



**EDEKA AND WWF  
STRATEGIC PARTNERSHIP**

# **PROGRESS REPORT 2018**



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## 1.1 INTRODUCTION

EDEKA and the WWF have been implementing environmental protection on store shelves and along supply chains for ten years. It all began with fish in 2009. Today, Germany's largest food retailer and one of the world's biggest environmental organisations are working together successfully in many areas: their joint campaigns cover everything from biodiversity to citrus fruits, and from waste reduction to certified courgettes. Always in focus are the EDEKA private labels. As part of our strategic partnership, we work day-in, day-out to improve the 3,600 private-label products by making their production more sustainable. Our working methods are characterised by the shared struggle to find the best solutions.

The cooperative venture has further evolved ever since it began in 2009. Since 2012, EDEKA and the WWF have been joined in a strategic partnership for sustainability that has been expanding steadily. Each of eight subject areas addresses one of the nature conservation goals of the WWF. Supported by the cooperative structure of the EDEKA Group and the WWF network, the partners are able to pursue changes that have significant and lasting effects on the market in Germany as well as in other countries.

The work being undertaken in relation to the private labels differs depending on the subject area. For example, certification systems and standards for sustainability are in place for fish, paper and palm oil, and these can be used to improve the private labels. In other areas, however, we are breaking new ground and must first prepare the way so that our conservation goals can be reconciled with solutions that will prove to be viable in the food retailing business. In recent years, the WWF and EDEKA have invested a great deal, for example in the subject area of freshwater, in an effort to find solutions that are workable not only for the EDEKA Group, but also for other players in the market. The two partners are also exploring new avenues in their joint cultivation projects. The aim is to return agriculture closer to its natural foundations, and to do so in direct co-operation with producers – be they in Ecuador, Colombia, Andalusia or in northern Germany.

With 12 million EDEKA customers on a daily basis, even small steps can have an enormous impact. For this reason, EDEKA and the WWF want to encourage customers to engage in sustainable consumption patterns, through targeted customer campaigns and

with sustainability information displayed on products. The partnership between EDEKA and the WWF is publicised 365 days of the year, in print, online and on television.

Binding targets are an essential part of this partnership. Concrete quantitative and qualitative targets have been agreed for each of the eight subject areas. They constitute the basis for the co-operation. The progress in implementation is monitored by the WWF on an annual basis. The outcomes are summarised in this Progress Report in a neutral, objective manner. The data-based monitoring of selected quantitative data and their presentation in the progress report are monitored and reviewed by an independent auditor.

The significance of the work on the private-label product range, the annual monitoring and the transparent reporting of the results were tested and confirmed in a scientific study in 2017. In the study commissioned by the German Federal Environment Agency and implemented by the Independent Institute for Environmental Issues (UfU), the Institute for Ecological Economy Research (IÖW) and UPJ, the authors write<sup>1</sup>:

**“There are hardly any cooperative efforts that have a direct impact on business activity. Only a few NGOs are able and willing to monitor the process of change within an enterprise so closely. The WWF is in a position to muster the necessary resources, skills and diversity of content. The partnership between the WWF and EDEKA does exert a transformative effect in that it generates impulses that extend far beyond the purview of their direct co-operation.”**

**Franziska Sperfeld, Independent Institute for Environmental Issues (UfU)**

<sup>1</sup> Cf. Innovative NRO-Unternehmens-Kooperationen für nachhaltiges Wirtschaften Abschlussbericht [= innovative NGO business cooperative ventures for sustainable management, final report], pp. 19 ff.: [https://www.ufu.de/wp-content/uploads/2018/03/2018-02-20\\_texte\\_14-2018\\_nro-kooperationen.pdf](https://www.ufu.de/wp-content/uploads/2018/03/2018-02-20_texte_14-2018_nro-kooperationen.pdf)



## 1.2 HOW PROGRESS IS MEASURED

Mutually agreed, binding targets form the basis for the co-operation between EDEKA and the WWF. The WWF records and documents the status of implementation of these targets as part of an annual monitoring as at the 30/06 cut-off date. The results presented in this report show the progress made over the period from 01/07/2017 to 30/06/2018. The monitoring assesses progress in two principal ways: firstly, by comparing the current data with the results of the previous year, and secondly, by comparing it with the starting position or baseline.

In the case of quantitative targets, progress is measured by assessing the conversion of the relevant articles and products and the quantities of articles to more sustainable alternatives. In addition to private-label products, this also includes internal consumables such as printing paper or hygiene articles at EDEKA Zentrale Hamburg.<sup>2</sup> Unless stated otherwise, promo-

tional articles are not included in the progress measurement.

The distinction between “article” and “product” is a necessary one in the context of the data collection, which is conducted in a manner specific to each subject area. For example, in the subject areas comprising Wood, Paper and Hygiene Tissue, Palm Oil and Soya/More Sustainable Livestock Feed, monitoring is carried out at article level. In the subject area Soya/More Sustainable Livestock Feed, the assessment is based on the quantities of articles converted. In the subject areas Fish and Seafood and Co-branding, monitoring is performed at product level. A product can comprise several articles, which can differ in characteristics such as layout, vendor or article number.

To enhance readability in this Progress Report, the term “product” is used as a synonym for “article” and “products” wherever this is both

possible and meaningful. In addition, footnotes explain the specifics of the data collection process. The appropriate labels are used in all the tables presenting data.

This year (2018) quantitative targets for Fish and Seafood, Wood, Paper and Tissue, Palm Oil and Soya/More Sustainable Livestock Feed are available. The results derived from the monitoring in the area Co-Branding are also shown in quantitative form in this report. The basis for the monitoring is the private-label catalogue from the year progress was measured.<sup>3</sup> The catalogue shows the entire private-label product range at a given time and allows a rough estimate of how many converted products were theoretically available to consumers.

For the remaining subject areas, the degree to which targets were achieved was assessed on the basis of previously specified qualitative indicators.

## 1.3 EXTERNAL AUDIT OF PROGRESS

An independent auditor reviews selected quantitative data derived from the monitoring conducted by the WWF. The auditor’s responsibility is to plan and carry out the audit in such a manner that after a critical assessment it can be ruled out with a limited degree of certainty that in material aspects, the selected quantitative disclosures were not prepared in harmony with the selected GRI criteria of accuracy, balance, comprehensibility, comparability, reliability and timeliness.

<sup>2</sup> The term ‘tissue’ covers all hygiene articles in the EDEKA private-label product range. This includes toilet and kitchen paper.

<sup>3</sup> The private-label catalogue is used within the EDEKA Group for marketing and distribution of the private labels and represents a possible reference basis for monitoring purposes. The private-label catalogue 2017/18 was used for the subject areas Wood, Paper and Tissue and Palm Oil. To maintain consistency with the reports for the previous years, the most up-to-date private-label catalogue (2018/19) was used for the monitoring in the subject area Fish and Seafood. Since quantities are assessed in the subject area Soya/More Sustainable Livestock Feed, the private-label catalogue was not relevant in this case.

<sup>4</sup> Based on the sustainability reporting standards of the Global Reporting Initiative (GRI).



# 1.4 OVERVIEW OF PROGRESS ACHIEVED

**Fish** was the first subject area dealt with by the partnership, and one in which EDEKA and the WWF have already achieved a number of major accomplishments. The complete conversion of the product range is already well advanced; conversion of the remaining parts of the product range requires considerable effort, and in some instances market prerequisites are yet to be put in place.

In some of the categories, more than three-quarters of the product range has already been converted to sustainable sources.<sup>5</sup> Private-label products containing wild fish are leading the field, with 81% having already been converted to sustainable sources. In the animal feed and pet food segment, the monitoring was extended to include products containing fish meal and fish oil. Since the origin of these fish constituents could not be determined beyond doubt for some of the animal feed products, they had to be reappraised using the category “Preferably Not”.

<sup>5</sup> Sustainable sources here refers to fisheries and farms that are certified according to an environmental standard recognised by the WWF (e.g. MSC, Bioland, Naturland) or are listed as sustainable sources in the WWF fish and seafood database (scores 1 and 2).

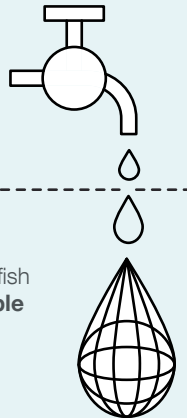




# 1.4 OVERVIEW OF PROGRESS ACHIEVED

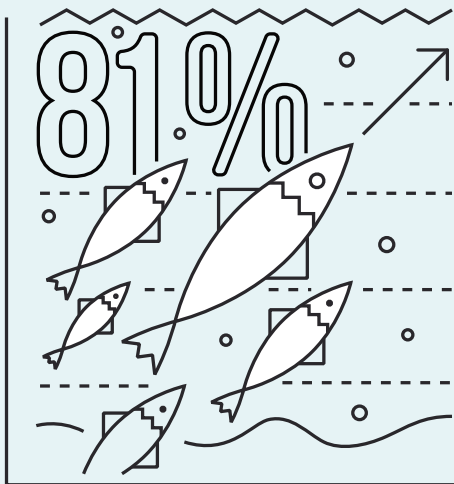
## FRESHWATER

The **EDEKA water risk tool** currently undergoing pilot trials has been completed and has already been deployed at one of the organic banana producers and the 300 banana growers.



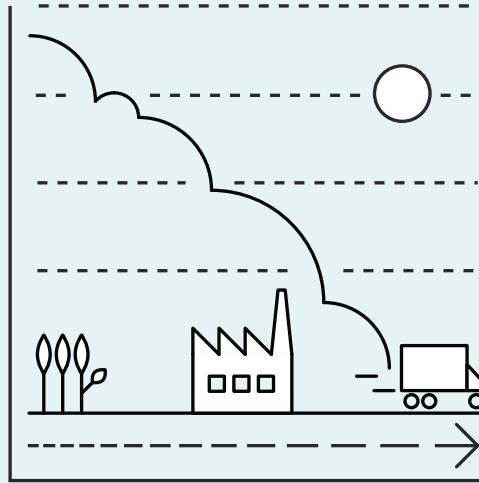
## FISH AND SEAFOOD

81% of private-label products containing wild fish have already been changed over to **sustainable sources**.



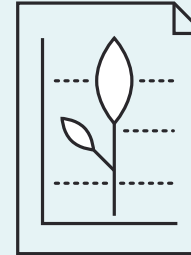
## CLIMATE

In addition to the **greenhouse gas reduction target** for the company itself, EDEKA will also set an additional target for reducing emissions from upstream and downstream supply chains. The latter account for more than three-quarters of total greenhouse gas emissions in the food retailing sector and are generated during cultivation, production, delivery and disposal of the products.



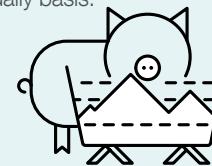
## PALM OIL

97% of the articles containing palm oil and **90%** of the articles containing palm kernel oil contain only certified palm (kernel) oil along the entire supply chain.



## MANAGING THE PROCUREMENT OF CRITICAL AGRICULTURAL COMMODITIES

32 **raw materials profiles** were prepared to begin with – produced in a convenient format. they provide two pages of information that EDEKA procurement officers can use on a daily basis.

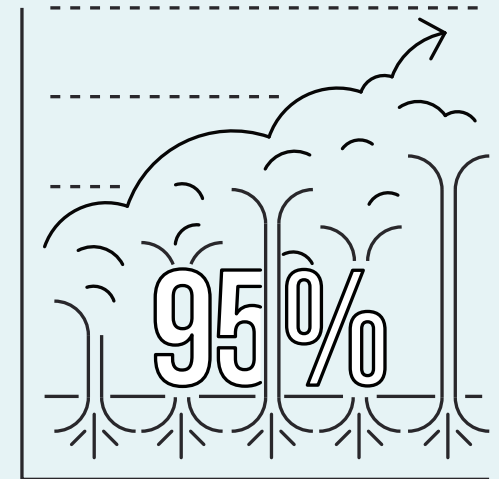


## SOYA / MORE SUSTAINABLE LIVESTOCK FEED

The ambitious target of converting the EDEKA private-label product range gradually to **more sustainable animal feed** continues to present a major challenge. Where the changeover in animal feed has already been successful, however, is in the Hofglück programme operated by the EDEKA region Southwest: 37 piggeries are gradually moving from non-GMO feed to certified sustainable or domestically sourced feed.

## WOOD / PAPER / TISSUE

95% of private-label packaging made of paper and cardboard has been changed over to **recycling or FSC®**.



## PACKAGING

The reusable container pilot project at the **fresh food counter**: customers can buy items like meat, cold cuts or cheese at the fresh food counter in reusable containers which the store later washes and makes available again.

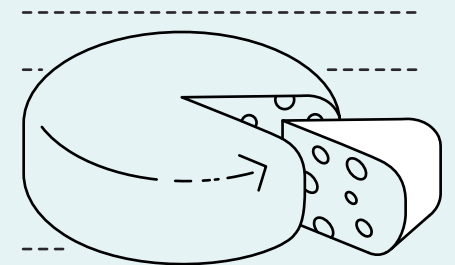






Photo: Casey Homer, The Unsplash

In the area of wood, paper and hygiene products, the ambitious target achievement rates were maintained. In addition, all private-label articles containing [♻️](#) wood, paper and tissue have been converted to recycled, FSC® or *Blauer Engel* (blue angel) accredited sources. In short, in this area the conversion has been completed. The proportion of end consumer packaging improved slightly, to 95%. What has been equally successful is the changeover of the EDEKA-internal paper consumption of cost items such as paper carry bags and bakery bags, and the paper consumption at the publishing unit EDEKA-Verlag, which was newly included in the monitoring.

In the subject area [♻️](#) Palm Oil the ascent towards the goal of implementing the desired supply chain model continued. Meanwhile, 97% of the articles containing palm oil and 90% of the articles containing palm kernel oil only contain certified palm (kernel) oil along the entire supply chain.

In the subject area [♻️](#) Soya/More Sustainable Livestock Feed we are still facing major challenges in relation to the conversion of the private-label product range. However, the Netto start-up project for the introduction of more sustainable livestock feed for pigs, established in collaboration with the EDEKA region

Southern Bavaria and launched in 2017 and in which 25 pig farms are currently participating, does represent some progress. In addition, as part of the existing Hofglück programme operated by the EDEKA region Southwest, the 37 participating piggeries are gradually changing over from non-GMO feed to certified more sustainable, domestically sourced feed. The changeover is expected to be completed by the end of the year 2018. Also counting as a success story is the increased number of private-label dairy articles produced using GMO-free feed.

A new type of target was negotiated and agreed for [♻️](#) climate protection. In addition to the greenhouse gas reduction target for the company itself, EDEKA will also set a further target for reducing emissions from upstream and downstream supply chains. The latter account for more than three-quarters of total greenhouse gas emissions in the food retailing sector and are generated during cultivation, production, delivery and disposal of the products. The two partners are also establishing the “Climate Supplier Initiative” (CSI), an industry-wide initiative for developing joint climate protection measures in the supply chain.

In relation to [♻️](#) freshwater one EDEKA producer succeeded in obtaining certification under the Alliance for Water Stewardship (AWS) sustainability standard. One of the *fincas* taking part in the joint citrus project in Andalusia was the first grower in Europe to receive the AWS seal and ascend to the Gold category, which to date has only been awarded three times worldwide. The EDEKA water risk tool currently undergoing pilot trials has been completed and has already been deployed at one of the organic banana producers and the 300 banana growers. The Water Stewardship approach, i.e. the joint co-operation of all water users within a river basin, made further progress in the EDEKA/WWF banana project set in the northern part of Colombia. As a result of regular meetings with participants from business, politics and civil society, it was possible to implement joint projects in education and environmental protection.

[♻️](#) Packaging, and the fact that there is too much of it, are hotly debated topics among the general public. EDEKA also endeavours to do without packaging wherever possible, to reduce packaging, and to increase its recyclability as well as the proportion of recycled

material used to manufacture certain types of packaging. To assist with the implementation of these objectives, the WWF compiled a large amount of facts and background information. Various means of promoting the idea that “less is more” among EDEKA customers were also developed. A pilot project was launched at an EDEKA store in Büsum: it lets customers buy items like cold meats or cheese at the fresh food counters in reusable containers which the store later washes and makes available again. This “reusable tin can system” has already been adopted by other EDEKA stores.

In the new subject area [Procurement Management](#) for critical agricultural commodities, some 32 raw materials profiles were prepared to begin with. They are produced in a convenient format and provide two pages of information that EDEKA procurement officers can use on a daily basis. In a collaboration between the WWF, the EDEKA Fruchtkontor and a supplier, we also succeeded in recruiting six avocado and mango farms in Central and South America for the test phase of a future self-assessment scheme for suppliers.

Progress was also made in the three agricultural cultivation projects run by EDEKA and the

WWF. In [the citrus project](#) the number of participating fincas has grown to eight. During the winter season 2017/2018, the project oranges were marketed by EDEKA and Netto throughout the country. The [banana project](#) in Ecuador and Colombia has been extended for three more years, to 2021. During the new project phase, the buffer zone around the 24 farms currently participating in the project are to be expanded in order to provide adjacent ecosystems with better protection from the effects of banana cultivation. The next targets are for the farms to no longer use herbicides and to be certified under the AWS water sustainability seal by 2020. As part of the [“Agriculture for Biodiversity \(LfA\)”](#) project, a survey of amphibian populations showed that target species listed in the EU Flora Fauna Habitat Directive are present in the small water bodies investigated in Mecklenburg-Western Pomerania. Initial results following the removal of vegetation at the southern edge of water bodies show significantly more amphibian species as well as positive effects on their rate of reproduction. The results show once again that the measures implemented by farms to protect and promote biodiversity are proving effective. Initially confined to the region EDEKA North, the Agriculture For Biodiversity pro-



ject has since been expanded to the region EDEKA Southwest. The first products from the project are expected to be available in stores starting in 2019.

