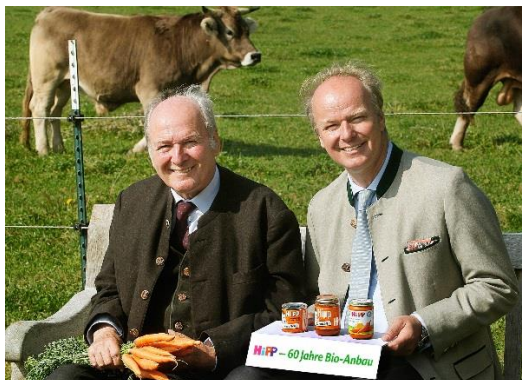


HiPP Progress Report 2015/2016



Economy and biodiversity

HiPP was able to celebrate an anniversary in 2016, one which is undoubtedly very beneficial for the promotion of biological diversity: 60 years of organic cultivation! What was unthinkable for most farmers in 1956, to the pioneer Claus Hipp, even then, it seemed to be the only acceptable way of working in harmony with nature in the long term. Organic farming guarantees species-appropriate feeding and animal husbandry of farm animals, crop protection and natural fertilisation as well as the preservation of soil fertility. The food produced in this way is more sustainable and gentler on the environment.

Since then the world population has almost tripled and the world economy has grown six-fold. This massive growth was accompanied by a further marked weakening of biodiversity. The main reasons for this endangerment are:

- The change of habitats (e.g. by land sealing or agriculture)
- Climate change
- Invading and non-resident species (neobiota)
- Overuse (e.g. overfishing, deforestation)
- Environmental pollution including over-fertilisation

However, biodiversity is the basis of all ecosystem services that nature provides reliably and free of charge. These include the nutrient and water cycle, disease control, pollination, the regulation of the climate system and carbon sequestration.

Approximately 11 percent of the Earth's landmass is still relatively rich in species. This alone provides us with an output of a value estimated to be about 4.4 to 5.2 trillion US dollars per year. This surpasses the total sales of all automotive, steel and IT companies worldwide.

The diversity of ecosystems on land and water helps to stabilise the climate. Forests and moors, for example, store water and CO₂, savannas prevent desertification and coral reefs reduce the effects of storm floods. Oceans cover about 71 percent of our planet and supply us with many important raw materials. More than one billion people depend on fish and seafood as a source of protein.

The economy needs intact ecosystems

On the one hand, the economy needs raw materials but it also seals areas and consumes natural resources. With its production it usually pollutes air, water and soil. On the other hand, the economy depends on intact ecosystems. Without organic farming there would be no HiPP products.

The value of nature is difficult to quantify. The fact is that the flora and fauna are continuing to die rapidly. The goal of the international community to reduce the losses of biodiversity by 2010 has again not been achieved in 2017.

HiPP protects biological diversity

As a producer of baby food, HiPP is dependent on the availability of particularly high-quality raw materials and, accordingly, on intact ecosystems. This is one of the reasons why the company has declared the protection of biological diversity a top priority.

In Germany, agriculture accounts for around 50% of the total area. HiPP therefore backs organic farming which protects the environment through natural cultivation. Organic HiPP cows graze on 52,000 ha of pastures which bind climate-damaging CO₂.

Crop rotations on more than 11,000 ha fields, on which cereal, fruit, vegetables and oil plants are cultivated, profit from beneficial insects. These naturally contain pests. In addition, crop rotation helps with humus build up, thus also providing a protected habitat for the living organisms in the soil.

For many years, HiPP has actively contributed to the preservation of biodiversity. At its centre is the Ehrensberger Hof as a model enterprise, in which, in cooperation with NGOs and scientists, ongoing measures to maintain and promote biological diversity are being tested. The prerequisite is that they should be easy to implement and that they can be integrated cost-effectively into the agricultural day-to-day work.

HiPP has sought allies for this commitment, which has to go far beyond the company. For example, HiPP is a member of the international business initiative "Biodiversity in Good Company", which is committed to the preservation of biodiversity. Together with the Association of Organic Food Producers (AÖL), the project "Companies Promote Diversity" has been started. The project examined the protection of biological diversity through the provision of landscape management services and the regulation of material flows in the agricultural sector.

