



OUR RESPON- SIBILITY



An update on sustainability at DMK.

Status in 2025 based on annual data for 2024

Dear readers,

For more than 15 years, I have had the privilege of accompanying our company on its journey towards sustainability. We have achieved a considerable amount and are proud of what our employees and farmers have contributed over the years. We receive a positive amount of feedback from our stakeholders regarding our comprehensive and holistic sustainability activities. This is valuable appreciation and confirmation that we are on the right path.

Nevertheless, we are only at the beginning of a challenging transformation. With regard to ESG issues (abbreviation for Environment, Social, Governance), there are many tasks to be addressed, and we still have a lot to look forward to. It is becoming increasingly ambitious to navigate the wide-ranging and sometimes contrasting demands of customers and the market, regulatory requirements, our business standards and the wishes of our owners. We are facing up to these challenges and, for example, are making our contribution to the EU climate targets - and, as a supplier, to our customers' climate targets. Our sustainability strategy and Vision 2030 provide us with important guidelines.

The transformation of our industry - in terms of climate neutrality, biodiversity, circular economy and other sustainability issues - is a major task. A key point is to ensure that value creation is retained and the potential of agriculture is strengthened. The transformation of the dairy industry is closely linked to changes in agricultural production. Here, we must redefine what food is worth to us, what we want to consume and how we can strengthen production in Germany and Europe in a sustainable manner. This requires a social consensus and planning stability for all involved. This must be further strengthened in the implementation of our Vision 2030, and in particular the Sustainability Strategy 2030.

The business environment and the global situation are bringing new requirements in many areas. We expect the European market to face a challenging setting in the coming years. Planning horizons are becoming shorter due to political issues, and it is becoming more complex to orientate oneself towards political parameters.

We are convinced that Strategy 2030 and the targets we have set are right and important for navigating DMK into the future in a demanding market landscape.

With this report, we provide information about our progress, challenges, goals and measures relating to ESG issues. With an optimistic outlook, we want to fulfil our responsibilities and continue to be a reliable partner for our various stakeholders in the future. We look forward to working with you to shape the transformation towards a more sustainable dairy industry. I would like to invite you to continue the valuable dialogue with us.

Sincerely,

P. Inderhees

Dr. Philipp Inderhees, Global Head of Corporate Strategy, Sustainability and Innovation (CSSI) and ESG Officer, responsible for Strategy, Sustainability and Innovation at the DMK Group.

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Our four areas of action

... in our sustainability strategy: **Climate protection, animal welfare, biodiversity and people.** These symbols show you where you can find more information about our fields of focus.

-  **Climate protection**
See pages 10, 11, 12, 15, 17, 19, 20, 21, 22, 23, 32, 33, 34, 35, 36, 37, 39
-  **Animal welfare**
See pages 13, 14, 15, 16
-  **Biodiversity**
See pages 12, 15, 18, 19
-  **People**
See pages 24, 25, 26, 27, 28, 29, 30, 31, 38



The DMK Group

... is Germany's largest dairy co-operative, and, with a turnover of 5.1 billion euros in 2024, one of the top 20 dairies worldwide. It is one of the largest suppliers in German food retailing, which brings with it influence and responsibility in equal measure. At more than 20 sites in Germany, the Netherlands and further global hubs, some 5,710 employees process milk into the highest quality products. We create healthy and delicious foods with sustainable added value for our customers, employees and shareholders. Our supply chain starts with milk production and collection and runs through preparation, transportation and further processing all the way through to trade and distribution. Our portfolio is diverse: cheese, dairy products, ingredients, vegan products, baby food, ice cream, whey products and special feed products.

Our Sustainability Strategy 2030

... is based on acting in harmony with people and nature throughout the value chain. We are facing up to our responsibilities as a sustainable dairy company. Maintaining regional ties and continuing the dairy cooperative's long tradition goes hand-in-hand with pursuing a future-oriented corporate and sustainability strategy. The DMK Group has been pursuing the Sustainability Strategy 2030 as one of its most important areas of focus for years, with climate protection, animal welfare, biodiversity and people front and center.



How we manage our

sustainability

Our dairy co-operative bears great social responsibility and has to ensure it is fit for the future. DMK approaches this systematically, across the board.

How can we operate sustainably and be sure that we do not consume more resources than can be regenerated?

How do we create an awareness of ecological, social and economic responsibility? These are central questions for the DMK Group, which has taken a holistic approach to improving sustainability in the production, manufacture and processing of dairy products since 2013. This reaches all areas of the company.

DMK systematically promotes sustainability, under the strategic direction of the Corporate Strategy, Sustainability & Innovation (CSSI) department. The different departments all handle sustainability issues independently, in Agriculture, Occupational Safety/Environmental Protection, Energy Management, Packaging Development, Purchasing, Production, Human Resources, Research & Development and Quality Management. But these sustainability issues are steered through an integrated management system and certified by external organizations, such as DIN ISO 14001 (environment), DIN ISO 50001 (energy), EcoVadis and SMETA (see also p. 30, Certifications).

Clear, structured approach

We have created a range of structures over the past few years so we can take on and

integrate the issues that come our way, including risk and complaints management, supply chain programs, guidelines and committees and project management structures.

We coordinate regularly and closely with management and the cooperative bodies on major issues. And when it comes to aspects that affect the market, we make sure to involve the six business units, who integrate topics from climate protection to animal welfare and packaging into their own strategies.

ESG Officer's tasks

We established the role of ESG Officers in 2024. The Head of CSSI assumes the role of ESG Officer and is responsible for implementing and further developing the Sustainability Strategy and also monitoring and implementing regulatory ESG requirements such as the Supply Chain Act, CSRD and SBTi. Steered by the ESG-Officer, the ESG Board acts on decisions relating to ESG issues and communicates issues to the group's departments. The ESG Board is made up of people from CSSI, HR, Governance, Occupational Safety & Environment, Agriculture, Legal and Purchasing.

Key topics for the DMK Group

DMK has been conducting materiality analyses in accordance with GRI for many years and most recently conducted an online survey of all relevant stakeholder groups in 2021. In 2023, the analysis was reviewed and adjusted in the course of an external audit and supplemented with an opportunity-risk assessment. The management of the topics lies primarily with responsibility of the respective departments. We are currently preparing for the new EU directive CSRD.

The main topics DMK Group is focusing on in 2024. Looking ahead to 2025, further topics such as raw material availability, animal diseases, market risks & volatility and regulatory issues will be added.

- Competitive milk price
- Value creation
- Food safety
- Climate protection
- Product life cycle assessment
- Animal welfare
- Future viability of dairy farms
- Product price development
- Digitalization
- Employer attractiveness
- Innovative dairy industry
- Cooperative
- Resource conservation
- Sustainable procurement
- Occupational safety and health protection
- Packaging
- Biodiversity
- Compliance
- Regionality
- Food waste
- Food labelling
- Animal feed
- Plant-based milk alternatives

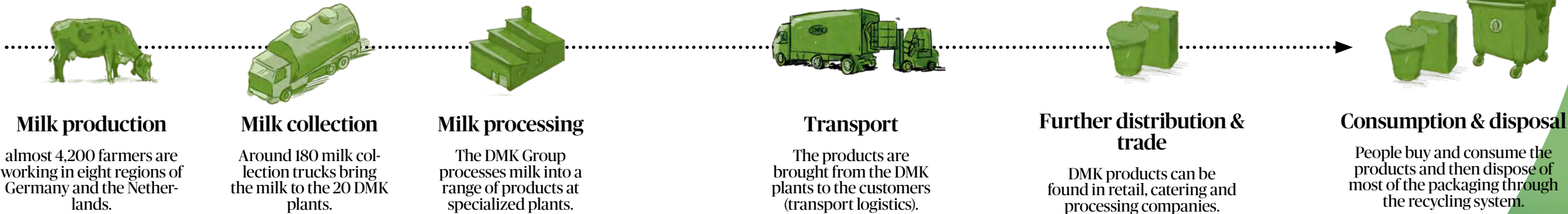
Our contribution to the SDGs



The UN adopted 17 Sustainable Development Goals (SDGs) to reach by 2030 in 2015 and called on all stakeholders, companies included, to play their part. At DMK, we are contributing significantly to six SDGs with our corporate and sustainability strategy.



Our value chain



The DMK Group has further areas of focus to improve sustainability, beyond the four main fields of action. These are firmly integrated into the

4 The Sustainability Strategy has 4 fields of action

structures and processes of DMK's different departments, and include: Sustainable packaging, operational environmental and resource protection and social standards.

Climate protection

We have an SBTi-FLAG target and aim to reduce our Scope 1 & 2 emissions by 42%, our FLAG emissions by 30.3% and our non-FLAG Scope 3 emissions by 25% until 2030 compared to 2022.

Animal welfare

We are improving animal welfare on the farms in line with public demands – and have a high participation rate in the Milkmaster bonus program.

Biodiversity

We help preserve biodiversity, on the farms and at the DMK sites.

People

We supply millions of people with valuable food, support employees and farmers with dedicated programs and focus on human rights and fair working conditions.

Our stakeholders

The following groups have a particular influence on our company:

- Milk producers
- Shareholders in the cooperative
- Employees
- Business partners
- Consumers & the public
- Politics / authorities
- Associations & NGOs
- Media
- Science
- Environment

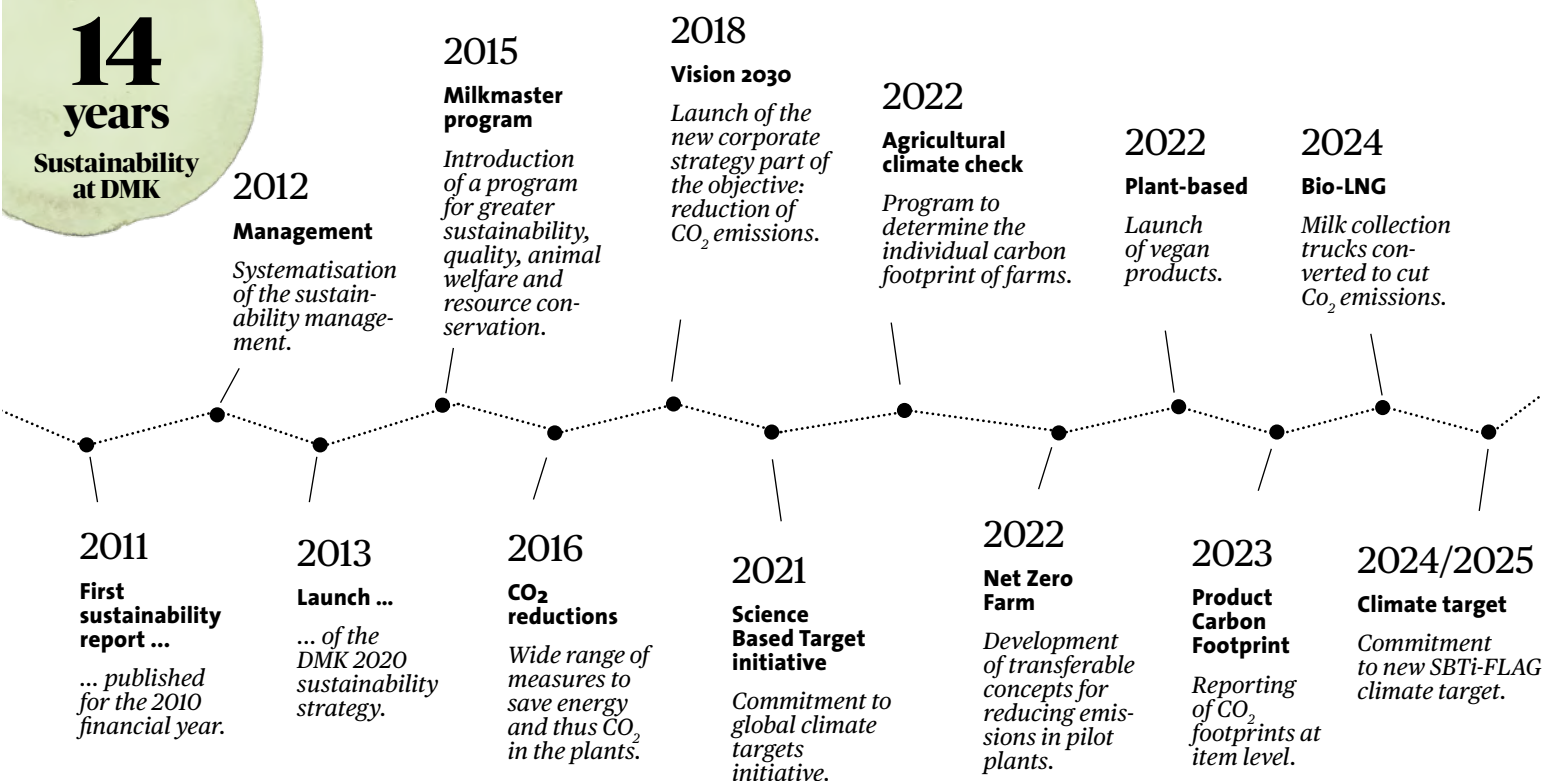
Select memberships and commitments

- Science Based Target initiative (SBTi)
- Milk Industry Association (MIV)
- Cooperative associations
- EcoVadis
- Sustainable Dairy Partnership
- Farmers' Association
- Milk Sustainability Module
- Raiffeisen Association
- Milk Initiative
- NaGeB

Our marketing channels

- National and international food retail
- European gastronomy/food service
- National and international processing industry
- Wholesale/trade for specialised feed products

How we
developed over
14
years
Sustainability
at DMK



Our mission statement



Our vision

The first choice - for always.
We select the ingredients for our dairy products with the utmost care and accompany consumers through all stages of life.

