



AWARE.

Naturally

ZENTIS.

Our Sustainability Report 2018/2019

Thanks

Our thanks go to triple innova GmbH for their professional support with the preparation of our Sustainability Report 2018/2019. By applying the current standards of the Global Reporting Initiative in a focused way we have also been able to examine the topics in more detail and present them in the context of our value chain. The reporting process and functional expertise of triple innova have also helped us to refine our sustainability strategy.

Thanks to the close working relationship with triple innova we have focused more sharply on our material topics and also made great progress in connecting them across the company.

It was also thanks to the assistance of triple innova with organising our sustainability workshop that all our company divisions were able to gain a better understanding of their own contribution to this field and so play an active role in the sustainability reporting and the ongoing development of the sustainability strategy.



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Foreword

Zentis is a medium-sized company and has been owned by the same family for more than 125 years. We are proud to be independent, because it enables us to focus our energies on long-term strategies rather than short-term investor interests. As one of Europe's leading fruit processors we specialise in the processing and refining of fruit and other natural raw materials. Nature is our most important supplier. So a consistent commitment to sustainability comes naturally to us and is a key success factor for our company.

We are also exposed to the effects of climate change and have to take action: extreme weather, like drought and frosts, causes harvests to be lost worldwide and drives many species to extinction. These threats to ecosystems and the unpredictable consequences that they have for human beings require us to conserve existing resources and manage them more carefully, and to treat everyone along the entire value chain fairly and with respect.

Our 125-year company history extends over a period of great change and radical upheavals. The considerable changes in patterns of consumption, related overcapacities in our core markets, and not least the corona crisis show that we as a company have to keep adapting and that factors such as agility and resilience are becoming more important than ever. Our employees form the basis for this process; in difficult times they demonstrate their loyalty and productivity every day and so actively contribute to making these changes. We are therefore fully

transparent about our company strategy and communicate it to all areas of the company.

We have been reporting on our sustainability activities since 2011. Increasing demands, also of our contribution to sustainable development, have to be addressed systematically across the company and the relevant topics have to be managed. For this reason we are working on a comprehensive sustainability strategy and setting concrete targets. At the same time we want to address the issues at a global level and act in concert with our subsidiaries.

This report describes the implementation of our sustainability strategy, the progress achieved in 2018/2019 and our plans for the future.

We are particularly proud of the concrete steps we have taken to protect the climate, which have been particularly successful in the reporting period. Our activities also contribute to achieving the targets defined in the Paris climate agreement.

Natural goodness and sustainability are at the heart of our product innovations, in order to meet the growing demands of our customers.

When sourcing our raw materials we are intensifying our existing close relationships and the process of dialogue with our suppliers. Furthermore, we will be developing the strict control mechanisms in place to monitor sustainable growing and working methods.

In the long term we also believe that strengthening the company culture and employee development are key elements of our strategy.

Zentis is becoming ever more a global driving force for natural and enjoyable nutrition. We are moving into new markets with our ideas and products. By consistently expanding our digital business strategies and centralised innovation management we are getting ourselves fit for the future. At the same time we are assuming our responsibility towards the environment and society by means of our sustainability strategy.

With this report we would like to invite you to find out more about our sustainability activities.



Karl-Heinz Johnen
Zentis Managing Director

A handwritten signature in black ink, appearing to read 'K. Johnen', with a long horizontal stroke extending to the right.



Norbert Weichele
Zentis Managing Director

A handwritten signature in black ink, appearing to read 'N. Weichele', written in a cursive style.

Our two managing directors are responsible for executive management. The advisory board, consisting of the owners and external specialists, has a supervisory function. The limited partners are members of the owners' families.

About this report

Zentis has been reporting on its corporate sustainability activities on a biennial basis since 2011, most recently in 2018.

This is therefore the fifth sustainability report by Zentis GmbH & Co. KG, covering the reporting years 2018 and 2019. The report records and documents all the company's sustainability activities and compares them with those of the previous year, concentrating on Zentis Germany.

The report has been prepared in accordance with the GRI Standards: Core option and contains quantitative data and qualitative descriptions for **Zentis Germany** (Zentis GmbH & Co. KG, Zentis Süßwaren GmbH & Co. KG, Zentis Logistik Service GmbH and Zentis Holding GmbH). In addition, we record quantitative data for all foreign subsidiaries (Poland, Hungary, USA and Russia), which are mostly presented in the annexe. We measure our performance in all the relevant areas by means of our own indicators and those of the Global Reporting Initiative (GRI) including the "Food Processing Sector Disclosures".

No external audit has taken place. However, we have been advised by the sustainability agency triple innova on fundamental aspects of applying the GRI Standards, the process of preparing the report and the development of the sustainability strategy.

If you have any questions about this sustainability report, please write to us at nachhaltigkeit@zentis.de. We will get back to you as soon as possible.

Our sustainability management

Responsibility for sustainability management was transferred from the Controlling function to Quality Management, Food Law and Sustainability at the end of 2017. Here a sustainability manager is dedicated exclusively to managing the sustainability strategy and projects, and to carrying out the reporting processes.

Ever since our first report, all the relevant business units and specialist departments have been involved in defining and preparing the specialised topics transparently and in compiling quantitative data and descriptive information. Responsibility for implementing the activities also lies with the various business units.

Ultimately, decisions on sustainability are taken by the Executive Management. In future a Sustainability Working Group is to be established with the heads of the corresponding business units.

Working together for good

It is only together that we can bring about long-term change, so we include all the relevant players in our activities and research.

Our stakeholders are the individuals, groups and institutions with which we are in contact, which we influence and whose work impacts us. They include the workforce (including the works council, limited partners and advisory committee), customers (industry, retailers, consumers), suppliers and producers, civil society, stakeholders from the Aachen region, and the media.

Stakeholder:	Integrated via:
Employees	Company communication (notice boards, emails and intranet), conversations, regular training, interdepartmental working groups
Suppliers	Training, written agreements
Consumer groups	Contact via website, telephone, social media and press
Industrial customers	Permanent exchange due to direct working relationship (sometimes on site) and integration of owners and shareholding families

Our sustainability strategy

With our vision of establishing ourselves as **“a global driving force for natural and enjoyable nutrition”** we take responsibility for our business activities throughout the value chain.

In November 2019 we held the first interdepartmental Sustainability Workshop, on the basis of which we decided how to refine our sustainability strategy going forward. Discussions focused on current and future projects, trending topics and areas of interdisciplinary interest. The following five action areas were defined in order to address interdepartmental and international topics at a strategic level.

- 1. Conservation of production resources and climate action**
- 2. Responsible raw materials purchasing**
- 3. Customer-focused business**
- 4. Natural products**
- 5. Zentis employees**

Sustainability at Zentis: *what it's all about*

This report covers all the topics in which Zentis has a material economic, environmental and social impact, as well as the ways in which our stakeholders are affected. All its contents have been discussed and refined continuously since our first materiality analysis in 2011 and supplemented by the needs of our customers and suppliers, input from NGOs, current media reporting, the latest trends and the results of our market research.

The contents in detail:



For us, the conservation of production and logistics resources primarily means reducing our energy consumption and emissions. We also monitor other important topics, such as reducing water consumption and waste.



We are aware of our responsibilities when we purchase raw materials. We improve the social and environmental situation in our supply chains by insisting on respect for human rights and the preservation of biological diversity. Long-term relationships and the permanent qualification of our suppliers and producers are a vital part of this process.



For us, customer-focused business not only means product quality and customer health, but also the increasing demands made by our customers in terms of sustainability. With them, we develop innovative, sustainable product concepts. One important element here is the use of natural ingredients and the development of sustainable packaging.



Our employees are the key to the success of our company. As a modern Mittelstand company we encourage a corporate culture based on mutual trust and respect. Staff development and training, occupational health and safety and compliance are also essential topics for us.

Our company

Who we are

Zentis GmbH & Co. KG is one of Europe's leading fruit processing businesses and was established in Aachen in 1893. Since its foundation the company has been owned by the same family and **based in Aachen.**

1893



A family company for more than 125 years



Zentis Germany



Main site in Aachen (Site I):

Head office, production and Zentis Holding



Aachen Site II:

Zentis Logistics and Zentis Confectionery

Number of employees	2019
Germany	1,364
Abroad	866
Zentis Group	2,212

Company structure

Revenue	2019
Revenue in € million	670
Proportion of Group revenue from foreign operations	43 %

“

Zentis stands for first-class products, uncompromising quality policies and a real passion for fruit.

”

International sites in detail:

Zentis international

At year-end 2019/2020 the departments with mostly international operations now or in the future were transferred from Zentis GmbH & Co. KG to Zentis Holding GmbH.

The exchange of information about quality management, management development and the recording of environmental and health & safety statistics already takes place on this basis. The purchasing function also has an international lead buying strategy.



Poland

Zentis Polska Sp. z o.o. in Żelków supplies the markets in Russia, Poland, Scandinavia and the Baltic States with fruit preparations for the dairy, non-dairy and bakery industries. In the reporting period it also successfully launched its own independent development and production of food colouring.



Hungary

Zentis Hungária Bt., in Drégelypalánk specialises in fruit preparations and fillings and has its own development laboratory. The company supplies the Balkan markets, Austria and in some cases southern Germany too.



USA

Zentis North America LLC was established in Plymouth, Indiana, in 2006. It was followed by two other sites, of which one was closed in 2019. The US plants specialise in making fruit preparations for the dairy, ice-cream, bakery and beverage industries, as well as in services for high-volume customers like the catering industry.



Russia

Our distribution company Zentis Russia OOO in Khimki near Moscow sells fruit, vegetable and cereal preparations to dairies and bakeries for the production of ice-cream, mandelbrot, savoury preparations for sauces and mayonnaise in Russia and the CIS. Development and production take place at Zentis Polska.

What we do

Zentis GmbH & Co. KG combines the artisanal skills of a traditional family company with the innovative capabilities of a global group and has unparalleled expertise in the refining of fruits and other natural raw materials.

We always get the best out of a fruit. This is the basis of our quality, our brand promise to our customers and partners, and an obligation for all our employees and managers.



Our assortment



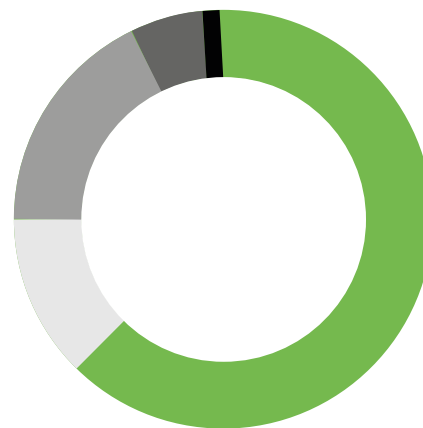
High-quality fruit and vegetable preparations and marzipan for the food-processing industry








Customised solutions (e.g. Schokosplits) for the dairy, bakery and confectionery industries



Consumer products: sweet spreads and confectionery (mainly for the German market)



5 strategic business areas, revenue in %

-  Dairy industry 62%
-  Non-dairy (e.g. bakery and confectionery) 13.2%
-  Sweet spreads (B2C) 17.6%
-  Confectionery (B2C) 5.6%
-  Other, including logistics 1.6%



Our production: *sustainable,* efficient & smart.

