

GUNZ
fine european food

Live Values

FAIRTRADE: The name says it all





FAIRTRADE responsibility

The large picture on this page was taken in a forest near the town of Gagnoa in the Ivory Coast. The focus is on cocoa fruits that have emerged from cocoa flowers after four to eight months of ripening. Cocoa fruits are up to 25 centimetres long, weigh around half a kilo and are cut from the tree with long, sharp knives. Embedded in a sweet and sour white fruit pulp, they contain the so-called pulp inside: elongated, almond-shaped seeds which, after fermentation as cocoa beans, usually start their long journey from somewhere in West Africa out into the world.



On our trip to Africa we felt the importance of FAIRTRADE impressively.

Michael Temel, CEO

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At the end of this journey, the harvest of one cocoa tree yielded an average of 25 bars of chocolate. One piece of it on our tongues - and we are happy. The farmers in the main cocoa-growing countries of Côte d'Ivoire and Ghana and Ghana are often less so. The power imbalance in the supply chain is too great. supply chain. A few cocoa-processing companies dominate the market and market and dictate the prices.

In the struggle for their survival and their future, the cocoa farmers have been given a perspective with the non-profit organisation FAIRTRADE. This is possible thanks to partners like Gunz who are willing to pay decent prices for honest work. We spent an unforgettable week in the Ivory Coast on the trail of our chocolate. We experienced first-hand how conditions and infrastructure are improved, how schools and wells are built and how price fluctuations on the market are compensated. It has been a long and often arduous journey, but one that is beginning to bear fruit. Important steps have been taken, but many more must follow.

From partner to ambassador ...



Six years ago, Werner Gunz, together with Thomas Angerer (right) initiated the FAIRTRADE partnership six years ago.

... Gunz has meanwhile become, says Thomas Angerer. He set up the cooperation with Werner Gunz for FAIRTRADE in 2017. Six years later, Gunz processes just over 1 per cent of the cocoa traded worldwide through FAIRTRADE. "We are all thrilled with the energy with which FAIRTRADE is implemented here. Almost overnight, 250 products were consistently converted and suppliers throughout Europe were motivated to cooperate. Many of these manufacturers have in the meantime also become close partners of FAIRTRADE." Angerer also points to 40 million packages sold through Gunz on all continents. "All with our seal."

„FAIRTRADE: The name says it all“

Michael Temel on a topic that sums up the Gunz values to the point

"I was not only able to take over a company with strong foundations from Werner, but also impressive family values. I would like to preserve and further enhance these".



“ We are thinking about expanding our engagement with FAIRTRADE beyond our current cooperation. Our trip to Africa has inspired us to do so..

"Our responsibility as a company does not end when we draw up the balance sheet," says Gunz owner Michael Temel. That is why one has always been there when help is needed. And has also internalised concepts such as decency, honesty, solidarity and respect in its dealings with employees and business partners. "A few years ago, FAIRTRADE became a direct connection between this attitude and our own product a few years ago. During the trip to the Ivory Coast we were able to experience intensively how much this commitment brings our attitude to the point."

Michael, what were your impressions when you returned from Côte d'Ivoire?

For me, it was a deeply emotional experience that has taught me a lot. You appreciate things much more that you take for granted at home. You learn that a smile connects people and is understood everywhere in the world. And you get an incredible motivation because you quickly understand how much help is needed and how comparatively simple it is to support the people there in a very concrete and meaningful way.

How did you perceive the people there?

Very many live in a material poorness that we can almost not describe with our words. But they are willing to do something about it. Our common responsibility is to empower people to take their future into their own hands.

What contribution can Gunz make to cocoa farmers?

The Fairtrade concept is based on several aspects. On the one hand, the smallholder cooperatives receive a fixed purchase price, which is currently considerably higher than the world market price. This means that we voluntarily pay more for exactly the same cocoa than most other buyers. In addition, there is a premium for these cooperatives. This finances investments such as the construction of schools or fountains and much more. Furthermore, we pay a licence fee so that the Fairtrade organisation can fulfil its tasks and support the cooperatives efficiently.