The companies involved in the 'Biodiversity in Good Company' initiative - including HiPP - are determined to continue to be particularly responsible for the protection and sustainable use of biological diversity in dialogue with politics and society.

On the one hand, the progress reports represent the various projects in this context. On the other hand, it presents the content work which is often carried out in project partnerships with governmental and non-governmental organisations as well as scientists. The following report by HiPP is based on the compulsory 7 points of the leadership declaration of the 'Biodiversity in Good Company' Initiative.

Leadership Declaration:

The signatories acknowledge and support the three objectives of the "International Convention on Biological Diversity":

- Conservation of biological diversity
- Sustainable use of their components
- Fair sharing of benefits resulting from the use of genetic resources

and commit to:

- analysing the impact of corporate activities on biodiversity;
- including the protection of biodiversity and sustainable use in the environmental management system;
- establishing a responsible body within the company which manages all activities in the area of biodiversity and reports to the management;
- establishing measurable and realistic targets for the improved protection of biodiversity and its sustainable use, which are reviewed and adapted every two to three years;
- publishing all activities and achievements in the field of biological diversity in the annual, environmental and sustainability report;
- informing suppliers of their biodiversity objectives and to integrate them step by step;
- exploring cooperative ventures with potential partners such as nature conservation organisations, scientific or government agencies in order to deepen knowledge and to develop the management system further together

A progress report will be submitted to the initiative every two years as proof of continued commitment.

Measures by HiPP in accordance with the Leadership Declaration

1. Analysis of the impact of corporate activities on biodiversity

The protection of biodiversity is a corporate guideline. Within the framework of HiPP's sustainability management, within which biodiversity is managed as an independent business segment, the analysis and evaluation of the impacts of HiPP's company activities on biological diversity is ongoing.

Since no uniform methodology or binding indicators have yet been developed for the assessment of biodiversity, the sustainability team at HiPP has faced the challenge of developing and testing its own systematic or practice-oriented approach.

HiPP based its analysis on the "Handbook on Biodiversity Management - a Practical Guide", which was compiled by the 'Biodiversity in Good Company' Initiative in cooperation with the Leuphana University of Lüneburg on behalf of the German Federal Environment Agency. On the other hand, HiPP followed the standards of the Global Reporting Initiative (GRI) and the influencing factors generated in practical projects together with NGOs, such as the Bavarian Society for the Protection of Birds (LBV), the Nature and Biodiversity Conservation Union Germany (NABU), Bioland, Leibniz University of Hanover and the Technical University Munich.

HiPP is involved in numerous measures for the protection and promotion of biological diversity. A long-term goal is the development of indicators, which make it possible to identify products from "biodiversity-friendly production".

The analysis and measures relate to the following eight fields of action:

Research in the agricultural upstream supply chain and environmental education

For HiPP as a food producer, the biggest lever to influence is the agricultural upstream supply chain, which plays a central role in quality assurance and environmental protection at HiPP. Today, the company is one of the largest organic processors in the world, with more than 8,000 contract farmers cultivating an area of around 80,000 ha.

Biodiversity and the production of HiPP raw materials

- Defined parameters for the production of organic HiPP raw materials
- Defined measures to promote biodiversity in production – monitored by the HiPP agricultural service
- Scientific approach to the assessment of biodiversity objectives and measures
- Addressing breeding fundamentals in agriculture

Securing a livelihood

Maintaining biodiversity is essential for sustainable agricultural production!

In an agricultural model enterprise, the Ehrensberger Hof, HiPP has been testing environmental and nature conservation measures for the improvement of biological diversity since 2009. Here, methods are being tested in cooperation with scientists and nature conservation associations to show how sustainability and the preservation of biodiversity can be integrated into agricultural everyday life. The goal is to develop a practical model for all HiPP producers to implement in their own company.



Fair bananas from Costa Rica

HiPP has been importing organic bananas from a fair trade project in Costa Rica since 1995. Small farmers grow the fruits directly in the jungle, in the agroforestry system. Thus, the use of chemically-synthesized sprays can be dispensed with. The natural structures and biodiversity are optimally preserved. In order to ensure the best possible organisation and execution, the project has been directly managed by a local HiPP employee for 20 years. Through fair prices and long-term contracts, HiPP now provides over 1000 families of indigenous descendants with an existence in their ancestral habitats.

