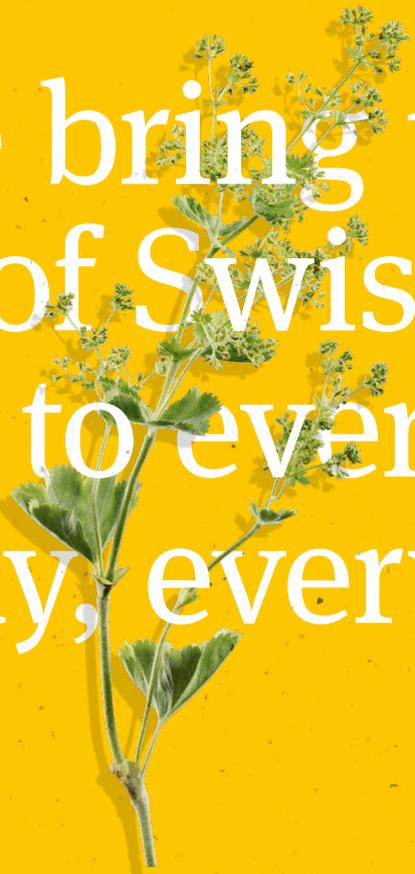


# Sustainability Factsheet 2017–2019



We bring the  
delight of Swiss alpine  
herbs to everyone,  
everyday, everywhere.

As a family company rich in tradition dating back almost 90 years, we feel a special responsibility to society, to our employees and to the environment. We remain committed to building a sustainable, thriving global business. We apply our skills and knowledge to transform naturally healthy herbs into delightful products.

Caring deeply can be traced back to the roots of Ricola. Since the beginning caring for and taking responsibility for our people and the life in the communities around us have been a priority.

Responding to a genuine need, we connect people to nature. We care deeply about both.

We are convinced that sustainability and successful business go hand in hand and we acknowledge that our business has an impact on the ecological, social and economic conditions in which we all live.

**Ricola**

# Ricola has skillfully transformed rich and pure Swiss Alpine Herbs into carefully formulated products.

The foundation of our sustainability approach is based on our declaration “Sustainability is in our nature”. We place responsible and sustainable business conduct at the heart of our processes. We continue our journey towards the next 90 years and a more sustainable future. It is a journey on which we move and act responsibly together with our people, our business and nature. We value and care for every single step on our journey.

Around us, the requirements and expectations of key stakeholders are changing. Customers, employees, shareholders and regulatory bodies alike expect responsible business conduct from all companies, and we are no exception. We are committed to adapt and respond to these expectations and trends in order to remain a relevant brand to modern consumers around the globe now and in the future.

We are also committed to pro-actively lead and role-model, find new innovative ways to grow our business, new ways to develop our people and explore even more areas to positively impact society around us.

Since we published our last sustainability factsheet in 2017 we have taken many footsteps: We continued reducing our environmental footprint, developed stronger ways to build – and build on – the talent of our workforce, collaborated with other organisations to create impact and introduced a sustainability reporting and monitoring tool. What may be worth noting is that sustainability at Ricola is driven by a cross-functional Green-Team where representatives of production, sourcing, innovation, packaging, HR, commercial and herb farming come together to develop, coordinate and orchestrate our ongoing footsteps.

The current sustainability approach, outlined below, focuses four key areas: Operations, People, Product and Corporate Citizenship. For each of the key areas strategic priorities and targets have been defined:

- Reduce rejects in production (“Lean management”);
- Further increase our energy efficiency and reduce our carbon footprint;
- Increase transparency and traceability in our raw material supply chain and conduct risk analysis;
- Increase employee awareness on sustainability

## OPERATIONS

Our operations are run in an environmentally friendly manner. We increase the sense of responsibility and commitment and actively engage employees by:

Continuously reducing CO<sub>2</sub> emissions

Focusing on optimization and enhancing innovation of packaging

Further reducing water and energy consumption

Deepening sustainability awareness with employees

## PEOPLE

We create a thriving work environment by:

Further investing in training and development

Increasing employee satisfaction and retention

Continuing work on health, safety and environment management

Ongoing implementation of “Lean” throughout our production.

## PRODUCTS

We ensure sustainable products and procurement by:

Continued controlled sourcing of herbs

Establishing strong and long-term partnerships with herb suppliers

Applying highest standards of raw ingredients

Ensuring sustainability standards in supply chain

Linking sustainability to overall commercial strategy and innovation

## CORPORATE CITIZENSHIP

We meet our social responsibility by:

Contributing to local and regional value creation

Delivering on our commitment to society, nature and culture

Coordinating and linking the work of the Ricola foundation with our core business

# Our operations

We remain committed to the conservation of nature and its resources. Minimising the use of resources in our daily operations and raw materials during production and packaging is a priority.

