



Impact Report

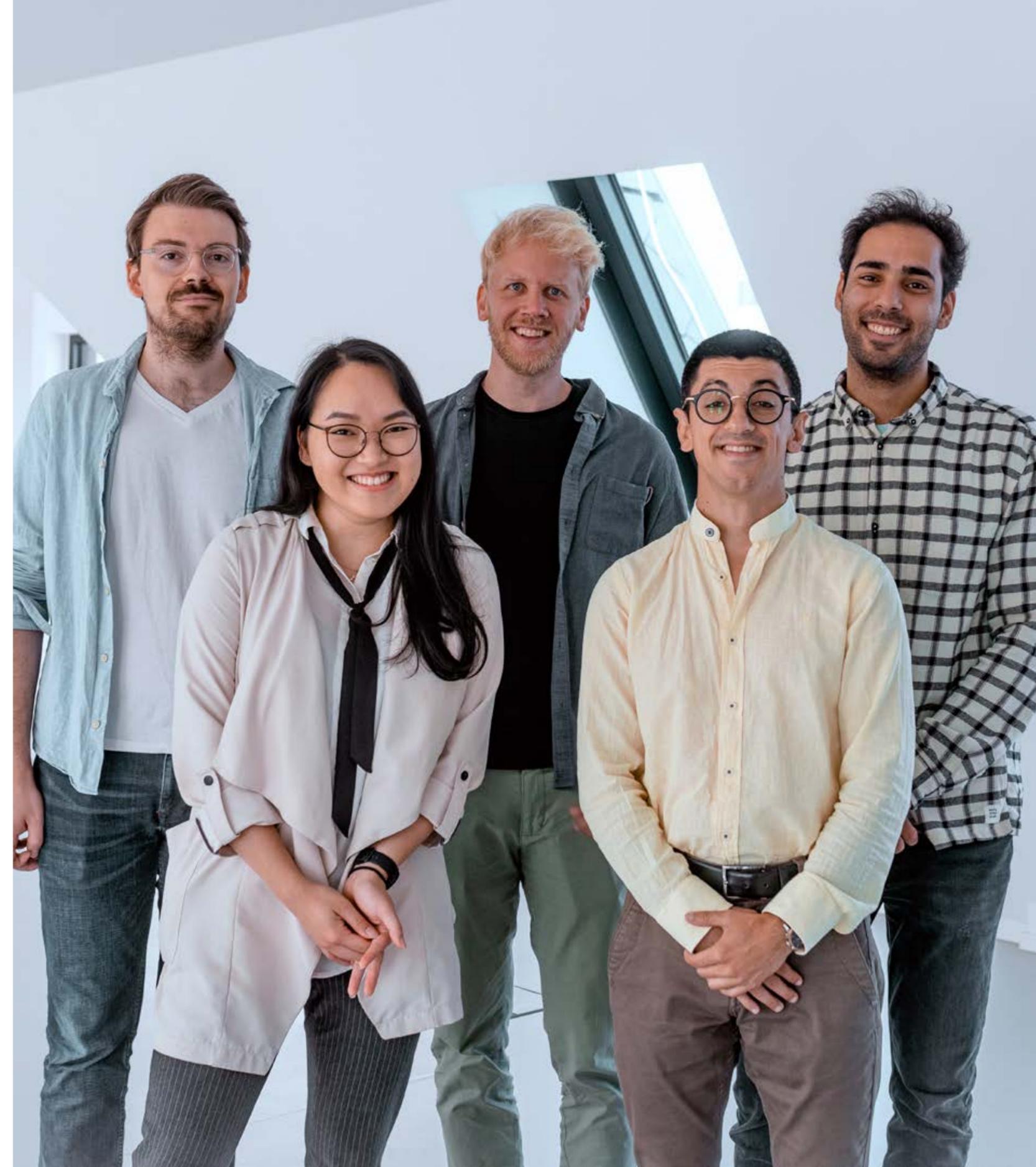
2022

Foreword

KoRo has gone through many exciting and challenging phases since the company was founded in 2014. We have managed to transform an online retailer of detergent and cleaning products in bulk into a fast-growing D2C brand of top-quality and natural foods. What has been crucial for this development were our courageous and creative employees, who have shaped the company with a lot of passion. Within a few years, KoRo has grown from a three-person startup to a company with over 250 employees. In 2022, we moved into our new office in Berlin, Schöneberg and here laid a new foundation for further development, which also includes this report. It forms the starting point for our future actions by taking stock of environmental, social, and corporate governance issues. These topics have become increasingly important in the past years. Now, many companies are aware of their responsibility towards their customers, partners and, above all, our planet.

Since KoRo's foundation, the management has always been aware of these fields. In some aspects, we are not where we want to be yet, but we work continuously and communicate transparently to achieve these goals. Doing that, we always keep our mission in mind: KoRo is to become the leading supplier of natural snacks in Europe, while it similarly is to simplify the access to high-quality and natural foods as well. We aim to provide a certain degree of sustainability with each of our products, which our customers are to access at a fair price point. The more KoRo grows, the easier it will be for us to source products directly from their origin. This shortens our supply chains and makes them transparent to everyone. For us, it is important that all involved in the supply chain, meaning traders, producers, customers, our team, and our environment, benefit from KoRo's actions. We are committed to this mission and look forward to pursuing it together.

The KoRo Management Team



Why ESG is so important

A quarter of all global greenhouse gas emissions originate from food production.¹ Given this fact, we believe KoRo has a responsibility to contribute to a more sustainable food sector. **We are convinced that sustainable action is necessary throughout the whole value chain.** Our big goal is to work out a way of doing business that benefits not only the company, but also the planet and the people. In recent years, these aspects have also become more important to customers and are increasingly influencing their buying decisions. For us, it goes without saying that we as a company fulfil our responsibility and thus also respond to our customers' wishes.

The aim of the following report is to **evaluate our efforts in the area of corporate social responsibility**, and thus to determine in which areas we need to improve. As a food retailer, we do not grow or produce products ourselves and are dependent on farmers and producers. This brings us to our limits in certain areas. However, where we have scope of action, we will do our utmost to contribute to the change.

¹<https://ourworldindata.org/food-ghg-emissions>



CHAPTERS

Who We Are	—————	5
Planet	—————	12
Customers	—————	18
Suppliers	—————	25
Team	—————	32

Who We Are

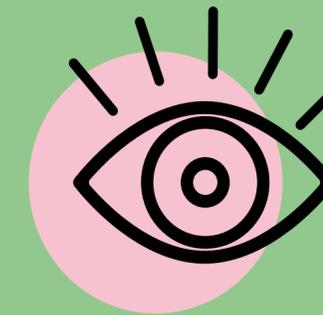
KoRo's values

The idea behind KoRo is simple: **by bypassing trade levels and using efficient process flows and simply designed bulk packaging**, we make high-quality food available to everyone at fair prices. The company started with this idea almost nine years ago. Today, KoRo is mainly known for its efficient bulk packaging and wide range of products, from basics like rice, pasta and nuts to special products that are not as easy to find in conventional supermarkets. Our vision is to become the number one online brand for natural snacks in Europe and to expand globally. To achieve this, we follow five values:



Passion

Our heart beats for delicious and high-quality food! We want to convey this passion to our customers and believe offering the best products possible is the best way to inspire them. We believe: **products have to be at a high standard, safe and taste delicious, all whilst using minimal ingredients.** That is why quality has the highest priority at KoRo. Our sourcing and quality management team applies this principle to our products every day, thus creating the core of KoRo: simply good products.



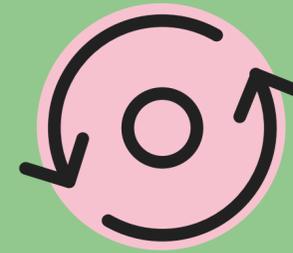
Curiosity

We are rethinking food supply chains by offering delicious and innovative products from around the world and bringing customers closer to both the producers and their products. We want to break new ground in order to change the food trade. **Our main goal is to source all products from their country of origin, in order to be as close as possible to the concept of direct trade.** In doing so, we not only want to save transport routes and packaging material, but above all create insights into origin and supply chains of our products.



