
EDEKA UND WWF
SIND PARTNER FÜR
NACHHALTIGKEIT
WWF
EDEKA
EDEKA AND THE WWF
STRATEGIC PARTNERSHIP
PROGRESS REPORT
2020
Photo: F. Gottwald

CONTENTS

WWF | EDEKA UND WWF SIND PARTNER FÜR NACHHALTIGKEIT | EDEKA

CONTACT EDEKA

Nachhaltigkeit Marke & Produkt
EDEKA Zentrale Stiftung & Co. KG
New-York-Ring 6
22297 Hamburg

CONTACT PERSON

Abteilung Märkte & Unternehmen (Stores & Enterprises Department)
WWF Deutschland
Reinhardtstraße 18
10117 Berlin

1 PARTNERSHIP FOR SUSTAINABILITY

Photo: Daniel Ihnter / WWF Germany

1.1 INTRODUCTION

The year 2020 will be remembered in world history as the year of the corona pandemic. More clearly than ever, corona has shown us that the increasing loss of biodiversity directly threatens our health and deprives us of the natural resources on which our lives depend. In a healthy ecosystem, animal and plant species, as well as viruses and bacteria, maintain an equilibrium. Once that equilibrium is lost, the balance shifts in favour of pathogens, allowing them to jump from animals to humans with increasing frequency. And it is we, the humans. who are responsible for the destruction of diverse habitats. The overexploitation of natural resources has many facets: global deforestation, emissions that damage the climate, encroachment on the earth's precious freshwater resources, contamination of soils and the acidification of seas, ever more intensive agriculture, forestry and fisheries, high consumption of packaging and pesticides – all of these factors make for increasingly unstable ecosystems, with far-reaching consequences for our lives. Experts are of the opinion that corona is unlikely to be the last pandemic to keep the world in suspense. It is imperative that we change course and move towards a future in which ecological and societal criteria are given the weight that is commensurate with their importance, at the national as well as at the global level. What is required is a shared commitment to the implementation of the Paris climate goal and the United Nations Sustainable Development Goals, so that we can protect our climate, biodiversity – and ourselves. National governments must act, but civil society and business enterprises can and must also contribute towards creating a better, more sustainable environment.

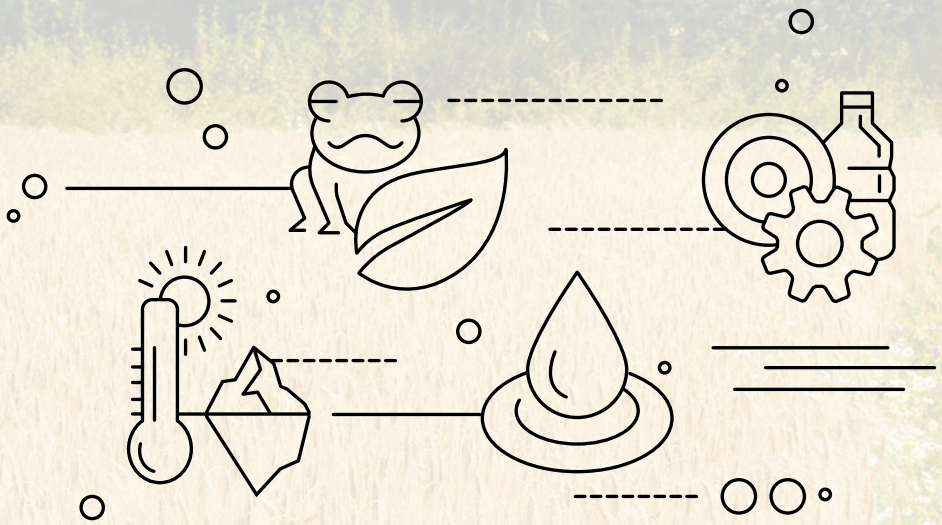
PARTNERSHIP AS A MODEL FOR TAKING RESPONSIBILITY

EDEKA and the WWF took responsibility by forming an alliance with the aim of achieving better environmental protection as far back as 2009. Our alliance's efforts cover every aspect, from the product on the shelf all the way back to the farm, covering every link in the supply chain. It all started with fish. Today EDEKA – one of Germany's leading food retailers – and the WWF, one of the biggest environmental protection organisations in the world, are jointly working to ensure that wood, water, energy and packaging are used sparingly and prudently, so that soils and oceans will become healthier again over time.

The ambitious Sustainable Development Goals (SDGs) of the UN set the framework for the partnership. Twelve million customers are motived every day by the WWF's panda logo to make a contribution towards achieving a smaller ecological footprint. The panda logo can be found on EDEKA private-label products that meet ecological standards recognised by the WWF and which have been certified by independent inspection organisations. More than 4,000 private-label products sold by EDEKA are systematically evaluated according to eight different aspects: fish and seafood, wood, paper and tissue, palm oil, soya/ sustainable livestock feed, climate, freshwater, packaging and procurement management of critical agricultural raw materials are the subject areas our co-operative partnership is focused on. We also operate our own cultivation projects for better bananas, oranges and mandarins, as well as the growing and multiple award-winning project "Agriculture for Biodiversity".

FIND OUT MORE ABOUT THE STRATEGIC PARTNERSHIP BETWEEN EDEKA AND THE WWF AT:

www.edeka.de/wwf
www.wwf.de/edeka



ALL THE SUBJECT AREAS CONTRIBUTE TOWARDS MASTERING THE FOUR MAJOR CHALLENGES

Each of these subject areas is underpinned by concrete targets and contributes towards overcoming the four great challenges of our time: protecting biodiversity, the climate, freshwater and resources. The annual progress reports document the high and ever-increasing demands that the partners place on themselves. They also show clearly the obstacles this global commitment is often faced with. Corona may keep us on our toes, but it has also prompted a re-think. We simply cannot continue the way we have done in the past. We must chart a fundamentally new course if we are to achieve our goal of sustainable use and conservation of our natural resources. EDEKA and the WWF are determined to continue with this collaboration in order to make a substantial contribution. It is now especially important to take responsibility, to set an example for the market through our strategic and transformative partnership, and to encourage others to join in.

WWF AND BUDNI EMBARK ON A SHARED JOURNEY

Since the summer of 2020, the drug store chain BUDNI has also been accompanied by the WWF on the road to greater sustainability. Serving as the model is the existing successful partnership between EDEKA and the WWF, which has been going since 2009. In this way, BUDNI is establishing new benchmarks in the reduction of its ecological footprint, and they are also setting a powerful example for Germany's drug store market. The WWF provides the drug store chain with expert advice and acts as a partner in the endeavour to achieve better conservation of freshwater and other natural resources, as well as in species and climate protection.

ABOUT BUDNI

With over 180 branches and about 1,950 employees, BUDNI is the market leader among drug store companies in the Greater Hamburg metropolitan area. Together with its partner EDEKA, the company is now also expanding into the other regions in Germany. BUDNI welcomes customers with a neighbourhood ambience and the excellent service extended by the friendly and competent staff. Through the organisation Budnianer Hilfe e.V., BUDNI also supports children and young people in the areas surrounding their branches, and in terms of the product range, the delivery of goods and the operation of the branches, the company is committed to achieving greater sustainability. In collaboration with the EDEKA Group, BUDNI is repositioning its brand in the drug store segment, further boosting its sustainability profile by focusing even more on the brand values of proximity, guidance, simplicity/transparency and greater sustainability. Under the brand umbrella "Gut für dich und deine Welt" ("Good for you and for your world", BUDNI is presenting a new and innovative branch concept designed to raise awareness and engender enthusiasm among customers in relation to sustainability and more sustainable consumption. The new concept was revealed to the public for the first time in August 2020 at a pilot store in Hamburg. Four different symbols displayed on shelves, price labels and promotional materials provide BUDNI customers with additional guidance for more sustainable shopping. They stand for a more prudent use of natural resources, greater climate protection and freshwater conservation, as well as the preservation of biodiversity. The store design features more sustainable materials, unassuming timber elements and natural lighting.

1.2 THE UN SUSTAINABILITY GOALS

In the Partnership for Sustainability, which has been in place for more than ten years, the WWF and EDEKA have been working together to make a contribution towards achieving the global sustainability targets. The collaboration between the independent nature conservation organisation and one of Germany's leading food retailers covers eight different subject areas as well as joint agriculture projects.

LIFE ON LAND

The reinforcement of certification systems in the forestry, freshwater and agricultural production segments, the sustainably designed supply chains and the work in the field projects all protect land-based ecosystems.

LIFE BELOW WATER

Sustainable fisheries and the protection of endangered species contribute to the responsible use of marine resources..

CLIMATE ACTION

EDEKA has set itself the target to reduce its emissions by 30% by 2020, and by 50% by 2025. Measures to further cut greenhouse gas emissions are being implemented in the banana project.

RESPONSIBLE CONSUMPTION AND PRODUCTION

Communication with customers on product packaging and on in-store displays as well as improvements in the supply chain (e.g., through the use of certification systems) promote sustainable consumption and production patterns.

PARTNERSHIPS FOR THE GOALS

The strategic partnership has a transformative effect and generates ecological impulses that have an impact beyond our specific collaboration.

ZERO HUNGER

In the field projects, the partners experiment with sustainable agricultural methods that can both ensure food production and contribute to the preservation of ecosystems.

GOOD HEALTH AND WELL-BEING

Through certification schemes and field projects, the partnership promotes sustainable agriculture that has a positive impact on soil, water and air quality.

CLEAN WATER AND SANITATION

In the freshwater segment, systems such as the AWS standard are being introduced: targeted measures protect freshwater ecosystems by saving water, improving water quality, ensuring the supply of drinking water and maintaining sanitation, and reinforcing sustainable water resource management in river basins.

AFFORDABLE AND CLEAN ENERGY

EDEKA is gradually increasing the proportion of electricity generated using renewable sources of energy, for example by using power sourced from photovoltaics at EDEKA's own locations.

DECENT WORK AND ECONOMIC GROWTH

Creating transparency in supply chains and reducing procurement risks – these are the shared objectives in the subject area procurement management, This work makes it possible to take procurement decisions that are compatible with sustainability and to embed environmental and societal aspects in the procurement procedures.

1.3 PRINCIPLES OF PROGRESS MEASUREMENT

→ The co-operative venture between EDEKA and the WWF is based on binding targets agreed between the two parties, and the status of target implementation by the cut-off date of 30 June is monitored, measured and documented every year. Each progress report compares the current set of data with the measurements of the previous year, thus showing the level of target achievement, and this is reported for each of the subject areas. In addition, a comparison is made against the baseline, that is, the time when each of the subject areas was first launched. The year of the baseline can vary, depending on when the subject area was included in the monitoring of key indicators. The trends are represented both in data tables and in an accompanying description of the current status. This report covers the period between 01/07/2019 and 30/06/2020.

In terms of the quantitative targets, the monitoring generally establishes the number of private-label products or the quantities of articles EDEKA has already changed over to more sustainable alternative products. These figures also include internal consumables such as printer paper or hygiene products used at EDEKA Zentrale Hamburg. An exception here is the subject area of freshwater, where the figures are based on quantities turned over by suppliers. What is measured here is firstly the proportion of suppliers who disclose information, and secondly, how many of them are already implementing risk reduction measures.

In the year 2020, key indicators were collected for six out of the eight subject areas: fish and seafood, wood, paper and tissue, palm oil, soya / more sustainable livestock feed, freshwater and packaging. Only in the subject areas of climate and procurement management for critical agricultural commodities are the figures yet to be determined. Data is also collected for product-related communications about all EDEKA private-label products that meet sustainability standards recognised by the WWF (EU Organic Regulation, Naturland, Bioland similar organic growers' associations, MSC, FSC®, Blauer Engel, Natrue). The WWF logo indicates certification by an independent auditing organisation.

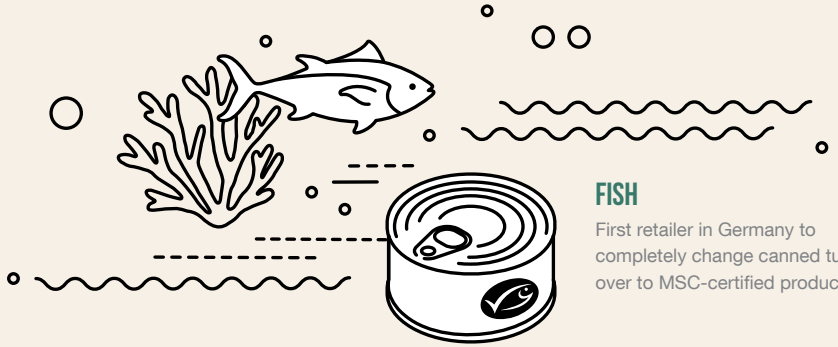
The results are checked on the basis of various forms of evidence such as contract documents or randomly sampled quantity declarations. Interviews, structured in accordance with guidelines, about success stories, experiences and challenges in the process of changing over to alternatives allow for better classification and evaluation of the results.

The monitoring is based on the private-label catalogue for the year in which progress was measured. It reflects the entire private-label product range at a specified point in time and allows an assessment of the number of changed-over products available for sale. The figures for the subject areas of Wood, Paper and Tissue, Palm Oil and Packaging are based on the private-label catalogue 2019/2020. For reasons of consistency and continuity with the figures reported in previous years, the monitoring in the subject area of Fish and Seafood is based on the current private-label catalogue (2020/2021). Since the monitoring in the subject areas of Soya / More Sustainable Livestock feed and Freshwater is concerned with quantities, the private-label catalogue is not relevant to these subject areas. As part of the reporting on progress, the WWF collects and evaluates data. An independent auditor then examines selected quantitative data. The auditor's responsibility is to plan and carry out the audit in such a manner that following a critical assessment, it can it be ruled out with a limited degree of certainty that in material aspects the selected quantitative disclosures were not prepared in accordance with the selected GRI criteria of accuracy, balance, comprehensibility, comparability, reliability and timeliness.[1]

Photo: David Santiago Garcia / Westend61

1 Based on the Sustainability Reporting Standards laid down by the Global Reporting Initiative (GRI).

1.4 OVERVIEW OF PROGRESS ACHIEVED

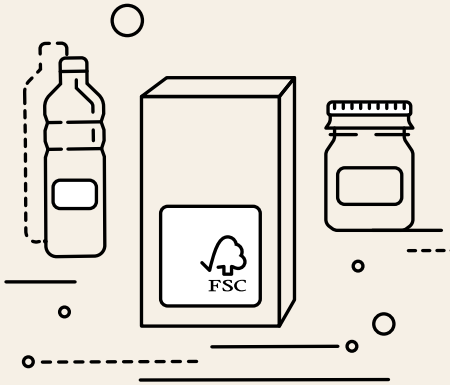


FISH

First retailer in Germany to completely change canned tuna over to MSC-certified products.

→ The efforts undertaken in the **Fish and seafood product range** are paying off: the monitoring for 2020 showed that some 86 per cent of the private labels have already been changed over to more sustainable sources. Progress was particularly high in the wild fish segment, where 90 per cent of products meanwhile come from the “Gute Wahl” (“Good Choice”) category – an increase of eight percentage points compared to the previous year. Moreover, EDEKA scored a first in the German market by changing its range of canned tuna fish completely to MSC-certified products.

The overarching goal of the subject area of **Wood, Paper and Tissue**, which has already been a success story for years, is to increase the proportion or recycled materials further still. Good progress has been achieved in the paper and stationery segment in particular, where the proportion of 60 per cent of recycled products represents an increase of more than 12 percentage points since the previous monitoring. A significant improvement in the sourcing from sustainable sources was also recorded for paper and cardboard packaging in the fruit and vegetable segment. The share of suppliers who changed over to FSC® certified packaging materials rose by more than 30 percentage points compared with the previous year, to 52.25 per cent at present. This year the monitoring also determined the degree of changeover in labels on private-label products to FSC® stock: it amounted to more than 80 per cent.



PAPER

80% of labels on private-label products are FSC® certified.

PALM OIL

Substantial increase in RSPO-certified ingredients in the area of derivatives and fractions: over 93% of the derivatives and fractions from palm oil used in private labels are certified according to the RSPO Segregated and Mass Balance supply chain model.

SOYA

GUT & GÜNSTIG frozen chicken have been raised on more sustainable feed for the last 5 years.

The changeover in the **palm oil components** in the EDEKA private-label product range remained constant at a high level. Here, the changeover rate for articles containing palm (kernel) oil in relation to the respective targeted supply chain model continues to stand at over 95 per cent. Special mention should be made, however, of the significant increase in RSPO-certified components in the derivatives and fractions segment of palm oil, where a changeover level of over 93 per cent for the supply chain models RSPO Segregated and Mass Balance has been achieved.

In the subject area of **Soya / More Sustainable Livestock Feed**, the animals in the GUT&GÜNSTIG frozen chicken range have been fed more sustainable feed for five years already. Another start-up project for GUT&GÜNSTIG – Eier aus Bodenhaltung (barn-laid eggs) – is also proving to be successful. The suppliers here reported that almost 100 per cent of barn-laid eggs delivered to EDEKA were produced using more sustainable feed. The proportion of GMO-free feed is thus steadily increasing in both the White Line and Yellow Line segments -– an important intermediate step in the direction towards more sustainable feed.

For the last two years, the progress report has been presenting key indicators for risk transparency and risk reduction in the subject area of **Freshwater**. These indicators show the proportion of private-label suppliers in the EDEKA Water Risk Tool (WRT) delivering fruit and vegetables from countries with high water risks, and which of those suppliers are already implementing risk reduction measures. In the year 2020, risk transparency stood at almost 29 per cent – an increase of almost 17 per cent year-on-year. In addition, all of the Colombian and two of the Ecuadorian farms participating in the WWF-EDEKA Banana project received certification in accordance with the AWS standard in the spring of 2020. This makes the project farms of EDEKA and the WWF the first banana plantations in the world to meet this standard. Furthermore, a jointly published drought study was able to document the urgent need for action in the field of sustainable water management.

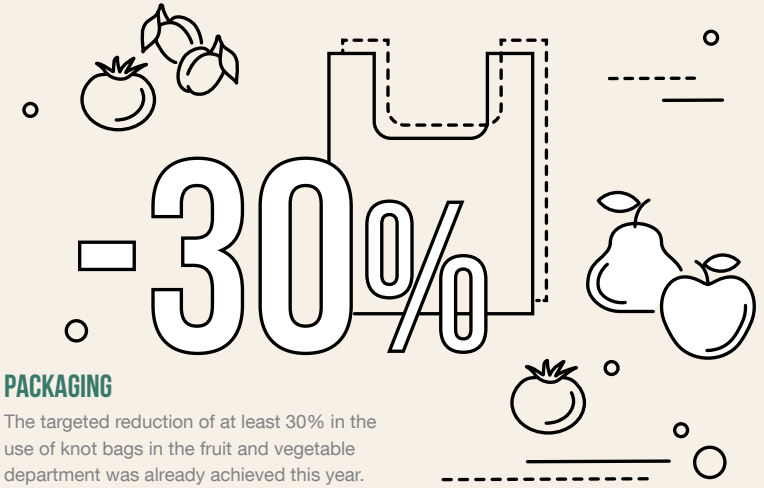
Progress was also made in relation to **climate protection**: in a comprehensive survey, the climate protection measures implemented between 2011 and 2017 on premises operated by EDEKA Zentrale and in the logistics and business travel segments were recorded, and a quantitative assessment was provided. Compared with 2011, it was possible for greenhouse gas emissions to be lowered by more than 20 per cent. Electricity consumption declined by about 12 per cent between 2011 and 2019. The location of the EDEKA Zentrale in Hamburg alone managed to achieve a reduction of 27 per cent during this period. The survey indicates that three quarters of all properties have now been converted to energy-saving LED lighting.

FRESHWATER

All the banana project farms in Colombia and two of the project farms in Ecuador became the first banana growers in the world to be certified according to the AWS standard.

Thanks to the procurement of an increasingly climate-friendly electricity mix, the utility-specific emission factor for electricity decreased by about 45 per cent between 2011 and 2018. Generally speaking, a large proportion of EDEKA's greenhouse gas emissions is caused by electricity consumption. This is why the CO_2 intensity of the electricity suppled is considered a decisive factor in the achievement of the climate targets.

In the subject area of **Packaging,** initial successes were recorded in almost all areas of activity. For example, in the relevant private-label packaging, 9.52 per cent less aluminium was used year-on-year. In relation to the agreed target regarding the use of recycled material in single-use PET beverage deposit bottles, a baseline was established. Some of the containers already contained parts of secondary material. Regarding the target for avoiding the use of PVC in previously selected (groups of) articles, monitoring in 2020 only identified 89 articles containing PVC. This represents a significant reduction compared with the previous year (237 articles). Progress was also recorded in the carrier bag segment. The quantity of carrier bags purchased centrally decreased by a total of 10.26 per cent year-on-year. However, a differentiation must be made in this assessment: while the share of plastic carrier bags has declined continuously since 2017, the share of paper carrier bags has risen equally continuously. Education and communication are key to reducing overall consumption. One measure implemented here is the re-design of the plastic carrier bags, with the introduction of a motif that encourages multiple use of the bag. With regard to the knot bags used in the fruit and vegetable department, on the other hand, the targeted reduction of at least 30 per cent has already been achieved this year. Counting from the base year of 2017, consumption has been cut by no less than 33 per cent. A joint effort is under way to continue this trend.



PACKAGING

The targeted reduction of at least 30% in the use of knot bags in the fruit and vegetable department was already achieved this year.

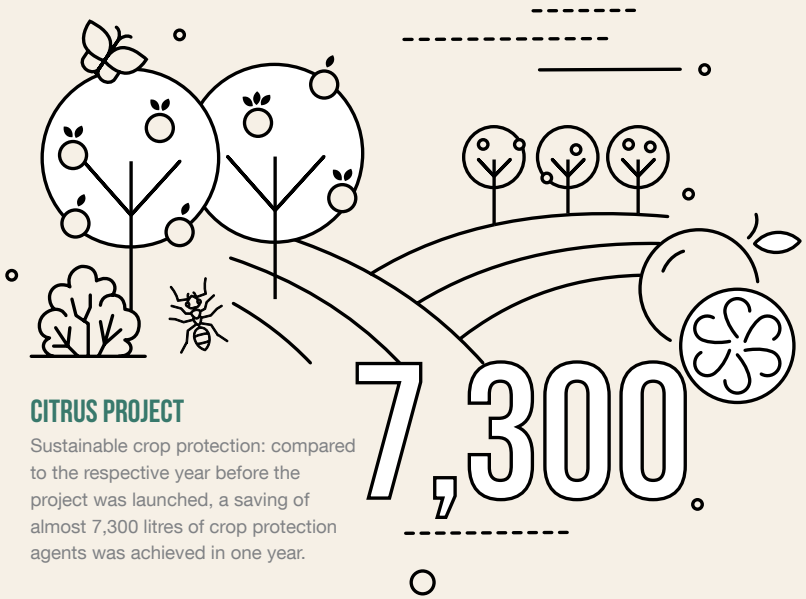
In **procurement management for critical agricultural commodities,** there was progress in developing a web tool for identifying and reducing procurement risks: already in place are the technical architecture for the tool and a draft version of the user interface for the EDEKA supply risk web tool, which already contains the modules risk analyses and commodity profiles. There has also been an improvement in the fundamentals used in the evaluation of the citrus project. The analysis carried out the previous year of the environmental costs incurred during the reporting period in comparison with conventional orange cultivation was supplemented by a comparison with the cultivation of organically grown oranges. For the pilot farm Iberesparragal we now know how the levels of water consumption, greenhouse gases, pollutants and land use of the Project Orange compare to organic cultivation, and where there is still potential for

CLIMATE

Three quarters of all properties have now been converted to energy-saving LED lighting.

PROCUREMENT MANAGEMENT

The EDEKA Supply Risk web tool already contains the modules Risk Analyses and Commodity Profiles.



CITRUS PROJECT

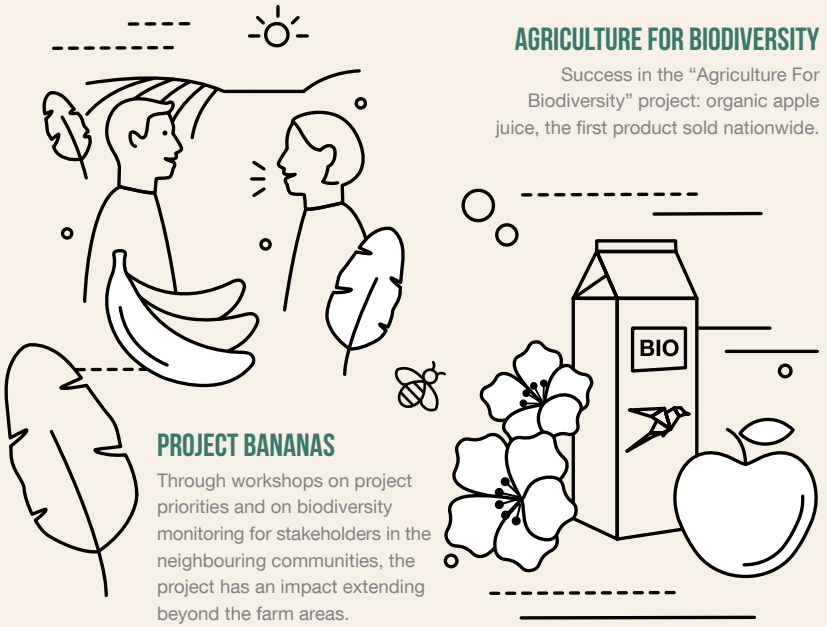
Sustainable crop protection: compared to the respective year before the project was launched, a saving of almost 7,300 litres of crop protection agents was achieved in one year.

improvement. To further reduce the negative impact of cultivation on the environment, the issue of fertilisation will be given even greater focus in 2020, and more ecological alternatives will be used to improve soil fertility and, as a result, biodiversity.

Since 2019, all the producers in the **citrus project** are also obliged to install soil moisture sensors on their plantations. This technological solution makes it possible to fine-tune the irrigation of the citrus trees, taking into account precipitation, outside temperatures as well as the soil characteristics.. In 2019, sustainable crop protection recorded a saving of almost 7,300 litres of crop protection agents (pesticides) compared to the respective year before the project was launched. In the component Conservation and Promotion of Biodiversity and Ecosystems, regular monitoring now also documents the return of larger animals for the first time: in the project year 2019, the presence of 72 different bird species, 13 different mammal species and twelve different reptile and amphibian species was recorded. These also include rare and shy species such as badger, otter, mongoose, garden dormouse, mouse weasel or Europe's largest lizard, the pearl lizard.

The project partners also made significant progress in a number of areas in the **Banana Project** in Colombia and Ecuador. At the start of the second phase, the requirements catalogue was extended to include the landscape level and the corporate or enterprise level: awareness-raising workshops on the project's focal points and on biodiversity monitoring were held for stakeholders in the neighbouring communities. Extending its reach and impact beyond the actual farmed areas is making the project even more holistic and more sustainable. In addition, the technical equipment for aerial pesticide application was upgraded, and the flight patterns were changed so that overflights of surrounding areas can be avoided. This reduces the danger of pesticides being dispersed outside the fields and reaching the ecosystems.

The biological cultivation project **"Agriculture For Biodiversity" (German acronym: LfA)** launched the first product to be marketed nationwide: an organic apple juice. Additional flowering areas, suspended bundles of stems and twigs as well as dead wood left lying on the ground along with insect hotels to serve as nesting aids are just some of the measures implemented here. Regular monitoring, for example of the activities of amphibians, and of butterflies during the day and of moths at night, was able to document the effectiveness of these measures. With 140 farms currently participating, their number has almost doubled within the span of one year. "Agriculture For Biodiversity" is now represented in eleven out of Germany's 13 territorial, i.e. non-city federal states. Thanks to the geographical expansion of the LfA project, which previously only covered northern, north-eastern and southern Germany, to take in all of western Germany, a nature conservation manual for use throughout Germany can now be completed and deployed.



PROJECT BANANAS

Through workshops on project priorities and on biodiversity monitoring for stakeholders in the neighbouring communities, the project has an impact extending beyond the farm areas.

AGRICULTURE FOR BIODIVERSITY

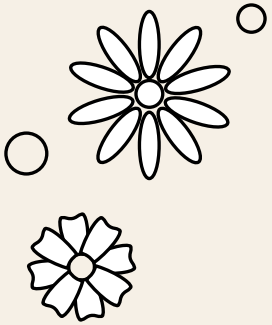
Success in the "Agriculture For Biodiversity" project: organic apple juice, the first product sold nationwide.

At EDEKA stores, the number of products displaying the WWF panda has risen since the previous year, by 109 to a current total of 421 articles. These products comply with the WWF's highest recognised standard. During the period under review, it was natural cosmetics products as well as detergents, cleaning agents and cleaning products that were added in particular. In the organic segment, a number of meat and cold cuts products achieved **co-branding status.** For meat and cold cuts, the water risk and societal risk assessments are not applicable, since they come from countries with no or only low-level risks of this kind, such as Germany. In addition to the self-service products, a number of new, certified articles have also appeared at organic meat counters.

The progress achieved in many areas has also led to many additional challenges. In relation to fish and seafood, for example, further improvements are sought in terms of traceability and transparency along the supply chain. The partners are also aiming for a further increase in the proportion of recycled material in paper and tissue products. In the subject area of palm oil, we are continuing to pursue the changeover to POIG produce and the replacement of palm oil with substitutes that are at least equal in terms of sustainability. Also still on the agenda are the changeover to more sustainable animal feed in the subject area of Soya / More Sustainable Animal Feed, and the establishment of the Climate Supplier Initiative (CSI) in the subject area of Climate Protection within the company. The introduction of quantitative progress monitoring is planned for the subject areas Procurement Management, Climate and Packaging of fruit and vegetables.

CO-BRANDING

Natural cosmetics articles, detergents and cleaning agents: new private labels meet the highest standards recognised by the WWF.



1.5 METHODOLOGY USED IN THE ASSESSMENT

→ The Progress Report presents the various sub-targets and the progress achieved in each of them by the cut-off date of 30/06. The following assessment categories are available:

- Target achieved
- Significant improvement over previous year[2]/Significant target achievement rate[3]
- Target in progress / baseline established[4]
- Significant deterioration / Target achievement in jeopardy[5]
- Target missed[6]

The "Outlook" column provides an estimate of the development to be expected leading up to the monitoring in 2020. The following assessment categories are available here:

- Target achieved
- Positive trend discernible, target achievement in sight
- Ongoing development/ no clear trend discernible[7]
- Negative trend discernible, target achievement not in sight

Targets already achieved in previous years are listed separately under "Achieved", along with the year in question. It was possible for the number of targets already achieved to be maintained.

2 Improvement by more than 5 per cent compared to the previous year's result where targets remained unchanged.

3 If the level of achievement is greater than 95 per cent.

4 Targets whose achievement is linked to another target are rated as "Target in progress".

5 Deterioration by more than 5 per cent compared to the previous year's result where targets remained unchanged.

6 If a target misses the agreed deadline for the first time. In subsequent years the target is rated as a "Target in progress" until the target has been reached. In addition, targets whose achievement is linked to another target are rated as a "Target in progress".

7 Depending on the degree of maturity and on the sub-target concerned, the horizontal arrow can either indicate that a steady and continuous trend is expected in pursuing the target, or that it cannot be assessed unambiguously at present, for example due to structural conditions or a dependence on market trends.