Our mission

We see ourselves as a partner with a deep understanding of our customers and consumers. In doing so, maximizing value creation and committed to our sustainable responsibility.

Lifelong responsibility:
DMK is committed to its values and obligations.

Our values

Our three core values remain unchanged: we are fair, innovative - and act entrepreneurially. The wishes of our customers and consumers are our mission.



New dimensions on the market

The framework conditions on the milk market have changed fundamentally in recent years. This poses major challenges for milk producers and dairies.

Due to the rising cost of raw materials and energy, the costs of production and logistics for milk and dairy products have increased significantly, which has led to considerable price increases for milk and dairy products since 2023. Contrary to previous years, milk production has not increased despite high producer prices. Meanwhile, the increasing milk yield of cows can no longer compensate for the recent structural change, which has led to a greater reduction in dairy cow stocks.

Higher price levels are boosting the utilisation of milk

After initially remaining fairly stable, the milk market became very volatile from autumn 2024 onwards. Due to the decline in milk production, which intensified from the middle of the year onwards as a result of bluetongue disease, the shortages have worsened. As a result, prices for milk and dairy products on the spot market rose towards autumn, with particularly strong increases for fatty products. The year 2025 started with continued subdued milk deliveries on the market as a whole and very stable prices, which came under pressure again towards autumn 2025 due to supply constraints.

Environmental influences

The dairy industry is also facing a significantly changed environment, which, beyond the market effects, is also spilling over into DMK's business areas. A significant influencing factor is the availability of raw materials. Due to structural changes among milk producers, after many years of growth, the peak in milk production, which was reached

in 2020, has now been exceeded and declines are expected in the future. Requirements from politics and society are increasingly interfering with production and accelerating the process of declining milk volumes, as is the bluetongue disease that has been rampant in Germany and other major producing countries in the EU since 2024.

Together with rising operating costs, this is leading to an increase in raw material costs. Furthermore, increased energy prices and wages are driving up processing costs. On the sales side, changing domestic consumption habits are leading to shifts within and between sub-markets. In addition to aspects such as animal welfare, sustainability and climate protection, inflation and loss of purchasing power have also recently influenced demand for dairy products. In foreign trade, geopolitics is increasingly overshadowing global cooperation because economic and political instability is weakening international supply chains.

“External influences have an immense impact on our activities and business areas - we have to respond to this across the entire value chain.”

Andreas Gorn,
Senior Lead Dairy
Markets.

Industry facing major challenges

The changes described in terms of the market and the environment are leading to a shortage of milk volumes in the future due to structural change in milk production and changes in production and processing conditions. This is resulting in increasing competition for the raw material and thus a rise in the price of raw milk. Competition in the sale of milk and dairy products is also expected to intensify, with consumers demanding ever higher quality and competition from milk alternatives. International demand is likely to remain subdued due to losses in purchasing power and efforts to increase self-sufficiency. Price volatility and uncertainty will continue to affect the markets in the future.

Factors with an impact

1. Raw material supply
2. External requirements
3. Wider global conditions

... on the business units' focus and roadmaps

4. Higher costs in production, processing and logistics
5. Challenges in the labour market
6. Changing consumption patterns



Climate-friendly with an impact

Our goal: To slash CO₂ emissions along the entire value chain.

Agriculture is particularly important to our climate strategy: 73% of our carbon footprint is generated on farms, meaning it is linked directly to milk as a raw material. To reaffirm our commitment to climate protection, we joined the Science-Based Target initiative (SBTi) in 2021. In line with the Paris Agreement, we are committed to contributing to limiting global warming to well below 2 degrees Celsius. Accordingly, we have set our target for reducing our emissions as follows: We will reduce our CO₂ emissions in Scope 1 & 2 by 42%, agricultural emissions (FLAG) by 30.3% and our non-FLAG Scope 3 emissions by 25% until 2030 vs. 2022. This has been confirmed by the SBTi.

Significant reduction

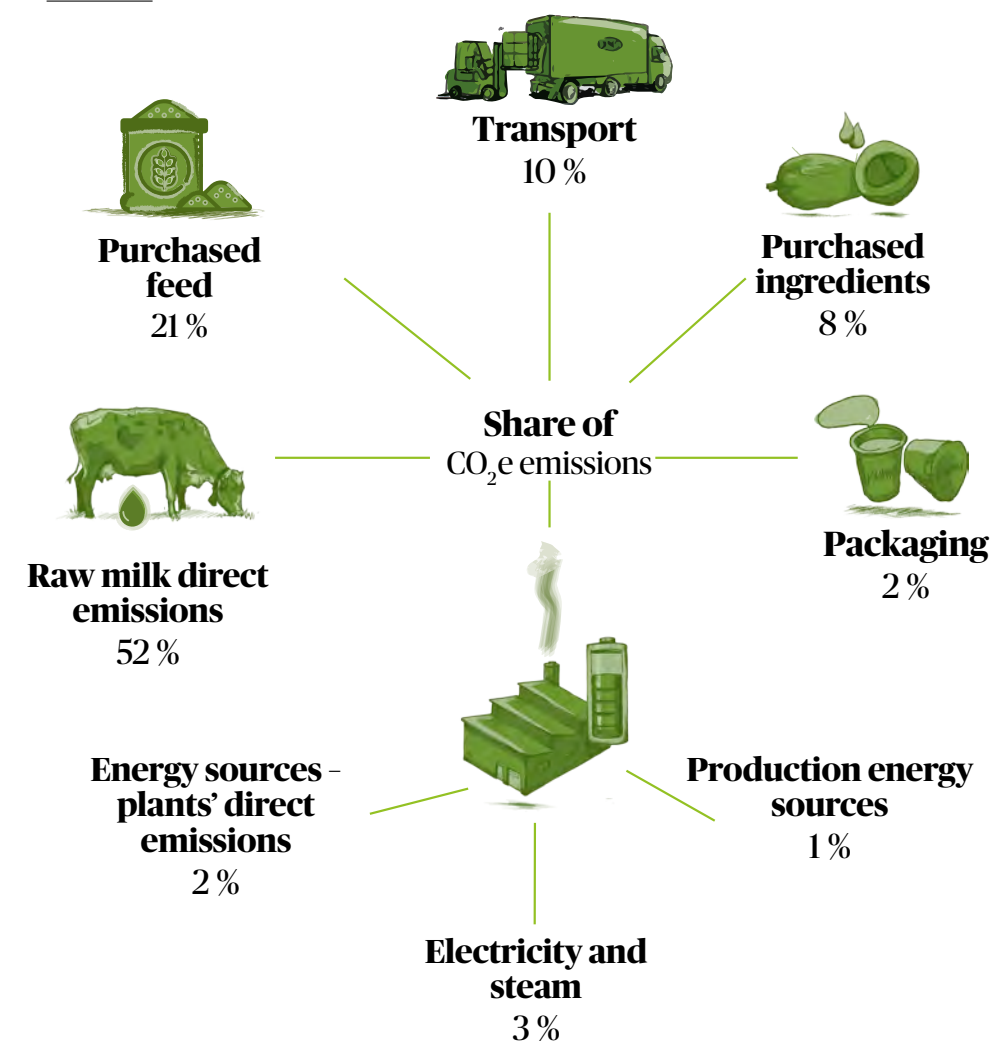
We are working on adjusting our targets to the SBTi sector standard as well as the SBTi Guidance in accordance with FLAG, a guideline for reducing emissions along our value chain. We have already significantly reduced the average CO₂ footprint per kilogram of milk: from 1.24 kg CO₂ e/kg in 2010 to 1.07 kg CO₂ e/kg in 2024. Increased productivity in milk production, scaling back soya feed and more environmentally-friendly agricultural practices, all contributed significantly to this progress. Furthermore, DMK is driving the reduction of CO₂e emissions at the plants by increasing energy efficiency and using renewable energies (see p. 19, Processing).

Achieving climate targets: Many farmers are already applying effective measures to reduce CO₂ – and they are working a treat.



Life cycle assessments

Corporate carbon footprint according to SBTi



Milk volumes are expected to keep falling in Germany (see p. 9, Changing dairy industry) and this factor is also included in the emissions calculations. We will pay more attention to the Product Carbon Footprint in our product portfolio (e.g. for new products) and have set up the systems needed to make this happen. Another approach is the portfolio of plant-based milk alternatives (see p. 32, Products).

A bonus for taking part

The suppliers of milk, our raw material, are shareholders in our cooperative and operate as independent entrepreneurs. As the DMK Group, we are finding ways to make climate-friendly agriculture attractive and affordable. At DOC Kaas, milk producers receive a supplement to the milk price if they fall below a certain CO₂ emission value per kilogram of milk. In Germany, DMK farmers receive their own bonus for climate accounting via the Milk-master program.



“By joining SBTi, we have a clear guideline for reducing emissions along our value chain by 2030.”

Dr. Maximilian Blum,
Teamleader ESG Strategy & Reporting.



Measures to make agriculture more climate friendly

- Committing to a reduction target in line with SBTi.
- Calculating the Corporate and Product Carbon Footprint.
- DMK Net Zero Farms project.
- Climate payment for Dutch members of DOC Kaas.
- Launch of the Agricultural Climate Check including a bonus for the milk producers who join.
- Training and sensitizing milk producers.
- Sustainability projects including introducing a sustainable milk flow with Tuurlijk! on the farms (see p. 15).



Going forward, financing agricultural transformation must be seen as a task for society as a whole.

Agricultural production accounts for the largest share of CO₂ emissions in our ecological balance sheet, meaning this area plays a crucial role when it comes to cutting emissions. Milk producers are our most important partners as we work together to make the dairy industry even more sustainable. But this transformation is a task for society as a whole and will only be possible with the support of the whole supply chain, right through to the final consumer.

Supporting farmers

DMK is actively looking for ways to convert farms to lower-emission production, to improve climate protection on dairy farms. DMK is already testing climate measures on some farms through to the end of 2025 in the company's Net Zero

Farming initiative, aiming to slash the farms' carbon footprints. The process includes people from throughout the whole value chain, with industry specialists, scientists, vets and farmers all meeting up regularly to work on greenhouse gas reduction issues. DMK launched the project with three pilot farms in Saxony-Anhalt, North Rhine-Westphalia and Lower Saxony and now another farm from the Netherlands has also joined the project.



