
EDEKA AND THE WWF – STRATEGIC PARTNERSHIP
2021 PROGRESS REPORT
WWF
STARKE PARTNER
GEMEINSAM FÜR MEHR NACHHALTIGKEIT.
EDEKA
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PREFACE

DEAR READERS,

We are delighted to be able to present to you in our latest Sustainability Report the success stories achieved by EDEKA and the WWF in the year 2021. At the same time, however, we also also aim for transparency regarding aspects where our efforts still have scope for improvement.

Our world is currently in a phase of dramatic upheaval. With the Corona pandemic, the Russian war of aggression on Ukraine, the associated artificially induced energy shortage as well as rising inflation, our everyday lives are undergoing marked changes. Despite the difficult times and conditions we face at present, we have made it our mission to continue to promote sustainable business practices.

Our planet's natural resources are limited. At the same time, human-induced climate change, causing extreme weather events such as heat waves and floods, constantly reminds us of the urgent need for responsible action. The same is true for the increasing number of species lost, due to, among other things, the destruction of ecosystems. There is simply no alternative but to treat nature with respect if we are to leave a world worth living in for future generations With our focus on ecology and economy, we also see sustainability as a precious economic opportunity. This is due, on the one hand, to the fact that responsible consumption is becoming more firmly entrenched in consumer awareness than ever before. And, on the other, the groundwork jointly carried out by EDEKA and the WWF effectively contributes towards securing the supply chains serving people and markets in the long term. Leading the way are our flagship projects focussing on the protection of freshwater resources, such as more sustainable citrus cultivation in Spain, or our model programme “Agriculture for Biodiversity”. At times, though, the road to progress can be stony – for example, when it comes to feeding livestock for our private-label products more sustainably. And sometimes achieving results takes longer than expected, as is the case in the use of recycled materials for certain product groups.

EDEKA and the WWF have been actively pioneering efforts to reduce EDEKA’s ecological footprint since 2009. And we are proud of this partnership. It is still unrivalled in the entire German food retail sector. Our aim is to continue to learn from each other and to work together to promote more sustainable product alternatives in the future. And we will continue to involve consumers in our activities, through holistic communication. In a nutshell: we will not rest on our laurels. After all, the milestones we have achieved and that are documented here provide additional motivation to do even more for the environment, and to invest in a promising future.

WE WISH YOU AN EXCITING AND INFORMATIVE READ.

Christoph Heinrich,
Managing Director
WWF Germany

Markus Mosa,
Chairman of the Executive Board
EDEKA ZENTRALE Stiftung & Co. KG

Claas Meineke,
Member of the Executive Board and Head of Sales and Marketing,
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LIST OF ABBREVIATIONS

AFI Accountability Framework Initiative
ASC Aquaculture Stewardship Council
AWS Alliance for Water Stewardship
CEV Center Entwicklungs und Verwaltungs GmbH
CSI Climate Supplier Initiative
DGNB German Sustainable Building Council
EK Procurement
EMK Private-label catalogue
EPS Expanded Polystyrene
EVG EDEKA Versorgungsgesellschaft mbH
FONAP Forum for Sustainable Palm Oil
FONEI Forum for more sustainable protein feed
FSA Farm Sustainability Assessment
FSC® Forest Stewardship Council
GEG Building Energy Act
GVO/GMO Genetically Modified Organisms
ISCC International Sustainability and Carbon Certification
ISO International Organization for Standardization
IUCN International Union for Conservation of Nature
IUU Illegal, Unreported and Unregulated
KPI Key Performance Indicator
MSC Marine Stewardship Council
PCF Product Carbon Footprint
PET Polyethylenterephthalate
POIG Palm Oil Innovation Group
PVC Polyvinyl Chloride
PVDC Polyvinylidene Dichloride
QM Quality Management
RPET Recycled Polyethylenterephthalate
RSPO Roundtable on Sustainable Palm Oil
RSPO IP RSPO Supply Chain Model Identity Preserved
RSPO MB RSPO Supply Chain Model Mass Balance
RSPO SG RSPO Supply Chain Model Segregated
RTRS Roundtable on Responsible Soy Association
SAI Sustainable Agriculture Initiative
SBTI Science Based Targets Initiative
SDGS Sustainable Development Goals
VLOG German Association for GMO-free Food
WRT Water Risk Tool
ZALF Leibniz Centre for Agricultural Landscape Research

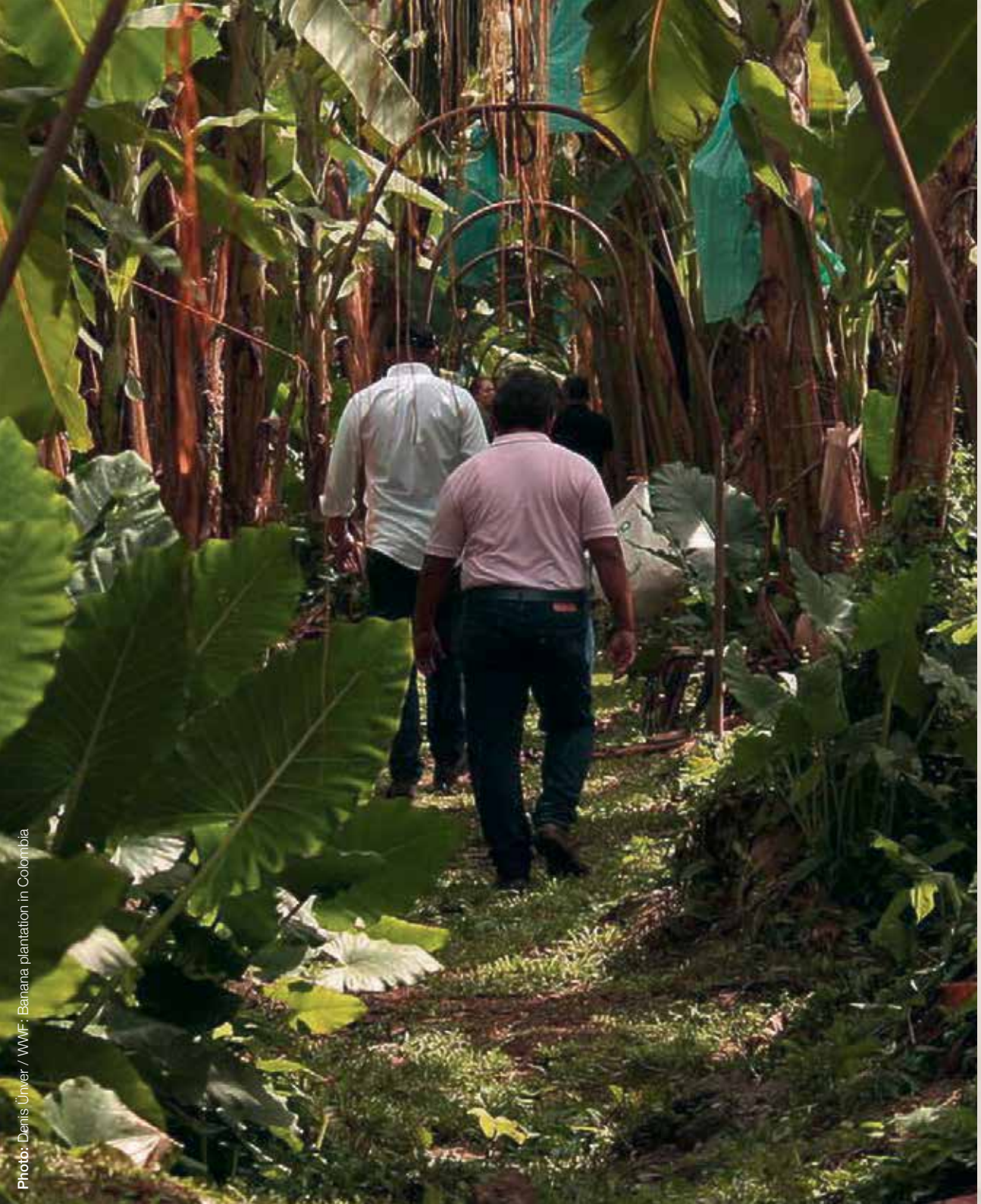

Photo: Denis Ünver / WWF: Banana plantation in Colombia

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PARTNERSHIP FOR SUSTAINABILITY

1.1 INTRODUCTION

This Progress Report documents the current findings of a unique Partnership for Sustainability, in which EDEKA and WWF joined forces as far back as 2009. However, it also shows a shared commitment to take greater responsibility, and it demonstrates the importance of continuing this cooperation. Floods, droughts, forest fires, loss of biodiversity, the scarcity of freshwater, global warming – the events of 2021 have shown that sustainable action is urgently needed in Germany as well. Furthermore, environmental degradation has economic consequences all over the world and leads to hunger, poverty, migration and wars. The evidence is clear: there are limits to what the planet is able to withstand, and these are also our limits; because the goods that are consumed in Germany often originate far from our country's borders. The business model for food retailing relies on healthy ecosystems.

Food retailing generally acts like a seismograph, indicating changes in consumer behaviour. What is becoming evident here is that increasing numbers of consumers show a growing awareness of the responsibility that comes with making their own purchasing decisions. Studies suggest that more than three-quarters of consumers intend to move to more sustainable consumption patterns.[1] Nine out of ten consumers: welcome the introduction of reusable packaging. Interest in meat alternatives, i.e., in vegetarian and vegan diets, is also increasing. It is becoming clear that the future will be shaped by what is in our shopping baskets and on our plates.[2] After all, the desire for the smallest possible CO_2 footprint, for regional production and sustainable procurement of goods is growing in tandem. Corona has only increased these trends and desires. Moreover, taking responsibility within one's own economic means represents an integral element of EDEKA's entrepreneurial activities. Because promoting sustainability, understood as the triad of economic, ecological and social responsibility, is the shared task for all three tiers of the EDEKA Group.

Furthermore, federal policy goals are now also focusing increasingly on sustainability in trade flows: the German Supply Chain Act passed in July 2021 is a first step in the right direction. A step that helps to ensure that companies see the protection of human rights and of the environment as part of their own due diligence obligations and therefore comply with them in an appropriate manner. Yet, as the report shows, the themes on which our long-standing cooperation is working go much further still. They are based on the United Nations Sustainable Development Goals (SDGs) and are reflected in the eight subject areas and projects pursued in the partnership: Fish and Seafood, Wood and Paper, Palm Oil, Soya/More Sustainable Livestock Feed, Freshwater, Climate Protection, Packaging, Procurement Management of Critical Agricultural Commodities, and projects promoting more sustainable cultivation of bananas and citrus fruit, and "Agriculture for Biodiversity."

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

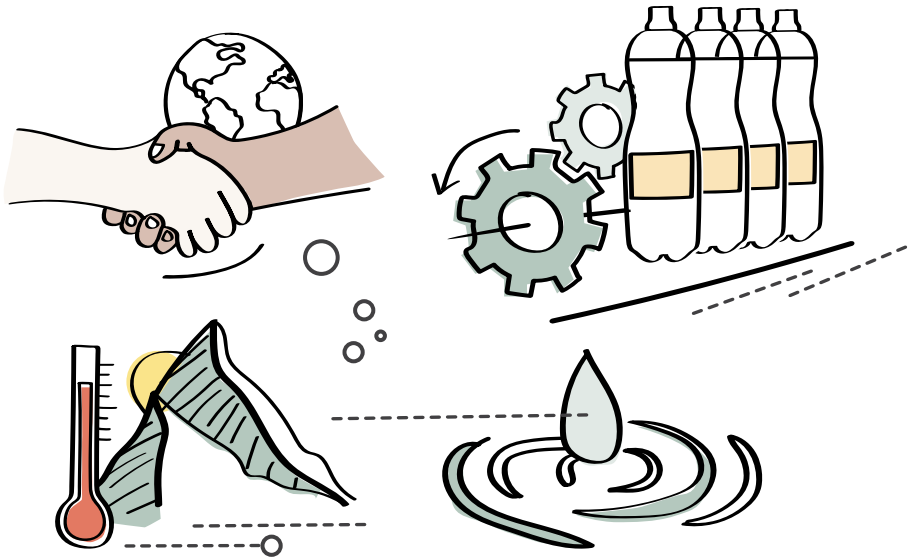
www.edeka.de/wwf
www.wwf.de/edeka

[1] Source: PWC 2018: Focus on packaging
[2] Source: WWF 2021: A taste of the future: the culinary compass for a healthy planet

In all the subject areas presented in this report, EDEKA – one of Germany's biggest food retailers – is making every effort to ensure that EDEKA's private-label products are produced under ecologically responsible conditions.

The Progress Report by EDEKA and the WWF presents the results of the Partnership for Sustainability in these eight subject areas in a transparent fashion for the ninth time already. These include the progress in cultivating renewable raw materials more sustainably, the strategic design of sustainable purchasing decisions, as well as the commitment towards the certification of products and suppliers. To do so requires meeting the diverse challenges with a variety of approaches: by managing cultivation project areas more sustainably, the partners exert a positive influence on the production of critical agricultural commodities such as oranges and mandarins from Spain. A second approach is the partners' support for certification systems such as the Forest Stewardship Council (FSC) or the Roundtable on Sustainable Palm Oil (RSPO); in this way they promote biodiversity and the conservation of ecosystems on agricultural land. The large-scale destruction of forests, resulting mainly from the cultivation of palm oil and soya, is countered by EDEKA with a private-label product range that may only use wood and paper products of certified origin. Moreover, the palm oil used in private-label products is certified in accordance with one of the RSPO trading models.

For the future, the partners have agreed on four key societal challenges to bring about change together: protection of the climate, biodiversity, freshwater, and resources and materials. They are engaged in an effort to initiate transformative changes throughout the EDEKA Group. Due to its capacity for innovation and the leverage it is able to exert on its own properties as well as on suppliers, producers and consumers, EDEKA is in a position to play a decisive role in instigating the necessary changes in the food retail trade. The Progress Report documents both achievements and challenges, and it represents an invitation to engage with the extensive opportunities for doing business in a sustainable manner. The WWF and EDEKA are ultimately prepared and willing to take responsibility for creating a future worth living on our planet.



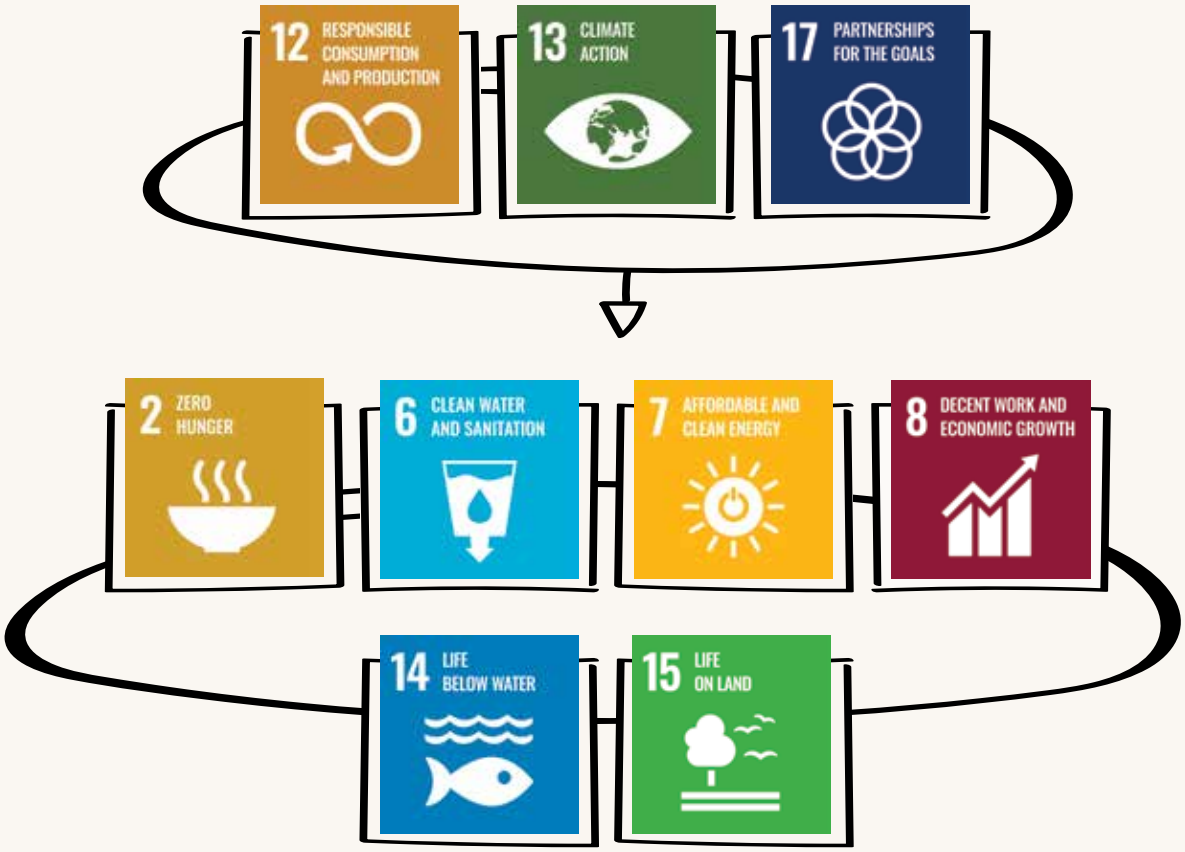
1.2 THE UN SUSTAINABILITY GOALS

THE PARTNERSHIP FOR SUSTAINABILITY BETWEEN WWF AND EDEKA TAKES THE SUSTAINABILITY GOALS OF THE UNITED NATIONS AS ITS STARTING POINT.

The overarching framework is constituted by the SDGs 17 Global Partnerships/Multi-Actor Partnerships, 12 Consumption and Production and 13 Climate Change. They cover the economic and environmental dimensions of sustainability.

The endeavours of this cooperation are also intended to have a positive impact on the SDGs 6 Water, 14 Oceans, 15 Terrestrial Ecosystems, 2 Food Security and Agriculture, 7 Energy Security, and 8 Growth and Development.

It should be noted that there are interactive relationships between these individual goals – and thus also between the subject areas pursued within the partnership. Decisions made in the subject area of packaging, for example, also have an impact on the ecological footprint of entire product ranges. Throughout this report, the relevant SDGs are cited in the introduction to the individual chapters.



1.3 PRINCIPLES OF PROGRESS MEASUREMENT

Ever since the strategic partnership started in 2012, the status of the implementation has been documented in an annual monitoring system, with 30 June as the cut-off date.

This report covers the status of the implementation phase over the period between 01/07/2020 and 30/06/2021. The Progress Report compares the most recently collected set of data with the measurements of the previous year, thus showing the level of target achievement, and this is summarised at the beginning of each of the subject areas. In addition, a comparison is made against the original starting point referred to as the baseline. The year of the baseline survey therefore varies, depending on when the individual subject areas were first included in monitoring the indicators. In addition to a text describing the current status, data tables provide an overview in relation to the base year, the period under review, as well as all relevant developments.

In 2021, key figures were collected for the following subject areas: Fish and Seafood, Wood, Paper and Tissue, Palm Oil, Soya / More Sustainable Livestock Feed, Freshwater and Packaging. Also included in this year's report is information on product-related communication for all EDEKA private-label products that meet sustainability standards recognised by the WWF. These include the EU Organic Regulation, Naturland, Bioland and similar organic food associations, MSC, FSC®, Blauer Engel and NATRUE. The WWF logo additionally indicates certification by an independent auditing organisation.

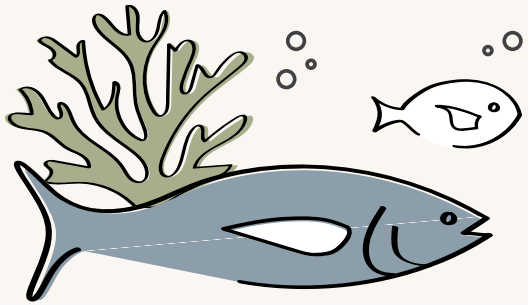
These key figures indicate the degree to which the private-label product range has been converted to more sustainable alternatives. The monitoring system is based on the private-label catalogue for the year in which progress was measured. The subject areas Wood and Paper, Palm Oil and Packaging are based on the private-label catalogue for 2020/2021. Monitoring in the subject area of Fish and Seafood is based on the catalogue for 2021/2022. In the subject area Freshwater, monitoring is based on the turnover quantities of the suppliers. What is measured here is firstly the proportion of suppliers who have provided information (risk transparency), and secondly, how many of these have already been implementing risk reduction measures. In the subject areas Freshwater and Soya/More Sustainable Livestock Feed, the report is based on quantity declarations and on data derived from the relevant tools, such as the EDEKA Water Risk Tool (E-WRT).

Contract documents or randomly sampled quantity reports serve as evidence for verification of the results. As part of the reporting on progress, the WWF collects and evaluates data. An independent auditor then examines selected quantitative data. The auditor's responsibility is to plan and carry out the audit in such a manner that following a critical assessment, it can it be ruled out with a limited degree of certainty that in material aspects the selected quantitative disclosures were not prepared in accordance with the selected GRI criteria of accuracy, balance, comprehensibility, comparability, reliability and timeliness.*

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

Photo: Artfuri / Adobe Stock

1.4 OVERVIEW OF PROGRESS ACHIEVED



FISH

To date, 85 per cent of the private labels in this subject area are rated as "Good Choice" ("Gute Wahl").

The partnership was launched as far back as 2009 with the conversion of the **fish and seafood product range.** Meanwhile, 85 per cent of the private labels in this subject area are rated as "Good Choice" ("Gute Wahl"). This means they are certified according to an environmental standard recognised by the WWF – Marine Stewardship Council (MSC) for wild fish, Aquaculture Stewardship Council (ASC), EU Organic or Naturland in the case of farmed fish – or rated with scores 1–2 in the WWF fish database. Compared to the previous year, there were significant improvements in the use of fish ingredients in the area of pet food – another focus of the work in the subject area of of Fish. Here, 30 per cent are now in the "Good Choice" category, 20 per cent are "Second Choice", and 50 per cent are assigned to the "Preferably Not" category– a reduction of 11 percentage points compared to the previous year.

For the private-label brands made of **wood and paper,** the results show that the targets were almost achieved in full. The newly added components for private label packaging, such as wooden handles, filling materials or bottle corks, have also been completely converted as a result of including the corresponding requirement in the product specifications (n = 121). More than 70 per cent (random sampling: n = 69 suppliers) of the fruit and vegetable packaging made of cardboard and paper now consists of FSC®-certified material.

PAPER

Over 90% of primary and secondary packaging has been converted to FSC.

90%

PALM KERNEL OIL

Over 90% of the derivatives / fractions have already been converted to the RSPO trading model Mass Balance.

After almost ten years of our cooperation in the subject area of **Palm Oil,** the level of target achievement for both pure palm oil and palm kernel oil as well as for derivatives and fractions exceeded 95 per cent for the first time in 2021. In total, more than 98 per cent of the 772 palm oil ingredients contained in 630 articles are now certified. During the period under review, EDEKA expanded its sustainability requirements for the substitution of palm oil, thus ensuring minimum requirements in this area across the board for the first time. The aim is to avoid an increase in the ecological footprint through the use of alternative oilseeds that require significantly more land for cultivation compared to palm oil.

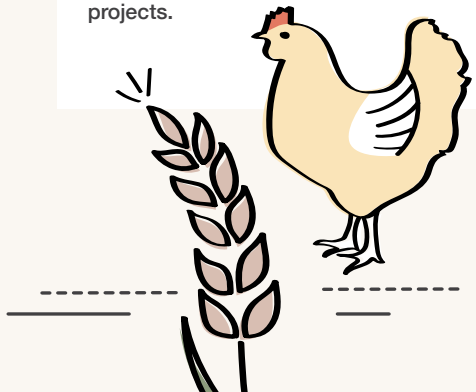
In the subject area of **soya**, work on switching to certified sustainable feed from European cultivation has so far led to success stories in the hay milk, barn-laid eggs and frozen-chicken projects. Since 2021, the farmers who supply the EDEKA Southwest region have been observing the agreed feeding specifications that form part of the Hofglück programme: GMO-free feed, at least 20 per cent of feed produced on their own farms, and if soya is fed, it must be certified sustainable soya exclusively.

In the Hofglück programme, only Donau Soja is used. In June 2021, EDEKA and the WWF also reached agreement on targets for the Meat/ Cold Cuts segment.

During the period under review, EDEKA published the externally audited climate assessments for 2017 and 2019. They showed that EDEKA was able to achieve the interim target for 2020 as early as 2019 and reduce absolute greenhouse gas emissions by 15 per cent over the two-year period. Based on the climate hotspots identified within the company, the action plan for reducing greenhouse gases managed to be significantly improved. To date, about 80 per cent of all EDEKA properties have been converted to LED lighting and have a building management system with optimised lighting control. In order to advance product range-related climate protection measures, EDEKA and the WWF established the Climate Supplier Initiative (CSI) in May 2021. In addition to companies that are part of the EDEKA Group (Netto Marken-Discount and BUDNI), ten suppliers participated in the launch of the initiative. With the step-by-step inclusion of additional partners and data, it will also become possible to measure the progress in climate performance of the suppliers in the future. The CSI supports them not only in establishing their own climate footprint, but also in planning and implementing appropriate measures in a targeted manner.

SOYA

In the subject area of SOYA, work on switching to certified sustainable feed from European cultivation has so far led to successes in the hay milk, barn-laid eggs and frozen chicken projects.



CLIMATE

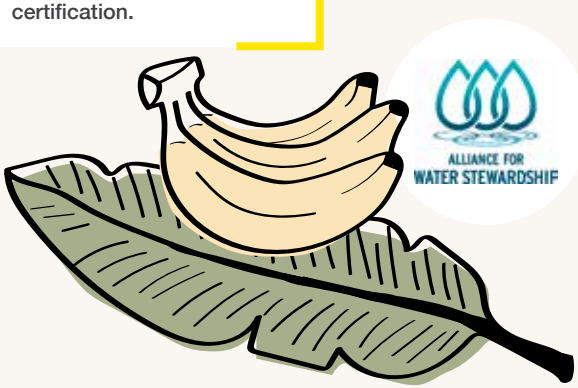
In order to advance product range-related climate protection measures, EDEKA and the WWF established the Climate Supplier Initiative (CSI) in May 2021. In addition to companies that are part of the EDEKA Group (Netto and BUDNI), ten suppliers participated in the launch of the initiative.

Photo: Appolinary K. / Unsplash

In recent years the partnership has also worked consistently on the task of identifying **water risks.** This effort included the roll-out of the EDEKA Water Risk Tool for fruit and vegetables within the area administered by the EDEKA Fruchtkontor (fruit division). The suppliers with the highest sales recorded their cultivation sites in a database, identified their respective water risks and provided initial evidence of reductions achieved. This development is also reflected in the key indicators from this year's monitoring: more than 79 per cent of the total sales volumes in kilograms of fruit and vegetables for private labels from water-risk countries have been recorded in EDEKA-WRT (risk transparency), an increase of 51 percentage points compared to the previous year. For about 25 per cent of the sales volumes (in kilograms), suppliers and producers were able to provide certificates to prove that they had achieved risk reductions.

FRESHWATER

The EDEKA Water Partners Programme supports organic banana cultivation operations in preparing for potential AWS certification.



In the subject area of **packaging,** the target of using at least 30 per cent recycled material for PET packaging for drug store articles had been achieved by the end of 2020. The monitoring reflected an overall share of more than 50 per cent recycled material in PET bottles in the detergent and cleaning agents products range. A further objective is the avoidance of PVC in selected product groups. Compared to the previous year, seven fewer articles were recorded in this segment. Another success was recorded in the consumption of knotted bags per m^2 of sales area: it fell by almost 48 per cent compared to the 2017 baseline.

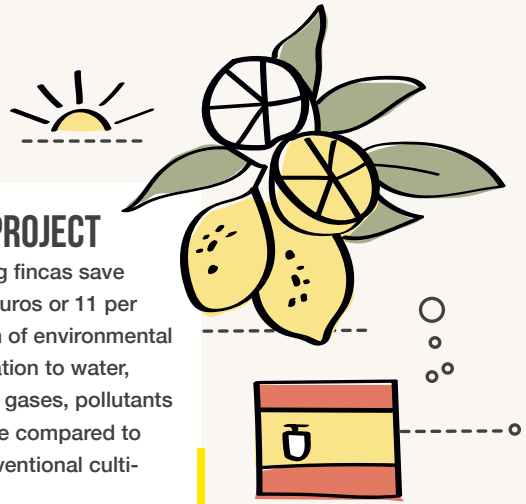
PACKAGING

The monitoring showed an overall share of more than 50 per cent recycled material in PET bottles in the detergent and cleaning agents products range.

PROCUREMENT MANAGEMENT

Sustainable Agriculture Initiative (SAI) platform extended.

Procurement Management for critical agricultural commodities assists the EDEKA merchandise divisions in making strategic procurement decisions. To this end, the partnership developed the “EDEKA Supply Risk Tool”. During the period under review, the tool was launched with an initial set of functions: “Comparison Countries / Commodities”, “Commodities Profiles” and “Commodity Risk Trend”. EDEKA also renewed its membership in the Sustainable Agriculture Initiative (SAI) Platform and, together with with four suppliers of the Fruchtkontor (on 33 farms), started work on an SAI tool (Farm Sustainability Assessment, FSA) to be used in assessing the sustainability performance of their farms (supplier assessment tool).



CITRUS PROJECT

Participating fincas save around 30 euros or 11 per cent per ton of environmental costs in relation to water, greenhouse gases, pollutants and land use compared to classic conventional cultivation.

