

**Report  
2022**

# **Ricola Sustain- ability**

***Ricola***



## Table of Content

<b>1. Chief Executive Officer's Statement</b>	<b>4</b>
<b>2. About Ricola</b>	<b>6</b>
<b>3. What Ricola Stands For</b>	<b>8</b>
3.1 Our Values	9
3.2 Policies, Implementation, and Enforcement of our Values	10
3.3 Our Value Chain	12
<b>4. Sustainability Strategy</b>	<b>14</b>
4.1 Sustainability Ambitions and Targets	15
4.2 Materiality Assessment	17
4.3 Our Sustainability Governance	18
<b>5. Sustainability Core Topics</b>	<b>20</b>
5.1 Ricola Agriculture Principles	21
5.2 Climate Change/Energy and GHG Emissions	24
5.3 Packaging and Waste	25
5.3.1 Packaging	26
5.3.2 Waste	26
5.4 Water	28
5.5 Supply Chain Labour	29
<b>6. Appendix</b>	<b>31</b>
6.1 About This Report	32
6.2 Data and Performance	33
6.3 Donation and Sponsorship Activities 2022	38
6.4 GRI Content Index	39



**1. Chief Executive Officer's Statement** – Dear readers, Sustainability has always been in Ricola's nature: Ensuring harmony and a healthy balance with the ecosystems where Ricola belongs to is key. We owe everything to nature and the farmers who harvest the precious Swiss Alpine herbs for our products. Ricola thrives thanks to its consumers, its customers, its employees and thanks to the mutually beneficial interactions with its neighboring communities.

At Ricola, we are convinced that sustainability is not just a business objective but a long-term journey of continuous improvement. We are not perfect, nor do we seek perfection. In December 2020, we developed our first Sustainability Strategy. Our cross-functional approach outlined the steps we would take in 2021 to '*make me more of what I am*' and to make Ricola environmentally better every day. Throughout 2021, we further developed the strategy. In 2022, we were able to finalise it in agreement with the Board of Directors.

With its six core topics the Sustainability Strategy is integrated into our business strategy. It is a major step, formalising the embedding of concrete actions in our daily business; setting clear quantitative and measurable targets; and ensuring regular monitoring of their achievement.

This report marks a new milestone as it is our first published Sustainability Report, demonstrating our deep commitment to this topic. It will guide you through our strategy, our successes to date and the ambitions we have set ourselves for short and long term. We are on our way, (foot)step by (foot)step, towards an even more sustainable Ricola. We are determined to improve every day and to take you with us on this journey.

In order to control the achievement of our ambitions, we will measure Ricola's sustainability performance with globally recognised key figures and report on our progress every other year. To do so, we refer to the comprehensive guidelines of the Global Reporting Initiative (GRI) and plan to become a Benefit Corporation (B Corp). It is one of the most rigorous certifications available today, measuring a company's entire social and environmental impact. We are preparing to meet all the requirements and hope to join the movement by the end of 2023.

Sincerely,

Thomas P. Meier  
CEO Ricola Group Ltd

# About Ricola

A white outline of a Ricola candy box is superimposed over the text. The box is a 3D rectangular prism, shown from a perspective view. It is positioned centrally, overlapping the words 'About' and 'Ricola'.

## 2. About Ricola – Baker and confectioner Emil Richterich founded Ricola in 1930 when he established Richterich and Compagnie in Laufen, his hometown. The company management remained in family hands until 2019, when Felix Richterich decided to concentrate on the role of Chairman of the Board of Directors after 27 years of managing Ricola. The Board of Directors elected Thomas Patrick Meier to be Chief Executive Officer of Ricola Group Ltd.

Today, the interests of the family shareholders and the owners' strategy are managed by the Ricola Family Holding Ltd., the parent company of Ricola Group Ltd., which also oversees asset management and coordinates the family's non-commercial activities.

Ricola produces more than 60 different varieties of herb drops as well as tea specialties and exports them to 45 countries. Ricola products are famous for their fine Swiss quality. The company has its headquarters in Laufen near Basel and subsidiaries in Europe, Asia, and the USA. Ricola has more than 500 employees<sup>1</sup> worldwide, 430 of them working in Switzerland.

In Switzerland, Ricola is a pioneer in herb cultivation and places great value on using carefully selected locations and controlled, environmentally sound cultivation methods.



Ricola herbs flourish in five carefully selected regions of Switzerland.



Ricola products are popular in over 50 countries. Its largest markets are the USA, Germany, France, Italy and Switzerland.



Ricola processes 1,400 metric tons of fresh herbs per year.



Ricola has more than 500 employees worldwide, 430 of them in Switzerland.



Swiss mountain farmers grow herbs for Ricola on an area equivalent to 124 soccer fields.



All its drops are produced in just one facility in Laufen, Switzerland.



Ricola herbs are grown by more than 100 Swiss mountain farmers.



The traditional Ricola mixture contains 13 herbs.



Ricola markets more than 60 different products in total, including specialty teas, all over the world – and the number grows every year.



In its Laufen facility, Ricola produces 35,000 drops per minute and well over 7 billion delicious drops a year.

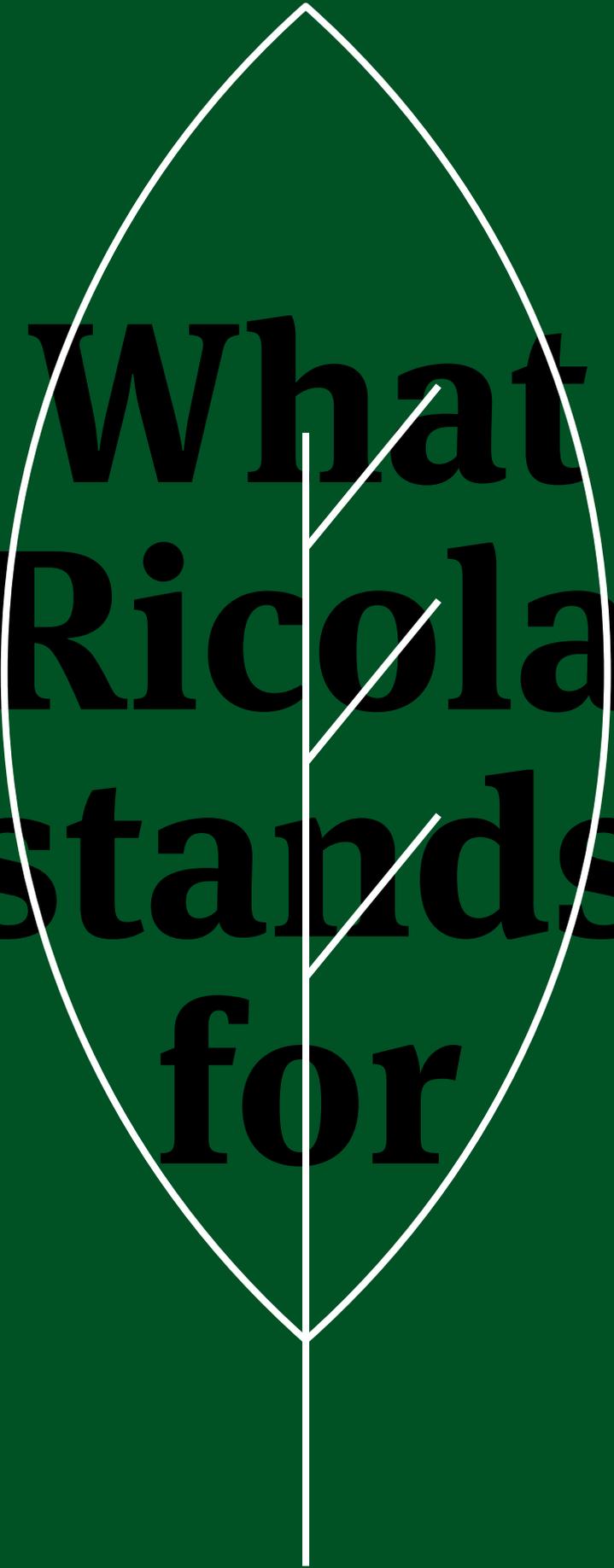


90 percent of Ricola products are exported.



The fourth generation of the founding family is now active in the company's board of directors.

<sup>1</sup>All employees including apprentices, interns, temporary staff, hourly wage employees.



**What  
Ricola  
stands  
for**

### 3. What Ricola Stands For – We are Ricola. We connect people to nature. We want to contribute to a world in which people enjoy living – and working. Mindfulness, respect, and responsibility are important to us, in our relationship with nature and in our daily interaction.



#### 3.1 Our values

Ricola is committed to sustainable corporate management, economically, socially and ecologically and acts as a responsible employer. The traditional values of a wholly family-owned enterprise coupled with Swiss quality and a passion for innovation are crucial factors in the success of the Ricola global brand.

The company has a high level of trust among consumers and partners in local markets. This positioning is based on clear basic values always providing orientation. These values support both the management and all employees of Ricola in their daily work and help them make decisions.

The corporate values are summarized in the six points highlighted on the right. They have been implemented in daily business and are the basis for our behaviour.



**We treasure the Ricola heritage.** Which inspires us going forward.



**Integrity is our foundation.** We cultivate strong moral principles around honesty, ethics and trust.



**We place people at the center.** We think people first: consumers, employees, partners.



**We live an entrepreneurial spirit.** We are courageous professionals in all we do.



**We foster a high-performance culture.** We thrive on success, and challenge each other, in a culture of openness and trust.



**Responsibility and sustainability are in our nature.** We improve our natural environment and enrich the communities we live in.

### 3.2 Policies, implementation, and enforcement of our values

## Good governance

### Ricola's Code of Conduct

These six corporate values are the base for the [Ricola's Code of Conduct](#). It contains the principles for good corporate business conduct. It is to be implemented by all subsidiaries of the Ricola Group and must be acknowledged by each employee at the beginning of an employment relationship and after any revision of the document.

The Code of Conduct came into force in 2016 and has been reviewed and revised annually by the Corporate Secretary and Legal and Compliance. The current version can be found on [www.ricola.com](http://www.ricola.com). An extended internal version of the Code of Conduct is available on the intranet.

The Code of Conduct sets minimum standards for:

- **Quality:** We only manufacture products of the highest quality that meet our customers' needs.
- **Honest practices:** We always act with integrity, honesty, and transparency, which is why we market and advertise our products truthfully and in line with respective laws.
- **Resources and financial integrity:** We treat all resources with care, protect all assets of the Ricola Group and only use them in the intended, appropriate, and permitted manner.
- **Fairness and respectful interaction with and among employees:** We treat our employees fairly, equally and with respect.
- **Fairness and respectful treatment of business partners:** We behave in a loyal and cooperative manner towards our business partners, including suppliers and sales partners. We aim to maintain strong, trusting, and respectful collaborative relationships.
- **No conflicts of interest:** Personal interests must not impact our judgment or decision-making in business activities.
- **Compliance with regulations:** We comply with all regulations that apply to our business activities. We do not tolerate any form of corruption or bribery or violations of competition law or data protection law.
- **Sustainability and social responsibility:** We are committed to sustainability in the context of economical and long-term resource management, and demand that our business partners take on social responsibility.

All partners and suppliers of Ricola are required to sign the Ricola Code of Conduct and adhere to the same values.

The Code of Conduct provides internal and external channels, such as a designated lawyer, to seek advice on implementation as well as responsible business practices and to raise concerns or report potential misconduct. Misconduct will not be tolerated by Ricola and may result in disciplinary action up to and including termination of the employment relationship.

### How Ricola prevents corruption

As stated in the Ricola Code of Conduct (principle "Compliance with regulations"), Ricola tolerates no form of corruption, including bribery, within the Ricola Group.

To further clarify this commitment, the Ricola Group created its Anti-corruption Directive in 2016 and has revised it annually since then. This directive needs to be implemented by every company of the Ricola Group and applies to all Ricola Group employees. It sets out specific rules and processes for invitations and gifts and covers the codes of conduct for individual cases such as gifts, catering, entertainment, donations and sponsoring, facilitation payments and business relationships.

Each employee of the Ricola Group is obliged to familiarise themselves with this directive at least once a year. All members of the Board of Directors as well as of the Group Executive Management are informed and trained on the current version of the directive. In 2022, 34 percent (2021: 33 percent) of employees have been informed of the anti-corruption policies and procedures via the Ricola management system tool; our anti-corruption policy and procedures have been communicated to 85.3 percent of our business partners (raw and packaging material suppliers).

