OUR MISSION IS TO CREATE SMALL MOMENTS OF JOY AND HAPPINESS. WE DO THAT BY OFFERING A VERSATILE RANGE OF BRANDED SNACKS WITH SUPERIOR TASTE EXPERIENCE TO EVERY CONSUMER. FOR EVERY OCCASION. IN EVERY COUNTRY.
OUR SUSTAINABILITY PROGRAMME
CARE FOR TODAY, RESPECT FOR TOMORROW

- Our sustainability ambition: 9
- Our materiality: 14
- Our sustainability in action: 24
- EU Taxonomy: 92
- Limited Assurance Report: 94
Lotus Bakeries aims to achieve sustainable, profitable growth by providing consumers around the world with a diverse range of branded snacks for every occasion. As part of this ambition, we aspire to create value in a sustainable way, not only today, but also for the future generations to come.

The range of sustainability matters that are material to our company have been captured in the programme ‘Care for Today, Respect for Tomorrow’. This programme continues to apply, while some significant refinements were applied in 2023 following an extensive double materiality exercise aimed at further strengthening our ambitions.

The double materiality exercise strengthened our focus on risks related to environmental and social welfare, giving the Company today an even better view of the specific topics on which we want to work in the coming years. To implement that focused yet challenging strategy and achieve our ambitions, we have also scrutinised our ESG governance structures, steered by the Executive Committee, who in 2023 appointed a new ESG Director and now reports on sustainability matters to the Audit & Sustainability Committee, via the Executive Committee.

Jan Boone, CEO: “When referring to ESG, the focus is often on conducting business in the interest of, and with respect for the environment. Our company takes many steps to protect our environment.

The more global our business becomes, the more we need to think locally in many areas. It is strategically important for us to source locally and close to our production sites. Reducing transport not only has a positive impact on price, but also, of course, on our carbon footprint. We further continue the work on our product packaging and aim to achieve 100% technical recyclability by 2025.

However, it is important to recognize that ESG is not just about the environment. The ‘S’ in Social deserves equal attention and consideration. As a family-owned business, we strive to achieve profitable growth that goes hand-in-hand with fostering a healthy community of people around the world. We can only achieve this growth by retaining our current employees – with their commitment and passion – and by attracting new talent. Our focus on employee well-being contributes to this belief.”

At Lotus Bakeries, we consider it important to report in a clear way on our ESG initiatives. Therefore, we continue this year with a separate ESG compilation and a Global Reporting Initiative (GRI) report. We are well on our way to preparing for the future disclosure requirements in accordance with the Corporate Sustainability Reporting Directive (CSRD). In this context, we have elaborated our existing materiality assessment and have carried out a comprehensive double materiality assessment.

Lotus Bakeries has responded to sustainability challenges in the past which are still solid foundations to build our onward sustainability journey. In 2023, again significant steps have been taken on our sustainability matters.
**ESG HIGHLIGHTS 2023**

### GOVERNANCE
- Implementing the new ESG Governance Structure
- Performing a Double Materiality Assessment
- Getting ready for CSRD & ESRS compliant reporting

### ENVIRONMENT
- Committing to set science-based reduction targets through SBTi
- Calculating our baseline of CO2e emission in Scope 1, 2 and 3 for the base year 2023
- Achieving 98% technical recyclability of our branded packaging

### EMPLOYEES
- Promoting employee well-being
- Obtaining ISO 45001 certification for Lotus Bakeries South Africa Manufacturing
- Issuing an Anti-Discrimination & Anti-Harassment Policy

### COMMUNITY
- Installing a Human Rights Policy
- Setting up a Whistleblowing Line & Policy

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**ESG GOVERNANCE**

The Executive Committee (‘EXCO’) is responsible for the sustainability strategy and objectives for Lotus Bakeries. In 2023, the EXCO has appointed an ESG Director, corporate director and member of the Leadership Team, reporting to the CFO. The ESG Director has to progressively develop the sustainability strategy and ensure compliance with new sustainability regulations. The integration of the sustainability strategy into the organisation is steered by the ESG Director and implemented by the ESG workstreams, which are owned by the business or relevant corporate departments. The workstream leaders are responsible for the delivery of the sustainability targets. The Group Sustainability Steerco, which meets at least once a month, provides oversight of ESG projects and monitors progress.

The EXCO presents Lotus Bakeries’ sustainability strategy to the Audit & Sustainability Committee. The Board of Directors has broadened the mandate of the Audit Committee with ESG matters and renamed it to the Audit & Sustainability Committee by decision of November 24, 2023.

For further details, reference is made to chapter 4 of this annual report.
As a family business, Lotus Bakeries has been focused on sustainable policies for generations. It is an integral part of what we do. We want to see a healthy Lotus Bakeries, today and tomorrow, so that future generations can enjoy it too. On the one hand, we have been working on a balanced, sustainable product range since long by developing the right portion sizes and, from 2015, by acquiring the Natural Foods brands. Our TOP values – which stand for Team, Open Dialogue and Passion – have been an important dimension of our corporate culture for many years and show our commitment to the well-being of our employees. We also made a commitment to use only recyclable packaging for our branded products by end 2025. As you can see, driving growth in a sustainable way has always been and will always be part of our Lotus DNA.

— ESG Director, Sabien Dejonckheere

The next and obvious step in the development of our ESG policy was the appointment of ESG Director Sabien Dejonckheere. The ESG Director will develop and define the sustainability strategy for the Lotus Bakeries Group in close collaboration with the EXCO, the leadership team and the area management teams. She will embed and integrate the strategy throughout the whole organisation. She will take the initiative to create even more ESG awareness by involving employees in this journey and making optimal use of best practices. In addition, she will provide structure to all the different local projects and responsibilities. ESG has also been given its proper place in our organisation by expanding the Audit Committee in the Board of Directors into an Audit and Sustainability Committee. From now on, the Committee will also advise the Board of Directors on sustainability policy and reporting.

— CFO, Mike Cuvelier

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— ESG Director, Sabien Dejonckheere
Lotus Bakeries has its sustainability programme ‘Care for Today, Respect for Tomorrow’ since long. In the past, to determine our sustainability priorities, we regularly conducted a ‘single’ materiality assessment.

As today’s world is changing rapidly, we are faced with a range of new challenges in the business and along the value chain. We interact with many parties, so it is essential to get a full understanding of the impact of our operations and snacks on the world. In order to confirm or reconsider the priorities of our sustainability programme, Lotus Bakeries in 2023 performed a broad and in-depth assessment using the double materiality lens, reviewing a list of topics from both a financial and an impact materiality perspective.

We engaged with a large number of stakeholders on these topics. The outcome will serve as the basis to select our strategic ESG platforms within the ‘Care for Today, Respect for Tomorrow’ programme, as well as guide us on which ESG standards to report on for the upcoming CSRD reporting. This assessment will provide strategic guidance on sustainability matters, and how to integrate this with our ambition: offering a versatile range of branded snacks for every consumption occasion to consumers worldwide.

**OUR VALUE CHAIN**

We develop, create and offer a versatile range of snacks that meets the needs of consumers for the global market. In order to do so, we strive to cooperate with our partners along the value chain to create our branded snacks in the most sustainable way possible.

**WHAT IS DOUBLE MATERIALITY?**

**FINANCIAL MATERIALITY / OUTSIDE-IN**

Impact of the environment or society on our organisation

Sustainability topics material from financial materiality perspective

**IMPACT MATERIALITY / INSIDE-OUT**

Impact of our organisation on the environment or society

Sustainability topics material from impact materiality perspective

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Lotus Bakeries performed a double materiality assessment in 2023, which was approached as follows:

**THE MATERIALITY ASSESSMENT: A 4-STEP APPROACH**

Starting point was the sustainability priorities from Lotus Bakeries’ existing materiality assessment, enriched with the requirements of the upcoming CSRD, including nearly 100 ESRS topics and sub-topics.

Based on desk research and workshops with stakeholders and experts, 22 relevant topics were identified as most relevant for Lotus Bakeries to engage on with other actors in the value chain.

This step included engagement through dialogues and interviews to ensure completeness of the selected themes, followed by an online survey to obtain a prioritisation on the 22 key topics from both a financial and impact materiality perspective.

We engaged with:
- Employees
- Audit & Sustainability Committee
- Suppliers of raw material and packaging
- Retail and away-from-home customers
- Consumers
- Representatives of farmers
- Bankers
- Investors
- Research institutions

The ranking of the topics was analysed based on the complete set of responses as well as per cluster of stakeholders to identify potential topics that would matter more to a certain stakeholder group. The threshold at which a topic is considered material is locked at 7 or higher on a 9-point scale. The topics with material impact were assessed on their actual or potential impact, the severity (scale, scope and irremediable character) and the likelihood of occurring. The topics with financial materiality were assessed in terms of risk and opportunity and cross-checked with Lotus Bakeries’ enterprise risk management process aimed at identifying, assessing and prioritising risks to ensure a comprehensive and integrated approach.

**CARE FOR TODAY, RESPECT FOR TOMORROW**

**DOUBLE MATERIALITY ASSESSMENT AS BASE FOR THE SUSTAINABILITY STRATEGY**
THE MATERIALITY MATRIX
The double materiality assessment shows which of the 22 topics can have a material financial impact on the Group and which topics we as a company can have a material impact on.

<table>
<thead>
<tr>
<th>Environment</th>
<th>Social</th>
<th>Governance</th>
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<tr>
<td>2. Energy usage</td>
<td>2. Talent development</td>
<td>2. Cybersecurity</td>
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<td>4. Pollution</td>
<td>4. Safety and health</td>
<td>4. Protecting the data and information assets and implementing security measures to prevent cyber attacks</td>
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<td>5. Fiduciary</td>
<td>5. Employee wellbeing</td>
<td>5. Prevent business interruption</td>
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<td>6. Stewardship</td>
<td>6. Diversity and inclusion</td>
<td>6. Developing plans to prevent and mitigate operational risk, including in our factories caused by natural disasters like floods, tropical storms, or other unusual events.</td>
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<td>7. Health and safety in the workplace</td>
<td>7. Corporate culture</td>
<td>7. Providing a balanced portfolio of snacks ranging from delicious Biscoff® cookies over bars fitting the better-for-you trend to snacks for babies and toddlers. Accessible for all at every platform.</td>
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<tr>
<td>8. Financial materiality</td>
<td>8. ESG compilation</td>
<td>8. The ability to create snacks that deliver a memorable experience, for all around the globe.</td>
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**Double materiality matrix**

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<th>Financial impact</th>
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**Single materiality: impact materiality**

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**Single materiality: financial & impact materiality**

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As such, Lotus Bakeries has identified five topics with double materiality, i.e. the impact of our organisation on the environment or society (“Impact Materiality”) and the impact of society or the environment on our organisation (“Financial Materiality”).

The double materiality assessment was performed in the Audit & Sustainability Committee on 24 November 2023 and the outcome will progressively evolve its sustainability strategy, focusing on various components. This includes our packaging strategy and commitment to use only recyclable packaging for our branded products by end 2025, as well as all initiatives aimed at reducing our carbon footprint. In 2024, a roadmap will be set up to reduce our carbon emissions of the suppliers that Lotus Bakeries works with.

We acknowledge that there will be challenges on our sustainability journey. There are global challenges such as the inflating geopolitical tensions that could expose economies to disruption in sourcing raw materials, but also the devastating effects of climate change puts a stronger pressure on companies to gear up in their decarbonisation journey. For Lotus Bakeries, there are several concrete challenges. Exploring the electrification of gas ovens will entail a comprehensive investigation in the production of our cookies and bakery snacks, as we will always want to preserve our unique great taste. Using decarbonisation in Scope 3 especially relating to raw materials such as palm oil and chocolate will require a thorough approach as the challenges are complex because the risk of deforestation is closely linked to farmer poverty and there is no straightforward solution. We will need to work closely with our suppliers on these matters. Packaging remains challenging, as on the one hand it is needed to guarantee the highest food quality and safety and to combat food waste. On the other hand, it is currently technically impossible to fully close the cycle, and for food safety reasons, it is not allowed to use mechanically recycled material that comes in contact with food. Lastly, as a fast-growth company, our impact on people working directly and indirectly for the Group will continue to increase and it remains our first and foremost priority to ensure safety and well-being of all our people. As a global company, Lotus Bakeries faces many cultural, regulatory and language barriers to overcome in order to safeguard essential social welfare guardrails throughout our operations and our value chain.

Balanced Portfolio of Great Taste

Nevertheless Lotus Bakeries remains steadfast in its sustainability ambition and has identified several strategic areas of exploration. The first one is to have a Balanced Portfolio of Great Taste. We aim to meet the needs of all end-consumers in a balanced way, at all times. We will make sure that our range is balanced on several levels; there will be a diverse range of products (from Busc® cookies to pastries to the cold-pressed red nākd® bars with only natural ingredients, to the BEAR® fruit rolls), for multiple target groups (from babies to toddlers to children and adults) and for different consumption moments and needs. Everything we launch has to uphold the highest quality and food safety standards. On top, everything has to taste delicious, because we know that this will keep consumers coming back to our product range.

One Lotus Family

A second strategic priority is our One Lotus Family. This concerns the health, safety and well-being of our employees. The good policies that we are already implementing for our employees today will be continued in the future. In this context, the Executive Committee signed the UN Global Compact’s “Climate Register” and “Disconnection Charter in 2025”, which is a strong statement about just how much we value the well-being of our employees. In addition, we will also follow up on matters such as training, diversity, onboarding, new-employees and safety. In doing so, we also want to pay attention to employees in our value chain, both upstream and downstream.

Sustainable Sourcing

The latter is also a key focus within our third strategic priority, namely Sustainable Sourcing, which has a number of dimensions and touches on both social and environmental factors with our suppliers. For example, last year we developed the Human Rights Policy, both for our own employees and for those from our value chain. The second dimension focuses on environmentally friendly choices within that value chain to aid in our pathway of decarbonisation. In this context, we are reaching out to our front-line suppliers to dedicate even more time and attention to selecting sustainable raw materials. We are also preparing for the new EU Deforestation Regulation which comes into force as from 2025.

Climate Change

A final area of attention is Climate Change. We will contribute to this by focusing on various components. This includes our packaging strategy and commitment to use only recyclable packaging for our branded products by end 2025, as well as all initiatives aimed at reducing our carbon footprint. In 2024, a roadmap will be set up to reduce our carbon footprint, which may include opportunities to electrify our gas ovens, to audit our energy balance, to greening our fleet, and to evaluate the CO₂ emissions of the suppliers that Lotus Bakeries works with.

Lotus Bakeries, Annual Report 2023, page 58
Lotus Bakeries prepares for European Green Deal & CSRD

Mike Cuvelier
CFO
Sabien Dejonckheere
ESG DIRECTOR

Respect for the environment, people and society is in Lotus Bakeries’ DNA. In the past, we summed this up in our programme Care for Today, Respect for Tomorrow. Under the new ESG regulations, that programme remains a powerful statement. By integrating the underlying philosophy within our entire business operations, we are preparing for the European Green Deal and the resulting Corporate Sustainability Reporting Directive (CSRD).

We have been making our ESG initiatives available to our stakeholders for a number of years in an ESG compilation report. The new European CSRD regulation requires companies to elaborate and harmonise ESG reporting as from 2024 through a set of reporting standards in order to increase the comparability between companies.

CFO Mike Cuvelier: “To prepare for this, we carried out a readiness scan in 2023, revealing our level of preparedness for reporting in accordance with datapoints that are requested by new European legislation. In addition, as part of the double materiality assessment, we explored the topics that European legislation put forward for companies to assess in terms of materiality from both, a financial and an impact perspective.

As a result of this double materiality assessment, it became clear on the one hand, which topics could have a material financial impact on the Group and on the other, which topics we as a company could have a material impact on. This also helps us to determine exactly which priorities we will continue to focus on as a company. We will report on those priorities for the 2024 reporting period in line with the CSRD.

The previous materiality assessment2, which was prepared solely from a financial perspective, was updated and supplemented with the impact materiality. The double materiality assessment includes all Group entities that are consolidated, thus including organisations from outside Europe as well.

ESG Director Sabien Dejonckheere: “In total, Europe put forward close to 100 topics and subtopics. We first narrowed down this longlist to a smaller number through desk research, and then discussed them with experts in focus groups. Not all of these are priorities for Lotus Bakeries. For example, our water audit shows that the topic “water and marine resources” is not a priority as we don’t use a lot of water in our organisation. On the other hand, our workforce is a big priority, as we employ more than 2,900 people. This is why we ultimately ended up with a reduced but relevant set of 22 topics for our Company, which we then shared with stakeholders for a qualitative discussion and quantitative scoring.”

As a result of this double materiality assessment, it became clear on the one hand, which topics could have a material financial impact on the Group and on the other, which topics we as a company could have a material impact on. This also helps us to determine exactly which priorities we will continue to focus on as a company. We will report on those priorities for the 2024 reporting period in line with the CSRD.

“We will also be looking at what information is already available for reporting, and the datapoints for which we need to do some additional preparation,” Sabien continues. “Together with Corporate Finance, which already has very robust reporting processes, a data warehouse will be set up to make this possible. Since the underlying thinking and approach of the finance department is similar to that of ESG reporting, the internal expertise we have already developed is priceless.”

For some time now, Lotus Bakeries had opted to voluntarily provide limited assurance for a limited set of figures. As of the reporting period 2024, such assurance will be provided for the entire assessment, as required by law.


Mike Cuvelier – CFO and Sabien Dejonckheere – ESG Director
OUR SUSTAINABILITY IN ACTION

Global Reporting Initiative

We have been publishing a Global Reporting Initiative (GRI) report since 2023.

- This GRI report will be published on our website: https://www.lotusbakeries.com/reporting-disclosure

In the future, the GRI report will become an integral part of reporting requirements established by the Corporate Sustainability Reporting Directive (CSRD) and the related European Sustainability Reporting Standards (ESRS).

UNITED NATIONS GLOBAL COMPACT

In March 2021, Lotus Bakeries was accepted as a member of the United Nations (UN) Global Compact. The UN Global Compact is a global sustainability initiative for businesses set up by the United Nations. As a result, Lotus Bakeries is committed to upholding the Ten Principles of the United Nations in the area of human rights, working conditions, environmental anti-corruption and to ensure they form part of its strategy, culture and daily activities.

Our participation in the UN Global Compact also means that we renew our commitment annually and report on the progress of our efforts to implement the Ten Principles.

The renewed commitment and progress report for 2023 will be available on the UN Global Compact website.

EXTERNAL CERTIFICATIONS AND EVALUATIONS

To help ensure and demonstrate our commitments, we also hold a number of key certifications and memberships, and are assessed by independent organisations. For a full overview of certifications, refer to page 86.

Lotus Bakeries uses the Sustainable Development Goals (SDGs) of the United Nations as a framework and guide in determining its sustainability strategy, its priorities and its action plans. The SDGs were adopted by the General Meeting of the United Nations in 2015 and consist of 17 goals to be achieved by 2030.

The three pillars of our sustainability strategy

With regard to our environment, we are actively combating global warming. In all our activities, we strive to source sustainably and to reduce our environmental footprint.

For our employees, we have a recruitment policy that aims to attract a diverse and talented group of people who share our TOP-values. We are committed to long-term employment and provide our employees with a pleasant, challenging, inspiring and safe working environment.

Finally, regarding our community, we actively undertake our social responsibility by ensuring sound business practices throughout our organisation. We also contribute to the prospects of future generations by supporting educational projects through our Foundation for Education.

PROGRESS REPORTING 2023

Operational Key Performance Indicators (KPIs), such as waste, utilities usage and accident frequency, as well as Human Resources (HR) KPIs, are tracked on a monthly basis using a comprehensive monitoring and registration system. Meanwhile, additional metrics like emissions and packaging recyclability are presently assessed annually at each production site. A thorough assessment of our emissions across Scope 1, 2, and 3 categories are performed in collaboration with CO2 logic - South Pole Group. Starting in 2024, KPIs identified through the double materiality assessment will undergo more frequent monitoring, occurring at least quarterly. This enhanced monitoring will be facilitated through our Enterprise Resource Planning (ERP) system.

With this report, Lotus Bakeries aims to communicate about its achievements and progress within the established sustainability strategy for 2023.

Sustainability indicators

Each of the three pillars contains a set of sustainability indicators. A selection of indicators has been validated by PwC Bedrijfsrevisoren BV. The validation was performed in accordance with the International Standard on Assurance Engagements (SAS) 3000, a model developed to provide assurance on non-financial data.

The assurance indicators are marked throughout the text by §.

For the assurance report on the attested indicators for the year as per December 31, 2021 and 2022, please refer to page 158 of the 2021 annual report and page 140 of the 2022 annual report.

The assurance report on the attested indicators for the reporting period ending December 31, 2023, can be found on page 94 of this ESG report.
ENVIRONMENT: AMBITION 2023 & ACHIEVEMENTS

In recognition of the pressing challenges presented by climate change to both our environment and human well-being, Lotus Bakeries is committed to taking action.

