



MATTONI 1873

SOURCES AND TASTES OF EUROPE

**2021 REPORTING TO THE EU CODE
OF CONDUCT ON RESPONSIBLE FOOD
BUSINESS AND MARKETING PRACTICES**





PROGRESS IN ASPIRATIONAL OBJECTIVE 1:

Healthy, balanced and sustainable diets for all European consumers

Target: Improved food consumption patterns in the EU Promote consumer awareness of healthy, balanced and sustainable diets, including sustainable food consumption, as part of healthy & sustainable lifestyles

KPI's: number of educative events, number of participations on relevant events for health professionals

CONCRETE COMMITMENT: We will actively participate on creation educative materials for nutrition therapist schools to ensure the correct information about both health and environmental benefits of our natural mineral water and spring water within healthy drinking regime.

ENABLERS: None

We are a founding member of AquaLife Institute - an organization uniting leading experts and scientists, especially in the fields of hydration, related nutrition, healthy lifestyle or experts dealing with water as a natural resource. Through AquaLife Institute we are co-creating non-branded educative materials and run active PR to educate population about healthy hydration.

In 2021 we have organized 2 press conferences 2 podcasts and published 4 additional press releases promoting healthy drinking regime. Together with 4 Colleges of Nutrition Therapy in the Czech Republic we have been working on Healthy hydration monograph to be further used in teaching these subjects. The Healthy hydration monograph has been also distributed through 2 medical conferences that we have participated on.

Target: Improved food consumption patterns in the EU Improve, where feasible, the nutritional composition and environmental footprint of food products/meals, e.g. through product reformulation and new product development/ innovation

KPI's: sugar decrease in produced beverages expressed in tons or percentage

CONCRETE COMMITMENT: Where still reasonable we will further decrease the sugar content within our portfolio.

ENABLERS: None

We have been analysing the status of Mattoni 1873 products in the Czech Republic for further revision that is taking place in 2022.

We decreased the sugar content in all 7UP products that we are bottling for CZ, SK, HU and AU market by 30%. We have also introduced the sugar-free versions of 7UP and Lipton licensed products on Hungarian market.

PROGRESS IN ASPIRATIONAL OBJECTIVE 3: A climate neutral food chain in Europe by 2050

Target: Reducing net emissions from own operations, contributing to a 55% GHG emission reduction target in the EU food chain by 2030

CONCRETE COMMITMENT: Carbon footprint measurement in all facilities done by 2023, plan to reach climate neutrality ready by 2023, climate neutrality in category 1 and 2 reached by 2030 in all countries where we are present. We will be striving to decrease the climate footprint also in category 3-5

	Analysis done by	Plan made by	Climate neutral in category 1 and 2 by
Czech Republic	2021	2021	2030
Austria	2022	2022	2030
Hungary	2022	2023	2030
Bulgaria	2023	2023	2030
Slovakia	2023	2023	2030

ENABLERS: None

In 2021 we have measured and analysed our carbon footprint in the Czech Republic in all categories of emissions. The baseline year 2019 has been set up for whole holding. We have started to develop the strategy for reaching climate neutrality in scope 1+2 and we have started to analyse our indirect emissions coming mainly from raw materials, packaging and other supplied goods. As a first step we have run a survey of sustainability approach among our suppliers. Based on the results we have prepared a proposal for contract amendments in 3 supplier clusters to be further able to monitor the progress in their carbon footprint decrease strategy.

We have also started to collect data for carbon footprint measurement in Austria, according to the plan.

PROGRESS IN ASPIRATIONAL OBJECTIVE 4: An optimised circular and resource-efficient food chain in Europe

Target: a) Improved resource-efficiency within own operations, contributing to sustainable, efficient use and management of energy and natural resources in operations by 2030

KPI's: Percentage of water saving within our processes, number of improvements within our operations in all countries we are present.

