

Bionade GmbH Progress Report 2017/2018 on the Leadership Declaration of the Biodiversity in Good Company Initiative

Biodiversity is the fundamental basis of our existence and human well-being. It is an essential requirement for healthy ecosystems, which in turn supply us with vital ecosystem provisions, oxygen and water, raw materials, fuel, fibres for clothing, food, active ingredients for medicines and much more. Throughout the entire organisational hierarchy – the diversity of genes within species, the diversity of species within ecosystems and the diversity of ecosystems themselves – biodiversity is the key to efficient ecosystems in which the greater the variety, the more stable a system. However, we are now witnessing a significant and rapidly progressing loss of biodiversity, which is caused by humans and leads to the degradation of ecosystems. Its negative consequences, such as the effects of climate change, have already become a reality in many regions of the world.

Biodiversity management is therefore of fundamental social interest and companies can make a crucial contribution. As a beverage manufacturer, Bionade is active in an industry that has a direct impact on the natural environment and biodiversity through the processing of agricultural raw materials and water. As a result, biodiversity management is of existential importance to Bionade and is deeply relevant to the company's core business. Bionade therefore supports the biodiversity targets of the United Nations and, as a member of the Biodiversity in Good Company initiative e.V., is committed to its Leadership Declaration.

The Leadership Declaration:

All signatory companies acknowledge and support the three objectives of the international Convention on Biological Diversity:

- Conservation of biological diversity
- Sustainable use of its components
- Fair and equitable sharing of the benefits that arise out of the utilisation of genetic resources

and commit to:

1. Analysing corporate activities with regard to their impact on biological diversity;
2. Including the protection of biological diversity and its sustainable use in their environmental management system;
3. Appointing a responsible individual within the company to steer all activities in the biodiversity sector and report to the Management Board;
4. Defining realistic, measurable objectives for the improved protection of biological diversity and its sustainable use that are monitored and adjusted every two to three years;
5. Publishing all activities and achievements in the biodiversity sector in the company's annual, environmental or sustainability report;
6. Informing suppliers about the company's biodiversity objectives and integrating suppliers accordingly and step by step;
7. Exploring the potential for cooperation with partners such as nature conservation organisations and scientific or state institutions with the aim of deepening dialogue and continuously improving the management system.

To demonstrate ongoing commitment, member companies will provide the Initiative with a progress report every two years.



From 2012 to 2017, Bionade GmbH was part of the Radeberger Gruppe KG, a subsidiary of the Oetker Group. With its Bionade and Ti brands, Bionade GmbH has been part of Hassia Group since 2018. Based in Bad Vilbel and joined by the subsidiaries Lichtenauer Mineralquellen, Glashäger Brunnen, Thüringer Waldquell Mineralbrunnen, Wilhelmsthaler Mineralbrunnen, Rapp's Kelterei and the juice pressing companies Höhl and Kumpf, **Hassia Group** is one of the largest mineral water providers in Germany. The Hessian family-run company is now in its fifth generation and sees itself as a classic brand manufacturer that offers a range of mineral waters and non-alcoholic soft drinks in the upper price segments. In 2014, Hassia Group generated a turnover of EUR 238 million with total sales of 770.5 million litres. Today, the company employs 1,050 staff members.

Hassia Group's corporate mission statement is a clear declaration of how the company aims to shape its sustainable, long-term development: HASSIA ACTS TODAY – FOR OUR TOMORROW. The issue of sustainability is overseen for all brands by a sustainability officer based in Bad Vilbel.

Analysis of corporate activities with regard to their impact on biological diversity

Since Bionade processes agricultural raw materials and water, the company is acutely aware of the influence on the natural environment and biodiversity. This also explains the company's decision to only use organic raw materials. The raw material supply chain, purchasing and property management also play an important role. All Bionade initiatives are checked to ensure compatibility with biodiversity and a number of projects have been launched specifically to promote biodiversity, such as the Bionade Bee project.

Biodiversity management affects the whole company, all areas and our entire workforce. It is an interdisciplinary topic and every contribution to nature conservation counts.

In order to guarantee a permanent, regional raw material supply, the Rhön Organic Farming cultivation project was launched in collaboration with organic farmer Martin Ritter in 2005. Organic farming is now deeply rooted in the region and all members are certified organic farmers. The initiative benefits everyone involved – after all, it not only secures the supply of organic elderberries, but also provides the long-term guarantee that the entire harvest is purchased at a fair price, thus meaning lower risk for organic farmers.

The initiative enabled some members to completely convert to organic agriculture and has nurtured a lively forum for exchange between our contract farmers.

Focus: Ostheim von der Rhön site

Bionade Bee Project

The history of Bionade has always been inextricably intertwined with bees – after all, the gluconic acid obtained by bees from fructose to 'preserve' their honey was key to the development of Bionade. The organic soft drink is naturally produced through an elaborate fermentation process and brewed from water and malt in a manner similar to beer in accordance with the company's own purity law. The fact that no alcohol is produced is thanks to an enzyme called glucose oxidase, which transforms part of the sugar into gluconic acid, a mild, organic substance.