In order to assess the ecological impact and environmental costs of improved conventional citrus cultivation more accurately, the partners managed to include three additional fincas in the ongoing **citrus project** in Spain. The findings of the joint study show that the participating fincas save around 30 euros or 11 per cent per ton in environmental costs in terms of water, greenhouse gases, pollutants and land use compared to classic conventional cultivation. The citrus project launched in 2015 focuses on measures in four key areas.

They have since been implemented at 15 farms with a total area of more than 1,100 hectares. Altogether, they managed to save a total of more than 1,800 million litres of water in the year 2020. 90 bird species, ten mammal species and 14 reptile and amphibian species have been recorded on the farms, and many of them are protected species. One in four oranges sold at EDEKA in 2020 was grown on one of these fincas.

11%

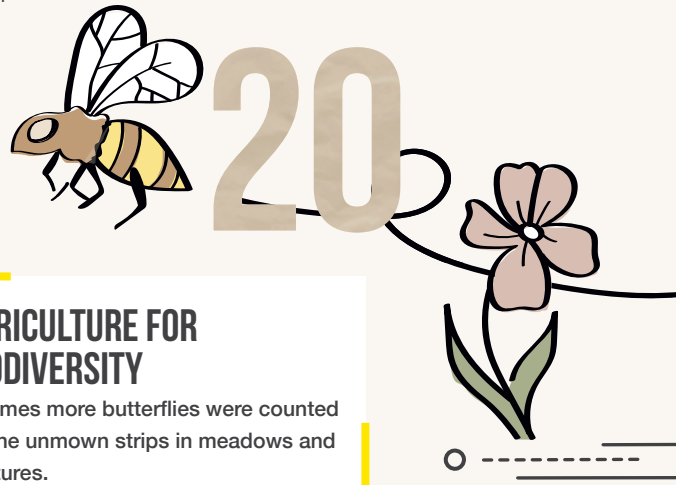
BANANA PROJECT

Compared to the situation before the project began, these farms were also able to reduce their environmental costs by an average of 11 per cent.

The other WWF-EDEKA field project is focused on conventional, more sustainable **banana cultivation.** At four fincas of the banana project in Ecuador and Colombia the environmental costs were also analysed and compared with those of organic farming. In comparison with the situation before the project began, these farms were also able to reduce their environmental costs by an average of 11 per cent. The WWF-EDEKA project takes an even greater number of sustainability aspects into account and is thus working to meet stricter requirements than organic banana cultivation in the EU. One of these is the preservation of biodiversity. The second stage of the project was successfully completed in 2020. The participating farms now do not use any herbicides at all.

The nature conservation zones around the cultivation areas have been expanded to cover more than 80 hectares. Now this success story will be continued for a further five years. In addition to the further expansion of the protection zones, there are plans to strengthen gender justice and to guarantee subsistence wages. The partnership was managed to bring additional experts on board for the detailed planning of the next steps to be taken. A web tool for data collection is currently being developed.

The Germany-wide programme “Agriculture for Biodiversity” began in 2012 with the participation of numerous farms. The programme is the largest privately funded initiative for biodiversity in agriculture in Germany. The aim is to manage agricultural land in such a way that it provides a habitat for indigenous wild animal and plant species. The ecological success of “Agriculture for Biodiversity” is impressive: the monitoring conducted by the Centre for Agricultural Landscape Research (ZALF) was able to record up to eight times more insects and 20 times more butterflies on the unmown strips of grassland than on mown comparison areas. The prevalence of bumblebees on the cultivated areas was investigated in greater detail. The most common species were the stone bumblebee, the field bumblebee and the dark ground bumblebee. In the period from 2019 to 2020, a total of 15 species were recorded, five of which are endangered species on the Red List.



20

AGRICULTURE FOR BIODIVERSITY

20 times more butterflies were counted on the unmown strips in meadows and pastures.

488

CO-BRANDING

488 EDEKA private-label products are co-branded and provide customers with information about how to make more sustainable buying decisions.

Products that meet a WWF-recognised and independently certified maximum standard can additionally be labelled with a WWF Panda logo as a symbol of the partnership. The articles bearing this kind of co-branding fall under product communication and are recorded annually. The monitoring conducted in 2021 identified 67 more products than in the previous year. This means that 488 EDEKA private-label products are now **co-branded** and provide customers with information about how to make more sustainable buying decisions. The majority of the newly added products are certified according to the EU Organic Regulation (27 products), followed by 25 natural cosmetic products with NATRUE standard certification.

All these successes notwithstanding, there is still much more to do. For example, for fish and seafood, further improvements in terms of traceability and transparency in the supply chain are still needed. In addition, the share of recycled paper and tissue products is to be increased, and in the subject area Palm Oil the conversion of 30 per cent of the palm oil used by EDEKA to POIG goods is to be achieved. There is also further potential for improvement in the use of recycled material for beverage bottles in the private-label product range. And in the fruit and vegetable sector, the baseline for the reduction of PVC and expanded polystyrene (EPS) is yet to be established. Another challenge for the Partnership for Sustainability is the conversion to more sustainable livestock feed.

1.5 ASSESSMENT METHODOLOGY

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

- Target reached
- Significant improvement over previous year[3] / Significant target achievement rate[4]
- Objective being pursued / Baseline established[5]
- Significant deterioration, target achievement in jeopardy[6]
- Target missed[7]

The "Outlook" column provides an estimate of the development to be expected leading up to the monitoring in 2022. The following assessment categories were available here:

- Target reached
- Positive trend discernible, target achievement in sight
- Ongoing development/ No clear trend discernible[8]
- Negative trend discernible, target achievement not in sight

Targets already achieved in previous years are listed separately under "Achievements". In all cases, it was possible to maintain the levels leading up the current report.

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

[4] If the level of achievement is greater than 95 per cent.

[5] Targets whose achievement is linked to another target are rated as "Targets in progress".

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

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

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

Photo: Yossarian6 / Adobe Stock

2

PROGRESS IN THE SUBJECT AREAS

Photo: Sebastian Pena L. / Unsplash

2.1 FISH AND SEAFOOD

EDEKA and the WWF promote the use of regulated fishing methods designed not to have a negative impact on ecosystems and to reduce the involuntary bycatch.

CERTIFIED PRIVATE-LABEL PRODUCT RANGE FOR THE CONSERVATION OF FISH STOCKS

BIODIVERSITY HOTSPOTS IN WATER: OCEANS AND MANGROVE FORESTS

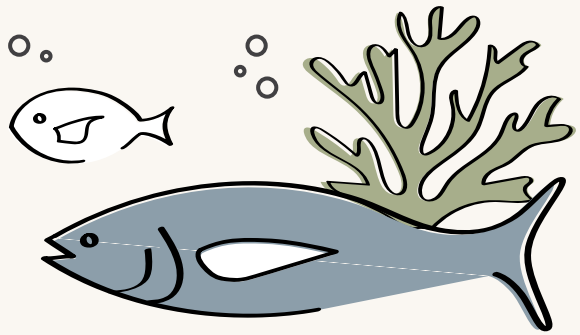
The average global per-capita fish consumption has doubled in the last 50 years and continues to rise. Yet it is precisely in the regions rich in fish resources that binding rules and controls against overfishing and bycatch are lacking. Today, 34 per cent of the world's fish stocks are rated as over-exploited. In the Mediterranean and Black Seas, 62.2 per cent are classified as overfished, and in the North and Baltic Seas, 41 per cent of stocks are overfished, despite the European Union having declared its goal of ending dangerous levels of exploitation in European waters by 2020.

EXPLOITATION OF THE MARINE NURSERY

The Intergovernmental Panel on Climate Change expects stocks in tropical regions – where tuna is caught, for example – to be halved by 2050 due to global warming. Yet it is precisely in those regions that many people are directly dependent on fishing. The current practice of plundering fish stocks thus represents an ecological as well as a social disaster. Mangroves play a vital role in combating species extinction. The provide a habitat for many species of mammals, reptiles and birds. Over the last 70 years, about 50 per cent of the global mangrove population has had to give way to shrimp farms, for instance.

PROTECTION OF THE OCEANS WAS THE FIRST STEP OF THE PARTNERSHIP

EDEKA and the WWF have been involved in efforts to protect the oceans since as far back as 2009. Our shared goal is to convert the entire private-label product range to products sourced from environmentally friendly fishing or farming that are certified or rated as “Good Choice” by the WWF.



PARTNERSHIP TARGETS

FOR THE SUBJECT AREA FISH AND SEAFOOD

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

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

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

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

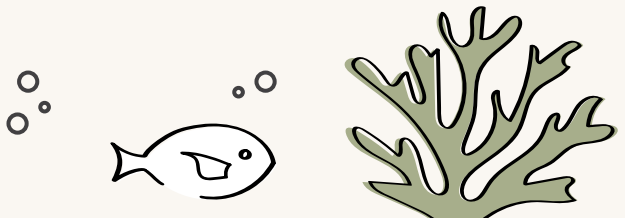
STATUS SURVEY

The fish and seafood range includes all products featuring the word fish or the name of a fish species in their trade name, as well as all products containing at least 15% fish. This regulation applies to all products (excluding pet food) that were in the product range on the 30/06/2021 cut-off date. It also applies to promotional items that have been in the product range temporarily since 01/07/2020.

The WWF arranges for non-certified fisheries to be assessed by independent experts using such criteria as stock status, stock management and ecological impact. The assessments are collected in the WWF fish database – at wwf.de/fischratgeber – along with explanations for the most important fish species.

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

Products from different suppliers but sold under the same name and in identical packaging are given the respective lower rating in the monitoring if their fish ingredients are given a different rating.



TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET	STATUS 30/06/2021	OUTLOOK
CHANGEOVER OF PRIVATE-LABEL PRODUCT RANGE TO MORE SUSTAINABLE PRODUCTS		
EDEKA private labels	85% “Good Choice” products, 14% “Second Choice”, 1% “Preferably not”.[9]	→
of which wild fish (72%)	88% “Good Choice” products, 10% “Second Choice”, 2% “Preferably Not”.	→
of which aquaculture (28%)	76% “Good Choice” products, 24% “Second Choice”, 0% “Preferably Not”.	→
Animal feed and pet food	30% “Good Choice” products, 20% “Second Choice”, 50% “Preferably Not”.	→
Delisting of endangered species	Two stores with indications of incorrect handling	→
TARGETS BEYOND THE PRODUCT RANGE		
Projects for improving practices in aquaculture	WWF project proposals have been received. The topic was put on hold for capacity reasons.	↘
Improving traceability and transparency along the supply chain	No activity	→
Sponsoring in the segment of fisheries / aquaculture projects	WWF project proposals have been received. The topic was put on hold for capacity reasons.	↘
Improvements to the product range and to information displayed at fresh fish counters	Due to the Corona pandemic, no monitoring was carried out at the stores.	→

Table 1: Overview of targets achieved in the subject area Fish and Seafood by 30/06/2021.

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

CHANGEOVER OF PRIVATE-LABEL PRODUCT RANGE TO MORE SUSTAINABLE PRODUCTS

While EDEKA managed to increase the number of fish products in the “Good Choice” segment in 2020/2021 (from 111 in 2020 to 123 in 2021), their proportional share decrease slightly (from 86 per cent in the year 2020 to 85 per cent in 2021) because six products were added to the category “Second Choice”. The products in question mainly contained farmed salmon in the “Chilled delicatessen” goods segment. Salmon farming pollutes the coastal ecosystem in Norway due to high nutrient inputs resulting from faeces and excess feed. Fish farming in net cages also favours the proliferation of the salmon louse, a parasite that also affects the wild conspecifics of the farmed fish. To be able to classify these products as “Good Choice” would require organic or ASC certification. In 2018, more than half of Norway's salmon production was already ASC-certified. The GUT&GÜNSTIG brand of frozen salmon fillets was also largely converted to ASC last year. However, it still contains a proportion of non-certified goods and therefore remains provisionally classified yellow.

Photo: Lance Anderson / Unsplash

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

PRODUCT LINE EDEKA PRIVATE LABEL		TOTAL NUMBER OF PRODUCTS	ASC	BIO (ORGANIC)	MSC	SCORE 1	SCORE 2	SCORE 3	SCORE 4	SCORE 5
Baseline 2012	Products	81	0	2	45	0	3	31	0	0
	Percentage	100%	0%	2%	56%	0%	4%	38%	0%	0%
Survey 2013	Products	80	1	5	42	1	1	30	0	0
	Percentage	100%	1%	6%	53%	1%	1%	38%	0%	0%
Survey 2014	Products	71	2	4	44	0	2	19	0	0
	Percentage	100%	3%	6%	62%	0%	3%	27%	0%	0%
Survey 2015	Products	78	1	3	49	0	3	22	0	0
	Percentage	100%	1%	4%	63%	0%	4%	28%	0%	0%
Survey 2016	Products	81	4	3	52	0	1	21	0	0
	Percentage	100%	1%	4%	63%	0%	4%	28%	0%	0%
Survey 2017	Products	88	12	3	52	0	2	17	2	0
	Percentage	100%	14%	3%	59%	0%	2%	19%	2%	0%
Survey 2018	Products	93	10	3	58	0	1	21	0	0
	Percentage	100%	11%	3%	62%	0%	1%	23%	0%	0%
Survey 2019	Products	122	19	3	74	0	2	22	0	2
	Percentage	100%	16%	2%	61%	0%	2%	18%	0%	2%
Survey 2020	Products	129	24	4	79	3	1	14	0	4
	Percentage	100%	19%	3%	61%	2%	1%	11%	0%	3%
Survey 2021	Products	145	**25**	**5**	**87**	**3**	**3**	**20**	**0**	**2**
	Percentage	100%	**17%**	**3%**	**60%**	**2%**	**2%**	**14%**	**0%**	**1%**

● Good Choice ● Second Choice ● Preferably Not

Table 2: Products with certifications in accordance with the EU Organic Regulation and Naturland are grouped together in the category “Organic”. (For information about the methodology used, see “Status survey”). Percentages are rounded and will therefore not always add up to exactly 100 per cent.

MORE ON THE SUBJECT OF FISH & SEAFOOD, SEE:

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

DEVELOPMENT OF THE EDEKA FISH AND SEAFOOD PRODUCT RANGE

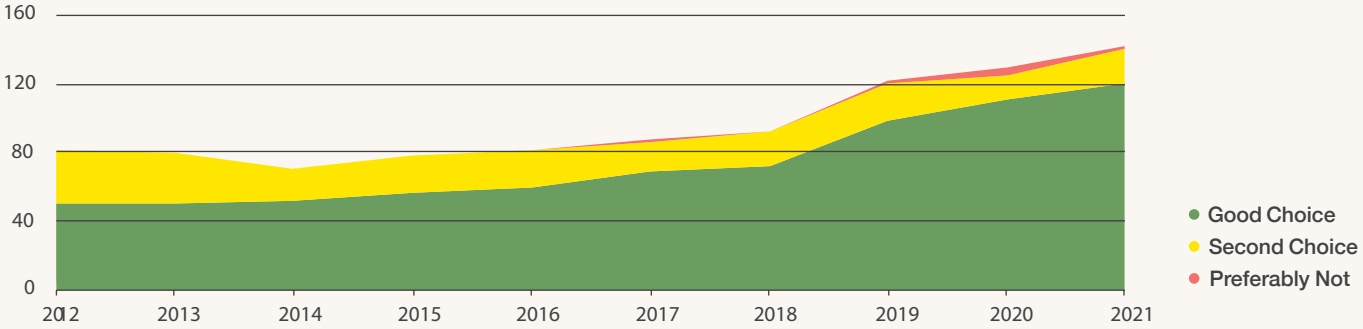


Fig. 1: Development of the EDEKA private-label product range (wild fish and aquaculture) in the subject area Fish and Seafood, from 2012 until the most recent survey in 2021. (For information about the methodology used, see "Status survey"). Not listed is the sub-segment of pet food. For the definitions for the categories "Good Choice", "Second Choice" and "Preferably Not"; see "Status survey".

TARGETS BEYOND THE PRODUCT RANGE

Last year the partnership only managed to achieve small gains beyond the private-label product range. The aquaculture project was put on hold for economic and capacity reasons. However, EDEKA did include a number of WWF items on the improvement and further development of the MSC standard in the public consultation about the standard. In an alliance with other trading companies and environmental organisations, EDEKA and the WWF took a strong stand in favour of improving the management of tuna fish stocks in the Indian Ocean, where stocks of yellow fin tuna are in jeopardy due to overfishing. To reverse this trend, binding catch quotas and a recovery plan are urgently needed.

ACHIEVEMENTS

SUB-TARGET		PROGRESS ACHIEVED	
CHANGEOVER OF THE EDEKA PRIVATE LABEL CASH & CARRY (C&C) TO SUSTAINABLE SOURCES			
EDEKA private labels Cash & Carry (C&C)	100% (2 products) MSC	06/2014	✓

Table 3: Targets achieved in the subject area Fish and Seafood since the beginning of the partnership in 2012.

Photo: Marcos Paulo Prado / Unsplash

Photo: Galaganov / Adobe Stock

2.2

WOOD, PAPER, TISSUE

Consistent application of FSC® certification can help expand and reinforce sustainable forest management. Sustainable forest management provides cleaner air and better-quality groundwater, can generate income and jobs and contribute to climate protection.

HEALTHY FORESTS PROMOTE BIODIVERSITY

BIODIVERSITY HOTSPOTS ON LAND: PROTECTING FORESTS AROUND THE WORLD

80 per cent of all terrestrial plants and animals live in forests. Tropical rainforests in particular are biodiversity hotspots. Although they only cover 7 per cent of usable land area, they are home to 50 per cent of all animal and plant species. Yet the clearing of forests continues unabated. In 2020 alone, 25.8 million hectares of forest were destroyed worldwide, including 4.21 million hectares of primary forest.[10]

UTILISATION PRESSURE HEIGHTENS PANDEMIC RISKS

The bulk of these losses globally is accounted for by the increasing pressure exerted by agriculture (including for the cultivation of palm oil and soya) and of wood and pulp plantations. In the Amazon region, but also in Russia, Asia and Africa, forests are disappearing at a rapid rate. Their decline means that contact between humans and animals is becoming more frequent. The results are fragmented ecosystems and a significant increase in the risk of pandemics.

LESS MATERIAL, MORE RECYCLED PAPER PRODUCTS

Certification systems designed to protect forests and promote the sustainable utilisation of forests help bring social, ecological and economic aspects into harmony. They enable consumers to make deliberate choices in favour of products from environmentally and socially responsible agriculture and forestry. Even more beneficial than the consumption of new wood resources, however, is the use of recycled paper. To conserve resources, priority should be given to the use of recycled material ahead of all virgin fibre products. This is why EDEKA and the WWF have changed over to sustainably produced, certified alternatives as well as recycled material for all private-label products, among others, that contain wood, paper or tissue. Which is good for the forests!

[10] Source: Global Forest Watch 2021

PARTNERSHIP TARGETS

IN THE SUBJECT AREA OF WOOD, PAPER AND TISSUE

EDEKA intends to convert all private-label products containing wood or paper, including end-consumer packaging, to preferably recycled material bearing the Blauer Engel or FSC® seal. This target also applies to all transport and shipping packaging of private labels and to all packaging materials.

EDEKA has been pursuing the existing target – the conversion to at least FSC®-certified material – and has already reached a high level of achievement. By the end of 2020 at the latest, all labels and other packaging components such as wooden popsicle sticks are also to be converted to at least FSC® mix, and operating instructions are to be printed on recycled paper.

Functionality and compliance with hygiene regulations must be ensured as part of the conversion of the products. For the changeover in transport and shipping packaging, for example, tests are being carried out in the lead-up to ensure that functionality and stability are maintained. Packaging that comes in contact with food also needs to be food grade. In addition, when using recycled material it must be ensured that no mineral oil residues can be transferred to food.

WE HAVE ACHIEVED A GREAT DEAL!

As EDEKA has almost completed the conversion of its product range over a period of years, no further monitoring of the degree of conversion will be carried out in the coming year. However, the specifications for the wood, paper and pulp materials will remain contractually secured. A reversal of the current trend is therefore not to be expected.

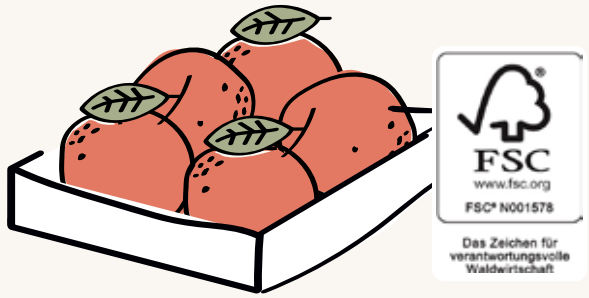


Photo: Dave Hoefler / Unsplash

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET	STATUS 30/06/2021	OUTLOOK
CHANGEOVER TO FSC®/RECYCLED PRODUCTS		
Tissue products	100% carry Blauer Engel or FSC® certification. The proportion of recycled material has increased.	→
Paper, office and stationery products	100% carry Blauer Engel or FSC® certification. There has been a slight decline in the proportion of recycled material.	→
CHANGEOVER TO FSC®/RECYCLING – INTERNAL CONSUMPTION		
End-consumer packaging	93.73% of end-consumer packaging (folding carton packaging) has been converted on contractually agreed terms.	→
End-consumer packaging at the Fruchtkontor	In 71.01% of the random samples (n = 69), suppliers were contractually obliged to switch to FSC® certified packaging material.	↗
Labels	For 100% of the randomly taken samples (n = 29), there is a contractual obligation on the part of the supplier to use labels made from FSC®-certified materials.	→
Operating instructions	All operating instructions at EDEKA are FSC®-mix-certified. However, the conversion to recycled material is not contractually binding and thus the rate of conversion is rated as 0%.	↗
Filling materials, wooden handles, bottle corks	For 100% of the randomly taken samples (n = 121), there is a contractual obligation on the part of the supplier to use labels made from FSC®-certified materials.	→
Transport packaging and cardboard outer packaging	For 100% of the randomly taken samples (n = 16), there is a contractual obligation on the part of the supplier to use labels made from FSC®-certified materials.	→
CHANGEOVER TO FSC®/RECYCLED MATERIALS, INTERNAL CONSUMPTION		
Paper products used internally	Material for internal consumption has been almost completely converted to FSC® (99.99%). The proportion of recycled material increased slightly, to 80.41%.	→
Cost items	99.85% carry Blauer Engel/ FSC® certification. The proportion of recycled material increased slightly, to 90.22%.	→

Table 4: Overview of targets achieved in the subject area Wood, Paper and Tissue by 30/06/2021.

More than 250 articles in the EDEKA private-label product range are currently based on wood as a raw material, including kitchen utensils, toilet paper and office, paper and stationery products. In order to protect forests around the world, certified recycled fibres (FSC® Recycled or Blue Angel) should be used for paper products. This not only conserves the natural resource wood; it also saves energy and water in the production process compared with the use of virgin fibre material. As in previous years, this year's monitoring confirmed the conversion of the entire wood and paper private-label product range to FSC® or Blue Angel. (s. Table 5). The proportion of recycled material in the tissue segment is just under 12 per cent – a slight increase over the previous year. Our aim is increase this proportion further.

	NUMBER OF ARTICLES	OF WHICH CONVERTED (FSC® 100%, FSC®-Mix, FSC® Recycling or Blauer Engel)	OF WHICH RECYCLED (Blauer Engel or FSC® Recycling)
EDEKA PRIVATE-LABEL ARTICLES			
Disposable tableware, incl. paper plates	12	100.00%	0.00%
Barbecue charcoal	11	100.00%	--[11]
Tissue	120	100.00%	11.67%
Wood and paper articles	65	100.00%	3.08%
Paper, office and stationery products	44	100.00%	56.82%
EDEKA PRIVATE-LABEL PACKAGING			
End-consumer packaging	2,025	93.73%	0.15%

Table 5: Conversion of EDEKA private label products and packaging to recycled material/ FSC®/Blauer Engel.
All articles forming part of the product range according to the 2020/21 private-label catalogue were included in the monitoring.

CHANGEOVER TO FSC®/RECYCLED PACKAGING

In the manufacture of packaging, too, the use of recycled material is preferable to virgin fibre material because of the lower consumption of resources. However, if virgin fibre is processed, this material should be FSC® certified.

In the case of end consumer packaging – i.e. the folding carton packaging around each individual product – the conversion rate to at least FSC® Mix remained relatively stable this year at almost 94 per cent (see Table 5). On the other hand, only a very small number of articles have been successfully converted to FSC® Recycled. Due to this decline (more than 5 per cent share of recycled material in the previous year) and a documentation error that occurred during the data collection, a conservatively estimated conversion rate of 0.15 per cent is recorded in this report. End-consumer packaging containing a proportion of grass paper was not included in the count. However, given the low water and land consumption and other factors associated with this material, it does show great potential in resource-saving production. A total of three articles listed at EDEKA contain proportions of grass paper in their packaging. All suppliers using packaging components such as filling material, corrugated cardboard, wooden handles and stems, bottle corks and filter papers (e.g., coffee pods) are now contractually obliged to switch to at least FSC® Mix. This represents the achievement of an important target for EDEKA. Only cigarette filter papers are excluded because the willingness among the very limited number of suppliers to obtain FSC® certification is relatively low.

Labels of at least FSC®-Mix certified quality are now also mandatory for all suppliers – a great step forward, even if the database for packaging components and labels is only based on a plausibility check and therefore does not guarantee a full, comprehensive audit.

Since last year, the user manuals and instructions for use often enclosed with articles have also been included as packaging components. This means that they automatically fall under the supplier requirement to use at least FSC®-Mix fibres. Newly added and not yet contractually entrenched (see Table 4) is the conversion of these inserts to recycled material, i.e., to FSC® Recycled or Blue Angel. However, preparations for the contractual formalisation are already under way at EDEKA Procurement. For example, it is currently being assessed whether the quantities of recycled paper required for operating instructions and user manuals are available.

[11] Currently not relevant in the barbecue charcoal segment.

The trend in end consumer packaging for the EDEKA private labels in the fruit and vegetable segment is encouraging.

According to the random sampling of 69 suppliers, around 71 per cent are already contractually obliged to switch to FSC® (see Fig. 2) – an improvement of almost 19 percentage points over the previous year. Given that materials in this segment come into direct contact with food, the use of recycled material is limited – as it is with other packaging that comes into direct contact with food – due to the potential for mineral oil residues to be present. It can be assumed that a one-hundred-per-cent conversion by next year is realistic prospect.

END-CONSUMER PACKAGING FRUIT AND VEGETABLES

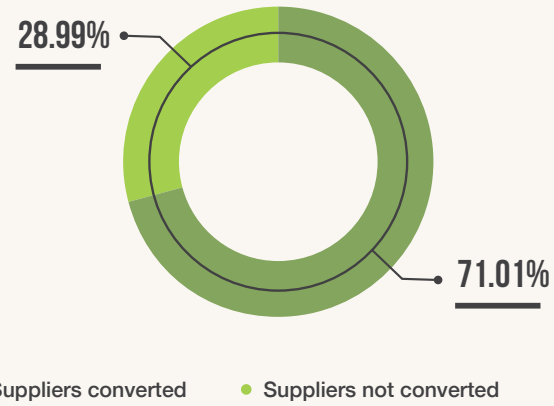


Fig. 2: Percentage of suppliers of end-consumer packaging for EDEKA private labels in the fruit and vegetable segment changed over to FSC® in the 2020 calendar year.

CHANGEOVER TO FSC®/RECYCLED MATERIALS – INTERNAL CONSUMPTION

Paper materials for internal consumption include all printing and hygiene paper for EDEKA HQ and the publishing house as well as cost items such as advertising flyers, cash register rolls and paper carrier bags for regions and stores. The EDEKA customer magazines “Mit Liebe” and “Yummi” fall under the paper consumption of the publishing house, however. For all these paper, print and tissue products, the target of a 100-per-cent conversion to FSC®-certified material is still in place. It was almost achieved in all three categories this year (see Table 6). The targeted increase in the proportion of recycled material was also realised. It rose in all the categories compared to the previous year.

	TONS	OF WHICH CONVERTED (FSC® 100%, FSC®-Mix, FSC® Recycling or Blauer Engel)	OF WHICH RECYCLED (Blauer Engel or FSC® Recycling)	WITHOUT CERTIFICATION
Materials for internal consumption[12]	65.29	99.99%	80.41%	0.01%
Cost items	152,442.33	99.85%	90.22%	0.15%
Publishing operation	3,265.41	100.00%	92.99%	0.00%

Table 6: Changeover of internal consumption (EDEKA HQ) to FSC®/recycled (during the 2020 calendar year).

[12] Articles procured by EDEKA HQ for internal consumption, e.g., printing paper, hygiene paper, catering articles. A small proportion (<1%) of articles is ordered in a decentralised manner at EDEKA HQ and can therefore not be assessed. For the printing centre, the quantities for all EDEKA-owned premises were included; for catering and cleaning only the EDEKA location City Nord was involved. Due to the lack of data regarding printing paper in 2020, the previous year's data is used as a basis.

ACHIEVEMENTS

SUB-TARGET		PROGRESS ACHIEVED	
CHANGEOVER TO FSC®/RECYCLED			
Beverage cartons	100% FSC®-certified	06/2013	✓
Disposable tableware, incl. paper plates and cups	100% FSC®-certified	06/2013	✓
Barbecue charcoal	100% FSC®-certified	06/2017	✓
Other wood and paper products	100% FSC®-certified	06/2018	✓
CHANGEOVER TO FSC®/RECYCLED MATERIALS — INTERNAL CONSUMPTION			
Publishing operation	100% FSC®-certified	06/2018	✓

Table 7: Targets achieved in the subject area Wood, Paper and Tissue since the beginning of the partnership in 2012.

