

A woman and a young boy are walking away from the camera through a vast field of golden grain under a warm, sunset sky. The woman is in the distance, and the boy is in the foreground, both with their backs to the viewer. The field is filled with tall stalks of grain, and the horizon is visible in the distance.

Our sustainable grain 2023

SUSTAINABILITY REPORT

About this report

Organisation name

Dossche Mills NV

Registered office

Clemence Dosschestraat 1, 9800 Deinze

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 www.dosschemills.com/en

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Scope

This is the Dossche Mills 2023 sustainability report. Dossche Mills is one of the business units within the Dossche Group, a family-owned international group in the food industry.

The efforts, results and intentions in this report relate to the activities of Dossche Mills. The next report will be published at the level of the entire Dossche Group. The Dossche Group is active in grain milling and processing (Dossche Mills), Viennese pastries (Gourmand Pastries) and tortilla wraps (Mexma Food).

Preparing for the CSRD

We are preparing for the Corporate Sustainability Reporting Directive (CSRD) with the entire group. That is why this sustainability report from Dossche Mills is already based on the structure and core principles described in the European Sustainability Reporting Standards (ESRS). During the preparation of our first CSRD-compliant report at group level, Dossche Mills carried out a double materiality assessment, which determines the material topics and strategy for the coming years. This exercise will be extended to the group level in the coming period. We will report on this in the next report.

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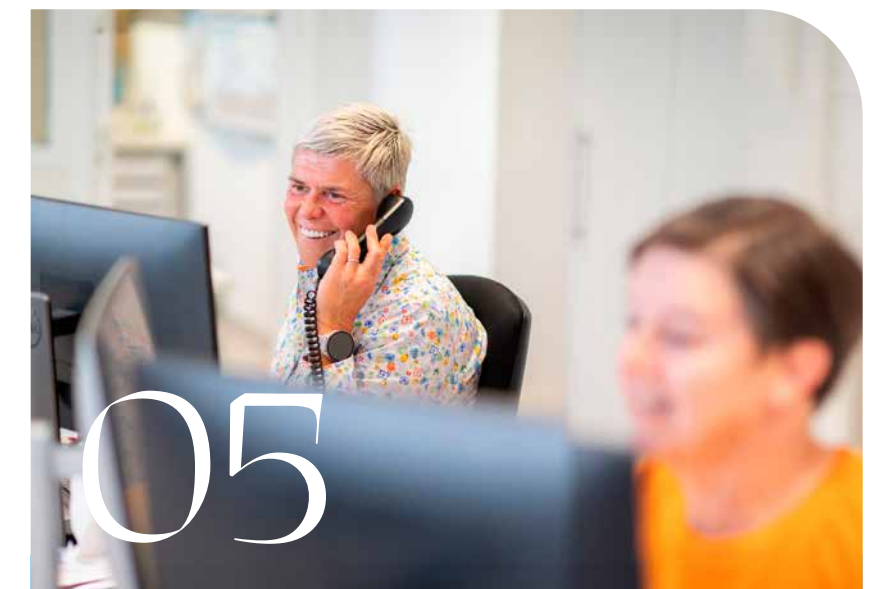
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2023 was an economically challenging year, marked by high inflation, political tensions and increasing regulations. Against this background, Dossche Mills also saw many opportunities. CEO Kristof Dossche looks back on the past period and provides insight into the company's future plans.

“

For us, sustainability is a lever to ensure the health of our company and society.

How would you describe 2023 on a business level? Are you satisfied with the results?

Kristof Dossche: "In 2023, we took further important steps in the implementation of our strategy. We managed the volatility of raw material prices well, were able to keep our costs under control, and the integration of our Dutch sector colleague Waddenmolen also went smoothly. In addition, we continue to refine and streamline our operational processes. In this way, we are strengthening our foundation."

"Dossche Group, of which Dossche Mills is a part, has almost doubled in size in recent years. We owe our success to our four strategic pillars: a healthy foundation, innovation, sustainability, and growth through acquisitions."

How is sustainability integrated into the overall corporate strategy of Dossche Mills?

Kristof Dossche: "Sustainability is not a goal in itself for us, but a lever to ensure the health of our company and society. If we save energy and emit less CO₂, that's good for both us and the climate. The starting point is always: how do we continue to create value for all our stakeholders in the future?"

"In the coming years, we will invest tens of millions to make our processes more sustainable. By 2030, we want to halve our CO₂ emissions compared to 2022, in line with the European climate ambitions. We will start at our own locations, with measures such as efficient energy consumption, solar panels and electric vehicles. We will also focus on innovation, for example



by contributing to the shift from animal to vegetable proteins, with flour as the basis. However, the greatest efforts will be needed in our value chain, because 70% of our annual CO₂ emissions come from wheat cultivation."