Our Group is determined to join the battle against global warming and minimise our impact on the environment in all aspects of our operations. The main focus areas where we aim to achieve zero ecological impact are:

- Reducing our carbon footprint
- Sustainable packaging
- Sustainable sourcing

In 2023, we are:

- Committed to set science-based reduction targets through SBTi
- Calculating our baseline of CO₂e emissions in Scope 1, 2 and 3 for the base year 2023
- Achieving 98% technical recyclability of our branded packaging

HIGHLIGHTS

- Key palm oil suppliers who endorsed the principles of Lotus Bakeries’ Palm Oil Policy
- Our production sites which process palm oil and have achieved the RSPO certificate
- Our Lotus® Biscoff® chocolate products with the Rainforest Alliance quality mark
- Our eggs that are sourced cage-free

CARBON FOOTPRINT

<table>
<thead>
<tr>
<th>UNIT</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of owned sites that have earned the CO₂-neutral label</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Total GHG emissions (Tonnes CO₂e)</td>
<td>557,275</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHG emissions - scope 1(</td>
<td>)</td>
<td>21,825</td>
<td></td>
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<tr>
<td>GHG emissions - scope 2(</td>
<td>)</td>
<td>12,448</td>
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<tr>
<td>GHG emissions - scope 3(</td>
<td>)</td>
<td>516,802</td>
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<tr>
<td>GHG emissions intensity(</td>
<td>) (Tonnes CO₂e/mio EUR)</td>
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<tr>
<td>Energy consumption (KWh/tonne)</td>
<td>1,179</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kg of waste per tonne generated(</td>
<td>)</td>
<td>72</td>
<td></td>
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</table>

SUSTAINABLE PACKAGING

<table>
<thead>
<tr>
<th>UNIT</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
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<tbody>
<tr>
<td>Packaging to product ratio (g/kg product)</td>
<td>162</td>
<td>166</td>
<td>179</td>
</tr>
<tr>
<td>Reduction of plastic (tonnes/year)</td>
<td>103</td>
<td>62</td>
<td>22</td>
</tr>
<tr>
<td>Reduction of glass (tonnes/year)</td>
<td>155</td>
<td>1,120</td>
<td></td>
</tr>
<tr>
<td>Reduction of cardboard (tonnes/year)</td>
<td>249</td>
<td>526</td>
<td></td>
</tr>
<tr>
<td>SKUs with 100% recyclable packaging (%)</td>
<td>96</td>
<td>97</td>
<td>97</td>
</tr>
<tr>
<td>Use of recycled cardboard (%)</td>
<td>79</td>
<td>80</td>
<td>75</td>
</tr>
<tr>
<td>Use of cardboard with the ‘sustainable managed forest guarantee’ (%)</td>
<td>77</td>
<td>78</td>
<td>76</td>
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</tbody>
</table>

SUSTAINABLE SOURCING

<table>
<thead>
<tr>
<th>UNIT</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key palm oil suppliers who endorsed the principles of Lotus Bakeries’ Palm Oil Policy (%)</td>
<td>100</td>
<td>90</td>
<td>90</td>
</tr>
<tr>
<td>Our production sites which process palm oil and have achieved the RSPO certificate (%)</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Our Lotus® Biscoff® chocolate products with the Rainforest Alliance quality mark (%)</td>
<td>100</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Our eggs that are sourced cage-free (%)</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Total Scope 1 and 2 emissions relating to our owned sites amount to 40,377 tonnes CO₂e.
2 Market-based.
3 Total GHG emissions in Tonnes per €mio of revenue.
4 This concerns residual waste, production waste, grease, paper and cardboard at our owned sites. The increase of waste per kg produced is largely driven by the start-up of new production lines and innovations in our product range with a related increase in trials and set-ups for new products.
5 The recyclability Ratio is the average technical recyclability of the packaging of all Lotus Bakeries brands by the end of 2023. It takes into account consumer packaging, distribution packaging and transport packaging. The technical recyclability rate is determined per packaging component on the basis of the state-of-the-art design guidelines for recyclability (Ceflex, Recyclass). The average technical recyclability is a weighted average based on the packaging weight of each packaging component.
6 Palm oil suppliers who have signed up to the Lotus Bakeries’ palm oil policy or have their own palm oil policy in force that includes at least equal standards and also supply ingredients or raw materials containing at least 50% palm oil, and in so far these products represent more than 5% in any recipe.

26 - Lotus Bakeries
REDUCING OUR CARBON FOOTPRINT

BASELINE OF OUR CARBON FOOTPRINT

In 2023, Lotus Bakeries committed to the Science Based Targets initiative (SBTi) and its reduction target standards to reach net-zero by 2050. Upon joining the SBTi, we meticulously established our 2023 baseline, employing the Greenhouse Gas Protocol as our guiding methodology, in collaboration with CO2 logic - South Pole Group. This comprehensive approach involved a thorough assessment of our emissions across Scope 1, 2, and 3 categories. As a food company, we are participating in the Food, Land and Agriculture (FLAG) segment within SBTi, which means our commitment extends upstream to the farmer’s level to analyse our Scope 3.

We assessed the following:

Scope 1 emissions:
- Stationary combustion of fossil-fuel related sources in our own operations
- Mobile combustion of fossil-fuel related sources in our own operations
- Fugitive emissions from our own operations
- Process emissions (baking powder) in our own operations

Scope 2 emissions:
- Indirect emissions associated with purchased electricity, heat and steam in our own Lotus Bakeries operations

Scope 3 emissions:
- Purchased goods and service (including effects of Direct Land Use Change and Land Management)
- Capital goods
- Upstream transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Upstream leased assets
- Investments
- Downstream transportation and distribution
- End of life treatment of sold products

Our total Greenhouse Gas (GHG) emissions (Scope 1, 2 and 3) reached 557,275 tonnes of CO2 equivalent in 2023.

Furthermore, we acknowledge the challenges that we are facing in determining our decarbonisation roadmap. Therefore, it is of utmost importance that our roadmap is well-considered and well-founded, so that aspiring targets can be defined in line with our sustainability strategy and ambitions.

Relevant on technological development and referring to page 28, the “Net Zero by 2050” target requires the Group to assess the need and timing of both CAPEX and OPEX investments.

We also refer to the EU taxonomy disclosure presented on page 90 of the Annual Report.

During 2024, we will develop a roadmap with concrete initiatives to reduce our carbon footprint. This step is critical as we work towards submitting for SBTi validation in 2024, for validation by March 2025.

The main contributors to our Scope 3 CO2e emissions are raw materials and, to a lesser extent, transport and packaging. Important ingredients in this respect are vegetable oils, wheat flour, sugar and chocolate, which represent together more than 75% of the CO2e emissions coming from raw materials. For palm oil and chocolate, which are ingredients known for their high CO2 intensity, we have already partnerships through RSPO Palm oil and Rainforest Alliance. We are reinforced in our belief that sustainable sourcing is important and we will continue to build on these partnerships. We refer to page 45 of this annual report.

Our total Greenhouse Gas (GHG) emissions (Scope 1, 2 and 3) reached 557,275 tonnes of CO2 equivalent in 2023.
DECARBONISATION INITIATIVES UNDERTAKEN IN 2023

Lotus Bakeries’ owned sites are carbon neutral. This has been the case since 2015 and remains so in 2023. All our scope 1 and 2 emissions of our owned sites are offset with certificates.

To have a meaningful impact we also actively proceed with the implementation of decarbonisation projects to reduce the amount of GHG. In 2023, Lotus Bakeries structured its decarbonisation initiatives around three segments: own operations, sustainable logistics and sustainable sourcing.

Own operations (scope 1 and 2)

Energy efficiency

In Lotus Bakeries Manufacturing South Africa, an important investment was allocated to further increase the plant’s solar capacity and install solar power batteries. Utilizing renewable energy will strongly reduce the future output of the plant’s CO₂e emissions.

In Belgium, energy-saving measures were implemented for the compressed air systems used in our production facilities for processing and cleaning. We implemented a phased installation of ergonomically shaped air blow guns, which are more robust, effective and energy efficient. Additionally, a study on leakage detection and mapping of standby consumption resulted in further reduction of air consumption, and consequently, energy consumption.

Another initiative involved a preparatory study to establish a detailed e-monitoring system across all our Belgian plants. This system will enable Lotus Bakeries to obtain detailed insights on energy usage throughout the production cycle of a product and provide ideas to optimise energy usage.

In the context of scope 2 emissions, it was identified that a diverse mix of energy sources is utilised. In 2023, 4% comes from renewable energy sources. We aim to further increase the use of renewable energy as part of our pathway to decarbonise.
Use of refrigerants
Lotus Bakeries also investigated its cooling systems and infrastructure. While refrigerants work well to keep things cool, some have a drawback in the sense that they emit greenhouse gas. We screened the sites in Geldrop and Sint-Johannesga (the Netherlands) and Oostakker (Belgium) and initiated a renewal process of the cooling installations and refrigerants in 2023. This renewal operation is labour intensive, and the execution thereof will run into early 2024.

In our new plant in Thailand we have opted for water-cooled cooling towers. In hot climate, year in year out, it is far more effective and energy friendly to use water cooling.

Green employee mobility
We aim to go to a 100% green fleet in Europe in the future.

The largest fleet is located in Belgium. Employees in Belgium can only choose a fully electric vehicle as their company car. To support this transition, electric charging stations have been provided. In 2023, 50% of the Belgian fleet were electric cars vs. 15% the previous year.

In the Netherlands we offer a choice between electric and plug-in hybrid cars until 2026, after that date, we will offer only full electric cars in the fleet. In 2023, 45% of the Dutch fleet were electric cars vs. 28% the previous year.

Furthermore, there is a bicycle leasing scheme in place for Lotus Bakeries employees in Belgium. About 200 of our employees have opted for this benefit.

Transition to more sustainable logistics (scope 3)
Reduction of container transport through local production and optimised packaging solutions.

Since 2019, Lotus Bakeries has chosen to spread its production sites across different continents. The production sites in Lambik (Belgium), Mebane (USA) and Chonburi (Thailand) are not only economically advantageous but also ecologically beneficial for reducing container transport overseas. Our Biscoff plant in Mebane, for instance, has already contributed to a yearly reduction of 1,000 containers. Furthermore, with our third plant in Thailand, which is currently under construction, we anticipate saving about 15,000 kilometres per container.

In Australia, we have changed our packaging for Lotus® Biscoff® spread from glass jars to PET jars. PET jars are commonly used in the Australian market and are able to preserve the taste and quality very well. But since they are lighter in weight, the pallets can be stacked higher. As a consequence, we ship fewer pallets which leads to a reduction in transport. This contributes to the reduction of carbon emissions. On a yearly basis, this means a reduction of 20 containers for one market for one product.

Electricity of truck transport in Belgium
In collaboration with one of our clients and one of our logistic providers in Belgium, Lotus Bakeries has tested the potential electrification of its truck transport. Together, we decided to initiate the electrification of heavy road trucks, starting with two electric trucks in 2024. This pilot programme is aimed at gathering valuable insights into the viability of this green transport mode and will allow us to be ready for further expansion in the coming years.

In 2023, 50% of the Belgian fleet were electric cars vs. 15% the previous year.

Furthermore, there is a bicycle leasing scheme in place for Lotus Bakeries employees in Belgium. About 200 of our employees have opted for this benefit.
Compensation of emissions within the value chain

In our roadmap we aim to decarbonise as much as possible. To become hundred percent net-zero we will need to capture the remaining part via carbon removal credits.

To prepare for this carbon capturing Lotus Bakeries has joined the Colruyt Group’s collaborative tree project in the Democratic Republic of Congo in November: the planting of 10,000 hectares of forest, which equates to over 12 million trees. It is foreseen to obtain Gold Standard verification on this project.

Lotus Bakeries is convinced that only through collaboration with like-minded partners, we can effectively reduce emissions across the entire value chain.

Lotus Bakeries’ Vision on Packaging

1. We only want to offer our consumers products of the highest product quality and with a superior taste experience.
2. That is why we must protect our products: packaging allows us to combat food waste and guarantee food safety.
3. We aim to make our packaging as sustainable as possible and are committed to reducing our packaging carbon footprint.

In this context, Lotus Bakeries has formulated a packaging strategy that focuses on the reduction of packaging, using innovative design and investment in circularity.

**Our Ambition: 100% recyclable packaging by end 2025**

By the end of 2025, Lotus Bakeries aims to market only 100% technically recyclable packaging for all our brands. The ideal packaging also contains as little packaging material as possible, while optimising the use of recycled materials. This must be achieved without compromising the quality, taste and freshness of our products. Protecting our products and providing the right format for each type of household will at the same time contribute to the fight against food waste. Innovative packaging designs and circularity remain top priorities.
**REDUCE WHAT WE USE**

In 2023, Lotus Bakeries continued to reduce the amount of packaging material put on the market. A total of 555 tonnes of packaging was saved. The further we get in the process, the more challenging the processability of these materials within our production plants becomes. It is thus a fine balance between reduction and processability. Improvements have been made in primary, secondary and tertiary packaging.

**Primary packaging**

Finding optimisations to the packaging for consumer units is embedded in the procurement activities on a daily basis, but also tackled in specific reduction projects.

- For the Suzy® sugar and vanilla waffle product, the thickness of the bundle packs has been reduced, which saves two tonnes of plastic per year.
- For Kiddylicious®, we switched to a recyclable and thinner mono-material wrap for several products. This saves 35 tonnes of plastic on an annual basis.
- For Urban Fruits®, the sharing pack formats have been standardised, which led to a reduction of one tonne of plastic and six tonnes of cardboard. Furthermore, the uniform packaging facilitates more efficient stacking on transport pallets, resulting in a 20% reduction in the number of pallets we transport. Needless to say, any savings in terms of materials will also invariably contribute to reduced transport and carbon emissions.

**Secondary packaging**

After focusing heavily on primary consumer packaging in recent years, we took a closer look at our secondary packaging. We scanned the entire range and looked for improvement areas with a clear impact. The rebranding of Biscoff™ was the ideal opportunity to implement those changes right away.

One major improvement has been to shorten the flaps on the sides of the cardboard boxes for the 250g packages of Biscoff cookies and the Biscoff sandwich cookies. The boxes now have a small opening on the side, with great sustainability benefits:

- Around 117 tonnes of material is saved annually
- The trucks supplying us have to travel roughly 2,000 km less per year because of efficient stacking on pallet level
- Carbon emissions are significantly reduced because of reduced material use and optimised transport.

Based on this project, we also set up new guidelines on how to design boxes in the future: shorter flaps are now standard, ensuring optimal and future-proof design.

**Tertiary packaging**

After finishing a successful pilot to reduce the amount of plastic used for stretch film wrapped around baked goods pallets, the findings were implemented in 2023 for pallets in our production plants in Lembeke, Eeklo and Courcelles. This results in an annual reduction of 10 tonnes of plastic.

---

1 Smoothie Melts, Crispy Tiddlers, Fruit Wriggles and Fruity Drops
As part of our commitment to launch fully technically recyclable packaging for all our brands by the end of 2025, we achieved a score of 98% technical recyclability by the end of 2023. The last percentages tend to be the most challenging ones, as improvements become more complex on a technical and operational level. Still, in 2023 we were once again able to make important improvement across all our strategic pillars.

**Biscoff®**

While our Biscoff® cookie range was already at 100% technical recyclability in 2022, there were still some actions to take for Biscoff® spread and Biscoff® chocolate.

- The non-recyclable multi-material for the cover film of the catering cups was replaced by a mono-material, which is technically recyclable.
- With regard to Biscoff® chocolate, we removed the carbon black from the tray of the end-of-year collection, as it prevented the tray from being sorted and therefore recycled.

**Local Heroes**

The packaging of many of the Local Heroes brands has historically been technically recyclable. Some products in the pastry and waffles range still needed some adaptations to increase their recyclability.

- Lotus® crispy waffles, Le Glazik® palets and galettes packaging all used a PVC coating, which kept the products crispy, but made the packaging non-recyclable. Over the past year we found an alternative that allowed us to remove the coating while maintaining quality.
- Lotus® quatre-quart butter cake, a product for which the right moisture balance is essential. This makes finding a fully recyclable solution complex. There is a test in progress, and Lotus Bakeries hopes to switch to more sustainable packaging for this product as well in 2024.

While 2025 is just around the corner, 2023 has proven to be a fruitful year for increasing the recyclability score of Lotus Bakeries with a focus on the products shown below. The road to 100% is clear and will be further implemented in 2024 and 2025.

**Natural Foods**

Within the Natural Foods brands, nākd® and TREK™ were already 100% technically recyclable. Peter’s Yard®, which was added to the range in 2023, already had technically recyclable packaging as well. In 2023, efforts were focused on Urban Fruit® and Kiddylicious®.

- By replacing the multi-material for the Coconut Chips packaging of Urban Fruit with a mono-material this year, this range now also achieves a score of 100%.
- The biggest efforts in 2023 went into the Kiddylicious, a large and diverse packaging range. The project to make this range technically recyclable was initiated in 2020, but the switches for some major products took place over the past year. By the end of 2024, Lotus Bakeries aims to have switched completely to 100% technically recyclable packaging for this brand.

1 Smoothie Melts, Crispy Tiddlers, Fruit Wriggles and Fruity Drops.
AM FOR CIRCULARITY

Lotus Bakeries’ sustainable packaging strategy also contributes to a circular economy. In the process, we always seek to ensure that products are sorted and recycled to subsequently use the recycled material. In order to close the cycle as much as possible, there are some focus points which are tackled in our ‘Aim for circularity’ pillar.

Although it would be ideal, it is currently technically impossible to fully close the cycle, since there will always be a loss of material during the process; as a result, an input of new material will always be necessary. For this, we will use as many sustainable sources as possible, for example certified cardboard fibres through certification by FSC, PEFC, or SFI. Lotus Bakeries does not currently have a target of achieving 100% FSC, PEFC, or SFI certification. Lotus Bakeries has the ambition to increase the use of certified cardboard fibres and proactively inquires about the availability and price for certified fibres during tender procedures.

To encourage consumers as much as possible to sort packaging correctly, we updated all the recycling information during the Biscoff® rebranding. Now all packaging that is recyclable in the country where it is marketed, carries the ‘Recycle Me’-logo. If not, the packaging will show the Tidy Man, urging consumers to dispose of it properly in the right bin.

What happens to the waste then varies worldwide. Lotus Bakeries contributes to this through various networks and initiatives. For example, in the UK, we are a member of the Flexible Plastic Fund, which through the FlexCollect project, aims to develop guidelines for municipalities to collect flexible plastics at the kerbside.

Furthermore, we are members of CEFLEX, and part of a CEFLEX working group, helping to develop guidelines for brand owners on optimal packaging design for sortability and recyclability in mind.

Recycled material use is crucial to close the cycle. In 2023, our cardboard consisted of 79% recycled cardboard, while for glass we are using 58% recycled glass. In terms of plastic, we use 30% recycled plastic for the shrink wrap around the trays of our spread, but the challenge is greater for plastic that comes into direct food contact. Although 98% of our branded product packaging was technical recyclable by the end of 2023, the percentage of recycled plastic used represents only 1% of the total amount of plastic used for the packaging of branded products. The low percentage is directly linked to food safety. Mechanically recycled plastic is not permitted to come into contact with food. Chemically recycled plastic offers a solution for this, but at present this is only made available on a limited scale. It is to date not yet possible to close the cycle and reuse our recyclable packaging as recycled content in food packaging.

Finally, we also need to consider the packaging taxes. Extended Producer Responsibility systems have been in place since the 1990s. Recently, additional taxes on packaging such as plastic tax and litter tax have been introduced in several countries such as UK, Spain, Netherlands following the European Green Deal. Our ”Reduce what we use” and “Design for tomorrow” pillars help in minimizing this, as most taxes are based on packaging weight and recyclability. Where we cannot minimize any further, we make a financial contribution in order to create a social impact. In that way, we hope to contribute to significant improvements in the recycling infrastructure.
Lotus Bakeries’ carbon footprint analysis confirmed that the main contributors to our CO₂ emissions are in Scope 3 and more specifically raw materials and crops, with transport and packaging contributing to a lesser extent. This reinforces our belief that sustainable sourcing is critical. Not only does it support communities and improve the social welfare of workers in the value chain, but it also plays a vital role in addressing global warming. To maintain this commitment, we will continue to engage with our suppliers. Palm oil and cocoa are particularly significant for decarbonization, and we already have partnerships through RSPO Palm Oil and the Rainforest Alliance certificate for our Biscoff chocolate. We plan to build on these partnerships and increase our efforts further.

Lotus Bakeries is therefore committed to minimising deforestation and improving livelihoods through the sustainable sourcing of its raw materials and crops sustainably.

**Palm Oil**

**RSPO certificate**
Lotus Bakeries has been member of RSPO since 2011. It is important to Lotus Bakeries that the palm oil it uses in its products has been produced sustainably and does not contribute to deforestation or the destruction of vulnerable areas. Lotus Bakeries therefore selects its key palm oil suppliers carefully on the basis of the NDPE principle (No Deforestation, No Peat, No Exploitation) in its purchasing standards. That is why Lotus Bakeries only buys RSPO certified palm.

In 2023, Lotus Bakeries was a member of the RSPO (Roundtable on Sustainable Palm Oil) and the Belgian Alliance for Sustainable Palm Oil, and was committed to purchasing only sustainable palm oil. Moreover, all Lotus Bakeries’ sites that use or purchase palm oil also have an RSPO certificate.

