

# sustainability report. 2022 2023

„fritz-kola stands for openness, diversity and tolerance – values that characterise our coexistence and are currently under threat more than ever. Nazis and populists are not an alternative, hatred and violence are not a protest. I believe that all those in politics, society and business that are democracy-minded have a duty to listen to citizens across the democratic spectrum and tackle problems together so that anti-democratic forces don't stand a chance. We want to help shape our society, which is why we are committed to an open and democratic coexistence, a clean environment and helping people who are struggling with poverty and homelessness.“

mirco wolf wiegerl, founder and ceo

Eyes open! Here is our new sustainability report for 2022 and 2023, which will give you an insight into what we've been up to over the past two years to make good things even better. Before we get started, let's take a quick look at what's been going on around here – because a lot has also been going on with our company.

You can already drink our kola from the Atlantic coast of Portugal to the Baltic Sea in Estonia. And because good things know no borders, you can find our product range in more and more European countries. At the end of 2023, we even opened our first international location in Vienna – and thus a permanent home for our Austrian team. In order to position ourselves well for the future, we brought in a lot of reinforcements in 2023: Florian Weins is driving internationalisation forward as Co-CEO and Managing Director together with our CEO and founder Mirco Wolf Wiegerl. The two will be significantly supported by Moritz Sohler, who is also new on board. As Commercial Director Europe, he is responsible for all markets outside Germany.

# 1. kola shows attitude.

we speak up for tolerance.

Without backbone, there is a risk of regression. That is why we are campaigning for a democratic society. Together with our partners, we regularly take a clear and loud stand for a tolerant world on the streets and online.

moving together, by bus or train – our call for diversity together with the berliner verkehrs-betriebe.

When everyone only thinks of themselves, there is hardly any room for consideration and respect. This can be seen in many areas – including public transport, where people like to elbow their way into the best seats. Together with the Berliner Verkehrsbetriebe (Berlin's public transport operators), we called on people to stand up for diversity in the summer of 2023. The centrepiece of the campaign was the fritz-kola x BVG Special Edition, available in selected Berlin S-Bahn stations and featuring the removable "Heart of Diversity" in the iconic BVG seat cushion design. Displayed on a jacket, backpack or other personal items such as a laptop or mobile phone, everyone was able to make a clear statement.

Our 2022 appeal against the far-right – "to the right, please exit" – was also directed against narrow-mindedness and racism. Together with the EXIT Deutschland initiative and TSV 1860 Munich, we campaigned to dissuade people from joining the radical right. The campaign in and around the stadium and on public transportation was nominated for the PR Report Award.



stylishly confident against prejudices – our collection with the fashion label habibi.

This is the material that dreams of a more tolerant future are made of. In the summer of 2023, we teamed up with the Hamburg-based fashion label Habibi to launch a collection that takes a clear stance against prejudice. The streetwear collection brought the Arabic script to German streets and made a statement in favour of more openness – with style against stigma! We also drew attention to the campaign with a pop-up shop.

louder for lots of good things.

Many people want to get socially involved, but don't know how to. With our campaign under the "Mund auf für Toleranz" umbrella, we helped them do so in 2023. When you bought our promo bottles, you either had the chance to win a festival ticket or the opportunity to trigger an automatic donation to one of three NGOs that are committed to free and open-minded coexistence. Among them, the non-profit initiative Start with a Friend e.V., the educational initiative GermanDream and ENAR, the European Network Against Racism. It doesn't always take big deeds, sometimes a big sip of kola is enough for a good cause – as the EUR 111,111.11 raised and more than 15 million impressions achieved during the campaign have proven.

we've brought the bundestag out of its summer slumber.

In 2022, we played political lullabies in the government district to wake up the Bundestag from its summer break. The respective streams raised over EUR 11,000 for the Brand New Bundestag initiative. Award-worthy: our 'Keinschlaflieder won bronze at the ADC 2023.



# 2. kola protects the environment.

the case is clear: driving full glass over plastic.

Our lives are inundated with plastic – and the beverage industry is making it even worse by adding billions of plastic bottles every year. We refuse to follow along and have actively chosen to go the reusable glass route since day one. The advantage: Our bottles can be refilled up to 50 times and be 100% recycled without any loss of quality.

However, a successful and sustainable reusable system – and the necessary system change in the beverage industry – is only possible by increasing the deposit from 8 to 25 cents. By making this proposal, we have initiated an industry-wide discussion. This is important because we all have to work together in order to achieve the increase.