We will continue to work hard to achieve our goals of a complete conversion of the fish and seafood range, an increase in the recycled content of paper, cardboard and hygiene products and the conversion from “Book & Claim” to RSPO Mass Balance-certified components for articles containing derivatives and fractions of palm oil. In spite of the great momentum and

complexity in the subject area of packaging, both sides are continuing to pursue the direction they have taken in handling the various tasks and will communicate initial findings in forthcoming monitoring progress reports.

The most visible indicators of the success of the partnership are and remain the so-called co-branded products. By the cut-off date of 30/06/2018, a total of 310 products carried the WWF logo. Their respective certifications are: 186 organic, 52 MSC, 40 FSC, and 32 Blauer Engel.



## 1.5 METHODOLOGY USED IN THE ASSESSMENT

The various sub-targets, arranged by subject area, along with the progress made in attaining the respective targets, are described below. The assessment is based on the determination of the respective status on the cut-off date of 30/06 and uses the following gradings:

↑ Target achieved

↗ Significant improvement over the previous year<sup>6</sup> / Significant<sup>7</sup> level of achievement

→ Target being pursued / Baseline established

↘ Significant deterioration. Attainment of target in jeopardy<sup>8</sup>

↓ Target missed

The “Outlook” column provides an estimation of the development to be expected leading up to the monitoring in 2019 and is based on the following gradings:

✓ Target achieved

↗ Positive trend discernible

→ Continuous trend discernible / no clear trend discernible<sup>9</sup>

↘ Negative trend discernible, target achievement not in sight

Targets already achieved in previous years are shown separately under “Accomplishments”, stating the year in which they were achieved. The levels achieved previously were maintained for all these targets.

<sup>6</sup> Improvement by more than 5% compared to the previous year's result where targets remained unchanged.

<sup>7</sup> If the level of achievement exceeds 95%.

<sup>8</sup> Deterioration by more than 5% compared to the previous year's result where targets remained unchanged.

<sup>9</sup> 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 the pursuit of the target, or that it cannot be assessed unambiguously at present, for example due to structural conditions or due to a dependence on market trends.



EDEKA UND WWF  
SIND PARTNER FÜR  
NACHHALTIGKEIT



### ADDITIONAL INFORMATION

These websites provide additional information about the strategic partnership between EDEKA and the WWF:

[www.edeka.de/wwf](http://www.edeka.de/wwf)

[www.wwf.de/edeka](http://www.wwf.de/edeka)

The Progress Report provides references to sources of additional subject-related information on the Internet under the relevant subject headings.

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## 2. PROGRESS ACHIEVED IN THE SUBJECT AREAS

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## 2.1 FISH AND SEAFOOD

Germans eat an average of around 14 kilograms of fish per year. Whereas fish once featured regularly as part of the Friday lunch in particular, eating fish has meanwhile become part of everyday life. At the same time, the number of overfished stocks worldwide has risen to around one third. Given the steady rise in demand, it is even more important for EDEKA and the WWF to ensure that fish sold at EDEKA is procured from sustainable sources.<sup>10</sup>

<sup>10</sup> Sustainable sources here refers to fisheries and farms that are certified according to an environmental standard recognised by the WWF (e.g. MSC, Bioland, Naturland) or are listed as sustainable sources in the WWF fish and seafood database (scores 1 and 2). The scores 1-5 are based on the evaluation of fisheries and fish farms according to the following criteria: the condition of the stock, the ecological impact, and how the stock is managed. Scores 1 and 2 (in the WWF "Fischratgeber" ("Fish Advisor") shown in green) indicate a largely sustainable fishery/aquaculture operation. Score 3 ("yellow") stands for a fishery/fish farm that is considered acceptable. Scores 4 and 5 ("red") indicate a destructive fishery/fish farm.



## TARGET

By 31/05/2022, EDEKA intends to fully convert the fish and seafood product range in its private-labels to sustainable goods. Furthermore, EDEKA will endeavour to achieve a 100% sustainable range of branded products and manufacturer brands as well, even though in this segment EDEKA can only exert influence indirectly, through ongoing contact with suppliers and producers.

To protect special habitats, reduce by-catch and ensure sustainable fisheries management practices, the partners are working to promote innovative fishing methods. The aim is to improve the ability to backtrack the supply chains. Improvements in fish farming are to be realised through a joint project. The particularly endangered species eel, shark, ray and wild sturgeon will continue to be excluded from the product range on a permanent basis.

EDEKA and the WWF are also developing a risk analysis tool for checking whether EU regulations targeting illegal, unregulated and unreported fishing practices (IUU) were complied with. To prevent fish products sourced from illegal fishing operations ending up on German shelves, all the steps from catching to

processing and trading must be documented. In this way, proof can be delivered that the fish has really been sourced from the fishery claimed on the product label. EDEKA suppliers should then implement suitable measures designed to minimise risks.

At the fresh food counters of the EDEKA Group, work is ongoing to change the product range over to include more sustainable sources, and to improve consumer information (counter certification, changes to product range, promotions). The WWF conducts random checks at EDEKA stores in various regions to verify the current status of implementation. Doing so provides both partners with a better understanding of the status of implementation of the sustainability criteria at EDEKA stores.

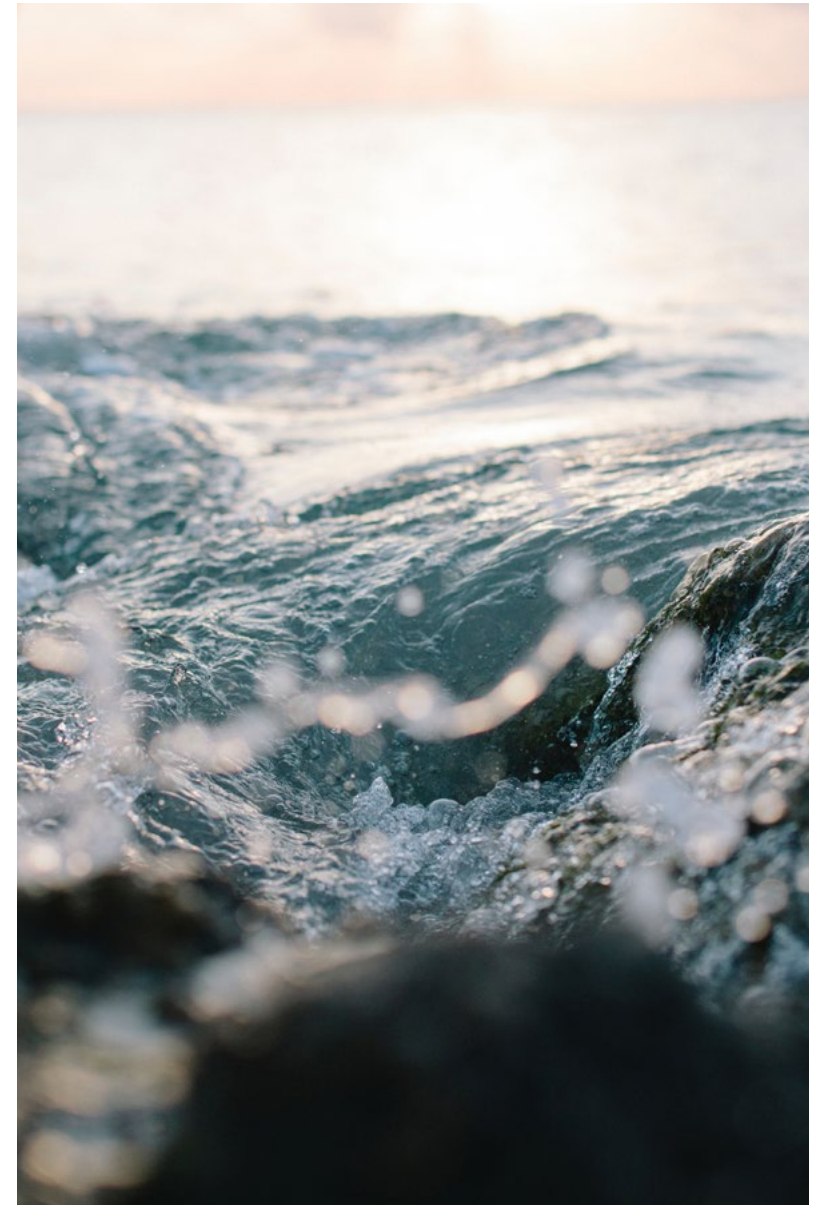


Photo: Karl Fredrickson, The Unsplash

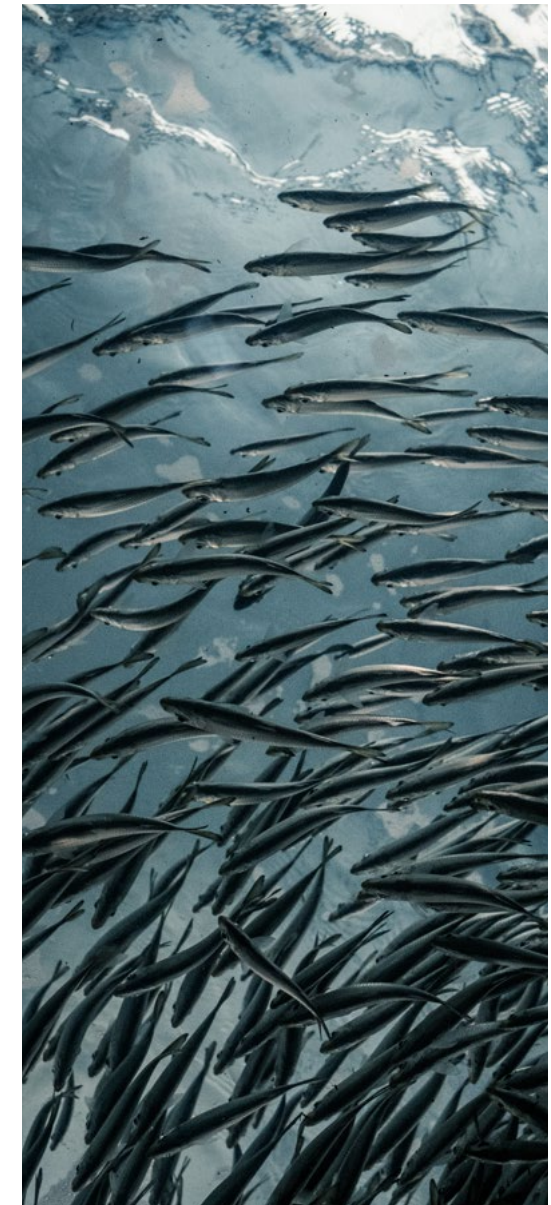


# OVERVIEW OF PROGRESS ACHIEVED

SUB-TARGET	STATUS 30/06/2018	OUTLOOK
<b>Conversion of the private-label product range to sustainable products</b>		
EDEKA private labels	→ 77% "Good Choice" products, 23% "Second Choice", 0% "Preferably Not" <sup>11</sup>	⇒
of which wild fish (78%)	→ 81% "Good Choice" products, 19% "Second Choice", 0% "Preferably Not"	⇒
of which aquaculture (22%)	↘ 65% "Good Choice" products, 35% "Second Choice", 0% "Preferably Not"	⇒
Animal feed and pet food	→ 10% "Good Choice", 25% "Second Choice", 65% "Preferably Not" Database was expanded. Results not comparable to previous years	⇒
Delisting of endangered species*	↗ 1 EDEKA store with report of incorrect handling/improper action	⇒
<b>Targets not directly related to the product range</b>		
Project to make improvements in the field of aquaculture	→ The partners have been unable to agree on the project's direction to date. Practical suggestions for the project have not yet been presented by the WWF.	⇒
Improving traceability and transparency along the supply chain	→ Risks occurring within the supply chain were analysed in collaboration with a supplier.	⇒
Sponsoring in the area of fisheries/aquaculture projects	→ No general consensus on a project has been achieved as yet.	⇒
Improvements to the product range and to information displayed at fresh fish counters	→ The declaration of fresh fish is usually complete at EDEKA. The proportion of certified fish products at the fish counters has risen slightly.	⇒

<sup>11</sup> "Good Choice" corresponds to MSC, Naturland, Bioland, EU-Bio, ASC and scores 1 and 2 (green) acc. to the WWF database. "Second Choice" corresponds to score 3 (yellow), and scores 4 and 5 (red) acc. to the WWF database correspond to the recommendation "Preferably Not".

\* With a total of more than 13,000 stores and approx. 4,000 independent retailers. Active screening at 182 stores was carried for the first time in 2016/2017; in both those years there was only a single incident.



# STATUS

During the 2018 reporting period, the EDEKA private-label product range in the area of Fish and Seafood has increased once again. The total of 93 products in 2018 represented an increase by five products over the previous year. There were also changes to existing products. The wild fish range has been extended by three products containing white tuna. It is pleasing that in addition to the MSC seal, the white tuna also bears the logo of the International Pole and Line Foundation (IPLF). The latter signifies a fishing method characterised by a low by-catch, where the fish are caught using hand lines and pole lines. Moreover, another new product, a salad, uses farmed shrimp rated “Second Choice”.

Across the entire EDEKA private-label product range, the proportion of “Good Choice” products declined by one per cent, while the proportion of “Second Choice” products rose by five per cent. Two products in the “Preferably Not” category were improved and are now listed in the “Second Choice” category. Another success story is that all wild fish products in the private-label product range have been fully converted to “Good Choice” or “Second Choice”.

## DEVELOPMENT OF THE EDEKA PRIVATE-LABEL PRODUCT RANGE FOR FISH AND SEAFOOD

EDEKA PRIVATE-LABEL PRODUCT RANGE		TOTAL NUMBER OF PRODUCTS <sup>12</sup>	ASC	ORGANIC	MSC	SCORE 1	SCORE 2	SCORE 3	SCORE 4	SCORE 5
Baseline 2012	Products	81	0	2	45	0	3	31	0	0
	Per cent	100%	0%	2%	56%	0%	4%	38%	0%	0%
2013 survey	Products	80	1	5	42	1	1	30	0	0
	Per cent	100%	1%	6%	53%	1%	1%	38%	0%	0%
2014 survey	Products	71	2	4	44	0	2	19	0	0
	Per cent	100%	3%	6%	62%	0%	3%	27%	0%	0%
2015 survey	Products	78	1	3	49	0	3	22	0	0
	Per cent	100%	1%	4%	63%	0%	4%	28%	0%	0%
2016 survey	Products	81	4	3	52	0	1	21	0	0
	Per cent	100%	1%	4%	63%	0%	4%	28%	0%	0%
2017 survey	Products	88	12	3	52	0	2	17	2	0
	Per cent	100%	14%	3%	59%	0%	2%	19%	2%	0%
2018 survey	Products	93	10	3	58	0	1	21	0	0
	Per cent	100%	11%	3%	62%	0%	1%	23%	0%	0%

**Table 1:** Development of the EDEKA private-label product range (wild fish and farmed fish) over time, beginning with the baseline in 2012 up until the most recent monitoring in 2018. Included are all products in the range on the cut-off date of 30/06/2018, as well as the seasonal promotional articles that were temporarily part of the product range since 01/07/2017. Not included are the sub-segments Cash & Carry and pet food. Products with certifications in accordance with the EU Organic Regulation and with Naturland are grouped together in the category “Organic”. The scores 1-5 are based on the evaluation of fisheries and fish farms according to the following criteria: the condition of the stock, the ecological impact, and how the stock is managed. Scores 1 and 2 (“green” in the WWF “Fischratgeber” [fish guide]) indicate largely sustainable fishery/aquaculture operations. Score 3 (“yellow”) stands for a fishery/fish farm that is considered acceptable. Scores 4 and 5 (“red”) indicate a destructive fishery/fish farm.

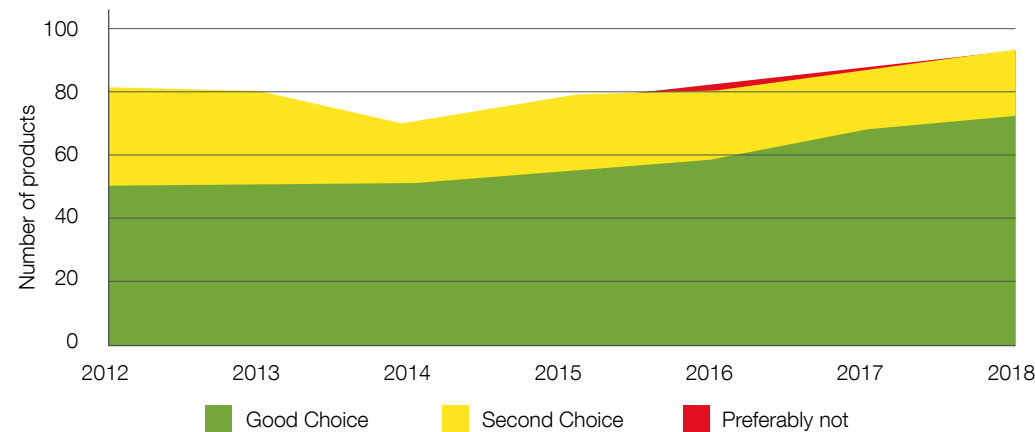
<sup>12</sup> In the subject area Fish, the monitoring is carried out at product level. If a product is purchased from different suppliers, but sold under the same name and using the same packaging layout, these articles are combined into one product. If the fish constituents come from fisheries with different scores, the product is given the lowest of the scores.



