



2022

Sustainability
Report.







The spirit of Zeelandia.

We are a **people company**. It's ingrained in our DNA.

We **care about the well-being of every life we touch**. Whether it's our employees, our customers, the communities where we operate or the environment we all live in. **It's about the world we share.**

Since 1900, we've contributed to the **precious moments that bring people together. And we are dedicated to do so for generations to come.**

Choosing to have **impact.**

2022 will go down in history as another year in which we had to adapt to major, unpredictable circumstances. As the world emerged from the COVID-19 pandemic, the war in Ukraine and its economic impact created new challenges. For Zeelandia as a company, as well as for our employees and customers around the world.

Among these challenges few, if any, are as urgent and acute as the humanitarian crisis faced by the people of Ukraine. I'm proud of the way in which our organization lost no time in supporting our colleagues and the wider community in Ukraine.

And this initiative illustrates an important principle behind our thinking on CSR: in order to have maximum impact, we need to focus on our own strengths and stay close to our core business and expertise.

In this CSR report you will find many powerful examples. For example, through our product portfolio, we are having a real impact on the

health and well-being of consumers around the world. And as an ingredient manufacturer, we not only take responsibility for our own ecological footprint – we also use our central position in the supply chain to help customers and suppliers as well.

In short, we are focusing our efforts on the most influential ways of making sure people and our planet can prosper. And we are doing so together. With our customers, suppliers and perhaps most crucially, with our Zeelandia colleagues around the world.

Their efforts and enthusiasm have been instrumental in the progress we can report in these pages. And it is our firm resolve as company leadership to support and encourage their own initiatives, and to ensure that our CSR commitments can be lived and practiced in each of our businesses, every single day.

Irénke Meekma
CEO Zeelandia Group



"Through our product portfolio, we are having a real impact on the health and well-being of consumers around the world"

About Zeelandia.

Our purpose, mission, and values
Company profile: facts & figures
Top stories from our global network

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Our CSR strategy
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This report shows **what we've accomplished in 2022.**

Better for people.

Consumers
Employees
Communities

3

Better for the planet.

Clean energy
Zero waste
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Highlights 2022.

People



Planet



Governance



Financial



+300K euro
donated to social activities.

67% of our **CSR activities**
were focused on **social impact.**

csr activities realized in 2022

Employees **149** (51%)

Consumers **85** (29%)

& Community **58** (20%)

50% of our **product launches**
matched our **Better-for-Consumer**
portfolio criteria*

*Sugar reduction, clean(er) label, vegan, digestive health and/or nutritional improvement

Highlights 2022.

People



Planet



Governance



Financial



45% of the electricity we used globally came from **renewable sources.**
(in 2015 it was 0%)

<1% of production **volume** is lost as **food waste**
(against an industry average of 3%)

7,038 m² of our **facilities' roof surface** is covered with **solar panels.**

33% ⁽¹⁴³⁾ of our **CSR activities** were focused on **reducing environmental impact.**

Highlights 2022.

People



Planet



Governance



Financial



Over **30 hours**
of management meetings
on **sustainability.**

Migration

to a new, more effective
CSR Reporting Tool (Sphera).

**Women represent
50%**
of the Global Management Team.

Our CSR community includes
over **70 colleagues** from
28 countries.

Highlights **2022.**

People



Planet



Governance



Financial



Revenue

eur **639M**

EBITDA

eur **29.36M**

“ Our ambition is to become transparent in our reporting. Highlighting the importance of the Zeelandia Group CSR Strategy in our reporting. The awareness is a step towards developing a resilient and sustainable business model for the Group. Thus, enhancing further our Zeelandia values. Our goal is to move from financial reporting to integrated reporting. ”

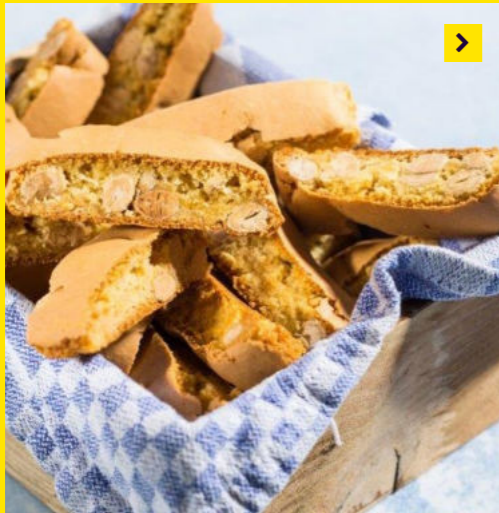


*Urmila Goburdhun
& Erwin van Riet*

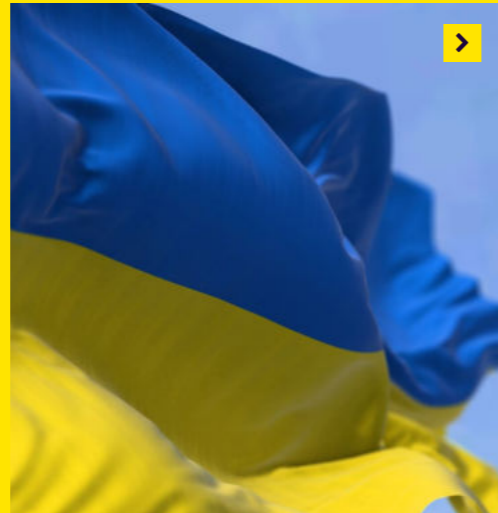
Urmila Goburdhun & Erwin van Riet
Business Finance & Reporting Leads
Zeelandia Group.

Explore some of our **CSR top stories** from 2022.

Vegan pastry range



Bake4Ukraine Programme



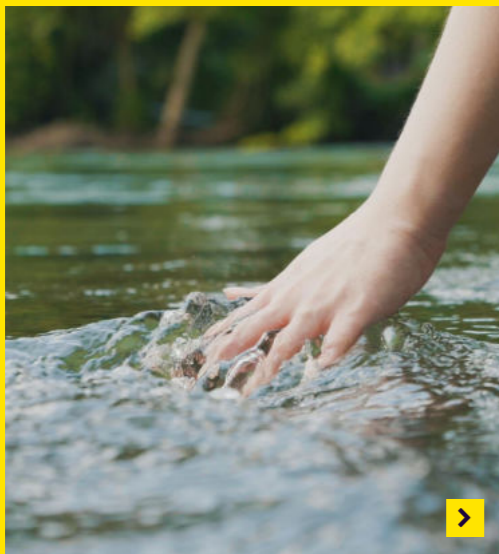
Supporting local communities



Waste reduction by digitalization



Work-life balance for our employees



Feeling responsible for the limited resources

Relieving physical efforts in warehouses

Moving forward on the green electricity transition

Empowering Women

Helping customers eat better



About **Zeelandia.**

**Our customers**

range from small artisanal bakeries to large industrial clients catering for (international) retail chains and out-of-home outlets.

Our employees are from a wide variety of backgrounds, and we offer them a safe and supportive working environment.

Our portfolio

comprises thousands of products and includes bread and pastry mixes, bread improvers, fermented products, (fruit) fillings, coatings, and release agents.

**Our innovations**

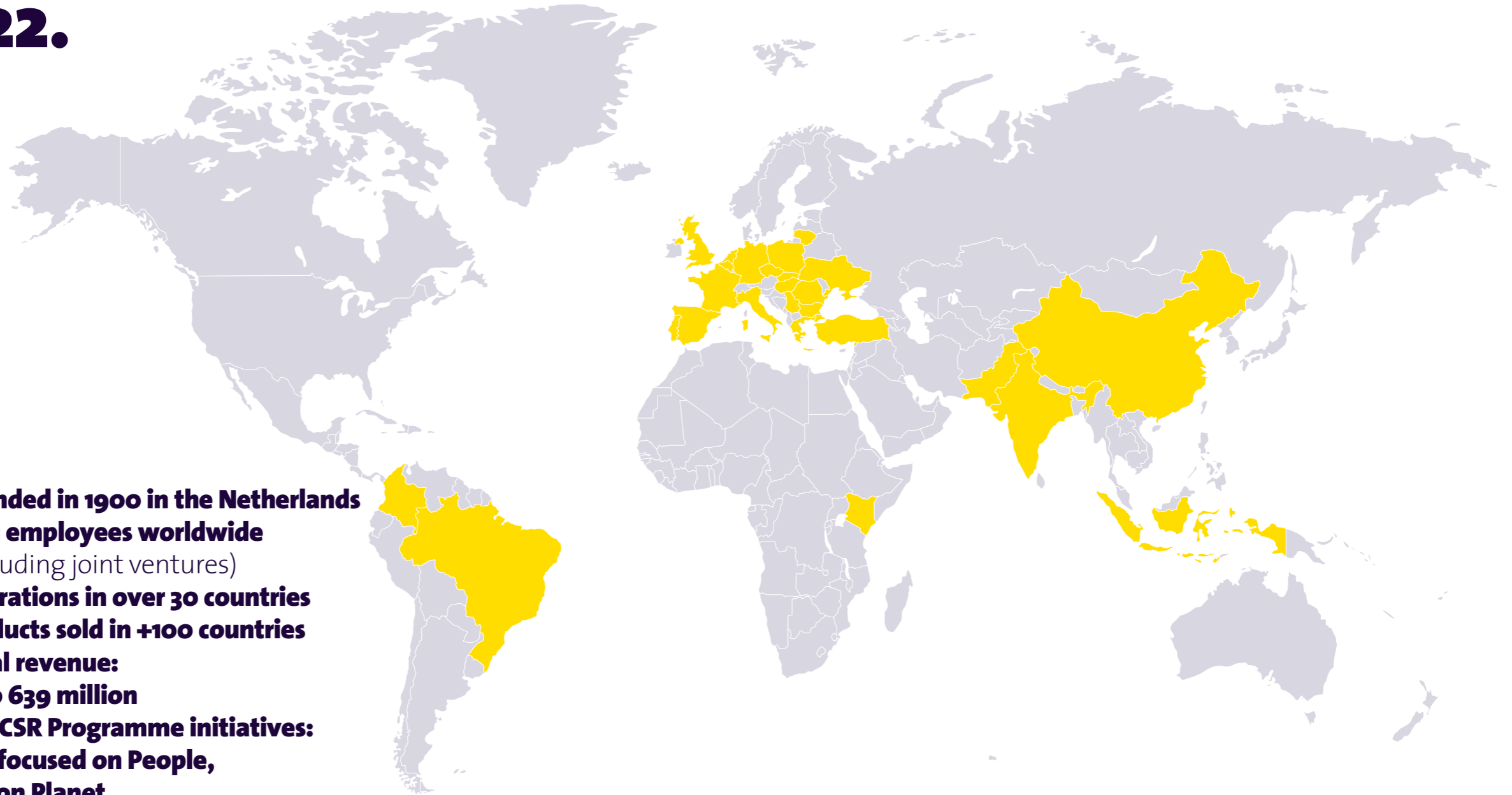
are guided by our CSR commitments: for example, in 2022 50% of our product launches were aimed at offering consumers healthier alternatives.