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

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

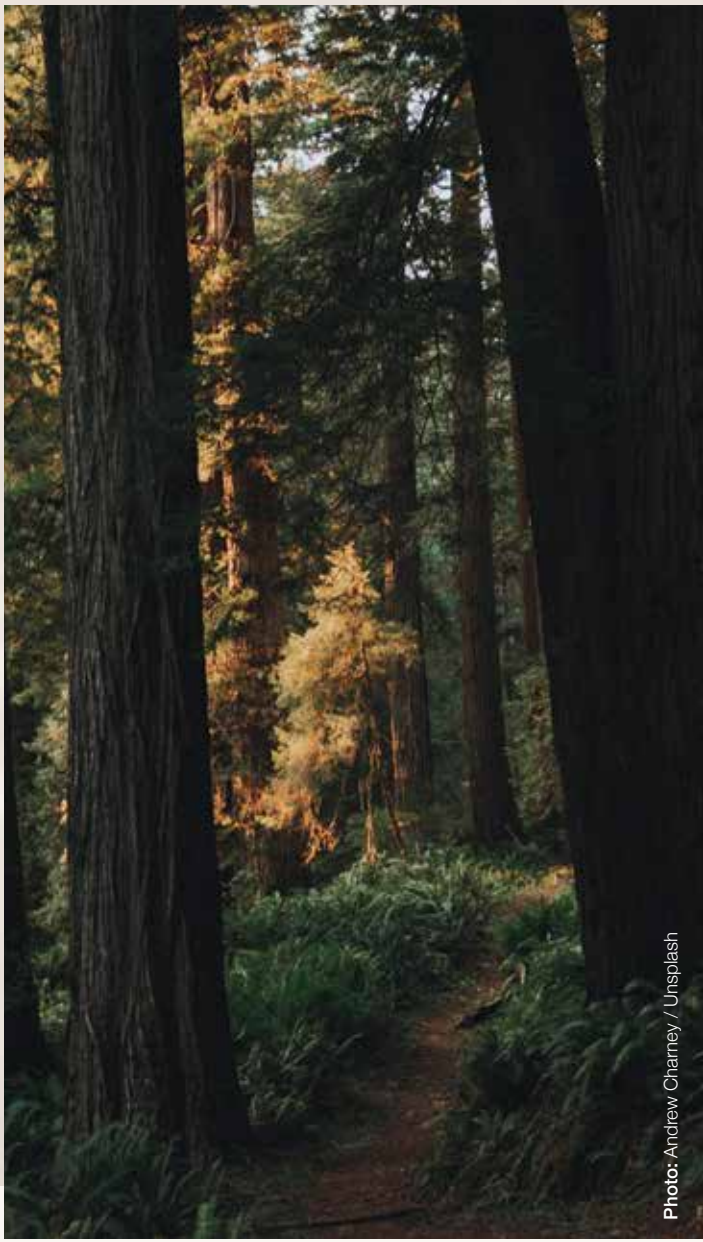


Photo: Andrew Charney / Unsplash

Photo: Chris J Ratcliffe / WWF-UK

2.3

PALM OIL

The consistent use of certified palm oil components according to the Round Table on Sustainable Palm Oil (RSPO) contributes to a more sustainable development of the palm oil industry as well as a socially, economically and ecologically more compatible cultivation of oil palms. Among other requirements, the RSPO stipulates the elimination of highly hazardous pesticides, the reduction of greenhouse gases and the prohibition of slash-and-burn agriculture. Producers are further obliged to respect the rights of their workers.

CERTIFIED PALM OIL FOR A MORE SUSTAINABLE CULTIVATION

RAINFOREST: IMPORTANT AS A HABITAT AND FOR WATER RETENTION

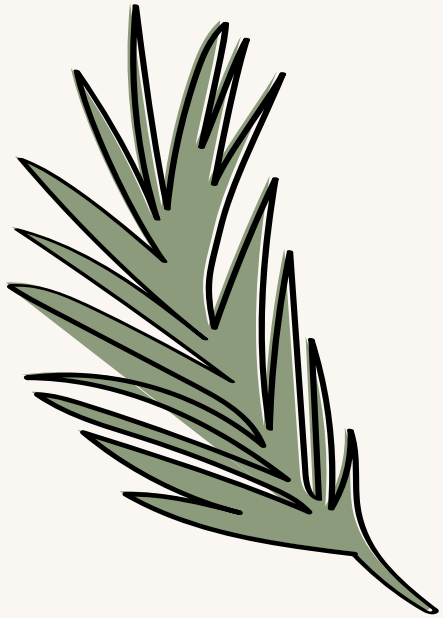
Tropical forests are among the most species-rich ecosystems. They are home to around two thirds of the animal and plant species living on land. The water that evaporates through the treetops reaches distant arid regions and thus provides vital precipitation. In the past 30 years, the demand for palm oil has risen sharply. The area under cultivation grew accordingly, and with it the rate of deforestation in tropical and subtropical regions.

PALM OIL PLANTATIONS DISPLACE HABITATS

Today, palm oil plantations cover approximately 23.5 million hectares worldwide.[13] In the hotspots Malaysia and Indonesia, which together account for 18 million hectares of global palm oil cultivation, huge monoculture areas are the main cause of species extinction. Because in tropical countries, oil palms are still cultivated on carbon-rich peat lands, these areas are often drained. Peat land drainage accounts for around 10 per cent of global greenhouse gas emissions from agriculture and forestry.

CERTIFIED PALM OIL AS PART OF THE SOLUTION

To counteract further loss of biodiversity and forest areas, the palm oil used in EDEKA private labels is almost entirely certified according to the RSPO criteria. According to those criteria, the conversion of tropical rainforests and carbon-rich areas to palm oil plantations is prohibited. In addition EDEKA, together with other members of the Forum for Sustainable Palm Oil (FONAP), is sponsoring a project in Malaysia. Smallholders work on selected areas using organic fertiliser and natural pest-control methods, which reduces the use of pesticides.



[13] Source: WWF 2020: Like Ice in the Sunshine

THE PALM OIL PARTNERSHIP TARGETS

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

EDEKA remains a member of the RSPO. In the FONAP, EDEKA and other members are also actively calling for standards to be improved. In addition, EDEKA is sponsoring a smallholder project until the end of 2022, a project in which additional criteria that extend beyond the RSPO requirements are being drafted.

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

For private labels containing palm oil, alternative vegetable oils such as rapeseed, coconut or sunflower are also used as substitutes, provided these are at least equivalent in terms of their sustainability aspects.

Table 8: Overview of targets achieved in the subject area Palm Oil by 30/06/2021.

TARGET ACHIEVEMENT – OVERVIEW

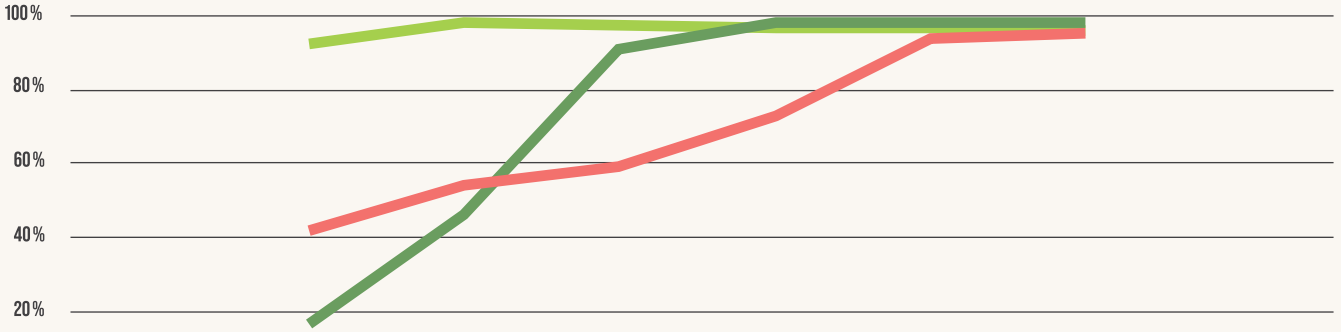
SUB-TARGET		STATUS 30/06/2021	OUTLOOK
CHANGEOVER IN THE PALM OIL PROCESSED FOR USE IN THE PRIVATE-LABEL PRODUCT RANGE TO CERTIFIED, MORE SUSTAINABLE SOURCES			
Articles containing pure palm oil		A changeover to 0.43% RSPO IP and 95.24% RSPO SG has been achieved. 3.03% is MB certified. 1.3% has not yet been changed over.	
Articles containing palm kernel oil		A changeover of 98.28% to RSPO SG has been achieved. 1.72% is MB certified.	
Articles containing derivatives/fractions of palm (kernel) oil		A changeover of 20.29% to RSPO SG and 74.74% to RSPO MB has been achieved. 3.11% is covered under Book & Claim. 1.86% not yet been changed over.	
COMMITMENT TO THE INTRODUCTION OF ADDITIONAL CRITERIA AND SUSTAINABLE DEVELOPMENT OF THE PALM OIL INDUSTRY			
Membership of RSPO and FONAP		EDEKA remains a member of the RSPO and of FONAP.	
Smallholder project for additional FONAP criteria		As part of the FONAP, EDEKA sponsored a smallholder project in Perak, Malaysia, operating from December 2019 until March 2021.	
Proportion of palm (kernel) oil according to POIG criteria		Talks with suppliers of private labels regarding the changeover of articles to POIG goods were held. No supplier was able to deliver the required quantities by the fixed date. A changeover cannot realistically be expected in the future due to supply bottlenecks.	
VEGETABLE OIL SUBSTITUTION IN PRIVATE-LABEL PRODUCTS CONTAINING PALM OIL			
Vegetable oil substitution strategy		The EDEKA product divison are making substitutions for palm oil, whereby minimum sustainability requirements for rapeseed, sunflower, soy, coconut and other vegetable oil/fats have to be taken into account since May 2021.	

CHANGEOVER IN THE PALM OIL PROCESSED FOR USE IN THE PRIVATE-LABEL PRODUCT RANGE TO CERTIFIED, MORE SUSTAINABLE SOURCES

Since monitoring began, the changeover of palm oil components in private-label articles has proceeded positively overall (Fig. 3). The previously attained high level of conversion in pure palm oil to RSPO Segregated raw material did decrease slightly compared to the previous year, but is still high at over 95 per cent. A positive development could once again be recorded for palm kernel oil. During the period under review, a conversion to over 98 per cent segregated RSPO commodities was successfully completed. Progress was also made in derivatives and fractions, which account for more than 60 per cent of the palm (kernel) oil components in EDEKA private-label articles. Their production sometimes requires a large number of complex processing stages. Obtaining them from certified, more sustainable sources is therefore more difficult compared to conventional palm (kernel) oil. Working in concert with other members of the FONAP, EDEKA has in recent years been playing a pioneering role by stepping up the demand for certified derivatives and fractions. Whereas in the year 2016 the changeover rate was a mere 42 per cent, by the end of 2019 more than 95 per cent had been changed over to RSPO Segregated or Mass Balance quality.

DEVELOPMENT IN THE CHANGEOVER OF PALM OIL COMPONENTS

by targeted supply chain model (2016–2021)



	2016	2017	2018	2019	2020	2021
Palm oil	92.00%	98.00%	97.42%	96.85%	96.31%	95.67%
Palm kernel oil	17.00%	46.00%	90.48%	97.73%	97.62%	98.28%
Derivatives/fractions	42.00%	54.00%	59.04%	73.11%	93.50%	95.03%

Fig. 3: Development in the changeover of palm oil components in EDEKA private labels in accordance with the RSPO supply chain model since 2016. Note: Monitoring of palm oil began as far back as the year 2013. However, the data can only be compared against 2016, due to an adjustment made the year before.

In the EDEKA private-label product range, of the 772 palm oil components contained in 630 articles, 98.45 per cent were certified in the year 2020 (see Table 9). This corresponds to around 99.8 per cent of a total of around 11,004 tons of palm (kernel) oil and its derivatives and fractions processed in the product range (see Fig. 4).

Photo: T4nkyong / Adobe Stock

PALM OIL COMPONENTS IN PRIVATE-LABEL ARTICLES

in accordance with the RSPO supply chain model

CATEGORIES	OF WHICH CHANGED OVER TO "IDENTITY PRESERVED"		OF WHICH CHANGED OVER TO "SEGREGATED"		OF WHICH CHANGED OVER TO "MASS BALANCE"		OF WHICH CHANGED OVER TO "BOOK & CLAIM"		NOT CHANGED OVER		CHANGEOVER TO A TARGETED SUPPLY CHAIN MODEL
	Number	%	Number	%	Number	%	Number	%	Number	%	
Articles containing pure palm oil	1	0.43	220	95.24	7	3.03	0	0.00	3	1.30	**95.67**
Articles containing palm kernel oil	0	0.00	57	98.28	1	1.72	0	0.00	0	0.00	**98.28**
Articles containing derivatives/ fractions of palm (kernel) oil	0	0.00	98	20.29	361	74.74	15	3.11	9	1.86	**95.03**

Table 9: Changeover of palm oil components in EDEKA private labels in accordance with the RSPO supply chain model. Percentages are rounded and will therefore not always add up to exactly 100 per cent.

Note: The monitoring covers all articles forming part of the product range according to the 2020/21 EDEKA private-label catalogue. A single article may contain multiple palm oil components. In 2020, 630 articles contained 772 components of palm oil, palm kernel oil or derivatives and fractions.

QUANTITY PROCESSED

according to the RSPO trading model (in tons)

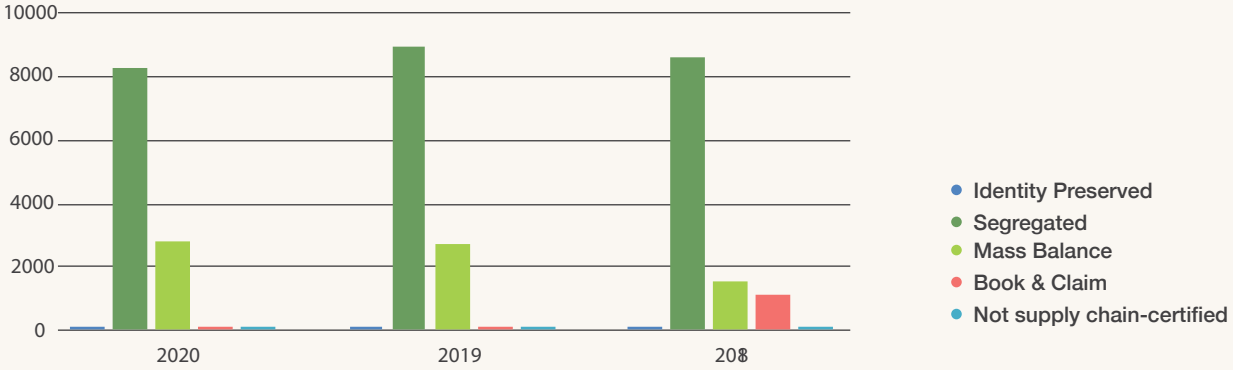


Fig. 4: The quantity of palm (kernel) oil, including derivatives and fractions, in accordance with the RSPO supply chain model processed in the EDEKA private-label product range, in tons, since 2018.

The range of EDEKA private-label products is constantly developed and adapted. Articles are delisted or newly included. Changes in suppliers can also occur, or there can be delays in suppliers obtaining certification. For this reason, palm oil components contained in articles can sometimes not immediately be changed over to the aimed-for supply chain models specified in the partnership targets. Compared to the previous year, a further 29 articles, comprising 67 components of palm (kernel) oil or their derivatives and fractions, are listed in the own-brand range, only 12 of which are not yet secured due to the challenges described. They are expected to be certified during the forthcoming reporting period. EDEKA is already engaged in talks with the suppliers in this regard.

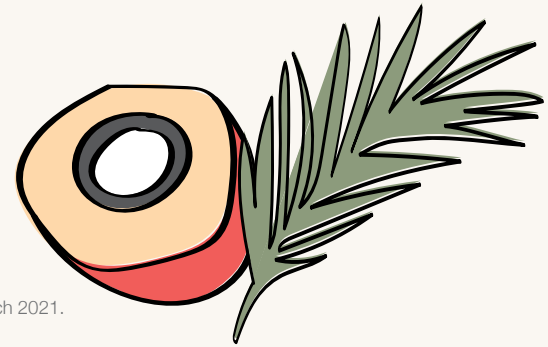
COMMITTED TO THE INTRODUCTION OF ADDITIONAL CRITERIA

AND TO THE SUSTAINABLE DEVELOPMENT OF THE PALM OIL INDUSTRY

Since 1990, at least 8.5 million hectares of natural forest have disappeared in Indonesia and Malaysia alone due to the cultivation of palm oil.[14] The resulting social and ecological consequences can only be addressed by taking a macrosocial approach. This is why EDEKA, on behalf of the entire Group, is working with the WWF in the FONAP towards the improvement of standard certification systems like the RSPO. In addition, EDEKA contributed funding for the second implementation phase of the FONAP smallholder project in Perak, Malaysia, which was successfully completed in March 2021 (s. Infobox).

EDEKA and the WWF are aiming at converting 30 per cent of the palm (kernel) oil and its derivatives and fractions used in the private-label product range to raw materials that meet the cultivation criteria of the Palm Oil Innovation Group (POIG). With this contribution, the partners want to support an initiative that goes beyond the RSPO and FONAP as it is dedicated to the sustainable development of the palm oil industry.

As early as 2013, POIG set itself the ambitious goal of implementing innovative and sustainable practices in palm oil cultivation together with stakeholders from the entire supply chain, thus supporting the further development and successful implementation of the RSPO standard. POIG builds on the criteria of the RSPO, but pursues significantly more ambitious goals. Negotiations with the EDEKA private-label suppliers to facilitate the implementation of the POIG target have been unsuccessful to date. The intended establishment of a physical supply chain from the farm to the private label producer is still not feasible for EDEKA and its suppliers due to the current framework conditions. There is no known segregated supply of POIG palm oil to Germany. The target continues to be pursued. EDEKA is currently considering taking up membership in the Palm Oil Innovation Group beginning in 2022, as a means to discuss existing impediments and to initiate change processes needed for the implementation of the target.



[14] Source: WWF 2020: Like Ice in the Sunshine.

[15] Due to the Corona pandemic, the project duration was extended from November 2020 to March 2021.

THE FONAP SMALLHOLDER PROJECT

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

Project region: Perak, Malaysia

The FONAP smallholder project transitioned into a second phase in December 2019, with a new set of targets. The smallholders have since participated in several sessions to learn about more sustainable farming methods. On demo plots, they were able to test the use of organic fertilisers or the targeted use of beneficial insects to control pests – with impressive results: compared to conventional production, the costs of cultivating oil palms per hectare could be reduced by 40 per cent, while the gross profit per hectare increased by 33 per cent– also due to a latent increase in yield. In addition, the partners used the FarmGate App to achieve greater transparency. They use it to record the harvest and guarantee seamless traceability from the mill to the plantation. The project was successfully completed in March 2021.[15] Funding for the second project phase was achieved through voluntary contributions from FONAP members.

Photo: Wild Asia / FONAP

PALM OIL SUBSTITUTION

As one of the main drivers of deforestation especially in Indonesia and Malaysia palm oil, the world's most important plant-based oil, has been the subject of criticism and the focus of public debate for years, and rightly so. Its productivity is indisputable: at around 3.8 tons per hectare, palm oil achieves a significantly higher yield than other oil crops grown in the tropics, such as soya (0.4 t/ha) or coconut (0.7 t/ha) and also other varieties such as sunflower (0.7 t/ha) or rapeseed (0.7 t/ha). Palm oil thus makes a significant contribution to meeting the global demand for vegetable oils and fats, but it needs be cultivated in a more socially and ecologically compatible manner.

The WWF recommends sourcing palm oil in RSPO quality as a minimum, and advises against resorting to the much lower-yielding coconut or other oils grown in the tropics as a substitute, as they are produced in equally sensitive regions. Because more land is needed to produce one ton of oil, substituting coconut oil or soya oil for palm oil only shifts ecological problems elsewhere, or even exacerbates them. If sunflower or rapeseed oil is used, the plants should be sourced from cultivation in Europe (plus Ukraine), rather than from overseas. All substitutes must also be grown according to strict societal and environmental sustainability criteria. Substitution with fossil raw materials, for example for candles, does not make sense from an ecological point of view.

EDEKA has extended the sustainability specifications where palm oil is substituted in private-label articles. They have been in force since May 2021 and apply to all merchandise divisions and their suppliers. Where rapeseed or sunflower is used as a substitute for palm oil, it must come from European cultivation (plus Ukraine). For example, if coconut or another oil grown in the tropics is used, it must be certified (according to Rainforest Alliance, Fairtrade or a comparable standard). In doing so, EDEKA for the first time has ensured minimum requirements for the substitution of palm oil in its own brands, with the aim of preventing an increase in the ecological footprint through the use of oilseeds that produce a significantly lower yield per area compared to palm oil.

FOR FURTHER INFORMATION ON THE SUBJECT OF PALM OIL

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

Photo: Ochivis Pictures / Adobe Stock

Photo: Kelly Sikkema / Unsplash

2.4

SOYA / MORE SUSTAINABLE LIVESTOCK FEED

EDEKA and the WWF promote regionally sourced, preferably GMO-free feed from European cultivation, consisting of soya or alternative protein crops such as peas, field beans or lupins. In soya cultivation, certifications such as ProTerra, Donau Soja, the Round Table on Responsible Soy (RTRS) and GMO-free also promote sustainable farming practices that benefit people and the environment.

BIODIVERSITY THANKS TO MORE SUSTAINABLE SOYA

HEALTHY SOILS THANKS TO ALTERNATIVE FEED FOR CATTLE, PIGS & CHICKEN

Soya is the most important protein feed used in livestock farming worldwide. It is particularly rich in valuable proteins as well as amino acids, and it is easy to digest. This is why every year more than 35 million tons of soya are imported into the EU, in the form of soya beans or soya meal – mainly from South America. In Germany specifically, imports of soya oilcake and meal have fallen from 4.5 million to around three million tons. However, global cultivation continues to increase dramatically. In the last ten years, global soya cultivation has risen by 35 per cent, with a significant impact on our climate and on the environment.

SPECIES BECOMING EXTINCT BECAUSE OF SOYA FROM SOUTH AMERICA

The impact is most severe in regions in the Amazon and the Cerrado, which are home to unrivalled biodiversity. In the Cerrado, around 90,000 hectares of land fall victim to soya cultivation every year: forests are cleared, valuable ecosystems destroyed and small farming communities driven out. Soils are impoverished by monocultures and the extensive use of environmentally harmful fertilisers.

DOMESTIC VARIETY INSTEAD OF IMPORTS FROM MONOCULTURES

EDEKA and the WWF therefore lobby for a greater use of feed sourced domestically or in Europe, and the use of certified soya from sustainable, GMO-free cultivation. By adopting the standards of the RTRS, the ProTerra Foundation, the brands Danube Soya or Europe Soya, EDEKA supports deforestation-free and socially acceptable cultivation practices. Indigenous feed crops such as peas, beans, rapeseed or sunflowers break up the crop rotation and have a positive effect on soil quality and biodiversity as a nitrogenous fertiliser substitute. In regions where these crops are cultivated, both the competition for land and CO_2 emissions are decreasing.

PARTNERSHIP TARGETS

IN THE SUBJECT AREA SOYA / MORE SUSTAINABLE LIVESTOCK FEED[16]

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+GMO-free, soya conforming to ProTerra guidelines, Donau Soja/Europe Soya). EDEKA will continue to work hard to maintain the targets achieved to date.

As part of a set of feeding studies conducted together with suppliers of eggs and chicken, EDEKA tested the feeding of domestic grain legumes such as peas, field beans and lupins in a trial lasting until the end of 2018. Further conversion is being pursued with vigour.

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

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

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

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

Photo: Ramiro Pianarosa / Unsplash

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

With the support of the WWF, EDEKA developed a concept for the gradual changeover to more sustainable animal feed for articles in the meat and cold cuts segment by 2018. The partners were then to decide how, and by when, a complete changeover can be achieved in the private-label segment. From 2021 onwards, the targets will apply as agreed in June 2021 (Infobox).

As part of developing the concept, EDEKA and the WWF carried out a feasibility study which began in September 2017 and was completed in October 2018. In addition, individual start-up projects are being implemented in the sub-segment meat/cold cuts.

The changeover to more sustainable feed was scheduled to take place in such a way that EDEKA and Netto products from the project would be available at their stores from 01/01/2019. At the planning stages are:

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

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

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

Photo: Meredith Petrick / Unsplash

NEW TARGETS FOR THE SUBJECT AREA SOYA/MORE SUSTAINABLE LIVESTOCK FEED IN THE MEAT/COLD CUTS SEGMENT

In the meat/cold cuts segment, the partners set themselves the goal in 2015 of developing a concept for a gradual changeover to more sustainable feed by 2018. The concept was intended to be based on a feasibility analysis that was completed in October 2018. To date these developments have not led to any measurable progress in the EDEKA private labels in the meat and cold cuts segment, however. In June 2021, EDEKA and the WWF drew up new agreements, and these are to be implemented within a year. While there was no agreement on a target value for more sustainable livestock feed in the private-label product range and a corresponding changeover by June 2022, EDEKA continues to focus on a more sustainable feeding strategy and supports measures designed to promote the establishment of supply chains that do not result in forests being cleared or converted. The four components of the target agreement are:

1. **In the configuration of the product range:** Increasing organic, vegetarian and vegan articles in the meat/cold cuts segment by 10 per cent annually.
2. **Start-up projects**

a) Increasing the proportion of poultry sausage products based on GMO-free feed by a further 25 per cent.

b) Wholesale operation South-west: Expansion of the Hofglück programme

c) Wholesale operation North Continued development of the Gutfleisch programme

3. **fTRACE:** Feed transparency in EDEKA private-label supply chains, pilot for two entire supply chains.
4. **Preparation:** Supply chains that do not result in forests being cleared or converted and piloting for soya.

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET	STATUS 30/06/2021	OUTLOOK
CHANGEOVER TO CERTIFIED, MORE SUSTAINABLE GMO-FREE FEED (WHITE LINE SEGMENT)		
20% of the number of articles of the year 2012 changed over by 30/06/2020[17]	Certified more sustainable or domestically-sourced feed could not be identified for any product again this year.[18] A changeover by 2022 is unlikely to be achieved.	↘
50% of butter to come from GMO-free feed by 30/06/2022	One supplier is already delivering butter produced using GMO-free feed.	→
70% of the number of articles of the year 2012 to be produced from GMO-free feed by 30/06/2020	For 64.34% of the number of articles of the year 2012, a changeover to GMO-free feed was successfully documented during the period under review.	→
YELLOW LINE SEGMENT		
75% of the number of articles of the year 2012 changed over by 30/06/2021[19]	A certified more sustainable or domestic feeding practice could not be identified for any product this year. For 92.34% of the number of articles of the year 2012, EDEKA achieved a changeover to GMO-free feed during the period under review.	↘
MEAT/COLD CUTS SEGMENT		
Development of a concept for changing over to more sustainable feed	In June 2021, the partners reached agreement on targets for the meat/cold cuts segment. However, there was no agreement about a concept for the conversion to more sustainable feed in this segment (see Infobox).	→
Implementation of individual projects in the meat/cold cuts segment	**At the regional level:** The Hofglück programme operated together with the EDEKA region Southwest will be continued and expanded. Poultry products have been added since 2021.	✓
Implementation of individual projects in the meat/cold cuts segment	**National premium brand:** This project is being terminated.	↘
	Start-up project Netto: The target of achieving certified, more sustainable feed has been reached. Confirmation was received from the suppliers.	✓
START-UP PROJECTS		
Barn-laid eggs GUT&GÜNSTIG	98% of barn-laid eggs come from certified, more sustainable feed.	↗
Hay or pasture milk	The national hay milk has been on sale in four regions since 2014. It is still available at the stores this year.	✓
Frozen chicken GUT&GÜNSTIG	The changeover to more sustainable feed had already been achieved by May 2016. This was confirmed again during the period under review.	✓
FEEDING STUDIES		
Feeding studies within pilot enterprises	**Laying hens:** A planned study involving farmers of laying hens could not be carried out due the Corona pandemic. Nor was it possible to conduct a pilot project with a supplier.	→
ACTIVITIES NOT DIRECTLY RELATED TO THE PRODUCT RANGE		
Information and awareness-raising	EDEKA continues its work in the Sustainable Protein Feed Forum.	→

Table 10: Overview of targets achieved in the subject area Soya/More Sustainable Livestock Feed by 30/06/2021.

CHANGEOVER TO CERTIFIED, MORE SUSTAINABLE ANIMAL FEED

IN THE WHITE LINE SUB-SEGMENT

The data collection shows that the conversion to GMO-free feed was successful for just under 64 per cent of the number of articles. That means the original conversion target was missed by 6 percentage points. In the segment for more sustainable feed, no conversion was recorded. Overall, the amount of dairy products from GMO-free feed decreased by 15 per cent since the previous year. The reference value for the degree of target achievement is the number of articles in the year 2012.

The planned test run with a butter supplier to test the security of supply with GMO-free feeding has been successfully completed. EDEKA was also able to sign up another supplier to move to GMO-free feed in order to deliver this same quality in the future. The changeover to more sustainable feed remains fraught with difficulties. Yet EDEKA and the WWF continue to pursue the objective of switching to 50 per cent of butter from GMO-free feed by 30/06/2022.

