible working options</li> <li>Educational programs as part of community engagement activities to support the education and training of people in need and people with disabilities</li> </ul>
<b>4.5</b> [...] eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities [...] in vulnerable situations	<ul style="list-style-type: none"> <li>Strengthening and promoting equal opportunities by creating diverse teams composed of individuals with varying perspectives, experiences, and skill sets</li> <li>Creation of a safe, low-risk working environment at all locations worldwide</li> <li>Commitment to protecting the mental and physical health of our employees</li> <li>As part of community engagement, the establishment of a training and education center to teach job-related skills to women with disabilities in India</li> </ul>

SDG 5 // Gender equality	
Target	Actions taken at ZWILLING
<b>5.5</b> Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making [...]	<ul style="list-style-type: none"> <li>Encouraging the formation of diverse teams</li> <li>Equal pay for equal work</li> <li>Committing to the Group-wide implementation of management principles to promote a shared understanding of management responsibilities and equal opportunities</li> <li>Establishing a family-friendly working environment that allows employees to balance their personal lives with their professional aspirations</li> </ul>

SDG 7 // Affordable and clean energy	
Targets	Actions taken at ZWILLING
<b>7.2</b> [...] increase substantially the share of renewable energy in the global energy mix	<ul style="list-style-type: none"> <li>Increasing self-generation of renewable energy at selected locations – specific projects are currently being implemented in Japan, India and Belgium</li> <li>Purchasing green electricity at Solingen and other locations, and evaluating the potential at all other plant locations</li> </ul>
<b>7.3</b> [...] double the global rate of improvement in energy efficiency	<ul style="list-style-type: none"> <li>Commitment to the goal of reducing absolute carbon emissions from business operations by 42% compared with the 2021 baseline year by 2030</li> </ul>



# Our contribution to the sustainable development goals (SDGs)

## SDG 8 // Decent work and economic growth

Target	Actions taken at ZWILLING
<b>8.4</b> Improve progressively [...] global resource efficiency in consumption and production and endeavor to decouple economic growth from environmental degradation [...]	<ul style="list-style-type: none"> <li>■ Incorporating sustainability into our product development processes so that they take environmental factors into account right from the planning and design phase</li> <li>■ Performing Scope 3 analyses to make upstream and downstream emissions in the value chain transparent and thus manageable</li> <li>■ Optimizing products by replacing materials with sustainable alternatives: recycled materials, renewable raw materials from responsible sources, including FSC®-certified wood and lower-carbon raw materials</li> <li>■ Optimizing packaging by reducing the amount of packaging used and switching to recyclable and resource-friendly packaging materials</li> </ul>

## SDG 9 // Industry, innovation and infrastructure

Target	Actions taken at ZWILLING
<b>9.4</b> [...] upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes [...]	<ul style="list-style-type: none"> <li>■ Increasing energy efficiency, decarbonizing technologies and processes in order to achieve our -42% carbon target.</li> </ul>

## SDG 10 // Reduced inequalities

Target	Actions taken at ZWILLING
<b>10.2</b> [...] empower and promote the [...] economic [...] inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	<ul style="list-style-type: none"> <li>■ Commitment to diversity and respect in the ZWILLING value system</li> <li>■ Creation of a safe, low-risk working environment at all locations worldwide</li> <li>■ Commitment to protecting the mental and physical health of our employees</li> <li>■ As part of community engagement, promoting inclusivity, respecting diverse life perspectives and ensuring job security for disadvantaged individuals.</li> </ul>

## SDG 12 // Responsible consumption and production

Targets	Actions taken at ZWILLING
<b>12.2</b> [...] achieve the sustainable management and efficient use of natural resources	<ul style="list-style-type: none"> <li>■ Strictly controlled waste management and recycling of production waste at all plants worldwide</li> <li>■ Emphasizing production materials, including steel and aluminum that have a smaller carbon footprint and already contain a high proportion of secondary raw materials</li> <li>■ Switching to smaller packaging and reducing material use</li> </ul>
<b>12.4</b> [...] achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks [...]	<ul style="list-style-type: none"> <li>■ Rigorous product and material compliance with relevant local and global regulations</li> </ul>