For any uncertainties and doubts with respect to the directive or proper conduct, the supervisor or the Director Legal and Compliance should be consulted. Any potential misconduct against the Anti-corruption Directive must be reported to a dedicated lawyer and may result in disciplinary action, up to and including termination of the employment, for the employee who has violated the directive.

## We care for our employees

With more than 500 employees across the globe, Ricola is committed to treating its employees fairly, equally and with respect (Ricola Code of Conduct, principle "fairness and respectful interaction with and among employees").

Our management style is characterised by respect, transparent communication, and comprehensive information at the appropriate level. A corporate culture that provides equal opportunities and treatment, as well as opportunities for personal and professional development, promotes employee satisfaction and commitment, resulting in lower staff turnover and positioning Ricola as a good employer and a reputable company.

The company operates in a demanding working environment where employees are exposed to various safety and health risks. By maintaining and promoting the physical and mental health of our employees, we create a safe workplace and maintain the company's performance.

### Training and education

Innovation is key for the company's growth. We take a positive approach to innovative ideas, supporting them at all levels and always following up on promising concepts.

It is important to us that our people develop their skills and expertise and have the freedom to be entrepreneurial. For this reason, our employees are trained and rewarded according to their roles. We also offer cross-skill training for career advancements and non-career specific training such as language lessons.

By promoting new skills, we help employees meet the increasing requirements of working practices and the wider labour market.

In line with our personnel appraisal and development guidelines, we encourage internal promotion rather than hiring for senior positions. Every new employee, regardless of their role, goes through a formal onboarding process to get to know the company, processes, and products. We conduct annual performance and career development reviews with all of our employees. Internal succession planning plays an important role at Ricola in order to avoid brain drain within the company.

### Occupational health and safety management

Since our operations involve hazardous processes including, among others, production-related processes such as handling hot sugar mass, acid and alkaline solutions, steam and hot water and operating the production and electrical systems, the health and safety of our employees is of the utmost importance to us. We are committed to meeting stringent local, regional, national and global health and safety standards.

Our Health and Safety management system complies with ISO 45001 and BS 8800, helping to provide a safe workplace and prevent employee work-related injuries, incidents and illnesses. Our Safety and Health Policy is published and communicated to all employees and our safety procedures, including a safety manual and safety data sheets, are easily accessible to all on-site personnel, including workers, non-management staff and visitors. A briefing is held with site personnel at the start of each shift to share new information and discuss potential hazards. Health and safety procedures and concerns are communicated through regular safety and health trainings. To monitor the effectiveness of our health and safety measures, we have set occupational health and safety objectives and annually evaluate specific indicators.

At an organisational level, Ricola has implemented a hierarchy of local responsibilities. Top management is responsible for ensuring that work is organised in a safe manner. They seek advice from occupational health and safety experts as necessary and ensure that supervisors at all levels are aware of the applicable safety regulations. The Coordinator for Occupational Health and Safety is the main contact person for occupational safety within Ricola. Together with the Safety Officer, they advise business unit, division and department managers, as well as technical staff on safety issues. If necessary, an external safety expert is consulted.

At an operational level, we conduct regular safety-management audits and assess the use of personal protective equipment. Once a hazard has been identified, it is eliminated or controlled in a specific order: first by technical/engineering measures, then by administrative and work procedures, and finally by personal protective equipment. If an incident occurs, an incident investigation is conducted by the Safety Officer, the Coordinator for Occupational Health and Safety, and an external safety expert if required. A lessons-learned report summarises the root cause of the incident, the actions taken

and the lessons learned. Onsite personnel always have the authority to stop unsafe processes immediately.

We enable our employees to participate in health activities, including free fitness and wellness classes in Laufen, Switzerland, and virtually. In addition, employees in Switzerland receive a financial contribution towards their annual fitness subscription. For any questions or concerns with respect to physical and mental health, employees can also anonymously contact an external social counselling services (MOVIS) for free.

### Diversity, equal opportunity, and non-discrimination

As an international company, we appreciate the diversity of professions, cultural perspectives, biographical backgrounds, personal preferences, life experiences and competencies. We foster this diversity within Ricola as it promotes innovative thinking and a positive culture of communication. Detailed key figures on management and employee diversity can be found in the chapter [Data and Performance](#).

Ricola is committed to treating its employees fairly, equally and with respect (Ricola Code of Conduct, principle “fairness and respectful interaction with and among employees”). Discrimination of any kind will not be tolerated. During the reporting period, we investigated one incident of discrimination and implemented a remediation plan.

We ensure equal pay and regularly conduct a pay equity analysis in cooperation with an external audit firm. The last pay equity analysis conducted for Ricola Group AG and Ricola AG in April 2021 confirmed that there is no statistically validated unexplained pay gap between women and men according to the Swiss standard analysis tool Logib.

We offer flexible working hours and the opportunity to work part-time, regardless of hierarchical level. By signing the CHARTA of the Swiss association [impulse](#), Ricola supports equal opportunities in the workplace and is committed to actively contributing to the integration of people with disabilities. As a result, the company was awarded the “Label iPunkt” in 2019.

## We care for our consumers’ health and safety

Ricola is committed to manufacturing products of the highest quality and safety standards and to protecting the health and safety of our customers and consumers. Therefore, we acknowledge our responsibility for the safety and health of our herb products, as well as for the correct labelling and service information.

To ensure highest quality standards, our manufacturing facilities have implemented a quality management system in accordance with ISO 9001 (Quality Management System

<sup>2</sup>The following personnel groups are included in the breakdown: All employees including apprentices, interns, temporary staff, hourly wage employees.

<sup>3</sup>e.g. number of accidents and number of health trainings

Standards), IFS (International Featured Standards), FOOD standard, GMP (Good Manufacturing Practice) and GDP (Good Distribution Practice). Based on this system, we constantly assess the quality and safety of all our products, implementing preventive and corrective actions where necessary. During the reporting year there were no incidents of non-compliance relating to the health and safety of our products. This system is audited and certified annually by an independent third party.

We always want to meet our customers' needs, so we involve them in our product innovation processes through testing and providing feedback. Furthermore, we have set up a feedback and compliance mechanism via Salesforce as part of our consumer service tool and provide official contact points on our website to ensure that customers and consumers can reach out to us globally. All inquiries, suggestions, ideas, and complaints are handled in close cooperation between the markets, Consumer Services and Quality Management. We share observations and the improvements we achieve through reports and learnings. We monitor customer satisfaction through the Global Consumer Service and share the results quarterly across the company.

## Our community engagement

We are an active part of society and want society to share in our economic success. For this reason, we are committed to preserving cultural values and supporting charity projects in a variety of ways ([Corporate Sponsorship](#)). Social responsibility and mutual respect also contribute to Ricola's success.

Through the [Emil and Rosa Richterich-Beck Foundation](#), we have been supporting artistic, cultural and educational projects since 1975, particularly in the Laufental valley, where Ricola is deeply rooted. The foundation, which is funded from Ricola's profits, also makes donations to charitable institutions, aid organisations and people in need.

In 2010, Ricola established the [Ricola Foundation](#) in order to support projects that promote research and a deeper understanding of the natural and cultural foundations of human life. Its most important activity at present is the support of [COLOSS](#), a scientific network that coordinates research to understand bee mortality worldwide.

### 3.3 Our value chain

## From Laufen to the rest of the world

Ricola grows its business responsibly, ensuring that all the impacts along the value chain are as sustainable as possible. Quality forms the basis for all corporate decisions at Ricola. The company attaches particular importance to the quality of the raw materials it uses, and to careful processing to produce the various herbal specialties – based on herbs being cultivated and harvested by Swiss mountain farmers in accordance with the standards of Bio Suisse.

- **Raw materials:** All Ricola bonbons are produced at the facility in Laufen, Switzerland, and contain the company's traditional mixture of herbs: The herbs are planted and cultivated in carefully selected regions in the Swiss mountains. About 85 Swiss mountain farmers under contract to Ricola consistently use natural methods to grow their herbs, particularly avoiding of synthetic chemical pesticides or artificial fertilisers. Sugar and isomalt are processed from sugar beets coming from Europe, mainly France and Germany. Glucose, which is derived from wheat or corn and sourced from the European Union, is processed into glucose syrup by our suppliers. Other raw materials are obtained from renowned traders. By relying on long term relationships, we ensure traceability of our raw materials and that our suppliers understand and embrace our values.



- **Production:** Reducing the amount of waste and the consumption of energy and water are high priorities for Ricola. Therefore, the company has implemented various measures. It all starts with the herbs: the harvested herbs are transported by road to the Herb Centre at our production site in Laufen, where they are cleaned, dried, cut, stored, and mixed. The natural essences and active ingredients are then extracted from the herbs and mixed with all the other key ingredients such as sugar, isomalt and glucose. This mixture is heated, moulded into drops and pearls, and cooled down.



- **Packaging and logistics:** On site in Laufen, but also in Brunstatt, France with our own packaging facility, and in Malaysia and the USA, with contract packers, our Swiss semi-finished products are wrapped in protective paper or packed in boxes and packaged into finished products for the respective local markets. Our products are sold in more than 45 countries worldwide. From Laufen, our herbal specialties are transported by road, train and/or ship by exclusive or selective-exclusive distribution partners or via company's own subsidiaries and joint ventures<sup>4</sup>.



## How we deal with risks arising from our business activities along the value chain

Business threats and risks are reviewed and assessed annually by the Legal and Compliance function based on their potential financial impact and likelihood of occurrence, and mitigation activities are assigned to each identified threat and risk. We evaluate the results and status of these activities annually.

As Ricola is committed to managing sustainability risks in the same way as traditional corporate business risks, we will establish a cross-functional process in 2023 to integrate sustainability risks into our corporate risk management.

In 2021, an ESG risk analysis was conducted for Ricola by Sustainalytics, a leading independent ESG rating and analysis company. It indicated that the sustainability risks arising from our business activities and the sustainability challenges that could affect our business activities were medium, with an overall exposure similar to the industry average.

The results of this ESG risk analysis were supplemented by our internal sustainability experts to complete the risk map along the four areas defined by the UN Global Compact, the world's largest corporate sustainability initiative:

### Environment

As a manufacturer of natural products, we use natural raw materials such as herbs and sugar, among others. These ingredients require not only land resources but also significant amounts of water for irrigation, both as an input for the ingredients and for the final Ricola product. The increasing scarcity of fresh water exposes the company to regulatory risks related to water consumption in the future, which could limit production capacity. We are committed to the sustainable use of resources. Please refer to the chapter [Ricola Agriculture Principles](#) and [Water](#) to learn how we manage these risks.

Our production processes require energy, which leads to greenhouse gas emissions and accelerates climate change. At the same time, our agricultural raw materials are highly vulnerable to climate change: higher temperatures, droughts, and floods, amongst others, could have a negative impact on the availability of our ingredients. Please refer to chapter [Climate Change/ Energy and GHG Emissions](#) to learn how we manage this risk.

Our products are properly packaged to ensure a long-term quality and health safety. However, the packaging also generates general and plastic waste. It could have an environmental impact as well, if not properly managed. Please refer to the chapter [Packaging and Waste](#) to learn how we manage this risk.

### Human rights

According to Ricola's internal risk analysis, there is a risk that human rights abuses may occur in our upstream processes along the value chain, in particular during the cultivation, harvesting and production of some of our ingredients (raw materials) other than herbs. Please refer to chapter [Supply Chain Labour](#) to learn how we manage this risk.

### Social and labour conditions

In our own production, but also along our value chain, there may be labour issues relating to occupational health and safety and critical working conditions at our suppliers' sites. Please refer to the section [We care for our employees](#) and the chapter [Supply Chain Labour](#) to learn how we manage these risks.

As we sell our products primarily in markets where consumer demand for environmentally and socially responsible products is significant, we need to ensure the availability of these responsible products to avoid any reputational risks. Furthermore, quality and safety incidents involving our products could also result in legal investigations. Please refer to section [We care for our consumers' health and safety](#) to learn how we manage this risk.

### Anti-corruption

According to Ricola's internal risk analysis, incidents such as bribery, corruption or intellectual property issues could occur. Please refer to section [Good governance](#) to learn how we manage these risks.

