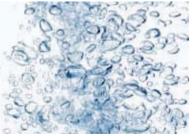


# BRITA GROUP // 2018 CORPORATE RESPONSIBILITY REPORT







#### SAVING RESOURCES

Why BRITA products contribute to making the world a little better and more sustainable.







#### ON THE SAME WAVE-LENGTH

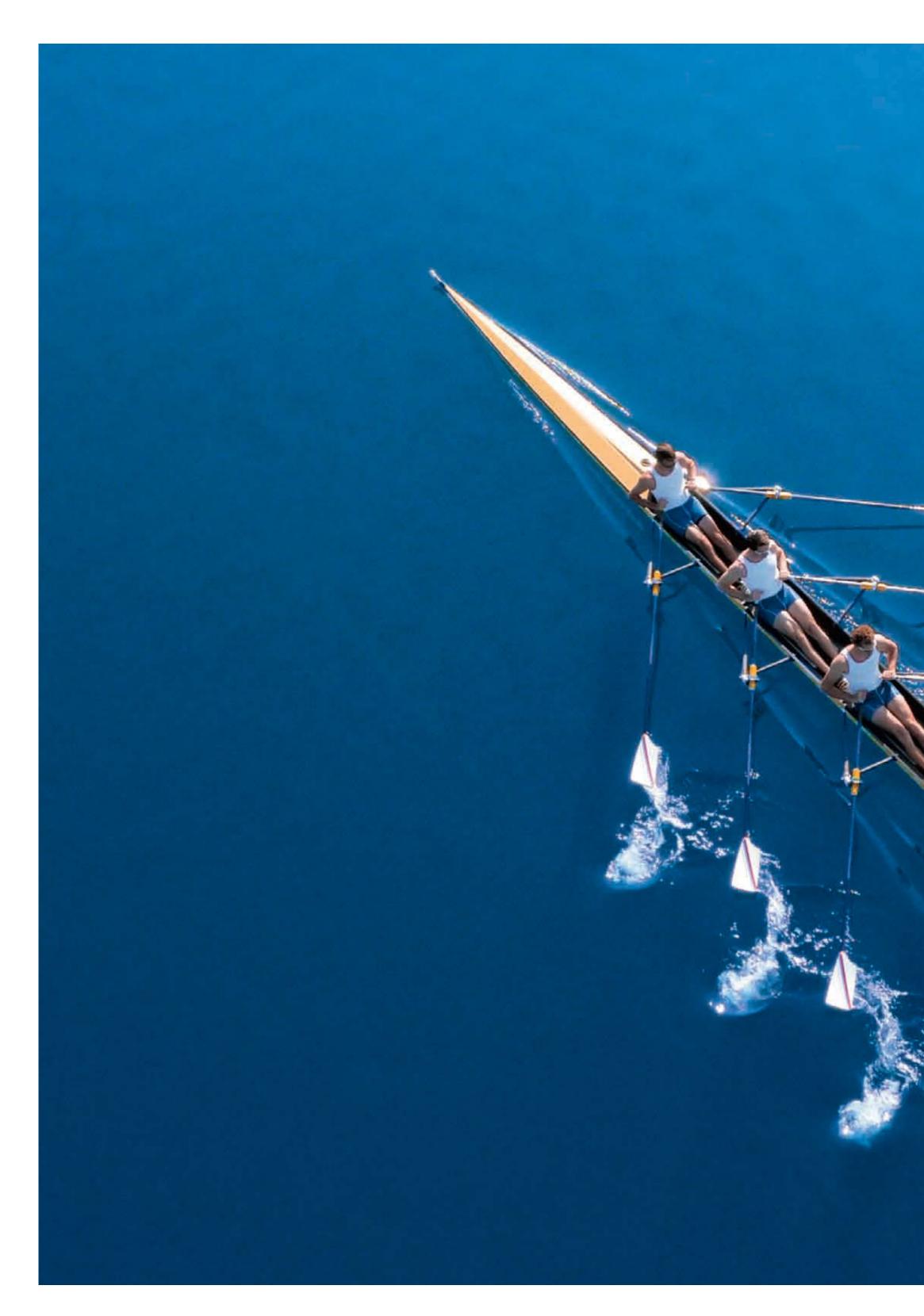
Why we help educate people about the growing plastic waste in the world's oceans.

# BA ANCE OUR

People all over the world value BRITA products that reliably fulfil their need for great tasting drinking water according to their individual preferences and requirements. And, everyone who uses a BRITA product saves resources, thereby helping to make the world a little better and more sustainable.



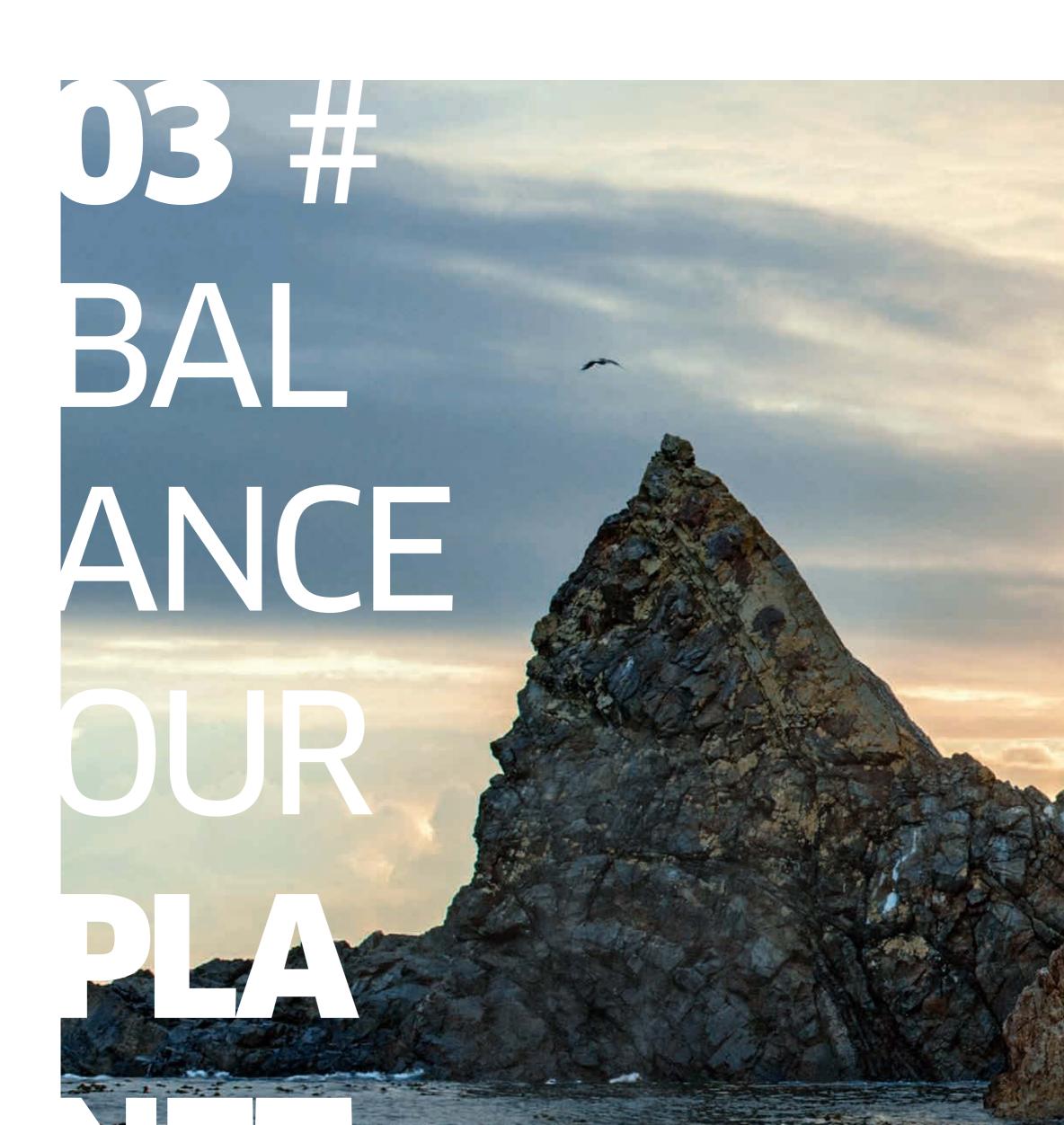
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Companies can only be sustainably successful when every single employee brings his or her best effort to bear. As a family-owned business, BRITA knows that energy, professionalism, engagement and creativity are valuable human qualities which cannot be exploited arbitrarily and that the company bears responsibility for its employees.



BRITA products help to protect resources. However, for BRITA, corporate responsibility also means reducing and offsetting the impacts of its operations on the environment, for example, by using eco-electricity, recycling cartridges or supporting environmental projects. BRITA's current focus: protecting the world's oceans and their inhabitants from plastic waste.



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#### Dear Reader,

It feels as if our first CR report in this striking format was just published, but that was in 2016, the year of our 50<sup>th</sup> birthday. And now you already have the second edition before you, reporting about the events in 2016/17, once again with a wealth of exciting content. I hope you really enjoy reading it and discovering all the news!

To celebrate our anniversary year, we also entered into a new partnership with a very special non-profit organisation - Whale and Dolphin Conservation (WDC). We became aware of the world's largest non-profit organisation for the protection of whales and dolphins three years ago, as a result of their Less Plastic is More campaign. The campaign's objective: to prevent a terrible prediction becoming reality - that by 2050, there will be more plastic in our oceans than fish. Everyone here at BRITA was shocked and appalled to hear this message, and no one more than myself. We decided to make a contribution to WDC and support their campaign, which seeks to explain the serious consequences of unnecessary single-use plastic consumption and the resulting pollution from plastic waste in order to stimulate consumers to reflect upon and rethink their own actions.

During the two years that have passed since then, I am sure you have become increasingly aware of how the subject is on everyone's lips. Initiatives like that of WDC and companies such as our own, but also committed individuals all over the world, are using social media to talk about the level the pollution has already reached, its deadly consequences for sea animals and the health risks for us humans.

This is all too distressing to read about and see, but: it has shaken people into action and has already led to many practical and inspiring initiatives. Municipal and regional governments are currently in the process of banning single-use plastics, consumers are increasingly seeking alternatives - and the number of measures is growing continuously. With our vision "We will change the way people drink water sustainably" our large BRITA family has a clear goal in mind and continues steadily on its path to offering people sustainable alternatives to water in plastic bottles - whether that be for the home, for when they are on the go, in the hospitality business or in offices, clinics and schools.

Last year, we celebrated our company's 50th anniversary. On the one hand, this is naturally a moment for stepping back and taking stock, and on the other, for setting sail for the next 50 years. Looking back has shown us: we have achieved a lot. Not only is BRITA the inventor of a completely new category, namely the water filter jug, and the only global brand in the market of drinking water optimisation and individualisation trusted by millions of users worldwide - users for whom we feel a strong sense of responsibility. By combining product innovation and internationalisation using BRITA's own special recipe for success, we have developed into a global player and a multi-product company.

But at the same time, we have remained a family business, a business that considers itself to be a large family and works together as such on all five continents. And now a new era has dawned. Our *BRITA 2020 – Conquer New Waters* company strategy is giving us focus and clarity on this journey into the future. The solid anchor during this time of change is our family business culture, in which the principle of sustainability and our employees' commitment to the community are deeply rooted.

WITH OUR VISION "WE WILL CHANGE THE WAY PEOPLE DRINK WATER SUSTAINABLY" OUR LARGE BRITA FAMILY HAS A CLEAR GOAL IN MIND AND CONTINUES STEADILY ON ITS PATH TO OFFERING PEOPLE SUSTAINABLE ALTERNATIVES TO WATER IN PLASTIC BOTTLES - WHETHER THAT BE FOR THE HOME, FOR WHEN THEY ARE ON THE GO, IN THE HOSPITALITY BUSINESS OR IN OFFICES, CLINICS AND SCHOOLS.

At BRITA, everything always begins at our innovation hub, our Research & Development department, into which we invest five percent of our total turnover every year and which in return brings a significant number of innovations to market. Over the last two years, this department was expanded even further.

Thus, for example, in the last two years alone, we have been able not only to introduce the new generation of our filter cartridge for consumers, MAXTRA+, but also to greatly expand the filter and pipe-connected water dispenser segment for professional use. And inspired by our new Asian markets, we have made a great leap forward in technology: with our ultra-filtration systems of the mypure family, we can now filter bacteria and viruses.

Asia has become our 'second home' in a very short period of time – just as we had hoped. In 2017, China was the strongest consumer market for BRITA for the third consecutive year; Japan made a great leap forward that same year. We are also active in Taiwan, Hong Kong and South Korea and are taking our first promising steps with our own subsidiary on the Indian subcontinent. In order to meet growing demand in Asia quickly and efficiently, BRITA has also built its fifth and most modern manufacturing plant to date in the Chinese city of Suzhou in conformity with German quality standards. The plant went into operation in August 2017.

In this report, you will find new facts and figures about all these subjects. Of course, you will be able to read a lot about our products and understand just how strongly BRITA and everything that our company does is inspired by our employees all around the world - how they and their workplace are continually developing, how they research, discover, manufacture and work together. And of course you will also be able to read about the continuous progress we have made since the last report in the area of corporate responsibility – for example, about our first materiality analysis and the fields of action we defined from its results. Or about our work on a BRITA CR policy, the integration of corporate responsibility topics in product development, as well as the updating and expansion of our company carbon footprint.

You will get to know Whale and Dolphin Conservation, its work and the animals that it is researching and protecting and, as a consequence, better understand how important it is not only to think carefully about sustainable consumption but also to start living it. And so I would like to close with a call, a call to all of us at BRITA and a call to all of you to move towards this goal together, step by step,

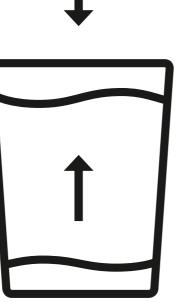
drop by drop.

Warm regards,

Your Markus Hankammer

DROP

# DROP TO TO WARDS SUS TAINA BILITY



We have translated the measures presented in this report into a symbolic drop. These drops now accompany you in colour-coded information boxes and at the bottom of each page. The further you advance in the report, the more the drops start to fill the glass.

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# INTERACTION WITH STAKE-HOLDERS

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**BRITA INVENTED IT** From a single product invention to an **innovation hub**. Innovation is in the company's DNA.

# EAST MEETS WEST

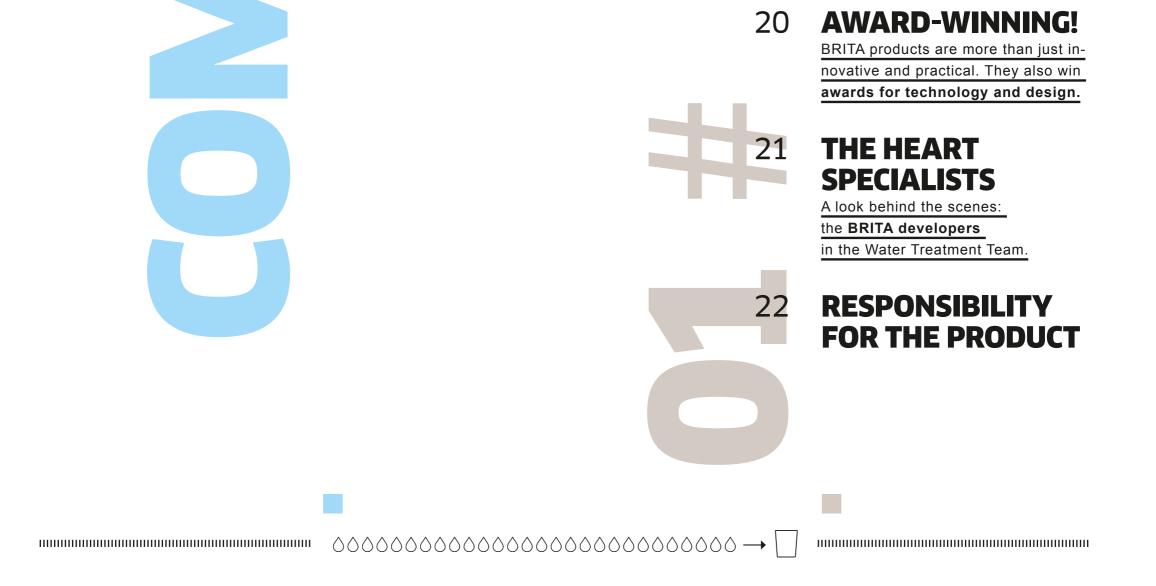
BRITA expands in Asia. The company now also manufactures in China, in its own production facility.

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Successful ideas are often copied. BRITA's effective campaign against product piracy.

# PIONEERING WORK: CARTRIDGE RECYCLING AT BRITA

Leading the way in filter cartridge recycling for more than 25 years.





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**FAMILY OUTING** BRITA employees value the community spirit. Even during their free time.

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# FROM PRODUCT MANAGER TO DIRECTOR

BRITA provides attractive career opportunities. One example of a fast-track career.

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# ON THE SAME WAVELENGTH

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# **PROTECTOR OF** WHALES AND DOLPHINS

A conversation with WDC ambassador and scientist Fabian Ritter.

# LOCAL PARTNER-SHIPS TO REDUCE PLASTIC WASTE

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### **RESPONSIBILITY FOR THE PEOPLE**

# RESPONSI BILITY FOR THE BRITA GROUP

# **STEPS THROUGH** 2020

- Consistently work on product innovations and research and development in the area of drinking water optimisation and individualisation technologies
- Continuously develop the trendsetting segment of pipe-connected water dispensers through acquisitions and international expansion
- Further penetrate international markets with a focus on Asia
- Further structuring of corporate responsibility in the form of a CR Programme and additional measures

# **THIS IS BRITA**

BRITA is the world-renowned expert in the area of drinking

#### **BRITA VISION** "We will change the way

people drink water sustainably."

# **BRITA MISSION**

We offer to everybody the best possible drinking water experience according to their individual expectations."

# **OUR VALUES**

As a family-owned business, BRITA has consistently placed much emphasis on values. Despite the company's swift advances and strong growth, nothing has changed in this regard – and so it will remain in future

The management and all of the employees know that very specific values are fundamental and contribute just as much to the company's success as business strategies:

LATITUDE TEAM SPIRIT PERSONAL RESPONSIBILITY RESPECT TRUST OPENNESS

# **PRODUCT PORTFOLIO**

In order to provide a service consistent with the BRITA Mission, the best possible drinking water experience for everybody according to their individual expectations, BRITA has been continuously expanding its product portfolio over the years. The goal for every product is to be a leader in terms of technology, quality and design:

#### Products for the home (BRITA Consumer)

- BRITA fill&enjoy water filter jugs
  - NTA fill 9 age water filter bettles for a

# **TURNOVER DEVELOPMENT**

In 2017, the BRITA Group with its 28 national and international subsidiaries and branches, five production facilities, and distribution and industrial partners in more than 60 countries on all five continents reported a total turnover of 494 million euros (adjusted for exchange-rate differences: 504 million euros). This signifies growth of 5.3 percent (adjusted for exchange-rate differences: +7.5 percent) compared to the previous year. 84 percent of total turnover was recorded outside Germany.

Household products in the consumer segment came to 355 million euros and therefore 72 percent of the group's total turnover. The top three markets were China, Great Britain and Germany. The professional sector, with product solutions for hotels, restaurants, catering companies and the vending machines industry as well as pipe-connected water dispensers for offices, schools, hospitals and the hospitality business, generated a turnover of 139 million euros and therefore represented 28 percent of the total turnover. In this segment, most products were purchased in Germany, Great Britain and Switzerland. The development of employee numbers also mirror this growth: at the end of 2017, 1,827 employees worked for BRITA worldwide (+7.5 percent), 942 of them in Germany (+5.8 percent).