Following the sharp increase in products sourced from aquaculture, the product range has since been reduced by two products. This explains the reduction in ASC-certified products by three percentage points.

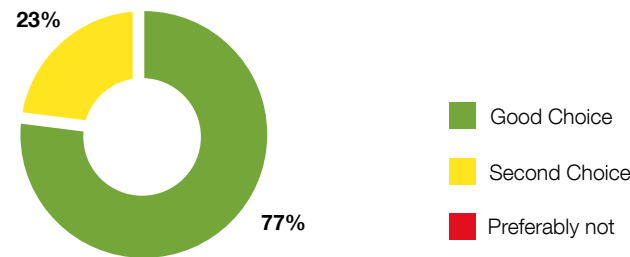
We were able to gradually change the sources of supply for the private-label product range over to sustainable fisheries. In total, 77% of the private-label product range belong in the category “Good Choice” this year, and 23% are “Second Choice” products. The proportion of MSC-certified goods is also increasing. However, problems are still hampering the conversion of products from the category “Second Choice” to “Good Choice”. On the one hand, the product range was expanded to include products in the “Second Choice” category; on the other, it was not possible to implement improvements in products already listed. Examples of “Second Choice” products are tuna and farmed salmon. Canned tuna and tuna used as a pizza topping and as an ingredient for wraps and salads, for example, come from non-sustainable sources. Norwegian salmon contributes the second largest share of yellow products in the aquaculture segment. Here EDEKA sells almost all variants: organic,

### DEVELOPMENT OF THE EDEKA PRIVATE-LABEL PRODUCT RANGE IN THE SUBJECT AREA WILD FISH AND FARMED FISH, FROM 2012 UNTIL 2018 <sup>13</sup>



**Fig. 1:** Development of the EDEKA private-label product range (wild fish and farmed fish) over time, beginning with the baseline in 2012 up until the most recent monitoring in 2018. Included are all products in the range on the cut-off date of 30/06/2018, as well as the seasonal promotional articles that were temporarily part of the product range since 01/07/2017. Not included are the sub-segments Cash & Carry and pet food. For the definitions for the categories “Good Choice”, “Second Choice” and “Preferably Not”; see footnote 11.

### COMPOSITION OF THE EDEKA PRIVATE-LABEL PRODUCT RANGE FISH AND SEAFOOD (IN %), SURVEY/MONITORING 2018



**Fig. 2:** Development of the EDEKA private-label product range in the subject area Fish and Seafood (wild fish and farmed fish), broken down into the categories “Good Choice”, “Second Choice” and “Preferably Not”. Included are all products in the range on the cut-off date of 30/06/2018, as well as the seasonal promotional articles that were temporarily part of the product range since 01/07/2017. Not included are the sub-segments Cash & Carry and pet food. For the definitions for the categories “Good Choice”, “Second Choice” and “Preferably Not”; see footnote 11.

<sup>13</sup> If a product is purchased from different suppliers, but sold under the same name and using the same packaging layout, these articles are combined into one product. If the fish constituents come from fisheries with different scores, the product is given the lowest of the scores.

ASC, conventional. Pacific wild salmon, on the other hand, is MSC-certified.

In order to achieve a fully sustainable range of private-label products by 2022, the sources of supply still lacking will need to be subjected to a changeover. This may mean that in the next few years the supplying fisheries will have to improve their fishing methods, or that EDEKA will buy from other fisheries or switch to less endangered fish species.

EDEKA is also buying products from a fishery that is still in the process of conversion and has not yet obtained MSC certification.

This concerns Argentine red shrimps (*Pleoticus muelleri*) that are caught in the southwestern Atlantic using trawl nets. The fishery

operation is working to improve the data basis for managing the stock and to reduce the impact on other species. EDEKA procures two products from this fishery, yet due to the conversion process currently under way, these are not included in Table 1.

In 2018, the basis for recording products in the animal feed and pet food segment was expanded, so that for the first time all products containing fish meal and fish oil components were also included in the monitoring activities. Although the proportion of these components is often very small in the individual products, it can have a considerable ecological impact overall. Tracing the fish components back to the fishing area and identifying the fishing method used by the respective fishery remains a major challenge. Unlike fish destined for

human consumption, animal feed and pet food is not subject to legal provisions mandating that the species, the fishing area and the fishing gear used is documented on the product. Information of this type can only be obtained with the co-operation of all parties involved along the supply chains. In the absence of this information, it is not possible to assess whether a product is sustainable. For this reason, seven pet food products that were in the "Good Choice" category last year were rated as "Preferably Not" in 2018. For these products, the origin of the fish components could not be established beyond doubt. It is therefore not possible to compare the results for the pet food segment with those from the year 2017.

To learn more about the traceability and transparency in exemplary supply chains, the WWF is working with an EDEKA supplier. The aim is to achieve complete verification, using a concrete example, that the fish traded does not originate from illegal, unregulated or undocumented (IUU) fishing. These include fish caught in protected zones or outside fishing seasons. Undeclared catches that exceed pre-determined fishing quotas are also a problem. To identify opportunities for

improvement, the existing supply chain for a tuna product was analysed for potential risks. The results show that making the complex supply chain for tuna more transparent is a difficult undertaking. There are risks inherent in the many individual stations within the supply chain such as landing the catch, loading, processing, filling and canning. The greatest need for improvement in terms of transparency and monitoring of the tuna supply chain is at sea, during fishing and transshipment, and when the catch is landed in port. Furthermore, the processing operations are not designed in such a way that each batch from each fishing vessel can be assigned individually. Making changes would interfere with ongoing operations if, for example, the machines were stopped, thereby resulting in additional costs. The next step consists of developing improvement measures for the supplier.

## ACCOMPLISHMENTS

### SUB-TARGET

### LEVEL OF ACHIEVEMENT

<p>Conversion of the EDEKA private label Cash &amp; Carry (C&amp;C) to sustainable sources</p>	<p>100% (2 products) MSC</p>	<p>06/2014 ✓</p>
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### MORE INFORMATION ON THE SUBJECT OF FISH AND SEAFOOD AT

<http://www.edeka.de/wwf/fisch>

<http://www.wwf.de/edeka-fisch>



## 2.2

# WOOD/PAPER/ TISSUE

Forests are home to 80% of land-based species.<sup>14</sup> Forests also produce clean air to breathe, and they filter and store drinking water. And yet between 1990 and 2015, natural forests covering an area almost 7 times the size of Germany were destroyed.<sup>15</sup> The expansion of agriculture and of wood and pulp plantations is responsible for 80% of the deforestation.<sup>16</sup> Halting this trend will require the co-operation of business and consumers, in addition to political solutions. In this situation, credible certification systems serve as a building block that can help preserve forests.

<sup>14</sup> Cf. IUCN; website current as of 07/07/2017: <https://www.iucn.org/theme/forests/our-work>

<sup>15</sup> WWF Deutschland; 2016: Living Planet Report 2016 – Summary. This is the equivalent of 239 million hectares of natural forest.

<sup>16</sup> Cf. Kissinger, G., Herold, M. and V. De Sy (2012): Drivers of Deforestation and Forest Degradation: A Synthesis Report for REDD+ Policymakers.



## TARGET

EDEKA intends to convert all wood and paper private-label products, including end consumer packaging, to preferably recycled materials bearing the Blauer Engel or FSC® seal. This target applies to all transport and shipping packaging of private labels and to all packaging materials until the end of 2017. By the end of 2020 at the latest, all labels, printed operating instructions and items like wooden ice cream sticks are to be converted as well.

In the changeover of the transport and shipping packaging, it is checked in advance that functionality and stability will not be compromised. With paper and cellulose products such as kitchen paper, there is potential for further increasing the proportion of recycled materials. For product packaging, food safety must always be taken into account.<sup>17</sup> As long as printers continue to use mineral oil-based inks, the problem of transferring mineral oil residues will remain. This issue will be further examined as part of the partnership, and it is to be addressed through concrete measures.

## OVERVIEW OF PROGRESS ACHIEVED

SUB-TARGET		STATUS 30/06/2018	OUTLOOK
<b>Conversion to FSC®/recycling products</b>			
Tissue products	↑	100% Blauer Engel/FSC®-certified. Work is continuing to increase the proportion of recycled material.	↪
Paper, office and stationery products	↑	100% Blauer Engel/FSC®-certified. Work is continuing to increase the proportion of recycled material.	↪
Other wood and paper products	↑	100% FSC®-certified.	✓
<b>Conversion to FSC®/recycled packaging</b>			
End consumer packaging	↗	95% of end consumer packaging has been converted.	↪
End user packaging at the Fruchtkontor <sup>18</sup>	↗	The conversion of the organic private-label suppliers has been completed. All suppliers have changed over to FSC®-certified packaging materials.	↪
Cardboard outer packaging (until the end of 2017)	→	The use of FSC®-certified cardboard outer packaging is regulated in contractual agreements with suppliers. Determination of the degree to which the conversion has been achieved is currently not part of the monitoring.	↪
<b>Conversion to FSC®/recycled material Internal consumption</b>			
Paper products for internal consumption	↑	Level of achievement of more than 99% was maintained.	✓
Cost articles	↗	94.1% Blauer Engel/FSC®-certified.	↪
Publishing house	↑	100% of the products of EDEKA publishing FSC®-certified.	✓

<sup>17</sup> A distinction is made between product packaging on the one hand, and transport and shipping packaging on the other. Packaging of individual articles is referred to as end consumer packaging. Packaging used in transportation is referred to as outer cardboard packaging.

<sup>18</sup> EDEKA is one of just a few trading companies or retail enterprises operating their own competence centres for fruit and vegetables. In 2018, the changeover for organic fruit and vegetable products will initially be the sole focus. Starting in 2019, the product range will be expanded.



## STATUS

The monitoring in 2018 determined that 100% of the EDEKA private-label product range with wood, paper or tissue components has been converted to recycled materials, Blauer Engel or FSC®. The target of fully converting the private labels has thus been achieved. The proportion of converted end consumer packaging improved slightly, to 95%. The aim continues to be to increase the proportion of recycled material in both products and packaging, depending on technical feasibility. For example, beverage cartons made from FSC®-recycled fibre are currently not available on the market.

The targets formulated by the partnership were extended in 2017, and in some cases stepped up. The implementation is already under way. One example of this is the extension of the monitoring this year to include packaging in the organic segment in the subject area Fruit and Vegetable.<sup>22</sup> The results are not yet shown in the table this year. Beginning next year, progress will also be recorded in the conversion of cellulose-relevant packaging for the entire fruit and vegetable sector.

Also new, and included in the monitoring starting next year, is the goal to convert all wood and paper components of the private labels. This includes filling materials, wooden handles and filter papers. By 2020 at the latest, operating instructions and inserts should consist exclusively of recycled material. Only cigarette filter papers had to be put on hold for the time being. The reason for this is the limited choice of suppliers and their unwillingness to obtain FSC® certification.

Tenders for shipping and transport packaging already stipulate FSC®-certified material, and most of the packaging has already been converted. Determining the exact proportion will only become possible starting next year. Due to the new tender criteria, the gap between transport packaging that has actually been converted and transport packaging that has potentially been converted has not yet been clearly determined, due to existing contracts that are still in force. The existing contracts will gradually be replaced by new contracts.

CATEGORIES	NUMBER OF ARTICLES	OF WHICH CONVERTED <sup>19</sup>	OF WHICH RECYCLED MATERIALS <sup>20</sup>
<b>EDEKA private-label articles</b>			
Paper plates	4	100%	0%
Barbecue charcoal	6	100%	0%
Tissue	59	100%	2%
Wood and paper articles	44	100%	5%
PBS articles <sup>21</sup>	45	100%	47%
<b>EDEKA private-label packaging</b>			
End consumer packaging	2238	95%	12%
Of which beverage cartons	75	100%	0%

**Table 2:** Conversion of the EDEKA private labels and packaging to recycling/FSC®. Included are all articles that were part of the product range according to the private-label catalogue 2017/18.

<sup>19</sup> Conversion to FSC® 100%, FSC® Mix, FSC® Recycling or Blauer Engel.

<sup>20</sup> Blauer Engel or FSC® Recycling

<sup>21</sup> Paper, office and stationery articles

<sup>22</sup> Monitoring in this segment is at the supplier level, not at the article level.

## INTERNAL CONSUMPTION

Internal paper consumption (e.g., all printing and hygiene materials at EDEKA Zentrale) was already converted to a level of 99% in 2014; of this, 84.6% is recycled material.

CATEGORIES	TONNES	OF WHICH CONVERTED <sup>23</sup>	OF WHICH RECYCLING <sup>24</sup>	WITHOUT CERTIFICATION
Internal consumption materials <sup>25</sup>	93.88	99.64%	84.56%	0.37%
Cost articles <sup>26</sup>	121,723.73	94.06%	81.22%	5.95%
Publishing unit <sup>27</sup>	4,540.60	100.00%	55.37%	0.00%

**Table 3:** Conversion of internal consumption (EDEKA Zentrale) to FSC®/Recycling (calendar year 2017).

## INTERNAL CONSUMPTION: COST ARTICLES

The regions can obtain so-called cost articles such as paper carry bags and bakery bags from EDEKA-Zentrale. Previously a voluntary additional service, cost articles have now become part of the partnership's target agreement. The level of conversion achieved here stands at 94.1%.

## ACCOMPLISHMENTS

SUB-TARGET	LEVEL OF ACHIEVEMENT
<b>Conversion to FSC®/recycled</b>	
Beverage cartons	100% FSC®-certified 06/2013 ✓
Paper plates and cups	100% FSC®-certified 06/2013 ✓
Barbecue charcoal	100% FSC®-certified 06/2017 ✓

<sup>23</sup> Conversion to FSC® 100%, FSC® Mix, FSC® Recycling or Blauer Engel.

<sup>24</sup> Blauer Engel or FSC® Recycling

<sup>25</sup> Articles procured by EDEKA Zentrale for internal consumption, e.g., printing paper, hygiene paper, catering. A small proportion (<1%) of articles is ordered directly, i.e., in a decentralised manner, at EDEKA Zentrale and can therefore not be assessed. For the print centre, the quantities for all EDEKA properties were taken into account. For the segments catering and cleaning, the EDEKA location City Nord was included.

<sup>26</sup> Consumption articles such as bakery bags and paper carry bags which the regions can obtain via head office.

<sup>27</sup> In the publishing segment all printed matter – handelsrundschau, Mit Liebe, flyers, the private-label catalogue and calendars – is taken into account.

## PUBLISHING UNIT

Also newly included is the paper consumption at the EDEKA Group's publishing unit. This includes in particular brochures and customer magazines like "Mit Liebe" and "YUMMI". Here the conversion level of 100% has already been reached, with 55% consisting of recycled fibres.



**MORE ON THE TOPIC OF WOOD/PAPER/TISSUE AT:**

<http://www.edeka.de/wwf/holz>

<http://www.wwf.de/edeka-holz>



## 2.3 PALM OIL

One out of two supermarket products contains palm oil. Whenever we buy margarine, pizza, chocolate bars, detergents, cream or lipstick, we also indirectly decide the fate of endangered species such as the orang-utan or the tiger. This is because the increase in the use of palm oil is making a massive contribution to the clearing of tropical forests. Rising demand means more and more land is used for cultivation, and more and more rain-forest is lost. The WWF calls for the use of RSPO-certified palm oil to be implemented as the minimum standard. This means in effect that more must be done voluntarily for nature conservation and human rights on the plantations than is prescribed by law. The WWF also calls for compliance with additional criteria such as a ban on cultivation on peat soils, and on the use of highly dangerous pesticides.



## TARGET

Certification of pure palm oil continues to be according to 100% RSPO Segregated.<sup>28</sup> EDEKA also intends to rely on this standard/quality in relation to palm kernel oil wherever possible. For all EDEKA private labels containing derivatives and fractions of palm (kernel) oil, EDEKA uses 100% RSPO Mass Balance-certified raw materials.<sup>29</sup>

EDEKA will continue to be a member of the Round Table for Sustainable Palm Oil (RSPO)<sup>30</sup> and of the Forum Nachhaltiges Palmöl (Forum For Sustainable Palm Oil, FONAP)<sup>31</sup>, using its membership to actively demand that the standards be improved. EDEKA intends to ensure that at least 30% of the palm (kernel) oil, including derivatives and fractions, used by EDEKA physically and verifiably meets the POIG criteria by 2020.<sup>32</sup> These criteria include a ban on cultivation on peat soils, the use of highly dangerous pesticides and labour rights. By the end of 2022, EDEKA plans to sponsor a project for small growers that meets the additional FONAP criteria, such as a ban on the cultivation on peat soils, or the use of highly dangerous pesticides.

## OVERVIEW OF PROGRESS ACHIEVED

SUB-TARGET	STATUS 30/06/2018	OUTLOOK
<b>Changeover to certified sources conforming to the RSPO supply chain model “Segregated (SG)” or “Mass Balance (MB)”</b>		
EDEKA private-label products containing palm oil (only pure refined palm oil)	➔ Conversion to RSPO SG has reached approx. 97%. The remaining 3% is MB certified.	➔
EDEKA private-label products containing palm kernel oil	➔ Conversion to RSPO SG has reached approx. 90%; approx. 10% converted to RSPO MB.	➔
EDEKA private-label products containing derivatives/fractions of palm (kernel) oil	➔ Conversion to RSPO SG and MB has reached approx. 59%. The remaining products are covered under Book & Claim.	➔
Proportion of palm (kernel) oil acc. to POIG criteria	➔ Talk were held with potential suppliers. No results have been achieved to date.	➔
Small grower project for FONAP supplementary criteria	➔ Project launch August 2018. Funding for the project has been secured and preparations for its implementation have begun.	➔

<sup>28</sup> RSPO supply chain model “Segregated” (SG): The RSPO-certified palm oil is processed separately along the entire supply chain; the product contains only RSPO-certified palm oil.  
 RSPO supply chain model “Mass Balance” (MB): The quantities of RSPO-certified palm (kernel) oil sold along the entire trade chain precisely match the quantities purchased. The trade flows of certified and non-certified materials are not kept separate; it follows that the end product will also contain non-certified material.

