



**Sustainability
Report.**

2023



Zeelandia

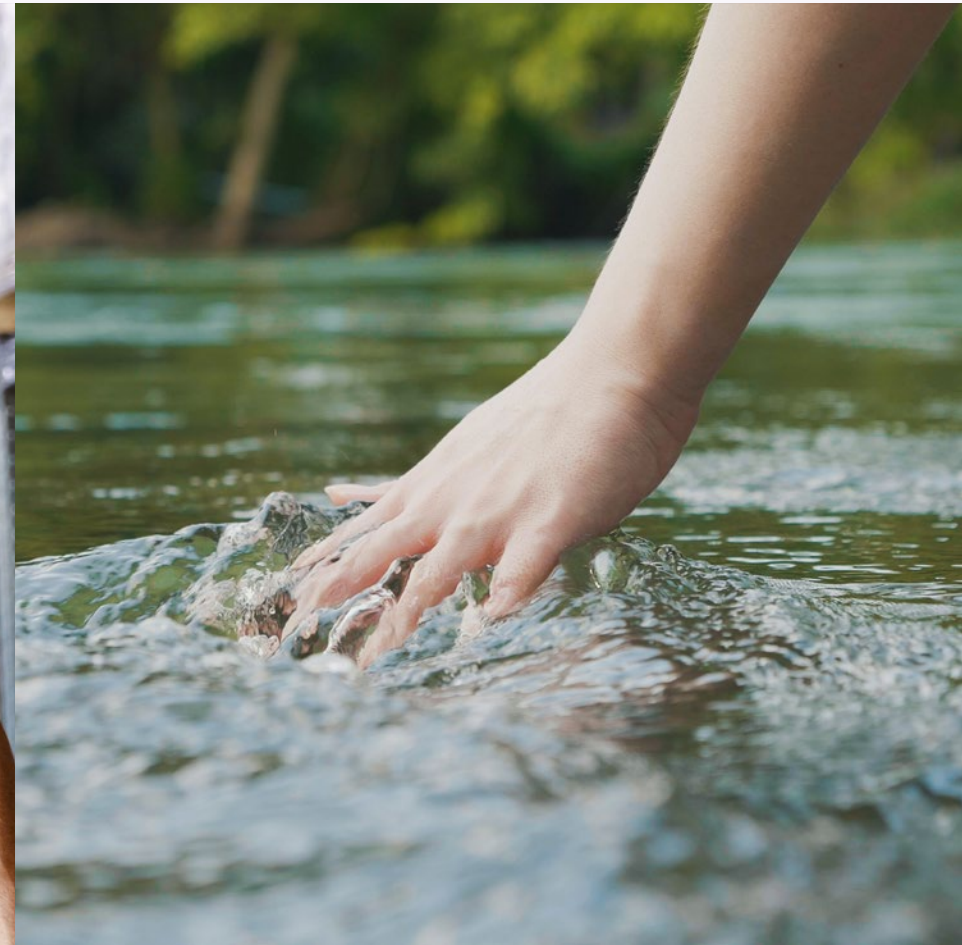
Table of **contents.**

About this report.

At Zeelandia, we are driven by a profound commitment to the well-being of every life we touch. This annual report on our corporate social responsibility (CSR) showcases our commitment to having a positive impact on our employees, customers, and consumers, as well as on the communities we live and operate in and the environment we coexist with.

This report highlights that we do not measure our success merely in terms of our financial performance, profit, or market share. It is about assuming responsibility for the world we share. As you read through the following pages, discover the stories, initiatives, and milestones that illustrate our firm commitment to creating a more sustainable, responsible, and inclusive future.

Together, we make our world flourish.



Introduction.

5 A Message from our CEO

6 About Zeelandia





A Message from our CEO.

In 2023, our company once again found itself navigating a rapidly changing environment. From the COVID-19 pandemic to geopolitical instability, while these developments have been disruptive in some ways, they have also strengthened and accelerated trends that were already evident. Some of these trends have a direct impact on our work at Zeelandia.

Rising energy prices add urgency to existing efforts to cut energy consumption and CO₂ emissions. Meanwhile, the pandemic has boosted consumer awareness of the importance of a healthy diet. It has also accelerated the shift towards buying food from (online) supermarkets and convenience outlets.

These trends pose new challenges both for the artisanal bakeries we continue to support, and for their industrial counterparts. And by strengthening our partnerships with them, we are determined to help them succeed, with innovations that not only boost our customers' commercial success but also reduce their environmental footprint and create a wider range of healthier options for consumers to choose from. And this is important, since CSR is not about ticking boxes or doing things that feel good but about effecting real change. That's why our CSR

efforts at Zeelandia are focused on areas in which we can have the greatest impact: by promoting consumer health and well-being, and by reducing carbon emissions and waste – not only in our own factories but throughout the supply chain.

Real commitment to these issues also requires that we are transparent and accountable. That is why we have taken steps to take our reporting to a higher level, by introducing a new reporting tool that will allow us to monitor and disclose crucial data in greater detail than ever.

In short, we're stepping up our efforts to make a real difference. This report describes the milestones we have reached over the past 12 months, and how we're planning to build on them as we work towards our purpose: Together, we make our world flourish.



Frans van Luijk
CEO Zeelandia Group

About Zeelandia.

Zeelandia Royal Group is a family-owned company, founded in 1900 by the Dutch Doeleman family and headquartered in Zierikzee (the Netherlands).

We have more than 120 years of experience in the bakery ingredient business. Every day, our 3,100+ passionate employees worldwide are dedicated to developing bakery ingredients and solutions tailored to local tastes and needs. We serve a wide range of customers, from small artisanal bakeries

to large industrial clients catering for (international) retail chains and out-of-home outlets around the world.

Our portfolio includes thousands of products, such as bread and pastry mixes, bread improvers, fermented products, fruit fillings, coatings, and release agents.

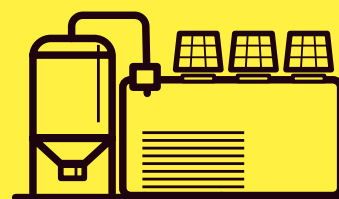
Our innovations and portfolio choices are inextricably linked to our CSR Commitments and strategies. For example, we have established a 'Better for consumers' portfolio, to

offer consumers healthier alternatives. Our goal is that by 2025 at least 50% of new product launches throughout the Group meet one or more of this portfolio's criteria. In 2023 we achieved a turnover of EUR 701 million (including joint ventures). We have operations in 25 countries* and sales in about 100 countries.



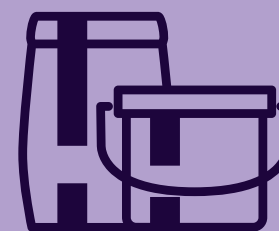
Over
3,100
employees
worldwide

**Operations in
25 countries**
(including joint ventures)



26
production
sites worldwide

Products sold in
100+
countries



Overall turnover:
EUR **701 million**

*This report covers the CSR performance of all operating companies with the exception of Zeelandia Kenya and Wouters N.V., whose activities as separate entities were discontinued in the course of the reporting year.

Strategy & Performance.

- 8 Our Purpose, Values & Mission
- 9 Achievements
- 10 Our Approach to CSR
- 11 Top Stories 2023

**We are driven by our purpose,
mission and core values.**

Our Purpose.

Together we make our world flourish.



Our Mission.

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

Achievements.

- People**
- Planet**
- Governance**

42% 


of product launches matched our **'Better for Consumers'** portfolio criteria (sugar reduction, clean(er) label, plant-based, digestive health and/or nutritional improvement).

Over
€ 250.000,- 

was **donated** to social initiatives.

821 

Zeelandians (1 in 4) were involved in CSR-related initiatives

11% 


reduction of commercial waste (food and non-food, compared to 2022).

95% 

of palm oil used by Zeelandia in the Netherlands was RSPO-certified.

30% 

reduction in registered **scope 1&2 CO2 emissions** (compared to 2022).

52% 

of our electricity comes from **renewable sources** and **6.3%** is **self-generated**.

+25,698m² 

of our facilities' roofs are covered with **solar panels** (compared to just over 7,000 m2 in 2022).

100% 

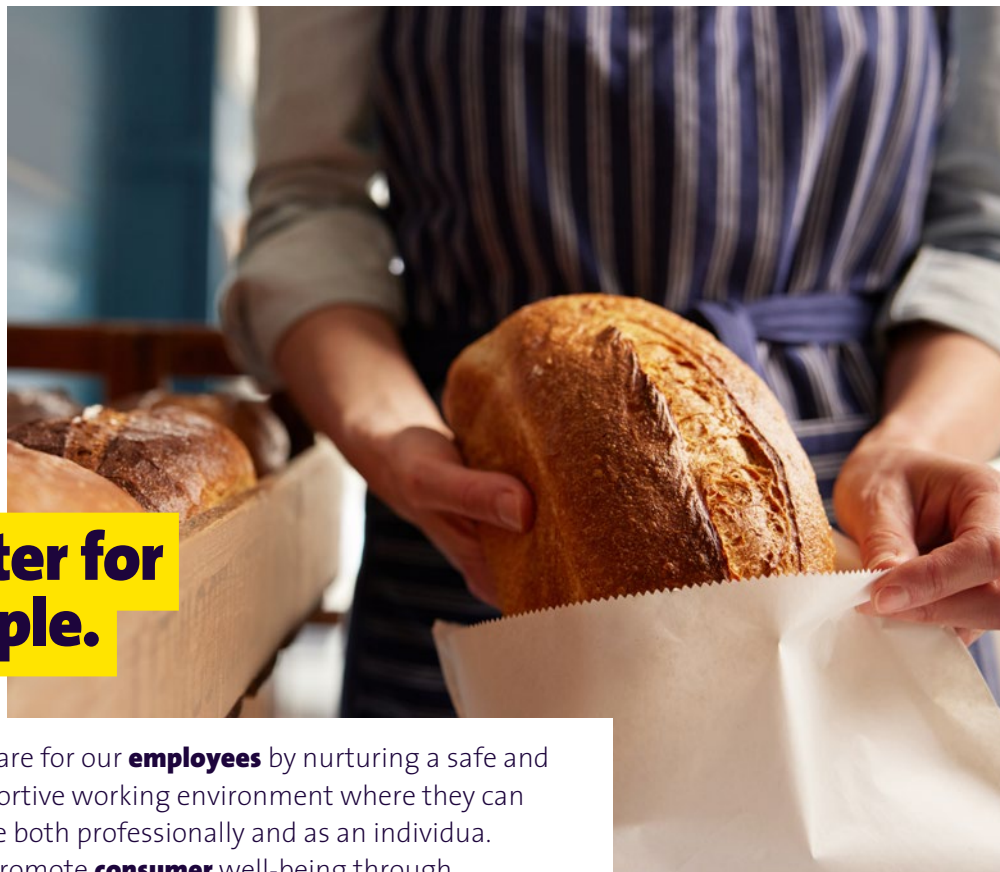
of our European production sites are **GFSI-certified** and are committed to continuous improvement to achieve the highest possible level of product quality, food safety and hygiene.