# **A GLOBAL BRAND**

For over ten years, BRITA has earned more than 80 percent of its turnover outside its home market in Germany. With their specific consumption behaviours and requirements, international markets in which the company is active are increasingly powerful drivers for the BRITA brand's product and technology innovations.

The geographical expansion into Asia has been successfully driven forward for several years. The objective here is to create a 'second home'. So far, the numbers speak for themselves: in 2017, China was the strongest consumer market for BRITA for the third consecutive year. In addition, BRITA has been operating very successfully in Taiwan, Hong Kong, South Korea and for many years also in Japan. In 2017, BRITA founded a further separate subsidiary in Asia: BRITA India Water Solutions Private Ltd. in Bangalore.

In terms of products, in the segment of pipe-connected water dispensers and their filter cartridges in particular, there was a whole series of innovations: the CLARITY filter cartridge product range with multi-step filtration for an especially fresh taste, the new generation of the "Sodamaster" pipe-connected water dispenser with a hygiene concept that is unique in the market, and the yource waterbars for the home. With the latter, end consumers also now benefit from BRITA's knowledge in the development of water dispensers that are connected directly to the mains – delicious, fresh drinking water at the touch of a button that is chilled, carbonated or even heated depending on the model and user request.

water optimisation and individualisation. In 2016, the internationally successful German, medium-sized family business celebrated its 50<sup>th</sup> anniversary. With his invention of the water filter jug in 1970, Heinz Hankammer discovered a market niche and then consistently created the market for it. Today, BRITA manages business activities around the world from its headquarters in Taunusstein and has long since evolved into a multi-product company that offers tailor-made product solutions for a broadly diversified customer structure.

- BRITA fill&go water filter bottles for on the go
- BRITA fill&serve water filter carafe
- BRITA fill&boil appliances for preparing hot water
- BRITA connect&filter pipe-connected filter systems for BRITA optimised water directly from the kitchen tap or the BRITA waterbar
- BRITA Integrated Solutions filter cartridges that are integrated into domestic appliances made by partner companies, e.g. kettles, coffee and espresso machines

#### Products for the commercial context (BRITA Professional)

- Filter solutions for commercial use: coffee and espresso machines, vending machines, steam appliances, dishwashers and water dispensers
- Pipe-connected water dispensers for the target groups Corporate (e.g. offices, production areas), HORECA (e.g. the hospitality business, hotel industry, catering) and Healthcare (e.g. hospitals, care homes) for filtered, chilled, carbonated and hot water

With its new mypure ultra-filtration systems, BRITA also entered the fast-growing Asian market for such systems in 2017 and can now provide products that not only reduce pollutants, but also bacteria. BRITA is going even further with its mypure pro filter range, which was introduced in Taiwan at the beginning of 2018. It contains a modular system that reduces limescale and filters particles, bacteria and even viruses, depending on the respective customer needs. This product development is a good example of the strong impetus in new directions emerging in research and development from new markets and their specific requirements. The BRITA brand and BRITA users worldwide can benefit from this to a considerable extent in future.



## **GLOBAL MARKETS**



The BRITA Group includes not only BRITA GmbH which is headquartered in Taunusstein. Numerous subsidiaries around the world also contribute to the company's progress and growth. In North America, BRITA markets its products under the MAVEA brand.

- BRITA GmbH, Germany (headquarters)
- BRITA Water Filter Systems Pty. Ltd., Australia
- BRITA China Co. Ltd., China
- BRITA China Manufacturing Ltd., China
- BRITA France S.A.R.L., France
- BRITA Water Filter Systems Ltd., Great Britain
- BRITA Hong Kong Ltd., Hong Kong
- BRITA India Water Solutions Private Ltd., India
- BRITA Italia s.r.l. Unipersonale, Italy
- BRITA Japan KK, Japan
  BRITA Korea Co. Ltd., Korea
- BRITA Polska S n z o o Poland
- BRITA POISKa S.p.z.o.o., Pola
- BRITA OOO, RussiaBRITA Iberia S.L., Spair
- BRITA Wasser-Filter-Systeme AG, Switzerland
- BRITA Taiwan Co. Ltd., Taiwan
- BRITA Turkey Su Cözümleri Limited Sirketi, Turkey
- BRITA Vivreau B.V.B.A., Belgium
- BRITA Vivreau GmbH, Germany
- BRITA Vivreau Limited, Great Britain
- BRITA Vivreau B.V., the Netherlands
- BRITA Yource GmbH, Germany
- Asset S.r.L., Italy
- MAVEA Canada Inc., Canada
- MAVEA LLC, USA
- Vivreau Canada Inc., Canada
- Vivreau USA LP, USA

### FAMILY-OWNED BUSINESS

BRITA GmbH (formerly Chemie BRITA Geräte) was founded on 1 July 1966 by Heinz Hankammer. Today, BRITA is an autonomous and financially independent family-owned business that is incorporated as a limited liability company (GmbH). The company's operating activities are pooled in BRITA GmbH. Until August 1996, the company's founder Heinz Hankammer was the sole managing director. In August 1996, Heinz Hankammer's son, Markus, also joined the management team. Heinz Hankammer then assigned sole managerial responsibility on 1 January 1999 to Markus Hankammer, who is now CEO of the BRITA Group, while Heinz Hankammer assumed chairmanship of the newlyfounded Supervisory Board. Since 2014, Moss Kadey, who developed the business in North America as one of the BRITA pioneers, has been Chairman of the Supervisory Board; Heinz Hankammer became Honorary Chairman. He passed away in 2016, in the year of the company's 50th anniversary. Other members of the Supervisory Board are Brita Hankammer and Prof. Gerd Walger, professor emeritus and co-founder of the Faculty of Economics at Witten Herdecke University, Germany. The Supervisory Board advises and supervises management and the Executive Board. Alongside Markus Hankammer, Stefan Jonitz is the other Managing Director of BRITA GmbH and Chief Financial Officer of the BRITA Group.

## CONQUER NEW WATERS

At the core of BRITA's success is its continuous work on product innovations, development of international markets and investment in the area of research and development as well as employees across the world, closely linked to this valuedriven, long-standing company. The business strategy, *BRITA 2020 – Conquer New Waters*, which has been reviewed and updated annually since its introduction in 2015, provides orientation for this effort. Alongside a clear focus on diversification (geographically and in terms of products and technologies), acceleration and entrepreneurship, it contains specific objectives that define the direction for every region and every product segment.

On the strategic approach, Markus Hankammer says:

"We continue to rely on our expertise in a clearly defined product niche and the product range derived from it, whose benefits are understood by people all over the world. Why not optimise tap water in a smart way instead of transporting plastic water bottles back and forth and disposing of them with negative consequences for our planet and our oceans?"

### COMPLIANCE

Corporate compliance at BRITA is more than simply adhering to rules and laws. It is part of our business strategy and stands for a sincere, ethical and value-oriented attitude as the basis of responsible entrepreneurship along the value chain. To this end, compliance develops and implements preventive and reactive measures as part of risk management, which helps to prevent losses or identify them early. A fundamental part of the corporate culture at BRITA is responsible behaviour conducted with integrity, and it is expected equally from all employees, right up to the Executive Board. Nevertheless, managers have a special role: they are particularly obligated to set an example for their employees. Violations of law, codes and standards are pursued consistently and, if necessary, through disciplinary actions. which is based at the Taunusstein headquarters and reports directly to the CFO. The central compliance function coordinates training sessions and seminars, monitors compliance with internal and external regulations, and supports the implementation of globally binding internal standards. If a violation of compliance rules is suspected, the function conducts an internal investigation. Financial Directors act as local compliance officers in the various countries and are responsible for implementation of the measures.

To make compliance comprehensible and understandable for everyone, BRITA has developed two central documents: the Code of Conduct and the awareness brochure 'Compliance – Let's all come to the table'. The documents are currently available in twelve languages. Compliance, however, is brought to life not through brochures but through the valuebased actions of our employees. Internal communication and interactive workshops are designed to motivate and empower employees to conscientiously deal with compliance issues.

# **50 YEARS OF BRITA**

Every day for more than 50 years, everything at BRITA has revolved around a very special, valuable material: water. Together with the BRITA quality standard, this decades-long expertise has created immense trust in the BRITA brand from customers and consumers on all five continents. In over 60 countries across the world, people value the outstanding quality of the products. Since the invention of the water filter jug in 1970, the family business has developed into a multiproduct company. All BRITA products are unified in their contribution towards environmental protection. This is because filtering water in private homes and the use of water dispensers in schools and offices helps avoid the use of plastic bottles and therefore reduces plastic waste. In addition, BRITA customers are particularly impressed by the improved smell and taste of water and the more subtle development of flavours in hot beverages.

### THE EXECUTIVE BOARD

Markus Hankammer (Chief Executive Officer BRITA Group) Stefan Jonitz (Chief Financial Officer BRITA Group) Dr Rüdiger Kraege (Chief Sales Officer BRITA Group) Dr Hilmar Walde (Chief Technical Officer BRITA Group) Lars Wöbcke (Chief Marketing Officer BRITA Group, *EB member since February 2018*)

> Compliance is managed centrally at BRITA and is implemented locally in the different business units. The compliance function is part of the Group Legal & Compliance department,

BRITA wants to preserve its independence and identity as a family business in everything the company does. This is why the expert for drinking water optimisation will continue to think ahead and act sustainably in order to develop forwardlooking products and devices for customers throughout the world with inventiveness and a pioneering spirit.



# **CORPORATE RESPONSIBILITY** AT BRITA

As an owner-operated company, BRITA has always placed importance on taking responsibility long before the term 'corporate responsibility' was coined. Even today, the company is characterised by its daily work with the invaluable resource of water and its value-oriented corporate culture. For many years, BRITA has contributed with initiatives and measures to reducing the consumption of resources and energy and has been highly and diversely engaged in society at large.

#### From affair of the heart to strategy

Corporate responsibility has numerous aspects and challenges which arise from them, such as climate change, increasing resource scarcity, growing social injustice and the loss of biodiversity. Companies, too, cannot escape the discussion surrounding the causes of, and solutions to, these developments. Customers, employees and society as a whole expect that companies will rise to meet their responsibilities here. Because of its constant growth and strong turnover, stakeholders have increasingly become aware of BRITA, at a time when their expectations in relation to corporate responsibility have changed and significantly expanded.

Particularly for brand-name companies such as BRITA, reputation and perception are becoming ever more closely intertwined with the judicious use of resources, responsible supply-chain management, care for employees, and meaningful societal engagement. At the same time, from these obligations arises the opportunity to positively shape how the company is perceived through well-organised corporate responsibility activities.



The Executive Board ensures that the corporate responsibility activities are in keeping with BRITA's strategic goals. The members are (from left to right) Stefan Jonitz, Markus Hankammer, Dr Rüdiger Kraege, Dr Hilmar Walde and Lars Wöbcke.

#### Corporate responsibility – top priority for the CEO

On the initiative of CEO Markus Hankammer, corporate responsibility measures have been and are being implemented. For him, the topic represents the convergence of the values of a family-run business and strategic considerations – which is why he views it as his personal responsibility.

The orientation, focus and goals of BRITA's corporate responsibility are determined in a steering committee which includes Markus Hankammer as well as other members of the Executive Board. Thanks to the involvement of the highest management level, it can be ensured that all corporate responsibility activities are in keeping with the strategic goals of BRITA and contribute to the overall success of the company.

initiated in 2013. Today, the name stands for the goal of understanding the effects of BRITA's business operations, to reduce negative effects as much as possible and to 'balance them out' through meaningful action. *Balance the Impact* has become more than just an environmental protection project – it symbolises BRITA's corporate responsibility.

# Developing corporate responsibility together

#### First materiality analysis

In order to make this a success, the company must first understand which areas are of particular interest to stakeholders or which can contribute to the company's success and should therefore be the focus of its corporate responsibility efforts. To this end, a materiality analysis was conducted in 2017. In several internal workshops, various sustainability topics were evaluated according to their relevance for company success and the BRITA brand. Consideration was given as to which topics were the focus of important interest groups.

Furthermore, the methodical handling of corporate responsibility also contributes to risk management and to ensuring the 'licence to operate' - that is, societal acceptance of a company and its business model. This is because risks arise from the growing expectations of customers, societal trends and changing legal frameworks which can pose a danger to both the company's reputation and its success. Companies which take strategic advantage of corporate responsibility can, on the other hand, identify critical social and ecological issues early and deal with them accordingly. For this reason, corporate responsibility is more than just a priority for BRITA, it has also become a strategic topic.

The central members of the steering committee are, apart from the members of the Executive Board, the employees responsible for corporate responsibility and the heads of the Health, Safety & Environment, Group Corporate Communications and Brand Marketing departments. Together, they work with the various specialist departments to develop projects and initiatives in order to advance corporate responsibility topics which are relevant to BRITA. Wherever possible, recourse is made to existing processes and the measures undertaken are pragmatically implemented by the departments.

Since 2016, the corporate responsibility activities at BRITA have been pooled and coordinated under the heading *Balance the Impact.* The phrase came out of a project to reduce greenhouse gas emissions which was Up to now, numerous activities arising from BRITA's understanding of itself and its values have been initiated and implemented. In order to meet the increased demands of corporate responsibility, the topic is constantly being developed further and systematically. The aim is to generate a unified understanding of corporate responsibility and goals which all can subscribe to. For this reason, since 2017 BRITA has been working on a BRITA CR Programme. The foundation for this is the BRITA CR Policy which is currently being formulated. It defines BRITA's understanding of corporate responsibility and will provide both employees and managers with orientation and guidance. In developing this CR Policy and the CR Programme, it is therefore important to involve the whole company, the various departments and all employees.

No external stakeholders were involved in this first materiality analysis. Instead, departments participated which are in direct contact with important interest groups, such as Human Resources, Procurement and Sales. This ensured that important information from the perspective of external stakeholders could be added and the ability of the participants to comprehend the breadth of corporate responsibility was strengthened at the same time. The direct integration of external interest groups is planned for the future in order to provide BRITA with feedback to help align its corporate responsibility efforts.

The results of the workshops were condensed into a matrix and finally grouped into five fields of action for BRITA's corporate responsibility.

#### These fields of action are the core of the BRITA CR Programme. They help to classify the numerous existing and future activities, to prioritise them and to systematically work through each area. The results of the materiality analysis and the identification of the fields of action show that BRITA is already engaged in many of the relevant areas and has carried out initiatives. They also show where possibilities to prioritise and to find potential for additional corporate responsibility engagement might lie. In the future, the steering committee will be tasked with defining specific targets for these areas which then will be implemented throughout the entire BRITA group.

#### New CR Roundtable

Importance for stakeholders

In order to further strengthen our understanding of corporate responsibility in the company and to find common approaches to solving sustainability questions, BRITA formed the CR Roundtable in 2018. During regular meetings, representatives of all business segments are invited to gather information about corporate responsibility, add their ideas and suggestions and discuss important issues for BRITA beyond the confines of their own departments.

This interdisciplinary exchange prevents silo mentality and supports collaboration in areas which are important for BRITA both now and in the future. The results of the CR Roundtable are then discussed with the members of the Executive Board in the steering committee. The intention is to expand the principle of the CR Roundtable to the entire BRITA Group.

#### Fields of action of BRITA's corporate responsibility



#### Looking ahead

The BRITA CR Programme is being developed with the involvement of the top management and relevant departments. Its purpose is to systematically guide a wide variety of measures which had previously been implemented out of the tacit understanding of lived responsibility. It will also provide a framework for issues in which BRITA still has room for improvement. It will be ensured that corporate responsibility is integrated into the organisation in a way which is goal-oriented and pragmatic. Depending on the area concerned, this process may take longer, but one thing is certain: corporate responsibility will be implemented and experienced with the strength of the entire company behind it. The plan for the short term includes the adoption of the CR Policy and a step-by-step expansion of the CR Programme with areas of focus and goals. The requirements of stakeholders will also be taken into consideration during this process, along with BRITA's strategic goals and the challenges which confront a global and rapidly growing company such as BRITA.

# INTERAC TIONS WITH **STAKE HOLDERS**

BRITA maintains an ongoing dialogue with stakeholders such as suppliers, business partners, consumers and authorities via social media sites, conferences and trade fairs, for example. These interactions provide the company with important feedback – not least on issues relating to corporate responsibility. The future goal is to enter into dialogue with important stakeholders on specific issues of sustainability. For now, the focus remains on strengthening internal communication and embedding corporate responsibility more deeply in the BRITA Group.

BRITA is active in numerous national and international networks, associations and organisations related to the core business. This offers interesting possibilities for interaction with various interest groups and stakeholders, while simultaneously deepening existing expertise. Such external contacts also generate new momentum for the business and help to keep an eye on developments within the industry.

Consolidated results of the	materiality	/ analy	ysis
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1	
	Safe work and operational facilities
5	Sustainable lifestyle products
	Green products
	Motivated and happy employees
	Exceptional product quality
	Social standards in supply chains
	Transparent supply chains

#### **BRITA** memberships (selection):

- AGV Employer's Association of the Chemical and Related Industries for the State of Hesse (HessenChemie)
- BDS Federal Association for System Gastronomy
- BDV Federal Association for the German Vending Industry
- BLL German Federation for Food Law and Food Science
- DGE German Nutrition Association
- DGFP German Association for Personnel Management
- FIGAWA German Association of Companies in the Gas and Water Sector





A journey around the world – China: after a long working day, Wang Fang is flying home and quickly fills her water filter bottle from the tap at the airport in Hong Kong. Canada: Liza gets a glass of water from the pipe-connected water dispenser in the office corridor. France: Chef Roger switches on the steam oven in his bistro in Paris. What connects these people from the most diverse parts of the world? It is BRITA!

#### Protecting the environment

Whether it is convenient products for consumers, such as water filter jugs and the fill&go water filter bottles, or water filters for large appliances in the hospitality business and catering, or in vending machines for hot drinks – BRITA provides product solutions for the most diverse needs of its customers and consumers. Common to them all is that they contribute to environmental protection. This is, for example, due to the fact that filtered water is a resource-friendly alternative to bottled water.

The use of BRITA systems avoids carbon emissions which result from the purchase and transport of bottled water, both in private households and in a professional environment. Also, BRITA as a company plays its part in managing resources responsibly, for example, by recycling filter cartridges.



BRITA fill&go Active water filter bottles are a practical and environmentally friendly alternative to water from single-use plastic bottles. Simply turn on a tap while on the go, fill up the bottle and always have BRITA filtered water available.

#### **Preventing waste**

The prevention of waste is becoming ever more important in times of increasing global consumption. A reduction in the amount of waste sounds like a complex, virtually unmanageable task. But a guide<sup>1</sup> published jointly by the Bavarian State Ministry for the Environment and Consumer Protection and the University of Augsburg clearly demonstrates that here, too, many small individual measures can also bring significant progress. The publication outlines various waste-prevention measures for municipal facilities and operations. The installation of pipe-connected water dispensers is one of them. The example of the Stadtwerke München, Munich's public works department, is presented in the guide: in cooperation with BRITA, water dispensers were set up in 19 municipal offices. It was possible to save 52,800 1-litre bottles and up to 1.8 tonnes of waste in a two-and-ahalf-year period at one canteen belonging to Munich's waste management services alone. Furthermore, the publication demonstrates that a company with 100 employees, each drinking one litre a day, can save 506 kilograms of rubbish per year.



The BRITA VIVREAU water dispensers for the professional environment are mainly used in offices and industrial plants, restaurants and hotels, educational institutions, as well as clinics and other healthcare facilities.

