

Sustainably towards a better world





We believe that
sustainability is
a force for good
and a force for
growth.

Nele Van Malderen
Chief Communications
& Sustainability Officer

Guido Vanherpe
Chief Executive Officer



For more than 80 years, LLBG has been driven by its strong company values. Through the value of respect – for product, planet & people – **sustainability has been part of our key beliefs from the very beginning.**

Anno 2022, it's time to step up our sustainability ambition. Because when it comes to our planet, **there is no time to waste: our future depends on what we do today.** That's why we have made sustainability an integral part of our 5-year strategy, setting clear ambitions towards 2027 and 2039, the year of our company's 100th anniversary.

Bakery products can contribute to the transformation towards a more sustainable food system. Bread is a low-carbon product that will play an increasingly important role in the journey

towards a more balanced and plant-based diet. Nevertheless, we should be conscious of our carbon footprint and be part of the solution towards a net zero world. Every kilogram of CO₂ counts, and **it is essential that we decouple our growth from our carbon emissions.**

At LLBG, we believe that sustainability is a force for good and a force for growth. **We want to become a bigger, but above all a better company.** While reaching our sustainability goals will take time, we are confident we will deliver. Not only due to our solid sustainability strategy, explained in this brochure, but also thanks to the commitment of our co-workers. It is only **by joining forces and by all becoming sustainability ambassadors** that we will reach our sustainability ambitions, and bake a better world together!



At LLBG, we're baking a better world together.
For more than 80 years, we have been driven by our genuine
respect for product, planet & people, the foundations of
our sustainability strategy towards 2050.

Respect for product, planet & people

With **respect for product, planet & people** embedded in our DNA, as one of our company values, sustainability is nothing new for LLBG. Nevertheless, our fast-changing world has urged us to accelerate our sustainability initiatives, calling for a **renewed sustainability strategy with bolder sustainability ambitions**.

In 2021, after consulting our family shareholders, we focused on understanding our sustainability challenges and clarifying our sustainability vision. We're proud to say that we now have a well-defined sustainability strategy, built on our product-planet-people foundation, with **10 company-wide projects** to deliver our sustainability ambitions.



10 company-wide projects to deliver our sustainability ambitions

#1
Responsible
sourcing



#2
Sustainable
innovation

#3
Purpose-led
brands



#4
Reporting &
carbon roadmap



#5
Energy transition
& reduction



product

#7
Circular
packaging



#9
Community



#6
Wheat & regenerative
agriculture



#8
Zero food
waste



#10
Happy employees



planet



people

Team behind LLBG's sustainability program

Program **Sponsor**



Nele Van Malderen
Chief Communication
& Sustainability Officer

Program **Manager**



Sidonie Descheemaeker
Sustainability Program
Manager

Our team of Project Managers



Ilse Wuyts
Responsible sourcing



Felix Zwaenepoel
Sustainable innovation



Pieter Sercu
Purpose-led brands



Toon De Roeck
Reporting & carbon
roadmap



Sebastian Vermeulen
Zero food waste



Artur Starek
Circular packaging



Gita Prochazkova
Wheat & regenerative
agriculture



Jan Sinnaeve
Energy transition &
reduction



Quality product

A better world through top-quality products.

By embedding sustainability into our sourcing strategy, product innovation & purpose-led brands, we treat the world with bakery products that are better for people and better for the planet.





Responsible sourcing

Project:

Purchased goods & services count for almost 70% of our carbon emissions. At LLBG, we strive for a **sourcing strategy that excels in the traditional procurement KPI's as well as sustainability**, enabling us to do business in an ethical way and make lower environmental and stronger social impact.

Ambitions:

In 2023, we will step up our sourcing ambitions in a **renewed supplier code of conduct**, integrating Environmental, Social and Governance (ESG) criteria. This new supplier code of conduct will enable us to **engage with our suppliers** & respect ESG standards.

Achievements:



All **palm oil** is
RSPO certified



All **cacao** is
RFA certified



Our **Ecovadis Bronze Medal**
shows that we move forward
as a responsible supplier of
bakery products towards our
LLBG customers





Sustainable innovation

Project:

Innovation shapes the future. At LLBG we go for **sustainable product leadership**, because a **better product** is a **more sustainable & healthier** product.

Ambitions:

In 2023, we will implement our new strategic innovation framework, **integrating health & sustainability as sources of innovation**, to create a portfolio with a good balance between healthy & indulgent bakery products.

Achievements:



NAFNAC **donuts**:
no artificial flavors, no artificial
coloring



Tarte à Moi Healthy Pleasures:
patisserie with nutriscore A and B



Nutritious **bread** products, rich in
fibers & made with sprouted grains



Oat & multigrain **rolls**: a healthy twist
on the icon Belgian butter roll





Purpose-led brands

Project:

At LLBG, we are driven by our purpose to bake a better world together. We strive for a **portfolio of purpose-led brands that are forces for growth and forces for good.**

Ambitions:

All our main brands will undergo a purpose brand check, **integrating purpose and sustainability** into their positioning. The result? LLBG brands that tell a story, further translated into inspiring brand activation plans.







