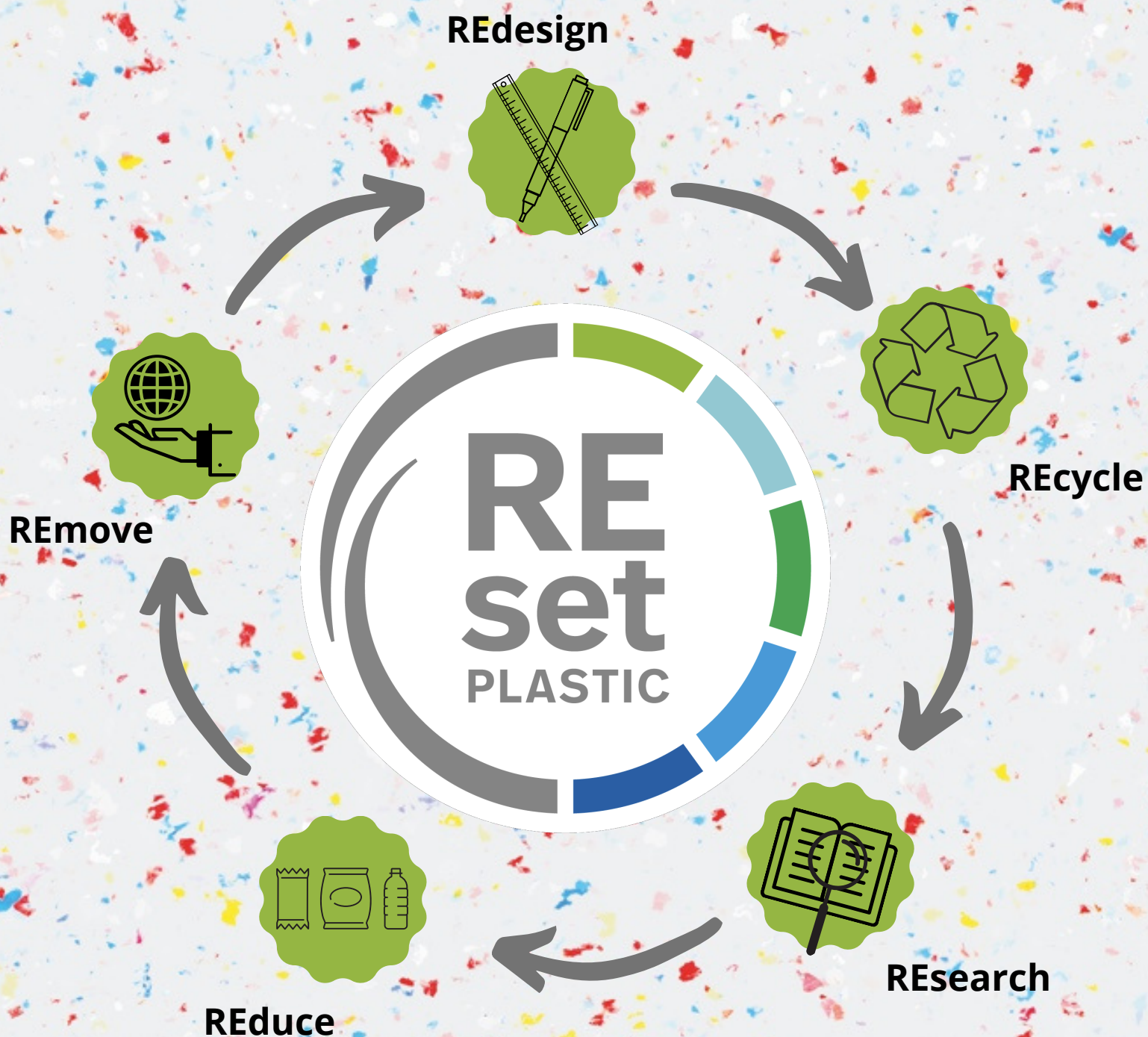


Stakeholder Communication Plan



June 3rd, 2021

This stakeholder communications plan will support the Schwarz Gruppe in achieving its stated goals and objectives, support or improve its operational effectiveness, support and improve relationships with those who are important to ensuring success and deliver measurable results. This plan includes media relations, communication tools such as advertising and direct marketing.

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1. Objectives

This part of the plan outlines the objectives that support the Schwarz Gruppe in achieving strategic and communicative goals. The objectives are answered with means of the SMART method. To be exact, objectives are described in Specific, Measurable, Achievable, Realistic and Time-bound way.

