

the best of fruit























BUSINESS REPORT 2020

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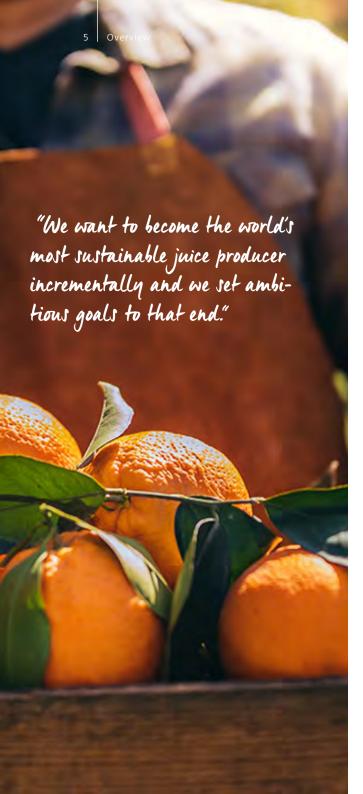
"WE HAVE THE OUTSTANDING PERFORMANCE OF OUR TEAM TO THANK FOR THE 2020 OPERATING RESULTS."

The past year confronted us with enormous challenges that no one had expected. In the year 2020 the devastating COVID-19 pandemic left its mark not only on the employees of the Eckes-Granini Group but on all people around the world. The routine work of our team, and our business, of course, were greatly influenced by the persistent pandemic. A very promising start to the business year was followed by a significant setback in March 2020. At that point the strict corona measures being put into place throughout Europe were accompanied by the closing down of restaurants and hotels nearly everywhere. For most of the year the out-of-home business came to a standstill while border closings and logistical restrictions led to multiple challenges along the supply chain.



Although we had not anticipated the problems, we called on our flexibility and general preparedness and responded well to the extraordinary situation. We are proud of what we achieved in 2020. With an EBIT of 71 million EUR and an EBIT margin of 8.7%, we are fundamentally satisfied with the results, particularly in light of the general conditions. Compared to the previous year (8.9%), our EBIT margin had nearly the same structure. Overall we even managed to expand and strengthen our market leadership in Europe. With the help of agile working methods and virtual cooperation, we successfully launched products and completed improvement projects despite all the constraints. Efficiency gains in production and logistics, energy-saving measures and innovative product and packaging optimization along our entire supply chain contributed to significant cost savings. All things considered, we must say first and foremost that we have our team's outstanding performance and undaunted determination to thank for the solid business results in 2020.

Eckes-Granini is a manufacturer of brand products. Accordingly, in 2020 too, we focused on enhancing and expanding our brand portfolio. Two good examples are seen in the positive development of our top Scandinavian brands *God Morgon* and *Brämhults*. Unlike competing brands, our brands were able to expand their position during the previous business year. We strengthened the market position of Eckes-Granini in food retail and, for the most part, balanced out the losses in the out-of-home business. It was critical that we did not lose sight of our strategic goals related to continuous brand development.



The same applies for our focus on sustainability, which we steadfastly pursue for our business. Our goal is clear. We want to become the world's most sustainable juice producer incrementally and we set ambitious goals to that end. It is apparent that the COVID-19 pandemic will keep us all busy for quite a while. Beyond that threat, we should not neglect the climate crisis, packaging issues or nutrition topics. More than ever, we have to do everything possible to minimize the impact of our business on human life and nature and, as a company, to fulfil our social responsibility. For that purpose we kicked off and implemented several initiatives in 2020.

As planned, I took over the position of CEO for the Eckes-Granini Group in August 2020 from Thomas Hinderer, who had been the head of the company for 15 years. Since then I have visited many of the national subsidiaries – of course with social distancing and strict hygiene regulations – and have met numerous colleagues from all areas of the company. Eckes-Granini is a strong and sound company with an impressive portfolio of top brands. Furthermore, with our resilient, highly motivated team, we are both financially and culturally stable. With such a good foundation, we are confident we can master the challenges in the months ahead and realize our ambition as market leader and pioneer in the fruit juice category in the future too.

Tim Berger

CEO Eckes-Granini Group

BUSINESS YEAR 2020

STRONG BRAND MOMENTS, IMPORTANT
SUSTAINABILITY MILESTONES AND STRICT
HYGIENE RULES

FEBRUARY

The orange juice for the Finnish brand *Brazil* is the first Eckes-Granini product to bear the group's own quality sea "sustainably grown" on its packaging. The orange juices from *Joker* in France, *Elmenhorster* in Lithuania and *God Morgon* in Sweden will follow within the year. Our declared goal is to produce the entire Eckes-Granini product range with fruits that are 100% sustainably grown and processed by 2030 at the latest.