What concrete actions do you intend to take to reduce CO₂ emissions there?

Kristof Dossche: "For this, we are looking mainly at our new Terah Program with which we're aiming for two major changes in our value chain. First, we want to focus on the use of more efficient and sustainable fertilisers, which are based on natural resources and greener energy. The development of these fertilisers is expensive, but because we work with a large number of farmers, it's still worthwhile for the industry to invest."

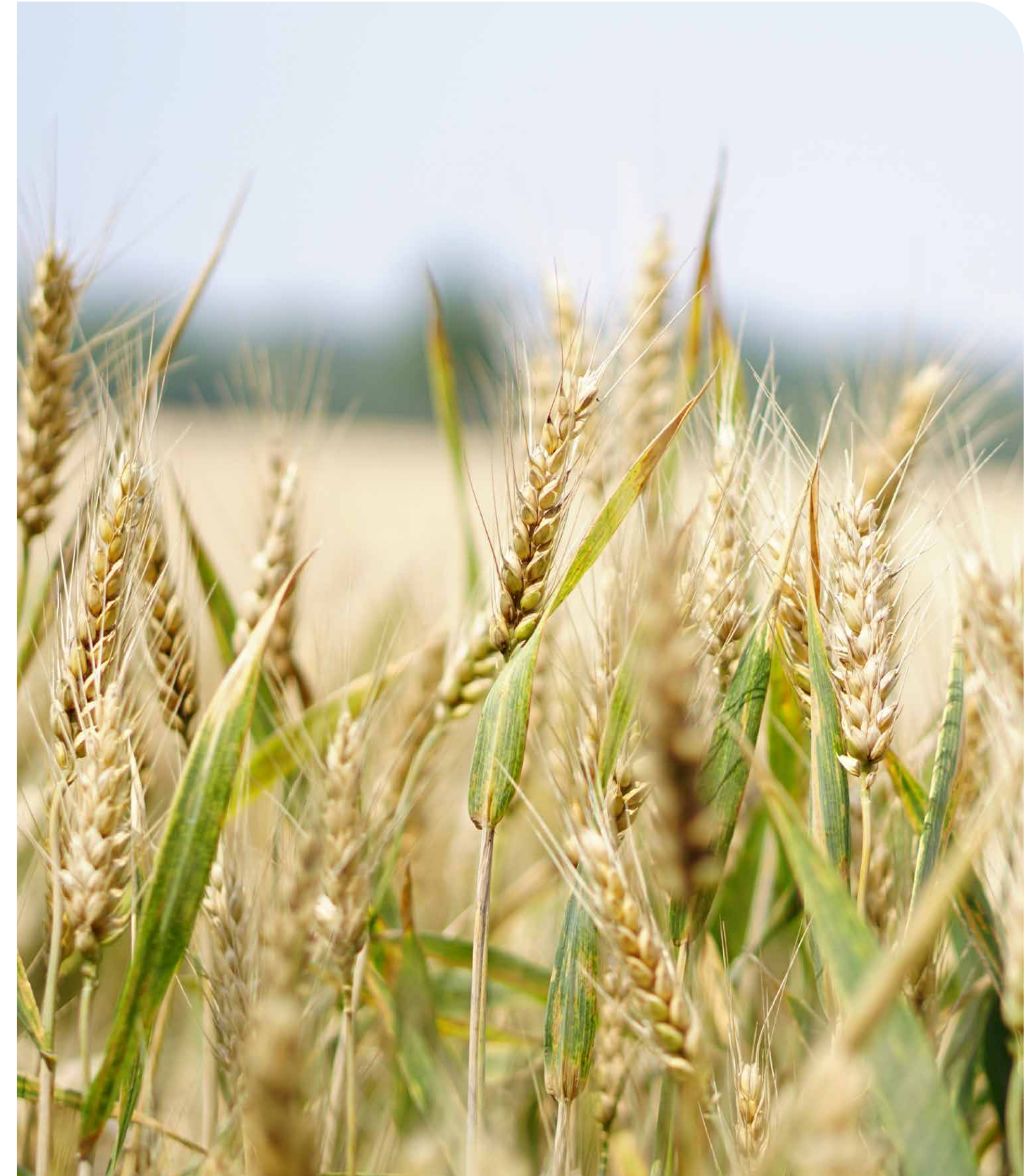
"Second, we want to encourage farmers to embrace regenerative agriculture through the Terah Program. This means that they use techniques that retain more CO₂ in the soil, such as crop rotation and less ploughing. Because this transition takes time and energy, we want to reward our farmers better. We will pay part of the additional costs ourselves, but we also need the supermarkets, food companies and consumers. Together, we will realise the transition to a sustainable economy."

