



ANNUAL REPORT 2023

# GRI REPORT

Reporting Period 01.01.2023-31.12.2023

# GRI REPORT 2023

Lotus Bakeries' objective of sustainability reporting using the GRI Sustainability Reporting Standards (GRI Standards) is to provide transparency on how our organization contributes or aims to contribute to sustainable development.

The Global Reporting Initiative (GRI) is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.

The GRI Standards are a set of guidelines that provide a framework for sustainability reporting. These standards cover a wide range of economic, environmental and social topics and are used by organizations around the world to report their sustainability performance and impacts.

The GRI Standard is the world's leading standard for corporate sustainability reporting ([www.globalreporting.org](http://www.globalreporting.org)). All material standards and indicators discussed are reported as fully as the available data allow. The GRI content index shows which GRI Standards and disclosures our organization has used. The information disclosed should be read together with Lotus Bakeries' Annual Report 2023.

For further information about the data of the annual review or more information about the Lotus Bakeries Group, please contact:

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## RELEVANT GRI STANDARDS AND LINK WITH THE SDG'S

By signing the UN Global Compact, Lotus Bakeries commits to promote the SDG's.

Hereafter we indicate the link between the GRI Standards reported on and the SDG's Lotus Bakeries is supporting in its Sustainability Program 'Care for Today, Respect for Tomorrow.

SDG'S		SDGS
	203 Indirect Economic Impacts 2016	 2 General Disclosures 2021 203 Indirect Economic Impacts 2016 404 Training en Education 2016
	203 Indirect Economic Impacts 2016	 301 Materials 2016 302 Energy 2016 303 Water en Effluents 2018 305 Emissions 2016 306 Waste 2020
	203 Indirect Economic Impacts 2016 305 Emissions 2016 306 Waste 2020 403 Occupational Health and Safety 2018	 201 Economic Performance 2016 302 Energy 2016 305 Emissions 2016 308 Supplier Environmental Assessment 2016
	404 Training and Education 2016	 2 General Disclosures 2021 303 Water and Effluents 2018
	2 General Disclosures 2021 203 Indirect Economic Impacts 2016 404 Training and Education 2016 405 Diversity and Equal Opportunity 2016	 305 305 Emissions 2016 308 308 Supplier Environmental Assessment 2016
	2 General Disclosures 2021 201 Economic Performance 2016 203 Indirect Economic Impacts 2016 301 Materials 2016 302 Energy 2016 404 Training and Education 2016 405 Diversity and Equal Opportunity 2016 408 Child Labor 2016 409 Forced or Compulsory Labor 2016	 2 General Disclosures 2021 205 Anti-corruption 2016 206 Anti-competitive Behavior 2016 403 Occupational Health and Safety 2016 408 Child Labor 2016
		 2 General Disclosures 2021 203 Indirect Economic Impacts 2016

GRI content index with reference to GRI standards is enclosed at the end of this report, pages 20-21.

# UNIVERSAL STANDARDS

## GRI 1 - FOUNDATION 2021

## GRI 2 – GENERAL DISCLOSURES 2021

### 1. THE ORGANISATION AND ITS REPORTING PRACTICES

Disclosure 2-1	<b>Organizational details</b>	<p>The name of the reporting company is Lotus Bakeries NV.</p> <p>The location of the headquarter of the company is Gentstraat 1, B- 9974- Lembeke, Belgium.</p> <p>Lotus Bakeries has a total of twelve operating production facilities spread across Belgium, the Netherlands, France, Sweden, South Africa and the United States and is investing in a new production facility in Thailand.</p> <p>Lotus Bakeries has twenty three Sales Offices and one own distribution centre.</p> <p>We further refer to the Annual Report, Chapter 3, Our Organisation, pages 166-171, to the Financial Supplement pages 54-55 and to <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p> <p>Lotus Bakeries NV (The Company) was incorporated on March 30, 1934, under Belgian law and is having its head office in Lembeke, Belgium at Gentstraat 1. The Company is registered in Belgium.</p> <p>The Lotus Bakeries shares are listed since January 2002 on the Euronext Brussels stock exchange under the ticker LOTB and ISIN code 0003604155.</p> <p>As of March 18, 2024, Lotus Bakeries NV has been included in the BEL<sup>®</sup>20 index on Euronext Brussels.</p> <p>On the basis of a total number of 816,013 ordinary shares and a closing share price of EUR 8,230.00, Lotus Bakeries' market capitalization amounted to EUR 6,715.79 million at the end of 2023 (December 31, 2022, EUR 5,157.20 million).</p> <p>The significant shareholders of the Company are listed in Chapter 4 – Report of the Board of Directors, under paragraph 'Shareholders and shareholders structure', page 185 of the Annual Report 2023.</p>
Disclosure 2-2	<b>Entities included in the organization's sustainability reporting</b>	<p>All fully consolidated subsidiaries are included. We refer to the Annual Report 2023 - Financial Supplement, Note 32, pages 54-55.</p> <p>If for certain specific topics not all fully consolidated subsidiaries are included this is indicated in the text.</p>
Disclosure 2-3	<b>Reporting period, frequency and contact point</b>	<p>The reporting period is 01.01.2023-31.12.2023. The sustainability reporting is annual, whereas the financial reporting is twice a year.</p> <p>The difference is explained by legal requirements. We refer to our website for the financial calendar: <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p> <p>The GRI-report is published annual on the website. For questions about the report or reported information we refer to: Lotus Bakeries NV Corporate Secretary <a href="mailto:corporate@lotusbakeries.com">corporate@lotusbakeries.com</a></p>
Disclosure 2-4	<b>Restatements of information</b>	<p>Compared to last year no restatements have been performed.</p>
Disclosure 2-5	<b>External assurance</b>	<p>Although this is not yet legally required, the Board accepted the proposal of EXCO to have an assurance report for certain KPI's.</p> <p>Since reporting period 2020 an assurance report and statement on certain KPI's contained in the Annual Report is publicly available.</p> <p>The assurance report and statement 2023 is part of the Annual Report 2023, Chapter 2, pages 152-155. The auditing partner is PwC Reviseurs d'Entreprises SRL., represented by Lien Winne, Réviseur d'entreprises. The audited KPI's and the assurance standards used are described in the assurance statement. The auditing partner is the same as for the financial audit.</p>