**Our partners**

include trusted suppliers. In 2022 we reviewed and updated our Code of Conduct, reflecting our joint commitment to a responsible supply chain.

Zeelandia in **2022.**

- **Founded in 1900 in the Netherlands**
- **3,131 employees worldwide**
(including joint ventures)
- **Operations in over 30 countries**
- **Products sold in +100 countries**
- **Total revenue:
Euro 639 million**
- **436 CSR Programme initiatives:
292 focused on People,
144 on Planet**



Our Purpose.

In 2022, we defined our Zeelandia Purpose: the driving force behind all our decisions and operations. It reflects a philosophy that our company has always implicitly worked by but was yet to be captured in words.

How to define this purpose? In 2021 we used an online survey to gather input from all Zeelandia employees, from production to R&D and from management to truck drivers.

We asked them to send us the words and phrases that they associate with Zeelandia, and which best express what they value about working for this company.

As many as 40% of all employees worldwide responded. Their input was used by a project team and sounding board group to formulate a definition of our purpose. Several intensive sessions and drafts followed, as we worked towards a definition that all stakeholders can identify with:

To help people understand the background of this purpose statement, an accompanying definition was developed which describes 'The Spirit of Zeelandia': see slide 3.

*Together, we make
our world flourish.*



Our values.



Inventive.

We always search for new ways to solve challenges. We combine clever thinking and a hands-on approach to create bakery success.



Involved.

We are one Zeelandia. As a team we are motivated to anticipate the needs and challenges of our clients. Together we take their business further.



Courageous.

We dare to think differently and stimulate and inspire our customers to do the same. We dare to make bold decisions.



Ambitious.

We take ownership. We commit ourselves to continuous growth and achieving results.



Responsible.

We take responsibility for our staff, our clients, and our communities. We don't take shortcuts. We do what we say. We use our resources wisely and efficiently.



Together with our customers we explore the world of bakery. Thinking differently, we find inventive ways to create bakery success. We inspire our customers with ingredients and better ways to bake, manage and sell.

Our mission.





Sustainable
commitments.

Our sustainable commitments.

At Zeelandia, we believe in the philosophy of permanently sustainable businesses. In other words, we believe that to be truly successful we need to create value for our stakeholders and have a positive long-term impact on society and the environment. That's what drives us, every single day.

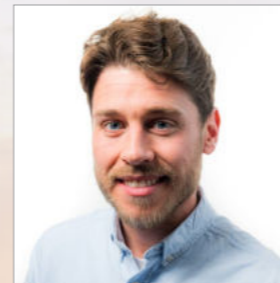
That commitment requires accompanying actions. That's why each year we commit to improving our performance in areas such as consumer and employee health and well-being, CO₂ reduction, energy efficiency, raw materials, the health and safety of our employees, and support for our local communities. Other ambitions focus on the years ahead. For example, our goal is to achieve a 55% reduction in CO₂ emissions (scope 1 & 2)* by 2030.

All of this first means that we need to adapt our operations and infrastructure. We aim to change existing products and develop new products with a smaller environmental footprint and higher impact on people's well-being.

Although a better world starts at home, we also work closely with our stakeholders and supply chain partners. Our goal is to embed our social responsibilities in the entire value chain. From farming practices to our suppliers' sourcing policies and consumers' choices: together with our customers we are determined to have a positive impact that reaches beyond our own factory walls.

* Based on the United Nations' baseline year (1990); data was extrapolated to that year.

“Zeelandia is taking meaningful steps in executing the CSR programme and we are proud to be the facilitators in this challenge. We aspire to create opportunities for all Zeelandia colleagues to contribute to a better and more sustainable world.”



Gerlof van Hoek & Ibai Jimenez

Gerlof van Hoek & Ibai Jimenez
CSR & Sustainability Leads
Zeelandia Group



Our CSR strategy.

Our CSR strategy is about setting priorities and maximizing our impact. We have aligned our CSR Programme with the United Nations' Sustainable Development Goals (SDGs), to make sure our efforts support the wider, global agenda for sustainable development.



1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS

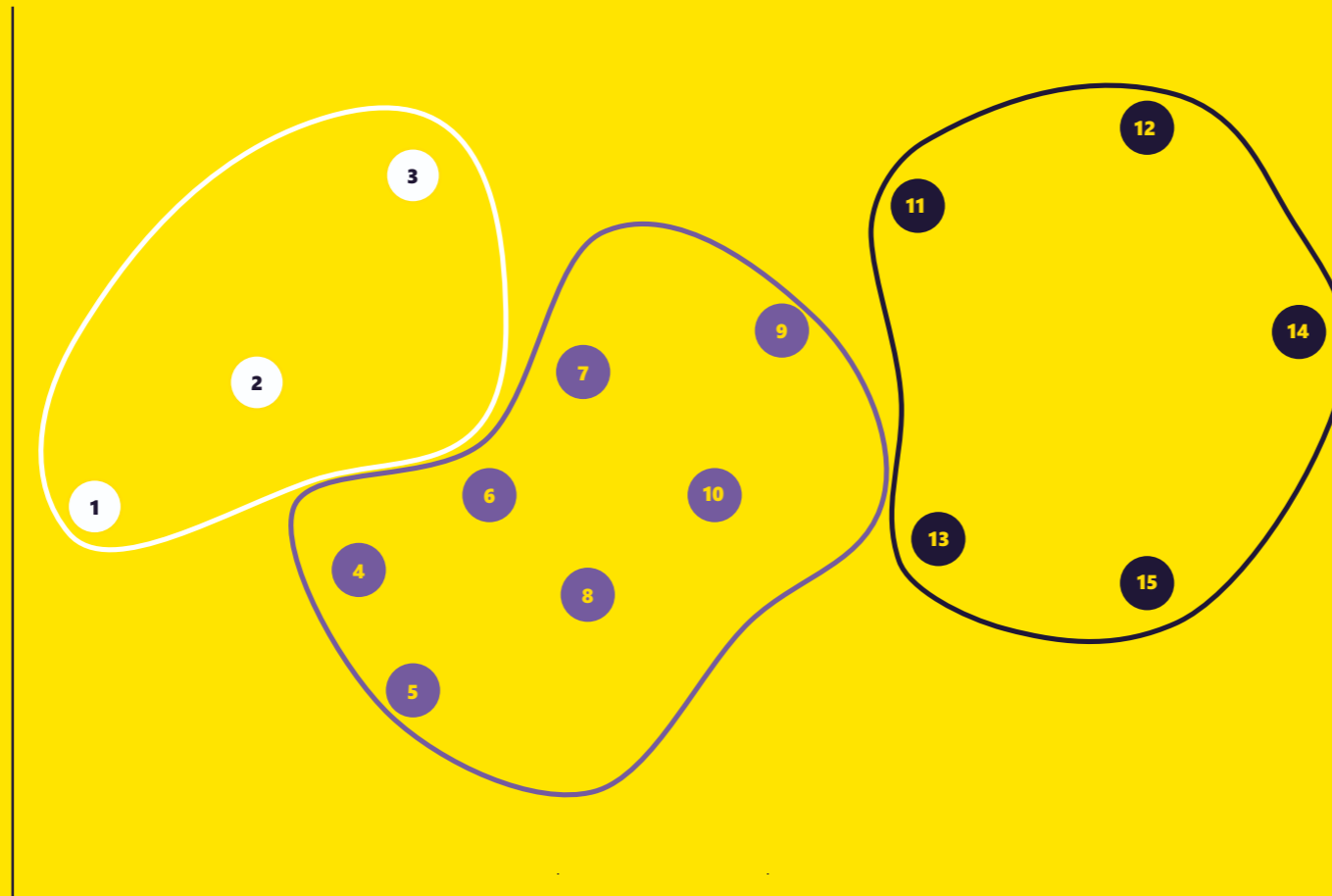


Together with stakeholders we regularly identify and assess the various areas in which we can make a difference, using a 'materiality matrix' to assess our potential impact and visualize our stakeholders' priorities:

Zeelandia materiality matrix.