TREND FOR CONVERTED QUANTITIES IN THE WHITE LINE SEGMENT

by targeted supply chain model (2016–2021)

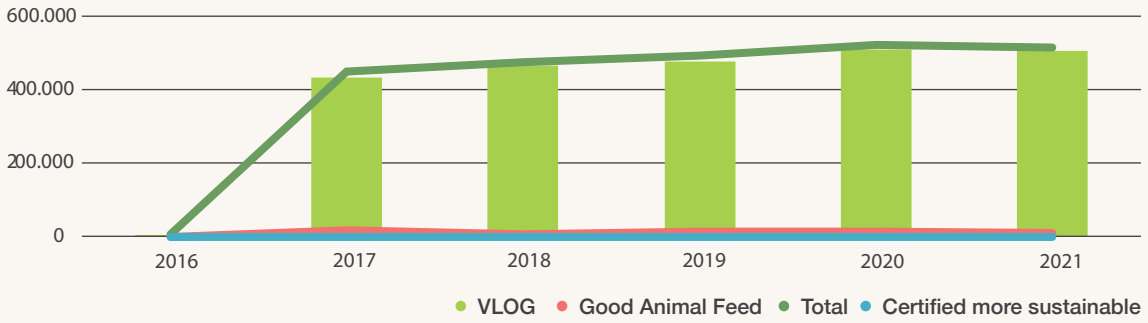


Fig. 5: Received quantities in EDEKA private label products in the ***White Line*** segment changed over to certified more sustainable feed, VLOG and Gutes Futter[20], in tons, for the reporting period 01/07/2020 to 30/06/2021.

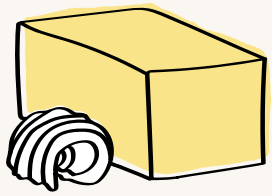


Photo: Lourenço Furtado / Adobe Stock

[17] In accordance with the target agreement, the reference basis used for calculating the percentage shares is the full product range for the year 2012.

[18] 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.

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

[20] In addition to VLOG certification, the category "Good Feed" also applies to EDEKA suppliers whose feed is GMO-free but who cannot currently achieve VLOG certification because of the likelihood of the presence of genetically modified product components.

CHANGEOVER TO CERTIFIED, MORE SUSTAINABLE ANIMAL FEED

IN THE YELLOW LINE SUB-SEGMENT

Compared to the previous year, the volume of articles from GMO-free feeding in the DACH region fell by about 23 per cent. However the volume of cheese products also fell overall. A statement on the total product range is not possible, as only the already converted quantities and thus only a part of the current product range are reported for monitoring purposes. The agreed targets were again missed in this reporting period. Certified more sustainable or domestically sourced feed could not be documented for any of the products.

TREND FOR CONVERTED QUANTITIES IN THE YELLOW LINE SEGMENT

by targeted supply chain model (2016–2021)

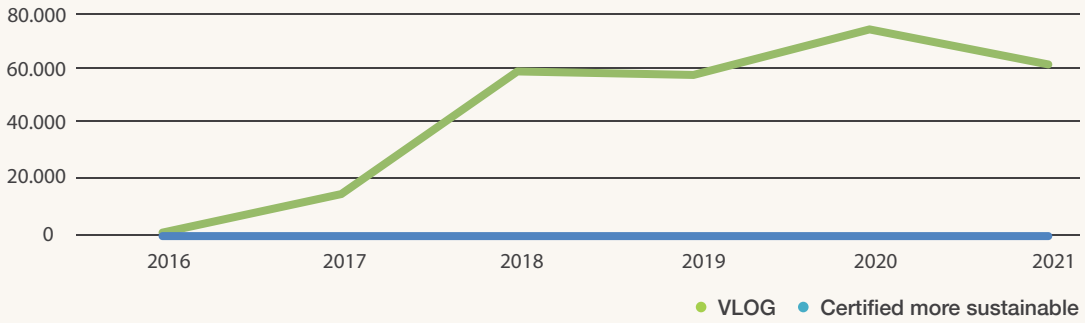


Fig. 6: Received quantities in EDEKA private labels in the ***Yellow Line*** segment changed over to certified more sustainable feed and VLOG, in tons, for the reporting period 01/07/2020 to 30/06/2021.

CHANGEOVER TO CERTIFIED, MORE SUSTAINABLE ANIMAL FEED

IN THE MEAT/COLD CUTS SUB-SEGMENT

During the period under review, EDEKA and the WWF reached agreement on the development of an overall concept for more sustainable feed. The targets defined in previous years remain in place. Added to this is the work on deforestation-free supply chains for the soya feed segment. The targets temporarily replace the use of more sustainable feed in the meat/cold cuts segment.


Photo: Lourenço Furtado / Adobe Stock

This means there are now a total of four components: Configuration of the product range, start-up projects, feed tracking through fTRACE – a tool for achieving greater transparency in supply chains – and deforestation-free supply chains.

1. EDEKA is reconfiguring its product range: The proportions of organic meat and sausage products as well as of vegetarian and vegan meat and sausage alternatives are each to be increased by 10 per cent annually compared to the base year 2020.

2. There are start-up projects in three areas: for poultry meat and sausage products in the private-label segment, the proportion of GMO-free feed is to increase by 25 per cent. In addition, EDEKA is making changes in the branded meat programme “Hofglück” in the Southwest region and in the “Gutfleisch” programme in the North region:

a. The growing demand for Hofglück products makes it clear that consumers do care about animal welfare and that they want regional products from more sustainable production. For this reason, EDEKA is increasing the proportion of products from the Hofglück programme by adding more poultry products and by including 10 per cent more components from Hofglück pigs. If Hofglück livestock is fed soya, it must be certified sustainable Donau Soja exclusively.

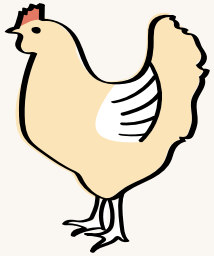
b. Within the framework of the Gutfleisch (Good Meat) programme, EDEKA North and the WWF have launched a special “Strohschwein-Initiative” (“Straw Pig initiative”). The aim is to have at least six farmers convert to more sustainable feed and adopt the ***Animal Husbandry Standard 3*** of the animal welfare labelling system by the end of 2021. The farms commit to using a proportion of feed sourced from within their region or on their own farm of at least 80 per cent, a gradual reduction of the soya content, with the exclusive use of certified soya according to the standards recognised by the WWF.

3. EDEKA uses the fTRACE tool to determine the specifics of the feed administered. Key issues to be resolved, such as: is the feed GMO-free?, where was it sourced?, how high is the soya content?, which certifications are used? allow conclusions to be drawn about the degree of sustainability. Through the pilot project, two complete supply chains in the private-label segment are to be seamlessly traced by mid-2022. Should the results be positive, EDEKA plans to expand the practice of employing fTRACE to cover the entire product range in order to determine the soya footprint for each product.

4. EDEKA and the WWF are working on a strategy for configuring supply chains that do not involve land deforestation or conversion based on the ***AFI*** Guidelines. In cooperation with proTerra, a monitoring and verification system specifically for soya is to be set up by the end of the current contract period (May 2022). Soya farmers in the Brazilian states of Paraná, Mato Grosso, Goiás and Minas Gerais receive direct on-site assistance with the certification process.

EDEKA is a member of a BMZ/GIZ-funded and commissioned project group managed by the WWF. Within this framework, the goal is to establish a deforestation-free soya supply chain from Brazil to Germany based on the AFI guidelines. The WWF supports EDEKA in the effort to implement this project vigorously.

Photo: Kely Sikkema / Unsplash



CHANGEOVER IN PROJECTS CURRENTLY IN PROGRESS

The start-up project for producing hay milk on a nationwide scale already introduced in 2014 will be continued. The term hay milk designates milk produced using natural feed consisting of roughage, the bulk of which is hay (instead of corn silage, for example).

In the start-up project Eier aus Bodenhaltung (barn-laid eggs) for the EDEKA private label GUT&GÜNSTIG, the positive trend of previous years continued. The conversion to VLOG GMO certification in stages has resulted in some success. Today, 98 per cent of the eggs come from hens kept on sustainable feed.

In the start-up project for frozen chicken, EDEKA was able to maintain the level of 100 per cent sustainable feed for its private label GUT&GÜNSTIG.

The practice of GMO-free and more sustainable feeding of laying hens has turned out as a very positive trend over the course of this year. As shown in Fig. 7, the changeover in the feed for laying hens to certified more sustainable soya is almost complete. These are estimated percentage shares of the conversion for the reported quantities delivered.

PHASED CHANGEOVER OF LAYING HEN FEED FOR EDEKA BARN-LAID EGGS FOR THE PRIVATE LABEL GUT & GÜNSTIG

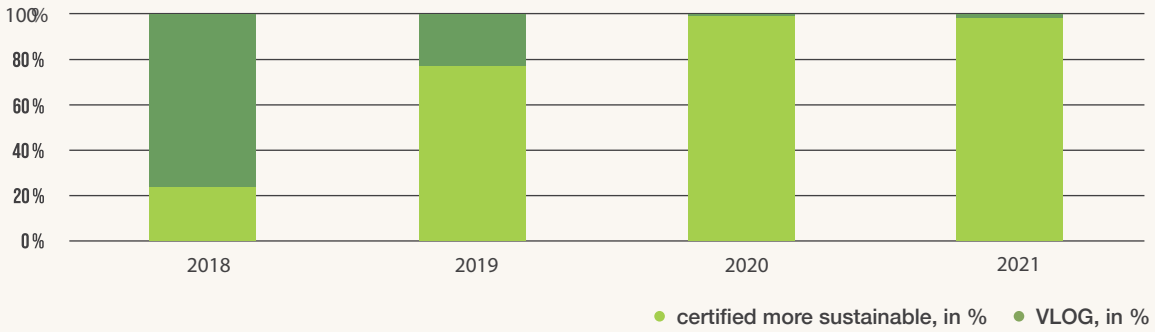


Fig. 7: Phased changeover in feed for laying hens for barn-laid eggs for the EDEKA private label GUT&GÜNSTIG Evaluation of data for the trend for proportions of VLOG and more sustainable feed 2017 -2021.

CHANGEOVER IN ANIMAL FEED IN THE START-UP PROJECTS

START-UP PROJECT	CHANGED OVER TO	
	Certified more sustainable[21], in %	VLOG only,[22] in %
Barn-laid eggs (GUT&GÜNSTIG)	98	2
Frozen chicken (GUT&GÜNSTIG)	100	0
Hay milk (chocolate and vanilla drink, White Line)	100	0

[21] 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, Donau Soja, Europe Soya). Articles that have been converted to sustainable feeding also consist of milk and eggs from GMO-free fed animals.

[22] VLOG stands for "Verband Lebensmittel Ohne Gentechnik" (= association for GMO-free food). This association certifies products that are produced without the use of genetically modified organisms.

Table 11: Changeover in the start-up projects during the reporting period 01/07/2020–30/06/2021.

INFORMATION AND AWARENESS-RAISING

In In a joint letter, companies from the food retail sector – including EDEKA – have adopted a position opposing the ongoing deforestation in the Cerrado. The Cerrado is a species-rich savannah in inland southeastern Brazil that extends into Bolivia and Paraguay and is the size of Alaska. The aim of the letter, and of the alliance, is for Brazilian soya traders to return to negotiations about deforestation-free soy production. At least the letter has restarted the discussion and thus has had some effect. But there is still no end in sight to the deforestation in the Cerrado.

In May 2021, the EDEKA Group, together with more than 40 other companies, participated in a public statement addressed to the EU Commission with the proposal to enact an effective law against EU-driven deforestation. By doing so, these companies show that they want responsible supply chains and will not tolerate any further deforestation and destruction of ecosystems.

In addition, EDEKA and the WWF continue to be actively engaged in the “Forum for More Sustainable Protein Feed” (FONEI) in order to reinforce the effectiveness of their measures in exchange with other stakeholders.

ACHIEVEMENTS

SUB-TARGET		PROGRESS ACHIEVED	
Feeding studies at pilot enterprises	A study on the use of domestic grain legumes for broiler chicken has been completed.	06/2020	✓

Table 12: Targets achieved in the subject area Soya/More Sustainable Livestock Feed since the beginning of the partnership in 2012.

Photo: Imago Photo / Adobe Stock

FOR FURTHER INFORMATION ON THE SUBJECT OF SOYA:

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

Photo: Artur Zudin / Unsplash

2.5 CLIMATE

Measures to boost energy efficiency and the increased use of renewable energies make an important contribution to the global energy transition. EDEKA is working on making its logistics and supply chains more climate-friendly, so as to significantly reduce direct and indirect greenhouse gas emissions.

EVERY TENTH OF A DEGREE MATTERS

CLIMATE PROTECTION IS SPECIES PROTECTION

Biodiversity and healthy, functioning ecosystems are fundamental to our lives. In the Paris Climate Agreement of 2015, the international community of states agreed to limit global warming to well below two degrees Celsius, and if possible 1.5 degrees Celsius, because climate change caused by human activities is accelerating the extinction of species.

THE SEVERE CONSEQUENCES OF CLIMATE CHANGE

Even a difference of as little as 0.5 degrees will have serious consequences for life on Earth. A two-degree increase would likely lead to a quarter of all species worldwide becoming extinct. Since most greenhouse gas emissions come from the use of fossil fuels such as coal, gas and oil, the economic system must consume less of these fossil fuels and use renewable energy instead in order to become climate-neutral. Businesses need to reduce their emissions significantly.

CUTTING EMISSIONS, FROM CULTIVATION TO DELIVERY

EDEKA has set itself the target to reduce the Group's greenhouse gas emissions in Scope 1 and 2 by 33.6 per cent by the year 2025 in comparison with 2017. The Group's own properties are equipped with energy-saving LED lighting and highly efficient, climate-friendly air-conditioning and refrigeration technology. At selected locations EDEKA generates its own solar power. Fuel-efficient vehicles are used for transporting goods, and the drivers are regularly trained in fuel-efficient driving. In addition, EDEKA promotes climate protection through the establishment of a "Climate Supplier Initiative" (CSI). In agricultural production we promote the sequestration of CO_2 on our banana growers' fincas, for example, through improved soil management using organic fertilisers. Climate assessments are carried out for all the farms participating in the "Project for a Better Banana".

2.5.1 CLIMATE PROTECTION WITHIN THE GROUP

CLIMATE PROTECTION PARTNERSHIP TARGETS

EDEKA's planning provides for a reduction in greenhouse gas emissions by the EDEKA Group by 12.6 per cent by the year 2020, and by 33.6 per cent by 2025.[23] These targets are in reference to the baseline year 2017 for EDEKA HQ and Netto stores. BUDNI plans to cut its greenhouse gas emissions in the same manner as EDEKA and Netto, by 4.2 per cent annually, and by 21 per cent by 2025, compared to the baseline year 2020.

Targets are considered to be achieved once the percentage emission reduction has been reached for at least one of the following metrics:

- Absolute emission reduction [t CO_2e]
- Specific emission reduction:
  - EDEKA HQ [t CO_2e per m² of usable space]
  - Netto/BUDNI [t CO_2e per m² of usable space]
  - all [t CO_2e per m EUR turnover of goods]

Using a roadmap, EDEKA Zentrale and Netto define the concrete climate protection contributions made by their own Group locations. This roadmap was to be published by 31/01/2018 and implemented in the following years (2018–2022).

Each of the seven regional companies can participate voluntarily in the effort to reach the Group's target. In this case the plan provides for the publication and subsequent implementation of an individual set of measures. EDEKA will in future publish a climate assessment on an annual basis.

Photo: Thomas Schindel / Edeka

[23] The Scope 1 and 2 targets were tightened. The new benchmark is now the externally verified 2017 climate assessment. Accordingly, the overall greenhouse gas emissions reduction target for the target years 2020 and 2025 was calculated and adjusted using the Science Based Targets Initiative tool for determining scientific climate targets. Planning assumes global warming to reach a maximum of 1.5°C. The former target definition was: EDEKA wants to reduce greenhouse gas emissions of the EDEKA Group by 30 per cent by the year 2020, and by 50 per cent by 2025. The targets refer to the sales area in square metres and apply in each case in comparison to the base year 2011 for EDEKA HQ and Netto stores.
Emissions declined by more than 20 per cent between 2011 and 2018, following a sub-2°C reduction path.

TARGET ACHIEVEMENT – OVERVIEW

MAIN TARGETS AND SUB-TARGETS	STATUS 30/06/2021	OUTLOOK
MAIN TARGET		
Reduction of greenhouse gas emissions by 12.6% by the year 2020, and by 36.6% by 2025 compared to the base year 2017.	The externally verified climate assessments for 2017 and 2019 were published. The partners managed to achieve the interim target for 2020 as early as 2019. Total absolute greenhouse gas emissions declined by 15% from 2017 to 2019.	↗
SUB-TARGETS EDEKA HQ		
Preparation of a Climate Protection Schedule by 31/01/2018. Implementation in subsequent years	Hotspots were identified based on the climate assessments for 2017 and 2019. An overarching climate strategy including a rough roadmap of measures for EDEKA HQ has been prepared.	→
Complete conversion to LED lighting and optimised use of lighting by the end of 2018	Around 80% of all properties have now been converted to LED lighting and are equipped with building management systems and optimised lighting control.	→
Optimisation of logistics processes and business travel	Between 2017 and 2019, we succeeded in reducing the greenhouse gas emissions from our own logistics operations by 8%.	→
Derivation of further measures from energy management	About 40% of the properties have an ISO 50001 certified energy management system, and all properties carry out continuous energy monitoring.	→
EDEKA REGIONS		
Interested EDEKA regional companies are to receive support in setting up a climate protection programme and in signing up to the Group's greenhouse gas reduction target.	Five EDEKA regions are using the new software tool in the preparation of their own climate assessments, and they identified their hotspots in order to adapt additional climate protection measures accordingly. A climate protection manual is being prepared for the regions to support them in meeting their climate commitment.	→

Table 13: Overview of targets achieved in the subject area Climate Protection in the company by 30/06/2021.

REDUCTION IN GREENHOUSE GAS EMISSIONS

During the reporting period, the climate targets (Scope 1 and 2) for the EDEKA Group were tightened on a scientific basis. They adhere to an ambitious 1.5°C-compliant reduction path.

Using the externally verified climate assessments[24] EDEKA was able to document that the total Scope 1 and 2 greenhouse gas emissions declined from 2017 to 2019. Climate assessments prepared on a regular basis make it easier to compare the data. This allows EDEKA HQ to better identify and mitigate hotspots, the main drivers of harmful greenhouse gas emissions.

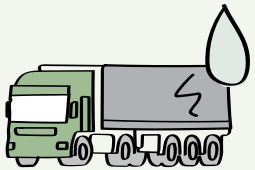
The results showed that heating and cooling systems in particular accounted for 32 per cent and 10 per cent of direct emissions, respectively. In terms of indirect emissions, electricity use was the largest driver at 43 per cent (see Fig. 8). EDEKA is therefore significantly increasing the share of climate-friendly electricity generated from renewable energy sources.

[24] Source: EDEKA climate assessments

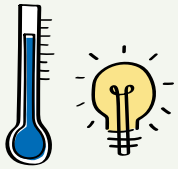
CLIMATE ASSESSMENTS OF EDEKA HQ IN 2017 AND 2019[25]

HOTSPOTS RELATED TO SCOPE 1+2

	2017		2019		CHANGE FROM 2017 TO 2019
SCOPE 1	19,571	54%	57%	17,368	-11%
Heating	11,393	32%	38%	11,722	
Own logistics	3,210	9%	10%	2,958	
Refrigerants[2]	3,536	10%	4%	1,166	
Vehicle fleet	1,432	4%	5%	1,521	
SCOPE 2	16,355	46%	43%	13,179	-19%
Electricity (market-based)[3]	15,304	43%	39%	12,054	
Externally generated heating	949	3%	3%	1,002	
Distance cooling	102	0%	0%	123	
SCOPE 1+2	35,926	100%	100%	30,547	-15%
	(T in CO_2E)		(T in CO_2E)		



6% vehicle fleet
-67 % refrigerants[26]
3% heating
-8% own logistics operations



6 % externally generated heating
-21% electricity (market-based)[27]
21% distance cooling

Fig. 8: Climate assessments of EDEKA HQ 2017 and 2019.

[25-27] Source: EDEKA climate assessments

Other measures such as efficient logistics, modern vehicle fleets, more climate-friendly refrigerants in refrigeration systems and efficient building management are also contributing towards the achievement of climate targets already. About 40 per cent of the properties owned by EDEKA HQ have an ISO 50001-certified energy management system in place; about 80 per cent use LED lighting. Moreover, the entire EDEKA Group, which includes thousands of independent retailers and SME family businesses, also invests continuously in innovative market concepts and resource-saving and energy-efficient technologies.

EDEKA HQ AND EDEKA REGIONS

CONTINUOUS IMPROVEMENT OF CLIMATE PERFORMANCE

A significant component of the EDEKA climate strategy is the continuous improvement of the climate performance: once the biggest drivers of emissions have been identified, climate protection measures can initially be prioritised, planned and implemented according to their impact. Continuous recalculation over several years and the collection of the results at the properties of EDEKA HQ on a regular basis then make it possible to continuously adapt and further develop the climate strategy and the schedule of climate measures accordingly. A comprehensive system of climate performance indicators is being developed.

Around 80 per cent of all properties have now been converted to LED lighting and are equipped with building management systems and optimised lighting control. EDEKA is also gradually converting to climate-friendly refrigerants. As a result, it was possible for refrigerant-related greenhouse gas emissions alone to be reduced by 67 per cent between 2017 and 2019.

The Sonnländer Group accounts for about half of the entire Scope 1 and 2 emissions of EDEKA HQ. Since the year 2020, the Group has been completely converted to green power, resulting in a significant reduction in emissions. In addition, EDEKA continually modernises the technical equipment in its buildings. The operation of lighting, ventilation and air-conditioning is linked to opening hours.

Photo: Christian Schmid / EDEKA

LOGISTICS

A dense, decentralised logistics network consisting of 50 warehouses ensures a constant supply in line with demand for all EDEKA and Netto stores nationwide. Moreover, the Supply Chain departments of the wholesale operations work closely together with the teams at EDEKA HQ and the IT subsidiary EDEKA DIGITAL.

The truck fleet of the EDEKA Group is one of the most modern of its kind throughout Germany. Each new vehicle must comply with the current exhaust emission standards on principle. Intelligent route planning systems, telematics units and load consolidation – via a frozen food platform, for example – result in better transport capacity utilisation. This lowers diesel consumption and hence CO_2 emissions.

At EDEKA HQ, greenhouse gas emissions from their own logistics operations declined by 8 per cent between 2017 and 2019. The ongoing modernisation of the vehicle fleet, including the acquisition of e-vehicles, also contributed to this. The recently introduced fleetboard management system makes it possible to measure driving style and fuel consumption. Intelligent identification and tracking systems such as the Smart Box and alternative drive technologies have great potential to make logistics even more climate-friendly.

REGIONS

Five EDEKA regions are now using the new software tool for producing their own climate assessments. They have also identified their hotspots in order to plan and implement further climate protection measures on the basis of this validated data. A climate protection manual is currently being prepared for the regions to support them in meeting their climate commitment.

EDEKA GUIDE TO SUSTAINABLE PLANNING AND CONSTRUCTION

Climate change, growing cost pressure, rising energy prices and political regulatory requirements – the exploitation of natural resources comes at a high price. Change is urgently needed, and it has long been at the centre of attention for EDEKA. This need for change also applies to the construction of new buildings and technical facilities. Regardless of size, technical complexity and geographical location, they must meet all the requirements for a professional operation and for a good and comfortable working environment. Sustainable planning and building calls for the consistent integration of ecological, economic and socio-cultural aspects.

On behalf of the EDEKA Group, the company CEV Handelsimmobilien GmbH produced a Guide To Sustainable Planning and Construction (s. Fig. 9). It is intended to make it easier for employees to systematically integrate sustainability aspects into the planning, realisation and operation of a property right from the start.

Using the Guide To Sustainable Planning and Construction, personnel involved in the project will be able to implement EDEKA's sustainability planning targets more easily and more systematically. The Guide is intended to serve as a recommendation. To ensure that the best possible holistic solution is arrived at for each project, the implementation will need to be reviewed in detail in each case.

The guide also represents a tool for maintaining the long-term value of a commercial property. Since enhancing sustainability is part of the corporate strategy, all the measures described here will have a positive impact on potential certification. If complied with, at least DGNB (German Sustainable Building Council) Gold certification will be achievable. For both ecological and economic reasons, the total primary energy requirement needs to be reduced significantly. The Guide assists in employing the kind of resource-conserving and energy-efficient architecture that will contributes to this reduction.

To meet current and future legal and economic requirements, the underlying energy concept takes into account the life cycle of a property. If the guideline is implemented with a photovoltaic system, it is possible to reduce the primary energy requirement according to the German Building Energy Act (GEG) by up to 70 per cent.

Fig. 9: EDEKA Guide To Sustainable Planning And Construction.

ELECTRICITY IS GETTING GREENER ALL THE TIME

EVG[28] supplies a large proportion of EDEKA HQ properties, the regions, the EDEKA stores and Netto locations with electricity and natural gas. Compared to the rest of Germany, the procured electricity mix contains a higher proportion of electricity from renewable sources and a lower proportion from fossil fuels and nuclear power. As a result, the specific emission factor is lower than the national average.

In 2019, the emission factor for Germany's electricity mix stood at 408 grams of carbon dioxide per kilowatt hour[29], whereas the EVG's supplier-specific emission factor came in at 38 per cent below the national average, with a mere 253 grams of carbon dioxide per kilowatt hour. Electricity generates a large proportion of the greenhouse gas emissions. Because the CO_2 intensity of the product sourced plays a pivotal role in reaching the climate targets, EDEKA and EVG are planning to further expand the procurement of climate-friendly green power from renewable sources of energy.

[28] Source: EVG – EDEKA Versorgungsgesellschaft mbH.
[29] Source: German Federal Environment Agency 2021

Photo: Engel.ac / Adobe Stock

2.5.2 CLIMATE PROTECTION IN THE PRODUCT RANGE

PARTNERSHIP TARGETS

FOR CLIMATE PROTECTION IN THE PRODUCT RANGE

Binding targets for the reduction in greenhouse gas emissions in the supply chain for the years 2020 and 2025 were defined in 2018. EDEKA and the WWF are preparing recommendations for action to achieve a more climate-friendly product range. In addition, the partners together with other industry players are establishing a Climate Supplier Initiative (CSI) aimed at promoting joint climate protection measures in the supply chain. The CSI set of measures produced by 31/01/2019 is being implemented in subsequent years (2019–2022).

Photo: Glenn Carstens-Peters / Unsplash

TARGET ACHIEVEMENT – OVERVIEW

SUBTARGET	STATUS 30/06/2021	OUTLOOK
CLIMATE PROTECTION MEASURES		
Definition of a binding reduction target for product range-related emissions along the supply chain	As part of the supplier management system, around 400 EDEKA suppliers were canvassed with regard to their climate performance. The database recording the suppliers' climate protection activities is being successively expanded. It serves as the basis for defining a product range-based reduction target.	→
Measures for more climate-friendly product range optimisation/design	By 30/06/2021, EDEKA had compiled about 50 externally verified Product Carbon Footprints (PCFs) for a select range of articles. As part of CSI's work, suppliers have begun to implement energy and environmental management systems (ISO 14001, ISO 50001 and EMAS) and to reduce their emissions further.	↗
Establishment of a Climate Supplier Initiative for joint climate protection measures along the supply chain together with other industry players. Preparation and implementation of a roadmap.	EDEKA and the WWF established the Climate Supplier Initiative (CSI) in May 2021. The CSI will include more suppliers step by step.	✓

Table 14: Overview of targets achieved in the subject area Climate Protection in the product range by 30/06/2021.

COOPERATION
WITH SUPPLIERS

Definition of a binding reduction target for product range-related emissions along the supply chain

As part of the supplier management system, around 400 EDEKA suppliers were canvassed with regard to their climate performance. The database containing the reported climate protection activities is being successively expanded. It serves as the basis for defining a product range-based reduction target. Using a comprehensive system of key performance indicators, it will allow the annual progress of suppliers' climate performance to be measured in future. As part of the initiative, they are receiving active support in the preparation of their climate assessments, in defining new targets, and in the implementation of measures. It can be assumed that the continuous enhancement of the climate commitment will also be reflected in improved key indicators (s. Fig. 10).

CONTINUOUS PROCESS TO IMPROVE SUPPLIER CLIMATE PERFORMANCE

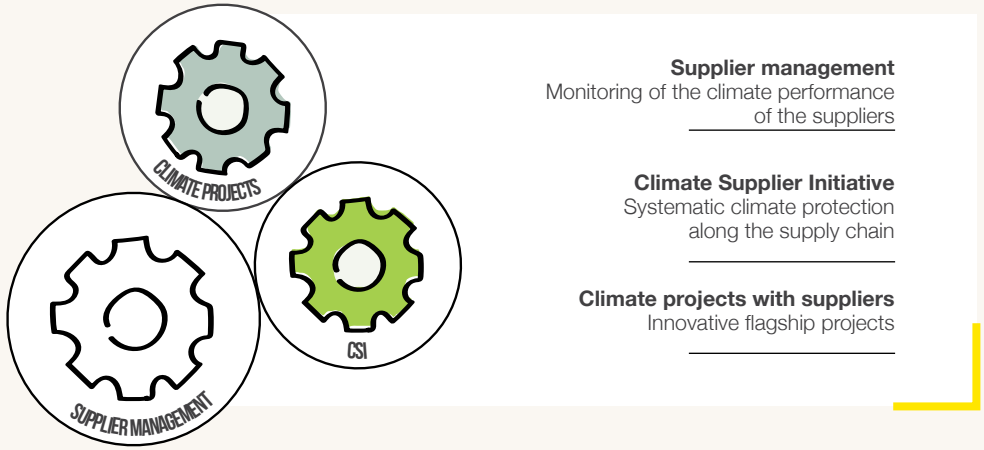


Fig. 10: Elements of cooperation with suppliers in the subject area of Climate Protection.