JANUARY

Behind our purpose – "The best of fruit for a healthy and enjoyable life – with respect and responsibility for people and planet" – is the new group-wide Sustainability Strategy that we developed in 2019. In the coming years the sustainability activities of the Eckes-Granini Group will concentrate on the two strong strategic pillars of Planet & Environment and People & Society with the six action areas of sustainable juice, climate protection, packaging, social responsibility, employees and nutrition. In each of the six action areas the company has set ambitious goals in order to become one of the world's most sustainable juice producers step-by-step.













MARCH

As the COVID-19 pandemic spread across Europe, top priority was given to the health and safety of all employees along with maintaining production and the supply chain. Eckes-Granini reacted quickly and instituted measures at all sites to protect the teams and counteract the spread of the novel coronavirus in offices and factories. The rules imposed for social distancing, hygiene and face masks dominated the months that followed

APRIL

For the benefit of charitable organizations and system-relevant corona workers, all eleven national subsidiaries donated about 500,000 litres of juice to the Corona Relief Fund under the motto "The best of fruit for a healthy and united community" from April to September. The initiative is a sign of recognition and appreciation that also serves to strengthen all helpers with an extra dose of vitamins and fill the inventories of the food banks and social services.







JUNE

Anniversary: The fruit juice pioneer *Marli* of Finland has been a part of Eckes-Granini for 20 years. With the acquisition of the brand in 2000, the national subsidiary Eckes-Granini Finland was created as a part of the European expansion. It opens up access to the markets in Scandinavia and the Baltic countries. A joint success story!



MAY



Solidaridad

"Small holders, big opportunities" is the motto of the Brazilian farm project that the Eckes-Granini Group has been supporting financially since May. The international non-profit organization Solidaridad is responsible for project implementation. Within three years, 480 small orange farmers in the "Citrus Belt" of Brazil will be trained in the use of more sustainable agricultural practices.

JULY

The market leader in the PLUS segment hohes C adds two juices for children to its product portfolio. The juices hohes C PLUS Lernfit and hohes C PLUS Groß und Stark boost mental and physical development with valuable vitamins and target health-conscious parents who are interested in natural means to support their children's development.



AUGUST



After 15 years as the head of the Eckes-Granini Group, Thomas Hinderer hands over his post to his successor as planned. Tim Berger becomes the new CEO of the Eckes-Granini Group and now steers the Group toward its destiny as a modern, innovative and sustainable manufacturer of brand products.

OCTOBER

The little drink packages for the brands Elmenhorster and Mehukatti are offered with paper straws on retail shelves in Lithuania and Finland, long before the EU directive on single-use plastics goes into effect in July 2021. The paper straws are food-safe, recyclable and compostable.



SEPTEMBER

Eckes-Granini Sweden brings the new premium range Brämhults Selected to the market. Inspired by the mix-your own-juice trend, new recipes combine fruits with herbs and spices. The series is aimed at a young target group. The product hohes C PLUS Immun is the focus of an attention-getting 360-degree campaign in Germany. With high Vitamin C and zinc levels, hohes C PLUS Immun actively reinforces the immune system. The campaign addresses health-conscious consumers, particularly families with children.









DECEMBER

Preparations are complete. Starting in January 2021, Eckes-Granini is climate-neutral. Every year in the future the Group will compensate for about 43,000 tons of CO₂ emissions from its direct business activities by means of a CO₂ offset project with ClimatePartner in Portel, Brazil. The project ensures protection of an area of 17,872 hectares in the Amazon rain forest per year.

NOVEMBER

The Danish subsidiary Rynkeby Foods A/S gains COWI as a customer. Every year from now on approximately 70,000 litres of juice will flow into the glasses of employees in the cafeteria at the largest Scandinavian construction engineering firm. Organic juices from *Rynkeby* will be offered first at the headquarters in Lyngby near Copenhagen and then at COWI branches in Aarhus and Vejle. The order strengthens the out-of-home segment for the Eckes-Granini Group in Denmark.



ECKES-GRANINI GROUP

MARKETS

With our successful fruit beverages brands, the Eckes-Granini Group is represented – from France to Romania and from Norway to Spain – in the European market for fruit juice and fruit beverages. We also export our juices, fruit beverages and smoothies to more than 80 countries around the world.



Germany

France

Austria

Denmarl

Finlanc

Hungary

Lithuania

Spain

Sweder

Switzerland (51%)

Internationa

Business Developmen

Strategic Brands

hohes C, granini, Die Limo

Joker, granini, Pago

hohes C, Pago, YC

Rynkeby, God Morgon, Brämhults

Marli, God Morgor

SIÓ, hohes C

Elmenhorster, granini

granini, Pago

Brämhults, God Morgon

granini, hohes C

granini, Pago, YC

1.708
NUMBER OF EMPLOYEES

100 % interest unless otherwise indicated

FINANCIAL FIGURES

TURNOVER* 2015-2020 IN MILLION EUR

Revenue from sales declined in 2020 to 873 million EUR (-5.2%), particularly as a result of damage to the out-of-home market caused by pandemic lockdowns. While Eckes-Granini had single-digit growth (+3%) in food retail, the company saw its out-of-home business in some countries decline by up to 50%.

