



The
SUSTAINABILITY
Code

Declaration of conformity 2020

Barnhouse Naturprodukte GmbH

Indicator set

GRI SRS

Contact

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Indicator set

The declaration was drawn up in accordance with the following reporting standards:

GRI SRS

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Date: 2020, source: company data.
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General

General Information

Describe your business model (including type of company, products / services)

Two people with pioneering spirit, an oven and a bicycle: in 1979 these were the "ingredients", which began Barnhouse's success story. In the kitchen of their Munich apartment Neil Reen and Sina Nagl baked the first global organic granola, which was usually supplied to the small number of organic shops in Munich: Krunchy. Baking sheet after baking sheet with a daily output of 4 kg.

Today, the Bavarian organic pioneer produces approximately 500 to. organic granola in Mühldorf in Upper Bavaria - with love, passion and carefully selected, natural organic raw materials. This love for the product thus forms the basis for the uncompromising quality, which still remains the high priority for Barnhouse. Although the products are now manufactured on modern baking production lines, the craft skills of the Krunchy bakers and the instinct for the organic raw materials are extremely important for the declared Barnhouse objective of always delivering the best organic granola to the customers. This is appreciated by the consumers, who have turned the company into the undisputed market leader for granola in the German organic shops. Barnhouse Krunchy even has a loyal, steadily growing following outside Germany as well.

The oat and spelt flakes, the main ingredient in every Krunchy product thus are 100% sourced from the fields of the more than 80 Barnhouse farmers in the region. Barnhouse concludes a very special partnership with these committed organic farmers, which is marked by more than multi-annual contracts and fair prices, because together we encourage the development of organic agriculture in the region and on the Barnhouse fields we promote bio-diversity and soil quality. This means that Krunchy embodies not only the best taste, but also commitment to the region and to ecology.

CRITERIA 1–10: SUSTAINABILITY POLICY

Criteria 1–4 concerning STRATEGY

1. Strategic Analysis and Action

The company declares whether or not it pursues a sustainability strategy. It explains what concrete measures it is undertaking to operate in compliance with key recognised sector-specific, national and international standards.

As organic pioneers with a tradition dating back many years to our founding in 1979, sustainability is firmly anchored in our corporate vision, "**Production of top-quality products in harmony with Nature**" and represents an essential pillar of our corporate policy. Our corporate policy comprises the areas of product requirements, customer orientation, ethics and supervisory responsibility, together with environmental responsibility and sustainability. In this, the sustainable manufacture and sale of ecological products represents our primary objective at Barnhouse. The raw materials we purchase and process are exclusively organic. In addition, we regard our responsibility for sustainability as not confined to the Company, but as relevant to the entire value chain. Therefore we at Barnhouse buy Social Policy raw materials and champion social equity. We have also been certified under the Fairtrade Cocoa Program since 2020.

At Barnhouse we understand sustainability in accordance with the Brundtland definition as a development, "*...that meets the needs of the present without compromising the ability of future generations to meet their own needs and choose their life-style*".

Until now there was no concrete sustainability strategy. In order to make the greatest possible contribution to sustainable development, we drafted such a strategy. In the first instance, we conducted a materiality analysis to align the sustainability activities to our essential themes. The analysis was conducted on the basis of the specifications in the German Sustainability Code.

The results of this analysis represent our 22 essential themes, which are organised into the spheres of economy (profit), ecology (planet) and social (people).

Strategic objectives, together with performance indicators and specific

measures have been formulated for the individual key topics. Where possible, this system is oriented towards international and national standards and frameworks (e.g. SDGs, GRI SRS, GSC, ISO 26000, Greenhouse Gas Protocol).

Our target for 2021 is certification under the We Care Standard. The Management System Standard confirms the implementation of sustainability criteria along the supply chain. It thus encompasses the spheres of business management, supply chain, environmental management and managerial responsibility for staff.

2. Materiality

The company discloses the aspects of its business operations that have a significant impact on sustainability issues and what material impact sustainability issues have on its operations. It analyses the positive and negative effects and provides information as to how these insights are integrated into the company's processes.

In our day-to-day business we meet with a large number of economic, ecological and social challenges. In 2021 we conducted a materiality analysis to identify the essential sustainability issues. The results of the analysis revealed issues, which are highly pertinent for us and our stakeholders. The issues have been determined on the basis of their relevance to the business (inside-out-perspectives + outside-in-perspectives) and their relevance to stakeholders. The individual issues are organised into the categories of ecology, social and economy.

Ecology (Planet)

- Organic farming (Inside-Out: Barnhouse promotes organic agriculture and thus makes a positive contribution to the expansion of organic farming.)
- Sustainable packaging (Outside-In: Currently, plastic is the main packaging material used. Plastic is produced from non-renewable raw materials and is therefore critical for the environment.)
- Climate protection (Outside-In: Climate change represents a central challenge to all stakeholders. Barnhouse causes CO₂ emissions during production)
- Sustainable waste management (Inside-Out: The production of Krunchy, waste is generated.)
- Bio-diversity (Outside-In: Fertility of soils and biodiversity decrease. Barnhouse wants to make a positive impact through its activity. through its activities.)
- Regional focus (Inside-Out: Through our cooperation with regional

farmers, we actively contribute to regional value creation.)

As a company producing organic foodstuffs we regard environmental and climate protection as our special duty. Only an unspoilt environment can be the foundation of our long-term success and allow us to honour our commitment to quality. Oats and spelt are the most important raw materials in our day-to-day business. We purchase these for our Krunchy products in partnership with more than 80 organic farmers in the region. With the help of this cooperation we want actively to promote organic farming in the region and make a contribution through joint projects to improving bio-diversity and the soil quality. The issue of sustainable packaging is increasingly being carried forward by stakeholders in the company. In this we are constantly testing innovative solutions and putting our money into extremely recyclable packaging.

Social (People)

- Social standards through the supply chain (Inside-Out: In Krunchy, many raw materials from countries with social risks are used. Barnhouse wants to do its part for social security in the supply chain)
- Long-term partnerships (Inside-Out: Through long-term and fair Barnhouse wants to continuously improve quality.)
- Staff satisfaction and motivation (Inside-Out: Satisfied and motivated employees are the basis of the company's success.)
- Staff health (Inside-Out: The health of employees is an elementary prerequisite.)
- Equal opportunities and diversity (Inside-Out: Equal opportunities and diversity enables a differentiated approach to problems and is therefore important for the success of the company.)
- Education and further training (Inside-Out: The education and further training is the basis to cope with the changes in the world of work.)
- Social commitment (Inside-Out: Through our activities in associations, we make an active contribution to society.)
- Involvement in the local community (Inside-Out: Active involvement in the region strengthens the location.)

One of Barnhouse's high priorities is compliance with sustainability criteria all along the supply chain when purchasing raw materials. This is reinforced by the current debate on a Supply Chain Act. Furthermore, we prefer, where possible, to purchase raw materials from within the region. For this reason we are currently converting from the use of cane sugar to buying beet sugar from Bavaria. In addition our employees represent the basis of our success and therefore we actively support our employees and their concerns. The demographic change and skills shortage have accentuated the significance of staff retention in the company.

