

The background image shows a large group of people, likely employees, posing in front of a yellow building with solar panels and a tall tower. The Rapunzel logo is at the top center, and the title 'Sustainability Report 2021' is below it. The bottom of the image has a green banner with the slogan 'Organics with love.'

RAPUNZEL

Sustainability Report

— 2021 —

Organics with love.

Foreword

Dear Reader,

Thank you for your interest in our latest sustainability report. Published in print every four years, it is far more than just a collection of business data. Rather, it is intended as a comprehensive 'company book', covering activities that go far beyond what most people would normally associate with the concept of 'sustainability'.

Naturally, our aim is also to communicate our activities and business practices to all who would like to know more about what goes on at Rapunzel Naturkost. But above all, it gives us a regular opportunity to reflect on the impact and consequences of our business activities. It gives us a clear picture of where we currently stand in all the fields that are relevant to us. It is a collection of reliable data that serves as a knowledge basis that guides us as we continue to develop and improve.

The term 'sustainability' was first used around 300 years ago in the context of the forestry industry. Originally, it denoted a method of forestry management centring on constant renewal and avoiding deforestation and woodland depletion. In more recent years, sustainability has come to refer more and more to a manner of business management that seeks to avoid a general depletion of resources while working to minimise climate damage and also emphasising social sustainability as a third pillar. Sustainability is an important aspect of our personal lifestyles.

Indeed, the word is used – and overused – so much these days that it would be easy to think that we can take sustainability for granted. But anyone who pays close attention to the information published in many sustainability reports knows how important it is to question what is written there. Sustainability is also something that a company needs to be able to afford. Many of the measures appear first of all on the cost side, which in turn impacts on the price calculations of the products. Which is why it is so important to give honest reasons why meaningful and sustainable products cost more, as only then will shoppers be able to make an informed decision.

At Rapunzel, these additional costs stem from our use of organic farming methods and our commitment to upholding social standards and fair trade. But it also goes further: It also means using appropriate construction materials and even extends to installing things like an environmentally compatible electrical and heat energy supply, to name just a few examples.

The fact that sustainable activity has been rooted in our business purpose and our company philosophy right from the start has always stood us in great stead. Our aim is to promote a healthy and sustainable lifestyle by growing, purchasing and processing organic whole food ingredients that are low on residues. At the same time, we seek to facilitate an increasingly widespread use of organic agricultural techniques. We are well aware that we only have *one* world that we all must share, which is why we strive for fairness, humanity and dignity for everyone in all parts of the supply and process chains. And this applies today as much as it ever did. The demands of the latest supply chain law are nothing new to us. Quite the contrary: Our everyday practices go far beyond the stipulations of the supply chain law.

With this report, we want to take you with us on our exciting journey into a future fit for all the people of this earth, one that we will be happy for our grandchildren to inherit. It is our hope that through our work we can make a modest contribution to this goal.

With sustainable regards,



Joseph Wilhelm, Margit Eppe, Leonhard Wilhelm

Joseph Wilhelm
Founder & Managing Director

Margit Eppe
Managing Director

Leonhard Wilhelm
Managing Director

Contents



About Rapunzel

Page 8



Sustainability Goals

Page 130



Code of Conduct

Page 128



Culture & Politics

Page 116



Environment & Energy

Page 92



Food Quality

Page 82



Fairness & Social
Responsibility
Worldwide

Page 30



Fairness & Social
Responsibility in
the Allgäu

Page 56



Organic Agriculture &
Biodiversity

Page 68



Reporting

This is now our third sustainability report, following the previous reports published in 2013 and September 2017. Each one is different, and each presents its own challenges. This time, we have decided to structure the report in accordance with the exacting standards of the Global Reporting Initiative (GRI). In 2016, the GRI published its Sustainability Reporting Standards, which became the first worldwide benchmark for sustainability reporting. This year's Rapunzel sustainability report was compiled in compliance with the Core option of the GRI Standards.

We chose this for the comparability it enables. 2016 was the year in which the Sustainable Development Goals (SDG) of the United Nations came into force, and we also make reference to this in the present report. In line with our three-year reporting interval, this report covers the period 2018–2020. However, the main focus is on the reporting year 2020. Of particular importance to us are the changes that have taken place since the previous reporting period, which is why 2016 is taken as the reference year for much of the data. In line with our wish to present long-term developments, we also sometimes take the year 2012 as an additional comparison year.

The Sustainability Working Group

In the heart of the company

Right from the start, sustainability has been firmly rooted in our corporate philosophy. Both fundamental to the senior management level and firmly rooted in our operational activities, sustainability is always considered integral to our core business. This is reflected in all of our activities throughout the value chain. It is from this basic understanding that our two working groups were formed – the Sustainability Working Group and the Environmental Working Group. Sustainability management takes place at the senior executive level. Colleagues from the raw material procurement, marketing, production, and logistics

departments meet regularly with the environmental officer and the senior management to discuss and develop themes of economic, ecological and social relevance. The Environmental Working Group is associated with the 'Environment & Energy' division and develops concrete goals and measures for reducing energy consumption and increasing energy efficiency. One person in each business division is designated responsible for sustainability and actively promotes the development and implementation of sustainability goals. The sustainability report, which is compiled every four years, is thus the product of an ongoing sustainability management process. Besides reporting, both working groups are involved in developing sustainability issues and identifying economic, ecological and social impacts. The goals, values and environmental policy strategies derived from these are determined by the senior management.



17 Goals for Sustainable Development



UN Sustainable Development Goals

Even if the direct effects of our actions are not always readily discernible, aspects such as poverty, hunger, peace, climate protection and human dignity are important matters that concern us. It is up to each of us to decide whether we prefer to purchase consumer goods that have been produced under humane conditions. It is in our hands whether we choose to save energy and water wherever we can. We are responsible for how we handle our natural resources, and we can influence climate change through our lifestyle.

To make the world a better place, we are all – politicians, business people, scientists, civil society and each and every individual – responsible for initiating change.

The 2030 Agenda was adopted as a blueprint by the United Nations (UN) in 2015. It contains 17 Sustainable Development Goals (or SDGs) covering economic, ecological and social dimensions. Through these SDGs, the world commits itself to creating a better future by enabling a life of dignity for all wherever they live in the world and securing natural livelihoods. The 193 member states of the UN have given themselves 15 years to implement the 17 goals and to bring about the turnaround towards sustainable development.

Rapunzel and the SDGs

Sustainability has been rooted in our corporate philosophy ever since Rapunzel was first founded. Right from the start, we have always set our own ecological standards, guidelines and requirements and committed ourselves in the interest of ecological and social issues. It is through our business activities and partnerships along the supply chain that we contribute to sustainable development and play our role in implementing the SDGs.

To illustrate how our actions relate to the SDGs in this report, each chapter begins by stating the goals relating to the respective content.

In this context, the development projects sponsored through our HAND IN HAND fund are an immediately visible reference point to the SDGs. For instance, they support organic farming in the countries of the Global South, provide professional education for women, and install renewable energy in remote villages. The fund was established in 1998, and by the end of 2020, it had supported a total of 423 projects in 60 countries with more than 1.9 million EUR in funding. Each one of these projects adheres to the concept of sustainable development and bears an association with at least one of the aforementioned 17 goals. A detailed overview showing the number of projects contributing to each of the goals can be found on page 43.



Theme selection

Based on exchanges with our stakeholders, we compiled a large selection of topics of current interest. These include environmental themes pursuant to the EMAS as well as legal requirements. Key themes to be included are determined as soon as we begin compiling the sustainability report. We prioritise the selected topics by assessing their economic, ecological and social impacts as well as their influence on stakeholder evaluations and decisions. These factors also determine the extent of the report.

In compiling the report, the selected themes are divided out within the Sustainability Working Group. This allows all those involved to contribute their own specialist knowledge and expertise.



About Rapunzel



Fairness & Social Responsibility Worldwide



Fairness & Social Responsibility in the Allgäu



Organic Agriculture & Biodiversity



Food Quality



Environment & Energy



Culture & Politics

Contacts

Should you have any questions or concerns of any kind, please e-mail us at: info@rapunzel.de. The colleagues from the Sustainability Working Group will be happy to address any questions concerning this Sustainability Report.

Materiality matrix

of great importance to stakeholder decisions	 Structure and organisation of the company	 Philosophy and values Company goals and vision	 Organic agriculture
	 Sales structure	 HAND IN HAND fair trade programme	 Product quality and Quality assurance
	 Stakeholder management	 Own cultivation projects (Turkey and Azerbaijan)	 Emissions
	 The Rapunzel community	 Supply chain transparency	 Packaging
	 Product development and innovation	 Employees and trainees	 Political involvement and public opinion
	 Experiencing Rapunzel	 Occupational health and safety for employees	 Certifications and labels
of importance to stakeholder decisions	 Water	 Value added	 Manufacturing procedures and processes
	 Waste management	 HAND IN HAND fund	 Energy management and in-house electricity generation
		 Regional procurement	 Innovation in production and logistics
		 Biodiversity	
	significant impacts	highly significant impacts	



About Rapunzel

There are many SDGs that are integral to our self-image and corporate objectives. Ever since our company was founded in 1974, and well before the SDGs were defined in 2015, sustainable development has been the key motivation of our corporate activity.



Let us introduce ourselves

Who we are

Rapunzel Naturkost GmbH is one of the leading producers of organic food in Europe. We started out very small: In 1974, Joseph Wilhelm and Jennifer Vermeulen established a self-sufficient commune on a farm that had its own small natural food store in the Bavarian city of Augsburg.

In the ensuing 45 years, the company has grown into an international organisation with over 400 employees. From the start, the basic idea has remained the same – to produce natural, controlled organic, vegetarian food.

Rapunzel has been a limited company since 2011 and is still entirely family-owned. All five children of the company founder Joseph Wilhelm are shareholders.

What we do

Rapunzel Naturkost GmbH dedicates itself to the cultivation, production and retail marketing of controlled organic food. Today, our product assortment consists of approximately 550 brand items, more than half of which are produced and packaged on the premises at our headquarters in Legau. Besides production, we are also known for our strong direct marketing activities. Our combination of distribution channels gives us the freedom to act as we see fit. The distribution of Rapunzel brand products to domestic and international retailers lies at the heart of our sales activities.

Where we are active

More than half of all Rapunzel products are produced and/or packaged at our Legau site. Our most important activity is the manufacture of nut butter as well as nut and chocolate spreads. We also operate our own oil mill and mixing and packaging facility for muesli, porridge, and other products.

Our long-term partners and subcontracted processors at 200 further sites manufacture products made from certified Rapunzel raw materials according to our recipes.

Both manufactured products and trading goods are stored and picked at our logistics centre in Bad Grönenbach. Products are delivered by haulage firms to retailers, raw material buyers and wholesalers abroad.

Who we aim at

Rapunzel is marketed as a premium brand supplied exclusively by direct distribution to owner-run retail stores, organic supermarkets and natural health food chains in Germany. For natural health food retailers, Rapunzel is a strong, innovative partner. Rapunzel products are aimed at customers who are nutritionally and environmentally aware and attach value to food that is healthy and of an ecologically high quality.

Rapunzel is a European brand that is marketed in 32 countries. Our most important international markets are Germany's neighbouring countries.



Organics with love

Our self-image

'Organics with love' is more than just a promotional slogan attached to Rapunzel products and brochures. It is both our motto and our guiding principle, and it expresses our deepest conviction that healthy food from environmentally friendly and socially fair production requires more than controlled organic cultivation.

We are convinced that in a fine-substantial sense too, it is only possible to produce food that is healthy and well-tolerated when the people who grow and process it are able to live comfortably. Only if you can enjoy a comfortable life and don't have to struggle every day to survive is it possible to summon up the care and affection that is needed to produce healthy food. Food that promotes our general well-being rather than simply filling up our stomachs.

Which is why we take the responsibility for everyone involved in the production chain by fulfilling the requirements of the new supply chain law. This begins with the farmers at the start of the chain and goes all the way to the employees at our suppliers and at Rapunzel, who are responsible for all the processing, packaging, warehousing and logistics activities.

It starts by paying fair prices to ensure sufficient added value at all levels. Frequent visits to our farmers and suppliers – including those who are not HAND IN HAND partners – give us an insight into the local conditions and connect us on a social level.

But the key prerequisite of our daily work is the fact that everyone who works at Rapunzel shows great affection and appreciation for their food products.

Rapunzel brand products

Our contribution to a healthy lifestyle

The idea of a healthy diet and lifestyle has always been an integral part of our philosophy. Our goal is to provide healthy food to as many people as possible. Which is why Rapunzel offers consumers a wide range of around 550 vegetarian, organic food articles that they can buy in natural food stores. Besides our original product line – our long-standing nut butter, dried fruit and muesli products – our core range today also includes such products as pasta, cooking oils, chocolate and coffee. More than half of these are either manufactured or processed on the premises of our family run company in the Allgäu. All other Rapunzel products are produced by long-standing partners and contract processors from Rapunzel's own high-grade organic raw materials, according to the manufacturer's own natural food recipes.

Our top-quality, organic products can be divided into the following product groups:

✓ Antipasti & pesto	✓ Sprouting seeds	✓ Chocolate
✓ Baking ingredients & thickeners	✓ Nibbles & snacks	✓ Edible oils & vinegar
✓ Spreads & nut butters	✓ Coconut products	✓ Soups & spices
✓ Cereals & speciality flours	✓ Muesli & porridge	✓ Sweeteners
✓ Legumes	✓ Nuts	✓ Tomatoes & sauces
✓ Coffee, cocoa & drink powders	✓ Oil seeds	✓ Dried fruit
	✓ Pasta	✓ Wine
	✓ Rice	

Development of the product range

Rapunzel stimulates product innovation, not least by its courage and far-sightedness. The company has often been the first to launch products such as muesli, nut butter, chocolate and ungasged and unsulphured dried fruit, such as figs and apricots in hundred percent organic quality.

Innovative products

It has taken several decades for the Rapunzel range to develop into what it is today. At the same time, demands have not only continued to grow in terms of their quality, taste and continuity but the design and sustainability of their packaging has also moved with the times. To enable us to meet these demands, particular emphasis is placed within the company on product development and assortment management. A highly qualified team actively develops new products in collaboration with the senior management, product management, and a sensory panel.

Demand for authentic natural food

Products reflecting the original concept of natural food are more in demand now than ever before: this requires the use of fewer, high-quality, natural ingredients, carefully processed into a flavoursome whole. Based on its many years of experience and its own standards of what makes a high quality product, Rapunzel has developed several innovations over the years. One example are its range of sweet spreads made from only three ingredients. These are coconut and almond butter with dates, coconut & hazelnut butter with dates, and burnt almond spread with coconut blossom sugar. 'Leckerli' fruit bars go even further back to the company's roots. In this case, an original recipe from 1976 was revived in a newer form. Another sustainable innovation on the organic market is the line of 'jo.' spreads. These are based on cashew nuts, and unlike most vegan spreads on the market, they are produced without water. This makes them long lasting without the need for refrigeration. It is this kind of inventiveness that has characterised Rapunzel since its inception.



Our Vision

A just and liveable world, in which globality is perceived not as a threat but as an opportunity.



The regions are equal partners.



There is only one world, and all the people in it have an equal right to live in peace and earn a reasonable income.



Our contribution to this vision are our healthy, high-quality food products.



They promote well-being and are available to everyone.



Their production supports the spread of organic agriculture and contributes to the conservation of the natural environment for both today's generation and those to come.



Rapunzel products create sufficient added value for all the people involved in their production – from the field to the table.



Awareness of our personal responsibility forms the basis of our lives, our work, and everything we do.

Corporate philosophy

We are an authentic family-run company with a high degree of personal responsibility for our employees.

Secure jobs and a pleasant working atmosphere are the foundation of our success. Self-realisation (a feeling of being in the right place), a sense of enjoyment, and a joy of work are the cornerstones of our company philosophy.

We show appreciation for our customers and understand their needs.

We treat our partners with fairness. We take into account the social and economic circumstances that prevail in their countries.

The quality of our food products has maximum priority, from their organic cultivation and during production, and all the way to the consumer.

We promote food products that are grown and processed with no genetic modification.

We know the origin of our products.

We practice active environmental protection. Our decision making takes into account the protection of natural resources and the climate as well as the conservation of biodiversity.

Being an economically successful company enables us to achieve and uphold our social and ecological goals. Innovation, productivity and efficiency are our strengths.

Organics with love.

Our corporate goals

Company organisation

We are a genuine family-run company with a broad management structure, a high degree of personal responsibility for our employees, and short decision paths.

Working atmosphere

We are a company in which it is fun and pleasurable to work. We treat each other with fairness, mutual respect and appreciation. It is important to us to have highly satisfied employees who are willing to devote long periods of service to the company. We practice our social and ethical values.

Employees

We are a company that challenges and develops its employees and pays them fairly. Our strengths are in our well-educated, motivated and satisfied employees. Our profit-sharing model means that our employees are themselves involved co-entrepreneurs.

Customers

We offer our customers the best service coupled with the highest product quality. This includes a transparent, individual marketing concept for all sales areas.

Suppliers

We work together with high-performance suppliers, with whom we act with mutual fairness. Our suppliers share our values and our goals. We maintain long-term cooperation as partners.

Manufacturing expertise

We are a highly competent organic food producer. Our use of innovative technologies enables us to constantly expand our range.

Food quality

For us, ensuring and enhancing not only the organic quality but also the general whole-food quality of our products is of the highest priority. This is instilled in all of our employees and all the others along the value chain involved in their production. Food safety is another issue that is of great importance to us. To ensure food safety, Rapunzel places stringent demands on all those involved. Their implementation is subject to constant self-inspection as well as audits by independent third parties.

Organic farming and environmental protection

We interpret environmental protection and sustainable activity as a comprehensive challenge that cannot be broken down into individual components. We see organic agriculture as the basis of a sustainable agricultural economy that not only safeguards our future but is also an essential contribution to global food security. We actively protect biodiversity through the use of organic seeds and the promotion of GMO-free agriculture. As an organic food producer with an extensive range of whole food products, we promote vegetarian and low-meat lifestyles. Our energy management system and technical innovations enable us to maintain our ecologically sustainable production. As a company, we actively work towards climate neutrality.

Project Work

We conduct our own projects all over the world to secure our transparent Rapunzel quality. Our Rapunzel Turkey subsidiary is an integral component of our company. The HAND IN HAND fair trade programme forms the central core of our social trading activities.

Brand and product assortment

We are an authentic, amiable, happy and trustworthy brand with a face and a history. Our brand lives through our social, societal, cultural and political involvement. We achieve and maintain a leading market position in the natural health food industry within our core segments. Our innovations serve to strengthen our product range.

Economic efficiency

We grow organically. Operating results are more important to us than turnover. Economic success is the basis of sustainable activity. Our strengths are our high productivity and process efficiency.

Independence

We make decisions without being economically bound by outside forces. Our independence from banks and large investors is rooted in our company culture. Our combination of distribution channels gives us the freedom to act as we see fit.

Company history

From self-sufficiency to successful natural food brand

We started out very small: It was in 1974 that Joseph Wilhelm and Jennifer Vermeulen set up a self-sufficient commune on a farm along with a small natural food store in the Bavarian city of Augsburg. Today, Rapunzel is one of the leading organic food producers in Europe; it is an international company with over 400 employees at its company headquarters in the Allgäu.

The dimensions may have changed but the values and the underlying idea have remained the same: to manufacture and distribute controlled, organic, natural vegetarian food products.



1974

Joseph Wilhelm and Jennifer Vermeulen rent a farmhouse in the village of Pestenacker (Upper Bavaria) with the aim of growing healthy food.

1975

Natural health food store 'Rapunzel Naturspeisen' opens in Augsburg.

Production of muesli, nut butters and 'Leckerli' fruit bars commences.



1976

First contacts made with farmers in Italy and Turkey.

Company relocates to a former guest house called 'Zur Post' in Tegernbach in the district of Fürstenfeldbruck.



1977

First product deliveries nationwide.

1979

Relocation to Kimratshofen in the Allgäu.



1987

Rapunzel launches the first organic chocolate in the world.



1990

SAMBA launched onto the market.

1985

Purchase and renovation of a former dairy in Legau, which remains the company headquarters to this day.



1992

Start of own HAND IN HAND registered logo that guarantees 100% organic and fair trade.



1989

Company office opened in Izmir, Turkey.



1997

Establishment of the Turkish subsidiary Rapunzel Organic Ltd.



Development of the OXYGUARD® gentle production method for cold-pressed cooking oils.

1998

Foundation of the HAND IN HAND fund.





2007

Sustainable energy supplied by biomass heating plant and photovoltaic panels installed on all roofs.

GENFREI GEHEN

GMO-free march: from Lübeck to Lindau for a GMO-free world.



2012

Launch of breakfast porridges – an innovation for organic food stores.

Presentation of the third One World Award.

Rebuilding and renovation of Turkish subsidiary.



2014

Expansion of production with a second nut butter plant, a packaging plant for bulk goods, and palletising robots.

Presentation of the fourth One World Award.



2016

Rapunzel is certified pursuant to the EU-Eco-Regulation.
Palm Oil Forum in Legau.



2017

Presentation of the fifth One World Award.
Start of the cultivation programme in Azerbaijan.



Rapunzel & Zwergenwiese come together in a fairytale wedding.



2019

Leonhard Wilhelm becomes managing director.

Groundbreaking for a new visitor centre.

Groundbreaking for an extension of the logistics centre in Bad Grönenbach.

demeter

2004

Certification as Demeter producer.

2009

GMO-free march: Second march, from Berlin to Brussels.

2008

Joseph Wilhelm initiates the One World Award.



2010

Works tours including glass corridor, museum and cinema.

Presentation of the second One World Award.

2013

New raw material warehouse in Legau.

2015

Construction of a cogeneration unit and drying plant.

2018

FOODprint campaign.
GMO Forum in Legau.



2020

Publication of the study of pesticide pollution in the air «Agropoisons? No Thanks!»



Structure and organisation of the family-owned company

Sustainable management needs a suitable structure in which employees at all levels can take on responsibility and be involved in the day-to-day decision making. This is why Rapunzel consciously has a broad and solid management and organisational structure.

The individual departments are allocated between the three management areas (under Joseph Wilhelm, Leonhard Wilhelm and Margit Epple).

The broad-based departmental structure ensures that all employees are taken into account. Under the departmental heads are the team leaders and group leaders who guide smaller groups of employees. Such small-scale structures enable team leaders and employees to get to know each other more personally. It also means that company values and goals can be authentically integrated.

Employees are integrated in the work processes, and with only minimal additional coordination they are able to work largely independently and with responsibility for their tasks. Our company structure is based on personal responsibility, transparency, trust, a reciprocal exchange of information, and a culture of feedback.

100 percent in family ownership

It is more than 45 years since Joseph Wilhelm and Jennifer Vermeulen created the self-supporting community that would grow into the Rapunzel company.

To retain our freedom from outside business influence, Rapunzel remains independent of banks and large investors; this is part of the Rapunzel corporate culture. In line with this philosophy, the company changed its legal form after 21 years from a public (AG) to a private (GmbH) limited company in 2011. Rapunzel Naturkost GmbH remains quite deliberately under 100% family ownership. Since 2017, all of Joseph Wilhelm's children have been shareholders in the company. Four of them are actively involved in the running of the company.



Rapunzel founder Joseph Wilhelm with his five children Rosalie Dorn, Justina Wilhelm, Seraphine Wilhelm, Meike Bauer and Leonhard Wilhelm (from left) and managing director Margit Epple (front left) on the occasion of the meeting of shareholders.

Second generation takes over

The process of generational change has begun in the Rapunzel Naturkost management. Leonhard Wilhelm, son of the company founders, has been working at the company since 2003. After training as a wholesale and foreign trade merchant, Leonhard began working in the raw materials export department at Rapunzel, later supporting the head of the purchasing department as the team leader for raw materials trading. As an assistant to the senior management, he gained deep knowledge of the operational sections of the departments while also taking a master's degree in management to prepare him for his future position in the company.

Since 2019, he has been one of the three managing directors, working in the areas of sales, raw materials trading, private labels, purchasing and raw material procurement.

Four children working in the company

His sisters Seraphine Wilhelm and Rosalie Dorn have also been supporting the Rapunzel management for several years.

Seraphine Wilhelm started her career by training as a wholesale and foreign trade merchant at Rapunzel. Afterwards, she spent time abroad in New York, Boston and also lived in Berlin, where she gained many years of professional experience in the catering industry while studying for her Master of Business Administration degree. After many years, she returned to the Allgäu and worked as an assistant to the management.

She is now the project manager in charge of construction activities for the new visitor centre, which is scheduled to open in summer 2022. Since 2021, she has headed the marketing division and will take on overall management duties once the visitor centre opens.

Her sister, who has been working at the company since 2019, is Rosalie Dorn. Before commencing her studies, she spent time as an intern at Rapunzel Turkey in Ören. It was her bachelor thesis that provided the impetus for the first Rapunzel Sustainability Report, and she played a major role in its conceptual development. After her master's degree, she gained international work experience at a large auditing company. At Rapunzel, she is the head of department responsible for controlling, financial accounting and processes.



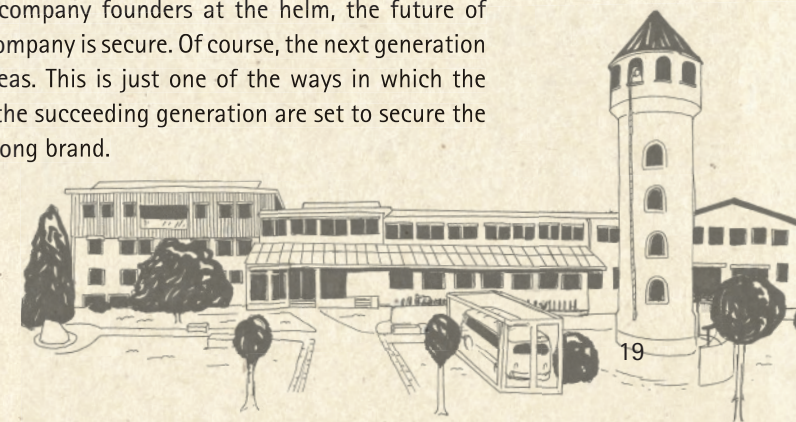
Justina Wilhelm, Leonhard Wilhelm, Rosalie Dorn and Seraphine Wilhelm (from left).

She has remained true to the ideals of sustainability and heads the Sustainability Working Group at Rapunzel.

For many years now, Justina Wilhelm has worked as a freelance photographer. She too began her career as a trainee in marketing at Rapunzel. It was only some time later that she trained as a photographer. She now spends a lot of her time travelling on behalf of Rapunzel and always makes sure to take her camera with her, for example when visiting suppliers all over the world. Her images and recipes are a popular feature of Rapunzel's Instagram channel.

Looking towards the future

With the children of the company founders at the helm, the future of Rapunzel as a family-run company is secure. Of course, the next generation is sure to have its own ideas. This is just one of the ways in which the commitment and ideas of the succeeding generation are set to secure the future of Rapunzel as a strong brand.



Corporate key figures as of 31.12.2020

PROCUREMENT

The total turnover of Rapunzel Naturkost GmbH is the sum of the turnovers of the four established distribution channels. Over the last few years, the webshop has developed into a fifth distribution channel. Together with the shop in Legau, it now accounts for 2.1% of turnover.

Altogether 72.6% of net turnover is generated by the Rapunzel brand. 82% of total turnover is generated from sales in Germany and 18% from exports.

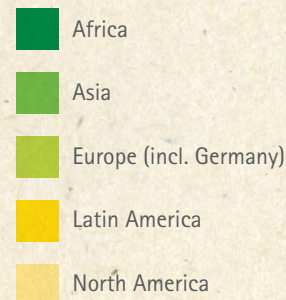
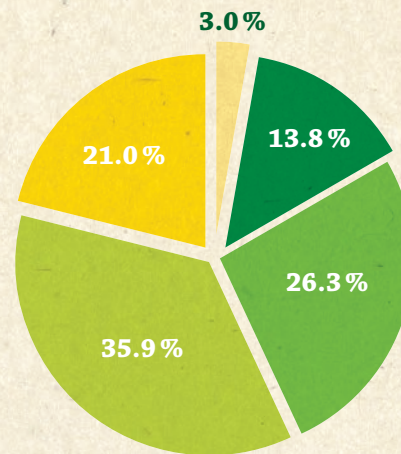
Turnover at Rapunzel has increased by an average of 10% per year since the last sustainability report in 2017. Over the last 20 years, turnover has increased fivefold. Most of this increase is attributable to the Rapunzel brand. Overall, this is evidence of an organic and healthy growth rate.

All those involved in the processes, from the suppliers to the sales department, are thus well able to adapt to the overall growth rate. We are constantly able to supply the retail trade punctually with best quality raw materials and finished food products in the usual Rapunzel high quality.

For us, having a supplier structure that develops along with the overall growth is an important prerequisite of long-term sustainable management.

Where do our raw materials come from?

Values given in tonnes with reference to 2020



The raw materials we processed in 2020 come from

57 countries

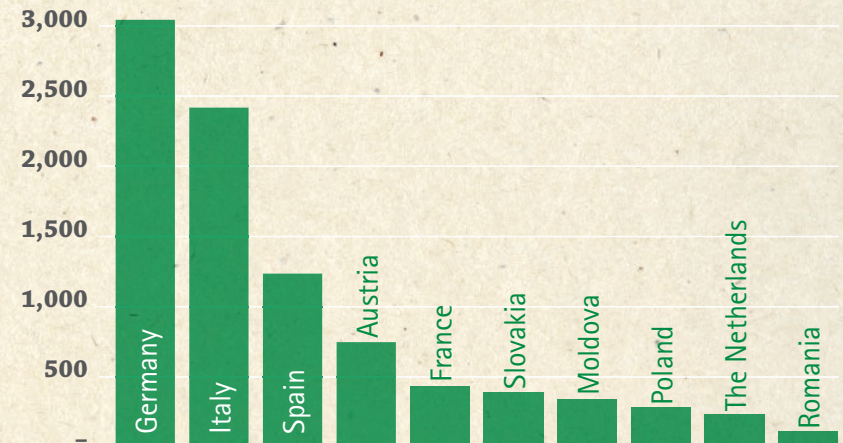
361 Suppliers

provided Rapunzel with goods and services in 2020

43.5 %

Expenditures for 2020 relate to suppliers from Germany. Besides suppliers of trading goods, these include logistics service providers, machine producers, and building contractors

Raw materials purchased in Europe 2020 in tonnes



SALES

The share of total turnover from exports through all distribution channels is

23.7 %

... the share from imports is

76,3 %

32 countries

are supplied with Rapunzel brand products

95 %

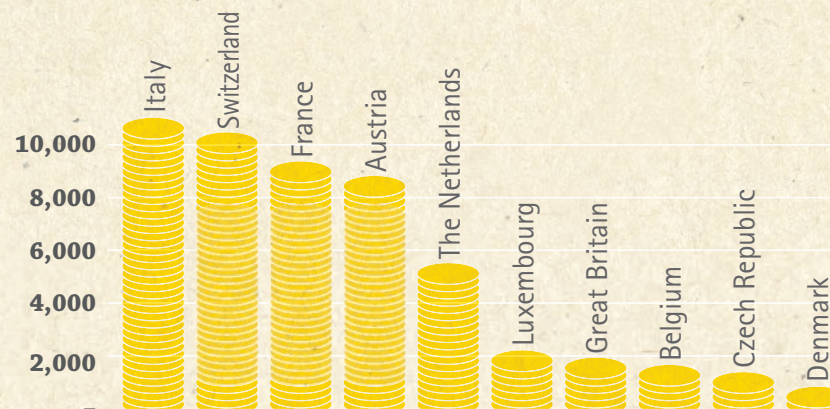
of export turnover is generated within Europe

30.1 %

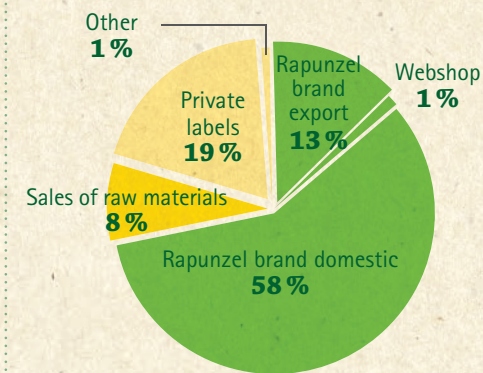
is the amount by which turnover has increased in total since the previous sustainability report from 2017; this is equivalent to an average annual growth of

10 %

Top 10 export countries in Europe
Net turnover in 2020 in thousands of EUR



Turnover according to distribution channels



Approx. **72 %** through the Rapunzel brand

Growth in turnover
Net turnover in millions of EUR



Value added statement

Economy is the foundation

Organic farming and economic values are the prerequisites of sustainable activity. Without an economically sound basis, Rapunzel's commitment to sustainability would not be possible either around the world or at home in the Allgäu and at our Turkish subsidiary.

Creating values

We are a company that thinks holistically, and we consider it important to strive for economic sustainability in order to promote social values. The value added statement transparently shows both this contribution to the gross national product and how it is distributed.