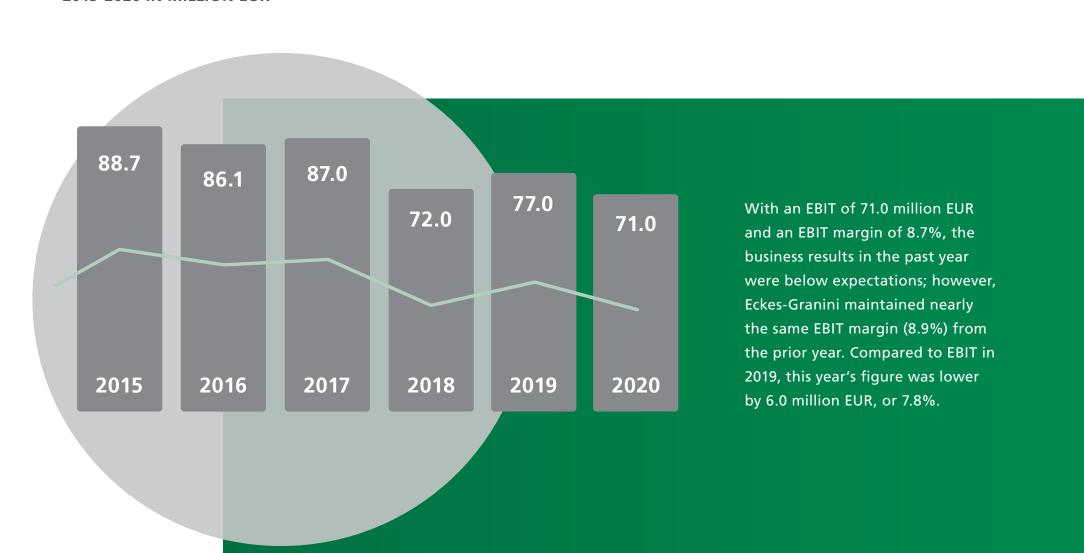


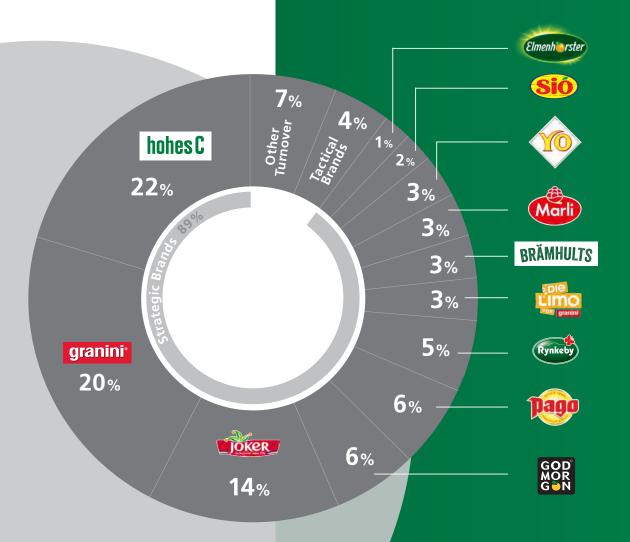


VOLUME SALES* 2015-2020 IN MILLION LITRES

Sales declined in 2020, falling by 10 million litres, which corresponds to a decrease of 1.1%. The original growth target of about 5% could not be achieved, given the effects of the COVID-19 pandemic. Although sales in food retail rose notably in the business year, they compensated only in part for the drastic decline in the out-of-home segment.