Zentis and climate protection ›

Our carbon footprint ›

**Conservation of production
and logistics resources ›**

Energy consumption ›

Water ›

Waste ›

Logistics ›

Zentis and climate protection

We get our raw materials almost exclusively from nature and so have a particular responsibility to conserve the environment and these resources as well as possible. This is why we are working harder on a comprehensive climate action strategy as part of our sustainability agenda.

Our main performance indicator is our carbon footprint. It forms the basis for interdisciplinary ideas to reduce emissions along the entire value chain, particularly the production processes.

We have already identified many potential reductions in production and logistics that are described in the following chapter.

In addition, we are working to offset unavoidable emissions in future by supporting projects to protect and increase the amount of forested land.







Our carbon footprint

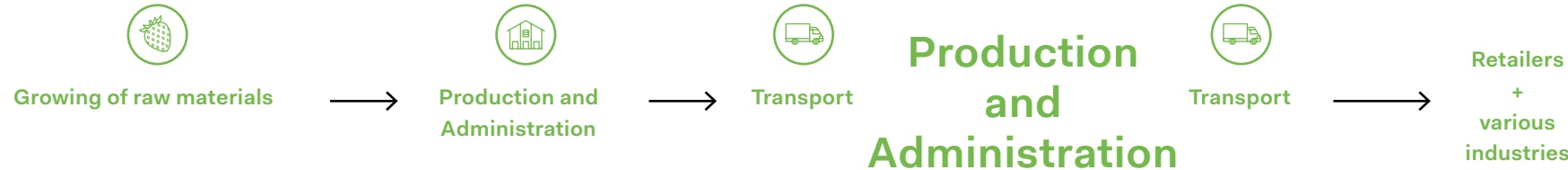
The corporate carbon footprint (CCF) comprises all emissions caused by our site in Aachen and our own logistics (Scope 1 and 2), as well as selected Scope 3 emissions (upstream energy-related emissions plus business travel and commuting by our employees). In 2018 our corporate carbon footprint came to 39,323 tonnes CO₂e.

Our Product Carbon Footprint

The product carbon footprint (PCF) provides additional transparency and comprises all the emissions for the entire value chain, based on the cradle-to-gate principle, i.e. from the grower to the customer.

The results of the PCF show that most of the emissions are caused by growing the raw materials, production and logistics. As part of our climate action strategy the aim is now to analyse these data, taking the product design and suppliers into account, and to develop measures for reducing the carbon footprint.

-  **Raw materials:** growing and production of raw materials: fruit, sugar, thickeners
-  **Production process:** pre-processing of fruit by suppliers and production by Zentis
-  **Other corporate emissions:** business travel, commuting, administration
-  **Incoming logistics:** transporting raw materials from country of origin to Zentis
-  **Outgoing logistics:** transporting fruit preparation from Zentis to the customer
-  **Packaging:** production to disposal of the stainless steel containers in which the fruit preparation is transported to the customer

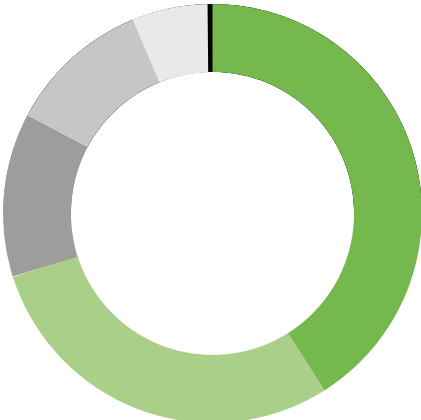


Cradle-to-Gate PCF

Product carbon footprint of a strawberry fruit preparation with conventional strawberries:

Total emissions:

1,030.9 kg CO₂e.



Breakdown of emissions

- Raw materials 41.2 %
- Production process 28.7 %
- Incoming logistics 13.2 %
- Outgoing logistics 10.7 %
- Other corporate emissions 6.1 %
- Packaging 0.2 %

Average amount of CO₂e per tonne of fruit preparation*:

Regional fruit	1,108.7 kg CO ₂ e/t
Conventional	1,132.6 kg CO ₂ e/t
Organic	967.9 kg CO ₂ e/t

* Includes completed calculation for strawberries, blueberries, cherries, peaches, apricots, apples and pears.

Conservation of production and logistics resources

We work hard to make sure the production process uses resources as carefully as possible and reduces its environmental impact to a minimum. To do so we make use of innovative solutions that reduce the long-term consumption of energy and water and the volumes of waste and waste water. We also work with our own logistics company to transport goods to our customers with the minimum environmental impact.

Our Projects:

innovative and efficient

The interdepartmental strategic project “**Efficiency**” was set up by various department heads in 2019 to boost efficiency. This working group meets to discuss and develop current and future projects and adopt measures to improve efficiency on the basis of performance indicators. The efficiency improvements include a review of internal liaison functions, processes and reducing the range of different materials used.

Digital approach to production and supply chains

Digitalisation of the supply chain and production processes has great potential for efficiency gains. The Supply Chain Management department was set up in 2018 to exploit this. With the support of the Business Processes & Digital Transformation department, it ensures process-based planning and management of production processes across all departments.

Smart approach to resource planning from 2020



Sensors in all sugar silos enable the **exact measurement of fill levels** and so avoid “just-in-case purchases” purchases.



A planned **inventory monitoring process** should enable the exact tracking of our **stocks of finished goods and raw materials** at any given time and so avoid supply bottlenecks, expensive “just-in-case” transport and waste.

We are also in the process of developing **smart containers** that should make it possible to track our container inventories better, make collection from customers more efficient and so contribute to **optimising the warehousing and transport** of our products. Production is expected to start in the years ahead.

Energy consumption

We buy our raw materials in various forms, as required by the different stages of our production processes. Essentially this entails the following stages:



Preparation and cleaning of the fruit

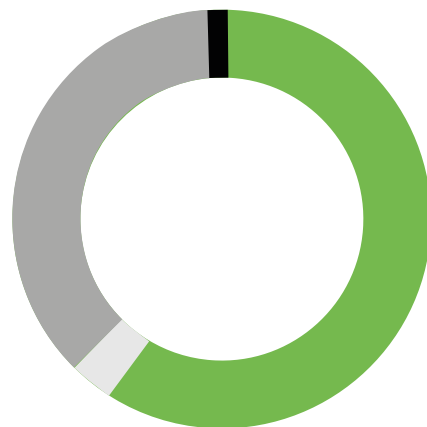


Heating, cooling and filling



Cleaning the machinery

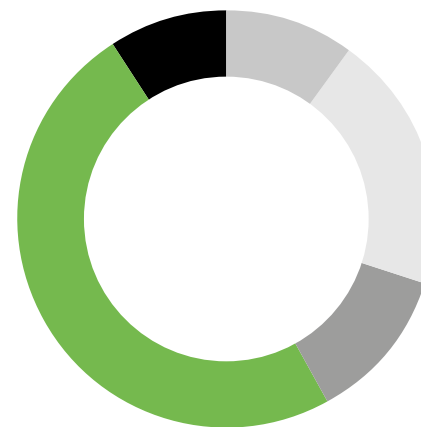
Consumption of natural gas and electricity in %



Natural gas consumption 2019 in %

- Cooking process 58%
- Cleaning 3%
- Heating 2%
- CHP (own power generation) 37%

These production stages had a total energy consumption of 515,834 gigajoules in 2019 for heating and cooling and for operating the production machinery. Zentis obtains all its energy from natural gas and electricity.



Electricity consumption 2019 in %

- Production facilities 49%
- Compressed air 12%
- Cold stores 10%
- Cooling for cooking process 20%
- Lighting 9%

Despite our best efforts we were not able to reduce our base load in the reporting period, but we did purchase less electricity externally. As long as the volume of purchased electricity continues to fall in line with gas consumption and the share of internal power generation goes up, this effect is intended.

Table of energy consumption in Germany

Germany*	2011	2012	2013	2014	2015	2016	2017	2018	2019
Natural gas in kWh/t	463	494	493	533	615	705	703	678	718
Purchased electricity in kWh/t	176	176	169	167	134	87	85	86	83
Energy consumption in kWh/t	639	670	662	700	749	792	788	764	801

**Sites in Aachen, certified under ISO 50001*

Using energy more efficiently: our activities and projects

Combined heat and power plant (CHP)

Since 2016 we have been using five of our own CHP plants, which are much more efficient than the conventional type. We have increased the proportion of our own power from 62% (2016) to **66%** (2019), saving **3,500 tonnes** of CO₂ a year.

The heat produced is used mainly to heat water for cleaning the production equipment and the stainless steel transport containers. To maximise capacity use, the surplus heat is used to heat one of our buildings and on weekends with no production to cool the cold stores. Further improvements in capacity use at the CHP plants are planned in future.



Small-volume production

When products are developed and customer requests implemented we are seeing that production orders are increasingly fragmented. The result is a more diverse product range, with smaller batch sizes. This in turn leads to higher water and energy consumption per tonne of product, because more cleaning is required. In light of this development we designed production equipment for smaller volumes in 2019 (a “small unit”), with smaller container sizes and modified technology. It went into production at year-end 2019/2020. In 2020 it will be possible to see how successful this unit is.

Overall equipment effectiveness (OEE)

The efficiency of the production equipment in the fruit preparation / jams unit is described by the overall equipment effectiveness (OEE). This measure is calculated from the figures for performance, availability and quality and is measured every day in order to identify weaknesses promptly. In addition, the OEE team set up in early 2020 investigates potential for optimising structures, organisation and process times and looks for ways of standardising production workflows.

Other measures



Annual replacement of old neon strip lights with modern LED lights



Immediate reporting of compressed air leaks and installation of new-generation valves when major modifications are made



Reviewed the installation of solar panels, with the result that it is not possible because the roofs cannot bear the weight



Planned reduction in gas consumption in 2020 by changing from two to one boiler. This move would save 2,000 tonnes of CO₂ but entails the risk of production downtime if the boiler should fail. A test run for this project will take place in autumn 2020.

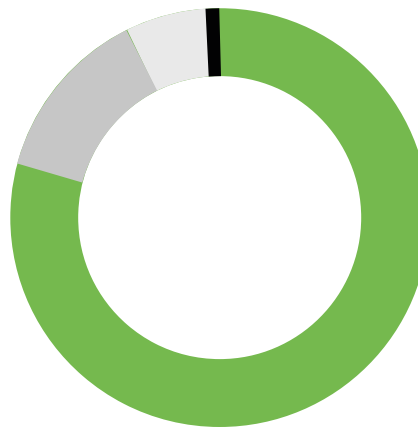


Introduction of paperless processes

Water

We use water mostly to clean the production equipment.
Water is only used in very small quantities as a component of the products themselves.

In 2019 we consumed a total of around 960 megalitres of water in Germany (960,139 m³).