Economy (Profit)

- Quality and product safety (Outside-In: Product safety is the basis in the production of food. Good quality is the basis for the purchase of the product)
- Customer satisfaction (Inside-Out: Satisfied customers provide the basis for long-term partnerships.)
- Commercially viable product range (Outside-In: A Commercially viable product range prerequisite for participating in the market.)
- Financial and operational feasibility (Inside-Out: Financial and operational feasibility as a basis for maintaining entrepreneurial freedom.)
- Compliance (Outside-In: Compliance with the law is the basis for our entrepreneurial actions.)
- Consolidation of the brand / balance of own brand versus contract products (Inside-Out: A strong own brand ensures entrepreneurial independence.)
- Communication on sustainability (Outside-In: Communication transparency and has gained in importance among all stakeholders.)

For us as an IFS-certified company, quality and product safety represent the basis of our success. They are the guarantees of financial and operational feasibility and customer satisfaction. In addition, communication on sustainability has gained in importance in the last few years. Compliance is also an important issue for us. In order to continue enjoying success as a company, we want to take these issues actively on board.

Sustainable Development Goals

In developing the strategic sustainability goals, the SDGs served as the foundation. Barnhouse contributes primarily to the following SDGs through its sustainability activities: Ecology: SDG7 affordable and clean energy, SDG13 climate action, SDG15 life on land

Economy: SDG12 responsible consumption and production

Social: SDG1 no poverty, SDG3 good health and well-being, SDG17 partnerships for the goals

Review of the strategic sustainability goals

A sustainability team has been appointed within the company, which is responsible for implementing the sustainability goals. A review is carried out in the form of an annual internal audit.

3. Objectives

The company discloses what qualitative and/or quantitative as well as temporally defined sustainability goals have been set and operationalised and how their level of achievement is monitored.

Ecology

In the sphere of activity of ecology we want to contribute actively to environmental and climate protection. As pioneers in the organic field we are committed to organic farming. Together with our regional Barnhouse farmers, we want to continue to develop this on a permanent basis. In this area our focus lies on promoting bio-diversity, soil quality, humus cultivation and methods of cultivation, which are better for the ecology. We shall expand our use of and support for seed from ecological cultivation programmes. By purchasing more cereal from the region we want to extend our agricultural land, motivate farmers to try organic cultivation and steadily to increase value creation in the region and the proportion of raw materials from the region in our products. In addition, we undertake to comply with climate neutrality and thus to make a contribution to the Paris Climate Agreement. We intend to procure our energy exclusively from renewable energies by 2023. Our packing material is subject to permanent monitoring. Our target is to use the most sustainable packaging currently available for the requirements of our products. In this area we place particular value on recyclable packaging, waste disposal processes and product protection. With due regard to ecological criteria use must be made of renewable raw materials. We want to optimise our waste management to achieve on one hand, a steady reduction in the volume of waste and on the other, an increase in the separate collection rate.

Economy

In the sphere of economy we want to sustain our economic efficiency and to continue to develop its sustainability and fitness for the future. Our objective has always been to supply the best possible product quality to our customers. Based on this, we want to continue to improve our high quality standards and the safety of our products. We want to make our product range more competitive and commercially viable and thus to strengthen customer satisfaction and the Barnhouse brand. We want our business risk to remain manageable and at the same time retain our entrepreneurial freedom. Job security is a priority with Barnhouse. In all our business activities we conduct ourselves in accordance with the existing laws and our Ethical Charter. We shall publicly record and publish in a bi-annual cycle our sustainable development and the targets we have reached.

Social

In the social sphere we are aware of our responsibility as a company and want to confront this actively. In this area mention must be made of our staff, whom we see as the basis for our long-term success. We want to use internal company processes to guarantee the constant further development of the existing know-how, the promotion and inclusion of the talents and development needs of individuals. We want to be able to do cope with future changes in workplace requirements. Our primary objective is to motivate our staff and to increase their sense of identification with the company. As an employer we take care of the physical and psychological health of our staff, as

well as of their well-being. We want to strengthen tolerance and increase diversity within the company. We actively carry this commitment into the world outside the company. With our business partners we nurture long-term, fair partnerships, based on reliability and commitment. In this area we want to guarantee social standards through the supply chain. As a company we want to become involved corporately in societies and federations, to participate in discourse and increase our political clout. We want to strengthen our ties as a company and an employer with our Mühldorf location. We want to support our region actively and to increase our visibility and positive reputation.

Sustainable Development Goals In developing the strategic sustainability goals, the SDGs served as the foundation. Barnhouse contributes primarily to the following SDGs through its sustainability activities: Ecology: SDG7 Affordable and clean energy, SDG13 Climate action, SDG15 Life on land. Economy: SDG12 Responsible consumption and production. Social: SDG1 No poverty, SDG3 Good health and well-being, SDG17 Partnerships for the goals.

Review of strategic sustainability goals A sustainability team has been appointed in the company which is responsible for implementing the sustainability goals. A review is carried out here in an annual internal audit.

4. Depth of the Value Chain

The company states what significance aspects of sustainability have for added value and how deep in the value chain the sustainability criteria are verified.

At Barnhouse sustainability plays a major role all along value chain. Our value chain begins with the cultivation of our raw materials and can be roughly divided into the following sections:

1. Farming
2. Processing (may also involve suppliers and distributors and thus replace Stage 3)
3. Suppliers (importers, retailers)
4. Grocery businesses and online shop
5. Consumers

Problem Various raw materials are used in Krunchy. There are raw materials that are associated with environmental risks, such as palm fat or cane sugar. There are also raw materials that come from socially risky countries, such as cocoa or coconut. Therefore, sustainability plays a major role in the entire value chain at Barnhouse.

Measures Organic

At Barnhouse we purchase only organic quality raw materials and produce organic quality products. This is not only good for our environment; it also contributes towards bio-diversity. We feel that it is important to make an active contribution to ecological farming. This minimizes environmental risks.

Regional

In accordance with our purchasing strategy we purchase raw materials, which are as regional as possible, as global as necessary. For each raw material we try to find an alternative from our region and therefore we purchase a proportion of our cereals from our regional cultivation project. We have close partnerships with more than 80 farming partners and bake our Krunchy products with their oat and spelt flakes from the region.

Social

The Barnhouse Code https://barnhouse.de/wp-content/uploads/2019/01/AGBs_Barnhouse.pdf

sets out the basis of our business relations with suppliers. It is based on international standards and directives, such as the principles of the International Labour Organisation (ILO), the United Nations Universal Declaration of Human Rights and the United Nations Conventions on the Rights of the Child. Our code is based on fair dealings with all our business partners. We also expect that our suppliers will treat natural resources sustainably and with care.

In order to minimise social risks in the supply chain, our objective is to purchase all the raw materials (e.g. cocoa) originating from BSCI risk countries with a recognised social certificate. Thus, the Barnhouse Social Policy defines the recognised standards. Further information is available under 17. Human Rights.