EARNINGS BEFORE INTEREST AND TAXES (EBIT) 2015-2020 IN MILLION EUR

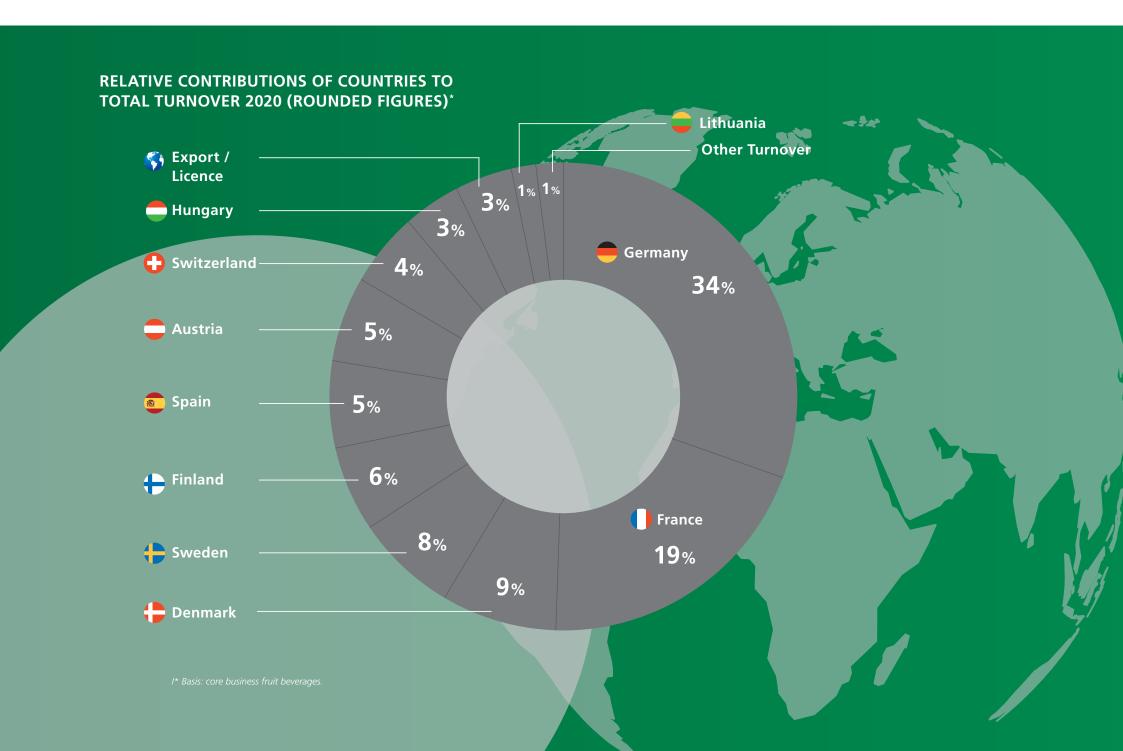




SHARE OF NET SALES 2020 BY BRAND (ROUNDED)*

The share of strategic brands to net sales rose to 89% from 88% in prior year. In particular, hohes C with strong growth of 13% contributed to the positive development. In general, during the past year consumers looked for products that support their health and normal functioning of the immune system. This trend was reflected in demand in the fruit juices and fruit-based beverages category and in the positive development of the hohes C PLUS range. In Germany, Hungary, Austria and Lithuania, the hohes C PLUS range increased by 10% and grew more strongly than Eckes-Granini brands in total (+5.9%) in those markets. The juices in the God Morgon Benefit range also enjoyed great popularity in the past year and contributed 5% to the growth of the brand.

I* Basis: core business fruit beverages.



THE COUNTRIES*

Eckes-Granini Europe: Strong food retail compensated for losses in out-of-home segment

Market developments were extreme in 2020. While the out-of-home business practically came to a standstill as result of lockdowns over the course of the year, Eckes-Granini saw a boom in food retail in most countries and strengthened its market position. Despite all the challenges, Eckes-Granini benefited from the generally strong demand for vitamin-rich products. Consequently, Eckes-Granini gained market share in food retail and showed single-digit growth (+3%), even though the company saw the out-of-home business decline by up to 50% in some countries.

I* Here and subsequent pages countries. Source: leading market research institutes, basis: value sales retail food trade.

GERMANY

13.0%

In Germany Eckes-Granini gained market share with *hohes C* and thus strengthened attributed mainly to increased demand in additional vitamins and minerals.

its position in food retail. That was the hohes C PLUS range. Consumers currently are demanding juices with



FRANCE ()

In France a slight decline of 3% developed in the category of fruit-based beverages.

The Eckes-Granini brand *Pago* increased market share somewhat, but the second core brand *Joker* remained unchanged from the level of prior year.

Value-based market share: 9.6%





SPAIN •

Despite the sales losses in the otherwise very strong out-of-home market in Spain, *granini* gained market share and, thanks to the successful *granini* 100 % FRUTA range, even achieved an all-time high.

Value-based market share: 11.2%





SWITZERLAND 🕂





In Switzerland the market share of Eckes-Granini developed positively, driven by increased demand for the Eckes-Granini premium brands hohes C and granini.

9.3%

SWEDEN 🛑





Investments in the brands paid off in Sweden. 18.2% In the second half of 2020 God Morgon and Brämhults impressively improved their performance and gained market share. The successful juices from the God Morgon Benefit and God Morgon Eko ranges in particular proved to be growth drivers. The recently launched Brämhults Selected varieties are intended for younger target groups.

DENMARK 🛑



In Denmark the chilled segment had notable growth; the ambient segment, however, showed a downward trend overall. Nevertheless, Eckes-Granini was still able to gain market share within the declining ambient segment.



Value-based market share: 24.4%

FINLAND 🛑



Development was stable in the Finnish market, where Eckes-Granini secured its market position at Number 1 in food retail.





32.4%

HUNGARY 🛑





In the generally declining FJND category (Fruit Juice Nectar Drinks), the retail chains' own brands gained. The market share of Eckes-Granini brands SIÓ and hohes C decreased slightly. The newly launched SIÓ smoothies and hohes C chilled juices developed very successfully. Particularly among younger target groups, smoothies are becoming more popular and demand is increasing in Hungary.

