cewe group

Successful together

Annual Report 2024

1 The CEWE Group at a Glance

2 To the shareholders

3 Combined management report

4 Remuneration

5 Consolidated financial statements

6 Further Information

Navigation

Page reference   Reference to external documents

Letter to the shareholders

Dear Shareholders,

2024 is now behind us – and it was another very successful year for the Company, with revenue and earnings reaching new record highs. Thanks to an outstanding team performance from all of our employees, our photo products brought joy to millions of people across Europe once again, especially at Christmas. We measure this customer satisfaction using our Net Promoter Score, which rose again from an already highly elevated level last year. We are very proud of this achievement and can confidently assure you that CEWE is on the right track.

All targets achieved once again

Our figures speak for themselves: CEWE Group's revenue rose by 6.7% to 832.8 million euros in 2024, exceeding our annual revenue target of up to 820 million euros. Our operating profit (EBIT) improved by 2.6% to 86.1 million euros to reach the upper end of the target corridor of 77 million to 87 million euros, while the additional increase in our equity ratio to 59.1% strengthened our already robust balance sheet even further. We continued to grow our company in line with our strategic priorities in 2024, with a focus on innovation, brand strength, efficiency and sustainability. We are delighted that this was another highly successful year.

Yvonne Rostock
Chief Executive Officer

Buoyant Christmas trading ensures annual success

Photo products have an extremely high emotional value for many people, especially when given as Christmas presents. With this in mind, CEWE successfully managed to convert the general increase in the number of photos taken in the age of smartphone photography to growth in our own business during the past financial year. The Company's traditional peak Christmas trading season made another key fourth-quarter contribution to our annual results in 2024. As always, the CEWE team succeeded in processing last-minute orders in the run-up to Christmas and delivering high-quality products to customers in time for the holidays. All of this was made possible by successfully improving production efficiency, expanding sites and integrating new printing and shipping technology. As a result, CEWE performed well during the past Christmas trading season thanks to the premium quality of its innovative products, strong positioning across all CEWE brands and an additional increase in marketing activities.

"The WE in CEWE" – working together for success

I would like to sincerely thank each and every one of our 4,000 employees across the entire CEWE Group for this encouraging performance. We can only achieve these kinds of results by working together as a team. Thank you so much for all of your efforts!

CEWE leading the way on dividend increases

For many years now, our annual reports have clearly stated our commitment to steadily increasing our dividend per share whenever company earnings allow. As a result, we are delighted to propose another dividend increase to our general meeting on 4 June 2025. If the general meeting approves our proposal, it will be the 16th successive dividend increase and the highest dividend in our company's history. It also means CEWE will continue to rank second among all 611 listed German companies surveyed in a study published by Dividenden Adel, isf Institut and Deutsche Schutzvereinigung für Wertpapierbesitz e.V. (DSW) – an incredible result!

Spring recently announced its arrival with some wonderful weather, and we hope you, our shareholders, can make the most of it! Use the time for days out, travel or family gatherings – all brilliant opportunities to take plenty of photos. The entire CEWE team is ready to help if you want to turn these moments into lasting memories with CEWE photo products.

On behalf of the CEWE Executive Board

Kind regards,

Yvonne Rostock

Yvonne Rostock

The Executive Board

From left to right:
Patrick Berkhouwer, Dr Reiner Fageth, Yvonne Rostock,
Carsten Heitkamp, Thomas Mehls, Dr Olaf Holzkämper

The CEWE Group

Europe's leading photo service and online printing provider

The CEWE Group is Europe's leading photo service and online printing provider.

From its beginnings in 1912, the CEWE Group has established itself as the preferred photo service for anyone looking to make more of their photos. The Company's CEWE PHOTOBOOK is the perfect example of this, with around six million copies sold each year. Customers can order other personalised photo products under the CEWE, Cheerz, DeinDesign, Pixum and WhiteWall brands, as well as from many leading European retailers. These brand worlds inspire customers to produce a wide range of creative designs with their personal photos and entrust the Company with over two billion photos each year.

In the online printing market, the CEWE Group has also established a highly efficient production system for printed advertising media and business stationery, with billions of high-quality printed products reliably reaching customers via the SAXOPRINT, LASERLINE and viaprinto distribution platforms each year.

The CEWE Group is committed to a sustainable corporate management philosophy that is also supported by the Company's founding family, the Neumüllers, as its main shareholder, and has been recognised with multiple awards for its long-term business focus, its fair, partnership-based relationships with customers, employees and suppliers, and its socially responsible approach focused on protecting the environment and conserving resources.

The CEWE Group has a presence in 21 countries and employs 4,000 people. The CEWE shares are listed on the SDAX index. Learn more at company.cewe.de.

cewe

pixum

WHITE WALL

DeinDesign.

Cheerz

SAXOPRINT

viaprinto

Presence in Europe

PRODUCTION SITES WITH SALES OFFICES
Oldenburg (headquarters ■), Bad Kreuznach, Dresden, Freiburg (Eschbach), Frechen, Munich (Germering), Budapest (HU), Koźle (PL), Paris (FR), Prague (CZ), Warwick (UK)

PRODUCTION SITES
Mönchengladbach, Montpellier (Fabrègues (FR)), Rennes (Vern-sur-Seiche (FR))

SALES OFFICES
Aarhus (Åbyhøj (DK)), Berlin, Bratislava (SK), Bucharest (RO), Gothenburg (SE), Cologne, Ljubljana (SI), Madrid (ES), Mechelen (BE), Münster, Nunspeet (NL), Oslo (NO), Warsaw (PL), Vienna (AT), Zagreb (HR), Zurich (Dübendorf (CH))

DELIVERY AREA FOR CEWE PRODUCTS
Austria, Belgium, Croatia, Czechia, Denmark, France, Germany, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom

see Production sites and sales offices, page 302

cewe group

Photofinishing

Retail

Commercial Online Printing

Key figures for the CEWE Group in 2024

21
European countries

27
sales offices

4,000
employees

14
production sites

832.8 million euros
revenue in 2024

>25,000
CEWE Photostations

20,000
retailers supplied

6.11 million
CEWE PHOTOBOOKS in 2024

2.46 billion
photos produced in 2024

Results for 2024

Group earnings

- → Group revenue up 52.6 million euros to 832.8 million euros in 2024 (2023: 780.2 million euros), an increase of 6.7%
- → Group EBIT rises to 86.1 million euros (2023: 83.9 million euros)
- → CEWE thus reaches or exceeds the upper end of its target ranges in 2024
- → Tax rate at expected normal level of 30.8%
- → Earnings per share increase to 8.64 euros (2023: 8.10 euros)

Photofinishing

- → Photofinishing revenue up 8.4% to 714.0 million euros in 2024 (2023: 658.8 million euros)
- → CEWE Group successfully converts the increase in the number of photos taken in the age of smartphone photography to growth in its own business
- → Photofinishing EBIT improves by 3.4 million euros to 83.4 million euros (2023: 80.0 million euros)
- → Higher-quality product mix and price increases compensate for the inflation-driven rise in prices on the cost of sales and expenses side
- → Photofinishing also achieves strong operating earnings margin of 12.8% in 2024

Retail

- → At 30.8 million euros, photo hardware and accessories revenue in 2024 was down slightly year-on-year (2023: 31.3 million euros) in line with CEWE's strategy
- → Retail remains well positioned, with EBIT improving by 0.2 million euros to 0.7 million euros (2023: 0.5 million euros) despite a slight decrease in revenue

Commercial Online Printing

- → With its Best Price Guarantee for customers, Commercial Online Printing recorded revenue of 89.9 million euros in 2024 (2023: 92.2 million euros)
- → In a competitively priced market, Commercial Online Printing's cost efficiency in production allowed it to generate EBIT of 3.4 million euros (2023: 4.2 million euros)

Statement of financial position and financing

- → Total assets up 50.9 million euros to 716.9 million euros (+7.6%)
- → Equity ratio rises further to 59.1% (previous year: 58.4%)
- → Capital employed increases by 29.2 million euros, mainly due to higher liquid assets

Cash flows

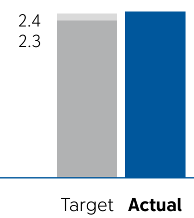
- → Operating cash flow rises further to 131.9 million euros
- → Q4 free cash flow of 124.6 million euros even exceeds the levels seen during the pandemic-driven boost in 2020

Return on capital employed

- → ROCE remains strong at 18.3%

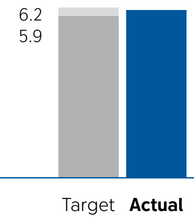
Key financial indicators in 2024

Photos



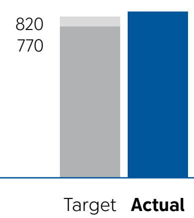
2.46
billion units

CEWE PHOTOBOOK



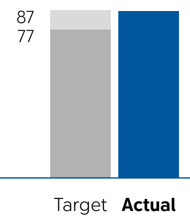
6.11
million units

Revenue



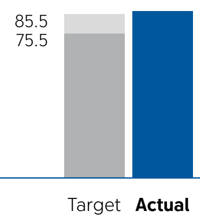
832.8
million euros

EBIT



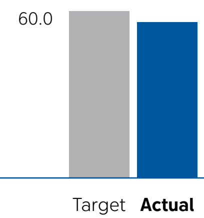
86.1
million euros

EBT



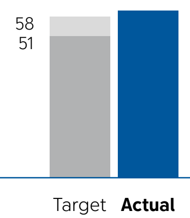
86.9
million euros

Operational capital expenditure



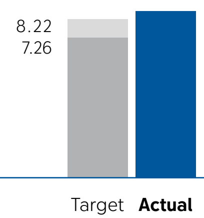
56.0
million euros

Earnings after tax



60.1
million euros

Earnings per share (basic)



8.64
euros / share

2 To the shareholders

Review of 2024 and outlook for 2025

Long-term trend

The CEWE Group's long-term revenue performance can be broken down into three different phases. Following its IPO in the early 1990s, CEWE grew by regional expansion to become the European market leader in a purely analogue photofinishing market. This was followed by a decade of analogue-to-digital transformation from 2000 onwards, as the digital camera became a mass-market phenomenon and CEWE consolidated its market leadership in digital photofinishing by making early adjustments to its production technology, marketing and product range as well as developing the CEWE PHOTOBOOK brand. From 2010, the CEWE Group achieved growth thanks in particular to consistently developing and expanding its core Photofinishing business unit while at the same time establishing its new Commercial Online Printing business unit.

Alongside Photofinishing, CEWE currently has around 100 of its own photo retail stores and directly markets photofinishing products primarily via this sales channel. Besides this main activity, which is shown in the Photofinishing business unit, CEWE's retail operations also generate earnings from photo hardware (cameras, lenses, etc.) which are separately reported in the Retail business unit.

From 2009/2010, CEWE then established its Commercial Online Printing business as a modern online printing service for business stationery, based on the digital print capabilities developed while transforming the Photofinishing business and by acquiring expertise in online offset printing.

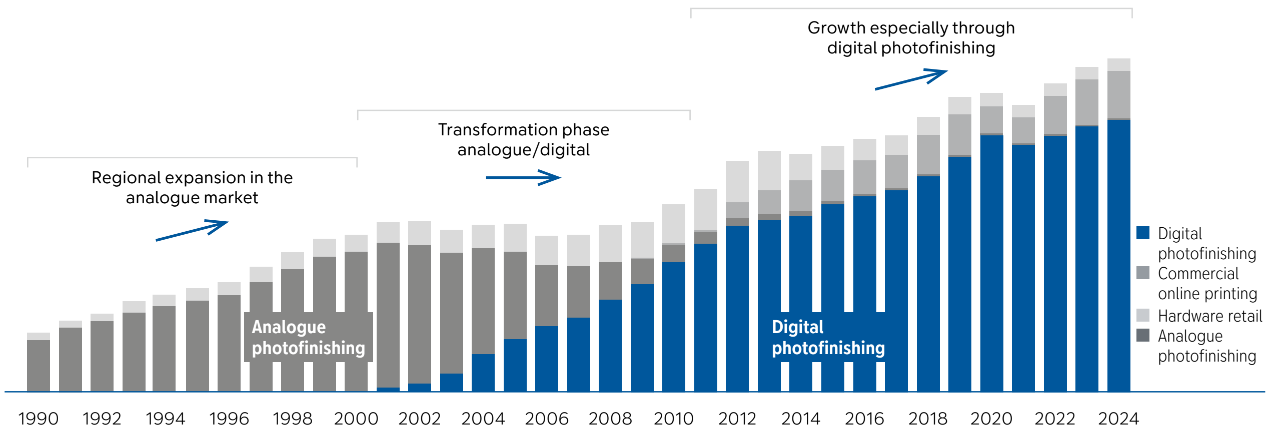
832.8
million euros
revenue in 2024

In 2020 and 2021, the Covid pandemic had a particularly pronounced impact on demand and revenue trends across all CEWE business units, with the “stay-at-home” effect during this time driving sales of photo products in the Photofinishing business unit, while Covid restrictions and the shuttering of businesses adversely affected demand in the Commercial Online Printing and Retail business units. 2022 was characterised by the gradual return to normality after the pandemic, with a particular resurgence in travel activity that prompted people to take new photos. The start of a revival in business life also led to a significant rise in demand for printed advertising media. Travel rose sharply once the pandemic was fully overcome in 2023, with high levels of holiday travel prompting consumers to take many more photos. CEWE was able use its brand positioning and marketing activities to convert this into its own business growth. The CEWE Group once again increased revenue significantly to 832.8 million euros during financial year 2024, a rise of 52.6 million euros or 6.7% (2023: 780.2 million euros). This meant that the Company exceeded its own target for 2024 of up to 820 million euros.

The product mix in the Company’s core Photofinishing business unit has been changing since the analogue-digital transformation, a trend that continues to some extent today. At the start of digitalisation, consumers continued to request individual photo prints – just as they used to do this from analogue films. Innovation in digital products prompted a shift in demand away from these simple (low-margin) photo prints to higher-margin “value-added products” such as the CEWE PHOTOBOOK, photo calendars, wall art, greeting cards and many other photo gifts. Above all, this change in the Photofinishing product mix

- The CEWE Group continues its growth in 2024 with a focus on innovation, brand strength, efficiency and sustainability
- A successful 2024: the CEWE Group increases revenue by 6.7% or 52.6 million euros to a record high of 832.8 million euros
- Earnings also reach historic high: with EBIT of 86.1 million euros, the CEWE Group exceeded the previous year’s impressive earnings by 2.2 million euros
- CEWE invested more in the market once again, inspiring many people to design and share top-quality photo products packed full of personal memories.

Long-term revenue trend



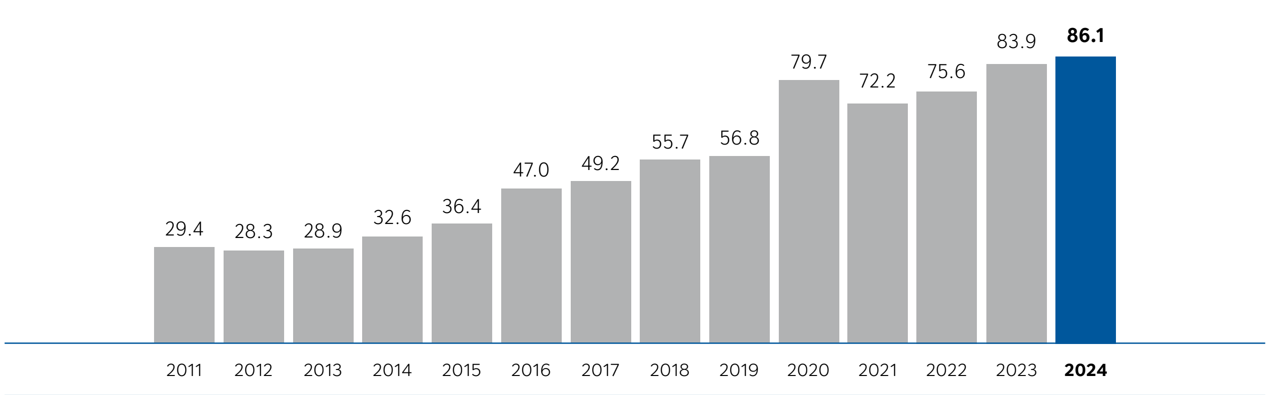
caused the operating EBIT margin for Photofinishing to rise steadily, thereby also continuously improving the CEWE Group's overall earnings performance.

In financial year 2024, operating profit (EBIT) increased to 86.1 million euros (2023: 83.9 million euros) to reach a new record high at the upper end of our 2024 target corridor of 77 million to 87 million euros. This represents an encouraging continuation of the series of increasing results that has been ongoing for many years, as the following chart impressively demonstrates.

86.1

million euros in EBIT in 2024

Long-term earnings trend (EBIT in millions of euros)



Photofinishing core business unit

Demand shows typical seasonality

Consumer order behaviour followed the typical seasonal pattern in 2024, with modest growth typically recorded in the first quarter, a flattening or even slight decline in the second and third quarters, and then a generally stronger fourth quarter with the all-important Christmas trading. The simple explanation for this is that people spend a lot of time travelling and attending parties and events in the spring and summer when the weather is nice – a time of year that offers plenty of opportunities to take many new photos. Naturally, those people then tend to spend more time at home ordering photo products – especially as Christmas presents – during the six months of the year when the days are shorter. During financial year 2024, CEWE PHOTOBOOKS, photo calendars, wall art and many other personalised photo gifts once again served as lasting mementoes for a wide range of experiences.

Demand for CEWE photo products continues to rise in 2024

Photo products have an extremely high emotional value for many people, especially when given as Christmas presents. Thanks to the premium quality of its innovative products, the strong positioning of all CEWE brands and significant investments in the market, CEWE successfully converted the general increase in the number of photos taken in the age of smartphone photography into growth in its own business during the past financial year. The total number of photos across all CEWE products increased by 2.9% to 2.46 billion photos during the year under review (2023: 2.39 billion photos) to slightly exceed the 2024 target range of 2.3 billion to 2.4 billion photos. During the past Christmas trading season, many product and software innovations provided a particular sales boost – including panorama pages in the CEWE PHOTOBOOK, the photo domino, the large photo puzzle with up to 2,000 pieces and many other new photo gifts, the new editor in the ordering software and even the new passport photo app. The CEWE PHOTOBOOK also performed well again, with sales volumes rising by 0.9% to 6.11 million CEWE PHOTOBOOKS (2023: 6.05 million CEWE PHOTOBOOKS), reaching its 2024 target of 5.9 to 6.2 million CEWE PHOTOBOOKS. This, together with photobook revenue growth of around 8%, continued the trend towards the higher-quality CEWE PHOTOBOOK. CEWE has produced more than 92 million CEWE PHOTOBOOKS for its customers since 2005, with this product remaining Europe's most popular photobook.

Photofinishing revenue up 8.4% to 714.0 million euros in 2024

The Photofinishing business unit began 2024 with strong Q1 and Q2 revenue growth of 9.1% and 11.0% respectively. This was followed by a 5.8% revenue increase in Q3, while fourth-quarter revenues also continued to rise sharply, increasing by 8.2% compared to the previous year's high level. This meant that Photofinishing revenue grew by an encouraging 8.4% to 714.0 million euros for the full-year 2024, a rise of 55.2 million euros (2023: 658.8 million euros). Around 12.8 million euros of this revenue growth (excluding EBIT effects) was attributable to the switch to fee-based billing made by one retailer supplied by CEWE. Excluding this switch (recognised in other comprehensive income), Photofinishing revenue rose by 6.4% on a like-for-like basis. In 2024, CEWE customers ordered more, higher-quality photo products, while the price rises implemented by the Company also boosted revenue growth. These price rises also became necessary in

- Photofinishing revenue up 8.4% to 714.0 million euros in 2024 (2023: 658.8 million euros)
- CEWE successfully converts the increase in the number of photos taken in the age of smartphone photography to growth in its own business
- Photofinishing EBIT improves by 3.4 million euros to 83.4 million euros (2023: 80.0 million euros)
- Higher-quality product mix and price increases compensate for the inflation-driven rise in prices on the cost of sales and expenses side
- Photofinishing also achieves strong operating earnings margin of 12.8% in 2024

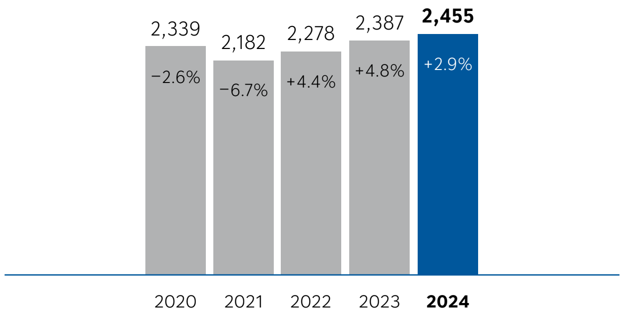
More than

92 million

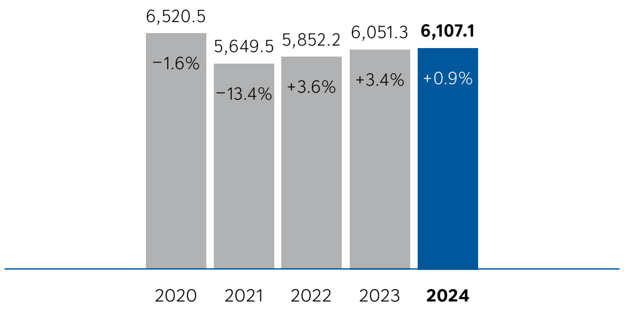
CEWE PHOTOBOOKS produced since 2005

CEWE successfully converts the increase in the number of photos taken in the age of smartphone photography to growth in its own business.

Total number of photos in millions / change on previous year in %



Total number of CEWE PHOTOBOOKS in thousands / change on previous year in %



Consumer demand for higher-quality photo products rises again in 2024, while price increases necessitated by inflation also boost revenue.

2024 to offset continuing inflation-driven cost increases in almost every P&L item, including cost of sales, personnel expenses and other operating expenses (including logistics and shipping costs).

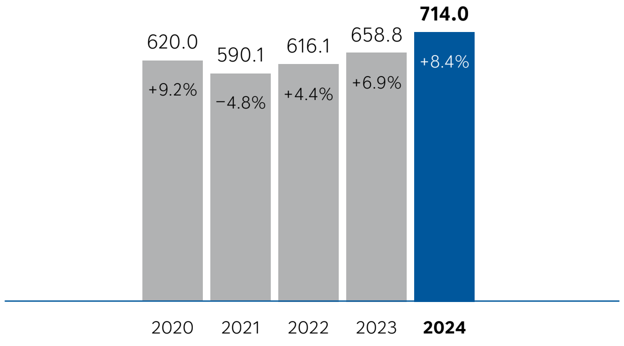
Christmas trading means the fourth quarter continues to have the largest impact on Photofinishing performance, accounting for 44.5 % of full-year revenue to ensure this trend remains intact. This meant that Photofinishing revenue reached 317.7 million euros in the fourth quarter under review (Q4 2023: 293.6 million euros). Around 4.1 million euros of this revenue growth (excluding EBIT effects) was attributable to the switch to fee-based billing made by one retailer supplied by CEWE. Excluding this switch (recognised in other comprehensive income), Photofinishing revenue rose by 6.8 % on a like-for-like basis.

Revenue per photo rises to 29.08 cents

For some years now, the trend towards higher-quality photo products has boosted revenue and earnings performance in the core Photofinishing business unit. Revenue per photo climbed once again during the year under review, rising from 27.60 cents in 2023 to 29.08 cents in 2024. This higher figure was bolstered by price rises necessitated by inflation.

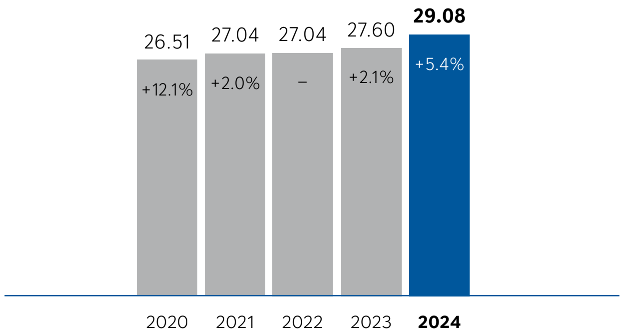
Customers once again order more CEWE PHOTOBOOKS in 2024, with orders rising by 0.9 %.

Photofinishing revenue in millions of euros / change on previous year in %



Revenue per photo continues to increase by 5.4 %.

Photofinishing revenue per photo in eurocents / change on previous year in %



Photofinishing EBIT increases to 83.4 million euros in 2024

Strong Christmas trading helped the Photofinishing business unit to record EBIT of 83.4 million euros in 2024, an increase of 3.4 million euros (2023: 80.0 million euros). As in every year, CEWE also generated the largest portion of its annual profit during the fourth quarter of 2024. As a result, the fourth quarter of 2024 (considered in isolation) once again made up the lion's share of earnings for the year at 78.6 million euros (Q4 2023: 78.2 million euros). This high earnings share in the fourth quarter is entirely typical due to the significant economies of scale in CEWE's production operations, which operated at full capacity during Christmas trading. With weaker capacity utilisation and high residual fixed costs, Q1, Q2 and Q3 usually contribute a lower share of earnings.

Another strong Christmas trading season generated strong Photofinishing earnings for the year, with EBIT of 83.4 million euros in 2024.

In financial year 2024, one-off effects totalling around −6.1 million euros were recognised for the amortisation of purchase price allocations for Cheerz (−0.8 million euros), WhiteWall (−1.8 million euros) and Hertz (−0.4 million euros) as well as goodwill and software impairment for DeinDesign (totalling −3.1 million euros). In financial year 2023, one-off expenses totalling around −4.0 million euros were recognised for the amortisation of purchase price allocations for Cheerz (−0.9 million euros), WhiteWall (−2.1 million euros) and Hertz (−0.5 million euros) as well as a write-down on software licenses no longer required (−0.5 million euros). Adjusted for these one-off effects, operating EBIT in the Photofinishing business unit increased to 89.5 million euros in financial year 2024 (adjusted operating EBIT in 2023: 84.0 million euros).

Photofinishing operating EBIT margin reaches a strong 12.8%

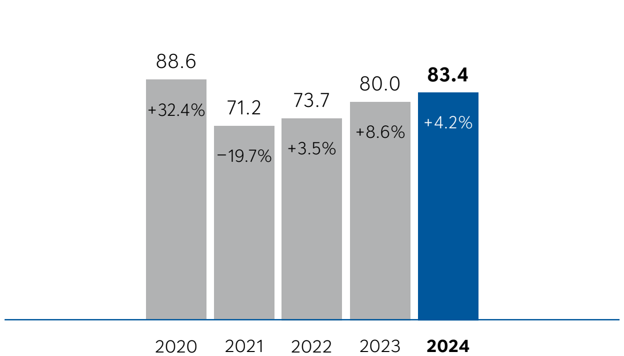
The operating profit margin (before the one-off expenses described above) in the core Photofinishing business unit reached a strong 12.8% once again in 2024. In particular, the ongoing change in the product mix, continuing premiumisation and additional contribution margins arising from long-term revenue growth, paired with ongoing efficiency improvements, have helped the operating EBIT margin for the Photofinishing business unit to rise steadily over the last few years. 2020 provided particularly impressive proof of the sort of margin that can be achieved with significant economies of scale in production, as the pandemic-related surge in demand caused the operating EBIT margin to temporarily jump to an exceptionally high 15.1%.

12.8%

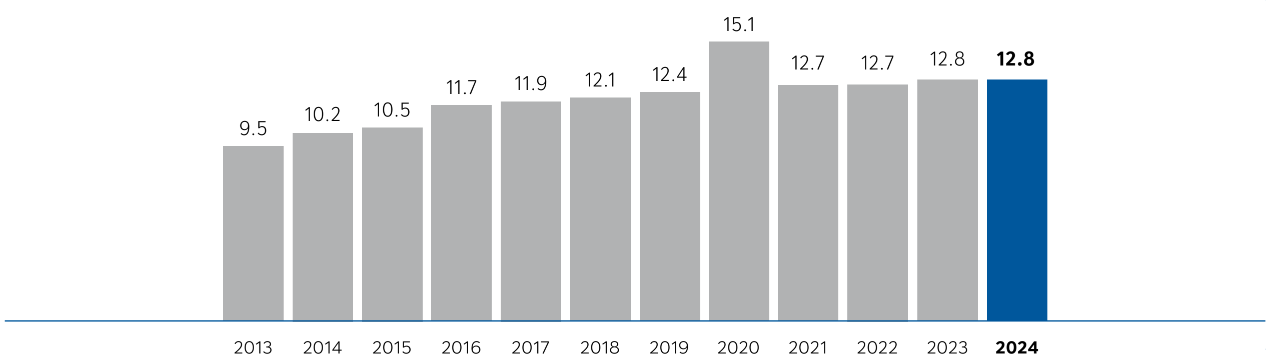
Photofinishing operating EBIT margin in 2024

The Photofinishing EBIT margin remained strong in 2024 to reach an impressive 12.8%.

Photofinishing EBIT in millions of euros / change on previous year in %



Photofinishing operating EBIT margin[1] in %

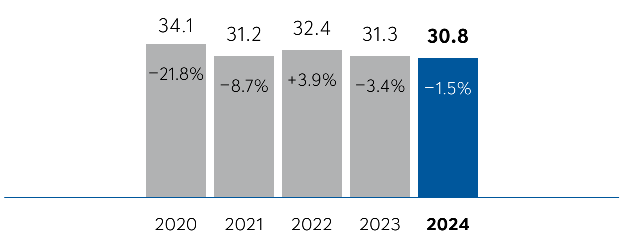


[1] excluding reported one-off effects (mainly PPA effects)

Retail business unit

CEWE operates multichannel retailing in Poland, Czechia, Slovakia, Norway and Sweden in the form of bricks-and-mortar stores and online shops. CEWE Retail clearly focuses on generating photofinishing business by marketing CEWE PHOTOBOOKS, calendars, greeting cards, wall art and other photo gifts. As a result, the revenue and earnings contribution made by this photofinishing range is reported in the Photofinishing business unit. The Retail business unit only reports revenue and earnings from the photo hardware business generated by items such as cameras and photo accessories.

Retail revenue in millions of euros / change on previous year in %



Retail generates 30.8 million euros in revenue in 2024

With around 100 branches in Scandinavia and Central and Eastern Europe, hardware retail achieved annual revenue of 30.8 million euros in 2024 (2023: 31.3 million euros; −1.5%). For Retail, too, the fourth quarter is the most important quarter of the year due to Christmas trading, accounting for more than 30% of full-year revenue. After generating 9.5 million euros of Q4 revenue in the previous year, CEWE Retail reported slightly higher revenue of 9.8 million euros in the quarter under review (+2.9%).

In the Retail business unit, CEWE continues to focus on its business with photofinishing products (reported in the Photofinishing segment) and uses its retail activities as a B2C distribution channel for CEWE PHOTOBOOKS, photo calendars, wall art and many other photo products. In the photo hardware segment (cameras and accessories), CEWE continues to deliberately avoid the low-margin retail business. In previous years, the active reduction in revenue in the Retail business unit was typically around 10%.

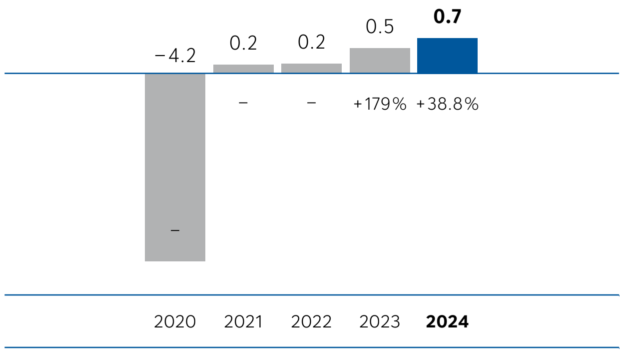
By deliberately avoiding the low-margin photo hardware business and focusing on photo-finishing products, CEWE has been actively reducing its photo hardware revenue for several years now.

- At 30.8 million euros, photo hardware and accessories revenue was slightly lower in 2024 than in the previous year (2023: 31.3 million euros) in line with CEWE's strategy
- Retail remains well positioned, with EBIT improving by 0.2 million euros to 0.7 million euros (2023: 0.5 million euros) despite a slight decrease in revenue

100

retail branches focusing on sales of photofinishing products

Retail EBIT in millions of euros / change on previous year in %



Retail remained well positioned in 2024, with EBIT improving by 0.2 million euros to 0.7 million euros despite the slight decline in revenue.

Hardware retail improves EBIT figure despite slight decline in revenue

The earnings trend reflects the continued strong positioning of the Retail business unit, with this segment improving its contribution to Group EBIT by 0.2 million euros to 0.7 million euros in 2024 (2023: 0.5 million euros) despite a slight decline in revenue. This is a top-rate performance given what are typically relatively low merchandise margins. In the first year of the pandemic, 2020, CEWE had already decided to close slightly more than 40 branches in total across all of the countries in which CEWE Retail operates. CEWE Retail continued to benefit from this accelerated optimisation of its branch structure during financial year now ended.

Christmas trading and with it the fourth quarter is also crucial for full-year earnings performance in the Retail business unit. With a Q4 EBIT figure of 0.9 million euros achieved primarily during December's Christmas trading, Retail once again recovered from the usual slight shortfall in EBIT up to the end of the third quarter to make a positive contribution to Group earnings (EBIT Q4 2023: 0.9 million euros).

- With its Best Price Guarantee for customers, Commercial Online Printing posted revenue of 89.9 million euros in 2024 (2023: 92.2 million euros)
- In a competitively priced market, Commercial Online Printing's cost efficiency in production allowed it to generate EBIT of 3.4 million euros (2023: 4.2 million euros)

89.9
million euros

Commercial Online Printing revenue in 2024

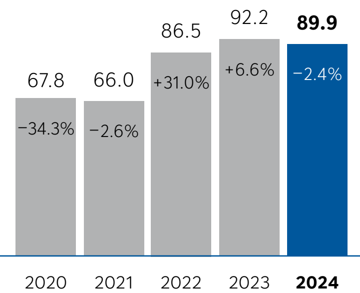
Commercial Online Printing business unit

With its online printing brands SAXOPRINT, viaprinto and LASERLINE, CEWE is ideally positioned in the European market for printed advertising media and business stationery ordered online and has a particularly strong presence in Germany, Austria and Switzerland (the DACH region). SAXOPRINT primarily serves customers in the offset printing segment, both in Germany and other international markets, and offers a Best Price Guarantee, viaprinto is primarily positioned in the digital printing segment as a provider of high-quality printed products with small print runs, and LASERLINE has a particularly strong presence in Berlin and Brandenburg and serves customers based in this region.

Commercial Online Printing (COP) holds its ground in a weak overall market in 2024

According to CEWE management estimates, revenue in the Commercial Online Printing business unit declined by just 2.4% to 89.9 million euros in a weak overall market in 2024 (2023: 92.2 million euros). One of the main success factors is the Best Price Guarantee, which pledges that the price of SAXOPRINT's printed products will always be the lowest on the market. If a SAXOPRINT customer finds a similar product available from competitors at a lower price, SAXOPRINT will reimburse the price difference. This Best Price Guarantee is made possible by the high level of cost efficiency achieved by SAXOPRINT's production. Its highly automated production plant in Dresden – which now also offers large-format printing following the acquisition of EASTprint last year – is considered one of the most modern technology parks for online offset printing in Europe. In the fourth quarter of 2024, Commercial Online Printing generated revenue of 25.7 million euros (Q4 2023: 25.9 million euros, −0.8%). The correction of a key account invoice resulted in a non-period reduction in Q4 revenue of 0.5 million euros. Excluding this one-off item, operating revenue performance in the fourth quarter improved slightly by 1.2% to 26.2 million euros.

Commercial Online Printing revenue in millions of euros / change on previous year in %



The Best Price Guarantee helps Commercial Online Printing to succeed in a generally shrinking market for commercial printed products.

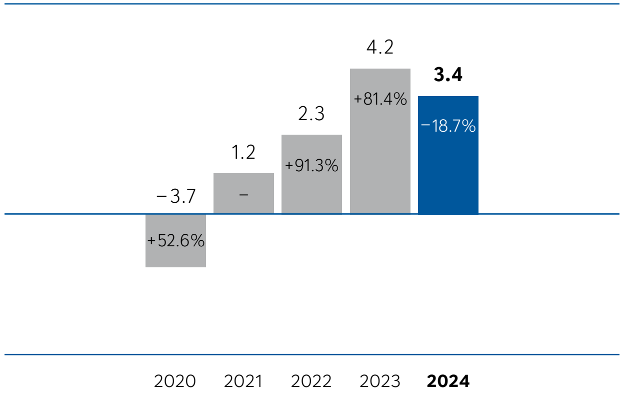
COP makes 3.4-million-euro EBIT contribution to Group earnings

The Commercial Online Printing business unit once again achieved its lower break-even target in financial year 2024. Thanks to the cost efficiency of its production activities, COP reported a clearly positive EBIT figure of 3.4 million euros based on revenue generated. As late as the years preceding the pandemic, revenue of over 100 million euros in the Commercial Online Printing business unit resulted in weaker earnings than it does today. Due to the competitive pricing environment in a declining market, EBIT was 0.8 million euros lower in financial year 2024 than in the previous year (2023: 4.2 million euros). When considering the fourth quarter of 2024 in isolation, COP made an EBIT contribution of 1.4 million euros to Group earnings. The correction of a key account invoice resulted in a non-period reduction in Q4 EBIT of 0.5 million euros. Excluding this one-off item, COP reported operating Q4 EBIT of 1.9 million euros (2023: 2.7 million euros).

3.4

million euros in Commercial Online Printing EBIT in 2024

Commercial Online Printing EBIT in millions of euros / change on previous year in %



With its very efficient production and cost structure, COP achieved respectable earnings of 3.4 million euros in a highly competitive priced market.

Other Activities business unit

CEWE reports its structural and company costs as well as income from property and equity investments in its Other Activities business unit. The costs associated with the Company's supervisory bodies, general meeting and investor relations activities are considered the main structural and company costs that are incurred across all of the Company's business units. The CEWE Group owns rental properties at its former photo lab locations in Bad Schwartau and Berlin as well as the Saxopark commercial property at SAXOPRINT's headquarters in Dresden.

No revenue is realised in the Other Activities business unit. In financial year 2024, income (EBIT) from structural and company costs, property and equity investments contributed −1.4 million euros to Group earnings (2023: −0.8 million euros). Lower rental income (after the acquisition of former tenant EASTprint at Saxopark Dresden), a loss allowance required for right-of-use assets for a subleased property as well as building and infrastructure projects at the property in Bad Schwartau reduced income from property by around 0.6 million euros in 2024. In the fourth quarter of 2024, income from structural and company costs, property and equity investments was unchanged from the previous year as expected at −0.2 million euros (Q4 2023: −0.2 million euros).

Group P&L

Group revenue rises to 832.8 million euros

CEWE continued its growth trajectory in 2024, focusing on innovation, brand strength, efficiency and sustainability, with Group revenue rising significantly in the year now ended by 6.7% to a total of 832.8 million euros (previous year: 780.2 million euros). Revenue rose by 55.2 million euros or 8.4% in the Photofinishing business unit and decreased slightly year-on-year in the Commercial Online Printing (−2.4%) and Retail (−1.5%) business units. This put the Group revenue achieved above the upper end of the target range of 770 million to 820 million euros projected for 2024. Not including the changeover to fee-based billing by one business partner (outside of profit or loss), Group revenue would have risen by 5.1% year-on-year (to exactly 820.0 million euros).

Group EBIT rises to 86.1 million euros

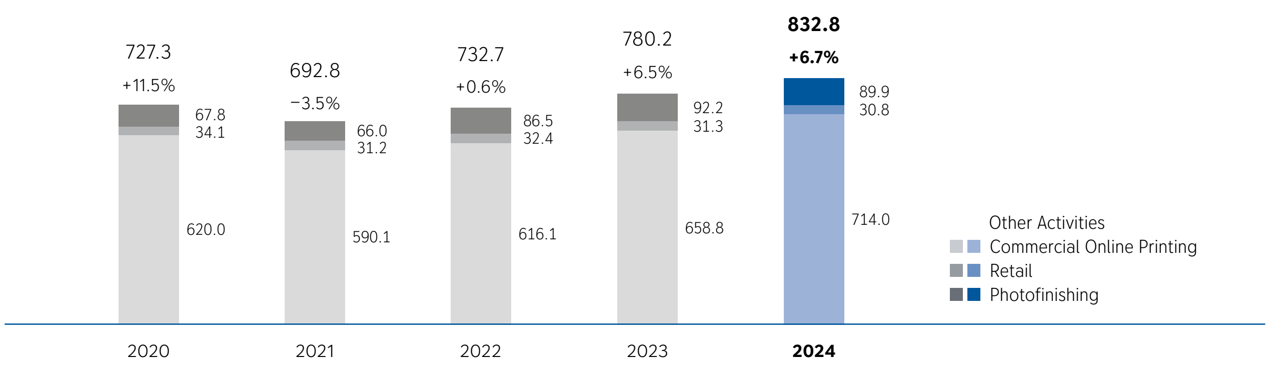
The CEWE Group's operating profit/loss (EBIT) rose to 86.1 million euros in 2024, hitting a new record high (2023: 83.9 million euros). CEWE thus met the target it had set for 2024 of achieving EBIT at the top end of the forecast range of 77 million to 87 million euros.

The Christmas business again accounted for the lion's share of earnings in 2024

CEWE once again generated the bulk of its earnings for the year in the fourth quarter thanks to the traditional seasonal peak in December due to the Christmas business as Q4 revenue was up by 7.4% to 351.2 million euros year-on-year (Q4 2023: 327.0 million euros). Thanks to improved efficiency in production, site expansion and new printing

CEWE saw its revenue jump by 55.2 million euros or 8.4% in 2024 on the back of significant growth in its Photofinishing core business unit – a strong performance once again.

Revenue in millions of euros / change on previous year in %



- Group revenue up 52.6 million euros to 832.8 million euros in 2024 (2023: 780.2 million euros), an increase of 6.7%
- Group EBIT rises to 86.1 million euros (2023: 83.9 million euros)
- CEWE thus reaches or exceeds the upper end of its target ranges in 2024
- Tax rate at expected normal level of 30.8%
- Earnings per share increase to 8.64 euros (2023: 8.10 euros)

and shipping technologies, CEWE again had no trouble fulfilling customer orders that were being placed later and later, shortly before Christmas. Fourth-quarter EBIT remained robust at 80.6 million euros (EBIT in Q4 2023: 81.6 million euros), which includes two one-off effects with the impairment of goodwill and software at DeinDesign (−3.1 million euros) in the Photofinishing business unit and the non-period correction of a key account invoice (−0.5 million euros) in the Commercial Online Printing business unit.

Structure of statement of profit or loss changed by shifts in the segments' share in business

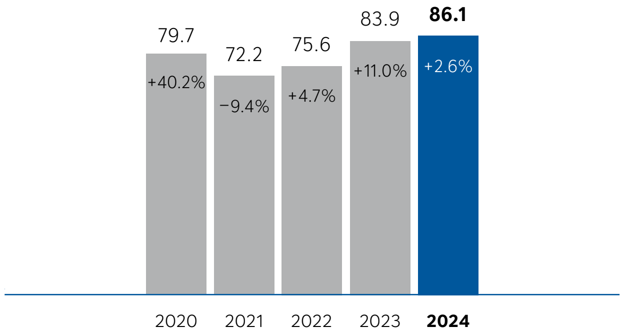
The structure of the contribution of the different business units to the statement of profit or loss has changed. In Photofinishing, the trend towards value-added products is reducing material use, while staff deployment and other operating expenses are increasing on account of CEWE's rising share of value added. Compared with Photofinishing, Commercial Online Printing tends to show a higher cost of materials but slightly lower personnel expenses and other operating expenses. The Retail business unit likewise posted a significantly higher cost of materials than the other two business units, yet lower personnel expenses and other operating expenses.

On average, the CEWE Group had 3,959 employees in 2024 (2023: 3,903). Of this number, 2,668 employees or approximately 67.0% (2023: 2,615 employees or 67.0%) worked at the CEWE Group's German sites and 1,291 employees or 33.0% (2023: 1,288 employees or 33.0%) at the CEWE Group's foreign sites. The minor change year-on-year is mainly attributable to new hires for corporate functions at the Oldenburg headquarters, the expansion of the Photofinishing production site in Freiburg and new hires at WhiteWall. In Commercial Online Printing, the number of employees at the production plant in Dresden was also marginally higher than in the previous year. By contrast, CEWE's Retail headcount declined.

86.1

million euros in EBIT in 2024 – a new record high

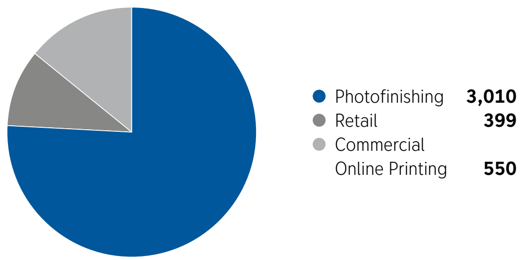
Operating profit (EBIT) in millions of euros / change on previous year in %



CEWE achieved a new all-time high EBIT figure of 86.1 million euros in 2024.

The CEWE Group had 3,959 employees on average in 2024.

Average workforce of the CEWE Group in 2024
by business unit



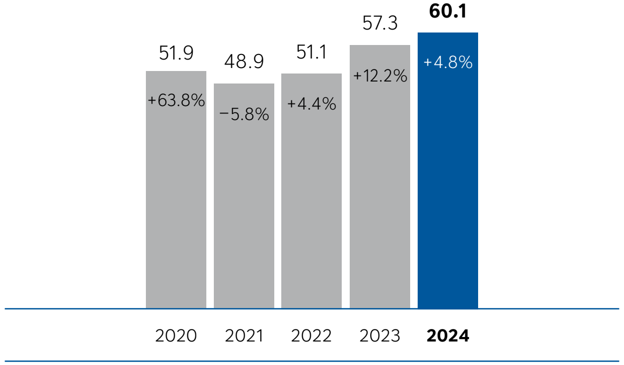
Group's tax rate at normal level

At 30.8%, the Group's tax rate for EBT is at the expected normal level (2023: 32.2%).

Earnings after tax of 60.1 million euros gives earnings per share of 8.64 euros

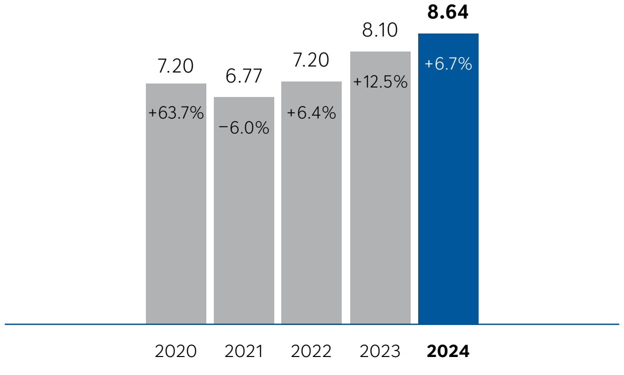
The CEWE Group achieved earnings after tax of 60.1 million euros in financial year 2024, an increase of 2.8 million euros (2023: 57.3 million euros). As a result, (basic) earnings per share amounted to 8.64 euros (2023: 8.10 euros).

Earnings after taxes in millions of euros / change on previous year in %



Earnings per share reached a new high in 2024 at 8.64 euros.

Earnings per share in euros / change on previous year in %



The Group's tax rate for EBT is 30.8% for financial year 2024 and therefore at the expected normal level.

Consolidated statement of profit or loss

in thousands of euros	2023	2024	Change in %
Revenue	780,198	832,792	6.7
Increase in finished goods and work in progress	234	157	−32.9
Other own work capitalised	4,161	4,956	19.1
Other operating income	25,494	27,323	7.2
Cost of materials	−187,380	−188,010	−0.3
Gross profit	**622,707**	**677,218**	**8.8**
Personnel expenses	−218,861	−236,256	−7.9
Other operating expenses	−266,106	−299,235	−12.4
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**137,740**	**141,727**	**2.9**
Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment	−53,830	−55,619	−3.3
Earnings before interest and taxes (EBIT)	**83,910**	**86,108**	**2.6**
Finance income	5,953	2,370	−60.2
Finance expense	−1,946	−1,622	16.6
Net finance income / expense	**4,007**	**748**	**−81.3**
Earnings before taxes (EBT)	**87,917**	**86,856**	**−1.2**
Income taxes	−28,302	−26,785	5.4
Earnings after tax from continuing operations	59,615	60,071	0.8
Post-tax profit/loss of discontinued operations	−2,302	0	–
Consolidated earnings after taxes	**57,313**	**60,071**	**4.8**

Growth in the Photofinishing core business unit (+8.4%) is driving revenue growth in the CEWE Group.

Pay scale and salary adjustments, payment of an inflation compensation bonus and new hires – primarily in Photofinishing – due to the level of business growth, increased this item.

Mainly a business-driven increase: higher shipping and logistics costs; the fees presented in this item are increasing significantly as a result of the changeover to fee-based billing by one business partner; marketing expenses are also up year-on-year.

In the previous year, the sale of CEWE's subsidiary futalis had resulted in a loss of 2.3 million euros (a 1.0 million euro operating loss in 2023, a 0.8 million euro write-down on a production machine and a 0.5 million euro deconsolidation loss).

Mainly includes the CEWE Photostations produced by the subsidiary Hertz Systemtechnik GmbH.

Increase due in particular to higher income from recyclable residual materials arising during the production processes in the Photofinishing and Commercial Online Printing business units.

The decline in the Retail and COP share, the strong Photofinishing trend (even boosted by price increases) and the switch to fee-based billing by one business partner, which is increasing revenue, are causing the cost-of-sales ratio to fall further.

A slight decrease in depreciation and amortisation together with the goodwill and software impairment at DeinDesign increase this item as a whole.

In the previous year, the disposal gain on a financial investment (LeanIX), which CEWE had sold through the start-up founder fund Capnamic, led to a sharp increase in finance income.

Statement of financial position

- Total assets up by 50.9 million euros to 716.9 million euros (+7.6%)
- Equity ratio increased again to 59.1% (previous year: 58.4%)
- Capital employed up by 29.2 million euros, due in particular to higher liquid assets

Total assets up by 50.9 million euros to 716.9 million euros (+7.6%)

Total assets at 31 December 2024 were 50.9 million euros higher year-on-year, climbing from 666.0 million euros to 716.9 million euros. This increase was mainly driven by the 35.8 million euro increase in current assets, due in particular to the 32.9 million euro growth in liquidity, the only slight increase in receivables from income tax refunds (+1.9 million euros) and the working capital items of inventories (+1.4 million euros) and trade receivables (+1.2 million euros). By contrast, other current receivables and assets decreased by 1.7 million euros.

Non-current assets rose by 15.1 million euros to 395.2 million euros. This is largely attributable to the 19.4 million euro increase in property, plant and equipment due to investments in new and modernised production space in the Photofinishing business unit and other investments in equipment for the Photofinishing and Commercial Online Printing business units.

The amortisation-related decrease in intangible assets, write-downs of goodwill (−2.0 million euros) and a decline in investment property (−2.9 million euros) due to own use had an offsetting effect.

Equity ratio increased again to 59.1% (previous year: 58.4%)

Equity increased by a total of 34.6 million euros to 423.8 million euros by comparison with 31 December 2024, mainly reflecting positive comprehensive income for the past four quarters in the amount of 61.1 million euros. The equity ratio rose again to 59.1%, maintaining the already very robust prior-year level (31 December 2023: 58.4%).

The Group's debt (the total of current and non-current liabilities) rose by 16.3 million euros, from 276.7 million euros to 293.0 million euros. Current liabilities increased by 21.7 million euros year-on-year to 224.1 million euros, mainly due to the 15.3 million euro rise in trade payables to 136.9 million euros and to a 3.0 million euro rise in tax liabilities to 10.6 million euros. By contrast, non-current liabilities declined by 5.5 million euros to 68.9 million euros as the liabilities from leases included in this figure were reduced by 3.6 million euros and provisions for pensions were reduced by 0.9 million euros.

In the transition to the managerial balance sheet, total assets of 716.9 million euros were reduced by current operating and therefore non-interest-bearing liabilities in the total amount of 214.5 million euros. As a result, the debt and equity elements subject to interest and dividends amounted to 502.3 million euros.

Capital employed up by 29.2 million euros, due in particular to higher liquid assets and an investment-related increase in fixed assets

The volume of capital employed rose by 29.2 million euros year-on-year, with increases in both liquid assets (+32.9 million euros) and non-current assets (+15.1 million euros). Liquidity thus reflects the strength of operating cash flow. On the other hand, net working capital decreased, mainly due to the increase in current trade payables, by 18.8 million euros to −43.1 million euros.

Solid equity lifts the volume of capital invested by 29.2 million euros

The 29.2 million euro rise in the volume of capital invested is attributable to the 34.6 million euro increase in equity. In equity, the comprehensive income item of 61.1 million euros reflected CEWE's earnings strength, which more than compensated for the dividend payment and the other changes in equity. Gross financial liabilities decreased by 3.6 million euros due to the decline in lease liabilities. Non-operating liabilities mainly related to pension provisions and decreased by 1.8 million euros year-on-year as a result of actuarial gains.

Material[1] changes to items of the statement of financial position

Non-current assets
(+18.2 million euros): increase due to investments in property, plant and equipment in new expanded production sites, decrease due to depreciation

Deferred tax assets
(+2.4 million euros): Mainly driven by the recognition of deferred taxes on loss carryforwards

Goodwill
(−2.0 million euros): impairment

Investment property
(−2.9 million euros): own use of a property

Liquid assets
(+32.9 million euros):

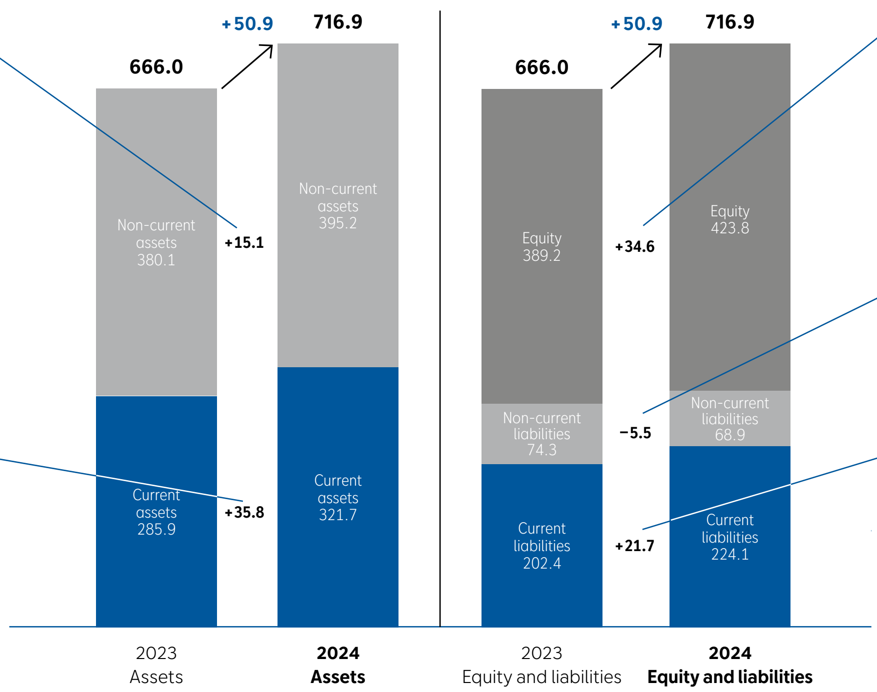
Income tax receivables
(+1.9 million euros): increase due to amended tax returns

Inventories
(+1.4 million euros): increase due to inventory build-up of photo paper

Trade receivables
(+1.2 million euros): revenue-driven increase

Other current receivables
(−1.7 million euros): VAT refunds

Statement of financial position as of 31 December in millions of euros



Positive comprehensive income
(+61.1 million euros)

Dividend
(−18.1 million euros)

Purchase of treasury shares
(−9.8 million euros)

Stock option plans
(+1.4 million euros)

Pension provisions
(−0.9 million euros): change in actuarial parameters

Non-current lease liabilities
(−3.6 million euros): decrease due to maturities

Trade payables
(+15.3 million euros): revenue-driven increase in liabilities to retailers from performance-related remuneration and from investments in property, plant and equipment

Income tax liabilities
(+3.0 million euros): earnings-driven increase

Current other liabilities
(+2.8 million euros): increase in personnel-related liabilities and deferrals

[1] The explanations do not mention all changes, but only the material ones.

Material[1] changes to items of the managerial balance sheet

Non-current assets (+ 18.2 million euros): increase due to investments in property, plant and equipment in new expanded production sites, decrease due to depreciation

Deferred tax assets (+ 2.4 million euros): mainly driven by the recognition of deferred taxes on loss carryforwards

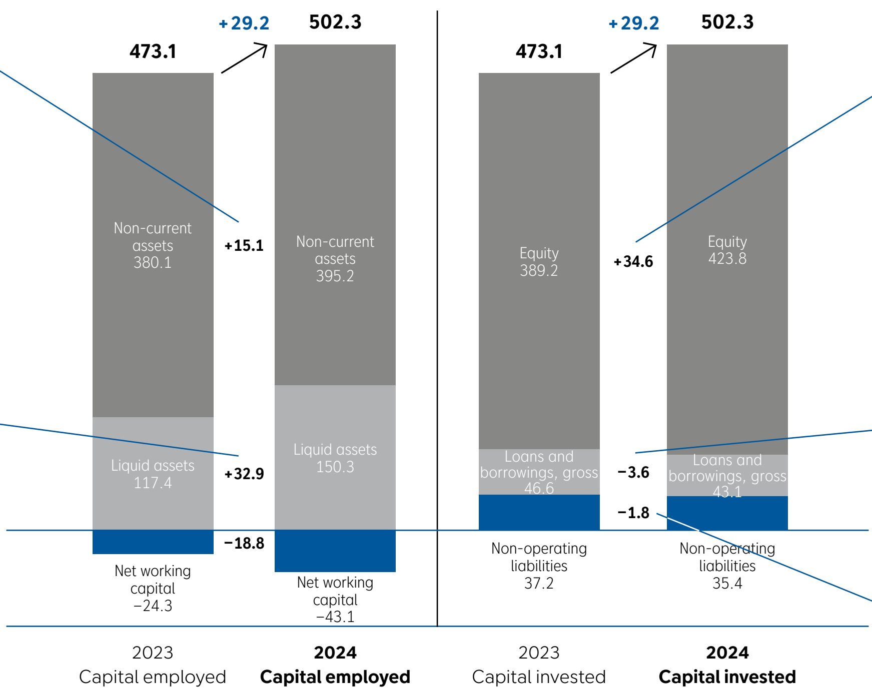
Goodwill
(− 2.0 million euros): impairment

Investment property
(− 2.9 million euros): own use of a property

Operating net working capital
(− 12.7 million euros):
trade payables (+ 15.3 million euros) and offsetting **trade receivables** (+ 1.2 million euros), and **inventories** (+ 1.4 million euros)

Other net working capital (− 6.1 million euros):
Income tax receivables (+ 1.9 million euros): due to changes in assessments for previous years
Income tax liabilities (+ 3.0 million euros): earnings-driven increase
Other current liabilities (+ 3.3 million euros): personnel-related liabilities and VAT liabilities
Other current receivables and assets (− 1.7 million euros): VAT refund

Managerial balance sheet as of 31 December in millions of euros



Positive comprehensive income
(+ 61.1 million euros)

Dividend
(− 18.1 million euros)

Purchase of treasury shares
(− 9.8 million euros)

Stock option plans
(+ 1.4 million euros)

Lease liabilities
(− 3.5 million euros): decrease due to maturities

Pension provisions
(− 0.9 million euros): change in actuarial parameters

Deferred tax liabilities
(− 0.7 million euros)

[1] The explanations do not mention all changes, but only the material ones.

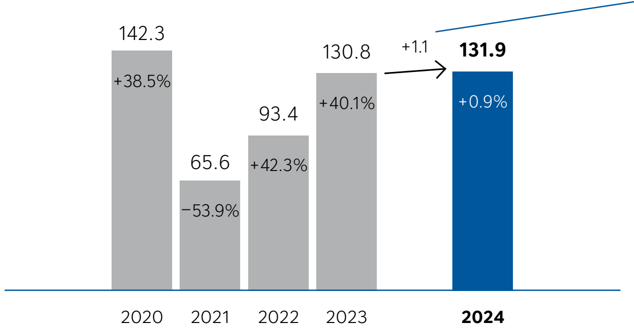
Cash flows

Operating cash flow continues to increase, rising to 131.9 million euros

Having already increased by 37.4 million euros to 130.8 million euros in the previous year, operating cash flow remained at the same level in the financial year now ended, at 131.9 million euros (+1.1 million euros). The significant increase in the previous year was attributable to payments from business partners from financial year 2022 that were not received until 2023. High non-recurring tax refunds were also received in the same year. There were no such one-off effects in 2024.

Based on a year-on-year increase in earnings of 6.4 million euros, operating cash flow in 2024 was therefore negatively impacted by the absence of tax refunds from the previous year concerning 2021 and 2022 (−12.8 million euros). These after-effects of the pandemic were more than compensated for by the other effects. Falling by 3.8 million euros year-on-year, operating net working capital had a positive effect on operating cash flow, even though the absence of the one-off effect from payments from business partners could be observed here. This is mainly due to the increase in trade payables, which was significantly higher than the increase in trade receivables. Other net working capital also declined by 2.5 million euros year-on-year, generating a positive effect.

Cash flows from operating activities[1]
in millions of euros / change on previous year in %



Increase in earnings (+6.4 million euros): total of EBITDA and non-cash effects
Tax payments (−12.8 million euros): (tax refunds received in the previous year concerning the 2021 and 2022 assessment years)
Operating net working capital (+3.8 million euros): revenue-related increase in trade receivables is offset by the increase in trade payables
Other net working capital (+2.5 million euros): decrease in value added tax positions
Interest received (+1.0 million euros)

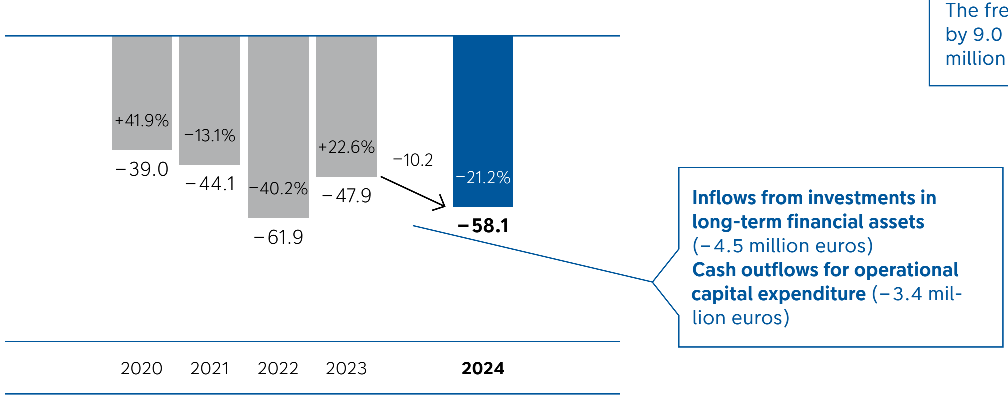
[1] The explanations do not mention all changes, but only the material ones.

- Operating cash flow continues to increase, rising to 131.9 million euros
- Q4 free cash flow of 124.6 million euros even exceeds the levels seen during the pandemic-driven boom in 2020

131.9

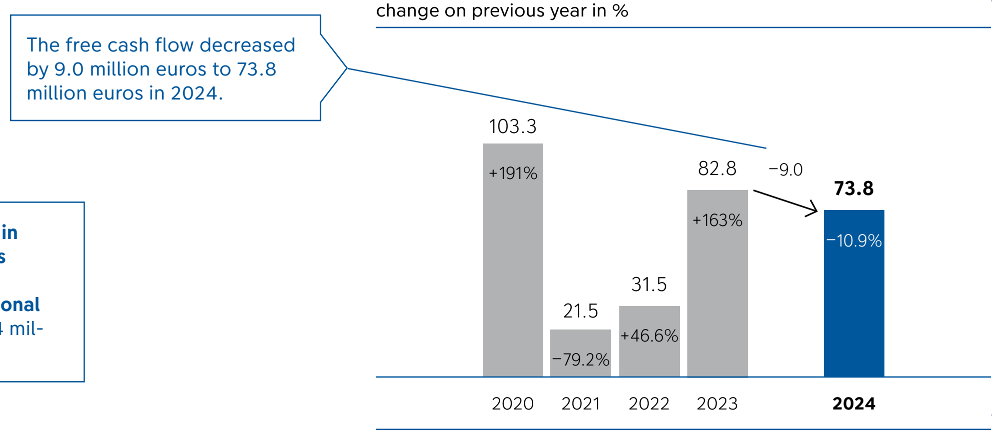
million euros in cash flows from operating activities

Net cash used in investing activities[1] in millions of euros / change on previous year in %



[1] The explanations do not mention all changes, but only the material ones.

Free cash flow[1] in millions of euros / change on previous year in %



[1] The explanations do not mention all changes, but only the material ones.

Net cash used in investing activities up by 10.2 million euros due to the expansion of Photofinishing production sites and the absence of profits distributed from financial investments that had been included in the prior-year figure

In particular, the high inflows from investments in long-term financial assets (one-off exit income from a venture capital fund) in the previous year (4.5 million euros), which have not since been repeated, and the simultaneous slight increase in operational capital expenditure (3.4 million euros) increased net cash used in investing activities to 58.1 million euros.

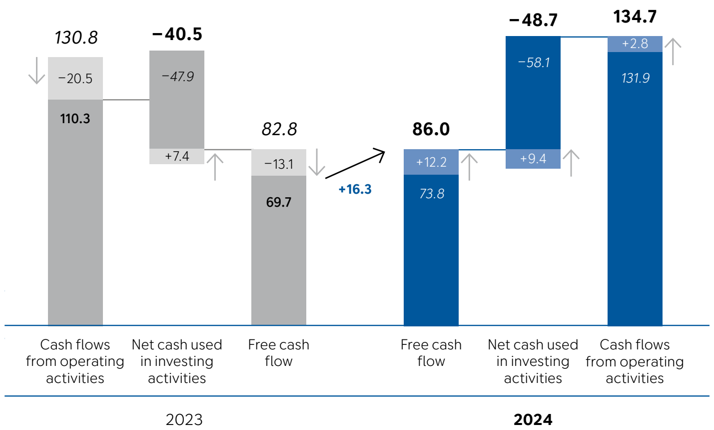
Free cash flow of 73.8 million euros

The free cash flow decreased by 9.0 million euros to 73.8 million euros. This resulted from the increase in net cash used in investing activities as described of 10.2 million euros to 58.1 million euros plus a 1.1 million euro increase in cash flows from operating activities to 131.9 million euros.

Normalised free cash flow of 86.0 million euros up on the normalised prior-year figure of 69.7 million euros

For financial year 2023, it emerged that some business partners – as described above – only settled liabilities with a volume of around 9.0 million euros that were attributable to financial year 2022 in financial year 2023. As already described, tax payments in financial year 2023 had been 11.5 million euros below the tax expense due to the reimbursement of tax prepayments, while tax payments in the current year exceeded the tax expense by 2.8 million euros. In financial year 2024, the purchase price payment for Eastprint increased net cash used in investing activities by 2.2 million euros. Special investments in real estate were also incurred in the amount of 7.9 million euros, while profits distributed from financial investments came to just 0.7 million euros. Excluding these one-off effects, free cash flow increased by 73.8 million euros to a normalised free cash flow of 86.0 million euros, significantly higher than the prior-year figure of 69.7 million euros.

Normalised cash flow 2023 vs. 2024[1] in millions of euros



2023	Normalisation accounting	2024
−9	Advance debt collection by retail partners	0
−11.5	Tax payments above/below tax expense	2.8
−20.5	**Normalised cash flows from operating activities**	**2.8**
0	Eastprint acquisition	2.2
12.8	Special investments in real estate (purchase/construction)	7.9
−5.4	Distribution of profits from financial investments	−0.7
7.4	**Normalisation of net cash used in investing activities**	**9.4**
−13.1	**Normalisation of free cash flow**	**12.2**

1 The explanations do not mention all changes, but only the material ones.

Q4 free cash flow of 124.6 million euros even exceeds the levels seen during the pandemic-driven boom in 2020

Free cash flow for the fourth quarter of 2024 was up by 6.2 million euros to 124.6 million euros. Of this increase, 7.0 million euros was attributable to an increase in cash flows from operating activities compared with the same quarter of the previous year.

The sum of EBITDA and non-cash effects rose by 1.6 million euros. Net working capital was up by 8.5 million euros compared with the fourth quarter of the previous year, strengthening cash flows from operating activities. The increase is due to both the seasonal high decrease in inventories and the increase in trade payables, which offset the revenue-driven increase in trade receivables. Tax expense also rose by 3.4 million euros. The year-on-year increase in net cash used in investing activities to 0.7 million euros also had a minor impact on free cash flow.

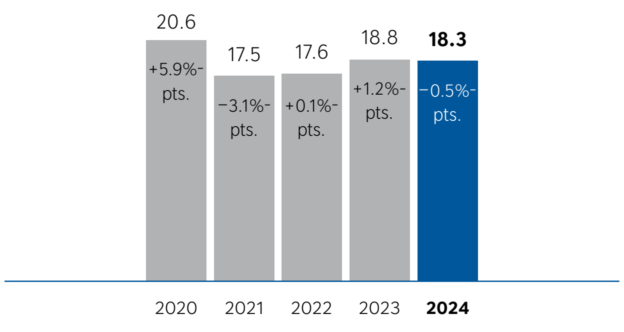
Return on capital employed

CEWE creates value.

ROCE sustains robust level of 18.3%

The return on capital employed (ROCE) reached a respectable 18.3% at the end of financial year 2024 (31 December 2023: 18.8%). The figure of 18.3% is calculated on the basis of the 12-month EBIT figure of 86.1 million euros and the average volume of capital employed over the four quarterly reporting dates in 2024 of 470.6 million euros. The strong cash position in particular increased the average capital employed in 2024 and thus slightly reduced the return on capital employed (ROCE) versus the previous year. Without this increase through liquid assets in capital employed, ROCE would have risen to 19.7%.

ROCE as % / change on previous year in %



- ROCE sustains robust level of 18.3%

18.3%

ROCE – CEWE creates value.

Outlook for 2025

CEWE to maintain long-term growth trajectory

Consolidated revenue is expected to increase further in 2025, from 832.8 million euros in 2024 to between 835 million and 865 million euros. Revenue from the core Photofinishing business is projected to continue its slight upward trend. In the Retail business unit, revenue from photographic hardware is likely to continue its slight downtrend, while Commercial Online Printing should achieve slight revenue growth in most markets.

EBIT earnings target range in 2025: 84 million to 92 million euros

Group EBIT will be within a range of between 84 million and 92 million euros in 2025, with EBT between 83.5 million and 91.5 million euros, while earnings after tax will lie within a range of 58 million to 63 million euros.

The ranges of these targets for financial year 2025 represent approximate figures and reflect the uncertainties currently associated with possible changes in the level of demand, from price increases/inflation on the cost of sales and cost side and their potential impact on CEWE's business performance. In its operational planning for 2025, the Executive Board is aiming to achieve a target in the upper half of the envisaged range.

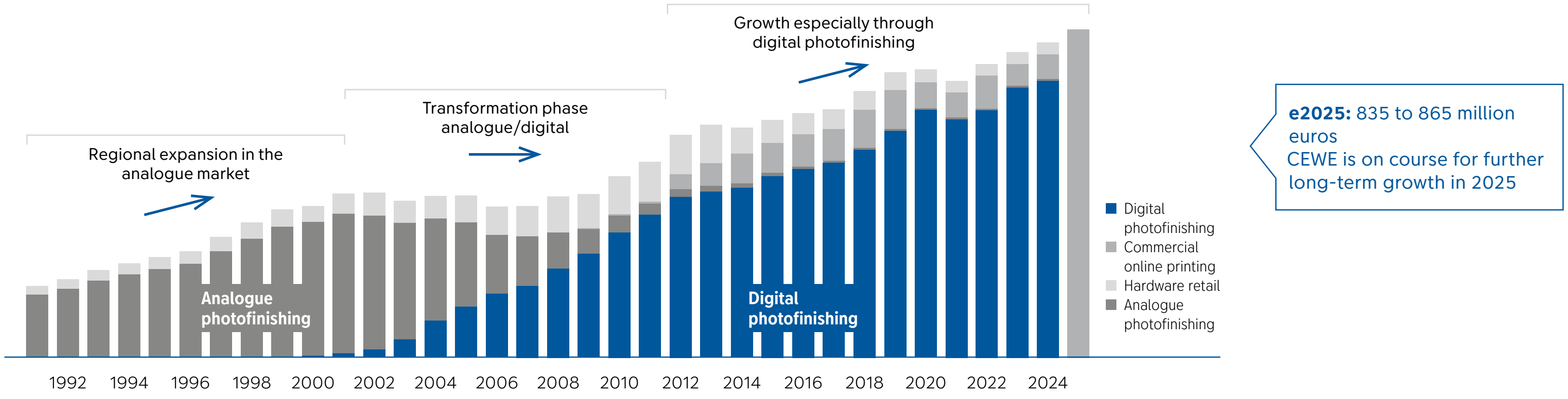
Operational capital expenditure planned at normal level

The operational capital expenditure planned for 2025 (i.e. outflows from investments in property, plant and equipment and intangible assets, offset against inflows from the sale of property, plant and equipment and intangible assets, excluding takeovers and acquisitions) is expected to total around 65 million euros.

84–92

Million euros in EBIT planned for 2025

Long-term revenue trend



The ranges for these targets for 2025 reflect the uncertainties currently associated with possible changes in the level of demand, from price increases/inflation on the cost of sales and cost side and their potential impact on CEWE's business performance.

CEWE Group targets for 2025

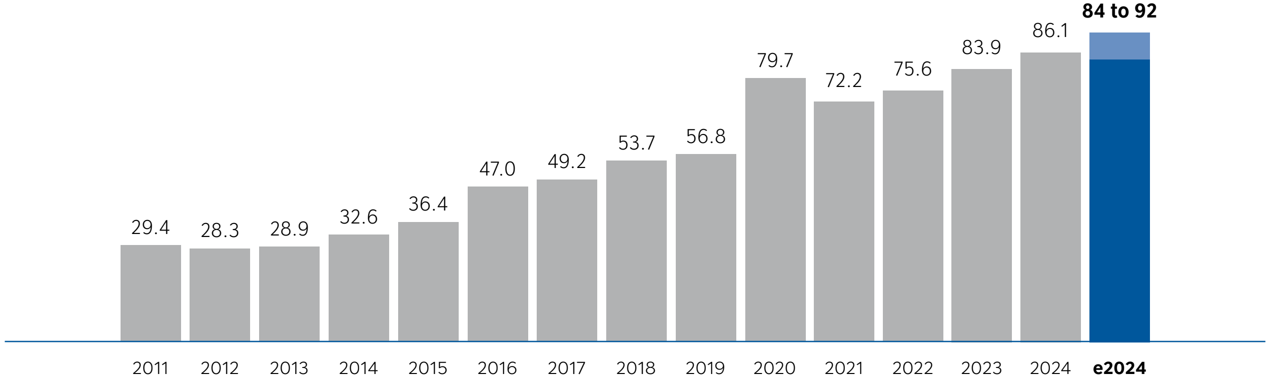
		2025	Change in %
Photos	billion units	2.46 to 2.53	0 to +2
CEWE PHOTOBOOK	million units	6.0 to 6.2	−1 to +2
Operational capital expenditure[1]	millions of euros	~65	
Revenue	millions of euros	835 to 865	0 to +4
EBIT	millions of euros	84 to 92	−2 to +7
Earnings before taxes (EBT)	millions of euros	83.5 to 91.5	−4 to +5
Earnings after tax	millions of euros	58 to 63	−4 to +5
Earnings per share	euros/share	8.32 to 9.12	−4 to +6

[1] Outflows from investments in property, plant and equipment and intangible assets, offset against inflows from the sale of property, plant and equipment and intangible assets, excluding takeovers and acquisitions

CEWE targeting further continuous dividend growth as far as possible

CEWE considers itself to be an exceptionally reliable dividend payer, with the dividend proposed for financial year 2024 representing a 16th consecutive increase. CEWE aims to ensure dividend continuity wherever possible. Where this appears possible in view of the Company's economic situation and available investment opportunities, this means providing a dividend which is at least unchanged in absolute terms and ideally increased. This policy focuses on the absolute dividend amount, with the payout ratio and dividend yield as secondary considerations.

EBIT trend in millions of euros



For financial year 2025, Group EBIT of up to 92 million euros should be achieved.

Interview

A conversation with Yvonne Rostock, CEO of CEWE, on her time at CEWE, achieving growth in challenging times and creating momentum for the future

Ms Rostock, let's start by taking a look back at 2024. How would you rate the past financial year?
Happy customers are key to our success. The figures for each financial year are important, of course, but it should be just as important to our investors that people are satisfied with the products and services we provide. After all, that's the only thing that will keep them coming back year after year. Our customers' needs are paramount in everything we do at CEWE, and for us, "customer centricity" is not just a buzzword but something we live by every day. That's why, when we look back at 2024, we are particularly proud that our photo products have brought happiness to millions of people across Europe once again. We measure this customer satisfaction using our Net Promoter Score, which rose again from an already highly elevated level last year.

And yes, 2024 was also a highly successful and record-breaking year for the CEWE Group when "expressed in euros", with revenue rising by 6.7% to 832.8 million euros to exceed our annual target for 2024 of up to 820 million euros. EBIT improved by 2.6% to 86.1 million euros to reach the upper end of the target corridor of 77 million to 87 million euros, while the additional increase in our equity ratio to 59.1% strengthened our already robust balance sheet even further. We continued to grow our company in line with our strategic priorities in 2024, with a focus on innovation, brand strength, efficiency and sustainability. We are delighted that this was another highly successful year.

From an operating perspective, earnings were actually even better than reported EBIT due to an impairment charge relating to DeinDesign. What is the story behind this?
"Actually better"...? Yes and no. We produce and market premium-quality, primarily customisable smartphone covers under the DeinDesign brand. This market is becoming increasingly challenging as it is flooded with low-priced goods, most of which are produced in Asia. In light of this, we have decided to rethink our product range and adjust it where necessary. As a result, and being the conservative accountants we are, we recognised an impairment loss on DeinDesign's goodwill and online shop totalling around 3.1 million euros in the fourth quarter of 2024. In this respect, you're right to say that from a purely operating perspective – that is, excluding these writedowns – we generated EBIT that was higher by this particular amount. On the other hand, I would point out that extraordinary circumstances like these arise on an almost regular basis in companies of our size. With that in mind, I really don't want to treat DeinDesign as an outlier here.

If we continue to look through the annual financial statements, the Company's healthy cash position is particularly eye-catching. What are the Executive Board's plans in this regard?
[laughs] It's certainly true that successful business performance should ideally allow a company to increase its liquid assets, and we're no exception. Our net cash position

is good, and our financing resources are excellent. As Europe's largest photofinisher, we are always reviewing investment opportunities, including any M&A options that may arise. Since CEWE was founded, we have successfully completed more than 40 acquisitions and have always grown the business both organically and inorganically. This will remain the case in the future. Our acquisitions have always brought something new to the Group, whether that means a focus on a particular target customer group, at a technological level, sales channels or regional focus. We also envisage making future acquisitions in the Photofinishing segment and beyond. At the same time, we've always invested in our own company by buying back shares. We take inspiration from Warren Buffett in this respect: if our share price falls, we make more buybacks under safe harbour regulations, and if the price rises we reduce our holdings. Ultimately, this means our investors and shareholders also benefit. Coming back to our cash situation, we take our cue from Warren Buffett here, too. While we may be nowhere near the 300-billion-dollar mark like Berkshire Hathaway, our much smaller cash position certainly doesn't worry us. The right investment opportunities will present themselves at the right price, and we're actively looking out for them.

How is CEWE looking to the future? There is no doubt that we live in challenging times. Could you give us an insight into your thoughts?

Many companies and entire sectors have suffered greatly during the various crises of the last few years – whether as a result of the pandemic, disruption to supply chains and subsequent supply bottlenecks, extreme cost increases triggered by inflation, or the inflation-driven slump in consumer demand. But CEWE has not been one of them. Our business model has proven itself to be crisis-resistant because families and friends show their support for each other in times like these and because we find it comforting to withdraw into our private spheres when the world outside is chaotic. We have managed to inspire people to use their memories to create photo products and share them with each other. Revenue and earnings in our Photofinishing business have grown year after year, and we've worked hard to make this happen. We invest considerably in the market by increasing our visibility in video-based media (TV/digital/social media) or at trade fairs, for example. We have set ourselves a clear goal – to generate one billion euros in revenue in the medium term – and are on course to achieve it. What's most important for us is, firstly, to focus on our principles – innovation, brand strength, efficiency and sustainability – and secondly, to have a strategic action plan. While we'll be following this plan for years to come, it already began to bear fruit in 2024 with initiatives like the launch of our passport photo app and new innovations like the CEWE Panorama page or the new editor for mobile devices.

CEWE has also been addressing the topic of artificial intelligence (AI) for many years, and the Company is said to be particularly committed to this issue.

I'm excited about the possibilities AI offers. For us, AI is an important driver of transformation towards better products, service and creative possibilities. Internally, we talk about AI as a co-creator for our customers, a co-worker to our employees and a co-pilot for our company. In short, AI will help us to offer our customers even more ways to transform their memories into photo products and help us work more efficiently within the CEWE Group. This is not just a pipe dream. In fact, artificial intelligence already makes it easier to create a CEWE PHOTOBOOK… and that's just the beginning. There is still so much more we can do. AI will create a myriad of new creative possibilities and enable customers to create fantastically designed photobooks automatically. What's more, artificial intelligence promises to save us all time. There are undoubtedly many people who would like to have a beautifully designed photobook of their recent holiday, their families or all the photos from a particular year. They have the photos, but they just can't spare the time to create the photobook right now, perhaps because it's not something they enjoy like many others do. If we can help these customers in the future by enabling them to use AI – and take the time it takes to create a photobook out of the equation – then I can see significant growth potential from this alone.

Your passion for this subject is clear, yet you're leaving CEWE and stepping down from your role as CEO. What are the reasons for this?

I'm grateful for the trust that has been placed in me and proud of what we have achieved together as a team over the last few years. I took on this role at a time when there were a lot of changes in personnel, developed the Company both strategically and economically, and opened up new possibilities. Together we have continued to internationalise the Group, tapped into new business areas and collectively created an overarching culture for the CEWE Group.

This work will continue to bear fruit over the coming years. From a personal perspective, I have achieved our jointly defined goals and will be leaving the Company in good hands. I have come to a mutual agreement with the Board of Trustees of Neumüller CEWE COLOR Stiftung, who are responsible for filling our Executive Board roles, that my contract as CEO will expire at the end of my current term.

This sounds very orderly, well-considered and responsible. Nevertheless, will you find it difficult to say goodbye?
I will really miss the people at CEWE, and am sorry to be saying goodbye even though my mission is complete. I personally believe that every change brings opportunity – for CEWE, because we as a team have put this company in a very strong position over the last few years, and for me personally, because at 52 I am looking forward to applying my expertise and passion to new professional challenges.

Your departure will also reduce the Executive Board to five people. What are the specific plans for the Board, and what will it look like going forward?
CEWE is gaining an experienced CEO in my successor, Thomas Mehls. He has been working very successfully for the Company for almost 12 years now, during which time he has played a major role in helping it to become a multi-brand company and a leader in the European photofinishing market. His future deputy CEO Patrick Berkhouwer, who successfully heads up the international business, has more than 14 years of experience with CEWE and knows the Company very well – as do my colleagues Dr Reiner Fageth (CTO) and Carsten Heitkamp (COO / CHRO). And from August, Sirka Hintze will replace our long-serving CFO Dr Olaf Holzkämper as planned. She has international financial expertise and many years of experience in the industrial, logistics, retail and service sectors. As you can see, CEWE will continue to have an extremely strong Executive Board in the future. Overall, the Board will become slightly smaller and more agile – which also means more responsibility for the top level of management. I'm confident that this will be a good thing for CEWE.

One last question that could be of particular interest for CEWE shareholders: what is happening with dividends and what can they expect from them in future?
CEWE has paid a dividend ever since it was first listed on the stock market in the early 1990s and – provided the general meeting on 4 June 2025 approves it – is now preparing to distribute its 16th successive dividend, each higher than the last. Rest assured that we are extremely proud of this long series of continual dividend increases and are eager to continue this impressive performance over the next few years – based on steadily increasing company earnings as well, of course. What's more, this track record of unbroken dividend increases has also earned us a prominent position in the German stock markets. As the dividend study published by Dividenden Adel, isf Institut and DSW shows, CEWE is ranked second out of all 611 listed German companies surveyed – and we want to keep it that way. CEWE is an extremely reliable dividend payer and one that increases its dividend in absolute terms year after year as company earnings allow.

Ms Rostock, thank you very much for this interview!

Sustainability

In conversation with Thomas Mehls, Executive Board member whose responsibilities include sustainability, on open borders, big tasks and a more sustainable future for the CEWE Group

Mr Mehls, the political landscape is changing: the USA is withdrawing from the Paris Agreement on climate change and major corporations are axing their diversity policies. A wave of conservatism can also be seen in Europe. What impact do political trends have on CEWE's strategy? Is sustainability already off the table?
Absolutely not. For us, global challenges are bigger than political trends and we are committed to our existing strategy. When it comes to sustainability, we have pushed forward with a number of initiatives in recent years that fit our business model and in which we feel confident. We know that sustainability is a key element of our long-term success here at the CEWE Group, and we will stay on this course no matter which way the political wind blows. From our perspective, it is developments within the EU that are more alarming.

In what way?
The European Union is hugely significant for our business model. As an international company, we rely on the stability and freedom of movement within the EU. Take our site near

Thomas Mehls
Executive Board member responsible for marketing and acquisitions at Neumüller CEWE COLOR Stiftung

the German-French border in Eschbach, for example. We employ many people there who live in Alsace and work with us in Germany. Our production facility in Poland is also extremely important. The EU has brought us freedom and stability for decades. For us at the CEWE Group, it is essential that it remains a reliable framework even if, of course, we do not always agree with all of its requirements and decisions.

What are you specifically thinking about here?
The Corporate Sustainability Reporting Directive is a good example. Although we as a company fundamentally support the goals of the CSRD, the bureaucracy and uncertainty about implementing it at a national level are frustrating. There is still a lack of clarity over which requirements will actually apply and whether future adjustments will make some of our previous initiatives redundant. We have already invested significant resources to adjust our processes and would like to ensure transparency and lasting reliability for our stakeholders. That is why we are voluntarily following the new framework for the time being. However, we are hoping that lawmakers will implement this legislation in a pragmatic way that does not create an unnecessary burden for us as a company. We need leeway so that our employees can focus on the key measures.

Nevertheless, at the CEWE Group we are optimistic about the future of sustainability and try to see opportunity in these challenges. We have always set our own priorities and actively worked to bring about change – that is our strength. This new form of reporting has required a significant amount of time and effort for a cost-conscious medium-sized enterprise like CEWE, and we have had to prioritise reporting over the development of our actual sustainability strategy over the past few months. Yet in doing so, we have shone a light into many corners of the Company and gained a deep understanding of the inner workings of our business as a result. We want to incorporate this into the further development of our sustainability strategy and use it to decide on our next steps.

What will those steps be?
For example, we want to place even-greater emphasis on promoting women in leadership positions and make this a strategic focus area for us going forward, and are developing specific initiatives in this area. We are also stepping up our efforts on the issue of climate action. For example, we achieved our previous targets for Scope 1 and Scope 2 emissions ahead of schedule by taking important steps such as installing solar panels and switching to green electricity. We are very proud of these achievements. Our primary focus now is on reducing Scope 3 emissions along our supply chain. These emissions are created by our suppliers and transport activity – and they make up the majority of our overall carbon footprint. The challenge here is that we rely on data from many external partners that is often imprecise or hard to obtain. We are working closely with our suppliers to make progress and develop effective solutions, as we want to make sure that we can make substantial improvements in this area too.

Sustainability has recently been sidelined in the public eye. How do you manage to inspire and motivate your employees on this matter?
We can see that sustainability is tremendously important to our employees, including those who apply to work with us. As a result, our revised strategy also includes targeted training sessions to provide our employees with the necessary expertise and empower them to make an even more active contribution to sustainability.

At the CEWE Group, we see sustainability as a state of mind. We need everyone's efforts – that is, we need support from all of our sites, brands and employees – to achieve our sustainability goals. We have become a "house of brands". That means we think in terms of the entire CEWE Group and manage the Company differently now than we did several years ago.

"We know that sustainability is a key element of our long-term success here at the CEWE Group."