Supply Chain

HiPP promotes a targeted supplier management to seize opportunities and minimise risks, thus contributing significantly to the preservation of biological diversity.

- In the context of supplier audits and digital supplier management, the commitment of the companies with regard to biological diversity is also questioned. The basis for this is a scientific study with the Leibniz University of Hanover. Since September 2016, the questionnaire has been revised and adapted to the latest findings.
- Qualitative, ecological and social standards are checked in the audits that HiPP conducts regularly on site. All relevant criteria with regard to companies, raw materials, quality, sustainable and biodiversity-friendly production and processing are recorded in a special data collection programme. One central aspect of this is the life cycle assessment data whose overall evaluation provides valuable points for a positive development, for HiPP as well as its contract partners.



DBU project "Companies Promote Diversity" until 2016

HiPP has actively participated in a project sponsored by the German Federal Foundation for Environment (DBU). As with the HiPP project at the Ehrensberger Hof, the aim was to develop pragmatic and cost-effective methods for measuring and increasing biodiversity on agricultural land. The final report is available. It was difficult to map the scientific assumptions of literature-based research directly to the results of the agricultural upstream supply chain (see p. 9 - Development of indicators for biodiversity). Co-operation partners in this project were the AöL, the Leibniz University of Hanover, the TU Munich / Weihenstephan, Bionade, Neumarkter Lammsbräu, Märkisches Landbrot and Hofpfisterei.

Company premises

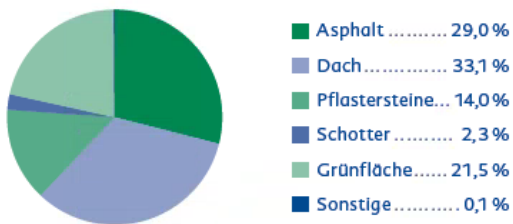
The biodiversity management at the HiPP company premises is outstanding, according to a study conducted in 2014 (NATURWERT, IÖW). Native shrubs, flowering meadows, nesting boxes, restricted mowing operations and open spaces contribute to this. In 2015/16, further red-listed species could be settled. The success is regularly checked by the regional association for bird protection in Bavaria (LBV).

- Every construction project is checked for possible resource conservation, and the sealing of surfaces is also to be avoided as far as possible.
- In a cooling water basin, HiPP keeps fish, which remove algae in an environmentally friendly manner and thus replace an elaborate cleaning process several times a year.
- In 2015/16, the protection against pigeons was again performed by a peregrine falcon nesting on site.
- Every year HiPP plants the "tree of the year" on the company premises.

Breakdown of areas –
Company premises Pfaffenhofen

Aufteilung der Fläche – Firmengelände Pfaffenhofen

Gesamtfläche (m²): 61.091



Company/Production

- HiPP continues to use MSC-certified and organic fish in the production and in company catering.
- To protect the climate, HiPP uses sun, water and biomass as renewable energy sources and recycles over 99% of all waste. In Germany, Austria, Hungary and Croatia, HiPP produces with a carbon-neutral climate footprint.
- HiPP stands against agrogenetic engineering, because it has unpredictable consequences for nature and people and endangers biodiversity through monoculture. For this reason, the company has, for example, sponsored the "Life out of control" edition for schools and is a member of the seed fund for the cultivation of seedfast varieties.

Employees

- Within the scope of regular training, HiPP employees learn more about the importance and the background of the protection of biological diversity. All employees, especially the apprentices, regularly participate in environmental campaigns, plant trees, create ponds for amphibians or create habitats for endangered bird species.
- Employees are kept informed about HiPP biodiversity projects via the intranet and other publications.

Product packaging

- In order to protect the virgin forests from deforestation, HiPP only uses recycled or FSC quality paper and packaging. In order to relieve the environment further, HiPP uses plant-based printing colours that are free of mineral oils for most packaging.