Value added is calculated as corporate performance minus bought-in performance. By strengthening our manufacturing competence, we were able to increase it in percentage terms since the previous sustainability report.

What is noteworthy for Rapunzel is the high proportion of material expenditures (64.9%) in the production account. This value is high compared to other industries, in particular the conventional food industry.

On the one hand, such high material expenditures justify the price of organic food products. On the other hand, it also shows that upstream stages in the value-added chain, for example our worldwide suppliers, also receive a fair income.

36 percent for contented employees

The added value of roughly 63 million Euro in the year 2020 is distributed between many parties. 36% go to the employees in return for their daily commitment. Compared to the previous sustainability report, absolute personnel expenses rose by around 5.5 million EUR.

Profit-sharing for everybody

This includes wages, salaries and social security contributions, but also the voluntary profit sharing by all Rapunzel employees, amounting to 7.8% of annual net profits. Through efficient working, we were able to increase the profit share per employee by around 33% between 2016 and 2020. In absolute numbers, this means that every full-time employee received around 8,000 EUR in addition to their regular wage or salary in 2020.

Independent decision making

One of our corporate goals is for our decision making to be free from external business influence. As in the past, we again managed to do this in 2020 by retaining a large proportion of value added within the company. This can be seen from the low interest cost of 0.1% of value added.

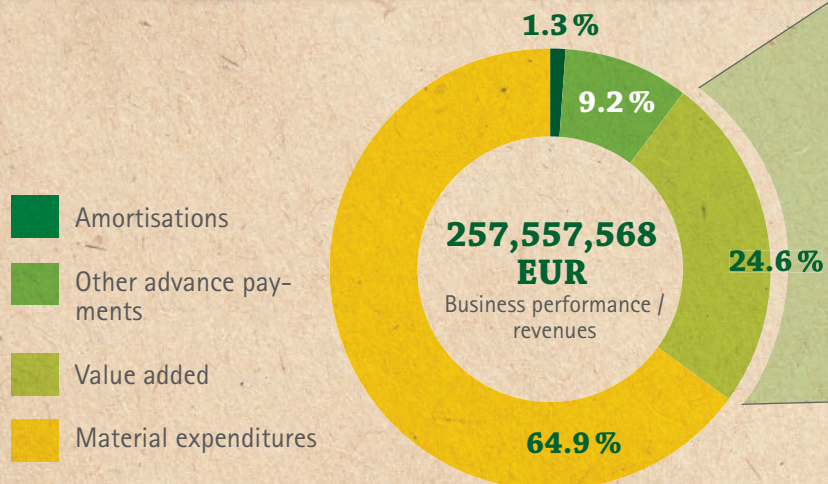
Our contribution to the region

As one of the largest employers in the region, our contribution to both regional and national development is very significant. This is reflected in the value added account including taxes and deductions of approx. 10.5 million EUR (16.5% of value added).

Our contribution worldwide

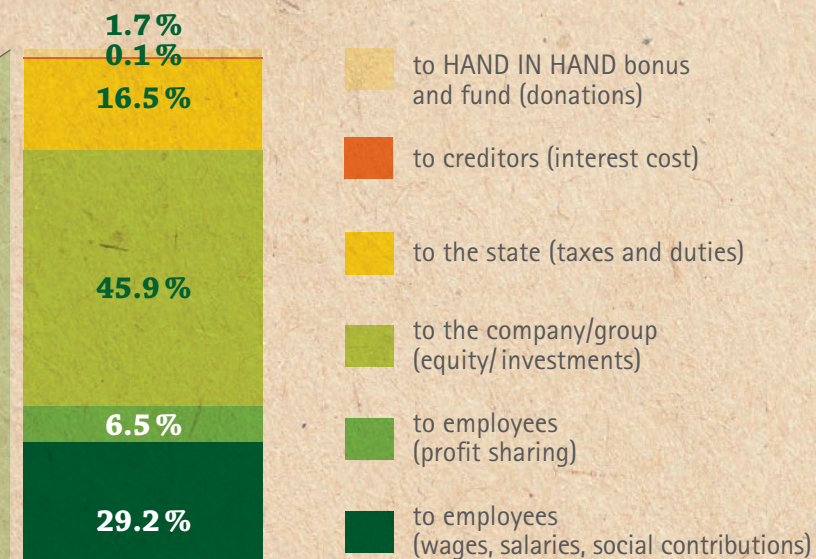
In addition to material expenditures, which represent payments to our suppliers, it is important to us that we pay an additional contribution to support sustainable development all over the world. One way in which we do this is through our HAND IN HAND programme. In 2020, the HAND IN HAND bonuses paid by us together with donations to the HAND IN HAND fund amounted to over one million EUR, or the equivalent of 1.7% of value added.

Sources of value added



Reporting year 2020

Distribution of added value





Distribution Channels

In line with our company goals, we see ourselves as a branded manufacturer with its own direct distribution. Our combination of distribution channels gives us the freedom to act as we see fit. Accordingly, the sale of Rapunzel brand products to domestic and international retailers forms the core of our sales activities.

Rapunzel brand - domestic

As a directly marketed manufacturer brand, the Rapunzel label is sold exclusively in specialist natural food stores, health food shops, organic supermarkets and natural food chain outlets. The brand is also available from selected online stores, including our own webshop for end consumers.

For natural health food retailers, Rapunzel is a strong, innovative partner. We attach great importance to engaging in direct exchanges with our customers. We focus on projecting a strong and vibrant Rapunzel brand with top product quality, and we endeavour to provide the best-possible service on all levels.

Rapunzel sales representatives are the contact partners for retailers and are available at all locations to assist with questions concerning individual products, product lines, and product campaigns. Sales representatives are supported by back office supervisors who provide telephone assistance to retailers regarding orders, in the event of any complaints, and concerning logistical matters.

Rapunzel brand - export

Rapunzel is a European brand that is exported to 32 countries. Our most important export markets are France, Italy, Austria, Switzerland and the Benelux countries.

In addition to the brand range for Germany, we also market products in the respective national language of each market. The majority of our international marketing partners are long-standing, high-performance wholesalers, who supply retailers in their respective countries. In countries with no distinct specialist retail segment, products are supplied to general food retailers. Sales representatives are deployed in the strategically important countries to support the Rapunzel brand.

Private labels

Ever since natural health food products have developed into a segment with a measurable market share, food retailers have been expanding their own organic brands, often positioning them in premium segments.

Evidence of the growing importance of conventional retailers for the sales volume of organic products in Germany and the increased social interest in organic agriculture can be seen in the rise of private labels as a separate distribution channel. In this segment, Rapunzel produces items for select, long-standing customers who maintain high quality standards with their organic products.

The shift in organic market share and sales volume towards the food retail sector has increased the importance of this distribution channel to Rapunzel. Bearing in mind the high quality of our products and our long-term, socially just and secure supplier relations, Rapunzel has no interest in brand names with cheap entry-level prices.

Raw material trading

We provide Rapunzel raw materials primarily to suppliers of Rapunzel trading goods through the distribution channel of raw material trading. This enables us to ensure the best raw material quality for products that are not manufactured by Rapunzel.

However, Rapunzel also supplies raw materials to other manufacturing customers. This allows us to control the purchase quantities agreed with our producers on the basis of sales volume. Raw material trading forms an important link in the process chain and serves to increase the commitment of suppliers and Rapunzel customers alike. It is also important to us that Rapunzel's high-quality raw materials have a generally positive effect on the organic quality at food processing companies.

Direct sales to consumers

The Rapunzel natural organic food store located directly at the production site in Legau has been in operation since 1986. We stock the entire Rapunzel product range over a large sales area together with many other organic brands. The store also sells fresh fruit and vegetables and in addition to a cheese counter offering a range of regional products, it also has a fresh daily supply of bakery items as well as a selection of organic wines.



The Rapunzel webshop (shop.rapunzel.de) began in 2009, serving as an additional sales channel for all Rapunzel and Zwergenwiese products. We deliver to the following countries only: Germany and Austria.

Rapunzel

Stakeholders

Commercial activities have – and will continue to have – a direct and indirect impact on various internal and external interest groups. To be able to operate both responsibly and profitably, a company needs to integrate these stakeholders into its business activities. Conversely, stakeholder groups are able to exercise varying degrees of influence on the company's development. Where would we be without our 'Rapunzels', who produce organics with love every single day? Or our loyal customers who continue to buy organic products?

To build a long-term, trusting and constructive relationship with our stakeholders, it is essential to enter into dialogue with them. In addition to our internal stakeholders (employees, suppliers and proprietors) the needs of external interest groups must not be neglected.

Our stakeholders include

- ✓ Scientists (seed researchers and university lecturers)
- ✓ NGOs
- ✓ Farmers and their employees, suppliers (processors) and their employees
- ✓ The business family
- ✓ (external and potential) Employees and works council
- ✓ Neighbours and the community
- ✓ State and authorities
- ✓ Sales partners (B2B customers, such as private labels and shop owners)
- ✓ End consumers
- ✓ Competitors
- ✓ Media
- ✓ Banks
- ✓ Insurance companies



Stakeholder analysis

To be able to participate in such a dialogue, it is essential to be familiar with the interest groups. As a first step, we identified relevant groups with an interest in our company. First of all there are the internal stakeholders, who are employed at the company or have an equity capital involvement. Then there are the external interest groups, who do not belong to the company.

We then weigh up how much influence they have on the company and how important each group is for our organisation. We do this by way of a scoring system. Ten points are awarded to those with a high relevance going down to zero for those with no relevance. This enables Rapunzel to determine those stakeholders with whom it is particularly important to maintain a dialogue.



In dialogue with our stakeholders

Rapunzel is very close to its employees, and when they voice their concerns through the various communication channels, we listen. In addition to the general communication that takes place on a daily basis, the annual meeting in which all employees take part is where we become aware of many issues.

We also operate a suggestion box system through which all 'Rapunzels' are able to submit ideas for improvement. Since 2019, this ideas management system has been administered through a new programme, in which 88 suggestions have so far been received. The most frequently received comments concern environmental and energy themes as well as issues relating to personnel management, the company premises, process management and sales strategy.

Close contact with our customers has always been a characteristic feature of Rapunzel. Our efficient customer service plays an essential role and responds to all questions and issues, both by telephone and e-mail at info@rapunzel.de. Every day, we receive queries on a wide range of themes, all of which receive detailed and considered responses. Themes that become the subject of frequent discussion are sometimes covered by articles in our customer magazine or discussed in forums at the Legau site. For example, the GMO Forum held in 2018 grew out of the curiosity of our stakeholders coupled with a pressing need to discuss the subject.



ZWergenWIESE

**What belongs together
will come together**

Zwergenwiese Naturkost GmbH has been a member of the Rapunzel family since 2017. Ever since, the 'fairy tale wedding' has been a great success or all concerned. No day goes by without considering the common goal of furthering our ecological future in one way or another. Together, we have gone down many roads leading to success.

Since 2017, Zwergenwiese Naturkost GmbH has succeeded in expanding its market position as well its product portfolio. Its ongoing quality strategy, traditional policy of supplying organic wholesalers, and unbroken motivation of its employees has enabled it to strengthen and deepen its customer loyalty.



The employees at Zwergenwiese Naturkost GmbH have enjoyed the many benefits of a 'biosocial' employer, thanks to the knowledge and experience of Rapunzel Naturkost GmbH. These include holiday pay and Christmas bonuses, profit sharing, training places in production and administration, and the foundation of an interest group for the workforce. This has led to a closer communal commitment for all employees and is to a large part responsible for the success they have enjoyed since the 'fairy tale wedding'.

It is partly down to the success of this cooperation that the workforce of Zwergenwiese Naturkost GmbH continues to grow. The number of employees increased from 103 in 2017 to over 140 in 2020. And this increase was certainly necessary, as the company has focused more and more on strengthening its customer orientation, creating new markets among younger consumers, and in turn increasing its sales.

The positive developments resulted in a rejuvenated organisation equipped with the latest machinery. Investment over the last four years has exceeded the level of the preceding years several times over. This was divided between the administrative, IT, and production divisions, with the aim of preparing Zwergenwiese Naturkost GmbH for future challenges and to enable it to retain its lead with its innovative, modern manufacturing processes.

All in all, the 'fairy tale wedding' can be seen as a benefit to the organic movement. Two strong companies who take a joint stand in the market to influence the organic future with their sustainable strategies.





Fairness & Social Responsibility Worldwide

With the Rapunzel HAND IN HAND fair trade programme and the Turkey Project, worldwide partnerships have developed, in which every individual makes a contribution to the SDGs. In addition, the social and ecological projects that we finance help to improve living standards and further sustainable development.



Supply chain management

Long-term commitment

Rapunzel has enjoyed trusting partnerships with a great majority of its suppliers for many years. It is important to us that our suppliers share not only Rapunzel's product quality aspirations but also its values and goals.

Valuable cooperation

A core policy at Rapunzel is that we pursue long-term cooperations on an equal footing with our international supply partners. We don't just mean cooperating with our direct contact partners. We also include all those involved in the process and supply chains behind each and every product and all the other people involved at various levels. This is why Rapunzel has incorporated its obligation to uphold human rights within its corporate vision and philosophy. The respectful treatment of farmers, workers and employees, whether men or women, is an integral part of everyday life at Rapunzel, as is compliance with internationally agreed work standards. We naturally expect our suppliers and other business partners to uphold the same values. Independent auditing and certification of suppliers is a further aspect of this commitment.

Worldwide partnerships

Rapunzel has a very broad product range. Our products require a wide range of raw materials that grow under a variety of climatic conditions in widely different parts of the world.

Rapunzel sources organically grown and certified raw materials (such as coffee, dried fruit, and coconut oil) and semi-manufactured goods (such as pressed oils and fats) from growers all over the world, and processes and packages them into finished products (such as nut butters, spreads and muesli) on the Rapunzel premises in the Allgäu. However, some of the products we market (such as tomato products and pasta from Italy or

chocolate from Switzerland) are produced by other, generally European, manufacturers in accordance with Rapunzel's recipes and quality specifications. Packaging materials are generally procured locally. We generally purchase new machinery from German or European manufacturers.



For Rapunzel, direct contact and long-term cooperation are the basis of all supplier relationships.

Long-term cooperation both requires and builds trust and transparency on the part of both Rapunzel and its suppliers. Any supplier relationship begins with an assessment of whether or not it can grow into a real cooperation.

In 2020, Rapunzel developed a supplier portal to simplify communication and exchanges with its suppliers. This allows the processes outlined below to take place online in structured workflows. The supplier portal went live at the beginning of 2021.

External audits and certifications

Bio certification

The fundamental external certificate is the organic certification issued under the EU-Eco-Regulation. This is a requirement of all cooperations with Rapunzel. A few suppliers are additionally certified under other, private standards, some of which exceed the EU requirements (such as Biosuisse, Demeter etc.). Compliance with the EU-Eco-Regulation already encompasses topics of environmental relevance, since organic agriculture generally has a positive impact on the environment (see chapter on Organic Agriculture & Biodiversity on page 68).

Social standards

Extending beyond the Code of Conduct for Suppliers (see above), some suppliers are inspected and certified in accordance with external social standards (such as Sedex-SMETA, or BSCI). Their content is rooted in the same international standards as the Rapunzel social standard.

Fair trade-standards

Inspections and certifications issued in accordance with Fair Trade standards go one stage further. They also cover the requirements regarding social standards, but over the entire supply chain. As well as having our own HAND IN HAND standard (see page 36), both Rapunzel (for selected products) and some of its suppliers are certified according to FLO Fairtrade or Fair for Life (FFL) standards. This requires an additional external audit of the obligation to uphold human rights along the entire supply chain. The Rapunzel site in Ören in Turkey is also certified according to the Fair for Life standard.

Supplier management

The process at Rapunzel

1. Rapunzel Code of Conduct for Suppliers

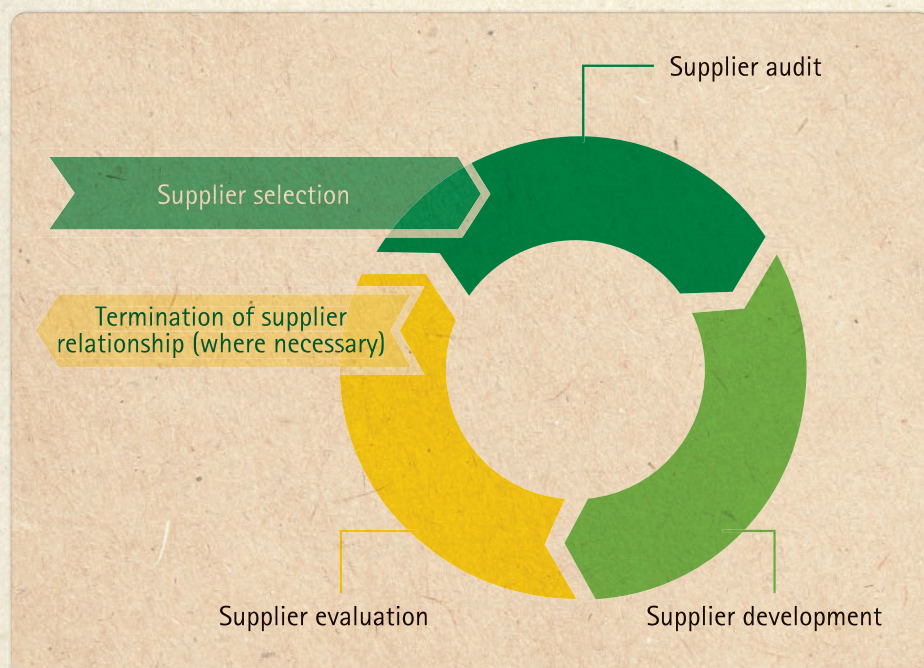
The Code of Conduct for Suppliers is the foundation on which all of Rapunzel's cooperations are based. Among other things, it above all contains the essential elements of a social standard. Like external social standards, it requires compliance with the core labour standards of the ILO (International Labour Organisation), including compliance with national and international laws, commitment to human rights, the prohibition of child, compulsory and forced labour, and the implementation of the right to freedom of assembly for employees. The codex also places great emphasis on the environment. Similarly, product quality, process chains and upstream supply chains play an important role. The Code of Conduct must be signed by all suppliers as a declaration of their commitment, before any supplier relationship can be formed.

2. Self-disclosure

Suppliers also have to provide a self-disclosure. They are required to provide structured and detailed information regarding various aspects of their business, such as their upstream supply chain, their production conditions, and their quality management and assurance. We also require information regarding social aspects and environmental matters whose implementation the suppliers have already committed themselves to in the Code of Conduct. The self-disclosure is evaluated by Rapunzel and plays a role in the annual supplier assessment.

3. Risk classification

A trusting cooperation is rooted not only in a good exchange of information and effective everyday communication. We also need to be certain that our suppliers will fulfil our requirements. Transparency is an essential factor of this. For this reason, in addition to the information provided by our suppliers, we conduct a risk classification of the suppliers and their products. This is compiled every year. This assessment of suppliers and their products also includes measures to be taken in the event of an increased risk. For example, an extended analysis plan may be required for quality assurance.



4. On-site audits

As a further measure, we also conduct on-site audits. Mutual visits and systematic on-site audits of supplier sites are an integral part of any good and transparent supplier relationship. Before any on-site audit, it is decided whether to focus on (organic) farming activities, the process chain, processing, or quality assurance. Just as important is the assessment of social issues and general environmental questions, which are also defined in the Code of Conduct for Suppliers. The audits are conducted by Rapunzel and are not a substitute for external audits or certifications performed by independent control or certification bodies or other third parties. The important thing is that we ourselves examine the supply chain and attendant aspects one more time.

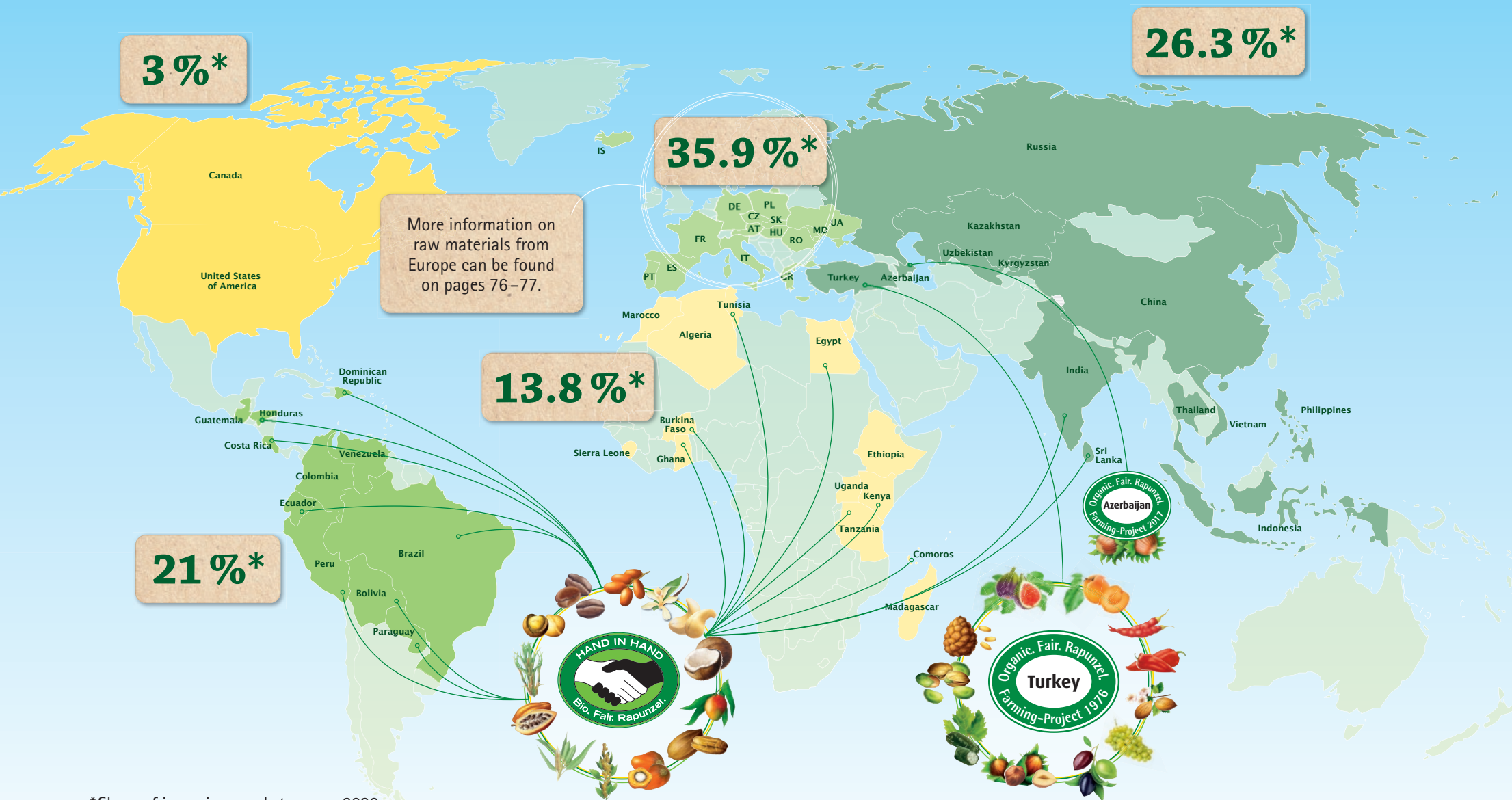
5. Supplier evaluation

Our annual supplier evaluation supports the continuous process of supplier development, and due appreciation is shown for any outstanding performance. Every two years, on the occasion of the Supplier Day, Rapunzel awards a prize to the most committed suppliers of raw materials and trading goods.

6. Termination of the supplier relationship (where necessary)

If a supplier fails to fulfil basic requirements or to visibly and sustainably improve its compliance, this will lead to a termination of the supplier relationship.

Rapunzel raw goods imports



*Share of incoming goods tonnage 2020

Opportunities of globalisation

It sometimes seems that globalisation has made the world smaller. At the same time, the demands placed on our planet as a habitat have increased, as has the fear of losing vital resources. Many perceive globalisation as a worldwide competition, sometimes more, sometimes less open, at all levels of society. But it doesn't have to be this way.

Indeed, globalisation can also have positive aspects. Worldwide communication networks, unimpeded traffic and open trade routes enable a growing number of people to share knowledge worldwide and participate in global prosperity. The central question is therefore how globalisation is implemented.

Rapunzel tries to use these positive opportunities to practice and promote fair trade on an equal footing, all over the world. At the same time, we are contributing to the expansion of organic farming on a global scale. In our view, genuine sustainability can only be achieved when it is based on organic agriculture along with minimum social standards.



Photo, right: Mixed organic cultivation, fair prices and jobs in rural areas were the results of having processing activities directly in the villages, thanks to the Rapunzel HAND IN HAND partner LIMBUA together with around 5000 small farmers in Kenya. Rapunzel obtains its macadamia nuts from LIMBUA.



HAND IN HAND

Rapunzel's fair trade programme



Organic farming plus fair trade

Rapunzel has established its own fair trade programme: HAND IN HAND (HIH). The programme has had its own official label since 1992, but its origins go back to the 1980s, when the company was searching for raw materials for what would be the world's first organic chocolate.

HAND IN HAND brings together controlled organic cultivation with fair trade. Direct and long-term supplier relations provide future prospects for HAND IN HAND partners and supply products of high ecological and social compatibility to consumers.

There are meanwhile over 150 HAND IN HAND products in the Rapunzel range. More than half of the raw materials used in HAND IN HAND products come from HAND IN HAND partners and are traded at HAND IN HAND terms. Single ingredient products like quinoa, mangos and cashew nuts consist of 100% HAND IN HAND raw materials. The HAND IN HAND criteria are based on the core labour standards of the ILO, the SA 8000 (Social Accountability) definitions and requirements of the SAI organisation (Social Accountability International) and the guidelines for social justice formulated by IFOAM – Organics International (the global umbrella organisation of all organic farming organisations).

Periodic independent controls and external certification conducted both at the HAND IN HAND partners and at Rapunzel ensure compliance with the criteria. These take place every two years.

HAND IN HAND partners guarantee:

- | | |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| ✓ Products of a high organic quality | ✓ Humane, healthy and safe working conditions |
| ✓ Fair prices to farmers and fair wages for workers (minimum wage or higher) | ✓ Prohibition of child labour and forced labour |
| ✓ Compliance with all national regulations | ✓ Uniform transparency |
| ✓ Social security for employees | ✓ HAND IN HAND bonus used in local ecological and social development projects |

Rapunzel Naturkost guarantees:

- | | |
|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| ✓ Long-term supplier relations | ✓ Costs of HAND IN HAND inspections and certifications covered |
| ✓ Clear and reliable purchasing agreements | ✓ 1 % of the purchase value of all HAND IN HAND raw materials goes into the HAND IN HAND fund to promote eco-social projects worldwide |
| ✓ Fair product prices including organic and HAND IN HAND bonus | |
| ✓ Support and advice | |
| ✓ Preliminary financing of small farming organisations on request | |

Fairness & Social Responsibility Worldwide





The HAND IN HAND bonus

Rapunzel's HAND IN HAND partners not only receive fair prices above the market standard including an organic bonus, but they are also paid a HAND IN HAND bonus by Rapunzel. This is intended for partners to spend on eco-social communal projects that will directly benefit the supplier farming families and their employees. In 2020, the total HAND IN HAND bonus paid to 19 HAND IN HAND partners was almost 713,000 Euro (2019: 498,000 Euro; 2018: 501,000 Euro).

The bonus is based on the cost of producing the raw materials and on the degree of refinement of the delivered product. The bonus is defined as a fixed value per kilogram per product. Depending on the product, it amounts to approximately 2 – 15% of the purchase price. The total bonus sum received by any supplier ultimately depends on the product and the annual contractual quantities agreed with Rapunzel.

In many cases, HAND IN HAND partners use the HAND IN HAND bonus to finance health, nutrition or educational projects and to support the farmers in their cultivation activities. Depending on the prevailing challenges, the bonus may also be used for agricultural innovations or improvements to infrastructure.

Coffee and cocoa cooperatives

All HAND IN HAND coffee and cocoa partners are small farmer organisations who put aside a part of their HAND IN HAND bonus for advising and supporting farmers in their cultivation activities or to support the organisation's own tree nurseries for coffee and cocoa plants. This measure is playing an increasing role with regard to adapting to climate change. The aim is to sustainably preserve agricultural production as the livelihood of farmers by selecting more appropriate varieties of coffee and cocoa.

Photo, left: Organic coffee farmer from the Norandino cooperative in Peru.

Manduvirá

Manduvirá, the HAND IN HAND partner for raw cane sugar in Paraguay, invested part of the HAND IN HAND bonus it received in education for the region's children. The education committee of the small farmer cooperative organises courses on environmental themes as well as afforestation, ecological educational gardens, waste management and the recycling economy. Manduvirá has supported these training activities by donating waste containers for teaching children how to separate waste at schools.

Not only are the waste materials accruing at educational establishments separated into paper, metal, plastic and glass, but organic waste is taken to the school garden to be composted. In addition, Manduvirá plays an active role in the recycling economy by initiating agreements with recycling companies, both for itself and for schools.



In Paraguay, the HAND IN HAND supplier Manduvirá has donated containers for separating waste to schools, financed by its HAND IN HAND bonus. To support this donation, the school children also receive related educational courses.

Achal

Other HAND IN HAND partners are using part of their HAND IN HAND bonus to improve health provision in their region. For instance, Achal, the HAND IN HAND partner for cashew nuts in India, finances regular medical camps for employees, farmers, and their families with its HAND IN HAND bonus. They also have an opportunity to undergo medical checkups and obtain basic medical services. These are things that cannot be taken for granted in India.

Serendipol

Serendipol, the HAND IN HAND partner for coconut oil from Sri Lanka invested part of its HAND IN HAND bonus in improving the medical infrastructure in its region. For example, it built a covered waiting area for the hospital in Narammala. In addition to protecting people from the weather, it leads to more people taking up the offer of receiving medical care.



The HAND IN HAND supplier Serendipol built a waiting area for the hospital in Narammala in Sri Lanka, financed by its HAND IN HAND bonus.



The HAND IN HAND fund

Besides introducing the HAND IN HAND bonus, Rapunzel also founded the HAND IN HAND fund in association with the Environmental Action Germany, the Deutsche Umwelthilfe (DUH). For more than 20 years, it has supported ecological and social projects in Africa, Asia and Latin America. Among the activities it supports are organic farming, afforestation, projects for women, access to clean drinking water, and solar electricity, to name but a few. All projects seek to improve environmental justice beyond its direct goal while also reinforcing the self-responsibility of civil societies.



Why set up a fund?

When the organic pioneers Joseph Wilhelm and Jennifer Vermeulen founded Rapunzel in 1974, they were interested in promoting more than just healthy eating. Their plan was far more comprehensive. They wanted to radically change the way people live. What they envisaged was a healthier and more just world. When Rapunzel began procuring its raw materials from abroad in the 1980s, their vision expanded even further. To this day, Rapunzel continues to stand for a just and liveable world, where globalism is perceived not as a threat but as an opportunity. It was this that led to the formation of the HAND IN HAND fair trade programme described above. It wasn't long before they had the wish to improve the environment of suppliers in the countries of the Global South. But how were they supposed to do it? It was at this point that Rapunzel found its partner, in the form of the Environmental Action Germany, the Deutsche Umwelthilfe (DUH). They both share the ideas and values of an ecologically, economically and socially more just world. So together, they initiated the HAND IN HAND fund. In 1998, the fund financed its first projects.

Photo, left: Solar power project by LOVE FOR LIFE e.V. in the rain forest of Ecuador.

How is the fund financed?

The lion's share of the financing for the HAND IN HAND fund comes from Rapunzel. Every year, the natural food producer donates 1% of the purchase value of its HAND IN HAND raw material to the fund. The HAND IN HAND fund is supplemented by additional donations and campaigns.

100% of donations go into the projects. The administrative costs are shared by Rapunzel and the DUH. Since its foundation in 1998, the fund has provided 1.9 million EUR for 423 projects in 60 countries (as of February 2021).

Funding from the HAND IN HAND fund

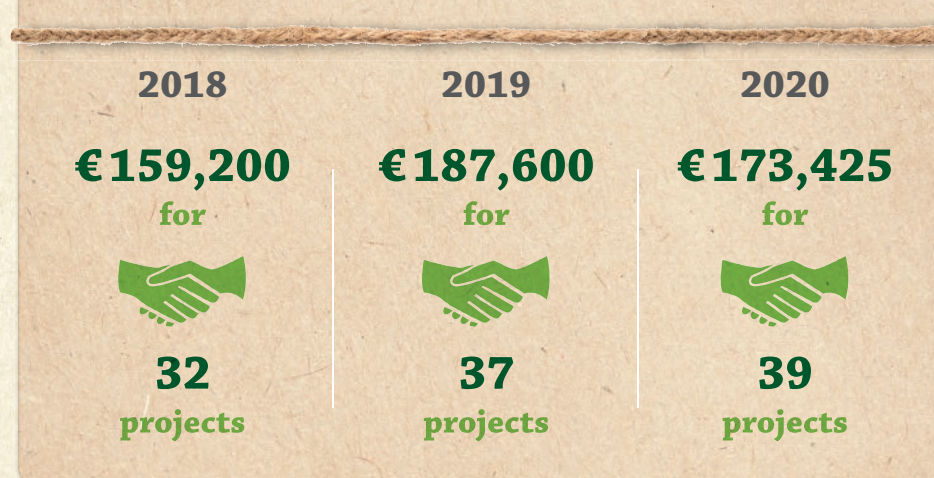
Independent organisations, charitable projects and non-government organisations can apply for funding of up to 5,000 EUR from the HAND IN HAND fund. Meetings to decide on who will be awarded the funding are held in spring and autumn.