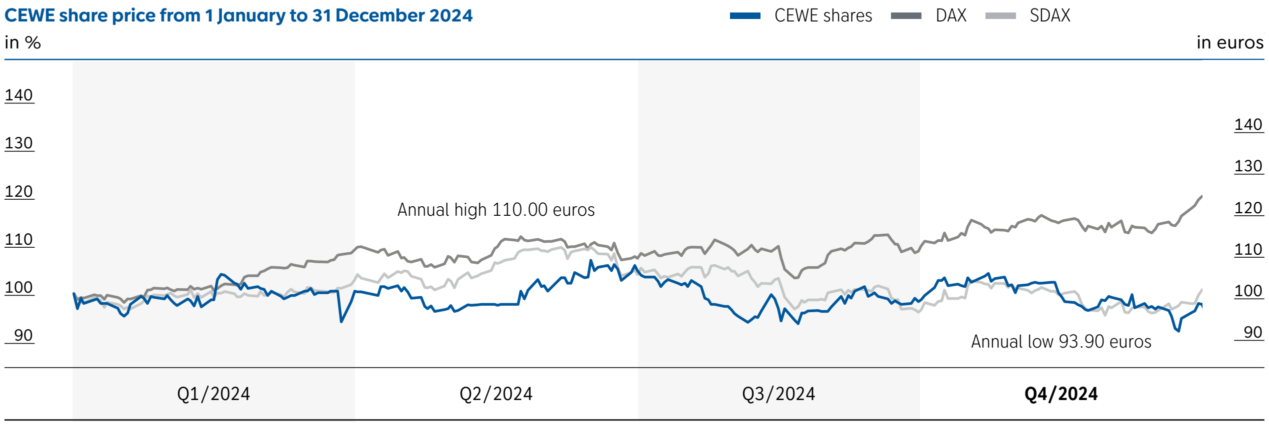
It sounds like you have some big tasks ahead of you.
That's right. It won't be easy, and short-term successes will be rare. While quick wins – even in the little things – are important for staying motivated, our main focus is on long-term success. Substance is what matters to us. One good example of this is the internal approach to evaluating our products – our sustainability score – that we introduced at CEWE in 2019. As part of this approach, we assess different categories to work out where there is room for improvement. This score sheds light of all of our criteria for a product – from renewable resources and packaging to life cycle and recyclability – and drives our efforts to be more sustainable as a company. Consistently, and with substance. So yes, these are big tasks and we have a long road ahead of us, but I'm confident that we will travel this road successfully with our tried-and-tested CEWE spirit.

CEWE shares

Cash-rich large caps largely drove the performance of indices again in 2024

The dynamic developments in financial markets around the world in 2024 were shaped by a multitude of factors, predominantly the moderate fall in inflation, lower inflation risks and the resulting rate cuts by the leading central banks, the US Federal Reserve (Fed) and the European Central Bank (ECB). This led to an extremely positive trend in the financial markets in many regions around the globe in 2024. Other relevant contributing factors were the rapid growth of the AI sector, the election of Donald Trump as US President, China's fiscal policy stimulus, the government crises in France and Germany, the ongoing Ukraine conflict and the escalation of confrontations in the Middle East.

CEWE share price from 1 January to 31 December 2024



Key share information

Type of security	No-par value share
Market segment	Regulated market, PRIME STANDARD
Index	SDAX (from 23 March 2009)
ISIN	DE 0005403901
Symbol	CWC
Reuters	CWCG.DE
Bloomberg	CWC GR
Date of initial quotation	24 March 1993
Number of shares	7,442,003
Daily volume (2024 average)	5,129 shares
Annual high in 2024	110.00 euros
Annual low in 2024	93.90 euros
Year-end price 2024	103.40 euros

Germany's equity market delivered a very uneven performance in 2024. Its benchmark index, the DAX (+18.9% in 2024) hit a new all-time high of 20,522 points in December, while the small- and mid-cap indices finished the year in negative territory (MDAX −5.7%, SDAX −1.8%). Many secondary stocks have significantly higher exposure to the domestic market than German large caps, which is why these are often affected to a greater extent by the trend in the German economy. The weak economic forecasts, along with increasing preference for other asset classes and regions, led to net outflows in small- and mid-cap funds, exerting downward pressure on stocks. Given the inherently low liquidity of equities, this further depressed prices, giving rise to historically high valuation haircuts for many securities.

Viewed in global terms, markets performed extremely well, especially in the United States and China, though European markets were unable to match this performance. As in the previous year, price gains were mostly limited to the cash-rich large caps in the different regions. The rally in the US markets was spearheaded by the continuing AI trend and the performance of the major US tech companies, whereas on the Chinese side it was bolstered by fiscal policy measures.

CEWE shares outperformed the SDAX in 2024

CEWE shares registered slight gains of 2.2% in financial year 2024, finishing the year at 103.40 euros (2023 year-end price: 101.20 euros). The stock thus performed better than the average of all 70 SDAX companies, which posted

cewe group

aggregate losses of around 1.8%. The average monthly volume of trading of CEWE shares on the XETRA index was slightly higher at around 11.1 million euros in 2024 (monthly average in 2023: 9.7 million euros). However, the gratifying increase in the trading volume of CEWE shares remained at a relatively low level in 2024. This trend went hand in hand with an overall decrease in the order book turnover in 2024 of all listed companies in XETRA trading. Once again, small- and mid-caps – including CEWE – were disproportionately affected as investors flocked to highly liquid DAX stocks in particular. This further reduced trading volumes for smaller companies, with the consequences described above for share prices as some investors came under pressure to sell.

CEWE's position in the SDAX improved further

Companies are allocated to a specific German equity index based on their level of market capitalisation. Moreover, the German stock exchange regularly reviews whether a company meets the requirements for a particular level of minimum liquidity. CEWE shares exceed the minimum liquidity requirements; in terms of market capitalisation, CEWE moved up to 121st position at the end of 2024 (31 December 2023: 129th position). The CEWE shares have thus continued to improve their position in the SDAX, which normally features shares with a ranking of 165 or higher.

Dividend for 2024 to rise for a 16th consecutive occasion

With the objective of dividend continuity, CEWE seeks to distribute a dividend each year which ideally increases, but at least remains unchanged in absolute terms, where this appears to be possible in view of the Company's economic situation and the available investment opportunities. For financial year 2024, the Executive Board and the Supervisory Board of CEWE Stiftung & Co. KGaA will propose to the general meeting to increase the dividend to 2.85 euros for each share carrying dividend rights (dividend for financial year 2023: 2.60 euros). Based on the year-end 2024 price of 103.40 euros, this corresponds to a dividend yield of 2.8%. If the general meeting to be held on 4 June 2025 approves this proposal, this will be the highest dividend in the Company's history and also a 16th consecutive dividend increase. Since 2008, the dividend issued by CEWE has risen continuously year-on-year, from 1.00 euros per share to the current figure of 2.85 euros.

Analysts across the board issue "buy" recommendations for CEWE shares

Analysts who follow CEWE have unanimously issued "buy" recommendations for CEWE shares. For a continuously updated overview of these analysts and their recommendations, please go to the Investor Relations section of CEWE's website ir.cewe.de.

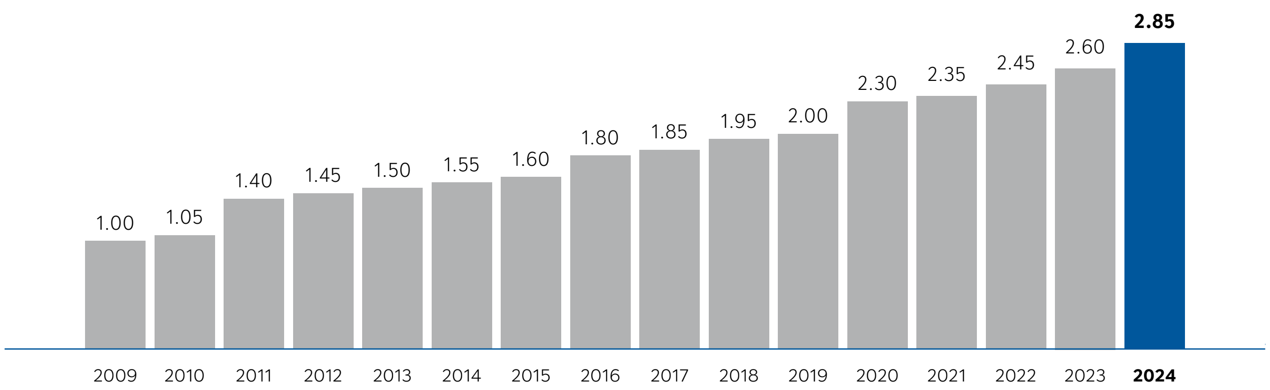
Overview of current analysts' assessments

	Analyst recommendation	Date
Baader Bank	Buy	25 Feb. 2025
GSC Research	Buy	27 Feb. 2025
Montega	Buy	26 Feb. 2025
Hauk & Aufhäuser	Buy	4 Dec. 2024
Kepler Cheuvreux	Buy	14 Nov. 2024
ODDO BHF	Buy	26 Feb. 2025
Warburg Research	Buy	26 Feb. 2025

All analysts have unanimously issued "buy" recommendations for CEWE shares.

The intention is for the dividend for financial year 2024 to climb to 2.85 euros per share: a 16th consecutive dividend rise!

CEWE dividend (euros per share)



Stable shareholder structure reinforces management's strategy

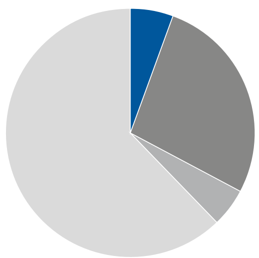
The heirs of the Company's founder Heinz Neumüller – Alexander Neumüller (AN Assets GmbH & Co. KG, Oldenburg) and Dr Caroline Neumüller (CN Assets GmbH & Co. KG, Oldenburg) – are CEWE's largest shareholders, with a combined interest of 27.1%, and the Company has thus enjoyed a high level of ownership stability for many years now. The group of reportable investors with shareholdings in excess of 3% also includes Union Investment Privatfonds GmbH, Allianz Global Investors GmbH and Lazard Frères Gestion SAS. The small- and mid-cap focus of their fund makes it a perfect fit with CEWE.

The CEWE equity story: dependable stability, consistent rise in profitability, a growing market leader

What makes investing in CEWE particularly attractive? CEWE's equity story can be summed up in terms of the following aspects:

For many years, CEWE has enjoyed a high degree of ownership stability.

Shareholder structure in %
(100% = 7.4 million shares)



(1) Dependable stability

Thanks to its strong equity ratio of around 60% and a very solid net cash position, CEWE has an extremely robust balance sheet. Demand (especially in Photofinishing) is largely independent of the general economic situation. Balance sheet stability and a stable level of demand provide very reliable and solid foundations for CEWE.

(2) A growing market leader

As a market leader and thus a natural consolidator in the photofinishing sector, CEWE enjoys growth opportunities in many European countries. Moreover, innovations and continuous development of new products are in CEWE's DNA. The trend towards smartphone photography and the use of artificial intelligence for product configuration and ordering underpin this growth.

(3) Strong bottom line

The level of earnings in the Photofinishing core business unit, which – protected by strong brands – has been rising for years, along with the sustained increase in the profitability of Commercial Online Printing also holds promise of rising earnings for the CEWE Group as a whole in future. With a very respectable return on capital employed (ROCE) of 18.3% at 31 December 2024, CEWE has not least proven to be an extremely reliable dividend payer as CEWE's proposed dividend for financial year 2024 represents a 16th consecutive dividend increase for its shareholders.

16

Years of uninterrupted dividend growth, again putting CEWE in second place among all 611 German listed companies analysed![1]

CEWE is there for its shareholders

The clear objective of investor relations activities at CEWE is to notify all market participants promptly, comprehensively and consistently in line with the principles of fair disclosure, while achieving a high level of overall transparency.

As a matter of course, CEWE publishes all of its annual and interim reports and capital market information online at https://ir.cewe.de/websites/cewe/English/3000.html#main-body. All analyst conference calls are subsequently made available as webcasts on CEWE's website. The most recent version of CEWE's company presentation is also available here.

The Executive Board and the Investor Relations team present the Company at major capital market conferences and attend road shows in the financial market centres. For details of the dates currently scheduled for 2025, please refer to our financial calendar on page 304 of this report or visit our IR website at ir.cewe.de.

[1] Calculated on the basis of the 2024 dividend study by Dividenden Adel, isf Institut and Deutsche Schutzvereinigung für Wertpapierbesitz e.V. (DSW)

Report of the Supervisory Board

Dear shareholders,
dear friends of the Company,

In financial year 2024, CEWE was able to maintain its consistently positive performance in an environment of political and economic turbulence.

The Supervisory Board would like to sincerely thank all employees and the Executive Board for their combined efforts and their willingness and ability to once again successfully meet the demands of the year under review.

In the reporting period, the Supervisory Board duly performed the duties required of it by law, the Company's Articles of Association, the Supervisory Board's rules of procedure and the German Corporate Governance Code (GCGC). In particular, it carefully and regularly monitored the activities of the Executive Board and advised on the management and strategic development of the Company as well as on key decisions. Moreover, the Chairman of the Supervisory Board and the Chairwoman of the Audit Committee also maintained close contact with the Executive Board between the governing body meetings and thus regularly exchanged information and thoughts. Important insights were reported at the next Supervisory Board meeting at the latest.

Supervisory Board meetings, general meeting

The full Supervisory Board met six times in the reporting period, on 15 February, 19 March (meeting on the financial statements), 18 April (extraordinary meeting), 5 June, 11 September and 6 November 2024. In financial year 2024, the Supervisory Board had the following members, who attended the meetings as follows:

Kersten Duwe
Chairman of the Supervisory Board of
CEWE Stiftung & Co. KGaA

Supervisory Board meetings in 2024, with a breakdown of meeting formats and attendance

	15.02. in-person	19.03. in-person	18.04. virtual	05.06. in-person	11.09. in-person	06.11. in-person
Petra Adolph	P	P	V	P	P (V)	P
Nurol Altan	P	P	V	P	P	P
Marc Bohlken	P	P	V	P	P	P
Paolo Dell'Antonio	P	P	V	P	P	P
Kersten Duwe	P	P	V	P	P	P
Jan Grüneberg	P	P	V	P	P	P
Prof. Dr Christiane Hipp	P	P	V	P	P	P
Insa Lachenmaier (née Lukaßen)	P	P	V	P	A	P
Daniela Mattheus	P (V)	P	V	P	P	P
Martina Sandrock	P	P	V	P	P	P
Markus Schwarz	P	P	V	P	P	P
Dr Birgit Vemmer	P	P	V	P	P	P

P= present
A= absent (excused)
V= attendance in virtual form

With the exception of one member who was unable to attend on one occasion for personal reasons (Ms Lachenmaier), all members were present at or dialled in remotely to all meetings.

The members of the Executive Board attended the Supervisory Board meetings in full with the exception of the meetings on 19 March and 18 April. Otherwise, the Executive Board attended as and when required. The Supervisory Board met internally before and after each meeting.

Focal points of the matters addressed by the full Supervisory Board

At all ordinary Supervisory Board meetings, the Executive Board presented the changes in the Group's net assets, financial position and results of operations for the Group's individual business units, where necessary also broken down into Germany and other countries and including the prior-year figures and targets. At each ordinary meeting, the Supervisory Board was briefed on the current risk report and the further development of the Group-wide IT structure. The report by the compliance officer was also on the agenda in each case.

At the meeting on 15 February, the Executive Board's strategic priorities for the coming years and the corporate and capital expenditure planning for 2024 were also discussed in depth with the Executive Board.

At the meeting on the financial statements on 19 March 2024, the Supervisory Board received and approved the audit findings on the annual and consolidated financial statements, the combined management report, the combined non-financial statement, corporate governance and risk management, the dependent company report and the remuneration report. The Executive Board's proposal for the appropriation of profits was approved and note taken of the Executive Board's corporate governance statement. The Supervisory Board approved the draft version of the invitation to the general meeting on 5 June 2024.

Based on the recommendation of the Audit Committee, the Supervisory Board adopted a resolution to propose to the general meeting that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, be elected as statutory auditor and group auditor for financial year 2024.

The Supervisory Board's report was discussed and approved.

Finally, the CEWE Group's new corporate design was discussed and a report given on recent developments in the dispute between the governing bodies.

At the extraordinary meeting on 18 April 2024, the current thoughts on settling the public discussions between the governing bodies were reported to and approved by the Supervisory Board.

Following the general meeting held on 5 June 2024, the Supervisory Board discussed the course of events at the general meeting and the status of the restructuring of the HR organisation.

At the meeting on 11 September 2024 at the Kozle site in Poland, the Supervisory Board was briefed on the development of the site, in particular by way of the new production facility, and discussed the additional business development opportunities associated with this. Information was provided on the progress of measures to address changes in sustainability reporting. The Supervisory Board authorised the Executive Board to implement the Stock Option Plan 2024 and the Employee Share Plan 2024 in accordance with the terms and conditions presented. Strategic focal points included country and brand development. The Chairwoman of the Audit Committee reported on the matters addressed at the last Committee meetings on 8 May and 7 August 2024, in particular the onboarding of the statutory auditor, the findings of the statutory auditor's review of the interim financial statements for the period ended 30 June 2024 and the focal points determined for the 2024 financial statements audit. The Supervisory Board discussed the efficiency of Board activities and possible improvements. It was suggested that the Supervisory Board's work be augmented by adding focal topics.

At the meeting on 6 November 2024, in addition to the usual matters, the Executive Board reported in particular on further developments in sustainability reporting. The strategic focal points under discussion included the further development of online and offline ordering options as well as the organisational development of customer service. The Chairwoman of the Audit Committee reported on matters addressed at the Committee meeting on 4 November, in particular the discussion regarding the further financial performance of DeinDesign and the adaptation of the Group structure in Germany. The Supervisory Board decided that the Board itself rather than the Audit Committee would be responsible for monitoring compliance and the compliance management system.

In the reporting period, the Supervisory Board approved related party transactions requiring its approval.

Committee meetings

In the reporting period, the Supervisory Board had a Nomination Committee, an Audit Committee and a 4ward Committee.

In the reporting period, the Nomination Committee was composed of Dr Birgit Vemmer (Chairwoman), Mr Paolo Dell'Antonio and Mr Kersten Duwe. No new Supervisory Board positions needed to be filled and so the Committee was not active in the reporting period.

In the reporting period, the Audit Committee was composed of Ms Daniela Mattheus (Chairwoman), Mr Kersten Duwe, Mr Markus Schwarz and Mr Nurol Altan. Please refer to the corporate governance statement (on p. 85 ff.) in the annual report for details of their responsibilities.

The Audit Committee held four ordinary meetings in the reporting period (on 18 March, 8 May, 7 August and 4 November), each in the form of an in-person meeting.

Prior to each meeting, there was a confidential discussion between the Chairwoman of the Audit Committee and the statutory auditor on the audit findings and other audit-related aspects. Preparations were made for meetings and resolutions on the basis of reports and other information from the Executive Board. Different members of the Executive Board and/or the statutory auditor regularly attended all meetings. In addition, the heads of the Group functions concerned, in particular Corporate Accounting, Tax, Legal & Compliance, Risk Management and Internal Audit, and Data Protection and Information Security, reported on specific agenda items and were available to answer questions. The Audit Committee also met regularly without the Executive Board and/or the statutory auditor.

In each case, the Committee Chairwoman provided the full Supervisory Board with timely and comprehensive information on the content and outcome of the Committee meetings.

The Chairwoman of the Audit Committee also exchanged information with the Executive Board, or individual Executive Board members, and with selected management functions, such as Accounting, Risk Management, Compliance and Internal Audit, on a regular basis outside of the Committee meetings.

Moreover, between the meetings and without the Executive Board in attendance, the Chairwoman of the Audit Committee and the statutory auditor confidentially exchanged information on audit matters and other matters of significance to the work of the Supervisory Board. The key matters here were presented to the other members at the next Committee meeting at the latest.

Following its election at the 2024 general meeting, the Audit Committee engaged the statutory auditor, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, to audit the annual and consolidated financial statements, including the combined management report for CEWE & Co. KGaA and the Group, and to perform the review of the half-yearly financial report for financial year 2024. At the same time, it determined the audit focal points and the audit fee and discussed with the statutory auditor the latter's key audit matters. It was agreed that the statutory auditor would notify the Supervisory Board without undue delay of all findings and issues arising in the course of the audit that are of importance to the tasks of the Supervisory Board. An appropriate framework was established for the provision of non-audit services permitted under the relevant EU legislation. The Audit Committee also satisfied itself of the statutory auditor's necessary independence. The Audit Committee also engaged the statutory auditor to review the combined, separate non-financial statement for CEWE Stiftung & Co. KGaA and the Group, which is prepared in the form of a separate non-financial report, and to review the content of the remuneration report within the meaning of Section 162 of the German Stock Corporation Act (Aktiengesetz – AktG) and the dependent company report within the meaning of Section 312 AktG. The remuneration report is made available to the public by publishing it on the website.

The Audit Committee dealt with the financial reporting of the Company and the Group, including the interim financial reports (interim statements and half-yearly financial report) and discussed this with the Executive Board. For this purpose, the statutory auditor reported on the findings of the audit procedures which it had been engaged to perform by the Supervisory Board or the Executive Board and on other findings and issues of importance to the work of the Audit Committee. There were no material reservations.

The Audit Committee also dealt with the financial reporting process, the effectiveness of the Group-wide internal control and risk management system, the internal audit function and their further development. The quarterly risk reports were likewise discussed. Time and attention was also devoted to the Compliance Officer's reports on compliance within the Group and significant legal disputes as well as the internal audit function's status report based on its audit planning and audit findings. In addition, the Audit Committee regularly addressed data protection and information security. The Audit Committee also received briefings on the implications of the S/4HANA project in relation to the financial reporting process and the internal control system. For this purpose, Supervisory Board members on the 4ward Committee were regularly in attendance.

In addition, the Audit Committee dealt regularly and in depth with the sustainability reporting for 2024 and the implementation of the reporting requirements under the EU Taxonomy and the CSRD as well as their effects on the CEWE Group. The latter were the subject of a comprehensive full-day training course held for the full Supervisory Board – with the Executive Board and the Board of Trustees in attendance – on 4 July 2024, during which the results of the materiality assessment were also discussed. In the reporting period, the Audit Committee was once again kept continually abreast of regulatory changes and discussed the required actions to implement them, including the impact of the German act transposing the EU directive on ensuring a global minimum level of taxation and the NIS 2 Directive.

The provision of non-audit services by the statutory auditor and compliance with the framework established for this purpose were monitored regularly and the pre-approval policy was amended.

In addition, the Executive Board presented its report on related party transactions. There were no transactions requiring approval within the meaning of Section 111b AktG.

An additional focal point of the Audit Committee's activities in financial year 2024 – due to the requirement for regular external rotation of the statutory auditor at the end of financial year 2023 – was the onboarding of the new statutory auditor for financial year 2024, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg.

At a virtual meeting on 15 January 2025, the Audit Committee was briefed by the statutory auditor on the findings of the preliminary audit and on the effects of the CSRD not being transposed into national law in good time. In the presence of the statutory auditor at its financial statements meetings on 20 and 26 March 2025, the Audit Committee discussed the annual and consolidated financial statements, the combined management report for CEWE Stiftung & Co. KGaA and the Group and the combined, separate non-financial report for CEWE Stiftung & Co. KGaA and the Group for financial year 2024, including the respective audit reports and auditors' reports, the corresponding proposal for the appropriation of profits, the remuneration report and the dependent company report. It also prepared the corresponding resolutions to be adopted by the Supervisory Board. The Audit Committee was given a detailed account of the statutory auditor's audit activities and audit findings both at the parent and at the German and foreign subsidiaries, particularly in relation to the key audit matters and the audit focal points determined by the Audit Committee. The audit of the internal control system relevant for the financial reporting process and the risk early recognition system was also discussed in depth. At this meeting, the Audit Committee also turned its attention to the audit process and the quality of that process.

The 4ward Committee, established by resolution of the Supervisory Board on 8 November 2023, commenced its work in the reporting period and supported the 4ward project regarding the introduction of S/4HANA and the associated organisational development.

Its members are Dr Vemmer (Chairwoman) and Mr Marc Bohlken, with Ms Petra Adolph and Mr Paolo Dell'Antonio serving as their deputies. The Committee's duties are to ensure timely and regular monitoring of programme progress by two members, to submit brief reports to the Supervisory Board, in each case after receiving monthly information from the Executive Board, and to escalate matters to the Supervisory Board on an ad hoc basis whenever critical developments come to light.

The 4ward Committee held ten ordinary meetings in the reporting period (on 23 January, 15 February, 11 March, 5 April, 7 May, 2 July, 6 August, 18 September, 1 November and 10 December), either in person or in the form of a video conference. As agreed, Dr Vemmer and Mr Bohlken attended all meetings.

Before the actual Committee meetings, update meetings were held either in person or in the form of a video conference with the Executive Board members responsible for the programme and the 4ward programme managers. At each of these meetings, a detailed report was given on the progress of the project, mostly on the basis of Steering Committee documents, and a constructive discussion took place between the participating members of the Committee, the Executive Board and the programme managers. In addition to the update meetings, various individual meetings were held with the Executive Board members, the programme management and sub-project managers in order to gain as complete a picture as possible. Committee member Marc Bohlken also took part in an integration test, thereby gaining a direct impression of the project.

The Committee meetings each took place shortly after the update meetings and reflected in greater depth on the status outlined. The involvement of and collaboration with external advisers was another important item at almost all meetings, as was discussion of the structure of the change process associated with the programme. In line with the matters presented and discussed at the update meetings, standard agenda items included programme organisation, staff appointments and capacity, variance analysis of the project budget, the current status of progress on project content, risk designation, assessment and discussion, and the planned next steps.

Detailed minutes were kept of all meetings and promptly provided to the full Supervisory Board. In addition, the Committee Chairwoman reported at the Supervisory Board meetings.

Corporate governance

In the reporting period, the Supervisory Board had six female members and six male members and thus continued to fulfil the Supervisory Board quota required by law.

The Executive Board and the Supervisory Board issued an updated Statement of Compliance in accordance with Section 161 AktG for financial year 2024 and this is available on the Company's website. In addition, the Executive Board reports on corporate governance at CEWE in the corporate governance statement, the content of which the Supervisory Board adopts as its own (available at ir.cewe.de under Corporate Governance/Declaration of Conformity).

Conflicts of interest

In the reporting period, there were no conflicts of interest involving members of the Executive Board or the Supervisory Board which are required to be disclosed to the Supervisory Board without undue delay and about which the general meeting must be informed.

Training and professional development

The members of the Supervisory Board take responsibility for undertaking any training or professional development measures necessary to fulfil their duties. CEWE assists new Supervisory Board members in particular with this by giving them access to membership of an online supervisory board portal with appropriate teaching content and reference works. New members of the Supervisory Board can also gain an overview of the Company by discussing fundamental and topical matters with the Executive Board and functional managers (onboarding).

In July 2024, a joint training course on sustainability and CSRD reporting took place for the Supervisory Board and the Executive Board.

Changes in the composition of the governing bodies

Ms Christina Sontheim-Leven stepped down from the Executive Board of Neumüller Cewe Color Stiftung with effect from 15 April 2024.

Annual and consolidated financial statements, combined non-financial statement and financial statements audit

The annual financial statements and the management report combined with the management report of CEWE Stiftung & Co. KGaA were prepared by the Executive Board in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch – HGB), and the consolidated financial statements and the combined Group management report in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the supplementary provisions of German law to be applied under Section 315e (1) HGB.

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, the audit firm elected by the general meeting as statutory auditor for financial year 2024, audited the annual financial statements, the consolidated financial statements and the Group management report combined with the management report of CEWE Stiftung & Co. KGaA for financial year 2024, including the accounting records, and in each case issued an unqualified auditors' report. Prof. Dr Arno Probst and Mr Georg von Behr sign as the German public auditors responsible. Moreover, the statutory auditor determined that the Executive Board has established an appropriate information and monitoring system that in all material aspects is suitable for promptly identifying risks to the Company's ability to continue as a going concern.

At its meetings on 20 March 2025 and 26 March 2025, the Audit Committee satisfied itself, on the basis of the Executive Board's report and the audit reports, that both sets of financial statements together with the combined management report present a true and fair view of the net assets, financial position and results of operations in accordance with the applicable financial reporting standards. At the meeting, the statutory auditor gave a detailed account of the audit process and the material findings of its audit of the single-entity and consolidated financial statements and the combined management report, including the key audit matters and other audit focal points. The audit of the non-financial reporting and the remuneration report was also explained and discussed in detail. The statutory auditor was available to answer any further questions throughout the meeting. In particular, it also reported on the structure of the internal controls relevant for the financial reporting process and the risk management system. The Chairwoman of the Audit Committee reported to the full Supervisory Board on the findings on 21 and 26 March 2025.

The Supervisory Board also examined the annual financial statements, the proposal for the appropriation of net retained profits for 2024, the consolidated financial statements, the combined Group management report and the remuneration report, in each case for financial year 2024. All documents, including the statutory auditor's audit reports, were provided in good time. The statutory auditor was also present at the Supervisory Board's meetings on the financial statements on 21 March 2025 and was available to provide additional information.

The Supervisory Board was able to satisfy itself that the general partner's proposal for the appropriation of net retained profits is reasonable considering the net assets, financial position and results of operations and approved it following a discussion in the presence of the statutory auditor. Finally, the Supervisory Board fulfilled its duty under Section 171 (1) sentence 4 AktG to examine the combined non-financial statement and raised no objections.

Following the preliminary examination by the Audit Committee at the meeting on 20 March 2025, the Supervisory Board approved the annual financial statements and the consolidated financial statements of CEWE Stiftung & Co. KGaA and the combined management report at the meeting on 21 March 2025, having found that there were no objections to be raised. Following the discussion at the meetings on the financial statements on 21 and 26 March 2025, the Supervisory Board endorsed the general partner's proposal to the general meeting to adopt the annual financial statements of CEWE Stiftung & Co. KGaA. It also approved the general partner's proposal for the appropriation of profits, which provides for a dividend of 2.85 euros.

Dependent company report

The Supervisory Board's independent examination also covered the report on relationships with affiliated companies (dependent company report) for the reporting period prepared by the general partner in accordance with Section 312 AktG. The dependent company report was likewise audited by the statutory auditor and issued with the following auditor's report:

"On completion of our audit and assessment in accordance with professional standards, we confirm that

1. the factual statements made in the report are correct,
2. for none of the transactions listed in the report was the consideration paid by the Company unreasonably high."

The dependent company report and the statutory auditor's audit report on the dependent company report were available to the Audit Committee at the meetings on 20 and 26 March 2025 and to all Supervisory Board members at the meetings on the financial statements on 21 and 26 March 2025. Again, after discussion with the statutory auditor and the Executive Board, the Supervisory Board did not raise any objections to the general partner's statement at the end of the dependent company report on completion of its examination. It received and approved the findings of the statutory auditor's audit of the dependent company report.

Oldenburg, 26 March 2025

The Supervisory Board of CEWE Stiftung & Co. KGaA

Kersten Duwe, Chairman


Family Love
Cheerz

3 Combined management report

Fundamental information about the Group

Business model

CEWE operates in three strategic business units: Photofinishing, Retail and Commercial Online Printing. The Group's segment reporting also reflects these strategic business units together with a further business unit, Other Activities. The parent company, CEWE Stiftung & Co. KGaA, operates primarily in the Photofinishing business unit.

Our core business unit: Photofinishing

Photofinishing is the name we give to our photo products business. CEWE is the European market leader in photofinishing, based originally on analogue film and now on digital data. CEWE PHOTOBOOK has established itself as our main product in this area, while CEWE has also steadily and consistently expanded its range of products.

Our product management activities enable us to develop new products and use product and brand communications to boost demand and sales. Consumers can purchase CEWE's photofinishing products both from the trading partners we supply and directly from CEWE. CEWE is also responsible for order acceptance and customer communications for the vast majority of the photofinishing products ordered from CEWE.

Almost 100 % of CEWE's photofinishing business is based in Europe.

CEWE RETAIL: proprietary retail hardware business also serves as a distribution channel for photofinishing products

CEWE has multichannel retailing operations for photo hardware and photofinishing products in Poland, Czechia, Slovakia and Scandinavia. As well as selling photo hardware, our bricks-and-mortar stores and online shops are a key channel for distributing CEWE photo products directly to end consumers. This revenue and income from photofinishing products is shown in the Photofinishing business unit.

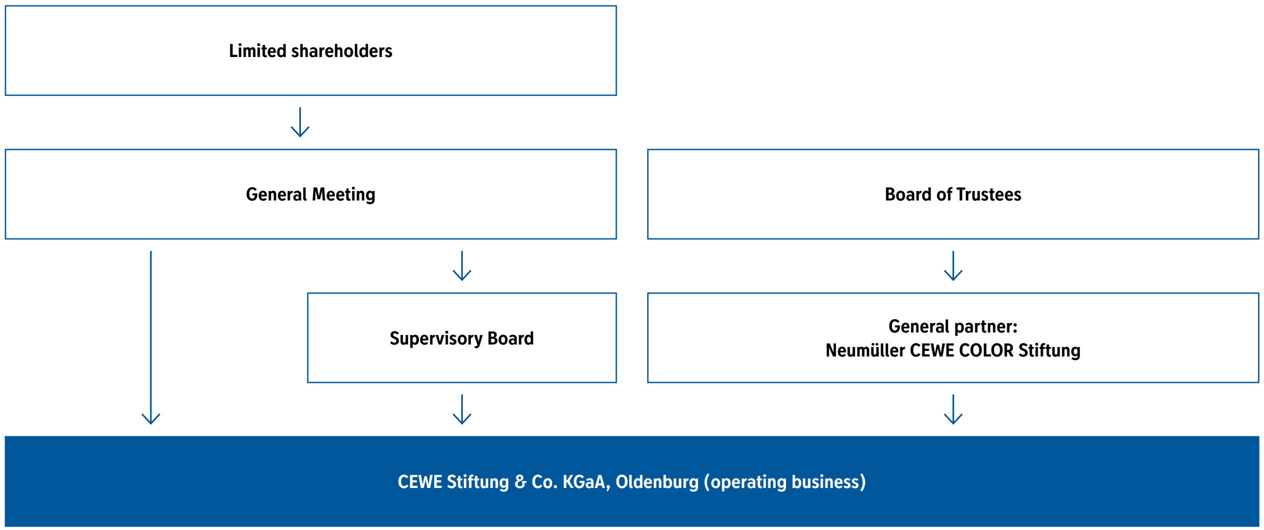
Commercial Online Printing: printing products for the commercial sector

CEWE's activities in its Commercial Online Printing business unit focus on the production and marketing of printed advertising material via the SAXOPRINT, viaprinto and LASERLINE distribution platforms. We operate our Commercial Online Printing business for printed advertising material in Germany as well as other European countries where we have a local website. While the Commercial Online Printing business offers a similar depth of added value to Photofinishing, CEWE provides less software for creating printed products in this business unit (unlike in the case of CEWE PHOTOBOOK, for instance).

Organisation and internal management systems

Organisational structure

The CEWE Group is structured as follows:



see Executive Board, page 278f.

Neumüller CEWE COLOR Stiftung was represented by six Executive Board members in 2024 (until 15 April 2024, seven Executive Board members). The Group's remaining 4,038 staff (2024 average) were employed by CEWE Stiftung & Co. KGaA and subordinate Group companies.

Legal structure combines the advantages of the capital markets with a family approach

The legal form of a partnership limited by shares (KGaA) enables the CEWE Group to combine the typical strengths of publicly-traded entities with those of family businesses.

The Company's founder, Senator h.c. Heinz Neumüller, aimed to ensure that his entrepreneurial principles would remain permanently enshrined within the Company while securing its long-term future. His vision is safeguarded by Neumüller CEWE COLOR Stiftung as well as the significant stake held by AN Assets GmbH & Co. KG and CN Assets GmbH & Co. KG (the heirs of the Company's founder Heinz Neumüller and its largest shareholders with a combined 27.1%; see Shareholder structure, page 43). The first of these entities ensures that the Group continues to be managed in accordance with Heinz Neumüller's legacy by maintaining its ethos as a family business and preserving the long-term focus of its corporate policy. For this reason, this entity is also responsible for the Group's management function.

The Company's founder always demanded that the CEWE Group should remain innovative while optimising income. The capital market effectively supports these entrepreneurial goals. The decision-making of the Group's governing bodies – i.e. its executive management team and Supervisory Board – reflect its shareholders' interest in an attractive investment by focusing on solid and sustainable growth in the value of the Company and thus their investment. see Results, from page 63

The Executive Board believes that combining both of these advantages creates a financially sustainable, profitable and innovative company that also lives up to its social responsibility as an employer and economic engine.

As its general partner, Neumüller CEWE COLOR Stiftung is entitled to receive reimbursement from CEWE Stiftung & Co. KGaA to bear any expenses incurred in connection with its management activities. For its management activities and to cover its personal liability, Neumüller CEWE COLOR Stiftung receives annual remuneration of 50,000 euros plus any value added tax applicable, irrespective of any profit generated or loss incurred.

CEWE operates through a total of 33 subsidiaries

CEWE Stiftung & Co. KGaA is the parent company that manages all of the CEWE Group's activities. Our Retail business is combined with Photofinishing in countries where a production plant is present; otherwise, it operates independently. From an operating perspective, photo products are also sold through the Group's retail companies. In strategic management terms, however, they form part of the Photofinishing business unit as they follow a completely different growth path and their strategic significance differs from that of photo hardware, which is reported under the Retail business unit.

Management of the CEWE Group

The Executive Board of Neumüller CEWE COLOR Stiftung is responsible for the overall planning and achievement of the CEWE Group's goals. The division of responsibilities is set out in the "Other disclosures" section of the Notes, [1] see page 278f.

Regular strategic planning: economic forecast reflects identifiable trends

The Executive Board of Neumüller CEWE COLOR Stiftung determines the long-term strategy of the CEWE Group, reflecting trends in its competitive, market and technological environment. The Executive Board reviews the Company's strategic orientation several times a year and discusses any resulting tactical and operational measures required as a result. External experts also take part in these meetings where necessary. The current strategy is discussed with the Supervisory Board, its committees and management at least once a year, and the cornerstones of this strategy are communicated within the Company.

Capital expenditure based on profitability calculations

Capital expenditure that is based on profitability calculations and entails both continuous and follow-up monitoring also forms part of the Company's corporate planning.

Close monitoring by comparing targets and results on a monthly basis

Every month, we compare targets and actual results for the strategic business and each of the profit centres, and the CEWE Group as a whole. This monitoring includes the profit centres of CEWE Stiftung und Co. KGaA as an individual entity. This comparison of targets, prior-year and current data enables us to closely monitor the achievement of our targets and allows the Executive Board and the subsidiaries' management to respond quickly. At the same time, these and other key operating indicators for our production facilities and distribution companies are made available to all of the managers of these profit centres for internal benchmarking and discussion. The key financial performance indicators used at CEWE are outlined in the "Objectives and strategies" section, see page 56f.

Objectives and strategies

Findings derived from market research and strategic activities are factored into CEWE's long-term forecast model, providing CEWE's management with a perspective on possible future statements of profit or loss, statements of financial position, cash flows and enterprise value.

Continuous business development: CEWE defines initiatives and implements them consistently

CEWE uses these forecasts to define initiatives for pushing ahead with future development in the interests of the Company and its various stakeholders. The impact of these initiatives is also factored into CEWE's forecast model. As a result, management continuously monitors the implementation of these initiatives within the structures described above. This means that CEWE is continuously evolving as a company.

Focusing on long-term profit and enterprise value

These initiatives allow CEWE to focus squarely on optimising the long-term performance of the Company. Earnings for a single quarter or even for an entire year are viewed within the context of the Company's long-term development. CEWE thinks in terms of decades.

Our goal is to achieve profitable and capital-efficient growth to boost enterprise value

The CEWE Group's overriding long-term goal is to achieve sustainable profitable and capital-efficient growth. For this purpose, CEWE tracks financial and non-financial performance indicators for which annual targets are published. No targets are published for additional performance indicators related to the statement of financial position.

[1] This symbol indicates that this report provides further information on this topic.

Non-financial key performance indicators: number of photos and CEWE PHOTOBOOKS

CEWE uses the total number of photos as a non-financial key performance indicator in its Photofinishing business unit. These photos also include all images used in value-added products (e.g. CEWE PHOTOBOOKS, photo calendars, wall art, greeting cards and other photo gifts). The number of CEWE PHOTOBOOKS produced is shown as a separate indicator due to the significance of this product. CEWE's management analyses all of these indicators at least weekly, and in some cases daily. CEWE also provides information in its Annual Report on the development of these figures by comparing targets and actual results, and discusses this in the "Results" section, see page 63f. A target figure for the following year is stated in the forecast. Non-financial key performance indicators do not play such a significant role in the Commercial Online Printing business unit and are therefore not discussed in the Company's external communications.

CEWE performance indicators

		Internal reporting	External reporting	Annual forecast
Non-financial indicators	Total number of photos	Weekly	Quarterly	Yes
	CEWE PHOTOBOOKS			Yes
Financial indicators	Revenue	Daily	Quarterly	Yes
	EBIT	Monthly		Yes
	EBT			Yes
	Capital expenditure	Monthly / Quarterly	Quarterly	Yes
	Earnings after tax	Quarterly	Quarterly	Yes
	Earnings per share			Yes
Additional indicators	ROCE	Quarterly	Quarterly	–
	Free cash flow			–
	Operating working capital			–
	Equity ratio			–
	Dividend	Year	Year	–

Revenue and EBIT/EBT very closely monitored for operating purposes

CEWE analyses revenue trends in all of its business units (but not for the consolidated Group) on a daily basis and conducts a monthly review of its earnings (including EBT) as key variables. Likewise, the financial statements prepared by all of the Group's companies are consolidated and analysed by comparing targets, actual results and prior-year figures. Any deviations from targets and prior-year figures are assessed in terms of their impact on financial targets; the individuals responsible account for any such discrepancies by providing comments during the preparation of the Company's reports. The results of the Company's strategic business units are monitored at revenue and EBIT level. The Executive Board discusses the results of the strategic business units and the Group as a whole, as well as detailed figures from the individual profit centres, on a monthly basis. This monitoring includes the profit centres of CEWE Stiftung und Co. KGaA as an individual entity.

Revenue, EBIT and EBT are also presented in the Annual Report by comparing targets and actual figures and discussed in the results, with forecasts provided for the following year.

Capital expenditure

Capital expenditure is an important indicator as it has a significant impact on the volume of capital employed (and one that is practically irreversible over the useful life of the asset) and, besides profit or loss, has the largest impact on free cash flow. The situation is different for the additional indicator "Operating working capital", as explained in more detail below. As a result, CEWE monitors capital expenditure very closely. Subsequent increases in these areas beyond what has already been authorised are not possible without further authorisation from those responsible for capital expenditure. Consolidated investment reporting is provided on at least a quarterly basis in the first half of the year. During periods of increased capital expenditure – i.e. when preparing for year-end business – management monitors this indicator on a monthly basis.

Additional indicators: ROCE, free cash flow and operating working capital

In each quarterly statement and every quarterly and annual report, CEWE analyses ROCE to determine the rate of return on its capital employed. For many years now, CEWE has achieved figures above the 15 % mark. As CEWE's pre-tax cost of capital rate has been below 10 % for some years now, according to analysts' calculations in research reports, CEWE is undoubtedly adding value. The Company's long-term goal is to maintain a ROCE figure that is significantly higher than the cost of capital.

Free cash flow is a key variable in determining the Company's enterprise value and, as such, is transparently analysed in the Annual Report. In addition to capital expenditure – which is closely monitored, as already mentioned – and EBIT, the development of operating working capital is a key factor affecting capital employed and free cash flow. Operating working capital is therefore explained together with ROCE and free cash flow. As already outlined above, this figure does not need to be assessed more frequently as any undesirable effects on working capital as of each reporting date can generally be compensated for on a short-term basis. For instance, a delay of just a few days to a trading partner's year-end payment can easily reduce the Company's free cash flow by several million euros. Although any such development is naturally closely monitored, it is generally meaningless in operating terms, particularly since other operational monitoring systems highlight such delays far more immediately than the Statement of cash flows does. Moreover, from a liquidity outflow perspective, CEWE's liquidity is so strong that the Company is able to exploit an earnings opportunity to the detriment of its liquidity, even on a short-term basis.

Equity ratio is yet another indicator of a strong balance sheet

CEWE aims to develop the Company in a steady and sustainable way. For instance, the hallmarks of a strong balance sheet include sufficient cash reserves, available lines of credit and a solid equity ratio. At present, CEWE considers its level of capitalisation to be stable, with an equity ratio in excess of 50%. In CEWE's opinion, sufficient liquidity or lines of credit combined with an extremely solid equity base, even compared to competitors, not only boost the Company's stability and resilience in the event of a crisis but also enable it to exploit any strategic options that may arise, such as attractive acquisition opportunities.

The Company's ROCE, free cash flow, working capital and the equity ratio are all analysed in more detail in the quarterly financial statements. Given the possible short-term setbacks to cash flow or working capital that may arise as outlined above, no precise targets are stated for these additional indicators. Due to their significance, these indicators are discussed in detail in the "Results" section, see page 63ff.

Our goal is to increase our dividend in absolute terms each year

CEWE has stated that its aim is to offer its shareholders an earnings-based dividend that increases slightly each year where possible or at least remains constant, as permitted by the Company's economic position. The payout ratio is not an explicit key performance indicator, and is instead the residual outcome of this dividend policy.

Research and development

Ordering channels

All three of CEWE's channels for ordering personalised products from CEWE production facilities – online, desktop and mobile – grew in December 2024. For the first time, just over 80% of images transferred from order processing clients to CEWE's production facilities for production had been taken by smartphones. In the Executive Board's view, it was once again clear this year that CEWE is pursuing the right approach for its brands by offering solutions for computers, browsers and apps, and that the cost and effort of supporting all of the main operating systems and integrating relevant online storage locations such as Google, Apple, Amazon or Microsoft into the design process is paying off. The links between these ordering channels and CEWE Photostations supplied to our trading partners – via CEWE myPhotos, web-to-retail (ordering online and printing at CEWE Photostations in our trading partners' outlets) or directly via the smartphone app and thus support for our omnichannel approach were expanded further during the year under review, with additional products integrated into these channels.

Mobile and Artificial Intelligence Campus

The applications developed at CEWE's Mobile and Artificial Intelligence Campus (MAIC) were expanded and rolled out to all of the Company's subsidiaries with products for CEWE's production facilities for the first time during the year under review. These applications have been further enhanced, with new features added to make the process of designing personalised products even more fun. They include AI-based functionality that suggests suitable backgrounds and layouts, identifying a representative cover photo, the dynamic creation of layouts that fit the image formats being used and significantly improved editors for smartphones in particular that make it easier to adjust layouts, even on a small screen. The Company implemented these new developments and functions across the various ordering channels.

Further significant improvements have been made to the functionality of the customer service chatbot, and these improvements have been rolled out to CEWE's subsidiaries. We are also planning to make greater use of the bot to process simple and recurring queries in the future.

All of CEWE's artificial intelligence applications (including those combined with traditional algorithms) are transparently presented in the CEWE Customer Charter at [1] https://www.cewe-group.com/en/about-us/responsibility/customer-charter-and-advisory-council.html, with several other applications added in 2024. The benefits of these applications to our customers and the protection of their privacy are always our prime considerations. Images are not transferred to public albums, servers outside the scope of the GDPR or to third parties for marketing purposes. Consumers still retain full control over the whereabouts and analysis of their images for design purposes, which is why Digitalagentur Niedersachsen (Lower Saxony Digital Agency) once again presented CEWE with its DatenBEWUSST Niedersachsen quality seal.

My CEWE PHOTOWORLD

Consumers generally use our My CEWE PHOTOWORLD software to produce CEWE PHOTOBOOKS. This software is available for Windows, Mac and Linux computers as well as Android and iOS smartphones. This means that many CEWE customers transfer their images from their smartphones to their computers. Customers have long recognised the benefits of transferring their images to a computer when placing an order with CEWE, as the design process is even faster and more intuitive, while transferring images to a PC also means that important images are backed up. As mentioned above, additional functionality developed by the MAIC has also been integrated into our software, further enhancing the process for designing individual pages as well as the auto-suggest function in the desktop and smartphone app versions of the CEWE PHOTOBOOK Assistant. When it comes to our smartphone apps, a new editor function for ordering CEWE PHOTOBOOKS that enables customers to process images in portrait and landscape mode was completed and rolled out ahead of the Christmas season.

We once again integrated new products into every category, equipping CEWE PHOTOBOOK with new designs and templates for the yearbook campaign and finishes, and rolling out new designs for CEWE Calendar and our gift items. The Executive Board believes that consumers responded rapidly to these additional offerings in order to create even more attractive gifts for Christmas. The Company launched its desktop software in Germany and Austria just in time for Christmas, while the new apps and online applications (COPS) were available in all of the countries to which CEWE delivers.

COPS – the CEWE ONLINE PRINTING SYSTEM

CEWE has also done a great deal of work on the editor functions for ordering products in this area. During the year under review, there was an encouraging increase in the use of smartphones to order not only so-called single-image products but also CEWE PHOTOBOOKS and CEWE Calendars. While smartphone use has surged in this area, customers do not necessarily wish to install an app on their devices for this purpose. The Executive Board believes that its efforts to ensure that products and product details can be better displayed on a computer browser while also improving the mobile journey for customers will help to continue this trend. It has also provided for a more uniform appearance across all ordering channels and further refined the Company's omnichannel approach for this ordering channel.

High-performance back-end system further optimised and AI-based function improved

During the year under review, CEWE invested in increasing bandwidth for transferring image data from its online platform and thus expanded its production facilities. This investment covered both the Company's primary and back-up lines, enabling data to be transferred to the production teams at its production facilities at a faster rate and supporting CEWE's ambitious goal of completing deliveries in time for Christmas. The Company integrated new options into its production software to speed up production during its peak season and respond more effectively to the needs of individual production facilities. All of the aforementioned applications and orders placed at the retail outlets of CEWE's trading partners using CEWE PHOTOSTATIONS deliver finalised orders to CEWE's back-end system or are transferred via this system from the online platform for printing at CEWE PHOTOSTATIONS in our trading partners' stores (web-to-retail). This back-end system continues to be distributed across two independent and redundant data centres. As is the case every year, we installed the necessary additional servers ahead of the Christmas season to ensure that the increased data volumes could be rapidly transmitted from central data centres to our production facilities. Low-resolution images (e.g. those from WhatsApp) are resized using AI methods (generative adversarial networks – GANs) ahead of production at our production facilities, enabling us to deliver better product results for large-scale images such as oversized CEWE Calendars. The Company also installed capacity (GPUs) on its online platform in order to offer AI-based processes – such as removing backgrounds – as a high-performance web service for CEWE applications.

We also continued to optimise the sustainability of our IT processes, further reducing the volume of racks required at our data centres and thus their electricity consumption by means of further virtualisation as well as new higher-capacity servers and storage devices. We achieved this despite the fact that the average size of image data increased during the year under review.

[1] This symbol indicates that further information on this topic can be found on the Internet. The contents of these references are voluntary information that has not been audited by the statutory auditor.

Report on economic position

Markets

High inflation weighs on global economic growth

According to the latest estimate from the International Monetary Fund (IMF), global economic growth was just 3.2% in 2024 (2023: 3.3%). Growth in developed countries remained virtually unchanged from the previous year at 1.7% in 2024, while the Eurozone's economy grew slightly faster than the previous year at 0.8% in 2024 (2023: 0.4%).[1]

According to IMF estimates, economic growth was stronger than expected in the United States and several major emerging markets and developing countries, particularly in the second half of 2024, with government and private spending making real contributions to this upturn. Increases in disposable income continue to boost consumption in an environment where labour markets have eased without having fully recovered yet. Households were less reliant on the savings they accumulated during the pandemic. While a more stable labour market and normalised supply chains contributed to growth on the supply side, this increasing momentum was not apparent everywhere. The continued subdued growth in the Eurozone in particular reflected weak consumer sentiment and persistently high energy prices – not least due to the impact of the war in Ukraine.[2]

Recession in Germany

According to the IMF, Germany's real gross domestic product (GDP) is expected to have contracted by 0.2% in 2024, following a decline of 0.3% in the previous year. This means that Germany continued to fall considerably short of the 0.8% average growth rate for the Eurozone as a whole in 2024.[3]

Labour market remains relatively robust

Unemployment in Germany was up slightly year-on-year in 2024. The average unemployment rate over 2024 as a whole was 6.0%, corresponding to a 0.3 percentage-point increase compared to 2023.[4] At the same time, an annual average of 46.1 million people were gainfully employed in Germany in 2024, more than at any other time since German reunification in 1990 (Destatis estimate: +72,000 compared to the previous year).[5]

Inflation rate plummets

The Harmonised Index of Consumer Prices (HCIP) inflation rate in Germany fell significantly to 2.5% in 2024 (2023: 6.0%). Inflation was primarily driven by moderate rises in food and energy prices, while the price of services also continued to increase.[6]

Key interest rates fall by 1.0 percentage point

At its meeting on 12 December 2024, the Governing Council of the European Central Bank (ECB) decided to reduce each of the ECB's three key interest rates by 25 basis points. As a result, the interest rates on the deposit facility, main refinancing operations and marginal lending facility were lowered to 3.00%, 3.15% and 3.40% respectively with effect from 18 December 2024.[7] Overall, the ECB reduced its key interest rates by 1.0 percentage point in four steps over the course of the year under review.

Euro exchange rate development

The euro's exchange rate against the US dollar averaged 1.0824 US dollars in 2024 and was thus at a similar level to the previous year's average of 1.0813 US dollars – with a fluctuation range of between 1.1196 US dollars (30 September 2024) and 1.0389 US dollars (31 December 2024).[8] The euro appreciated in relation to the Norwegian krone[9] but declined slightly against the Swedish krona[10] and depreciated further in relation to the Swiss franc[11] and Polish zloty[12].

60

1 IMF: World Economic Outlook, Update Jan. 2025, page 8
2 ibid.
3 Bundesbank Monthly Report 01/2025, Vol. 77, No. 1: page 7
4 Destatis (3 January 2025): https://www.destatis.de/DE/Themen/Arbeit/Arbeitsmarkt/Erwerbstaetigkeit/Tabellen/eckwerttabelle.html
5 Destatis (2 January 2025): https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25_001_13321.html
6 Bundesbank Monthly Report 01/2025, Vol. 77, No. 1: page 12
7 ECB Economic Bulletin, Issue 8/2024, published on 9 January 2025, page 6
8 ECB: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-usd.de.html
9 ECB: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-nok.en.html
10 ECB: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-sek.en.html
11 ECB: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-chf.en.html
12 ECB: https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/eurofxref-graph-pln.en.html

CEWE remains largely independent of cyclical trends
In a challenging macroeconomic environment characterised by strong inflation, CEWE once again remained largely independent of cyclical trends in financial year 2024, particularly in its core Photofinishing business unit. The Company was also able to offset inflation-related cost increases by raising its prices in 2024.

Despite the persistently high cost of living and associated restraint among consumers, demand for high-quality photo products remained stable and even increased slightly in some cases. The trend towards ordering photo products digitally continues.

Photofinishing market

More photos have been created than ever before over the past few years, with mobile devices significantly boosting the number of images taken. While around 1.81 trillion photos were taken worldwide in 2023, this figure increased further to 1.94 trillion photos in 2024 due to factors including the continuing proliferation and use of sophisticated smartphone cameras.[1]

Sales of smartphones in Germany, which peaked at 26.2 million units in 2015, remained high at around 22 million units in 2022.[2]

The number of German citizens who own smartphones continues to rise, with around 83% of over 16-year-olds and a total of around 57.4 million people using a smartphone in 2022.[3]

The German population's interest in photography remains stable, with the number of people interested in photography rising slightly compared to the previous year to reach 36.49 million in 2024 (2023: 36.33 million people).[4]

A glance at the demographic profile of people interested in photography continues to show that more than half (around 58%) of photography enthusiasts are in the 18 to 39-year-old age segment, while a further 36% of the target group are over 50.5 Photo enthusiasts are still more likely to be female by comparison with the average population. This demographic represented 55% of keen photographers in 2023 compared with a reference sample of 50%, a trend that continued in 2024.[5]

Photography enthusiasts are active and enjoy the great outdoors, with 54% participating in outdoor activities, a significantly higher proportion compared to the average in the general population (41%). 5 This group also travels more frequently, with 59% of keen photographers expressing an interest in travel compared to 45% of the population as a whole.[5]

Online printing market

The business climate in the German printing and media industries did not significantly improve in 2024 after a challenging 2023. Although companies' business expectations were more optimistic over the second and third quarters, the business climate only benefited to a limited extent and remained subdued. By the end of the year, it was roughly unchanged from the previous year at 87.3 points. The business climate in the printing industry did not improve during the year under review. Companies gave an even gloomier assessment of the sector, leaving the score at a similar level to the previous year with 83.0 points.[6]

The procurement market for printing raw materials continued to stabilise in 2024, with purchase prices for paper falling in some cases. This is due to the persistently strained order situation caused by the challenging macroeconomic environment in Germany.

1 Photutorial (9 December 2024): "Photo Statistics: How Many Photos are Taken Every Day?", Matic Broz, Photutorial.
2 Bitkom; IDC; EITO (2022): Sales of smartphones in Germany from 2009 to 2022 (in German).
3 Bitkom (2023): Smartphone market grows to 36.8 billion euros (in German).
4 IfD Allensbach (2024): Survey on interest in photography in Germany until 2024 (in German).
5 Statista (2024): Consumer & Brands – Target Group: Photography enthusiasts in Germany.
6 https://www.bvdm-online.de/pressemitteilungen/detail/bvdm-konjunkturshytelegramm-dezember-2024

The rate of employment in the printing industry fell by 3.8 % over the past year, a similar decline to the previous year. In contrast to 2023, however, employment at printing companies with more than 500 employees fell sharply, with the decline in this segment reaching 16.4 % or almost 1,300 staff. The number of companies with more than 500 employees also dropped significantly from nine to its current figure of six.[1]

Retail market

Compared with 2023, average annual retail revenue fell by 1.3 % in the EU and rose by 1.0 % in the Eurozone in 2024.[2]

In our view, effective integration of bricks-and-mortar retail and online retail is critical for success. Customers greatly appreciate being able to pick up products and try them out or try them on. In CEWE's view, the role of retail outlets in an age of digitalisation is increasingly to create an experience and showroom for information and inspiration, as their significance as an actual point of sale becomes a secondary consideration. In our view, bricks-and-mortar retail thrives on local footfall and needs to develop this using an active product range policy that allows it to meet customer needs while suggesting potential purchases.

The trend of rising average prices in the camera segment that has been apparent over the past few years continued in 2024. While compact cameras (with a built-in lens) and single-lens reflex cameras (DSLRs) continue to decline in terms of quantities sold, sales of higher-quality compact system cameras (CSCs) remain consistently high. In CEWE's view, this trend is particular beneficial for specialist photographic retailers as they are able to provide crucial advice about these models.

62

1 https: //www.bvdm-online.de/fileadmin/user_upload/Bundesverband/Jahresberichte/2024_BVDM_Jahresbericht.pdf
2 Eurostat I Absatzvolumen des Einzelhandels im Euroraum (https: //ec.europa.eu/eurostat/de/web/products-euro-indicators/w/4-06022025-ap)

Results

Consolidated statement of profit or loss

Consolidated statement of profit or loss in millions of euros

		2023	2024	Change in millions of euros
Revenue	(1)	**780.2**	**832.8**	**52.6**
Increase in finished goods and work in progress		0.2	0.2	−0.1
Other own work capitalised	(2)	4.2	5.0	0.8
Other operating income	(3)	25.5	27.3	1.8
Cost of materials	(4)	−187.4	−188.0	−0.6
Gross profit		**622.7**	**677.2**	**54.5**
Personnel expenses	(5)	−218.9	−236.3	−17.4
Other operating expenses	(6)	−266.1	−299.2	−33.1
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**137.7**	**141.7**	**4.0**
Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment	(7)	−53.8	−55.6	−1.8
Earnings before interest and taxes (EBIT)		**83.9**	**86.1**	**2.2**
Finance income	(8)	6.0	2.4	−3.6
Finance expense	(8)	−1.9	−1.6	0.3
Net finance income/expense		**4.0**	**0.7**	**−3.3**
Earnings before taxes (EBT)		**87.9**	**86.9**	**−1.1**
Income taxes	(9)	−28.3	−26.8	1.5
Earnings after tax from continuing operations		**59.6**	**60.1**	**0.5**
Post-tax profit/loss of discontinued operations		−2.3	0.0	2.3
Consolidated earnings after taxes		**57.3**	**60.1**	**2.8**
Consolidated earnings per share (in euros)				
Basic		**8.10**	**8.64**	**0.54**
Diluted		**8.10**	**8.63**	**0.53**

Revenue

Group revenue (1) increased significantly by 6.7% in financial year 2024 and totalled 832.8 million euros (previous year: 780.2 million euros). The jump in revenue is mainly due to price increases and the conversion of a retail partner supplied by CEWE to fee-based billing. Revenue rose by 55.2 million euros or 8.4% in the Photofinishing business unit, and decreased slightly year-on-year in the Commercial Online Printing (−2.4%) and Retail (−1.5%) business units. This means Group revenue exceeded the upper end of the range of 770 million to 820 million euros expected for 2024. Excluding one trading partner's switch to fee-based billing (recognised in other comprehensive income), Group revenue rose by 5.1% on a like-for-like basis (equivalent to 820.0 million euros).

The CEWE Group produced 2.46 billion photos in financial year 2024 (previous year: 2.39 billion), a quantity slightly higher than the predicted range of 2.3 billion to 2.4 billion photos. The volume of CEWE PHOTOBOOKS also increased to 6.11 million during the year under review (previous year: 6.05 million), putting this figure at the upper end of the predicted range of 5.9 million to 6.2 million units for 2024.

Change in individual P&L items

The change in other own work capitalised (2) (+0.8 million euros) is primarily attributable to the CEWE Photostations manufactured by the Company's subsidiary Hertz Systemtechnik GmbH.

Other operating income (3) increased by 1.8 million euros compared to the previous year. This development is largely due to higher income from recyclable residual materials created during production processes in the Photofinishing and Commercial Online Printing business units.

While the cost of materials (4) remained virtually unchanged (−0.6 million euros or −0.3%), the cost-of-materials ratio (cost of materials as a percentage of revenue) fell sharply by around 1.4 percentage points to reach 22.6% in the year under review (previous year: 24.0%). In addition to the structurally-driven improvement in the cost-of-materials ratio (lower revenue in the Retail business unit with a higher cost of goods sold percentage, and higher revenue in the Photofinishing business unit with a lower cost-of-materials ratio compared to Retail), price increases introduced due to inflation-driven cost increases also resulted in higher revenues and thus a lower cost of goods sold percentage.

The CEWE Group's personnel expenses (5) rose by 17.4 million euros or 7.9% year-on-year and totalled 236.3 million euros (previous year: 218.9 million euros). The CEWE Group employed an annual average of 3,959 employees in 2024 (previous year: 3,903). This increase was mainly driven by wage and salary adjustments, the payment of an inflation compensation bonus and new hires in the Photofinishing business unit.

Other operating expenses (6) also rose year-on-year to 299.2 million euros in financial year 2024, representing 35.9% of revenue (previous year: 266.1 million euros or 34.1% of revenue) and were higher than in the previous year on business-related grounds. This rise is primarily attributable to increased promotional activities and higher IT, legal and consulting costs as well as one trading partner's switch to fee-based billing (recognised in other comprehensive income). Any fees or commissions paid to trading partners are recognised in the "Other operating expenses" item under "Selling costs".

The 1.8-million-euro year-on-year increase in depreciation, amortisation and write-downs (7) was caused by factors including the write-down of DeinDesign GmbH (impairment of goodwill totalling 2.5 million euros and write-down on software totalling 0.5 million euros).

Net finance income (8) decreased by 3.3 million euros year-on-year to 0.7 million euros. The previous year's result includes significant finance income from the distribution of profits from financial investments totalling 5.4 million euros, which naturally did not recur during the year under review. Interest expenses fell over the year as a whole (2024: 1.6 million euros; 2023: 1.9 million euros) while interest income increased (2024: 1.7 million euros; 2023: 0.5 million euros).

The Group's tax rate on reported EBT amounts to 30.8% for financial year 2024 and is thus lower than the prior-year figure of 32.2%. Income taxes (9) decreased slightly to 26.8 million euros in 2024 (previous year: 28.3 million euros), mainly due to the use of loss carryforwards abroad.

Ergebnisentwicklung

Group EBIT increased by 2.2 million euros year-on-year to 86.1 million euros (previous year: 83.9 million euros) (cf. disclosures on the individual business units, page 65f.). As a result, EBIT was at the upper end of the forecast range of 77 million to 87 million euros for financial year 2024.

Due to the aforementioned one-off effect in the previous year's net finance income, EBT decreased slightly by 1.1 million euros or 1.2% to 86.9 million euros during the year under review (previous year: 87.9 million euros) (cf. disclosures on the individual business units, page 65f.). This meant that EBT exceeded the forecast range of 75.5 million to 78.5 million euros for 2024.

The CEWE Group increased earnings after taxes by 0.5 million euros to 60.1 million euros in financial year 2024, which for the reasons given above also exceeded the predicted range of 51.0 million to 58.0 million euros for 2024.

At 8.64 euros, (basic) earnings per share were higher than both the previous year's figure (8.43 euros) and the Company's forecast range of 7.26 to 8.22 euros per share.

Business units

2024 in millions of euros

	Photofinishing	Retail	Commercial Online Printing	Other Activities	Inter-business-unit revenue [1]	CEWE Group
Revenue	**714.0**	**30.8**	**89.9**	**0.0**	**−1.9**	**832.8**
Change on previous year (in %)	8.4	−1.5	−2.4			6.7
Change on previous year in millions of euros	55.2	−0.5	−2.2	0.0	0.1	52.6
EBIT	**83.4**	**0.7**	**3.4**	**−1.4**		**86.1**
Change on previous year (in %)	4.2	38.8	−18.7	−77.9		2.6
Change on previous year in millions of euros	3.4	0.2	−0.8	−0.6		2.2
EBIT margin (in %)	11.7	2.1	3.8			10.3

2023 in millions of euros

	Photofinishing	Retail	Commercial Online Printing	Other Activities	Inter-business-unit revenue [1]	CEWE Group
Revenue	**658.8**	**31.3**	**92.2**	**0.0**	**−2.0**	**780.2**
EBIT	**80.0**	**0.5**	**4.2**	**−0.8**		**83.9**
EBIT margin (in %)	12.1	1.5	4.5			10.8

[1] Inter-business-unit revenue refers to the consolidation of revenue between two different segments.

Segment notes:
Photofinishing includes revenue and earnings from CEWE photo products from own retail activities.
Retail only consists of merchandise business, excl. CEWE's photography products.
Other Activities comprises holding/structural costs (mainly Supervisory Board and IR costs), real estate.

Photofinishing

Revenue in the Photofinishing segment increased by 55.2 million euros year-on-year to 714.0 million euros, representing revenue growth of 8.4%. It is important to note that around 12.8 million euros of this revenue growth resulted from one trading partner's switch to fee-based billing (recognised in other comprehensive income). Excluding this switch, revenue grew by 6.4% or 42.4 million euros on a like-for-like basis. At 83.4 million euros (previous year: 80.0 million euros), EBIT from the Photofinishing segment made a significant contribution to Group EBIT.

Retail

Revenue in the Retail segment decreased slightly year-on-year in line with strategy and expectations. Revenue in the year under review came to 30.8 million euros, 0.5 million euros below the previous year's figure. EBIT in the Retail business unit improved slightly, rising by 0.2 million euros to 0.7 million euros (previous year: 0.5 million euros).

Commercial Online Printing

Revenue in the Commercial Online Printing business unit fell slightly by 2.4% year-on-year to 89.9 million euros (previous year: 92.2 million euros), while EBIT in this segment reached 3.4 million euros during the year under review (previous year: 4.2 million euros). In a competitively priced market, the revenue achieved under our Best Price Guarantee promise delivered a clearly positive EBIT that fell just short of the prior-year figure.

Other Activities

The Other Activities business unit mainly reflects structural and company costs as well as income from property. EBIT in this business unit amounted to −1.4 million euros, slightly down on the prior-year figure of −0.8 million euros. This is primarily attributable to lower income from property compared to the previous year due to increased maintenance and infrastructure costs as well as the default of a tenant due to insolvency.

Statement of financial position

Total assets increased by 7.6% year-on-year and totalled 716.9 million euros at the end of the year (previous year: 666.0 million euros).

Assets

On the assets side, this trend primarily reflects an increase in property, plant and equipment and liquid assets.

in millions of euros

Assets	31 Dec. 2023	31 Dec. 2024	Changes in millions of euros
Property, plant and equipment	233.9	253.3	19.4
Investment property	18.8	15.9	−2.9
Goodwill	81.8	79.7	−2.0
Intangible assets	21.3	20.1	−1.2
Investments	6.7	6.5	−0.2
Non-current financial assets	0.8	0.9	0.0
Non-current other receivables and assets	1.8	1.4	−0.4
Deferred tax assets	14.9	17.3	2.4
Non-current assets	**380.1**	**395.2**	**15.1**
Inventories	60.5	62.0	1.4
Current trade receivables	91.1	92.4	1.2
Current receivables from income tax refunds	1.5	3.4	1.9
Current financial assets	3.2	3.1	0.0
Other current receivables and assets	12.3	10.5	−1.7
Liquid assets	117.4	150.3	32.9
Current assets	**285.9**	**321.7**	**35.8**
Assets	**666.0**	**716.9**	**50.9**

Non-current assets primarily consists of property, plant and equipment, goodwill, intangible assets, investment property and deferred tax assets.

Property, plant and equipment increased by 19.4 million euros year-on-year and totalled 253.3 million euros as of the reporting date. The increase is mainly due to capital expenditure in new or upgraded production facilities in the Photofinishing business unit and other capital expenditure in the fixed assets of the Photofinishing and Commercial Online Printing business units. Operational capital expenditure (outflows from investments in property, plant and equipment and intangible assets, offset against inflows from the sale of property, plant and equipment and intangible assets, excluding takeovers and acquisitions) amounted to 56.0 million euros in financial year 2024, remaining below the forecast of 65.0 million euros.

Intangible assets fell by 1.2 million euros or 5.8% year-on-year. This item largely consists of customer bases, lists and trademark rights as well as purchased software. With regard to the development of carrying amounts, additions totalling 5.5 million euros were largely offset by depreciation, amortisation and write-downs amounting to 7.0 million euros, including 0.5 million in write-downs and impairments.

Investments mainly comprise equity investments in venture capital funds and were reduced by 0.2 million euros or 2.7% year-on-year due to the distribution of profits.

Of the deferred tax assets, 8.2 million euros (previous year: 6.3 million euros) relates to loss carryforwards and 9.1 million euros (previous year: 8.6 million euros) to temporary differences resulting from measurement differences between International Financial Reporting Standards (IFRSs) and tax law regarding pension provisions and property, plant and equipment.

Current assets mainly comprise current trade receivables, liquid assets and inventories.

Liquid assets increased by 32.9 million euros or 28.0% year-on-year, reflecting business performance.

As of the reporting date, current receivables from income tax refunds were 1.9 million euros higher than in the previous year.

As of the reporting date, current trade receivables increased slightly by 1.2 million euros year-on-year.

Inventories rose by 2.4% or 1.4 million euros during the year under review. The increase results from the build-up of photo paper inventories.

Equity and liabilities

The increase in equity and liabilities is largely attributable to the positive development of the CEWE Group's equity. Within current liabilities, there has been a rise in current trade payables in particular. Non-current liabilities decreased by 5.5 million euros, with non-current lease liabilities recording a particularly significant reduction.

Equity rose by 34.6 million euros or 8.9% compared to 31 December 2023. This growth is mainly attributable to the 61.1 million euro increase in revenue reserves and net retained profits, which was driven by total comprehensive income. This was offset by dividend payments of 18.1 million euros made during the year under review as well as share buybacks, which primarily fuelled the 8.4 million euro increase in treasury shares at cost recognised as deductions from equity. Despite the increase in total assets/total equity and liabilities, the equity ratio stood at 59.1% at the end of the year, above the previous year's figure of 58.4%.

Current trade payables rose by 15.3 million euros year-on-year, primarily due to higher levels of business activity in the fourth quarter from both operating activities and capital expenditure.

in millions of euros

Equity and liabilities	31 Dec. 2023	31 Dec. 2024	Changes in millions of euros
Issued capital	19.3	19.3	0.0
Capital reserves	74.0	74.0	0.0
Treasury shares at cost	−34.1	−42.6	−8.4
Revenue reserves and net retained profits	330.0	373.0	43.0
Total equity of the shareholders of CEWE KGaA	**389.2**	**423.8**	**34.6**
Non-current provisions for pensions	34.0	33.0	−0.9
Non-current deferred tax liabilities	1.6	0.9	−0.7
Non-current other provisions	0.6	0.5	0.0
Non-current lease liabilities	37.1	33.5	−3.6
Non-current financial liabilities	0.6	0.4	−0.1
Non-current other liabilities	0.5	0.5	0.0
Non-current liabilities	**74.3**	**68.9**	**−5.5**
Current tax liabilities	7.7	10.6	3.0
Current other provisions	3.0	3.1	0.0
Current loans and borrowings	0.1	0.0	−0.1
Current lease liabilities	9.5	9.6	0.1
Current trade payables	121.6	136.9	15.3
Current financial liabilities	0.1	0.1	0.0
Current other liabilities	60.5	63.8	3.3
Current liabilities	**202.4**	**224.1**	**21.7**
Equity and liabilities	**666.0**	**716.9**	**50.9**

Higher VAT liabilities at the end of the year, plus a higher level of wages and salaries yet to be paid, also pushed up current other liabilities by 3.3 million euros or 5.4%.

Current tax liabilities rose by 3.0 million euros year-on-year in line with the strong earnings performance of the Group as a whole.

Return on capital employed

As the key indicator of return on investment, return on capital employed (ROCE) decreased year-on-year to 18.3% (previous year: 18.8%). The value of 18.3% reflects the 12-month EBIT figure of 86.1 million euros (previous year: 83.9 million euros) and the average volume of capital employed of 470.6 million euros over the four quarterly reporting dates in 2024 (previous year: 445.9 million euros). This development is attributable to the parallel increase in the 12-month EBIT figure and average capital employed.

Cash flows

The CEWE Group generated a positive cash flow from operating activities of 131.9 million euros in the past financial year 2024 (previous year: 130.8 million euros), a year-on-year increase of 1.1 million euros. This rise in operating cash flow reflects several different factors, some of which offset each other. A positive effect of 4.0 million euros is attributable to the increase in EBITDA and has thus been generated by the overall performance of the business.

A further 6.3 million euros was generated by operating working capital and other working capital, with trade payables in particular rising sharply compared to the previous year. Net tax payments returned to normal levels during the year under review following the reimbursement of advance tax payments in the previous year, resulting in a negative cash flow effect of 12.8 million euros.

Net cash used in investing activities climbed back to 58.1 million euros in the year under review from a low 47.9 million euros in the previous year, when high inflows from a financial investment (5.4 million euros) noticeably reduced cash outflows.

Overall, free cash flow decreased from 82.8 million euros in the previous year to 73.8 million euros during the year under review for the reasons set out above.

At 40.8 million euros, net cash used in financing activities rose slightly from 38.9 million euros in the previous year. In financial year 2024, the increased dividend of 18.1 million euros (previous year: 17.3 million euros), purchase of treasury shares at 9.8 million euros (previous year: 9.0 million euros) and outflows from change in loans and borrowings of 12.2 million euros (previous year: 12.1 million euros) in particular resulted in cash outflows.

CEWE is able at all times to use the financial resources at its disposal to fulfil the liquidity requirements that arose over the course of the year due to the usual seasonal nature of its business. The CEWE Group is financed by CEWE Stiftung & Co. KGaA. For further details, please see the notes to the annual financial statements of CEWE Stiftung & Co. KGaA – Financing see page 70.

Condensed statement of cash flows in millions of euros

	2023	2024	Change in millions of euros
Cash flows from operating activities	130.8	131.9	1.1
Cash flows from investing activities	−47.9	−58.1	−10.2
Free cash flow	82.8	73.8	−9.0
Cash flows from financing activities	−38.9	−40.8	−1.9
Cash funds at the beginning of period	73.1	117.4	44.3
Net change in cash funds	43.9	33.0	−10.9
Exchange-rate related changes in liquid assets	0.4	−0.1	−0.5
Cash funds at the end of period	**117.4**	**150.3**	**32.9**

Overall assessment of the CEWE Group's economic situation

The Executive Board remains positive about the Group's economic situation based on its performance in financial year 2024.

The "Results" section presents developments in the Group's revenue and earnings by business unit, its P&L structure, statement of financial position and financing as well as its cash flow and return on investment see Results, page 63ff.

In our core Photofinishing business unit, the product mix to a certain extent continues to shift from simple photo prints to our value-added products – CEWE PHOTOBOOK, photo calendars, wall art, greeting cards and other photo gifts. CEWE creates more value with these value-added products, which consumers purchase from various trading partners as well as direct from CEWE. Our preparations for Christmas trading in the first ten months of each year also involve significant outlays, giving us another opportunity to achieve a slightly higher margin. CEWE sees the use of smartphones as fully-fledged cameras and ordering devices as an opportunity, and every part of the Company is adapting to this trend.

As outlined in the description of our business model, retail plays a key role in this trend, but not primarily in the photographic hardware business (whose performance is reported in the Retail business unit). Instead, its locations increasingly serve as a distribution channel for photofinishing products (which are reported in the Photofinishing business unit) – again, directly to consumers. This is reflected in the rising level of revenue involving photofinishing products that are sold by the Retail business unit via CEWE's online stores or its branches.

Commercial Online Printing is CEWE's third business unit. In CEWE's view, the highly automated and efficient production at SAXOPRINT in Dresden gives the Company a good opportunity to achieve further success in this market.

At the start of 2025, CEWE's business performance continued to match the Executive Board's expectations. Overall, this has strengthened the Executive Board's resolve in terms of the target it has set for financial year 2025 in the "Report on expected developments" section see Report on expected developments, page 76ff.

Overall assessment of the economic situation of CEWE Stiftung & Co. KGaA

Results of operations, net assets and financial position

Results of operations

The operating business of CEWE Stiftung & Co. KGaA is only one part of the business activities of the entire CEWE Group. The following paragraphs relate solely to the annual financial statements of CEWE Stiftung & Co. KGaA.

Sales rose by 28.0 million euros to 429.9 million euros in financial year 2024, reaching the upper end of the forecast range of 390 million to 440 million euros, mainly on the back of higher sales in the Photofinishing business unit in Germany. The year-on-year sales increase is attributable to both price and volume effects.

Other operating income was up by 1.4 million euros, from 7.2 million euros in the previous year to 8.6 million euros. This corresponds to 2.0% of sales (previous year: 1.8%) due to higher income from the reversal of provisions and loss allowances on receivables.

The cost of materials ratio remained unchanged at 24.8% (previous year: 24.8%). In absolute terms, the cost of materials rose to 106.8 million euros (previous year: 99.6 million euros) in line with the increase in sales.

As a result, personnel expenses also rose by 7.8 million euros to 121.1 million euros (previous year: 113.3 million euros). The personnel expenses ratio remained unchanged at 28.2% (previous year: 28.2%). Wage and salary adjustments and a larger workforce were contributing factors in this increase.

Depreciation, amortisation and write-downs decreased by 0.1 million euros year-on-year to 23.3 million euros (previous year: 23.4 million euros) due to capital expenditure made.

Other operating expenses were up slightly by 0.3 million euros to 131.3 million euros (previous year: 131.0 million euros). Their share of sales decreased by 2.1 percentage points to 30.5% (previous year: 32.6%). The slight rise in other operating expenses resulted primarily from inflation-related cost increases, which were almost offset by the non-recurring loss from the disposal of the equity investment in futalis GmbH in the previous year.

Net finance income declined from 15.1 million euros in the previous year to 14.4 million euros, mainly due to the decrease in income from investments triggered by a non-recurring effect in the previous year.

Earnings before income taxes rose year-on-year to 70.5 million euros (previous year: 57.1 million euros), accounting for 16.4% of sales (previous year: 14.2%) and coming in above the forecast range of 45 million to 55 million euros.

In spite of the increase in earnings before taxes, tax expense was only marginally higher at 21.1 million euros (previous year: 20.1 million euros). The income tax rate fell slightly due to tax refunds resulting from the effects of past tax audits.

Net income for the year thus stood at 49.3 million euros (previous year: 36.7 million euros), with a return on sales after tax of 11.5% (previous year: 9.1%).

Net assets

Total assets of CEWE-KGaA increased by 4.2 million euros on the previous year to 722.1 million euros.

The share of fixed assets rose to 354.3 million euros, up 20.0 million euros year-on-year (previous year: 334.3 million euros). This is principally due to the expansion of the production facility in Eschbach.

Current assets were down by 15.9 million euros to 362.3 million euros (previous year: 378.2 million euros). This mainly results from the 46.0 million euro decrease in receivables due to intercompany effects and other assets to 204.0 million euros offset by the 26.7 million euro increase in liquid assets to 128.5 million euros triggered by the business. Due to the reporting date, inventories came to 29.7 million euros (previous year: 26.3 million euros), up 3.4 million euros on the prior-year level.

Equity increased by a total of 22.5 million euros to 399.9 million euros on account of net retained profits less the dividend of 18.4 million euros paid in financial year 2024 for 2023 and due to the purchase of treasury shares, giving an equity ratio of 55.4% (previous year: 52.6%). Of the previous year's net retained profit, 18.3 million euros was allocated to revenue reserves.

The development of provisions was dominated by provisions for pensions, which remained virtually unchanged year-on-year at 33.2 million euros (previous year: 33.3 million euros), and by other provisions, which due to the expanded volume of business rose by 5.3 million euros to 32.7 million euros (previous year: 27.4 million euros).

Liabilities decreased by 24.4 million euros to 252.3 million euros, mainly due to the 27.8 million euro decline in liabilities to affiliated companies to 191.0 million euros due to a drop in cash pool liabilities, offset by the 3.3 million euro increase in trade payables to 42.2 million euros.

Financial position

Capital expenditure

Capital expenditure for fixed assets with the exception of long-term financial assets is divided among all KGaA sites, with 39.6 million euros invested in tangible fixed assets (mainly the expansion of the Eschbach production facility) and 4.0 million euros invested in intangible fixed assets.

In the past financial year, a large share of the Company's capital expenditure (17.1 million euros) was for technical equipment and machinery, followed by 11.3 million euros invested in land, 6.7 million euros invested in other equipment, operating and office equipment and 4.5 million invested in assets under construction.

Long-term financial assets increased by 0.2 million euros compared with the previous year. This is due to the 6.0 million euro increase in shares in affiliated companies, with the 6.3 million euro decrease in loans to affiliated companies having an offsetting effect.

At 31 December 2024 there was a purchase commitment of 7.2 million euros. Of this amount, 6.9 million euros was for tangible fixed assets, including 3.0 million euros for technical equipment and machinery and 2.4 million euros for buildings, while 0.3 million euros was for intangible fixed assets.

Financing

The credit facilities negotiated in financial year 2018 were agreed with a total of ten private and public banks and relate to the entire CEWE Group. At the reporting date, the loans taken out have a term of between one and three years (previous year: between one and four years). At the end of the year, the total credit line of the CEWE Group amounted to 89.0 million euros (previous year: 91.0 million euros); this decrease is attributable to the repayment on schedule of lines of credit no longer required on a long-term basis. After deducting the total volume of credit drawn down (0.0 million euros; previous year: 0.9 million euros) – this is not a liquidity-related drawdown, but instead comprises the amount deducted by the credit institutions for guarantees provided – and allowing for the Company's existing liquidity (150.3 million euros, previous year: 117.4 million euros), its liquidity potential at the reporting date totalled 239.3 million euros (previous year: 207.5 million euros). The Company thus has sufficient revolving credit lines plus lines of credit made available until further notice whose overall purpose is financing the Company's liquidity requirements, which vary widely over the course of a given year due to seasonal factors. In principle, no restrictions apply in relation to the use of credit lines. This ensures that CEWE will be able to fully meet its payment obligations.

No significant collateral was provided. The interest terms for current account loans are based on €STR (Euro Short-Term Rate) as the base interest rate, plus a normal margin in Germany; the interest terms for almost all of the other financing arrangements are based on the one- to three-month Euribor as base interest rates plus a normal margin in Germany. For further details, please see the note on current loans and borrowings (note D63, see page 264) and the explanations in the combined management report see page 68f.

Report on post-balance sheet date events

Significant events after the financial year-end

At its meeting on 26 February 2025, the Board of Trustees of Neumüller CEWE COLOR Stiftung took the decision to let the contract of Chief Executive Officer Yvonne Rostock expire as scheduled. Ms. Rostock will hand over her position as Chairwoman of the Executive Board and CEO to Executive Board member Mr. Thomas Mehls on 1 May 2025.

The Board of Trustees of Neumüller CEWE COLOR Stiftung appoint Mr. Patrick Berkhouwer, a member of the Executive Board, as Deputy Chairman of Neumüller CEWE COLOR Stiftung effective the same day.

Ms. Sirka Hintze will join the Executive Board on 1 June 2025 – initially without a portfolio, and then as Chief Financial Officer from 15 August 2025, to replace CFO Dr. Olaf Holzkämper in this role, as planned and already announced in 2024.

Restructuring the Executive Board will also reduce the size of the body from six to five members.

There were no other significant events after the financial year-end.

Report on risks, opportunities and expected developments

Group risk report

Seizing new opportunities and having the ability to identify and analyse risks and use suitable strategies to reduce, avoid or transfer them are key aspects of CEWE's corporate activities. Systematic opportunity and risk management is an ongoing task for the Executive Board and management in each area of responsibility within CEWE Stiftung & Co. KGaA and the CEWE Group.

Management's overall assessment of risks and opportunities

Opportunities and risks are regularly identified and described on an individual basis. They are assessed quantitatively by evaluating their gross expected value from a liquidity perspective across a 12-month period. This impact score is combined with the assumed probability of occurrence to produce an expected risk value. Any related actions are recorded for risk management purposes; finally, any indicators implemented for early detection purposes are also documented. Corresponding measures are also taken into account when assessing risk. As a result, a net risk assessment is also carried out.

Impact	Gross expected value
immaterial	< 500.0 thousand euros
material	500 – 5,000 thousand euros
critical	> 5,000.0 thousand euros

AHG: Assessment based on impact

The German Corporate Governance Code (GCGC) revised in the summer of 2022 places particular emphasis on sustainable corporate governance. Sustainability in this context refers to environmental (ecological) and social goals. This means that these goals must form an integral part of the strategies, planning and operational processes being developed. As a result, they are also an integral part of the risk management system, compliance management system and internal control system. CEWE is committed to these goals.

A major event may mean that the effects of individual risks are amplified by their combination or interaction with one another or else their impact upon one another. During the Covid pandemic, for example, CEWE gave particular consideration to this aspect when assessing and evaluating risks.

The regular risk assessment carried out by the Executive Board as part of the risk management process (see Internal control and risk management system) and the risk inventory as of 31 December 2024 established that individual risks or those arising in conjunction with others do not suggest any impairment of the net assets, financial position and results of operations of the CEWE Group that would jeopardise its continued existence as a going concern.

Risk aggregation is based on industry-standard stochastic procedures. Irrespective of their economic significance, multi-layered risks associated with sustainability requirements, cyber risks, risk associated with the high pace and density of regulation and risks relating to an adequate supply of qualified employees and management are a priority for CEWE. This is a particular area of focus for the Company's management activities.

Significant changes in the past financial year can be found in the individual risks of supply of credit and interest rate changes, the impact of which was downgraded from material to immaterial.

CEWE continues to expect that the Ukraine conflict will not have any direct impact on either the procurement or sales side of its business. At the present time, there are still no indications of negative impacts on consumer sentiment and thus on revenue trends.

The following section sets out the key critical risk categories in the risk management system in more detail:

Strategic risks

The core business units of Photofinishing, Commercial Online Printing and Retail entail strategic risks.

In our core business, the key strategic risks consist of technology and innovation risk, risks associated with the CEWE brand and risk relating to the development of the mobile photofinishing market. CEWE has reinforced its programming and development capacities in this area in response to the change associated with mobile devices and the importance of the Internet as an ordering channel. In particular, the Company counters the technology and innovation risk by maintaining strategic partnerships with research institutions, conducting regular market analysis and monitoring the competitive environment. Consumer-focused brand communications, continuous brand reinforcement and effective, efficient crisis management limit the potential risks associated with the CEWE brand.

Operating risks

In the Photofinishing and Commercial Online Printing business units, the key operating risks consist of general price risks as well as various risks associated with the technical infrastructure and functionality of production and customer-related systems. Strict pricing control plays a key role in all of CEWE's activities in relation to price risk. General significant customer risks also arise from the business units, which are counteracted by way of sales and marketing activities.

The Company's technical infrastructure is typically safeguarded using standardised Group-wide IT structures, high-availability technologies, backup data centres and backup connections for the transmission of data. Virus and access protection as well as encryption systems are important technologies that protect the Company against unauthorised external and internal access. Likewise, production capacities are safeguarded using redundant processes at various locations. The ability to manage capacity centrally also plays an important role. Although we are certainly aware of the general risk associated with the supply and procurement of materials, we do not consider this to be significant. A multiple supplier strategy and multi-year contracts are considered suitable measures across all of our procurement lines.