"Our production is very climate friendly in Germany and the Netherlands. We are helping farmers as they head for net zero through the Net Zero project."

Henry Hashagen,
Manager Agribusiness-
Sustainability.

Healthy cows

Herd management is an area with significant potential for optimization, as ensuring animal health and maintaining their performance over the longest possible period can make a

substantial contribution to climate protection. The

knowledge gained during the project will be used to develop concepts that can be transferred to all farms, with areas in focus including farm management, fodder and arable farming and energy production. We are investigating ways to use feed additives to reduce methane, optimized feed rations, adjustments to liquid

Building blocks for cutting CO₂

Farm management

Feed production

Storing carbon

Enteric emissions

Nutrient management

Energy use



The first year of Net Zero Farming



Net Zero Farming reveals many opportunities for sustainability on the farms: It systematically finds ways to optimize farm management, fodder and arable farming and energy production. The latest measures from spring 2024 are set to reveal even more scalable possibilities.

manure management or carbon capture through catch crops and biochar, within the project. We are monitoring all of the measures tested to see how they impact milk yield, animal health and how well they work in practice.

Looking good

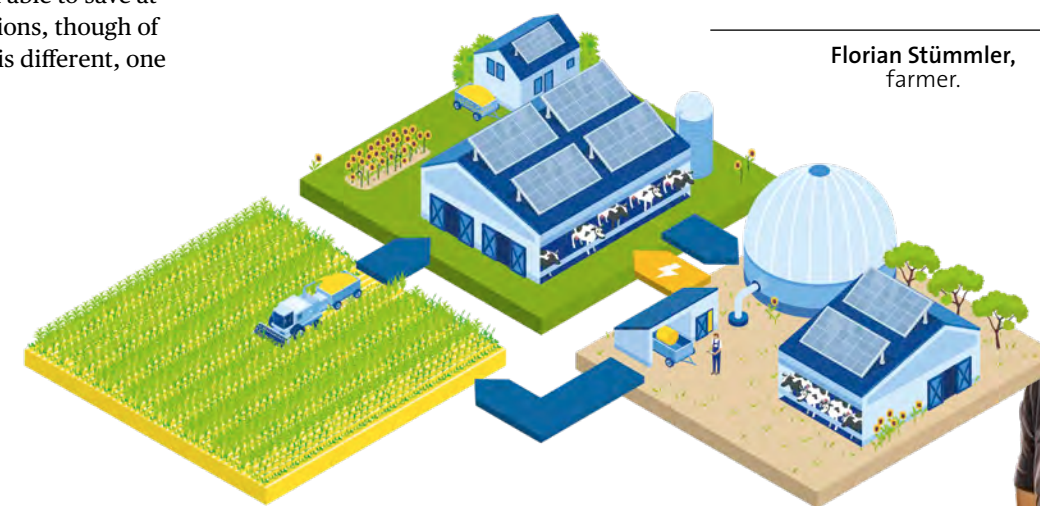
Thanks to the measures implemented in the first year, the farms have already been able to save at least 10% of emissions, though of course each farm is different, one

reason why the project is being carried out on different farms. But the results show that the many different measures implemented in herd management are effective. But it is also clear that cutting CO₂ in agriculture by working hand in hand with nature is a complex business and that the reductions are fluctuating and costly.

"The average footprint of German dairy farms is only half the size of the global average. And it is even lower on my farm! Joining the Net Zero Project gives us farmers stability and makes us more appealing to future generations of consumers."

Florian Stümmler,
farmer.

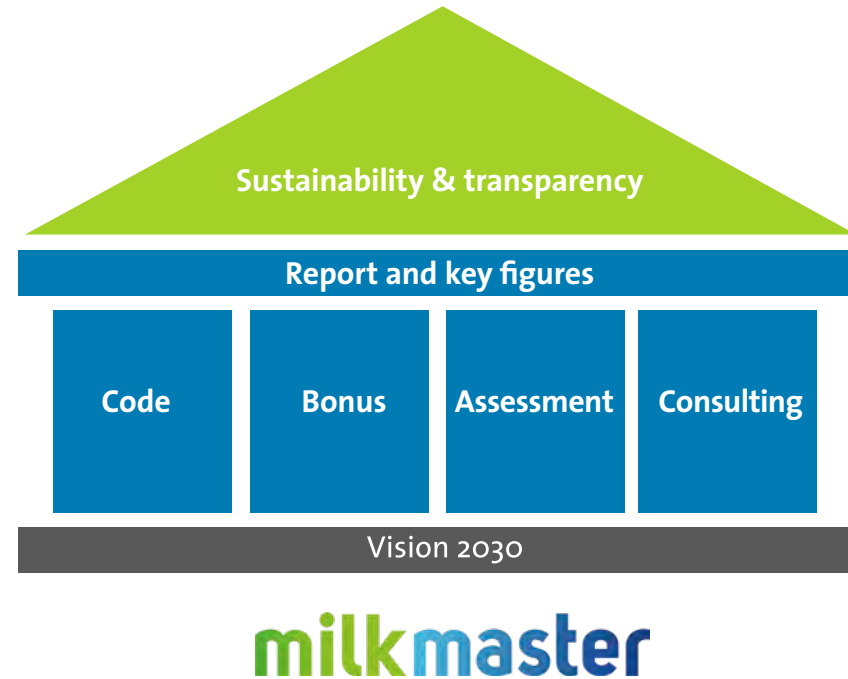
The route to **more sustainable agriculture** – at DMK, specialists from many fields are working together with farmers to explore ways to reduce CO₂.





A clear compass

The Milkmaster program supports farmers in Germany and the Netherlands as they make milk production more sustainable.



The Milkmaster program was specially developed by DMK to promote responsible milk production. It helps farms to continuously improve across the board.

Clear code

The DMK Group has been promoting sustainability through the DMK 2020 strategy since 2013, which even then put a focus on agricultural production. Back in 2015, we introduced Milkmaster, our program to embed sustainability in milk production for our Dutch and German milk producers. At its heart is the Production Code, which applies to all DMK milk producers. It is the guiding principle of the Milkmaster program and ensures transparency between farmers and the market. It formulates clear recommendations and expectations when it comes to animal welfare, animal health, the environment and climate protection alongside economic and social issues.

New standards

Milkmaster was a comprehensive and forward-looking program that was in a class of its own in the industry and compared to the standards on the market at the time. Since then, the industry and the market have continued to develop, and Milkmaster as a dynamic

program was optimized again, based on the experience of recent years. It was also simplified significantly four years ago.

Special incentives

Alongside climate protection, animal welfare is a core theme in our sustainability strategy. The Milkmaster program defines aspects of responsible milk production when it comes to animal welfare (such as grazing), animal health (such as a veterinarian documenting herd management) and the climate (such as joining the digital Agricultural Climate Check through the myMilk.de supplier platform). With the Agricultural Climate Check, our farmers can work out their individual carbon footprint and identify where they have potential for improvement. It is voluntary and is incentivized through the Milkmaster bonus.

The climate check helps farmers gain important insights into their own operations and take steps to improve them, including in areas from animal welfare to climate protection, sustainable feed procurement and husbandry methods. In 2024, 84% of farms took part in the Agricultural Climate Check.

DMK paid more than 217 million euros in bonus payments to farmers in Germany and the Netherlands

as part of the Milkmaster program between 2016 and 2024. A large part of this goes directly into farmers' animal welfare activities.

Top priorities

Environmental systems that promote animal welfare are a key concern for stakeholders, especially our milk producers because only healthy and happy cows have a good milk yield and produce the best quality. The DMK Group is committed to a variety of husbandry systems that focus on cows' health and welfare, the impact of husbandry systems on the environment and the economic and structural options available to milk producers. In a cooperative that is

characterized by regional diversity, no individual regions or production methods are preferred or disadvantaged.

Clear compass

In Milkmaster, we recommend a combination of loose housing systems with grazing for dairy cows and cattle for at least 120 days per year, if operational conditions permit. As not every farm has sufficient grazing land in its immediate vicinity, comprehensive grazing is not feasible in Germany. But DMK supports pasture grazing and is a member of Pro Weideland, an association that promotes this. Stables in which cows can move freely at all times are by far the most common husbandry system used by DMK farmers.

Sustainable milk stream with



In the Netherlands, too, we implemented a pioneering program together with key partners. Tuurlijk! is a sustainable milk stream developed by the Dutch cooperative DOC Kaas and brought to the market together with trading partner Jumbo and Uniekaas Holland. It brings together aspects relating to animal health, animal welfare, land use, the environment, climate and biodiversity and covers five topics with a total of 41 criteria. Farmers must ensure their cows have at least 120 days a year of pasture grazing, including young cattle. Each animal must have its own comfortable resting place and access to cow brushes. Farmers also need to demonstrate that they have measures in place to prevent heat stress for the cows and to protect calves' welfare. Cows may only be given GMO-free feed and the energy on the farm must come from renewable sources. Plus, participating farms are required to maintain or sow herb-rich grassland on part of their land and provide evidence of biodiversity measures. An indepen-

dent body checks and certifies that all criteria are met. With the new milk stream, DOC Kaas in Hoogeveen produces a wide range of cheeses for sale under the Jumbo own brand. The name of the program sums up the future-oriented, sustainable dairy products: The Dutch word "Tuurlijk!" comes from the term "natuurlijk" which, like "naturally" in English or "natürlich" in German, has a double meaning, referring to nature, while also saying "of course."

Alongside Tuurlijk!, the DOC Kaas cooperative also maintains a separate stream of grass-fed milk. Dairy farmers who take part in this scheme receive a supplement to the milk price if they meet the conditions for grazing. Their cows need to be outside for at least 120 days or 720 hours a year and have sufficient grass available so that they exhibit natural grazing behavior. From this stream of grass-fed milk, DOC Kaas in Hoogeveen produces and sells grass-fed cheese, mainly on the Dutch market.



"DOC Kaas' long-term cooperation with Jumbo and Uniekaas Holland leads to further sustainability and added value for and through the entire supply chain. We are proud of this."

Guus Mensink,
Chairman of the Board
of DOC Kaas.



ANIMAL HEALTH & WELFARE



LAND USE & ENVIRONMENT



GENERAL



CLIMATE



BIODIVERSITY



How we are tackling the challenges of sourcing raw materials

DMK is confronted with a wide range of requirements. The company must respond to these.

Our customers expect a lot from us. And rightly so. As the DMK Group, we therefore respond to the diverse requirements of industry and trade and maintain dialogue with our customers to see how we can implement them throughout our entire supply chain. One aspect here is the type of husbandry. In the case of milk as a raw material, it is a program in Germany that is now being implemented by the retail sector in milk processing. It helps to classify the characteristics of various animal welfare programs, including QM++, DLG Tierwohl, Pro Weideland and more, along four levels - and from summer 2024 along five levels. Food retailers must participate in this program in order to be allowed to display the husbandry form logo on their own-brand packaging. There is increasing demand in the market for dairy products produced in accordance with "Haltungsform 3 / HF3" (QM++). The focus of the changeover was initially on drinking milk. This was followed successively by other segments, such as cheese, curd, cottage cheese or cream.



How are the cows doing?
Retailers and consumers are focusing more and more on animal welfare labelling and certification.

Fulfilling market needs

Against this backdrop, production of HF3 drinking milk was first launched at the Erfurt plant. In 2025, DMK eG and DOC UA converted further product ranges to HF3 quality and opened up the program to all members of both cooperatives. DMK is thus clearly positioning itself for animal welfare, and a surcharge paid to farmers for participating rewards investments in animal welfare. Currently, over 50% of milk production has been converted to HF 3.