- Impact
- Improvement
- Compliance

Relevance to stakeholders



Group environmental, economic and social impact

Compliance

- 1 Human Rights
- 2 Ethics & compliance
- 3 Product (food) quality & Safety

Improvement

- 4 Diversity & Inclusion
- 5 Water Consumption
- 6 Sustainable Packaging
- 7 CO2 eq emissions
- 8 Waste
- 9 Responsible Procurement
- 10 Biodiversity

Impact

- 11 Product Transparency & Labelling
- 12 Consumer Health & Nutrition
- 13 Employee Health & Nutrition
- 14 Food Waste
- 15 Local Community Support

Our CSR priorities cover a wide range of environmental and social dimensions, which we have clustered in the two key pillars of our CSR efforts:



Better for People

We care for our employees through a safe and supportive working environment where they can thrive both professionally and as an individual.

We promote consumer well-being through innovation, enabling our customers to produce a wide variety of healthier bakery products.

We are committed to supporting and serving the communities where we live and work.

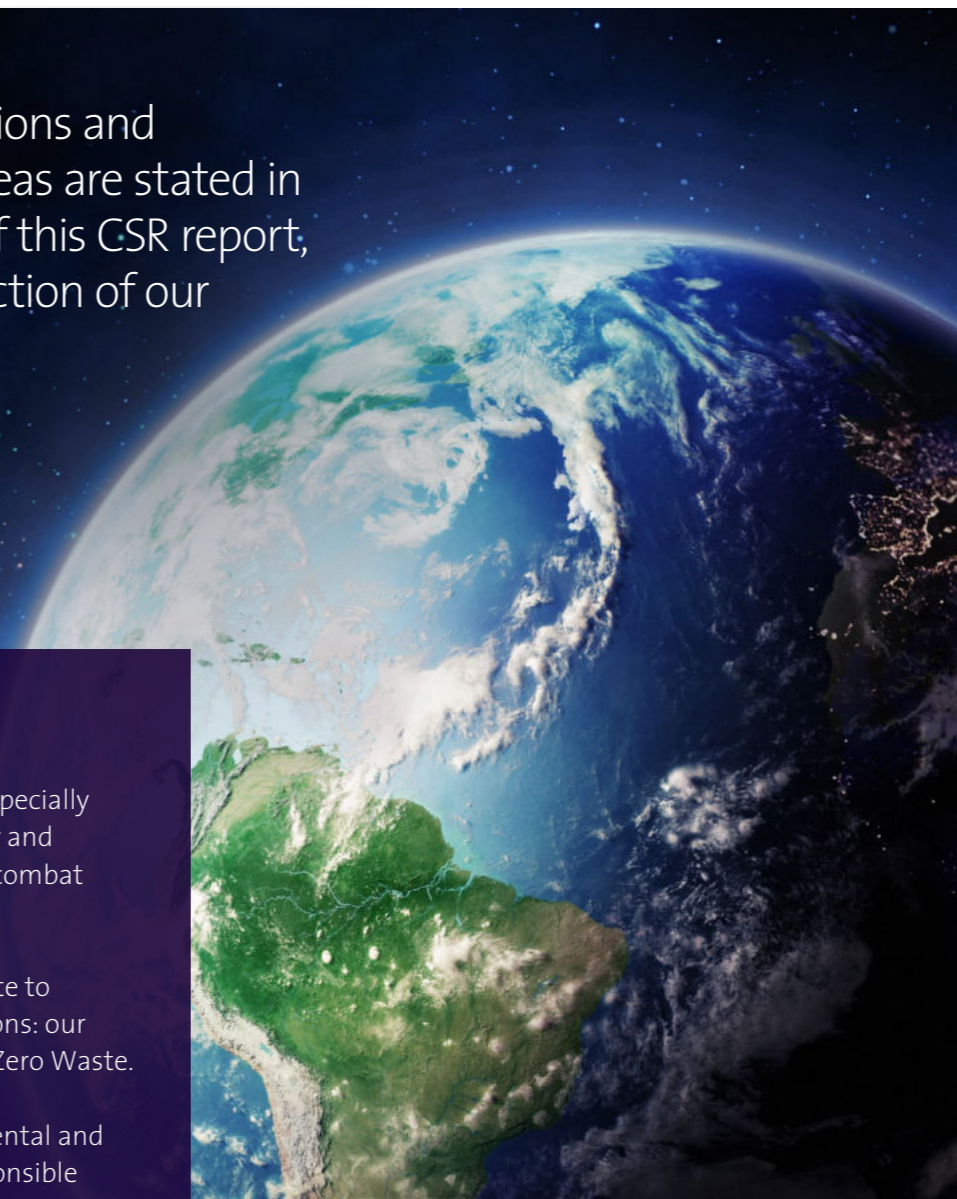
Our specific ambitions and targets in these areas are stated in chapters 3 and 4 of this CSR report, and on the CSR section of our website.

Better for the Planet

We focus on Clean Energy (especially through renewable electricity and transport efficiency), to help combat climate change.

From food and non-food waste to sustainable packaging solutions: our ambition is to work towards Zero Waste.

We strive to tackle environmental and social concerns through responsible procurement.



CSR Governance

To achieve our strategic goals, we use two parallel approaches:

- 1.** We have set up company-wide change programs and specific projects in which our operating companies and corporate departments join forces. This fosters synergies and ensures progress in our focus areas.
- 2.** We encourage and facilitate bottom-up initiatives. This helps us to generate quick successes, build momentum and boost CSR engagement throughout the organization.

This two-pronged approach has been successfully implemented throughout the organization. Meanwhile, our CSR community focuses on embedding our ambitions into our everyday work.

CSR Governance Committee.

- chaired by CEO
- Overall responsibility for our CSR strategy and performance

CSR Functional leaders.

- Each own a theme within the CSR programme
- Prepare annual CSR plans for their theme
- Are responsible for roll-out Group-wide policies and plans

CSR Programme Leader.

- Coordinates the Group-wide CSR programme.
- Supports functional leaders and reports to Governance Committee
- Supports operating companies with preparation of CSR plans and execution of local initiatives

CSR Ambassadors.

- A network of colleagues in 25 countries, selected by local management teams
- Trained to nurture local change, to fully integrate CSR into our everyday work and decision-making

Zeelandia is proud of its **CSR Ambassadors**, who through their enthusiasm and constructive attitude play a pivotal role in embedding CSR in our everyday work.





Better for **people.**

We care about people. The well-being of every individual or group of people we are connected to, matters to us. Be it our staff, consumers or the local communities we are part of.



Consumers.



“It is very enriching to work on something when you know it will have a positive impact on many people around the world. Sometimes it’s hard to understand the impact of what we do, but with our Better-for-Consumer (BFC) strategy at Zeelandia, we create innovative healthier products, which contribute to helping consumers live healthier lives. We truly believe in our ability to make life on Earth better!”



Anna Treyster

Anna Treyster
Better for Consumer lead
Zeelandia Group

Our **strategic goals.**

- To improve our products' profile, for example by adding fibers, reducing sugar content, offering gluten-free and/or plant-based options and by creating clean-label solutions.
- To ensure that by 2025, 50% of Zeelandia Group products launched each year meet one or more criteria of our 'Better for consumers' portfolio: less sugar, clean(er) label, vegan, digestive health and nutritional profile improvement.
- To keep developing and launching healthier solutions that support consumers in their choice for a healthier lifestyle.

Results and best practices **in 2022.**

- The efforts of research and development in 2022 and previous years paid off: last year more than 50% of new products launched were in line with our 'Better for consumer' portfolio criteria.

Some examples ↘



Less sugar, clean(er) label



Vegan, Plant based



Digestive health



Vegan, Plant based

Consumers: our top stories.

Zeelandia Group launches V-GO!

In 2022 our corporate R&D department developed vegan alternatives for a range of existing products, including cake, pastry, and croissants. These vegan products will be launched in various markets in 2023.

The department also worked on recipes and processes that will enable us to launch 'less-sugar' versions of existing products without compromising on taste and appearance.

Clean-label & enriched bread

Digestive health is one of the key pillars in our bread strategy. Bread is a highly localized product, so we tailor our mixes to local consumers' tastes and expectations. However, many of them incorporate the same Zeelandia technologies to promote digestive health, for example through high fiber content, fermentation processes, gluten-free options, and the use of wholegrain flour.



Some examples.

In the **Czech Republic**, we launched a 100% rye range (ZitoPro), in co-creation with a major international supermarket chain. ZitoPro includes loaves, buns, and rolls full of fiber, protein, and – naturally – great flavour.



In **Italy** and **the Netherlands**, Zeelandia has become synonymous with premium gluten-free breads, sold under the Zero Problem brand.



In the **UK**, Zeelandia partnered with a regional farming and malting enterprise and launched Silkgrain Maris Otter. The Silkgrain range is an ever-growing line-up of grains and seeds softened in sourdough, using our proprietary technological process. Maris Otter is a signature barley variety that originates in the brewing industry, and which was used to provide depth of flavour and rich wholegrain content to loaves and bagels.