What projects receive funding from the HAND IN HAND fund?

The fund supports ecological and social projects in the following areas:

- | | |
|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Promoting and developing education | <input checked="" type="checkbox"/> Access to clean water |
| <input checked="" type="checkbox"/> Creating sustainable income sources | <input checked="" type="checkbox"/> Access to renewable energy |
| <input checked="" type="checkbox"/> Organic agriculture | <input checked="" type="checkbox"/> Preserving habitats and species on land in the world's oceans |
| <input checked="" type="checkbox"/> Supporting women | <input checked="" type="checkbox"/> Providing immediate aid to partners in the event of a natural disaster |

Funding from the HAND IN HAND fund



Joseph Wilhelm sees for himself the sustainable impact of the HAND IN HAND fund at the Hekima Girls' School in Tanzania, pictured here together with a pupil and the school head, Sister Esther (right).

Example projects financed by the HAND IN HAND fund

A seed bank for local plants in Kenya

To end its dependence on large international seed companies, the Kenyan organic farming centre OTEPIC set up a seed bank for local seeds. The centre was constructed in a joint project with support from the HAND IN HAND fund. The farmers now collect, buy and exchange their seeds through the OTEPIC seed bank. The benefits: The cultivated plant varieties are more resistant to dry conditions and less susceptible to pest damage. The revenues from the seed bank also go into communal water supply, reforestation and other projects.



Training for organic cocoa farmers in Bolivia

The loss of skills when a new generation takes over a farm, and the effects of climate change, are just two challenges facing small cocoa farmers worldwide. ECOTOP advises organic cocoa farmers in the forward-looking methods of agroforestry. The foundation also provides training in improved methods of cocoa processing which minimise crop losses and drops in quality, for example, for this cooperative of organic farmers in Tucupí, Bolivia, who received help from the HAND IN HAND fund.



Drinking water for a mountain village in Nepal

In the Himalayas too, the glaciers are receding. And even more than in the Alps, it has a direct impact on the local population, because it means they have to go further and further on foot to obtain clean drinking water. With help from the HAND IN HAND fund, people affected by the situation in Gerimoditar in Nepal were able to build their own water pipes and collection tanks. No easy job on the steep highland slopes, but the village has now managed to restore a stable water supply.



HAND IN HAND fund and SDGs

The Sustainable Development Goals or SDGs of the United Nations are an important guiding principle for the HAND IN HAND fund. The SDGs came into force on 1 January 2016 with the aim of securing sustainable development on an economic, social and ecological level. In small-scale projects, the fund has shown that sustainable actions in line with the SDGs are quite possible.

In the vast majority of cases, the projects financed by the HAND IN HAND fund have several sustainable development goals. We regard the SDG 17 Partnerships as the basis for all projects financed by the HAND IN HAND fund.

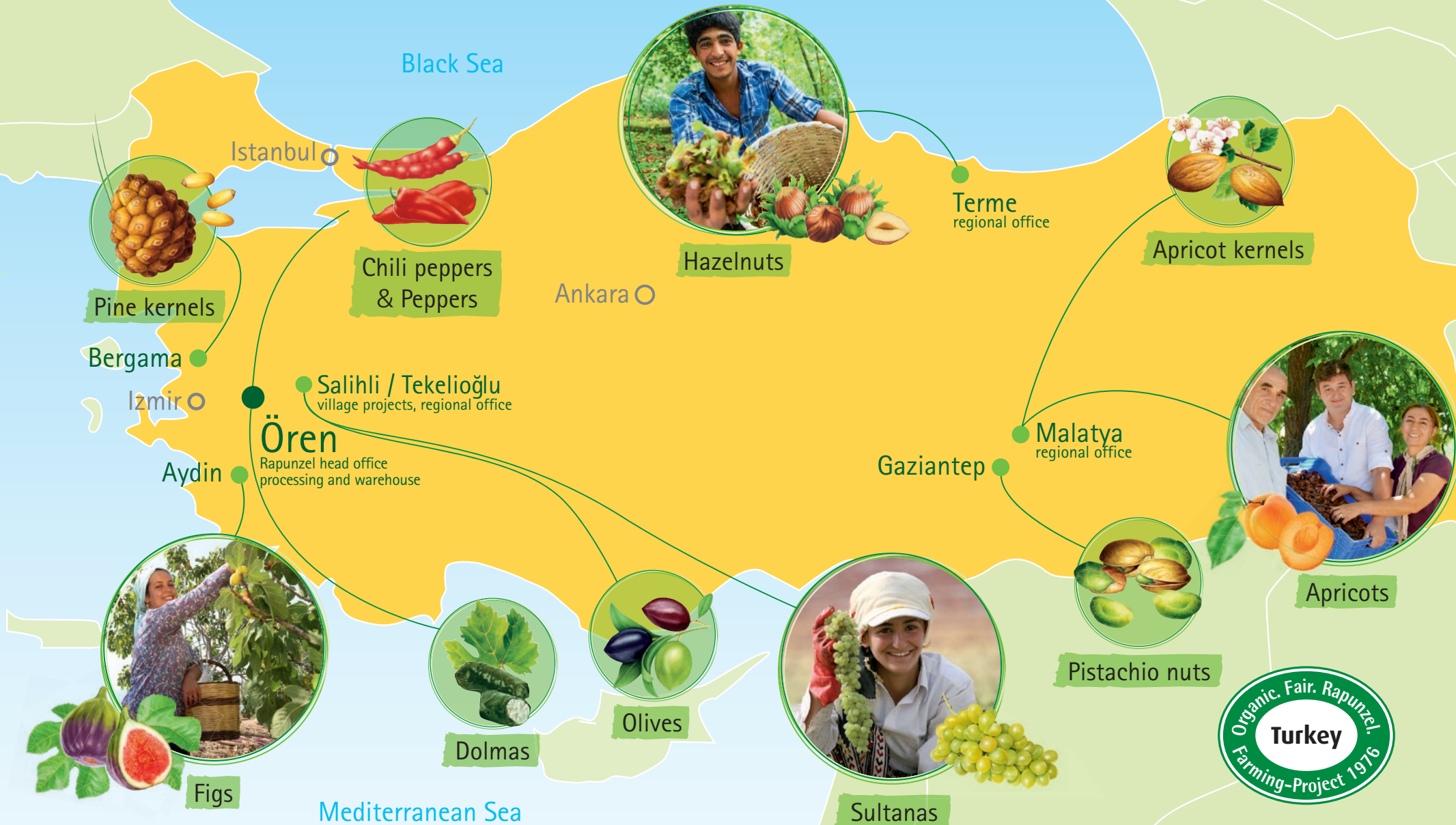
Our analysis of projects from the period 2018 to 2020 show that by funding these projects, we are also contributing to achieving the illustrated SDGs.

Assessment for 2018 to 2020



For each project, we have chosen the three most important SDGs. The size of the symbols indicates the number of projects financed in each area.

The Rapunzel Turkey project



Dried fruit, nuts, oils and antipasti from controlled organic cultivation

In the mid-1970s, Joseph Wilhelm was in search of high-quality, organically grown dried fruit and forged initial contacts with farmers and processing plants in Turkey. This marked the beginning of the biggest and oldest Rapunzel farming project, conducted with our subsidiary, Rapunzel Organik Tarım Ltd. near the city of Izmir. Today, more than 150 people are employed there on average throughout the year, although in the high season, it can be as many as 250.

Rapunzel Turkey cooperates with around 430 organic farmers from ten different regions in Turkey. Since 1986, support for the farmers and processing plants has been organised through the Rapunzel project office in Izmir.

Project region Tekelioğlu

The aim of the project was to motivate interested farmers to try out organic cultivation methods. Eventually, the first all-round organic dried fruit in the form of figs and sultanas was purchased in the mid-1980s, about ten years after establishing our first contact with Turkey.

The pioneer phase during the 1980s led to the foundation of the Tekelioğlu-Manisa village project. Today, thanks to Rapunzel's support, 100% of the vineyard cultivation in and around Tekelioğlu now uses organic farming methods – a resounding success story for the entire region. The development of Lake Marmara near Tekelioğlu illustrates just how substantial the changes were. At the start of the project, the lake was biologically dead from the pesticides used by local farmers. Today, the lake is once again a source of drinking water.

At the same time as the village project in Tekelioğlu (in which sultanas, raisins and olives were grown), Rapunzel was busy developing additional regions for the cultivation of other important raw materials such as organic hazelnut kernels on the Black Sea coast, organic apricots in the Malatya region, and organic figs in the area near Aydın.



This photograph shows the Rapunzel founder visiting farmers together with Bo van Elzaker, an organic consultant from Holland.



Yellow and green and complete with a tower – even from afar, the affiliation of the Turkish subsidiary near the city of Izmir is immediately obvious.



From the start, it was clear to us that our cooperations with Turkish farmers would play a special role. They are the key to our sustainable, organic products, because for Rapunzel, quality begins in the field.

Subsidiary near Izmir

With a view to improving its control over the quality of warehousing and processing, Rapunzel built a modern facility in Ören near Izmir in 1997, in so doing founding the subsidiary Rapunzel Organik Tarım Ltd.

The building and its technical facilities are maintained to remain be complaint with environmental and energy saving requirements at all times (see also page 49).

Rapunzel Turkey has plenty of good quality refrigeration capacity for raw products, which means it can process dried fruit throughout the year, ensuring a consistent product quality throughout the year. This means that many people can enjoy regular, non-seasonal employment. Rapunzel complies with all national and international regulations, pairs fair wages to its workers, and guarantees whole-year social security for all employees.

The main processing activities at the site comprise: control, calibration, cleaning, sorting, packaging, storage and shipping of raw materials. For the purpose of additional control, the Turkish colleagues send advance samples for analysis by the Rapunzel quality assurance department and by an external laboratory in Germany. For environmental reasons, the raw materials are mostly transported by ship from the nearby port city of Izmir.

Quality and procurement

In the Rapunzel Turkey project, quality also starts on the field. Maintaining personal and ongoing contact with farmers and suppliers is integral to our day-to-day business. The local Rapunzel agricultural engineers organise the transparent procurement of raw materials directly from organic farmers who are themselves part of the Rapunzel project. Quantities are checked directly upon purchasing and loading.

Quality control is of the highest priority at the subsidiary; this also includes a rigorous system that ensures full traceability. Samples are taken from every batch for analysis both in our own lab and by external laboratories.

Unique selling point: 100 percent organic

All raw materials processed at the Rapunzel subsidiary in Turkey are from controlled organic cultivation. To this day, this means that Rapunzel is the only major company in Turkey that is 100% organic. All farmers and subcontract processors as well as the company itself are subjected to annual control and certification by the nationally accredited Swiss certification agency bio.inspecta.

Partnership with farmer families

For Rapunzel, it is essential to maintain reliable and long-term business relations with its Turkish farmers. Good and reliable advice for farmers, fair prices and the organic bonus are essential elements of this.

We agree the purchase quantities with our cultivation partners early on and we stick to our quantity contracts – something that is not taken for granted in the industry in Turkey. If necessary, farmers can also receive prepayments from Rapunzel. The farmers in the Rapunzel project appreciate this cooperation, not least because Rapunzel pays them as quickly as possible after the harvest. Rapunzel transfers the payment directly to the farmers' accounts – something else that Turkish farmers normally cannot take for granted.

In 2020, we cooperated with around 430 farmers. Their crops include hazelnuts, pistachios, apricots, sultanas, raisins, figs, tomatoes, peppers, hot peppers and olives grown for Rapunzel over a total acreage of approximately 2,500 hectares. Finally, we process the quality raw materials in Legau in the Allgäu to make Rapunzel products; for example, hazelnuts, are an ingredient of our classic Samba chocolate nut spread.



Turkish employees check the harvest quality by hand.

Six Turkish agricultural engineers are employed by Rapunzel to support and advise the contract farmers throughout the year. They help with any problems they may encounter with organic farming, inform farmers about new methods, and provide training in alternative forms of cultivation. They also inspect the fields to make sure that all standards are being complied with. Advice is offered to all members of the farming family about basic organic farming principles as well as such things as biological pest control, fertilisers, composting, pruning techniques for fruit trees, and biodiversity.

Due to the climate conditions in recent years, the cultivation of dried fruits and hazelnuts has at times been a challenge. Often there is much, or even too much, rain in spring, when the apricots blossom. And there has also been too much heat for the sultanas, as early as in spring, followed in summer, when the fruit is maturing on the vine, by the risk of hail showers. In the fig-growing areas, it can also rain at unusual times, for example towards harvest time – while the spring often remains too dry. On the Black Sea coast, where the hazelnuts grow, the spring and summer weather is less constant than it used to be.

There is also an increase in damage from insects and diseases of the hazel bushes. Should the farmers have financial difficulties as a result of these climatic changes, Rapunzel gives them the best possible support.

Rapunzel also promotes village measures and regional afforestation projects. For example: For every container or truck supplied by Rapunzel Turkey, we plant a tree for the afforestation project.

Cooperative relations with the parent company

Employees from the technical departments of the parent company in Germany visit make regular visits to support their Turkish colleagues. These personal meetings and the close cooperation between the German and Turkish agricultural and food engineers are what ensure consistent quality from the field to the finished product.



In autumn, everyone in Turkey celebrates the harvest festival, an event that strengthens social bonds among farmers and workers.

Fair and social

The quality of work has a significant impact on product quality. We take for granted that we will pay social security contributions for all commercial and industrial employees (pension and health insurance). We want our employees in the Turkish subsidiary to be comfortable and enjoy ideal working conditions. It is important for us that our employees are satisfied.

The social quality we aim for includes recreation rooms, production areas with plenty of daylight, a good general light quality, and fresh air. Social and sanitary facilities such as toilets, changing rooms and wash rooms, a cafeteria and prayer rooms satisfy the requirements of the German workplace regulations, as do the workplaces themselves. Rapunzel provides a free hot lunch to all employees in Turkey along with free tea breaks.



Our Turkish colleagues enjoy a free hot lunch every day in the cafeteria.

Social certification

In 2017, Rapunzel arranged for the entire firm in Ören as well as important contract processors to undergo auditing for the first time in accordance with the requirements of a social standard (Sedex SMETA). A provision that was taken for granted by Rapunzel in Turkey in the form of its social facilities was now confirmed by a neutral body. In 2019, the first products of the Rapunzel Turkey project received fair certification in accordance with the Fair for Life (FFL) standard, the social and fair trade standard of the Ecocert group. In addition to the factors covered by most social standards, this standard also extends to fair trade criteria and environmental matters.

FFL looks at the whole supply chain, from the cultivation of the raw materials to the packaging of the product. Full traceability of the products must be guaranteed all the way from the field to the shelf. On-site inspections are carried out every year to ensure that standards are being adhered to by both farmers and processors. They include occupational safety, the right to freedom of assembly, the prohibition of discrimination and child and forced labour, compliance with national laws, and fair pay for employees.

Long-term supply conditions, preliminary financing, and punctual and transparent payment of the purchased raw goods are important aspects of the cooperation with farmers. Moreover, farmers receive fair minimum prices that at least cover production costs and grant a profit margin. A fair trade bonus is paid by trade partners for certified products. The bonus must be put into sustainable community projects. The nature of these projects is decided together with representatives of the farmers and workers.

Regarding environmental protection, the FFL standard contains stipulations regarding waste, water and energy management as well as biodiversity protection.

Nearly 80 farmers in the Rapunzel Turkey project are currently certified in accordance with FFL. The certification encompasses hazelnuts, apricots, sultanas and figs.





Organic pioneer work in Turkey: sustainable and socially responsible

For all products from the Turkey project Rapunzel guarantees:

- ✓ 100 % certified and controlled organic quality from cultivation by Rapunzel project farmers to the shop counter
- ✓ Continuous support for farmers from salaried agricultural engineers: Well-founded advice and organic training plus on-site control
- ✓ Strict inspection of harvest quantities in relation to the cultivated acreage
- ✓ Direct purchase of fruits to ensure the best possible value to farmers, with no mixing of goods by intermediate dealers, and improved quality control
- ✓ Fair partnership and fair prices for farmers with an organic bonus of up to 15%. Agreed prepayment, and purchase of agreed harvest quantity
- ✓ Close monitoring of quality control by our quality assurance departments in Turkey and Germany and reputable external laboratories
- ✓ Swiss standard for organic certification of cultivation and processing (bio.inspecta)
- ✓ Seamless traceability – from the sales counter to the farmer
- ✓ All ingredients needed for processing dried fruit, such as rice flour and sunflower oil, as well as rice, spices and herbs for other processed products, are from organic cultivation
- ✓ Unusually high social standards for Turkey, including health insurance, pension insurance and free hot lunches for all employees in Ören
- ✓ Bright, air-conditioned and environmentally-friendly workplaces with sanitary facilities and social amenities that comply with German workplace regulations
- ✓ No child labour or home-based work; guaranteed social insurance and secure hygiene and quality standards
- ✓ Independent inspection of social and ethical aspects of business activity by way of FFL certification
- ✓ Energy-efficient manufacturing processes with high ecological standards



Photo, left: Farmer from Aydin at the fig harvest.

The Rapunzel Azerbaijan project

Organic hazelnuts from the foothills of the Caucasus

Hazelnuts have always been an important ingredient in Rapunzel products, whether in muesli, spreads or single-product packs. In 2017, the presentation of the One World Award prizes to Professor Amin Babayev in Azerbaijan opened the door to a new Rapunzel farming project. The soil scientist and organic pioneer had worked in a hazelnut region. So, Rapunzel looked into ways of introducing organic farming methods for hazelnut cultivation in the north west of Azerbaijan.

Rapunzel had to devote considerable preliminary work to this new farming project, largely in the form of structural work in the country itself plus two years of intense support and advice. But it was worth the effort: The cooperation with Rapunzel offers local farmers new opportunities and new prospects. And our customers can enjoy first-class organic hazelnuts. We currently cooperate with 70 organic farmers in Azerbaijan.



Support from Rapunzel Turkey: Agricultural engineer Emrah Dağdeviren seen here with hazelnut farmers.

Ideal climate

Virtually unknown on the world market as a source of hazelnuts, Azerbaijan has a hazelnut tradition that goes back several decades. Both the warm, sub-tropical climate on the southern slopes of the Caucasus and the soils are ideal for growing hazelnuts.

Extensive pioneer work

The Azerbaijani soil scientist, Professor Amin Babayev, winner of Rapunzel's One World Award in 2017, is the heart and soul of the organic movement in his country. For 30 years, he has devoted himself to organic agriculture in Azerbaijan, and the organic hazelnut farmers are among those who benefit.

Intensive consultation

The agricultural engineers at the Rapunzel subsidiary in Turkey, Rapunzel Organik Tarım, enthusiastically supported the Azerbaijan project for a period of two years, culminating in the delivery of the first hazelnuts to Rapunzel. To this day, the Turkish experts still provide support to the farming families in Azerbaijan whenever needed.

Direct contact

It isn't just the agricultural engineers from Rapunzel Turkey but also the experts from Rapunzel in Legau who visit Azerbaijan on a regular basis. This personal contact promotes communication and reinforces trust. You need to know where things come from – an important byword at Rapunzel.

Long-term cooperation

Rapunzel seeks long-term cooperation with its suppliers. The farmers in the Azerbaijan project enjoy regular training in the hope that it will help them secure and increase their yields. For the farmers, being part of this project also means they know that their products will be sold at fair prices.

High quality standards

Besides the on-site organic inspection, the Rapunzel quality assurance department in Legau takes a thorough look at every batch. In addition, samples are repeatedly forwarded to reputable external laboratories for analysis. Because only the best quality is good enough for our muesli, hazelnut butter and single-product packs.



Fair palm oil

Respect for people, animals and nature

The subject of palm oil continues to raise tempers on a regular basis. And it is frequently for good reason, in view of the deforestation and depletion facing people, animals and nature resulting from conventional palm oil production. Is it even possible to grow oil palms in a truly sustainable way and to manufacture palm oil fairly?

The answer is a clear yes, because: Together with our HAND IN HAND partners, we are realising the 100 percent controlled organic and fair traded cultivation of palm oil that is both socially and environmentally compatible. No clearing of rainforests, exploitation of people or destruction of animal habitats. Rapunzel customers can enjoy the fine melt and unique consistency that palm oil gives to Samba, Tiger Creme and other nut spreads, with no guilty conscience. Rapunzel products contain fair trade palm oil for sustainable palm cultivation.

Pioneering work for fair organic palm oil

Rapunzel recognised the need for sustainable oil palm cultivation early on in 1992 when it initiated the first organic cultivation of palm oil. Thanks to the HAND IN HAND programme, we have recently taken things one important step further, with the introduction of fair traded organic palm oil. Through its direct supplier contacts, Rapunzel has been able to enforce strict and transparent social accountability and environmental standards. Personal on-site visits from Rapunzel agricultural engineers intensify the cooperation on many levels.

Palm oil suppliers can now show real alternatives in palm cultivation. The main goal of these suppliers is to nurture and protect the natural ecosystems for all plants and animals. Fair working conditions and support for joint projects in the region are integral components of a fair cooperation.

At Serendipalm in Ghana, for example, the female workers who pick the palm fruits by hand are paid every week. Their wages are well in excess of the statutory minimum wage in this African country. The social benefits that the workers receive also exceed the usual standards. All workers and salaried employees receive sick pay and paid maternity leave well as Easter and Christmas bonuses. Moreover, employees are given a free meal every day, freshly prepared by the kitchen team.

Sustainable source of income

Oil palms grow in countries along the tropical belt. These regions are home to globally important ecosystems such as tropical rainforests and peatlands. Particularly in these agricultural regions, genuine ecological sustainability can only be achieved when the local people have sustainable income sources and social security. In the absence of such income sources, the result is often overexploitation of natural resources. For this reason, these exemplary HAND IN HAND partners do far more than simply supply an in-demand raw material in a good and fair quality. They also offer jobs, develop local structures, and create genuine prospects for the people.



The soils in these groves in Ghana remain sustainably fertile thanks to the use of mixed farming and green manure.

Rapunzel criteria for fair and ecological palm cultivation

- ✓ Protecting primary and secondary forests with no clearing of forests
- ✓ Preserving and protecting natural ecosystems
- ✓ Preserving and promoting biodiversity in and around the cultivated plantations
- ✓ Ensuring 100 percent organic cultivation
- ✓ Ensuring transparency from the farmer to the store counter
- ✓ Ensuring fair trade in accordance with recognised, international standards
- ✓ Ensuring socially secured incomes in rural regions
- ✓ Respecting indigenous people and their land rights
- ✓ Giving personal advice to local farmers and processors
- ✓ Cooperating in the long-term in the interests of genuine sustainability



Fair palm oil
Respect for people, animals and nature

Certifications

The growth in the organic and fair trade market is resulting in an increased need for certification, not only for different markets and countries but also for different consumer groups.

Why do we need certifications?

It is only in rare instances that consumers are able to consult a manufacturer directly to check whether it is complying with certain standards on which important purchasing decisions are made. Certifications are an independent guarantee that these standards are being adhered to; depending on the certification, it can be on the level of the farmers, the food processors or throughout the supply chain.

A large number of certifications are meanwhile in place at Rapunzel. Roughly speaking, these can be divided into: Organic certifications, fair trade and social standards certifications, environmental standards, and food production and safety standards. In the organic sector, everything is rooted in the EU-Eco-Regulation. There are also standards of the organic farmers associations that exceed the requirements of the EU-Eco-Regulation.

Fair for Life (FFL)

Fair for Life (FFL) is a product and supply chain certification oriented towards fair trade. The FFL standard embodies comprehensive social and environmental criteria. Central aspects are respect for human rights, compliance with national laws, and the prohibition of child labour, discrimination and forced labour. Other essential aspects are occupational safety, the right to freedom of assembly, the fair treatment and payment of employees, and additional social benefits. Since FFL covers the entire supply chain, these criteria must also be adhered to along the whole of the chain.

The standard also places requirements on trading relations with upstream suppliers. Central aspects are binding long-term cooperation, fair payment, preliminary financing for producers at the source, transparency and traceability along the supply chain, and the payment of a fair trade bonus. Rapunzel has been certified according to the FFL standard for selected products and supply chains since 2019.



www.fairforlife.org

Fairtrade (FLO)

The Fairtrade label shows that a product has been produced and traded in accordance with the fair trade standards of Fairtrade International. The central elements of the standard are stable prices that cover costs, democratic organisational structures, sustainability, safe working conditions, fair wages, and support for eco-social projects by way of a Fairtrade bonus. The Fairtrade seal is the most famous fair trade logo in the market. Rapunzel has had Fairtrade certification for selected raw materials and private label products since 2009.

RSPO

The RSPO or 'Roundtable on Sustainable Palmoil' is the most famous standard for sustainable palm oil. Accordingly, many customers attach great importance to RSPO certification. The aim is the production of sustainable palm oil with no negative impact on either the environment or social structures. The principles of the RSPO include a ban on deforestation and slash-and-burn, no farming on peatland, protection of human and worker rights, and payment of a living wage that covers the workers' living expenses. Rapunzel has had RSPO certification since 2014.

Ongoing sustainability goals

Suppliers

- ✓ Constant optimisation of supplier selection and management
- ✓ Direct relations to suppliers at the source (whenever meaningful and possible)
- ✓ Building and maintaining long-term trading partnerships
- ✓ Cooperating with small farmer organisations (wherever possible)
- ✓ Strengthening long-standing partnerships through joint goal formulations
- ✓ Supporting further processing of raw goods in the country of origin
- ✓ Securing possibility of preliminary financing for small farming cooperatives

HAND IN HAND programme

- ✓ Transparency and building awareness of HAND IN HAND among end consumers
- ✓ Securing of the market for raw goods in the long term by HAND IN HAND partners
- ✓ Regular mutual visits with advice for HAND IN HAND and other fair trade partners

HAND IN HAND fund

- ✓ Regular inspection of the principles by which funding is awarded by the HAND IN HAND fund, including long-term benefits, local impact, and potential for optimisation
- ✓ Optimising the long-term local impact of the HAND IN HAND fund





Fairness & Social Responsibility in the Allgäu

It is the sense of community at Rapunzel that forms the basis of our economic success. We see ourselves as a team in which equal opportunity, tolerance and mutual appreciation set the tone. We also promote employee health and education at the Legau site and work to strengthen biodiversity in the local ecosystem.



Working at Rapunzel

A concept that connects

The idea of a healthy, organic lifestyle and the vision of a more humane and fair world are notions that not only connect the employees of Rapunzel Naturkost but are also deeply rooted in our corporate philosophy. Our joint interest in organic farming and sustainable management is a key reason for the strong sense of community that prevails at Rapunzel.

We attach great importance to finding the right employees who share the values and attitudes we uphold in our everyday actions. We also strive to provide specialist training for all of our employees.

Employees benefits

- | | |
|---------------------------------------------------------------|-------------------------------------------------------------------------|
| ✓ Annual performance review | ✓ Discounted whole food organic meals in the company canteen ('Casino') |
| ✓ Regular seminars and training | |
| ✓ Profit sharing | ✓ Free organic breakfast |
| ✓ Productivity participation for managers | ✓ Various sports courses |
| ✓ Monthly contribution to pension scheme or capital formation | ✓ Ergonomic workplaces |
| ✓ Flexible working time models | ✓ Employee discount at the Rapunzel organic food store |

Growing together

Supporting and encouraging employees is of great importance at Rapunzel. Which is why open communication, further training opportunities and annual structured performance reviews are essential for all of our staff.

Review meetings comprise discussions of factual data and personal topics, employee satisfaction, suggestions for improvement, reciprocal feedback, mutually agreed goals, a detailed performance assessment and individual development options. We practice a culture of general appreciative feedback and open exchange.

Seminars and courses are held on a regular basis for all employees. There are also mandatory seminars on subjects such as the International Featured Standards (IFS Food), occupational safety, health, and fire protection. In addition, specialist courses and seminars are held about certifications, HAND IN HAND, and organic farming. To improve our employees' key competences, seminars are also available on such topics as communication, foreign languages, conflict management, self-organisation, personal development and time management, team development, management and motivation.

Employees who choose to take a training programme over several years, such as a degree or a master's course, are given financial support. A dual study is also possible at Rapunzel.



The foundation of our success: motivated staff

Rapunzel employees participate directly in the company's success with a profit sharing scheme based on 7.8% of the corporate result. It is distributed per head on the basis of the number of hours worked per week. Since 2020, employees have received an advance of approx. 50% of the profit sharing amount for the current year, paid out on a monthly basis. In addition, managers receive a monthly productivity bonus based on jointly generated company profits.

Rapunzel also bears its responsibilities outside the company. For instance, it supports employee retirement schemes through a monthly subsidy to their company pensions. In this context, Rapunzel attaches great importance to investing in sustainable, ecological and socially compatible funds. Alternatively, we also subsidise capital-forming benefits such as building load agreements.



Rapunzel employees at Legau.



Rapunzel employees at the Bad Grönenbach site.

The Rapunzel community

We identify as a culture of equal opportunity, mutual respect and trust. These fundamental principles of the Rapunzel community have been jointly written into our Code of Conduct (see page 138).

An important aspect of our community is being inclusive of people with disabilities. Rapunzel works together with the Regens-Wagner foundation to enable the creation of quality jobs in the foundation's workshops.

Family-friendly

Rapunzel enables its employees to enjoy family-friendly working conditions such as flexible work times and work time models that allow a better balance between family and work. We also support people seeking to re-enter working life after a period of parental leave, including an introductory phase consisting of part-time work. We are in favour of spouses and partners exercising their right to parental leave.

Employees who have been with the company for ten years or more are able to apply for a period of leave. This is a popular offer with our employees, and can be requested every seven years.

The Rapunzel works council

The works council is an important pillar of the Rapunzel community in facilitating communication between management and employees. Since 1994, our works council, which today numbers nine members comprising employees from various departments, is the contact for all 'Rapunzels' and their mouthpiece vis-à-vis the management. Once a month, the council meets with the senior management and the personnel department to discuss a variety of themes. At such meetings, company agreements such as holiday and overtime regulations are concluded, requests and comments from employees discussed and ideas from the Rapunzel suggestion box considered.

Four times a year, the works council and the management invite all employees to a works meeting. This is where the works council passes on information about current matters of interest and newly negotiated works agreements. The management presents the current business performance and announces the amount of the profit sharing bonus. The works meeting is also a welcome opportunity for new employees and trainees to introduce themselves.

All in all, the works council is an important body within the Rapunzel community as a mouthpiece, negotiating partner, concept developer and adviser all in one.

Training at Rapunzel

More organics means more people

For Rapunzel, sustainable personnel management also means training our future employees. We endeavour to offer trainees a career perspective in the form of a permanent contract once they complete their training.

For nearly 30 years, Rapunzel Naturkost has been training young talent, with a total of ten different training professions now offered in the commercial, industrial and technical divisions. In autumn 2020, eight new trainees started their training activities.

- | | |
|------------------------------------------------|--------------------------------------------------------------|
| ✓ Industrial clerk | ✓ Warehouse logistics specialist or warehouse clerk |
| ✓ Office management clerk | ✓ Food technology specialist or plant and machinery operator |
| ✓ E-commerce clerk | ✓ Cook |
| ✓ Marketing communication clerk | ✓ Mechatronics technician |
| ✓ Wholesale and foreign trade management clerk | |
| ✓ Retail clerk | |

Trainees at Rapunzel gain a comprehensive insight into the organic food business and its attendant processes. In addition to the central themes of their envisaged profession, they learn the meaning of 'organic from the source onwards' and the importance of conducting sustainable and fair business all the way along the supply chain.



Promising young talent beginning their training at Rapunzel in September 2020.

A particular feature of training at Rapunzel is the 'company tour' that trainees in the commercial division undergo in their second year. This enables them to familiarise themselves with all the departments that are relevant to their training by working at each of them for a period of several weeks. In addition to the day-to-day tasks in their departments, Rapunzel trainees also have the freedom to become involved in social or regional projects, visit other firms, spend a week at an organic farm, or contribute to projects within the company. For instance, the trainees calculated the quantity of the agricultural land under organic cultivation used for our Original Muesli (see page 78). Once they have successfully completed their training, Rapunzel offers trainees a choice of interesting and varied development opportunities within the company. They can also move on to other departments or fields if they wish. For their involvement, trainees receive a profit share, which is paid out on a monthly basis after their probationary period in addition to their training remuneration. For more information about training offers and vacancies, and to find out why Rapunzel trainees are so satisfied with their training at Rapunzel.