Environment

In the case of raw materials, which are potentially damaging to the environment, Barnhouse reacts with measures to reduce their use or to find a substitute. For example, because of the increasing destruction of the rain forest caused by farming and the resulting decrease in species diversity, since 2020 we have ceased to use palm oil and have replaced this with European sunflower oil.

Communication When identifying environmental or social risks in the value chain, Barnhouse defines requirements. Before signing contracts with suppliers, these are jointly considered and possible solutions are found.

Criteria 5–10 concerning PROCESS MANAGEMENT

5. Responsibility

Accountability within the company's management with regard to sustainability is disclosed.

Overall responsibility for sustainability lies with our Managing Director, Martin Eras. The Barnhouse sustainability team comprises the Executive Board and the Heads of Marketing and Quality and Product Development. Together they are responsible for the development and operational implementation of our sustainability strategy.

6. Rules and Processes

The company discloses how the sustainability strategy is implemented in the operational business by way of rules and processes.

Sustainability is a component of our corporate policy and thus is regulated and implemented in a wide variety of processes by our Quality Assurance management team. For instance, this means that the requirements of sustainability play a major role in procurement. In order to guarantee compliance with the requirements of sustainability, Barnhouse is working towards the award of We Care certification.

To achieve this Barnhouse operates a continuous improvement process to impart a fundamental understanding of sustainability. The GSC Declaration of Conformity assists us to identify and remedy omissions.

The sustainability strategy is implemented by operational measures stipulated by Barnhouse. For this purpose responsibilities are always attached to the individual measures. The efficacy of these measures is monitored as part of an annual audit and adjusted accordingly where necessary.

7. Control

The company states how and what performance indicators related to sustainability are used in its regular internal planning and control processes. It discloses how suitable processes ensure reliability, comparability and consistency of the data used for internal management and external communication.

The performance indicators have been collated for the year 2020. We intend to update these in subsequent years and publish them transparently to the outside world. Thus, for example, progress within the important issue of climate protection is measured by means of our carbon footprint and on the issue of "sustainable energy use" the proportion of renewable energies in our overall energy consumption is investigated.

To check compliance and implementation of the issues relevant to sustainability an internal audit in accordance with recognised good practice in our specialist field is conducted every year. As a minimum the following are checked:

- Performance indicators
- Implementation of targets and measures and the degree to which they are achieved (Sustainability Roadmap)
- Current status of the major issues (Materiality Matrix), in particular changes with respect to the requirements and expectations of the major stakeholders

Together with the internal audit, the sustainability check represents a significant component of the Annual Management Review.

Moreover, if, as is probable, we are successful in being awarded We Care certification, there will be an annual inspection audit in 2022 and 2023. In addition, the company is IFS, EU organic and Fair Trade Cocoa certified, all of which are also externally audited.

Key Performance Indicators to criteria 5 to 7

Key Performance Indicator GRI SRS-102-16: Values

The reporting organization shall report the following information:

a. A description of the organization's values, principles, standards, and norms of behavior.

Corporate Policy

Product Requirements

"Quality is our most important promise of performance"

We want to produce the best organic granola to be bought anywhere in Europe. The basic prerequisites for safeguarding our quality are food safety, food legality and the use of high-quality, organic raw materials.

Customer orientation

"Our aim is satisfied customers"

We want all our customers to be satisfied all of the time. This applies from wholesalers to the end consumer. We want to offer our customers nothing but the best from support during product development, through advice on issues, up to the amicable settlement of claims.

Ethics and supervisory responsibility

"Satisfied, responsible staff are the basis of Barnhouse success"

We want our staff, who consistently implement the product and hygiene regulations and prevent risks and errors in their culture of food safety, to be as satisfied as possible.

We exercise our supervisory responsibility, inter alia, by in-company induction and training, training courses and clearly documented regulations. We take the wishes and concerns of our staff seriously. We want to work together for sustained improvement. We want to promote openness and respect in dealing with one another. To err is human. We want to learn from mistakes, in order to avoid them in the future. This is done by sustained appraisal within a culture of responsibility. We do not operate a blame culture.

Environmental responsibility and sustainability

"The bond between ecological and economic actions is our promise of success"

As organic pioneers, our particular concern at Barnhouse is sustainable manufacture and distribution of products fit for the future. As a starting point each action must be checked for sustainability and its impact on the environment.

This means that our responsibility for sustainability does not end in our own company, but continues all along the value chain. Raw materials must be of high quality and be procured in a socially equitable and sustainable manner.

Our corporate policy is implemented in the company through our Ethics Charter. https://barnhouse.de/wp-content/uploads/2021/08/Ethik-Charta_August_2021.pdf

8. Incentive Systems

The company discloses how target agreements and remuneration schemes for executives and employees are also geared towards the achievement of sustainability goals and how they are aligned with long-term value creation. It discloses the extent to which the achievement of these goals forms part of the evaluation of the top managerial level (board/managing directors) conducted by the monitoring body (supervisory board/advisory board).

Barnhouse currently has no agreed remuneration system with respect to sustainability targets.

Key Performance Indicators to criteria 8

Key Performance Indicator GRI SRS-102-35: Remuneration policies

The reporting organization shall report the following information:

- a.** Remuneration policies for the highest governance body and senior executives for the following types of remuneration:
 - i.** Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares;
 - ii.** Sign-on bonuses or recruitment incentive payments;
 - iii.** Termination payments;
 - iv.** Clawbacks;
 - v.** Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees.

- b.** How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.

As a non-capital market-oriented medium-sized company, we do not consider these disclosures to be material in assessing Barnhouse's sustainability performance.

Key Performance Indicator GRI SRS-102-38: Annual total compensation ratio

The reporting organization shall report the following information:

a. Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.

As a non-capital market-oriented medium-sized company, we do not consider these disclosures to be material in assessing Barnhouse's sustainability performance.

9. Stakeholder Engagement

The company discloses how the socially and economically relevant stakeholders are identified and integrated into the sustainability process. It states whether and how an ongoing dialogue takes place with them and how the results are integrated into the sustainability process.

We regard open, direct communication with all stakeholders as of major importance and are in regular contact with stakeholders. Ideas, criticisms and suggestions are always taken seriously, assessed and tested for feasibility.

We have organised a workshop, where key questions were used to inform our internal, external and interface stakeholders. Our **major stakeholders** with indicated dialog form:

- Staff (direct dialog, suggestions for improvement and employee surveys)
- Shareholders and management (active cooperation of management, management is in regular exchange with shareholders)
- Suppliers (contract talks, ongoing exchange and further talks as needed)
- Private Label customers (customer surveys, ongoing exchange and further discussions as needed)
- Retailers (telephone, trade shows, online communication, customer surveys, ongoing exchange and further discussions as needed)
- Wholesale trade (customer own brands) (annual meetings, customer surveys, trade shows and ongoing exchange)
- End consumers (social media, advertising, press relations)
- State and society (information flow via associations)
- Certification bodies (contact for acute issues)
- Municipality of Mühldorf (contact for acute issues)
- Sector federations (cooperation in surveys and workshops)

- The Barnhouse farmers' supplier consortium (annual general meeting, during contracting and communication via Tagwerk on acute topics, ongoing exchange)
- Competitors (contact in case of acute topics)

With the help of a stakeholder map the interests of the stakeholders and their influence on the company are analysed in detail and the form of communication with the stakeholders is monitored.

