



Ricola Sustainability

OUR 2023/2024 REPORT

Ricola

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PLAYING OUR PART IN PRESERVING THE PLANET

At Ricola, we often say sustainability is just like hiking in the Swiss Alps. Just as you think you are getting closer to your goal, an unexpected summit suddenly appears. Following the path demands persistence, a clear sense of direction and a respectful attitude towards nature. It challenges us, but also spurs us on to become even better.

Our metaphorical path leads us past Swiss Alpine herbs – the beating heart of our products. We only exist through what nature provides us with, so we are absolutely committed to protecting this environment, working in close collaboration with trusted farmers.

While our connections to nature run deep, our approach to sustainability has become progressively more strategic as we adapt to the evolving regulatory, cultural and social landscape. Today, sustainability is an important pillar of our business strategy, and we are convinced it will open up exciting new opportunities, precisely because it is not an end state, but a continuous journey.

I'm proud that we have reached several important milestones. We completed our second Double Materiality Assessment in 2024. This is a rigorous

examination of our entire business and value chain that leaves no stone unturned and drives our wider sustainability strategy.

In 2023, we became a Certified B Corporation™. This globally recognised certification is an independent assessment that confirms our commitment to sustainability, transparency and responsible business practices.

Also in 2023, we completely restructured our main supply of sugar, securing a reliable source of our most important raw material, while incentivising environmentally friendly agriculture and creating a predictable future for Swiss farmers.

In short, we are determined to play our part in preserving the planet, driven by a unique spirit that has bestowed us with a curiosity to embrace new challenges and the agility and endurance we need to succeed.



Thomas P. Meier
CEO Ricola Group Ltd.

A close-up photograph of several green leaves, likely from a plant like Ricola, covered in numerous small, clear water droplets. The leaves have a serrated edge and prominent veins. The background is dark and out of focus.

About Ricola

WHO WE ARE



Naturally good – for nearly a century

Ricola has been creating delicious and beneficial herbal drops for almost 100 years. As a family-owned business, we take great pride in developing products using naturally good Swiss Alpine herbs. In fact, the world-famous, distinctive blend invented by our founder Emil Richterich in 1940 still forms the essence of every Ricola drop we make.

Around 600 employees worldwide contribute to the development, production, marketing and sales of our products. Most of them work at our headquarters in Laufen, Switzerland, while the rest are spread across our subsidiaries in Europe, Asia and the USA.

Guided by family

At the heart of our story is the Richterich family. Its interests are managed by Ricola Family Holding, the parent company of Ricola Group, which oversees and coordinates the family's commercial and non-commercial activities. The Richterich family is fully committed to combining entrepreneurial action with a strong sense of responsibility towards nature and people.

Strong leadership

Ricola's success is driven by a dedicated Board of Directors and an experienced Group Management team. The Board provides strategic oversight and ensures the long-term direction of the company, with two family members representing the interests of the owner family. Group Management manages Ricola's operational business, while CEO Thomas P. Meier connects both entities. Together, they shape the company's future while treasuring our rich heritage.

60

Ricola produces more than 60 different varieties of herbal drops as well as speciality teas.

45

90% of Ricola products are exported – our products are sold in 45 countries.



All our herbal drops are produced in Switzerland.

100

Around 100 Swiss mountain farmers grow and cultivate herbs for us – up to 1,600 tonnes per year.

Bio

Our 13 signature herbs are grown according to Bio Suisse standards.

Driven by nature

At Ricola, sustainability is a core part of our business strategy. By being integrated into the Operations division, it is woven into our decision-making processes on a daily basis. Our Director of Sustainability, Jenny Kunz, is responsible for the evolution of our sustainability agenda, including the monitoring of targets and the development of suitable footsteps to achieving them. She reports directly to the Chief Operations Officer, Martin Messerli, who is a member of Group Management.

Staying true to our roots while looking ahead

As a family-owned company, Ricola is as committed to its heritage as it is to driving change through continual innovation. Following our entrepreneurial spirit, we strive to quickly grasp changing market and customer requirements and create an environment that facilitates innovative and sustainable solutions – in line with our aspiration to be economically successful without exploiting or neglecting nature.

Looking out for our employees

We cultivate strong moral principles, which are reflected in our Code of Conduct. It sets out shared principles and standards relating to honesty, ethics and trust, ensures compliance with legal standards, and supports the advancement of our sustainability goals, while governing our business relationships with external partners. It includes six core values, which have been approved by our Board of Directors. These values and principles unite employees at Ricola – regardless of their position or seniority. The latest version of the Code of Conduct can be found at www.ricola.com

Social responsibility throughout our value chain

Across the workforce, we champion values of diversity, equal opportunity and non-discrimination, care for employees through an occupational health and safety management system, and cultivate a culture of innovation and entrepreneurialism through a training and education programme. We extend these values throughout our value chain, seeking to expand our positive impact wherever possible. We see social responsibility not as a duty, but as an opportunity to further develop our culture and credibility – within the company and beyond.



A close-up photograph of a honeybee on a white, spiky flower. The bee is positioned on the left side of the frame, facing right. The flower has many small, white, tubular blossoms. The background is a blurred field of similar flowers and green foliage. The text "Major Milestones" is overlaid in a large, white, sans-serif font, centered horizontally and slightly to the right of the bee.

Major Milestones

PROUD TO BE A B CORP



Certified
B
Corporation

Why B Corp matters to Ricola

It's one thing to communicate our sustainability efforts and achievements ourselves, but quite another for them to be validated, objectively, by an outside organisation.

That's why Ricola was so keen to attain B Corp Certification, which is achieved by companies that meet high standards of social and environmental performance, transparency, and accountability, following an external verification.

B Corp provides a framework across a number of impact pillars, and certified companies are legally required to consider the impact of their decisions on their workers, customers, suppliers, community and the environment. The assessment is rigorous, demonstrating our compliance in a meaningful, transparent way that is widely recognised and trusted.

Policy shifts throughout the company

Ricola became a Certified B Corporation in December 2023 – a true milestone on our sustainability journey. Having worked through the certification process, our sustainability activities have become more embedded throughout the company, with policy shifts in procurement, innovation, human resources, engineering, logistics and marketing.

Within purchasing, we have developed a sustainable sourcing policy that addresses human rights topics in addition to our Supplier Code of Conduct. Contracts have been updated and agreed with existing raw materials and packaging suppliers.

Two new specially created roles are now directly responsible for managing sustainable procurement, while an additional team member takes the lead on sustainable logistics.

We scored 97.8 out of 200 points – an above-average performance, with plenty of room for improvement.

Our ongoing responsibilities as a B Corp

Achieving the B Corp Certification has helped evolve how our business operates, inspired new policies and changes in processes, and helped cultivate a sustainability mindset within an atmosphere of transparency. From a consumer perspective, we are pleased to be able to signal we are a B Corp in our communications and on our packaging.

That said, becoming a B Corp validated our existing sustainability strategy, requiring us to refine rather than reconceive our overall approach and ambitions.

A REVOLUTION IN SOURCING SUGAR

Better connected to our biggest commodity

Sugar and isomalt are the ingredients Ricola sources in the largest volumes, so better managing the environmental impacts of cultivating and distributing sugar beet – the raw material behind both ingredients – is crucial. Just as important is our ability to incentivise farmers to reduce their greenhouse gas emissions while promoting biodiversity, improving soil health, and preserving and restoring nature.

That's where IP-SUISSE comes in. Since 1989, the organisation has defined guidelines for environmentally friendly farming in Switzerland, because its farmers – more than 18,500 – work to strict ecological standards, which match our own vision for environmentally friendly agriculture.

Secure, sustainable supplies of sugar

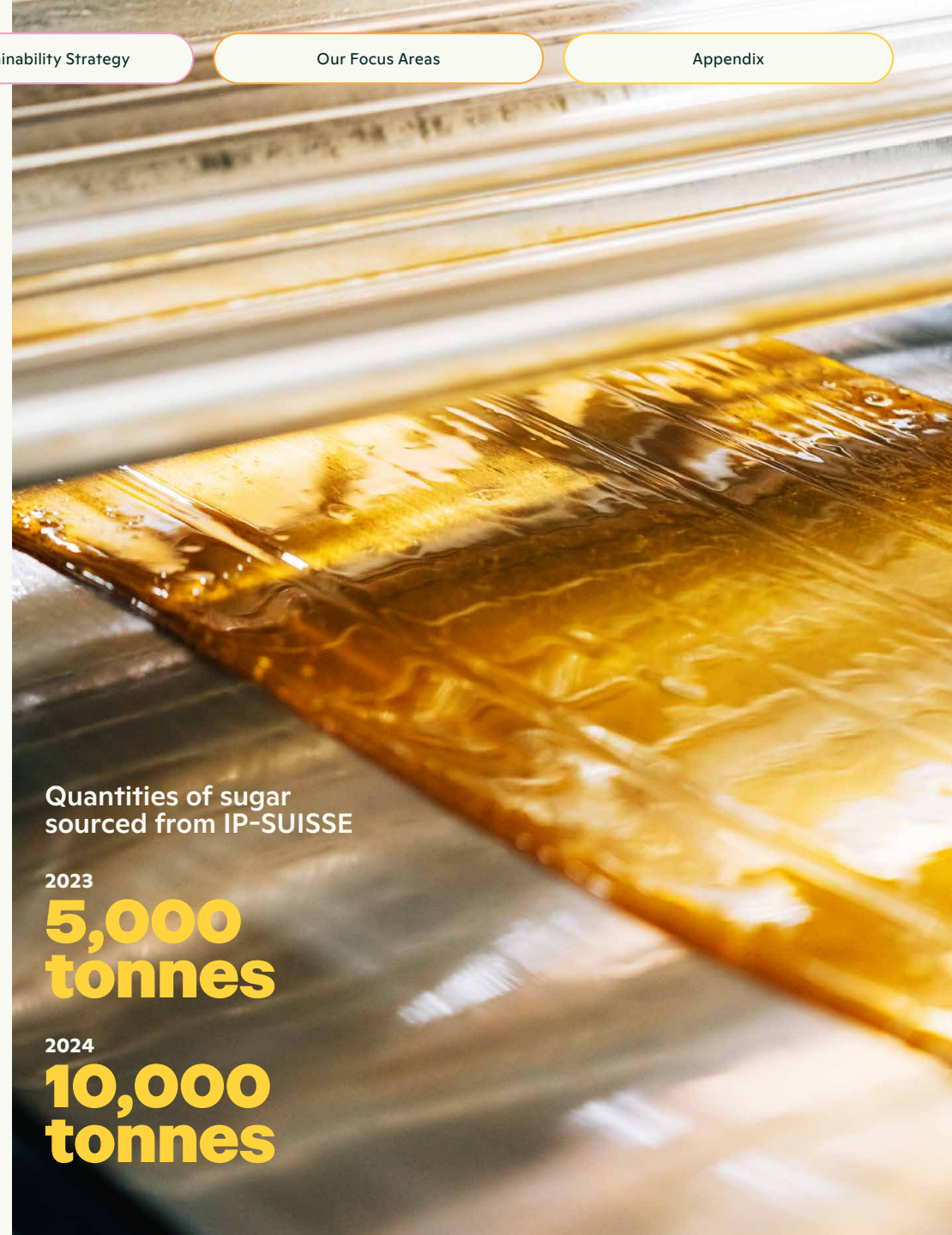
In 2023, we decided to make a gradual transition from buying conventionally farmed Swiss, French and German sugar to obtaining it from IP-SUISSE farmers. Overnight, Ricola became the biggest buyer in Switzerland of IP-SUISSE sugar. In time, its farmers will produce 25,000 tonnes of sugar for Ricola annually by 2028. As a first step, in 2024 we doubled the amount of sugar we sourced from IP-SUISSE, receiving 10,000 tonnes.

For Ricola, this long-term collaboration is a key pillar in securing our future demand for sugar. At the same time, Swiss farmers benefit from long-term stability, allowing them to plan and innovate with the assurance of fair, predictable prices for future harvests. The move mirrors the close relationships we have with our herb farmers and also encompasses long-term research towards more sustainable sugar beet.

Reducing the environmental impact of sugar

Having undertaken a life cycle assessment for IP-SUISSE sugar in 2024, it showed promising results for how we can further lower the carbon footprint of our sugar. We have also begun evaluating how we can reduce the environmental footprint of sugar along the entire IP-SUISSE value chain, including how we mitigate impacts within distribution and transport.

To promote biodiversity, we have convened joint sessions of herb farmers and sugar-beet farmers to encourage the creation of insect-friendly habitats – learn more on [page 22](#).



Quantities of sugar sourced from IP-SUISSE

2023

5,000 tonnes

2024

10,000 tonnes

ALIGNED TO THE PARIS AGREEMENT

Levelling up our climate commitment

By aligning Ricola's aims and objectives towards goals shared by other companies around the world, we can better contribute to tackling global challenges like climate change.

That's why we joined the Science Based Targets initiative (SBTi) in July 2024. It provides companies with a clearly defined pathway to reducing their greenhouse gas (GHG) emissions, in line with the overall goal of limiting the rise in global temperature to 1.5°C.

Part of a global movement

Signing up to SBTi signals our acceptance of the scientific consensus around climate change, ensures our plans to reduce our emissions are aligned toward the Paris Agreement and gives us confidence that our endeavours are part of a collective, meaningful global effort. Experts at SBTi have assessed and validated the targets we have set, ensuring we are on track to deliver real results. For more details on our progress tackling emissions, see [Climate, page 31](#).

