

An aerial photograph showing a dense green forest on the left and a large agricultural field on the right. The field is divided into several rectangular plots, likely for different crops. The overall scene is captured from a high angle, looking down at the landscape.

SUSTAINABILITY REPORT OF THE KÜNDIG GROUP

2018-2020

FOREWORD

Willy Kündig already understood how important sustainable behaviour is when it comes to long-term success. Good relationships with customers and suppliers, along with a respect for nature, were always more important to him as an entrepreneur than short-term success. He was a staunch advocate of the virtues of the honourable trader. Tradition, innovation and sustainability remain the core values upon which the Kündig Group is built today.

Now in our third generation, we have been around for more than 100 years and are more certain than ever that long-term planning will become increasingly important, especially in quickly changing markets. For this reason, sustainability plays an even greater role in our company focus today and directly influences our long-term success.

We are therefore delighted to present our first sustainability report and to highlight how we have developed in the area of sustainability between 2018 and 2020.

Enjoy reading!



Alain Wegmüller (CFO) - Sandro Kündig (CEO) - Marc-Remo Kündig (CBDO)

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ABOUT US

High-quality, safe and honest raw ingredients – for healthy foods at a fair price for all those involved throughout the value chain.

○ **10'000** PRODUCTS

○ MORE THAN **25** QUALITY AND SUSTAINABILITY CERTIFICATES

○ **50'000** TONNES A YEAR, OF WHICH **66% ORGANIC**

○ **CARBON-NEUTRAL**

○ MORE THAN **100** YEARS OF EXPERIENCE

Click here to access the

[Company film](#) 🎬



These cornerstones of our values are not only seen in our day-to-day work; they are also the result of years of partnership with suppliers and customers.

Ongoing development – for both the farmers and ourselves – is thereby guaranteed. Our passion is to maintain dialogue and relationships, and we embody the values of the honourable trader. Our word is our bond, and you can rely on our quality and product safety – sustainably and consistently.

SDGs:



These values form the bedrock of our quality promise:

Tradition

Fairness, honesty, respect and trust – these are the traditional Kündig guiding values. The company gives its all to ensure that the Kündig brand exudes these guiding values both internally and externally.