"GMO-free"

Another key requirement of our customers is to ensure that milk is GMO-free. This remains an enormous challenge for the entire supply chain, involving higher costs and greater complexity. The transition is heavily dependent on the availability of appropriate feed ingredients on the market. Due to these conditions, the DMK Group continues to address the issue of 'GMO-free' in response to specific customer enquiries. Since 2016, we have switched to GMO-free feed in selected regions and locations and offer

'GMO-free' products on the market based on the German VLOG standard. In Germany, the DMK Group has been the market leader for GMO-free dairy products since 2017. As a result, almost 80 per cent of DMK milk producers have switched to GMO-free milk production and are VLOG-certified. Participating farmers receive a bonus for GMO-free feeding, which is paid via the milk payment system.



DMK is committed to sustainable resources

99%

Cocoa and palm oil from sustainable sources



Wood from FSC-certified forests

Our certified materials

How socially and environmentally responsible are the supply chains?

DMK considers itself well prepared for new developments with a strong purchasing organisation that is experienced in sustainability issues. For many years, we have been using raw materials for our products that we purchase with a regard for sustainability. Furthermore, we source strategically important basic raw materials in combination with sustainability-oriented certification. These include palm (kernel) oil and cocoa. Since 2016, DMK has been sourcing 99 per cent of its cocoa and palm oil from more sustainable sources (see also p. 31). From 2024, all DMK dairy farms will be subject to the QS Soy Plus standard, which excludes legal and illegal deforestation in soy cultivation.

Deforestation-free supply chains

Since January 2024, the feed industry has been subject to the QS Soy Plus Standard. Dairy farms can then only purchase sustainable soy. This means that all feed used on the farms has been certified by the standard since then.

The QS Soy Plus standard excludes legal and illegal deforestation in soy cultivation. Deforestation-free supply chains are another important issue in connection with the feed used for milk production. This allows us to keep an eye on the requirements of the EU Regulation on deforestation-free supply chains (EUDR). DMK is continuously monitoring this issue and participating in discussion forums such as the 'Nachhaltigere Eiweiß-futtermittel' (More Sustainable Protein Feed) forum and supporting research work. Regional feed production also plays a role in the 'DMK Net Zero Farms' project.

Purchasing

This also involves sustainable procurement

The supply chain is the link between our farms, our factories and our customers in industry and trade. Alongside milk, our raw material, we also procure and process additional materials and services, meaning we work closely not only with our farmers, but also with more than 3,000 active suppliers and service providers, more than 99% of whom are based in Germany or the EU. We see them as partners who support us in developing and making high-quality products, and we expect them to adhere to ethical principles, protect human rights and treat the environment with respect. To make our collaboration sustainable, we integrated

this area into our procurement process and added contractual obligations a few years ago. When we published our Supplier Code of Conduct 2020, we further developed and codified our requirements regarding sustainable business practices in our supply chain. The document also sets out guidelines for transparent, ecological and sustainable transportation and includes social criteria such as safeguarding human rights along the entire value chain. With the latest update, we have also ensured that all requirements of the Supply Chain Due Diligence Act (LkSG) are reflected in our code. We also offer our suppliers and service providers training on the Supplier Code of Conduct.

LINK

Click here to go to the DMK page "Sustainable Procurement"



LINK

Click here for the complete DMK Supplier Code of Conduct





The art of processing

What kind of footprint do we want as a dairy cooperative?
DMK is working to keep it as small as possible by addressing areas from production right through to the end product.

Preserving biodiversity

Healthy ecosystems are essential to our lives yet have been under threat for decades.

Preserving biodiversity is a crucial issue at DMK and is firmly anchored in the Sustainability Strategy through to 2030. The company aims to contribute to preserving biodiversity on farms and at DMK sites. The Milkmaster Production Code has had recommendations on what farmers can do to preserve biodiversity since 2015, by using grassland, regional feed and pasture grazing. Farms are independently responsible for specific biodiversity measures, as pasture grazing, for example, is not feasible for every farm (see also p. 14, Milkmaster). It depends on a farm's circumstances whether it is able to encourage diversity of species in meadows and pastures, promote nature conservation along rivers, streams and ditches, protect grassland birds and farmland birds or protect insects.

Many biodiversity measures are having a positive impact on DMK's Sustainability Strategy.

Pasture farming

The DMK Group has for many years been a signatory to the Pro Weideland pasture charter, which encourages pasture farming and also offers a product label with the same name. Pasture farming has a positive effect on environmental protection, animal welfare and biodiversity and is already practiced by many farmers where it is possible. For selected locations and quantities, DMK supplies pasture milk in accordance with the conditions of the Weidegang Foundation. The products manufactured from this milk are marketed with the foundation's pasture milk logo. The certification means that the cows graze outside for six hours a day for at least 120 days each calendar year. DMK has also developed a sustainable milk stream with milk producers in the Netherlands called Tuurlijk! The Tuurlijk! sustainability program covers five topics: Animal Health and Welfare, Land Use and Environment, Climate, Biodiversity and General. This makes Tuurlijk! a holistic sustainability program (see also p. 10, Raw material).



Using resources efficiently

DMK is optimizing energy consumption at its plants to make sure resources are used as efficiently as possible in production.

Sustainability plays a central role in the production of dairy products. How do the plants use their energy? How do they optimize their water consumption and reduce waste, wastewater and emissions?

High standards

DMK further develops and monitors energy and environmental issues through the environmental and energy management system, in line with national and international norms DIN ISO 14001 and 50001 and certified by an accredited company. This ensures individual monitoring of the way valuable resources are used. An integrated management system efficiently defines the necessary framework.

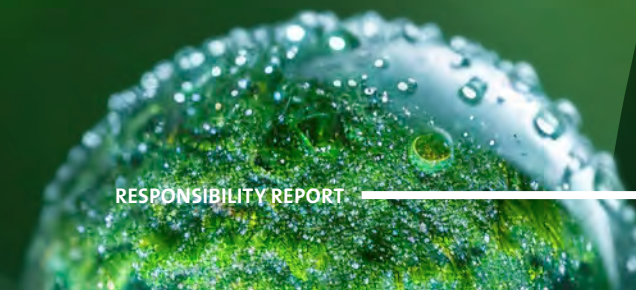
Even less carbon

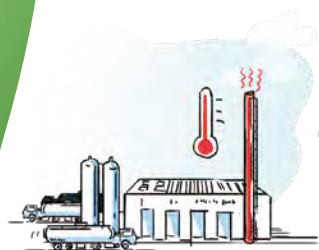
Emission values are an important, quantifiable indicator of how well our sustainability strategy is working. Emissions are not only generated on the farms but also come from the plants where milk, our raw material, is processed, and DMK is making adjustments in these areas too. Our climate target is to reduce our CO₂ emissions in Scope 1 & 2 by 42%, agricultural emissions (FLAG) by 30.3% and our non-FLAG Scope 3 emissions by 25% until 2030 vs. 2022. That is why we want

to continuously reduce CO₂ emissions at our plants as well as in our agricultural activities (see also p. 12, Raw material). To achieve these goals, many sites are being upgraded and converted and the whole energy management system is being certified accordingly. DMK is also looking for ways to replace some fossil fuels with renewable energies at some sites to further reduce the CO₂ footprint.

Consuming less

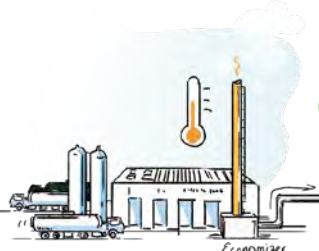
The growing proportion of renewable energies in the German electricity mix has made energy prices significantly more volatile. Fluctuations in supply also pose challenges for the entire economy. In this context, DMK's highly efficient energy management is continuously driving efficiency improvements: the company has already tested innovative solutions for regulating electricity consumption and energy recovery. The "SynErgie" sub-project within the Kopernikus projects funded by the German Ministry of Education and Research provided a series of insights and these have been incorporated into DMK's energy management since 2017. Within "SynErgie", we are driving model calculations that show how individual production processes and plants can be flexibly and profitably integrated into the energy market.





1

We applied the knowledge we won in a demonstration model at the Edeweicht site. We also plan to integrate cold storage into the overall model to see whether that might offer a chance for further optimization too.



2

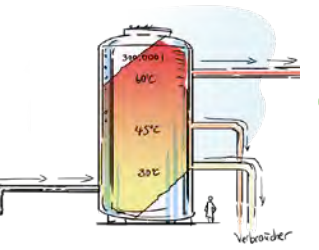
Heat exchanger

1. Heat from the gas-steam turbine is lost through the chimney..

2. Efficient low-temperature economizer uses waste heat to heat water.

3. Heated water is collected in the large central heat storage tank with three water layers and fed into three different heat circuits.

4. Water heated to 60 degrees is used for cleaning, for example.



3



4



“Each kilowatt hour that we don’t use is the most sensible way to save energy.”

Klaus Landwehr, Head of Energymanagement.

Smart savings

Alongside SynErgie, DMK is pursuing an energy project in Edeweicht to make smart use of waste heat and plans to roll this out to other sites in future.

The DMK Group presented its comprehensive energy project at the Edeweicht site as part of the “Bremen Environmental Award”. “We analyzed the processes at our plant and were able to identify a number of measures to increase energy efficiency,” says Lars Dammann, Head of Occupational Safety and Environment at the DMK Group. “We are using this as a basis to build a thermal insulation system to help us make better use of waste heat from our gas and steam plant.”

The heat generated during steam and energy production can be used in a range of production and cleaning processes, he says. “We can now control energy-intensive processes centrally as part of an intelligent, integrated heating system and reduce consumption in many areas.”

The results of the measures are impressive: the

project is enabling the site to reduce the consumption of primary energy such as electricity (-540 MWh per year) and gas (-24,100 MWh per year), saving emissions of around 5,000 tons of CO₂ per year. That spells an impressive 12% reduction in the Edeweicht site’s annual emissions.

Using wood

Another way to become more energy efficient can be seen at the Waren site, and how it is operating the biomass heating plant. As an alternative to fossil fuels, biomass, in the form of wood chips, is being used to produce process steam. A maximum fuel quantity of 8,100 tons can be used per year. The biomass used consists solely of untreated wood and it burns in the combustion plant. The flue gases produced in the combustion chamber are used to generate steam through a downstream boiler system. The steam generated is then made available to the production areas as process steam.

Compared to using fossil fuels such as gas, the site is avoiding the emission of around 2,500 tons of the greenhouse gas CO₂ every year, depending on product capacity.

Energy & environment - Our transformation

Dairy cooperatives like DMK also have a duty to achieve the climate neutrality target by 2045 set by the German government. In 2023, we drew up transformation proposals, together with external specialists.

CO₂ reduction

We are assessing ways to reduce our energy needs through further heat efficiency measures and by using climate-neutral energy sources such as hydrogen, biogas or green electricity, for example from wind turbines, at the major DMK sites in Edeweicht, Altentreptow and Zeven, through to the end of 2024. Next, we will draw up a plan of action for the coming years.

Using biogas

The Altentreptow site produces biogas during wastewater treatment. We will optimize the way this gas is used by the end of 2024

so that purified biogas can generate heat at the site, replacing the use of fossil natural gas.

Phosphorus recovery

In order to recover phosphate contained in waste water, DMK is looking into possible processes and is taking part in the struvit-workshop at the University of Braunschweig. At the Altentreptow site, a study was conducted in 2023 to use new findings to further optimize the existing plant technology for phosphate recovery. We are also looking at waste water at other DMK sites in regard to phosphate recovery.



Environment
and
Energy

Lower emissions: The DMK truck fleet is continuously switching to more climate-friendly models.

Ecology meets economics

We are gradually converting the whole fleet of milk collection trucks to lower CO₂ bio-LNG technology, as of 2024.

- Switch to fuel-efficient lorries
- Limiting the speed to 82 km/h
- New tires with better efficiency properties

2020 to date: reducing our diesel consumption by 860,050 liters / 2,279 tons of CO₂ per year.



Water in economy mode

Using less water

Besides energy, water is essential for production at the plants. DMK has committed to using this important resource more sparingly, as part of its sustainability efforts and has spent many years optimizing the way it consumes and recovers water.

A look at the 2021 data illustrates our commitment: we only consume around 1.12 liters of water per kilogram of raw milk processed at our sites - meaning the DMK Group is significantly better than the average of all German dairy companies.