2

PROGRESS ACHIEVED IN THE SUBJECT AREAS

Photo: presetbase / Unsplash

2.1 FISH AND SEAFOOD

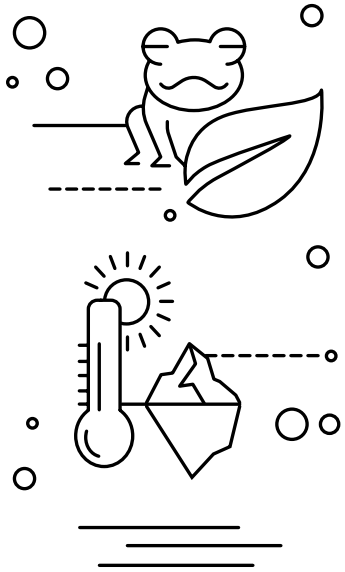
Photo: WaterFrame / Alamy Stock Photo

2.1

EDEKA AND THE WWF: JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA FISH & SEAFOOD

The oceans absorb around one third of all global CO_2 emissions. For this reason, efforts to preserve marine ecosystems also foster climate protection. Healthy fish stocks and an intact oceanic ecosystem are important for oceans to be able to store carbon. The concept of sustainable fishing is based on the principle of not taking more fish than can grow back. This is how the fish populations can be preserved in the long term. Fish also has an impact on life on land, because more and more fish is produced by aquaculture. The type of feed used is a decisive factor in determining the ecological footprint of fish farms. Certified fish food or food produced in an environmentally friendly manner contributes to a low footprint.

FISH ONLY FROM SUSTAINABLE FISHERIES



CHANGING THE PRODUCT RANGE TO FIGHT DEPLETION

Within the framework of its Common Fisheries Policy, the European Union had set itself the goal of ending overfishing in European waters by 2020. In reality, however, overfishing is increasing in many places. In some European waters, the situation is particularly grim: in the Mediterranean and in the Black Sea, as much as 62.2 per cent of stocks are classified as overfished. European fishing vessels even contribute to the decimation of species diversity outside the European Union. In its report on the state of world fisheries and aquaculture, the Food and Agriculture Organisation of the United Nations has again noted an increase in global overfishing. One third of all fish stocks are outside ecological safety margins. There is a way to reverse this dangerous trend: in its alliance with the WWF, EDEKA has set itself the goal of changing the entire private-label product range to products sourced from ecologically sustainable fishery. The partnership began in 2009 with protection of the marine environment.

FOR THE OCEANS AND FOR THE PEOPLE

The Intergovernmental Panel on Climate Change projects that in some regions of the world, global warming will result in up to 50 per cent fewer fish being available for harvesting by 2050. While an increase in potential catches can be expected in cooler regions such as the Arctic, in tropical latitudes especially, a sharp decline in stocks must be anticipated. Yet these are the very regions where a particularly large number of people are directly dependent on fishing. Overfishing of the oceans is therefore an ecological and societal disaster that endangers the oceans as well as the people and their living conditions. This is why EDEKA is pursuing the aim of offering only fish and seafood sourced from sustainable fisheries and fish farms. For example, the stocks for EDEKA tuna from the Maldives are in good condition and these fish are caught in the traditional manner using fishing rods.

RESPONSIBLE FISH FARMING

Fish consumption is on the rise worldwide. With wild stocks having reached the point of maximum depletion, fish farms could contribute to food security in the future. However, as many farmed fish require feed containing wild fish components, pressure on wild stocks continues to grow. Moreover, fish farming, especially in natural bodies of water, can also cause disease in wild stocks. To prevent this from occurring in relation to its private labels, EDEKA has been steadily increasing its range of products sourced from responsible fish farming operations over recent years. The aim is to change over to sources that have either ASC or organic certification or are given a green rating in the WWF Fish Guide. These standards prescribe lower stocking densities and stricter controls, which can prevent the spread of diseases.

PARTNERSHIP TARGETS

for the subject area Fish and Seafood

→ By 31/05/2022, EDEKA intends to fully convert the fish and seafood product range in its private labels to sustainable goods. Even though EDEKA can only bring its influence to bear indirectly, the aim is to achieve a 100 per cent sustainable product range in branded products and producer brands through ongoing talks with suppliers and producers.

To protect special habitats, reduce bycatch or make fisheries management sustainable, the partners are working to promote new fishing methods. The aim is to improve the traceability along the supply chains. Improvements in fish farming are to be achieved through a joint project. The critically endangered species eel, ray, wild sturgeon and shark have been permanently removed from the range.

EDEKA and the WWF are also developing a risk analysis method capable of verifying compliance with EU requirements in relation to illegal, unregulated and undocumented fishing (IUU). To ensure that fish products sourced from illegal fishing operations do not reach German store shelves, all the steps, from catching to processing and trading, must be documented in future. In this way, proof can be delivered that the fish really was sourced from the fishery claimed on the product label. EDEKA suppliers should then implement suitable measures designed to minimise risks.

The EDEKA Group is changing the product range at fresh fish counters over to more sustainable sources and is also improving consumer information provided there (counter certification, changes to product range, promotions). The status of implementation is checked by the WWF by means of random sampling at EDEKA stores in various regions. This gives both partners a clearer picture of the progress achieved in the implementation of the sustainability criteria at the store level.

8 Percentages are rounded and will therefore not always add up to exactly 100 per cent.

TARGET ACHIEVEMENT – OVERVIEW

Photo: Anni Spratt / Unsplash

SUB-TARGET		STATUS 30/06/2020	OUTLOOK
Changeover of private-label product range to sustainable products			
EDEKA private labels	↗	86% “Good Choice” products, 11% “Second Choice”, 3% “Preferably not”	⇨
of which wild fish (71%)	↗	90% “Good Choice” products, 5% “Second Choice”, 4% “Preferably not”.	⇗
of which aquaculture (29%)	→	76% “Good Choice” products, 24% “Second Choice”, 0% “Preferably not”.	⇨
Animal feed and pet food	↗	18% “Good Choice” products, 20% “Second Choice”, 61% “Preferably not”.[8]	⇨
Delisting of endangered species	↑	No indication of incorrect handling or improper action last year.	⇗
Targets beyond the product range			
Projects to make improvements in aquaculture	↘	One project proposal was rejected, new subjects were identified.	⇗
Improving traceability and transparency along the supply chain	→	Increased use of the WWF risk assessment guide	⇗
Sponsoring in the segment of fisheries / aquaculture projects	→	Project design criteria coordinated, subject proposals presented by the WWF.	⇗
Improvements to the product range and to information displayed at counters	→	No progress.	⇨

CHANGEOVER OF PRIVATE-LABEL PRODUCT RANGE TO MORE SUSTAINABLE PRODUCTS

→ During the reporting period, the number of fish and seafood products in the private-label product range rose to 129. The proportion of products rated as “Good Choice” by the WWF went up from 80 per cent to 86 per cent. For wild fish, the share already is as high as 90 per cent. The number of products rated “Preferably Not” has doubled, from two to four.

Last year EDEKA became the first German retailer to succeed in converting its entire range of canned tuna to MSC-certified products. In the Pacific, fishing operators purchase licences on a daily basis. This limits the amount of tuna that can be caught and prevents overfishing. The countries administrating the fisheries are among the poorest in the world (e.g., Kiribati, the Solomon Islands and Micronesia). In this way, they manage to preserve their natural resources in the long term.

Photo: Lukas Kastner / Shutterstock

A number of products without the MSC seal, where tuna caught in the eastern Pacific is still used, have been downgraded from a score of 3 (yellow) to a score of 5 (red). They include tuna wraps and tuna salad. The reason for the lower rating is newly emerged information about the stocks of tuna in the eastern Pacific and the incidence of bycatch of endangered species such as the manta ray. In the coming year, the relevant products are to be changed over to certified products or to sources with a higher WWF rating.

In the farmed fish segment of salmon and trout, EDEKA was unfortunately unable to implement its own purchasing guideline, which is to always obtain new fish products from "green" or certified sources. Three of the seven new products in the GUT&GÜNSTIG brand in the refrigerated delicatessen segment do not meet the guideline. EDEKA is obliged to quickly convert these products to organic or ASC-certified sources, or use trout that have the WWF’s green rating.

In the area of animal feed and pet food, the data situation has improved significantly since last year. At the same time, it became apparent that endangered species such as the redfish or ocean perch, rated red by the WWF, are often processed in fish meal and fish oil for animal feed. A sensible move towards greater sustainability would be to use fish meal and fish oil that conforms to the IFFO RS standard.

STATUS SURVEY

The fish and seafood range includes all products featuring the word fish or the name of a fish species in their trade name, as well as all products containing at least 15% fish. This rule applies to all products (except animal feed) that were part of the product range at the cut-off date of 30/06/2020, as well as to promotional articles that were temporarily part of the product range after 01/07/2019.

The WWF arranges for non-certified fisheries to be assessed by independent experts, using a transparent method. The criteria used are: status of the stock, ecological impact and management of stocks. The assessments are summarised in the WWF fish database – at wwf.de/fischratgeber – along with explanations for the most important fish species.

Products are rated “Good Choice” (green) if they are certified according to an environmental standard recognised by the WWF (MSC for wild fish, ASC, EU organic or Naturland for farmed fish), or if they are rated 1 or 2 in the WWF fish database. Score 3 is equivalent to a “Second Choice” rating (yellow), and the scores 4 and 5 are rated as “Preferably Not” (red).

Products from different suppliers but sold under the same name and in visually identical packaging, and whose fish components come from fisheries with different ratings, are given the respective lower rating in the monitoring.

DEVELOPMENT OF THE EDEKA PRIVATE-LABEL PRODUCT RANGE

Fish and seafood

PRODUCT LINE EDEKA PRIVATE LABEL		TOTAL NUMBER OF PRODUCTS	ASC	BIO (ORGANIC)	MSC	SCORE 1	SCORE 2	SCORE 3	SCORE 4	SCORE 5
Baseline 2012	Products	81	0	2	45	0	3	31	0	0
	Percentage	100%	0%	2%	56%	0%	4%	38%	0%	0%
2013 survey	Products	80	1	5	42	1	1	30	0	0
	Percentage	100%	1%	6%	53%	1%	1%	38%	0%	0%
2014 survey	Products	71	2	4	44	0	2	19	0	0
	Percentage	100%	3%	6%	62%	0%	3%	27%	0%	0%
2015 survey	Products	78	1	3	49	0	3	22	0	0
	Percentage	100%	1%	4%	63%	0%	4%	28%	0%	0%
2016 survey	Products	81	4	3	52	0	1	21	0	0
	Percentage	100%	1%	4%	63%	0%	4%	28%	0%	0%
2017 survey	Products	88	12	3	52	0	2	17	2	0
	Percentage	100%	14%	3%	59%	0%	2%	19%	2%	0%
2018 survey	Products	93	10	3	58	0	1	21	0	0
	Percentage	100%	11%	3%	62%	0%	1%	23%	0%	0%
2019 survey	Products	122	19	3	74	0	2	22	0	2
	Percentage	100%	16%	2%	61%	0%	2%	18%	0%	2%
2020 survey	Products	129	24	4	79	3	1	14	0	4
	Percentage	100%	19%	3%	61%	2%	1%	11%	0%	3%

MORE ON THE SUBJECT ARE FISH & SEAFOOD, SEE;

www.edeka.de/wwf/fisch
www.wwf.de/edeka-fisch

- Good Choice
- Second Choice
- Preferably Not

Table 1: Products with certifications in accordance with the EU Organic Regulation and Naturland are grouped together in the category “Organic”. For information about the methodology, see “Status survey”. Percentages are rounded and will therefore not always add up to exactly 100 per cent.

DEVELOPMENT OF THE EDEKA FISH PRODUCT RANGE

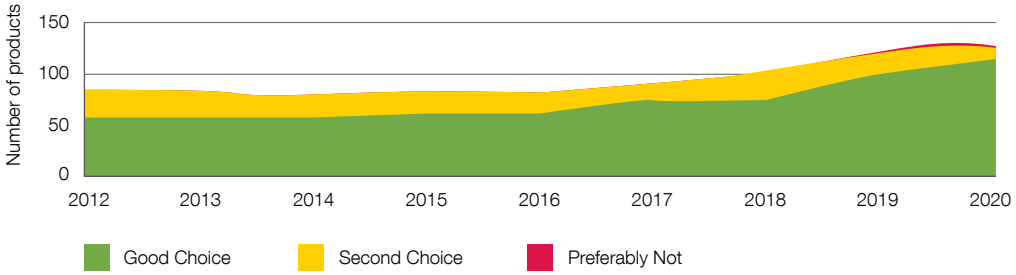


Fig. 1: Development of the EDEKA private-label product range in the Fish and Seafood segment since 2012.

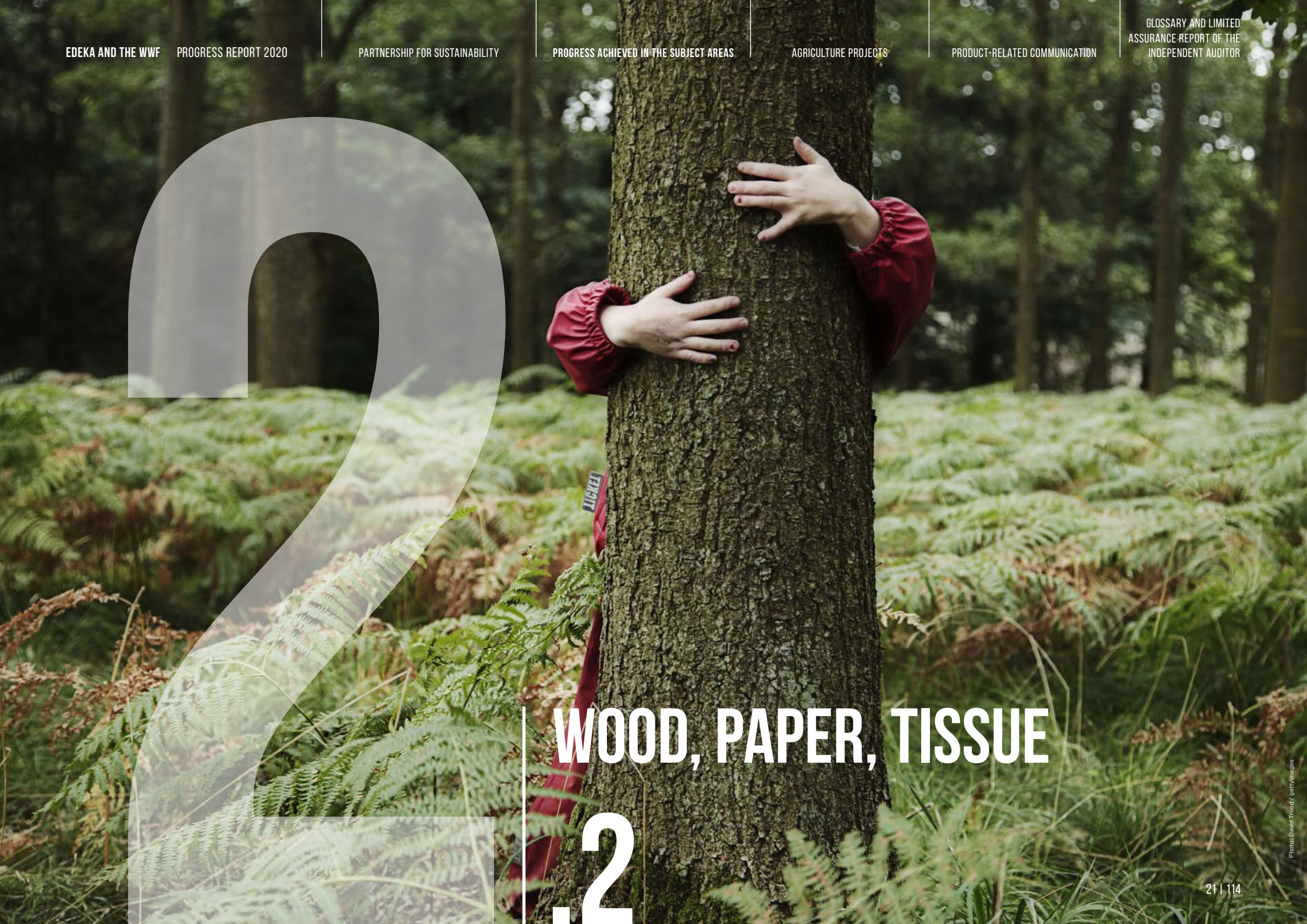
TARGETS BEYOND THE PRODUCT RANGE

→ EDEKA did not implement the proposal for an aquaculture project that would allow smallholder co-operatives to further develop their shrimp farming operations towards achieving ASC certification. To do so would have required the downgrading of an already certified product, and this was seen as a step backwards in the development of the product range. The partners subsequently identified mangrove conservation as a potential new project focus.

ACCOMPLISHMENTS

SUB-TARGET		PROGRESS ACHIEVED	
Changeover of the EDEKA private label Cash & Carry (C&C) to sustainable sources	100% (2 products) MSC	06/2014	✓

Photo: Dameas / Shutterstock



2 WOOD, PAPER, TISSUE

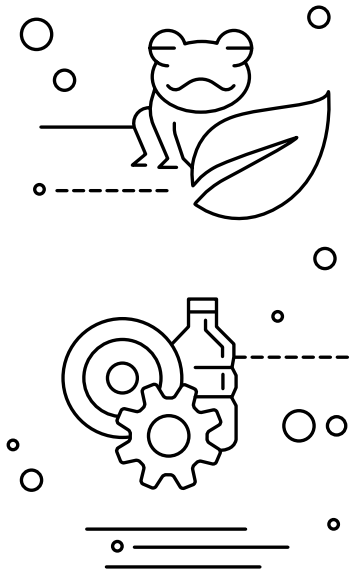
Photo: David Trood/ gettyimages

2.2

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA WOOD, PAPER, TISSUE

Expanding sustainable forest management will promote lasting, broad-based and sustainable economic growth. Sustainable forest management provides cleaner air and better groundwater; it generates income and fosters stability, both at home and in many developing countries – and it also helps protect the climate. Since wood and timber products store CO_2 in the long term, they effectively combat climate change and its consequences. Key SDGs to which the German retail sector contributes in particular with regard to sustainable wood-based products are the protection, restoration and sustainable use of land ecosystems as well as sustainable consumption and responsible production. Eliminating unnecessary packaging material and using recycled products and packaging reduces the need to exploit forests, while the consistent application of FSC® certification reinforces healthy growth of sustainable forest management.

PROTECTING FORESTS AROUND THE WORLD



PRESERVING RESOURCES THROUGH SENSIBLE USE OF WOOD, PAPER AND TISSUE

About 80 per cent of land-based species depend on the forest as a habitat. As humans penetrate deeper and deeper into forests, forest areas dwindle and contact between humans and animals becomes more intense. The consequences are fragmented ecosystems, massive loss of biodiversity and a significantly increased risk of infectious diseases. Pristine nature acts as a bulwark against such diseases. Yet around 16 million hectares of forest are lost every year – and the trend is rising. The expansion of agriculture (including for the cultivation of palm oil and soya) and of wood and pulp plantations is responsible for 80 per cent of this global loss. In Africa and South America, the pressure on forests is mounting due to the increasing global consumption of resources, especially paper, meat and palm oil, and this trend is also a result of population growth. In Asia, the rate of destruction of natural forests slowed only slightly, and only due to the fact that large parts of the forests have already been destroyed. Changing its paper products and packaging over to Blauer Engel or FSC® certified materials is one of the ways EDEKA is working to combat the causes of forest destruction.

LESS MATERIAL, MORE RECYCLED PAPER PRODUCTS

To preserve the world's forests, deforestation must be stopped and the establishment of new, near-natural forests must be promoted. Only the preservation of virgin forests can significantly reduce the risk of serious pandemics. It is therefore essential that consumers consistently and critically subject each and every product to close scrutiny. EDEKA and the WWF constantly work on the development of more environmentally friendly packaging and private-label products made from wood, paper and tissue (cellulose wipes). By using less material and recycling more, one of the leading food retailers is also helping to reduce the demand for wood.

BLAUER ENGEL CONFIRMS HIGH PROPORTION OF RECYCLED MATERIAL

Credible and transparent certification schemes are an indicator for a responsible attitude regarding the provenance of resources. Blauer Engel ("Blue Angel") is one of these schemes. One of the most well-known environmental symbols, it marks products that are particularly environmentally friendly. In relation to paper products, the Blauer Engel confirms a high proportion of recycled material. It means that their ecological footprint is especially low. Which is good for the forests!

PARTNERSHIP TARGETS

in the subject area of Wood, Paper and Tissue

→ EDEKA intends to convert all private-label products containing wood or paper, including the end consumer packaging, to preferably recycled material bearing the Blauer Engel or FSC® seal. This target also applies to all transport and shipping packaging of private labels and to all packaging materials. EDEKA is working vigorously towards meeting this target. All labels, printed operating instructions, and even wooden ice-cream sticks are to be changed over no later than the end of 2020. Paper and cellulose products like kitchen paper also hold plenty of potential for increasing the proportion of recycled material.

For the changeover in transport and shipping packaging, tests are being carried out in the lead-up to ensure that functionality and stability are maintained. The product packaging itself, in turn, needs to be food-safe. As long as printers still use mineral oil-based inks, there will be a risk of mineral oil residues being transferred to food. The partnership will continue to investigate this issue and will be taking concrete measures to mitigate it.

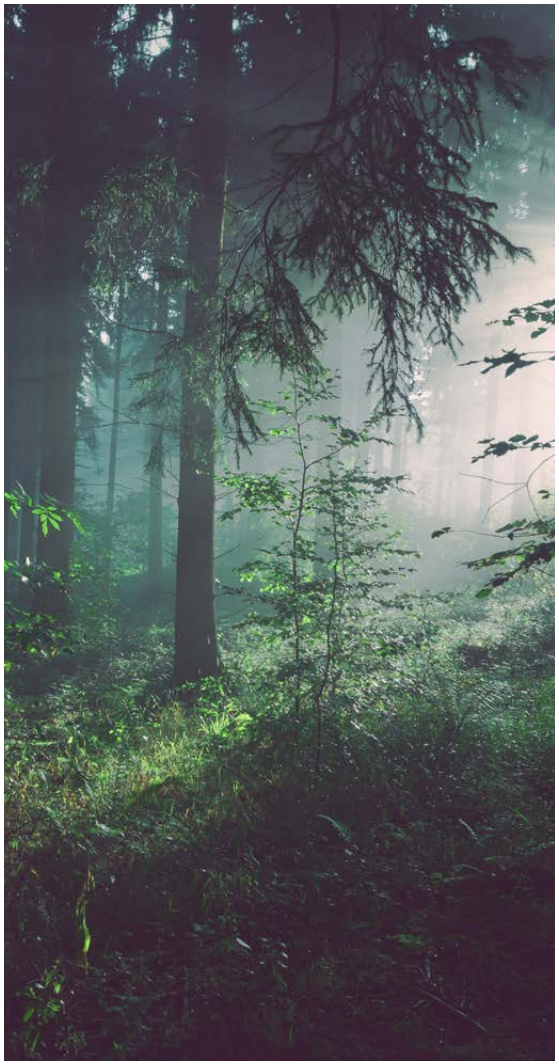


Photo: Sebatian Unrau / Unplash/Unsplash

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET		STATUS 30/06/2020	OUTLOOK
Changeover to FSC®/recycling products			
Tissue products	↑	100% already carry Blauer Engel or FSC® certification. Work is continuing to further expand the proportion of recycled material.	↗
Paper and stationery products	↑	100% already carry Blauer Engel or FSC® certification. Significant increase in the proportion of recycled material.	→
Changeover to FSC®/recycling packaging			
End consumer packaging	→	94.03% of end consumer packaging changed over.	→
End consumer packaging at the Fruchtkontor	↗	52.25% of suppliers have changed over to FSC® certified packaging materials.	↗
Labels	↗	81.38% of labels have been changed over.	→
Cardboard outer packaging	↗	For 95.62% of the randomly taken samples, there is a contractual obligation on the part of the supplier to use FSC® certified packaging material.	→
Changeover to FSC®/recycling internal consumption			
Paper products used internally	↑	99.98% changed over.	→
Cost items	↗	99.89% already carry Blauer Engel/FSC® certification.	↗

CHANGEOVER TO FSC®/ RECYCLED PRODUCTS

→ EDEKA is one of Germany's leading food retailers but also supplies its customers with many other everyday products that are part of shopping for essentials. Over 200 articles in the current product range contain or are made from wood. They include kitchen aids, toilet paper, barbecue charcoal and stationery. With over 11,000 stores, that makes for a lot of wood.

The rampant deforestation has consequences for the climate and for species conservation – the greatest ecological problems of our time. This makes the protection of the world's forests and the preservation of the tree population particularly important. For consumers, this means avoiding the use of disposable items as far as possible and using products made from recycled paper instead. Apart from reducing the burden on forests, using toilet paper and writing paper made from recycled paper also saves on bleaching chemicals, water and energy. However, many customers are not yet prepared to change over to recycled products when it comes to hygiene paper and tissues.

Moreover, for many products there are no recycled alternatives available as yet. For example, beverage cartons made from FSC® recycled fibres are currently not available on the market. The same is true for various wood-based products, such as barbecue charcoal or colouring pencils. For these products, it is important to achieve the smallest possible ecological footprint and to ensure that they are not associated with overexploitation and deforestation. The most reliable marker here is the FSC® seal. Its purpose is to guarantee that the wood has been procured from responsibly managed sources.

In this year's monitoring, EDEKA was again able to provide proof that 100 per cent of the articles in the private-label product range containing wood, paper or tissue components have been changed over to recycled materials with either Blauer Engel of FSC® certification. The status according to the target agreement was thus maintained.

Photo: Iman Ashraf / Shutterstock

CATEGORIES	NUMBER OF ARTICLES	OF WHICH CONVERTED (FSC® 100%, FSC® Mix, FSC® Recycling or Blauer Engel)	OF WHICH RECYCLED (Blauer Engel or FSC® recycling)
EDEKA private-label articles			
Paper plates	4	100%	0.00%
Barbecue charcoal	17	100%	0.00%
Tissue	95	100%	5.26%
Wood and paper articles	45	100%	6.67%
Paper and stationery products	45	100%	60.00%

Table 2: Conversion of EDEKA private labels to recycling/FSC®. All articles forming part of the product range according to the 2019/20 private-label catalogue were included in the monitoring.

CHANGEOVER TO FSC®/RECYCLED PACKAGING

→ The proportion of paper packaging is rising: why is this alarming, and how can the trend be reversed? Calculations show that in 2018 German per-capita consumption of paperboard, paper and cardboard was 247 kilograms. This amounts to a total consumption of 20 million tons.[9] Paper consumption has also been growing steadily on a global scale. It is therefore essential to ease the pressure on forests by using recycled fibres and – if that is not possible – FSC® certified materials.

At EDEKA the proportion of converted end consumer packaging has remained steady at around 94 per cent. The goal remains to further increase the share of recycled material in both products and packaging.

After the gradual expansion and tightening of the targets in 2017, further conversion successes are emerging, however: as far back as 2018, the target was extended and modified to include organic fruit and vegetables, and it was again expanded in 2019 to include the entire fruit and vegetable range. Unlike private-label products and transport packaging, monitoring in this segment is at the supplier level, rather than at the article level. The result shows that of more than 500 suppliers, around 52 per cent have already contractually committed to converting to FSC® – a significant improvement of 26 percentage points over the previous year.

Since last year, the contractually agreed changeover in transport packaging has also been monitored. A new addition is the conversion of all other wood and paper components of the private labels, which is now also part of the list of mandatory deliverables. Such components include things like filling materials, wooden handles and paper filters. This year, it was possible to document that of the targeted 100 per cent, almost 96 per cent of the 98 suppliers selected at random have already signed up to this contractual obligation, which means they are now required to source cardboard outer packaging from recycled materials. All the remaining components of the product must be FSC® certified.

With many types of packaging consisting of or containing cellulose, its provenance cannot be established by mere guesswork. Adhesive labels on glass bottles, for example, have also been included in the monitoring since this year. Many producers of canned goods have investigated the origin of the cellulose they use. They already found it challenging just to establish the number of articles affected. The first survey began in 2020. It determined that of 1,547 products, around 81 per cent had already been changed over in accordance with the agreement.

From next year, operating instructions and enclosed printed matter is also required to consist exclusively of recycled material. Only cigarette filter papers had to be deferred for the time being. The reason is the limited choice of suppliers and their unwillingness to obtain FSC® certification.

END CONSUMER PACKAGING FRUIT AND VEGETABLES

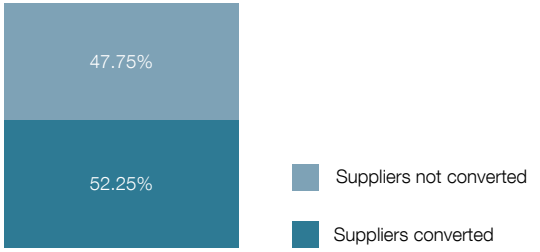


Fig. 2: Percentage of end consumer packaging of EDEKA private labels in the fruit and vegetable segment changed over to FSC®.

CATEGORIES	NUMBER OF ARTICLES	OF WHICH CONVERTED (FSC® 100%, FSC® Mix, FSC® Recycling or Blauer Engel)	OF WHICH RECYCLED (Blauer Engel or FSC® recycling)
EDEKA private-label articles			
End consumer packaging	2,093	94.03%	5.45%
Labels	1,547	81.38%	11.51%

Table 3: Conversion of EDEKA private-label packaging to recycling/FSC®. All articles forming part of the product range according to the 2019/20 private-label catalogue were included in the monitoring.

9 German Federal Environment Agency, published on 17/02/2020 Waste paper | German Federal Environment Agency.

CHANGEOVER TO FSC®/RECYCLED MATERIALS – INTERNAL CONSUMPTION

→ Internal consumption consists of EDEKA's own material needed at the EDEKA Zentrale and at the publishing operation as well as cost items for the regions and the stores.

The EDEKA Zentrale mostly uses printing and hygiene paper to carry out its administrative tasks. Supplier agreements alone consume several hundred kilograms of paper. Also included are the smaller quantities used at the canteen and in the catering service for the conference room. Internal paper consumption was already converted almost completely back in 2014, with an almost 100 per cent changeover reached in the year 2019. The proportion of recycled material used is approaching 79 per cent.

The so-called cost items include things like the cash register rolls, paper carrier bags or bakery bags that the regions order via the EDEKA Zentrale for use at the stores. These articles have been part of the target agreement with the WWF since 2018. Also included are advertising leaflets, which account for approximately 112,000 tons of paper and are already printed on 97 per cent FSC® recycled material.

EDEKA's customer magazines like "Mit Liebe" and "YUMMI", published by EDEKA's own publishing operation, are also intended to be printed on recycled paper to the extent possible. In the 2020 monitoring, the target achievement here stood at almost 89 per cent.

CATEGORIES	TONS	OF WHICH CONVERTED (FSC® 100%, FSC® Mix, FSC® Recycling or Blauer Engel)	OF WHICH RECYCLED (Blauer Engel or FSC® recycling)	WITHOUT CERTIFICATION
Materials used for internal consumption[10]	90.88	99.98%	78.65%	0.02%
Cost items	130,933.87	99.89%	88.88%	0.11%
Publishing operation	2,875.00	100.00%	88.77%	0.00%

Table 4: Changeover of internal consumption (EDEKA Zentrale) to FSC®/recycling (during the 2019 calendar year).

10 Articles procured by EDEKA Zentrale for internal consumption, e.g., printing paper, hygiene paper, catering articles. A sma proportion (<1%) of articles is ordered in a decentralised manner at EDEKA Zentrale and can therefore not be assessed. For the printing centre, the quantities for all EDEKA-owned premises were included; for catering and cleaning the monitoring only accounts for the EDEKA location City Nord.