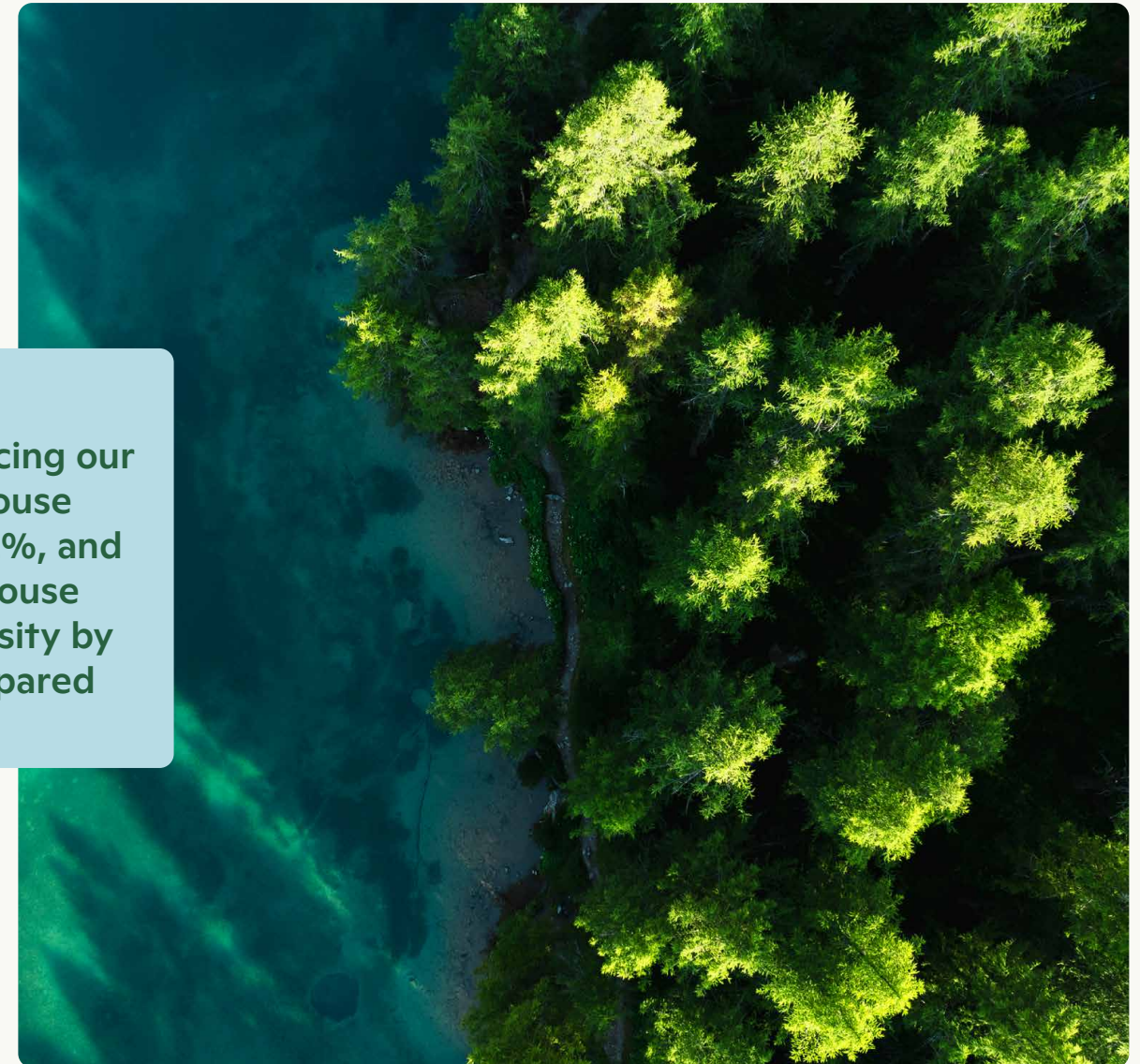
Our decarbonisation path

By joining SBTi, we have committed to reducing greenhouse gas emissions generated by our factories, offices and vehicles (Scope 1), and from

the energy we purchase and consume (Scope 2), by 42% by 2030, compared to 2022. For emissions along our value chain, including cultivating and transporting raw materials and finished products (Scope 3), we have committed to reducing our emissions intensity by 51.6% within the same timeframe.

Our SBTi Commitment

We commit to reducing our Scope 1 & 2 greenhouse gas emissions by 42%, and our Scope 3 greenhouse gas emissions intensity by 51.6% by 2030 compared to 2022 levels.





Our Sustainability Strategy

STEP BY STEP TO A SUSTAINABLE TOMORROW

Critical to our future

Although our connections to Swiss nature have always been a crucial part of our culture, we believe maintaining a focused sustainability strategy is a core part of conducting business in a responsible, ethical way – one that's fair to both planet and people. To put it another way, for us, a sustainability strategy is not just 'nice to have' but critical to our future performance.

Ours began to take root with our first Double Materiality Assessment (DMA) in 2021, which formed the basis for today's sustainability strategy. Our second DMA, conducted in 2024, broadly vindicated the earlier assessment, with its focus on six core topics (see diagram). Each of these has SMART goals – referring to 'Specific, Measurable, Achievable, Relevant and Time-Bound' – with clear associated KPIs.

Since 2023, our sustainability strategy has been tied to our overall performance and become embedded across the entire business. It also connects with broader initiatives such as our B Corp Certification, relationship with IP-SUISSE farmers and SBTi targets (see [Major Milestones](#) section page 7).

Every employee on the same page

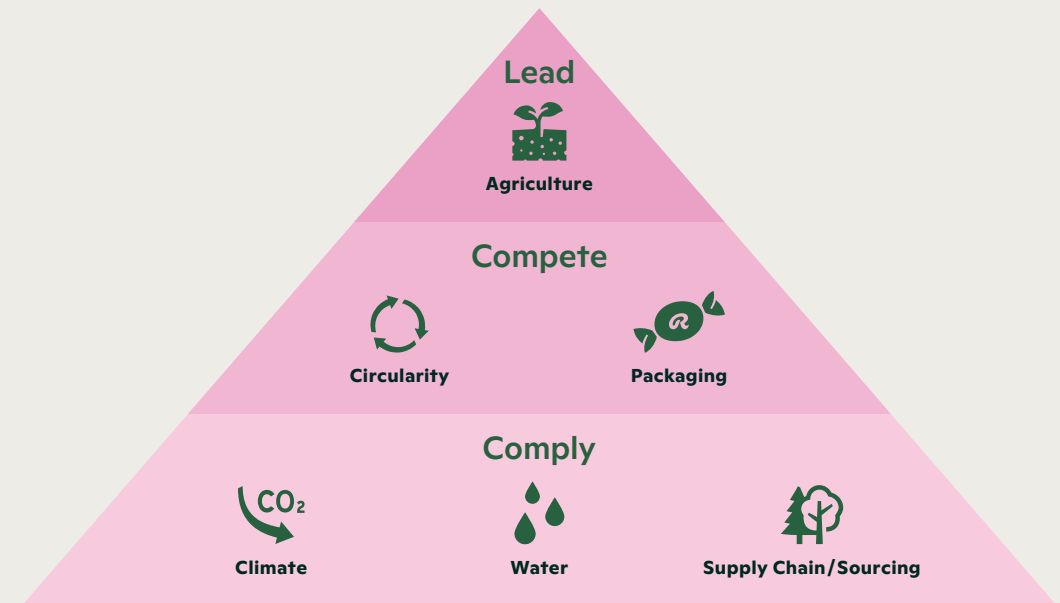
Our sustainability strategy is integrated into daily life for all Ricola employees. We strongly believe that each team member has a responsibility to help achieve our collective goals.

While our Board of Directors and Senior Management team set our overall ambitions, and our Sustainability team monitors them and drives them forward, it is up to every individual member of our workforce to fulfil their own sustainability-related tasks on a daily basis.

Driving solid, steady progress

In 2024, our strategy remained focused on our most pressing issues.

Our six core topics of sustainability are reflected in this diagram, as is our ambition that we either 'lead', 'compete' or 'comply' within that area, according to the level it occupies in the pyramid.



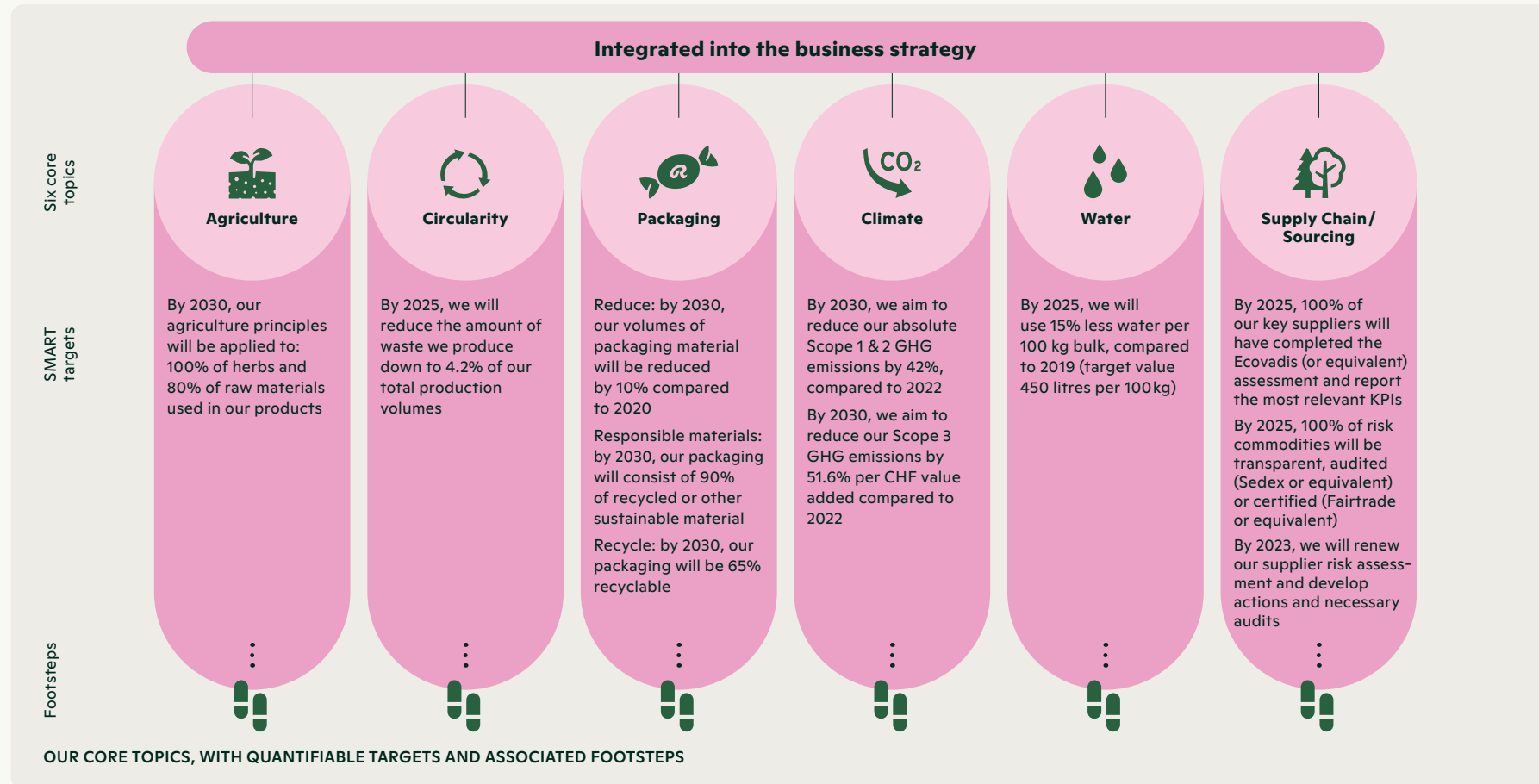
RICOLA'S THREE AMBITION LEVELS FOR OUR CORE TOPICS: 'LEAD', 'COMPETE' AND 'COMPLY'.

Underpinning each of these six core topics are SMART targets, all of which have accompanying 'footsteps', that is actions, projects and measures designed to reach those targets. Since our last report, we have nearly doubled the number of footsteps we are pursuing (see below).

Staying motivated

We plan to conduct a formal climate risk assessment in 2025, which will incorporate a detailed Scope 1&2 decarbonisation plan in development. Simultaneously, we are developing a sustainable

procurement strategy, including measurable KPIs, towards incentivising and improving sustainability throughout our value chain, in particular with suppliers of raw materials where we have less direct influence on them.



Step-by-step improvements

2023:
35 footsteps

20 achieved, 9 on track, 2 minor issues, 4 on hold




2024:
50 footsteps

19 achieved, 23 on track, 5 minor issues, 3 on hold

2025:
57 footsteps planned

Our sustainability progress – at a glance

A transparent overview of our current targets with corresponding achievements over the last two years.

Core topic	Targets	Status	Progress and achievements in 2023 and 2024
Agriculture 	By 2030, our agriculture principles will be applied to: 100% of herbs	●	91% of our herbs were sourced according to our principles in 2024 (+11 basis points compared to 2023).
	By 2030, our agriculture principles will be applied to: 80% of raw materials used in our products	●	27.6% of our raw materials were procured in accordance with our principles in 2024 (up from 14.1% in 2023) thanks to our collaboration with IP-SUISSE.
Climate 	By 2030, we aim to reduce our absolute Scope 1 & 2 GHG emissions by 42%, compared to 2022	●	Scope 1 & 2 emissions increased by 12.8% in 2024 compared to 2022 (-2.89% compared to 2023).
	By 2030, we aim to reduce our Scope 3 GHG emissions by 51.6% per CHF value added compared to 2022	●	In Scope 3, our intensity-based emission reduction per CHF value added was 21.4% in 2024, compared to 2022 (the absolute reduction was -12.9% compared to 2022).
Packaging 	Reduce: by 2030, our volumes of packaging material will be reduced by 10% compared to 2020	●	In total, we saw a -0.6% reduction in packaging material across all packaging types compared to 2023, led by changes to the thickness of Ricola boxes.
	Responsible materials: by 2030, our packaging will consist of 90% of recycled or other sustainable material	●	85.6% achieved (+0.7 basis points compared to 2023).
	Recycle: by 2030, our packaging will be 65% recyclable	●	40.4% achieved (-3.1 basis points compared to 2023).

● Critical ● Delayed ● On track ● Achieved

Core topic	Targets	Status	Progress and achievements in 2023 and 2024
Circularity 	By 2025, we will reduce the amount of waste we produce down to 4.2% of our total production volumes	●	In 2024, our waste rate stands at 5.71% (-0.51 basis points compared to 2023)
Water 	By 2025, we will use 15% less water per 100 kg bulk, compared to 2019 (target value 450 litres per 100 kg)	●	Water consumption was reduced to 480 litres per 100 kg of herbal drops (-9.9% compared to 2023).
Supply Chain/ Sourcing 	By 2025, 100% of our key suppliers will have completed the Ecovadis (or equivalent) assessment and report the most relevant KPIs	●	100% of our main suppliers have completed Ecovadis (or similar) assessments. 100% of our raw material suppliers have signed Ricola's Code of Conduct.
	By 2025, 100% of risk commodities will be transparent, audited (Sedex or equivalent) or certified (Fairtrade or equivalent)	●	100% of raw materials at risk are audited (Sedex- or EcoVadis-equivalent).
	By 2023, we will renew our supplier risk assessment and develop actions and necessary audits	●	A human rights risk analysis was carried out for the entire company.

Further details can be found in the corresponding chapters (see [Focus Areas](#)).

Dr Bernhard Weckerle, Ricola's VP of Global R&D, explains how sustainability is impacting innovation at the company.



BERNHARD WECKERLE

How has sustainability become embedded in Ricola's innovation process?