Water consumption 2019 in %

- Cleaning 79%
- Part of formulation 14%
- Boiler & cooling towers 6%
- Remainder 1%

The chart below shows changes in water consumption per tonne of final product over time:

Germany*	2011	2012	2013	2014	2015	2016	2017	2018	2019
Water consumption in m ³ /t	4.4	4.8	4.5	4.8	5.0	5.1	4.9	4.9	5.4

*Sites in Aachen, certified under ISO 50001

Water consumption in relation to production volume rose by some 10% from 2018 to 2019. This is due to cleaning the fruit carts for allergens and the higher number of cleaning events as orders become more fragmented.

Reducing water consumption: our main activities and projects

Expand decentralised clean-in-place units (D-CIP)

Connecting the production equipment to D-CIP units enables water from the final rinsing stage to be reused for the following pre-cleaning stage. This process can save 40,000 m³ of fresh water a year and reduce our water consumption for 2020 by 2%.

Cleaning process for allergen-free fruit carts

In 2019 we put a washing unit for fruit carts into operation, which applies a defined cleaning process to remove all traces of even highly allergenic soiling (e.g. nuts). To ensure that all allergens are removed, the water used for the multi-stage process has to be discarded. This uses an additional 70,000 m³ of water a year. We are therefore considering only cleaning fruit carts containing allergens with this process in future, but will then have to find another solution for fruit carts without allergens.

Waste water quality

The fragmentation of orders and higher allergen-free standards also impact the pH value and so the quality of the waste water. For this reason we put a waste water treatment facility into operation in 2019 that adjusts the pH value if necessary. However, this means that our nanofiltration unit cannot be used to treat the water, because the different types of waste water gum up the unit. A solution has not yet been found.

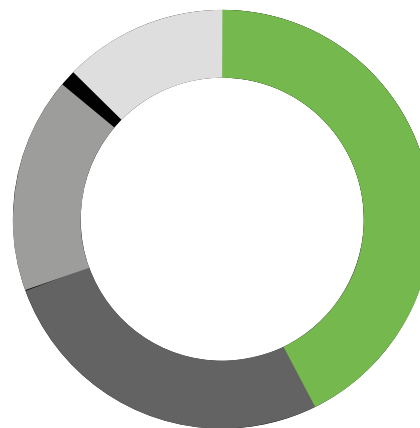


Waste

The general aim is to minimise waste and packaging, and to recycle the remaining waste in an environmentally safe way, or if this is not possible, to have it removed by specialist firms.

Around two thirds of the fruit preparations we make are transported to our industrial customers around the world in some 32,000 stable and reusable stainless steel containers. This has **the advantage** that all the containers are returned, cleaned and refilled with fresh product.

Types of waste in Germany



- Food waste, e.g. no longer reusable fruit preparations, jams and confectionery (animal feed/ethanol production/recycled as biogas)
- Cardboard (recycling)
- Mixed packaging (thermal recycling)
- Construction waste (physical recycling)
- Other

High quality standards for raw materials and manufactured products occasionally result in larger amounts of waste. Although the total volume of waste has risen slightly, the amount of food waste was reduced by 15% compared with 2017.

The challenge of fresh fruit

Whereas sugar is mostly delivered by the truckload, we generally get fresh fruit in 10-12 kg boxes. These are made of cardboard and plastic film that is soiled with fruit. To avoid using the plastic bags, growers and suppliers are increasingly using cardboard that has been waxed or coated with plastic. This does eliminate the plastic bag, but makes it more difficult to recycle the cardboard.

Following a complaint from our waste disposal partner, we carried out some research work and visited the waste disposal plant. The cardboard can still be recycled at the moment. We will continue to keep these developments under review.

Achieving more together

We also increasingly try to avoid waste outside our production processes. Several staff initiatives have helped us to reduce the use of disposable plastic items in the canteens and laboratories and to separate waste into very precise categories wherever possible.

Logistics

Logistik Service GmbH is a separate business unit of Zentis, specialising in temperature-controlled, flexible transport. It was established in Aachen in 1998. It delivers products, organises some of the raw material purchasing and carries out the transport between our European plants and the external warehouse for finished goods near Aachen. Orders are pooled in order to optimise the load factor. At the same time this makes it possible to respond to customer requests at short notice.

Logistik Service GmbH also enables us to adjust and implement our strategic climate activities directly, which we have been measuring continuously using specific indicators since 2011.



Facts and figures:



Logistik Service GmbH (Logistics) has 140 employees (as of 31/12/2019)



A fleet of some 40 owned vehicles and 130 trailers



HGV meet EURO 6 standard in Germany as of 2017



Average age of the vehicles in our fleet: 3.5 years



Another 50 independent vehicles (cab plus driver) are operated by sub-contractors



4.16 million kilometres were driven in Germany in 2019 by Zentis Logistik Service GmbH's own vehicles, and another 4.18 million kilometres by external firms.



In Russia a total of 18 own vehicles were in service in 2019, covering 1.8 million kilometres.



Average age of the fleet in Russia in 2019: 2.42 years



The company does not use its own vehicle fleet in the USA, Poland or Hungary.

Use of external logistics providers:



Are used in Germany, USA, Poland and Hungary; in Russia still only in a few exceptional cases



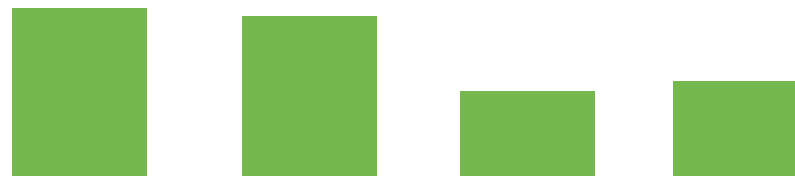
Air and sea-freight are not included



All are covered by the country-specific "Zentis Quality Code for Hauliers", which guarantees the highest quality in terms of product handling, temperature, transport aids, load security, cleanliness, hygiene and safety.

Figures for own vehicle fleet in Germany:

	2016	2017	2018	2019
Diesel consumption per 100 km	30.90 l	29.66 l	25.40 l	26.00 l
Emissions in CO ₂	5,738 t	4,206 t	2,701 t	2,871 t





Efficient logistics: our main activities and projects



Patented lifting device in 56% of trailers reduces transport of empty containers by one third



Expansion of in-house purchasing logistics (already implemented in the reporting period: raw materials, packaging material, chocolate, flakes, starch, sugar and e.g. strawberries)



Deliveries in tanks (e.g. hazelnut paste) not only saves on transport, but also reduces the amount otherwise left in the tubs



Moving stracciatella pre-products from Hungary to Aachen saved us 450 journeys in 2019 and a total of 553,500 km (external logistics firms).



Scheduled services make optimal use of HGV, i.e. shuttle services between Zentis and customer site



Trial run for LGN alternative fuel



E-learning tool simplifies driver training on subjects such as: general driving instructions, driving and resting times, securing loads and hygiene

Responsible purchasing of raw materials

**Our raw materials:
natural quality ›**

**Challenges for raw
material purchasing ›**

Certification and memberships ›

Cooperation with suppliers ›

**Tools for supplier testing
and qualification ›**



Our raw materials:

natural quality

Our main raw materials in 2018/2019:

Raw material	t
Strawberries	
Raspberries	
Cherries	
Peaches	
Apricots	
Blueberries	
Plums	
Blackberries	
White sugar	
Almonds (all forms)	
Cocoa (all parts)	
Hazelnuts (all forms)	

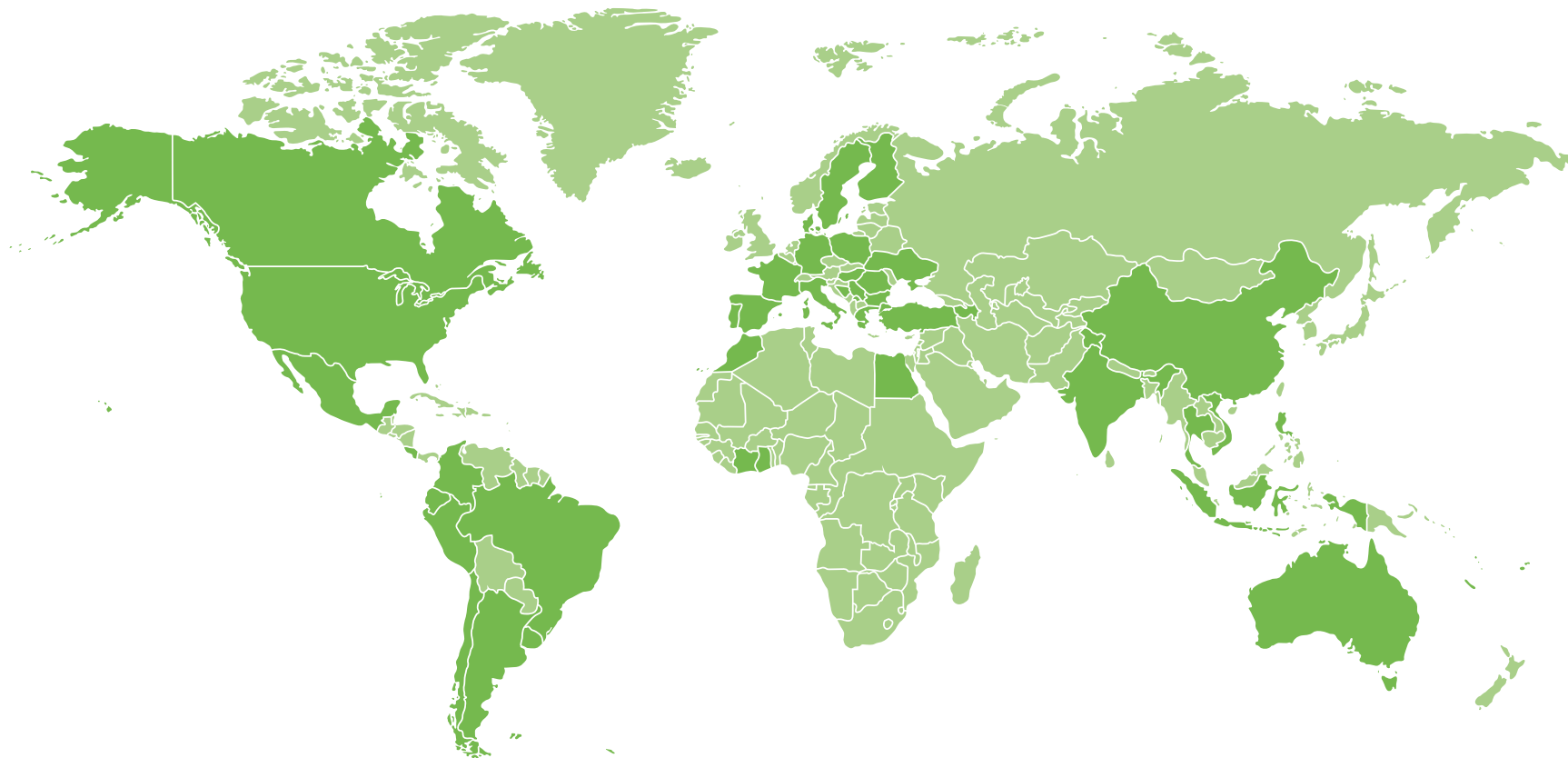
“

The use of natural and high-quality produce forms the basis of our business.