Can you put your commitment into figures?

In our case, we are talking about well over 2,000 tonnes cocoa per year, which corresponds to an investment of around 1.6 million euros per year.

What does the cooperation with FAIRTRADE mean to you?

For us, FAIRTRADE is not a marketing tool, but a lived belief. We consciously invest money because we owe it to the FAIRTRADE farmers in the truest sense of the word. We do not give charity or donations, we pay fair wages for honest work.

How did your cooperation with FAIRTRADE come about?

During the preparations for the change of generations from Werner to us children, the question of what the Gunz family business stands for today and in the future was also the focus. There, we all once again realised that sustainability has more than just an ecological aspect. We take our social responsibility very seriously. Fairness and respect have always guided our thinking, which

is why we actively integrated community welfare issues into our corporate strategy in 2017. In this context, we also decided to change our entire chocolate and praline range to FAIRTRADE standards. This has created a direct link between our attitude and our own product.

Can we say that the name FAIRTRADE has become a programme for you? That is indeed very accurate. Our world of values has become an unwritten constitution for the company. In addition to a great economic basis, we have a strong soul that sets us apart. One part of this world of values is human dignity. During our trip to Côte d'Ivoire, we were able to experience very intensively how well the cooperation with FAIRTRADE fits into this. There is a common thread here, all our values are united in this theme. Chocolate has thus become a very special symbol of our attitude. We regard this commitment as a corporate duty and a matter of principle. And we would like to expand it further.

Is, as is often assumed, FAIRTRADE actually more expensive for the consumer?

We have proven that FAIRTRADE does not have to be expensive. We have financed the transition of the product range ourselves. Passing the costs on to the consumer is out of the question. That would not be credible. We want to achieve the maximum quantity with fair prices for our

products and thus help the farmers in a sustainable way. We succeed well because chocolate is a very large part of our core business. With our quantities, we can definitely make a difference for the people in West Africa. After all, we process a little more than 1 per cent of the cocoa that is traded worldwide via FAIRTRADE. Unfortunately, there are only a few companies in our price segment that also offer FAIRTRADE.

Being fair in all directions - does that take on a new significance in times like these? Absolutely. I am deeply convinced that that it is especially important to take a stand now. That's why, for example, in addition to our FAIRTRADE commitment, we have invested more than 100,000 euros in social projects this year alone, and we have also sent a signal to our employees by increasing all existing salaries by an average of 10 percent.

Responsibility



Comprehensive sustainability measures at the Gunz operating sites: We have been CO2-neutral for years and have large-scale photovoltaic systems on our buildings. We have already completed the changeover to LED lighting. All of our forklift trucks are electric. We heat our buildings with heat pumps. Biogas heating, avoidance of plastic waste and optimal utilisation of pallets are further keywords in this context.



Responsibility towards employees: Equal treatment of all employees in the annual bonus, solidarity fund for employees who have to suffer strokes of fate. We pass on what is not used within our own company to social institutions and organisations in Vorarlberg.



Support for social projects: In the last six years, we have supported supported various social projects with more than 1 million Euros - among others Mäder school home for children with disabilities, ORF's Licht ins Dunkel campaign, Ma Hilft initiative of the Vorarlberger Nachrichten and Tischlein Deck Dich (distributes food to people in need).



FAIRTRADE engagement

Gunz-Cocoa

2.367



tonnes of cocoa beans were processed by cocoa farmers for Gunz in 2022. This corresponds to a good 1% of FAIRTRADE cocoa traded worldwide

5.260



hectares of cultivated land are cultivated for this purpose, which also the ecological benefit becomes apparent

1.430



Families cultivate this area and earn around 1.6 million euros more annually than with conventionally traded goods.