The stakeholder communication has the task of creating awareness about the commitment of the Schwarz Gruppe and its divisions in plastics, an increase in the awareness of REset Plastic as well as generating understanding and advocacy for the commitment with regard to the circular economy. The content focus here will be the holistic approach of the circular economy as well as its communication on a local and state level (and maybe even EU-level). The Schwarz Gruppe is to be perceived as a responsible and transnational player for a "an illustration of the accountability".

Stakeholder communication is primarily carried out in Germany and at levels (e.g. in the EU) where the Schwarz Gruppe has an existing, expandable or planned presence. There, stakeholder communication is in their hands. The group has more influence when it speaks on behalf of all business units on the overarching issue. The credibility of the REset cycle is based on the fact that all divisions are brought together in their performance. This makes the broad geographic coverage visible and supports the relevance of the cycle message. The competitive advantage of REset Plastic becomes faster and more visible, which also increases the business potential. The Schwarz Gruppe acts as a player, communicates actively and thus creates perception for itself.

Objectives can be answered by simply asking a question: **What should be achieved from a communications point of view that will support the Schwarz Gruppe in a year from now?**

First, **specifically**, strategic and communicative goals are listed:

Strategic Goals	Communicative Goals
⇒ Get a permanent seat at the table in all discussions on plastics	⇒ Build perception as an expert or opinion leader in the areas of plastics in commerce and circularity
⇒ Expand opportunities to directly influence legislative decisions on plastics and circularity	⇒ Political stakeholders understand that the Schwarz Group thinks the circular flow holistically, has a USP and is a first mover in this area
⇒ Establish or strengthen relationships with NGOs with a common denominator on the topic of circulation	⇒ The Schwarz Gruppe is perceived as the right partner on a complex issue, reaching out, taking responsibility and rising to the challenge
⇒ Increasing positive coverage and thus awareness in context of plastics	⇒ Increasing Schwarz Gruppe's credibility on topic of plastic
⇒ Reaching political, economic and cultural stakeholders, as well as the interested public through earned media	⇒ Building opinion leadership on topic of plastics and circular economy

<p>⇒ Schwarz Gruppe is perceived as retail group with expertise in the field of plastics and circular economy; the Group is considered a research partner/supporter with their fields of action (Remove & Research)</p>	<p>⇒ First mover and visionary positioning on market – retail company with true circular thinking</p> <p>⇒ Professionality and innovative thinking – experts understand the Group is actively advancing in topic of plastic and bases its implementation on solid grounds</p>
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The strategic and communication goals are **measurable** because metrics are established to track progress. These can be found in the final chapter, Key Performance Indicators, which describes what data is being tracked to decide if the strategy efforts are on track and producing results. In addition, the strategic and communication goals are **achievable** based on the existing knowledge and skills of the Schwarz Group communications department and the Scholz & Friends project team, resources such as PR tools or computer programs that help build a network with stakeholders. The strategic and communication objectives are **relevant** because the results will have a positive impact and bring benefits to the company in terms of awareness, political advantages and positive positioning in the market. The strategic and communication objectives are **time-bound** and are to be implemented this year and possibly next year; it is an ongoing process with long-term goals.

2. Key messages for organization

The second part of the plan outlines the key messages needed to achieve earlier stated objectives and support the business goal of the Schwarz Gruppe. There are three sets of messages in this plan, one set of messages that applies to an overall audience and the second that focuses on a target audience.

First set of messages selected to communicate towards a wide audience:

Main messages

- ⇒ Our goal is to make 100 percent of our private label packaging maximally recyclable by 2025.
- ⇒ Our goal is to use 20 percent less plastic by 2025.

General Informative Messages:

- ⇒ The Reset Plastic strategy can close material cycles within its own streams and resources and thus offers holistic solutions to the issue of plastic waste in the food retail sector. This is where the unique selling point of the strategy comes into play. With the advantage that everything originates from one source, REset Plastic can be faster, freer, more flexible, more variable, more comprehensive, more effective, more innovative, more cost-efficient, more stringent and thus ultimately more substantial than the strategies of its competitors.
- ⇒ Reset approaches topic of plastic reduction and circular economies holistically and substantially, as they have the know-how, the resources and specialist companies, production facility and disposal systems.
- ⇒ The issue of plastics is complex, and there are no simple solutions.
- ⇒ When it comes to plastic waste, the Schwarz Gruppe has a responsibility, but it is also part of the solution. Because those who are particularly large can also make a particularly big difference. From production, storage, distribution and collection to recycling and reuse, the Schwarz Gruppe can make a substantial contribution with its REset Plastic strategy and live up to this responsibility.
- ⇒ With REset Plastic, the Schwarz Gruppe is the perfect partner to advance or build up the topic of circular economy. Due to the special link between trade and recyclables management, the entire process can be overseen with all its potentials, synergies and challenges.