MORE ON THE SUBJECT OF WOOD, PAPER, TISSUE AT:

www.edeka.de/wwf/holz
www.wwf.de/edeka-holz

ACCOMPLISHMENTS

SUB-TARGET		PROGRESS ACHIEVED
Changeover to FSC®/Recycled materials		
Beverage cartons	100% FSC® certified	06/2013 ✓
Paper plates and cups	100% FSC® certified	06/2013 ✓
Barbecue charcoal	100% FSC® certified	06/2017 ✓
Other wood and paper products	100% FSC® certified	06/2018 ✓
Changeover to FSC®/recycling – internal consumption		
Publishing operation	100% FSC® certified	06/2018 ✓

2.3 PALM OIL

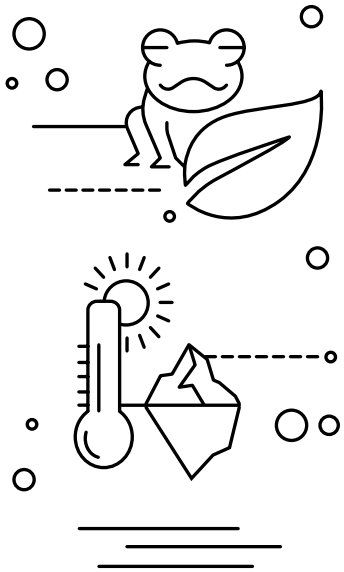
Photo: Issouf Sanogo / gettyimages

2.3

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA PALM OIL

Certified palm oil components in EDEKA private labels contribute towards more sustainable palm oil cultivation in producing countries as well as towards more sustainable consumption. The revised RSPO requirements now include criteria to stop cultivation on peat soils and on land with a high carbon content, and stronger restrictions on the use of highly hazardous pesticides. In addition, the plantations are required to meet the minimum standards of providing workers with sufficient clean water, respecting human rights and of conserving water used in further processing. The ban on slash-and-burn land clearing also results in fewer greenhouse gas emissions, which in turn aids climate protection. By sponsoring the FONAP smallholder project, the EDEKA Group also contributes to the promotion of natural methods of cultivation and to improved traceability in smallholder structures, and thus also to more responsible production that extends beyond the RSPO requirements.

FOR A SUSTAINABLE PALM OIL INDUSTRY



STOPPING THE NEGATIVE IMPACT OF CULTIVATION WORLDWIDE

The loss of forests on a global scale is still continuing. Brazil is recording the highest rates of tropical deforestation. But other South American and Asian countries (especially Paraguay, Argentina, Bolivia, Indonesia and Malaysia) are still clear-felling large forest landscapes as well. The main drivers of deforestation in South America are beef and soya production, while oil palm cultivation causes much of the forest loss in Southeast Asia. Palm oil hotspots that threaten biodiversity are also emerging in West Africa and in the Congo basin. Carbon-rich peat lands in tropical countries are also suitable for the cultivation of oil palms and are therefore often drained. Peat land drainage alone accounts for around 10 per cent of global greenhouse gas emissions from agriculture and forestry.

GUIDELINES FOR PROTECTING LANDSCAPES

EDEKA and the WWF are countering the negative effects of oil palm cultivation and have already been working towards fostering more sustainable practices in the palm oil industry for eight years.Almost all the palm oil used in EDEKA private labels is certified according to the criteria of the Roundtable on Sustainable Palm Oil (RSPO). In 2004, the RSPO defined societal and ecological guidelines for more sustainable cultivation for the first time. The guidelines were last successfully revised as recently as 2018 in an international process in which EDEKA, the WWF and other members of the Forum for Sustainable Palm Oil initiative participated. Under the revised guidelines, particularly carbon-rich areas and landscapes of high ecological value may no longer be deforested for the cultivation of oil palms if the oil extracted there is to be sold under the RSPO label – a major step towards the protection of existing biodiversity in tropical and subtropical countries and in reducing greenhouse gas emissions.

THE PALM OIL PARTNERSHIP TARGETS

→ In all private-label articles containing pure palm oil, EDEKA continues to use pure palm oil certified according to the RSPO Segregated (SG) or Identity Preserved (IP) supply chain model. For palm (kernel) oil, EDEKA also uses the same qualities to the extent possible. Raw materials meeting at least the RSPO Mass Balance (MB) certification standard are used in all articles containing derivatives and fractions of palm (kernel) oil.

EDEKA remains a member of the RSPO. Together with other members of the Forum for Sustainable Palm Oil (FONAP), EDEKA is also actively calling for standards to be improved. In addition, EDEKA is committed to sponsoring a smallholder project designed to draft additional criteria that extend beyond the RSPO requirements until the end of 2022.[11]

EDEKA is also pursuing the target of having at least 30 per cent of the palm (kernel) oil used in private labels meet the cultivation criteria of the Palm Oil Innovation Group (POIG) by no later than 2020. These criteria include societal and ecological requirements that go beyond those contained in the RSPO standard.

At the same time, EDEKA is implementing a scheme to substitute vegetable oil in its private-label products currently containing palm oil. In replacing the palm oil, EDEKA is ensuring that the substitute material is at least equivalent in terms of sustainability.

MORE ON THE SUBJECT OF PALM OIL AT:

www.edeka.de/wwf/palmoel
www.wwf.de/edeka-palmoel

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET		STATUS 30/06/2020	OUTLOOK
Changeover in the palm oil processed for use in the private-label product range to certified, more sustainable sources			
Articles containing pure palm oil	↗	A changeover to 0.46% RSPO IP and 95.85% RSPO SG has taken place. 2.76% is MB certified. 0.92% not yet changed over.	⇨
Articles containing palm kernel oil	↗	The conversion of 97.62% to RSPO SG has taken place. 2.38% is MB certified.	⇨
Articles containing derivatives/fractions of palm (kernel) oil	↗	A changeover of 16.59% to RSPO SG and 76.91% to RSPO MB has been achieved. 6.05% is covered under Book & Claim. 0.45% has not yet been changed over.	⇨
Commitment to the introduction of additional criteria and sustainable development of the palm oil industry			
Membership of RSPO and FONAP	↑	EDEKA remains a member of the RSPO and of FONAP.	✓
Smallholder project for additional FONAP criteria	↗	Within the FONAP framework, EDEKA is sponsoring a smallholder project in Perak, Malaysia, operating from December 2019 to November 2020.	⇨
Proportion of palm (kernel) oil according to POIG criteria	↘	Talks with suppliers of private labels regarding the changeover of articles to POIG goods were held. No concrete outcomes had been achieved by the beginning of 2020.	⇘
Vegetable oil substitution in private-label products containing palm oil			
Vegetable oil substitution strategy	↘	The EDEKA merchandise divisions are in the process of replacing palm oil, with the substitute materials not being evaluated in terms of their sustainability prior to the substitution.	⇘

11 The target of "meeting the FONAP additional criteria, such as a ban on cultivation on peat soils and the elimination of highly hazardous pesticides" announced last year is no longer relevant, since these additional criteria have been part of the principles and criteria of the RSPO standard since November 2019.

CHANGING THE PALM OIL PROCESSED IN THE PRIVATE-LABEL PRODUCT RANGE

to certified, more sustainable sources

→ Since monitoring began, the changeover of palm oil components in private-label articles has proceeded positively overall (Fig. 3). The high rate of change, from pure palm oil and palm kernel oil to RSPO segregated raw material, was almost maintained compared to the previous year, at around 97 per cent in each case.

Particularly good progress was made in derivatives and fractions, which account for more than 60 per cent of the palm (kernel) oil components in EDEKA private-label articles. Their production sometimes requires a large number of complex processing stages. This is why sourcing them from certified, more sustainable sources is especially difficult in comparison with conventional palm (kernel) oil. There are only a few producers in the world, and this has made the changeover process difficult. Working in concert with other members of the FONAP, EDEKA has in recent years been playing a pioneering role in boosting the demand for certified derivatives and fractions. In the year 2016 the changeover rate was only 42 per cent, but by the end of 2019 more than 93 per cent had been changed over to RSPO Segregated or Mass Balance quality. All the remaining derivatives and fractions are covered via the purchase of Book & Claim certificates, with no smallholder certificates being purchased in the year 2019 (Table 5).

In the EDEKA private-label product range, of the 704 palm oil components contained in 601 articles, 99.43 per cent were certified in 2019 (see Table 5). Only 4 of them were not certified. This corresponds to around 99.71 per cent of a total

Photo: apiguide / Shutterstock

DEVELOPMENT IN THE CHANGEOVER OF PALM OIL COMPONENTS

by the targeted supply chain model (2016–2020)

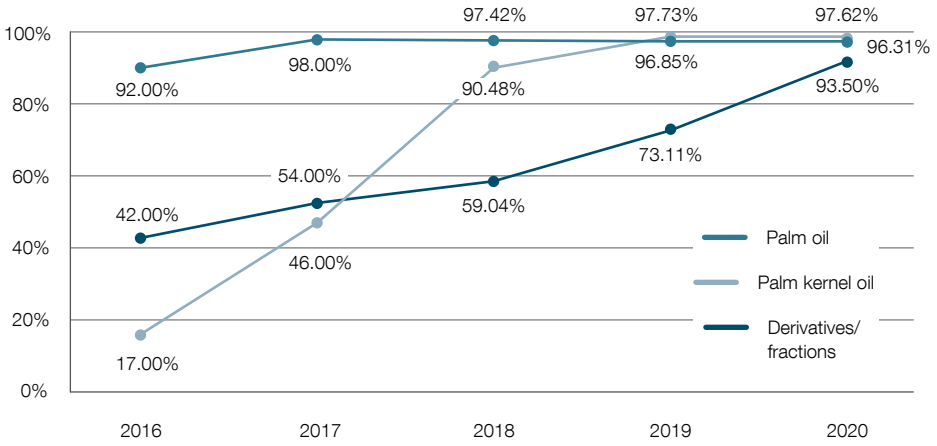


Fig. 3: Development in the changeover of palm oil components in EDEKA private labels in accordance with the RSPO supply chain model since 2016. Note: Palm oil monitoring started as far back as the year 2013. Data suitable for comparison purposes has only been available since 2016, because the targets were revised in the year 2015.

PALM OIL COMPONENTS IN PRIVATE-LABEL ARTICLES

in accordance with the RSPO supply chain model

CATEGORIES	OF WHICH CHANGED OVER TO "IDENTITY PRESERVED"		OF WHICH CHANGED OVER TO "SEGREGATED"		OF WHICH CHANGED OVER TO "MASS BALANCE"		OF WHICH CHANGED OVER TO "BOOK & CLAIM"		NOT CHANGED OVER		CHANGEOVER TO A TARGETED SUPPLY CHAIN MODEL
	Number	%	Number	%	Number	%	Number	%	Number	%	
Articles containing pure palm oil	1	0.46	208	95.85	6	2.76	0	0.00	2	0.92	**96.31**
Articles containing palm kernel oil	0	0.00	41	97.62	1	2.38	0	0.00	0	0.00	**97.62**
Articles containing derivatives/fractions of palm (kernel) oil	0	0.00	74	16.59	343	76.91	27	6.05	2	0.45	**93.50**

Table 5: Changeover of palm oil components in EDEKA private labels in accordance with the RSPO supply chain model. Percentages are rounded and will therefore not always add up to exactly 100 per cent. Note: The monitoring covers all articles forming part of the product range according to the 2019/20 EDEKA private-label catalogue. A single article may contain multiple palm oil components. In 2019, 601 articles contained 705 components of palm oil, palm kernel oil or derivatives and fractions.

of around 11,597 tons of palm (kernel) oil and its derivatives and fractions processed in the product range (see Fig. 4).

The range of EDEKA private-label products is constantly developed and adapted. Articles are delisted or newly included. Changes in suppliers can also occur, or there can be delays in suppliers obtaining certification. For this reason, palm oil components contained in articles can sometimes not immediately be changed over to the targeted supply chain models specified in the partnership targets. Moreover, derivatives and fractions are often not available on the market in the desired merchandise quality. In these situations, they are covered through the purchase of RSPO Book & Claim certificates; in the year 2019, this still applied to as few as 27 components.

QUANTITY PROCESSED, IN TONS

in accordance with the RSPO supply chain model

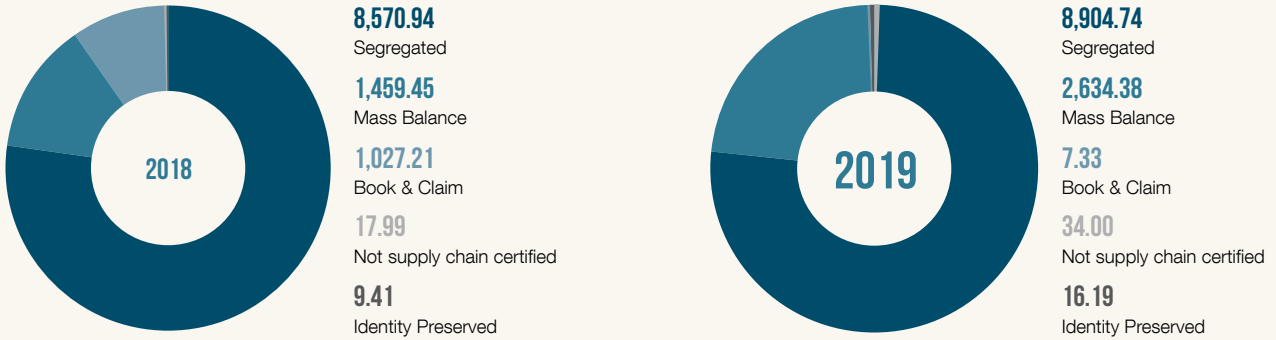


Fig. 4: The quantity of palm (kernel) oil, including derivatives and fractions, in accordance with the RSPO supply chain model processed in the EDEKA private-label product range, in tons, since 2018.

COMMITTED TO THE INTRODUCTION OF ADDITIONAL CRITERIA

and to the sustainable development of the palm oil industry

→ According to the United Nations Agricultural Organisation, the FAO, the area under oil palm cultivation worldwide was just under 6.2 million hectares in 1990. According to the most recent estimates, the area under cultivation had increased to almost 23.5 million hectares by the year 2020. In the main cultivation countries Indonesia and Malaysia alone, production has multiplied over the past three decades. In 1990 oil palms were grown in these two countries on a total of 2.37 million hectares, and today the total area under cultivation is 18 million hectares. About 55 to 60 per cent of the land cultivated during this period has been on land previously occupied by natural forests – with the negative societal and ecological consequences we all know about.[12]

It is the responsibility of all of us, of our society as a whole, to counter the negative societal and ecological consequences of palm oil cultivation. This is why EDEKA, on behalf of the entire Group, is working with the WWF in the Forum for Sustainable Palm Oil (FONAP) towards the improvement of standard certification systems like the Roundtable on Sustainable Palm Oil RSPO. The WWF shares the view that the 2018 revision of the RSPO, with the participation of FONAP, was a success story: especially high-carbon landscapes as well as rainforests may no longer be deforested. There are also more stringent agreements in place regarding respect for human rights and workers' rights. EDEKA is contributing financially to the second implementation phase of the FONAP smallholder project in Perak, Malaysia (see Infobox).

Photo: Memberhs / Shutterstock

EDEKA and the WWF are aiming at converting 30 per cent of the palm (kernel) oil and its derivatives and fractions used in the private-label product range to raw materials that meet the cultivation criteria of the Palm Oil Innovation Group (POIG). With this contribution, the partners want to support an initiative that goes beyond the RSPO and FONAP as it is dedicated to the sustainable development of the palm oil industry. As early as 2013, POIG set itself the ambitious goal of implementing innovative and sustainable practices in palm oil cultivation together with stakeholders from the entire supply chain, thus supporting the further development and successful implementation of the RSPO standard. POIG builds on the criteria of the RSPO, but pursues significantly more ambitious goals. The selection of POIG criteria below demonstrates this greater ambition:

1. **Improved climate protection:** Particularly carbon-rich peat areas are being renatured. Since March 2014, it has been prohibited to develop areas with high carbon content for the cultivation of oil palms.

2. **Work inthe surrounding land:** Rare, threatened and endangered species are protected not only on the plantations but also in their natural habitat.

3. **Protection of ecosystems:** More comprehensive bans on highly hazardous pesticides and stricter guidelines for a more sustainable use of fertilisers in cultivation.

4. **Workers and smallholders:** Pension and social security plans for workers are mandatory. POIG supports independent smallholders in using sustainable cultivation practices and in the process of certification.

Negotiations with the EDEKA private-label suppliers to facilitate the implementation of the POIG target have had little success to date. The planned establishment of a physical supply chain from the plantation all the way through to the private-label producer has not yet been achievable due to the current market environment and the associated framework conditions. For the suppliers, it would entail the additional requirement of having to provide their own tank facilities and storage areas, for example. There is no known segregated supply of POIG palm oil to Germany. This target will continue to be pursued vigorously, however. EDEKA continues to discuss any options with its private-label suppliers.

12 Cf. www.wwf.de/fileadmin/fm-wwf/Publikationen-PDF/WWF-Studie_Like_Ice_in_the_Sunshine_2020.pdf

PALM OIL SUBSTITUTION

➔ From cultivation practices to land use, palm oil is associated with many negative societal and environmental consequences. Among these are the clear-felling of rainforests, the endangerment of orangutans, elephants and tigers, conflicts over land rights, and poor working conditions. As one of the main drivers of deforestation – especially in Indonesia and Malaysia – the world's most important plant-based oil has been the subject of criticism and the focus of public debate for years, and rightly so.

However, the positive characteristics of the product, namely its productivity, should also be mentioned: at around 3.8 tons per hectare, palm oil achieves a significantly higher yield than other oil crops, both tropical (soya bean 0.4 t/ha; coconut 0.7 t/ha) and non-tropical (sunflower 0.7 t/ha; rapeseed 0.7 t/ha). Hence palm oil is making a significant contribution towards meeting the global demand for oils and fats.

Yet like all agricultural commodities, palm oil must be cultivated responsibly, using socially and ecologically sound practices, either in organic quality or according to the criteria of the RSPO and POIG. The WWF recommends sourcing palm oil in RSPO quality as a minimum, and advises against resorting to the much lower-yielding coconut or soya bean oil as a substitute, as they are produced in equally sensitive regions. Because more land is needed to produce one ton of oil, substituting coconut oil or soya oil for palm oil only shifts ecological problems elsewhere, or even exacerbates them. If sunflower or rapeseed oil is used, the plants should be sourced from domestic production (European Union and Ukraine), rather than from overseas. All substitutes must be grown according to strict societal and environmental sustainability criteria. Substitution with fossil raw materials, for example for candles, does not make sense from an ecological point of view. To date, the EDEKA Group has not implemented a substitution strategy to address this issue in a universal and systematic manner. Substitute materials are not yet being evaluated in terms of their sustainability compared with palm oil.

THE FONAP SMALLHOLDER PROJECT

Project partners: Forum for Sustainable Palm Oil FONAP, WWF and Wild Asia

Project region: Perak, Malaysia

1. **Project phase: July 2018 to June 2019**
   Applicability and practical implementation of the additional FONAP criteria
2. **Project phase: December 2019 to November 2020**
   Promotion and support for natural methods of cultivation and of digital technology for better traceability

Photo: Uda Sofian

Once selected smallholders completed the testing of the implementation of the additional FONAP criteria (e.g., no cultivation on peat soils or areas with high carbon content, no use of highly hazardous pesticides) in the first project phase, the FONAP smallholder project entered the second phase in December 2019 with new objectives. The smallholders with whom the project partners work on the ground continue to be trained in the use of more sustainable cultivation methods such as the use of organic fertilisers or of beneficial creatures to control pests. Moreover, the partners also work on site to improve transparency. The FarmGate App is used to record the harvest, allowing it to be traced seamlessly from the plantation right to the mill. Voluntary contributions from FONAP members have made it possible to fund the second project phase.

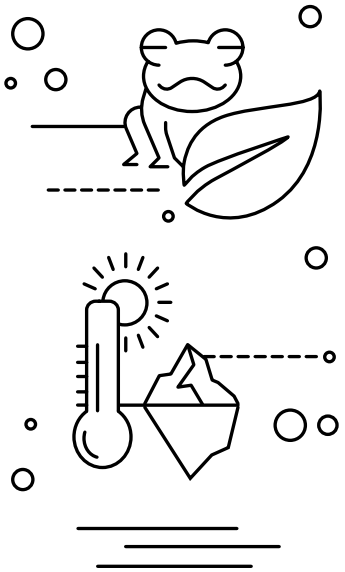
2.4 SOYA / MORE SUSTAINABLE LIVESTOCK FEED

2.4

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA SOYA / MORE SUSTAINABLE LIVESTOCK FEED

In this subject area, international certification is used to promote a more sustainable supply chain for animal feed. One of the goals is make all animal feed GMO-free. Optimising feed mixtures with regard to protein components is intended to contribute to a higher share of indigenous grain legumes in animal feed. International certification schemes like ProTerra, Danube Soya, RTRS GMO-free also promote sustainable farming practices that have a positive impact on the climate. The policy work in the Forum für Nachhaltigere Eiweißfuttermittel (FONEI, Forum for More Sustainable Protein Feed) has an overall impact on sustainable consumption and responsible production, thus achieving common, far-reaching solutions for the entire value chain. One example for the establishment and maintenance of animal feed supply chains is the EDEKA frozen chicken raised on sustainable feed. Promotion of products such as these protects land ecosystems and contributes to their sustainable use.

REPLACING IMPORTED SOYA AS AN ANIMAL FEED



ALTERNATIVE CULTIVATION REGIONS AND PLANTS CONSERVE ECOSYSTEMS AND BIODIVERSITY

Every year more than 35 million tons of soya is imported into the EU, in the form of soya beans or soya meal. The bulk of it, around 75 per cent of global production, is used as a high-protein feed in livestock farming. Germany alone consumes around 4.5 million tons of feed soya. From poultry to dairy cows and especially pig farming, soya is by far the most widely used protein feed and thus also a component of many foods consumed by humans. Replacing soya in animal feed remains a challenge, because it contains particularly valuable proteins and amino acids and is especially easy to digest. Ecologically valuable forest areas are being cleared to make room for the cultivation areas that are needed – mainly in South America. The impact is most severe in regions in the Amazon and the Cerrado, which are home to unique ecosystems and unrivalled biodiversity. In the Cerrado, about 90,000 hectares are sacrificed each year to make room for soya cultivation.

SWITCHING TO CERTIFIED SOYA AND DOMESTIC PLANTS

This is despite the fact that sufficient arable land is already available; it only needs to be managed more sustainably in the future. The EDEKA strategy is designed to move over to more sustainably grown, GMO-free certified soya or to domestic or European protein feed in the long run. On the basis of selected standards advocated by the Round Table on Responsible Soya (RTRS), the ProTerra Foundation, the Danube Soya or Europe Soya brands, key criteria for more environmentally friendly, deforestation-free and socially appropriate cultivation practices in the soya supply chain are to be implemented. After all, land grabbing or interference in indigenous cultures is not permissible according to these standards either.

MULTIPLE WINS: BETTER SOIL, LESS CO_2

Certified more sustainable livestock feed would also have a positive impact on the global climate, as slash-and-burn land clearing and the transportation of large quantities of soya in particular cause significant CO_2 emissions in the soya supply chain. Supporting domestic protein feed production thus also has great potential for resulting in cuts to greenhouse emissions. A project where Danube Soya/Europe Soya was used as pig feed showed a reduction of 40 per cent in CO_2 emissions compared with conventional soya. Additional positive effects could also be expected in terms of soil fertility. Legumes such as field beans, peas or soya beans tend to store nitrogen, and this results in natural nitrogen in the soil being made available for subsequent crops such as wheat. This effect would allow crop rotation in European agriculture to be varied by planting legumes (protein plants) at intervals; doing so would also reduce the use of synthetic fertilisers.

PARTNERSHIP TARGETS

In the subject area Soya / More sustainable livestock feed[13]

Photo: Meredith Petrick / Unsplash

→ In the segment of animal feed for pigs, beef and poultry, EDEKA is changing over to domestically and European-sourced feed or to more sustainable, GMO-free certified soya (RTRS+GVO-free, soya conforming to ProTerra guidelines, Danube Soya, Europe Soya). EDEKA will continue to work hard to maintain the targets achieved to date.

As part of a set of feeding studies conducted together with suppliers of eggs and chickens, EDEKA tested the feeding of domestic grain legumes such as peas, field beans and lupins in a trial lasting until the end of 2018. We are continuing to pursue the aim of further conversion, in accordance with the target cited above, and we will do so with vigour.

For the private labels in the White Line segment (which includes all dairy products apart from cheese) EDEKA will switch 20 per cent of the article quantity of the year 2012 to more sustainable dairy cattle feed (domestic or European feed or more sustainable, GMO-free, certified soya acc. to RTRS+GVO-free, soya acc. to ProTerra guidelines, Danube Soya / Europe Soya) by 30/06/2020. A further 70 per cent should demonstrably come from GMO-free feed. EDEKA is planning to raise this proportion of more sustainable animal feed to 40 per cent by 30/06/2022.

The sub-segment butter is excluded from this target, so as to ensure the security of supply from GMO-free feed and to trial it with selected EDEKA suppliers. A changeover of 50 per cent is to be achieved by 30/06/2022.

In the Yellow Line segment (cheese), EDEKA intends to dispense with the use of soya components in dairy cattle feed in the production of 50% of the quantity of articles for its private-label products of the year 2012. Alternatively, feed containing more sustainable, GMO-free certified soya is an option. This target is to be reached by 30/06/2020 and applies to suppliers and dairies that process mainly milk from Germany, Austria and Switzerland. EDEKA is planning for a gradual increase in this proportion to 75 per cent by 30/06/2021.

To advance the changeover in animal feed also outside Germany, Austria and Switzerland (the DACH region), EDEKA is constantly engaged in talks with suppliers who procure milk from other regions.

With the support of the WWF, EDEKA developed a concept for the gradual changeover to more sustainable animal feed for articles in the meat and cold cuts segment by 2018. The partners were then to decide how, and by when, a complete changeover can be achieved in the private-label segment.

As part of developing the concept, EDEKA and the WWF carried out a feasibility study which began in September 2017 and was completed in October 2018. In addition, individual start-up projects are being implemented in the sub-segment meat/cold cuts. The conversion to more sustainable feed is intended to proceed in such a way that products from these projectswill be on sale at EDEKA and Netto from 01/01/2019 At the planning stages are:

a) a start-up project for producing meat and cold cuts under the umbrella of a national premium brand, possibly with a regionally and seasonally limited range,

b) a start-up project for producing meat/cold cuts articles at the regional level,

c) a start-up project for producing meat and cold cuts articles in collaboration with Netto.

13 During the period under review, adjustments were made to the targets specified in the agreements in this subject area: the targets for the White Line segment were corrected downwards.

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET	STATUS 30/06/2020	OUTLOOK
Changeover to certified, more sustainable GMO-free feed in the White Line segment		
20% of the number of articles of the year 2012 changed over by 30/06/2020[14]	A certified more sustainable or domestic feeding practice could not be identified for any product this year[15].	↘
50% of butter to come from GMO-free feed by 30/06/2022	One supplier is already delivering butter produced using GMO-free feed.	→
70% of the number of articles of the year 2012 from GMO-free feed by 30/06/2020	For about 65% of the number of articles of the year 2012, a changeover to GMO-free feed was ascertainable in the period under review.	↗
Yellow Line segment		
50% of the number of articles of the year 2012 changed over by 30/06/2020[16]	A certified more sustainable or domestic feeding practice could not be found for any product this year. For about 120% of the number of articles of the year 2012, EDEKA achieved a changeover to GMO-free feed during the period under review.	↘
Meat/cold cuts segment		
Development of a concept for changing over to more sustainable feed	A conversion concept had not been completed by the cut-off date. The components for the concept are being discussed and coordinated, however.	→
Implementation of individual projects in the meat/cold cuts segment	↑ **At the regional level:** The Hofglück programme conducted together with the EDEKA region Southwest is being continued and was extended to include another six self-service articles.	✓
	→ **National premium brand:** To date it has not been possible to implement a project of this kind.	→
	→ **Start-up project Netto:** The project continues to use GMO-free feed. The aim of achieving certified, more sustainable feed remains in place.	→

SUB-TARGET	STATUS 30/06/2020	OUTLOOK
Start-up projects		
Barn-laid eggs GUT&GÜNSTIG	↗ Almost 100% of barn-laid eggs come from certified, more sustainable feed.	↗
Hay or pasture milk	↑ The national hay milk has been on sale in four regions since 2014. It was still available this year.	✓
Frozen chicken GUT&GÜNSTIG	↑ The changeover to more sustainable feed had already been achieved by May 2016. It was confirmed again during the period under review.	✓
Feeding studies		
Feeding studies at pilot enterprises	↑ The study on the use of domestic grain legumes for **fattened chickens** has been completed.	✓
	→ **Laying hens:** A further planned study involving breeders of laying hens could not be carried out. The option to implement a pilot project with a supplier is currently being investigated.	→
Activities not directly related to the product range		
Information and awareness-raising	↗ EDEKA is continuing its work in the Sustainable Protein Feed Forum.	→

14 In accordance with the target agreement, the reference basis used for the calculation of the percentage shares is the full product range for the year 2012.

15 Hay milk changed over to more sustainable feed is not taken into account here, as it is evaluated in the context of the start-up projects.

16 In accordance with the target agreement, the reference basis used for calculating the percentage shares is the full product range for the year 2012. In accordance with the target agreement, this quantity refers to the DACH region, i.e., the target initially applies to suppliers and dairies processing milk obtained predominantly from Germany, Austria and Switzerland.

CHANGEOVER TO CERTIFIED, MORE SUSTAINABLE ANIMAL FEED

in the White Line sub-segment

→ One of the biggest challenges is the segregation inside large dairies that produce not only for EDEKA, but also for export. It would require the installation of separate processing lines in order to keep production from sustainable, GMO-free feeding separate from conventional production. For example, cream or high-fat cream is supplied by different dairies and then blended. The large quantities of milk required to produce butter also present an obstacle, because it means that the corresponding amount of criteria-compliant feed would have to be available.

Photo: Fotokostic / Shutterstock

For this reason, the timeline for the sub-segment White Line was adjusted to 30/06/2020. However, the goal of moving dairies and milk producers over towards more sustainable dairy cattle feed remains. For the reasons mentioned earlier, butter has been excluded from the target for the time being. To test the security of supply for butter produced using GMO-free feed, projects with suppliers are being planned, however. These projects are to be implemented by 30/06/2021. The aim is to have 50 per cent of butter supplied from GMO-free sources by 30/06/2022.

According to the data collected for the annual monitoring process, the conversion to GMO-free feed was achieved for just under 65 per cent. This means the target was missed by 5 percentage points. There has been no changeover in the more sustainable feed segment. Therefore it was not possible for the target of 20 per cent by 30/06/2020 to be reached.

However, the overall increase in dairy products from GMO-free feeding by just under 6 per cent year-on-year must be assessed as positive. The reference value is the number of articles in the year 2012.

TREND FOR CONVERTED QUANTITIES

in the White Line segment

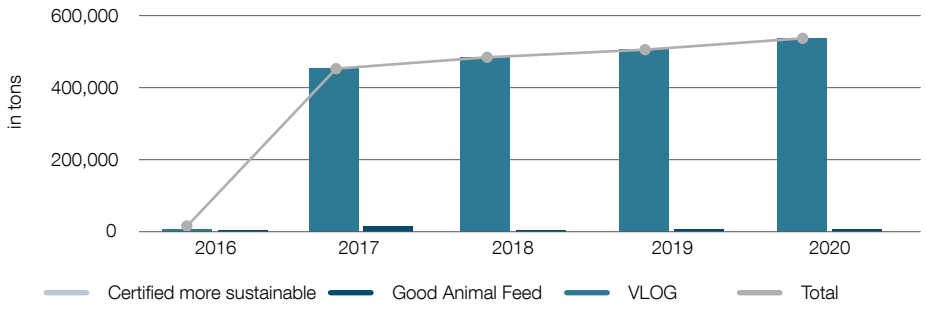


Fig. 5: Converted purchased quantities of EDEKA private-label products in the White Line segment in tons. The monitoring period for 2020 was 01/07/2019 to 30/06/2020.

CHANGEOVER TO CERTIFIED, MORE SUSTAINABLE ANIMAL FEED

in the Yellow Line sub-segment

→ Compared to the previous year, EDEKA and the WWF managed to achieve a 21 per cent increase in the use of GMO-free animal feed in the DACH region. This increase is also a consequence of the overall increase of about 29 per cent in the number of articles. GMO-free animal feeding continues to trend positively, but in the conversion to more sustainable feed in accordance with the RTRS+GMO-free, ProTerra or Danube Soya/Europe Soya standards, no success stories have been recorded as yet. The target arrangements were not reached. In order to continue to gradually approach the targeted conversion of animal feed, adjustments to the target formulation and, if necessary, to the target strategy are being planned.