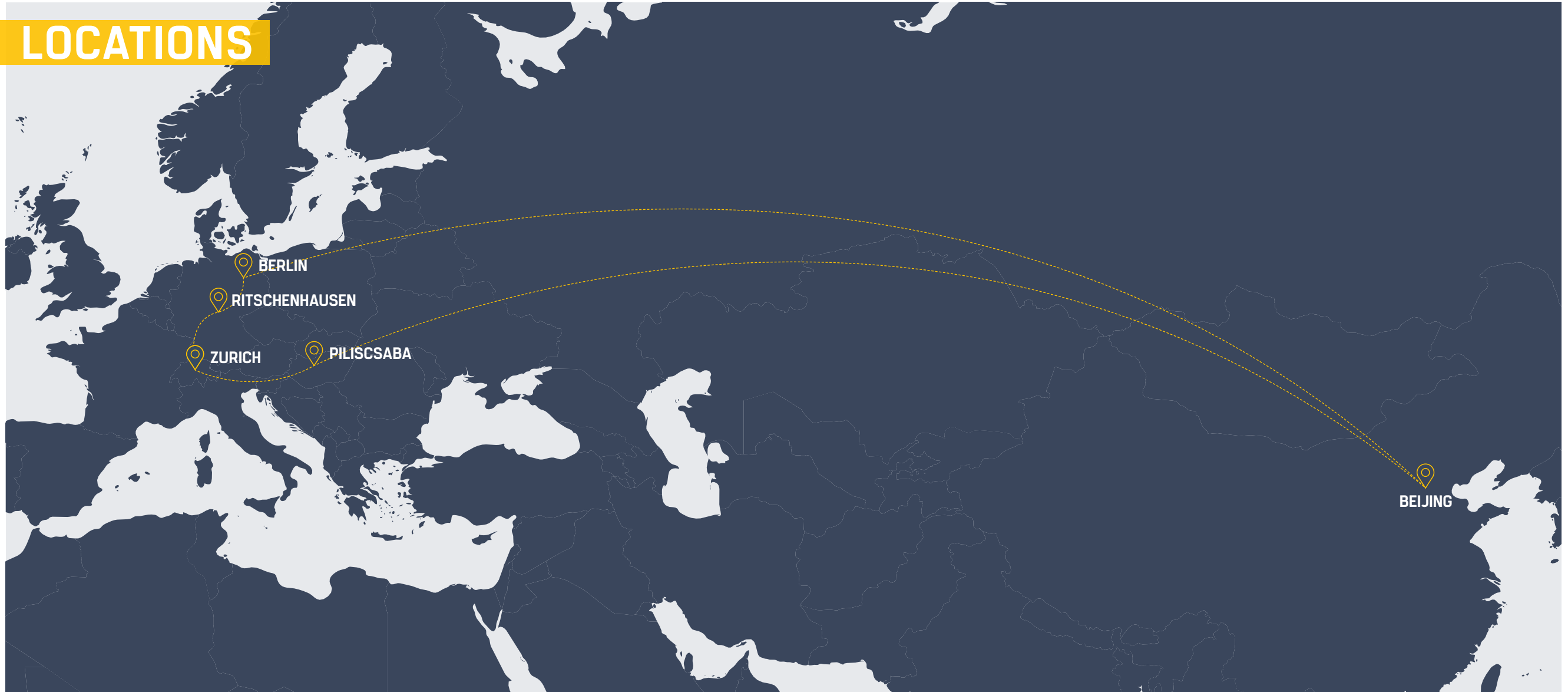
Innovation

For our company to be viable over the long term, it is important to always be a step ahead of the competition. This is why Kündig is constantly examining the latest innovation opportunities, which are implemented if they offer benefits to customers and the company.

Sustainability

Sustainability requires that our actions ensure success not on a temporary basis, but over the long term. This applies just as much to our approach to people and the environment as it does to our products.

LOCATIONS



○ **W. Kündig & Cie AG, Zurich**
Grains, legumes, seeds, frozen products, dried products

○ **Kündig Bio Agrarprodukte GmbH, Berlin**
Organic expertise in grains, legumes, seeds, Kündig organic agricultural products

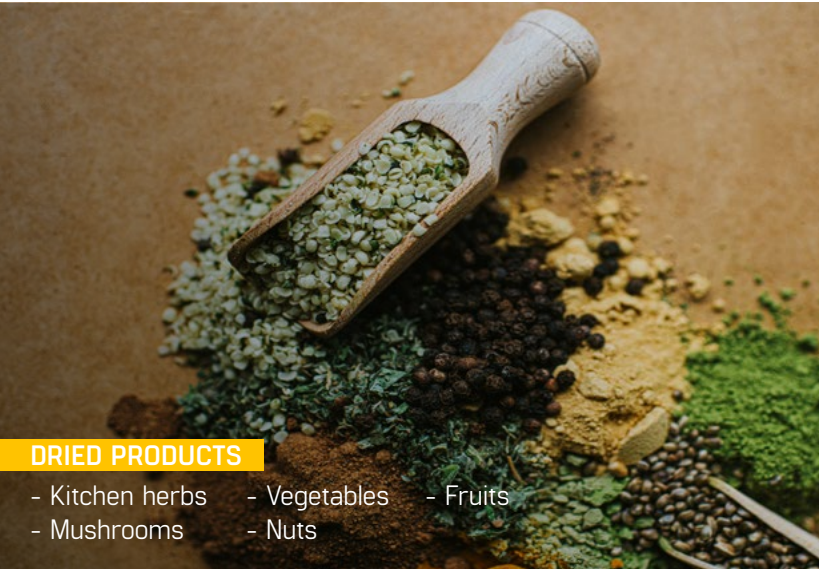
○ **W. Kündig KFT, Piliscsaba**
Expertise in frozen products and quality control for products from Eastern Europe