“Book & Claim”: Under the Book & Claim trading model, palm oil producers sell virtual certificates. These certificates represent a specific quantity of certified palm oil. The purchase and redemption of the certificates entitles the holder to make the following claim: Boosts the production of [RSPO-certified] sustainable palm oil’. The product does not contain any certified material.

<sup>29</sup> Palm oil and palm kernel oil can be modified by means of complex chemical conversion processes. This produces so-called derivatives which are used as surfactants or emulsifiers in cosmetics and cleaning agents, for example. Palm oil can be split into solid and liquid components (“fractions”) by fractionation.

<sup>30</sup> Founded in 2004, the Roundtable on Sustainable Palm Oil aims to promote sustainable cultivation methods for palm oil and thus limit environmental damage. In addition to environmental protection associations and other 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.

<sup>31</sup> The FONAP is an affiliation with a current membership of 52 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 as quickly as possible. at the same time as improving existing standards and certifications.

<sup>32</sup> POIG is the Palm oil Innovation Group, part of the RSPO. The aim of POIG is to implement further improvements on plantations and to purchase palm oil from them.



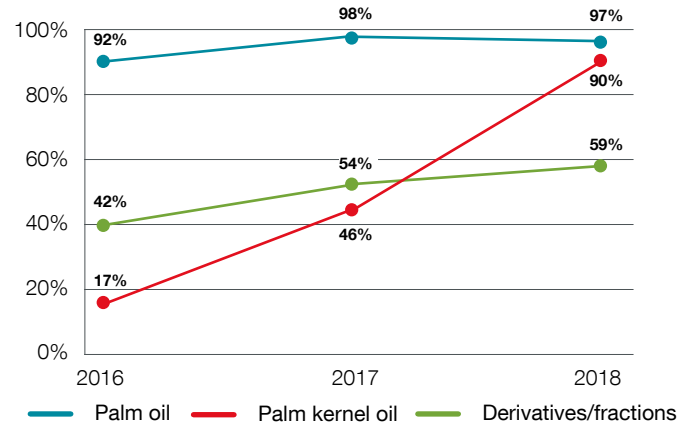
# STATUS

The monitoring of palm oil began in the year 2013. However, it only became possible to compare the data sets and the presentation starting in 2016, after the targets were adjusted in 2015. For this reason Figure 3 depicts the development in the conversion of palm oil components since 2016.

Continuous improvements in relation to the targeted supply chain model are evident. The high level was almost maintained in the category of articles containing only segregated palm oil. There was a significant increase for palm kernel oil: the share of segregated products rose from 46% in 2017 to 90% in 2018. The difficult area of derivatives and fractions, which involve many processing steps, there was also an improvement from 54% in 2017 to 59% in 2018.

The monitoring in 2018 showed that in EDEKA's entire private-label product range, there was only one article that was not certi-

## DEVELOPMENT IN THE CONVERSION OF PALM OIL COMPONENTS ACCORDING TO THE TARGETED SUPPLY CHAIN MODELS (2016–2018).



**Fig. 3:** Development in the conversion of palm oil components in EDEKA private labels acc. to the RSPO supply chain model.



Photo: Shutterstock

CATEGORIES	OF WHICH CONVERTED "SEGREGATED"		OF WHICH CONVERTED "MASS BALANCE"		OF WHICH CONVERTED "BOOK & CLAIM"		NOT CONVERTED		CONVERSION TO TARGETED SUPPLY CHAIN MODEL
	Number	%	Number	%	Number	%	Number	%	
Articles containing palm oil without derivatives/fractions	227	97.42	5	2.15	0	0	1	0.43	<b>97.42%</b>
Articles containing palm kernel oil/fat	19	90.48	2	9.52	0	0	0	0	<b>90.48%</b>
Articles containing derivatives/fractions of palm (kernel) oil	51	13.56	171	45.48	154	40.96	0	0	<b>59.04%</b>

**Table 4:** Conversion of EDEKA private labels acc. to the RSPO supply chain model. Included are all articles that were part of the product range according to the private-label catalogue 2017/18.

## SUBSTITUTION OF PALM OIL

In some products, palm oil can be substituted by other oils. The WWF Germany recommends using domestic rapeseed or sunflower oil grown in the EU. All substitutes should also meet strict ecological and social sustainability criteria, such as ISCC Plus<sup>33</sup> with the additions concerning the use of pesticides. Replacing palm oil with other oils, especially tropical ones, only shifts the ecological problems, and it can even aggravate them. It is more important to obtain palm oil from sustainable sources and use it economically.



Photo: Shutterstock

fied. This means that the overall percentage of the conversion according to one of the possible supply chain models now stands at 99.81%.

In order to achieve the target of obtaining 30% of POIG products, initial discussions were

held with suppliers from the upstream supply chains, and this goal will continue to be pursued vigorously. There are plans to launch a project involving small growers in Malaysia in August 2018. The local partner in this project is the Malaysian non-government organisation Wild Asia in Perak. In a field project, the

WWF and Wild Asia want to test whether the FONAP additional criteria can also be met by small palm oil farmers, what the effects are on the farmers, and what kind of support will be needed. Project financing had been secured by the reporting date, and initial preparations for implementation had begun.



## PALM OIL SCORECARD

The WWF Germany has been using the Palm Oil Scorecard since 2009 as a means to scrutinise the procurement policies of palm oil buyers and processors at regular intervals. The results of the palm oil check in 2017 were mixed. The few pioneers stand in contrast to an apathetic mass of refuseniks. With 18 out of a maximum of 22 points, EDEKA scored the highest number of points among Germany's food retailers.

## MORE ON THE SUBJECT OF PALM OIL:

<http://www.edeka.de/wwf/palmoel>

<http://www.wwf.de/edeka-palmoel>

<sup>33</sup> ISCC Plus is a certification system for sustainable biofuels that also includes product certification for the food and pet food market, for example for oilseed meal, DDGS, oils for food production and other applications. The core requirements of ISCC PLUS cover topics such as traceability, greenhouse gas calculation and management.



## 2.4

# SOYA/MORE SUSTAINABLE LIVESTOCK FEED

Soya plays an important role as feed in livestock farming. Since soya cultivation in Europe is only possible to a limited extent, large quantities are cultivated in South America and then exported – with grave consequences for the environment and for the population. To increase the area of arable land, valuable ecosystems such as rainforests and savannah grasslands are destroyed, and communities of smallholders are expelled from their traditional areas. The health risks for the population in the cultivated areas are also on the rise. The plants are grown in monocultures, and for the most part from genetically modified seeds. In this way, the broad spectrum herbicide glyphosate and other pesticides that are banned in the EU because of their toxicity are used in increasing quantities. This practice further reduces biodiversity and damages the soil. As a countermeasure, EDEKA and the WWF promote the use of more sustainable and more environmentally friendly protein feeds.



## TARGET

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<sup>34</sup>+GMO-free, soya conforming to “ProTerra” guidelines, Danube Soya, Europe Soya). EDEKA will continue to work hard to preserve what has been 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 until the end of 2018. To date it has only been possible to switch to GMO-free feed for barn-laid eggs of the “*gut & günstig*” (good and favourably priced) brand. The aim continues to be the further changeover in accordance with the above-mentioned objectives, and this will be vigorously pursued.

In the White Line segment, which includes all dairy products with the exception of cheese,

EDEKA intends to dispense with the use of soya components in dairy cattle feed in the production of 60% of the quantity of articles for its private labels for the year 2012. There is also the alternative option of feeding with more sustainable, GMO-free, certified soya (RTRS+GMO-free, soya complying with “ProTerra” guidelines, Danube Soya/Europe Soya). The target date is 30/06/2018. EDEKA plans to increase this proportion to 75% by 30/06/2019, and to 85% by 30/06/2020.

In the Yellow Line segment, which covers cheese products, EDEKA intends to dispense with the use of soya components in dairy cattle feed in the production of 25% of the quantity of articles for its private-label products for the year 2012. There is also the alternative option of feeding with more sustainable, GMO-free, certified soya (RTRS+GMO-free, soya complying with “ProTerra” guidelines, Danube Soya/Europe Soya). The target is to be reached by 30/06/2019 and applies to suppliers and

dairies that mainly process milk from Germany, Austria and Switzerland. EDEKA plans to increase this proportion step-by-step to 50% by 30/06/2020, and to 75% by 30/06/2021.

To expedite the changeover in feed also outside Germany, Austria and Switzerland, EDEKA is constantly reaching out to suppliers who source milk from outside the DACH region. With the support of the WWF, by 2018 EDEKA developed a concept for meat and cold cuts articles for the gradual changeover to more sustainable animal feed. The partners will decide at that point how and by when the complete changeover in the private-label area will be carried out.

As part of developing the concept, EDEKA and the WWF are conducting a feasibility study which will begin in September 2017 and should be completed in the spring of 2018. In addition, a number of start-up projects are being implemented in the sub-segment meat and cold cuts. The conversion to more sustainable feed is intended to proceed in such a















Photo: Shutterstock

way that products from this project will be on sale at EDEKA and Netto from 01/01/2019. Planning provides for

- a start-up project to produce meat and cold cuts articles under the umbrella of a national premium brand, with a possibly regionally and seasonally limited range,
- a start-up project to produce meat and cold cuts articles at a regional level (for example, regional programmes like Hofglück),
- a start-up project to produce meat and cold cuts articles in collaboration with Netto.

<sup>34</sup> The Round Table on Responsible Soy (RTRS) was established in 2006 with the aim of reducing the negative environmental impact of the soybean boom by setting minimum requirements, and of improving the social conditions for workers. RTRS is a voluntary global platform for all the players involved along the soya value-adding chain. Alongside to the existing RTRS standard, there has been the option since 2012 to have GMO-free soya certified under RTRS (RTRS+GMO-free). The WWF Germany supports and recommends this standard exclusively. The membership includes soybean producers, representatives of industry, commerce and financial institutions, as well as non-governmental organisations such as The Nature Conservancy and Solidaridad.

# OVERVIEW OF PROGRESS ACHIEVED

SUB-TARGET	STATUS 30/06/2018	OUTLOOK
<b>Conversion to certified, more sustainable animal feed, by segment</b>		
<b>WHITE LINE</b> 60% of the number of articles from the year 2012 by 30/06/2018 <sup>35</sup>	 No certified more sustainable or domestically sourced animal feed could be identified for any product this year <sup>36</sup> . A conversion to GMO-free feeding was identified for about 59% of the number of articles of the year 2012 during the reporting period. This represents an intermediate step on the path towards a more sustainable animal feeding practice.	
<b>YELLOW LINE</b> 25% of the number of articles from the year 2012 by 30/06/2019 <sup>37</sup> .	 The first cut-off date for monitoring the level of target achievement is 30/06/2019. No certified more sustainable or domestically sourced animal feed could be identified for any product this year. A conversion to GMO-free feeding was identified for about 98% of the number of articles of the year 2012 during the reporting period. This represents an intermediate step on the path towards a more sustainable animal feeding practice.	
<b>MEAT/COLD CUTS</b> Development of a concept for the changeover to more sustainable animal feed	 As of 30/06/2018, no results of the feasibility study were available. The goal of developing a conversion concept by the end of 2018 remains unchanged.	
<b>Implementation of individual projects in the Meat/Cold Cuts segment</b>	 <b>At regional level:</b> Start of changeover to more sustainable animal feeding as part of the Hofglück programme, in co-operation with EDEKA Region Southwest. A complete conversion to certified, more sustainable soya or domestically/European-sourced animal feed is expected by the end of 2018.	
	 <b>National premium brand:</b> To date it has not been possible to identify a suitable project. EDEKA and WWF are in ongoing talks regarding this issue. The goal of having such a product on sale at EDEKA by 01/01/2019 is not likely to be reached.	
	 <b>Start-up project Netto:</b> A new supply chain was established for this project. The original target of using European protein feed and selling such products at Netto starting on 01/01/2019 is not likely to be reached. However, a commitment to use GMO-free animal feed could be achieved. To date nine products resulting from GMO-free animal feed are sold throughout Germany under the "Gut Ponholz" and "Hofmaier" brands. The goal of expanding the project to include more sustainable animal feed remains unchanged.	

# STATUS

The ambitious target of converting the EDEKA private-label product range gradually to more sustainable animal feed continues to present a major challenge. One sub-target, the partial conversion to more sustainable animal feed in the White Line segment, was missed. However, as an intermediate step towards a more sustainable feeding practice, 59% of the number of articles from the year 2012 could be converted to GMO-free feeding. Other sub-targets are suffering significant delays, esp. two of the three start-up projects in the Meat/Cold Cuts segment. The process of converting the animal feed in the "Hofglück" programme is successful. The changeover to certified, more sustainable soya or domestically/European-sourced animal feed is expected to be completed by the end of 2018.

The results of the feasibility study could not be submitted by spring of 2018 as planned. The goal of developing a concept for the changeover to more sustainable animal feed by the end of 2018 remains unchanged. To this end, EDEKA has been participating in the "Sustainable Protein Feed Forum" initiated by the WWF in recent years. This forum has now been concluded with success. There are plans for it to be continued; the responsibility rests with the German Federal Ministry of Food and Agriculture.

<sup>35</sup> In accordance with the target agreement, the entire 2012 product range is used as the reference basis for calculating the percentage shares.

<sup>36</sup> Hay milk converted to more sustainable feed is not taken into account here, as it is evaluated in the context of the start-up projects.

<sup>37</sup> In accordance with the target agreement, the entire 2012 product range is used as the reference basis for calculating the percentage shares.



**SUB-TARGET**

**STATUS 30/06/2018**

**OUTLOOK**

**Start-up projects**

Barn-laid eggs "GUT&GÜNSTIG"	➔	100% conversion to GMO-free animal feed.	📄
Hay or pasture milk	↑	The national hay or pasture milk has been on sale in 3 regions since 2014. The continuation was successfully achieved during the reporting period.	✓
Frozen chicken "GUT&GÜNSTIG"	↑	The changeover to more sustainable animal feed was achieved in May 2016 and was maintained over this reporting period.	✓
Feeding studies at pilot enterprises	➔	A range of feeding studies was already conducted in previous years. A further study on the use of domestic grain legumes for broiler chicken is being planned. It is expected to start in December 2018.	📄

**Activities not directly related to the product range**

Information and awareness-raising	↑	The work in the Sustainable Protein Feed Forum has been completed for the time being. There are plans for it to be continued; the responsibility rests with the German Federal Ministry of Food and Agriculture.	📄
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**CHANGEOVER, BY SEGMENT**

In this subject area, data about the changeover of the private-label product range was collected for the first time in 2016. Product sales quantities were recorded, collected and displayed in the categories "certified as more sustainable", "GMO-free (VLOG)" and "Good Animal Feed" (see Tab. 5). Proof that the conversion had taken place was obtained by means of random checks of contractual documentation.

The 2018 monitoring shows that sales volumes from GMO-free animal feed (VLOG-certified) in the White Line segment increased again. What did decline, however, are the quantities of goods labelled "Good Animal Feed". Increases in the VLOG certification were also achieved in the Yellow Line.

The Meat/Cold Cuts segment was not yet monitored this year. EDEKA and the WWF are currently developing a concept for target values and time horizons.

Determination of whether a changeover to certified, more sustainable feeding had occurred was once again not possible.

**WHY DO THE WWF AND EDEKA PRIORITISE DOMESTICALLY SOURCED ANIMAL FEED?**

It is an important goal of the partnership to reduce the consumption of imported soya by using legumes such as lupins, clover, peas or field beans. Protein plants such as these loosen up the soil by forming roots, boost soil life, increase biological diversity and promote the formation of humus. This results in good soil structure with better water retention capacity and increased CO<sub>2</sub> binding. The cultivation of domestic protein plants thus not only alleviates the problem associated with soya cultivation in South America; it also contributes towards improving the quality of the soil, increasing biodiversity in agriculture and also towards climate protection.



Photo: Shutterstock



Photo: Shutterstock

## CONVERSION IN ONGOING PROJECTS

The products from the more sustainable animal feed used in the frozen chicken and hay milk projects will be continued. The barn-laid eggs in the GUT&GÜNSTIG brand could not be changed over to more sustainable animal feed, but they are produced using GMO-free feed (VLOG). EDEKA and the WWF are continuing to work aimed at achieving this goal.

**MORE ON THE SUBJECT OF SOYA:**  
<http://www.edeka.de/wwf/soja>  
<http://www.wwf.de/edeka-soja>

<sup>40</sup> In addition to the VLOG certification, there is also the category “Gutes Futter” (good animal feed), an EDEKA-owned label. <https://www.edeka.de/nachhaltigkeit/nachhaltiges-sortiment/produkte/nachhaltige-milchprodukte/gutes-futter.jsp>  
 This applies to suppliers who are currently unable to achieve VLOG certification because the possibility of there being genetically modified product components cannot be ruled out, but whose feed is GMO-free.