# Our contribution to the sustainable development goals (SDGs)

## SDG 12 // Responsible consumption and production

Targets	Actions taken at ZWILLING
<b>12.5</b> [...] substantially reduce waste generation through prevention, reduction, recycling and reuse	<ul style="list-style-type: none"> <li>Strictly controlled waste management and recycling of production waste at all sites worldwide</li> <li>Emphasizing production materials, including steel and aluminum that have a smaller carbon footprint and already contain a high proportion of secondary raw materials</li> <li>Switching to smaller packaging and reducing material use</li> </ul>
<b>12.6</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	<ul style="list-style-type: none"> <li>Incorporating sustainability into our product development processes so that they take environmental factors into account right from the planning and design phase</li> <li>Further expanding sustainability-related skills and personnel resources</li> <li>Enhancing and professionalizing data collection by implementing an ESG reporting tool and sustainability reporting</li> <li>External audit of the sustainability report</li> </ul>
<b>12.8</b> [...] ensure that people everywhere have the relevant information and awareness for sustainable development [...]	<ul style="list-style-type: none"> <li>Internal and external communication about ZWILLING's sustainability commitments and the contents of the ZWILLING sustainability strategy</li> </ul>

## SDG 13 // Climate action

Targets	Actions taken at ZWILLING
<b>13.2</b> Integrate climate change measures into national policies, strategies and planning	<ul style="list-style-type: none"> <li>Identifying reduction potential and developing dedicated reduction roadmaps at all production sites</li> <li>Including Scope 3 emissions in our climate accounting process in 2023</li> <li>Improving the data quality of the Scope 3 analysis in 2024 to identify concrete reduction potential</li> </ul>
<b>13.3</b> Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	<ul style="list-style-type: none"> <li>Comprehensive internal communication of our climate strategy, intensive dialog and disclosure within the global ZWILLING sustainability community</li> <li>Keeping employees informed on a regular basis, among others through town hall meetings, etc.</li> <li>External communication via the ZWILLING website, the ZWILLING Sustainability Report and social media</li> </ul>

## SDG 16 // Peace, justice and strong institutions

Target	Actions taken at ZWILLING
<b>16.5</b> Substantially reduce corruption and bribery in all their forms	<ul style="list-style-type: none"> <li>Developing a Supplier Code of Conduct and including it in the Terms and Conditions of Purchase (CoP)</li> <li>Commitment to voluntary obligations and guidelines, including the Werhahn Code of Conduct</li> <li>Introduction of risk management throughout Werhahn</li> <li>Continuous monitoring, including BSCI audits of external suppliers</li> <li>Zero tolerance rules / zero violations in 2023</li> </ul>



# GRI Content Index

## GRI 1: Foundation 2021

## GRI 2: General Disclosures 2021

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GRI 2-5	External assurance	10, 13, 46, 50, 51
Activities and workforce		Page
GRI 2-6	Activities, value chain and other business relationships <a href="https://www.zwilling.com/de/ueber-die-zwilling-gruppe/article-about-us-zwilling-group.html">https://www.zwilling.com/de/ueber-die-zwilling-gruppe/article-about-us-zwilling-group.html</a> Relevant business partners of Zwilling include exclusive distributors and joint ventures (Arcos -49%, knife manufacturer)	6, 7, 31
GRI 2-7	Employees	6, 18, 19, 35-37
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GRI 2-11	Chair of the highest governance body	6
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	6, 10
GRI 2-13	Delegation of responsibility for managing impacts The Management Board is responsible for implementing strategy. The associated objectives are cascaded to lower levels of management where necessary and appropriate.	10
GRI 2-14	Role of the highest governance body in sustainability reporting	10
GRI 2-15	Conflicts of interest The rules governing conflicts of interest are contained in the rules of procedure for the Management Board, as well as in our Code of Conduct and Anti-corruption Policy. Known conflicts of interest must be disclosed to the Supervisory Board. In accordance with the Code of Conduct, Compliance and HR must also be consulted.	

## About this report

This Sustainability Report is the fourth such report published by ZWILLING J.A. Henckels AG. It provides information on the progress made by the ZWILLING Group in the area of sustainability during 2023 and contains all important information on the Group's management approach as well as the predefined action fields and associated targets underpinning its sustainability activities.

Reporting is done annually. The reporting period is the calendar year, i.e. all disclosures refer to the 2023 financial year, which comprises the period from 1 January to 31 December 2023.

Unless otherwise stated, all the information in this report refers to Group companies that are also included in the audited and published Werhahn Group's consolidated financial statements.