○ **Kündig Nahrungsmittel GmbH & Co. KG Deutschland, Ritschenhausen**
Refinement centre for dried products, distribution and service, Kündig Food Safety Tower®, BIOSTERIL®

○ **Kündig Representative Office, Beijing**
Supplier management and quality control for products from Asia

RANGE





DRIED PRODUCTS

- Kitchen herbs
- Vegetables
- Fruits
- Mushrooms
- Nuts



GRAINS/SEEDS

- Bakery seeds
- Oilseeds
- Cereals
- Sprouting seeds

From A for apple to Z for zest

Our range spans dried and frozen products, cereals, legumes and animal feeds, as well as juices, superfoods and plant proteins. We offer an array of production forms, refine raw ingredients, and process them to granules or grind them into powder.

In total, Kündig has a selection of around 10,000 products.



LEGUMES

- Beans
- Lentils
- Canned foods
- Peas
- Precooked legumes



FROZEN PRODUCTS

- Fruits, berries
- Herbs
- Juices
- Purees
- Vegetables
- Mushrooms
- NFC juices

Our range of services is as diverse as it is trend-setting – here, you receive everything you need from a single source.

As a service specialist, we offer our customers comprehensive system and cleaning solutions for safe, high-quality foods.



KÜNDIG FOOD INNOVATION LAB®

Development of high-quality food formulations for healthy, contemporary products.



BIOSTERIL®

Natural steam-based germ reduction that is gentle on products – for dried foods and plant substances.

- GMP-certified
- Express line for processing within a week



KÜNDIG FOOD SAFETY TOWER®

Innovative, comprehensive and highly effective cleaning technology for dried products.



PRIVATE-LABEL PRODUCTS

Tailored packaging solutions for dried products, canned foods, frozen products and more.



MIXING, GRANULATING, GRINDING AND STERILISING



Overview of organic development

The company's founder Willy Kündig valued sustainable business extremely highly. The virtues of the honourable trader were sacrosanct to him, and he maintained close relationships with his business partners.

He ensured their loyalty with honesty, trust and respect – even when times were hard.

Over the past 100 years, the tried-and-tested handshake has been increasingly vouched for with quality certificates – including at Kündig. In the 1970s, we signed Demeter cultivation contracts for the first time. We have been building on our organic commitment continually since the 1980s. In 2020, the Kündig Group's organic share stood at 66%.

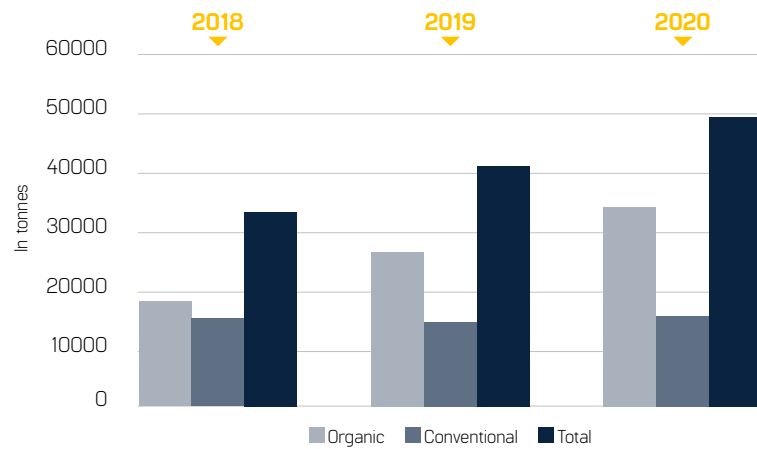
You can find a selection of our numerous sustainability certificates [here](#) 📄

Environmental awareness concerning the impact of our own consumption is increasing rapidly. Consumers want to know where their foods are coming from, what they contain and, above all, what they do not contain.

