



**Progress report at Alfred Ritter GmbH & Co. KG  
2013/2014**

**On the declaration of leadership of the 'Biodiversity in Good Company'  
initiative**

The declaration of leadership:

the undersigned recognise and support the three goals of the international 'Convention on Biological Diversity':

- Upholding biological diversity
- Sustainable use of its components
- Fair distribution of the advantages stemming from the use of the genetic resources

and undertake to:

1. analyse the effects of company activities on biological diversity;
2. take on the protection of biological diversity and sustainable use in the environmental management system;
3. create a responsible position in the company, which controls all activities in the area of biodiversity and reports to management;
4. determine measurable and realistic targets for improved protection of biological diversity and its sustainability, which are checked every two to three years and adjusted accordingly;
5. publish all activities and successes in the area of biological diversity in the annual, environmental or sustainability report;
6. inform and, step-by-step, include suppliers in their biodiversity goals;
7. sound out cooperation with potential partners such as conservation organisations, scientific or state institutions in order to deepen expert knowledge with dialogue and to develop the management system.

As proof of its ongoing involvement a progress report of the initiative is to be submitted every two years.

Alfred Ritter GmbH & Co. KG with its brand Ritter Sport is one of the most successful German chocolate bar manufacturers of our time. The Ritter Sport brand enjoys a great deal of trust and sympathy amongst its consumers. As the "chocolate concept with a difference" Ritter Sport stands out amongst the competition with a clear brand image. Alfred Ritter GmbH & Co. KG always emphasises the best possible quality in its products with high-value ingredients. Currently the company is successfully run by the third generation of Al-



fred T. Ritter and his sister Marli Hoppe-Ritter and the products are sold in over 100 countries. In spite of the successful growth over the past few years, the company has remained a family one. This is something the approx. 1,000 employees at the Waldenbuch production site are well aware of. The protection of natural resources is one of the most pressing tasks of our time for the company. Ritter Sport is committed to acting in a manner that is environmentally friendly.

### **1. Analysis of effects of company activities on biological diversity**

The use of natural resources forms the basis of all economic activities. However, as a consequence of human actions there is often a loss in the diversity in species of animals and plants. As a manufacturer of high quality chocolate, Alfred Ritter GmbH & Co. KG is dependent on an intact environment as well as a connected responsible use of resources.

Thanks to the development and successful implementation of its own hot spot analysis, for which further information is to be published in the 2015 sustainability report as well as the continuous implementation of further analyses, the company has been able to analyse a majority of raw materials used itself, such as cocoa, sugar or hazelnuts. This provides an overview in terms of ecological, social and economic effects of raw material acquisition. The hot spot analysis is a qualitative assessment instrument in this, which quickly analyses critical points in complex value added chains from the point of view of sustainability and does so in a manner specific to the life cycle. As a result of this analysis, critical aspects are identified and any correspondingly necessary measures for ecological and social improvement within the value added chain are undertaken. The hot spot analyses are to be extended to packaging materials in 2016. A system is to be set up for this and persons responsible determined in the coming year.

Not just the critical analysis of raw material acquisition, but also the environmentally friendly disposal of product packaging forms an important contribution towards maintaining the diversity of species for Alfred Ritter GmbH & Co. KG. For these reasons the ecotoxicological and toxicological effects of the primary foil on people and the environment is being investigated in cooperation with EPEA (Environmental Protection Encouragement Agency). The goal of this cooperation is to identify the effects of the current packaging components and, if necessary, to undertake relevant measures for the protection of people and the environment. The founder of EPEA is also the inventor of the Cradle to Cradle® concept, the continued development of which is one of the main focuses of EPEA.

The packaging developers have been striving towards certification from the Cradle to Cradle Certified<sup>CM</sup> Product Program for the 100 gram bars, the most



important Ritter Sport product, since February 2014. The certification, which has to be renewed every two years, is prepared by EPEA. Implementation is carried out by the independent third party C2CPII.