In **Romania**, Zeelandia offers the highly successful 'Rotunda' range: a complete solution consisting of mixes, packaging and communication materials. Rotunda bread contains up to 56% of the recommended daily uptake of Vitamin D. Zeelandia Romania also developed the Artizan range of mixes, enabling bakers to produce outstanding, clean-label bread full of unique flavors and textures.



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



“We recognize that our people are our greatest asset, and we remain committed to continuously developing and investing in our employees to ensure their growth and success, which ultimately translates into added value for both our people and customers.”

Cathalijne Schotte

Cathalijne Schotte
Better for Employees lead
Zeelandia Group

Employees.

Our **strategic goals.**

- To support our employees' health and well-being, by providing a safe working environment and enabling a healthy work-life balance.
- To offer attractive, engaging job opportunities and nurture talent through our Traineeship Programme.
- To measure employee engagement and use the outcome to support our people's development and boost job satisfaction.

Results and best practices **in 2022.**

- We organized a support programme for our subsidiary in Ukraine, helping them to provide mental and practical support for employees. Many operating companies supported their Ukrainian colleagues in practical ways, for example by donating clothes, woodstoves etc.
- Several operating companies developed guidelines (and practical support) for working from home, as well as structural policies for hybrid working.
- A Traineeship programme has been set up, to help young colleagues develop their skills and gain experience. As a company we also benefit from the perspectives, ideas and energy of young talent: for example, all trainees led or participated in CSR-related projects.



←
our trainees

Employees: our top stories.



Female Empowerment Network launched

The new Zeelandia Female Empowerment Network (FEN) was founded in response to an internal survey among our female employees. Its mission is to create a safe and friendly environment in which women at Zeelandia can learn, network, be inspired and support others. An environment in which everyone feels comfortable and able to speak up, is heard and supported in work and everyday life.

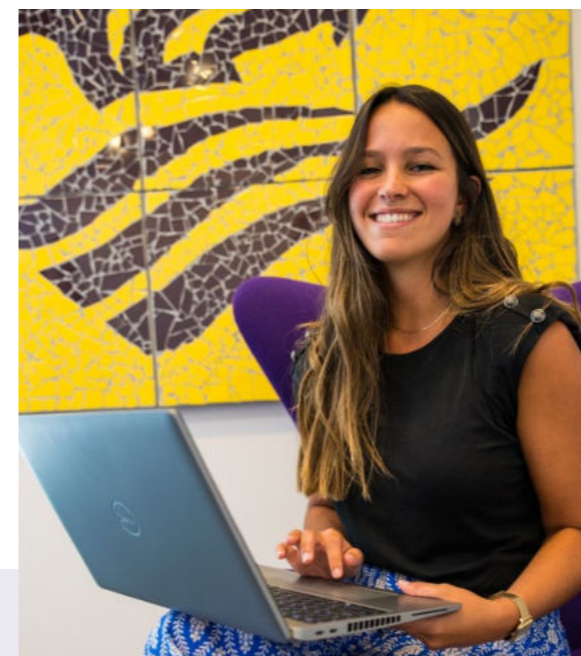
The overall ambition, which has the wholehearted support of the CSR department, is to empower colleagues, boost the visibility of our female colleagues' contribution and ensure female perspectives are heard and appreciated. In 2022 the FEN group organized its first webinar on 'Diversity and Inclusion', with two guest speakers and 130 attendees from 19 different countries.



Masters of Pastry

Zeelandia's Masters of Pastry is a competition for our own pastry chefs as well as for customers or pastry enthusiasts around the world. The goal is to engage our pastry chefs, encourage them to inspire each other and support their professional development.

The 2022 edition challenged participants to create a tasty and healthier pastry, cake, or confectionery recipe, using our Nativa and V-GO solutions. It gave them the opportunity to apply the latest trends and techniques to create recipes that are better for our consumers, and our planet.



Nurturing talent through traineeships

It is vital to offer our employees an environment in which they can thrive both personally and professionally. In 2022 we set up a Traineeship Programme that gives talented young graduates the opportunity to lay the groundwork for a high-flying career in a leadership or senior specialist role – and to contribute to the long-term success of our company.

The 3-year traineeship gives them a unique opportunity to explore different areas of expertise and build a global network with high exposure to industry experts & senior management. The programme challenges them to unleash their potential and offers solid support as they take on an, at times, steep learning curve, accelerating their professional growth.



A productive and supportive hybrid working model

The office of the future is not so much a place to simply work your way through a to-do list, as a meeting place which enables people to exchange ideas, collaborate and innovate. The hybrid working model allows people to mix such creative office-based days with work from home. For this model to work and yield the anticipated benefits, employees need the right support.

In 2022 we formulated a hybrid working policy and worked on a set of tools that facilitate (digital) communication and help people to feel part of a team, even across distances.



Lifting loads more comfortably

In our warehouses, we do everything we can to limit the physical strain on colleagues. While much work can be automated, some tasks require the human touch. Yet here technological innovation can also help. For example, in Poland we introduced the use of 'exoskeletons'. These support structures can be worn by warehouse workers and relieve pressure on their spine, without restricting freedom of movement. The exoskeletons are light to wear and help employees (male and female) to handle products in bags more easily and comfortably.



Cancer awareness days

In October 2022 Zeelandia Italy supported cancer awareness month by organizing a series of medical advice sessions for employees. The visits were organized in cooperation with the Italian League for the Fight Against Cancer (LILT). 45 employees participated and registered for sessions focused on the prevention of breast cancer, skin cancer and tumors of the respiratory tract.





Communities.

1 NO
POVERTY



2 ZERO
HUNGER



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



Our **strategic goals.**

- As part of our CSR Programme we sponsor and support local initiatives aimed at reducing poverty or hunger.
- Through sponsorship and by offering our time, skills, and knowledge, we help create educational and job opportunities and protect local biodiversity and ecosystems.

Communities: our top stories.



Supporting hospices

The activities of hospices in the Czech Republic are only partly covered by health insurance companies. Donors' contributions are essential to allow these hospices to carry on their invaluable work.

Individual Zeelandia employees raised money for hospices during our local Christmas party, and Zeelandia doubled this amount.



Pao Amigo

For many years, Zeelandia has supported children with disabilities in Brazil. Part of the proceeds of our Pão Amigo bread mix is set aside to sponsor AACD (the Brazilian Association for Healthcare to Children with Disabilities). In 2022, over 30,000 EUR was donated, allowing yet more children to benefit from practical help, for example in the form of medical care and physiotherapy.



Bake4Ukraine

Zeelandia Ukraine initiated Bake4Ukraine, providing fresh bread and soup for free to people in need in Kyiv. We do this in partnership with a local bakery, making our facilities and raw materials available for as long as is needed and possible (discover more on page 36)

Bake4Ukraine

As the tragic events in Ukraine unfolded, Zeelandia quickly moved to offer support. Our managing director at Zeelandia Ukraine, Andriy Vasylenko, was one of the initiators of Bake4Ukraine. The primary goal of this initiative was to help ensure that people in need have access to free food, through the people best placed to deliver that help: a network of local bakeries.

Zeelandia supported the initiative by offering the use of our facilities and providing raw materials for the volunteers at bakery 21.3, pledging our support for as long as it is needed and possible. Several partnerships were set up to offer ingredients and/or technical support to bakeries near border crossing points, enabling them to offer free bread to refugees.

With the help of Zeelandia colleagues throughout our global network, funds and relief goods were also collected and distributed. Zeelandians around the world donated over 45,000 EUR, a sum matched by the Zeelandia Group. The funds were used to support the Bake4Ukraine initiative and to donate to the UNHCR's refugee cash assistance programme.

Practical help was also given in kind. For example, Zeelandia Group sponsored the purchasing of over 500 wood stoves as winter approached. Our customers were also inspired by the Bake4Ukraine initiative. One customer in the UK, Montana Bakeries, even donated 5 industrial rack ovens, which were transported to Kyiv through Zeelandia's UK site in Colchester.





Better for the **planet.**

Minimizing our environmental footprint requires urgent action. Whatever the challenge we face or the solution we come up with, our goal is to serve the interests of bakers, consumers and the planet.

Clean Energy.

7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



“I feel privileged to be leading the CO₂ emission reduction programme at Zeelandia Group. With climate change becoming increasingly noticeable, it is inspiring to see the company take responsibility and lead by example. If we can make even a small contribution towards the global effort to reduce emissions, it will help accelerate the transition towards a more sustainable future. Additionally, reducing our energy costs through this initiative will also benefit our business.”



Geert van Vucht

Geert van Vucht
Clean Energy & CO₂ strategy Lead
Zeelandia Group



Our **strategic goals.**

- To meet the targets set in the 2015 Paris Agreement: a 55% reduction in scope 1 and 2 emissions by 2030 (compared to 1990) and EU-wide climate neutrality by 2050.
- To use only sustainably sourced (green) power by the end of 2023.
- To roll out our “Solar panel on every roof” programme, aiming to cover >50,000 m²



Overall **progress.**

Compared to 2021, our overall CO₂ emissions dropped by ca. 1%. Since production volumes were lower, the CO₂ emissions per kg produced were slightly higher than in 2021.