Our Approach to CSR.

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** and **Better for the Planet**. In 2023, 71% of our CSR activities were focused on “Better for People” and 29% on “Better for the Planet”.

- We focus on **Clean Energy** especially through renewable electricity and transport efficiency, to help mitigate climate change.
- We work towards **Zero Waste**, through projects aimed at reducing food and non-food waste, such as developing sustainable packaging solutions.
- Through **Responsible Procurement** we help tackle a wide range of environmental and social concerns.

Better for the Planet.



Better for People.

- We care for our **employees** by nurturing 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.

Top Stories 2023.

From vegan to vitamin-enriched: how we boosted our 'Better for Consumers' portfolio



Monitoring employee engagement



Legs that Bless: inclusion of youngsters with disabilities



Strengthening our commitment to product quality, food safety and hygiene



Rewarding the academic efforts of employees' children



How Zeelandia is harnessing the power of solar energy



Cleaning up our wastewater with bacteria



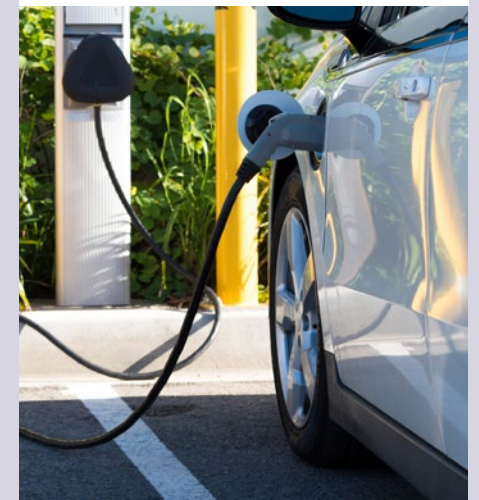
A global effort to donate Christmas gifts to Ukrainian families



How our E2 Technology reduces food waste



Green mobility: introducing hybrid cars



Better for People.

13 Consumers

17 Employees

22 Communities

Our purpose, “Together we make our world flourish” is a dedicated commitment to having a positive and lasting impact on the well-being of individuals and communities. This includes our consumers, whose quality of life we look to promote through a wide range of delicious and healthier products. It also includes our colleagues, the driving force behind our business and long-term success, as well as the communities we’re part of and where we want to be a force for good.

Consumers.

“Making our products healthier, reducing the use of additives, and enhancing our products’ nutritional profile remain highly important to us. This year, more than 40% of our new products launched worldwide had a “Better for Consumer” profile. These included clean(er) label products, as well as products which are plant-based, have reduced sugar content or promote digestive health. All these topics are important to the consumer – and therefore to us at Zealandia.”

Anna Treyster

Anna Treyster
Better for Consumer Lead
Zealandia Group

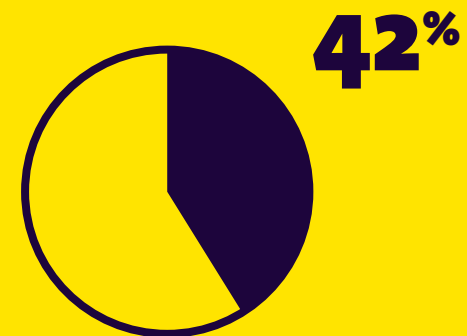


Consumers.

Strategic goals.

- 1. To improve our products' nutritional profile,** for example by adding fibres, reducing sugar content, offering gluten-free and/or plant-based options and by creating clean-label solutions, in order to support consumers in their choice for a healthier lifestyle.
- 2. To boost the share of product launches that meet one or more criteria of our 'Better for consumers' portfolio:** less sugar, a clean(er) label, plant-based, digestive health and/or overall nutritional profile improvement (goal: 50% by 2025)

Results in 2023.



42% of our **product launches** matched our **'Better for Consumers'**



A **42% increase** in the number of new product launches with **plant-based claims**, compared to 2022.



A **57% increase** in the number of new product introductions with a **clean(er) label** claim, compared to 2022.



Consumers: Best Practices.

Boosting our 'Better for Consumers' portfolio.



**V-GO! Our
vegan range.**

In 2023, the V-GO! vegan product range was actively launched and promoted in Poland, Romania, Slovakia, the Netherlands and Turkey.

Vitamins and Omega-3: **enriched bread** mixes in Portugal.

Covid reinforced the importance of a strong immune system, and enriched bread mixes can help by adding important nutrients. In Portugal we launched two reformulated bread mixes. Vitabread is enriched with Vitamin D: 100g of Vitabread provides 30% of the recommended daily intake of Vitamin D. Omega.bit is a multicereal bread with Omega 3 (ALA), which provides 100% of the reference intake per 100g.



**Sharing food safety
knowledge with
customers in Indonesia.**

We are actively educating our customers on how to handle products properly from a food safety perspective, from the moment raw materials are received and stored up to the sale of end products to the consumer. And we make sure our own employees' knowledge remains up to date through training and continuous improvement initiatives.

Consumers: Best Practices.

All European production sites are GFSI-certified and are committed to continuous improvement to achieve the highest possible level of product quality, food safety and hygiene.

Strengthening our commitment to product quality, food safety and hygiene.



Belgium delights in sugar-free cake mix.



Delight Cake is a sugar-free mix that serves as an ideal base for a sponge cake, plate cake, biscuits, muffins, waffles and much more. Thanks to a simple recipe and natural vanilla flavouring, this mix is the perfect starting point for all sugar-free cakes. The mix has a wide range of applications, working with either oil or butter and can be combined with fruit and other fillings.

UK launches vegan caramel.



As in many other markets, there is a clear consumer trend in the UK towards vegan alternatives, to reduce the climate impact of dairy products. Zealandia decided to develop a vegan caramel: a smooth caramel, in which dairy elements are replaced by coconut oil paste and pectin. After successful trials in the Zealandia test kitchen, production was started up in late 2023 and, by the end of the year, 5 tonnes had already been sold, for example for use in protein bars.

Employees.

“Investing in our employees remains a top priority, as we firmly believe that they are our greatest asset. We are committed to their growth and success, recognizing that this investment not only benefits our people but also adds value for our customers.”

Cathalijne Schotte

Cathalijne Schotte

Better for Employees Lead
Zeelandia Group



Employees.

Strategic goals.

1. To **sustain a healthy and engaging work environment** that promotes our employees' professional growth, well-being, and job satisfaction.
2. To **professionalize our succession policy & standards**, which will have an impact on many HR and CSR topics, including employee engagement, personal growth and development in the widest sense.
3. We will **continue the implementation of our "Scaling Up" leadership programme**.



Results in 2023.

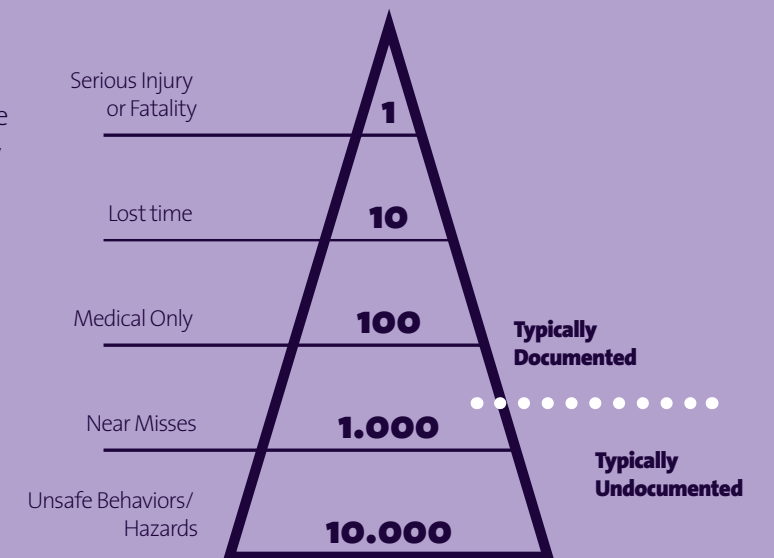


Of the 253 CSR initiatives aimed at social impact, 56% **focused on employees.**

Overall progress in 2023.

We began **collecting data on several CSR topics including diversity, discrimination, safety, etc.** In 2024 we will continue to collect data, make a first analysis, and enlarge the scope by adding new data categories, in line with our plan for the implementation of the Corporate Sustainability Reporting Directive (CSRD)/Global Reporting Initiative (GRI) in our CSR reporting tool.

We developed a fully automated people safety tool, for use across Zeelandia companies, which was piloted in two countries. This tool simplifies the reporting of near-misses and unsafe behaviour, taking our safety culture to the next level.