Healthy planet

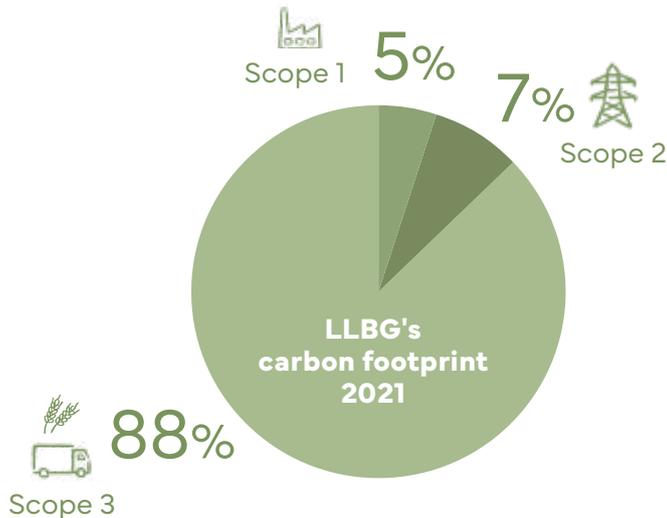
A better world with a healthier planet.

By reducing our greenhouse gas emissions to what science says is necessary, we want to keep our planet healthy & limit global warming. For our own emissions and for our upstream and downstream value chain. But caring for our planet is about more than carbon. It's also about soil health, waste reduction & giving back to our communities.





Reporting & carbon roadmap



Transparently reporting our sustainability ambitions is key to track progress and engage with (future) employees.

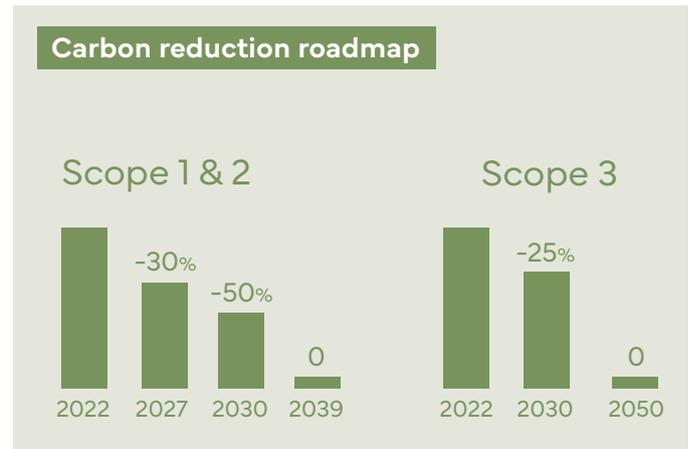
Every year, we conduct a company-wide **carbon footprint analysis**, giving insights in the carbon intensity of our activities and identifying our carbon emission hotspots.

Our carbon footprint analysis shows that only **12%** of our carbon emissions are directly linked to our own activities (scope 1 & 2), while **88%** of our emissions are indirect and come from our upstream and downstream value chain (scope 3). These indirect emissions are strongly driven by our most important raw material, wheat.

Our **carbon reduction targets?**

We want to reach net zero for our own carbon emissions (scope 1 & 2) by **2039**, the year of our 100th anniversary, by reducing our energy consumption and shifting to renewable energy.

And we want to reach net zero for our entire value chain by **2050**, by focusing on regenerative wheat farming, circular packaging and zero food waste.





Energy transition & reduction

Project:

LLBG is committed to **reduce its energy consumption** to the technical minimum, because the best energy is the energy we don't use. For the energy consumption we simply can't avoid, we will **shift to renewable energy sources** in the years to come.

Ambitions:

4% energy
reduction
year-on-year

Reduction of scope 1 & 2 emissions:

-30%
by 2027

Net zero
by **2039**

Achievements:



La Lorraine Poland will switch to **100% green electricity in 2023**, reducing its scope 1 & 2 emissions with 75% (yearly carbon reduction of 35.000 tonnes)



La Lorraine Romania sources about 15% of its energy consumption from **solar panels**



The renewed car policy in Belgium will lead to a fully **electrified fleet by 2030**





Wheat & regenerative agriculture

Project:

We want the best of nature, for nature. That's why we actively support the **shift to a more sustainable and regenerative way of wheat farming**. To reduce our carbon footprint, as wheat is our main CO₂-driver, but also to improve soil health, increase food security and ensure our product quality.