### 2. ACTIVITIES AND WORKERS

Disclosure 2-6	<b>Activities, value chain and other business relationships</b>	<p>Lotus Bakeries is active in the packed foods manufacturing and food sector.</p> <p>Lotus Bakeries is worldwide active in the indulgent and natural snacking segment with the Lotus<sup>®</sup>, Lotus<sup>®</sup> Biscoff<sup>®</sup>, Dinosaur<sup>®</sup>, Peijnenburg<sup>®</sup>, Annas<sup>®</sup>, Kung Oscar<sup>®</sup>, näkd<sup>®</sup>, TREK<sup>®</sup>, BEAR<sup>®</sup>, Peter's Yard<sup>®</sup> and Kiddylicious<sup>®</sup> brands.</p> <p>Lotus Bakeries offers its products in more than 60 countries across Europe, America, Asia Pacific and the Middle East.</p> <p>Lotus Bakeries has 12 operating production facilities in Belgium, the Netherlands, France, Sweden, South Africa and the US and is investing in a new production facility in Thailand. It has 23 own sales organisations in Europe, America and Asia. Lotus Bakeries also works with commercial partners in approximately fifty countries worldwide. We refer to the Annual Report 2023, Chapter 3, Our organisation pages 166-171.</p> <p>The Company serves customers in the retail channel, distributors, the out of home channel, airlines, B2B and B2C.</p> <p>The Company purchases its raw materials, ingredients, goods and packaging from other manufacturing companies or traders.</p> <p>Lotus Bakeries sources its raw materials, ingredients and packaging as much as possible on the same continent as where production takes place. Main raw materials are flower, sugar, eggs, fats and fruit and are sourced from third parties.</p> <p>The palm oil it sources is 100% RSPO certified. The key Palm Oil Suppliers are asked to sign Lotus Bakeries Palm Oil Policy. 100% of the key Palm Oil Suppliers endorsed the principles of Lotus Bakeries.</p> <p>100% of the cocoa butter and cocoa mass used in our Lotus<sup>®</sup>Biscoff<sup>®</sup> chocolate bars has been certified by the Rainforest Alliance.</p> <p>The soybean flour in the Lotus<sup>®</sup> Biscoff<sup>®</sup> products is IP certified.</p> <p>All key Suppliers are asked to sign the Code of Conduct for Suppliers. 94.2% of the key Suppliers signed the Code of Conduct for Suppliers (90.5% in 2022).</p> <p>In 2023 significant changes included:</p> <ul style="list-style-type: none"> <li>• Start-up of the second Biscoff<sup>®</sup> sandwich cookie line in Belgium;</li> <li>• Signing of the SBTI commitment letter;</li> <li>• Launch of the näkd<sup>®</sup> protein bar;</li> <li>• Traditional Thai ceremony for good fortune for our new Biscoff<sup>®</sup> plant, currently under construction in Chon Buri, Thailand;</li> <li>• New Lotus<sup>®</sup>Biscoff<sup>®</sup> branding;</li> <li>• Launch of BEAR<sup>®</sup> fruit splits;</li> <li>• 100% of all packaging of our waffle range is technically recyclable;</li> <li>• Forest Plantation Project in partnership with the Colruyt Group;</li> <li>• Relaunch of Peijnenburg<sup>®</sup> in the Netherlands and Lotus<sup>®</sup>cake donuts in Belgium;</li> <li>• EUR 1 billion revenue milestone exceeded.</li> </ul> <p>We further refer to the Annual Report 2023, Highlights pages 14-19 and to Chapter 3 – Our organization, pages 167-171.</p> <p>The annual sales in 2023 amounted to EUR 1,063 million. Lotus Bakeries In 2023 Lotus Bakeries achieved a growth of 21%. The company's consolidated equity amounted to EUR 656,2 million in 2023 (EUR 572,1 million in 2022). The company's net financial debt was EUR 120,5 million compared to EUR 153,6 million in 2022. We further refer to the Annual Report 2023, pages 20-21 for some key figures and to the Financial Supplement pages 4-5 for details on the consolidated financial statements. We further refer to the Financial Supplement, note 3.2, pages 18-19 for the geographic segment reporting.</p>
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Disclosure 2-7 **Employees**

At the end of 2023 Lotus Bakeries had an internal workforce of 2,984 employees. Internal workforce are employees who have an employment contract with Lotus Bakeries of limited or unlimited duration, full-time or part-time.

The Company had 1,515 (51%) female internal employees and 1,469 (49%) male internal employees.

GEOGRAPHICAL DISTRIBUTION	UNIT OF MEASURE	2023		2022	
		#	M   F	#	M   F
BELGIUM	#	1,458	752 M   706 F	1,378	703 M   675 F
	%		52 M   48 F		51 M   49 F
SOUTH AFRICA	#	669	276 M   393 F	518	221 M   297 F
	%		41 M   59 F		43 M   57 F
THE NETHERLANDS	#	213	122 M   91 F	222	122 M   100 F
	%		57 M   43 F		55 M   45 F
UNITED KINGDOM	#	126	45 M   81 F	119	46 M   73 F
	%		36 M   64 F		39 M   61 F
FRANCE	#	140	73 M   67 F	142	76 M   66 F
	%		52 M   48 F		54 M   46 F
UNITED STATES	#	196	115 M   81 F	156	89 M   67 F
	%		59 M   41 F		57 M   43 F
CHINA	#	32	13 M   19 F	33	14 M   19 F
	%		41 M   59 F		42 M   58 F
SOUTH KOREA	#	21	11 M   10 F	19	9 M   10 F
	%		52 M   48 F		47 M   53 F
SWEDEN	#	31	24 M   7 F	27	19 M   8 F
	%		77 M   23 F		70 M   30 F
OTHER (AT, AU, CH, CZ, DE, ES, HK, IT, JP, TH)	#	98	38 M   60 F	84	33 M   51 F
	%		39 M   61 F		39 M   61 F
TOTAL	#	2,984	1,469 M   1,515 F	2,698	1,332 M   1,366 F
	%		49 M   51 F		49 M   51 F

Lotus Bakeries internal workforce has a good spread over the different age categories:

- 28% are under the age of 30;
- 30% are between 30 and 39 years old;
- 20% are between 40 and 49 years old;
- 18% are between 50 and 59 years old;
- 4% are over 60 years old.

The average age as per December 31st, 2023 is 38 years (39 years - December 31st, 2022).

Expressed in FTE the internal workforce equals 2,888.35 (2,602.64 in 2022).

Information is mainly collected in Lotus Bakeries Internal HR system MyLotus (SuccessFactors) which is gradually implemented from mid-2021.

Disclosure 2-8 **Workers who are not employees**

The external workforce of Lotus Bakeries comprises mainly temporary workers in the production plants and some specialized functions. They are either contracted directly or through an interim agency.