<sup>4</sup>In Switzerland, Ricola's own distribution company, Ricola Schweiz AG, distributes not only Ricola products, but also other confectionery brands such as Sportmint, Mocken and Richterich's, which belong to Ricola Group AG and are produced by third parties on a contract manufacturing basis; since 2022, Ricola also exclusively distribute the products of the third-party brand Fisherman's Friend. In Italy, the Group's own distribution company, Divita S.r.l., exclusively distributes Ricola products and the third-party brand Fisherman's Friend. The joint venture CFP Brands in Germany distributes Ricola products as well as the brands of its joint venture partners, Lofthouse and Perfetti van Melle. The other own distribution companies exclusively sell only Ricola products.

# ~~Sustainability Strategy~~

## 4. Sustainability Strategy – For Ricola, business success is the motivation to take responsibility for employees, partners, society and the environment. Sustainable thinking and action are part of this family company’s credo. Ricola sees sustainability not as a finishing line, but as a continuous process of improvement.

“We live sustainability” – that is why Ricola’s sustainability strategy is part of our overall business strategy and takes equal account of economic, social and environmental aspects. The sustainability strategy is approved by our *Board of Directors*.

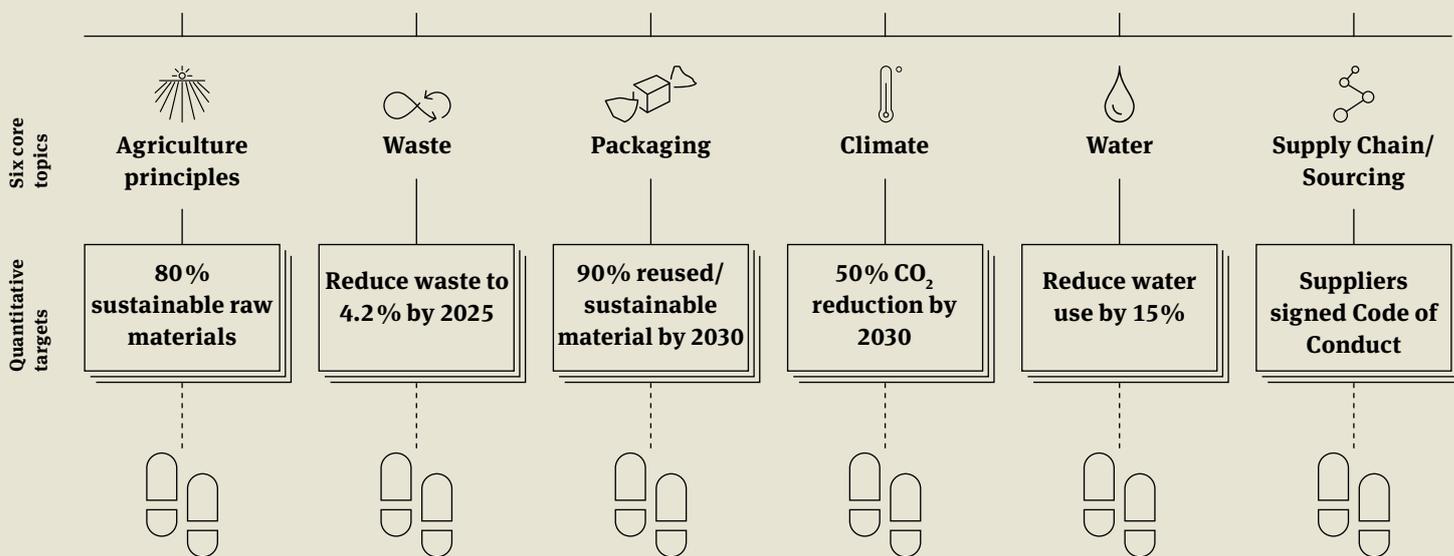
Over the past two years, we have worked intensively on the company’s comprehensive approach to sustainability. A materiality assessment has identified six core topics in which the company has the greatest impact on the economy, the environment, and people, including impacts on their human rights (see [Materiality Assessment](#)). These are:

- Agriculture principles
- Waste
- Packaging
- Climate change
- Water
- Supply chain/Sourcing

We have developed quantitative targets for each core topic; annual actions – we call them “footsteps” – are defined at the operational level to achieve these targets. The “footsteps” are implemented across the Ricola Group and are managed independently by each department.

Successes are reported quarterly to the *Sustainability Department*, respectively to the *Project Leaders*, and *Group Executive Management*. At the end of the year, the annual consolidated quantitative achievements are reported to the *Group Executive Management*.

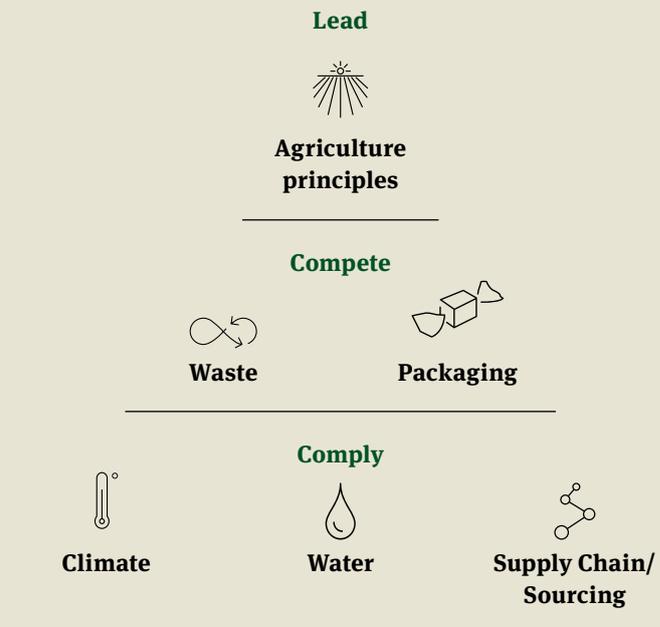
### Business strategy



#### 4.1 Sustainability ambitions and targets

To prioritise our efforts in relation to the six core topics, Ricola has defined three ambition levels: lead, compete and comply. Depending on the level of ambition, we dedicate our time and resources to the topics where we can make the most positive contribution.

Based on these ambitions, we have set targets for each of the six core topics. These targets will be revised at any time in line with the progress in the respective core topic.



The following table provides an overview of the current targets and our successes by the end of 2022:

Core topics	Targets	Progress and successes in 2022
<p><b>Ricola agricultural principles</b></p> 	<p>By 2030, our agriculture principles will be applied to:</p> <ul style="list-style-type: none"> <li>– 100 percent of herbs</li> <li>– 80 percent of raw material used in our products (drops)</li> </ul>	<ul style="list-style-type: none"> <li>– 100 percent of herbs grown according to agricultural principles</li> <li>– Incentives for farmers to improve herb quality continuously</li> <li>– Regular direct conversation with farmers about their and our needs</li> <li>– Crop rotation and promoting sustainable farming techniques</li> </ul>
<p><b>Waste</b></p> 	<ul style="list-style-type: none"> <li>– By 2025, our waste is down to 4.2 percent</li> </ul>	<ul style="list-style-type: none"> <li>– Ratio of waste volume to production volume has decreased from nearly 10 percent in 2012 to 6 percent in 2021 (excluding pomace) due to waste reduction at production level</li> <li>– Recycling solutions for all kinds of waste have been developed with our recycling partners</li> <li>– No landfills in our operations</li> <li>– Waste separation in the offices, factories and warehouses</li> </ul>
<p><b>Packaging</b></p> 	<ul style="list-style-type: none"> <li>– Reduce: By 2030, our packaging material will be reduced by 10 percent</li> <li>– Reuse: By 2030, our packaging will consist of 90 percent recycled or sustainable material</li> <li>– Recycle: By 2030, our packaging will be 65 percent recyclable</li> </ul>	<ul style="list-style-type: none"> <li>– Cooperation with suppliers to optimise our tin can (Bluemint Steel), which is 50 percent less CO<sub>2</sub>-intensive</li> <li>– 100 percent of our paper and carton packaging is FSC certified or from recycled sources</li> </ul>
<p><b>Climate change</b></p> 	<ul style="list-style-type: none"> <li>– By 2030, we will reduce our CO<sub>2</sub> emissions in Scope 1 and 2 by 50 percent compared to 2020</li> <li>– By 2030, we will reduce our CO<sub>2</sub> emissions in transport (Scope 3) by 50 percent compared to 2020</li> <li>– By 2023, we will set targets for our CO<sub>2</sub> emissions in the remaining Scope 3</li> </ul>	<ul style="list-style-type: none"> <li>– 100 percent renewable electricity since 2016</li> <li>– Assessment of all our emissions from “farm to fork”</li> <li>– Contractual agreements with shipment partners to reduce their carbon footprint</li> <li>– New tin can made of more sustainable (bluemint) steel</li> <li>– “Ricola Climate Project Day” for our apprentices</li> </ul>
<p><b>Water</b></p> 	<ul style="list-style-type: none"> <li>– By 2025, we will use 15 percent less water per 100 kg bulk compared to 2019</li> </ul>	<ul style="list-style-type: none"> <li>– Installation of water meters and timer at one of eight production lines</li> <li>– Raised employee awareness at production level</li> <li>– Analysis on suppliers’ water consumption</li> </ul>
<p><b>Supply Chain/Sourcing</b></p> 	<ul style="list-style-type: none"> <li>– By 2025, 100 percent of our key suppliers have completed the Ecovadis (or equivalent) assessment and report the most relevant KPIs.</li> <li>– By 2025, 100 percent of risk commodities are transparent, audited (Sedex or equivalent) or certified (Fairtrade or equivalent).</li> <li>– By 2023, we will renew our supplier risk assessment and develop actions and necessary audits.</li> </ul>	<ul style="list-style-type: none"> <li>– 98.8% of our raw material suppliers have signed our Code of Conduct</li> <li>– Regular risk assessments in place leading to change of supplier when major issues identified</li> <li>– Tight working community with our herb farmer network established</li> </ul>

To achieve these ambitions, Ricola has developed a comprehensive catalogue of measures that will be implemented over the next few years and can be adapted to changing trends. In our Sustainability Report, which will be published every other year, we will report on the achievement our targets and the implementation of measures. Information on our approach to the main topics, the action we have taken and the extent we have achieved our targets can be found in the respective chapters.

## 4.2 Materiality assessment

In order to set the most meaningful focus for our sustainability management, we conducted a comprehensive materiality assessment in 2020/2021. This process was initiated by the former *Vice President Sustainability & Future Innovation*, led by Ricola's *Green Team* (see [Our Sustainability Governance](#)), and supported by external experts focusing on human rights, business integrity and sustainability.

In an extensive stakeholder engagement process that included multiple interviews and workshops, we first asked our most important internal (21 in total) and external stakeholders (11 in total) about their perception of priority issues and risks along our value chain as well as for their expectations of Ricola's business practices and vision. In a second step they ranked these topics. Stakeholders included Ricola's department heads, country managers, members of the founding family, general managers as well as NGOs, retail, and consumer organisations.

Alongside the stakeholder input, the *Green Team* considered and assessed the impact of Ricola's business activities on the economy the environment and people, including their human rights, along Ricola's entire value chain. To do this, the team, supported by external sustainability experts, used specific sustainability standards and frameworks, such as the Global Reporting Initiative standards and the UN Sustainable Development Goals, as well as specific LCA (life-cycle assessment) data to assess which environmental topics are the most significant in terms of environmental impact.

The final results, including a gap analysis showing the maturity of Ricola in relation with each topic, were discussed intensively with the *Group Executive Management* and the *Board of Directors*. To manage them thoroughly, the topics were clustered in six strategic core topics where Ricola has the greatest impact on the economy, the environment and people. At the same time, these topics are of utmost importance for our stakeholders.

Finally, these six core topics have been approved by the *Board of Directors* as part of Ricola's business strategy.

The following table presents the core topics, that are key to Ricola's sustainability management, and the corresponding subtopics that emerged from our comprehensive materiality assessment.