The trend is clearly shifting towards nature. Products should be as untreated as possible: without added sugar and without colouring or preservatives.

As a pioneer in the organic sector, Kündig is already optimally positioned and growing its range on an ongoing basis. We will therefore continue to meet the desire for unadulterated, natural and authentic foods with products of the highest quality in the future, too.

Organic-Conventional



SDGs:



SAFETY AND QUALITY

'Safe foods' are a valuable but fragile asset. There are risks lurking everywhere, such as contamination with dangerous bacteria, viruses, parasites or chemicals.

According to the World Health Organization (WHO), two million people around the world die as a result of food-related illnesses every year. Unsafe food or water cause more than 200 illnesses, from diarrhoea to cancer.

Today, the food industry is globalised – the standards for food safety, however, are not.

Generally speaking, producers are responsible for manufacturing safe foods. At Kündig, suppliers and to maintain these relationships – and to challenge them on a regular basis. The principle of 'Trust is good; control is better' is taken very seriously at Kündig.

Food safety is the Kündig Group's top priority.



In general, it is possible to guarantee food safety by eliminating three key food safety hazards: microbiological, chemical and physical.

Physical hazards - Kündig Food Safety Tower®

At the production facility in Ritschenhausen, the company is equipped to fight the various physical contaminants that could endanger safety. Whether cleaning or air separation, sieving or fine-grinding, toasting, cutting, or granulating, we offer the right process for any dried product.

Physical hazards such as stone or metal fragments are reliably eliminated as they pass through the Kündig Food Safety Tower®. The products are inspected for intrinsic and extrinsic foreign matter in the Kündig Food Safety Tower®.

The tower stretches three storeys and a total of 14 metres, and combines conventional technologies with state-of-the-art techniques within a secure, closed circuit.

This represents a new generation of raw-ingredient cleaning and optical sorting – and it is fully automated.



The goods to be cleaned are taken to the third storey by lift and pass through heavy- and light-part cleaning and a magnet. They are then checked by three different laser systems that recognise up to 16 million colour nuances and 256 shades of grey with optical separation.

Finally, an X-ray machine and metal detector find any defects that are still hidden. Once at the ground floor of the tower, the cleaned goods are automatically packaged and temporarily stored in so-called big bags until they are processed into their final form – revolutionary, successful.





Impressive – the fully automated packing robot. In 2018, more than five million euros was invested with a focus on process optimisation, capacity expansion and GMP development.

SDGs:



Microbiological hazards - BIOSTERIL®

To protect against microbial contaminants, BIOSTERIL® operates one of the most state-of-the-art GMP-certified germ reduction centres in Europe. We share our years of expertise on foods and the refinement of raw ingredients with it. The company gently reduces the germ count in powders and other cut forms below prescribed limits without destroying the products' sensory properties.

Using saturated-steam processing, germ counts can be reduced by several orders of magnitude in dried raw foodstuffs in a natural and gentle manner.

This also facilitates germ reduction in controlled organically cultivated produce. Here, Kündig is not only setting benchmarks when it comes to food safety, but is also ensuring its own long-term viability.

Technical partnership with Bühler Group

As a technology partner of the long-standing Swiss company Bühler, the Kündig Group is constantly working on new sterilisation technologies. Kündig was the official partner in the development of a prototype for a groundbreaking inactivation solution. It is called 'LAATU' and sterilises dried foods with low-energy electron beams.

Satisfied customers thanks to progressive solutions

The continuous improvement of processes and development of innovative solutions are important to a tradition-steeped company like Kündig. This is the only way to redefine the quality and safety of foods and animal feed and attain new standards. We set the bar high – for complete customer satisfaction.