TREND FOR CONVERTED QUANTITIES

in the Yellow Line segment

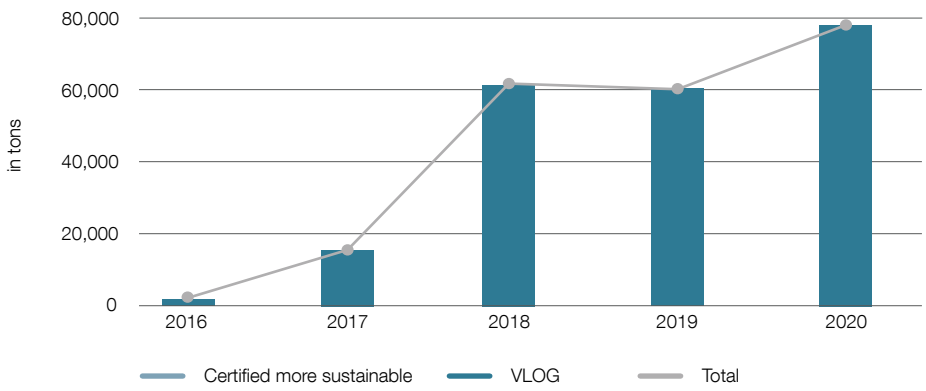


Fig. 6: Converted purchased quantities of EDEKA private-label products in the Yellow Line segment, in tons. The monitoring period for 2020 was 01/07/2019 to 30/06/2020.

CHANGEOVER TO CERTIFIED, MORE SUSTAINABLE ANIMAL FEED

in the Meat/cold cuts segment

→ A conversion concept is being developed on the basis of a feasibility study. By the end of 2020, a coordinated strategy for achieving the target should be in place.

The Hofglück programme for more sustainable animal feed at the regional level is continuing to evolve very positively. Both the number of participating operations and the number of articles in the self-service and fresh food counter product range have grown.

Data collection for the animal feed study “Reduction of soya import demand for feed for fattening chickens through the use of regionally sourced alternative proteins, such as grain legumes and rapeseed/sunflower products” was completed successfully. A joint presentation about the evaluation of the results is yet to take place. The partners are vigorously pursuing the practical application of the insights gained in the study. Once evaluated, the findings should be capable of being utilised in practice. The conversion of feed components essentially depends on the availability of alternative protein feeds on the market, and on those alternatives demonstrably having a positive impact on the environment.

MORE ON THE SUBJECT OF SOYA AT:

www.edeka.de/wwf/soja
www.wwf.de/edeka-soja

CHANGEOVER IN PROJECTS CURRENTLY IN PROGRESS

START-UP PROJECT HAY MILK

The national start-up project hay milk, which was launched as far back as 2014, is continuing. Hay milk is produced by means of natural feeding practices using roughage, where hay forms the main component, instead of corn silage, for example.

Photo: Clara Bastian / Shutterstock

START-UP PROJECT FROZEN CHICKEN

EDEKA is continuing with 100 per cent natural feed in the segment for the private label GUT&GÜNSTIG for frozen chicken.

START-UP PROJECT BARN-LAID EGGS FOR THE EDEKA PRIVATE LABEL GUT&GÜNSTIG

The development of GMO-free and more sustainable feeding of laying hens has been very positive over the course of this year. As shown in Fig. 7, the changeover in the feed for laying hens to more sustainable, certified soya is almost complete. The figures are estimated percentages for the reported delivery quantities.

In the eggs segment, the strategy of a phased changeover with the VLOG, GMO-free certification has proved to be a successful intermediate step. In the year 2018, the percentage of laying hens fed on certified, more sustainable feed was around 24 per cent. VLOG-certified eggs "without GMO" made up the biggest proportion, reaching around 76 per cent. These figures were calculated again the following year, and this time eggs produced using certified sustainable feed already represented the main share, accounting for more than 77 per cent. Eggs that only had VLOG certification therefore were only equivalent to just under 23 per cent. Compared with the results from 2019, it was possible for more than 22 per cent of eggs to be switched from merely GMO-free feeding in order to meet additional sustainability requirements in accordance with ProTerra and RTRS+GMO-free criteria in 2020. This means that now just under 100 per cent of the eggs are produced using more sustainable feed.

PHASED CHANGEOVER IN FEED FOR LAYING HENS FOR BARN-LAID EGGS

for the EDEKA private label GUT&GÜNSTIG

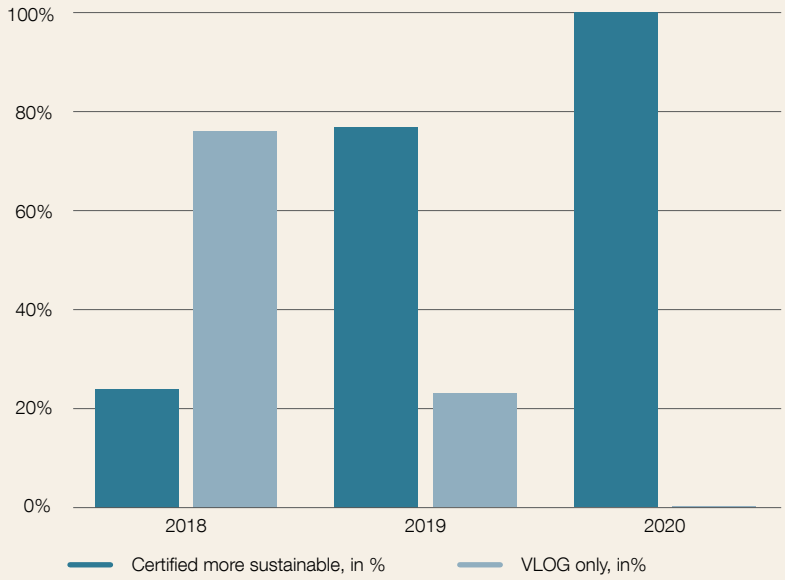


Fig. 7: Phased changeover in feed for laying hens for barn-laid eggs for the EDEKA private label GUT&GÜNSTIG Evaluation of data for the development of proportions of VLOG and More sustainable animal feed 2017–2020.

CHANGEOVER IN ANIMAL FEED IN THE START-UP PROJECTS

START-UP PROJECT	CHANGED OVER TO: CERTIFIED MORE SUSTAINABLE,[17] IN%	CHANGED OVER TO: VLOG ONLY,[18] IN%
Barn-laid eggs (GUT&GÜNSTIG)	99.8%	0.2%
Frozen chicken (GUT&GÜNSTIG)	100%	0
Hay milk (chocolate and vanilla drink, White Line)	100%	0

Table 6: Changeover in the start-up projects during the reporting period 01/07/2019–30/06/2020.

INFORMATION AND AWARENESS-RAISING

→ The partners will continue to participate in the Forum For More Sustainable Protein (FONEI). By signing up to the new proposition called "Promoting deforestation-free supply chains for protein feeds" contained within the framework of the position paper by the Federal Agency for Agriculture and Food (Bundesanstalt für Landwirtschaft und Ernährung, BLE), EDEKA intends to promote the use of soya and other protein feeds for which no forests have been deforested.

Photo: Mat Reding / Unsplash

17 The category "certified more sustainable" corresponds to the above-mentioned target: a changeover to domestically or Europe-sourced animal feed or to more sustainable, GMO-free, certified soya (RTRS+GMO-free, soya conforming to "ProTerra" guidelines, Danube Soya, Europe Soya). Products changed over to sustainable feed are also produced using GMO-free feed.

18 VLOG stands for "Verband Lebensmittel Ohne Gentechnik" (= association for food free from genetic engineering). This association certifies products that are produced without the use of genetically modified organisms.

2 CLIMATE

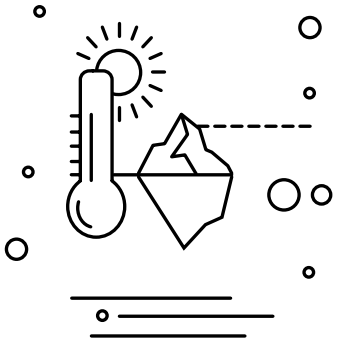
.5

Photo: Pojoslaw / Dreamstime

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA CLIMATE

When it comes to climate protection, affordable clean energy is a core issue. Measures to boost energy efficiency and the expansion of renewable energies make an important contribution to the global energy transition. The reduction in direct and indirect greenhouse gas emissions from the EDEKA locations, the vehicle fleet, but especially in the supply chain of the products we sell, directly contribute to the protection of our climate. This is what makes responsible production and sustainable consumption so important. The climate footprint of products can be reduced in collaboration with the suppliers, and awareness-raising measures also help EDEKA customers to do their shopping in a more climate-friendly manner. A reduction in greenhouse gas emissions simultaneously slows down the warming and acidification of the oceans and preserves the biodiversity of natural marine habitats. For life on land, too, a lowering of the emissions results in the preservation of ecosystems and of a diverse range of species which can only adapt to climate changes very gradually.

CLIMATE PROTECTION IS FUNDAMENTAL TO LIFE



LOCAL ACTION TO COUNTER GLOBAL EFFECTS

Human-induced climate change is one of the biggest challenges of our time. While greenhouse gases are released locally, they will disperse in the atmosphere and heat up our planet as a whole – with severe consequences for humans and nature alike. The signatory states of the UN climate agreement adopted a resolution in Paris in 2015 to limit the increase in the global average temperature to well below 2 degrees, if possible to only 1.5 degrees. To reach this target, the economy must become climate-neutral. Businesses need to drastically reduce their emissions. The climate targets of EDEKA and Netto are based on the path towards limiting the increase to 1.5 degrees.

DESIGNING ENERGY EFFICIENCY LOCATIONS

The main sources of emissions within the corporate realm of the EDEKA and Netto stores are energy consumption, especially for lighting and refrigeration, refrigerant leakage, and the fuel consumption of the vehicle fleet. If we are to achieve climate neutrality, greater energy efficiency is an indispensable component in the mix of measures. This is because the less energy is consumed, the less coal, oil and natural gas needs to be burnt. To reduce its climate footprint, EDEKA is using resource and energy-saving LED lighting, energy-efficient refrigeration equipment, more climate-friendly refrigerants and heat recovery systems. Fuel-efficient vehicles are used for transporting goods, and drivers are regularly trained in fuel-efficient driving. Renewable forms of energy form an essential element of EDEKA's climate strategy. For this reason, EDEKA is actively implementing measures to exploit renewable sources of energy, like installing photovoltaic equipment at various locations.

EMBEDDING CLIMATE PROTECTION IN THE SUPPLY CHAINS

A large proportion of indirect emissions occur outside the corporate boundaries, along the supply chains. In the model project Banana, EDEKA is already working with the WWF to develop cultivation solutions that generate fewer emissions and enhance biodiversity. The individual climate assessments for all the participating fincas were a first step in the right direction. Improved soil management and increased use of organic fertilisers instead of mineral fertilisers are important climate protection measures at farm level. In a measure designed to embed effective climate protection more firmly in the supply chains, the co-operation with suppliers from various product ranges is being expanded with the establishment of a "Climate Supplier Initiative" (CSI). Being one of Germany's leading food retailers, EDEKA can make a sizeable contribution towards an improved climate balance.

2.5.1 CLIMATE PROTECTION WITHIN THE GROUP

THE CLIMATE PROTECTION PARTNERSHIP TARGETS

➔ EDEKA wants to reduce greenhouse gas emissions of the EDEKA Group of companies by 30 per cent by the year 2020, and by 50 per cent by 2025. The targets refer to the sales floor space in square metres and apply in each case in comparison to the base year 2011 for the EDEKA Zentrale and the Netto Marken-Discount stores.

The EDEKA Zentrale and Netto specify the concrete climate protection contributions to be made by their own Group locations in a road map. This roadmap is to be published by 31/01/2018 and will be implemented in the following years (2018–2022).

Each of the seven regional companies can participate voluntarily in the effort to reach the Group's target. In this case the plan provides for the publication and subsequent implementation of an individual set of measures.

Starting with the baseline year 2011, EDEKA will in future be publishing a climate assessment every 2 years.[19]

Photo: EDEKA/Jochen Zick

19 As detailed in the progress report 2018/2019, a broad estimate of product range-related greenhouse gas emissions was made using the "Scope 3 Evaluator" (www.ghgprotocol.org/scope-3-evaluator). Due to the current high degree of uncertainty in this estimate, a comprehensive presentation of these emissions is not included in the climate assessment. EDEKA will continue to work on improving the database and the data quality for these emissions.

TARGET ACHIEVEMENT – OVERVIEW

MAIN GOAL AND SUB-TARGETS	STATUS 30/06/2020	OUTLOOK
Main goal		
MAIN GOAL: Reduction of greenhouse gas emissions in relation to sales floor space in square metres by 30% by the year 2020, and by 50% by 2025 compared to the base year 2011.	→ The climate assessment 2017 was compiled and successfully verified by an external audit. Since 2011, emissions have been reduced by more than 20%.	↗
Sub-targets		
EDEKA ZENTRALE		
Preparation of a Climate Protection Schedule by 31/01/2018. Implementation in subsequent years	→ Energy audits were carried out at the properties managed by EDEKA Zentrale. One third of the properties have an energy management system certified according to ISO 50001.	↗
Complete conversion to LED lighting and optimised light use by the end of 2018	→ More than three-quarters of all properties have since been converted to LED lighting.	↗
Optimisation of logistics processes and business travel	→ The continual modernisation of the vehicle fleet, the use of telematics and regular driver training have led to a significant reduction in fuel consumption. Video and telephone conferencing was conducted more frequently to reduce the need for business travel.	→
Derivation of further measures from energy management	→ EDEKA continually modernises the technical equipment in its buildings. The operation of lighting and ventilation/air-conditioning is linked to opening hours.	→
EDEKA REGIONS		
Interested EDEKA regional companies are to receive support in setting up a climate protection programme and in signing up to the Group's greenhouse gas reduction target.	→ The first EDEKA regions have begun to use the new software tool for producing their own climate assessments.	→

REDUCTION IN GREENHOUSE GAS EMISSIONS

→ A comprehensive survey of the climate protection measures implemented at the properties operated by EDEKA Zentrale in the areas of buildings, logistics and business travel between 2011 and 2017 provided the data for quantitative estimates of their impact in terms of climate protection. Using the data for the base year 2011, the emissions were then calculated for the reporting period, in accordance with the specifications of the Greenhouse Gas Protocol. Added to this, in particular, were in particular the emissions from corporate units that had not yet become part of EDEKA in 2011. Only by including these structural changes was it possible to make a comparison with the 2017 climate assessment: greenhouse gas emissions fell by more than 20 per cent compared to 2011. Electricity consumption decreased by about 21 per cent between 2011 and 2019 – at the EDEKA Zentrale location in Hamburg alone it dropped by 27 per cent. Thanks to the procurement of a more climate-friendly electricity mix, EDEKA was able to reduce its emissions factor for electricity by about 45 per cent between 2011 and 2018.

EDEKA ZENTRALE AND EDEKA REGIONS

→ In 2015 and 2019, energy audits conducted according to DIN EN 16247 at the EDEKA Zentrale location identified additional potential for energy efficiency and energy-saving measures. These are gradually being implemented at the locations, taking into account their respective efficiency potentials and their cost-effectiveness. It was possible to convert to LED lighting at about three-quarters of all properties. Location-specific energy concepts, like the one for the ultramodern,

climate-friendly banana ripening facility at Borna, as well as integrated energy concepts at the EDEKA Zentrale, are constantly upgraded.

EDEKA constantly modernises the technical equipment at its properties. Furthermore, lighting and ventilation/ air-conditioning are used in line with operating times. In logistics, permanent fleet modernisation, the use of telematics and regular training in economical driving with our own driver trainers helped to significantly reduce fuel consumption. In addition, video and telephone conferences are increasingly used to substitute for business travel. As well as implementing such measures, the partners continue to work on a comprehensive climate protection action plan.

A newly formed Energy working group serves as an interface to facilitate the coordination of interdisciplinary measures and the various areas of responsibility within the properties operated by the EDEKA Zentrale in a constructive manner. The working group will meet once every six months from now on.

Since 2019, the company EDEKA Versorgungsgesellschaft mbH (EVG) has been monitoring the energy consumption of the various properties by means of suitable metering equipment from a central location via the Energy Monitoring system. The properties receive their energy consumption evaluations on a monthly basis, and this helps them identify and exploit savings potentials more quickly.

About one-third of the properties of EDEKA Zentrale have received certification in the energy management system to date in accordance with ISO 50001, including the fruit ripening facilities, Sonnländer and the Rheinberg winery. The climate assessments promote a systematic and continuous improvement in the key energy and climate protection indicators at the Zentrale.

The EDEKA regions have also received training in the use of this new tool. The first of the regions have already begun to prepare their own climate assessment.

20 www.umweltbundesamt.de/themen/klima-energie/energieversorgung/strom-waermeversorgung-in-zahlen#Strommix

ELECTRICITY IS GETTING GREENER ALL THE TIME

The corporate unit EDEKA Versorgungsgesellschaft mbH (EVG) supplies large parts of theEDEKA Group with electricity and natural gas. Through EVG, EDEKA procures an electricity mix that contains higher proportions of renewable energies and smaller proportions of fossil and nuclear energy than the national electricity mix. As a result, EDEKA's specific emission factor is below the national average: in 2018, the nationwide emission factor of the German electricity mix was 468 grams of carbon dioxide per kilowatt hour (source: Federal Environment Agency (UBA)[20]). The supplier-specific emission factor of EVG, in contrast, was 299 grams of carbon dioxide per kilowatt hour, 36 per cent below the national average. EDEKA's electricity consumption generates a large proportion of its greenhouse gas emissions. This is why the CO_2 intensity of the electricity procured is considered a decisive factor in reaching the climate targets. EDEKA and EVG want to continue to increase the procurement of climate-friendly electricity from renewable sources of energy in an effort to reduce the emission factor of EDEKA's electricity mix further still.

EMISSION FACTOR TREND, AVERAGE

for the nationwide and the EVG-specific electricity mix

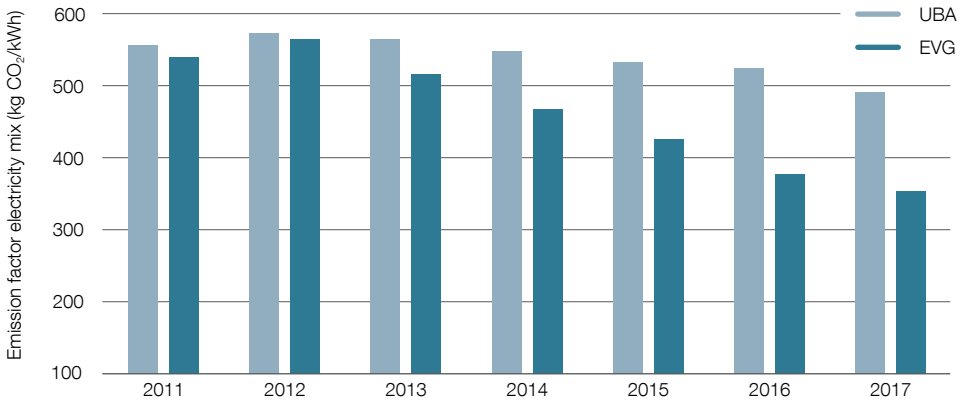


Fig. 8: Trend for the nationwide (source: UBA) and the EVG-specific emission factors of the electricity mix.

2.5.2 CLIMATE PROTECTION IN THE PRODUCT RANGE

PARTNERSHIP TARGETS

for climate protection in the product range

→ A binding target for the reduction in greenhouse gas emissions in the supply chain for the years 2020 and 2025 will be defined by 30/06/2018. EDEKA and the WWF are preparing recommendations for action to achieve a more climate-friendly product range. In addition, EDEKA and the WWF together are establishing a Climate Supplier Initiative (CSI) for joint climate protection measures in the supply chain in collaboration with industry players. The CSI set of measures produced by 31/01/2019 will be implemented in the following years (2019–2022).

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET		STATUS 30/06/2020	OUTLOOK
Definition of a binding reduction target for product range-related emissions along the supply chain by 30/06/2018	→	As part of the supplier management system, EDEKA's suppliers are canvassed with regard to their climate performance. A questionnaire for assessing the climate protection activities of suppliers has been completed. Evaluated supplier responses for one merchandise division are already available.	↗
Measures for a more climate-friendly product range optimisation/design	→	For the first time, selected private-label suppliers are preparing their own climate assessment and are arranging for them to be subjected to an external audit.	↗
Establishment of a Climate Supplier Initiative for joint climate protection measures along the supply chain together with industry players. Preparation of a roadmap by 31/01/2019. Implementation of the roadmap in the following years.	→	The launch of the CSI has been delayed and is now scheduled for beginning of 2021. An initial set of participants has been chosen, and some early pilot projects have been launched.	↗

CO-OPERATION

with suppliers

→ To reduce product range-related greenhouse gas emissions, EDEKA plans to step up the co-operation with the suppliers to address climate protection. To begin with, a record of existing climate protection activities is established by means of a newly developed, comprehensive questionnaire. Evaluated responses from suppliers for one merchandise division are already available. The next step is to determine the status quo of all merchandise divisions and then set a binding climate target for each of them, with suppliers to take greater responsibility for achieving these targets in future. In this way, they will constantly improve their climate performance through their own commitment, and thus make their contribution towards protecting the climate.

The Climate Supplier Initiative is backing the plan by providing initial assistance to the participating suppliers in the implementation of their climate protection activities. There are also plans for joint projects. During the period under review, private-label suppliers were assisted in preparing their own climate assessment and have these subjected to an external audit. The co-operation with suppliers has the character of a pilot project and it has already provided valuable insights for the design of the Climate Supplier Initiative – an important component of climate-friendly product range design: suppliers measure their greenhouse gas emissions, set themselves ambitious climate targets and implement measures that reduce the climate footprint of their products.

MORE ON THE SUBJECT OF CLIMATE AT:

www.edeka.de/wwf/klima
www.wwf.de/edeka-klima

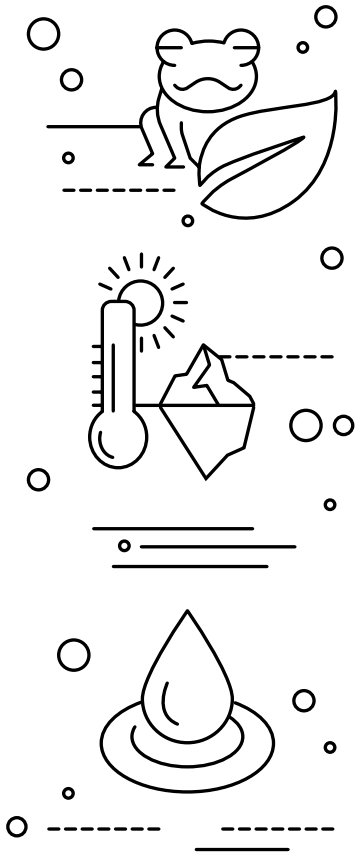
6 FRESHWATER

Photo: Kathrin Ziegler / gettyimages

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA FRESHWATER

Sustainable water management is an important component of resilient agriculture, which in turn contributes to the preservation of ecosystems, is adapted to climate change and ensures a secure food supply. The Water Stewardship approach advocates for the protection and restoration of water-based ecosystems, improving water quality, reducing water consumption, ensuring the supply of drinking water and the provision of sanitation, and the reinforcement of more sustainable water resource management in river basins. Risk reduction measures adapted to local conditions promote sustainable consumption and responsible local production by ensuring sustainable management and the efficient use of natural resources. Sustainable water management practices boost resilience to climate change, because both water resources and pesticides are used economically. Doing so protects ecosystems and promotes biodiversity.

WATER IS LIFE



ECONOMICAL USE OF A PRECIOUS RESOURCE

Water is a vital resource, and it is available only in extremely limited quantities. A mere one per cent of the global reserves of fresh water are easily accessible for humans. Yet we need water in all areas of life: at home, in production, and to generate power. A large part of the world's accessible water resources is needed for our food production. At 70 per cent, agriculture is the biggest consumer of water worldwide. At the same, it is agriculture especially that depends on having a sufficient supply of clean water. However, in the majority of cultivation regions, freshwater is often in short supply, is polluted, poorly managed, or distributed inequitably. This is why EDEKA, in collaboration with the WWF, has developed a water management system designed to protect local freshwater resources and to achieve more sustainable management of this scarce resource. With its Water Risk Tool, EDEKA assists agricultural operations with the analysis of their water risks. Pilot projects demonstrate how freshwater can be utilised efficiently and in a more resource-saving manner, ensuring a more sustainable water use in the surrounding river basins. In addition, in the Water Partners programme suppliers are supported in their implementation of measures to reduce their water risks. For example, with the aid of the Alliance for Water Stewardship (AWS) standard, which supports producers in implementing more sustainable water management in their local river basin together with other local users. Together, EDEKA and the WWF are promoting a transformation of the market towards more sustainable water use and the inclusion of improved water criteria in agricultural standards.

JOINT SOLUTIONS FOR A SHARED RESOURCE

Climate change will be particularly noticeable in relation to water, for example in the form of more frequent and more intense extreme weather events such as droughts and floods. Water risks will continue to worsen in many areas – be it because there is too much water, or too little, or water that is polluted. To be able to address local challenges, water must be understood as a shared resource, shared by all the people within a river basin. One farm alone cannot solve the problems: collective action is what is needed.

REDUCING CONSUMPTION, SAFEGUARDING QUALITY

In the course of establishing the banana project, which EDEKA in partnership with the WWF has been managing for years, the Water Stewardship Platform: "La Plataforma de Cooperación y Custodia del Agua (PCCA)" was set up in Colombia. Working with regional partner companies and other stakeholders in the river basin between the Sierra Nevada and Ciénaga Grande, the aim of the platform is to ensure that the participating businesses control and reduce their water consumption. In this way they are able to preserve important ecosystems and maintain good water quality.

Photo: Francesco Firpo / Shutterstock

PARTNERSHIP TARGETS

in the subject area of Freshwater

→ Until the beginning of 2018, EDEKA operated an internal water management system initially confined to fruit and vegetable products. It consisted of the inclusion of freshwater criteria in the product specifications for fruit and vegetable suppliers and of the web-based EDEKA Water Risk Tool (WRT). EDEKA carried out the implementation of the Alliance for Water Stewardship (AWS) standard launched in May 2017 and established two or three other pilot projects. The introduction of the water management system was accompanied by training courses for procurement and quality management personnel in the fruit and vegetable division. By the beginning of 2018, a procedure for the evaluation of the concrete changes achieved is to be developed and included in the annual survey for the 2018 Progress Report. EDEKA then expanded the water management system to additional product groups. EDEKA and the WWF set up a special work programme to assist selected suppliers in their water risk reduction efforts. In ongoing projects such as the citrus and banana projects, the participating farms also implement measures directly on their plantations and in the affected river basins. Together, EDEKA and the WWF are promoting a transformation of the market towards more sustainable water use, for example through the inclusion of improved water criteria in agricultural standards.

MORE ON THE SUBJECT OF FRESHWATER AT:

www.edeka.de/wwf/wasser
www.wwf.de/edeka-wasser

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET	STATUS 30/06/2020	OUTLOOK
Transparency and reduction of water risks in river basins and at the farms		
Risk transparency Increase in the share of total sales quantities (kg) recorded in the EDEKA WRT accounted for by sales quantities [kg] at the Fruchtkontor from risk countries	28.8% is recorded in the EDEKA WRT system.	
Risk reduction: Increase in the share of sales quantities [kg] with complete verification in relation to total sales quantities [kg] at the Fruchtkontor from risk countries	For 4.2% complete verification was obtained.	
Internal water management and implementation of AWS		
Updating of the Water Risk Filter	The database for the Water Risk Filter is updated annually.	
Expansion of the internal water management to additional product groups	The requirements for processed products were implemented in the EDEKA WRT system.	
AWS implementation in pilot regions	All Colombian and two Ecuadorian banana project farms obtained the AWS certificate in the spring of 2020. Suppliers in Latin America completed AWS training courses.	
Assisted by the WWF, EDEKA is setting up a special works programme for selected suppliers to provide support in the reduction of water risks.	The EDEKA Water Partners programme has been fine-tuned and is currently in the implementation phase. Growers for the banana supplier Biofrusan have already completed an AWS training course.	

SUB-TARGET	STATUS 30/06/2020	OUTLOOK
Reduction of water risks in projects		
Banana project: Alliance for Water Stewardship (AWS) in Colombia/Ecuador	The Water Stewardship platform in Colombia has developed a model for financial sustainability and implemented capacity building and small-scale projects.	
Citrus Project: Alliance for Water Stewardship (AWS) in Spain	Producers have implemented an initial set of collective measures to protect the river basin.	
Transformation of the German food market		
Continued market transformation (studies, standards, events)	A study on the effects of droughts was published during the Stockholm World Water Week. EDEKA participated in the Stockholm World Water Week and the AWS Forum with its own contributions. The technical aspects of the “add-on” for the AWS to the GlobalG.A.P. standard were completed. A regional AWS network for Europe and Latin America has been set up.	

TRANSPARENCY AND REDUCTION OF WATER RISKS

in river basins and at the farm level

→ EDEKA's water management system is based on the Water Stewardship concept. Good Water Stewards know their water risks and take effective action to protect freshwater resources and enforce more sustainable water use in their own supply chains. The aim is to make the water risks on the way through the trading system as transparent as possible and to reduce them systematically.

Almost 29 per cent of the total sales quantities [kg] procured from EDEKA private-label suppliers who source fruit and vegetables from water risk countries are already recorded in the EDEKA WRT. This represents an increase of just over 4 percentage points year-on-year. Risk countries have a rating of 3 or higher on a scale ranging from 1 (low risk) to 5 (very high risk). They include Italy, Spain and Colombia.

For around 4 per cent of the sales volumes [kg], suppliers and their producers have already been able to provide complete certification for risk reduction. The type of certificate required depends on the risk rating: where risks are low, a GlobalG.A.P. certificate is sufficient. Where risks are moderate or high, completion of an AWS training course or AWS certification by the Alliance for Water Stewardship is required.

This applies to the majority of the producers included in the tool and who receive assistance in their efforts to reduce their water risks through the Water Partners programme.

FRESHWATER MONITORING 2020

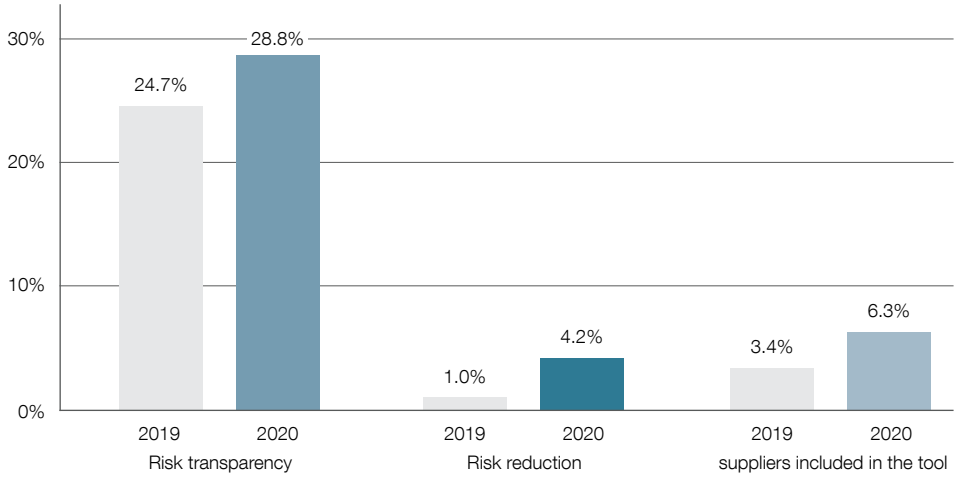


Fig. 9:

Share of sales quantities [kg] recorded in the EDEKA WRT as a proportion of total sales quantities [kg] of the private labels of the Fruchtkontor from critical countries, as per the WWF list of countries (risk transparency).