Moreover, pipe-connected water dispensers in companies, clinics and organisations are a highly visible and tangible step towards greater sustainability for both employees and visitors alike – and they enable employees themselves to impact the environment positively every day just by drinking water.

#### Reducing CO<sub>2</sub>

In order to protect the environment, it is not only the avoidance of waste that is important but also the prevention of emissions. Greenhouse gases, however, in contrast to plastic waste, are not visible and for this reason it is very hard to imagine just how damaging this pollution is to mankind. Here, a product carbon footprint can be very informative. The carbon footprint calculation documents at what level CO<sub>2</sub> emissions are generated during the entire product life cycle. For one of the most popular BRITA models, the fill&enjoy Marella filter jug with the MAXTRA+ cartridge, 7.1 grams of  $CO_2$  are accrued per litre of filtered water. Conversely, 194 grams of CO<sub>2</sub> are generated per litre of bottled water.<sup>2</sup> The product carbon footprint of a typical bottle of water is therefore more than 25 times higher than that of a litre of filtered water. Thus, by enjoying BRITA filtered water instead of bottled water consumers prevented more than 300,000 tonnes of carbon dioxide in 2017. This corresponds to the annual CO<sub>2</sub> output of approximately 150,000 medium-sized cars.



The  $CO_2$  footprint of the Marella water filter jug with the MAXTRA+ cartridge is 7.1 grams per litre of filtered water. This is a significantly smaller footprint than that of bottled water, which comes in at 194 grams per litre of water.<sup>2</sup>

#### **Recycling filters**

The use of drinking water filters as an alternative to bottled water is already contributing to environmental conservation. However, in addition to this, BRITA itself supports the sustainable development and manufacture of products in a number of ways - for example, by sourcing more than 90 percent of its electricity from renewable energies. Furthermore, BRITA consistently recycles filter materials and has done so for more than 25 years. The activated carbon from used filter cartridges is returned to the manufacturer, where it can be used for other applications such as wastewater treatment. BRITA regenerates the ion exchange resin at its own plant in Taunusstein and subsequently reuses it in new filter cartridges. In 2017, for example, a total of almost 800,000 PURITY and PURITY C cartridges (filter cartridges for business customers) were recycled. This corresponds to approximately 1,660 m<sup>3</sup> of recycled filter material - enough to fill 20 travel coaches. The recycling rate for professional filter cartridges was more than 50 percent in 2016 and 2017, meaning that more than half of the cartridges produced were recycled.



<sup>1</sup> Leitfaden zur Erstellung kommunaler Abfallvermeidungskonzepte <sup>2</sup> Verband deutscher Mineralbrunnen e. V. [Association of German Mineral Springs]; refers to mineral water



At BRITA, the ion exchange resin is regenerated at the company's own plant and subsequently reused in new filter cartridges.

Many customers around the world appreciate BRITA, whether it's for its efforts to conserve resources, or for one of the many other benefits of BRITA filtered water. Two customers from very different backgrounds are introduced here.

#### Radisson Hotel Group:

The Radisson Hotel Group (RHG) is not only one of the largest hotel chains worldwide, it is also a pioneer in its sector when it comes to questions of sustainability. The BRITA Team interviewed Inge Huijbrechts, Global Senior Vice President for Responsible Business and Safety & Security at RHG:



Inge Huijbrechts, Global Senior Vice President for Responsible Business and Safety & Security for the Radisson Hotel Group

### Where can we find the water dispensers in your hotels?

BRITA's water dispensers are generally used to cater for meetings and events that are held on our premises. However, we also use them at the breakfast buffet, for example, so that we can offer great quality fresh water.

#### What role do they play in your sustainability strategy?

In the Radisson Hotel Group we follow a 5-year plan that is based on the pillars "Think People", "Think Community" and "Think Planet". One of our most important targets is that all meetings and events should be emissions-free and free of single-use plastic by 2020. In most European markets we have already achieved our target of being plasticfree. Water dispensers are a great help in achieving this target because they support us in cutting out the emissions that would be generated in the production and transportation of bottled water. Not to mention the huge amounts of plastic waste that we can avoid by using water dispensers at the hotels.

### How important are partners in achieving your targets?

Partnerships and collaborative actions are absolutely crucial when you want to achieve sustainability targets. The Radisson Hotel Group is a committed partner in sector associations such as the International Tourism Partnership, but it also pursues sustainability goals on a cross-sector basis. And naturally, suppliers such as BRITA are also important partners. For us, a decisive factor in selecting suppliers is not merely that they always strive to find the optimal solutions and that they are globally, or almost globally, active, but also that they have the same ideals as the Radisson Hotel Group. And this is true for BRITA.

#### You have many long-term targets. Tell us about the successes that motivate you to continue with this policy.

Since the spring of 2018 we have begun gradually reducing the use of plastic straws. This means that we are able to avoid the use of 7 million plastic straws a year simply with the countries in southwestern Asia and Africa that are currently involved. The reaction of our guests is a further impetus to us. We explain that we are avoiding plastic drinking straws in order to avoid plastic waste and then a good 90 percent of our guests are happy to have their drink without a straw, and the remaining 10 percent use our alternative straws, made of paper, for example.



# BRITA INVENTED

The foundation for BRITA's company success today was laid by Heinz Hankammer with his first two inventions. One of them, the water filter jug, has become popular around the world and is an integral part of many households today.



The first water filter jug "Household water filter I" from the inventor's workshop of Heinz Hankammer

The idea for his first invention 'AquaDeMat' came to company founder Heinz Hankammer in a chemistry lab more than 50 years ago. He was fascinated by an apparatus that could produce distilled water by means of ion exchange resin, without the water having to evaporate. On the basis of this technology, he built the first prototype of a filter in his garage, which became an instant hit in German petrol stations. The petrol station owners were impressed by the simple handling of the AquaDeMat, because, in those days, it was complicated to obtain distilled water for the maintenance of car batteries. The more products Heinz Hankammer sold, the more he became aware of the potential of the technology.

The brilliant idea for a solution that could be used in the household for the optimisation of drinking water came to him in 1970. That year, he invented the first household water filter which worked independently from a can understand the market needs well, we cannot develop solutions to exceed them, which is our goal," explained Thomas Nagel, Director Group Research & Development Filter & Dispenser. Dr Simon Floren, Director Group Research & Development Water Treatment & Laboratory, explains further: "We continuously research innovative technologies and product concepts. On this basis we develop tailored product solutions for our customers."

## BRITA ingenuity as the basis for innovations

A typical development project requires around two to three years from the idea to the finished product. Along the way, the idea must overcome several hurdles which are set in a product development process. Just like Heinz Hankammer, the BRITA developers in part still puzzle over, inventing and optimising technologies themselves. This makes the company independent of common, marketready solutions and, most of all, enables it to develop custom products to suit the individual needs of customers. As Hankammer demonstrated more than 50 years ago, a good idea alone is not sufficient. It only becomes an innovation if it offers a real solution, as the company mission states, "to offer everybody the best possible drinking water experience". In order to meet this objective, BRITA has made huge progress with its products. Today, highly complex machines and their control elements are also being developed. Or filter media, such as the MicroDisk or activated carbon block technology, which are unique on the market in this form. "If the required technology does not yet exist on the market, then we look for our own solutions," says Dr Hilmar Walde, the responsible member of the Executive Board, full of pride for his team.

#### The BRITA innovation workshops

The entire development process is accompanied by the Laboratory and the Technical Centre. Here products are thoroughly checked to see whether they deliver what they promise. At the Technical Centre, the main tasks are soldering, measuring and screwing. Here, everything is about electronics and software, as BRITA water filters and BRITA VIVREAU dispensers become ever 'smarter' with digital technology. In Technology Testing, part of the Technical Centre, the high quality of BRITA products is tested and ensured under realistic conditions. Here, for example, temperature fluctuations or changes in water pressure are tested. The Laboratory is the place where the concentrated water expertise of BRITA is bundled and where, among other things, the filtration result is checked. Only those product ideas that fulfil the BRITA quality promise are brought to market.



The Radisson Hotel Group has set itself a target to make all meetings and events emissions-free and free from single-use plastic bottles by 2020 – and has already achieved this in almost all European markets.

#### Ms Li:

Ms Li lives in Shanghai and has been a loyal BRITA consumer for more than ten years. She bought her first water filter jug in 2003, around five years before the foundation of the Chinese subsidiary, in one of the few shops in Shanghai that offered BRITA products.

"I love to drink tea, and what I particularly like about filtered water is that it lets the flavour of the tea develop fully. I think BRITA's filter jug is great because it is practical, effective and affordable for any Chinese family," says Ms Li. With these arguments she has already convinced her family and many of her friends to also buy a BRITA product. She particularly likes many of the new products that BRITA brought to the Chinese market in the past few years and is looking forward to acquiring and trying out a new one soon.



Ms Li, loyal BRITA customer from Shanghai

water pipe, and the sales idea to go with it: the BRITA tea test, which immediately shows the product benefits. The tea made with BRITA optimised water was clear and did not exhibit any unappetising streaks, not even after cooling.

#### Focus on research and development

As one of the leading developers, producers and providers for drinking water optimisation, BRITA still invests a lot of time and money into Research & Development today. The central success factor remains the same: to continuously optimise and develop the technology in order to constantly provide reliable answers to customer needs. To this end, BRITA developers daily research new filter technologies, materials and their ideal usage. The company receives ideas for innovations or product improvements from the exchange with universities and its internal innovation management. This has placed dialogue, not least with the customer, clearly centre stage. "We see ourselves as the voice of the customer. Unless we as developers



29 marketable product innovations in 2016 and 2017 speak for themselves. The erstwhile inventive spirit of Heinz Hankammer is still alive today.

# **EAST MEETS**WEST

One of BRITA's strengths is its ability to introduce its brands and its products internationally and to attract customers in more and more countries. In this regard, Asia is a region where BRITA recognised the market potential at an early stage and in which the company has increasingly invested in recent years.

'BiRanDe', as BRITA is known in Chinese, has been marketed by its own subsidiary in the Middle Kingdom since 2013. With 20 million MAXTRA cartridges sold, 2016 was the most successful year so far for BRITA China Trading. In order to be able to respond more flexibly to market demands and to decrease inventories in Asia, BRITA also founded a production company in 2017, BRITA China Manufacturing, and built an entire production facility. Since then, in the Chinese city of Suzhou, the products MAXTRA+ and - since 2018 - a new filter family for Asia, mypure pro, have been manufactured there. Lukas Platz, Director of Group Manufacturing, is thrilled: "The new production site offers a number of organisational advantages. We also save ourselves the administrative effort associated with importing products to China,



The newly founded production company BRITA China Manufacturing is located in Suzhou, around 100 kilometres from Shanghai. It opened on 24 August 2017 following traditional Chinese customs and has been producing the new mypure pro filter family in addition to MAXTRA+ since 2018.

and of course, we reduce transport distances. Taken together, these factors save time, money and a great deal of  $CO_2$  emissions."

#### Intercultural cooperation

The installation of state-of-the-art production equipment placed enormous demands on the project team. Numerous employees from Industrial Engineering, Supply Chain Management, Logistics and Quality Management spent several weeks on site to implement the relocation according to BRITA standards. From the outset, Lukas Platz relied heavily on local skills: "Right from the beginning we drew on the opinions and experience of the Chinese team. In this way, we were able to bring together the best of both worlds: decades of acquired expertise and the local knowledge required for the Chinese market." The result is plain to see: the highly modern production lines fulfil not only the highest safety standards. The MAXTRA+ production line, for example, is also larger and has a greater capacity than any of the lines at the European sites.



The plant in China manufactures exclusively for the Asian region. Local production cuts out long transport routes and thus significantly reduces CO<sub>2</sub>.

# FOR THE GOOD NAME

BRITA is a manufacturer of a brand product. This goes hand in hand with a special obligation to protect the products and the BRITA brand tions. Particularly since BRITA established a second home in Asia over the past five years, the violation of property rights has become an increasingly important topic. as this, most of the time all property rights that we have take effect, and the law is clearly on our side," concludes Dr Jochen Dörring.

#### The fight against product piracy

"In the fight against counterfeit products, combining various resources has proven helpful: we rely on professional online monitoring and on local experts who secure evidence for us on site," says Dr Jochen Dörring. Retracing a counterfeit product is not that simple, as product pirates perform their sales transactions predominantly on the internet in order to prevent any possible tracing of their production sites. "We feel well-trained and equipped for the fight against counterfeits and will continue to do everything to prevent freeloaders from diluting the BRITA brand," concludes Dr Jochen Dörring.

So far, more than 50,000 counterfeit cartridges and over 2,500 counterfeit water filter jugs have been secured and taken off the market. As product pirates only rarely have a large stock, however, it is important to stop their work in the long-term. The deterrent effect plays a significant role in this. After a successful arrest, counterfeiters lose everything they have invested and frequently receive a prison sentence.

#### promise. After all, millions of customers worldwide trust the filter performance of the BRITA product solutions – an invaluable asset for the company and its sustained success.

At BRITA, an entire department deals with the subject of intellectual property rights and their protection. Seven colleagues work to protect around 1,600 BRITA brand rights the company owns for its segments and products sold in more than 60 markets globally, as well as around 600 patents or patent applications and 500 design rights around the world. Patent lawyer and physicist Dr Jochen Dörring has been leading the team for around four years. The employees' tasks are diverse. In countries in which BRITA does business, rights must be registered and subsequently maintained. Nearly every strategy adjustment in marketing requires an adaptation of the IP rights. For example, changes to the logo and the design of the products lead in most cases to new property right registra-

#### Active brand protection

"Basically, there are three forms of property right violations," explains Dr Jochen Dörring. The classical property right violation is obvious: a BRITA product has been copied in a competitor's product to the extent that patents were violated. This usually leads to legal action, after which the competitor product must be taken off the market. "If we find a socalled look-alike product, our work becomes significantly more difficult. In that case, the competitor has attempted to recreate the product in a very similar way while not violating any property rights. Nevertheless, there are obvious connections to our brand or products. In such cases, we must closely examine our options to look for a basis for the claims against the manufacturer," says Dr Jochen Dörring.

Last but not least, there is the case of product piracy or counterfeiting. Here, a BRITA product has been imitated to such a degree that it is almost impossible to distinguish it from the original product at first glance. "In a case such Through its membership in the protection association QBPC, which encompasses a total of 200 companies with businesses in China, BRITA can also learn from other companies and stay in contact with the authorities as a collective. So far, in cooperation with experts, local authorities, the online sales platforms and the Chinese criminal police, six product pirates have been identified and held accountable. "Usually, the damage incurred by BRITA can only be roughly estimated. One reason for this is that product pirates like to mix originals with counterfeits in order to remain undetected," says Dr Jochen Dörring. However, it is clear that BRITA will continue to prioritise the topic.

This is, after all, not only about avoiding material damage, but also about protecting the consumer and maintaining the leading market position of BRITA and the jobs associated with it. The continuous internal development of the BRITA IP office and the very good external network created by BRITA since 2014 are reasons to be confident.



# PIONEERING WORK: Cartridge Recycling At Brita



BRITA has its own regeneration plant: each of the three columns can be operated autonomously and can process about 1,000 litres of material from the separation plant per cycle.

As a manufacturer of products offering an environmentally friendly alternative to bottled water, a responsible use of resources goes without saying for BRITA. Long before the term 'sustainability' was on everyone's lips, BRITA had already developed a recycling process for filter cartridges. The key element of this process comprises two facilities that have been in operation since 1992: the separation plant and the regeneration plant with integrated waste-water treatment.

In the BRITA separation plant, the used cartridges are opened and the filter mixture of ion exchange resin and activated carbon contained within it is separated. After this, all of the cartridge components are reused in various ways. The ion exchange resin is returned to Taunusstein and recycled in the regeneration plant there. The product components which cannot be recycled by BRITA itself are recycled by suppliers or other partners and thus returned to the material cycle. The activated carbon, as an example, is returned to the original supplier and can be reused after reactivation in wastewater treatment, for instance. The plastic cartridge cases are ground down into granulated material which is sold to the plastics industry as a raw material.

Upon arrival at the regeneration plant, the ion exchange resin is processed in such a way that it recovers its full efficiency. After a multistage treatment process, it once again fulfils all functional, hygienic and legal requirements placed upon brand-new ion exchange resin.

The regenerated ion exchange resin is subsequently sterilised in a boiler, before being cooled and dried in a filter container. About 1,000 litres of completely regenerated material is sterilised per boiler operation and then used as an additive in new cartridges. The numbers show how sustainable the BRITA production cycle already is, thanks to the recycling plant. Each year, more than 2,000 m<sup>3</sup> of ion exchange resin and activated



The used MAXTRA cartridges which consumers return from all over the world, are collected in the separation plant in Wehen near Taunusstein.

carbon are reclaimed from more than 4 million products in Taunusstein-Wehen. Compared to new production, the recycling of the ion exchange resin uses fewer raw materials and thus fewer raw fossil materials. By returning the exhausted filter cartridges, BRITA consumers make a very practical contribution to environmental and climate protection.

# AWARD-WINNING!

A leader in technology and design – this aspiration that BRITA holds for its own products is regularly confirmed by industry awards. The long list of awards includes:

#### German Innovation Award 2018

The BRITA mypure pro product family is a drinking water filter system with innovative 4-stage filtration developed by BRITA in Taunusstein, Germany and launched in Asia in 2018. It filters out particles, viruses, bacteria, and other harmful substances, while leaving the majority of the minerals in the water. The German Innovation Award assesses products for their design, branding, and innovation. The evaluation criteria are as demanding as they are simple: the entire concept must be functional and sustainable - and contribute to a better future. The competition was first organised by the German Design Council, which is one of the world's leading design competence centres. Initiated by the German Bundestag and endowed by German industry, the German Innovation Award has been supporting companies for more than 60 years in the development of their brand and design and has been strengthening German design as an economic factor.

#### Kitchen Innovation Award 2018

The BRITA yource pro top and pro extra waterbars, hitherto available only in Germany, won the Kitchen Innovation Award 2018. A jury nominated the products for the award, but actual consumers chose the winners. Both waterbars convinced voters with their innovation, functionality, and design. "We are truly delighted with these awards. The fact that our products were able to convince not only the jury but also the consumer is an important acknowledgement of our efforts in the field of development," says Abdollah Filly, Expert in Smart Tap Systems in the Group R&D Pressurized Systems & Electronics section.

#### red dot award 2017

Innovations in the popular product segments of water filter jugs and water filter bottles, which are established in many markets, have also been recognised. The BRITA fill&enjoy Style water filter jug and the fill&go Vital water filter bottle won the prestigious red dot award in 2017 for their product design.



Team leader Torsten Domning takes a sample for the BRITA internal laboratory, which performs stringent quality tests on each individual batch. He is one of the seven employees who, in three shifts and five days a week, ensure the smooth operation of the regeneration plant.

The cartridges find their way to the separation plant from various European countries in a number of ways: through collection boxes in supermarkets, free returns by post or, in the professional sector, via service technicians who carry out the replacement for the customer. In addition, legal regulations and consumer preferences have to be taken into account, and the ecological sense must be evaluated, for example, with regard to the length of transport routes. For many consumers, the cartridge recycling is an important aspect and therefore an opportunity for BRITA to strengthen the positive brand recognition. BRITA France, for example, is working on more than doubling the cartridge collection points in French supermarkets to over 1,200 by the end of 2018.



In the last ten years, eight BRITA products have been honoured with the red dot award – the globally recognised award for product design.

# **THE HEART** SPECIALISTS

The mission to offer everybody the best possible, individual drinking water experience requires the careful selection, design and balancing of a wide range of filter media. These technologies for the treatment of drinking water are the 'heart' of BRITA products. But how must ion exchange resin, activated carbon, nonwovens and membranes be used so that customers' differing requirements can all be fulfilled? At BRITA, answers to this are provided by a large interdisciplinary team, the so-called BRITA heart specialists.