Cyber risks are material for CEWE's business model and have a particularly strong weighting. These primarily consist of general attacks on vulnerabilities in the software products we use, hacker attacks specifically targeting CEWE and attacks on the data links between CEWE and its customers. We are constantly working on technical and organisational IT improvements to counter these risks. We are hiring additional IT security staff, continuously improving our existing contingency plans and embedding them into other contingency plans, and implementing a comprehensive risk management strategy. Finally, raising awareness and instructing and training our staff across the entire Company plays an important role in this regard.

In the area of environmental risk, no violations of environmental regulations were identified in 2024. This risk is monitored by conducting regular internal checks at all of our production plants; it is classified as immaterial.

The risk associated with attracting and retaining qualified staff and management is more indirectly material than directly material. The presence of the CEWE umbrella brand also plays an important role in the labour market. We work closely with management to consistently offer training and development in employees' specialist fields as well as in personal and leadership skills. Management focuses on employee retention in particular.

Financial risks

Risks resulting from interest currency fluctuations, risk associated with the resale of recyclable residual materials from the production process and the risk of default all represent material financial risks for CEWE. As a result of the low level of interest-bearing debt finance and high volume of liquid assets resulting from the seasonal nature of our business, even a strong increase in market interest rates or reduction in credit lines would not represent a going concern risk. Where capital flows occur outside of the Eurozone, they almost entirely relate to local business handled in the same currency, which means that exchange rate fluctuations do not have any significant negative impact. The CEWE Group's long-term supply of credit is secured by centrally-negotiated medium to long-term credit agreements.

The risk of default remains material. Receivables from business customers are closely monitored and are sufficiently insured in line with the market. Consumer receivables do not in themselves constitute a risk and are covered by a professional debt collection management system.

Other receivables apply in relation to the public sector, employees and insurance firms, for example. The risk of potential impairments due to default is also of immaterial significance here. This risk is reduced by continuously monitoring debtors' credit ratings and payment behaviour in close cooperation with all of the Company's departments involved. Any applicable individual risks have always been taken into consideration by making sufficient loss allowances if and insofar as the occurrence of default is sufficiently probable.

Legal risks

Legal risks include internal and external fraudulent acts as well as risks associated with industrial property rights that are immaterial in nature. We assign high priority to our main legal risk, data protection risk. These risks are covered by measures and processes within the scope of the Company's corporate governance system, internal control system, internal auditing and Group controlling function. The Company is aware of the significant challenges associated with the high density and pace of regulation, monitors these issues in detail and pursues an effective management strategy to actively counter these risks. We also hold regular information and training sessions to identify risks and implement measures.

Report on opportunities

Opportunity and risk management are linked, but are not subject to the assessment methodology used in the risk process. Possible future developments or events that may result in a positive deviation from planning are seen as opportunities.

Through its business units, CEWE operates in dynamic market segments experiencing rapid growth. Exploiting opportunities in these business units using innovation, consolidation or organic growth and identifying additional opportunities in adjacent and related new business units while avoiding unnecessary risks provides a foundation for the CEWE Group's long-term growth. Opportunities may entail both internal and external potential.

Where these opportunities are likely to occur, CEWE has incorporated them into its corporate planning and outlook for 2025. This reporting on opportunities therefore relates to events that may potentially result in a positive deviation from these projected figures.

CEWE sees opportunity management as a core aspect of its corporate activities. Identifying, weighing up and seizing opportunities is a key and ongoing task for management. As a result, our opportunity management activities include documenting policies and minutes of meetings.

Opportunities in the Photofinishing business unit

CEWE sees opportunities to generate additional income from the additional revenues provided by new or improved ordering applications for mobile devices, should these gain even stronger acceptance among end consumers. We also expect the launch of new products to further reinforce our market positioning and positively impact revenue growth.

Opportunities in the Commercial Online Printing business unit

A continuous market shakeout is reducing the number of competitors in this market, resulting in higher concentration in this business. This effect is particularly apparent in the commercial online printing sector as smaller providers increasingly disappear, giving larger companies such as the CEWE Group the opportunity to increase their market share further and boost their revenue potential. As a result, this favourable trend offers opportunities for growth.

Opportunities presented by acquisitions

Furthermore, strategic acquisitions also open up the possibility for us to further expand our market presence and promote long-term revenue growth.

Opportunities in the Retail business unit

CEWE operates photo retail stores through its own Retail operations in Norway, Sweden, Poland, Czechia and Slovakia. In principle, our aim is to further optimise our Retail presence by operating our own stores in the market in line with the purchasing behaviour of end consumers. In Norway, Sweden and Poland, CEWE has established online stores for photography-related items. Optimising these stores is expected to create opportunities to further increase online revenue and earnings.

BEPS Pillar 2

At the reporting date, the BEPS Pillar 2 rules (German Minimum Taxation Directive Implementation Act, Mindestbesteuerungsrichtlinie-Umsetzungsgesetz – MinBestRL-UmsG) were transposed into German law (German Act on Minimum Taxation, Mindeststeuergesetz – MinStG) and entered into force upon publication in the German Federal Law Gazette on 27 December 2023. Pursuant to Section 101, the provisions of the MinStG apply for the first time for financial years beginning after 30 December 2023 and are therefore applicable for the reporting year. However, the Group does not (yet) fall under the scope of the MinStG or foreign acts on minimum taxation in financial year 2024, as it only exceeded the revenue threshold of 750 million euros required for the application of these provisions in its consolidated financial statements for the first time in financial year 2023. However, the condition for applying the MinStG or foreign acts on minimum taxation is that this revenue threshold has been reached in at least two of the four immediately preceding financial years (Section 1 (1) MinStG). In light of this situation, the Group assumes that the provisions of the MinStG will be applicable for the first time for financial year 2025.

In financial year 2024, the CEWE Group therefore launched a project to examine the extent to which it would be affected by a Pillar 2 top-up tax. Application of the MinStG or foreign acts on minimum taxation is not currently expected to give rise to a significant additional tax burden because the CEWE Group operates almost exclusively in countries where the nominal income tax burden exceeds 15% and for which no tax burden at all, or only an insignificant tax burden, is therefore expected to arise. Based on the data available for financial year 2023, we first reviewed whether the Transitional Country-by-Country Reporting (CbCR) Safe Harbour regulations (Sections 84ff. MinStG) would be relevant to our Group. Based on this indicative analysis, at least one of the three possible Transitional CbCR Safe Harbour regimes could be used in all countries of the CEWE Group, which means that the tax burden would not increase.

The Group is closely monitoring the progress of the legislative process in every country where it operates, and will adapt its reporting and compliance processes with a view to calculating its top-up tax burden locally and centrally in future as well as submitting future minimum tax reports and filing related tax returns in Germany and other countries.

The Group applies the exemption set out in Section 274 (3) of the German Commercial Code (Handelsgesetzbuch – HGB), which states that no deferred tax assets or liabilities are to be recognised in connection with the application of the German Act on Minimum Taxation or a foreign act on minimum taxation.

The CEWE Group is closely monitoring the progress of the legislative process in every country where it operates, and will adapt its reporting and compliance processes with a view to calculating its top-up tax burden locally and centrally in future as well as submitting future minimum tax reports and filing related tax returns in Germany and other countries.

Report on expected developments

Long-term business development based on three elements

CEWE continues to pursue the ongoing development of the CEWE Group based on the following three strategic priorities:

(1) Strengthening the Company’s brand and innovation leadership in its core Photofinishing business unit

In its Photofinishing business unit, CEWE continues to operate as an omnichannel provider to further expand its brands positioned in the premium segment in addition to its core markets in Germany, Switzerland and Austria as well as all other European countries supplied by CEWE. The Company’s goal is to exploit the positive consumer response and high level of brand awareness for the benefit of CEWE as a whole. We plan to progressively harness the performance and quality standards that our brands represent and that set us apart from the competition to grow our product portfolio. In addition to the CEWE brand, the CEWE Group’s other brands – particularly Cheerz, DeinDesign, Pixum and WhiteWall – address specific customer groups and/or regions or offer specific product categories.

We are constantly working to develop CEWE’s products and services. Innovation has already been the main driver of our analogue/digital transformation, and we are striving to maintain this innovative drive across all of our business units to ensure that we further consolidate our leading market position. These efforts include extensive software updates, the ongoing development of new mobile applications and an array of new products and product improvements.

(2) Profitable growth in Commercial Online Printing

At CEWE, Commercial Online Printing offers the customer a series of advantages, including higher quality and price benefits from state-of-the-art printing capabilities and time savings created by user-friendly online ordering, as well as fast production and rapid delivery. CEWE believes it is exceptionally well-positioned here to continue successfully developing its Commercial Online Printing business unit, not least due to what the Executive Board considers to be SAXOPRINT’s highly-efficient and cost-optimised printing plant in Dresden.

(3) Development of business units

When it comes to potential investment opportunities, the CEWE Group is particularly interested in online business models that – just like CEWE – produce customised, high-quality products with a substantial customer benefit that help to build a strong brand, while offering the potential of further developing the CEWE Group’s future business. With this in mind, any growth into new business areas should ideally draw upon the Group’s existing areas of expertise.

Continuing focus on Europe

Almost all of CEWE’s business is located in Europe, and the Company is not currently planning to change its regional presence.

Overall economic environment in 2025: global economic growth slower than historical average since 2000

In its January 2025 update, the International Monetary Fund (IMF) predicted global economic growth of 3.3% for 2025 and 2026, below the historical average of 3.7% for the period from 2000 to 2019. The overall global inflation rate is expected to fall to 4.2% in 2025 and 3.5% in 2026, with inflation in developed economies set to approach its target more quickly than in emerging and developing countries.[1]

In the Eurozone, the IMF anticipates economic growth of 1.0% for 2025 and 1.4% for 2026[2], with the ECB forecasting an inflation rate of 2.1% for 2025 and 1.9% for 2026.[3]

For Germany, the IMF expects lower growth of 0.3% for 2025 and 1.1% for 2026.[2]

War in Ukraine still not expected to affect CEWE

To date, the war in Ukraine has not had any direct impact on CEWE's business, either in terms of procurement or sales. At the present time, there are still no indications of negative impacts on consumer sentiment and thus on revenue trends. As a result, CEWE's planning for 2025 does not reflect any possible effects of the war in Ukraine on consumer sentiment in particular.

Assessment of CEWE's management regarding the overall economic environment in 2024

As in previous years, CEWE remained resilient despite the weak economic environment in Germany, where gross domestic product (GDP) contracted by 0.2% in 2024. Again, as in previous years, CEWE was able to compensate for inflation by increasing prices. Contrary to the general stagnation in consumer sentiment, demand for customised, high-quality photo products grew during the year under review.

In light of this, management is confident once again that the core Photofinishing business unit will continue to perform well in 2025. High-quality photo products commemorating emotional moments remain among the products that consumers are still not prepared to do without, even amid persistently high inflation and limited consumer budgets. Thanks to CEWE PHOTOBOOKS, other branded products and strong online expertise, CEWE considers itself ideally positioned to actively support the ongoing shift in its product mix from simple photo prints to value-added products such as photo books, photo calendars, wall art, greeting cards and other photo gifts.

This trend towards value-added products is expected to provide a further boost to both the Photofinishing business and CEWE's overall growth in 2025.

In 2025, we expect the Retail business to make another significant contribution to revenue through sales of CEWE photo products. Revenue and earnings for photofinishing products distributed via the Company's own retail operations are reported in the Photofinishing business unit. In 2025, as it has done for several years now, CEWE is likely to deliberately reduce the hardware revenue from cameras, lenses and photo accessories reported in its Retail business unit.

The Executive Board believes that the Commercial Online Printing business unit is well prepared for financial year 2025, with highly-efficient automated production that achieves significant economies of scale. This business unit is expected to perform well once again in 2025. The Company's best-price strategy for business customers is clearly paying off in terms of growing customer confidence and thus increased loyalty.

Compensating for inflation remains a key goal in 2025

Over the past three years, CEWE has succeeded in balancing inflation-driven cost increases on the expenses side with its own price increases on the revenue and earnings side, fully offsetting inflation in the process. In 2025, CEWE will continue to continuously analyse the inflation trend and associated increased cost burden for the Company, and will seek to offset this as far as possible by implementing price adjustments in a cautious and balanced manner.

1 IMF: World Economic Outlook, Update Jan. 2025, page 2
2 ECB Economic Bulletin, Issue 8 / 2024, page 20
3 IMF: World Economic Outlook, Update Jan. 2025, page 8

Solid financial position ensures scope for action

In 2025, we expect CEWE's operational strength to continue to enable us to fund investments in organic growth and our annual dividend payment from operating cash flow alone.

The operational capital expenditure planned for 2025 (i.e. outflows from investments in property, plant and equipment and intangible assets, offset against inflows from the sale of property, plant and equipment and intangible assets, excluding takeovers and acquisitions) is expected to total up to around 65 million euros.

EBIT earnings target range in 2025: 84 to 92 million euros

Group revenue is expected to rise further, from 832.8 million euros in the previous year 2024 to between 835 million and 865 million euros in 2025. Group EBIT will be within a range of between 84 million and 92 million euros in 2025, with EBT between 83.5 million and 91.5 million euros, while earnings after tax will lie within a range of 58 million to 63 million euros.

The ranges for these targets for financial year 2025 represent approximate projected figures and reflect the current uncertainties associated with the increase in prices/inflation on the cost of sales and expenses side, and their potential impact on CEWE's business performance. In its operational planning for 2025, the Executive Board is aiming to achieve a target in the upper half of the envisaged range.

CEWE targeting further continuous dividend growth as far as possible

CEWE considers itself to be an exceptionally reliable dividend payer, with the dividend proposed for financial year 2024 representing a 16th consecutive increase. CEWE aims to ensure dividend continuity wherever possible. Where this appears possible in view of the Company's economic situation and available investment opportunities, this means providing a dividend which is at least unchanged in absolute terms and ideally increased. This policy focuses on the absolute dividend amount, with the payout ratio and dividend yield as secondary considerations.

CEWE prepares a combined management report both for the CEWE Group and for the CEWE Stiftung & Co. KGaA. This means that a forecast also needs to be prepared for CEWE Stiftung & Co. KGaA as required by law. Following 429.9 million euros in revenue for 2024, CEWE expects CEWE Stiftung & Co. KGaA to generate revenue of between 430 million and 460 million euros for financial year 2025. The management assumes that the Photofinishing business will perform as outlined above. Earnings before income taxes of between 67 million and 75 million euros are anticipated for 2025, compared to a figure of 70.4 million euros in 2024. The Group's overall assessment of the development of CEWE Stiftung & Co. KGaA is therefore positive.

CEWE Group targets for 2025

		2025	Change in %
Photos	billion units	2.46 to 2.53	0 to +2
CEWE PHOTOBOOK	million units	6.0 to 6.2	−1 to +2
Operational capital expenditure[1]	millions of euros	~65	
Revenue	millions of euros	835 to 865	0 to +4
EBIT	millions of euros	84 to 92	−2 to +7
Earnings before taxes (EBT)	millions of euros	83.5 to 91.5	−4 to +5
Earnings after tax	millions of euros	58 to 63	−4 to +5
Earnings per share	euros/share	8.32 to 9.12	−4 to +6

[1] Outflows from investments in property, plant and equipment and intangible assets, offset against inflows from the sale of property, plant and equipment and intangible assets, excluding takeovers and acquisitions

Internal control and risk management system

Compliance

The Company attaches great importance to compliance by taking steps to ensure conformity with applicable legislation and internal company policies and make sure they are observed by the Group's companies. As part of its responsibilities in this area, the general partner's Executive Board has implemented various mechanisms designed to ensure optimal fulfilment of these compliance requirements.

The compliance officer appointed for this purpose continuously addresses the maintenance and development of the Company's and/or Group's compliance organisation in line with applicable requirements and the needs of the Company, focusing particularly on employee training and statutory risk management. They report to the CFO of the general partner. The compliance officer consults the responsible individuals in each of the Company's divisions and, where necessary, seeks external legal advice for help with specific issues.

The Company has also appointed an external lawyer as an ombudsman. Employees and third parties may contact this individual to notify them of potential violations of the law or company policies within Group companies. One report was filed with the ombudsman during the reporting period, and this was investigated accordingly. However, no relevant violations were ultimately detected.

According to Recommendation A.5 of the German Corporate Governance Code (GCGC), the management report shall describe the main characteristics of the entire internal control system and risk management system, and provide comment upon the appropriateness and effectiveness of these systems. These disclosures exceed the statutory requirements for a management report and have therefore been excluded from the auditor's audit of the content of the management report ("non-management report disclosures"). They are included as part of the corporate governance statement and are also disclosed in separate paragraphs to distinguish them from the disclosures to be audited.

Risk management system

Goals and strategy of the risk management system

As an international group of companies, CEWE Stiftung & Co. KGaA and its subsidiaries are exposed to various risks that may adversely affect their business activities as well as their net assets, financial position and results of operations. As a result, CEWE has established an internal control and risk management system in accordance with industry standards and statutory provisions to identify and assess potential opportunities and risks and counteract them with suitable measures where necessary. This control and risk management system is incorporated into the CEWE Group's information and communication system as an integral part of its business, planning, accounting and control processes and is a key element of the CEWE Group's management system. Its control and risk management system is based on a systematic risk identification, assessment and management process for the entire Group. CEWE has set up its risk management system based on the COSO model and is constantly improving it. This includes interlinking it further with the internal control system and other management systems.

As a function that identifies risks at an early stage, monitors them continually and contributes to risk control, risk management forms part of the second line of CEWE's integrated governance, risk and compliance approach.

Organisation and structure of the risk management system

The Executive Board, managers of the Company's regional profit centres in Germany and other countries, and its central departments and project managers are responsible for the control and risk management system. The Executive Board has overall responsibility for organising the control and risk management system. From a functional perspective, the Executive Board has handed over the operational implementation of monitoring, coordination and ongoing development tasks within risk management processes to the Group Risk Management team.

The risk management system covers the opportunities and risks associated with individual risk areas within the scope of an annual, Group-wide risk inventory. The annual report on opportunities and risks is prepared on the basis of this risk inventory.

The Company's opportunity and risk assessments are reviewed on at least a quarterly basis each year. The Supervisory Board and the Audit Committe are notified of these reviews at least once a quarter. Any new opportunities and risks that arise are incorporated into the risk management system and assigned to a risk manager once the risk officer has been notified. In addition to these regular processes, there is always the option to record and report ad-hoc risks in the event of any sudden developments. Corresponding measures are also taken into account when assessing risk. As a result, a net risk assessment is also carried out.

Internal control system

Key features of the internal control system

The internal control system (ICS) is an integral component of the business processes of CEWE Stiftung & Co. KGaA and the CEWE Group. The aim is for all operating units where risks may arise and must be managed to be able to use internal controls to identify such risks at an early stage and deal with them. This system is designed to ensure compliance with external and internal requirements. As a result, the internal control system represents the first line of the integrated management approach. It encompasses several monitoring and control mechanisms and is essentially based on five principles:

- Dual-control principle
- Signature guidelines
- IT authorisation policy
- Separation of functions
- Integrated reporting

The dual-control principle is safeguarded by rules and regulations such as articles of association, policies, rules of procedure, instructions, powers of representation and signatory powers. The operationally effective signature guidelines are an important component of these. The CEWE Group's coordinated IT authorisation policy is an additional control and monitoring mechanism that specifically governs the activities of individual persons and groups of persons and their access to the Group's primarily SAP-based applications and their functional areas.

To ensure the reliability of procedures and thus the quality of individual processes, the CEWE Group maintains a strict separation of functions for critical business processes. Central tasks are also assigned to specific departments, giving them reciprocal responsibility for supervision of the Group's activities. Integrated reporting includes a detailed planning, management and reporting framework covering the Group's current position and its outlook. The planning process is based on a combined bottom-up and top-down approach, in line with monthly target figures. The existing Group information system relies on a monthly comparison of targets, actual results and prior-year figures as well as supplementary cross-location business reviews at the level of the individual profit centres as well as at Group level. Developments, opportunities, risks and measures are discussed here and documented accordingly.

The CEWE Group also monitors the intrinsic value of its investments in subsidiaries as part of the control and risk management system. The carrying amounts of these investments undergo regular and ad-hoc impairment tests.

Furthermore, as the third line of our integrated management approach, all Group companies and profit centres regularly undergo specialised, in-depth audits covering the areas of finance and accounting, IT, technical security and insurance policies as well as other functional areas. These audits are carried out by external or internal specialists. The central Group Risk Management function is also audited accordingly.

Key features of the internal control system relevant for the consolidated financial reporting process

The internal control system relevant for the financial reporting process is embedded within the Company-wide risk management system as part of the internal control system (ICS) of CEWE Stiftung & Co. KGaA and the CEWE Group. Its purpose is to minimise the risk of a material misstatement in the Company's accounting and external reporting, identify undesirable developments at an early stage and implement countermeasures. This ensures that facts relevant to the Group are presented in its individual and consolidated financial statements in compliance with applicable legislation and standards.

The consolidated financial statements, including all consolidation adjustments, are prepared by the Consolidated Accounts unit within the central Finance division. The process for preparing the CEWE Group's financial statements is based on a standard Group-wide accounting policy that is regularly adjusted to reflect the current legislative framework. The Executive Board is solely responsible for issuing this accounting policy.

The Group's accounting policy governs IFRS accounting for all Group companies in Germany and other countries to ensure that recognition, measurement and presentation methods are applied consistently for its IFRS consolidated financial statements. Binding instructions have been stipulated for internal reconciliations and other tasks relating to the preparation of the financial statements. In addition, all key dates have been set out Group-wide in the Group policy.

The local companies are responsible for compliance with relevant rules and regulations and are supported and monitored by the Group Accounting unit. The Group Accounting unit centrally handles consolidation of the separate financial statements prepared by the Group companies – which are mainly prepared using SAP – using a specific consolidation module.

The steps required as part of the accounting process undergo a variety of automatic and manual controls and plausibility checks. In addition, the effectiveness of internal controls relevant for the financial reporting process is continually reviewed via internal auditing. This task is handled by internal auditors as well as external auditors appointed by the Company. A rolling process ensures that all companies within the group of consolidated entities undergo this control process. The Executive Board and Supervisory Board are regularly notified of the results of these effectiveness reviews.

The separate financial statements included in the consolidated financial statements are audited by various local auditors to ensure compliance with applicable accounting rules and the accuracy and completeness of all other locally prepared documents relevant to the consolidated financial statements. The audit findings at the level of the separate and consolidated financial statements regarding the effectiveness of the CEWE Group's internal control system relevant for the financial reporting process are summarised by the external auditor of the consolidated financial statements, reported to the Supervisory Board and used by the Executive Board in the process of further enhancing the internal control system.

Takeover-related disclosures

Disclosures in accordance with Section 289a and 315a HGB

Composition of issued capital, restrictions affecting voting rights or the transfer of shares

The issued capital of CEWE Stiftung & Co. KGaA, Oldenburg, comprises the following share classes:

Composition of issued capital

Type of share	ISIN	Form of share	Volume of this class of shares	Share of issued capital in euros	Share of issued capital in %	Rights and obligations
Bearer shares	DE 0005403901	No-par value shares	7,442,003	19,349,207.80	100.0	The shares carry full voting and dividend rights, unless mandatory provisions of the German Stock Corporation Act stipulate otherwise (e.g. shares which the Company holds as treasury shares).
			7,442,003	**19,349,207.80**	**100.0**	

Shares issued to employees as part of employee share plans are subject to holding periods. A total of 65,200 shares must be held until the employee shareholder has reached the age of 65 or begun to draw their statutory pension (previous year: 60,732 shares). The Company is not aware of any more extensive restrictions of voting rights or transfer restrictions.

Direct or indirect equity investments

On 1 July 2020, AN Assets GmbH & Co. KG and CN Assets GmbH & Co. KG, Oldenburg, Germany informed us in accordance with Section 33 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) that their voting rights in CEWE Stiftung & Co. KGaA, Oldenburg, Germany, ISIN: DE0005403901, WKN: 540390 had on 30 June 2020 exceeded the threshold of 3%, 5%, 10%, 15%, 20% and 25% via shares. Alexander Neumüller (AN Assets GmbH & Co. KG, Oldenburg) and Dr. Caroline Neumüller (CN Assets GmbH & Co. KG, Oldenburg) hold a 27.1% equity investment (which corresponds to 2,020,001 voting rights based on the overall voting rights issued as of the notification date) via a voting trust agreement.

According to the Company's published notifications and available information, the following direct and indirect equity investments in the Company exceed 10% of voting rights:

Direct or indirect equity investments

Shareholder subject to reporting requirement	Type of interest	Notified voting rights as a proportion of issued capital, in %
AN Assets GmbH & Co. KG and CN Assets GmbH & Co. KG, Oldenburg	Direct	27.1

Holders of shares conferring special rights

There are no shares conferring special rights.

Form of control in voting rights where employees hold shares

Where CEWE Group employees are shareholders of CEWE Stiftung & Co. KGaA, Oldenburg, there are no specific requirements governing their ability to exercise their voting rights as far as the Company is aware. Employees are not known to have any joint holdings of one or more shares (Section 69 (1) of the German Stock Corporation Act – Aktiengesetz, AktG), nor is the Company aware of any voting trust agreements between employee shareholders.

Statutory regulations and provisions in the Company's Articles of Association regarding the appointment and removal from office of Executive Board members and amendments to the Articles of Association

The Company's general partner, Neumüller CEWE COLOR Stiftung, Oldenburg, is authorised to manage and represent CEWE Stiftung & Co. KGaA, Oldenburg (Article 8 of the Articles of Association of CEWE Stiftung & Co. KGaA). Unless compulsory under the Articles of Association or by law, the legal relationships between the Company and its general partner are regulated by a separate agreement; the Company will be represented by the Supervisory Board in this respect. The withdrawal of the Company's general partner is governed by Article 9 of the Articles of Association of CEWE Stiftung & Co. KGaA, which states that Neumüller CEWE COLOR Stiftung holds this role irrespective of any capital contribution; on the other hand, however, the compelling legal reasons for the withdrawal of the general partner remain unaffected (Article 9 (1) of the Articles of Association). The outgoing general partner will not be entitled to any settlement balance (Article 9 (2) of the Articles of Association). In the event that Neumüller CEWE COLOR Stiftung, as the general partner, withdraws from the Company or its withdrawal is foreseeable, Article 9 (3) contains the following regulation to prevent the liquidation of CEWE Stiftung & Co. KGaA: The Supervisory Board of CEWE Stiftung & Co. KGaA is entitled and obligated, either immediately or as of this withdrawal, to appoint a corporation – whose shares are all held by CEWE Stiftung & Co. KGaA – as the new general partner of CEWE Stiftung & Co. KGaA with sole authorisation to manage and represent the Company (Sentence 1). If Neumüller CEWE COLOR Stiftung withdraws from its position as the Company's general partner without simultaneously appointing a new general partner, CEWE Stiftung & Co. KGaA's limited shareholders will continue managing the Company on a temporary basis (Sentence 2). In this case, the Supervisory Board will immediately apply to the competent court to appoint a substitute representative to represent the Company until a new general partner is appointed, particularly in the event that CEWE Stiftung & Co. KGaA first needs to acquire or establish a corporation to serve as its general partner (Sentence 3). The Supervisory Board is authorised to adjust the wording of the Articles of Association to reflect the change of general partner (Sentence 4).

Neumüller CEWE COLOR Stiftung is represented in and out of court by its Executive Board. As a result, the Executive Board is also responsible for managing the business of CEWE Stiftung & Co. KGaA. The members of the Executive Board of Neumüller CEWE COLOR Stiftung are appointed by the Board of Trustees; one member of the Executive Board may be appointed by the beneficiaries of Neumüller CEWE COLOR Stiftung designated in its Articles of Association. The members of the Executive Board are appointed for a term of office of up to five years. The Board of Trustees will decide on any issues related to service regulations.

The relevant statutory provisions (Section 179ff., 285 (2) and 181 AktG) apply to any changes made to the Articles of Association of CEWE Stiftung & Co. KGaA.

Powers of the Executive Board to issue and repurchase shares

The General Meeting held on 31 May 2017 authorised the buyback of treasury shares representing up to 10 % of share capital as of the date of this resolution until 30 May 2022. At the General Meeting held on 15 June 2022, this authorisation was renewed until 14 June 2027. This authorisation was granted to enable the Company to:

- resell the shares via the stock exchange or via an offer to all shareholders, with the approval of the Supervisory Board and in accordance with the principle of equal treatment (Section 53a AktG);
- retire the shares in whole or in part, on one or more occasions, with the approval of the Supervisory Board. The retirement of these shares or the implementation thereof does not require the adoption of a further resolution by the General Meeting. These shares may also be retired in accordance with the simplified procedure, without any reduction in capital, by adjusting the notional value of the remaining no-par value shares in relation to the Company's share capital;
- dispose of the shares in return for a contribution in kind with the approval of the Supervisory Board; in particular, the shares may be offered or granted to third parties as part of company mergers or acquisitions;
- offer the shares for purchase to employees of the Company or other affiliates as set out in Section 15ff. AktG with the approval of the Supervisory Board or promise and / or transfer the shares with a lockup period of not less than one year; the treasury shares may also be promised and transferred to eligible persons to satisfy dividend claims arising from the Company's shares;
- offer the shares for purchase to employees, including members of the Executive Board and management, of Neumüller CEWE COLOR Stiftung as part of a stock option plan. In this case, the waiting period is four years. The Supervisory Board will specify the details of share-based remuneration for members of the Executive Board.

The general partner's Board of Trustees is authorised to grant purchased treasury shares to members of the general partner's Executive Board as variable remuneration components.

Material agreements subject to a change of control in the event of a takeover bid

The financing agreements concluded with the Company's key banking partners include the usual change-of-control provisions; these may necessitate the amendment, supplementation or revision of existing credit agreements. Furthermore, CEWE Stiftung & Co. KGaA, Oldenburg, has no agreements with third parties that are subject to a change of control in the event of a takeover bid and that may have the following effects, either individually or as a whole.

Compensation agreements

CEWE Stiftung & Co. KGaA, Oldenburg, does not have any agreements that have been concluded with members of the Executive Board or management of Neumüller CEWE COLOR Stiftung or its employees that may oblige the Company to provide compensation or other payments in the event of a takeover bid.

Corporate governance reports

Corporate governance statement

This corporate governance statement under Section 289f and Section 315d of the German Commercial Code (Handelsgesetzbuch – HGB) includes the statement of compliance in accordance with Section 161 of the German Stock Corporation Act (Aktiengesetz – AktG); a reference to the Company's website on which the remuneration report for the last financial year, the auditor's report pursuant to Section 162 AktG and the most recent resolution on remuneration pursuant to Section 113 (3) AktG are made public; relevant disclosures on corporate governance practices beyond the scope of applicable statutory requirements; and a description of the procedures of the Executive Board and the Supervisory Board and the composition and working practices of their committees. It also includes information concerning the stipulations in Section 76 (4) AktG and Section 111 (5) AktG, information on the minimum proportions of male and female members for the composition of the Supervisory Board in accordance with Section 96 (2) AktG, information on whether the Company has appointed at least one woman and at least one man to the Executive Board during the reference period and a description of the Company's diversity policy.

Statement of compliance under Section 161 of the German Stock Corporation Act

The Executive Board of the general partner and the Supervisory Board have submitted the following statement pursuant to Section 161 AktG:

CEWE Stiftung & Co. KGaA attributes great importance to the principles of sound corporate governance.

The Executive Board of the general partner of CEWE Stiftung & Co. KGaA and the Supervisory Board of CEWE Stiftung & Co. KGaA confirm, in accordance with Section 161 AktG, their compliance, now and in the future, with the recommendations of the Government Commission on the German Corporate Governance Code (Deutscher Corporate Governance Kodex – GCGC), as notified by the German Federal Ministry of Justice and Consumer Protection in the official section of the German Federal Gazette (Bundesanzeiger) and as amended on 28 April 2022, with the following exceptions:

Modifications due to CEWE Stiftung & Co. KGaA's legal form as a stock-market-listed partnership limited by shares

CEWE Stiftung & Co. KGaA is a stock-market-listed partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA). In the case of a stock-market-listed partnership limited by shares, the general partner has the responsibilities which are handled by the executive board of a public limited company (Aktiengesellschaft – AG). The sole general partner of CEWE Stiftung & Co. KGaA is Neumüller CEWE COLOR Stiftung, whose Executive Board manages the business of CEWE Stiftung & Co. KGaA.

The rights and obligations of the supervisory board of a KGaA are limited by comparison with those of the supervisory board of a public limited company. In particular, the Supervisory Board of CEWE Stiftung & Co. KGaA does not have the power to appoint the Executive Board of the general partner, to prescribe the contractual terms for the Executive Board of the general partner, to issue rules of procedure for the Executive Board or to stipulate transactions subject to approval. Those tasks are performed by the Board of Trustees of Neumüller CEWE COLOR Stiftung.

The Executive Board of the general partner and the Supervisory Board of CEWE Stiftung & Co. KGaA are of the opinion that, where the GCGC, as amended, includes recommendations regarding the tasks and competences of the Supervisory Board which are performed by the Board of Trustees of Neumüller CEWE COLOR Stiftung on account of the Company's legal form, these recommendations are not applicable to CEWE Stiftung & Co. KGaA. This applies for the recommendations of the GCGC concerning the composition of the Executive Board (Recommendations B.1 to B.5) and its remuneration (Recommendations G.1 to G.16). Insofar as the Company will in future deviate from these recommendations on account of its legal form, this is not explicitly disclosed in this statement of compliance since these recommendations do not apply for the Company. This is without prejudice to applicable statutory provisions.

Taking into consideration the above-mentioned details specific to the Company's legal form, the Executive Board of the general partner of CEWE Stiftung & Co. KGaA and the Supervisory Board of CEWE Stiftung & Co. KGaA confirm in accordance with Section 161 AktG that the recommendations of the German Corporate Governance Code (GCGC), as amended, have been complied with since the submission of the most recent statement of compliance for the year 2024 (with the exceptions listed below) and will continue to be complied with in future, with the following exceptions:

Elections to the Supervisory Board: attachment of CVs and their contents (deviation from Recommendation C.14 GCGC)

In case of impending elections to the Supervisory Board, including the CVs of all of the candidates in the invitation to the general meeting would mean that many additional pages would be unnecessarily added to what is already a very long document, which would then be unwieldy. For this reason, the Company does not intend to follow the Code's recommendation that CVs be "attached" to candidate proposals. The improvement in the quality of the information for shareholders which this recommendation envisages will be more efficiently achieved by providing the CVs of all candidates on the Company's website and by additionally pointing out in the invitation this opportunity to obtain further information.

Nor do we comply with the recommendation to list the "material activities" of candidates in their CVs in this respect. Sections 124 (3) clause 4 and 125 (1) clause 5 AktG include definitive and sufficient stipulations regarding the information to be provided for proposed Supervisory Board candidates. The candidate's current profession and seats on other control bodies must be stated; this information will provide a more detailed impression of the nature and scope of this candidate's other activities and their technical qualifications. To require further details would go beyond the text of the law and ultimately result in increased legal uncertainty, also because the term "material activities" is too imprecise and can be variously interpreted given the wide range of available life choices.

Rules of procedure of the Supervisory Board: making the rules of procedure accessible on the Company's website (deviation from Recommendation D.1 GCGC)

The Supervisory Board of CEWE Stiftung & Co. KGaA has established rules of procedure for its activities. These rules of procedure are a key instrument for the organisation of the Supervisory Board which regulates procedural issues arising on the Supervisory Board. We are therefore of the view that these rules of procedure are an internal document of the Supervisory Board which is not suitable for publication.

Remuneration system for the Supervisory Board / remuneration report

CEWE Stiftung & Co. KGaA (CEWE-KGaA), with its specific legal form, is legally represented by its general partner, Neumüller CEWE COLOR Stiftung (CEWE-Stiftung). CEWE Stiftung operates through its Executive Board, which thus also manages CEWE-KGaA. CEWE-Stiftung makes decisions regarding the remuneration system for the Executive Board on the basis of the rules applicable for CEWE-Stiftung. The Executive Board of CEWE-Stiftung and the Supervisory Board of CEWE-KGaA are responsible for the remuneration reporting – i.e. the voluntary publication of the remuneration system for the members of the Executive Board of CEWE-Stiftung and the publication and presentation of the remuneration report with the auditor's report pursuant to Section 162 AktG. The underlying documents and the resolution passed by the general meeting in accordance with Section 113 (3) AktG on the remuneration of the members of the Supervisory Board are available at **https://ir.cewe.de.**

Disclosures on corporate governance practices

The CEWE Group conducts its business affairs in compliance with national and international legislation as well as generally acknowledged ethical principles.

Commitment to social responsibility as a part of CEWE's corporate culture

CEWE Stiftung & Co. KGaA is aware of its social responsibility, which it considers to be an important factor in the Company's long-term success. In this respect, the CEWE Group has developed a mission statement setting out its corporate culture, which is defined by integrity, trustworthiness and responsibility. The basic values and principles of this mission statement may be viewed online at **https://company.cewe.de/en/about-us/responsibility/compliance.html.**

CEWE Stiftung & Co. KGaA has also summarised its key principles in a Code of Conduct which is based on ethical values and related business principles that reflect integrity and loyalty. This Code of Conduct applies for all of the Group's employees and requires compliance with the following operating principles:

- Our activities are defined by integrity and lawful behaviour.
- We aim to safeguard and to expand the CEWE Group's leading position as Europe's foremost provider of photo services.
- We pursue appropriate business relationships, which are free of any illicit practices.
- We avoid any conflicts between the interests of the CEWE Group and private interests.
- We treat business information and trade secrets confidentially.
- We will not tolerate any abuse of employees' positions for personal advantage, for the benefit of third parties or to the detriment of the CEWE Group.

Further information on our Code of Conduct is publicly available on the following website: **https://company.cewe.de/en/about-us/responsibility/compliance.html**

CEWE Stiftung & Co. KGaA also supports the principles of the compliance initiative of the German Association for Supply Chain Management, Procurement and Logistics (BME). Further information on the principles of the German Association for Supply Chain Management, Procurement and Logistics is available at **www.bme-compliance.de.**

Procedures of the executive management and the Supervisory Board, and composition and procedures of the Supervisory Board's committees

Due to the provisions of the German Stock Corporation Act, the articles of association of CEWE Stiftung & Co. KGaA and the rules of procedure of the Company's various committees, rules are in place at CEWE Stiftung & Co. KGaA for its executive management and for supervision of its executive management which comply with the requirements of the GCGC. The Company fulfils the GCGC's requirement of protecting investors bearing entrepreneurial risk.

The Executive Board, the Board of Trustees of Neumüller CEWE COLOR Stiftung and the Supervisory Board maintain a close and trusting working relationship, while safeguarding the interests of the Company. All key business transactions are discussed together with the competent committees. In particular, the details of the relationship between the Executive Board, the Board of Trustees of Neumüller CEWE COLOR Stiftung and the Supervisory Board and issues for which the Executive Board requires approval are laid down in the rules of procedure of the Executive Board and the Supervisory Board.

Executive management

The general partner Neumüller CEWE COLOR Stiftung ("executive management") holds 20,020 no-par value bearer shares in the share capital of CEWE Stiftung & Co. KGaA and thus approx. 0.27%, while the limited shareholders and the Company hold the remainder of the shares. Neumüller CEWE COLOR Stiftung manages the Company's business through its Executive Board in accordance with applicable legislation, the articles of association of CEWE Stiftung & Co. KGaA and its own articles of association and also the rules of procedure for its Executive Board.

Due to its unlimited personal liability, Neumüller CEWE COLOR Stiftung has a considerable interest in the orderliness and efficiency of the business activities of CEWE Stiftung & Co. KGaA, which it accordingly encourages. The rules of procedure adopted by the Executive Board of Neumüller CEWE COLOR Stiftung and approved by the Board of Trustees for the Executive Board set out the allocation of duties and cooperation on the Executive Board. The Executive Board passes resolutions at its meetings, which are normally held once a week. Each member of the Executive Board notifies the other members in good time of important events and transactions within their area of business. Specific tasks are assigned to individual members of the Executive Board by means of a schedule of responsibilities.

The management determines the strategic orientation of the Company, plans and specifies the Company's budget, is responsible for the allocation of financial resources and supervises the Company's business development. It is responsible for the preparation of the annual financial statements of CEWE Stiftung & Co. KGaA, the consolidated financial statements as well as the quarterly and semi-annual financial statements. The management also ensures compliance with statutory, official and internal regulations and ensures that all of the companies of the CEWE Group comply with these regulations. Through its integrated governance, risk and compliance approach, the Executive Board has established and implemented a control framework for the CEWE Group which aims to ensure an appropriate and effective internal control and risk management system. The measures implemented within the scope of this approach are likewise aimed to ensure the effectiveness and appropriateness of the internal control and risk management system. Further information about these measures is provided in the Report on risks and opportunities, for instance see page 73ff. At the same time, independent reviews and audits are carried out within the scope of this three-line model and in accordance with the applicable statutory framework. In particular, these include the audits performed by the internal auditing function and its reporting to the Executive Board and the Audit Committee of the Supervisory Board as well as other external audits.

The Executive Board is not aware, through its dealing with the internal control and risk management system, of any significant circumstances indicating that these systems, as a whole, in principle are not appropriate and effective. The Executive Board is continuously working on further enhancing the internal control and risk management system. The management notifies the Supervisory Board of the course of business and the Company's position at least once a quarter. The management also notifies the Supervisory Board at least once per year regarding the annual planning and the Company's strategy. Moreover, the management notifies the Supervisory Board regularly, promptly and comprehensively regarding any strategy, planning, business development, risk position, risk management and compliance issues which are relevant for the Company, thereby comprehensively complying with its reporting obligation. In addition, the management reports regularly, promptly and comprehensively – in writing or orally – on any matters which are of material significance for the Company. Further details are stipulated in the rules of procedure for the Executive Board and the Supervisory Board and in the articles of association of Neumüller CEWE COLOR Stiftung.

Supervisory Board

The Supervisory Board supervises the Executive Board of Neumüller CEWE COLOR Stiftung in its management of the Company and advises it accordingly. The responsibilities of the Supervisory Board are laid down in its rules of procedure. The key tasks of the Supervisory Board include its review of the Company's quarterly reports, its examination of the annual financial statements and the consolidated financial statements of CEWE Stiftung & Co. KGaA and its preparation of the resolution to be passed by the general meeting for approval of the annual financial statements. The members of the Supervisory Board of CEWE Stiftung & Co. KGaA are appointed in accordance with the provisions of the German Codetermination Act (Mitbestimmungsgesetz – MitbestG).

On the basis of the information provided by the Company's management, the Supervisory Board considers the course of business and the Company's position at least once a quarter. The members of the Executive Board of Neumüller CEWE COLOR Stiftung are invited to attend the meetings of the Supervisory Board, unless the Supervisory Board resolves otherwise in an individual instance. Each Supervisory Board meeting has a part in which the Supervisory Board deliberates on its own without the members of the Executive Board of Neumüller CEWE COLOR Stiftung being present. Moreover, at each of its meetings the Supervisory Board discusses the following issues:

- corporate governance
- compliance
- the Company's risk situation

The Supervisory Board and the Board of Trustees are notified of key decisions of the Executive Board early on. The executive management and the Supervisory Board also regularly discuss issues of strategy and planning as well as current business developments outside of these meetings. The Supervisory Board maintains regular contact with the executive management to obtain early notification of the Company's current business development and significant business transactions. The Supervisory Board regularly assesses whether conflicts of interest may apply for members of the Executive Board or the Board of Trustees of Neumüller CEWE COLOR Stiftung in relation to the work which they perform for CEWE Stiftung & Co. KGaA.

Supervisory Board committees

In the period under review, an Audit Committee performed the tasks required of it by law and assigned to it under the rules of procedure approved by the overall Supervisory Board.

The Audit Committee prepares the Supervisory Board's discussions and resolutions concerning the approval of the annual financial statements and the consolidated financial statements and the proposal to be made to the general meeting on the appointment of the auditor. It is also concerned with monitoring the financial reporting process, the effectiveness of the internal control system, the risk management system, compliance and the internal audit system as well as the external audit, in particular the selection and independence of the auditor, the quality of its audit and the additional services provided by the auditor.

As of 31 December 2024, the Audit Committee had the following members: Ms Daniela Mattheus (Chairwoman), Mr Markus Schwarz (Deputy Chairman), Mr Kersten Duwe and Mr Nurol Altan. Pursuant to Section 107 (4) in conjunction with Section 100 (5) AktG, at least one member of the Audit Committee must have expertise in the field of financial reporting and at least one further member of the Audit Committee must have expertise in the field of auditing. The Chairwoman of the Audit Committee, Ms Daniela Mattheus, has particular knowledge and experience of auditing. Following a long career with a series of well-known audit firms, Ms Daniela Mattheus is now a self-employed consultant and a member of various supervisory boards. Ms Daniela Mattheus therefore continuously deals with auditing issues in her capacity as a member of the supervisory boards of Commerzbank AG, Frankfurt am Main, Deutsche Bahn AG, Berlin, and Jenoptik AG, Jena.

As of 31 December 2024, Mr Kersten Duwe was a further expert pursuant to Section 100 (5) AktG on the Audit Committee. As a lawyer and tax adviser, he has the relevant expertise and serves on the Audit Committee as a financial expert in the area of financial reporting.

The Supervisory Board has also established a Nomination Committee. This Nomination Committee prepares the resolutions to be passed by the Supervisory Board on nominations which are to be submitted to the general meeting regarding the appointment of Supervisory Board members provided by the limited shareholders. It follows the criteria specified by the Supervisory Board on its composition as well as the profile of skills and expertise adopted by the Supervisory Board. As of 31 December 2024, Dr Birgit Vemmer, Mr Kersten Duwe and Mr Paolo Dell'Antonio were the members of the Nomination Committee.

The Supervisory Board has appointed an advisory committee called "4ward" to provide more efficient support in relation to the ongoing development of the Group's IT structure. The Executive Board keeps this committee regularly informed of key developments. Dr Birgit Vemmer (Chairwoman), Ms Petra Adolph, Mr Marc Bohlken and Mr Paolo Dell'Antonio have been elected to this committee.

The Supervisory Board and its committees regularly undergo an efficiency review of their own and incorporate the findings in their future activities. At its meeting of 11 September 2024, the Supervisory Board carried out a self-assessment as described in Recommendation D.12 of the GCGC to determine how effective it fulfils its task. As a result, various members suggested that core areas of focus should be added to the Supervisory Board's work activities.

For further information, please refer to the report of the Supervisory Board on page 44ff. of this annual report and online at **https://company.cewe.de/en/about-us/responsibility/compliance.html.**

Board of Trustees of Neumüller CEWE COLOR Stiftung

Some of the tasks which are performed by a public limited company's supervisory board are handled by Neumüller CEWE COLOR Stiftung at CEWE, specifically by the Board of Trustees of Neumüller CEWE COLOR Stiftung. Accordingly, the details of the Board of Trustees are outlined below.

The Board of Trustees has six members. The Board of Trustees advises and supervises the Executive Board. It keeps up to date regarding the affairs of Neumüller CEWE COLOR Stiftung and CEWE Stiftung & Co. KGaA and may inspect and audit the trading books and other documents of the Company and also its assets for this purpose. According to Section 7 (2) of the articles of association of CEWE Stiftung & Co. KGaA, the executive management requires the consent of the Supervisory Board for certain transactions beyond the scope of normal business. The articles of association of Neumüller CEWE COLOR Stiftung also stipulate the need for the consent of the Board of Trustees for certain extraordinary measures enacted by the executive management. The Board of Trustees is convened as required, but meets at least four times a year.

The general meeting of CEWE Stiftung & Co. KGaA

In particular, the annual general meeting passes resolutions regarding the adoption of the annual financial statements, appropriation of net retained profits, approval of the activities of the general partner and the members of the Supervisory Board, and the appointment of the auditor (and, where applicable, the appointment of the sustainability auditor). The general meeting is also entitled to adopt resolutions on amendments to the articles of association. The limited shareholders of CEWE Stiftung & Co. KGaA exercise their rights at the general meeting.

Targets pursuant to Section 76 (4) and Section 111 (5) AktG and minimum proportions for the composition of the Executive Board and the Supervisory Board

Since the Company does not have any executive board pursuant to Section 278 AktG, the provision laid down in Section 111 (5) AktG concerning the composition of the executive board does not apply for the Company. Moreover, the obligation to determine a target size for the Executive Board is not applicable insofar as the requirement under Section 76 (3a) AktG concerning the membership of this Executive Board is applicable (Section 111 (5) clause 9 AktG). In accordance with the statutory requirements, no target quota has been specified for the Executive Board.

The German Stock Corporation Act prescribes that stock-market-listed companies which consist of equal numbers of shareholder and employee representatives and which have an executive board comprising more than three members must appoint at least one woman and at least one man to their executive board. Irrespective of the legal question of whether Section 76 (3a) AktG is at all applicable to CEWE Stiftung & Co. KGaA, either directly or analogously, the Company complied with this requirement in the reporting period, since Ms Yvonne Rostock was appointed Chairwoman of the Executive Board (CEO) with effect as of 1 March 2023. Ms Christina Sontheim-Leven resigned from the Executive Board of Neumüller CEWE COLOR Stiftung with effect as of 15 April 2024.

In accordance with the statutory obligation stipulated in Section 76 (4) AktG and its own long-term human resources goal of achieving a gender balance, the Executive Board of Neumüller CEWE COLOR Stiftung has set the following new targets which it aims to achieve by 30 June 2027:

- first management level of CEWE Stiftung & Co. KGaA below the Executive Board: 33.3% of management positions held by women;
- second management level of CEWE Stiftung & Co. KGaA below the Executive Board: 40% of management positions held by women;

The first management level comprises all of the executives of CEWE Stiftung & Co. KGaA with a direct reporting line to the Executive Board. The second management level comprises all of the executives of CEWE Stiftung & Co. KGaA reporting to executives with a direct reporting line to the Executive Board.

As an international company with (management) structures which reflect this orientation, while aiming to achieve an equal number of male and female employees in management positions in the long term, the CEWE Group has set itself a voluntary target of increasing the proportion of women in management positions in all of its companies (national subsidiaries) and brands. A glance at the CEWE Group as a whole shows that things are already moving in the right direction.

The Supervisory Board was elected in 2023. It has twelve members, half of whom are appointed by the Company's shareholders and half by its employees. The Supervisory Board has four female members appointed by the shareholders. This means that a women's quota of two thirds (four out of the six seats held by shareholder representatives) was achieved for the Supervisory Board members appointed by the shareholders. The Supervisory Board had two female members appointed by the employees. This means that a women's quota of one third (two out of the six seats held by employee representatives) was achieved for the Supervisory Board members appointed by the employees. The shareholders and the employees therefore both fulfilled the statutory requirement of a minimum women's quota of 30% on the Supervisory Board.

Diversity policy in regard to the composition of the Executive Board of the general partner and the Supervisory Board

Recommendations A.2, B.1 and C.1 clause 2 of the GCGC deal with the issue of diversity in terms of appointments to the Executive Board and management positions within the Company as well as the composition of the Supervisory Board. With the goal of sound corporate governance in mind, the executive management and the Supervisory Board of CEWE Stiftung & Co. KGaA have considered this issue in detail within the scope of their responsibilities.

Composition of the Executive Board

The Executive Board of Neumüller CEWE COLOR Stiftung consisted of five male members and (until 15 April 2024) two female members in the reporting period. Following Ms Sontheim-Leven's departure from the Executive Board, from 15 April 2024 onwards it had one female member. All of the members of the Executive Board have international experience.

Ms Yvonne Rostock was appointed Chairwoman of the Executive Board (CEO) of Neumüller CEWE COLOR Stiftung and thus of the CEWE Group with effect as of 1 March 2023. As well as holding the post of CEO, Ms Yvonne Rostock also has overall responsibility for the CEWE Group's distribution activities.

The Company seeks to ensure the adequate representation of women and in general to reflect diversity in appointing members of the Executive Board.

Succession planning

Together with the Executive Board of the general partner, the Board of Trustees of Neumüller CEWE COLOR Stiftung pursues long-term succession planning for the composition of the Executive Board. It considers both external and internal candidates when filling vacancies. However, where possible it aims to appoint to the Executive Board candidates who have developed the qualifications for such positions through their work within the Company. The Company's long-term succession planning is based on its corporate strategy and its diversity policy, while complying with the requirements of the AktG and the GCGC. CEWE's systematic management development process comprises the following key elements:

- early identification of suitable candidates;
- systematic development of executives by virtue of their taking on tasks with growing levels of responsibility, where possible in a range of different business units, regions and functions;
- successful track record with proven strategic and operational commitment to delivering results and strong leadership skills;
- role model function by embodying our company's values.

The members of the first management level below the Executive Board undergo an assessment covering the above elements. This assessment also considers the issue of whether these persons are potentially suited to taking up a seat on the Executive Board as well as succession planning measures. CEWE also discusses employees with management potential within its individual business units. Where a position on the Executive Board becomes vacant, a profile will be drawn up while considering the specific qualifications required and the above criteria. A short list of available candidates will be produced on this basis. These candidates will be interviewed. Where necessary, external consultants will be brought on board in order to draw up the profile in question and to select and evaluate candidates.

Composition of the Supervisory Board

The Supervisory Board of CEWE Stiftung & Co. KGaA consists of twelve members. It traditionally comprises members with international experience.

An age limit is stipulated for the members of the Supervisory Board of CEWE Stiftung & Co. KGaA in Section 2.2 of the rules of procedure for the Supervisory Board. This states that, as a rule, membership of the Supervisory Board shall expire at the end of the general meeting which is held following the Supervisory Board member in question reaching the age of 71. In deviation from this principle, the other members of the Supervisory Board may resolve with a two-thirds majority to extend this person's membership, but not beyond the end of the year in which the member in question reaches the age of 75.

Composition targets and profile of skills and expertise of the Supervisory Board

In September 2023, the Supervisory Board adopted a profile of skills and expertise and published this on the Company's website at **https://company.cewe.de/en/about-us/corporategroup.html.** The current members of the Supervisory Board match this profile of skills and expertise.

Skills and expertise matrix

	1. Experience gained in managing or supervising companies or organisations	2. Experience gained in international companies or organisations	3. Familiarity with the industry in which the Company operates, its markets and its value chain	4. Understanding of the strategic development of companies, technologies, customers and markets	5. Familiarity with co-determination	6. Appropriate level of knowledge of accounting, financial reporting, law, compliance and risk management	7. Appropriate level of knowledge of auditing, including sustainability reporting	8. Basic knowledge of sustainability topics	9. IT, IT security, data security, data protection	10. Experience in innovation, R&D, industrial manufacturing technology and service	11. Knowledge of digitalisation, IT, processes, change and start-ups	12. Communication and media expertise	13. Basic knowledge of stock exchange and corporate law as well as financial markets	14. Personnel management/HR
Kersten Duwe	✓	✓		✓		✓	✓	✓					✓	
Paolo Dell'Antonio	✓	✓	✓	✓		✓	✓				✓	✓		✓
Daniela Mattheus	✓	✓		✓	✓	✓	✓	✓	✓		✓		✓	
Prof. Dr Christiane Hipp	✓	✓	✓	✓				✓		✓	✓			✓
Martina Sandrock	✓	✓		✓	✓	✓		✓		✓		✓		✓
Dr Birgit Vemmer	✓	✓	✓	✓					✓		✓			✓
Markus Schwarz			✓		✓	✓	✓							✓
Nurol Altan			✓		✓	✓	✓							✓
Insa Lachenmaier (née Lukaßen)			✓		✓					✓	✓	✓		
Marc Bohlken	✓		✓	✓	✓					✓	✓			✓
Petra Adolph	✓				✓	✓		✓				✓		✓
Jan Grüneberg	✓				✓	✓	✓	✓						✓

Independence of the Supervisory Board members

The composition of the Supervisory Board during the reporting period was in compliance with the requirements set out in Recommendations C.1 to C.12 of the GCGC. The Supervisory Board has reviewed the independence of its members. All of the members of the Supervisory Board of CEWE Stiftung & Co. KGaA who held office during the reporting period are considered to be independent as defined in Recommendations C.6 to C.12 of the GCGC.

To ensure the greatest possible transparency, we wish to point out that Mr Dell'Antonio is also a member of the Board of Trustees (i.e. the supervisory body) of Neumüller CEWE COLOR Stiftung. However, this fact does not in any way suggest a lack of independence (as defined in the recommendations of the German Corporate Governance Code) on the part of Mr Dell'Antonio.

Prof Dr rer. pol. habil. Christiane Hipp has served on the Supervisory Board for a period of more than 12 years. However, service on the Company's Supervisory Board for a period of over twelve years is merely one of four indicators which are to be taken into consideration according to the GCGC when assessing the independence of the members of the Supervisory Board. It is not in itself decisive. In the view of the Supervisory Board, all of the relevant circumstances must be jointly considered in order to assess the independence of a Supervisory Board member. The other three indicators expressly mentioned in the GCGC which must be assessed when evaluating the independence of a Supervisory Board member are not fulfilled in the case of Prof Dr rer. pol. habil. Christiane Hipp. These indicators are whether the Supervisory Board member or a close relative

- has been a member of the Company's Executive Board in the two years prior to their appointment,
- currently maintains, or has maintained in the year leading up to their appointment, either directly or as a shareholder or via a position of responsibility with a company outside of the corporate group, a significant business relationship with the Company or a dependent entity or
- is a close relative of a member of the Executive Board.

The Supervisory Board considers that the above indicator does not, overall, conflict with its assessment that Prof Dr rer. pol. habil. Christiane Hipp is independent of the Company and its managing partner (and of the latter's Executive Board). The Supervisory Board is convinced that, independently of the duration of her membership of the Company's Supervisory Board, Prof Dr rer. pol. habil. Christiane Hipp maintains the critical distance in relation to the Company and its general partner (and the Executive Board members of the latter) which is necessary for her service on the Supervisory Board and is thus unbiased in her judgment. Due to her personal financial situation and her professional situation, Prof Dr rer. pol. habil. Christiane Hipp is not in any way dependent on her service on the Company's Supervisory Board. She does not have any personal or commercial relationship with the Company or its managing partner (or the latter's Executive Board) such as may give rise to a significant conflict of interest which is not merely temporary. The Supervisory Board is of the view that a range of different types of experience, qualifications and backgrounds will ensure optimal supervision of the Company. In the opinion of the Supervisory Board, Prof Dr rer. pol. habil. Christiane Hipp is not dependent within the meaning of Recommendation C.7 of the GCGC.

Term of Supervisory Board membership

The individual members' terms of membership on the Supervisory Board are as follows:

Supervisory Board member	Since
Kersten Duwe	6/2023
Paolo Dell'Antonio	1/2017
Prof. Dr rer. pol. habil. Christiane Hipp	6/2012
Daniela Mattheus	6/2023
Martina Sandrock	10/2022
Dr Birgit Vemmer	6/2018
Markus Schwarz	10/2015
Petra Adolph	6/2018
Nurol Altan	6/2023
Marc Bohlken	6/2023
Jan Grüneberg	6/2023
Insa Lachenmaier (née Lukaßen)	6/2018

Compliance with the minimum proportions of male and female members of the Supervisory Board

The Supervisory Board includes four female shareholder representatives and two female employee representatives. The Company has thus more than fulfilled the statutory requirement of 30% female representation on its Supervisory Board. While fulfilling applicable statutory requirements, in any future nominations the Supervisory Board will also appropriately consider whether candidates have the necessary skills, expertise and technical experience which are required for service on the Supervisory Board.

Appointments to management positions

In compliance with Recommendation A.2 of the GCGC, CEWE Stiftung & Co. KGaA has already implemented a large number of measures which are intended to promote diversity – in particular, a greater share of women – in management positions.

For instance, CEWE Stiftung & Co. KGaA has enacted the following specific measures to encourage a better work-life balance:

- Contract with "AWO Eltern- und Seniorenservice" in Oldenburg to provide free consultations for employees needing to arrange placements for their children or for their parents.
- Since August 2022, two large day nurseries have been in place at CEWE Stiftung & Co. KGaA's site in Oldenburg. The second nursery means that additional places can be offered in view of the high level of demand.
- Course enabling mothers and fathers to strengthen their minds ("Rediscover your power").
- Management while working part time.

- Mobile working and more flexible work hours which provide support and make things easier for employees in their various life situations.
- In-house care programme for children during the Easter, summer and autumn holidays.
- Recertification under the “berufundfamilie” scheme, as a seal of quality confirming a human resources strategy which gives due consideration to employees’ family needs and their various stages of life.
- Formal enshrinement of this topic, e.g. via Company-wide agreement no. 13 on one-day leaves of absence
- Various means of communication for this purpose, e.g. CEWE’s Intranet, in-house app, Internet, message boards, circular emails etc.
- Events enabling employees to keep in touch during parental leave: parents’ café.

CEWE has also implemented measures to strengthen its recruitment efforts and developed new recruitment initiatives such as the following:

- Target group-appropriate adjustments to job adverts via changes of wording, e.g.
  - consideration of where wording includes attributes which might traditionally be read as male, and avoidance of such attributes
  - inclusion of additional wording in adverts: “Please apply even if you don’t meet all of the criteria or are unsure” in order to explicitly target women – since they frequently will not apply for a post if they do not meet all of the requirements listed in an advert
- Stronger focus on advertising part-time positions or positions with the option of working part time
- Research and dialogue with various service providers in the field of female recruitment and female leadership, e.g. platforms such as “Superheldin”, “MOMHunting” etc.
- With a view to the Company’s ongoing development, in 2025 CEWE will decide whether to use gender-sensitive language in the titles of job adverts and to make planned changes of wording – e.g. in the benefits listed for a position, a stronger focus on issues which will likely appeal to women, and to mothers in particular.

In addition, the decision made by the Executive Board of CEWE COLOR Holding AG of 31 January 2011 applies and this was reaffirmed by the meeting held on 13 February 2023:

The Company seeks to ensure the adequate representation of women and in general to reflect diversity when appointing people to management positions. In addition, CEWE Stiftung & Co. KGaA will maintain its policy of considering factors such as candidates’ age, gender, cultural origin and educational and professional background when making appointments to management positions and will strive to achieve the greatest possible level of diversity.

Of the 26 participants who completed CEWE’s internal management trainee programme in 2024, 17 were female (65%). 9 of these female employees took on positions of responsibility, i.e. responsibility for a team or department.

In the field of training measures, a mandatory e-learning course on the subject of Germany’s General Act on Equal Treatment (Allgemeines Gleichbehandlungsgesetz – AGG) was rolled out via the Company’s internal learning management system. CEWE also introduced a voluntary e-learning course on “diversity, equality of opportunity and togetherness”, as an additional awareness-raising measure.

In addition, on 2 December 2024 CEWE adopted the following measures for 2025 (and has already initiated related planning and these measures’ implementation):

(1) Management while working part time: from January 2025, management positions will be advertised with the option to work part time on a near-full time basis (min. 80%).
(2) Recruitment process: for all management positions which are advertised externally at C-1 level, the final round of the selection process must always include at least one woman. Hiring managers and HR are obliged to document this process as well as the award of contracts.
(3) Mandatory training for executives and HR: “diversity and equality of opportunity” training for both target groups.
(4) Training opportunities for female employees: from 2025, CEWE will offer additional training courses for women to strengthen their leadership skills.

Moreover, in relation to proposed candidates for management positions CEWE Stiftung & Co. KGaA considers factors such as candidates’ age, gender, cultural origin as well as their educational and professional background and strives to achieve the greatest possible level of diversity.

Final statement by the Executive Board
of the general partner on the report on relationships with affiliates

The status of Neumüller CEWE COLOR Stiftung as the general partner of CEWE Stiftung & Co. KGaA means that, in principle, CEWE Stiftung & Co. KGaA is dependent on Neumüller CEWE COLOR Stiftung within the meaning of Section 17 AktG. Since no control agreement has been concluded with Neumüller CEWE COLOR Stiftung in accordance with Section 291 AktG, as the management body of CEWE Stiftung & Co. KGaA, pursuant to Section 312 AktG, the Executive Board of the general partner Neumüller CEWE COLOR Stiftung has prepared a report on relationships with affiliates. At the end of this report, the Executive Board has provided the following statement:

“We hereby state that our company has received appropriate consideration for each of the legal transactions listed in this report, in accordance with the circumstances known to us as of the execution of these transactions, and has not thus been disadvantaged. No measures have been implemented or waived at the instigation or in the interest of the controlling company or an entity affiliated with it.”

Transactions with related parties

Neumüller CEWE COLOR Stiftung is the Company’s managing partner. It holds 20,020 no-par value shares in the Company’s capital. Neumüller CEWE COLOR Stiftung has concluded a contract with CEWE Stiftung & Co. KGaA regulating its management duties as managing partner and the assumption of expenses. Under this contract, Neumüller CEWE COLOR Stiftung is to be reimbursed for any expenses arising in connection with its management activities, particularly those incurred by its Executive Board, its executive management and its Board of Trustees. Neumüller CEWE COLOR Stiftung is also entitled to receive appropriate annual remuneration, irrespective of any profit or loss, for its executive management and representational duties and for the assumption of its personal liability risk.

Combined non-financial statement

General information

General disclosures (ESRS 2)

Basis for preparation

General basis for preparation of the combined non-financial statement (ESRS 2 BP-1)

Legal information
This combined non-financial statement, hereinafter also "non-financial statement" or "non-financial report", for the period from 1 January to 31 December 2024, has been prepared by preparing some of the European Sustainability Reporting Standards (ESRS) and included in the combined management report for the first time.

The Company elevated sustainability to a board-level topic in 2008 and it is now managed as part of Group-level strategy. Until the end of 2023, reporting was modelled on the GRI standards. The implementation of reporting according to ESRS is currently in progress within the CEWE Group. As the EU Corporate Sustainability Reporting Directive (Directive 2022/2464) has not yet been transposed into national law in Germany, the provisions of the German Commercial Code (HGB) on non-financial reporting continue to apply (HGB Section 289b (1) to 3, Section 315b (1) and 3). The EU Taxonomy is included in ESRS E1, page 149 and the disclosures were prepared pursuant to Article 8 of Regulation (EU) 2020/852. The relationship of HGB provisions to ESRS topics and disclosure requirements is as shown below:

- HGB Section 289c (2) no. 1 is fulfilled by the disclosures in ESRS E1, ESRS E2, ESRS E4 and ESRS E5
- HGB Section 289c (2) no. 2 is fulfilled by the disclosures in ESRS S1 and ESRS S2
- HGB Section 289c (2) no. 3 is fulfilled by the disclosures in ESRS S4
- HGB Section 289c (2) no. 5 is fulfilled by the disclosures in ESRS G1

In the context of its partial application of ESRS, the CEWE Group reserves the right to deviate from these standards in some cases. Such deviation is shown clearly and transparently in the appendix under ESRS Index: Disclosure requirements under other EU legislation, page 187 and in the respective topic standards. As part of the transition to ESRS, some data collection processes are still under development, as is the derivation of corresponding metrics. The CEWE Group is working continuously on the further development of the necessary data structures and control mechanisms to ensure that the disclosures provided for financial year 2025 will be as comprehensive as possible. The achievement of this goal will also depend on the applicable regulatory and company-related circumstances.

The report does not include disclosures that, according to ESRS 1, are subject to phasing-in. The CEWE Group does not report on optional or phase-in data. For the preparation of this non-financial statement, all Group units reported their sustainability data for 2024 in January 2025. This resulted in a consolidated report for the CEWE Group, which is based on the same continuing units as in the consolidated financial statements.

The CEWE Group has chosen not to exercise the option of excluding certain types of information, relating to intellectual property, know-how or the results of innovations, from the reporting process.

Equally, the CEWE Group has waived the option of claiming exemptions to disclosures pursuant to article 19a (3) and article 29a (3) of Directive 2013/34/EU in relation to impending developments or matters in the course of negotiation for undertakings domiciled in an EU member state.

Basis of consolidation
A consolidated report is provided for the entire CEWE Group, including all subsidiaries. The consolidated report takes into account the same continuing operations as in the consolidated financial statements page 223.

Unless otherwise indicated, the disclosures given in the report apply to the parent company and all affiliated companies, i.e. all companies in which CEWE Stiftung & Co. KGaA (hereinafter also “Company”) held a majority interest during the period 1 January to 31 December 2024.

The CEWE Group discloses all material information about sustainability-related impacts, risks and opportunities (IROs) in conformity with the current interpretation of the applicable ESRS. Relevant sector-specific standards for the CEWE Group were not available on the reporting date.

Insofar as specific disclosures apply only to individual companies or brands from the group of consolidated companies, this is indicated accordingly at the relevant location.

Value chain

The CEWE Group procures products and services from a wide range of suppliers. The CEWE Group supply chain is comprehensively described in the section “Key characteristics of the upstream and downstream value chain” on page 110. The German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG) applies to the upstream supply chain (cf. ESRS S2 “Workers in the value chain”, page 166 and ESRS G1-2 “Management of relationships with suppliers”, page 181).

Reporting covers the entire value chain of the CEWE Group – the upstream supply chain, own operations, business partners (B2B2C) and end consumers (B2B2C and B2C), both for the development of the IROs, and for the policies, actions and targets (PATs), and metrics.

The value chain has been comprehensively investigated as part of the materiality assessment. Strategies, actions and targets specifically take into account all relevant stages in value creation. The GHB balance fully represents both upstream and downstream processes. For other quantitative disclosures, the value chain is taken into account on each occasion within the context of available data and insofar as deemed applicable.

Disclosures in relation to specific circumstances (ESRS 2 BP-2)

Time horizons

The CEWE Group has defined the following time horizons:

- Short-term time horizon: corresponds to a period of up to one year
- Medium-term time horizon: corresponds to a period of one to five years
- Long-term time horizon: corresponds to a period of five to ten years

Estimates in the value chain

The Scope 3 greenhouse gas emissions for the upstream and downstream supply chain reported in ESRS E1-6 page 130 are calculated on the basis of general emissions factors from indirect sources. The calculation methodology applied is explained in the topical standard under the metrics. Particularly with Scope 3 omissions, measurement uncertainties exist as a result of methodological assumptions and the use of secondary data sources. These uncertainties are disclosed appropriately in this non-financial statement.

Using estimates is standard practice when preparing Scope 3 emission figures. In relation to capital goods, for example, the assumption has been made that each euro invested in a piece of machinery gives rise to a corresponding volume of carbon emissions. Emissions resulting from business travel are calculated by applying database values for the various means of transport. However, this does lead to a lower level of precision for results in comparison with the use of product-specific emission factors from suppliers. Care has been taken to apply these methods of estimation so that the resulting emissions figures tend towards overestimation. The calculation methodology and limitations for Scope 3 emissions are described in the process description E1 starting on page 131.

In the future, however, the Company will seek to include some product-specific factors into calculations, with the aim of improving the accuracy and controllability of greenhouse gas (GHG) emissions, and increasing the use of primary data. The CEWE Group is preparing to roll out a software package that will enable metrics to be controlled in conformity to ESRS and thus the establishment of an internal control system (ICS) specifically for sustainability.

The CEWE Group also makes use of industry-standard databases such as DEFRA. Underlying estimates are explained in the “Minimum disclosure requirements – metrics” (MDR-M) for the metrics.

Changes in preparation

The present non-financial statement is the first report from the CEWE Group that has been prepared with reference to the ESRS.

Incorporation by reference

The CEWE Group has incorporated information into its combined non-financial statement by reference. These references are documented in the following list.

Incorporation by reference

ESRS	Disclosure topic	Reference to document/section	Page/URL
General disclosures			
Basis for preparation			
BP-1	The sustainability statement was prepared on a consolidated basis	Consolidated financial statements: List of consolidated companies	Page 223
	EU Taxonomy	Combined management report	Page 149 ff.
Governance			
GOV-1	Skills and expertise matrix of the Supervisory Board	Combined management report	Page 92
	Composition and CVs of the Supervisory Board	Website	https://www.cewe-group.com/en/about-us/corporate-group/executive-and-supervisory-boards.html
	Adoption of the profile of skills and expertise in October 2023 in accordance with the recommendation of the German Corporate Governance Code	German Corporate Governance Code	Section C.1, https://www.dcgk.de/en/code/current-version/c-composition-of-the-supervisory-board.html
	The names and composition of the Executive Board, Supervisory Board and Board of Trustees	Consolidated financial statements	Page 277 ff.
	Requirements for the composition and skills and expertise of the Supervisory Board	Combined management report	Page 91 ff.
	Report on opportunities and risks	Combined management report	Page 73 ff.
Strategy			
SBM-1	Total revenue for 2024	Combined management report	Page 63
Minimum disclosure requirements			
Policies			
MDR-M	Scope of energy and emissions figures	Combined management report	Page 132
Topical ESRS			
Environmental information			
E1 – Climate change			
E1-5	Revenue	Combined management report	Page 63
Social information			
S1-6	Number of employees	Combined management report	Page 163
S4 – Consumers and end-users			
G1	BME Code of Conduct	BME Website	https://a.storyblok.com/f/104752/x/a2b1bb70aa/bme_code_of_conduct_en_v3.pdf

Governance

The role of the administrative, management and supervisory bodies (ESRS 2 GOV-1)

The CEWE Group executive management – consisting of the Executive Board and the Supervisory Board – determines the strategic orientation of the Company, plans and specifies the Company budget, and is responsible for distributing funds and monitoring business performance. It is also tasked with preparing the consolidated financial statements, and the half-year and quarterly financial statements. Furthermore, the executive management is responsible for compliance with legal requirements, regulations and internal company codes of practice, and enforces their observance in all CEWE Group companies. With its integrated governance, risk and compliance approach, the Executive Board has created and implemented a control framework for the CEWE Group that constitutes an internal control and risk management system. The actions taken in the context of this approach target the efficacy and adequacy of the internal control and risk management system, and are explained in greater detail in the opportunities and risk report starting on page 73. Independent reviews and audits are carried out within the scope of this internationally recognised "three-line model" and in accordance with the applicable statutory framework. The Internal Auditing department conducts internal audits, and reports the results to the Executive Board and Supervisory Board Audit Committee. External audits are also carried out.

The Executive Board

The Executive Board of Neumüller CEWE Color Stiftung, which is responsible for the overall planning and achievement of the goals of the CEWE Group, comprised seven members until April 2024 and has had six members since April 2024. No employee representatives are members of the Executive Board. The members of the Executive Board all possess the necessary qualifications and experience to conduct business in an orderly manner. Both the Executive Board and the Supervisory Board have access to expertise in relation to strategic business decisions and risk-based aspects of sustainability. Specific sustainability topics are handled by the relevant departments and submitted to the members of these boards for attention. An all-day CSRD training workshop was also held by external experts for Company bodies (Executive/Supervisory Board and Board of Trustees) in summer 2024.

Executive Board and Supervisory Board members possess the necessary expertise both in relation to strategic business aspects and to the risk-based component within sustainability. Topic-specific disclosures are also made pursuant to ESRS G1 on the role of the administrative, management and supervisory bodies in relation to Company policy and the expertise of these bodies.

Additional activities are also offered:

- Regular training for administrative, management and supervisory bodies
- Strengthening of internal expertise with new hires
- Additional training activities are planned (e.g. workshops on specific topics with consulting firms, attendance at conferences on specific subjects, external network setup, etc.)

The Executive Board makes every effort to contribute its sustainability expertise and its expertise in relation to material impacts, risks and opportunities for material sustainability topics.

The Supervisory Board

The Supervisory Board of CEWE Stiftung & Co. KGaA consists of twelve members, and is equally split between employer and employee representatives. Of the six employee representatives, two are from trade unions and four are from the CEWE Group workforce. One of the latter four members represents the interests of executives at the Company.

Requirements for the composition and skills and expertise of the Supervisory Board

The Supervisory Board of CEWE Stiftung & Co. KGaA considers a board membership that reflects the business entity type and purpose to be an important aspect of good corporate governance. When considering new members, the Supervisory Board is guided by the principle of providing expert oversight and advice to the Executive Board of the Company. A distinction is made between personal requirements for the individual Supervisory Board member on the one hand and the requirements for the expertise of the Supervisory Board as a whole. The Supervisory Board adopted the profile of skills and expertise for its composition as shown below in October 2023, thereby following a recommendation published by the German Corporate Governance Code (GCGC item 5.4.1 (2).

Personal requirements for Supervisory Board members comprise the following:

- Experience in the management or governance of companies or similar organisations
- Integrity
- Commitment to the role
- Domain expertise and experience from areas of the economy outside Company business
- Independence and sufficient time available
- Openness to adapting business models to match new technical developments and changes in the market
- Ability to understand and scrutinise the business model
- Basic knowledge of relevant legal standards
- Basic knowledge of compliance topics
- Basic understanding of financial matters, especially as regards financial accounting and reporting
- Ability to review the annual financial statements (with support from auditors as necessary)
- Ability to understand, scrutinise and draw one’s own conclusions from the reports published by the Executive Board and Supervisory Board committees
- Ability to assess the correctness, cost-effectiveness, adequacy and lawfulness of the business decisions to be assessed, and to review these in terms of plausibility
- Readiness to engage in professional development by means of company-internal and external training programmes

An individual member does not need to possess all of the skills and expertise as listed. The various skills areas should instead be covered by the sum total of the individual expertise and experience contributed by each member of the Supervisory Board. The current membership of the Supervisory Board covers all of the skills and expertise required. The Supervisory Board skills and expertise matrix is shown in the diagram on page 92 of the combined management report. A company profile and CVs for all Executive Board members can be found on the company website at https://www.cewe-group.com/en/about-us/corporate-group/executive-and-supervisory-boards.html. The Executive Board has prepared a profile of skills and expertise according to the provisions of the German Stock Corporation Act (Aktiengesetz – AktG).

In addition, and with reference to the requirements of AktG Section 100 (5), at least one member of the Supervisory Board and the Audit Committee must possess expertise in the field of accounting and another member must possess expertise in relation to financial statements audit.

For future nominations to the general meeting, the Supervisory Board will strive to observe this profile of skills and expertise while accounting for Company goals and the diversity policy, as set out in the corporate governance statement pursuant to Section 289 f HGB.

The skills and expertise profile developed and adopted in line with section C.1 of the German Corporate Governance Code (recommendation C.1 https://www.dcgk.de/en/code/current-version/c-composition-of-the-supervisory-board.html) defines ESG expertise as a general personal skill that should be exhibited by each member of the Supervisory Board. Beyond this, some members of the Supervisory Board, particularly members of the Audit Committee, can draw on additional expertise in relation to sustainability issues. Members of the Supervisory Board contribute their respective skills and expertise regularly by means of self-assessments, internal inquiries and discussions. As some members do not have sustainability-specific know-how, this expertise is established and broadened by a continuous programme of targeted training. As a result of the growing importance of this topic, the nature and scope of such training is currently under discussion; the frequency will be re-addressed in 2025.

The names and composition of the Executive Board, Supervisory Board and Board of Trustees can be found in the section “The CEWE Group – structure and governing bodies” on page 292 of the consolidated financial statements.

Members

- Executive Board: 6 (since April 2024, 7 until April 2024), all executives
- Supervisory Board: 12, all non-executives

Proportion of women and independent board members

- Proportion of women on Supervisory Board: 50%
- Proportion of women on Executive Board: 16.67%
- Executive Board: 0/6 = 0.0% are independent
- Supervisory Board: 7/12 = 58.3% are independent

Employee representation

In the CEWE Group, the photofinishing operations are represented by the Works Councils at the four photofinishing sites, with a total of 37 members. The number, appointment and co-determination rights of these Works Councils are modelled on the German Works Constitution Act (Betriebsverfassungsgesetz – BetrVG). Further representation is provided in the form of a Group Works Council. At other sites, employees are represented by other forms of employee representation. Only two operations do not have employee representation: WhiteWall (Frechen) and DeinDesign (Bad Kreuznach).

Organisational structure – tasks and responsibilities

The CEWE Group has established organisational structures to achieve its sustainability targets and to implement the actions corresponding to their achievement. Sustainability management forms an integrated part of corporate governance within the Company, with responsibility for the same being assigned to the Executive Board and a new Sustainability department, which was set up in 2024. The strategy is based on five pillars: Honest and fair conduct, economic viability, environmental protection and resource conservation, responsibility for employees and community engagement.

The implementation of the CSRD – together with the monitoring and control of impacts, risks and opportunities – is being coordinated by a project team consisting of the Sustainability, Corporate Communications and Group Accounting departments. This project team reports directly the Executive Board and coordinates all other relevant business departments and their input. Responsibility for specific sustainability topics is assigned to the respective business departments. Accordingly, the CEWE Group considers the topic of sustainability to be an interdepartmental topic that is integrated within all areas of the organisation.

A steering committee for CSRD implementation meets every four weeks and comprises the bodies responsible for sustainability: the Executive Board, the heads of Purchasing/Production/HR and the CSRD project team. In addition, a working group with the CSRD project group meets every two weeks, with all relevant business functions and departments participating. Check-ins with the Executive Board are made every six weeks. The Sustainability Group, which features representatives of management staff and employees from key departments, is currently redefining its role as part of the transition to CSRD.

The impacts, risks and opportunities identified during the materiality assessment are managed by the CSRD project team. The monitoring, control and oversight for these topics is completed in collaboration with the affected business departments, and in close coordination with the steering committee or the Executive Board, as described above.

Within the Executive Board, Thomas Mehls is responsible for Sustainability. Dr Olaf Holzkämper is also responsible for Finance, Controlling and Legal, which includes the preparation of annual reports. Both individuals can draw on long experience in the management of a range of companies. As described above, the implementation of CSRD requirements is handled by the internal CSRD project group (business departments plus project team).

The CSRD project group at the CEWE Group has completed a materiality assessment, working closely with proxy stakeholders to identify material impacts, opportunities and risks. These proxy stakeholders were selected within the CEWE Group with the aim of representing the perspectives of various interest groups and ensuring their concerns are accounted for. The insights thereby gained and other key milestones in sustainability reporting were directly communicated to the Executive Board and have been discussed by its members.

For its part, the Executive Board, with the support of the CSRD project team, informs the Supervisory Board at regular intervals about key milestones in CSRD reporting. Before the final audit, the Executive Board submits the report to the Supervisory Board for review; the latter is also responsible for monitoring all relevant impacts, risks and opportunities.

The Company intends to integrate the above-mentioned project structure into its organisational structure on a permanent basis.

The interdepartmental sustainability working group – the Sustainability Group – brings together management staff and employees from key business departments such as Environment, Purchasing, Legal, HR and Investor Relations. This team ensures a coordinated approach to the handling and implementation of sustainability topics, contributes to Executive Board decision-making and advises on addressing relevant sustainability topics at Executive Board level.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (ESRS 2 GOV-2)

Der Vorstand der Neumüller CEWE Color Stiftung ist für die The Executive Board of Neumüller CEWE Color Stiftung is responsible for the overall planning and implementation of the goals of the CEWE Group. The Supervisory Board has established rules of procedure that serve as a key instrument for the organisation and specification of codes of practice within this board.

Updates on CSRD are provided to the Supervisory Board (SB), Supervisory Board Audit Committee (SBAC), Executive Board and Works Council, and to the Board of Trustees of Neumüller CEWE Color Stiftung. The SB, Board of Trustees and SBAC typically hold sessions once a quarter, while an update meeting on CSRD is held every six weeks by the Executive Board. The Steering Committee holds monthly meetings with the CSRD project team. Minimum notification requirements are also met as required by Section 90 AktG.

The risk management system at the CEWE Group records opportunities and risks from all relevant risk categories, including sustainability risks, as part of an annual, Group-wide risk inventory. This forms the basis of the annual report on opportunities and risks. The Company has yet to complete the integration of the risks derived from the CSRD materiality assessment into the Group-wide risk management system; these risks are currently managed by the CSRD project team. During the year, the current opportunity and risk assessments are reviewed at least once a quarter; this review is also submitted to the Supervisory Board on a quarterly basis. There is also the option of flagging up and reporting on ad-hoc risks arising from short-term developments.

The Supervisory Board reviews the non-financial statement. The business strategy, in which sustainability constitutes one of four central principles, alongside efficiency, brands and innovation, and which sets out the respective key content areas, was adopted by the Executive Board and submitted to the Supervisory Board. This makes the topic of sustainability an explicit part of the 2024 company strategy and it is also addressed in the respective strategies of the individual business units, such as Production.

During an all-day workshop, the Executive Board, Supervisory Board and Board of Trustees completed an in-depth appraisal of material impacts, risks and opportunities. The results of this session were reviewed on several occasions in the Supervisory Board Audit Committee and specific issues – such as increasing the proportion of women in top management below Executive Board level – were discussed by the Executive Board. In financial year 2024, there was no focus topic that the Executive Board and Supervisory Board explicitly designated as such.