”

Our sources

We buy our raw materials where they can grow and ripen best, i.e. in a wide range of different countries worldwide. We take many economic and quality criteria into account and monitor the local conditions carefully in every growing season.





Fruit

We buy our strawberries from Poland, our raspberries from Ukraine and our cherries from Baden in southern Germany, just to give some examples. However, South America has been and remains our main alternative to Europe when it comes to fruit farming. The proximity to South America is particularly important for our US site. We only buy fruit from regions where consistent compliance with our strict standards for growing, harvesting and quality is guaranteed. We follow strict rules for supplier testing and qualification.

Almonds/hazelnuts

Almonds are the main ingredient in our marzipan products. Around 95% of the almonds we use come from California, and the rest are bitter almonds from Morocco. We source our hazelnuts from Turkey. By leveraging our longstanding supplier relationships and our **Supplier Code of Conduct** we try to avoid difficulties in critical areas such as working conditions and child labour.

Sugar

Sugar is a particularly important raw material for us. We deliberately reduce transport to a minimum and supply our European factories with sugar from Germany and other European countries. The sugar we buy comes almost exclusively from sugar beet, which supports German and European agriculture.

Effective procurement: lead buying

In the course of its international expansion, Zentis has pooled its purchasing capacities in a “lead buying” programme since 2017. This new concept enables information to be exchanged with subsidiaries and suppliers more directly and efficiently, as well as expanding our global portfolio of suppliers. So for example, Zentis Germany is the lead buyer for peach cubes from Europe and Zentis North America for mango products from South America.

Challenges for raw material purchasing

As a company that mainly processes agricultural produce, we are aware of the impact of our business on human rights, working conditions and the environment and so are always on the lookout for good solutions.

Extreme drought, heat and frost resulting from climate change make growing conditions more difficult. This reduces availability and pushes up prices. The availability of labour (especially for strawberry picking) is also an increasing problem in the growing regions. Another point is the general uncertainty of customers concerning the ecological and social aspects of individual raw materials.

Zentis is committed to improving ecological and social topics in its supply chain. Whereas the focus was previously on social conditions, the relevance of environmental aspects, such as the loss of biological diversity and the consequences of climate change, is becoming ever clearer. These latter topics are currently mostly address-

sed by means of certification, but the intention is also to integrate them into internal processes and local projects going forward. Our longstanding relationships and close contact to our suppliers, as well as strict supplier testing and qualification, also guarantee that our quality and sustainability standards are met.

In April 2016 we created a new position in the Purchasing department to manage the growing number of sustainability programmes.



Certification and memberships

Acting sustainably together

Certification is a concrete way for us to improve social and ecological topics in our supply chain. Together with our customers we have identified certification programmes that reflect the expectations we have of ourselves and our commitment to sustainability.

Our focus is on the raw materials palm oil and cocoa, because this is where the problems with environmental and human rights standards are most serious and require the most urgent action.



UTZ (Rainforest Alliance)

The **UTZ** programme and seal designate responsible, sustainable agriculture and transparency throughout the supply chain. UTZ focuses on the management of agricultural businesses, especially of smallholders. It supports farmers and workers and their families, improves their income and social situation and at the same time contributes to protecting natural resources. UTZ was merged with the Rainforest Alliance seal in early 2018. Both programmes run in parallel during a transitional phase until their new joint standard is introduced in 2020.



Fairtrade

The **Fairtrade** label designates fair trade produce, i.e. which meets defined social and ecological criteria. One elementary part of the programme is the payment of guaranteed prices, plus an additional bonus for community projects in the growing regions. Fairtrade promotes contractually defined, ecological farming practices and prohibits exploitative child labour.

Share of UTZ and Fairtrade certified products in 2019:	%
Cocoa own brand Zentis Confectionery:	96
Cocoa total:	38.5
Chocolate:	66.9

From 2020 we will also start purchasing UTZ certified hazelnuts.

RSPO

Roundtable on Sustainable Palm Oil (RSPO) is an initiative by non-governmental organisations, the food industry and other stakeholders from the palm oil industry that aims to reduce deforestation and contribute to the maintenance of biological diversity. At the same time the intention is to ensure that the living conditions of rural communities in palm oil producing countries are respected. Zentis has been RSPO certified since 2012. The segregated supply chain model requires that certified palm oil is kept separate from non-certified in every stage of the supply chain, to guarantee that only certified palm oil is actually used for the final product.

Palm oil 2019: **RSPO »segregated«:**

>99 %

Sourcing palm stearin under the RSPO segregated model is particularly difficult. For this reason less than 1% of the palm oil we use is certified in accordance with the RSPO mass balance model. In this case it can be blended with non-certified palm oil. Since there were problems in the past with purchasing aromas and emulsifiers with RSPO certified palm oil derivatives and fractions, we now sometimes use aromas and emulsifiers that do not contain palm oil if RSPO quality products are not available.

Full details of the topic "product development" are provided on pages 44-45.

FONAP

Since 2017 we have also been a member of the **Forum Nachhaltiges Palmöl (FONAP)**. FONAP aims to significantly boost the share of sustainable palm oil and derivatives on the German, Austrian and Swiss markets and to improve the existing standards and certifications. For us this means that we commit voluntarily to work towards using 100% sustainably produced palm oil and palm kernel oil in our products.

Organic

Certified organic produce currently accounts for 1.9% of the total raw material used at Zentis. Of our purchased fruit, **3.8% is certified organic**. We only use cane sugar on special customer request, but 81% of this is certified organic. Generally speaking, we want to work more with organic growers in order to support long-term biodiversity and respond more precisely to customer requests.

Sedex

As a processor and trader in the centre of the supply chain we have been an AB member of the independent organisation **Sedex (Supplier Ethical Data Exchange)** since 2006. Sedex is a web-based database for companies that aims to collect and share ethics data among its members. It enables companies to analyse and assess potential risks within their supply chain. Sedex uses a special risk assessment tool, which we also use for our own risk measurement. We currently have no high-risk suppliers.

We approach suppliers actively and ask them to complete a SMETA audit (Sedex audit method). The network of suppliers listed with Sedex was expanded again in the reporting period. So for one of our key accounts we were able to increase the share of **certified raw materials to 95%**.

In addition, the social standards throughout the Zentis group are audited by various customers. These corporate social audits are based on recognised international social standards, such as SMETA (Sedex Members Ethical Trade Audit) or customer audits like the Social Workplace Accountability Audit.



Cooperation with suppliers

Our relations with our suppliers and vendors are defined by longstanding, trust-based cooperation – everywhere in the world.

This also makes it possible for us to sign contracts for several years.

We make a general distinction between producers and suppliers.

Producers

Producers are all the actors in the first processing stage of the supply chain. This is where the freshly picked fruit are washed, sorted, diced and frozen if required, and packaged aseptically or as a preserve for further processing. We receive a ready-to-use product for our own factories.

Suppliers

on the other hand are the importers of the goods and so generally our contacts and contract partners. However, the supplier is sometimes also the producer of the goods

For the sites in Germany, 61% of all suppliers were also producers in 2019. Our order volumes with them accounted for 78% of the total.



Facts and figures:



Around 70% of our sources have been working with us for more than ten years (Zentis Germany)



We buy over 88% of our raw material volumes from some 20% of our suppliers (92% internationally)



With 36% of our raw materials suppliers we do business worth more than €200,000 a year (97% of total)

“

Where we see high potential for improvements at suppliers we actively advise and support them.

”

This close cooperation enables uncompromising quality assurance and allows us to insist on high standards. Where we see high potential for improvements at suppliers we actively advise and support them. This involves detailed conversations, but also special coaching, both at Zentis and at the supplier's or producer's premises. Here the focus is also on social and ecological topics.

Best Case – Supplier Day

Regular **Supplier Days** encourage the exchange of information and forward-looking cooperation on solutions for concrete problems.

Following positive feedback from our suppliers about our first Supplier Day in 2017, and in order to pursue the process of dialogue, a **Zentis Innovation Supplier Day** was held in 2019. It concentrated on the search for innovative ideas and approaches to existing and new product concepts, drawing on the trending topics of natural goodness, sustainability and healthy living.

A total of 32 suppliers took part in the 2-day workshop. 90-minute discussion sessions were organised in the categories Fruit and Vegetables, New Ingredients, Sugar / Sugar Reduction, Clean Label and Packaging.



On-site supplier support

The aim of our site visits and training courses is to tell our suppliers of raw materials about their role as a responsible part of the supply chain. Training has been provided to date on product-related quality matters, such as contaminants and hygiene. Department heads also received training on environmental and social topics.

The position of Fruit Scout was created in the Purchasing department in order to advise our local suppliers even better and initiate concrete fruit-related projects. Another part of the role is to look for ways in which producers can be given more effective support with sustainability topics, focusing on high-risk countries like India and Egypt. Some projects in Spain and Morocco are to be pre-funded, in order to gain better insights into picking and processing and build greater loyalty with suppliers.

In this context, an internal resolution was adopted on a living income for cocoa in the reporting period, which is to be implemented in 2020. This gives cocoa growers in Ivory Coast a fixed salary to cover their living costs, which is defined uniformly by central agencies.



Tools for supplier testing and qualification

Our high quality standards for suppliers and our commitment to sustainability in the growing, production, packaging and transport of all raw materials go far beyond what is required by general and food processing legislation. The tools used are evaluated regularly by our Quality Management in cooperation with the Purchasing function.

General specification

The general specification was introduced in 2016 and last updated in 2019. Among other things it includes contents from HACCP, hygiene measures, Good Manufacturing Practice (GMP), contamination avoidance, allergen management, farm management, genetically modified organisms (GMO) and traceability, as well as defining the framework for sustainability topics at the social and ecological levels. There has also been a general specification for packaging since 2018.

Our general specification is binding for all our suppliers, who must confirm their compliance in writing. The general specification also defines the framework for sustainability topics at both social and ecological levels.

Supplier questionnaire

A strict supplier qualification procedure applies to new suppliers. A core element of supplier testing is a specially developed questionnaire, which is revised regularly and adapted to new requirements. All suppliers have to update their answers on a regular basis.

The questionnaires are evaluated and reviewed by our Quality Management team in close cooperation with Purchasing. If there are significant deviations from the standards the suppliers do not qualify, or they are blocked and delisted if the discrepancies come to light at a later date. We have this qualification system audited regularly by external specialists.

In addition to the quality criteria, the supplier assessment is also based on sustainability aspects. Questions are asked about ecological criteria, such as certifications, environmental activities and renewable energy, as well as social criteria, like measures to comply with ethical principles, anti-discrimination and health and safety.