Even internationally, we never deviate from glass and only use reusable deposit bottles unless local deposit systems, structures and distances make it impossible to return empties. In the last two years, we have also supplied our importers in a total of 12 countries exclusively with reusable products.

To increase this number in the future, we are committed to setting up reusable deposit systems in various countries, for example in Poland or with our own poster campaign in Austria. To gain even more reach, we founded the New European Reuse Alliance (New ERA) together with other European campaigners. The goal is to move away from a throwaway society and towards a circular future.

(p)raise our glass: awards for our new reusable glass system in ellenburg.

Reusable glass is the winning way. This is also proven by our highly efficient bottling plant, which opened in 2022 in Ellenburg near Leipzig with our partner Franken Brunnen and has won two awards: the Reusable Innovation Award from Deutsche Umwelthilfe (DUH) and an award from the Stiftung Initiative Mehrweg. Well deserved, we say – after all, thanks to new technology, the plant saves 75% water, among other things.

Our company was also nominated for the German Environmental Award and the German Sustainability Award. In the latter, we were the only dedicated cola & lemonade company to reach the finals in the "Beverages" category.

To protect the environment, we focus on short distances, which is why we produce regionally and 100% of our packaging suppliers were based in Germany in 2023 (2022: 100%). At the same time, we are making our production network as efficient and flexible as possible. This is why we reduced the number of our bottling partners from six to four at the end of 2023. With four locations in Wagenfeld (Lower Saxony), Güstrow (Mecklenburg-Western Pomerania), Sersheim (Baden-Württemberg) and Ellenburg (Saxony) as well as a logistics centre in Unterschleißheim (Bavaria), we now supply our customers based on demand. We also shorten transport routes with our 0.33 and 0.5 litre pool bottles because they are shared by other producers. Sharing is caring (for the environment). Our small 0.2 litre bottles are only available in the gastronomy sector and require almost no sorting.

We don't want to add more junk to the scrap heap. This is why we have further increased the share of sustainable advertising materials in the last two years and now offer many more items that are durable, recyclable, certified and plastic-free – as stipulated in our internal advertising materials guidelines. We have now achieved our overarching goal of 95 per cent sustainable advertising across all categories. We have already achieved the target of 100% for clothing and chalkboards since 2022.



stepping down emissions: we're making a small footprint.

Sometimes a negative can be a positive – our footprint has already become a few sizes smaller in many areas. By expanding our e-fleet, we were able to reduce it by 54.5% in Scope 1 compared to 2019. We report the emissions generated in connection with the electricity for our e-cars in Scope 2, which has increased accordingly. We have adjusted the data for 2022 retrospectively. In Scope 3, the conversion of further bottling plants to green electricity resulted in a decrease of 7% compared to 2022. However, they have increased overall since 2019 due to our growth. We have been calculating our greenhouse gas emissions in CO2 equivalents (CO2e) since 2019. In 2021, we joined the Science Based Targets initiative and thus committed to the United Nations' 1.5°C target. By 2030, we will reduce our Scope 1 and 2 emissions by 46% (compared to 2019) and measure and reduce Scope 3 emissions. By converting our fleet to e-cars, we are very close to achieving our goal. By 2025, we also aim to:

- reduce the consumption of water, heat and electricity per bottle by 20% (currently -17.5%, -11% and -11%)
- increase the percentage of certified organic raw materials (without sugar) to 90%
- a share of more than 95% sustainable advertising materials across all categories as well as
- achieve 100% sustainable mobility (e-mobility, public transport/long-distance transport, bicycle).

OUR climate footprint (Int CO2e)



\*We have adjusted the data for 2022 compared to our sustainability update published in 2023. Emissions from the operation of our electric fleet are now allocated to the purchased energy (Scope 2), not the vehicle fleet (Scope 1). We have also adjusted the 2022 data with regard to energy consumption in our office. The reason for this is that we had initially worked with an extrapolation.

Since 2022, only e-cars can become part of the fritz fleet; combustion engines are no longer purchased. Our old petrol cars will also be phased out by the end of 2024 and our fleet will be powered entirely by electricity. Currently, the proportion is already 45%. Irrespective of this, we are promoting sustainable mobility for all frittees, no matter where they go. 66 of them travelled by public transport at our expense in 2023 (2022: 35). We only fly in authorised exceptions and otherwise prefer to stay grounded by climate facts.