Logistics

- Since logistics also contributes to the pollution of the environment, HiPP is increasingly working to reduce emissions to protect the climate by optimising transports, using environmentally-friendly vehicles and recyclable, light packaging materials.
- Reduced environmental impact through transferring transports from road to rail.
- Due to the increasing use of central warehouses and the use of reusable pallets, the environment is affected less by the transport journeys.
- Saving packaging material during transports
 - Use of biodegradable filling materials and recyclable cardboard packaging
 - Saving of shrink-film, for instance.

End-consumer

- HiPP informs customers and consumers about all biodiversity projects on the internet: <http://www.hipp.de/ueber-hipp/bio-qualitaet-nachhaltigkeit/nachhaltigkeit-im-unternehmen/>
- Since 2011 HiPP has been offering guided tours for school classes, students, farmers and interested persons at the Ehrensberger Hof to make the topic of biological diversity tangible in the truest sense of the word. In the reporting period 2015/2016, 59 guided tours were held. In 2017, the total number is expected to increase as more registrations are already available for the first half of the year than for the comparable period in the previous year.

2. Inclusion of the protection of biological diversity in the environmental management system

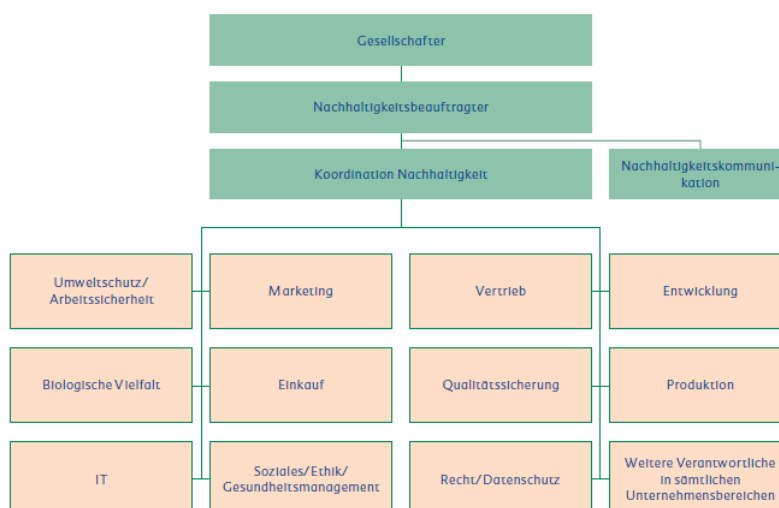
With Prof Dr Claus Hipp and his son Stefan Hipp, the company is headed by forward-looking entrepreneurs who have declared the topic of sustainability a top priority for the company.

The environmental management system EMAS - Eco-Management and Audit Scheme - also plays a special role. HiPP was one of the first food manufacturers in Europe to be validated according to EMAS in 1995. EMAS stands for systematic operational environmental protection with high standards. The instrument of the European Union helps companies and organisations to improve their environmental performance beyond what is required by law. For HiPP, the milestones were increasing the use of renewable energies from 0% (1995) to almost 90% (from 2002), the reduction of water consumption by more than 70% (1990 to today) and the increase of the recycling share at HiPP to 99% today.

Any company that successfully passes the EMAS examination may carry the logo and must regularly submit an environmental statement. An integral part of this report is the environmental statement for the Pfaffenhofen site. Its accuracy is checked by an independent environmental expert who is subject to state supervision.