Supplier Code of Conduct

Since 2016 we have used our own Supplier Code of Conduct that every supplier has to sign (since 2013 in the USA). The aim of this code is to protect the rights of employees. This includes fair working conditions, avoidance of forced and child labour, promotion of occupational health and safety and aspects of environmental protection. We make use of contents from the Business Social Compliance Initiative (BSCI), a non-profit business association that aims to improve social standards in global supply chains. These topics are supplemented by our own, including standards for ensuring minimum pay in the country of origin.

Annual supplier assessment

For our strategic suppliers and those above a defined order threshold we carry out an extensive annual supplier assessment, which covers around 90% of the total purchasing volume. It comprises both qualitative and quantitative aspects. Quality, prices and terms, delivery and service and good manufacturing practice are assessed by means of questions with different weightings.

Depending on the result the supplier is notified or asked to make a statement. They may also be asked to make specific improvements in cooperation with our Purchasing function and the Quality Assurance department. If these steps are not taken or do not meet our standards, the supplier is blocked. No suppliers were blocked in the reporting period on the basis of the annual assessment.

Sustainability criteria did not play an important role in our annual supplier assessment to date. This will change in future with the new supplier platform. By pooling information in a central system, the aim is to record positive and negative developments in terms of sustainability at our suppliers and integrate these into the supplier assessment.

Supplier audits

Our suppliers are audited regularly to ensure compliance with our high quality standards. We accept audits from our suppliers according to the standards of the Global Food Safety Initiative (GFSI). In addition, we carry out on-site audits to ensure that product quality meets our requirements and guidelines at all times, including for purchased raw materials. In this context we prepare audit plans that enable us to verify the quality of our upstream business partners and make suggestions for improvement if necessary.

Risk countries

Unfortunately there are still countries and growing regions in which child labour is tolerated or even socially acceptable. We define these internally as risk countries and regions. They include Central America (Mexico), Turkey and a number of African states.

We do not purchase raw materials from these regions whenever possible and take special measures if we are dependent on them due to the large volumes involved. One example is the sourcing of hazelnuts from Turkey, where 75% of the global hazelnut crop originates. For this country, in addition to our supplier questionnaire and our Code of Conduct, we have decided only to accept raw materials from suppliers audited by Zentis.

Despite all our precautions, the risk of child labour cannot be ruled out for around 5.8% of our raw materials. This figure relates to chocolate and nuts, as well as deliveries from risk countries that are not certified by Utz or Fairtrade.



Natural. Enjoyable. Zentis.

Expertise you can enjoy ›

Innovation from tradition ›

Naturally aware ›

The Zentis brand ›

Social transparency ›

Our packaging ›

Expertise you can enjoy

Zentis is a global driving force for natural and enjoyable nutrition. We develop products and concepts with the best products that optimise their natural goodness. The basis of our success is the know-how of our employees and innovative product development, but also intensive market screening and close cooperation with customers, suppliers and external experts.

Our core competence is the development and production of fruit preparations, primarily for the food industry. Our confectionery expertise lies in the production of marzipan. Essentially we serve the following markets:

Our most successful product revolutions:



Stable Schokosplits and chocolate cereals that stay crunchy when stirred into yoghurt, desserts and other applications.



Cereal preparations – also gluten-free



Fruit and “warm flavour” preparations for sweet desserts



Fruit preparations with lots of chunks for premium products

Fruit preparations for the dairy industry:

Fruit preparations for yoghurt, quark, desserts, yoghurt drinks, mixed milk drinks, ice-cream and plant-based alternatives.



Fruit preparations and base mass for the bakery and confectionery industries:

Fillings, such as fruit preparations, sweet creams, special fillings that are stable after baking and/or freezing, marzipan base mass, gel preparations, icing and decorations

Confectionery for consumers:

Production of raw marzipan, primarily for seasonal articles like marzipan loaves, marzipan potatoes and marzipan eggs, as well as all-year articles with and without marzipan – always in line with consumer needs (e.g. smaller packaging sizes)

Spreads for retailers and consumers:

Wide assortment, including famous brands like the Original Aachener Pflümli plum spread, the fruit spread 50% less sugar and the Nusspli nut-nougat cream

Innovation from tradition

This is not only our motto, but also our expectation of our own product development, to ensure that we can cater flexibly and quickly to individual customer requests.

By bringing together our research and development specialists with those from purchasing, production, marketing and quality assurance, we combine the wide-ranging, interdisciplinary know-how of our employees, which currently adds up to 53 specialists in Aachen.

A state-of-the-art **Baking Technology Centre** lets them test and taste the finished products straight away. So we can carry out the full range of tests on new fillings and preparations in house.

Our sites in Poland, Hungary, the USA and Zentis Confectionery also have their own product development functions that reflect their specific local competences. Zentis Poland develops new processes and products in the field of savoury preparations and natural colourings, for example








Naturally aware




New demands of our products and how we deal with them

Demands:

Trending topics (customer-led)

-  "Vegan" and "plant-based"
-  "Reduced sugar"
-  Regional
-  Organic
-  Detailed labelling of origin and certification

Sustainability (retail)

-  Fairtrade certified cocoa
-  RSPO certified palm oil
-  Use of *sunflower lecithin* instead of *soya lecithin*

Our response:

-  We only use **certified palm oil (RSPO SG)** and other **raw materials certified by UTZ**, and **Fairtrade** (detailed information on pages 34-35.)
-  We focus on **clean label concepts** (e.g. dairy industry) and an authentic product experience with dominant ingredients, i.e. as few ingredients as possible and no or few additives.
-  We have **reduced the amount of sugar** in fruit preparations and developed a jam with 50% less sugar. In addition, we are researching alternative solutions with e.g. natural sweeteners.
-  We are working on various concepts for customised fruit and "warm flavour" preparations for fermented and non-fermented **plant bases made of soya, oats or coconut**.
-  We produce **natural colourings** at Zentis Poland, which will cover 70% of internal needs in future and are also to be sold externally
-  In the long term we want to **eliminate palm oil** and palm oil components by only purchasing raw materials that do not contain palm oil.
-  We are carrying out research into the **use of sunflower proteins** as a plant-based alternative to e.g. sources of animal protein for producing e.g. milk-free alternatives to cottage cheese.
-  In addition, we are looking at developing **ultra chunky fruit preparations**, various **vegan bases** and new **crunchy cereal types**.

Zentis

The brand

We distribute spreads and confectionery under the Zentis brand to our consumers via food retailers

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Always making the best out of fruit is not only our expectation of ourselves, but also our brand promise for our customers and partners.

”

The core assortment of the Zentis brand:



50% less sugar



Breakfast jam



Aachener Pflümli



Nusspli



Marzipan potatoes



Marzipan loaves



MyCorn

Brand development

An new, independent brand positioning was devised for the Zentis brand in the reporting period and an innovation pipeline with B2C concept products lined up through to 2025. We were supported by the results of intensive market research into consumer needs and attitudes, emerging trends and an analysis of the previous positioning of the Zentis brand.

This has resulted in a new organisational structure for the Zentis brand. The sales and marketing functions were merged and B2C innovation management was implemented as part of global innovation management. The aim is to develop new products for the sweet spreads and confectionery segments, along with other high-potential categories and application opportunities.

Zentis Confectionery is also focusing on product innovation and is currently developing its positioning from that of a classic marzipan manufacturer into an expert for almonds and nuts.

The main *innovations* under the Zentis brand



Highly successful launch in February 2019 of the new range **50% less sugar** with four varieties. Reducing the amount of sugar by 50% compared with a conventional jam, while keeping all the fruity enjoyment, is the brand's USP. In January 2020 the assortment was extended to include finely puréed varieties.



Packaging relaunch for the traditional plum purée **Aachener Pflümlli**; from a plastic tub to a **glass jar**.



Introduction of a cereal snack with chocolate **MyCorn** in three varieties (oats with milk chocolate, rye with dark chocolate, quinoa with milk chocolate).



Launch of the **Ehrmann High Protein Crispy Snacks** in the course of 2020. Zentis holds licences to produce and distribute this product in the three types Crispy Balls Milk Chocolate, Crispy Balls Yoghurt and Crispy Cookies Milk Chocolate.



Social transparency

Zentis online and in social media

The Zentis brand stands for open, transparent communications with all customer and stakeholder groups. Direct, quick and authentic correspondence is very important for us and is achieved via all the main online platforms.

Pinterest

Set up in 2019, the Pinterest page has inspirational recipes for cooking and baking and attracts >6,000 visitors a month.

Newsletter

Here we provide all the news about our B2C business. The newsletter is one of our most important communications tools.

Facebook & Instagram

Our main target group spends a lot of time on Facebook. In addition, the platform lets us get direct feedback on product innovations and launches, which we post on our Facebook page. Communication via Instagram and LinkedIn will also be expanded in future.

Introductory offers and test products

Campaigns and testers for special and limited editions and new products are very popular with the target group and are valuable for us in terms of product development, generating recommendations and increasing brand awareness. In the reporting period we carried out the following tester campaigns: 50% less sugar range (as part of the REWE "less sugar campaign") and MyCorn. In addition, there are regular prize draws on our website, with advertising for various products.

Website & YouTube channel

Here we provide insights into all of our business departments, e.g. our production processes from raw materials through to the final product. We always explain all the steps, challenges and demands. For our MyCorn product we even set up a separate website and a Facebook page. Both have proved to be very popular and boost direct communications with consumers.

Facebook fans as of 31/12/2019

50,993

Our packaging

Optimised combination of product needs and environmental protection

Sustainable packaging is becoming more and more important for consumers. That is why we are increasingly using glass for retail customers. We use 100% FSC certified cardboard packaging for transporting jams and confectionery and presenting them on shelves, as well as reusable stainless steel containers for bringing our fruit preparations to our industrial customers.

In general we ensure that packaging is purchased as close to the factories as possible and so buy most of our high-volume, heavy packaging like glass on a regional basis.

Altogether, this means that we practice a circular economy as far as possible. In terms of our plastic packaging that primarily means increasing the share of recyclable materials in future.



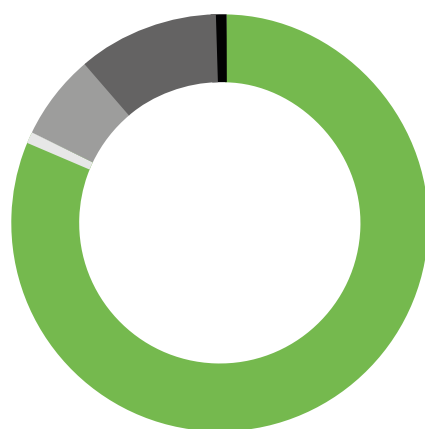
Use of materials

For our jams we use **glass jars** that are sealed with a **tin lid**. The **plastic packaging** mainly consists of our plastic pots for breakfast jam and Aachener Pflümli, which are sealed with an **aluminium disc** to ensure food safety. Packaging for Aachener Pflümli was changed to glass at the end of 2019.

The volume of plastic packaging should therefore go down from 2020. The remaining plastic packaging is film for confectionery, separate portions and **composite films** that are shown separately in the diagram.