We've gone through a huge change – a systematic effort to ensure our processes, prototypes and finished products are as sustainable as they can be. It covers everything from scouting for new ingredients to adopting new technologies and implementing learnings from R&D within large-scale production. We are more data-driven than ever and regularly use life-cycle assessments to more accurately project the environmental footprint of raw materials, production processes and products.

How has it changed the way you and your teams approach work?

Sustainability has profoundly influenced our approach to team building. The R&D team itself has undergone a deep transformation. Responding to a volatile and continuously changing and complex environment requires

a combination of action competence, social competence and technological expertise. I am happy that the team today reflects a high level of diversity – in terms of cultural differences, educational backgrounds, and the mix of long-term tenures at Ricola and experiences forged externally. I am convinced this will help sustain our innovative edge and contribute to our strategic growth.

How is this new mindset affecting the overall culture at Ricola?

Besides being open-minded and courageous, I think it is essential for a successful organisation to recognise a number of consistent elements. For example, Swiss Alpine herbs are at the heart of everything we do. A deep and common understanding of what our brand stands for is another aspect. Maybe it's a certain 'Ricola-ness' which sums it all up, combined with our aspiration for sustainability, naturalness and health. We aim to inspire our colleagues to nurture this culture.



FOCUSSING ON MATERIAL ISSUES

Taking a candid view of our business

A Double Materiality Assessment is one of the most comprehensive ways we can analyse our sustainability efforts, along with our effect on society and impact on the wider world.

As a Swiss company that is profoundly connected to nature, it's in our interests that we operate as transparently as possible. A Double Materiality Assessment (or DMA) is an unrivalled and objective way of helping us understand what sustainability topics are important to us, and where we should focus our efforts.

The foundation of our sustainability strategy

The Double Materiality Assessment identifies both 'inward-facing' risks and opportunities that affect Ricola as a company and 'outward-facing' impacts that we have on the world. As such, the DMA provides the foundation for our sustainability strategy and helps us address the issues that are most important to our stakeholders.

To update our approach for 2024, we undertook a wide-ranging investigation and consulted numerous individuals, groups and organisations, inside and outside of the business, in order to create a materiality matrix – an at-a-glance guide to our most material topics.

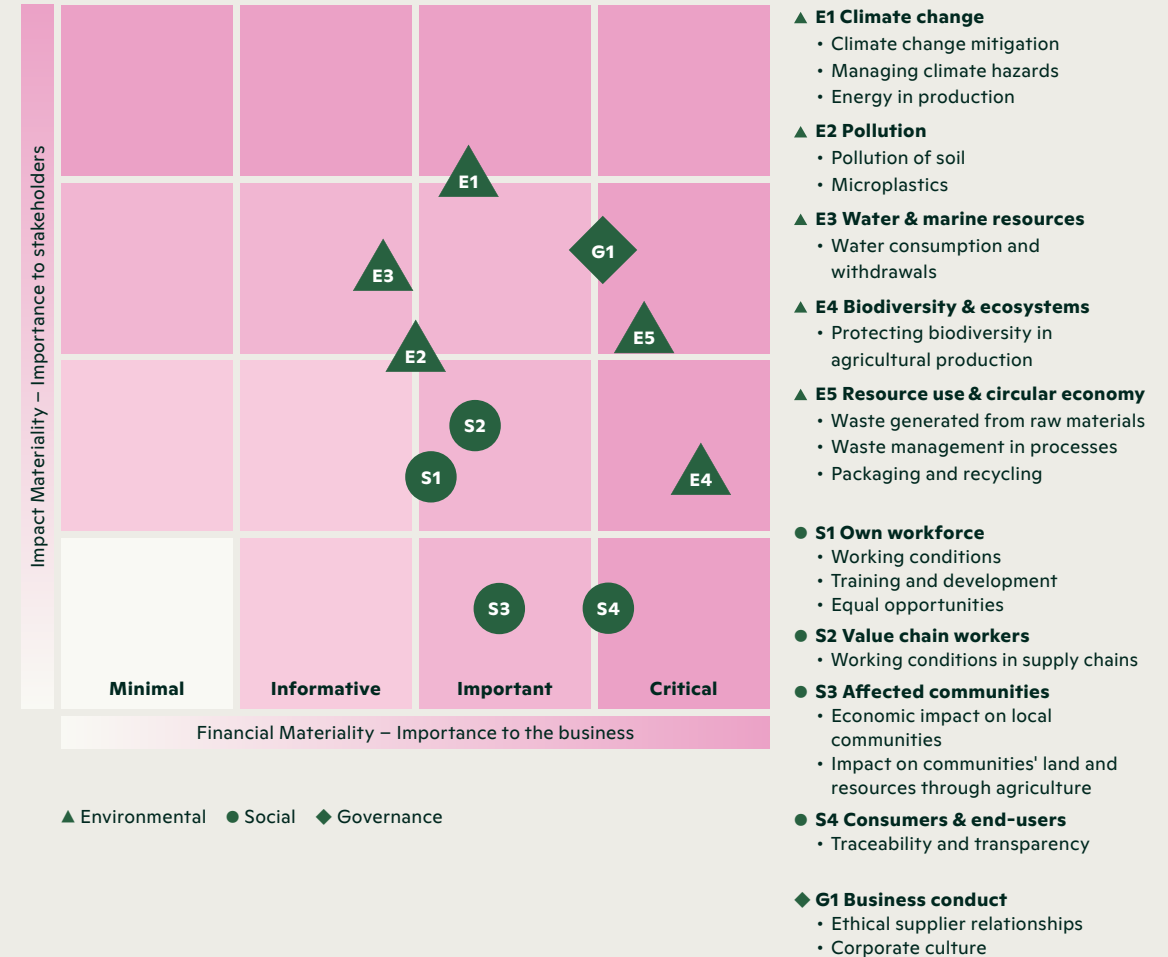
These topics already form the cornerstone of Ricola's sustainability strategy. Nonetheless, the DMA assessment highlights the importance of continuing to implement initiatives that address all areas of sustainability.

Embracing new priorities

While the DMA validated our overall sustainability strategy – particularly around our efforts in reducing emissions from agriculture, adopting circular economy principles and preserving biodiversity – it encourages us to address additional issues within our wider value chain.

For 2025, we will focus on improving traceability and labour practices beyond our direct suppliers (Tier 2+) and outsourced manufacturing partners, and seek to improve the visibility of the environmental impacts of our raw materials suppliers outside Switzerland.

Our materiality matrix and material topics





Our Focus Areas

AGRICULTURE



Our key responsibility

We depend on nature – it's that simple. Without abundant supplies of herbs and sugar beet, we would not be able to produce our herbal drops. That all means agriculture is arguably the single most important sustainability topic for Ricola.

That's why we've nurtured our relationships with Swiss herb farmers since the 1950s, enjoying a successful collaboration that's now been emulated in sugar beet. But cultivating agricultural products is an intervention into nature and represents our biggest source of greenhouse gas emissions. So we have a responsibility to balance what we take out as raw materials with preserving the ecosystems they thrive in.

All our herbs are grown in Switzerland, so we're acutely aware of the pressures farmers face on Alpine slopes, as well as the challenges faced by growers around Europe, where we source sugar, wheat and corn, or as far afield as Guatemala, where we source honey.

Facing the future with our farmers

We're determined to walk in step with our farmers, so we can respond to – and anticipate – the environmental, economic and social challenges we face together.

We can see they're all already dealing with the challenges of a changing climate. Rising temperatures, altered precipitation patterns and greater weather volatility are increasing the risk of insect and fungal infestations and can lead to crop failures.

Our aim is to ensure a reliable future supply of quality raw materials, produced in ways that are as gentle and regenerative as possible, where farmers enjoy predictable sources of revenue and employment.

Our agriculture principles

Ricola's mission is to protect, restore and diversify nature by encompassing landscapes, soil health and biodiversity. We aim to make significant and continuous improvements with respect to sustainable agricultural practices – through economic, societal and environmental processes – throughout our entire value chain.

Based on our established relationships with Swiss herb farmers over many decades, we conceived a set of Ricola agriculture principles, and adopted them formally in 2022 (see next page).



The Ricola agriculture principles

Biodiversity

- Cultivation of resistant species
- Ecological compensation areas
- Minimal use of pesticides
- Diverse crop rotation
- Promote beneficial insects

Renewable energy

- Use of CO₂-neutral energy sources
- Improved efficiency
- Minimal use of fertiliser and pesticides
- Minimisation of emissions

Soil health and care incl. manure

- Soil analysis
- Humus build-up
- Minimal caring tillage
- Evergreen fields
- Closed nutrient cycles

Additional ecological initiatives

- Strengthen plant health
- Traceability
- Compliance with social standards
- Farmer2farmer training

Our goal is that, by 2030, these principles will apply to 100% of Swiss Alpine herbs, and 80% of the raw materials overall used in our products. To enforce

them, we have developed guidelines that differentiate between measures we 'require' and those we 'strongly encourage', at farm and field level.

Our guidelines for suppliers

	Farm/Company	Growing field
We require:	<ul style="list-style-type: none"> • Location of the farm/company: if possible, in Switzerland, with a strong preference for Swiss hilly countryside and mountains • Social standards (employment relationship, contracts, wages, health, safety, equality, etc.) correspond to the specifications of local authorities or professional organisations • Fair trading relationships based on local conditions • Relevant ecological compensation areas (biodiversity) in relation to the agricultural area • Complete documentation and traceability of cultivation • No use of genetically modified organisms and plants 	<ul style="list-style-type: none"> • Field meets crop requirements in terms of soil, topography and climate • Site-specific and needs-based fertilisation of the plants based on soil analyses • Soil erosion and nutrient loss is specifically prevented • Soil fertility, including humus buildup, has top priority for every measure
We strongly encourage:	<ul style="list-style-type: none"> • Nutrient cycles that are as closed as possible • Use of maintenance and harvesting machines that protect the soil and care for the insects' habitats • Minimisation of emissions from cultural measures • Energy efficiency and use of CO₂-neutral energy sources • Farmer-to-farmer training on sharing of cultivation experience, cooperation and use of the infrastructure (harvester, dryer, etc.) 	<ul style="list-style-type: none"> • Cultivation of suitable, resistant species and varieties (diseases, pests, weather stress) in a crop rotation as diverse as possible • Preventative care measures that strengthen plant health and, if necessary, protect the soil and promote beneficial insects • Minimal, caring tillage depending on the crop • Targeted improvement of soil fertility • Minimal use of chemical synthetic pesticides and artificial fertilisers • The motto for all fields is 'evergreen' (culture of crops for fertilisation) throughout all seasons

To help implement these guidelines and realise our 2030 ambitions, we work according to three approaches:

1. Whenever possible, we deal directly with farmers, as we have done with herb farmers in Switzerland for decades (see [page 18](#)).
2. Sometimes, we need to purchase raw materials from locations where we do not have direct access to farmers. In these cases, we cannot realistically expect our principles to have been implemented directly, so we aim to source crops cultivated according to wider principles that align to our values. These include organic farming practices or IP-SUISSE standards, which cover our sources of sugar beet.
3. In some circumstances, where we don't have a direct partnership with farmers, and nor can we source raw materials produced according to recognised standards, we aim to initiate a dialogue with suppliers about adopting industry-wide farming practices (like the Sustainable Agriculture Initiative).

When we're doing due diligence on new suppliers, we include obligatory questions relating to ecological criteria, such as asking whether an environmental management system has been implemented.

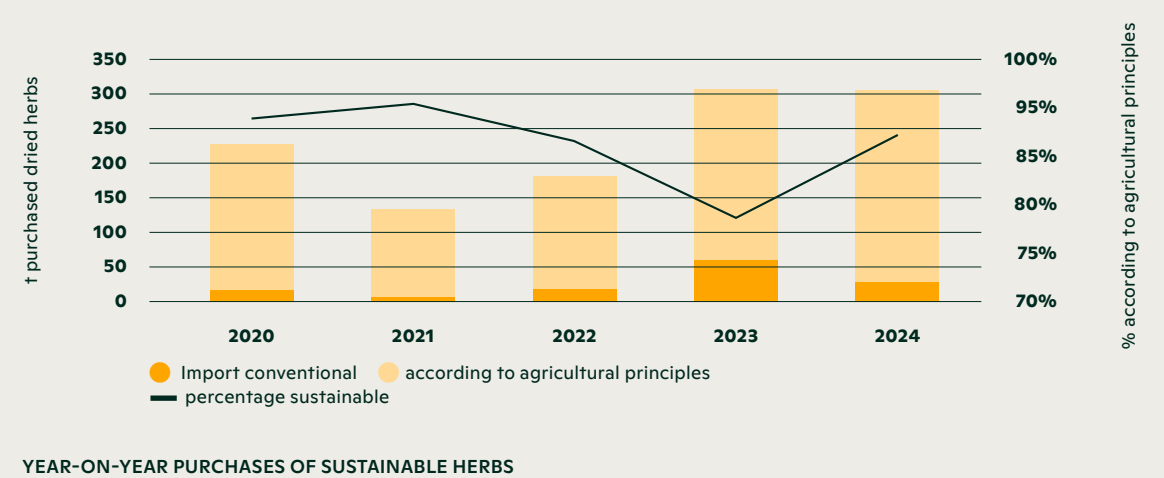
Family spirit – our herb farmers

Nothing symbolises our company more than the herbs we cultivate – around 1,600 tonnes per year. Our 25 herbs are grown almost exclusively in Switzerland, in Valais, Emmental, Puschlav, the southern Jura foothills and the central area. In 2024, only 9% of our herbs were grown outside of Switzerland.

The specific climate and soil conditions in certain regions are ideal for specific herbs. For example, Emmental and Jura, with their slightly acidic to alkaline soils and fairly high local rainfall, are perfect for growing peppermint. In comparison, the dry climate of Valais and Val Poschiavo, featuring light, stony soils at altitudes up to 1,000 metres, is where sage and thyme thrive.

We work with producer organisations of herb farmers – close relationships we've nurtured for decades, and from generation to generation in some cases. Our long-term contracts with these groups provide stability for around 100 farmers, their families and communities, and we are happy to pay a good price for crops that meet our quality standard.

Our herb farmers manage land equivalent to 129 football fields, and follow strict criteria for soil quality and climate conditions. They use techniques like crop rotation, which not only improves soil health and fertility but promotes biodiversity, and they monitor their crops by inspecting them by hand. They also exclude synthetic chemical pesticides and artificial fertilisers, and practice meticulous management of water and energy use.



Nothing symbolises Ricola more than the herbs we cultivate – and the close relationships we've nurtured with farmers for decades.

We're proud that we insisted on introducing many of these practices, years before they came to be associated with what we now call sustainability – helping Swiss agriculture modernise along the way.