To make our production as resource efficient as possible, we work closely with our regional bottlers. In 2023, they used 89.88% green electricity (2022: 85%), as did we for our office in Hamburg. New from 2024:

# 100% green electricity everywhere

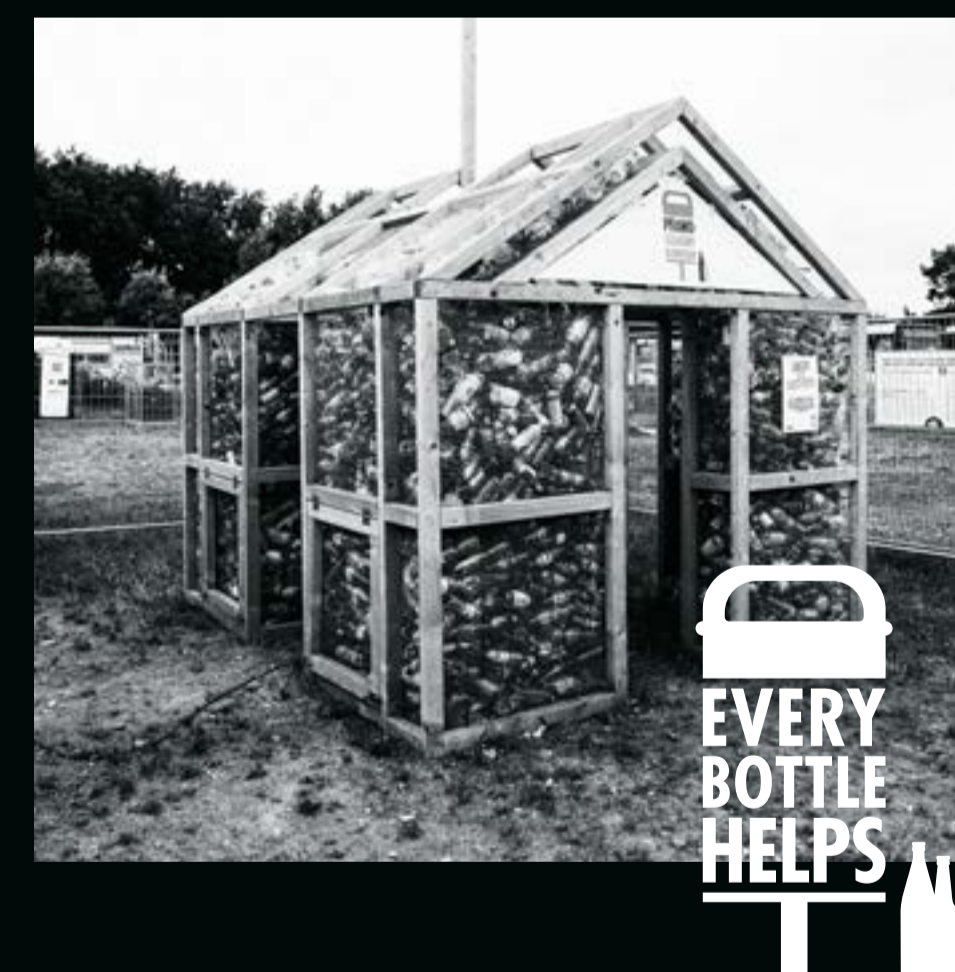
We also keep a close eye on the rest of the supply chain – because good is only good from the start. That is why we ask new suppliers about their sustainability management even before we start working with them. Together with Quality Management, we have also launched a coordinated process to survey all our suppliers, starting with those who supply us with raw materials. This will form the basis for a combined supplier evaluation process in the future. We will carry out a risk analysis based on this and the information regarding ingredient origin. We will then use this to evaluate the ingredients in terms of human and labour rights and also include ecological factors such as biodiversity and water stress. In addition, our Code of Conduct for Business Partners has been an integral part of our purchasing and distribution contracts since 2019. It is based on international standards such as the UN Declaration of Human Rights (UNDHR) and the labour and social standards of the International Labour Organization (ILO).

Using more organic ingredients is also a good way to become even better in terms of sustainability. Since 2019, we have increased the organic share of our purchased plant-based raw materials (excluding sugar) from 59% to 67% (2022) and then 73% (2023). The target is 90% by 2025. Of course, 100% of our products are still vegan.

# 3. kola makes a difference.

from shadow to light: spotlight on deposit collectors.