CONCRETE COMMITMENT: Analysis of our water use ratio in all facilities in all countries ready by 2022, reasonable target and plan for further savings of water ready by 2024

ENABLER: Reference benchmark for minimum reasonable water use ratio

We have analysed the Water Use Ratio in all 5 factories in the Czech Republic. The water use varies from 0,14 – 1,16 l of extra water consumption per 1l of product. This corresponds with the EU NMW industry average, that is according to the study 1,68l / 1l of product including product water.

We are actively taking the measurement do decrease our water footprint in factory with the worse score via reduction of the hydraulic load of the wastewater treatment plant and intensification of wastewater treatment plant.
In 2022 we will measure the Water use ratio also in other countries, i.e. in 5 more plants.

b) Improved sustainability of food and drink packaging, striving for all packaging towards circularity by 2030

CONCRETE COMMITMENT:

ECO-DESIGN: Plan for step-by-step colour harmonization for better recyclability ready by end of 2022, full implementation by 2024, all across Mattoni 1873 portfolio.

DRS: Active enforcement for implementation of DRS in each country through consumer education, PR and other marketing and non-marketing activities.

BOTTLE-TO-BOTTLE RECYCLING: Where DRS in place, production of fully circular bottles within 2 years from DRS implementation.

ENABLERS: Legislation ready for implementation of centralized industry-led DRS ready, circular bottle definition

Mattoni 1873 is one of the founding members of the consortium in charge of the implementation of DRS in SK from 1.1. 2022. In January 2021, it was commissioned by the Slovak Ministry of the Environment to implement a deposit system in a record time of 11 months. We have succeeded in initiating a debate on harmonizing the number of PET bottle colours on the market for better bottle-to-bottle recyclability. Our employees actively contributed in professional discussions on setting up a deposit system with an emphasis on closing the PET material loop in Slovakia. We have announced our intention to purchase one third share in the Slovak recycling company General Plastics, that would allow us to recycle more easily from bottle to bottle.

We are actively involved in discussions on the introduction of an deposit system in Austria, Hungary and Serbia with an aim to its implementation as soon as possible and in accordance with the minimum requirements for DRS so that the system is fully transparent and allows manufacturers fair access to the material to be returned to the new bottles.

PROGRESS IN ASPIRATIONAL OBJECTIVE 5:

Sustained, inclusive and sustainable economic growth, employment and decent work for all

Target:

a) Improved resilience and competitiveness of companies operating at any point along the food value chain by 2030

b) Quality jobs, skilled workforce and safe and inclusive workplaces for all

CONCRETE COMMITMENT: Headcount increase for sustainability/waste/ circularity agenda, 100% relevant managers trained for circularity and sustainable business management, with focus on Sales, Marketing, Production, Logistics and Purchase dpt.

ENABLERS: None

In 2021 we have organized 3 trainings focused on Mattoni 1873 sustainability approach with focus on Circularity, Carbon Footprint, Biodiversity and Water footprint for our sales managers fleet of Modern trade, Trade marketing and Brand Marketing in CZ. We have been working of new module of our e-learning mandatory for all employees as well as for every newcomer.

PROGRESS IN ASPIRATIONAL OBJECTIVE 7

Sustainable sourcing in food supply chains

Target: a) Transformed commodity supply chains which do not contribute to deforestation, forest degradation and destruction of natural habitat and which preserve and protect high value ecosystems and biodiversity

KPI's: number of actions taken for protecting/increasing the biodiversity in our protected areas

CONCRETE COMMITMENT: Needs for fauna and flora species identified by 2024, concrete actions for relevant localities taken by 2025, where necessary - agreement with farmers for not using pesticides for water catchment areas.

ENABLERS: Methodology for biodiversity measurement

In 2022 we have revised the situation in all factory localities in the Czech Republic and compared the maps of the localities with the maps of endangered species. Together with Czech Union for Nature Conservation we have chosen 3 suitable localities, i.e. more than 146 000 m² in total - to preserve butterflies, that are umbrella species for other species (insects, plants, animals). We agreed on further plan of treatment in these localities to ensure suitable living conditions for these species to be implemented in 2022. This approach will be rolled-out to other countries as well.