250



Gunz products contain FAIRTRADE chocolate: in addition to "classic" chocolate, also biscuits, wafers and even gummy bears with milk chocolate coating

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Suppliers from Austria, Germany, Italy and Belgium produce own brands with FAIRTRADE cocoa for Gunz



IMPRESSIONS
from the trip to
the Côte d'Ivoire

Strong Women

” *We are not so many,
but we are strong.*

Motto of the Women of Lakota

The visits to Divo and Lakota were a real encouragement. In both places, projects have been started by the FAIRTRADE-supported cocoa cooperatives CAUD and ECAKOOG, which are run with a lot of heart and soul and extremely successfully exclusively by women. Specifically, a group of 80 women each received four hectares of land, which they take care of on behalf of their cooperative. They plant okra, vegetables and maize or manioc, which is processed into tapioca - an almost tasteless starch that is used as an ingredient in cooking or to refine desserts.

These projects are made possible by the "Women's School of Leadership". This one-year course focuses on training entrepreneurial skills such as finance, negotiation skills or group decision-making. The school also offers a number of initiatives to strengthen the position of women. Gender awareness programmes are also offered and attended by both women and men. In 2021 alone, 122 students graduated from the training.

Many of the women have since been elected to leadership positions, established women's committees in their cooperatives and initiated projects to improve their income.

School for a better life



The most emotionally affecting experience of our trip through the Ivory Coast was our visit to the primary school in Lakota. 200 children aged between six to twelve years old are taught here. The school was financed by the ECA-KOOG Co-operative through FAIRTRADE premium funds.

Although there has been compulsory schooling in the Ivory Coast since 2015, it still takes time for the government to make the necessary infrastructure

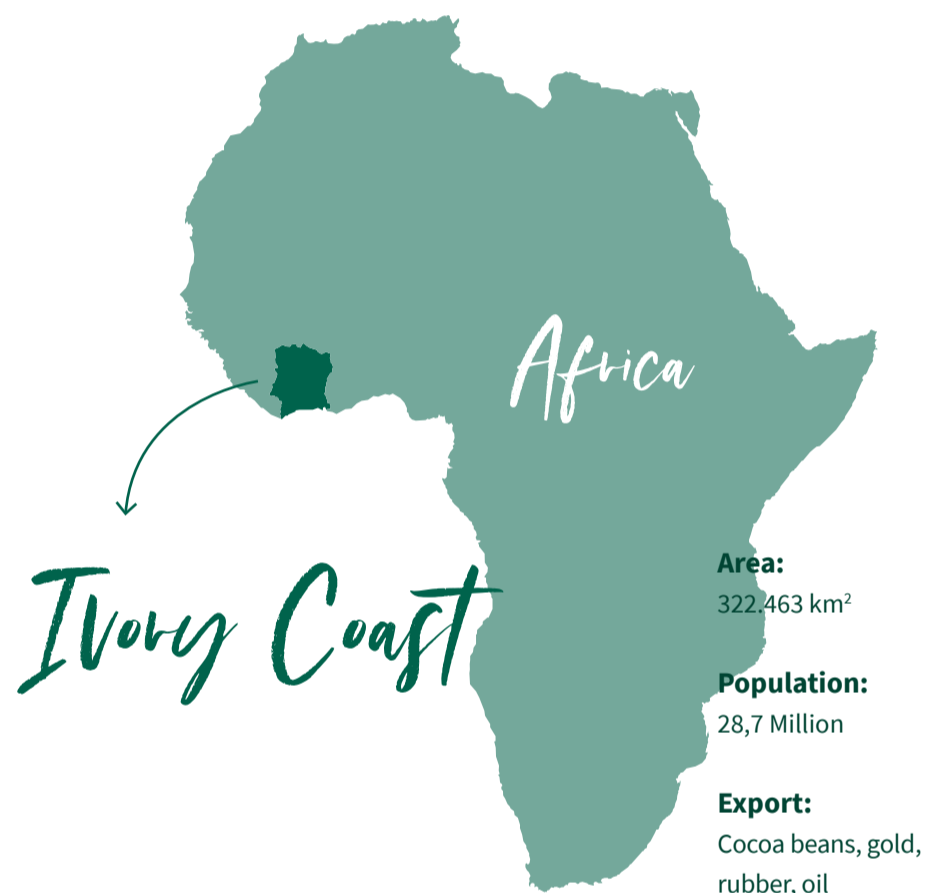
available everywhere. This is why, according to UNICEF, there are still 1.6 million children in the country who do not go to school. Many do so because they have to work to contribute to the family income. Over 30 percent of Ivorians are illiterate.