**Palm Oil Policy: investment in sustainable agriculture and reforestation**
In addition, Lotus Bakeries requires its key palm oil suppliers to also invest in a number of projects to, among other things, rejuvenate forests and help farmers switch to sustainable cultivation.

Lotus Bakeries has endorsed this in its palm oil policy. At the end of 2023, 100% of key palm oil suppliers had endorsed the principles of Lotus Bakeries’ Palm Oil Policy.

The full text of the sustainable palm oil policy is available on our website [https://www.lotusbakeries.com/governance-practices-and-policies](https://www.lotusbakeries.com/governance-practices-and-policies)

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1 Key palm oil suppliers are those who supply products containing more than 15% palm oil and in which the ingredient makes up 5% or more of the recipe, or have their own policy of palm oil policy that includes at least equal standards.

**Cocoa**

**Rainforest Alliance**
100% of the cocoa butter and cocoa mass used in our Lotus® Biscoff™ chocolate has been certified by the Rainforest Alliance. The Enkhuizer and Peijnenburg products with chocolate were originally UTZ certified but are Rainforest Alliance certified since the transition from UTZ to Rainforest Alliance.

**Soy**

**IP certificate**
The soybean flour in the Lotus® Biscoff™ products is IP certified (‘Identity Preserved’). This means that the soy flour we use in our products can be traced to the sustainable plantation from which this raw material originates. Moreover, it is sourced from a region not identified as being subject to deforestation.

**Eggs**

**Barn eggs**
Animal welfare is important to us and in our case focused on the origin of the eggs. We use barn eggs in small amounts in our bakery products. As of January 2012, 100% of our eggs come from cage-free hens. Cage-free refers to farm environments where chickens who produce eggs live in open indoor spaces. Overall, cage-free represents an increased quality of life for hens as compared with those held in cages.
PULP- AND PAPER-BASED PACKAGING
Lotus Bakeries footprint analysis shows we have 7% of GHG emissions associated with our packaging in 2023. Today, 77% of wood pulp and paper-based packaging of our brands are FSC, PEFC, or SFI-certified with the guarantee that the products come from sustainably managed forests. This preserves biological diversity and combats deforestation. Read more about our packaging policy on page 35.

LOCAL SOURCING TO DECARBONISE OUR TRANSPORT
9% of Lotus Bakeries carbon footprint comes from transport. We therefore purchase our raw materials and packaging materials locally as far as possible. This means we purchase the greater part of our raw materials on the same continent where we operate our production facilities and strive to keep the distance between grower and our production site as short as possible.

WATER MANAGEMENT
Climate change and droughts are becoming more frequent. Industrialisation often puts additional pressure on water availability. Although water use is not considered a material topic for Lotus Bakeries as the amount we use is limited, we consider it our duty to manage water efficiently. The actions we take to minimise our water footprint are the following:

Monitoring
As part of its internal operational reporting, Lotus Bakeries reports on its water consumption. It has been among the standard KPIs that all production facilities report regularly. Based on these reported figures, Lotus Bakeries monitors carefully evolutions in water usage across the various facilities.

The water withdrawal in Lotus Bakeries production sites is 117,203 m³ water.

Sustainable water collection
For future infrastructure initiatives we will always look into using the most efficient water management systems.

The ‘House of Biscoff’ in Belgium is equipped with technology for sustainable water management. This includes a rainwater collection system and a well water filtration system. This well water filtration system makes it easier for water to seep into the ground, ensuring more even and improved wetting. This contributes to a good groundwater balance.

Two initiatives in our new plant in Thailand are worthwhile mentioning. We foresee the construction of a storm water pond, acting as a buffer in case of heavy showers in rain season. In dry season this water will be used for watering the plants and trees in the green zone on the site. Additionally, we plan also the construction of an underground rain water reservoir. This rain water will be used for the sanitary facilities.

1 Water withdrawal denotes the total amount of water withdrawn from a surface water or groundwater source.
EMPLOYEES: AMBITION 2023 & ACHIEVEMENTS

We believe in the power of our people to drive performance. We want to contribute to the employee well-being via offering an attractive and inspiring workplace that promotes health and safety, diversity, employee satisfaction, development, and equal opportunity for all. We aim to build one Lotus family based on our TOP-culture (Team, Open Dialogue and Passion).

To support the acceleration of our growth we focus on attracting, developing and retaining diverse talent.

- Promoting employee well-being
- Installing an anti-discrimination and anti-harassment policy
- Obtaining ISO 45001 certification for Lotus Bakeries South Africa Manufacturing

HIGHLIGHTS

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<tr>
<th>GEOGRAPHICAL DISTRIBUTION*</th>
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<td>South Africa</td>
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<td>669</td>
<td>276</td>
<td>518</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>41</td>
<td>43</td>
<td>43</td>
</tr>
<tr>
<td>The Netherlands</td>
<td>#</td>
<td>213</td>
<td>122</td>
<td>222</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>57</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>#</td>
<td>126</td>
<td>45</td>
<td>119</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>38</td>
<td>39</td>
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</tr>
<tr>
<td>France</td>
<td>#</td>
<td>140</td>
<td>73</td>
<td>142</td>
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<tr>
<td></td>
<td>%</td>
<td>52</td>
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<td>United States</td>
<td>#</td>
<td>196</td>
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<td></td>
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<tr>
<td>China</td>
<td>#</td>
<td>32</td>
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<td>33</td>
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<td></td>
<td>%</td>
<td>41</td>
<td>42</td>
<td>42</td>
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<tr>
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<td>#</td>
<td>21</td>
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<td>19</td>
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<td></td>
<td>%</td>
<td>52</td>
<td>47</td>
<td>47</td>
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<tr>
<td>Sweden</td>
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<td>31</td>
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<td>27</td>
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<td>%</td>
<td>77</td>
<td>70</td>
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</tr>
<tr>
<td>Other (AT, AU, CH, CZ, DE, ES, HK, IT, JP, TH)</td>
<td>#</td>
<td>96</td>
<td>38</td>
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<tr>
<td></td>
<td>%</td>
<td>39</td>
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</tr>
<tr>
<td>TOTAL</td>
<td>#</td>
<td>2,504</td>
<td>1,462</td>
<td>2,298</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>49</td>
<td>49</td>
<td>49</td>
</tr>
</tbody>
</table>

Of which permanent employees at December 31 | # | 2,746 |
Of which temporary employees at December 31 | # | 238 |

1 The scope of the EPI includes our internal employees and the members of the leadership team working through a management company. Internal employees are employees who are connected to Lotus Bakeries with an employment contract, either of unlimited duration or of limited duration.

2 The group comprises the Executive Committee, the General Managers and the Corporate Directors.

WELL-BEING

SAFETY

ONE LOTUS FAMILY®

GENDER DIVERSITY* | UNIT OF MEASURE | 2023 | 2022 | 2021 |
<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Board of Directors</td>
<td>%</td>
<td>70</td>
<td>70</td>
<td>70</td>
</tr>
<tr>
<td>Leadership Team</td>
<td>%</td>
<td>56</td>
<td>55</td>
<td>54</td>
</tr>
<tr>
<td>All employees</td>
<td>%</td>
<td>49</td>
<td>49</td>
<td>49</td>
</tr>
</tbody>
</table>

Lotus Bakeries - 47

ESG compilation

46 - Lotus Bakeries
Starting with our recruitment policy, Lotus Bakeries creates a foundation to attract a diverse and talented group of people. Attention to diversity, as well as equal opportunities, are key parts of this strategy, in which we aim to select candidates with the best range of skills and competences for the role. We also look at the knowledge and experience available in the existing teams and how this matches with the desired competences, knowledge and/or experience of the candidate.

In this way we continue to maintain a diverse group of employees, with balanced gender diversity across all employees. We see a nice balance of 49% men and 51% women within the Lotus Bakeries Group. When we take a closer look at the Leadership team1 the split is 56% men, 44% women and the Board of Directors is 70% men, 30% women. Additionally, we see a high level of diversity in age categories in Lotus Bakeries, and associated experience. This is similar to previous year.

Lotus Bakeries is committed to equal pay for equal work, regardless of gender, race, ethnicity or other factors unrelated to performance. To fulfill this commitment, we benchmark and set pay ranges based on market data and consider various factors such as an employee’s role and experience, job location and performance.

Diversity policy and inclusion
Guided by our TOP-values, diversity is to be cherished.

We value diversity amongst our employees and those with whom they collaborate. We are steadfast in our commitment to providing a workplace that ensures equal opportunities and is free from discrimination and harassment. Our company does not tolerate any form of discrimination or harassment directed at employees or candidates based on race, colour, gender, sex, sexual orientation, age, religion, national origin, political opinion, disability or any other protected class. We firmly believe in treating all individuals fairly, as articulated in our Code of Conduct under Principle II: respect for people in line with ILO conventions.

In this way we continue to maintain a diverse group of employees, with balanced gender diversity across all employees. We see a nice balance of 49% men and 51% women within the Lotus Bakeries Group. When we take a closer look at the Leadership team1 the split is 56% men, 44% women and the Board of Directors is 70% men, 30% women. Additionally, we see a high level of diversity in age categories in Lotus Bakeries, and associated experience. This is similar to previous year.

1 The group comprising the Executive Committee, the General Managers and the Corporate Directors.
WHY TO JOIN THE LOTUS BAKERIES FAMILY

UNITED BY PASSION
We might have hundreds of different jobs, but we are all passionately working towards the same goal: to create small moments of joy all over the world. We can only achieve this together, as every one of us makes an impact in his or her own way. Knowing that our work makes people smile is what makes us proud.

HAPPINESS MADE BY PEOPLE
We can only bring happiness to the world when we do it with a smile on our face as well. That is why, at Lotus Bakeries, it’s all about our people. We believe that their talent is the driving force behind our growth, which is why we tailor our employees’ work to their personal skills as much as possible. Through accessible leadership and well-defined ambitions, we help them to become their best self. Our team is a unique combination of talented and authentic people. Together, we spread our homemade happiness all over the world.

CO-WRITE A UNIQUE STORY
There is only one company like us. We are an international player with sky-high ambitions, yet still a family business: open-minded, inclusive and small enough for your personal impact to be seen and heard. We are professional and personal, solid and adventurous. This exciting duality is reflected in our brands as well. Lotus® Biscoff®, Lotus™ Natural Foods and our Lotus® Local Heroes offer both the healthy and indulgent, the global and local. Once you’ve had a taste of this one-of-a-kind combination, you’ll never get enough.

TO SUPPORT THE ACCELERATION OF OUR GROWTH WE ATTRACT TALENTED PEOPLE
Recruitment policy
Scarcity in the labour market poses a challenge that we actively address. To attract talented employees with the optimal fit, Lotus Bakeries has defined clear value propositions that allow us to seek the best match between the future employee and Lotus Bakeries in complete transparency.

One of the initiatives to facilitate recruitment is our international career site www.lotusbakeriesjobs.com. This website strengthens our employer identity as a global food company with dozens of products that brighten every day. It also provides a complete overview of all career opportunities within the Group worldwide. Through testimonials of employees and pictures of our offices and locations, potential candidates can moreover get a glimpse of our unique culture.

When selecting new employees, we communicate the full selection process clearly and transparently. The applicant’s professional competences, relevant experience and TOP values are paramount. During the selection process, applicants meet with several Lotus Bakeries employees to gain a good understanding of our company values and culture. Via the various touchpoints, candidates have several opportunities to ask questions or gather more information. For all office workers, the selection also includes objective testing, or an external assessment tailored to the position for which the candidate is applying. By including this objective element into our selection process, we reduce the chance of subjective assessment. Our recruitment is an intensive process where we consciously invest a lot of time to ensure the optimal fit between the future employee and Lotus Bakeries.
We also have a ‘Young Graduate Programme’. This is an intensive two-year programme designed specifically for graduated master’s or MBA students who enter in a function-specific domain. To guarantee a smooth onboarding and good career management inside Lotus Bakeries we have implemented a bespoke learning & development track for young graduates. Through various training sessions they acquire specific skills & competencies which will enable them to be successful in the role. Our young graduates get day-to-day coaching from their manager. Thanks to the mentorship programme, they also get input and reflection from a senior employee outside of their function area of expertise, providing them with a broader view of the company. This mentor moreover acts as a sounding board and can offer impartial advice and support related to career development and ambitions. To broaden their perspective and knowledge, the young graduates furthermore get assigned a cross-departmental project of strategic importance. Their mission is to tackle a specific business challenge and prepare a recommendation to EXCO.

Upon joining, Lotus Bakeries aims for thorough onboarding, in which new Lotus employees are immersed in the company, the products, brands and the culture. Special induction days are organised for new employees. From the management level onwards, new employees from around the world are invited to the ‘Group Wide Onboarding days’ that are organised in Belgium. During an intensive two-day programme, they receive more information about the strategy, the different brands, the organisational structure and the different departments. A tour of the Lambeker plant is the icing on the cake. In case of acquisitions, we ensure that all employees are quickly integrated into the Lotus Bakeries Group.

Creating an optimal employee experience starts during the employee onboarding process. Therefore we have ensured that our global career site connects seamlessly with our intranet site: MyLotus, the global HR platform in which all HR data from different countries is centralised and available in real time. The need for scanning contractual documents & policies, as well as emailing back and forth with candidates is eliminated, as the full onboarding process is managed through our global HR platform.

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As part of the onboarding track, each new office employee will also be asked to complete a survey after several months of service and will be offered a follow-up interview by HR. In this survey the employee is questioned about the recruitment and onboarding process, they are polled about how the first few months have gone in the position, about how the job and the organisation meet expectations and how the collaboration with the manager and with colleagues is going. In countries with a large workforce in the factories, such as Belgium, a bespoke survey is provided. The goal of the survey is to gain insights into how the employee has settled in and to identify areas for improvement.

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Once part of the Lotus Bakeries family, it is important to retain these engaged and motivated TOP talents. We aim to empower our employees to reach their fullest potential and secure employment for our permanent workforce via several means.

Fostering feedback and performance
We invest in a culture of open feedback and two-way communication because we believe this increases engagement, motivation and performance. The performance process for all office workers is fully integrated into the Global HR platform MyLotus. The operational workers, use a non-digitalised system, where the feedback conversation happens with team leaders. In MyLotus feedback exchange between manager and employee is encouraged several times a year, instead of having one annual review. This process provides ongoing opportunities to give and receive feedback, and our employees are encouraged more frequently to reflect on their career path. By gaining more insight into the employees’ strong assets, areas for improvement and ambitions, the right development and, if needed, guidance can be offered.

All office employees are invited at least yearly to participate in performance and career reviews. All feedback is documented through our Global HR platform.

The platform foresees a written preparation from both the manager and employee, and encourages a digital feedback request from various relevant stakeholders, which allows for a broad and objective assessment of the past year.

Employee learning and talent development
In the performance review process, our employees are encouraged to work with their direct manager to develop an appropriate and individual development plan. Lotus Bakeries applies the 70-20-10 learning model. This may include on the job learning to get to know the organisation for newcomers as well as providing stretched assignments, special projects or cross-functional collaborations for employees who have been in their role for some time. Formal external training opportunities, accessible to all employees annually, address both hard skills for specific technical needs and soft skills aimed at enhancing interpersonal abilities.

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1 70% practical experience on the job – 20% feedback and coaching – 10% formal training.
Our training courses cover different topics such as project management, negotiation skills, people management skills, priority management, presentation skills, as well as the effective usage of MS Office tools. Collaboration and team dynamics are fostered during insights Discovery workshops. Next to these programmes we offer internal trainings around legal topics, safety trainings, HR workshops, as well as dedicated technical trainings for our blue collar workers in our plant in Lembeke. In today’s society, it is important to continuously improve digital skills. Therefore, we offer training on the usage of SharePoint as well as on cybersecurity. Last year, close to 90% of PC users followed training to identify data hacks or phishing activities.

In 2023, the total investment in training activities was on average 15h per employee.

International connectivity and mobility

We believe that an open feedback culture and investing in our employees’ development are effective enablers of internal mobility. In this way we strive to keep talent in-house. In 2023 our internal mobility rate for white collar and staff is 17%. When we recruit new talents, we typically assess whether our internal mobility is a feasible option. Development are effective enablers of internal mobility. In this way we strive to keep talent in-house. In 2023 our internal mobility rate for white collar and staff is 17%. When we recruit new talents, we typically assess whether our internal mobility is a feasible option. In 2023, the total investment in training activities was on average 15h per employee.

Collective organisation and social dialogue

As a Group, we believe in an organisation that collaborates with all employees, the representation of employees, employee organisations and external social stakeholders. Currently, employees are covered by collective bargaining agreements on company, sector and national level in Belgium, South-Africa, the Netherlands, France, Sweden, Spain, Italy and Austria. This amounts to approximately 74% of our employee population worldwide being covered by collective bargaining agreement.

We remain committed to respecting our employees’ right to freedom of association, to join trade unions and to collective bargaining. Our primary measure in this respect is to hold regular meetings with the work councils and maintain the social dialogue. In our European countries where we have significant employment, 100% of employees are covered by workers’ representatives. We are convinced that good collaboration contributes to our success.

Well-being at work

We are steadfast in our commitment to ensuring that all our employees and contractors have a pleasant working environment and can return home mentally healthy at the end of the day.

The Executive Committee of Lotus Bakeries has signed a well-being charter in 2023, firmly emphasizing the importance hereof. This well-being charter is actively implemented across all of our offices and plants. Our CEO, Jan Boone, opened 2024 and addressed the Lotus Bakeries community as follows:

“For us as a family business, growth, profitability, and ambitions are important. Yet, we pursue these objectives hand-in-hand with fostering a healthy community of people. Our commitment to well-being, as outlined in the well-being charter, that we’ve shared together with EXCO, is a true statement. We genuinely care about how you feel within our company. The charter highlights three key principles: Connect (at work)- Disconnect (outside of work)- Communicate openly about mental well-being.”

We firmly believe in the power of bringing people together. Building a culture is only possible when people unite. Creativity, in my opinion, flourishes in a collaborative environment. Enjoying your work and having open conversations with colleagues, not only about your job but also about personal matters, are essential aspects. Fostering a social environment within our company is paramount. This is also the reason why we’ve invested in creating appealing and pleasant working environments. This commitment extends to our locations worldwide: we want you to feel at home wherever you are. And when you leave here, it’s time for your private life, time to relax and focus on personal well-being that matters.

We are a family business with over 90 years of history, and a long-term vision. We aim to share the pride of our achievements, together, with all our employees.”

| Employees entitled to take family-related leave | 100% |
| Employees entitled that took family-related leave | 15% |
| Female | 10% |
| Male | 5% |

*European countries with significant employment include Belgium, the Netherlands, France, Sweden, Austria.*
Well-being & Disconnection Charter highlights importance of wellness and unplugging

Our company’s strength lies in healthy, happy employees. Their physical and mental well-being is paramount, which is why the Executive Committee signed the Well-being & Disconnection Charter in autumn 2023 – a clear statement that our local branches translated into concrete initiatives.

In today’s workplace, there are a myriad of challenges. From the ever-accelerating pace of change, to being connected everywhere all the time, non-stop virtual meetings, to the blurring of the line between work and private life once we all work flexible hours. In this fast-paced, perpetually connected world, we at Lotus Bakeries wanted to clearly underline the importance of well-being and disconnecting. That’s why we launched the Well-being & Disconnection Charter in October, which is based on three pillars:

**CONNECTING AT WORK**

First of all, we are emphasizing that Lotus Bakeries values connection at work. We strongly believe in the power of face-to-face meetings, and in the unique energy that is created when people come together. By physically seeing each other in the office, we feel a greater and deeper connection to our company’s values and to each other. It’s the only way that we can be fully creative, and it will ultimately lead to better results. In addition, working in the office makes it easier to draw the line between work and private life.

**DISCONNECTING AFTER WORK**

Furthermore, we believe it is at least as important to disconnect outside the office walls and office hours. Whether it is by going for a walk in nature, a hobby, by spending time with loved ones or just taking a moment to yourself, this too ensures that our employees can bring the best version of themselves to work, think creatively and use their fullest potential. By regularly stepping out of action mode, we can return with a fresh mind, renewed energy and passion for what we do.

**TALKING OPENLY ABOUT MENTAL WELL-BEING**

Finally, the charter stresses the importance of mental well-being. We need to be able to openly discuss how our employees feel mentally, and we need to do this safely and with zero judgement. That is why we encourage an open dialogue about mental well-being in our teams. Being able to talk about it openly helps us create a healthier, more inclusive, and productive working environment for everyone. And, where necessary, to be able to take additional initiatives to support mental well-being in our company. Moreover, it will allow employees to be a source of inspiration to each other, exchanging ideas and tips to find a healthy balance that will benefit their mental well-being.
THE NETHERLANDS: WORK-LIFE BALANCE FIRST

HR Director the Netherlands, Claire de la Court

A vision of well-being is part of our strategic plan. And we are taking responsibility to achieve it. It shows just how important sustainability is to us, in the broadest possible sense. Our employees are at the heart of that sustainability. They play a key role in our organisation. With the charter, we are projecting this to present and future talents.

We are glad that the Group has a vision which allows people to work from home. The youngest generations in particular consider this an important condition. At the same time, we also underline the importance of spending time together with colleagues in the Netherlands, because that’s when you inspire, motivate and bring out the best in each other. Agreements have been made on this, including by making it a priority for certain meetings to always take place face-to-face.

