

GUIDELINE ON
Juices



This guideline is geared towards business partners and stakeholders of REWE Group. It documents the attitude of REWE Group and defines goals and measures to produce goods more sustainably in the future.

By the end of 2025, 50 per cent of all juices, nectars and fruit juice drinks of all private label products that are sold in Germany by REWE and PENNY should be certified. In the private label product range of orange and pineapple juice, 100 per cent of the products are already certified as sustainable.



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I. UNDERSTANDING, SCOPE AND COMMUNICATION

REWE Group's customers expect and should be able to trust that REWE Group, as a trade company, is aware of its responsibility in the supply chains of its private labels and addresses the social and ecological effects. In its ["Guideline for Sustainable Business Practices"](#), REWE Group acknowledges this responsibility. The values described therein form the foundation for responsible actions of the company. REWE Group has specified this foundation in the ["Approach for responsible supply chains"](#) in order to identify, evaluate and process the social and ecological effects.

In addition, REWE Group aims at actively influencing a more sustainable development in the cultivation of fruit and vegetables for juices and in juice production. To this end, the trade company envisages to purchase more sustainably produced juice products, ensure greater transparency in the supply chains and positively influence the conditions in the cultivation of fruit and vegetables for juices with projects and a cross-sector dialogue.

Goal and Scope of the Guideline

It is REWE Group's declared goal to improve the social, ecological and economic conditions in the cultivation of fruit and vegetables for juices. With this guideline, the group wants to raise awareness among its business partners in the supply chain for the importance of more sustainable juice production as well as identify concrete goals and measures to achieve them.

The scope of this guideline comprises REWE Group's supply chains of all private label juices, nectars and fruit juice drinks sold at REWE and PENNY Germany. The guideline defines a binding framework for REWE Group's actions and the business relationships with its contractual partners. The specified requirements and goals set out in the guideline are consistently checked.

New measures and goals are agreed upon if necessary. In addition, the guideline is updated on the basis of future trends and developments.



Reporting and Communication

REWE Group reports regularly and publicly on progress in implementing the measures and achieving the targets outlined. This is done in press releases, via the REWE Group website or the sustainability report of the Group. REWE Group is convinced that transparency and the provision of comprehensive information are important components of successful sustainability management.

II. ISSUES

After water and soft drinks, fruit juice is one of the three most popular beverages in Germany, even though annual per capita consumption, at 30 litres since 2020, has fallen by eleven litres in the past 20 years. Orange and apple juice are the most popular juices in this country: Around 7.5 litres of orange juice and 6.5 litres of apple juice were consumed per capita in 2020, followed by multivitamin juices with four litres, grape juice with one litre and pineapple juice with half a litre (VdF, 2020). Many of the processed fruits and juice products come from tropical and subtropical regions, mainly from Latin America or Asia. Not only there, but also in Europe, numerous ecological and social problems are often associated with conventional cultivation and production. REWE Group faces the following impacts of juice production with regard to the environment and people:

Ecological Impacts

80 per cent of the global orange juice exports for Germany come from Brazil (CIR, 2018). With 20 million tonnes, India was the largest producer of mangos in 2018. In terms of pineapples, the largest producers are Costa Rica with 3.2 million tonnes, the Philippines with 2.7 million tonnes and Thailand with 2.3 million tonnes (FAO, 2018).

Conventional cultivation of fruits such as oranges or pineapples is often done in monoculture on large plantations. This type of cultivation affects the environment and biodiversity in two ways: on the one hand, through clearing to make room for the plantations; on the other hand, the plants are usually so close together that no habitat remains for animals and other vegetation. This also increases susceptibility to pests and diseases. These are often controlled with pesticides, which can destroy biodiversity even further. In addition, fertilisers are used: Rainfall can wash these chemicals into groundwater, streams and rivers. Furthermore, soil erosion can occur. The consequence: New forest areas must be cleared for production. In addition, the transport within the production countries and the transport via air plane or ship cause high greenhouse gas emissions (GLOBAL 2010, Oeko-Fair, o.D., ILRF, 2008).

