

5.1 Guiding principle for the future of WEPA: **sustainability through innovation**

For us, further developing our portfolio is a strategy pillar on the way to sustainability leadership in the hygiene industry. As a family business, we stand for responsibility and future orientation in this regard. Differentiation and further development through sustainable innovation are established components of our orientation.



Andreas Kregel
Member of the WEPA Group Management Board

Andreas Kregel is also committed to this effort. As Chief Strategy Officer, his responsibilities on the WEPA Management Board include the strategy and transformation process of the WEPA Group and the "New Business Areas" business unit. In the following interview, he explains what sustainability means to WEPA and to him personally, as well as the contribution of innovation and WEPA start-up activities in terms of the Sustainability Strategy.

Mr Kregel, what role does

sustainability play in the "Perform & Transform – WEPA 2023" Group strategy programme?

Sustainability is an essential part of our "Perform & Transform – WEPA 2023" strategy programme and is firmly integrated in our vision and expresses our purpose "Together for a better life". Through it, we

intend to position our family business in a future-oriented and responsible manner and further develop the WEPA Group. In this context, we also see sustainability as a clear competitive advantage in economic terms and therefore attach great importance to a consistent and comprehensive approach. This objective also comes from our shareholders, who define themselves as a responsible owner family that thinks beyond generations.

Why is sustainability through innovation so near to you personally?

As a family business, the WEPA Group sets long-term goals for itself, far beyond typical

management cycles. It is precisely this responsibility for future generations that motivates me. I am convinced that the only way for us to develop our company further and to position it for the future is through sustainable products. Innovation enables us to hold our own in a dynamic market environment in the long term and to address the urgent challenges facing society and the environment. Therefore, it constitutes an integral part of our strategy. Realisation is achieved through our customer- and consumer-centric thinking and actions, through our innovation platform FutureLab and our innovation teams in the respective business units, as well as through cooperation with partners along our value chain and with start-up companies through WEPA Ventures.

➔ **What we stand for:**

We are taking big steps towards the future and diversifying our portfolio to become a provider of sustainable personal and professional hygiene solutions, among other measures through product and service innovation, acquisitions and partnerships as well as investments in start-ups. We also work on evaluating future investments according to select sustainability criteria. Naturally, our focus on sustainability is vital for every current and future investment decision.



WEPA Ventures is the corporate venturing arm of the Group: How does investing in start-ups fit with a third-generation family business?

WEPA Ventures reflects the essence of our entrepreneurial focus: we use our many years of experience and our network to help founders drive their innovative ideas. To this end, we invest in existing start-ups or develop our own ideas. What all our ventures have in common is that they move us forward towards our vision as WEPA. Together, we become the most sustainable and first class partner for personal and professional hygiene solutions. We also focus on the motto "Getting paid to learn": we are convinced that our activities add financial and strategic value to start-ups and the WEPA Group. To succeed in this regard, we invest on the basis of various criteria, with sustainability aspects having a significant influence on investment decisions.

What is the development direction of the WEPA Ventures portfolio in the coming years?

Our investment focus is on sustainable hygiene products and solutions and developing packaging and raw material alternatives. As part of the WEPA Group transformation process, however, we also invest in innovative business ideas along our value chain that are interesting for the sustainable and agile orientation of WEPA. A priority for us when developing our portfolio is having the start-ups and the WEPA Group strengthen each other. We can already see this working in some successful collaborations.

Excursion



We are a member of the innovation network "Maschinenraum"

It is time to take the next step, which is why we joined the Maschinenraum innovation ecosystem – it's better to shape the future together. In this alliance of currently 30 German medium-sized and family-owned companies, we share our experience and work together on the opportunities and challenges of change processes, such as digital transformation.