20.2%

AUSTRIA 🛑



Both YO and hohes C showed a positive trend and maintained market share. Pago, on the other hand, was under pressure as a result of restrictions in the out-of-home business.



22.3%

LITHUANIA



The record-breaking year Eckes-Granini had in
Lithuania is attributed to continued positive
development of *Elmenhorster* and very positive
development of *granini*. Refrigerated juices and
smoothies in particular have been popular for some years.
In October Eckes-Granini added four types of *granini smoothies* to its chilled segment.

INTERNATIONAL S
BUSINESS DEVELOPMENT



Business continued its positive trend in Belgium, where Eckes-Granini showed significant gains in market share. In the Czech Republic and South-eastern Europe, especially in Romania and Bulgaria, Eckes-Granini managed to defend and increase its market share in food retail with new, attractive product concepts. However, a noticeable negative impact on volume sales and revenue was seen there and along the Adriatic coast in Italy and Croatia as a result of the decreased out-of-home business caused by lockdowns. Other international business was similarly affected by these developments.

BUSINESS STRATEGY

DETERMINED, MUTUALLY SUPPORTIVE & INNOVATIVE

The past year was extraordinary and challenging for people around the world and for almost all companies, including the Eckes-Granini Group. The COVID-19 pandemic confronted the company with enormous challenges. Flexibility was the rule in 2020. Eckes-Granini proved it had exactly that. Despite the difficult conditions, the company managed to advance its strategic initiatives that will continue to shape the business beyond 2020. Among other things, we will be concentrating on further development of the local Eckes-Granini brands.























Securing the supply chain and production processes in the midst of a crisis

Many of the challenges Eckes-Granini faced in the past year arose along the worldwide supply chain. The first order of business was to ensure the safety of all employees through home office rules, adapted shift plans and limited accessibility. The company acted quickly to make available the necessary additional IT equipment and training programs.

With closed borders and numerous restrictions in logistics, the company needed lots of ideas, flexibility and quick decision making to make sure that Eckes-Granini and its suppliers could jointly ensure unlimited deliveries of raw materials. That's exactly what Eckes-Granini did! For example, when a truck arrived, Eckes-Granini employees unloaded it themselves in order to reduce contacts and guarantee everyone's safety. The gratifying result was that production ran smoothly throughout 2020 and delivery capability was never constrained at all.





Support of long-term out-of-home partners

For many years Eckes-Granini has been the market leader in the out-of-home segment in France and Spain. Accordingly, the two markets and their market players are very important for the company. Eckes-Granini maintains long-term, trusting business relations with many of the local restaurants and hotels. The lockdowns hit partners hard there, as elsewhere around the world, and left them struggling with major business slumps and financial losses till today.

To soften the effects of the pandemic, Eckes-Granini devised a variety of support measures with its brands. In Austria, for instance, Eckes-Granini donated 10 cents for every *Pago* bottle sold in the form of free products to the restaurant industry and gave consumers more than 1,000 restaurant gift certificates worth 30 EUR in a radio contest. In Germany *granini* contributed to the rescue fund called "Support your local bar" that was set up to help independent restaurateurs in Germany, Austria and Switzerland get through the crisis. The French Eckes-Granini brands *granini* and *Pago*, along with 70 other partners, participated in the initiative "J'aime mon bistrot" to support the national restaurant business.







The support of gastronomy will play an important role going forward too. There's no question that the Eckes-Granini Group will support partners of many years so that we can all emerge from the crisis as strong as possible. The company wants to do its part and to remain reliably at the side of the strategically relevant out-of-home market after the hard pandemic months. That's what the company is able to do. While the out-of-home market currently suffers, strong growth was seen in food retail sales in 2020. Eckes-Granini is now and will remain a reliable major player for all its customers and partners.









Investments in Local Heroes

With its excellent brands, the Eckes-Granini Group maintains a presence across Europe. Those brands include our two international premium brands *granini* and *Pago* and our eleven traditional regional family brands such as *hohes C* in Germany, *Joker* in France, *YO* in Austria and *Brämhults* in Sweden. The Eckes-Granini brands have been a part of consumers' lives for generations and should remain so! To that end, the company continually invests in its Local Heroes. In the past year too, for example, the brand image of *God Morgon* and *Brämhults* in Sweden was further developed. Particularly popular are the new juices in the *God Morgon Benefit* range with additional vitamins and nutrients and the organic products of the *God Morgon EKO* range. *Brämhults* juice, which has been highly popular in Sweden since the 1960s, was expanded to include new *Brämhults Selected* varieties, such as red beets with apple, intended for younger target groups. In the coming years Eckes-Granini will continue to make highly visible and significant investments in the development of its many Local Heroes.