Maria Festner and Dr Sabine Lang-Dreß from the Water Treatment Team precisely examine the filter media used in BRITA products.

The tasks carried out by the Research & Development (R&D) Water Treatment & Laboratory unit are extremely varied. The unit comprises a total of seven teams. Competitive analysis and the evaluation and scientific development of water treatment technologies, production processes and products are some of the main tasks. Different waters and materials are physically, chemically and microbiologically analysed in the central laboratory. Lastly, the Sensory Analysis Laboratory checks whether BRITA products have met the proverbial 'taste' of the consumers – and also according to scientific criteria.

"All in all we are a well-mixed team and bring together a wide range of expertise. If I had to describe us, I would say that we are inquisitive lateral thinkers who bring ideas to market readiness with verve, tenacity and a talent for organisation," says Dr Simon Floren in summary.

Two long-standing employees in his team are responsible for filter media and their optimal use: Dr Sabine Lang-Dreß, head of the section Water Treatment Chemical, and Maria Festner, head of the section Water Treatment Mechanical.

#### Water Treatment Chemical

The Water Treatment Chemical Team deals with the chemical relationships relevant to water and the use of the filter media ion exchange resin and granulated activated carbon in the optimisation of drinking water. More than 90 percent of all BRITA filter cartridges work on the basis of these ground materials, including MAXTRA+, the filter cartridge predominantly used in water filter jugs and kettles.

The main function of the ion exchange resin in the BRITA cartridge is the reduction of ions that form carbonate hardness, which causes unwanted limescale deposits when water is heated. Carbonate hardness in water also has a negative impact on the appearance, aroma and taste of coffee and tea. The ion exchange resin also reduces unwanted substances such as metals (copper, lead or nickel), which can be released into drinking water through domestic installations. The activated carbon in the filter mixtures removes unwelcome flavours and odours and thus, in combination with the ion exchange resin, ensures the optimal taste of cold and hot beverages.

However, this is not as easy as it appears at first glance. Water is one of the very best solvents, and its composition therefore varies widely between different regions. Dr Sabine Lang-Dreß, a microbiologist by profession, and her team ensure that the filter mixtures used in cartridges for domestic and professional contexts meet the requirements for their specific applications and therefore the needs of the market and consumers. "We are responsible for making sure that our products optimise the consumers' water quality in the best possible way and according to their individual needs. That must happen reliably and throughout the entire product lifecycle," says Dr Lang-Dreß.

#### Water Treatment Mechanical

While in Dr Sabine Lang-Dreß's team, chemical issues are paramount, the Water Treatment Mechanical Team deals with mechanical filtration. The focus here is on filter media such as carbon blocks, carbon discs, membranes and nonwovens.

The main component of the carbon blocks and carbon discs is activated carbon, which filters organic substances that impair flavour. It is therefore crucial for the product promise from BRITA about great tasting drinking water. "Sintered activated carbon products are used primarily for cold water applications," says team leader Maria Festner. For example, the MicroDisc, a carbon disc developed by BRITA, is used in water filter bottles for people on the go and in water filter carafes.

Membranes are used in products with the purpose of, among other things, reducing bacteria and viruses. BRITA has only been developing products in the field of membrane filtration for a few years, and now supplies innovative product solutions for both domestic and professional contexts. Maria Festner has led the team since 2015. She is a food technologist and has supported the development of the carbon blocks and carbon discs at BRITA virtually from the outset.

#### Giving the heart a casing

"We exchange views across teams very frequently, particularly when it comes to working on innovative solutions that require the expertise of all the technicians in our unit," says Maria Festner. Among other things, collaboration with the R&D Filter & Dispenser section, which concerns itself with the constructive design of the filter cartridges, is very important for the development and optimisation of BRITA filter media.



Dr Simon Floren, food and beverage engineer, has worked in the R&D department at BRITA since 2006 and manages a team of scientists and engineers. Among other things, they are responsible for the inner workings of the product innovation MAXTRA+.

ment, we see, for example, how the products work in combination with their casing or, in the case of pipe-connected devices, when interacting with other product components such as hoses. This plays an equally important role for the filtration result," Dr Sabine Lang-Dreß explains.

Dr Simon Floren is proud of his area of responsibility and his team: "The selection of suitable filter materials and technologies is the basis for the development of innovative products for water treatment. In this way, we are making a significant contribution towards our BRITA vision. We will also solve our customers' problems in future, fulfil their desires and thus 'change the way people drink water sustainably'."

# RESPONSI BILITY FOR THE **PRODUCT**

# **NEXT STEPS**

- Product development: <u>consideration of sustainability</u> in product design and development
- Operational Excellence: standardisation and further development of shopfloor management
- Certifications: successful initial certification of the new Chinese production plant (ISO 9001, ISO 14001 and ISO 45001)
- Supply chain: better integration of corporate responsibility issues into supplier management

**TOP PRIORITY:** 

ensured through detailed process documentation as well as inspections at appropriate checkpoints. Also, when BRITA products are supplied to retailers, BRITA guarantees traceability.

In order to be able to consistently guarantee the high, partially self-imposed quality demands, finished products undergo a continuous review. For additional tests and product registration inspections, BRITA works with various reputable, independent institutes and laboratories, such as TÜV SÜD in Germany, which are renowned and respected in their respective countries. Certifications from these institutes underscore the quality and safety of the products.

The comprehensive quality assurance programme is continuously refined and improved. The introduction of a quality management system in accordance with ISO 9001 at the production site in China is an example of how BRITA ensures that the strict specifications are implemented at all sites. Worldwide, the certifications the company obtains for its products increase consumers' confidence in BRITA and are further proof that the commitment to quality is fulfilled.

# Selection of product certifications<sup>1</sup> (as of December 2017):

Certifications	
TÜV Octagon	TÜV Süd – Certification mark for food safety (Germany)
KTW	Plastics in contact with drinking water (Germany)
ACS	Sanitary Conformity Certification (France)
TIFQ	Institute for the Hygienic Quality of Food Technologies and Processes (Italy)
WQA	Water Quality Association (USA)
NSF	National Sanitation Foundation (USA)
WRAS	Water Regulations Advisory Scheme (United Kingdom)
кс	Korean Product Safety Requirements (Korea)
WaterMark	WaterMark Certification Scheme (Australia, New Zealand)
HSO/NHFPC	Hygiene Certificate for Water Filtration Devices (China)
PZH	Narodowy Instytut Zdrowia Publicznego (Poland)

<sup>1</sup> Not all certifications apply to all products.

#### Transparent consumer information

The high standard BRITA sets for its own products is also reflected in communication with consumers. They receive easy to understand information and answers to their questions about products and their use. Consumers can contact BRITA and receive reliable answers to their questions via the service area on the website, social media pages on Facebook, Instagram, LinkedIn and YouTube, and on the consumer hotline. and finished products are tested for, among other things, stability, leakage, function during continuous operation, and contact with cleaning materials. This ensures that the products fulfil the high standards with regard to filtration properties, mechanical strength and durability.

#### In-house Sensory Analysis Laboratory

In operation since 2015, BRITA also has its own Sensory Analysis Laboratory under the leadership of a trained water sommelière. Here, taste research for water, coffee and tea takes place alongside the taste analysis by several trained test panels. In a specially equipped tasting room with space for twelve testers, up to 15,000 glasses of water and other water-based drinks are tasted each year. The results of the tastings feed into the development and improvement of the products and support the continuous strengthening of BRITA expertise in the area of drinking water optimisation.

BRITA is a member of the German as well as the European Sensory Science Society in order to keep pace with the latest scientific trends. Its own research activities also ensure a knowledge advantage. For example, in 2018, based on internal test results, targeted basic research and scientific research, the first water sensor wheel was developed which can be used for filtered, tap and mineral water alike. The wheel helps to systematically describe the sensory impressions of taste, mouthfeel and smell.

Sensory science also plays an important role in quality control. Specially trained employees carry out a sensory evaluation of the incoming materials and thus ensure that the BRITA quality standard is achieved with regard to taste. In order to be able to carry out these incoming goods inspections locally with identical quality standards, independent incoming goods control panels are being established at the production sites in Germany, Great Britain and China under the guidance of the Sensory department since September 2017.

# BEST: OPERATIONAL EXCELLENCE

It can always get better. This is why BRITA takes the subject of operational excellence very seriously. In 2009, the BRITA Excellence System, or BEST, was introduced in Production and Logistics. Since then, improvement teams in all production areas have been working to avoid waste and increase added value. Together with colleagues from Plant Engineering, who are responsible for equipment technology, they are developing devices to make processes more efficient, more ergonomic and safer.



# QUALITY

The high quality of BRITA products, for which the company is known throughout the world, does not happen by chance: a comprehensive quality system regulates the monitoring process from raw material all the way to the end product. Consistent, high quality and safety are the most important criteria for the selection of raw materials. Ultimately, they form the basis of the company's high-quality products. BRITA has detailed contracts with suppliers for the basic materials ion exchange resin and activated carbon. Each supplier guarantees in writing that their goods conform to the strict BRITA specifications for raw materials as well as the applicable legal requirements.

Incoming raw materials pass through the Incoming Goods Lab and are, among other things, subjected to random microbiological testing. A comprehensive test is also carried out on the ion exchange resin that is recovered as part of the cartridge recycling process in the in-house regeneration plant. All raw materials are processed only after staff have confirmed the impeccable quality of the goods. Blocked or unapproved goods are labelled and, in case of defects, returned to the suppliers or the employees in the recycling facilities. High quality standards and especially hygiene regulations also apply in production, and adherence to these is

# CONCENTRATED WATER EXPERTISE

To be able to develop and produce top-quality products such as BRITA water filter systems, it is vital to have an excellent understanding of the resource water. As a globally recognised expert for drinking water optimisation and individualisation, BRITA has many years' experience and in-depth knowledge in this field. Thus, the company operates a modern laboratory with 12 employees which resembles that of a waterworks. Among other things, the Chemistry Lab analyses which ingredients (such as iron, copper or chlorine) are filtered out by the BRITA filters. The service life of the filter is also determined based on this analysis. In addition, local or regional drinking waters from across the world are tested in order to achieve an optimal composition of the filter mixture for the respective market. By contrast, the Microbiology Lab examines the filters and the production environment according to the same hygiene standards as the food industry. Here they examine, for example, the appropriate cartridge exchange frequency for reasons of hygiene. Furthermore, the Microbiology Lab ensures that all raw materials live up to the strict hygiene requirements. Testing technology as a separate field of expertise is currently staffed with eight employees. Here, materials, components

Every improvement counts 194 employee ideas for increasing efficiency and conserving resources were implemented in 2017.

In 2017, 214 new ideas in the areas of People, Planet and Profit were developed in the teams. Of these, 194 ideas were successfully implemented last year and now contribute towards increasing efficiency and conserving resources. BEST not only helps the company to achieve sustainable improvement, it also contributes significantly to employee satisfaction. With BEST, employees are involved in the improvement process from the outset and develop devices in such a way that they meet the requirements of the company and employees alike.

# PRODUCT DEVELOPMENT

For BRITA to maintain its advantage as one of the leading experts in drinking water optimisation and individualisation, the company invests five percent of its turnover every year in research and development. Over 100 employees work continuously on new product and water filtration technologies, possible new applications and potential uses of new materials. More than 300 internationally approved patents attest to the company's innovative lead.

When designing new products, the understanding of customer needs and current trends are paramount. The product development process, which was substantially revised in 2017, provides a clear framework for such innovation projects and is focused intensely on market and user needs. BRITA wants to continue to develop qualitatively and ecologically meaningful products. At the same time, sustainability is an increasingly important subject for consumers and customers. This is why the company gives thought to the environmental impacts of its products. In the new product development process, the targeted involvement of certain specialist departments will now ensure that a holistic approach to corporate responsibility takes place at an early stage. In this way, sustainability requirements for new products can be defined and taken into account throughout the remaining development process.

### **MANAGEMENT SYSTEMS**

BRITA has introduced different management systems for quality, environmental, energy and occupational safety management. They help to systematically manage, efficiently organise and continuously improve processes, services and production. This also means that the company meets the demands of many customers and business partners. Alongside quality and environmental protection, they place increasing value on a more efficient use of energy and concern for employee welfare through certified management systems.

Within a matrix certification, the production sites in Taunusstein (Germany), Bicester (Great Britain) and Neudorf (Switzerland) are certified according to the quality management standard ISO 9001. Since 2011, these production sites have also fulfilled the requirements of the environmental management standard ISO 14001 and the occupational health and safety management standard OHSAS 18001. The Taunusstein and Bicester locations, in addition, have an energy management system according to ISO 50001. The change to the updated versions of ISO 9001 and ISO 14001 was successfully completed with the recertification audit at all three locations in 2017.

# Overview of certifications (as of December 2017):

Certifications				
	DE	GB	СН	China
ISO 9001	•	•	•	(•)
ISO 14001	•	•	•	(•)

Since 2012, the production site in Taunusstein (Germany) and now the production sites in Bicester (Great Britain) and Neudorf (Switzerland) are all certified according to the BRC (British Retail Consortium) Global Standard for Consumer Products. The standard specifies criteria for the manufacturing of safe, legally compliant and top-quality products and places high demands on production processes and their management.

# **RESPONSIBILITY FOR THE SUPPLY CHAIN**

As a production company, BRITA obtains important raw materials, other materials, and components such as technical water filtration and electrical components from a global supplier network. The company fosters cooperative and often long-term business relationships with its suppliers. The suppliers of production-related raw materials and important product components are, for the most part, based in Europe and Asia.

To be able to ensure the quality of the products, suppliers are selected according to certain criteria. In addition to current quality management requirements in accordance with ISO 9001 plus quality and process requirements specific to BRITA, there are also requirements in the areas of environmental protection, occupational safety, hygiene, social responsibility and compliance. Suppliers of production-relevant materials who exceed a certain purchase volume are obligated to provide regular information about their activities in these areas. Selected suppliers are additionally audited on site by qualified BRITA employees to check compliance with the regulations. Where necessary, a corrective action plan determines which improvements need to be made. In 2017, 30 supplier audits were carried out, and 11 in 2016.

BRITA acknowledges its responsibility for the effects of its business operations in the supply chain. The company strongly rejects all forms of forced, compulsory or child labour and discrimination, and is committed to internationally recognised human rights. Suppliers commit themselves to paying at least the statutory minimum wage, making a reasonable standard of living possible for their workers. They must comply with national regulations and agreements with regard to working hours and paid holidays. The BRITA Code of Conduct and the Code of Ethics posed within it, which frames these principles of conduct, are fundamental parts of the corporate culture at BRITA and of the BRITA self-image. Only suppliers who acknowledge compliance can and will work together with BRITA on a long-term basis. Employees who suspect or identify a violation of the Code of Conduct at BRITA or from a supplier can report this anonymously and without any fear of consequences.

# PRINCIPLES OF THE BRITA CODE OF ETHICS

- No forced, compulsory or child labour
- Equal treatment of all people with dignity and respect
- Freedom of association
- Remuneration that provides
   for a fair standard of living
- Compliance with regulations on weekly maximum working time
- Guarantee of occupational health and safety
- Needs-oriented and
- skills-specific qualification
- Environmental protection

BRITA's international growth and the continuing development of the product portfolio, particularly in the area of pipe-connected water dispensers, also means that the supply chains will become more complex and diverse. At the same time, customers and legislators are focusing more on topics that are often not relevant to direct suppliers but in the upstream production processes or in the extraction of raw material. Nevertheless, this can pose risks for BRITA in terms of reputation and success.

In order to meet its obligation of due diligence, in 2017, the company started to focus supplier management more closely on social and environmental issues. Following an internal review of the detailed requirements placed on BRITA and its suppliers by customers as well as anticipated legal developments, the supplier self-assessment questionnaire was revised and the associated process redrafted in 2018. The next step is to review how social and environmental issues can best be integrated into the selection and evaluation of suppliers. Because corporate responsibility at BRITA means that the company assumes and accepts its responsibility along the whole value chain.

OBJECTIVE	ACHIEVED	STATUS
Further optimisation of the process	<ul> <li>Review of the product development process (PDP) in 2017</li> </ul>	~ ~ ^

ISO 50001	٠	٠		
OHSAS 18001	•	•	•	(●)
BRC	•	•	•	

(•) planned for 2018; instead of OHSAS 18001, the new ISO 45001 standard will be certified

For 2018, plans are in place to ensure that the new production site in China will receive ISO 9001, ISO 14001 and ISO 45001 (formerly OHSAS 18001) certifications. This means that employees, customers and partners can rely on BRITA as a company that works efficiently, sustainably and to a consistently high quality standard. In addition, plans are under consideration as to whether management systems should also be introduced at other locations in the coming years.

	• Early consideration of sustainability issues is ensured	
Continuation of the successful, award-winning product design	<ul> <li>KitchenInnovation Award 2018 for BRITA Yource waterbars</li> <li>German Innovation Award 2018 for mypure pro filter range</li> <li>2017: multiple red dot award honours for water filter jugs</li> </ul>	$\bigcirc \bigcirc \bigcirc$
Expansion of the BRITA Operational Excellence System (BEST)	<ul> <li>Introduction of BEST Teams in all relevant production areas (Germany)</li> <li>214 ideas for improvement were generated (194 implemented)</li> <li>Redesign of the reporting system and improvement of production figures</li> </ul>	$\bigcirc \bigcirc \bigcirc$
Implementation of management systems at other production sites	<ul> <li>Certification of BRITA production site in China intended by the end of 2018</li> <li>Certification of the production site in Italy was postponed (relocation in 2018)</li> </ul>	$\bigcirc \bigcirc \bigcirc$
Introduction of a supplier relationship management tool	<ul> <li>Introduction of the tool was not implemented</li> </ul>	$\bigcirc \bigcirc \bigcirc$
Ô Ô Ô Objective achieved	Objective partially achieved Objective	no longer relevant/not achieved



Already had a very good knowledge of the BRITA production lines: Patrick Boller

# Ε

# BRITA

Sustainable business development can only work if everyone pulls together - namely all the approximately 1,800 employees worldwide who shape BRITA daily with their ideas and their commitment. They are encouraged to promote the organisation and BRITA's products and processes together. The philosophy of a family-run business which maintains a special relationship with its employees, lays the groundwork for this. Common values, clear targets, but also specific assistance provide orientation and support. This way, challenging tasks that continually arise in the extremely dynamic market environment of drinking water optimisation can be mastered.



Company founder Heinz Hankammer was certainly convinced that employees who are allowed to take responsibility for their tasks develop better. This mentality is written into the current corporate strategy, and encourages employees to make decisions, take risks, and thus promote the company and its goals. The strategy pillar 'Entrepreneurship' is one of the most important and requires open-mindedness towards new ideas and courage.

Over the past two years, BRITA has sent approximately 20 expatriates abroad – often on large and challenging assignments. One example is Patrick Boller, Senior Specialist Engineering, who spent a year in China and oversaw the development of the new MAXTRA+ production line at the company's fifth manufacturing facility in Suzhou.

When BRITA was looking for someone to fill this position at BRITA China Manufacturing, Patrick Boller was 24 years old, working in Maintenance at the headquarters in Taunusstein, and about to finish his electrical engineering degree at night school. Nevertheless, he applied for the advertised position for the major project and immediately received an acceptance. "I slept on it for a night and then decided to do it," he says. "It was a strange feeling simply leaving behind everyday life and the family. But everything turned out just right and my family was very proud of me. I was very lucky to get such an opportunity from BRITA."