Ricola's core / material topics	Subtopics
<b>Ricola agricultural principles</b>	<ul style="list-style-type: none"> <li>– Resource use</li> <li>– Biodiversity</li> <li>– Environmental issues impacting communities</li> <li>– Use of pesticides /GMO</li> <li>– Community and land rights</li> </ul>
<b>Waste</b>	<ul style="list-style-type: none"> <li>– Waste production at operational level</li> </ul>
<b>Packaging</b>	<ul style="list-style-type: none"> <li>– Environmental impacts of packaging material</li> </ul>
<b>Climate change / energy and emissions</b>	<ul style="list-style-type: none"> <li>– Greenhouse gas emissions of our own operations</li> <li>– Climate change</li> <li>– Resource use</li> <li>– Environmental issues impacting communities</li> </ul>
<b>Water</b>	<ul style="list-style-type: none"> <li>– Water use in agriculture and operations</li> </ul>
<b>Supply chain/Sourcing</b>	<ul style="list-style-type: none"> <li>– Working conditions, incl. OHS</li> <li>– Forced labour and modern slavery</li> <li>– Child labour</li> <li>– Freedom of association</li> <li>– Community and land rights</li> <li>– Discrimination</li> </ul>

Topics of our materiality assessment which concern Ricola's general values are also briefly covered within this Sustainability Report (see [What Ricola Stands For](#)):

- Business ethics and corruption
- Working conditions and occupational health and safety
- Gender equality and discrimination
- Consumer health and safety
- Engagement with communities

### 4.3 Our sustainability governance

Ricola's highest governance body, the *Board of Directors*, not only approves the sustainability strategy including core topics, ambition levels and targets, but also participated in developing the current strategy through active engagement in interviews and workshops during our materiality assessment.

The implementation of the business and sustainability strategy is delegated to and overseen by our *Group Executive Management* who report at least annually to the *Board of Directors* on management topics, including business, risk and sustainability issues. The *Group Executive Management* is updated regularly by the *Director Sustainability* on the progress of the impact management. Finally, the *Group Executive Management* steers the achievements of measures and allocates resources accordingly.

On request, representatives of stakeholder groups are also invited to the quarterly *Board of Directors* meeting as well as the monthly meetings of *Group Executive Management* to present their concerns and projects.

Ricola has further strengthened its commitment to a sustainable business model by establishing a dedicated Sustainability Department in 2020, which reports directly to the *Chief Operating Officer*. The *Director Sustainability* is the point of contact for all sustainability-related issues and is responsible for the further development of Ricola's sustainability management, including the monitoring of targets and the development of suitable footsteps to achieve them. The *Director Sustainability* reports regularly to the *Group Executive Management* on the measures planned and the progress achieved.

The interdisciplinary *Green Team*, which includes employees from various hierarchical levels and departments, coordinates and monitors the implementation of sustainability measures.



**Sustain-  
ability  
Core  
Topics**



# 5. Sustainability Core Topics

## 5.1 Ricola agriculture principles

### Why this topic matters to Ricola

The cultivation of agricultural products is always an intervention into nature. Besides, employment and working conditions in the agricultural industry are under increased observation with respect to significant operational, regulatory and reputational risks. Consumers are more and more aware of these facts and concerned about how products are being produced.

Since the origins of Ricola’s products lie in nature, we do our utmost to ensure harmony and a healthy balance in the ecosystem as well as fair employment practices. By implementing our Ricola agriculture principles across farm and field level, we make sure that our intervention into nature is as gentle and regenerative as possible and the employment and social practices as fair as possible.

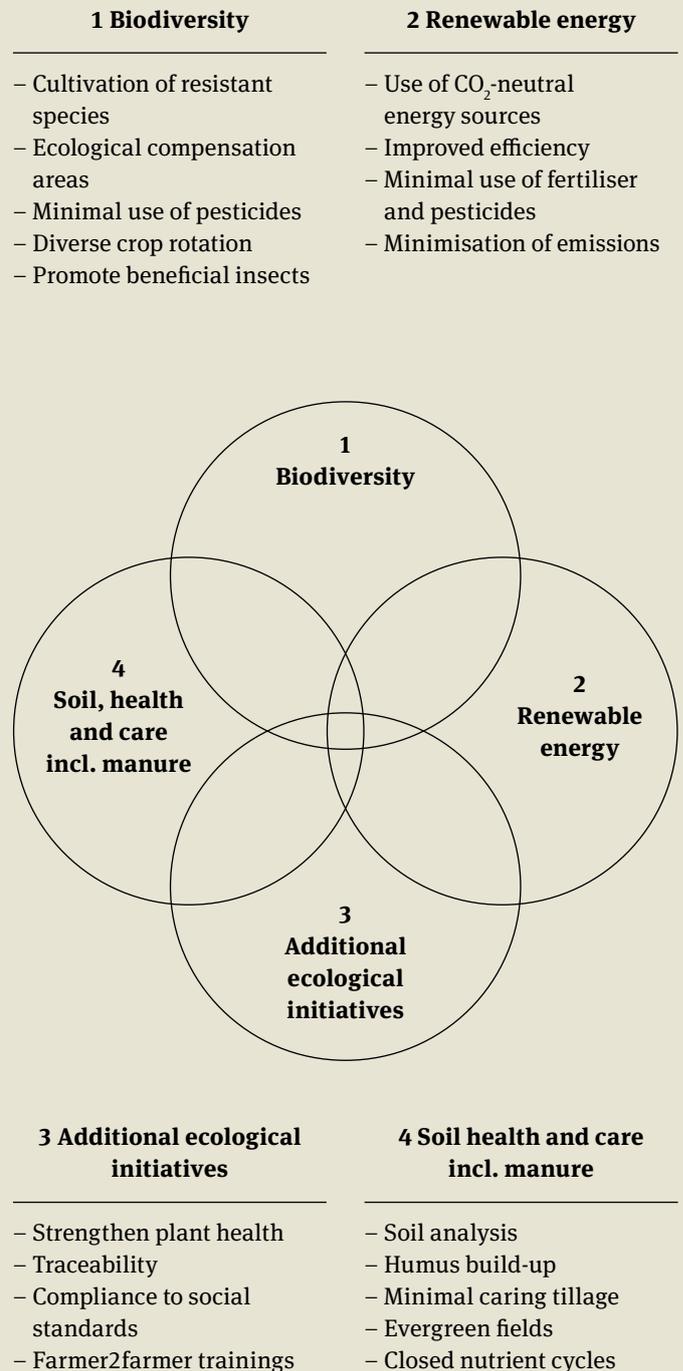
### Our approach

Based on our experience with our Swiss herb farmers of many decades, in 2022, our Board of Directors approved the Ricola agriculture principles. These make sure that in order to produce our herb products

- We protect, restore and diversify nature (e.g. forests, soils, biodiversity) and
- Make significant and continuous improvement with respect to sustainable agricultural practices (economic, societal, environmental)

throughout our entire value chain.

## The Ricola agriculture principles



To enforce our agriculture principles, we have developed guidelines on farm and growing field level that differentiate between “requirements” and “encouragement”. These guidelines will have to be implemented for all possible raw materials by 2030.

	<b>Farm/ Company</b>	<b>Growing field</b>
<b>We require</b>	<ul style="list-style-type: none"> <li>– Location of the farm/company: if possible, in Switzerland, with strong preference in the Swiss hilly countryside and mountains</li> <li>– Social standards (employment relationship, contracts, wages, health, safety, equality, etc.) correspond to the specifications of the local authorities or professional organizations</li> <li>– Fair trading relationships based on local conditions</li> <li>– Relevant ecological compensation areas (biodiversity) in relation to the agricultural area</li> <li>– Complete documentation and traceability of cultivation</li> <li>– No GMO or use of genetically modified organisms and plants</li> </ul>	<ul style="list-style-type: none"> <li>– Field meets crop requirements in terms of soil, topography and climate</li> <li>– Site-specific and needs-based fertilization of the plants based on soil analyses</li> <li>– Soil erosion and nutrient loss is specifically prevented</li> <li>– Soil fertility, including humus build-up, has top priority for every measure</li> </ul>
<b>We strongly encourage</b>	<ul style="list-style-type: none"> <li>– Nutrient cycles that are as closed as possible</li> <li>– Use of maintenance and harvesting machines that protect the soil and care for the insects’ habitats</li> <li>– minimisation of emissions from cultural measures</li> <li>– Energy efficiency and use of CO<sub>2</sub> neutral energy sources</li> <li>– Farmer-to-farmer training on sharing of cultivation experience, cooperation, and use of the infrastructure (harvester, dryer, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>– Cultivation of suitable, resistant species and varieties (diseases, pests, weather stress) in a crop rotation as diverse as possible</li> <li>– Preventative care measures that strengthen plant health and, if necessary, protect the soil and promote beneficial insects</li> <li>– Minimal, caring tillage depending on the crop</li> <li>– Targeted improvement of soil fertility</li> <li>– Minimal use of chemical synthetic pesticides and artificial fertilizers</li> <li>– The motto for the field is «evergreen» (culture of crops for fertilization) throughout all seasons</li> </ul>

**In order to implement our guidelines, we apply three approaches to reach our ambition in 2030:**

- 1 Whenever possible, we work directly with our farmers, as we have been doing with our herb farmers in Switzerland for decades.
- 2 Many of our raw materials have been previously processed and we receive them as large commodities. That means that we do not have direct access to farmers, and thus it is hard to implement our principles directly. Hence, we purchase certified raw materials according to recognised standards that match our principles, such as organic standards or IP Suisse.
- 3 In case we do not have a direct partnership with farmers and the raw materials are not available in accordance with a recognised standard, we reach out to our suppliers to start a conversation about implementing industry-wide farming and field practices (such as the Sustainable Agriculture Initiative SAI).





### Our goals

By 2030, our agriculture principles will be applied to:

- Swiss alpine herbs
- Raw materials that make up 80 percent of raw material used in products (drops)

Our supplier questionnaire also contains ecological criteria, e. g. the question whether the supplier has introduced an environmental management system. Suppliers are obliged to answer these questions, otherwise the working relationship cannot be established.

Our Purchasing Department is responsible for the implementation of the Ricola agriculture principles in the entire Ricola Group, and is supported by the Sustainability Department.

### Key measures and actions in 2022

Ricola already has a long track record of continuously improving agricultural practices for herb farming. Besides having regular direct conversations with farmers about their and our needs, we provide incentives for farmers to improve herb quality continuously, promote sustainable farming techniques and invoke research projects for problems that they face in the field.

2022 was the year of setting course towards implementing our agriculture principles globally. We developed and got them approved by our *Board of Directors* and developed footsteps in order to reach our defined ambitions. Furthermore, we decided to prioritise our strategic raw materials, herbs and sugar beet (sugar and isomalt).

In extensive conversations with our suppliers of sugar and isomalt, we learned about the issues in agricultural production and the differences between geographic regions. As a consequence, we adapted our sourcing strategy. After analysing several sustainability standards we decided to contract IP Suisse quality sugar for 2023. Furthermore, we set up two pilot projects with herb farmers that will be implemented in 2023.

Our *Project Team* responsible for monitoring the progress includes the *Chief Operating Officer, Vice President Global Procurement, Vice President Herb Cultivation, Head of Herb Centre/Quality Control, Director Sustainability, Senior Manager Sustainability*.

### Evaluation and outlook

We regularly track if our Ricola agricultural principles are holistic and effective and adapt them if necessary. Our project team meets bimonthly to discuss progress and next steps.

As our approach is fairly new, we will test and learn with new qualities and educate everyone involved. In cases where we rely on existing sustainability standards, we regularly check to make sure they meet our ambitions. We monitor the amount of purchased raw material according to our agriculture principles yearly.

The shift towards implementing our agriculture principles is a process that Ricola will constantly drive forward.

Due to the Covid pandemic, our supply of raw materials was severely impacted in the past two years. We were not able to source large quantities of raw materials according to our defined criteria. We only improved slightly from 0.22 percent in 2021 to 1.12 percent in 2022. Nonetheless, many of our suppliers already participate in the Sustainability Agriculture Initiative (SAI) which contributes to more sustainable agricultural practices. It is also to be noted that at the time of publishing this report (October 2023), we have found ways to make substantial progress thanks to the newly established long term partnership with IP Suisse.

As for herbs, we had to import certain types due to the poor agricultural season in Switzerland. For this reason, we dropped from 94 percent to 90 percent when it comes to the application of the Ricola agriculture principles to herbs.

As for 2022, 100 percent of our suppliers are already screened for compliance with environmental standards by using ecological criteria in our supplier selection process.

For the upcoming reporting cycle, the following actions are planned:

- **Herbs:** We will carry out two pilot projects with farmers in Switzerland to further improve biodiversity and soil fertility on farm level. These projects include farmer training to implement compost and vegetable coal in the nutrient cycle as well as testing biodiversity effects involving wildflower strips on arable/herb land.
- **Sugar:** Since we do not have direct access to farmers for commodity products like sugar, we will start sourcing sugar according to the IP Suisse standard, which matches our principles very well.
- **Other raw materials:** As there is no suitable sustainability standard for complex raw materials such as isomalt and glucose we will take the initiative and will start conversations with our suppliers about how to design such a standard together with partners.