Transparency

We want to inform customers about the company, products, prices and packaging and thus promote transparent communication at eye level. It is important to us to **provide realistic insights into the everyday life and decisions of a trading company and to offer customers the opportunity to make an informed buying decision** and to take a closer look at food products, including their ingredients and origin.



Sustainability

In order to be there for our customers for a long time to come, we want to **combine economic and ecological sustainability**. In our understanding, these two aspects are interdependent and closely intertwined – without economic resources, we cannot take sustainable measures.



Integrity

To build trust in us as a company, we keep our word and openly communicate weaknesses – without sugarcoating things – and only convey the values we also act on ourselves. **By admitting to mistakes, we can continue to develop.** With this honesty, we want to have a lasting influence on the food trade.

Sustainability Concept

Packaging

Our packaging contributes in many ways to reducing KoRo's ecological footprint. It **protects products** so that they reach customers safely and so that we do not have to throw away goods because of defects. The majority of our packaging is also resealable, which **contributes to shelf-life**. Our **bulk packages remove unnecessary intermediate steps in the supply chain**, such as repackaging in smaller retail packages, and prevent the resulting packaging waste. When it comes to the type of packaging—whether glass, plastic or paper—we are very flexible, as long as our products are properly protected. We often even use the packaging that's already available from the manufacturers. This **flexibility also makes it easier for us to skip trade stages, which saves costs, packaging material and emissions**. Using bulk packaging doesn't just reduce waste in our upstream supply chain – we also **save on the amount of packaging material used per the package contents compared to standard retail packaging**.





Products

It is not only how a product is packaged and transported that is important for its environmental footprint, but also what it is made of. Food itself causes a lot of emissions, so we try to create a product range that has less impact on the climate and the environment. Since animal farming is responsible for 14.5%² of global greenhouse gas emissions, we have built a **99% vegetarian product range**, which is also **60% vegan**. Around **40% of our products are certified organic**, which helps to protect and preserve biodiversity.

² <https://www.fao.org/news/story/en/item/197623/icode/>

Sustainability = Purpose * Scale

We believe that real change is only possible if enough people contribute. Sustainably traded products are often expensive and therefore unattainable for many people. **Our approach is to reach as many people as possible with products that have at least a smaller environmental footprint than the average of comparable commercial products.** In this way, we can **integrate sustainability into the mainstream** and hopefully make a big difference in the aggregate. Companies that have made completely sustainable action their goal are currently still in a market niche.

However, they serve as role models for us and pave the way for a more sustainable economy in the long run. We already want to create real competition to the large and established companies and make our products accessible to the broad masses and thus to every budget. On this path, we certainly don't do everything perfectly, but we do our best to constantly evolve.





How it all comes together

In the food industry, the journey of a product from its origin to the end consumer can be very long due to, for example, many intermediaries, re-packaging and lavish packaging design. Our approach is to break this structure by skipping trade stages and thus saving emissions caused by complicated and long supply chains. This process goes hand in hand with our bulk packaging, as it gives us more flexibility in skipping intermediaries and reducing waste. **The bigger KoRo becomes as a company and therefore as a buyer, the closer we can work directly with producers and farmers.** In the food industry, certain purchase quantities are necessary in order to bypass importers and wholesalers. **By making our products available to as many consumers as possible, we will grow and be able to implement our concept on a larger scale in the future and have a lasting impact on the food industry.**

Planet

To reduce the economy's impact on climate change, companies have a particular responsibility to act, reflect on their business practices and offer customers more climate-friendly alternatives. This is in line with our vision to make high quality, natural food and sustainable choices accessible to a wide audience. We want to create awareness for resources like raw materials or packaging. **By informing our customers, we can lay the foundation for change.** Our products should first and foremost taste delicious and inspire our customers, but secondly also integrate a certain sustainable aspect into everyday life—and all this at a fair price-performance ratio. As an economic player in the food industry, we are also dependent on the climate. Extreme storms, heat waves and droughts increase the risk of crop failure or interrupted supply chains, which ultimately affects our space for action. Only if this is secured do we have further economic resources to remain profitable, continue our mission, and expand our sustainability concept. **Together with our customers, we want to take responsibility and work for a better future.**

Carbon Footprint

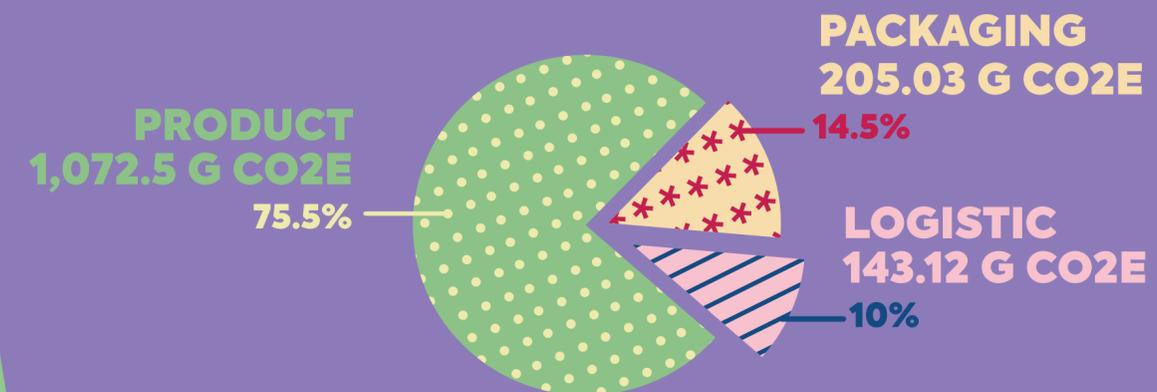
In 2021, we calculated our company carbon footprint in compliance with the Greenhouse Gas (GHG) Protocol Corporate Standard for 2020 and 2021:

2020: 153 tCO₂e / m€
2021: 180 tCO₂e / m€

In 2022, we took another step and started calculating the CO₂e emissions of our individual products. Our aim is to **showcase the environmental impact of each product on their respective detail page** so that our customers can make informed buying decisions. We aim to **illustrate the emissions that accumulate during each part of the supply chain**, e.g., in the production of raw materials, processing, packaging and transportation, as exactly as possible.

So far, we have calculated **the emissions for our top 25 products**. For 2023, our goal is to calculate the emissions of at least 100 products. In the long-term, we aim to achieve this for our entire product range.

As an example, the production of one jar of our “White almond butter 500 g” generates a total of 1,420.65 gCO₂e (see chart). This is equivalent to 9.5 km with an average European car.



Emissions (in g CO₂e) per jar of our “White almond butter 500 g”

One key finding that we concluded from the CO₂e calculations is the impact of our upstream transportation. We only use airways as means of transportation for two of our 1500 products. Additionally, our shorter supply chains also save transport emissions. This is why our logistics only make up 9% of the product’s total emissions, which is around half of the global average of 20%.³

Another interesting learning is that our **plastic packaging accounts for roughly 3% of the product’s emissions**, while our **glass packaging generates almost 12% in emissions**.