MARKET ENVIRONMENT

Altered consumer behaviour in pandemic year

In 2020 the COVID-19 pandemic influenced consumer behaviour and how people live and work together in completely unexpected ways. Especially in the early days of the pandemic, many people in Europe tended to "stock up" on groceries and beverages. Later on, home office, home schooling and closed day care centres meant that many people regularly spent the day within their own four walls. As a result, breakfast enjoyed a true renaissance. The crisis situation prompted higher sales of Eckes-Granini products in food retail. At the same time the increased use of beverage and food delivery services had a positive effect on e-commerce. Thus the COVID-19 pandemic accelerated a development that probably would have taken five years under normal conditions.



Eckes-Granini gains market share at a high level

In contrast to the generally downward trend seen in the prior year, the market in 2020 developed positively in value (+2.2%) and volume (+1.5%) as a result of growth in the ambient and chilled segments. This positive development in the FJND category is driven mostly by the Eckes-Granini product portfolio of vitamin-rich beverages. With an increase of 3.9%, growth at Eckes-Granini was twice as strong as that of the market in terms of value, making the company the growth driver in the category, as in the previous year. That development is reflected in market share. While Eckes-Granini gained market share at a high level, some competitors were not able to profit at all from the overall positive market development.

In the annual financial results we see significant differences between food retail trade and out-of-home business. While the Eckes-Granini Group showed earnings growth of +3% in food retail, revenue in the out-of-home business decreased in some markets by up to 50% as a result of the pandemic.



Consumers pay more attention to their health than ever

Now as before, we see a strong health trend among consumers that has been intensified by the corona pandemic and expect it to continue in the coming years. Increased health consciousness is good for the Eckes-Granini brands with additional health benefits, such as the *hohes C PLUS* range and shots from the *Rynkeby, Brämhults* and *Marli* brands. The value of the entire category is enhanced as consumers increasingly recognize juice as a valuable source of immunity boosting vitamins and minerals.



Premium brands remain in great demand

The return to established premium brands like the ones Eckes-Granini offers continued in the reported business year. Competitors' brands, on the other hand, lost both market value (-0.5%) and market volume (-1.2%) in the fruit juice market. For consumers the Eckes-Granini brands stand for quality and family. The share of strategic brands in revenue has increased by 1%. Overall we observe that syrup and fruit-based shots with additional health benefits

product categories such as energy drinks, RtD teas and water with added fruits.

show strong growth in the non-alcoholic beverages category. Furthermore, positive development is seen in other







FIELDS OF ACTION

ENGAGEMENT, INNOVATIONS & SUSTAINABILITY

Engagement for a strong, supportive community in times of crisis

In the Group-wide Corona Relief Fund, all eleven national subsidiaries in the Eckes-Granini Group donated about 500,000 litres of fruit juice to system-relevant corona aides and charitable organizations from April to September 2020. Under the motto "The best of fruit for a healthy and united community", the donation drive was primarily a sign of recognition and appreciation of the numerous volunteers and system-relevant workers who kept everyday life up and running despite the health risks.



Product innovations with added health-related benefit

The continuing strong consumer demand for fruit juice products with additional health benefits is reflected in the portfolio additions of the past year. In Sweden *God Morgon* set its stake on added vitamins and nutrients with the new *God Morgon Benefit* product line. With new products in the shots category, *Brämhults* provided an important energy boost for the dark days of winter. The *Brämhults* shots contain only ingredients selected for their positive effect on health. In Germany and Austria *hohes C*, the market leader in the *PLUS* segment, is represented by two new products for health-conscious parents. The *hohes C PLUS Lernfit* and *hohes C PLUS Groß und Stark* support children's mental and physical development with valuable vitamins.









Complete focus on sustainability

In the past business year Eckes-Granini did not lose sight of the goal of becoming one of the world's most sustainable fruit juice producers and continued to pursue its ambitious sustainability targets by implementing several measures and initiatives. For the coming years the company will focus on the following:

Sustainable juice: By 2030 purchase 100% of juices and purées from sustainable agriculture

Climate protection: Decrease our own greenhouse gas emissions with the goal of becoming a climate-neutral organization and reducing CO₂ along the entire value chain

Packaging: Minimize packaging waste, optimize packaging solutions and commit to the circular economy

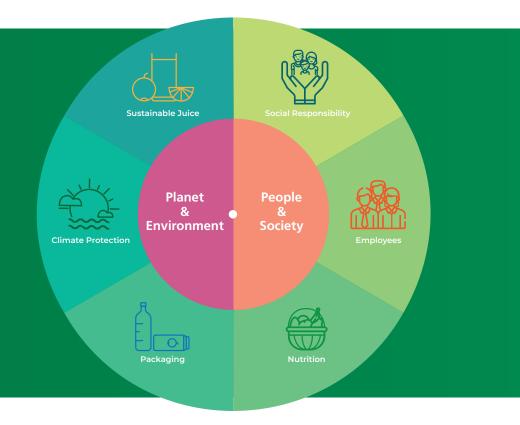
Social engagement: Team Rynkeby – Doing good together for the well-being of seriously ill children and their families

Employees: Offer employees a healthful and pleasant

workplace where they can make a difference

Nutrition: Reduce added sugar and calorie content

across the entire product portfolio



Last year Eckes-Granini formed a sustainability team that is tasked with establishing sustainability more firmly throughout the organization and making it the core of all corporate activities of the Eckes-Granini Group. The team is working together with specialized departments toward achieving the sustainability goals and also is managing the strategic planning and implementation of the necessary and sometimes profound changes and measures.