The external workforce expressed in FTE equals 287.53 (272.49 in 2022).

**3. GOVERNANCE**

Disclosure 2-9 **Governance structure and composition**

Lotus Bakeries adopted 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 Belgian 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.

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.

The highest governance body is the Board of Directors.

The Board of Directors installed an Audit & Sustainability Committee and a Remuneration and Nomination Committee.

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.

For the composition of the Board of Directors and its Committees we refer to the Annual Report 2023, Chapter 4 'Report of the Board of Directors', Corporate Governance Declaration, pages 183-189.

We also refer to the Corporate Governance Charter publicly available on our website [www.lotusbakeries.com](http://www.lotusbakeries.com).

Disclosure 2-10 **Nomination and selection of the highest governance body**

We refer to the Annual Report 2023, Chapter 4 'Report of the Board of Directors' pages 183-190. We also refer to the Diversity Policy publicly available on our website: [www.lotusbakeries.com](http://www.lotusbakeries.com).

Disclosure 2-11 **Chair of the highest governance body**

The Chair of the highest governance body is not a senior executive officer in the organization. Conflicts of interest are prevented and mitigated according to the Lotus Bakeries Remuneration Policy, publicly available on our website: [www.lotusbakeries.com](http://www.lotusbakeries.com).

<p>Disclosure 2-12 <b>Role of the highest governance body in overseeing the management of impacts</b></p>	<p>The Executive Committee (EXCO) determines Lotus Bakeries Group's strategy and objectives and submits them to the Board of Directors for approval. This strategy is implemented by the country and regional organisations ('areas') in the different business units, supported by the corporate departments. We refer to the Annual Report 2023, Our organisation, Group structure and day-to-day management, page 158.</p> <p>Lotus Bakeries' 'Care for Today, Respect for Tomorrow' sustainability strategy is the responsibility of the Executive Committee (EXCO).</p> <p>The EXCO presents Lotus Bakeries' sustainability strategy to the Audit &amp; Sustainability Committee. The Board of Directors has broadened the mandate of the Audit Committee with ESG matters and renamed it to the Audit &amp; Sustainability Committee by decision of 24 November 2023. We refer to the Annual Report 2023 pages 67-69.</p> <p>During 2023 following points were amongst others discussed in the Board of Directors and in its Committees:</p> <ul style="list-style-type: none"> <li>• Evolution of prices and the availability of raw materials and packaging;</li> <li>• The evolution of labour costs;</li> <li>• Capex investments and expansion of capacity in Europe, United States, Asia and South Africa;</li> <li>• Product developments and innovations;</li> <li>• Risk management – priorities and evolutions;</li> <li>• Expansion of Audit Committee into Audit &amp; Sustainability Committee;</li> <li>• ESG: double materiality.</li> </ul> <p>We refer further to the Annual Report, page 189 and to the Corporate Governance Charter, available on the website; <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p>
<p>Disclosure 2-13 <b>Delegation of responsibility for managing impacts</b></p>	<p>The delegation of responsibility is organized according the Corporate Governance Charter, publicly available on the website. The Board of Directors relies on the EXCO for the implementation of its policy.</p> <p>The EXCO is responsible for implementing the Company's strategic, operational and financial objectives and directs the management of the Group. The Executive Committee (EXCO) is responsible for the sustainability strategy and objectives for Lotus Bakeries.</p> <p>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.</p> <p>The Group Sustainability Steerco, which meets at least once a month, provides oversight of ESG projects and monitors progress.</p> <p>We refer to the Annual Report 2023, Chapter 2, ESG Governance, pages 68-69 and to the Corporate Governance Charter, available on the website: <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p>
<p>Disclosure 2-14 <b>Role of the highest governance body in sustainability reporting</b></p>	<p>Chapter 2 of the Annual Report – Our sustainability programme – Care for Today, Respect for Tomorrow has been reviewed and approved by the Board of Directors.</p> <p>The Board of Directors has broadened the mandate of the Audit Committee with ESG matters and renamed it to the Audit &amp; Sustainability Committee by decision of November 24, 2023.</p>
<p>Disclosure 2-15 <b>Conflicts of interest</b></p>	<p>Conflicts of interests are managed by the Board of Directors according the Corporate Governance Charter publicly available on the website and according Articles 7:96 and 7:97 CAC.</p> <p>Over the course of 2023, there was 1 incidence 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. We refer to the Annual Report 2023, Chapter 4, Corporate Governance Declaration, Activities of the Board of Directors; page 189.</p>

<p>Disclosure 2-16 <b>Communication of critical concerns</b></p>	<p>The Code of Conduct as well as the Suppliers Code of Conduct contain the possibility to report concerns. Both Codes are publicly available on our website in different languages. We refer to <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p> <p><b>Whistleblowing</b> 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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Suppliers are asked to bring any concerns to the attention of their contact at Lotus Bakeries. Since 2023, they also have the option to report any complaints via the online whistleblowing platform selected by Lotus Bakeries.</p> <p>The online whistleblowing platform allows for anonymous reports, ensures confidentiality, and guarantees accurate follow-up of legal obligations. The online whistleblowing platform is open to all external parties, amongst others suppliers, workers in the value chain, customers and end consumers.</p> <p>We refer to the Annual Report 2023, Chapter 2, pages 130-131 and to our website where the Whistleblowing Line and Policy can be found: <a href="http://www.lotusbakeries.com/governance-practices-and-policies">www.lotusbakeries.com/governance-practices-and-policies</a>.</p>
<p>Disclosure 2-17 <b>Collective knowledge of the highest governance body</b></p>	<p>Lotus Bakeries ensures the presence on the Board of Directors, the Committees and the Executive Committee of critical members with specialist knowledge of various areas. Skills, competencies and diversity are paramount in the selection of candidates for the Board of Directors proposed to the General Meeting. At regular times presentations of changes in law, regulations or market practices are prepared for the Board of Directors to advance their knowledge in the field of sustainable development.</p> <p>We refer further to the <b>Diversity Policy</b>, publicly available on our website: <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a> and to the Annual Report 2023, Chapter 4, Corporate Governance Declaration, pages 186-188.</p>
<p>Disclosure 2-18 <b>Evaluation of the performance of the highest governance body</b></p>	<p>We refer to the Annual Report 2023, Chapter 4 'Report of the Board of Directors', Evaluation of the Board of Directors and its Committees, page 190.</p>
<p>Disclosure 2-19 <b>Remuneration policies</b></p>	<p>We refer to the Annual Report 2023, Chapter 4 'Report of the Board of Directors', 'Remuneration Report', pages 194-197 for the remuneration policy applied in 2023 for the non-executive and executive directors, to pages 198-204 for the executive managers and to pages 204-205 for the executives.</p> <p>The evolution of the remuneration and of the performance of the Company over the last five years can be consulted pages 204-205 of our Annual Report 2023. We further refer to Lotus Bakeries Remuneration Policy, publicly available on our website: <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p>
<p>Disclosure 2-20 <b>Process to determine remuneration</b></p>	<p>We refer to the Annual Report 2023, Chapter 4 'Report of the Board of Directors', Remuneration report, pages 194-205.</p>
<p>Disclosure 2-21 <b>Annual total compensation ratio</b></p>	<p>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 3:6(3) 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. The ratio is 18.2. We refer to the Annual Report 2023, Chapter 4, page 205.</p>