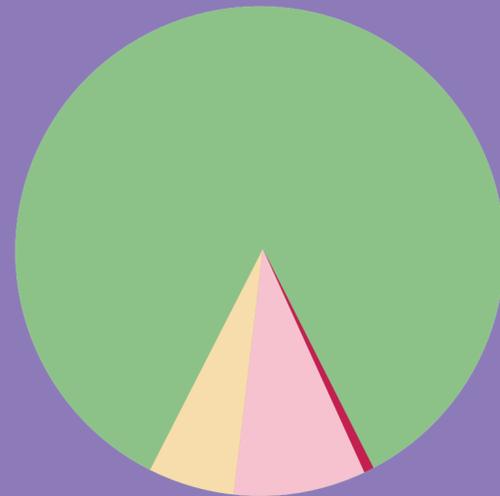
That is because the production of glass is more energy-intensive than the one of plastic. Also, we learned that the **production of our products’ raw materials** is by far the factor with the biggest impact; **it accounts for over 80% of our products’ total emissions**. This suggests that protecting food through efficient packaging combined with the shortening of supply chains should be a higher priority for us than reducing emissions by changing the packaging methods themselves. After all, 6% of global greenhouse gas emissions come from food waste –15% of this food is lost in supply chains.⁴

³ <https://www.nature.com/articles/s43016-022-00531-w>

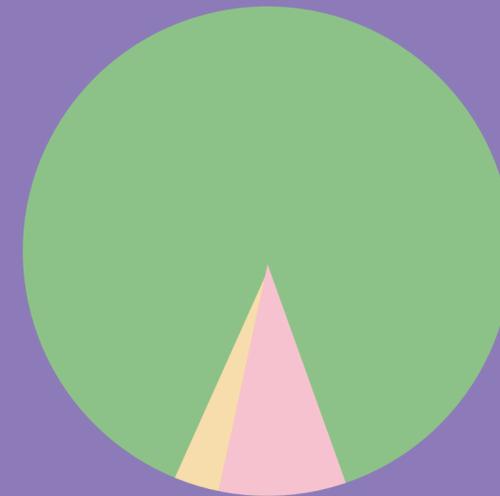
⁴ <https://ourworldindata.org/food-waste-emissions>

AVERAGE COMPOSITION OF CO2E EMISSIONS OF KORO PRODUCTS:

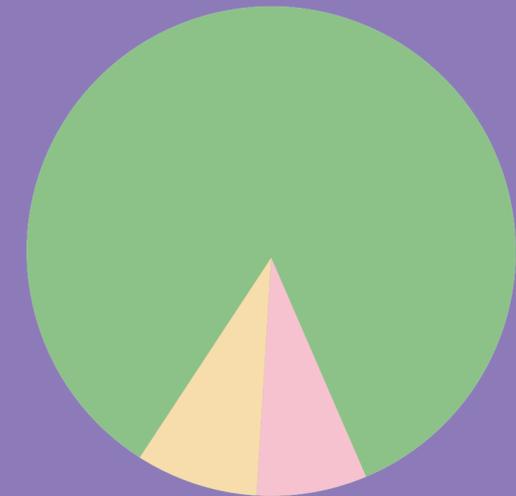
OVERALL PER KG



PLASTIC PRODUCTS PER KG



GLASS PRODUCTS PER KG



PROCESSING

0.5%

PRODUCT

84.6%

LOGISTICS

8.8%

PACKAGING

6.0%

88.6%

8.9%

2.5%

79.5%

9.0%

11.5%

Packaging

Our priority is that the products arrive safely at the customers' homes. If this is not the case, the product has a shorter shelf-life and, in the worst case, has to be thrown away. A study from 2020 shows that **packaging often helps to reduce food waste** through its protective function. In this case, **avoiding food waste** can generate **5 to 10 times higher “environmental benefit”** compared to the “environmental cost” of the packaging.⁵ Our goal is therefore to optimize our packaging for **maximum food safety** and an **extension of the minimum shelf-life**. In many cases, only plastic packaging meets this requirement. Nuts, for example, are very fatty and would leak grease and damage paper packaging in a short time. Therefore, chemicals or plastic coatings are regularly applied to paper packaging to protect the food and studies show that other materials such as glass or metal mostly have a higher environmental impact in production, transport and recycling.⁶ Contrary to its bad reputation, plastic is frequently the most sustainable packaging option that meets KoRo's requirements. We acknowledge that plastic has numerous environmental drawbacks, and we constantly seek better and safe alternatives. Our current focus is on researching the composition of plastic bags, which is a crucial aspect that demands our attention. This is an ongoing process, and we need to experiment a lot to find the optimal solution. We don't always have a perfect answer right away.

Bulk packaging savings:

- On average, we save **40%** of plastic packaging material **per 1 kg of food**, compared to average retail packaging. This is a saving of around **17.5 g plastic per kilogram**. *
- In 2022, with our bulk packaging sold, we **saved 57t** of plastic. *

*calculation made from a sample of bulkbags extrapolated to our 519 bulkbags items available in the shop.

Plactic savings

	Plactic savings In grams (g)	Plactic savings In percentage
Average of retail competitors	23.38	-50.44%
Best competitor	11.62	-31.64%
Mean	17.50	-41.04%

On top of the savings from bulk packaging, we can often also **save unnecessary plastic waste by not repackaging food** and instead using our suppliers' packaging material. This sometimes results in different packaging than what consumers are used to, but saves using a whole new package. Our goal for 2023 is to measure and track these savings made in our up-stream operations.

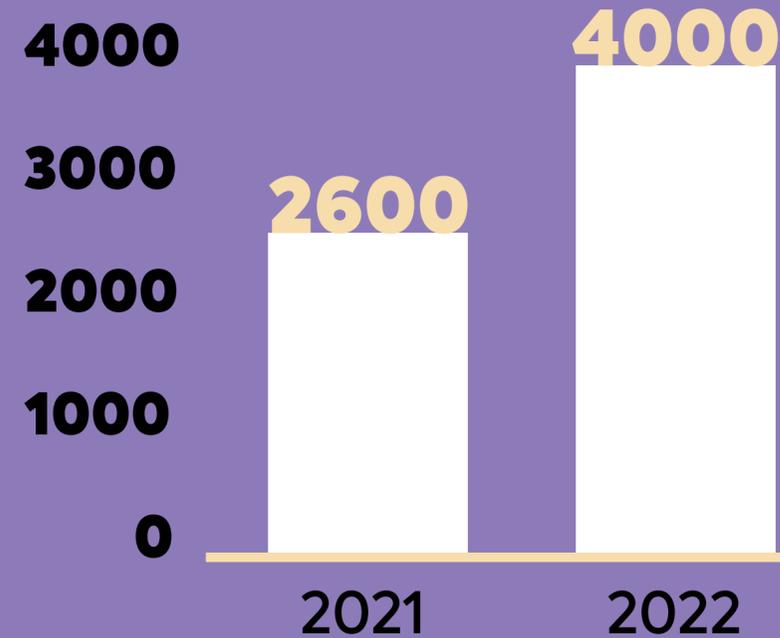
⁵https://boku.ac.at/fileadmin/data/H03000/H81000/H81300/upload-files/Forschung/Lebensmittel/Guideline_StopWaste_E_082020_web.pdf

⁶https://www.nabu.de/imperia/md/content/nabude/konsumressourcenmuell/211025-nabu-factsheet_verpackungsvergleiche.pdf