*Detailed key figures are presented in chapter Data and Performance.*

## 5.2 Climate Change/Energy and GHG Emissions

### Why this topic matters to Ricola

Man-made greenhouse gases (GHG) are a major contributing factor towards global warming, a key challenge of the agricultural industry and those industries that depend on natural products. Simultaneously, the agricultural industry and the industry processing the agricultural products such as ours, contribute to the acceleration of the climate change by producing greenhouse gas emissions through agricultural production (Scope 3), transport of the raw materials as well as our final products (Scope 3), our own manufacturing processes that require, amongst others, energy for heating and cooling (Scope 1 and 2).

As we are aware of the fact that the future sourcing of our main ingredients is most likely going to be negatively affected by the consequences of climate change, such as increasing temperatures, droughts and floods, we aim to reduce the climate impact of our own operations as well as of upstream and downstream processes. Our commitment is also in line with the expectations of our stakeholders, including the Swiss government, customers, consumers and climate organisations.



### Our goals

- By 2030, we will reduce our CO<sub>2</sub> emissions in Scope 1 and 2 by 50 percent compared to 2020
- By 2030 we will reduce our CO<sub>2</sub> emissions in transport (Scope 3) by 50 percent compared to 2020
- 2023 we will set targets for our CO<sub>2</sub> emissions in Scope 3

### Our approach

To manage our GHG emissions, we introduced an internal Environmental Management System in 2022, which includes an environmental management policy as well as a commitment to the application of science-based methods. We report our emissions annually to the EnAW (engl.: Energy Agency for the Economy) which complies with Swiss regulations as well as the GHG Protocol.

Since 2016, Ricola uses 100 percent renewable energy (hydropower) in our administration and production facilities at Laufen, Switzerland. In addition, we have introduced an extensive heat recovery system that saves around 33 percent energy compared with the total consumption of the production building (base year 2020), making us an industry leader.

We plan to continuously expand our fleet of e-vehicles within the company. Currently we have four e-vehicles.

In 2022, we set our climate ambition for our Scope 1 and Scope 2 emissions, which are compliant with the Paris Agreement. In 2023, we are going to set science-based ambitions for our Scope 3 emissions as well.

In order to achieve our emission ambitions, we apply two approaches:

1. We eliminate and reduce our CO<sub>2</sub> emissions as much as possible by
  - switching to renewable energies
  - increasing energy efficiency
  - introducing new technologies along the value chain.
2. We compensate those GHG emissions that we cannot reduce by funding carbon offsetting projects.

Our *Vice President for Maintenance and Engineering* is responsible for controlling and reporting to ENaW on the Scopes 1 and 2 emissions of our headquarters including the two production buildings, as well as for monitoring the progress towards the ambitions for Scope 1 and 2. For Scope 3 emissions, the *Sustainability Department* works with all other relevant departments responsible for e. g. sourcing, transport, packaging, sales, on reducing emissions within our value chain. The *Sustainability Department* is also responsible for quarterly monitoring the projects and the progress towards the ambitions as well as for reporting annually on Scope 3 emissions to the *Group Management*. The department is supported by *myclimate*, a provider of CO<sub>2</sub> offsetting and carbon offsetting consulting.

### Key measures and actions in 2022

We aim to continuously improve our operations towards a more environmentally friendly manner and increase awareness as well as the sense of responsibility and commitment with our employees.

In order to get a complete overview of our GHG emissions, we conducted an assessment of all our emissions, including Scope 3, from “farm to fork” together with our partner *myclimate*. Based on this, we plan on setting science-based targets for our Scope 3 emissions in 2023.

With respect to our emissions caused by transport, a list of all our shipments has been verified by *myclimate* and measures have been contractually agreed with our carriers to reduce their carbon footprint in 2023.

We introduced a new packaging can made of more sustainable (bluemint) steel that saves up to 50 percent of CO<sub>2</sub> emissions in production compared to traditional steel.

In cooperation with *myclimate*, we conducted the “Ricola Climate Project Day” for our apprentices at the beginning of 2022. With playful elements and interactive workshops, our apprentices – from aspiring business leaders to logistics specialists – were able to acquire valuable knowledge about climate protection and energy efficiency.

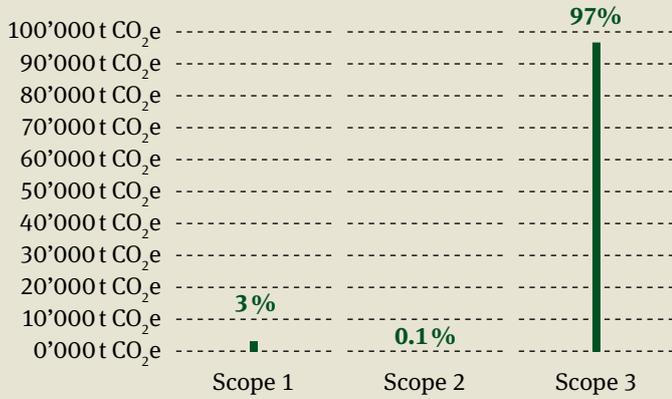
**Evaluation and outlook**

We monitor our carbon footprint on an annual basis and develop appropriate actions to reach our ambitions. Every action is evaluated by a third party.

In order to further reduce our CO<sub>2</sub> emissions, we plan the following actions for 2023:

- Based on our Scope 3 assessment, we will set science-based Scope 3 targets
- From January 2023 onwards, all sea freight transports for Ricola will be carried out using biofuel. This measure, together with a more efficient use of the container volume, should reduce our carbon footprint caused by transport significantly
- We minimise air freight wherever possible
- From March 2023 onwards, 25 percent of air freight transports for Ricola will be carried out using SAF (Sustainable Aviation Fuels), saving up to 30 percent of CO<sub>2</sub> emissions
- We will expand our e-vehicle fleet in Switzerland
- We plan on investing in one e-truck for our local distribution demands

## CO<sub>2</sub>-Emissions Ricola 2022



■ CO<sub>2</sub>-Emissions Ricola Group AG 2022

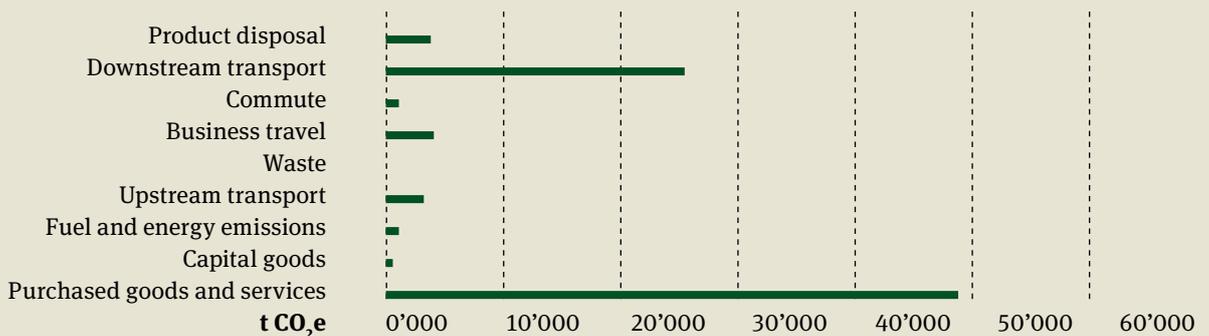
Calculation of corporate carbon footprint with *myclimate smart3*

Detailed environmental key figures are presented in chapter [Data and Performance](#).

The manufacturing processes of our products require energy for heating, cooling and operating the manufacturing machines (Scope 1 and 2), amongst others, which accounts for 3064.7 metric tonnes GHG emissions. Due to the increase in production volume by 52 percent in 2022, our Scope 1 and 2 GHG emissions increased by 23.7 percent compared to 2021. Nonetheless, we were able to reduce the energy intensity per 100kg semi-finished product by 17.3 percent from 2021 to 2022. The GHG emission intensity per 100 kg of semi-finished product (Scope 1-3) is 0.36 tons of CO<sub>2</sub> equivalent.

With respect to Scope 3 emissions, the main source of Ricola’s GHG emission is the agricultural production which was responsible for 49 percent of Ricola’s total GHG emissions in 2022. The transport of our final products to our customers accounted for 28 percent. This is mostly due to the fact that we needed to transport larger quantities than usual via airfreight in 2022.

## Scope 3 Emissions 2022



Calculation of corporate carbon footprint with *myclimate smart3*

## 5.3 Packaging and Waste

### Why this topic matters to Ricola

Our herb products require proper packaging to maintain their quality and product safety during transport and product shelf life as well as present them in an aesthetically appealing way to our consumers. With our packaging, we offer optimal protection for our products, keeping them fresh and edible for longer and thus reduce food waste.

Since we select and procure our own packaging, we constantly monitor for further development of materials on the market. When we find innovative packaging material, we test its suitability for packaging our herb products.

Parts of our packaging materials are made of plastic, which originate from fossil resources. Therefore, it is not fully recyclable due to the required water vapour barrier. If not properly disposed, it may end up in landfills and contribute to the pollution of our ecosystems.

Packaging waste is also one of the major topics for our retail customers, consumers, and regulators, who are demanding measurable progress towards sustainable packaging and waste reduction. For this reason, we are highly committed to source our packaging in a responsible and sustainable way, and to steer our waste management towards circularity.

### 5.3.1 Packaging

#### Our approach

Not only primary packaging, but also secondary packaging is in our focus, since it makes up around half of our total packaging procured. We collaborate with our partners and customers to reduce secondary packaging for transport and to find solutions that are less material intense.

In order to achieve our ambitions, we apply the 3R (reduce, reuse, recycle) approach:

1. We reduce material wherever and as much as possible
2. We increase the amount of reused/recycled or more sustainable material in our packaging wherever possible
3. We strive to make our packaging recyclable



#### Our goals

- Reduce: By 2030, our packaging material will be reduced by 10 percent
- Reuse: By 2030, our packaging will be 90 percent of recycled or sustainable material
- Recycle: By 2030, our packaging will be 65 percent recyclable

Improving the packaging towards greater sustainability is a cross-cutting task throughout the Ricola Group:

our *Strategic Sourcing Team* manages the implementation of above-mentioned ambitions and makes sure that our products reach our consumers safely. Our *Production and Logistics Teams* test the proposed solutions and provide input themselves. Finally, our *Marketing Teams* make sure that new solutions are also consumer friendly.

The *Sustainability Department* is responsible for monitoring and reporting the progress towards the ambitions to the Executive Management on an annual basis.

#### Key measures and actions in 2022

We have already greatly improved our packaging in the past, as these examples show:

- Cardboard and paper packaging are 100 percent FSC (Forest Stewardship Council) certified
- Reduction of material of our click boxes by 3.7 percent due to a reduction in cardboard grammage
- Reduction of PE layer in our boxes
- Reduction of foil thickness for boxes
- Elimination of aluminium from our sugar-free bags
- Reduction of aluminium for stick foil by 16 percent
- Reduction of tin plate

Now it is time to optimise individual details, for example, in 2022, we started a collaboration with suppliers to optimise our tin by using Bluemint steel, which has 69 per cent lower CO<sub>2</sub>-emissions than conventional steel.

#### Evaluation and outlook

We measure annually if overall packaging has been reduced, if more reused/sustainable material has been used and if the recyclability of our packaging has increased.

We were able to maintain the percentage of packaging material coming from recycled, renewable, or sustainable sources at a high level of 85 percent. Due to an increase in sales of non-recyclable packaging formats, the share of our packaging material that can be recycled decreased by six percent from 49 percent in 2021 to 43 percent in 2022. In total, we reduced the volume of non-renewable material used to produce and package the primary product by 4.9 percent compared to 2021.

With all our actions, we need to be careful regarding product safety, packaging stability and aesthetics. To find solutions to satisfy our quality standards, legal regulations with respect to food safety and the expectations of our customers and consumers, we are continuously researching for new packaging solutions.

Many projects are planned for the upcoming years to improve our packaging, for example:

- Research new material options for box formats, that do not need a wrapping film anymore, but still provide a sufficient water vapour barrier
- Removal of additional transport cartons for cans, displays and pouches
- Reduction of stretch foil surrounding our products for transport
- Use of recycled plastic for example inlays, big bags, plastic palettes.