Work-life balance is also high on the agenda. We encourage our colleagues to use their holiday hours. We work hard when we need to, but we also need to make time to relax. In the Netherlands, we also offer several types of family-friendly programmes to support employees, such as parental and partner leave, for both mothers and fathers. This is being used a lot and so we need to accommodate this, but it is wonderful that this is possible because it also creates a better gender balance.

FRANCE: HEALTH, SPORT AND WELL-BEING ON THE AGENDA

HR Business Partner LBF, Madeleine Du Château

At the end of September 2023, we also organised Sports Week in France, which kicked off with a healthy breakfast at all sites, and every day a new sport on the agenda to discover. The entire week was all about health, sport and well-being. We will continue this in 2024. From now on, we will offer two opportunities for exercise during lunch each week. On Tuesdays there is badminton, on Fridays yoga. Also, for employees who do shift work, there will be workshops on nutrition and good sleep habits for shift work.

UNITED KINGDOM: TALKING ABOUT MENTAL HEALTH

HR Manager UK, Helen Gibbons

In the UK, 2023 saw a lot of well-being initiatives as part of Mental Health Awareness Week, which put anxiety front and centre as a topic. We organised a lunch where colleagues were informed about what exactly anxiety is, how you notice it in yourself or a colleague, and some common coping mechanisms that people use to deal with it. We used the lunch as a stepping stone for our managers to discuss the topic with their employees afterwards.

Communicating about mental well-being proves to be very effective. In this respect, Lotus Bakeries scores well in the UK: an engagement survey shows that 8.5 in 10 employees feel they can talk openly with their manager. In 2024, we will continue to move forward in the same vein, including by organising focus groups to discuss certain topics in even greater depth. We want to give people a sounding board about mental health. To this end, we will invest in training so that there are several people across the organisation skilled in this area.

Work-life balance

To promote well-being, Lotus Bakeries also offers other means to employees to balance their time at work and their time at home within the limits of business organisation and local legislation. For one, Lotus Bakeries has a flexible working policy where employees can work from home depending on their role in the organisation. We offer all our employees across the world the right to take family-related leave such as parental leave and carers’ leave. In 2023, 15% of employees took family-related leave. 10% being female employees and 5% being male employees.

Cultivating a positive workplace

Lotus Bakeries has invested in creating a beautiful and attractive work environment. Social spaces are designed for employees to have lunch and catch up together. The offices feature spacious and bright open spaces, along with large and small meeting rooms for our employees to use, and a cozy lunch area to connect. We also provide ergonomic facilities, such as standing desks to encourage working standing up and provide screening and advice to improve the ergonomic sitting posture at the desk. A lot of attention has been paid to fitness and sports at all Lotus Bakeries locations, with varied initiatives depending on the site. For example, the ‘House of Biscoff’ in Belgium and the offices in the United States and Sweden have a gym with showers. Other locations offer sport activities through options of signing up to a bicycle lease programme, participating in weekly boot camps or joining cycling or walking sessions. This approach creates a more pleasing working environment that promotes employee satisfaction and well-being.
Occupational health and safety is vital to our business. Within our working environment, we undertake measures to minimise the risk of workplace accidents, to ensure a safe and secure workplace.

Promoting a safe working environment
For our Lotus Manufacturing South Africa (LMSA) site we have become fully accredited with ISO 45001. This is the world’s international standard for occupational health and safety, issued to protect employees and visitors from work-related accidents and diseases. ISO 45001 certification was developed to mitigate any factors that can cause employees and businesses irreparable harm. As we employ close to 650 people in LMSA this gives us a tremendous peace of mind that we are doing the right thing for our employees.

The Netherlands, the Geldrop and Enkhuizen production sites have the occupational health and safety vignette from VBZ (Vereniging voor Bakkerij en Zoetwaren industrie). A recurring audit is performed by two external members of the VBZ, which includes interviews with our employees, and the results are subsequently reported.

As part of our continuous improvement on safety, we performed in all the plants in Belgium a thorough safety audit with an external organization, supported by observations on the work floor and interviews of factory workers. An internal safety activation plan centered around Safety Awareness & Management (SAM) has been developed. The new internal safety communication campaign will go live in 2024.

Our Safety Policy
Our commitment to occupational health and safety is driven by our policy and systems. Our first focus is to prevent accidents by minimizing safety risks in the following four areas.

1. Occupational health
2. Personal safety
3. Process safety
4. Rolling material safety

We take the following steps to develop effective risk prevention strategies in our own sites.

Risk assessment
In all our sites new machinery and equipment are designed to the latest safety standards and undergo an extensive safety inspection through the Site Acceptance Test by our own safety officers. We follow a clear procedure for hazard identification. Machinery is adjusted as needed to meet our high safety standards.

To identify risks related to behaviour we use safety inspections and feedback tools to detect and report unsafe situations. For example in South Africa, a health and safety questionnaire is completed each quarter, after which the existing risk assessments are evaluated and the existing procedures are tightened up.

Developing guidelines and procedures
Strict occupational safety laws apply in all the countries in which Lotus Bakeries operates. Clear safety procedures and operating guidelines are created based on the risk assessment at each production site or office. These procedures are translated into work instructions for each workstation. We provide adapted work clothing to our employees and contractors to contribute to a safe work situation.

Raising awareness and safety training
There is a safety training programme where we regularly focus on awareness and prevention:

• Safety in the workplace is a fixed part of the onboarding programmes of new employees who start work in the factory.
• Regular training sessions are given to teach people how to bring up the importance of safety to other colleagues or address and prevent dangerous situations.
• Each site has a clear procedure in case an emergency occurs. Yearly training of the emergency procedure takes place.

HEALTH AND SAFETY

<table>
<thead>
<tr>
<th>Unit of Measure</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of occupational fatalities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total occupational accidents per average headcount</td>
<td>2.6</td>
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<td>2.3</td>
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<tr>
<td>Total occupational accidents involving absence from work</td>
<td>15 (#)</td>
<td>105 (%)</td>
<td>52 (%)</td>
</tr>
<tr>
<td>Rate of recordable work-related accidents for own employees</td>
<td>18.6</td>
<td>20.9</td>
<td>19.3</td>
</tr>
</tbody>
</table>

1 The scope of the KPI’s includes our internal employees.
Monitoring via reporting
Management monitors health and safety performance. All the sites measure and report monthly on the number of accidents at work with absence. Accidents are screened to improve our risk control strategies.

Safety beyond our own operations
For the construction of our new plant in Thailand, we paid great attention to the contractors policy on health and safety precautions. The contractor has to ensure that medical staff, first aid facilities, sick bay and ambulance service are available at all times at the site of the works, and that suitable arrangements are made for all necessary welfare and hygiene requirements. We also ask our contractor to appoint an accident prevention officer at the site of the works, responsible for maintaining safety and protection against accidents. There are daily safety exercises and weekly safety walks.

No fatalities occurred in 2023. The number of accidents at work decreased in 2023 down to 75 incidents. The continued promotion of safe behaviour, the in-depth analysis of each incident and using the learnings of these to raise awareness to employees helps to promote a safety culture and realise a decrease versus last year. There was one exceptional case: in the plant in South Africa, Lotus Bakeries provides commuting services with mini-vans to the employees. One mini-van had an accident leading to 9 injured employees that were absent from work. If we isolate this exceptional case, we would have decreased the number of incidents even further down to 66 compared to previous year. In 2023, there are five production or distribution sites that had no work accidents.
COMMUNITY:
2023 AMBITIONS & ACHIEVEMENTS

We care for today’s and tomorrow’s generations and all stakeholders involved in our value chain. Responsible business conduct addressing today’s and future complex challenges allows us to stick to our mission: providing superior tasting snacks, to everyone, every day, everywhere. We want to contribute to consumer well-being by providing the right and balanced portfolio at the highest quality. Plus, we contribute to the prospects of future generations by supporting education projects.

The ambitions of Lotus Bakeries within the community pillar are therefore focused on four domains:

- Installing a Human Rights Policy
- Setting up a Whistleblowing Line & Policy

PRIORITIES

<table>
<thead>
<tr>
<th>UNIT OF MEASURE</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal employees1 who have signed the Code of Conduct</td>
<td>%</td>
<td>99.9 (%)</td>
<td>99.9 (%)</td>
</tr>
<tr>
<td>Key suppliers2 which have signed the Code of Conduct</td>
<td>%</td>
<td>94.2 (%)</td>
<td>90.5 (%)</td>
</tr>
<tr>
<td>Key palm oil suppliers3 who endorsed the principles of Lotus Bakeries Palm Oil Policy</td>
<td>%</td>
<td>100.0 (%)</td>
<td>90.0 (%)</td>
</tr>
</tbody>
</table>

PRODUCT SAFETY

<table>
<thead>
<tr>
<th>UNIT OF MEASURE</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lotus Bakeries production sites where our products are produced with external quality certification (BRC, IFS)</td>
<td>%</td>
<td>100.0 (%)</td>
<td>100.0 (%)</td>
</tr>
</tbody>
</table>

1 The scope of the KPI includes our internal employees and the members of the leadership team working through a management company. Internal employees are employees who are connected to Lotus Bakeries with an employment contract, either of unlimited duration or of limited duration.
2 Key suppliers are all of our suppliers of end products (external production), raw materials, packaging and machinery, with whom Lotus Bakeries has entered into a written contract.
3 Palm oil suppliers who have signed up to the Lotus Bakeries palm oil policy or have their own palm oil policy in force that includes at least equal standards and who supply ingredients or raw materials containing at least 50% palm oil, and in so far these products represent more than 5% in any recipe.
Lotus Bakeries actively assumes its social responsibility. We guarantee ethical business practices throughout the organisation.

Upholding business integrity and human rights is fundamental to building trust with our partners, communities and stakeholders, as pointed out in our Human Rights Policy. Our guiding principle is to abide by all international human rights standards, including, but not limited to, the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business & Human Rights. Where local law and international standards are higher, Lotus Bakeries will follow the higher standard.

Every individual deserves respect, dignity, and equal treatment. To emphasise this belief, we have extensively communicated the principles set out in our Code of Conduct as well as the Human Rights Policy, so all employees via our intranet system. We encourage our employees to respect the dignity and human rights of colleagues and all other people they come into contact with in the course of their work.

ETHICAL BUSINESS PRACTICES AND RESPECT FOR HUMAN RIGHTS

ETHICAL BUSINESS PRACTICES IN OUR OWN ORGANISATION

The Code of Conduct was approved by the Board of Directors on 2 April 2020 and was implemented in 2020. As of 2021, every new employee who is recruited must sign this. This Code forms an integral part of the employment contract. In September 2023, the Code of Conduct was updated to reflect Lotus Bakeries’ new whistleblowing line, encouraging our employees to speak up in case they encounter any conduct that concerns them, or that seems to violate Lotus Bakeries’ Code of Conduct, our policies, or applicable laws and regulations.

Our Code of Conduct

Lotus Bakeries expects all its employees to act with integrity, honesty and fairness and in full compliance with the applicable laws, rules and regulations. It has developed a Code of Conduct containing six main principles that its employees must respect at all times. These principles are further elaborated on in separate more detailed policies and procedures:

1. Transparency:
Lotus Bakeries aims for clear and accurate communication with its customers, suppliers, consumers and business partners and encourages open communication with all its stakeholders. Lotus Bakeries also refrains from non-conforming, dishonest, fraudulent or misleading marketing practices.

New in 2023
• Biscoff® Trademark Guidelines were created and published to help professionals incorporating Biscoff® spread and cookies into their recipes. The guidelines aim to provide a clear understanding of how to leverage the Biscoff® brand while ensuring the integrity of our brands and trademarks. The use of Biscoff® products in the preparation of recipes does not automatically entitle someone to use the Biscoff® trademark such as logos, design, look & feel and trade dress in your communication. However, Lotus Bakeries has authorised certain ways of use in its Trademark Guidelines to inform professionals transparently how to include the Biscoff® brand name to benefit from its power and recognition. These Guidelines apply worldwide.

The full Biscoff® Trademark Guidelines are available on the Biscoff website:
https://www.lotusbiscoff.com/en-gb/food-professionals/trademark

2. Respect for fellow human beings:
Lotus Bakeries is responsible for a safe working environment and places great importance on integrity and respect for fellow human beings. Respecting human rights and labour regulations, including the freedom of association of employees and combating child labour, are important objectives. All personal data is treated with respect at all times and in accordance with the relevant rules and regulations.

The full Code of Conduct is available in 11 different languages on our website:
https://www.lotusbakeries.com/governance-practices-and-policies
Lotus Bakeries developed and rolled out a human rights policy in 2023, which applies to all our operations and to all full-time, part-time, and temporary colleagues who are directly employed by Lotus Bakeries, including our directors and officers. The policy also extends to any subsidiaries or joint ventures where Lotus has a majority interest or management control. It is important to note that our responsible sourcing policies and procedures specifically outline our expectations for our suppliers, vendors, agents, and contractors. In terms of human rights, Lotus Bakeries imposes its Supplier Code of Conduct on its suppliers of packaging, raw materials, equipment, and finished products. We believe that it is not only our responsibility to ensure that our own operations uphold human rights, but also that of those in our supply chain.

New in 2023

- Lotus Bakeries has taken further steps as part of its continuous improvement process for corporate books across all of its entities, further streamlining the timing, stakeholder management and automation of the annual reports and annual shareholder meeting.
- Lotus Bakeries ensures fair competition, respect for export regulations and the prevention of insider trading.
- Lotus Bakeries has completely revised and strengthened its supplier code of conduct.

The Full Human Rights Policy as well as our Modern Slavery Statement are available on our website:

https://www.lotusbakeries.com/governance-practices-and-policies

A Group anti-harassment and anti-discrimination policy was developed and rolled out. Reference is moreover made to the Whistleblowing Code which is available on our website and an important part of our governance practices and policies and through which anonymous reporting is possible. Confidentiality is assured, and accurate follow-up of the legal obligations is guaranteed. Such whistleblowing will further improve the detection of any potential misconduct throughout the value chain.

New in 2023

- Lotus Bakeries has taken further steps as part of its continuous improvement process for corporate books across all of its entities, further streamlining the timing, stakeholder management and automation of the annual reports and annual shareholder meeting.
- Lotus Bakeries maintains a zero-tolerance policy towards bribery and corruption, overseeing a clear process for managing conflicts of interest and keeping accurate accounts and records, including rigorous reporting and bookkeeping.

Now in 2023

- In view of the geopolitical turmoil, Lotus Bakeries has heightened its awareness of tightened export regulations. This approach ensures ongoing compliance with all applicable export laws and regulations in an ever-changing and evolving global landscape.
- In 2023, all new employees in the marketing, sales and purchasing departments were invited to an initial two-and-a-half-hour interactive workshop at which eight issues were explained using real case studies, with a success rate of 75% to complete the training programme. All employees – existing and new – of the specified departments were moreover invited to two competition quizzes. The participation and success rates were as follows:
  - June 2023 excluding US: 89% participation, 85.4% passed successfully
  - June 2023 US specific quiz: 100% participation, 76.4% passed successfully
  - October 2023 including US: 97% participation, 62.9% passed successfully

Lotus Bakeries will continue its efforts to increase awareness and understanding of competition law within its organisation.

Lotus Bakeries closely monitors the impact of its activities on the environment and constantly strives to reduce its ecological footprint. For specific details regarding our concrete 2023 operations, including our ambitions and achievements for the environment, please refer to page 72 of this ESG compilation.
RESPONSIBILITIES
Each employee of Lotus Bakeries has a responsibility to comply with the principles of the Code of Conduct.

WHISTLEBLOWING
All employees of Lotus Bakeries are encouraged to speak up if they encounter any conduct that concerns them, or that seems to violate Lotus Bakeries Code of Conduct, our policies or applicable laws and regulations.

Lotus Bakeries Whistleblowing Line allows for anonymous reporting, confidentiality assurance, and accurate follow-up of the legal obligations. Lotus Bakeries greatly values the help of employees and others who identify and speak up about potential concerns that need to be addressed.

People who speak up are protected and will not suffer for raising concerns in good faith about suspected misconduct. Lotus Bakeries will not tolerate any form of retaliation against you for speaking up.

Lotus Bakeries has developed a Whistleblowing Policy which explains how one can raise concerns about suspected misconduct in confidence and without fear of retaliation. It also describes what to expect from us concerning follow-up and relevant action.

The Whistleblowing Line and Policy can be found on our website: https://www.lotusbakeries.com/governance-practices-and-policies

SUPPLIER CODE OF CONDUCT
The principles set out in the Lotus Bakeries’ Code of Conduct are also applied on our suppliers of packaging, raw materials, equipment and finished products. In 2023, 94.2% of our key suppliers of finished products (external production), raw materials, packaging and equipment with which Lotus Bakeries has concluded a written contract had signed the Supplier Code of Conduct.

The principles to which these suppliers must commit can be summarised as follows:

1. Lawful and ethical business practices:
   - Respect for human rights
   - Child labour will not be accepted under any circumstances
   - Treating people with dignity, honesty, fairness and respect
   - Refraining from any form of discrimination, harassment, verbal or physical abuse
   - Implementation of thorough health and safety procedures
   - Compliance with the occupational laws and regulations in the workplace

2. Fair business practices:
   - Compliance with the relevant competition laws
   - Use of fair and transparent price mechanisms and other contractual provisions in respect of suppliers
   - Zero tolerance of bribery and corruption
   - Protection of Lotus Bakeries’ confidential information
   - No falsification, smuggling or other related crimes

3. Respect for the environment
   - Obtaining and documenting all necessary environmental permits, licences and registrations
   - Processes aimed at waste reduction, lower energy consumption, lower emissions and the prevention of pollution
   - Preservation of biodiversity, including threatened flora and fauna (no deforestation) and focusing on soil protection
   - Respect for water sources and ensuring good water and (waste) water management
   - No use of illegal products and limitation of the use of pesticides and other legal chemicals

4. Traceability
   - The supplier must keep adequate records of its direct suppliers.
   - We expect these suppliers to implement the Supplier Code of Conduct and to inform their employees, agents and subcontractors in a careful and transparent manner.

RESPONSIBILITIES
The purchasing department is responsible for implementing the Supplier Code of Conduct, supported where necessary by Legal & Compliance.

WHISTLEBLOWING
Suppliers are asked to bring any concerns to the attention of their local HR departments. Since 2023, they also have the option to report any complaints via the online whistleblowing platform selected by Lotus Bakeries. This platform allows for anonymous reporting, ensures confidentiality, and guarantees accurate follow-up of legal obligations.

All employees have been informed about the Whistleblowing Line and Policy via intranet communication and information sheets featured in all of our production plants. The Whistleblowing Policy has moreover been integrated in the onboarding packs and local HR decks.

In 2023, no complaints were received via the Whistleblowing Line. The Group Compliance Department was informed of one complaint from employees regarding an alleged case of discrimination in the course of 2023. This case was investigated locally. No infringements were established.

REPORTING
Where necessary, the Compliance Officer reports to the Board of Directors once a year on the enforcement of the Code of Conduct, covering any breaches and concerns raised, along with action points formulated to prevent repetition.

In 2023, the Board of Directors was not informed as no material complaints were received and no infringements were established.

IMPLEMENTATION
The Code of Conduct has been translated into the official languages of those countries in which Lotus Bakeries has a sales office or a factory. The document is available in eleven languages.

The Code of Conduct has been added to the onboarding packs for new employees at all our sites and a presentation is foreseen for the onboarding programmes.

The employees of Lotus Bakeries were asked to sign the Code of Conduct and have all received a brief explanation of the six principles it contains. At the end of 2023, 99.9% of employees had signed the Code of Conduct.

The document is available in eleven languages.
Lotus Bakeries - ESG compilation

IMPLEMENTATION
The Supplier Code of Conduct was implemented in 2020, is supplied in the language of the contract and is available in eleven languages. In 2020, the suppliers of packaging, raw materials, equipment and finished products with which Lotus Bakeries had a framework-contract, were asked to sign the Code of Conduct separately at the time. Since then, this code has been an integral part of the standard contracts with our key suppliers. Lotus Bakeries expects suppliers to take corrective actions necessary to address any identified gaps.

QUALITY MANAGEMENT SYSTEM
The Lotus Bakeries quality policy is an integral part of its strategy aimed at building strong, reliable brands. The strength of our brands is after all highly dependent on the quality of our products. The quality management system undergoes an assessment by the internal audit team. This happens annually split over five times, linked to different criteria. Corrective and preventive actions are taken as a result.

The full text of the quality policy is available on our website: https://www.lotusbakeries.com/policies-reports

Responsibility
The Corporate Quality Assurance department is responsible for auditing the quality of our products under the direction of the Corporate QA Director, who has final responsibility for ensuring that the terms and conditions of Lotus Bakeries’ quality management system are met at all our production sites and in all Lotus Bakeries’ offices. The Area QA Managers have the same responsibilities for their region.

Scope of product safety and quality
Lotus Bakeries’ quality management system covers the entire value chain, from the purchase of raw materials and packaging, to production, labelling and delivery of the finished products to the customer. External production is also covered by the quality management system.