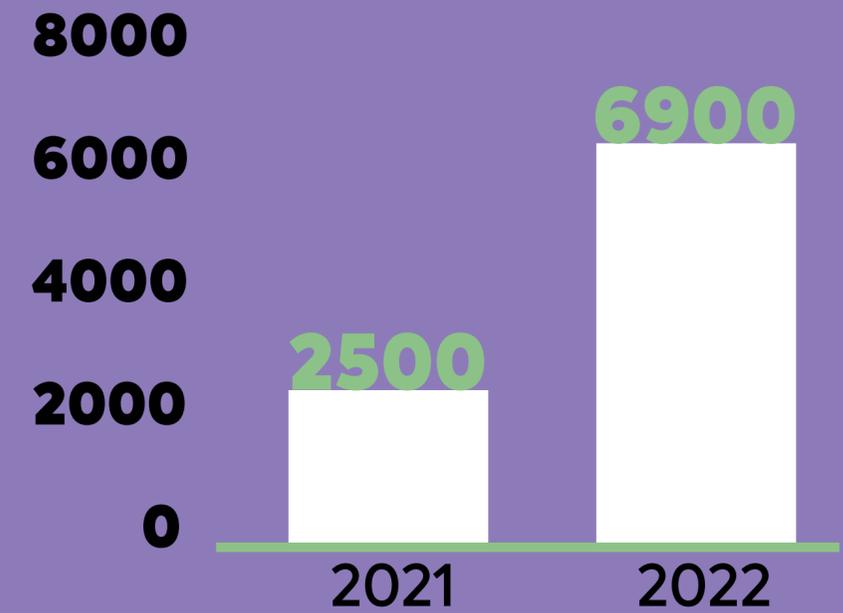
However, we also acknowledge that there is a huge problem with plastic waste in the world, which we also need to take responsibility for. Thus, we have been assessing different plastic-free packaging alternatives for our snack products, as these are often not recycled properly and can end up in the environment. In fact, we are currently working on test runs with our protein bar suppliers to evaluate the feasibility of using such alternatives. This is a complex process, because several factors must be considered, such as permeability and machine compatibility. Therefore, this is an ongoing project, but **our goal for 2023 is to have at least one product line entirely produced with plastic-free packaging.**

Other Impact

- For our office, we use green electricity from **100% renewable energy.**
 - Wherever possible, our employees travel by **train instead of by plane.** If flights cannot be avoided, we offset the generated emissions.
 - Event **catering** and office lunches are **vegetarian/vegan.**
 - Our website hosting provider is powered by **100% renewable energy.**
 - We switched from plastic bubble wrap to **recycled wrapping material** (honeycomb paper) for the delivery of our glass products.
- 570.6 kg plastic waste avoided in 2021 and 16.8t plastic waste avoided in 2022
- **Vegan products** make up **60%** of the product range.
 - **39%** of the product range is **organic certified.**



TONNES OF ORGANIC PRODUCTS SOLD



TONNES OF VEGAN PRODUCTS SOLD

Goals

- We plan to set up an **environmental management system** in 2023 to be able to set concrete goals to reduce our carbon footprint.
- We want to create and maintain a **database with information about supply chains** as well as **packaging** of as many products as possible.
- We want to **increase our share of organic and vegan products**.
- Depending on technical feasibility, we plan to **adapt our shipping cartons** so that the contents and carton size are optimally matched in order to save material and protect glass products even better.



Customers

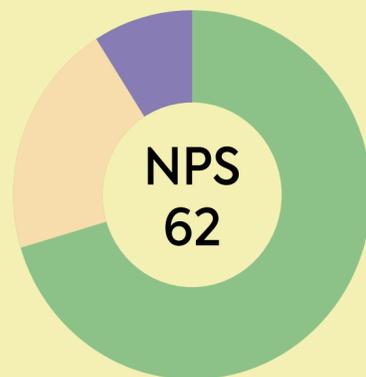
Throughout the last eight years since KoRo was founded, we are proud to have gained many loyal customers. As well as having become more professional, we also were able to expand our range in 18 countries across Europe during this time. Our primary goal has always been to offer the best quality for our customers and to communicate as transparently as possible. In our online shop, every KoRo customer should be able to find products based on their individual needs, preferences, and opportunities. We want to provide as much information as possible about the company and its products so that everyone can make an informed buying decision. Furthermore, we are always happy to go in exchange with our customers, whether it be via social media, customer support, or our website. Without happy customers, KoRo cannot develop or grow.



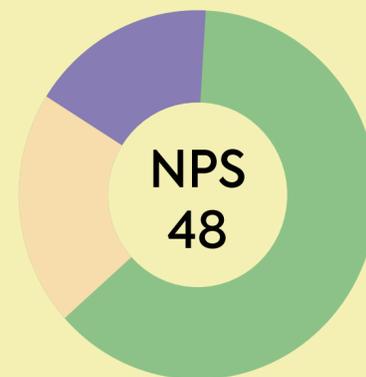
Customer Satisfaction

KoRo's success is largely based on a simple yet effective principle: **recommendations**. Influencers recommend the products they like via YouTube and Instagram, friends and family share their most liked nut butters, and customers interact with each other by reading and commenting on product reviews. This is how we grow: the enthusiasm for our products is being spread by our customers. However, critical feedback is just as important to us as positive reviews. Critical or negative feedback allows us to improve and develop our services, concepts, and products. On a regular basis, we ask our customers to **voice feedback regarding their experience with KoRo**. To find out whether customers would recommend KoRo to others, we did a survey and calculated the **Net Promoter Score** – an essential indicator for calculating customer satisfaction – out of the answers. Additionally, we also asked the customers what they liked about ordering from KoRo, what KoRo should improve and what additional functions they would like to see in the shop:

MARCH 2021

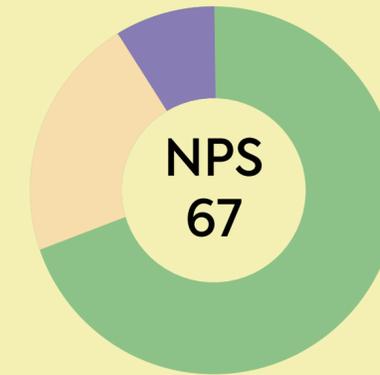


GERMANY

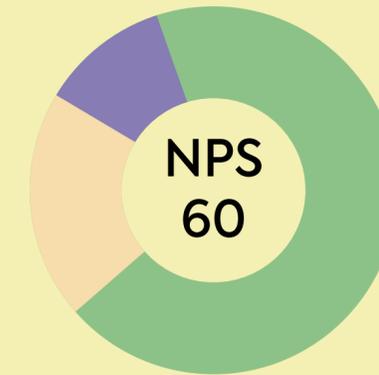


OVERALL

OCTOBER 2021



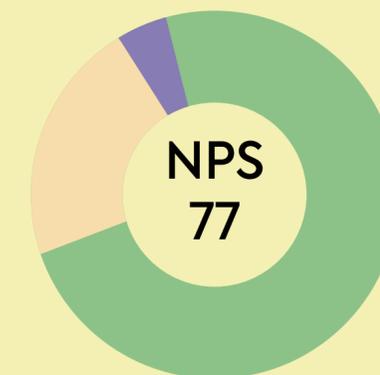
GERMANY



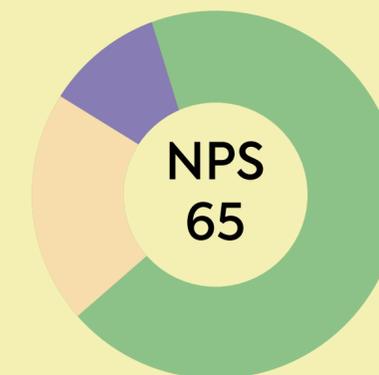
OVERALL

Green: Promoters
Beige: Passives
Purple: Detractors

AUGUST 2022



GERMANY



OVERALL

These figures illustrate great results and our continuous improvement. Also, it is important to notice that our customers seem very committed to rating our products and exchanging opinions in the products' respective section:

- Average rating of products: 4.8 out of 5
- Average number of reviews per product: 104*
- Bestseller cashew pieces: 1678 reviews, 4.8/5.0 rating

*among all products receiving a review

Pricing Strategy

At KoRo, **we do not believe in big discount promotions.** Instead, we want to be able to **offer high-quality food at a fair price to our customers all year round** and **support conscious consumption.** The only reason for us to discount an item is: If we have to reduce stock in the warehouse, to prevent the disposal of products with only minor defects or a short best-before date.

We are flexible in our pricing and adjust prices as necessary to offer our customers the **best value for money.** There are three important factors that determine our prices:

- The purchase price of raw materials or our production costs.
- The lowest comparable competitor's prices.
- The administrative costs such as salaries, rent, commissions for partners or logistics costs.