Employees: **Best Practices.**

Ukraine's colleagues' children visit the Netherlands.

We organized a trip for our Ukrainian employees' children - aged 8 to 18 - to visit the Netherlands. The initiative was aimed at giving them a much-needed break from their everyday lives and enjoying new experiences.



Poland: **Family time is quality time.**

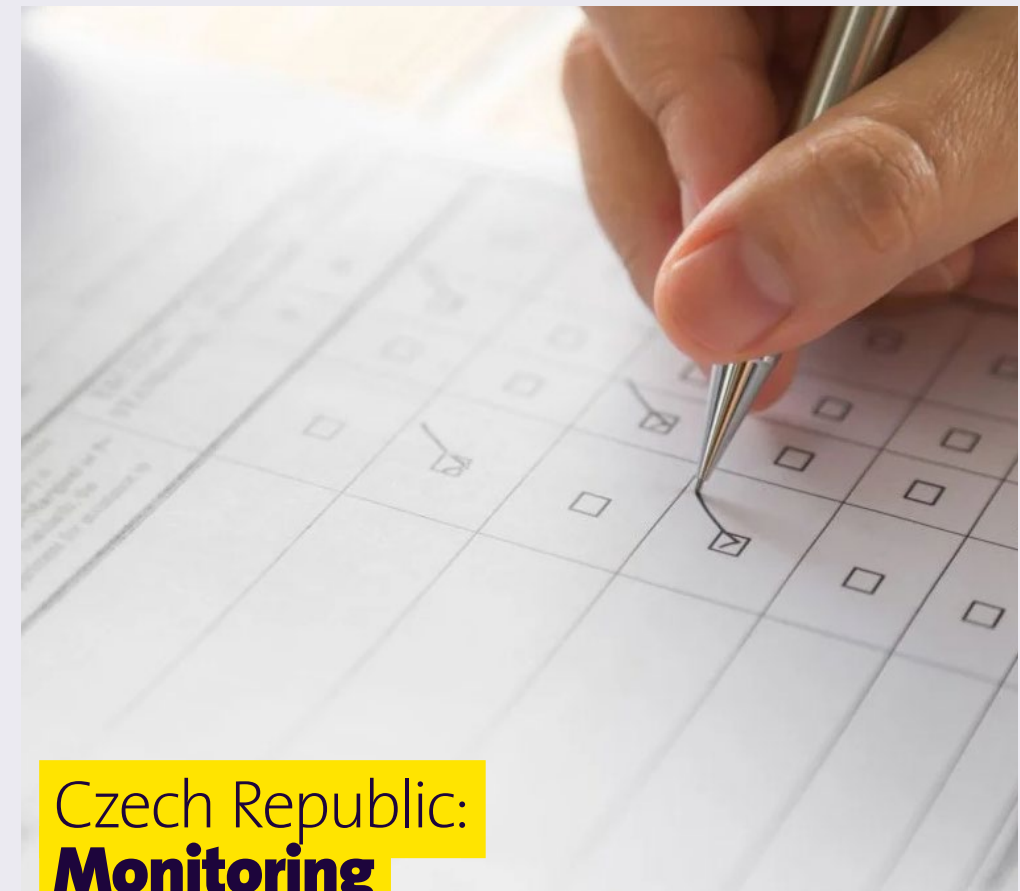
Two Hours for Family is a social campaign that promotes strong family relations. We invited all employees to mark 15th May – the International Day of Families – by reflecting on the quality of our relationships with family members, and to spend 2 hours of quality time with them on what would have been a normal working day.



Employees: Best Practices.

We have introduced the Employee Children's Scholarship Programme with the goal of encouraging the educational growth of our employees' children. A programme designed to reward children who put extra effort into their academic studies.

Indonesia: Scholarships for colleagues' children.



Czech Republic: Monitoring employee satisfaction.

After two years we repeated an anonymous employee satisfaction survey, with the help of an external agency. 78% of employees participated in the survey, which focused on the overall atmosphere, communication, working conditions, salary, professional development opportunities and company leadership. The overall satisfaction rate was 77%, while the score for engagement and overall identification with Zeelandia was an equally positive 78%.

Employees: Best Practices.



Brazil: **Pink October** and **Blue November.**

During October and November 2023, we conducted communication campaigns within the company on the importance of preventing breast and prostate cancer. Our Internal Accident Prevention Committee promoted a lecture on these subjects with a specialist nurse, which was attended by all employees, many of whom used the opportunity to ask questions and exchange ideas and experiences.



Communities.

“A person is worth as much as they can give to another person. It is the people and relationships that we treasure most. Zeelandia empowers employees to make meaningful contributions to communities. Being aware that we, as Zeelandia, make a positive impact on someone else’s life is the greatest measure of success we can ever achieve.”

Anna Łuczak

Anna Łuczak

QA Systems Coordinator
and CSR Ambassador,
Zeelandia Poland



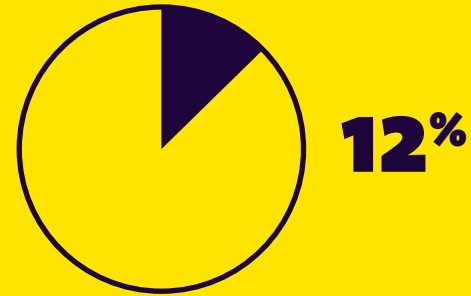
Communities.

Strategic goals.

1. To **deepen community partnerships and expand support for initiatives** addressing poverty, hunger, education, and environmental conservation.
2. To **increase engagement with local communities** through skills sharing and knowledge transfer.



Results in 2023.



Among the total of **253 initiatives** that were aimed at social impact, **65 focused on communities**. A 12% increase compared to 2022.

253,572€



EUR 253,572 was donated to social initiatives throughout our global network.



Communities: Best Practices.

We organized four engaging Roadshows for customers, during which our team of chefs and marketing experts shared insights on optimizing employee potential, minimizing costs, and maximizing energy efficiency. During live workshops, the chefs demonstrated three applications on stage, while marketing colleagues helped bakers use storytelling to share their approach with consumers. The roadshows combined tasting sessions with personalized advice, and one-on-one consultations.

Belgium: Bakeries with a successful series of roadshows.



Spain: Food bank support.



Poland: Baking "dinner for every kid".

This ongoing initiative encourages our customers to develop their own CSR activities around Zeelandia's best-selling Jogurtowe Cake mix. The initiative also allows small bakeries to build a campaign they might otherwise not have the resources for. Over 190 customers joined, donating 1613 meals, showcasing the impact of purpose-driven business.

Due to the Covid pandemic, we started collaborating with the local food bank in early 2021 to help families who were going through challenging times. Since then, we have made an annual donation of bread/cakes, which in 2023 amounted to approximately 700 kg of bread and 12 "mona" cakes. In addition to these donations, we also share production and test leftovers with the food bank, which also helps to minimize food waste.

Communities: Best Practices.



Ukraine: **Bake4Ukraine Christmas Gift.**

With the support of the global Zealandia families, EUR 12,000 was donated to this initiative. This allowed us to hand out Christmas gift boxes to 1,000 families who have been affected by military operations or have even lost their homes. What makes this campaign even more special is the partnership with Bakery 21.3, which provides employment opportunities to people with Down syndrome.



Slovakia: **'A lot of love'.**

We donated 1,000 delicious pieces of pastry and bakery products to support disabled children and people from children's homes in the east of Slovakia. Our products were more than just treats; they were offered as symbols of hope, warmth, and a community coming together to create a better world for all.



UK: **Supporting the development of students with learning difficulties.**

As part of our links with the local community we joined up with Market Field College. This college provides education for students with moderate learning difficulties, including those with autistic spectrum needs, aged 16-19. In 2023 Zealandia UK ran 4 courses exploring the world of bakery, covering bread, sweet doughs, pastry, cakes, and biscuits. The courses combined theory with practical sessions, including some fun bakery experiments! The experience was an essential part of the students' academic year, giving them valuable experience in a real-life workplace.

Communities: Best Practices.

In 2023, we supported the Legs that Bless Event through our Pão Amigo product. Legs that Bless is an organization dedicated to enhancing the lives of children and adolescents with disabilities. For example, by organizing inclusive sports events, such as street racing on tricycles ridden by athletes.

Our contribution to this event included the distribution of products to the athletes and the donation of a tricycle for ongoing events and races throughout the year. Colleagues from our Supermarket and Marketing Communications departments helped organize the event and took care of product distribution on the day.

In 2023 we also participated in Teleton, a nationally recognized event in support of the Brazilian Association for Assistance to Disabled Children (AACD). The event is broadcast across various television channels and social media, and features contributions from various artists and influencers. A team consisting of approximately 20 Zeelandia employees supported the event by showcasing some delicious recipes using Pão Amigo.

We're immensely proud of the overall impact Pão Amigo had in 2023, contributing to around 1,000 physiotherapy sessions for patients, worth an estimated EUR 30,000. Over the span of our 8-year partnership with AACD, we have so far facilitated over 12,000 physiotherapy sessions - a significant milestone!

Pão Amigo - a catalyst for helping disabled children in Brazil.



Better for the Planet.

28 Clean Energy

33 Zero Waste

39 Responsible Procurement

Our purpose - "Together we make our world flourish" – implies a strong commitment to environmental stewardship, which takes centre stage in our CSR efforts as "Better for the Planet." We understand the significant impact our operations have on the planet, and we are committed to effecting positive change through various initiatives. These focus on clean energy and responsible procurement, areas in which we believe we can have

the most meaningful impact. We aim to reduce our carbon footprint, address climate change, and help create a sustainable end-to-end value chain. Additionally, we actively work towards zero waste generation and optimizing resource utilization throughout our operations. By understanding and improving our environmental impact, we pave the way for a more sustainable future for generations to come.

Clean Energy.