In terms of apple juice, Europe is the largest apple producer – followed by China and the USA. Poland, France, Italy and Germany reap the largest harvests (Eurostat, 2020). However, in order to meet the demand of apple and apple juice consumption, Germany is forced to import additional apples.

In European agriculture, the cultivation of apples is one of the most chemical-intensive sectors, which may have impacts such as polluted soils, contaminated water or biodiversity loss (Greenpeace, 2015, Greenpeace, 2016).

Impacts on Humans

Especially in tropical and subtropical countries where fruits are cultivated and juices are produced, the living and working conditions are often precarious or even dangerous. Violation of human rights, such as child and forced labour, non-living wages, inhumane working hours, discrimination or a lack of occupational health and safety, are not uncommon. Such violations can also occur in Europe.

In Brazil, three large corporations with plantations and export ships dominate 80 per cent of the global orange juice market (CIR, 2018). Their position, the market power of other large plantations and the fluctuating world market price for oranges have a direct and often existential





impact on smaller plantations, smallholder families as well as factory workers and pickers. 90 per cent of the smallholders and plantations own only about one fifth of the trees. Often they have to give up their plantations and are driven from self-employment into wage labour: In the 1980s and 1990s, there were still five million farmers. By 1995, however, there were only 35,000 farms (CIR, 2018).

Despite a statutory minimum wage in Brazil, the real wages on conventional large plantations are often below a living wage. Forced labour is very likely to occur, especially during harvest time. Plantation workers often work more than ten hours a day and are prohibited from forming a workers' union. Quite frequently, harvest pickers, for example, have neither employment documents nor protective clothing such as gloves, or access to fresh water, adequate sanitary facilities or decent accommodation. They are often hired through agents who charge a fee (CIR, 2018).

The situation is similar for workers in pineapple cultivation in the Philippines where individual groups of companies dominate which purchased land from farmers at the lowest prices as early as in the 1980s. They employ workers through subcontractors, mainly in temporary or contract labour. Therefore, the workers are not entitled to basic labour rights as they are known to regular workers. They also often lack clothing to protect them from agricultural chemicals or the sharp pineapple leaves (ILRF, 2008).

In Europe, fruit and vegetable harvesters can also be affected by exploitation and low wages: for example in southern Spain or in Italy, especially in Calabria. Working overtime is common practice for the vast majority of migrant workers from Africa, Eastern Europe, the Balkans, India or Pakistan. In addition, the work is also dangerous: Despite legal regulations, the workers are in most cases not provided with protective equipment (Heinrich Böll Foundation, 2017, European Parliament, 2021).

The pesticides used in the cultivation of apples (see impacts in the environmental field of action) can cause cancer, affect fertility or damage the nervous system (Greenpeace, 2016).



III. GOALS, REQUIREMENTS AND MEASURES

In order to improve the social, ecological and economic conditions in juice production, REWE Group is pursuing the following goals:

- By the end of 2025, 50 per cent of all private label juices, nectars and fruit juice drinks that are sold in Germany by REWE and PENNY (excluding promotional, seasonal and regional products) are to be certified in accordance with Rainforest Alliance, Fairtrade, Naturland, Bio, SAI FSA Bronze / Silver / Gold, GlobalG.A.P. The certification systems ensure high standards in cultivation and a more transparent supply chain.
- REWE Group's goal of converting 100 per cent of its private label range of direct orange juice and orange juice from concentrate to products that are certified in accordance with Fairtrade, Rainforest Alliance or Bio by the end of 2025 was already achieved in 2020. Since the end of 2018, only certified pineapple juice has been available at REWE and PENNY.

In order to achieve its goals, REWE Group places great demands on its business partners in the supply chain and has also taken a large number of measures in the environmental and human fields of action.