Despite this progress, we are still working to reduce the amount of water we use and set a further water savings target for 2025. We have efficiency measures in place at all of the plants. We plan to continuously improve and leverage further potential in the future, too. One example is participation in the B-WaterSmart research project



“For us, water is an essential issue when it comes to safeguarding our locations, so we are working to continually reduce our consumption and conserve resources in all areas.”

Lars Dammann, Head of Environment, Health, Safety & Security.



Conserving groundwater

Using water responsibly as a resource is greatly important to us so we are conducting a case study with local water association the Oldenburgisch-Ostfriesische Wasserverband (OOWV), the German Institute for Water Management (IWW) and EnviroChemie as part of the EU's B-WaterSmart research project. Together, we are looking for ways to reduce drinking water consumption in particular areas, or to find new ways of obtaining it.

We generate what is known as “cow water” at our Edeweicht site, meaning water produced during the condensation of whey. We set up a test facility to examine whether the cow water can be treated to replace drinking water, so we can reuse it. We see great potential in using this water to reduce our drinking water consumption as a further way to help conserve groundwater resources. We aim to treat 600,000 m³ of vapor condensate per year at the DMK plant in Edeweicht. This amount would replace around 40%-50% of the current fresh water requirement. The project was completed in 2024. Large-scale implementation is currently being planned.



DMK environmental goal 2025

We are reducing our activity-based drinking water consumption by 2% (usage basis 2022)



Waste as a valuable commodity

No half measures

Packaging plays a major role in food production. It protects products and guarantees that they are safe from the moment they are transported right up to when they reach the supermarket and then the consumer's fridge at home.



97.5 %

of our waste is already being recycled or used to generate energy (2024).

Durable packaging is indispensable - but it can also be designed sustainably. DMK is continuously researching and developing new ways of packaging products to make progress in precisely this area. We are particularly focused on ways to combine safety and recyclability. We are always on the lookout for a combination of materials that preserves the quality of products while still being easy to recycle. We also check which environmentally friendly alternatives can be used in production (see p. 34, Sustainable packaging). Around 70% of all recyclable materials in our packaging consisted of FSC- or PEFC-certified alternatives in 2022 and for secondary packaging, that proportion rises to 90%.

Thanks to the monitoring and documentation of DMK's waste together with modern recycling management, 97,5% (2024) of our waste is already being recycled or used to generate energy.

Recycling a large amount

Animal by-products are products of animal origin that are not intended for human consumption, such as sour whey, rinsed milk mixtures or product residues. Mostly, these by-products are fed to pigs or used in biogas plants. We are investigating new ways of utilizing them, for example in the soil industry: sour whey could be used to adjust the pH value in soil products such as plant soil or compost. Insect breeding is another possible area of application, with organic residues from the food industry used as feed, transforming them into high-quality proteins. Last but not least, the possibilities also include the in-house production and use of biogas.



We are well-placed

We are taking many technical measures to reduce water consumption, and our networks are also making a key contribution to this effort.

- Regular meetings, exchanges, training courses for environmental and water protection officers.
- Member of the Partnership “Umwelt Unternehmen”.
- Chair of the MIV Environmental Working Group.
- Member of the Weser-Ems Water Future Council.
- Participation in the DWA dairy wastewater working group.

Our intention: to continuously improve our environmental performance, further develop environmental awareness within the company and comply with legal regulations and other requirements relating to the environment.



Playing it safe.

All employees should be able to work safely in an accident-free environment. Ensuring this is the case is one of the DMK Group's most important goals.

Safety in the workplace is a basic prerequisite for functional work processes and mutual trust. The DMK Group takes its responsibility for all employees very seriously and has set itself the goal of preventing accidents at work and continuously improving health and safety. Our motto: I look after myself and you too! We live our safety culture and continue to build on it.

Safer together

The name of our program says it all: Safer Together. At DMK, we have been developing our safety culture since 2021. All managers undergo multi-level training to enable them to carry out qualified observations at their employees' workplaces. They then hold appreciative discussions about the work processes. Since 2023, employees have been learning in workshops how to use the 5-finger method to carry out routine risk assessments in order to analyse and improve their workplaces and prevent accidents and health hazards. The focus is on regular communication between managers and employees. All participants have the opportunity to develop their skills through practical training measures, such as the occupational safety simulation game.

In summary, "Safe together" leads to continuous improvement in occupational health and safety - in particular, it reduces accidents caused by behaviour.

Improving the reporting culture

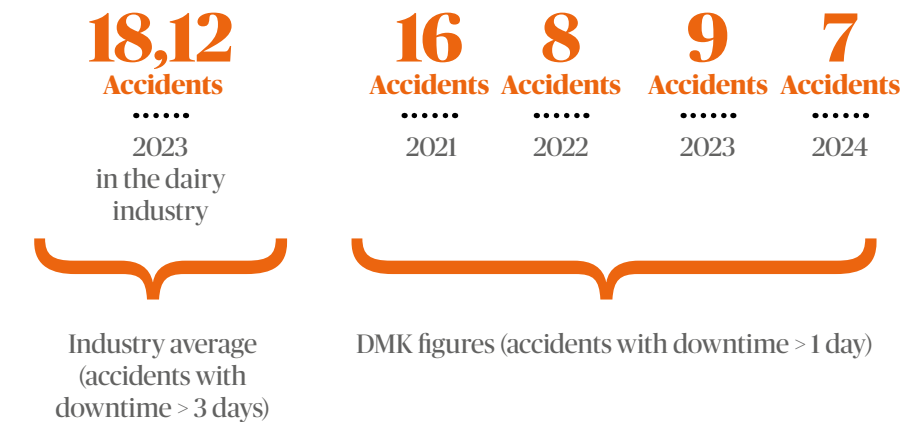
In order to proactively prevent accidents at work, employees report 'unsafe situations' and 'near misses' to a software database. All reports are analysed without exception. Measures to solve the reported problems are then made available in the software as quickly as possible and processed by the respective responsible persons. The use of an app-based solution makes the reporting process practical for employees and has significantly improved their willingness to report.

Safer Together

- requires managers take time for their employees
- promotes respectful interaction with one another
- reinforces safe behavior
- promotes regular communication between managers and employees



Number of accidents per 1 million working hours



Source: BGN business figures 2023/2024

Avoiding accidents

With the Lockout-Tagout-Tryout (LOTO) safety system, we aim to prevent accidents that can occur during malfunctions or maintenance and repair work on machines. We are developing this procedure further in all plants using a common system and are maintaining it. To this end, employees are given personalised lockout locks, which they carry with them and can use to secure themselves personally. Use of the system is mandatory, including for external company employees. By the end of 2026, the standardised LOTO system will be introduced across the board. In addition, the DMK Group's old machines were assessed by external experts with regard to machine safety, and measures were implemented.

Rewarding safety

Every year, we present the DMK Group Safety Award to the sites with the best results in their occupational safety activities. In 2024, the Holdorf and Beesten sites were the winners. The Zeven and Neubörger sites were also recognised for their innovative solutions in occupational safety. In addition, the production plants organise an annual 'Occupational Safety Day' for employees. Occupational health and safety experts then present relevant safety topics.

Won! The Holdorf and Beesten plants achieved the best results in their occupational safety activities in 2024. They received the DMK Group Safety Award for this.

Investing in employee health

Health is important to us and we support this area through:

- Company sports / digital active break
- Company integration management
- Company doctor
- Training courses
- Management development

Investments in fire and explosion protection

To protect people and the production capacity of DMK plants, further investments were made in fire and explosion protection in 2024: for example, through the installation of modern gas extinguishing systems and comprehensive early fire detection systems at several locations. Older spray drying plants were also decommissioned or replaced with new ones.

Award-winning initiative

The Occupational Safety and Environmental Protection Department, in collaboration with the Everswinkel plant, wins the BGN Prevention Award 2024. DMK's contribution consists of short instructional videos without written or spoken language, making them easy to understand for employees of different nationalities. Thanks to its modular structure, this film-based training method can be continuously expanded and the individual clips can be used as required.



A good team. Doing good.

We want our employees to feel good. They need a working environment that motivates them and allows them to focus on the essentials, a responsibility we want to embrace every day.

Our employees are our greatest potential. Their passion and commitment are such an important part of the company's success that we have made the strategic topic People into one of our seven top areas in focus.

Targeting tomorrow

Our working world is changing rapidly and we constantly face new demands, so it is imperative that we actively address these changes in order to remain an attractive employer for the dairy industry. We have adopted a slew of measures to ensure this is the case: We help our employees stay fit for the work of tomorrow, enabling them to further develop their skills and qualifications with specific training courses and possibilities.

Qualifying and encouraging

We live and cultivate a corporate culture that promotes the exchange of knowledge and strengthens connection

throughout the company. Alongside a wide range of online and face-to-face training courses on our Training & Development platform, we support individual further training with the StepUp program and a comprehensive development program to unlock personal potential, in Passion.

Working as equals

We also promote this approach at management level. Our Leadership Next Level program is driving a change in management culture, based on the principle of "less of a boss, more of a coach." That makes our managers into supporters for each and every employee. Our focus is on promoting personal responsibility, continuous

feedback, providing a great deal of appreciation and leading with goals.

Working arrangement

Flexibility is also something people appreciate. Flexibility when it comes to the time and place you work is an important factor in having a good work-life balance. This kind of individual flexibility makes work more fun and motivates employees. We have created workplaces for our administrative employees to make this possible. We will also offer our employees in production more freedom in organizing their working hours around their needs in future, through a new workforce scheduling system.

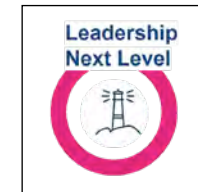
Balancing work and family

A successful work-life balance is important to the DMK Group and we are aware that many of our employees have family commitments, whether they are looking after children or caring for their relatives. We work with the pme Familienservice Group

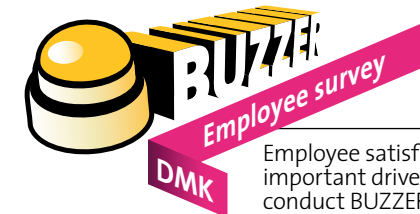
to help employees explore work-life balance issues and possibilities.

All stages of life

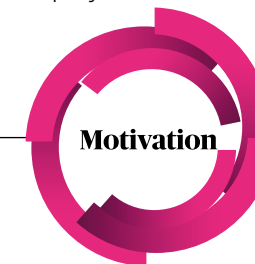
We are also providing coaching to address different life situations through pme. Specially trained advisers providing support to any employees facing difficulties in their personal or professional lives. They work together to help employees look for the right solution for them and develop new prospects.



DMK offers **training and development programs** for employees, for all stages of their professional life.



Employee satisfaction and loyalty are important drivers for the company, so we conduct BUZZER, our annual employee survey, to explore what moves and influences the workforce. The survey makes an important contribution to motivation and appreciation within the workplace. Everyone's opinion is important to us! Everyone should have a say in shaping our company.



Extra time

Our colleagues' well-being is important to us, so our industrial employees can rely on regulated changing time, which counts as additional vacation days, regulated compensation days for overtime and time off in lieu when they do night shifts.

Vacation & salary

Sufficient vacation and fair pay are essential for employee satisfaction. At our company, everyone is entitled to 30 days' vacation per year and is paid according to collective agreements.



We live DIVERSITY!

Diversity & equal treatment: The basis for our thinking and behavior.

We respect human rights worldwide and follow recognized social norms and ethical standards such as the General Equal Treatment Act. The DMK Group provides equal opportunities for all and does not tolerate any form of discrimination, whether it is based on age, gender, sexual identity, origin, religion or ideology. We do not accept any actions or behavior that is humiliating, intimidating or hostile, not within the company and not towards our business partners. Our Equal Opportunities Officers handle this subject area, and we also have a whistleblower protection system (see also p. 29, Compliance).



"Companies do not change - it is people who change and they change their company."

Ingo Müller, CEO DMK.