In 2014, Bionade founded its own bee project and relocated bee colonies of the *Apis mellifera carnica* subspecies – a type of honey bee widely found in the Rhön region – directly to the quince and orchard meadows in the Bionade gardens. There, our colleague Theo Flögel has volunteered to look after them. In summer, the colony population usually reaches 40,000 to 50,000 bees. We are pleased to report no winter losses in 2016/2017. Every year, we harvest 15 to 20 kg of honey and leave the rest – approximately 3 kg – for the bees. In addition, teacher training courses are offered in collaboration with the Rhöniversum environmental education centre in order to raise awareness of the crucial role of bees in the ecosystem.

River Streu Patronage

Since May 2016, Bionade has been the official sponsor of part of the River Streu, a 42 kilometre-long tributary to the Franconian Saale. The aim of this patronage is to raise awareness of water protection and support the renaturalisation of the river section and the protection and optimisation of the habitats of endangered, indigenous animal and plant species. Of course, none of this can be achieved overnight. Accordingly, Bionade has worked together with committed partners throughout the region to plan the successive implementation of measures over the long term. A campaign day with local school pupils is held annually.

Inclusion of the protection of biological diversity and its sustainable use in the environmental management system

The BIO.L.O.G.I.C.A.L. sustainability strategy forms the framework for sustainability-focussed activities. It has been continuously reviewed since the establishment of the basic fields of action and the strategic objectives in 2013. The tried-and-tested processes of our Integrated Management System (IMS) are predominantly used in the implementation and evaluation of specific strategic objectives.

The IMS originally served to ensure the quality standards of products. Now, it is increasingly used as a company-wide management system. All central procedures are mapped and the entire control process is systematically supported. The IMS is based on the following regularly certified standards: International Featured Standards Food (IFS Food), ISO 14001 (Environmental Management), ISO 50001 (Energy Management) and the EU Organic Regulation. Responsibility for the individual processes lies with the corresponding department.

Appointment of a responsible individual within the company to steer all activities in the biodiversity sector and report to the Management Board

As part of the transition, the sustainability officer from the Hassia Group took over from the sustainability representative from the Radeberger Gruppe KG. The sustainability officer reports to the management board.

Definition of realistic, measurable objectives for the improved protection of biological diversity and its sustainable use with monitoring and adjustment every two to three years

Previously published sustainability reports have outlined the established measures and the extent to which their objectives were achieved. Since the reports are written and published every two years, an annual, or in some cases biannual, review of the respective status is carried out.

The aim is to use the defined measures to achieve the long-term goals that are established for each of the five fields of action.

Publication of all activities and achievements in the biodiversity sector in the company's annual, environmental or sustainability report

Bionade publishes information on its biodiversity activities and achievements every two years. The current report covers activities between 2016 and 2017 and was published in 2018. It also includes the objectives for 2018 and 2019.

All of Bionade's published sustainability reports are available to download in PDF format from the Bionade website: <http://www.bionade.de>



Supplier information regarding biodiversity goals and gradual integration

The Bionade supplier code is a binding part of the contract for all direct suppliers. In order to guarantee product quality, Bionade requires all regional and international growers to meet the same quality, environmental and product criteria and comply with the code. This includes transparency throughout the supply chain and the cooperation of direct business partners. Only with their support can the Bionade standards be implemented worldwide. Regular audits are carried out to ensure this.

In 2017 and 2018, Bionade invited regional suppliers to exchange their experiences after harvest. One issue discussed at the meeting was the period of drought in 2018.

While all raw material suppliers for Bionade are at least certified in accordance with the EU Organic Regulation (Article 29 Paragraph 1 of Council Regulation (EC) No. 834/2007), some farmers go far beyond the requirements of this. International suppliers must also be certified at least in accordance with the EU Organic Regulation.

Regional raw materials are used wherever possible, including malting barley, elderberries, apples, pears, quinces, plums and mint. All other raw materials are purchased from their native countries – lychees from Thailand, ginger from Mexico and bergamot from Southern Italy. The fruits are initially processed on site to support the local economy. Only suppliers who can guarantee organic quality are considered for collaboration with Bionade. Our supplier management clearly defines our purchasing criteria. A detailed self-assessment is obtained before a supplier is accepted.

Exploration of the potential for cooperation with partners such as nature conservation organisations and scientific or state institutions with the aim of deepening dialogue and continuously improving the management system

Bionade is based in the Rhön region, which became one of the world's 669 UNESCO Biosphere Reserves in 1991. These are sites for the implementation of sustainable, future-oriented development that preserves special landscapes through adapted management.

Since 2005, Bionade has been a supporting partner of the Rhön Biosphere Reserve, the Bavarian Rhön Nature Park, the Hessian Rhön Nature Park and the Rhön Natur e.V. Association. Bionade's commitment ranges from start-up funding to improve nature conservation in rivers and wetlands to a Rhön wildcat protection project and testing a route and nature information system for smartphones.

Since sustainability is a project for the future, Bionade also promotes educational projects for new generations. As part of this, it supports the Oberelsbach environmental education centre in the UNESCO Biosphere Reserve and the Bavarian Rhön Nature Park. The Rhöniversum educational centre is ideal for student excursions, teacher training courses, seminars, workshops, conferences and educational sessions for adults. The focus is on the habitat of humans and nature using the example of the Biosphere Reserve and the Bavarian Rhön Nature Park. Selected events are also held in collaboration with Bionade.

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