Bees on the company premises

The Rapunzel bee team

It is humming and buzzing on the Rapunzel premises. Since 2013, our site has been home to five beehives. Around 20 staff from various departments spend their leisure time looking after these diligent worker bees – in an extensive operation. In this context, 'extensive' means that the focus is on natural beekeeping rather than maximum honey output.



Model of sustainability

These threatened pollinators demonstrate very clearly that there are no such things as separate closed systems that exist in isolation alongside each other: Even if the pollen comes from genetically modified plants or pesticide-contaminated fields and gardens, bees still transport it onto organic fields and into their beehives. What happens in the world affects everybody. Their performance as crop pollinators means that bees are the third-most productive creatures after pigs and cattle. The Rapunzel bee team combines a fascination for bees with team work, social activity, and a commitment to upholding the bees' living space. Rapunzel beekeepers also organise planting campaigns or sow flower strips.



Enhancing our employee's health

Reviving our energy together

Another matter that is very close to Rapunzel's heart is the promotion of our employees' health. In addition to the whole food dishes available in our cafeteria we also offer a range of activities to promote physical and mental well-being.

Alongside lunch breaks, we also encourage staff to take a breakfast break as well as tea or coffee breaks. Spending breaks together reinforces the sense of community and promotes social contact between employees as well as enabling them to restore their energy. Breaks can also be spent walking through the natural surroundings of the Rapunzel grounds.

Ergonomic workplaces support employees' physical health, and adjustable-height desks are standard at virtually every office workplace. A variety of sports courses, as well as yoga, are available after work. 'Rapunzels' can buy whatever they need for a healthy whole food diet from our organic food store at the Legau site and avail themselves of the staff discount on the entire product range.

Thanks to our hygiene concept and the implementation of both recommended and compulsory measures, we managed to get through the Covid 19 pandemic relatively unscathed. This enabled us to maintain our production as an essential business and to serve the increased demand.

Enjoying healthy, organic foods

The 'Rapunzel Casino' is a company canteen and organic restaurant in one where employees and guests alike can enjoy organic whole food meals. Dishes are primarily vegetarian and are prepared freshly each day from high-quality, organically grown ingredients. The menu demonstrates to employees and guests alike how varied and diverse a vegetarian whole food diet can be. Which is why the Casino has chosen to offer meat or fish dishes no more than once a week. A salad buffet, vegan soup and vegan dishes are available every day.

A daily varying set lunch is available that employees can order at reduced prices, while breakfast is available free of charge.



Regular yoga classes are offered to employees free of charge directly at the company headquarters.

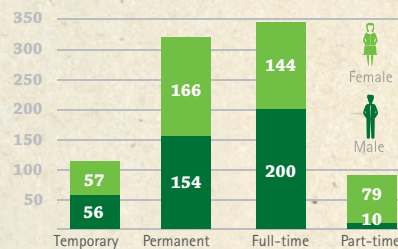
The new Casino

The Casino was rebuilt in December 2019, and the atmosphere is now even more cosy and inviting than it already was. With its new conservatory extension, the restaurant now offers seating for 146 people.

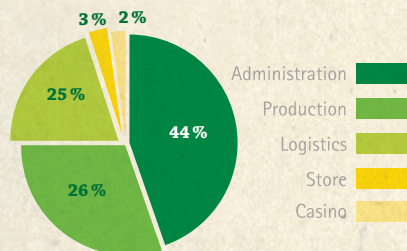
The benches and chairs were made by regional carpentry businesses, while the material for the two mighty oak tables in the centre of the room were recovered from a demolished building. You can even still make out the old carpentry trade symbols. The other solid oak furnishings create a soothing sight in combination with the lime plastering on the walls. The pleasant acoustics are attributable to the roof cladding material, which consists of different types of untreated regional wood.

Number of employees in the company as a whole

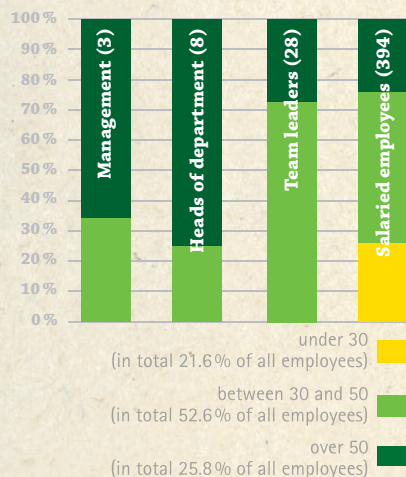
By gender and employment status



Employees in each department



Demographic distribution in various positions



Key employee figures

As of 31.12.2020

3.18 %

was the rate of fluctuation in 2020

21 %

are below 30 years of age

13

is the number of handicapped people working at Rapunzel

8.3

is the average number of years that people stay with the company

88

is the number of suggestions submitted in 2020 by Rapunzel employees to the ideas management system

433
Employees

17

is the number of people currently in training, the equivalent of 4% of all employees

66

is the average number of new recruits each year (2018 – 2020)

32

is the average number of employees leaving the company each year (2018 – 2020)

40.5 years

is the average age

21 %

work part-time

9.7

is the average number of days on which employees were off sick

Gender distribution

Management



Heads of department



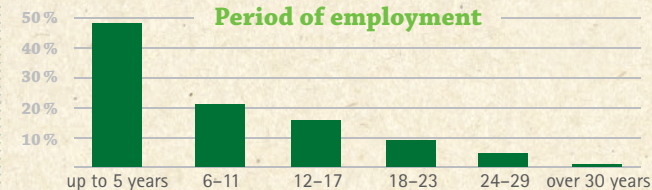
Team leaders



Salaried employees



Period of employment



51 % of employees work in production and logistics

Health and safety at work

Our employees' health is our most valuable commodity, and we agree that prevention is the best medicine. Above all in the food production department, occupational safety extends far beyond protection against accidents. What is needed is systematic and consistent prevention.

Which is why Rapunzel employs a proven occupational safety management system. Safety officers are appointed in the various divisions of the company, including production, logistics and administration, along with an overall officer in charge of occupational safety. In addition, Rapunzel cooperates with an external company doctor and safety specialist from the B-A-D (Occupational medical health and technical safety service of the employers' liability insurance association). This ensures the quality of the occupational medical service provided by the expert medical personnel.

Occupational medical prevention

In addition to prevention measures like the provision of safety equipment, Rapunzel promotes its employees' long-term physical well-being with a regular series of 'health days'. These consist of eye tests and hearing tests, but they also include event-driven or activity-related tests, for example if a risk analysis has been conducted that requires a more specific test to be carried out because a visual impairment has resulted in a hazardous situation.

There is also an external safety officer who advises on ergonomic workplaces and improving physical and mental well-being, for instance by taking advantage of sports courses, coffee breaks, etc.



Occupational safety committee

The occupational safety committee (ASA) at Rapunzel is made up of occupational safety personnel from the B-A-D and Rapunzel safety officers together with the works council, the management and the personnel department. The committee meets a minimum of three times a year. It assesses accident incidents and discusses risk assessments and matters of occupational prevention. The brief of the ASA also includes conducting regular risk analyses of technical equipment and workplaces. Workplaces are assessed by a personal on-site evaluation, including a psychological stress assessment. If the ASA or an employee identifies a potential risk, the Rapunzel safety officer is duly informed. Similarly, in the event of an accident, the safety officer analyses the accident site and implements necessary optimisations.

Voluntary helpers

Every two years, Rapunzel trains first-aid and fire-fighting assistants. In 2020, a total of 45 employee medics and 20 fire prevention assistants were duly trained. There is also a fire protection officer in both Legau and Bad Grönenbach. Both of these officers are volunteers taken from the various departments and positions, to ensure that in the event of an emergency, help can be given as quickly as possible. First-response officers not only receive training in first aid but also in equipping first-aid boxes. Fire officers learn what to do in the event of a fire, familiarise themselves with the escape route plan, and learn how to use a fire extinguisher.

Occupational safety training

Other measures aimed at avoiding potential risks include compulsory instruction and training programmes. At the commencement of their employment, all employees and tradespeople are given due instruction based on their area of work. This enables everyone to recognise and avoid potential risks. Since external visitors must be registered and employees record their work times electronically, it is known at all times how many people are inside the building.

In addition, regular compulsory training is given in all work areas. These mandatory occupational safety, fire protection and health programmes consist of:

- Occupational safety, accident prevention
- Operating instructions, safety data sheets
- Entering and securing a tank, rescuing from a tank
- Accessing roofs
- Load securing
- Forklift instruction
- Instruction in operating a pallet truck

- Instruction in welding
- Rescue concept
- First-aid courses
- Instruction in hazardous materials
- Instruction in protecting against infection, hygiene
- Instruction in fire prevention and ATEX



Our consistent prevention programme has proven its worth. In 2020, there were only twelve reportable work accidents at the company and two accidents on the way to or from the workplace, none of which had any serious consequences. The accident rate is 5.33, which is the number of work-related injuries per one hundred full-time employees. In addition, there were no work-related illnesses.

Our contribution to the region

The headquarters of Rapunzel Naturkost and its production and administrative departments are located in the municipality and market town of Legau in the Unterallgäu district. Rapunzel is one of the biggest employers in the region. The town and region benefits directly from the presence of the organic food manufacturer, as well as from the tax revenues.

Rapunzel has let the public use its 'Casino' hall on several occasions, for instance for citizens' meetings, Kolping theatre performances and blood donation campaigns by the German Red Cross. Even the free multi-storey car park built for Rapunzel employees is often used at weekends as a venue for large local events.

Exchanges with the community

Rapunzel makes a great contribution to local life through its cultural and political involvement. The company location has an impact on the general development of the municipality. The management frequently conducts constructive dialogues with the mayor and the town council as well as with the general population. For example, it presented its plans for the future visitor centre to the town council well in advance. Before construction began, locals were invited to a crowded event where they could ask questions and form an impression of the envisaged building.

Cooperation with schools and kindergartens

Besides its worldwide involvements, Rapunzel also sponsors regional projects and institutions, such as kindergartens in Legau. Every year, Rapunzel invites the children from the municipal kindergarten to use its tower the surrounding area for their St. Martin's Feast activities.

The Legau und Altusried middle school is connected to Rapunzel through a school partnership. For example, Rapunzel trainees give information about training opportunities with the natural food producer either at the Illertal training exchange or directly at the school. School classes in the region frequently visit the company works. The focus is usually on such themes as healthy nutrition, fair trade or training opportunities.

Support for local clubs

Legau has many very active clubs and societies. Rapunzel supports these groups as well as it can, for example by financing advertisements in club brochures.

One leisure facility it supports is the natural outdoor swimming pool in Legau. It does this by giving all Rapunzel employees free day tickets.

A special international partnership was formed through Rapunzel's pasta supplier in Italy. Rather than set up a city partnership, it was decided to create the 'Isola del Piano' friends group. This led to an intensive exchange between two municipalities: Legau in the Allgäu and Isola del Piano in the Marche region of Italy.

Cultural enrichment

Rapunzel is involved in several cultural events. These are very popular with the population of Legau and the surrounding region. Since there is no commercial cinema in Legau, the film screenings are often sold out.

Refugees in the municipality

A number of refugees have settled in Legau, and Rapunzel supports the Helferkreis Asyl (asylum seekers help group). Some refugees found a job or training place at Rapunzel.

Ongoing sustainability goals

- ✓ Preserving the decision-making independence of the management by keeping the firm under 100% family ownership
- ✓ Assuming corporate responsibility. Preserving added value and giving employees a share of the profits
- ✓ Establishing sustainability in the region through investments at the company headquarters in the Allgäu
- ✓ Assuming responsibility as a training establishment
- ✓ Optimising work space equipment in line with health promotion aspects

Photo, right: Office workplaces were equipped with adjustable-height desks for health or other reasons.



Organic Agriculture & Biodiversity

All the raw materials we use are from 100% organic and sustainable production, which means they have a minimised impact on nature, animals and people. We support organic seed producers and are involved in agricultural projects both in the region and worldwide that aim at preserving and strengthening our ecosystem.



**SUSTAINABLE
DEVELOPMENT
GOALS**

Organic agriculture – a holistic approach

Doing what is right

Organic agriculture is often described as farming without any synthetic pesticides or fertilisers. Some describe the move to organic agriculture as merely a different agricultural practice, or in other words, the use of different farming methods. Both of these are in themselves correct, at least on the factual level of the measures involved. However, the definitions do not cover the whole essence of organic farming. Organic farming is much more. It takes a holistic approach.

One fundamental aspect of organic agriculture is that it aims to sustainably preserve and promote the soil's fertility. Because it is the most vital element for ensuring continuous organic agricultural activity. The attitude to biodiversity is similar, as only diverse ecosystems are robust, resilient and able to regulate themselves. For this reason, this sustainability report looks at both of these areas in detail.



Making the right choice

Organic can be interpreted in different ways. At Rapunzel we go well beyond what is sometimes referred to as 'organic by neglect', i.e. simply leaving out non-permitted substances, harvesting the crops and then calling them organic. We are guided by the following questions:

- › Do we cooperate with suppliers whose organic agriculture seeks to be sustainable for both nature and humanity?
- › Are the agricultural concepts pursued by our suppliers and the plans we agree with our farming partners sufficiently future-proof to enable real sustainable organic farming?
- › Are our end consumer customers prepared to pay prices that are necessary to make sustainable organic agriculture possible?

Our actions constitute a general process. The essential aspect is that we know which of our supply partners are on the right path and are prepared to go along this path with us.



Minimal impact on nature, animals and people

Organic agriculture consumes fewer resource and displays higher energy efficiency than conventional farming. It avoids spreading substances that are poisonous to the environment, and protects both this and the climate.

Organic farming is rooted in a systemic approach that is often lacking in conventional agriculture. Organic farmers pay more attention to natural cycles and equilibriums. This means that not every plant that grows wildy in the field and not every insect has to be brought under control but evaluated holistically. Since organic farmers rely on the regulatory forces of an ecosystem, they permit a larger diversity of plants and animals.

Healthy work environment, healthy food

The challenge facing organic farmers is to be able to operate in the present while also looking several years ahead. They need to plan the right crop rotation that will preserve the soil fertility. The organic farmer is used to thinking in contexts that are intertwined rather than concentrating on a single crop. Fertiliser should be geared to the soil, not to a particular crop. Also, organic farming does not use chemical or synthetic pesticides and fertilisers, as they frequently bring the natural ecosystem out of balance.

In this way, organic farmers maintain a healthy work environment, while the consumers of organic food products can enjoy healthy foods. Small farm structures with intense manual input demonstrate all over the world that organic farming methods result in increased yields.

Continuously developing the base

Organic farmers endeavour to use in-house resources, such as their own fertiliser, as much as possible. Additives from external sources are employed as little as possible. Among other things, this also helps to minimise costs. This in turn helps organic farmers to preserve their financial independence.

However, organic agriculture also faces many challenges. Which is why Rapunzel makes every effort to continuously develop the base – not only regionally in Germany and Europe, but also worldwide.



Preserving and improving soil fertility is the basis of sustainable, organic agriculture.

Organic can be interpreted in different ways

We want genuinely organically controlled agriculture that goes beyond simply complying with existing regulations:

- ✓ maintaining and enhancing soil fertility
- ✓ acting proactively to prevent diseases and excessive pests
- ✓ use of closed natural nutrient cycles
- ✓ species-appropriate animal husbandry and feed
- ✓ protecting the natural foundation of life: soil, water and air
- ✓ active environmental protection, nature conservation and protection of biodiversity
- ✓ preserving and promoting biodiversity and diversity of species
- ✓ renouncing the use of genetic engineering
- ✓ protecting energy and natural resource reserves
- ✓ securing agricultural jobs

Biodiversity

Power in diversity

Species extinction is one of the greatest threats of our time. It goes without saying that agriculture has a major effect on biodiversity. It can have both a positive and a negative impact on species diversity in a cultural space defined by agriculture. Discussions are rooted in the question of what type of agriculture we will need in the future. It can be shown that organic agriculture plays a role in preserving biodiversity, which is just one reason why Rapunzel calls for the consistent and sole use of organic farming.

Rapunzel is also involved in the 'Agropoisons? No thanks!' campaign. Among other things, this scheme raises awareness of how widely used some conventional pesticides have become and how big a role they play in minimising the diversity of species.

Biodiversity in the cultural space

Organic agriculture has a less drastic impact on ecosystems than conventional farming methods: Where herbicides and insecticides aim to exterminate undesired organisms, organic farming is more tolerant. By employing more natural farming management and doing so without synthetic pesticides, it is more likely that the habitat for animal and plant species can be preserved on organically farmed land. Mechanical regulation of unwanted species reduces the pressure from so-called weeds on cultivated crops to a tolerable level. However, secondary species still remain that protect the soil from erosion, providing sustenance for insects and so maintaining a degree of species diversity. They include species that are useful to us as they help to limit undesired organisms (or pests) in their population to a level that keeps any economic damage below a tolerable limit. However, this diversity comes at a price: The farmer must be prepared to forego a few percent of his potential yield per unit area.

Biodiversity is a pillar of stability in an ecosystem. Agroecosystems with a high degree of biodiversity are more resistant to extreme weather events such as drought or heavy rain, which are now occurring more frequently as a result of climate change.

Examples of further measures for promoting biodiversity: Planting and tending trees and hedges along pathways, planting flower strips on the edges of fields and creating stone heaps and ponds. These provide a habitat for a wide range of animal and plant species, for example insects, birds and field flora, which would be out of place under a conventional farming system. Although it was the original organic pioneers who initially placed more emphasis on such steps, conventional farmers are now also starting to apply them. This development is also apparent with other measures designed to make agriculture more organic, such as the use of green manure, taking more care about the degree of fertilisation, and choosing to make more restrictive use of pesticides.

Growers of organic crops are creating new varieties especially for organic agriculture, with stronger roots and a higher proportion of leaves and stems. This makes them more resistant and assertive against weeds and thus not reliant on the use of synthetic fertiliser. Moreover, these varieties leave behind more organic material that serves as nutrition for creatures in the soil and helps to build up humus.

Crop rotation plays a key role in organic farming and requires thoughtful planning. It leads to diverse land use by annually varying the types of the field crops grown and green manure used, each of which places different demands on the soil. In the case of permanent crops (i.e. perennial tree cultivation) in dry regions, such as almonds, vines and hazelnuts, diversity comes about by undersowing.

With tropical tree crops in wetter regions, such as cocoa, coffee, palm oil, palm coconuts and cashew nuts, it is achieved using agroforestry systems. This means that different species with different requirements can be grown together in such a way that they complement each other. The system is nourished by a continuous production of organic matter, in particular leaves, which forms a mulch layer on the soil.

With our demand for raw products from organic cultivation and our customers' preference for organic foods, we are promoting these developments, especially biodiversity. In addition, donating to nature conservation projects, for instance to promote biodiversity in the natural space, is not just important, it is the right thing to do. We could bring about more as a society if we would support and promote the transformation towards organic agriculture.

Biodiversity in the natural space

The Bergwaldprojekt e.V. (Mountain Forest Project) has made it its goal to increase biodiversity and the variety of species. This project, which is being conducted both in the Allgäu and in other regions of Europe, builds healthy mixed forests in barrier woodland and forest restructuring regions. The aim of the project is to preserve and maintain local mountain forest and to promote understanding of the interplay it has with nature.

To reinforce the diversification of the Kempter Forest in the Alpine foothills of the Allgäu region, Rapunzel supported the project's key work by planting 2,370 wild cherry and sycamore trees in 2020. The donation stemmed from a desire to mark Christmas not merely by sending out annual company cards but also by giving something back to nature and supporting the climate. We did this by planting a tree for every card we sent.

The reforestation of cleared spaces or forest areas destroyed by fire is not just good for biodiversity but also an important climate protection measure. Trees absorb CO₂ from the air and integrate carbon in their organic material. At the same time, they release oxygen into the atmosphere. This is an efficient way of sequestering CO₂ emissions, an important step towards countering climate change.



2,370 trees



Soil

A healthy soil is the foundation

Not just in an economical sense is soil a production site for agricultural products. Soil is also a living organism and home to innumerable small but important creatures. It is the most important resource in agriculture and of course also in organic cultivation. In organic farming, we say that the *soil* is fertilised and not the *plant*. This shows how organic farmers do not emphasise such aspects as how much nitrogen, potassium or phosphorus their wheat, for example, needs to grow successfully. Rather they focus on the soil, and ask the fundamental question: How can I maintain the soil's fertility in the long term, irrespective of what I am growing? Because as long as the soil is in itself healthy and fertile, then the wheat crop will thrive anyway.

Soil life plays a major role in maintaining the soil's fertility and in turn its long term productivity. Harvest residues, roots, and fertilisers in the form of compost or solid, liquid or green manure supply important nutrients to the soil organisms, which include worms, ground-dwelling insects, and a wide variety of microorganisms. They decompose and break down the plant components, releasing the nutrients they contain, to be used by the next seeds to be sown; importantly, humus is also produced.

Humus plays an important role, not least for the climate

Humus also acts as an important CO₂ sink by absorbing or sequestering CO₂ in the soil. This means that the production of humus is not only a key aspect of organic agriculture, but also plays an essential role in the regulation of CO₂ – one of the most important factors influencing climate change. At the same time, humus causes the organic substances in the soil to multiply, which is also responsible for the essential buffer and storage function of the soil. Soil that has been subjected to organic cultivation over a period of years can store significantly more water than conventionally worked soil, due to its increased organic content. This is of particular importance in tropical and subtropical countries,

where periods of drought often alternate with heavy rain periods. In such situations, a good, humus-rich soil is more effective at keeping things in balance. However, as climate change takes hold, this function of the soil is starting to take on an increasingly important role in our more northern climates.

A matter of variety

It is good for the soil, and particularly for its structure and organisms, when permanent crops are grown on them over an extended period, such as fruit or nuts but also cocoa, coffee and oil palm. It is even better when more than one tree variety is growing on a section of land. A mixture of different crops forms a considerably more stable ecosystem and offers altogether greater yield security. The most developed form of a mixed crop cultivation is an agroforestry system in which natural and cultivated plants complement each other in a variety of ways (see article on agroforestry on page 75). When annual crop rotation is practised, it is important for the health of the soil that the crop sequence is as varied as possible. This is referred to as balanced crop rotation. Soil organisms receive a richer nutrient supply, pests and disease are less able to spread, and the soil is less exposed to leaching. In particular, the plants do not deplete the soil of certain nutrients. Legumes are a very important element of crop rotation on an organic field. They absorb nitrogen from the air, which is one of the most important plant nutrients, making it available to the next plants in the sequence. Legumes, or pulses, are therefore much more than just an important protein source in the human diet.

At Rapunzel, we wish to procure even more legumes from European cultivation in future and to support European organic farmers in conducting sustainable crop management (see page 76). Our goal for Rapunzel in the coming years is to purchase more and more crops from organic farms that are as far as possible mixed and that grow together on the same fields – from mixed cultivation and agroforestry systems as well as from crop rotation. The ability to plan is an essential factor. If organic farms are able to reckon with a certain volume of sales for their products, they will be more secure when they move on to grow a greater variety of crops.



Agroforestry

Example: Serendipalm

Serendipalm in Ghana has been producing fair trade and certified organic palm oil since 2009, also for Rapunzel. Over the last few years, a partnership has evolved with farmers around the cultivation of organic cocoa. Since, 2017, Serendipalm and its small farmers have been moving away from frequently poorly managed monocultures, which are susceptible to pest infestation, and managing new areas in line with the principles of agroforestry. The aim is to imitate the growth conditions of a natural forest. Perennials, such as palm, cocoa and fruit trees, oil palms and also timber trees, are planted together with annual crops according to a pattern that takes into account the succession and stratification (height or layer formation) of the plants. Regular mulching with wood chips gradually increases the humus content of the soil.

To implement the agroforestry concept all the more quickly, Serendipalm in Ghana established a three-year demonstration project in 2020 with the support of the German Investment Corporation. A team of 90 trained agricultural workers enabled some 300 of Serendipalm's small farmers to plant a total of 300 hectares of agroforestry crops and to tend existing cocoa crops. The aim in the medium-term is to replace dominant monocultures with diversified agroforestry systems. Cocoa trees and oil palms are combined among others with avocado and mango trees as well as timber trees, and also cassava (a popular root vegetable), ginger and curcuma.

Diversification reduces pressure from pests, improves nutrition security, raises total yields and revenues, and works against climate change thanks to the increase in CO₂ sequestration per hectare. It also creates qualified jobs in agriculture. Moreover, the project is establishing a kindergarten as well as a training and meeting centre for renewable agriculture.

Rapunzel supports its long-standing HAND IN HAND partner Serendipalm, among other things, by purchasing its sustainably produced, fair organic palm oil.

Photo, left: Conversion to agroforestry is a process that takes years and requires farmers to learn the essential principles of genuinely sustainable agriculture.

Regional focus: Legumes from Europe

In the previous Sustainability Report (2013–2017), we wrote about our activities and projects for promoting organic agriculture in Europe. Since then, we have gathered considerable experience. Our fundamental aim is to source our raw materials as far as possible from Germany or Europe, to minimise transport distances.

This is relatively simple with something like cereal flakes, the main ingredient of our muesli and porridge products. A large proportion of land in Germany is now given over to organic cultivation of traditional cereal crops such as wheat, spelt, oats, barley and rye. But when it comes to products like coffee, cocoa or tropical fruits, it is far more difficult to source them in Europe. With legumes (beans and lentils) and oilseeds (such as linseed), the challenge is an altogether different one. Both the farmland and the market in Europe are too small to enable the supply of marketable goods in an appropriate quality and at a suitable price.

Regional focus: Promoting cultivation in Europe

This is borne out by our experience over the last few years. It was with great enthusiasm that we developed our pulse cultivation project several years ago in Germany and other regions of Europe. We were proud of this project and received great praise from both organic food stores and end consumers. Legumes (leguminosae) are very important components of a crop rotation system, above all in organic farming (see also 'Soils' and 'Biodiversity'). Although it makes perfect sense to incorporate peas, beans and lupins etc. in the crop rotation of a diversified organic farming operation, their production comes at a price, due to the additional effort involved. Despite a very tight cost calculation at Rapunzel, consumers are not prepared to accept the price level of German and Austrian legumes. The quantities we realised were not up to our expectations. Does this mean that we have failed in our goal of growing legumes in Europe? One thing is for sure: If we as a society wish to promote local organic cultivation of crops, i.e. grown either in our region or in Europe, then legumes must always be included owing to their importance in crop rotation. But this is only possible when consumers are prepared to pay a higher price for German or European products.

Since 2020, Rapunzel has been a cooperating partner in a research and development project by the Institute for Organic Agriculture at the Bavarian State Research Centre for Agriculture (LfL). Its aim is to develop the cultivation of organic edible legumes in the state of Bavaria. The amount of cultivated land is to be expanded to reinforce the supply to the market of locally grown products.

We continue to believe in this transformation. After all, consumers enjoy the high quality vegetable protein that legumes provide. In comparison, consumers are prepared to spend far more on animal protein, which is significantly more expensive. Moreover, a certain development time is needed to be able to cultivate products that have previously only been grown in small quantities, if at all.

At the same time, we have in recent years been able to procure more and more raw materials from Bavaria and Baden-Württemberg, as well as the rest of Germany and also from Europe. For an overview of products from Germany and Europe, please see page 77.





› Edible algae

Raw materials imported from Europe*

2020



*The size of the circles indicates the volume of raw goods imported in tonnes.

Trainee project - calculating land area

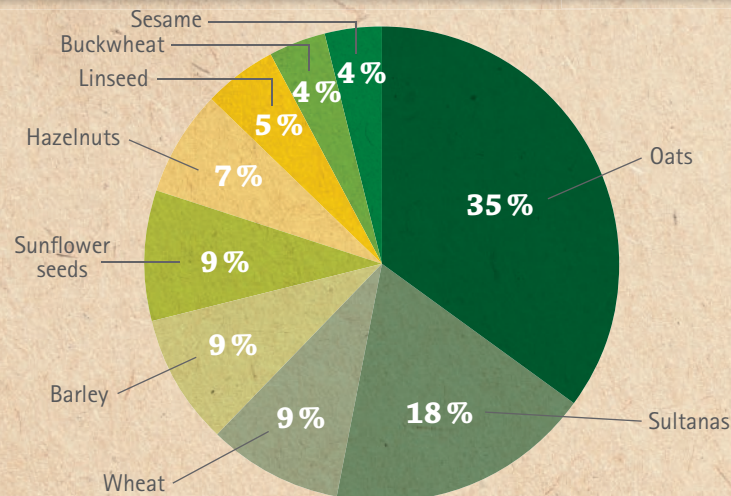
The demand for Rapunzel's products has grown significantly in recent years. More Rapunzel in natural food stores also means a higher demand for the raw ingredients needed to make Rapunzel products, which in turn requires organically managed farmland. But how much cultivated area is needed to make a Rapunzel product? To gain a better sense of the factors at play, Rapunzel trainees were asked to calculate the land area needed to grow the required raw ingredients for two classic Rapunzel products: Samba and Original Muesli.

What they found was interesting. In 2019, approximately 260 hectares of organic farmland was needed to grow the valuable organic ingredients (above all cereals) that go into Rapunzel Original Muesli. This is equivalent to about 380 football pitches. To grow all the ingredients for the classic Rapunzel Samba requires about 180 hectares of organically cultivated land. This is equivalent to about 260 football pitches.

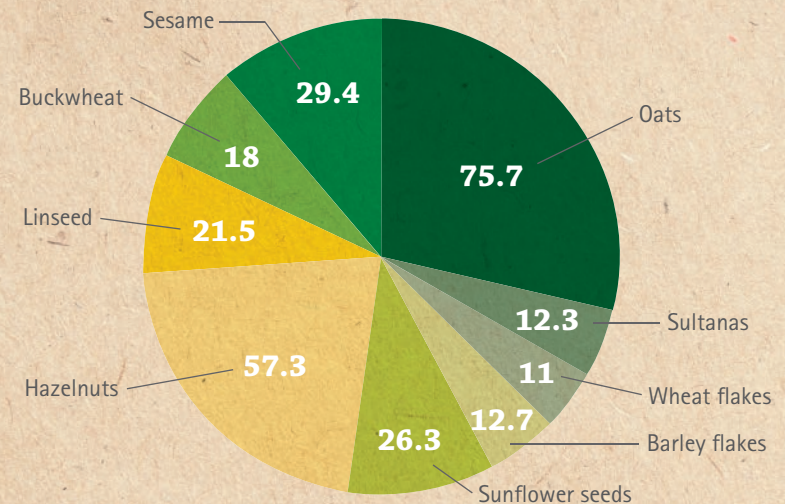
The project also included a plausibility test of the agricultural key figures and involved determining the organic agricultural activities performed at each of the crop locations.

One interesting finding was that certain raw materials, such as sesame, have a lower yield potential per unit area than other materials. Depending on the region and the type of management employed, about 700 kg of organic sesame can be grown over one hectare, while one hectare of vine cultivation can produce a field yield of 30,000 kg of grapes. This is enough for 5,000 – 6,000 kg of dried organic sultanas. Of course, the results depend on many parameters, not least, the type of soil, the climatic conditions and water availability. The effort required on the part of the farmers also varies with the crop.

Ingredients of Original Muesli



Cultivated area of ingredients in ha



Organic seeds: Crop diversity for the future

Since our previous Sustainability Report, the international conventional seed sector has concentrated even more on a few major seed firms. Over the last few years, the EU has been working on a revision of the EU-Eco-Regulation. It is set to attach even greater significance to the use of organic seeds and plants on its implementation in 2022. Yet at the same time, many organic breeders are still chronically underfunded.

Supporting organic seed growers

When it comes to the breeding of more robust biological varieties, progress can only be made in organic farming when the organic producers and retailers give more support to breeders – both financial and in the form of joint projects. Only this will enable seed producers to go on to develop other organic seed varieties. Classic, non-GMO seed breeding is difficult, generally requires periods of several years, and takes a lot of know-how and experience. In the long run, we will only be able to counter genetic engineering if we can establish proprietary, extensively used organic (so-called low-input) varieties for organic agriculture. To this end, Rapunzel has been cooperating with the Swiss organic seed company Sativa. The beginning of the cooperation was marked by the breeding of an organic seed for the Blue Wonder variety of linseed.

Organic breeding projects

To enable research and breeding to be put into practice as quickly as possible, it is necessary to work in close cooperation with the practitioners. Rapunzel is placing great emphasis on supporting two breeding projects, one of which is for organic tomato varieties for industrial tomatoes in Italy. In the other project, Rapunzel is part of a breeding initiative involving several organic firms in the development of an organic variety of high oleic sunflowers.

Tomato farmers and processors in Italy played an active role in the development of the Mauro Rosso tomato variety.





Organic tomato variety 'Mauro Rosso'

Every year, after harvest time, we discuss the experiences made in crop cultivation with our supply partners for organic tomato sauces. In turn, farmers obtain direct and concrete feedback from Rapunzel's tasting panels about which varieties should continue to be promoted. Feedback from growers and processors as well as from Rapunzel is taken into consideration when planning subsequent breeding activities at Sativa.