CO₂ emissions per kg produced

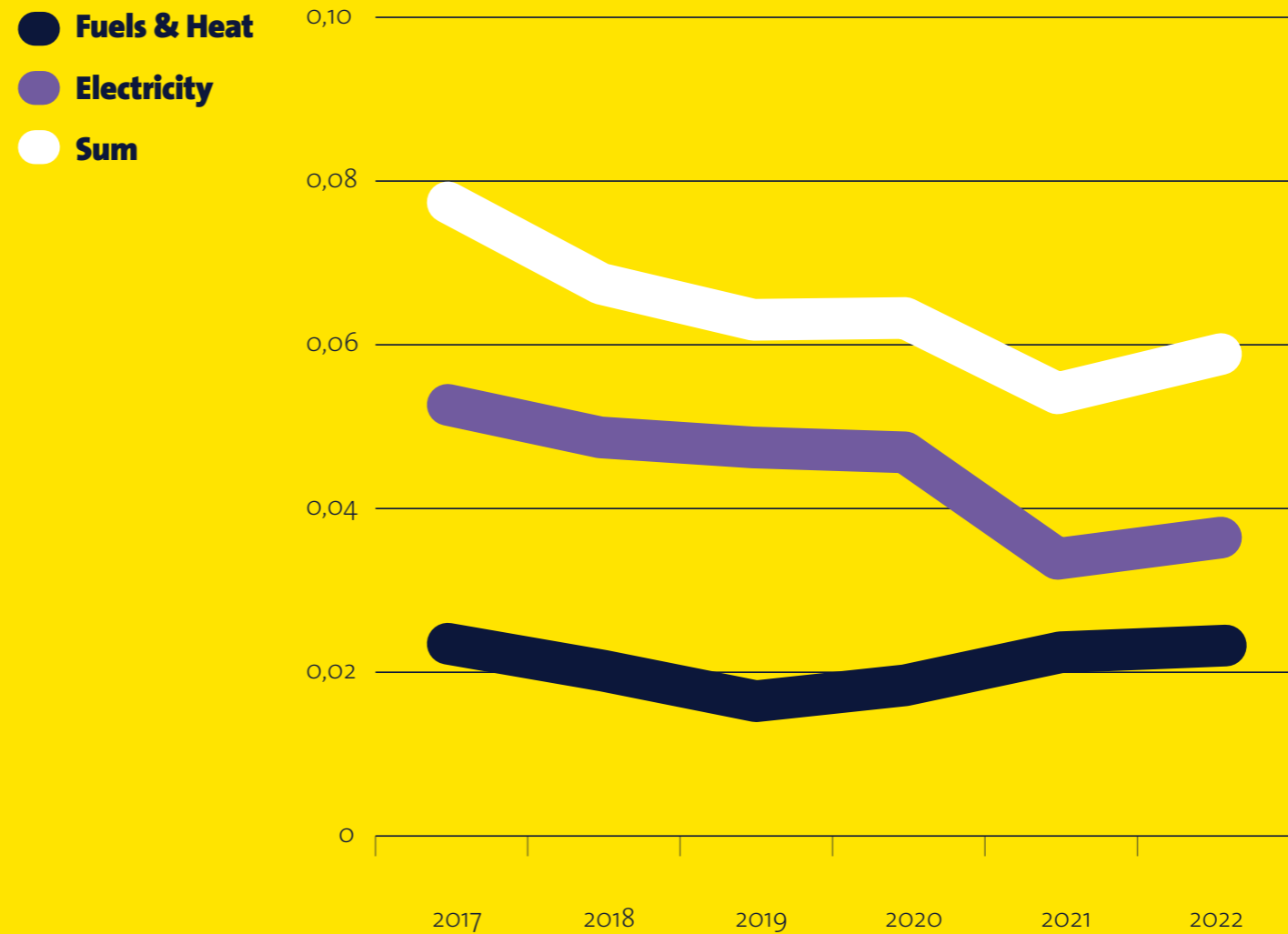
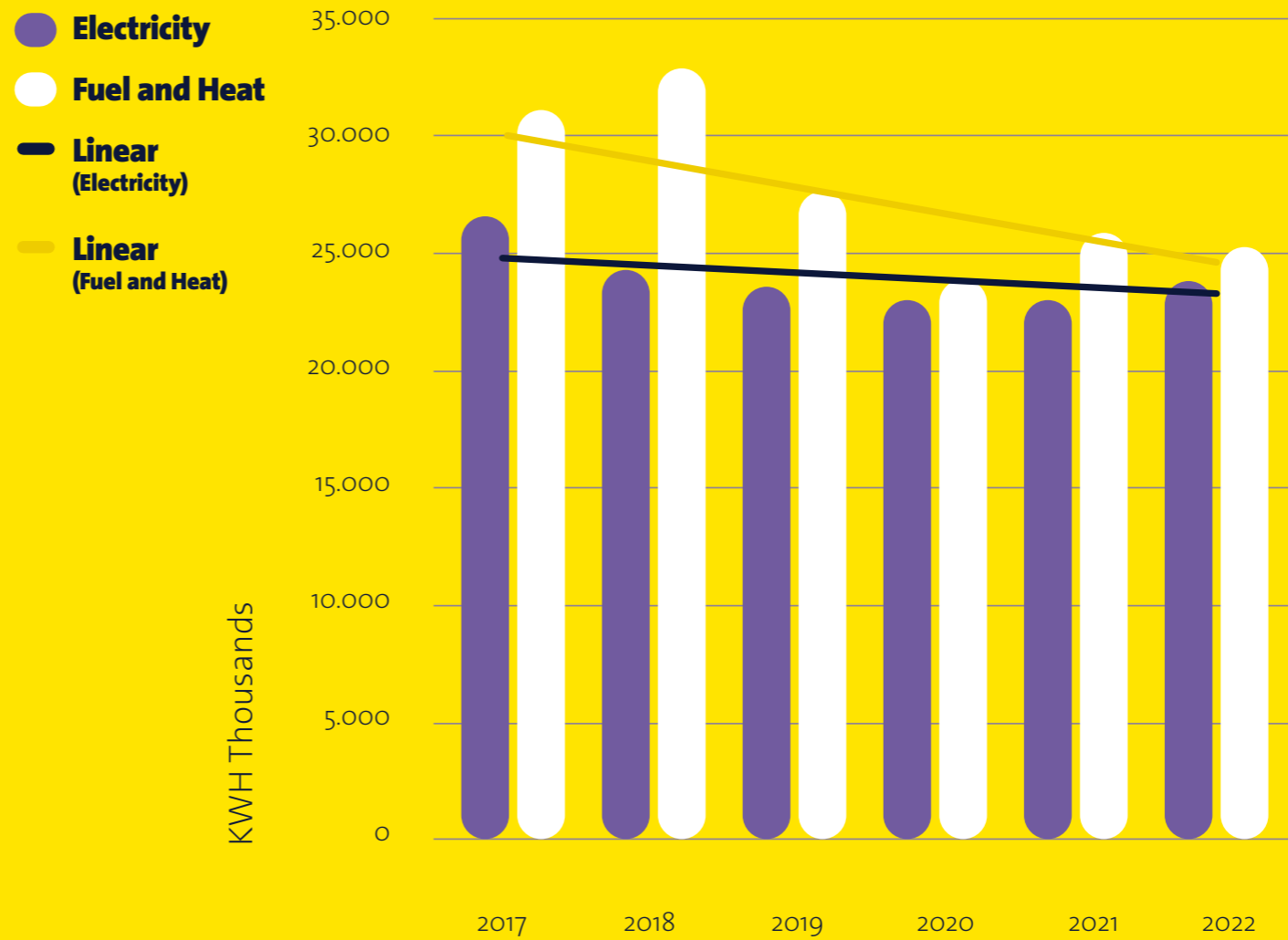


Fig. 1 – CO₂ emissions (in kg) per kg production, at constant conversion factor for electricity. Fossil fuel-based electricity is converted to CO₂ with a constant factor of 0.556 kg CO₂/kWh.