We have actively involved our stakeholders in the **Materiality Analysis**. In 2021 staff, customers, suppliers have been included in decision-making on themed issues essential to Barnhouse by means of a survey.

Key Performance Indicators to criteria 9

Key Performance Indicator GRI SRS-102-44: Key topics and concerns

The reporting organization shall report the following information:

- a.** Key topics and concerns that have been raised through stakeholder engagement, including:
- i. how the organization has responded to those key topics and concerns, including through its reporting;
 - ii. the stakeholder groups that raised each of the key topics and concerns.

The stakeholders' material issues have been investigated as part of our Materiality Analysis.

The major issues for individual stakeholders are presented in the following:

Customers:

- Quality and product safety
- Organic farming
- Customer satisfaction
- Long-term partnerships
- Sustainable packaging

Suppliers:

- Long-term partnerships
- Staff health
- Quality and product safety
- Compliance
- Social standards throughout the supply chain

Staff:

- Staff satisfaction and motivation
- Staff health
- Quality and product safety
- Organic farming
- Social standards throughout the supply chain

10. Innovation and Product Management

The company discloses how innovations in products and services are enhanced through suitable processes which improve sustainability with respect to the company's utilisation of resources and with regard to users. Likewise, a further statement is made with regard to if and how the current and future impact of the key products and services in the value chain and in the product life cycle are assessed.

All the breakfast cereals sold by Barnhouse are 100% organic quality. It is our aim that our main product, Krunchy is the best granola in Europe. Barnhouse believes that this includes the taste, the health of the consumer, and sustainable manufacture, as well as the use of socially fair and ecological raw materials.

When we introduce new products or further product developments we focus on the points above. In this process product requirements are designed and released within a multidisciplinary product development team. Trends and opportunities for innovation are constantly explored through market research, monitoring and stakeholder analyses and are included in the product development process.

Social and environmental impact of Krunchy Krunchy is a multi-ingredient product with origins in different regions of the world. Thus, the products have both an environmental and social impact in the supply chain. As explained in the Depth of the Value Chain criterion, we strive for optimization in the social and ecological areas here. A defined process for measuring the social and environmental impact of products has not yet been established.

Innovations in product development

- Use of European sunflower oil instead of palm oil (SDG15 life on land)
- Use of German beet sugar instead of cane sugar (SDG13 climate action)
- Strategies for reducing sugar and new products with less sugar (SDG12 responsible consumption and production)
- Fair Trade for cocoa products (SDG1 no poverty, SDG2 zero hunger)
- Use of thinner film to reduce waste (SDG12 responsible consumption and production)

production)

Innovations in the supply chain

- Ecological seed breeding (SDG15 life on land)
- Regional project with farmers (100% regional oat flakes and spelt flakes) (SDG15 life on land)
- Bio-diversity and soil improvement projects with farmers (SDG15 life on land)

Innovations in production

- Cooling by geothermal plant (SDG7 affordable and clean energy)
- LED concept in production (SDG13 climate action)

Idea management and suggestion scheme Due to the size and structure of the company, ideas can be submitted to the product development team (participation of management, sales, product management, product development) at any time. These are discussed and checked for feasibility and sustainability.

Key Performance Indicators to criteria 10

Key Performance Indicator G4-FS11

(report also in accordance with GRI SRS): Percentage of assets subject to positive and negative environmental or social screening. (Note: the indicator should also be reported when reporting to GRI SRS)

This performance indicator is not relevant for Barnhouse, as financial assets are only present in a low amount (€10,000 as of December 31, 2019) and are therefore not material.

Criteria 11–20: Sustainability Aspects

Criteria 11–13 concerning ENVIRONMENTAL MATTERS

11. Usage of Natural Resources

The company discloses the extent to which natural resources are used for the company's business activities. Possible options here are materials, the input and output of water, soil, waste, energy, land and biodiversity as well as emissions for the life cycles of products and services.

One of the company's major priorities is treating natural resources with care. We have an indirect influence on the ground through our supply chain. In this area, as part of our cooperation with our contract farmers we are working towards an improvement in soil quality and towards bio-diversity. We are committed to using energy from 100% renewable sources. Baking our Crunchy mueslis requires high consumption of the primary energy source, natural gas. In this area we are exploring alternatives and want to cover our requirements in the future exclusively from renewable energies. In the area of waste it is our permanent objective to increase the separate collection rate and to reduce our waste generation in general.

Life cycle assessment at Barnhouse with all natural resources substantially used:

Input	2020
Wasser in m ³	6.624
Rohstoffeinsatz in t	6.733
Stromverbrauch in kWh	1.072.594
Gasverbrauch in kWh	2.283.008

Output	2020
Abwasser in m ³	6.189
Hergestelltes Produkt in t	6.051
Lebensmittelabfälle in t	130
Sonstige Abfälle in t	87
Emissionen in t CO ₂ -eq	686

12. Resource Management

The company discloses what qualitative and quantitative goals it has set itself with regard to its resource efficiency, in particular its use of renewables, the increase in raw material productivity and the reduction in the usage of ecosystem services, which measures and strategies it is pursuing to this end, how these are or will be achieved, and where it sees there to be risks.

As an organic pioneer we are working towards the constant minimisation of our use of raw materials and energy, as well as our use of water and generation of waste and the associated increase in efficiency. For this reason we have, for instance, gradually been converting to LED lighting within the company. In order to quantify our measures we have collated our relevant consumption and put it into meaningful relations (e.g. production output). With the help of performance indicators we intend to measure our progress actively in future.

In accordance with our corporate vision, we are committed to preserving the basis of life and using resources sparingly. Through our sustainability management, we develop appropriate measures to reduce the negative impact of our business activities on the environment. In this framework Barnhouse develops measures against climate change, scarcity of resources and species extinction. Our main process is baking. Energy is consumed in the process. This represents a challenge for our sustainability management in the future. poses a challenge for our sustainability management in the future. We are particularly concerned about climate neutrality and by 2023 we shall be purchasing only renewable energies. Currently 100% of our electricity requirement is supplied by hydro-electric power. In total the ratio of renewable energies is 33% of the total energy consumption.

Energy source	Consumption (kWh)
Electricity (hydro-electric power)	1,072,594
Geothermal energy	73,127
Renewable	1,145,721
Natural gas	2,283,008
Non-renewable	2,283,008

Key Performance Indicators to criteria 11 to 12

Key Performance Indicator GRI SRS-301-1: Materials used

The reporting organization shall report the following information:

a. Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:

- i.** non-renewable materials used;
- ii.** renewable materials used.