Those who get to look into the grateful faces of the 200 children understand without words: here, the hope for a better educational system is the hope for a better future.

Community projects

FAIRTRADE farmers are organised in associations, so-called cooperatives. It is important to know that 90 percent of cocoa comes from family farms. They often only have small fields of less than 5 hectares. For them, it is usually only in the group that it is possible to operate somewhat economically. FAIRTRADE's "West Africa Cocoa Programme" has made real progress. More than 30,000 people have taken part in training, and the cocoa bean yield per hectare has increased from 437 to 625 kg.

Through the sale of FAIRTRADE cocoa, the FAIRTRADE cooperatives receive, in addition to the minimum price, around 37 million euros in premiums for community projects such as schools or support for special women's projects. But investments are also made in urgently needed infrastructure: wells, tools, vehicles or roads are financed with the premiums..



Tree nurseries, wells and women's projects such as the cultivation of cassava here are financed with FAIRTRADE funds.

FAIRTRADE Austria

... is a non-profit association founded in 1993 and based in Vienna. Its members are more than 20 organisations from the fields of development policy, church, environment, consumer protection, women and social affairs - including Caritas, Volkshilfe or Global 2000.

The overarching goal of Fairtrade is a developmental one: the reduction of poverty in Africa, Asia and Latin America. Smallholder families and plantation workers as well as their families and communities are to be supported and their living and working conditions sustainably improved.

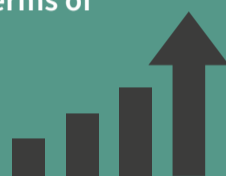
2022

1 year, eight keywords

Michael Temel on a challenging year 2022, in which stable values were more than ever a reliable companion.

The business year

"2022 was by far the best year in the company's history. Turnover grew to more than 170 million euros, so we increased by more than 10 percent in a difficult time. It is important to note that we did not only grow due to price increases. We were also able to achieve a nice increase in terms of volume."



War in Ukraine

"For us, this is a very emotional situation. Due to our business contacts, we know many people who are directly affected, live in fear and have to endure indescribable suffering. From a business point of view, sales to Russia have practically come to a standstill. On the other hand, we have increased sales in neighbouring countries such as Georgia, Armenia, Moldova and Turkmenistan. This is mainly due to the refugee situation - an effect we would have liked to do have done without."

Employees

"Unlike many others, we have no problems finding good people. I believe that our understanding of values also has a very positive effect on our image as an employer. For us, employees are not expense accounts, but people. Word has got around about that."

Growth markets

"Germany is our core market. Here, growth was even disproportionately high. But success has many fathers: we have grown in most countries and are happy about a very broad distribution with more than 10,000 customers in over 100 countries on all continents."

Times of crisis

"Crises bring movement to the markets, which always creates opportunities. At the moment, for example, we have an advantage in terms of delivery capacity with our strong supplier relationships and large storage capacities."



Special stories

"A new engagement in Africa comes to mind here. A textile entrepreneur friend from Hohenems brought one of his customers from Mali to Mäder. After a short time, our guest spontaneously agreed to sell food at home as well as textiles. The start was promising, in the meantime he has already ordered the second container. This confirms that our concept works all over the world."

Personal summery

"I have been the CEO and owner of the Gunz company for one and a half years now. It is not a matter of course that I have been given this opportunity. It's nice the way I'm supported not only by employees and business partners, but especially by the family."



Football licensing business

"Without exaggeration, we are operating at the highest level here, and more and more doors are opening. The strong sales development in Germany is partly due to the licensing business with FC Bayern and Borussia Dortmund. After Paris St. Germain, Liverpool FC will soon join the football business, and there are also considerations and talks with the top clubs in Italy."