Quality control of suppliers
• Supplier selection
Our suppliers are selected according to predetermined criteria, including the availability of an effective quality and food safety management system, assured by an independent food safety certification body. An effective tracing system forms part of this, so that Lotus Bakeries knows where the raw materials come from at all times.

• Specifications
In addition, Lotus Bakeries has drawn up specifications with product safety requirements to be met for raw materials and packaging materials that are critical for product safety, such as flour, eggs, fats, margarines, chocolate and printed packaging with direct product contact.

• Inbound checks
The products supplied by our suppliers are also subject to an inbound check. We assess the analysis report supplied by the supplier and check it with regular counter analyses by our own specialist internal laboratories. This inbound check is structurally registered in SAP to keep overview and be able to track.

• Supplier audits
The checks on the suppliers are also supplemented by supplier visits and audits, which are conducted annually on the basis of performance measurements, and this also applies to raw suppliers. In 2023, theइन भरतीय विश्वकोशः सार्वजनिक में सभी जानकारी उपलब्ध है।

• Internal audits
Verification takes place on the basis of internal audits. In 2023 there were 63 internal audits with on-site presence. Each production site has been audited at least five times.

• External audits
External certification is a major support in the continuous improvement of both processes and products. Every Lotus Bakeries production site is BRC or IFS certified at end 2023.

• Quality control
Finished products are first examined critically at our production sites in the form of self-assessment by the production department. The quality of our finished products is also assured by analyses in our internal laboratories. The results of these laboratory analyses are reported to management monthly. Products of production partners are assessed in the same way.

Quality processes for our production partners (co-manufacturing)
Our external production partners are monitored in an identical way by our Corporate Quality Assurance department. There were three physical audits last year, 10 in-person factory visits and 10 in-person quality meetings topped up with 50 digital quality meetings over the past year. The requirements we set for our external production partners are laid down contractually in a clear schedule of requirements.

PRODUCK SAFETY
Quality processes for our customers

First and foremost, our finished products, both the product itself and the packaging, must comply with the relevant food regulation. The labelling of products and the processing of raw materials and packaging materials by the country of commercialisation according to the regulations are monitored by the Corporate Quality Assurance.

We also wish to inform the consumer transparently about verified claims made with regard to the product. In 2021 we worked on a revamped database to manage all this information efficiently and to convert it into product specifications and customer information. This database was put into use in 2022 and the further roll-out for other sites and production partners continued in 2023.

We receive, register and handle product complaints systematically and, since 2020, they have been registered in a central database for all the sales offices in the group. The number of complaints and their seriousness are monitored very closely and a monthly report is submitted to management.

Annual testing and continuous monitoring of our quality management system

Lotus Bakeries has specific product withdrawal and recall procedures. There is a trained crisis management team in each of our sites and sales offices. Each year, the procedures are tested in collaboration with external parties. Learning points are identified and adjusted from the results of this test and monitoring and action plans are drawn up.

In 2023, Lotus Bakeries organised one recall in the Netherlands followed by a thorough risk analysis. The necessary steps were taken in a timely manner and preventative measures were taken immediately to prevent recurrence in the future.

The various components of our quality management system are adequately safeguarded thanks to these various steps where the raw materials come from at all times.
The R&D department is responsible for developing new products, optimizing existing ones, as well as creating packaging solutions, all in alignment with Lotus Bakeries’ strategy and policies. As such, we carefully select our raw materials from approved suppliers that comply with our responsible sourcing policies, as well as make sure that packaging materials comply with our ambition to be 100% recyclable by end 2025.

Product development follows a stage-gate process, where ideas, prototypes and products are evaluated against several criteria, including our sustainability and nutritional policies. This results in a high-quality branded snack, which will bring a superior tasting experience to our consumers all over the world, all year around.

Our expertise in the field of innovation is complemented with interactions with well-known knowledge institutes and universities, which give us a better view of product-packaging-process interactions and give us new insights into new technologies.

**NUTRITIONAL POLICY**

**Superior taste experience**
Lotus Bakeries wants to be able to offer its consumers delicious, high-quality snacks at any time of the day. A superior taste experience is key to this, both in the range of cookies and pastries and in the range of natural snacks. We only use high-quality ingredients and we monitor production and supply chain processes from beginning to end. Ensuring the quality, origin, composition and safety of our products is vital. Our R&D department plays an important part in this: it has the task of developing products with attention to constantly improving quality and taste.

**Diverse range**
Lotus Bakeries aims to offer every consumer a quality range of snacks at every moment of consumption. It does this through a portfolio of products with a variety of nutritional compositions.

With the acquisition of brands such as nākd®, TREK®, BEAR® and Urban Fruit®, the focus has expanded to fruit and nut-based snacks. Moreover, the takeover of Kiddylicious® has meant an expansion of our range with snacks and meals for little ones. These Natural Foods brands provide the consumer with the option to choose a healthy or healthier alternative to existing snacks in the food category.

**No artificial flavours or colours**
To exclusively offer our consumers healthy and high-quality products, we aim not to use any artificial flavours or colours in our products. We have considered it important as a business to use pure and natural ingredients since our foundation in 1932.

**Variety in portion sizes**
It is our ambition to offer consumers responsible snacks. Not just with our range of natural snacks, but also by making several of our top products available in large and small packs, that contain less than 150 Kcal per portion.

We believe it is important to provide consumers with information that encourages them to consume responsibly. Our commitment is based on:
1. Encouraging responsible consumption
2. Taking responsibility in communication

**Responsible consumption**
Responsible consumption is an important topic in our advertising. To help consumers make the right dietary choices we do not encourage or show excessive consumption in our advertising.

We do not exceed recommended portion sizes and do not portray unhealthy or inappropriate consumption of our products. On certain product lines we offer a variety of portion sizes that can fit the lifestyle of different types of households.

**Clear information & responsible marketing**
In order to support consumers in their nutritional choices, we believe it is important to give them accurate product information, including the nutritional values. Lotus Bakeries also takes an unequivocal position with regard to responsible advertising towards children. For example, Lotus Bakeries Belgium signed the Belgian Pledge 3.0.

The full text of the ‘nutritional policy’ is available on our website: [https://www.lotusbakeries.com/policies-reports](https://www.lotusbakeries.com/policies-reports)
LOTUS BAKERIES FOUNDATION FOR EDUCATION

Mission: Lotus Bakeries aims to make a substantial contribution to carefully selected education projects aimed at high-quality education for vulnerable or disadvantaged children and young people.

At Lotus Bakeries we contribute to the well-being of our fellow human beings by providing support to education. The reason is simple: education is the key to breaking the vicious circle of poverty.

Anyone with access to high-quality education can learn a trade and thus also gain access to the labour market, earn an income and support a family, share knowledge and continue to develop.

Education is a universal human right to which every child is entitled for good reason. It offers future prospects and helps the child become an independent and self-reliant human-being. Somebody who can contribute to the economy. In this way education is the key to success of the child and society.

Our underlying principles are clear:

• We want to give vulnerable or disadvantaged children and young people in various regions access to high-quality education.
• We do this by supporting projects aimed at elementary and secondary education, but also aimed at technical skills and out-of-school cultural or sporting activities.
• We select a limited number of projects to which we can make a substantial contribution.
In 2023, Lotus Bakeries supported eight development projects within the Lotus Bakeries’ Foundation for Education:

**The Kusasa Project**
The Kusasa Project is an education project in the Western Cape province of South Africa of which Lotus Bakeries has been the main sponsor since 2018. Every year, around 150 children receive quality primary education and are supported in their further development. This increases their prospects of a better future, which also benefits the local community.

In terms of educational achievements, 2023 was a remarkable year for The Kusasa Project. The support allowed 60% more classroom hours last year than in other schools in the region. In the fourth group, 24 students graduated from The Kusasa Academy in 2023. Besides regular education, activities included dance classes, 42 excursions and field trips, as well as 50 winter and summer sports activities and, last but not least, cultural clubs where children had an opportunity to discover their passion.

The Kusasa Project has always prioritised development needs for young children. In addition to educational goals, The Kusasa Project also makes sure that the children are provided with practical needs and resources that improve their quality of life, such as: acupuncture therapy, eye tests and corrections, eyeglass enhancement, hearing exams and provision of hearing aids. In 2023, some 52 families used social workers, 110 home visits were made and around 126 forms of medical and social assistance were provided to the community.

**Lotus Bakeries Child Sponsorships**
This project was set up in conjunction with Cunina at the school in Reichenau, Underberg, South Africa. Since 2017, the employees of Lotus Bakeries Corporate have been given the opportunity to become sponsors. All sponsored children are offered an education from the first year of primary to the final year of secondary. This is a long-term commitment of 12 years for around 145 children.

**TAJO**
Through its support of the Ghent Talent Studio for Young People (TAJO), Lotus Bakeries makes a conscious decision to provide socially vulnerable young people in the Ghent and Kortrijk regions (Belgium) with new opportunities and to fuel their motivation to start studying.

At TAJO, young people are introduced to various professions and the corresponding skills and talents via interactive workshops on Saturdays. These workshops are led by experienced guest teachers and at least once a month, the young people get the opportunity to take a look behind the scenes in inspiring companies. This way, young people can discover for themselves which fields appeal to them and what encourages them to study in a direction that will take them further, both at school and in society.

In order to keep the connection going with the young people at TAJO during the summer holidays, TAJO organised activities for all the young people in July and August. The 2023 summer holidays kicked off with an event that focused on connecting and networking. In August, the new TAJO year was collectively launched with a day of experience-focused workshops across different locations such as the Ghent Bourgoyen, the Technology Park in Zwijnaarde, Doerak farm in Marke and the University of Applied Sciences in West Flanders.

**City Pirates**
The City Pirates’ community football project, which operates in eight locations in Antwerp (Belgium), uses football to give young people an opportunity and to learn skills. The project’s main goal is to give underprivileged young people in the province of Antwerp a chance to get an education, a diploma, and a job.

The development of skills in sports is closely associated with the promotion of social skills in which teamwork, perseverance, effort and discipline are key, along with equality, respect and commitment. All of this is focused on creating a stable and balanced future. City Pirates also offers social and financial guidance for parents, after-school activities and homework assistance for children. The organisation currently has 15 professional employees, 215 volunteers and 1,500 players. The first City Pirates team plays in the second amateur class and receives logistical support from Club Brugge KV.

City Pirates, in addition to sports activities, also organised events in 2023 focused on social commitment. This was reflected in playground activities, youth outreach, various workshops and events, internship days and a community event. Through these initiatives, the club creates a social platform outside of the soccer field where young people, children, parents and volunteers can collectively work on a better community in the city.

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Entrepreneurs for Entrepreneurs

The ‘Literacy for women as a weapon for their emancipation’ project has been supported by Lotus Bakeries since 2021.

The emancipation of women and their social and economic emancipation in the Democratic Republic of the Congo and Benin depend on education. Leuven Coopération and its local partners organise literacy courses for women and girls in these countries. These courses have a direct and significant impact on the emancipation of these women and the image they have of themselves and their families.

A future for disadvantaged young people in Walungu thanks to training in sustainable agriculture and the economy

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Next, a management committee was set up to supervise the schools and optimise their operation by enabling knowledge exchange between the schools and agricultural businesses in the region.

Finally, a competition was organised for the graduates to prepare a business plan, with the most promising project receiving partial funding. Graduates starting income-generating activities in circular economy or agroecology will be coached with the purpose of advancing their initiatives while analysing which courses show the most promise for socio-professional integration.

Gammol

Gammol is a Belgian non-profit organisation committed to the educational and healthcare needs in Gambia, where the availability of clean water and education are considered essential basic conditions.

The main efforts in 2023 were the construction of a fourth school and the provision of clean water in various regions. Due to Gammol, more than 120,000 people in Gambia now have daily access to clean and potable water, which is just one link in the chain that should lead to greater self-reliance.

The biggest project started in June 2023, with the construction of the fourth school in Falaa, a southern district of Sanyang in Gambia. This new primary school will include four classrooms, a lounge for teachers and management, and sanitary facilities. All of the materials required for the construction of the school are purchased and manufactured locally, which benefits the local economy.

In addition to efforts to build schools, Gammol always sets clear expectations for the local communities it supports to ensure quality education. This involves paying attention to what subjects are taught, the appointment of teachers and their responsibilities. This is because the focus of primary education is on language and maths. Gammol’s actions are based on the belief that quality education gives young people a greater chance of breaking out of poverty. Providing quality education is therefore also one of the key goals, aimed at achieving self-reliance.

Gooikenshoeve

VZW Gooikenshoeve (Belgium) was set up to provide psychologically and socially vulnerable young people and young adults from 17 to 25 a worthwhile daytime activity in a small-scale, safe and warm environment. In this way we want to nurture the hope and the ability of our guests to find a way into normal social integration and interaction with themselves and others. Lotus Bakeries is keen to do its bit in this regard.

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To help us achieve and demonstrate our ESG commitments, we have several key memberships and certifications. These focus on people and planet, and align with our sustainability commitments.

**SBTI**
- The Science Based Targets initiative (SBTi) is a collaboration between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wildlife Fund (WWF). The SBTi is the only global initiative that directly links a company’s carbon-emission targets to the Paris Agreement and associated global efforts, in order to keep the rise in global temperature below 1.5°C.
- Lotus Bakeries has signed the Business Ambition for 1.5°C Commitment Letter in March 2023. The target and roadmap is currently under development.

**CEFLEX**
- The Circular Economy for Flexible Packaging (CEFLEX) initiative is a collaboration of over 180 European companies, associations and organisations representing the entire value chain of flexible packaging. The goal of the initiative is to make all flexible packaging in Europe circular. CEFLEX’s Mission Circular commits to collection of all flexible packaging and over 80% of the recycled materials channelled into valuable new markets and applications to substitute virgin materials.
- Lotus Bakeries is an active member of the CEFLEX initiative since 2020 and actively participates in the working groups concerning the development of design guidelines for a circular economy (D4ACE). Furthermore, Lotus Bakeries applies the already existing CEFLEX guidelines to develop recyclable flexible packaging.

**FLEXIBLE PLASTIC FUND**
- The Flexible Plastic Fund is a UK-based collaborative fund of 18 renowned UK consumer goods’ manufacturers giving value to hard-to-recycle flexible plastics. The Flexible Plastic Fund is working with retailers, recyclers, local authorities and manufacturers using flexible plastic packaging to create an efficient system that incentivises high-quality recycling of a material that has historically gone to waste. The Fund is driving towards the long-term ambitions of ensuring flexible plastic recycling is UK-based, fully circular and facilitated by household recycling collections.
- Lotus Bakeries has been a member of the Flexible Plastic Fund since its establishment in 2021 through the brands Lotus Bakeries UK Ltd., Natural Balance Food and Kiddylicious. Lotus Bakeries actively participates in the funder meetings and financially supports the Flexcollect trials to pilot household collections in UK and the retail collections of flexible plastics.

**RSPO**
- The Roundtable on Sustainable Palm Oil (RSPO) is working to transform the palm oil industry to make it sustainable. It is a global non-profit organization that provides certifications for certified sustainable palm oil.
- Lotus Bakeries is member of the RSPO and the Belgian Alliance for Sustainable Palm Oil. We select key palm oil suppliers carefully on the basis of the NDPE principle (No Deforestation, No Peat, No Exploitation) in its purchasing standards. All Lotus Bakeries’ sites that use or purchase palm oil also have an RSPO certificate.

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1 Key palm oil suppliers are those who supply products containing more than 50% palm oil and in which the ingredient makes up 5% of the recipes.
RAINFOREST ALLIANCE

• The Rainforest Alliance is an international non-profit organization working at the intersection of business, agriculture, and forests. Being Rainforest Alliance certified means a product respects the three pillars of sustainability: social, economic, and environmental.
• The cocoa butter and cocoa mass used in our Lotus® Biscoff® chocolate has been certified by the Rainforest Alliance. The Enkhuizer and Peijnenburg products with chocolate were originally UTZ certified but are Rainforest Alliance certified since the transition from UTZ to Rainforest Alliance.

SEDEX

• Sedex, the Supplier Ethical Data Exchange, is a collaborative platform that enables members to collect and share ethical data and identify risks in their supply chains. It’s the world’s largest data platform for supply chain assessment.
• Lotus Bakeries is Sedex member with plants in Belgium and France. Being a member of the Sedex community supports our commitment to fair labour practices, the well-being of our employees, business ethics and the environment.

SUSTAINALYTICS

• Sustainalytics is a company that rates the sustainability of listed companies based on their environmental, social and corporate governance performance. They measure how exposed a company is to industry-specific ESG risks and how well it deals with the risks.
• The assessment by Sustainalytics is 30.2. (latest update, June 2023). We appreciate the feedback and have taken initiatives in the course of 2023 to further improve our ESG performance.

CDP

• CDP, the former Carbon Disclosure Project, runs the global disclosure system to manage environmental impacts. They have broadened the scope of this disclosure to deforestation and water security. They have built a comprehensive global collection of self-reported data. By scoring business from A to D, they take organisations on a journey from disclosure to awareness up to management on several environmental topics.
• Lotus Bakeries has a D on Climate Change and B- on Forest. We commit to the feedback and set up action plans to mitigate risks and capitalise on the opportunities that CDP points out.

Lotus Bakeries is rated by several independent organisations. We have ratings from the following organisations:
OVERVIEW OF THE EU TAXONOMY

This section contains the EU Taxonomy disclosures required by Article 8 of Regulation 2020/852 (the EU Taxonomy Regulation).

Article 9 of the EU Taxonomy Regulation identifies the following six environmental objectives:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

The EU has published a catalog of economic activities that can be considered for these objectives (the Delegated Regulations). Our view is that our core economic activities related to producing and selling indulgent and natural snacks are not covered by the Delegated Regulations and consequently are not currently considered for Taxonomy purposes. For reporting in 2023, the proportion of Taxonomy-eligible and ‘aligned’ economic activities in turnover, capital expenditure (CapEx) and operating expenditure (OpEx) must be disclosed for the first two environmental objectives. Moreover, the proportion of Taxonomy-eligible economic activities in turnover, CapEx and OpEx must be disclosed for the remaining four environmental objectives.

APPLICATION OF THE EU TAXONOMY REGULATION

The amounts used for the calculation of the turnover, CapEx and OpEx ratios are based on the reported data in the consolidated financial statements. As none of our revenue-generating activities are described currently in the Delegated Regulations, our EU Taxonomy-eligible turnover for 2023 is zero. For the same reason, we do not report any CapEx related to assets or processes associated with taxonomy-eligible economic activities or CapEx that is part of a plan to expand taxonomy-eligible economic activities.

If and when the specific economic activity ‘manufacturing of food products and beverages’ is added to the future Delegated Regulations, we expect our key performance indicators for Taxonomy-eligible turnover, CapEx and OpEx to increase.

CURRENT OTHER ACTIVITIES AND OUTLOOK ON OUR POTENTIAL FOR TAXONOMY-ELIGIBILITY GOING FORWARD

It is important to note that ‘non-eligible’ under the EU Taxonomy Regulation refers to the fact that the activities at present remain outside the scope of the economic activities for which technical screening criteria have been developed under the current Delegated Regulations. As such non-eligible activities under the EU Taxonomy should not be interpreted as an indication of our sustainability performance or ambition.

We will continue to assess our Taxonomy-eligible and aligned activities considering the evolving legal framework of the EU Taxonomy Regulation and to continue to integrate the requirements of the EU Taxonomy in our business model and reporting policies and procedures.

In the meantime, we continue to explore ways to reduce our emissions through our commercial strategy and invest in the decarbonisation of our operations and value chain as part of our ambition to achieve net zero by 2050.

For a qualitative description of the CapEx and OpEx spent to make our operations more sustainable, we refer to Chapter 2 of our Annual Report.

DEFINING OUR KPIS

The definition of the key performance indicator (KPI) is determined in accordance with Annex I of the Art. 8 Delegated Act.

Turnover KPI

The turnover KPI is defined as the proportion of Taxonomy-eligible economic activities in our total turnover (numerator) divided by the total turnover. The denominator of the turnover KPI is based on our consolidated revenue as presented in our Consolidated Income Statement.

With regard to the numerator, we have not identified any Taxonomy-eligible activities as explained above.

CapEx KPI

The CapEx KPI is defined as Taxonomy-eligible CapEx divided by our total CapEx.

Total CapEx (denominator) consists of additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator includes also additions to tangible and intangible assets resulting from business combinations and leases.

With regard to the numerator, as we have not identified Taxonomy-eligible economic activities, we do not record CapEx related to assets or processes that are associated with Taxonomy-eligible economic activities.
OpEx KPI

The OpEx KPI is defined as Taxonomy-eligible OpEx divided by our total OpEx.

Total OpEx (denominator) includes direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

With regard to the numerator, as we have not identified Taxonomy-eligible economic activities, we do not record OpEx related to assets or processes that are associated with Taxonomy-eligible economic activities.

In 2023, the Group has made climate change mitigating CAPEX investments for a total amount of EUR 4.5 million (mainly relating to electric vehicles, charging stations and plant batteries) representing more than 20% of the maintenance CAPEX of the Group.

The detailed information and data-tables in accordance with the EU taxonomy are disclosed in Annex of the current report.