As a result, we stipulate the cultivation of the Mauro Rosso variety at the start of each year. A separate collection, processing and filling process for Mauro Rosso tomatoes is then arranged with the tomato processors. In a good year, we are able to produce up to 60% of our sauces from organic tomatoes of the Mauro Rosso variety.

Classic organic breeding requires plenty of patience, and this applies as much to breeders as it does to farmers, tomato processors, and us too, as the producer and marketer of the product. We would particularly like to thank the organic farmers and our tomato processors for constantly carrying out tests to find improved varieties.



Ongoing sustainability goals

- ✓ To develop organic cultivation all over the world
- ✓ To identify crucial raw ingredients that need to be secured in the organic raw material flow
- ✓ To integrate legumes and seeds in crop rotations with European suppliers
- ✓ To cooperate more directly with agricultural producers (and groups) who perform the handling, cleaning and marketing activities themselves
- ✓ To purchase more from suppliers who have good and sustainable concepts concerning soil fertility, biodiversity promotion and fairness in the value chain
- ✓ To cooperate with organisations who support biodiversity and the regeneration of ecosystems
- ✓ To raise awareness (among consumers and retailers) of what good, genuine, sustainable organic farming is.

Photo, right: A demonstration field for organic vine cultivation was created directly at the headquarters of the Rapunzel Turkey project to enable farmer families and employees to take part in training in organic agriculture. Managing director Margit Epple and agricultural engineer Şahin Ince harvesting the first grapes.





Food Quality



The quality of our organic food is guaranteed by innovative production and quality assurance techniques and contributes to a healthy and sustainable diet. Moreover, as a responsible organic food manufacturer, we ensure that sustainable agricultural and production samples are taken along the entire value chain.



**SUSTAINABLE
DEVELOPMENT
GOALS**

Manufacturing competence and passion

When it comes to providing high and reliable product quality, the manufacturing process plays an essential role throughout the process chain. Rapunzel has always been an organic manufacturer. Our years of experience and high level of competence are now taken as a simple fact at Rapunzel. Today, more than 50 percent of all Rapunzel products are made directly at the company's headquarters in Legau. Our in-house production facilities in Legal in the Allgäu feature the latest technical equipment. It is here that trained experts diligently and enthusiastically process the organic ingredients that will form the famous, top-quality Rapunzel products.

Pure enjoyment: Nut butter

Nut butter is produced from 100 percent nuts with no further ingredients, additives or hidden constituents, and is one of the original products in the Rapunzel range. Originally, production and filling processes were largely performed by hand. Nowadays, modern manufacturing facilities are used for what is meanwhile a very extensive product range. In addition to nut butters, Rapunzel also produces both nut and chocolate and nut spreads. The company's many years of experience and the increasing expertise of its employees have enabled the quality of the product to be continually enhanced. First of all, nuts, almonds and seeds are gently roasted in modern roasters. This enables the characteristic aroma to fully develop and the nuts become pleasantly crunchy. They are then ground in a stone mill and filled into jars as fresh nut butter. Sweet spreads require an intermediate step in which additional ingredients, such as cocoa and sugar, are mixed in.

The muesli makers

The original bath in which mueslis and breakfast porridges were mixed is now a centrepiece of the Rapunzel museum. What we still have is our love for the product. The cereal flakes come from local growers. We obtain most of the dried fruit through the Rapunzel Turkey project, while the remaining ingredients are procured through long-standing reliable partners.

Naturally pure edible oils

We extract valuable, naturally pure edible oils using our own oil mills. To ensure the product's gentle extraction, Rapunzel developed the OXYGUARD® process in 1997. The entire process, from cracking and pressing the seeds to filtering and filling the oil, takes place in the absence of light and oxygen. This maintains the high quality of the oils. This process is employed at the company's own oil mill in Legau, where not only linseed and hemp seed oils are produced, but also gourmet oils made from walnuts, pumpkin seeds, gold of pleasure, as well as other fine quality mixtures, such as Chia Omega Power oil made from walnut, linseed and chia oil.

Control and filling

Many single-ingredient products undergo quality assurance testing before filling. These include above all legumes, rice, oilseeds, nuts and dried fruit.

Products made by manufacturing partners

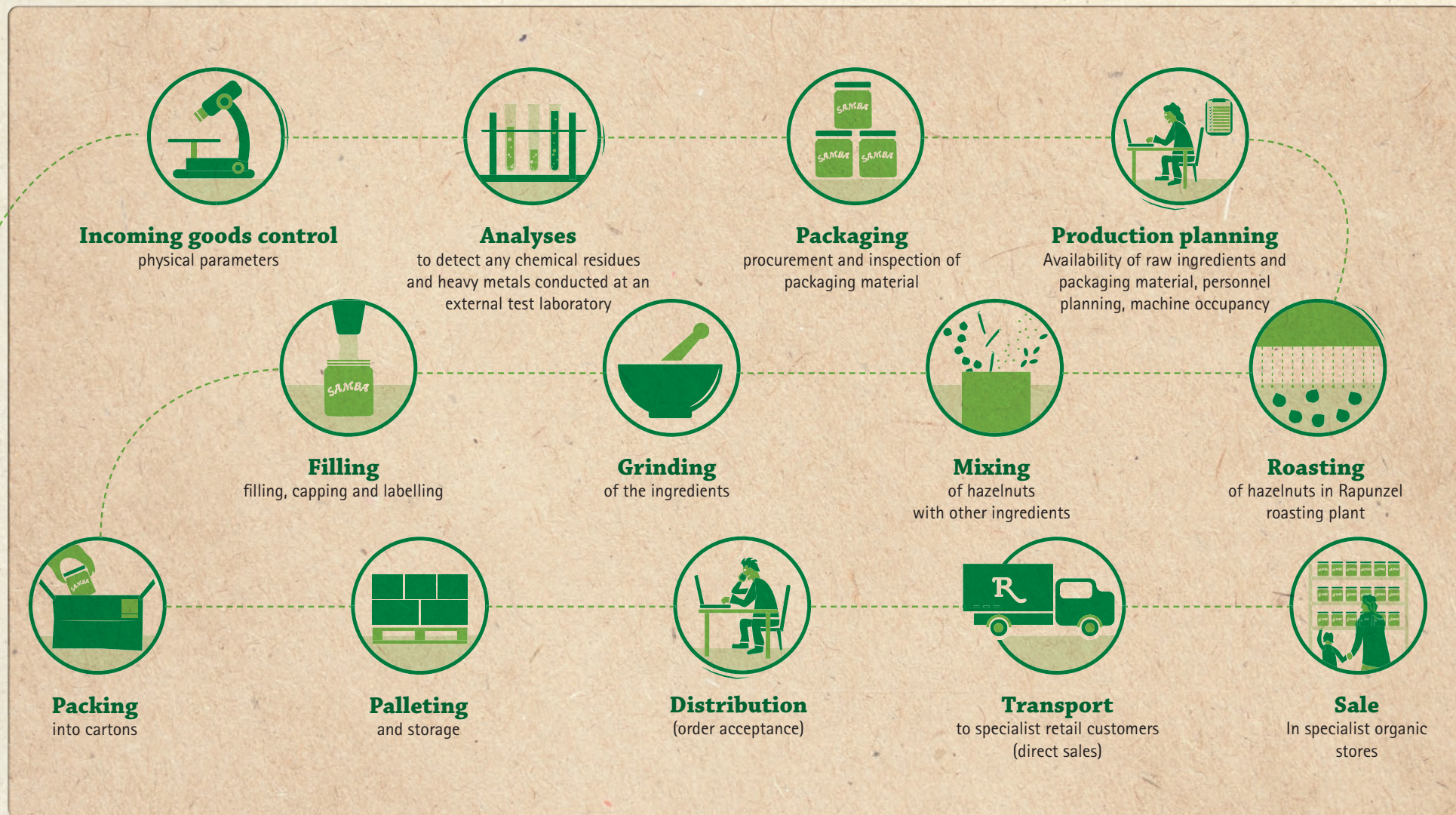
Other Rapunzel products are made directly at partners' premises, such as tomato sauces in Italy and olive oils in the countries of origin: Italy, Greece and Spain. Long-standing customer relations and ongoing exchanges and works visits ensure that Rapunzel's high quality standards are fulfilled.

Other products, such as chocolate and snacks, are made by selected suppliers according to Rapunzel recipes. The raw ingredients come from Rapunzel suppliers.

From the **field** ——— ——— to the **bread**

Directly at the source: Supply chain shown on the Samba ingredient hazelnuts from the Rapunzel Turkey project





**How a product is made at Rapunzel:
Samba hazelnut and chocolate spread – process chain**

Samba _____
_____ **Process chain**



Quality Assurance

Top quality from organic cultivation

For Rapunzel, product quality is of prime importance. Quality assurance (QA) therefore assumes a key position in the company. Our experienced QA team comprises food chemists and technicians, food scientists, specialists in food technology and technical assistants. The team runs thorough controls and quality assessments on the different food products. The products are additionally examined by accredited outside laboratories, and external experts perform a whole series of inspections.

Exceeding the requirements of the organic food regulations

For Rapunzel, full traceability and transparency are indispensable. Every step along the supply chain is documented and evaluated for risks in close exchange with the purchasing, raw material procurement, production, sales, and quality assurance departments as well as the senior management. To assess risks, we use information from international regulations and communicate with laboratories certified according to the Association of Organic Processors (BNN). We also cooperate with various working groups on association level.

Based on the risk assessment, our specialists perform on-site audits and specify the relevant incoming goods analyses. Our aim is to cooperate with suppliers and service providers to achieve a high level of effectiveness.

Rapunzel's quality management system is regularly inspected by independent external auditors from the IFS and the organic inspection body. This means that the company is organically certified according to the EU-ECO Basic Regulation (EC) No. 2018/848 and also has IFS Food certification (Version 6.1 'Higher Level').

The key elements of Rapunzel quality:

1. Close contact to suppliers

- ✓ Cooperative partnership and advice given by Rapunzel's agricultural engineers
- ✓ Improvements in farming conditions and production processes
- ✓ Identification of possible contaminant sources
- ✓ Regular supplier audits, i.e. personal inspections by Rapunzel employees in the country of origin

2. Thorough control of incoming goods

- ✓ Assessment of delivered cargo (truck or container)
- ✓ Inspection of packaging and labelling
- ✓ Sampling
- ✓ Consistent transparency from the field to the finished product

3. Sampling and analyses

- ✓ Implementation and coordination of optimum sampling
- ✓ Analyses (quick tests) performed in our lab by Rapunzel staff
- ✓ Additional quality controls by independent external experts


- ✓ Extensive analyses by external laboratories
- ✓ Inspection of organoleptic and visual criteria
- ✓ Inspection of key product groups by trained, in-house sensory panels

4. Improvement and monitoring of manufacturing processes

- ✓ Use of top-quality organic raw materials
- ✓ Optimum preservation of all valuable ingredients
- ✓ Evaluation of packaging materials

5. Networking and association activities

- ✓ Goal: To develop organic quality under implementation of our quality requirements
- ✓ Support of suppliers in implementing our quality requirements
- ✓ Involvement in working groups within associations



Microbiological laboratory

Quality assurance is a requirement throughout the value chain. It begins with an analysis of raw ingredients, samples of which are taken in accordance with a product-specific inspection schedule. Products are tested according to a wide range of quality criteria, especially the presence of pesticides or microbial contaminants. Some of these laboratory tests are performed by external service providers or accredited laboratories who analyse residues, for example pesticides.

Microbiological food safety has become even more important in recent years. Although there is only a low probability of pathogenic bacteria occurring in vegetable foods, every food producer is obliged to ensure product safety.

Which is why, in 2017, we set up an in-house microbiological testing laboratory with S2 level approval for conducting our own analyses. This enables us to conduct timely investigations of raw materials. Once the raw ingredients have been found to be in order, they are released to the production area for processing. Machines in the production department are checked to ensure that they are properly cleaned and the personnel fulfil all hygiene requirements. These so called in-process controls also serve the purpose of ensuring food safety. Once the finished product has been examined in accordance with a defined test schedule, the product is released for sale. In 2019, more than 250 environmental samples and approximately 900 finished product samples were subjected to microbiological testing in accordance with various parameters, such as total bacteria count.



Top product quality

In addition to measures such as external laboratory analyses and inspections conducted in our in-house microbiological laboratory, product excellence is also ensured by the use of a laser sorting system, a mineral oil minimisation concept, and compliance with food safety, product safety and process quality standards.

Optical sorting plant

The presence of contaminants in supposedly single-origin foods is a serious problem in the food industry. Such substances can have serious health implications for some consumers. As the manufacturer of a broad range of foods made from a wide variety of raw ingredients, Rapunzel bears responsibility for ensuring that its raw materials are subjected to strict quality controls before they are processed. For this reason, Rapunzel has installed a laser sorting facility at its site in Legau. The sensor-based sorting system is able to conduct precise controls of such raw ingredients as hazelnuts, cashew nuts, almonds, peanuts, and sesame seeds before they enter the next production stage in the roasting plant. Any contaminants present are removed in this control step.

MOSH / MOAH minimisation concept

The presence of mineral oils in food is nothing new, even if the press reports on it with increasing frequency. We can assume that we have been consuming them without even knowing it ever since people started using mineral oil products. It is only recently that it has been possible to detect these extremely complex and diverse compounds at a sufficiently low concentration.

They can be found everywhere in our mineral oil-dependent society. One way in which mineral oil components can enter our food is through packaging materials (e.g. recycled cartons, printing inks, and raw material sacks). However, over the whole process chain there are plenty of other possible sources, for example the grease used to lubricate harvesting machines or production equipment. It can also be present in the general environmental background contamination from mineral oil hydrocarbons, for instance from vehicle exhaust fumes, emissions from energy supply and industrial plants, and fine

dust particles from asphalt road surfaces. As a leading manufacturer of natural foods, we do our absolute utmost to keep such unwanted input along the supply chain to an absolute minimum. It should be said that realistically, the aim can only be to minimise the level as far as possible. The idea that a society that uses such a large variety of oil-based products can live completely without any oil contamination at all is utopian.

IFS certification

The IFS Food Standard is a certification standard for food producers. The standard covers food safety, product safety and process quality as well as the safeguarding of foodstuffs from malicious adulteration (food defence) and food fraud. It also extends to testing areas such as quality management, resource management and food safety management. Rapunzel has had IFS certification since 2006.

Measures at Rapunzel for preventing or minimising oil contaminants:

- ✓ Monitoring the process chain and, where necessary, conducting optimisations
- ✓ Advising suppliers on how to identify input sources and jointly developing solutions and improvements in the process chain
- ✓ Carefully choosing the source of our raw materials
- ✓ Examining packaging materials and using printing inks that do not contain mineral oils
- ✓ Participation and involvement in a project by the FEI (Research Association of the German Food Industry)

Packaging

Product packaging is the most succinct means of conveying the brand concept. Its longest impact is as a medium in the consumer's household. Its function is far more than as a technical means of protecting the content. Packaging is an integral component of a unique brand world, it is the face of Rapunzel on the retail shelf.

Another important function of packaging is to inform the consumer about the importance of the product, its use and preparation, how it is made, where the ingredients come from, and much more.

Naturally, all Rapunzel packaging fulfils the current food labelling regulations, health claims rules and EC-Eco-Regulation.

Front page

- 1 Clear and unambiguous product labelling
- 2 Corporate logo identifies it as a Rapunzel product
- 3 Bright and colourful product presentation, here with illustrations
- 4 Reference to use of sustainable packaging: CO₂ saving, percentage share of renewable resources, and instructions on correct packaging disposal.

- 5 Emphasis of particular characteristics, such as here: 'with lots of freshly roasted hazelnuts and no added sugar'
- 6 Filling quantity
- 7 Company slogan: 'Organics with love.'

*Figs from the
Rapunzel Turkey project*

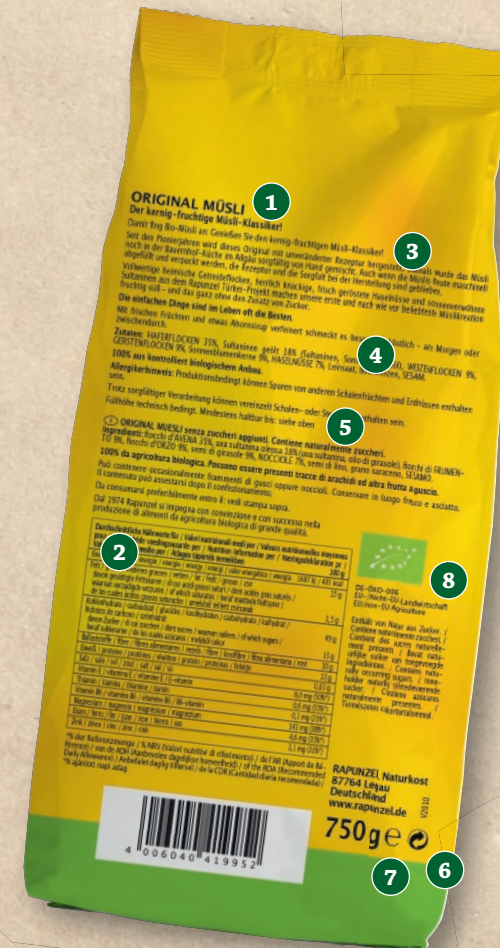


*Rapunzel
Original Muesli*



Back page

- 1 Clear and unambiguous product labelling
- 2 Nutrition information
- 3 Product description, product history and instructions for use
- 4 Legal product declaration:
List of ingredients, information for allergy sufferers
- 5 Product shelf life in form of best before date
- 6 The 'green dot' ('grüne Punkt') symbol indicating that the product should be disposed of as recyclable material
- 7 Filling quantity and 'e' label (EEC symbol) to indicate that the product's manufacture complies with prepackaging regulations under German food law
- 8 Legal organic labelling in the form of the EU Bio logo
- 9 Code of control body that monitors our certification, and origin of the raw materials
- 10 Specific characteristics, such as 'raw food' as an indication for consumers that the product has not been subjected to heating
- 10 Special information regarding cultivation within the Rapunzel Turkey project. Image text element: brief, concise presentation of the features of the Rapunzel Turkey project





Environment & Energy

Our energy management system combined with technical innovations enables us to maintain our ecologically sustainable production activities and work actively towards achieving climate neutrality.



**SUSTAINABLE
DEVELOPMENT
GOALS**



Energy management

For Rapunzel, the cultivation and production of organic food is directly associated with the economic use of energy and other resources. Environmental protection and energy management are integral to our sustainable and environmentally conscious business approach.

Environmental awareness cannot simply be 'mandated', as the response would be half-hearted and only lead to negligent use of valuable resources. We have realised that environmental goals can only be achieved – and rooted in people's awareness – when everybody in the company strives to attain them.

To support employees in their daily commitment, Rapunzel has appointed an environmental officer. The holder of this position is responsible for managing all matters concerning energy and the environment. Essentially, these concern the ways in which we handle and treat energy, water, waste, sewage and emissions. Closely linked to the position of environmental officer is the Environmental Working Group, which develops concrete goals and measures with the dual aim of reducing energy consumption and increasing energy efficiency. It adds a production perspective as well as a technical dimension to the Sustainability Working Group.

Certified according to the EMAS Eco Audit Scheme

Ever since they first founded the Rapunzel company, Jennifer Vermeulen and Joseph Willhelm have always regarded environmental protection and sustainable management as being of key importance. Rapunzel began formulating its own ecological standards, guidelines and requirements decades ago. It was back in 1996 that the organic pioneers introduced the very first environmental management system, which has since undergone constant evolution. In 1998, the environmental management system was certified for the first time under the erstwhile EU Eco Audit Scheme.

In 2016, Rapunzel was certified in accordance with the EMAS, the EU Eco Management and Audit Scheme. This certification confirms that the company operates an environmentally-sound and sustainable management. Rapunzel has incorporated the standardised EMAS management system in its own environment and energy concept.

EMAS (Eco-Management and Audit Scheme) supports organisations and companies by providing them with a standardised management system that helps them improve their environmental performance. Based on the four basic principles of 'Plan-Do-Check-Act', companies are now able to plan, implement, check and improve any measures designed to save resources.



EMAS
GEPRÜFTES
UMWELTMANAGEMENT

An independent expert assesses the company's self-imposed goals and implementation measures and controls whether and how EMAS is being implemented in practice. The goals and measures are recorded and published in an environmental declaration. The EMAS quality seal confirms that the requirements of the EMAS regulations are being adhered to.

The Rapunzel management system is regularly evaluated by the EMAS audit. It affords Rapunzel an opportunity for constant improvement.

Energy management software

Rapunzel has been using an energy management software system since 2016. Its purpose is to perform a detailed investigation of resource consumption at the Legau site and in turn to make more efficient use of resources.

The system data contains details of the firm's water consumption along with the quantities of nitrogen and compressed air used in production. It also records the amount of electricity consumed by each individual production plant and process.

The consumption figures are evaluated every month and compared with the numbers from the previous month. The result is an overview of consumption for the whole year, allowing the environment officer to react quickly if, for instance, electricity consumption is too high. It is also planned for the software to be installed at the Bad Grönenbach site, to render the energy consumption there more transparent.

Key energy management figures

Consumption from primary energy in kWh in kWh, for overall works	2012	2016	2018	2019	2020	Changes compared to 2016
Total electricity consumption	3,296,927	3,801,412	4,077,347	4,374,180	4,462,419	17.4%
From purchased renewable production (hydropower)	2,184,055	1,031,857	1,049,496	1,494,256	1,606,709	55.7%
From on-site generation PV*	1,112,872	1,807,821	1,983,143	1,864,963	1,964,150	8.7%
On-site generation CHP **	0	961,734	1,044,708	1,014,961	891,560	-7.3%
Total heat quantities generated	2,028,375	2,496,175	2,772,799	2,740,733	2,834,846	13.6%
From woodchip cogeneration plant	2,028,375	718,471	602,000	570,125	773,750	7.7%
From CHP	0	1,664,216	1,752,721	1,695,678	1,502,925	-9.7%
From condensing boiler	0	113,488	418,078	474,930	558,171	391.8%
Propane for roasting plant	334,221	0	0	0	0	-
Eco gas for roasters***	0	367,020	445,159	451,372	39,874	-89.1%
Diesel for company cars	494,326	491,486	481,902	384,544	319,637	-35.0%
Liquid source CO₂ consumption (delivery only)	176,225	169,176	553,987	500,900	501,623	196.5%
Total energy consumption in kWh	6,330,074	7,325,269	8,331,194	8,451,729	8,158,399	11.4%

* Photovoltaic system | ** Cogeneration plant | ***Owing to damage to a machine in the roasting plant in February 2020, the system had to be completely dismantled. Thus no more gas was consumed for the remainder of the year.

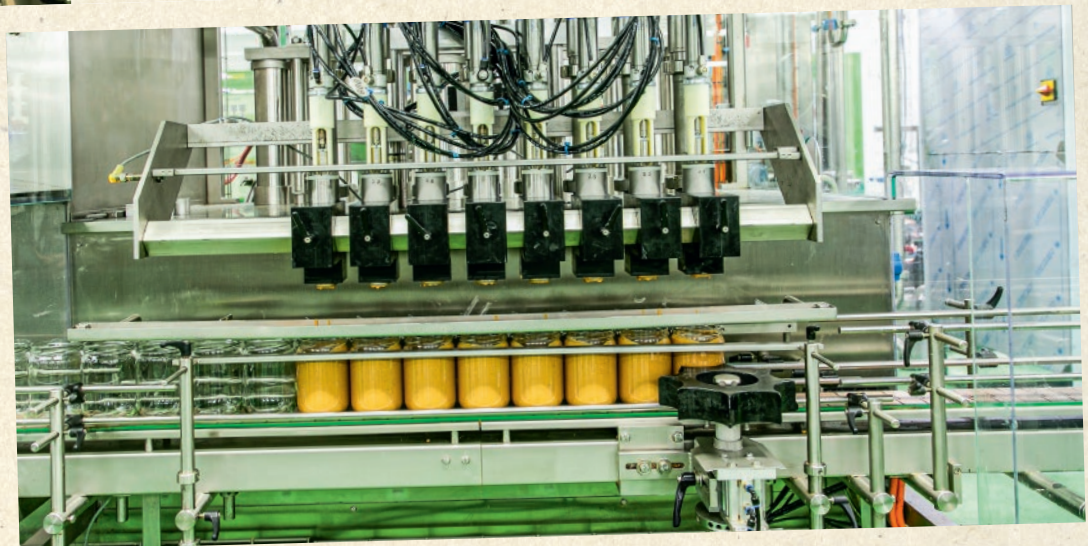


Analysis of power consumption

Headquarters at Legau

At the Rapunzel headquarters in Legau, most of the electricity used for the machinery in the production plant is used for refrigerating the cold stores and for room lighting. The 17.4 percent rise in electricity consumption from 2016 to 2020 is attributable to the continued growth of the company and the associated capacity utilisation of the production systems. Moreover, the company invested in production development in the form of new plants and technologies. In the last few years, for example, Rapunzel implemented a laser sorting plant, followed in 2021 by a new nut roasting system. In addition, construction work for a new nut butter line and demonstration coffee roasting plant is currently ongoing.

Electricity consumption is set to increase further, due to structural investment in the visitor centre, for example, and the expansion of the logistics department in Legau. Also, more and more products are being manufactured in Legau, resulting in longer machine running times and, in turn, increased electricity consumption.



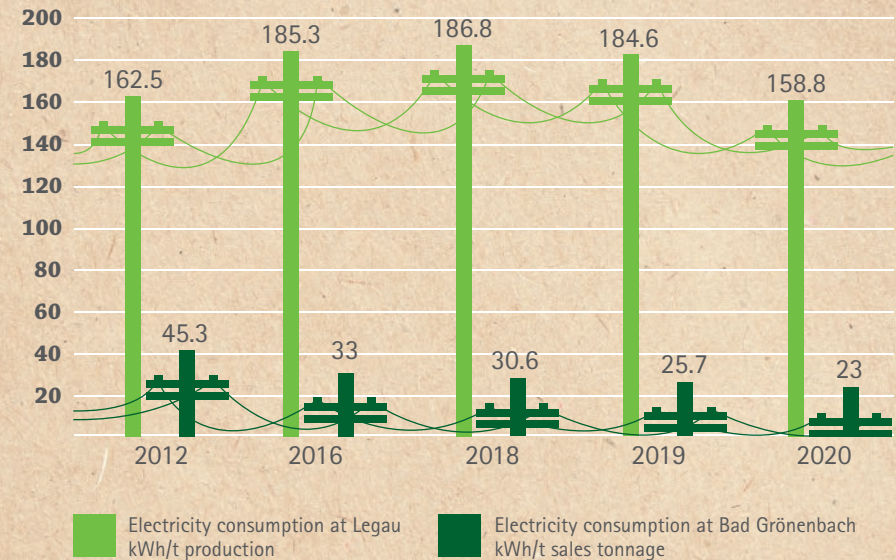
Logistics centre at Bad Grönenbach

The power consumption at the Rapunzel logistics centre in Bad Grönenbach, where the finished products are handled, stored and shipped, is mainly attributable to logistical processes. As the site is constantly growing, the amount of electricity consumed there is increasing.

Logistical processes include moving goods in and out of storage, in-plant transport, order picking, and product packaging. The power consumed by refrigerators in particular is also dependent on weather conditions.

Industrial trucks (forklifts, floor conveyors etc.) are used for in-plant transport, order picking and product loading. All industrial trucks are powered from renewable energy sources and are therefore virtually emission-free. Annual growth results in an increase in operating hours from year to year. The electricity consumed for this is not recorded separately but is included in the overall balance. To avoid electricity peaks, industrial trucks are charged sequentially, one after the other.

Electricity consumption in kWh per t



Electricity consumption at Legau in kWh	2012	2016	2018	2019	2020	Changes compared to 2016
Electricity consumption at Legau in kWh	2,181,180	2,843,564	3,116,890	3,486,925	3,512,447	23.5%
Change compared to the previous year in percent	3.6%	-2.0%	6.1%	11.9%	0.7%	
Electricity consumption at Bad Grönenbach in kWh	1,115,747	957,848	960,457	887,255	949,972	-0.8%
Change compared to the previous year in percent	8.9%	5.9%	2.6%	-7.6%	7.1%	
Electricity consumption of works overall in kWh	3,296,927	3,801,412	4,077,347	4,374,180	4,462,419	17.4%
Change compared to the previous year in percent	5.3%	-0.1%	5.3%	7.3%	2.0%	

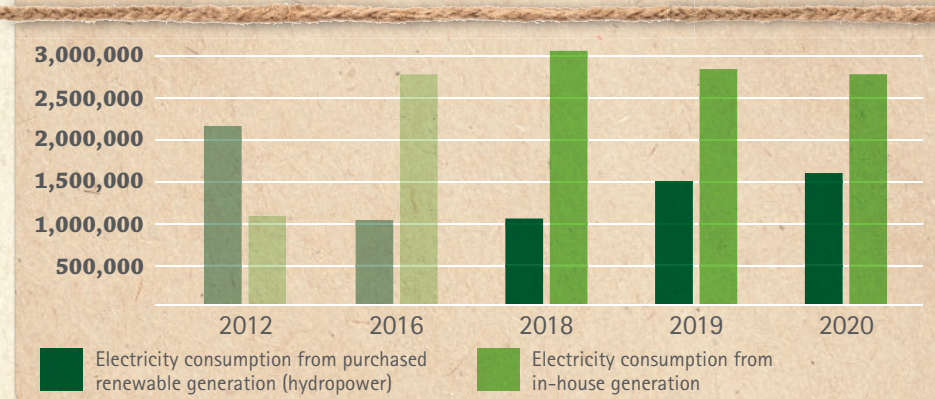
External energy procurement

Procurement of eco gas

We need gas so that our cogeneration plants and gas condensing boilers can generate energy. Since 2016, we have been purchasing climate-neutral eco gas from the Polarstern company. It is made from 100% organic raw materials. The gas is supplied to Polarstern from a high-efficiency biogas plant in Budapest, which is directly linked to a sugar factory. This means that there are no emissions due to transport. The residual substances produced from sugar beet processing are not disposed of but screened and transported directly to the biogas plant. The benefit is: there is no need for any monoculture cultivation of so-called energy plants.

In addition, eco-gas is climate-neutral. This means that when the gas is produced, only as much CO₂ is released as the sugar beets have already absorbed from the air. The eco-gas is certified by TÜV-Nord. The certification serves to control whether the same quantity of fossil natural gas is displaced from the market as Rapunzel procures in the form of 100% sustainable eco-gas.

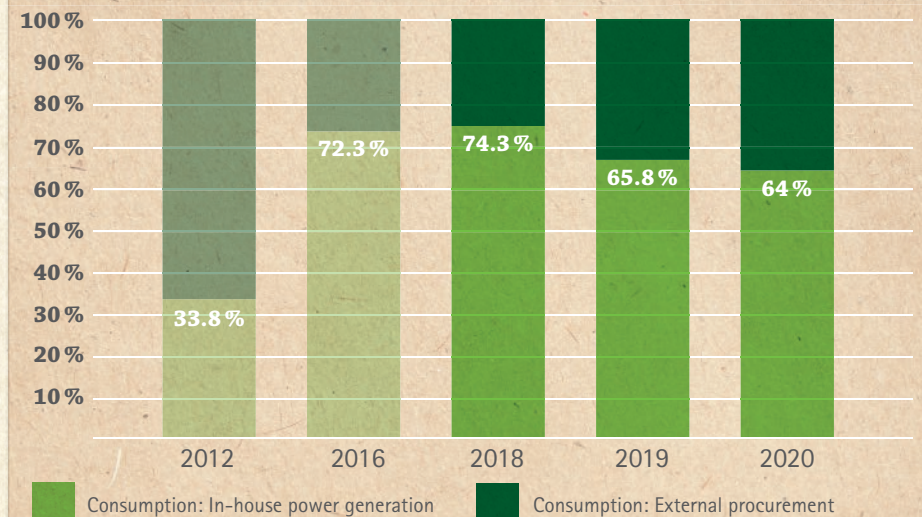
Electricity consumption in works overall in kWh



External natural energy from hydropower

We have been using electrical power produced from renewable energies (EEG) since 2008. For this purpose, in 2014, we chose Naturstrom AG, as it produces electricity free of CO₂, exclusively from 100% hydropower in Germany and Austria. This Düsseldorf company is the oldest independent supplier of EEG power. Moreover, it promotes the construction of new EEG electricity generation plants. The fact that it is an independent company was very important to us, as the TÜV organisation monitors and certifies the electricity it produces. Since 1999, Naturstrom has been recognised by the Green Power Label e.V as the only independent supplier of eco electricity.

Coverage of in-house generated electricity



The remaining 36% of our electrical power consumption in 2020 was covered by purchased hydropower electricity.

In-house power generation

Electricity and heat directly on site

It is part of our self-definition as a natural food manufacturer that we keep our environmental footprint as low as possible. For this reason, all energy consumed at our headquarters in the Allgäu originates from renewable sources. Since 2008, Rapunzel Naturkost has been generating its own electricity. All roof surfaces at the headquarters in Legau and at the logistics centre in Bad Grönenbach are equipped with solar panels. Since 2015, cogeneration plants have formed an ideal complement to our ecological energy concept, because they produce electricity as well as heat.