Unfortunately, recycled plastic will not be used in our product packaging in the near future, because food legislation does not permit any direct contact between food and recycled products.

Breakdown of packaging materials in %



Packaging materials consumption 2018/2019

- Glass* 80.8%
- Paper/cardboard 0.8%
- Metal (tin & aluminium) 5.8%
- Plastic 12.2%
- Composite films 0.4%

**the high percentage of glass is due to its weight*

New approach to packaging

The Zentis department of Packaging Development works to develop new packaging systems and to optimise and harmonise existing methods. The department increasingly deals with the efficient use of packaging material and its cost, as well as changing sustainability requirements.

Current activities and projects



Protection against product contamination with MOSH/MOAH by using inks without mineral oil and low migration inks for printing labels, foils and cardboard boxes



Reducing packaging material and use of monomaterials to make packaging easier to recycle



Many types of plastic packaging are already 90-100% recyclable, including the films around the marzipan loaves, the film for the raw marzipan and the plastic pots.



Customer- focused business

Successful together ›

Global innovation management ›

Quality and safety ›

Certification and standards ›

**Active quality
assurance measures ›**

**Always up-to-date:
staff training ›**

**Respect for one another:
Zentis Compliance ›**

Successful together

Our industrial and retail customers have different needs and ever higher demands in terms of quality, natural products and sustainability. So for us, customer-focused business means adapting to these needs and demands and finding joint solutions together with our customers. To do so we at Zentis are setting up international processes and new ways of working, which promote creativity and innovation and make space for working for and with our customers.

Product quality and customer health and safety are our top priorities and are covered by strict quality management policies that apply to all departments. At the same time we have high expectations of our business ethics, which we safeguard by means of our compliance management system.

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To do so we at Zentis are setting up international processes and new ways of working, which promote creativity and innovation and make space for working for and with our customers.

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Global innovation management

This department has been the **catalyst for all the innovations** in the Zentis Group since 2020. This is where the structures and processes are created and the corporate climate improved for innovations within all departments and at product level.

In future our global innovation management will not only enable us to respond swiftly to sustainability trends, but also to connect many sustainability topics with our business processes, always involving our customers and suppliers in the process at the same time.

Tools and projects

FruitCampus

FruitCampus is a set of new rooms created to provide everything that is needed for cutting-edge workshops with both a theoretical and practical focus, in modern surroundings that encourage creativity. Staff from different departments can meet to implement projects involving agile and cross-functional working methods. In the long term this will make our company more agile and contribute to its future success. In early 2020 the first customer event also took place in the Customer Relation Area on the FruitCampus.

Creative Space

Our creative space is a flexible, multi-sensory room within the FruitCampus, where all the tools and spaces are available that are needed to structure ideas and refine them over a longer period of time. There is also the opportunity here of physically creating the new ideas in a **show kitchen**, along with a laboratory full of sensors.

Foresight

By foresight we mean our corporate activities to identify and prepare for new developments in our markets, by using trend cards, for example. Trend cards are used to document potential trends and their significance for Zentis, so that they can be evaluated by various expert groups. Trend identification and analysis is carried out using various workflows that are currently being refined by the innovation management function.

Quality and safety

We also ensure our high quality by means of consistent, end-to-end quality policies at all our production sites. The processes include regular controls and certification, our process-based quality management and the frequent exchange of information with external experts. They are firmly embedded in the overall process and in the minds of our employees.

Although our different sites have established independent quality management systems, European quality meetings are held regularly to compare notes and present typical procedures for the specific country, such as control routines.



Certification and standards

The company's own workflows and the proper implementation of all the quality policies are reviewed regularly both by means of internal audits and by external certification organisations.

In 2019 our sites in Aachen were again certified in line with IFS (International Featured Standard) Food 6.1 and FSSC (Food Safety System Certification) 22000. The sites of our subsidiaries are also certified according to a food safety management system. Audits of the certification process increasingly take place unannounced.

Allergen management at Site I in Aachen has been successfully inspected in line with ISO 17020 for many years, especially for the fruit preparation production area, and holds the relevant certificate.

Our certificates:

-  Organic products (EC Organic Regulation)
-  Food without gene modified organisms ("GMO-free" and "GMO-free Austria")
-  Vegetarian and vegan products "V-Label vegetarian" and the quality seal of the European Vegetarian Union (EVU), "V-Label vegan"
-  Lactose-free products ("lactose-free")

Our raw materials certificates are described in more detail on pages 33-35.

Just as we audit our partners, we are audited by many of our industrial and supermarket customers. In the reporting period our customers carried out 23 audits and qualification visits on our premises to check that we comply with their quality standards.

All the audits were completed successfully in the reporting period. There were no problems relating to the health and safety aspects of our products.



Active quality assurance measures

Active information policy

We check reports from the Rapid Alert System for Food and Feed (RASFF) on a daily basis, as well as the regular updates from trade associations like the federal association of the fruit, vegetable and potato processing industry (BOGK), the federal association of German confectioners (BDSI) and external laboratories and consumer forums. Our aim is always to respond faster and so make sure that we and our customers are always a step ahead in terms of information.

Active food fraud policy

Our Zentis Food Fraud Team uses a vulnerability analysis to assess potential risks and identifies measures that can be taken to fight food fraud. A successful workshop on prevention and analysis was held on this subject with our international strategic suppliers in 2016.

We look at the availability of certain raw materials, price developments and countries of origin, but also known cases of fraud and information that we receive from our partner laboratories and trade associations. In our risk assessment we also rely on the JRC Monthly Food Fraud Report, which lists known cases of food fraud, and the Knowledge Center for Food Fraud and Quality.

HACCP concept

We carry out a risk assessment for raw materials, the production process and use by our customers.

Incoming goods checks

Every delivery is subjected to strict checks in which 1% of the total load is analysed. By working closely with our suppliers we ensure the traceability of our raw materials, from their exact origin through to the batch used.

In-process checks

Throughout the manufacturing process we monitor compliance with the strict standards of national and European food processing legislation, those of our customers and our own guidelines.



Outgoing goods checks

Our products are tested in Zentis laboratories for sensory, microbiological and analytical quality parameters before every delivery to food retailers or the food processing industry.

Detection of contaminants

High-performance neodymium magnets, metal detectors and x-ray technology are installed in our production lines. Other innovative processes are currently undergoing testing. In the reporting period we also redefined and specified the sieves used for various types of fruit to avoid any contamination (e.g. by fruit stones).

Always up-to-date: **Staff training**

Continuous staff training on personal and operational hygiene is a core element of our quality system and is carried out by colleagues with external support, or by external trainers alone. Annual hygiene training is mandatory for all employees.

In addition, there is a schedule to coordinate more than 30 other training programmes covering a wide range of topics, from production technology to awareness training for contamination and special process definitions, such as food defence and energy management. The schedule is reviewed every year and implemented by the individual departments.



Respect

for one another: Zentis Compliance

We maintain professional and respectful relations with our employees, customers and suppliers on the basis of our high ethical expectations. Since 2012 this approach has been defined in binding form for all sites, including our foreign subsidiaries and minority shareholdings, in our Compliance Management System (CMS), which is certified in line with IDW-PS 980 (Institute of German Public Auditors). In the USA the Employee Handbook also provides binding guidance.

Our guidelines go beyond the statutory requirements and are structured as follows:

Our Code of Ethics forms the basis for the Zentis Supplier Code of Conduct and meets the basic customer requirements for codes of ethics. In addition, our policies on ethics, compliance, corruption, competition and gifts are an established part of our CMS.

Our departments heads and the managing directors of the subsidiaries are also the compliance officers. They receive regular training on compliance policies and are supported by external advisers.

In the reporting year 2018/2019 there were no cases of non-compliance with social or business legislation and rules.





Working *at Zentis*

**The family company
from Aachen ›**

Working at Zentis in figures ›

What defines Zentis as an employer? ›

Qualification and personnel development ›

Employee health ›

Social engagement ›

Experiencing sustainability together ›

The family company from Aachen

As a modern, medium-sized family company, our personnel policy is sustainable and value-based. We want our employees to be satisfied and motivated in their daily work.

Our Zentis People Strategy makes a contribution to this, particularly our value-based corporate culture, our policy of active staff training and qualification and our company health management.

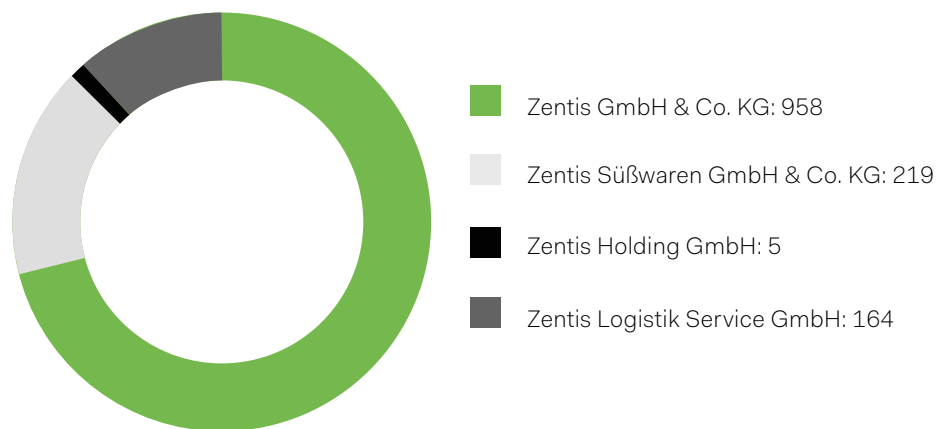


Working at Zentis in figures

Zentis has 2,212 employees worldwide (as of 31/12/2019), of which 1,346 work in Germany. The number of apprentices increased steadily from 38 to 49 between 2017 and 2019.

By means of recruitment and takeovers we were also able to reduce the number of temporary workers, who mostly replace other staff during holidays and sickness, as well as covering short-term production peaks, from 131 in the reporting period 2016/17 to 96 in the reporting period 2019.

Employees in Germany 2019



Our challenges and responses

Challenge	Response
Demographic change, especially high average age of manual/technical staff in production areas	Continuous development and modification of succession planning, knowledge transfer and vocational training, as well as part-time working hours suitable for older people and ergonomic adjustments to workplaces
Shortage of qualified staff	Focus on needs-based vocational training for specialists and focused professional training for existing employees, as well as active, targeted recruitment to fill vacancies quickly
Flexible working practices	Flexible working hours, including rules for mobile work, support with focused training and online offerings
Digitalisation and efficiency increases	Optimise and streamline standard and routine processes to free additional resources, e.g. for more individual staff selection and support

What defines Zentis as an employer?

Role models for each other

The values of **trust**, **openness** and **respect** are an integral part of our FAMOS 2025 corporate strategy. As part of the strategic VORleben project these values serve as a compass that is integrated into our daily working lives on an interdisciplinary basis.

Work-life balance

To enable our staff to achieve a good balance between their private and professional lives we offer flexible working hours, the opportunity to work away from our premises, and part-time working hours for specific situations in life. Parental leave is particularly popular and was also used more frequently by men in the reporting period.