### TAXONOMY KPI’S FOR THE PERIOD ENDING DECEMBER 31, 2023

As none of our revenue-generating activities are covered by the Delegated Regulations, the share of Taxonomy-eligible turnover in our total turnover is 0%. Consequently, the related CapEx and OpEx are also 0%.

We acknowledge that the Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021 (hereafter referred as Regulation) requires to disclose the information referred to in Article 8, paragraphs 1 and 2, of Regulation (EU) 2020/852 as specified in Annex I to the Regulation, presented in a tabular form by using the templates set out in Annex II to the Regulation.

However, as most fields would be empty or nil, for the sake of clarity for our readers, we present all required information as in the simplified tabular form hereunder.

<table>
<thead>
<tr>
<th>IN MILLION EUR</th>
<th>TOTAL</th>
<th>PROPORTION OF TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES (IN %)</th>
<th>PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (IN %)</th>
<th>PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES (IN %)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,063.0</td>
<td>0%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Capital expenditure (CapEx)</td>
<td>86.2</td>
<td>0%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Operating expenditure (OpEx)</td>
<td>40.8</td>
<td>0%</td>
<td>0%</td>
<td>100%</td>
</tr>
</tbody>
</table>
To the Board of Directors of Lotus Bakeries NV

This report has been prepared in accordance with the terms of our engagement contract dated 15 December 2023 (the “Agreement”), whereby we have been engaged to issue an independent limited assurance report in connection with a selection of sustainability KPIs included in the Annual Report as of and for the year ended 31 December 2023 of Lotus Bakeries (the “Company”), as listed in the Appendix of this assurance report.

THE DIRECTORS’ RESPONSIBILITY

The Directors of Lotus Bakeries NV (“the Company”) are responsible for the preparation and presentation of the selection of sustainability KPIs for the year 2023 included in the Report, as listed in the Appendix of this assurance report (the “Subject Matter Information”), in accordance with the criteria disclosed in the Report (the “Criteria”).

This responsibility includes the selection and application of appropriate methods for the preparation of the Subject Matter Information, for ensuring the reliability of the underlying information and for the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, the responsibility of the Directors includes the design, implementation and maintenance of systems and processes relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an independent conclusion about the Subject Matter Information based on the procedures we have performed and the evidence we have obtained.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information” (ISAE 3000), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable engagement been performed. The selection of such procedures depends on our professional judgement, including the assessment of the risks of material misstatement of the Subject Matter Information in accordance with the Criteria. The scope of our work comprised the following procedures:

• assessing and testing the design and functioning of the systems and processes used for data-gathering, collation, consolidation and validation, including the methods used for calculating and estimating the Subject Matter Information as of and for the year ended 31 December 2023 presented in the Report;
• conducting interviews with responsible officers;
• reviewing, on a limited test basis, relevant internal and external documentation;
• performing an analytical review of the data and trends in the information submitted for consolidation;
• considering the disclosure and presentation of the Subject Matter Information.

The scope of our work is limited to assurance over the Subject Matter Information for the year 2023. Our assurance does not extend to information in respect of earlier periods or to any other information included in the Report.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have complied with the independence and other ethical requirements in the International Ethics Standards Board for Accountants’ (IESBA) International Code of Ethics for Professional Accountants (IESBA Code) together with the legal Belgian requirements in respect of the auditor independence, particularly in accordance with the rules set down in articles 12, 13, 16, 20, 28 and 29 of the Belgian Act of 7 December 2016 organising the audit profession and its public oversight of registered auditors and with Art. 3:62, 3:63 and 3:64 and 3:65 of the Companies’ and Associations’ Code.

Our firm applies International Standard on Quality Management n°1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Related Services Engagements, and accordingly, maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.
OUR CONCLUSION

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information within your Annual Report as of and for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the Criteria.

OTHER ESG RELATED INFORMATION

The other information comprises all of the ESG related information in the Report other than the Subject Matter Information and our assurance report. The directors are responsible for the other ESG related information. As explained above, our assurance conclusion does not extend to the other ESG related information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other ESG related information and, in doing so, consider whether the other ESG related information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

OTHER MATTER - RESTRICTION ON USE AND DISTRIBUTION OF OUR REPORT

Our report is intended solely for the use of the Company, to whom it is addressed, in connection with their Report as of and for the year ended 31 December 2023 and should not be used for any other purpose. We do not accept or assume and deny any liability or duty of care to any other party to whom this report may be shown or into whose hands it may come.

Ghent, 28 March 2024

The statutory auditor

PwC Bedrijfsrevisoren BV/PwC Reviseurs d’Entreprises SRL

Represented by

Lien Wanne

Bedrijfsrevisor/Réviseur d’entreprises

APPENDIX – SUBJECT MATTER INFORMATION

In section "02 our sustainability programme - care for today, respect for tomorrow" on page 27:

Environment

Sustainable Packaging

% of packaging of all Lotus Bakeries brands that is recyclable

Carbon footprint

% of owned sites that have earned the CO2-neutral label

Total Scope 1 and 2 emissions relating to our owned sites

Kg of waste per tonne generated

Sustainable sourcing

% of our production sites which process palm oil and have achieved the RSPO certificate

On page 47:

People

Gender diversity

% men/female for Board of Directors, Leadership team and all employees

Geographical distribution

Total headcount per country and split between men/women (absolute and in %)

On page 62:

People

Health and safety

Total occupational accidents involving absence from work

On page 67:

Community

Priorities

% of internal employees who have signed the Code of Conduct

% of key suppliers which have signed the Code of Conduct

Key palm oil suppliers who endorsed the principles of Lotus Bakeries Palm Oil Policy

Product safety

Lotus Bakeries production sites where our products are produced with external quality certification (BRC, IFS)
Lotus Bakeries adopts the Corporate Governance Code 2020 as a reference code, in accordance with Article 3:6(2) of the CAC and the Royal Decree of 12 May 2019 laying down the corporate governance code to be complied with by listed companies.

Lotus Bakeries’ Corporate Governance Charter, which outlines our corporate governance policy and the internal rules of procedure of the Board of Directors, the Committees and the Executive Committee, was discussed by the Board of Directors and approved on 2 April 2020.

More information about our Corporate Governance Charter can be found on our website: https://www.lotusbakeries.com/governance-practices-and-policies

In this annual report, we report factual applications of the Corporate Governance Charter.

ADOPTION OF CORPORATE GOVERNANCE CODE 2020

As set out below, Lotus Bakeries follows all principles contained in the Corporate Governance Code 2020, except for the following two provisions:

• The Ordinary General Meeting of Shareholders of 18 May 2021 reappointed Benoit Graulich BV as independent director, since all of the specific independence criteria of Article 3.5 of the Belgian Corporate Governance Code 2020 were fulfilled but one, i.e. the criterion that a director must have held the position of non-executive director for no longer than 12 years. This was not considered to detract from the independence of Benoit Graulich (and Benoit Graulich BV), who in carrying out his duties as director always demonstrates an independent and critical attitude and has confirmed that he has no relationship whatsoever with the Company, the executive management, the reference shareholder or other shareholders owning more than 10% of the shares which could jeopardise his independence.

• Article 7.12 concerning the possibility of clawing back variable remuneration paid to the members of the executive management or withholding the payment of variable remuneration. The Board of Directors is not convinced of the enforceability of a claw-back clause in employment contracts or service agreements with management companies, which cannot be amended unilaterally. Nor does it see the need for such a claw-back clause, since, according to the remuneration policy, the variable remuneration is allocated solely on the basis of verified, audited and published results.

GOVERNANCE STRUCTURE

The Board of Directors chose to consolidate its current single-tier governance model as referred to in Article 7:85 et seq of the CAC, since the functioning of the Board is highly effective and transparent. The powers relating to day-to-day management versus supervision/control are clearly defined, the Board is kept thoroughly informed at all times by the CEO and the EXCO and all necessary decisions are approved and/or ratified.

SHARE CAPITAL AND SHARES

Share capital

The share capital of Lotus Bakeries NV amounts to EUR 3,591,183.65.

Notices with respect to Art. 34 of the Royal Decree of November 14, 2007 - anti-takeover measures

The Board of Directors of Lotus Bakeries NV was authorised by the Extraordinary General Meeting of 12 May 2023 to increase issued capital one or more times up to a maximum amount of four million seven hundred and eighty-eight thousand two hundred and forty-four euros and eighty-seven cents (EUR 4,788,244.87). This authorisation was granted for a period of three years starting on the date of the publication of the resolution of the Extraordinary General Meeting of 12 May 2023 in the Supplements to the Belgian Official Journal.
Within the limits of the aforementioned authorised capital, the Board of Directors of Lotus Bakeries NV was furthermore authorised by the Extraordinary General Meeting of 12 May 2023, within a period of three years commencing with the Extraordinary General Meeting of Shareholders of 12 May 2023, following notification from the Financial Services and Markets Authority of a public takeover bid for the Company’s stock, to increase the Company’s capital subject to fulfilment of the legal requirements.

Shares
Since the beginning of January 2002, Lotus Bakeries NV shares have been listed on the continuous trading market of Euronext (Brussels). Previously, the shares were listed on the spot market.

As of December 31, 2023, there were 816,013 shares of Lotus Bakeries NV, in registered or dematerialised form.

Share options
In the context of the Lotus Bakeries NV share option scheme, 618 new share options were issued in 2023. As at December 31, 2023 the total number of unexercised share options was 3,121.

Purchase of treasury shares
The Extraordinary General Meeting of 8 May 2020 authorised the Board of Directors of Lotus Bakeries NV for an unlimited period of time as follows regarding the buying and selling of treasury shares:

- To dispose of shares, profit-sharing certificates or other certificates acquired by the Company, whether via the stock exchange or otherwise, through sale, exchange, contribution, conversion of bonds or any other form of transfer (whether or not for consideration), to offer them to the staff, to offer them to one or more specified persons other than staff, or to otherwise exercise control over them, always in accordance with the legal provisions, or to cancel these shares or profit-sharing certificates, without requiring further approval or other intervention of the General Meeting of Shareholders and without any time restrictions.

The Extraordinary General Meeting of 12 May 2023 authorised the Board of Directors of Lotus Bakeries NV as follows regarding the buying and selling of treasury shares:

- For a period of three years, within legal limits, whether via the stock exchange or otherwise, whether directly or indirectly, whether by purchase or exchange, whether by contribution or any other form of acquisition, to acquire shares, profit-sharing certificates or certificates related thereto, with as compensation the average closing share price of the Company over the last thirty calendar days prior to the date of purchase, reduced by twenty percent as a minimum price and increased by ten percent as a maximum price. This authorisation applies also to the acquisition of shares of the Company, carried out, directly or indirectly, by direct subsidiaries of the Company within the meaning of Article 7:221 CAC.

- To acquire, whether via the stock exchange or otherwise, whether directly or indirectly, the Company’s stock, when such acquisition is necessary to prevent the Company from suffering serious imminent damage. This authorisation is granted for a period of three years.

479 treasury shares were purchased over the course of 2023. The total number of treasury shares in the portfolio at the end of the financial year is 4,313 shares. They represent an accounting par value of EUR 18,980.1 or 0.53% of the issued share capital.

SHAREHOLDERS AND SHAREHOLDERS STRUCTURE

The shareholding structure of Lotus Bakeries NV on December 31, 2023:

<table>
<thead>
<tr>
<th>Nº OF SHARES</th>
<th>Nº OF VOTING RIGHTS</th>
<th>% OF SHARES</th>
<th>% OF VOTING RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stichting Administratiekantoor van Aandelen Lotus Bakeries</td>
<td>408,007</td>
<td>816,014</td>
<td>50%</td>
</tr>
<tr>
<td>Lotus Bakeries NV</td>
<td>4,313</td>
<td>4,313</td>
<td>0.53%</td>
</tr>
<tr>
<td>Publicly held</td>
<td>403,693</td>
<td>434,540</td>
<td>49.47%</td>
</tr>
<tr>
<td>Total</td>
<td>816,013</td>
<td>1,254,867</td>
<td>100%</td>
</tr>
</tbody>
</table>

Communication according to Article 14(1) of the Law of May 2, 2007 on disclosure of major holdings
Lotus Bakeries NV did not receive a transparency notification in 2023.

Communication according to Article 74(7) of the Law of April 1, 2007 on public takeover bids
Lotus Bakeries NV is not aware of any updates to any communication according to article 74 of the Law of 1 April 2007.
On May 12, 2023, the Ordinary General Meeting accepted the resignation of Sastraco BV, represented by its permanent representative Sabine Sagaert, as well as the appointment of Eagli BV, represented by its permanent representative, Noelle Goris, as independent director.

Furthermore, on May 12, 2023, the Ordinary General Meeting of Shareholders noted the end of the directorship of Lema NV, represented by its permanent representative Michel Moortgat, and proceeded to confirm the appointment of Lema BV, represented by its permanent representative Michel Moortgat, as an independent director of Lotus Bakeries NV. As a result of a demerger which took place on June 8, 2022, Lema NV had been dissolved without liquidation and this management mandate had been cancelled. In light of this, the Board of Directors had decided to provisionally fill the vacancy in accordance with Article 13 of the Articles of Association of Lotus Bakeries NV and Lema BV (represented by its permanent representative Michel Moortgat) had been co-opted as director. The appointment of Lema BV is final since May 12, 2023.

The current composition of the Board of Directors:

Managing director, CEO:
Meceruur Consult BV, represented by its permanent representative
Jan Boone
Current term of office ends: 2025 General Meeting

Non-executive directors:
- Vasticom BV, represented by its permanent representative Jan Vander Stichele (non-executive Chairman of the Board of Directors)
  Current term of office ends: 2025 General Meeting
- Beneconsult BV, represented by its permanent representative
  Benedikte Boone
  Current term of office ends: 2024 General Meeting
- PMF NV, represented by its permanent representative
  Emanuel Boone
  Current term of office ends: 2026 General Meeting
- Consellent NV, represented by its permanent representative Sofie Boone
  Current term of office ends: 2024 General Meeting
- Anton Stevens
  Current term of office ends: 2025 General Meeting

Independent directors:
- Palami BV, represented by its permanent representative
  Peter Bossaert
  Current term of office ends: 2025 General Meeting
- Beneconsult BV, represented by its permanent representative
  Emanuel Boone
  Current term of office ends: 2026 General Meeting
- Lema BV, represented by its permanent representative
  Michel Moortgat
  Current term of office ends: 2025 General Meeting
- Eagli BV, represented by its permanent representative
  Noelle Goris
  Current term of office ends: 2027 General Meeting

Secretary:
- Brechtje Haan

Benédikte Boone
Non-Executive Director
- Master’s degree in Applied Economics (KU Leuven)
- She has held positions at Creyf’s Interim and Avanso Industries
- Director in various family companies (Bene Invest BV, Holive NV and Harpis NV) and also director at Dovcornd NV
- Member of the Board of Directors at Lotus Bakeries since 2012

Jan Boone
CEO / Managing Director
- Master’s degree in Applied Economics (KU Leuven); Master in Audit (UMH)
- Started his career in the Audit department of PwC
- Between 2000 and 2005 Head of Corporate Controlling, member of the Executive Committee and Board of Directors at Omegas Pharma
- Since 2005, active at Lotus Bakeries as Managing Director and since 2011 as CEO
- Since 2017, member of the Board of Directors at Club Brugge
- Since 2017, President of the Board of Directors of Animal Care, a listed company in the veterinary sector
- Since 2023, member of the Board of Directors of Tomorrowland
- Since 2005, member of the Board of Directors at Lotus Bakeries and Managing Director since 2011

Peter Bossaert
Independent Director
- Commercial engineer (University of Antwerp)
- 1989 - 1997: various marketing and sales roles at Unilever and Campina
- Between 1989 and 2018 active at Medialaan (today DPG Media), from 2012 as CEO
- Between 2018 and 2023 CEO at KBVB
- Since 2023, chairman at International Food Services
- Member of the Board of Directors at Lotus Bakeries since 2017

Sofie Boone
Non-Executive Director
- Master’s degree in Pharmaceutical Sciences (KU Leuven), postgraduate degree in Business Economics (VU Wolvertem) and Business Management for pharmacists (Vlerik Business School)
- 1996 – 2001: deputy pharmacist and titular pharmacist
- Since 2002, owner and titular pharmacist of Boone pharmacy in Tervuren
- Since 1999, active as volunteer departmental pharmacist at the Red Cross Tervuren
- Member of the Board of Directors at Lotus Bakeries since 2016
Lotus Bakeries - 107

ESG compilation

Activities of the Board of Directors

The Board of Directors met six times in 2023. All directors were present at all meetings.

Within the Board of Directors, the following matters were discussed in detail:
- Investment budget and global budget
- Financial results
- Growth plans and -strategy
- Reporting: financial and sustainability
- Sales results and channels
- Organisational changes
- Evolution of prices and availability of raw materials and packaging
- Evolution of labour costs
- Price negotiations with customers
- Results at 31/12 and 30/06 and proposed press release
- Extraordinary and General Meeting, amongst which:
  - Agenda
  - (Re)appointments
  - Dividend proposal
  - Capex investments and expansions of capacity:
    - Europe, Belgium
    - Americas, United States
    - Asia, Thailand
    - Africa, South Africa
  - Product developments and innovations:
  - Reports and recommendations from the Committees
  - Expansion of Audit Committee into Audit & Sustainability Committee

Early 2024, the Board of Directors moreover discussed and approved the Double Materiality Matrix set out on page 18 and 19 of this annual report.

Over the course of 2023, there was one incident within the Board of Directors which led to the application of the conflict of interest procedure as set out in Articles 7:96 and 7:97 CAC. At the Board of Directors meeting of 20 May 2023, and before proceeding to the deliberation and decision-making, Lema BV, represented by Michel Moortgat, declared to have a conflict of interest in the co-option of Lema BV, discussed under agenda item 4.d - agenda of the General Meeting, being a proprietary interest in the management fee paid to Lema BV. Lema BV therefore abstained from voting on this item.

Audit & Sustainability Committee

In 2023, the mandate of the Audit Committee was broadened with ESG matters by decision of the Board of Director of November 24, 2023. Since then, the committee is named Audit & Sustainability Committee.

The Audit & Sustainability Committee consists of two independent directors and one non-executive director. The two independent directors are Lema BV, represented by its permanent representative Michel Moortgat (Chairman) and Benoit Graulich BV, represented by its permanent representative Benoit Graulich. The non-executive director is Vasticom BV, represented by its permanent representative Jan Vander Stichele. All members have accounting and audit experience.

In 2023, the Audit & Sustainability Committee met three times. All directors were present at all meetings. The Auditor participated in all three meetings, at which he presented his findings to the Audit & Sustainability Committee.

The subjects examined were:
- Discussion of annual and interim results
- Discussion of report and internal controls / recommendations of the Statutory Auditor
- Discussion of annual and interim results
- Risk management - priorities and evolutions
- Audit plan 2023
- ESG: double materiality

Notes

Internal Control

• Materiality (1/2):
  - Results at 31/12 and 30/06 and proposed press release
  - Extraordinary and General Meeting, amongst which:
    - Agenda
    - (Re)appointments
    - Dividend proposal
    - Capex investments and expansions of capacity:
      - Europe, Belgium
      - Americas, United States
      - Asia, Thailand
      - Africa, South Africa
    - Product developments and innovations:
    - Reports and recommendations from the Committees
    - Expansion of Audit Committee into Audit & Sustainability Committee

Early 2024, the Board of Directors moreover discussed and approved the Double Materiality Matrix set out on page 18 and 19 of this annual report.

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The Audit & Sustainability Committee consists of two independent directors and one non-executive director. The two independent directors are Lema BV, represented by its permanent representative Michel Moortgat (Chairman) and Benoit Graulich BV, represented by its permanent representative Benoit Graulich. The non-executive director is Vasticom BV, represented by its permanent representative Jan Vander Stichele. All members have accounting and audit experience.

In 2023, the Audit & Sustainability Committee met three times. All directors were present at all meetings. The Auditor participated in all three meetings, at which he presented his findings to the Audit & Sustainability Committee.

The subjects examined were:
- Discussion of annual and interim results / recommendations of the Statutory Auditor
- Discussion of annual and interim results
- Risk management - priorities and evolutions
- Audit plan 2023
- ESG: double materiality
Remuneration and Nomination Committee

The Remuneration and Nomination Committee consists of two independent directors and one non-executive director. The independent directors are Benoit Graulich BV, represented by its permanent representative Benoit Graulich (Chairman) and Pakmi BV, represented by its permanent representative Peter Bossart. The non-executive director is Vasticom BV, represented by its permanent representative Jan Vander Stichele. All members have both HR management and remuneration policy experience.

The Committee met twice in 2023, with all members present.

The subjects examined were:
- Remuneration policy and its application
- Remuneration of CEO and Executive Committee
- Nomination of Eagli BV as independent director

Evaluation of the Board of Directors and its Committees

The operation of the Board of Directors and of the Committees is evaluated every three years. The evaluation of the effectiveness of the Board of Directors is undertaken by the Board itself under the leadership of its Chairman. This evaluation covers the size of the Board, the general functioning of the Board of Directors, the way meetings are prepared, the contribution of each individual director to the work of the Board, the presence and involvement of each individual director at meetings and decision-making, the composition of the Board of Directors and the interaction with the Executive Committee.