Non-renewable materials	44,151 kg
Renewable materials	436,196 kg

Key Performance Indicator GRI SRS-302-1: Energy consumption

The reporting organization shall report the following information:

a. Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used.

b. Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.

c. In joules, watt-hours or multiples, the total:

- i.** electricity consumption
- ii.** heating consumption
- iii.** cooling consumption
- iv.** steam consumption

d. In joules, watt-hours or multiples, the total:

- i.** electricity sold
- ii.** heating sold
- iii.** cooling sold
- iv.** steam sold

e. Total energy consumption within the organization, in joules or multiples.

f. Standards, methodologies, assumptions, and/or calculation tools used.

g. Source of the conversion factors used.

Energy source	Consumption (kWh)
Electricity (hydro-electric power)	1,072,594
Geothermal energy	73,127
Renewable	1,145,721
Natural gas	2,283,008
Non-renewable	2,283,008
Total	3,428,729

Key Performance Indicator GRI SRS-302-4: Reduction of energy consumption

The reporting organization shall report the following information:

- a. Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples.
- b. Types of energy included in the reductions; whether fuel, electricity, heating, cooling, steam, or all.
- c. Basis for calculating reductions in energy consumption, such as base year or baseline, including the rationale for choosing it.
- d. Standards, methodologies, assumptions, and/or calculation tools used.

There are no available data.

Key Performance Indicator GRI SRS-303-3: Water withdrawal
The reporting organization shall report the following information:

- a.** Total water withdrawal from all areas in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water.

- b.** Total water withdrawal from all areas with water stress in megaliters, and a breakdown of this total by the following sources, if applicable:
 - i.** Surface water;
 - ii.** Groundwater;
 - iii.** Seawater;
 - iv.** Produced water;
 - v.** Third-party water, and a breakdown of this total by the withdrawal sources listed in i-iv.

- c.** A breakdown of total water withdrawal from each of the sources listed in Disclosures 303-3-a and 303-3-b in megaliters by the following categories:
 - i.** Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids);
 - ii.** Other water ($> 1,000$ mg/L Total Dissolved Solids).

- d.** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used.

Water extraction (mains water)	6.624 mega-litres
Waste water consumption	6.189 mega-litres

Key Performance Indicator GRI SRS-306-2: Waste

The reporting organization shall report the following information:

a. Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable:

- i.** Reuse
- ii.** Recycling
- iii.** Composting
- iv.** Recovery, including energy recovery
- v.** Incineration (mass burn)
- vi.** Deep well injection
- vii.** Landfill
- viii.** On-site storage
- ix.** Other (to be specified by the organization)

b. Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable:

- i.** Reuse
- ii.** Recycling
- iii.** Composting
- iv.** Recovery, including energy recovery
- v.** Incineration (mass burn)
- vi.** Deep well injection
- vii.** Landfill
- viii.** On-site storage
- ix.** Other (to be specified by the organization)

c. How the waste disposal method has been determined:

- i.** Disposed of directly by the organization, or otherwise directly confirmed
- ii.** Information provided by the waste disposal contractor
- iii.** Organizational defaults of the waste disposal contractor

Recycling	Unit	Remarks
Paper, paperboard, cardboard packaging (PPC)	31.98 t	
LDPE film	9.9 t	
Big Bags	23.48 t	
Other recycling		
Organic waste	130.03 t	Biogas unit
Waste incineration		
Mixed urban waste	16.77 t	
Mixed packaging	4.56 t	
Total	217.73 t	

Data are collated based on invoices from waste management companies.

13. Climate-Relevant Emissions

The company discloses the GHG emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based on it and states the goals it has set itself to reduce emissions, as well as its results thus far.

In order to reach the climate neutrality target, we engaged a leading carbon footprint consultancy service provider to investigate our carbon footprint. In the process we aligned the balance with the Greenhouse Gas Protocol Corporate Standard. The calculations highlighted the major driving forces behind our carbon emissions and this allowed us to introduce appropriate measures to reduce our carbon footprint. The emissions were shown in accordance with Scope 1 and Scope 2 and incidental emissions in the upstream chain in Scope 3 having regard to staff mobility, business travel, energy and waste emerged.

Altogether Barnhouse records a carbon footprint of 685,644.72 kgCO₂eq for 2020, of which 503,610.70 come under Scope 1. Consequently Scope 1, with some 73.50%, is shown as the largest driving force. In this area natural gas consumption in 2020 of 2,283,008 kWh contributes 465,140.05 kgCO₂eq. The company needs natural gas to bake the Krunchy granola. Because our electricity is 100% supplied by hydro-electric power, electricity consumption plays only a minor role. Staff mobility in Scope 3, at 56,078.89 kgCO₂eq contributes the most to our carbon footprint. This is because, among other reasons, the Barnhouse site is located in a small town with a rural catchment area without any local public transport. The result is that 87% of our staff travel to work by private car.

By compensating our greenhouse gas emissions we have achieved our target for climate neutrality for 2020. In this area we are supporting four energy projects in the fields of solar and wind energy and of biogas. We want our actions to make a contribution to energy transformation.

In addition, by 2023 we must be using exclusively renewable energies. Switching to bio gas alone would currently result in reducing the greenhouse gas balance to 215,413.56 kgCO₂eq, which equates to a reduction of almost 70 per cent.

Key Performance Indicators to criteria 13

Key Performance Indicator GRI SRS-305-1: Direct (Scope 1) GHG emissions

The reporting organization shall report the following information:

- a.** Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃ or all.
- c.** Biogenic CO₂ emissions in metric tons of CO₂ equivalent.
- d.** Base year for the calculation, if applicable, including:
 - i.** the rationale for choosing it;
 - ii.** emissions in the base year;
 - iii.** the context for any significant changes in emissions that triggered recalculations of base year emissions.
- e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
- f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
- g.** Standards, methodologies, assumptions, and/or calculation tools used.

GHG emissions	2020
Natural gas	465,140.05 kgCO ₂ eq
Vehicle fleet (diesel)	2,990.65 kgCO ₂ eq
Coolant losses	35,480.00 kgCO ₂ eq
Total	503,610.70 kgCO₂eq

Key Performance Indicator GRI SRS-305-2: Energy indirect (Scope 2) GHG emissions

The reporting organization shall report the following information:

- a.** Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.
- b.** If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent.
- c.** If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.
- d.** Base year for the calculation, if applicable, including:
 - i.** the rationale for choosing it;
 - ii.** emissions in the base year;
 - iii.** the context for any significant changes in emissions that triggered recalculations of base year emissions.
- e.** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.
- f.** Consolidation approach for emissions; whether equity share, financial control, or operational control.
- g.** Standards, methodologies, assumptions, and/or calculation tools used.