Material IROs for the CEWE Group

Environment (E)

ESRS	((Sub-)sub-)topic	IRO category	IRO	Cluster	Time horizons
E1	**Climate Change**				
E1.1	Climate change adaptation	Negative impact	Climate-related hazards and natural disasters may affect raw material products.	Impairment of raw material availability	Short-, medium- and long-term
		Risk	Physical risk: Supply chain disruption (e.g. disruption to raw material extraction) and/or price increases triggered by material shortages as a result of acute and chronic climate-related hazards such as heat stress, sea level rise, water stress, drought, flooding or landslides (taking into account high-emission scenarios).	Impairment of raw material availability	Short-, medium- and long-term
		Risk	Physical risk: Higher operating costs and/or capital expenditure caused by climate change adaptation (e.g. need for more intensive cooling of production processes to cope with temperature increases).	Rising operating costs and potential business interruptions from climate-related hazards	Short-, medium- and long-term
E1.2	**Climate change mitigation**				
E1.2	Climate change mitigation	Negative impact	The CEWE Group directly contributes to global warming as a result of activities within its own operations that emit greenhouse gases (Scope 1)	(In-)direct contribution to global warming	Short-, medium- and long-term
		Negative impact	The CEWE Group indirectly contributes to global warming by procuring and consuming energy within its own operations (Scope 2).	(In-)direct contribution to global warming	Short-, medium- and long-term
		Negative impact	The CEWE Group indirectly contributes to global warming by causing GHG emissions from activities within its upstream value chain (in particular the extraction of raw materials such as wood and oil; the processing of raw materials into products like aluminium and paper or chemicals used as fuels; transport) (Scope 3).	In-)direct contribution to global warming	Short-, medium- and long-term
		Negative impact	The CEWE Group indirectly contributes to global warming by causing GHG emissions from activities within its downstream value chain (e.g. energy consumption of OSF terminals, transport and distribution, employee travel) (Scope 3).	In-)direct contribution to global warming	Short-, medium- and long-term
		Risk	Transition risk: An increase in carbon pricing can lead to direct additional costs (in particular carbon pricing of the CEWE Group) and indirect additional costs (in particular increased purchase prices due to passing on the costs carbon taxation in the value chain).	Rising operating costs and potential business interruptions from climate-related hazards	Short-, medium- and long-term
		Risk	Transition risks: Financial risks resulting from a tightening of regulatory requirements could lead to adaptation costs (e.g. for adjusting the ICS) and possibly non-compliance penalties.	Rising operating costs and potential business interruptions from climate-related hazards	Short-, medium- and long-term
		Opportunity	Market opportunities: Increasing competitiveness and gaining market share through reputational gains (e.g. climate-friendly products as a marketing tool) and expanding the product portfolio to include innovative and climate-friendly product solutions.	Increasing financial performance and competitiveness by implementing climate-friendly transformation measures	Short-, medium- and long-term
		Opportunity	Increased financial performance due to (better) access to funding (e.g. access to government subsidies or improved financing conditions) as a result of lower GHG emissions.	Increasing financial performance and competitiveness by implementing climate-friendly transformation measures	Short-, medium- and long-term

Environment (E)					
ESRS	((Sub-)sub-)topic	IRO category	IRO	Cluster	Time horizons
E1.2	Climate change mitigation	Opportunity	Implementation of climate-friendly transformation measures (e.g. introduction of new technologies) can lead to cost savings (e.g. through increased energy efficiency, switching to more climate-friendly and at the same time cheaper resources).	Increasing financial performance and competitiveness by implementing climate-friendly transformation measures	Short-, medium- and long-term
E1.3	**Energy**				
E1.3	Energy	Negative impact	Energy consumption (particularly in the production of photo products and relating to OSF terminals) from non-renewable resources within the CEWE Group's own operations.	(In-)direct contribution to global warming	Short-, medium- and long-term
E2	**Pollution**				
E2.5	Substances of concern	Negative impact	Contribution to pollution through the use or generation of substances of concern within the upstream (wide range of 200 – 250 hazardous substances and dangerous chemicals) or downstream (e.g. hazardous and contaminant production waste) value chain of the CEWE Group.	Use and/or generation of substances of concern	Short-, medium- and long-term
		Negative impact	Contribution to pollution through the use of hazardous substances in the CEWE Group's own operations.	Use and/or generation of substances of concern	Short-, medium- and long-term
E4	**Biodiversity and ecosystems**				
E4.1	Direct impact drivers of biodiversity loss	Negative impact	The CEWE Group's upstream value chain requires raw materials (especially wood for paper production) taken from ecosystems that are important for carbon sequestration (especially forests).	State of biodiversity	Short-, medium- and long-term
		Negative impact	Contribution to the loss of biodiversity through deforestation caused by activities (in particular the extraction of wood for paper production and the extraction of fossil raw materials) within the upstream value chain of the CEWE Group.	State of biodiversity	Short-, medium- and long-term
		Negative impact	Contribution to the loss of biodiversity through the pollution of air, water, soil and/or microorganisms caused by activities within the CEWE Group's own operations and the Company's upstream or downstream value chain (including extraction and processing of raw materials, chemical production/application, transport and distribution, disposal of production and end-product waste).	State of biodiversity	Short-, medium- and long-term
E5	**Circular economy**				
E5.1	Resources inflows, including resource use	Negative impact	Extraction and/or use of non-renewable resources through activities within the CEWE Group's upstream or downstream value chain (in particular many intermediate products such as plastics, chemicals or metals for the production of which (non-renewable) fossil raw materials are required).	Resource availability and substitution	Short-, medium- and long-term
		Negative impact	Use of non-renewable resources as part of chemical processes in the CEWE Group's own operations (e.g. chemicals in the production of photo products).	Resource availability and substitution	Short-, medium- and long-term
		Risk	Market risk: rising production costs due to higher prices for required resources.	Resource availability and substitution	Medium- and long-term

Environment (E)

ESRS	((Sub-)sub-)topic	IRO category	IRO	Cluster	Time horizons
E5.1	Resources inflows, including resource use	Risk	Political and legal risks: increased costs (e.g. due to process adjustments, transitioning to other resources) due to stricter regulations for the extraction and use of required resources.	Resource availability and substitution	Medium- and long-term
		Opportunity	Cost savings by increasing resource efficiency and reducing the need for resource inflows.	Resource efficiency	Medium- and long-term
		Opportunity	Market opportunity: Developing new business areas and market segments through product innovations that make use of recycled materials (e.g. recycled photo paper), addressing specific consumer groups.	Resource availability and substitution	Medium- and long-term
E5.2	**Resource outflows related to products and services**				
E5.2	Resource outflows related to products and services	Negative impact	Low durability, reusability, repairability, refurbishment, recycling and closed-loop management of products (especially photo products) from the CEWE Group's own operations.	Resource outflow reduction/substitution	Short-, medium- and long-term
		Positive impact	By integrating services aimed at extending the service life (maintenance and repair) and reusing product components (recycling), the CEWE Group contributes to reducing its own resource outflow.	Resource outflow reduction/substitution	Short-, medium- and long-term
E5.3	**Waste**				
E5.3	Waste	Negative impact	Hazardous waste materials are generated in particular in the context of several processes in the upstream value chain of the CEWE Group (including processing of raw materials, use of chemicals (e.g. in cotton cultivation)).	Supply chain waste management	Short-, medium- and long-term
		Negative impact	Generation of non-recyclable waste (e.g. residues from chemical processes) in the CEWE Group's own operations.	Own operations waste management	Short- and medium-term

Social matters (S)

ESRS	((Sub-)sub-)topic	IRO category	IRO	Cluster	Time horizons
S1	**Own workforce**				
S1.1	Working conditions	Negative impact	Negative impacts on employees' security for personal life planning due to the employment or deployment of temporary employees and/or non-guaranteed hours employees (e.g. agency workers).	Working conditions and labour rights	Medium-term (1–5 years)
		Negative impact	The working hours of employees are not recorded in all areas. This may represent an unknown risk of overtime or undertime, which could have a negative impact on both the employees themselves and the Company.	Working conditions and labour rights	Medium-term (1–5 years)
		Positive impact	Ensuring a high level of personal life planning security for employees thanks to long-term contracts based on collective agreements with guaranteed working hours and benefits.	Working conditions and labour rights	Medium-term (1–5 years)
		Negative impact	Inequality in the pay of workers depending on their contractual status and their coverage by collective agreements (particularly affects seasonal workers).	Working conditions and labour rights	Medium-term (1–5 years)

Social matters (S)

ESRS	((Sub-)sub-)topic	IRO category	IRO	Cluster	Time horizons
S1.1	Working conditions and labour rights	Positive impact	Enabling employees to vouch for their interests and views within the Company by upholding their right to freedom of association, which gives employees the opportunity to organise themselves, to form groups such as trade unions and to become members of such representative associations.	Working conditions and labour rights	Medium-term (1–5 years)
		Positive impact	Guaranteeing high-quality working conditions for employees by means of collective agreements for the CEWE Group workforce.	Working conditions and labour rights	Medium-term (1–5 years)
		Positive impact	Helping employees to fulfil their personal duties (examples include the CEWE Group's own crèche and holiday camps) and programmes for specific needs (e.g. "parent cafes").	Working conditions and labour rights	Medium-term (1–5 years)
		Negative impact	Work-related accidents and/or illnesses caused by the Company's operations (e.g., the production process).	Working conditions and labour rights	Medium-term (1–5 years)
		Opportunity	Increasing profitability by increasing production efficiency and reducing impairments to business by means of good working conditions (includes aspects such as secure employment, adequate wages, health and safety).	Working conditions and labour rights	Medium- and long-term
S1.2	**Equal treatment and opportunities for all**				
S1.2	Equal treatment and opportunities for all	Positive impact	Promoting equal treatment and equal opportunities by means of an Equality Network and training programmes.	Integrative and safe working environment	Short- and medium-term
		Positive impact	Promoting the continuous professional development of its employees in terms of their skills and opportunities for employment with a comprehensive range of training and qualification programmes.	Integrative and safe working environment	Medium- and long-term
		Positive impact	Incorporating the needs and wishes of people with disabilities as part of the corporate culture, e.g. by ensuring that they have easy access to common areas, that they can easily participate in company events, etc. Contributing to the integration of persons with disabilities into the labour market by employing a large number of persons with disabilities.	Integrative and safe working environment	Medium- and long-term
		Negative impact	Limited employment and inclusion opportunities for people with physical disabilities at CEWE Group sites lacking accessibility.	Integrative and safe working environment	Medium- and long-term
		Negative impact	Fostering cases of discrimination through inadequate prevention.	Integrative and safe working environment	Medium- and long-term
		Negative impact	Addressing existing inequalities, apart from gender imbalance, plays only a minor role.	Integrative and safe working environment	Medium- and long-term
S2	**Workers in the value chain**				
S2.1	Working conditions	Negative impact	Potential work-related accidents and/or illness as caused by the CEWE Group's operations in the value chain (as a result of the production process, for example).	Working conditions and worker safety for workers in the value chain	Short-, medium- and long-term

Social matters (S)

ESRS	((Sub-)sub-)topic	IRO category	IRO	Cluster	Time horizons
S2.3	**Other work-related rights**				
S2.3	Other work-related rights	Negative impact	Potential negative impacts on children (e.g. physical/psychological harm, disruption to school attendance, etc.) due to possible cases of child labour within the CEWE Group's value chain.	Forced labour and child labour	Short-, medium- and long-term
		Negative impact	Potential negative impacts on the well-being of workers in the CEWE Group's value chain due to possible work in the company's value chain that is required of any person under threat of penalties and for which the person has not volunteered.	Forced labour and child labour	Short-, medium- and long-term
S4	**Consumers and end-users**				
S4.1	Information-related impacts for consumers and end-users	Negative impact	Potential data leaks would contribute to the dissemination of very personal data of end consumers (photos, user data).	Privacy and compliance	Medium-term (1–5 years)
		Risk	Legal and political risks: Fines, penalties, sanctions or cost of remedies due to the breach of consumer and/or end-user data protection, as well as additional costs due to the need to adapt the existing IT infrastructure to regulatory requirements.	Privacy and compliance	Long-term (>5 years)

Governance (G)

ESRS	((Sub-)sub-)topic	IRO category	IRO	Cluster	Time horizons
G1	**Business conduct**				
G1.1	Corporate culture	Opportunity	The CEWE Group has the opportunity to strengthen employee identification by having identifiable corporate values, which can increase productivity and lead to long-term employee loyalty.	Corporate culture	Medium-term (1–5 years)
		Opportunity	Communicating values in a way that is suitable for the target group can help to strengthen the image and brand value.	Corporate culture	Medium-term (1–5 years)
G1.5	**Management of relationships with suppliers**				
G1.5	Management of relationships with suppliers	Positive impact	Positive impacts on suppliers' liquidity and their ability to plan with greater certainty by having a supplier code of conduct guaranteeing timely payments for small and medium-sized companies.	Supplier relationships and management	Medium-term (1–5 years)
		Opportunity	Reduction of transaction costs and improved conditions by maintaining long-term supplier relationships (e.g. as a result of active supplier management by CEWE and compliance with fair payment terms).	Supplier relationships and management	Long-term (>5 years)

Integration of sustainability-related performance in incentive schemes (ESRS 2 GOV-3)

The Company has not established any performance-related remuneration schemes in relation to sustainability for Executive Board members or management staff.

Statement on due diligence (ESRS 2 GOV-4)

Due diligence is integrated into the Company's governance, strategy and business model development (cf. SBM-1 page 109). This ensures that sustainability aspects are properly accounted for in the Company's most senior management and decision-making structures. At the same time, affected stakeholders also participate in activities at all relevant steps (cf. SBM-2 page 115, S1 SBM-3 page 154, S1-2 page 158, S2 SBM-3 page 166, S2-2 page 168, S4 SBM-3 page 171, S4-2 page 175). In this context, the competent business departments are primarily responsible for completing and reviewing due diligence; further details of corresponding controls are provided in this report.

The methods described in the section "Assessment of material impacts – methodology" page 116 ff. are applied to determine and assess potential negative impacts. This enables the precise identification of risk categories and their evaluation in terms of severity. To enable a targeted response to identified risks and impacts, the existing policies, actions and targets are assigned to the identified impacts, risks and opportunities (IROs). This IRO-PAT mapping, whereby content from policies (P), actions (A) and targets (T) is assigned to the relevant ESRS data points, creates a content-driven overview of progress, renders potential action areas visible and enables efficient control of the qualitative content items to be reported on. The underlying double materiality assessment is presented in detail in the section "Disclosures on the materiality assessment process", page 116 ff.

The respective departments have used internal workshops to prepare their policies, actions and targets as standardised fact sheets to ensure the content requirements are fulfilled for relevant ESRS data points. As of this writing, no specific disclosures exist for tracking the effectiveness of these efforts and for communicating their results. However, ongoing reviews are made as part of the processes as described, which aim to secure the continuous observance of due diligence and to make enhancements as necessary.

Risk management and internal controls over sustainability reporting (ESRS 2 GOV-5)

The German Corporate Governance Code (GCGC) attaches great importance to sustainable governance, in which environmental and social goals form an integral part of the strategies, planning and operational processes to be devised by a business. As a result, sustainability is also accounted for by risk management, compliance management and the internal control system.

To assess risks, the CEWE Group utilises a quantified estimate of the impact score, which together with the likelihood of occurrence produces the expected risk value (risk score). The associated control measures actions are documented as well and the indicators implemented for early detection are also specified. The Company prioritises risks using the respective expected risk value.

Risk management at the CEWE Group is embedded within a risk identification system that has been designed according to the provisions of the AktG. This system is used to identify, highlight and assess risks, including sustainability risks. The risks are presented regularly to the Executive Board for review. The results are also presented to the supervisory committees for discussion. The overall risk process is based on the provisions of German stock corporation law (AktG, German Securities Trading Act (Wertpapierhandelsgesetz – WpHG), etc.), which are partially reflected in internal policies.

In the context of strategic risks, the Company has already recorded two sustainability risks in its internal risk management solution. As of this writing, however, no link has been made between the risks identified during the double materiality assessment and the general risk management system (RMS). The internal control system (ICS) ensures that the results of the reporting cycle are regularly reported to the administrative, management and supervisory bodies. The software uses the dual-control principle as a control mechanism, whereby both the risk manager and the risk owner review and approve each step.

In the context of its partial application of ESRS, the CEWE Group reserves the right not to report on datapoint GOV-5 36c.

When addressing operational risks (e.g. price risks, risks affecting the technical infrastructure and production-/customer-relevant systems), the CEWE Group utilises standardised IT systems, high-availability architectures and backup data centres/lines throughout the Group. This ensures the stability of the technical infrastructure. The Company uses redundant processes at various locations to safeguard its production processes.

The Company uses the risk inventory to create an annual risk report, which consolidates the identified risks and their individual assessments. During the year, these risk assessments are reviewed at least once a quarter; the results are also submitted to the Supervisory Board on at least a quarterly basis. Beyond these periodic processes, developments occurring at short notice can also be reported as ad-hoc risks.

Strategy

Strategy, business model and value chain (ESRS 2 SBM-1)

The CEWE Group operates in three strategic business units. The Company's core business is photofinishing: this is based on digital data and encompasses all photographic products. The CEWE PHOTOBOOK is the core product, and is supplemented by photo calendars, photos, greetings cards, posters, wall art, phone cases and photo gifts. Alongside Photofinishing, the CEWE Group operates the CEWE RETAIL business unit, comprising the sale of photo hardware and photofinishing products, and including bricks-and-mortar stores as well as online shops.

The Company uses the third business unit, Commercial Online Printing, to produce and market printed advertising materials for commercial customers.

The Company makes targeted investments in the improvement of production processes, material efficiency and sustainable alternatives. Efforts are also made to actively promote ongoing developments in digital print and personalised print solutions.

Metrics on employees by geographic area are provided in the section "Characteristics of the undertaking's employees" (S1-6) page 163.

CEWE Photofinishing

Measured by revenue, the CEWE Group is the European market leader in photofinishing – formerly based on analogue film, today using digital data. After establishing CEWE PHOTOBOOK as its main product, the CEWE Group has steadily and systematically expanded its product portfolio.

The CEWE Group not only develops new products, however, but also uses product and brand communication to boost demand and sales for existing products. Consumers can purchase the Company's photofinishing products either at the CEWE Group retail partners or directly from the company. For the vast majority of the photofinishing products ordered, the Company handles both order acceptance and customer communication.

In addition to the CEWE PHOTOBOOK, the CEWE brand's product range includes photo prints, posters and wall art, calendars, greeting cards and photo gifts. These products are available directly from CEWE Photo Service and from more than 20,000 retail partners across Europe. Many of these partners also offer CEWE Instant Photos from instore CEWE Photostations.

Cheerz's photofinishing apps are available in France, Spain and Italy in particular. With its strong focus on mobile ordering and designs, the brand primarily addresses a young target audience. Cheerz offers creative prints and photoboxes in various designs, as well as more traditional items such as photobooks and wall art.

DeinDesign specialises in personalising electronic devices such as smartphones, tablets, laptops and game consoles. Customers can use their own photos to create covers, cases and design foils or choose from a wide range of motifs.

Pixum sells high-quality branded products across Europe, including the Pixum Photo Book, Pixum Wall Art and Pixum Photo Calendar. This online photo service allows its customers to design and order items any time, anywhere – whether via the Pixum smartphone app, its website or the free Pixum Photo World software.

WhiteWall specialises in gallery-quality wall art for professional and amateur photographers. In addition to its home market of Germany, the brand operates in many other European countries as well as several selected markets outside Europe.

The Group operates its photofinishing business almost exclusively in Europe, with Germany, Austria and Switzerland (the "DACH" region) being its most important market. Overall, the CEWE Group's 13 photo labs and production facilities ship to customers in 21 European countries. The Company operates its retail business, comprising bricks-and-mortar stores and online platforms, in the Czech Republic, Norway, Poland, Slovakia and Sweden. The focus here is on creating photofinishing products, specifically the marketing of the CEWE PHOTOBOOK, calendars, greetings cards, wall art and photo gifts.

The contribution made by the products in photofinishing range to revenue and earnings is reported in the Photofinishing business unit.

The Company uses the total number of photos produced as a non-financial performance indicator in Photofinishing. This metric encompasses all photos either provided as individual prints or used in added-value products such as the CEWE PHOTOBOOK, photo calendars, wall art, greetings cards and photo gifts.

Owing to the economic importance of the CEWE PHOTOBOOK, the number of copies produced is reported as a separate metric and constitutes one of the Company's non-financial performance indicators. The CEWE Group management team analyses these performance indicators on a regular basis – at least weekly, sometimes daily. The annual report includes a variance analysis that presents the performance of these metrics, which is discussed in the "Results" section. The forecast also includes a target for the following year. In Commercial Online Printing, non-financial performance indicators do not play such a large role, however. Accordingly, they are not separately reported or discussed in external communications.

CEWE Retail

In the Retail business unit, revenue and earnings only result from the photo hardware business – for example cameras and photo accessories. The CEWE Group will continue to develop this retail goods business to maximise margins while consciously avoiding unprofitable revenue streams.

In the Czech Republic, Poland, Slovakia and Scandinavia, the CEWE Group operates its multi-channel retailing business for photo hardware and photofinishing products.

Commercial Online Printing

In Commercial Online Printing, the primary focus is on offering merchandising products and other corporate printed materials to businesses, agencies and advertising service providers. The Company is represented here by the brands SAXOPRINT and viaprinto. SAXOPRINT has positioned itself with a broad range of very inexpensive products, while viaprinto maintains a strong focus on business customers and has specialised in offering high print quality and an extensive service portfolio (including online previews and multi-carrier shipping). The CEWE Group operates its Commercial Online Printing business for printed advertising material in Germany as well as other European countries where it has a local website. While the Commercial Online Printing business offers a similar vertical integration to Photofinishing, the CEWE Group supplies less software for the creation of printing products (unlike CEWE PHOTOBOOK, for example).

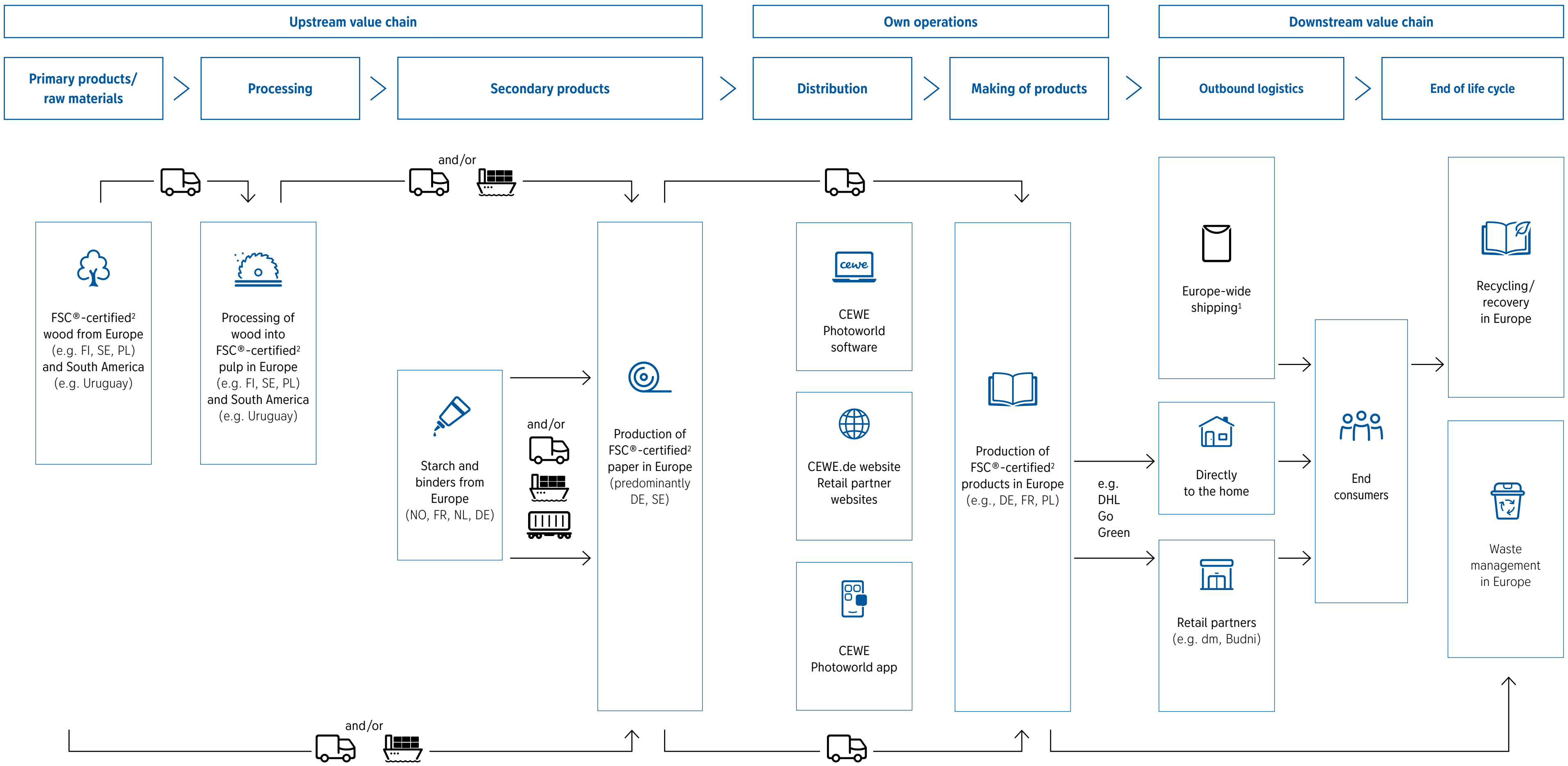
In 2024, total Group revenue amounted to 832.8 million euros page 63.

Key characteristics of the upstream and downstream value chain

The CEWE Group has presented the value chain as it relates to its main product, the CEWE PHOTOBOOK. An integral part of upstream value creation is the use of high-quality materials for the production of personalised printed products. The primary material is paper, largely obtained from FSC®-certified sources. The CEWE Group also makes use of paperboard, printer supplies (ink) and adhesives (glue), as well as film and other packaging. The ingredients and raw materials for the products purchased are sourced from the upstream supply chain, comprising around 8,000 suppliers.

cewe
pixum
WHITE WALL
DeinDesign.
Cheerz
SAXOPRINT
viaprinto

Stages of a digitally printed CEWE PHOTOBOOK value chain



FSC®-certified paper FSC® C101851

[1] CEWE ships within DE, AT, CZ, DK, NO, SE and UK using shipping programmes from the respective local service providers that support various climate change mitigation projects.

[2] All CEWE PHOTOBOOKS are FSC®-certified (FSC® mix 70%)

my cewe photobook

Beyond these specific materials required for the CEWE PHOTOBOOK, the CEWE Group sources a wide variety of other raw and processed materials for various production processes, including plastics, pigments, solvents, additives, and parts made from metal and glass. These materials are supplied by a large number of long-standing partners, who include papermakers, chemicals companies, plant engineers and packaging producers. Materials are shipped using a mixed-mode approach to logistics and transportation that includes road, rail and marine freight.

The downstream supply chain primarily comprises sales channels via apps, websites, software packages and photo booths. Products reach CEWE Group customers either via direct retail points or via the shipping department and the Group's shipping service providers. Alongside sales and distribution, the CEWE Group also offers other services such as customer support, marketing, and partnerships with retailers and resellers.

Further information about the value chain is included in the topical standards E2 and E5, in the sections "Pollution in the value chain", "Policies related to resource use and circular economy" and "Material impacts, risks and opportunities and their interaction with strategy and business model".

The CEWE Group has not prepared an assessment of its currently most important products and/or services as well as significant brands and customer groups in relation to its sustainability targets. The CEWE Group does not do business in areas of the economy subject to legal prohibitions. The Company does not earn revenue from fossil fuels, the production of chemicals or tobacco, or controversial weapons.

Sustainability reporting and control

Sustainability forms an integral part of the CEWE Group corporate strategy and is not only viewed within the context of corporate social responsibility but also as a long-term investment in the future viability of the company. Since 2010, the CEWE Group has been documenting its progress with an annual sustainability report. Projects have been implemented both by the core Sustainability Group and locally at company sites. This has worked to integrate sustainability into day-to-day business, and positioned the CEWE Group as a pioneer for transparency and engagement.

The CEWE Group has defined five dimensions of sustainability to describe its own activities:

- Honest and fair conduct
- Economic viability
- Environmental protection and resource conservation
- Responsibility for employees
- Community engagement

Further development and regulatory requirements

To further develop sustainability in a strategic context, clear targets have been formulated and actions drawn up for implementation. An internal control system (ICS) is also being set up to ensure the audit-ready documentation of progress on sustainability and monitor the implementation of measures. The sustainability strategy is also managed by a newly created central unit.

Sustainability strategy focus topics

Diversity and inclusion
The CEWE Group actively promotes an inclusive corporate culture by incorporating various perspectives, fostering creativity and innovation, and strengthening the customer focus.

Sustainable products
The CEWE Group is taking steps to enhance the sustainability of its product portfolio. New products must meet internal sustainability criteria, while non-sustainable products are being gradually relaunched or discontinued.

Sustainable production
Production is continuously optimised to reflect environmental aspects. This has included the installation of photovoltaic systems on Company premises.

Key stakeholder groups – responsibility towards stakeholders and their importance

Many groups of stakeholders are fundamental to the business success of the CEWE Group.

Employees play an instrumental role in value creation: their satisfaction, health and personal development are essential drivers of the Company's profitability and power to innovate. The corresponding actions taken to promote positive impacts on employees are explained in greater detail under "Summary of positive impacts" (ESRS S-1 Own workforce, page 154). The working conditions of employees in the value chain – especially employees of suppliers and logistics companies – are addressed by a wide range of actions with the aim of avoiding or mitigating potentially negative impacts.

Jobs, environmentally friendly practices and community projects are benefits that accrue to affected communities in the regions in which the CEWE Group operates. The Company helps to improve quality of life and sustainable development within these communities by investing in local educational and environmental projects, and supporting community initiatives. Region-specific projects can involve the provision of donations, sponsoring or grants. In 2024, the CEWE Group supported more than 200 organisations and clubs, including several sites run by SOS Children's Villages worldwide.

Consumers who use the products and services provided by the CEWE Group are key stakeholders. The needs of these consumers form a central point of focus for the Company's activities. The Company wants to help its customers preserve their special moments by offering personalised products with long lifetimes. To ensure that consumers can make responsible purchasing decisions, the Company takes action to implement transparency in the value chain and uses environmentally friendly materials in its production activities – see the section "Communication and transparency" page page 114 f.

The Company pursues the goal of reducing its ecological footprint as a continuous process and has identified Nature as a silent stakeholder. This reduction process makes use of resource-friendly production methods, the deployment of environmentally friendly materials, and the reduction of emissions and responsible procurement as aided by FSC® certification.

Investors and credit institutions secure the financial resources for business activities and further development. Transparent reporting and sustainable growth strengthen the confidence of these stakeholders.

Business partners make up another stakeholder group that includes suppliers, distributors and external partners, who play an instrumental role in the manufacture and distribution of products. Transparent and fair business practices promote competitiveness and the power to innovate, and strengthen long-lasting partnerships along the value chain.

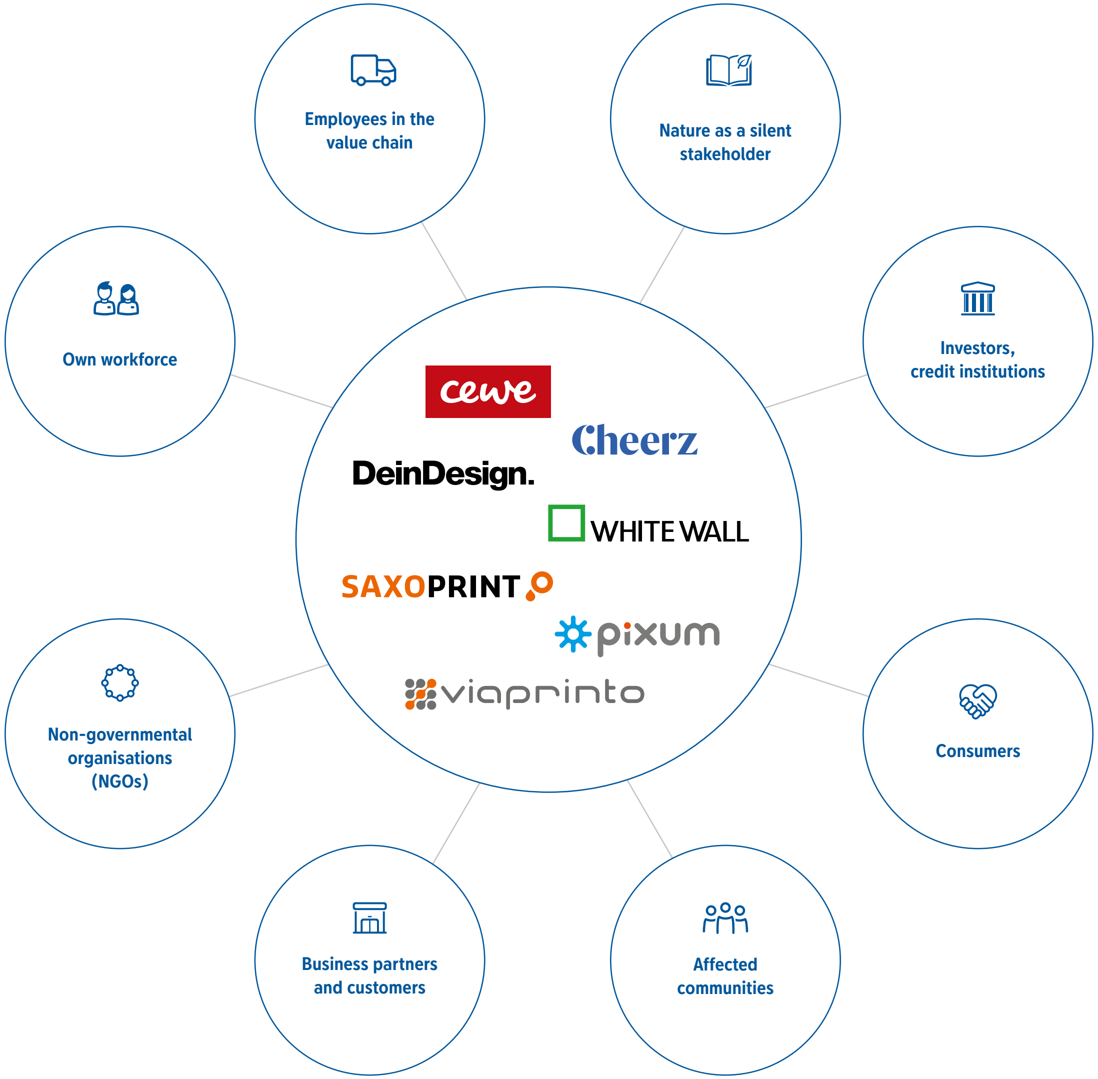
Non-governmental organisations (NGOs) address environmental and social issues. The Company cooperates with NGOs to promote environmental and social initiatives, and makes a positive contribution to communities and the environment.

Interests and views of stakeholders (ESRS 2 SBM-2)

A key pillar of sustainability management at the CEWE Group is the transparent and continuous dialogue that it maintains with stakeholders. Key stakeholders are also taken into account in the course of the double materiality assessment (DMA). The topic-specific SBM-2 disclosures are made in the respective topical standards.

The CEWE Group keeps its stakeholders informed about progress, and records requirements or needs as part of determining key topics for the Company. This involvement is assured by internal analyses, external consulting opinions and targeted feedback processes.

CEWE Group stakeholder groups



Stakeholder engagement at the CEWE Group

The CEWE Group takes the following actions to actively implement stakeholder integration:

- Tours of company premises for interested customers and a multi-channel response to enquiries (email, phone, social media, etc.)
- Regular stakeholder surveys, workshops and dialogue events
- Regular consultations with the Works Council and internal feedback surveys
- Providing investors with information about long-term company planning
- Talking to investors at the Capital Market Days that are held regularly at roughly two-year intervals
- Regular communication via press releases, investor relations and one-to-one meetings
- Annual meetings and field sales interactions with retail partners
- Employees are represented by committees, working groups and industry projects, e.g. German Federal Association of Large Photo Labs (BGL)
- Review by Supervisory Board to ensure various stakeholder perspectives are accounted for

Communication and transparency

The CEWE Group informs its stakeholders regularly about relevant developments and takes steps to ensure their early involvement. Various communication channels are used for this purpose:

- Press releases about current projects and sustainability topics
- Information about new products, trends and seasonal events (e.g. Christmas, travel)
- Reports on the CEWE Group activities inside and outside the region
- Direct dialogue between PR and the Sustainability Group, and relevant business departments

The CEWE Group prioritises transparency and high-quality advice in its customer liaison work. High standards of communication are also upheld within social media. Customer opinion, expectations and needs are evaluated regularly, and used as input for the development of new products and services.

Alignment with international standards

The definition of stakeholder engagement is modelled on the OECD Guidelines. A systematic approach is taken to stakeholder groups to guarantee sustainable and long-term partnerships.

The CEWE Group performs regular analyses of customer and end-consumer opinions, expectations and needs, which enables the use of emerging trends to generate ideas for product innovations. As the Company always accounts for the interests of its stakeholders, it also wishes to understand their needs in relation to sustainability. These insights help the CEWE Group to focus the development of its sustainability actions on specific targets – such as increasing customer satisfaction, for example.

The CEWE Group provides updates on progress and surveys needs or requirements

The CEWE Group is keen to engage in regular dialogue with its various stakeholder groups, and systematically integrates their feedback into its operational business and company strategy.

To ensure the continuous improvement of customer satisfaction and service quality, the Company conducts comprehensive net promoter score (NPS) surveys. These surveys have the aim of analysing the experience with the Company's products and services – including sustainability aspects – and facilitate targeted optimisation actions for improving its NPS.

Talking to employees, suppliers and retail partners also forms an important part of stakeholder communication activities. Comprehensive surveys for measuring and promoting employee satisfaction are conducted regularly with Great Place to Work®. Such surveys are carried out every four to five years, and form the basis for actions that are aimed at improving working conditions and company culture.

The CEWE Group also maintains an ongoing dialogue with suppliers and retail partners. Although the Company does not yet envisage tracking these interactions in full, relevant stakeholders are kept involved by means of established communications channels and strategic partnerships.

The procedure for assessing material sustainability aspects uses proxy stakeholders to account for the interests of various groups of stakeholders. This is also reflected in the adjustment made to the materiality matrix, which aims to ensure that the material topics in the sustainability strategy correspond to the requirements of internal and external stakeholder groups.

As and when warranted, stakeholder opinions and interests are shared regularly within the Executive Board, and the Board of Trustees and the Supervisory Board of CEWE Stiftung & Co. KGaA are also kept informed about any material changes observed. These activities occur as part of the cyclical board meetings: the Executive Board meets once a week, while the Board of Trustees and Supervisory Board meet in in-person sessions at least once a quarter.

Assessment of resilience as part of the materiality assessment for all material ESRS topics

As part of the materiality assessment, the Company has assessed the resilience of the strategy and business model of the CEWE Group, with the aim of identifying material impacts, risks and opportunities, and analysing their potential effects on the Company. This process made use of qualitative approaches in order to assess the ability of the Company to address external influences such as climate risks, regulatory changes and developments in the market.

The analysis was completed while accounting for short-, medium- and long-term time horizons according to ESRS 1. The Company did not conduct a separate resilience analysis. The lack of this scenario analysis limited the overall volume of quantitative data that could be provided. The results of this assessment serve as a basis for strategic planning, while supporting the incorporation of material challenges and opportunities into future business development. A quantification of the financial effects of the material risks and opportunities is not possible, as the CEWE Group does not evaluate IROs within its risk management system (RMS). This applies equally to all topical environmental standards that follow. All impacts, risks and opportunities identified in this non-financial statement are modelled on the reporting rules for the topical ESRS. Company-specific topics have not been identified. This applies equally to all topical standards that follow.

Impact, risk and opportunity management

Disclosures on the materiality assessment process

Description of the process to identify and assess material impacts, risks and opportunities (ESRS 2/E1 IRO-1)

As part of carrying out the DMA, the CEWE Group has identified the material impacts, risks and opportunities as required for ESRS compliance. In this context, “impact materiality” has been applied to determine material impacts, and “financial materiality” has been applied to identify material risks and opportunities.

The analysis encompasses all departments and countries in which the CEWE Group operates, as well as the entire upstream and downstream supply chain. To determine the relevant scope, all material activities were identified along the value chain.

This analysis produced the following picture for the three areas:

Upstream supply chain

In analysing the upstream supply chain, the materiality assessment focused on the industries of greatest economic significance – first and foremost the paper industry. Employees in these significant industries were considered in just the same way as the actual and potential environmental impacts.

Own operations

In the analysis of own operations, the focus covered all three business units of the CEWE Group: Photofinishing, Commercial Online Printing and – as a secondary priority – Retail. The analysis assessed both production itself as well as the core services involved, including the teams who work within the order processes and who support the B2C business model.

Downstream supply chain

The analysis of the downstream supply chain considered both the sale of CEWE Group products by retail partners as well as the B2C business model. The corresponding impacts on consumers were also examined.

Stakeholder engagement

The following stakeholder groups were identified by the materiality assessment and the investigation of the value chain: customers, suppliers, investors, supervisory bodies (Supervisory Board, Group Works Council), employees, affected communities along the value chain, and society. These were represented by professionally qualified proxy stakeholders who were involved in the evaluation of the impacts, risks and opportunities, as they are either directly affected or are members of groups addressed by the non-financial statement.

As provided for in the ESRS, the interests of these groups were incorporated into the materiality assessment. These groups were not surveyed directly. Instead, proxy stakeholders with corresponding expertise (subject-matter experts) assessed the relevance of these interests pursuant to ESRS, using this as input for the identification and assessment of the IROs.

Assessment of material impacts – methodology

As required by the provisions of the ESRS, the materiality of current impacts was evaluated in terms of its severity. For potential impacts, the likelihood of occurrence was also taken into account. In both cases, the individual severity of an impact is comprised of its scale, scope and irremediable character. For potential impacts, the severity is not multiplied directly by the probability but by a factor weighted according to the degree of probability.

The following items were also analysed for each impact identified:

- Caused by the CEWE Group (direct responsibility)
- Contribution of the CEWE Group to impact
- Involvement via business relationships

As a final step, the chronological time horizon was determined for each impact.

Assessment of financial materiality – methodology

As specified by the ESRS, the materiality of risks and opportunities was assessed according to the likelihood of occurrence and the potential scale or magnitude. The potential magnitude describes the financial effect that would be caused by the occurrence of the risk or opportunity. As with potential impacts, the assessment of the potential scale or magnitude is multiplied by a factor that is derived from the likelihood of occurrence. Here too, the risks and opportunities are assigned to an expected time frame.

The CEWE Group used the following process to assess the materiality of the impacts, risks and opportunities in the double materiality assessment.

1. Preparation of the double materiality assessment (DMA)
In preparation for the DMA, the CEWE Group identified the scope of activities in own operations and in the value chain as well as the relevant stakeholders. This information was used to appoint internal subject-matter experts (SMEs) who then accompanied the materiality assessment process as proxy stakeholders.

2. Identification of impacts, risks and opportunities
In the context of the CEWE Group activities, the impacts, risks and opportunities were identified according to the prescribed process. When compiling the list of potential impacts, risks and opportunities, priority was given to those areas that had been observed to be particularly relevant in the last materiality assessment and during the preparatory steps for the current materiality assessment.

3. Assessment of “impact materiality” and “financial materiality”
The identified impacts, risks and opportunities were assessed by the SMEs in workshops, and in cooperation with the CSRD project team established for CSRD reporting. Participants were instructed beforehand in the assessment methodology. For the quantitative assessment, the SMEs arranged the identified IROs along the scales for the relevant factors. The qualitative assessment was completed by a supplementary explanation of the quantitative appraisal. Predefined questions were answered as part of assessing risks and opportunities. This provided the CSRD project team for sustainability reporting with the option of carrying out independent quantification.

As a final step, the CSRD project team reviewed the data on impacts, risks and opportunity for completeness, consistency and coherence.

4. Verification and acceptance of double materiality
Once the IRO list had been reviewed, it was made available to management staff in order to confirm the results. This process involved participating line managers from departments such as Environment or Purchasing, for example, as well as the Executive Board, the Board of Trustees, the Group Works Council, the Supervisory Board and the Supervisory Board Audit Committee.

The materiality assessment identified all relevant impacts, risks and opportunities, with a focus being placed on especially relevant topics relating to the Photofinishing (B2C and B2B2C), Commercial Online Printing and Retail business units. The possibility of dependencies existing between impacts, risks and opportunities was accounted for. To analyse these interdependencies, the impacts classified as material were correlated with the identified risks and opportunities. The aim was to assess whether these dependencies could lead to a situation where risks or opportunities originally classified as non-material could gain greater relevance from their interaction with material impacts and thus influence the overall materiality assessment.

An auditing firm provided support for the double materiality assessment process in the form of external consultants. Regular contact was also maintained with internal SMEs.

In the course of identifying the IROs, the Company wished to prioritise especially high-risk activities in own operations and the value chain. Accordingly, prior knowledge from the last materiality assessment was used to establish points of focus in step two of the DMA, “Identification of impacts, risks and opportunities”. In addition, insights from step one were also used with the aim of identifying especially high-risk topic areas and relationships. Impacts were identified at many stages in t he entire value chain. For each impact, the SMEs were therefore careful to note the location in the value chain at which each impact occurred. Categorisation into the groups (1) “caused directly”, (2) “contributed” and (3) “involved indirectly via business relationships” also indicates the type of relationship that the CEWE Group has with the respective impacts.

For sector-agnostic topics, the stakeholder analysis was used to document the affected stakeholders who are to be accounted for. The interests of affected parties – represented by the proxy stakeholders – were also accounted for in the subsequent validation steps.

The consultants supporting the project ensured that the perspectives of affected stakeholders were properly accounted for throughout the process.

The following rating scales were defined to asses impacts:

Positive impacts
Scale:
0 = n/a
1 = Very low
2 = Low
3 = Medium
4 = High
5 = Very high

Scope:
0 = n/a
1 = Limited
2 = Localised
3 = Medium
4 = Widespread
5 = Very widespread (global)

Likelihood:
1 = Unlikely (< 25 %)
2 = Less likely (25 – 50 %)
3 = Likely (50 – 75 %) und
4 = Very likely (> 75 %)

Together with the respective quantitative factors for calculation:
1 = 0.65
2 = 0.75
3 = 0.85
4 = 0.95

Negative impacts
Scale:
0 = n/a
1 = Very low
2 = Low
3 = Medium
4 = High
5 = Very high

Scope:
0 = n/a
1 = Limited
2 = Localised
3 = Medium
4 = Widespread
5 = Very widespread (global)

Irremediable character:
0 = n/a
1 = Straightforward / short-term
2 = With moderate effort
3 = Difficult / medium-term
4 = Very difficult / long-term
5 = Irremediable

Likelihood:
1 = Unlikely (< 25 %)
2 = Less likely (25 – 50 %)
3 = Likely (50 % – 75 %)
4 = Very likely (> 75 %)

Together with the respective quantitative factors for calculation:
1 = 0.65
2 = 0.75
3 = 0.85
4 = 0.95

Calculation of the value for impact materiality

The sum of the values for the scale, scope and irreversibility of the impact is multiplied by the respective factor for the likelihood of occurrence.

This calculation produces a materiality score between 0 and 15. All impacts whose scores achieve a value of 8 or more are considered material in the context of sustainability reporting.

Potential human rights impacts constitute an exception to this rating system. For these impacts, the likelihood of occurrence plays a minor role and the severity is instead definitive. To ensure the proper handling of these impacts, these potential impacts are treated as actual impacts.

Quantitative assessment

The quantitative assessment was carried out using the above-mentioned information from the proxy stakeholders. The scales as given below were defined and used to assess the risks and opportunities. As with the assessment of the impacts, the calculation of the overall score does not use the probability itself but applies a separate factor. This approach prevents a situation where risks with very serious consequences but a low likelihood of occurrence fall beneath the materiality threshold.

Scale:
0 = n/a
1 = Very low
2 = Low
3 = Medium
4 = High
5 = Very high

Likelihood:
1 = Unlikely (<25%)
2 = Less likely (25–50%)
3 = Likely (50–75%)
4 = Very likely (>75%)

Together with the respective quantitative factors for calculation:
1 = 0.65
2 = 0.75
3 = 0.85
4 = 0.95

Calculation of the value for financial materiality

The materiality score is obtained by multiplying the value assessed for the scale with the respective probability factor. This produces a result between 0 and 5. Impacts with a score of at least 3 are considered material for sustainability reporting.

When assessing sustainability-related risks and opportunities, care was taken to ensure that this process is consistent with the assessment of other company risks unrelated to sustainability. The financial values for scale and likelihood are therefore based on the existing criteria from risk management.

Decision-making processes and assessment methodology

The key decisions in the process involved the selection of proxy stakeholders, the assessment of each IRO by the respective, responsible representative and the final assessment of sustainability topics in the workshop. Internal controls were carried out during the entire process. For each sustainability topic (both sub-topic and sub-sub-topic), the proxy stakeholders identified the relevant impacts, risks and opportunities. These were discussed in workshops within the department and with the CSRD project team, and assessed according to ESRS requirements. The IROs identified in the course of the double materiality assessment are not currently integrated into the Company's overall risk management system.

The Company does not currently have a process for identifying, assessing and managing opportunities as part of its general management structure. The IROs identified in the course of the double materiality assessment are not currently integrated into the Company's overall risk management system.

Sources for identification and assessment

The most important input for the identification and assessment of impacts, risks and opportunities is the expertise held by the SMEs and the individuals who review their assessments. During the assessment process, SMEs, management and the CSRD project team for sustainability reporting were requested to use relevant internal qualitative and quantitative information, such as the previous materiality assessment, for example. Data from the risk management system were also used for the purpose of assessing risks and opportunities. Finally, specialised information on sector comparisons as well as benchmarks were also provided by the consultants supporting the process.

Although the CEWE Group has spent several years tracking key sustainability topics and also carried out a materiality assessment to identify material sustainability topics in 2023, it had not completed a double materiality assessment in accordance with ESRS requirements before 2024, as these standards had not yet come into force. A comparison with earlier reporting periods is therefore not possible.

Description of the processes to identify and assess material climate change-related impacts, risks and opportunities (ESRS 2/E1 IRO-1)

As part of carrying out the double materiality assessment (DMA), the CEWE Group has identified the climate change-related material impacts, risks and opportunities. Existing analyses and calculations were consulted, as well as proxy stakeholders to establish a well-informed basis for the assessment.

Identification process and methodology

The identification of impacts is based on greenhouse gas accounting records, which enabled a comprehensive analysis of emissions sources along the entire value chain. The identified drivers for emissions were also systematically assessed. This was supplemented by a resilience/climate risk analysis for climate change adaptation. The analysis process also took into account the scenarios RCP 2.6, RCP 8.5 and the Greenpeace Climate Transition Scenario. The RCP 2.6 scenario is based on significant reductions to emissions as well as negative emissions technologies and has the goal of limiting global warming to under 2 °C – and ideally 1.5 °C.

Physical risks and impacts

Physical climate-related risks were determined using a climate risk analysis. This process involved proxy stakeholders, who participated in the assessment on the basis of the Greenpeace 2015 Energy [R]evolution report, 5th edition and the TCFD Recommendations.

In the course of completing the double materiality assessment, the CEWE Group identified a series of physical climate risks that may have potential impacts on business processes. One of these is heat stress, which can place a greater strain on both infrastructure and the workforce, particularly in warmer regions. Another is sea level rise, which can threaten sites located near to coastal areas. Droughts and flooding also constitute material challenges, as they may endanger water supplies as well as the smooth flow of logistics. Forest fires and landslides also have the potential to damage production facilities and result in business interruptions.

These risks can disrupt business operations and therefore cause revenue losses. The analysis covers time horizons for 2025, 2030 and 2040.

The impacts of the RCP 8.5 scenario were assessed in relation to sites operated by the CEWE Group. This produced the following findings:

- Production sites in Montpellier and Budapest are especially susceptible to prolonged heat waves and drought.
- Sites in Oldenburg, Mönchengladbach and Paris are at greater risk of suffering flooding events.

The increasing frequency of acute climate-related risks such as drought, heat waves, heavy rain or flooding could also affect the availability of raw materials. Short-, medium- and long-term time horizons have been defined. However, the specific interrelationships of these horizons with the expected lifetime of company assets, strategic planning horizons and capital allocation plans have yet to be clearly presented.

Transition risks and opportunities

The analysis of transition risks and opportunities was completed while accounting for transition events from ESRS E1 AR 12. Risks identified include the following:

- Increased pricing of GHG emissions
- Enhanced emissions-reporting obligations
- Regulation of existing products, services and manufacturing methods
- Increased cost of raw materials

- High energy consumption in paper production and its potential impact on price stability
- Change in demand for photo products due to climate-related adjustments in consumption

At the same time, opportunities are provided by new technologies, and the substitution of existing products and services with lower-emission alternatives.

The detailed assessment of transition risks shows that, taken together, rising operating costs and capital expenditure on climate adaptation actions constitute a significant challenge. Key factors that influence business planning here include the cooling of production processes, increases in carbon pricing and more extensive regulatory requirements. The Company has not made any critical climate-related assumptions in the consolidated financial statements.

Description of the processes to identify and assess material business conduct-related impacts, risks and opportunities (ESRS 2/G1 IRO-1)

For the materiality assessment, the CEWE Group has accounted for all sites in its own operations, while also using business activities from the upstream and downstream supply chain as input. The Company conducted screening based on the basis of consolidation and competent stakeholders. With the aim of representing and accounting for the interests and needs of the respective stakeholder groups, proxy stakeholders appointed from within the CEWE Group were incorporated into the materiality assessment process. This group included proxy stakeholders from affected communities.

Affected communities are the neighbourhoods around production sites, and include both industrial and residential developments. The interests of neighbourhoods in avoiding exposure to emissions in the form of noise or odours are recorded as part of the dialogue between Group companies and these neighbourhoods. The Company takes appropriate action as necessary, such as avoiding the use of loud machinery, adjusting machine operation times or scheduling goods deliveries outside night-time hours. The interest of the general public in clean water is also taken into account.

Description of the processes to identify and assess material business pollution-related impacts, risks and opportunities (ESRS 2/E2 IRO-1)

The findings of the materiality assessment show that the topic of "Pollution" is material for the CEWE Group. This results from two material impacts identified in conjunction with "substances of concern" (SoC, defined similarly to Annex II of the CSRD).

When the CEWE Group manufactures photo and print products, mixtures of chemicals containing SoCs are used at various steps during production. These steps include the development of film and photographic paper, the coating of sheets of paper, and the gluing of book bodies. However, the Company's finished products do not present any hazards to consumers, as all SoCs used in the process will have been rinsed out of the product or reacted with other chemicals to form harmless secondary substances. These pollutants do not enter the air, bodies of water or soils directly. The CEWE Group has established and further optimised long-standing process steps which ensure that the levels of pollution in waste water are permanently kept to a minimum. Group companies discharge their waste water into the urban sewage systems via indirect discharge. Regular internal and external water analyses are utilised to ensure that the influx of pollutants is kept below the legal limits at all times.

Tasks that are carried out correctly by trained personnel while observing the corresponding laws and regulations (including the German Hazardous Substances Ordinance (Gefahrstoffverordnung – GefStoffV), the Water Management Act (Wasserhaushaltsgesetz – WHG) and the German Ordinance on Facilities Handling Substances that are Hazardous to Water (Gesetz über Anlagen zum Umgang mit wassergefährdenden Stoffen –AwSV)) produce no adverse effects on the environment. However, incorrect handling may result in negative impacts, including chemical spills that could occur during a transportation or transfer of chemicals that fails to meet safety standards.

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities (ESRS 2/E4 IRO-1)

In ESRS 2-IRO-1, the CEWE Group describes its process for determining material impacts, risks and opportunities, including the assessment of impacts on biodiversity and ecosystems at its own sites as well as in the value chain, and the assessment criteria that are applied in this procedure. The Company investigated all sites in the CEWE Group for nature reserves in the vicinity. In its double materiality assessment, the Company also explains how it uses the identification of impacts, risks and opportunities to determine and assess its dependencies on biodiversity, as well as ecosystems and ecosystem services, at its own sites and within the value chain. In this process, the Company also analysed the impact of greenhouse gas emissions in the value chain and in its own operations on biodiversity, for example. The double materiality assessment was conducted with the involvement of proxy stakeholders, who were selected from within the CEWE Group and represent the interests of various stakeholder groups. In relation to biodiversity, proxy stakeholders participated from the core Environment unit handling the environmental management of the overall CEWE Group value chain, as well as local expertise where needed.

In relation to impacts on biodiversity and ecosystems, the CEWE Group draws in particular on the subject-matter expertise and experience of its proxy stakeholders. The upstream supply chain is of material importance to the Company's operations, as – compared with other raw materials – the high demand for paper involves factors that influence biodiversity. These aspects were considered separately during the double materiality assessment with the aim of determining relevant impacts. During the assessment process, the CEWE Group did not take systemic risks into account, nor were any negative impacts identified on priority ecosystem services.

The CEWE Group sources its paper predominantly from FSC®-certified sources. This approach ensures compliance with important environmental standards and – in the Company's opinion – also avoids biodiversity losses. Protecting human rights also forms an integral part of FSC® certification. Accordingly, the Company assumes that no negative impacts on affected communities occur, such that could have been surveyed in the course of a sustainability assessment. As the Company's production facilities are also generally located in industrial or urban areas, this also precludes the likelihood of negative impacts on affected communities. As a result, the proxy stakeholders did not identify any material impacts on indigenous peoples.

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities (ESRS 2/E5 IRO-1)

For the materiality assessment, the CEWE Group has accounted for all sites in its own operations, while also using business activities from the upstream and downstream supply chain as input. The Company conducted screening based on the basis of consolidation and competent stakeholders. Proxy stakeholders from the CEWE Group made it possible to incorporate and account for the perspectives of various stakeholders, and include these in the materiality assessment. The individuals involved also included experts from Purchasing. Thanks to their wealth of knowledge in relation to goods inflows and outflows, these persons were able to provide a comprehensive assessment of the impacts, risks and opportunities in relation to resource use and the circular economy. In some cases, specific issues required consultations with local waste management and recycling companies. Further information about the materiality assessment procedure at CEWE Group is provided by the process description according to ESRS 2 IRO-1. No other specific methods, assumptions or tools were utilised for this topic area.

Disclosure requirements in ESRS covered by the Company's non-financial statement – disclosure requirement IRO-2

The materiality assessment forms the basis for sustainability reporting within the context of the ESRS. A sustainability aspect is considered material if it fulfils one or both of the criteria for impact materiality and financial materiality. A detailed description of the double materiality assessment and the assessment methods can be found in ESRS 2 IRO-1 page 116.

If a sustainability aspect is classified as material, the corresponding information must be disclosed in the topical ESRS, pursuant to the corresponding disclosure requirements (including application requirements). In so doing, care must be taken to ensure that the information provided not only reflects the importance of the respective aspect but also supports the decision-making process for users.

Environmental information

Climate change (ESRS E1)

Strategy

Transition plan for climate change mitigation (E1-1)
The CEWE Group does not currently have a transition plan. In 2025, the Company plans to set a new climate target as a follow-on target for the target soon to expire. The Group will also implement a transition plan as part of this step.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)
Global climate change is a result of anthropogenic greenhouse gas (GHG) emissions. A major component within overall emissions comprises direct and indirect emissions from the use of fossil fuels. Climate change impacts affect both natural ecosystems as well as our social and economic structures. Examples of impacts from climate change include changes in biodiversity patterns and an increase in extreme weather events, with both of these potentially creating economic risks and security challenges.

The CEWE Group recognises the far-reaching consequences of climate change and views mitigation efforts as the responsibility of our society as a whole. Within the context of its sustainability strategy, the CEWE Group is actively addressing measures to reduce greenhouse gas emissions and strengthen climate resilience.

The climate strategy of the CEWE Group forms a part of the Company's overall sustainability strategy. In the dimension “Environmental protection and resource conservation”, the Company applies the guiding principle of “Preserving nature” to define action areas and implements these as part of business activities. The action area “Saving energy and driving climate change mitigation” specifically targets addressing and/or countering climate change.

All of the impacts, risks and opportunities identified in this non-financial statement cover the essential ESRS reporting requirements. No topics specific to the Company have been identified.

Current and expected risks and opportunities

Physical risks

- The Company's own operations could be made more difficult by climate risks such as heat stress, sea level rise, drought and flooding.
- Asset impairments may result from climate risks such as heat stress, forest fires or flooding.
- Business interruptions could occur as result of climate risks relating to temperature, wind, water or solid masses, such as heat stress, sea level rise, water stress, drought, flooding or landslides.

Transition risks

- Higher operating costs and levels of capital spending could occur, which would be attributable to climate change adaptation (e.g. use of cooling in production processes).
- Higher carbon prices can result in both direct and indirect additional costs.
- A tightening of regulatory requirements could result in financial risks that, in turn, give rise to adjustment costs.

Opportunities

- Improved conditions in the supply chain can lead to improvements in efficiency throughout the value chain. A focus on sustainability may strengthen relationships with business partners and customers.
- New business opportunities could arise – involving new technologies, innovative ideas and new ways of working, for example – that drive the transformation of the economy and society. The Company could also develop new business areas – such as by developing new products that make a positive contribution to sustainability.

The CEWE Group has audited the resilience of its strategy and its business model.

In 2021, the Company commenced implementation of a scenario analysis in line with the recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD). The objective is to use various scenarios to assess climate-related risks, and to analyse the potential financial impacts of climate change and of the transition to a lower-carbon economy. This scenario analysis aims to identify climate risks and opportunities, promote informed decision-making and increase transparency for investors.

The resilience analysis is based on the CDP platform completed in 2023, which therefore significantly predates the mapping guidance between the CDP Platform and the requirements of ESRS E1 that has been announced for 2025. The Company is still in the process of drafting specific action plans for strengthening its resilience to climate change impacts. However, initial action on climate, including a switch to green electricity and the deployment of PV systems and geothermal power, has already been taken.

Scenarios used:

- World Energy Scenario
- RCP 2.6 Scenario
- RCP 8.5 Scenario

The analysis draws on the Intergovernmental Panel on Climate Change (IPCC) and the World Energy Scenario from Greenpeace Energy [R]evolution (5th edition, 2015). The RCP 2.6 (“best-case”) and RCP 8.5 (“worst-case”) scenarios used are based on models from the Coupled Model Intercomparison Project (CMIP), and account for the direct influence of greenhouse gas concentrations on radiative forcing and global warming.

Among other aspects, the World Energy Scenario analyses the potential effects of a doubling of energy prices over the next 20 years. For production facilities, the resilience analysis is also conducted in line with the ISO 14001 management system. The Company has yet to provide a definition of the business units that are to be included within or excluded from the resilience analysis. The ability of the CEWE Group to adapt to climate change has not been assigned to any short-, medium- or long-term time horizons.

Climate risks and adaptation actions

For the CEWE Group, climate change constitutes a material risk with the potential to affect company business over the short, medium and long term.

The Company has already taken action and is planning further measures – including more efficient technologies, improving energy and resource efficiency, and the increased use of renewable energy – with the aim of utilising the opportunities presented by the transition to a low carbon economy.

The Company will be providing further details in relation to its access to finance, its ability to redeploy, upgrade or decommission existing assets, and shifting its products and services portfolio.

Within the scope of ESRS, the ability of the CEWE Group to adapt to climate change has been considered in relation to a short-, medium- and long-term time horizon. The Company has selected these time horizons according to the ESRS definition.

Current and expected impacts

Contribution to global greenhouse gas emissions and relevance for business model

Direct and indirect contribution to global warming
The CEWE Group contributes directly to global warming as a result of activities within its own operations that emit greenhouse gases (Scope 1).

Indirectly, the Company contributes to global warming by procuring and consuming energy within its own operations (Scope 2). Activities within the upstream value chain of the CEWE Group also produce GHG emissions. Such activities include wood harvesting, oil extraction, the processing of raw materials into products like aluminium sheets and paper or chemicals used as fuels and lubricants, and transportation (Scope 3). The downstream value chain also creates GHG emissions. Examples here include the energy consumption of OSF (on-site finishing) terminals, transportation and distribution, employee commutes to the workplace, and service callouts (Scope 3).

Disclosure of expected time horizons for material impacts

The negative impacts identified in the section "Direct and indirect contribution to global warming" are all current and cannot be remedied quickly. The CEWE Group is taking specific action to reduce GHG emissions within its own operations, and in the upstream and downstream supply chain, with the ultimate aim of remedying their negative impacts.

The CEWE Group is pursuing the target of achieving net zero GHG emissions throughout its operations and value chain by 2045.

Impact, risk and opportunity management

Policies related to climate change mitigation and adaptation (E1-2)

The CEWE Group has assigned the impacts, risks and opportunities related to climate change mitigation and adaptation to a total of four clusters. Specific policies have been developed for these clusters, which are documented in the Environmental Management Manual and standard operating procedure 612. These policies contain actions and targets as part of the integrated management system (ISO 14001 and ISO 50001). Group-wide climate action policies are also disclosed for an external audience in the CDP climate questionnaire.

For the identification, assessment and control of climate-related risks and opportunities, the CEWE Group has established a structured management system, which is fully integrated into the company-wide risk management process. The Company reviews currency and efficacy on at least an annual basis. The risk assessment is completed for short-term (0 – 2 years), medium-term (2 – 6 years) and long-term (6 – 20 years) horizons, with financial or strategic impacts being defined as "material" if they affect more than 1% of revenue or profit.

The CEWE Group makes a distinction between transition risks (e.g. regulatory or technological changes) and physical risks (e.g. extreme weather events or long-term climatic change). Risk control is achieved by tight integration with company strategy and is based on scenario analyses that evaluate potential climate impacts on the business model. The Executive Board and environmental management team are responsible for climate strategy, with specific departments being in charge of implementing operational actions for reducing emissions and improving energy efficiency.

Cluster #1: Impairment of raw material availability

This cluster comprises financial risks resulting from the reduced availability of raw materials owing to climate-related disruptions to the supply chain or regulatory changes, such as introduced by the EU Regulation on Deforestation-free products (EUDR). This cluster is oriented primarily towards the upstream supply chain, with a focus on price increases and quality fluctuations.

The CEWE Group addresses these risks with a multi-supplier strategy, the identification of substitute materials and optimisations to material efficiency. Environmental criteria are accounted for by supplier selection, which aims to achieve the early identification of potential innovations and optimisation potential.

Cluster #2: Rising operating costs and potential business interruptions from climate-related hazards
This cluster comprises risks that could arise as a result of climate-related weather events. Such risks include rising operating costs driven by higher prices for raw materials as well as disruptions to production/supply chains as a result of extreme weather events (e.g. drought, heavy rain, flooding).

To minimise such risks, the CEWE Group pursues a multi-supplier strategy that absorbs price fluctuations and compensates for these with efficiency actions in the supply chain. The ISO 50001-certified energy management system also enables the continuous monitoring and optimisation of energy consumption, with the aim of achieving long-term cost savings.

These risks are regularly reviewed within the management review process and adaptation actions are derived as necessary.

Cluster #3: Emission management (Scope 3)
This cluster addresses risks from the indirect emission of greenhouse gases (GHGs) along the upstream value chain. Key drivers here are raw material procurement, transportation processes and further processing.

The CEWE Group has introduced actions to reduce Scope 3 emissions, especially in relation to logistics and transportation. The Company plans to develop more extensive strategic policies.

To improve transparency, the Company takes part in external initiatives like the Carbon Disclosure Project (CDP), and also engages in sustainable governance with its memberships of the UN Global Compact and the German B.A.U.M. non-profit.

Cluster #4: Emission management (Scope 1 and 2)
This cluster comprises direct greenhouse gas emissions from operations. Core actions taken here include the systematic optimisation of energy consumption with the ISO 50001-certified energy management system and the use of 100% certified green energy at sites in Germany.

The Company regularly documents the progress made in reducing emissions in its sustainability reports and annual reports. The CEWE Group participates actively in the organisation of trade association positioning on climate policy, with the aim of harmonising general regulatory conditions with the Company's targets.

To control risks, the Company has set up an integrated environmental management system according to DIN EN ISO 14001:2015, which includes an annual assessment of environmental aspects as well as GHG emissions in the supply chain.

In terms of environmental and energy policy, the CEWE Group Management Manual focuses on policies for areas of the Company that operate production facilities. These policies primarily address company-internal processes, with the upstream and downstream value chain being accounted for only in isolated cases.

The CDP Climate Questionnaire is used to control climate-related risks and opportunities, and covers identification, assessment and control in all operational areas. Alongside the integration of requirements from ISO 14001 and ISO 50001, the questionnaire also ensures compliance with the standards of the Carbon Disclosure Project (CDP).

Actions and resources in relation to climate change policies (E1-3)

The carbon footprint can also be used to derive starting-points for actions to take in relation to climate policy. The CEWE Group has yet to implement actions specifically intended to counter impairments affecting raw material availability, rising operating costs and potential disruptions to business.

Actions in cluster #3 and #4:
Climate change mitigation actions from cluster #3 and #4, relating to emission management for scopes 1, 2 and 3, target a variety of decarbonisation levers:

Climate change mitigation action and decarbonisation lever

Cluster	Decarbonisation lever	Actions	Implementation status
#3	Supply logistics (3.04)	Optimisation of supply chain logistics; improved consolidation with larger quantities, full truck load orders for photo paper and digital printing paper.	Planned for 2025/2026
#3	Inbound goods deliveries (3.09)	Optimisation of delivery logistics, elimination of double stop in Germany, carbon-neutral shipping with DHL and UPS.	Ongoing project
#3	Employee commutes (3.06)	"Take your bike to work" initiative; employee bike rentals, job ticket	Ongoing project
#3	Business travel (3.07)	Foregoing business travel in favour of online meetings	Ongoing project
#4	Electricity/saving energy	Trialling/installation of new, low-power lighting installations; more effective machine usage; optimisation of cooling unit usage; waste heat recovery on air-conditioning units	Implementation in reporting year 2024
#4	Saving energy/renewable energy	Construction of new production/logistics site in Freiburg with photovoltaic systems and heat pumps.	Implementation in reporting year 2024
		Switch to green electricity at all sites in the CEWE Group; cost-effectiveness audit for PV systems at various sites	Ongoing project

The CEWE Group will implement these actions at all of its production facilities. The Company will deploy photovoltaic systems only at sites where such a deployment is economically and technically feasible.

The Company has yet to quantify the emission reductions achieved and targeted by the individual actions in clusters #3 and #4.

Actions for climate change mitigation are implemented based on the availability and allocation of personnel and financial resources. All actions to reduce Scope 1, Scope 2 and Scope 3 emissions are implemented as a continuous process of optimisation without a specific budget being allocated.

This implementation requires personnel resources in both the central environmental department and the individual companies. In the reporting year, significant capital expenditure (capex) of 7,350 thousand euros was budgeted in cluster #4 for a new building in Freiburg. At the CEWE Group, significant capital expenditure is defined as expenditure that exceeds 5% of the CapEx reported in the EU Taxonomy tables.

Metrics and targets

Targets related to climate change mitigation and adaptation (E1-4)

The Management Manual defines the general approach taken by the CEWE Group to its environmental management. Environmental policy at the CEWE Group comprises environmental protection and resource conservation as key aspects of its sustainability strategy. The Company defines action areas under the guiding principle of "Preserving nature" and implements these as part of operations. Key action areas – such as "Saving energy and driving climate change mitigation" – are considered and decided on from the perspective of various stakeholder groups. These action areas are also reflected in the assessment of impacts, risks and opportunities (IROs) completed in the context of the double materiality assessment. In chronological terms, the Company first set out its targets (2017) and developed the IROs later (2023/2024). The reduction targets for GHG emissions quantify and provide more detail about the projects of the CEWE Group.

Targets in cluster #1: Impairment of raw material availability
The CEWE Group has not defined any targets for raw material availability.

Targets in cluster #2: Rising operating costs and potential business interruptions from climate-related hazards
The CEWE Group has not defined a target for the control of a climate-driven rise in operating costs.

Criteria for the targets set in cluster #3 (Scope 3) and #4 (Scope 1&2)

For cluster #3 and #4, the sustainability aspects "Energy efficiency", "Use of renewable energy" and "Climate change mitigation" – derived from the action area "Saving energy and driving climate change mitigation" in the CEWE Group environmental policy – have an important role to play. In the context of cluster #3 and #4, the Company has modelled its definition of emission reduction targets on the standards and requirements from the Science Based Targets Initiative (SBTi).

Overview of target years

- 2025: target year for SBTi targets
- 2030: target year for mid-term targets
- 2045: target year for climate neutrality

The CEWE Group emission reduction targets for scopes 1 and 2 are science-based, and incorporate a validated SBTi near-term target of 1.5 °C by 2025. The Executive Board has confirmed this target as the current climate target by 2030. However, the Company aims to further define and adjust this target as needed in 2025 (based on the data current at that time).

This target will be set based on the annual measurement of GHG emissions in CO_2 equivalent (CO_2eq). Progress figures are given in the CEWE Group CDP report and (to date voluntary) sustainability report, the latter now published as the non-financial statement and (from next year) as the CSRD-compliant sustainability statement.

The CEWE Group follows the Greenhouse Gas Protocol (GHG Protocol) for reporting. The GHG Protocol provides businesses with tools for calculating greenhouse gas emissions, and takes into account both direct and indirect emissions during the complete product lifecycle and a company's full range of business activities.

Targets in cluster #3: Emission management (Scope 3)
The CEWE Group is pursuing efforts to reduce absolute Scope 3 emissions by 25% by 2025 compared with 2015. In so doing, the Company is making full use of the decarbonisation levers presented in E1-3. The Executive Board has confirmed the Scope 3 reduction target of 25% or 78,560 tCO_2eq as the current climate target by 2030. CEWE intends to become climate-neutral by 2045. After the SBTi target period expires, the Company aims to adopt a new target in 2025.

Target implementation will be tracked using annual carbon footprint data and therefore by means of emissions. The CEWE Group publishes its carbon footprint annually as part of CDP reporting.

The Company uses an identical inventory, methodology and set of boundaries for data collection every year. If adjustments are made, these are clearly documented and reported on. Each year, the Company also reviews its business model and key process flows to identify any significant changes. No material changes have been made since 2015, which therefore still applies as a base year.

Although the SBTi Scope 3 target is not aligned with the 1.5° pathway, it does correspond to the "well below 2°" pathway.

When determining decarbonisation levers, no scenarios were referenced, although these were accounted for in the resilience and climate risk assessment.

Targets in cluster #4: Emission management (Scopes 1 and 2)
The CEWE Group is pursuing reduction targets for direct and indirect greenhouse gas emissions (Scopes 1 and 2) based on the decarbonisation levers presented in section E1-3 page 127 as also described in cluster #3. The Company has made commitments to achieve a 50% reduction in absolute Scope 1 and Scope 2 emissions by 2025 compared with the 2015 base year. The Company is also seeking to achieve climate neutrality by 2045.

The Executive Board has adopted a reduction target of 50% or 6,701 CO_2eq in Scopes 1 and 2 by 2030. After the current SBTi target period expires, the Company aims to adopt a new target in 2025. This target is based on the annual measurement of greenhouse gas emissions in CO_2 equivalent, which is modelled on cluster #3 methods. The energy management system implemented also collects data on energy use to facilitate targeted action on efficiency. The CEWE Group publishes its carbon footprint annually as part of CDP reporting.

Data is collected using a methodology, inventory and set of system boundaries identical to those in cluster #3.

Adjustments are clearly documented and reported on. No significant changes have been made since 2015, which therefore still applies as a base year.

When determining decarbonisation levers, no scenarios were referenced, although these do form part of the resilience and climate risk assessment.

Climate targets from 2025
The CEWE Group has defined its emission reduction targets by 2025. In 2025, the Company plans to begin a new target definition process for the post-2025 period, based on the emission reductions achieved to date.

Energy consumption and mix (E1-5)

Unless otherwise stated, the values presented here refer to financial year 2024 and therefore cover the period from 1 January to 31 December 2024.

The energy intensity, specified as total energy consumption per net revenue, amounts to 0.047 MWh/thousand euros. Net revenue is derived from the revenue categories of Photofinishing revenue, Retail revenue and Commercial Online Printing revenue. Photofinishing and Online Printing activities are assignable to Sector C, “Manufacturing” (18.1). Retail revenue is assignable to Sector G. In general, all revenue is generated in “high-emitting sectors”. An overview of revenue is given in the combined management report on page 63.

Energy consumption and mix Energieverbrauch und Energiemix

	2024
Total energy consumption in MWh	38,926
Fuel consumption from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	4,765
Fuel consumption from natural gas (MWh)	6,457
Fuel consumption from other fossil sources (MWh)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	2,669
(Production of non-renewable energy (MWh)	0)
Total fossil energy consumption (MWh)	13,891
Share of fossil sources in total energy consumption (%)	36%
Consumption from nuclear sources (MWh)	1,706
Share of consumption from nuclear sources in total energy consumption (%)	4
Fuel consumption for renewable sources, including biomass (MWh)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	23,111
(Production of renewable energy (MWh)	219)
Consumption of self-generated non-fuel renewable energy (MWh)	218
Total consumption of renewable energy (MWh)	23,329
Share of renewable sources in total energy consumption (%)	60

Gross Scope 1, 2, 3 and Total GHG emissions (E1-6)

GHG emissions

	Retrospective				Milestones and target years			
	Base year 2015	Comparative 2023	2024	Change in % 2023/2024	2025	2030	by 2050	Annual % of target/base year
GHG Scope 1 emissions								
Gross Scope 1 GHG emissions (t CO_2eq)	3,017	2,385	2,605	9	1,509	1,509	–	–
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	–	–	–	–	–
GHG Scope 2 emissions								
Gross location-based Scope 2 GHG emissions (t CO_2eq)	10,384	9,419	8,840	−6	–	–	–	–
Gross market-based Scope 2 GHG emissions (t CO_2eq)	10,384	1,983	1,816	−8	5,192	5,192	–	–
Significant GHG Scope 3 emissions								
Total Gross indirect (Scope 3) GHG emissions (t CO_2eq)	104,746	90,463	107,454	19	78,560	78,560	–	–
1 Purchased goods and servicesn	54,214	63,067	73,491	17	–	–	–	
Optional sub-category: Cloud computing and data centre services	–	–	–	–	–	–	–	–
2 Capital goods	7,500	6,000	7,247	21	–	–	–	–
3 Fuel- and energy-related activities (not included in Scope1 or Scope 2)	670	1,481	3,390	129	–	–	–	–
4 Upstream transportation and distribution	3,943	3,673	5,564	51	–	–	–	–
5 Waste generated in operations	500	950	638	−33	–	–	–	–
6 Business travelling	1,188	571	546	−4	–	–	–	–
7 Employee commuting	1,871	1,754	2,138	22	–	–	–	–
8 Upstream leased assets	0	0	0	–	–	–	–	–
9 Downstream transportation	12,533	7,436	9,940	34	–	–	–	–
10 Processing of sold products	0	0	0	–	–	–	–	–
11 Use of sold products	0	0	0	–	–	–	–	–
12 End-of-life treatment of sold products	19,675	225	223	−1	–	–	–	–
13 Downstream leased assets	2,652	5,306	4,277	−19	–	–	–	–
14 Franchises	0	0	0	–	–	–	–	–
15 Investments	0	0	0	–	–	–	–	–
Total GHG emissions								
Total GHG emissions (location-based) (t CO_2eq)	118,147	102,267	118,899	16	–	–	–	–
Total GHG emissions (market-based) (t CO_2eq)	118,147	94,831	111,875	18	85,260	85,260	–	–

cewe group

A slight rise in Scope 1 can be attributed to fluctuations in consumption and a broadening of data acquisition – such as the first incorporation of coolant leakage data. Despite the expanded group of consolidated companies, Scope 2 has fallen slightly as a result of updated emission factors and a slight increase in green electricity procurement.

The rise in Scope 3 emissions can be attributed to methodological changes. This not only affects individual categories, for which significant effort has been made to improve data acquisition, but also the first internally calculated corporate carbon footprint for Saxoprint, whose calculation had been prepared in previous years by an external service provider.

The proportion of market-based Scope 2 emissions for which contractual instruments with guarantee of origin or renewable energy certificates were applied amounts to 76%. All 15 categories from the GHG Protocol are considered when calculating Scope 3 emissions. However, emissions in categories 8 (upstream leased assets), 10 (processing of sold products), 11 (use of sold products), 14 (franchises) and 15 (investments) have been reported as zero as these do not apply to CEWE. Approximately 3% primary data were used for calculating emissions in the value chain. In addition, in the context of Scope 3 emissions calculations, only material consumption and waste figures for production sites were accounted for. These values were not included from sales offices and shops, as these have no material influence on metrics.

Itemised by country, greenhouse gas emission figures are as follows:

Greenhouse gas emissions by country

	2024						
	DE	FR	UK	PL	CZ	HU	Other EU, CH, NO
GHG Scope 1 emissions							
Gross Scope 1 GHG emissions (tCO_2eq)	1,806	172	83	186	159	45	153
GHG Scope 2 emissions							
Gross location-based Scope 2 GHG emissions (tCO_2eq)	7,146	59	128	939	422	81	66
Gross market-based Scope 2 GHG emissions (tCO_2eq)	143	44	183	1,012	268	96	71
Significant GHG Scope 3 emissions							
Total gross indirect (Scope 3) GHG emissions (tCO_2eq)	81,901	2,614	536	3,996	1,786	631	15,991
Total GHG emissions							
Total GHG emissions (location-based) (tCO_2eq)	90,853	2,844	747	5,121	2,367	757	16,209
Total GHG emissions (market-based) (tCO_2eq)	83,850	2,829	802	5,194	2,213	772	16,214

The greenhouse gas intensity, calculated as GHG emissions per net revenue based on location-based Scope 2 emissions, amounts to 0.143 tCO_2eq/thousand euros. Intensity based on market-based data amounts to 0.134 tCO_2eq/thousand euros. To calculate greenhouse gas intensity, total net revenue is applied as reported in the consolidated financial statements. These amounted to 832.8 million euros.

Methodology, assumptions and limits of energy and emissions metrics

The scope of energy and emissions metrics encompasses all 15 production sites and all 12 sales offices in the CEWE Group basis of consolidation, plus the shops operated by Fotojoker, Fotolab, Japan Photo and Wöltje, and is the same as the basis of consolidation for the combined management report. Out of scope are the four WhiteWall stores, which despite the Company's best efforts offered no basis for qualified estimates. These four stores have smaller sales areas without production, which means there is no increased energy demand. The possible deviations due to an estimate lacking clear evidence are therefore estimated to be higher than the actual consumption. Work is in progress to properly account for this unit in the next reporting year.

Methodology for determining carbon emissions

Carbon emissions are calculated according to Greenhouse Gas Protocol standards. The "operational control" approach was selected for consolidation. For the quantification of emissions, no direct measurements are made. Instead, these are calculated by using activity data and the average-data method. Emission factors are primarily taken from database values, which are sourced from recognised databases such as DEFRA, and where possible also account for the current global warming potentials with a time horizon of 100 years (GWP100) from the Intergovernmental Panel on Climate Change (IPCC). Primary data for emission factors are available only in isolated cases. No calculation tool is used.

Data acquisition and coordination
The respective sites are responsible for energy data acquisition. For Scope 3 data acquisition, the core departments at head office are primarily responsible, with occasional support from those responsible at the respective sites. The overall coordination, collection, review and calculation of data is completed by the Environmental department at Shared Services. The review is performed by the responsible executive management members for Chemicals, Quality and the Environment.

Calculation of Scope 1 and 2 emissions
The results of the energy consumption data for E1-5 are applied for the calculation of Scope 1 and 2 greenhouse gas emissions. These are preferably based on calculations for the respective consumption figures or on other reliable data – such as photographic records of meter readings.

- Scope 1: Primarily gas or refuelling bills, from which the actual fuel consumption can be calculated. Where necessary, these are converted into MWh using appropriate conversion factors such as energy density or the calorific value.
- Scope 2: Consumption figures are generally taken from electricity bills. If these are unavailable, a conservative approach is taken, especially for leased properties such as sales offices and shops. In the latter case, consumption is often billed via the landlord, which may involve significant delays and sometimes fails to offer the level of detail required. As an example, total electricity consumption (Scope 2) at the Fotojoker shops is calculated by means of the monthly statement and an average price per kWh. For two small sales offices in Dübendorf (CH) and Madrid (ES), estimates have been made based on the electricity consumption at sites of a similar size. These uncertainties are not regarded as significant, as these sites only make up around 1% of total consumption. A conservative approach is always taken to calculations, to avoid introducing bias into the CEWE Group metrics.

The conversion of consumption data into CO_2eq emissions is completed using emission factors from uniform data sources wherever possible. For Scope 1 and 2 (location-based), emission factors from DEFRA and the European Environment Agency were used. For Scope 2 (market-based), primary data from the respective electricity utility were used (with some exceptions where relevant data were unavailable).

A variety of methods are used to calculate Scope 3 greenhouse gas emissions:

- Category 1: This only accounts for purchased goods and not services such as consulting services. The calculation is made based on material consumption at production sites (cf. data collected within E5-4 page 146), with the aid of the corresponding emission factors.
- Category 2: This is the only category calculated using a spend-based method. Emissions are determined based on capital expenditure for machines and using supplier estimates.
- Category 3: Incorporates upstream chains for energy consumption and is based on energy data collected in E1-5.
- Category 4: Basis is formed by material consumption at production sites (cf. data collected within E5-4 page 146) as well as the distance to the respective primary supplier and the means of transportation used.
- Category 5: Based on waste volumes at production sites and their assignment to fractions such as paper or general waste. For waste transportation, an average distance of 25 kilometres is assumed.
- Category 6: Information from the business travel portal: number of flights, kilometres travelled by rail and hotel accommodation
- Category 7: Calculated using the number of employees and an estimated average emissions factor for commutes.

- Category 9: Calculated using downstream transportation based on emissions data from shipping service providers. If no information is available here, an estimate is made using the shipping weight. Internal logistics data on kilometres travelled and the means of transportation are provided by the core logistics department.
- Category 12: End-of-life treatment of sold products End-of-life treatment of sold products calculated using material consumption and production waste (cf. E5-4 page 146 and E5-5 page 146), which are used to determine the product weight (comparable to the breakdown by waste fractions in Category 5).
- Category 13: The CEWE Group supplies B2B customers with photo ordering and direct print booths. Associated key data – such as numbers, average runtime and energy consumption – are reported by the OSF department.

GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

The CEWE Group has not developed any projects within its own value chain that have the objective of achieving a targeted removal or storage of greenhouse gas emissions.

Outside its own value chain, the Company retired carbon credits amounting to 36,600 tCO_2eq in the reporting period. It plans to retire a further 8,705 tCO_2eq in carbon credits. The acquisition of carbon credits is not used as part of carbon accounting or action planning but only for external communications, which were conducted only to a limited extent in 2024. All credits (100 %) originate from initiatives in non-EU countries aimed at reducing greenhouse gases and comply with recognised quality standards. The Company plans to have the credits revoked in 2025.

The target of achieving carbon neutrality by 2045, as adopted by company management, has already been communicated. This target is set to a later date than Germany's net zero target. The scope encompasses the entire CEWE Group. A scientific methodology and verification (e.g. by SBTi) has not yet been applied here. The Company has not yet adopted actions aimed at neutralising residual gross emissions.

CEWE does not apply internal carbon pricing within the Group.

Pollution (ESRS E2)

Impact, risk and opportunity management

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM 3)

Pollution in the value chain

The Company has identified a group of negative impacts relating to substances of concern and pollution in the value chain. These impacts relate predominantly to pollution along the value chain as a whole. In particular, this encompasses the use and production of substances of concern in both upstream and downstream processes:

- Upstream value chain: use of a wide variety of hazardous substances and dangerous chemicals
- Downstream value chain: creation of hazardous and contaminated production waste
- Own operations: direct use of hazardous substances within business operations

The CEWE Group prioritises the avoidance of these negative impacts. Corresponding actions have been established processes and are implemented by specific guidance and strategies.

The CEWE Group chemicals policy includes the following basic principles:

- Ensuring the responsible use of chemicals
- Preference for alternatives with few to no pollutants
- Protection of employees against unnecessary hazards
- Use of strict controls to avoid environmental impacts
- Development of safe products while taking environmental and health aspects into account

These actions help to minimise environmental risks while ensuring safe and sustainable processes throughout the value chain.

Use of innovative processes to minimise pollution

The CEWE Group makes use of innovations to reduce environmental impacts throughout the value chain. These include:

- Optimising risk management
- Promoting environmentally friendly production methods
- Reducing substances of concern in the supply chain and own business processes

These approaches help to minimise harmful emissions and contaminated waste.

Responsible handling of hazardous substances

The CEWE Group has not identified any material soil, water or air pollution. Certain substances of concern are indispensable in printing activities. Negative impacts and risks are created in particular by the use and/or production of these substances, both within the Company's own operations and in the upstream supply chain. This is especially relevant for substances used in colour printing that are not wholly avoidable. However, the printing process is conducted under strict controls to avoid the accidental influx of substances of concern into the environment (see topical standard E2-2, page 137).

Long-term prospects for reducing environmental risks

The CEWE Group works continuously to achieve further reductions in the use of hazardous substances. Although the Company has not identified any potential new impacts, it assumes that existing challenges could remain relevant into the long term.

Policies related to pollution (E2-1)

Environmental policy at the CEWE Group establishes a framework for environmental protection and resource conservation in the Company. The CEWE Group is committed to complying with all applicable laws and regulations, aligning its activities here with its own internal rules as well as stakeholder requirements. Environmental protection and the avoidance of environmental impacts form part of a continuous improvement process. To support this process, the Company has incorporated the topic into the relevant standard operating procedures (SOPs) and the manual for the CEWE Group environmental management system.

Management Manual

In its Management Manual, the CEWE Group has included all of the information that is relevant for explaining how the Company avoids or curbs pollution. The document consolidates the manuals for the DIN EN ISO 14001:2015 environmental management standard and the DIN EN ISO 50001:2018 energy management standard as required by an integrated management system. The Management Manual defines procedures for ensuring the fulfilment of management system requirements while focusing on environmental aspects and risk management.

It also helps to assure compliance with environmental standards and minimise environmental impacts. Contents:

- Identification and assessment of environmental aspects
- Specification of actions to reduce negative environmental impacts
- Integration of emergency analyses and assessment of potential risks into company planning

High-priority environmental aspects at the CEWE Group include the following:

- Carbon emissions
- Energy and energy efficiency
- Wastewater
- Water balance
- Waste
- Packaging
- Environmentally friendly materials
- Scrap and material efficiency

The Company defines key action areas under the guiding principle of "Preserving nature" and implements these in all business processes:

- Saving energy and driving climate change mitigation
- Protecting water
- Keeping air and soils clean
- Responsible use of materials
- Reducing waste and optimising recycling processes

These action areas create the framework for the identification, assessment and control of material environmental aspects, including pollution. In the context of ESRS 2, these action areas represent specific policies for identifying and managing potential impacts, risks and opportunities related to pollution. The Management Manual applies to all areas of the Company with the exception of Retail, OSF and the sales offices. The document refers only to the CEWE Group itself and not to the upstream or downstream value chain, and encompasses direct and indirect environmental impacts, including emergency situations. Production facilities at the following locations are included: Oldenburg, Mönchengladbach, Munich, Freiburg, Dresden, Montpellier, Warwick, Prague, Budapest, Koźle, Rennes, Bad Kreuznach, Frechen and Paris. Responsibility for implementation is assigned to the executive management members responsible for Chemicals, Quality and the Environment. The annual review is conducted jointly with the Executive Board member responsible for R&D.

Standard operating procedure: Handling of hazardous substances

The requirements of applicable legislation governing the handling of hazardous substances are authoritative for the internal handling of hazardous substances in the CEWE Group. This legislation includes the German Hazardous Substances Ordinance, the EU Regulation concerning the Registration, Evaluation, Authorisation and Restriction of chemicals (REACH), and the EU Regulation on the Classification, Labelling and Packaging of Substances and mixtures (CLP).

The Company has codified the procedure for handling hazardous substances in the internal standard operating procedure "SOP 812 Handling of hazardous substances". This SOP applies throughout the Company. The Company has assigned high-level responsibility for the comprehensive observation and application of this SOP to the executive management members responsible for Chemicals, Quality and the Environment.

New hazardous substances that are needed but which have not been used before must be properly assessed before being approved for use in the CEWE Group. The approval procedure is documented by the completion of hazard assessments for these substances and their inclusion in the register of hazardous substances. As required by the Hazardous Substances Ordinance, the Company performs regular substitution evaluations as part of hazard assessments for all of the hazardous substances used.

Avoidance and substitution

As a first step towards substitution, the Company evaluates whether non-hazardous substitute substances can be used for the required purpose. Suppliers, process owners, company doctors and safety specialists all contribute to this evaluation process. As a fundamental principle, the CEWE Group does not permit the use of any substances of very high concern (SVHCs) included in the SVHC Candidate List maintained by the European Chemicals Agency (ECHA). Nor does the Company make use of CMR category 1A/1B substances, which are substances that are carcinogenic (C), mutagenic (M) or toxic to reproduction (R). Exceptions are made only in special and unavoidable cases. Hazardous substances are evaluated and avoided by applying the STOP principle: (S)ubstitution check, followed by (T)echnical actions, then (O)rganisational actions and lastly actions involving (P)ersonnel, such as PPE (personal protective equipment). This principle is applied with the help of suppliers, process owners (process: operations, work type and workplace, machine) and, where necessary, company doctors and safety specialists.