Several times a year, we use these factors to **check that our prices are up-to-date** and adjust them if necessary. We **communicate this transparently** on our blog and social media channels, explain the price adjustments and offer statistics on the development of the sales price for all products. This communication has the same priority for us as to offer customers a consistent and fair price. These **principles create the trust in us as a trade company and supplier.** It also gives a certain added value to our customers. For example, we **announced the price changes** in May and August 2022 **in advance** and explained the reasons for them in detail on various channels in order to involve customers as much as possible.



Quality Standards

Quality is our top priority. We want our customers to be satisfied and therefore pay special attention to the taste, appearance, and ingredients of our products. Before a product goes online in our shop, we try out different variations and **only select high-quality products** that meet our standards. Through accredited third-party companies, our quality management itself is also regularly checked for compliance with certain standards. Such standards also include certificates from the food industry. For example, products labelled as “organic” comply with EU organic requirements.

We work primarily with suppliers who have a certification accepted by the **GFSI (Global Food Safety Initiative)**. If this is not the case, we base our approval of new suppliers on the parameters of our **IFS standard (International Featured Standard)** in order to be able to guarantee the quality of the food. For sourcing the products, we are guided by current food trends that are in line with our philosophy. We also like to try out unusual products and give them a chance to be discovered by a larger number of customers.

99% of our **1500 products** are **vegetarian**, **60%** are **vegan** and **around 40%** of the range is **certified organic**. We offer a variety of gluten-free, sugar-free and lactose-free products. In order to be able to offer products for different budgets, KoRo usually gives different versions of a product (premium, organic, standard) to choose from, which all meet a high-quality standard. This means that not only is there a suitable product for different customers, but we also indirectly influence consumers' consciousness and, above all, meat-free nutrition. In doing this, we do not want to be dogmatic, just simply offer tasty and practical products for everyone.



IFS Broker

Total Score: 98.48 out of 100

KoRo's activities and operations meet the requirements of IFS Broker version 3.1 at a higher level in the following categories:

- **Quality and Product Safety Management**
- **Resources Management**
- **Senior Management Responsibility**
- **Measurements, Analyses and Improvements**
- **Product Protection Assessment**



What is GFSI?

GFSI stands for Global Food Safety Initiative. It is a private organisation for the development of food safety management systems. These ensure that food companies produce safe food for consumers. A GFSI certification shows customers that a company has a structured, comprehensive and effective food safety program.

What is IFS?

IFS Broker is a standard recognized by the Global Food Safety Initiative (GFSI) for auditing food retailers, trade agencies and importers. Certification to the IFS Broker standard ensures that food traders have done everything necessary to ensure that suppliers meet product safety and quality requirements.

Less is more

Snacks and processed foods are frequently associated with high levels of added sugar, saturated fats, preservatives or other additives. This also struck our founder Kosta and his wife Michelle when they wanted to source nuts and dried fruit for their online shop in 2014. They wanted to **create an alternative to the range available in supermarkets** and started by offering only **unsulphured dried fruit**. We have upheld this basic idea to this day: At KoRo, we want to keep our products **as simple and natural as possible** and offer a wide range of snacks with no added sugar and unsulphured dried fruit. Starting this year, we have also been trying our hand at our own creations: Our famous **date spreads**, for example, consist of only two to four ingredients. Date syrup acts as the base of the product, and we do **not use palm oil, dairy products, preservatives, flavour enhancers or add sugar**.

⁷In order to provide high quality food, the nutritional value of our products is very important. In our sourcing processes, we pay attention to this specific feature of the products and make conscious choices. To give an example of this, we compared the nutritional values of our snacks and sweet spreads to the average of other food and beverage companies. Nevertheless, we would like to point out that this does not always apply to every single product. All our products have different nutritional values, and we are constantly working to provide our customers with healthier options. It's important to note that there isn't a one-size-fits-all "healthy" diet. A balanced diet, combined with regular exercise and adequate hydration, is essential.

Snacks + sweet spreads	Source	Number of products	Fat	Saturated fatty acids	Sugar	Fibre	Protein	Salt
Average Mondelez, Ferrero, Mars, Nestlé, Unilever	Mintel, Dec. 2019 - Dec. 2022	1321	26.1	7.7	33.1	6.2	9.0	0.5
KoRo	KoRo data	844	23.0	6.9	23.5	8.7	11.5	0.4
Difference KoRo/Comparable products from other companies			-12%	-10%	-29%	+41%	+29%	-27%

⁷ <https://www.who.int/fr/news-room/fact-sheets/detail/healthy-diet>

Transparency

Transparency is one of the **basic principles** of action at KoRo. Customers at KoRo should have access to as much information as possible about products, packaging, and the company behind the shopfront in order to be able to make an informed buying decision. Our blog therefore contains articles that provide basic knowledge about food trading, packaging technology and nutrition. Each product page in the shop includes a comprehensive description for the item, including an FAQ section with valuable facts about nutrition, proper storage, use, and more. We also offer easy-to-follow recipe tips and information on ingredients and nutrients. **All this in 18 languages.**

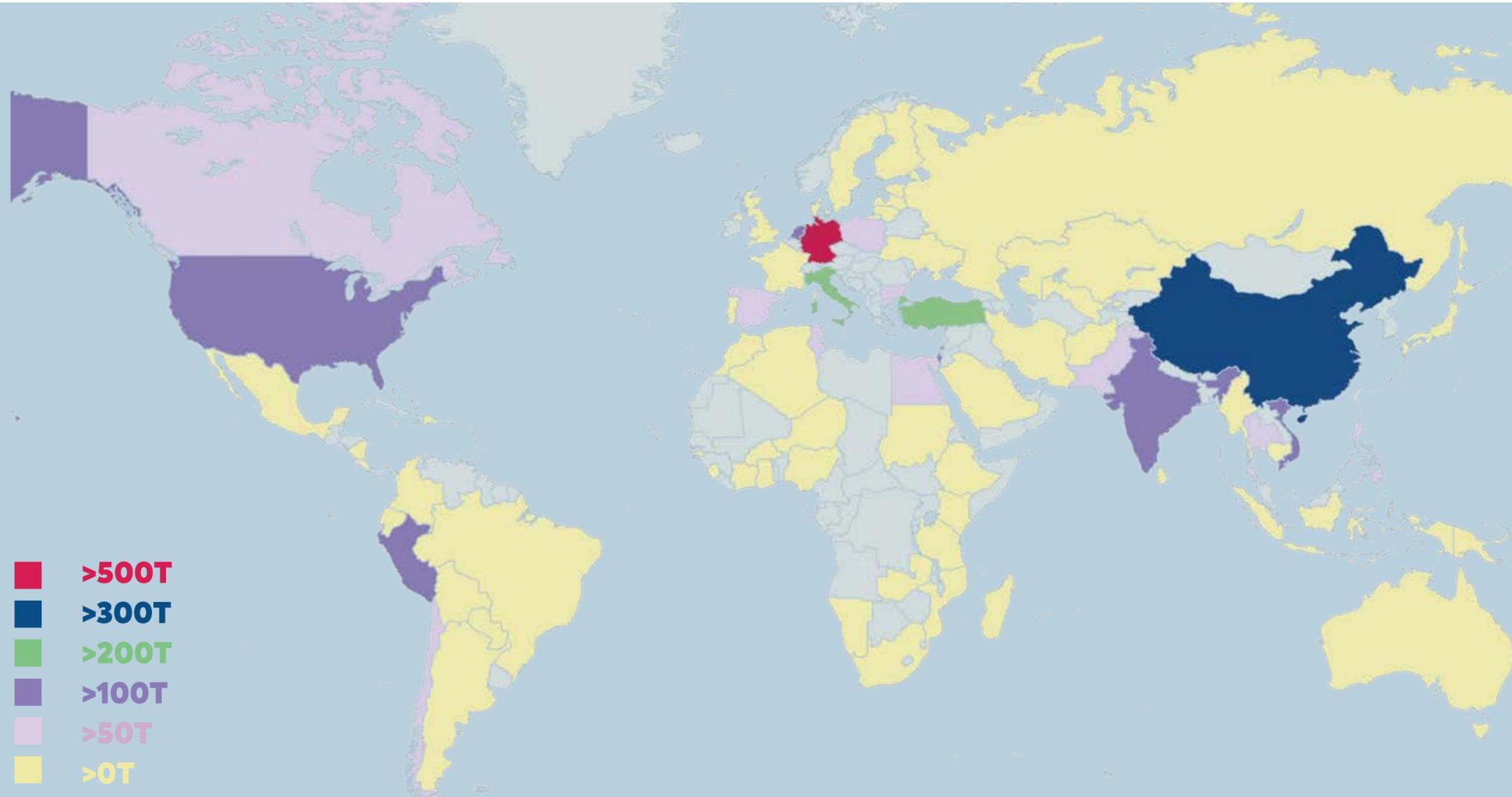
If we offer the product with different certifications such as organic or Fairtrade, there is the possibility to compare them in terms of price, ratings and package content. In addition, there is a customer reviews section on every product page, as well as detailed statistics on the price development. And we are constantly working on providing even more information for our customers on the product pages: **our goal for 2023 is to transparently display the CO2 emissions of a product** – including detailed information about emissions in different stages of the supply chain.