Number of employees	2019
Mobile working	164
of which women	58 %

As of 01/01/2020, a works agreement gives all employees whose workplace fundamentally allows it the right to mobile working.

Fair pay

We attach great importance to performance-based pay and equality of opportunities for all our employees. As a company we are subject to collective wage agreements, so all employees are paid at least the payscale wage, which is significantly higher than the statutory minimum wage. In addition to the benefits agreed in wage settlements, our employees receive additional benefits such as profit-sharing and/or performance-related bonuses based on works agreements or on a voluntary basis. Some 90% of our workforce is covered by collective wage agreements. We also have a company pension scheme.

We love diversity

We consider diversity to be an asset. So for us, diversity not only means having employees from 30 different nations, but also forming teams from across all age groups. And of course we continue to strive for a equal proportion of women and men in the workforce and to increase the number of women in management positions.

Inclusion

Zentis enables people with disabilities and handicaps to find permanent employment. In many cases they have been integrated into existing teams for years. Wherever possible we also adapt workplaces and working hours individually, in coordination with the representative of disabled employees and the works council.

Furthermore, in cooperation with Lebenshilfe, a charity in Aachen, we enable severely handicapped people whose prospects of regular employment are limited to carry out proper work in the context of our confectionery production.

Employee incentives

In addition to the benefits directly connected to their work that are governed by the wage agreements, our employees also receive financial contributions for Christmas parties, concessionary rates for buying our products and subsidised canteen meals and car parking.

Our communication:

simply "famos"
Since 2017 there has been a head office department for internal communications, which ensures that communication between the executive management, line managers and employees is transparent and open, or great ("famos") in other words. This includes our new intranet, **famos.net**, which acts as an information platform and encourages staff to contribute and exchange comments among themselves. Although it has developed well, we are still working to enable internal communications at an international level for those who do not work at a computer.

Qualification and personnel development

We think it is important that our employees not only have the professional knowledge, but also the social and personal skills needed to cope with the complex challenges of the working environment, now and in the future. As part of our qualification strategy we offer a wide range of training courses and seminars for individual development, targeted management development, and a systematic talent management programme.

Core elements of our qualification strategy

We offer apprenticeships that focus on commercial, manual/technical and logistics occupations. In 2018 we were certified as a “Best place to learn”.

We train apprentices as needed, with the aim of taking them on as permanent employees.

Job training	2018	2019	Apprentices	2018	2019
Number of apprentices Zentis Germany	44	47	Retention rate	100%	81%

We also offer vocational training in line with national legislation at our sites in Poland and Hungary.



Management development

It is particularly important for us that our development programmes provide an opportunity for networking and for systematically acquiring the necessary leadership skills. The aim is to create a common understanding of leadership, provide support with ongoing management challenges and create a basis for professional qualifications. The current focus is on line managers in the manual/technical area.

Our concept consists of a two-year framework programme with four modules that is completed by all line managers in manual/technical functions. Key topics include leadership, communications, conflict management and the principles of labour law. After the two-year programme has been completed, an elective module is taken every year. Some of the topics available are change management, dealing with employees who become sick, and motivation and recognition of employees.

Ratio of male and female managers:

Managers	Male	Female
Division heads	15	0
Department heads	29	17
Head office functions	4	6

Talent Management

We use the term “talent” to mean employees who are considered to have good potential for challenging tasks, including leadership or specialist management tasks, but do not yet have all the skills they need for their future responsibilities.

Talent management consists of an English-language programme with a detailed individual development plan, as well as an overarching two-year framework and mentoring programme for our national talents, which was expanded to cover international talents at our foreign subsidiaries in 2018.

Professional training

Purely functional training is generally planned and organised by the individual departments, with our HR development team offering a wide range of professional training courses. They have been compiled as a training catalogue in our HR development software, are available for all employees and are evaluated regularly.

Our courses



Personal development and methodologies



Master classes and day-release degree courses



Language courses during working hours



Digital offerings, e.g. “Leading the digital transformation” and training for Office 365

Annual performance review

Feedback meetings between line managers and employees are held once a year. They are our main instrument for evaluating performance and defining development plans. The review consists of a look back at the past year, the current situation and a look ahead to future activities in commercial administration, purchasing and sales. In production and related areas the performance reviews are only carried out as far as the team leaders and their deputies, as well as other key employees.

Company health management

Our employees are our company's most important resource. Keeping them in good health is therefore particularly important for us. We offer specific measures for doing so, which are evaluated regularly and adapted as necessary.

Our steps for a healthy working day



Noise-reduction programme and new offices



Programme for switching to a healthy diet



Massages and exercise at the workplace in the breaks: to stay mobile, get stronger, stretch and relax



Health-based holistic physical training



Workshop on resilience: "How I can boost my mental immune system"



Participation in company runs



Flu vaccinations from our company doctor



In-house course on lower back fitness



Occupational health and safety

Health and safety has a high priority at our company; it is described in detailed, understandable guidelines, discussed four times a year by the statutory health and safety committee and supplemented as necessary.

The accident ratio for all our staff in Germany is 5.6 accidents per 200,000 hours worked. In the reporting period this did not include any accidents resulting in serious injury.

We carry out regular risk assessments for all our workplaces in order to monitor and improve the situation, and take steps to reduce risks as necessary. Accident surveys of staff and line managers are used as a foundation.

Accident prevention



Regular training adapted to the demands of the specific work



Instructing production staff on dealing with hazardous materials, forklift trucks, knives and personal protective equipment



Specialist training for team leaders and service staff, partly by external advisers such as TÜV, BGN, BG ETEM, suppliers of personal protective equipment, etc.



Annual hygiene training

Always in the best hands: our company doctor

In addition to our general precautions, we have a company doctor present in the company every day. He advises the company, employees and temporary staff on occupational and personal health matters. Furthermore, he is closely involved in the process of risk assessment for accidents at work and preventive measures.

The most common accidents at Zentis have typical causes for the industry, such as falls, cuts on fingers and hands and accidents on the way to or from work.



Social engagement

With heart and soul

Zentis has close ties to the region of Aachen, because this is where the company's roots lie. We feel particularly attached to young people and local customs and this is reflected in our initiatives.

Among the projects we sponsor are the Children's House in Aachen and Ronald McDonald House Charities; we are also partners of the REWE Power Packs, which ensure children do not have to go to school hungry. Zentis also supports the Charlemagne Prize awarded by the city of Aachen and awards its own Zentis Carnival Children's Prize. There has been a "Zentis Thursday" at the Museum Ludwig Forum since 2018, when entrance is free for all visitors.

The company also takes part in the Aachen Volunteering Pass, giving residents of Aachen who volunteer for charities a 15% discount on purchases from the factory shop in Aachen.

Social Days

On our Social Days our apprentices do voluntary work to help social projects. In the reporting period they worked at D-Hof, a centre offering games and leisure activities for children and teenagers.

Our managers also get involved with these volunteer days. As well as providing active support for social centres, our company provides financial assistance to buy building material, for instance, or equipment.



Experiencing sustainability together

Our aim is to make our employees even more aware of sustainability going forward and to involve them in activities that go beyond social engagement and professional knowledge.

Our activities



Employee initiative to avoid waste and reuse plastics



Vegetarian meals in the canteen



Changing from disposal plastic to reusable alternatives



No disposable cups at water fountains



Launch of a digital timecard, the digital personnel file



Reduce business travel by rolling out modern communications software (virtual meetings, also between international sites)



Active involvement of our employees in a company suggestions scheme. Feasible ideas win a cash prize.

Notes

Ownership and legal form

Group structure (as of 31/12/2019)

Parent: Zentis GmbH & Co. KG, Aachen

Direct shareholdings:

- Zentis Holding GmbH, Aachen
- Zentis Süßwaren GmbH & Co. KG, Aachen
- Zentis Ventures GmbH, Aachen
- Obstbauern Nahrungsmittel GmbH, Aachen
- Zentis Logistik Service GmbH, Aachen
- Allfrucht Vertriebs GmbH, Düsseldorf
- Zentis Hungária BT, Drégelypalánk, Hungary
- Zentis Holding Kft., Drégelypalánk, Hungary

Indirect shareholdings:

- Zentis Beteiligungsverwaltungs GmbH & Co. KG, Aachen
- Zentis Polska Sp. z o.o., Siedlce, Poland
- OOO Zentis Russia, Moscow, Russia
- Zentis Verwaltungs GmbH, Aachen
- Zentis Süßwaren Verwaltungs GmbH, Aachen
- Zentis North America Holding LLC, Plymouth, USA
- Zentis North America LLC, Philadelphia, USA
- Maryman B.V., Roosendaal, Netherlands

Conservation of production resources and climate action

Our site in Russia is not included in the environmental figures, since it is a distribution company.
From 2011 to 2013 only the Plymouth site was included for the USA.

Energy use within the organisation

Natural gas in GJ	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany	442,115	433,017	405,220	394,657	441,181	494,988	490,958	458,743	462,429
Poland	80,959	83,677	88,009	87,505	80,257	74,362	69,213	72,716	79,064
USA	104,405	96,305	110,651	178,720	191,122	184,899	186,092	98,184	112,716
Hungary	n/a	34,034	30,922	26,080	24,898	24,847	23,706	27,185	25,631

Electricity in GJ	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany*	167,538	154,161	138,513	123,236	96,137	61,164	59,209	58,313	53,405
Poland	23,828	24,098	23,885	24,142	23,602	23,211	22,810	24,248	25,695
USA	33,196	34,056	38,513	69,522	73,008	71,807	70,569	58,268	60,718
Hungary	n/a	9,346	8,124	7,326	6,755	6,578	6,621	7,070	6,414

*Germany: Not including electricity produced in own CHP plants.

GHG emissions

Direct GHG emissions (Gas [kWh/a] * 228 [g/kWh] / 1,000,000 = CO₂ [t/a])

CO ₂ (t/a)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany	28,228	27,424	25,664	23,848	26,347	31,349	31,094	29,054	29,287
Poland	4,295	4,539	4,773	5,469	5,016	4,710	4,383	4,605	5,007
USA	6,612	6,396	7,080	10,915	12,393	11,710	11,786	6,218	7,139
Hungary	n/a	1,455	1,243	1,652	1,577	1,574	1,175	1,722	1,623

Indirect GHG emissions (Electricity [kWh/a] * 527 [g/kWh] / 1,000,000 = CO₂ [t/a])

CO ₂ (t/a)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany	30,244	27,359	24,651	21,676	17,008	8,954	8,668	8,536	7,818
Poland	4,229	4,277	4,239	4,285	4,189	3,398	3,339	3,550	3,761
USA	5,892	6,045	6,835	12,338	12,740	10,512	10,331	8,530	8,888
Hungary	n/a	1,376	1,198	1,300	1,119	963	969	1035	939

Water

Total water withdrawal by source

The water used comes from the municipal waterworks. Drinking water has to be used at all our sites. Hungary operates its own well.