Use of chemicals

The chemicals policy aims to ensure the use of the safest chemicals as well as the safe use of chemicals at all times. Equally, this policy also aims to avoid work-related accidents and/or illness as caused by the Company's business activities in the value chain (as a result of the production process, for example). The CEWE Group takes into account both the operational requirements for occupational safety and health as well as requirements in relation to hygiene and the environment. In its Management Manual, the CEWE Group defines procedures that safeguard the fulfilment of the requirements made by the management system. This is completed in alignment with the specified application scenario and while accounting for the business context and expectations of interested parties, such as employees, suppliers, neighbours and end-customers. Procedures are also developed by determining applicable risks and opportunities, which may be derived from environmental aspects and binding obligations or may result from entirely separate topics. The Company uses an assessment matrix to identify and record these risks and opportunities.

Standard operating procedure: Environmental aspects

In the internal standard operating procedure "SOP 612 Environmental aspects", the Company sets out the applicable procedure for assessing environmental aspects and deriving actions to reduce environmental impacts. A particular point of focus here comprises the aspects that can be directly or indirectly influenced, how these aspects present themselves while accounting for the product life cycle, and how – aside from normal operating conditions – unintended circumstances and unforeseeable emergency situations could have an impact. To identify and assess environmental impacts, the CEWE Group uses an assessment matrix included in the above-mentioned standard operating procedure. This matrix automatically calculates environmental relevance, risks or opportunities based on certain criteria. The assessment is updated regularly, at least once a year or in the event of changes to relevant processes. It looks at the relevance (risk or opportunity) that an environmental impact has in the following evaluation areas:

- Environmental relevance (site susceptibility)
- Compliance with legal requirements
- Company-internal or Group-level standards
- Societal relevance

Process owners are responsible for assessing the environmental aspects. The results of the assessment of environmental aspects are documented and serve as a basis for the definition of environmental targets. This forms part of the annual report from the Environmental Management Officer. The annual review is conducted jointly with the Executive Board member responsible for R&D.

In addition, the CEWE Group has also implemented a comprehensive policy for the avoidance of incidents and emergency situations. This policy aims to monitor and limit impacts on human health and the environment. The standard operating procedure "SOP 612 Environmental aspects" describes the assessment of environmental aspects under various operating conditions (normal, abnormal, incident). A risk assessment is used to assign environmental relevance here.

Standard operating procedure: Hazard assessment

The CEWE Group has set itself the goal of promoting the health and productivity of all employees while also ensuring the protection of the environment. This goal is achieved by making continuous improvements to workplace safety as well as improving health protection and environmental protection alike, described in more detail in the Management Manual and the standard operating procedure "SOP 813 Hazard assessment". The Company's executive management carries out hazard assessments with the aim of determining the nature of the hazards that employees are exposed to during work activities.

The hazards so identified form the basis for selecting suitable technical and organisational protective measures capable of avoiding or reducing hazards and environmental impacts. The hazard assessment is reviewed and updated when a new workplace is established, at regular intervals or in the event of changes to the circumstances in the workplace. The Company has assigned high-level responsibility for the comprehensive observation and application of this SOP to the executive management members responsible for Chemicals, Quality and the Environment.

The description of the policies includes information about the pollutant(s) or substance(s) covered (see section “Avoidance and substitution”, page 135).

Actions and resources related to pollution (E2-2)

With reference to ESRS E2, the CEWE Group utilises various actions to protect the environment. In the process, the Company attempts to avoid polluting the environment along the entire value chain. The assessment of environmental impacts and the actions decided on are monitored regularly, and form part of the annual report by the Environmental Management Officer.

Actions for the handling of hazardous substances

Some of the chemicals utilised in manufacturing activities have an impact on air and soils if released accidentally, and are able to affect employees in their workplaces. The CEWE Group has taken appropriate precautions and reduced the concentration of hazardous substances wherever technically possible. Throughout the production process, modern and safe technologies are used, so that values measured for hazardous substances (pursuant to the German Hazardous Substances Ordinance) are well below occupational exposure limits (OELs). Most of the digital printing machines that print the CEWE PHOTOBOOK work with very small toner particles, which is optimal for image quality. Because the toner’s liquid carrier system binds these toner particles with imaging oil, this prevents employees from being exposed to air pollution. Water-based inks are used for selected large-format digital print products. Other products require the use of UV inkjet processes. Neither process involves the use of solvents. The offset printing methods used are also mineral oil- and alcohol-free. This means that the offset inks used are based either on vegetable fats or UV-cured systems and the use of isopropanol in the washing solution is avoided wherever possible.

The CEWE Group chemicals policy provides more detail about actions, based on the management principles adopted for handling hazardous substances. When chemical products are chosen for deployment, the CEWE Group makes sure that the substances used are safe at the purchasing stage. Before procurement, the safety data sheet is requested and reviewed by qualified industrial chemists working in the central Chemistry department. This process applies to all business premises in the CEWE Group, including all subsidiaries.

Actions to protect against hazards

The Company defines the required protective actions in the hazard assessments, and introduces these with employee briefings (pursuant to GefStoffV) and corresponding standard operating procedures (also pursuant to GefStoffV in Germany and equivalent legislation in other CEWE Group countries). Toxicological data and OELs, explosive limits and other characteristics are also accounted for by these assessments.

Actions to avoid pollution

The CEWE Group makes every effort to introduce actions to avoid pollution, with the scope of these actions extending to both the upstream and downstream value chain. The CEWE Group includes a section in its sustainability questionnaire that evaluates the management approach of business partners concerning sustainability and compliance. The sustainability questionnaire for suppliers includes numerous questions that are directly related to the topic of pollution. This includes the existence of management systems for the environment, energy and workplace safety, environmental certificates, the auditing of environmental aspects at upstream suppliers, and other environmental targets and actions. All of these topics also include the handling of hazardous substances. The questionnaire also accounts for duties related to the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG), and is aimed at all direct and indirect business partners of the CEWE Group that are active in the supply chain. Such partners include both manufacturing companies and service providers. The questionnaire responses are evaluated, and interviews and actions (as necessary) are planned according to the results. With these actions, the CEWE Group ensures that environmental aspects are accounted for along the entire value chain and are subject to a continuous improvement process.

Actions for compliance with non-negotiable minimum standards

The CEWE Group maintains a Supplier Code of Conduct that defines non-negotiable minimum standards for all business processes that arise as a result of working together with the CEWE Group. A minimum standard exists that requires partners to observe all applicable environmental standards, and to deploy a modern and sustainable environmental management system. Compliance with the standard is verified by means of audits. In the event of repeated breaches or a single major breach of the Supplier Code of Conduct, the Company has the right to terminate the contract without notice. The Supplier Code of Conduct forms part of the contract award process and contracts with external service providers.

Metrics and targets

Targets related to pollution (E2-3)

The CEWE Group has yet to adopt any Group-wide targets for pollution control. Audits of targets for specific sites are organised as part of the Environmental Management System (EMS). Projects exist as part of the management approach: these are being pursued actively in practice and count towards an IRO. Specific actions are envisaged for next year to ensure the targeted steering of these projects. These actions correspond to the continuous improvement process method from the DIN EN ISO 14001:2015 environmental management standard, as incorporated into the Management Manual. The CEWE Group makes use of the following targets and qualitative indicators to track the effectiveness of its policies and actions to avoid pollution:

- No use of SVHCs (substances of very high concern, as included in the ECHA SVHC Candidate List)
- No use of CMR Category 1A and 1B substances wherever possible
- Reduction in use of SoC substances (defined similarly to Annex II of the CSRD)
- Consistent application of the STOP principle to ensure safe use of chemicals in the CEWE Group companies
- Continuous pursuit of the goal of zero emissions, also ideally to be achieved with technical actions.

Metrics related to pollution (E2-5)

The CEWE Group companies do not use any substances of very high concern. Nor are these substances therefore released into the environment. Furthermore, no financial effects from pollution-related risks and opportunities have been registered.

The CEWE Group does not report on substances of concern (SoCs) as part of the E2-5 metrics.

Biodiversity and ecosystems (ESRS E4)

Strategy

Transition plan and consideration of biodiversity and ecosystems in strategy and business model (E4-1)

After performing its double materiality assessment, the CEWE Group identified material impacts that imply a potential contribution to the loss of biodiversity and to the impairment of ecosystems. However, these results have not produced any physical, transition or systemic risks that could impair the resilience of the business model or the strategy of the CEWE Group.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The CEWE Group has not identified any activities that negatively affect endangered species.

The Company has reviewed its sites with regard to potential negative impacts on biodiversity and has not identified any direct negative effects. The Company does not operate any sites in biodiversity-sensitive areas, such as forest, water or landscape conservation areas. The results from the DMA have also identified impacts from soil sealing and use of land in the course of business activities. Nor can these effects be fully excluded within the upstream and downstream value chain. However, the Company operates exclusively in areas specially designated for industrial and urban use, which were sealed beforehand or were designated for this purpose. Production facilities and the associated infrastructure contribute to use of land, both within the Company's own operations, and within the upstream and downstream value chain.

No material entrepreneurial risks were identified in connection with biodiversity. As a result, the Company conducted no separate assessment of the resilience of its business model and strategy vis-à-vis these risks. At the same time, however, a group of potential negative impacts on biodiversity have been identified, particularly in connection with the use of wood by the CEWE Group. Wood is an important raw material for the Company's products.

The upstream value chain of the CEWE Group incorporates a significant demand for wood as a raw material for paper production, which is sourced from managed forests. The use of wood can result in biodiversity losses, particularly as a result of logging and deforestation. The Company mostly uses FSC®-certified wood in order to counter these negative impacts. The traceability of paper-based products back to the wood-based raw material helps to minimise biodiversity risks. While FSC® certification guarantees sustainable management practices, it is not a substitute for the preservation of untouched ecosystems.

With its procurement of FSC®-certified wood, the CEWE Group promotes the responsible use of this essential raw material. Internal guidance includes specifications for risk identification and minimisation at all Company sites, whether or not these sites operate within conservation areas.

Potential environmental impacts can result from both the upstream and downstream value chain as well as the Company's own operations. Such impacts can include impairments to air, water, soils and microorganisms, which may be caused by raw material extraction, the production and use of chemicals, transportation, distribution, and the disposal of production and end product waste.

Impact, risk and opportunity management

Policies related to biodiversity and ecosystems (E4-2)

The CEWE Group has developed various policies and guidance with the aim of identifying and controlling the impacts, risks and opportunities related to biodiversity and ecosystems. These are set down in the Management Manual and standard operating procedure SOP 612 (see E2-1 page 136).

The impacts, risks and opportunities identified in conjunction with biodiversity and ecosystems focus in particular on the procurement of paper (wood) and the extraction of fossil fuels (such as oil or natural gas) – and therefore on the upstream supply chains of the CEWE Group. In the course of the materiality assessment, a high materiality was assigned to the procurement of wood/paper and the procurement of fossil resources.

Accordingly, the policies related to biodiversity and ecosystems work to target the responsible procurement of material in particular. When purchasing paper, the CEWE Group insists on FSC® certification. Accordingly, the use of paper conforms to FSC® (Forest Stewardship Council®) codes of practice for all CEWE PHOTOBOOKS. FSC® is a global NGO that audits and certifies responsible forest management. FSC® certification had been obtained for all German companies by September 2010, with European companies following in 2011. FSC® stands for forest management that avoids exploitation. Clear cutting is forbidden during regular wood harvesting and pesticides must only be used in cases where this is required by law. FSC® works to promote the expansion of mixed forests, the preservation of the forest floor, and the protection of rare species and ecosystems. Principle 6, whose criteria must be met for certification, requires the maintenance or restoration of ecosystem services and the forest's environmental assets. FSC® certification ensures that paper-based products can be traced back to the wood-based raw material.

The stated policies explicitly address the promotion of climate change mitigation and the avoidance of pollution. The Company has set out its approaches to assessing environmental aspects and deriving actions to reduce environmental impacts in the internal standard operating procedure SOP 612 “Environmental aspects”.

The CEWE Group itself does not use its polices to explicitly address the social implications of impacts on biodiversity and ecosystems. However, the choice and assessment of environmental aspects does take into account the impact on biodiversity. FSC® certification is integrated into the Management Manual, and therefore ensures that social and economic aspects are also considered. Such aspects include the protection of labour rights and working conditions, the rights of indigenous peoples and relationships to local populations. The certification principles also help to minimise negative impacts on ecosystems while promoting sustainable forms of use.

In its policies related to biodiversity and ecosystems, the Company does not address any material dependencies, nor any material physical risks and transition risks or opportunities. The company-internal policies contain standard operating procedures and risk identification guidelines for each Company site. These form part of the CEWE Group’s overall approach to conserving biodiversity and ecosystems, with a focus on climate change mitigation, the avoidance of pollution and resource conservation. In terms of environmental policy, environmental protection and resource conservation are key aspects of the CEWE Group’s sustainability strategy.

Actions and resources related to biodiversity and ecosystems (E4-3)

The CEWE Group does not currently pursue company-internal actions related to biodiversity and ecosystems, and has not allocated any separate resources for this purpose.

The Company has not defined any actions that apply the mitigation hierarchy (avoidance, minimisation, restoration/rehabilitation and offsets). The Company’s action plans do not make use of biodiversity offsets, nor does it incorporate local or indigenous knowledge or nature-based solutions into its biodiversity and ecosystems-related actions.

Metrics and targets

Targets related to biodiversity and ecosystems (E4-4)

The Company has not set any specific targets for controlling biodiversity. The CEWE Group has defined projects, such as expanding the procurement of FSC®-certified materials. The Company plans to discuss specific targets based on these projects in 2025.

The metrics relate to the use of certified materials and the reduction of packaging materials.

Negative impacts on biodiversity as a result of the contribution to climate change are being addressed by the policies stated in E1 (cf. page 125).

Circular economy (ESRS E5)

Strategy and business model

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Impacts, risks and potential of the circular economy for resource use

The circular economy offers opportunities to make resource use at the CEWE Group more efficient and more sustainable. Four material topic areas can be identified in this context:

- Resource availability and substitution: While long-term resource security remains a challenge, the increased usage of renewable materials and innovative recycling technologies offers new opportunities. At the same time, risks arise from the use of non-renewable resources and price fluctuations with raw materials.
- Resource efficiency: The targeted optimisation of resource use can boost overall efficiency throughout the value chain. This constitutes a material opportunity.
- Reduction and substitution of resource outflows: Longer usage cycles for product components and improved recyclability help to reduce material consumption. At the same time, risks arise in relation to the technical and economic practicability of these actions.
- Waste management: Hazardous waste components constitute a negative impact. Problematic types of waste occur in particular in the upstream value chain, such as are created by the processing of raw materials or the use of chemicals.
- Waste management in own operations: A negative impact is created primarily by non-reusable waste from chemical processes (e.g. residual waste from photo production)

Resource use optimisation by the circular economy

The CEWE Group uses targeted circular economy strategies that aim to make resource use more sustainable. Valuable raw materials are conserved and waste volumes are reduced by extending the product lifetime and reusing components. The Company’s own resource outflow is further minimised by in-sourcing servicing activities such as maintenance and repairs, and by recycling product components. Development potential is offered by the future optimisation of these processes.

Relationship between business model, strategy and resource use

The CEWE Group makes use of various raw materials in its value chain, including plastics, chemicals and metals. The purposeful and efficient use of these resources forms an integral part of Company strategy.

Resource consumption is reduced with targeted actions such as recycling, and the maintenance and repair of production machinery and OSF terminals. At the same time, innovative solutions for the safe disposal and reuse of materials are being developed with the aim of further minimising environmental impacts. The use of non-renewable resources, particularly fossil fuels, remains a challenge that the Company is reducing step by step with long-term strategies.

Future prospects for resource use

The CEWE Group remains focused on further improving its resource use. Although a full phase-out of fossil raw materials remains a long-term challenge, a process of systematic innovation is achieving stepwise reductions in the Company's dependency on non-renewable materials.

The integration of servicing activities to extend product lifetime has borne fruit and therefore provides a solid foundation for sustainable business development. The analysis was completed while accounting for short-, medium- and long-term time horizons according to ESRS 1.

Policies related to resource use and circular economy (E5-1)

In relation to resource use and the circular economy, the CEWE Group has identified various impacts, risks and opportunities, and grouped these into five clusters.

The Management Manual and standard operating procedure 612 set out various policies, actions and targets in relation to an integrated management system (according to ISO 14001 and ISO 50001) and the associated environmental policy of the CEWE Group.

This already established procedure corresponds to the stated ISO standards but is not entirely correspondent with the policy requirements as prescribed by the ESRS. This may therefore result in gaps when considering the policies. The clusters resulting from the DMA are also not entirely congruent with the environmental aspects as identified in the CEWE Group environmental policy. The CEWE Group has committed to successively rectifying these irregularities over the next few years.

Regarding the CEWE Group environmental and energy policy, the Management Manual focuses on environmental aspects and associated risk management, without Retail, On-Site Finishing or sales offices. The scope of application encompasses the production sites in Oldenburg, Mönchengladbach, Munich, Freiburg, Dresden, Montpellier, Warwick, Prague, Budapest, Koźle, Rennes, Bad Kreuznach, Frechen and Paris, excluding the upstream/downstream value chain. The policies define direct and indirect environmental impacts, and describe the handling of these impacts, including potential emergency situations. The Management Manual addresses the following aspects related to sustainability: waste, packaging, materials, scrap and material efficiency.

The review, documentation and assessment of environmental aspects (also in light of stakeholder interests) as well as associated risks and opportunities is performed regularly (at least annually) and ad hoc if general conditions change. Responsibility is assigned to the executive management member for responsible for Environment. The annual review is conducted jointly with the Executive Board member responsible for R&D.

Based on the Management Manual, the standard operating procedure "SOP 612 Environmental aspects" defines methods and processes for the identification and assessment of environmental risks, and the continuous improvement of environmental performance, and specifies environmental targets and actions. The standard operating procedure is binding on all Group companies, but it does not reference the upstream and downstream value chain. While the CEWE Group Executive Board and environmental management team bear overall responsibility, operational responsibility is assigned to the respective teams who are tasked with implementing the actions related to resource use and the circular economy. The Group's Supplier Code of Conduct and supplier questionnaire reference the upstream value chain, and address key aspects such as environmental management and waste management. During on-site audits of suppliers, particular attention is paid to waste management and resource use.

Cluster #1: Resource availability and substitution
Environmental policy at the CEWE Group comprises environmental protection and resource conservation as key aspects of its sustainability strategy. One action area defined according to the guiding principle of “Preserving nature” is “Responsible use of materials”.

With the annual collection and analysis of data on environmental aspects relevant for the Company, the CEWE Group establishes a reliable basis for steering the specification of company targets and programmes as part of a continuous process. During the annual internal audits, the Company also checks whether these findings are up to date. The following environmental aspects are considered in particular:

- Packaging: reduction of plastic proportion, use of recycled packaging materials
- Substitution options for materials
- Scrap and material efficiency

Cluster #2: Resource efficiency
Applying the principle of resource efficiency, the CEWE Group implements a policy for scrap and material efficiency that is based on the routine determination of material use and production waste. In so doing, the Company identifies and implements targeted actions for reducing scrap to guarantee continuous improvements in the use of resources. When specifying such actions, financial, operational and business-related requirements are also accounted for, along with technical options.

In so doing, the Company – as in its standard operating procedure “SOP 612 Environmental aspects” – follows a systematic approach to increasing resource efficiency by determining and evaluating environmental aspects, such as the use of material and energy. A specific assessment matrix is used to collect data on relevant processes, substances and operating conditions, and to analyse these with regard to their ecological importance. In this way, the Company can clearly prioritise resource-intensive areas in particular and specify targeted actions for the reduction of scrap or the optimisation of material usage.

The results of this assessment form the basis for deriving specific environmental targets and action programmes, which are reviewed and brought up to date in the course of an annual update. Clear responsibilities are also assigned to process owners and the Environmental Management Officer, who monitor progress in resource efficiency on a continuous basis and document it in regular reports. This structured approach ensures the transparent and continuous improvement of the sustainable use of resources within the CEWE Group.

Cluster #3: Resource outflow reduction/substitution
As part of environmental management, material environmental aspects are regularly determined and assessed, also with regard to resource outflow. The development of suitable policies that address this aspect are based on an understanding of the specific resource outflows of the CEWE Group. Before taking action to reduce the Company’s own environmental impacts, it is extremely important to account for all knock-on effects and consequences to avoid simply shifting environmental impacts elsewhere. A suitable instrument for this purpose is life cycle analysis, which involves a full assessment of environmental impacts that occur in the product life cycle. Life-cycle analysis enables the identification and evaluation of the sum total of environmental impacts rather than isolated cases, by including energy and material flows throughout all relevant phases – from raw material procurement and manufacturing to transportation and delivery, followed by use and disposal.

A life cycle analysis provides a systematic assessment and evaluation of the environmental impact of the products and services of the CEWE Group over their entire life cycle. The aim is to identify significant environmental impacts and to derive actions for optimisation. The results of such an assessment are used as input for the development of procedures and processes (which are set down in the Management Manual and standard operating procedure) for the handling and reduction of resource outflows, and the potential substitution of primary raw materials by recycled and renewable resources.

Cluster #4: Supply chain waste management
The CEWE Group specifies appropriate procedures for environmental- and energy-relevant actions and activities as part of its business activities. The adequacy of these procedures is determined within the environmental management system / energy management system. The Company uses an internal assessment matrix, and the factors of weighting, frequency and risk, to identify relevant environmental aspects. Standard operating procedures are prepared for these environmental aspects that describe the handling of these topics. Appropriate actions are characterised by a positive benefit-cost ratio, although mandatory actions are always implemented. Such actions include waste disposal, the handling of hazardous substances, occupational safety, contractor management, outsourced processes, and the operation and maintenance of systems. When formulating environmental requirements, products are examined in terms of their entire life cycle. This encompasses the provision of data from raw material extraction through to purchasing, production and sales, and as far as waste management. Operational changes and their potential consequences for environmental protection are also monitored.

By agreeing to be bound by the CEWE Supplier Code of Conduct, suppliers to the CEWE Group must comply with all applicable environmental standards and practice sustainable environmental management. All suppliers are also informed about company policy during the contract award process by the central Purchasing department or by senior management. The topic is also addressed in the sustainability questionnaire from the CEWE Group that suppliers complete on a voluntary basis, which includes specific questions about environmental management certification and waste management actions. If the topic appears critical for a particular supplier, it is also addressed by on-site audits.

Cluster #5: Own operations waste management
Environmental policy at the CEWE Group comprises environmental protection and resource conservation as key components of its sustainability strategy. The guiding principle of “Preserving nature” has been applied to define the “Reducing waste and optimising recycling processes” action area and integrate this into the course of business. Waste materials generated during production are collected – with a focus on unmixed fractions – by a pan-European waste management system and recycled where possible.

The CEWE Group identifies all of the environmental aspects relevant for the Company at regular intervals (at least once a year). These records form the basis for the Company’s specification of targets and programmes. During the annual internal audit, it is checked whether these data are current, with particular attention being paid to the topic of waste.

Procedures according to the Management Manual
As already stated in cluster #4, “Supply chain waste management”, the CEWE Group has specified standard operating procedures for environment- and energy-relevant actions. For the Company’s own sites, all wastes produced must also be treated according to the European waste hierarchy (Directive 2008/98/EC, transposed into law in Germany as section 6 of the Circular Economy Act (Kreislaufwirtschaftsgesetz – KrWG), and in the following order:

- Avoidance
- Preparation for reuse
- Recycling
- Other recovery (especially energy recovery and backfilling)
- Disposal

All wastes produced are professionally treated or disposed of in accordance with this hierarchy. The feasibility of implementing further reductions to waste is reviewed as part of the regular management and environment assessment. Specific actions are introduced as and when necessary.

All waste is collected, separated by fraction, in the containers provided and is then picked up by authorised waste management companies. All containers used on company premises have passed quality testing. Full records are kept of waste material recycling and disposal. Details of the disposal process are set out in the standard operating procedure "SOP 811 Disposal of waste".

Summary of actions to transition away from the use of primary resources, including relative increases in use of secondary resources

Actions and resources related to resource use and circular economy (E5-2)

In the standard operating procedure "SOP 612 Environmental aspects" page 136, the Company sets out the applicable procedure for assessing environmental aspects and deriving actions to reduce environmental impacts. The CEWE Group utilises its environmental and energy targets to plan actions at a strategic level. When specifying such actions, financial, operational and business-related requirements are also accounted for, along with technical options.

The CEWE Group has yet to define any actions at a strategic level whose results specifically accrue to clusters #1 to #5 and whose effectiveness can be audited. While smaller-scale actions take place during normal operations to optimise the use of resources, these are not to be identified as key actions as of this writing. For implementation actions of this kind, no financial or personnel resources have been allocated in order to prioritise other topics.

These individual operational actions are listed briefly below and are to be assigned exclusively to cluster #1.

The CEWE Group has implemented guidance that promotes sustainable procurement and the use of renewable resources. Wood – in the form of paper – is one of the primary materials for CEWE Group products. For procurement, the Company makes every effort to source this wood from sustainably managed forests. The CEWE Group purchases FSC®-certified photo paper and digital print paper for the production of all CEWE PHOTOBOOKS. The sole exceptions here are On-Site Finishing, WhiteWall, Cheerz and Saxoprint. The Company established the procurement of FSC®-certified materials in 2010 and this process has continued unbroken since then.

For packaging, isolated individual actions have been used to reduce the proportion of plastic.

Actions concerning resource use in the upstream supply chain affect supplier management. Partnerships with suppliers to the CEWE Group are based on the Supplier Code of Conduct and the supplier questionnaire. These documents include specific requirements for established environmental standards, certification and actions related to waste management. If a suspicion arises that a supplier is failing to comply with the Code of Conduct or is not implementing required actions, or there are other discrepancies or indications of potential risks, then the supplier's waste management processes are reviewed during on-site audits.

Metrics and targets

Targets related to resource use and circular economy (E5-3)

The CEWE Group has not defined specific targets for the control of resource inflows and outflows. Formal target planning neither includes circular economy-oriented product design nor the minimisation of the use of primary materials or sustainable procurement. Corresponding actions and programmes have not been implemented to date.

However, the Company is pursuing approaches to promote the circular economy. From 2026 onwards, a take-back system for direct prints, phone cases and photo paper products will be trialled with the aim of enabling targeted material disposal. A systematic success control for this action is not currently in place.

Group-level company strategy also envisages reducing production scrap, the rollout of a take-back system and reductions to the proportion of plastic in packaging. In addition, the Company is seeking to source all wood- and wood fibre-based materials from FSC®-certified sources. Most materials currently procured by the Company already have FSC® certification.

With regard to waste management, the CEWE Group is pursuing reductions to the waste ratio and production scrap by 2025. However, this target has been set without formalised agreements or rules delivering measurable results.

Resource inflows (E5-4)

Cluster #1: Resource availability and substitution
Material resource inflows are paper (photo paper, digital print paper/paperboard, end paper, other papers), packaging (paper, paperboard and cardboard (PPC), plastic, photo pouches, wood), process materials (chemicals, printer ink, metals, foils, glue/adhesive, other consumables) and other materials (aluminium composite panels, acrylic glass, ceramics, textiles, canvas, stretcher frames, rigid foam, chocolate, other photo gift materials).

Assignment of risks and opportunities results in the following: risks include the manufacturing processes for environmentally critical materials such as aluminium (as a result of red mud) and chemicals, and for resource-intensive materials like wood/paper, plastics and cotton. These are supplemented by oil-based materials like plastics, adhesives, toner and paints. However, opportunities are offered by on-demand production, in the renewability of paper and wood as primary resources, and in material certifications such as FSC®. Rubber and bauxite (for the production of aluminium) are among the raw materials that are defined as critical by the EU. Rare earths are relevant only for bought-in products with electronic components and have a negligible share of the product portfolio. Water plays a role in the upstream value chain for the production of materials such as paper, cotton and aluminium. Within the Company's own operations, water is used for the development of photos but at a smaller scale when compared with other industries. In terms of property, plant and equipment, a machine pool should be noted in particular.

In early 2025, a full list of consumption figures for materials in financial year 2024 was prepared from the ERP system. These data were used to complete a corresponding classification of materials and the total weight was determined for the reporting period. Key materials are not subject to any relevant weight fluctuations and maintain their weight at a constant level. Data collection is based on direct measurements, as a result of which entering material weights is the responsibility of Purchasing, which has sole authorisation to make any changes. Any manipulation of data is therefore restricted to a single department. All changes to master data are also logged in the ERP system. The data collected consists of direct measurements. In individual cases, an estimate is used.

Resource inflows

	2024
Total weight of products, and technical and biological materials	47,466.5 t (of which 100% technical)
Biological materials (including biofuels for non-energetic purposes) as a percentage of total usage	0

Definition of biological and technical materials
The CEWE Group defines biological materials as those that originate from biological sources and which are not subjected to any industrial processing. After use, these materials can be returned to biological cycles for decomposition. Technical materials are defined by CEWE as industrially produced substances that can be reused or recycled in technical cycles.

Resource outflows (E5-5)
Critical products for resource outflows at the CEWE Group are photobooks, photo paper and printed products.

Goods outflows are recorded by the ERP system. Purchasing is responsible for maintaining the system and recording relevant metrics. Key materials are not subject to any relevant weight fluctuations and maintain their weight at a constant level during the production process. Metrics are not subject to external validation.

Product development does not follow any specific design methodology according to circular principles. However, the process of introducing new products does consider sustainability and aspects of product end-of-life – examples here include recyclability, longevity and second use. Recyclable products are printed products on digital printing papers without coating or foliation on both sides (waste paper cycle). Textiles are an example of reusable products (recycling as part of the second-hand clothes cycle). The CEWE PHOTOBOOK, photo prints and wall art are examples of long-lived products.

The CEWE Group has not identified any of its products as capable of being repaired, since these products include no individual components that can be replaced. Accordingly, this item is not accounted for in reporting.

The CEWE Group identifies and manages various primary waste streams as part of its waste management system. The most important waste streams include waste paper, especially printer paper and paper packaging (PPC), as well as mixed container waste for recycling, which includes photo paper.

Beyond this, there are other more specific categories of waste, including waste chemicals, coatings and paints, as well as waste containing metals, plastics and wood. These materials are collected according to applicable environmental regulations, sorted and sent for recycling or disposal as appropriate.

Waste management at the CEWE Group aims to use optimised processes and recycling actions to minimise environmental impacts and implement efficient models of resource use.

Cluster #3: Resource outflow reduction/substitution
Classification of recyclability here is based on material properties and handling within the production process. Separate collection and waste recovery is also applied within the framework of the European circular economy.

Cluster #5: Own operations waste management
The CEWE Group calculates and classifies waste volumes from own operations using records supplied by waste management companies and waste transfer documentation (by EWC code). The CEWE Group complies with the European Waste Framework Directive (and other directives from the EU legislative package on the circular economy from 2018) and the resulting transpositions into national legislation.

For each production site, annual waste accounts are prepared that clearly list all of the waste produced, identified by its European Waste Catalogue code (EWC code). These account statements identify and classify the materials and individual waste streams. Among other aspects, this also permits the calculation of all hazardous waste based on direct measurements. To identify the recycling procedures used, details of specific waste treatment processes are requested from the waste management companies. These details are requested by each production site and can then be used for the consolidation of waste volumes.

Metrics

Product recyclability disclosures in %

	2024
Recyclable total output	66.0
of which products	49.3
of which product packaging	16.7

The creation of an analysis in the system produces a detailed listing of all products sold on the market, with details of both their quantities and their weights being given. This data is then consolidated by integrating the product recycling proportions into the product accounts. To calculate the total recyclable proportion of products sold on the market, the product weights are multiplied by the respective recycling proportions and the results are totalled. As a final step, the sum total is then divided by the total weight of the products. The data result from direct measurements.

Operational waste in t

	2024
Total operational waste volume produced	12,601.3
Non-recycled waste	2,772.3
as a percentage	22
Hazardous waste	833.4
Radioactive waste	0

The data result from direct measurements.

Waste recovery disclosures

	2024			
	non-hazardous		hazardous	
	Weight (t)	Percent (%)	Weight (t)	Percent (%)
Waste diverted from disposal				
Preparation for reuse	30.0	0.2	7.8	0.1
Recycling	9,767.5	77.5	61.6	0.5
other recovery methods	1,947.9	15.5	698.1	5.5
Waste directed to disposal				
Incineration	0.0	0.00	0.8	0.01
Landfill	22.5	0.18	0.0	0.00
other disposal methods	0.0	0.00	65.2	0.52

Waste volumes result from direct measurements by waste management companies. Categorisation by process is partially based on assumptions, however, as some waste management companies did not provide details of the associated process. Depending on the waste type, the most frequently stated process was therefore determined and used to categorise all volumes of this waste type.

The CEWE Group reserves the right to make no disclosures for E5-4-31c and E5-5-36a.

Metrics are not subject to external validation.

Reporting in accordance with the EU Taxonomy

The European Green Deal is a strategy developed by the European Commission intended to enable the transition towards a competitive, resource-efficient and climate-neutral European economy. To achieve this goal, the EU Commission defined different actions in areas such as energy supply, transport, trade, industry, agriculture and forestry, financial market regulation.

A component of the European Green Deal, the EU Taxonomy Regulation (EU Taxonomy) is aimed at promoting sustainable investments by establishing a common classification system of environmentally sustainable economic activities across all sectors. Article 8 of the Taxonomy Regulation requires any undertaking which is subject to an obligation to publish non-financial information pursuant to Article 19a or Article 29a of Directive 2013/34/EU to disclose in its non-financial statement or consolidated non-financial statement how and to what extent its activities are associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of this Regulation. The reporting obligations introduced in this context for publicly traded entities are intended to provide transparent and standard information, enabling users of such reports to compare the sustainability of business models.

Article 9 of the EU Taxonomy Regulation specifies six environmental objectives of the European Union:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

Making use of the transitional relief granted by the EU, the disclosures for financial year 2021 focused on the first two objectives only, i.e. climate change mitigation and climate change adaptation, in relation to the proportion of taxonomy-eligible economic activities in overall turnover (revenue), capital expenditure and operating expenditure. After this transitional relied was discontinued for financial year 2022, reporting for financial year 2024 comprises not only taxonomy eligibility, but also the assessment of taxonomy alignment for all six environmental objectives.

Taxonomy-eligible economic activities are those defined and described in the Climate Delegated Act and Environmental Delegated Act. Economic activities identified as being taxonomy-eligible are considered to be taxonomy-aligned if they meet the so-called technical screening criteria, which basically consist of two components: (1) substantial contribution to one of the environmental objectives specified; and (2) do no significant harm to other environmental objectives.

Furthermore, it must be ensured that minimum social safeguards are met (in accordance with OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, the fundamental conventions of the ILO and the International Bill of Human Rights).

The individual key indicators are established by applying the International Financial Reporting Standards (IFRSs) used for the consolidated financial statements and take all fully consolidated Group companies into consideration. Total turnover corresponds with the figure shown for total revenue in the statement of profit or loss for the financial year concerned. Total capital expenditure (CapEx) is defined as the sum of gross additions to property, plant and equipment and intangible fixed assets during the year under review, excluding goodwill acquired. Total operating expenditure (Opex) comprises all direct, non-capitalised costs in connection with research and development, renovation measures, short-term leases as well as upkeep and maintenance or repair. To determine the figures, the financial indicators of turnover (revenue), operating expenditure (OpEx) and capital expenditure (CapEx) were analysed in terms of their taxonomy eligibility. Data from the annual report and the consolidation system were evaluated in order to identify the proportion of turnover, CapEx and OpEx that can be attributable to taxonomy-eligible economic activities. The individual items can be clearly allocated to the respective category and environmental objectives, eliminating double counting.

The following disclosures and explanations reflect the assessment of the CEWE Group. The acts published so far on the EU Taxonomy Regulation only contain activities of particular relevance to climate change mitigation and climate change adaptation, and no activities for the other four environmental objectives.

Based on the current status of regulation, the CEWE Group has not allocated any turnover-relevant economic activities nor has it identified any turnover that is eligible under the taxonomy. Depending on the specific content of the Regulation, however, the CEWE Group might identify taxonomy-eligible turnover in the next financial years.

The analysis of economic activities regarding CapEx has shown that capital expenditure is being made in taxonomy-eligible economic activities relating to the purchase of products and services listed under Annex I (Substantial Contribution to Climate Change Mitigation) of the delegated act. This concerns the operation of personal mobility devices, cycle logistics (activity 6.4); transport by motorbikes, passenger cars and light commercial vehicles (activity 6.5); construction of new buildings (activity 7.1); renovation of existing buildings (activity 7.2); installation, maintenance and repair of energy efficiency equipment (activity 7.3); installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (activity 7.4); installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (activity 7.5); installation, maintenance and repair of renewable energy technologies (activity 7.6); data processing, hosting and related activities (activity 8.1); and professional services related to energy performance of buildings (activity 9.3).

Furthermore, OpEx have been identified that relate to the purchase of products and services from taxonomy-eligible economic activities listed under Annex I (Substantial Contribution to Climate Change Mitigation) of the delegated act. This concerns the operation of personal mobility devices, cycle logistics (activity 6.4); transport by motorbikes, passenger cars and light commercial vehicles (activity 6.5); installation, maintenance and repair of energy efficiency equipment (activity 7.3); installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (activity 7.4); installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (activity 7.5); installation, maintenance and repair of renewable energy technologies (activity 7.6); data processing, hosting and related activities (activity 8.1); and professional services related to energy performance of buildings (activity 9.3).

The analysis of the economic activities classified as taxonomy-eligible with regard to their taxonomy alignment has shown that feedback received from suppliers is not sufficient to draw the conclusion that the conditions required with regard to minimum social safeguards can be considered met in accordance with Article 3 and Article 18 of the Taxonomy Regulation. Therefore, none of the economic activities that are classified as taxonomy-eligible are also shown as taxonomy-aligned.

Since the CEWE Group does not have any activities in accordance with Delegated Regulation 2022/1214 relating to nuclear energy and fossil gas, it does not include them in the EU Taxonomy tables.

CAPEX

Economic Activities (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	DNSH criteria ("Does not significantly harm") (h): Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		in euros	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0**	**N**	**N**	**N/EL**	**N/EL**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**		
Of which enabling		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	E	
Of which transitional		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Operation of personal mobility devices, cycle logistics	CCM 6.4	365,049	0.50	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.34		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	246,976	0.34	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.41		
Construction of new buildings	CCM 7.1	7,350,000	10.09	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Renovation of existing buildings	CCM 7.2	352,409	0.48	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	283,271	0.39	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	93,504	0.13	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.09		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	11,859	0.02	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	747,792	1.03	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.37		
Data processing, hosting and related activities	CCM 8.1	171,562	0.24	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
Professional services related to energy performance of buildings	CCM 9.3	26,775	0.04	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		9,649,198	13.24	%	–	–	–	–	–								2.21		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		9,649,198	13.24	%	–	–	–	–	–								2.21		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		63,212,802	86.76	–	–	–	–	–	–										
Total		72,862,000	100	–	–	–	–	–	–										

OPEX

				Substantial contribution criteria						DNSH criteria (“Does not significantly harm”) (h)									
Economic Activities (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		in euros	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0**	**N**	**N**	**N/EL**	**N/EL**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**		
Of which enabling		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	E	
Of which transitional		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Operation of personal mobility devices, cycle logistics	CCM 6.4	505,145	2.65	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	167,482	0.88	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.07		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	17,750	0.09	EL	N/EL	N/EL	N/EL	N/EL	N/EL								–		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	14,420	0.08	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	6,261	0.03	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.07		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	650	0.00	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01		
Data processing, hosting and related activities	CCM 8.1	14,234	0.07	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.07		
Professional services related to energy performance of buildings	CCM 9.3	40,577	0.21	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.14		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		766,518	4.03	%	–	–	–	–	–								2.17		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		766,518	4.03	%	–	–	–	–	–								2.17		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		29,593,482	95.97	–	–	–	–	–	–										
Total		30,360,000	100	–	–	–	–	–	–										

Turnover

Economic Activities (1)	Code(s) (2)	Turnover (3)	Proportion of turnover, year 2024 (4)	Substantial contribution criteria: Climate change mitigation (5)	Substantial contribution criteria: Climate change adaptation (6)	Substantial contribution criteria: Water (7)	Substantial contribution criteria: Pollution (8)	Substantial contribution criteria: Circular economy (9)	Substantial contribution criteria: Biodiversity (10)	DNSH criteria ("Does not significantly harm") (h): Climate change mitigation (11)	DNSH criteria: Climate change adaptation (12)	DNSH criteria: Water (13)	DNSH criteria: Pollution (14)	DNSH criteria: Circular economy (15)	DNSH criteria: Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		in euros	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0**	**N**	**N**	**N/EL**	**N/EL**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**N**		
Of which enabling		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	E	
Of which transitional		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0	%	–	–	–	–	–								0		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		0	0	%	–	–	–	–	–								0		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		832,792,071	100	–	–	–	–	–	–										
Total		832,792,071	100	–	–	–	–	–	–										

Social information

Own workforce (ESRS S1)

Strategy

Interests and views of stakeholders (ESRS 2 SBM-2)
The interests, views and rights of the CEWE Group's employees including respect for their human rights inform the Company's strategy and business model in a number of different ways. This includes employee representation, regulated by the Works Constitution Act (Betriebsverfassungsgesetz – BetrVG), which is provided by the Group Works Council and local Works Councils, as well as voluntary programmes for participating and airing views that include employee surveys and innovation days. Further details are provided in the section Processes for engaging with own workforce and workers' representatives about impacts (S1-2) page 158. All employees are also given the opportunity to contact supervisors, the Works Council, the HR department or the ombudsman in the event of any suspected wrongdoing. More information about this form of engaging with and honouring worker rights is presented in the section G1 Business Conduct page 178.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)
Workforce engagement plays a leading role in the future viability of the CEWE Group. Business development and employee satisfaction are closely interlinked. As one example, the expertise possessed by the workforce has a direct effect on innovation as well as production quality and efficiency. As a result of this, business success is therefore crucially dependent on the CEWE Group acquiring motivated and well-qualified employees, and retaining these employees within the CEWE Group. Safeguarding employee welfare and development as part of a continuous process is a key pillar within the CEWE Group's long-term strategy. The CEWE Group requires a healthy and motivated workforce to be able to compete in the market.

As part of the materiality assessment, the CEWE Group has incorporated the interests and views of its own workforce by means of proxy stakeholders, and considered potential impacts, risks and opportunities in relation to these stakeholder groups.

Summary of positive impacts
The workforce of the CEWE Group comprises the following types of employees:

- Apprentices, dual-study students
- Bachelor's/Master's students
- Temporary employees
- Permanent employees
- Workers in marginal employment
- Temporary workers in marginal employment
- Interns
- Seasonal workers
- Trainees
- Work placement students

As part of the materiality assessment, particular attention was paid to employees who may be considered vulnerable on account of certain characteristics. These characteristics include ethnic origin, gender, sexual orientation, gender identity, disability, religion and social background.

Child labour and forced labour are not systemic in the context of the CEWE Group business model and are categorically rejected. The CEWE Group has no non-employees who are affected by material impacts. The CEWE Group does not do business nor does it maintain any material supplier relationships in countries with a widespread and systemic risk of child labour or forced labour.

The following information provided about impacts applies primarily to those employees of the CEWE Group who are covered by a collective bargaining agreement. This is approximately 53% of the European workforce. However, employees not covered by such agreements also benefit from these general conditions, as their employment contracts are modelled on existing collective bargaining agreements.

Identified impacts

The following areas were identified as impacts:

- Security for personal life planning: The CEWE Group offers its employees long-term contracts based on collective agreements with guaranteed working hours and benefits. This gives employees additional security for personal life planning as well as financial stability.
- Freedom of association: The CEWE Group supports the right to freedom of association, which gives employees the opportunity to organise themselves, establish worker representation bodies and/or become members of unions. This allows employees to actively lobby the Company with their interests and viewpoints.
- Adequate working conditions: The CEWE Group uses collective agreements to ensure that working conditions are fair for its workforce. This helps to create a positive working environment and promote employee satisfaction.
- Support for personal duties: The CEWE Group uses programmes like the company-internal crèche and holiday camps to provide help with childcare, and also runs programmes targeting specific needs like the “parent cafes”. This makes it easier for employees to achieve a good work-life balance.
- Equal treatment and equal opportunities: The CEWE Group promotes equal treatment and equal opportunities for all employees. Examples of this include its Equality Network and Equality Committee as well as training programmes. This creates an inclusive working environment that offers the same opportunities to all employees.
- Professional development: The CEWE Group operates a comprehensive range of training and qualification programmes, aimed at promoting the continuous professional development of its employees in terms of their skills and opportunities for employment. These programmes support career development as well as personal growth for all employees.
- Inclusion of persons with disabilities: The CEWE Group caters to the needs and requirements of people with disabilities. The Company takes steps to ensure that people with disabilities have easy access to communal facilities and are able to participate in company events. The CEWE Group also contributes to the inclusion of people with disabilities in the labour market, not only by employing people with disabilities but also by commissioning work from external workshops staffed by people with disabilities.

The following were identified as an opportunity for the Company in the course of the materiality assessment:

- By creating good working conditions that include attention to occupational safety and health, the CEWE Group can reduce the level of health-related absenteeism. Fewer absences as a result of health issues have a positive effect on Company productivity.
- The CEWE Group can also optimise work processes and deploy modern technologies to further enhance its production efficiency. More efficient workflows together with a well-organised working environment make it possible for employees to work more productively without increasing workloads to untenable levels. This leads to a higher overall production output.
- Good working conditions, secure jobs and fair pay, supplemented by good occupational safety and health standards, also help to ensure employee satisfaction and motivation.
- Satisfied and motivated employees are less likely to leave the Company, which has a positive effect on the staff turnover rate while safeguarding the continuity of business processes. Fewer interruptions and a stable workforce makes operational management more straightforward while reducing disruptions to day-to-day business.

Current and expected impacts

The CEWE Group formed two IRO groups (clusters) as part of assessing positive and negative impacts as well as opportunities. Cluster #1, "Working conditions and labour rights", addresses issues such as compliance with labour laws and standards, actions to promote occupational safety and health, working conditions and ergonomics. Cluster #2, "Integrative and safe working environment", covers the aspect of the integrative and safe working environment. This addresses the promotion of diversity and inclusion, the avoidance of discrimination, training and awareness-raising – such as accounting for the needs and requirements of people with disabilities.

The following current and future impacts can be allocated to these clusters:

Cluster #1 – Working conditions and labour rights

The CEWE Group implements a comprehensive set of preventive actions to promote health and safety in the workplace. However, this cannot entirely preclude the occurrence of cases of work-related sickness or accidents – especially in the production process. To minimise risks, actions to improve occupational safety and health in the workplace are implemented as a continuous process.

The CEWE Group business model requires the Company to employ seasonal workers in various areas of business, including production, customer services, materials management and on-site finishing. In so doing, the Company follows the principle of addressing working conditions directly wherever possible, and keeping the use of personnel leasing services to the necessary minimum.

In a few isolated cases, seasonal fluctuations in the order situation can impact planning reliability for the workforce. To meet this challenge, the CEWE Group makes use of transparent employment models, fair contractual conditions and measures to stabilise working conditions.

Employee working hours are generally logged. In areas that do not use time recording systems, mechanisms to ensure workloads are appropriate are reviewed and improved as necessary.

However, the CEWE Group does give its employees a high level of personal life planning security, thanks to its long-term contracts based on collective agreements with guaranteed working hours and benefits.

The CEWE Group allows employees to vouch for their interests and views within the Company by upholding their right to freedom of association. This gives employees the opportunity to organise themselves, to form groups such as trade unions and to become members of such representative associations.

The Company guarantees high-quality working conditions for employees by means of collective agreements.

The CEWE Group helps employees to fulfil their personal duties (examples include the CEWE Group's own crèche and holiday camps) and runs programmes for specific needs (e.g. "parent cafes").

Cluster #2 – Integrative and safe working environment

The CEWE Group promotes equal treatment and equal opportunities for all employees by means of its Equality Network and training programmes.

The CEWE Group promotes the continuous professional development of its employees in terms of their skills and opportunities for employment with a comprehensive range of training and qualification programmes.

The CEWE Group promotes the incorporation of the needs and requirements of people with disabilities, such as by providing accessible access to communal facilities or ensuring participation in company events. In addition, the Company supports the inclusion of people with disabilities wherever possible, both within its own operations and also by awarding orders to workshops for people with disabilities. Given the persistent skills shortage, these actions – quite apart from their ethical and moral aspects – are also well-advised investments in the Company that are in line with its overall strategy. On the one hand, they support a company climate based on respect, appreciation and equal treatment, and therefore contribute to employee satisfaction. On the other, they work to counter potential negative impacts like dissatisfaction, reputational damage and dips in productivity.

Impact, risk and opportunity management

Policies related to own workforce (S1-1)

The CEWE Group has developed comprehensive policies with the aim of managing material impacts, risks and opportunities in relation to its own workforce. Responsibility is assigned to the respective Executive Board member for Production, Purchasing, Logistics, HR and Customer Service. These policies apply both to specific groups within the workforce and to the overall workforce. They also explicitly cover the topics of forced labour and child labour (e.g. BME Code of Conduct). Specifically, these are the CEWE Code of Conduct, the CEWE Human Rights Policy Statement and the BME Code of Conduct. A detailed explanation of these policies and underlying principles is given under G1-1 page 178. Other internal documents govern the working conditions for the Company's own workforce:

General collective agreement

To ensure compliance with labour laws, a general collective agreement exists for all employees of CEWE Stiftung und Co. KgaA working in Photofinishing in Germany. Among other aspects, this agreement regulates and standardises working times, extra pay, holiday and educational allowances. The general collective agreement also coordinates and documents the rules applying to seasonal workers.

AuditorPlus

The CEWE Group pursues a comprehensive management approach to occupational safety, which it implements with the aid of the occupational safety management programme AuditorPlus. This programme helps to coordinate and document the occupational safety tasks at all German Photofinishing sites. The software includes modules for briefings, screenings, hazard assessments and work-related accidents. Regular hazard assessments are completed for all workplaces, and actions to minimise risks are drawn up according to the STOP principle. Accidents and near misses are documented and analysed with the aim of ensuring continuous improvements in occupational safety. If a task is not completed as it should be, an automated message is sent to the next-level supervisor and the occupational safety team is informed about the lapse.

Cluster #1 – Working conditions and labour rights
In this cluster, the CEWE Group applies the following policy documents for managing working conditions and worker rights:

- CEWE Code of Conduct
- CEWE Human Rights Policy Statement
- BME Code of Conduct
- Ombudsman
- CEWE Supplier Code of Conduct
- General collective agreement for Photofinishing

Cluster #2 – Integrative and safe working environment
The CEWE Group applies the following policy documents for managing an integrative and safe working environment:

- CEWE Code of Conduct
- CEWE Human Rights Policy Statement
- BME Code of Conduct
- Ombudsman
- CEWE Supplier Code of Conduct

These policy documents promote an integrative and safe working environment, in which all employees are respected and appreciated regardless of their gender, age, ethnic origin, religion or sexual orientation. By implementing these policies, the Company ensures that the CEWE Group employees can enjoy a workplace free from discrimination and harassment, where their health and safety is afforded the utmost priority.

Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

Cluster #1 – Working conditions and labour rights
The CEWE Group has established a wide range of structures and processes designed to involve employees in company topics. Examples of such bodies include employee representatives on the CEWE Group Supervisory Board, and various works council committees at site and group level.

Regular employee meetings are held at the four Photofinishing sites operated by the CEWE Group in Germany – four times a year at the main Oldenburg site, for example. These meetings are used to inform employees about important topics and offer them the chance to make their voices heard. The CEWE Group also maintains various committees that have been set up to address specific topic areas. These committees are staffed by members of the works councils and individuals appointed by corporate management as well as employees with subject-matter expertise on a case-by-case basis.

The Group Works Council holds face-to-face meetings once a quarter while also meeting online for scheduled sessions at regular intervals of two weeks. At these sessions, members also address topics of relevance for the Group Works Council.

Various initiatives also exist for involving the workforce and ensuring their voices are heard. The Ship It Days and Innovation Days are also held annually at the CEWE Group. The two-day internal Ship It Days event offers all employees the chance to suggest their own ideas for CEWE, and then work together with their colleagues to develop these ideas further. In 2024, six teams worked on a wide variety of ideas. All employees are also invited to attend the Innovation Days. This event focuses on fostering dialogue between employees and the presentation of new products. An important part of the Innovation Days is the "Future Zone", where all sites, subsidiaries and even individual departments are encouraged to showcase their work and introduce new projects. Employee opinion is also provided with a platform here, as workers are encouraged to provide feedback on individual projects and products.

Employee surveys are also carried out at irregular intervals with the aim of obtaining feedback from the workforce. Employee opinion also forms a key input for internal organisational development processes and also helps with their implementation. One example here is the development of the new cultural mindset "The WE in CEWE", see page 180. The most recent major employee survey, "Great Place to Work", was conducted in 2022.

As these offerings are aimed at all employees, they promote equal treatment and equal opportunities within the CEWE Group. Initiatives such as Ship It Days or Innovation Days also help employees to develop their skills and expertise by disseminating and exchanging knowledge.

The employee survey gives all staff an opportunity to provide feedback on working conditions at CEWE and thus trigger improvement processes. All of these initiatives therefore help to motivate employees and create a positive working environment.

Employees are also free to approach their competent works councils with their concerns at any time. They can also participate in the Innovation Lounge, which is a Group-wide business innovation management system for suggesting new ideas for products, software and processes. Employees at the head office in Oldenburg can also use the company suggestion scheme. This not only helps to develop innovations but also recognises and cultivates the potential positive impacts as identified in the section entitled "Summary of positive impacts" on page 154.

While the Executive Board shares overall responsibility for these processes, the respective Board members for Marketing, Sustainability and New Business have been assigned specific responsibility for organising the Innovation Days. The heads of HR and Organisational Development, together with HR management at the individual CEWE Group sites, have operational responsibility for ensuring that the interests of the workforce are consulted in decision-making processes.

Cluster #2 – Integrative and safe working environment
The processes for involving stakeholders in cluster #2 partially overlap with the processes already mentioned in cluster #1 (Ship It Days, Innovation Days, employee surveys and company suggestion scheme).

To better understand and account for the perspectives of employees who could be especially vulnerable or marginalised, the CEWE Group has established an Equality Committee and an Equality Network. Both of these initiatives are intended to facilitate dialogue on this topic within a safe and supportive atmosphere, and aim to promote equality within the CEWE Group. The CEWE Group also has an elected Disabled Persons' Delegation that functions as an advocacy group for all employees who are disabled or have an equal status under law.

To give employees the opportunity to submit information or complaints about compliance with the Human Rights Policy Statement, the Company has appointed an external ombudsman to whom employees can submit reports – also anonymously. The sporadic nature of such reports means that any remedial actions are examined on a case-by-case basis; the effectiveness of this process is not assessed separately.

Processes to remediate negative impacts and channels for its own workforce to raise concerns (S1-3)

The CEWE Group has established a complaint and reporting system, known as the "ombudsman". This system and the associated procedure is described in detail in section G1 Business Conduct on page 180. If a negative impact or rights infringement occurs despite the implementation of preventive actions, the CEWE Group will introduce appropriate countermeasures. Each case is handled and analysed individually by the corresponding business department. The effectiveness and appropriateness of the action to be taken is reviewed by the affected business department. If necessary, the Works Council also becomes involved in this process.

Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-4)

Actions are also determined at the CEWE Group by means of the risk management system. This system identifies and assesses risks, so as to allow the subsequent specification and implementation of suitable compensatory actions. The risk management system references potential risks that are documented and responded to with corresponding actions.

The following section describes the ongoing and planned actions per cluster.

Cluster #1 Working conditions and labour rights

Action 1: Occupational safety and health management programme AuditorPlus
In 2012, the CEWE Group rolled out the occupational safety and health management package AuditorPlus with the aim of coordinating and documenting occupational safety tasks at all German Photofinishing sites.

Designed for the effective management of occupational safety and health topics, the package offers support

- for coordinating and documenting the occupational safety tasks at all German Photofinishing sites;
- by providing modules for briefings, screenings, hazard assessments and work-related accidents;
- for regular hazard assessments of all workplaces;
- by specifying actions to minimise risks according to the STOP principle; and
- by documenting and analysing accidents and near misses to ensure the continuous improvement of workplace safety.

This action is not time-limited. The effectiveness of AuditorPlus is not systematically tracked or assessed.

Action 2: Promotion of health in the workplace
The CEWE Group views employee health as an asset, and is therefore proactive in ensuring the conservation and development of this resource. At its head office in Oldenburg, which employs a workforce of 1,200 people, the Company organises a variety of health promotion activities throughout the year. The overall intention here is to ensure that employees are protected from becoming ill (= prevention). All of the digital courses are also made available to the entire CEWE Group. Activities on offer include the following:

- Workshops on nutrition
- Back health course
- Stop smoking course
- Ergonomic workplace advice
- Mobile massage
- Psychosocial counselling
- Hansefit
- Breaktime exercise

Cluster #2 Integrative and safe working environment
The following actions can be allocated to cluster #2:

Action 1: Disabled Persons' Delegation
The CEWE Group has set up a Disabled Persons' Delegation at many of its sites, which acts as a central point of contact for more than 2,000 colleagues in the Company. There is also a General Disabled Persons' Delegation for the photofinishing locations, which assumes a higher-level function. This delegation actively represents the interests and rights of disabled employees, and helps them to integrate and participate fully in working life, with the aim of guaranteeing an inclusive and supportive working environment.

The Disabled Persons' Delegation is the elected advocacy group for disabled employees and persons of equal status under law:

- The delegation offers help and support to employees applying for a disabled or similarly impaired status.
- It puts together free downloadable information.
- The delegation provides support with links to agencies, associations and self-help groups.
- It provides advice about setting up and maintaining workplaces suitable for use by disabled persons.

This action will be maintained for an indefinite term: the organisation of an advocacy group for disabled persons helps to reduce the negative impacts identified while also offering support to affected employees. As two examples, the delegation can identify places in the Company where accessibility can be improved or where additional action is needed to prevent discrimination. The effectiveness of the Disabled Persons' Delegation is not systematically tracked or assessed.

Action 2: Equality Committee
The CEWE Group has established an Equality Network as well as an Equality Committee within the Works Council. Together with the Inclusion Officer at the Oldenburg site, these bodies work in close consultation with the HR departments. A biweekly update meeting is also held with the Inclusion Officer at the Oldenburg site and the Disabled Persons' Delegation. This meeting is used to discuss recent developments involving the topic of inclusion. The meetings are also used to share details of how often the Disabled Persons' Delegation is contacted for advice, for example.

The Equality Committee at the CEWE Group was established to promote the topic of equality within the Company, with a particular focus on equal opportunities for women in management positions. The committee also works to improve equality in general, regardless of gender, sexuality, age, social background, language, ethnic origin, belief or political convictions. The committee also implements targeted actions and initiatives with the aim of creating a diverse and fair working environment.

- The committee serves as a competent point of contact that can be reached and liaised with directly via the Works Council.
- The Works Council offers one-hour “open door” sessions in its office from Monday to Thursday every week. The office is always staffed at these times and employees are welcome to discuss their issues personally with the Works Council.
- A separate mailbox has been set up for the Works Council.
- The committee can be reached via Teams or e-mail, or its members approached personally.
- The Equality Committee can be contacted by any employees who have questions, information, suggestions or needs related to the topic of equality and equal treatment. After talking to the employee, the committee works with the individual to discuss next steps.

The action was implemented in the reporting year, affects the entire CEWE Group and has an indefinite term until further notice. The Equality Committee helps to ensure that support is provided to individuals who could be disadvantaged within the Company. The effectiveness of the Equality Committee is not systematically tracked or assessed.

Action 3: E-learning
Another component is the area of continuing education. Unconscious bias influences behaviour and has impacts on hiring as well as performance appraisals. For this reason, the CEWE Group has also decided to focus on the topic of awareness-raising and reflection. Since April 2024, all employees have been offered two separate e-learning formats, on the topic of the German General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz – AGG) as well as “Diversity, equity and inclusion”. The first of these e-learning formats constitutes a mandatory training course for all employees. Both of these courses can be taken in English or German.

These digital training courses help to reduce negative impacts, aiming to raise awareness about discrimination and encourage preventive action. This action improves the general working climate throughout the Group and thus counts against all identified negative impacts in relation to “Own workforce”.

Action 4:
Increasing the proportion of women in leadership positions
Businesses have a decisive role to play in promoting diversity and equal treatment in the workplace. The CEWE Group is aware of its responsibilities in this area and has specifically identified the topic of “Women in leadership positions” as a strategic action area. While 49 % of the CEWE workforce is female, this proportion is not reflected within the various management tiers. To overcome this existing discrepancy, actions have been taken at various levels.

The internal junior management programme “GROW” performs an important role in relation to both career development and succession planning. GROW aims to provide employees taking on leadership positions within the Group in the short to medium term with the skills needed for these roles. The programme uses various methods – such as knowledge transfer, job shadowing and mentoring – to address key content areas related to leadership. GROW takes one year to complete, and is a comprehensive and thoroughgoing investment in high potentials at CEWE. In 2024, a total of 26 employees joined the programme, 65 % of whom were women. Nine of these women have now assumed positions of responsibility as team or departmental leaders.

In 2025, priority will once again be given to the topic of women in leadership. For this reason, several Group-wide activities were approved for the coming year at the end of 2024. These include:

- Management while working part time: From 2025, all leadership positions will be advertised with the option to work part time on a near-full time basis (min. 80 %). Exceptions may be made for specific positions.
- Recruitment process: For all management positions which are advertised externally at C-1 level (direct reporting to the Executive Board), the final round of the selection process must always include at least one woman.
- Mandatory training for executives and HR: Management staff and HR play a decisive role within personnel processes (hiring and promotion). Starting in 2025, training in “diversity and equality of opportunity” therefore becomes mandatory for both of these groups.
- Training opportunities for female employees: From 2025, CEWE will offer additional training courses for women to strengthen their leadership skills.

Various sites within Germany and other countries also implemented a wide variety of actions in 2024. A brief overview of these initiatives is presented below.

CEWE Norway has reworked its recruiting process to include gender-fair wording in employment ads to ensure that neither women nor men feel discriminated against by the ad language. If two equally qualified candidates apply for the same position, a new rule states that the person from an underrepresented group will be hired.

CEWE subsidiary CHEERZ has already achieved parity in terms of gender ratios in both upper and middle management. Flexible part-time models have been used here to help leaders achieve a good work-life balance. To further promote gender equality within the Company, a mandatory equality accounting process has been introduced, which regularly calculates the “Egapro index”.

At the CEWE Group head office and its largest production facility in Oldenburg, two company-internal crèche groups and regular childcare programmes during school holidays also help employees to balance their career and family responsibilities. The respective proportion of women is used to measure and assess the effectiveness of these actions.

Action 5: Diversity Week
In 2024, Diversity Week was held once again at many CEWE Group sites with the aim of promoting diversity and an international focus. Diversity Week features events, campaigns and presentations from guest speakers.

A significant proportion of the actions described are training courses and continuing education programmes. Participant numbers are a key metric for assessing the effectiveness of these actions. The CEWE Group collects and analyses data on participant numbers in the various training programmes on a regular basis, ensuring that the programmes have broad appeal and enjoy high levels of employee participation. Feedback mechanisms are also used to assess participant satisfaction and the relevance of course content.

The CEWE Group makes every effort to make sure that its own business practices do not produce any material negative impacts on the workforce. If tensions are created by attempting to reconcile efforts to avoid negative impacts with other business requirements, the CEWE Group always strives to achieve solutions that safeguard employee interests. In line with its overall philosophy, the CEWE Group aims to promote a responsible-minded and supportive working environment based on transparency and fairness.

The CEWE Group takes steps to ensure that sufficient resources are made available for the management of material impacts on the workforce. These steps include budgeting for regular training courses and continuing education programmes, with the aim of improving employee skillsets as well as guaranteeing a safe and supportive working environment. The Company also provides financial support for initiatives relating to occupational safety, equality and employee development. Thanks to these actions, the CEWE Group is able to manage material impacts effectively and ensure their continuous monitoring.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1-5)

The CEWE Group has defined targets that address the IROs. These targets are performance-related and are to be achieved by 2027.

Cluster #1 – Working conditions and labour rights
The CEWE Group has yet to specify any measurable, performance-related targets that could be assigned to the "Working conditions and labour rights" cluster. Notwithstanding this, the CEWE Group does track the effectiveness of its policies and actions in relation to material sustainability-related impacts, risks and opportunities. This is achieved by means of regular reviews and assessments of the implemented actions.

Cluster #2 – Integrative and safe working environment
The CEWE Group has defined gender equality targets for the IRO group "Integrative and safe working environment". The proportion of women on the Supervisory Board, in the first management tier and in the second management tier is to be 50 %, 33 % and 40 %, respectively, by 2027 in all cases. Progress towards these targets is documented in this report by the corresponding metrics.

A specific base year has not been specified, as target achievement does not depend on a base value. Progress towards target achievement is measured against the current annual value every year. No interim targets or milestones have been specified.

Gender equality targets have been set by the Executive Board. In so doing, the CEWE Group takes legal requirements into account.

Affected stakeholders were consulted while specifying these targets.

The target tracking process is carried out in close consultation with the Supervisory Board. The Supervisory Board monitors progress on a regular basis to ensure that the specified targets are achieved. The Company did not consult its own workforce or employee representatives as part of the process of identifying insights or potential improvements.

Characteristics of the Company's employees (S1-6)

The necessary data is recorded in a monthly Workday report. This report is used to carry out a comprehensive evaluation and analysis at the end of the year. Units that do not work with Workday use templates to submit their data directly. The central HR department calculates the metrics required. This approach applies to all of the following metrics.

Overall employee numbers[1] by gender

Number	2024
Male	2,386
Female	2,271
Other	1
Not reported	0
Total	**4,658**

[1] The employee figures show a slight deviation from the information provided in the notes to the consolidated financial statements on page 236. This is because the CSRD used headcounts instead of full-time equivalents (FTE).

Employees

Number	2024
Total employees as of 31 December	5,553
Average number of employees	4,658

The table below presents the number of employees as of the end of the reporting period and the average number of employees for countries in which the CEWE Group employs 50 or more persons whose numbers make up at least 10 % of the total number of employees at their company.

Total number of employees for sites with > 50 employees

Number	2024
Germany	3,886
Average number of employees	3,194

cewe group

Information about employees by contract type and gender

31 December 2024				
Female	Male	Other	Not reported	Total
Number of employees (head count)				
2,731	2,820	2	0	5,553
Number of permanent employees (head count)				
1,752	1,762	0	0	3,514
Number of temporary employees (head count)				
979	1,058	2	0	2,039
Number of non-guaranteed hours employees (head count)				
0	0	0	0	0
Number of full-time employees (head count)				
1,952	2,470	2	0	4,424
Number of part-time employees (head count)				
779	350	0	0	1,129

Information about employees by contract type and country

31 December 2024			
DACH	Central Europe	Southeast Europe	Total
Number of employees (head count)			
3,914	756	883	5,553
Number of permanent employees (head count)			
2,294	556	664	3,514
Number of temporary employees (head count)			
1,620	200	219	2,039
Number of non-guaranteed hours employees (head count)			
0	0	0	0
Number of full-time employees (head count)			
3,178	527	719	4,424
Number of part-time employees (head count)			
736	229	164	1,129

Average number of employees by head count

	31 December 2024		
DACH	Central Europe	Southeast Europe	Total
Number of employees (head count)			
3,220	662	776	4,658
Number of permanent employees (head count)			
2,280	511	667	3,458
Number of temporary employees (head count)			
939	151	109	1,199
Number of non-guaranteed hours employees (head count)			
0	0	0	0
Number of full-time employees (head count)			
2,465	454	673	3,592
Number of part-time employees (head count)			
755	208	104	1,066

A total of 2,049 employees left the Company during the reporting period. The staff turnover rate therefore amounted to 43.99%. This figure includes all employees, including seasonal workers, who generally have a high turnover rate.

The CEWE Group used the BDA formula propagated by the Confederation of German Employers' Associations to calculate the employee turnover rate. This formula is calculated by dividing the voluntary departures by the average headcount, multiplied by 100..

Collective bargaining coverage and social dialogue (S1-8)

	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – non EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
0–19%	–	–	–
20–39%	–	–	–
40–59%	–	–	–
60–79%	Germany (67%)	–	–
80–100%	–	–	Germany (91%)

Group-wide, 50% of employees are covered by collective bargaining agreements.

Diversity metrics (S1-9)

Gender distribution at top management level

Gender	FTE	in %
Male	135	71
Female	55	29
Other	0	0
Not reported	0	0
Total	**190**	**100**

Age distribution in own workforce

Number of employees	2024
Under 30	1,943
Between 30–50	2,313
Over 50	1,297

The diversity metrics refer to the gender distribution at the top management level (C1 and C2).

Adequate wages (S1-10)

All employees at the CEWE Group receive fair compensation for their job role, based on the applicable reference values.

Health and safety metrics (S1-14)

A full 100% of individuals in the Company's own workforce are covered by the CEWE Group health and safety management system, whether as a result of applicable legal requirements and/or recognised standards and guidelines. There were also no deaths registered during the reporting period as a result of a work-related injury or work-related illness.

However, a total of 60 work-related accidents were registered in the reporting period, which is a ratio of 7.4%. To calculate the rate of work-related injuries, CEWE divides the respective number of cases by the number of total hours worked by people in its own workforce and multiplies it by 1,000,000. The units report workplace accidents to the central HR department on a monthly basis. To calculate the number of hours worked per year, the weekly working hours recorded by employees in the system each month is multiplied by the number of weeks in the respective month and added together for all months of the year and all employees.

Remuneration metrics (pay gap and total remuneration) (S1-16)

The difference between the average income of female and male employees of the CEWE Group, expressed as a percentage of the average income of male employees (known as the gender pay gap), was 18.6% in the reporting period.

To calculate the gender pay gap, the average hourly wage per month is recorded for each gender. Wages are recorded based on the respective salary tools used by HR employees. The gender pay gap is reported on an unadjusted basis across all CEWE Group employees in line with statutory requirements. This approach allows gender-specific salary differences within the Company to be presented comprehensively and transparently.

The median annual total remuneration for the workforce (excluding the highest-paid individual) as a percentage of the annual total remuneration for the highest-paid individual was 14.8%.

The following formula is used to calculate the annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees: The total remuneration of the highest paid individual for 2024 is divided by the median gross earnings of all employees for 2024 excluding the highest paid individual.

Incidents, complaints and severe human rights impacts (S1-17)

In the 2024 reporting period, there were three complaints and two cases of reported discrimination and harassment. Of these, one incident was reported via the ombudsman. All incidents were investigated and assessed, and corresponding actions were introduced.

No complaints were submitted to the National Contact Point for OECD Multinational Enterprises during the reporting period.

Similarly, no fines, penalties or compensation for damages were imposed in the same period for incidents of discrimination, including harassment and complaints filed.

Workers in the value chain (ESRS S2)

Strategy

Interests and views of stakeholders (ESRS 2 SBM-2)

For the production of its photo products and the implementation of its business model, the CEWE Group is reliant on bought-in raw materials and intermediate products. As part of this interrelationship, the Company's strategy and business models can influence the interests, views and rights of workers in the upstream and downstream value chain in a number of ways.

To counter these risks, the CEWE Group has integrated a Supplier Code of Conduct into its business activities. This Code of Conduct defines non-negotiable minimum standards to be met within all business processes that arise as a result of working together with the CEWE Group and its affiliated companies.

These minimum standards include specific requirements for business partners, particularly in relation to:

- Working conditions and worker safety
- Health
- Fair treatment of workers
- Upholding basic rights

Business partners must agree to comply with these requirements and to audit their compliance with due care.

Impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

As described in IRO-1 in ESRS 2, the CEWE Group has used the materiality assessment as a first step to identify the scope of activities within its own operations and value chain, as well as the affected stakeholders. As a result of this process, all workers within the value chain identified as being material form a direct or indirect (represented by proxy stakeholders) part of the double materiality assessment. No additional checks were made with the purpose of verifying the inclusion of all workers in the value chain.

This section deals exclusively with the workers in the value chain in accordance with ESRS S2. Information on the CEWE Group's own workforce can be found in the ESRS S1 section.

The following types of workers were identified in the value chain:

- Workers at the CEWE Group sites who are not part of the Company's own workforce: These workers may be provided by third party undertakings that are not primarily engaged in employment activities. These include cleaning services, security services or technical maintenance services, for example. These workers are typically employees of the respective service company and perform work at CEWE Group sites on a contractual basis.
- Workers in the upstream value chain: These workers are involved in the extraction of raw materials, in refining, in manufacturing or in other forms of processing. They include the workers in paper mills who produce the paper for CEWE Group photo products, and the employees in the print supply chain who produce printing inks and other materials. These individuals work in a wide range of countries, and are therefore subject to the working conditions and legal situations in these countries.
- Workers in the downstream value chain: These workers work for logistics or sales services, franchisees and retailers. These include the warehouse workers who pack and ship products from the CEWE Group, and employees retail stores who sell these same photo products to consumers. These individuals are typically employees of the respective logistics or sales company.

The Company has not conducted an analysis to determine which workers are especially susceptible to material negative impacts in the supply chain. Nor has the CEWE Group conducted an analysis to determine the extent to which workers with certain characteristics (e.g. skin colour) and workers who work in a certain environment or perform certain duties could be more susceptible to such impacts.

The CEWE Group purchases raw materials in Europe and worldwide. Each of the identified material negative impacts could occur in the context of procurement and business relationships. However, no systemic risks of child and forced labour were identified in the value chain.

Within the scope of its materiality assessment, the CEWE Group has identified the following potential negative impacts:

- Potential work-related accidents and/or illness as caused by the business activities of companies in the value chain (as a result of the production process, for example).

This impact is relevant for all types of worker (as defined in ESRS S2) throughout the entire global value chain, and has been defined as the cluster "Working conditions and worker safety for workers in the value chain".

These impacts are listed in the table "Material IROs for the CEWE Group", under "S2.3 Other work-related rights", on page 107.

Impact, risk and opportunity management

Policies related to value chain workers (S2-1)

The CEWE Group has developed various policies in relation to value chain workers, which are supported by corresponding management systems. The Supplier Management System forms an important basis for ethical and fair behaviour in the CEWE Group value chain. The system is modelled on various basic principles and guidelines, which are described in section G1 Business Conduct (G1-1 and G1-2) starting on page 178. Specifically, these are the BME Code of Conduct, the CEWE Code of Conduct, the CEWE Human Rights Policy Statement and the CEWE Group Supplier Code of Conduct.

In addition to the policies described above, the CEWE Group cultivates long-term collaboration with suppliers. This collaboration contributes to a stable and crisis-proof partnership, which can prove beneficial, for example, during supply bottlenecks such as those experienced during the global Covid pandemic. As part of procurement, the Company also works with partners to address socio-environmental aspects alongside low costs, geographical proximity and proven process expertise.

Suppliers from regions classified according to the internationally recognised amfori BSCI guidelines as "critical" (in Asia, for example) are evaluated with particular care and attention. The CEWE Group prefers suppliers from these regions who are members of the Business Social Compliance Initiative (BSCI). This initiative focuses on promoting compliance with social standards in the value chain – and therefore at upstream suppliers – which it verifies by means of BSCI audits.

Supplier evaluation is conducted by means of an internal audit document, which ensures that supplier visits are fully documented and details from factory tours are properly recorded. Supplies from China are evaluated roughly every two years.

The principles and policies stated can be allocated to the IRO clusters defined previously as follows:

Cluster "Working conditions and worker safety for workers in the value chain"

- CEWE Human Rights Policy Statement: Application of a standard assessment and correction procedure if there is a risk that own operations or suppliers' operations will have negative impacts on human rights.
- BME Code of Conduct: Compliance with local regulations on whistleblower protection. All employees are encouraged to report any behaviour that violates this code of conduct to their supervisor and/or a whistleblower system. The code explicitly rejects all forms of forced labour, human trafficking and child labour.
- CEWE Supplier Code of Conduct: Performance of audit actions; the Supplier Code of Conduct also states that the contractual relationship will be terminated following a repeat violation or a single gross violation of the Code.

Cluster "Forced labour and child labour"

- CEWE Human Rights Policy Statement: Application of a standard assessment and correction procedure if there is a risk that own operations or the suppliers' operations will have negative impacts on human rights.
- BME Code of Conduct: Compliance with local regulations on whistleblower protection. All employees are encouraged to report any behaviour that violates this code of conduct to their supervisor and/or a whistleblower system. The code explicitly rejects all forms of forced labour, human trafficking and child labour.
- CEWE Supplier Code of Conduct: Performance of audit actions; the Supplier Code of Conduct also states that the contractual relationship will be terminated following a repeat violation or a single gross violation of the Code. The Supplier Code of Conduct explicitly rejects all forms of forced and child labour.

Commitments to international standards

The upholding and promotion of human rights along the entire value chain is safeguarded by the Human Rights Policy Statement, the BME Code of Conduct and the Supplier Code of Conduct. The Supplier Code of Conduct makes explicit mention of working conditions and worker safety (remuneration, working hours, health and safety) as well as the prohibition of child labour and forced labour.

The CEWE Group is fully committed to upholding international standards throughout the value chain. This includes strict compliance with the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The CEWE Group carries out regular audits of its partners for monitoring and compliance purposes.

The CEWE Group has implemented processes and mechanisms to monitor compliance with these international standards on a continuous basis. These include regular audits at partner companies and employee training as well as the deployment of complaint mechanisms that provide workers throughout the value chain with the opportunity to report violations of human rights safely and anonymously. Furthermore, the CEWE Group reserves the right to terminate contractual relationships following repeat offences or a single serious offence, such as a human rights violation.

No incidents

During the reporting period, no incidents were registered concerning non-compliance with internationally recognised standards relating to working conditions and worker safety for workers in the value chain, nor concerning forced labour or child labour.

Processes for engaging with workers about impacts (S2-2)

The Company does not currently have a structured process for integrating opinions from workers in the value chain to be used as input and guidance during decision-making about policies. The interests of value chain workers are discussed only within the Company and are accounted for to the extent that the subject-matter experts at the CEWE Group are able to assess their needs. Potentially negative impacts can be communicated through the complaint and reporting system set up within the ombudsman system, which is described in more detail under G1-1 page 178.

Processes to remediate negative impacts and channels for workers in the value chain to raise concerns (S2-3)

The CEWE Group pursues a comprehensive approach to providing or supporting remedial actions in the event that a material negative impact has been caused – whether directly or indirectly – that affects workers in the value chain. To prevent and/or counter systematic infringements, the CEWE Group has established a reporting channel in the form of the Ombudsman that can be used by customers, business partners and value chain workers (as well as all other stakeholder groups) to report anomalous behaviour, problematic situations, suspicions or any other concerns.

The CEWE Group makes every effort to implement or facilitate the implementation of remedial actions in the event of actual material negative impacts on value chain workers. If a potentially negative impact on workers has been identified, the Company initiates a procedure for assessment and correction, and activates the CEWE Group reporting chain so that any countermeasures can also be implemented as necessary. The CEWE Group reporting chain established for compliance and other topics (report to ombudsman, then to Compliance Officer, etc.) is then activated, and countermeasures are implemented as necessary.

The CEWE Group performs preventive and control actions on a regular basis with the aim of avoiding violations of its duties concerning human rights. As soon as it becomes clear that CEWE Group business activities or suppliers have given rise to a risk of (potentially) negative impacts on human rights or the environment, the Company carries out a standard procedure for assessing and controlling this potential risk. In this way, individual actions can then be derived as appropriate for the specific impact. The reporting chain established for compliance and other topics is also brought into play here. Furthermore, the CEWE Group also stipulates the regular completion of audit actions in its Supplier Code of Conduct. Specifically, this means that the Company's own employees must complete a digital training course on compliance once a year. This course describes the reporting process and explains how it is used. Checklist templates are also provided for supplier visits, particularly for suppliers in high-risk countries. These templates are used to record details of visits by the persons responsible in the CEWE Group.

The effectiveness of these actions is determined with reference to the LkSG. Each year, the EcoVadis sustainability platform is used to review the control actions/remedies for effectiveness and implementation, both in relation to worker/human rights and to other topic areas. Suppliers were contacted in 2024, with annual questionnaires ensuring that the measures are implemented. A complete review of the implementation of measures can only be carried out based on the new surveys in 2025.

The channel for workers in the value chain is set up as a central function, and makes no distinction between the two clusters "Working conditions and worker safety" and "Forced labour and child labour".

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions (S2-4)

The CEWE Group has taken the following actions in the cluster "Working conditions and worker safety":

- Cooperation and consulting from the EcoVadis sustainability platform for the identification of (potentially) negative impacts and corresponding countermeasures
- Regular and ongoing performance of audit actions to prevent negative impacts on value chain workers: The Supplier Code of Conduct specifies the regular performance of audit actions. These audit actions review compliance with policies (including worker safety and working conditions)
- Annual distribution of the sustainability questionnaire to suppliers and service providers, and analysis of submissions
- Evaluation of new production material suppliers

The CEWE Group has taken the following actions in the cluster "Forced labour and child labour" in the value chain:

- Cooperation and consulting from the EcoVadis sustainability platform for the identification of risks and corresponding countermeasures
- Regular and ongoing performance of audit actions to prevent negative impacts on value chain workers:

- Ongoing action to prevent negative impacts: Evaluation of new production material suppliers. The fundamental conventions of the ILO are also applied in audit actions to verify compliance at local level with human rights aspects. This explicitly includes a zero-tolerance approach to forced labour and child labour. The audit process also requests certification (e.g. GOTS) to confirm that the supply chain is free from all forms of forced labour and child labour.
- Annual distribution of the sustainability questionnaire to suppliers and service providers, and analysis of submissions

Action 1: Cooperation with EcoVadis

The CEWE Group is implementing an action plan to protect value chain workers against potential risks and dependencies. As an initial step in this plan, the Company is working with the globally recognised sustainability platform EcoVadis. EcoVadis is assisting the CEWE Group with the identification and documentation of risks along the overall value chain. In addition, EcoVadis also proposes specific countermeasures. The analyses help to better identify areas for development and indirectly contribute to identifying further actions or goals. In the next step, each risk is individually assessed to determine which of the identified actions can be implemented. A detailed evaluation of the twelve suppliers identified as especially high-risk thanks to the cooperation with EcoVadis is still ongoing and was not completed in the reporting year.

Questionnaires are sent out to suppliers at regular intervals as part of the Company's cooperation with the EcoVadis sustainability platform. Some of the actions taken by the CEWE Group are derived from these insights. Alongside the identification of current actions, the questionnaires can also be used to assess the effectiveness of actions from previous years. The effectiveness of actions can be tracked by the trends in supplier scoring.

Action 2: Performance of audit actions

The CEWE Group completes supplier audits every two years. This also includes new suppliers and those located in critical regions such as Asia. These audit actions review compliance with the Supplier Code of Conduct, including the two clusters "Worker safety and working conditions" and "Forced labour and child labour". In cases of suspected non-compliance or if potential risks are identified, additional audits are conducted at the respective supplier.

The audits verify compliance with standards that have been specifically agreed on and set out in the Supplier Code of Conduct, with the aim of reducing the probability of negative impacts on value chain workers.

Action 3: Evaluation of new production material suppliers

Before conducting business with a production material supplier, the Company requires an evaluation process to be completed. In the reporting year, the CEWE Group did not acquire any new relevant production material suppliers. This evaluation also accounts for human rights aspects in line with the fundamental conventions of the ILO, and requires suppliers to commit to environmental protection and reject all forms of forced and child labour.

Action 4: Annual distribution of sustainability questionnaire

The annual sustainability questionnaire for suppliers and service providers includes disclosures on certification, supplier audits (explicit confirmation of audits of working conditions and worker safety) and general goals for suppliers in relation to social targets. Typically, this involves an individual from the business partner's sustainability department being questioned explicitly about working conditions (such as the work-life balance, for example) and worker safety. The questionnaire is both a control instrument for assessing commitment as well as an analytical tool for estimating the business partner's social and ecological responsibility. The questionnaire also forms part of an award process, in which supplier questionnaires are assessed by a committee of internal and external experts in several rounds, ultimately producing two winners. If the questionnaire reveals problem areas, these are marked in red as part of the analysis process (involving multiple reviewers) and brought up with the supplier. Lastly, the CEWE Group also uses the responses from suppliers and business partners to generate ideas for its own sustainability activities. The sustainability questionnaire also includes questions on certification capable of verifying the value chain as being free from forced labour and child labour (e.g. the Global Organic Textile Standard (GOTS), an independent non-profit organisation that focuses on socio-environmental criteria and the transparent certification of the overall textile supply chain) and whether the LkSG is applicable to the respective supplier.

The CEWE Group makes every effort to implement or facilitate the implementation of remedial actions in the event of actual material negative impacts on value chain workers. If a potentially negative impact on workers has been identified, the Company initiates a procedure for assessment and correction, and activates the CEWE Group reporting chain so that any countermeasures can also be implemented as necessary. The CEWE Group reporting chain established for compliance and other topics (report to ombudsman, then to Compliance Officer, etc.) is then activated, and countermeasures are implemented as necessary.

Compliance with the process is ensured by the enforcement of the Human Rights Policy Statement which applies to all employees worldwide. This is communicated to employees, the Works Council, direct suppliers and the general public via channels such as the Company's website.

The risk analysis supported by EcoVadis is used for the identification and management of potential risks. The remedial actions resulting from this analysis serve as a central starting-point for handling negative impacts. The systematic implementation of these measures ensures that appropriate procedures are in place to implement and continuously review their effectiveness. This ensures that significant negative impacts are identified early and addressed in a targeted manner.

No actions exist that have been designed to avoid material negative impacts from own operations on value chain workers.

No serious human rights violations in the value chain were registered during the reporting period.

To control negative impacts on value chain workers, the CEWE Group has provided resources in the form of both personnel and funding. In particular, these include Central Purchasing, which is responsible for implementing and verifying due diligence requirements in consultation with the Sustainability department and the Compliance Officer.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S2-5)

The CEWE Group has not defined any targets for the management of impacts, risks and opportunities relating to forced labour and child labour in the value chain, nor does it have any plans to introduce such a target. Accordingly, the effectiveness of policies and actions in this connection is not tracked.

Consumers and end-users (ESRS S4)

Strategy

Interests and views of stakeholders (ESRS 2 SBM-2)

Consumer focus is strategically anchored in the CEWE Group's business model of both the B2B and B2C/B2B2C brands. This is clearly demonstrated by the attention to customer needs shown in the core presentation of the Company, whether for public consumption, such as in the publication of quarterly figures, or in the context of presentations made by the Executive Board at internal events like the Innovation Days. The CEWE Group has also defined the protection of personal data from end-customers as a strategic target and included this as a core value in its Customer Charter **https://www.cewe-group.com/en/about-us/responsibility/customer-charter-and-advisory-council.html** This approach works to address the basic risks and impacts inherent in the CEWE Group's business model, particularly the processing of personal image data. In addition, the business model and corporate strategy is restricted to the extent that the sale of customer data is explicitly prohibited (see article 1 of the Customer Charter).

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

The CEWE Group seeks to ensure the responsible and customer-focused use of technologies. The Company neither sells customer data nor is such data shared with third parties without customer consent. Consolidated data analysis

cewe group

is carried out only with anonymised data or with the express consent of the customer. The CEWE Group's business is materially dependent on its IT service systems, their data and their communications channels being protected from criminal or unauthorised activities. These activities include cybercrime and cyberattacks, such as unauthorised access, data loss and the misuse of data or systems.

In the course of providing products and services, there is a potential risk to privacy, even if appropriate precautionary measures are taken. Data leaks could lead to personal information from end consumers (uploaded personal photos, user data, account data) ending up in the possession of third parties. Potential data leaks could have material impacts on data subjects, as could mix-ups and mistakes made concerning customer identities when processing and delivering photo products.

These customer risks give rise to entrepreneurial risks for the CEWE Group, particularly as posed by potential fines, penalties or sanctions in the event of breaches of laws protecting the privacy of consumers and end-users. Loss of customer confidence would be a further risk for the Company. In addition, the need to modify the existing IT infrastructure to meet regulatory requirements could also result in significant costs. At the same time, effective and high-quality data safeguards could offer the CEWE Group a chance to improve its market standing and position itself as a secure and trustworthy provider. This focus on data protection – especially in relation to highly sensitive data like personal photos – could improve the Company's reputation and open up new market opportunities. Both the opportunities and risk are fundamentally dependent on the negative impact of potential data leaks.

In the course of its business activities, the CEWE Group processes a wide range of data, including personal photos from its customers. Even before the enactment of the EU General Data Protection Regulation (GDPR), business processes were designed to ensure the protection of this sensitive data, which forms a core component of Company strategy. Long before compliance with the GDPR became mandatory, comprehensive action was taken towards data protection, with the aim of ensuring the secure and legally watertight handling of personal data.

With the entry into force of the GDPR, the Company not only adjusted these measures to meet regulatory requirements but has continued to improve and expand them. Accordingly, data protection within the CEWE Group far exceeds the minimum legal requirements and is a general, process-neutral principle that applies to all company activities.

A core aspect of the actions taken is the secure processing and storage of data. Servers in Oldenburg are exclusively used for the temporary storage of personal customer data, which is then erased under the strict internal supervision of the CEWE Group. Data protection actions are not implemented with a fixed time horizon but as a continuous process that is adjusted to reflect current developments and requirements.