In order to analyse the effect of the commercial activities of Alfred Ritter GmbH & Co. KG on the ecological environment, a study was carried out in 2009 on the requisition of CO<sub>2</sub> certificates in cooperation with the company Soil & More International. Based on this study, the company has set itself the goal of ensuring the CO<sub>2</sub> neutrality of the Waldenbuch site internally wherever possible through emission minimising projects within its own value added chain. The company's own cultivated land at the El Cacao plantation in Nicaragua presents itself to implement this goal. The cultivation method is based on a combined cocoa forestry farming method with integrated compost production. As a consequence of the combination of tree planting, compost production, avoidance of chemical fertilisers and CO<sub>2</sub> retention in the ground, it has been possible to generate emission minimising effects in order to avoid or bind CO<sub>2</sub>. The compost production in particular forms the basis for optimum water and nutrient management, which fosters good earth health and natural disease suppression thanks to its abundance of trace elements and nutrients as well as its high microbial activity. Thanks to the microbial decomposition of the organic material of cocoa trees and other useful plants in the form of biomass particularly nutritious humus is created. This serves as a nutrient solution for numerous plants and soil animals resulting in a closed circulatory system and therefore an excellent basis for the habitat of numerous types of animal and plant. In order to follow and measure the positive effects both on the ecosystem and the biodiversity internally, regular inspections are to be carried out and adhered to. In July 2014, in cooperation with the national agricultural university in Nicaragua a first, basic appraisal of the biodiversity of flora and fauna at the El Cacao plantation was created. It was possible to determine a species-rich and native population of plants and animals in the forest stands and wetlands. Building on this starting position, follow-up studies on the biodiversity can be carried out in future and the development as part of the project can be observed.

## **2. Adoption of biological diversity and sustainable use in the environmental management system**

In order to ensure the upholding of biodiversity not only in their own company but also at business partners, the protection of biodiversity forms an integral part of the Code Of Conduct of Alfred Ritter GmbH & Co. KG ([http://www.rittersport.de/export/sites/default/de/familienunternehmen/nachhaltigkeit/Ritter\\_Sport\\_Lieferanten\\_Code\\_of\\_Conduct.pdf](http://www.rittersport.de/export/sites/default/de/familienunternehmen/nachhaltigkeit/Ritter_Sport_Lieferanten_Code_of_Conduct.pdf)).

This results in the obligation of business partners to contributing towards the upholding of the natural diversity of species of animals and plants in their own



sphere. To this end the Code of Conduct was presented to all business partners in the spring of 2013. Find out more on the implementation of the Code of Conduct under Point 6.

### **3. Appointment of a responsible position in the company that controls all activities in the area of biodiversity and reports to management**

Harmonising economy, ecology and responsible social activities is firmly anchored in the principles of Alfred Ritter GmbH & Co. KG. Since 2011 Mr Georg Hoffmann has officially been the Sustainability Manager of the company. He is responsible for the coordination of all ecological and environmental protection projects, bundles together ideas and launches new projects. Reporting to management is also the direct responsibility of the Sustainability Manager. The Sustainability Manager is supported in the initiation and implementation of projects by a team of sustainability representatives from the individual departments. This team meets several times a year, within the scope of which there is an exchange of current Ritter Sport sustainability activities as well as company-relevant ecological, economic and social developments. It is also the task of the sustainability representatives to provide the information on new company sustainability activities to the individual departments. In order to continuously optimise sustainability management, the reorganisation of the current structures in the company is currently being considered, which are generally more strongly orientated towards the fields of their own principles and are firmly anchored in management.

### **4. Determination of measurable and realistic goals for the improved protection of biological diversity and its sustainable use, which is to be checked and adjusted every two to three years.**

At the end of 2014 the third internal company sustainability map was completed for 2015. As a consequence of the determination of demanding yet realistic goals Alfred Ritter GmbH & Co. KG has chosen to make a further contribution towards the harmonisation of ecology and economy as well as the acceptance of social responsibility. With regard to the contribution towards biodiversity, the goal was set for 2015 that all business activities are to be analysed for their effects on biodiversity and possible measures are to be determined. Furthermore, explicit goals are to be set in order to strive towards continuous development in this area.