GHG emissions	2020
Vehicle fleet (electric)	2,900.70 kgCO ₂ eq
Total	2,900.70 kgCO₂eq

Key Performance Indicator GRI SRS-305-3: Other indirect (Scope 3) GHG emissions

The reporting organization shall report the following information:

a. Gross other indirect (Scope 3) GHG emissions in metric tons of CO₂ equivalent.

b. If available, the gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.

c. Biogenic CO₂ emissions in metric tons of CO₂ equivalent.

d. Other indirect (Scope 3) GHG emissions categories and activities included in the calculation.

e. Base year for the calculation, if applicable, including:

i. the rationale for choosing it;

ii. emissions in the base year;

iii. the context for any significant changes in emissions that triggered recalculations of base year emissions.

f. Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source.

g. Standards, methodologies, assumptions, and/or calculation tools used.

GHG emissions	2020
Water (consumption)	2,278.66 kgCO ₂ eq
Waste water	4,381.81 kgCO ₂ eq
Natural gas	60,476.88 kgCO ₂ eq
Geothermal energy	14,377.39 kgCO ₂ eq
Vehicle fleet	1,402.55 kgCO ₂ eq
Waste	3,159.74 kgCO ₂ eq
Business travel	7,957.39 kgCO ₂ eq
Staff mobility	56,078.89 kgCO ₂ eq
Total	107,555.48 kgCO₂eq

Note: Business travel in 2019 was taken into account, since these figures for 2020 are not representative due to the Corona pandemic.

Key Performance Indicator GRI SRS-305-5: Reduction of GHG emissions

The reporting organization shall report the following information:

- a.** GHG emissions reduced as a direct result of reduction initiatives, in metric tons of CO₂ equivalent.
- b.** Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all.
- c.** Base year or baseline, including the rationale for choosing it.
- d.** Scopes in which reductions took place; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3).
- e.** Standards, methodologies, assumptions, and/or calculation tools used.

We have investigated the ACTUAL situation for the company and have set ourselves commensurate targets for reduction and compensation of unavoidable emissions. The GHG emissions from 2020 shall serve in future as a reference value for our development during the next few years.

Because our data base for the past is not adequate, no meaningful figures can be communicated on reductions already achieved. By converting to electricity from hydro-electric power in 2020, however, it has already been possible to prevent greenhouse gas emissions.

Criteria 14–20 concerning SOCIETY

Criteria 14–16 concerning EMPLOYEE-RELATED MATTERS

14. Employment Rights

The company reports on how it complies with nationally and internationally recognised standards relating to employee rights as well as on how it fosters staff involvement in the company and in sustainability management, what goals it has set itself in this regard, what results it has achieved thus far and where it sees risks.

Our company is located only in Germany and complies with the customary German standards and German employment law. In addition, we are Fair Trade certified. We were therefore unable to identify any significant risks identified at Barnhouse.

Our Ethics Charter is a guideline for dealing with our staff and guarantees their rights. The commitment towards and the support of the staff above and beyond the requirements of employment law means that our staff are motivated, healthy and satisfied and of long-term benefit to the company. Our in-house suggestions scheme together with the open communication within the company involves the workforce in our further development.

Our staff are integrated on a daily basis in matters of sustainability awareness. Decisions are always taken on the basis of sustainability aspects.

15. Equal Opportunities

The company discloses in what way it has implemented national and international processes and what goals it has for the promotion of equal opportunities and diversity, occupational health and safety, participation rights, the integration of migrants and people with disabilities, fair pay as well as a work-life balance and how it will achieve these.

We are actively committed to equal opportunities and diversity and in this area

are guided by the German General Act on Equal Treatment. Therefore, we at Barnhouse do not tolerate any form of unequal treatment, discrimination, harassment or workplace bullying on grounds of skin colour, ethnic origin, gender, religion or ideology, disability, age, pregnancy, family relationships, social background or sexual identity. A complaints office has been set up in the company, which employees can use anonymously in the event of unfair treatment. Individual needs are reviewed and implemented where possible. Due to the size of the company, there is currently no systematic approach to promoting equal opportunities and diversity. Here, a consideration of individual needs is preferred.

Currently a total of 18 different nations are represented in the company. The percentage of women is around 42%; the ratio of men to women at management level is around 6:2.

We have set the following goals for this area:

- Participation in the Girls Day
- Creation of a job for a severely disabled person
- Increase the proportion of women in production

16. Qualifications

The company discloses what goals it has set and what measures it has taken to promote the employability of all employees, i.e. the ability of all employees to participate in the working and professional world, and in view of adapting to demographic change, and where risks are seen.

The further training of employees is an elementary pillar of sustainable corporate success. Only through further training can we meet the requirements of the modern, rapidly changing world of work and thus remain competitive.

Education and training

We want to entuse committed young people to train with Barnhouse and in this way to fulfil our corporate responsibility as a training company. We offer training in warehouse logistics, food technology and commerce. We also offer students the opportunity to complete work experience or project work or a thesis with us. As a specialized company, Barnhouse has employed a production training manager, who organizes onboarding at the workplace. This allows for a quick onboarding process.

Further training

In the next few years Barnhouse shall put greater emphasis on further training. In this area we want to confront the growing changes and requirements in the

modern world of work and the changing, increasingly specialist requirements in responsibilities and functions. The requirement for further training must be investigated as part of the annual performance review.

Targets Training costs per employee were €232 in 2020. This will serve as a reference value for future years. In addition, monitoring is to be further systematized. The need for further training is identified in the annual feedback meetings between employees and supervisors. There are no current risks with regard to qualifications for business activities, as the need for further training is taken into account internally within the company. is taken into account internally.

Key Performance Indicators to criteria 14 to 16

Key Performance Indicator GRI SRS-403-9: Work-related injuries
The reporting organization shall report the following information:

a. For all employees:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number and rate of fatalities as a result of work-related injury;
- ii.** The number and rate of high-consequence work-related injuries (excluding fatalities);
- iii.** The number and rate of recordable work-related injuries;
- iv.** The main types of work-related injury;
- v.** The number of hours worked.

You will find the remaining numbers c-g of the indicator SRS 403-9 in the GRI standard and may additionally report them here.

Key Performance Indicator GRI SRS-403-10: Work-related ill health

The reporting organization shall report the following information:

a. For all employees:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

b. For all workers who are not employees but whose work and/or workplace is controlled by the organization:

- i.** The number of fatalities as a result of work-related ill health;
- ii.** The number of cases of recordable work-related ill health;
- iii.** The main types of work-related ill health.

You will find the remaining numbers c-e of the indicator SRS 403-10 in the GRI standard and may additionally report them here.

No fatalities from work-related injuries and illness are recorded for 2020. The

other indicators have not been collated during the reporting period.

One recordable industrial accident is reported for 2020.

Key Performance Indicator GRI SRS-403-4: Worker participation on occupational health and safety

The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization:

- a.** A description of the processes for worker participation and consultation in the development, implementation, and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers.
- b.** Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.

The Industrial Safety Committee, which meets four times per year, is responsible for occupational safety. This committee addresses issues of occupational safety, recommends measures and discusses decisions. An external service provider also advises on improvements and verifies our strategy.

Key Performance Indicator GRI SRS-404-1: Average hours of training

The reporting organization shall report the following information:

- a.** Average hours of training that the organization's employees have undertaken during the reporting period, by:
 - i.** gender;
 - ii.** employee category.