#### Departure into the unknown

Due to his work in Maintenance, Patrick Boller already had a very good knowledge of the BRITA production lines. Before travelling to China, however, he familiarised himself more intensively with the technology and was in close contact with the machine manufacturer for the new equipment. Nevertheless, he did not have any fears before the journey. "I was a bit unsure because I was about to encounter a lot of unknown things. Although I had not previously been to Asia, BRITA prepared me well with intercultural training concerning customs and appropriate behaviour in the foreign country. The uncertainty guickly disappeared. BRITA China Manufacturing and the colleagues there have become my second family."

#### Quality 'Made in Germany'

BRITA China Manufacturing measures 8,500 square metres, somewhat more than a football pitch. The plant supplies the entire Asian region with BRITA products. This reduces transport routes, lowers stock levels in Asian warehouses and on cargo ships, and also facilitates access to the Chinese market, which has always presented some administrative hurdles for importers.

The MAXTRA+ production line which has been developed and built in Germany is about 60 metres long. "We supported the manufacturer as much as possible with our experience, so that only minimal changes had to be made in China," explains Patrick Boller. After the completion of successful test runs, the machines were dismantled in Germany and packaged and shipped to China. More than 20 containers were on their way for about two months.

#### **Complex customised equipment**

In Suzhou, near Shanghai, it took another two weeks to re-assemble and get the equipment up and running. Patrick Boller had to coordinate up to 15 employees. "It was a very exciting time, because you could see the results immediately. The production line grew by the hour." The line is custom-made and there is no other comparable system worldwide. "There were a few minor inconsistencies in the processes at the beginning, but they were solved quickly together with the on-site team," says the now 25-year-old Patrick Boller. "People are indeed faster and more agile in China than I imagined. Here, big problems are solved overnight, without losing thoroughness."



During his time in the Far East, Patrick Boller has not only developed professionally but also personally. "I got to know the other side of the world and made many friends," he says. "And I've collected a lot of wonderful pictures, moments and memories." Having returned to Germany, Patrick Boller is now back in his old team in Industrial Engineering. "Coming back to everyday life was a little strange at first, but then it quickly became familiar," he says. And after all, other exciting tasks await him, such as the new production plant to be built in Bad Camberg.



#### **Entrepreneurial visions**

'The market for the kind of advanced purification systems that we want to offer is highly competitive," says Hartmut Wolf. BRITA is a young start-up in India and wants to do a lot of things in a new and different way than the established companies do. "We want to see how it works best in Bangalore in 2018 before we expand into other Indian cities," says Hartmut Wolf. He is currently developing a suitable strategy for this. However, he is clear on the following: "An enterprise of this kind in a territory that is completely new for all participants will only work if you have a flexible and open attitude and an appreciation for the foreign (work) culture. And, of course, you need the support of colleagues from the headquarters and your own family."



Living and working in a completely different world

Sending employees from the headquarters to foreign subsidiaries does not only mean development possibilities for the expat but also a transfer of knowledge which is important for the company. In addition, it presents a great opportunity for BRITA to gain valuable first-hand information about the market. This is essential for a multinational company that generates the vast majority of its turnover outside of Germany. Hartmut Wolf, Managing Director, can confirm this. Since 2017, he is leading the rapidly expanding subsidiary BRITA India Water Solutions Private Ltd., which is building up the business in India

It literally started at zero when Hartmut Wolf moved into his new office in Bangalore in August 2017. Everything had to be redeveloped, including the products for India's very special and specific drinking water problems. "Building a business in the first place is a great responsibility that I personally consider to be a great enrichment. In addition, there is the immense market potential that we want to open up for BRITA. After all, despite the great poverty that still prevails, India is one of the world's fastest-growing economic powers and thus an exciting market," says Hartmut Wolf.

#### New territory in every respect

The management of the Indian subsidiary makes demands on Hartmut Wolf on many levels: entrepreneurial, but also personal. India is turbulent, full of curious, unexpected surprises and a country of extreme contrasts. This is reflected not least in the distribution structures. In addition to modern retail chains, which operate according to well-known business principles, there are still unchanged long-established distribution channels such as the 'corner shop' or doorto-door selling.

Business here follows its own characteristic pattern. "I would describe that as typically Indian: personal relationships take precedence over business," explains Hartmut Wolf. You first need to create mutual trust and friendship with the person you are speaking to, and then business can develop. "If not here and now, then sometime in the future."

#### **Personal enrichment**

For Hartmut Wolf and his family, life in India means plunging into a completely different world: "During our leisure time here, we like to travel around the country and stay at private accommodations," he explains. "I have never experienced so much hospitality in any other country." In business, he values the flexibility shown in India and the dedication of his colleagues, who are always motivated to drive important issues forward. So, he is relaxed as he looks towards the team's objective: to create a tailor-made solution for the more than 300 million consumers of the Indian middle class that solves their individual water problems. The numerous new markets into which BRITA is expanding pose ever greater challenges - for the products, but also for the employees. Project groups are becoming increasingly international and dynamic, demanding flexibility and intercultural sensitivity. The newest and up to now the most complex product development project 'mypure pro', is one of the many examples of this.

The mypure pro filter family is the first BRITA water filter system that contains a 'purifier'.1 The powerful ultrafiltration module filters bacteria as well as viruses from the water. "This is a whole new technology for BRITA," explains Timm Wulff, Manager Water Treatment Mechanical. "Bacterial filtration is available in some companies, but not many have yet dared to provide solutions that filter out viruses."



The core team at BRITA headquarters is proud of the new filter technology

#### **Technical innovations**

In only three years BRITA has developed the new technology, which challenged the international project team in many ways: new laboratory testing methods had to be found, 13 different new product certificates issued, and many new legal requirements

<sup>1</sup>NSE P231 certification



The successful collaboration has helped them develop into a tightly-knit group: colleagues from Hong Kong and the German headquarters

had to be understood and implemented in a solution-oriented manner. In addition to the technical innovations, the quantity of processed spare parts poses a challenge. About 50 different injection moulding tools are used in the mypure series. For comparison, a jug water filter such as the fill&enjoy fun, uses only three. "The challenge with the new system was first of all to find the most expedient way to fit the various product components into a uniform housing," says Jochen Zöller, Senior Manager Pressurized Filter Products. He created the plastic components himself together with his team. The mypure pro is produced by BRITA China Manufacturing in the new production plant in China. This is also where the extensive supplier network comes together.

#### Successful international cooperation

"The project was so successful only because the whole team worked together in such a solution-oriented and harmonious manner," explains Sherry Sun, General Manager in China, "and in particular at an international level." This is confirmed by project leader Andrej Vonberg: "The intense intercultural exchange was a new experience for many team members. That certainly contributed to the fact that a lot of employees also grew on

a personal level." The core team consisted of 12 colleagues from the headquarters.

During the project, they increasingly networked with BRITA colleagues from Hong Kong, Taiwan and China to ensure that the start of production in Asia was successful. During the entire period of the project there was little change in the team. "This shows that the colleagues had accepted the new challenges," explains Vonberg. Backing was provided by CEO Markus Hankammer, who encouraged the team even in difficult project phases to continue and make their own decisions.

# ASIA: SECOND HOME

If you want to provide tailor-made solutions in dynamic markets quickly and efficiently you need appropriate methods and processes. They help employees to meet the increasing demands placed on them. A good example for this is the product development process, in short PDP. which was revised in 2017.



#### Dynamic product development

The daily pursuit of innovative solutions is firmly anchored in the DNA of BRITA. This self-understanding becomes apparent when the company brings solutions to market maturity that are tailor-made for the needs of customers and consumers. Since many specialist departments have to work hand in hand, the underlying product development process (PDP) is continuously streamlined. In 2017, Marcus Horn, Director of Group Program & Project Management, together with his team and in close collaboration with other departments, made significant changes to this process. The outcome: a clear framework that is not regarded as a strict set of rules and is even more geared to market and user needs. This means that the process can best support every innovation project and thus the project team involved, regardless of complexity and effort.

Have taken a close look at the BRITA product development process. the Group Program & Project Management Team.

Another important element is the newly introduced 'performance review' one year after the end of a project. Here, insights gained after the project has been completed are recorded and can thus be incorporated into subsequent innovation projects.

In Production, operational excellence methods have been successfully implemented since 2009, continuously improving the operation of the plants. Together with the employees, BRITA works to consistently avoid waste and to achieve sustainable improvements. The employee's ideas play a central role in this.

Marcel Scherer's team assembles BRITA On Tap, a system that can be attached to a tap. In the context of continuous improvement, the employees of the BRITA On Tap production have designed and optimised their own workstations.

The reason for the redesign of the entire production line was the introduction of BEST, a system that brings together different methods of operational excellence. The concept originated from a project at Ansbach University of Applied Sciences in Germany and was implemented together with the employees. However, the ideas for improving the 12 assembly stations of the On Tap line mostly came from the employees working there. They were closely involved in the process.

#### Employees as experts

The more involved the detailed design of the individual work steps, the greater the codetermination of the people who assemble and pack the On Tap product every day. "No one knows the pitfalls of the assembly process better than the people who work here," says Jan Storch, who supported the project as Maintenance Manager in Plant Engineering. Using the workers' expertise, the movements of the operator's hands were designed more ergonomically, and handling paths and material arrangements were optimised. The approach is based on the LEAN concept, which aims to avoid waste. "In LEAN, a movement that is not necessary is seen as waste, just as unnecessary material being used. Often, only minor adjustments are necessary to simplify the assembly and to contribute to fatigue-free and error-free work," says Jan Storch. This is ultimately sustainable, but also increases the productivity and acceptance of the workplace.



The staff working at BRITA On Tap Production are happy with their selfoptimised workstations.

# **SOO** METRES

of building pipes have been used at BRITA since 2016. The trend is growing: the flexible system is now used throughout the entire production process. Some standardised building units that can easily be reordered have also been developed.

#### Flexible systems

The ideas were implemented with the help of a tube connection system, which allows a workstation to be expanded at any time and adapted to changing conditions. "The system is easy to disassemble and rebuild elsewhere. A mounting table then can be reassembled as a shelf or a trolley. Thus, we can avoid waste and save on costs," Jan Storch says. The workstation was built in advance with the help of cardboard engineering as a simple 1:1 cardboard model. The work processes were simulated on these models and progressively improved - until the employees were satisfied. At first this sounds simple and pragmatic, but it poses great challenges to all involved. "Colleagues had to do work ahead or stay longer to create time for the workshops and the model construction phases. The final implementation was also a challenge, as only short time frames were available for the conversion during production," says Jan Storch. As with all change processes, participants had to be informed in good time and needed to be flexible, because the conversion and the necessary retraining took place almost at the same time.

#### Exemplary conduct

"The team has successfully demonstrated how continuous improvement is experienced," Marcel Scherer, Head of Carbon Products, proudly says. And it still does that today: all the ideas that were collected even after the construction of the assembly line have been and will continue to be implemented. There are also minor adjustments such as holders for drinking bottles, stands for supporting the back and shelves for work materials. "One of our employees, Maxim Grasmik, designed a table with work materials on his own using the connection system," says a delighted Marcel Scherer. As a result, BRITA's process of improvement continues to grow and is already being transferred to other areas of production.

# **FAMILY** OUTING



In June 2018, the BRITA hiking weekend, a private initiative organised by colleagues of BRITA AG and BRITA GmbH, took place in Switzerland. Twelve BRITA employees from Germany and Switzerland and their families, as well as two former colleagues, hiked all weekend around the Klewenalp near Lake Lucerne. Apart from the annual ski weekend, the hiking weekend is a highlight for BRITA employees and brings together colleagues from a wide variety of departments. The outings have been taking place for many years and are organised by colleagues from Switzerland in their spare time.

The weekend hiking trip, a highlight for BRITA colleagues

# **DEDICATION AND COMMITMENT** ARE REWARDED

At BRITA, around 150 colleagues in Germany alone work in Production – the backbone of our business. They are people with expertise and passion who work to ensure day by day that the business of BRITA can continue to expand. One of these people is Robert Wrobel. He is head of production for the professional filters PURITY and PURITY C.

The production hall at Heinrich-Hertz-Strasse 4 in Taunusstein, Germany measures around 6,000 square metres – and is thus approximately as large as a football pitch. You can hear the constant humming of the production robots all over the hall. A large part of the building is occupied by the production area for the professional filters PURITY and PURITY C. Eighteen colleagues work here under the direction of Robert Wrobel. He has been at BRITA for 12 years and recently took over as team leader of the PURITY production after his predecessor Wolfgang Gros left to enter his well-earned retirement.

Robert Wrobel moved with his parents from Poland to Germany in 1989. At the time he was 16 and could hardly speak a word of German. "The beginning was hard," Robert Wrobel, who is now 45, says. "In my language course pretty much all of us were immigrants and often conversed in either Polish or Russian. So it took almost three years before I really settled in here." At the age of 19 he began work as a production employee at a large industrial company. By that time, part of his family had moved to Taunusstein. Even then, whenever he drove past the BRITA plant, he used to say he could imagine working at this kind of family business, as for him that was definitely more personal than working in a large corporation.

In 2006, Robert Wrobel seized the opportunity to work at BRITA and initially started as an employee in the AquaQuell production before he then switched to the PURITY line. He was promoted to foreman in 2010.



That meant management responsibility for six colleagues. He was prepared in advance for this task by BRITA. In seminars and training courses he learned to understand the rights and duties of a supervisor and how to manage his employees properly. At the same time he took over the technical coordination for his area. This included working with auditors and all the processes to do with work and operating instructions. Around 60 work instructions have to be followed on the production line for PURITY C alone and in addition there are some 12 operating instructions and 45 packaging instructions. Robert Wrobel wanted to make it easier to update the instructions displayed on the wall in paper form at the production facility in Taunusstein and worked on creating a digital solution. His idea was successfully implemented and since then it has been possible to download the instructions via large, centrally located monitors.

Robert Wrobel has largely acquired his knowledge of the machines and processes himself. "At BRITA I was able to grow into my new role," he says. "And if I am interested in further training and development, that is also possible here." After several training courses, such as Lean Management and the Fundamentals of Industry 4.0, in 2014 a new challenge awaited him: a new robot system was set up in Taunusstein for the production of PURITY C2. The new line produces – depending on the size – up to 1,300 filters per shift. "This line is the pride and joy of me and my team," Robert Wrobel says.

His mentor and contact partner for all issues throughout this period was his former line manager Wolfgang Gros. "I always got support from him. He encouraged and strengthened me," says Robert Wrobel. "At

# **A SWIFT RISE –** FROM PRODUCT MANAGER TO DIRECTOR

BRITA offers its employees many opportunities for personal and professional development – and thus very good career prospects. Melanie Aselmann rose to the position of Director at BRITA within six years. Today, she is responsible for Product Marketing (B2B and B2C) Dispenser – one of the most important future markets for BRITA. Only 38 years old, she is one of the youngest female managers at this level within the company.

Born in Hamburg, she decided after her A-levels to pursue an apprenticeship in advertising, followed by a degree in business administration with an emphasis on marketing, retailing and logistics. After holding various positions at an international food company, she received the offer to join BRITA as a Product Manager in 2012. "Up to this point, my responsibilities in marketing only related to the German market. International responsibility was one of my main motivations for the decision to start at BRITA," says Melanie Aselmann. "In addition, the change from a local market to headquarters gave me the opportunity to contribute more strategically and holistically."

She started out as a Product Manager for the professional filter range PURITY C. After a year, she was promoted to Senior Product Manager and subsequently assumed leadership of the Product Marketing Team for professional filters in the Group Marketing B2B unit headed by Martina Haake. When the opportunity came up to move to the Water Dispensers Team, for BRITA then still a very new area, and to take over the product marketing of dispensers, she did not hesitate. "For your own development, it is important to take on new challenges and to leave your comfort zone," she says. "But this also requires a superior who supports you, from whom you can learn and who helps you to develop." Particularly her line manager of many years, Martina Haake, mentored and supported Melanie Aselmann. "She gave me more and more responsibility and used opportunities that presented themselves as further development steps." In 2017, Melanie Aselmann was nominated for BRITA's high potentials programme 'BOLD' and as part of the programme, developed together with her project team (Kristina Kissel and Marius Hubert) a holistic digitalisation strategy concept for BRITA.



Appointed Director in 2017 and responsible for dispenser marketing: Melanie Aselmann

### "Everyone here has the same chance for a successful career"

She also didn't feel that some of the more common hurdles that could have hindered her career as a female executive were present at BRITA. "In my opinion, everyone has the same chance for a successful career at BRITA. Besides the support provided by your own superior or other relevant stakeholders, it is also advantageous to demonstrate a high degree of commitment and the desire and courage to develop."

In November 2017, she was promoted to Director and since then has been responsible for water dispensers in the B2C and B2B business. In this new role she directly reports to CMO Lars Wöbcke. In order to meet the requirements of this complex product portfolio, which is still very new to BRITA, as well as the company's strategic objectives, some developmental work was necessary. The Product Management Team, for example, was gradually increased over the past three years from two to currently eight members and relevant expertise for the successful management of the portfolio was developed.

It took around two years from the first design to the start-up of the robot system. Together with two BRITA engineers and a foreman, Robert Wrobel supported the mammoth project from the beginning until final acceptance.

every performance review he asked me how I wished to develop further and what I still wanted to learn. And one day he asked me whether I could imagine myself becoming his successor." Lukas Platz, Director Group Manufacturing, also recognised Robert's potential, as it was important to him that Wolfgang Gros's successor should be someone who truly identified with the job, had the relevant expertise and would also bring to bear the necessary passion. After further certification courses at Hessen Chemie, a German employer association for the chemical industry, Robert Wrobel is now team leader at BRITA's Professional Production and head of an 18-person team. He receives positive feedback from the many colleagues with whom he used to work side by side. "Apparently, the way I lead my team has been well received so far," Robert Wrobel is pleased. "I would like to support my employees in their development exactly as I have been supported myself. Because dedication and commitment deserve to be rewarded, after all."



The aim of BOLD, the three-year programme for high potentials is the fast and targeted development of BRITA employees into a leadership personality.

# CA REER MENTO RING

BRITA supports and promotes employees in a targeted manner who are suited for assuming a leadership position in the future due to their high levels of performance and engagement. For this, the HR initiative 'BRITA Opportunities for Leadership Development' – or BOLD – was created in 2017 by the Executive Board. Part of the programme: mentoring. Here, experienced colleagues assist and advise high potentials and help them with their professional and personal development.

With the support of a mentor, a mentee can climb the career ladder quickly. The chemistry between mentor and mentee is crucial for the success of the tandem. Christian Meyer, Director Group Facility Management, and Christine Bernhard from Group National Accounting, for example, did not know each other before their mentoring as they had hardly had any professional contact up to then. "I was therefore a bit sceptical at first," she says, "but we got on well with each other from the start and were already able to develop a very strong relationship of trust between us after just one or two meetings."

Christian Meyer is proud of the positive development that is evident in his protégée. "I can see clearly how Christine has grown and gained confidence in the time we have worked together. She has become even more focused, and now knows better what she really wants. She manages to give her role at BRITA more presence without worrying too much about what others think."

It was no obstacle for Christine that her mentor works in a completely different field. "On the contrary! Christian often has a



Christine Bernhard relies on the experience and advice of her mentor Christian Meyer

completely different view of things. That helps me to look at topics and presumed problems from another perspective." When dealing with issues such as leadership, project management and company strategy, Christine relies on the experience and the advice of her mentor.

Christian Meyer had also committed himself to mentoring programmes in previous positions and knows how much added value such a programme brings. For him, the development of younger colleagues is part of management responsibility. "Obviously, the young talents give a lot of what the company invests in their education back to BRITA," he explains. "What is even nicer to watch is how much they and their personal development benefit from it."