Food Lab

Kündig Zurich has planned a substantial redevelopment. In particular, the kitchen will undergo an impressive renovation and upgrade. Our new Food Lab will also be housed there in future, which will ensure we are always in tune with culinary developments. Kündig picks up on current food trends – in the process, proteins, frozen products and healthy alternatives to existing foods play a crucial role. Tireless research, the pursuit of quality and unmistakable character are brought to life here. New recipes are developed from our high-quality products and subsequently marketed.



KÜNDIG
FOOD INNOVATION LAB



SDGs:



EMPLOYEES



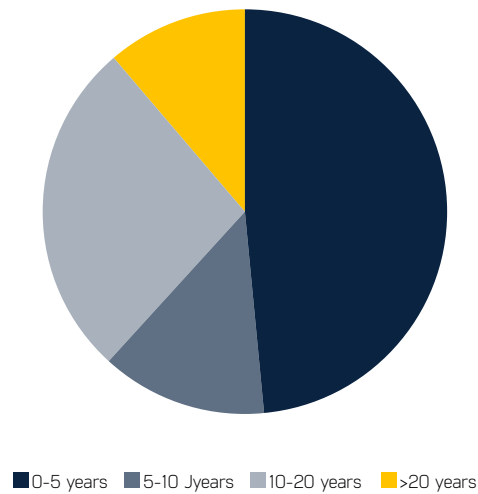
MANAGEMENT PRINCIPLES

- WE EXEMPLIFY WHAT WE EXPECT OF OTHERS
- WE ACT IN A SUSTAINABLE AND FUTURE-ORIENTED MANNER
- WE TRUST OUR EMPLOYEES AND THEIR AUTONOMY
- WE PURSUE CLEAR GOALS

FACTS

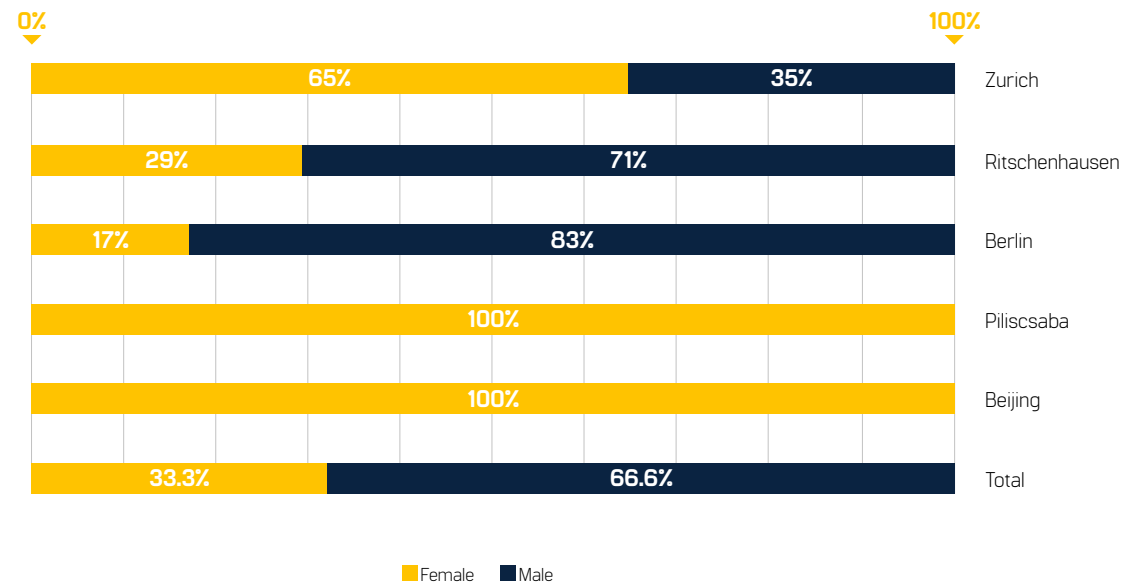
We are proud to assert that our employees are as carefully selected as our products.

Employee retention



On average, our employees have been with us for 12 years. We have combined experience of 1,242 years.