The performance indicators for 2020 have not been collated. In their place further training costs per employee are collated:

Further training costs / employee	€232.17
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Key Performance Indicator GRI SRS-405-1: Diversity

The reporting organization shall report the following information:

a. Percentage of individuals within the organization’s governance bodies in each of the following diversity categories:

- i.** Gender;
- ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

b. Percentage of employees per employee category in each of the following diversity categories:

- i.** Gender;
- ii.** Age group: under 30 years old, 30-50 years old, over 50 years old;
- iii.** Other indicators of diversity where relevant (such as minority or vulnerable groups).

Sex	2020
female	42%
male	58%

Age group	
Under 30	41%
30 - 50	46%
Over 50	14%

Key Performance Indicator GRI SRS-406-1: Incidents of discrimination

The reporting organization shall report the following information:

a. Total number of incidents of discrimination during the reporting period.

b. Status of the incidents and actions taken with reference to the following:

- i.** Incident reviewed by the organization;
- ii.** Remediation plans being implemented;
- iii.** Remediation plans that have been implemented, with results reviewed through routine internal management review processes;
- iv.** Incident no longer subject to action.

We are aware of no incidences of discrimination in 2020.

Criterion 17 concerning RESPECT FOR HUMAN RIGHTS

17. Human Rights

The company discloses what measures it takes, strategies it pursues and targets it sets for itself and for the supply chain for ensuring that human rights are respected globally and that forced and child labour as well as all forms of exploitation are prevented. Information should also be provided on the results of the measures and on any relevant risks.

Barnhouse sources raw materials from BSCI risk countries. In these countries, there is an increased risk of human rights violations. For this reason, Barnhouse is actively committed to compliance with social standards in the value chain.

The basis of our business is fair cooperation in accordance with recognized social standards. International organisations, such as the ILO and multi-stakeholder programmes, such as BSCI and SA800 have for the most part agreed consistent contents for social standards. They are recognised as the basis for fair co-existence in economic enterprises.

These standards comprise as a minimum:

1. Freedom of association and collective bargaining
2. No discrimination (by ethnicity, religion, gender, age, etc.)
3. Fair payment, at least according to the legal minimum wage of the respective country
4. Regulated working hours, at least according to the legal regulations of the respective country
5. Protection of employees with regard to occupational safety and health
6. No child labor, at least no exploitative child labor
7. Special protection of young workers
8. No precarious employment
9. No forced labour, no physical punishment
10. Protection of the environment

By entering into a business relationship, the business partner agrees to comply with the above. Barnhouse additionally expects the supplier to fulfill its duty of care regarding social standards in the further supply chain.

In addition, we have set ourselves the target that only those raw materials

from risk countries (in accordance with BSCI classification), the manufacture and processing of which comply with recognised social standards, shall be used for Barnhouse products.

Currently recognised certification bodies:

- BSCI Audit Ecocert
Fair Trade
- SMETA Audit (Sedex Members Ethical Trade)
SA 8000
- IBD Fair Trade (Ecosocial)
FairTSA Social Responsibility
- Fair for Life (by IMO)
Fair TSA Fair Trade
- Fairtrade International (FLO)
EMAS Plus
- KRAV Certification
For Life (by IMO)
- RSPO (IP)
IFOAM Standard
- UTZ (IP)
Fair Trade USA
- Naturland /Naturland
Fair OIA (Standard Social Responsibility)
- Fair Choice CU (Control Union)
WRAP (Worldwide Responsible Accredited Production)
- UEBT (Union for Ethical Bio Trade)
SGF (Sure-Global-Fair)

An audit report from an independent specialist (approved auditor with experience in the social sector) may replace certification. Time periods between these audits must be clarified on an individual basis.

List of the BSCI Risk Countries: <https://www.amfori.org/>

Key Performance Indicators to criteria 17

Key Performance Indicator GRI SRS-412-3: Investment agreements subject to human rights screenings

The reporting organization shall report the following information:

a. Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.

b. The definition used for ‘significant investment agreements’.

There are no investment agreements containing human rights clauses.

Key Performance Indicator GRI SRS-412-1: Operations subject to human rights reviews

The reporting organization shall report the following information:

a. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country.

The production site of Barnhouse is located in Germany and therefore does not represent a risk country in accordance with amfori BCSI. Therefore an audit of the human rights impact assessment has been waived.

Key Performance Indicator GRI SRS-414-1: New suppliers subject to social screening

The reporting organization shall report the following information:

a. Percentage of new suppliers that were screened using social criteria.

Compliance with social standards in the supply chain is a top priority. Therefore, before a new supplier is accepted, its compliance with the Barnhouse Code is checked and assessed. A supplier can be accepted, only if compliance with the social and environmental standards is guaranteed.

Key Performance Indicator GRI SRS-414-2: Social impacts in the supply chain

The reporting organization shall report the following information:

a. Number of suppliers assessed for social impacts.

b. Number of suppliers identified as having significant actual and potential negative social impacts.

c. Significant actual and potential negative social impacts identified in the supply chain.

d. Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment.

e. Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment, and why.

All suppliers are regularly audited for various parameters. Social aspects, including compliance with human rights, form an essential component of his audit.

In addition, the countries of origin of the raw materials are assessed in accordance with BSCI classification. In the case of raw materials with defined risk origins appropriate certification must be verified as evidence of the sustainability principles of Barnhouse (in accordance with Barnhouse Policy Standards). If the supplier is unable to guarantee compliance with the policy, an alternative supplier is sought. If there is no alternative supplier, transition periods with a maximum term of two years, in which to provide evidence of compliance with the policy, are granted.

If raw materials or suppliers infringe the agreed specifications or the Barnhouse policy, the necessary containment actions and corrective measures are introduced. During this process the implementation of the measures is supervised. In the case of gross or frequent breaches of quality, environmental or social provisions we adopt measures in consequence, up to termination of the business relationship.

Barnhouse sources its raw materials only from suppliers within Europe. No human rights violations are known to have occurred here to date. Social risks are minimized by requiring social certification in the value chain and are checked by independent auditors.

Criterion 18 concerning SOCIAL MATTERS

18. Corporate Citizenship

The company discloses how it contributes to corporate citizenship in the regions in which it conducts its core business activities.

As a manufacturer of organic products the promotion of organic farming in our region is one of our chief concerns. Through the long-term purchase of oats and spelt from organic farmers in the region (maximum radius 100 km) we support organic farmers and motivate conventional farms to convert. For this reason we are committed to active protection of the environment and nature in the region and support regional value creation. The cereals are also processed in a mill in Mühldorf am Inn. The close partnership with our farmers makes it possible to engage in activities, which extend beyond a conventional supply relationship. Together with our Barnhouse farmers we are developing methods of cultivation, implementing measures for the promotion of biodiversity and

are providing support in the improvement of soil quality and humus cultivation. We are actively involved in the activities of the Mühldorfer Land ecological model region. In addition, we support local cultural events Mühldorfer Musiknacht [*Mühldorf Music Night*], Mühldorfer Kultursommer [*Mühldorf Summer of Culture*] and sports facilities (children's football camp).