Also important for a successful mentoring is whether the mentor has a strong network through which he can help the mentee reach his or her goals. Such was the case, for example, for Julia Friedmann, HR Business Partner: her mentor is Dr Simon Floren, Head of the Group R&D - Water Treatment & Laboratory department, who has been working at BRITA for more than a decade. "As a business partner. I mainly deal with areas acting as internal service providers, such as Facility Management, Finance & Controlling, IT or Legal," Julia Friedmann says. "I think it's great that I get better insights into production-related departments as well, thanks to the contact with my mentor." Dr Simon Floren can assist her not

only with his own experience – he does a lot of interdisciplinary work and has a good network within BRITA. "He always knows who to turn to with an issue," says Julia Friedmann. The atmosphere between her and her mentor is relaxed and trustful, and they discuss a wide variety of topics. "As I am working for the HR department, I myself am the contact for many colleagues," says the 30-year-old. "So it's nice to have someone like Simon now who I can turn to with my own questions."

Dr Simon Floren himself leads a relatively young team and enjoys supporting others with advice and action or passing on his experience – as in Julia's case. "I try not to guide her too strongly, but give advice that motivates her to think and shows a different perspective now and then," he says. It gives him a good feeling to see young people developing. "I see it as part of my mission as a manager to promote young colleagues in a goal-oriented way. It enriches my work every day."

# **#BRITAID** HELP FOR **ROMA NIA**

The BRITA #BRITaid charity group was created in 2018 by employees of BRITA GmbH. Its self-proclaimed objective is to support the work of the Franciscan Sisters (from Salzkotten, Germany) in Romania through various activities. Today, Romania still continues to be one of the poorest countries in Europe where especially the elderly and disadvantaged children in rural areas very often do not even enjoy the most basic necessities.

#BRITaid's support for the work of the Franciscan Sisters includes financial and inkind donations. For example, approximately €1,000 were collected in a cake-sale fundraiser and in a betting game during the Football World Cup. Still planned for this year is the installation of a BRITA water dispenser in the facilities of the Franciscan Sisters in Caransebes.





They exchange ideas on a wide range of topics: Julia Friedmann and Dr Simon Floren



BOLD began in 2017 with 22 candidates, and since then 34 junior managers have participated in the programme. In 2018, the programme will also be introduced for the first time in Asia, and will begin there with 16 participants from different subsidiary

The head of the welfare centre in Caransebes, lonut Alexandrescu, together with an elderly villager who is receiving help from the Franciscan Sisters

# RESPONSI BILITY FOR THE **PEOPLE**

# **NEXT STEPS**

- Training: expansion of the BRITA Academy with additional content and focus on management development
- Organisational development: introduction of a BRITA-specific concept for overall cooperation within the company
- Occupational safety: continuation
   of the standardisation and inter nationalisation of BRITA
   Occupational Health and Safety

#### Basis for a successful partnership

At BRITA, values shape its identity. They contribute just as much to the company's success as do business strategies. These values (latitude, personal responsibility, trust, team spirit, respect and openness) are formalised for BRITA in its self-image. It defines basic principles that form the basis for cooperation among employees and also between employees

#### Talent management

At BRITA, talent management involves the systematic hiring, development, retention, and deployment of employees in the company. To support talent management, the Employee Performance & Development Process has been used at all BRITA locations since 2016. It integrates and simplifies elements previously used, such as performance reviews and objective agreements, and thus as a whole provides more transparency around employee assessment and development in the company.

BRITA provides a series of different training courses for the professional development of its employees. Office and language courses are just as much a part of the range as seminars for management or specialist training. In future, all professional development opportunities will be combined in the BRITA Academy. The BRITA Sales Academy was implemented as its first element in 2017. In various modules, employees across the world benefit from sales-specific training and refresh their knowledge about BRITA products with the help of e-learning courses.

BRITA introduced the BOLD programme in 2017 to support and develop new managers from within its own ranks. BOLD stands for *BRITA Opportunities for Leadership Development*. In this three-year programme, employees with exceptional potential are prepared to take on management tasks. The curriculum includes modular individual and team-based measures such as workshops or project tasks, in which the team must work together to solve a given problem. In addition, abilities and skills such as conflict management, strategy development or change management are strengthened. Another important component is mentoring. Here, experienced BRITA managers take on a mentoring role for a BOLD candidate, share their own experiences and thus support the junior manager's career development. The BOLD candidates are nominated by the Executive Board according to various criteria.

#### International exchange

Due to the international growth of BRITA, headquarter employees are increasingly taking on tasks in other countries and supporting colleagues in international subsidiaries in setting up structures or facilities. Other employees are moving from international branches to the headquarters in Taunusstein. To ensure that postings and short-term employee secondments go smoothly, and to make sure that employees are well looked after during their stay abroad, a globally valid International Assignment Policy and a corresponding process were developed in early 2018. The process defines employees' and their superiors' rights, responsibilities and tasks, and standardises the foreign posting contracts across the world. An internal, interdisciplinary team of human resource and tax experts supports the process and guarantees that issues relating to taxation and employment law are taken into account and processed correctly. In this way, optimal support for employees is guaranteed.

#### **Generous benefits**

BRITA expects above-average commitment from its employees and requires them to conduct themselves responsibly towards customers, colleagues, society, and the environment. In return, employees are given the latitude to fulfil their duties

### ADDITIONAL BENEFITS WORLDWIDE<sup>1</sup>

- Company pension scheme
- Voluntary health insurance
- Working-life time account/sabbati
- Option to undertake career-integrated study
- Free healthcare
- Subsidy for public transport tickets
- Subsidised canteen or meals
- Allowance for sports and fitness activities
- Christmas or holiday bonus
- Birthday and anniversary gifts

#### Partnership-based human resources policy

At the headquarters in Taunusstein, many of the comprehensive employee benefits are the result of the close and constructive collaboration between management, the Human Resources department and the works council, which has been advocating for employees' interests since 1999. The collaboration is characterised at all times by respectful conduct and appreciative and fair interactions, in which all parties are interested in constructive discussion and target-oriented solutions. Due to the growth in the number of employees and the increasing demands placed on the responsibilities of the works council in recent years, from autumn 2018, not only the works council chairman but also the deputy chairman will for the first time be released from their professional activities.

# **EMPLOYEE INDICATORS**

Along with the economic growth of recent years, the number of employees has also risen steadily. At the end of 2017, 1,827 people were employed at BRITA. This corresponds to around eight percent growth in personnel from 2016. Unless otherwise indicated, the following indicators refer to the entire BRITA Group.

#### Workforce growth:<sup>2</sup>



and managers.

# SUCCESS FACTOR: PEOPLE

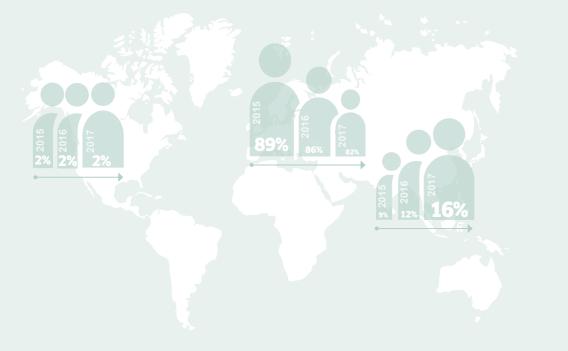
The success of BRITA is based on innovative, top-quality products and motivated, well-trained employees who substantially shape the company and its development with their input and ideas. The company therefore continuously works to create a productive and motivating working environment. Fast and steady growth, particularly at an international level, poses many new challenges for human resource management, but also offers development opportunities for employees and managers. that they require to work productively. In order to attract qualified personnel for BRITA, the company offers a fair and competitive salary in all countries. Performance assessments are carried out on the basis of job-specific requirements and independent of diversity factors.

In addition to financial remuneration, BRITA offers a pleasant working environment, a spirit of cooperation, good development prospects and often above-average employee benefits, which can differ depending on the country and local conditions. Flexible working hours, the option to work from home, free beverages, healthcare services and free parking spaces are all a matter of course at many BRITA subsidiaries. Each subsidiary finds its own way of motivating employees and showing its appreciation.

#### A diverse workforce:

In 2017, the share of employees in Europe was 82 percent. A large part are employed in the production sites in Taunusstein (Germany), Bicester (Great Britain), and Neudorf (Switzerland), but also, of course, at the headquarters in Taunusstein, where many central roles are located. BRITA has designated the Asian region as a growth market, and it already makes an important contribution to the company's success. As the company continues to develop structures in Asian countries, and particularly in China, an increase in expertise and workforce is taking place there. Correspondingly, the proportion of employees in Asia grew from 9 percent to 16 percent between 2015 and 2017. In North America, BRITA is represented locally by smaller distribution companies.

All in all, people from 46 different nationalities worked at BRITA in 2017. This cultural diversity shapes daily interaction and offers new opportunities to profit from alternative perspectives and valuable ideas to ensure that BRITA continues to move forward. At the same time, the demands on managers and employees are also changing. Cross-cultural collaboration is increasingly becoming part of daily life. BRITA supports employees to overcome these challenges through language courses and cross-cultural training courses. Distribution of employees worldwide:<sup>(2,3)</sup>



In 2017, 12 percent of BRITA employees worked part-time. This proportion has remained constant since 2015. BRITA offers part-time employment models in order to enable employees to design their working lives with flexibility and according to their needs. Like other companies, BRITA must also be able to react quickly to certain developments and situations. Nevertheless, 82 percent of employees are on permanent contracts. The proportion of employees on fixed-term contracts was at 18 percent in 2017, an increase of 6 percent from 2016. This can be explained, in part, by the increase in personnel in growth markets where permanent contracts are customary only after several years' employment within a company. But the goal of BRITA is always to offer employees long-term career prospects.

#### Distribution of employees by gender:



Around 40 percent of BRITA employees are female. This proportion has remained constant over the last few years and is quite high for a manufacturing, increasingly technologydriven company. The average age of employees is around 40, a trend that is evidenced by the age structure of employees. Between 2015 and 2017, the proportion of employees under 30 increased at BRITA from 16 percent to 22 percent. But the experience of long-term and older employees is also valued. For example, mentoring within the BOLD programme ensures that a knowledge transfer takes place within the company and that junior employees can benefit from the knowledge of experienced employees. lines or equipment. Furthermore, regular inspections of work areas are carried out. The Health, Safety & Environment department evaluates the results and, where necessary, takes steps and offers advice in line with legal stipulations. All employees receive regular training on issues of health and safety. Depending on the location, either online trainings or seminars are provided for this purpose. Employees, for their part, are required to consistently comply with occupational safety regulations, to inform their superiors about defects and to make suggestions for improvement.

Occupational safety is a key issue, particularly in the manufacturing industry. Therefore the production sites in Taunusstein (Germany), Bicester (Great Britain) and Neudorf (Switzerland) are certified in accordance with the international standard for occupational health and safety, OHSAS 18001. The most recent recertification audit took place in autumn 2017. By the end of 2018, the newest production site in China will also be certified according to the standard for occupational safety ISO 45001, which replaces OHSAS 18001. In addition, the creation of the central function Group HSE will further standardise occupational health and safety at an international level.

#### Work accidents

Despite extensive occupational safety measures, there were 16 work accidents in the entire BRITA Group in 2017, with a total of 519 working days lost. This results in an accident rate of 4.67 per one million working hours.<sup>4</sup> The accident rate was recorded for the entire Group for the first time in 2017. Of these accidents, 69 percent were recorded at the production sites in Taunusstein (Germany), Bicester (Great Britain) and Neudorf (Switzerland). In 2017, the accident rate for the three production sites was 5.83 accidents per one million working hours (2016: 6.72). Negligence was the most frequent cause of the accidents that occurred. In future, accident statistics will be calculated for all production sites as well as for the BRITA Group.

Unfortunately, there was one serious work accident at a production site during the reporting period. All necessary immediate measures were initiated and an assessment of the probability of occurrence has been carried out at all international locations to prevent a recurrence. There were no serious work accidents or even fatalities at any other production sites.

### **ACCIDENT RATE<sup>5</sup>**

2015		
2016		

(per 1 million working hours)

#### Healthcare

Healthy and capable employees are the basic prerequisite for BRITA to be able to continue to operate successfully and achieve its business goals. This is also why the company takes responsibility for the health of its employees. At the headquarters in Taunusstein, but also in many subsidiaries, preventative health measures are provided that go beyond the legal requirements. BRITA GmbH offers, for example, flu vaccinations, general vaccination consultations, but also various changing health services free of charge such as skin cancer screenings, heart checks or blood glucose monitoring for all employees. BRITA wants to align healthcare with employee needs in the future. For this purpose, BRITA GmbH is currently analysing how healthcare topics can be sensibly structured and implemented.

<sup>1</sup> Selection, not all benefits offered at all locations

<sup>2</sup> All employees with active contracts; from 2017 without LTAs

<sup>3</sup> Since 2016, Europe incl. Russia and Turkey, Asia incl. Australia; previously Europe incl. Australia, and Asia incl. Turkey and Russia

<sup>4</sup>Accidents subject to reporting requirements with down times > = 1 day; commuting accidents, provided that they are defined as occupational accidents according to local laws, have been taken into account in the calculation; calculation basis: 1,840 hours annually per worker

<sup>5</sup> Indicator applies to the production sites Taunusstein (Germany), Bicester (Great Britain) and Neudorf (Switzerland)

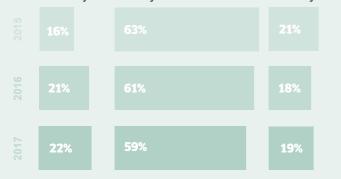
#### Employee age structure:

under 30 years 30-50 years

over 50 years

ACHIEVED

STATUS



# **HEALTH AND SAFETY**

BRITA cares about the health and safety of its employees and strives to prevent illness and injuries and to continuously improve occupational safety. Compliance with legal obligations and other requirements in occupational health and safety management is the basis and should be exceeded where possible. By means of job safety analyses, workplaces and new or amended processes are monitored for risks in order to guarantee the protection of employees. Risks are also identified and appropriate measures are initiated in the design, as well as the lawful operation of new production

Creation of a BRITA Academy	<ul> <li>BRITA Sales Academy introduced in EMEA (80 courses so far)</li> <li>E-learning programme for product training</li> <li>Information page about training opportunities on the intranet</li> </ul>	$\bigcirc \bigcirc \bigcirc$
Expansion of a programme for the development of high potentials	<ul> <li>BOLD programme established for the development of management employees</li> <li>Currently 34 candidates in a rolling three-year programme</li> </ul>	$\bigcirc \bigcirc \bigcirc$
Internationalisation of human resource management and increase in employee assign- ments abroad	<ul> <li>Introduction of the International Assignment Policy</li> <li>Optimisation of support for employees before and during periods abroad</li> <li>International management positions successfully filled internally</li> </ul>	$\bigcirc \bigcirc \bigcirc$
Further standardisation of occupational health and safety at BRITA	<ul> <li>Standardisation of risk assessment at all production sites</li> <li>Criteria developed for the evaluation of occupational health and safety at international locations</li> </ul>	$\bigcirc \bigcirc \bigcirc$
♦ ♦ ♦ Objective achieved	♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦ ♦	ive no longer relevant/not achieved



# BRITA AND WDC

If you deal passionately with water every day, it quickly becomes clear that one of the greatest global threats to this vital resource must be addressed: the increasing accumulation of plastic waste that has led to veritable plastic carpets in the oceans. Studies indicate that – if the irresponsible consumption of plastic does not change – more plastic than fish will swim in the oceans by 2050. Since it is high time to raise global awareness about the fatal consequences for nature and humanity BRITA has joined forces with the largest organisation for the protection of whales and dolphins, Whale and Dolphin Conservation (WDC). In 2016 and 2017, the joint campaign *Less Plastic is More*, the word 'more' being a play on the German word for ocean, was very successful in bringing this topic into the public eye.

Worldwide, 24 tonnes of plastic enter the oceans every minute. This means around 13 million tonnes of plastic every year. A large proportion is carried into the oceans by rivers. Together with other sea currents, the five large ocean swirls distribute the plastic waste to the farthest islands and to Antarctica. The consequences are beaches littered with plastic waste and destroyed habitats for the inhabitants of the oceans. Animals such as whales and dolphins die miserably because they get entangled in plastic parts or mistake waste for food which they cannot digest. The fact that sea creatures mistake plastic for food also leads to plastic parts being introduced into the food chain and thus increasingly into the human organism.

#### Less Plastic is More

On the occasion of the company's 50th anniversary, BRITA decided to support the message of the charitable organisation WDC and for 2016 became the exclusive cooperation partner of the campaign Less Plastic is More. For BRITA, the collaboration means a lot more than the provision of financial resources. The goal is to jointly raise awareness for the devastating effect of plastic in the oceans. The focus is on getting people to rethink and change their habits. Not least of all do BRITA products offer various possibilities for consumers to reduce their personal plastic consumption: by drinking BRITA filtered water and renouncing disposable plastic water bottles, which represent part of the problem, people can contribute directly to the protection of the oceans and their flora and fauna. But how do these two partners cooperate to reach the largest possible public with their message? In addition to traditional public relations work, BRITA and WDC intensively use social networks such as Facebook. Educational work in the form of school visits and providing vivid teaching materials for teachers and school children of all age groups is also on the agenda of the campaign. The activities in schools are prepared and performed by WDC employees.

#### A match made in heaven

The partnership is ideal: the core message of the campaign Less Plastic is More fits the promotional presence of BRITA and the product range, which provides the consumer with an alternative solution to water from plastic bottles. In addition, both organisations have similar structures with international locations which are not too big and therefore agile. This enables the short-term implementation of measures and very close, direct communication for BRITA locations which have a local WDC office nearby. It is therefore no surprise that the partnership came third in the competition for the German Fundraising Award 2017 in the category 'Best Company Cooperation'. The presenter of the award ceremony called the partnership a 'match made in heaven'.



In 2016 and 2017, BRITA very successfully supported the campaign Less Plastic is More.

press. Many visitors shared snapshots and selfies with the dolphins on Facebook, Instagram, Twitter and Co. In autumn 2017, the British subsidiary launched the website www.notwhalefood.com together with WDC, which provides information on the subject of plastic waste in the oceans and presents BRITA filtered water as an alternative to water in non-reusable bottles.

#### 2018: A Year for Less Plastic is More

For 2018, BRITA and WDC have planned to build on the successful public relations work and lead by example. "We want to reduce plastic consumption within our own company and encourage others to do the same: associated companies, partners, but also consumers," concludes Dr Sabine Rohlff, spokesperson and Head of Group Corporate Communications. For this *Plastic Challenge*, WDC together with BRITA develops checklists, guides and communication materials under the motto *A Year for Less Plastic is* 



Every day, 4.2 tonnes of plastic are discharged into the sea from the Danube,

#### The best of the numerous joint campaigns

The many fruits of the cooperation are further evidence for the good collaboration: more than 1,000 pupils were reached during nation-wide classroom visits. In addition, special workshops for adolescents as well as project weeks and campaigns for parents and children were organised. The educational materials on plastic in the ocean were translated into English and Spanish and can now also be used in Great Britain and Spain for educating school children of various age groups. Ten bloggers took part in a plasticfree workshop. In the resulting blog articles on sustainable life and travel, the participants presented possibilities for using less plastic in everyday life and encouraged their readers to actively contribute to the protection of whales and dolphins. A poster campaign in the German cities of Berlin, Hamburg, Munich and Wiesbaden, which reached around five million people, drew extra attention to the educational campaign. 5,000 postcards with the 'Less is More' motif were distributed nationwide, especially in 'package-free' shops. Animated graphics, a video and a newsletter illustrated the dimensions of the plastic problem and called for participation. They reached numerous people via various channels and events. At the end of 2017, BRITA's CEO Markus Hankammer decided to continue the support for another year and to use the momentum already generated.