Also, the protection of resources in the already completed construction of the new plant represents one of the highest priorities. Instead of an extension of the usable surface, the focus here was set on the aggregation of already used surfaces, for example. Through the extension and cultivation of our own cocoa



plantations Alfred Ritter GmbH & Co. KG has also set the goal of making a contribution towards maintaining biological diversity of species through tree planting and compost production. A first study on the current status of biodiversity, as already mentioned in 1, has already been completed in cooperation with the national agricultural university in Nicaragua.

#### **5. Publication of all activities and successes in the area of biological diversity in the annual, environmental or sustainability report;**

Alfred Ritter GmbH & Co. KG will publish the company's first sustainability report at the start of 2015. The sustainability report outlines the ecologically, economically and socially responsible activities of the company and also provides its readers with information about future goals, measures and projects. Topics for the maintenance and fostering of biodiversity will also form an integral part of the sustainability report, shown in the involvement on the El Cacao plantation, projects for a 'sustainable office' or the canteen food that has switched to local (organic) products.

#### **6. Information about and integration of suppliers in the biodiversity goals of Alfred Ritter GmbH & Co. KG**

Biodiversity forms an integral part of the Code of Conduct of Alfred Ritter GmbH & Co. KG. Business partners are hereby made aware of the importance the company attributes to the upholding of the diversity of species. Thanks to the successful implementation of the Code of Conduct the business partners have obligated themselves to make a contribution towards this. The company is convinced by regular audits to the extent of which the agreed upon obligations are upheld by the business partners. The audits are carried out at least every four years; more frequently with suppliers from critical regions. The activities regarding the contribution towards maintaining biodiversity make an important point as part of the audit and form the basis for a good and trustworthy cooperation with suppliers. For example, the use and correct utilisation of plant protection products are checked and assessed.

#### **7. Cooperation with potential partners such as conservation organisations, scientific or state institutions, in order to deepen expert knowledge with dialogue and to develop the management system**

Continuously developing the internal knowledge of the areas of sustainability and environmental protection with external expert partners and integrating it into the internal company process is an important principle for Alfred Ritter GmbH & Co. KG. As an active member of the **Zentrum für Nachhaltige Un-**



**Unternehmensführung** (centre for sustainable corporate management; <http://mehrwert-nachhaltigkeit.de/home.html>) the company regularly takes part in meetings of study groups on various topics. As part of this the company, together with other representatives of the food industry, leads a critical dialogue on the topic of sustainability in raw material acquisition, logistics, climate/energy and other areas.

In 2013 the '**ZNU-Standard Nachhaltiger Wirtschaften Food (ZNU Standard Sustainable Commerce Food)**' certificate was successfully carried out and was successfully renewed via the monitoring audit in 2014. Along with sustainable corporate management, economical and social aspects, requirements of the ecological sustainability of the company are also made. In the biodiversity sphere of activity, explicit effects on biodiversity as well as goals and measures for its fostering are taken into account.

Thanks to the membership in the Bundesverein der Deutschen Süßwarenindustrie (Association of the German Confectionery Industry, BDSI), which in itself is a member of the **Forum nachhaltiges Palmöl (Forum for Sustainable Palm Oil)**, initiated by the Deutschen Gesellschaft für Internationale Zusammenarbeit (German Association for International Cooperation), the REWE Group, Henkel and WWF Deutschland), Alfred Ritter GmbH & Co. KG advocates the overcoming of ecological, social and developmental challenges in the production countries that are associated with the great potential of this plant raw material. Membership in the **Roundtable on Sustainable Palm Oil (RSPO)** and the implementation of the 'Book and Claim' system for 'Mass Balance' since 2004 also foster the sustainable cultivation of palm oil. A certain mix ratio of certified and uncertified palm oil is to be ensured along the supply chain to the end product.