Entrepreneurial, fair, innovative are our core values. It is essential we ensure we are responsible, strategic and sustainable in all of our actions.

Fair play

Laws are created to protect the rights of each individual, always in balance with each other. Ensuring these are observed is not only fair, it is also entrepreneurial and sustainable, as that protects the company from the consequences of any violations. In this area, sustainability means meeting the needs of the present in such a way that the opportunities of future generations are not compromised.

Systematic management

As an international dairy company, the DMK Group is obliged to comply with many legal regulations. Any breach of these can have significant



“Compliance has become a key success factor. Through correct behavior, each and every individual can contribute to improving the trust of our customers and business partners and protecting the reputation of our company.”

Ingo Müller, CEO DMK.

consequences. Compliance measures make it easier to follow the rules, in order to avert any damage and actively prevent any violations.

The DMK Group has created a compliance organization that accounts for the different structures within the group. It establishes responsibilities beyond Group Compliance and maintains close contacts and exchanges with these different areas. That means the compliance organization is always closely aligned with day-to-day operations.

Specific objectives

For the compliance management system, which is based on national auditing standard 980, the Group management defined the objectives based on compliance risks specific to DMK, including minimizing risks from money laundering and corruption alongside violations of antitrust and sanctions laws. In order to meet these objectives, the group derived measures in the compliance program including guidelines, a whistleblower system and training.

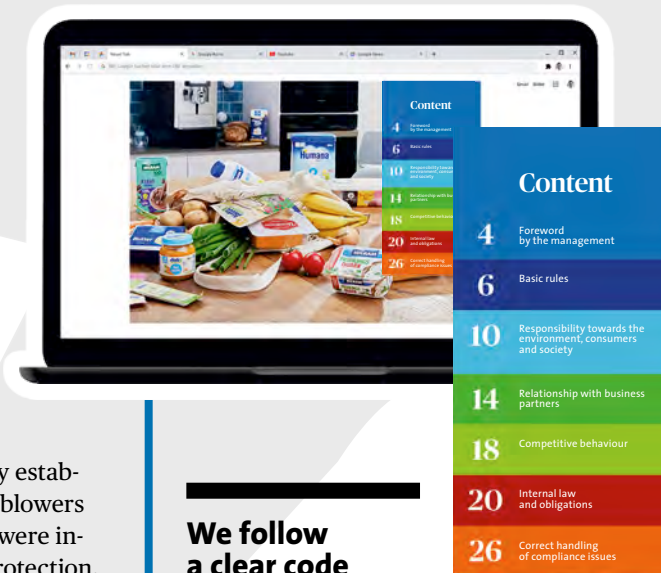
The DMK Group had already established ways to protect whistleblowers even before legal regulations were introduced for whistleblower protection.

Risk overview

The DMK Group's compliance risks are constantly changing and evolving, so risk analysis is an integral part of the risk management process. The analysis serves to identify and assess risks. The results are presented annually to the Group management, which then evaluates them and derives new targets and measures.

Bigger picture

Compliance contributes to society as a whole by preventing corruption for example or ensuring people follow competition rules. It is fundamentally important for every company and also makes a major contribution to a functioning economic system in which all market participants have fair opportunities and innovation is possible.



We follow a clear code

The DMK Code of Conduct provides guidance to help our employees protect their own interests and those of the DMK Group. It is supplemented by a series of internal guidelines to make it easier to comply with legal requirements.

On our website

Follow to reach the reporting platform:



Accessible Group-wide and online, in all company languages:
www.dmk.de/en/compliance
The DMK Deutsches Milchkontor GmbH reporting platform is at www.sicher-melden.de



DMK's whistleblower system and how we protect whistleblowers

If we want to remain true to our values and rules, we may not turn a blind eye to violations of the law. That is why employees, business partners and third parties can submit anonymous reports through a digital reporting platform at “sicher-melden.de” and an ombudsman who is sworn to secrecy. The procedure for submitting reports is governed by rules of procedure. Reports of human rights violations in the supply chain (Supply Chain Act violations) can also be submitted through the reporting platform, accessible worldwide, or other reporting channels. The DMK Group protects whistleblowers from any form of discrimination or penalization.



With care and understanding

DMK Group is protective. So that our supply chain is sustainable, we ensure our actions are guided by legislative initiatives, and are conscious of our global impact.

Human dignity is inviolable, a fact enshrined in the German Basic Law. That also underpins everything the DMK Group does. Our aim is to avoid human rights and environmental violations throughout the entire supply chain.

The German Supply Chain Due Diligence Act (LkSG) entered force at the start of 2023. As we must comply with the Supply Chain Act, we made sure that the DMK Group had implemented all the measures in good time. These include appointing an ESG Officer to monitor the implementation of the Supply Chain Act's requirements, carrying out the annual Supply Chain

Act risk analysis and expanding our current complaints procedure, for example. We publish Supply Chain Act reporting annually, for example the policy statement, on our website www.dmk.de/en/ in the Sustainable Procurement | DMK Group section.



Overview of the DMK Group's certifications

Area	Certification / audit	Area of activity / Note	plants DMK GmbH	DMK subsidiaries' plants
Feed	QS		7	3
	GMP +		0	6
Food safety / quality	FSSC 22000		4	6
	IFS: International Food Standard	Globally recognized product quality & safety standard	8	6
	ISO 27001	IT-Management	1	0
ESG: Environment, Social, Governance	ISO 14001	Environmental Management	13	10
	ISO 50001	Energy Management	12	10
	EcoVadis	Human Rights / Environmental Protection / Governance	DMK Group	DMK Group
	SMETA	Human Rights / Governance / Occupational Safety	9	4
	ISO 14040	life cycle assessments	1	0
	Climate SBTi	Climate targets	DMK Group	DMK Group
Product-related	Kosher	Nutritional requirements	10	6
	Halal	Nutritional requirements	10	7



Overview of certified raw materials from the DMK Group

Certification	Type of raw material	plants DMK GmbH	DMK subsidiaries' plants
VLOG	Milk	8	8
Organic (Demeter, Bioland)	Milk	2	5
Pasture-grazed	Milk	3	4
QM ++	Milk / Farming method	7	2
RSPO	Palm oil	4	1
Rainforest Alliance	Cocoa	3	1
Fair Trade	Cane sugar	1	1
Tuurlijk	Milk / Farming method	0	2

Protecting people

All measures taken by the DMK Group in connection with fulfilling its corporate due diligence obligations under the German LkSG are aimed at working closely with employees and suppliers to identify and minimise human rights and environmental risks and, as far as possible, to prevent them. Violations of the rights of those affected in this area must be avoided as far as possible (see p. 16 raw materials, sustainable procurement).

DMK Group is a value-oriented company based on a mission statement with the core values of entrepreneurship, fairness and innovation.

Compliance with laws, standards and guidelines is a basic requirement for public and internal trust in the DMK Group and its supply chains. DMK Group expects its employees, suppliers and contractual partners to comply with the applicable national laws, the legal requirements of the European Union and the globally accepted social and environmental standards. These include, in particular, the Universal Declaration of Human Rights of the United Nations and the European Convention for the Protection of Human Rights and Fundamental

Freeoms, the principles of the United Nations Global Compact and the core labour standards of the International Labour Organisation (ILO).

Guarantee high standards

We are committed to complying with ethical, human rights and environmental due diligence obligations, and also do everything in our ability to maintain the quality of our products at a consistently high level. That is why we process and refine the raw material milk using the latest technical processes and the highest standards of hygiene, occupational safety, human rights and environmental protection. We make no compromises when it comes to our quality and safety standards. We are not only obligated to consumers and their quality expectations, but also to our customers in the retail sector and the food industry. We ensure the food safety of our products with the aim of continuously improving the associated standards.

This includes, for example, the legally prescribed HACCP (Hazard Analysis Critical Control Points) control system, which comprises a preventive management system for assessing the hazards and risks of processes and products.

Culture of strength

Acting entrepreneurially means improving every day and achieving shared goals. With the TIGER Continuous Improvement program, we keep finding efficiencies in a new culture of strength. That means we are promoting cooperation and communication far beyond our separate areas to create transparency and freedom together. Each and every individual at DMK needs to be willing to improve a little bit every day. To this end, the company is committed to very clear values: **We are fair, innovative – and act entrepreneurially.**



We also pursue a range of audits and certifications to complement our approach - see the two overviews on this page.

In addition to regulatory requirements in the areas of sustainability and supply chain, DMK Group is also bound by legal requirements in the areas of data protection, antitrust law and trade secrets. Likewise, contractual fidelity towards our business partners, in accordance with legal requirements, is a guiding principle to which we are committed in the long term. As DMK Group, it is and remains our goal to balance all requirements in the best possible way.



We focus on quality and safety:

Transparency along the supply chain

Trust is a top priority at DMK. It is important to us as a company in the dairy industry, and it is something that consumers and customers from the retail and food industries demand. Together, we all have high expectations when it comes to the quality and safety of our products. At DMK, we take great care in selecting our suppliers, based on clear criteria. We check the quality of raw milk throughout the whole supply chain, inspect all raw materials and ingredients as well as packaging materials and end products in the laboratories. That is the only way we can set high standards and ensure that they are consistently met in each different setting.

The alternatives

Plant-based products belong in the DMK portfolio because they meet customer needs and reflect the spirit of the times.

We see the transformation of nutrition in society as a continuous change that we, as a forward-looking dairy cooperative, cannot and do not want to ignore. For example, DMK has been offering plant-based products in its range for many years, such as powdered products for industrial customers.

Alternatives for consumers

In 2022, we expanded our portfolio to include plant-based alternatives. The DMK portfolio now covers various segments, which are distributed by the business units. In addition to MILRAM FrühlingsStreichs, one of the main focuses is on the product group of vegan cheese alternatives. Different recipes have been developed depending on the



Two products from the MILRAM Food Service portfolio have been awarded from expert juries.



Loving local goods

Products with shorter transportation routes are increasingly valued by consumers and companies alike.

Consumers value regionality and that is a good thing. At DMK, we are dedicated and passionate about our local areas where we work and live. We process our milk in regional plants in Germany, and our milk producers are based in eight large regions - meaning often, milk barely travels any distance at all.

Many regional products

In the Netherlands, too, milk producers work close to the plants, so many DMK products originally come from the region where they are made, even if they are not always advertised as such, as

regional labeling needs a certain amount of market demand and recognition.

Farming matters

DMK's Zeven plant was part of a study on indirect employment effects and the importance of agriculture in rural areas. It found that the site affects almost 4,000 jobs in supplying companies, of which almost 3,500 jobs are in agriculture.

Tradition creates trust

A small group of Bremen farmers came together in 2020 to campaign to revive the traditional Bremerland regional milk brand. Nowadays, it is impossible to imagine the Hanseatic city without Bremerland. "This local project is strongly supported by our Bremen-based DMK farm-



Success through regionality: The traditional Bremerland brand has been very well received since its relaunch.

customer and application. For end consumers, for example, there are two grated products from MILRAM: Pizza-Zeit and Auflauf-Zeit.

High standards of taste and functionality

In the industrial business, we focused primarily on developing the melting and browning properties of cheese alternatives, so that the products would have the same characteristics as cow's milk cheese when used on pizzas, in casseroles and as fillings. In the 'white' product group, we have developed a wide range of products and launched them under the MILRAM brand in food retail and food service. The product range extends from spreads, known as 'Streichs', to sour cream and yoghurt alternatives, as well as chocolate desserts. We set ourselves the challenge and task of ensuring that all our products meet the taste and application requirements of our customers.



"When communicating the Bremerland brand, we put the farmers at the forefront. This creates trust and wins people over, whether in supermarkets, on Instagram or at events that we organize or support in Bremen."

Lisa Mammen-Annas,
Head of Corporate Business
Development.

ers, who, through the revival of the Bremerland brand, can now also speak of their profession in a positive light," says Ingo Müller, CEO DMK Group. As society becomes increasingly alienated from agricultural products, such connections are becoming more and more important. Consumers need and want to know where products come from and how they are made. "This is an important task for us as the largest dairy cooperative in Germany," says Müller.