SUPPLIERS

In 2019, 19 products were available at the KoRo online shop — by the end of 2022 there are around 1,500. In order to be able to cover this quantity and variety, we have to source products worldwide. Above all, our bestsellers such as nuts or dried fruit are, for the most part, only available outside of Europe throughout the year. Nevertheless, we are proud that most of the products we sell are sourced from German suppliers and producers. Take a look at the map to get an understanding of how much KoRo is importing from which parts of the world:





Rank	Country	Imported Amount (t)
1	GERMANY	522
2	CHINA	360
3	ITALY	281
4	TURKEY	218
5	USA	193
6	VIETNAM	174
7	ISRAEL	154
8	NETHERLANDS	110
9	INDIA	108
10	PERU	102

*The numbers are based on orders we made in 2021. Back then, we still imported goods from Russia. From March 2022, we terminated our partnerships with Russian producers and suppliers as a result of the Russian war of aggression on Ukraine.

With a growing number and variety of products in our portfolio, we are also expanding our network of suppliers around the world to offer our customers the best quality products. At the same time, **the protection of worker's rights is non-negotiable for us**, which is why we set standards towards our partners and all actors in the supply chain. Certifications and assessments can be a tool to ensure compliance.

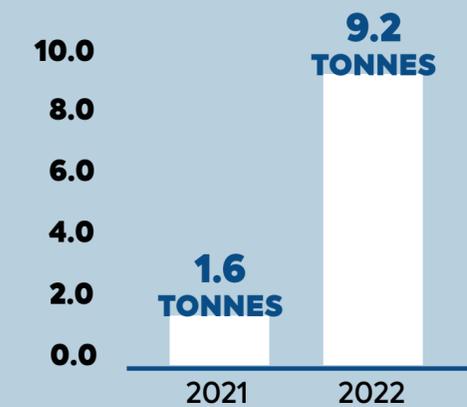
At KoRo, we understand the importance of monitoring our suppliers. That's why we are working on implementing new tools for both our suppliers and sourcing team. These tools will help us better understand our supplier's compliance requirements and allow us to take action in case of any breaches.

Due to the complexity of modern food supply chains, we often have to rely on our suppliers honesty and cannot check every detail ourselves.

- All of our suppliers are required to comply with the **International Labour Organization (ILO)** labour standards

- 200 out of 250 suppliers are **GFSI** certified. Our goal is to get even more of them certified.

- Three products are **Fairtrade** certified. Our goal is to continuously increase this number year over year.



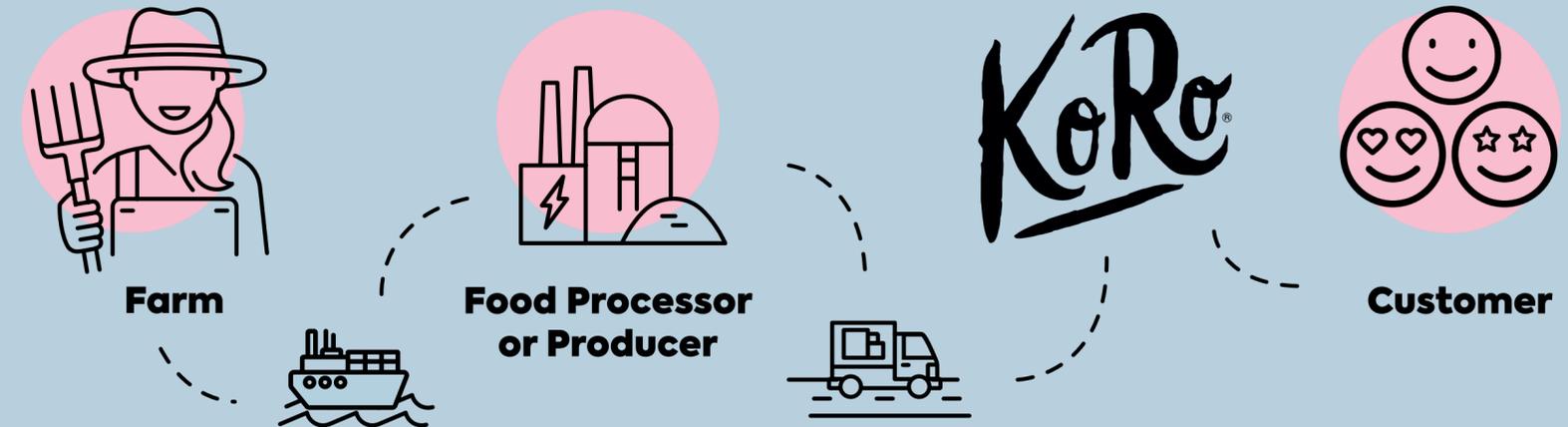
AMOUNT OF FAIRTRADE PRODUCTS SOLD BY KORO PER YEAR

Furthermore, KoRo's mission to rethink retail also applies towards our suppliers. We want to break up the existing market structures by creating **fair competition** and enabling **business relationships at eye level**. In doing so, we also create an advantage for small suppliers by offering the following conditions:

- On-site visits are made to strengthen the cooperation and ensure quality (10 personal on-site visits were made in 2022).
- In some cases, prices are paid fully or partially in advance to support suppliers' production processes.
- In some cases, annual contracts are concluded for stability.

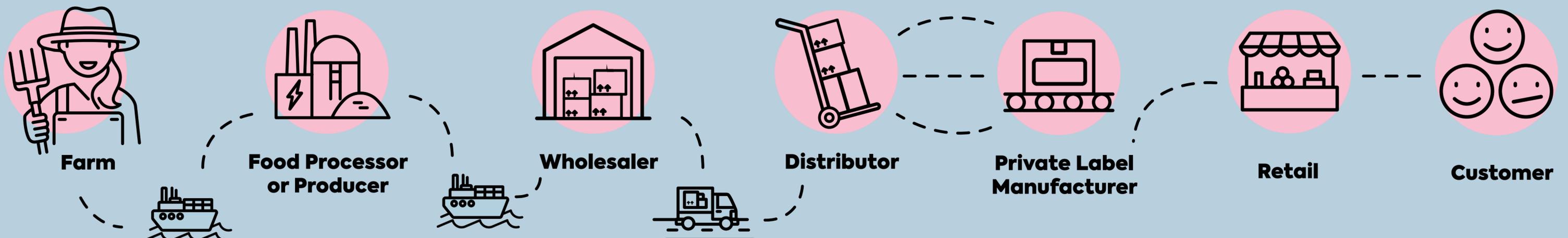
In addition to that, we try to keep our supply chain as short as possible and skip intermediaries when we can:

KORO'S IDEAL DISINTEGRATED APPROACH



This approach combines KoRo's basic principles and sustainability concept, and we try to achieve it in every supply chain. **However, this is not possible for all supply chains yet, due to minimum order quantities and other influencing factors.** The more we can scale as a company, the more we can transform our supply chains to work more directly with suppliers. A good example of a successful implementation of this concept is the supply chain of our dried mangos.