For most of those projects, we are going to consult with our customers and consumers after finalizing sample packaging products to make sure that our innovations are effective.

*Detailed environmental key figures are presented in chapter [Data and Performance](#).*

### 5.3.2 Waste

#### Our approach

We are committed to using resources carefully. That is why we strengthen reuse and recycling of our packaging waste and focus on innovative solutions to close material cycles.

Based on an analysis, we have identified several waste streams within our value chain, e. g. candy waste with/without sugar, tin plate, cardboard, plastic, general garbage, electronic devices. All this waste is produced by our manufacturing and packaging processes (see [Swiss products globally distributed](#)). Covered by our environmental management system, for each of these streams, we have implemented different waste management processes for reducing, reusing, and recycling and have set different ambition levels.



In order to achieve our set ambition, we apply two approaches:

- We try to generate as little waste as possible
- We recover unavoidable waste (recycling)

We raise awareness for an appropriate waste management among our employees and separate waste in the offices, factories, and warehouses at our headquarter in Laufen, Switzerland. A waste recycling program has been implemented to find the best possible recycling solution (see table below). Our well-established corporate Lean Management ensures continuous improvement with respect to the waste management processes.

The following list shows how we reuse and recycle our waste (extract):

Waste	Waste management/ disposal
Candy waste without sugar	100 percent goes to biogas plant
Candy waste with sugar	100 percent reuse in feed industry
Tin plate	100 percent recycling
Cardboard	100 percent recycling
Plastic	Combustion for district heating, steam, and electricity
General garbage	Combustion for district heating, steam, and electricity
Electronic devices	100 percent recycling

To reduce the end-consumer waste as well, we strive to constantly improve the packaging design and materials of our products (see [Packaging](#)).

Waste management is a cross-functional task and, as such, different departments and teams are involved: *Team Intralogistics, Production, Operations and Sustainability*. The responsibilities with respect to collection, transport and removal are clearly defined per waste stream within our environmental management system. The *Sustainability Department* is responsible for monitoring and reporting on the waste targets.

#### Key measures and actions in 2022

For many years, we have been optimising our waste from production. We found recycling solutions for all kind of waste, constantly optimised the packaging material, stopped waste removal on landfills and started to separate waste according to their waste stream in the offices, factories, and warehouses. For many years, we participate in the program “every toner counts”, initiated by the Swiss Red Cross. This program combines environmental protection with social commitment. We forward our empty printer cartridges and toners for recycling purposes to the Red Cross, which uses the proceeds to support families in Switzerland who are affected by poverty.

As part of the 2022 target development process, we held nine workshops under the motto “Sustainability in Production”. 131 employees from a wide range of areas developed possible further activities for our sustainability priority topics, some of which have already been taken up. For example, we have already started tests to further optimize waste separation in production.

At our “Ricola Climate Project Day” (see [Climate Change/ Energy & GHG Emissions](#)), our apprentices participated in a company challenge and as three out of four projects focused on waste, they showed a high awareness for waste management. Furthermore, during the workshop, waste containers

were examined, the most important waste materials selected, and new ways to reduce waste evaluated. Subsequently, the trainees created a proposal for waste separation in offices, which will be continued in 2023.

### Evaluation and outlook

We track our progress with respect to waste management on an annual basis. The ratio of waste volume to production volume has steadily decreased from nearly 10 percent in 2012 to six percent in 2021, excluding our herb pomace. The most significant factor are improvements to reduce waste directly in the production.

Since the amount of semi-finished products produced has doubled within a year, the amount of our waste has also increased. In 2022, a total of 2622,64 metric tons of waste were generated (+46,9 percent compared to 2021), of which only 0,04 percent was hazardous waste. 2329,12 metric tonnes non-hazardous waste has been diverted for recycling (+54.4 percent compared to 2021) and 292,43 metric tonnes for other recovery operations (+5.5 percent compared to 2021). Considering total waste in relation to semi-finished products produced, we were able to reduce the percentage from 5.98 percent in 2021 to 5.64 percent in 2022.

In 2023 we will set targets for the individual waste streams and establish clear responsibilities. We will go on to raise awareness among our employees by continuing the workshop series in production and to reduce the waste along our manufacturing and packaging processes.

Based on the yearly waste statistics and total yearly production, we plan to compare progress and trends for every single waste stream by developing relative indicators, e. g. the amount of kg waste per kg semifinished product. Based on these results, we can further improve our waste management.

Based on a deep-dive in the operational waste data, we plan to start three to four pilot projects for further waste reduction and waste reuse, respectively.

Furthermore, we will give more thought into finding solutions to increase the recycling rate and side stream valorization along our value chain in collaboration with partners, e. g. for pomace handling.

*Detailed environmental key figures are presented in chapter [Data and Performance](#).*

## 5.4 Water

### Why this topic matters to Ricola

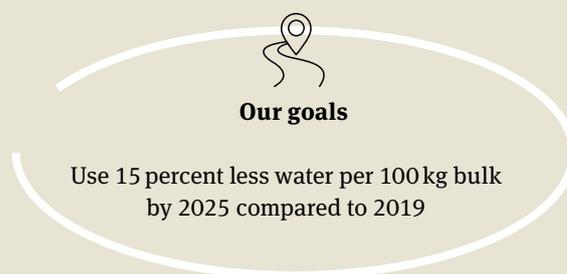
According to the FAO (Food and Agriculture Organisation of the United Nations), water scarcity is one of the greatest challenges of our time. It limits access to safe drinking water and affects ecosystems on which our present and future food and nutritional security depends. To produce our herb products, we purchase agricultural raw materials that require significant amounts of water for irrigation. Additionally, we use water as a resource (cleaning, cooling, and steam production for the cooking process) for our own manufacturing processes of our herb drops.

Since we indirectly and directly use water, we have the responsibility to manage our water use, consumption, and discharge appropriately. For our stakeholders, regulatory bodies and the communities around our production facility, in particular, also the water quality of our used and discharged water is of utmost importance.

### Our Approach

Since many of our own manufacturing processes require water, we are committed to constantly reduce our water use and consumption by improving our own processes.

Water management is part of our environmental management system and consists of water withdrawal, treatment, consumption and discharge.



We purchase our water from the local commune in line with national water quality guidelines and manage it in our production facility by using a specific waste water treatment system. Water data is directly measured at individual meters along the water consumption and discharge points and cooling water is reinfiltreated in controlled manner. The water streams can be managed as a part of the overall production planning system. We also use water for our clean-in-place (CIP) system, which automatically rinses and cleans our process equipment.

In order to identify water-related impacts, our water quality is controlled and monitored by a third-party which also does the final cleaning of the water. When monitoring our waste water on a bi-monthly basis, we check for chemical oxygen demand (COD), undissolved substances (in German: gesamte ungelöste Stoffe, GUS), phosphate and run microbial tests to ensure that our discharged water is compliant with the regulatory requirements of Kanton Basel-Landschaft.

We raise awareness among our employees working in the production facility for the responsible use of water for many years as part of a continuous improvement process.

Our clay building, which contains our herb centre, uses rainwater for cooling processes.

Our *Head of Engineering & Maintenance* is responsible for measuring and reporting on the water usage at the production facility monthly to the *Chief Operating Officer* and *Group Management*. The *Sustainability Department* monitors achievements and progress towards the water reduction targets on an annual basis.

### Key measures and actions in 2022

In order to use our water resources responsibly, in 2022, we started to install water meters at one of eight production lines to gather data on the water which is not managed by the overall production system. Moreover, a timer has been installed which closes a valve after a certain time to actively stop the waterflow. It was the starting point of measuring our actual water consumption per production line and creation a base dataset for further improvements in the upcoming year.

Furthermore, we conducted an analysis with EcoVadis, a provider of supplier sustainability ratings, on how many of our substantial suppliers evaluated by spend and risks have already implemented measures to reduce their water consumption to better understand the water usage in our upstream processes. As the result of 57 percent demonstrated, most of our evaluated suppliers are aware of the challenge of water scarcity, but we need to ensure that all our supplier take actions to reduce their water consumption.

### Evaluation and outlook

We monitor our water usage at our headquarter and production in Laufen, Switzerland monthly through the production control system.

In 2022, we withdrew 148.605 cubic meter of drinking water (+42.9 percent compared to 2021) for the manufacturing processes of our herb products and for use by our headquarter. Since the amount of semi-finished products increased by 52 percent from 2021 to 2022 and our CIP system had to constantly clean the equipment, our water consumption increased by 38.4 percent. Due to fluctuations in the production planning of various product batches during the Covid pandemic, we experienced a 2.5 percent increase of water use per 100 kg of bulk herb drops compared to 2019 (2021: 9.1 percent).

Considering the test results for the timer on one production line, which visibly reduced water consumption, we plan to install more meters and timers on other production lines in 2023. Overall, this not only helps to reduce water demand, but also raises awareness of the issue and helps to monitor our water demand in a more targeted manner.

Furthermore, we will continue to raise awareness for responsible water use among our employees with specific workshops, productions visits and walkabouts.

*Detailed environmental key figures are presented in chapter [Data and Performance](#).*

## 5.5 Supply Chain Labour

### Why this topic matters to Ricola

We believe sourcing should integrate social, ethical, and environmental criteria. In this way, procurement processes help to conserve natural resources and improve the quality of life for the people involved in the processes – including direct and indirect suppliers. Establishing transparency within the value chain is one of the major challenges international companies, such as ours, face at the moment. The expectations of customers, consumers as well as regulatory bodies are high, that companies take responsibility for the human rights and labour conditions as well as the environmental impacts along their value chain and constantly improve the way their products are manufactured.

As a company with a small supplier base and small purchasing volume, our influence on large suppliers is small. However, we aim to constantly improve the conditions in which the raw materials of our herb products have been produced by relying on a careful selection of suppliers and long-term, mutually beneficial relationships with our suppliers. By carefully selecting our suppliers and sourcing of raw materials that meet our Ricola agriculture principles, we aim to have an impact on the environment, promote sustainable business practices and thereby also improve the lives of local farming communities (see [Ricola Agriculture Principles](#)).

### Our approach

In our commercial relationships with our suppliers, we strive for fair and responsible business conduct characterised by continuity, consistency and balance. We rely on long term partnerships with our suppliers and prefer engaging with local suppliers. Regarding traceability of our raw materials, we know all our direct suppliers and the countries of origin for all of our raw materials, excluding aromas. In addition to the close partnership with our herb farmers, we also work directly with two fair trade honey cooperatives in Guatemala.

We are committed to only working with business partners and suppliers who satisfy our high sustainability standards by fulfilling their social, ecological and economic responsibilities. Our Ricola Code of Conduct sets the guiding principles for these responsibilities (see [What Ricola Stands For](#)). We expect from our suppliers to adhere to the same values as we do:

- To respect human rights and apply socially acceptable working conditions including the prohibition of child and forced labour as well as any exploitation of workers
- To protect the health and safety of their workers as well as of the environment
- To prevent corruption and anti-competitive behaviour (Ricola Code of Conduct, principles “Sustainability and social responsibility and “Business partners”)

All our suppliers are required to sign our Code of Conduct, otherwise we will not enter a business partnership with them or the partnership will be terminated, respectively.

We aim to strengthen our cooperation with all our substantial suppliers and build a tight working community as it already exists for many decades with our herb farmers. As a first step,

we have conducted an extensive risk assessment in 2019/2020 for our top ten raw materials, with support of the human rights experts from focusright. This assessment included the following topics:

- Supplier transparency check: HR policy, sustainability report, tracking methods, certificates, communication
- Country specific risks human rights: government influence and rule of law, conflicts and security, corruption, freedom of association, forced labour and modern slavery, discrimination, water use and water availability
- Human rights risks: working conditions, including occupational health and safety, freedom of association, forced labour & modern slavery, child labour, discrimination, land rights
- Environmental risks: water pollution, water use, loss of biodiversity & land use, GHG emissions, energy consumption, pesticides



### Our goals

- By 2025, 100 percent of our key suppliers have completed the Ecovadis (or equivalent) assessment and report the most relevant KPIs
- By 2025, 100 percent of risk commodities are transparent, audited (Sedex or equivalent) or certified (Fairtrade or equivalent)
- By 2023, we will renew our supplier risk assessment and develop actions and necessary audits on emissions in Scope 3

Based on this risk analysis, we identified countries with a high risk of non-compliance with our social and environmental standards, as well as suppliers who were not willing to change their practices and switched to more suitable suppliers.