“Observing the progress, we’re making, as we respond to the growing impact of climate change, is truly encouraging. Every contribution counts as we seek to support global emission reduction efforts and build a sustainable future. And in addition to reducing our environmental footprint, we are laying the foundation for long-term business success as a company.”

Geert van Vucht

Geert van Vucht
Clean Energy & CO₂ Lead
Zeelandia Group



Clean Energy.

Strategic goals.

1. To meet the targets set out 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.
2. To increase the share of green electricity in our energy mix year on year.
3. To expand the **‘Solar Panel on Every Roof’** programme, covering 45,000 m² of roof surface with solar panels by 2030.

Results in 2023.



We have successfully covered 25,698 m² of roof surface with solar panels (50% of our available roof space)



6.3% of the electricity we use globally is self-generated.



46% of the electricity we use globally comes from renewable sources.

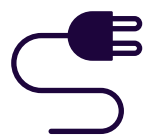


A 30% reduction in registered CO₂ emissions compared to the previous year (2022).*

* This figure partly reflects actual CO₂ emission reductions and can in part be explained by the adoption of a more accurate monitoring tool. We estimate that more precise calculations have resulted in a 15% reduction in CO₂ emissions, while another 15% drop was achieved by a combination of green energy contracts, self-generated renewable energy on site, efficiency improvements in our operational environment, as well as the fact that annually updated emission factors used to calculate our carbon footprint reflect an increasing share of renewable energy in the grid mix.



Specific Energy Results 2023.



Total Energy Consumption

[See results](#)



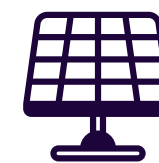
Electricity Usage

[See results](#)



CO₂ Emissions

[See results](#)



Source of Electricity

[See results](#)

Clean Energy: Best Practices.



Poland: **Saving energy through room temperature adjustment.**

We have achieved considerable energy savings through minor adjustments of the room temperature in our office building, warehouse, and production area. Lowering the thermostat by 1 degree in winter and increasing it by 1 degree in summer (or more, if the weather allows), we can save 103,000 kWh of electricity per year.

In 2023 we replaced 8 diesel-powered company cars in Germany with 1 electric and 7 plug-in-hybrid cars. Our goal for 2024 is to replace another 42 diesel cars with hybrid cars, which would mean that the number of diesel-powered company cars will have halved. In Greece, 32 petrol cars were replaced with a hybrid version. These ongoing initiatives will help us reduce emissions and the environmental impact of company travel.

Green Mobility in Germany and Greece.



A decade-long commitment to green energy in Lithuania.



Sertifikatas

Zeelandia UAB

naudoja elektrą iš 100% atsinaujinančių energijos išteklių, tuo būdama pavyzdžiu ir įkvėpimo šaltiniu kitiems rinkos dalyviams vystyti energetiškai tvarų bei aplinkai draugišką verslą.

Laikotarpis: 2023.04.01 iki 2033.12.31

By renewing our green energy power contract, we have ensured that for the next 10 years we will only use electricity from 100% renewable sources. Our goal is not just to reduce our own emissions, but to inspire other companies in our market to invest in an energetically sustainable and environmentally friendly business.

Clean Energy: Best Practices.

How Zeelandia is harnessing the power of solar energy.

A growing percentage of the clean energy we use is self-generated, mainly by making the most of opportunities across our sites to install solar panels. For example, in 2023 we started using a brand-new solar power installation on the roof of our warehouse in Wuxi, China. 2,087 solar panels have been installed on 10,000 m² of roof surface, and this initiative is estimated to reduce our CO₂ emissions by 1,122 tonnes each year, 486 solar panels were installed on the

roof of our facilities in Romania. This installation now covers an impressive 1,500 m² and is expected to reduce our CO₂ emissions by approximately 81 tonnes per year. We will use **89% of this energy in-house**, and the remaining 11% will be sold to others. Overall, the total investment in this installation will be recovered within 3 years.

An inspiring idea: solar panels on truck roofs

While most solar projects focus on the roof of buildings, our colleagues in the Netherlands have identified opportunities in yet another area: the roofs of delivery trucks. Two trailers have been equipped with SolarOnTop technology, which includes solar panels and onboard batteries which can power various auxiliary systems. The technology reduces diesel consumption and cuts emissions by approximately 5% per truck.

Zero Waste.

“The use of our ‘recycle-ready’ bags increased significantly in 2023. Adapting our operational practices took effort, but the benefits became evident once we embraced the change. When you give thought to the fact that this has saved 6,000 kg of plastic in 2023 alone, it motivates us to take the next step forward. The journey continues, and there is much work ahead!”

Niels Steenblok

Niels Steenblok
Packaging Engineer,
Zeelandia Netherlands



Zero Waste.

Strategic goals.

1. To maintain internal food waste at **1%** or less of the volume sold and explore strategies for continuous improvement.
2. To reduce unsorted waste to less than **10% of total waste**, paving the way for more recycling.
3. To facilitate recycling by **transitioning some products to mono-material packaging**. Additionally, we are working to ensure that 100% of our packaging provides information on its composition.
4. To replace existing packaging materials with **100% FSC-certified paper and cardboard** whenever possible.
5. To collaborate with customers, helping them to **minimize food/non-food waste** in their operations where possible.



Results in 2023.



By scaling up our use of recycle-ready bags (in which the plastic lining has been eliminated) to > 300,000 in 2023, **we have reduced the amount of plastic we introduce into the market by 6,000 kg.**



An 11% **reduction in the amount of commercial waste** compared to 2022.



86% of **our waste was properly sorted** to facilitate recycling.

Specific Waste Results 2023.



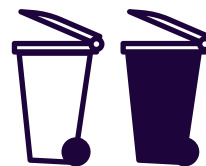
Total Waste

[See results](#)



Commercial Waste

[See results](#)



Composition of Commercial Waste

[See results](#)



Hazardous Waste

[See results](#)



Water Waste

[See results](#)

Zero Waste: Best Practices.

Belgium:
Reducing food waste through advanced bread improver technology.



A successful Czech approach to **preventing food waste in production.**

We employ a two-step method to minimize food waste in production. Thanks to a rigorous quality control process, we can ensure that only high-quality products are used in our recipe and production process. Secondly, we choose not to use raw materials with a short shelf life, and closely monitor the shelf life of materials we do use. This approach has allowed us to cut the amount of food waste in production by 38%.

Our latest Maestro bread improvers (Maestro Premium Powder and Maestro Luxe) feature our proprietary E2 technology. This innovation ensures the baked product can be frozen for longer (either at the bakery or in the consumer's home) without losing its tenderness and crispy crust. This reduces food waste for both baker and consumer.

Zero Waste: Best Practices.



Eco-friendly packaging materials in Portugal.

We replaced our plastic bread bags with more ecologically responsible materials, such as paper, resulting in a reduction of 60,000 plastic bags each year. For products that require the use of plastic bags (for example, because of the required shelf life), we switched to bags made of thinner plastic.



Overall waste reduction in Greece.

In line with Sefco Zeelandia's membership of 'Green Dot' and the 'Hellenic Recycling Corporation', we consistently work to recycle all our waste, thus contributing to a lower overall environmental footprint. Food waste in production is <1% of our total yearly production volume and all rejected volumes are processed by specialized recycling partners. We also separate all incoming packaging materials, to enable full recycling.

Zero Waste: Best Practices.

Using enzyme technology to reduce wastewater pollution levels in the Netherlands.

In 2023 Zeelandia ZHJD (the Netherlands) started using enzyme technology to improve the quality of its wastewater. The main goal was to reduce the carbon footprint and cost of wastewater processing, as well as to ensure our wastewater discharge is fully compliant with strict environmental regulations.

The technology uses a simple principle: enzymes are added which break down pollutant molecules into fatty acid units and glycerol. The bacteria already present in the wastewater will start to feed on these components, which means that by the time wastewater is processed at a purification plant, there is much less pollution. In fact, the initial tests with enzyme technology saw the level of pollution units (as indicated by two widely used parameters, BOD and COD) drop by around 25%. Since wastewater processing plants charge per pollution unit, this also represents significant cost savings, of over EUR 46,000 each year.



Responsible Procurement.

“Our ongoing commitment is to establish a sustainable end-to-end value chain, that benefits suppliers, customers, and society. We actively support companies demonstrating a clear commitment to responsible practices. Together, let’s continue acting for a more sustainable future.”

*Gudrun Lemli
& Jolita Ooms*

**Gudrun Lemli
& Jolita Ooms**
Responsible Procurement Leads
Zealandia Group



Responsible Procurement.

Strategic goals.

- 1. To continue environmental & social assessments of our suppliers**, through the Zeelandia Supplier Portal.
- To ensure that by 2025, **100% of the palm oil, cocoa and soy** bought by Zeelandia Group in the EU is certified.
- To ensure that 100% of our suppliers** of ingredients, packaging, equipment, and traded goods have signed our Supplier Code of Conduct by 2025.



Results in 2023.



95%

95% of the palm oil used by Zeelandia ZHJD (the Netherlands) was **RSPO-certified**.



We have started our evaluation of the data our Group suppliers submitted through our CSR questionnaire.

85%



85% of our ingredient Group suppliers have signed the **Supplier Code of Conduct**.

Responsible Procurement: **Best Practices.**



Palm oil certification for our Ukrainian facility.

In addition to our commitment to use only RSPO-certified palm oil in our EU facilities, we have started a certification process for our production site in Ukraine. The site has started using certified palm oil on its chocolate production line, and certification of the production site is expected to be completed by 2024.

In 2023, we implemented an automated system for re-qualifying our existing suppliers within the Group. All new suppliers now undergo the same assessment. We focus on stopping deforestation, preserving water, maintaining soil health, and fostering biodiversity. Through close collaboration with our suppliers, we encourage sustainable farming methods and ensure transparency.

Assessing suppliers.



Governance & Reporting.

- 43 Sustainability Governance
- 44 Our CSR Ambassadors
- 45 Sustainability Reporting
- 47 Compliance



Sustainability Governance.