<sup>41</sup> Dairy products except cheese

<sup>42</sup> All cheese products

SEGMENT	YEAR	CONVERTED, BY			TOTAL
		CERTIFIED MORE SUSTAINABLE <sup>38</sup>	VLOG <sup>39</sup>	GUTES FUTTER/ GOOD ANIMAL FEED <sup>40</sup>	
White Line (in t) <sup>41</sup>	2016	0	7,012	0	7,012
	2017	0	433,345	17,006	450,352
	2018	0	468,166	7405	475,571
Yellow Line (in t) <sup>42</sup>	2016	0	1,083	0	1,083
	2017	0	15,709	0	15,709
	2018	0	59,265	0	59,265

**Table 5:** Converted purchased quantities of EDEKA private labels, by segment, in tonnes. The reporting period for 2018 was 01/07/2017–30/06/2018.

START-UP PROJECT	CONVERTED, BY	
	CERTIFIED MORE SUSTAINABLE <sup>38</sup> IN %	VLOG <sup>39</sup> IN %
G&G barn-laid eggs	0	100
Frozen chicken (“GUT&GÜNSTIG”)	100	0
Hay milk (cocoa and vanilla drink, White Line)	100	0

**Table 6:** Conversion in start-up projects

<sup>38</sup> 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).

<sup>39</sup> VLOG stands for “Verband Lebensmittel Ohne Gentechnik” (= association for food free from genetic engineering). The association certifies products that are produced without the use of genetically modified organisms.



## 2.5 CLIMATE

**Our Earth has now already warmed by more than one degree Celsius compared to the pre-industrial era. If the earth heats up by 4.5°C, almost half of all species in the world's most important natural regions are threatened with local extinction.<sup>43</sup> Even 2°C warmer would mean 25% fewer species. In the food retailing sector, more than three-quarters of total greenhouse gas emissions occur as indirect emissions in upstream and downstream supply chains, that is, during the cultivation, production and use of products.<sup>44</sup> In the new partnership agreement between the WWF and EDEKA, this area in particular will be extended.**

<sup>43</sup> Cf. WWF study (2018): Artenschutz in Zeiten des Klimawandels (Species protection in times of climate change). Die Auswirkungen der Erderhitzung auf die Biologische Vielfalt in den WWF-Schlüsselregionen, (Impact of global warming on biological diversity in key WWF regions) <https://www.wwf.de/fileadmin/fm-wwf/Publikationen-PDF/WWF-Report-Artenschutz-in-Zeiten-des-Klimawandels.pdf>

<sup>44</sup> Cf. Jungmichel / Schampel / Weiss (2017): Umweltatlas Lieferketten – Umweltwirkungen und Hot-Spots in der Lieferkette. (Atlas on Environmental Impacts: Supply Chains) Berlin/Hamburg: adelphi/Systain.





# 2.5.1 CLIMATE PROTECTION WITHIN THE COMPANY

## TARGET

EDEKA intends to reduce greenhouse gas emissions from the EDEKA Group by 30% by the year 2020, and by 50% by the year 2025. The target applies in relation to the sales floor area in square metres, and in each case is compared with the base year 2011 for the EDEKA Zentrale and Netto Marken-Discount. Each of the seven regional companies can participate voluntarily in the effort to reach the Group's target.

In a roadmap, EDEKA Zentrale and Netto are setting out concrete climate protection measures for ensuring that their own locations make a proportional contribution towards achieving the Group-wide greenhouse gas reduction target.



### NEWSBOX: LOOKING AHEAD

EDEKA has carried out an inventory of the energy efficiency measures implemented in the properties of EDEKA-Zentrale since 2011. Based on this inventory, modelling was used to model the greenhouse gas (GHG)

emissions eliminated as a result. On this basis, estimates can be made as to what additional measures may be required to achieve the GHG reduction target of minus 30% compared to the base year 2011. The results

show that with the climate protection measures planned or already implemented, the Group is well on the way to achieving the reduction targets.

## OVERVIEW OF PROGRESS ACHIEVED

MAIN TARGET AND SUB-TARGETS	STATUS 30/06/2018	OUTLOOK
<b>Main target</b>		
Reduction of greenhouse gas emissions in relation to the sales floor space in square metres by 30% by 2020 and by 50% by 2025, in each case compared with the base year 2011.	→ The climate assessment for 2017 will be prepared by the end of 2018.	↪
<b>Sub-targets</b>		
<b>EDEKA ZENTRALE</b>		
Preparation of a schedule of measures to contribute to the reduction target by 31/01/2018. Implementation over the following years.	↓ Due to the need for a deeper analysis in the preparation of the topic, it was jointly decided to initially focus on producing an inventory and on a survey of the potentials. The results will then be used to develop an action plan.	↪
Complete conversion to LED lighting and optimised use of lighting by the end of 2018	→ Inventory and assessment of baseline are in progress.	↪

EDEKA and Netto will release this plan by 31/01/2018 and implement it over the following years (2018–2022). For each regional company that voluntarily signs up to the reduction target of the Group, publication and subsequent implementation of an individual programme of measures is planned.

Starting with the base year 2011, EDEKA will publish a climate assessment every 2 years. Beginning with the climate assessment 2017, EDEKA is for the first time including the greenhouse gas emissions from the upstream and downstream supply chain in the form of an estimate.



## SUB-TARGETS

## STATUS 30/06/2018

## OUTLOOK

### EDEKA ZENTRALE

Optimisation of logistics processes and business travel



Inventory and assessment of potentials are in progress.



Derivation of further measures from energy management



Inventory and assessment of potentials are in progress.



### EDEKA REGIONS

Interested EDEKA regional companies are to receive support in setting up a climate protection programme and signing up to the Group's greenhouse gas reduction target.



Initial talks have been held with various regional companies. On the basis of the findings from these discussions, plans for joint action going forward are being drawn up.



# STATUS

Along with the extension of the partnership agreement between the WWF and EDEKA, new targets for climate protection within the company and in the product range were also agreed to. EDEKA Zentrale and Netto are setting out concrete additional measures for the existing climate protection plan to ensure that their own locations make a proportional contribution towards achieving the Group-wide greenhouse gas reduction target. The next step involves determining the status quo for their own locations, and this is what EDEKA Zentrale and Netto are currently working on. In addition, the two companies are currently drawing up suitable plans for defining a time frame for completion of the inventory, the analyses of potentials, as well as the identification of suitable measures.

The action plan will be focussing on lighting in particular. The aim is to retrofit all locations with LED lighting and to optimise light utilisation through measures such as daylight-dependent control, daylight utilisation and presence detectors as widely as possible by the end of 2018. The plan will also include measures applicable to logistics processes and business travel. Every year additional steps are derived from energy management and implemented.

Some regions are already implementing their own individual measures. Many of them focus on environmentally friendly construction, energy efficiency, the use of natural refrigerants and renewable energies.







To date workshops have been held in four of the regions. The findings are now being used by EDEKA and the WWF to develop a joint approach with the aim of giving the regions the opportunity to implement suitable climate protection programmes of their own. To this end, an entirely new concept for preparing climate assessments will be developed, which the regions will be able to use in the future. Every region opting for active, long-term participation in the production of the EDEKA climate assessment will receive the backing of the WWF and EDEKA. In addition, those regions will also be given the opportunity to discuss individual action plans directly with the WWF.

# 2.5.2 CLIMATE PROTECTION IN THE PRODUCT RANGE

## TARGET

For greenhouse gas emissions generated in the supply chain, a binding reduction target for the target years 2020 and 2025 was defined by 30 June 2018. EDEKA and the WWF are jointly working on developing recommendations for action to achieve a more climate-friendly product range. In addition, EDEKA and the WWF are jointly establishing a “Climate Supplier Initiative” (CSI) for joint climate protection measures in the supply chain in collaboration with industry players. Within the framework of the CSI, the partners intend to draw up a plan of measures by 31/01/2019 which will lead to a reduction in greenhouse gas emissions during production, use and disposal. This roadmap is to be available by 31/01/2019 and it will be implemented in the following years (2019–2022).

## OVERVIEW OF PROGRESS ACHIEVED

SUB-TARGET	STATUS 30/06/2018	OUTLOOK
Definition of a binding reduction target for product range-related emissions along the supply chain by 30/06/2018.	 As part of the preparations for achieving this target, a thorough analysis of the issue was carried out. At the time of the status assessment, the reduction target had been agreed, but formal approval was still pending.	
Recommendations for action to achieve a more climate-friendly optimisation/ design of the product range	 The approach to be taken and the next steps have been agreed on.	
Establishment of a “Climate Supplier Initiative” for joint climate protection measures in the supply chain in collaboration with industry players. Preparation of a roadmap by 31/01/2019. Implementation of the roadmap in the following years.	 The procedure, timing and next steps in establishing the initiative have been coordinated and agreed on.	



## STATUS

Along with the extension of the partnership agreement between the WWF and EDEKA, new targets for climate protection within the company and climate protection in the product range were also agreed.

A proposal for the formulation of targets in order to define a binding reduction target along the supply chains has been developed. The target still has to be formally adopted by EDEKA and approved for operational implementation.

EDEKA and the WWF are jointly working on developing recommendations for action to achieve a more climate-friendly product range. The aim is to formulate suitable approaches for different product groups. These approaches can have various starting points, such as product design, supplier management or communications with customers.

The purpose of establishing a “Climate Supplier Initiative” is to create more climate-friendly and resilient procurement structures for suppliers and retailers the long term. To this end, strategies and measures are to be developed within the CSI. The WWF and EDEKA have agreed on the next steps to be taken in establishing the initiative.

### BANANAS FOR CLIMATE PROTECTION

Until now, there has been no data basis for measuring greenhouse gases produced during the cultivation of the project bananas. The “Cool Farm Tool” for measuring CO<sub>2</sub> was therefore further developed to include the specific requirements pertaining to banana cultivation, and it has been introduced on the farms. It will in future make it possible to calculate the CO<sub>2</sub> footprint of individual farms. The focus is primarily on the recording and analysis of cultivation methods, the identification of particularly energy-intensive work steps and emission reduction potentials, and on identifying individual options for achieving reductions at farm level. For example, farmers may be given recommendations for alternative fertilisers that not only have a positive impact on local biodiversity, but also have a lower greenhouse gas potential.

**You can find more information about the Cool Farm Tool at <http://coolfarmtool.org>**

## 2.6

# FRESHWATER

Problems related to freshwater have been among the greatest economic risks worldwide for years.<sup>45</sup> Germany's food retail trade is the sector with the highest dependence on water resources and procures its goods via global supply chains. For every euro in food retailing turnover, an average of 47 litres<sup>46</sup> of water is consumed. This is three times more than in the textile industry, which is also characterised by intensive use of water. Food production often takes place in regions where water is scarce as well as polluted.

<sup>45</sup> Cf. World Economic Forum – The Global Risk Report 2018.

<sup>46</sup> Cf. Jungmichel / Schampel / Weiss (2017): Umweltatlas Lieferketten – Umweltwirkungen und Hot-Spots in der Lieferkette. (Atlas on Environmental Impacts: Supply Chains) Berlin/Hamburg: adelphi/Systain.



## TARGET

By the beginning of 2018, EDEKA had introduced an internal water management system, initially for fruit and vegetable products, that will also be made available digitally under the name "EDEKA Water Risk Tool". To this end, freshwater criteria are included in the product requirements for fruit and vegetable suppliers. Procurement and quality management officers from the fruit and vegetable sector will be trained in the use of the water management system.

To be able to measure the concrete changes resulting from the use of the water management system, the WWF and EDEKA developed a method by the beginning of 2018 that will be deployed starting with the 2018 Progress Report. In a next step, EDEKA will be expanding the internal water management system to include additional product groups.

EDEKA is in the process of implementing the two or three pilot projects launched by May 2017 for the introduction of the Alliance for Water Stewardship (AWS)<sup>47</sup> standard.

## OVERVIEW OF PROGRESS ACHIEVED

SUB-TARGET	STATUS 30/06/2018	OUTLOOK
<b>Reduction of water risks at the river basin level and at the farm level</b>		
<b>Risk transparency: Proportion of the sales quantities recorded in the EDEKA Water Risk Tool in relation to total Fruchtkontor sales quantities</b>	➔ A first pilot supplier has recorded its production operations (more than 300 operations) in the tool.	↪
<b>Risk reduction: Proportion of sales quantities with complete verification in relation to the total sales quantities of the Fruchtkontor</b>	➔ A first pilot supplier has arranged for some of its producers to participate in AWS training.	↪
<b>Internal water management system</b>		
<b>Completion of pilot phase of the internal water management system by the beginning of 2018 (Water Risk Tool)</b>	⬆ The development of the EDEKA Water Risk Tool has been completed, and the tool has been tested in co-operation with a pilot supplier.	✓
<b>Implementation of the internal water management system at the Fruchtkontor by the end of 2018</b>	➔ The development of the EDEKA Water Risk Tool has been completed, and the tool has been tested in co-operation with a pilot supplier.	↪
<b>Extension of the internal water management system</b>	⬆ To commence in 2019, following the completion of the implementation at the Fruchtkontor.	↪
<b>Development of a monitoring structure for the water management system</b>	⬆ The development of the monitoring structure has been completed, and a first monitoring has been carried out as a test.	↪
<b>AWS implementation in pilot areas</b>	➔ A pilot producer of citrus fruit in Spain succeeded in obtaining AWS certification with the rarely awarded Gold status.	↪

<sup>47</sup> The AWS standard is a sustainability standard under which enterprises can obtain certification. It comprises more than just criteria for water use within an enterprise. It is the first standard to oblige companies to deal intensively with the water risks in the river basin, and it also calls for implementation of a consistent risk reduction strategy as well as co-operation with other water users, interest groups and public authorities.



EDEKA, with assistance from the WWF, is continuing to support suppliers in their efforts to reduce water risks. In ongoing projects at producer level, such as the citrus or banana projects, water-saving measures will continue to be implemented in the field and in the affected river basins, and networking between neighbouring communities will be improved. In addition, EDEKA and the WWF also advocate a change of course in agriculture towards more sustainable water use. To this end, they draw public attention to the topic, participate in relevant events and promote the inclusion of improved water criteria in agricultural standards.



SUB-TARGET	STATUS 30/06/2018	OUTLOOK
<b>Reduction of water risks in projects</b>		
<b>Project Bananas Water Stewardship in Colombia/Ecuador</b>	➔	A pilot project for the development of context-based water targets <sup>48)</sup> was implemented in Colombia. The participants on the Water Stewardship platform implemented projects in the fields of education, environmental protection and communication.
<b>Water management and Water Stewardship in the citrus project in Spain</b>	➔	A pilot producer of citrus fruit in Spain succeeded in obtaining AWS certification with Gold status.
<b>Transformation of the German food market</b>		
<b>Preparation of a guide called “Water Stewardship in the food retail sector”</b>	➔	A survey on water stewardship in the German food retail sector was conducted by the WWF and the results, including recommendations for action, were published in August 2018.
<b>Upgrade of the Water Risk Filter</b>	➔	The relaunch of the Water Risk Filter took place on 26/08/2018 at the World Water Week in Stockholm.
<b>Other market transformations (studies, events, standards)</b>	➔	A survey on water stewardship in the German food retail sector was conducted by the WWF and the results, including recommendations for action, were published in August 2018. A cooperative venture between AWS and GlobalG.A.P. was launched. Events at the World Water Week 2017 and the AWS Global Water Stewardship Forum were organised by the WWF.

<sup>48)</sup> Context-based Water Targets: An international working group (consisting of the Carbon Disclosure Project, Pacific Institute, CEO Water Mandate, The Nature Conservancy, UN Environment Programme, World Resource Institute and WWF) is currently developing a methodology to develop context and science-based water targets for companies. Context-based water targets take into account the shared challenges faced in a river basin, and they quantify a company's contribution to addressing these challenges.

# STATUS

On the cut-off date of 30/06/2018, EDEKA implemented its internal water management system: the EDEKA Water Risk Tool then went live at the beginning of 2018 and was tested in co-operation with a supplier of organic bananas. In addition, more than 300 growers were also registered, and a number of producers could be persuaded to participate in Alliance for Water Stewardship training courses. A plan was drawn up for the tool's continued roll-out in the fruit and vegetable procurement sections within the EDEKA Fruchtkontor departments. In addition, EDEKA and the WWF developed a methodology for measuring progress. Beginning next year, the following indicators will be monitored:

- Risk transparency: The proportion of the sales quantities recorded in the EDEKA Water Risk Tool in relation to total Fruchtkontor sales quantities.
- Risk reduction: The proportion of sales quantities with complete verification in relation to the total sales quantities of the Fruchtkontor

All indicators refer to production in water-critical countries of origin.

Progress was also made in further developing standard and certification solutions for farmers in collaboration with AWS. For instance, a pilot

operation that is part of the EDEKA WWF citrus project obtain certification in accordance with the AWS standard. In June 2018, the Orange Finca was awarded a Gold certificate. The finca is the first AWS-certified agricultural operation in Europe ever to achieve gold, and only the third worldwide. The experience and knowledge gained in this process were incorporated into the further development of the standard. In addition, EDEKA and the WWF paved the way for a possible co-operation venture between the AWS and the body setting the standard, GlobalG.A.P. The aim of this collaboration would be to simplify the application of the AWS standards for growers.

In addition to the pilot finca, seven other operations have also joined the citrus project and committed themselves to observe the principles of Water Stewardship. As part of the banana project northern Colombia, EDEKA and the WWF further improved networking among neighbouring communities in accordance with the Water Stewardship approach. As a result of regular meetings with participants from business, politics and civil society, it was possible to implement joint projects in education and environmental protection.

At the end of 2017, the WWF conducted a survey among major German food retailers. Participants were asked how aware they were of their dependence on freshwater, and how they deal with this issue in their supply chains. The results, along with general recommendations for action, will be released at the annual industry conference in Stockholm, the World Water Week, in August 2018. EDEKA and the WWF also published a progress report on the topic of Water Stewardship in agricultural standards.<sup>49</sup> The findings from the WWF's partnership-based freshwater work were presented and discussed at events such as the previous World Water Week in 2017 and at the AWS Global Water Stewardship Forum in Edinburgh.