In order to manage our supplier portfolio with regards to sustainability, in 2022, we signed partnerships with EcoVadis, a provider of supplier sustainability ratings and Sedex, one of the world's leading ethical trade membership organisations, to regularly rate and assess our suppliers against internationally recognised social and environmental standards (see [Key Measures and Actions in 2022](#)). If non-compliant suppliers in high-risk countries are identified who are not willing to adhere, we take appropriate action.

The *Vice President Global Procurement* is responsible for the supplier management.

### Key measures and actions in 2022

With the Covid pandemic largely overcome, we were able to define steps in 2022 to accelerate our efforts to achieve a sustainable value chain that meets all our and international requirements in terms of human rights, working conditions and environmental protection:

- We have started a partnership with EcoVadis in order to rate all our suppliers with respect to their sustainability performance according to key performance indicators which match those that are important for us, especially CO<sub>2</sub>, waste, water, sustainable sourcing and working conditions. The results are integrated on a virtual platform, which allows us to establish more transparency in our supply chain and to target further improvements. In the reporting year, we worked together with our most important suppliers to join the platform and walk through the EcoVadis assessment
- In addition, we have signed a partnership with Sedex to assess our raw material suppliers. By conducting a SMETA audit, we want to understand standards of labour, health and safety, environmental performance and ethics, including land rights and community, at their supplier sites

### Evaluation and outlook

All our new suppliers have been screened using social criteria by answering social-related questions in our supplier questionnaire. By using the EcoVadis platform we assessed 36 suppliers in the reporting year, which account for 83 percent of our revenue generation.

During our risk assessment and the application of the EcoVadis tool, we were able to identify our risk suppliers: eleven suppliers are at risk for violations of the right to freedom of association and collective bargaining; nine for child labour; and eleven for incidents of forced or compulsory labour. No actual impacts were identified along our supply chain.

2022 was the starting year of our engagement to assess our suppliers to ensure a sustainable value chain. We are planning to conduct first local audits in summer 2023 in India and in China for selected ingredients. We aim to audit all our risk suppliers by 2025 using the Sedex tool.

*Detailed key figures are presented in chapter [Data and Performance](#).*

A white paperclip graphic is centered on a yellow background. The paperclip is oriented vertically, with its top loop pointing towards the top right and its bottom loop pointing towards the bottom left. The word "Appendix" is written in a bold, black, serif font, centered horizontally and partially overlaid by the paperclip.

# Appendix

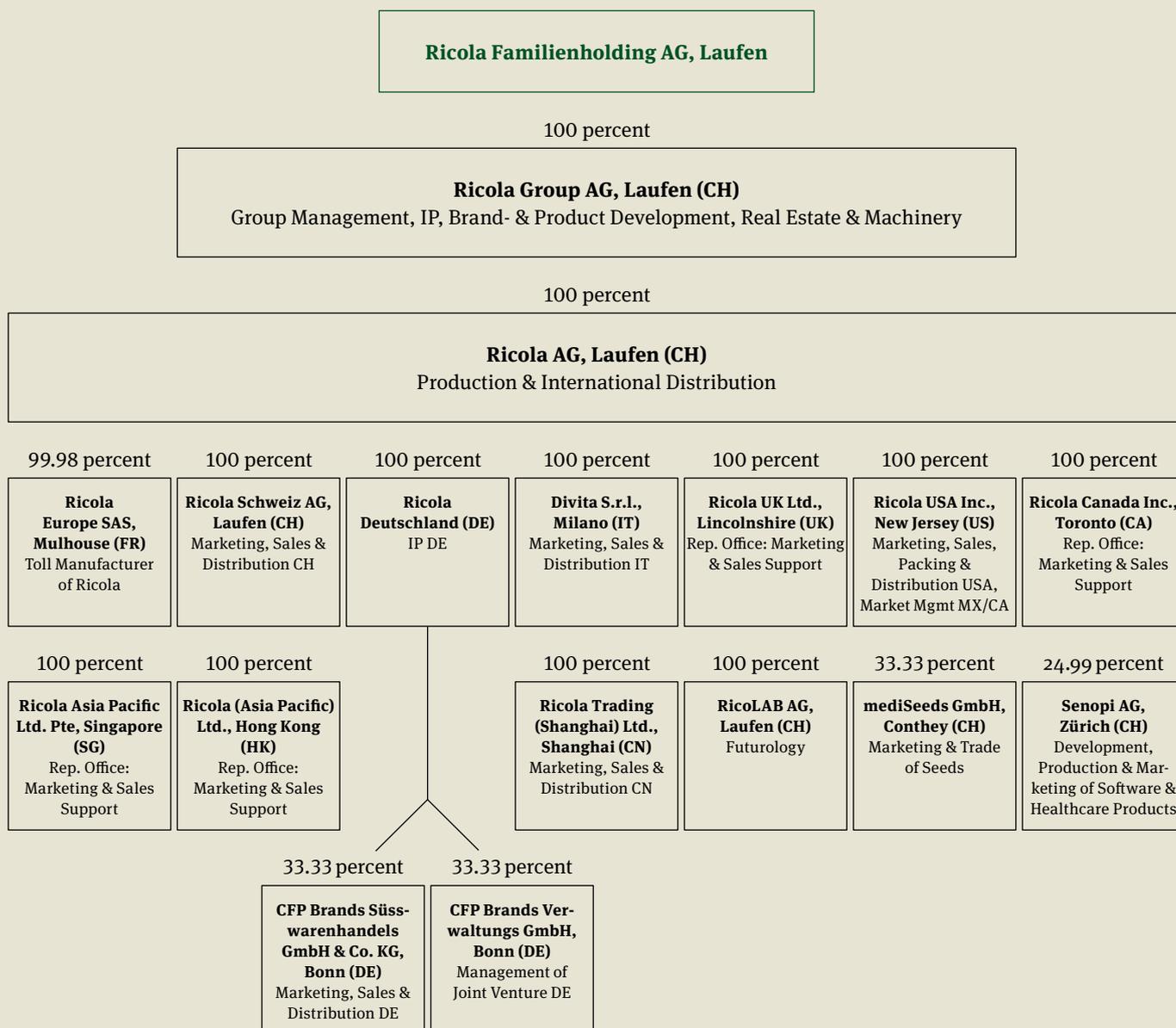
# 6. Appendix

## 6.1 About this report

The Ricola Sustainability Report 2022 has been prepared with reference to the GRI Standards and covers the period January 1<sup>st</sup> – December 31<sup>st</sup>, 2022. It was published in October 2023. Going forward, we will publish our sustainability report every other year. As this is Ricola’s first non-financial report, no restatements of information have been necessary.

This report has not been externally assured. The GRI reporting process was supported by ELEVATE, an LRQA company (formerly: BSD Consulting), a consulting firm specialised in ESG, sustainability and supply chain services.

Ricola Sustainability Report 2022 covers all subsidiaries and joint ventures of Ricola Group AG:



For any questions, feedback, and suggestions, please contact: [sustainability@ricola.com](mailto:sustainability@ricola.com)

## 6.2 Data and Performance

# Employees

### Diversity of governance bodies and employees (GRI 405-1)

	Change in %	2022	2021	2020
Group Executive Management in total (in #)	-10	9	10	10
Female (%)	11.1	11.1	0	10
Male (%)	-11.1	88.9	100	90
under 30 years old (%)	0	0	0	0
30-50 years old (%)	1.1	11.1	10	30
over 50 years old (%)	-1.1	88.9	90	70
Employees (incl. apprentices, interns, temporary staff, hourly wage employees)	2	522	512	539
Senior Management – Female (%)	3	30	27	33
Senior Management – Male (%)	-3	70	73	67
Employees under 30 years old (%)	0.5	12	12	14
Employees 30-50 years old (%)	-1.4	51	53	51
Employees over 50 years old (%)	0.8	36	36	35

# Ricola agriculture principles

### New suppliers that were screened using environmental criteria (GRI 308-1)

	Change in %	2022	2021	2020
Percentage of new suppliers that were screened using environmental criteria	0	100	100	100

### Own disclosures: Ricola agriculture principles

(in %)	Change in %	2022	2021	2020
Ricola agriculture principles applied to herbs	-4	90	94	93
Ricola agriculture principles applied to raw materials that make up 80 percent of raw material used in drops	0.9	1.12 <sup>1</sup>	0.22	0.33

<sup>1</sup>At the time of publishing this report (October 2023), we are proud to report that the establishment of a long term partnership with IP Suisse will allow us to dramatically improve that figure.

# Supply Chain Labour

## Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk (GRI 407-1)

	Change in %	2022	2021	2020
Operations in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk	0	0	0	0
Suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk	-8.3	11	12	12

## Operations and suppliers at significant risk for incidents of child labour (GRI 408-1)

	Change in %	2022	2021	2020
Operations considered to have significant risk for incidents of child labour	0	0	0	0
Suppliers considered to have significant risk for incidents of child labour	-10	9	10	10

## Operations and suppliers at significant risk for incidents of forced or compulsory labour (GRI 409-1)

	Change in %	2022	2021	2020
Operations considered to have significant risk for incidents of forced or compulsory labour	0	0	0	0
Suppliers considered to have significant risk for incidents of forced or compulsory labour	-8.3	11	12	12

## New suppliers that were screened using social criteria (GRI 414-1)

	Change in %	2022	2021	2020
Percentage of new suppliers that were screened using social criteria	0	100	100	100

## Negative social impacts in the supply chain and actions taken (GRI 414-2)

	Change in %	2022	2021	2020
Number of suppliers assessed for social impacts	N/A	20	N/A	N/A
Number of suppliers identified as having significant actual and potential negative social impacts	N/A	0	N/A	N/A
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	N/A	0	N/A	N/A

# Environmental key data

The following environmental data refers to the headquarter (two production buildings, including offices) in Laufen, Switzerland: energy, scope 1 and 2 emissions, packaging, waste and water. Scope 3 emissions cover Ricola's complete value chain and all subsidiaries.

## CLIMATE CHANGE/ ENERGY AND GHG EMISSIONS

### Energy consumption within the organisation (GRI 302-1), Reduction of energy consumption (GRI 302-4)

(in MWh)	Change in %	2022	2021	2020
Total energy consumption within the organization	25.4	23 781.8	18 968.9	22 477.1
<i>Intensity per 100kg semi-finished goods</i>	-16.0			
Total fuel consumption within the organization (non-renewable sources)	25.4	22 913.0	18 276.6	21 586.8
<i>Intensity per 100kg semi-finished goods</i>	-16.0			
Total fuel consumption within the organization (renewable sources)	25.5	868.8	692.2	890.3
<i>Intensity per 100kg semi-finished goods</i>	-15.9			
Total electricity consumption	28.5	7 803.7	6 071.9	7 369.2
<i>Intensity per 100kg semi-finished goods</i>	-13.9			
Reduction of energy consumption as a result of efficiency initiatives	7.9	6 465.7	5 991.6	6 738.5

### Energy Intensity (GRI 302-3)

	Change in %	2022	2021	2020
Energy intensity per 100 kg semi-finished product (Scope 1 and 2)	-17.3	0.09	0.11	0.10

### Direct (Scope 1) GHG emissions (GRI 305-1)

(in t CO <sub>2</sub> eq)	Change in %	2022	2021	2020
Gross direct (Scope 1) GHG emissions	23.7	3 060.8	2 474.5	2 880.7
<i>Intensity per 100kg semi-finished goods</i>	-17.1			

### Energy indirect (Scope 2) GHG emissions (GRI 305-2)

(in t CO <sub>2</sub> eq)	Change in %	2022	2021	2020
Gross indirect (Scope 2) GHG emissions*	28.5	3.9	3.0	3.7
<i>Intensity per 100kg semi-finished goods</i>	-13.9			

### Other indirect (Scope 3) GHG emissions (GRI 305-3)

(in t CO <sub>2</sub> eq)	Change in %	2022	2021	2020
Gross other indirect (Scope 3) GHG emissions**	N/A	91 820.2	N/A	N/A

### GHG Emissions intensity (GRI 305-4)

(in t CO <sub>2</sub> eq)	Change in %	2022	2021	2020
GHG intensity per 100 kg semi-finished product (Scope 1-3)	N/A	0.36	N/A	N/A

\*Source for calculation of scope 2 emission generated per MWh of energy produced: Modelling by myclimate (2023), database ecoinvent V3.8 (Factor: 0.0005 t CO<sub>2</sub>eq/MWh)

\*\* Scope 3 emissions were calculated in accordance with the GHG Protocol using the standardized 15 subcategories; given the mix of primary and secondary data used, we intend to continue to improve the quality of our Scope 3 data over time.