#### 4. STRATEGY, POLICIES AND PRACTICES

Disclosure 2-22	<b>Statement on sustainable development strategy</b>	We refer to the CEO's Reflection, Outlook and Vision integrating a ESG vision pages 7-9 of the Annual Report 2023 and to Chapter 2 of the Annual Report 2023 – Care for Today, Respect for Tomorrow, page 66.
Disclosure 2-23	<b>Policy commitments</b>	<p>Lotus Bakeries corporate values are Team Spirit, Open Dialogue and Passion (TOP). These values are reflected in different policies and Codes.</p> <p>Lotus Bakeries subscribed the UN Global Compact and was accepted in March 2021 as a member. We refer to the Annual Report 2023, Chapter 2, page 83. The Communication on Progress will be available on the website of the UN Global Compact. We refer to our website <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p> <p>Lotus Bakeries has various policies that address ethical business practices. Lotus Bakeries has since 2020 a Code of Conduct and a Suppliers Code of Conduct.</p> <p>The Code of Conduct and the Suppliers Code of Conduct are publicly available on our website in different languages. All our policies and Codes are publicly available on our website.</p> <p>Lotus Bakeries further has the following policies:</p> <ul style="list-style-type: none"> <li>• Human Rights Policy (Annual Report 2023, page 128)</li> <li>• Whistleblowing Policy (Annual Report 2023, page 130)</li> <li>• Anti-harassment and Anti-Discrimination Policy (Annual Report 2023, page 106)</li> <li>• Palm Oil Policy (Annual Report 2023, page 101)</li> <li>• Nutritional Policy (Annual Report 2023, pages 136-137)</li> <li>• Quality Policy (Annual Report 2023, page 132)</li> <li>• Safety Policy (Annual Report 2023, page 120)</li> <li>• Dealing Code (Annual Report 2023, page 128)</li> <li>• Biscoff® Guidelines (Annual Report 2023, page 127)</li> </ul> <p>We refer also to the Annual Report 2023, Chapter 2, Community, pages 125-137.</p> <p>All production plants of Lotus Bakeries are certified according the Global Food Safety Initiative (GFSI) and therefore have a BRC or IFS certificate. We request such a certificate also from our Suppliers of raw materials, packaging and production partners.</p> <p>In all production sites HACCP principles are developed and food-defense plans to avoid intentional contamination are in place. All these policies were approved by the most senior level in our organisation.</p> <p>Lotus Bakeries uses only RSPO certified Palm Oil.</p> <p>The Lotus® Biscoff® Chocolate bars are 100% Rainforest Certified.</p> <p>Lotus Bakeries soybean flour is IP certified.</p> <p>We refer to the Annual Report 2023, Chapter 2, Sustainable Sourcing, pages 100-102.</p>
Disclosure 2-24	<b>Embedding policy commitments</b>	<p>We refer to the Annual Report 2023, Chapter 2, Ethical Business Practices and Respect for Human Rights, pages 126-130, to Sustainable Sourcing &amp; Ethical Business Practices at our Suppliers, pages 131-132, to Quality Safety, pages 132-134 and to the Policies which are publicly available on our website: <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p> <p>Within these policies the responsibilities for implementation are defined. Training is given and is part of the on-boarding program.</p>
Disclosure 2-25	<b>Processes to remediate negative impacts</b>	<p>We refer to the Annual Report 2023, Chapter 2, Ethical Business Practices and Respect for Human Rights pages 126-134 and to the Policies which are publicly available on our website.</p> <p>Within these policies the processes to remediate negative impacts are defined.</p> <p>Overall governing processes are defined in the Governance Charter, publicly available on our website: <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>, under 'Investors Relations'.</p>
Disclosure 2-26	<b>Mechanisms for seeking advice and raising concerns</b>	<p>Concerns around the Code of Conduct or the Suppliers Code of Conduct or any concern can be reported on an anonymous basis via the Whistleblowing line. We refer further to the Annual Report 2023, Chapter 2, Ethical Business Practices and Respect for Human Rights, pages 130-131 and to the Policies which are publicly available on our website.</p> <p>Within these policies the processes for seeking advice or raising concerns are defined.</p>
Disclosure 2-27	<b>Compliance with laws and regulations</b>	No significant non-compliances need to be reported.

Disclosure 2-28	<b>Membership associations</b>	<p>For Lotus Bakeries important associations are the following:</p> <ul style="list-style-type: none"> <li>• Lotus Bakeries is an active member of Ceflex and endorses the strategy that has been determined by CEFLEX. The 'Design for a circular economy'-guidelines of CEFLEX are taken as a basis to determine the technical recyclability of Lotus Bakeries flexible packaging.</li> <li>• Lotus Bakeries endorses the design-guidelines of Recyclclass for rigid packaging. Lotus Bakeries endorses the EllenMacArthur and ISO18601 definition of packaging component.</li> <li>• Lotus Bakeries is a member of RSPO, CEFLEX, Sedex, the Belgian Association of marketing, CHOPRABISCO, Euro Fed Lipid, Fevia, Flanders' FOOD, Belgian Institute for Packaging, FLOCERT, Food Security, Foundation for the UN Global Compact, Flexible Plastic Fund, HFCE, Institute for Board Directors, King Baudouin Foundation, Entrepreneurs for Entrepreneurs, Pack4Food, PROHR, The Circle of Wellbeing, VOKA, ETION, FOST Plus, VCK (Flemish Institute for Quality Control)</li> </ul> <p>We also refer to the Annual Report 2023, Chapter 2, pages 144-147.</p>
Disclosure 2-29	<b>Approach to stakeholder engagement</b>	<p>Lotus Bakeries engages with all its stakeholders on an ongoing basis, via business contacts, meeting sessions with internal and external stakeholders, cooperation initiatives, exchange of information, various projects, conferences, brainstorm sessions, both on corporate level but also on regional and local level.</p> <p>This engagement has been especially intensified in 2023 during the performance of a double materiality assessment. We refer to our Annual Report 2023, Chapter 2, Our Materiality, pages 72-79.</p> <p>Lotus Bakeries engaged with:</p> <ul style="list-style-type: none"> <li>• Employees;</li> <li>• Audit &amp; Sustainability Committee;</li> <li>• Suppliers of Raw Materials and Packaging;</li> <li>• Retail and away-from-home customers;</li> <li>• Consumers;</li> <li>• Representatives of farmers;</li> <li>• Bankers;</li> <li>• Investors;</li> <li>• Research Institutions.</li> </ul> <p>Via its Foundation for Education Lotus Bakeries engages with vulnerable groups, especially children and young people. We refer to our Annual Report 2023, pages 138-143 for more information on Lotus Bakeries Foundation for Education.</p>
Disclosure 2-30	<b>Collective bargaining agreements</b>	<p>All employees have the right to collective bargaining.</p> <p>The right of collective bargaining and freedom of association is included in our Code of Conduct, which is publicly available in different languages on our website. At 31.12.2023, 74% of our employees are covered by collective bargaining agreements.</p>