The male dolphin Flosse, estimated age around 15 years, is one of the animals adopted by BRITA. He likes to swim inside Moray Firth in Scotland and can often be observed – in most cases even from land – playing with his friends Speedy or Prism!

Europe's second-largest river.

#### Joining forces on an international level

The collaboration with WDC is coordinated by BRITA headquarters in Taunusstein, but all the subsidiaries world-wide participate in the project and support WDC's goals locally in different ways. Eleven subsidiaries from Europe, Asia and Australia have already adopted a dolphin, a humpback whale or an orca. Through the adopted animals, the subsidiaries can not only participate directly in the life of an animal and support WDC with well-publicised activities, but they can also understand the problems caused by plastic waste in the oceans on the basis of a concrete example.

BRITA Italia, for instance, had the idea of sending a group of 'dolphins' as ambassadors for clean oceans to Milan, Bologna and Rome on the occasion of World Water Day 2016. They explained the danger of plastic waste in the oceans for whales and dolphins to people on the street. The guerrilla initiative created expressive images and articles in the *More.* "The aim is to involve the public in our efforts and to exchange ideas about sustainable alternatives to plastic with them. We want to mobilise supporters who not only want to reduce their own plastic consumption, but also actively participate in clean-ups and free nature of rubbish," says David Pfender of WDC.



WDC collaborates closely with researchers in various regions of the world, for example, in Latin America, Canada, Australia and Scotland. They ensure that the public and sponsors receive information about adopted sea animals. Furthermore, they influence decisions concerning the habitats of whales and dolphins via relevant forums and working groups. In May 2018, BRITA spokesperson Dr Sabine Rohlff met with Alison Rose and Charlie Phillips, who decisively shape the work in the research station in Scotland, the Scottish Dolphin Centre, together with few employees but a lot of volunteers.

The Scottish Dolphin Centre (SDC) in Spey Bay (Moray Firth) is situated on the wild northeastern coast of Scotland, around 60 miles south of Inverness, and has about 90,000 visitors per year, from March to October. The seven employees and 20 volunteers working here see themselves as 'ambassadors for whales and dolphins'. Their task list is correspondingly long: guided tours through the Centre for visitors, daily observations of the animals in the sea and on land for data collection, excursions with school children and visits of schools, to name just a few of the most important examples. The zoologist Alison Rose, born in England, has led the Centre since 2012.



Animal watching at the Moray Firth is comprehensive and, besides whales and dolphins, also includes seals or birds, such as the sea eagle. The Scottish Dolphin Centre collaborates with the Scottish Wildlife Trust so that the data collected supports all of the Scottish animal welfare work.

### Scientific groundwork for sustaining habitats

#### Where Flosse, Charlie and Kesslet live

A very important task of the Centre, which is predominantly carried out by volunteers, is the observation of the coasts to collect data: e. g., which dolphins are sighted where and at what time, which boats or ships cross their paths and which other animals live in the sea or on land. This data is then used to generate valuable information for decisionmakers or legislators to, for example, justify the establishment of a protected area. The volunteers mostly live at the Centre for a period of around eight months and are trained and equipped by Alison herself. "A few years ago, we had a pipeline project here. On the basis of the data, WDC managed to convince the company behind the project not to perform the construction and subsequent maintenance of the pipeline in the summer months, as it was proven that this disturbs and thus threatens sea mammals," says Alison Rose.

As the six dolphins available for adoption through WDC live in Moray Firth, a further important part of the work is to provide the 'adoptive parents' with information as well as with image and photographic material. This is what Charlie Phillips, nature photographer and Dolphin Field Officer for WDC, is in charge of. Via social media, blogs and the member magazine, he provides WDC supporters images and news of their adopted animals. In addition, he is an important ambassador for WDC interests with visitors and the general public and gives interviews for local and international TV and radio stations.

"My work is determined by the tide. Depending on whether it is high or low tide, I can watch and take photos of the whales and dolphins from land or at sea," says Charlie Phillips. He has been working in the area of dolphin research for many years and began his work for WDC as a guest author for blog articles and as a freelance photographer. For some years now, he has been employed full-time by WDC and is still proud of his work and his employer. A personal highlight for him during this time was the fact that Aberdeen University, an important and long-term partner of WDC, named a dolphin after him. Charlie is the son of Kesslet, whom he has known for a long time and whose mother he had already observed and photographed.

# PROTEC TOR OF WHALES AND DOLPHINS

Fabian Ritter is a marine biologist

professional statements to try and influence decision-makers. Thanks to my experience as a scientific consultant at the International Whaling Commission and after 20 years of field research on whales and dolphins, I can also contribute to questions regarding responsible whale observation.

# Why is the work of WDC important for us humans?

Whales and dolphins play important roles in the ecosystems of the oceans, ensuring that the natural balance is maintained. If we protect them, we also protect the planet and thus ourselves. The many problems that we humans are causing for whales and dolphins, such as the continually increasing plastic waste in the oceans, are also a mirror of our careless treatment of nature. With our work we try to touch people – particularly their hearts – in order to change their attitude. For this, moving facts are required, particularly those that motivate people to contribute to the solution of the problems.

# Where in the world can you watch whales and dolphins particularly well?

There are countless places. In Europe there are the British Isles, the Azores, the Mediterranean, Norway, Iceland and the Canary Islands. California, New Zealand, Hawaii, Argentina, Australia and Canada are further areas where you can find excellent conditions for watching marine mammals. Even in Japan, where whales are still hunted and eaten, whale watching has become very popular. You should be clear about which species you want to see and select your destination accordingly. There is usually a great variety of species. In some places, you must consider the time of year so that you do not miss the animals. Our free WDC Whale Watching Guide can help you.

#### What is responsible whale watching?

Whale watching boats can disturb sea mammals. Providers of whale watching tours should openly communicate this and conduct themselves in an appropriately mindful manner. Ideally, whale watching and the protection of the animals go hand in hand. This is, for example, the case when animal data is collected on-board and the behaviour of the animals is documented. Unfortunately, this is seldom the case in real life. The WDC Guide will help you select a responsible tour provider.

and leads the unit *Protecting the* Oceans at WDC. He has been a member of the scientific committee in the International Whaling Commission (IWC) for many years.

He discovered his fascination for whales and dolphins already in his youth. With his university studies, he turned his passion into a profession. BRITA talked to him about his exciting work:

# What do you do at WDC to benefit whales and dolphins?

I lead campaigns and develop the associated projects such as beach clean-ups, presentations or special initiatives. I also participate in expert groups and talk to representatives from politics and business. I'm particularly interested in the subject of marine reserves. In this area I work together with other environmental organisations or by creating



Fabian Ritter, here at the Baltic Sea, is committed body and soul to the well-being of whales and dolphins, and is also an expert for responsible whale and dolphin watching.

What is a marine reserve? Which role do marine reserves play in the protection of whales and dolphins?

The term 'marine reserve' describes an area in which human activity is permitted only in a restricted manner or not at all, in order to preserve habitats and wildlife. This generic term stands for many different types of reserve, such as national parks or nature reserves. Each reserve type has specific protective measures associated with it. As whales and dolphins are very mobile animals, it is important to design reserves to be as large as possible and to take note of the times the animals are there on a regular basis to mate or find food. Through our campaign Whale Homeland, we work nationally and internationally to ensure that marine reserves not only exist on paper, but rather that they earn their names and contain effective measures which are monitored and enforced.

# SPOTLIGHT ON THE UK LOCAL PARTNERSHIPS TO REDUCE PLASTIC WASTE



WDC and BRITA UK launched a joint waste collection initiative as part of the #notwhalefood campaign.

Since filtered water offers an environmentally conscious alternative to water from single-use plastic bottles, the BRITA initiatives against irresponsible plastic consumption can be seen as a credible combination of its business

# Reduce plastic waste – with Keep Britain Tidy

A large share of the waste in the world's oceans is made of plastic, mainly single-use bottles and plastic bags but also other daily use items, such as cups, cutlery, straws and stirrers. Most people are not aware of the environmental impact of the plastic they consume. That is why a key first step is to build awareness of the problems caused by disposable plastic waste. In 2017 and 2018, BRITA UK and Keep Britain Tidy teamed up to carry out representative surveys on the consumption of water and water bottles by the British public. One of the survey results indicated that 65 percent of the UK population would not buy bottled water if tap water was more readily available and 73 percent of consumers said they would view a business more favourably if it provided free tap or filtered water on request. In both years, the level of public interest in the results of these surveys was massive. They were reported in the local and national press and were the subject of lively discussions. "The media interest is an indicator of how important this

issue is for people in Britain at the moment. We as BRITA have an opportunity to use our initiatives and partnerships with important organisations such as *Keep Britain Tidy*, MCS or WDC, to add momentum to the causes we support and to play a decisive role with our sustainable alternatives to disposable bottles," explains Sarah Taylor, Managing Director of BRITA UK.

#### Fill your bottle - with Refill

BRITA UK is not only trying to draw attention to the environmental damage caused by single-use plastic products. It is also at the forefront in proposing solutions. For example, the British subsidiary actively supports the Refill initiative in the Bicester and Banbury region, where the BRITA operations are located. The goal of the Refill movement is to provide easy access to free tap water throughout the country. Maps are available online and via an app, showing lists of the shops and other establishments where passers-by can refill their water bottles free of charge. Since the initiative was launched, more than 10,000 refill points have signed up in the UK alone. This number is expected to grow significantly as they have recently received support from the British Government and UK Water to help accelerate the roll out of this initiative. So when you are on the go, always carry a refillable bottle and if thirsty, launch the Refill app, find the closest refill point and get some water to drink. And, if you use BRITA fill&go products, the tap water is filtered directly, while drinking on the go.

#### Protect the oceans – with MCS and WDC

Great Britain is an island where you are never further than 120 kilometres from the coast, so people have always felt a close affinity with the sea. BRITA's British subsidiary supports two environmental organisations, WDC and MCS, and for both, the main focus of their work is a commitment to protect the world's oceans. BRITA provides

global support to Whale and Dolphin Conservation, which among other activities operates a research station in Scotland. By investing in the notwhalefood.com platform and sponsoring a plastics policy expert, BRITA UK supports WDC's efforts to document and publicise the impact of plastic waste on the world's oceans and their inhabitants such as whales and dolphins, while also providing information both to the general public and politicians. BRITA UK also sponsors the well-publicised beach-cleaning initiatives led by WDC and has actively supported the Marine Conservation Society with their Plastic Challenge for the last three years. Every year in June, MCS launches an appeal to cut unnecessary plastic consumption and offers consumers practical tips on how to go about this. More and more people are participating every year.

MCS and BRITA UK have also teamed up for further initiatives, such as the joint project with fashion designer Henry Holland, who has designed motto T-shirts made from recycled plastic bottles. Working with actress and eco-activist Lily Cole, he markets the T-shirts as a way of generating publicity for this environmental issue. Proceeds from the sale of the T-shirts go to MCS.

These various initiatives – launched by BRITA UK, its partners and many other active participants – all help increase awareness of the need to protect the world's oceans and their inhabitants. The road to reducing plastic waste is long, but one very British milestone has already been reached: early in 2018, the Royal Family banned the use of single-use plastic bottles and plastic straws in all of its properties.

#### interests and its sustainability commitment. The example of one BRITA subsidiary shows how this can be applied in practice:

To implement activities at the local level, BRITA UK has joined forces with civil society initiatives such as *Keep Britain Tidy* and *Refill*, as well as with environmental organisations such as BRITA's global partner Whale and Dolphin Conservation (WDC) and the Marine Conservation Society (MCS). With these initiatives, the British subsidiary actively demonstrates BRITAs corporate responsibility by supporting existing organisations and projects in Great Britain in a meaningful way.

#### **500 MEDIA REPORTS**

The study results by BRITA UK and *Keep Britain Tidy* were not only subject to more than 500 media reports, but also used within the UK Government's Environmental Audit Committee's consultation aimed at finding solutions for the environmental pollution caused by disposable plastic waste.



#notwhalefood, an initiative of WDC in Great Britain, is supported by the local BRITA subsidiary. The partnership was nominated as a finalist for the renowned UK Business Charity Award.

# EVERY DROP COUNTS!

Meike Rapp has been keeping an eye on corporate responsibility activities at BRITA since January 2016. As Sustainability Manager, it is her job to ensure that the company-wide approach to sustainability encapsulated by the phrase Balance the Impact is constantly brought to life. For Meike Rapp, this means above all watching and listening. In close collaboration with her colleague, Sabrina Horch, and together with co-workers from many different departments, she identifies issues, develops new approaches to problems and supports the implementation of measures.

Ms Rapp, you have been the Sustainability Manager at BRITA for about three years and were closely involved in the publication of the last CR Report where the then new company approach *Balance the Impact* was introduced. What has happened since then?

Over all, we have broadened our corporate responsibility engagement. When we first calculated our corporate carbon footprint in 2015, we were still mainly focused on the management of our emissions and initially wanted to develop a good data set on which to base further work. Since then, the annual calculation of consumption and emissions has been institutionalised and we are able to look beyond it, for example, to the ecological consequences of our business activities as such and where we can reduce them reasonably. In any case, there is more behind Balance the Impact today than simply a focus on environmental issues. Our purpose is to understand where we as BRITA impact the environment, the lives of people and society as a whole through our decision-making and how we might even be able to turn these impacts into benefits.

# Is this broader focus also a reaction to new, sometimes regulatory requirements?

Yes, that is true. The expectations of our customers and stakeholders are rising. They are clearer and more defined, and continue to develop further. Today, systematic environmental protection is assumed to be the status quo while other issues have taken centre stage, such as working conditions and environmental standards in the supply chain or upholding human rights. Particularly in these areas, new laws such as the UK Modern Slavery Act ensure that we as a company have to become more deeply involved in the value chain of our products in order to effectively prevent any risks to BRITA. That is also why responsibility for the supply chain has become a focus of BRITA corporate responsibility activities and a field of action which we will be more heavily focused on in the coming years. For example, in 2017, we began to overhaul our supplier self-assessment questionnaire. We are also working to ensure that the new requirements are reflected in the selection and evaluation of suppliers. Such changes are only possible with the support from the responsible departments. I am very pleased that everyone has recognised the importance of this issue and is pulling together.

BRITA has been growing for many years, particularly through the expansion into new national markets. What demands



Implements the Balance the Impact approach throughout the company via discussions with colleagues: Meike Rapp, Sustainability Manager

consider that internationally, the views on and understanding of corporate responsibility vary greatly. In Europe, sustainability issues are understood very well by consumers and even demanded at times. In other markets, such as the growth market China, customer awareness is not as developed. It is therefore not always easy to find a position that works for everyone. Still, I see a clear advantage for BRITA: our message that BRITA is a sensible, ecological alternative to bottled water is easy to understand around the world, particularly given the current global conversation surrounding the growth in pollution from disposable plastic. This gives us a good basis for finding the right approach for each market.

#### You have talked about fields of action which are being worked on. What issues are on the agenda for the coming years, aside from responsibility for the supply chain?

The fields of action have been identified with the help of a materiality analysis. This means, we have looked at the issues customer groups to ensure the success of the company. These are all exciting topics where BRITA, like many companies, has considerable potential.

#### We have now heard what areas will be in focus for the future. But what things are you particularly proud of that have been implemented since the last report?

Corporate responsibility is not something that can be implemented simply from one day to the next and then ticked off the list. It is a collective task that challenges the entire organisation and is only realised in small steps. That is why I find the image in our CR Report of the many droplets filling the glass to be so apt. Every measure which furthers corporate responsibility is a success. I can think of a number of examples from the last two years: the cooperation with Whale & Dolphin Conservation, for example, or carrying out the materiality analysis with the support of so many departments. But there were also many small measures, such as switching to drinking glasses in our Sensory Analysis Laboratory, which now saves 15,000 plastic cups per year. Or the fact that we have very recently begun using paper towels which are recycled in a closed cycle. And I am particularly pleased when the ideas for these sorts of measures don't come from me but rather from my colleagues or from within the departments themselves. Because when that is the case it is a sign that corporate responsibility has arrived, both within the company and in the mindset of the people.

### responsibility?

You have to remember that we have introduced a structured approach to corporate responsibility not that long ago. With that in mind, our progress has been considerable. In the area of internationalisation, I see challenges on two levels. On the one hand, we are still working on streamlining the understanding of corporate responsibility topics at our headquarters while we also have to think globally and involve our subsidiaries in this common definition. This can only succeed by influencing corporate culture and through the executive level. On the other hand, corporate responsibility is also an important issue for the BRITA brand itself. It is important to

Since BRITA introduced *Balance the Impact* in 2016, a great deal has happened. From an initial focus on identifying and reducing the company's  $CO_2$  emissions, it became a holistic approach reaching far beyond environmental protection. Today, the focus is on understanding the impacts of business decisions on the environment, people and society and how these impacts can be either reduced or designed to benefit everyone affected.

which are most important to us and to our stakeholders. Then we have grouped them together into fields of action. The task now is to work out where we can continue existing activities and where we may need to expand our involvement. It is difficult to prioritise here because, of course, all of the action fields are important. Supply chain responsibility will continue to command our attention, not least because our customers demand that we are on top of this issue. Environmental protection has been a priority for BRITA for many years because, as a producing company, ideally every opportunity to save resources also means less material purchased and less energy consumed. Here our plan is to stay on track and make even better use of our existing environmental management systems. Personally, I see the area of product responsibility as the most exciting because it connects our commitment to corporate responsibility directly to the core of the company, our products. This means discussions around ecological design, alternative materials, environmentally friendly packaging or sustainable innovations and how they may help open up new markets or

# **CONTRIBUTION TO CLIMATE PROTECTION** THE CORPORATE **CARBON FOOTPRINT**

Environmentally harmful emissions and their consequences for people and nature are one of the most urgent problems of our time. By using BRITA filtered water as a substitute for bottled water, many tonnes of CO<sub>2</sub> have already been avoided - more than 300,000 tonnes in 2017 alone. Yet the extraction of raw materials, the production of BRITA products and other business operations still clearly have consequences for the environment.

BRITA also assumes its responsibility here and is taking important steps to keep its own impacts as low as possible. With the corporate responsibility approach Balance the Impact, BRITA has defined a clear goal for climate protection: emissions are calculated in the BRITA carbon footprint and gradually reduced and balanced through sensible activities and measures.

Since 2015, BRITA has regularly calculated its corporate carbon footprint. By doing so, the company creates more transparency about its energy and resource consumption at its various sites and can more easily identify where improvements are possible and sensible. Currently, the main focus is still the standardisation of data collection across the entire group in order to get as complete a picture of CO<sub>2</sub> emissions as possible. During 2015, a total of twelve BRITA companies with 19 properties were included within the scope of the emissions calculation; emissions for 17 business units and a total of 28 sites have been determined for 2017. As a result, more than 90 percent of BRITA's turnover is represented in the corporate carbon footprint.

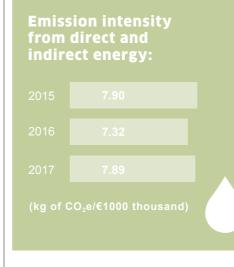
#### What is the BRITA carbon footprint?