Total water withdrawal by volume

Total water withdrawal in megalitres	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany	1,172	1,157	1,019	993	1,005	986	947	913	960
Poland	232	259	281	265	241	233	208	219	254
USA	239	245	272	455	417	392	390	313	387
Hungary	n/a	71	70	69	59	62	52	53	52

Waste

Total weight of waste by type and disposal method

The breakdown of waste types is similar for the sites in Poland, Hungary and the USA. As a distribution site Russia has no relevant food waste or other waste volumes.

Less than 0.1% of waste is classified as hazardous. This includes used oils and solvents. They are collected in suitable approved containers and disposed of properly. This applies to all sites.

Types of waste in Germany

Types of waste in Germany (in tonnes)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Food waste (animal feed / biogas production)	5,045	4,473	4,522	4,181	3,670	4,090	5,142	4,551	4,391
Cardboard (recycling)	2,356	2,301	2,091	2,003	1,876	1,674	1,513	2,378	2,729
Mixed packaging (thermal recycling)	2,370	2,400	2,214	1,742	1,794	1,890	2,295	1,897	1,736
Construction waste (physical recycling)	507	241	133	122	114	165	294	82	155
Other	1,728	870	681	663	702	710	727	929	1,268

Waste by region

Waste (in tonnes)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany	12,006	10,285	9,641	8,711	8,156	8,529	9,971	10,540	10,047
Poland	1,202	876	1,088	745	610	704	650	582	859
USA	3,980	1,718	1,772	2,948	4,088	1,289	1,279	1,901	1,758
Hungary	n/a	367	236	133	116	104	75	117	115

Information about employees and other staff

Definitions:

Employees: An employment contract exists with Zentis (figures do not include temporary workers, apprentices and interns)

Staff: Includes all employees, as well as temporary workers, apprentices and interns

Temporary workers: Support our core workforce at peak times and during seasonal fluctuations (only in the confectionery segment)

Number of staff

	2013	2014	2015	2016	2017	2018	2019
Germany	1,580	1,482	1,449	1,429	1,318	1,302	1,346
Poland	316	320	312	306	312	356	375
USA	283	431	480	468	444	412	348
Hungary	125	110	99	102	105	92	92
Russia	50	47	48	49	42	53	51
Total	2,354	2,390	2,388	2,354	2,221	2,215	2,212

Number of hours worked in Germany

Hours worked	2018	2019
Employees	1,576,994.62	1,604,260.67
Staff	1,824,656.37	1,853,226.60

All employees by type of contract and region

		2013	2014	2015	2016	2017	2018	2019
Germany	Permanent	1,210	1,161	1,099	1,092	1,032	1,061	1,089
	Fixed-term	114	78	56	50	94	85	95
Poland	Permanent	242	247	251	249	265	291	290
	Fixed-term	19	20	28	30	16	15	34
USA	Permanent	n/a*	431	478	467	444	412	348
	Fixed-term	n/a*	0	2	1	0	0	0
Hungary	Permanent	92	96	89	84	84	79	79
	Fixed-term	33	14	10	18	21	13	13
Russia	Permanent	47	41	45	46	40	45	45
	Fixed-term	3	6	3	3	2	1	1

* not specified

Employee turnover

A) Volume and rate of new recruitment (by self-selected age group and gender) for Germany

Volume and rate of new recruitment in Germany*

Zentis	2014	2015	2016	2017	2018	2019
Total	62	59	58	95	77	93
Rate as % of total	5,0	5,1	5,1	8,4	6,7	7,9
female	15	20	24	28	28	34
male	47	39	34	67	49	59
< 30	29	34	32	45	36	42
30–50	23	17	20	43	33	41
> 50	10	8	6	7	8	10

*Calculation base: total employees at year-end

B) Volume and rate of employee departures
(by self-selected age group and gender) for Germany

Volume and rate of employee departures in Germany*

Zentis	2014	2015	2016	2017	2018	2019
Total	117	109	37	30	39	47
Rate as % of total	9,4	9,4	3,2	2,7	3,4	4,0
female	30	14	5	6	21	14
male	87	97	32	24	18	33
< 30	19	13	5	4	14	26
30–50	57	38	22	21	21	16
> 50	30	50	6	5	4	5

*Calculation base: total employees at year-end

Accidents and days lost

Our site in Russia is not included in the accident figures, since it is a distribution company. From 2011 to 2013 only the Plymouth site was included for the USA.

Notifiable accidents per 1,000 workforce

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany	41.1	45.9	42	37.3	40.9	67.9	36.2	51	52
Polen	32.9	12	15.4	3.7	10.8	17.9	7.1	22.9	9.3
USA	4	7.3	10.7	22.8	13.5	6.6	4.3	14	13
Hungary	n/a	16,5	0	0	26	10	10	10	10

Lost days (calendar days) per notifiable accident

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Germany	17.3	16.4	16.84	20.3	14.9	27.4	15.8	14.5	22.2
Polen	58	75.7	27	70	61	17.4	85	34.7	36.7
USA	5	24	98.5	51.47	41.38	23.67	11	69.8	111.2
Hungary	n/a	17.5	0	28	13	23	13	19	39

Types of injuries are described in Chapter 5. There were no fatalities in the reporting period. Notifiable accidents are all accidents resulting in more than three lost days.

... because nature is vital for us!



GRI Content Index

General disclosures (GRI Standard 2016)

GRI Standard	Topic	Page	Reason for omission
GRI 102: Organisational profile	102-1: Name of organisation	10	-
	102-2: Activities, brands, products and services	10, 13	-
	102-3: Location of headquarters	10	-
	102-4: Location of operations	12	-
	102-5: Ownership and legal form	10, 70	-
	102-6: Markets served	13	-
	102-7: Scale of the organisation	10, 11	-
	102-8: Information about employees and other staff	62, 66, 67	-
	102-9: Supply chain	18, 36	-
	102-10: Significant changes to the organisation and its supply chain	12	-
	102-11: Precautionary principle or approach	4-5	-
	102-12: External initiatives	34, 35	-
	102-13: Membership of associations	34, 35	-

GRI Standard	Topic	Page	Reason for omission
GRI 102: Strategy	102-14: Statement from senior decision-makers	4-5	-
GRI 102: Ethics and integrity	102-16: Values, principles, standards and norms of behaviour	40, 41	-
GRI 102: Governance	102-18: Governance structure	5	-
	102-40: List of stakeholder groups	7	-
	102-41: Collective bargaining agreements	63	-
GRI 102: Consulting stakeholders	102-42: Identifying and selecting stakeholders	7	-
	102-43: Approach to stakeholder management	7, 49	-
	102-44: Key topics and concerns raised	4-5, 24, 45	-

GRI Standard	Topic	Page	Reason for omission
GRI 102: Reporting practice	102-45: Entities in the consolidated financial statements	70	-
	102-46: Defining report content and topic boundaries	4–5, 8, 9	-
	102-47: List of material topics	9	-
	102-50: Reporting period	6	-
	102-51: Date of most recent report	6	-
	102-52: Reporting cycle	6	-
	102-53: Contact point for questions regarding the report	6	-
	102-54: Claims of reporting in accordance with the GRI Standards	6	-
	102-55: GRI Content Index	82–89	-
102-56: External assurance	6	-	

Topic-specific disclosures

GRI Standard	Topic	Page	Reason for omission
Energy (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	18	-
	103-2: The management approach and its components	18, 21	-
	103-3: Evaluation of the management approach	18	-

GRI Standard	Topic	Page	Reason for omission
GRI 302: Energy	302-1: Energy use within the organisation	71	-
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Water and Waste water (GRI Standard 2018)			
GRI 103: Management approach (2016)	103-1: Explanation of the material topic and its boundary	18, 22	-
	103-2: The management approach and its components	18, 23	-
	103-3: Evaluation of the management approach	18	-
GRI 303: Water and waste water	303-1: Water as a common resource	22, 23	-
	303-3: Water withdrawal	22, 23, 73	-
Emissionen (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	15, 16, 18	-
	103-2: The management approach and its components	15, 18, 25, 27	-
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GRI 305: Emissions	305-1: Direct GHG emissions (Scope 1)	26, 72	-
	305-2: Indirect energy-related GHG emissions (Scope 2)	72	-
	305-4: Intensity of GHG emissions	15, 17	-
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GRI Standard	Topic	Page	Reason for omission
Effluents and waste (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	18	-
	103-2: The management approach and its components	18, 24	-
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GRI 306: Effluents and waste	306-2: Waste by type and disposal method	24, 74, 75	-
Supplier environmental assessment (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	32, 37	-
	103-2: The management approach and its components	35, 38, 40, 41	-
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GRI 308: Supplier environmental assessment	308-2: Negative environmental impacts in the supply chain and actions taken	32, 34, 35	-
Employment (GRI Standard 2016)			
GRI 103: Management approach (2016)	103-1: Explanation of the material topic and its boundary	61	-
	103-2: The management approach and its components	62, 63	-
	103-3: Evaluation of the management approach	65	-
GRI 401: Employment	401-1: New employees and employee fluctuation	78, 79	-

GRI Standard	Topic	Page	Reason for omission
Occupational health and safety (GRI Standard 2018)			
GRI 103: Management approach (2016)	103-1: Explanation of the material topic and its boundary	61, 67	-
	103-2: The management approach and its components	67	-
	103-3: Evaluation of the management approach	67	-
GRI 403: Occupational health and safety	403-1: Management system for occupational health and safety	67	-
	403-2: Risk identification, risk assessment and investigation of accidents	67	-
	403-3: Company medical services	67	-
	403-4: Staff participation, consultation and communication on occupational health and safety	67	-
	403-5: Staff training on occupational health and safety	67	-
	403-6: Promoting staff health	66	-
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	34, 35	-
403-9: Work-related injuries	67, 80	-	

GRI Standard	Topic	Page	Reason for omission
Vocational and professional training (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	61, 64	-
	103-2: The management approach and its components	58, 64, 65	-
	103-3: Evaluation of the management approach	65	-
GRI 404: Vocational and professional training	404-2: Programmes for upgrading employee skills and transition assistance programmes	64, 65	-
Supplier social assessment (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	32, 37	-
	103-2: The management approach and its components	35, 38, 40, 41	-
	103-3: Evaluation of the management approach	40, 41	-
GRI 414: Supplier social assessment	414-2: Negative social impacts in the supply chain and actions taken	32, 34, 35	-
Customer health and safety (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	53, 55	-
	103-2: The management approach and its components	54, 55-57	-
	103-3: Evaluation of the management approach	55-57	-

GRI Standard	Topic	Page	Reason for omission
Customer health and safety (GRI Standard 2016)			
GRI 416: Customer health and safety	416-1: Assessment of the health and safety impact of product and service categories	57	-
	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	56	-
	FP5: Number of sites assessed according to international standards	56	-
Compliance (GRI Standard 2016)			
GRI 103: Management approach	103-1: Explanation of the material topic and its boundary	59	-
	103-2: The management approach and its components	59	-
	103-3: Evaluation of the management approach	59	-
GRI 419: Socio-economic compliance	419-1: Non-compliance with laws and regulations in the social and economic area	59	-

LEGAL INFORMATION

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