Our Sustainability Programme is coordinated by a dedicated CSR Lead, under the overall responsibility of our Chief Financial Officer, ensuring alignment between our financial goals and sustainable practices across the organization.

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

1. We have set up company-wide and local change programmes and specific, local 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 build momentum and boost CSR engagement throughout the organization.

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

CSR Governance.

CSR Leader & Team.

- 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

**Connect,
Support
& Align**

CSR Governance Committee

- Chaired by CFO
- Overall responsibility for our CSR strategy and performance



Group Functional Leaders Team

- 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

Local Management Teams

Bottom-up influence



CSR Ambassadors:

22 Ambassadors in our Operating companies
Trained to nurture local change, to fully integrate CSR into our everyday work and decision making

Our CSR Ambassadors.

We are extremely proud of our group of CSR Ambassadors. Coming from 19 different countries, these 22 Zeelandians play a crucial role in integrating CSR into our daily operations through their passion, engagement, consistent efforts, and optimistic mindset.



Adam Konečný
Czech Republic



Aida Berruezo
Spain



André Gouw
Netherlands



Andrew Taylor
UK



Anna Łuczak
Poland



Charlotte Moore
UK



Denisia Dinicu
Romania



Deniz Can Karaca
Turkey



Dionisia Avranta
Greece



Ibai Jimenez
Group



Janet (Jingxian Hua)
China



Jarmila Farkašová
Slovakia



Jonas Vandenhole
Belgium



Laura Mészáros
Hungary



Lisa Bertoni
Italy



Iurii Bogachov
Ukraine



Muhammad Darmawan
Indonesia



Raimonda Kaminskaite
Lithuania



Seth Coeckelberghs
Belgium



Susana Ribeiro
Portugal



Sylvia Trettin
Germany



Vanina Terezan
Brazil

Sustainability Reporting.

“Transparency is our top ambition in sustainability reporting, which highlights the importance of the Zeelandia Group CSR Strategy. We are preparing for the upcoming reporting obligations in CSR reports. But more importantly, in line with our Zeelandia company values, we are convinced our CSR strategy will lead to a better environment for people and the planet.”

*Urmila Goburdhun
& Erwin van Riet*

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





In addition to having a well-defined plan and managing their execution effectively, it is important to report on their progress. Companies are required to provide ever more detailed and standardized data, for example on CO2 emissions. CSR can only become an integral part of core business strategies if we have clear and reliable data on our performance in these areas. And high-quality reporting is also crucial if we want to proactively engage with external stakeholders, whose concerns and feedback are vital, and to strengthen our reputation and the trust they place in us. For all these reasons, our goal is to continually enhance our reporting practices, in line with (future) sustainability laws, reporting frameworks, and global goal-setting mechanisms.

Reporting framework

We obtained full membership of **SEDEX**, a platform that provides detailed supplier information. This allows us to verify that we work with parties who subscribe to the same CSR standards we adhere to. We are also implementing a new CSR reporting tool, which ensures we report accurate and transparent data. We are using GRI as a guideline to prepare us for future reporting obligations, and we are implementing relevant **ESRS (European Sustainability Reporting Standards)**, covering various **ESG (Environmental, Social and Governance) topics**.

Global goals

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



Compliance.

“Because of the complexity of food supply chains, our customers need to be able to fully rely on us. Therefore, food safety, quality and compliance are at the heart of everything that we do.”

*Marlene Bijlsma &
Thijs van den Berg*

**Marlene Bijlsma &
Thijs van den Berg**

QESHR - Compliance Leads,
Zealandia Group



Compliance.

Overall Progress.

- We are on track to comply with future sustainability legislation, including the Corporate Sustainability Reporting Directive (CSRD), in anticipation of which we are implementing the European Sustainability Reporting Standards, Corporate Sustainability Due Diligence Directive (CSDDD) and EU Deforestation-free Regulation (EUDR). This will enable us to have a strong impact and improve our long-term, overall performance and profitability.
- As an active member of the Fedima Board and committees, we engage with regulatory bodies and implement strategies and industry standards in support of a safe and sustainable bakery industry.

Results in 2023.



100% of our European production sites are **GFSI-certified and are committed** to continuous improvement to achieve the highest possible level of product quality, food safety and hygiene.



In 2023, we implemented an automated **system for re-qualifying our existing suppliers** within the Group. All new group ingredient suppliers now undergo the same assessment combining food safety qualification and sustainability elements.



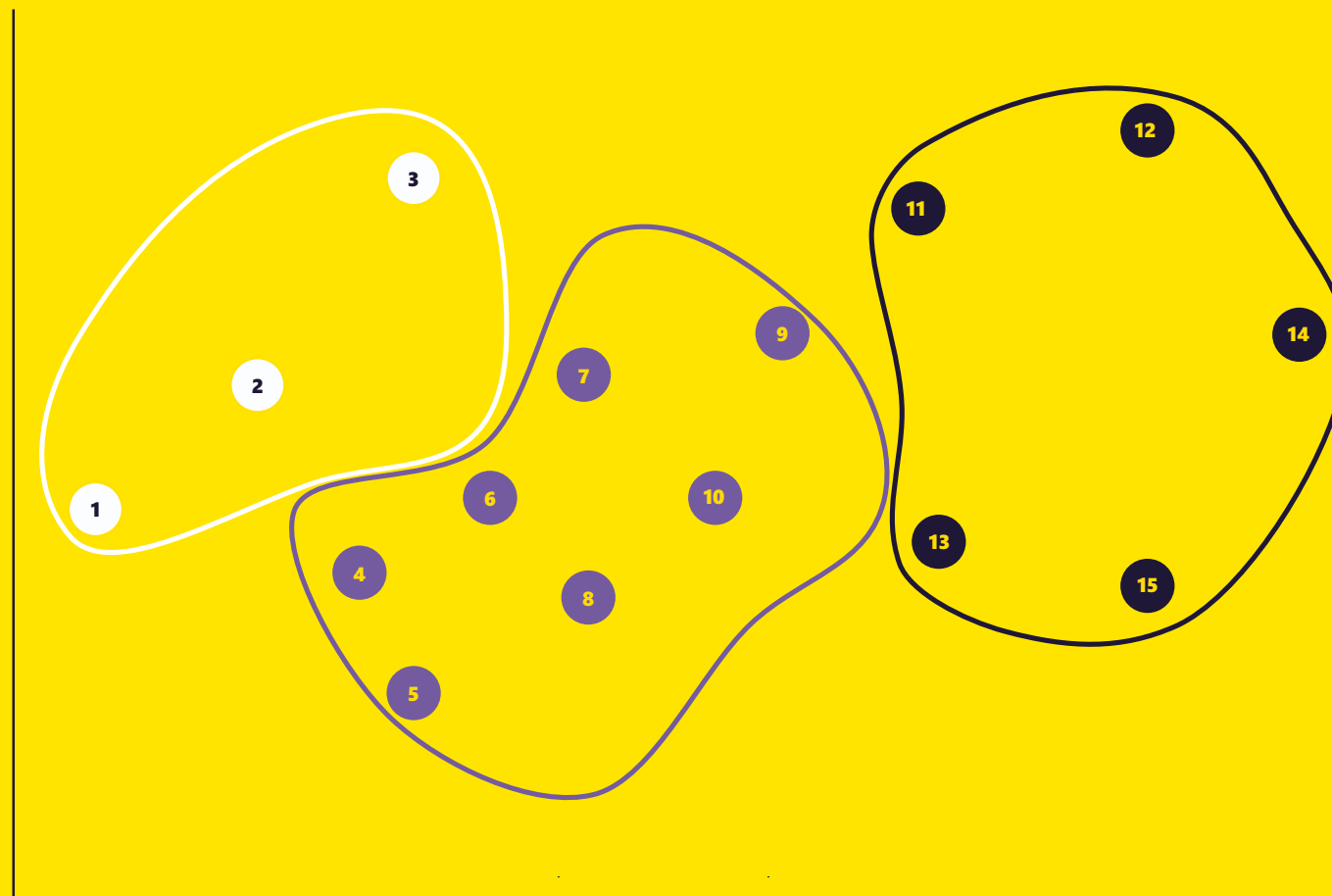
Two of our Zeelandia operating companies in Asia, China and Indonesia, took significant steps in 2023, which resulted in **FSSC 22000 certification** for both sites.

Materiality Matrix

Together with stakeholders we regularly identify and assess the various areas in which we can make a difference. Based on their feedback, we have drawn up a 'materiality matrix' to assess our potential impact and visualize our stakeholders' priorities:

- **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

Looking Ahead.



Looking Ahead.

“We are committed to integrating CSR into our daily operations, adapting to evolving legislative and market dynamics. Our CSR community plays a crucial role in engaging all Zeelandians, who drive the success of our CSR strategy locally. We are actively building and fostering a culture of sustainability and responsibility among our stakeholders. Together, we are shaping a better future for the generations to come.”

Ibai Jimenez

Ibai Jimenez
CSR Programme Lead,
Zeelandia Group.





Looking Ahead.

At Zeelandia, we take responsibility for a sustainable future. One in which our success as a business is perfectly aligned with our employees' well-being, consumer satisfaction, and environmental responsibility. That requires us to build on the progress reported in this document.

What are some of the next steps we intend to take?

On the one hand we will continue to focus on having a real-world impact, through specific improvements, large or small, that contribute to the two key pillars in our strategy: People and Planet. We will continue to reduce our environmental footprint, decarbonizing our energy supply and minimizing waste. We will invest in the professional development and well-being of employees, and in portfolio innovations that enable more consumers to make healthier choices in their everyday diet.

We also want to make sure that all our efforts are anchored in a **well-thought-out, effective CSR strategy**, which will enable us to reach our CSR goals. One aspect of this is to periodically check that we're focusing on the right topics and issues. We will carry out a Double Materiality Assessment process, approaching this question from both an outside and an inside perspective. And through a new 3-year CSR programme, we will ensure that our updated priorities receive the consistent, thorough attention they deserve.