Ambitions:

- Reduce the use of **fertilizers** & optimize farming practices, reducing our wheat carbon footprint with 20% by 2027
- Restore **soil health** to capture more carbon from the atmosphere through our wheat fields
- **Support farmers and suppliers** in the shift towards regenerative agriculture



Achievements:

Test fields to obtain primary carbon data on **wheat varieties & fertilizer applications**



Pilot projects to **source sustainable wheat**



Creation of **ecosystems** in which farmers, cooperatives, millers, bakers, universities & customers join forces to transition to more sustainable farming practices.





Circular packaging

Project:

At LLBG, we want to lower our environmental footprint by optimizing our packaging. This through the '3R' framework: reducing, reusing & recycling.

Ambitions:

We want to reach

100% packaging circularity
by 2025

Achievements:

75%

of our packaging

**contains recycled
materials**

90%

of our packaging

is recyclable

New La Lorraine
cardboard boxes

less CO₂, less water,

less ink & no bleaching

products





Zero food waste

Project:

While the planet's growing population needs more food than ever, 40% of all food is lost between farm and fork. At LLBG, we strive for **zero food waste**: across our own operations, at our points of sale and at the level of our consumers.

Ambitions:

-50%

internal

food waste
by **2030**

-50%

external

food waste
by **2050**



Achievements:

>5000 tonnes
of food surpluses are recuperated for
bio-gasification

successful **reduction journey**
in Czech Republic: only
7% food waste

Too Good To Go@Panos:
close to
50.000 meals
saved per year



Community

Project:

LLBG wants to give back to the local communities it operates in. To **increase our community impact**, we focus on two types of community initiatives.



Good bread
for all

Access to good
food for everyone



Atelier
La Lorraine

Education of
underprivileged
youngsters

Ambitions:

Good Bread for All:

at least 1 structural community project per market by the end of 2025.

Atelier La Lorraine:

two pilot projects up and running by the end of 2023.





Achievements:

20+

food donation initiatives

across countries

In Belgium:

support to **Habbekrats,**
a youth welfare organization

In Romania:

kick-off of **education partnership**
with local schools working on
LLBG specific curriculum



Happy people

A better world with happier people.

People are our most important strategic asset, and it's our commitment to take good care of our them. Building on our existing employee engagement platforms, we want to give our employees chances to develop to their full potential. Creating unity between happy and healthy employees that thrive in a safe, inclusive & rewarding workplace.





WORKING & LEARNING TOGETHER

At LLBG, we have a culture of continuous improvement. Our motto? 'Never stop learning, because life never stops teaching'. Our **LLBG Academy** offers a varied training program to motivate and keep the best employees. And it's our ambition to accelerate our **life-long learning & development ambitions**. Because when our employees grow, the company grows.

Achievements:

- Since the launch of the LLBG Academy in 2018, we have organized more than **250 different training sessions**, reaching more than **1500 employees**.
- Our '**World of Bread**' training has been a remarkable success, passing our bread know-how on to our employees.



The safety of our co-workers is a top priority. That's why we strive for nothing less than **a zero-accident workplace**. Through safety assessments and a strong focus on prevention & risk management. Without forgetting intern safety campaigns, internal engagement & safety training for our employees.

Achievements:

We are improving our safety parameters, making LLBG a safer place to work:

↓ **21.1** accident
frequency rate
-6% vs 2018

↓ **0.51** accident
severity rate
-42% vs 2018



To live and function at their best, LLBG employees must be in **top physical shape**, **but also have a great mental health**. That's why we added a section on mental wellbeing to our Fit Together platform. Through practical workshops and inspiring keynotes, LLBG aims to have its employees feel good in body and mind.

Achievements:

In **2022**, our employees are moving & collecting kilometers with our Fit Together program to plant more than **3000 trees** in Romania.



CELEBRATE & CARING TOGETHER

Together, we want to celebrate the hard work and engagement of our co-workers through a **renewed recognition program**. We also aim to make our workplace more **diverse & inclusive**, creating an LLBG family where everyone feels at home. Through support to the victims of disasters in our community & donations to humanitarian organizations, **we join forces to care for each other**. Result: a happy & proud LLBG crowd.

Achievements:

- We embrace diversity and are proud of the **64 different nationalities** that work with us.
- Our company-wide **female representation** is 36%, with 33% female managers.
- We created a **LLBG Solidarity Fund**, donating 100.000 Euro to support the victims of the crisis in Ukraine.

We believe we can sustain our growth while moving towards a better world, across generations and beyond borders. Rising high by keeping our environmental footprint low. With sharp goals for tomorrow and a strong commitment to do better, today. With our employees, suppliers, customers and family shareholders, we're going to net zero.

That's how we're baking a better world together.



Baking a better world together
#sustainably

Get inspired by our
sustainability videos.



Are you with us for the better?