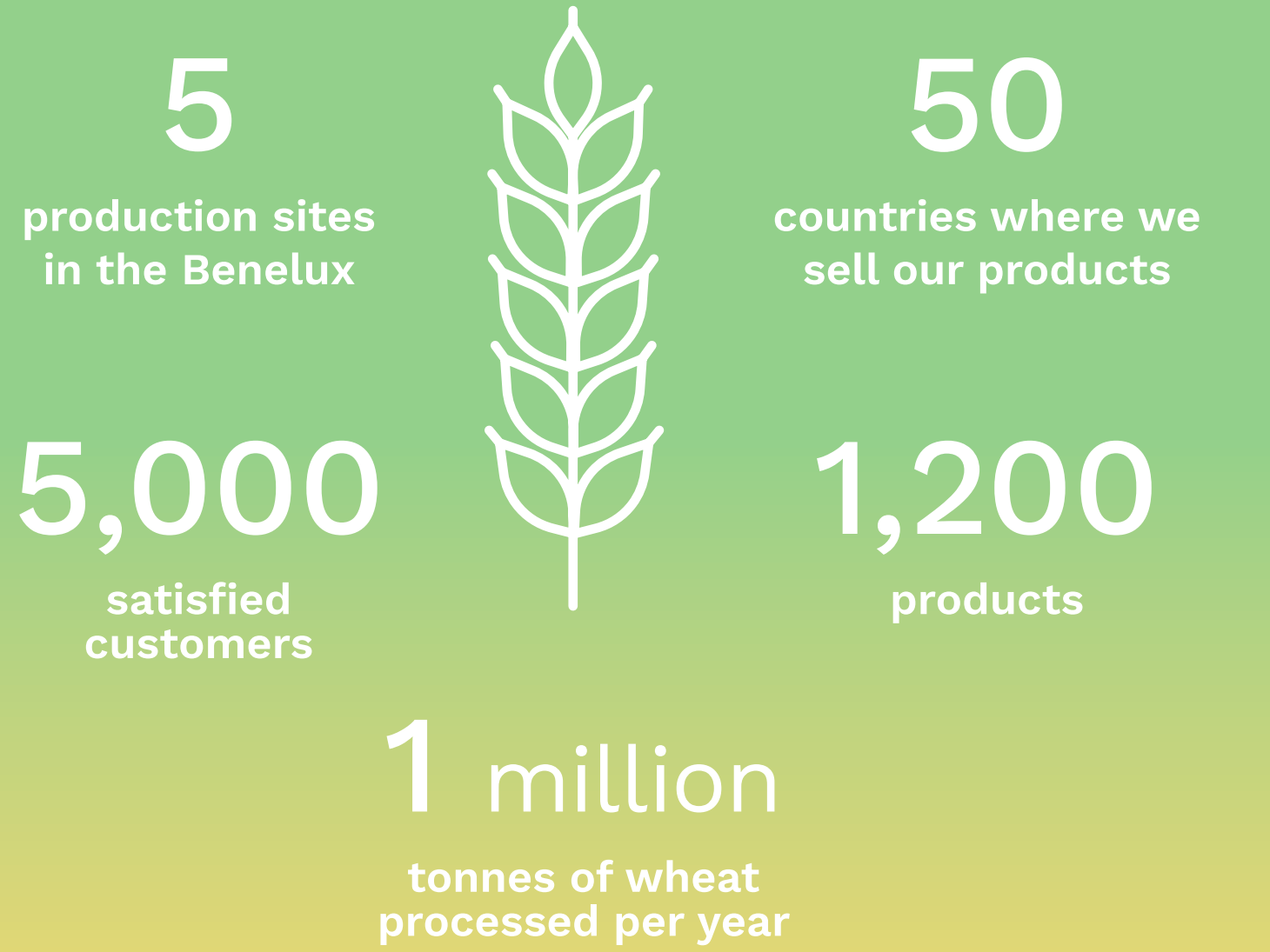
What does the future look like for Dossche Mills?

Kristof Dossche: "In the coming years, we will be strongly focused on growth. Because small bakeries are increasingly being replaced by large industrial bakery groups, we are supplying larger quantities of flour. In addition, we need economies of scale to finance our transition to sustainable flour."

"Our path to growth is challenging, because total flour sales have not increased for years. That is why we are looking for new acquisitions, preferably outside the Benelux region, because Dossche Mills is already the largest player in Belgium and the Netherlands. In 2024, with the acquisition of the German mill M.R., we will double our size. Each acquisition means a larger market share and more opportunities to realise our Terah Program. In five years, we want to achieve a turnover of more than 1 billion euros with our mills. In this way, we can continue to ensure our sustainable future."

We owe our success to our four strategic pillars: a healthy foundation, innovation, sustainability, and growth through acquisitions.