## GHG Emissions intensity (GRI 305-4)

(in t CO <sub>2</sub> eq)	Change in %	2022	2021	2020
Total reduction of GHG emissions as direct result of reduction initiatives (Scope 1 and 2)	10.1	1 005.1	912.9	1 065.2

## PACKAGING

### Materials used by weight or volume (GRI 301-1)

(in kg)	Change in %	2022	2021	2020
Non-renewable materials used by weight or volume	-4.9	838 205.8	881 111.0	N/A

### Own disclosures: Packaging

	Change in %	2022	2021	2020
Reuse or use of more sustainable materials for packaging	0	85	85	N/A
Recyclability of packaging	-6	43	49	N/A

## WASTE

### Total waste generated (GRI 306-3)

(in t)	Change in %	2022	2021	2020
Total waste generated	46.9	2 622.6	1 785.7	2 403.7
<i>Intensity per 100kg semi-finished goods</i>	-1.6			
– Hazardous waste	169.5	1.1	0.4	0.6
<i>Intensity per 100kg semi-finished goods</i>	80.6			
– Non-hazardous waste	46.8	2 621.5	1 785.3	2 403.1
<i>Intensity per 100kg semi-finished goods</i>	-1.6			
– Production related - routine waste	55.5	2 161.1	1 389.7	1 941.2
<i>Intensity per 100kg semi-finished goods</i>	4.2			
– Packaging*	55.1	185.8	119.8	146.9
<i>Intensity per 100kg semi-finished goods</i>	3.9			
– Household**	-0.4	274.6	275.8	315.1
<i>Intensity per 100kg semi-finished goods</i>	-33.3			

### Waste diverted from disposal (306-4)

(in t)	Change in %	2022	2021	2020
Total weight of waste diverted from disposal	46.9	2 622.6	1 785.7	2 403.7
<i>Intensity per 100kg semi-finished goods</i>	-1.6			
Total weight of hazardous waste diverted from disposal (offsite)	169.5	1.1	0.4	0.6
<i>Intensity per 100kg semi-finished goods</i>	80.6			

<b>(in t)</b>	<b>Change in %</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total weight of non-hazardous waste diverted from disposal	<b>46.8</b>	<b>2 621.5</b>	<b>1 785.3</b>	<b>2 403.1</b>
<i>Intensity per 100kg semi-finished goods</i>	-1.6			
– Recycling	<b>54.4</b>	<b>2 329.1</b>	<b>1 508.0</b>	<b>2 087.4</b>
<i>Intensity per 100kg semi-finished goods</i>	3.5			
– Other recovery operations	<b>5.5</b>	<b>292.4</b>	<b>277.3</b>	<b>315.7</b>
<i>Intensity per 100kg semi-finished goods</i>	-29.3			
Total weight of non-hazardous waste diverted from disposal offsite	<b>46.8</b>	<b>2 621.5</b>	<b>1 785.3</b>	<b>2 403.1</b>
<i>Intensity per 100kg semi-finished goods</i>	-1.6			

#### **Own indicator: Reduction of waste from drops production in percent**

<b>(in %)</b>	<b>Change in %</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Reduction of waste from drops production	<b>0.19</b>	<b>3.89</b>	<b>3.7</b>	<b>3.76</b>

## **WATER**

#### **Water withdrawal (GRI 303-3)**

<b>(in cubic meter)</b>	<b>Change in %</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total freshwater withdrawal	<b>42.9</b>	<b>148 605</b>	<b>103 961</b>	<b>122 888</b>
<i>Intensity per 100kg semi-finished goods</i>	-4.2			
Total water withdrawal from all areas with water stress	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### **Water discharge (GRI 303-4)**

<b>(in cubic meter)</b>	<b>Change in %</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total water discharge to all areas	<b>44.8</b>	<b>106 040</b>	<b>73 211</b>	<b>103 194</b>
<i>Intensity per 100kg semi-finished goods</i>	-3.0			
– Surface water/third-party water/ other water	<b>36.4</b>	<b>57 343</b>	<b>42 041</b>	<b>72 285</b>
<i>Intensity per 100kg semi-finished goods</i>	-8.6			
– Ground-water/freshwater	<b>56.2</b>	<b>48 697</b>	<b>31 170</b>	<b>30 909</b>
<i>Intensity per 100kg semi-finished goods</i>	4.7			

#### **Water consumption (GRI 303-5)**

<b>(in cubic meter)</b>	<b>Change in %</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total water consumption from all areas	<b>38.4</b>	<b>42 565</b>	<b>30 750</b>	<b>19 694</b>
<i>Intensity per 100kg semi-finished goods</i>	-7.3			

#### **Own indicator: Reduction of water use in production facility compared to 2019 per 100kg bulk in percent**

<b>(in %)</b>	<b>Change in %</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Reduction of water use in production facility compared to 2019 per 100kg bulk	<b>-6.6</b>	<b>2.51</b>	<b>9.11</b>	<b>-0.66</b>

## 6.3 Donation and sponsorship activities 2022

### Regional donation and sponsorship activities

#### Familienzentrum Chrättli

The Chrättli Family Center is a meeting place for all mothers, fathers and caregivers of children of any age in Laufen and the surrounding area.

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#### Laufechuchi

“Laufechuchi” offers a balanced meal every Monday evening for people who are financially disadvantaged or who want to eat in company. You eat together punctually at 6:00 pm. The Laufechuchi is open every Monday.

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#### Samariterverein Laufen

Samaritan associations with their active members are present in all parts of Switzerland. They form the basis of the Swiss Samaritan Federation. As an association, the Samariterverein Laufen is directly affiliated with the Samaritan Association of Basel (SVbBS).

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#### Kinder- und Jugendheim Laufen

Up to 18 children and adolescents between the ages of seven and 17 receive medium- and long-term therapeutic and pedagogical care, are supported and their self-esteem is strengthened through family-like, co-educational group systems (residential groups and therapy ward).

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#### Ferienpass Laufental-Thierstein

For children, young people and families, the “Ferienpass” offers a wide range of leisure activities, school social work, supplementary day structures, needs-oriented counselling solutions and the provision of information on various topics.

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#### Winterhilfe Baselland

“Winterhilfe” provides beds, clothes, shopping vouchers and school bags and pays urgent bills, e.g. for medical expenses. “Winterhilfe” supports participation in social life by enabling families to go out together and by financing recreational activities for children.

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#### Laufehuus

The “LaufeHuus” is a contact point in the field of homeless and housing assistance in Laufen, Basel-Landschaft. In their shelter they offer an apartment with individual housing assistance and six temporary sleeping places (BruggeZimmer) for people in emergency situations.

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### Other local sponsorships:

EHC Laufen

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FC Laufen

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FC Zwingen

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FC Riederwald

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Segelfluggruppe Dittingen

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SAC Hohe Winde

---

Stiftung Schatzinsel Alp Flix

---

Verein Landesausstellung Svizra27

---

Reitverein Laufen und Umgebung

---

Sekundarschule Laufen

---

Alphorngruppe Thierstein Laufental

---

Sponsoring\_Kulturforum Laufen

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Turnverein Breitenbach Sportlager

---

Filmtage Reinach

---

Sponsoring Laufental Openairkino Laufen

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FC Basel Kids Club

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### International donation and sponsorship activities

#### Donations for the people of Ukraine:

- CHF 35,000 to Glückskette
  - 10,000 Ricola bags and 300 warm Ricola wool hats
  - CHF 25,000 to Nothilfefonds Ukraine (Plan International)
-

# GRI 1

**Statement of use** Ricola Group AG has reported the information cited in this GRI content index for the period 1/1/2022 – 31/12/2022 with reference to the GRI Standards.

**GRI 1 used** GRI 1: Foundation 2021

GRI Standard	Disclosures	Location
<b>General Disclosures</b>		
<b>The organisation and its reporting practices</b>		
GRI 2: General Disclosures 2021	2-1 Organisational details	Page 7
	2-2 Entities included in the organisation's sustainability reporting	Page 32
	2-3 Reporting period, frequency and contact point	Page 32
	2-4 Restatements of information	Page 32
	2-5 External assurance	Page 32
<b>Activities and workers</b>		
GRI 2: General Disclosures 2021	2-6 Activities, value chain, and other business relationships	Page 7, 12-13
<b>Governance</b>		
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Page 19
	2-13 Delegation of responsibility for managing impacts	Page 19
<b>Strategy, policies, and practices</b>		
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Page 4-5
	2-23 Policy commitments	Page 10
	2-24 Embedding policy commitments	Page 10
	2-26 Mechanisms for seeking advice and raising concerns	Page 10

<b>GRI Standard</b>	<b>Disclosures</b>	<b>Location</b>
<b>About Ricola</b>		
<b>Good governance</b>		
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Page 10
Employees		Page 11
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 11
	403-2 Hazard identification, risk assessment, and incident investigation	Page 11
	403-3 Occupational health services	Page 11
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 11
	403-5 Worker training on occupational health and safety	Page 11
	403-6 Promotion of worker health	Page 11
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Page 11
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 11
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Page 33
Own disclosure	Results of pay equity analysis	Page 11
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 11
<b>Consumer Health &amp; Safety</b>		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Page 12
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Page 12
<b>Community engagement</b>		
Own disclosure	Donation and sponsorship activities	Page 38

<b>GRI Standard</b>	<b>Disclosures</b>	<b>Location</b>
<b>Material Topics</b>		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 18
	3-2 List of material topics	Page 18
<b>Ricola agriculture principles</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 21-23
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 23, 33
Own disclosure	Ricola agriculture principles applied to Swiss alpine herbs in %	Page 23, 33
Own disclosure	Ricola agriculture principles applied to raw materials that make up 80% of raw material used in drops in percent	Page 23, 33
<b>Climate Change/ Energy &amp; GHG Emissions</b>		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 35
	302-3 Energy intensity	Page 25, 35
GRI 305: Emissions 2016	302-4 Reduction of energy consumption	Page 35
	305-1 Direct (Scope 1) GHG emissions	Page 25, 35
	305-2 Energy indirect (Scope 2) GHG emissions	Page 25, 35
	305-3 Other Indirect (Scope 3) GHG emissions	Page 25, 35
	305-4 GHG emissions intensity	Page 25, 35
	305-5 Reduction of GHG emissions	Page 35
<b>Packaging</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25-26
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Page 26, 36
Own disclosure	Reuse or use of more sustainable materials for packaging in %	Page 26, 36
Own disclosure	Recyclability of packaging %	Page 26, 36
<b>Waste</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 25, 27-28
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Page 27
	306-2 Management of significant waste-related impacts	Page 27
	306-3 Waste generated	Page 28, 36
	306-4 Waste diverted from disposal	Page 28, 36
Own disclosure	Reduction of waste from drops production in %	Page 28, 36

<b>GRI Standard</b>	<b>Disclosures</b>	<b>Location</b>
<b>Water</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 28-29
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Page 28-29
	303-2 Management of water discharge-related impacts	Page 28-29
	303-3 Water withdrawal	Page 29, 37
	303-4 Water discharge	Page 37
	303-5 Water consumption	Page 37
Own disclosure	Reduction of water use in production facility compared to 2019 per 100kg bulk in %	Page 29, 37
<b>Supply Chain Labour</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	Page 29, 37
GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022	13.23.2: Description of the level of traceability for each product sourced	Page 29
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Page 30, 34
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Page 30, 34
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Page 30, 34
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Page 30, 34
	414-2 Negative social impacts in the supply chain and actions taken	Page 30, 34



**Thank  
you**

## **Imprint**

### **Name and address**

**Ricola Group AG  
Baselstrasse 31  
4242 Laufen  
Schweiz**

**For any questions, feedback, and suggestions, please contact:  
[sustainability@ricola.com](mailto:sustainability@ricola.com)**

### **Members of the Board of Management**

**Thomas Patrick Meier (Vorsitzender),  
Martin Messerli (Stellvertreter Vorsitz),  
Stefan Boenders, Patrik Hänggi, Anton Humbel,  
René Schori, Evelyne Landolt**

### **Register Entries**

**Commercial Register Office of the Canton of Basel-Landschaft  
Commercial Register Number: CH28030179160**

### **Value-added tax identification number**

**CHE-439.050.235**

**Errors and omissions excepted**

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