# ACCOMPLISHMENTS

## SUB-TARGET

## LEVEL OF ACHIEVEMENT

<b>Identification of water risks</b>	Water risks were identified for the bulk of EDEKA private-label products produced worldwide	2017 ✓
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### MORE ON THE SUBJECT OF WATER:

<http://www.edeka.de/wwf/wasser>

<http://www.wwf.de/edeka-wasser>

<sup>49</sup> Cf. <https://www.wwf.de/fileadmin/fm-wwf/Publikationen-PDF/WWF-WaterRisk-Studie.PDF>



## Elements of water management at EDEKA



Studien

### The imported risk

In 2014, the WWF published a study on water risks in the supply chains of German enterprises.



### Water stewardship in agricultural standards

In 2015, EDEKA and the WWF made the first attempt to establish to what extent the subject of water is covered by agricultural standards. The successive version of the study was released in November 2017.



Co-Branding

### EU Organic Quality Seal

The EU Organic Quality Seal hardly encompasses any water criteria at all  
 → Prior to the Co-Branding, in addition to social criteria the water risks prevailing within the respective production area are likewise reviewed.



Projects

### Spain

The citrus producer Iberesparragal is the first European farming enterprise to be certified in conformity with the AWS since 15 June 2018.



### Colombia

Water Stewardship platform with banana, coffee and oil palm producers, civil society and public authorities.



Goals

### Transparency

about water risks in the supply chain



### Defining water targets

### Reduction

of water risks in the supply chain



EDEKA Water Risk Tool



### For Suppliers

First water risk analysis in a few steps and the ability of EDEKA to identify and address water risks in the supply chain.

### Go Live - 1st quarter of 2018

Gradual introduction in the procurement divisions of the Frucht-kontor unit



The Alliance for Water Stewardship (AWS) Standard

### For producers

AWS is the framework and one of the optimisation potentials for EDEKA suppliers with reference to their operation and the fluvial region concerned.



Dealing with water more sustainably is a key focal topic!

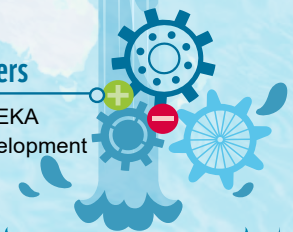
### In cases of high water risks

Additional certifications, such as Global G.A.P., Rainforest Alliance (SAN) or AWS



### EDEKA and the WWF as AWS members

Testing the standard with selected EDEKA suppliers and support with further development of the standard system.





## 2.7 PACKAGING

At 18.2 million tonnes, the volume of packaging waste has reached a new high in Germany.<sup>50</sup> As the biggest food retailer, EDEKA has been acknowledged its responsibility in this area and has been reviewing the packaging of its private-label product range since 2015 as part of the strategic partnership with the WWF.

<sup>50</sup> Cf. URL://<https://www.umweltbundesamt.de/daten/ressourcen-abfall/verwertung-entsorgung-ausgewaehlte-abfallarten/verpackungsabfaelle#textpart-5>, Stand 27.02.2018.



## TARGET

Since June 2017, EDEKA has been reviewing the recyclability aspect of packaging material prior to the introduction or overhaul of each private-label product. If bioplastics are to be used, the raw materials must be certified according to Bonsucro, RSB or ISCC Plus. Following the clarification of technical issues, EDEKA and the WWF agree on a target for the use of PET recyclable material for beverage bottles and in the drug store area by the end of 2017 at the latest. A target with the same time frame for the reduction of aluminium and PVC in packaging is also agreed. In 2020, the partners will agree on additional targets for the optimisation of other private-label packaging.

By January 2018, EDEKA and the WWF will set quantitative targets for the reduction in single-use carry bags, T-shirt bags and knot bags for EDEKA. With the support of the WWF, EDEKA is preparing background information for merchants on the topic of packaging for loose goods and by mid-2017 will also conduct an inventory of regions where pilot projects can be implemented.

Moreover, the partners will jointly prepare target group-specific information about packaging and packaging materials for the Fruchtkontor operations, for retailers and end consumers.<sup>51</sup>

## OVERVIEW OF PROGRESS ACHIEVED



### NEWSBOX: FULL STEAM AHEAD IN PURSUIT OF PACKAGING TARGETS

In the meantime, 5 of the target agreements between EDEKA and the WWF have been adopted. Intensive work is already under way on the implementation of these targets.

### SUB-TARGET

### STATUS 30/06/2018

### OUTLOOK

<b>Assessment of the recyclability/ ecological benefits for new product launches or optimisations</b>		Assessments of ecological benefits are made on an ongoing basis. A questionnaire for a sound and meaningful survey for private-label packaging was prepared and a test product chosen. The evaluation of the questionnaire has been completed, and a recommendation for action given to EDEKA.	
<b>Certification of raw materials for bioplastics</b>		There were no bioplastics in the private-label product range during the reporting period. The development of potential future private-label products is monitored professionally.	
<b>Target agreement for the use of recycling material (PET) in beverage bottles (disposable)</b>		Given the great pace of change in this subject area, the preparation for the target agreements initially required intensive research on the respective topic. For this reason, a jointly agreed target was not available at the time the status was assessed. Both parties are pursuing the completion with vigour.	
<b>Target agreement for the use of recycling material (PET) in the drug store segment/detergents and cleaning agents</b>		Given the great pace of change in this subject area, the preparation for the target agreements initially required intensive research on the respective topic. For this reason, a jointly agreed target was not available at the time the status was assessed. Both parties are pursuing the completion with vigour.	
<b>Agreed target for the elimination or reduction of aluminium in selected product groups</b>		Given the great pace of change in this subject area, the preparation for the target agreements initially required intensive research on the respective topic. For this reason, a jointly agreed target was not available at the time the status was assessed. Both parties are pursuing the completion with vigour.	
<b>Agreed target for switching from PVC to other materials in selected product groups</b>		Given the great pace of change in this subject area, the preparation for the target agreements initially required intensive research on the respective topic. For this reason, a jointly agreed target was not available at the time the status was assessed. Both parties are pursuing the completion with vigour.	

<sup>51</sup> EDEKA is one of just a few trading companies/retail enterprises operating its own competence centre for fruit and vegetables. The 250 employees advise, develop and maintain long-term relationships based on mutual trust with producers around the globe.

# STATUS

After the initial phase during which descriptions of various types of packaging were prepared that allowed initial recommendations can be derived, further targets were agreed for the new contract period. To do justice to the complexity of the range of topics and their diverse aspects, a start was made by establishing a knowledge management and transfer structure and by deriving specific recommendations for action. In a first step, the main areas of the work to be done were divided into categories, harmonised and classified by importance. It then became possible to derive and implement concrete measures.

One focal area in the early stages was to set quantity targets for selected products (groups). In the categories "Use of recycling material in PET beverage bottles (disposable)" and "Drug store/detergents and cleaning agents"<sup>52</sup> technical issues had to be clarified beforehand. The WWF then developed concrete proposals for targets. The same applies to "Reduction of single-use carrier bags" and "Reduction of knot bags".

For the materials aluminium and polyvinyl chloride (PVC), reduction or, if applicable, con-

## SUB-TARGET

## STATUS 30/06/2018

## OUTLOOK

<p><b>Agreed target to reduce the consumption of single-use carry bags</b></p>	<p>↓</p>	<p>Given the great pace of change in this subject area, the preparation for the target agreements initially required intensive research on the respective topic. For this reason, a jointly agreed target was not available at the time the status was assessed. Both parties are pursuing the completion with vigour.</p>	<p>↪</p>
<p><b>Agreed target to reduce the consumption of knot bags</b></p>	<p>↓</p>	<p>Given the great pace of change in this subject area, the preparation for the target agreements initially required intensive research on the respective topic. For this reason, a jointly agreed target was not available at the time the status was assessed. Both parties are pursuing the completion with vigour.</p>	<p>↪</p>
<p><b>Preparation of information on packaging and packaging materials for the Fruchtkontor operations, for retailers and end consumers</b></p>	<p>↗</p>	<p>Factual information and background papers were prepared by the WWF. Information was provided and communications measures for the POS were implemented.</p>	<p>↪</p>
<p><b>Preparation of information, including recommendations, for independent retailers on the topic of "Packaging for loose goods"</b></p>	<p>↗</p>	<p>Information for the POS was prepared by EDEKA. In addition, recommendations for action for independent retailers were jointly prepared and distributed.</p>	<p>↪</p>
<p><b>Selection and implementation of a pilot project to eliminate packaging at the fresh food counters</b></p>	<p>↗</p>	<p>The pilot project "Reusable container" at the fresh food counter was launched in June 2018 at a pilot store in Büsum. The possibility of extending the concept will be reviewed following the evaluation of the pilot project. Additional projects will be developed starting in 2020.</p>	<p>↪</p>

version targets were developed by the WWF. To this end, various types of packaging were first classified, and then they were prioritised according to urgency.

It was agreed to hold off on agreed targets for polystyrene in previously identified EDEKA private-label packaging. The reason

for this is that, based on the current state of knowledge, polystyrene in its pure form has less potential for improvement compared to the fruit and vegetable segment. Instead, the WWF developed a target proposal for fruit and vegetables that is aimed at avoidance, reduction and the use of recyclable alternatives.

It was mutually agreed to extend the timelines for the above-mentioned agreed targets. At the cut-off date of 30/06/2018, the negotiations about the targets were still in the joint consultation phase.

In addition, the WWF is advising EDEKA on how various items of private-label packaging

<sup>52</sup> Detergents and cleaning agents.



could be improved ecologically. A questionnaire was prepared in an effort to obtain detailed information about the packaging and packaging materials used by EDEKA. The questionnaire has already been tested on one product and, based on the results, a recommendation for improvement has been made.

The WWF and EDEKA are jointly and continually preparing target-group specific information about packaging and packaging materials for the Fruchtkontor operations, for retailers and for end consumers. For this purpose, individual fact sheets and background papers were prepared by the WWF and concrete communication measures were jointly developed. For example, in the stores customers are encouraged to do without knot bags and paper bags

in the fruit and vegetable department and, if not otherwise possible, to use reusable alternatives. Retailers and customers were also provided with information about the importance and the correct use of waste disposal and recycling systems via various media and communication channels.

On the topic of “Packaging of loose goods”, EDEKA is investigating which regions would be suitable for setting up pilot projects. In parallel, in various systems already in use among EDEKA merchants, a concept was selected, reviewed and then developed further. In the end, a reusable container for the fresh food counter prevailed, and this was then further evaluated by the WWF. Real-life testing of the reusable container system began in Büsum in June 2018.

## ACCOMPLISHMENTS

### SUB-TARGET

### LEVEL OF ACHIEVEMENT

Descriptions of different types of packaging (development of the evaluation system)

The systematic description has been completed and prepared in table form.

2017 ✓



### AVOIDANCE OF PACKAGING AT THE FRESH FOOD COUNTER: PILOT PROJECT BEING TESTED AT THE NORTH SEA

The principle is simple: at the pilot store in Büsum, customers are provided with reusable containers along with the goods they purchase right at the counter, and they then pay for both at the cash register. On their next visit, customers bring the containers back and enter them into the multiple-use cycle via a collection box. The collected containers are cleaned at the store and made available again at the counters in good condition – the customers can use them again, this time free of charge.

### MORE ON THE SUBJECT OF PACKAGING:

<http://www.edeka.de/wwf/verpackungen>

<http://www.wwf.de/edeka-verpackungen>



## 2.8

# MANAGING THE PROCUREMENT OF CRITICAL AGRICULTURAL COMMODITIES

Compared to other sectors such as the chemical, textile or electrical industries, food retailing has a very high ecological impact.<sup>53</sup> The largest part of this impact by far is already caused during the cultivation of the raw materials. Analysing the most widely-used raw materials and their environmental costs incurred along the supply chain enables EDEKA to adapt its procurement practices. This represents a key factor in improving EDEKA's own ecological footprint.



<sup>53</sup> Cf. Jungmichel / Schampel / Weiss (2017): Umweltatlas Lieferketten – Umweltwirkungen und Hot-Spots in der Lieferkette. (Atlas on Environmental Impacts: Supply Chains) Berlin/Hamburg: adelphi/Systemain.



# OVERVIEW OF PROGRESS ACHIEVED

## SUB-TARGET

## STATUS 30/06/2018

## OUTLOOK

Development of a web tool for identifying, managing and reducing procurement risks associated with agricultural commodities	→	A procedure for entering the data has been developed. Two (out of four) individual modules of the web tool have been implemented.	⇒
<b>DEVELOPMENT OF SEVERAL MODULES OF THE WEB TOOL</b>			
Pilot group for the development and adaptation of the modules	↑	Members have been appointed, and working meetings of all the relevant players set up. The pilot group is working on the content of the modules of the web tool.	✓
Raw materials profiles by Sept. 2017	↑	32 raw materials profiles were reviewed, and feedback on the content received from users at EDEKA has been incorporated.	✓
Supplier profiles by March 2019	→	The WWF has prepared a draft of the contents of a supplier self-assessment. In order to bring the supplier assessment into line with the methods used by other companies in the food industry, the possibility of using a questionnaire for self-assessment of a sustainability initiative that has already been tested in practice is being examined. Six farms in Central and South America were selected for the initial test phase.	⇒
Comparison of supply chains by May 2019	→	Work on this module begins/began in Q4 2018.	⇒
Identification of EDEKA's ecological and social impact by Sept. 2018	↗	Based on EDEKA's procurement information, the ecological and social costs associated with 37 agricultural commodities were assessed for the years 2016 and 2017. The sub-target was extended to include the assessment of the impact of the citrus project in Spain by the end of Q3 2018.	⇒
Development of a monitoring system for measuring the reduction in procurement risks and the progress in management by Feb. 2019	→	The WWF is developing a structure for the implementation of the subject areas by the end of Q3 2018. As a first step in the implementation, the development of target definitions and KPIs for the monitoring was to be carried out in Q4 2018.	⇒
Updating of the risk analyses previously prepared by May 2019	↗	34 risk analyses from the year 1 were updated. Updating of the risk analyses from the year 2 carried out started in July 2018 as planned. It was decided to focus on 22 risk analyses for mangoes and tomatoes.	⇒
Target agreements for the reduction of existing risks by May 2019.	→	No target agreements have been reached to date.	⇒

# TARGET

The area in focus is intended to give EDEKA, and especially the company's procurement activities, a profound insight into current procurement risks specific to raw materials. The primary risk here is considered to be the negative impact of raw material production on the environment and on people in the producing countries, for example through the use of pesticides or non-compliance with social standards. Concrete measures designed to mitigate the risks are to be developed by 31/05/2022. It is to be accomplished with the aid of a specially designed procurement management web tool. The tool will help identify, manage and reduce procurement risks. The web tool is also intended to assist with the strategic implementation of mitigation measures in the supply chain, for example by purchasing a certain type of raw material only from certified sources, and by developing suppliers further with the help of training courses. During the introductory phase, several modules of the web tool, such as raw material and supplier profiles as well as supply chain comparisons, will be developed together with Fruchtkontor. Environmental costs caused by EDEKA are calculated at the same time. And finally, progress achieved in reducing procurement risks are monitored and evaluated on a regular basis. To make this market transformation visible to the outside world and to encourage others to follow the example, EDEKA and the WWF provide information about these efforts through joint lobbying activities.



# STATUS

The procurement management of critical agricultural raw materials has been part of the strategic partnership since June 2017 and is therefore the latest subject area in the co-operation between EDEKA and the WWF. The existing analyses of procurement risks are to be standardised and further developed in a coordinated manner. Potential procurement risks are determined not only at the raw material level as before, but are also considered at the supplier and supply chain level in order to gain a more holistic picture. In addition, users at EDEKA are also provided with concrete advice on how risks can be reduced, for example through the use of agricultural standards and by training suppliers.

In the first year, good progress has already been made on several sub-targets, and the pilot group consisting of Sustainable Purchasing, the Fruchtkontor and the WWF has

proved to be a productive and constructive working body. At the same time, it has become clear that the subject represents new territory, and that it is not possible to fall back on proven working methods. Many ideas for implementation need to be expanded on and supplemented, or alternative solutions must be sought. For example, an analysis is currently being undertaken to see whether it would be advantageous for EDEKA to use the existing evaluation system of a sustainability initiative instead of developing our own supplier questionnaire, as originally planned, to identify procurement risks at suppliers.

To keep the findings from the procurement risk analyses up to date, the WWF began by updating the 34 oldest risk analysis reports dating back 2012/13 during the period under review. Further updates will be carried out in the years to come, in the order of their rele-

vance to EDEKA. With the so-called rapid-response analyses the WWF, in consultation with EDEKA, also developed a short-form risk report format. Thanks to the simplicity of the format, it allows EDEKA to respond quickly to risk events in relation to individual raw materials as they arise. By June 2018, no rapid-response analyses had been commissioned.

Progress was also made with the procurement management web tool: 32 raw materials profiles have already been compiled. They present information derived from the much more extensive risk reports in a convenient 2-page format and are easy to use on a daily basis for the EDEKA procurement officers. In the future updates will automatically be added to the database. The supplier profiles currently being developed are based on self-assessments carried out by the suppliers. In collaboration between the WWF, the Fruchtkontor and a supplier, six avocado and mango farms in Central and South America were successfully recruited for the initial test phase of the self-assessment scheme for suppliers. The first set of supplier tests are to be conducted by the end of 2018.