Growth and new technologies require active energy management

Total energy consumption has risen constantly over the last few years. This is partly due to the addition of new machines in our production facilities. It is also why Rapunzel has expanded its in-house production of heat and electricity from renewable sources. Our energy concept means that our energy supply is independent.

In 2020, we were able to cover 64% of our electricity consumption by self-generated electricity based on eco-gas (CHP) and solar power (PV). We are proud that we are able to generate such a large share of our electricity requirements ourselves.

Harnessing the power of the sun

Over the last few years, Rapunzel has fitted solar panels to all roof surfaces at its headquarters in Legau and at the logistics centre in Bad Grönenbach. Only recently, a new photovoltaic system was included in the expansion of the Bad Grönenbach site in spring 2020, which produces power entirely for in-house consumption.

Our aim is to continuously increase our share of self-generated solar electricity - for example, it is included in the construction of the logistics extension in Legau.

The total area given over to solar panels now amounts to 17,066m², which is the equivalent of an output of 2,498kWp. On average, these solar panels produce around 2,000,000 kWh of electricity per year.

100 % independence from mineral oil

Electricity produced from 100 % renewable energy sources

	2012	2016	2018	2019	2020	Changes compared to 2016
Total electricity consumption in kWh	3,296,927	3,801,412	4,077,347	4,374,180	4,462,419	17.4 %
Total production of in-house electricity in kWh	1,112,872	2,769,555	3,027,851	2,879,924	2,855,710	3.1 %
PV total	1,112,872	1,807,821	1,983,143	1,864,963	1,964,150	8.7 %
PV in Legau	627,018	1,191,646	1,320,335	1,240,029	1,365,934	14.6 %
PV in Bad Grönenbach	485,584	616,175	662,808	624,934	598,216	-2.9 %
CHP total	0	961,734	1,044,708	1,014,961	891,560	-7.3 %
CHP in Legau	0	869,976	937,678	902,130	786,968	-9.5 %
CHP in Bad Grönenbach	0	91,758	107,030	112,831	104,592	14.0 %
Coverage ratio of domestic electrical power generation	33.8 %	72.3 %	74.3 %	65.8 %	64 %	

Biomass and other cogeneration plants

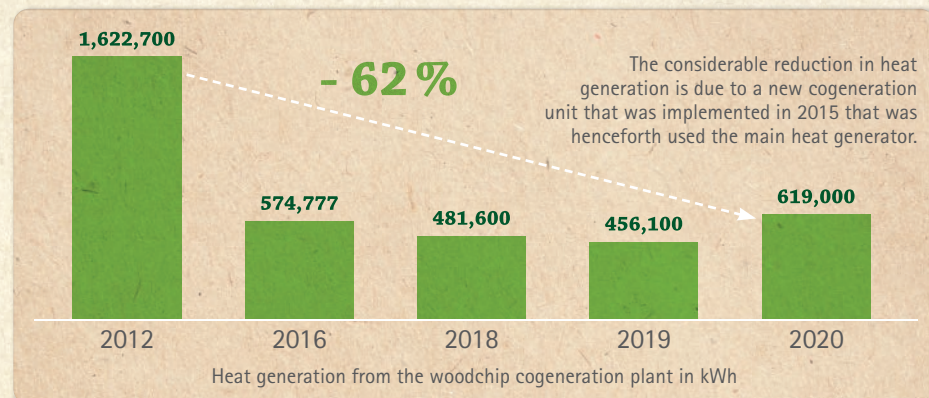
Energy double pack

Rapunzel is growing, and along with it, its production capacity. Consequently, not only is more electricity needed, but more heat too. Our main installations at both sites, a total of three cogeneration units (CHP), generate both.

In addition to electricity, they also produce enough heat to cover a large proportion of our requirements. If this is not enough, there are three more heat-generation systems available, which can be connected to the system when required: a biomass cogeneration plant at Legau and two gas condensing boilers at Bad Grönenbach.

Biomass cogeneration plant

The 2×550 kW woodchip heating systems have been supplying the Legau site since 2008. Thanks to this biomass cogeneration plant, which is fuelled by wood scrap, we have been 100% independent of heating oil since 2012. In 2020, we were able to save approximately 63,000 litres of heating oil, which corresponds to around 200 tonnes of CO₂ emissions. The waste wood is obtained from regional forest thinning and landscape conservation measures.



Cogeneration plant in Legau

The cogeneration plant in Legau was built in 2015 as a replacement main generation system for the woodchip heat and power plant. Since the combined heat and power plant has a higher efficiency* and a more environmentally friendly exhaust gas composition, the woodchip plant is only operated when the hot water produced by the cogeneration plant does not cover demand. It is mainly the CHP for hot water that is used for the heating systems and production plant equipment.

The CHP in Legau is a gas engine plant with:

- ✓ a generator for electrical power generation with a nominal output of 140 kW
- ✓ an exhaust heat exchanger for 200 kW of thermal energy

The generator runs on climate-neutral eco-gas generates electricity and heat through gas combustion. The efficiency of the overall system is very high, at approx. 89%. The approximately 900,000 kWh of electricity and 1.3 million kWh of heat produced per year are consumed directly on site. In summer, the heat-operated cogeneration plant even covers the entire heat demand. In the colder months, the two woodchip plants are connected to the system. In addition to covering our heating requirements, in 2020, we were also able to cover a third of our electricity needs with power generated from our CHP.

Cogeneration plant in Legau in kWh	2016	2018	2019	2020	Changes compared to 2016
Use of eco-gas for CHP	2,316,153	2,714,716	2,609,151	2,278,377	- 1.6%
Total energy production	2,275,046	2,393,418	2,333,380	2,025,098	- 11.0%
Production of heat energy	1,405,070	1,455,740	1,431,250	1,238,130	- 11.9%
Production of electrical power	869,976	937,678	902,130	786,968	- 9.5%
Degree of plant efficiency	88.5%	89.2%	89.6%	89.2%	

Cogeneration plant in Bad Grönenbach

We have been operating a cogeneration plant at our logistics site in Bad Grönenbach that runs on eco-gas since 2014, with an efficiency* of around 82 %.

The thermal output is used for the heating system and sanitary hot water, and is the main generation system at Bad Grönenbach. In addition to heat, the plant also produces in-house electricity, which is consumed directly on site.

The energy supply systems were upgraded in the course of the expansion of the logistics centre in Bad Grönenbach in 2020. To meet our sustainability requirements, we decided to install a further CHP, which will supply heat and electricity to our new logistics warehouse from March 2021.

The gas engine system at the two CHPs has:

- ✓ a generator to produce electrical power up to a nominal output of 40 kW
- ✓ an exhaust heat exchanger for 20 kW of heat energy

Cogeneration plant in Bad Grönenbach in kWh	2016	2018	2019	2020	Changes compared to 2016
Use of eco-gas for CHP	309,798	393,489	404,484	389,032	25.6 %
Total energy production	282,769	316,901	340,492	294,321	4.1 %
Production of heat energy	191,011	209,871	227,661	189,729	- 0.7 %
Production of electrical power	91,758	107,030	112,831	104,592	14.0 %
Degree of plant efficiency	82.2 %	80.7 %	84.3 %	81.4 %	

Gas condensing boilers

When the Bad Grönenbach site underwent expansion, a second gas condensing boiler was installed to secure the supply of heat in the long term. Both boilers have a very high efficiency of around 96%, but they are only connected to the system when the thermal output of the cogeneration plant, which produces both electricity and heat, is not sufficient.

Gas condensing boilers in kWh	2016	2018	2019	2020	Changes compared to 2016
Use of eco-gas for CHP	115,232	418,813	475,534	558,891	385 %
Total energy production	113,488	391,278	429,049	539,486	375.4 %
Degree of plant efficiency*	98.5 %	93.6 %	90.3 %	96.7 %	

*Efficiency

This refers to the degree of efficiency with which a technical facility or system is able to convert and use the energy fed to it. The smaller the amount of energy that is unused and thus lost, the more sustainable is the system.

However, efficiency alone is not sufficient for assessing the sustainability of a system. For instance, although the gas condensing boiler at Rapunzel, which generates heat, has a higher efficiency than a CHP system, the latter converts the primary energy to both electricity and heat, making it even more efficient and thus more sustainable.



Protecting the environment by investing in new technologies

Using light for roasting – the new nut roasting plant

After the total breakdown of the in-house roasting plant, Rapunzel took the opportunity to look around for a new solution with fewer emissions. Despite the pressure of time – after all, the loss of the roaster had a direct impact on the very heart of our product range – the decision process was unhurried and considered, beginning with a comparison of the available technologies and roasting procedures. In the end, we decided to go for an infrared rotating drum roaster. The system has a high level of operational security and works very efficiently and gently. Products to be roasted, for example nuts, are heated from the inside out, which means that the surface is not subject to excessive roasting.

This innovative roaster heats and roasts nuts using infrared radiation. Unlike the previous system, which required an open gas flame, the infrared system runs on electricity. This is converted to infrared radiation, which in turn heats the product (e.g. nuts) by means of infrared tubes. Since climate neutrality can only be achieved using electricity from renewable energy sources, we made it our goal to generate the electricity needed for the infrared roaster completely by our own means.

The new roasting plant will be put into operation in the first quarter of 2021. It will supply the nut butter plants with freshly roasted nuts with an output of approximately 1,500 kg/h.

More than just hot air – heat recovery from the coffee roasting building

The visitor centre, which will open in 2022, will also have a coffee roaster for demonstration purposes, which is sure to attract plenty of interest among visitors. To ensure the best coffee quality, high temperatures of 200° Celsius or more have to be produced inside the roaster. The system uses a gas flame to fire the roaster – powered of course by 100 percent biogas. A process that generates heat also produces waste heat, which is usually diverted away by an exhaust system. So, to avoid this, a heat exchanger has been installed in the system. The exhaust heat from the gas in the roaster is then used to heat the visitor centre.

The planned annual coffee roasting volume generates a usable exhaust heat of over 140,000 kWh. The average heat consumption of the new visitor building is somewhat lower than this, at about 100,000 Wh.

However, the heat requirements vary greatly with the seasons. A heating system is used in winter to add an extra 15-20 percent. In contrast, in the summer, there is an excess of around 84,000 kWh per year. To put this heat to good use, it is being considered to connect it to the existing Rapunzel heating plant. The excess heat can then be used by the company's production facilities.

Less packaging thanks to a new packaging machine

At Rapunzel, we take great care in the way we treat the environment. We always strive to minimise our consumption of packaging materials. Our new packaging plant and innovative technology have enabled us to achieve this goal. In April 2020, the nearly 20-year-old flow pack machine was replaced by a new and more efficient system. As a result, Rapunzel is able to save about two tonnes in packaging material per year, which corresponds to 10% of the film used in each pack.

Emission-free pest control

In the conventional food industry, the most common method of warehouse disinfestation is to use insecticide or toxic gas such as methyl bromide, hydrogen phosphide or hydrogen cyanide. These compounds are found as residues in food products and they also contaminate the soil and the environment.

Auxiliary material used in production	2012	2016	2018	2019	2020	Changes compared to 2016
Liquid natural carbonic acid in kg (CO ₂)	803,689	591,853	553,987	500,900	501,623	- 15.3 %
Liquid natural CO ₂ consumption in kg (delivery only)	17,500	16,800	15,050	14,700	15,050	- 10.4 %

The use of these compounds is prohibited in organic food processing. Instead, Rapunzel uses two carbon dioxide plants for pest control; it is effective at all stages of the pests' development and works by oxygen deprivation, rapid pressure change and a high carbonic acid concentration. The product quality is fully preserved – naturally without any residues.

We use only residue-free, natural carbonic acid that leaks naturally from the soil in the Volcanic Eifel region, where it is trapped before it can escape into the atmosphere. It is not a cheap procedure, but it is worth it. As this is a natural resource, we do not calculate emissions for the consumption of CO₂ but only for its transport from the Eifel to Legau.



Emission prevention

We attach great importance to manufacturing our products in a manner that is as economical as possible with resources. Over the years, we have managed to keep our CO₂ footprint at a constantly low level.

Nevertheless, emissions such as greenhouse gases and air pollutants cannot be completely avoided. At Rapunzel, they are mainly caused by the energy used in our food production. By introducing innovative technologies and processes, we are sure that we can continue to further reduce our consumption of resources per production and sales tonnage along with our material input and the resulting emissions.

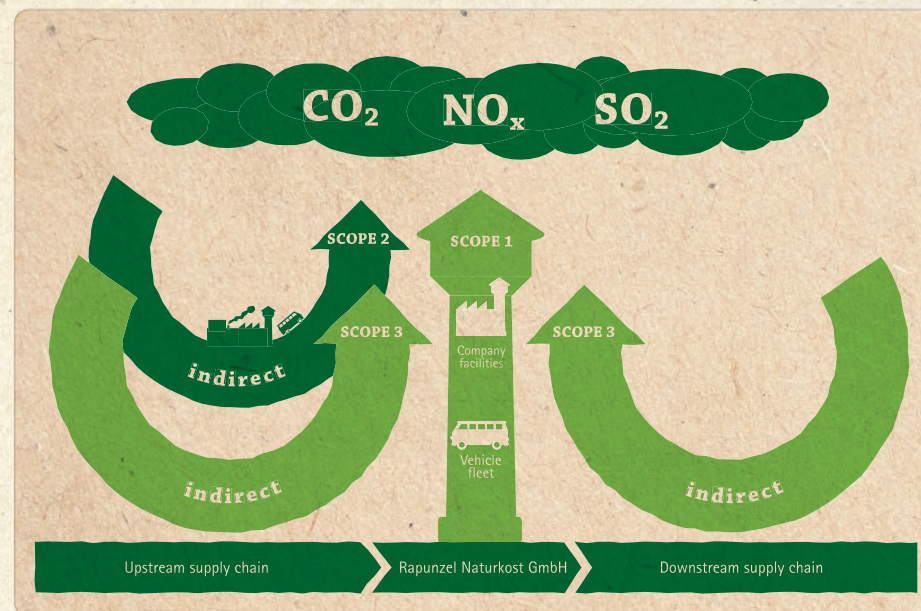
Calculating emissions

To standardise our calculation method and enable comparison of our key figures, we collect and present our emission data based on a recognised cross-industry standard known as the Greenhouse Gas Protocol (GHG), developed by the World Resources Institute.

The emissions are calculated with the aid of the Emission Balance of Renewable Energy Sources report published by the German Federal Environment Agency. The calculation takes into account emissions of carbon dioxide (CO₂), sulphur dioxide (SO₂) and nitrogen oxides (NO_x).

The method distinguishes between three different emission scopes:

- › **Scope 1:** Direct greenhouse gas emissions caused by in-house plants and power generators for supplying energy at Rapunzel.
- › **Scope 2:** Emissions from energy sources (electricity and gas), that we obtain externally and whose generation and transport results in climate gases being released into the air.
- › **Scope 3:** All other emissions produced either prior to or following our commercial activity. They can be produced, for example, by business trips, the supply and transport of raw and finished products, or the cultivation and harvesting of our raw ingredients.



Since Rapunzel uses 100% sustainable sources for its cogeneration plants and gas condensing boilers, these processes cause no direct CO₂ emissions on site. Similarly, thanks to our photovoltaic plants, we are able to produce electricity that is fully CO₂-neutral. The only direct emissions are caused by the loss of coolants from our refrigerating processes and the consumption of diesel fuel by our company vehicles (**Scope 1**).

Indirect emissions (**Scope 2**) are caused by externally purchased electricity, which is needed to reliably cover the company's overall electricity requirements, and also by eco-gas, which is needed for the operation of our on-site heat and electricity generating plants. The purchased electricity gas is produced from 100% renewable energy sources (hydroelectricity and eco-gas made from sugar beet residues). In addition, our gas supplier invests 0.21 cents in the expansion of renewable energy plants for every kilowatt-hour we consume. For 2020, this amounts to about 70,000 EUR.

Emissions in kg, Scope 1	2018	2019	2020
Total CO ₂ emissions in kg	229,250	462,803	85,151
Total electricity consumption			
Purchased from renewable generation (hydropower)	No direct emissions		
From on-site generation PV			
From on-site generation CHP			
Total heat quantities generated			
From woodchip cogeneration plant	No direct emissions		
From CHP			
From condensing boiler			
Roaster in Legau	No direct emissions		
Diesel for company cars	128,379	102,443	85,151
Refrigerant losses in Legau	92,720	0	0
Refrigerant losses in Bad Grönenbach	8,151	360,360	0
Total SO ₂ emissions in kg	1,056	1,040	881
Total NO _x emissions in kg	2,459	2,423	2,108
Environmental impact of total emissions, Scope 1 in kg	232,765	466,266	88,140

Emissions in kg, Scope 2	2018	2019	2020
Total CO ₂ emissions in kg	19,983	22,470	24,627
Electricity purchased from hydropower (generation and supply)	6,867	9,777	10,513
Purchased eco-gas (generation and supply)	5,938	5,896	4,888
For CHP operation	4,631	4,490	3,974
For gas condensing boiler operation	624	709	833
For roaster operation	663	673	59
For running organic restaurant / Casino	20	24	22
Biomass purchased for woodchip cogeneration plant (generation and supply)	7,178	6,798	9,226
Total SO ₂ emissions in kg	23	29	31
Total NO _x emissions in kg	127	132	146
Environmental impact of total emissions, Scope 2 in kg	20,133	22,631	24,804

Due to the incomplete database of key figures for our upstream and downstream activities (**Scope 3**), the emissions caused by upstream agricultural production, the purchase of raw materials and trading goods, and the sale of finished products may not have been recorded in full. The calculation therefore includes emissions caused by operating activities and by externally purchased energy (Scopes 1 & 2). Emissions of sulphur dioxide and nitrogen oxides are collected in a similar way to CO₂ emissions and presented as a sum in Scope 1 and Scope 2.

Environmental impact of total emissions, Scopes 1 & 2	2018	2019	2020
Overall works	252,898	488,897	112,944
Emissions per tonne of sales volume excluding raw material deliveries	8.06	14.14	2.7

CO ₂ saved per year in kg	2018	2019	2020
Electricity consumption from purchased renewable generation (hydropower)	- 491,164	- 599,197	- 644,290
Electricity consumption from on-site PV generation	- 928,111	- 747,850	- 787,624
Electricity and heat generated from CHP and condensing boilers	- 1,504,857	- 1,277,413	- 1,184,015
Heat generated from woodchip CHP plant	- 196,854	- 186,431	- 253,016
Environmental impact reduction (total CO ₂ savings)	- 3,120,986	- 2,810,891	- 2,868,946
Emission reduction kg per t sales volume	- 99.5	- 81.3	- 69.5

By using renewable energy sources such as hydropower, woodchip and emission-neutral natural gas, we reduce emissions of CO₂ into the environment by approximately 2,900 tonnes per year. This corresponds to approximately 70 kg of CO₂ emissions per tonne of product.

Water and sewage

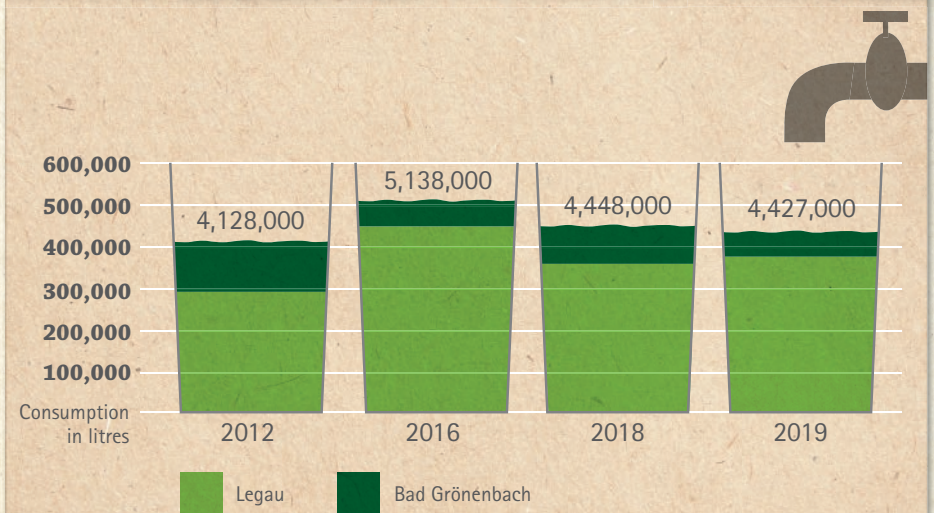
At both sites, fresh water is used mainly for sanitary purposes. In Legau, some of this water is used for machine cleaning and in the running of the cafeteria.

The drinking water required for these purposes is ground water from springs and wells and is provided by the municipal water network. The ground water is supplied directly from the local water network without any intermediate storage system. This means that the quantity of water taken is also the quantity consumed. An underground water tank has been built in Bad Grönenbach solely to supply the sprinkler system in the event of a fire. The tank has a capacity of 653,000 litres.

Since the consumption figures for the two sites in 2020 will only be available in mid-2021, this report only includes data up to 2019.

Oily water from cleaning operations in production and greasy water from the canteen pass through fat separators before entering the municipal sewage system. A fat separator operates by gravity, which means that heavy components, such as sludge, fall to the bottom, while lighter substances, such as oil and grease, float on the top. The largely purified waste water is then discharged into the municipal sewage system.

Annual water consumption



Waste management

Waste in tonnes	2012	2016	2018	2019	2020	Changes compared to 2016	Waste disposal
Total waste (t)	274.2	516.3	512.9	529.3	639.0	32.5 %	
Waste glass (t)	19.1	11.0	18.2	23.5	15.2	38.1 %	Recycling
Waste paper (t)	167.6	211.9	202.3	207.3	259.9	22.7 %	Recycling
Plastic foils (t)	30.7	42.5	47.7	43.0	54.0	27.0 %	Recycling
Biological residues (t)	-	121.2	149.1	164.1	170.7	40.8 %	Recycling
Other waste (t)	13.7	31.5	46.8	52.2	123.3	291.12 %	Recycling
Other waste (t)	43.0	98.2	49.0	39.2	60.9	- 38.0 %	Disposal

Rapunzel is at the point where virtually no further waste reduction is possible using traditional measures.

Nevertheless, employees receive regular training in maintaining the level already achieved. All relevant data are collected and evaluated to enable any potential changes to be determined quickly and interventions conducted where necessary. It also serves as a basis for future decisions and measures.

Waste separation

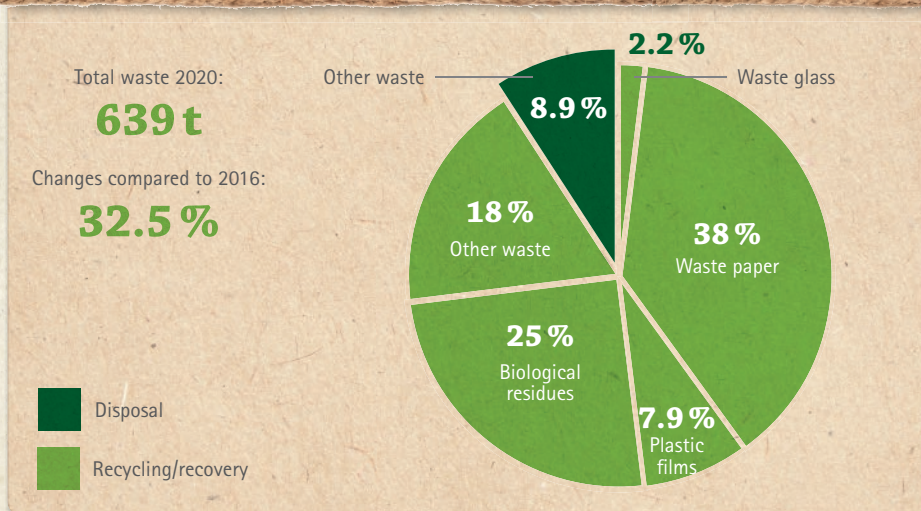
Every production process creates waste. Due to the increase in sales volume, annual total generated waste rose by 32.5 % in 2020 in relation to 2016.

To protect natural resources and ensure optimised material efficiency, Rapunzel separates all wastes in Legau and Bad Grönenbach as consistently as possible. It is a matter of importance to us that we to return as many reusable materials as possible to the material cycle.

In the last three years, we have been able to maintain a waste separation quotient of over 90 %, and we wish to continue at or even exceed this level. This quotient indicates the percentage of commercial urban waste generated in the company that is collected and separated in the company. While the proportion of separated waste in 2016 was 88.6 %, we have been able to optimise this figure by optimising our waste flows. In 2020, only 8.9 % of our waste had to be disposed of thermally.

The total quantity of dangerous waste occurring in the form of chemical/technical and cleaning products in the technical department is only about five litres per year. The majority of this comprises residual ink and solvents. All waste generated at Rapunzel is collected and duly disposed of by local certified waste disposal companies.

Percentage shares Recycling and disposal



Extension in Bad Grönenbach

Ecological construction

Positive growth forecasts and optimised workflows require increased storage capacity and space for order picking and incoming and outgoing goods. Which is why we are building sizeable extensions at our logistics centre at Bad Grönenbach, with the aim of setting a course for the future.

The third extension of the logistics centre is scheduled for completion in mid-2021. The existing plant is being expanded by around 9,700 m² over three levels of different sizes. More than 500 new picking stations are being built in six double-depth lanes. Each lane is equipped with its own rack operating device, resulting in a considerable increase in storage and retrieval speeds. The incoming goods area is also undergoing significant expansion; a full renewal is planned, with the eventual extension of capacity from one to twelve conveyor belts over two levels.

Ecological aspects play a major role in the building measures. It is for this reason that traditional building materials are being used. For instance, the façades are being built with elements made of aerated concrete, an environmentally friendly material with heat-insulating properties, resulting in a general reduction in energy requirements. All of the paints used are produced ecologically. The insulating layer used in the construction is made of stone wool fibre and other ecologically based insulation materials. This is a special feature, because cheaper PUR system façade elements made from aluminium and PU foam are generally employed for halls and industrial buildings.

The ceiling surfaces are fully equipped with photovoltaic systems to recover part of the eco-electricity consumed. The new building work also incorporates a second cogeneration plant and an additional gas condensing boiler for an enhanced energy supply.

The new intralogistics system is designed to be efficient, energy-saving and economical with resources. The conveyance technology and automatic bay operating devices are state of the art. The bay control devices are equipped with an energy recovery mechanism that comes into use during braking or when lowering heavy loads.

Efficient energy concept

The Rapunzel energy management system that has been in use at Bad Grönenbach since 1996 is being modernised in line with a visual energy concept. The old electricity meters are being replaced, as although they were able to display energy consumption as a total value, they could not show the consumption per unit. The new energy concept enables more detailed analysis as well as the control of energy consumption. Any devices consuming too much energy can be identified and optimised. Intelligent control of the charging units means that the load on the mains network can be made more uniform, thus avoiding peaks.



Green logistics

Green transport

Rapunzel works mainly with the haulage companies Dachser and Gebrüder Weiss for its transports. These service providers are large enough to be able to group different goods flows efficiently, and thanks to their intelligent, IT-based route planning systems, empty trips and unnecessary vehicle use can be avoided. Thanks to the use of modern leasing models, the latest vehicle models featuring the lowest emissions can be used.

The emissions accruing for GLS parcel shipment or with DHL for the webshop are compensated for by the transport company in its support of afforestation and environmental projects. The result: 100 percent climate-neutral shipping. And how do the raw materials get to Rapunzel from all over the world? Imports from countries outside of Europe arrive by the most efficient and sustainable method – first by ship and then by rail to container terminals in South Germany. To compensate for this, Rapunzel has been planting trees for several years in support of a healthy climate; for example in 2019, it planted over 7,000 trees within the Turkey project.

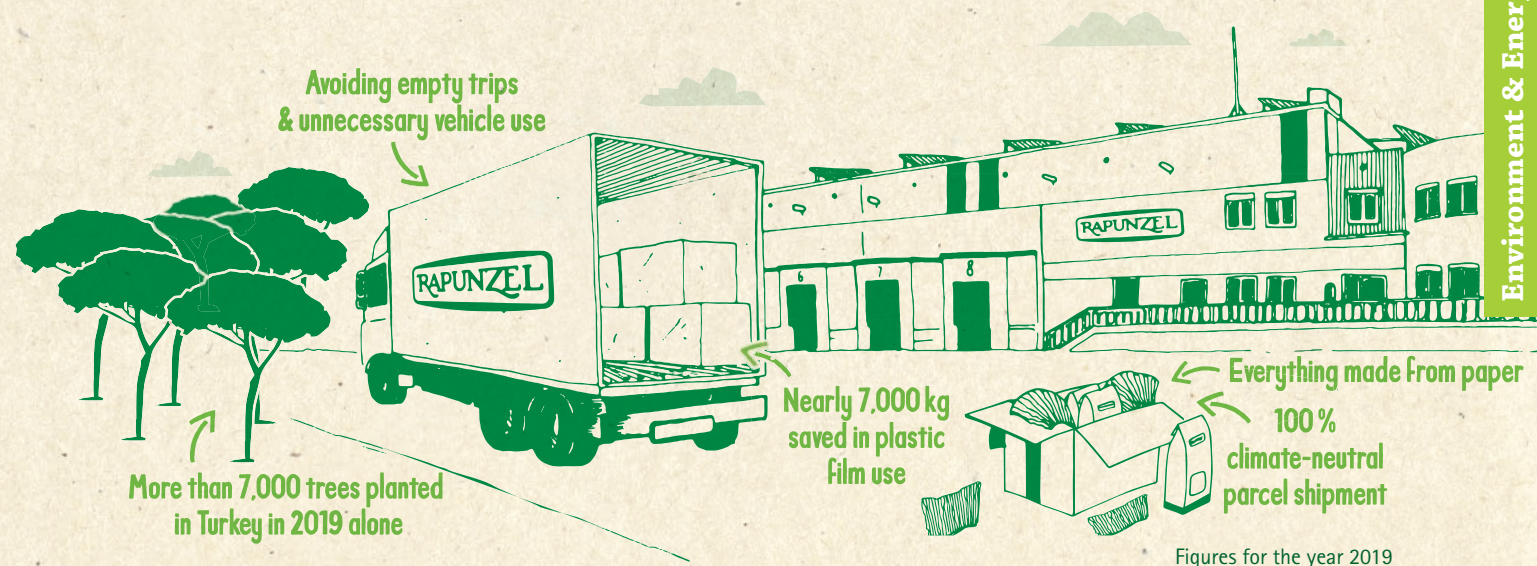
Green packaging

Additional packaging is needed to ensure that products arrive undamaged in the stores and subsequently in shoppers' baskets. Rapunzel uses various methods to keep quantities as low and materials as environmentally friendly as possible. In 2019, we saved nearly seven tonnes in plastic film by using less wrapping foil and adhesive tape and by optimising the thickness and the number layers used to wrap pallets.

Our latest achievement: The folding edges on the cartons and the variable package sizes have made it possible to save a large amount of padding material (made of waste paper), which also saves space in the truck. This also means less material that has to be disposed of after use. By the way: Cartons, envelopes and adhesive tape are all made from the same material.

Green outlook

Green logistics is an ongoing activity. We are currently testing whether cover sheets made of recycled paper can replace the cover films used with Euro pallets. Another aim is to cover the entire electricity demand of the new logistics centre in Bad Grönenbach with a combination of a photovoltaic system and a cogeneration plant. The outer shell of the building is made of aerated concrete, a natural building material that promotes a uniform interior climate. Rapunzel would also welcome improvements to the railway infrastructure, as there is a track directly outside the company's logistics centre; however, no more freight trains use it.



Sustainable aspects of packaging

Environmental compatibility also plays an important role with product packaging. The following principle applies: To provide the best possible protection with as little packaging material as necessary.

At the moment, there is much research being done into packaging material development and we are expecting a number of innovations and alternative solutions in the coming years. We are already testing out new alternative forms of environmentally friendly packaging. They are made of various materials, including conventional paper, paper with barrier properties, films made of renewable raw materials, and easily recyclable films.

The use of plastics is one thing that particularly concerns us. Thanks to its comparatively low weight and functional versatility in protecting the product, its use is often unavoidable. However, the use of plastic is problematic due to the increased incidences of marine littering and dumping. There is a growing and increasingly vocal demand for recyclable packaging.

Single-material solutions are ideal for recycling as they only contain one type of plastic. We have already introduced such packaging in several product lines. Nevertheless, as plastic is produced from mineral oil, which is a finite resource, we are still in search of alternatives to conventional plastic that do not readily decompose in the environment.

When purchasing new packaging machines, we take into consideration how efficient they are with materials; for example, packaging segments should be as short as possible to minimise surplus material.

Our goal is to operate a broad-based packaging operation with a range of materials and options to enable us to use the best solution for each product.

Glass packaging

Glass is made almost exclusively from raw materials that occur naturally in sufficient quantities, many of which can be obtained in Germany. This results in vastly shorter transport distances, a real plus for the environment and climate. The most important raw material used in glass packaging is, however, recycled glass. The average proportion of waste glass used to make new glass packaging materials is 60 percent, while in the case of green glass, it can even be up to 90 percent. Glass can be melted down and processed into new, high-quality packaging materials an unlimited number of times, with no loss in quality. In addition to ecological criteria, glass is also one of the safest packaging materials because it is inert, which means there are virtually no interactions between packaging and content.