## GRI 3 – MATERIAL TOPICS 2021

Disclosure 3-1	<b>Process to determine material topics</b>	<p>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.</p> <p>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.</p> <p>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 ESRS 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.</p> <p>We refer to the Annual Report 2023, Chapter 2, Our Materiality, pages 72-79.</p>
Disclosure 3-2	<b>List of material topics</b>	<p>We refer to the Annual Report 2023, Chapter 2, Our Materiality, the Materiality Matrix, pages 76-77.</p> <p>The double materiality assessment shows which of the 22 key topics, identified as most relevant for Lotus Bakeries, can have a material impact on the Group and which topics we as a company can have a material impact on. 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.</p> <p>Based on these assessments 14 material topics are withheld.</p> <p>We refer to the Annual Report 2023, Chapter 2, pages 76-77.</p>
Disclosure 3-3	<b>Management of material topics</b>	<p>The material topics are clustered in environment, social and governance related topics. A new ESG Governance Structure has been implemented.</p> <p>We refer to the Annual Report 2023, Chapter 2, ESG Governance, pages 68-69 and Chapter 4, Audit &amp; Sustainability Committee, page 189.</p>

# TOPIC STANDARDS

## GRI 201: ECONOMIC PERFORMANCE 2016

Disclosure 201-1	<b>Direct economic value generated and distributed</b>	We refer to the Financial Supplement of the Annual Report 2023.
Disclosure 201-2	<b>Financial implications and other risks and opportunities due to climate change</b>	<p>The business of Lotus Bakeries depends primarily on the availability of key raw materials such as flower, sugar, eggs, oils, fats, fruit and vegetables. Events such as changes in temperatures, poor-weather conditions, soil degradation can negatively impact the availability and price of these raw materials and affect the business. Climate change has an impact on the agricultural regions where those raw materials are grown.</p> <p>Lotus Bakeries is conscious of the negative impact certain crops can have on the environment and also on the communities living in the areas where they are grown. We refer to the Annual Report 2023, Chapter 4, Principal risks and mitigating measures, page 209.</p> <p>To mitigate these risks, Lotus Bakeries has various policies in place to guarantee a sustainable procurement, to avoid deforestation, to have sustainable packaging and to reduce its carbon footprint, while respecting human rights, in line with our Human Rights Policy. We refer to our Annual Report 2023, pages 86-103.</p>
Disclosure 201-3	<b>Defined benefit plan obligations and other retirement plans</b>	Lotus Bakeries accounts for its pension liabilities according its valuation rules, we refer to the Financial Supplement to the Annual report 2023, note 6. Employee Benefit Expenses, page 21, and to Note 23. Employee benefit obligations, pages 42-43.
Disclosure 201-4	<b>Financial assistance received from government</b>	During the reporting period no material government grants were received.

## GRI 203: INDIRECT ECONOMIC IMPACTS 2016

Disclosure 203-2	<b>Significant indirect economic impacts</b>	<p>With its Foundation for Education Lotus Bakeries wants to contribute to carefully selected educational projects aimed at high quality education for vulnerable or disadvantaged children and young people. Lotus Bakeries is convinced that education is the key to breaking the vicious circle of poverty. Lotus Bakeries is further supporting the emancipation of women and contributing to sustainable agriculture. We refer to the Annual Report 2023, Chapter 2, Lotus Bakeries Foundation for Education, pages 138-143.</p>
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## GRI 205: ANTI-CORRUPTION 2016

Disclosure 205-2	<b>Communication and training about anti-corruption policies and procedures</b>	<p>The Lotus Bakeries Code of Conduct and Suppliers Code of Conduct contain a zero-tolerance approach towards bribery and corruption.</p> <p>The Code of Conduct states: "We will not offer, pay, seek or accept any payments, gifts or other favours (e.g. promise of a job, offer of a trip, charitable contribution ) to improperly influence a business outcome."</p> <p>The supplier Code of Conduct states: "The Supplier is committed to a zero-tolerance approach towards bribery and corruption: Supplier shall not offer, pay, seek or accept any payments, gifts or other favours (e.g. promise of a job, charitable contribution) to improperly influence a business outcome."</p> <p>Both Codes of Conduct are publicly available on our website in different languages. We refer to <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a>.</p> <p>At the time of introducing the Code of Conduct internal training has been given. Since then the training on the Code of Conduct is part of the onboarding training.</p>
Disclosure 205-3	<b>Confirmed incidents of corruption and actions taken</b>	No confirmed incidents of corruption nor bribery have been reported in the financial year 2023.

## GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016

Disclosure 206-1	<b>Legal actions for anti-competitive behavior, anti-trust and monopoly practice</b>	Lotus Bakeries installed a competition training and compliance programme for all its relevant departments.  Lotus Bakeries has no pending legal actions for anti-competitive behaviour, antitrust and monopoly practices.
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## GRI 207: TAX 2019

Disclosure 207-1	<b>Approach to tax</b>	In its Code of Conduct Lotus Bakeries confirms its commitment to adhere to all applicable laws and regulations.  We further refer to the Financial Supplement to the Annual Report 2023, Note 11, Income taxes, pages 23-26.
Disclosure 207-2	<b>Tax governance, control and risk management</b>	Tax governance is part of the overall governance structure. Within the EXCO, the CFO is managing tax risks. Within the Board of Directors the Audit & Sustainability Committee is overseeing the tax governance.

