

# EXTERNAL INITIATIVES, COMMITMENTS AND EVALUATIONS

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 channeled 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<sup>1</sup> 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.

<sup>1</sup> 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.

Lotus Bakeries is rated by several independent organisations.  
We have ratings from the following organisations:



#### **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 rating scale is made up of 5 risk levels ranging from severe risk to negligible risk.
- 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.