## 95%

of all cardboard packaging is FSC certified

FIGURES 2017–2019

## 8%

Saving of CO<sub>2</sub> emissions since 2016

FIGURES 2017–2019



## Water consumption

Reduction of specific water consumption since 2016 by 7%

FIGURES 2017–2019



## 11%

Increase of energy efficiency since 2016

FIGURES 2017–2019

### ACHIEVED IN 2017–2019

- Installation of solar panels on Herb Center producing 138'642.009 kWh of renewable energy.
- Over 95% of all our cardboard packaging material is FSC certified.
- Installed a new chiller in our production to lower energy consumption directly related to cooling.
- 100% of purchased electricity from renewable sources.

### PLANNED MEASURES 2020

- We have started a project dedicated solely to the improvement of our packaging by eliminating the aluminium used in our bag material, for all product types and regions where this is possible.
- We continue our footsteps to improve water and energy efficiency and reduction of overall CO<sub>2</sub> footprint.
- We have started developing a “packaging manual”, which will act as a guideline for the future development of sustainable packaging.

## Key project: Packaging

- Significantly reduce the plastic coating of the cardboard used for our “Böxli”.
- Experimenting circular economy potential using waste material from our production in our packaging material.

# Our people

Our vision of being a progressive and responsible employer is to support our employees in achieving their goals, to behave respectfully and to be valued by the workforce as a stable employer.

**398**  
Total positions  
(Full time equivalents)  
FIGURES 2019



## 77% employee satisfaction

(survey 2018)

15 apprentices

47% Percentage of women  
(part-time working women: 41,3%)

53% Percentage of men  
(part-time working men 8.8%)

FIGURES 2017–2019

### ACHIEVED IN 2017–2019

- Employee survey in 2018 and implementation of improvement measures.
- Continuous expansion of “Lean” throughout Operations and Production.
- Installation of Scooters between the office buildings (green mobility).
- Successful talent management and succession arrangements with employees.

### PLANNED MEASURES 2020:

- Development and implementation of the new leadership program (“We lead Ricola”).
- Development and implementation of a knowledge management system.

## Key project: “We are Ricola”

The cultural transformation “We are Ricola” project was kicked-off in 2019. “We are Ricola” focuses on developing strong leadership and accountability throughout the organisation by building on the knowhow and talent of everyone.

# Our products

As a responsible producer of herb specialties, the quality and origin of our ingredients take top priority and we source the herbs for our original herb mixture from our herb-farmers in Switzerland.



## 210 t

Total dried Swiss herbs processed (66% Bio-Suisse certified)

88 t of fair-trade honey processed

around 100 Swiss farms that cultivate herbs for Ricola (56% Bio-Suisse certified)

119 football fields Average area of land under cultivation for Ricola  
84.25 ha – equivalents in approximately  
119 football fields

FIGURES 2017–2019

### ACHIEVED IN 2017–2019

- Over 95% of the farms that produce for Ricola are certified according to the Mountain and Alpine Ordinance (BAIV).

### PLANNED MEASURES 2020:

- Definition and start of implementation of specific follow up measures based on supply chain analysis and development of a sustainable sourcing policy including an update of our Supplier Code of Conduct.

# Corporate Citizenship

We are committed to Switzerland as a business location and to our region. We are working actively to this end and shoulder our responsibilities in our local area amplified through the Emil und Rosa Richterich-Beck Foundation, established in 1975. The Ricola Foundation established in 2010 supports projects that attempt to research life's necessities and better understand them, thereby contributing to improving people's quality of life.

## Bee health

The Ricola Foundation focuses on 3 areas: Bee health, plant sciences, earthen architecture.

FIGURES 2017–2019



**40%**

of our employees come from the Laufen Region.

FIGURES 2017–2019



### ACHIEVED IN 2017–2019

- Support of the international network COLOSS (Prevention of honeybee COLony LOSSes) and various projects which counteract bee mortality.
- Encouraged research at the ETH Zurich into the (industrial) use of loam, as well as the exploration and dissemination of the architectural possibilities connected with this material.
- Support of a research project by University Zurich and Institut de Biologie de l'Ecole Normale Supérieure (IBEN) Paris on the function of light in programming plants (i.e. activating the genetic programs that enable plants to grow).
- The Emil und Rosa Richterich Beck Foundation supported various projects in Laufen with a focus on cultural activities e.g. the Kulturforum Laufen or Kammerkonzerte Laufen.
- The Ricola Art collection awarded the Swiss artist Silvia Bächli with the Ricola Collection Prize in 2018. The collection is open to the public for guided tours.

## Key project: Bee protection

Honeybees have been used by humans for thousands of years: while these important animals play a key role in honey production, their importance primarily lies in ensuring food security. Consequently, the Ricola Foundation supports projects that research and mitigate the risks posed to honeybees' health.

**We are Ricola.**

**Ricola Group AG**

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