Measures in the Environmental Field of Action

In cooperation with standard organisations and certification systems – especially Fairtrade or Rainforest Alliance – REWE Group ensures that resources such as energy, chemicals or water are used efficiently and greenhouse gas emissions are minimised in the defined risk countries, such as Brazil. The plantations are also supported in adapting to the effects of climate change. In addition, measures are taken to preserve the ecosystems on plantations: For example, there are regular training sessions on integrated pest management to reduce the use of pesticides as much as possible. If pesticides are used, the most ecologically compatible option must be chosen. As a preventive measure, the cultivation of mixed crops is promoted.

With regard to apple juice, REWE Group has started a biodiversity project with the Polish Society for the Protection of Birds (OTOP) and fruit growers in the Grojec region, thus creating more food and nesting opportunities for flower-seeking insects and habitats for birds in Europe's largest apple-growing region. The farmers plant flower strips on selected plantations or set up insect hotels and thus contribute to more biodiversity. The apples grown by these fruit farmers are used to produce the PRO PLANET-labelled juice of the REWE Beste Wahl brand.

Requirements and Measures in the Human Field of Action

In order to improve the working and living conditions in juice production, REWE Group cooperates with certification systems such as Fairtrade, Rainforest Alliance or Naturland. These organisations support farmers in operating more efficiently, socially and ecologically and make supply chains more transparent. In addition, REWE Group obliges all business partners in the supply chain of private labels to comply with the minimum requirements such as internationally and nationally applicable laws and the core labour standards of the International Labour Organisation (ILO) as well as to commit themselves to the [Guideline for Sustainable Business Practices](#). This means, for example, that any kind of discrimination is prohibited and that at least the nationally applicable minimum wage must be paid and working hours customary in the industry must be complied with. Child labour and any form of forced or compulsory labour as well as human trafficking must be excluded.

In 2021, REWE Group also updated its [Supplier Code of Conduct](#). The Code of Conduct is an integral part of the contract with the suppliers of private label products and obliges them to comply with their corporate duty of care as well as to observe human rights and good working conditions.

REWE Group is also involved in projects that work on the principle of “help for self-help” for local farmers. In the Brazilian citrus belt in the states of Paraná, São Paulo and Rio Grande do Sul, for example, REWE Group has a special partnership with four Fairtrade smallholder organisations. Here, 260 farmers, employees and workers, as well as managers and technical consultants of the producer organisations receive on-site training on more sustainable cultivation practices, improving health and safety conditions, and strengthening organisational structures for more self-determination. Other parts of the project include integrated pest control, disease management of trees and soil protection. This project resulted in the development of products for the private label brands Paradiso and REWE Beste Wahl in the REWE and PENNY sales lines, carrying this commitment traceably from origin to shelf.

REWE Group is also active in multistakeholder initiatives. As a member of the European [Sustainable Juice Platform](#), it has been committed to social and ecological improvements in the supply chains of the fruit juice industry since 2016. It supports European fruit juice producers in integrating sustainability measures into their entrepreneurial goals and thus achieving a long-term sustainable contribution along the global value chain of fruit juices for all stakeholders. In addition, REWE Group, together with the Fruit Juice CSR Platform, supported the preparation of the Living Wage Report of the Global Living Wage Coalition on living wages in orange cultivation in Brazil. In this way, the company is actively working to improve the wage situation locally.

Alongside other members such as the German Federal Ministry for Economic Cooperation and Development (BMZ), the Christian Initiative Romero (CIR) and TransFair e. V., REWE Group is also a founding member of the Partnership for Sustainable Orange Juice ([PANAJO](#)). The members are committed to actively promoting social justice and labour rights as well as occupational health and safety and environmental protection in the orange juice supply chain.

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Published by: REWE Group
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The dialogue on the topic of juices is of major importance to us. Please do not hesitate to contact us with suggestions and questions at: nachhaltigkeit@rewe-group.com

As of: December 2021