This assessment makes it possible to constantly optimise the management of Lotus Bakeries. Where appropriate, based on this review, and eventually in consultation with external experts, the Remuneration and Nomination Committee presents a report on the strengths and weaknesses of the Board of Directors and, where necessary, a proposal for the appointment of a new director or the non-prolongation of a directorship. The non-executive directors evaluate annually the interaction of the Board of Directors and the Executive Committee and when appropriate, submit proposals for improving cooperation. The CEO and the Remuneration and Nomination Committee also together evaluate annually the operation and performance of the Executive Committee. The CEO is not present at his own evaluation.

EXECUTIVE COMMITTEE

Composition of the Executive Committee:
- Jan Boone, permanent representative of Mercuur Consult BV, CEO
- Isabelle Maes, permanent representative of Valakia BV, CMO & CEO Natural Foods
- Mike Cuvelier, permanent representative of Cumaco BV, CFO
- Ignace Heyman, permanent representative of Heycom BV, COO
- William Du Pré, Corporate Director Quality, Procurement and R&D

The members of the Executive Committee are appointed by the Remuneration and Nomination Committee.

The Executive Committee held 19 official meetings in 2023. All members were present at all meetings.

DIVERSITY POLICY

Lotus Bakeries ensures the presence on the Board of Directors, the Committees and the Executive Committee of critical members with specialist knowledge of the various areas relevant to Lotus Bakeries. Certain diversity criteria are imposed by law and are naturally adopted by Lotus Bakeries. Moreover, skills, competencies and diversity are paramount in the selection of members of the Committees, the Executive Committee, and in the selection of candidates for the Board of Directors proposed to the General Meeting.

First and foremost, Lotus Bakeries fulfils the diversity criteria regarding the number of independent directors and the number of directors of a different gender. In this respect, Lotus Bakeries declares that the composition of its Board complies with the requirement for at least one third of directors to be of a different gender than that of the other members. The aforementioned obligation is contained in Art. 7:86 CAC. It also wishes to point out in this connection that the abovementioned independent directors fulfil the independence criteria of Article 7:87 of the CAC and the Corporate Governance Code 2020, except for Benoit Graulich BV, for whom all of the specific independence criteria of Article 3.5 of the Belgian Corporate Governance Code 2020 were fulfilled but one, i.e. the criterion that a director must have held the position of non-executive director for no longer than 12 years. Reference is made to page 101 of this annual report.
Besides these diversity criteria enshrined in law, Lotus Bakeries also aims for diversity in knowledge and experience and, when selecting candidates, performs a thorough assessment based on competencies which would additionally benefit the company in view of the existing competencies among the members of the Board of Directors. In defining the appointment procedure and selection criteria for candidates for the Board, the following principles are always applied:

- The candidate must be expert in a field pertaining to the Company’s activities;
- The competencies, knowledge and/or experience which the candidate possesses must complement the competencies already present in the Board;
- In the interests of diversity on the Board, the Board shall consider different nominations, taking into account diversity in terms of gender, age and background, for example;
- Each candidate must have sufficient availability to fulfil his/her obligations properly, while non-executive directors must hold no more than five directorships in listed companies.

The results of the policy are illustrated in the CVs described above. This means Lotus Bakeries has a balanced Board of Directors in which the majority shareholder, the independent directors and the executive board are sufficiently represented. Some diversity parameters within the Board of Directors:

- **BOARD OF DIRECTORS**
  - Independent: 4
  - Dependent: 6
  - Gender Diversity:
    - Men: 7
    - Women: 3
  - Various Academic Backgrounds: 10x different

Moreover, the Remuneration and Nomination Committee selects the members of the Executive Committee on the basis of knowledge, competencies, experience, background and skills and aims for diversity in these areas so as to have all knowledge in house to manage Lotus Bakeries with a team specialising in all relevant areas. Within the Executive Committee, there is currently a good balance between members with a financial background and members with a marketing and/or sales background. A good proportion of members with a long history in the company and members with a fresh view of matters is also ensured. Some diversity parameters within the EXCO:

- **EXCO**
  - Gender Diversity:
    - Men: 2
    - Women: 3
  - Various Academic Backgrounds: 3 out of 5

Also, the Remuneration and Nomination Committee selects the members of the Executive Committee on the basis of knowledge, competencies, experience, background and skills and aims for diversity in these areas so as to have all knowledge in house to manage Lotus Bakeries with a team specialising in all relevant areas. Within the Executive Committee, there is currently a good balance between members with a financial background and members with a marketing and/or sales background. A good proportion of members with a long history in the company and members with a fresh view of matters is also ensured. Some diversity parameters within the EXCO:

- **EXCO**
  - Gender Diversity:
    - Men: 2
    - Women: 3
  - Various Academic Backgrounds: 3 out of 5

Investor Relations:

Lotus Bakeries aims for transparent communication about financial and non-financial results to all of its shareholders. This information is communicated to existing and potential shareholders on various platforms. For example, Lotus Bakeries publishes an “investor relations” presentation every six months, the most recent of which was published on 5 February 2024. It also organises analyst presentations, which can be consulted by interested parties on the Lotus Bakeries website.

More information about the investor relations policy and diversity ratios within Lotus Bakeries can be found on our website: https://www.lotusbakeries.com/ir-presentation

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REMNUNERATION REPORT

Introduction
The purpose of the 2023 remuneration report is to provide transparent information about the specific remuneration policy adopted by Lotus Bakeries for directors and executive managers. It will be submitted to the Ordinary General Meeting of May 14, 2024 for approval. The 2022 remuneration policy was adopted by 91.05% of the votes at the Ordinary General Meeting of May 12, 2023.

The works council has also been informed in accordance with the provisions of the Act. The report has also been reviewed by the Auditor.

This 2023 remuneration report explains how the remuneration corresponds to the remuneration policy approved by the Board of Directors on April 16, 2021 and which was adopted on May 18, 2021 by the General Meeting with 97.27% of the votes, in accordance with provision 7.5 of the Corporate Governance Code and Article 7:89(1) of the Belgian Companies Code. The remuneration policy remains unchanged since then.

More information about our remuneration policy can be found on our website: https://www.lotusbakeries.com/governance-practices-and-policies.

Statement on remuneration policy applied in 2023
Non-executive and executive directors
The remuneration policy for directors of the Company approved at the Ordinary General Meeting of May 18, 2021 comprises a fixed remuneration, paid partly in cash and partly in shares in the Company and set based on the responsibilities and of time spent by the director and the latter’s specific role as Chairman of the Board of Directors or Chairman or member of a Committee. Specifically:

• Each director, except the Chairman, receives an annual remuneration of EUR 20,000 and (i) 10 shares in the Company.
• The Chairman of the Board of Directors receives an annual remuneration of EUR 40,000 and (i) 10 shares in the Company. The Chairman receives additional remuneration of EUR 100,000 for representing the Company with respect to interest groups.
• The members of the Audit Committee and the Remuneration and Nomination Committee receive an annual remuneration of EUR 5,000 per mandate.

The non-executive directors must keep the shares they receive by way of remuneration for at least one year after leaving the Board and for at least three years after the awarding of these shares. The non-executive directors receive no performance-based remuneration such as bonuses, stock-related long-term incentive schemes, fringe benefits, pension plan-related benefits or share options.

Besides the fee, all reasonable expenses of the members of the Board of Directors incurred with the consent of the Chairman of the Board of Directors are reimbursed.

The provisions concerning the remuneration of non-executive directors apply equally to executive directors in their capacity as directors.

No adjustments have been made to the remuneration policy compared to 2021.

Overview of remuneration

<table>
<thead>
<tr>
<th>NAME &amp; FUNCTION OF DIRECTOR</th>
<th>YEAR</th>
<th>BASE SALARY ALLOWANCES</th>
<th>OTHER BENEFITS</th>
<th>PENSION BENEFITS</th>
<th>DIRECT REMUNERATION</th>
<th>OTHER REMUNERATION</th>
<th>TOTAL DIRECT REMUNERATION</th>
<th>RATIO OF FIXED TO VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Messrs. Goossens BV represented by Luc Bossu, executive (member BoD, CEO)</td>
<td>2021</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td>Mr. Van den Brug BV represented by Jan Vander Stichele, non-executive (executive Chairman BoD, member Audit &amp; Sustainability Committee and member Nomination and Remuneration Committee)</td>
<td>2021</td>
<td>10,000</td>
<td>150,000</td>
<td>150,000</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>10,000</td>
<td>150,000</td>
<td>150,000</td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PNF BV represented by Emmanuel Bossu, non-executive (member BoD)</td>
<td>2021</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td>Mr. Astaie, non-executive (member BoD)</td>
<td>2021</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
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<tr>
<td></td>
<td>2022</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td>Messrs. Bidro BV represented by Benoist Bossu, non-executive (member BoD)</td>
<td>2021</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td>Carnell BV represented by Stijn Bossu, non-executive (member BoD)</td>
<td>2021</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
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<tr>
<td></td>
<td>2022</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td>Pansia BV represented by Peter Boussau, non-executive (member BoD)</td>
<td>2021</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>20,000</td>
<td>0</td>
<td>0</td>
<td>20,000</td>
<td>0</td>
<td>20,000</td>
<td>100%</td>
</tr>
<tr>
<td>Messrs. Bidro BV represented by Benoist Bossu, non-executive (member BoD, member Audit &amp; Sustainability Committee and member Nomination and Remuneration Committee)</td>
<td>2021</td>
<td>10,000</td>
<td>0</td>
<td>0</td>
<td>10,000</td>
<td>0</td>
<td>10,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>10,000</td>
<td>0</td>
<td>0</td>
<td>10,000</td>
<td>0</td>
<td>10,000</td>
<td>100%</td>
</tr>
<tr>
<td>Lema BV represented by Michel Montargis, non-executive (member BoD, Chairman Audit &amp; Sustainability Committee)</td>
<td>2021</td>
<td>25,000</td>
<td>0</td>
<td>0</td>
<td>25,000</td>
<td>0</td>
<td>25,000</td>
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</tr>
<tr>
<td></td>
<td>2022</td>
<td>25,000</td>
<td>0</td>
<td>0</td>
<td>25,000</td>
<td>0</td>
<td>25,000</td>
<td>100%</td>
</tr>
<tr>
<td>Sanitas BV represented by Sabine Segard, non-executive (member BoD and member remuneration and nomination committee)</td>
<td>2021</td>
<td>25,000</td>
<td>0</td>
<td>0</td>
<td>25,000</td>
<td>0</td>
<td>25,000</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>2022</td>
<td>25,000</td>
<td>0</td>
<td>0</td>
<td>25,000</td>
<td>0</td>
<td>25,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

Remuneration for representing the company with respect to interest groups

Board members until May 12, 2023
### Overview of Remuneration in Shares

#### Mercuur Consult BV, represented by Jan Boone, executive (member BoD, CEO)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 0
- **Closing Balance Sheet**: 132

#### Vasticom BV, represented by Jan Vander Stichele, non-executive (non-executive Chairman BoD, member Audit & Sustainability Committee and member Nomination and Remuneration Committee)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 146

#### PMF NV, represented by Emmanuel Boone, non-executive (member BoD)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 4
- **Closing Balance Sheet**: 46

#### Anton Stevens, non-executive (member BoD)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 46

#### Beneconsult BV, represented by Benedikte Boone, non-executive (member BoD)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 46

#### Concellent NV, represented by Sofie Boone, non-executive (member BoD)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 46

#### Palumi BV, represented by Peter Bossaert, non-executive (member BoD)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 46

#### Benoît Graulich BV, represented by Benoit Graulich, non-executive (member BoD, member Sustainability & Audit Committee and Chairman Remuneration and Nomination Committee)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 46

#### Lema BV, represented by Michel Moortgat, non-executive (member BoD, Chairman Audit & Sustainability Committee)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 46

#### Sastraco BV, represented by Sabine Saggaert, non-executive (member BoD and member remuneration and nomination committee)
- **Performance Period**: 01/01/2023 until 31/12/2023
- **Grant Date**: May 12, 2023
- **Vesting Date**: May 12, 2023
- **End of Retention Period**: At least 1 year after end of directorship and 3 years after rewarding
- **Opening Balance Sheet During the Year**: 12
- **Closing Balance Sheet**: 46

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**Total**: 130

1. Only those shares are shown, which the directors hold by virtue of their mandate.
2. Board member until May 12, 2023.
Executive managers

Furthermore, the Remuneration and Nomination Committee makes specific recommendations to the Board of Directors on the remuneration of members of the executive management. In addition to the fixed remuneration, there is a variable compensation for members of the executive management, which depends on the results of the Lotus Bakeries Group.

The variable remuneration is based on well-defined criteria with a one-year evaluation period but also evaluation periods of two and three years.

- The criteria for determining the short-term bonus are as follows:
  - 1/3rd of the short-term bonus depends on the consolidated turnover growth achieved by Lotus Bakeries Group over the past financial year.
  - 1/3rd of the short-term bonus depends on the consolidated recurring operating result achieved during the past financial year.
  - 1/3rd of the short-term bonus depends on the consolidated recurring operating cash flow achieved during the past financial year.

The Board of Directors approved the final, audited results on February 2, 2024, and, on this basis, on the advice of the Remuneration and Nomination Committee, established that all criteria were met. Consequently, 100% of the 2023 short-term bonus will be paid to all members of the executive management in 2024.

- The criteria for determining the long-term bonus are as follows:
  - 1/3rd of the long-term bonus depends on the consolidated revenue growth achieved as specified in the multi-year plan in place.
  - 1/3rd of the long-term bonus depends on the consolidated recurring operating result as specified in the multi-year plan in place.
  - 1/3rd of the long-term bonus depends on the consolidated recurring operating cash flow as specified in the multi-year plan in place.

The long-term bonus is awarded and paid annually, with a settlement of accounts during the third year of the evaluation period. The Board of Directors approved the final, audited results on February 2, 2024, and, on this basis, on the advice of the Remuneration and Nomination Committee, established that all criteria were met. Consequently, 100% of the long-term bonus will be paid to all members of the executive management in 2024.

The bonus plan for executive management provides that the bonus is earned only after approval of the consolidated figures by the Auditor and then by the Remuneration and Nomination Committee.

Those members of the executive management who are subject to a contract of employment enjoy an additional (defined contribution) pension plan and other benefits, mainly comprising insured benefits such as guaranteed income and the cost of a car. Similar arrangements are in place for those members of the executive management who work through a management company.

There also exists a stock option plan with a fixed number of options for the members of the executive management. Allocated options are not normally deemed to be acquired finally and cannot be exercised during the first three years after being allocated. Upon early departure, the options not yet exercisable at that time can no longer be exercised.

Furthermore, the Board decided that members of the executive management will each have to own at least EUR 250,000 worth of shares in the company by the end of 2022, which must be kept so long as they remain a member of the executive management. All members of the executive management currently meet this requirement.

If a member of the executive management is also an executive director, his or her remuneration also includes the compensation he or she receives in the latter capacity.

The remuneration policy for members of the Executive Committee is set every two years based on a proposal by the Remuneration and Nomination Committee. Individual remuneration is reviewed annually. For this Lotus Bakeries uses the services of an international HR consultancy firm, that assesses the functions and presents the corresponding salary package as commonly awarded in the relevant market. The consultant reports directly to the Remuneration and Nomination Committee and provides verbal explanations.
### Overview of Remuneration of CEO and Executive Management (in EUR)

<table>
<thead>
<tr>
<th>NAME &amp; TITLE</th>
<th>YEAR</th>
<th>FIXED REMUNERATION</th>
<th>VARIABLE REMUNERATION</th>
<th>EXTRAORDINARY EXPENSES</th>
<th>TOTAL REMUNERATION</th>
<th>RATIO OF FIXED TO VARIABLE REMUNERATION</th>
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<td>Mercur Consult BV, represented by Jan Boone (CEO)</td>
<td>2023</td>
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<td>Other members of executive management</td>
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1. The other benefits relate primarily to insured benefits.
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<th>NAME &amp; FUNCTION</th>
<th>BEGINNING OF THE YEAR</th>
<th>PERFORMANCE PERIOD</th>
<th>EXERCISE PRICE</th>
<th>OPENING BALANCE SHEET DURING THE YEAR</th>
<th>CLOSING BALANCE</th>
<th>OPTIONS SUBMITTED TO A RETENTION PERIOD</th>
<th>OPTIONS GRANTED BUT NOT ACQUIRED AT THE START OF THE YEAR</th>
<th>OPTIONS GRANTED</th>
<th>OPTIONS ACQUIRED</th>
<th>OPTIONS SUBJECT TO PERFORMANCE</th>
<th>OPTIONS SUBJECT TO PERFORMANCE EARNED DURING THE YEAR</th>
<th>ENDING OF THE YEAR</th>
<th>CLOSING BALANCE</th>
<th>OPTIONS GRANTED</th>
<th>OPTIONS ACQUIRED</th>
<th>OPTIONS SUBJECT TO PERFORMANCE</th>
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Severance payments
The members of the Executive Committee who are remunerated on an independent basis and through a number of board mandates, have a severance payment of a maximum of 12 months of the fixed and variable remuneration. The other member of the Executive Committee is bound by an employment contract for employees. No severance payments were paid to Executive Committee members in 2023.

Executives
The remuneration policy of the executives is determined by the Executive Committee, the Remuneration and Nomination Committee approves. For this Lotus Bakeries also uses the services of an international HR consultancy firm, which assesses the functions and presents the going-rate salary package for the relevant market.

Lotus Bakeries ensures consistency between the compensation of Executive Committee members and the compensation of executives

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<th>IN THOUSANDS OF EUR</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
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<td>REMUNERATION OF NON-EXECUTIVE DIRECTORS</td>
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<td>Vasticom BV, represented by Jan Vander Stichele, non-executive (non-executive Chairman BoD, member Audit &amp; Sustainability Committee and member Nomination and Remuneration Committee)</td>
<td>150</td>
<td>150</td>
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<tr>
<td>PMF NV, represented by Emmanuel Bonne, non-executive (member BoD)</td>
<td>/</td>
<td>/</td>
<td>/</td>
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<td>/</td>
</tr>
<tr>
<td>Nationale Secours, socio-executive (member BoD)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Boexecult NV, represented by Benedicte Boone, socio-executive (member BoD)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Eccolone NV, represented by Solo Bonne, socio-executive (member BoD)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Falcon BV, represented by Peter Bossaert, socio-executive (member BoD)</td>
<td>20</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Boexecult BV, represented by Benoit Graulich, socio-executive (member BoD, member Audit &amp; Sustainability Committee and Chairman Remuneration and Nomination Committee)</td>
<td>20</td>
<td>18</td>
<td>18</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Lotus BV, represented by Mathiel Montague, socio-executive (member BoD, Chairman Audit &amp; Sustainability Committee)</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>Sabat BV, represented by Sabine Sagart, socio-executive (member BoD, non-member Remuneration and Nomination Committee)</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>REMUNERATION OF EXECUTIVE DIRECTOR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mercuur Consult BV, represented by Jan Boone, executive (member BoD, CEO)</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>REMUNERATION CEO</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jan Boone, CEO</td>
<td>1,914</td>
<td>1,962</td>
<td>2,058</td>
<td>2,325</td>
<td>2,651</td>
</tr>
<tr>
<td>Evolution (%)</td>
<td>131%</td>
<td>103%</td>
<td>105%</td>
<td>113%</td>
<td>114%</td>
</tr>
<tr>
<td>REMUNERATION OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total remuneration</td>
<td>3,296</td>
<td>3,466</td>
<td>3,636</td>
<td>4,097</td>
<td>4,457</td>
</tr>
<tr>
<td>Number of members executive management incl. CEO</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Evolution (%)</td>
<td>140%</td>
<td>110%</td>
<td>110%</td>
<td>113%</td>
<td>113%</td>
</tr>
<tr>
<td>PERFORMANCE OF LOTUS BAKERIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market capitalisation (in € thousand)</td>
<td>2,718,410</td>
<td>3,002,928</td>
<td>4,561,513</td>
<td>5,157,202</td>
<td>6,715,787</td>
</tr>
<tr>
<td>Evolution market capitalisation (%)</td>
<td>12%</td>
<td>142%</td>
<td>105%</td>
<td>113%</td>
<td>114%</td>
</tr>
<tr>
<td>Turnover</td>
<td>612,737</td>
<td>663,289</td>
<td>750,251</td>
<td>877,451</td>
<td>1,062,962</td>
</tr>
<tr>
<td>Evolution turnover (%)</td>
<td>110%</td>
<td>108%</td>
<td>113%</td>
<td>117%</td>
<td>121%</td>
</tr>
<tr>
<td>Rebit</td>
<td>102,891</td>
<td>111,114</td>
<td>123,805</td>
<td>140,188</td>
<td>172,974</td>
</tr>
<tr>
<td>Evolution Rebit (%)</td>
<td>108%</td>
<td>108%</td>
<td>111%</td>
<td>113%</td>
<td>123%</td>
</tr>
<tr>
<td>Rebitda</td>
<td>123,580</td>
<td>135,683</td>
<td>150,967</td>
<td>169,909</td>
<td>207,527</td>
</tr>
<tr>
<td>Evolution Rebitda (%)</td>
<td>112%</td>
<td>110%</td>
<td>111%</td>
<td>113%</td>
<td>122%</td>
</tr>
<tr>
<td>Net result</td>
<td>75,769</td>
<td>82,545</td>
<td>90,743</td>
<td>103,283</td>
<td>129,333</td>
</tr>
<tr>
<td>Evolution net result (%)</td>
<td>112%</td>
<td>109%</td>
<td>110%</td>
<td>114%</td>
<td>125%</td>
</tr>
<tr>
<td>REMUNERATION OTHER EMPLOYEES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total remuneration</td>
<td>123,493</td>
<td>137,116</td>
<td>152,857</td>
<td>173,618</td>
<td>205,310</td>
</tr>
<tr>
<td>Number of employees (FTE)</td>
<td>1,821</td>
<td>2,214</td>
<td>2,305</td>
<td>2,550</td>
<td>2,857</td>
</tr>
<tr>
<td>Evolution (%)</td>
<td>110%</td>
<td>111%</td>
<td>111%</td>
<td>114%</td>
<td>118%</td>
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</tbody>
</table>

The ratio between the highest remuneration of members of management and the lowest compensation (in full-time equivalents) of employees of Lotus Bakeries NV, as stipulated by Article 5:6(5) CAC, cannot be reported since Lotus Bakeries NV has no employees. With a view to transparency, this ratio is reported for Lotus Bakeries Corporate NV. This ratio is 18.2.