As described in the general disclosures, the CEWE Group has used the materiality assessment as a first step to identify the scope of activities within its own operations and value chain, as well as the affected stakeholders. As a result of this process, all customer groups form an indirect part of the double materiality assessment. No additional checks were made with the purpose of verifying the inclusion of all consumers in the value chain. These strategies, actions and targets mentioned here relate to all customers, and no customer groups have been actively excluded.

Customer groups

Customers of the CEWE Group include all individuals who wish to have their photos printed professionally – whether for photobooks, wall art, calendars or personalised photo gifts. In ordering photobooks or framed pictures, customers are looking to preserve memories of occasions such as weddings, birthdays or holiday trips for themselves or others. Business customers use the providers in the CEWE Group for corporate products such as promotional items, calendars and marketing materials.

Thanks to the products' low level of complexity, anyone can use products from the CEWE Group without the need for detailed instructions. Accordingly, a lack of information does not constitute a risk for customers. Additional information is nonetheless provided online.

No material impacts, risks or opportunities have been identified that result from the impacts and dependencies of consumers and end-users, and exclusively affect certain groups.

The occurrence of material negative impacts on consumers and end-users in the form of potential data leaks is a fundamental risk that arises from the business model of the CEWE Group. However, no fundamental systemic risks exist because the risks concerned are isolated cases.

The risks and potential negative impacts identified in the course of the materiality assessment relate directly to the business model, because personal customer data is required for the production of personalised photo products. The CEWE Group recognises its responsibilities in relation to the handling of customer data. The handling of personal customer data is a key aspect of the business model of the CEWE Group. For this reason, protecting this data is not merely a core component of company strategy but is also reflected in the IROs. This is enshrined in the Customer Charter of the CEWE Group and therefore also explicitly excludes other business models that would involve the marketing or sale of customer data.

Impact, risk and opportunity management

Policies related to consumers and end-users (S4-1)

The CEWE Group has over 60 years of experience in the development and production of personal photo products. This awareness of the proper handling of personal data is anchored deeply within company culture and is very familiar to each and every employee. This same level of diligence is maintained for all customer groups, which are treated in the same way by the Company. All control mechanisms are applied in the same way for all consumers and end-users in order to prevent data leaks involving customer information, and to avoid the resulting sanctions and loss of customer confidence. All of these mechanisms apply Group-wide. No distinction has been made regarding the degree (if any) to which consumers and end-users with specific attributes or persons who use certain products or services are – or could be – exposed to a greater risk of loss or damage. The exact scope of each individual policy is defined in the minimum disclosures on a per-policy basis. All policies mentioned below are part of the CEWE Group's data protection strategy.

1. CEWE Group IT security policy
- Compliance with the German Federal Data Protection Act (Bundesdatenschutzgesetz – BDSG) and other relevant legal requirements.
- Clarification of the topics of data protection and data security.
- Use of secure IT processes to protect customer, employee and third-party data.

2. CEWE Group Human Rights Policy Statement
- Human Rights Policy Statement valid worldwide for all employees of the CEWE Group in all divisions of the Company.
- Business partners must commit to ethical business at all times and must obtain assurances from their own partners regarding the respecting of human rights.

3. BME Code of Conduct
- Basic principles regarding legal, ethical, social and environmental responsibilities.
- The signatory or member company commits to fulfilling its social responsibilities in all of its business activities.
- Properly accounting for human rights and working conditions for all employees and suppliers.

4. Data Protection Policy

The CEWE Group complies with all applicable data protection legislation. In compliance with Article 13 of the EU GDPR, the Company's privacy policy explains which data is collected when using the CEWE Community, by attending webinars, by registering with the CRM system (newsletter) and when placing orders. The privacy policy also explains how this data is used. However, the privacy policy does not apply to websites of other companies that link to this website or which are linked to themselves by the CEWE Group websites.

5. Forum terms of service (new) (with Digital Service Act) S4-1.13

The CEWE brand uses the CEWE Forum's terms of service, the CEWE customer examples and CEWE webinars to ensure that the content uploaded to its platforms does not infringe third-party rights and is fully compliant with applicable law. In accordance with recognised ethical principles, the terms of use supplement the Data Protection Policy with specific provisions on the use of the channels mentioned above and are part of the policy of risk minimisation in relation to consumers and end-users. They apply to all user groups.

Preventive data protection actions constitute the core strategy of the CEWE Group for avoiding negative impacts on customers and business partners. The Company has implemented binding procedures throughout the Group to control the associated risks and opportunities.

As is the case for any company that processes customer data, ensuring protection for personal data is a key challenge for the CEWE Group. Material risks exist in the form of potential data leaks, unauthorised access and regulatory infringements. To mitigate these risks, the CEWE Group deploys technical security measures as well as comprehensive training for both permanent employees and seasonal staff. In 2004, the Company used a works agreement to introduce a ban on camera phones at all German production sites with the aim of preventing misuse. New employees are given a data protection briefing in their Welcome Pack, while signs posted in production facilities remind staff about company rules.

The data protection strategy comprises:

- All areas of business, including production, sales and the digital platforms
- External service providers within the value chain
- Sites within the European Union, in compliance with the EU GDPR
- Employees, customers and business partners who work with personal data

The Executive Board has overall responsibility for implementation, with operational responsibility assigned to the Data Protection & Compliance department. Data protection officers at several sites work to ensure compliance with policies.

The CEWE Group strictly observes applicable laws on the protection and security of personal information and personal data. The Company has also developed Group-wide policies that cover topics such as data protection, information security and cybersecurity. A uniform set of internal rules, applicable across the Group, ensures that data protection actions are applied systematically in all areas of business. Compliance is ensured by means of clear-cut responsibilities and data protection officers at several sites. The Company aligns its policies with the EU GDPR and with internal data protection agreements, whose provisions exceed the minimum legal requirements.

Stakeholder involvement in strategy development is achieved with tools such as employee surveys and customer feedback forms. The Company privacy policy is available from **https: //www.cewe.de/datenschutz.html** Mandatory training courses are also held on a regular basis for permanent employees and seasonal staff.

Strict codes of practice

Violating the human rights of consumers or end-users is incompatible with these fundamental principles. The basic principles for respecting human rights are based on the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, the fundamental conventions of the ILO and the International Bill of Human Rights. The Company has not established processes and mechanisms for monitoring compliance with these policies.

References to external regulation of the policies used

1. CEWE Group Human Rights Policy Statement (applies worldwide to employees throughout the Group)

- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- Fundamental conventions of the ILO
- International Bill of Human Rights
- BME2 industry initiative

2. BME Code of Conduct

- UN Global Compact
- ILO conventions
- United Nations Universal Declaration of Human Rights
- United Nations conventions on the Rights of the Child and Elimination of All Forms of Discrimination Against Women
- OECD Guidelines for Multinational Enterprises

Data protection officers

Data protection is a complex field in terms of compliance. To ensure that the Company meets all of the requirements in this area, numerous data protection officers have been appointed and tasked with observing all legal and practical aspects at their sites to minimise the risk of data breaches. The Data Protection Officer at CEWE Stiftung & Co. KGaA is part of the legal team and reports directly to the Chief Compliance Officer and General Counsel.

In the reporting period, the CEWE Group was not aware of any cases of human rights violations involving consumers and/or end-users within the downstream value chain. If such a case became known, then the above-mentioned procedure would be used to remedy the situation (see CEWE Group Human Rights Policy Statement).

Processes for engaging with consumers and end-users about impacts (S4-2)

The CEWE Group sells its products directly to consumers and end-users, and also via business partners such as health and beauty chains and supermarkets. Customers have several options for contacting the Company. Personal contact can be made by phone, email or social media channels and an anonymous reporting procedure is also available. To date, however, the Company has not established a structured process for contacting consumers and end-users or individuals representing these groups. In its decisions and policies that define interaction with consumers and end-users, the CEWE Group nonetheless makes every effort to account for the interests of data subjects by means of the insights that its current decision-makers/business departments have into the interests of consumers and end-users.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

Ombudsman

The CEWE Group provides its consumers and end-users with several ways in which they can report their concerns and problems. The Company has appointed an external ombudsman as its most important reporting instance. Employees, business partners and other stakeholders of any company in the Group can contact this ombudsman anonymously to provide confidential information about suspected cases of corruption, fraud, breach of trust or other serious irregularities. Apart from the ombudsman, the CEWE Group also gives its customers several options for contacting the Company directly, whether by email, phone or post.

Reporting system

If the CEWE Group identifies a material negative effect on human rights (such as a breach of privacy) despite the precautionary measures available, the Company initiates standard proceedings to assess and rectify the damage and introduces appropriate countermeasures. Separate arrangements are in place for negative impacts that do not violate human rights. As one example, posts made on the CEWE Forum can be reported and deleted if this proves necessary, as determined by the Customer Service process.

This process does not envisage any compensation being made to individuals who were exposed to the reported forum posts and/or whose right to privacy was thereby infringed. With its ombudsman system, the CEWE Group ensures full anonymity can be maintained when submitting a report, thereby preventing the reporting individual from suffering any loss or damage. Apart from guaranteeing anonymity, the CEWE Group is also committed to complying with local regulations concerning whistleblower protection (see BME Code of Conduct). The CEWE Group invites all customers to use the reporting systems whether they purchase directly from the Company or its business partners. This option is thus independent of the point of sale. The CEWE Group documents all identified data breaches and violations of human rights. The general disclosures for the Customer Service process provide precise details of the process for complaints and mix-ups. Particulars are given of the various types of information recorded when product mix-ups occur. Reports pursuant to the Digital Service Act are also recorded automatically when an electronic report is made in the forum. The channels are intended to strengthen stakeholder confidence, and are both known and accessible to these stakeholders. The Company does not currently use a structured policy to monitor the effectiveness and efficacy of reporting procedures, nor to assess the level of customer awareness of these reporting procedures and their confidence in them.

Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions (S4-4)

The core instrument used by the CEWE Group to avoid negative impacts in relation to data is prevention – and therefore the associated internal rules for handling customer data (see S4-1, page 173).

Mix-ups

In the case of mix-ups, which constitute another core data protection risk for the CEWE Group, a structured process is in place that governs how the Company responds to these incidents. Mix-ups are a particularly serious type of incident, as these involve personal information (personal photos) being disclosed to individuals who should have no access to this information. The internal Customer Service Processes document, applicable across the Group, defines a multi-stage response to mix-ups and is aimed at providing a comprehensive approach to handling these incidents. Instructions for responding to complaints are also provided. This procedure is the result of more than 60 years of experience in shipping out personalised photo products.

Training

The Company is currently implementing a large-scale training programme for all CEWE Group employees to ensure that they are familiar with and understand the rules for handling sensitive data. Data protection and data security, together with cybersecurity and IT security, are part of onboarding for all new employees. Regular training is also provided for employees on the topics mentioned. Regular communications (e.g. emails from IT, CARL app) raise employee awareness about current data protection and cybersecurity topics, and remind them of the Company's clear codes of conduct. CARL is the mobile communication app for news, information and interactions around the CEWE Group.

Funding for specialised training on data protection and data security is provided as part of the overall CEWE Group training budget. Accordingly, an itemised breakdown of costs is therefore not possible. The estimated outlay for training in relation to data protection is between 5,000 and 10,000 euros.

Reporting procedure

As described in S4-3 page 175 and G1-1 page 178, the CEWE Group has established a comprehensive reporting system. A standard procedure permits an individual approach to remedying a situation that has been reported via the ombudsman (see CEWE Group Human Rights Policy Statement). Beyond this, the Privacy Policy sets out the rights that are granted to individuals who believe that their personal data has been misused. These include rights to access, rectification, erasure and restriction of processing. Potential infringements of this policy are addressed by an established, well-documented and Group-wide procedure. Communications with data protection authorities and data subjects (as necessary) are coordinated with the Group Data Protection Officer of CEWE Stiftung und Co. KGaA.

Corporate risks

The corporate risk identified for the CEWE Group from data breaches primarily relates to the penalties levied by the authorities for such breaches. In this case, the same actions that prevent negative impacts on consumers and end-users also provide a remedy in this context. The CEWE Group implements strict data protection rules, has appointed a Data Protection Officer and conducts regular training for employees to prevent data protection breaches. If no data breaches occur, this also minimises the risk of having to pay related penalties. The Company does not currently document or assess the effectiveness of actions taken to reduce the risk of penalty payments. The material risks associated with consumers and/or end-users are integrated into the existing risk management system.

All of these actions are exclusively company-internal arrangements that do not depend on any cooperation with other parties. They are not inconsistent with other company targets.

To ensure that these remedial actions are available when required and that they achieve the desired outcome, they have been included as core elements of the CEWE Group Human Rights Policy Statement. The documented standard procedure is available at all times. Despite the existence of actions for prevention and control, violations of human rights or failures to fulfil environmental duties still remain a possibility. As soon as it becomes clear that the CEWE Group's business activities or those of its suppliers entail a risk of negative impacts on human rights or the environment, the CEWE Group initiates a standardised procedure for assessment and correction. This also involves the use of the reporting chain set up within the CEWE Group for compliance and other relevant topics, which permits the introduction of suitable countermeasures as necessary. The Company does not currently keep records or assess the effectiveness of the individual actions.

No breaches

The CEWE Group is not aware of any serious violations of human rights in relation to consumers or end-users in the reporting period. No fines were incurred.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

The CEWE Group does not currently have any targets for improving data protection for end-consumers. In addition, the Company does not plan to introduce such a target at this time. The Company tracks the effectiveness of strategies for managing material impacts and risks, and audits these regularly in terms of their effectiveness. As one example, the Company has set up the Emergency Group and tasked this working group with investigating the occurrence of mix-ups and improving processes as necessary to prevent their occurrence. Corresponding reports that document such incidents are available and are being subjected to an internal review process. While the Company has not set specific targets, it makes every effort to prevent any such incident from occurring.

Governance information

Business conduct (ESRS G1)

Governance

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Opportunities and impacts

Two groups of positive impacts and opportunities have been identified. The first group (positive impact, opportunities) addresses supplier relationships and management, such as the selection and evaluation of suppliers, contract negotiations, risk management and performance monitoring. The other group (opportunities) addresses corporate culture, including company values and employee retention.

Fair, transparent and forward-looking for successful supply chain collaboration

Long-term supplier relationships, particularly those fostered by the CEWE Group's active supplier management and compliance with fair payment terms, contribute to lower transaction costs and improved terms and conditions. A supplier code of conduct guaranteeing timely payments for small and medium-sized companies can improve their liquidity and allow them to plan with greater certainty. The CEWE Group also sets out binding minimum standards for collaboration with business partners in its own Supplier Code of Conduct (see the section CEWE Supplier Code of Conduct page 181). This means investing in reliable trade relationships along the value chain, from which all parties benefit and which – according to the approach – also survive crises.

Ethical and sustainable business practices

Well-informed, motivated employees who identify with the CEWE Group and its fundamental values make a decisive contribution to quality, efficiency, innovation and growth. The Company's understanding of leadership is based on mutual trust, respect and the delegation of responsibility. Its operating units are headed up by managing directors and responsible individuals who think and act in the interests of the Company and have wide-ranging decision-making powers. They are responsible for strategic and operational implementation in their respective areas. To strengthen its corporate culture, the CEWE Group focuses on conveying and exemplifying its fundamental values, which are described in detail in the following sections entitled "CEWE Group Mission statement" and "The WE in CEWE".

The CEWE Group has signed the BME Code of Conduct to ensure fair, sustainable and responsible operational principles in procurement. This voluntary commitment to the Bundesverbandes Materialwirtschaft, Einkauf und Logistik e. V. (German Association for Supply Chain Management, Procurement and Logistics – BME) reinforces the Company's responsibility to maintain a sustainable supply chain and ethical business.

Business conduct policies and corporate culture (G1-1)

The CEWE Group has historically conducted its business in accordance with German and international law as well as generally accepted ethical principles. These are set out in writing for the CEWE Group in various guidelines and principles and provide its respective stakeholders with fundamental guidance on the Company's corporate culture and understanding of compliance:

CEWE Code of Conduct

The CEWE Group's Code of Conduct holds its entire workforce to ethical principles and minimum standards. Each and every employee is responsible for complying with the regulations set out in the Code of Conduct while carrying out their day-to-day work. Management also has the special responsibility of setting a good example when adhering to these principles. The CEWE Group's aim is to treat all of its employees, customers and business partners fairly and respect their rights and privacy. It does not tolerate treating people differently based on gender, race, disability, origin, religion, age or sexual identity, not does it tolerate sexual harassment or any form of bullying. Employees are encouraged to clarify any issues or uncertainties directly with their superior, HR department, employee representatives or ombudsman. Management is responsible for implementing and initiating consequences in the event of potential violations.

CEWE Group Human Rights Policy Statement

In 2022, the CEWE Group began dealing with the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz – LkSG). A Policy Statement reflecting management's commitment to respect for human rights was adopted and integrated into the organisation. All employees worldwide were required by the Policy Statement to behave appropriately and lawfully towards their colleagues and partners as part of human rights due diligence. The CEWE Group expects its partners to observe recognised ethical principles, for example on environmental and health protection, compliance and human rights, to act with integrity and to implement human rights standards in their own supply chains. The CEWE Policy Statement is based on internationally accepted standards and principles, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. Together with other mechanisms within the organisation (e.g. the Code of Conduct, risk management, evaluation of suppliers, environmental management), the CEWE Group has had reliable structures and processes in place for several years to encourage responsible conduct within the organisation. To maintain international human rights standards, the CEWE Group conducts an appropriate risk assessment and due diligence check each year to identify, assess and address any potential and actual negative human rights impacts in its own business activities and those of its supply chain. The Company also defines processes for determining mitigation measures. The relevant action areas here are most apparent in the review of the main supply chain and in procurement from regions with a risk status (e.g. Asia). As the CEWE Group only has limited opportunities to influence the supply chain due to its complexity, it collaborates with EcoVadis to review the supply chain. If a risk is identified, the Company initiates standard assessment and rectification proceedings and uses its established compliance reporting chain. The ombudsman also accepts confidential and anonymous reports of suspicious cases. Management, especially the CEO and Executive Board members responsible for Production, Purchasing, Logistics, Human Resources and Customer Service, are responsible for implementing human rights due diligence. The central Purchasing department is responsible for implementation and verification. Management is kept informed of implementation and verification on a regular basis and at least once a year. Employees regularly receive training on the content of this due diligence, and business partners are kept informed. Compliance with defined due diligence procedures and human rights standards is compulsory. The Policy Statement is communicated directly to employees and direct suppliers. Members of the public can read the Policy Statement on the Company’s website.

BME Code of Conduct

The CEWE Group has signed the BME Code of Conduct and is bound to comply with it. The BME Code of Conduct is a voluntary code designed to reinforce the interest of the BME and its members in upholding fair, sustainable, responsible and ethical operational principles. The main aims of this Code of Conduct are not only to comply with laws and regulations but also to promote human rights, fight corruption, ensure fair working conditions, protect occupational health and promote environmental protection, product safety and supply chain responsibility. The Code also refers to international standards such as the UN Global Compact, the ILO Conventions, the United Nations Universal Declaration of Human Rights, UN Conventions on the Rights of the Child and on the Elimination of All Forms of Discrimination Against Women, OECD Guidelines for Multinational Enterprises and the German Supply Chain Due Diligence Act. The CEWE Group has been affiliated with the BME since 2010. In doing so, it acts in the interests of its stakeholders and addresses issues such as equal treatment, human rights, fair working conditions and environmental protection in relation to its employees, suppliers and customers. The Company’s management is responsible for implementing this policy and complying with it. By signing the BME Code of Conduct, the CEWE Group has also committed to establish and maintain control mechanisms, regularly adapt its policies and processes, establish a reporting system for violations and train its employees and business partners on the Code’s content. The Code applies to the entire organisation, including all employees and management across all regions as well as direct suppliers and business partners, and forms the basis for all supplier agreements. It can be viewed on the CEWE website together with the Terms and Conditions of Purchase and is accessible free of charge. This transparent communication and regular training sessions ensure that all employees and business partners are fully informed about the Code of Conduct and can comply with the contents of the policy. The CEWE Group completed an annual self-assessment for the BME during the reporting period.

CEWE Group mission statement

The CEWE Group mission statement defines the Company’s core values and principles, based on integrity, trustworthiness and responsibility and compliance with German and international laws as well as generally accepted ethical principles. The main contents and associated aims are:

- Honest and fair conduct: Focus on honesty, integrity, loyalty, fairness, tolerance and openness in all business activities.
- Economic viability: Pursuit of quality, efficiency, innovation and growth through partnership and respect for each and every individual.

- Environmental protection and resource conservation: Obligation to protect the environment and comply with sustainability principles, including the rejection of products manufactured using child labour.
- Responsibility for employees: Promoting employee loyalty, work-life balance and employee development by fostering a corporate culture based on partnership.
- Community engagement: Viewing property as a commitment to society, with a focus on making a social and societal contribution.

The mission statement also emphasises the importance of communicating its content to all employees and business partners to ensure that the Company's values are embedded in all business processes. It is published and publicly available on the Company's website, with its core values and principles providing a formal basis for the conduct of the CEWE Group's employees and management. It applies to the entire CEWE Group and encompasses all employees, business partners and the Company's relationship with society. The mission statement is critically reviewed and refined as part of a continuous monitoring and improvement process. The preparation of the mission statement was discussed extensively at Executive Board-level.

„The WE in CEWE"

Building on the CEWE Group's mission statement, "The WE in CEWE" defines the Company's values and was led and determined by the Executive Board. It includes and describes the cultural mindset of the entire CEWE Group, namely a corporate culture founded on respect and openness. Understanding the sense of togetherness within the Company also plays a key role, with integrity, equality and diversity considered core values. "The WE in CEWE" describes the following aspects of the Company's corporate culture:

- Sustainability and long-term focus: "WE act responsibly. Our long-term commercial focus is based on sincere partnerships – with our employees, customers and business partners as well as the environment in which we live and work."
- Products and services: "WE firmly believe that every little detail counts. We have a passion for offering exceptional customer experiences with products and services of the highest quality – both now and in the future."
- Customer focus: "WE love to delight our customers. We put them at the heart of everything we do and build long-term relationships founded on quality, trust, transparency and reliability."
- Innovation and transformation: "WE are all innovators. We are confident that change opens up opportunities for commercial success. Refining our products and services and adapting to changing conditions allows us to grow and get ahead of the market."
- Entrepreneurship and ownership: "WE have an entrepreneurial spirit. We make responsible decisions to drive our company forward and all contribute to our commercial success."
- Community and collaboration: "WE are a team. We are deeply committed to standing up for each other and the Company."

Ombudsman

The concept of an ombudsman was established within the CEWE Group in response to internal compliance principles and policies such as the CEWE Code of Conduct, the BME Code of Conduct and the CEWE Policy Statement. Its aim is to prevent economic crime and protect the Company from misconduct that could result in damage and loss of reputation. The term and role of ombudsman refers to a complaint and reporting system enabling employees, business partners and third parties to report suspected cases confidentially. This availability is not limited to particular geographical areas or specialist units within the Group. The Company applies this approach to the entire value chain. This complaint and reporting system enables the CEWE Group to promote a safe working environment and bolster employee and stakeholder confidence in the integrity of the Company.

The CEWE Group's own Compliance Officer was selected, proposed and appointed as the ombudsman by and for the entire CEWE Group. They act as an independent confidant and are bound to professional secrecy. In accordance with the German Whistleblower Protection Act (Hinweisgeberschutzgesetz – HinSchG), the CEWE Group has established internal reporting channels that enable employees to report legal violations anonymously, safely and confidentially. These reporting channels are designed to facilitate both internal and external reporting and ensure that whistleblowers are protected against retaliatory measures.

Employees and workers along the value chain as well as customers, consumers and end-users can report their concerns and needs anonymously and confidentially via email, telephone and fax. A link to the ombudsman is provided on the CEWE Group website, together with information about available communication channels. The established system ensures that all reports are reviewed carefully and dealt with appropriately without disclosing the identity of the whistleblower. Employees and third parties may use the ombudsman free of charge.

The CEWE Group has implemented processes to record reports in detail and take appropriate action. If the CEWE Group identifies a material negative effect on human rights (such as discrimination or a breach of privacy) despite the precautionary measures available, the Company initiates standard proceedings to assess and rectify the incident and introduces appropriate countermeasures. All violations are appropriately documented by the CEWE Group and used to continually improve existing processes.

The CEWE Group holds regular training sessions to ensure that all employees are informed about and trust the existing structures and processes for expressing their concerns and needs. These structures and processes are communicated via channels such as the Policy Statement, the Company's website and the Intranet. Employees are also kept informed via initiatives such as compliance training held online and in person, including the Welcome Days events for new staff.

The Company regularly assesses the effectiveness of these initiatives, and includes the Works Council where necessary. The CEWE Group also reviews and improves its communication channels to ensure that they meet stakeholder requirements. To date, the CEWE Group has not assessed whether individual workers in the upstream value chain are aware of the reporting channels and whether they are seen as trustworthy by workers in the value chain. There is no generalised process for monitoring the reporting process and assessing its effectiveness. Instead, there are only individual procedures.

The CEWE Group requires all of its employees to complete compulsory training on corporate culture each year.

CEWE Supplier Code of Conduct

The CEWE Supplier Code of Conduct defines the non-negotiable minimum standards that must be observed when collaborating on commercial transactions. The Supplier Code of Conduct contains principles on anti-discrimination (as part of the General Equal Treatment Act), compliance with occupational health and safety standards, the prohibition of forced or child labour and entitlement to appropriate remuneration as well as compliance with applicable environmental standards and product safety. These principles were developed with the various business units. The Supplier Code of Conduct is a prerequisite for awarding contracts to external service providers. It applies to all of the CEWE Group's business partners as well as their affiliated companies and employees. The business partners are responsible for passing on the Code and complying with it. The CEWE Group carries out regular audits of its partners for monitoring and compliance purposes, with these audits conducted by a authorised third party where appropriate. As part of these audits, business partners must provide the necessary documentation and grant access to relevant areas of their own business as well as to their subcontractors and suppliers. Suppliers from regions classified according to the internationally recognised amfori BSCI guidelines as "critical" (in Asia, for example) are evaluated with particular care and attention. The Amfori BSCI Code of Conduct is a mandatory document that helps Amfori members and their business partners to fulfil human rights due diligence obligations in their global supply chains. Supplier evaluation is conducted by means of an internal audit document, which ensures that supplier visits are fully documented and details from factory tours are properly recorded. Supplies from China are evaluated roughly every two years. In the event of violations, the CEWE Group reserves the right to extraordinary termination of the main contract. The Executive Board is responsible for implementation. Business processes and any shortcomings identified are regularly coordinated and communicated.

Supplier Handbook

The CEWE Group's Supplier Handbook describes and formalises procedures for procurement and ensuring supplier responsibility. It includes guidelines for supplier assessments and complying with standards. Its aim is to ensure transparency and compliance in the supply chain and promote sustainable procurement practices and supplier management. However, there is no obligation with regard to external standards. The Supplier Handbook includes internal procurement processes, including supplier selection and assessment. It applies to all suppliers who provide products and services to the CEWE Group. No stakeholders were involved in the preparation of this policy. The Purchasing team is responsible for complying with procurement guidelines. Regular reports on the performance of suppliers are provided to management. Purchasing guidelines and processes are regularly communicated within the CEWE Group to ensure transparency.

Management of relationships with suppliers (G1-2)

Solid ethical principles are required to strike an effective balance between social and environmental challenges on the one hand and successful business on the other. At the CEWE Group, "honest and fair conduct" includes values such as reliability, honesty, a long-term perspective, decency, integrity and trustworthiness. The Company is a reliable partner and expects applicable laws and regulations to be observed in all aspects of its business. As a result, the CEWE Group does not tolerate any conduct that calls into question or jeopardises its integrity.

The Company is committed to fair competition and focused on innovative quality and performance. The CEWE Group rejects any unlawful agreements or false bids. This means that orders should not be obtained by granting or offering improper advantages.

The CEWE Group strives for long-term collaboration with its partners. Trusting, open and transparent relationships that take the rights, legally protected interests and other interests of the other party into account are essential in this regard. These trust-based, long-term relationships with suppliers and trading partners have proven commercially successful – particularly in times of global crisis with significant price volatility and disruption in established supply chains. The minimum social and environmental requirements that must be fulfilled when collaborating with the CEWE Group are set out in the Supplier Code of Conduct. Regulations governing contact with suppliers are set out in the Company's Purchasing Policy. To avoid a build-up of payment arrears, these guidelines ensure timely processing of incoming invoices, ideally within the stated payment period.

Invoices are processed via an electronic tool that supports the Company's efforts to meet payment deadlines. It does this by:

- giving the Accounting team constant access to the current processing status of invoices, enabling them to actively request any approvals required when late payment is imminent; and
- sending automatic reminders to all individuals required to approve an invoice as soon as late payment is imminent. These reminders are based on escalation periods defined when customising the invoicing checking tool as well as the payment terms defined in the system. The tool informs the current processors at a specified time in advance of the payment due date. If there is no response, the invoice is forwarded to the respective superior to ensure that it is processed.

The German Supply Chain Due Diligence Act came into force in Germany on 1 January 2023. The Act requires companies based in Germany with at least 3,000 employees to conduct human rights due diligence within their own scope of business as well as in their supply chains. At this point in time, the CEWE Group has exceeded 3,000 employees in Germany and has been compliant with the LkSG since 1 January 2023. (https://www.cewe-group.com/de/nachhaltigkeit/unternehmen/nachhaltigkeitsmanagement/lieferkette.html) Regulations governing contact with suppliers are set out in the Company's Purchasing Policy.

Prevention and detection of corruption and bribery (G1-3)

As part of the double materiality assessment under the CSRD, the topic "Incidents of corruption or bribery" is classified as immaterial. As a result, the Company does not report on any specific anti-corruption or anti-bribery policies.

Metrics and targets

At present, the Company has not set any governance and compliance targets, and does not currently plan to introduce any such targets. The Company does not track the effectiveness of its policies and actions in relation to the material sustainability-related impact, risk and opportunity, and accordingly has not set any targets and qualitative or quantitative metrics to assess progress.

Incidents of corruption or bribery (G1-4)

The CEWE Group was not notified of any incidents of corruption or bribery during the reporting period.

Payment practices (G1-6)

The most frequently used payment term is 14 days, with 24.5% of payments being made under these standard payment terms. There were no outstanding legal proceedings for late payments during the period under review. Payment practices are set out in the CEWE Group's Purchasing Policy.

In the context of its partial application of ESRS, the CEWE Group reserves the right not to report on datapoint G1-6-33a.

ESRS Index

ESRS	Contents	Page	Notes
General disclosures			
Basis for preparation			
BP-1	General basis for preparation of the combined non-financial statement	Page 96	
BP-2	Disclosures in relation to specific circumstances	Page 97	
Governance			
GOV-1	The role of the administrative, management and supervisory bodies	Page 98	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Page 102	
GOV-3	Integration of sustainability-related performance in incentive schemes	Page 108	
GOV-4	Statement on due diligence	Page 108	
GOV-5	Risk management and internal controls over sustainability reporting	Page 108	
Strategy			
SBM-1	Strategy, business model and value chain	Page 109	
SBM-2	Interests and views of stakeholders	Page 113	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		Reported in the topical standards
Impact, risk and opportunity management			
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	Page 116	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Page 122	
Topical ESRS			
Environmental information			
E1 – Climate change			
E1 GOV-3	Integration of sustainability-related performance in incentive schemes		n/a
E1-1	Transition plan for climate change mitigation	Page 123	
E1 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 123	
E1 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Page 120	
E1-2	Policies related to climate change mitigation and adaptation	Page 125	
E1-3	Actions and resources in relation to climate change strategies	Page 127	

ESRS	Contents	Page	Notes
E5-4	Resource inflows	Page 146	
E5-5	Resource outflows	Page 148	
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities		Material topic, phase-in
Social information			
S1 Own workforce			
S1 SBM-2	Interests and views of stakeholders	Page 154	
S1 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Page 154	
S1-1	Policies related to own workforce	Page 157	
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	Page 158	
S1-3	Processes to remediate negative impacts and channels for its own workforce to raise concerns	Page 159	
S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Page 159	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 163	
S1-6	Characteristics of the undertaking's employees	Page 163	
S1-7	Characteristics of non-employee workers in the undertaking's own workforce		Not a material topic
S1-8	Collective bargaining coverage and social dialogue	Page 165	
S1-9	Diversity metrics	Page 165	
S1-10	Adequate wages	Page 165	
S1-11	Social protection		Not a material topic
S1-12	Persons with disabilities	Page 96	Material topic, metrics phase-in
S1-13	Training and skills development	Page 161 f.	Material topic, metrics phase-in
S1-14	Health and safety metrics	Page 165	
S1-15	Work-life balance	Page 155, 162	Material topic, metrics phase-in
S1-16	Remuneration metrics (pay gap and total remuneration)	Page 166	
S1-17	Incidents, complaints and severe human rights impacts	Page 166	
S2 – Workers in the value chain			
S2 SBM-2	Interests and views of stakeholders	Page 166	
S2 SBM-3	Impacts, risks and opportunities and their interaction with strategy and business model	Page 166	

ESRS	Contents	Page	Notes
S2-1	Policies related to value chain workers	Page 167	
S2-2	Processes for engaging with value chain workers about impacts	Page 168	
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Page 169	
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Page 169	
S2-5	Targets related to managing negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 171	
S4 – Consumers and end-users			
S4 SBM-2	Interests and views of stakeholders	Page 171	
S4 SBM-3	Impacts, risks and opportunities and their interaction with strategy and business model	Page 171	
S4-1	Policies related to consumers and end-users	Page 173	
S4-2	Processes for engaging with consumers and end-users about impacts	Page 175	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Page 175	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Page 176	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 177	
Governance information			
G1 – Business conduct			
G1 GOV-1	The role of the administrative, management and supervisory bodies	Page 98	
G1 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Page 121	
G1-1	Business conduct policies and corporate culture	Page 178	
G1-2	Management of relationships with suppliers	Page 181	
G1-3	Prevention and detection of corruption and bribery	Page 182	
G1-4	Incidents of corruption or bribery	Page 182	
G1-5	Political influence and lobbying activities		Not a material topic
G1-6	Payment practices	Page 182	

Datapoints omitted: ESRS 2 GOV-5-36c, E2-5-34, E3 IRO-1, E5 ESRS 2 SBM-3-48-ci, E5-4-31c, E5-5-36a, S1 ESRS 2 SBM-3-14b, G1 ESRS 2 MDR-A-68, G1-6-33a

ESRS Index: Disclosure requirements under other EU legislation

ESRS Standard	Disclosure	Other source[1, 2, 3, 4]	Material	Page(s)
ESRS 2 GOV-1	Board's gender diversity	1, 3	x	Page 100
ESRS 2 GOV-1	Percentage of board members who are independent	3	x	Page 100
ESRS 2 GOV-4	Statement on due diligence	1	x	Page 108
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities	1. 2, 3		n/a
ESRS 2 SBM-1	Involvement in activities related to chemical production	1, 3		n/a
ESRS 2 SBM-1	Involvement in activities related to controver-sial weapons	1, 3		n/a
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco	3		n/a
ESRS E1-1	Transition plan to reach climate neutrality by 2050	4	x	Page 123
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks	2, 3		n/a
ESRS E1-4	GHG emission reduction targets	1, 2, 3	x	Page 128
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	1	x	Page 129
ESRS E1-5	Energy consumption and mix	1	x	Page 129
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors	1	x	Page 129
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions	1, 2, 3	x	Page 130
ESRS E1-6	Gross GHG emissions intensity	1, 2, 3	x	Page 131
ESRS E1-7	GHG removals and carbon credits	4	x	Page 133
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks	3		n/a
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk	2		n/a
ESRS E1-9	Location of significant assets at material physical risk	2		n/a
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	2		n/a
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities	3		n/a
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	1		n/a
ESRS E3-1	Water and marine resources	1		n/a
ESRS E3-1	Dedicated policy	1		n/a
ESRS E3-1	Sustainable oceans and seas	1		n/a
ESRS E3-4	Total water recycled and reused	1		n/a
ESRS E3-4	Total water consumption in m3 per net reve-nue on own operations	1		n/a
ESRS 2 – SBM-3 – E4	16 a i	1	x	Page 138
ESRS 2 – SBM-3 – E4	16 b	1	x	Page 139
ESRS 2 – SBM-3 – E4	16 c	1	x	Page 138
ESRS E4-2	Sustainable land / agriculture practices or policies	1	x	Page 138
ESRS E4-2	Sustainable oceans / seas practices or policies	1		n/a
ESRS E4-2	Policies to address deforestation	1		n/a
ESRS E5-5	Non-recycled waste	1	x	Page 146
ESRS E5-5	Hazardous waste and radioactive waste	1	x	Page 148
ESRS 2 SBM3 – S1	Risk of incidents of forced labour	1	x	Page 154
ESRS 2 SBM3 – S1	Risk of incidents of child labour	1	x	Page 154
ESRS S1-1	Human rights policy commitments	1	x	Page 157

ESRS Standard	Disclosure	Other source[1, 2, 3, 4]	Material	Page(s)
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	3	x	Page 157
ESRS S1-1	Processes and measures for preventing trafficking in human beings	1	x	Page 157
ESRS S1-1	Workplace accident prevention policy or management system	1	x	Page 157
ESRS S1-3	Grievance/complaints handling mechanisms	1	x	Page 159
ESRS S1-14	Number of fatalities and number and rate of work-related accidents	1, 3	x	Page 165
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness	1	x	Page 165
ESRS S1-16	Unadjusted gender pay gap	1, 3	x	Page 166
ESRS S1-16	Excessive CEO pay ratio	1	x	Page 166
ESRS S1-17	Incidents of discrimination	1	x	Page 166
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	1, 3	x	Page 166
ESRS 2 SBM3 – S2	Significant risk of child labour or forced labour in the value chain	1	x	Page 166
ESRS S2-1	Human rights policy commitments	1	x	Page 168
ESRS S2-1	Policies related to value chain workers	1	x	Page 167
ESRS S2-1	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	1, 3	x	Page 168
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	3	x	Page 168

ESRS Standard	Disclosure	Other source[1, 2, 3, 4]	Material	Page(s)
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain	1	x	Page 169
ESRS S3-1	Human rights policy commitments	1		n/a
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	1, 3		n/a
ESRS S3-4	Human rights issues and incidents	1		n/a
ESRS S4-1	Policies related to consumers and end-users	1	x	Page 173
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	1, 3	x	Page 174
ESRS S4-4	Human rights issues and incidents	1	x	Page 176
ESRS G1-1	United Nations Convention against Corruption	1		n/a
ESRS G1-1	Protection of whistleblowers	1		n/a
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws	1, 3	x	Page 182
ESRS G1-4	Standards of anti-corruption and anti- bribery	1		n/a

[1] SFDR reference.
[2] Pillar 3 reference.
[3] Benchmark Regulation reference.
[4] EU Climate Law reference.

Oldenburg, 25 March 2025

CEWE Stiftung & Co. KGaA
For the general partner Neumüller CEWE COLOR Stiftung
– The Executive Board –

Yvonne Rostock
(Chairwoman of the
Executive Board)

Patrick Berkhouwer

Dr Reiner Fageth

Carsten Heitkamp

Dr Olaf Holzkämper

Thomas Mehls

Appendix: Description of key indicators

Definition of key performance indicators used in the combined management report

Capital employed (CE)
Net working capital plus non-current assets and liquid assets

Capital invested (CI)
Equity plus non-operating liabilities and gross loans and borrowings

Current other debt
Current tax provisions, other current provisions, current other financial liabilities and current other liabilities

Days working capital
Term of net working capital in days, measured in relation to revenue in the past quarter

Debt
Sum total of non-current and current liabilities shown under equity and liabilities

EBIT
Earnings before income taxes and net finance income/expense

EBITDA
Earnings before income taxes, net finance income/ expense, and depreciation and amortisation

EBT
Earnings before income taxes

Equity
The residual interest in the net assets remaining after deduction of liabilities according to IAS 32

Equity ratio
Equity as a share of total capital; calculated as the ratio of equity to total assets

Free cash flow
Cash flows from operating activities less cash flows from investing activities (both according to the statement of cash flows)

Free float
The proportion of the Company's freely tradable shares on the market

Gross cash flow
Earnings after taxes, plus amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment

Gross loans and borrowings
Sum total of non-current loans and borrowings and current loans and borrowings; see also loans and borrowings

Gross working capital
Current assets excluding liquid assets

Liquidity ratio
Ratio of liquid assets to total assets

Loans and borrowings
Non-current and current loans and borrowings shown as such, excluding repayment entitlements subject to interest shown in statement of financial position under other items

Net cash flow
Gross cash flow less capital expenditure

Net cash position/net financial debt
Non-current loans and borrowings plus current loans and borrowings, less liquid assets; this represents a net cash position if the difference is negative, and net financial debt if not

Net working capital
Current assets excluding liquid assets, less current liabilities excluding current special items for investment grants and excluding current loans and borrowings

Non-current assets
Property, plant and equipment, plus investment property, goodwill, intangible assets and investments

Non-operating liabilities
Current and non-current special items for investment grants, non-current pension provisions, non-current deferred tax liabilities, non-current other provisions, non-current financial liabilities and non-current other liabilities

NOPAT
Net operating profit after taxes; EBIT less income taxes and other taxes

Operating net working capital
Inventories plus current trade receivables, less current trade payables

Operational capital expenditure
Outflows from investments in property, plant and equipment and intangible assets, offset against inflows from the sale of property, plant and equipment and intangible assets, excluding takeovers and acquisitions

Other gross working capital
Assets held for sale, current receivables from income tax refunds, other current financial assets and other current receivables and assets

Other net working capital
Other gross working capital less other current liabilities

Other operating cash flows
Changes resulting from taxes paid as well as proceeds from interest received

P&L
Statement of profit or loss

POS
Point of sale, i.e. the retail partners' stores and the Company's own retail branches

Return on capital employed (ROCE)
The ratio of earnings before interest and taxes (EBIT) to capital employed; calculated using the twelve-month perspective to show a rolling annual return on investment

Return on capital employed (ROCE) before restructuring
The ratio of earnings before interest and taxes (EBIT) – adjusted for restructuring expenses – to capital employed

Return on investment
See return on capital employed

Working capital-induced cash flow
Changes resulting from net working capital

Note:

Where this financial report refers to digital photos, figures always include CEWE PHOTOBOOK prints and the images featured in photo gifts. The CEWE PHOTOBOOK copies include all photo books produced within the CEWE Group.

As a rule, all figures are calculated as precisely as possible and are rounded off in the tables in line with applicable commercial procedures. This rounding-off may give rise to discrepancies, particularly when calculating totals or changes.

4 Remuneration

Remuneration system

CEWE Stiftung & Co. KGaA (CEWE-KGaA), with its specific legal form, is legally represented by its general partner, Neumüller CEWE COLOR Stiftung (CEWE-Stiftung). CEWE Stiftung operates through its Executive Board, which thus also manages CEWE-KGaA. CEWE-Stiftung makes decisions regarding the remuneration system for the Executive Board on the basis of the rules applicable for CEWE-Stiftung. The Executive Board of CEWE-Stiftung and the Supervisory Board of CEWE-KGaA are responsible for the remuneration reporting – i.e. the voluntary publication of the remuneration system for the members of the Executive Board of CEWE-Stiftung and the publication and presentation of the remuneration report pursuant to Sections 162 and 120 a (4) AktG.

Basic features of the remuneration system for members of the Executive Board of Neumüller CEWE COLOR Stiftung

The remuneration system for the members of the Executive Board is clearly designed and easy to understand. The Board of Trustees of CEWE-Stiftung is responsible for drafting the contracts of the members of the Executive Board. The Board of Trustees assumes that all of the members of the Executive Board make equal contributions to the success of the CEWE Group. However, the remuneration paid to the Chairwoman of the Executive Board differs to an appropriate degree, on account of her greater level of responsibility. The remuneration system is, moreover, in keeping with international practice and the necessary level of flexibility for what is, to a considerable extent, a seasonal business model. This remuneration continues to comprise fixed and performance-related variable components. As well as the tasks handled by the members of the Executive Board, the criteria applied to determine overall remuneration include the economic success of the CEWE Group and its peer group. The Company's remuneration structure is intended to promote its sustainable and positive long-term development.

Determination, implementation and review of the remuneration system

The remuneration paid to the members of the Executive Board is determined by the Board of Trustees of CEWE-Stiftung in compliance with the requirements of the German Act on the Appropriateness of Executive Board Remuneration (Gesetz zur Angemessenheit der Vorstandsvergütung – VorstAG). Insofar as a remuneration consultant is involved in the process of drafting the remuneration system, the Board of Trustees will ensure that this consultant is independent of the Executive Board and the Company. No external remuneration expert has been consulted for the current remuneration system.

The Board of Trustees ensures that the overall remuneration of the members of the Executive Board is proportionate to their tasks and performance while also appropriately reflecting the CEWE Group's economic and financial position. In addition, the Executive Board's remuneration has been designed with the Company's long-term and sustainable development in mind.

The Board of Trustees continuously reviewed the appropriateness of this remuneration in 2024. Within the scope of its review, remuneration levels of companies of a similar size and level of complexity are compared in a horizontal comparison. In a vertical comparison, the remuneration paid to the management levels below the Executive Board and the average remuneration paid to the workforce of the CEWE Group are considered. Finally, the development of these variables over time is also taken into consideration.

The remuneration system safeguards the Company's long-term development by ensuring a balance between performance-related and non-performance-related remuneration components, thus preventing the members of the Executive Board from entering into disproportionately high risks in order to achieve bonuses.

Overall context for the remuneration system

The members of the Executive Board receive fixed and variable remuneration for their service. Their variable remuneration consists of a bonus plus long-term incentive components.

The contracts concluded with the members of the Executive Board all contain the same terms regarding remuneration; this relates to the contractual provisions as well as the structure of remuneration, with the exception of the maximum remuneration in the case of Bonus II. The Chairwoman of the Executive Board enjoys superior remuneration-related conditions to those of the other Executive Board members.

Fixed gross remuneration

The fixed gross remuneration consists of a fixed monthly amount (fixed remuneration) as well as benefits in kind (fringe benefits). The fixed remuneration of the Chairwoman of the Executive Board is a good 40 % higher than that of all of the other ordinary members of the Executive Board. Fixed remuneration is paid out regardless of performance in equal monthly instalments. The fixed remuneration of the members of the Executive Board has been adjusted so that – with the exception of the Chairwoman of the Executive Board – each member of the Executive Board receives the same fixed remuneration; this consistency is maintained irrespective of the durations of the individual contracts.

The members of the Executive Board also receive benefits in kind, which is reported on the basis of the taxable amounts. This mainly consists of the use of a company car and occupational insurance premiums; the members of the Executive Board are entitled to receive the benefits in kind in the same way and pay tax on it. They are also entitled to the reimbursement of entertainment expenses and travel costs at the maximum rates permitted for tax purposes, insofar as such expenses and costs are exclusively incurred in the interests of CEWE-Stiftung.

CEWE-Stiftung bears the Executive Board member's relocation costs. On a one-time basis, it will reimburse standard estate agent's fees for an appropriate, rented residence in Oldenburg or the local area. In the event of the member of the Executive Board purchasing a home, CEWE-KGaA will pay the equivalent of two monthly rent instalments on the basis of this property's rented value.

The Company maintains a Group financial loss liability insurance policy (D&O insurance) for the members of the Executive Board. Cover for the members of the Executive Board and the Supervisory Board of CEWE-KGaA complies with the requirements of the German Act on the Appropriateness of Executive Board Remuneration. The insured member of the Executive Board thus bears 10 % of a potential loss, up to one-and-a-half times their fixed annual remuneration.

Insurance cover also applies through third-party liability insurance for managers as well as insurance covering legal expenses under criminal law for all of the Company's employees. The members of the Executive Board are also jointly insured against any violations which they commit, or are alleged to have committed, in the performance of their duties. The Company has moreover taken out an accident insurance policy for all of its executives. This includes all of the members of the Executive Board.

Pension scheme

Pension commitments apply in relation to the members of the Executive Board in the form of a direct commitment. The value of their pension entitlements is calculated on the basis of the fixed remuneration most recently paid for their service on the Executive Board of CEWE-Stiftung.

The pension entitlement will have vested following a period of 15 years (in one case, 20 years) of service on the Executive Board and will not exceed between 50 % and two-thirds of the fixed remuneration last received by the Executive Board member in question. The structure of the pension scheme applies equally for all of the members of the Executive Board of CEWE-Stiftung. The pension will be paid in twelve equal monthly instalments and shall be due on the last day of each month. The commitments entered into do not include provision for dependants. However, provision has been made for dependants in some individual cases, with no effect on expenses. In individual cases, if the member of the Executive Board served as a managing director in the CEWE Group prior to their appointment to the Executive Board, as part of the Company's pension scheme the Company also maintains life insurance policies with a capital payment in the event of premature death as provision for dependants or, in case of survival, as a pension. Instead of the normal type of pension scheme described above, the Chairwoman of the Executive Board, who took up her position in the spring of 2023, will be transferred ownership of 5,000 shares of CEWE-KGaA upon completion of each year of service, in February of the following year of service.

Variable remuneration

The members of the Executive Board receive variable, performance-related remuneration. The variable remuneration components are divided up into three different components and consist of one-year variable remuneration, i.e. a bonus share, payable annually (Bonus I), multi-year variable remuneration in the form of a multi-year bonus share (Bonus II) and a long-term, share-based remuneration component (stock option plan). These remuneration components consist of the following core components:

Bonus I and Bonus II are calculated separately from one another.

Bonus I is based on earnings before taxes (EBT) as well as depreciation on property, plant and equipment and amortisation on intangible assets of the CEWE Group. Overall, it is limited to a maximum of 100% of the fixed remuneration in a given year. This only includes bonus shares which are relevant for depreciation purposes and which have been earned through earnings before tax (earned depreciation). Bonus I will be calculated and paid out in the following year, within ten days of the consolidated financial statements having acquired binding force.

Bonus II with its multi-year component relates to earnings before taxes (EBT); it is calculated on the basis of the total EBT over the term of the employment contract of the Executive Board member in question. The multi-year Bonus II will not attract any interest. In three cases, it is limited to a maximum of 100% of the fixed remuneration. The balance resulting from Bonus II is retained for the multi-year term of the contract of the respective Executive Board member and will be paid out six months after the end of this person's employment contract.

For both bonus portions, Bonus I and Bonus II, the Chairwoman of the Executive Board's entitlement is roughly 25% to 50% higher than that of a further ordinary member of the Executive Board.

In the event of a member of the Executive Board retiring over the course of a year, Bonus I and Bonus II will be calculated pro rata temporis and paid out in the following year within ten days of the consolidated financial statements acquiring binding force.

Extraordinary developments (such as the disposal of shares in the Company and the realisation of hidden reserves) are not included in the calculation of Bonus I and Bonus II. In the event of a deterioration in the position of CEWE-KGaA, CEWE-Stiftung may reduce these amounts appropriately, if granting them further would otherwise be unreasonable.

Stock option plans were established in the period from 2021 to 2024 in which the members of the Executive Board who held office at that time were permitted to participate in the same way and to the same extent. These plans are intended to reward the members of the Executive Board for the long-term improvement in the Company's value via its share price.

All of these stock option plans (SOP 2021, SOP 2022, SOP 2023 and SOP 2024) had (and have) essentially the same terms. Since the SOP 2019, they have been designed in such a way that, if the options are successfully exercised, the economic benefit will accrue in the form of CEWE-KGaA shares rather than in cash form. Participation in these plans and the volume of options purchased are subject to the discretion of the members of the Executive Board, up to a maximum total. They do not have any contractual entitlement for the implementation of these plans or for their participation in them. No holding period has been stipulated for participating members of the Executive Board in regard to shares arising from the stock option plans. The underlying prices, the performance targets and the fair value of the options within the scope of the currently applicable option plans are indicated below. Please see page 252ff. for further details of these plans.

No non-financial performance targets have been agreed. The contracts of the members of the Executive Board do not include any clawback provisions.

Due to the extremely high level of motivation in the overall Executive Board, the Board of Trustees of CEWE-Stiftung does not see any need for specific provisions or for target total remuneration for individual members of the Executive Board. No distinctions have been made for different areas of business.

Overall, the remuneration has been designed such that the fixed remuneration components account for around 50 % to 70 % of overall remuneration and the variable remuneration components for around 30 % to 50 % of overall remuneration.

Other remuneration-related arrangements

The contracts with members of the Executive Board are exclusively term contracts which, according to the articles of association of CEWE-Stiftung, may be concluded for a period of up to five years. There is no provision for regular termination of a contract. The contracts of the members of the Executive Board currently vary in terms of their duration and end dates. In no case is the duration longer than a period of three years.

The following arrangements apply in the event of the premature termination of the contracts of the members of the Executive Board: in case of dismissal for cause, their contracts will have been terminated as of the date of dismissal. In case of a dismissal which is not for cause or which is on grounds lying outside of the responsibility of the member of the Executive Board, their fixed remuneration will be paid up to the end of the term of their contract. In addition, in this event this member of the Executive Board will receive a severance payment in the amount of half of their fixed remuneration in case of a period of at least twelve months before they begin to draw a pension, and otherwise a pro rata compensation amount. Pro rata payment rules apply for the payment of any positive Bonus II balance. The Company has not concluded any compensation agreements with the members of the Executive Board to cover the event of a takeover offer (Section 315a (1) no. 9 HGB).

In the event of a member of the Executive Board giving notice to quit due to a change of control, this member's fixed remuneration and Bonuses I and II will be paid pro rata temporis. No severance payment will be paid for the loss of future fixed remuneration or bonuses.

The Board of Trustees of CEWE-Stiftung reserves the right to agree a post-contractual non-compete clause.

No remuneration is granted by other companies in the CEWE Group. Nor has the Company concluded any agreements on discretionary or guaranteed bonus payments.

The remuneration system for members of the Supervisory Board of CEWE Stiftung & Co. KGaA

The remuneration of the Supervisory Board members consists of fixed remuneration only to promote the Company's long-term development, since the Supervisory Board's decisions are not influenced by the achievement of bonus targets. The remuneration system was drafted for the members of the Supervisory Board, separately adopted by the Executive Board of the general partner and the Supervisory Board, and then adopted by the general meeting held on 15 June 2022. Section 14 of the articles of association of CEWE-KGaA was revised in this respect. This system applies from financial year 2022 onwards.

The following detailed provisions apply: the basic remuneration of a member of the Supervisory Board is 43,000 euros (previous year: 43,000 euros). A higher level of remuneration is provided for the Chairperson and Deputy Chairperson of the Supervisory Board and for the Chairperson of the Audit Committee. This amounts to twice the level of basic remuneration for the Chairperson of the Supervisory Board and one-and-a-half times this amount for the Deputy Chairperson of the Supervisory Board and for the Chairperson of the Audit Committee. In addition, each Supervisory Board member receives an attendance fee of 2,000 euros (previous year: 2,000 euros) for their personal attendance of a meeting of the Supervisory Board or one of its committees, regardless of whether this is in person, in virtual form or over the telephone. Half of the fixed gross remuneration will fall due for payment as of 30 June of the current financial year and the other half, plus the attendance fees, within one month of the end of the financial year to which this remuneration relates.

CEWE-KGaA reimburses the members of the Supervisory Board any value added tax payable on their remuneration. Members of the Supervisory Board are covered by the Company's D&O insurance policy. A deductible of 10 % of the possible damage applies for them, up to a total amount of one-and-a-half times their fixed Supervisory Board remuneration.

Remuneration report

The Executive Board of Neumüller CEWE COLOR Stiftung (CEWE-Stiftung) and the Supervisory Board of CEWE-KGaA hereby provide the following remuneration report pursuant to Section 162 AktG within the scope of their remuneration reporting. The Executive Board and the Supervisory Board will present it to the general meeting of CEWE-KGaA in order for a resolution to be passed on its approval (Section 120a (4) AktG). This report covers the remuneration of the members of the Executive Board of CEWE Stiftung & Co. KGaA, the Supervisory Board members of CEWE-KGaA as well as former members of the Executive Board of the former CEWE COLOR Holding AG, which in 2013 underwent a change of form to become CEWE Stiftung & Co. KGaA, and CEWE-Stiftung. At the general meeting held on 5 June 2024, the remuneration report for financial year 2023 was approved by means of a resolution.

Neumüller CEWE COLOR Foundation is paid liability remuneration of 50 thousand euros for its activities as general partner of CEWE COLOR Foundation & Co. KGaA and is reimbursed its costs that are directly associated with management.

Individual remuneration of the members of the Executive Board of Neumüller CEWE COLOR Stiftung for 2024

The following reporting of remuneration for the year under review and financial year 2024 is in accordance with Section 162 AktG. The tables distinguish between the remuneration actually received (remuneration granted as defined in Section 162 (1), clause 1 AktG) and remuneration which is already due but which has not yet been paid out (remuneration owed as defined in Section 162 (1) clause 1 AktG); in addition, a distinction is made – and reported on a voluntary basis – between remuneration which is owed and promised but is not yet due and, finally, other benefits paid to a member of the Executive Board in the event of regular termination of their service (benefits as defined in Section 162 (2), item 3 AktG).

The breakdown of this remuneration for the individual members of the Executive Board is as follows:

The fixed remuneration of the serving members of the Executive Board was structured in individual cases so that all of the Executive Board members received the same amount of fixed remuneration, irrespective of the duration of their individual employment contracts. This remuneration remained unchanged in the period up to 31 December 2024.

Remuneration actually received in euros

	Yvonne Rostock Chief Executive Officer and Executive Board member responsible for national and international sales at Neumüller CEWE COLOR Stiftung		Dr Christian Friege (until 31 Dec. 2022) Chief Executive Officer and Executive Board member responsible for national and international sales at Neumüller CEWE COLOR Stiftung		Patrick Berkhouwer Executive Board member responsible for foreign markets and expansion at Neumüller CEWE COLOR Stiftung		Dr Reiner Fageth Executive Board member responsible for technology, IT and R&D at Neumüller CEWE COLOR Stiftung		Carsten Heitkamp Executive Board member responsible for production, purchasing, logistics, human resources and customer service at Neumüller CEWE COLOR Stiftung	
	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**
Fixed gross remuneration										
Fixed remuneration	373,333	448,000	56,081	0	288,000	320,000	288,000	320,000	288,000	320,000
Fringe benefits	217,436[1]	4,316	0	0	6,717	7,309	17,521	17,402	16,148	16,380
Total fixed gross remuneration	**590,769**	**452,316**	**56,081**	**0**	**294,717**	**327,309**	**305,521**	**337,402**	**304,148**	**336,380**
in % of total remuneration received	100	75	13	0	72	47	73	69	49	60
Variable remuneration										
One-year variable remuneration	0	152,292	143,922		112,882	123,771	112,882	123,771	112,882	123,771
in % of total remuneration received	0	25	32	0	28	18	27	25	18	22
Multi-year variable remuneration										
Bonus II	0	0	243,719	0	0	209,839	0	0	199,941	77,054
Stock option plan	0	0	0	28,850	0	30,101	0	25,768	0	23,730
in % of total remuneration received	0	0	55	100	0	35	0	5	32	18
Total variable remuneration	**0**	**152,292**	**387,641**	**28,850**	**112,882**	**363,711**	**112,882**	**149,539**	**312,823**	**224,555**
in % of total remuneration received	0	25	87	100	28	53	27	31	51	40
Total remuneration received	**590,769**	**604,608**	**443,722**	**28,850**	**407,599**	**691,020**	**418,403**	**486,941**	**616,971**	**560,935**

[1] Including a joining bonus of 200,000 euros.

Remuneration actually received in euros

	Dr Olaf Holzkämper Executive Board member responsible for finance and controlling at Neumüller CEWE COLOR Stiftung		Thomas Mehls Executive Board member responsible for marketing and acquisitions at Neumüller CEWE COLOR Stiftung		Christina Sontheim-Leven (until 31 Dec. 2024) Executive Board member responsible for human resources and organisational development at Neumüller CEWE COLOR Stiftung		Frank Zweigle (until 31 Dec. 2021) Executive Board member responsible for administration at Neumüller CEWE COLOR Stiftung		Total Remuneration received Executive Board of Neumüller CEWE COLOR Stiftung	
	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**
Fixed gross remuneration										
Fixed remuneration	288,000	320,000	288,000	320,000	288,000	288,000	0	0	2,157,414	2,336,000
Fringe benefits	11,454	9,638	18,584	16,797	9,290	8,924	0	0	297,150	80,766
Total fixed gross remuneration	**299,454**	**329,638**	**306,584**	**336,797**	**297,290**	**296,924**	**0**	**0**	**2,454,564**	**2,416,766**
in % of total remuneration received	73	48	49	59	72	71	0	0	63	59
Variable remuneration										
One-year variable remuneration	112,882	123,771	112,882	123,771	112,882	123,771	0	0	821,214	894,918
in % of total remuneration received	27	18	18	22	28	29	0	0	21	22
Multi-year variable remuneration										
Bonus II	0	209,839	199,941	77,054	0	0	0	0	643,601	573,786
Stock option plan	0	27,029	0	30,101	0	0	0	27,579	0	193,158
in % of total remuneration received	0	34	32	19	0	0	0	100	16	19
Total variable remuneration	**112,882**	**360,639**	**312,823**	**230,926**	**112,882**	**123,771**	**0**	**27,579**	**1,464,815**	**1,661,862**
in % of total remuneration received	27	52	51	41	28	29	0	100	37	41
Total remuneration received	**412,336**	**690,277**	**619,407**	**567,723**	**410,172**	**420,695**	**0**	**27,579**	**3,919,379**	**4,078,628**

Neither in the year under review nor in the previous year was there any remuneration which was due, but had not yet been paid out (remuneration owed as defined in Section 162 (1) clause 1 AktG).

None of the members of the Executive Board has been promised or granted third-party payments in relation to their service on the Executive Board. The remuneration of the members of the Executive Board of CEWE-Stiftung for financial year 2024 paid out in 2025 (Bonus I) amounts to 960 thousand euros and thus exceeds the figure for 2024 (895 thousand euros). The detailed picture is as follows:

Bonus I for the reporting year – paid out in 2025 in euros

	Yvonne Rostock Chief Executive Officer and Executive Board member responsible for national and international sales at Neumüller CEWE COLOR Stiftung		**Patrick Berkhouwer** Executive Board member responsible for foreign markets and expansion at Neumüller CEWE COLOR Stiftung		**Dr Reiner Fageth** Executive Board member responsible for technology, IT and R&D at Neumüller CEWE COLOR Stiftung		**Carsten Heitkamp** Executive Board member responsible for production, purchasing, logistics, human resources and customer service at Neumüller CEWE COLOR Stiftung		**Dr Olaf Holzkämper** Executive Board member responsible for finance and controlling at Neumüller CEWE COLOR Stiftung	
	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**
	152,292	**185,218**	**123,771**	**142,475**	**123,771**	**142,475**	**123,771**	**142,475**	**123,771**	**142,475**

Bonus I for the reporting year – paid out in 2025 in euros

	Thomas Mehls Executive Board member responsible for marketing and acquisitions at Neumüller CEWE COLOR Stiftung		**Christina Sontheim-Leven (until 31 Dec. 2024)** Executive Board member responsible for human resources and organisational development at Neumüller CEWE COLOR Stiftung		**Total** Bonus I for the reporting year Executive Board of Neumüller CEWE COLOR Stiftung	
	2024	**2025**	2024	**2025**	2024	**2025**
	123,771	**142,475**	**123,771**	**62,723**	**894,918**	**960,316**

In the case of remuneration which is owed, but not yet due, multi-year variable remuneration comprises the Bonus II shares as well as the expenses registered in the waiting period for the stock option plans pursuant to IFRS 2.10ff., due to initial measurement of share-based remuneration; the fair value as of the grant date is decisive in this respect. The remuneration which is owed, but not yet due, is as follows:

Remuneration earned but not yet due in euros

	Yvonne Rostock Chief Executive Officer and Executive Board member responsible for national and international sales at Neumüller CEWE COLOR Stiftung		**Dr Christian Friege (until 31 Dec. 2022)** Chief Executive Officer and Executive Board member responsible for national and international sales at Neumüller CEWE COLOR Stiftung		**Patrick Berkhouwer** Executive Board member responsible for foreign markets and expansion at Neumüller CEWE COLOR Stiftung		**Dr Reiner Fageth** Executive Board member responsible for technology, IT and R&D at Neumüller CEWE COLOR Stiftung		**Carsten Heitkamp** Executive Board member responsible for production, purchasing, logistics, human resources and customer service at Neumüller CEWE COLOR Stiftung	
	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**
Remuneration earned but not yet due										
Multi-year variable remuneration										
Bonus II	92,750	112,913	0	0	77,054	86,856	77,054	86,856	77,054	86,856
Stock option plan	0	5,457	17,799	19,410	17,799	19,410	17,799	19,410	17,799	19,410
Remuneration earned but not yet due total	**92,750**	**118,370**	**17,799**	**19,410**	**94,853**	**106,266**	**94,853**	**106,266**	**94,853**	**106,266**

Remuneration earned but not yet due in euros

	Dr Olaf Holzkämper Executive Board member responsible for finance and controlling at Neumüller CEWE COLOR Stiftung		**Thomas Mehls** Executive Board member responsible for marketing and acquisitions at Neumüller CEWE COLOR Stiftung		**Christina Sontheim-Leven (until 31 Dec. 2024)** Executive Board member responsible for human resources and organisational development at Neumüller CEWE COLOR Stiftung		**Frank Zweigle (until 31 Dec. 2021)** Executive Board member responsible for administration at Neumüller CEWE COLOR Stiftung		**Total** Remuneration earned but not yet due Executive Board of Neumüller CEWE COLOR Stiftung	
	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**
Remuneration earned but not yet due										
Multi-year variable remuneration										
Bonus II	77,054	86,856	77,054	86,856	77,054	78,170	0	0	555,074	625,363
Stock option plan	17,799	19,410	17,799	19,410	7,164	12,621	10,635	6,789	124,593	141,327
Remuneration earned but not yet due total	**94,853**	**106,266**	**94,853**	**106,266**	**84,218**	**90,791**	**10,635**	**6,789**	**679,667**	**766,690**

A total of 625 thousand euros (previous year: 555 thousand euros) has been paid to the accounts holding the personal Bonus II entitlements.

As of 31 December 2024, the accounts of the Executive Board members had the following balances:

Bonus II in euros

	Opening balance 1 Jan. 2023	Additions 2023	Amount paid out 2023	End balance 31 Dec. 2023	**Additions 2024**	**Amount paid out 2024**	**End balance 31 Dec. 2024**
Yvonne Rostock (CEO)	0	92,750	0	92,750	112,913	0	205,663
Dr Christian Friege (CEO) (until 31 December 2022)	243,719	0	−243,719	0	0	0	0
Patrick Berkhouwer	132,785	77,054	0	209,839	86,856	−209,839	86,856
Dr Reiner Fageth	67,332	77,054	0	144,386	86,856	0	231,242
Carsten Heitkamp	199,941	77,054	−199,941	77,054	86,856	−77,054	86,856
Dr Olaf Holzkämper	132,785	77,054	0	209,839	86,856	−209,839	86,856
Thomas Mehls	199,941	77,054	−199,941	77,054	86,856	−77,054	86,856
Christina Sontheim-Leven (until 31 December 2024)	67,332	77,054	0	144,386	78,170	0	222,556
Total active Executive Board members	**1,043,835**	**555,074**	**−643,601**	**955,308**	**625,363**	**−573,786**	**1,006,885**

All of the members of the Executive Board fully participated in the SOP 2021 to SOP 2024 plans, in line with their respective entitlements. The SOP 2019 was wound up in the year under review 2024. The underlying prices, the performance targets and the fair value of the options within the scope of the currently applicable option plans are as indicated below. Please see page 252ff. for further details of these plans.

Total scope of stock option plans

		Number of participants	Number of rights issued	Fair value euros/option	Fair value in euros	Underlying price euros/option	Performance premium in %	Performance target euros/option
SOP 2024	Executive Board	6	7,200	20.04	144,288.00	100.00	120	120.00
SOP 2023	Executive Board	7	8,400	18.19	152,796.00	87.00	120	104.40
SOP 2022	Executive Board	7	8,400	23.88	200,592.00	76.00	120	91.20
SOP 2021	Executive Board	7	8,400	22.63	190,092.00	121.00	120	145.20
Total	**Executive Board**		**32,400**		**687,768.00**			

The Company’s long-term development is safeguarded by ensuring a balance between performance-related and non-performance-related remuneration components, thus preventing the members of the Executive Board from entering into disproportionately high risks in order to achieve bonuses.

The variable remuneration components Bonus I and Bonus II are based on the EBT figure as well as depreciation and amortisation in the CEWE Group. In accordance with the remuneration system, they do not reflect individual performance criteria or target agreements concluded with the members of the Executive Board. In the case of the other benefits paid to a member of the Executive Board, in the event of regular termination of this member's service, these other benefits will constitute pension commitments in the form of a direct commitment.

Other benefits in the event of regular termination of service in euros

	Yvonne Rostock Chief Executive Officer and Executive Board member responsible for national and international sales at Neumüller CEWE COLOR Stiftung		**Patrick Berkhouwer** Executive Board member responsible for foreign markets and expansion at Neumüller CEWE COLOR Stiftung		**Dr Reiner Fageth** Executive Board member responsible for technology and R&D at Neumüller CEWE COLOR Stiftung		**Carsten Heitkamp** Executive Board member responsible for production, purchasing, logistics, human resources and customer service at Neumüller CEWE COLOR Stiftung		**Dr Olaf Holzkämper** Executive Board member responsible for finance and controlling at Neumüller CEWE COLOR Stiftung	
	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**
Pension expenses	**0**	**0**	**192,565**	**248,244**	**220,906**	**259,262**	**206,083**	**260,379**	**188,449**	**245,441**

Other benefits in the event of regular termination of service in euros

	Thomas Mehls Executive Board member responsible for marketing and acquisitions at Neumüller CEWE COLOR Stiftung		**Christina Sontheim-Leven (until 31 Dec. 2024)** Executive Board member responsible for human resources and organisational development at Neumüller CEWE COLOR Stiftung		**Total** Remuneration earned but not yet due Executive Board of Neumüller CEWE COLOR Stiftung	
	2023	**2024**	2023	**2024**	2023	**2024**
Pension expenses	**199,441**	**261,160**	**112,020**	**141,586**	**1,119,464**	**1,416,072**

Shares purchased in lieu of a pension scheme in euros

		Entitlement to shares in units	Daily low 15 Feb. in €	Shares transferred in units
Yvonne Rostock	2024	4,166	105.00	2,189
	2025	5,000	100.40	2,627
Total CEWE Stiftung & Co. KGaA		9,166		4,816

The Executive Board pensions for CEWE-Stiftung are presented below. The value of their pension entitlements is calculated on the basis of the fixed remuneration most recently paid for their service on the Executive Board of CEWE-Stiftung.

Executive Board pensions of Neumüller CEWE COLOR Stiftung in thousands of euros

	2023				2024			
	Vested pension entitlements	Pension entitlements 31 Dec. 2023	Service cost for pensions	Provision for pension obligations	Vested pension entitlements	Pension entitlements 31 Dec. 2024	Service cost for pensions	Provision for pension obligations
Members of the Executive Board of Neumüller CEWE COLOR Stiftung								
Yvonne Rostock (CEO)	0	0	0	0	0	0	0	0
Patrick Berkhouwer	15	85	193	1,934	22	107	248	2,274
Dr Reiner Fageth	18	140	221	2,972	11	151	259	3,443
Carsten Heitkamp	20	128	206	2,088	28	156	260	2,493
Dr Olaf Holzkämper	17	112	188	2,521	23	135	245	2,743
Thomas Mehls	18	115	199	2,539	26	141	261	2,903
Christina Sontheim-Leven (until 31 Dec. 2024)	7	14	112	275	8	22	142	271
Total active Executive Board members	**95**	**594**	**1,119**	**12,329**	**118**	**712**	**1,415**	**14,127**
Dr Christian Friege (CEO until 31 Dec. 2022)	0	118	0	1,788	1	119	0	1,804
Dr Rolf Hollander (CEO until 30 June 2017)	53	377	0	5,917	0	377	0	5,442
Andreas F. L. Heydemann (until 31 Dec. 2015)	0	110	0	1,659	0	110	0	1,529
Harald H. Pirwitz (until 31 Dec. 2015 – deceased in 2024)	0	117	0	1,616	18	135	0	0
Frank Zweigle (until 31 Dec. 2021)	0	0	0	0	0	0	0	0
Total former Executive Board members	**53**	**722**	**0**	**10,980**	**19**	**741**	**0**	**8,775**
Total CEWE Stiftung & Co. KGaA	**148**	**1,316**	**1,119**	**23,309**	**137**	**1,453**	**1,415**	**22,902**

NB: In the event of a pension rights adjustment, the full pension entitlement is shown.

The commitments entered into do not include provision for dependants. The present values shown for the service cost and provisions for pension obligations include those which have been made in individual cases for potential dependants; such cases remain within the scope of the remuneration system for members of the Executive Board of CEWE-Stiftung, since they have been designed in a cost-neutral format. Provision has been made for the dependants of Dr Reiner Fageth, Dr Olaf Holzkämper and Patrick Berkhouwer in deviation from the pension arrangement outlined above. This is cost-neutral from an actuarial point of view, through a reduction in retirement benefits by comparison with the arrangements which apply in principle. The service cost for pensions in 2024 is as presented above, subject to an interest rate of 3.4% (previous year: 3.2%) and use of the projected unit credit method in accordance with IFRSs.

Instead of the standard pension scheme, upon completion of each year of service Yvonne Rostock will be transferred ownership of 5,000 shares of CEWE-KGaA in February of the following year of service. These shares must be held for a period of five years; this holding obligation ends upon leaving the Company. Ms Rostock may select the "sell-to-cover option", where the number of shares needed to cover the amount of tax will be withheld by CEWE-Stiftung and the tax amount funded by means of the (notional) proceeds of their sale.

For 2024, Ms Rostock is entitled to receive 5,000 shares. Ms Rostock has chosen the "sell-to-cover-option". On the reporting date, the low for the day was 100.40 euros and 2,627 shares were transferred to Ms Rostock's portfolio.

Finally, for Dr Reiner Fageth and Dr Olaf Holzkämper, as part of the Company's pension scheme the Company maintains life insurance policies with a capital payment in the event of premature death as provision for dependants or, in case of survival, as a pension with an insured sum of 38 thousand euros. The related annual expenses for each member of the Executive Board amount to 1 thousand euros (previous year: 1 thousand euros).

Company pension scheme in thousands of euros

	2023			2024		
	Vested pension entitlements	Pension entitlements 31 Dec. 2023	Service cost for pensions	Vested pension entitlements	Pension entitlements 31 Dec. 2024	Service cost for pensions
Members of the Executive Board of Neumüller CEWE COLOR Stiftung						
Yvonne Rostock (Chairman)	0.0	0.0	0.0	0.0	0.0	0.0
Patrick Berkhouwer	0.0	0.0	0.0	0.0	0.0	0.0
Dr Reiner Fageth	0.0	0.0	0.0	0.0	0.0	0.0
Carsten Heitkamp	0.0	0.0	0.0	0.0	0.0	0.0
Dr Olaf Holzkämper	0.0	0.0	0.0	0.0	0.0	0.0
Thomas Mehls	0.0	0.0	0.0	0.0	0.0	0.0
Christina Sontheim-Leven (until 31 Dec. 2024)	0.0	0.0	0.0	0.0	0.0	0.0
Total active Executive Board members	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Andreas F.L. Heydemann (until 31 Dec. 2015)	0.0	3.0	0.0	0.0	3.0	0.0
Dr Christian Friege (Chairman) (until 31 December 2022)	0.0	0.0	0.0	0.0	0.0	0.0
Frank Zweigle (until 31 Dec. 2021)	0.0	0.0	0.0	0.0	0.0	0.0
Total former Executive Board members	**0.0**	**3.0**	**0.0**	**0.0**	**3.0**	**0.0**
Total CEWE Stiftung & Co. KGaA	**0.0**	**3.0**	**0.0**	**0.0**	**3.0**	**0.0**

No loans or advance payments have been granted. Moreover, the Company has not entered into any contingent liabilities for the benefit of the members of the Executive Board. Insofar as contractual provisions on maximum remuneration are applicable, these were reviewed; they were not violated or exceeded in any case.

The following remuneration-related arrangements were made with Ms Christina Sontheim-Leven, who left the Company on 31 December 2024: Ms Sontheim-Leven resigned from her position on the Executive Board with effect as of 15 April 2024. She continued to receive her monthly current fixed remuneration in the period up to 31 December 2024. Her contractual bonuses (Bonus I and Bonus II) will be calculated and paid out in accordance with the provisions of her employment contract. In the case of Bonus I, only 50 % of her bonus for the year 2024 as a whole will be paid out. In addition, Ms Sontheim-Leven will receive a severance payment in the amount of 144,000 euros, which was paid out to her in January 2025. This is without prejudice to the reciprocal rights and obligations within the scope of the pension commitment made to Ms Sontheim-Leven. Notwithstanding Ms Sontheim-Leven’s departure, the options offered and purchased during her period of service will continue to apply for their respective term and Ms Sontheim-Leven is entitled to exercise them.

Mr Zweigle, who left the Executive Board on 31 December 2021, has retained the options which he acquired from SOP 2017, SOP 2019 and SOP 2021. In the case of Dr Friege, who left on 31 December 2022, notwithstanding his departure, the options offered and purchased during his period of service will continue to apply for their respective term and Dr Friege is entitled to exercise them. In addition, no options were granted in the previous financial year in connection to commitments made to a former member of the Executive Board in connection with the termination of this person’s service in the previous financial year (Section 162 (2) no. 2 AktG). Finally, no temporary deviations from the existing remuneration system were agreed or resolved in the year under review.

Remuneration of the Supervisory Board of CEWE Stiftung & Co. KGaA

The Supervisory Board consists of twelve members.

The following detailed provisions have applied since financial year 2022: the basic remuneration of a member of the Supervisory Board is 43,000 euros (previous year: 43,000 euros). A higher level of remuneration is provided for the Chairperson and Deputy Chairperson of the Supervisory Board and for the Chairperson of the Audit Committee. This amounts to twice the level of basic remuneration for the Chairperson of the Supervisory Board and one-and-a-half times this amount for the Deputy Chairperson of the Supervisory Board and for the Chairperson of the Audit Committee. In addition, each Supervisory Board member receives an attendance fee of 2,000 euros (previous year: 2,000 euros) for their personal attendance of a meeting of the Supervisory Board or one of its committees, regardless of whether this is in person, in virtual form or over the telephone.

Half of the fixed gross remuneration will fall due for payment as of 30 June of the current financial year and the other half, plus the attendance fees, within one month of the end of the financial year to which this remuneration relates.

The following remuneration to the Supervisory Board members was recognised in 2024:

Supervisory Board remuneration, shareholdings, options in thousands of euros

	2023[1]					2024[2]				
	Fixed remuneration	Attendance fees	Total remuneration	Shareholdings Number	Options Number	Fixed remuneration	Attendance fees	Total remuneration	Shareholdings Number	Options Number
Supervisory Board CEWE Stiftung & Co. KGaA										
Kersten Duwe (Chairman from 7 June 2023)	50.2	20.0	70.2	200	0	86.0	20.0	106.0	200	0
Frank Zweigle (Chairman until 7 June 2023)	43.0	16.0	59.0	1,157	2,400	0.0	0.0	0.0	0	0
Paolo Dell'Antonio	43.0	24.0	67.0	0	0	43.0	12.0	55.0	0	0
Patricia Geibel-Conrad (until 7 June 2023)	32.3	18.0	50.3	0	0	0.0	0.0	0.0	0	0
Prof. Dr Christiane Hipp	43.0	14.0	57.0	0	0	43.0	12.0	55.0	0	0
Daniela Mattheus (from 7 June 2023)	37.6	20.0	57.6	0	0	64.5	20.0	84.5	0	0
Dr Birgit Vemmer	43.0	22.0	65.0	0	0	43.0	32.0	75.0	0	0
Martina Sandrock (from 21 Oct. 2022)	43.0	14.0	57.0	0	0	43.0	12.0	55.0	0	0
Subtotal	**335.1**	**148.0**	**483.1**	**1,357.0**	**2,400.0**	**322.5**	**108.0**	**430.5**	**200.0**	**0.0**
Petra Adolph	43.0	14.0	57.0	0	0	43.0	12.0	55.0	0	0
Nurol Altan (from 25 May 2023)	25.1	18.0	43.1	37	0	43.0	20.0	63.0	43	0
Marc Bohlken (from 25 May 2023)	25.1	6.0	31.1	35	0	43.0	32.0	75.0	36	0
Marion Gerdes (until 25 May 2023)	17.9	10.0	27.9	0	0	0.0	0.0	0.0	0	0
Jan Grüneberg (from 25 May 2023)	25.1	6.0	31.1	0	0	43.0	12.0	55.0	0	0
Insa Lachenmaier	43.0	14.0	57.0	41	0	43.0	10.0	53.0	48	0
Alexander Oyen (until 25 May 2023)	17.9	8.0	25.9	0	0	0.0	0.0	0.0	0	0
Markus Schwarz (Deputy Chairman)	64.5	28.0	92.5	59	0	64.5	20.0	84.5	65	0
Elwira Wall (until 25 May 2023)	17.9	6.0	23.9	0	0	0.0	0.0	0.0	0	0
Subtotal	**279.5**	**110.0**	**389.5**	**172**	**0**	**279.5**	**106.0**	**385.5**	**192**	**0**
Supervisory Board CEWE Stiftung & Co. KGaA	**614.6**	**258.0**	**872.6**	**1,529**	**2,400**	**602.0**	**214.0**	**816.0**	**392**	**0**

[1] Half of the fixed gross remuneration is due for payment as of 30 June of the current financial year (i.e. as of 30 June 2023) and the other half, plus the attendance fees for 2024, within one month of the end of the financial year in 2024.
[2] Half of the fixed gross remuneration is due for payment as of 30 June of the current financial year (i.e. as of 30 June 2024) and the other half, plus the attendance fees for 2025, within one month of the end of the financial year in 2025.

CEWE-KGaA reimburses the members of the Supervisory Board any value added tax payable on their remuneration. The above amounts are exclusive of value added tax. None of the members of the Supervisory Board has received or been granted third-party payments in relation to their service. One member of the Supervisory Board provided consulting services to a limited extent in the previous year (2024: 0 thousand euros, 2023: 18 thousand euros).

The members of the Supervisory Board are also covered by the Company's D&O insurance policy. No loans or advance payments have been granted to members of the Supervisory Board, and nor has the Company entered into any contingent liabilities for their benefit.

Pension commitments and pensions paid to former members of the Executive Board of Neumüller CEWE COLOR Stiftung or the former CEWE COLOR Holding AG

As of 31 December 2024, the Company had recognised pension provisions for former members of the Executive Board of the former CEWE COLOR Holding AG and CEWE-Stiftung in the amount of 14,315 thousand euros (previous year: 16,970 thousand euros). Pension payments for financial year 2024 amounted to 1,310 thousand euros (previous year: 1,090 thousand euros). With effect as of 1 April 2007, the pension commitments for the former members of the Executive Board who had already retired as of this date were transferred to CEWE COLOR Versorgungskasse e.V., Wiesbaden. This entity is included in the consolidated financial statements. The Company's pension commitments for the other former members of the Executive Board were maintained in the form of a direct commitment. Loans, advance payments or contingent liabilities have not been granted for former members of the governing bodies (i.e. the Executive Board or Supervisory Board, where applicable) of CEWE-Stiftung, the former CEWE COLOR Holding AG or the current CEWE-KGaA.

The Company has not paid any remuneration to former members of the Supervisory Board.

Comparative presentation of the remuneration and earnings trend for the current and former members of the Executive Board and the Supervisory Board of CEWE Stiftung und Co. KGaA, the former CEWE COLOR Holding AG and Neumüller CEWE COLOR Stiftung

The following comparative presentation shows the annual change in the remuneration granted and owed for the current and former members of the Executive Board and the Supervisory Board, the earnings trend for CEWE-KGaA and the CEWE Group and the remuneration received by employees on a full-time equivalent basis. The remuneration of employees is calculated on the basis of the average wages and salaries of employees of CEWE-KGaA in the financial year in question. The internal peer group has been deliberately limited to CEWE-KGaA, on the one hand due to the external comparison of the remuneration paid to CEWE's Executive Board with that of SDAX companies and, on the other, because CEWE-KGaA accounts for most of the Group's employees.

Comparative presentation of the remuneration and earnings trend in thousands of euros

	2024	2023	2024/2023 in %	2023/2022 in %	2022/2021 in %	2021/2020 in %	2020/2019 in %
Current Executive Board members							
Yvonne Rostock (CEO)	605	591	2.3	0.0	0.0	0.0	0.0
Patrick Berkhouwer	691	408	69.5	0.2	−34.8	34.5	14.5
Dr Reiner Fageth	487	418	16.4	−31.1	30.5	3.7	−15.3
Carsten Heitkamp	561	617	−9.1	49.0	−11.5	−13.2	32.3
Dr Olaf Holzkämper	690	412	67.4	0.2	−34.0	39.8	14.2
Thomas Mehls	568	619	−8.3	41.8	−7.7	−13.0	33.8
Christina Sontheim-Leven (until 31 December 2024)	421	410	2.6	38.9	0.0	0.0	0.0
Former Executive Board members							
Dr Christian Friege (CEO until 31 Dec. 2022)	29	444	−93.5	−25.2	−7.9	−5.5	34.5
Frank Zweigle (until 31 Dec. 2021)	28	0	0.0	100.0	−89.3	−3.0	17.8
Current Supervisory Board members							
Frank Zweigle (Chairman until 7 June 2023)	0	59	−100.0	0.0	0.0	0.0	0.0
Kersten Duwe (Chairman from 7 June 2023)	106	70	51.0	0.0	0.0	0.0	0.0
Paolo Dell' Antonio	55	67	−17.9	6.3	−41.7	123.6	−7.1
Patricia Geibel-Conrad (until 7 June 2023)	0	50	−100.0	−44.4	−33.0	158.1	41.7
Prof. Christiane Hipp	55	57	−3.5	−9.5	−41.7	119.1	−5.2
Daniela Mattheus (from 7 June 2023)	85	58	46.7	0.0	0.0	0.0	0.0

Comparative presentation of the remuneration and earnings trend in thousands of euros

	2024	2023	2024/2023 in %	2023/2022 in %	2022/2021 in %	2021/2020 in %	2020/2019 in %
Dr Birgit Vemmer	75	65	15.4	3.2	−41.7	119.1	41.3
Martina Sandrock (from 21 Oct. 2022)	55	57	−3.5	331.8	0.0	0.0	0.0
Petra Adolph	55	57	−3.5	−6.6	−43.0	45.4	516.4
Nurol Altan (from 25 May 2023)	63	43	46.2	0.0	0.0	0.0	0.0
Marc Bohlken (from 25 May 2023)	75	31	141.2	0.0	0.0	0.0	0.0
Marion Gerdes (until 25 May 2023)	0	28	−100.0	−59.6	−37.8	41.7	392.0
Jan Grüneberg (from 25 May 2023)	55	31	76.8	0.0	0.0	0.0	0.0
Insa Lachenmaier	53	57	−7.0	−9.5	−41.7	41.3	436.9
Alexander Oyen (until 25 May 2023)	0	26	−100.0	−58.9	−41.7	41.3	436.9
Markus Schwarz	85	93	−8.6	2.2	−44.5	7.8	32.7
Elwira Wall (until 25 May 2023)	0	24	−100.0	−62.1	−41.7	41.3	534.5
Former Supervisory Board members							
Otto Korte (until 31 Dec. 2022)	0	0	0.0	−100.0	−47.0	122.8	−4.5
Dr Hans-Henning Wiegmann (until 31 Aug. 2022)	0	0	0.0	−100.0	−60.5	119.1	−5.2
Employees							
Average for employees of CEWE Stiftung & Co. KGaA (CEWE-KGaA)	67	65	3.6	4.1	11.8	−0.9	3.4
Earnings trend							
Earnings before taxes of CEWE-KGaA	70,490	50,391	39.9	−18.1	−16.9	−12.8	15.9
Earnings before taxes of CEWE Group	86,856	87,917	−1.2	17.5	20.9	−4.8	43.4

Interim reference in the management report to the report on pay

Every five years, CEWE publishes a report on pay in accordance with the German Act on Pay Transparency (Entgelttransparenzgesetz – EntgTranspG). It most recently did so for financial year 2021. The Company thus fulfils the statutory requirements. However, for financial year 2024 it remains the case that men and women in executive roles are remunerated according to their position. No distinction is made between men and women in this respect. In addition, CEWE strongly emphasises equal opportunities for the development of men and women.

