

Guest Column by Dr Jennifer Cords: Anchoring corporate responsibility as part of corporate strategy

As Gebr. Heinemann is a family business with a track record lasting more than 140 years, sustainable management has been part the company's DNA since the early days. Today, the global Travel Retailer has implemented its own sustainable development goals in its corporate strategy. Director Corporate Affairs & Corporate Compliance Dr Jennifer Cords explains how global growth and a sustainable business model go hand in hand for Gebr. Heinemann.



Dr Jennifer Cords, Director Corporate Affairs & Corporate Compliance at Gebr. Heinemann

Sustainability is certainly not a new phenomenon for the Travel Retail industry. But I believe it's time for people and businesses to make sustainability the absolute priority. I am convinced that our industry can succeed in being commercially successful and at the same time making a social and ecological contribution.

As a retailer, our overriding goal is to align the four Ps: People, planet, profit and purpose – thus to implement measures that contribute to the economic performance of Gebr. Heinemann as well as a healthy and safe future for people and the environment. These principles are not mutually exclusive! The contrary is the case in many areas: saving natural resources in retail design, packaging and our offices saves environmental resources but it also saves money. Sustainable products create

awareness for the topic among customers and are so sought after that they can generate more turnover.

Integrating the UN Sustainable Development goals into our Gebr. Heinemann business model

To make a global statement, Gebr. Heinemann joined the United Nations Global Compact (UNGC) in 2018, committing to make its ten principles on human rights, labour standards, the environment and corruption prevention a core part of all its operations. With this, Gebr. Heinemann also contributes to the United Nation's 17 Sustainable Development Goals (SDG). As a Travel Retailer, Gebr. Heinemann can make a positive contribution to four UN SDGs: #8 Decent and Economic Growth, #12 Responsible Consumption and Production, #13 Climate Protection and #17 Partnership to Achieve the Goals.



Gebr. Heinemann's third UNGC Progress Report (published in September 2021)

Additionally, our company has set its own Gebr. Heinemann Sustainable Development Goals and will develop ambitious measures to achieve them until 2030:

1. **People:** We ensure a fair, safe and non-discriminatory working environment through global health and diversity standards. **(UN SDG 8, 12)**
2. **Product Portfolio:** We generate more than half of our sales through sustainable products and by working with responsible suppliers. **(UN SDG 12, 13)**
3. **Energy and Emissions:** We are carbon-neutral by avoiding CO2 emissions – primarily through the reduction of energy consumption. **(UNSDG 13)**
4. **Waste and Packaging:** We have implemented preventive measures such as waste reduction, circular economy and recycling in every part of our value chain. **(UN SDG 12, 13)**

In concrete terms, this means the following for Gebr. Heinemann: reducing the use of disposable plastic throughout the organization; sharpening environmental standards for marketing activities, promotions, retail design and indirect procurement; promoting regionality through local designs and products; promoting responsible consumption; identifying environmental and human rights risks in the supply chain and taking measures to avoid them; and reduce CO2 emissions primarily through the reduction of energy consumption at our headquarters and logistics centres.

Green logistics and emission reduction as cornerstones of environmental protection

Green logistics and green energy are important pieces of the puzzle that we will develop further in the next years and I am very proud that the colleagues in our two logistics centres put so much passion into our engagement. We have laid a solid foundation through the ISO-14001-certified environmental management system, which has been in place at our logistics centre in Allermöhe near Hamburg since 2009. Since January 2021, our logistics centres in Allermöhe and Erlensee near Frankfurt as well as our headquarters in Hamburg are supplied with green energy from renewable sources. This results in a significant reduction of scope 2 emissions (own emissions) and a decrease in the annual CO2 emissions of the Hamburg-Allermöhe logistics centre of over 60% (in comparison to 2019). We are currently also gathering data and implementing measures with regard to scope 3 emissions (up- and downstream) like carbon neutral fuel cards for company cars.



Gebr. Heinemann logistics centre in Hamburg-Allermöhe, Germany

Additionally, in order to take a holistic look at the entire supply chain, including environmental aspects, we have recently merged our Logistics and Fulfillment departments into a Global Supply Chain organization.

Globally, Gebr. Heinemann has expanded not just its business worldwide, but also its CR approach. Following the “think global, act local” approach, we aim to set the global standard at our headquarters for our entire organization while at the same time considering that each country where Gebr. Heinemann is active has its own set of regulations and prerequisites. For example, recycling and waste reduction has also been top of mind at our subsidiary Heinemann Americas in Miami –

where we launched initiatives such as the introduction of recycling bins throughout the office. In addition, Heinemann Americas has selected Bolloré Logistics in 2021 to manage its regional warehouse to meet the logistical requirements for its growing cruise business. Among the reasons behind the choice was Bolloré's commitment to green and sustainability-focused initiatives to reduce the environmental impact of their customers' supply chain.

From value chain to “influencer chain”

As a retailer, we are in the middle of the travel value chain and we are the link in the supply chain between our landlords, suppliers and shoppers. This position is perfect for getting inspired by those who are ahead but also for influencing those business partners who are not quite there yet. We are aware of our influence and our responsibility as a company and acknowledge that every action is beautiful.



“future friendly: Great for you. Better for the Planet” campaign at BER, Germany

For example, as a sustainable product portfolio is one of our four sustainability goals by 2030, we have asked our brand partners to complete a self-assessment questionnaire which queries information on environmental performance and especially on the packaging attributes “reusable, recyclable, recycled or plastic free.” This information is valuable to us given that we just launched the concept “future friendly: Great for you. Better for the Planet.” at some of our retail locations and in the Heinemann web shop. The concept draws the travellers' attention to products with sustainable packaging and targets both the people who already shop consciously and those whose interest in sustainable consumption could be awakened in this way. The ability to involve our stakeholders in changes of perspective and strategy has always been one of our major strengths as a business.

We are excited to continue this journey together with our partners, colleagues and travellers around the world.