Share of sales quantities [kg] with complete verification recorded in the EDEKA WRT as a proportion of total sales quantities [kg] of the private labels of the Fruchtkontor from critical countries, as per the WWF list of countries (risk reduction).

Share of the suppliers included in the EDEKA WRT as a proportion of the total number of Fruchtkontor private-label suppliers from critical countries as per the WWF list of countries.

INTERNAL WATER MANAGEMENT

and the EDEKA Water Risk Tool

→ The EDEKA WRT has been rolled out in the fruit and vegetable segment. The major suppliers have entered their cultivation locations into the tool, determined the water risks, and provided an initial set of documentary proof of the reduction in water risks. The tool provided the database for the monitoring structure that was trialled in the year 2018 and introduced in 2019, and which is now used to continuously monitor the water risks of the suppliers. In January 2018, the EDEKA WRT went live at the Fruchtkontore (FK) and was tested in collaboration with a first pilot supplier. Suppliers for the Fruchtkontore North, South, West and Valencia were then taught how to use the tool, and they have since been entering their data as well.

Additional suppliers to the Fruchtkontore are to be added in the autumn 2020. By the end of Q2/2021, private-label suppliers for the Fruchtkontore importing from risk countries, and by the end of the contract period (05/2022) all remaining Fruchtkontor suppliers (including non-private-label suppliers), are also to be included in the tool as a matter of priority.

On World Water Day on 22 March, 2020, the partners released an animated movie on the topic of Water Stewardship. As of autumn of 2020, an online seminar will also provide suppliers, quality management officers at Fruchtkontore (QMBs) and purchasing staff with information on this topic.

ALLIANCE FOR WATER STEWARDSHIP (AWS) IMPLEMENTATION

→ EDEKA and the WWF are advocating the inclusion of improved water criteria in various standards, such as EU Bio, GlobalG.A.P. And Rainforest Alliance. One outcome of this effort is a co-operative venture between AWS and the agricultural standard GlobalG.A.P., which made it possible to develop an add-on for a wide application of the AWS standard. The application of the add-on on the citrus project farms in southern Spain is currently being coordinated, and for other suppliers from water risk hotspots it is at the planning stages. Two suppliers selected on account of their high water risks have already completed an AWS training course.

The successful roll-out of the AWS standards is supported by AWS regional offices in Latin America and Europe, which are being set up by EDEKA and the WWF. In Latin America in particular, this strategy has already resulted in AWS implementation projects by third parties.

Photo: Linus Mylund / Unplash

PROJECTS

→ In the area surrounding the citrus project in southern Spain, stakeholders in the river basis were asked to participate in a major waste removal effort. They cleaned up an entire section of the river.

All Colombian and two of the Ecuadorian banana project farms obtained certification in accordance with the AWS standard in the spring of 2020. Certification of the remaining farms in Ecuador is currently under way and is expected to be completed in the spring of 2021. In Colombia, another of the key issues was to transfer responsibility to independent local bodies. The newly appointed regional coordinators work closely with local operators and provide them with support. This approach made it possible to jointly implement some smaller projects in the areas of waste management, education, knowledge management and renaturation. Examples of this type of engagement are environmental education days for young people from local communities, and joint waste disposal and reforestation campaigns.

MARKET TRANSFORMATION

➔ Raising awareness about the engagement in issues related to water and providing background information are crucial for success. To raise awareness of water-related issues among the various stakeholders in food retailing, three studies have been published to date, each with a different focus:

– **Wassernotstand im Regal [Water emergency on supermarket shelves] (2017)**
  A survey of major German food retailers on the topic of Water Stewardship

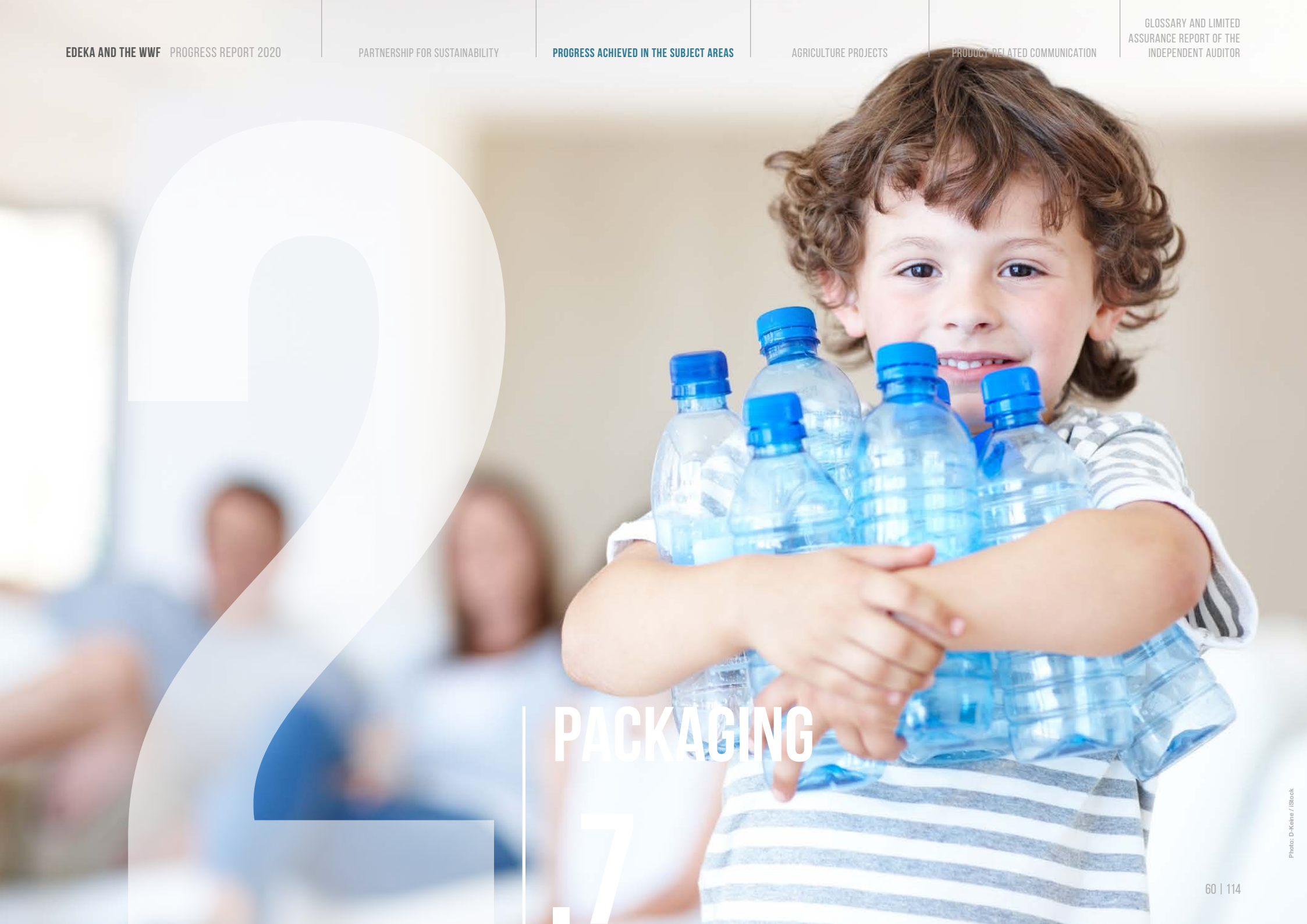
– **Wasserrisiken in landwirtschaftlichen Lieferketten [Water risks in agricultural supply chains] (2018)**
  Progress report on the topic of Water Stewardship in agricultural standards

– **Risiko Dürre [Drought Risk] (2019)**
  Overview of the global impact of drought in relation to cities, food security, biodiversity, energy supply and many other topics

Publication of a study on climate scenarios in agricultural hotspots is planned for the end of 2020.

ACCOMPLISHMENTS

SUB-TARGET		PROGRESS ACHIEVED	
Implementation of an internal water management system at the Fruchtkontor by the end of 2018	The EDEKA Water Risk Tool was completed and tested successfully.	06/2019	✓
Development of a monitoring structure for the water management system	The monitoring procedure was developed and established in 2018/2019.	06/2019	✓
Preparation of a guide called “Water Stewardship in the LEH [Food Retail Trade]”	The guide was released in August 2018.	06/2019	✓
Completion of the pilot phase for the internal water management system by the beginning of 2018 (Water Risk Tool)	The EDEKA Water Risk Tool was completed and successfully tested in co-operation with a pilot supplier.	06/2018	✓
Determination of water risks	The water risks for a majority of all products made for EDEKA around the world have been determined.	06/2017	✓



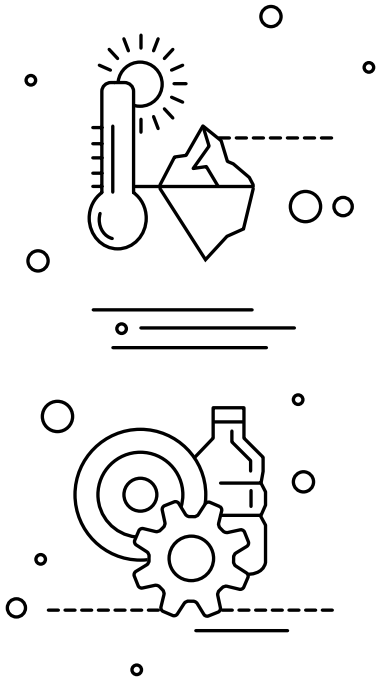
2 PACKAGING

Photo: D-Keine / iStock

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA PACKAGING

Packaging is everywhere, and it mainly serves the purpose of protecting goods and making them transportable. It also reduces food waste, by extending the shelf life. But packaging also uses up resources. Eliminating packaging is therefore a priority. Where elimination is not an option, the life cycle of the materials used must be made as long as possible, and the packaging kept in as good a condition as possible. Done right, packaging can actually contribute to climate protection: through the careful selection of raw materials, reusability, the sensible use of recycled secondary raw materials, and through packaging design that facilitates recycling. This is therefore an area where there is great potential for improvement. The contribution from customers is also an important factor: information at the PoS and transparent labelling help motivate people to make do without knotted bags when shopping, to use carrying aids more than once, and to separate packaging components in an appropriate manner after use.

PACKAGING AND ITS ALTERNATIVES



ELIMINATE, REUSE, RECYCLE BETTER

The mountains of waste are growing. The world's population is already using more resources that the Earth can provide. There is an urgent need for a shift in thinking and action, so that we can reduce primary resource consumption and waste generation overall. In this context, packaging has a leading role to play. In Germany, the volume of packaging has continued to rise. In the year 2018, it reached a new record level of 18.9 million tons. The strategic partnership between EDEKA and the WWF is working towards reducing the ecological footprint of the food retailer in terms of packaging as well.

AS LITTLE AS POSSIBLE, AS HIGH-QUALITY AS POSSIBLE

Less is more: wherever possible, EDEKA eliminates packaging completely. In the case of selected organic fruit and vegetables, for example, this has been achieved by labelling the food products directly using high-resolution lasers. In order to use resources efficiently and effectively, fewer packaging materials should be used overall, and more sensible reusable alternatives should be used. EDEKA appeals to consumers to reuse packaging repeatedly: the multiple-use container concept at fresh food counters and reusing carrier bags can reduce the amount of packaging used, avoid greenhouse gas emissions and conserve valuable resources.

RECYCLING RESOURCES

Wherever appropriate, EDEKA and the WWF rely on the use of recycled materials and are therefore working on designs that make packaging suitable for recycling. This means packaging that is designed in such a way that it can easily be separated into its components, and consists mainly of recyclable materials. This saves primary resources, lowers greenhouse gas emissions and makes it possible to recover valuable materials as resources. A manual intended as a guide for use in all of the Group's divisions provides good recommendations on how to design packaging for the private labels.

PARTNERSHIP TARGETS

in the subject area of Packaging

→ EDEKA and the WWF plan to draw up concrete target agreements for the rapidly-changing subject area of packaging by the beginning of 2018. The targets apply to the use of recycled material in polyethylene terephthalate (PET) bottles in the areas of beverages (disposable), detergents and cleaning agents (drug store). Agreement is also reached on a target to reduce aluminium and avoid polyvinyl chloride (PVC) in selected private label packaging, with the same time horizon. In the year 2020, the partners reach agreement on other potential targets for the optimisation of other private-label packaging. In the fruit and vegetable segment, corresponding targets for eliminating or optimising packaging are to be developed for the entire private-label product range, at the individual product level. EDEKA and the WWF set quantitative targets for the reduction of single-use carrier bags and knot bags. All the agreements rest on a previously established baseline within the framework of the annual monitoring.

Before introducing new or revised products into the private-label product range, EDEKA assesses the chosen packaging material for its recyclability characteristics. If bio polymers are to be used, the raw materials must be certified according to a sustainability standard recognised by the WWF. Fruchtkontore, retailers and customers are also provided with target group-specific information on all aspects related to packaging and packaging materials by the partners.

Photo: EDEKA/Thomas Schindel

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET	STATUS 30/06/2020	OUTLOOK
Optimising packaging		
Assessing recyclability and ecological benefits before launch of new or optimised products	Multiple assessments carried out. Relevant recommendations for action for provided.	
Certification of raw materials for bio polymers	The article identified the previous year now has raw material certificate. One additional article – to date without certificate – is to be included.	
Target agreements for packaging-relevant components and cost items		
Use of at least 25% recycled material (rPET) in the beverage bottle segment (single-use, subject to deposit) by 12/2020	A baseline was established for relevant articles. The share of rPET in the total volume is 1.48%.	
Use of at least 30% recycled material (rPET) in the drug store/ WPR segment by 12/2020	The share of the total volume accounted for by rPET is 17.40%.	
Elimination or reduction of aluminium in selected product groups by 09/2021.	Aluminium content was reduced by 9.52%	
Elimination of PVC in selected product groups by 09/2021.	In the year 2019, 89 articles containing PVC were still identified in the relevant groups of articles.	
Reduction in the use of single-use carrier bags by at least 30% by 05/2022	Consumption of single-use carrier bags has dropped by 10.26% compared to the previous year.	
Reduction in the use of knot bags by at least 30% by 05/2022	Consumption of knot bags declined by 25.12% year-on-year, and by 33.04% compared to the baseline year.	
Elimination or optimisation of packaging in the fruit and vegetable segment.	Data collection on packaging types and materials used has begun.	
Information and awareness-raising		
Preparation of information on packaging and packaging materials for Fruchtkontore, retailers and end consumers	The materials are produced on an ongoing basis, as needed.	
Preparation of information, including recommendations, for independent retailers on the topic of “Packaging for loose goods”	The materials are produced on an ongoing basis, as needed.	
Selection and implementation of a pilot project for eliminating packaging	Assessment for additional potential projects is under way.	

ASSESSING RECYCLABILITY

and of the ecological benefits of newly launched or optimised products and the certification of raw materials for bio polymers

→ The WWF provides EDEKA with advice on how to design private-label packaging so as to be more ecologically responsible. Based on the data provided, recommendations for action were made to improve individual articles or groups of articles. The elimination of packaging is always the first choice to be considered. Packaging that cannot be eliminated must be used sensibly, reduced in volume, and designed in a resource-saving manner. The use of reusable packaging and packaging systems as well as the use of recycled materials is to be stepped up where possible and appropriate, and work is carried out on the recycling-friendly design of private labels.

The elimination of one packaging component was achieved by dispensing with commonly used disposable lids on many private-label milk products in 500-gram cups.

In the bio polymers segment, the WWF requires the relevant certification, such as Bonsucro, RSB or ISCC Plus, for renewable raw materials. The article identified the previous year without a raw material certificate now does meet this standard. The reason for this requirement is that the implementation of certain sustainability criteria in the cultivation of renewable raw materials must be guaranteed. The WWF's position is that certification in accordance with selected standard systems for raw materials is needed, and that manufacturers or suppliers of products must provide proof thereof. Following this year's status survey, EDEKA introduced an additional article based on bio polymers that does not yet have the required raw material certificate. EDEKA is working with the supplier on obtaining the certification.

Photo: Dmitri Ma / Shutterstock

TARGET AGREEMENTS

for packaging-relevant components and cost items

→ This dynamic subject area calls for the definition of targets for a whole range of packaging-relevant aspects. All target agreements are contractually entrenched. The survey of indicators is based on the private-label catalogue 2019/2020. For the target agreements for cost items (carrier bags and knot bags), the year 2017 is taken as the reference year. The baseline for the target agreement "Use of recycled material (PET) in the beverage bottle segment (single-use)" was established this year. Monitoring in relation to the target agreement "Elimination or optimisation of packaging in the fruit and vegetable segment" is scheduled for next year.

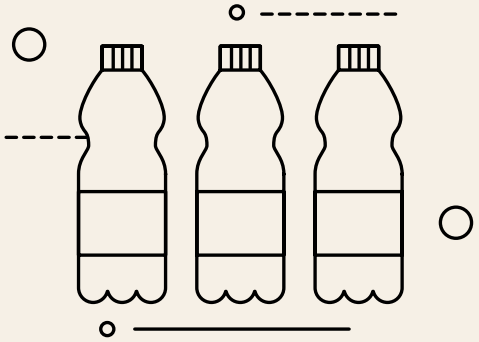
PET BOTTLES FOR BEVERAGES (SINGLE-USE)

Target: *The agreement calls for the gradual introduction of an average of 25% recycled material in the total quantity of material used for all EDEKA private-label PET single-use beverage bottles carrying a deposit. Provided that the technical feasibility without increased bottle weights and material availability and feasibility on the part of the bottling operation can be guaranteed, the changeover should be completed by the end of 2020. A joint assessment and evaluation of current market conditions form the basis for jointly defining a target with regard to the gradual increase in the use of recycled materials in subsequent years. In doing so, upstream and downstream processes are taken into account in Q3/2020. The WWF also advises EDEKA on the issue of optimising materials and adhesives for labels.*

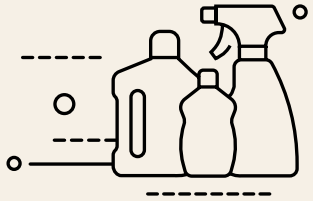
In addition to the recyclability of packaging, the use of secondary raw materials is an important factor contributing to the sustainable use of resources. Given the considerable sales volumes in this segment, a powerful directional impulse can be expected here. The establishment of a baseline taking into account all relevant articles and the total amount of material used, recorded in tons, resulted in 94 articles amounting to a total quantity of PET material of 18,730 tons. Some individual containers already consist of secondary materials. However, the average proportion of recyclate material in the total quantity is only 1.48 per cent. – Initial tests involving a focus supplier were successfully completed. Due to the current pricing situation for raw materials, a positive trend towards reaching the sub-target is not yet in sight, however.

	2019
Number of relevant articles	94
PET, in tons	18,730
Proportion of rPET, in %	1.48

Table 7: Indicators for PET bottles for beverages carrying a deposit (single-use) for the 2019 calendar year, based on the private-label catalogue 2019/20.



PET BOTTLES FOR DETERGENTS AND CLEANING AGENTS



Target: *For all PET bottles for the EDEKA private labels for laundry detergents and cleaning agents in the drug store merchandise segment, the proportion of recycled material used will be increased gradually: by no later than 01/09/2020, at least 30% recycled material is to be used in selected private-label articles. The target is for the use of 100 per cent recycled material by 31/05/2022. To boost recyclability, EDEKA and the WWF continually review the options for optimising label materials and adhesives as well.*

In 2019, 18 articles consuming a total quantity of PET material of 755 tons were identified. On average, the proportion of secondary material used was 17.4 per cent. The trend shows that a changeover to recycled material in the drug store segment is not only possible but already under way. The introduction or further increase of the amount of recycled material in relevant containers was envisaged.

	2018	2019
Number of relevant articles[21]	18	18
PET, in tons	791	755
Proportion of rPET, in%	0	17.40

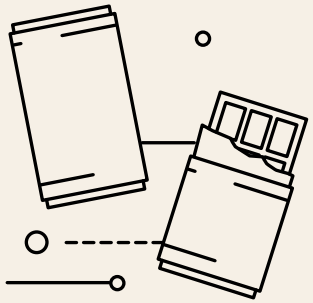
Table 8: Indicators for PET bottles in detergent and cleaning articles, based on the private-label catalogue 2018/19 and 2019/2020.

21 All PET bottles for the EDEKA/Netto Marken-Discount private labels for laundry detergents and cleaning agents in the drug store merchandise segment.

ALUMINIUM

Target: *To achieve a maximum reduction or elimination of aluminium in specified EDEKA articles or article groups by 01/09/2021 at the latest, with special emphasis on aluminium coatings in beverage cartons and packaging board for other liquids and on aluminium foil in the sweets segment. The widening of the target to include additional articles (or article groups) will be continued and decided upon following joint consultation.*

Aluminium is a packaging material with many applications. In its pure form, it is high-value recyclable material. However, when bound or vapour-deposited on substrates, it is very difficult to recover. It is therefore important to use aluminium only where it is makes sense to do so, and to otherwise limit its use as far as possible. Due to the rapid changes in the product range, the percentage of the total quantity



of aluminium used in all articles in the affected product groups is determined annually. This year there were 126 articles in the beverage cartons/sweets segments, with an average aluminium content of 4.56 per cent by weight. Compared to the previous year (95 articles), an overall reduction in the aluminium content of 0.48 percentage points was achieved, despite the increased number of articles. The search for ways to further minimise the aluminium content in packaging without compromising product protection will continue in the future through constructive dialogue with (upstream) suppliers.

	NUMBER OF RELEVANT ARTICLES		ALUMINIUM CONTENT IN PER CENT BY WEIGHT	
	2018	2019	2018	2019
Beverage cartons[22]	89	123	4.74%	4.46%
Chocolate[23]	6	3	16.22%	15.48%
Total	95	126	5.04%	4.56%

Table 9: Indicators for aluminium for the 2018 and 2019 calendar year, based on the private-label catalogue 2018/19 and 2019/20.

22 According to the target agreement, relevant articles are: Dairy products: Milk & mixed milk beverages, vegetable-based alternatives, condensed milk, long-life whipping cream; non-alcoholic beverages, beverages containing fruit, vegetable juices; alcoholic beverages: table wine, sangria, mulled wine.

23 According to the target agreement, relevant articles are: Chocolate (bars).

24 According to the target agreement, relevant articles are: Screw caps on glass containers: Fish, fish marinades & other fish products, boiled sausage, canned fruit, canned vegetables, pickled products, canned fish, ketchup, seasoning and delicatessen sauces, mayonnaises, remoulades, salad dressings, (coconut) oils, fruit spreads, honey, nut and chocolate spreads, other spreads, shrink capsules: alcoholic beverages in glass bottles (wine, sparkling wine), sleeves (shrink foil): mixed milk beverages, smoothies, yoghurt drinks, fats, dressings, ice tea, green tea.

PVC

Target: *To achieve a maximum degree of changeover from PVC to PVC-free alternatives for selected EDEKA articles or article groups by 01/09/2021, for example, in screw caps on glass containers, shrink capsules for alcoholic beverages in glass bottles, and shrink foil. The widening of the target to include additional articles (or article groups) will be continued and decided upon following joint consultation.*

The synthetic substance polyvinyl chloride (PVC) is used in a number of food packaging applications. However, PVC is also the subject of criticism and public debate: so-called plasticisers in soft PVC can lead to problems; PVC can contaminate other materials during mechanical recycling. A separate material stream for PVC does not currently exist, and PVC-free alternatives are therefore being explored for selected article (groups).

Due to the rapid changes in the packaging inventory, the WWF is evaluating all PVC-relevant articles in the affected merchandise divisions every year. This year 89 articles were identified. This represents a marked change since the previous year (237 articles), and it shows that a changeover to PVC-free alternatives is already an option and is in fact happening – especially with lid seals. Due to the sensitivity of the information, it has proven difficult to find out whether suppliers have changed over to substitute materials, and if so, what those materials are. Ways will be sought in future to both protect the know-how of (upstream) suppliers and learn more about any alternatives they use.

NUMBER OF ARTICLES CONTAINING PVC IN SELECTED ARTICLE GROUPS

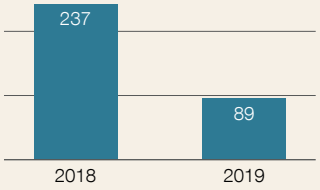


Fig. 10: Number of relevant articles[24] containing PVC, based on the private-label catalogue 2018/19 and 2019/20.

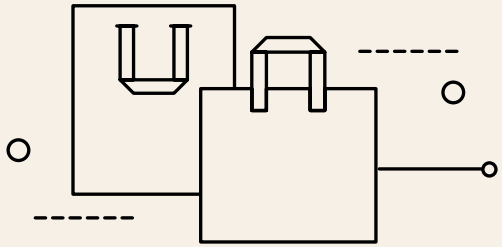
CARRIER BAGS

Target: *To achieve a reduction of all single-use carrier bags (plastic and paper) procured and sold via EDEKA Zentrale by at least 30 per cent by no later than 31/05/2022, without increasing the consumption of multiple-use alternatives in the process. Where carrier bags are still needed, the aim is for them be used for extended periods. Preferable alternatives are carrier bags made of plastic containing at least 80% recycled material or a biological/ natural substance that meets an ecological standard recognised by the WWF. The measures are supported by information and communication campaigns using suitable channels of communication (including those reaching beyond the Point of Sale).*

The production, sale and use of carrier bags is resource-intensive. A primary objective is therefore to reduce overall consumption by eliminating or reusing such bags. We need to find ways to encourage careful and responsible use of carrier bags.

The evaluation shows that between 2017 and 2019, in terms of total numbers, the consumption of single-use carrier bags declined by 10.7 per cent. At the same time, the consumption of materials rose by 0.66 per cent, however. Differences are evident when comparing plastic and paper: while the consumption of plastic single-use bags (number of units per square metre of sales floor space) fell by 30.49 per cent, the number of single-use paper bags (number of units per square metre of sales floor space) sold rose by 37.99 per cent in the same period.

This is in line with the current trend: consumption of plastic carrier bags continues to decrease, but the sale of paper bags is increasing significantly. To counter this trend, it will be necessary to pursue an even more active involvement of the independent EDEKA retailers and of the consumers. In future, both these groups need to be more strongly motivated to forego the use of carrier bags or to re-use them for extended periods.



NUMBER PER M² OF SALES FLOOR SPACE

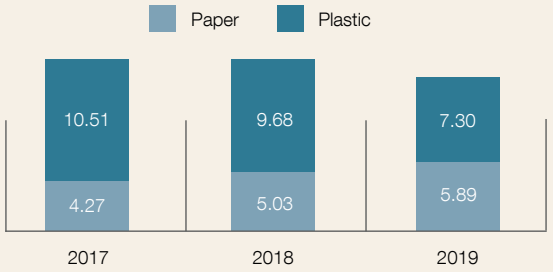


Fig. 11: Number per m² of sales floor space at EDEKA stores, 2017 to 2019.

QUANTITY OF MATERIAL IN KG PER M² OF SALES FLOOR SPACE

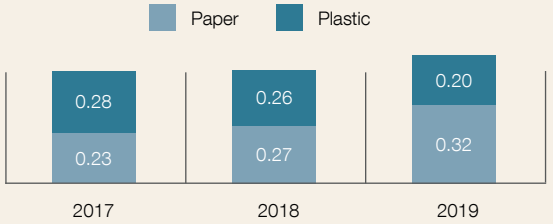


Fig. 12: Quantity of material in kg per m² of sales floor space at EDEKA stores, 2017 to 2019.

MORE ON THE SUBJECT OF PACKAGING AT:

www.edeka.de/wwf/verpackungen
www.wwf.de/edeka-verpackungen

KNOT BAGS

Target: *To achieve a reduction in the number of knot bags purchased via the EDEKA Zentrale by at least 30 per cent no later than 31/05/2022. The campaign is supported by joint information and communication measures promoting – even beyond the Point of Sale – the elimination or the prudent use of knot bags.*

When it comes to knot bags, the issue is not so much one of substitution, that is, replacing them with an assumed better packaging material, but an actual reduction in the numbers and in the quantity of materials used. The objective is to eliminate them.

The evaluation shows that the number of knot bags issued to EDEKA stores (number of bags per square metre of sales floor space) has declined by 33.04 per cent compared to the baseline year. Material consumption fell by 33.23 per cent over the same period.This means that EDEKA managed to reach the sub-target of a reduction by at least 30 per cent by 05/2022 ahead of schedule. To continue this trend, the existing information and accompanying communication will be sustained or even expanded.

The same goes for the involvement and targeting of the independent EDEKA merchants and the end consumers.

KNOT BAGS PER M² OF SALES FLOOR SPACE

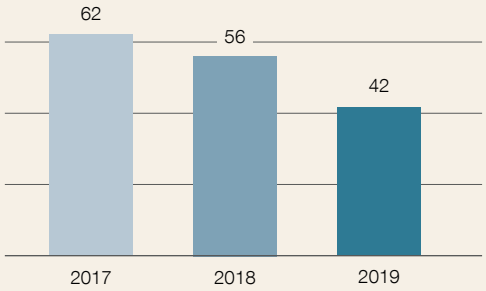


Fig. 13: Number per m² of sales floor space at EDEKA stores, 2017 to 2019.

QUANTITY OF MATERIAL IN KG PER M² OF SALES FLOOR SPACE

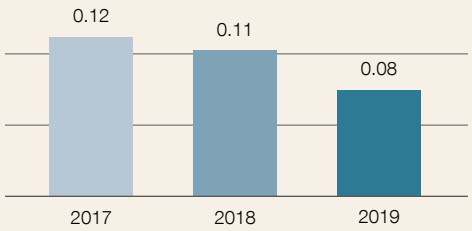
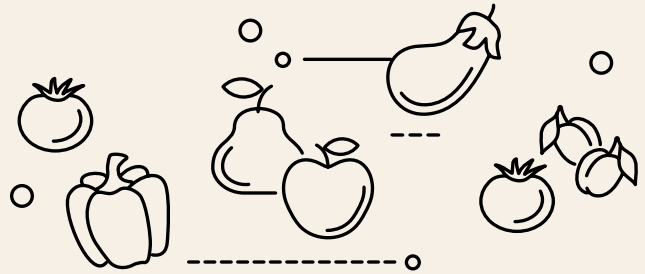


Fig. 14: Quantity of material in kg per m² of sales floor space at EDEKA stores, 2017 to 2019.

FRUIT AND VEGETABLES



Target: *Development of a timetable for eliminating or optimising packaging in the fruit and vegetable segment for the entire EDEKA private-label product range, at the level of individual articles. The individually developed measures will be completed no later than 31/05/2022.*

In food retailing, fresh produce such as fruit and vegetables is often not only presented in loose form, but also sold pre-packaged by the producer. This practice is increasingly being viewed critically. What is needed are solutions that take into account a change in environmental awareness as well as the scientific facts regarding the global consumption of resources.

In the case of selected organic fruit and vegetables, EDEKA is already doing without the packaging entirely, instead labelling the food products directly using high-resolution lasers. Conventionally grown and organic cucumbers, which the EDEKA fruit division is purchasing centrally and delivering to the retailers, are now being offered without packaging.

More extensive data collection on packaging types and materials used has already begun. The goal for 2021 is a monitoring effort based on data that also contains concrete conversion plans for the elimination and optimisation of packaging for selected (groups of) articles.

INFORMATION MANAGEMENT

→ EDEKA and the WWF constantly provide the Fruchtkontore, the retailers and end consumers with information about packaging and packaging materials. The WWF prepares individual, target group-specific fact sheets and background information, for example, and also develops concrete communication measures.

In its fruit and vegetable departments, EDEKA continues to encourage people not to use knot bags and paper bags. Carrier bags made of plastic with a high recyclate content bear an appeal urging consumers to re-use the bags (see photo). Information displayed at the fresh food counters explain the locally implemented concept of multiple-use containers and encourage the continued use of these containers.