Progress was likewise made with the so-called "Impact Analysis", the purpose of which is to

identify ecological and social effects and consequences. This involved an external service provider examining the ecological and social costs caused by the cultivation and transportation of 37 agricultural commodities on the basis of the purchasing data from the Fruchtkontor for the years 2016 and 2017. Different ways of presenting the data provide EDEKA decision-makers with a good overview of which commodities, in which countries, and as a result of what processes, are causing most of the damage. The information allows EDEKA to plan measures to reduce procurement risks. To analyse the impact of the joint citrus project in Spain, additional studies will be carried out until August 2018 to determine how the environmental costs have changed since the start of the project in the spring of 2015.

# ACCOMPLISHMENTS

## SUB-TARGET

## LEVEL OF ACHIEVEMENT

risk analyses	A total of 234 risk analyses were compiled.	2017 ✓
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### MORE ON THE SUBJECT OF PROCUREMENT MANAGEMENT:

<http://www.edeka.de/wwf/beschaffung>

<https://www.wwf.de/edeka-agrarrohstoffe/>

# 3. AGRICULTURE PROJECTS



## CONTENTS

### 3.1 Joint Project For A Better Orange

### 3.2 Joint Project For A Better Banana

### 3.3 Agriculture for biodiversity

Analysing food production from the field to the shop counter, it is evident that many negative environmental impacts already occur in the first stage of the value chain. They vary depending on the agricultural raw material, the country of production and the method of production. In some cases, depending on the product, there are no marketable solutions, for example in the form of standards, although there is a great need for action.

EDEKA and the WWF therefore decided to implement joint projects that tackle the issue at the level of cultivation.

EDEKA and the WWF are currently implementing three projects involving both conventional and organic cultivation. The organic cultivation project focuses on strengthening biodiversity in northern Germany. The two conventional projects are citrus cultivation

in Andalusia and the banana cultivation in Colombia and Ecuador. Each project sets its own thematic priorities and faces its own country- and product-specific challenges: these are being tackled with measures to be implemented at the individual farm level, through monitoring activities, and with the involvement of experts. The products from these projects are marketed via EDEKA as results of the partnership.

# 3.1 JOINT PROJECT FOR A BETTER ORANGE

Andalusia is home to species-rich ecosystems, is an important migration area for migratory birds and one of the last retreats for endangered species such as the Iberian lynx and the Spanish imperial eagle. It is at the same time a centre of fruit and vegetable cultivation in Europe, and this has led to a massive overuse of natural water resources by agriculture in recent decades. However, the land-intensive, incorrect use of agrochemicals and the associated pollution of groundwater as well as the loss of soil fertility and biodiversity are also associated with conventional cultivation practices in this Spanish region.

Compared to other reference countries, the cultivation of oranges and mandarins in Andalusia results in the highest environmental costs

by far, especially due to the region’s water shortage. In the year 2015, the WWF and EDEKA decided to launch a project aimed at improving the cultivation of these types of citrus fruit. A start was made with the supplier Iberhansa at the Finca Iberesparragal.

During the autumn and winter 2016/17, selected supermarkets in an EDEKA region were supplied with oranges and mandarins from the pilot farm Iberesparragal for the first time. With the support of the WWF and EDEKA, the finca had already implemented various measures that were designed to meet the project targets and which succeeded in making their conventional cultivation more sustainable.



## GENERAL PROJECT INFORMATION

<b>Project name</b>	“Citrus project”: Joint project for a better orange and a better mandarin
<b>Cultivation region</b>	Andalusia, Spain – within the catchment of the Guadalquivir river
<b>Project targets</b>	<p><b>Priorities in the cultivation of citrus fruit:</b></p> <ul style="list-style-type: none"> <li>• More sustainable water use on farms and in the river basin</li> <li>• More sustainable crop protection</li> <li>• Conservation and promotion of biological diversity and ecosystems</li> <li>• Good agricultural practice measures (more sustainable use of fertiliser / promotion of soil fertility).</li> </ul>
<b>Number of project farms</b>	<ul style="list-style-type: none"> <li>• 2016: 1 orange plantation</li> <li>• 2017: 8 orange plantations (two of these also grow mandarins)</li> </ul>
<b>Total area cultivated</b>	<ul style="list-style-type: none"> <li>• 2016: 167 hectares</li> <li>• 2017: 571 hectares</li> </ul>
<b>Marketing</b>	<ul style="list-style-type: none"> <li>• 2016/17 season: in selected stores in the EDEKA region Minden-Hanover</li> <li>• 2017/18 season: available at EDEKA stores throughout Germany, additional promotional campaigns at Netto</li> </ul>

However, the partners also wanted to initiate positive changes at other citrus producers, beyond the boundaries of the pilot farm. Moreover, the availability of sustainably produced oranges and mandarins at EDEKA Group’s stores throughout Germany was to be increased. In the year 2017 the partners therefore took a decision to expand the project. After screening various candidates, seven additional citrus farms were added to

the project in the spring of 2017. Measures designed to achieve the project’s targets have since been implemented. Following an evaluation of progress achieved at the new farms by WWF, it was established that their citrus fruit could also be marketed under the the WWF project brand. In autumn and winter of 2017/18, EDEKA stores nationwide were supplied with project oranges and mandarins.



# PROJECT PROGRESS 2017

## MORE SUSTAINABLE WATER USE ON FARMS AND IN THE RIVER BASIN

### MEASURES AND OUTCOMES 2017

All producers undertake to document water consumption for the irrigation of their plantations on a daily basis and to comply with the water concessions allocated by the authorities. To prevent illegal use of water on the farms, wells without a water concession are shut down. In addition, the foundations for targeted improvements are put in place, for example by installing soil moisture probes where above-average water consumption occurs.

Thanks to the implementation of optimisation measures, the pilot farm Iberesparragal was able to save more than 211 million litres of water in one year. The farm also became the first agricultural enterprise in Europe to achieve

AWS certification with Gold status, which has only been awarded for the third time worldwide. The standard of the Alliance for Water Stewardship helps producers implement a more sustainable water management system in their local river basin in co-operation with other players. The Iberesparragal farm has been taking its commitment beyond the boundaries of its operation, by engaging with other users, with the authorities and other interested parties, and they succeeded in encouraging other farmers to implement the AWS principles. The certification represents confirmation from independent auditors that the finca uses water economically, avoids pollution and thus protects the ecosystem and the region.



#### MONITORING PERIOD FOR THE IBERESPARAGAL PILOT FARM

#### WATER USE: TOTAL ANNUAL VOLUME OF CONCESSION

#### ACTUAL ANNUAL WATER CONSUMPTION

#### WATER SAVED

Oct. 2016–Sept. 2017

1,202,700 m<sup>3</sup>

991,214 m<sup>3</sup>

211,486 m<sup>3</sup>  
(equivalent to more than 211 mn. litres)

**Table 7:** Water use and water saved in the monitoring period 10/2016–09/2017.

## MORE SUSTAINABLE CROP PROTECTION

### MEASURES AND OUTCOMES 2017

By participating in the citrus project, all producers commit to complying with the specially developed pesticide plan. This plan is the product of a cooperative venture between experts from various specialist fields and had to prove itself in practice for a year beforehand. It stipulates, for example, that particularly dangerous or critical pesticides are banned and replaced by less critical substances. The primary guidance used for this purpose is the PAN International List of Highly Hazardous Pesticides published by Pesticide Action Network (PAN). The need to use plant protection products is also reduced by improved agricultural practices, such as the promotion of beneficial organisms.

The implementation of the pesticide plan resulted in the saving of 4,680 kilograms or litres of active ingredients across the eight project farms in 2017. Controversial active substances such as glyphosate, imidacloprid or chlorpyrifos, which have a particularly strong impact on biodiversity, are not used.

While 1,787 kg or l of active substances were still being used on the pilot farm in the year

before the start of the project in 2014, the figure for 2017 was down to just 396 kg or l. This is accompanied – thanks to compliance with the pesticides plan – by a significant reduction in the total toxic load from the substances used. In 2014 the toxic load at the pilot farm was 540 per hectare. By 2017 it had already been reduced to 156. A similar trend was also observed at the new plantations that joined in 2017: thanks to the implementation of the pesticide plan, the average toxic load was reduced from 908 per hectare in the year before the start of the project to 313 per hectare in the first project year.

### ACTIVE INGREDIENTS USED<sup>54</sup> IN KG/LIKG OR L

### TOXIC LOAD/ HECTARE

	Pilot farm	7 new farms	Pilot farm	7 new farms (average per farm)
<b>Baseline</b>	1,787	5,931	540	908
<b>(Year before the start of the project)</b>	(2014)	(2016)	(2014)	(2016)
<b>2017</b>	396	2,642	156	313
<b>Weight or volume of ingredients saved (in kg or l)</b>	1,391	3,289	--	--

**Table 8:** Trend for the use of active ingredients and toxic load 2014–2017.

### HOW IS THE TOXIC LOAD/THE TOXIC LOAD INDICATOR (TLI) MEASURED?:

To calculate the toxic load in the project, we use the Toxic Load Indicator (TLI). The TLI is an indicator that evaluates the toxicity of an active substance to a living organism and thus does not relate solely to the amount of a pesticide used.

To determine the toxic load, TLI is based on a classification of active substances used in a pesticide. The classification considers the impact on humans, mammals and the broader environment. This can result in a maximum score of up to 200 for each active ingredient. The higher the score, the more toxic the active ingredient. In the citrus project, crop protection agents with a toxic load of over 100 are no longer used.

<sup>54</sup> A pesticide usually consists of several different ingredients, not all of which are ecologically harmful; one such ingredient would be water. The toxic substances contained in a pesticide that have negative effects on our environment are referred to as active substances. This differentiation makes it possible to analyse more precisely the quantities of toxic substances our environment is actually exposed to. In our project we therefore do not refer to the use of pesticides, but to the use of active ingredients. The sum total of these active ingredients is referred to as the total toxic load.

# BIOLOGICAL DIVERSITY AND ECOSYSTEMS

## MEASURES AND OUTCOMES 2017

The ground vegetation and the ecological infrastructure are enhanced on all the project farms in order to create refuges for flora and fauna and to promote the presence of beneficial organisms in a targeted manner. Weekly monitoring of the pests and beneficial organisms occurring on the plantations tracks their development and – if necessary – allows for timely intervention. For example, if lice appear on young trees, it is checked whether the “associated” predators such as ladybirds or green lacewing larvae are able to bring the situation under control. Only if damage thresholds are reached that can no longer be biologically controlled by beneficial organisms and production is threatened will the produc-

ers intervene with chemical crop protection agents, based on the pesticide plan.

The ladybird species “Coccinellidae” was selected as a bio-indicator for the project because not only are they able to fight pests naturally; they can also adapt to different habitats. In addition, ladybirds are highly susceptible to microclimatic or physical changes and to chemical contamination. The monitoring of the ladybird populations is therefore particularly well suited to the observation of changes in the plantations over time.

In the first year of the project, a total of five different species of ladybirds were found on the



Photos: Jesus Quintano Sanchez

**Left to right:** In addition to the well-known seven-spot ladybird, the lesser known ladybird such as the fourteen-spot ladybird was also found. The black, roundish ladybird beetle “Stethorus pusillus” is one of the smallest members of its family with a length of only 1.2 to 1.5 millimetres. It feeds exclusively on spider mites and is therefore also used in greenhouses for biological pest control against the common spider mite. “Stethorus pusillus” was sighted on three of the project plantations (incl. on the pilot farm) in 2017.

pilot farm – now there are 16 different species. On the newly participating farms, an inventory of the existing species has only been carried out once, in 2017. During that inventory, no ladybirds at all could be found on two of the

seven farms, and on four other farms there was only one species. Only one farm stood out, in that four different species could already be identified there.

	2015	2017
Number of different species of ladybird at the pilot farm	5	16
Number of different species of ladybird at the other 7 farms	n.a.	5

**Table 9:** Number of different species of ladybird at the farms.



## 3.2 JOINT PROJECT FOR A BETTER BANANA

In this project, which has been under way since 2014, the WWF and EDEKA are working towards making conventional banana cultivation more environmentally and socially compatible. The banana is one of the most popular fruit varieties in Germany, but the way it is cultivated is often harmful to humans, animals and to the environment.

The 24 farms in Colombia and Ecuador that are currently participating have been implementing measures in six priority areas since 2014, in addition to obtaining Rainforest Alliance certification. These comprise: ecosystems/biodiversity, water management, integrated crop cultivation management, climate protection, waste management and social



### GENERAL PROJECT INFORMATION

<b>Project name</b>	<b>“Banana project” Joint Project For A Better Banana</b>
<b>Cultivation region</b>	Ecuador (in the provinces Los Ríos and Guayas ) and Colombia (federal state of Magdalena, Northern Colombia)
<b>Project targets</b>	<p><b>Priorities in the cultivation of the bananas:</b></p> <ul style="list-style-type: none"> <li>• More sustainable water use on farms and in the river basin</li> <li>• Integrated crop cultivation management</li> <li>• Conservation and promotion of ecosystems and biodiversity</li> <li>• Climate protection</li> <li>• Waste management</li> <li>• Social aspects</li> </ul>
<b>Number of project farms</b>	<ul style="list-style-type: none"> <li>• 2014: 47 farms (7 farms were excluded at the beginning due the recent conversion of natural areas to land for cultivation, 6 farms were excluded in the course of the project due to unsatisfactory performance, 3 farms have been converting to organic cultivation since the project began)</li> <li>• 2018: 24 farms – 13 in Colombia, 11 in Ecuador</li> </ul>
<b>Total area cultivated</b>	<ul style="list-style-type: none"> <li>• 2018: approx. 3,421 hectares</li> </ul>
<b>Marketing</b>	<ul style="list-style-type: none"> <li>• Available at EDEKA stores throughout Germany since 2014</li> <li>• Since 2016 also available at supermarkets of the Swiss retail chain Migros.</li> </ul>

issues. Consumers can identify the bananas produced in this project with the help of the WWF logo and the claim: “EDEKA & WWF Gemeinsames Projekt für eine bessere Banane.” (EDEKA & WWF joint project for a better banana)

Participating partners, in addition to the WWF Germany and EDEKA, are DOLE and the WWF Ecuador, and Tecbaco and the WWF Colombia. Bananas from the project are also sold by the Swiss supermarket chain Migros. The project has been extended until the beginning of 2021.

### Important targets were reached three years after the project began in the year 2014:

- The recommended measures achieved a high degree of implementation overall (between 73.6 and 88.1 per cent).
- To protect the natural ecosystems, buffer zones covering a total area of more than 33 hectares were planted.

Farmers reduced the total quantity of active ingredients in pesticides used in Colombia and the total quantity of WHO Class II pesticides used in Ecuador.

The infrastructure at the farms was significantly improved: water treatment plants were installed, safe areas for waste disposal were established and sanitary facilities for the workers were installed.

The project partners also promoted greater awareness of environmental protection issues, especially in relation to global warming and climate protection. Improvements have also been made beyond the farm level – for example, in terms of waste disposal in the region.

In Colombia the project partners also set up a Water Stewardship Platform. The goal of this multi-stakeholder initiative is to coordinate and limit water consumption in the catchment area of the project, and to do so with the active participation of the banana sector.

The evaluation of the first phase of the project also identified some problems. For instance, there is still a need for action on the subject of water. Water consumption on the farms increased between 2015 and 2016, partly due to new regulations in importing countries regarding tolerances in relation to insect infestation. The tolerances were lowered, which meant the bananas had to be washed more thoroughly prior to being packaged for shipping. To achieve efficient irrigation of the fields, basic information is still lacking – for example, on soil type, field capacity, available water, seepage rate or the amount of organic soil substance. What essentially became clear during the project's first term is that the potential for optimising the use of pesticides is very limited in the case of monocultures such as conventional banana cultivation. The reason is the Black Sigatoka fungus. It occurs mainly in Latin America and is particularly widespread in Cavendish bananas. The focus in the future

will therefore be on optimisation and, if possible, reduced use of fungicides.

An evaluation system is in place to assess the degree to which individual measures have been implemented on the farms. To date it has been based on a four-stage scale (0, 0.5, 1, n. a.). A median score (0.5) may indicate slight deviations from the target or a performance that was a little better than no improvement at all. To eliminate this kind of uncertainty in the future, quantitative performance indicators are to be developed.

In the next phase of the project, which began in January 2018, the existing measures will be adapted in order to contribute even more effectively towards achieving the six main targets of the project. A few examples: Buffer zones around ecosystems are to be extended in order to protect them even more effectively from the effects of banana cultivation. By 2020, farms are to no longer use herbicides, and in relation to fungicides, insecticides and nematicides they are to continue working towards changing over to less toxic products. The use of fertiliser is to be optimised. The consumption of water for washing bananas after harvesting is to be reduced by a third,

and the farms are to be certified with the AWS water sustainability seal by 2020.

In the summer of 2018, all farms were subjected to further monitoring in order to determine the status quo before the start of the second phase of the project, and to ensure that changes in the cultivation conditions continue to be pursued.

At the end of 2018, the WWF published a detailed report on the initial three-year phase of the project.



# 3.3 AGRICULTURE FOR BIODIVERSITY

The “Agriculture for Biodiversity” project aims to preserve and increase the diversity of wild animal and plant species in agricultural habitats. The project was established by the WWF and the organic farmers’ association Biopark in 2011. Right from the start, the project has received scientific support from the Leibniz Centre for Agricultural Landscape Research (ZALF reg.Ass.). The central element of the project is the nature conservation module, which represents an additional qualification for special services and measures to promote biological diversity on organic farms. It comprises a catalogue of measures and services with more than 100 individual modules, from which the most effective and most suitable measures for individual organic farms are chosen.