Overall **progress.**

KZG total energy consumption

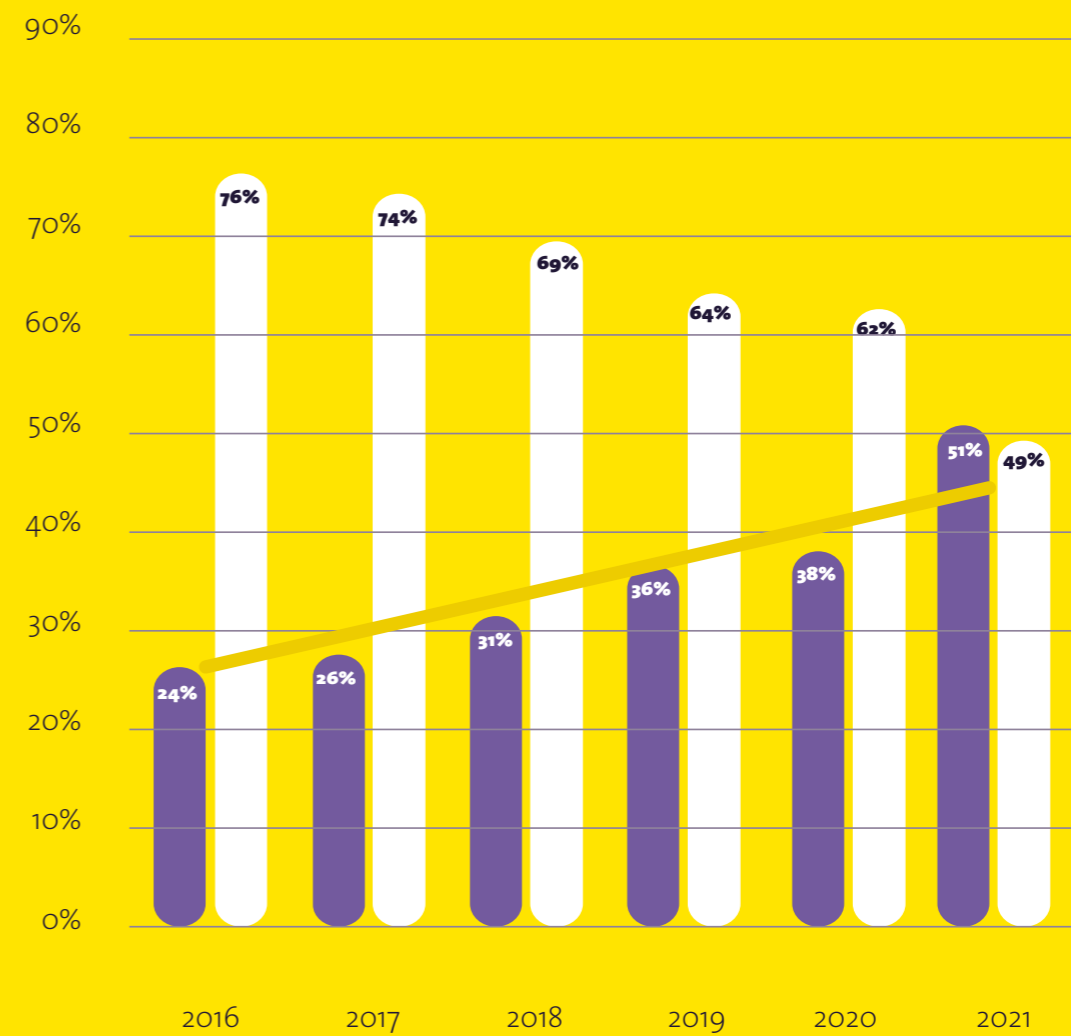
In 2022, our total electricity consumption increased by 2-3%, while there was a sharp reduction in natural gas consumption (-8%), resulting from energy-saving measures and the gradual transition from gas to electricity as our main source of energy.



Overall **progress.**

Electricity usage

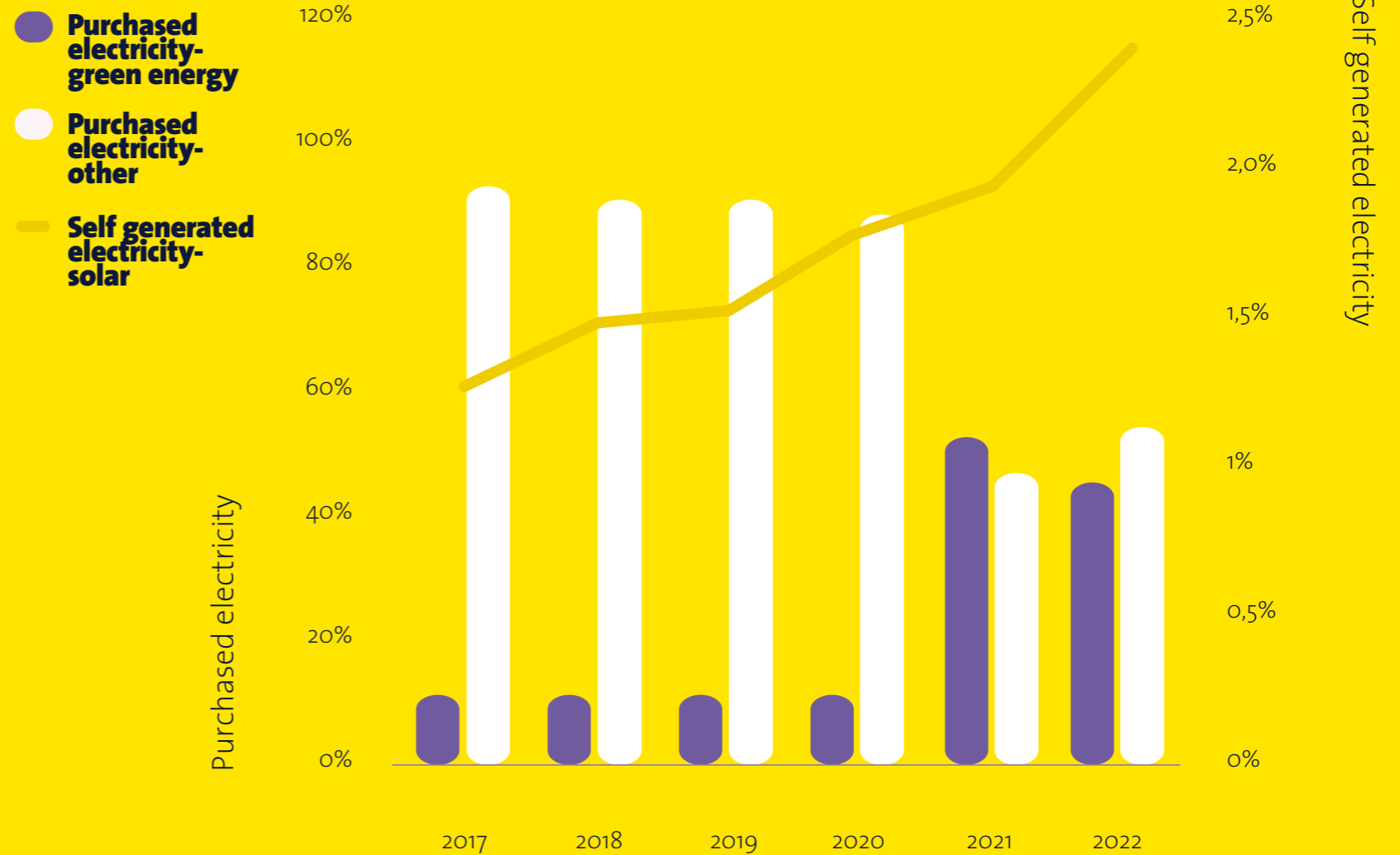
-  **Production purposes**
-  **Other**
-  **Linear**



Source of electricity

The percentage of self-generated electricity increased thanks to new solar panel installations (and will substantially increase in 2023 thanks to preparations for new installations in 2022). However, the switch from purchasing fossil-fueled to renewable energy made little progress in 2022, mainly due to cost concerns. Here, too, we expect a substantial increase in 2023.

The plan focuses on scope 1 and 2 emissions (our own emissions and those from electrical power respectively). However, we also identified possible reductions of our scope 3 emissions, which we are exploring and evaluating. For example, we're looking at ways to help fight deforestation through responsible procurement and by using more plant-based ingredients.



Specific results.



For our biggest-selling products, we have developed **plant-based alternatives** to dairy and egg-based ingredients.



We continue to **install solar panels** on all suitable roofs, although progress was hampered due to COVID. At the end of 2022, we had installed 7,038 m² of solar roofs, which can generate 555 MWh of electricity.



As individual operating companies' electricity contracts expire, we switch to **green electricity**. By the end of 2022 45% of purchased power was generated from renewable sources.

Solar panels on every roof

Solar panels One of our key policies for transitioning from fossil to renewable fuels is installing solar panels on every bit of suitable roof. Spain was one of fifteen countries which joined the Group-wide initiative in 2022. Thanks in part to the Spanish efforts, we have already reached over 7,000 m² of installed solar panels.

Preparations were undertaken for extending the scheme in 2023, when more operating companies including Zeelandia Portugal and Zeelandia China will join. We anticipate that by the end of 2023 we will have covered 16,500m² of roof surface with solar panels, supplying 12% of our total electricity consumption.



Zero waste.



“We need to change our packaging to meet customer demand and protect our products. Most of our packaging can be recycled and we encourage customers to do so by including material codes on all packs. We are working on replacing non-recyclable materials with sustainable alternatives and aim to reduce packaging waste through our Sustainable packaging strategy focused on the 3 R’s: Reduce, Replace, and Recycle.”



Niels Steenblok

Niels Steenblok
Packaging engineer
Zeelandia Group

Our **strategic goals.**

- To keep unsorted waste below 10% of total waste, paving the way for more recycling.
- To reduce our internal food waste to 1% or less of the volume produced.
- To support our customers in reducing/reusing food waste in their operations.
- To facilitate recycling by transitioning to mono-material packaging, and by ensuring 100% of our packaging provides information on its composition.
- To replace existing materials with 100% FSC-certified paper and cardboard whenever possible and to no longer use of aluminium.



Overall **progress.**

Over the years, we have consistently worked to recycle as much waste as possible, encouraging subsidiaries to sort waste even if local recycling options are limited. By doing this, we want to set an example and boost the development of a (local) supply chain for recycled materials. In 2022, 83% of our waste was sorted to enable recycling.

Depending on local recycling possibilities, waste may be sorted into more specific categories than those listed in the graph. For example, in the Netherlands our confidential waste paper and our coffee cups are used for the production of recycled toilet paper and paper towels.