Measures for more climate-friendly product range optimisation/design

EDEKA plans to have externally verified Product Carbon Footprints (PCFs) calculations for 500 articles in its product range by the end of 2022. In the reporting period, about 50 such PCFs were already produced. Suppliers are provided with a climate protection manual and a catalogue of protective measures to support them in their efforts to protect the climate. As part of the CSI work, some suppliers have already started to introduce energy and environmental management systems (ISO 14001, ISO 50001, and EMAS), to draw up their own climate assessments, and to use the Science Based Targets initiative (SBTi) tool to arrive at scientific definitions for their climate targets.

Climate Supplier Initiative

In May 2021, EDEKA and the WWF officially established the CSI. By 30/06/2022, ten suppliers had joined the initiative. Others are expected to gradually follow suit. By joining the CSI, participating businesses acknowledge their responsibility to reduce their greenhouse gas emissions. They develop appropriate programs and measures, which they then implement in a final and binding manner. Appropriate supplier management contributes to success: suppliers are supported in assessing their greenhouse gas emissions, setting ambitious climate targets and implementing climate protection measures. Through this cooperation in the initiative, climate protection is systematically embedded along the supply chain: at the farm level, in production, but also in packaging.

FURTHER INFORMATION ON THE SUBJECT OF CLIMATE AT:

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

Photo: kaninstudio / Adobe Stock

2.6

FRESHWATER

The Water Stewardship approach contributes to the protection and restoration of water-related ecosystems and helps improve water quality, reduce water consumption, secure the supply of drinking water and the provision of sanitation, and to the reinforcement of more sustainable water resource management practices in river basins. Sustainable water management practices build up resilience to climate change because in addition to using both water resources and pesticides sparingly, the interests, needs, and risks of all water using parties within that river basin are taken into account.

WATER – OUR SHARED AND LIFE-GIVING TREASURE THAT NEEDS PROTECTING

PRESERVING BIODIVERSITY IN WATER BODIES AND WETLANDS

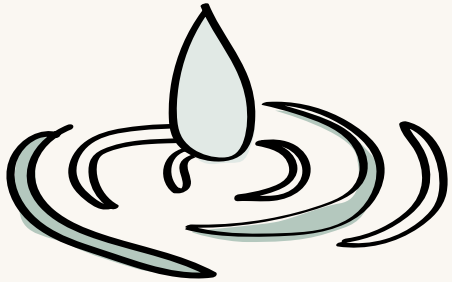
Water is the foundation of all life, of our well-being and economic prosperity, and also of health of our planet. Intact freshwater ecosystems provide habitat for countless species; they are biodiversity hotspots. Even though inland bodies of water cover barely one per cent of the Earth's surface, they are home to about 10 per cent of all animal species globally. However, these biotopes are disappearing at an alarming rate. Since 1970, populations of animal and plant species native to freshwater have declined by 84 per cent.

AGRICULTURE AS THE WORLD'S LARGEST CONSUMER OF WATER

Without water, there is no food production. Large quantities are needed to cover our demand for food. Yet a mere one per cent of the global reserves of fresh water is accessible for use by humans. And pressure on freshwater resources is increasing worldwide – due to population growth, changing consumption patterns, and the effects of the climate crisis. Food production is responsible for the consumption of about 70 per cent of freshwater. It contributes significantly to both scarcity and pollution. Increased efficiency on individual farms usually only compensates for the steady increase in the amount of land used for agriculture. In addition, freshwater is also poorly regulated or unevenly distributed in many growing regions.

ECONOMICAL USE OF A PRECIOUS RESOURCE

EDEKA and the WWF work with suppliers to conserve water, improve its quality and protect freshwater ecosystems. A web-based tool is used to systematically record water risks in supply chains and develop countermeasures. For example, farms in river basins are joining forces to protect their water resources. The fruits of this effort are better oranges, mandarins and bananas produced in a particularly environmentally friendly and water-saving manner.



PARTNERSHIP TARGETS

IN THE SUBJECT AREA OF FRESHWATER

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

Photo: Georgia De Lotz / Unsplash

TARGET ACHIEVEMENT – OVERVIEW

SUB-TARGET	STATUS 30/06/2021	OUTLOOK
TRANSPARENCY AND REDUCTION OF WATER RISKS IN RIVER BASINS AND AT THE FARMS		
Risk transparency: Increase in the proportion of total sales quantities (kg) recorded in the E-WRT relative to the sales quantities [kg] at the Fruchtkontor from risk countries	79.32% is recorded in the E-WRT.	↗
Risk reduction: Increase in the proportion of sales quantities [kg] with complete verification relative to total sales quantities [kg] at the Fruchtkontor from risk countries	For 25.16% complete verification was obtained.	↗
INTERNAL WATER MANAGEMENT AND IMPLEMENTATION OF AWS		
Updating of the Water Risk Filter	The database of the Water Risk Filter is updated every year.	↗
Expansion of internal water management to additional product groups	Internal water management has not yet been expanded to include additional product groups or merchandise divisions.	↗
AWS implementation in pilot regions	For five Ecuadorian banana project farms, the certification process began in May 2021. Regions of particularly high priority were identified in order to take advantage of scaling effects as part of future Water Stewardship projects. All Colombian project farms have already been certified.	↗
To support selected supporters in their efforts to reduce water risks EDEKA, with the support of the WWF, is in the process of establishing a special works programme.	The EDEKA Water Partners programme has been fine-tuned and is currently in the implementation phase. Growers working for three organic banana suppliers in the Dominican Republic have already completed AWS training.	↗

SUBTARGETS	STATUS 30/06/2021	OUTLOOK
REDUCTION OF WATER RISKS IN PROJECTS		
Banana project: Alliance for Water Stewardship (AWS) in Colombia/Ecuador	The Water Stewardship platform has contributed to the implementation of several projects, including a river renaturation project, the use of a solid-waste management system, and the establishment of a tree nursery.	↗
Citrus Project: Alliance for Water Stewardship (AWS) in Spain	The farms have implemented an initial set of joint conservation measures in the river basin.	↗
TRANSFORMATION OF THE GERMAN FOOD MARKET		
Continued market transformation (studies, standards, events)	On the occasion of World Water Day, a study on scenario analyses of water risks in agricultural supply chains was published. EDEKA has included the supplier requirement for mandatory use of the E-WRT tool in its private-label supplier contracts. EDEKA took part in the Stockholm World Water Week (Water Stewardship & Resilience). EDEKA is a member of the sector-specific agriculture working group created by AWS.	↗

Table 15: Overview of targets achieved in the subject area Freshwater by 30/06/2021.

TRANSPARENCY AND REDUCTION OF WATER RISKS

IN RIVER BASINS AND AT THE FARM LEVEL

EDEKA's water management system is based on the concept of Water Stewardship. Good Water Stewards know their water risks and take effective action to protect freshwater resources and achieve more sustainable water use in their own supply chains.

Over 79 per cent of total sales volumes (in kg) of the EDEKA private-label suppliers of fruit and vegetables from water risk countries have already been recorded in the EDEKA Water Risk Tool (E-WRT). This represents an increase of 51 percentage points year-on-year. Risk countries have a rating greater than 3.0 on a scale ranging from 1 (low risk) to 5 (very high risk). They include among others Italy, Spain and Colombia.

Complete verification is already available for about 25 per cent of the sales volumes (in kg). In these cases, suppliers and growers have provided complete appropriate risk reduction certifications. The type of measure that will be recommended depends on the risk value: if the risk is low or moderate, a GlobalG.A.P. certificate is sufficient. For high-risk cases, AWS training is recommended, and for very high risk-cases the recommendation is for AWS certification through the Alliance for Water Stewardship. Most of the recorded local geographical locations where the cultivation for the EDEKA suppliers takes place have high to very high water risks. The Water Partners Programme helps growers reduce their water risks.

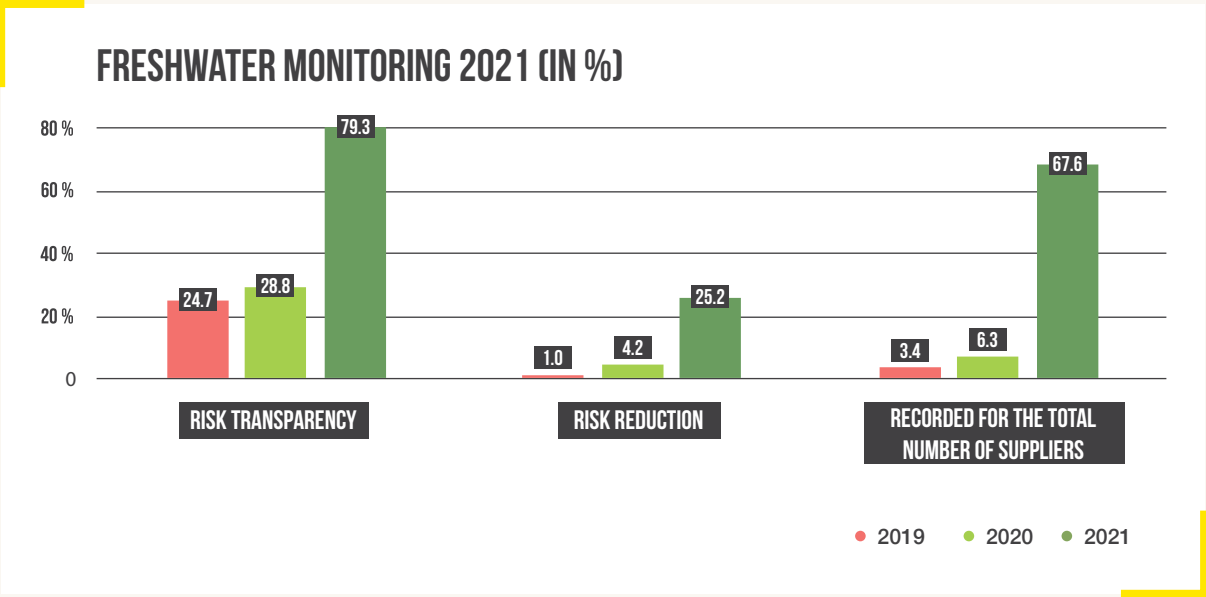


Fig. 11: Results of freshwater monitoring in 2021 compared to the previous years 2020 and 2019.

Key Performance Indicators:

Risk transparency

Proportion of sales quantities [kg] recorded in the E-WRT relative to total sales volumes [kg] of the private labels of Fruchtkontor from critical countries, as per the WWF list of countries (risk transparency)

Risk reduction

Proportion of sales quantities [kg] with complete verification recorded in the E-WRT relative to total sales volumes [kg] of the private labels of Fruchtkontor from critical countries, as per the WWF list of countries (risk reduction)

Proportion of suppliers recorded relative to the total number of suppliers

Proportion of the suppliers included in the E-WRT relative to the total number of Fruchtkontor private private-label suppliers from critical countries, as per the WWF list of countries

INTERNAL WATER MANAGEMENT
AND THE EDEKA WATER RISK TOOL (E- WRT)

The E WRT was used in the fruit and vegetable segment. The major suppliers entered their cultivation locations into the database, determined the water risks, and provided an initial set of documentary proofs of the reduction in water risks. The tool provided the database for the monitoring structure that was trialled in the year 2018 and introduced in 2019, and which is now used to continuously monitor the water risks of the suppliers. Today, suppliers from Fruchtkontor operations North, South, West and Valencia are also able use the tool and make entries on their own.

Since the autumn of 2020, additional suppliers have joined on a regular basis. By the end of June 2021, these were mainly suppliers from risk countries.

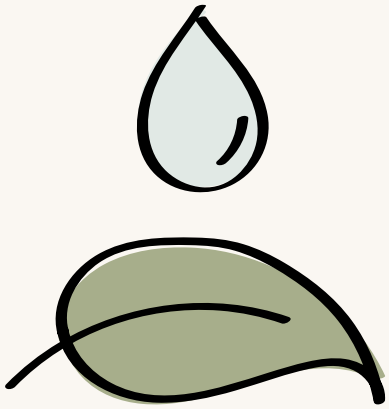


Photo: Austin Kehmeier / Unsplash

ALLIANCE FOR WATER STEWARDSHIP (AWS) IMPLEMENTATION

The Water Partners Program supports growers in regions with (very) high water risks, for example, in the implementation of measures, e.g. through Water Stewardship training or the implementation of standards/ certifications. The cultivation operations for the banana suppliers Biofrusan, Agrofair and BioTropic have already completed one AWS training course. Whether they will also go through the AWS certification process remains to be seen.

To promote the further integration of the AWS standard into agricultural supply chains, EDEKA and the WWF have supported the establishment of AWS regional offices in Latin America and Europe. Case studies, webinars or panel discussions were used to share the experiences of sites in Latin America that have already received certification.

EDEKA and the WWF are also part of the newly formed AWS Agriculture Working Group, which brings together AWS members to identify opportunities for collaboration on water management worldwide.

PROJECTS

Growers who are part of the citrus project already implemented initial joint measures to protect the river basin in previous years. In addition, representatives of local irrigation communities and administrations, as well as project experts, exchanged information and consulted on the state of water resources in digital workshops.

All Colombian and two of the Ecuadorian banana project farms obtained certification in accordance with the AWS standard as far back as the spring of 2020. For the remaining five Ecuadorian project farms, the certification process began in May 2021.

Two projects under the auspices of the Water Stewardship platform were implemented: the renaturation of strategically important stretches of the Guandusaca and Palmichal rivers, and the implementation of a solid-waste management system in the municipality of San Pedro de la Sierra. Significant progress was made in the establishment of a tree nursery. A first of its kind in the Colombian “tropical dry forest,” it will provide native species for the ecological restoration within the region. This will also improve the security of food supplies in the surrounding communities. Each ongoing and successfully completed project further strengthens the networking within the watershed, and enhances trust in the platform.

Photo: Pure Julia / Unsplash

MARKET TRANSFORMATION

For World Water Day on 22 March 2021, EDEKA and WWF released a study exploring scenario analyses. The study demonstrates how companies in the food sector can use scenarios to better assess water risks within their agricultural supply chains in the future. It also presents a set of recommendations for developing and implementing Water Stewardship measures and for building resilient agricultural supply chains.

EDEKA has included the mandatory use of the E-WRT in the contracts for its private-label suppliers, initially for the Fruchtkontor division.

At the Stockholm World Water Week, EDEKA also took part with a special focus on Water Stewardship & Resilience.

SCENARIO REPORT

Since climatic and socio-economic changes influence the trends for water risks in the long term, WWF has developed water risk scenarios for 2030 and 2050 based on new data. Businesses in the food sector can use these scenarios to arrive at a more accurate assessment of future water risks within their agricultural supply chains. The report also provides a set of recommendations to help develop and implement Water Stewardship measures and guide the strategic building of resilient agricultural supply chains.

For more information: WWF Climate Report 2021

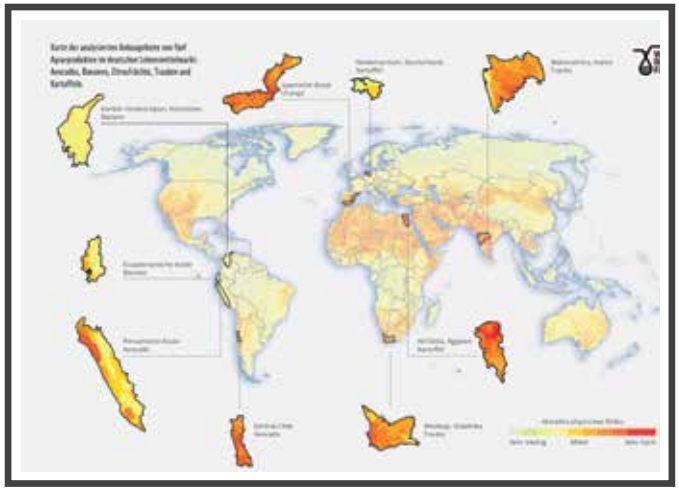


Fig. 12: Map showing the results of analyses of cultivation areas for five agricultural products available on the German food market.

MORE ON THE SUBJECT OF FRESHWATER AT:

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

ACHIEVEMENTS

SUBTARGETS	PROGRESS ACHIEVED		
Implementation of an internal water management system at Fruchtkontor by the end of 2018	The EDEKA Water Risk Tool was completed and tested successfully.	06/2019	✓
Development of a monitoring structure for the water management system	The monitoring procedure was developed and implemented in 2018/2019.	06/2019	✓
AWS implementation with pilot producer in Spain	A pilot producer of citrus fruit in Spain achieved AWS certification with Gold status.	06/2018	✓
Development of a guide called "Water Stewardship in the LEH"	The guide was released in August 2018.	06/2019	✓
Completion of the pilot phase for the internal water management system by the beginning of 2018 (Water Risk Tool)	A pilot supplier successfully tested the fully developed EDEKA Water Risk Tool.	06/2018	✓
Determination of water risks	The water risks for the bulk of all products made for EDEKA around the world have been determined.	06/2017	✓

Table 16: Targets achieved in the subject area Freshwater since the beginning of the partnership in 2012.

Photo: Samara Doole / Unsplash

Photo: Martin Kämper / EDEKA

2.7 PACKAGING

EDEKA is working towards eliminating packaging, reducing packaging and increasing recyclability and the proportion of recycled material in packaging.

PACKAGING IN THE EDEKA PRIVATE-LABEL PRODUCT RANGE

CONSERVING RESOURCES, AVOIDING WASTE

The world's population is already using more resources that the Earth can provide. At the same time, the mountains of waste are growing, and the effects of our throwaway society are becoming increasingly visible. In this context, packaging has a leading role to play. In Germany, the volume of packaging has risen once again. In the year 2018, it reached a new record level of 18.9 million tons. Every person in Germany generates an average of 227.5 kilograms of packaging waste.[30] There is an urgent need for a shift in thinking and action, so that we can reduce primary resource consumption and the generation of waste overall.

ELIMINATION, MULTIPLE USE, RECYCLING

Packaging is to be eliminated wherever this is possible. Where the use of packaging is unavoidable, the aim must be to find and make greater use of multiple-use solutions. The appropriate use of recycled materials reduces the consumption of primary resources and is therefore an important aspect of the circular economy. Where packaging does accumulate and produce waste, it must be recyclable to a high degree. Germany already has a nationwide collection, sorting and recycling system for packaging waste in place. Yet at present, barely 70 per cent of packaging waste is currently recycled. The rest is mostly incinerated. One reason for this is that too much of the packaging is not yet designed to make it suitable for recycling.

PRIVATE-LABEL PACKAGING UNDER SCRUTINY

In the EDEKA Group, private-label packaging has been under scrutiny since 2015. The reduction and elimination of packaging has top priority. For selected organic fruit and vegetable varieties, EDEKA has already eliminated packaging entirely. Multiple-use items such as reusable containers available at fresh food counters and reusable carrier bags have also been introduced in the effort to reduce the volume of waste and to save valuable resources. Other areas being worked on is the appropriate use of recycled material and the design of EDEKA packaging so as to make it suitable for recycling.

[30] Source: German Federal Environment Agency 2019

PARTNERSHIP TARGETS
IN THE SUBJECT AREA OF PACKAGING

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

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

Photo: Christian Schmid / EDEKA

TARGET ACHIEVEMENT – OVERVIEW

SUBTARGET	STATUS 30/06/2021	OUTLOOK
OPTIMISING PACKAGING		
Assessment of recyclability and ecological benefits prior to launching new or optimised products	Several assessments with appropriate recommendations for action have been made.	→
Certification of raw materials for bio polymers	For one item already identified in 2020, the sustainability certificate is yet to be received. The process for a possible certification is under way.	→
TARGET AGREEMENTS FOR PACKAGING-RELEVANT COMPONENTS AND COST ITEMS		
Use of at least 25% recycled material (rPET) in the beverage bottle segment (single-use, subject to deposit) by 12/2020	The share of the total volume accounted for by rPET is 0.89%.	↗
Use of at least 30% recycled material (rPET) in the drug store/laundry and cleaning agents segment by 12/2020	The share of the total volume accounted for by rPET is 53.13%.	↗
Elimination or reduction of aluminium in selected product groups by 09/2021	The aluminium content declined by 0.7 percentage points.	↗
Elimination of PVC in selected product groups by 09/2021.	In the year 2020, 82 articles containing PVC were recorded in the relevant groups of articles.	↗
Reduction in the use of single-use carrier bags by at least 30% by 05/2022	Consumption of single-use carrier bags declined by 12.33% year-on-year, and by 21.71% compared to the baseline year.	↗
Reduction in the use of knot bags by at least 30% by 05/2022	Consumption of knot bags declined by 22.31% year-on-year, and by 47.98% compared to the baseline year.	↗
Elimination or optimisation of packaging in the fruit and vegetable segment	A survey of suppliers was conducted; establishing a baseline has not yet been feasible.	→
INFORMATION AND AWARENESS-RAISING		
Preparation of information on packaging and packaging materials for retailers and end consumers	Information is prepared and distributed continuously and in response to demand, e.g., through flyers available at the POS.	→

Table 17: Overview of targets achieved in the subject area Packaging by 30/06/2021.

ASSESSING RECYCLABILITY

For new products and in the certification of raw materials for bio-based plastics

The WWF provides EDEKA with advice on how to design private-label packaging so as to be more ecologically responsible. For the raw materials used to produce bioplastics, the WWF requires an appropriate certificate such as Bonsucro, RSB or ISCC Plus. Such certification represents evidence that certain sustainability criteria were met in the cultivation of the renewable raw material. During this year's status survey, it was determined that one item, a coffee capsule, did not yet have the required sustainability certificate. A plan for a changeover was developed and discussions were held with an appropriate certification organisation and with the suppliers. At the time of writing, this process had not been completed. The assessment of the recyclability of private-label packaging continues on the basis of random sampling.

TARGET AGREEMENTS

for packaging-relevant components and cost items

PET BOTTLES FOR BEVERAGES (SINGLE-USE)

The proportion of recycled material in all deposit-bearing non-refillable PET beverage bottles for EDEKA private labels is to be gradually increased to an average of 25 per cent of the total quantity of material used. This changeover is to be completed by the end of 2020, provided it is technically achievable on the part of the bottling operations. Some of the prerequisites are that the bottle weight does not increase and that sufficient material is available.

In addition to the recyclability of packaging, the use of secondary raw materials is an important factor contributing to the sustainable use of resources. In the case of PET beverage bottles, the steering effect is particularly high due to the high volume turned over. In 2020, 88 articles consuming a total quantity of PET material of 16,760 tons were identified.

The average proportion of recycled material relative to the total volume is just under one per cent. This means the sub-target of an average use of 25 per cent by the end of 2020 was clearly missed. It was predicted that the increase in recycled material to a percentage above the previous target level would be reached by the following year.

	2019	2020
Number of relevant articles	94	88
PET, in tons	18,730	16,760
Proportion of rPET, in %	1.48	0.89

Table 18: Key indicators for PET bottles for beverages subject to a deposit (single-use) in the calendar years 2019 and 2020, based on the private-label catalogues 2019/20 and 2020/21.

PET BOTTLES FOR DETERGENTS AND CLEANING AGENTS

For all PET bottles for the EDEKA private labels for laundry detergents and cleaning agents in the drug store merchandise segment, the proportion of recycled material used will be increased gradually: by no later than 01/09/2020, at least 30% recycled material is to be used in selected private-label articles. The target is to reach 100 per cent by 31/05/2022.

In 2020, 23 articles consuming a total quantity of PET material of 803 tons were identified. The average proportion of secondary material used was around 53 per cent, far exceeding the sub-target of 30 per cent. A further increase in the volume of recycled material in relevant containers is planned for 2021.

	2018	2019	2020
Number of relevant articles[31]	18	18	23
PET, in tons	791	755	803
Proportion of rPET, in %	0	17.40	53.13

Table 19: Key indicators for PET bottles for laundry detergents and cleaning agents, based on the private-label catalogues 2018/19, 2019/20 and 2020/21.

[31] All PET bottles for the EDEKA private labels for laundry detergents and cleaning agents in the drug store merchandise segment.

PROPORTION OF RPET, IN %

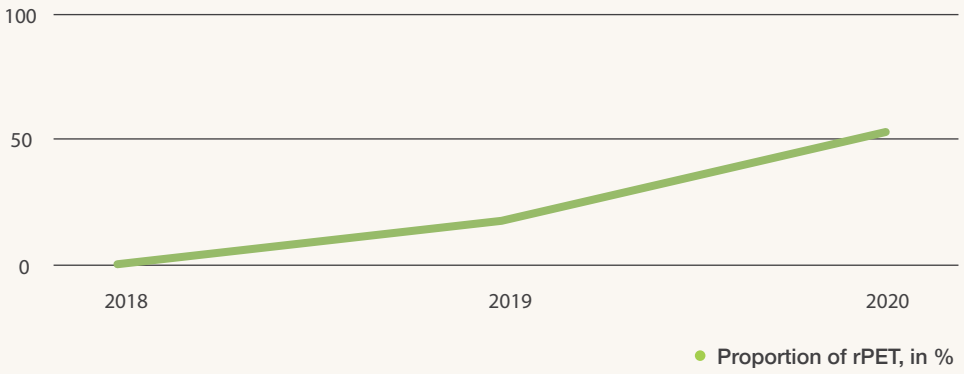


Fig. 13: Percentage share of rPET in PET bottles in the laundry detergents and cleaning agents private-label product range 2018-2020, relative to the private-label catalogues 2018/19, 2019/20 and 2020/2021.

Photo: White bear studio / Adobe Stock

ALUMINIUM

EDEKA planning provided for the greatest possible reduction or elimination of aluminium in specified articles or article groups by 01/09/2021 at the latest. For selected article groups, the target is already mandatory for aluminium coatings on beverage and liquid cartons as well as aluminium foils in the confectionery sector. Further articles (article groups) will be added successively following consultation.

The status survey for the year 2020 identified 167 articles in the beverage cartons and sweets segments, with an average aluminium content of 3.9 per cent by weight. Compared to the previous year (126 articles), EDEKA was able to achieve an overall reduction in the aluminium content of 0.7 percentage points, despite the increased number of articles. Ways of further reducing the aluminium content in this type of packaging while ensuring product protection will continue to be discussed in the future in a constructive dialogue with (upstream) suppliers.

ALUMINIUM CONTENT, IN PER CENT BY WEIGHT

	NUMBER OF RELEVANT ARTICLES			ALUMINIUM CONTENT, IN PER CENT BY WEIGHT		
	2018	2019	2020	2018	2019	2020
Beverage cartons[32]	89	123	162	4.74%	4.46%	3.70%
Chocolate[33]	6	3	5	16.22%	15.48%	15.73%
Total	95	126	167	5.04%	4.56%	3.85%

ALUMINIUM CONTENT, IN PER CENT BY WEIGHT

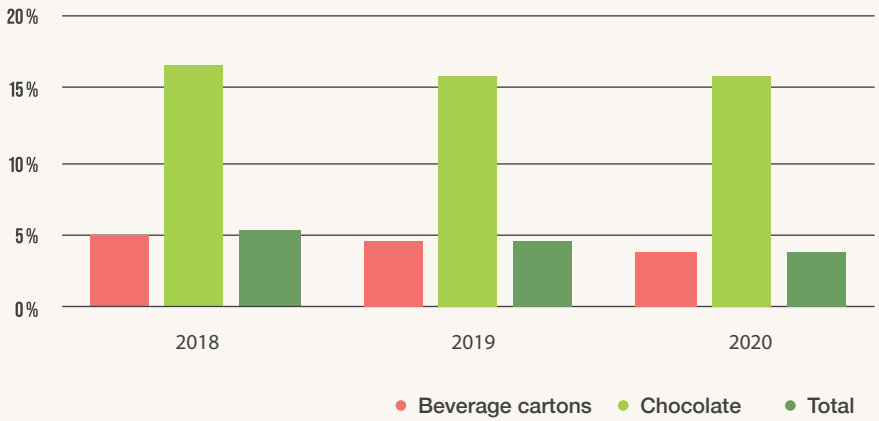


Fig. 14: Percentage share of aluminium in selected article groups 2018-2020, based on the private-label catalogues 2018/19, 2019/20 and 2020/2021.

Table 20: Key indicators for aluminium for the 2018, 2018 and 2020 calendar years, based on the private-label catalogue 2018/19, 2019/20 and 2020/21.

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

[33]According to the target agreement, relevant articles are: Chocolate (bars).

PVC

Target: To achieve a maximum degree of conversion to PVC-free alternatives for selected EDEKA articles or article groups by 01/09/2021 at the latest, for example, in screw caps on glass containers, shrink capsules for alcoholic beverages in glass bottles and shrink foil.

This year 82 articles in the above article groups in the EDEKA private-label product range were defined. Compared with the previous year (89 articles) this represents a slight reduction in the number of articles containing PVC. In addition, EDEKA included the requirement to eliminate packaging components containing PVC and PVDC in the product specifications relating to sustainability for all the procurement divisions (with the exception of Fruchtkontor operations).

NUMBER OF ARTICLES CONTAINING PVC IN SELECTED ARTICLE GROUPS

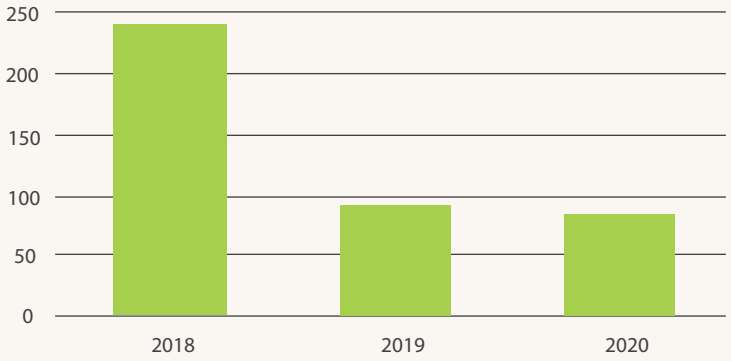


Fig. 15: Number of relevant articles[34] containing PVC, based on the private-label catalogue 2018/19, 2019/20 and 2020/2021.