Unless otherwise indicated, the statements made in this report apply to ZWILLING J.A. Henckels AG including its affiliated subsidiaries from the ZWILLING Kitchen division ("ZWILLING" or "ZWILLING Group"). Flammkraft and Knife Aid are excluded from this year's report. The entities in Canada, Spain and Portugal were included in the reporting for the first time in 2023, which means that comparability with previous year's data is limited. All subsidiaries not yet included in this year's report will be included in next year's report.

This report has been prepared in accordance with the standards of the Global Reporting Initiative (GRI), a widely recognized framework for evaluating materiality,

reporting on management strategies and providing general and topic-specific disclosures. The ESRS requirements will also be gradually taken into account. When gathering data, we have adhered to the principles of accuracy, comparability, balance, timeliness and data reliability. ZWILLING decided not to include occupational safety figures from 2022 in this report, as comparability cannot be ensured due to changes in the survey methodology. The report shows both market-based and location-based emissions. Unless otherwise specified, market-based emission factors were used. Subsidiaries for which specific market-based emission factors could not be identified report location-based emission factors. A new ESG reporting tool was introduced throughout the Group in the reporting year. This involved a change in the carbon emission factors. The 2021 and 2022 figures have been adjusted accordingly on this basis. Individual prior-year figures have been adjusted due to changes in allocation or individual error corrections and are marked accordingly; see the respective explanation.

Coolants have also been included in the Scope 1 analysis as part of the initial Scope 3 calculation. Selected disclosures and key figures audited in the scope of a limited assurance engagement are marked

This report is available in both German and English. In case of doubt, the German version shall prevail.



Governance		Page
GRI 2-16	<b>Communicating critical concerns</b> In accordance with the articles of association of ZWILLING J.A. Henckels AG and the rules of procedure for the Management Board, legal transactions and measures that are of great importance to ZWILLING J.A. Henckels AG are submitted to the Supervisory Board for approval together with the facts required by law. There were no reports in the year under review. The chairman of the Supervisory Board also receives a copy of the ZWILLING Group's quarterly compliance report.	6
GRI 2-17	<b>Collective knowledge of the highest governance body</b> In accordance with section 90 of the German Stock Corporation Act (AktG), the Supervisory Board receives regular reports on future business policy, fundamental issues of corporate planning, current developments, and the sustainability- and compliance-related measures and activities undertaken by the company.	
GRI 2-18	<b>Evaluation of the performance of the highest governance body</b> In addition to general governance activities, the Supervisory Board reviews the status of other relevant governance matters annually, including the compliance report, the sustainability report and the risk report. The performance of the highest corporate bodies is also evaluated. The performance of the Supervisory Board is in turn reviewed by the Supervisory Board of Wilhelm Werhahn KG.	
GRI 2-19	<b>Remuneration policies</b> Remuneration of the Supervisory Board is a fixed payment. The amount paid is regularly reviewed by the Werhahn Management Board and is based on comparative values for supervisory and advisory boards of medium-sized companies of ZWILLING's size. The Werhahn executive remuneration system for the Management Board is based on the usual forms of remuneration in medium-sized family businesses and consists of 50% basic salary and 50% variable remuneration. The remuneration of the senior executives (Global Heads and General Managers) consists of a base salary (86%-64%) and variable remuneration (14%-36%).	9, 10
GRI 2-20	<b>Process to determine remuneration</b>	18
Strategy, policies and practices		Page
GRI 2-22	<b>Statement on sustainable development strategy</b>	2
GRI 2-23	<b>Policy commitments</b> Our policy commitments have been approved at the Management Board level. Our policy commitments apply to all our business relationships and have been made available to our employees, business partners and other relevant parties via training sessions, printouts, the bulletin board, and notices at our reception area and on our website. <a href="https://www.zwilling.com/de/uk-slavery-act.html">https://www.zwilling.com/de/uk-slavery-act.html</a> <a href="https://www.zwilling.com/on/demandware.static/-/Sites-zwilling-de-Library/default/vf92d0b141c850f14c4799ac9585ff8145a691b5e/images/other/Code-of-Conduct_DE.pdf">https://www.zwilling.com/on/demandware.static/-/Sites-zwilling-de-Library/default/vf92d0b141c850f14c4799ac9585ff8145a691b5e/images/other/Code-of-Conduct_DE.pdf</a> <a href="https://www.amfori.org/services/amfori-bsci">https://www.amfori.org/services/amfori-bsci</a>	11, 31