Our herbs are transported by road to our specially constructed Herb Centre in Laufen – a facility built using clay and other natural materials. Here, they are dried, cleaned, cut, stored and mixed. Natural

essences and active ingredients are then extracted from the herbs and mixed with other key ingredients, like sugar, isomalt and glucose.

Historically, we've been able to source 100% sustainable herbs, but bad weather and high demand in 2023 saw us import some herbs where our principles could not be applied. That year, the total proportion of sustainable herbs fell to 75%. However, 2024 saw a return to form and we are back on track to reach our 100% goal in 2030.

Agriculture teacher-turned-herb expert Thomas Aeschlimann, Head of Herb Production at Ricola, recently celebrated his 25th anniversary with the company.



THOMAS AESCHLIMANN

How did you come to be an expert in herbs?

By chance! In 1987, after my studies, I was hired by the Waldhof agricultural school. The director handed me a file about farmers participating in herb-growing trials for Ricola, and said, 'Do something with this!' We formed the Waldhof Herb Growers' Association with 10 to 12 farmers, and started growing herbs for Ricola. Today, the association produces around 55% of

Ricola's herbs. For 12 years, I taught livestock and herbs was a hobby – but one day Ricola offered me a job.

Why does Ricola have such a close relationship with its herb growers?

The farmers who joined our herb project at the start wanted to do something innovative. At the same time, Ricola recognised the importance of 'Swissness', and we realised that if we met its quality requirements, it would pay a Swissness bonus. It was a niche: less 'state regulated', more direct contact with the market. Farmers see Ricola as tough, but fair.

When did you first realise how important sustainability was to Ricola?

I recall a booklet from around 1985 that Ricola and the research Institute of Organic Agriculture created. It was basically the precursor to official organic guidelines – no synthetic pesticides or fertilisers, no roadside fields near exhaust emissions. It was another eight years before official 'bio standards' came along.

How has sustainable herb cultivation changed over the years?

We used to be mocked by other farmers – they called us the 'guys with brown knees' because we did weeding by hand. Now we have weeding machines and weed robots as alternatives to chemical pesticides. That change was partly driven by Ricola, which helped farmers invest in the technology.

Where do you still see further potential for sustainable herb cultivation?

I think farmers could share more machinery and certain tasks like drying facilities – that could help reduce their emissions. Soil health is a big issue. That's where things like compost and biochar (carbonised organic matter) come in, but we need to take baby steps, learn more, then scale up.



Sourcing commodities

Our goal is that, by 2030, 80% of our raw materials overall will be cultivated in line with our agricultural principles. It's an ambitious goal – as early as 2022 less than 5% of our total raw materials were produced according to our agricultural principles. But we're making up ground fast – in 2024, the proportion stands at 28%, principally driven by our relationship with IP-SUISSE.

Due to the organisation's ecological standards, the supply of sugar represents a seismic shift for us in terms of sustainability. But there are still opportunities where we can try to lower our environmental footprint associated with this ingredient.

We have convened a workshop with our whole value chain, including sugar producers, transport partners and farmers, to discuss how we can plug remaining gaps. And we will shortly begin testing how we can use spent herbal pomace – after we've used it to flavour our drops – to fertilise sugar beet fields.

This new way of working will contribute enormously towards our goal of 80% sustainable raw materials by 2030, but we still need to find solutions for sustainable isomalt and glucose. For these commodities, there are no suitably established sustainable production standards, so in the meantime, we are contracting more IP-SUISSE

sugar than we need, to compensate for the likely environmental footprint of isomalt.

We plan to run tests with a Swiss producer to source glucose using a waste stream from a potato grower – which would significantly lower our carbon footprint in respect of this ingredient and reduce the amount of agricultural land we require for cultivation.

First 'Golden Bee' award goes to Ricola

Ricola was named the winner of IP-SUISSE'S first 'Golden Bee' award in 2024, for its commitment to sustainable agriculture and biodiversity, as well as its involvement in various projects aimed at supporting healthy wild bees and further pollinator populations. These efforts include, for example, the creation of sand lenses. These man-made sandy habitats serve as ideal nesting sites for ground-nesting wild bees, insects and lizards. So far, we have provided financial support to 11 farms to create sand lenses and plan to provide funding to another ten.

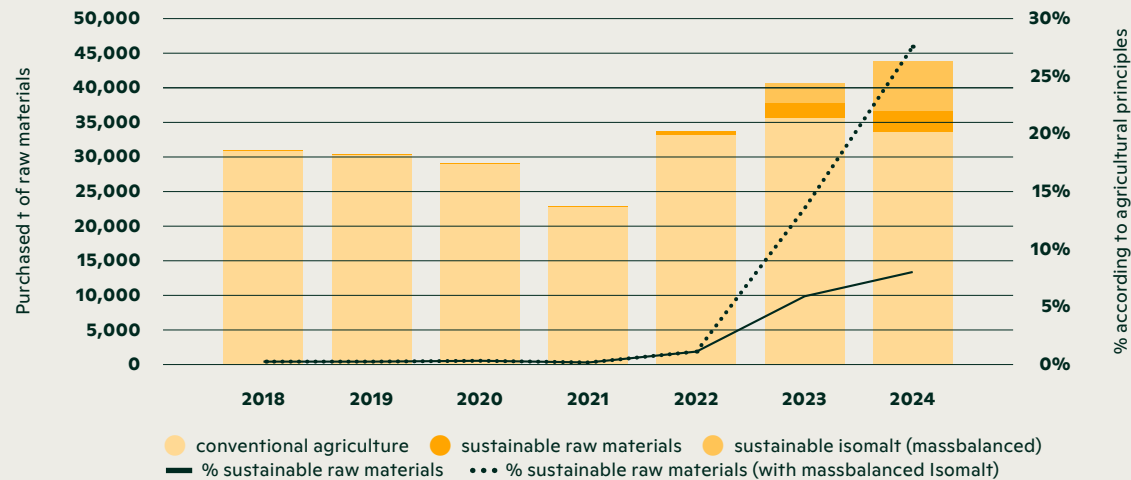
"Sand lenses are important because almost half of the 600 or so wild bee species in Switzerland are endangered – especially those that nest in the ground."

MATHIAS GÖTTI LIMACHER, BIENEN SCHWEIZ

Flower power for stronger ecosystems

Just like the creation of sand lenses, we support our farmers in planting flower strips alongside crops to promote biodiversity, provide habitats for pollinators and beneficial insects and thus strengthen the resilience of ecosystems.

For this project, we collaborate with Forschungsinstitut für biologischen Landbau (FiBL), the Swiss-based Research Institute of Organic Agriculture. Together, we began testing the flower strips in 2024 and have since gained valuable insights. These evaluations help us refine the flower strip seed mixtures and identify where the strips are most effective. The goal is to provide science-based data that can be used alongside other irrigation methods, fertiliser trials and soil-friendly practices to enhance sustainability across agriculture. More research on the effectiveness of biodiversity approaches will be carried out throughout 2025.



YEAR-ON-YEAR PURCHASES OF SUSTAINABLE RAW MATERIALS



Ricola sustainability director Jenny Kunz and IP-SUISSE project manager Mirjam Lüthi discuss the two organisations coming together – a profound turning point for both.



SAND LENSES CONSTRUCTED
IN COLLABORATION WITH IP-SUISSE

MIRJAM LÜTHI & JENNY KUNZ

What's the single most important message about Ricola's sustainability strategy?

JK That Swiss farmers are our most important partners. Over the years, we've developed so much know-how about cultivating herbs sustainably, so with our new partner, IP-SUISSE, it feels like we're broadening our approach across more of our crucial raw materials.

How easy was it to identify IP-SUISSE as a partner for sugar?

JK We considered whether we could create our own sugar beet-growing programme, but quickly realised that wasn't practical. So we looked to the market and IP-SUISSE emerged head and shoulders above the rest. There's nothing comparable in Europe.

What do farmers themselves think about the partnership?

ML People don't realise just how crucial Ricola is in purchasing our farmers' sugar – it is our most important buyer. Having security to plan long into the future is rare in modern agriculture.

What are you looking forward to from this new collaboration?

ML The most important part of the relationship is that it's not just transactional – it's not just about buying sugar, but improving sustainable cultivation. Through our research projects, we'll be redefining this specialist area of 21st-century agriculture together.

CIRCULARITY

The circularity mindset

Ricola produces waste in multiple forms – from the fields where our raw materials grow, to our production facilities and our offices. We also generate it as we use packaging, distribute finished products, and after customers have finished consuming our drops.

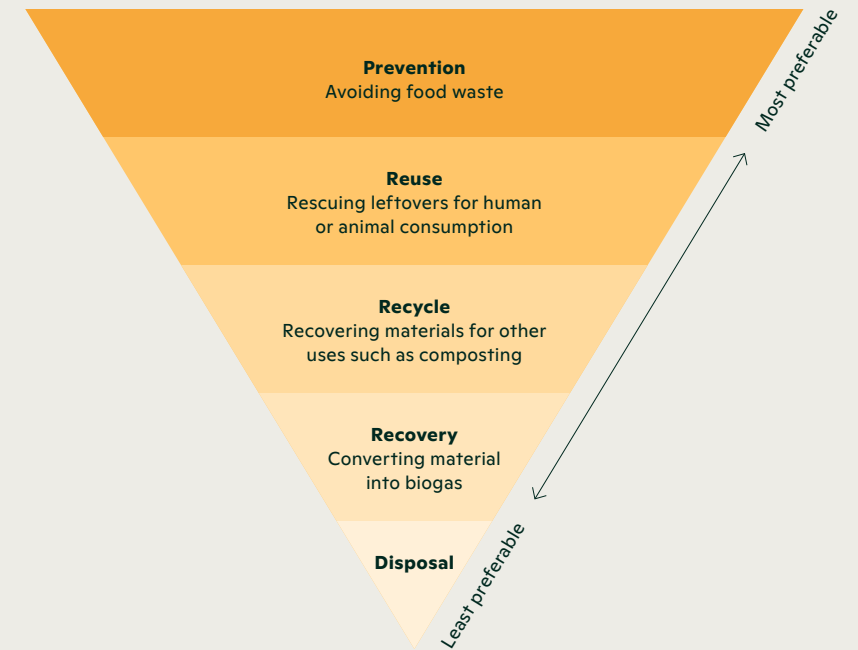
Identifying where and how it occurs, and seeking to eliminate, reduce, reuse or recover it, is critical to becoming a more responsible business. And that depends on adopting a mindset for circularity – one that recognises the world's resources are finite, and that we have an ethical duty to use them responsibly.

The financial cost of waste – from its purchase to its disposal – adds to the case for addressing it.

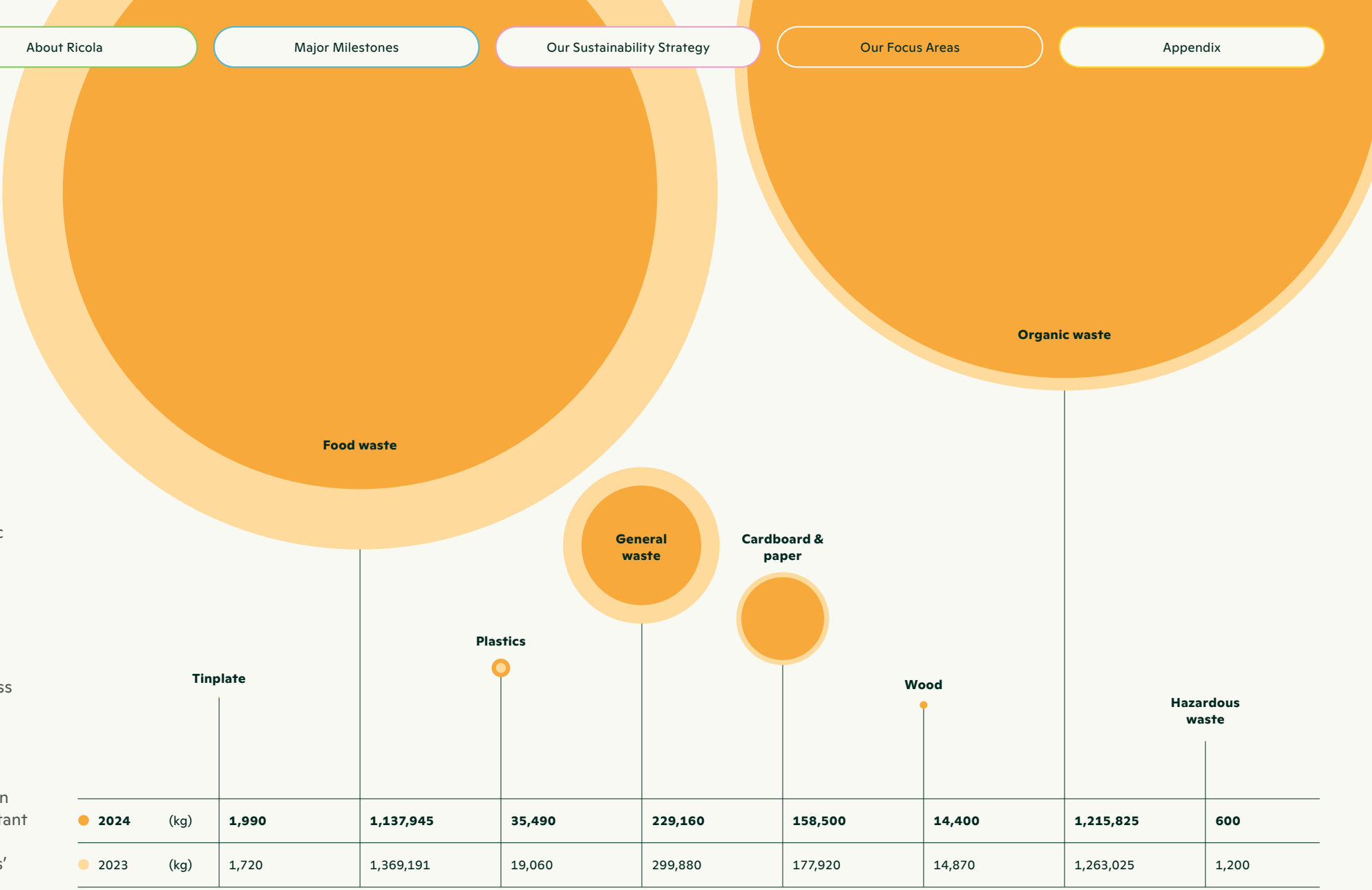
Closing the loop

Embracing the concept of circularity replaced an earlier approach focused on recycling as much as possible. This change recognised that goods stockpiled for recycling sometimes risk being incinerated. Such disposal – particularly when it occurs without harvesting any energy from the process – features at the very bottom of our inverse circularity 'pyramid', regarded as the last possible resort.