In parallel, we will also make sure that we're well ahead of the curve when it comes to our compliance with future regulatory requirements, such as the Corporate Sustainability Reporting Directive.

All these efforts will have to be made in a challenging business environment. Yet we are convinced that for real, sustained success as a company, we need to take the same long-term view that has characterized Zeelandia for so many years. Together with our many highly motivated employees and partners through out the supply chain, **we are determined to help build a more sustainable and successful future.**

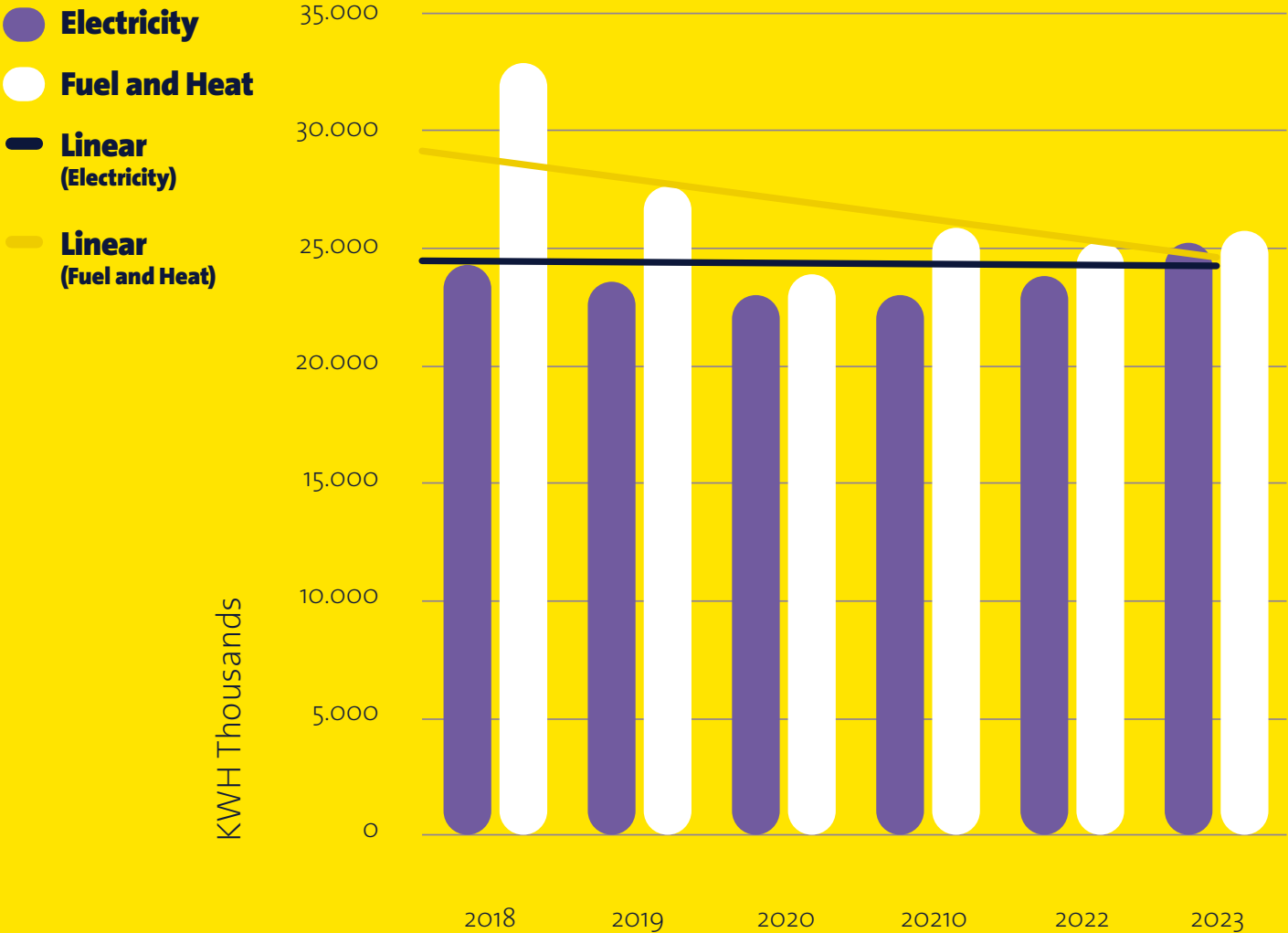
keep**exploring.**

Find out more at

www.zeelandia.com/sustainable-commitments

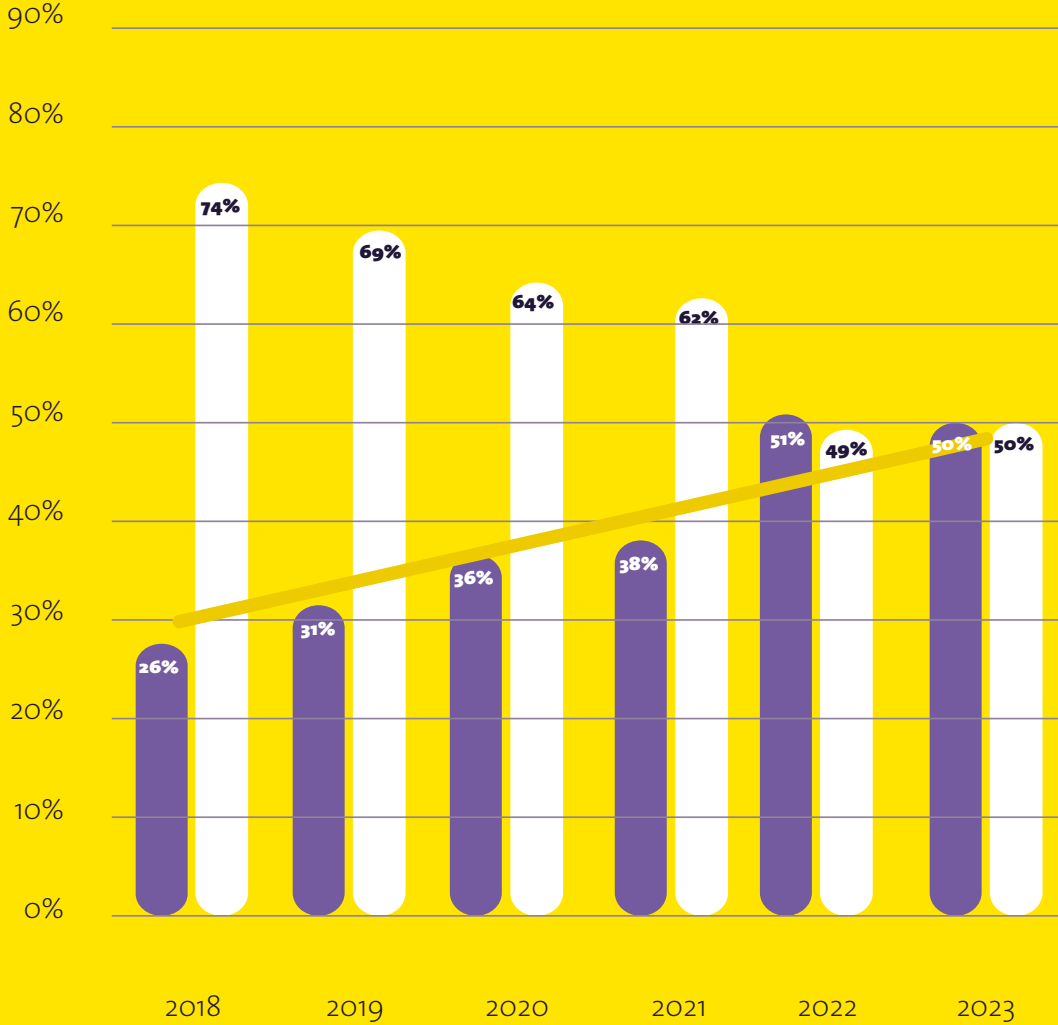
Total Energy Consumption

In 2023 there was a slight increase in our overall energy consumption (4%).