In the corporate carbon footprint, BRITA captures emissions from the consumption of so-called direct energy (Scope 1) such as heating oil or natural gas, and emissions that are generated in the production of indirect energy such as electricity or district heating (Scope 2). The emissions can also contain other greenhouse gases alongside carbon dioxide, therefore all emissions are converted into CO<sub>2</sub> equivalents (CO<sub>2</sub>e). In addition, BRITA surveys emissions that occur outside its own company borders but are to be attributed to BRITA (Scope 3). These include, for example, CO<sub>2</sub> emissions caused by business travel undertaken by plane, train or rental car, or emissions from the production of raw materials such as activated carbon and ion exchange resin. The corporate carbon footprint is the result of this broad approach. For the calculation, BRITA uses the internationally recognised standard of the Greenhouse Gas (GHG) Protocol and has the processes and calculation channels regularly checked by external experts. The results are then summarised in a carbon footprint report. The 2017 BRITA Corporate Carbon Footprint Report is available for download on the BRITA website.

#### Results of the 2017 corporate carbon footprint

The BRITA Group's absolute CO<sub>2</sub> emissions in Scope 1 and 2 in 2017 increased by about 13 percent in comparison to the previous year. This is due to general growth of the company as well as the expansion of data collection to additional subsidiaries, which was reflected in correspondingly higher energy consumption of heating oil and fuels. Emissions from electricity consumption, at only 470 tonnes of CO<sub>2</sub>, constitute a very small proportion, as BRITA obtains more than 90 percent of its electricity from renewable energies which generate low or no emissions. In this way, despite an increase in electricity consumption by 12.5 percent, only 5.4 percent more emissions were produced. As a whole, emissions equivalent to 3,900 tonnes of CO2 resulted from direct and indirect energy consumption.

The emissions in the so-called Scope 3, meaning for those activities which occur outside business operations at BRITA, have also risen. In 2017, a total of 49,620 tonnes of CO<sub>2</sub>e accrued, which accounts for 93 percent of the total BRITA carbon footprint. The raw materials activated carbon and ion exchange resin account for almost 85 percent of the emissions because a lot of energy is already required for the production of these materials. Other relevant emissions sources are flights and fuel consumption by company cars, which generate around 4,360 tonnes of CO<sub>2</sub>e. Overall, emissions in all three scopes came to a total of 53,520 tonnes of CO<sub>2</sub>e. In other words: for every million the company generates in turnover, it produces 110 tonnes of CO<sub>2</sub> emissions.



#### Next steps

With each corporate carbon footprint calculation, BRITA obtains important information about its energy consumption as well as business operations and their effects on the environment. A further expansion of the data collection is planned for 2018, which will then also include the newest production site in China. Many measures to minimise the carbon footprint have already been initiated or are in the planning stage in order to further reduce energy consumption and conserve resources. BRITA benefits here from processes and structures that are already established, such as the environmental and energy management systems, which will be developed even further in the future. Consumption and emissions will continue to be recorded regularly and will then form the basis for targets that are as specific as possible and part of the BRITA CR Programme.

BRITA is fully aware of the challenge that Balance the Impact poses to the company. In a growing and expanding company with constantly increasing production and distribution activities worldwide, significant reductions in emissions are not easy to achieve. But entirely in keeping with the business strategy Conquer New Waters, BRITA will also strike out on its own and in a new direction. And it will ensure that not only its own products contribute towards climate protection, but also that its business activities are as efficient and environmentally friendly as possible. Because a company is only credibly sustainable if it can do both.

# **OLD FOR** NEW

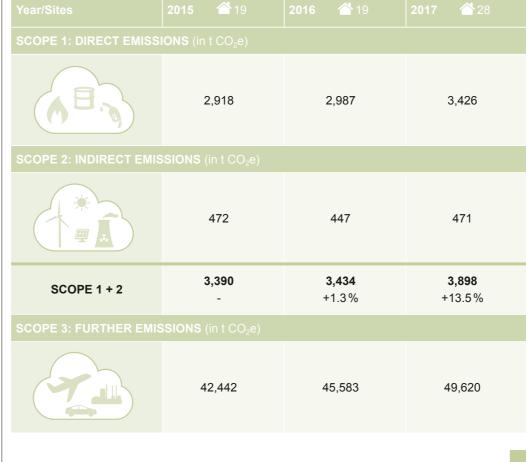
#### At the end of 2017, BRITA

China Trading used employee and end-user campaigns to highlight the fact that anyone who avoids waste in their everyday lives and recycles valuable raw materials is acting sustainably. The idea behind both campaigns is simple but effective: exchange old for new!



Swapped electronic waste for a potted plant: BRITA employee Cindy Zhu from Shanghai

30 regular and digital posters drew attention to the BRITA campaign in the Pudong district of Shanghai, in the immediate vicinity of the BRITA office. On one Saturday in October 2017, consumers were able to exchange three used MAXTRA cartridges for one new MAXTRA+ cartridge, or 30 used plastic bottles for the BRITA water filter bottle fill&go, which can easily be filled with mains water when on the go because the water is filtered while being drunk. This also afforded the opportunity to distribute a great deal of information on environmental protection. "We have been able to draw the attention of many consumers to the recyclability of our cartridges. At the same time, we were able to clearly point out how much plastic waste can be prevented if refillable filter bottles - such as our fill&go - are used," says a pleased Judie Zhu, organiser of the event and Public Affairs Manager at BRITA China. Since then, the exchange campaigns have been held regularly every second Saturday of the month.



Since environmental protection begins, as they say, at home, Judie Zhu then organised a one-day employee campaign in order to strengthen environmental awareness at the BRITA office in Shanghai as well. Employees were able to exchange old electrical appliances such as computer and laptop chargers or batteries, for potted plants. What was well received by the end users also delighted the employees. "Many took this opportunity to recycle discarded electrical appliances. The plant, in turn, is a lasting reminder to everyone that every little action can contribute to environmental protection," says Judie Zhu, who already has many ideas for further actions of this kind. "In China, environmental protection has not penetrated people's thinking as much as it has in Europe and we would like to set a good example."

# RESPONSI BILITY FOR THE **PLANET**

# **NEXT STEPS**

- Energy management system: achievement of the 2020 BRITA energy objective (reduction by 20 percent compared to 2015)
- Carbon management: continuous regular calculation and audit of the BRITA corporate carbon footprint
- Environmental management: expansion and further standardisation of environmental indicators
- Environmental programme: update and specification of group-wide objectives

way. Production sites are often able to create big ecological improvements through small measures. *Balance the Impact* also means that subsidiaries are encouraged to make important contributions to the reduction of energy and resource consumption wherever possible. At BRITA, environmental indicators are collected worldwide so that potential for improvement can be identified and progress monitored.

Using an environmental aspects evaluation, BRITA has determined energy, water, waste, chemicals and noise as priorities. In these areas, the company is working hard to continuously reduce its environmental impact. As part of environmental management, the Health, Safety & Environment (HSE) department supports the annual review process by providing internal auditors and manages the continuous development of the environmental programme and collection of data. To this end, the department is in regular dialogue with the Energy Manager, the BEST (BRITA Excellence System) Programme Coordinator and with people responsible for HSE at the international sites.

#### Energy management

For BRITA as a manufacturing company, the use of energy in any form is not only a cost-relevant factor, but also an important starting point for reducing environmental impact. The production sites in Taunusstein (Germany) and Bicester (Great Britain) have had an ISO 50001-certified energy management system since 2015. In the energy policy signed by the Executive Board, BRITA commits itself to reducing the company's energy needs and the  $CO_2$  emissions resulting from them.

The Energy Manager is part of the Facility Management Team and as such responsible for the energy management system in Taunusstein. He collaborates closely with the Energy Coordinator in Bicester. There is also an Energy Team, which gathers and assesses proposals for improvement measures. The team consists of representatives from Engineering, Maintenance, Production, IT, Purchasing, HR and Controlling, as well as the BRITA Manager for Electrical Safety and the Sustainability Manager. Both the energy and environmental management systems are important tools for BRITA to reduce environmental impact and emissions under *Balance the Impact*. The company is working on introducing the management systems in additional subsidiaries so that uniform requirements are met across the company. In future, the environmental programme will apply across the group as part of the BRITA CR Programme and provide momentum for continuous improvement.

#### Networking for environmental protection

Since 2013, BRITA GmbH has been part of ÖKOPROFIT, a municipality-sponsored voluntary consultation programme that accompanies and supports companies in the effective implementation of corporate environmental protection measures. In 2014, BRITA was admitted to the ÖKOPROFIT Club, a network in which companies that already received an ÖKOPROFIT honour regularly exchange experiences and knowledge with other environmentally committed companies in the region.

The ÖKOPROFIT Club Wiesbaden, of which BRITA is part, is also registered as one of 500 German energy efficiency networks and is thereby committed to reducing annual energy consumption. Through the exchange with other companies, BRITA gains important insights and suggestions for new environmental protection measures.

# ENVIRONMENTAL INDICATORS

BRITA records a series of environmental indicators to gain information about the company's environmental performance. In 2017, the indicator system was expanded by 10 locations and is currently being developed even further. Several environmental indicators were recorded in detail for the first time in 2017. Direct comparison of the indicators through the years is therefore currently only possible to a limited extent.

# TOGETHER FOR THE ENVIRONMENT

At BRITA, environmental protection is anchored in the company's guiding principles and recorded in the management manual as well as in the Code of Conduct as a guideline for the employees. Systematic environmental protection is currently in operation primarily at the production sites where the greatest savings potential can be found. Yet all subsidiaries are also committed to the protection of resources through large and small measures that go beyond compliance with the country-specific legal requirements. BRITA continues to work on harmonising and standardising the environmental protection requirements. The BRITA environmental programme, as part of the CR Programme, will set the direction for this.

# BALANCE THE IMPACT: ENVIRONMENTAL PROTECTION AT BRITA

SITE

IMPLEMENTATIO

ESTIMATED SAVINGS (PER YEAR)

BRITA has combined all of its corporate responsibility activities under *Balance the Impact*. In terms of environmental protection, this means that the company wants to record and continuously reduce the environmental impact of its business activities. This, of course, concerns climate protection, but also the conservation of resources and sensible use of materials and raw materials. For this, BRITA draws on instruments and processes with which environmental protection has already been successfully implemented in the past, for example, with certified environmental and energy management systems.

#### Environmental management worldwide

At the production sites in Taunusstein (Germany), Bicester (Great Britain) and Neudorf (Switzerland), environmental management systems according to ISO standard 14001 were already implemented in 2011. The new production plant in China is also due to receive this certification by the end of 2018. The management systems help to make organisational and technical workflows more efficient and to standardise them step by step, so that environmental protection can be implemented across the entire BRITA Group in a targeted

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Global Germany Germany	in progress 2017	150,000 kWh
	2017	150,000 kWh
Germany		
5	2017	50,000 kWh
Germany	2017	20,000 kWh
CH, UK	2017/2018	50,000 kWh
UK	2018	
DE, ES	2015	
Germany	2016	
Germany	2017	
Global	in progress	
Global	in progress	
AUS, JP, ES	in progress	
Global	2016	
JP, UK	2017	
Germany	2018	
Germany	2018	15,000 plastic cups
	CH, UK UK DE, ES Germany Germany Global Global AUS, JP, ES Global JP, UK Germany	CH, UK2017/2018UK2018DE, ES2015Germany2016Germany2017Globalin progressGlobalin progressAUS, JP, ESin progressGlobal2016JP, UK2017Germany201620162017

completed

d ongoing

planned

#### Energy

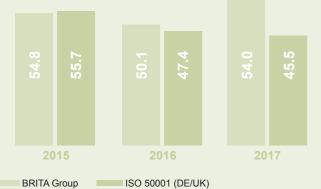
For the most part, BRITA obtains direct energy, for example, for heating or the operation of machinery and equipment, from natural gas. Among other things, gas is primarily used in production for the generation of steam and refrigeration. Despite increasing production numbers, the consumption of natural gas has reduced slightly since 2015. The reason for this is the diverse measures to better control consumption as part of energy management. The total direct energy demand increased by 12.5 percent from 2016 to 2017 due to the incorporation of new subsidiaries into the data collection.

#### Energy consumption (in MWh):1

	2015	2016	2017
Direct energy	13,997	14,028	16,001
consumption (MWh)			
Heating oil	479	677	907
Natural gas	12,671	11,798	11,793
Wood pellets	-	-	339
Fuels	847	1,553	2,962
Indirect energy	9,518	9,478	10,661
consumption (MWh)			
Electricity mix	781	746	767
Renewable energy	8,737	8,732	9,743
District heating	-	-	135
Total (MWh)	23,515	23,506	26,662

BRITA uses certified eco-electricity at its production sites in Germany, Italy, Great Britain and Switzerland, thereby meeting more than 90 percent of its indirect energy needs with electricity from renewable sources. The increased electricity consumption in 2017 compared to the previous year is explained by the expansion of the recording of indicators to include an additional production site. The use of conventional electricity as a share of total energy consumption remains negligible and is limited to a few small sites.

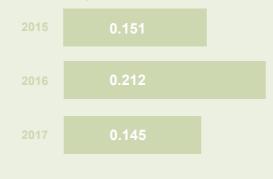
In places where there is a certified energy management system (Taunusstein and Bicester), it was possible to further reduce energy consumption relative to turnover. In comparison to the base year of 2015, 19 percent less direct and indirect energy was needed in 2017. This means that the objective of 20 percent by 2020 has almost been achieved. At the level of the BRITA Group, the expansion of data collection to additional subsidiaries led to a slight increase in energy intensity.



Energy intensity (in kWh/1000€):<sup>2</sup>

This is due, on the one hand, to the expansion of data collection to additional subsidiaries and to an increase in the amount of recovered ion exchange resin that has been regenerated. In relation to turnover for the BRITA Group, water consumption has reduced by almost four percent from 2015.

#### Water intensity (in m³/1000€):



#### Waste and wastewater

At BRITA, waste occurs for the most part in production, specifically in the form of PCC (paper, card, cardboard), residual waste and foils. For situations in which already packaged goods have to be disposed of, an additional work step was introduced in the central warehouse in Frankfurt in 2017, ensuring that the materials are separated according to type. This helps achieve a higher recycling rate and disposal costs are reduced. The little hazardous waste that is generated at BRITA mainly consists of production residues from the regeneration plant and operating materials for equipment and machines.

The total volume of non-hazardous waste came to 3,592 tonnes in 2017. Of this, 80 percent was sent to a recycling plant, another 11.4 percent was incinerated with energy recovery and a further 7 percent could be reused. Included among the reused materials are pallets and packaging materials which were supplied to third parties for further use. The production sites are responsible for 93 percent of the non-hazardous waste and almost 99 percent of the hazardous waste in the BRITA Group. Despite a wide range of measures, the volume of waste in comparison to turnover increased by almost 10 percent between 2016 and 2017. Therefore, the focus in the future will be on using resources more efficiently and reducing the overall volume of waste.

Responsibility for waste management lies with the Waste Management Officer in the Health, Safety & Environment department. He collaborates closely with Facility Management and other departments to coordinate waste management. There is a Waste Manager at each of the production sites, who in turn exchanges ideas with the Waste Management Officer at the headquarters on topics relating to the optimisation of waste management.

#### Amount of waste by disposal method (in tonnes):4

	2015	2016	2017
Non-hazardous waste (in t)	2,756		3,592
Recycling	-	-	2,883
Incineration (with energy recovery)	-	-	410
Incineration	-	-	4
Landfill	-	-	12
Composting	-	-	5
Reuse	-	-	276
Hazardous waste (in t)	34	35	42
Recycling	-	-	4
Incineration (with energy recovery)	-	-	38
Total (in t)	2,790	3,145	3,634

In 2017, BRITA recorded wastewater discharges at all locations for the first time. In total, 72,182 m3 of wastewater were generated and fed almost exclusively into the respective municipal processing systems. The water used in the regeneration plant at the Taunusstein production site is treated in an internal treatment plant before it is discharged into the sewage system. BRITA ensures continuous monitoring and strict controls of the water's threshold values, and in addition, an independent external testing institute monitors compliance with these values several times per year. Thus far, there has been no incident where a body of water has become contaminated.

#### Wastewater discharges (in m<sup>3</sup>):

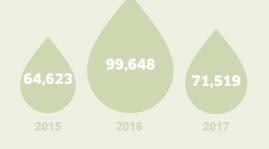
	2017
Total wastewater volume,	
discharged as:	72,182
Municipal wastewater treatment	71,476
Land or surface water	706

The energy data is based on recorded energy consumption at the individual locations. In 2016, energy data was recorded for 23 properties; in 2017, there were 33, including an additional production site. Five small distribution sites are no longer included in the survey.

- <sup>2</sup> Energy intensity means the ratio of the total direct and indirect energy consumption to group turnover.
- <sup>3</sup> In 2016, an accounting error and a leak at the Taunusstein site led to increased consumption.
- <sup>4</sup> Volume of waste from 2017 for the entire BRITA Group, prior to this only for the production sites in Taunusstein (Germany), Bicester (Great Britain) and Neudorf (Switzerland).



Water	(energy management system DE and UK)	<ul><li>LED lighting)</li><li>Reduction of 19% in energy consumption in proportion to turnover since 2015</li></ul>	
BRITA obtains 100 percent of its water from the local drinking water supply. The largest consumer within the BRITA Group is the production site in Taunusstein, where the regeneration plant for recovered ion exchange resin obtained from recycled cartridges is operated. In the actual production processes, water is mainly used to generate steam for the sterilisation of filter cartridges and for office use. BRITA is keen to further reduce water consumption in production and office operation. In comparison to 2015, consumption around the world has increased by about 10 percent. Water consumption (in m³): <sup>3</sup>	Annual calculation of the BRITA corporate carbon footprint	<ul> <li>Recording of CO<sub>2</sub> emissions in 2016 and 2017</li> <li>Limited assurance by auditors successfully completed (2017)</li> </ul>	$\bigcirc$ $\bigcirc$ $\bigcirc$
	Expansion of data collection to cover additional BRITA subsidiaries	<ul> <li>10 new sites integrated into data collection</li> <li>A total of 33 sites mapped (&gt;90%)</li> </ul>	$\diamond$ $\diamond$ $\diamond$
	Strengthening of internal communication about environmental and resource protection	<ul> <li>Quarterly CR Newsletter</li> <li>Implementation of CR quiz for employees (2017)</li> <li>Integration of subsidiaries into WDC partnership</li> </ul>	$\bigcirc \bigcirc \bigcirc$
	Introduction of an environmental aspects analysis at product level	<ul> <li>Integration of sustainability issues in the product development process (PDP)</li> <li>Definition of specific requirements is in progress</li> </ul>	$\diamond$ $\diamond$ $\diamond$
2015 2016 2017	Ô Ô Ô Objective achieved	♦ ♦ Objective partially achieved	longer relevant/not achieved



BRITA GROUP // CORPORATE RESPONSIBILITY REPORT // PLANET 

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**About this report –** This report documents the activities of the BRITA Group as part of its corporate responsibility (CR) and presents approaches, objectives and actions. The target audiences are BRITA customers, but also employees, suppliers, business partners and interested members of the general public. The BRITA Group last published its Corporate Responsibility Report in 2016.

The current report covers the years 2016 and 2017. Important events from the first half of 2018 are also included. In the future, BRITA will publish the Corporate Responsibility Report on a regular basis; the next issue is provisionally set for publication in 2020.

The report's content is based on the Global Reporting Initiative (GRI) standard, but does not claim to fulfil its requirements at this time. BRITA will strive to consistently and meaningfully improve its corporate responsibility reporting.

In the current Corporate Responsibility Report, which applies to the entire BRITA company, the term "BRITA Group" is used. It does not denote a legally binding corporate entity but more readily brings together BRITA GmbH and all of the subsidiaries. Unless otherwise stated, the key figures in this report apply to the BRITA Group.

To enhance readability, the report refrains from using masculine or feminine designations. All references to persons apply equally to both genders.

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