THE TYPICAL FOOD SUPPLY CHAIN





The exemplary supply chain: Organic Fairtrade mango strips 'Brooks'

Brooks mango from **Burkina Faso** is perhaps the **best dried mango in the world** and one of KoRo's bestsellers. Sourcing this product fairly and directly from its origin took us a lot of time and work. That was worth it. The organic, Fairtrade Brooks mango strips showcase how we want to **establish further supply chains** in the future.

Production process and supply chain

Because it takes about 18–25 kg of fresh mangoes to produce one kilogram of dried fruit, our supplier works with a number of **local farmers and traders in Burkina Faso**. Before the drying process, the mangoes have to be washed, peeled and cut into pieces. After drying, the strips are packed and labelled in airtight bags. We rely on **simple packaging and labelling methods** such as thermal transfer printers that allow the producers themselves to print out and apply their labels directly on site. The supplier of the dried mango also arranges its exportation: it travels from the farm to the port by road and then by ship to Hamburg, Germany. From Hamburg, onward transportation is managed by road to KoRo's central warehouse in Berlin. This way, customers receive their product in the same bag that is used in Burkina Faso. Thus, we **avoid further packaging waste**. Important to mention: Luckily, we are able to source nearly 100% of our dried mangoes this way. However, at times we obtain a small amount of fruit from a German go-between to ensure delivery capabilities at all times.

On-site working conditions

To ensure that the working conditions on our sourcing farms are monitored and adhered to, we work with a variety of certifications: There are different kinds that, for example, warrant fair working conditions or organic farming practices. The certificate for organic growing is issued **by local inspection bodies**. Furthermore, the producers must confirm that the core labour standards of the **ILO (International Labor Organization)** are met. For the Fairtrade Certification, we work with an auditor who is certified by the Fairtrade organization. **They check all parties in the supply chain:** Producers are checked in terms of working conditions or traceability of their produce. For this purpose, the auditor conducts random interviews with the workers on site. In order to obtain the Fairtrade Certification, farmers, traders, distributors, and retailers additionally **have to prove that all Fairtrade conditions** (e.g., payment of Fairtrade minimum prices and premiums) are fulfilled.

Our goal is to establish a shorter supply chain for a wide range of products and to offer more Fairtrade options. While we do provide Fairtrade certified mangoes, we also offer non-certified mangoes to cater to customers with a tighter budget. The organic mangoes from the Ivory Coast cost about 6 € less than the organic Fairtrade version. As we grow as a company, our goal is to work more closely with our suppliers and transform our supply chains to be more direct.





Collaboration with small-scale suppliers

Cooperations with small-scale suppliers are associated with carrying a certain risk factor. For example, deliveries may not be made due to poor harvests or political circumstances that may affect the supplier's ability to act. In the case of the mango strips Brooks, organic and Fairtrade, we hold annual meetings with the supplier to renegotiate contracts, find out more about current situations, and agree on future plans.

Other Goals

- **Develop a Sustainable Sourcing Policy**
- **Develop a Supplier Code of Conduct to hold suppliers accountable for social and environmental performance**
- **Have better insights and influence on working conditions along the supply chain**



TEAM

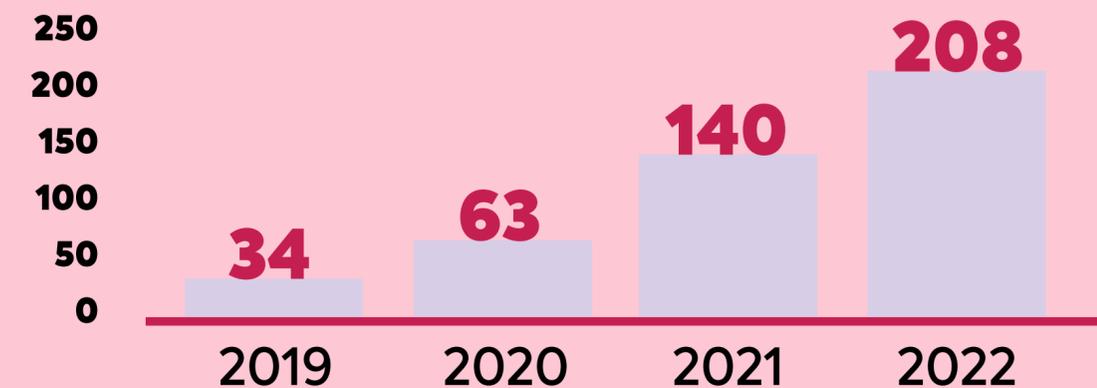
Employees are the essence of KoRo. When they are happy, we can accomplish great things together every day. This is why it is crucial to us to be accountable and show responsible actions toward our employees.

The KoRo team in numbers

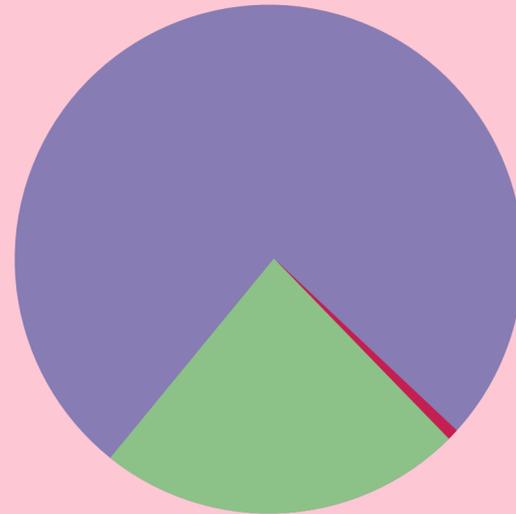
- Total number of full-time equivalent (FTE) employees (12/2022): 208 — 77% female
- Nationalities: 27
- Management: 1 female, 4 male — 20% female
- Heads of departments: 9 female, 5 male — 64% female
- Team leads: 15 female, 10 male — 60% female
- Average age: 25.9 years

 KoRo has been growing profitably, but the challenging macroeconomic situation in 2022 has had an impact on us. Regrettably, we had to let go of some employees as a result. Moving forward, we are committed to doing everything possible to enhance our stability and resilience, ensuring that we are better equipped to handle similar situations in the future.