5 Consolidated financial statements

Consolidated statement of profit or loss

for financial year 2024 of CEWE Stiftung & Co. KGaA, Oldenburg

in thousands of euros

	Notes	2023	2024	Change in %
Revenue	C27	780,198	832,792	6.7
Increase in finished and unfinished goods		234	157	−32.9
Other own work capitalised		4,161	4,956	19.1
Other operating income	C28	25,494	27,323	7.2
Cost of materials	C29	−187,380	−188,010	−0.3
Gross profit		**622,707**	**677,218**	**8.8**
Personnel expenses	C30	−218,861	−236,256	−7.9
Other operating expenses	C31	−266,106	−299,235	−12.4
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**137,740**	**141,727**	**2.9**
Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment	C32	−53,830	−55,619	−3.3
Earnings before interest and taxes (EBIT)		**83,910**	**86,108**	**2.6**
Finance income	C33	5,953	2,370	−60.2
Finance expense	C33	−1,946	−1,622	16.6
Net finance income/expense		**4,007**	**748**	**−81.3**
Earnings before taxes (EBT)		**87,917**	**86,856**	**−1.2**
Income taxes	C34	−28,302	−26,785	5.4
Earnings after tax from continuing operations		**59,615**	**60,071**	**0.8**
Post-tax profit/loss of discontinued operations		−2,302	0	–
Consolidated earnings after taxes		**57,313**	**60,071**	**4.8**
Consolidated earnings per share (in euros)				
Basic	C35	8.10	8.64	6.7
Diluted	C35	8.10	8.63	6.5

Consolidated statement of comprehensive income

for financial year 2024 of CEWE Stiftung & Co. KGaA, Oldenburg

in thousands of euros

	Notes	2023		2024		Change in %
Earnings after taxes			**57,313**		**60,071**	**4.8**
Difference resulting from currency translation	A5	611		175		−71.4
Amounts which may be reclassified to the statement of profit or loss in future periods			**611**		**175**	**−71.4**
Actuarial losses and gains	D54, D55	−3,783		2,285		–
Income taxes on income and expenses recognised through other comprehensive income	C34	1,142		−677		–
Other comprehensive income from equity instruments measured at fair value	D40	−3,796		−760		80.0
Other comprehensive income not subsequently reclassified to the statement of profit or loss			**−6,437**		**848**	**–**
Other comprehensive income			**−5,826**		**1,023**	**–**
Total comprehensive income			**51,487**		**61,094**	**18.7**

Consolidated statement of financial position

for the year ended 31 December 2024 of CEWE Stiftung & Co. KGaA, Oldenburg

in thousands of euros

ASSETS	Notes	31 Dec. 2023	31 Dec. 2024	Change in %
Property, plant and equipment	D36	233,933	253,338	8.3
Investment property	D37	18,819	15,898	−15.5
Goodwill	D38	81,775	79,736	−2.5
Intangible assets	D39	21,316	20,074	−5.8
Investments	D40	6,678	6,497	−2.7
Non-current financial assets	D41	841	882	4.9
Non-current other receivables and assets	D41	1,789	1,410	−21.2
Deferred tax assets	D42	14,917	17,341	16.2
Non-current assets		**380,068**	**395,176**	**4.0**
Inventories	D43	60,518	61,951	2.4
Current trade receivables	D44	91,122	92,359	1.4
Current receivables from income tax refunds	D45	1,450	3,399	134
Current financial assets	D46	3,174	3,143	−1.0
Other current receivables and assets	D47	12,262	10,548	−14.0
Liquid assets	D48	117,369	150,274	28.0
Current assets		**285,895**	**321,674**	**12.5**
Assets		**665,963**	**716,850**	**7.6**

in thousands of euros

EQUITY AND LIABILITIES	Notes	31 Dec. 2023	31 Dec. 2024	Change in %
Issued capital	D49, D50	19,349	19,349	–
Capital reserves	D51, D52	74,023	74,030	–
Treasury shares at cost	D53	−34,141	−42,562	−24.7
Revenue reserves and net retained profits	D54	330,008	373,019	13.0
Total equity of the shareholders of CEWE KGaA		**389,239**	**423,836**	**8.9**
Non-current provisions for pensions	D55	33,970	33,036	−2.7
Non-current deferred tax liabilities	D56	1,590	899	−43.5
Non-current other provisions	D57	577	533	−7.6
Non-current lease liabilities	D58	37,103	33,473	−9.8
Non-current financial liabilities	D59	571	444	−22.2
Non-current other liabilities	D60	512	487	−4.9
Non-current liabilities		**74,323**	**68,872**	**−7.3**
Current tax liabilities	D61	7,676	10,648	38.7
Current other provisions	D62	3,047	3,079	1.1
Current loans and borrowings	D63	77	0	–
Current lease liabilities	D58	9,468	9,615	1.6
Current trade payables	D64	121,555	136,890	12.6
Current financial liabilities	D65	104	143	37.5
Current other liabilities	D66	60,474	63,767	5.4
Current liabilities		**202,401**	**224,142**	**10.7**
Equity and liabilities		**665,963**	**716,850**	**7.6**

Consolidated statement of changes in equity

of CEWE Stiftung & Co. KGaA, Oldenburg

in thousands of euros

	Issued capital	Capital reserves	Equity earned by the group	Other comprehensive income: Equity instruments measured at fair value	Other comprehensive income: Actuarial gains and losses	Other comprehensive income: Adjustment item from currency translation	Other comprehensive income: Income taxes on income and expenses recognised through other comprehensive income	Revenue reserves and net retained profits	Total	Treasury shares at cost	Group equity
As of 1 Jan. 2023	**19,349**	**73,782**	**298,930**	**5,035**	**−5,042**	**−5,211**	**2,157**	**295,869**	**389,000**	**−26,237**	**362,763**
Total comprehensive income	**–**	**–**	**57,313**	**−3,796**	**−3,783**	**611**	**1,142**	**51,487**	**51,487**	**–**	**51,487**
Dividend paid	–	–	−17,348	–	–	–	–	−17,348	−17,348	–	−17,348
Purchase of treasury shares	–	–	–	–	–	–	–	–	–	−8,994	−8,994
Stock option plans	–	241	–	–	–	–	–	–	241	1,090	1,331
Owner-related equity changes	**–**	**241**	**−17,348**	**–**	**–**	**–**	**–**	**−17,348**	**−17,107**	**−7,904**	**−25,011**
As of 31 Dec. 2023	**19,349**	**74,023**	**338,895**	**1,239**	**−8,825**	**−4,600**	**3,299**	**330,008**	**423,380**	**−34,141**	**389,239**
Total comprehensive income	**–**	**–**	**60,071**	**−760**	**2,285**	**175**	**−677**	**61,094**	**61,094**	**–**	**61,094**
Dividend paid	–	–	−18,083	–	–	–	–	−18,083	−18,083	–	−18,083
Purchase of treasury shares	–	–	–	–	–	–	–	–	–	−9,839	−9,839
Stock option plans	–	7	–	–	–	–	–	–	7	1,418	1,425
Owner-related equity changes	**–**	**7**	**−18,083**	**–**	**–**	**–**	**–**	**−18,083**	**−18,076**	**−8,421**	**−26,497**
As of 31 Dec. 2024	**19,349**	**74,030**	**380,883**	**479**	**−6,540**	**−4,425**	**2,622**	**373,019**	**466,398**	**−42,562**	**423,836**

See D49 – D54 for details

Consolidated statement of cash flows

for financial year 2024 of CEWE Stiftung & Co. KGaA, Oldenburg

in thousands of euros

	Notes	2023		2024		Change in %
Earnings after taxes			**57,313**		**60,071**	**4.8**
+ Loss of discontinued operations			2,302		0	–
+ Income taxes			28,302		26,785	−5.4
− Net finance income / expense			−4,007		−748	81.3
+ Depreciation, amortisation and write-downs			53,830		55,619	3.3
EBITDA			**137,740**		**141,727**	**2.9**
+ Non-cash factors			1,005		3,445	243
+ Decrease in operating net working capital			5,664		9,459	67.0
+ Decrease in other net working capital (excl. income tax items)			2,622		5,154	96.6
− Taxes paid			−16,772		−29,554	−76.2
+ Interest received			512		1,656	223
= Cash flows from operating activities			**130,771**		**131,887**	**0.9**
− Outflows from investments in property, plant and equipment and intangible assets			−52,882		−56,232	−6.3
− Outflows from acquisitions / divestments	A3		−670		−2,159	−222
+ Inflows from investments in long-term financial assets			4,666		145	−96.9
+/− Inflows (+) / outflows from investments in non-current financial instruments			137		−41	–
+ Inflows from the sale of property, plant and equipment and intangible assets			821		199	−75.8
= Cash flows from investing activities			**−47,928**		**−58,088**	**−21.2**
= Free cash flow			**82,843**		**73,799**	**−10.9**
− Dividends paid	D54	−17,347		−18,083		−4.2
− Purchase of treasury shares	D53	−8,994		−9,839		−9.4
− Amounts paid out for stock option plans		−33		−448		<−1,000
= Outflows to shareholders			**−26,374**		**−28,370**	**−7.6**
− Outflows from change in loans and borrowings			−12,066		−12,232	−1.4
− Interest paid			−458		−177	61.4
= Cash flows from financing activities			**−38,898**		**−40,779**	**−4.8**
Cash at the beginning of the reporting period			**73,067**		**117,369**	**60.6**
+/− Exchange-rate related changes in liquid assets			357		−115	–
+ Cash flows from operating activities			130,771		131,887	0.9
− Cash flows from investing activities			−47,928		−58,088	−21.2
− Cash flows from financing activities			−38,898		−40,779	−4.8
= Cash at the end of the reporting period			**117,369**		**150,274**	**28.0**

Segment reporting by business unit[1]

for financial year 2024 of CEWE Stiftung & Co. KGaA, Oldenburg

in thousands of euros

		Photofinishing	Retail	Commercial Online Printing	Other Activities	Inter-business-unit revenue[2]	CEWE Group
External revenue	**2024**	**713,964**	**30,825**	**89,948**	**–**	**−1,945**	**832,792**
	2023	658,762	31,295	92,161	–	−2,020	780,198
External revenue, adjusted for currency effects	**2024**	**713,511**	**30,647**	**89,803**	**–**	**–**	**832,016**
	2023	658,762	31,295	92,161	–	–	780,198
EBIT	**2024**	**83,421**	**656**	**3,387**	**−1,356**	**–**	**86,108**
	2023	80,036	472	4,165	−763	–	83,910
Depreciation and amortisation	**2024**	**40,819**	**3,602**	**7,451**	**358**		**52,230**
	2023	41,631	3,540	6,756	649		52,576
Write-downs and impairments	**2024**	**3,173**	**–**	**–**	**216**	**–**	**3,389**
	2023	828	–	29	397	–	1,254

[1] Segment reporting by business unit is an integral part of the Notes.
[2] Inter-business-unit revenue refers to the consolidation of revenue between two different segments.

Segment notes
- Photofinishing includes revenue and earnings from CEWE photo products from own retail activities
- Retail only consists of merchandise business, excl. CEWE’s photography products
- Other Activities comprises holding/structural costs (mainly Supervisory Board and IR costs), real estate

Notes to the consolidated financial statements

of CEWE Stiftung & Co. KGaA, Oldenburg

A. General disclosures

1 Corporate information

CEWE Stiftung & Co. KGaA (hereinafter: CEWE-KGaA) is a listed partnership limited by shares (Kommanditgesellschaft auf Aktien – KGaA) under German law with its registered office in Germany (Meerweg 30 – 32, 26133 Oldenburg). It is entered in the commercial register held by Oldenburg Local Court under HRB 208214.

CEWE-KGaA is the parent company of the CEWE Group (hereinafter: CEWE). CEWE is an internationally active group and a technology and market leader focused on photofinishing, commercial online printing and photo retailing.

These consolidated financial statements and the combined management report for financial year 2024 were prepared by the Executive Board of Neumüller CEWE Color Stiftung, the general partner of CEWE-KGaA, and authorised for issue on 25 March 2025. They are also submitted to and published in the Company Register **https://www.unternehmensregister.de/ureg/howto1.6.html.**

2 Basis of preparation of the consolidated financial statements

The consolidated financial statements of CEWE-KGaA for the reporting period from 1 January 2024 to 31 December 2024 have been prepared on a going-concern basis in accordance with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") in effect at the end of the reporting period and the interpretations by the International Financial Reporting Standards Interpretations Committee (IFRIC), as adopted by the EU, as well as the supplementary provisions to be applied under Section 315e (1) of the German Commercial Code (Handelsgesetzbuch – HGB).

The following amendments were required to be applied for the first time as of the reporting period:

Amendment/Standard

	Issue date	Date of adoption into into EU law	Effective date (EU)
Amendments to IAS 1 Presentation of Financial Statements: » Classification of Liabilities as Current or Non-current; » Classification of Liabilities as Current or Non-current – Deferral of Effective Date; » Non-current Liabilities with Covenants	23 Jan. 2020/ 15 July 2020/ 31 Oct. 2022	19 Dec. 2023	1 Jan. 2024
Amendments to IFRS 16 Leases: Lease Liabilities in a Sale and Leaseback	22 Sep. 2022	20 Nov. 2023	1 Jan. 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures in the Notes: Supplier Finance Arrangements	25 May 2023	15 May 2024	1 Jan. 2024

The standards mentioned must be applied for the first time in the reporting year.

The following EU-endorsed IFRS Accounting Standards had been issued by the end of the reporting period, but are not required to be applied until subsequent reporting periods.

Amendment/Standard

	Issue date	Date of adoption into into EU law	Effective date (EU)
Amendments to IAS 21 Effects of Changes in Exchange Rates: Lack of Exchangeability	15 Aug. 2023	12 Nov. 2024	1 Jan. 2025

The disclosures describe Standards and Amendments that have already been adopted as of the reporting date. However, as they are not yet effective, their impact will only become apparent in future accounting periods.

The new amendments to existing standards are not expected to have a material effect on the net assets, financial position and results of operations.

The following standards, interpretations and amendments to existing standards also issued by the IASB by the end of the reporting period are not yet required to be applied in the consolidated financial statements for the period ended 31 December 2024. They will only be applied if adopted through the EU's IFRS Accounting Standards endorsement procedure:

Amendment/Standard

	Issue date	Date of adoption into into EU law	Effective date (EU)
Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity	18 Dec. 2024	open	1 Jan. 2026
Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	30 May 2024	open	1 Jan. 2026
Annual Improvements to IFRS Accounting Standards (Volume 11)	18 July 2024	open	1 Jan. 2026
IFRS 18 Presentation and Disclosure in Financial Statements	9 April 2024	open	1 Jan. 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	9 May 2024	open	1 Jan. 2027

The disclosures show Standards and Interpretations that are not yet mandatory in the EU.
However, the contents mentioned are binding and are currently being adopted into national law in an EU endorsement procedure.

The future effects on the net assets, financial position and results of operations as a result of applying the standards issued by the end of the reporting period but not yet required to be applied are still being examined. Some standards may require additional notes disclosures. The new standards will only be applied upon completion of the endorsement procedure in the EU.

Fair value measurement

As far as possible, CEWE uses data observable in the market in measuring the fair value of an asset or a liability. The fair values are categorised into different levels of the fair value hierarchy based on the inputs used in applying the valuation techniques:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as a price) or indirectly (i.e. derived from prices).
- Level 3: inputs for assets or liabilities that are not based on observable market data.

With the exception of derivatives recognised at fair value, equity instruments held at fair value (FVOCI) and pension liability insurance policies that are not plan assets, all assets and liabilities in these financial statements are measured at amortised cost. In the case of assets and liabilities accounted for at amortised cost, the carrying amounts of the financial assets and liabilities in the statement of financial position are a reasonable approximation of their fair value.

The statement of profit or loss was prepared using the total cost (nature of expense) method. Unless otherwise indicated, all figures are in thousands of euros. Rounding differences may occur.

3 Basis of consolidation

In addition to CEWE Stiftung & Co. KGaA, the consolidated financial statements for the period ended 31 December 2024 include German and foreign entities which CEWE Stiftung & Co. KGaA controls, either directly or indirectly. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the investee's returns through its power over the investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences up until the date on which control ceases.

As in the previous year, the basis of consolidation comprised CEWE Stiftung & Co. KGaA, Oldenburg, as the parent, and 12 German and 19 foreign entities as of 31 December 2024 (see E68, page 272). The pension obligations transferred to CEWE COLOR Versorgungskasse e.V., Wiesbaden, are also included in the consolidated financial statements in accordance with IAS 19. There is no contractual trust arrangement (CTA) as, from a legal perspective, the pension obligations remain with CEWE-KGaA. Insofar as the pension fund is unable to meet its obligations from its own resources, those resources are provided to it by CEWE-KGaA.

As in the previous year, the non-operational Bilder-planet.de GmbH, Cologne, and Diginet Danmark ApS, Åbyhøj, Denmark, were not included in the basis of consolidation, as they are of minor economic significance. They are instead recognised as investments at the equity investments' carrying amounts.

In the previous year, the subsidiary futalis GmbH was disposed of on 21 December 2023, with control of the entity transferring to the acquirers on the same date. The CEWE Group had made an important contribution to futalis' business development in previous years and the intention was for futalis to take its next strategic steps on its own. As a result, futalis was first classified as held for sale as of 30 September 2023. In the previous year, the discontinued operation was presented separately from continuing operations.

In order to further increase its own vertical integration, CEWE subsidiary SAXOPRINT acquired assets of Eastprint GmbH, Dresden, through an asset deal with effect from 1 January 2024. SAXOPRINT had previously outsourced large-format printing to Eastprint and this has now been brought in-house through this acquisition. The acquisition qualifies as a business combination under IFRS 3. A purchase price of 2.55 million euros was paid. The purchase price was allocated with final effect as of 31 December 2024. An amount of 0.5 million euros is recognised as goodwill allocated to Commercial Online Printing. The following table shows the acquisition-date fair values of the assets acquired and liabilities assumed and the total consideration transferred.

Assets acquired and liabilities assumed in thousands of euros

	2024
Goodwill	476
Non-current assets	1,870
Current assets	204
Net assets	**2,550**
Purchase price / net outflow from acquisitions	**2,550**

Since initial consolidation, the activities acquired from Eastprint have contributed 4.3 million euros to consolidated revenue and 0.1 million euros to earnings after taxes.

4 Consolidation methods

The consolidated financial statements were prepared from the included German and foreign financial statements of the subsidiaries using uniform accounting policies. For all entities included in the consolidated financial statements, the reporting date of the single-entity financial statements is the same as the reporting date of the consolidated financial statements for the period ended 31 December 2024.

Acquired subsidiaries are accounted for using the acquisition method. The cost of the acquisition is the fair value of the assets given, equity instruments issued and liabilities incurred or assumed as of the transaction date. It also includes the fair value of any recognised assets or liabilities resulting from a contingent consideration arrangement. On initial consolidation, assets, liabilities and contingent liabilities identifiable in a business combination are measured at their acquisition-date fair values.

Acquisition-related costs are recognised as expenses when incurred.

Any contingent consideration is measured at the acquisition-date fair value. Subsequent changes in the fair value of contingent consideration classified as an asset or a liability are measured in accordance with IFRS 9, and any resulting gain or loss is recognised in profit or loss.

The amount resulting from the excess of the cost of the acquisition, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any equity interest previously held over the Group's share of the net assets measured at fair value is recognised as goodwill.

When additional interests are acquired in entities already consolidated, the relevant amounts are recognised in other comprehensive income. The recognition of assets, liabilities and goodwill of the already-consolidated entity is not changed. The goodwill impairment tests required on an annual basis are performed using the discounted cash flow method. The expected future cash flows taken from the latest management budget/forecast are taken as the basis, adjusted using long-term rates of revenue growth and assumptions about trends in margins and earnings, and discounted at the corporate unit's cost of capital. The test is performed at cash-generating unit level. An additional impairment test is performed during the year if events suggest that there might have been a permanent decline in value.

Intragroup revenue, income and expenses are eliminated, as are loans, receivables and liabilities between the entities included. Intragroup profits on Group deliveries are consolidated to the extent that they are of significance for the fair presentation of the net assets, financial position and results of operations. Intragroup goods and services are calculated on the basis of both market prices and transfer prices, which were determined according to the arm's length principle. If necessary, deferred taxes are recognised for consolidation adjustments recognised in profit or loss.

As equity instruments issued for future employee services, stock option plans were measured at fair value in accordance with IFRS 2. The resulting effects were allocated as an expense over the term, presented as personnel expenses and eliminated against equity. If the option terms and conditions are not fulfilled, the measurement item within equity must also be reversed outside profit or loss.

Entities that can no longer be classified as entities required to be consolidated are excluded from consolidation. The timing is determined by the date of departure, i.e. the date on which control over the financial and operating policies is lost. The consolidated entity's income and expenses arising up until its disposal continue to be included in the consolidated statement of profit or loss. All assets and liabilities representing the consolidated entity immediately prior to departure from the basis of consolidation are reflected in the disposal value. The effect on net income of ceasing to consolidate an entity is determined by comparing the proceeds of sale or liquidation against the disposal value. The prior-year consolidation methods are applied unchanged.

5 Currency translation

The annual financial statements of foreign Group companies are translated into euros using the functional currency approach. As the subsidiaries operate as financially, economically and organisationally independent entities, the functional currency is generally the same as the entity's local currency. The Group's reporting currency and functional currency is the euro.

Assets and liabilities of the foreign entities to be included in the consolidated financial statements are translated at the middle spot rate at the end of the reporting period (statement of financial position exchange rate), and income and expenses at the annual average of the middle rates (statement of profit or loss exchange rate).

In the case of goodwill arising on the accounting for acquisitions of foreign subsidiaries, currency effects are taken into account during measurement subsequent to initial consolidation.

Equity is also translated at historical rates. Any resulting translation differences are not presented in the statement of profit or loss, but in a separate equity item. Foreign exchange differences arising on the translation of non-current loans to Group companies are likewise recognised directly in equity.

The following principal exchange rates were used for currency translation:

Currency translation

		2023		**2024**	
		Statement of financial position exchange rate	Statement of profit or loss exchange rate	**Statement of financial position exchange rate**	**Statement of profit or loss exchange rate**
CHF	Swiss franc	0.92600	0.97182	0.94120	0.95268
CZK	Czech koruna	24.72500	24.00285	25.18500	25.12034
DKK	Danish krone	7.45290	7.45093	7.45780	7.45894
GBP	British pound sterling	0.86905	0.86978	0.82918	0.84660
HUF	Hungarian forint	382.78000	381.94637	410.09000	395.24797
NOK	Norwegian krone	11.24050	11.42452	11.79500	11.63000
PLN	Polish zloty	4.34800	4.54366	4.27380	4.30677
SEK	Swedish krona	11.09600	11.47879	11.45900	11.43274
USD	US dollar	1.10500	1.08129	1.03890	1.08238

B. Accounting policies

6 General disclosures

As in the previous year, the annual financial statements of the entities included are prepared in accordance with uniform accounting policies. Accounting options are used in the consolidated financial statements in the same way as in the annual financial statements.

Preparation of the consolidated financial statements requires the Executive Board to exercise judgement and make a series of estimates and assumptions that affect the application of accounting policies in the Group and the presentation of assets, liabilities, income and expenses. Actual amounts may differ from the estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. The following estimates and related assumptions may affect the consolidated financial statements.

If items of property, plant and equipment and intangible assets are acquired in a business combination, the acquisition-date fair value of those assets and the expected useful lives must be estimated. Both the fair values and the useful lives are determined based on management judgements.

Measurement of impairment losses on items of property, plant and equipment, intangible assets and goodwill requires estimates to be made regarding the cause, timing and amount of the impairment losses and, where permitted, reversals of impairment losses. Assessment of indications of impairment, estimation of future cash flows and measurement of the fair values of assets depend on estimates of expected cash flows, useful lives, discount rates and residual values. The trend in future cash flows is determined mainly by the trend in future demand for products. If the actual trend in demand is below expectations, this would have a negative effect on revenue and cash flows. This could result in further valuation allowances that impact negatively on the future results of operations.

The default risk on receivables is countered by recognising both allowances for expected credit losses and allowances for doubtful accounts. Allowances for expected credit losses are calculated on the basis of the maturity structure, current market conditions and past experience, which shows that customers’ payment behaviour was stable in all phases of the economic cycle. If a customer’s financial position deteriorates, actual bad debts could exceed expected bad debts.

The CEWE Group is required to pay income taxes in various countries (mainly in Europe). Significant assumptions therefore need to be made in order to calculate Group-wide income tax liabilities. Income tax expense is determined by calculating for each taxable entity the expected current income tax expense and the deferred taxes for temporary differences between the statement of financial position items in the consolidated financial statements and the tax base. This requires assumptions to be made regarding the interpretation of the tax laws in effect in Germany and abroad. Moreover, an assessment must be made as to whether sufficient taxable income can be generated in relation to the respective tax type and tax jurisdiction. In the case of some transactions and calculations, the final tax liability cannot be conclusively determined. The Group measures the amount of provisions for expected tax audits on the basis of estimates of whether additional income taxes will fall due and in what amount. Where the final tax liability arising from those transactions differs from the initial assumption, this will affect current and deferred taxes in the period in which the tax liability is conclusively determined. If the final amounts (in the areas affected by estimates) were to differ from management’s estimates by 10 %, the Group would have to increase its tax liabilities by 1,065 thousand euros and its deferred tax liability by 90 thousand euros in the case of a difference to its detriment or reduce its tax liabilities by 1,065 thousand euros and its deferred tax liability by 90 thousand euros in the case of a difference to its advantage. Pensions and similar obligations are measured on the basis of actuarial techniques. These measurements are based mainly on assumptions about discount rates, salary and pension trends and life expectancy. Pensions and similar obligations may change significantly if those assumptions differ significantly from what actually occurs due to changes in market and economic conditions.

The recognition and measurement of other provisions and contingent liabilities depend to a large extent on the complexity of the underlying transaction and on estimates. They require assumptions to be made about probabilities of occurrence and the amount that will be used, and those assumptions depend on past experience, estimates of cost trends and the assessment of other information. Changes in those estimates may have a substantial impact on the results of operations.

Individual items in the statement of profit or loss and the statement of financial position have been aggregated. They are presented separately in the notes. The Group classifies assets and liabilities as current if they are expected to be recovered or settled no more than twelve months after the end of the reporting period.

7 Revenue and expense recognition

The ordinary activities of the CEWE Group consist of providing photofinishing and other printing services and trading in photographic hardware as well as photofinishing products and services. CEWE generates revenue mainly from the sale of goods and only to a small extent from the provision of services. All income relating to ordinary activities is presented as revenue in the statement of profit or loss. All other income is presented as other operating income (see C28, page 235 f.). Revenue is recognised applying a five-step model, according to which the amount expected as consideration in exchange for transferring goods or providing services to a customer is recognised as revenue. Revenue is recognised either over time or at a point in time when (or as) control of goods or services transfers to a customer. Operating expenses are recognised in profit or loss upon delivery of the service or when incurred. Revenue-related expenses or provisions are generally reflected when the corresponding revenue is realised Revenue is therefore reduced by value-added taxes as well as actual and expected reductions of revenue attributable to rebates, discounts and bonuses. Refund liabilities are recognised for expected reductions of revenue. Estimates regarding reductions of revenue and refund liabilities are based mainly on past experience, specific contract terms, price information and, in this regard, expectations for future revenue performance. The underlying assumptions regarding refund liabilities are reviewed and possibly changed at the end of each reporting period.

8 Property, plant and equipment

Property, plant and equipment is recognised at cost and, if the items are wasting assets, reduced by straight-line depreciation. In the Commercial Online Printing business unit, the units-of-production depreciation method is used for offset printing machines. Production cost includes all directly attributable costs, plus appropriate shares of production-related indirect costs. Financing costs are capitalised. The gain or loss arising from the derecognition of an asset is determined as the difference between the net disposal proceeds and the carrying amount and recognised in the statement of profit or loss as other operating income or expense in the period in which the item is derecognised.

9 Lease accounting

On initial recognition of a lease, CEWE recognises a liability at the present value of the existing payment obligation, adjusted for accrued or deferred lease payments. Variable lease payments are insignificant in amount. On subsequent measurement, the effective interest method is applied. Present value is determined by discounting lease payments using a risk- and maturity-matched incremental borrowing rate if the interest rate implicit in the lease cannot be determined. The current portion of the lease liability required to be presented separately in the statement of financial position is determined by reference to the principal portion of the lease payments over the next twelve months.

CEWE measures all right-of-use assets arising from leases at amortised cost. They are depreciated on a straight-line basis over the shorter of the lease term and the economic life of the identified asset. If events or changes in circumstances indicate that an asset may be impaired, an impairment test is performed in accordance with IAS 36.

Lease accounting is mainly affected by the estimate of the term. All facts and circumstances that create an economic incentive to exercise an existing option are considered in determining the lease term. The assumed term therefore also includes periods covered by extension options if they are reasonably certain to be exercised. In cases where CEWE is the lessor, the lease is classified as an operating lease.

10 Investment property

Investment property comprises land and buildings held to earn rentals or for capital appreciation rather than for own use in the production or supply of goods or services, for administrative purposes or for sale in the ordinary course of business.

Investment property is measured initially at amortised cost including incidental costs and subsequently at amortised cost.

Investment property is derecognised if it is sold or permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses arising from the retirement or disposal of investment property are recognised in the period of the retirement or disposal.

A property is allocated to the portfolio of investment property in the event of a change in its use evidenced by the end of owner-occupation or the inception of an operating lease as lessor with another party.

11 Goodwill

Goodwill is not amortised; rather, it is tested for impairment once a year. A test is also performed if events occur which indicate that it may be impaired.

12 Intangible assets

Intangible assets comprise industrial and similar rights, acquired software, internally generated software, customer bases and customer lists, trademarks and prepayments on such assets. Acquired and internally generated intangible assets are recognised subject to the conditions set out in IAS 38 Intangible Assets.

Acquired intangible assets are recognised at purchase cost, while internally generated intangible assets from which future benefits are expected to flow to the Group and which can be determined and measured reliably are recognised at production cost. Each type is amortised over its useful life on a straight-line basis. Production cost includes all directly attributable costs, plus appropriate shares of production-related indirect costs. Financing costs are not capitalised, as no assets have a relatively long generation or production phase. Other development costs are also not capitalised, as the conditions for recognition as part of the cost of an asset are not usually met. An intangible asset is impaired if its recoverable amount – the higher of the asset's fair value less costs of disposal and its value in use – is lower than its carrying amount. Impairments are recognised within Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment. Internally generated intangible assets consist mainly of innovations in distribution- and production-specific software systems that can be used throughout the Group.

13 Impairment

Average useful life in years

	31 Dec. 2023	31 Dec. 2024
Asset		
Customer base and customer lists	5	5
Software and other intangible assets	3 to 8	3 to 8
ERP software	5	5
Buildings	25 to 50	25 to 50
Machinery		
Adhesive binding equipment and machinery	8	8
Offset printing machines	8 to 10	8 to 10
Digital printing machines	4 to 7	4 to 7
Sorting systems	5 to 8	5 to 8
IT equipment	3 to 7	3 to 7
Cars	5	5
Office furniture	13	13

Average useful lives are determined based on past experience of using the asset, its current and expected applications and specific technical development.

The carrying amounts of property, plant and equipment and intangible assets are tested for indications of impairment at the end of each reporting period. In the event of such indications, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Recoverable amount is determined for each individual asset, unless an asset generates cash inflows that are not largely independent of the cash inflows from other assets or other groups of assets (cash-generating units). In this case, it is determined at the level of the cash-generating unit to which the asset is allocated. Assets are allocated to the individual cash-generating units, or the smallest group of cash-generating units, on a reasonable and consistent basis.

In the case of intangible assets with an indefinite useful life or those not yet available for use, an impairment test is performed at least annually and when there are indications of impairment. Recoverable amount is the higher of fair value less costs of disposal and value in use.

Value in use is calculated by discounting the future cash flows from continuing use of the cash-generating units using a risk-adjusted interest rate. The cash flows are determined on the basis of the budgets/forecasts approved by the Executive Board and in effect when the impairment test is performed. These budgets/forecasts are based on expectations about future market share, growth in the respective markets and product profitability. Cash flow projections beyond the detailed planning period are calculated using suitable growth rates. The planning period is five years. These reflect both current market assessments of the time value of money and the risks specific to the asset to the extent that these have not already been included in estimating the cash flows. Before taxes, the risk-adjusted interest rates used to discount cash flows range from 6.6% to 8.9% in the Photofinishing business unit and from 7.0% to 8.3% in the Retail business unit. In the Commercial Online Printing business unit, the risk-adjusted interested rate used to discount cash flows is 6.0%.

The cash-generating units' risk-adjusted interest rate is based on the weighted average cost of capital (WACC). This is determined on the basis of the capital asset pricing model (CAPM), taking into account current market expectations. Specific peer group information on beta factors, capital structure data and the cost of borrowing are used to determine the risk-adjusted interest rate for the purposes of the impairment test. Periods not included in the budgets/forecasts are reflected by means of a terminal value. Various sensitivity analyses are also performed. If the recoverable amount of an asset or a cash-generating unit is less than its carrying amount, an impairment loss is recognised in the amount of the difference. If the value in use is less than the carrying amount, the fair value less costs of disposal is also calculated in order to determine the recoverable amount.

The impairment loss is recognised in profit or loss immediately. If the impairment loss reverses, the carrying amount of the asset or the cash-generating unit is increased to the newly determined recoverable amount. However, the increased carrying amount may not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

Goodwill is not amortised; rather, it is tested for impairment on the basis of the recoverable amount of the cash-generating unit to which it is allocated. For this, goodwill acquired in a business combination is allocated to each individual cash-generating unit that is expected to benefit from the synergies of the combination. A cash-generating unit may not be larger in size than the operating segment forming part of the internal reporting to the chief operating decision maker and thus reflects the internal reporting structure. The impairment test is performed at least once a year and also if there are indications that the cash-generating unit may be impaired.

If the carrying amount of the cash-generating unit to which goodwill was allocated exceeds its recoverable amount, this allocated goodwill must be written down in the amount of the difference determined. Once recognised, goodwill impairment losses may not be reversed. If the difference determined for the cash-generating unit exceeds the carrying amount of the allocated goodwill, the remaining impairment loss is allocated pro rata to reduce the carrying amounts of the assets allocated to the cash-generating unit.

14 Investments

Investments consist of acquired equity instruments with positive fair values, and reinsurance policies. An investment is initially recognised at fair value, usually plus transaction costs, at the settlement date. Investments are in each case classified and measured on the basis of the business model and the cash flow characteristics. Equity instruments are usually held for medium- to long-term strategic purposes. They are therefore measured at fair value through other comprehensive income. Pension liability insurance policies included in investments are recognised at their actuarial present value. They are not plan assets.

15 Non-current assets held for sale

Non-current assets held for sale comprise assets or groups of assets whose carrying amounts are expected to be recovered within the next twelve months principally through a sale transaction rather than through operational use. They are measured at the lower of carrying amount and fair value less costs to sell. If the fair value increases at a later date, the amount of the impairment loss recognised is reversed.

16 Inventories

Inventories are recognised at purchase or production cost. Production cost includes direct materials and labour costs, plus appropriate shares of indirect materials and labour costs. Administrative costs are included to the extent that they are attributable to production. Purchased inventories are measured at the weighted average value applying the weighted average cost method. The net realisable value is recognised if lower at the end of the reporting period. Inventories that are seldom used due to obsolescence or technical progress are written down by recognising obsolescence allowances. There are no long-term construction contracts.

17 Primary financial instruments

A financial instrument is any contract that gives rise to a financial asset of one contracting party and a financial liability or an equity instrument of another contracting party. Such instruments are classified into the following classes based on their contractual cash flow characteristics and the underlying business model: financial assets and liabilities and loan commitments measured at (amortised) cost, at fair value through profit or loss and at fair value through other comprehensive income. They are generally recognised at fair value including transaction costs at the settlement date, unless they are financial instruments measured at fair value through profit or loss. Subsequent measurement depends on a financial instrument's classification into one of the following classes.

Financial assets
Equity instruments presented as financial assets are measured at fair value through other comprehensive income. The latter comprise shares in unconsolidated equity investments. If debt instruments qualify as neither "hold to collect" nor "hold to collect and sell" or the cash flows are not solely payments of principal and interest, they are measured at fair value through profit or loss.

Loans and receivables and other debt instruments held within the "hold to collect" business model whose contractual cash flows are solely payments of principal and interest are generally measured at amortised cost using the effective interest method. If there is uncertainty about an individual receivable's collectability, the expected credit loss is anticipated. Definitive defaults result in the derecognition of the receivable concerned. Otherwise, receivables are measured under the expected loss approach using IFRS 9's simplified method, at an amount equal to the lifetime expected credit losses. A financial asset is derecognised when the rights to payment expire or the financial asset is transferred to another party. A significant modification of the contractual terms of a financial instrument measured at amortised cost results in its derecognition and the recognition of a new financial asset. Insignificant modifications result in the carrying amount being adjusted without the financial asset being derecognised.

Liquid assets are recognised at fair value plus transaction costs. Cash-in-hand and credit balances in foreign currency are translated at the closing rate.

Financial liabilities
Financial liabilities usually establish a right to receive delivery in the form of cash or another financial asset. In particular, this includes trade payables, amounts owed to credit institutions and other financial liabilities.

Financial liabilities are measured at amortised cost.

18 Derivative financial instruments

Derivative financial instruments such as interest rate and currency options, interest rate swaps, cross-currency swaps and commodity forward contracts for hedging currency, interest rate and commodity price risks are used within narrowly defined limits. In accordance with the risk management principles, no derivative financial instruments are held for trading. Derivative financial instruments are initially recognised in the statement of financial position at fair value and subsequently recognised at their fair value. Gains and losses are recognised on the basis of the type of position being hedged. Recognised valuation models are used to determine fair value. Derivatives for which hedge accounting is not used are recognised at fair value. There was no hedge accounting as of the reporting date.

19 Deferred taxes

In accordance with IAS 12, deferred tax assets and deferred tax liabilities are recognised for all temporary differences between the carrying amounts of assets and liabilities in the IFRS Accounting Standards statement of financial position and their tax base, for tax credits and loss carryforwards, and for consolidation adjustments recognised in profit or loss. The national tax rates enacted or substantively enacted by the end of the reporting period are used for calculation purposes. The effect of changes in tax rates on deferred taxes is recognised when the change in the law enters into effect. Deferred tax assets for loss carryforwards are only recognised to the extent that it is probable that they can be recovered. Changes in deferred taxes carried in the statement of financial position generally result in deferred tax income or expense. If items that result in a change in deferred taxes are eliminated directly against equity, the change in deferred taxes is also recognised directly in equity.

They are calculated on the basis of the internationally accepted balance sheet liability method and show the tax effects of measurement differences between the individual entities' tax accounts and the consolidated financial statements. Neither deferred tax assets nor deferred tax liabilities are discounted.

Deferred taxes are calculated using the tax rates currently expected to apply when the temporary differences reverse.

Deferred tax assets and deferred tax liabilities are offset if they relate to taxes levied by the same taxation authority.

The Group applies the exemption set out in Section 274 (3) HGB, which states that no deferred tax assets or liabilities are to be accounted for in connection with the application of the German Act on Minimum Taxation or a foreign act on minimum taxation.

Average tax rates used to determine deferred tax in %

	2023	2024
Germany	31.00	31.00
Belgium	25.00	25.00
Denmark	22.00	22.00
France	25.00	25.00
Great Britain	19.00	25.00
Netherlands	25.80	25.80
Norway	22.00	22.00
Austria	25.00	23.00
Poland	19.00	19.00
Sweden	20.60	20.60
Switzerland	23.00	23.00
Slovak Republic	21.00	21.00
Czech Republic	21.00	21.00
Hungary	9.00	9.00
USA	21.00	21.00

20 Equity

Issued capital is recognised within equity at nominal amount. The premium from the initial share issue is measured as a capital reserve in the amount of the difference between the par value of the ordinary bearer shares issued and the issue price achieved.

The subscribed capital and capital reserves relate to CEWE Stiftung & Co. KGaA, Oldenburg. Through the item for treasury shares deducted from equity on the face of the statement of financial position, treasury shares are presented as a deduction in the amount of their total, original cost and transaction costs at the date of their repurchase (see note D52, page 255). Revenue reserves and net retained profits are recognised in accordance with the law and the articles of association of CEWE Stiftung & Co. KGaA, Oldenburg, at nominal amount. They also include differences versus the IFRS Accounting Standards financial reporting arising over and above the net income recognised in the financial statements in accordance with German commercial law. Effects arising on the fair value measurement of equity instruments and the fair value measurement of hedges and stock option plans (see note D51, page 252 ff.) are also presented, as are currency translation differences and actuarial gains and losses recognised in equity.

21 Pension obligations

Pension provisions for defined benefit pension commitments are calculated in accordance with the projected unit credit method prescribed in IAS 19. Under this method, the future obligation is discounted to its present value based on the benefit entitlements earned up to the end of the reporting period, taking into account additional variables. Differences between assumptions and what actually occurs, and changes in actuarial assumptions result in actuarial gains and losses. These are recognised directly in equity in the year in which they arise. Current service cost and the interest expense included in pension expense are presented as personnel expense.

The aforementioned disclosures relate only to the group of employees for which as beneficiaries a pension obligation is required to be recognised.

Biometric probabilities are calculated based on the current “Heubeck-Richttafeln 2018 G” mortality tables or similar foreign mortality tables. A small amount of pension liability insurance is in place for some of the pension commitments carried in the statement of financial position.

22 Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event, provided it is probable that that obligation will result in an outflow of resources and a reliable estimate can be made of the amount of the outflow. If the probability of occurrence is higher than 50 %, a provision is recognised on the basis of the settlement amount with the highest probability of occurrence. If material, provisions for obligations that are not expected to result in an outflow of resources in the following year are recognised at the present value of the expected outflow of resources. The discount rates are standard capital market rates. The carrying amount of the provisions is reviewed at the end of each reporting period.

23 Share-based payment

Stock option plans are accounted for in accordance with IFRS 2. The fair value of the options as of the grant date is determined on the basis of market prices (prices quoted by Deutsche Börse AG, Frankfurt), taking into account the terms and conditions of issue and generally accepted valuation techniques for financial instruments. The exercise price, the life, the current market value of the underlying (CEWE share), the expected volatility of the market price, the dividends expected on the shares and the risk-free interest rate for the life of the options are included in the measurement. As specific conditions relating to exercisability, consideration is also given to the necessary lock-up period (vesting period) and, if applicable, the holders’ earliest possible exercise date. Subsequently, the stock option value calculated is allocated to the life as an expense, taking into account the assumed period of service of the holders and the assumed rate of turnover among those holders (see D51). Option premiums earned in connection with the options issued are recognised as capital reserves.

24 Research costs and non-capitalisable development costs

Research costs and non-capitalisable development costs are recognised in profit or loss when incurred.

25 Contingent liabilities and contingent assets

A contingent liability is disclosed when the liability is a possible obligation that arises from a past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent liability may also be a present obligation that arises from past events, but was not recognised in the statement of financial position because

- it is not probable that an outflow of resources embodying economic benefits will be required to settle that obligation or
- the amount of the obligation cannot be measured with sufficient reliability.

If it is improbable that there will be an outflow from the entity embodying economic benefits, no contingent liability is disclosed.

Contingent assets are not recognised in the statement of financial position and are only disclosed if an inflow of economic benefits is probable. They are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

26 Government grants

Government grants that are paid as compensation for expenses or losses already incurred or in order to provide immediate financial assistance without any related future expense are recognised in the consolidated statement of profit or loss in the period in which they become receivable.

C. Notes to the statement of profit or loss

27 Revenue

Revenue by business unit in thousands of euros

	2023	Share in %	2024	Share in %
Photofinishing revenue	658,762	84.4	713,964	85.7
Change on previous year (in %)	6.9		8.4	
Retail revenue	31,295	4.0	30,825	3.7
Change on previous year (in %)	−3.4		−1.5	
Commercial Online Printing revenue	92,161	11.8	89,948	10.8
Change on previous year (in %)	6.6		−2.4	
Other Activities	0	0.0	0	0.0
Change on previous year (in %)	–		–	
Inter-business-unit revenue	−2,020	−0.3	−1,945	−0.2
Change on previous year (in %)	9.1		3.7	
Total revenue	**780,198**	**100**	**832,792**	**100**

Revenue is mainly generated from sales of CEWE products and is therefore shown by business unit in the above table.

The breakdown of revenue by geographical region is as follows. Revenue realised with external customers has been allocated based on the geographical location of the customer's business activities.

Revenue by geographic regions in thousands of euros

	2023	2024
Germany	417,124	429,408
Other countries	363,074	403,384
Total	**780,198**	**832,792**

Revenue with business partners is shown net of any sales deductions. In this context, retrospective discounts are often agreed that are based on total revenue over a given period. The proceeds from these sales are recognised at the price stated in the contract less agreed discounts. A refund liability (shown under trade payables) is recognised for discounts expected to be payable to the customer for sales made up until the end of the reporting period. Sales via mail-order shipping are recognised in Photofinishing and Commercial Online Printing, mainly on the basis of prepayment. The retail outlets operated by CEWE sell photographic hardware as well as photofinishing products. Payment of the transaction price is due immediately when the customer purchases the product and takes delivery at the retail outlet. Other revenues that are not generated from the delivery or supply of typical goods, merchandise and services (the ordinary activities of the CEWE Group) are shown under other operating income. At the reporting date, there are no contracts in which the period between the transfer of the promised goods or services to the customer and the payment made by the customer is greater than one year. For this reason, the promised consideration has not been restated to reflect the time value of money.

28 Other operating income

Other operating income in thousands of euros

	2023	2024
Other revenue from sales to third parties	4,145	7,369
Rental income	4,159	3,677
Income from pass-through expenses	3,258	3,274
Reimbursement of costs of own personnel	2,334	2,757
Income from currency translation	2,429	2,093
Income from the reversal of provisions	2,012	1,443
Income from dunning fees	760	596
Income from the receipt of impaired receivables	426	407
Income from insurance indemnification	188	49
Miscellaneous other operating income	5,783	5,658
Total other operating income	**25,494**	**27,323**

Other revenue from sales to third parties includes but is not limited to revenue from sales of recyclable residual materials arising during the production processes in the Photofinishing and Commercial Online Printing business units and revenue from the sale of items of property, plant and equipment.

In particular, income from pass-through expenses includes passed-on charges for sales aids, advertising services, and logistics and other transport services.

Income from the reversal of provisions comprises various individual items within the scope of ordinary activities. Provisions are reversed if, depending on the circumstances prevailing at the reporting date, they are no longer expected to be used or are expected to be used only to a minor extent.

Income from currency translation mainly includes gains arising from changes in the exchange rate between the transaction date and the date of settlement or from the measurement of monetary items at the closing rate. Exchange rate losses resulting from such transactions are shown under other operating expenses (see note C31, page 237 f.).

Miscellaneous other operating income includes prior-period income as well as additional accounts not allocable to other items referred to in the notes.

29 Cost of materials

Cost of materials in thousands of euros

	2023	2024
Cost of raw materials, consumables and supplies, and of purchased merchandise	−164,072	−168,070
Cost of purchased services	−23,308	−19,940
Total cost of materials	**−187,380**	**−188,010**

The cost of raw materials, consumables and supplies, and of purchased merchandise comprises, in particular, supplies of photographic paper, photo bags, chemicals and other packaging in the Photofinishing business unit, while in the Commercial Online Printing business unit expenses are mainly reported for printing plates, paper and freight costs. For the Retail business unit, this item comprises purchased merchandise.

The cost of purchased services includes third-party services in the Photofinishing and Commercial Online Printing business units.

30 Personnel expenses

Personnel expenses in thousands of euros

	2023	2024
Wages and salaries	−181,380	−195,574
Social security costs	−34,324	−36,996
Post-employment and other employee benefit costs	−3,157	−3,686
Total personnel expenses	**−218,861**	**−236,256**

Employees headcount

	2023	2024
Salaried employees	2,427	2,449
Hourly paid workers	1,304	1,319
Total employees	**3,731**	**3,768**

Employees by business unit headcount

	2023	2024
Photofinishing	2,784	2,870
Retail	405	396
Commercial Online Printing	487	502
Other Activities	55	0
Total employees	**3,731**	**3,768**

The above figures are annual averages. At 31 December 2024, the Group had a total of 4,020 employees (31 December 2023: 3,955 employees).

Wages paid to hourly paid workers amounted to 66,998 thousand euros (previous year: 63,312 thousand euros), while salaries for salaried employees came to 128,576 thousand euros (previous year: 118,068 thousand euros).

Post-employment and other employee benefit costs mainly comprise allocations to pension provisions; pension provisions for members of the governing bodies of the general and managing partner Neumüller CEWE COLOR Stiftung, Oldenburg, increased by 1,798 thousand euros (previous year: increase of 3,379 thousand euros). Please also refer to the disclosures on non-current provisions for pensions (see note D55, page 258 ff.).

31 Other operating expenses

Other operating expenses in thousands of euros

	2023	2024
Selling costs	−173,222	−196,062
Administrative costs	−42,061	−47,988
Operating costs	−12,632	−13,795
Costs of premises	−14,090	−15,835
Currency translation expenses	−2,578	−2,410
Motor vehicle costs	−2,621	−2,823
Depreciation, amortisation and loss allowances on current assets	−1,320	−1,654
Miscellaneous other operating expenses	−17,582	−18,668
Total other operating expenses	**−266,106**	**−299,235**

Selling costs comprise, in particular, expenses for transport services, shipping costs for branch and mail-order business in the Photofinishing business unit and marketing expenses. Loss allowances on current assets mainly comprise specific loss allowances on receivables and additions to risk provision for credit losses (2024: 1,176 thousand euros, 2023: 854 thousand euros) resulting from an estimate of the loss of future returns.

Currency translation expenses mainly comprise losses arising from changes in the exchange rate between the transaction date and the date of settlement and from measurement at the closing rate. Exchange rate gains resulting from such transactions are shown under other operating income (see note C28, page 235 f.).

In the reporting year, along with the costs of external services and personnel amounting to 3,867 thousand euros (previous year: 3,377 thousand euros), other operating expenses also included losses on the disposal of fixed assets in the amount of 263 thousand euros (previous year: 382 thousand euros).

Auditor's fees in thousands of euros

	2023	2024
Audit services for financial statements	410	526
Other assurance services	37	236
Total	**447**	**762**

The fees for audit services for financial statements mainly comprise payments for the audit of the consolidated financial statements and the single-entity financial statements of CEWE Stiftung & Co. KGaA, Oldenburg, and its German subsidiaries. The fees for other assurance services relate to the auditor's review of the combined non-financial statement. The audit services include the auditor's review of half-yearly financial report.

32 Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment

The breakdown of depreciation and amortisation as well as write-downs and impairment is shown in the statement of changes in fixed assets. In financial year 2024, goodwill was impaired in the amount of 2,515 thousand euros (previous year: 0 thousand euros).

33 Finance income/finance expense

Finance income / Finance expense in thousands of euros

	2023	2024
Income from long-term equity investments	5,441	714
Other interest and similar income	512	1,656
Finance income	**5,953**	**2,370**
Interest and similar expenses	−458	−177
Interest expense from lease liabilities	−1,488	−1,445
Finance expense	**−1,946**	**−1,622**

Income from long-term equity investments (net gain on financial instruments measured at fair value through other comprehensive income) includes profits distributed from equity investments in investment funds in the amount of 714 thousand euros (previous year: 5,441 thousand euros).

34 Income taxes

Current and deferred expenses for income taxes in thousands of euros

	2023	2024
Current German taxes[1]	−25,954	−27,582
Current foreign taxes[2]	−3,079	−3,029
Current total taxes	**−29,033**	**−30,611**
Deferred German taxes	877	1,833
Deferred foreign taxes	−146	1,993
Deferred total taxes	**731**	**3,826**
Total income taxes	**−28,302**	**−26,785**
[1] Of which prior-period taxes – Germany	−465	−1,365
[2] Of which prior-period taxes – other countries	−279	−360

In Germany, income taxes include corporate income tax including the solidarity surcharge, and trade tax. In other countries, this item comprises comparable income taxes for the subsidiaries.

No significant effects have resulted from tax rate changes or from the introduction of new German or foreign taxes.

The volume of income tax expenses shown can be calculated on the basis of the expected income tax expenses as follows:

Reconciliation of income tax expense in thousands of euros

	2023	2024
Earnings before taxes	87,917	86,856
Theoretical tax rate (in %)	30.0	30.0
Expected income tax expense	26,376	26,057
Increase/reduction of income tax charge due to:		
Deviation resulting from application of local tax rate	−305	−425
Deviation resulting from different assessment bases		
– Tax-free income (−)	−2,626	−3,097
– Other tax additions and deductions	0	1,216
– Non-deductible expenses (+)	2,665	3,590
– Depreciation of items not deductible for tax purposes	0	755
Recognition and measurement of deferred taxes		
– Non-recognition of deferred tax assets on loss carryforwards	2,579	1,528
– Revaluation/subsequent recognition of deferred taxes	−226	−2,534
Non-period effects		
– Use of unrecognised loss carryforwards (−)	−561	−1,850
– Other non-period effects	404	1,250
Other effects	−4	295
Income tax expense shown	**28,302**	**26,785**

A theoretical tax rate of 30.0% (previous year: 30.0%) is assumed based on the overall income tax burden. This is comprised of a corporate income tax rate of 15.0% (previous year: 15.0%), a solidarity surcharge of 5.5% levied on the corporate income tax liability (previous year: 5.5%) and an average trade tax rate of approximately 14.0% (previous year: 14.0%) plus minor rounding.

Deferred tax assets and liabilities were recognised for temporary differences in the following items from the statement of financial position, as well as on loss carryforwards:

Classification of deferred taxes items in thousands of euros

	31 Dec. 2023		**31 Dec. 2024**	
	Deferred tax assets	Deferred tax liabilities	**Deferred tax assets**	**Deferred tax liabilities**
Loss carryforwards and tax credits	6,034	0	7,761	0
Property, plant and equipment	127	−7,427	79	−8,557
Intangible assets	1,969	−1,356	3,037	−969
Investments	331	0	0	0
Inventories	320	−10	280	0
Receivables and other assets	22	−173	16	−192
Special item for investment grants (investment subsidies)	43	0	44	0
Pension provisions	6,088	0	5,898	0
Other provisions	440	−2	549	−2
Loans and borrowings	5,304	0	6,618	0
Other liabilities	1,618	0	1,880	0
Deferred taxes on temporary differences	**22,296**	**−8,968**	**26,162**	**−9,720**
Netting	**−7,379**	**7,379**	**−8,821**	**8,821**
Statement of financial position item	**14,917**	**−1,589**	**17,341**	**−899**

In the financial year and the preceding year, with the exception of a portion of the deferred tax assets recognised under pension provisions, any changes in deferred tax assets and liabilities were recognised in profit or loss. The change in deferred tax assets recognised outside profit or loss under pension provisions amounted to −677 thousand euros in the financial year (previous year: 1,142 thousand euros).

The total amount of unused tax losses carried forward was 58,036 thousand euros (previous year: 65,022 thousand euros). Deferred tax assets were recognised on tax loss carryforwards in the total amount of 35,020 thousand euros (previous year: 30,740 thousand euros). Deferred tax assets are recognised on loss carryforwards only to the extent that it is probable that the losses will be recovered against future taxable profits during periods in which tax loss carryforwards can be utilised. Based on the approved budgets and business plans, CEWE assumes that the deferred tax assets can be realised by applying projections of future taxable income. Of the loss carryforwards, 57,436 thousand euros (previous year: 64,403 thousand euros) can be carried forward indefinitely.

Total income tax expense recognised in equity in thousands of euros

	2023	**2024**
Income tax expense recognised in the statement of profit or loss	−28,302	−26,785
Tax expense directly recognised in equity	1,142	−677
Total income tax expense recognised in equity	**−27,160**	**−27,462**

At the reporting date, the BEPS Pillar 2 rules (German Minimum Taxation Directive Implementation Act, Mindestbesteuerungsrichtlinie-Umsetzungsgesetz – MinBestRL-UmsG) were transposed into German law (German Act on Minimum Taxation, Mindeststeuergesetz – MinStG) and entered into force upon publication in the German Federal Law Gazette on 27 December 2023. Pursuant to Section 101, the provisions of the MinStG apply for the first time for financial years beginning after 30 December 2023 and are therefore applicable for the reporting year. However, the Group does not (yet) fall under the scope of the MinStG or foreign acts on minimum taxation in financial year 2024, as it only exceeded the revenue threshold of 750 million euros required for the application of these provisions in its consolidated financial statements for the first time in financial year 2023. However, the condition for applying the MinStG or foreign acts on minimum taxation is that this revenue threshold has been reached in at least two of the four immediately preceding financial years (Section 1 (1) MinStG). In light of this situation, the Group assumes that the provisions of the MinStG will be applicable for the first time for financial year 2025.

In financial year 2024, the CEWE Group therefore launched a project to examine the extent to which it would be affected by a Pillar 2 top-up tax. Application of the MinStG or foreign acts on minimum taxation is not currently expected to give rise to a significant additional tax burden because the CEWE Group operates almost exclusively in countries where the nominal income tax burden exceeds 15% and for which no tax burden at all, or only an insignificant tax burden, is therefore expected to arise. Based on the data available for financial year 2023, we first reviewed whether the Transitional CbCR Safe Harbour regulations (Sections 84ff. MinStG) would be relevant to our Group. Based on this indicative analysis, at least one of the three possible Transitional CbCR Safe Harbour regimes could be used in all countries of the CEWE Group, which means that the tax burden would not increase.

The Group is closely monitoring the progress of the legislative process in every country where it operates, and will adapt its reporting and compliance processes with a view to calculating its top-up tax burden locally and centrally in future as well as submitting future minimum tax reports and filing related tax returns in Germany and other countries.

35 Earnings per share

Consolidated earnings per share[1]

		Q4 2023	2023	**Q4 2024**	**2024**
Earnings after taxes	in thousands of euros	57,754	57,313	56,166	60,071
Weighted average number of shares, basic	in units	7,054,079	7,071,350	6,923,175	6,950,896
Basic earnings per share	**in euros**	**8.19**	**8.10**	**8.11**	**8.64**
Consolidated profit/loss after minority interests	in thousands of euros	57,754	57,313	56,166	60,071
Weighted average number of shares, diluted	in units	7,054,079	7,071,350	6,923,175	6,950,896
Diluting effect of stock options issued	in units	8,843	8,466	11,076	11,284
Weighted average number of shares, diluted	in units	7,062,922	7,079,816	6,934,251	6,962,180
Diluted earnings per share	**in euros**	**8.18**	**8.10**	**8.10**	**8.63**

[1] The figures for 2023 relate to continuing earnings per share.

Basic earnings per share are calculated by dividing earnings after taxes by the weighted average number of shares outstanding during the financial year after deduction of treasury shares.

Diluted earnings per share as at 31 December 2024 have been indicated for purposes of comparison. Treasury shares are not included in the calculation of diluted earnings per share.

D. Notes to the statement of financial position

36 Property, plant and equipment

For the development of fixed assets, please refer to the attached statement of changes in fixed assets. The depreciation and amortisation shown there as well as write-downs and impairments of fixed assets are presented in the statement of profit or loss under Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment. Impairment testing led to write-downs and impairments on equipment with limited usability for technical reasons being recognised in the amount of 325 thousand euros (previous year: 1,209 thousand euros).

If there are indications of impairment, an impairment test is carried out at the level of the cash-generating unit. If there are indications of impairment of individual assets, impairment is considered at the level of the individual asset.

The carrying amount of property, plant and equipment used only temporarily is insignificant. The same applies to items of property, plant and equipment that are definitively no longer used. It is assumed that the fair value of property, plant and equipment does not differ materially from the carrying amount. The Group does not have any pledged property, plant and equipment. Obligations for the purchase of property, plant and equipment (purchase commitments) amounted to 8,780 thousand euros (previous year: 9,532 thousand euros).

Change in property, plant and equipment in 2024 in thousands of euros

	Land, land rights and buildings, including buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Cost					
As of 1 Jan.	**192,407**	**312,743**	**107,289**	**18,471**	**630,910**
Currency translation adjustments	−470	9	−430	−1	−892
Additions	21,209	23,334	13,726	8,259	66,528
Disposals	−9,641	−11,227	−13,094	–	−33,962
Transfers	14,874	3,074	259	−15,614	2,593
As of 31 Dec.	**218,379**	**327,933**	**107,750**	**11,115**	**665,177**
Depreciation and write-downs					
As of 1 Jan.	**76,102**	**236,629**	**84,246**	**–**	**396,977**
Currency translation adjustments	−306	10	−389	–	−685
Depreciation	11,934	22,403	10,909	–	45,246
Write-downs	235	43	47	–	325
Disposals	−5,724	−10,893	−12,831	–	−29,448
Transfers	−638	2	60	–	−576
As of 31 Dec.	**81,603**	**248,194**	**82,042**	**–**	**411,839**
Carrying amount on 31 Dec.	**136,776**	**79,739**	**25,708**	**11,115**	**253,338**

Change in property, plant and equipment in 2023 in thousands of euros

	Land, land rights and buildings, including buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Cost					
As of 1 Jan.	**180,986**	**289,335**	**104,267**	**20,025**	**594,613**
Change in the basis of consolidation	–	−71	46	–	−25
Currency translation adjustments	−352	366	271	233	518
Additions	14,621	20,204	11,610	11,989	58,424
Disposals	−5,574	−5,885	−8,380	−1	−19,840
Transfers	2,726	8,794	−525	−13,775	−2,780
As of 31 Dec.	**192,407**	**312,743**	**107,289**	**18,471**	**630,910**
Depreciation and write-downs					
As of 1 Jan.	**67,936**	**219,679**	**82,299**	**–**	**369,914**
Currency translation adjustments	−103	269	231	–	397
Depreciation	11,932	22,552	10,485	–	44,969
Write-downs	397	812	–	–	1,209
Disposals	−3,656	−5,473	−8,216	–	−17,345
Transfers	−404	−1,210	−553	–	−2,167
As of 31 Dec.	**76,102**	**236,629**	**84,246**	**–**	**396,977**
Carrying amount on 31 Dec.	**116,305**	**76,114**	**23,043**	**18,471**	**233,933**

At 31 December 2024, property, plant and equipment included the following amounts, for which the Group was the lessee in accordance with IFRS 16:

Additions, depreciation, write-downs and other changes to leased property, plant and equipment 2024
in thousands of euros

	Land, land rights and buildings, including buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Cost					
As of 1 Jan.	**75,713**	**453**	**6,756**	**–**	**82,922**
Carryforward, correction	−456	−42	−26	–	−524
Currency translation adjustments	8,979	84	2,680	–	11,743
Additions	−9,563	−135	−2,848	–	−12,546
Disposals	−1,684	–	–	–	−1,684
As of 31 Dec.	**72,989**	**360**	**6,562**	**–**	**79,911**
Depreciation and write-downs					
As of 1 Jan.	**34,330**	**223**	**4,164**	**–**	**38,717**
Carryforward, correction	−243	−38	−20	–	−301
Currency translation adjustments	8,570	85	2,087	–	10,742
Depreciation	217	–	–	–	217
Write-downs	−5,673	−135	−2,666	–	−8,474
Disposals	−1,075	–	–	–	−1,075
As of 31 Dec.	**36,126**	**135**	**3,565**	**–**	**39,826**
Carrying amount on 31 Dec.	**36,863**	**225**	**2,997**	**–**	**40,085**

Additions, depreciation, write-downs and other changes to leased property, plant and equipment 2023
in thousands of euros

	Land, land rights and buildings, including buildings on third-party land	Technical equipment and machinery	Other equipment, operating and office equipment	Prepayments and assets under construction	Total
Cost					
As of 1 Jan.	**75,673**	**832**	**5,670**	**–**	**82,175**
Change in the basis of consolidation	–	–	46	–	46
Currency translation adjustments	−527	50	30	–	−447
Additions	6,890	176	2,582	–	9,648
Disposals	−5,482	−605	−1,572	–	−7,659
Transfers	−841	–	–	–	−841
As of 31 Dec.	**75,713**	**453**	**6,756**	**–**	**82,922**
Depreciation and write-downs					
As of 1 Jan.	**29,246**	**649**	**3,550**	**–**	**33,445**
Currency translation adjustments	−143	51	16	–	−76
Depreciation	8,862	129	2,109	–	11,100
Write-downs	397	–	–	–	397
Disposals	−3,637	−606	−1,511	–	−5,754
Transfers	−395	–	–	–	−395
As of 31 Dec.	**34,330**	**223**	**4,164**	**–**	**38,717**
Carrying amount on 31 Dec.	**41,383**	**230**	**2,592**	**–**	**44,205**

The following amounts were incurred for leasing activities during the reporting period:

in thousands of euros

	2023 Amount	2024 Amount
Expenses for lease liabilities relating to low-value assets	200	200
Expenses for variable lease payments not included in the measurement of lease liabilities	0	91
Cash outflows for leases as part of cash flows from operating activities	200	291
Cash outflows for repayments of lease liabilities	9,468	9,615
Cash outflows for interest in connection with lease liabilities	1,488	1,445

Intragroup deliveries and services (e.g. digital printing machines, CEWE Photostations) are calculated based on market prices and also on the basis of transfer prices determined at arm's length. Assets from intragroup services reported under fixed assets are adjusted to eliminate intercompany profits or losses. For consolidation transactions recognised in profit or loss, the income tax effects are considered and deferred taxes are recognised.

37 Investment property

Investment property comprises commercial properties in Bad Schwartau and Berlin as well as the parts of the Dresden production plant site that are leased to third parties and are no longer used by the Group. In accordance with IAS 40, the buildings not used for operations are measured at amortised cost. Straight-line depreciation of investment property is based on useful lives of 25 to 50 years. Additions in the financial year relate to subsequent costs of acquisition amounting to 847 thousand euros (previous year: 317 thousand euros).

In the financial year now ended, rental income amounted to 2,465 thousand euros (previous year: 2,512 thousand euros). Including depreciation, maintenance and incidental costs, expenses for the leased properties stood at 2,277 thousand euros (previous year: 2,046 thousand euros).

The fair value of the investment property is 27,471 thousand euros (previous year: 26,574 thousand euros). The fair value was calculated internally.

Statement of financial position notes in thousands of euros

	2023	2024
Cost		
As of 1 Jan.	**35,599**	**36,051**
Currency translation adjustments	–	1
Additions	317	847
Disposals	–	−260
Transfers	135	−2,558
As of 31 Dec.	**36,051**	**34,081**
Depreciation and write-downs		
As of 1 Jan.	**16,583**	**17,232**
Depreciation	649	574
Disposals	–	−260
Transfers	–	637
As of 31 Dec.	**17,232**	**18,183**
Carrying amount on 31 Dec.	**18,819**	**15,898**

38 Goodwill

Goodwill results from the acquisition of businesses. The figures for each business unit have changed as follows:

Change in goodwill in 2024 in thousands of euros

	Photofinishing	Retail	Commercial Online Printing	Total
Cost				
As of 1 Jan.	59,251	366	22,158	81,775
Additions	–	–	476[1]	476
Write-downs	−2,515	–	–	−2,515
As of 31 Dec.	56,736	366	22,634	79,736

[1] Acquisition of Eastprint.

Change in goodwill in 2023 in thousands of euros

	Photofinishing	Retail	Commercial Online Printing	Total
Cost				
As of 1 Jan.	59,251	366	22,158	81,775
As of 31 Dec.	59,251	366	22,158	81,775

Goodwill material to the CEWE Group is allocated to the following business units at the reporting date:

Business unit and cash-generating unit in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Commercial Online Printing, Saxoprint	20,489	20,965
Commercial Online Printing, Viaprinto	1,668	1,668
Photofinishing, Cheerz	31,198	31,198
Photofinishing, WhiteWall	18,040	18,040
Photofinishing, Diginet	2,874	2,874
Photofinishing, Hertz	4,016	4,016
Photofinishing, DeinDesign	2,515	0

In impairment testing, the recoverable amount is determined by calculating the value in use. For this, the future cash flows are estimated based on the Group's approved planning. In the detailed planning period for the material items of goodwill, an average annual rate of revenue growth of approximately 4.2% (previous year: 5.5%) is assumed for the Photofinishing business unit and 4.8% (previous year: 4.8%) for the Commercial Online Printing business unit.

Cash flow projections are extrapolated beyond a period of five years using the growth rates indicated below. The projections are based on past experience, current business performance and the best estimates of major trends affecting individual factors of influence such as the development of procurement prices or market growth.

For each cash-generating unit with significant goodwill resulting from the internal management system of the CEWE Group, the following discloses the long-term growth rate and discount rate for the calculation of value in use, as well as the recoverable amount in the case of loss allowances.

2024 in %

	SAXOPRINT	viaprinto	Cheerz	WhiteWall	Diginet	Hertz	DeinDesign
Long-term growth rate	1.0	1.0	0.75	0.75	0.75	0.75	0.75
Pre-tax interest rate	7.63	7.47	7.90	8.08	7.92	7.78	9.12

2023 in %

	SAXOPRINT	viaprinto	Cheerz	WhiteWall	Diginet	Hertz	DeinDesign
Long-term growth rate	1.0	1.0	0.75	0.75	0.75	0.75	0.75
Pre-tax interest rate	7.88	7.94	8.32	9.34	9.73	9.30	8.82

The range of discount rates before taxes in the respective business units is as follows:

Business units 2024

	Goodwill in thousands of euros	Range of discount rate in %
Photofinishing	56,736	7.7 to 9.2
Retail	366	8.0 to 9.4
Commercial Online Printing	22,634	7.5 to 7.6
Total	**79,736**	**5.7 to 12.2**

Business units 2023

	Goodwill in thousands of euros	Range of discount rate in %
Photofinishing	59,251	5.7 to 11.6
Retail	366	7.5 to 9.2
Commercial Online Printing	22,158	9.2 to 12.2
Total	**81,775**	**5.7 to 12.2**

The estimates made are considered appropriate in terms of the expected useful life of specific assets, assumptions regarding the macroeconomic environment and developments in the industries in which CEWE is active, and the expected present value of future cash flows. Nonetheless, revised assumptions or changed circumstances may necessitate corrections which may lead to additional loss allowances or, in the event of a reversal of the expected trends, to reversals of impairment losses provided goodwill is not involved.

In a sensitivity analysis for cash-generating units or groups of cash-generating units to which goodwill has been allocated, a 10% reduction in EBIT margins for terminal value and a one percentage point increase in the discount rate were assumed. For the cash-generating unit Cheerz, an increase in the discount rate would have resulted in the carrying amount of goodwill being impaired in the amount of 2,407 thousand euros. On this basis, no impairment losses were required to be recognised for the cash-generating units or the group of cash-generating units. Goodwill of the cash-generating unit DeinDesign was impaired in the amount of 2,515 thousand euros. The impairment resulted from the deterioration of the negative business performance. This resulted in a recoverable amount of EUR 6,094 thousand.

39 Intangible assets

Software and similar industrial property rights comprise purchased ERP software, various office products for workstations and first-time and post-capitalised items for internally generated intangible assets, for internal use and to support the market in the areas of production, sales and Commercial Online Printing. In connection with the Group's internally developed software, own work was capitalised in the amount of 354 thousand euros (previous year: 596 thousand euros).

Impairment testing carried out due to challenges in the market environment necessitated recognition of impairment losses in the amount of 549 thousand euros on purchased software (Photofinishing business unit) (previous year: 757 thousand euros (Photofinishing business unit) and 29 thousand euros (Commercial Online Printing business unit)).

The Group had purchase commitments for intangible assets in the amount of 341 thousand euros (previous year: 510 thousand euros).

CEWE currently has customer bases, customer lists and trademark rights in its three business units: Photofinishing, Retail and Commercial Online Printing. The other customer bases, customer lists and trademark rights originate from previous purchases of smaller competitors.

CEWE considers that while these items are important for the development of the Company's business they are not decisive in any single instance. Non-capitalised research and development expenses for intangible assets amount to 17,641 thousand euros (previous year: 16,392 thousand euros). They mainly comprise personnel expenses and other operating expenses. These are costs that do not fulfil the reliable measurement criterion. The prepayments made mainly relate to expenses for the implementation of a new ERP program.

Change in intangible assets in 2024 in thousands of euros

	Purchased software	Internally generated intangible assets	Customer base / list / trademark rights	Prepayments	**Total**
Cost					
As of 1 Jan.	**67,830**	**17,826**	**51,862**	**5,193**	**142,711**
Currency translation adjustments	−105	–	−80	–	−185
Additions	2,259	354	75	2,799	5,487
Disposals	−2,486	−431	−672	−1	−3,590
Transfers	62	221	–	−318	−35
As of 31 Dec.	**67,560**	**17,970**	**51,185**	**7,673**	**144,388**
Amortisation and write-downs					
As of 1 Jan.	**60,509**	**15,515**	**45,371**	**–**	**121,395**
Currency translation adjustments	−101	–	−50	–	−151
Amortisation	3,071	872	2,469	–	6,412
Write-downs	549	–	–	–	549
Disposals	−2,727	−431	−672	–	−3,830
Transfers	−61	–	–	–	−61
As of 31 Dec.	**61,240**	**15,956**	**47,118**	**–**	**124,314**
Carrying amount on 31 Dec.	**6,320**	**2,014**	**4,067**	**7,673**	**20,074**

Change in intangible assets in 2023 in thousands of euros

	Purchased software	Internally generated intangible assets	Customer base / list / trademark rights	Prepayments	**Total**
Cost					
As of 1 Jan.	**75,440**	**17,205**	**55,238**	**4,897**	**152,780**
Currency translation adjustments	−58	–	35	–	−23
Additions	1,796	596	19	2,427	4,838
Disposals	−8,181	−137	−1,019	–	−9,337
Transfers	−1,167	162	−2,411	−2,131	−5,547
As of 31 Dec.	**67,830**	**17,826**	**51,862**	**5,193**	**142,711**
Amortisation and write-downs					
As of 1 Jan.	**67,422**	**14,875**	**45,925**	**–**	**128,222**
Currency translation adjustments	−58	–	22	–	−36
Amortisation	3,521	871	2,852	–	7,244
Write-downs	757	29	–	–	786
Disposals	−8,159	−136	−1,019	–	−9,314
Transfers	−2,974	−124	−2,409	–	−5,507
As of 31 Dec.	**60,509**	**15,515**	**45,371**	**–**	**121,395**
Carrying amount on 31 Dec.	**7,321**	**2,311**	**6,491**	**5,193**	**21,316**

40 Investments

The Group's investments include shares in other non-consolidated equity investments of 6,117 thousand euros (previous year: 6,317 thousand euros). This includes the equity investments in the funds Capnamic United Venture Fund GmbH & Co. KG and High-Tech Gründerfonds GmbH & Co. KG.

The changes chiefly relate to the amounts paid in by and paid out to investment companies (569 thousand euros) as well as the fair value adjustments recognised in OCI (−760 thousand euros).

Other non-current investments in the amount of 380 thousand euros (previous year: 361 thousand euros) primarily comprise the repurchase value of the Company's reinsurance policy.

Change in non-current investments in 2024 in thousands of euros

	Shares in affiliated companies	Equity investments	Non-current other loans	Total
As of 1 Jan.	**30**	**6,287**	**361**	**6,678**
Additions	–	569	31	600
Disposals	–	−9	−12	−21
Fair value adjustments	–	−760	–	−760
As of 31 Dec.	**30**	**6,087**	**380**	**6,497**
of which total fair value adjustments	–	479	–	479

Change in non-current investments in 2023 in thousands of euros

	Shares in affiliated companies	Equity investments	Non-current other loans	Total
As of 1 Jan.	**30**	**9,315**	**336**	**9,681**
Additions	–	906	25	931
Disposals	–	−138	–	−138
Fair value adjustments	–	−3,796	–	−3,796
As of 31 Dec.	**30**	**6,287**	**361**	**6,678**
of which total fair value adjustments	–	1,239	–	1,239

41 Non-current receivables and assets

Non-current financial assets comprise, in particular, deposits used as collateral. Non-current other receivables and assets relate exclusively to prepaid expenses.

42 Deferred tax assets

Deferred tax assets 2024, composition and change in thousands of euros

	From temporary differences	From tax loss carryforwards	Total
As of 1 Jan.	**8,644**	**6,273**	**14,917**
Additions	1,556	1,910	3,466
Reversals	–773	–269	–1,042
As of 31 Dec.	**9,427**	**7,914**	**17,341**

Deferred tax assets 2023, composition and change in thousands of euros

	From temporary differences	From tax loss carryforwards	Total
As of 1 Jan.	**6,435**	**7,213**	**13,648**
Currency translation adjustment	8	–	8
Additions	2,402	99	2,501
Reversals	–201	–1,039	–1,240
As of 31 Dec.	**8,644**	**6,273**	**14,917**

Deferred tax assets mainly comprise measurement differences for pensions and other provisions as well as the effect on income arising from consolidation. Deferred taxes resulting from existing tax loss carryforwards were recognised only to the extent that it is probable that taxable profit will be available at the Group company against which a loss can be utilised within a sufficiently close time frame. In the reporting year, deferred taxes in the amount of 7,761 thousand euros (previous year: 6,034 thousand euros) were recognised on loss carryforwards. Please refer to the note on income taxes for further details (see note C34, page 239 ff.).

43 Inventories

Inventories in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Raw materials and supplies	45,718	49,188
Unfinished goods, work in progress	1,141	1,264
Finished goods and merchandise	13,313	11,412
Prepayments	346	87
Total	**60,518**	**61,951**

Inventories were written down in the amount of 371 thousand euros (previous year: 158 thousand euros).

Write-downs of finished goods and merchandise and work in progress is included under cost of materials in the statement of profit or loss. In the financial year, inventories of CEWE Norge AS, Oppegård, Norway, with a carrying amount of 229 thousand euros (previous year: 240 thousand euros) were pledged as rent deposits.

44 Current trade receivables

Current trade receivables in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Trade receivables not impaired	70,588	71,141
Of which amount covered by insurance	52,320	51,597
Gross amount of impaired receivables	22,180	23,271
Loss allowances recognised	1,646	2,053
Total	**91,122**	**92,359**

Direct trade-related receivables are all current in nature and are due from external third parties. Specific loss allowances on trade receivables developed as follows during the year:

Loss allowances on trade receivables in thousands of euros

	31 Dec. 2023	31 Dec. 2024
As of 1 Jan.	**1,725**	**1,646**
Currency translation adjustments	6	2
Additions	915	1,130
Reversals	−608	−311
Use	−392	−414
As of 31 Dec.	**1,646**	**2,053**

Additions to the loss allowances are reported in the statement of profit or loss under other operating expenses, while reversals are presented under other operating income. Receivables that became uncollectible based on a contract-by-contract analysis amounted to 489 thousand euros in the financial year (previous year: 466 thousand euros).

CEWE applies the simplified approach under IFRS 9 to measure expected credit losses; the expected credit losses over the period are therefore taken into consideration for all trade receivables for which no specific loss allowances have been recognised. To measure the expected credit losses, trade receivables are aggregated on the basis of common credit risk characteristics and the number of days overdue. The expected loss rates are based on the payment profiles for revenue over a period of 36 months prior to 31 December 2024 and the related historical losses in this period. The historical loss rates are restated to reflect current and prospective information that affects customers' capacity to settle claims. In the financial year, customer receivables of CEWE Norge AS, Oppegård, Norway, with a carrying amount of 147 thousand euros (previous year: 138 thousand euros) were pledged. These receivables will be written off once the derecognition rules under IFRS 9 have been complied with.

45 Current receivables from income tax refunds

This item mainly comprises refund claims for tax prepayments made in the current year for the reporting year.

46 Current financial assets

Current financial assets include the following items:

Current financial assets in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Creditors with debit balances	283	289
Receivables from employees	355	184
Other current financial receivables and assets	2.536	2.670
Total	**3.174**	**3.143**

47 Other current receivables and assets

Other current receivables and assets in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Current prepaid expenses	7,057	7,655
Tax assets	5,193	2,893
Current receivables from insurance firms	12	0
Total	**12,262**	**10,548**

48 Liquid assets

This item comprises bank balances – all of which are due in the short term – and cash-in-hand. Euro balances with various credit institutions generated interest at a rate of 3.14% (previous year: 3.25%). Foreign currency balances (2024: 22,158 thousand euros; 2023: 24,378 thousand euros) generated interest at the specifically agreed rates; they were measured at the closing rate.

49 Issued capital

The CEWE Group's issued capital and capital reserves relate to CEWE Stiftung & Co. KGaA, Oldenburg.

The fully paid-in share capital amounts to 19,349,207.80 euros and is divided into 7,442,003 bearer shares with a nominal value of 2.60 euros.

Each bearer share of CEWE Stiftung & Co. KGaA entitles the holder to one vote and one right. The total number of voting rights is 7,442,003.

Shares outstanding in units

	Change in financial year 2023	Change in financial year 2024
As of 1 Jan.	**7,077,863**	**6,992,922**
Purchase of treasury shares	−97,100	−96,600
Sale of treasury shares	12,159	15,391
As of 31 Dec.	**6,992,922**	**6,911,713**

50 Authorised and contingent capital

On the basis of the resolution passed by the general meeting held on 6 October 2020, the share capital was increased by up to 650,000 euros through the issue of up to 250,000 new no-par value bearer shares (Contingent Capital 2020). The conditional capital increase exclusively serves to exercise options granted in the period to 5 October 2025 based on the general meeting's authorisation of 6 October 2020.

On the basis of the resolution passed by the general meeting on 9 June 2021, the general partner is authorised, with the consent of the Supervisory Board, to increase the Company's share capital on one or several occasions up to 8 June 2026 by issuing up to 150,000 new no-par value bearer shares against cash contributions, by a total amount not exceeding 390,000.00 euros (Authorised Capital 2021). After partial utilisation in 2021, an amount of 342,981.60 euros remains. The pre-emptive right of the limited liability shareholders is disapplied. The new shares may only be issued to grant shares to employees of CEWE Stiftung & Co. KGaA and its affiliated companies (employee shares).

On the basis of the resolution passed by the general meeting on 5 June 2024, the general partner is authorised, with the consent of the Supervisory Board, to increase the Company's share capital on one or several occasions up to 4 June 2026 by issuing up to 595,360 new no-par value bearer shares against cash and/or non-cash contributions, by a total amount not exceeding 1,547,936.00 euros. Shareholders' pre-emptive rights may be disapplied (Authorised Capital 2024). The Supervisory Board is authorised to amend the wording of the articles of association in accordance with the amount of the capital increase from authorised capital or after the expiry of the authorisation period.

51 Stock option plans

Stock option plans since 2014

The Executive Board has launched stock option plans since 2014 (SOP 2015, SOP 2016, SOP 2017, SOP 2019, SOP 2021, SOP 2023, SOP 2024). These plans are based on the resolution passed by the general meeting on 4 June 2014 and have complied with the terms indicated in this resolution. The Company's Supervisory Board has passed resolutions granting the necessary consent.

All of these plans have the same structure. Each of these stock option plans has a term of five years. On expiry of a four-year waiting period (vesting period), the options may be exercised in the fifth year of the term. Their exercise is contingent on achievement of the performance target, i.e. if the closing auction prices of CEWE shares in Deutsche Börse AG's Xetra trading system have at least reached (if not exceeded) the underlying price plus the applicable performance premium on ten consecutive stock exchange trading days.

The options may only be exercised and shares resulting from the option transaction may only be subsequently sold within six four-week exercise periods. These exercise periods will begin as of publication of the results for the past financial year, as of the financials press conference, as of the annual general meeting and as of the publication date of the quarterly figures. As a result, there are no exercisable options as of the reporting date. The CEWE Group's compliance officer monitors compliance with these time limits.

These options were offered to a defined group of top-level managers and experts within CEWE Stiftung & Co. KGaA as well as other Group companies in and outside Germany at a premium of 0.50 euros per option. The number of options offered is limited. A maximum of 1,200 options are available for members of the Executive Board. For other executives and experts, a lower number of options is available, depending on their management level and their proximity to the Company's success.

The terms of the current stock option plans are as follows:

Structure of stock option plans

		Number of participants	Number of rights issued	Start of waiting period	End of waiting period	End of exercise period	Underlying price euros/option	Performance premium in %	Performance target euros/option
SOP 2024	Executive Board[1]	6	7,200	1 Jan. 2025	31 Dec. 2028	31 Dec. 2029			
	Other executives	26	19,500						
	Total	**32**	**26,700**				**100.00**	**120**	**120.00**
SOP 2023	Executive Board[1]	7	8,400	1 Jan. 2024	31 Dec. 2027	31 Dec. 2028			
	Other executives	27	20,250						
	Total	**34**	**28,650**				**87.00**	**120**	**104.40**
SOP 2022	Executive Board[1]	7	8,400	1 Jan. 2023	31 Dec. 2026	31 Dec. 2027			
	Other executives	26	19,500						
	Total	**33**	**27,900**				**76.00**	**120**	**91.20**
SOP 2021	Executive Board[1]	7	8,400	1 Jan. 2022	31 Dec. 2025	31 Dec. 2026			
	Other executives	26	19,500						
	Total	**33**	**27,900**				**121.00**	**120**	**145.20**

[1] Executive Board of Neumüller CEWE COLOR Stiftung

The stock option plans must be measured in accordance with IFRS 2.10 ff. The fair value in each case must be recognised as personnel expenses on an accruals basis during the waiting period (vesting period) and offset against the reserves under equity. The figures for the current plans are as follows:

Stock option plans fair value and accrued expenses

		Fair value euros/option	Options awarded	Fair value in euros	Income premium (0.50 euros/option)	Accrued personnel expenses (euros) 2022	Accrued personnel expenses (euros) 2023	Accrued personnel expenses (euros) 2024	Accrued personnel expenses (euros) 2025
SOP 2024	Executive Board[1]	20.04	7,200	144,288	3,600				
	Other executives	19.96	19,500	389,220	9,750				
	Total		**26,700**	**533,508**	**13,350**	**0**	**0**	**0**	**133,377**
SOP 2023	Executive Board[1]	18.19	8,400	152,796	4,200				
	Other executives	18.10	20,250	366,525	10,125				
	Total		**28,650**	**519,321**	**14,325**	**0**	**0**	**129,830**	**129,830**
SOP 2022	Executive Board[1]	23.88	8,400	200,592	4,200				
	Other executives	23.79	19,500	463,905	9,750				
	Total		**27,900**	**664,497**	**13,950**	**0**	**166,124**	**166,124**	**166,124**
SOP 2021	Executive Board[1]	22.63	8,400	190,092	4,200				
	Other executives	22.59	19,500	440,505	9,750				
	Total		**27,900**	**630,597**	**13,950**	**157,649**	**157,649**	**157,649**	**157,650**
Total					**55,575**	**157,649**	**323,773**	**453,603**	**586,981**

[1] Executive Board of Neumüller CEWE COLOR Stiftung

The number of stock options issued within the scope of the current plans is as follows:

Number of stock options issued units

	2023	2024
Outstanding as of 1 January	**83,700**	**112,350**
Expired over the course of the year	0	3,000
Exercised over the course of the year	0	27,150
Promised over the course of the year	28,650	26,700
Outstanding as of 31 December	**112,350**	**108,900**

The weighted average share price of the options exercised was 104.77 euros. No options had been exercised in the previous year.

The fair values resulting from the initial measurement of the stock option plans (IFRS 2.10 ff.) are recorded on an accruals basis up until the end of the relevant vesting period and recognised as other personnel expenses. They are offset against the reserves under equity. A Monte Carlo simulation was used for each of the measurements. A log-normal distribution-based process was simulated for the price of CEWE shares to map the performance target in the form of an increase in the average closing price on the underlying price over ten consecutive trading days. The simulations likewise included the possibility of early exercise – with due consideration of the respective exercise windows – and also the beneficiaries' early exercise behaviour, in line with a modified version of the approach proposed by Hull and White. The simulation assumed that, on expiry of the vesting period, every year through a 3.00% exit rate stock options will be exercised immediately upon this becoming possible due to the beneficiary leaving the Company. A risk-free interest rate was assumed for the period up to the 30 December reporting date of the year in question. The calculation used discrete dividends; publicly available estimates were used as the basis for calculation. Finally, the historical level of volatility was considered and recognised for 30 December of the current year. There were no direct payments for benefits.

Parameters for stock option plans

		2021	2022	2023	2024
Fair value	in thousands of euros	631	664	519	534
Other personnel expenses p.a.	in thousands of euros	158	166	130	133
End of lockup period		31 Dec. 2025	31 Dec. 2026	31 Dec. 2027	31 Dec. 2028
Performance target	in % of underlying price	120	120	120	120
Exit rate	in %	3.00	3.00	3.00	3.00
Risk-free interest rate	in %	−0.42	2.01	2.69	2.08
Historical volatility	in %	28.29	29.31	28.94	28.33

52 Capital reserves

This item includes the premium that resulted from the issuance of the 600,002 bearer shares (following the 1:10 share split implemented in 1999 for 6,000,020 bearer shares) in excess of the nominal value of the shares (29,144 thousand euros), the amount allocated from the capital reduction (1,560 thousand euros), the allocation within the scope of converting the atypical silent partner shares (27,868 thousand euros) that was reduced by 2,375 thousand euros through the final statement for this conversion during financial year 2007, the premium that resulted from the exercise of the share purchase right of CEWE Stiftung (415 thousand euros) and the profit from the sale of treasury shares (12,689 thousand euros).

The capital reserves include the fair value of the stock options issued for the stock option plans that have been added to the capital reserves on a pro rata basis between the issue date and the maturity of the stock option plans, plus the withheld premiums. This item also includes the effects of the issuance of employee shares.