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

Photo: M. R. Otero / iStock

CARRIER BAGS

Target: To achieve a reduction of all single-use carrier bags (plastic and paper) procured and sold via EDEKA HQ by at least 30 per cent by no later than 31/05/2022, without increasing the consumption of multiple-use alternatives in the process. Where carrier bags are still needed, the aim is for them be used for extended periods. Preferred alternatives are plastic carrier bags made using at least 80 per cent recycled material or a biological or natural material. In either case, however, the raw material must meet an ecological standard recognized by the WWF.

The evaluation shows that between 2017 and 2020, in terms of total numbers per square metre of sales area, the consumption of single-use carrier bags declined by 21.7 per cent. Material consumption per square metre of sales area fell by around one per cent in the same period. Differences are evident when comparing plastic and paper: while the consumption of plastic single-use bags (number of units per square metre of sales area) fell by almost 53 per cent, the number of single-use paper bags (number of units per square metre of sales area) used by customers rose by 55 per cent in the same period. Reaching the overall goal will require increased involvement by, and outreach to, both independent retailers and consumers. Information and accompanying communications materials should aim at motivating people to forego the use of new carrier bags altogether, or to use them repeatedly and over an extended period.

NUMBER PER M² OF SALES AREA

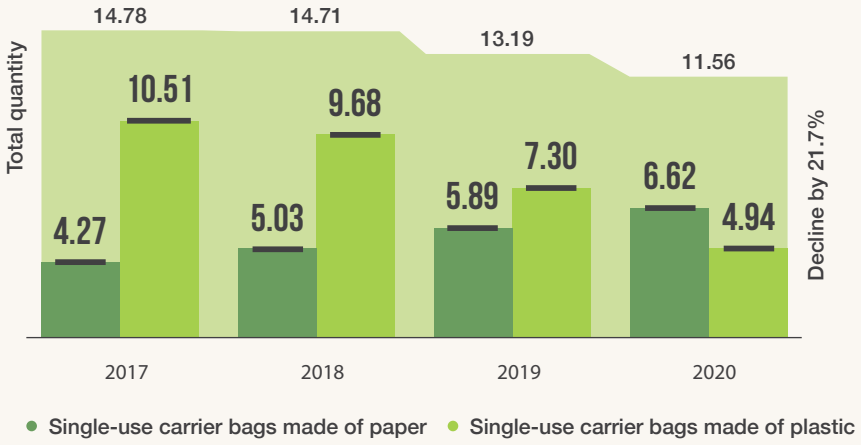


Fig. 16: Number per m² of sales area at EDEKA stores, 2017 to 2020.

QUANTITY OF MATERIAL, IN KG PER M² OF SALES AREA

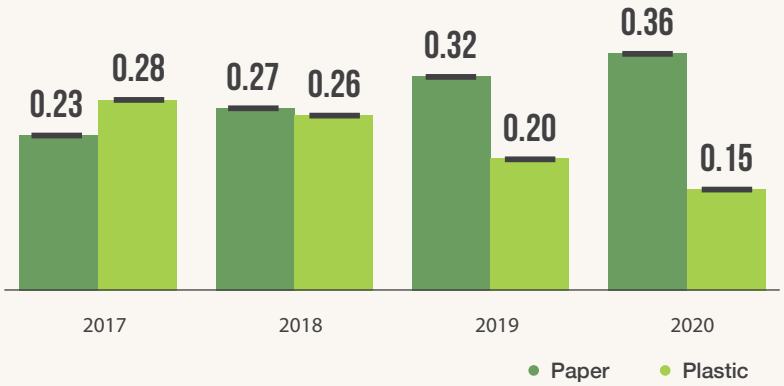


Fig. 17: Quantity of material, in kg per m² of sales area at EDEKA stores, 2017 to 2020.

KNOT BAGS

Target: The number of knot bags purchased by EDEKA HQ is to be reduced by at least 30 per cent by no later than 31/05/2022.

In the case of knot bags in the fruit and vegetable department, it is not a question of substitution, i.e. of replacing them with a supposedly better packaging material, but of actually reducing the amount of material consumed and the number of units used. The latest results show that EDEKA has been able to sustain the positive trend of recent years: the number of knot bags provided (number of units per square metre of sales area) has already dropped by almost 48 per cent compared to the baseline year. Material consumption fell by almost half over the same period. Despite this positive development, the information supplied with products and the outreach to the independent retailers and the customers should be maintained and, ideally, even enhanced.

Fig. 18: The new multiple-use netting bags are a great alternative to single-use plastic or paper bags, and they help in reducing the consumption of knot bags further.

NUMBER PER M² OF SALES AREA

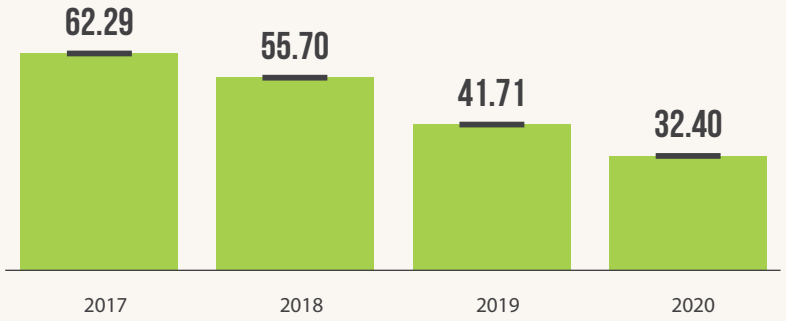


Fig. 19: Number per m² of sales area at EDEKA stores, 2017 to 2020.

QUANTITY OF MATERIAL, IN KG PER M² OF SALES AREA

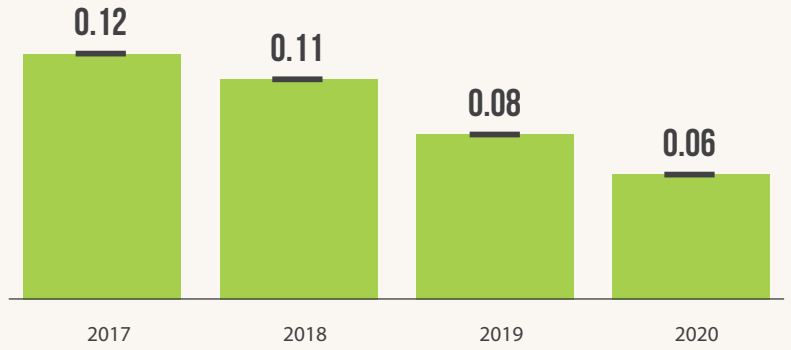


Fig. 20: Quantity of material in kg per m² of sales area at EDEKA stores, 2017 to 2020.

FRUIT AND VEGETABLES

Target: By no later than 31/05/2022, all measures developed by EDEKA on the basis of a schedule for the elimination or optimisation of packaging for private labels in the fruit and vegetables segment should be fully implemented.

Fruit and vegetables are often sold industrially pre-packaged by the suppliers. For selected organic fruit and vegetable varieties, EDEKA has already eliminated packaging entirely and is instead relying on the so-called “smart branding”. The partners have agreed that the next step will be to convert private-label packaging from PVC to alternatives that contain neither PVC or PVDC. There are also plans to find substitutes for expanded polystyrene (EPS). From WWF's point of view, these measures are important but do not go far enough.

The gathering of data on packaging types and materials used was carried out by means of a supplier survey conducted in the 2020 calendar year. However, with regard to the key indicators on PVC and EPS, the survey revealed some uncertainties regarding the robustness of the data. At the time the status survey was carried out, 57 suppliers confirmed that they were using packaging or packaging components containing PVC. A total of 24 suppliers reported the use of polystyrene. No distinction was made between EPS and polystyrene. The external audit could therefore not confirm the baseline for the year 2020 in the fruit and vegetables sector. EDEKA is in discussion with the responsible purchasing departments regarding the changeover.

Photo: Thomas Schindel / EDEKA

INFORMATION MANAGEMENT

EDEKA and the WWF provide the Fruchtkontor operations, the retail stores and the end consumers with information about packaging and packaging materials. They also receive information on proper waste disposal and recycling via various media and communication channels as well as directly on the private label items. In its fruit and vegetable departments, EDEKA continues to encourage people not to use knot bags and paper bags.

ACHIEVEMENTS

SUBTARGET	TARGET ACHIEVEMENT		
Selection and implementation of a pilot project for eliminating packaging at fresh food counters	A pilot project has been implemented. Additional systems that have already been trialled by individual EDEKA retailers are being implemented Group-wide.	06/2019	✓
Description of different types of packaging (development of the ratings system)	An overview in table form has been completed.	06/2017	✓

Table 21: Targets achieved in the subject area Packaging since the beginning of the partnership in 2012.

MORE ON THE SUBJECT OF PACKAGING AT:

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

Photo: Somchai20162516 / Adobe Stock

2.8

MANAGING THE PROCUREMENT OF CRITICAL AGRICULTURAL COMMODITIES

Making sustainable sourcing and procurement decisions is part of responsible business practices and contributes to sustainable agricultural production. That is why EDEKA is working towards ensuring that the farms of EDEKA suppliers change their operations over to sustainable water management, better working conditions, lower greenhouse gas emissions, greater biodiversity and optimised soil management.

PROCUREMENT MANAGEMENT FOR GREATER SUSTAINABILITY

ECOLOGICAL AND FAIR TRADING AND BUSINESS PRACTICES FOR DIVERSE HABITATS

Greenhouse gas emissions, air pollution, water consumption and land use: food retailing places a particularly high burden on the environment. More than 75 per cent of global land use and around two thirds of the worldwide water consumed in the production of supermarket products is attributable to the cultivation of raw materials. In the countries of origin, this has lead to a dramatic loss in biodiversity.

IMPACT OF THE FOOD SECTOR

Even before fruit like avocados or mangos are transported from Mexico, Chile or Peru to all regions of the world, they have already left their mark: pesticides harm both the health of people and of the natural environment, agricultural land displaces ecosystems, fertilisers release greenhouse gases, monocultures lead to soil erosion and salinity. The list of consequences is long.

FACTS AND FIGURES REGARDING ECOLOGICAL CONSEQUENCES

To reduce the ecological risks posed by its fruit and vegetable supply chains, EDEKA introduced a “Procurement Management For Critical Agricultural Commodities” system. It is intended to allow sustainability aspects to be systematically factored into procurement decisions: EDEKA Procurement receives information on existing procurement risks, which are determined on the basis of carefully selected key indicators covering the areas of environment, social welfare and supply security for commodities and sourcing countries, transportation and suppliers. The data provides information on both the specific environmental footprint and the most efficient mitigation measures.

PARTNERSHIP TARGETS

IN THE SUBJECT AREA PROCUREMENT MANAGEMENT OF CRITICAL AGRICULTURAL COMMODITIES

The subject area Procurement of Critical Agricultural Commodities is intended to give EDEKA – and especially the Group's procurement activities – a comprehensive insight into current procurement risks specific to individual commodities. These risks can be identified and minimised by means of a procurement management web tool that was specially developed in house. Risks thus identified are primarily any negative consequences for the environment and people in the countries of cultivation, for example through the use of pesticides or non-compliance with social standards, brought about as a result of raw material production.

The tool also helps in the strategic implementation of risk mitigation measures in the supply chain, for example by only purchasing certified raw materials of a certain type, and by using training to raise awareness among suppliers about the risks involved. The partners plan to approve such risk minimisation measures by 31/05/2022. In the introductory phase, several modules of the web tool, such as raw material and supplier profiles and supply chain comparisons, are being developed together with the Fruchtkontore. In parallel, the environmental costs caused by EDEKA are calculated. Progress made in the minimisation of procurement risks are monitored and evaluated regularly.

As part of their joint lobbying activities, EDEKA and the WWF document this market transformation to the outside world as well, with the aim of motivating others to follow their example.

Photo: Delightin Dee / Unsplash

TARGET ACHIEVEMENT – OVERVIEW

SUBTARGET	STATUS 30/06/2021	OUTLOOK
OVERALL		
Development of a web tool for identifying and reducing procurement risks in connection with critical agricultural commodities	The EDEKA Supply Risk Tool has gone live with its initial set of functionalities: "Comparison Countries/Commodities", "Commodities Profiles" and "Commodity Risk Trend".	→
DEVELOPMENT OF SEVERAL WEB TOOL MODULES		
Supplier Evaluation tool	EDEKA has extended its membership in the sustainability initiative SAI Platform. An SAI tool (FSA) for assessing farm sustainability performance (Supplier Assessment Tool) was trialled with four Fruchtkontor suppliers (on 33 farms).	→
Comparison of supply chains	This module is partly based on the Supplier Assessment Tool. The development work will commence following the launch of the Farm Sustainability Assessment.	↘
Determination of EDEKA's ecological impact	EDEKA was able to win over three additional fincas for the analysis of the environmental costs of the citrus project in Spain. The environmental costs of four banana project fincas in Ecuador and Colombia were also analysed and compared with the environmental impact of organic farming.	↘
Updating of the risk analyses completed	21 risk analyses from the years 2015–2017 were brought up to date.	→
Preparation of Rapid Response analyses	Three Rapid Response analyses for the commodity cocoa were prepared and were received by EDEKA within two weeks.	→
Development of a monitoring system for the reduction of procurement risks and project progress until 28/02/2019	The first key indicators for measuring progress in combination with freshwater monitoring were evaluated, but could not yet be used to devise practical measures due to resource constraints.	↘
Target agreement for reducing existing risks until 31/05/2019	A decision on target agreements can only be made on the basis of additional information.	↘

Table 22: Overview of targets achieved in the subject area Procurement Management For Critical Agricultural Commodities by 30/06/2021.

DEVELOPMENT OF A WEB TOOL

FOR IDENTIFYING AND REDUCING PROCUREMENT RISKS IN CONNECTION WITH CRITICAL AGRICULTURAL COMMODITIES

The EDEKA Supply Risk Tool has been available live since July 2020. Test runs with the tool have allowed EDEKA and the WWF to continually improve functionality and user-friendliness. Additional testing in other merchandise divisions is being conducted in preparation for the tool's full-scale roll-out in EDEKA Procurement. The module "Farm Sustainability Assessment" is being worked on and will in future complement the existing functions "Comparison Countries/Commodities", "Commodities Profiles" and "Commodity Risk Trend".

DEVELOPMENT OF SEVERAL WEB TOOL MODULES

Due to the coronavirus pandemic, EDEKA was forced to postpone the test run of the Supplier Evaluation tool of the SAI Platform. Testing could only be carried out in the spring 2021 and involved four suppliers from two EDEKA merchandise divisions at 33 farms.

The number of participating suppliers was thus higher than originally anticipated. The tool is used to compile "Supplier Profiles". The feedback from the trial was mostly positive. In addition, EDEKA extended its membership in the SAI Platform.

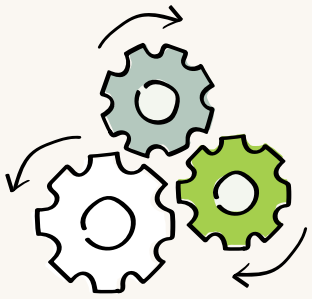


Fig. 21: EDEKA Supply Risk Tool – web-based tool to assist with strategic procurement decisions in the EDEKA merchandise divisions

DETERMINATION OF EDEKA'S ECOLOGICAL IMPACT

During the reporting period, EDEKA was able to complete the expansion of the environmental cost analysis on the citrus project, which had already begun in the previous year, and even succeeded in adding three additional project fincas. Data on fertiliser use was also included for the first time. This provides an even better representative view of the environmental impact of the project overall and helps identify further potential savings in environmental costs.

The environmental cost analysis for the banana project, in which two fincas each from Ecuador and Colombia participated, has also been completed. Based on this analysis, EDEKA and the WWF are now able to compare the environmental costs of the project with those of conventional and organic cultivation. The findings also provide useful information for further development of the project.

Photo: Imago Photo / Adobe Stock

DEVELOPING A MONITORING SYSTEM

FOR THE REDUCTION OF PROCUREMENT RISKS AND FOR MEASURING PROJECT PROGRESS

Progress monitoring to reduce procurement risks also includes an inventory of the risk exposure of all EDEKA fruit and vegetable suppliers.

Prior to the start of the survey, it was discovered that a large overlap existed with the freshwater monitoring related to the sustainability performance of the main fruit and vegetable varieties for each reference country. To ease the burden on the suppliers, an amalgamation of monitoring processes at a later date is envisaged. To do so, the freshwater monitoring that has just been expanded should first be completed, as this is already taking up more of the suppliers' time.

ACHIEVEMENTS

SUBTARGET		TARGET ACHIEVEMENT	
Risk analyses	A total of 234 risk analyses were completed.	06/2017	✓
Rapid Response analyses	The WWF prepared a Rapid Response analysis and handed it over to EDEKA within two weeks.	07/2019	✓
DEVELOPMENT OF SEVERAL WEB TOOL MODULES			
Pilot group for the development and adaptation of the modules	Members have been chosen, and working meetings of all the relevant stakeholders are taking place. The pilot group is working on the content of the web tool modules.	06/2018	✓
Commodity Profiles until 30/09/2017	Feedback on content received from EDEKA users was incorporated into the 32 Commodity Profiles already prepared.	06/2018	✓
Updates of prepared risk analyses until 31/05/2019	34 risk analyses from 2013/14 and 22 risk analyses from 2014/15 were updated.	06/2019	✓

Table 23: Targets achieved in the subject area Procurement Management since the subject area was included in 2017.

MORE ON THE SUBJECT OF PROCUREMENT MANAGEMENT:

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

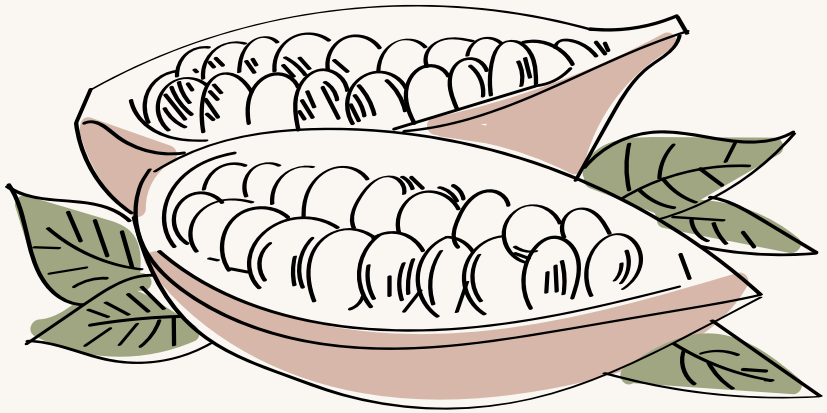


Photo: M. Dörr & M. Frommherz / Adobe Stock

3

AGRICULTURE PROJECTS AND PROGRAMMES

IMPROVING AGRICULTURAL CULTIVATION PRACTICES TOGETHER IN THE FIELD

LEAVING SPACE FOR NATURE ON FIELDS AND FARMS

We are facing many challenges: the world's population is growing, the demand for meat is increasing, and the continued expansion of land used for agriculture and its intensive cultivation is causing the loss of biodiversity: across Europe, every second field bird has already disappeared from the landscape since the 1980s. This means that even animals and plants that used to be typical denizens of fields and meadows, such as skylarks or whinchat, are being displaced by intensified agriculture. Agriculture also impacts on global warming. Climate scientists expect water resources to become significantly scarcer in the near future. The effects of climate change can already be seen and felt quite clearly.

DROUGHT ALERT AND LOSS OF WETLANDS

In southern Spain, for example, the record low rainfall experienced over the last 17 years prompted the water authority to declare a drought alert and to impose severe restrictions on water use rights for agriculture. The massive overexploitation of natural water has also had a damaging effect on the region's unique biodiversity. The Doñana National Park at the mouth of the Guadalquivir River, Spain's most important wetland that serves as a resting place for countless migratory birds, is in acute danger.

PROMOTING BIODIVERSITY IN CULTIVATED AREAS

To counter these trends, EDEKA together with the WWF is implementing projects designed to improve cultivation practices in agriculture. In the "Joint Project For Better Oranges And Mandarins" in southern Spain, some 1.8 million litres of water were saved in the year 2020. Farms are working towards making conventional cultivation more environmentally friendly. On farms in Ecuador and Colombia, bananas are grown using conventional cultivation in one of the world's most biodiverse regions using measures such as the optimised application of fertilisers and pesticides, improved water management and the establishment of protection zones for endangered animal and plant species. And in Germany, too, the partnership is promoting "Agriculture for Biodiversity" whose aim is to protect wild herbs, field birds, insects, amphibians and mammals in areas being farmed organically – and they are doing so with some success.

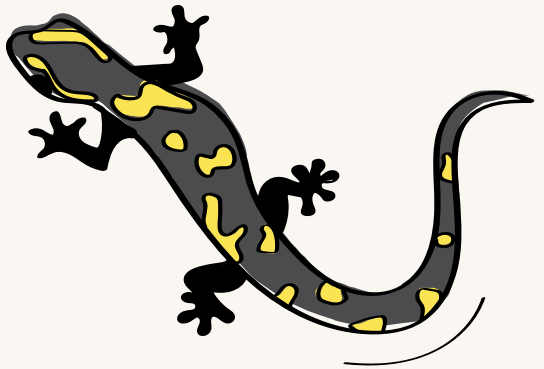


Photo: Jared Subia / Unsplash

3.1

JOINT PROJECT FOR BETTER ORANGES AND MANDARINS

The project promotes an efficient irrigation adapted to climate change and responsible water use within the river basin. Reduced use of agrochemicals and the improvement of soil fertility by building up humus make an important contribution to climate protection. Promoting biodiversity represents a fundamental part of the project.

PROJECT INFORMATION (STATUS AS OF DECEMBER 2020)

JOINT PROJECT FOR BETTER ORANGES AND MANDARINS

Regions: Andalusia, Spain

Project background:

The Citrus project is intended to make the conventional cultivation of oranges and mandarins in Spain more sustainable. The country is the largest producer and exporter of these fruit in the EU. Almost 90 per cent of citrus fruit sold at EDEKA comes from Spain. However, their conventional cultivation causes very high environmental costs. Along with the extensive use of agrochemicals, the loss of soil fertility and the associated release of greenhouse gases, dwindling biodiversity as a result of intensive land use, water consumption in particular represents a major environmental challenge in Spanish citrus-growing regions. The region of Andalusia in particular, one of the centres of fruit and vegetable cultivation in Europe, is now suffering an extreme shortage of water. This in turn endangers species-rich ecosystems like the Coto de Doñana National Park south of Seville, whose watershed includes a number of farms that are part of the citrus project.

Project development:

To meet the ecological challenges associated with the conventional cultivation of oranges and mandarins, EDEKA and the WWF launched the citrus project at the end of 2015, together with the supplier Iberhanse at the Iberesparragal farm near Seville. By the end of 2020, the measures had been implemented on 15 farms, covering a total area of over 1,100 hectares.

PROJECT AREA OF THE CITRUS PROJECT

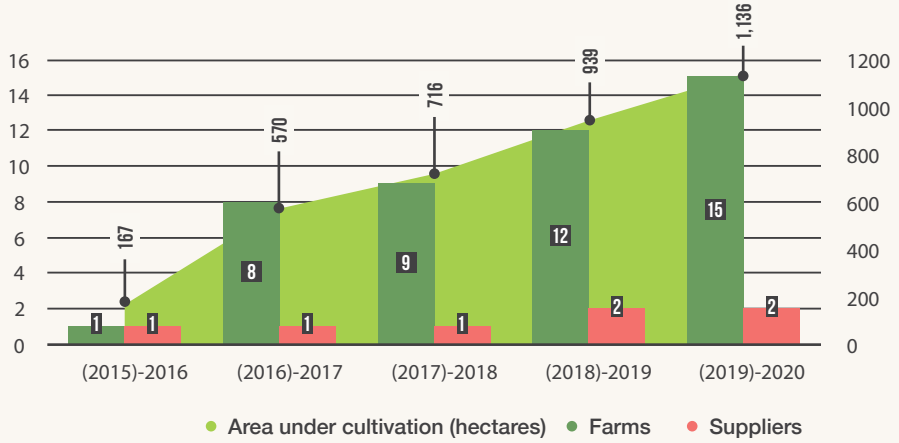


Fig. 22: The ongoing development of the project, indicated by the project area, in hectares, and by the number of participating suppliers and farms, since it began in 2015 until 2020.

PROJECT TARGETS

IMPROVEMENT OF AGRICULTURAL PRACTICES, WITH THE FOLLOWING FOCUS AREAS:

1 Responsible water use on farms and in the river basin

2 Preserving and fostering biological diversity and ecosystems

3 More sustainable crop protection

4 Additional measures representing good agricultural practice, in particular more sustainable use of fertilisers and the enhancement of soil fertility

Photo: t4n.yong / Adobe Stock

MARKETING

In addition to improving cultivation, the project also aims to increase the supply of more sustainably produced oranges and mandarins sold at the German stores of the EDEKA Group. Every fourth orange sold at EDEKA in 2020 was a project orange. They have been available at EDEKA stores throughout Germany since 2017, and since 2018 also at Netto stores. Oranges are sold by Germany's largest food retailer between October and May, and mandarins from December to February. Overall, sales of classic conventionally grown fruit at the stores have fallen steadily in recent years. In contrast, sales of project fruit as well as organically grown fruit have risen sharply.

PROPORTION OF SALES OF ORANGES AT EDEKA AND NETTO STORES, BY CULTIVATION METHOD

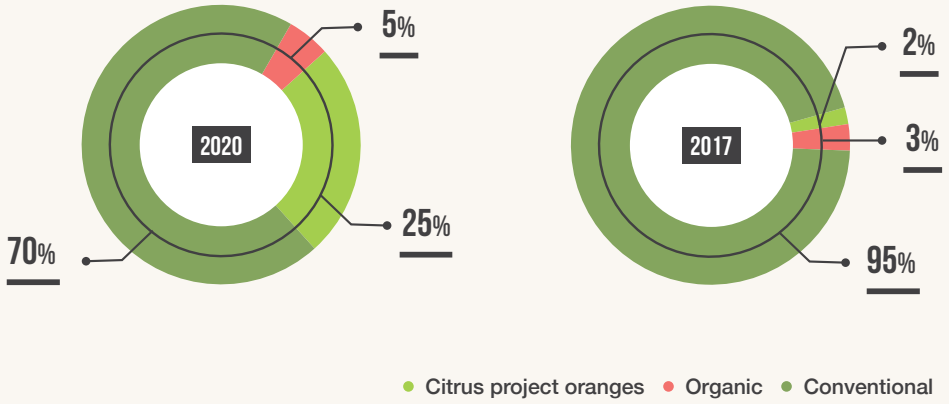


Fig. 23: Proportion of sales of oranges, by cultivation method While sales of classic conventionally grown fruit at EDEKA and Netto Stores have declined steadily over the years, sales of project oranges and organically grown oranges have increased.

PROGRESS IN THE YEAR 2020

RESPONSIBLE WATER USE ON FARMS AND IN THE RIVER BASIN

All participating farms commit to save water and adapting their irrigation regime to the climate forecast for their region. As a technological aid, the project team made the installation of soil moisture probes mandatory as far back as 2019. Despite the fact that the Spanish authorities imposed further significant restrictions of water use rights (known as concessions) in the year 2020 due to the ongoing water shortage, all the farms together managed to save over 1,800 million litres of water. On average, this corresponds to more than a quarter of the concessions awarded by the authorities.

The project farms also support the conservation of water resources in the river basin and promote efforts to keep these resources free from pollution using the so-called “Water Stewardship Approach”. In addition to the preparation of a project-related fact sheet, joint actions were undertaken for the first time in the Guadalquivir river basin in the years 2019 and 2020. However, a riverbank clean-up like in 2019 could unfortunately not be repeated in 2020 due to the Corona pandemic. Instead, project participants met in an onlineworkshop with local irrigation communities and representatives of authorities to exchange information about the state of the water resources and to discuss necessary changes to processes for their protection.

WATER SAVED ON THE PROJECT FARMS (IN MILLION LITRES)

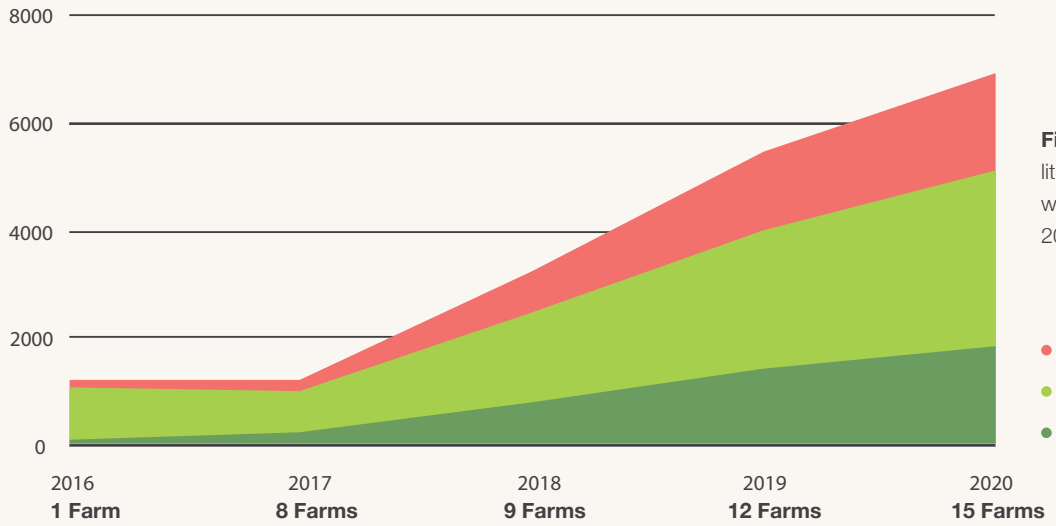


Fig. 24: Water saved, in million litres, on project farms relative to water use rights, from 2016 to 2020.