Introduction of group-wide quality seal "sustainably grown"

High-quality, sustainably cultivated fruits are the most important raw materials for the products made by the Eckes-Granini Group. At the beginning of 2019 the Eckes-Granini Group signed the Sustainable Juice Covenant (SJC) of the Sustainable Trade Initiative IDH. By signing the SJC, the company joined other international beverage producers and suppliers who pledge to increase their share of sustainable juices continuously. The goal is to procure sustainably grown fruits and vegetables for 100% of the product portfolio by the year 2030 and to reach 75% by 2025. Several important milestones on the way to those goals were reached in 2020. The orange juice for the Finnish brand *Brazil* is the first of the Eckes-Granini products to bear the Group's own quality seal "sustainably grown". In the course of the year the orange juices from *granini* and *God Morgon* also were awarded the seal.







Team Rynkeby: Unfailing engagement despite the pandemic

Even in the pandemic year the international charity cycling initiative Team Rynkeby demonstrated enormous team spirit and, with its national tours, collected 8.7 million EUR for a good cause. Since 2016 the Eckes-Granini Group, as partner and main sponsor, has supported Team Rynkeby and each year has collected donations for seriously ill children and their families. Faced with the corona pandemic and the cancellation of the season's highlight, a joint tour to Paris, the country teams had to plan anew the 2019/2020 season. Instead of the original tour, 57 teams from eight countries with about 2,100 cyclists and 525 volunteers went to the starting lines of their independently organized regional tours. Participating for the first time was Team Europe, which included cyclists from all the European national subsidiaries of the Eckes-Granini Group.

Cooperation with ClimatePartner: Eckes-Granini climate-neutral starting in 2021

Eckes-Granini is pursuing the goal of gradually reducing and off-setting all greenhouse gas emissions caused directly or indirectly by business activities. With its efforts supported by ClimatePartner since 2020, the entire Eckes-Granini Group has been able to move much closer to its goal. As of 2021, the Group compensates for about 43,000 tons of CO₂ emissions related to its direct business activities by means of a CO₂ offset project with ClimatePartner in Portel, Brazil. Through this project Eckes-Granini ensures protection of 17,872 hectares in the Amazon rain forest per year. That is equivalent to an area covered by 25,030 soccer fields. The ClimatePartner project protects a total of 151,105 hectares of forest every year and secures additional alternative income sources and educational opportunities for residents of Portel through the cultivation of pepper or training for forest rangers, for example.



OUTLOOK

IN 2021 ECKES-GRANINI SETS THE **COURSE FOR LONG-TERM GROWTH**

The business year 2021 too will remain under the influence of the ongoing COVID-19 pandemic. At the latest by winter 2020 the pan-European corona restrictions had largely brought the out-of-home market to a standstill. We expect the situation to continue at least until summer 2021 before vaccination and testing strategies yield noticeable results and a certain degree of normality returns. At the current time it is not possible to make any verifiable statements about the course of the business year.

Innovation is the central growth driver for Eckes-Granini

Nevertheless, 2021 marks the start of a five-year strategic growth plan for the Eckes-Granini Group. It calls for significant increases in revenue and market share by 2025. To meet the goals, the company is making substantial investments in the expansion and reinforcement of the top brands and in dynamic growth categories and product innovations that aim to satisfy the wishes, expectations and needs of consumers.





Tap the potential in new categories, channels and markets

New product categories, channels and markets offer Eckes-Granini many different opportunities for growth, all of which the company intends to pursue in the coming years. Among them are categories such as "chilled juice" and "100% fruit juice" that show continuing positive development. A look at the entire non-alcoholic beverage market reveals especially dynamic growth in energy drinks, RtD teas and water with added fruits.

With the setup and expansion of new and existing sales channels, the focus is on channels that promise profit-oriented growth, like the out-of-home market and e-commerce. The year 2020 showed that consumers are increasingly relying on beverage and food delivery services in order to do their shopping with as little contact as possible. We can presume that this trend will continue and that e-commerce will grow further in the years ahead. That makes this channel very attractive for the Eckes-Granini Group.

Furthermore, there are important FJND markets within and outside Europe in which Eckes-Granini has not been active to date. Therefore, another strategic focus is on the entry or expansion into promising FJND markets and could include checking out opportunities in Africa and Asia.