Workforce by gender



SDGs:



The New Work megatrend will have a particular influence on the world of work over the coming years. We are looking for people – not machines – to help shape the future.

It is more important than ever that work be fulfilling. The old adage that people have to adapt to their employer belongs in the past.

The Kündig Group is more than aware of this and is focusing on the creative economy of the future:

1. Kündig is taking a crucial step with a renovation that will bring offices up to date and create a large kitchen providing space for communal cooking and eating.
2. The implementation of more options for working from home meets modern employee requirements and is a crucial component of a sustainable future strategy.

Working for the Kündig Group should be fun rather than just financially advantageous.





Digitisation is also an inescapable subject at the Kündig Group.

Our employees should always have access to company data – irrespective of their location. The usefulness of this can be seen not only in field sales – for example when visiting suppliers or customers – but also when working from home. ‘Work from anywhere’ has already become a reality thanks to Office 365. It also allows us to continually avoid paper during our day-to-day work. Even though we already use recycled paper exclusively, this is another step towards sustainability.

Digitisation has facilitated the close networking of all Kündig locations, thereby allowing them to avoid bottlenecks and continue to guarantee the highest levels of quality and safety.

The health of our employees is very close to our hearts, which is why we have established a bike leasing service.

Within the scope of an in-house health management initiative, our employees in Germany are able to lease a bike and enjoy tax privileges for doing so. Those interested in a bicycle, pedelec or e-bike can make the purchase via an attractive leasing model with exclusive preferential terms. The leasing benefits include unlimited private and professional use, a large selection with a cost saving of up to 30% compared to a direct purchase, savings on income tax and social-security contributions, and convenient comprehensive insurance cover.

In Switzerland, all employees benefit from a discount code for a reputable online provider of bikes and other outdoor items.



Kündig Sport Elite

Mens sana in corpore sano – a healthy mind in a healthy body!

We value the health of our employees very highly and promote sporting activities. What began on 1 March 2018 as a WhatsApp joke entitled 'Kündig Sport Elite' is now a permanent fixture in our corporate culture. Since then, our employees have been meeting regularly to go jogging, mountain biking, cycling or hiking. In winter, ski tours and skiing trips are very popular.

Over the past few years, we have also contested a few official events as a team, thereby demonstrating our fitness.



EMPLOYEE DEVELOPMENT



KÜNDIG
FOOD INGREDIENTS SUPPLIER

What used to be referred to as ‘human resources’ now bears the title ‘human capital’.

Employees are no longer simply a resource; they quite rightly constitute a company’s most valuable capital. We use this credo to pursue meticulous recruitment focused on professional expertise, emotional intelligence and ‘cultural fit’. We are proud to be able to count our employees among the best on the market and want to preserve this valuable asset. We therefore support our workforce both mentally and financially when it comes to their personal and professional development. With sustainable, tailored education programmes, we ensure ongoing further development at all levels and thus lay the foundation for individual success.

In response to the question 'What happens if we invest in the development of our employees and they then leave?', Beat Kündig shrewdly countered with 'What happens if we don't invest in the development of our employees and they stay?'.

Florian Reissig

Florian began at BIOSTERIL® as a production employee. With his above-average ambition, supported and bolstered by countless professional training courses, he initially rose to the position of shift supervisor at BIOSTERIL® before then becoming the first 'Head of Digital Cleaning' at the Thuringia facility.

Today, Florian Reissig is the main contact and designated specialist for the highly innovative Kündig Food Safety Tower® and its individual digital components.

SDGs:



SUSTAINABILITY AT KÜNDIG

In order to continue to be able to offer the best products in the future, we must keep pursuing sustainability – it is part of our DNA.





Kündig Bio Agrarprodukte®

With the founding of Kündig Bio Agrarprodukte GmbH, the Kündig Group is expanding its trade expertise in the field of organic food ingredients. Focusing on sustainability, the newly founded company specialises in organic products with seamless traceability. The new expert team is composed of experienced specialists from the organic sector. Our family company, with headquarters in Zurich and more than 100 years of operation in the grain trade, is therefore expanding its oldest line of business and systematically developing its organic expertise in the field of grains, legumes and oilseeds in place since the 1970s.