The BDSI's membership in the **German Initiative on Sustainable Coco** also contributes towards the passing on of internal company knowledge regarding current developments in the area of sustainable cocoa cultivation as well as to expand upon it and to take up the measures resulting therefrom.

## **8. Examples of Ritter Sport projects and activities**

The sustainable cultivation of cocoa has been the focus of the commitment of Ritter Sport in Nicaragua for many years. Since 1990, the company has supported small farmers as part of the private development project 'CACAONICA'. A partner-like cooperation with roughly 15 farmer cooperatives as well as an in-house purchasing and drying station have by now come into existence. Modern agroforest cultivation methods help to protect the environment – above all the rain forest and therefore sustain biodiversity.



Thanks to the concept of agroforest cultivation and the associated use of various useful plants appropriate for the location, such as bananas, cocoa, maize or beans, a multi-levelled canopy is being ensured that can starkly reduce the risk of erosion and at the same time better protect the soil from drying out and losing nutrients.

The cultivated land of the El Cacao plantation have also been used since 2013. Here, too, the cultivation method is to generate positive effects on the ecosystem and therefore also the biodiversity (see 1. Analysis of effects of company activities on biological diversity).

The company finds the 9-year schoolboy Felix Finkbeiner's idea that children from around the world and in every country should plant one million trees and therefore ensure a CO<sub>2</sub> balance so exemplary that it is continuously supporting the 'Plant for the Planet' organisation as part of a cooperation for new tree planting. This is to produce 250,000 trees by 2016 and therefore create the so-called 'Ritter Forest'. Currently, 59,442 trees have already been planted (as of: November 2014).

#### *Protection of the biological diversity of species at the Waldenbuch site*

The protection of the biological diversity of species at the Waldenbuch production site, too, is a matter of course for Alfred Ritter GmbH & Co. KG. Therefore, over the course of 2012 a variety of measures were decided upon that contribute towards the upholding of the diversity of species.

One of these measures includes the predominant use of cleaning products from the Green-Care product series by the Tana Professional brand at the Waldenbuch production site, as this is particularly biologically degradable and therefore puts less stress on the environment.

The step-by-step conversion of all office materials to sustainable products has also been continuously implemented since 2009 and has now been 100 per cent implemented. However, the market continues to be observed for new technical developments and more environmentally friendly materials in order to check for alternatives and, if necessary, implement them.

New soil sealing has been largely avoided in the completed construction of the new company building as well as in the new construction of the ground masses, which will likely go into operation at start of 2017. The focus was generally on an aggregation instead of extension of the usable surface, which is shown in the heightening of building complexes, for example.

Only in the extension of existing parking spaces did green spaces have to be used. In order to check possible affects on the stock of species, an appropriate assessment was carried out by a landscape planning company. Measures were implemented in order to maximally protect the existing animal population



and to balance out changes. Construction times were limited to periods outside of breeding and activity times; also, breeding and nesting boxes were installed in the immediate vicinity and frogs were relocated from a pond.

The maximum use of renewable energy and therefore the highest possible resource conservation was also a matter of course for Alfred Ritter GmbH & Co. KG when constructing the new company building as well as for the entire operation of the company site. This is also supported by the construction of the new, internal combined heating and power station (BHKW), which is to come into operation in 2016.

As a measure for the support of local food production, the company has covered the requirement for company catering in the new company canteen exclusively from local food suppliers since the start of 2014. The focus is primarily on the sourcing of local and seasonal organic fruit and vegetables. The conversion of breakfast and evening meals already began in the spring of 2013. In order to make a contribution towards upholding the sea balance, only MSC-certified organic fish is used for canteen food; furthermore, the recommendations of the Greenpeace fish guide are taken into account.

For greater biological diversity on the operating site, a large meadow of flowers was created directly behind the Ritter Museum Cafe in 2006, which serves as a living space for birds, bees and butterflies as well as lower life forms. A habitat set up on the Alfred Ritter GmbH & Co. KG operating site also serves as a refugium for amphibians and water insects, plants and micro-organisms and therefore contributes towards maintaining the biological balance.