Glass can be recovered at a rate of 100 percent. This means: glass recycling forms a closed recovery cycle. By disposing of glass in a recycling container, consumers can make a significant contribution to environmental protection, as waste glass is one of the most important raw materials of new glass used for packaging.

The energy requirements of glass production have continued to fall in recent years. The use of modern, economical melting technologies that reduce the weight of glass packaging along with the input of waste glass in the production of new glass has made a considerable contribution to this. In addition, all screw tops used at Rapunzel are now PVC-free and contain no BPA (BPA-Ni).



Transparent film packaging

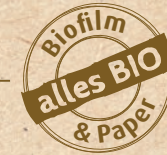
Rapunzel has been using transparent films in many of its product lines for many years, one advantage being that labels containing all the product-relevant information are only applied once the product is packaged. If there are any changes to the mandatory information requirements, they can be implemented quickly, with no packaging waste. By investing in a new, modern and highly efficient packaging plant, we have been able to fashion the packs for our legumes, cereal and oilseed such that we now save around 130,000 running metres, i.e. 130 kilometres or approximately 2 tonnes, in plastic film per year.

2,000 kg
annual savings in plastic

Paper and film packaging made from renewable raw materials

Formerly packaged in OPP film with a cardboard cover, we have now changed over to using an OPP film made of renewable raw materials for our Swiss chocolate range. The paper and biofilm are produced from wood fibres sourced from sustainable forestry. And of course the printing inks we use are free from mineral oils. As every country has its own waste disposal system, please dispose of our packaging according to the current requirements in your country. This measure has resulted in an annual saving of around 4,620 kg of mineral-oil-based plastic film.

4,620 kg
annual savings in plastic



100 % sustainable

✓ Renewable raw materials.

This packaging is made from renewable raw materials! The paper cover and biofilm are produced from wood fibres sourced from sustainable forestry. It is completely biologically degradable.

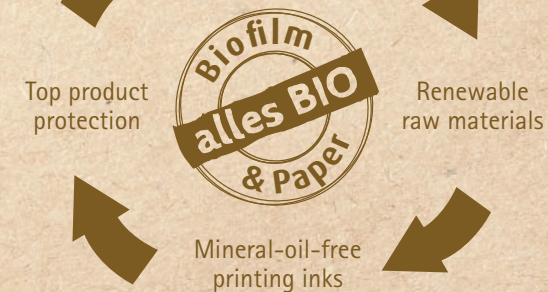
✓ Mineral-oil-free printing inks.

Only mineral-oil-free printing inks are used for the colourful and attractive packaging.

✓ Top product protection.

The biofilm offers top product protection for our fine chocolate products and preserves their flavour.

As every country has its own waste disposal system, please dispose of our packaging according to the current requirements in your country.



Film packaging made from 65 % renewable raw materials

A large proportion of our muesli range is packaged in this new, more sustainable film. The new film is thinner than the previous one, which already represents a material saving. In addition, the film is made from 65% renewable raw materials. This results in a significant reduction in CO₂ emissions, and its production is CO₂-neutral.

The renewable component is based on sugar cane that is certified in accordance with particular ecological and social aspects. The remainder consists of conventional PET and PE plastics. It is currently not possible to fully dispense with these plastics, as they are of decisive importance for product protection. This measure has resulted in a 1,350 kg saving in plastic film.

1,350 kg
annual savings in plastic

Packaging made of paper and film from 80 % renewable raw materials

A fully new type of packaging is now being used for our line of Italian chocolate (100g bars). It is made of paper with a thickness of only 35g/m² sealed with a 25µm thick metallised biopolymer.

The biofilm (biopolymer) is made from corn starch and vegetable oil. The corn used is grown in Europe and all raw materials are GMO-free. Metallisation is in the form of evaporation-deposited aluminium. It has a thickness of only 0.03 µm, which is 400 times thinner than conventional aluminium coatings, with a thickness of 12 µm.

Metallisation is needed to ensure the required level of product protection and chocolate quality. There are no health concerns due to migration of the aluminium, as it is incorporated within the composite and has no direct contact with the chocolate.

The new packaging is certified by TÜV as industrially compostable (according to DIN 13432:2002). Unfortunately, it is not currently possible to dispose of this packaging in organic waste containers in Germany. The holding times for organic waste in composting plants are (as yet) too short to enable the material to be fully broken down. In other European countries, such as Italy, it is already possible.

This changeover has resulted in a total saving of around 4,270 kg per year relative to the mineral-oil-based plastic film used previously.

4,270 kg
annual savings in plastic

Packaging made of paper and film from 80 % renewable raw materials

This can be easily disposed of with waste paper: The new rice bags consist of 100 % kraft paper with a window made of pergamin (which is also made of recyclable paper). They offer great performance in terms of their quality, feel, and ecological properties.

7,150 kg
annual savings in plastic



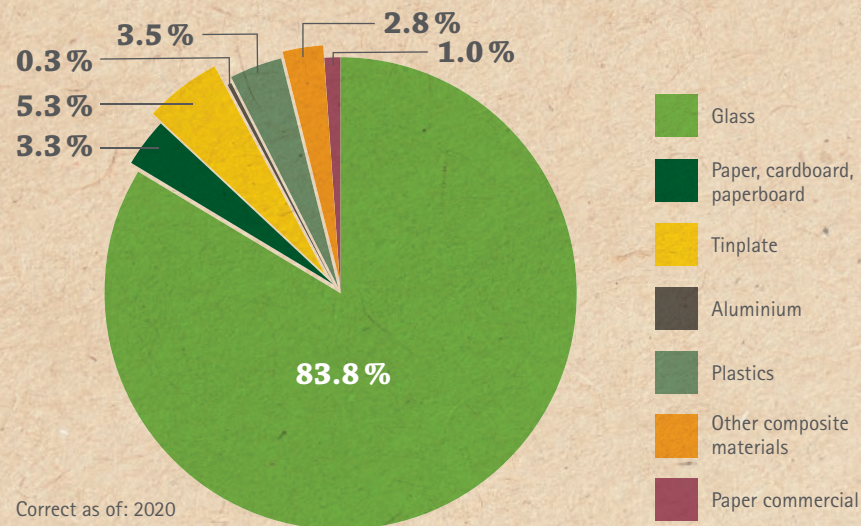
Changeover from paper with PET film to paper bags with film made from renewable raw materials

The paper and biofilm used for packaging sugar and other sweeteners are produced from wood fibres from sustainable forestry. And of course the printing inks we use are free from mineral oils. As every country has its own waste disposal system, please dispose of our packaging according to the current requirements in your country. This changeover has resulted in a saving of approximately 1,320 kg of plastic film per year.

1,320 kg
annual savings in plastic



Distribution of packaging materials by weight



Overview of measures for more sustainable packaging

Product range	Previous packaging	New Packaging	Result
Swiss chocolate	OPP film with cardboard cover	Film made of renewable raw materials with cardboard cover	Saving of approx. 4,620 kg of plastic per year
Italian chocolate	OPP film with cardboard cover	Film made of renewable raw materials with cardboard cover	Saving of approx. 4,270 kg of plastic per year
Syrup in squeeze bottles	PET bottle	PET bottle with 50 % recycled PET	Processing of recycled plastic
Muesli sub-range	Composite PET-PE film	Film with a 65 % proportion of renewable raw materials	Saving of approx. 1,350 kg of plastic per year
Muesli subrange and breakfast porridges	Composite PET-PE film	Changeover to PP single-material solution for ideal recyclability	Ideal recyclability
Dried fruit	PP bag with paper label	Changeover to PP labels to achieve single-material solution and ideal recyclability	Ideal recyclability
Legumes, oilseeds & cereals	PP bag with paper label	Technical optimisations have led to shorter section lengths and huge material savings. Changeover of labels to PP too, to create single-material solution and ideal recyclability	Saving of approx. 2,000 kg of plastic and ideal recyclability
Rice	PP bag with paper label	Bag made of 100 % paper	Saving of approx. 7,150 kg of plastic per year
Sugar, sweeteners	Paper with PP film	Bag made of paper and film made from renewable raw materials	Saving of approx. 1,320 kg of plastic per year

Ongoing sustainability goals

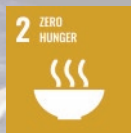
- ✓ Systematic recording of consumption data to identify energy saving potential and to quantify efficiency improvements
- ✓ Reduction in consumption of resources to minimise the environmental impact as much as possible and reduce CO₂ emissions
- ✓ Use of environmentally friendly auxiliary and operating materials
- ✓ Consistent policy of waste separation
- ✓ Training of all staff in the environmental management system
- ✓ Assessment of environmental impact of newly purchased capital goods
- ✓ Support of environmentally oriented initiatives
- ✓ Increasing awareness of various environmental themes within the company through regular sustainability training
- ✓ Minimising coolant loss to prevent emissions
- ✓ Further reducing electricity consumption by increasingly optimised use of compressed air and nitrogen and by avoiding leaks
- ✓ Further developing various packaging technologies for more sustainable packaging materials
- ✓ Constant development of renewable energies at both sites





Culture & Politics

Right from the start, Rapunzel has always promoted a healthy lifestyle and a fair world. We are actively involved on a social, cultural and political level in raising awareness of sustainable consumption patterns and ecological agricultural practices.



Organic – more than just ecological products

In its role as an organic pioneer, Rapunzel has always promoted a healthy lifestyle and a fair world. Besides its own project work and fair supplier management, Rapunzel is also involved on a social, cultural and political level, not just locally and regionally in the Allgäu, but all over the world. As members of society, we want to use the opportunity we have to provide a positive inspiration.

Experiencing the Rapunzel world

In 2019, the ground breaking ceremony for the Rapunzel visitor centre was held in Legau. From 2022, visitors will be able to experience the Rapunzel world in all of its various facets. The construction of the resource-friendly building itself is based on ecological criteria. As far as possible, building materials are sourced locally and subject to an eco-audit to keep its ecological footprint as low as possible. Once it is completed, it will house a museum and exhibition area, a demonstration coffee roasting shop, an organic bakery, a restaurant, an organic supermarket, a yoga and cooking studio, and extensive outdoor facilities.



Laying the foundation stone: A globe filled with objects represents Rapunzel's corporate history and symbolises the values that the company practices.



Experiencing Rapunzel

Natural food also offers cultural nourishment

People cannot live on (organic) bread alone. Visitors to Rapunzel in Legau can enjoy both physical and spiritual nourishment. The programme of events at the company site includes cooking demonstrations, cinema, presentations and a range of other offerings.

The themes range from ecology, nutrition, health and sustainable management to alternative life and social models. For us, it is not just about passing on information, but it is also important that visitors can experience things with all their senses. This includes, for example, allowing guests to enjoy our organic 'Casino' restaurant.

For body and soul

Rapunzel cooking shows feature well-known vegetarian or vegan cooks such as Attila Hildmann, Stina Spiegelberg or Volker Mehl. Whether vegan, alkaline or Ayurvedic cooking, guests at Rapunzel can broaden their cooking expertise in an enjoyable way.

The Rapunzel cinema, with its nostalgic UFA seating, screens a range of documentary films. Often, we organise panel discussions with the film directors or other interesting people. We hope we can inspire visitors to apply some of the new ideas they get from the films in their own lives. Our cinema programme also includes several humorous films.

In addition to presentations given by renowned speakers about such things as vegetarian sports nutrition, alternative sweetening methods, climate protection and agriculture, our programme also includes plenty of fun as well as contemplative elements such as fairy tales for children and grown-ups, legends from the Allgäu, revues... This is our way of making a cultural contribution to the region.



Live and online

Our cultural programme is an established feature both in the Allgäu region and beyond. If the journey to Rapunzel in Legau is too far, it is also possible to watch selected presentations on the Rapunzel YouTube channel. There are so far 35 lectures to choose from on our channel (as of: November 2020). Each video has had an average of 10,000 viewers.

SamenFest – The organic seed festival

Each year, the programme month of January gets going with the 'SamenFest', a festival celebrating organic seeds. At the large seed market, green fingered visitors are able to buy or swap replicable seeds. Garden lovers will enjoy the varied presentations and workshops. Plenty of opportunities for new knowledge, new contacts and the cultivation of new vegetables and herbs are available for all visitors to the SamenFest.

We are losing more and more freedom over our seeds. Most of the vegetables sold at supermarkets, and many organic plants too, are hybrid varieties that do not produce fertile offspring or lose their distinctive characteristics. Farmers and amateur gardeners alike are dependent on a small number of seed companies, who dominate the market.

Rapunzel opposes this development not only with the SamenFest but also with several other campaigns. It emphasises the important characteristic that seeds have of enabling replicable vegetable cultivation. By promoting organic seeds, we are making an important contribution to the future, and the SamenFest is a platform that has been established for this purpose for several years already.

Photo, right: The Rapunzel SamenFest has achieved cult status, and every January it offers a rich selection of organic seeds accompanied by presentations on a variety of organic gardening topics.



Works tours

Visitors can take part in a tour of Rapunzel in Legau and experience up-close how and where Samba and other products are produced. The tour starts with a short film, after which visitors are taken through the production area and into the Rapunzel museum. At the end of the tour, guests have a chance to go food shopping in the organic Rapunzel store.

A transparent view of transparent production

A 290-meter-long glass visitor's corridor provides a direct insight of the Rapunzel production department – a free view for guests wishing to see high quality organic products being made. A fascinating experience for anyone who always wanted to know how Samba is filled into jars, how Rapunzel Original muesli is mixed or how linseed oil is pressed.

From the field onto the plate

Interactive stations in the organic museum invite visitors on a virtual trip around the world to the HAND IN HAND partners in Turkey and other countries overseas. At the exhibition, knowledgeable Rapunzel employees talk about the company, how it all began and what its philosophy is. Visitors also obtain interesting insights into the company's product development, quality assurance and logistics.

Organics hands on

Moreover, visitors are invited to experience the flavour of Rapunzel's products for themselves in one of our range tastings. And the 'Casino', Rapunzel's organic restaurant, always looks forward to receiving guests.

Good prospects

Rapunzel, let down your hair! The Rapunzel lookout tower in the centre of the premises is nearly 20 meters high. Visitors who climb the 90 steps are rewarded with a fantastic view of the Allgäu Alps and can even take a selfie against a backdrop of Rapunzel.



Works tours

Once a month, Rapunzel offers works tours available to anyone. Individual tour dates can be arranged for groups with more than 15 people.

Actively involved in public opinion making

To raise awareness of the themes that are close to our hearts, Rapunzel regularly holds presentations, cooking shows and other events at its premises in Legau. The emphasis is on such subjects as ecology, nutrition and fair supply chains. We regard this as our educational mission. With its programme of events and its involvement in promoting various activities in the region as well its campaigns on genetic engineering and through the One World Award, Rapunzel plays an active role in public opinion forming when it comes to issues of social importance or matters affecting the organics industry.

Educational mission to pass on knowledge

As an organic food producer with direct supplier relations to its farming partners worldwide, Rapunzel has a high degree of competence when it comes to nutrition, organic farming, and fair trade. This knowledge is greatly appreciated by schools, universities and other educational establishments. For this reason, employees from Rapunzel are frequently invited as speakers or participants in discussions and other such events.

Membership in associations

Rapunzel is a member of the IFOAM – Organics International (worldwide umbrella organisation of all organic farming organisations) and the IFOAM EU. In our capacity as an organic manufacturer, we are a member of the Association of Organic Producers (AöL), along with other organic manufacturers in the industry.

Through these eco-associations and other cooperations, Rapunzel takes an active role in developments in the organics sector and contributes to public opinion on matters of a social interest.

Communicating complex matters transparently

The cultivation and production of palm oil is a much-discussed and highly complex subject. Public discussions on the subject of palm oil tends to be rather one-sided. Rapunzel contributes to these discussions with open communication that emphasises different cultivation and processing method, including opportunities for sustainable palm oil cultivation. Rapunzel is meanwhile in great demand as a source of information for balanced media reporting. For more about fair organic palm oil in Rapunzel products, see page 52.

Another important topic that affects the organic sector in particular is genetic engineering. For more on Rapunzel's commitment to a GMO-free world, see page 123.

Efforts against the use of pesticides in agriculture

To initiate a study into the spread of agropoisons in the air, Rapunzel has formed the Bündnis für eine enkeltaugliche Landwirtschaft ('Alliance for an Agriculture fit for our Grandchildren'), together with other organic food producers, natural food retailers, and civic organisations. The aim of this study is to point out the omnipresence of pesticides in the air and to stress the explosiveness of the subject. The political decision-making bodies are called on to ban highly harmful pesticides and to tighten the certification procedures (see page 122). Rapunzel has been a member of the alliance since its formation.

Commitment in the fight against agropoisons

A number of years ago, the findings of the 'Urinale'* study led to the suspicion that pesticides can penetrate the body not just through food but also through the air. This is dangerous not only to our health but also to our basic needs. For organic farmers, the contamination of their land by airborne pesticides is a threat to their livelihoods.

Based on this assumption, an alliance has been formed between organic food producers, natural food retailers, and civic organisations called the 'Alliance for an Agriculture fit for our Grandchildren'. Rapunzel has been a member of this alliance ever since its formation.

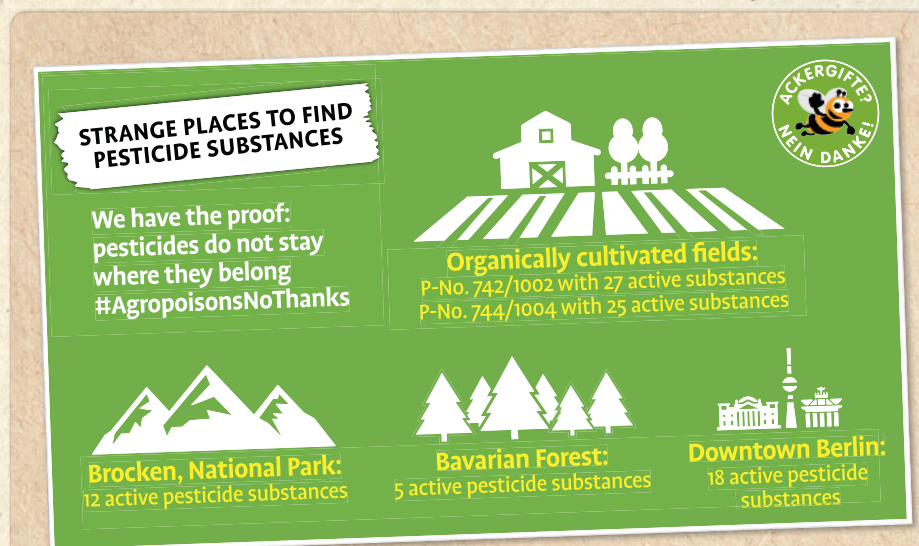
Together with the Munich Environmental Institute, the alliance commissioned the most comprehensive scientific study so far on pesticide contamination in the air (that we breathe). The results were published in 2020. They show that pesticides are spreading through the air to a frightening degree, even reaching our cities and national parks, and many of them are damaging to both our health and the environment. This so-called remote transport of pesticide agents is still not being accorded sufficient consideration in European certification procedures.



**'Agropoisons?
No thanks!'**

We demand: That the most widespread agropoisons, such as glyphosate, pendimethalin, prosulfocarb, terbuthylazine and metolachlor are banned with immediate effect. It is these five agents that were detected the most frequently and at the greatest distance from their probable sources.

* Study by the Alliance for an Agriculture fit for our Grandchildren and the Munich Environmental Institute, 2015.



The most important findings

- ✓ Altogether 138 pesticide agents and decomposition products were detected in the air.
- ✓ Glyphosat was found at all locations.
- ✓ Around three quarters (73%) of the study areas distributed over the whole of Germany exhibit signs of at least five and up to 34 pesticides.
- ✓ Up to 35,000 tonnes of pesticide agents are sold in Germany every year.
- ✓ 30 percent of all the pesticides found are not certified (any longer).
- ✓ The industry has been propagating a false impression for decades that pesticides remain on the fields where they are used.

Commitment to a GMO-free world

Organic farming is GMO-free! To make sure it stays that way, organic farmers, processors and manufacturers have to take a stand. So how is Rapunzel doing this? We are committed to GMO-free food, agriculture without agropoisons, and seed diversity.

This is immediately obvious to anyone entering the Rapunzel building, where the first thing they will see is a sign saying 'GMO-Free Zone'. With events such as the GMO Forum directly in Legau or the multiregional campaigns such as the GMO-free march or FoodPrint: Rapunzel dedicates itself with creativity and passion for a world and a future without genetic engineering.

Making statements through actions

Back in 2007, Rapunzel made a stand in the form of the GMO-free march – marching for a GMO-free world from Lübeck to Lindau. In 2009, the campaign led from Berlin to Brussels to raise awareness at EU level. In 2011, the third action was held from New York to Washington D.C under the motto of 'We have a Right 2 Know – Label GMO', to raise awareness of the lack of mandatory labelling of genetically manipulated food in the USA.

In 2017, Rapunzel initiated the FOODprint initiative together many other cooperating partners. They formulated a position paper and called on politicians to place genome editing methods under official regulation.

Experts from the worlds of science, politics, and agriculture as well from various associations came together at the GMO Forum 2018, held at the Rapunzel site, to inform each other and others and to engage in discussion.

We are involved on a political level

Rapunzel also supports the IFOAM organisation, the International Federation of Organic Agriculture Movements, in its work. It does this both throughout Europe and at the EU in Brussels, both financially and through campaigning. In 2019, Rapunzel promoted the

IFOAM campaign KEEPING GMOs OUT OF ORGANIC in Europe. The personnel from IFOAM inform European delegates of the situation in organic farming, and in particular about the urgency to create a reliable legal regulation for freedom from genetic engineering for organic farmers. On the occasion of the EU election, IFOAM wrote to all top candidates to inform them about the matter. IFOAM organises network meetings for experts throughout Europe as a platform for exchanges and coordination.

This action is important, because great hope is being placed on new genetic engineering methods by the German Federal Ministry of Agriculture. The minister Julia Klöckner formulated as much in December 2019 in her farming strategy. At the same time, the EU Commission wants to certify genetically modified plants more quickly in future. The aim is for it to be written into a trade agreement, which the EU and the USA wish to sign.

In July 2018, the European Court of Justice found that the new genetic engineering methods fell under the previous genetic engineering law. In late April 2021, 'restrictions were determined in the ability of the legislature to keep up with scientific developments' in the regulatory classification study subsequently commissioned by the European Council, the political guiding body of the EU. The process has still not been concluded, since the EU Commission is now considering abolishing the legally required risk assessment and labelling for many plants and animals whose genetic material has been modified by new genetic engineering techniques (such as CRISPR/Cas genetic scissors). This is in line with external demands from industry as well as researchers aligned with industry. Scientific, agricultural and environmental organisations are issuing joint warnings of a considerable risk to humanity and the environment. The outcome is uncertain.



There are plenty of reasons why our world must stay GMO-free. Ten arguments on this subject can be found at: <https://www.rapunzel.de/en/gentechnik.html>

GMO Forum 2018: 'Let's talk about it'

Within its programme of events, Rapunzel occasionally organises forums on current topics of urgent interest. One such forum was held over a whole day in October 2018 on the subject of genetic engineering.

Experts and visitors discussed the risks and impacts of the new technology known as genome editing. The question was: is this technology a danger to organic products and GMO-free agriculture? Representatives from science and agriculture as well from various associations presented the current situation at the GMO Forum in October. Around 150 guests discussed questions with experts at Rapunzel in Legau, such as: Where do we stand right now? What can we expect? What can each individual do?

The experts

- | | |
|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| ✓ Renate Künast, Bündnis 90/Die Grünen: Where do we stand politically after the ECJ judgement? | ✓ Dr. Thorben Sprink, Julius Kühn-Institut: State breeding research into new genetic engineering |
| ✓ Dr. Eva Gelinsky, IG-Saatgut: Genome Editing – Facts and explanation of terms | ✓ Walter Haefeker, European Professional Beekeepers Association: Bees and beekeepers in the age of genetic engineering |
| ✓ Dr. Alexandra Ribarits, AGES Austria: Analysis – Growing challenges | ✓ Christoph Then, Testbiotech e.V.: Consumer protection and risk assessment |
| ✓ Joseph Wilhelm, Rapunzel Naturkost GmbH: The prospects of organic farmers and producers | ✓ Maria Heubuch, Bündnis 90/Die Grünen: The role of citizenship and politics |
| ✓ Amadeus Zschunke, Sativa Rheinau AG: Biological breeding | |



Interactive exchange

So-called world cafés and exchange platforms have provided a framework for lively interaction. Everybody was called upon to become actively involved, to direct questions at experts, to enter into discussions with each other and to gain new findings. One organic shop owner summed it up as follows: 'I gained a lot of interesting insights and fresh impetus that I can put into practice in my shop to raise awareness of the subject.'

The aim of the event was both to create an awareness of the issue's urgency, and to encourage people to take the initiative to work towards a GMO-free world.

Forums at Rapunzel are held over one or several days and offer insights into complex themes and enable participants to form a nuanced opinion. Two years previously, the forum focused on the theme of palm oil. It shone a light on both the fatal social and ecological consequences of conventional monocultures. But it also revealed the opportunities of fair and sustainable organic agriculture.

OneWorldAward

Aims of the award

- ✓ To promote a kind of globalisation that is not solely oriented towards profit maximisation but is based on the four pillars of sustainability: ecology, social aspects, culture and economics.
- ✓ To recognise exceptional performance and creative projects that promote ecology and fair living conditions.
- ✓ To encourage people to focus on creating a happy and liveable future and a more peaceful society.



<https://www.one-world-award.com/>



Since 2008, Rapunzel has presented the One World Award (OWA) every three years to honour people and projects who are committed to positive globalisation and a better and more just world. The focus is on one fundamental idea: We all share the same world.

The competition is open to anyone, wherever they are in the world and carries a prize of 45,000 EUR. Five possible winners are short-listed from all entries received, whose projects have all been inspected by personal on-site visits. On the basis of detailed visitor reports, the international OWA jury then selects the prizewinners and one overall winner of the Grand Prix prize. IFOAM – Organics International (the international umbrella organisation of the worldwide organic agricultural movement) is the partner of the One World Awards, which is being presented for the sixth time in 2021.

Two outstanding projects shared the main prize in 2017.



Awards – Prizes for sustainable activities

 **2004** 

Bavarian State Medal for services to the environment, health and consumer rights

 **2005** 

Letter of Honour issued by IG FÜR (Interest group for healthy food)

Economic Ethics Prize awarded by the Initiative Ethics in Business

 **2008** 

Award as Best Practice Enterprise presented in the context of the Bavarian Advancement of Women Prize

 **2011** 

Training Certificate of the Federal Employment Agency for long-term commitment to youth training and education

 **2013** 

B.A.U.M. Environmental Prize

Golden Swallow presented by the ÖDP

German Sustainability Award:
Germany's top 3 most sustainable brands

Ethica Impuls Award

 **2016** 

Gold Letter of Honour issued by IG FÜR (Interest group for healthy food)

Bavarian Startup Award
Special prize 'Enterprise for the Region'

 **2017** 

CSR Award of the Federal Government

24th place and best food producer in the 'Die Welt' ranking of the top 100 German medium-sized enterprises

Joseph Wilhelm honoured as EY Entrepreneur of the Year



Leonhard Wilhelm accepting the award as Entrepreneur of the Year for Joseph Wilhelm.

2018

Ökologia Prize awarded by
the Foundation for
Ecology and Democracy



The Foundation for Ecology and Democracy awards Rapunzel the Ökologia Prize. Sabine Kauffmann (Bioverlag) and Hans-Joachim Ritter (right) presenting the award to Joseph Wilhelm.



The CSR Prize of the Federal Government acknowledges the sustainable and social involvement of Rapunzel; managing director Margit Epple (left) and managing director Joseph Wilhelm accept the prize in Berlin.

Code of Conduct

The Rapunzel Community



Mutual appreciation and respectful communication

1

Appreciation and fairness are the foundation of our sense of community. Whether between colleagues, with external partners or competitors, or with the public. We see ourselves as a team whose members are always there for each other. We are jointly committed on an equal footing to organic cultivation and a just world. We also include our worldwide suppliers and business partners in this community. Treating each other fairly and with mutual respect also means communicating clearly and transparently and encountering each other benevolently and without prejudice. Particularly in difficult situations, we remain objective and respectful as we seek a joint solution.



Democratic Principles

2

The right to freedom of expression and the protection of personal rights and privacy are an important asset of our democratic society. At the same time, freedom of expression has its limits at the point at which others can feel offended or insulated. We appreciate a culture of fair discussion, respect individuality, and assume personal responsibility.

Democratic principles form the basis of all communication in the company, in our social dealings, and in what we express in a business context. We make use of the instruments of democracy and mutual responsibility, which include mutual feedback with our superiors, the works council and the active suggestion scheme.



Equal rights and anti-discrimination

3

We treat others with respect and tolerance irrespective of their origin, gender, age, religion or ideology, culture or sexual identity and orientation. We identify as a culture of equal opportunity, mutual respect and mutual trust. In particular, we treat each other in a manner that is free from verbal, physical, mental or sexual harassment or violence. This applies to everyone we deal with, irrespective of hierarchical structures, departmental affiliations or other subdivisions.



Data protection and confidentiality

4

On entering into a working relationship with Rapunzel, we agree to protect confidential corporate information and data, business and company secrets such as production processes, recipes, distribution channels, calculation bases, company software and comparable information such as detailed sales figures and not to pass it on to anyone outside the company. We place particular attention on the protection of sensitive and personal data. The same applies to information and data that we receive from outside the company, for instance from partners, customers and suppliers.





Representative function

5

We are aware that each and every employee has a representative function. This means that we represent the company to the outside world and conduct ourselves in the interests of the company. It applies to conversations in the public arena as much as it does to comments made in social media channels. Before communicating with media or journalists, we consult in advance with the Rapunzel press department.



Respectful treatment of the environment and nature

6

Every decision is examined to ensure that it ensures respectful treatment of the environment and nature. It begins by not making unnecessary printouts, extends to separating waste, and also includes our choice of transport. We weigh up whether a business trip can be substituted by a virtual conference and, wherever possible, we organise car sharing for journeys to and from work. We submit any ideas that can serve to reinforce sustainability in the company to the company suggestion scheme.

With the production of organic food, we contribute every day to the protection of the environment and its preservation for present and future generations.



Conflicts of interest and protection against corruption

7

A conflict of interest exists when personal interests are not compatible with those of the company. We give priority to corporate needs as well as food safety and quality, ahead of personal advantage or sympathies. This also means that we remain polite and respectful even if a business partner conducts himself in an unfriendly manner. We adopt a position of neutrality with such persons as politicians or office holders.

We only accept and offer gifts when they are neither expensive nor exceed the appropriate limits and they can have no impact on our decisions or on the decisions of our business partners. In particular, this extends to accepting a gift when not to do so would disrespect cultural customs.

In cases of doubt, we consult with our manager or the works council and record what is said.

The idea of making the world a little better and more just through organic farming, healthy organic food and fair trade practices is what connects us as employees and assumes a concrete form alongside other themes taken up in the Rapunzel community's Code of Conduct.





Sustainability Goals



Current sustainability goals

As of 31.12.2020



Fairness & Social Responsibility Worldwide

Theme	Goal	Target date	Status	Measures	Comments on measures
Working conditions at Rapunzel Turkey	To maintain and constantly optimise the quality of the working conditions in the Ören works	2018 -> 2022	20%	Opening an outdoor tea café with seating and sunshades in addition to the existing employee canteen.	Could not be built yet due to problems with the construction. The measure is still planned.
HAND IN HAND bonus	To ensure that the HAND IN HAND bonus continues to be commensurate	2021	70%	Examining the HAND IN HAND bonus together with HAND IN HAND partners to check that the amount is still up to date and commensurate	Several points were examined with the HAND IN HAND partners at the turn of the year 2020/2021.
HAND IN HAND partners	To introduce a new feedback process for HAND IN HAND partners	2022	0%	Querying HAND IN HAND partners regarding: <ul style="list-style-type: none"> › How satisfied they are with the HAND IN HAND partnership › Suggestions of ways to improve the HAND IN HAND programme › Problems in implementing HAND IN HAND criteria › Improvements regarding cooperation 	Already being implemented regularly with the external control body. Now it is about creating a regular internal process
Monitoring of HAND IN HAND programme	To optimise transparency regarding the effects of the HAND IN HAND programme at the source	2022	10%	Developing a system to monitor the effects of the HAND IN HAND programme based on a theory of change	Based among other things on a master's thesis completed in 2019/2020.
Digital collection of supplier data	To compile a web-based portal into which supplier data can be fed	2022	30%	Portal to be developed in collaboration with raw material procurement and purchasing departments	



Fairness & Social Responsibility in the Allgäu

Theme	Goal	Target date	Status	Measures	Comments on measures
Further education	To increase awareness in the company of issues affecting fair trade and social standards	2022	0%	Revising the internal mandatory training concept about HAND IN HAND, Fair Trade, Fair For Life etc.	
Family friendliness	To support employees in balancing work and family life	2021	10%	Determining demand for in-company child care and kindergarten.	
Health promotion	To optimise workspace equipment in line with health promotion aspects	2021	100%	Creating natural daylight in the logistics area	New building incorporates windows and strip windows.
Raising awareness	Continuing to develop an awareness in the company of the background to organic farming	2022	20%	Continuation of trainee 'area calculation' project; example calculation of organic cultivation area used for Rapunzel raw materials for at least two significant Rapunzel products per year	Based on previous experience made with the trainee project



Organic Agriculture & Biodiversity

Theme	Goal	Target date	Status	Measures	Comments on measures
Organic cultivation	To promote organic cultivation and biodiversity in Germany and Europe	2022	0%	Developing legumes and seeds with interested cultivation partners in Germany and Europe and expanding the proportion within the range by two raw product articles per year	
Crop rotation	To support mixed cultivation and sustainable crop rotation for varied organic cultivation	2022	0%	Purchasing several products from a single crop rotation from at least one supplier of an essential raw material. Purchasing several products from mixed cultivation from at least one supplier of an essential raw materials from permanent crops.	
Biodiversity	To promote biodiversity at the Rapunzel site in Legau	2022	0%	In the context of the visitor centre: › Creating biodiversity acreages › Insect-friendly plantings	
Seed breeding	To support specific organic seed breeding	2023	50%	Continuing to support organic tomato breeding with the aim of offering at least one further organic seed line for growers besides Mauro Rosso. Continuing to support organic sunflower breeding by identifying at least one cultivating partner who grows what will then be a market-ready sunflower variety.	