The manual on recyclable design for private-label packaging, which was developed the previous year on the basis of the minimum standard at the Zentrale, was developed further. It is intended for internal use and contains numerous recommendations on how to extend the useful life of valuable substances for as long as possible. EDEKA added to the information on how to separate private-label packaging for correct disposal in private households that was prepared last year to include additional articles. Retailers and customers receive information on the importance and correct use of disposal and recycling systems through various media and communication channels.

ACCOMPLISHMENTS

SUB-TARGET		PROGRESS ACHIEVED	
Selection and implementation of a pilot project for eliminating packaging at fresh food counters	The pilot project was implemented and expanded. Additional systems already in use with EDEKA merchants were also implemented.	06/2019	✓
Description of different types of packaging (development of the ratings system)	The systematic description has been completed and prepared in table form.	06/2017	✓

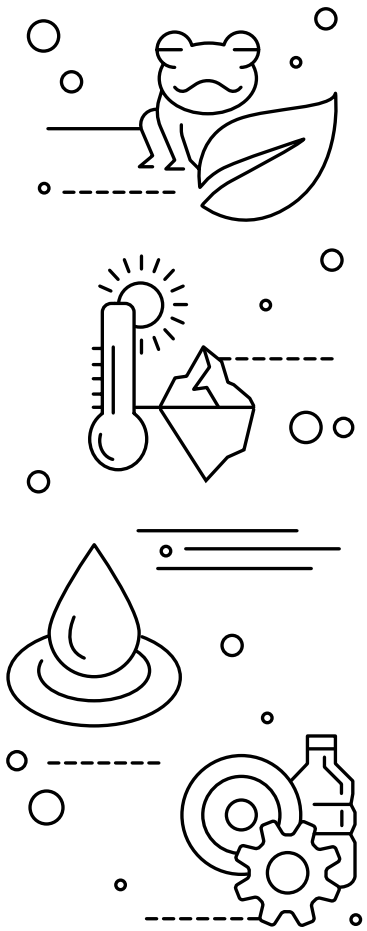
2.8 PROCUREMENT MANAGEMENT

Photo: Aldo Pavan / gettyimages

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA PROCUREMENT MANAGEMENT

This subject area contributes to various SDGs: if, for example, deficiencies are found in the water supply or the sanitary facilities during future supplier assessments, improvement measures would be implemented here together with the producer and/or supplier. As the targeted measures are based on environmental, social and economic risk assessments, the procurement management of critical agricultural commodities takes into account all three pillars of sustainability and potentially improves practices in the relevant supply chain. Training sessions, for example, contribute to the correct use of personal protective equipment when applying pesticides. Inefficiencies in the use of fertilisers or in energy consumption (fuel, electricity) can be addressed by carrying out systematic soil and foliar analyses that help implement needs-based fertilisation practices. Achieving a higher proportion of organic fertilisers and the build-up of humus in the soil are also potential measures for soil improvement and can likewise contribute to climate protection. Risks in the procurement of agricultural commodities are determined systematically and mitigated – if possible in co-operation with suppliers and producers. In this way, the subject area promotes more responsible production, climate protection and sustainable consumption. In the procurement of agricultural raw materials, the fundamental goal is to give preference to, promote and implement ecological, environmentally friendly production methods, for example through integrated pest management, needs-based fertilisation, crop rotation and the build-up of humus.

MANAGING THE PROCUREMENT OF CRITICAL AGRICULTURAL COMMODITIES



EDEKA DETERMINES RISKS INHERENT IN AGRICULTURAL SUPPLY CHAINS

The cultivation of agricultural raw materials is often accompanied by ecological and social problems. Even before fruit like avocados or mangos are transported from Mexico, Chile or Peru to all regions of the world, they have already left their mark: pesticides harm both the health of people and the natural environment. Agricultural land displaces ecosystems, and with them biodiversity. Large amounts of greenhouse gases are released during the production and application of fertilisers. Monocultures and disrupted economic cycles cause erosion and lead to soil salinity, rendering soils incapable of retaining nutrients, water, and CO_2. Workers endure unsafe working conditions with low incomes, poor equipment and inadequate training. The list of consequences is long. As one of Germany's leading food retailers, EDEKA decided to investigate the origin and growing conditions of its fruit and vegetable products, and to systematically incorporate sustainability aspects into procurement decisions.

AGAINST BLIND SPOTS IN THE SUPPLY CHAIN

To this end, EDEKA procurement is provided with information on existing procurement risks and the available options for mitigation. The risks associated with specific raw materials and countries of origin are first examined using carefully selected indicators covering environmental aspects, social affairs and the security of supply. Based on this assessment, the personnel in charge of procurement can gain a an initial impression of the risks associated with individual raw materials in the sourcing countries, and what the starting points for risk reduction are.

BRINGING INTERRELATIONSHIPS INTO FOCUS

In the second step, supplier assessments (Farm Sustainability Assessments) are designed to make the actual conditions in the supply chain transparent with regard to the risks identified. Here, agricultural operations supplying EDEKA are inspected and assessed using external audits and self-assessments, examining aspects like the protection of ecosystems, resources and water, the controlled application of fertilisers, and waste management. Where deficiencies are identified, improvement measures such as management or staff training are defined in collaboration with the supplier. Two pilot assessments are currently in progress. Thus the "procurement management for critical agricultural commodities" uses a multitude of environmental, social and economic criteria to work towards improving agricultural supply chains.

PARTNERSHIP TARGETS

in the subject area Procurement Management of Critical Agricultural Commodities

→ The subject area Procurement of Critical Agricultural Commodities is intended to give EDEKA – and especially the Group's procurement activities – a comprehensive insight into current procurement risks specific to commodities. These risks can be identified and minimised by means of a procurement management web tool that was specially developed in house. Risks thus identified are primarily any negative consequences for the environment and people in the countries of cultivation, for example through the use of pesticides or non-compliance with social standards, brought about as a result of raw material production. The tool also helps in the strategic implementation of risk mitigation measures in the supply chain, for example by only purchasing certified raw materials of a certain type, and by raising awareness of the risks among suppliers through training. The partners plan to approve such risk minimisation measures by 31/05/2022. In the introductory phase, several modules of the web tool, such as raw material and supplier profiles and supply chain comparisons, are being developed together with the Fruchtkontore. In parallel, the environmental costs caused by EDEKA are calculated. Progress made in the minimisation of procurement risks are monitored and evaluated regularly. As part of their joint lobbying activities, EDEKA and the WWF document this market transformation to the outside world as well, with the aim of motivating others to follow their example.

FOR MORE ON THE SUBJECT ARE PROCUREMENT RISKS, SEE:

www.edeka.de/wwf/beschaffung
www.wwf.de/edeka-agrarrohstoffe

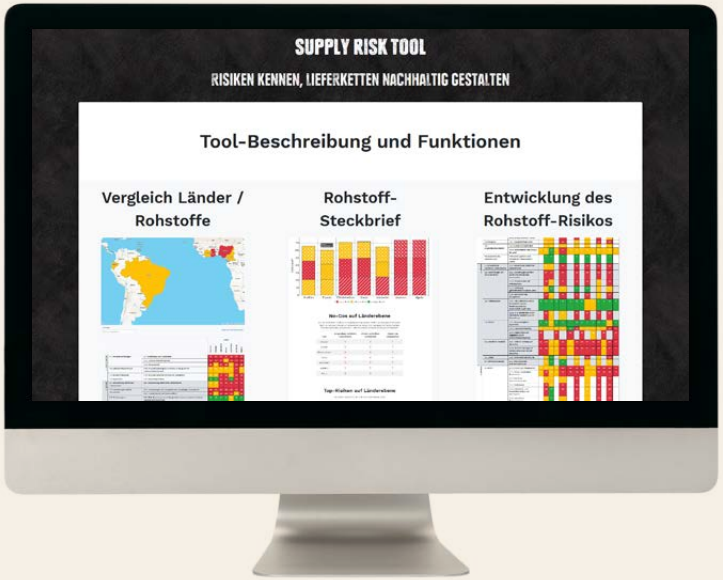
TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET		STATUS 30/06/2020	OUTLOOK
Development of a web tool for identifying and reducing procurement risks in connection with critical agricultural commodities	↗	The overall architecture and a draft version of the user interface for the EDEKA Supply Risk Web Tool, including the first modules – Risk Analyses and Raw Materials Profiles – have been completed.	
DEVELOPMENT OF SEVERAL WEB TOOL MODULES			
Supplier profiles by 31/03/2019	→	EDEKA joined the sustainability initiative SAI Platform. Until June 2020, the pilot project could not be launched due to supplier failures.	
Supply chain comparisons until 31/05/2019	→	This module is partly based on the supplier profiles module. The development work will commence following the launch of the supplier assessment tool.	
Determination of EDEKA's ecological and social impact until 30/09/2018	→	The analysis of the environmental costs of the citrus project in Spain was broadened to include a comparison with the environmental impacts of organic farming.	
Development of a monitoring system for the reduction of procurement risks and project progress until 28/02/2019	→	An initial indicator for measuring progress has been developed. It is to be used for the progress report 2021.	
Target agreement for reducing existing risks until 31/05/2019	→	A decision on target agreements can only be made on the basis of additional information.	

DEVELOPMENT OF A WEB TOOL

for identifying and reducing procurement risks in connection with critical agricultural commodities

→ In the period under review, the development of the web tool made further progress: it is already available now, on the web page supplyrisktool.edeka. EDEKA users are currently testing the functions of the modules that are already implemented: “Risk Analysis” and “Risk Profiles”. User feedback is being collected and integrated into further development. The tool’s architecture allows the modules that are still under development – “Supplier Profiles” and “Supply chain comparison” – to be added in stages.



DEVELOPMENT OF SEVERAL WEB TOOL MODULES

→ In October 2019, EDEKA became the first German food retailer to join the SAI Platform, an initiative for sustainable agriculture in food supply chains. Members are able to use a supplier assessment tool that has already been tested on this platform, and it is now being used as the basis for EDEKA’s “Supplier Profiles” module. It provides EDEKA with a systematic overview of the exposure to ecological and social risks on the part of its suppliers and upstream producers. Prior to the large-scale roll-out, a trial run with a number of suppliers is designed to provide information regarding their own assessment of the supplier ratings. However, due to the extraordinary burdens placed on farms due to the corona pandemic (e.g. maintaining supply chains, shortage of harvest workers), planning was postponed by mutual agreement until the situation had eased.

DETERMINATION OF EDEKA’S ECOLOGICAL AND SOCIAL IMPACT

→ Last year EDEKA arranged for the determination of the environmental costs resulting from the citrus project, including a comparison with the costs resulting from conventional orange cultivation. During the period under review, this analysis was complemented to include a comparison with organically grown oranges. The environmental costs determined in this way help EDEKA assess how the impact of water consumption, greenhouse gases, pollutants and land use for the project oranges cultivated at the Iberesparragal pilot farm compares with organic cultivation practices, and also identify further potentials for improvement.

The environmental cost analysis is already under way on three additional project plantations, and it now also includes for the first time newly collected data on fertiliser use in the citrusproject. This allows for an even more representative and more accurate assessment of the environmental impact as well as of the reduction in environmental costs for the project that have been achieved to date.

The same approach is being used to assess the ecological impact of the WWF-EDEKA banana project in Ecuador and Colombia. The analysis measures the impact of project measures for two farms each in Ecuador and in Colombia and draws conclusions for future project decisions. A presentation of the results is yet to take place.

DEVELOPING A MONITORING SYSTEM

for the reduction of procurement risks and for measuring project progress

→ The basis for monitoring progress in reducing procurement risks is an inventory of current risk exposure in agricultural supply chains. EDEKA and the WWF decided to start by determining, as a first key indicator, the proportion of the most important fruit and vegetable varieties (per reference country) whose sustainability performance has been confirmed by recognised certification systems. This indicator can be used to draw conclusions about the transparency and risk level of the respective supply chains. The next step is to define development targets for risk reduction and to agree on further key indicators that can be used to monitor progress achieved.

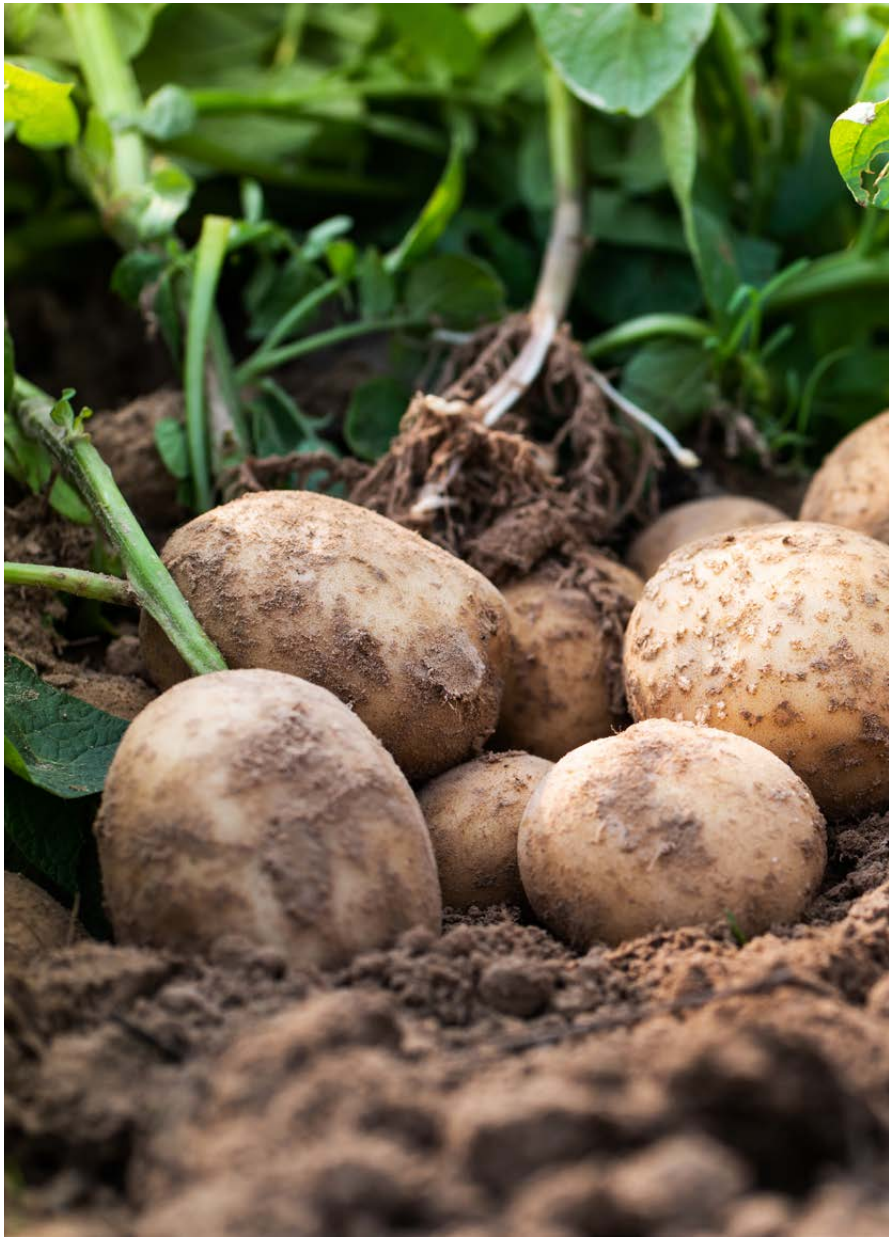


Photo: nednapa / Shutterstock

ACCOMPLISHMENTS

SUB-TARGET		PROGRESS ACHIEVED	
Risk analyses	A total of 234 risk analyses have been prepared.	06/2017	✓
Rapid-response analyses	A rapid-response analysis was prepared and handed over to EDEKA within two weeks.	07/2019	✓
DEVELOPMENT OF SEVERAL WEB TOOL MODULES			
Pilot group for the development and adaptation of the modules	Members were appointed, and work meetings of all relevant actors were set up. The pilot group is working on the content of the web tool modules.	06/2018	✓
Raw materials profiles until 30/09/2017	Feedback on content received from EDEKA users was incorporated into the 32 raw materials profiles already prepared.	06/2018	✓
Updates of prepared risk analyses until 31/05/2019	34 risk analyses from 2013/14 and 22 risk analyses from 2014/15 were updated.	06/2019	✓

3 AGRICULTURE PROJECTS

Photo: Frank Gottwald

3

JOINT PROJECT FOR A BETTER ORANGE AND A BETTER MANDARIN

3.1

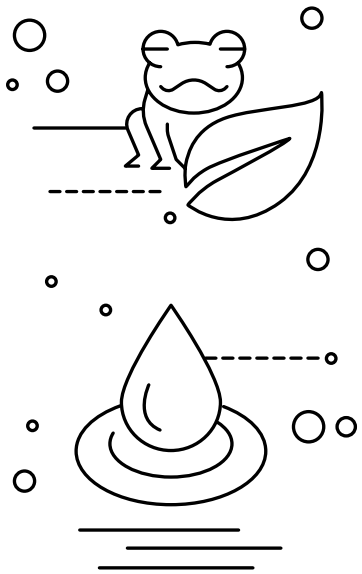
Photo: Bjorn Kristensen / Shutterstock

3.1

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE PROJECT FOR A BETTER ORANGE AND A BETTER MANDARIN

On the project farms, EDEKA and the WWF implement measures designed to achieve efficient irrigation adapted to climate change, and through the work on Water Stewardship they are engaged beyond the boundaries of the individual cultivated areas in promoting responsible water use throughout the river basin. Reduced use of agrochemicals and the improvement of soil fertility by building up humus make an important contribution to climate protection. In this way, the producers improve their cultivation and water management systems, manage their plantations in a more resource-friendly way and promote biodiversity. Within the EDEKA product range, this holistic approach has led to a steady increase in the share of sustainably produced conventional oranges and mandarins.

THE CITRUS PROJECT



PROMISING APPROACH FOR A MORE SUSTAINABLE USE OF WATER

Climate scientists expect available water resources to become much scarcer in the near future. The effects of climate change can already be seen and felt quite clearly. The year 2019 was particularly dry – even by standards prevailing in southern Spain – with less than 250 millimetres of precipitation per square metre in some places. Andalusia, where the project oranges are grown, suffers from water shortages. The record low rainfall over the last 17 years prompted the water authority to declare a drought alert and to significantly restrict water use rights for agriculture. In the citrus project "for a better orange and a better mandarin", EDEKA and the WWF work towards making the conventional cultivation of these fruit increasingly more environmentally friendly.

SAVING WATER THROUGHOUT THE GUADALQUIVIR RIVER BASIN

As part of the citrus project, more sustainable water use on the farms and in the river basin is therefore a key issue. Measures to achieve more sustainable water use have been implemented in Andalusia since 2015 in efforts to improve conventional cultivation of oranges and mandarins in southern Spain in the long run, and the measures have been gradually expanded since 2017. Through a continuous process of consultation, best practice examples as well as the use of technologies such as soil moisture probes, the farms are working towards more efficient irrigation. The shared goal is to save as much water as possible while ensuring both high quality and a high volume of production. The amount of water saved on what are now almost 1,000 hectares of cultivated land in the entire Guadalquivir river basin shows that citrus fruit cultivation can be adapted to changed climate conditions.

NATURE RECLAIMS THE PLANTATIONS

The massive overexploitation of natural water resources in the past decades has also had damaging effects on the region's unique biodiversity. The Doñana National Park at the mouth of the Guadalquivir River, Spain's most important wetland that serves as a resting place for countless migratory birds, is acutely endangered due to declining water resources. The citrus project brings nature back to the cultivated land. In concert with a drastic reduction in the use of pesticides, the targeted measures to re-establish ecosystems on the farms are already having an effect. In 2019, almost five times more ladybird species were counted on the plantations than at the start of the project – as well as 72 different bird species, 13 mammal species and twelve reptile and amphibian species. These include rare and shy animals such as the badger, otter, mongoose and garden dormouse, or even the pearl lizard, Europe's largest lizard. It can reach a length of up to 65 centimetres and is under strict protection.

GENERAL PROJECT INFORMATION

Project	**Joint project for a better orange and a better mandarin**
Growing regions	Andalusia, Spain
Marketing	– Oranges: available at EDEKA stores throughout Germany (since 2017) and Netto stores (since 2018), approximately from October to May – Mandarins: available at EDEKA stores throughout Germany and sometimes at Netto stores (since 2018), approximately from December to February
Project targets	**Improvement in cultivation in the following priority areas:** – Responsible water use on farms and in the river basin – More sustainable crop protection – Additional measures representing good agricultural practice, in particular more sustainable use of fertilisers and the enhancement of soil fertility – Preserving and fostering biological diversity and ecosystems
Number of project farms	12 farms in Andalusia
Total area under cultivation	939 hectares

Photo: Christian Schmid

Fig. 15: Location of the project farms in Andalusia, Spain.

PROGRESS IN THE PROJECT YEAR 2019

Responsible water use on farms and in the river basin

→ All producers taking part in the project are commited to saving water. Soil moisture probes have been mandatory since 2019. This technology also entails significant investment costs, but the probes provide valuable findings and thus arouse the interest and approval of producers. The system makes it possible to adjust the irrigation schedule for citrus trees by factoring in precipitation, outside temperatures and soil conditions, thus precisely tailoring it to the needs of the trees. For citrus fruit producers, this represents an enormous optimisation – as well as a means to safeguard their future.

In the area of "Water Stewardship", joint activities in the river basin were carried out for the first time in 2019. A clean-up operation on the banks of the Guadalquivir River running past one of the project farms saw the participation of producers and advisors from other farms as well as the project team and even representatives of the local community. The operation was the perfect opportunity to create a shared awareness about using water resources responsibly (Fig. 17).

WATER SAVED ON THE PROJECT FARMS
(in million litres)

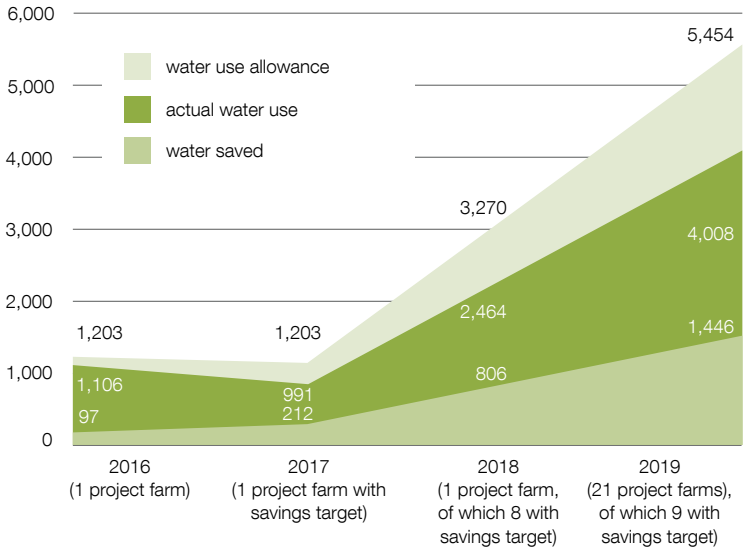


Fig. 16: Water saved on the project farms, in million litres The total amount of water use allowed increases in 2018 and 2019 due to the expansion of the project to 9 and then 12 project farms respectively. Measures for mandatory water reduction only take effect from the second year of participation, i.e., in 2019 the savings targets applied to 9 project farms.

Photos: Alex Fernández Poulussen

Fig. 17: Rubbish is collected from the river banks during a joint action in the Guadalquivir river basin.

MORE SUSTAINABLE CROP PROTECTION

→ A sustained positive trend could also be observed in the use of crop protection agents. This is the result of all producers having to strictly adhere to the pesticide plan developed as part of the project. Which means that particularly hazardous or critical substances such as glyphosate are taboo right from the outset.[25] Moreover, chemical agents may only be used when the pest infestation has reached a threshold value that could endanger the harvest. Until that point is reached, the respective sizes of the pest and of beneficial insect populations are systematically checked during weekly rounds on each farm, in order to determine whether the natural balance is still sufficient to control pests. The result is impressive: the project farms were able to save over 7,300 litres of pesticides in 2019 compared to the respective year in which they joined the project.

REDUCTION IN THE APPLICATION OF CROP PROTECTION AGENTS

on project farms, by category, 2016–2019 (volume of active ingredients (kg/l) per hectare)

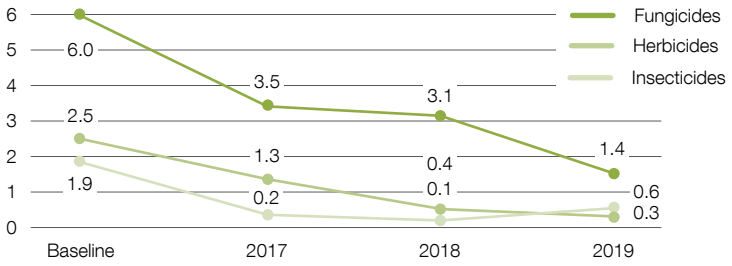


Fig. 18: Change in the volume of crop protection agents used (volume of active ingredients, in kg/l per hectare), by category, 2016–2019, average for the 12 project farms.

25 The primary guidance used for this purpose is the PAN International List of Highly Hazardous Pesticides (HHP) published by the Pesticide Action Network (PAN).

26 Depending on the size of the project farm and the uniformity of the soil, between one and five soil samples were taken per farm to enable targeted action to be taken.

ADDITIONAL MEASURES FOR SOUND AGRICULTURAL PRACTICE

→ Eleven of the project farms are located in areas that are classed as “particularly vulnerable zones with regard to possible nitrate pollution”. Not only the Spanish authorities, but also the project itself put in place special requirements in this respect in order to protect soils and water resources. For this reason, project-internal "Guidelines for Responsible Fertilisation" were adopted in 2019:

- Permissible limits for the application of nitrate fertiliser in "particularly vulnerable zones" must be adhered to, even if project farms are not located in these zones.
- The farms commit to efficient fertilisation practices based on regular leaf, soil, water and root analyses.
- The actual consumption of fertilisers must be documented, and fertiliser application schedules discussed with the project experts and adjusted if necessary.
- Soil fertility, especially in terms of humus content, is to be improved.

COMPLIANCE WITH REGULATORY REQUIREMENTS FOR FERTILISATION USING NITRATES

by the farms in the citrus project, 2019

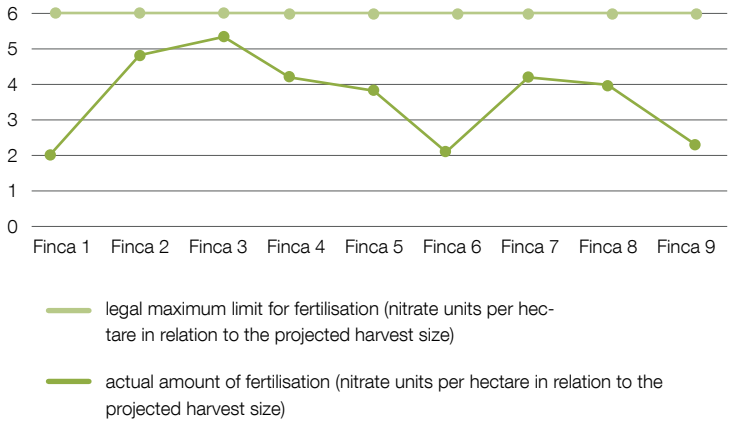


Fig. 19: All project farms comply with the regulatory requirements for fertilisation that apply to "particularly vulnerable zones with regard to possible nitrate pollution".

The humus content varies depending on soil conditions. If the humus content falls below a certain threshold value – if it is "low" or "very low” – there is a need for action to be taken. The analysis of soil samples from nine project farms showed that this was the case for seven out of 19 samples.[26] As a consequence, the five producers concerned undertook to increase the organic content of these lots through additional organic fertilisation. The improvement of soils generally takes time, so that results should be expected in the medium rather than the short term.

PRESERVING AND FOSTERING BIOLOGICAL DIVERSITY AND ECOSYSTEMS

➔ In the year 2019 there was again a strong focus on biodiversity on the project fincas. Regular monitoring has now confirmed the presence of larger animals: 72 different bird species, 13 mammal species and twelve reptile and amphibian species have been identified. They include rare animals such as badgers, otters, mongooses, garden dormice and weasels, as well as Europe's largest lizard, the strictly protected pearl lizard.

Our bio-indicator continues to show a positive trend: since the start of the project, the number of ladybird species had increased from five to 23 by the end of 2019. This shows that, thanks to the measures we implemented, nature is gradually reclaiming the plantations. Project protection protocols were also introduced on three additional farms; these specify concrete measures designed to protect the great grey shrike and the European nightjar. Both species do not normally find ideal living conditions on citrus plantations, because while Great Grey Shrikes like to build their nests in thorny hedges, nightjars prefer to breed on the ground, right under the orange trees. Protection protocols are now in place at ten locations.

Photos: Jesús Quintano

Fig. 20: Protection protocol leads to success: A nightjar with chicks.

Fig. 21: Nightjar protection protocol in action: when eggs of the ground-nesting bird were discovered between the rows of trees, the track was temporarily closed to tractors.

NUMBER OF PROTECTED ANIMAL SPECIES

at the project farms, 2019

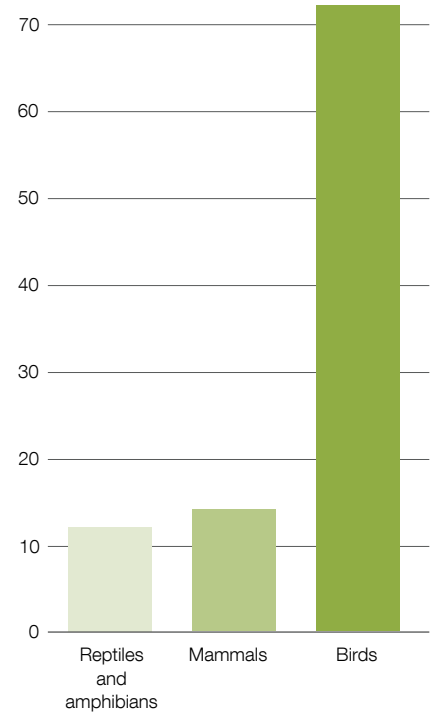


Fig. 22: The project expert for biodiversity regularly monitors the animal species present on the project farms. The census takes into account all animal species listed in the national catalogue of "protected animal species" or named as "protected" or "specially protected" species in Appendices II or III of the Bern Convention.

OUTLOOK

→ EDEKA and the WWF launched the “joint project for better oranges and mandarins” with the ambition to reduce the negative impact of conventional agriculture with targeted measures where the leverage effect is as strong as possible: in citrus cultivation in Spain. To check whether the approach really does live up to this objective, in the 2019 project year the partners used data from the Iberesparragal pilot finca to calculate in an initial analysis how sustainable their orange is, both compared with completely conventionally grown fruit on the one hand, and with fruit from organic cultivation on the other. For this purpose, the ecological costs, that is, the impact of cultivation on the environment, were calculated in the categories water, greenhouse gases, pollutants and land use. The result: oranges from the pilot finca and organic oranges both show clear benefits over conventional cultivation in terms of environmental costs. And: the Iberesparragal orange actually comes out on top, if the environmental costs are assessed in terms of quantity.

This initial comparison of environmental costs has already prompted the WWF and EDEKA to develop and begin to implement additional measures to further improve the joint agricultural project. The aim is further reduce the environmental impact of orange cultivation. To this end, the issue of fertiliser consumption will be given even greater focus in 2020. Further improvements in the areas of soil fertility and biodiversity have the potential to further reduce the still existing “environmental cost gap” to the organic orange.

The project team also plans to work intensively on the strategic and content-related orientation of the project for the coming years. This includes the further consolidation of the existing structures and contents to include more farms and possibly even an additional region: because, while Andalusia is admittedly the most important region of origin for oranges sold by EDEKA and Netto, citrus fruit is also imported from other regions in Spain.

Photo: Christian Schmid

ABOUT ANALYSING ENVIRONMENTAL COSTS

EDEKA and the WWF are already working with an external consultancy firm to refine the methodology used to assess environmental costs. Data from additional project fincas and additional project years is used to include climate as well as location and producer-dependent variability in cultivation and to obtain a representative and holistic picture of the project orange beyond the confines of the Iberesparragal pilot farm. Recent scientific findings, such as the increase in the cost of greenhouse gas emissions mandated by the German Federal Environment Agency in 2019, will also be taken into account. Due to these inclusions, some significant changes to the results of the analysis can be expected.