Strategy, policies and practices		Page
GRI 2-24	<b>Embedding policy commitments</b> Our internal company policies for the Solingen site are available for everyone to read via the intranet or SharePoint.	11
GRI 2-25	<b>Processes to remediate negative impacts</b> <a href="https://helpline-werhahn.de/setup">https://helpline-werhahn.de/setup</a>	11,12
GRI 2-26	<b>Mechanisms for seeking advice and reporting concerns</b> <a href="https://www.zwilling.com/on/demandware.static/-/Sites-zwilling-de-Library/default/vf4593fa7881791a33164bb31535dc92dc9b60236/images/other/Helpline_DE.pdf">https://www.zwilling.com/on/demandware.static/-/Sites-zwilling-de-Library/default/vf4593fa7881791a33164bb31535dc92dc9b60236/images/other/Helpline_DE.pdf</a>	11
GRI 2-27	<b>Compliance with laws and regulations</b>	11
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GRI 2-29	<b>Approach to stakeholder engagement</b>	8, 18
<b>GRI 3: Material Topics 2021</b>		
GRI 3-1	<b>Process to determine material topics</b>	8, 9
GRI 3-2	<b>List of material topics</b>	8
GRI 205 Anti-corruption 2016		Page
GRI 3-3	<b>Management approach</b>	11
GRI 205-1	<b>Operations assessed for risks related to corruption</b> The following corruption risks have been identified: Invitations, gifts, events, sales agents, donations. Managing these risks is addressed in policies and training.	12
GRI 205-3	<b>Confirmed incidents of corruption and actions taken</b>	12
GRI 206 Anti-competitive Behavior 2016		Page
GRI 3-3	<b>Management approach</b>	11-13
GRI 206-1	<b>Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</b> In the year under review, there were no legal actions for anti-competitive behavior, anti-trust and monopoly practices. <a href="https://www.zwilling.com/on/demandware.static/-/Sites-zwilling-de-Library/default/vf92d0b141c850f14c4799ac9585ff8145a691b5e/images/other/Code-of-Conduct_DE.pdf">https://www.zwilling.com/on/demandware.static/-/Sites-zwilling-de-Library/default/vf92d0b141c850f14c4799ac9585ff8145a691b5e/images/other/Code-of-Conduct_DE.pdf</a>	



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GRI 305-1	Direct GHG emissions (Scope 1)	28, 40, 41
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GRI 3-3	Management approach	13, 17, 43
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GRI 403	Occupational health and safety 2018	Page
GRI 3-3	Management approach	12, 20, 44
GRI 403-1	Occupational health and safety management system	12, 20
GRI 403-2	Hazard identification, risk assessment and incident investigation	11, 20
GRI 403-5	Worker training on occupational health and safety	20
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GRI 3-3	Management approach	13, 18, 43
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GRI 404-3	Percentage of employees receiving regular performance and career development reviews 70% of employees receive regular performance reviews	36
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GRI 405-1	Diversity of governing bodies and employees	19, 37, 43
GRI 406	Non-discrimination 2016	Page
GRI 3-3	Management approach	12, 19, 44
GRI 406-1	Incidents of discrimination and corrective actions taken No incidents of systematic discrimination were recorded in the year under review.	
GRI 408	Child Labor 2016	Page
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GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	36
GRI 409	Forced or Compulsory Labor 2016	Page
GRI 3-3	Management approach	11, 12, 15, 31-33
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	32, 33
GRI 414	Supplier Social Assessment 2016	Page
GRI 3-3	Management approach	15, 31
GRI 414-2	Negative social impacts in the supply chain and actions taken	32, 33
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# ESRS Index

Progress in complying with CSRD requirements: ● extended progress ● moderate progress

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●	ESRS 2 BP-2	Disclosures in relation to specific circumstances 28, 38-41, 46
●	ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies 6, 10, 19, 37, 43
●	ESRS 2 GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies 10, 11
●	ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes 9, 10, 18
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# Independent assurance practitioner's report

## on a limited assurance engagement on the non-financial group reporting\*

### To the management board of ZWILLING J.A. Henckels AG, Solingen

We have performed a limited assurance engagement on the separate non-financial Group report 2023 (hereinafter referred to as the "non-financial Group report") of ZWILLING J.A. Henckels AG, Solingen, (hereinafter referred to as the "parent company"), for the period from January 1 to December 31, 2023.