Photo: Shutterstock

Agricultural produce from the participating organic farms bear the WWF logo and the project’s own seal, identifying them as project goods. By purchasing products from the “Agriculture for Biodiversity” project, consumers can demonstrably promote biodiversity in the region. EDEKA guarantees the participating producers acceptance of their agricultural products and pays a reward for implement-

ing measures that promote biodiversity. The project is being implemented together with the EDEKA region North, the meat-processing facility of EDEKA North, and Biopark. In 2019 the first products from the project will also become available in the EDEKA region Southwest. At present nine organic farms are engaged in the consultation process for the implementation of suitable nature conservation measures.

## GENERAL PROJECT INFORMATION

<b>Project name</b>	<b>“Agriculture for biodiversity”</b>
<b>Cultivation region</b>	Germany
<b>Project targets</b>	<ul style="list-style-type: none"> <li>• Conservation and promotion of ecosystems and biodiversity</li> <li>• Establishment of the nature conservation module for farmers applying organic farming methods</li> <li>• Long-term co-operation between nature conservation and agriculture through the provision of nature conservation advice</li> <li>• Rewards for implementing nature conservation measures</li> <li>• Transparency through traceability by means of tracking codes on the products</li> </ul>
<b>Number of project farms</b>	<ul style="list-style-type: none"> <li>• Region North: 55 (recognised), 8 (in consultation)</li> <li>• Region Southwest: 9 (in consultation)</li> </ul>
<b>Total area cultivated</b>	<ul style="list-style-type: none"> <li>• Region North: 36,280 ha (recognised), approx. 1,000 ha (in consultation)</li> <li>• Region Southwest: 1,281 ha (in consultation)</li> </ul>
<b>Marketing</b>	<ul style="list-style-type: none"> <li>• Meat and cold cuts as well as potatoes: Available at EDEKA stores in the region North since 2012</li> </ul>

By 30/06/2018, a total of 55 operations successfully implemented the additional nature conservation measures and services. 17 operations are currently receiving advice regarding nature conservation.

In an effort to evaluate the success of the measures, 22 typical animal and plant species native to agricultural regions in Germany will be monitored by a scientific institute on selected

organic farms. They are representative of the region’s entire biodiversity. They include whinchat and amphibian populations, but also wild field herbs such as cornflower, lamb’s lettuce or larkspur. The results are as follows:

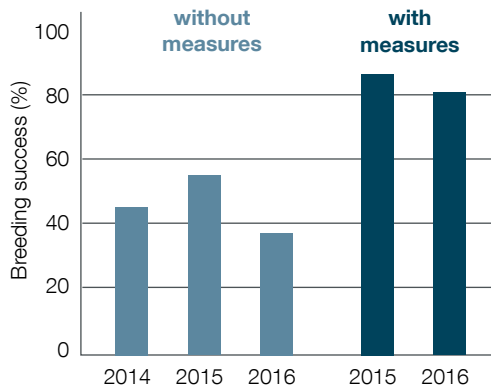


Photo: Frank Gotthwald



## MONITORING WHINCHAT

Once widespread, this songbird is today regarded as strongly endangered in Germany according to the Red List. According to the German Federal Agency for Nature Conservation (BfN), its population decreased by 63% between 1990 and 2013. On nine project farms in



**Fig. 4:** Breeding success with whinchat due to measures from the nature conservation module

Mecklenburg-Western Pomerania and Brandenburg, it has now been possible to almost double the nesting success rate through measures taken from the nature conservation module. Some of the measures involved leaving a ten-metre-wide strip of land on the edge of a field standing from April to mid-July, or fencing off a corner of a pasture Embankments along trenches that served as nesting sites were not mowed during the breeding season. At breeding sites without such protective measures, 45% of the young birds abandoned their nests. The protective measures succeeded in raising the nesting success rate to 84%.

The results suggest that on organically farmed land, simple protective measures are sufficient to considerably increase breeding success.<sup>55</sup>



## MONITORING WILD FIELD HERBS<sup>56</sup>

To date, typical and endangered wild field herbs have been mapped on more than 200 arable fields, or about 2,000 ha, on 14 project farms. In some ecological areas, species threatened with extinction, such as buttercup and annual hedge-nettle, were successfully documented. The highly endangered species lamb's succory and smooth catsear grow on eight project farms with sandy soils throughout Germany. In total, the ecologically cultivated fields were home to 27 endangered wild field herb species from the red list, and 16 species from the watch list. In comparison with conventionally farmed areas, the diversity on fields with organic cultivation has been shown to be up to nine times greater.



## MONITORING AMPHIBIANS<sup>57</sup>

Monitoring of 37 small water bodies on cooperative farms in Mecklenburg-Western Pomerania and Brandenburg over recent years documented the presence of up to nine amphibian species. On average, the water bodies were home to six to seven species, which suggests a great biodiversity. Among them were four rare and highly endangered species such as the tree frog, the fire-bellied toad, the garlic toad and the crested newt. Initial results following the clearing of vegetation at the southern edge of ten water bodies located in the cultivated areas indicate that this measure had positive effects on the number of species. In addition, the reproduction rates increased in seven of the bodies of water. Further investigations will need to be carried over the coming years to confirm these results.

<sup>55</sup> In addition to six farms in Mecklenburg-Western Pomerania, monitoring was also carried out at three farms in Brandenburg. Together with additional individual areas, the total area monitored was 700 ha. Additional information can be found in the interim report: [https://www.landwirtschaft-artenvielfalt.de/wp-content/uploads/2017/06/Braunkehlchen\\_neu\\_Max\\_07.06.17.pdf](https://www.landwirtschaft-artenvielfalt.de/wp-content/uploads/2017/06/Braunkehlchen_neu_Max_07.06.17.pdf)

<sup>56</sup> Cf. [https://www.landwirtschaft-artenvielfalt.de/wp-content/uploads/2017/06/Segetalflora\\_Max\\_08.06.17.pdf](https://www.landwirtschaft-artenvielfalt.de/wp-content/uploads/2017/06/Segetalflora_Max_08.06.17.pdf)

<sup>57</sup> Cf. [https://www.landwirtschaft-artenvielfalt.de/wp-content/uploads/2015/02/Amphibien\\_neu\\_Max\\_07.06.17.pdf](https://www.landwirtschaft-artenvielfalt.de/wp-content/uploads/2015/02/Amphibien_neu_Max_07.06.17.pdf)

# 4. PRODUCT-RELATED COMMUNICATION



## WHAT PRODUCTS CARRY THE WWF LOGO?

- EDEKA private-label products that meet sustainability standards recognised by the WWF (EU Organic Regulation, Naturland, Bioland or comparable organic associations, MSC, FSC®, Blauer Engel) and have been certified by independent inspection organisations: so-called co-branding.
- Products from a joint project (bananas, citrus fruit, Agriculture for Biodiversity products such as meat and cold cuts, vegetables): so-called project branding.
- Products meeting other standards. Instead of the WWF logo, the products display information about the standard, along with a WWF recommendation: so-called co-claiming.

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### 4.1 Status of co-branding

### 4.2 Project branding

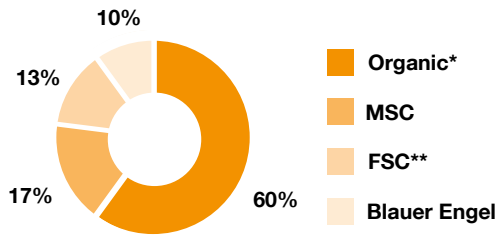
### 4.3 Co-claiming and consumer information

The WWF logo appearing on EDEKA private-label products serves as additional guidance towards more sustainable products. All EDEKA private-label products with MSC, FSC®, Blauer Engel or organic certification are in principle eligible to carry the WWF logo in addition to the seal of the relevant standard. Since there are gaps in the entrenchment of

water-related and social criteria of the EU Organic Regulation, EU organic products are additionally reviewed in terms of their water risks at the regional or local level, and as regards their social risks at country level. If the ingredients of a product contain raw materials from an area of origin with a potential water risk, for example, then the WWF

Water Risk filter is consulted. If the product passes this additional test, then it is permitted to display a WWF logo. The additional tests provide greater transparency across the supply chains. If high water or social risks are found to prevail, additional standards are applied wherever possible in order to achieve an improvement in the supply chain.

# 4.1 STATUS CO-BRANDING



**Fig. 5:** Percentages of all EDEKA private-label products with co-branding, according to sustainability standards recognised by the WWF (status 30/06/2018).

\* Organic standards recognised by the WWF for the purpose of co-branding (EU Organic Regulation, Naturland, Bioland or comparable organic associations).

\*\*FSC® 100% for wood products; FSC® Recycled for tissue and paper products.

At the cut-off date of 30/06/2018 a total of 310 products carrying a co-branding were identified. Their respective certifications are: 186 organic, 52 MSC, and 40 FSC®, and 32 Blauer Engel. For the purpose of the survey of the co-branded products, the fact that a product may be supplied by different manufacturers needs to be taken into account. If the

products from one supplier meet the requirements for co-branding, it will be listed as a co-branded product in the Progress Report – even if not all the suppliers of the product meet the co-branding requirements. However, at EDEKA stores products will only display the WWF logo if their suppliers have met the co-branding requirements.

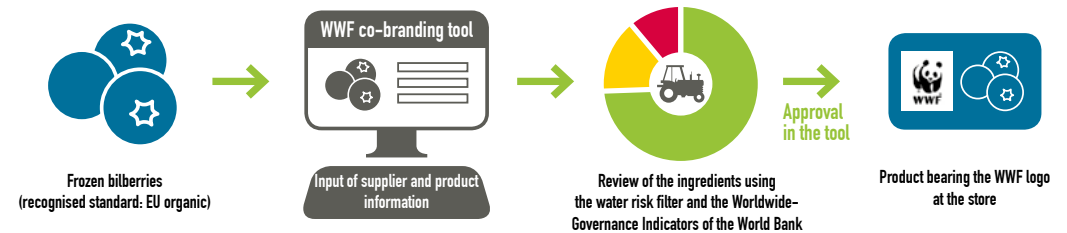
## WHAT ARE THE STAGES AN ORGANIC PRODUCT MUST PASS THROUGH TO ACHIEVE CO-BRANDING WITH THE WWF LOGO?

The essential requirement for the co-branding of an EDEKA private-label is proof that the private label product meets a standard recognised by the WWF. EDEKA and the WWF have developed an online tool for assisting with the operative procedure covering all content and layout-specific requirements. This tool makes it possible to transparently map all review processes as well as proofs and information on the product and the associated suppliers.

By way of explanation, here is the concrete example of the EDEKA private-label product “TK Bio-Heidelbeeren” (frozen organic bilberries): EDEKA loads product and supplier information as well as documentary



evidence into the co-branding tool. If, as in the case of frozen organic bilberries, the product complies with the EU Organic Regulation, the WWF checks the individual components of the product as well as the regional or local water risks and the social risks at country level. In this example, the berries originate in



**Fig. 6:** Diagram depicting the review process for co-branding.



Poland, Lithuania or Canada. For Canadian bilberries, the place of origin is narrowed down further to the regional level and checked by means of the Water Risk filter ([www.waterrisk-filter.panda.org](http://www.waterrisk-filter.panda.org)). Since some areas in Canada are very arid, the assessment of the water risk is based on the precise location. In Poland and Lithuania, the water risks are comparatively low and are relatively well covered by legislation.

In the case of water or social risks based on the WWF assessment methodology according to the water risk filter and BSCI country risk list based on the Worldwide Governance Indicators of the World Bank, additional certificates are requested from the supplier (e.g. GlobalG.A.P. or proof of adherence to social compliance standards) on the one hand; on the other, EDEKA co-operates with the suppliers to find alternative procurement, emt sources. As soon as all tests have been successfully completed, the product is approved for co-branding with the WWF logo and then becomes one of the sustainability indicators in the EDEKA organic products range.

## 4.2 PROJECT BRANDING



The partnership is currently running three projects at producer

level that focus on ecologically improved cultivation of food. Goods produced in these projects are marked with the WWF logo in combination with a claim. The claim explains the project character and provides a concrete reference, such as the “EDEKA & WWF *Gemeinsames Projekt für eine bessere Orange*” (joint project for a better orange).



Products from the first joint partnership project – “Agriculture for Biodiversity” – bear the seal of the EU Organic Regulation, the logo of the Biopark organic farmers’ association, the project’s own seal and the WWF logo. A QR code links directly to the project website, which in turn has a direct link to the producing farm, and also includes a description of the measures taken at that farm to promote biodiversity.

## 4.3 CO-CLAIMING AND CONSUMER INFORMATION



In addition to the co-branding in conjunction with the standards

recognised by the WWF, product-related texts make reference to other certification systems. As the latter are not recognised by the WWF for the purpose of the co-branding, the information is provided as text-only. In the subject area Palm Oil, there are five products to date displaying this type of text information: the palm oil ingredients contained in these products are certified RSPO Segregated along the entire supply chain.



In addition, by the cut-off date of 30/06/2018, there were 18 FSC® Mix hygiene products made from cellulose with text information alongside the WWF logo and additional consumer information.

## 5. AUDIT CERTIFICATE

### **Notice by the independent auditor concerning an audit to achieve a limited degree of certainty regarding sustainability information**

To the Board of Management of WWF Deutschland Stiftung bürgerlichen Rechts (= foundation under German civil law), Berlin

We have subjected the quantitative information in Table 1 on page 15 on the subject of Fish and Seafood, in Table 2 on page 20 and Table 3 on page 21 on the subject of Wood/Paper/Tissue, on Table 4 on page 24 on the subject of Palm Oil, on Table 5 page 30 and Table 6 on page 30 on the subject of Soya/More Sustainable Animal Feed, and in Figures 1 and 2 on page 16 on the subject of Fish and Seafood, Figure 3 on page 24 on the subject of Palm Oil, Figure 5 on page 58 on the subject of Co-branding (hereinafter referred to as “quantitative information”) in the Progress Report issued by WWF Deutschland Stiftung bürgerlichen Rechts, Berlin, (hereinafter referred to as

the “WWF Germany”) on the level of co-operation between the WWF Germany and EDEKA Zentrale AG & Co. KG, Hamburg, for the project year 2017/2018 (hereinafter referred to as “the Progress Report”) to an audit to obtain a limited degree of certainty.

### **Responsibility of the legal representatives**

The legal representatives of the WWF Germany are responsible for the preparation of this report and the determination and presentation of selected quantitative information in accordance with the reporting criteria. The reporting criteria applied are based on the principles set out in the Global Reporting Initiative (GRI) Sustainability Reporting Standards (accuracy, balance, comprehensibility, comparability, reliability and timeliness) in conjunction with internal guidelines (hereinafter referred to as “reporting criteria”).

This responsibility of the legal representatives of the WWF Germany includes, on the one hand, selecting and applying appropriate

methods for reporting the selected quantitative information and, on the other, making assumptions and estimates about individual items of information that are appropriate under the given circumstances. Moreover, the legal representatives are responsible for the internal controls they have deemed to be necessary to facilitate the preparation of a progress report that is free of any material erroneous disclosures – whether intended or not.

### **Auditor’s declaration concerning independence and quality assurance**

We are independent of the Company in accordance with German commercial and professional regulations and we have performed our other professional duties in conformity with these requirements.

Our auditing company applies the national statutory regulations and professional statements on quality assurance, in particular the professional statutes for auditors and sworn

auditors as well as the IDW quality assurance standard: Requirements for quality assurance in auditing practice (IDW QS 1).

### **Responsibility of the auditor**

Our responsibility is to express an audit opinion, with limited certainty, on the selected quantitative information in the report described above, based on our audit.

In carrying out our audit, we complied with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information” issued by the IAASB. Accordingly we are required to plan and perform the audit in such a way as to obtain limited assurance that no matters have come to our attention that cause us to believe that the information described above for the project year 2017/2018 has not been prepared in accordance with the relevant reporting criteria. This does not mean that a separate opinion is given for each item of information. In the case of an audit to obtain limited certainty, the audit activities carried out are

less extensive compared with an audit to obtain adequate certainty; accordingly, a substantially lower degree of certainty is obtained. The selection of audit activities is within the professional discretion of the auditor.

In the course of our audit, we carried out the following activities, inter alia:

- Recording the process of preparing the Progress Report and of the associated internal control system
- Recording of the methods and assessment of the design and implementation of systems and processes for data collection and processing
- On-site visits for the purpose of recording processes and analysing selected quantitative information
- Analytical assessment of data and trends
- Inspection of selected internal and external documents on selected quantitative data in the report
- Assessment of the overall presentation of the selected quantitative information in the report that falls within our mandated subject matter.

### **Audit assessment**

On the basis of the audit activities carried out and the degree of audit certainty attained, no facts and circumstances became known to our attention that would induce us to conclude that the selected quantitative disclosures in the Progress Report prepared by the WWF Germany for the project year 2017/2018 were not prepared in conformity with the selected reporting criteria in all material aspects.

### **Restriction of use/Clause on General Engagement Terms**

This notice is exclusively addressed to the Board of Management of the WWF Germany. We assume no responsibility with regard to any third parties.

The mandate, in the performance of which we provided the above-mentioned services for the Board of Management of the WWF Germany, was based on the General Terms and Conditions for the Engagement of Auditors and Auditing Companies in the version dated 1 January 2017 (<https://www.kpmg.de/bescheinigungen/lib/aab.pdf>). By taking note

of and using the information contained in this notice, each recipient confirms that he has taken note of the regulations contained therein (including the limitation of liability to EUR 4 million for negligence in Section 9 of the General Terms and Conditions) and acknowledges their validity in relation to us.

Munich, 3 April 2019

### **KPMG AG Wirtschaftsprüfungsgesellschaft**

Hell ppa.  
Dollhofer