

EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

PURATOS GROUP NV

REPORT SUBMITTED ON 31 JULY 2024

Type of business/sector <i>(E.g. retail, dairy)</i>	Sustainability dimension <i>(E.g. environmental, social)</i>	Code aspirational objective <i>(1-7)</i>	Individual commitments with baseline	Progress on KPIs and goals (qualitative and/or quantitative)		Additional information (optional) <i>(E.g. partnerships, geographical coverage, sharing best practices, links with other COM initiatives, with other reporting initiatives)</i>	Comments (optional) <i>(E.g. enablers, ideas on how to improve)</i>
Food industry (bakery/patisserie/chocolate)	Good Health and Wellbeing	1. Healthy, balanced and sustainable diets for all European consumers	Improve the health of consumers through our products. Our goal is to provide people with nutritious and convenient food that can help them to live healthier lives	Tons of fat removed from our products	15.759 T		
				Tons of salt removed from our products	86 T		
				Tons of sugar removed from our products	1.485 T		

			Tons of fruits processed into our fruit fillings (yoy growth)	+40%		
			Tons of grains and seeds used in our product solutions (yoy growth)	+16%		
Social	1. Healthy, balanced and sustainable diets for all European consumers	Preserve the heritage of sourdough and the micro-biodiversity of sourdough through our non-for-profit initiative "the Sourdough Library"	# Storage of sourdoughs in our physical library	148		
			# Storage of sourdoughs in our virtual library	3,000		
Environmental	2. Prevention and reduction of food loss and waste	Reduce food waste internally , within the production and warehousing processes of our products, while helping our customers and consumers in their efforts to reduce waste .	% food waste write off	20%		

Environmental	3.A climate neutral food chain in Europe by 2050	Carbon Neutral operations by 2025. We aim to minimize our impact on climate change. By 2025, our operations will be carbon neutral. We will achieve this by implementing (1) Energy Efficiency Projects; (2) Use renewable energy produced on and off-site and (3) compensate the remaining emissions by planting trees in our cocoa supply chain	Make our direct operations carbon-neutral (emission intensity index)	-43% reduction in scope 1 and scope 2 CO2 emissions compared with 2016 (base year)		
				3 new sites became CO2 Neutral certified (CO2 Logic). 6 got renewed.		
			% of renewable energy purchased annually	100 %		
			1,3 million trees will be planted in our direct value chain	679,854 trees planted between 2019 and 2023, of which 324,478 in 2023		
			In 2023, we committed to submit science-based emission reduction targets			

			for our entire value chain (scope 3), to Science-Based Target initiative (SBTi) to reinforce our commitments to take climate actions grounded in scientific evidence that are in line with the imperative of limiting global warming to 1.5°		
Environmental	3.A climate neutral food chain in Europe by 2050	<p>Water Balance Operations by 2030.</p> <p>We seek to minimize our impact on climate change and on natural resources by having a balanced and sustainable water management, which entails minimizing use of freshwater, enhancing the quality of our water discharged and mitigating water risks in our direct operations and in our value chains.</p>	Water used in Puratos operations	-10.7% per ton produced, compared with 2016 (base year)	1.9M€ invested in wastewater treatment projects.
Environmental	4.An optimised circular and resource-efficient food chain in Europe	<p>Use 100% of recyclable or reusable packaging for our finished goods by 2025.</p> <p>Packaging materials to become fully recyclable or reusable by 2025, with a deep focus on helping our customer reducing their environmental footprint.</p>	% of outbound purchased packaging materials to be reusable or recyclable ready by 2025	92% of the tonnage of our outbound packaging materials, including primary, secondary, and tertiary packaging, are reusable or recyclable-	

		Additional, we aim to source 100% of our virgin paper and wood packaging in Europe from certified sustainable forestry certification.		ready (based on 22 primarily producing countries representing 96% of packaging spent).		
Environmental	4.An optimised circular and resource-efficient food chain in Europe	Understand and measure the product environmental footprint of our product using the Product Environmental Footprint Methodology	We keep on conducting Life-Cycle Assessment through the Product Environmental Footprint Method, via our JV partner, Glimpat (GF-Impact) for our key strategic products and innovations.			
Social	5.Sustained, inclusive and sustainable economic growth, employment and decent work for all	Provide quality education to young people in the bakery, patisserie, and chocolate sectors, particularly those from underprivileged backgrounds. Our objective is to increase our network of Bakery Schools under the Bakery School Foundation	Students graduated in 2023	98		
Social/Environmental	5.Sustained, inclusive and sustainable economic growth, employment and decent work for all	Contribute to the social, economic, and environmental development of cocoa farmers and communities that are part of our Cacao-Trace program.	Chocolate bonus annual amount	2.489.324€	The Next Generation Cocoa Foundation guarantees to the farmers the payment of a quality premium and unique chocolate bonus of 10 euro cents per kg of chocolate sold.	