## GRI 301: MATERIALS 2016

Disclosure 301-1	<b>Materials used by weight or volume</b>	Lotus Bakeries has a packaging policy built around three pillars: <ol style="list-style-type: none"> <li>1. Reduce what we use</li> <li>2. Design for tomorrow</li> <li>3. Aim for circularity</li> </ol> <p>For the reductions realized during the reporting period we refer to our Annual Report 2023, Chapter 2, page 85 and pages 93-94.</p> <p>Lotus Bakeries commits the packaging of all its brands to be 100% technical recyclable by 2025. For the recyclability we refer to our Annual Report 2022, Chapter 2, page 85 and pages 96-99. The percentage of technical recyclability for the packaging of all Lotus Bakeries brands increased from 97% in 2022 to 98% in 2023. For the use of recycled content we refer to disclosure 301-2.</p>						
Disclosure 301-2	<b>Recycled input materials used</b>	Lotus Bakeries prefers to use recycled content for its packaging without losing sight of the requirements for quality and functionality. The Company aims for the maximum technically achievable. <p>As per end 2023 Lotus Bakeries uses in different packaging materials recycled content:</p> <table border="0"> <tr> <td>Glass:</td> <td>58%</td> </tr> <tr> <td>Cardboard:</td> <td>79%</td> </tr> <tr> <td>Plastic:</td> <td>1% - this percentage remains low as it is not allowed to use recycled content in food contact materials</td> </tr> </table> <p>We refer further to the Annual Report 2023, Chapter 2, pages 98-99.</p>	Glass:	58%	Cardboard:	79%	Plastic:	1% - this percentage remains low as it is not allowed to use recycled content in food contact materials
Glass:	58%							
Cardboard:	79%							
Plastic:	1% - this percentage remains low as it is not allowed to use recycled content in food contact materials							

## GRI 302: ENERGY 2016

Disclosure 302-1	<b>Energy consumption within the organisation</b>	The total energy consumption was 184,556 MWh. The amount from renewable sources was 2,294 MWh. The energy consumption includes electricity, gas, fuel and coal, used in all our sites. The decrease of the amount from renewable sources compared to last year can be explained by the decision not to buy green electricity certificates. <p>An important part of the non-renewable energy relates to the use of natural gas in the production processes.</p>
Disclosure 302-3	<b>Energy intensity</b>	Energy consumption includes electricity, gas, fuel, coal in our owned sites. The energy ratio is based on the total energy consumption in the owned sites per tonne produced. The energy intensity ratio per ton of production is 1,119 kWh/ton. The CO <sub>2</sub> e-emissions from energy used in our owned sites have been fully offset with VCUs.

## GRI 303: WATER & EFFLUENTS 2018

Disclosure 303-1	<b>Interactions with water as a shared resource</b>	Besides withdrawing water from municipal water supplies Lotus Bakeries is also collecting rainwater and uses some groundwater. It is re-using water as much as possible. <p>The total withdrawal of water during the reporting period amounts to 117,203 m<sup>3</sup> of which 104,760 m<sup>3</sup> was discharged. The source of the total intake expressed in % is: 80% from third parties 19% groundwater 1% rainwater Before discharging 41% was treated by purification processes, the remaining part could be discharged without special treatment as it was compliant with local imposed criteria.</p>
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## GRI 305: EMISSIONS 2016

Disclosure 305-1	<b>Direct (Scope1) GHG emissions</b>	The total direct (Scope1) GHG-emissions are 27,825 tCO <sub>2</sub> e.  All GHG emissions are included.  The calculation of the carbon footprint is done according the GHG Protocol. The scope of the calculation includes all consolidated companies of the Lotus Bakeries Group.  The scope 1 emissions of the owned sites have been offset with VCUs.
Disclosure 305-2	<b>Energy indirect (Scope2) GHG emissions</b>	The total Scope 2 emissions amount to 12,648 tCO <sub>2</sub> e market based. Scope 2 concerns electricity as Lotus Bakeries is not buying steam.  The scope 2 emissions of the owned sites have been offset with VCUs.
Disclosure 305-3	<b>Other indirect (Scope 3) GHG emissions</b>	The total Scope 3 emissions amount to 516,802 tCO <sub>2</sub> e. The Scope 3 emissions are calculated according the GHG protocol and include all categories of scope 3 emissions of our total upstream and downstream value chain. Primary data are used as much as possible. As most of the suppliers are not yet providing primary data per product, the emission factors we use are based on secondary data from databases.  Total upstream scope 3 amounts to 496,145 tCO <sub>2</sub> e and total downstream scope 3 amounts to 20,657 tCO <sub>2</sub> e.  Given the fact that Lotus Bakeries produces and sells food products the environmental impacts from its Products-End-of-Life do not generate hazardous waste. The CO <sub>2</sub> e-emissions relating to Products-End-of-Life are less than 3% of total scope 3 emissions.
Disclosure 305-4	<b>GHG emissions intensity</b>	The intensity rate of the scope 1 emissions of the owned sites amount to 170,2 kgCO <sub>2</sub> e/tonne produced. The intensity rate of the scope 1 and 2 emissions of the owned sites amount to 247 kgCO <sub>2</sub> e/tonne produced. The intensity rate of scope 1,2 and 3 emissions of all consolidated companies and investments amount to 524,3 tonnes CO <sub>2</sub> e/mEUR. All GHG are included. We also refer to the Annual Report, Chapter 2, page 85.
Disclosure 305-5	<b>Reduction of GHG emissions</b>	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 our scope 3 emissions need to be expressed in FLAG and Non-FLAG emissions. FLAG emissions cover a wide range of GHG emissions from activities in Forests, Land and Agriculture Sectors. They occur from cradle to farm gate, which means any activity that happens on-farm, as well as upstream activities like the manufacture of inputs such as fertilizers. As a consequence our reduction target for scope 3 need to cover both FLAG and non-FLAG emissions.  For different reduction measures taken in 2023 we refer to our Annual Report 2023, Chapter 2, pages 86-92.