Shops and cafés have been selling fresh Bremerland milk, which comes exclusively from farmers in the Bremen city area, for five years. Bremerland also participates in a range of regional events, always working closely with the Bremerland farmers.





It's all about the packaging

As a food producer, DMK sets high standards when it comes to packaging. Not only should dairy products be safe, fresh, of high quality, durable and reasonably priced when they reach consumers - they should also generate as little packaging waste as possible.

Extensive projects

The company has embraced many major innovations in order to reduce potential packaging waste. The DMK Group set up the OCEAN project to avoid using plastic unnecessarily, aiming to develop more sustainable packaging that is easier to recycle, for example. DMK has been involved in a large number of research and development projects, commissioned several studies, set up workshops and pilot projects and built up an international network of industry and universities over the past few years. The focus of OCEAN is on optimizing the way plastics are used in packaging, through a range of approaches.

Better recyclability

We converted the **packaging of our own-brand spreadable fat** to packaging **that is 95% recyclable** at the start of 2023, to avoid more than 600 tons¹ of packaging waste every year. The Brand BU implements sustainable packaging in a range of ways under the MILRAM brand, for example by improving the recyclability of the MILRAM Frühlingsquark cup, increasing recyclability from 0 to 88%¹.

¹ Source: DMK internal calculations (packaging development/CoE-R&T)/applies after it is separated from the aluminum lid.

Saving material

We managed to reduce the **thickness of the film** from which cheese trays are formed. In Edewecht, we are now having all MILRAM and BU Private Label items converted to a bottom film that is around 15% thinner, which will save around 17 tons¹ of plastic for every 10 million cheese trays produced. Similar packaging developments are also in progress at the Altentreptow and Georgsmarienhütte sites. We have also dispensed with the **transparent snap-on lids on yoghurt packs**, MILRAM cottage cheese and fresh sour cream, saving still more plastic.

DMK is working on almost 20 projects that center on sustainable packaging and is now seeing some of the initial benefits.

To reduce the amount of plastic waste, DMK implements the requirements of German and European laws and directives, including tethered caps and the replacement of plastic drinking straws with paper straws. But our commitment goes far further: we are also focusing on more sustainable packaging, which is something consumers clearly want. Here are a few examples showing what DMK has already achieved.

High demands

The need to reduce the use of plastic plays an increasingly important role at DMK. It is not only something that customers and consumers are calling for - wider legal and social changes also require a reorientation when it comes to packaging strategies. But at the same time, the company must ensure there are no compromises when it comes to product quality, safety and the market need for functionality. Alongside sustainability, other key factors that define good packaging include maximum product protection, good performance in machine processing and logistics,

The three stages of OCEAN

1. Optimisation of recyclability
2. Material reduction
3. Use of plastic recyclates & bio-based plastics

and convenience for the end consumer.

Investment in innovation

DMK has set itself the goal of measurably increasing the sustainability of the packaging and packaging materials used in OCEAN. This is a cost-intensive investment that does not ultimately make the product cheaper - but it does make it much more sustainable.

"There must be no compromise on product."

Dr. Ralf Zink, Director R&T / Research & Technology.



Bio-based plastics¹

We began using biobased² plastic for MILRAM 750g buttermilk drink bottles in late 2023. Here, we are saving 200 tonnes of CO₂ compared to the previous year, with the same sales volume. OCEAN's longer-term development projects include the search for further bio-based plastics such as those made from whey and algae. They are just as recyclable as plastics used in the past, are made from renewable raw materials and would enable a final decoupling from chemical materials.

We also avoid using conventional slip-on lids for the Private Label herb quark PP tubs. To save even more plastic, we also **optimized the use of materials in the cup**, reducing its weight and improving its logistical properties. This is achieved by a specially developed cup geometry, which also ensures improved stability and optimum product safety. According to the packaging manufacturer's cradle-to-gate assessment², the project achieves a **GHG emissions saving of around 27%**. For these efforts, DMK and the manufacturer were awarded the German Packaging Prize in 2024.

¹ Source: DMK internal calculations (packaging development/CoE-R&T)

² According to calculation by Pöppelmann FAMAC® Composition Calculator

¹ Plastics made from renewable raw materials such as maize, wood or sugar cane. Bio-based plastics have an advantage in that less CO₂ is used compared to fossil-based plastics.

² DMK internal calculations (packaging development/CoE-R&T)





Learning to value food

There are so many ways to avoid wasting food. DMK provides some practical tips to encourage consumers to be more aware in how they use this valuable commodity.

An example ...

... of our MILRAM brand's commitment to reducing food waste:

We have set out on a mission to save food under the banner, "On course for more sustainability," by cooperating with "Too Good To Go" and our "Restlos lecker" initiative. MILRAM uses these initiatives to draw people's attention to the fact that food does not necessarily need to be thrown away after its best-before date. People should test it to check whether it is still good. MILRAM uses several channels to communicate this including social media and even prints details on MILRAM packaging.



A label to avoid throwing food away: Many products are edible well beyond their best-before date.

TOO GOOD TO GO



LOOK



SMELL



TASTE

Too Good To Go

RESTLOS LECKER

MILRAM provides recipes to encourage people to use food that may be older but is still good, from wrinkled apples to stale bread.



LINK

On track for more sustainability:
Follow this QR code to find the MILRAM Freshness Blog



Sustainability in sight

Climate protection has been a headline issue for years and many DMK customers have set themselves ambitious targets. They report on their emissions every year and in order to do that, they need data from their suppliers such as DMK. For some customers, up to two thirds of all their emissions come from milk and meat suppliers, making it all the more important for them to receive emissions data from DMK every year.

Versatile software solutions required

In order to achieve this goal for our customers, we have determined the Product Carbon Footprint of our products and also found indications for internal emission reductions.

Protecting the climate is a top priority at DMK. The Product Carbon Footprint provides a transparent view of the company's progress so far.

A good overview thanks to a wealth of data

We know the recipe and energy consumption for each and every item and use special databases to calculate product emissions. Data from the Agricultural Climate Check to determine the CO₂ footprint of the farms is an important part of this. All the data we obtain gives us a comprehensive overview of the footprint of our raw milk.



"We are doing everything we can to reduce the CO₂ footprint at DMK."

Lucian Paxino, Senior Manager Climate Strategy.

Emissions at a glance

Thanks to adapted software solutions, we can inform our customers about the emissions associated with an article and also the total emissions purchased from DMK. Internally, we can also take a close look at the key levers for reducing greenhouse gas emissions.

Corporate Carbon Footprint Product Carbon Footprint

Corporate Carbon Footprint (CCF)

All Group emissions (absolute)

DMK climate target: At least 42% (Scope 1 & 2) by 2030 compared to 2022

Focus: Milk and energy (gas)

SBTi certification

Product Carbon Footprint (PCF)

Product-related emissions

Climate targets in line with customer climate requirements

Focus depends on product

Certification ISO 14040/44

Our climate target at company level: "We have an SBTi-FLAG target and aim to reduce our Scope 1 & 2 emissions by 42%, our FLAG emissions by 30.3% and our non-FLAG Scope 3 emissions by 25% until 2030 vs. 2022." Depending on the Group or product level, different targets and key measures are defined. Our climate target at Group level (CCF) mentioned above is derived from the SBTi targets (see p. 11, Raw materials), while at product level (PCF) it is based on customer requirements.



From vision to product

A great deal of innovative strength is required when it comes to developing food products. In order to capture the spirit of the times, interdisciplinary teams evaluate social trends, desires and needs. Sustainability plays a major role in this process.

Focus on studies:
We evaluate external studies and commission analyses to identify trends that will influence the dairy industry and human nutrition. The results are a component of strategic decisions. These include, for example, the sub-trends mentioned here.

Our vision and our sustainability strategy give us a clear direction for the future of the DMK Group. As a major food producer, we want to move forward with the right ideas, translate trends into successful products and create impulses for the entire dairy industry with our work.

Thinking innovatively

We develop new products such as our plant-based alternatives and promote innovation on farms (see p. 12 Net Zero Farm). We are evolving as a company, for example through new work models. We work with partners in the value chain on topics such as: feed products and recyclable packaging (see p. 34 sustainable packaging). We participate

in national and international research collaborations with universities, technical colleges, research and development institutions, suppliers and partners.

Work in an interdisciplinary manner

Various departments work together cross-functionally in the core Idea to Market process: teams from Research & Development and Marketing in the BUs, CSSI (Corporate Strategy, Sustainability & Innovation) and the Centre of Expertise Research & Technology. Our two Milk Innovation Centres (MIC for short) in Edeweicht and Zeven, with their experienced teams from product, process, technology and packaging development, are important competence centres.



Health

... with many facets around the topics of mindful eating, proteins, zero sugar and digestive wellbeing.



Convenience

... Trends such as snacking, meal prepping, eating on the go. Healthy food to go.



Alternatives

... biotechnological innovations such as plant-based substitutes and alternative proteins.



diversity

... seasonality, regionality, local yet international food, glocal and fusion.



Types of nutrition

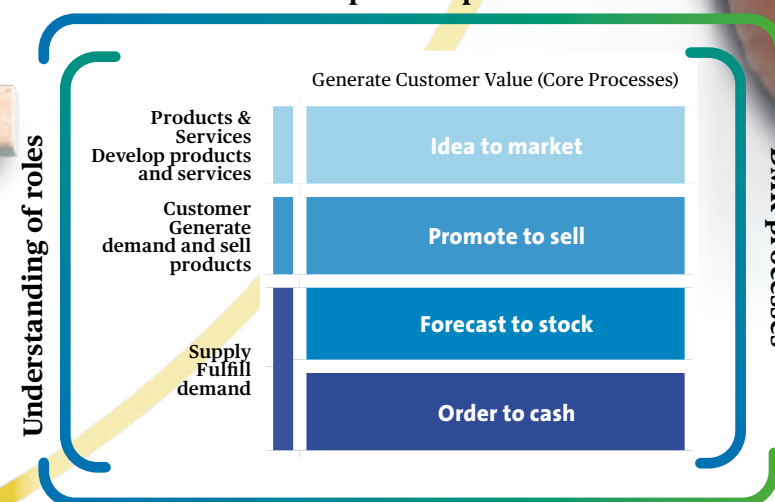
... for example, the high proportion of flexitarians and the trend towards vegan nutrition with increasing diversity



Sustainability

... including climate-friendly nutrition, regenerative agriculture, zero waste, circular economy.

DMK product portfolio



Strategic framework

- The product portfolio is realised via DMK's core processes, creating value for the customer
- Product development is part of the DMK core process Idea to market, the result (output) is a 'marketable, ready-to-produce product' (new product or optimised product)
- Product-related projects go through all four core processes: from the idea to the product, through the sale of the products, their manufacture and storage, to the receipt of payment

Well organized

At DMK, we pursue our goals together, communicating and treating each other as equals. Our focus: actively shaping the future of milk production. As a cooperative and as a company, DMK's clear and modern structures make that possible.

1. The parent companies

DMK Deutsches Milchkontor eG (DMK eG) and DOC Kaas U.A. are the parent companies of DMK Deutsches Milchkontor GmbH (DMK GmbH). They form the cooperative basis of the DMK Group. The DMK milk producers are themselves shareholders and thus owners of DMK eG and DOC Kaas U.A. The cooperatives are responsible for procuring the raw material milk.

2. The governing bodies of Deutsches Milchkontor eG

As a cooperative, Deutsches Milchkontor eG has a representative assembly, an advisory board, a supervisory board and an executive board, each with its own areas of responsibility.

The representatives' meeting

consists of representatives of the milk producers, who are elected every five years. This is the highest authority and decides, for example, on the use of the annual surplus, appoints the representatives of the shareholders to

the supervisory board and decides on the discharge of the executive board and supervisory board. It is convened once a year.