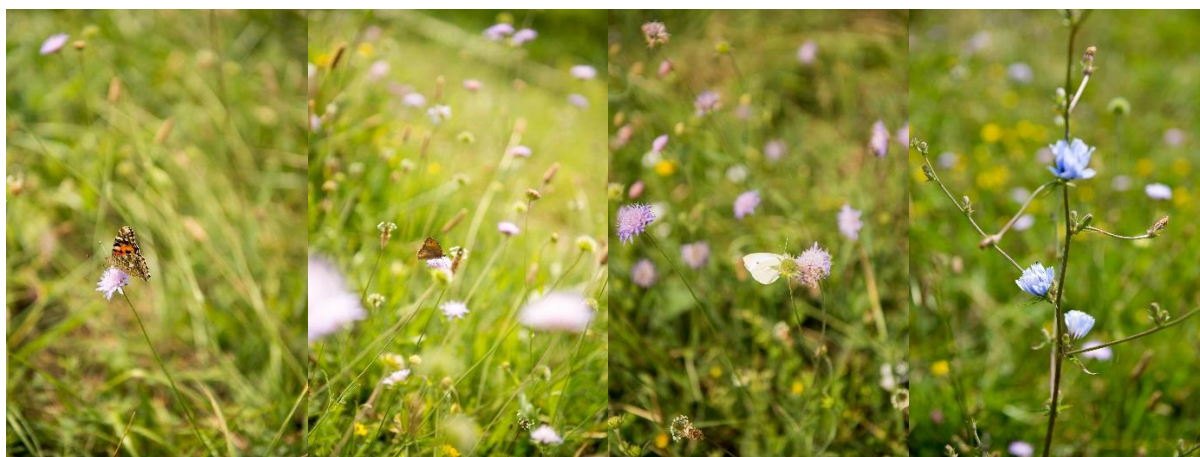
A dedicated staff department, headed by a sustainability officer, who is also a member of the management team, is committed to the implementation and further development of the HiPP sustainability management system. This is based on the measures and objectives of the individual company divisions, each of which has appointed a sustainability officer. With the introduction of sustainability management, the areas of environmental protection, occupational safety and biodiversity are classified at the level of specialist departments.

Organigramm Nachhaltigkeitsmanagement bei HiPP



3. Management of all activities in the area of biodiversity and reporting to the management through a responsible office in the company

Biodiversity activities and the development of biodiversity management are managed and coordinated by the responsible biodiversity team in coordination with the sustainability team. In regular meetings (every 4 - 6 weeks), the person responsible for biodiversity and the sustainability team report to the management and the shareholders of the company. Due to the interdisciplinary nature of biodiversity and sustainability management, all departments and their respective sustainability officers are involved in the implementation of measures in the day-to-day business.



4. Measurable and realistic objective for the improved protection of biodiversity and its sustainable use with two to three-yearly review and adaptation

Completed activities:

2015 - In the UN Year of Soils, HiPP carried out a retail campaign, illustrating the topic of biodiversity with a focus on "soil".

Entertaining information, expanded through interesting competitions, showed consumers that healthy soil and humus formation are essential prerequisites for biodiversity and the entire ecosystem.

2015/2016 – Specific measures at the HiPP model farm for biological diversity

It is often the measures which at first seem marginal and insignificant that are of great importance for the ecosystem. HiPP prefers to carry out these small measures at its model farm for biological diversity (Ehrensberger Hof) as the effects can be tracked and measured accurately:

- On the Ehrensberger Hof an eagle owl pair was sighted. A raven also found the terrain interesting.
- What's more, conditions were created so that a rare wild honeybee population could settle.
- Due to the planting of wild roses, red-backed shrikes could be sighted.
- A kingfisher accepted the special wall built specifically by HiPP for the needs of its kind.
- For amphibians, a total of 16 new ponds were created and existing ones were renovated. In particular, yellow-bellied toads settled. In cooperation with scientists, 100 more yellow-bellied toads were released into the wild. Additionally, tree frog and yellow-bellied toad cyclops as well as tree frogs were released.
- Three barn owls, which had been laboriously reared on the farm, could be released into the wild successfully. Appropriate nesting boxes were mounted for them. A further 50 nesting boxes were put up.