Electricity Usage

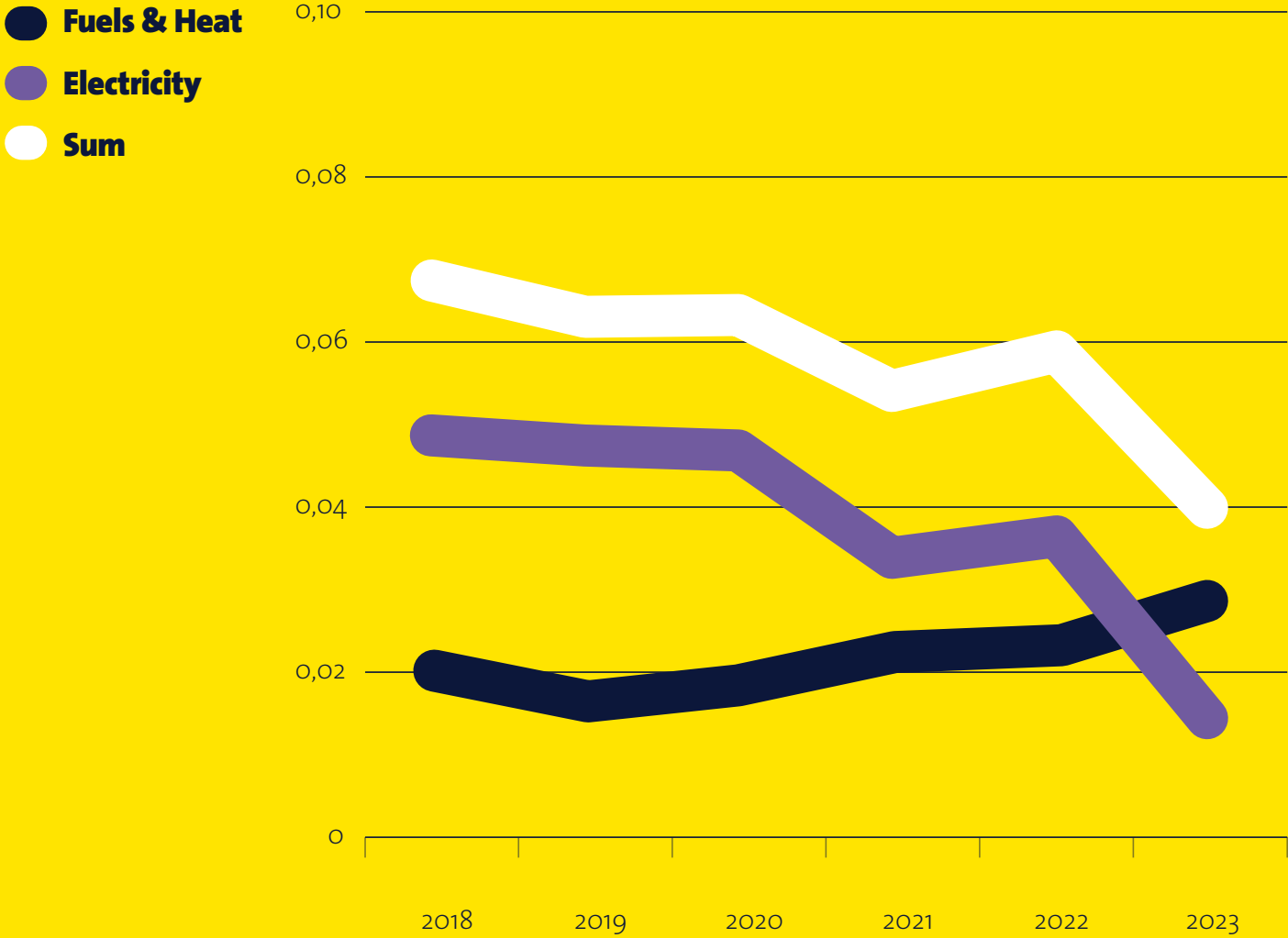
- Production purposes
- Other
- Linear



CO2 Emissions per kg Produced

Our overall CO2 emissions fell by 30% compared to previous years, as a result of continuing efforts to install solar panels on every rooftop, along with the expansion of green energy contracts in various countries. NB The figures in this chart do not yet include emissions from our fleet of vehicles and refrigerants, but thanks to the implementation of a new CSR reporting tool we can monitor these emissions from now on.

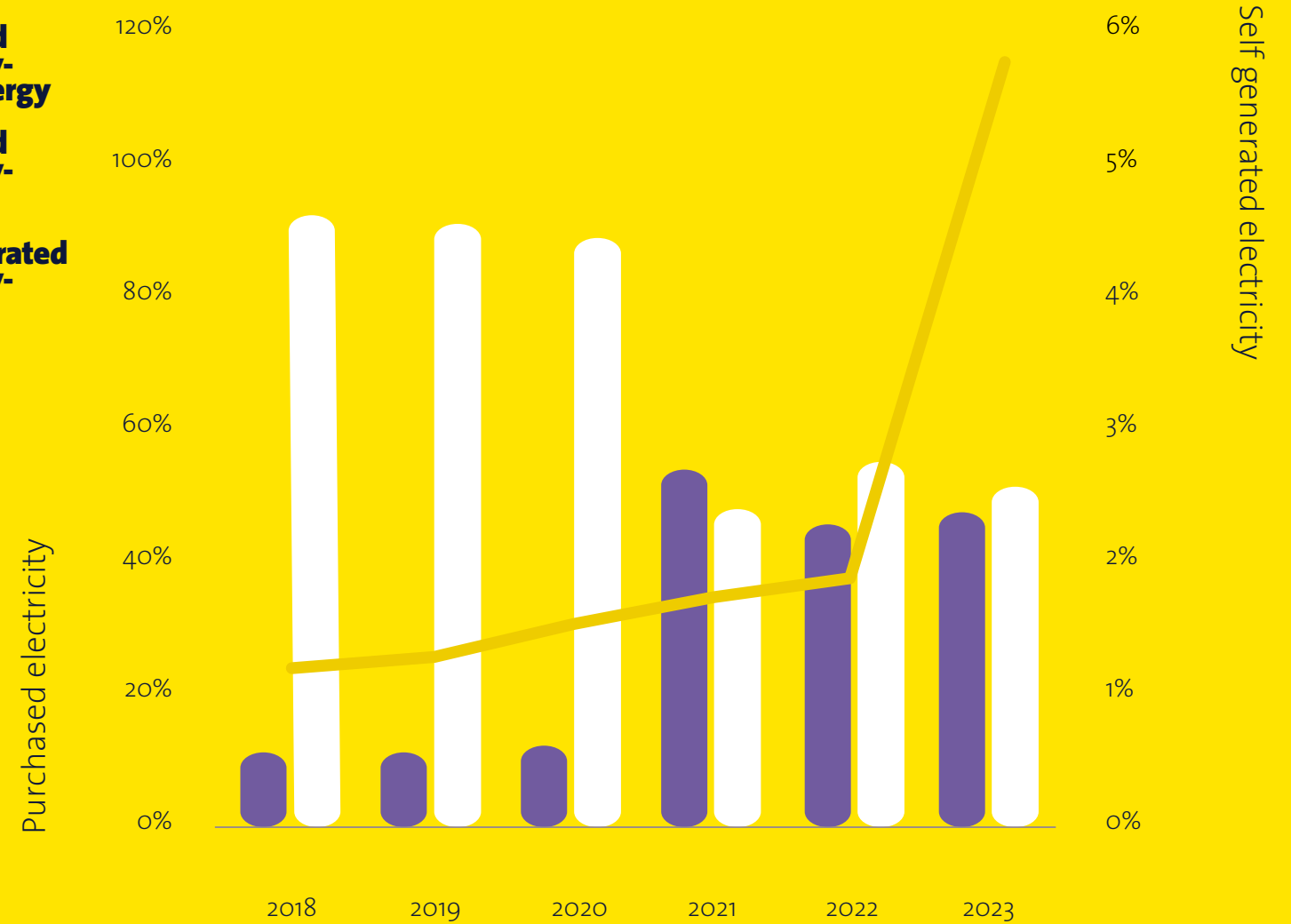
CO2 emissions (in kg) per kg production, at constant conversion factor for electricity. Fossil fuel-based electricity is converted to CO2 with a conversion factor based on the market/location.



Source of Electricity

Green electricity accounts for 46% of our overall energy usage, roughly the same figure as in 2021. However, we have witnessed a substantial 4% rise in our self-produced electricity compared to 2022. This can be attributed to our initiative to install solar panels in China, Romania, Spain, Ukraine, Poland, and Portugal.

- **Purchased electricity-green energy**
- **Purchased electricity-other**
- **Self generated electricity-solar**



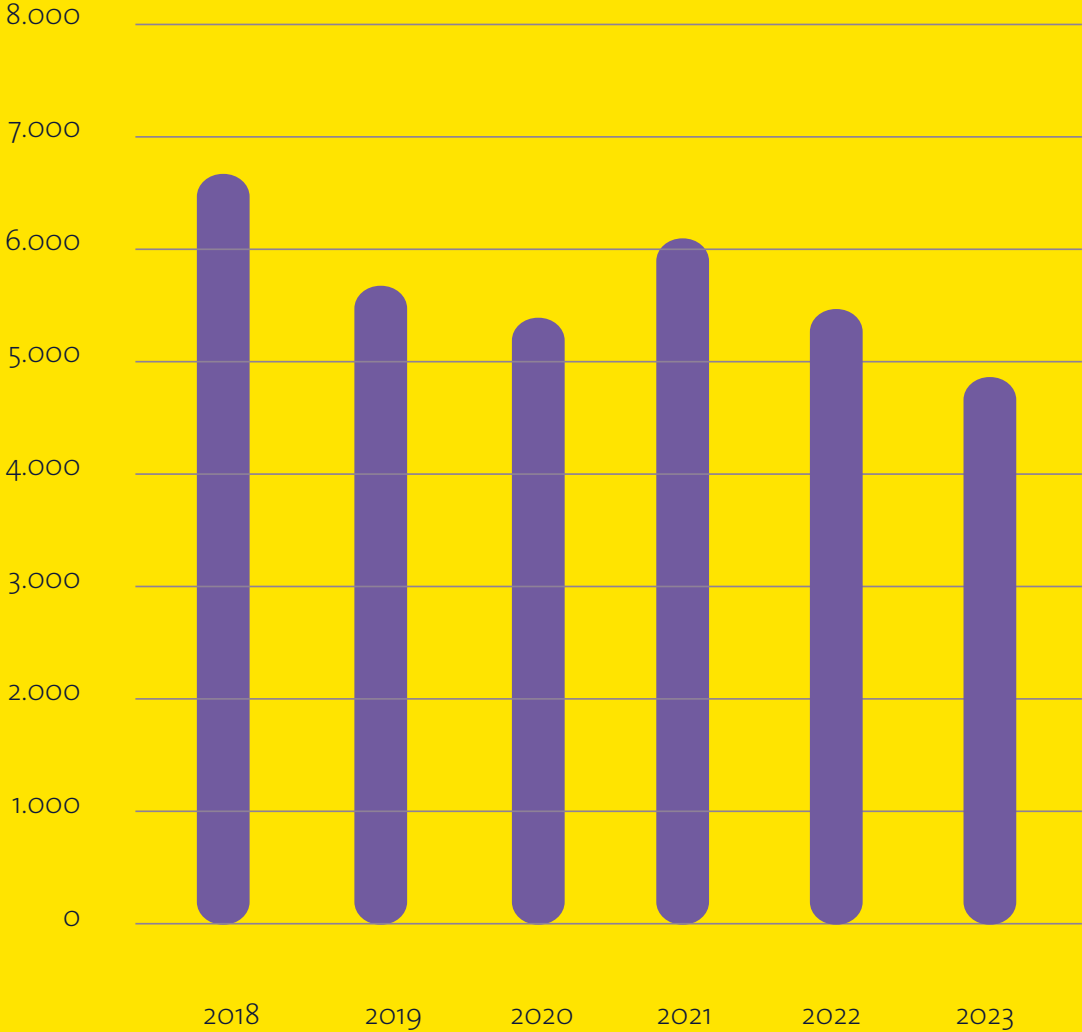
Total Waste

In 2023 we reduced the overall amount of waste by 12% compared to the previous year, and 86% of our waste was properly sorted to facilitate recycling. Modest reductions were achieved across all waste categories; the 79% decrease in hazardous waste reflects the fact that construction activities at our Brazilian facilities had been completed.