Messages Referring to Individual Field of Activity

- ⇒ REduce
 - ⇒ We eliminate plastic packaging wherever the elimination does not impair quality and hygiene
 - ⇒ We reduce materials for packaging and load security as much as possible
 - ⇒ We reduce packaging as much as possible
 - ⇒ We set priorities on the increase in recyclability and use of recycled materials
- ⇒ REdesign: Where we cannot do without plastic, we design the packaging of our private brands to be as compact, resource-saving and reusable as possible.

- ⇒ REcycle: We collect the plastic waste we generate, sort it and transfer it to an internal Group cycle for recycling.
- ⇒ REmove: as it is not enough just to avoid new plastic waste, we also support the removal of plastic from the environment, on land and at sea.
- ⇒ REsearch: We invest in research and development of resource-saving materials and processes. We promote responsible behavior within the company and among consumers.

3. Key Stakeholders

The third part of the communication plan summarizes the key stakeholder(s) that are most relevant to Schwarz Gruppe and which should be placed into the plan. This part lists each stakeholder (or target audience) group and identifies the issues and expectations. Stakeholder(s) are assessed in terms of level of satisfaction with the organization and rated by influence.

Target audience			Priority	Expectations/issues
Interested public	Customers		2	Transparency
	Consumer protection organization			Honesty Fair prices Open dialogue Product information on packaging Long shelf-life of products
Political stakeholders	Ministries	Bundesministerium für Umwelt, Naturschutz und nukleare Sicherheit	1	Transparency
		Bundesministerium für Bildungs und Forschung		Comparability in waste prevention
	NGOs/Associations/Organisations	Bundesvereinigung der Deutschen Ernährungsindustrie		Protecting the environment and society from plastic risks
		BUND – Bund für Umwelt & Naturschutz		Utilization of plastic opportunities for economy and society
		Klimaschutz Offensive des Handels		Reconcile interests of different plastic stakeholders
		Deutsche Umwelthilfe e.V		Compliance/achievement of national targets
		Bundesverband Meeresmüll		Solving plastic/recycling/circularity problems
		Heinrich-Böll-Stiftung		Achieving SDG goals
		NABU - Naturschutzbund Deutschland e.V.		Educating the public about plastic risks
		Greenpeace		
		WWF		
		B.A.U.M. e.V		
		NaturFreunde Deutschlands		

	Political Parties/mandate holders	Umweltministerium Baden- Württemberg		<p>Writing petitions</p> <p>Callings for boycotts on certain plastic products or packaging</p> <p>Collecting & disposal of plastic waste from environment</p> <p>Promotion of circularity</p> <p>Fundraising to finance plastic projects</p>
		Bündnis90/Die Grüne, CDU, FDP,		
Media representatives	Regional	Heilbronner Stimme	1	<p>Minimize negative impact on plastic on society</p> <p>Maximize positive impact of plastic on society</p> <p>Inform society about plastic and reach people</p> <p>Informative material</p> <p>High quote</p>
		WDR		
		NDR		
		MDR		
		BDR		
		SWR		
		BR		
	National	Business Insider		
		Der Spiegel		
		Die Zeit		
		Wirtschafts Woche		
		Die Süddeutsche		
		Finanzen.net		
		Handelsblatt		
		Lebensmittel Magazin		
		Lebensmittel Zeitung		
		Lebensmittel Praxis		

4. Key messages for stakeholder groups

The fourth part of the communication plan refers to the key messages that are targeted towards the determined stakeholder(s). These key messages address specific concerns and issues to ensure that communication is relevant to them to get a sense of understanding of their point of view. Additionally, the main message is included to each stakeholder prior. The key message must be used effectively and mentioned with repetition to ensure support and make them feel they know and recognize the brand.

The communication objective is to establish Reset Plastic Brand, enhance awareness among stakeholders, increase findability of website/platform to boost returning visits, create thought leadership on the topic of plastic and increase credibility and build perception as an expert.