- In order to settle rare birds such as the wryneck, the hoopoe and house martins, specific living and nesting places were created for them.
- Five nesting boxes are available for pied flycatchers in the forest pasture.
- New perches were installed for griffins.
- A soil insect project, which was accompanied by the LBV, led to many new biotopes in the farm.
- A cradle was created for a rare stag beetle. A few years will pass until beetles will develop. Destroying connections in nature is easily done but to regenerate them, it often takes an enormously long period of time.
- A number of deadwood biotopes have been created for small mammals, birds, insects and certain plant species.
- For the protection of the climate, a total of 600 oak trees were planted and 1.4 ha new forest were reforested. The tree planting activities were partly accompanied by local school classes.
- As a habitat for water-loving animals and plants, a further drainable pond was dug.
- In the course of the "60 years organic cultivation" anniversary, numerous appointments with journalists and stakeholders took place on the model farm. A fifth grade of a Munich grammar school also participated in the environmental education activities, completing community service at the farm.
- New biotopes were created as part of four trainee projects. These included sand fields for demersal insects (such as the ant lion), ponds and stone walls, planting a field maple ("Tree of the Year 2015") and a littleleaf linden (Tree of the Year 2016).
- A placement student was able to study the management of an organic farm for one year.
- In order to make biodiversity and the correlations at the Ehrensberger Hof accessible to a wider audience, HiPP participated in the film project "Organic Farmers in Bavaria – Stories between Euphoria and Disappointment" by Lorenz Knauer (in cinemas summer 2017).
- In the context of scientific data collection, insect traps were put up by the University of Weihenstephan. The results are still being evaluated.

• 2015/2016 - project co-operations with nature conservation organisations

HiPP cooperated with the LBV by financing an observation camera for a stork's nest at a Pfaffenhofen grammar school. The pictures were transmitted on the internet and used directly in biology lessons. In addition, HiPP sponsored a transmitter and data logger, which "Happy Hipp", as the students had christened the young female stork, carried on her back. The flight route and flight profile could thus be retraced on the HiPP website and in biology lessons at the Schyren Grammar School (also via the internet) by means of satellite-based "AnimalTrackers" programmed by the Max Planck Institute. Storks depend on an intact nature to find enough food for their long journey. They react particularly sensitively to disturbances. Accordingly, they are considered to be "messengers of biological diversity". Their flight routes, their behaviour and their state of health indicate where they can find food and whether it is contaminated with pollutants, for instance.

The observation of white storks could be transferred from the outdoors into the biology hall. The pupils tracked the flight route precisely using the animal tracker. They tried to find out why the stork was flying a certain route, and why it settled down at certain places. They then evaluated their results together with the researchers of the LBV. In the end, the girls of the nature working group took first place with this project as "stork experts" at Jugend forscht.

The project "stork observation" will be continued in 2017 in cooperation with the Schyren Grammar School and the LBV.



Happy-Hippi spent the winter in a bird park in southern France amidst flamingos

- **2015/2016 – Environmental protection campaign in Costa Rica**

In order to counter the growing pollution of the environment by plastic waste and to sustainably create ecological awareness, HiPP launched its own environmental project in Costa Rica in December 2015. Costa Rica is one of the countries with the greatest diversity of species in the world. Around 30% of the land is protected as a nature reserve. For 20 years, HiPP has sourced organic bananas from Costa Rica that grow directly in the jungle. In contrast to conventional cultivation, no pesticides or crop protection products are used. Under very natural conditions, old, excellent banana varieties, which cannot be found on the large plantations, grow there. The indigenous population farms them in the original way, thus preserving the natural habitat for plants and animals, while at the same time protecting the unique biodiversity of the jungle.

In addition to the small farmers who cultivate organic bananas for HiPP, there are a large number of conventional banana growers who produce mainly for the local market. Thereby the banana trees are wrapped in plastic bags to protect them against insect damage and too much sunlight. These plastic covers are torn down at the time of harvest and carelessly end up in the countryside and in rivers. The regions along the rivers and coast are increasingly flooded with plastic waste. The impact on the flora and fauna is immense. In order to create greater environmental awareness among the Costa Rican population, HiPP launched a large rubbish collection campaign together with producer families and school children in December 2015.

In a large-scale campaign, in which the government also became involved, HiPP employees collected plastic waste on land and in the water, and made sure it was recycled into edge protection strips for pallet transports. This project is now being continued in the affected communities. The HiPP project was also accompanied by appropriate environmental education measures in schools.