We are not living in easy times. And for some, times are even less easy than for others. To raise awareness of their situation, we once again conducted a study on the situation of deposit collectors in Germany in 2022 and are thus doing pioneering work. The most important findings: As the cost of living has risen, so has the number of people who actively collect bottles or cans. More than 1,030,000 people earn a small additional income in this way, which for most of them is just EUR 49 in the winter months. Under the umbrella of our "Every Bottle Helps" initiative, we continue to campaign for the respectful treatment of deposit collectors and make their voices heard. This also includes making deposit collection as easy as possible – and eliminating the humiliation of having to reach into the rubbish bin. The designated holder for deposit bottles, in which bottles can simply be placed and taken away by deposit collectors, already ensures this in many places in Germany. We have now also established the "Doneerring" in around 20 cities in the Netherlands.



doing good with the bottle at hand.

Fun and commitment to others are not mutually exclusive. We proved this at three festivals during the summer of 2023. Countless deposit bottles often end up in the rubbish or are trampled on. Visitors experienced the great value of bottle deposits when they took part in our campaign and the "Deposit House" art installation under the motto "Your deposit for a home." They could simply put their empty deposit bottles and cans into a metal frame and build a house out of deposit bottles together. A total of 40,000 bottles and cans were collected and more than EUR 10,000 in deposits were redeemed. The proceeds were then donated to the aid organisation Hanseatic Help and the federal association Housing First. As we do every summer, we also launched our heat relief programme – we hand out drinks to people living on the streets and encourage others to donate an extra bottle of water. In the long term, however, it is even more important that homeless people get what they need most urgently: a roof over their heads. In order to realise this human right, we are working with partners to demand the nationwide implementation of the "Housing First" approach and are campaigning against the displacement of homeless people from city centres.

# 4. kola stays awake.

pleasure in moderation instead of in bulk.

Litres of lemonade? Not with us. For us, Kola and co. are a stimulant and a cultural asset for adults. That's why we only offer our products in 0.2, 0.33 or 0.5 litre portion bottles – and not in bottles of one litre or more like most others. We believe in the positive effect of small bottles. We also care about who enjoys our products: We warn pregnant or breastfeeding women and children about the high caffeine content in the kola varieties on the label, as required. Our advertising is not aimed at children, does not take place in their environment and is not targeted at them.

# size of average fritz purchases (litres)



You like it? Great! To keep it that way, we're not letting up and are constantly working to make our product portfolio even better. For example, with our new fritz-kola superzero, which takes sugar-free flavour to the next level and won the Bestseller Award for Germany's most successful new product in 2023 from the trade magazine Rundschau for the food trade. We have already reduced the average calorie content of our drinks by 17.2% since 2016. The target is 20% by 2025.

the average purchased fritz (kcal per 100ml)



atop the podium: we're a great place to work.

Cross our hearts: we would be nothing without the 319 "frittees" (2022: 289, 2023: 317), as we like to call our employees. They put their heart and soul into their work every day so that we can really get things moving together. Conversely, we accept everyone for who they are – because diversity also helps us make a lot of progress as a team.

We employ an open, creative way of working together, flat hierarchies and shared values such as tolerance and sustainability. We have pretty much set this in stone in our identity and special management guidelines for all frittees. But we are not the only ones who say that we are a good place to work. The research and consulting institute Great Place to Work once again recognised us as a Great Place to Work in 2022 and as one of Germany's top 100 employers for 2023. But even more important to us than any award is the feedback from current and former employees: over 83% of reviews on the kununu platform give us four or five stars.

We not only speak up as a company for a good cause, but also encourage our employees to speak up when things don't go as they should – including ourselves. To make this easier, we introduced a whistleblowing mechanism in 2023 as prescribed, which can also be used anonymously.

Onwards and upwards – we want to continuously improve as an organisation. Above all, this means giving our employees the opportunity to grow professionally and personally. Since 2021, our managers have received a 7-day training course on the common leadership guidelines. In 2023, 16 new managers completed the external management training programme, 12 participants have completed the internal leadership training and will graduate in 2024. Our online platform is also there for all other frittees, which is used to teach current topics in a fun way. However, our internal trainers cannot do everything, which is why we also work with external training partners. In total, we had around 680 days for development in 2023, which means 2.3 days per person with 300 frittees.

You can find out more about working with us on our career page: <https://jobs.fritz-kola.de/en/>

about us.

An old vw van, a few euros in your pocket, a desire for independence and a simple idea – it can be done better. That's all it took to get started. Fresh out of uni and faced with that timeless question of what to do with their lives, friends Mirco and Lorenz found their answer: create something that makes time spent at their favourite places even better. Not just another mass-produced cola, but a cultural good that stands for something. No sooner said, than done, the recipe was developed. Not too sweet, with lots and lots of caffeine to add fuel to those long nights. All that was left was to slap some black and white labels of their faces on beer bottles with a name as open and honest as their cosmopolitan homeland and done. Meet fritz.