Negative perceptions of plastic reduction revolve usually around following themes:

- ⇒ Plastic reduction is complex
- ⇒ Plastic reduction needs to happen at companies
- ⇒ Plastic reduction is hard to follow
- ⇒ Effective policies that motivate industry and individuals to reduce plastic pollution collaboratively is hard to implement
- ⇒ Finding incentives to foster expansion of deposit systems are yet underdeveloped
- ⇒ Integrating higher environmental standard into standard of plastic products is not being tackled enough
- ⇒ It is hard to increase behavioral benefits and lower behavioral cost of reducing plastic pollution

Positive solutions given to negative perceptions done by Schwarz Gruppe with examples of their 5 fields of action:

- ⇒ **REduce**
 - ⇒ We eliminate plastic packaging wherever the elimination does not impair quality and hygiene
 - ⇒ We reduce materials for packaging and load security as much as possible
 - ⇒ We reduce packaging as much as possible
 - ⇒ We set priorities on the increase in recyclability and use of recycled materials
- ⇒ **REdesign**: Where we cannot do without plastic, we design the packaging of our private brands to be as compact, resource-saving and reusable as possible.
- ⇒ **REcycle**: We collect the plastic waste we generate, sort it and transfer it to an internal Group cycle for recycling.

All three messages can be targeted towards media and political stakeholders to inform and open up opportunities for discussions, dialogues, media coverage and partnerships.

- ⇒ **REmove**: as it is not enough just to avoid new plastic waste, we also support the removal of plastic from the environment, on land and at sea.

This message can be targeted towards NGOs and associations to build credibility and foster cooperations on their projects.

⇒ **REsearch:** We invest in research and development of resource-saving materials and processes.
We promote responsible behavior within the company and among consumers.

This message can be targeted towards governments and institutions, as well as environment ministries to build credibility and foster cooperations on their projects.

5. Tactics

The fifth part of this plan is to define how the key messages are going to be placed towards each stakeholder(s). Also, this part encounters recommendations made in the research justification. Additionally, this part focuses on where and how the stakeholder can be approached.

Communication tactics will begin with the upgrade of the REset Plastic website. The recommendation from the research justification highlights the need to expand the website and build new tabs. The website serves as a digital hub created for all stakeholders to find relevant information, be inspired, and notice commitment.

- ⇒ The homepage should mention the key message „**We REthink Plastic – so we press the REset button**“
- ⇒ Below or around the key message, 5 fields of action should be portrayed
- ⇒ Give the website an „emotional“ perspective by giving people behind the strategy a crucial role
- ⇒ The website should contain a newsroom that contains weekly or monthly updates on the specific field of actions, as well as updates from the individual divisions in forms of press releases, informational content in text, video, film, audio or graphic format
- ⇒ On homepage, add a graphic that shows all reduction or saving efforts as of now - this should visualize the improvements over time

Further communication tactics can be implemented by initiating a REset Plastic Magazine with the aim to address the plastic topic more broadly and make exploratively accessible to all stakeholders. By expanding further on the Schwarz Gruppe as a company, on their practices in regard to REset Plastic, on the importance of this topic, on the approach and the involvement of all parts of the company, the magazine can be a first step into awareness creation and build up visibility. This tactic is partially focused on media stakeholders. The magazine should contain different kind of content in formats such as:

- ⇒ Interviews by newspaper outlets that focus on the industry, plastic, environment, economy and politics
- ⇒ Parts of CSR reports published from the company itself or results from research institutes (this is mentioned further below)
- ⇒ Graphics that show how field of actions are evolving and to show numbers and statistics

The next step is to focus communication tactics on expanding social media activities. The Schwarz Group should set up accounts on Twitter and Instagram. Twitter is used to contain news and information from the group. Instagram is used to contain content in form of images and video to inform and engage target audiences. Social media communication tactics are used to target all stakeholder groups, but are created with consumers in mind.

- ⇒ The #REsetPlastic / #resetplastic hashtag should be used on every post
- ⇒ Gifs and stickers can be created
- ⇒ Content focuses on company-relevant (not only REset Plastic)
- ⇒ Content can be taken partially from the website hub (milestones & results)

Communication tactics for specific stakeholder(s) go as follows:

Political stakeholder: The Schwarz Group is expected to communicate neutrally to political stakeholders. To communicate its positioning on plastics-related issues and solutions, the company may engage directly or indirectly with governments, regulators, public groups, industry associations and other

bodies in the political and economic spheres. The aim of the exchange with political stakeholders is to improve understanding of market conditions and the political environment in order to engage constructively in the political and regulatory debates relevant to the Schwarz Gruppe. Once relationships have been build, webinarads and open dialouges can be part oft he activities. Communicative tactics go as follows:

Initiating a study done by a research institute

- ⇒ The study should research their actual amount reduction, examine and compare among others in regard to circular economy
- ⇒ The focus lays on topics such as the economy, resource conservation and independence
- ⇒ The aim ist o compare the status of implementation as well as future potentials for a circular economy
- ⇒ The outcomes can be presented and should be available for governments, institutes, businesses and the society for further referencing - to gain a position as a driver iánd expert in the field the process and outcomes will be covered by media in forms of press conferences, interviews and events
- ⇒ The content made from this project will give content fort he website hub for all stakeholders tob e accessed
- ⇒ Further implementations to directly inform governments and institutes cab be in form of political letters that describe results

Implementing a competition

- ⇒ Involvement of start-ups, NGOs, associations, organisations, government, and other businesses that are involved in plastic reduction and circularity to participate in competition
- ⇒ To build cooperations and work together on new innovations in the 5 fields of action
- ⇒ Build network and cooperations with industry, government, local organizations to foster innovation, build awareness and gain investment opportunities

Building a network and partnerships

- ⇒ Let the Climate Protection and Energy Efficiency Group of German Business evaluate the company
- ⇒ The evaluation is based on the sustainable practices and if they are in fact reducing their plastic waste footprint
- ⇒ This partnership allows for the Group to be involved in minestries – BMU (Bundesumweltministerium) for instance to build relationships
- ⇒ Gain opportunities through network to participate in events such as round tables
- ⇒ Additionally, it is possible to sign the Paris Climate Agreement
- ⇒ Participate in think tanks

Consumers: Consumers are indirectly targeted. Consumers should be targted in stores and have access of information via social media activities, news articles and the website in general.

Media representatives: media placements are targeted to public news outlets in addition to digital formats that focus on the specific themes listed in the third step. This particular stakeholder group is

involved in activities on the website, the magazine, social media, in-store filming for documentaries or films, store openings, media distribution in terms of press releases and CSR reportings.

6. Key Performance Indicator

The sixth part of this plan outlines the key performance indicators that can measure and indicate the level of success of the communication activities advised in this report. Key performance indicators are key in understanding and reflecting on tactics to identify necessary changes or change in direction. The following four KPIs are expected to be measurable.

The four specific KPIs are:

⇒ Traffic to website

As part of changes for the strategy, website updates are expected to attract stakeholders that want to receive updates and further information, relevant news and additional access to Reset Plastic and the Schwarz Gruppe. By identifying the following tools to measure website traffic, the goal of building awareness around Reset Plastic can be determined. By measuring, for instance, website visits and average visit duration are an important set of data. Moreover, by considering sources of visitors, such as by direct or organic search, referral or social origin of search an additional set of data can show from where stakeholders come from, how and when they search for Reset Plastic. Additionally, website details on demographic information are important data for the company to proceed and realize in future communicational tactics. These kinds of data are important that indirectly express the interests of stakeholders. These kinds of data can and should be documented on a regular basis to forecast a trend or identify circumstances.

⇒ Press releases – announcements & news articles

Another important part of this strategy is media relations and media coverage and can be identified as an important KPI. To determine how the goal of increasing positive coverage and thus awareness related to plastics and reaching political, economic and cultural stakeholders as well as the interested public through earned media is achieved, a number of tools can measure these goals. For example, the goal is achieved when the first press release issued has at least 10 articles covered through earned media. These 10 clippings are collected and analyzed using PR tools such as Cision and the Google search engine. In addition, it is important to track and analyze social media mentions or reposts to determine what type of platforms or journalists are covering the story for Reset Plastic. Measuring clippings needs to be done at least once a month. It is important to do counts and data on press releases, news articles published, mentions on social media or other websites, on what platforms, and so on.

⇒ Stakeholder survey / review

Another important KPI can be transferred to the result and satisfaction perceived by a stakeholder. Only when all relevant stakeholders have the perception of being satisfied or have developed a strong relationship with the company's practices or the project itself can the project be considered successful. The goal is to achieve full stakeholder satisfaction and can be measured through surveys, dialogues, face-to-face meetings or social media engagement. These should be conducted monthly or at least every other month.

⇒ Policy activation

Probably one of the most important KPIs of this communication plan is the development of the political agenda. The main goal is to get a firm seat at the table in all discussions on plastics and to expand the possibilities to directly influence legislative decisions on plastics and circular economy. The goal will be achieved when these demands are considered and implemented by the government.