- **2015/2016 - Environmental education with emphasis on the protection of biological diversity**
On the Day of Biological Diversity (22 May), guided tours for students were conducted at the HiPP model farm and further nesting boxes for swifts were installed on the company premises.
- **2016 – Climate-friendly production**
HiPP expanded the climate-friendly production to HiPP's own production sites in Hungary, Croatia and Austria. Thus, like the HiPP plant in Pfaffenhofen, they produce with a CO₂-neutral climate footprint.
- **2016 - Environmental education with a focus on the protection of biological diversity**
„In the matter of wild bees“ apprentices were out and about on the HiPP model farm for biological diversity. "The habitat of these insects has been largely destroyed by industrial forestry and agriculture and the increase in purely ornamental gardens. In order to give the wild bees a chance to settle undisturbedly, nature conservation projects have now even become necessary" says Armin Günter. He is the manager of the farm and responsible for biodiversity at HiPP. The term "wild bee" is used to refer to all bee species, with the exception of *apis mellifera*, i.e. the honeybee. Their existence is existential for humans and nature, because it is one of the pollinating insects.

Under the guidance and assistance of Prof Dr Hans-Joachim Leppelsack from the Regional Association for Bird Protection in Bavaria (LBV), who supervised the project scientifically, and Armin Günter, apprentices built four test biotopes with sand of varying grain sizes. Thereby four large heaps of sand are backfilled and a stone wall is built around each heap for protection. At the end, the sand is raked so it is smooth, so the "wild bees" can dig in passages for use as a breeding ground. The new nursery is well filled again this year!



- **2016 - HiPP applied for the German CSR Prize in the categories "Biodiversity Management to Maintain Global Biodiversity" "CO₂ Avoidance as a Contribution to Climate Protection"**
The German CSR Prize is one of the most important awards for sustainability and CSR commitment in Germany. The prize will be awarded in six categories and the award ceremony will take place in April 2017.

Two projects, which were completed before the reporting period, should also be mentioned:

- **Completed 2014 - Biodiversity protection on the company premises**
In the year 2014 HiPP participated in the NATURWERT study of the not-for-profit institute for ecological economic research (IÖW) to survey the biodiversity status on the company premises.
- **Completed 2013 - Biodiversity protection in the supply chain**
Survey on the status quo of conservation achievements in the field of biodiversity at producers and suppliers. Together with the Leibniz University of Hanover, HiPP conducted a survey of producers and suppliers to gather information on the status of biodiversity achievements in these companies.

Ongoing measures

- **Until 2018 - Development of indicators for biodiversity.**
 As described above, various measures and projects have been initiated to establish a biodiversity management. These are also largely accompanied by scientists and NGOs. Together with AÖL, other food manufacturers and scientists, the project "Companies Promote Diversity" has been implemented over a total of three years, which, like the HiPP model farm project, aims to identify pragmatic and cost-effective methods for increasing biodiversity on agricultural lands. The project was funded by the DBU and completed by the end of 2016. In practice, it was difficult to map the scientific assumptions of literature-based research directly to the results of the agricultural upstream supply chain. Therefore, the results of the research are merely 'a modular construction kit'. The developed tools have to be adapted to the respective circumstances and need to be accompanied by experts. Depending on the application, the results must either be aggregated for an entire company or for all suppliers. The results of individual landscape elements can also be used on farms to improve nature conservation management. On this basis, HiPP has adapted its supplier or producer questionnaire and developed corresponding test criteria for its audits.
- **Until the end of 2017 - measures to improve biodiversity in the agricultural upstream supply chain**
 With their own practical measures as well as with the systems Repro (TU Munich) and MANUELA (Leibniz University Hanover) and also on the basis of the cultivated land plan (Bioland), progress has already been made towards increasing biodiversity and improving nature conservation in the regional agriculture on the Ehrensberger Hof. Up until the end of 2017, HiPP will continue its own analyses - also with the modules from the project "Companies Promote Diversity" - to further develop the results with a view to application in practice.
- **Ongoing – Protection of biodiversity in the supply chain**
 Integration of conservation and environmental achievements of suppliers and producers in GTCs, contracts and audit questionnaires.
- **Ongoing - Use of recycled paper and fish from sustainable fishing**
 One hundred percent use of recycled and FSC paper to protect the forests and MSC fish in the production and in company catering to protect the oceans from overfishing.
- **Ongoing – Climate-friendly production**
 Since 2011, Pfaffenhofen has been producing with a CO₂-neutral climate footprint. In the course of the year 2016, production at all other production sites has also been developed in a climate-friendly manner. CO₂ neutrality will continue to be maintained at Pfaffenhofen, Gmunden (Austria), Glina (Croatia) and Hanságliget (Hungary).