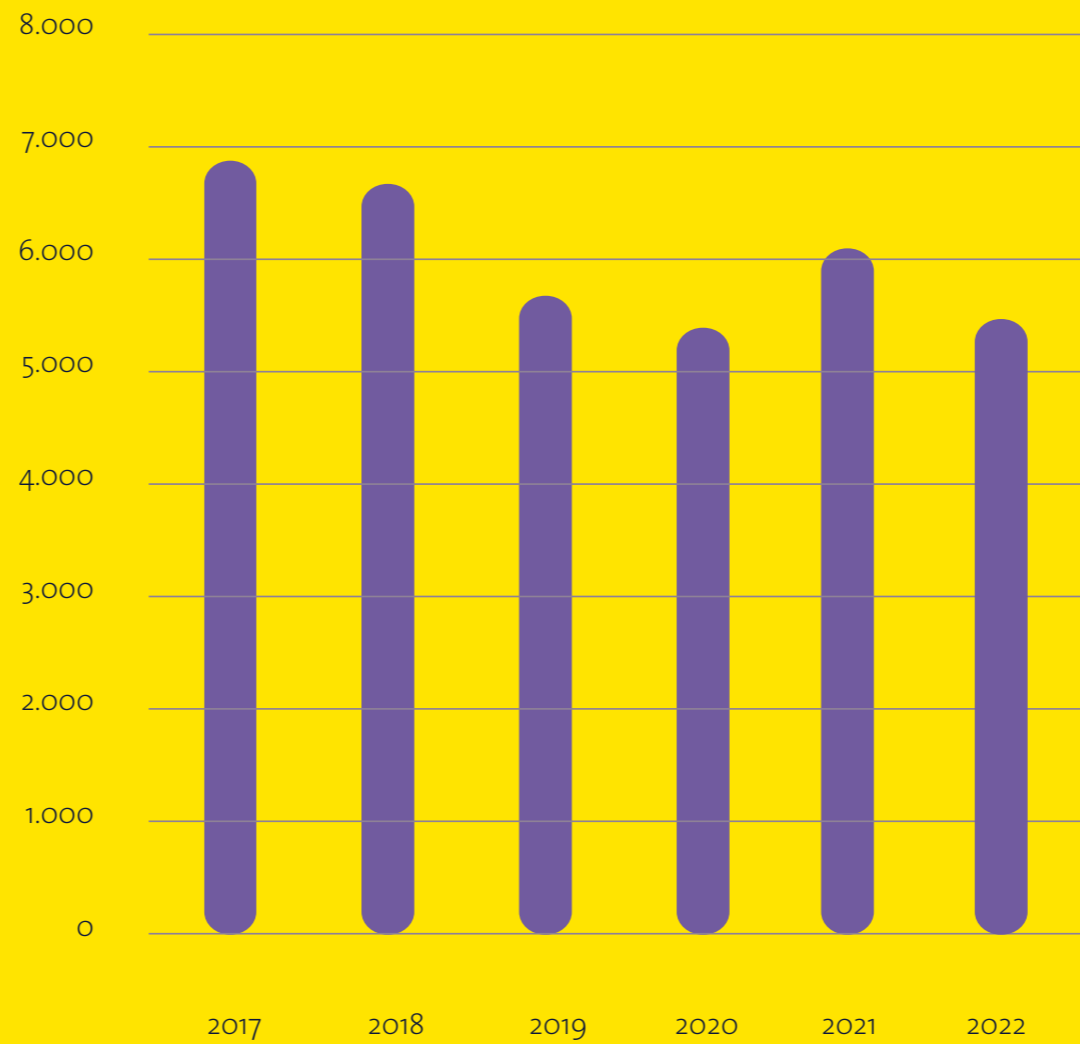
Total waste



Overall **progress.**

Commercial waste in *MTS/year*

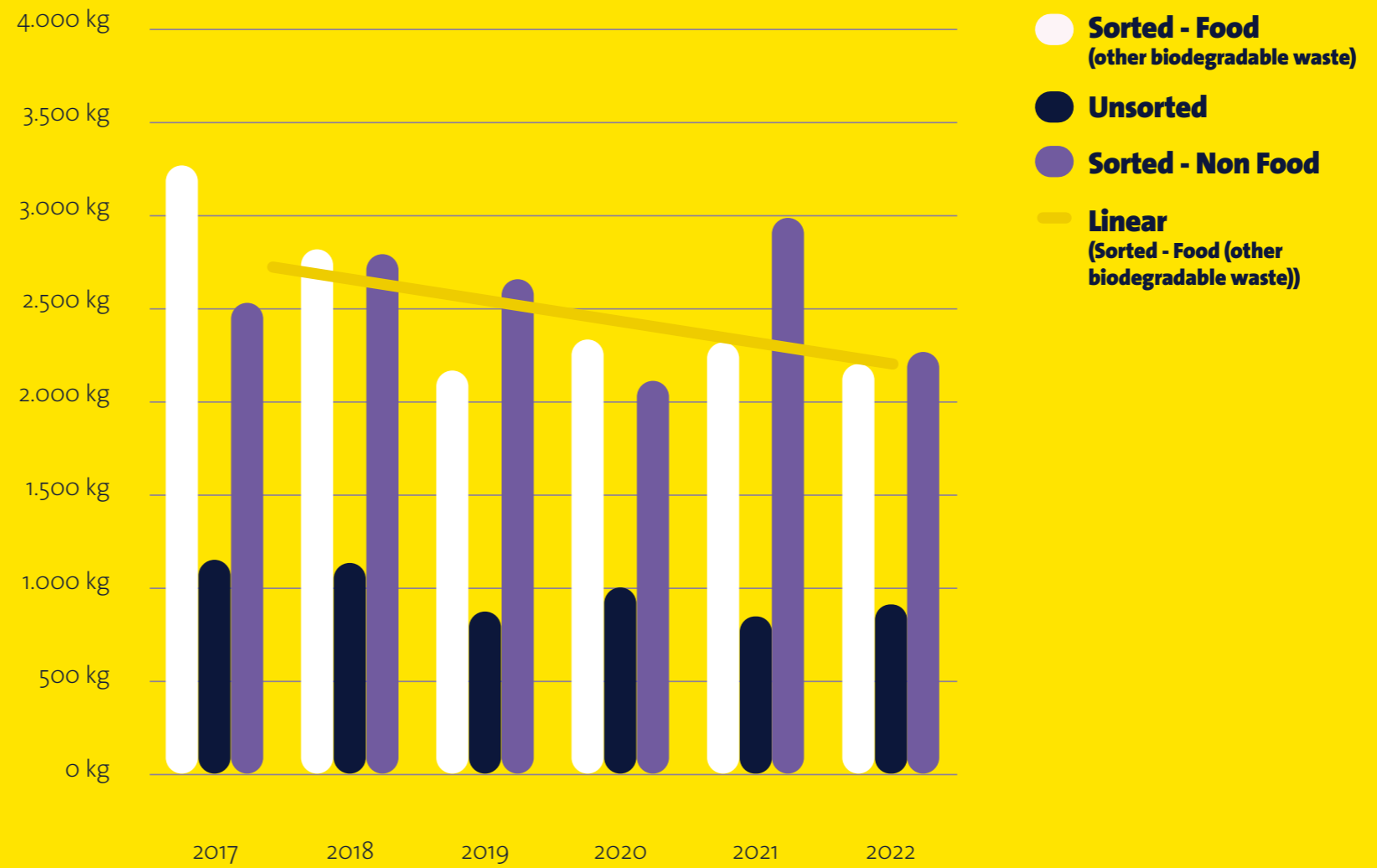
After an increase in 2021, our total waste volume in 2022 dropped to 2020 levels.



Overall **progress.**

Composition of commercial waste

The amount of sorted food waste is steadily decreasing and is now close to the target of <1% of production volume. A great achievement, seeing that the industry average is 3% of produced volume.