Photo: Mariola-grobelska / Unsplash

PRESERVING AND FOSTERING BIOLOGICAL DIVERSITY AND ECOSYSTEMS

The project is also aimed at restoring biodiversity on the farms. Improved agricultural practices address the goal of protecting valuable habitats, creating ecological structures, and benefiting beneficial insects and their populations. The monitoring conducted annually confirmed in 2020 that rare and shy animals such as red fox, otter, mongoose, badger and the Moorish brook turtle have returned to the farms.

An instance of an osprey en route from England to Africa and the Middle East stopping near a citrus farm retaining pond to forage was documented. A total of 90 different bird species, 10 mammal species, and 14 different reptile and amphibian species have been recorded on the citrus farms as of 2020.

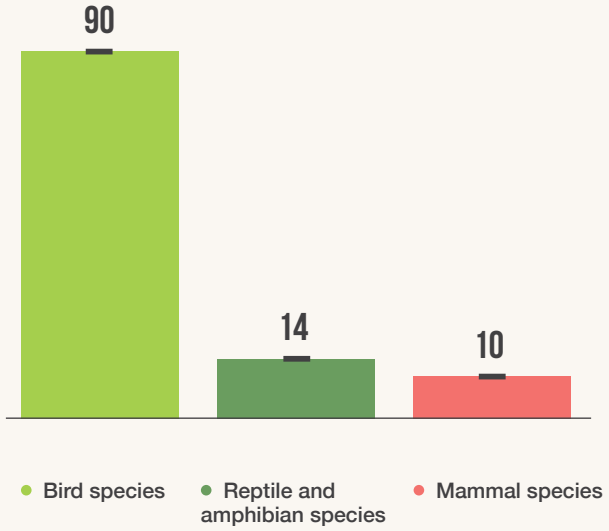


Fig. 25: Number of different species on the project farms in 2020. The census takes into account all animal species listed in the national catalogue of “protected animal species” or named as “protected” or “specially protected” species in Appendices II and III of the Berne Convention.

Photo: Jesus Quintero, 2020

Fig. 26: The Moorish stream turtle (Mauremys leprosa), which is listed as “endangered” on the IUCN Red List, is one of the reptiles regularly spotted in the citrus plantations.

MORE SUSTAINABLE CROP PROTECTION

Since the project began, the use of pesticides on the cultivation area has decreased sharply, and with it the overall toxic load. The pesticide plan developed by the project team, which production managers must follow closely, prohibits the use of particularly harmful[35] active ingredients that have a negative impact on biodiversity. The farms are also encouraged to substitute other pesticides of concern, an effort that is monitored, and which is showing impressive results: compared to the year before they joined the project, the farms used around 7,000 litres less pesticides in 2020. The use of pesticides has declined by 80 per cent on average.

[35] According to the list of highly hazardous pesticides of the Pesticide Action Network PAN

APPLICATION OF CROP PROTECTION AGENTS ON PROJECT AREAS, UNTIL 2020 (IN KG/HA)

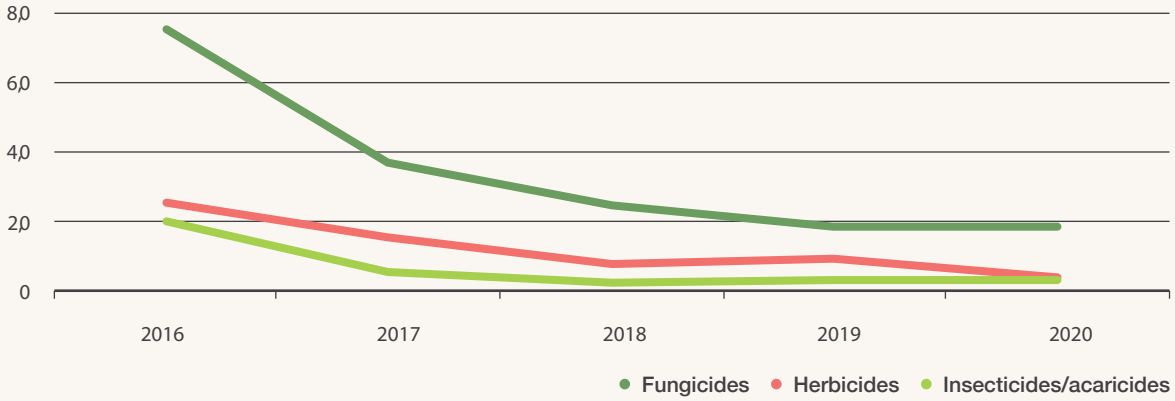


Fig. 27: Reduction in the use of pesticides, in kilograms per hectare, since 2016. The amount of pesticides used in the 12-month period prior to project entry is considered as the baseline for each farm.

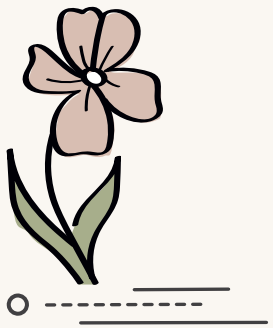


Photo: Siculodde / Adobe Stock

LITTLE HELPERS: HOW BIODIVERSITY AND THE USE OF CROP PROTECTION AGENTS ARE RELATED

Two key indicators recorded in the monitoring, namely (1) the number of different ladybird species on the participating farms and (2) the total chemical load as a result of the crop protection agents applied ("toxic load") show that more sustainable crop protection and the promotion of biodiversity go hand in hand. On each of the farms, the “toxic load” per hectare has declined significantly over the years. Whereas in the year before the project started an average of around 12 kilograms of crop protection agents were applied per hectare, in 2020 the average had dropped to only 2.5 kilograms. This coincided with a direct increase in the number of ladybird species recorded on the individual farms. Ladybirds are particularly useful as natural enemies of mites, aphids and other pests. The number of ladybird species on the project farms has increased from five species to 25 species since the project began.

INCREASE IN LADYBIRD SPECIES ON THE FARMS WITH THE GREATEST TOXIC LOAD REDUCTION (PER HECTARE)

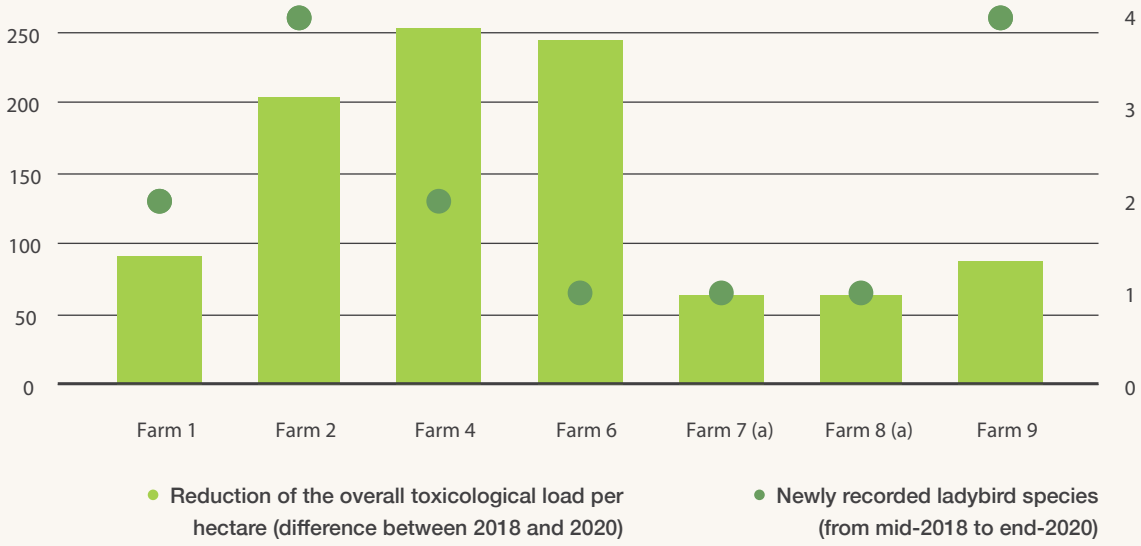


Fig. 28: Increase in ladybird species on the farms with the greatest reduction in toxic load (per hectare). The number of ladybird species, which are important beneficial insects in pest control, has grown steadily over the years.

FURTHER MEASURES FOR SOUND AGRICULTURAL PRACTICE

Until 2018, fertilisation of the plants was rarely adjusted in response to the actual nutrient availability of the soils, and hence to the actual needs of the citrus trees. Now, more and more agro-ecological measures are being implemented in the project, and organic fertilisers are increasingly replacing mineral ones. The aim is to increase soil fertility, because healthy soils can bind larger amounts of carbon and store more water.

The humus content of the soils can vary on the individual project farms depending on the location and the type of cultivation practised there in the past. If the humus content falls below a certain threshold, it becomes necessary to increase the proportion of fertile matter through additional organic fertilisation. Many farms already use more organic fertiliser than mineral fertiliser. Building up humus takes time, however. It will only be possible to comment on the improvement of soil fertility in the medium term.

Photo: Julian Paolo Dayag / Unsplash

QUANTITIES OF MINERAL VS ORGANIC FERTILISERS APPLIED ON THE PROJECT FARMS (IN KG)

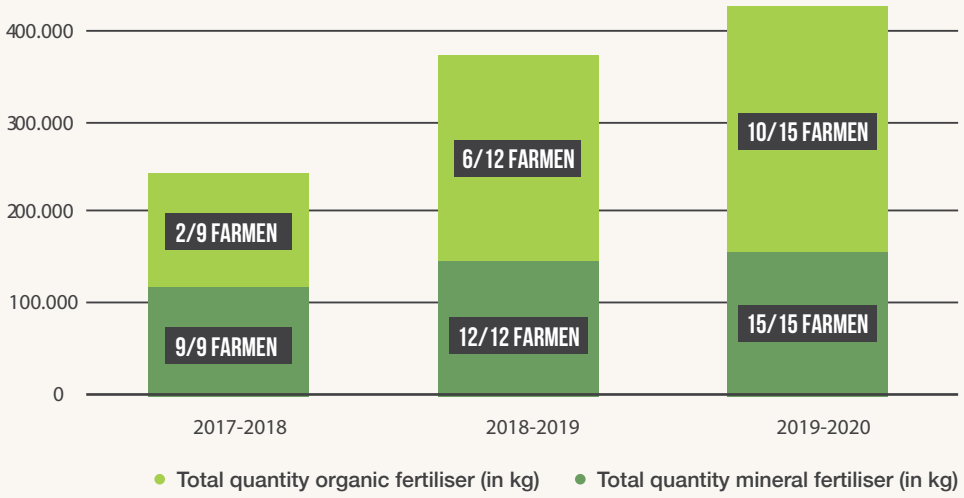


Fig. 29: Application of organic and mineral fertilisers, per year, in kilograms. Relative to the number of farms, the use of mineral fertiliser has decreased. Although not yet applied on all farms, the use of organic fertilisers is higher overall.

OUTLOOK

EDEKA and the WWF launched the "Joint Project For Better Oranges And Mandarins" to reduce the negative impact of conventional agriculture by targeting areas where the leverage effect is as strong as possible: in citrus cultivation in Spain. Based on data from four farms, a study carried out by a third party concludes that **the project saves around 30 euros, or 11 per cent per ton, in environmental costs in terms of water, greenhouse gases, pollutants and land use** compared to conventionally grown fruit without additional agro-ecological measures.

The consequences of climate change, such as increasing heat, water scarcity and an increased incidence of pests, are putting more and more pressure on farms and plants in Spain. The focus in the year 2021 is therefore on a spatial and strategic project expansion to the regions of Valencia, Tarragona and Castellón in the east of the country. The partners EDEKA and the WWF expect this expansion to not only increase the reach and level of impact of sustainable agricultural practices, but also to further boost the supply of more sustainably produced oranges and mandarins in the German stores of the EDEKA Group.

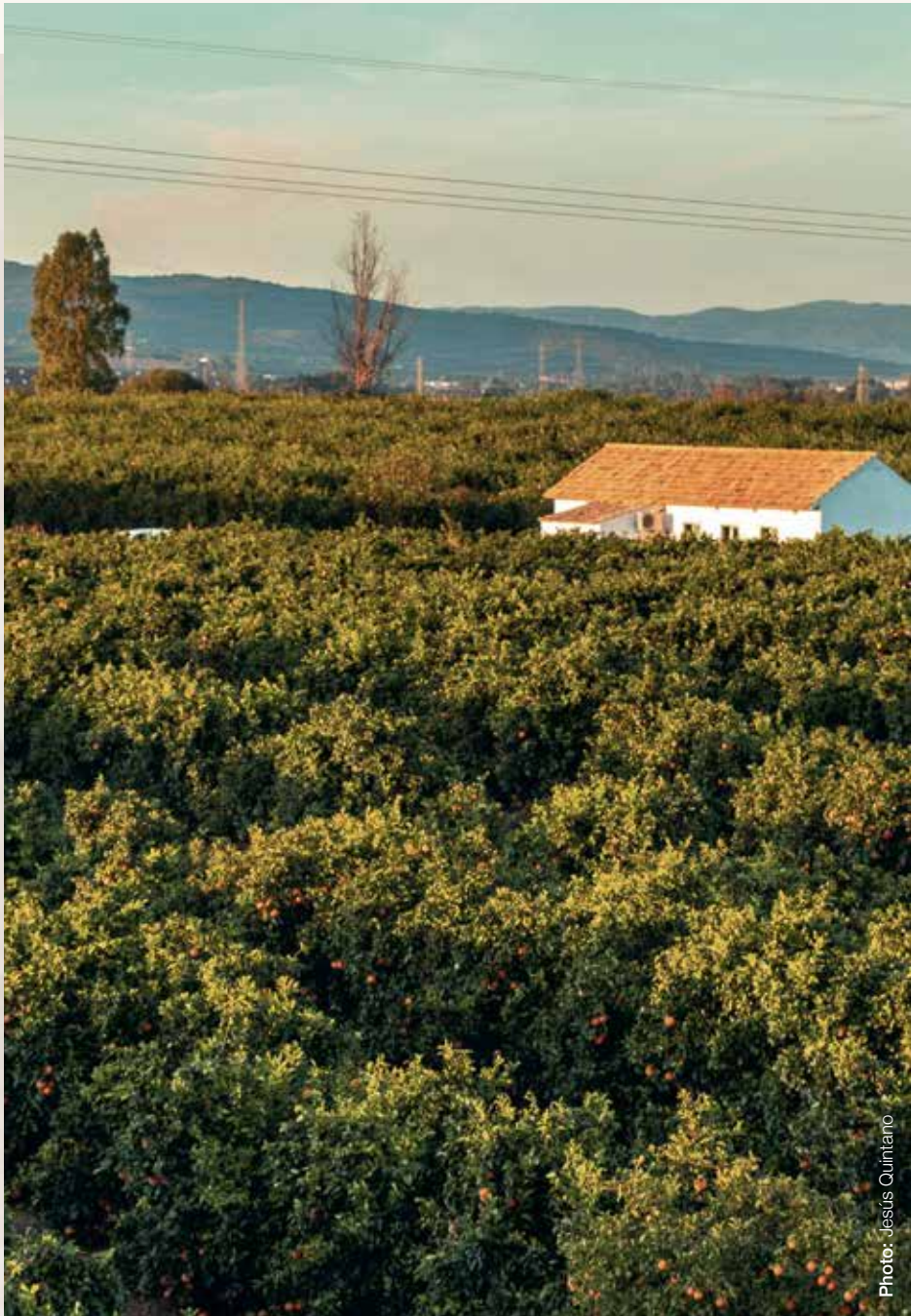


Photo: Jesus Quintano

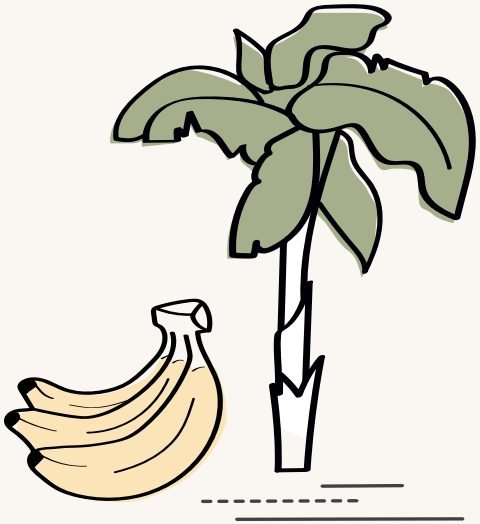
Photo: Monika Guzikowska / Unsplash

3.2

JOINT PROJECT FOR A BETTER BANANA

To preserve biodiversity, the banana plantations involved in the project are gradually phasing out herbicides, creating protection zones around natural ecosystems and using new, precise spraying systems. In doing so, they are protecting life on land and in the water bodies in equal measure. The mandatory water management is reaping rewards in terms of sustainable economic growth, as does the focus on social responsibility. This is because the farms also contribute to labour safety and compliance with the applicable labour laws.

GENERAL PROJECT INFORMATION



"BANANA PROJECT" JOINT PROJECT FOR A BETTER BANANA

Growing regions: Ecuador (Guayas province) and Colombia (federal state of Magdalena, northern Colombia)

Marketing:
- The project bananas have been available at EDEKA stores throughout Germany since 2014.
- Since 2015, the project bananas have also been available at supermarkets of the Swiss retail chain Migros.

Project targets: Subject areas associated with banana cultivation:
- protecting the ecosystem rain forest and its biodiversity,
- protecting precious freshwater from contamination, and conserving water,
- improving waste disposal and support with the establishment of a waste management system,
- conserving soils and optimising the use of pesticides,
- identifying sources of greenhouse gases and reducing them,
- assuming social responsibility for health protection and job security for the workforce.

Number of project plantations: 19 plantations – 12 in Colombia, 7 in Ecuador

Area under cultivation Total: approx. 4,000 hectares

Table 25: Product information on the cultivation project for a better banana.

Photo: Denis Ünver / WWF

PROJECT PROGRESS 2020 – OVERVIEW

DECISION TO CONTINUE THE PROJECT

At the first workshop in January 2020, all parties agreed: the project is to be continued. The joint work on conventional but sustainably designed banana cultivation is to enter a third project phase with a duration of another five years.

ELIMINATION OF HERBICIDE USE

By the end of 2020, all project farms had reached the target of eliminating the use of herbicides – yet another milestone on the way to greater biodiversity and the protection of human health. The subject is dealt with in more detail in the section “Integrated Cultivation Management”, below.

DEVELOPMENT OF THE KEY PERFORMANCE INDICATOR (KPI) TOOL

Until now, the data on the farms was recorded and maintained manually, which was time-consuming. Now the collection of key indicators is going live! The new procedure simplifies the collection and evaluation for all parties involved, and it is also less prone to errors. The pilot version trialled in December 2020 already met with a consistently positive response. The next step will be to test the tool by collecting the data on one farm in each country. After successful completion, the entire collection of KPI data for 2020 is scheduled to run via the new tool.

DEVELOPMENT OF PROJECT CONTENT FOR PHASE 3

The decision to extend the project for another five years also marked the start for the conceptual design of the new project phase. In 2020, the project team was engaged in an intense effort to fine-tune the strategic orientation and define new measures for the six subject areas. The design phase has not yet been completed.

MORE PROFESSIONAL EXPERTISE

Experience has shown that the project farms need more technical support on the ground to achieve the best possible results. This is particularly true in the areas of soil health, climate protection and pesticides. Fortunately, competent experts could be found last year, and they are already advising on the design of the new project content based on their local expertise.

Photo: Denis Ünver / WWF

CHALLENGES AND LESSONS LEARNT

COVID-19

The pandemic hit the project on several levels at once: access to the farms was and continues to be severely restricted by the travel regulations in force. This meant that the half-yearly monitoring had to be carried out remotely in 2020. Other face-to-face meetings, such as the regular farm visits by WWF staff and experts, were also not allowed at first. Even the half-yearly project workshops had to be conducted virtually. There was no question that combating the dangerous virus had to be the top priority. Although many activities and measures had to be postponed, the project team nevertheless continued to work resolutely towards achieving the targets set.

REMOTE MONITORING

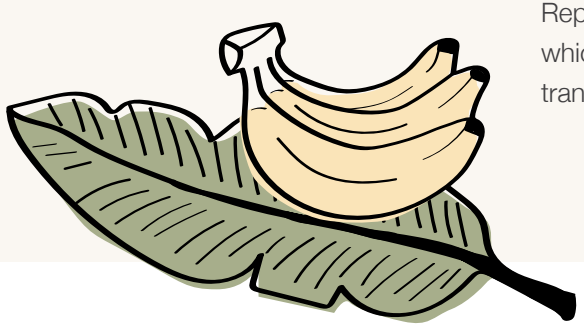
The half-yearly monitoring that had to be carried out remotely due to Corona resulted in a significantly higher expenditure of time and resources. The plantations had to compile data and information themselves in advance and transmit it digitally. Usually it is the auditors who collect the data on site. However, a cloud-based project facility with clear structural specifications supported the plantations in preparing the data.

TRAINING COURSES

When the Corona pandemic hit, all training activities were temporarily suspended. Once the first local restrictions were relaxed, some of the plantations implemented classroom training with a reduced number of participants and a strict hygiene concept, while others used instructional videos from the teams on site. The videos were sometimes played daily at the packing stations or shown outdoors and attended by entire groups. In addition, WWF Ecuador developed a new, interactive video format around the topic of environmental protection and sustainability, and this was used in training courses from 2021 onward.

RENATURATION STRATEGY

In early 2020, a workshop on protection zones around aquatic ecosystems was held with the participation of plantations in Ecuador. The aim is to enhance the ecological value of the zones by means of targeted planting activities. For example, fruit-bearing plants provide food for the local fauna. It soon became clear that there is a need for a manual covering the care and proper maintenance of the protection zones. This is because the plants around the fields are already growing so fast that they are encroaching on the cultivated areas. In addition, the plantations are no longer allowed to exchange plant material to ensure that the TR4 fungus is prevented from spreading (s. section “Integrated Cultivation Management” in the 2020 Progress Report, below). The own cultivation of native species, which is dealt with in the manual, excludes this risk of transmission.



METHODOLOGY

The requirements catalogue for the project plantations consists of **six subject areas and 18 targets. A total of 77 measures are in place to achieve these targets.** Performance indicators (project KPIs) were defined for each target as a means of measuring progress. External auditors carry out the comprehensive half-yearly monitoring and also advise the plantations.

RESULTS OF KPIS FOR OVERARCHING TARGETS FROM 2020*

TARGET	INDICATOR	2019	RESULT 2020
Establishment of protection zones around natural aquatic and terrestrial ecosystems**	Size of protection zone for natural aquatic ecosystems [in ha]	**85.66 ha** 69.25 ha (Ecuador) 16.41 ha (Colombia)	**83.24 ha** 66.80 ha (Ecuador) 16.44 ha (Colombia)
	Size of protection zone for natural terrestrial ecosystems [in ha]	**2.09 ha** 2.09 ha (Ecuador) 0 ha (Colombia)	**2.52 ha** 2.52 ha (Ecuador) 0 ha (Colombia)
Optimisation of water consumption during banana processing	Reduction in water consumption during banana processing, per box [in %, comparison 2019 consumption vs baseline consumption 2017]	**–78.63%** –71.85% (Ecuador) –82.07% (Colombia)	**–81.75%** –57.63% (Ecuador) –86.70% (Colombia)
	Degree of implementation for AWS certification [in %]	67% 22% (Ecuador 100% (Colombia)	85% 58% (Ecuador 100% (Colombia)
Optimisation of pesticide use	Toxic load[36] per hectare of cultivated land	2322 TL/ha 3377 TL/ha (Ecuador) 1530 TL/ha (Colombia)	2082 TL/ha 2470 TL/ha (Ecuador) 1855 TL/ha (Colombia)
Sustainable soil management	Density of vegetation cover [in %]	54.95% 25.89% (Ecuador) 76.75% (Colombia)	91.30% 76.37% (Ecuador) 100% (Colombia)

Table 26: Overview of results for project KPIs for 2019 for the overarching targets, by subject area.

* The KPIs for the subject areas Climate Protection, Waste Management and Social Responsibility are currently being revised.

** The size of the protected zone around aquatic ecosystems in Ecuador decreased overall because two plantations withdrew from the project.

[36] Source: German Federal Environment Agency 2019

Photo: Denis Ünver / WWF

EXCURSUS:

INTEGRATED CULTIVATION MANAGEMENT, FOCUS ON THE ELIMINATION OF HERBICIDE USE

Conventional cultivation continues to rely heavily on the intensive use of pesticides. These include insecticides, fungicides and nematicides to control pests and pathogens, and herbicides to control weeds. Weeds can easily be removed manually. However, the fact that the use of herbicides is still common practice is mainly due to the belief that not using them would not be efficient for economic reasons.

Fertilisers are used to achieve the high yields that are expected today on intensively farmed land. Both types of agrochemicals – pesticides and fertilisers – pass into soil and water, and they have consequences for fauna and flora as well as for human health.

One of the goals of the project is to significantly reduce the use of these substances and to increase soil fertility naturally, so that the negative impact on the environment will be reduced. To this end, the use of herbicides has been gradually reduced since the beginning of the second project phase and it has now been replaced by manual work.

However, the path to get there was stony. The measure initially met with reservations. What worried the people in charge was the increased time required for the workers, the potential danger from snakes, and the fear of pathogens in the ground cover. It was therefore decided to proceed in stages. Figure 29 shows the significant decrease in the amount of herbicides used.

USE OF HERBICIDES ON PROJECT PLANTATIONS IN ECUADOR AND COLOMBIA

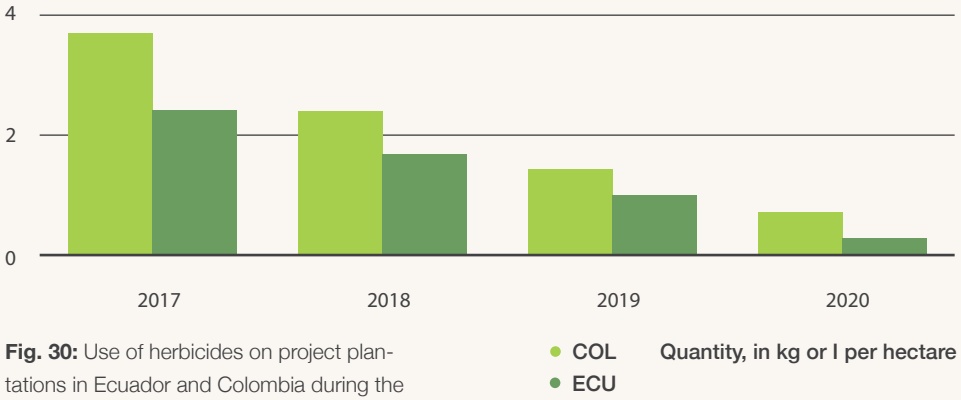


Fig. 30: Use of herbicides on project plantations in Ecuador and Colombia during the second project phase (2017–2020).

THE ELIMINATION OF HERBICIDES BRINGS A NUMBER OF BENEFITS

It favours the growth of a natural ground cover, which protects the soil as well as the groundwater from contamination with pesticides. Dense plant cover also increases root mass, which in turn loosens the soil and increases the proportion of biomass. The plantations additionally plant native ground covers (cover crops).

As the soil becomes more balanced biologically, the biodiversity on the farms eventually increases. The banana plants themselves and the people on the farm also benefit from the change. After all, using fewer herbicides also means that fewer harmful agrochemicals are needed.

SINCE THE START OF THE PROJECT, THE BANANA PLANTATIONS WERE ABLE TO REDUCE ENVIRONMENTAL COSTS BY 11 PER CENT.

ANALYSIS OF ENVIRONMENTAL COSTS

The level of the environmental costs and its reduction during the progress of the banana project were determined in an accompanying analysis. It includes a quantitative assessment of the effect of the project measures, that is, the impact of cultivation on the environment, in the categories water, greenhouse gases, pollutants and land use. In addition, a qualitative assessment of project-relevant sustainability aspects (e.g. biodiversity, soil fertility) was carried out. In the final step, the results were compared with the environmental costs in EU organic banana cultivation.

The result of the environmental cost analysis shows that making improvements in conventional cultivation is both feasible and successful: **the banana plantations were able to reduce the environmental costs by 11 per cent compared to the situation before the project began.** The impact of the measures is particularly pronounced when it comes to water. An EU organic banana reduces environmental costs by an average of 25 per cent. The difference between the project banana and the organic banana can mainly be attributed to the strict ban on mineral fertilisers and pesticides in organic cultivation.

In the analysis of qualitative sustainability aspects, the banana project of EDEKA and the WWF even outscores the EU organic banana: it includes more sustainability aspects, such as the preservation of biodiversity.

The environmental cost analysis is based on data from four project plantations and studies as well as on ecological footprint data from Ecuador on the value of the EU organic banana. It is currently being evaluated whether it is feasible to update the environmental cost analysis with primary data from organic banana plantations in Ecuador and Colombia.

Photo: Frank Gottwald

3.3

AGRICULTURE FOR BIODIVERSITY

In the Agriculture for Biodiversity programme, the participating organic farms not only do without synthetic fertilisers and pesticides, as is customary in organic farming; they also adapt their method of cultivating arable land and grassland to the needs of the native flora and fauna. Food sources for animals and plants are preserved, and habitats can recover. Through targeted nature conservation measures, “Agriculture for Biodiversity” thus contributes in a special way to the protection of biodiversity in the agricultural landscape.