		One of the key ambitions of Puratos's Next Generation Cacao Foundation is to provide a long-term positive impact on farmers and on the quality of life for their families.				
Social	5. Sustained, inclusive and sustainable economic growth, employment	<p>Empower our team for extraordinary outcomes and full potential, backed by robust training initiatives.</p> <p>Cultivate a Culture of Care, making our commitment to employee health and well-being a living reality across our global workforce every day.</p> <p>Achieve a diverse, equitable and inclusive workplace and culture.</p> <p>Accelerate diverse representation at all levels of the organization</p> <p>Ensure fair and ethical compensation, transparent pay practices, and inclusive total rewards</p>	<p>Ensure 100% of employees continue to receive regular performance and career development reviews.</p> <p>Achieve zero work-related injuries to Puratos employees and stakeholders.</p> <p>In 2023, according to our Pulse survey, we have seen a 17% increase in the connection of our employees with our Puratos Magic values and working principles.</p> <p>In 2023, of those employees who have made an internal move, 48% are female and 52% are male</p> <p>This year, our program has been instrumental in facilitating over 38,080 hours of learning through our</p>	<p>A Lost Time Incident Rate (LTIR)* of 0.76, marking a 13% increase from the previous year's rate of 0.67</p>		

			global programs, engaging more than 6,800 active learners across 419 thoughtfully curated courses		
Environmental	6. Sustainable value creation in the European food supply chain through partnership	<p>Create resilient and productive agricultural systems for the upcoming years and for the future generations.</p> <p>We aim first to acquire firsthand knowledge and insights into sustainable farming practices by establishing partnerships with farmers practicing agriculture techniques.</p>	<p>In 2023, we have joined forces with 2 farmer cooperatives in Belgium that promote soil healthier practices, 'Cultivae' for rye and 'Farm or Good' for wheat. In additional, we initiated similar collaborations in UK and Australia.</p> <p>We have also partnered with the Raffinerie Tirlemontoise and BENE0, leading players in the Belgian sugar beet and chicory root industry, in a 3 year project to participate in their ambitious Climate Farming Project.</p>		
Social, environmental	7.Sustainable sourcing in food supply chains	<p>Sustainable cocoa - By 2025, all chocolate produced and sold by Belcolade will be sustainable (in accordance with Beyond Chocolate)</p>	% of cocoa purchased in a sustainable way	66.5%	Cacao-Trace is the world-leading sustainable cocoa sourcing program that is raising the bar for chocolate. Training on best agricultural practices and premium pricing for cocoa farmers are part of our program. This leads to superior cocoa bean quality and results in
		20% of our cocoa ingredient sourcing will be from the Cacao- Trace program, Puratos own sustainability cocoa program	% of total volume sourced by the Group is through our (audited)	25.5%	

			Cacao-Trace Program		additional income for approximately 23,000 farmers across eight countries	
Social, environmental	7.Sustainable sourcing in food supply chains	Sustainable palm - Keep 100% of our Palm ingredients certified RSPO, using a combination of Segregated, Mass Balance and Book & Claim. As from 2025, all palm oil purchased by the Puratos Group will be RSPO certified under the supply chain model RSPO Mass Balance, if not Segregated in Europe	% of palm purchased compliant with commitment	36% of the total palm oil purchased by the Group is under RSPO mass balance or segregated certification. 37 productions sites are currently RSPO certified, and 36 have a distribution license.		
			To maintain our objective in investing in sustainable production, in 2023 we initiated a collaboration with Solidaridad Network, an international civil society organization dedicated to supporting the smallholder farmers and workers, and developing solutions to make those communities more resilient.			

Environmental	7.Sustainable sourcing in food supply chains	Sustainable fruit - 100% of the Fruits used by Puratos will be sourced from suppliers that are compliant with the Puratos Pesticide Policy/	% of fruit purchased compliant with the commitment	80%	Our Field to Fork program is promoting a more transparent and local fruit sourcing contributing to a long-term relationship with local fruit growers and a secure revenue for them. We work closely with the farmers to promote sustainable practices, and create value for the fruit growers and the customers by sharing the heritage and local origin of fruits.	
		Reach 15% of our fruit sourcing through the Field to Fork program by 2025	% of fruit sourcing through the Field to Fork program	13.9%		
Environmental	7.Sustainable sourcing in food supply chains	Responsible Egg - By 2025, 100% of the eggs and egg products used by Puratos Group will come from alternative breeding to cages	% of cage-free eggs compliant with commitment	30%		