Overall **progress.**

Hazardous waste in *MTS/year* *MTS = 1000 kg*

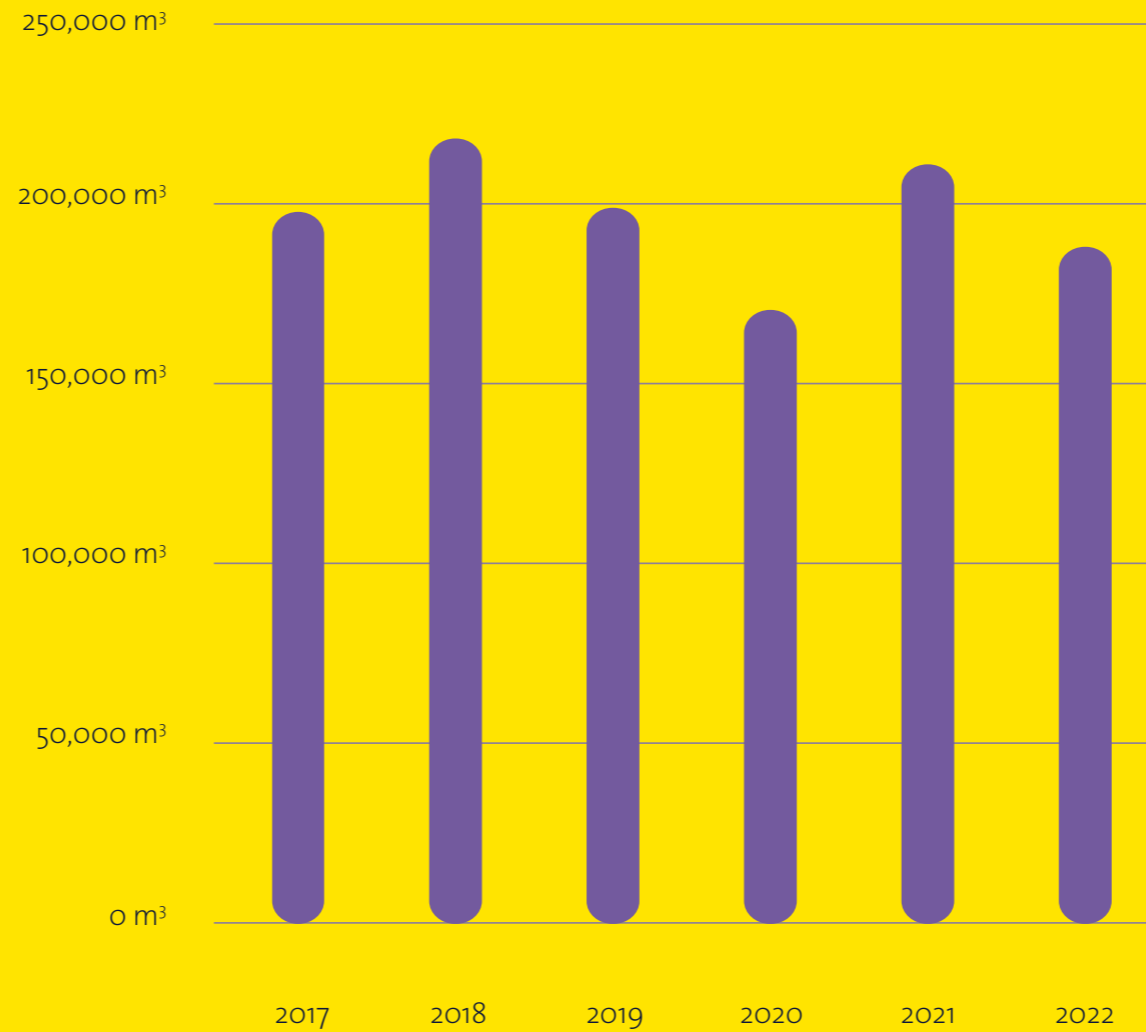
Hazardous waste production was still high in 2022, due to construction work in our Brazil facilities. In 2023 we expect hazardous waste production to return to the levels seen in previous years.



Overall **progress.**

Water waste

Water consumption is closely related to a plant's product portfolio; the main water users are our plants in Belgium, the UK, Czech Republic and the Netherlands. In 2022 our Dutch plant managed to reduce water consumption by 22%. We expect another sharp reduction in Belgium next year, when our local factory will relocate to a new site.



Best **practices.**

We have recently launched one of our new sustainable packaging: recycle-ready bags.

Some of our key customers have already started using it and it represents a great collaboration and commitment from both us and our customers with more sustainable alternative solutions.

We have been taking the steps towards a more sustainable planet by reducing our use of plastic and replacing it with 100% paper-based packaging. This switch made by our customers, has helped saving up to 1200 Kg of plastic in 2022.

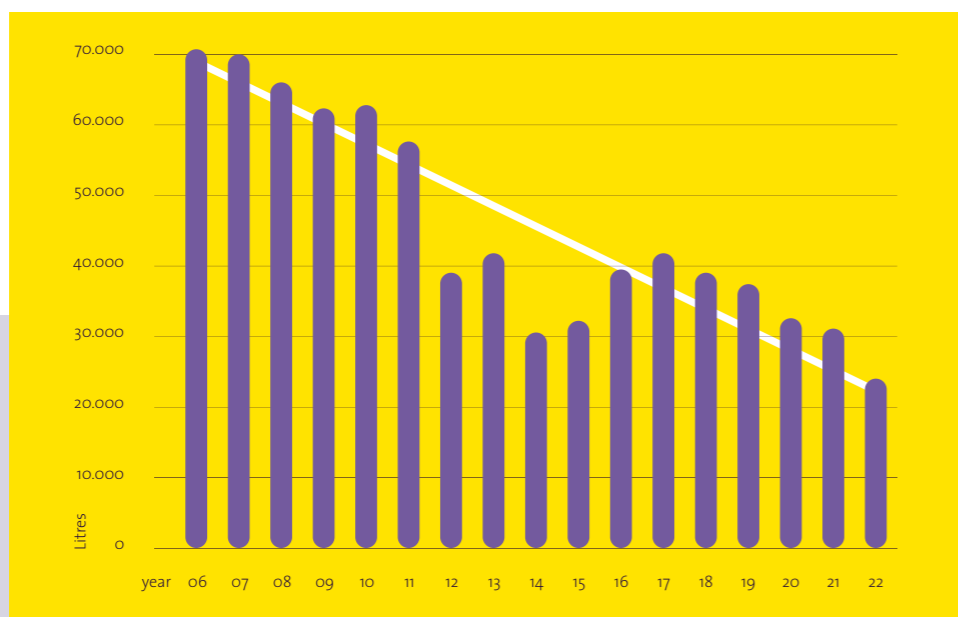
But not only that:

- The bag helps **reduce the ink used by 55%**.
- It's made by **non-bleached FSC paper** from sustainably managed forests.
- Contains **20% less chemicals** used during production process.

In order to achieve our commitments towards a more sustainable planet, we must work together with our stakeholders and supply chain partners.



Zero waste: our top stories.



22% savings on water consumption

In our production facilities in the Netherlands, we achieved substantial savings in water consumption. These savings resulted from targeted investments in water efficiency. We refurbished our almond washing machine and replaced cooling installations with more efficient technology (circulation instead of flow cooling). The efforts resulted in water savings of 22%.



Saving paper in Portugal

In supporting our customers, we use a wide range of communication materials. In Portugal we made a concerted effort to replace printed materials with digital versions, using QR codes to help customers access this documentation. This project allowed us to reduce the amount of printed material by no less than 40%.



Recycling boxes into eco packaging filler

Not all cardboard boxes are fit for reuse. Yet that doesn't mean they cannot be recycled. Zeelandia Poland purchased a shredding machine to recycle old cardboard boxes (also from our offices) into packaging filler – reducing cardboard waste by 100%.



Responsible procurement.



“The challenge today is to make the end-to-end value chain sustainable. This benefits both suppliers, customers, and society. To achieve this, we need to focus on stopping deforestation, preserving water, maintaining soil health, and fostering biodiversity. We work with our suppliers to improve sustainable farming practices and create transparency. We assess our suppliers, and support companies that show a clear commitment to responsible practices. Let’s act together.”



Gudrun Lemli

Gudrun Lemli
Responsible Procurement Lead
Zeelandia Group



Our **strategic goals.**

- To replace existing packaging materials with 100% FSC-certified paper & cardboard, when available.
- To continue environmental & social assessments of our suppliers, through various audits.
- To ensure that 100% of the palm oil bought by Zeelandia Group in the EU will be RSPO-certified by 2023.
- To ensure that 100% of our suppliers of ingredients, packaging, equipment, and traded goods have signed our Supplier Code of Conduct by 2023.

Our **overall progress.**

Despite challenging circumstances on the global market for various ingredients, we continued to expect high standards from our suppliers:

- We obtained Rainforest Alliance certification for specific products, which confirms that a product was made using ingredients from farmers whose practices are evaluated by third-party auditors in terms of their social, economic, and environmental impact.
- We obtained full membership of Sedex, a platform which provides detailed supplier information, helping us to verify that we work with parties who comply with our CSR standards.
- We are in the process of assessing all ca. 200 Group suppliers using a wide-ranging set of CSR criteria. Existing suppliers who currently do not meet our requirements will be asked (and supported) to set up a remediation plan. Potential new suppliers who do not fulfill our requirements and cannot present an adequate remediation plan, will be disqualified.
- We completed our Code of Conduct and shared it with suppliers of high-risk ingredients.



Looking **ahead.**

Over the past few years, CSR has been well and truly embedded in our organization, and in the hearts and minds of Zeelandia employees and management. The challenge for the coming years is to increase momentum and create the change needed.

The economic situation places great pressure on bakers and will result in a more price-sensitive market with rising costs of energy and materials

Despite these challenges, we will continue to invest in our CSR objectives, making sure to select initiatives with the highest long-term impact.

We are also confident that there are opportunities for growing turnover and margins through our consistent R&D innovation focus on healthier ingredients. While consumers are also hit by inflation, health and well-being remain important factors in the choices they make.

General outlook.





The next steps.

Our R&D efforts and successful collaboration with suppliers will enable us to introduce and launch more products with a clear sustainable and healthier profile, gradually transforming our portfolio and giving consumers a full choice between traditional and innovative products.

On climate, energy, and waste we will continue to improve step by step, focusing primarily on what we can do ourselves (for example, through solar panels and by using packaging material that is easy to recycle).

To further integrate CSR into our daily business, we will develop an adapted set of reporting rules and KPIs, in line with the GRI reporting standard and ESRS (European Sustainability Reporting Standards). This will allow us to report our progress to stakeholders in a more transparent way, and increases the efficiency of internal reporting, giving our management more useful and relevant data to work with.

In short: knowing where we stand will allow us to make choices with increased impact. As our CSR results in 2022 demonstrate, we can make a significant difference as a company. It is our firm resolve to build on that in 2023, to help create a more sustainable future for ourselves and the world around us.

keep **exploring.**

Find out more at

www.zeelandia.com/sustainable-commitments