53 Treasury shares at cost

Treasury shares

		Total	Buyback	Sale	Total	Buyback	Sale	Total	Buyback	Sale	Total
Buyback period		31 Dec. 2021 reporting date	1 Jan. 2022 – 31 Dec. 2022	1 Jan. 2022 – 31 Dec. 2022	31 Dec. 2022 reporting date	1 Jan. 2023 – 31 Dec. 2023	1 Jan. 2023 – 31 Dec. 2023	31 Dec. 2023 reporting date	1 Jan. 2024 – 31 Dec. 2024	1 Jan. 2024 – 31 Dec. 2024	31 Dec. 2024 reporting date
Treasury shares held	number	250,805	132,440	−19,105	364,140	97,100	−12,159	449,081	96,600	−15,391	530,290
Interest in share capital on reporting date	in thousands of euros	652	344	−50	946	252	−31	1,167	252	−41	1,377
Interest in share capital on reporting date	in %	3.37	1.78	−0.26	4.89	1.30	−0.16	6.03	1.30	−0.21	7.12
Average purchase price per share	in euros	56.64	103.47	87.51	72.05	92.62	89.65	76.02	101.84	92.13	80.26
Total value of shares bought back	in thousands of euros	14,205	13,703	−1,672	26,237	8,993	−1,090	34,140	9,838	−1,418	42,560

Treasury shares are shown in a separate line within equity as a contra equity account. They are measured at their original cost and transaction costs and thus reduce the Company's equity (cost method).

Based on the authorising resolution passed by the general meeting on 28 May 2008, CEWE-KGaA launched a share buyback programme on 16 June 2008.

The authorisation to purchase treasury shares was renewed by the resolution passed by the general meeting on 15 June 2022 and is now valid until 14 June 2027. The authorisation to purchase treasury shares that was resolved by the general meeting on 31 May 2017 expired on 30 May 2022.

In financial year 2011, a total of 10,890 no-par value shares were sold to employees within the scope of the Company's employee share plan and a further 248,787 no-par value shares were bought back in the period to 28 October 2011 on the basis of the general meeting's authorising resolution of 2 June 2010. As a result, the Company gained a total of 237,897 new treasury shares in 2011.

In financial year 2012, a total of 15,489 no-par value shares were sold to employees under the Company's employee share plan. The necessary shares were taken from the portfolio of CEWE-KGaA.

In financial year 2013, a total of 16,796 no-par value shares were sold to employees under the Company's employee share plan. The necessary shares were taken from the portfolio of CEWE-KGaA.

In financial year 2014, a total of 10,654 no-par value shares were sold to employees under the Company's employee share plan. The necessary shares were taken from the portfolio of CEWE-KGaA. A total of 26,065 treasury shares were required in 2014 for the exercise of the stock option plan.

In financial year 2015, a total of 11,087 no-par value shares were sold to employees under the Company's employee share plan. The necessary shares were taken from the portfolio of CEWE-KGaA. A total of 3,800 treasury shares were required in 2014 for the exercise of the stock option plan.

Moreover, in 2016 the Executive Board resolved to offer the employees of the German subsidiaries of CEWE-KGaA shares in the Company at a reduced price, as employee shares. A total of 8,410 shares were required for this purpose. The necessary shares were taken from the portfolio of CEWE-KGaA. A total of 21,500 treasury shares were repurchased in 2016 within the framework of the share buyback programme.

In financial year 2017, a total of 16,548 no-par value shares were sold to employees under the Company's employee share plan. The necessary shares were taken from the portfolio of CEWE-KGaA.

In the financial year 2018, 5,586 no-par value shares were used for the acquisition of Cheerz and a total of 17,758 no-par value shares were sold to employees under the Company's employee share plan. The necessary shares were taken from the portfolio of CEWE-KGaA.

In 2019, a total of 17,100 no-par value shares were issued to employees free of charge under the Company's employee share plan. These came from a capital increase for cash and from the issue of treasury shares from the portfolio of CEWE-KGaA.

In 2020, a total of 8,980 new no-par value shares were issued free of charge to employees under the Company's employee share plan. These came from a capital increase for cash.

In 2021, a total of 18,084 new no-par value shares were issued free of charge to employees under the Company's employee share plan. These came from a capital increase for cash.

In 2022, a total of 6,695 no-par value shares were issued to employees free of charge under the Company's employee share plan. These came from the issue of treasury shares from the portfolio of CEWE-KGaA.

In 2023, a total of 9,489 no-par value shares were issued to employees free of charge under the Company's employee share plan. These came from the issue of treasury shares from the portfolio of CEWE-KGaA.

In 2024, a total of 9,840 no-par value shares were issued to employees free of charge under the Company's employee share plan. These came from the issue of treasury shares from the portfolio of CEWE-KGaA.

The number of treasury shares held by CEWE KGaA as at 31 December 2024, which is decisive under German stock corporation law, was 417,538 shares (previous year: 336,329 shares). The 112,752 shares held by CEWE COLOR Versorgungskasse e.V., Wiesbaden, are not considered treasury shares under German stock corporation law. IAS 19 requires them to be included in the consolidated financial statements. The deduction for treasury shares under IAS 32 thus comprises 530,290 no-par value shares – at a total value of 42,561 thousand euros (previous year: 34,141 thousand euros).

The number CEWE's treasury shares changed as follows:

Change in treasury shares in units

	CEWE Stiftung & Co. KGaA		CEWE COLOR Versorgungskasse e.V.		CEWE Group	
	2023	**2024**	2023	**2024**	2023	**2024**
As of 1 Jan.	**251,388**	**336,329**	**112,752**	**112,752**	**364,140**	**449,081**
Purchase of treasury shares	97,100	96,600	–	–	97,100	96,600
Sale of treasury shares	−12,159	−15,391	–	–	−12,159	−15,391
As of 31 Dec.	**336,329**	**417,538**	**112,752**	**112,752**	**449,081**	**530,290**

54 Revenue reserves and net retained profits

Net retained profits correspond to the item "Equity earned by the group" and comprise total comprehensive income, consisting of earnings after taxes (60,071 thousand euros) and other comprehensive income from equity instruments measured at fair value (−760 thousand euros), net of the dividend paid for 2023. The net retained profits of CEWE-KGaA under German commercial law are material for calculating the dividend distribution. As at 31 December 2024, following the allocation to revenue reserves in accordance with Section 58 (2) AktG, net retained profits of CEWE-KGaA amounted to 49,463 thousand euros (previous year: 36,848 thousand euros). Restrictions on distribution are in place for the treasury shares held by the Company (2024: 417,538 no-par value shares; previous year: 336,329 no-par value shares). In 2024, dividends were paid in a total amount of 18,083 thousand euros (previous year: 17,348 thousand euros). This corresponds to a distribution of 2.60 euros (previous year: 2.45 euros) per no-par value share carrying dividend rights. The Executive Board of Neumüller CEWE COLOR Stiftung proposes a dividend of 2.85 euros per no-par value share carrying dividend rights. Based on the current share capital, an amount of 19,956 thousand euros is to be distributed for financial year 2024. It is also proposed to transfer 29,400 thousand euros from the remaining net retained profits to revenue reserves and to carry forward 107 thousand euros to new account.

For the components of other revenue reserves, please see the consolidated statement of changes in equity. The adjustment item from currency translation relates to all of the foreign currency differences resulting from translation of the financial statements of the Group's foreign enterprises. In the financial year now ended and the preceding year, income taxes recognised through other comprehensive income exclusively related to the foreign exchange differences recognised through other comprehensive income arising from non-current loans between Group companies – which are included in the adjustment item from currency translation – and also to deferred taxes relating to the actuarial gains or losses.

55 Non-current provisions for pensions

CEWE has various types of company pension commitments to its current and former employees and to their surviving dependents in Germany, France and (to a minor extent) Poland. The company pension scheme is based on a defined benefit system and also, to a minor extent, on a defined contribution system. Employees also have the opportunity to participate in schemes for the conversion of salary entitlements into pension entitlements. Provisions are measured using the projected unit credit method.

In the defined benefit scheme, the Company or an external pension provider grants the beneficiaries a defined benefit commitment, unlike in the case of the defined contribution scheme, where the expenses that will be incurred by the Company are not determined in advance. In Germany, the Company's commitments to the Executive Board are structured as final salary plans; in addition, several senior executives have been granted fixed-benefit commitments. In France, capital commitments in accordance with the employee's period of service are granted. Until 2021, these were covered by reinsurance policies in some cases. Expenses for these commitments are spread over the employees' period of service, on the basis of actuarial calculations, and must be broken down into the current service cost and interest expense (the balance of actuarial gains or losses on the obligation and the return on plan assets) in accordance with IAS 19. At the reporting date (31 December of each year), the interest rate is determined using current capital market data as well as best estimate assumptions of long-term trends. CEWE has several defined benefit plans. It generally provided aggregated disclosures for these plans because they do not deviate significantly from each other in terms of the risk exposure. Through its plans in Germany and France, the Group is normally exposed to the following actuarial risks: investment risk, interest rate risk, longevity risk, salary risk and inflation risk.

Investment risk: The present value of the defined benefit obligation under the plan is calculated by means of a discount rate, which is determined based on the yields on high-quality fixed-interest corporate bonds. As the pension commitments are designed without plan assets, the Company itself is required to generate the interest on the pension obligation.

Interest rate risk: A decrease in the discount rate will increase the Group's plan liability.

Longevity risk: The present value of the defined benefit obligation under the plan is determined using the best estimate of the mortality of the plan members, both during and after employment. An increase in the life expectancy of the plan members will increase the plan liability.

Salary risk: The present value of the defined benefit obligation under the plan is determined based on the future salaries of the plan members. Salary increases for the plan members will thus increase the plan liability.

Inflation risk: Current pension benefits are adjusted in line with inflation at three-yearly intervals, provided the Company's financial difficulties do not warrant suspension of the pension adjustment.

No other post-employment benefits are in place for these employees.

The Company does not have any plan assets within the meaning of IAS 19 to cover these benefits in any of the countries in question.

In the case of defined contribution plans, fixed amounts (e.g. based on the employees' relevant income) are confirmed and paid. The employer does not have any other constructive obligation beyond payment of the contributions. For defined contribution plans, it is not necessary to recognise provisions in the statement of financial position. Only the contribution payable by the Company is shown in the statement of profit or loss as expense.

The key parameters for the defined-benefit pensions are presented below:

Change in obligations in thousands of euros

	2023	2024
Present value of vested pension entitlements at start of financial year	29,119	33,970
Current service cost	1,330	1,609
Interest expense	1,051	1,062
Actuarial losses (+) / gains (−)	3,806	−2,217
Change in valuation method	−5	0
Payment of benefits	−1,282	−1,330
Past service cost	−49	−58
Present value of vested pension entitlements at end of financial year	**33,970**	**33,036**
Of which directly promised (excl. plan assets)	33,970	33,036
Of which covered by plan assets	0	0

Overall, the Group's financing status is as follows:

Financing status in thousands of euros

	2023	2024
Present value of vested pension entitlements at end of financial year	33,970	33,036
Carrying amount at end of financial year	**33,970**	**33,036**
Experience adjustment of present value of vested pension entitlements (DBO)	1,547	−1,258

The total expenses recognised in the statement of profit or loss for defined-benefit pension plans (expenses less income) are as follows:

Net pension expense in thousands of euros

	2023	2024
Current service cost	1,330	1,609
Interest expense	1,051	1,062
Change in valuation method	−5	0
Past service cost	−49	−58
Total	**2,327**	**2,613**

In financial year 2024, actuarial gains of 2,217 thousand euros (previous year: actuarial losses of 3,806 thousand euros) were recognised in other comprehensive income. The actuarial gains in 2024 are mainly (with a share of 959 thousand euros) attributable to the reduction in the IAS 19 discount rate and to mortality in the area of regular benefits. The assumptions for the actuarial measurement of the present value of the vested pension entitlements and the net pension expense reflect circumstances in the country in which the pension plan has been established.

The calculations are based on current biometric probabilities determined using actuarial methods. Assumptions regarding future fluctuations on the basis of age and years of service are also included, as are probabilities within the Group of employees reaching retirement, plus salary and pension trends.

The following weighted measurement assumptions have resulted in relation to the present value of the vested pension entitlements:

Weighted assumptions for determining the present value of vested pension entitlements in %

	31 Dec. 2023	31 Dec. 2024
Interest rate	3.20	3.40
Salary trend/increase based on vested rights acquired	3.00	3.00
Pension trend	2.00[1]	2.00[2]
Fluctuation	1.50	1.50

[1] Plus 4.00 % short-term trend for pensioners
[2] Plus 1.50 % short-term trend for pensioners

The valid probabilities within the relevant countries have been assumed as the level of biometric probability. The date of the earliest possible receipt of benefits has been assumed as the date of retirement.

Present value of obligations and fair value of plan assets in thousands of euros

	2021	2022	2023	2024
Present value of obligations	38,268	29,119	33,970	33,036
Shortfall	**38,268**	**29,119**	**33,970**	**33,036**

Experience adjustments in thousands of euros

	2021	2022	2023	2024
Plan liabilities	326	2,651	1,547	−1,258

Sensitivity analysis

If the other assumptions had remained constant, the changes in one of the significant actuarial assumptions that were reasonably possible at the reporting date would have affected the defined benefit obligation by the amounts shown below.

The following tables provide information on the levels of sensitivity regarding the key measurement inputs (effects on the amount of the commitment) and the expected pension benefits over the next ten financial years.

Sensitivity analysis in %

	Change	Increase	Decrease
Discount rate	1.0	−12.6	15.7
Future salary increases	0.5	1.5	−1.4
Future pension increases	0.5	5.1	−4.7
Life expectancy (years)	1.0	5.0	−5.1

The following pension benefit payments are expected over the next ten financial years:

Payment of pension benefits in thousands of euros

	Amount
2025	1,310
2026	1,373
2027	1,429
2028	1,555
2029	1,671
2030 – 2034	9,384

In financial year 2024, the Company incurred total expenses in connection with defined contribution plans in the amount of 18,460 thousand euros (previous year: 15,695 thousand euros). Of this amount, 15,279 thousand euros (previous year: 12,764 thousand euros) was attributable to contributions to statutory or government defined contribution plans. CEWE does not have any legal or constructive obligation regarding payment of these future benefits.

A similar volume of expenses is expected in 2025.

56 Non-current deferred tax liabilities

Non-current deferred tax liabilities in thousands of euros

	Change in financial year 2023	Change in financial year 2024
As of 1 Jan.	**2,144**	**1,590**
Currency translation adjustments	–	−1
Use	−484	−681
Additions	10	–
Reversals	−80	−9
As of 31 Dec.	**1,590**	**899**

The changes in deferred taxes mainly relate to the change in temporary differences. Deferred taxes have largely been deferred for periods of between one and five years.

57 Non-current other provisions

This item comprises the asset retirement obligations relating to renovation measures in the case of leasehold improvements. It changed as follows:

Non-current other provisions in thousands of euros

	2023	2024
As of 1 Jan.	**567**	**577**
Currency translation adjustments	−12	−3
Use	–	−23
Additions	23	34
Reversals	−1	−52
As of 31 Dec.	**577**	**533**

58 Non-current and current lease liabilities

At the 31 December 2024 reporting date, right-of-use assets of 40,694 thousand euros (previous year: 44,205 thousand euros) were reported alongside lease liabilities with a present value of 43,088 thousand euros (previous year: 46,571 thousand euros). The non-current portion of the lease liabilities is 33,473 thousand euros (previous year: 37,103 thousand euros). The current portion of the lease liability is 9,615 thousand euros (previous year: 9,468 thousand euros). The payment obligations have the following maturity structure:

Discounted lease liabilities in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Total future lease payments, IFRS 16		
Due within a period of one year	10,621	10,767
Due within a period of between two and five years	23,131	22,018
Due after more than five years	21,017	16,429

59 Non-current financial liabilities

Non-current financial liabilities comprise accruals and, as in the previous year, are due after five years.

60 Non-current other liabilities

Non-current other liabilities consist mainly of accrued items from capital expenditure and, as in the previous year, are due after five years.

61 Current tax liabilities

This item contains provisions for income tax liabilities. It changed as follows:

Current tax liabilities in thousands of euros

	Income taxes 2023	Income taxes 2024
As of 1 Jan.	**5,109**	**7,676**
Currency translation adjustments	−10	45
Use	−1,378	−1,066
Additions	4,021	4,636
Reversals	−66	−643
As of 31 Dec.	**7,676**	**10,648**

62 Current other provisions

Provisions for miscellaneous other obligations relate to ongoing legal disputes and other obligations and are recognised at the expected settlement amount.

Current other provisions 2024 in thousands of euros

	Auditing of annual financial statements incl. internal expenses for annual financial statements	Guarantee and ex gratia payments	Obligations in relation to employees	Archiving costs	Tax returns	Litigation costs	Miscellaneous other obligations	**Total**
As of 1 Jan.	**582**	**130**	**694**	**233**	**118**	**20**	**1,270**	**3,047**
Currency translation adjustments	4	–	–	–		–	–19	–15
Use	–476	–59	–160	–	–55	–	–837	–1,587
Additions	902	77	315	1	50	10	954	2,309
Reversals	–63	–4	–241	–5	–	–	–362	–675
As of 31 Dec.	**949**	**144**	**608**	**229**	**113**	**30**	**1,006**	**3,079**

Current other provisions 2023 in thousands of euros

	Auditing of annual financial statements incl. internal expenses for annual financial statements	Guarantee and ex gratia payments	Obligations in relation to employees	Archiving costs	Tax returns	Litigation costs	Miscellaneous other obligations	Total
As of 1 Jan.	**575**	**126**	**740**	**225**	**78**	**20**	**926**	**2,690**
Currency translation adjustments	3	–	–	–	–	–	18	21
Use	–443	–60	–262	–	–35	–	–792	–1,592
Additions	488	72	216	9	75	–	1,133	1,993
Transfers	–14	–	–	–	–	–	20	6
Reversals	–27	–8	–	–1	–	–	–35	–71
As of 31 Dec.	**582**	**130**	**694**	**233**	**118**	**20**	**1,270**	**3,047**

63 Current loans and borrowings

Current loans and borrowings in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Bank current accounts	77	0
Total	**77**	**0**

The credit facilities negotiated in financial year 2018 were agreed with a total of ten private and public banks. At the reporting date, the loans taken out have a term of between one and one-and-a-half years (previous year: between one and two-and-a-half years). At the end of the year, the total credit line of the CEWE Group amounted to 89.0 million euros (previous year: 91.0 million euros); this decrease is attributable to the repayment on schedule of lines of credit no longer required on a long-term basis. After deducting the total volume of credit drawn down (0.00 million euros; previous year: 0.08 million euros) – this is not a liquidity-related drawdown, but instead comprises the amount deducted by the credit institutions for guarantees provided – and allowing for the Company's existing liquidity (150.27 million euros, previous year: 117.37 million euros), its liquidity potential at the reporting date totalled 239.27 million euros (previous year: 207.50 million euros). The Company has continuously renewed one-year lines plus lines of credit made available until further notice whose overall purpose is financing the Company's liquidity requirements, which vary widely over the course of a given year due to seasonal factors. In principle, no restrictions apply in relation to the use of credit lines. This ensures that CEWE will be able to fully meet its payment obligations.

No significant collateral was provided. The interest terms for current account loans are based on €STR (Euro Short-Term Rate) as the base interest rate, plus a normal margin in Germany; the interest terms for almost all of the other financing arrangements are based on the one- to three-month Euribor as the base interest rate plus a normal margin in Germany. For further details, please see the note on current loans and borrowings and the explanations in the combined management report page 72.

64 Current trade payables

Trade payables amount to 136,890 thousand euros (previous year: 121,555 thousand euros).

65 Current financial liabilities

Current financial liabilities in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Other financial liabilities	104	144
Total	**104**	**144**

66 Current other liabilities

Current other liabilities in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Liabilities for wages and salaries	22,759	24,093
Tax liabilities	31,952	33,800
Social security liabilities	3,489	3,772
Deferred liabilities	1,325	1,171
Other liabilities	949	931
Total	**60,474**	**63,767**

67 Financial risk management

In conducting its business operations, the CEWE Group is exposed to financial risks, specifically liquidity, currency, interest rate and credit risks. The Group's management manages and limits these risks. They are monitored by means of the Group-wide risk management system.

Liquidity risk is the risk that the Group will be unable to fulfil its financial obligations. This risk is addressed by means of liquidity planning and cash management, through continuous monitoring and management of cash inflows and outflows. The main sources of liquidity are the operating business and external financing. Cash outflows are mainly used for financing of working capital and investments.

At 31 December 2024, the CEWE Group had the following lines of credit:

Credit lines 2024 in millions of euros

	Germany	Other countries	Total as of 31 Dec.
Of which with a remaining term of up to 1 year	89.0	0.0	89.0
Of which with a remaining term of more than 1 year	0.0	0.0	0.0
Total	**89.0**	**0.0**	**89.0**

Credit lines 2023 in millions of euros

	Germany	Other countries	Total as of 31 Dec.
Of which with a remaining term of up to 1 year	67.0	0.0	67.0
Of which with a remaining term of more than 1 year	24.0	0.0	24.0
Total	**91.0**	**0.0**	**91.0**

Of these credit lines, 89.0 million euros (previous year: 90.1 million euros) had not been drawn down by the reporting date. In addition to liquid assets of 150.3 million euros (previous year: 117.4 million euros), this amount is available for coverage of future liquidity requirements. This does not involve a drawdown that is relevant for liquidity purposes but rather comprises the amount deducted by the credit institutions for the guarantees provided.

The undiscounted cash flows belonging to the financial liabilities, taking into account the associated interest payments, are due in less than one year.

Reconciliation acc. to IAS 7 in 2024 in thousands of euros

	As of 1 Jan	Net cash flow	Non-cash Acquisition	As of 31 Dec.
Non-current liabilities	0	0	0	0
Current liabilities	77	−77	0	0
Lease liabilities	46,571	−12,155	8,671	43,087
Total liabilities from financing activities	**46,648**	**−12,232**	**8,671**	**43,087**

Reconciliation acc. to IAS 7 in 2023 in thousands of euros

	As of 1 Jan	Net cash flow	Non-cash Acquisition	As of 31 Dec.
Non-current liabilities	116	−116	–	0
Current liabilities	214	−137	–	77
Lease liabilities	50,253	−11,813	8,131	46,571
Total liabilities from financing activities	**50,583**	**−12,066**	**8,131**	**46,648**

Due to the international focus of the CEWE Group, cash flows arise in different currencies. Currency risks arise from revenue invoiced in a currency other than that of the related costs, from the foreign currency assets and liabilities shown in the statement of financial position whose fair value may be negatively influenced by a change in exchange rates, and from pending foreign currency transactions whose future cash flows may have a negative effect due to exchange rate changes. The risk management system continuously monitors the risk exposures resulting from currency risks. To limit these risks, the Group reduces – where possible – the volume of euro-denominated transactions outside the scope of deliveries and services for companies in non-eurozone countries. Following a detailed review, the Company enters into non-euro hedging transactions with its house banks on a case-by-case basis.

The main market risk in foreign currency transactions relates to open currency positions at the reporting date. The Group's Swiss, Czech and British companies have significant foreign currency items. For the purpose of the sensitivity analysis, the corresponding foreign currency items are measured at hypothetical exchange rates. If these three foreign currencies were to depreciate against the euro by 20% in each case, the following opportunities (positive values – income recognised in the statement of profit or loss) or risks (negative values – expense recognised in the statement of profit or loss) would arise:

Currency sensitivity in thousands of euros

	2023[1]	2024
Financial assets	−35,429	−45,203
Financial liabilities	20,981	26,923

[1] Figures have been corrected due to a recalculation.

If these three foreign currencies were to appreciate against the euro by 20% in each case, the following opportunities (positive values – income recognised in the statement of profit or loss) or risks (negative values – expense recognised in the statement of profit or loss) would arise:

Currency sensitivity in thousands of euros

	2023[1]	2024
Financial assets	18,166	23,291
Financial liabilities	−27,798	−35,478

[1] Figures have been corrected due to a recalculation.

The CEWE Group does not have a particularly significant exposure to interest rate risks in relation to third parties. Interest rate-sensitive assets comprise loans to customers and employees as well as current balances with credit institutions. CEWE did not have any interest rate-sensitive financial debt at the reporting date. No significant risk exposures have arisen as a result of the current interest rate trend. The objective of CEWE's interest rate hedging strategy is to regularly conclude new medium- to long-term loan agreements with fixed interest rates. If the interest rates for variable interest rate financial assets and financial liabilities were to fall by 10% in each case, the following opportunities (positive values) or risks (negative values) would arise:

Interest rate sensitivity in thousands of euros

	2023	2024
Interest income	−51.2	−165.6
Interest expense	45.8	17.7

If the interest rates for variable interest rate financial assets and financial liabilities were to rise by 10% in each case, the following opportunities (positive values) or risks (negative values) would arise:

Interest rate sensitivity in thousands of euros

	2023	2024
Interest income	51.2	165.6
Interest expense	−45.8	−17.7

No hedging transactions have been entered into.

In financial year 2024, financial assets measured at amortised cost resulted in net gains/losses of 535 thousand euros (previous year: 40 thousand euros). Net gains/losses on the financial instruments held comprise, in particular, loss allowances and income from receivables written down. There was no dividend income or interest. Net gains/losses on financial liabilities measured at amortised cost amount to 1,403 thousand euros in the financial year 2024 (previous year: 1,946 thousand euros).

Interest income associated with financial instruments measured at fair value through other comprehensive income amounts to 1,656 thousand euros (previous year: 512 thousand euros), while corresponding interest expense amounts to 98 thousand euros (previous year: 79 thousand euros). Impairment of financial instruments measured at amortised cost amounted to 1,654 thousand euros in the financial year (previous year: 1,320 thousand euros); this was recognised as a result of write-downs on receivables.

Interest expense from lease liabilities amounting to 1,445 thousand euros was also included in the financial year (previous year: 1,488 thousand euros) (note C33, page 238).

The reconciliation of the statement of financial position items with the classes of financial instruments as of 31 December 2024 is as follows:

Breakdown of financial instruments 31 Dec. 2024 in thousands of euros

	Measured at amortised cost	Measured at fair value			Non-financial assets / liabilities	
		Based on publicly quoted market prices (Level 1)	Based on observable market data (Level 2)	Based on individual non-observable inputs (Level 3)		
	Carrying amount	Carrying amount	Carrying amount	Carrying amount	Carrying amount	**Carrying amount**
Non-current assets						
Investments	81			6,416		6,497
AC	54					54
FVTOCI				6,063		6,063
FVTPL				353		353
Loans and receivables	27					27
Non-current receivables	841					
Current assets						
Trade receivables	92,359					92,359
AC	92,359					92,359
Current financial assets	3,143					3,143
AC	3,143					3,143
Cash	150,274					150,274
Non-current liabilities						
Non-current loans and borrowings	0					0
AC	0					0
Non-current lease liabilities	444					444
AC	444					444
Current liabilities						
Current loans and borrowings	0					0
AC	0					0
Current trade payables	136,890					136,890
AC	136,890					136,890
Current financial liabilities	144					144
AC	144					144
Current other liabilities						63,767
Non-financial liabilities					63,767	63,767

AC: At amortised cost; FVTOCI: At fair value through other comprehensive income; FVTPL: At fair value through profit or loss

Breakdown of financial instruments 31 Dec. 2023 in thousands of euros

	Measured at amortised cost	Measured at fair value			Non-financial assets / liabilities	
		Based on publicly quoted market prices (Level 1)	Based on observable market data (Level 2)	Based on individual non-observable inputs (Level 3)		
	Carrying amount	Carrying amount	Carrying amount	Carrying amount	Carrying amount	Carrying amount
Non-current assets						
Investments	71			6,607		6,678
AC	54					54
FVTOCI				6,262		6,262
FVTPL				345		345
Loans and receivables	17					17
Non-current receivables	882					
Current assets						
Trade receivables	91,122					91,122
AC	91,122					91,122
Current financial assets	3,174					3,174
AC	3,174					3,174
Cash	117,369					117,369
Non-current liabilities						
Non-current loans and borrowings	0					0
AC	0					0
Non-current lease liabilities	571					571
AC	571					571
Current liabilities						
Current loans and borrowings	77					77
AC	77					77
Current trade payables	121,555					121,555
AC	121,555					121,555
Current financial liabilities	104					104
AC	104					104
Current other liabilities						60,474
Non-financial liabilities					60,474	60,474

AC: At amortised cost; FVTOCI: At fair value through other comprehensive income; FVTPL: At fair value through profit or loss

The investments not measured in accordance with IFRS 9 comprise reinsurance policies. They are carried at the actuarial present value. The carrying amounts of the other financial assets, trade receivables and cash and the carrying amounts of current account liabilities, trade payables and other current financial liabilities each serve as a reasonable approximation of the respective fair values. This is mainly due to the short terms of these instruments. Risk-related loss allowances are factored into the calculation of carrying amounts. The Group does not have any financial receivables or liabilities held for trading.

CEWE measures variable-interest financial assets and loans with a remaining term of more than one year on the basis of different parameters, e.g. the interest rate and the borrower's credit rating. Based on this measurement, any necessary loss allowances are factored into the calculation of the carrying amount. A fixed-interest agreement applies for current and non-current financial liabilities (with the exception of current account liabilities), which means that here, too, the carrying amount corresponds to the fair value.

Credit risk is the risk of a counterparty failing to fulfil its obligations, resulting in a bad debt loss. In some cases and to a not insignificant degree, factoring is used as an instrument to minimise credit risk. Within the scope of the Group's receivables management system, as a component of its risk management system, receivables at the level of the individual companies are comprehensively analysed monthly and the results are reported to the Group's central management, at the level of its headquarters, as part of its del credere reporting. Credit protection agreements are concluded for medium-sized and large customers. If the Group does not have any insurance cover or excess is applicable, loss allowances are recognised on individual receivables where there are objective indications that it is overwhelmingly probable that this receivable is irrecoverable, either in whole or in part. The general default risk is countered by means of specific loss allowances based on experience. On 31 December 2024, the maximum credit risk resulting from debtors' potential insolvency in relation to loans and receivables amounted to 96,384 thousand euros (previous year: 95,137 thousand euros) and is composed as follows:

Credit risk in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Investments	6,678	6,497
Non-current receivables	841	882
Trade receivables and other current receivables	94,296	95,502
Total	**101,815**	**102,881**

Impaired loans and receivables changed as follows:

Impaired loans and receivables in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Gross value	22,180	23,271
Loss allowance	−1,646	−2,053
Total	**20,534**	**21,218**

A further amount of 15,147 thousand euros (previous year: 13,405 thousand euros) was already past due but not impaired. The age structure for the Group's receivables past due is as follows:

Age structure of receivables past due in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Up to 30 days	11,462	12,383
Between 30 and 90 days	1,131	964
More than 90 days	812	1,800
Total	**13,405**	**15,147**

These items are monitored very closely within the scope of the Group's receivables management system. Based on an assessment of the individual risks, recognition of risk provisions in the amounts indicated above is therefore sufficient. Non-impaired financial assets are considered to be recoverable. Default risks are reduced through continuous monitoring of customers' credit ratings and payment behaviour, in close coordination with the Company's market-oriented departments, and are covered by means of insurance, where possible. Moreover, in the case of irregularities in customer relationships, the volume of business is managed on the basis of individual decisions. Impairment of consumer receivables is minimised by means of a professional debt collection management system as well as through risk avoidance and information-gathering parameters. These automatic system settings and the additional qualitative information provide an informative basis that is used for determining the specific loss allowances.

The material capital items are presented below. Net financial debt results from the netting of gross loans and borrowings against the Group's liquid assets at the reporting date.

Capital items in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Total assets	665,963	716,850
Equity	389,239	423,836
Equity ratio (as %)	58.4	59.1
Non-current lease liabilities	37,103	33,473
Current loans and borrowings	77	0
Current lease liabilities	9,468	9,615
Liquid assets	117,369	150,274
Net financial debt	−70,721	−107,186

The primary goal of the CEWE Group's capital management system is to ensure that the Group remains capable of repaying its debts and maintains its financial assets. In addition to safeguarding the long-term liquidity supply, the interest rate risk was limited and a flexible credit structure was again maintained to cover the seasonal nature of the Group's business performance over the course of the year. No collateral was provided. For further information, please see the comments in the risk report in the combined management report on page 73 ff.

No capital requirements are prescribed in the articles of association of CEWE-KGaA. For more information on authorised capital and the obligation to sell or issue shares in connection with stock option plans, please see the relevant passages in these notes (see notes D49, D50, D51, D52, page 252 ff.).

E. Other disclosures

68 Shareholdings

CEWE's proportionate interests in all of its subsidiaries included in the consolidated financial statements are shown in the following table:

Shareholdings in %

	31 Dec. 2023 Capital	31 Dec. 2024 Capital
1. CEWE Beteiligungs GmbH, Oldenburg	100.00	100.00
2. CEWE S.A.S., Paris, France[1]	100.00	100.00
3. CEWE Belgium NV, Mechelen, Belgium[1]	100.00	100.00
4. CEWE Nederland B.V., Nunspeet, Netherlands[1]	100.00	100.00
5. CEWE Magyarország Kft., Budapest, Hungary[1]	100.00	100.00
6. CeWe Color a.s., Prag, Czech Republic[1]	100.00	100.00
7. CEWE a.s., Bratislava, Slovak Republic[1]	100.00	100.00
8. CEWE AG, Dübendorf, Switzerland[1]	100.00	100.00
9. CEWE Danmark ApS, Åbyhøj, Denmark[1]	100.00	100.00
10. CEWE Sp. z o.o., Kozle, Poland[1]	100.00	100.00
11. CEWE NORGE AS, Oslo, Norway[1]	100.00	100.00
12. CEWE-PRINT NORDIC A/S, Åbyhøj, Denmark[2]	100.00	100.00
13. CEWE Sverige AB, Gothenburg, Sweden[3]	100.00	100.00
14. CEWE Limited, Warwick, Great Britain[1]	100.00	100.00
15. Diginet GmbH & Co. KG, Cologne	100.00	100.00
16. Bilder-planet.de GmbH, Cologne[4,10]	100.00	100.00
17. Diginet Management GmbH, Cologne	100.00	100.00
18. Diginet Danmark ApS, Åbyhøj, Denmark[4,10]	100.00	100.00
19. Wöltje GmbH & Co. KG, Oldenburg[5]	100.00	100.00
20. Wöltje Verwaltungs-GmbH, Oldenburg[5]	100.00	100.00

Shareholdings in %

	31 Dec. 2023 Capital	31 Dec. 2024 Capital
21. viaprinto Beteiligungs-GmbH, Oldenburg[8]	100.00	100.00
22. viaprinto GmbH & Co. KG, Münster	100.00	100.00
23. CeWe Color Inc., Delaware, USA[1]	100.00	100.00
24. Saxoprint GmbH, Dresden[9]	100.00	100.00
25. Saxoprint Ltd, London, Great Britain[6]	100.00	100.00
26. Saxoprint AG, Zurich, Switzerland[6]	100.00	100.00
27. CEWE Group Germany GmbH, Oldenburg (formerly: Laserline GmbH)	100.00	100.00
28. DeinDesign GmbH, Bad Kreuznach[9]	100.00	100.00
29. Stardust Media and Communications, SAS, Paris, France[1]	100.00	100.00
30. CEWE Fotovertriebsesellschaft mbH, Vienna, Austria[1]	100.00	100.00
31. WhiteWall Media GmbH, Frechen[9]	100.00	100.00
32. Whitewall USA Inc., Delaware, USA[7]	100.00	100.00
33. Hertz Systemtechnik GmbH, Delmenhorst[9]	100.00	100.00

[1] Interest held through CEWE Beteiligungsgesellschaft mbH, Oldenburg
[2] Interest held through CEWE Danmark ApS, Åbyhøj, Denmark
[3] Interest held through CEWE Norge AS, Oslo, Norway
[4] Interest held through Diginet GmbH & Co. KG, Cologne
[5] Interest held through CEWE AG, Dübendorf, Switzerland
[6] Interest held through Saxoprint GmbH, Dresden
[7] Interest held through WhiteWall Media GmbH, Frechen
[8] Interest held through Viaprinto Beteiligungs-GmbH, Oldenburg
[9] Interest held through CEWE Group Germany GmbH, Oldenburg (formerly: Laserline GmbH)
[10] Subsidiaries are not consolidated; they are also related parties.

69 Significant events after the financial year-end

At its meeting on 26 February 2025, the Board of Trustees of Neumüller CEWE COLOR Stiftung took the decision to let the contract of Chief Executive Officer Yvonne Rostock expire as scheduled. Ms. Rostock will hand over her position as Chairwoman of the Executive Board and CEO to Executive Board member Mr. Thomas Mehls on 1 May 2025.

The Board of Trustees of Neumüller CEWE COLOR Stiftung appoint Mr. Patrick Berkhouwer, a member of the Executive Board, as Deputy Chairman of Neumüller CEWE COLOR Stiftung effective the same day.

Ms. Sirka Hintze will join the Executive Board on 1 June 2025 – initially without a portfolio, and then as Chief Financial Officer from 15 August 2025, to replace CFO Dr. Olaf Holzkämper in this role, as planned and already announced in 2024.

Restructuring the Executive Board will also reduce the size of the body from six to five members.

There were no other significant events after the financial year-end.

70 Statement of cash flows disclosures

The statement of cash flows shows how the Group's cash and cash equivalents changed in financial years 2024 and 2023. In accordance with IAS 7, it distinguishes between cash flows from operating activities, cash flows from investing activities and cash flows from financing activities. The cash presented comprises the following statement of financial position items: bank balances with a term of up to three months and cash-in-hand, including any fixed-term deposits. It corresponds to the liquid assets presented in the statement of financial position.

Cash inflows and outflows from investments in long-term financial assets are the result of cash inflows from profit distributions from financial investments (2024: 714 thousand euros; 2023: 5,441 thousand euros) and cash outflows from investments in long-term financial assets (2024: −569 thousand euros; 2023: −775 thousand euros). In the reporting period, cash inflows totalled 145 thousand euros (previous year: 4,666 thousand euros). In the previous year, the disposal proceeds from a financial investment within a fund in which CEWE is invested resulted in higher profit distributions from financial investments.

Cash inflows and outflows from investments in non-current financial instruments relate in particular to the receipt and repayment of security deposits as collateral. In the reporting period, cash outflows from investments in non-current financial instruments amounted to −71 thousand euros (previous year: −3 thousand euros) and cash inflows to 30 thousand euros (previous year: 140 thousand euros). In total, cash outflows from investments in non-current financial instruments amounted to −41 thousand euros in the reporting period (previous year: cash inflows of 137 thousand euros). Other cash outflows from financing activities relate to the payment of lease liabilities.

The cash inflows and outflows resulting from changes in loans and borrowings are attributable to repayments, maturity-related reclassifications and borrowings as follows:

Change in loans and borrowings 2024 in thousands of euros

	Current loans and borrowings	Non-current loans and borrowings	**Loans and borrowings, gross**
As of 1 Jan.	**77**	**–**	**77**
Repayment	−77	–	−77
As of 31 Dec.	**–**	**–**	**–**

Change in loans and borrowings 2023 in thousands of euros

	Current loans and borrowings	Non-current loans and borrowings	**Loans and borrowings, gross**
As of 1 Jan.	**214**	**116**	**330**
Repayment	−137	−116	−253
As of 31 Dec.	**77**	**–**	**77**

71 Other financial obligations under leases

There are short-term leases and leases of low-value assets, as a result of which the leased assets are attributable to the lessor rather than to CEWE Stiftung & Co. KGaA, Oldenburg. They consist mainly of contracts for the use of production and office space, motor vehicles and, in a very small number of cases, agreements regarding office equipment and IT hardware. Rental payments in the financial year amount to 510 thousand euros (previous year: 636 thousand euros). The leases have terms of between one and six years.

Lease payments in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Total future minimum lease payments	**3,714**	**1,472**
Due within a period of one year	644	363
Due within a period of between two and five years	2,444	979
Due after more than five years	626	130

Leased assets

Assets leased out under operating leases have a carrying amount of 15,289 thousand euros in total (previous year: 18,820 thousand euros). The leases do not contain any clauses (e.g. extension, purchase or price adjustment options) that would lead to the assumption that the lessee has a finance lease. As lessor, the total future minimum lease income under non-cancellable operating leases is as follows:

Lease income in thousands of euros

	31 Dec. 2023	31 Dec. 2024
Total future minimum lease payments	**18,098**	**16,923**
Due within a period of one year	3,416	2,683
Due within a period of between two and five years	9,429	9,792
Due after more than five years	5,253	4,448

This relates to the leasing of commercial space and equipment to customers. Lease payments received in the financial year amount to 2,929 thousand euros (previous year: 3,360 thousand euros). Of this amount, income of 560 thousand euros (previous year: 825 thousand euros) is attributable to subleasing. They are shown under the item Miscellaneous other operating income, C28, page 235 f. Any lease components in existing contracts are recognised and reported in the course of systematic contract management.

72 Segment reporting by business unit

The Group has three reportable business units, which are the Group's strategic business units. More specifically, these are the Photofinishing, Commercial Online Printing and Retail business units. The strategic business units offer different products and services and require different technologies, investment strategies and marketing strategies. Information on other business activities and operating segments that are not reportable is combined under Other Activities. For each strategic business unit, the Group's Executive Board reviews internal management reports at least once a quarter. The accounting policies of the reportable business units are the accounting policies explained in section B. In line with the internal reporting, revenue is presented after effects arising from consolidation.

Revenue breaks down by geographical region as shown in note C27 page 234 f.

The revenue categories are Photofinishing revenue, Retail revenue and Commercial Online Printing revenue. A breakdown of these categories is provided in the segment report by business unit. Of the segment revenue, 429,408 thousand euros (previous year: 417,124 thousand euros) relates to German revenue and 403,384 thousand euros (previous year: 363,074 thousand euros) to foreign revenue.

Revenue from one major customer was in excess of 10% of the Group's revenue in both the financial year and the previous year and amounted to 116,373 thousand euros (previous year: 110,907 thousand euros). Revenue from this customer is mostly attributable to the Photofinishing business unit and mainly the result of end consumer purchases of branded items. The related credit risk is fully hedged. For the Photofinishing and Retail business units, cost of materials amounts to a total of 148,093 thousand euros (previous year: 142,413 thousand euros) and personnel expenses to a total of 211,624 thousand euros (previous year: 196,912 thousand euros). Commercial Online Printing incurred cost of materials of 39,917 thousand euros (previous year: 44,976 thousand euros) and personnel expenses of 24,488 thousand euros (previous year: 21,793 thousand euros).

Intangible assets and property, plant and equipment break down as follows by geographical region:

Intangible assets and property, plant and equipment by geographic regions in thousands of euros

	2023	2024
Germany	200,387	221,454
Other countries	54,862	51,958
Total	**255,249**	**273,412**

73 Other explanatory notes

Contingent liabilities arising from the granting of sureties – mainly guarantees – and guarantees for third parties, and other items amounted to 1,296 thousand euros (previous year: 1,325 thousand euros). The risk of a claim being brought under these contingent liabilities is regarded as low to relatively improbable. The estimate of the amounts and the probability of occurrence in each case is continually monitored. There were no contingent assets. In the reporting period, the CEWE Group received government grants amounting to 15 thousand euros (previous year: 220 thousand euros). The grants consist of contributions towards personnel costs in the amount of 15 thousand euros (previous year: 67 thousand euros) for training costs and reimbursement of expenses incurred due to prohibitions on employment. In the previous year, other grants amounted to 153 thousand euros and concerned investment subsidies.

The following total remuneration was paid to the active members of the Executive Board and to the Supervisory Board for the performance of their duties:

Remuneration received in thousands of euros

	2023	2024
Fixed gross remuneration		
Fixed remuneration	2,157	2,336
Fringe benefits	297	81
Total fixed gross remuneration	**2,455**	**2,417**
Variable remuneration		
One-year variable remuneration	821	895
Multi-year variable remuneration		
Bonus II	644	574
Stock option plan	–	193
Total variable remuneration	**1,465**	**1,662**
Total remuneration received	**3,919**	**4,079**
Remuneration owed	680	767
Other termination benefits	1,119	1,416
Total remuneration paid to the Executive Board	**5,719**	**6,261**
Total remuneration paid to the Supervisory Board	**873**	**816**
Total remuneration paid to the Executive Board and the Supervisory Board	**6,591**	**7,077**

The table shows the fixed remuneration, fringe benefits and one-year and multi-year variable remuneration received in the financial year and the previous year as well as the pension expenses. Remuneration under Bonus II relates to entitlements that have fallen due, including interest specified by contract. Service cost was calculated in accordance with IAS 19; it is not a receipt in the narrower sense, but is included in order to clearly illustrate the total remuneration.

The remuneration paid to Supervisory Board members for their Board activities is set out in the articles of association and comprises fixed components and attendance fees; it is solely short-term remuneration.

Other than the remuneration outlined above, no further remuneration or entitlement was granted in the financial year or the previous year that has not yet been reported in the consolidated financial statements.

Disclosures regarding the remuneration of the individual members of the Executive Board and the Supervisory Board are provided in the remuneration report (page 198f.).

None of the active or retired Executive Board members has received benefits from a third party in relation to their activity as an Executive Board member; the same goes for the members of the Supervisory Board. In no case have loans and advances been granted. Neither have any commitments been assumed in favour of members of the Executive Board or the Supervisory Board.

No advisory services were provided by members of the Supervisory Board in the reporting period (previous year: 0 thousand euros). Members of the Supervisory Board did not provide any other advisory or intermediary services or any other personal services in the reporting period or the previous year.

No remuneration was paid to retired members of the Executive Board in financial year 2024 (previous year: 0 thousand euros). Pensions paid to former members of the Executive Boards of Neumüller CEWE COLOR Stiftung, as the general partner of CEWE Stiftung & Co. KGaA, and the former CEWE COLOR Holding AG amount to 1,201 thousand euros (previous year: 1,190 thousand euros). The pension provisions recognised for these persons amount to 14,315 thousand euros (previous year: 16,970 thousand euros). There are no obligations towards these persons for which provisions have not been recognised.

The members of the Executive Board and the Board of Trustees of Neumüller CEWE COLOR Stiftung and the members of the Supervisory Board are defined as related parties of the CEWE Group. Close family members and related parties of those persons are also related parties of the CEWE Group.

Transactions with related parties are carried out on market terms in accordance with the arm's length principle.

74 Subsidiaries' use of exemptions

The following subsidiaries consolidated in these consolidated financial statements use the exemption from the publication requirements set out in Section 325 HGB and the exemption from the duty to prepare a management report and notes under Section 264b HGB:

- Diginet GmbH & Co. KG, Cologne
- Wöltje GmbH & Co. KG, Oldenburg
- viaprinto GmbH & Co. KG, Münster

75 Governing bodies of the Company
Supervisory Board including seats on supervisory boards and similar control bodies of CEWE Stiftung & Co. KGaA in Germany and abroad

Kersten Duwe, Oldenburg (Chairman)
June 2023[1]
Lawyer, tax adviser
- Chairman of the Supervisory Board of CEWE Stiftung & Co. KGaA
- Shareholder of Treuhand Oldenburg KG, Oldenburg (until 2 January 2024)
- Partner of Treuhand Rechtsberatung Hochhäusler Duwe & Partner Partnerschaft von Rechtsanwälten mbB, Oldenburg (until 31 March 2024)
- Management spokesman of Treuhand Weser-Ems GmbH Wirtschaftsprüfungsgesellschaft, Oldenburg (until 2 January 2024)

Paolo Dell'Antonio, Braunschweig
January 2017[1]
Business studies graduate, MBA
- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg
- Member of the Board of Trustees of Neumüller CEWE COLOR Stiftung, Oldenburg
- Member of the shareholders' committee and chairman of the audit committee: Th. Simon GmbH & Co. KG, Bitburg und Bitburger Braugruppe GmbH, Bitburg[2]

Professor Dr Christiane Hipp, Cottbus
June 2012[1]
Since 1 December 2024 President of Europa-Universität Flensburg
- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg

Daniela Mattheus, Berlin
June 2023[1]
Professional supervisory board member, lawyer and management consultant
- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg
- Member of the supervisory board of Commerzbank AG, Frankfurt am Main[2]
- Member of the supervisory board of Deutsche Bahn AG, Berlin[2]
- Member of the supervisory board of Jenoptik AG, Jena[2]
- Member of the supervisory board of Die Autobahn GmbH des Bundes, Berlin

Martina Sandrock, Hamburg
October 2022[1]
Supervisory and advisory board, and board of trustees member, former chairwoman of the executive board of LSH AG, Hamburg
- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg
- Member of the supervisory board of Josef Manner & Comp. AG, Vienna[2]

Dr Birgit Vemmer, Bielefeld
June 2018[1]
Management consultant and coach
- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg

Petra Adolph, Hanover
June 2018[1]
Deputy head of the northern branch of the Mining, Chemicals and Energy trade union (IG BCE)
- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg
- Member of the supervisory board of K+S Aktiengesellschaft, Kassel[2]
- Member of the supervisory board of K+S Minerals and Agriculture GmbH, Kassel

277

1 Start of service on the Supervisory Board
2 Membership of comparable German and foreign control bodies of commercial enterprises

Nurol Altan, Oldenburg
May 2023[1]
Deputy Chairman of the Works Council (released from duties) of CEWE Stiftung & Co. KGaA, Oldenburg

- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg

Marc Bohlken, Oldenburg
May 2023[1]
Industrial engineer, Technical Director of Oldenburg Plant, CEWE Stiftung & Co. KGaA, Oldenburg

- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg

Jan Grüneberg, Hanover
May 2023[1]
Fully qualified lawyer (assessor iuris), head of the co-determination/supervisory law department of the Mining, Chemicals and Energy trade union (IG BCE)

- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg
- Deputy chairman of the supervisory board of Sonic Healthcare Seven GmbH, Berlin

Insa Lachenmaier (née Lukaßen), Edewecht
June 2018[1]
Head of Strategic Shipping Development, CEWE Stiftung & Co. KGaA, Oldenburg site

- Member of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg

Markus Schwarz, Oldenburg (Deputy Chairman)
October 2015[1]
Member of the Works Council (released from duties) of CEWE Stiftung & Co. KGaA, Oldenburg

- Deputy Chairman of the Supervisory Board of CEWE Stiftung & Co. KGaA, Oldenburg

General partner of CEWE Stiftung & Co. KGaA:

- Neumüller CEWE COLOR Stiftung, Oldenburg

Member of the Executive Board of the general partner Neumüller CEWE COLOR Stiftung

Yvonne Rostock, Ratingen
Chairwoman of the Executive Board (CEO) of Neumüller CEWE COLOR Stiftung, Oldenburg
Responsible for the overall management of the Group in terms of management and policy authority, additionally for Sales and Internal Audit

- Chairwoman of the Board of Directors of CEWE AG, Dübendorf, Switzerland[2]

Patrick Berkhouwer, Bremen
Member of the Executive Board of Neumüller CEWE COLOR Stiftung, Oldenburg
Responsible for International Companies and Retail

- Chairman of the Supervisory Board CEWE-PRINT NORDIC A/S, Åbyhøj, Denmark[2]
- Member of the Supervisory Board of CEWE a.s., Bratislava, Slovak Republic[2]
- Member of the Supervisory Board of CEWE Magyarország Kft., Budapest, Hungary[2]
- Chairman of the Supervisory Board of CeWe Color a.s., Prague, Czech Republic[2]
- Chairman of the Supervisory Board of CEWE NORGE AS, Oslo, Norway[2]
- Chairman of the Supervisory Board of CEWE Sp. z o. o., Kozle, Poland[2]
- Member of the Supervisory Board of CEWE SAS, Paris, France[2]
- President of Stardust Media and Communication SAS, Paris, France[2]

Dr Reiner Fageth, Oldenburg
Member of the Executive Board of Neumüller CEWE COLOR Stiftung, Oldenburg
Responsible for Research and Development, IT, Technology, Chemistry, Environmental Protection and Quality Assurance

1 Start of service on the Supervisory Board
2 Position within the CEWE Group

Carsten Heitkamp, Oldenburg
Member of the Executive Board of Neumüller CEWE COLOR Stiftung, Oldenburg
Responsible for Human Resources, Operations and Commercial Printing, Logistics, Customer Service as well as Purchasing and Materials Management

Dr Olaf Holzkämper, Oldenburg
Member of the Executive Board of Neumüller CEWE COLOR Stiftung, Oldenburg
Responsible for the Stiftung's Corporate Development, Finance and Controlling, Investor Relations, Onsite Finishing, Legal, Compliance and Administrative Business

- Member of the supervisory board of Remmers Gruppe SE, Löningen

Thomas Mehls, Oldenburg
Member of the Executive Board of Neumüller CEWE COLOR Stiftung, Oldenburg
Responsible for Marketing, National Direct Sales, Sustainability, Investments and Acquisitions in new business areas, the Viaprinto Sales Unit of Commercial Online Printing and PR

Christina Sontheim-Leven, Düsseldorf (until 15 April 2024)
Member of the Executive Board of Neumüller CEWE COLOR Stiftung, Oldenburg
Responsible for Human Resources and Organisational Development

76 Authorisation and issue of the consolidated financial statements for the period ended 31 December 2024

The consolidated financial statements and the combined management report of the CEWE Group prepared by the Executive Board of the general partner, Neumüller CEWE COLOR Stiftung, for the period ended 31 December 2024 were signed by the Executive Board and thus authorised for issue on 25 March 2025.

77 Statement regarding the German Corporate Governance Code

The Executive Board and the Supervisory Board have submitted the statement of compliance with the German Corporate Governance Code required under Section 161 AktG and have made this statement available to the shareholders on the Company's website at **www.cewe.de**.

6 Further Information

Independent Auditor's Report
To CEWE Stiftung & Co. KGaA, Oldenburg/Germany

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Audit Opinions

We have audited the consolidated financial statements of CEWE Stiftung & Co. KGaA, Oldenburg/Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at December 31, 2024, the consolidated statement of profit and loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1 to December 31, 2024, and the notes to the consolidated financial statements, including material accounting policy information. We have not audited the content of the remuneration report pursuant to Section 162 German Stock Corporation Act (AktG), referenced in the sections "E.73 Other comments" and "E.75 Executive bodies of the Company" in the notes to the consolidated financial statements. In addition, we have audited the combined management report for the parent and the group of CEWE Stiftung & Co. KGaA, Oldenburg/Germany, for the financial year from January 1 to December 31, 2024. In accordance with the German legal requirements, we have not audited the content of the combined non-financial statement pursuant to Sections 289b and 315b German Commercial Code (HGB) included in the section "Combined non-financial statement" of the combined management report, nor the content of the corporate governance statement pursuant to Sections 289f and 315d HGB, including the executive directors' statement on internal control and risk management, contained in section "Corporate governance reporting" of the combined management report. Moreover, we have not audited the content of the CEWE Customer Charta which is referred to in the section "Research and development" of the combined management report, and marked as unaudited.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2024 and of its financial performance for the financial year from January 1 to December 31, 2024; our audit opinion on the consolidated financial statements does not cover the content of the remuneration report referred to in the notes to the consolidated financial statements, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the statements referred to above and of the CEWE Customer Charta.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the recoverability of the fair values that we have determined as key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)
b) auditor's response

Recoverability of the fair values

a) In the consolidated financial statements of CEWE Stiftung & Co. KGaA, Oldenburg/Germany, "Goodwill" as recognized in the consolidated balance sheet amounts to EUR 79.7 million (accounting for 11% of total assets). The Company allocates the goodwill to cash-generating units within CEWE Stiftung & Co. KGaA. Based on frequently conducted goodwill impairment tests, the individual book values are compared with the corresponding recoverable amounts. In principle, the recoverable amount is determined on the basis of the fair value less costs to sell by applying discounted cash flow methods, since, in general, there are no market values available for the individual strategic business units. The fair value is determined by means of a discounted cash flow model, which is based on the medium-term planning of the CEWE Stiftung & Co. KGaA, prepared by the executive directors, and its carry-forward using long-term growth rates. The cash flows are discounted using the weighted average cost of capital rates of the corresponding cash-generating unit.

The result of this assessment is highly dependent on the assessment of the future cash flows of the corresponding cash-generating unit (in general, strategic business unit or product family) by the executive directors and the discount rate used and therefore is subject to considerable uncertainty. In view of the above and due to the underlying complexity of the valuation models, this subject matter was of particular significance in the scope of our audit.

The disclosures provided by the executive directors on goodwill is contained in the section "B.38 Goodwill" of the notes to the consolidated financial statements.

b) As part of our audit, we obtained an understanding of the executive directors' procedure to evaluate the recoverability of the goodwill and of the corresponding estimation procedures required for determining the cash flows and the weighted average cost of capital, and conducted tests of design and implementation with regard to the controls. During our audit, we assessed, among other things, the methodical approach of the executive directors for conducting the impairment tests and the corresponding estimation procedures for determining the cash flows and the weighted average cost of capital. In this context, we assessed as to whether the methods applied, the assumptions made and the data used by the executive directors have been reasonable. Among other things, we assessed whether the valuation model applied to determine the goodwill accurately reflects the conceptual requirements of the relevant standards and whether the calculations are carried out correctly in the discounted cash flow model. We convinced ourselves that the future cash flows used for the valuation were appropriate, by, among other things, understanding and evaluating the underlying planning process. In addition, we assessed the appropriateness of the future cash flows used for the valuation, in particular, by comparing these values with those of the Group's medium-term plannings and by comparing selected planning assumptions with general and industry-specific market expectations. In addition, we obtained extensive explanations from the executive directors on the main value drivers and assumptions of the planning. Moreover, we examined the parameters applied in determining the weighted average cost of capital used on the basis of market data and assessed their determination by the executive directors. Furthermore, we also carried out our own sensitivity analyses for the reporting segments (book value compared to recoverable amount). We have also consulted internal valuation specialists for individual areas of our audit.

Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the remuneration report,
- the combined non-financial statement,
- the corporate governance statement, including the statement of the executive directors on internal control and risk management contained therein,
- the content of the CEWE customer charter,
- the executive directors' confirmations pursuant to Sections 297 (2) sentence 4 and 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and
- all other parts of the annual report,
- but not the consolidated financial statements, not the audited content of the disclosures in the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement according to Section 161 AktG concerning the German Corporate Governance Code, which is part of the corporate governance statement, and for the remuneration report. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and inspection of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.

- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 93327ac5dc-9c64edd09d642dd80b8fbd86f0265561dab57fbfb0528e4a081450, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from January 1 to December 31, 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Quality Management Standards (IDW QMS).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the Parent are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on June 5, 2024. We were engaged by the supervisory board on October 7, 2024. We have been the group auditor of CEWE Stiftung & Co. KGaA, Oldenburg/Germany, without interruption since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the audited Company or its controlled entities the following services that are not disclosed in the consolidated financial statements or in the combined management report: the assurance engagement on the combined non-financial statement and the review of the half-yearly financial report.

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Prof. Dr. Arno Probst.

Hamburg/Germany, March 26, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Arno Probst	Georg von Behr
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Translation
– German version prevails –

Responsibility statement

Statement in accordance with Section 297 (2) clause 4 and 315 (1) clause 5 HGB (responsibility statement)

To the best of our knowledge, and in accordance with the applied principles of consolidated financial reporting, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group and the notes to the consolidated financial statements provide the required disclosures and specific information accurately describing the Group's position.

We also confirm that, to the best of our knowledge, the combined management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the Group's expected development in the new financial year.

Oldenburg, 25 March 2025

CEWE Stiftung & Co. KGaA
For the general partner Neumüller CEWE COLOR Stiftung
– The Executive Board –

Yvonne Rostock

Patrick Berkhouwer Dr Reiner Fageth Carsten Heitkamp

Dr Olaf Holzkämper Thomas Mehls

Assurance Report of the Independent German Public Auditor on a Limited Assurance Engagement in Relation to the Combined Non-Financial Statement Included in a Combined Management Report

To CEWE Stiftung & Co. KGaA, Oldenburg/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the Combined Non-Financial Statement of CEWE Stiftung & Co. KGaA, Oldenburg/Germany, combining the management report of the parent and the group management report, included in section Combined non-financial statement of the group management report, for the financial year from January 1 to December 31, 2024. The Combined Non-Financial Statement includes the consolidated non-financial statement and the non-financial statement of the parent company and was prepared to fulfill the requirements of Sections 289b to 289e, 315b and 315c German Commercial Code (HGB) including the disclosures for complying with the requirements under Article 8 of Regulation (EU) 2020/852 included in this combined non-financial statement.

Not subject to our assurance engagement are the prior-year's disclosures included in the Combined Non-Financial Statement and the references to information of the Company outside of the combined management report marked unassured.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the attached Combined Non-Financial Statement for the financial year from January 1 to December 31, 2024 is not prepared, in all material respects, in accordance with the requirements of Sections 289b to 289e, 315b and 315c HGB and of Article 8 of Regulation (EU) 2020/852 and the specifying criteria presented by the executive directors of the Company.

We do not express an assurance conclusion on the parts of the Combined Non-Financial Statement that were not covered by our assurance engagement.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section "German Public Auditor's Responsibilities for the Assurance Engagement on the Combined Non-Financial Statement".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Emphasis of Matter – Principles of Preparation of the Combined Non-Financial Statement

Without modifying our conclusion, we draw attention to the details provided in the Combined Non-Financial Statement, which describe the principles of preparation of the combined non-financial reporting. According to these principles, the Company has applied the European Sustainability Reporting Standards (ESRS) to the extent described in section General information of the Combined Non-Financial Statement.

Responsibilities of the Executive Directors and the Supervisory Board for the Combined Non-Financial Statement

The executive directors are responsible for the preparation of the Combined Non-Financial Statement in accordance with the requirements of the applicable German legal and other European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a combined non-financial statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Combined Non-Financial Statement) or error. This responsibility of the executive directors includes establishing and maintaining of the materiality assessment process, selecting and applying of appropriate reporting policies for preparing the Combined Non-Financial Statement as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Combined Non-Financial Statement.

Inherent Limitations in Preparing the Combined Non-Financial Statement

The applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors made their interpretations of such wording and terms in the Combined Non-Financial Statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Combined Non-Financial Statement is also subject to inherent uncertainties. These inherent limitations also affect the assurance engagement on the Combined Non-Financial Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Combined Non-Financial Statement

Our objective is to express a limited assurance conclusion based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Combined Non-Financial Statement has not been prepared, in all material respects, in accordance with the applicable German legal and European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes our assurance conclusion on the Combined Non-Financial Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also

- obtain an understanding of the process used to prepare the Combined Non-Financial Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Combined Non-Financial Statement
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.

- Consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In performing our limited assurance engagement, we:

- Evaluated the suitability of the criteria as a whole presented by the executive directors in the Combined Non-Financial Statement
- Inquired of the executive directors and relevant employees involved in the preparation of the Combined Non-Financial Statement about the preparation process, including the materiality assessment processes carried out by the entity to identify the disclosures to be reported in the Combined Non-Financial Statement, and about the internal controls related to this process
- Evaluated the reporting policies used by the executive directors to prepare the Combined Non-Financial Statement
- Evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- Performed analytical procedures or tests of details and made inquiries in relation to selected information in the Combined Non-Financial Statement
- Conducted site visits
- Considered the presentation of the information in the Combined Non-Financial Statement
- Considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Combined Non-Financial Statement.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)” dated January 1, 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions based on it.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Hamburg/Germany, March 20, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Daniel Oehlmann Wirtschaftsprüfer (German Public Auditor)	Georg von Behr Wirtschaftsprüfer (German Public Auditor)

The CEWE Group – structure and governing bodies

Neumüller CEWE COLOR Stiftung

Board of Trustees

- Helmut Hartig, Oldenburg (Chairman)
- Paolo Dell'Antonio, Braunschweig
- Dr Kay Hafner, Essen
- Anke Röbke, Oldenburg
- Jörg Waskönig, Saterland
- Professor Dr Susanne Boll, Oldenburg

Executive Board

- Yvonne Rostock, Ratingen (Chairwoman)
- Patrick Berkhouwer, Bremen
- Dr Reiner Fageth, Oldenburg
- Carsten Heitkamp, Oldenburg
- Dr Olaf Holzkämper, Oldenburg
- Thomas Mehls, Oldenburg
- Christina Sontheim-Leven, Düsseldorf (until 15 April 2024)

CEWE Stiftung & Co. KGaA

Supervisory Board

- Kersten Duwe, Oldenburg
  Lawyer, (Chairman) tax adviser

- Paolo Dell'Antonio, Braunschweig
  Business studies graduate, MBA

- Professor Dr Christiane Hipp, Cottbus
  President of Europa-Universität Flensburg

- Martina Sandrock, Hamburg
  Supervisory and advisory board, and board of trustees member, former chairwoman of the executive board of LSH AG, Hamburg

- Daniela Mattheus, Berlin
  Professional supervisory board member, lawyer and management consultant

- Dr Birgit Vemmer, Bielefeld
  Management consultant and coach

- Petra Adolph, Hanover
  Deputy head of the northern branch of the Mining, Chemicals and Energy trade union (IG BCE), Oldenburg

- Nurol Altan, Oldenburg
  Deputy Chairman of the Works Council (released from duties) of CEWE Stiftung & Co. KGaA, Oldenburg

- Marc Bohlken, Oldenburg
  Industrial engineer, Technical Director of Oldenburg Plant, CEWE Stiftung & Co. KGaA, Oldenburg

- Insa Lachenmaier (née Lukaßen), Edewecht
  Head of Strategic Shipping Development, CEWE Stiftung & Co. KGaA, Oldenburg

- Markus Schwarz, Oldenburg (Deputy Chairman)
  Member of the Works Council (released from duties) of CEWE Stiftung & Co. KGaA, Oldenburg

- Jan Grüneberg, Hanover
  Fully qualified lawyer (assessor iuris), head of the co-determination/supervisory law department of the Mining, Chemicals and Energy trade union (IG BCE)

General partner of CEWE Stiftung & Co. KGaA

Neumüller CEWE COLOR Stiftung, Oldenburg

Financial statements of CEWE Stiftung & Co. KGaA

Income statement of CEWE Stiftung & Co. KGaA
for financial year 2024 (in accordance with HGB)

in thousands of euros

	2023	2024
Sales	401,878	429,860
Increase/decrease in finished and unfinished goods	20	47
Other own work capitalised	166	171
Other operating income	7,232	8,596
Cost of materials		
Cost of raw materials, consumables and supplies, and of purchased merchandise	−78,837	−84,203
Cost of purchased services	−20,751	−22,553
	−99,588	**−106,756**
Personnel expenses		
Wages and salaries	−94,120	−101,953
Social security, post-employment and other employee benefit costs	−19,217	−19,177
	−113,337	**−121,130**
Amortisation and write-downs of intangible assets, and depreciation and write-downs of tangible fixed assets	−23,364	−23,342
Other operating expenses	−131,017	−131,322
Income from long-term equity investments	16,589	15,332
Income from long-term loans	3,399	3,598
Other interest and similar income	3,360	3,733
Write-downs of long-term financial assets	−227	0
Interest and similar expenses	−8,049	−8,293
Earnings before income taxes	**57,062**	**70,494**
Income taxes	−20,083	−21,097
Earnings after taxes	**36,979**	**49,397**
Other taxes	−258	−105
Net income for the year	**36,721**	**49,292**
Remaining retained profits brought forward	**127**	**171**
Net retained profits	**36,848**	**49,463**

Balance sheet of CEWE Stiftung & Co. KGaA
as of 31 December 2024 (in accordance with HGB)

in thousands of euros

ASSETS	31 Dec. 2023	31 Dec. 2024
Fixed assets		
Intangible fixed assets		
Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	3,748	3,502
Prepayments	4,835	6,950
	8,583	**10,452**
Tangible fixed assets		
Land, land rights and buildings, including buildings on third-party land	44,114	65,121
Technical equipment and machinery	43,068	47,536
Other equipment, operating and office equipment	9,878	11,767
Prepayments and assets under construction	15,724	6,298
	112,784	**130,722**
Long-term financial assets		
Shares in affiliated companies	134,251	140,210
Loans to affiliated companies	73,595	67,261
Other long-term equity investments	4,796	5,357
Other loans	253	259
	212,895	**213,087**
Current assets		
Inventories		
Raw materials and supplies	25,424	28,694
Unfinished goods, work in progress	377	431
Finished goods and merchandise	342	384
Loans extended	200	200
	26,343	**29,709**
Receivables and other assets		
Trade receivables	52,171	54,766
Receivables from affiliated companies	187,854	139,061
Other assets	9,977	10,208
	250,002	**204,035**
Cash-in-hand and bank balances	101,876	128,534
Prepaid expenses	**5,374**	**5,532**
	717,857	**722,071**

in thousands of euros

EQUITY AND LIABILITIES	2023	2024
Equity		
Issued capital	19,349	19,349
Nominal value of treasury shares	–874	–1,085
Issued capital	**18,475**	**18,264**
Capital reserves	75,367	75,374
Revenue reserves		
Legal reserve	1,534	1,534
Other revenue reserves	245,138	255,228
	246,672	**256,762**
Net retained profits	36,848	49,463
	377,362	**399,863**
Special item for investment subsidies	**140**	**132**
Provisions		
Provisions for pensions and similar obligations	33,256	33,192
Provisions for taxes	2,172	3,263
Other provisions	27,428	32,692
	62,856	**69,147**
Liabilities		
Payments received on account of orders	556	608
Trade payables	38,920	42,243
Liabilities to affiliated companies	218,773	190,977
Amounts owed to investees	37	43
Other liabilities	18,477	18,475
	276,763	**252,346**
Deferred income	**736**	**583**
	717,857	**722,071**

Multi-year overview

Consolidated statement of profit or loss for the year

in millions of euros

	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	599.4	653.3	720.4	727.3	692.8	732.7	780.2	832.8
Increase/decrease in finished and unfinished goods	0.1	−0.1	0.2	−0.4	0.3	0.0	0.2	0.2
Other own work capitalised	0.9	1.1	1.0	1.3	1.3	2.9	4.2	5.0
Other operating income	23.2	25.1	22.2	23.0	27.1	29.2	25.5	27.3
Cost of materials	−168.4	−178.7	−187.5	−171.1	−160.7	−180.5	−187.4	−188.0
Gross profit	**455.1**	**500.7**	**556.4**	**580.1**	**560.7**	**584.2**	**622.7**	**677.2**
Personnel expenses	−160.3	−178.1	−197.0	−196.1	−194.9	−202.5	−218.9	−236.3
Other operating expenses	−205.5	−228.6	−245.4	−249.0	−241.2	−252.8	−266.1	−299.2
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**89.3**	**93.9**	**113.9**	**135.1**	**124.6**	**128.8**	**137.7**	**141.7**
Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment	−40.1	−40.2	−57.1	−55.4	−52.4	−53.2	−53.8	−55.6
Earnings before interest and taxes (EBIT)	**49.2**	**53.7**	**56.8**	**79.7**	**72.2**	**75.6**	**83.9**	**86.1**
Finance income	0.5	0.7	0.1	0.0	2.0	0.7	6.0	2.4
Finance expense	−0.8	−1.1	−3.7	−3.4	−1.5	−1.5	−1.9	−1.6
Net finance income/expense	**−0.4**	**−0.4**	**−3.6**	**−3.3**	**0.5**	**−0.8**	**4.0**	**0.7**
Earnings before taxes (EBT)	**48.9**	**53.3**	**53.3**	**76.4**	**72.7**	**74.8**	**87.9**	**86.9**
Income taxes	−16.0	−17.0	−21.6	−24.4	−23.8	−23.7	−28.3	−26.8
Consolidated earnings after taxes	**32.8**	**36.3**	**31.7**	**51.9**	**48.9**	**51.1**	**59.6**	**60.1**
Post-tax profit/loss of discontinued operations	–	–	–	–	–	–	−2.3	–
Consolidated earnings after taxes	**32.8**	**36.3**	**31.7**	**51.9**	**48.9**	**51.1**	**57.3**	**60.1**

Cash flows for the year

in millions of euros

	2017	2018	2019	2020	2021	2022	2023	2024
Cash flows from operating activities	72.4	78.7	102.7	142.3	65.6	93.4	130.8	131.9
Cash flows from investing activities	−70.2	−76.2	−67.2	−39.0	−44.1	−61.9	−47.9	−58.1
Free cash flow	2.2	2.5	35.5	103.3	21.5	31.5	82.8	73.8
Cash flows from financing activities	−11.7	−13.4	−30.7	−33.2	−40.1	−42.6	−38.9	−40.8
Net change in liquid assets	−9.5	−10.9	4.9	70.1	−18.6	−11.1	43.9	33.0

Consolidated statement of profit or loss for the fourth quarter

in millions of euros

	Q4 2017	Q4 2018	Q4 2019	Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024
Revenue	234.5	261.6	293.2	314.0	297.8	316.7	327.0	351.2
Increase/decrease in finished and unfinished goods	0.3	0.0	0.5	0.3	0.3	0.3	0.4	0.1
Other own work capitalised	0.2	0.6	0.5	0.4	0.5	1.2	1.2	1.5
Other operating income	9.2	7.2	7.2	8.4	9.0	8.3	9.3	9.5
Cost of materials	−57.1	−60.8	−63.8	−62.3	−58.6	−65.7	−62.3	−66.4
Gross profit	**187.2**	**208.5**	**237.5**	**260.7**	**248.9**	**260.8**	**275.6**	**295.9**
Personnel expenses	−47.7	−53.0	−61.2	−61.1	−58.1	−62.4	−68.3	−71.7
Other operating expenses	−79.5	−87.6	−100.4	−104.8	−105.6	−107.6	−110.4	−126.9
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**60.0**	**67.9**	**75.9**	**94.8**	**85.3**	**90.7**	**96.9**	**97.3**
Amortisation and write-downs of intangible assets, and depreciation and write-downs of property, plant and equipment	−13.9	−10.4	−17.1	−14.5	−13.1	−13.7	−15.3	−16.6
Earnings before interest and taxes (EBIT)	**46.1**	**57.5**	**58.8**	**80.3**	**72.1**	**77.0**	**81.6**	**80.6**
Finance income	0.0	0.0	0.0	0.0	2.0	0.2	5.4	0.5
Finance expense	−0.6	−0.2	−2.8	−2.5	−0.3	−0.5	−0.6	−0.5
Net finance income/expense	**−0.6**	**−0.1**	**−2.8**	**−2.4**	**1.7**	**−0.3**	**4.8**	**0.0**
Earnings before taxes (EBT)	**45.5**	**57.3**	**56.0**	**77.9**	**73.8**	**76.7**	**86.4**	**80.7**
Income taxes	−14.8	−18.1	−23.2	−25.8	−24.2	−24.3	−27.8	−24.5
Consolidated earnings after taxes	**30.7**	**39.2**	**32.9**	**52.1**	**49.6**	**52.4**	**58.6**	**56.2**
Post-tax profit/loss of discontinued operations	–	–	–	–	–	–	−0.8	–
Consolidated earnings after taxes	**30.7**	**39.2**	**32.9**	**52.1**	**49.6**	**52.4**	**57.8**	**56.2**

Cash flows in the fourth quarter

in millions of euros

	Q4 2017	Q4 2018	Q4 2019	Q4 2020	Q4 2021	Q4 2022	Q4 2023	Q4 2024
Cash flows from operating activities	67.6	77.3	92.2	130.1	109.9	110.5	132.6	139.6
Cash flows from investing activities	−13.3	−10.1	−11.0	−8.4	−10.1	−17.8	−14.3	−15.0
Free cash flow	54.3	67.2	81.2	121.7	99.8	92.7	118.3	124.6
Cash flows from financing activities	−29.2	−52.1	−61.5	−35.9	−32.8	−38.9	−23.0	−7.6
Net change in liquid assets	25.1	15.0	19.7	85.8	67.0	53.8	95.3	117.0

Consolidated statement of financial position

in millions of euros

ASSETS	2017	2018	2019	2020	2021	2022	2023	2024
Property, plant and equipment	148.1	160.2	222.5	216.7	212.4	224.7	233.9	253.3
Investment property	17.9	17.6	17.2	17.4	17.1	19.0	18.8	15.9
Goodwill	25.8	59.7	77.8	77.8	77.8	81.8	81.8	79.7
Intangible assets	14.1	28.5	39.1	31.5	26.0	24.6	21.3	20.1
Investments	6.8	6.9	5.6	7.0	9.8	9.7	6.7	6.5
Non-current financial assets	0.4	1.3	1.5	1.5	1.2	1.0	0.8	0.9
Miscellaneous other non-current receivables and assets	0.6	0.3	0.7	1.2	0.9	1.8	1.8	1.4
Deferred tax assets	7.8	12.3	14.2	18.9	16.7	13.6	14.9	17.3
Non-current assets	**221.5**	**286.7**	**378.5**	**371.9**	**361.8**	**376.1**	**380.1**	**395.2**
Inventories	50.3	49.0	48.8	50.9	56.5	59.3	60.5	62.0
Current trade receivables	84.5	92.9	91.4	85.3	78.9	98.1	91.1	92.4
Current receivables from income tax refunds	1.5	2.7	1.5	1.0	6.2	11.1	1.5	3.4
Current financial assets	2.4	3.4	5.4	3.2	2.9	3.1	3.2	3.1
Miscellaneous other current receivables and assets	5.6	9.5	8.6	10.3	8.8	11.9	12.3	10.5
Liquid assets	38.8	28.1	33.0	102.8	84.4	73.1	117.4	150.3
	183.1	**185.5**	**188.6**	**253.5**	**237.7**	**256.6**	**285.9**	**321.7**
Assets classified as held for sale	1.4	–	–	–	–	–	–	–
Current assets	**184.5**	**185.5**	**188.6**	**253.5**	**237.7**	**256.6**	**285.9**	**321.7**
	406.1	**472.2**	**567.1**	**625.5**	**599.5**	**632.7**	**666.0**	**716.9**

in millions of euros

EQUITY AND LIABILITIES	2017	2018	2019	2020	2021	2022	2023	2024
Issued capital	19.2	19.2	19.3	19.3	19.3	19.3	19.3	19.3
Capital reserves	73.1	75.3	76.5	75.1	76.1	73.8	74.0	74.0
Treasury shares at cost	−7.9	−7.2	−6.7	−8.5	−14.2	−26.2	−34.1	−42.6
Revenue reserves and net retained profits	140.6	166.8	180.5	215.1	254.6	295.9	330.0	373.0
Equity	**225.0**	**254.2**	**269.6**	**301.0**	**335.8**	**362.8**	**389.2**	**423.8**
Non-current provisions for pensions	27.2	29.2	35.5	40.1	38.3	29.1	34.0	33.0
Non-current deferred tax liabilities	1.5	2.9	3.5	2.8	2.2	2.1	1.6	0.9
Non-current other provisions	0.0	0.0	0.5	0.5	0.4	0.6	0.6	0.5
Non-current loans and borrowings	0.0	1.1	1.1	0.8	0.4	0.1	–	–
Non-current lease liabilities	–	–	52.5	48.8	43.4	40.5	37.1	33.5
Non-current financial liabilities	0.1	1.6	1.9	0.3	0.0	0.7	0.6	0.4
Non-current other liabilities	0.5	0.6	0.5	0.6	0.6	0.5	0.5	0.5
Non-current liabilities	**29.4**	**35.4**	**95.4**	**93.8**	**85.3**	**73.7**	**74.3**	**68.9**
Current tax liabilities	5.9	8.2	7.5	23.9	4.0	5.1	7.7	10.6
Current other provisions	3.5	3.5	6.3	6.0	3.0	2.7	3.0	3.1
Current loans and borrowings	1.6	2.7	0.8	0.4	0.3	0.2	0.1	0.0
Current lease liabilities	–	–	10.7	10.4	9.8	9.7	9.5	9.6
Current trade payables	95.9	112.7	113.9	122.1	107.5	120.6	121.6	136.9
Current financial liabilities	1.3	10.2	11.2	10.9	0.1	0.3	0.1	0.1
Current other liabilities	43.5	45.4	51.7	56.9	53.6	57.6	60.5	63.8
Current liabilities	**151.7**	**182.6**	**202.1**	**230.7**	**178.4**	**196.2**	**202.4**	**224.1**
	406.1	**472.2**	**567.1**	**625.5**	**599.5**	**632.7**	**666.0**	**716.9**

Key indicators

Volumes and employees

		2017	2018	2019	2020	2021	2022	2023	2024
Digital photos	in millions of units	2,128.1	2,185.0	2,363.7	2,311.4	2,151.3	2,249.5	2,362.0	2,425.0
Photos from film	in millions of units	47.0	41.1	37.5	27.4	30.9	28.6	24.9	30.2
Total volume of photos	in millions of units	2,175	2,226	2,401	2,339	2,182	2,278	2,387	2,455
CEWE PHOTOBOOKS	in millions of units	6.0	6.2	6.6	6.5	5.6	5.9	6.05	6.11
Employees (average)	in full-time equivalents	3,589	3,900	4,105	4,016	3,846	3,816	3,903	3,959
Employees (as of the reporting date)	in full-time equivalents	4,103	4,199	4,371	4,349	4,194	4,104	4,142	4,228

Earnings

		2017	2018	2019	2020	2021	2022	2023	2024
Revenue	in millions of euros	599.4	653.3	720.4	727.3	692.8	732.7	780.2	832.8
EBITDA	in millions of euros	89.3	93.9	113.9	135.1	124.6	128.8	137.7	141.7
EBITDA margin	in % of revenue	14.9	14.4	15.8	18.6	18.0	17.6	17.7	17.0
EBIT	in millions of euros	49.2	53.7	56.8	79.7	72.2	75.6	83.9	86.1
EBIT margin	in % of revenue	8.2	8.2	7.9	11.0	10.4	10.3	10.8	10.3
Restructuring expenses	in millions of euros	–	–	5.0	3.6	–	–	–	–
EBIT before restructuring	in millions of euros	49.2	53.7	61.8	83.3	72.2	75.6	83.9	86.1
EBT	in millions of euros	48.9	53.3	53.3	76.4	72.7	74.8	87.9	86.9
Earnings after taxes	in millions of euros	32.8	36.3	31.7	51.9	48.9	51.1	59.6	60.1

Capital

		2017	2018	2019	2020	2021	2022	2023	2024
Total assets	in millions of euros	406.1	472.2	567.1	625.5	599.5	632.7	666.0	716.9
Capital employed (CE)	in millions of euros	256.0	292.3	376.6	405.6	431.2	446.4	473.1	502.3
Equity	in millions of euros	225.0	254.2	269.6	301.0	335.8	362.8	389.2	423.8
Equity ratio	in % of total assets	55.4	53.8	47.5	48.1	56.0	57.3	58.4	59.1
Net financial debt	in millions of euros	−37.2	−24.2	32.1	−42.4	−30.4	−22.5	−70.7	−107.2
ROCE (previous 12 months)	in % of average capital employed	20.3	17.9	14.8	20.6	17.5	17.6	18.8	18.3

Shares

		2017	2018	2019	2020	2021	2022	2023	2024
Number of shares (nominal value: 2.60 euros)	in units	7,400,020	7,400,020	7,400,020	7,423,919	7,442,003	7,442,003	7,442,003	7,442,003
Earnings per share (diluted)	in euros	4.54	5.01	4.36	7.15	6.72	7.19	8.10	8.63
Year-end price	in euros	88.05	62.10	105.80	92.50	128.40	88.70	101.20	103.40
Dividend per share	in euros	1.85	1.95	2.00	2.30	2.35	2.45	2.60	2.85[1]
Dividend yield on year-end price	in %	2.10	3.14	1.89	2.49	1.83	2.76	2.57	2.76[1]

[1] Dividend proposed by the Executive Board and Supervisory Board to the General Meeting held on 5 June 2024

Production sites and sales offices

Germany

Oldenburg
CEWE Stiftung & Co. KGaA
Meerweg 30–32
D–26133 Oldenburg
Phone +49 (0) 441/4 04–0
Fax +49 (0) 441/4 04–421

Dresden
Saxoprint GmbH
Enderstraße 92c
D–01277 Dresden
Phone +49 (0) 351/2044–300
Fax +49 (0) 351/2044–322

Frechen
WhiteWall Media GmbH
Europaallee 59
D–50226 Frechen
Phone +49 (0) 30/22 38 14 62

Mönchengladbach
CEWE Stiftung & Co. KGaA
Erftstraße 40
D–41238 Mönchengladbach
Phone +49 (0) 2166/8 53–0
Fax +49 (0) 2166/8 53–109

Münster
viaprinto.de
c/o CEWE Stiftung & Co. KGaA
Martin-Luther-King-Weg 30a
D–48155 Münster
Phone +49 (0) 251/97920–200
Fax +49 (0) 251/97920–220

Freiburg
CEWE Stiftung & Co. KGaA
Freiburger Straße 20
D–79427 Eschbach
Phone +49 (0) 7634/505–0
Fax +49 (0) 7634/505–250

München
CEWE Stiftung & Co. KGaA
Cewe-Straße 1–3
D–82110 Germering
Phone +49 (0) 89/8 40 07–0
Fax +49 (0) 89/8 40 07–30

Bad Kreuznach
DeinDesign GmbH
Otto-Meffert-Straße 3
D–55543 Bad Kreuznach
Phone +49 (0) 671/970 80 70
Fax +49 (0) 671/970 80 71

Other countries

CEWE Denmark
Søren Frichs Vej 38K
DK–8230 Åbyhøj
Phone +45/86 99 14 22
Fax +45/86 99 24 33

CEWE Belgium N.V.
Generaal De Wittelaan 9/b9
B–2800 Mechelen
Phone +32 15/29 56 00
Fax +32 15/29 56 99

CEWE S.A.S.
Immeuble Equinox
21, allées de l'Europe
F–92110 Clichy
Phone +33/1 80 21 04 50
Fax +33/1 80 21 04 48

CEWE S.A.S.
Z.A. de la Croix Rouge
F–35770 Vern-sur-Seiche (Rennes)
Phone +33/2 99 04 85–85
Fax +33/2 99 04 85–89

CEWE S.A.S.
Z.A.E. des Trois Ponts
F–34690 Fabrègues (Montpellier)
Phone +33/4 67 07 01 80
Fax +33/4 67 07 01 90

Stardust Media And Communication, S.A.S. (Cheerz)
7, rue de Bucarest
F–75008 Paris

CEWE Nederland B.V.
Industrieweg 73
NL–8071 CS Nunspeet
Phone +31/3 41 25 53–55
Fax +31/3 41 25 53–33

CEWE Norge AS
Postboks 4, Bjørndal
NO–1214 Oslo
Phone +47/66 82 26 60

CEWE Fotovertriebsgesellschaft mbH
Karl-Farkas-Gasse 22
A–1030 Vienna
Phone +43/1/934 69 65

CEWE Sp. zo. o.
ul. Strzelecka 11
PL–47230 Kedzierzyn-Koźle
Phone +48/77/ 40 63–000
Fax +48/77/ 40 63–025

CEWE AG
Hochbordstrasse 9
CH–8600 Dübendorf (Zürich)
Phone +41/1 802 90–30
Fax +41/1 802 90–40

CEWE Sverige AB
Norra Hamngatan 40
SE–411 06 Gothenburg
Phone +46/031 61 94 45

CEWE a.s.
Galvaniho 716
SK–82104 Bratislava
Phone +421/2/68 20 44 11
Fax +421/2/68 20 44 23

CEWE COLOR a.s.
Kloknerova 2278/24
CZ–14800 Prague 4
Phone +420/2/7207 1111
Fax +420/2/7293 7346

CEWE Magyarország Kft.
Béke ut 21–29
H–1135 Budapest
Phone +36/1/451 1088
Fax +36/1/238 07 09

CEWE Ltd
Unit 4, Spartan Close,
Titan Business Centre,
Tachbrook Park,
UK–Warwick CV34 6RR
Phone +44 19 26 463 100
Fax +44 19 26 463 101

A map showing all of CEWE's sites can be found on page 5 of this annual report.

Sales contacts:
https://www.cewe-group.com/en/about-us/corporate-group.html
Click on "Sites"

cewe group

Financial calendar

(dates currently scheduled)

15 May 2025	Publication of Q1 2025 interim statement
4 June 2025	CEWE 2025 general meeting, Weser-Ems-Halle Oldenburg
12 June 2025	Warburg Highlights Conference, Hamburg
14 Aug. 2025	Publication of the H1 2025 interim report
27 Aug. 2025	Montega HIT Conference, Hamburg
23 Sep. 2025	Berenberg & Goldman Sachs German Corporate Conference 2025, Munich
23 Sep. 2025	Baader Investment Conference 2025, Munich
13 Nov. 2025	Publication of Q3 2025 interim statement
24 Nov. 2025	German Equity Forum 2025, Frankfurt

For more upcoming dates and events, see company.cewe.de

Publishing information

Published by

CEWE Stiftung & Co. KGaA
Meerweg 30–32
D–26133 Oldenburg

Phone: +49 (0)441/404 – 0

company.cewe.de
info@cewe.de
IR@cewe.de

Concept and design

HGB Hamburger Geschäftsberichte GmbH & Co. KG, Hamburg

Translation

Malinowski & Partner, Eimsheim

Photos

Pages 10 and 192: CEWE
Pages 52 and 212: Cheerz
All other photos by CEWE Stiftung & Co. KGaA, Oldenburg

Auditor of the consolidated financial statements

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg

This annual report is also available in German.

CEWE Stiftung & Co. KGaA is a member of
Deutscher Investor Relations Kreis e. V. (DIRK) und
Deutsches Aktieninstitut e. V. (DAI).

cewe group