The Advisory Board

All key strategic decisions relating to DMK GmbH and the cooperative are discussed in this board. In addition, the Advisory Board promotes the exchange of information between members and the organisational Units and has the right to propose candidates for election to the Executive Board and Supervisory Board.

The Supervisory Board of DMK eG

monitors the activities of the Executive Board and is directly involved in decisions that are of fundamental importance to the company. Furthermore, the Supervisory Board approves the consolidated financial statements prepared by the Executive Board. The Chairman of the Supervisory Board is Heinz Korte.

The Executive Board of DMK eG

manages the company on its own responsibility. The Executive Board currently consists of eight members. Thomas Stürtz is the Chairman of the Executive Board.

3. Deutsches Milchkontor GmbH

As a limited liability company, DMK Deutsches Milchkontor GmbH has a shareholders' meeting, a supervisory board and a management board, each with its own areas of responsibility.

The shareholders' meeting

is the highest body and consists of the board of Deutsche Milchkontor eG, the main shareholder of the company, and two representatives of DOC Kaas U.A.

The Supervisory Board

monitors the activities of the management and is directly involved in decisions of fundamental importance. It also approves the consolidated financial statements prepared by the management. It has twelve members in total. Six are appointed by the shareholders' meeting, and six others are elected by the employees. The chairman of the Supervisory Board is also Heinz Korte (employer representative). The Supervisory Board is responsible for monitoring the Group's accounting process for the preparation of the consolidated financial statements and the consolidated management report.

Group Management

The management of DMK Deutsches Milchkontor GmbH runs the company and is also responsible for the Group Management of six

Business Units (BUs). All the elements of the organisational structures come together in the Group Management. As Speaker of the Group Management, the CEO is responsible for Corporate Strategy, Sustainability & Innovation, Research & Technology, Corporate Communications, Corporate Quality Management, Agri Business & Member Affairs and the Business Units of the DMK Group. The Chief People & Service Officer is accountable for HR, Corporate Governance, Supply Chain Management, Global Business Services and Continuous Improvement. The Chief Financial Officer is in charge for Group Controlling & Consolidation, Corporate Treasury & Financial Management, Business Intelligence & Data Analytics, Legal and Global Corporate IT.

In addition to the Group Management, the **management team** includes the respective heads of the higher-level Functions Supply Chain Management, Agriculture and Global Corporate IT, as well as the heads of the individual Business Units (BU), the Chief Operating Officers (COO).

Our Business Units (BUs)

operate independently and report to Group Management at regular intervals. DMK has six different Business Units: Private Label, Brand, International, Industry, Baby, Ice. The BUs are supported by service units and the Centre of Expertise. Guidelines and policies are set by the Corporate Centre to align BU goals and BU measures with Group goals.

Specialised Units as central divisions

The Corporate Centre (CC)

establishes secure guidelines for the entire Group to ensure that all guidelines are adhered to and that the interests of the DMK Group are not violated, a process known as safeguarding. This includes the strategic orientation of the Group, standardised guidelines and the management of the DMK Group's capital.

The Centre of Expertise (CoE)

provides the BUs and the Corporate Centre with its collective knowledge as a service. There are no standardised services in the CoE - it is all about creative and individually tailored support for the BUs. In addition, the CoE ensures synergies, because every Business Unit has a wealth of knowledge that can also help other units. If, for example, the CoE determines that a concept or process works particularly well in one country or BU, it shares this knowledge with the other BUs.

Global Business Services (GBS)

covers the 'Services' area. GBS provides the company with its services internally. These are primarily standardised, recurring tasks that are consolidated in the central GBS. Examples of these services include payroll accounting and invoice processing.

Further helpful abbreviations

BU = Business Unit
CSRD = Corporate Sustainability Reporting Directive
CSSI = Corporate Strategy Sustainability & Innovation
GE = Germany

ESG = Environment, Social, Governance
ILO = International Labour Organization
SCA / LkSG = Supply Chain Sustainability Act

MIV = Milchindustrie-Verband
NL = Netherlands
PCF = Product Carbon Footprint
SBTi = Science-Based Target initiative

Key figures – What we have achieved

Success, performance and sustainability: The DMK Group's key performance indicators show our progress so far.
The figures refer to the year 2024.

Economic



Milk volume
In 2024, the DMK Group processed a total of **5.3** billion kilograms of milk into food products of the highest quality at its plants in the Netherlands and Germany.



4,200
active milk producers in GE and NL supplied the valuable raw material for our products in 2024.



With more than **20 locations** the DMK Group is Germany's largest dairy company. Most of the sites are in Germany, with more in the Netherlands and select international hubs.



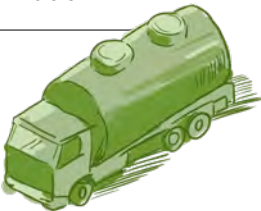
Turnover
5.1 billion euros in 2024.



5,710
employees in the Group in 2024 (GE + NL)

Milk producers Year 2024	Milk producers Deutsches Milchkontor eG	DOC Kaas U.A.
Number of milk producers	3,600	600

Includes milk producers and member dairies of DMK eG and DOC Kaas, only active farmers.



Social

Proportion of women in the company
Applies to DMK GmbH in 2024

17%
Supervisory board

50%
Management in 2024

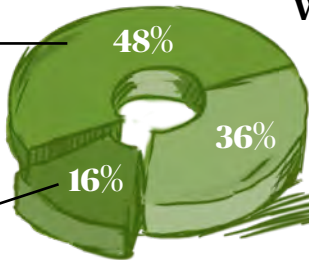
30%
Second and third levels*

**first and second management levels below the Group Management*



30-50 years old

< 30 years old



Workforce age structure
Applies in GE and NL in 2024

> 50 years old



69%
company-wide

79%
in senior management



31%
company-wide

21%
in senior management

Senior management comprises all functions that hold senior management responsibility and are in Hay Grades K, A-C (basically senior executives).

Gender of
5,710
employees,

Applies: DMK GmbH + at least 75% subsidiaries in 2024

Scope: DMK GmbH + at least 75% of subsidiaries (Germany and the Netherlands), reporting date 31.12.2024



	2022		2023		2024	
Employees	absolut	in %	absolut	in %	absolut	in %
Total number of employees	5,811	100	5,864	100	5,710	100
Permanent	5,274	90,7	5,330	90,9	5,161	90,4
Full time	4,625	87,7	4,637	87	4,438	86
Part time	649	12,3	693	13	723	14
Temporary	537	9,2	534	9,1	549	9,6
Paid under collective agreements	5,740	98,8	5,789	99	5,639	99
Employee turnover	441	7,6	441	8,2	567	9,9
New hires	559	9,6	536	9,1	428	7,5

Scope: DMK GmbH + at least 75% of subsidiaries

Occupational safety	2022	2023	2024	Unit / Quantity
Number of accidents from the 1st day of absence	69	84	71	Number of accidents with at least 1 day of absence
Injury rate	8	9	7	Accidents causing at least 1 day of absence / 1 million labor hours
Lost work day rate (lost time index)	0,17	0,19	0,16	Downtime due to accidents (with at least one day of absence) / hours worked

KEY FIGURES

Ecological



Wastewater and freshwater Scope: all German production plants and Hoogeveen (DOC ZVP, DOC AT, wheyco NL).

Wastewater discharge by type (wastewater consumption in m³)	2022	2023	2024
Total wastewater volume	9,123,894	9,332,726	8,748,698
Direct discharge (own clarification plant)	2,945,717	3,034,756	2,781,547
Indirect discharge (municipal treatment plant)	6,178,176	6,297,970	5,967,151
Water withdrawal by source (freshwater consumption m³)	2022	2023	2024
Total water consumption	8,365,895	8,422,107	8,040,051
Own water (well water)	3,784,548	3,774,985	2,794,305
External water (municipal water)	4,581,347	4,647,122	5,245,746

Scope: Only German sites, at least 75% of subsidiaries

	2022	2023	2024
Direct energy consumption, total, in kWh	1,401,516,738	1,366,033,413	1,317,622,541
Of which direct energy from non-renewable energy sources	1,389,210,662	1,265,628,815	1,304,447,142
Electricity (incl. own generation)	329,681,595	335,623,431	360,216,682
Natural gas	944,084,368	930,004,384	864,926,395
District heating	41,050,576	40,516,380	33,329,335
Diesel fuel	55,823,542	48,054,092	45,154,562
Liquid gas	543,271	498,215	351,439
Heating oil	18,027,310	3,422,547	468,729
Of which direct energy from renewable energies	12,306,076	11,336,911	13,175,399
Biomass	12,167,277	11,217,568	13,059,258
Energy intensity (energy used per kg of raw milk)	0,289	0,289	0,288
Energy savings or energy avoided	9,46 million KWh	26,31 million KWh	20,25 million KWh



CO₂e emissions*

Scope: CO₂e emissions on an annual basis (Scope 1-3) tonnes CO₂e
*CO₂ emissions are calculated on the basis of FLAG.

	2022	2023	2024
	9,621,741	9,489,536	9,268,086

ABOUT THE REPORT



Scope: all German manufacturing plants.

Waste by type and disposal method	2022	2023	2024
Total waste (excluding sewage sludge) in tons	12,550	14,476	10,560
Non-hazardous waste, %	94,6	97,5	95,70
Hazardous waste, %	5,4	2,5	4,3
Recycling rate, %	95,5	98,3	97,5
Disposal rate, %	4,5	1,7	2,5

About this report

This responsibility report applies to the 2024 financial year (1 January to 31 December 2024). Reporting is voluntary and informs our stakeholders and the interested public about how the DMK Group lives up to its economic, ecological and social responsibilities and integrates sustainability into its corporate strategy.

To this end, we document the key areas of our sustainability management, our approaches and selected targets, measures, progress and key figures.

This report was published in October 2025. The editorial deadline was 16 September 2025. No external review of the responsibility report has been carried out. The last report was published in September 2024 for the 2023 financial year.

DMK also reports annually on sustainability as part of its integrated annual report. The last integrated annual report was published online in June 2025 for the 2024 financial year (1 January to 31 December 2024) and is available here: www.dmk.de.

Scope and data collection

The scope of this report corresponds to that of the annual report. It includes affiliated companies and shareholdings of the DMK Group in Germany and the Netherlands (DOC Kaas) and covers: milk producers and member dairies of DMK eG and DOC Kaas U.A., DMK GmbH and DMK shareholdings with at least 75 per cent. Unless otherwise stated, the reported content and data refer to the following segments of our scope:

- Key figures for employees, energy and occupational safety include DMK GmbH and DMK holdings with at least 75 per cent
- Waste key figures include all German production plants
- Other environmental key figures apply to all German production plants and the Dutch site in Hoogeveen (includes DOC ZVP, DOC AT, wheyco NL)
- Milk volume includes processed milk
- CO₂ emissions include DMK globally

The information was collected in close cooperation with the relevant departments and by evaluating various management systems (including the electronic personnel management system, ISO 14001 environmental management system and ISO 50001

energy management system). Our employee data is valid as of 31 December 2024. Rounding differences may occur in individual cases.

Significant changes and restatements

There have been no significant changes in the organisation and its supply chain since the last report. In this report, we apply the GRI Standards 2021 of the Global Reporting Initiative (see GRI Index). In addition, we are preparing for reporting requirements under the EU CSRD Directive.

Further information and contact

To make the report easier to read, we use the masculine form for personal designations. This always refers to persons of all genders. This report is publicly available on our website as a PDF file.

The contact persons for questions and the content of this report are Dr. Philipp Inderhees, Dr. Maximilian Blum and Ms Christine Barjenbruch, who can be reached by email at: nachhaltigkeit@dmk.de.

GRI INDEX

This sustainability report was prepared in accordance with the GRI Standards 2021 and GRI 1: Foundation 2021 of the Global Reporting Initiative (GRI) and applies to the 2024 financial year (January 1 to December 31, 2024). GRI Sector Standards were not applied. The disclosures correspond to the latest available version of the German translation of the GRI Standards, which is accessible here:

www.globalreporting.org/how-to-use-the-gri-standards/gri-standards-english-language/

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