Transparent organic quality

All traded organic grain, legumes and oilseeds can be fully traced to a specific producer down to the individual batch. The producers are regularly inspected for adherence to relevant organic guidelines and social standards. The producers will be disclosed to the customer upon delivery at the latest. With this transparency, Kündig guarantees the highest levels of quality and safety for our organic products.

Kündig becomes a climate-neutral company

Over the course of recent months, we at Kündig have been tackling our CO₂ emissions and the corresponding ecological footprint. In total, the Kündig Group generates a carbon footprint corresponding to approx. four million kilometres driven by car – just short of 100 times around the world. As a sustainable business, we joined forces with CO₂ emissions. Kündig has therefore been certified as a climate-neutral company since August 2020.

What does climate-neutral mean?

Companies, processes and products are considered to be climate-neutral if their CO₂ emissions are calculated and offset with the support of internationally recognised climate protection projects.

Alongside prevention and reduction, offsetting CO₂ emissions constitutes a significant step in holistic climate protection. We offset emissions resulting from our business activities in full via climate protection projects. ClimatePartner supports us in calculating, reducing and offsetting CO₂ emissions.

Determining CO₂ emissions

ClimatePartner has mapped the relevant CO₂ emission sources for our operations. The analysis and annual updating of our balance facilitates the implementation and inspection of measures that help us to continue to prevent CO₂.





Offsetting CO2 emissions with climate protection projects

Climate protection projects save CO2 – with reforestation schemes, for example. By supporting the forest protection project in Portel, Brazil, we offset 1,342,116 kg of greenhouse gases generated by us. All projects by ClimatePartner are certified in line with the highest international standards and are examined by independent third parties.

Transparent CO2 offsetting

Our climate neutrality is completely transparent thanks to the ClimatePartner process with order-related ID numbers:

At: www.climatepartner.com/14344-2008-1002

you will find the certificate for our climate neutrality with all the information about how much CO2 has been offset by the company and which climate protection projects we support.

SDGs:



Charitable work

We put a great deal of emphasis on giving something back to our surroundings. We achieve this thanks to our long-standing support of charitable institutions.

Over the past three years, we have donated just under CHF 100,000 and have been following how our support has impacted the success of the projects.

We helped the Swiss Cancer League to finance a dedicated cancer telephone line. Relatives or cancer patients themselves can call this number anonymously and chat to medically and psychologically trained volunteers about diagnosis and treatment. It is also used as an emergency number.

The Kinderspitex was able to use our contributions to purchase a bathtub lift and a wheelchair attachment.

Additional donations were made each year to the Barbara Keller Heim. Here, we supported the new institution in Binz, Fällanden, where moderately to severely disabled young people and adults have the possibility of living in their own homes and maintaining contact with others through their work at the laundry or bakery. A proportion of the financing went towards a large refrigerator, for example.



AGENDA 2030 - THE SUSTAINABLE DEVELOPMENT GOALS OF THE UN

Growing poverty, inequality and injustice – these global problems led to the world's leading politicians coming together at the United Nations (UN) at the start of the 21st century to develop strategies to tackle them together.

In 2015, 17 sustainable development goals were adopted as part of this process. These should be met by 2030.

With its sustainability commitment, Kündig is able to directly influence the following SDGs:



GOAL 3:

Ensure healthy lives and promote well-being for all at all ages.



GOAL 4:

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



GOAL 5:

Achieve gender equality and empower all women and girls.



GOAL 8:

Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.



GOAL 9:

Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation.



GOAL 12:

Ensure sustainable consumption and production patterns.



GOAL 13:

Take urgent action to combat climate change and its impacts.



GOAL 15:

Protect, restore and promote sustainable use of terrestrial ecosystems