HABITATS FOR BIODIVERSITY

→ Biodiversity on the fincas is preserved and increased through measures such as the reduced use of herbicides, the installation of nesting boxes and establishment of "biodiversity islands" in irrigation ponds. This allows even larger animals feel at home on the project farms – they are in their personal comfort zone.

LIZARDS

The building of cairns, or mounds of rocks, provide lizards with protection on the fincas. This pregnant Algerian sand lizard has chosen one of the project fincas to breed on. The outlines of two eggs in the lizard's belly can be seen clearly. And the pearl lizard, Europe's largest lizard species which can grow up to 65 centimetres in length, can also be found on the fincas.

Photos: Jesús Quintano

BADGER

Being a nocturnal animal, the badger relies for guidance on its sense of smell, and it is therefore very sensitive to the use of herbicides. On the project fincas, herbicides may only be applied directly under the orange trees. The badger shows its appreciation for this measure through its presence on almost all of the fincas.

SPANISH POND TURTLE

Specimens of the Spanish Pond Turtle are now found in the citrus plantations. The establishment of floating islands on fincas with irrigation ponds allows them to soak up the sun from time to time, which is necessary for them to regulate their body temperature.

KESTREL

Nesting boxes for birds of prey are being installed on all the fincas. A kestrel used one of these nesting boxes to hatch its offspring. The freshly hatched chicks wait to be fed, until one day they themselves will be able to catch mice on the plantations in the surrounding area.

OSPREY

This osprey feels at home on the perches installed for birds of prey. The photo made it possible to evaluate the data on the ring worn by the bird: it was born five years ago in England and travelled over 1,700 kilometres from there to the "El Cerro" project farm. The finca's two retention basins provide the osprey with plenty of fish.

3

JOINT PROJECT FOR A BETTER BANANA

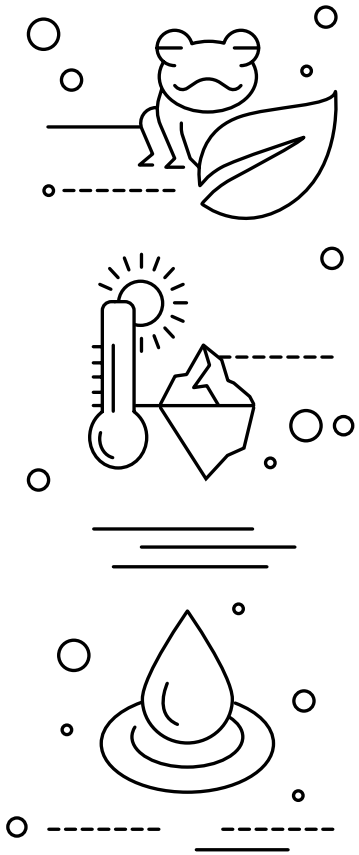
.2

Photo: Denis Ünver / WWF Germany

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE PROJECT FOR A BETTER BANANA

The banana project of EDEKA and the WWF is having a positive impact on a number of SDGs. By phasing out herbicides, creating protection zones around natural ecosystems and using new, precise spraying systems to preserve biodiversity, the project promotes the sustainability goal of “Healthy Living for All”. Terrestrial life as well as the oceans, seas and marine resources benefit from a reduced use of pesticides, because it results in lower levels of contamination of soil, groundwater and inland waters. Sustainable water management on farms, improved sanitation and access to drinking water all have an impact on the SDG 6 – water and sanitation for all. The cross-sectoral river basin platform ensures peace, justice and strong institutions throughout the river catchment area. By focusing on social responsibility, the “better banana” project also boosts sustainable economic growth and ensures decent working condition, with a special emphasis on occupational safety and on compliance with applicable labour rights.

DIVERSITY THRIVES ALONG WITH THE BANANAS



PROTECTION ZONES AROUND PROJECT FARMS IN COLOMBIA AND ECUADOR

Bananas are the best-selling fruit in Germany, right behind apples. Around 85 per cent of all bananas sold in Germany come from conventional production. With the joint project for a “better banana”, Dole, EDEKA and the WWF have set themselves the goal to improve conventional banana cultivation, and with 21 participating plantations in Ecuador and Colombia, they are sending a signal to the world: these growing regions are considered biodiversity hotspots, boasting the most diverse range of species on earth. To protect natural ecosystems such as rivers or forests from the harmful effects of pesticides and to create sanctuaries for wildlife, protection zones are established between cultivated areas and ecosystems. These zones today cover an area of over 87 hectares. Native plants are thriving once again in these areas. Animal species whose habitat was severely reduced by forest clearing are also returning.

SAVING PRECIOUS FRESHWATER THANKS TO OUTSTANDING MANAGEMENT

One source for sustainability is the water management system that has been introduced. Water is becoming ever scarcer in the regions where bananas are grown. Yet bananas require particularly large amounts of water. What is more, the plantations must wash the fruit prior to packing them for transportation. Before the project was launched, very few farms had any idea what their water consumption was. In a joint effort to protect the precious resource of freshwater, the project farms now communicate with other stakeholders in their river basins and work to control and reduce their water consumption and ensure good water quality. Since 2020, the “Alliance for Water Stewardship” certification for two farms in Ecuador and for all twelve project farms in Colombia has confirmed their resource-saving pioneering work.

CLIMATE PROTECTION: IDENTIFYING SOURCES OF EMISSIONS, QUANTIFYING THE AMOUNTS

Banana plantations are feeling the impact of climate change, and they are also contributing to it themselves. For the plantations in South America, weather events like El Niño and La Niña spell extreme. Floods are followed by droughts – and crop failures. Conversely, the farms themselves contribute to the greenhouse effect through their use of mineral fertilisers. To be able to reduce emissions from the project plantations in the long term, the first step to be taken was to identify the main sources of emissions, and to quantify them – an important basis for for achieving a change in awareness.

GENERAL PROJECT INFORMATION

Project	**"Banana project": joint project for a better banana**
Growing region	Ecuador (Los Ríos, Guayas and Cañar provinces) and Colombia (federal state of Magdalena, northern Colombia)
Marketing	– The project bananas have been available at EDEKA stores throughout Germany since 2014 – Since 2015, the project bananas have also been available at supermarkets of the Swiss retail chain Migros
Project targets	**Subject areas associated with banana cultivation:** – protecting the ecosystem rain forest and its biodiversity – protecting precious freshwater from contamination, and conserving water – improve waste disposal and assist with the establishment of a waste management system – conserving soils and optimising the use of pesticides – accurate dosing of fertiliser and identification of sources of greenhouse gases – assuming social responsibility for health protection and job security for the workforce
Number of project farms	**21 plantations –** 12 in Colombia, 9 in Ecuador
Total area under cultivation	approx. 4,000 hectares

PROJECT PROGRESS 2019 – OVERVIEW

→ The year 2019 saw important progress in various subject areas: In water management, the farms in both countries took great strides towards certification according to the AWS standard. In the case of pesticide application, the technical equipment on the crop-dusting planes were successfully improved, and adjustments to their flight patterns ensured pesticides do not reach neighbouring ecosystems.

For the start of the second project phase, the partners extended the catalogue of requirements to the landscape and corporatelevel: to assist with the inclusion of the landscape level, awareness-raising workshops on the project's subject areas were held in neighbouring communities in Colombia and Ecuador last year. Farm workers also participated in training on monitoring biodiversity in the protected zones and ecosystems. In Colombia, a co-operative venture with Magdalena University in Santa Marta was established for this purpose.

In terms of external communication, "the better banana" also extended its reach – both in Germany and in the growing countries themselves. The WWF Ecuador and the WWF Colombia produced their own image videos showing partners and farm workers giving their views on the project.

CHALLENGES AND LESSONS LEARNT

DEPARTURES FROM THE PROJECT

Even though EDEKA and the WWF have already boosted their presence on the ground and the plantations do work with the local WWF offices, there is a need for the plantations to become even more integrated at the local level. In 2019 two plantations left the project, at their own request. They had different reasons for doing so: on one farm there was a new management intent on focusing on other farm activities, while the other farm was not fully aware of the added value generated by the project. The project team learnt a clear lesson from this: they need to ensure that the farms have greater clarity regarding the goals and benefits of individual project measures. Change can only be achieved in the long run if the growers have a sound understanding of the concepts involved and can see how these will benefit their farms. This shortcoming will be addressed in the future by stepping up the technical support provided by the experts.

EXPANSION OF AREAS UNDER CULTIVATION

In both Ecuador and Colombia, the productive areas of individual farms were expanded in the year 2019. Because this had not happened before, it was necessary to set up a new process: until the assessment of the newly added areas is complete, a traceability process ensures that no fruit from the new areas will be marketed under the project logo.

REVIEW OF KPIS

In 2019, the 50 project KPIs were extensively evaluated and documented for the first time – a process which proved to be very time-consuming and error-prone, however. Work is under way to develop a digital data-gathering tool to simplify the process and make it more robust.

FUSARIUM TROPICAL RACE 4 (TR4)

Possibly the biggest threat to the entire banana-growing industry finally reached Latin America last year. In August 2019, organic farms in northern Colombia confirmed the presence of the fungus Fusarium Tropical Race 4 (TR4 for short) in the La Guajira region for the first time. To contain the spread of this pathogen as much as possible, strict biosecurity measures were put in place for the farms in Colombia and Ecuador. In some instances, these measures also restrict the ongoing implementation of project measures, for example with regard to ground cover (see the excursus on Integrated Crop Management). Since every person who enters a farm can potentially transmit the pathogen and thus poses a risk, regulations for external visits were tightened.

METHODOLOGY

→ The catalogue of requirements comprises six subject areas and 18 targets. In turn, 77 measures are in place to achieve these targets.

Performance indicators (project KPIs) were defined as a means of measuring progress made in the project. Extensive monitoring is carried out at the farms twice a year. The external auditors also provide consultancy services at such times.

RESULTS OF KPIS FOR OVERARCHING TARGETS FROM 2019*

SUB-TARGET	INDICATOR	2018	RESULT 2019
Establishment of protection zones around natural aquatic and terrestrial ecosystems	Size of protection zone for natural aquatic ecosystems [in ha]	**69.47 ha** 52.46 ha (Ecuador) 17.01 ha (Colombia)	**85.66 ha** 69.25 ha (Ecuador) 16.41 ha (Colombia)
	Size of protection zone for natural terrestrial ecosystems [in ha]	**2.09 ha** 2.09 ha (Ecuador) 0 ha (Colombia)	**2.09 ha** 2.09 ha (Ecuador) 0 ha (Colombia)
Optimisation of water consumption during banana processing	Reduction in water consumption during banana processing, per crate [in %, comparison 2019 consumption vs baseline consumption 2017]	**-40.10%** –21.72% (Ecuador) –52.8% (Colombia)	**-78.63%** -71.85% (Ecuador) -82.07% (Colombia)
	Degree of implementation for AWS certification [in %]	**15%** 2% (Ecuador) 25% (Colombia)	**67%** 22% (Ecuador) 100% (Colombia)
Optimisation of pesticide use	Toxic load[27] per hectare of cultivated land	**2.313 TL/ha** 2.892 TL/ha (Ecuador) 1.735 TL/ha (Colombia)	**2.322 TL/ha** 3.377 TL/ha (Ecuador) 1.530 TL/ha (Colombia)
Sustainable soil management	Density of vegetation cover [in %]	**29.88%** 4.42% (Ecuador) 55.33% (Colombia)	**54.95%** 25.89% (Ecuador) 76.75% (Colombia)
Identifying sources of greenhouse gas emissions, measuring and reducing amounts	kg CO_2e/ha	**9,358.59 kg CO_2e/ ha** 8,395 kg CO_2e/ ha (Ecuador) 10,100 kg CO_2e/ ha (Colombia)	**9,453.58 kg CO_2e/ ha** 9,835.44 kg CO_2e/ ha (Ecuador) 9,157.18 kg CO_2e/ ha (Colombia)
Traceability of solid waste assured	Number of items of protective clothing handed out to workers vs number of items of protective clothing correctly disposed of [in %]	KPIs under review	
Improved occupational health and safety conditions	Number of persons using protective clothing vs total number of persons requiring protective clothing [in %]	**90.32%** 82.11% (Ecuador) 98.54% (Colombia)	KPIs under review

Table 10: Overview of results for project KPIs for 2019 for the overarching targets, by subject area.

* Note: The KPIs for the subject areas of waste management and social responsibility are currently under review and could therefore not yet be determined.

27 To calculate the project's toxic load, the partners use the Toxic Load Indicator (TLI).

EXCURSUS: NATURAL ECOSYSTEMS

Probably the biggest achievement last year was the optimisation of aerial pesticide application systems in order to shield protection zones and natural ecosystems from being polluted with pesticides. This represented a particular daunting challenge because the service provider handling pesticide spraying in Ecuador works not only for farms belonging to the project. Even more error-prone and outdated was the equipment used in Colombia.

Thanks to the intensive joint research carried out by the supplier and the service provider in Ecuador, the equipment on the planes has been greatly improved over the past year. The outcome is that the nozzles through which the pesticides are discharged now shut off much more promptly once the last banana plants have been sprayed. Thanks to this advance, only a maximum of one per cent of overflights now mistakenly discharge pesticides over the protection zones surrounding the fields. In addition, GPS data can also be used afterwards to track where overflights of ecosystems or protected zones occurred, and whether the planes' nozzles were open at the time.

This optimisation also benefits other farms in Ecuador that are working with this service provider. In Colombia, Tecbaco recently took over as service provider for the aerial spraying of pesticides. Here, too, intensive investments were made in new equipment in 2019 in order to achieve similarly good results as in Ecuador in the future.

EXCURSUS: WATER MANAGEMENT

Obtaining certification in accordance with the AWS standard last year proved to be significantly more complex and time-consuming than expected. This certification scheme was newly introduced in the banana industry, and in Latin America it is still quite unknown. Dole and Tecbaco therefore had to provide the plantations with intensive support and had to do an enormous amount of pioneering work. Structures were missing, as were reference values.

The plantations in Colombia already meet some of the requirements for AWS certification, thanks to their active participation and collaboration in the river basin platform "Plataforma de Custodia de Agua", which was launched in 2016 and has since been managed by WWF Colombia. Since no network for collaboration in the river basis existed in Ecuador, these structures had to be newly created. A cautious approach involving just two pilot farms was therefore chosen in Ecuador. The plan is for the remaining plantations to follow their example by the end of 2020.

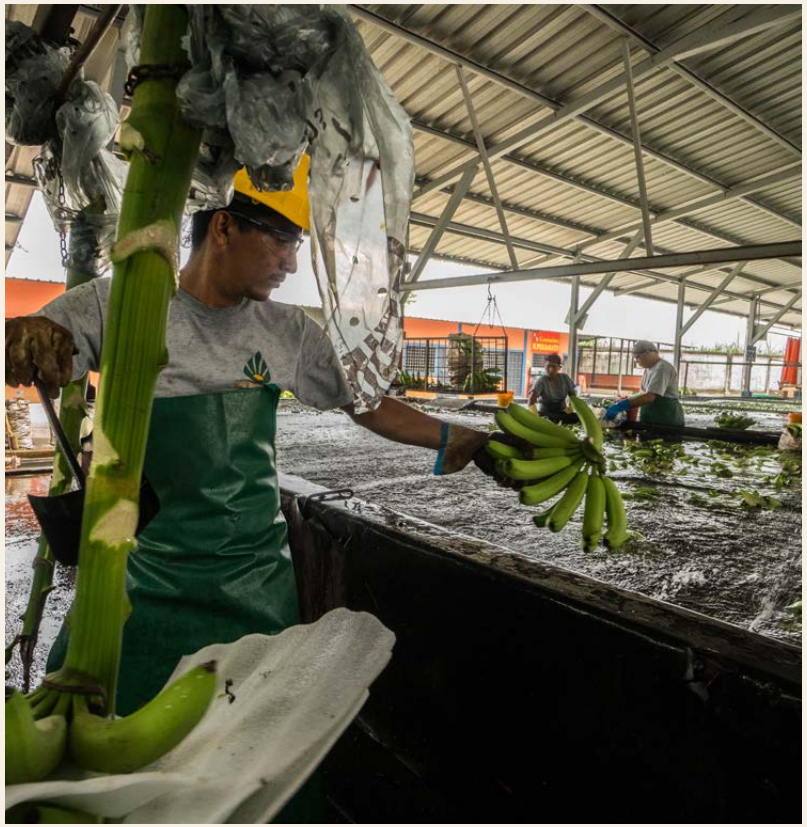


Photo: Denis Ünver / WWF

But the hard work paid off: in December 2019, all the plantations in Colombia and the two pilot plantations in Ecuador officially passed the AWS audit and were awarded their AWS certification.

They are the first plantations in the banana-growing industry to achieve this certification. They are therefore seen as industry pioneers in sustainable water management.

EXCURSUS: INTEGRATED CULTIVATION MANAGEMENT

Originating in plantations in Panama and Costa Rica, the so-called Panama disease, a fungal disease, spread throughout Latin America and Africa in 1890. It completely wiped out the “Gros Michel” banana that was cultivated at the time and led to enormous crop failures. Once infected with Panama disease, the plant withers and eventually dies. Today the fungus, now mutated and known as Tropical Race 4 (TR4), also infects the Cavendish variety on plantations in tropical growing regions. Starting out in Southeast Asia in the 1990s, the TR4 fungus spread through Australia, Africa and the Arab region. In August 2019, Latin America’s first case was confirmed, in Colombia. Both Colombia and Ecuador introduced strict rules (called “biosecurity measures”) to contain the fungus, which is resistant to fungicides. Moreover, the fungal spores are easily transferable via clothing, water or plant material. TR4 can survive in the soil for up to 40 years.

Bringing plant material on to the plantations is therefore prohibited. With seedlings having to be brought in from outside, the plantations in Ecuador in particular are finding it difficult to reach the target of 50 per cent ground cover by the end of 2019. They are therefore using cuttings of previously planted seedlings. Farms in Colombia had it a little easier: simply not using herbicides has allowed a natural and diverse ground cover to thrive here, so no active planting is required. All the farms in Colombia thus successfully reached their 2019 target.

Photo: XXXXXXXXXX

3 AGRICULTURE FOR BIODIVERSITY

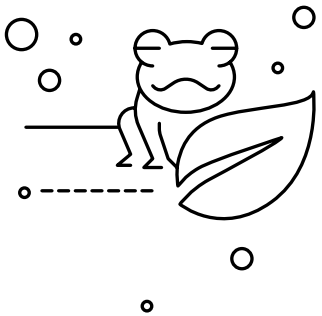
.3

Photo: Claudia Mir

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE PROJECT FOR BIODIVERSITY

The farmers participating in the “Agriculture for Biodiversity” cultivation project combine organic production with species conservation. Not only do they dispense with the need for artificial fertilisers and pesticides; they also adapt the cultivation of arable land and grassland to the needs of the native flora and fauna. Food sources and habitats are thus preserved or newly established. By implementing nature conservation measures on farms in a targeted manner, the project makes a special contribution to the preservation and protection of biodiversity in the agricultural landscape.

CONSULTANCY FOSTERS BIODIVERSITY



The intensification of agriculture has led to a sharp decline in species diversity in Germany as well. Biodiversity is in decline especially in agricultural regions, namely in open, cultivated landscapes. Every second wild bee species is on the Red List of endangered species; one in two farmland birds has disappeared from the European landscape since the 1980s. This means that even animals and plants that used to be typical denizens of fields and meadows, such as skylarks or whinchat, are being displaced by intensified agriculture. Wild-growing field herbs such as sand poppy or larkspur are becoming increasingly rare. The preservation of biodiversity and agricultural practices are closely interrelated. This is precisely the issue that the model project “Agriculture for Biodiversity” is designed to address – a project that EDEKA and the WWF are already implementing in eleven of Germany’s 13 non-city federal states.

SMALL CHANGES HAVE LARGE CONSEQUENCES

The idea is that farms are to receive targeted nature conservation advice in addition to organic certification. The farms implement nature conservation measures that are specially geared towards animal and plant species already present and particularly worthy of protection. Newly established biotopes and landscape structures such as hedges and fringes can then be colonised by these species, and even small changes in management practices have a major impact. Wild field herbs such as the highly endangered lambs lettuce, which prefers nutrient-poor sites, stand to benefit when fertiliser is not used. Wild bees are provided with food and shelter through flowering areas and insect hotels. Field birds, in turn, benefit from the abundance of insects, and they can find shelter in unmown meadows and breed and raise their young there.

BUYING ORGANIC PRODUCTS BENEFITS CUSTOMERS AS WELL AS NATURE

On the plantations of the EDEKA apple juice producer “Sonnländer” near Rostock, for example, the nature conservation module has been in operation successfully since 2019. This involves, among other things, the planting of flower-rich banks and flowering meadows, and the installation of insect hotels and nesting boxes. The result can be seen, and tasted: fresh (not from concentrate) juice of organically grown apples is available at EDEKA throughout Germany. This method of cultivation benefits customers as well as wild bees, butterflies and field birds.

GENERAL PROJECT INFORMATION

Project Name	**“Agriculture for biodiversity”**
Growing region	Germany
Project targets	– Conservation and enhancement of ecosystems and biodiversity – Establishing the nature conservation module for organic farmers – Long-term co-operation between nature conservation organisations and agriculture based on advice from nature conservation experts – Rewarding the implementation of nature conservation measures – Transparency through traceability by means of tracking codes on products
Number of project farms	– Region North: 63 (approved), 6 (in consultation) – Region Southwest: 9 (approved), 45 (in consultation) – Region West/Central: 3 (approved), 12 (in consultation)
Total area under cultivation	– Region North: 37,378 ha (approved), 3,097 ha (in consultation) – Region Southwest: 1,281 ha (approved), 4,895 ha (in consultation) – Region West/Central: 1,664 ha (approved)
Marketing	– Meat and cold meats as well as potatoes: available at EDEKA stores in the region North since 2012. Beef has been available at EDEKA stores in the region Southwest since 2019. Sonnländer organic apple juice is the first product to be available throughout Germany since 2020

→ **“Agriculture for Biodiversity”** – stands for the commitment of organic farmers to implement valuable nature conservation measures for the benefit of native animals and plants in their meadows, pastures and fields. Whether it’s unmown strips of clover grass where butterflies find food, flowering strips along the edge of fields where rare wild field herbs thrive and skylarks can perform their song flight, or species-rich hedges for insects and birds such as the red-backed shrike: the organic farms participating in the project actively promote biodiversity. This much committed action deserves to be rewarded. EDEKA sells products marked with the project logo, depicted below) and the WWF panda at its stores. With every purchase of the now more than 100 different meat and sausage products as well as potatoes and apple juice, buyers are rewarding this unique model project. In 2020, it was once again awarded a prize as part of the UN “Decade of Biological Diversity”.

BIGGEST INCREASE IN THE NUMBER OF PARTICIPATING FARMS SINCE PROJECT LAUNCH

Status as of 30/06/2020

→ “Agriculture For Biodiversity” was launched in the north-east of Germany in 2012. It initially started in co-operation with EDEKA Region North, their meat processing facility and the growers’ association Biopark e.V. From the very beginning, the Leibniz Centre for Agricultural Landscape Research has been in charge of scientific oversight. Since 2019, the project has also been implemented with the EDEKA Region Southwest and EDEKA Southwest Fleisch (meat) as well as with the growers’ association Bioland, and with 45 new farms alone it has recorded the biggest increase here. In 2020, the first pilot farms with new product ranges from North Rhine-Westphalia and Lower Saxony also began to receive nature conservation advice, with “Agriculture For Biodiversity” now being represented in eleven of Germany’s 13 federal non-city states: Baden-Württemberg, Bavaria, Brandenburg, Hesse, Mecklenburg-Western Pomerania, Lower Saxony, NRW, Rhineland-Palatinate, Saarland, Saxony-Anhalt and Schleswig-Holstein. Thanks to the geographical expansion from initially northern, north-eastern and southern Germany to the whole of western Germany, it will be possible within the next two years to offer a nature conservation manual that can be used throughout Germany, with tailor-made measures to promote biodiversity in each region.

By 30/06/2020, a total of 75 operations successfully implemented and documented the additional nature conservation measures. In addition, 65 farms are currently receiving nature conservation advice for the first time and are participating in the conversion to agricultural practices that promote biodiversity. This means that in the reporting period between 01/07/2019 – 30/06/2020, we recorded the largest expansion in the number of farms participating in “Agriculture for Biodiversity” to date: 76 farms in total took part in the project in 2019, and now their number has almost doubled within one year, to a total of 140 participating farms.

WITH SONNLÄNDER FRESH (NON-CONCENTRATE) APPLE JUICE,

a very special apple juice landed on EDEKA shelves in the spring of 2020!

- On 135 hectares, the company Sonnländer Bio Obst GmbH is producing the first nationally listed article sporting the Artenschutz-Plus (Species Protection-Plus] symbol.
- The EDEKA Bio-Apfelsaft – an apple juice made by Sonnländer from organically grown cider apples – is available at EDEKA stores throughout Germany.
- On its plantations near Rostock, Sonnländer mainly focuses on conservation measures for wild bees and butterflies.
- Separately established flowering meadows provide a food supply for insects throughout the summer. Dry plots with low-density tree cover, which prove suitable for wild bees nesting in the soil, were also provided with flowering borders (Fig. 24).
- Suspended bundles of twigs, dead wood left lying on the ground and insect hotels serve as nesting aids (Fig. 23).
- The diversity and abundance of insects in turn provides food for birds such as the red-backed shrike and the tree pipit.

Photo: Claudia Mir

Fig. 23: Insect hotel on open ground

Photo: Frank Gottwald

Fig. 24: Newly established flowering borders

Photo: Claudia Mir

Fig. 25: Apple plantation near Rostock

RESULTS OF THE MONITORING SCHEME

→ The main goal of "Agriculture for Biodiversity" is to protect existing biodiversity and increase species richness by working with the participating farms. How the populations of animal and plant species develop as a result of the nature conservation measures is assessed by means of a monitoring scheme. The monitoring and mapping of selected animal and plant species that are typical of Germany's open agricultural landscape, yet some of which are highly endangered, is carried out by the Leibniz Centre for Agricultural Landscape Research (ZALF) in co-operation with nature conservation advisors.

AMPHIBIANS

The dry conditions experienced in recent years are putting the survival of many animal and plant species at risk. Amphibians in particular were hard hit by the dry early summers. During this period, biotopes like ditches and small water bodies become vital for the spawning of frogs, toads, salamanders and newts. If they dry out, it has fatal consequences for the development of these populations.

Some of the nature conservation measures implemented by "Agriculture for Biodiversity" are focusing on the protection and conservation of amphibians in particular. Since 2016, an average of six to seven, and sometimes up to nine, amphibian species have been identified in 37 small water bodies on land managed by co-operating farms in Mecklenburg-Western Pomerania and Brandenburg every year. Given that there are only 21 species of amphibians throughout Germany, this is a very high number. At least one of the four endangered species that are now rare in Germany (tree frog, fire-bellied toad, spadefoot toad, great crested newt) was found in 90 per cent of the water bodies.

Photo: Frank Gottwald

Fig. 26: Tree frog

WATER BODIES SHOWING AN INCREASE IN SPECIES

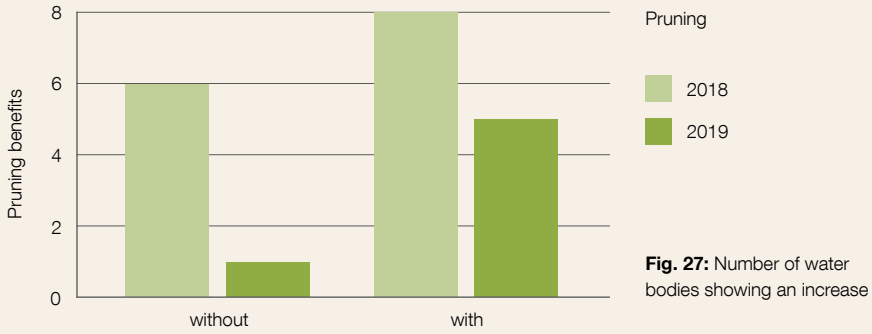


Fig. 27: Number of water bodies showing an increase

In February 2018, vegetation was pruned back at nine small water bodies. These places later harboured twice as many species compared with water bodies where no pruning was carried out. The increase in populations was documented through catches in nets and light traps. Especially during the dry year 2019, animal populations grew significantly more in and around water bodies where vegetation had been removed (Fig. 27). It provided confirmation that this measure significantly improves the habitat and reproduction conditions for amphibians. Ecological management in the surrounding farmland and grassland also creates intact terrestrial habitats for amphibians.

The sometimes heavy overgrowth of trees and shrubs along the banks causes small water bodies to dry out during years with low rainfall. Removal of woody vegetation, preferably on the south side, allows for increased exposure to the sun and thus faster warming of the water bodies, and this is particularly beneficial to heat-loving species such as the tree frog and the fire-bellied toad.

BUTTERFLIES

The “field forage”, a mixture of clover, grasses and/or alfalfa, is home to many skylarks, whinchats and brown hares. For many insects such as butterflies, bees and bumblebees, the flowers are a source of nectar. Several project farms leave flowering strips unmown, so that the animals still have somewhere to retreat to, with the flowers serving as a source of food. The effect of the measures on butterflies is being studied on three of the project farms. From May to August, the number of all butterfly species on the unmown strips was counted six times a year across 5-metre-wide strips of land, and then compared with the numbers found on mown areas as well as on field margins. The total distance covered was about 40 kilometres (2016 to 2018). The results showed that the number of butterflies per 100 metres of unmown land was four times higher. Especially immediately after mowing, the unmown strips of land attract the butterflies – at that time the numbers there are between five to over twenty times higher than on the mown areas during the main flight period. After mowing, some species of butterfly are found almost exclusively on the unmown strips.

A total of 43 butterfly species have been observed in the lucerne-clover grass to date. Twelve of these are classed as endangered or critically endangered on the Red Lists.

TOTAL NUMBER OF BUTTERFLIES

2016–2017 on the Münchehofe farm

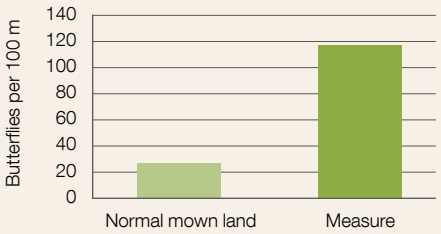


Fig. 28: Number of butterflies and moths.