Our range includes four fritz-kolas, four fritz-limos, three fritz-spritz spritzers as well as mischmasch and Anjola. From our Hamburg office, we manage our national and international sales force, marketing, production, purchasing, people & culture and quality management. Our suppliers provide us with important ingredients such as juices and sugar, packaging materials such as glass bottles and reusable crates as well as advertising materials. Our filling partners – six German mineral springs in the reporting period – use ingredients and packaging materials directly for production. From the loading dock, the beverage wholesaler takes over and supplies restaurants, retailers and all others who sell our drinks in 25 European countries. They are also supplied with advertising materials via the Elbe Workshops. Normally, the glass bottle then comes back to us and continues its journey to all those who go through life with eyes open. Because the world belongs to the awake.

sustainability at fritz-kola.

Sustainability has played a central role in our corporate management since fritz-kola was founded. What was reflected in brown glass reusable bottles back then is now reflected in our corporate goals, values, guidelines and daily work. We do not want to go down this path alone, but consistently involve our stakeholders. We are in constant dialogue with suppliers and bottlers, as well as with distributors and customers from beverage wholesalers and retailers, restaurants and cash-and-carry markets. We also maintain close contact with our consumers through social media and events. We are an environmental partner of the city of Hamburg, a member of PRO MEURWEG – Verband zur Förderung von Mehrwegverpackungen e. V. (Association for the Promotion of Reusable Packaging) as well as the Bundesdeutscher Arbeitskreis für umweltgerechtes Management (B.A.U.M.) e. V. (Federal German Working Group for Environmentally Sound Management), the Bundesverband Nachhaltige Wirtschaft e.V. (Federal Association for Sustainable Business), the Grüne Wirtschaftsdialog e.V. (Green Business Dialogue) and Die Familienunternehmer e.V. (Family Business) and the Wirtschaftsrat der CDU e.V. (Economic Council of the CDU e.V.). We are also involved in the CLUBCOMMISSION BERLIN E.V. and the LiveMusikKommission e.V. In addition, we support the Arbeitskreis Mehrweg GbR (Round Table on Reusables) and recently founded the New European Reuse Alliance (New ERA) with other committed companies. In addition to specific events, we support numerous activists and non-governmental organisations in their work. We are always open to exchange with the media, politics, science, local communities and other companies in the market. This multifaceted dialogue continuously flows into our assessment of the material topics.

The Strategy and Sustainability team has an overview of our sustainability management. In our new structure, it reports directly to the Executive Board, which enables constant and direct dialogue on sustainability-related topics and decisions. The divisional management and the Executive Board have the final say and have also reviewed and approved this report and the previously identified material topics. Since 2023, the Strategy and Sustainability team has been working closely with the Sustainability Taskforce, in which frittees from all areas of the company are represented. This facilitates the implementation and integration of operational solutions into the company's processes.

about this report.

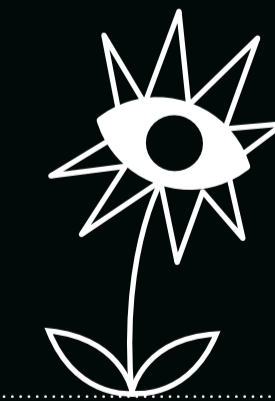
In 2023, we identified the material topics together with our frittees and selected external partners in surveys and workshops and with the help of a data analysis in line with the principle of double materiality. They form the basis for this report and its chapter structure. These are: Climate Change, Freshwater & Water Security, Chemical & Plastic Pollution, Income & Work (incl. non-discrimination), Energy Security, Health, (Loss of) Biodiversity, Social Engagement & Political Voice & Democracy, Human Rights.

The report has been prepared in accordance with the GRI Standards 2021. All information relates to the years 2022/23 and to all our activities – unless stated otherwise in the relevant place. Our key figures are based on purchase and sales figures. This excludes environmental data, which is based on production figures, and personnel data. We obtain information on events (including estimates) from the event organisers. You can find the full report with even more details and the GRI Standards online, just follow the QR code. Thank you for your attention.

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what's next?

With our sustainability reporting, we don't just want to look back, we want to look forward. To this end, we are focusing on democratic participation and this year, for the first time, we are letting our community have a say in the focus of our commitment. We are already working on our next report. For more information and results, just follow the QR code above.