Key Performance Indicators to criteria 18

Key Performance Indicator GRI SRS-201-1: Direct economic value generated and distributed

The reporting organization shall report the following information:

- a.** Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components:
 - i.** Direct economic value generated: revenues;
 - ii.** Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments;
 - iii.** Economic value retained: 'direct economic value generated' less 'economic value distributed'.

- b.** Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.

For reasons relevant to competition Barnhouse does not report on this performance indicator.

Criteria 19–20 concerning ANTI-CORRUPTION AND BRIBERY MATTERS

19. Political Influence

All significant input relating to legislative procedures, all entries in lobby lists, all significant payments of membership fees, all contributions to governments as well as all donations to political parties and politicians should be disclosed by country in a differentiated way.

We have no direct influence on politicians and/or political parties in the form of direct or indirect donations. There is no direct political commitment. Nevertheless, as part of our business operations and our involvement in the Mühldorf site we seek discussion and exchange views with the local politicians, whenever this involves current issues.

Moreover, Barnhouse is a member of the following federations:

- Organic Procession and Trade Association Europe (OPTA)
- Assoziation ökologischer Lebensmittelhersteller e.V. (AÖL)
- Bundesverband Naturkost Naturwaren e.V. (BNN)
- Bundesverband Nachhaltige Wirtschaft e.V. (BNW)
- Naturkost Süd e.V.

and participates in further political education.

Key Performance Indicators to criteria 19

Key Performance Indicator GRI SRS-415-1: Political contributions
The reporting organization shall report the following information:

a. Total monetary value of financial and in-kind political contributions made directly and indirectly by the organization by country and recipient/beneficiary.

b. If applicable, how the monetary value of in-kind contributions was estimated.

Barnhouse makes no donations to political parties.

20. Conduct that Complies with the Law and Policy

The company discloses which measures, standards, systems and processes are in place to prevent unlawful conduct and, in particular, corruption, how they are verified, which results have been achieved to date and where it sees there to be risks. The company depicts how corruption and other contraventions in the company are prevented and exposed and what sanctions are imposed.

Responsibility for the topic of compliance lies with the Managing Director Martin Eras, who is a lawyer. Compliance with and control of all relevant legal regulations are anchored and ensured by the managers in their respective areas as well as by our integrated management system. To support this, we have already integrated systems such as IFS Food, Bio or Fair Trade for many years. Compliance with and implementation of the systems are also monitored by external consultants. Due to our manageable company size, the flat hierarchies and the very networked cooperation, there is transparency in the daily work and in the processes. This means that every employee has the opportunity to monitor each other at all times, even within the hierarchies. We minimize the risk of corruption and bribery by applying the dual control principle for important decisions. In the event of justified suspicion of violations or direct observation of violations of applicable law, all employees are required to report this. The direct supervisor is the first point of contact in this regard. Barnhouse has an ethics charter which includes the topic of compliance. This is intended to ensure that we act in accordance with the law and to counteract the threat of damage to our image. The aim is to make the ethics charter available to all employees and also to train them in this area. Depending on the type and severity of the violation of the compliance policy or other internal or external rules, employees may face significant consequences as a result of their misconduct. These range from disciplinary measures to legal consequences and claims for damages on the part of Barnhouse. All relevant requirements for our employees are bindingly communicated in training courses. Our Ethics Charter includes binding rules for all employees in the company, including conduct that complies with the law and guidelines. The ethics charter can be viewed at the following link https://barnhouse.de/wp-content/uploads/2021/08/Ethik-Charta_August_2021.pdf We do not see any risks arising from our business activities, our business relationships or our products that could have a negative impact on the fight against corruption and bribery. This is due on the one hand to the fact that the company is located in Germany, and on the other hand to the small company structure with flat hierarchies.

Key Performance Indicators to criteria 20

Key Performance Indicator GRI SRS-205-1: Operations assessed for risks related to corruption

The reporting organization shall report the following information:

- a.** Total number and percentage of operations assessed for risks related to corruption.
- b.** Significant risks related to corruption identified through the risk assessment.

No corruption risks have been audited for 2020.

Key Performance Indicator GRI SRS-205-3: Incidents of corruption

Die berichtende Organisation muss über folgende Informationen berichten:

- a.** Total number and nature of confirmed incidents of corruption.
- b.** Total number of confirmed incidents in which employees were dismissed or disciplined for corruption.
- c.** Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption.
- d.** Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.

There have been no incidences of corruption in 2020.

Key Performance Indicator GRI SRS-419-1: Non-compliance with laws and regulations

The reporting organization shall report the following information:

- a.** Significant fines and non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area in terms of:
 - i.** total monetary value of significant fines;
 - ii.** total number of non-monetary sanctions;
 - iii.** cases brought through dispute resolution mechanisms.

- b.** If the organization has not identified any non-compliance with laws and/or regulations, a brief statement of this fact is sufficient.

- c.** The context against which significant fines and non-monetary sanctions were incurred.

No fines have been imposed on Barnhouse in 2020 for non-compliance with laws and regulations.

Overview of the GRI indicators in the Sustainable Code declaration

In this Sustainable Code declaration, we have reported according to the "comply or explain" principle on the GRI indicators listed below. This document refers to the GRI Standards 2018 for GRI SRS 303 and 403 and to the GRI Standards 2016 for all other GRI Standards applied.

Areas	Sustainable Code criteria	GRI SRS indicators
STRATEGY	1. Strategic Analysis and Action	
	2. Materiality	
	3. Objectives	
	4. Depth of the Value Chain	
PROCESS MANAGEMENT	5. Responsibility	GRI SRS 102-16
	6. Rules and Processes	
	7. Control	
	8. Incentive Systems	GRI SRS 102-35 GRI SRS 102-38
	9. Stakeholder Engagement	GRI SRS 102-44
	10. Innovation and Product Management	G4-FS11
ENVIRONMENT	11. Usage of Natural Resources	GRI SRS 301-1
	12. Resource-Management	GRI SRS 302-1 GRI SRS 302-4 GRI SRS 303-3 GRI SRS 306-2
	13. Climate-Relevant Emissions	GRI SRS 305-1 GRI SRS 305-2 GRI SRS 305-3 GRI SRS 305-5
SOCIETY	14. Employment Rights	GRI SRS 403-4
	15. Equal-Opportunities	GRI SRS 403-9
	16. Qualifications	GRI SRS 403-10 GRI SRS 404-1 GRI SRS 405-1 GRI SRS 406-1
	17. Human Rights	GRI SRS 412-3 GRI SRS 412-1 GRI SRS 414-1 GRI SRS 414-2
	18. Corporate-Citizenship	GRI SRS 201-1
	19. Political Influence	GRI SRS 415-1
	20. Conduct that Complies with the Law and Policy	GRI SRS 205-1 GRI SRS 205-3 GRI SRS 419-1