Instead, we sought to better understand exactly how waste was produced throughout Ricola, so that we could work out how to reduce it. We carried out a thorough data analysis across the business, identifying eight distinct waste streams.



RICOLA'S FOOD WASTE MANAGEMENT APPROACH



AMOUNT OF WASTE GENERATED BY TYPE, 2023 AND 2024

The waste streams are 1) food waste 2) organic waste (mainly herb pomace) 3) general waste 4) cardboard and paper 5) plastics 6) wood 7) tinsplate 8) hazardous waste. Additionally, we monitor our disposal of IT equipment.

Circularity was formally integrated in our sustainability strategy in 2021. From a business culture perspective, no level of waste is considered acceptable.

Zero appetite for food waste

Food waste – occurring during our production processes – was identified as our most important source of waste when it comes to ecological impact. To address this, we follow a ‘three Rs’ approach, specially adapted to food: ‘reduce’ (prevention), ‘reuse’ (as food and animal feed) and ‘recover’ (extracting energy from it).

The most food waste we create occurs along our production lines, though the proportion has gradually decreased over the years. Back in 2012, it stood at 7.4%; in 2024, it was less than 4.1%.

That said, we still create significant quantities of waste. In 2024, a total of 2,793.9 tonnes of waste was generated, up 6.5% compared to 2022, but down 11.2% compared to 2023. We have initiated a series of investigations to reduce and eliminate this.

Ensuring our production lines are optimised is one step we can take, so we continually check our equipment is correctly configured, particularly when swapping between different products. In 2024, we installed new software to analyse downtime in our lines more accurately and create alerts faster than humans can detect errors.

In production, we use canisters of raw materials made of high-quality plastics. Our teams go the extra mile to recover even small quantities of organic matter that can be put back into production, while helping ensure these containers are recyclable.

An array of ideas to cut waste

We remain motivated to achieving significant reductions across our waste streams, with a focus on reducing food waste to less than 2.5% of total production volumes by 2025. It's an ambitious goal, but we are determined to get there. As our new production facility in Lenzburg, Switzerland comes on stream, we expect it to make a significant contribution in this area.

During 2025, we are examining an array of potential ways to reduce or repurpose food waste, including:

- How to extract and reuse isomalt and sugar. This is far more preferable than, for example, incinerating it (even while extracting energy from the process) or using it in animal feed.
- Exploring how to better handle and sort 'ugly' herbal drops that emerge from production the wrong size, shape or weight (but which are otherwise delicious to eat). We are examining if these drops have consumer appeal just as they are.
- Recognising food waste can be better categorised by type, size and concentration, for example. One such 'sub-stream' is represented by tiny fragments of herbal drops. Here, we have partnered with Zurich University of Applied Sciences (ZHAW), Switzerland to identify potential solutions for these 'small drop particles'.
- Experimenting with using fungi, worms and larvae to process spent herbal pomace, to create nutrient-rich organic fertiliser.

Beyond food waste, different forms of our product packaging represent Ricola's three next most significant waste streams. See the next chapter to understand how we aim to improve its circularity. We are also undertaking samplings of general waste so we can take pre-emptive steps to reduce and recycle it.



**By 2025,
we aim to
reduce the
amount of
waste we
produce to
4.2% of our
total produc-
tion volume.**



PACKAGING

A careful balancing act

For customers, their interactions with Ricola packaging might start and end with our individually wrapped herbal drops or the candy boxes that fit in their pockets. For us as a business, packaging also encompasses larger commercial cartons, palette-sized shipments, and miles and miles of waxed paper used to wrap herbal drops.

Our packaging must not only protect its contents, but maintain freshness (in accordance with strict regulations in every market we operate in), so we avoid food waste. Ideally, packaging should use resources efficiently and be easily recycled. And, of course, our products must also be packaged in a recognisable and aesthetically pleasing way.

More widely, we understand the global concern over plastic contamination, so we try to reduce plastics wherever possible. However, for some components of food packaging where we require a moisture vapour barrier, materials like plastic and metal remain superior to more sustainable alternatives – at least for now.

While packaging might seem like a straightforward part of the business, it is extraordinarily complex – we face a mountain of competing priorities, evolving technologies and occasional trade-offs as we negotiate a raft of environmental and social concerns.

Our 'three Rs' strategy

We don't make packaging ourselves – we concentrate on making herbal drops – but collaborate with trusted third parties to source materials and create our Ricola packaging. We manage and evaluate that process according to a 'three Rs' strategy.

Our approach covers primary packaging (the familiar packaging you see on sale), secondary packaging (the trays that contain multiple packets) and tertiary packaging (the shipping cartons used behind the scenes for distribution).

Reduce

We work to reduce the amount of material we use in any one product, across primary, secondary and tertiary packaging. That way, we can reduce the environmental footprint of our packaging, and consume less energy as we process and distribute it.

By 2030, our overall packaging material volumes will be reduced by 10% compared to 2020

Responsible

We aim to increase the amount of environmentally responsible materials in our packaging, so fewer 'virgin' resources are consumed. If this is not possible, further materials should be used that have a lower ecological footprint in other ways, in line with current scientific knowledge.

By 2030, our packaging will consist of 90% recycled or further sustainable material

Recycle

Our packaging should be as recyclable as possible, so consumers can easily return our packaging to the material cycle with the options available in their respective countries. However, a fundamental challenge we face is that our products are hygroscopic, i.e. they absorb water from the air. To maximise shelf life, we rely on multilayered materials, which can be harder to recycle.

By 2030, 65% of our packaging will be recyclable

A dynamic – but complex – environment

We've demonstrated great success in the past in improving our packaging, including switching our sources for cardboard and paper packaging over to 100% FSC-certified (Forest Stewardship Council) sources, as well as using more recycled cardboard and reducing cardboard density or foil thickness. We've successfully adopted bluemint® steel in our tin cans – it has 69% lower carbon dioxide emissions than conventional steel.

In 2024, a total of 85% of materials had sustainable characteristics, such as recycled content, FSC-certification and bluemint® steel.

Elsewhere, we've focused on smart adjustments. Highlights in 2023 and 2024 include:

- We have reduced the thickness of our iconic Ricola boxes by nearly 2.2%, which amounts to a saving of 16 tonnes of coated carton material.
- Following this earlier reduction in the grammage of our cardboard, we've reduced it by an additional 3.7%.
- For duo boxes, instead of wrapping them in plastic, we have begun glueing them together, saving up to 4.5 tonnes of plastic per year.
- For our stick products, we have reduced the amount of aluminium used in primary packaging by 16%, reducing the total weight by 3.7%.
- Within our production facilities, we transport unfinished drops between production steps using single-use plastics, so we are investigating how we can migrate to reusable alternatives.

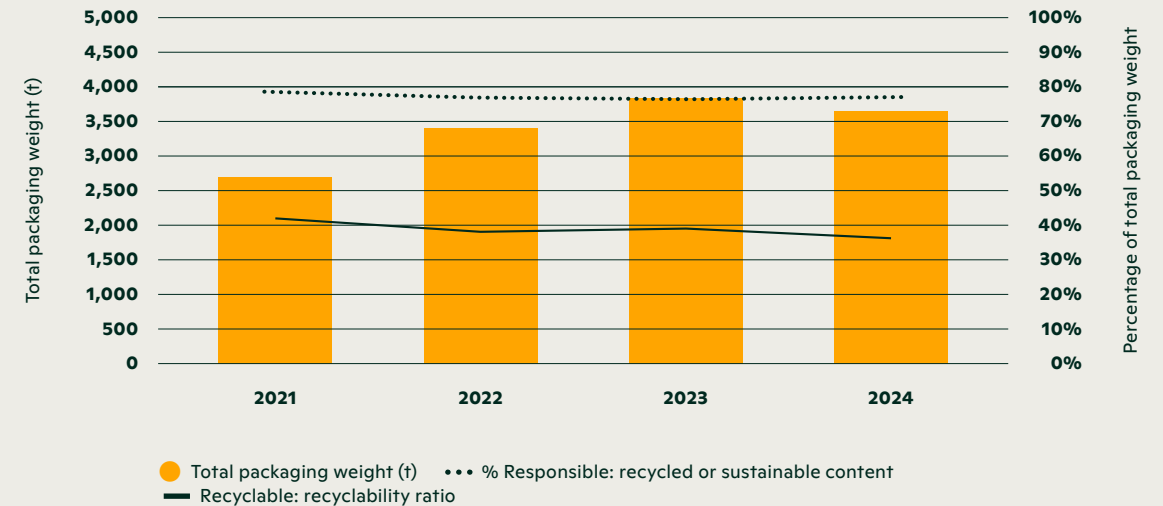
- In the large bags we use to package finished products in transport containers, we have begun evaluating using bags containing 30% recycled plastic derived from ocean waste. We plan to test bags with up to 50% recycled content from mid-2025. Unfortunately, a 100% recycled plastic solution is not feasible due to stability concerns.
- We've also optimised how we load palettes on trucks, creating more solid 'blocks' of stacked products, which no longer require wrapping.
- The materials used to package our finished drops arrive at our facilities contained in their own packaging. We are evaluating how to reduce that particular waste stream.

A challenging environment

Despite some progress, making improvements in our packaging sector remains challenging. Our overall performance in this area – relating to the amount and type of packaging, as well as how recyclable it is – was mostly on a par with last year.

Our use of sustainable materials is roughly level, while, as a proportion of total packaging, the use of recycled content materials increased marginally to 27% in 2024, up from 26.4% the year before. Our use of further sustainable materials (such as FSC paper and bluemint® steel) decreased to 58% in 2024, from 59.2% the year before. In 2024, recyclability, as a proportion of total packaging, decreased to 40.4%, down from 43.5%.

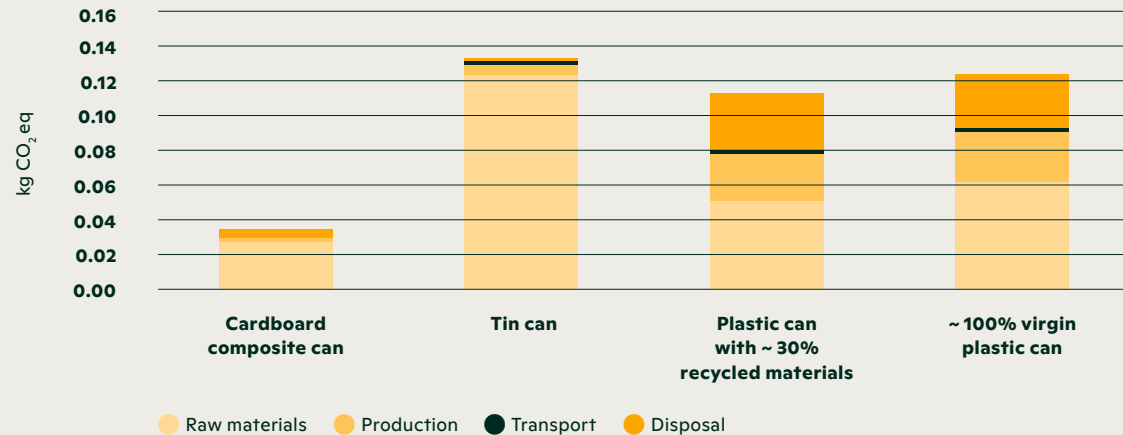
These figures are linked to our net sales value and are therefore relative. In absolute terms, outside



DEVELOPMENT OF OUR RECYCLABLE PACKAGING KPIS

of the gains we made by reducing the thickness of Ricola boxes, we saw no other significant improvements through packaging modifications.

We will, however, continue to refine our packaging according to our 'three Rs' strategy. Over the course of 2025, we will be undertaking a comprehensive review of each packaging type we currently use.



LIFE-CYCLE GREENHOUSE GAS EMISSIONS FOOTPRINT PER CAN TYPE

Traditional tins enter a new era

Tins have been a staple of Ricola's packaging repertoire for nearly 50 years, but they represent the largest relative environmental footprint of all our packaging. Up to now, they've been made of tin plate metal (bluemint® steel) with plastic lids. Although these materials are recyclable, we'd prefer to replace them with a cardboard-based alternative.

Why? A life cycle assessment (LCA) was carried out to determine the material with the lowest environmental impact for the new cans. The results (see above) clearly showed that composite cardboard was the most favourable option in this case.

Unfortunately, when it comes to preserving freshness and taste, cardboard alone cannot provide a sufficient barrier function. That's why we're testing a concept called 'Green Can' – it's mostly cardboard, but it has a thin, metallised lining to maximise the shelf life of its contents.

We're evaluating internally how it performs with sugar-based products. For sugar-free products, which are less likely to spoil over time, we have already begun a year-long consumer test in France, Switzerland, Belgium and Germany. Following these tests, we hope to proceed to a full transition for most of our canned products, reducing our greenhouse gas emissions and overall environmental footprint.



THE NEW 100g CARDBOARD COMPOSITE CAN



However, this approach cannot be used for instant tea, which loses its flavour too quickly. For now, it must continue to be sold in metal containers. We also learned Green Cans don't perform well in

hot, humid conditions – so in Asia, we will continue to sell drops in metal cans. We'll keep our eye out for viable alternatives in both cases.

CLIMATE

Adapting to a changing world

While hiking in Alpine regions, global climate change is noticeable due to the retreat of glaciers. Rising temperatures contribute to changes in soil conditions, while more frequent, intense rainfall and storms cause erosion, landslides and floods.

For a business which depends on being able to cultivate and harvest delicate herbs, this has profound consequences. Warmer weather and longer growing seasons mean our farmers require more irrigation for their crops, just as they battle insect infestations and fungal diseases that thrive in warmer conditions. Unpredictable cold snaps and frosts threaten the viability of what they are cultivating.

Committed to reducing our emissions

Our ability to react to and anticipate climate-related changes that could adversely affect our business starts with our corporate culture. Throughout our 95-year history, we've cultivated a sense of responsibility towards nature. Today, we are open about the challenges we face and encourage innovative thinking across the business to reduce our environmental footprint and lower our greenhouse gas emissions. We're motivated by making the biggest impact, but no improvement is too small.