AVERAGE NUMBER OF FTES AT KORO OVER TIME



TOTAL EMPLOYEES



DIVERSE

0.3%

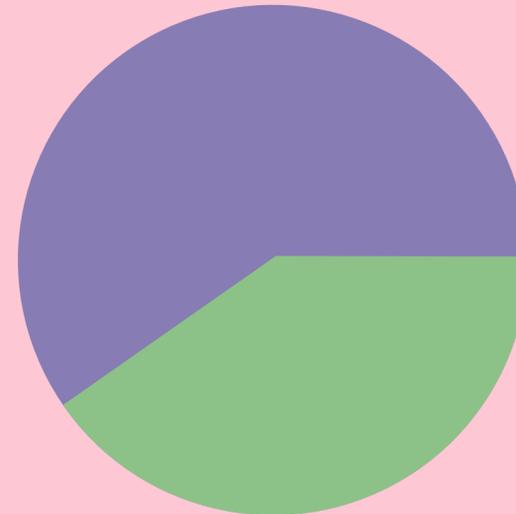
FEMALE

76.6%

MALE

23.1%

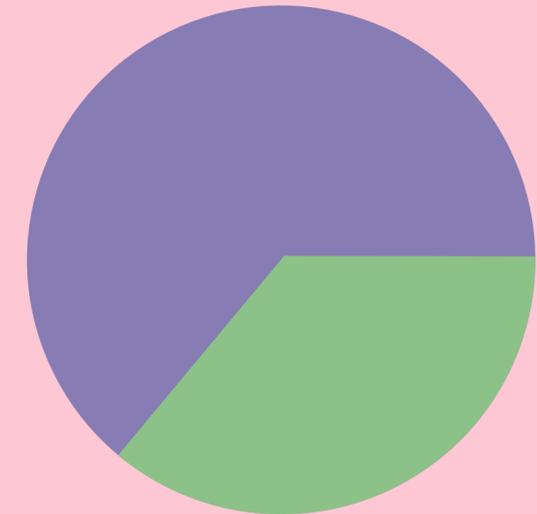
TEAM LEADS



60.0%

40.0%

DEPARTMENT HEADS



64.3%

35.7%

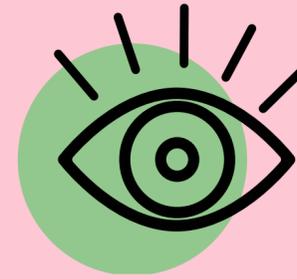
Our Values

We follow a defined set of values, so we can take ownership of our responsibilities for our team:



Transparency

We aim to share economic, company-related decisions and processes with our employees in a transparent and comprehensible way.



Curiosity

We aim to take risks and together discover new paths. Furthermore, we view failure as an opportunity to learn.



Sustainability

KoRo can only become more sustainable when we work together. We aim to be honest about the status of sustainability at KoRo and set achievable goals based on this.



Passion

Working at KoRo should be fun. Our employees should be able to contribute to the company and its vision with genuine passion.



Integrity

We promote honest and open communication across all levels of the company, so that we can foster a trusting atmosphere.

Diversity

Results of a Diversity Equity and Inclusion survey conducted in 2022 (189 respondents):

- **1% non-binary/genderqueer/gender-fluid**
- **24.5% LGBTQIA+**
- **9.3% People of Colour**
- **3.4% employees with disability**
- **33% neither German nor English as a first language**
- **47.9% first-generation higher education graduates**



Actions Taken

Learning & Development

- Bi-weekly “Sharing snacks and skills” workshops for employees to share skills with each other (topics so far: diversity & gender, non-violent communication, how to use your voice, MS Excel workshop, business plan & start up financing)
- Learning opportunities: workshops, yearly workshop on company vision, Google Sheets course, German language course, language tandem project among employees
- Multiple leadership workshops for team leads and heads

Company culture

- The founding of Diversity and Appreciation task forces consisting of full time employees to working students and a management member
- Creating a guide for non-discriminatory and inclusive language
- Indicating gender pronouns in email signature and other communication channels
- Human Resources team has taken a recruiting workshop on the topic of diversity, equity, and inclusion
- Creating a sense of belonging and strengthening our team spirit through regular team events, cross-departmental interaction, workations or joint sports sessions
- Trust-based, flexible working hours and opportunities for home office
- Subsidized Urban Sports Club membership
- Free public transport ticket in Berlin

Feedback & Transparency

- Anonymous feedback questionnaire to raise questions and concerns at all times
- Bi-weekly (anonymous) management Q&A
- Quarterly internal financial update
- Regular one-on-one 360-degree feedback sessions
- Bi-yearly employee feedback survey



Employee Happiness

In order to assess the impact of these measures and adjust them if necessary, we conduct an anonymous employee survey at least twice a year.

Results of 2022:

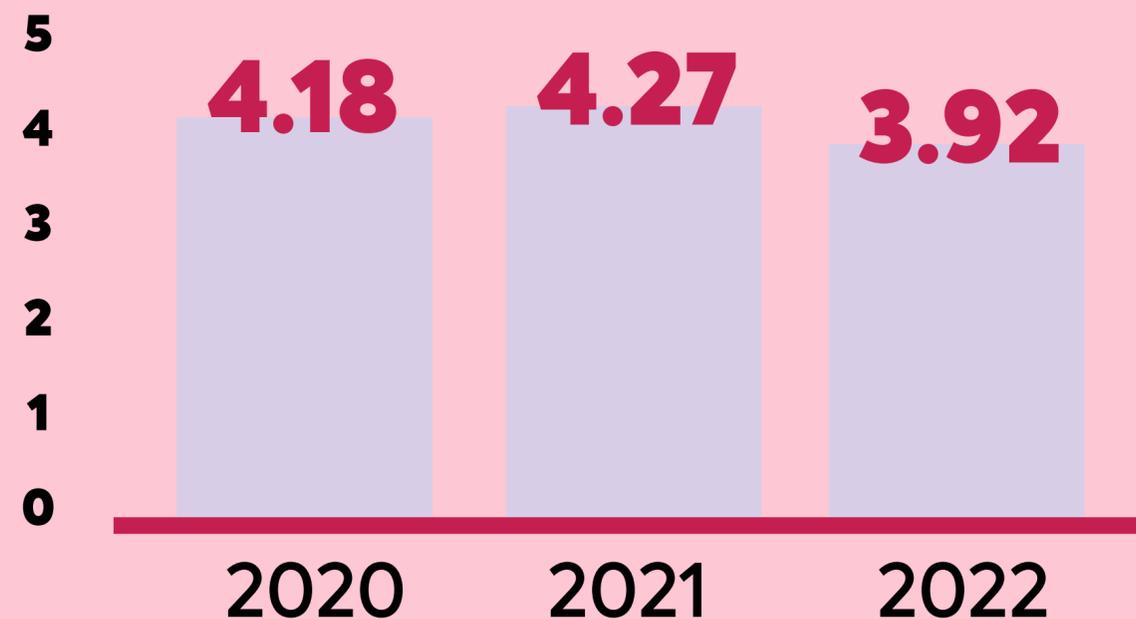
Team spirit: 4.2 out of 5
Working conditions: 4.2 out of 5
Communication: 3.4 out of 5

As seen in the survey, KoRo has experienced spectacular growth within the past years, which affected our structure and internal communication. This is why we created a task force to implement a more organized structure to departments, as well as to define responsibilities and strengthen communication. We also introduced a harmonized project management structure across departments.

As positive aspects of working at KoRo, it is important to underline that many employees mentioned the work atmosphere, the office, the team spirit, and team events. Our flexible working hours as well as transparent and respectful communication were also mentioned frequently in a positive way.

Unfortunately, there has been a slight decline in overall happiness among employees in 2022 compared to previous years. One factor which certainly plays a role is the overall economic situation as well as the general feeling of uncertainty of 2022, which also influenced KoRo. However, we are continuously trying to work on this and ask for feedback from employees on ways to improve.

HAPPINESS OVER TIME



Goals for 2023:

- Improve results in the next employee feedback survey
- Continue to build up better structures, processes, and defined goals
- Provide more learning opportunities

Personal Success Story

Name: Debora

Age: 25

Position: Head of Business Development

Her path at KoRo: Intern – Working Student – Full Time – Team Lead – Head of Department

When and how did you start at KoRo? “In 2018, I started at KoRo with a mandatory internship in the Country Management – Italy department”

What made you stay at KoRo? “I already felt comfortable during the job interview, which was conducted in a really appreciative way. Apart from that, I’ve always felt that I am constantly developing new skills by working here. The amount of trust I was being shown from people in higher positions was amazing and allowed me to achieve big things through my autonomy.”

How would you describe interpersonal relationships at KoRo? “I’ve always had the feeling that Team Leads, Heads of departments and C-Levels did actually care about how I feel and if I was satisfied with my personal development. For me, a key person is our COO Florian, who has been really supportive and given great feedback. This atmosphere made me feel very comfortable and was perfect for me to grow, personally and professionally..”



KoRo[®]

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