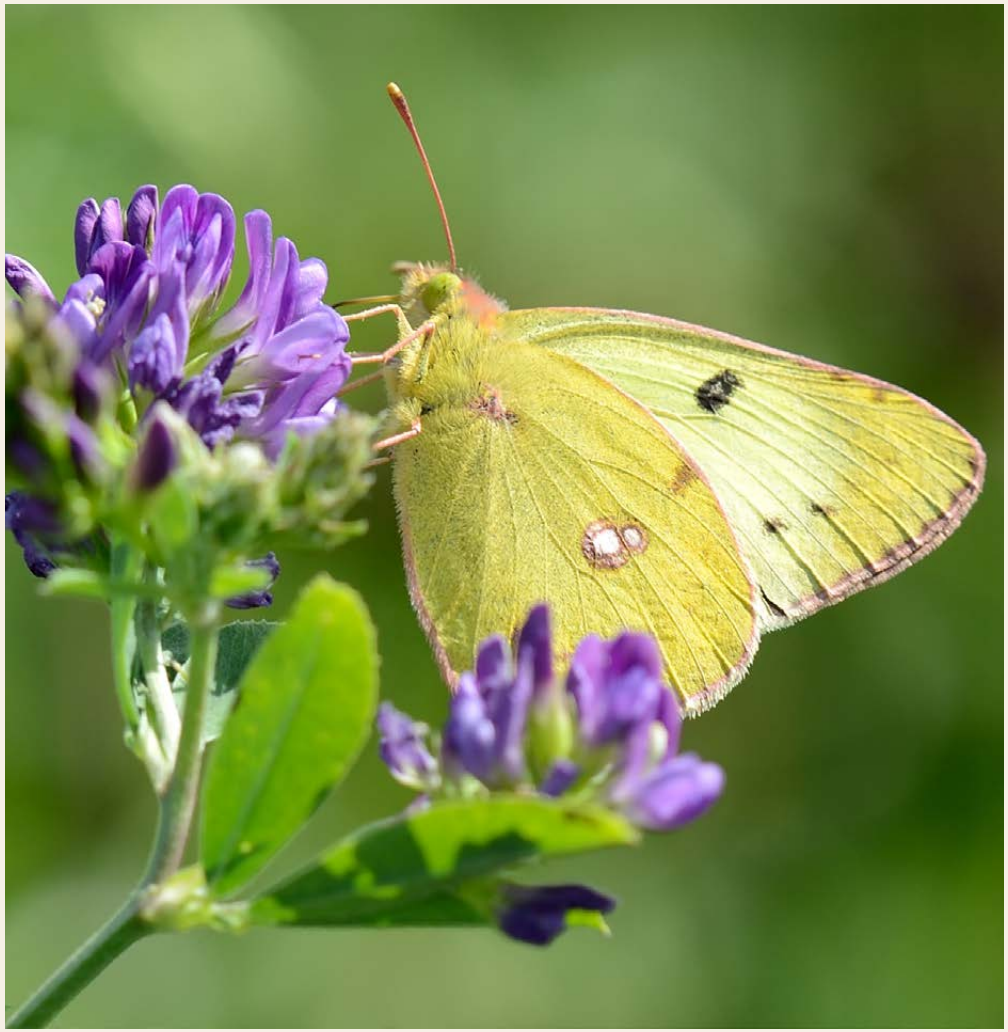


Photo: Frank Gottwald

Fig. 29: Hay butterfly on lucerne

BIODIVERSITY ON PASTURES AND MEADOWS: ASSESSMENT OF GRASSLAND

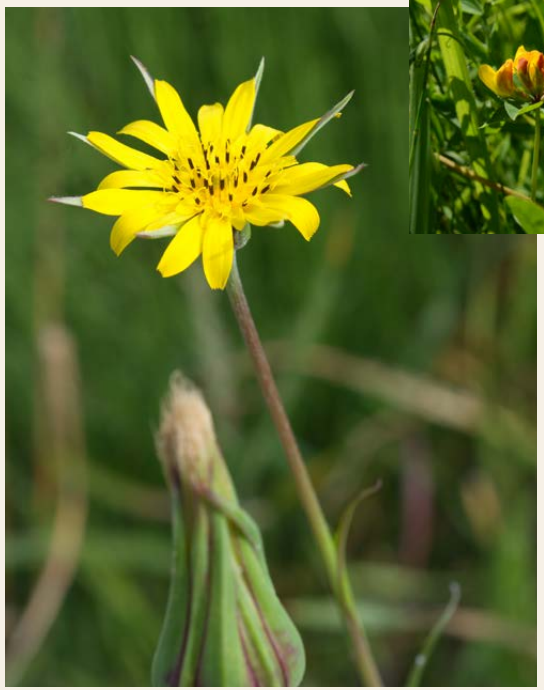
Meadows and pastures are important habitats for plants, insects and birds. The more carefully these areas are cultivated, the greater the biodiversity. The diversity of plant species in grassland has been systematically recorded on ten farms in Mecklenburg-Western Pomerania and Brandenburg since 2018. In the two years since, species lists of typical and rare plant species have been compiled for more than 500 areas.

Photo: Frank Gottwald

Fig. 30: Species-rich meadow with marguerite and bellflower

A total of about 300 plant species have been documented. Of these, 20 species are endangered or critically endangered according to the Red List, and a further 26 species are on a kind of "early warning" list. Protected types of biotopes exist on several farms, for example, species-rich wet meadows, sedge meadows, sandy rough grasslands and fresh meadows. Special species include orchids, marsh marigold, brook carnation, fever clover, sand grass carnation, silver cinquefoil, yellow meadow rue and marsh violet.

In the 2007/2013 funding period, the so-called High Nature Value Farmland Indicator (HNV farmland indicator for short) was included in the set of indicators of the Common Agricultural Policy as one of 35 EU indicators for the integration of environmental concerns. It has since also become part of the indicator set of the national biodiversity strategy in Germany, and of the core indicator set used by the German federal states. For the project "Agriculture for Biodiversity", once the still ongoing census 2020 has been completed, the areas will in future be assessed according to the High Nature Value Farmland indicator (Federal Agency for Nature Conservation BfN 2018[28]). It is already becoming apparent that the proportion of species-rich meadows and pastures on the project farms is many times higher than the national average.



Photos: Frank Gottwald

Fig. 31: Meadow goat's beard (Tragopogon pratense Parlow)

Fig. 33: Marsh pod clover (Lotus uli.)

Fig. 32: Cat's ear

28 See also www.bfn.de/themen/monitoring/monitoring-von-landwirtschaftsflaechen-mit-hohem-naturwert.html

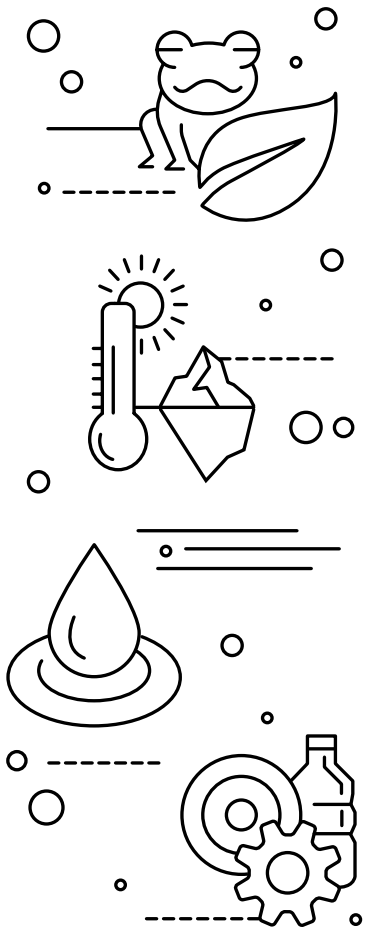
4 PRODUCT-RELATED COMMUNICATION

Photo: EDEKA/Thomas Schindel

EDEKA AND THE WWF JOINT CONTRIBUTION TO THE SDGs IN THE SUBJECT AREA PRODUCT-RELATED COMMUNICATION

What can communication achieve? The co-branding with the WWF panda supports and endorses certification systems. The organic standard, for example, promotes a healthy ecosystem through reduced pesticide use and the elimination of artificial fertilisers. In the WWF's co-branding system, water and societal risks are given special consideration. Moreover, certification schemes ensure conservation and sustainable use of the oceans, seas and marine resources and help to avoid overfishing, and generally promote more sustainable stewardship. Do they have an effect on consumer behaviour? Labelling selected goods with the panda logo provides consumers seeking to make sustainable shopping decisions with guidance right at the shelf.

PRODUCTS DISPLAYING THE PANDA



THE WWF AND EDEKA PROMOTE MORE SUSTAINABLE SHOPPING DECISIONS

According to a recent study by the Federal Ministry for the Environment, nature and biodiversity are seen as assets worth protecting across all generations. Most people see it as their duty to protect nature. Consumers can exert a direct influence on their ecological balance every time they shop, because their consumption behaviour has an impact on the use of resources, the emission of greenhouse gases and the preservation of biodiversity. Multiple-use products preserve resources, and the production of organic food contributes to the protection of water resources and animal and plant species. In addition, buying regionally or locally produced goods means shorter transport routes, and hence fewer transport-related greenhouse gas emissions. Promoting sustainable consumption is therefore part of the principal objectives of the strategic partnership between EDEKA and the WWF.

GUIDANCE THROUGH PRODUCT RANGE AND SEALS

The WWF's panda logo shows customers at their EDEKA stores which EDEKA private-label products help protect the environment and hence reduce the ecological footprint. The panda logo provides consumers with certainty in their consumer choices, because it stands for goods that have been produced using comparatively more sustainable methods, and they come with environmental certifications that are assessed by independent auditors. This applies, for example, to the EU's organic origin seal, to the Bioland, Naturland, Demeter and Blauer Engel seals, and also to the MSC (Marine Stewardship Council = sustainable fisheries) and FSC® (Forest Stewardship Council = sustainable forest management) seals, as well as to Natrue natural cosmetics products with organic ingredients, or biocosmetics. Through these communications measures at the stores, referred to as co-branding, EDEKA directs consumers' attention to comparatively more sustainable products and helps them make more responsible shopping decisions.

SUSTAINABLE CONSUMPTION THANKS TO CO-BRANDED PRODUCTS

Since there are still gaps in water-related and social criteria included in the EU Organic Regulation, EU organic products are further assessed in terms of their water risks at the regional or local level, and as regards their social risks at country level. If high water or social risks are found to prevail, additional standards (such as GlobalG.A.P.+GRASP) are applied wherever possible in order to achieve an improvement in the supply chain. If the appropriate documentary evidence can be provided, an article is permitted to display the panda logo. Fruit and vegetables from a cultivation project jointly managed by EDEKA and the WWF, for example bananas, oranges and mandarins, also display the panda logo. And the panda logo is also on the organic apple juice from the Agriculture for Biodiversity project, which helps to promote biodiversity. Look for it!

GUIDANCE AT THE SHELF

→ The WWF panda and the accompanying text displayed on the product guides customers to sustainable products in the EDEKA private-label product range. One of the 421 products sporting the logo is organic potting mix. The soil, which is sourced in Belgium and Germany, consists mainly of renewable raw materials from within the region. The wood fibres it contains come from own production. The potting mix is completely peat-free and contains only organic fertilisers. Given its place of origin, the water and social risks associated with the product are also negligible. It is for these reasons that the potting mix was approved for co-branding. The partnership seal displayed on the product confirms its organic certification. Last but not least, the packaging carries the Blauer Engel seal. The product is therefore a safe, sustainable alternative to conventional products without the panda.

4.1 STATUS OF CO-BRANDING

→ On 30/06/2020, there were 421 co-branded products. Of these, 262 have organic certification, 53 are MSC-certified, and 45 are FSC® certified. 52 products have been awarded the Blauer Engel seal, and nine products are certified in accordance with the Natrue stage 2 (natural cosmetics with organic ingredients) or 3 (biocosmetics). The percentage shares are shown in Fig. 34. In terms of absolute numbers, there was a year-on-year increase of organic and Blauer Engel-certified products in particular. For example, products with Blauer Engel certification were added to the detergents and cleaning agents of the private label RESPEKT. The Blauer Engel product range now also includes household goods like laundry tubs and buckets. In the stationery segment, a number of articles such as envelopes and mailing bags share the same certification. In the period under review, 26 additional organic products in the meat and cold cuts segment received co-branding.[29] They include articles that are sold at the organic meat counter (see also Fig. 35). All other co-branded meat and cold cuts products belong to the category "Bio allgemein" ("general organic"). Newly added were an organic fish product, some articles in the fruit and vegetable range, and natural cosmetic products in the private label Blütezeit (Natrue Naturkosmetik).

RESULTS OF THE MONITORING OF CO-BRANDED PRODUCTS

Sustainability standards of EDEKA's private labels

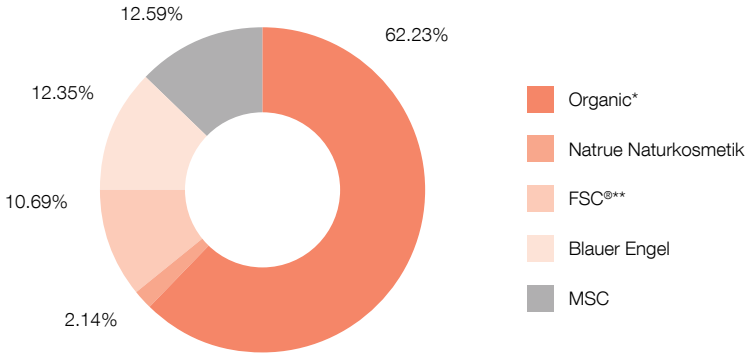


Fig. 34: Proportion of all EDEKA private-label products with co-branding, broken down by sustainability standards recognised by the WWF (status 30/06/2020).
* organic standards recognised by the WWF for co-branding. They are EU Organic Regulation, Naturland, Bioland or comparable organic associations.
** FSC® 100% for wood-based products; FSC® Recycling for tissue and paper products.

29 No water and societal risk assessment is carried out for products in the meat and cold cuts segment.

All private-label products that received a WWF logo in the course of the partnership are recorded in the co-branding tool. The monitoring is based on a selection of products recorded in this tool. In collecting the data, all products are counted for which at least one supplier meets the following requirements for co-branding: they are EDEKA private-label products that comply with the sustainability standards recognised by the WWF (EU Organic Regulation, Naturland, Bioland or comparable organic associations, MSC, FSC®, Blauer Engel, Natrue), have been certified by independent testing organisations and – in the case of organic certification – have passed the water and societal risk test. If a product is sourced from different suppliers, it is only counted once, however. Yet all the suppliers are assessed. In these cases it can happen that not all of the suppliers meet the necessary requirements. In those cases, only products whose suppliers meet the requirements are found at the store, which is why sometimes a product can be co-branded at one store, but not at another. The risk assessment for the co-branding is adapted to the current risk situation. This primarily concerns the assessment for organic products, but it can also have an effect on the co-branding of fish products with the MSC label. In the water risk assessment, the assessment of risks is based on the information from the Water Risk Filter (cf. also chapter 2.6), and the societal risk assessment is based on the amfori BSCI list of countries. In recent years, the procedures for the assessment have been realigned and the depth of the assessment has been modified. This also had an impact on the number of co-branded private-label products (see Fig. 36).

DEVELOPMENT CO-BRANDING

EDEKA private labels since 2013

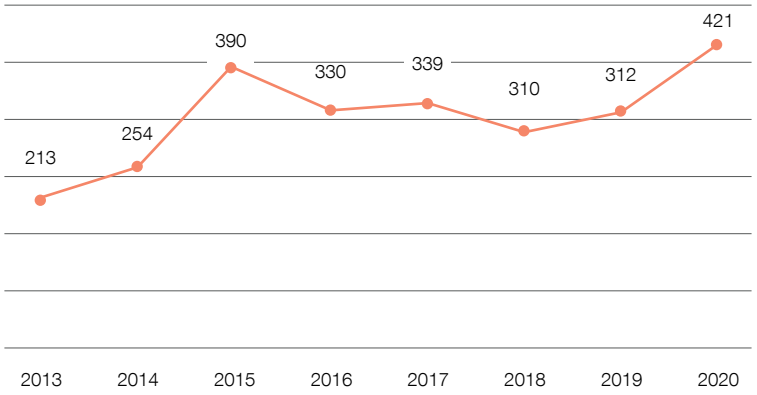


Fig. 36: Development of private-label products with co-branding since 2013 (status 30/06/2020).

ORGANIC PRODUCTS RANGE

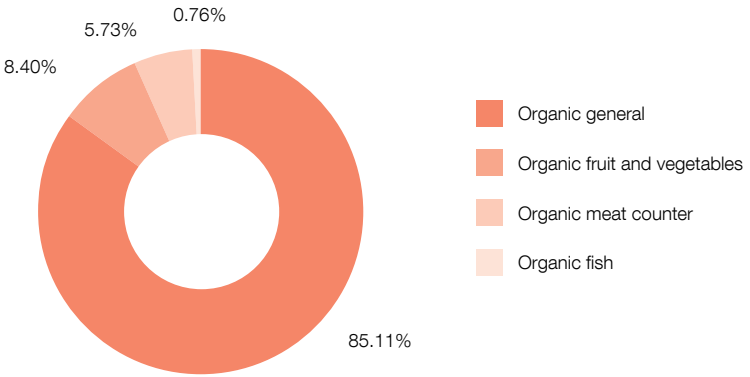


Fig. 35: Distribution of the products in the organic products range (status 30/06/2020).

4.2 PROJECT BRANDING

Landwirtschaft für Artenvielfalt

Photo: EDEKA/Thomas Schindel

Fig. 37: Consumers are able to identify the project bananas by means of the WWF logo and the claim: "EDEKA & WWF Gemeinsames Projekt für eine bessere Banane" (Joint Project for a Better Banana").

→ In addition to working with suppliers, the partners are also in direct contact with the producers in the joint cultivation projects, in an effort to find viable and scalable solutions for more sustainable cultivation. Since the bulk of agricultural yield stems from conventional production, EDEKA and the WWF are deliberately focusing on this sector (see also chapter 3). Fruit produced by means conventional but improved cultivation (currently bananas, oranges and mandarins) are marked with the WWF logo in combination with a text claim describing the characteristics of the project and establishing a link to the source of the product. Examples of such claims are "EDEKA & WWF Gemeinsames Projekt für eine bessere Banane" ("Joint Project for A Better Banana") (see Fig. 37) or "EDEKA & WWF Gemeinsames Projekt für eine bessere Orange" ("Joint Project for a Better Orange").

EDEKA and the WWF are also working to improve biodiversity in Germany. In the model project "Agriculture for Biodiversity", nature conservation measures are implemented on organic farms to protect and support endangered species of wild field herbs, field birds, insects, amphibians and mammals.

Products from this partnership project display the project's own seal alongside organic and association seals and the WWF logo. In addition, a QR code printed on the packaging provides a direct link to the project's web page, which in turn links to the relevant agricultural operation. In this way, the implemented biodiversity measures are directly traceable.

4.3 CO-CLAIMING

→ In addition to co-branding based on standards recognised by WWF, product-related text references cite other certification systems that the WWF has not recognised for the purposes of co-branding. On these products, the WWF logo is not displayed. In the subject area of Palm Oil, there are currently four products with this type of information. The palm oil ingredients contained in them are certified as segregated along the entire supply chain in conformity with RSPO.

"WIR & JETZT" ("WE & NOW") CAMPAIGN

In addition to the effort to reduce the ecological footprint, the partnership also pursues the goal of promoting sustainable consumption. To this end, the two partners are developing suitable marketing and communications formats designed to foster greater environmental awareness among the 12 million customers who shop at EDEKA daily.

Here, EDEKA relies on providing education and guidance specifically with regard to the contribution that individual products make towards more sustainable consumption, while also highlighting other important topics, such as the use of multiple-use systems and climate-friendly behaviour when shopping. The focus here is on the great challenges of our time: protecting biodiversity, the climate, resources and freshwater.

Through our current "Wir & Jetzt" campaign, EDEKA customers also gain an insight into the sustainability issues that are being worked on in the partnership with the WWF – they can be recognised by the integrated logo of the partnership.

5.1 GLOSSARY

Alliance for Water Stewardship (AWS)
The Alliance for Water Stewardship (AWS) is a member-based non-governmental organisation, its members comprising businesses, NGOs, research institutions and public institutions. Its aim is to promote sustainable water use worldwide through the implementation of the international Standard for Water Stewardship. The AWS standard is a universal global framework that helps users understand their water use and its impact, and to work together transparently to achieve more sustainable water management within their water catchment area. Further particulars are available at www.a4ws.org

amfori BSCI
amfori BSCI is a corporate initiative aimed at improving the working conditions in global supply chains. The amfori BSCI Code of Conduct is based on the conventions of the International Labor Organization (ILO), the United Nations Universal Declaration of Human Rights, the UN Global Compact and the OECD Guidelines. All amfori BSCI members agree to the Code of Conduct (CoC) and undertake to comply with it. The amfori BSCI covers all industry sectors and can be applied in all countries.

Aquaculture Stewardship Council (ASC)
The ASC is a non-profit sustainability and certification organisation, and its logo can be used to label products originating from environmentally compatible and socially responsible aquaculture operations and that are unambiguously traceable. You can find more information at www.asc-aqua.org/de/

Bioland
Bioland is Germany's biggest ecological growers' association. More than 8,000 organic farmers, bee keepers and winegrowers in Germany and South Tyrol manage their operations according to the strict Bioland guidelines, which go far beyond the requirements of the statutory EU Organic Regulation, for example with regard to feed and animal husbandry. Further particulars: www.bioland.de

Blauer Engel
The environmental seal of the Blauer Engel standard marks products within certain product groups and services that are recognised as ecologically beneficial, for example thanks to their economical use of raw materials during production and use, a long service life or their suitability for sustainable disposal. The Blauer Engel seal can also indicate that materials have been recycled, such as in 100%-recycled paper, or that they contain a high proportion of recycled plastic. You can find more information at www.blauer-engel.de

Derivatives/fractions of palm (kernel) oil
Palm (kernel) oil can be modified using complex chemical conversion processes. The products are so-called derivatives, which can be used as surfactants or emulsifiers in cosmetics and cleaning agents, for example Palm (kernel) oil can be split into solid and liquid components by fractionation.

EDEKA-Verlag (publisher)
The company EDEKA Verlagsgesellschaft is of paramount importance for overarching communication within the co-operative EDEKA Group. Its portfolio ranges from the dissemination of useful information to EDEKA independent retailers right through to working with traditional public media and the publishing of cookbooks. Their products include the EDEKA handelsrundschau, the customer magazines MIT LIEBE and YUMMI, and the customer calendar.

EDEKA Group
The EDEKA Group is an SME with a co-operative structure, and is one of Germany's leading food retailers. It is based on interaction between the following three tiers: the independent local retailers, the seven regional wholesale operations, and the EDEKA Zentrale, based in Hamburg. Also part of the EDEKA Group is Netto Marken-Discount, a subsidiary of the EDEKA Zentrale.

EDEKA Zentrale
The EDEKA Zentrale coordinates the strategic development of the EDEKA Group and manages the national merchandise business as well as the successful "Wir lieben Lebensmittel" ("We just love food") campaign. The Zentrale generates the impetus for realising objectives throughout the Group, such as the creation of seamless, end-to-end IT structures or the development of modern personnel development and qualification concepts for the retail sector.

Private-label catalogue
The private-label catalogue depicts the private-label product range of the EDEKA Zentrale (not including O+G) at any particular time and is used to manage distribution within the EDEKA Group. In the partnership with the WWF, it is used in part as a reference basis for the monitoring.

EU Organic Regulation
The EU Organic Regulation governs organic farming in the European Union. It is the so-called base regulation No. 834/2007, which governs ecological farming and the production of organic products. Products labelled with the EU organic logo and the German organic seal must at least meet the

requirements of the EC Organic Regulation.

Forest Stewardship Council (FSC®)
FSC® is an international certification system for more sustainable forest management. It is regarded by the major NGOs as the only globally active forest certification system that awards responsible forest management in a credible manner. Wood bearing the FSC® seal used in the production of furniture, exercise books and other articles comes from forests and plantations managed e.g. according to strict ecological and societal principles The aim is to help preserve forests in the long term. However, FSC® certified forests are not pristine, old-growth forests. Timber extraction in these forests can certainly be quite intensive.

Forum for Sustainable Palm Oil (FONAP)
The Forum for Sustainable Palm Oil is an affiliation whose members currently (status August 2020) include 51 companies, non-governmental organisations, associations and the Federal Ministry of Food and Agriculture (BMEL). The aim of FONAP is to significantly increase the share of sustainably produced palm oil in the German, Austrian and Swiss markets and to improve existing standards and certifications.

EDEKA Fruchtkontor
EDEKA is one of only a few retail enterprises operating their own competence centre for fruit and vegetables: the EDEKA Fruchtkontor. This unit coordinates the procurement of fruit and vegetables for the EDEKA Group, receiving produce from more than 80 countries around the world. Product development, quality management and logistics are key areas of activity.

Greenhouse Gas Protocol (GHG)
The Greenhouse Gas Protocol is a standard for companies to account for and report greenhouse gas emissions. The development of the standard is coordinated by the World Resources Institute (WIR) and the World Business Council for Sustainable Development (WBCSD).

GlobalG.A.P.
GlobalG.A.P. is a privately-owned quality assurance and certification system for good agricultural practice. It is the system used most widely throughout the world. You can find more information at www.globalgap.org

Global Reporting Initiative (GRI)
The Global Reporting Initiative (GRI) employs a participatory process to develop guidelines for the preparation of sustainability reports by companies and organisations. The aim of the GRI standard is to create transparency in terms of a company's CSR activities through standardisation and comparability.

"Gutes Futter" ("Good Animal Feed")
"Gutes Futter" is an EDEKA-owned label for livestock feed in the White Line segment. It is used for suppliers who cannot currently achieve VLOG certification because genetically modified product components cannot be ruled out, but whose feed is GMO-free. You can find more information at www.edeka.de/nachhaltigkeit/nachhaltiges-sortiment/produkte/nachhaltige-milchprodukte/gutes-futter.jsp

Smallholder certificates
RSPO Book & Claim certificates can also be purchased from a specific RSPO-certified palm oil producer via the Palmtrace platform (so-called off-market deals). Compared to the anonymous purchase of certificates, the advantage here is that certificates are traceable and smallholders and responsible producers can be targeted for support.

Cost items
The term cost item is used for things like bakery bags, cash register paper rolls, knot bags and carrier bags. The EDEKA regions can obtain these items via the EDEKA Zentrale in Hamburg for use at the stores.

Key Performance Indicators (KPIs)
KPIs, short for key performance indicators, refer to key ratios and figures that can be used to determine the success or performance of an objective or measure. Performance indicators support decision-making and the management and control of measures.

Marine Stewardship Council (MSC)
The Marine Stewardship Council (MSC) is an international non-profit organisation that awards an environmental label to sustainable and well-managed fisheries that employ sustainable fishing methods and respect the marine environment.
The aim is to limit the fish catch to levels that allow fish stocks in the sea to be sustained in the long term. Further particulars are available at www.msc.org

Natrue
The Natrue seal is an international label for natural cosmetics products that is awarded by the non-profit organisation "The International Natural and Organic Cosmetics Association", which has been certifying cosmetic products with natural and bio-logical ingredients since 2007.
You can find more information at www.natrue.org

Naturland
Naturland is an association for organic agriculture that certifies organic agriculture worldwide according to strict ecological standards. Societal aspects such as the non-use of child labour and respect for human rights are also taken into account when awarding the seal. Naturland's strict criteria go beyond the minimum standards of the EU organic label. Further particulars are available at www.naturland.de

Pesticide Action Network (PAN)
The Pesticide Action Network (PAN) consists of over 600 participating non-governmental organisations, institutions and individuals in over 90 countries working to replace the use of hazardous pesticides with ecologically sound and socially equitable alternatives.

PAN International List Highly Hazardous Pesticides (HHP)
The PAN International List of Highly Hazardous Pesticides lists 310 active ingredients of pesticides (as of March 2019) that are particularly hazardous to human health, to animals and to the environment. The HHP list has been regularly updated since it was first published in 2009.

Palm Oil Innovation Group (POIG)
The Palm Oil Innovation Group is an initiative established in the year 2013 with the aim of promoting and implementing innovative and sustainable practices in palm oil cultivation together with stakeholders along the entire supply chain. POIG builds on the principles and criteria of the Roundtable on Sustainable Palm Oil (RSPO) and calls for the implementation of stricter environmental and social requirements that are not covered by the RSPO standard.Further particulars are available at www.poig.org.

(Water) risk countries
The term (water) risk countries is applied to countries that – according to the WWF Water Risk Filter (WRF) – are given a risk rating of 3 or higher on a scale of 1 (low risk) to 5 (very high risk).

Red Lists
Red Lists are indices of extinct, vanished and endangered animal, plant and fungal species, plant communities, biotope types and biotope complexes. They are based onscientific studies documenting the endangerment status for a specific reference area. Threats are assessed on the basis of population size and population development. Further particulars are available at www.bfn.de/themen/rote-liste.html

Roundtable on Sustainable Palm Oil (RSPO)
Founded in 2004, the RSPO aims to promote sustainable cultivation methods for palm oil and thus limit the negative impacts of palm oil production. In addition to non-governmental organisations, its members are primarily companies and institutions involved in the palm oil value-added chain, including plantation operators, traders and industrial buyers of palm oil, but also investors and banks. The principles and criteria of the RSPO were last revised in 2018, and they now include stricter social and ecological requirements, the implementation of which has been mandatory for members since November 2019. Further particulars are available at www.rspo.org/

RSPO supply chain model Book & Claim (B & C)
Non-certified palm oil is covered by virtual certificates offered by RSPO-certified producers. The intention is to boost the production of more sustainable palm oil. The product contains no certified ingredients. There is also an option to acquire the certificates from smallholders, as a means to provide them with targeted support.

5.2 LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR REGARDING SUSTAINABILITY INFORMATION[1]

To the Management Board of WWF Deutschland Stiftung bürgerlichen Rechts, Berlin

We have performed an independent limited assurance engagement on the selected sustainability information table 1 on page 19 on the subject of Fish and Seafood; table 2 on page 25, figure 2 and table 3 on page 26 as well as table 4 on page 27 on the subject of Wood / Paper / Tissue; table 5 on page 33 on the subject of Palm Oil; figure 5 on page 41 and table 6 on page 44 on the subject of Soya / More Sustainable Livestock Feed; figure 9 on page 57 on the subject of Freshwater; table 7 on page 66, table 8 on page 66, table 9 and figure 10 on page 67, figure 11 and figure 12 on page 68 as well as figure 13 and figure 14 on page 69 on the subject of Packaging; figure 34 on page 106 on the subject of Co-Branding published in the "Progress Report 2020" on the strategic Partnership between EDEKA and WWF (further "Report") for the period July 1, 2019 to June 30, 2020 of WWF Deutschland Stiftung bürgerlichen Rechts (further „WWF Germany").

Management's Responsibility
The legal representatives of WWF Germany are responsible for the preparation of the Report in accordance with the Reporting Criteria. WWF Germany applies the reporting principles mentioned in the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) (Accuracy, Balance, Clarity, Comparability, Reliability, Timeliness), supported by internal guidelines (further: "Reporting Criteria").

The responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for individual qualitative and quantitative sustainability disclosures which are reasonable under the circumstances. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of the Report that is free of – intended or unintended – material misstatements.

Practitioner's Responsibility
It is our responsibility to express a conclusion on the selected sustainability information within the scope of our engagement in the Report based on our work performed within a limited assurance engagement.

We conducted our work in the form of a limited 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" published by the International Auditing and Assurance Standards Board (IAASB).

Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance whether any matters have come to our attention that cause us to believe that the above-mentioned sustainability information of the entity for the period from July 1, 2019 to June 30, 2020 has not been prepared, in all material respects, in accordance with the Reporting Criteria. We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the auditor's own judgement.

Within the scope of our work, we performed amongst others the following procedures:

- Recording of the reporting process and the corresponding internal control system
- Recording of the methods and evaluation of the design and implementation of the systems and processes for the collection and processing of the selected sustainability information
- Recording of processes and analysis of selected sustainability information
- Analytical evaluation of data and trends of selected sustainability information
- Evaluation of selected internal and external documentation
- Assessment of the overall presentation of the disclosures in scope of the assurance engagement.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

Independence and Quality Assurance on the Part of the Auditing Firm

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

Conclusion

Based on the procedures performed and the evidence received to obtain assurance, nothing has come to our attention that causes us to believe that the selected sustainability information for the period from July 1, 2019 to June 30, 2020 included in the scope of this engagement and published in the Report is not prepared, in all material respects, in accordance with the Reporting Criteria.

Restriction of Use/Clause on General Engagement Terms

This assurance report is issued for information purposes of the Management Board of WWF Deutschland only. We assume no responsibility with regard to any third parties.

Our assignment for the Management board of WWF Deutschland and professional liability is governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions contained therein including the limitation of our liability as stipulated in No. 9 and accepts the validity of the General Engagement Terms with respect to us.

Munich, April 28, 2021

KPMG AG Wirtschaftsprüfungsgesellschaft

Original German version signed by:

Hell ppa. Dollhofer

[1] Our engagement applied to the German version of the Progress Report 2020. This text is a translation of the Independent Assurance Report issued in the German, whereas the German text is authoritative.