

Communication on Progress (CoP) 2009

Tchibo joined the Global Compact initiative of the United Nations (UN) on November 18, 2010. The company is committed to the ten principles of the UN Global Compact concerning human rights, labour standards, environment protection as well as anti-corruption and their implementation in all business processes.

We step in for a reliable and sustainable corporate policy. Our CEO Dr. Markus Conrad underlines this attitude in his foreword to the Sustainable Development Report 2009.

Since its foundation in the year 2000 the UN Global Compact is an international leadership network for business, government, labour and civil society through a common goal: to realize the implementation of the ten UN Global Compact principles in day-to-day business and to enforce broader UN goals, including the Millennium Development Goals (MDGs). The UN Global Compact principles are based on:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

Tchibo's first communication on progress (CoP) gives detailed insight into how the UN Global Compact principles are implemented at Tchibo using policies and management systems and what goals we are pursuing. The Sustainable Development Report 2009 forms the basis of the CoP. The table below lists the links to the relevant pages of the online report.

In the future we plan to align the publication of the communication on progress with the cycle of sustainability reporting. Therefore, the next CoP publication is scheduled for the third quarter 2011.

UN Global Compact Principles	Relevant content
Principle 1 – Businesses should support and respect the protection of internationally proclaimed human rights	 Human rights in the supply chain Code of conduct <u>for Tchibo staff</u> and <u>for suppliers</u> Occupational health as well as <u>health and safety</u> at Tchibo
Principle 2 – Businesses should make sure they are not complicit in human rights abuses	 Memberships in initiatives for protecting human rights Remarkable progress and status of objectives on training and dialog concerning human rights as well as workplace safety
Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	 Protection of the freedom of association and the right to collective bargaining in the supply chain Collective bargaining for Tchibo staff Co-determination at Tchibo



UN Global Compact Principles	Relevant content
Principle 4 – Businesses should uphold the elimination of all forms of forced and compulsory labour Principle 5 – Businesses should uphold the effective abolition of child labour	 Dedication to <u>eliminate all forms of forced and compulsory labour as well as child labour</u> in the supply chain <u>Monitoring social standards</u> in the supply chain of consumer goods Determination of international labour standards in the code of conduct <u>for Tchibo staff</u> and <u>for suppliers</u>
Principle 6 – Businesses should uphold the elimination of discrimination in respect of employment and occupation	 Dedication to <u>eliminate discrimination</u> in respect of employment and occupation in the supply chain <u>Local hiring</u> at Tchibo <u>Performance-related wages</u>, <u>equal treatment</u> of Tchibo staff and <u>rate of employee turnover</u> at Tchibo <u>No incidents of discrimination</u> occurred at Tchibo during the reporting period
Principle 7 – Businesses should support a precautionary approach to environmental challenges	 Corporate environment protection, climate protection and biodiversity at Tchibo Remarkable progress on corporate environment protection Environment protection in the supply chain of coffee and consumer goods
Principle 8 – Businesses should undertake initiatives to promote greater environmental responsibility Principle 9 – Businesses should encourage the development and diffusion of environmentally-friendly technologies	 Sustainable products and climate-friendly products at Tchibo Raising suppliers' and costumers' awareness of sustainability of coffee and consumer goods Energy saving and efficient use of materials in day-to-day work at Tchibo Membership in initiatives for environment protection Remarkable progress on costumer sensitizing and sustainability



UN Global Compact Principles	Relevant content
Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery	 Corruption in the <u>risk assessment</u> for all business units Anti-Corruption as part of the <u>code of conduct</u> for Tchibo staff <u>No incidents of corruption</u> monitored at Tchibo during the reporting period

CoP on "Sustainable development report 2009" website

http://www.tchibo-nachhaltigkeit.de/Facts-Info/UN-Global-Compact.aspx?l=2