## GRI 306: WASTE 2020

Disclosure 306-1	<b>Waste generation and significant waste-related impacts</b>	The activities of Lotus Bakeries generate waste in its own activities and downstream. The waste in its own activities relate to production waste, grease, residual waste, paper/cardboard. The waste generated downstream relates to the end-of life of the products and packaging of our products. We refer to the Annual report 2023, Chapter 2, page 85.
Disclosure 306-2	<b>Management of significant waste-related impacts</b>	In first instance Lotus Bakeries wants to limit the generation of waste as much as possible. Targets are set and monthly reported and reviewed. Different types of waste are sorted to facilitate recycling. Waste registers according legislative obligations are kept where needed. The major part of our production waste is re-used as animal feed.  Lotus Bakeries supports various systems and initiatives for collecting and recycling of waste, amongst others Ceflex, the Flexible Plastic Fund and contributes to 'Extended Producer Responsibility' systems in various European countries.  Lotus Bakeries is designing the packaging of all its branded products to become 100% recyclable by 2025. Lotus Bakeries uses recycled content in its packaging. We further refer to the Annual Report 2023, Chapter 2, pages 94-99.
Disclosure 306-3	<b>Waste generated</b>	The amount of waste per tonne produced in Lotus Bakeries owned sites is 72 kg waste per tonne produced. This amount includes residual waste, production waste, grease, paper, cardboard.  The total quantity of waste in Lotus Bakeries owned sites amounts to 35.839 tonnes and includes not only residual waste, production waste, grease, paper and cardboard, but also other classes of waste amongst others glass, metal, construction waste, plastic and wood.

## GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016

Disclosure 308-2	<b>Negative environmental impacts in the supply chain and actions taken</b>	Lotus Bakeries is aware of the possible negative impact of the cultivation of key raw materials (such as palm oil, cocoa) on the environment, in particular deforestation as well as the possible social impact in the regions where these raw materials are cultivated.  We refer to the Annual Report, Chapter 4, Report of the Board of Directors, Enterprise Risk Management, page 209 and Chapter 2, Sustainable Sourcing, pages 100-102.  100% of palm oil sourced by Lotus Bakeries is RSPO certified. Key palm oil suppliers of Lotus Bakeries are not only requested to sign the Suppliers Code of Conduct but also to sign and adhere to the principles of the Palm Oil Policy of Lotus Bakeries.  We refer to the Annual Report, Chapter 2, pages 100-102 and page 125.  100% of the cacao mass and cacao butter of the Lotus® Biscoff® Chocolate bars is Rainforest Alliance certified.  The soybean flower in the Lotus® Biscoff® products is IP certified.  We further refer to our Annual Report 2023, Chapter 2, pages 100-102.
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## GRI 401: EMPLOYMENT 2016

Disclosure 401-1	<b>New employee hires and employee turnover</b>	During the reporting period in total 734 new employees were hired in different age categories, of which 8% in the category of above 50 year.  During the reporting period 457 departures occurred, 238 female and 219 male employees.  The labour turnover rate of the internal workforce is 16%, 13% voluntary leavers and 3% involuntary leavers. 3% of voluntary leavers can be attributed to natural causes such as the end of fixed term employment contracts, health reasons or retirement.  We refer to the Annual Report 2023, Chapter 2, page 108-111 and page 114.
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## GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018

Disclosure 403-2	<b>Hazard identification, risk assessment, and incident investigation</b>	An occupational health and safety management system has been implemented in all our sites.  All occupational accidents are registered and analysed and the necessary measures to mitigate risks are implemented. Every injury needs to be investigated and proper corrective actions need to be implemented.  Monthly the total amounts of occupational accidents and the lost-time occupational accidents are reported. Lost-time occupational accidents are accidents whereby the employee is unable to return to work the following day.  The severity and frequency are monthly calculated and reported per site. The frequency rate for the group amounts to 18,62. The severity rate for the group is 0,53. In 2023 no fatalities occurred. The number of occupational accidents involving absence from work decreased to 75 (2022:85). Different programs were introduced to increase the awareness levels.  The Lotus Manufacturing South Africa site became fully accredited with ISO 45001. In the Netherlands, the Geldrop and Enkhuizen production sites have the occupational health and safety vignette from VBZ (Vereniging voor Bakkerij en Zoetwaren Industry).  We refer to the Annual Report 2023, Chapter 2, pages 120-122.
Disclosure 403-4	<b>Worker participation, consultation and communication on occupational health and safety</b>	In the production sites of Lotus Bakeries processes are put in place to allow the workers to point out possible hazardous situations and to suggest processes to mitigate these. We further refer to the Annual Report 2023, Chapter 2, page 120-122.
Disclosure 403-5	<b>Worker training on occupational health and safety</b>	In the production sites of Lotus Bakeries regular training programs on health and safety issues are organized. We further refer to the Annual Report 2023, Chapter 2, page 120-122.

## GRI 404: TRAINING AND EDUCATION 2016

Disclosure 404-1	<b>Average hours of training per year and per employee</b>	The total number of training hours amounts to 43,848. The average number of training hours per employee amounts to 15.  We refer to the Annual Report, Chapter 2, Empowering our employees, pages 112-114.
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Disclosure 404-2 <b>Programs for upgrading employee skills and transition assistance programs</b>	<p>Lotus Bakeries has different programs in place to provide various forms of training. It has on the job training, an on boarding training for all new hires, it organises special courses on specific topics, has HR community meetings, Finance community meetings, sales meetings.</p> <p>Lotus Bakeries organized during the reporting period amongst others special courses for all its internal employees worldwide in the Marketing, Sales, Category Development and Procurement Departments on Competition Law and Export Regulations.</p> <p>We refer to the Annual Report 2023, Chapter 2, page 128.</p> <p>Lotus Bakeries further developed targeted training programs to enhance the knowledge and the awareness on data security.</p> <p>We refer to the Annual Report 2023, Chapter 2, page 129.</p> <p>Since 2020 Lotus Bakeries has a Young Graduate Program. Lotus Bakeries wants to keep talent-in-house and gives its employees the possibility for internal promotion or change of functions. The internal mobility rate for white collar and staff is 17%, in total 90 female and 66 male employees.</p> <div data-bbox="601 611 1297 801"> <table border="1"> <caption>INTERNAL MOBILITY BY AGE WHITE COLLAR AND STAFF</caption> <thead> <tr> <th>Age Group</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>&lt;30</td> <td>35</td> <td>23%</td> </tr> <tr> <td>30-39</td> <td>65</td> <td>42%</td> </tr> <tr> <td>40-49</td> <td>38</td> <td>24%</td> </tr> <tr> <td>50-59</td> <td>16</td> <td>10%</td> </tr> <tr> <td>60+</td> <td>2</td> <td>1%</td> </tr> </tbody> </table>   <table border="1"> <caption>INTERNAL MOBILITY BY GENDER WHITE COLLAR AND STAFF</caption> <thead> <tr> <th>Gender</th> <th>Count</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>MALE</td> <td>66</td> <td>42%</td> </tr> <tr> <td>FEMALE</td> <td>90</td> <td>58%</td> </tr> </tbody> </table> </div> <p>We further refer to the Annual Report 2023, Chapter 2, pages 112-114.</p>	Age Group	Count	Percentage	<30	35	23%	30-39	65	42%	40-49	38	24%	50-59	16	10%	60+	2	1%	Gender	Count	Percentage	MALE	66	42%	FEMALE	90	58%
Age Group	Count	Percentage																										
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Disclosure 404-3 <b>Percentage of employees receiving regular performance and career development reviews</b>	<p>We invest in a culture of open feedback and two-way communication because we believe this increases engagement, motivation and performance.</p> <p>The performance process for all office workers is fully integrated into the global HR platform MyLotus. The operational workers, use a non-digitalized 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.</p> <p>100% of the office employees are invited at least yearly to participate in performance and career reviews. All feedback is documented through our Global HR platform.</p> <p>We refer to the Annual Report, Chapter 2, Empowering our employees, page 112.</p>
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## GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016