Evolution of the remuneration and of the performance of the Company over the last five years
The following table shows the evolution of remuneration and business performance over the past five financial years.

1 The group comprises the Executive Committee, the General Managers and the Corporate Directors.
2 Board member until May 12, 2023.

IN THOUSANDS OF EUR 2019 2020 2021 2022 2023
REMUNERATION OF NON-EXECUTIVE DIRECTORS
Vasticom BV, represented by Jan Vander Stichele, non-executive (non-executive Chairman BoD, member Audit & Sustainability Committee and member Nomination and Remuneration Committee) 150 150 150 150 150
PMF NV, represented by Emmanuel Bonne, non-executive (member BoD) / / / /
Nationale Secours, socio-executive (member BoD) 20 20 20 20 20
Boexecult NV, represented by Benedicte Boone, socio-executive (member BoD) 20 20 20 20 20
Eccolone NV, represented by Solo Bonne, socio-executive (member BoD) 20 20 20 20 20
Falcon BV, represented by Peter Bossaert, socio-executive (member BoD) 20 15 15 15 15
Boexecult BV, represented by Benoit Graulich, socio-executive (member BoD, member Audit & Sustainability Committee and Chairman Remuneration and Nomination Committee) 20 18 18 18 18
Lotus BV, represented by Mathiel Montague, socio-executive (member BoD, Chairman Audit & Sustainability Committee) 25 25 25 25 25
Sabat BV, represented by Sabine Sagart, socio-executive (member BoD, non-member Remuneration and Nomination Committee) 25 25 25 25 25
REMUNERATION OF EXECUTIVE DIRECTOR
Mecuur Consult BV, represented by Jan Boone, executive (member BoD, CEO) 20 20 20 20 20
REMUNERATION CEO
Jan Boone, CEO 1,914 1,962 2,058 2,325 2,651
Evolution (%) 131% 103% 105% 113% 114%
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Number of members executive management incl. CEO 5 5 5 5 5
Evolution (%) 140% 110% 110% 113% 113%
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Number of employees (FTE) 1,821 2,214 2,305 2,550 2,857
Evolution (%) 110% 111% 111% 114% 118%
ENTERPRISE RISK MANAGEMENT
RISK MANAGEMENT STRATEGY

Lotus Bakeries has implemented a continuous risk management process aimed at ensuring that risks are identified, assessed, prioritised, controlled and monitored in such a way that they can be kept at an acceptable level. The risk management process is aligned with the implementation of the strategic, operational and financial objectives of the Company. The entire risk management process is based on the COSO Enterprise Risk Management framework.

The Company is exposed to a wide range of risks within the context of its activities that can result in its objectives being affected or not achieved. Mitigating these risks is a key task of the Executive Committee (EXCO). The EXCO has full responsibility for the risk management process for Lotus Bakeries and reports on this periodically to the Audit & Sustainability Committee.

Lotus Bakeries has a one-tier governance model, in accordance with the Belgian Companies Code. The Board of Directors bears ultimate responsibility for the management of risks within the Company, assisted by the Audit & Sustainability Committee. The day-to-day management is delegated to the CEO, assisted by the EXCO. The Audit & Sustainability Committee receives regular reports on risk management. As such, the enterprise risk management of Lotus Bakeries consists of following key components:

- Risk identification: this involves identifying the sources of risk that could impact the Group. These sources could include anything from food safety and quality risks, to operational and financial risks. The double materiality methodology is used to identify and prioritise the main risks to which the Group is exposed across all areas of its business and activities.
- Risk assessment: once risks have been identified, it is important to assess their impact and likelihood of occurrence. This helps to prioritise the most critical risks and determine the appropriate response.
- Risk mitigation: after risks have been identified and assessed, strategies are developed to mitigate or manage those risks. This may include implementing process improvements, implementing controls, or transferring risk through insurance.
- Risk monitoring: ongoing monitoring of risks is critical to ensure that the Group is prepared for potential threats and to assess the effectiveness of risk mitigation strategies.
- Communication and training: effective communication and training are essential for an ERM programme to be successful. All employees should understand their role in identifying and managing risk and should be trained on how to do so.

The Governance structure of Lotus Bakeries is supported by the implementation of various internal Governance policies, procedures and processes, such as:

- Corporate Governance Charter
- Remuneration Policy
- Dealing Code
- Code of Conduct
- Dealing Code

The Corporate Governance Charter is designed to give a detailed and transparent picture of Lotus Bakeries’ policy regarding corporate governance and is updated based on developments in such policy and changes in the relevant regulations.

The approved remuneration policy complies with the Second Shareholder Rights Directive (EU) 2017/828. This remuneration policy was approved at the Ordinary General Meeting of 18 May 2021 and is published on the website.

Lotus Bakeries is committed to act with integrity, honesty, fairness and in full compliance with applicable laws, rules and regulations at all times. It has developed a code of conduct which sets out six key principles which must be respected by all employees of Lotus Bakeries at all times.

PRINCIPAL RISKS AND MITIGATING MEASURES

On a periodic basis, risks are assessed, monitored and adjusted by the EXCO. The risk management matrix defined is discussed with and reported to the Audit & Sustainability Committee.

For each of the principal risks identified, a risk owner has been appointed who ensures a concrete action plan to mitigate the potential impact of the risks. The risk owner is also responsible for the follow-up of the defined actions. The results are reported periodically to the Audit & Sustainability Committee.

The risk management programme of the Group is an ongoing process that requires regular review and revision to ensure that it remains effective in the face of changing risks and circumstances and new threats.

The principal risks listed below are considered to be the most relevant for the business of the Group that might have an impact on the achievement of the Group’s strategic objectives.

- Dealing Code
- The main purpose of the Dealing Code is to prevent the misuse or appearance of misuse of information which directors or employees of Lotus Bakeries may possess about Lotus Bakeries and which is not generally available to investors. Particular attention is paid to those shares, share options or other rewards received under Lotus Bakeries’ incentive plans, to those who buy or sell Lotus Bakeries shares, and to those who use Lotus Bakeries shares as collateral for a loan.
- Code of Conduct
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- Risk identification: this involves identifying the sources of risk that could impact the Group. These sources could include anything from food safety and quality risks, to operational and financial risks. The double materiality methodology is used to identify and prioritise the main risks to which the Group is exposed from two perspectives: financial materiality and impact materiality (see chapter 2 of the Annual Report).
- Risk assessment: once risks have been identified, it is important to assess their impact and likelihood of occurrence. This helps to prioritise the most critical risks and determine the appropriate response.
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**People**

Jobs market shortage

Given the scarcity on the labour market, Lotus Bakeries needs to pay attention to attracting sufficient talent to support its growth plans. To this end, Lotus Bakeries can rely on a professional placement policy and direct recruitment. The recruitment department does this through its recruitment model and compacts. Recruitment is done in cooperation with the Company on a regular basis:

- support for one or more local conversion projects in palm oil producing countries;
- protecting and restoring forests in a palm oil production landscape;
- supporting smallholder producers to enter sustainable supply chains;
- employing and retaining farmers in agro-industrial production landscapes;
- support of local and national initiatives in order to support the sustainable palm oil supply chain.

Furthermore, Lotus Bakeries requests its suppliers to invest in following initiatives and to actively inform them on the significance of sustainable palm oil, such as:

- improving smallholder producers’ access to better prices and markets; and
- ensuring that the products are certified sustainable palm oil.

**Safety & Quality**

Failure to meet quality and food safety standards expose the Group to business interruption, litigation, and damage to the corporate image.

**KEY COMPONENT**

**RISK**

**RISK DESCRIPTION & MITIGATING ACTIONS**

<table>
<thead>
<tr>
<th>Product</th>
<th>Safety &amp; Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Failure to meet quality and food safety standards expose the Group to business interruption, litigation, and damage to the corporate image.</td>
</tr>
</tbody>
</table>

- All employees are focused on the quality of all Lotus Bakeries products. For this purpose, we do not only call on our own expertise, but also on that of well-known universities and research institutes, as well as existing innovation platforms set up by the food industry. Our innovation efforts also translate into an extensive and innovative product range, which quality and superior taste are paramount. To uphold these efforts as much as possible, our recipes are protected as trade secrets wherever possible. To this end, strict procedures are in place regarding access, transfer and storage of data. In addition, the R&D team monitors and analyses competing products on a regular basis.

- Lotus Bakeries also sees opportunities to contribute to the progress of society and the environment by reducing its ecological footprint. We are already carbon neutral today with our 12 factories. Beginning 2023, we signed the United Nations’ Climate Action Pledge and committed to being carbon neutral by 2050, in line with the Paris Agreement.

- Furthermore, Lotus Bakeries monitors new regulations which would impose specific carbon-reduction initiatives. Such initiatives could potentially impact the current operations and accelerate the transition to low-carbon production processes, materials and investments.

- We are committed to the environment and help fight global warming. Lotus Bakeries is aware of the negative impact the industry can have on the environment and society, and the responsibility it bears as an independent player. Lotus Bakeries also sees opportunities to contribute to the progress of society and limiting global warming.

- Climate-related disruption (including extreme weather events, floods, deforestation) might impact our operations and/or consumer demands and preferences. In everything we do, we strive to reduce our ecological footprint. We are already carbon neutral today with our 12 factories. Beginning 2023, we signed the United Nations’ Climate Action Pledge and committed to being carbon neutral by 2050, in line with the Paris Agreement.

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**IT architecture**

Data protection and cybersecurity

Considering the ever-increasing digitalisation, the risk of unauthorised access to confidential data of Lotus Bakeries and personal data processed by Lotus Bakeries remains real. Fraud in the form of cybercrime is also high on the agenda.

Within Lotus Bakeries, clear policies are in place regarding access and security of business-critical information. Multi-factor authentication contributes to the security of our information. Corporate ICT has taken various measures to prevent, detect and limit the impact of cyber-attacks. In addition, there is an annual audit of the security of our ICT systems. Automated and continuous awareness efforts among Lotus Bakeries employees are also implemented.

**Financial**

Foreign currencies

The functional currency of the Company is the euro, which is also the Company’s reporting currency. Translation gains or losses that result from remeasuring foreign subsidiaries’ local currencies to EUR are recorded in other comprehensive income. Foreign currency transactions resulting in gains or losses are recorded in the consolidated statement of comprehensive income.

The main foreign currency transactions are denominated in USD, GBP, SEK, ZAR, CHF, KRW, CZK and CNY. The Group assesses on a case by case basis how to avoid any unfavourable currency impact and aims to hedge as many transactions as possible through a natural hedge.

Other financial risks

The Group’s activities are exposed to a variety of other financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. For more details, refer to the consolidated financial statements in note 26.

**External environment**

Compliance and regulations

Lotus Bakeries is a global company operating in over 100 countries. The Group is subject to applicable laws and regulations in the global jurisdictions in which it operates. As a manufacturer of food products with global commercial operations, these applicable laws and regulations relate to product safety, product labeling, health and safety, carbon reduction, intellectual property rights, anti-bribery and corruption, competition, data protection, export controls, human rights and taxes. Relevant teams within the Group monitor closely any evolutions in the regulatory landscape to warrant compliance of the Group with regulatory initiatives as they emerge.

Wars

As a global company, the Group may be impacted by conflicts in countries in which it operates. Operations and business could be affected indirectly by a conflict. These impacts may come from supply issues, an inflationary macro-economic environment, credit risks on customers and increasing financing costs.

Pandemics and other infectious diseases

As the Group is operating around the globe, a global epidemic or pandemic outbreak may affect our business continuity. As such, crisis management is in place, which has been proved to be effective in the context of the COVID-19 pandemic.
## EU TAXONOMY REPORTING

### PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023

<table>
<thead>
<tr>
<th>ECONOMIC ACTIVITIES</th>
<th>CODE</th>
<th>TURNOVER (IN € MILLION)</th>
<th>PROPORTION OF TURNOVER, YEAR 2023</th>
<th>CLIMATE CHANGE MITIGATION</th>
<th>CLIMATE CHANGE ADAPTATION</th>
<th>WATER POLLUTION</th>
<th>CIRCULAR ECONOMY</th>
<th>BIODIVERSITY</th>
<th>MINIMUM SAFEGUARDS</th>
<th>PROPORTION OF TAXONOMY ALIGNED (A.1.) OR ELIGIBLE (A.2.) TURNOVER, YEAR 2022</th>
<th>CATEGORY</th>
<th>ENABLING ACTIVITY</th>
<th>TRANSITIONAL ACTIVITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. TAXONOMY-ELIGIBLE ACTIVITIES</td>
<td></td>
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<tr>
<td>A.1. Environmentally sustainable activities (Taxonomy-aligned)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)</td>
<td></td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which Enabling</td>
<td></td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of which Transitional</td>
<td></td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</td>
<td></td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
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</tr>
<tr>
<td>Total (A)</td>
<td></td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover of Taxonomy-non-eligible activities</td>
<td></td>
<td></td>
<td>1,063.0</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL (A+B)</td>
<td></td>
<td></td>
<td>1,063.0</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PROPORTION OF TURNOVER/TOTAL TURNOVER</th>
<th>TAXONOMY-ELIGIBLE PER OBJECTIVE</th>
<th>TAXONOMY-ELIGIBLE PER OBJECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change Mitigation</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Climate Change Mitigation</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Water</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Circular Economy</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Pollution</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>
### PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES - DISCLOSURE COVERING YEAR 2023

<table>
<thead>
<tr>
<th>ECONOMIC ACTIVITIES</th>
<th>FINANCIAL YEAR 2023</th>
<th>YEAR</th>
<th>SUBSTANTIAL CONTRIBUTION CRITERIA</th>
<th>TAXONOMY-ALIGNED PER OBJECTIVE</th>
<th>TAXONOMY-ELIGIBLE PER OBJECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change Mitigation</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Climate Change Adaptation</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Water</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Pollution</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Circular Economy</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
</tbody>
</table>

#### A. TAXONOMY-ELIGIBLE ACTIVITIES

**A.1. Environmentally sustainable activities (Taxonomy-aligned)**

| CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| Of which: Enabling | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |
| Of which: Transitional | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |

**A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)**

| CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g) | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |

**Subtotal A. CapEx of Taxonomy-eligible activities (A.1 + A.2) | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % | 0.0 % |

#### B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

**B. CapEx of Taxonomy-non-eligible activities | 86.2 | 100.0 % | 100.0 %**

**TOTAL (A+B) | 86.2 | 100.0 % | 100.0 %**

#### PROPORTION OF CAPEX/TOTAL CAPEX

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED)</th>
<th>TRANSITIONAL ACTIVITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change Mitigation</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Climate Change Adaptation</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Water</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Circular Economy</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Pollution</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
<tr>
<td>Roadway</td>
<td>0.0 %</td>
<td>0.0 %</td>
</tr>
</tbody>
</table>
### Proportion of OPEX from Products or Services Associated with Taxonomy-Aligned Economic Activities - Disclosure Covering Year 2023

**Financial Year 2023**

<table>
<thead>
<tr>
<th>Economic Activity</th>
<th>Code</th>
<th>OPEX of Products or Services (IN € Million)</th>
<th>OPEX of Products or Services (IN € Million)</th>
<th>OPEX of Products or Services (IN € Million)</th>
<th>OPEX of Products or Services (IN € Million)</th>
<th>OPEX of Products or Services (IN € Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Climate Change Mitigation</strong></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Climate Change Adaptation</strong></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Water</strong></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Circular Economy</strong></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Pollution</strong></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Biodiversity</strong></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

#### A. Taxonomy-Eligible Activities

- **A.1. Environmentally sustainable activities (Taxonomy-aligned)**
  - OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1):
    - Enabling: 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%
    - Transitional: 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%

- **A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)**
  - OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2):
    - 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0% 0.0%

#### B. Taxonomy-Non-Eligible Activities

- OpEx of Taxonomy-Non-Eligible Activities:
  - 40.8 100.0%

**Total** (A+B) 40.8 100.0%

### Proportion of OPEX/Total OPEX

<table>
<thead>
<tr>
<th>Economic Activity</th>
<th>Proportion of OPEX (IN € Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate Change Mitigation</td>
<td>0.0%</td>
</tr>
<tr>
<td>Climate Change Adaptation</td>
<td>0.0%</td>
</tr>
<tr>
<td>Water</td>
<td>0.0%</td>
</tr>
<tr>
<td>Circular Economy</td>
<td>0.0%</td>
</tr>
<tr>
<td>Pollution</td>
<td>0.0%</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>0.0%</td>
</tr>
<tr>
<td>CONCEPT</td>
<td>DEFINITION</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>CPG</td>
<td>Consumer Packaged Goods</td>
</tr>
<tr>
<td>CSRDE</td>
<td>Corporate Sustainability Reporting Directive</td>
</tr>
<tr>
<td>D4ACE</td>
<td>Design for a circular economy</td>
</tr>
<tr>
<td>ERM</td>
<td>Environmental Risk Management</td>
</tr>
<tr>
<td>ESRS</td>
<td>European Sustainability Reporting Standards</td>
</tr>
<tr>
<td>FLAG</td>
<td>FALUC (Forest, Land, and Agriculture) emissions are a category of greenhouse gas emissions that encompass the many ways land use change and land-related activities impact the climate.</td>
</tr>
<tr>
<td>FSC</td>
<td>Forest Stewardship Council</td>
</tr>
<tr>
<td>GNG</td>
<td>Greenhouse Gas</td>
</tr>
<tr>
<td>GRI</td>
<td>Global Reporting Initiative</td>
</tr>
<tr>
<td>HACCP</td>
<td>Hazard Analysis and Critical Control Points</td>
</tr>
<tr>
<td>Internal employee</td>
<td>An internal employee is one that is connected to Lotus Bakeries with an employment contract, either of unlimited duration or of limited duration.</td>
</tr>
<tr>
<td>Location-based</td>
<td>A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).</td>
</tr>
<tr>
<td>Market-based</td>
<td>A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice).</td>
</tr>
<tr>
<td>NEPE</td>
<td>No Emissions, No Poll. No Exploitation</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>Non-interest-bearing liabilities (excluding lease liabilities) recognised in accordance with IFRS 16, deducted with cash and cash equivalents, term deposits and treasury shares.</td>
</tr>
<tr>
<td>Non-recurring income and expenses</td>
<td>Non-recurring income and expenses are those items that are considered by management not to relate to transactions, projects and adjustments to the value of assets and liabilities taking place in the ordinary course of activities of the Company. Non-recurring income and expenses are presented separately, due to their size or nature, so as to allow users of the consolidated financial statements of the Company to get a better understanding of the normalised performance of the Company.</td>
</tr>
<tr>
<td>NEFISC</td>
<td>Proposed for the Environment of Forest Certification</td>
</tr>
<tr>
<td>Permanent employees</td>
<td>Employees that have a permanent Lotus Bakeries contract</td>
</tr>
<tr>
<td>Primary packaging</td>
<td>Primary packaging directly protects the product &amp; informs the consumer. In all packaging that a consumer takes home after purchasing the product.</td>
</tr>
<tr>
<td>PAM coating</td>
<td>Polyvinylidene Chloride is a water-based coating often used to improve barriers and reduce permeability.</td>
</tr>
<tr>
<td>Ratio of variable work-related accidents for own employees</td>
<td>The number of work-related injuries divided by the number of total hours worked by own employees and multiplied by 1.000.000 hours.</td>
</tr>
<tr>
<td>REAT</td>
<td>REAT is defined as the recurring earnings after tax and is determined by excluding the non-recurring income and expenses and the related tax effects from the net result. REAT is used as the basis for dividend distribution.</td>
</tr>
<tr>
<td>REBIT</td>
<td>REBIT (recurring operating result) is defined as the operating result after deducting the non-recurring income and expenses.</td>
</tr>
<tr>
<td>REBITDA</td>
<td>REBITDA is defined as the REBIT adjusted for depreciation and non-recurring expenses, impairments on inventories and trade receivables and non-cash costs related to share-based payment plans.</td>
</tr>
</tbody>
</table>