HiPP is a member of the "Business pro Climate" initiative.
- **Ongoing – Environmental education**
 Regular project co-operation with NGOs (such as LBV, German Forest Protection Association, Mellifera e.V. etc) as well as guided tours and activities at the model farm for biological diversity.
- **Ongoing – Staff training**
 As part of regular annual training courses, HiPP employees learn the importance of biodiversity. In environmental campaigns they plant trees, create ponds for amphibians or create habitats for endangered bird species.
- **Ongoing – Protection of biodiversity on the company premises**
 Planting native plants on the company premises. Restricted mowing times for meadows. Registration of red-listed species together with the LBV. Every year the tree of the year is planted on the company premises. In a cooling water basin, HiPP keeps fish that feed on the algae, which saves the elaborate

cleaning process. A nesting box for falcons was provided to entice peregrine falcons to settle on the company premises thus ensuring a natural falcon defence.

- **Ongoing – Environmentally friendly packaging**
Improvements for a more environmentally friendly design of packaging.

5. Publication of all activities and achievements in the field of biological diversity in the annual, environmental or sustainability report

HiPP publishes its activities in the area of biological diversity continually on the intranet as well as in suitable media presentations, in advertising and on the internet.

<http://www.hipp.de/ueber-hipp/bio-qualitaet-nachhaltigkeit/nachhaltigkeit-im-unternehmen/>

In the Sustainability Report 2015, pages 30 - 37 are dedicated in particular to the issue of the protection of biological diversity: http://www.hipp.de/fileadmin/redakteure/content/ueber-hipp/nachhaltigkeit/Nachhaltigkeitsbericht_2015.pdf

6. Information by suppliers about biodiversity targets and step-by-step integration

Producers and suppliers are informed about HiPP activities and requirements within the context of sustainability through contracts, general terms and conditions and the HiPP Sustainability Report, as well as by the HiPP's own agricultural service.

The regular, trustful support provided by the baby food producer's agricultural engineers makes the subject comprehensible through direct personal contact and provides specialist background information. The current survey of producers and suppliers on the status of their protection achievements regarding biodiversity delves deeper into the topic. The topic is also queried in audit questionnaires. In a data collection system, the information on biological diversity is to be linked with other information relating to the batch and supplier.

7. Cooperation with potential partners such as nature conservation organisations, scientific or governmental institutions in order to work together to deepen expertise and to develop the management system further

Organic farming, the production of healthy food, the protection of biological diversity, the preservation of the environment and living spaces, social balance: all these are goals in which HiPP is actively engaged with lectures, publications, cooperation in working groups and associations, and in terms of political and social debate as a company. Leading the way are the Association of Organic Food Producers (AöL), the company initiative 'Biodiversity in Good Company', the German Working Group for Environmentally-Aware Management (B.A.U.M.), the „Business pro Climate“ initiative or the WWF. Furthermore, HiPP cooperates on a project basis with scientists (e.g. the Leibniz University of Hanover and the TU Munich) as well as with non-governmental organisations and nature conservation organisations (such as LBV Bavaria, NABU, the German Forest Protection Association, Mellifera eV or also Greenpeace).

Information about current projects

<http://www.hipp.de/ueber-hipp/bio-qualitaet-nachhaltigkeit/nachhaltigkeit-im-unternehmen/>

**Scheduled for 2017: Extensive HiPP activities at the garden show in Pfaffenhofen 2017**

From May to August 2017, Pfaffenhofen an der Ilm invites guests to the so-called "Gartenschau zum Anfassen". For three months everything revolves around experiencing nature in an urban setting. As a local company, HiPP will join in the action with numerous projects. The central theme being the "Protection of biological diversity". Thus, a corporate exhibition entitled "Living Diversity - Learning from Nature" will be on display and the extensive children's programme at the HiPP Naturkinderhaus (company nursery) will focus on "Nursery Care and Upcycling".

More information will be available at www.hipp.de