Food Quality

Theme	Goal	Target date	Status	Measures	Comments on measures
IFS certification	IFS 7 and IFS Broker certification	2021	50 %	Implementation of IFS 7 and IFS Broker requirements	Measures still in processing phase
Laboratory data information system	Digital filing of laboratory data	2021	90 %	Devising a web-based filing system	Reporting system and link to external laboratories still being processed
Packaging	To compile a risk analysis for packaging for trading goods and finished articles	2022	90 %	Evaluation according to chemical-physical hazards	Basis for further measures, e.g. recyclability



Environment & Energy

Theme	Goal	Target date	Status	Measures	Comments on measures
Current peaks	To save electricity through optimisation of machine control (saving of 2 % per tonne of raw material input (kWh/t) as of 2020)	2018 -> 2021	10 %	Avoiding current peaks: Controlling switch on points of large consumers to prevent simultaneous switch on	Delays due to technical restrictions
Energy management	Better control and optimisation of energy consumption in the logistics centre	2021	60 %	Implementation of energy data management soft and hardware at the Bad Grönenbach site	Planning completed, systems to be connected to software in the course of the year
Heat recovery	To identify and implement new uses of surplus energy from production processes	2022	50 %	Extracting the exhaust heat produced by the roasting process by installing technical facilities (heat exchangers) to heat the visitor centre	Planning completed. Installation of system following building of visitor centre
Recycling	Increasing proportion of recycling for waste materials (increase in waste recovery by 1 % as of 2020)	2021	90 %	All label carrier films occurring in production and warehouse to be collected and sent to recycling plant	Carrier films to be collected and recovered, evaluation at the end of 2021.
CO ₂ neutrality	Concept to be devised by which to achieve CO ₂ neutrality	2022	50 %	Identifying new solutions for CO ₂ calculation, developing a CO ₂ audit in accordance with the Greenhouse Gas Protocol and identifying emissions for Scopes 1 and 2 along with meaningful CO ₂ compensation projects.	Emissions calculated in accordance with Scopes 1 and 2 -> next step is to identify suitable compensation projects





Environment & Energy

Theme	Goal	Target date	Status	Measures	Comments on measures
Fewer emissions	Using new technologies to actively reduce CO ₂ emissions caused by production	2021	100 %	Using a special roasting technology (nuts roasted using infrared radiation) powered by electricity. Ceasing to use natural gas will reduce direct emissions.	Infrared roaster in operation -> evaluation of CO ₂ emissions to follow at the end of the year
Fewer exhaust gases	To reduce exhaust gases from roasting processes compared to 2019	2021	50 %	Installation of a new exhaust gas treatment plant downstream of the coffee roaster to minimise emissions caused by the roasting process. Reducing exhaust gases from nut roasting using infrared technology	Coffee roaster not yet operational; infrared roaster operational. In the next step, the quantities of exhaust gas escaping through the flue will be measured and their composition analysed.
Sustainable packaging	To reduce packaging material and identify ways of using more sustainable packaging for appropriate product groups	2021	80 %	Reducing the volume and making more effective use of transport by changing from C flute to T flute in outer cartons; less material consumption and residual waste thanks to reduction in the roll width of heat transfer films.	Complete changeover not yet achieved



Culture & Politics

Theme	Goal	Target date	Status	Measures	Comments on measures
Raising awareness	To increase awareness of fair trade and social standards outside the company	2022	50 %	Identifying relevant interest groups and compiling relevant information materials on the subject of fair trade and social standards	
Visitor centre	Making better use of the Legau site to inspire more people to take an interest in organics and sustainability	2022	30 %	<ul style="list-style-type: none"> › Construction of a visitor centre for new 'Experiencing Rapunzel' offers › Opening of an interactive exhibition that presents the history of Rapunzel along with current sustainability issues. 	

Sustainability goals achieved & measures implemented



Fairness & Social Responsibility Worldwide

Theme	Goal	Measure
Supplier newsletter	To communicate information to suppliers	Sending a digital newsletter containing current news and information about purchasing, raw material procurement and quality assurance activities



Fairness & Social Responsibility in the Allgäu

Theme	Goal	Measure
Childcare	To support employees in balancing work and family life	To evaluate ways of providing short-term care for employees' children in local kindergartens and/or in the company
Work time models	Continuous expansion of flexible work time models to enable a better balance between family and working life	Actively and transparently offering employees part-time models to make it easier for them to return to work after parental leave
Noise protection	To provide optimised noise protection for production staff	Subsidising of modern ear moulds (individually fashioned hearing protection) for production staff
Computer glasses	Subsidy of up to 200 € for workplace glasses	On presentation of a medical certificate, employees receive a tax and social security-free subsidy for workplace glasses
Health promotion	To optimise workspace equipment in line with health aspects	Wherever beneficial or when required for health reasons: To create ways for employees to benefit from the use of height-adjustable desks, at least temporarily
Code of Conduct	To ensure fair behaviour between all people at Rapunzel	Compiling a Code of Conduct



Organic Agriculture & Biodiversity

Theme	Goal	Measure
Organic farming in Europe	To promote organic cultivation and biodiversity in Germany and Europe with the aim of minimising transport distances	Creating an initiative for increasing the amount of legumes from European cultivation, expanding cultivation to up to ten varieties, and establishing them in the market
Acreage	To increase acreage under organic cultivation	<ul style="list-style-type: none"> › Trainees calculate the organic acreage needed for Rapunzel raw materials › Increasing organic acreage through increased sales of Rapunzel products by 2 % per year
GMO-free seeds	To promote the GMO-free seed initiative and organic seed breeding	Using as many seedfast and GMO-free varieties for the production of Rapunzel products as possible; to constantly evaluate and support the breeding of such varieties
Biological diversity	To support the diversity project of the Bodenseestiftung	Active integration of agricultural engineers from Rapunzel-Turkey in the project
Organic farming in Turkey	To convey knowledge of organic farming practices and to serve as a role model for farmers interested in organic agriculture	Establishment of an organic training and test garden at the subsidiary in Ören with fruits grown in the Turkey project to train agricultural engineers, employees, and farmers and their families



Food Quality

Theme	Goal	Measure
Food safety	To improve food safety and stabilise food quality through internal measures	Purchase of a sorting plant for conducting prior checks on raw materials so as to optimise contamination detection at the Legau site
Microbiological analyses	To intensify our own quality assurance analyses in addition to analyses from external accredited laboratories	Acquisition of a microbiology laboratory in Legau
Synergies in production	To use synergies in the production process to further increase control	Outsourcing production of trading goods as much as possible to the Zwergenwiese GmbH subsidiary
Plant laboratory	To integrate allergen testing in the plant laboratory and thus optimise allergen management	Integration of rapid tests, Elisa tests and PCR detection methods



Environment & Energy

Theme	Goal	Measure
Environmental awareness	To train employees to be more environmentally aware	<ul style="list-style-type: none"> › Incorporating practical days in all trainees' schedules (e.g. placement in an organic farm) › Internal information events comprising topics concerning the organics industry and health matters
Primary energy consumption	Successive reduction of energy consumption: Lowering of annual energy consumption per tonnage of sold products by 1% in relation to energy consumption per sales volume for the year 2015 (by 2020)	Completion of software and hardware for the energy data management system for recording all energy flows
Fewer hazardous materials	Reducing the use of hazardous materials per tonnage of sales volume by 3% in relation to 2015	<ul style="list-style-type: none"> › Implementation of a process for ordering new materials (cleaning agents, lubricants) › Checking use of cleaning materials from the operating resources list for ecological processing 2017; initially for cleaning the kitchen and building
Renewable energy	To examine ways of increasing the use of renewable energy sources and in turn further reducing the use of fossil fuels	Installation of an additional cogeneration plant to supply the new extension with heat and electricity
Avoiding waste	Increasing waste separation quotient to 90%	Implementing stricter waste separation in office and production
Packaging materials used in logistics	Use of resource-friendly wrapping foil	Project for use of recycled film with a recycle share of 65%
Packaging materials used in logistics	<p>Use of sustainable packaging materials and reduction in volume of waste in logistics by using less film for securing transports</p> <p>Saving on film by adapting bought-in films to wrapping systems and optimising number of windings and degree of pre-stretch</p>	<ul style="list-style-type: none"> › Use of film strips rather than stretch film when securing for in-house transport on pallets › Replacement of bubble wrap to protect goods with more sustainable materials › Changeover to adhesive paper tape › Paper cover film › Changeover to paper envelopes, DD cartons with new dimensions, doing away with cover film › Boxes for parcel shipments with additional creases to reduce empty volume › Purchasing of discarded newspaper cover sheets to use as securing material for postal items › Self-pressing of films and boxes (up to 400 kg per bundle) and selling them on for reuse. <p>Changeover from double to single edge film:</p> <ul style="list-style-type: none"> › 'Raptor' wrapping system in Bad Grönenbach: Film consumption for a pile of four pallets is 90 grams, and for eight pallets 120 grams. Previously 115 and 130 grams. › 'Flyer' wrapping system in Bad Grönenbach: Film consumption for a pile of four pallets is 75 grams, and for eight pallets 115 grams. Previously 90 and 130 grams. › Projected onto the pallets from 2018, this corresponds to 726 kg of film saved per year (based on the saving of 528 kg in the year 2015)





Environment & Energy

Theme	Goal	Measure
Emissions	To reduce energy consumed by industrial truck equipment	Thanks to leasing, latest battery technology is installed in industrial tracks
	To reduce CO ₂ emissions due to production per sales tonnage at the Legau and Bad Grönenbach sites by 3% per production unit in relation to the year 2015	Systematic collection and evaluation of all relevant data
	To reduce refrigerant loss by 5% in relation to the year 2015	Maintenance of refrigerant system and regular inspection of system for leaks, exchange of defective components
Electricity consumption	To save electricity by employing new lighting technology	<ul style="list-style-type: none"> › Changeover to LED lighting and ensuring that any new installations are fitted with LED lighting › Check use of motion sensors in rarely frequented rooms or tower lighting (time, illuminant)
Electricity consumption	To save electricity by optimising use of compressed air	Use of pressure reduction valves with blow guns
Sustainable packaging	To use sustainable packaging materials for appropriate product groups, among other things to reduce film input per sales tonnage by 10% in relation to the year 2015	<ul style="list-style-type: none"> › Introduction of new packaging technologies for more sustainable packaging › Avoiding use of aluminium as packaging
Promoting renewable energy	To examine ways of increasing the use of renewable energy sources	Installation of a new photovoltaic plant on the roof of the new extension at the logistics centre in Bad Grönenbach to further the use of renewable energy



Culture & Politics

Theme	Goal	Measure
Pesticide-free agriculture	Publication of a study of the spread of pesticide in the air	Study: 'Agropoisons? No thanks!'
GMO-free future	To shape public opinion towards a GMO-free future and to promote agenda setting with specific campaigns	<ul style="list-style-type: none"> › Development of a new campaign as a follow-up to the GMO-free march: FOODprint campaign › Financial support for the 'Keeping GMOs out of Food' project conducted by IFOAM – Organics International

GRI Index

Our sustainability reporting is based on the internationally recognised guidelines of the Global Reporting Initiative (GRI). In order to present our performance transparently, this sustainability report has been prepared in accordance with the GRI Standards: Core Option. The GRI index explains where in the report information on the individual GRI indicators can be found.

GRI 100: Universal Topics

GRI Standard	Topic Disclosure	Page Reference
Organizational Profile		
GRI 102: General Disclosures (2016)	102-1 Name of the organization	p. 9 Let us introduce ourselves
	102-2 Activities, brands, products, and services	p. 9 Let us introduce ourselves
	102-3 Location of headquarters	p. 9 Let us introduce ourselves
	102-4 Location of operations	p. 9 Let us introduce ourselves
	102-5 Ownership and legal form	p. 18 Structure and organisation of the family-owned company
	102-6 Markets served	p. 24–25 Distribution Channels
	102-7 Scale of the organization	<i>Annual financial statements and management report 2020 (corporate document)</i> Number of employees: 433 (31.12.2020) Number of operating sites: 2 Net sales: 242 Mio. Euro Number of products: 550
	102-8 Information on employees and other workers	p. 63 Key employee figures
	102-9 Supply chain	p. 31 Supply chain management
	102-10 Significant changes to the organization and its supply chain	p. 18 Structure and organisation of the family-owned company p. 108 Extension in Bad Grönenbach p. 117 Experiencing the Rapunzel world
	102-11 Precautionary Principle or approach	p. 93–94 Energy management and EMAS
	102-12 External initiatives	p. 121 Actively involved in public opinion making
	102-13 Membership of associations	p. 121 Actively involved in public opinion making

GRI Standard	Topic Disclosure	Page Reference
Strategy		
GRI 102: General Disclosures (2016)	102-14 Statement from senior decision-maker	p. 2 Foreword
Ethics and integrity		
GRI 102: General Disclosures (2016)	102-16 Values, principles, standards, and norms of behavior	p. 14-15 Our Vision, Corporate philosophy, our corporate goals
	102-17 Mechanisms for advice and concerns about ethics	p. 128-129 Code of Conduct
Governance		
GRI 102: General Disclosures (2016)	102-18 Governance structure	p. 18 Structure and organisation of the family-owned company
	102-21 Consulting stakeholders on economic, environmental, and social topics	p. 26-27 Stakeholders
Stakeholder engagement		
GRI 102: General Disclosures (2016)	102-40 List of stakeholder groups	p. 26 Stakeholders
	102-41 Collective bargaining agreements	None – Pay structure based on the „LGAD“ tariff
	102-42 Identifying and selecting stakeholders	p. 26-27 Stakeholders
	102-43 Approach to stakeholder engagement	p. 26-27 Stakeholders
	102-44 Key topics and concerns raised	p. 26-27 Stakeholders
GRI 102: General Disclosures (2016)	102-45 Entities included in the consolidated financial statements	<ul style="list-style-type: none"> › Rapunzel Naturkost GmbH <p>Other entities included in the consolidated financial statements of JKW Vermögensverwaltungs GmbH but not in this sustainability report:</p> <ul style="list-style-type: none"> › Zwergenwiese Naturkost GmbH › ONE Organic Nature Ecology GmbH › Rapunzel Organik Tarım Ürünleri Ve Gıda Sanayi Ve Ticaret Limited Sirketi, Turkey (Subsidiary company of the Rapunzel Naturkost GmbH)
	102-46 Defining report content and topic Boundaries	p. 4 and 6 The Sustainability Working Group and Theme selection
	102-47 List of material topics	p. 4 and 6 The Sustainability Working Group and Theme selection
	102-48 Restatements of information	<p>p. 4 Reporting</p> <p>p. 104 Calculating emissions</p>
	102-49 Statement from senior decision-maker	p. 4 Reporting

GRI Standard	Topic Disclosure	Page Reference
Reporting practice		
GRI 102: General Disclosures (2016)	102-50 Reporting period	p. 4 Reporting
	102-51 Date of most recent report	p. 4 Reporting
	102-52 Reporting cycle	p. 4 Reporting
	102-53 Contact point for questions regarding the report	p. 4 Reporting
	102-54 Claims of reporting in accordance with the GRI Standards	p. 4 Reporting
	102-55 GRI content index	p. 139

GRI 200: Economic Topics

GRI Standard	Topic Disclosure	Page Reference
Economic Performance		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 22-23 Value added statement
GRI 201: Economic Performance (2016)	201-1 Direct economic value generated and distributed	p. 22-23 Value added statement
	201-4 Financial assistance received from government	None
Procurement Practices		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 32 Supplier management p. 34 Rapunzel raw goods imports p. 76 Legumes from Europe
GRI 204: Procurement Practices (2016)	204-1 Proportion of spending on local suppliers	p. 20-21 Corporate key figures p. 77 Raw materials imported from Europe
Anti-corruption		
GRI 103: Management Approach (2016)	Disclosures on the management approach	<i>Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 3 (corporate document)</i> p. 128-129 Code of Conduct
GRI 205: Anti-corruption(2016)	205-1 Operations assessed for risks related to corruption	p. 32 Supplier management p. 54 Certifications
	205-2 Communication and training about anti-corruption policies and procedures	p. 32 Supplier management
	205-3 Confirmed incidents of corruption and actions taken	None

GRI 300: Environmental Topics

GRI Standard	Topic Disclosure	Page Reference
Materials		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 68–71 Organic Agriculture p. 110–114 Sustainable aspects of packaging
GRI 301: Materials (2016)	301-1 Materials used by weight or volume	Packaging materials used 2020: 4,845,692 kg p. 114 Distribution of packaging materials by weight Raw materials used for production in Legau 2020: 26,505,680.35 kg p. 22–23 Value added statement
	301-3 Reclaimed products and their packaging materials	Reusability not possible for food. There are strict specifications for packaging materials, which is why they cannot be reused.
Energy		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 93 Energy management p. 94 Certified according to the EMAS Eco Audit Scheme
GRI 302: Energy (2016)	302-1 Energy consumption within the organization	p. 95 Key energy management figures
	302-3 Energy intensity	0.11 kWh / € for the year 2020
	302-4 Reduction of energy consumption	p. 95 Key energy management figures
Water		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 94 Certified according to the EMAS Eco Audit Scheme p. 106 Water and sewage
GRI 303: Water and Effluents (2018)	303-1 Interactions with water as a shared resource	p. 106 Water and sewage
	303-3 Water withdrawal	p. 106 Water and sewage
	303-4 Water discharge	None
	303-5 Water consumption	p. 106 Water and sewage
Biodiversity		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 72–73 Biodiversity

GRI Standard	Topic Disclosure	Page Reference
Biodiversity		
GRI 304: Biodiversity (2016)	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Legau and Bad Grönenbach sites are located neither in nor next to nature reserves or landscape conservation areas.
	304-3 Habitats protected or restored	p. 72–73 Biodiversity
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Critically endangered: 6 Threatened with extinction: 18 Endangered: 49 Nearly threatened: 52 Least at risk: 739 (status 01/2021)
Emissions		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 104–105 Emission prevention
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	p. 104–105 Emission prevention
	305-2 Energy indirect (Scope 2) GHG emissions	p. 104–105 Emission prevention
	305-3 Other indirect (Scope 3) GHG emissions	p. 104–105 Emission prevention
	305-4 GHG emissions intensity	p. 104–105 Emission prevention
	305-5 Reduction of GHG emissions	p. 104–105 Emission prevention
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	p. 104–105 Emission prevention
Waste and Effluents		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 106 Water and sewage p. 107 Waste management
GRI 306: Effluents and Waste (2016)	306-1 Water discharge by quality and destination	p. 106 Water and sewage
	306-2 Waste by type and disposal method	p. 107 Waste management
	306-3 Significant spills	None
	306-4 Transport of hazardous waste	p. 107 Waste management
	306-5 Water bodies affected by water discharges and/or runoff	None p. 106 Water and sewage

GRI Standard	Topic Disclosure		Page Reference
Environmental Compliance			
GRI 103: Management Approach (2016)	Disclosures on the management approach		Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 2 (corporate document)
GRI 307: Environmental Compliance (2016)	307-1	Non-compliance with environmental laws and regulations	None
Supplier Environmental Assessment			
GRI 103: Management Approach (2016)	Disclosures on the management approach		Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 10 (corporate document) p. 32-33 Supplier management
GRI 308: Supplier Environmental Assessment (2016)	308-1	New suppliers that were screened using environmental criteria	p. 32-33 Supplier management
	308-2	Negative environmental impacts in the supply chain and actions taken	p. 32-33 Supplier management

GRI 400: Social Topics

GRI Standard	Topic Disclosure		Page Reference																																																																																																																								
Employment																																																																																																																											
GRI 103: Management Approach (2016)	Disclosures on the management approach		p. 57–59 Working at Rapunzel																																																																																																																								
GRI 401: Employment (2016)	401-1	New employee hires and employee turnover	<table><thead><tr><th>New employees</th><th>Under 30</th><th>Rate < 30</th><th>30–50</th><th>Rate 30–50</th><th>Above 50</th><th>Rate > 50</th><th>total</th><th>f</th><th>Share f</th><th>m</th><th>Share m</th></tr></thead><tbody><tr><td>2018</td><td>15</td><td>25%</td><td>36</td><td>61%</td><td>8</td><td>14%</td><td>59</td><td>32</td><td>54%</td><td>27</td><td>46%</td></tr><tr><td>2019</td><td>37</td><td>49%</td><td>31</td><td>41%</td><td>7</td><td>9%</td><td>75</td><td>35</td><td>47%</td><td>40</td><td>53%</td></tr><tr><td>2020</td><td>34</td><td>60%</td><td>21</td><td>37%</td><td>2</td><td>4%</td><td>57</td><td>24</td><td>42%</td><td>33</td><td>58%</td></tr><tr><td>total</td><td>86</td><td>45%</td><td>88</td><td>46%</td><td>17</td><td>9%</td><td>191</td><td>91</td><td>48%</td><td>100</td><td>52%</td></tr></tbody></table> <table><thead><tr><th>Employee turnover</th><th>Under 30</th><th>Rate < 30</th><th>30–50</th><th>Rate 30–50</th><th>Above 50</th><th>Rate > 50</th><th>total</th><th>f</th><th>Share f</th><th>m</th><th>Share m</th></tr></thead><tbody><tr><td>2018</td><td>8</td><td>22%</td><td>21</td><td>57%</td><td>8</td><td>22%</td><td>37</td><td>16</td><td>43%</td><td>21</td><td>57%</td></tr><tr><td>2019</td><td>10</td><td>28%</td><td>19</td><td>53%</td><td>7</td><td>19%</td><td>36</td><td>18</td><td>50%</td><td>18</td><td>50%</td></tr><tr><td>2020</td><td>10</td><td>42%</td><td>11</td><td>46%</td><td>3</td><td>13%</td><td>24</td><td>7</td><td>29%</td><td>17</td><td>71%</td></tr><tr><td>total</td><td>28</td><td>29%</td><td>51</td><td>53%</td><td>18</td><td>19%</td><td>97</td><td>41</td><td>42%</td><td>56</td><td>58%</td></tr></tbody></table>	New employees	Under 30	Rate < 30	30–50	Rate 30–50	Above 50	Rate > 50	total	f	Share f	m	Share m	2018	15	25%	36	61%	8	14%	59	32	54%	27	46%	2019	37	49%	31	41%	7	9%	75	35	47%	40	53%	2020	34	60%	21	37%	2	4%	57	24	42%	33	58%	total	86	45%	88	46%	17	9%	191	91	48%	100	52%	Employee turnover	Under 30	Rate < 30	30–50	Rate 30–50	Above 50	Rate > 50	total	f	Share f	m	Share m	2018	8	22%	21	57%	8	22%	37	16	43%	21	57%	2019	10	28%	19	53%	7	19%	36	18	50%	18	50%	2020	10	42%	11	46%	3	13%	24	7	29%	17	71%	total	28	29%	51	53%	18	19%	97	41	42%	56	58%
New employees	Under 30	Rate < 30	30–50	Rate 30–50	Above 50	Rate > 50	total	f	Share f	m	Share m																																																																																																																
2018	15	25%	36	61%	8	14%	59	32	54%	27	46%																																																																																																																
2019	37	49%	31	41%	7	9%	75	35	47%	40	53%																																																																																																																
2020	34	60%	21	37%	2	4%	57	24	42%	33	58%																																																																																																																
total	86	45%	88	46%	17	9%	191	91	48%	100	52%																																																																																																																
Employee turnover	Under 30	Rate < 30	30–50	Rate 30–50	Above 50	Rate > 50	total	f	Share f	m	Share m																																																																																																																
2018	8	22%	21	57%	8	22%	37	16	43%	21	57%																																																																																																																
2019	10	28%	19	53%	7	19%	36	18	50%	18	50%																																																																																																																
2020	10	42%	11	46%	3	13%	24	7	29%	17	71%																																																																																																																
total	28	29%	51	53%	18	19%	97	41	42%	56	58%																																																																																																																
	401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees																																																																																																																									
	401-3	Parental leave	p. 57–59 Working at Rapunzel																																																																																																																								
Labor/Management Relations																																																																																																																											
GRI 103: Management Approach (2016)	Disclosures on the management approach		p. 18 Structure and organisation of the family-owned company																																																																																																																								
GRI 402: Labor/Management Relations (2016)	402-1	Minimum notice periods regarding operational changes	Statutory notification deadlines apply. Monthly exchange between works council, personnel department and management																																																																																																																								
Occupational Health and Safety																																																																																																																											
GRI 103: Management Approach (2016)	Disclosures on the management approach		p. 64–65 Health and safety at work p. 62 Enhancing our employee's health																																																																																																																								
GRI 403: Occupational Health and Safety (2018)	403-1	Occupational health and safety management system	p. 64–65 Health and safety at work																																																																																																																								
	403-2	Hazard identification, risk assessment, and incident investigation	p. 64–65 Health and safety at work																																																																																																																								

GRI Standard	Topic Disclosure	Page Reference
Occupational Health and Safety		
GRI 403: Occupational Health and Safety (2018)	403-3 Occupational health services	p. 64–65 Health and safety at work
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 64–65 Health and safety at work p. 58 The foundation of our success: motivated staff
	403-5 Worker training on occupational health and safety	p. 64–65 Health and safety at work
	403-6 Promotion of worker health	p. 62 Enhancing our employee's health p. 64–65 Health and safety at work
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 64–65 Health and safety at work
	403-8 Workers covered by an occupational health and safety management system	p. 64–65 Health and safety at work
	403-9 Work-related injuries	p. 64–65 Health and safety at work
	403-10 Work-related ill health	p. 64–65 Health and safety at work
Training and Education		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 57–59 Working at Rapunzel
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee	2,8 Mandatory training hours (2019) 19,9 Voluntary training (2019) In 2020 due to the Corona pandemic, the training programme was temporarily paused. Therefore the hourly figures from 2019 are more representative.
	404-2 Programs for upgrading employee skills and transition assistance programs	p. 57–59 Working at Rapunzel
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 57–59 Working at Rapunzel
Diversity and Equal Opportunity		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 57–59 Working at Rapunzel p. 128–129 Code of Conduct
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	p. 63 Key employee figures

GRI Standard	Topic Disclosure	Page Reference
Non-discrimination		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 57–59 Working at Rapunzel p. 128–129 Code of Conduct
GRI 406: Non-discrimination(2016)	406-1 Incidents of discrimination and corrective actions taken	None known
Freedom of Association and Collective Bargaining		
GRI 103: Management Approach (2016)	Disclosures on the management approach	<i>Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 5 (corporate document)</i> p. 32–33 Supplier management
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	None known p. 32–33 Supplier management p. 54 Fair For Life (FFL) Certification
Child Labor		
GRI 103: Management Approach (2016)	Disclosures on the management approach	<i>Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 4 (corporate document)</i> p. 32–33 Supplier management
GRI 408: Child Labor (2016)	408-1 Operations and suppliers at significant risk for incidents of child labor	None known p. 32–33 Supplier management p. 54 Fair For Life (FFL) Certification
Forced or Compulsory Labor		
GRI 103: Management Approach (2016)	Disclosures on the management approach	<i>Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 5 (corporate document)</i> p. 23–25 Supplier management
GRI 409: Forced or Compulsory Labor (2016)	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None known p. 32–33 Supplier management p. 54 Fair For Life (FFL) Certification
Human Rights Assessment		
GRI 103: Management Approach (2016)	Disclosures on the management approach	<i>Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 4 (corporate document)</i> p. 31–33 Supplier management
GRI 412: Human Rights Assessment (2016)	412-1 Operations that have been subject to human rights reviews or impact assessments	p. 32–33 Supplier management p. 54 Certifications p. 54 Fair For Life (FFL) Certification

GRI Standard	Topic Disclosure		Page Reference
Local Communities			
GRI 103: Management Approach (2016)	Disclosures on the management approach		p. 66 Our contribution to the region
GRI 413: Local Communities (2016)	413-1	Operations with local community engagement, impact assessments, and development programs	p. 66 Our contribution to the region
Supplier Social Assessment			
GRI 103: Management Approach (2016)	Disclosures on the management approach		Code of Conduct for Rapunzel Suppliers Version 03 2019, p. 4–7 (corporate document) p. 32–33 Supplier management
GRI 414: Supplier Social Assessment (2016)	414-1	New suppliers that were screened using social criteria	p. 32–33 Supplier management p. 54 Certifications
	414-2	Negative social impacts in the supply chain and actions taken	None known p. 32–33 Supplier management
Public Policy			
GRI 103: Management Approach (2016)	Disclosures on the management approach		p. 128–129 Code of Conduct
GRI 415: Public Policy (2016)	415-1	Political contributions	None
Customer Health and Safety			
GRI 103: Management Approach (2016)	Disclosures on the management approach		International Features Standard (IFS) Food 6.1 HACCP (risk analysis of critical control points) p. 86–89 Quality Assurance
GRI 416: Customer Health and Safety (2016)	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were no product recalls in 2020.
Marketing and Labeling			
GRI 103: Management Approach (2016)	Disclosures on the management approach		Brand Manual (corporate document)
GRI 417: Marketing and Labeling (2016)	417-1	Requirements for product and service information and labeling	p. 90–91 Packaging
	417-3	Incidents of non-compliance concerning marketing communications	None known

GRI Standard	Topic Disclosure	Page Reference
Customer Privacy		
GRI 103: Management Approach (2016)	Disclosures on the management approach	p. 128–129 Code of Conduct EU Data Protection Regulation (DSGVO) <i>Rapunzel Privacy Policy (corporate document)</i>
GRI 418: Customer Privacy (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2020 there was one complaint about incomplete deletion of client data.

Publishing information

Publisher:

Rapunzel Naturkost GmbH, Rapunzelstraße 1, D-87764 Legau
Telephone: +49 8330 529-0, Fax: +49 8330 529-1188
info@rapunzel.de, www.rapunzel.de

Coordination: Rosalie Dorn

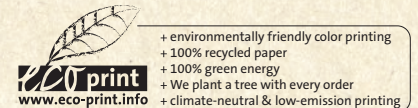
Editorial: Eva Kiene, Holger Epp, Miriam Jenth

Design: VIERPUNKT GmbH, Legau

Photo credits: All images © Rapunzel Naturkost: Marc Doradzillo, Eva Kiene, Daniel Munding, Fotostudio Viscom, Justina Wilhelm

With the exception of: pages 28–29: Zwergenwiese Naturkost, page 35: LIMBUA, page 39: Children – Cooperativa Manduvirá, page 39: Hospital – Serendipol, page 40: LOVE FOR LIFE/Mike Kollöffel, page 42: Loam construction – OTEPIC, page 42: Reservoir – Infinite Compassion, page 75: Dr. Bronner's, page 117: Visualisation – haas cook zemmrich STUDIO2050, page 127: EY Entrepreneur of the Year – Redcarpet Reports, page 127: CSR Prize – T.Maelsa/BMAS.

© Shutterstock: page 51 hazelnuts: Gribanessa, page 61 illustration, sunflower: R.Wilairat, page 73 illustration, trees: Nosyrevy, pages 90–91 background: Monstera, page 106 water barrel: Bianca Grueneberg, page 111 wooden background: PeterPhoto123.



Print: Uhl-Media GmbH, Bad Grönenbach

Produced with environmentally friendly printing on 100% recycling paper using mineral oil-free, eco-friendly printing inks and chemical-free printing plate production. Climate neutral print production.

3rd edition / 2021 © Reprinting, even in extracts, only with the permission of Rapunzel Naturkost GmbH.





The management and second generation
at Rapunzel (from left):
Seraphine Wilhelm, Margit Epple, Joseph Wilhelm,
Rosalie Dorn, and Leonhard Wilhelm.



Organics with love.