Realizing our ambitions in sustainability

Eckes-Granini has set the goal of becoming the world's most sustainable FJND company. To that end, the company kicked off many initiatives in 2020 that we will carry out in the coming years. One important initiative involves the use of rPET (recycled PET) in efforts to reduce over time both the use of virgin PET made from crude oil and the associated CO₂ emissions. In 2020 Eckes-Granini achieved 25% rPET use across the group and is working toward the goals of 50% in 2021 and 100% by 2025. The first bottles made of 100% rPET for *hohes C* will be on retail shelves in May 2021. That's an important milestone in which the company has invested a great deal in recent years.

Moreover, Eckes-Granini is working toward reducing by another 10% the share of added sugar over the entire product portfolio by 2025.

In 2021 Eckes-Granini will put on its first Group-wide "Sustainability Day" at which employees can become involved in a variety of sustainability projects. Another corporate focus this year is on strengthening employees' mental health and thereby supporting their well-being at work.



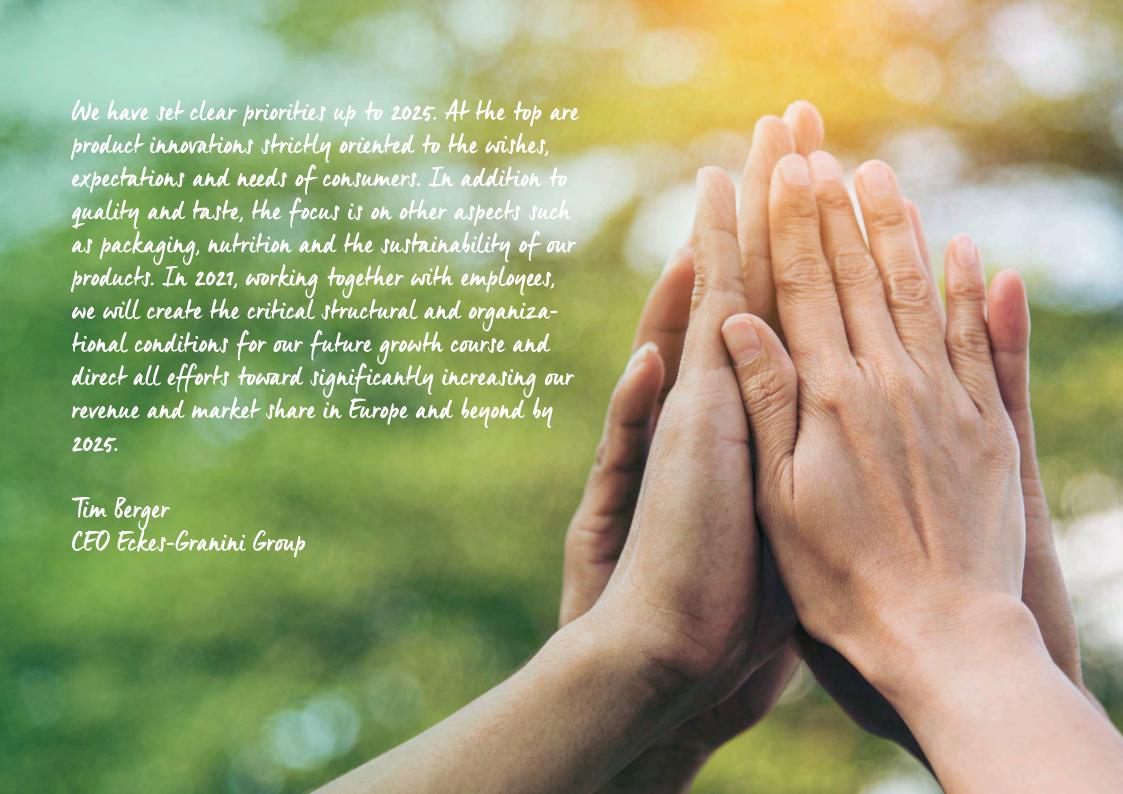


Cooperation toward joint success

To achieve its ambitious sustainability goals while also quickly developing and successfully launching new products, the company relies on its long-term partners in food retail, the out-of-home business and suppliers of fruit, packaging technology and food additives. Eckes-Granini communicates regularly with existing partners and plans to establish an innovation platform that will facilitate an ongoing dialog and knowledge sharing with researchers and start-ups. The company hopes that many new starting points will emerge for the benefit of all participants.

As we are still dealing with the corona pandemic, we are merely cautiously optimistic about business development in 2021. Nevertheless, we do not think present conditions are relevant to our long-term success. It's much more important for Eckes-Granini to lay the critical internal groundwork for continued growth in the "post corona" era. In the current market situation, this work will demand much of all our employees. The work involves more than finding ways to compensate for the losses in the out-of-home segment. At the same time the corporate group plans to implement fundamental innovations in many different areas. That requires engagement and readiness for action on the part of the whole team. We saw in 2020 how Eckes-Granini can respond to challenging situations with strength and agility. The corporate group is therefore convinced that it can also succeed at the tasks and goals set for 2021.





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