GENERAL PROGRAMME INFORMATION

PROGRAMME: AGRICULTURE FOR BIODIVERSITY

Growing region: Germany

Programme targets: Conservation and enhancement of ecosystems and biodiversity

Establishing the nature conservation module for organic farmers

Long-term co-operation between nature conservation organisations and the agricultural sector

Rewarding the implementation of nature conservation measures

Transparency through traceability by means of tracking codes on products

Number of programme operations:

Region North:	65 (approved),	12 (in consultation)
Region Southwest:	43 (approved),	8 (in consultation)
Region West/Central:	17 (approved),	1 (in consultation)
Apple Region North:	12 (in consultation)	
Apple Region Southwest:	5 (in consultation)	
Total number: 163 operations		

Area under cultivation

Total: Region North: 42,835 ha

Region Southwest: 5,479 ha

Region West/Central: 2,977 ha

Sonnländer/Rostock: anticipated 160 ha

Apple Region North: anticipated 600 ha

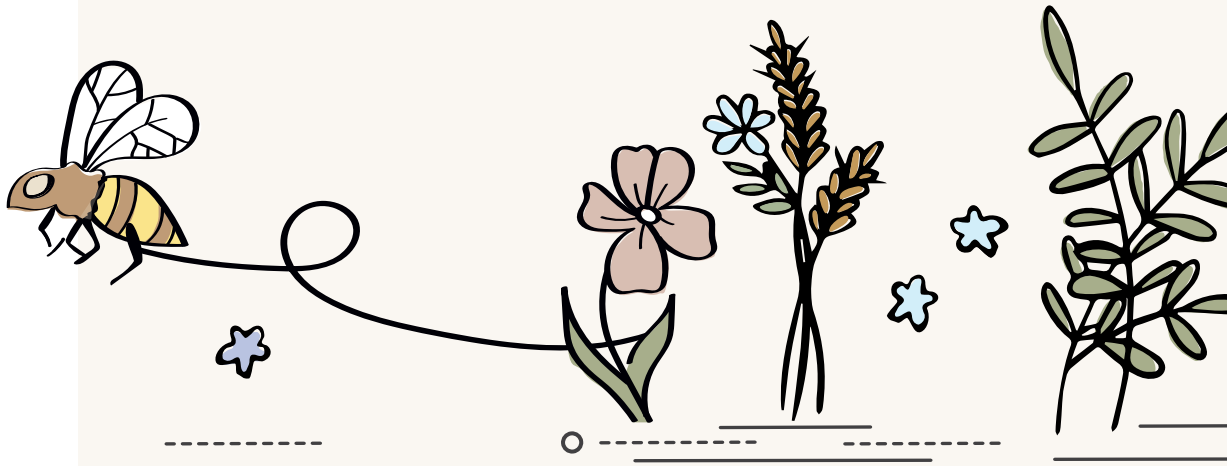
Apple Region Southwest: anticipated 150 ha

Total area: 52,201 ha

Marketing: Meat and cold cuts as well as potatoes: available at EDEKA stores in the EDEKA North region since 2012. Beef has been available at EDEKA stores in the EDEKA Southwest region since 2019. EDEKA organic apple juice is the first product from the programme to be available throughout Germany since 2020.

Beginning in 2022, cereal products will also become available at EDEKA stores in the EDEKA North region. Dessert apples will become available starting in 2022/2023.

Table 27: Information about the ecological cultivation programme “Agriculture For Biodiversity”.



GERMANY'S MOST COMPREHENSIVE INITIATIVE FOR THE PROMOTION OF BIODIVERSITY IN THE AGRICULTURAL LANDSCAPE

"Agriculture For Biodiversity" is dedicated to the preservation of biodiversity on farms throughout Germany.

The organic farm Vahle in the municipality of Uckerland in the Uckermark region, with areas under cultivation in Brandenburg and Mecklenburg-Western Pomerania, is the 100th farm to have joined the initiative. Programme operation. As a participant in the nature conservation programme, this family farm is implementing additional protection measures to preserve the animal and plant world. Viewed in this light, the many barn swallows and common house martins on the family's farm are little ambassadors for nature-oriented agriculture. And several specimens of the lesser spotted eagle, a species threatened with extinction in Germany, were already spotted on the farm's 270 hectares in 2021. To put this into context: according to the last census taken in 2013, there were only about 100 breeding pairs of this species in Germany.

With a total of 163 participating farms that have already been successfully recognised or are still on the path to recognition, "Agriculture For Biodiversity" is the largest initiative in Germany to promote biodiversity in the agricultural landscape.

FEDERAL MINISTER FOR AGRICULTURE VISITS THE "GUT TEMMEN" PROGRAMME FARM

The Federal Minister for Food and Agriculture, Julia Klöckner, visited the organic farm "Gut Temmen" near Templin in Brandenburg in June 2021 to learn about the "Agriculture for Biodiversity" programme. She was accompanied by WWF Director of Nature Conservation Christoph Heinrich, who, together with nature conservation advisor Frank Gottwald, described the benefits of organic farming to her. Topics discussed were the proven effectiveness of the measures implemented on the farms participating in the programme for biodiversity in Germany, and the positive impact of the WWF and EDEKA partnership in the context of "Agriculture For Biodiversity".

The organic farming associations appreciate the fact that EDEKA pays a premium for the products produced in a species-friendly way and that, as the largest food retailer, EDEKA is bringing their products to the attention of large numbers of consumers.


Foto: bbird / Adobe Stock


Photo: Julia Thiemann


Photo: Mary Bunge

Fig. 31: Director of Nature Conservation Christoph Heinrich and nature conservation advisor Frank Gottwald introduce Minister Julia Klöckner to wild bees.

Fig. 32: Farm manager Thekla Vahle on one of the species-rich pastures.

FROM NORTH GERMAN SALAMI TO FRUIT AVAILABLE THROUGHOUT GERMANY

“Agriculture for Biodiversity” had its beginnings in 2012 on north German farms practising suckler cow husbandry whose meat products are sold mainly through EDEKA. In the years 2020 and 2021, EDEKA managed to extend the product range substantially: as well as having a further 51 farms in southern Germany join the initiative, the project’s apple juice available throughout Germany has become a bestseller. The company Sonnländer Bio Obst GmbH, the producer of the juice, has been part of the initiative since 2019.

In 2021 EDEKA North also decided purchase and distribute grain products from the participating Biopark farms as part of the project. Like the meat products, the flours can be identified by the WWF panda and by the programme logo, an origami bird. In 2022, the programme range will be expanded further to include dessert fruit. Consultations with the relevant agricultural producers began in the autumn of 2021.

Landwirtschaft für Artenvielfalt

WWF
DIESES PRODUKT TRÄGT ZUM SCHUTZ DER ARTENVIELFALT BEI.

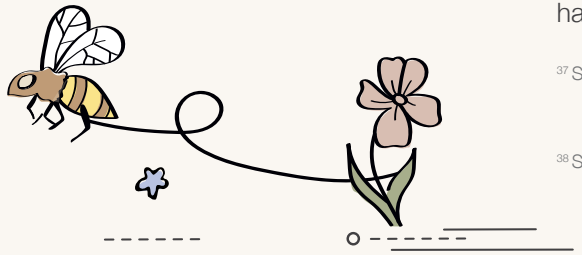
Photo: Frank Gottwald / Edeka

SUCCESS STORIES ABOUT FLORA AND FAUNA: LATEST MONITORING RESULTS

OVER 400 DIFFERENT PLANT SPECIES

Meadows and pastures are important habitats for plants, insects and birds. The more carefully these areas are cultivated, the greater the biodiversity. Up until 2020, EDEKA and the WWF systematically recorded the plant species found in grassland on a total of twelve farms in Mecklenburg-Western Pomerania and Brandenburg. In 2020, this effort continued in southern Germany.

To date, around 400 plant species have been identified on farms in north-eastern Germany. 24 of the plants found in Brandenburg and 31 of those found in Mecklenburg-Western Pomerania are on the Red List of endangered species, and more than 20 other species are on the early warning list Protected types of biotopes exist on several farms, for example, species-rich wet meadows, fresh meadows, sedge meadows and nutrient-poor grasslands. Special specimens include orchids, fever clover, sand grass carnation, serpentine knotweed, yellow sedge, marsh violet and many other plants not found in intensive grassland.



For seven farms in north-eastern Germany, it was possible to carry out a large-scale assessment of the land according to the High Nature Value Farmland[37] indicator. More than 2,000 hectares of subplots were assessed for their species richness using indicators. Results showed an average share of high-quality grassland of 31 per cent, with a high of variation between farms (10 to 55 per cent). This is a very good value for utilised agricultural grassland. Ecological farms in Brandenburg had an average of 17 per cent.[38]

[37] Source: Bundesamt für Naturschutz (German Federal Agency for Nature Conservation) 2021: Monitoring von Landwirtschaftsflächen mit hohem Naturwert (Monitoring of agricultural areas of high natural value).

[38] Source: entera, S. Jungmann 2018: Bewertung der KULAP-Förderung im Land Brandenburg, Potsdam (Evaluation of Cultural Landscape Programme funding in the state of Brandenburg, Potsdam), 23 February 2018.

20 TIMES MORE INSECTS IN UNMOWN GRASSLAND

Since 2020, the success of nature conservation measures or activities has also been monitored in southern Germany. Last year, it began with the mapping of the flora in grassland and arable land. In 2021, this was followed by the mapping of butterflies and grasshoppers on selected grassland areas.

While it will only be possible to obtain scientifically valid results from the measurements in the following year, it is already becoming clear that the measures are highly effective: where strips of grassland were left unmown, up to 20 times (!) more insects were found in some areas compared to areas that were mown. Unmown strips of grassland are proving to be a particularly valuable ecological habitat. Songbirds in particular benefit from the abundance of insects because they depend on protein-rich food to raise their young.

Fig. 33: Unmown strip of grassland.

Photo: Frank Gottwald

MONITORING SUCCESS: BUMBLEBEE CENSUS IN UNMOWN CLOVER GRASS

Field forage, a mixture of clover, grasses and/or alfalfa, is home to skylarks, whinchats and brown hares. For many insects such as butterflies, bees and bumblebees, the flowers are a source of nectar. In order to provide the animals with a retreat and to maintain the flower supply for the insects, many of the programme farms leave strips of land untouched when mowing.

The effect of the conservation measure on butterflies and bumblebees is assessed on three farms in north-eastern Germany between May and August. To do this, experts record the number of animals encountered when walking two to five metre wide strips. In 2020, the survey covered 100 sections of 50 metres each, which over the course the year amounted to a total of around 18 kilometres of unmown and – for comparison – also mown strips and margins at the edge of the fields.

Bumblebees belong to the wild bee family. They live in small colonies and need large amounts of nectar from flowers for their nutrition. Red clover and lucerne are particularly popular with most species. The most common species found in the project were the stone bumblebee, the field bumblebee and the dark ground bumblebee. A total of 15 species were observed in the years 2019 and 2020, including five endangered Red List species (Bombus confusus, Bombus distinguendus, Bombus humilis or brown-banded carder bee, Bombus jonellus or heath bumblebee, Bombus soroeensis or broken-belted bumblebee).

Prior to mowing, the bumblebees were fairly evenly distributed throughout the field. After mowing, the mown area was almost completely deserted and the numbers on the unmown strips were 16 times as high as on the mown control area! This shows that this insect protection measure is highly efficient.

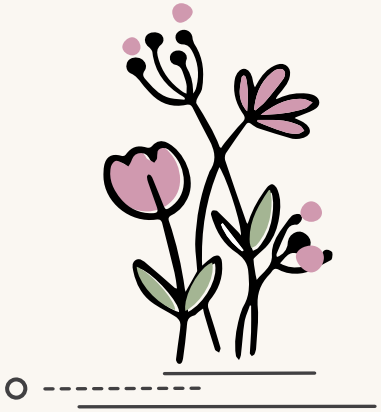


Photo: Frank Gottwald

Fig. 34:
Unmown strip of clover grass.

Photo: Frank Gottwald

Fig. 35:
Buff-tailed bumble-bee on red clover.

EXPERIENCING BIODIVERSITY ON A FARM IN SCHORFHEIDE/BRANDENBURG

The Gut Temmen farm manages an area of almost 3,500 hectares, consisting mostly of arable land and supplementary grassland areas. The areas being cultivated are home to many species of amphibians, breeding birds and field wild herbs, which are protected through targeted project measures. For example, during the breeding season of the whinchat, parts of the grassland are left fallow for an extended period of time. In lucerne and clover grass cultivation, strips are left standing when mowing so that bees and butterflies still have an appropriate flower supply and a sheltered retreat is provided for hares, whinchats and skylarks. In arable farming, wild weeds such as cornflower and sand poppy benefit from the fact that weed control is no longer necessary on most of the areas. So far, 16 species of arable weed on the Red List of endangered species have been found on the farmland, including the field buttercup, which is under threat of extinction in Brandenburg. Lesser spotted eagle, red kite and red-backed shrike use the extensive pasture landscape for hunting. During the summer, the area is home to amphibians. Species like red-bellied toad, great crested newt, moor frog, spadefoot toad and tree frog live in small water bodies with uncultivated water body margins. Rock piles and stone walls are also inhabited by reptiles. Some of the measures described here are managed as contractual nature conservation, and in the biosphere reserves they are funded through agricultural subsidies.

Photo: Frank Gottwald

Photo: Robert Pilhacky / EDEKA

4

DEVELOPMENT OF THE ORGANIC PRODUCTS RANGE

4 DEVELOPMENT OF THE ORGANIC PRODUCTS RANGE

WITH ITS “NATURKIND” PROJECT, EDEKA IS TAKING THE NEXT STEP IN BROADENING ITS ORGANIC PRODUCT RANGE

The Naturkind strategy consists of three pillars: Naturkind organic speciality stores, Naturkind Bio-Welten (Organic Worlds) and Naturkind organic products. Building on the three organic specialist stores established so far under the Naturkind brand (in Hamburg, Dinkelsbühl and Heilbronn), a shop-in-shop concept called “Naturkind-Welten” (“Naturkind Worlds” is being implemented. In the Naturkind Worlds, customers are offered high-quality organic retail brands in separately designed concept rooms that are integrated into larger EDEKA stores. The specialist brands appeal to shoppers with a strong affinity for organic products and thus reach a new target group. Staff specially trained in organic products are an essential part of the Naturkind World concept, as is a calm, feel-good atmosphere. More than 40 such Naturkind World concept spaces are currently being built. The third pillar are the Naturkind products. These are high-quality organic products which – whenever possible – are offered in standard Group quality (e.g.,Naturland, Bioland) and offer excellent value for money. This triad of the Naturkind philosophy (stores, worlds, products) helps provide customers with more organic products. In this way, EDEKA lives up to its social responsibility, by offering more and more products from more environmentally friendly sources.

According to the German Federation of the Organic Food Industry (BÖLW), in 2021 the organic market in Germany grew by 5.8%, and at EDEKA by as much as 10.2%. EDEKA thus achieved significantly higher growth and gained additional market share.

According to AC Nielsen, EDEKA’s share of the organic product market stood at 6.1% at the end of 2021, which is 0.2% higher than EDEKA’s original target.

Photo: Ulrich Schaarschmidt / EDEKA

5

PRODUCT-RELATED COMMUNICATIONS

Certification promotes sustainable consumption: product labelling with the WWF Panda logo helps customers make decisions in favour of more sustainable products.

SUSTAINABLE BUYING DECISIONS AFFECT BIODIVERSITY AND THE PRESERVATION OF SOIL FERTILITY, AMONG OTHER THINGS

IMPACT OF BUYING DECISIONS

How our shopping decisions affect the environment In Germany around 15 per cent of per-capita greenhouse gas emissions associated with consumption are attributable to food.[39] Hpwever, food production represents a burden on the environment even before the food is consumed. For example, indirect water consumption – that is, water consumption during food production – is 3,900 litres per household per day.[40] If we are to achieve greater sustainability, looking closely at the consequences of our own consumption patterns is very important.

CERTIFIED PRODUCTS FOR THE PROTECTION OF NATURAL HABITATS

What and how we all do our shopping does indeed have an influence on nature and on biodiversity. The production and purchasing of organic food has a positive impact on water protection, the preservation of soil fertility, and biodiversity. Multiple use saves resources. Regionally produced goods mean shorter transport routes and hence fewer emissions.

[39] Source: German Federal Environment Agency
[40] Source: ibid.

PRODUCTS BEARING THE PANDA: ENVIRONMENTAL PROTECTION THROUGH SUSTAINABILITY STANDARDS

To protect oceans and forests, EDEKA and the WWF seek to have the EDEKA private labels certified in accordance wtih environmentally friendly standards such as MSC or FSC whenever this is feasible. Organic standards also prove that, for example, plant products come from varied crop rotation or were grown without synthetic chemical crop protection agents. The WWF logo on EDEKA private labels indicates products that meet the strictest standards recognised by the WWF, such as MSC, FSC, Blauer Engel, NATRUE or Naturland, and have been certified by independent auditing organisations. By displaying the panda on products – known as co-branding – EDEKA provides guidance in its product range and promotes more responsible buying decisions “right at the shelf.”

CO-BRANDING STATUS

FINDINGS OF MONITORING OF PRODUCTS FEATURING THE PANDA LOGO

Product-related communication is part of the work that the WWF and EDEKA do together. Its purpose is to help customers at the store to locate the more sustainable product alternatives in the product range and to develop more environmentally aware consumption patterns. In this way, the WWF Panda acts as a guide for customers browsing through the product range The panda is only displayed on products that meet the WWF's requirements, which means they have been independently certified according to one of the sustainability standards listed below. For products with organic certification, the country-specific water and social risks are also included in the assessment:

* Organic standards recognised by the WWF for co-branding. These include EU Organic Regulation, Naturland, Bioland and comparable organic associations.
** FSC® 100% for wood-based products; FSC® Recycling for tissue and paper products.

CO-BRANDING EDEKA'S PRIVATE-LABEL PRODUCT RANGE

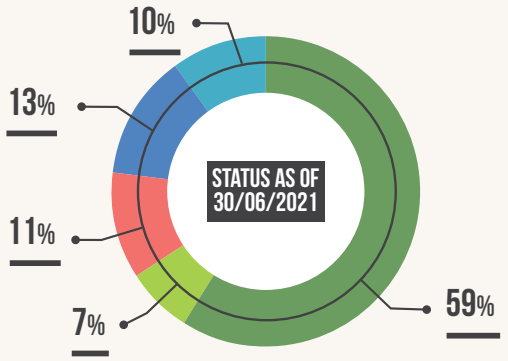


Fig. 36: Proportion of all EDEKA private-label products with co-branding, broken down by sustainability standards recognised by the WWF (status 30/06/2021).

- Blauer Engel
- MSC
- Organic*
- NATRUE
- FSC**

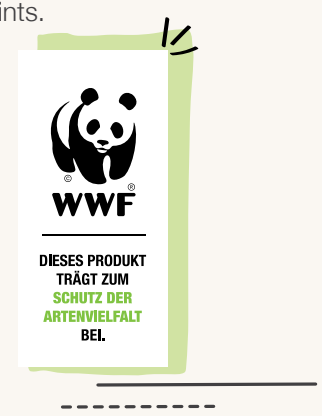
AS OF 30/06/2021 SOME 488 PRODUCTS CARRIED CO-BRANDING.

Of these, 289 come with organic food certification, 46 with MSC and 41 with FSC certification. A total of 65 products have Blue Angel certification, and 34 products from the natural cosmetics segment have been certified according to NATRUE Level 2 (natural cosmetics with organic content) or Level 3 (organic cosmetics). The percentage shares are shown in Fig. 35.

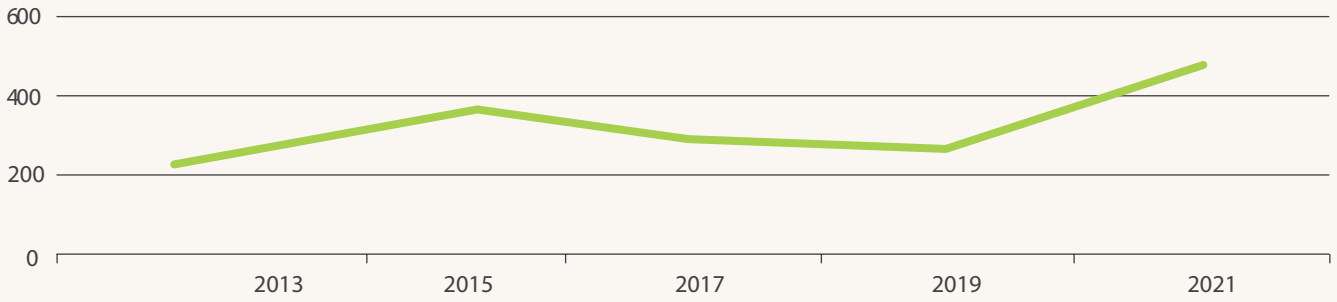
The monitoring is based on an excerpt from the co-branding Tool. Recorded in this tool are all tested private-label products that have been labelled with a WWF logo in the course of the partnership. All products for which at least one supplier meets the requirements for co-branding are tested and included in the count. Where products are sourced from various suppliers, they are only counted once, but all suppliers are monitored. In these cases it can happen that not all of the suppliers meet the necessary requirements. In those cases, only products whose suppliers meet the requirements are available at a store, and this is why sometimes a product may be co-branded at one store, but not at another.

Figure 37 shows the trend for co-branded articles (in absolute numbers) since 2013. Since the 2020 monitoring, a total of 67 products displaying the panda have been added – the majority with certification according to the EU Organic Regulation (27 products), followed by natural cosmetic products according to the NATRUE standard (25 products). The number of products with Blauer Engel certification has also risen. There are now 13 products more than in the previous year. The FSC® seal is carried on six additional products. In the fish and seafood product range, there has been a reduction in the number of co-branded (MSC) items: last year there were 53 items with co-branding in connection with the MSC standard; in 2021 there were seven fewer items. The reason for the reduction is that WWF's risk assessment for the awarding of co-branding was adjusted to reflect the current risk situation. This concerns primarily the assessment of organic products, but it also has an effect on the co-branding of fish products with the MSC label. Some of the MSC-certified fisheries were unable to meet the requirements for the highest standard. This includes trawling for seabob shrimp in Suriname and Guyana, which causes considerable bycatch of endangered species.

The percentage distribution changed little overall. Organic certified products continue to make up the largest share of the product range. A significant change compared to the previous year can only be seen in natural cosmetics, where there has been an increase of about five percentage points.



TREND CO-BRANDING EDEKA PRIVATE LABELS 2013–2021



	2013	2015	2017	2019	2021
Private labels	213	390	339	312	488

Fig. 37: Trend for private-label products with co-branding since 2013 (status 30/06/2021).

PROJECT BRANDING

The WWF panda logo also identifies products sourced from the Partnership for Sustainability projects. These are the oranges, mandarins and bananas grown by means of improved conventional cultivation (see sections 3.1 and 3.2). In these cases, the WWF logo is displayed alongside a claim that refers to the partnership and its intention. The claims are **“EDEKA & WWF Gemeinsames Projekt für eine bessere Banane”** (“Joint Project for A Better Banana”) and **“EDEKA & WWF Gemeinsames Projekt für eine bessere Orange”** (“Joint Project for a Better Orange”).

In the “Agriculture for Biodiversity” programme, organic farms protect and promote threatened arable herbs, farmland birds, insects, amphibians and mammals through nature conservation measures. In addition to the organic and association quality seals, the products from this partnership programme bear the word mark with the green bird and the WWF logo. In addition, a QR code printed on the packaging provides customers with a direct link to the project's web page, which in turn provides a direct link to the relevant agricultural operation.

CO-CLAIMING

Product-related information can also refer to certification systems that the WWF does not recognise and for which no WWF logo is awarded accordingly. There are four such products in the palm oil segment. The palm oil ingredients contained in them are certified as RSPO segregated along the entire supply chain, but not according to one of the highest standards.

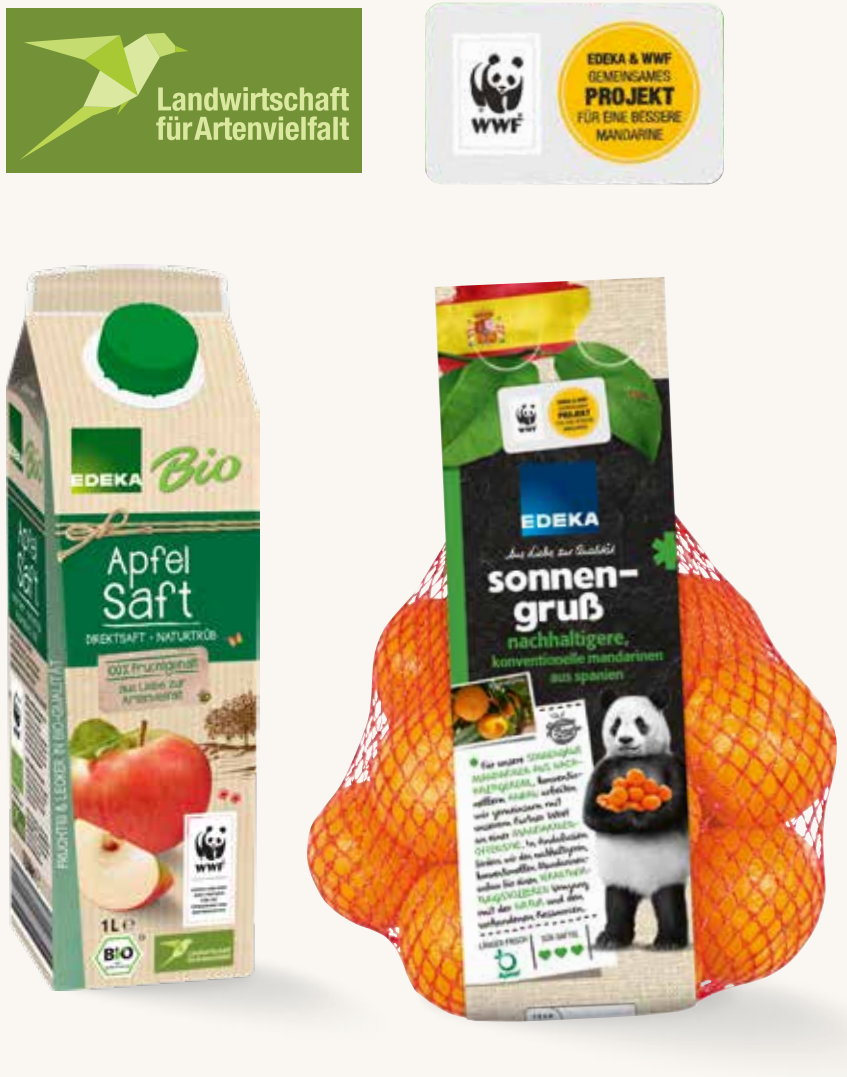


Fig. 38:
Labelling of products from partnership projects

Photo: Sergey Shmidt / Unsplash

6

LIMITED ASSURANCE REPORT

LIMITED ASSURANCE REPORT

LIMITED ASSURANCE REPORT OF THE INDEPENDENT AUDITOR REGARDING SUSTAINABILITY INFORMATION[41]

TO THE MANAGEMENT BOARD OF WWF DEUTSCHLAND STIFTUNG BÜRGERLICHEN RECHTS, BERLIN

We have performed an independent limited assurance engagement on the selected quantitative sustainability information listed below and published in the "Progress Report 2021" on the strategic Partnership between EDEKA and WWF (further "Report") for the period July 1, 2020 to June 30, 2021 of WWF Deutschland Stiftung bürgerlichen Rechts (further „WWF Germany").

SUBJECT AREA			PAGE
Fish and seafood	Table	2	19
Wood, Paper, Tissue	Table Figure Table	5 2 6	25 26 26
Palm oil	Table	9	32
Soya / More sustainable livestock feed	Figure Figure Table	5 6 11	40 41 43
Freshwater	Figure	11	59
Packaging	Table Table Table Figure Figure Figure Figure Figure	18 19 20 15 16 17 19 20	67 68 69 70 71 71 72 72
Co-Branding	Figure	36	111

[41] Our engagement applied to the German version of the Progress Report 2021. This text is a translation of the Independent Assurance Report issued in the German, whereas the German text is authoritative.

MANAGEMENT'S RESPONSIBILITY

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

The responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for individual qualitative and quantitative sustainability disclosures which are reasonable under the circumstances. Furthermore, this responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the Report in a way that is free of – intended or unintended – material misstatements.

INDEPENDENCE AND QUALITY ASSURANCE ON THE PART OF THE AUDITING FIRM

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

PRACTITIONER'S RESPONSIBILITY

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

We conducted our work in the form of a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" published by the International Auditing and Assurance Standards Board (IAASB).

Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance whether any matters have come to our attention that cause us to believe that the above-mentioned sustainability information of the entity for the period from July 1, 2020 to June 30, 2021 has not been prepared, in all material respects, in accordance with the Reporting Criteria. We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the auditor's own judgement.

WITHIN THE SCOPE OF OUR WORK, WE PERFORMED AMONGST OTHERS THE FOLLOWING PROCEDURES:

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

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

CONCLUSION

Based on the procedures performed and the evidence received to obtain assurance, nothing has come to our attention that causes us to believe that the selected sustainability information for the period from July 1, 2020 to June 30, 2021 included in the scope of this engagement and published in the Report is not prepared, in all material respects, in accordance with the Reporting Criteria.

RESTRICTION OF USE/CLAUSE ON GENERAL ENGAGEMENT TERMS

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

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

Cologne, August 18th, 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft

Krause ppa. Mathias