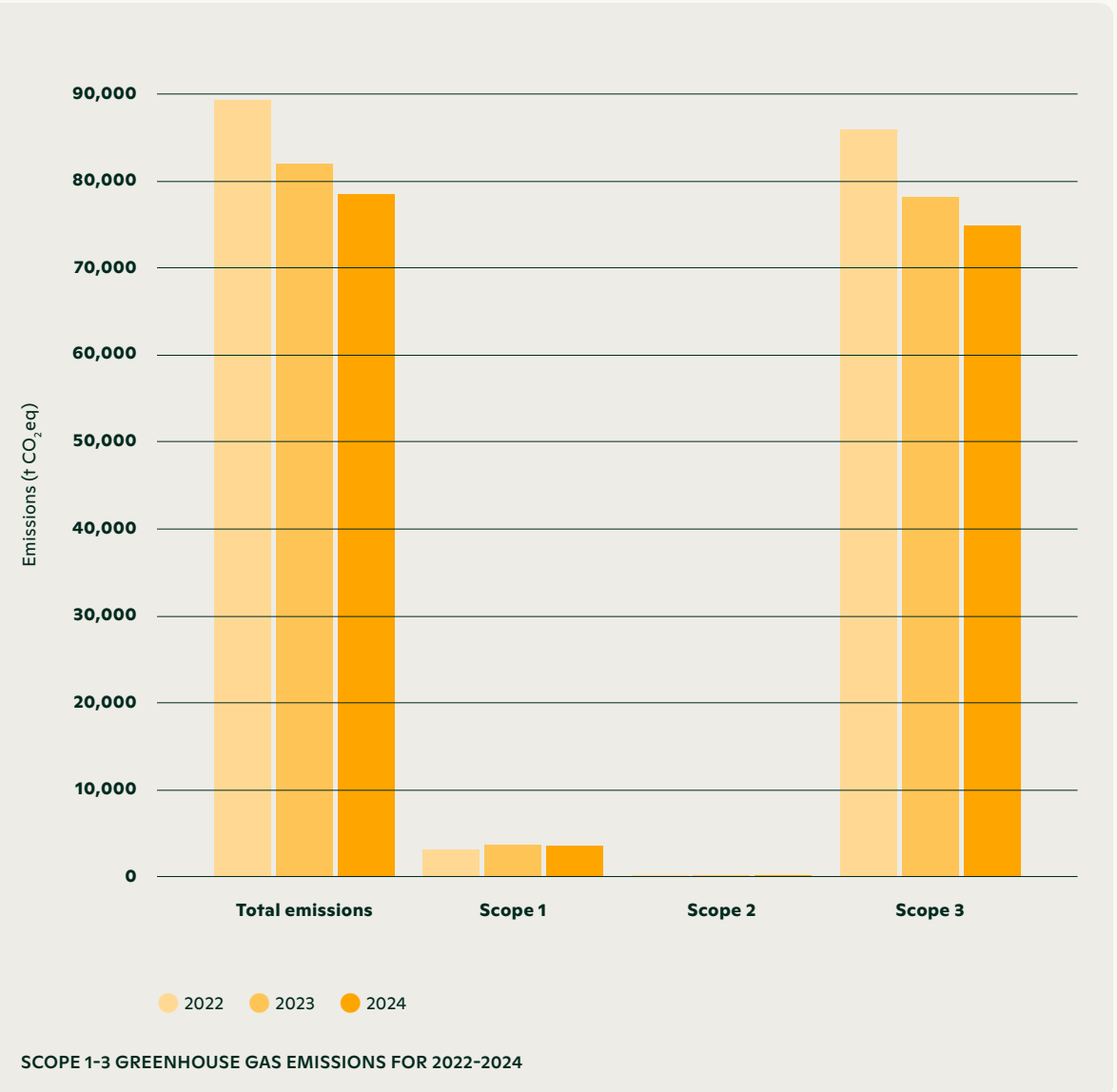
As part of our commitment to the Science Based Targets initiative (SBTi), we will reduce our Scope 1 and 2 emissions by 42% by 2030 compared to 2022 and reduce our Scope 3 emissions intensity by 51.6% within the same timeframe.

In 2024, we saw an overall reduction in our total greenhouse gas (GHG) emissions, which were down 12% compared with 2022. The reduction was driven by falls in Scope 3 emissions. In particular, there were some impressive emissions reductions relating to the transport of finished products (see graph on next page).

Within our Scope 1 and 2 emissions, the energy we purchase for heating, cooling and operating production equipment accounted for 3,650.6 tonnes of greenhouse gas emissions in 2024, roughly level with emissions of 3,759.2 tonnes in 2023.

However, our production volume increased by 10.0% in 2024 compared to 2022, resulting in an increase of our Scope 1 and 2 GHG emissions by 12.8% within the same period.

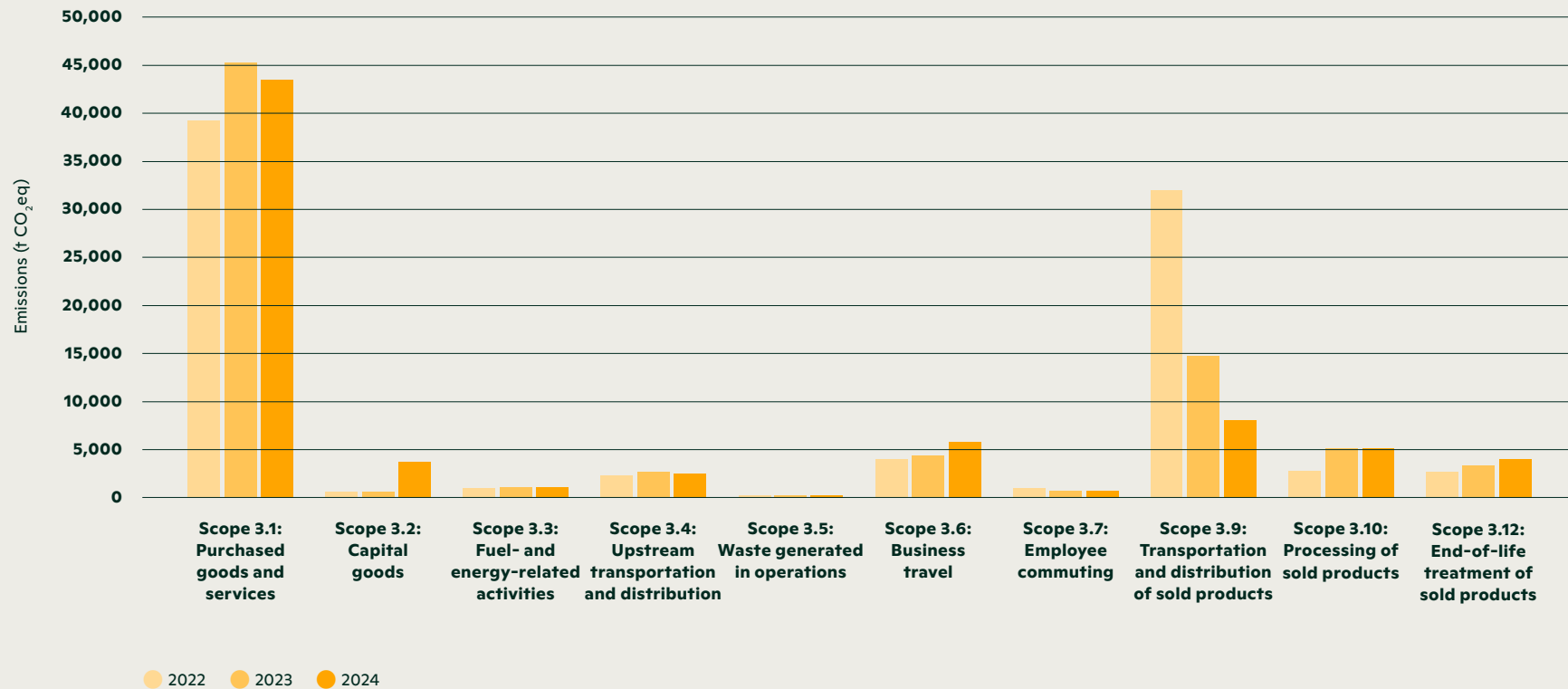
In 2024 Ricola's total greenhouse gas emissions fell 12% compared to 2022, our baseline year.



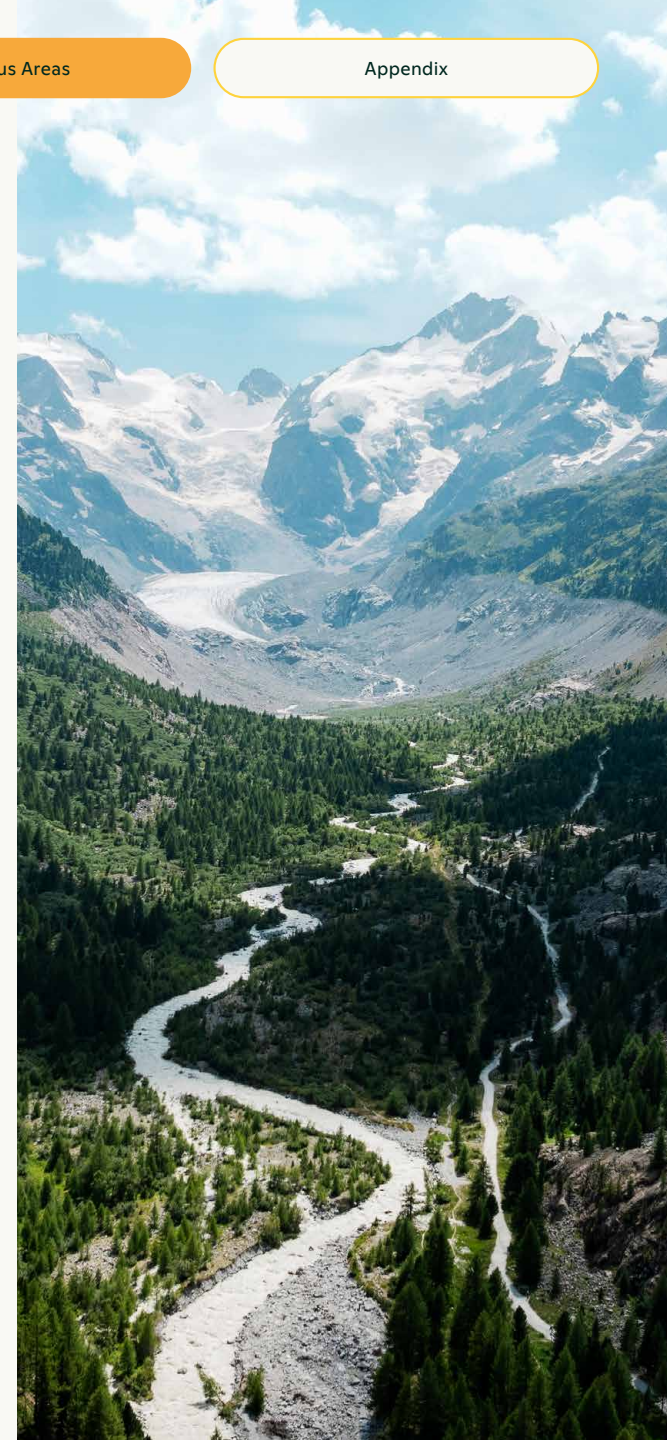
The transport of finished products accounted for 10.3% of our total emissions in 2024 – an astonishing fall from 17.9% in 2023 and 35.9% in 2022.

The change reflects how we have collaborated with our transport partners to incentivise the adoption of sustainable biofuels and Sustainable

Maritime Fuels (SMF), while switching significant volumes of air freight to sea freight over the last two years.



SCOPE 3 GREENHOUSE GAS EMISSIONS FOR 2022–2024

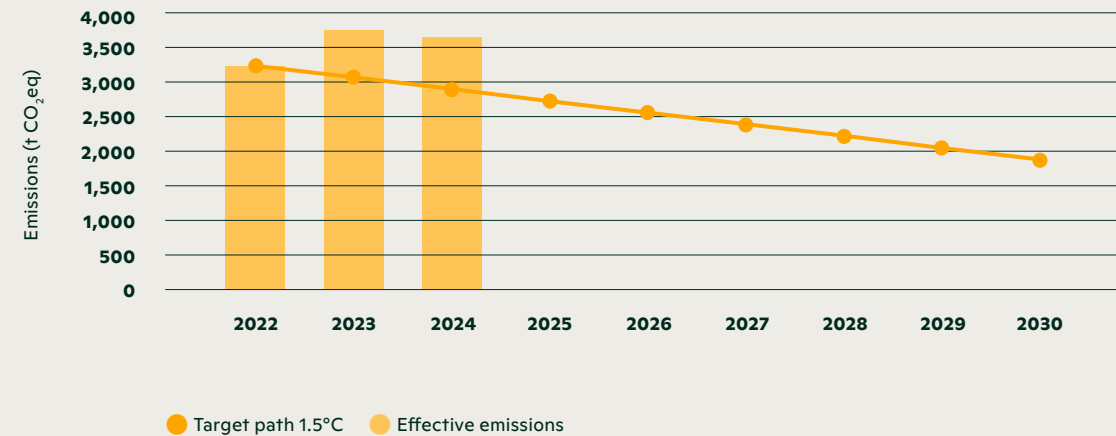


Determined to decarbonise

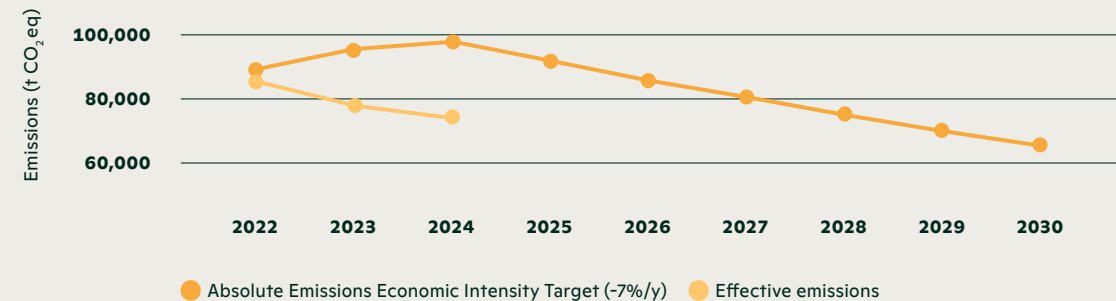
We are putting the finishing touches to a detailed Scope 1 & 2 decarbonisation plan, aligned to our SBTi goals. The plan will include the contribution of our new production facility in Lenzburg, Switzerland, even allowing for the increased production volumes it will bring.

The raw materials we source are the largest source of our Scope 3 emissions. In 2024, they accounted for more than half of our total greenhouse gas emissions. We are broadly addressing this through our new partnership with IP-SUISSE. Our contract directly supports sugar beet farmers' ambitions to adopt more sustainable agricultural practices to help reduce associated emissions.

To the same end, we are continually exploring how we can achieve reductions in emissions in collaboration with our suppliers, from raw materials to packaging. This includes working to improve the accuracy of our data and associated modelling. Whether progress is big or small, it all brings us closer to our goals.