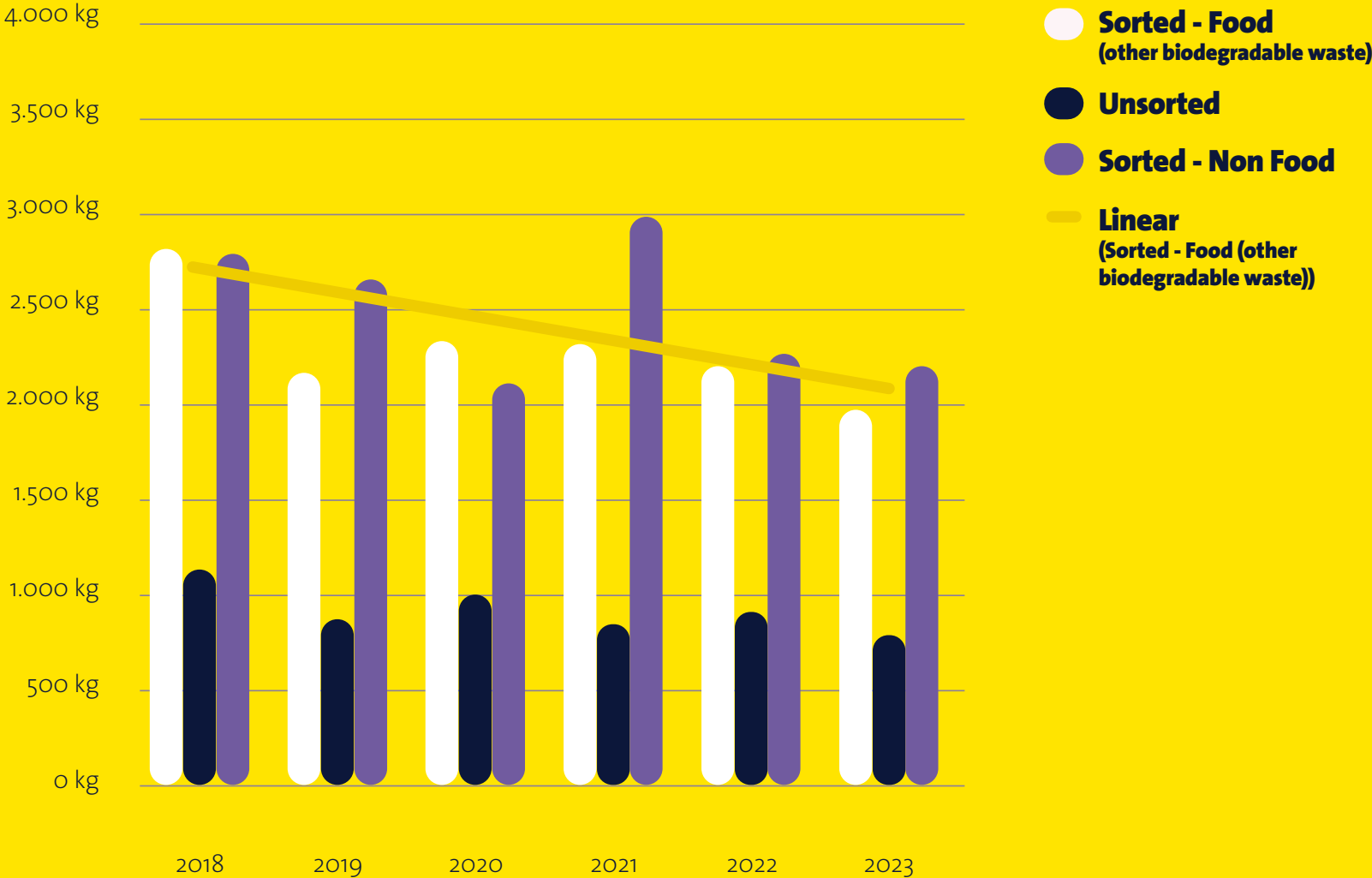
Commercial Waste in MTS/year

The amount of commercial waste fell by 11% compared to 2022. Again, this figure reflects reductions across all categories. For instance, we have taken steps to reduce the amount of paper used in various areas, and we have managed to reduce the use of disposable plastic in offices by installing water dispensers.



Composition of Commercial Waste

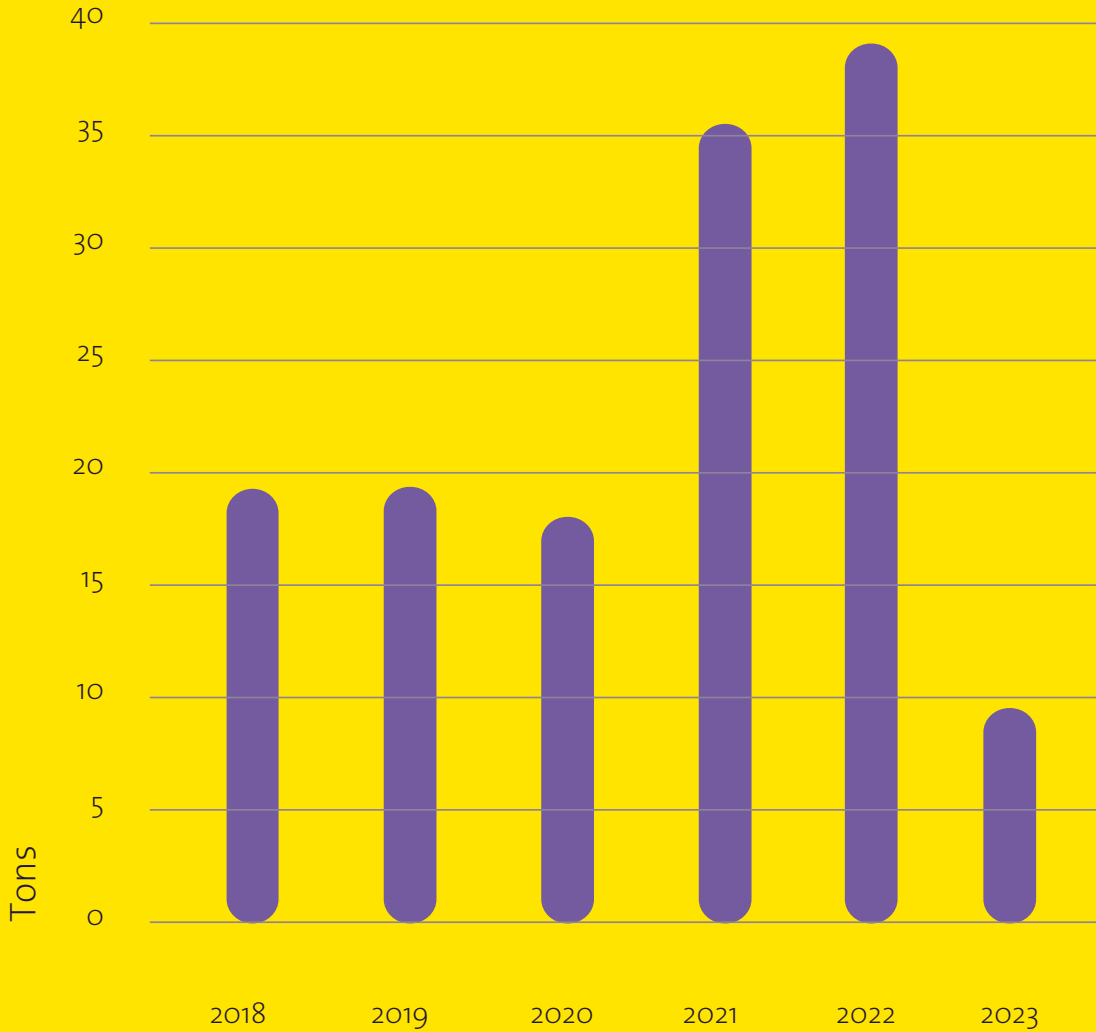
By implementing various internal measures, like better stock management, and by recycling excess food products into animal feed, we have successfully reduced our sorted food waste to less than 1% of our production volume. This is a significant result, compared to the industry standard of 3%. Yet we have been actively promoting awareness about the issue of food waste within our organization, to achieve further reductions where possible. The amount of unsorted waste fell by 25%, reflecting various initiatives to raise awareness of the importance of (and possibilities for) recycling.



Hazardous Waste in MTS/year

Our hazardous waste levels* fell sharply by 79%, which marks a return to levels last seen in 2015. This reduction was mainly due to the completion of our construction activities at Brazilian facilities. At the same time, awareness of hazardous waste has increased, and we are making concerted efforts to select safe materials to work with.

* Hazardous waste includes materials that pose substantial or potential threats to public health or the environment, such as chemicals, waste oil or contaminated water.



Water Waste

The amount of wastewater decreased by 7% compared to 2022, thanks to several internal initiatives to reduce wastewater and by increasing our employees' awareness of the importance of water reduction.