Disclosure 405-1 <b>Diversity of governance bodies and employees</b>	<p>Lotus Bakeries has a good gender balance in the different countries where it operates. For an overview of the gender balance at different levels in the Company and in the different countries we refer to the Annual Report 2023, Chapter 2, pages 105-107.</p> <p>Additionally there is a high level of diversity in age categories. We refer to the Annual Report 2023, page 107.</p> <p>To increase diversity in experience Lotus Bakeries offers its employee various opportunities to acquire additional experience by moving to other functions. We refer to Disclosure 404-2.</p>
Disclosure 405-2 <b>Ratio of basic salary and remuneration of women to men</b>	We refer to the Annual Report, Chapter 2, page 107.

## GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016

Disclosure 407-1 <b>Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.</b>	<p>The Code of Conduct and the Suppliers Code of Conduct explicitly state that all workers should have the freedom of association and a right to collective bargaining. Both Codes are publicly available in different languages. We refer to our website <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a> and to our Annual Report 2023, Chapter 2, pages 127-132.</p> <p>According to the Human Rights Policy, installed during 2023, Lotus Bakeries respect its employees' right to form and join trade unions and other worker organizations. In countries where there is no legal basis for trade unions or other worker organizations, we maintain open and constructive communication with our employees to ensure that the rights of our employees are protected and to establish effective representation of their interests.</p> <p>Within Lotus Bakeries 74% are covered by collective bargaining agreements.</p>
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## GRI 408: CHILD LABOR 2016

Disclosure 408-1 <b>Operations and suppliers at significant risk for incidents of child labor</b>	<p>The Code of Conduct and the Suppliers Code of Conduct of Lotus Bakeries expressly prohibit child labor. All workers should be of an appropriate age. Children's right to childhood &amp; education should be respected at all times and no child labour is accepted (as defined by the ILO International labour Standards on child labour).</p> <p>During 2023 Lotus Bakeries installed its Human Rights Policy, according to which Lotus Bakeries does not employ children or young people under the minimum age for employment as set in Convention 138 of the International Labor Organization or, if higher, the age specified by local legislation.</p> <p>In its own operations Lotus Bakeries does not allow child labor. Both Codes and the Human Rights Policy are publicly available in different languages. We refer to our website <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a> and to our Annual Report 2023, Chapter 2, pages 126-132.</p>
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## GRI 409: FORCED OR COMPULSORY LABOR 2016

Disclosure 409-1 <b>Operations and suppliers at significant risk for incidents of forced or compulsory labor</b>	<p>Lotus Bakeries Code of Conduct and its Suppliers Code of Conduct foresee that work should be conducted on a voluntary basis and on the basis of documented terms of employment. All workers should be paid fair wages, in line with applicable laws and appropriate prevailing industry standards.</p> <p>Both Codes are publicly available in different languages.</p> <p>During 2023 Lotus Bakeries installed its Human Rights Policy, according to which Lotus Bakeries does not tolerate any form of forced labour.</p> <p>We refer to our website <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a> and to our Annual Report 2023, Chapter 2, pages 126-132.</p>
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## GRI 417: MARKETING AND LABELLING 2016

Disclosure 417-1	<b>Requirements for product and service information and labelling</b>	<p>The Code of Conduct requests transparency, clear and accurate communication. The Code of Conduct is publicly available in different languages.</p> <p>We refer to our website <a href="http://www.lotusbakeries.com">www.lotusbakeries.com</a> and to our Annual Report 2023, Chapter 2, pages 125-132 and pages 136-137.</p> <p>Lotus Bakeries has a system in place to guarantee that all our packaging's follow the Food Law Regulations in all different countries where we sell our products, amongst others the European Regulation on Food Information for Consumers.</p> <p>There is an active follow-up of the legislation in all regions with Lotus production sites and/or Sales Offices and a follow-up of the legislation in other countries via our distributors. Lotus Bakeries' Corporate QA department keeps up to date by using regulatory compliance databases, federation memberships (Caobisco-EU, Fevia-BE,...),... Product specifications are reviewed at least 3-yearly.</p>
Disclosure 417-2	<b>Incidents of non-compliance concerning product and service information and labelling</b>	No legal proceedings to be reported.
Disclosure 417-3	<b>Incidents of non-compliance concerning marketing communications</b>	No legal proceedings to be reported.

## GRI 418: CUSTOMER PRIVACY 2016

Disclosure 418-1	<b>Substantiated complaints concerning breaches of customer privacy and losses of customer data</b>	<p>Lotus Bakeries does all it can to protect its own confidential information and the confidential information of third parties. The Code of conduct requests to secure information.</p> <p>For the various actions we refer to the Annual Report 2023, Chapter 2, Ethical business practices and respect for Human Rights, 6. Securing information page 129.</p>
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# GRI CONTENT INDEX

Statement of use	Lotus Bakeries NV has reported the information cited in this GRI content index for the period 01.01.2023-31.12.2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Page 4
	2-2 Entities included in the organization's sustainability reporting	Page 4
	2-3 Reporting period, frequency and contact point	Page 4
	2-4 Restatements of information	Page 4
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## Concept and realisation

Lotus Bakeries and Duval Branding  
[duvalbranding.com](http://duvalbranding.com)

## Illustrations

Sören Selleslagh  
[sorenselleslagh.com](http://sorenselleslagh.com)

Sustainability is key at Lotus Bakeries; this report was printed on recycled paper.





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