RICOLA'S PROJECTED AND ACTUAL GREENHOUSE GAS EMISSIONS (SCOPE 1 & 2) REDUCTION PATHWAY



RICOLA'S PROJECTED AND ACTUAL GREENHOUSE GAS EMISSIONS (SCOPE 3) REDUCTION PATHWAYS

Smart thinking, cleaner culture

We look across the business to try and identify areas where we can optimise and improve our performance with climate-friendly changes, big and small.

Agriculture

- We've switched our sugar supplier to IP-SUISSE – its sugar has lower emissions than conventionally farmed sugar.

Logistics

- The bags we use to transport finished drops have been optimised and now each hold 11% more drops, making each journey more efficient.

Transport

- Over 2023 and 2024, we transitioned our car fleet in Switzerland to electric vehicles.
- In 2023, we introduced an e-truck which travels between our production facilities.

Working culture

- We launched online sustainability training for employees in 2023 – so far, more than two-thirds of our workforce have completed it.
- Employees have access to an e-bike leasing scheme.

A selection of new ideas that we will be evaluating in the months ahead.

In our relationships with farmers

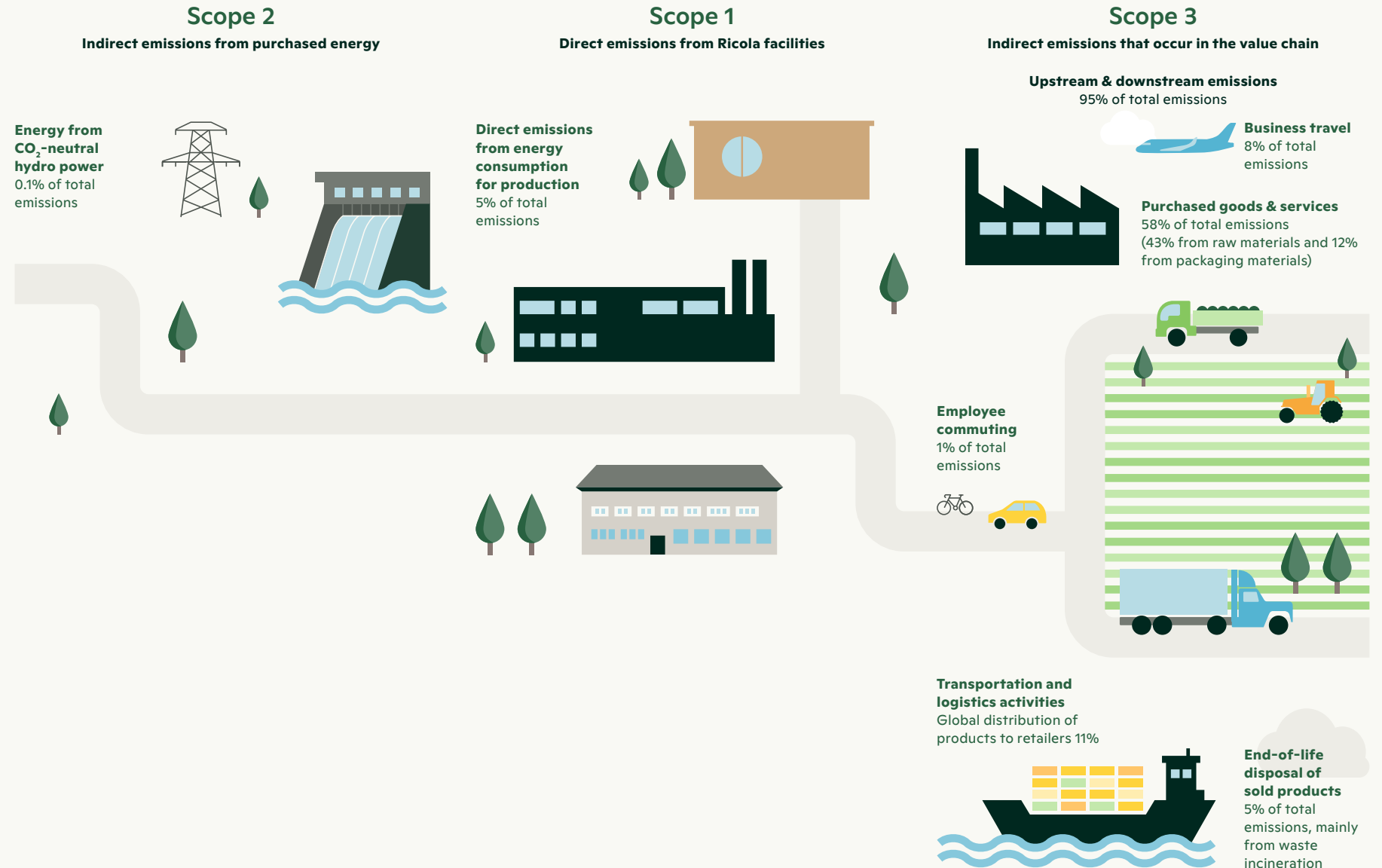
- Our relationship with IP-SUISSE is in its early days, but we are already discussing a host of potential climate-friendly agriculture projects, including alternative fertilisation methods, cultivating different sugar beet varieties to increase yields and using electric trucks in fields.

In our offices and production facilities

- We're partly generating own power, with solar panels on the roof of our production building, and have installed a new electric steam boiler.
- We're continually examining ways to reduce our compressed-air consumption.
- Our apprentices take part in sustainability projects with our partner myclimate.

In logistics

- We're constantly evaluating more efficient ways to load products and pallets for shipping our materials. We work closely with partners to improve the efficiency of our transport options.
- We've begun evaluating the merits of using an e-truck for regular deliveries to selected business partners.
- We're accelerating the switch to sustainable aircraft and marine fuels.



SUPPLY CHAIN / SOURCING



Making a positive impact in every market

As a business that gathers raw materials from around the world, we feel a moral obligation to conduct business responsibly wherever we operate. That includes advancing human rights along our whole supply chain.

We are aiming to ensure that Ricola's raw materials are produced and processed in ways that are fair and equitable, and which have a positive effect on our partners, workers and their families. For this reason, we are performing due diligence around the conditions in which these raw materials are cultivated.

At the same time, we strive to implement environmental protection to help build communities that are more resilient in the face of a changing climate and associated economic fluctuations.

A complex landscape

While more than 98% of our raw materials come from Europe and Switzerland, some are procured from further afield – everything from tins to certain sweetening ingredients and supplemental supplies of herbs and flavourings.

As a result, we face a complex and evolving landscape of laws and regulations, international conventions, and obligations concerning working conditions, labour rights and human rights in general.

Our efforts to create a progressively more sustainable value chain start with the selection of raw materials, where it's mandatory for suppliers to sign our supplier code of conduct – or their own

equivalent. Over the course of our relationship with partners, we examine the whole supply chain of our business partners and conduct regular monitoring, audits and visits.

We align our own Human Rights Due Diligence (HRDD) activities with the United Nations Guiding Principles on Business and Human Rights. Similarly, we address Swiss Child Labour Due Diligence and reporting obligations by committing to internationally recognised equivalent regulations, including International Labour Organization conventions.

Embedding human rights in our supply chain

Our efforts in this area are focused on setting employer-level policies and protocols, embedding a human rights culture throughout Ricola.

During 2024, we undertook a company-wide Human Rights Due Diligence and environmental risk assessment. Our group-wide Human Rights Policy is signed by our Board of Directors and our CEO, and enshrines human rights protections in our governance, covering our overall ethos as well as how our offices and production facilities are managed. New employees are guided through these issues as part of the Ricola Code of Conduct.

We hold regular training sessions to spread awareness of human rights risks within our procurement teams, and mitigate such risks using measures incorporated in key processes. For instance, we have integrated sustainability criteria for raw materials within our product innovation workflow.

To drive compliance across the business, we created two new positions in 2024 – a social compliance officer (within our Sustainability team) and a sustainable procurement manager (within our Procurement team). They are developing a social compliance management system, including risk-assessment monitoring among our business partners, prioritising operations and materials produced in 'high-risk' countries.

Beyond our own facilities, we strive to maintain a continual dialogue with partners to drive transparency, identifying and examining root causes of issues and updating human rights risk assessments and action plans where necessary.

Through this work, we have identified a few raw materials suppliers with potential significant negative social impacts. Of these, we have already agreed improvement measures with one supplier. We have further identified the following salient issues – as addressed in our Human Rights Policy:

- The right to fair, safe and healthy working conditions
- The right to freedom from forced labour and modern slavery
- The avoidance of child labour
- The right to freedom of association
- The right to equality and non-discrimination

To manage these risks, our business partners are required to be SEDEX-certified. Moreover, we invite all partners to join EcoVadis. Additionally, by signing our Code of Conduct, our suppliers confirm they are actively managing human rights risks all along their supply chains.

For environmental protection across all types of suppliers, we also discuss emissions-reduction plans, improving traceability and screening for alternative raw materials that bring sustainable benefits.

Our Procurement team regularly visits key business partners, such as a stevia producer in 2024 and mint oil and menthol producers in 2023. These visits help our teams familiarise themselves with how goods are produced, and help facilitate any corresponding action plans.

Separately, we've implemented an IT Eco Policy for IT hardware and software that's constructed around principles of sustainable procurement. We also monitor these suppliers with EcoVadis.

Monitoring a constantly evolving landscape

Assessing, managing and mitigating our exposure to human rights risks, working conditions and labour rights issues is not a one-time exercise. It's a matter of monitoring complex and evolving circumstances in each country that Ricola operates in, on an ongoing basis.

We also face challenges in implementing risk-based measures where particular supply chains are complex – involving numerous sub-suppliers in various countries, each with different practices and local regulations. Poor visibility in these markets makes it hard to track, manage and anticipate risks effectively.

Against that context, we continually evaluate alternative partners to help improve the sustainability of our supply chain. We do this either by favouring countries that have lower risks of human rights violations – particularly where we have concerns around labour conditions, child labour, health and safety, or access to education and training – and/or by supporting suppliers that respect social and environmental requirements. We repeat risk analyses on a regular basis to ensure we stay up to date.

Our responsible sourcing policy is under development, with updated goals for 2030, including new requirements for certification schemes and KPIs for managing suppliers and raw and packaging materials. More widely, we are planning to extend human right risks training across the organisation.

WATER

Every drop counts...

Every single herbal drop we create depends on drops of water. Think about it: we need water to irrigate the sugar beet and herbs we require, and use water during our production process and to clean cooking equipment.

But the pressure's on, as demand for safe, clean drinking water has never been greater. In fact, water scarcity is one of the greatest challenges we face globally, according to the UN.

That's why companies like Ricola must take responsibility for every single drop we use, and we spread that awareness across our workforce.

And it's just not about what we take from the water cycle – it's also about what we put back. We need to be sure anything we, or our suppliers, release never damages ecosystems or negatively affects anyone that lives nearby.

Clean water – a precious resource

We are lucky to have access to safe, clean water. That's why we aim to use only as much as we need, not to waste it and to return it as clean as possible.

We already have a water management programme in place in our production and packaging facilities across Switzerland and in France (Brunnstatt), but we're dedicated to continually improving our processes.

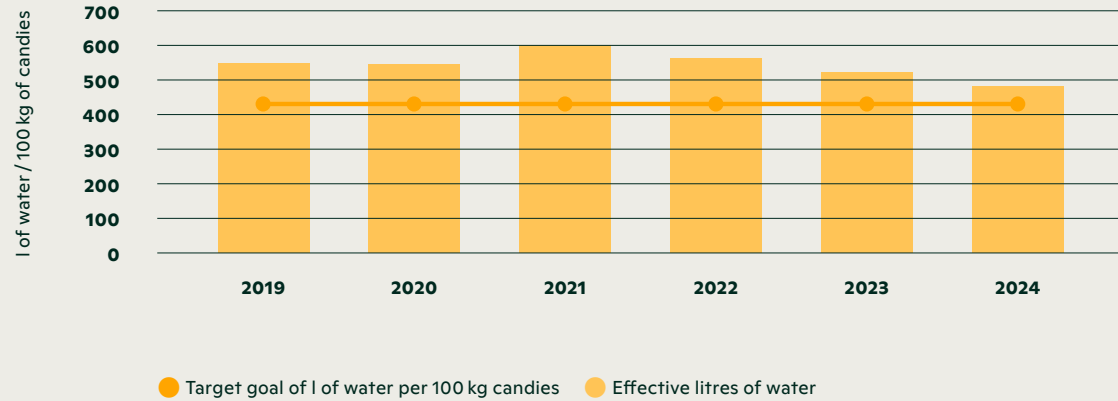
Our water usage is monitored by our Head of Engineering & Maintenance, who reports monthly right to the top – to the Chief Operating Officer.

Our goal is to use 15% less water per 100 kg of herbal drops by 2025 compared to 2019. Our reductions during 2024 were on track, so we're confident of meeting this target.

Water data is measured as part of our environmental management system. We check for chemical oxygen, undissolved substances, phosphates and microbes to ensure that discharged water complies with regulations in Basel.

Our clay building, which contains our herb centre, uses rainwater for cooling processes, so never draws from municipal supplies.





WATER CONSUMPTION INTENSITY (LITRES OF WATER PER 100KG SEMI-FINISHED PRODUCT)

Little changes, big effects

Saving water is not rocket science, but a matter of taking smart, practical steps. In 2025, we began installing water meters at one of eight production lines to gather data on our consumption. In 2023 and 2024, we installed timers, which close valves automatically. We also switched to glycol cooling systems in our cooking machines in 2024.

We've started using our production lines more strategically, reducing the number of times we switch variety – resulting in less cleaning required. We're proud that water-saving ideas come from every level within our workforce, from production workers to maintenance and mechanical teams, as well as management.

Water consumption was reduced to 480 litres per 100 kg of herbal drops in 2024 – a reduction of nearly 10% compared to 2023.



Improving our water cycle

We've made good progress in reducing water consumption, but there's plenty more to do. Our latest data showed we are using 480 litres per 100 kg of herbal drops produced, but to achieve our goal of a 15% reduction, we need to get that figure down to 450 litres.

Our new production site in Lenzburg features the latest cooking machines and cleaning equipment. And in our Laufen facilities, which already boast modern cooking equipment, we're in the process of updating our cleaning equipment.

And it's not just about our own facilities – it's crucial that we understand how our suppliers approach saving water. We have been using EcoVadis as a supplier tool since 2021 – an important part of which relates to water stewardship. As a result, we're proud that this shows 80% of our registered suppliers have measures in place to reduce water consumption. We'll continue to monitor them to ensure our collective impact on landscapes, rivers and streams – and the wider world – is kept to the bare minimum.

A close-up photograph of a green plant with serrated leaves, likely a sage plant, with the word 'Appendix' overlaid in white text.