Our engagement relates solely to the information marked with  as audited in the German PDF version of the report. Our assurance engagement does not extend to the external sources of documentation or expert opinions mentioned in the report, to information relating to prior years for 2021 and marked supplemented information for 2022, Scope 3 calculation, ESRS Index, or to forward-looking statements.

#### Responsibility of the management board

The management board of the parent company are responsible for the preparation, determination and presentation of the non-financial Group report in accordance with the Reporting Criteria. The Company uses the "by reference to"

option of the GRI Sustainability Reporting Standards of the Global Reporting Initiative (GRI) (hereinafter referred to as the "Reporting Criteria") as Reporting Criteria. This responsibility of the management board of the parent company includes selecting and applying appropriate non-financial reporting methods as well as making assumptions and estimates about individual non-financial disclosures of the Group that are reasonable in the circumstances. Furthermore, the management board are responsible for such internal controls as the management board consider necessary to enable the preparation of a non-financial Group report that is free from material misstatement, whether due to fraud (manipulation of the non-financial Group Reporting) or error.

#### Independence and Quality Assurance of the Assurance Practitioner's Firm

We have complied with German professional requirements on independence and other professional conduct requirements.

Our auditing firm applies the national legal regulations and professional pronouncements – in particular the professional statutes for auditors and certified public accountants (BS WP/vBP) as well as the IDW Quality Assurance Standard issued by the Institute of Public Auditors in Germany (IDW): "Quality Management Requirements in Audit Practice" (IDW QMS 1 September 2022) and accordingly maintains a comprehensive quality management system that includes documented policies and procedures with regard to compliance with professional ethical requirements, professional standards, and relevant statutory and other legal requirements.

#### Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the non-financial Group report based on our assurance engagement.

We conducted our assurance engagement in accordance with the International Standard on Assurance

Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the non-financial Group report of the parent Company has not been prepared, in all material respects, in accordance with the Reporting Criteria.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, the level of assurance obtained is substantially lower. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner. Within the scope of our assurance engagement, most of which was conducted in the period from March to July 2024, we performed, amongst others, the following assurance procedures and further activities:

\* Note: This is a convenience translation of the German original. Solely the original text in the German language is authoritative.



# Independent assurance practitioner's report

- Obtaining an understanding of the structure of the sustainability organization and the engagement of stakeholders
- Inquiries of personnel at the Group level involved in the preparation of the separate non-financial Group report about the preparation process, about the internal control system related to this process, and about selected disclosures in the separate non-financial Group report
- Identification of the likely risks of material misstatement in the non-financial Group report based on the GRI criteria
- Analytical procedures on selected quantitative disclosures in the non-financial Group report
- Evaluation of selected internal and external documents
- Evaluation of the presentation of selected disclosures in the non-financial Group report

## Assurance Opinion

Based on our assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the non-financial Group report 2023 of the parent Company for the period from January 1 to December 31, 2023, is not prepared, in all material respects, in accordance with the Reporting Criteria. We express an assurance opinion only on the information marked as audited in the German PDF version of the report. Our audit did not cover the external sources of documentation or expert opinions mentioned in the report for 2021 and marked supplemented information for 2022, Scope 3 calculation, ESRS Index, information for previous years, or forward-looking statements.

## Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for purposes of the parent Company and that the report is solely intended to inform the parent

Company about the results of the assurance engagement. As a result, the report may not be suitable for any purpose other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the parent Company alone. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

## Liability

The engagement was based on the "General Engagement Terms for Auditors and Auditing Firms" dated January 1, 2024 of the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland e.V.). By taking note of and using the information contained in this note, each recipient confirms to have taken note of the regulations made therein (including the liability regulation under No. 9 of the General Engagement Terms) and acknowledges their validity in the relationship with us.

Cologne, July 8th, 2024

**Rödl & Partner GmbH**  
Wirtschaftsprüfungsgesellschaft

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Wirtschaftsprüfer  
(German Public Auditor)

Dr. Maier  
Wirtschaftsprüfer  
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## EDITING

blue satellite, Düsseldorf

## DESIGN

noldt design, Düsseldorf

## PHOTOGRAPHY

Page 1: shutterstock/Matveev Aleksandr;  
page 3: AdobeStock/timdauidcollection;  
page 7: shutterstock/Pyty; page 9 top  
left: flaticon; page 9: shutterstock/Treter;  
page 27: Outokumpu; all other images:  
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Publication date of this report  
8 July 2024

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ZWILLING on social media