Appendix

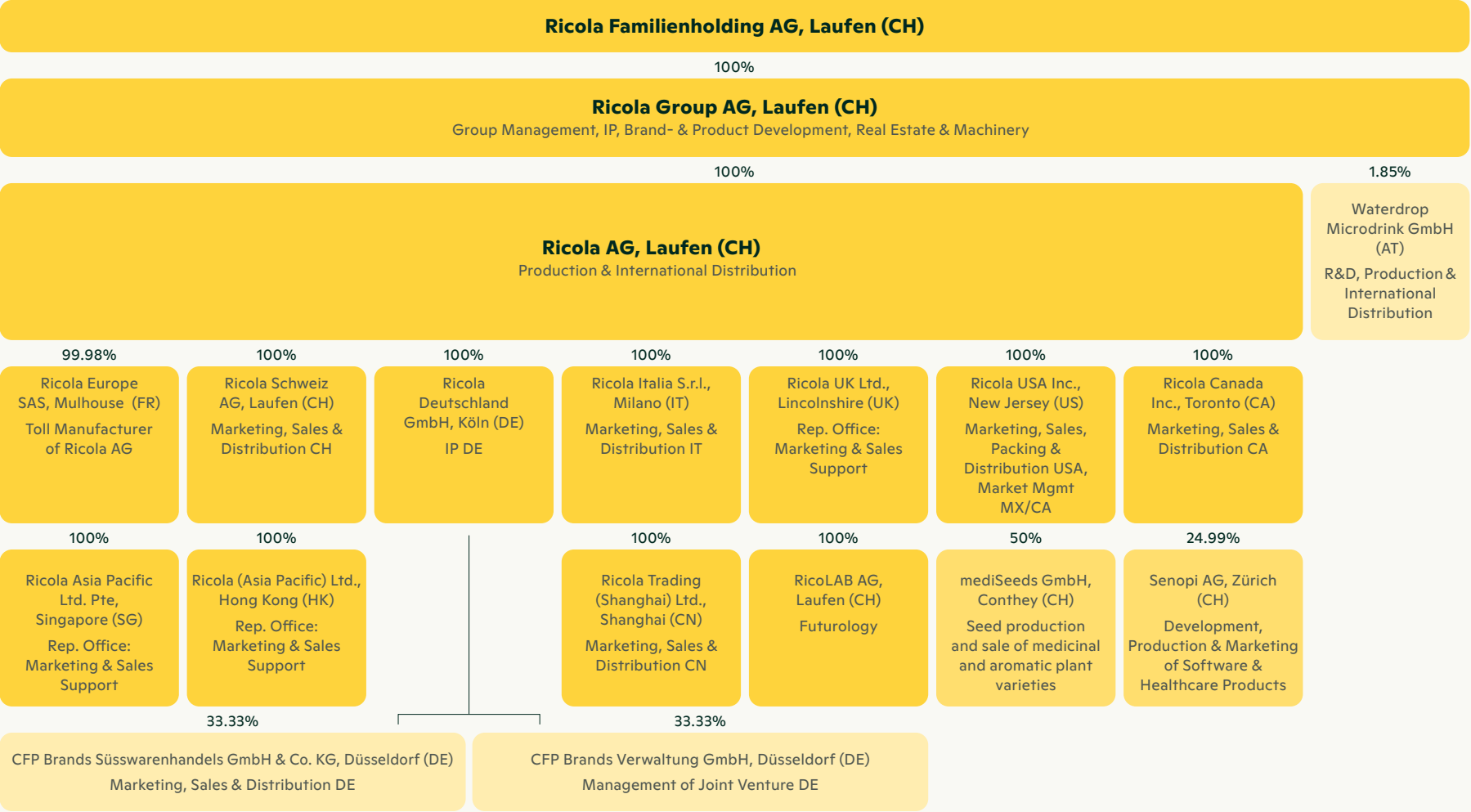
ABOUT THIS REPORT

The 2023/2024 Ricola Sustainability Report has been prepared with reference to the GRI Standards and covers the period 1 January 2023 to 31 December 2024. It was published in October 2025. No restatements of information have been necessary.

This report has not been externally assured. The GRI reporting process was supported by Adelie Sustainability, a consulting firm specialising in sustainability advisory services.

The 2023/2024 Ricola Sustainability Report covers all subsidiaries and joint ventures of Ricola Group AG:

Independent, family-owned company



INDEPENDENT, FAMILY-OWNED COMPANY: THE COMPANY STRUCTURE OF RICOLA GROUP

DATA AND PERFORMANCE

Employees (as of 31 December 2024)

Employee turnover (GRI 401-1)

(in %)	Change in %	2024	2023	2022
Total	-27.7	6.1	8.4	N/A
Female	-35.1	6.0	9.2	N/A
Male	-0.8	6.2	6.3	N/A
Under 30 years old	-66.3	6.3	18.6	N/A
30–50 years old	-19.3	6.9	8.6	N/A
Over 50 years old	116.7	4.8	2.2	N/A

Average hours of training per year per employee (GRI 404-1)*

(in hours)	Change in %	2024	2023	2022
Total	31.4	15.9	12.1	N/A
Female	14.4	13.5	11.8	N/A
Male	44.4	17.9	12.4	N/A
Senior Management	117.1	30.4	14.0	N/A
Administration & Production	17.6	14.0	11.9	N/A

* Minimal amount of average training hours registered through Ricola's internal training platform

Diversity of governance bodies and employees (GRI 405-1)

	Change in %	2024	2023	2022
Group Executive Management in total	0	9	9	9
Female (%)	0	11.1	11.1	11.1
Male (%)	0	88.9	88.9	88.9
Under 30 years old (%)	0	0	0	0
30–50 years old (%)	100	22.2	11.1	11.1
Over 50 years old (%)	-12.5	77.8	88.9	88.9
Total number of employees*	2.6	588	573	522
Senior Management – female (%)	5.8	35.6	33.7	33.0
Senior Management – male (%)	-3.0	64.4	66.3	67.0
Employees under 30 years old (%)	2.0	13.3	13.0	12.2
Employees 30–50 years old (%)	0.7	52.6	52.2	51.4
Employees over 50 years old (%)	-1.6	34.2	34.7	36.3

* All employees including apprentices, interns, temporary staff and hourly-wage employees

Ricola Agriculture Principles (as of 31 December 2024)

New suppliers that were screened using environmental criteria (GRI 308-1)

	Change in %	2024	2023	2022
Percentage of new suppliers that were screened using environmental criteria	0	100	100	100

Own disclosures: Ricola Agriculture Principles

(in %)	Change in %	2024	2023	2022
Ricola agriculture principles applied to herbs	13.8	91	80	90
Ricola agriculture principles applied to raw materials that make up 80% of raw material used in drops	104.4	27.6	13.5	1.12

Supply Chain/Sourcing (as of 31 December 2024)

Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk (GRI 407-1)

	Change in %	2024	2023	2022
Operations in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk	0	0	0	0
Suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk	-45.5	6	11	11

Operations and suppliers at significant risk for incidents of child labour (GRI 408-1)

	Change in %	2024	2023	2022
Operations considered to have significant risk for incidents of child labour	0	0	0	0
Suppliers considered to have significant risk for incidents of child labour	-55.6	4	9	9

Operations and suppliers at significant risk for incidents of forced or compulsory labour (GRI 409-1)

	Change in %	2024	2023	2022
Operations considered to have significant risk for incidents of forced or compulsory labour	0	0	0	0
Suppliers considered to have significant risk for incidents of forced or compulsory labour	-36.4	7	11	11

New suppliers that were screened using social criteria (GRI 414-1)

	Change in %	2024	2023	2022
Percentage of new suppliers that were screened using social criteria	0	100	100	100

Negative social impacts in the supply chain and actions taken (GRI 414-2)

	Change in %	2024	2023	2022
Number of suppliers assessed for social impacts	14.0	65	57	20
Number of suppliers identified as having significant actual and potential negative social impacts	400.0	5	1	0
Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	N/A	1	0	0

Environmental key data (as of 31 December 2024)

The following environmental data refers to Ricola's headquarters (comprising two production buildings and offices) in Laufen, Switzerland: energy, Scope 1 and 2 emissions, packaging, waste and water.

Scope 3 emissions cover Ricola's complete value chain and all subsidiaries.

Climate Change/Energy & GHG Emissions

Energy consumption within the organisation (GRI 302-1), reduction of energy consumption (GRI 302-4)

(in MWh)	Change in %	2024	2023	2022
Total energy consumption within the organisation	-0.3	27,636.7	27,714.8	23,781.8
Total fuel consumption within the organisation (non-renewable sources)	-0.6	25,988.1	26,155.9	22,913.0
Total fuel consumption within the organisation (renewable sources)	5.8	1,648.6	1,558.9	868.8
The total electricity consumption	-4.0	8,678.9	9,039.2	7,803.7
Reduction of energy consumption as a result of efficiency initiatives	-13.8	5,335.8	6,188.5	6,465.7

Energy intensity (GRI 302-3)

	Change in %	2024	2023	2022
Energy intensity (MWh) per 100kg semi-finished product (Scope 1 & 2)	3.2	0.094	0.091	0.087

Direct (Scope 1) GHG emissions (GRI 305-1)

(CO ₂ eq in tonnes)	Change in %	2024	2023	2022
Gross direct (Scope 1) GHG emissions	-3.0	3,554.9	3,664.8	3,145.2*

Energy indirect (Scope 2) GHG emissions (GRI 305-2)

(t CO ₂ eq)	Change in %	2024	2023	2022
Gross indirect (Scope 2) GHG emissions*	1.6	95.9	94.4	90.6*

Other indirect (Scope 3) GHG emissions (GRI 305-3)

(CO ₂ eq in tonnes)	Change in %	2024	2023	2022
Gross other indirect (Scope 3) GHG emissions**	-4.3	74,865.5	78,212.5	85,993.2*

Reduction of GHG emissions (GRI 305-5)

(CO ₂ eq in tonnes)	Change in %	2024	2023	2022
Total reduction of GHG emissions as direct result of reduction initiatives (Scope 1&2)	8.8	1,035.6	951.5	1,005.1

Own disclosure: climate change

	Change in %	2024	2023	2022
Number of Ricola locations at risk of one or more climate hazards	N/A	2	N/A	N/A

* Methodology including data source change to Smart 3 (myclimate)

**Scope 3 emissions were calculated in accordance with the GHG Protocol using the standardised 15 subcategories; given the mix of primary and secondary data used, we intend to continue improving the quality of our Scope 3 data over time.

Packaging

Materials used by weight or volume (GRI 301-1)

(in kg)	Change in %	2024	2023	2022
Non-renewable materials used by weight or volume	-16.7	873,911.8	1,048,811.7	838,205.8

Own disclosures: packaging

(in %)	Change in %	2024	2023	2022
Reuse or use of more sustainable materials for packaging	0.8	85.7	85.0	85.5
Recyclability of packaging	-7.1	40.4	43.5	42.4

Circularity

Total waste generated (GRI 306-3)

(in t)	Change in %	2024	2023	2022
Total waste generated	-11.2	2,793.9	3,146.9	2,622.7
– Hazardous waste	-50.0	0.6	1.2	1.1
– Non-hazardous waste	-11.2	2,793.3	3,145.7	2,621.6
-- Production related – routine waste	-10.5	2,368.2	2,647.1	2,161.1
-- Packaging*	-1.4	196.0	198.7	185.8
-- Household**	-23.6	229.2	299.9	274.6

Waste diverted from disposal (306-4)

(in t)	Change in %	2024	2023	2022
Total weight of waste diverted from disposal	-10.5	2,528.7	2,826.7	2,622.7
Total weight of hazardous waste diverted from disposal (offsite)	-50.0	0.6	1.2	1.1
Total weight of non-hazardous waste diverted from disposal	-10.5	2,528.1	2,825.5	2,621.6
– Recycling	-11.1	2528.7	2845.8	2329.1
– Other recovery operations	-17.0	264.7	318.9	292.4
Total weight of non-hazardous waste diverted from disposal offsite	-11.2	2,793.3	3,145.7	2,621.6

Own indicator: reduction of waste from drops production in %

(in %)	Change in %	2024	2023	2022
Reduction of waste from drops production	-15.8	3.2	3.8	3.9

* Including tinplate/scrap iron, cardboard, plastic waste

**General refuse (compactor)

Water

Materials used by weight or volume (GRI 301-1)

(in cubic metres)	Change in %	2024	2023	2022
Total freshwater withdrawal	-9.9	138,176	153,314	148,605
Total water withdrawal from all areas with water stress	N/A	0	0	0

Water discharge (GRI 303-4)

(in cubic metres)	Change in %	2024	2023	2022
Total water discharge to all areas	-6.3	119,539	127,589	106,040
– Surface water/third-party water/ other water	10.9	72,507	65,373	57,343
– Ground-water / freshwater	-24.4	47,032	62,216	48,697

Water consumption (GRI 303-5)

(in cubic metres)	Change in %	2024	2023	2022
Total water consumption from all areas	-27.6	18,637	25,725	42,565

Own indicator: reduction of water use in production facility compared to 2019 per 100 kg bulk in %

(in %)	Change in %	2024	2023	2022
Reduction of water use in production facility compared to 2019 per 100kg bulk	-0.5	4.8	5.3	2.51

DONATIONS AND SPONSORSHIPS



Throughout the period 2023–2024, Ricola supported a wide range of cultural, social and sporting activities.

Regional donations and sponsorships

- Alphorngruppe Thierstein Laufental
- EHC Laufen
- FC Basel Kids Club
- FC Basel 1893 AG
- FC Laufen
- FC Zwingen
- Ferienpass Laufental-Thierstein
- Gemeindeverwaltung Nenzlingen
- Handelskammer Basel
- Kulturforum Laufen
- La Cetra
- Laufental Openairkino Laufen
- Longines CHI Classics Basel
- Philharmonisches Orchester Basel
- SAC Hohe Winde
- Samariterverein
- Segelfluggruppe Dittingen
- SM'Aesch Volley
- Stiftung Schatzinsel Alp Flix
- Theater Fauteuil Basel
- Verein Landesausstellung Svizra27

National donations and sponsorships

- Adiuva Association – WOSP – Zurich
- SGV-USAM
- Sporthilfe - Super10Kampf
- Swiss American Chamber of Commerce
- TSG Applied Innovation Days

International donations and sponsorships

- Elbphilharmonie (Germany)
- Tour der Hoffnung (Germany)

GRI CONTENT INDEX

Statement of use	Ricola Group AG has reported the information cited in this GRI content index for the period 01.01.2023–31.12.2024 with reference to the GRI Standards.
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IMPRINT

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Register Entries

Commercial Register Office of the Canton
of Basel-Landschaft
Commercial Register Number: CH28030179160

Value-added tax identification number

CHE-439.050.235

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