Dossche Mills 2023 in figures



01

Our organisation

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- ♥ Our vision and mission, and the values that guide us
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- ♥ Our locations
- ♥ Our products
- ♥ Our value chain
- ♥ Engaging with our stakeholders
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About Dossche Mills

Dossche Mills is one of the largest mills in Europe. You could say we have a passion for grain: every day we deliver more than 1,200 different bakery products and accessories to around 5,000 customers in 50 countries.

150 years after our founding, we remain a **growing player**, without losing sight of our family values. More than ever, sustainability and innovation are the key to a future-oriented organisation. We are therefore investing heavily in regenerative agricultural practices, digitalisation and innovation, partnerships, and much more.

Our **Terah Program** exemplifies this. Together with all actors in the grain chain – farmers, cooperatives, researchers, producers, (industrial) bakers, etc. – we are aiming for lower emissions, more biodiversity and greater soil resilience.

We are part of the Dossche Group, together with Gourmand Pastries and Mexma Food. We are all active in the food industry. Read more about the Dossche Group [on the website.](#)

More than ever, sustainability and innovation are the key to a future-oriented organisation.



Together we get the best out of grain

Our company baseline is also our purpose: 'Together we get the best out of grain'. This slogan perfectly captures *what* we do (processing grain, a natural product) and *how* we do it (together with our stakeholders). It can hardly get more sustainable, especially if you consider the properties of our main raw material, grain.

1. Grain is a **natural** product. Together with our farmers and their suppliers, we are committed to sustainable agriculture, including through the Terah Program, which reduces the impact of our grain processing on nature and the environment.

2. Grains are an important source of food for humans and animals, because they are so nutritious. For example, grains play a key role in the **protein transition** towards a better ratio between animal and vegetable proteins in our consumption patterns. Grains also account for a significant share of our **fibre** intake. Especially now that research shows that many citizens in Western countries don't get enough fibre (the so-called 'fibre gap'), it's clear how important *our daily bread* really is.

3. In our mills, we get the best out of grain, but we also **let nothing go to waste**. At Dossche Mills, we process the grain into flour and wholemeal flour, but the residual fraction of this process is also put to maximum use. What cannot serve as food for humans becomes animal feed and in some cases biofuel. Talk about circularity!

“

Protein content is a crucial parameter in assessing the quality of wheat and has a significant impact on the functionality of our end products. Our category managers play a key role in carefully selecting wheat with the right specifications, including optimal protein levels, tailored to the needs of our customers. They ensure that our raw materials not only contribute to products of the highest quality, but also to our commitment to sustainability and responsible sourcing.”

Ilse Claus, Procurement Director





Action for environment and climate

Climate action

- Own emissions
- Energy efficiency
- Renewable energy
- Sustainable transport

Sustainable agricultural practices

- Emissions in the value chain
- Water use in agriculture
- Water and soil quality
- Care for biodiversity

Raw materials management

- Food losses
- BOM* use and waste management

Healthy living environment

- Dust
- Noise



Care for our people and the consumer

Personal development

- Training
- Commitment

Safety, health and well-being

- Safety
- Mental health
- Physical health



Working on ethical business operations

Ethical behaviour

- Compliance
- Human rights
- Business ethics



Development of innovative and high-quality products and processes

Safe and high-quality products

- Safe products
- High-quality products

Innovation

- Technological development
- Innovation of products
- Broadening of activities
- Digitalisation

We treat and process our grain with respect.
 Our production is also done as sustainably as possible.
 We base this on a series of strategic priorities,
 each of which belongs to one of our nine commitments.

*Bills of Materials



Our mission and vision, and the values that guide us

Mission

Dossche Mills wants to support its customers in their **sustainable growth** by being the best supplier of flour and wholemeal flour. We guarantee consistent quality and personal service.

Vision

At Dossche Mills, we believe in the **versatility and sustainability** of grain as a basic ingredient. That's why we get the best out of grain together.

Values

Since 2003, the fourth generation of the Dossche family has taken an active role. Throughout all these years, we have remained true to our core business: the **production of flour and wholemeal flour**. We are ambitious and focused on sustainable growth. To truly differentiate ourselves, we promote strong values:

- **Entrepreneurship**
Daring to do business with passion and ambition: that's what drives us. That is how we make a difference together. We are constantly looking for new opportunities and stimulate initiatives. Everyone can contribute ideas to make work better, more efficient and more enjoyable.
- **Respect**
In everything we do, we show respect for all our stakeholders, including our customers, suppliers, employees, partners and neighbours as well as for the company's resources. With us, everyone can be themselves: there is room for different opinions and we are successfully active in different cultures.
- **Teamwork and commitment**
Together we are strong: committed and driven employees are the pillars on which our company rests. We count on each other and everyone is part of the bigger picture.
- **Integrity and reliability**
We promise honest quality and a transparent way of working, and we always keep our promises. We stand behind the commitments we make: we are people of our word.





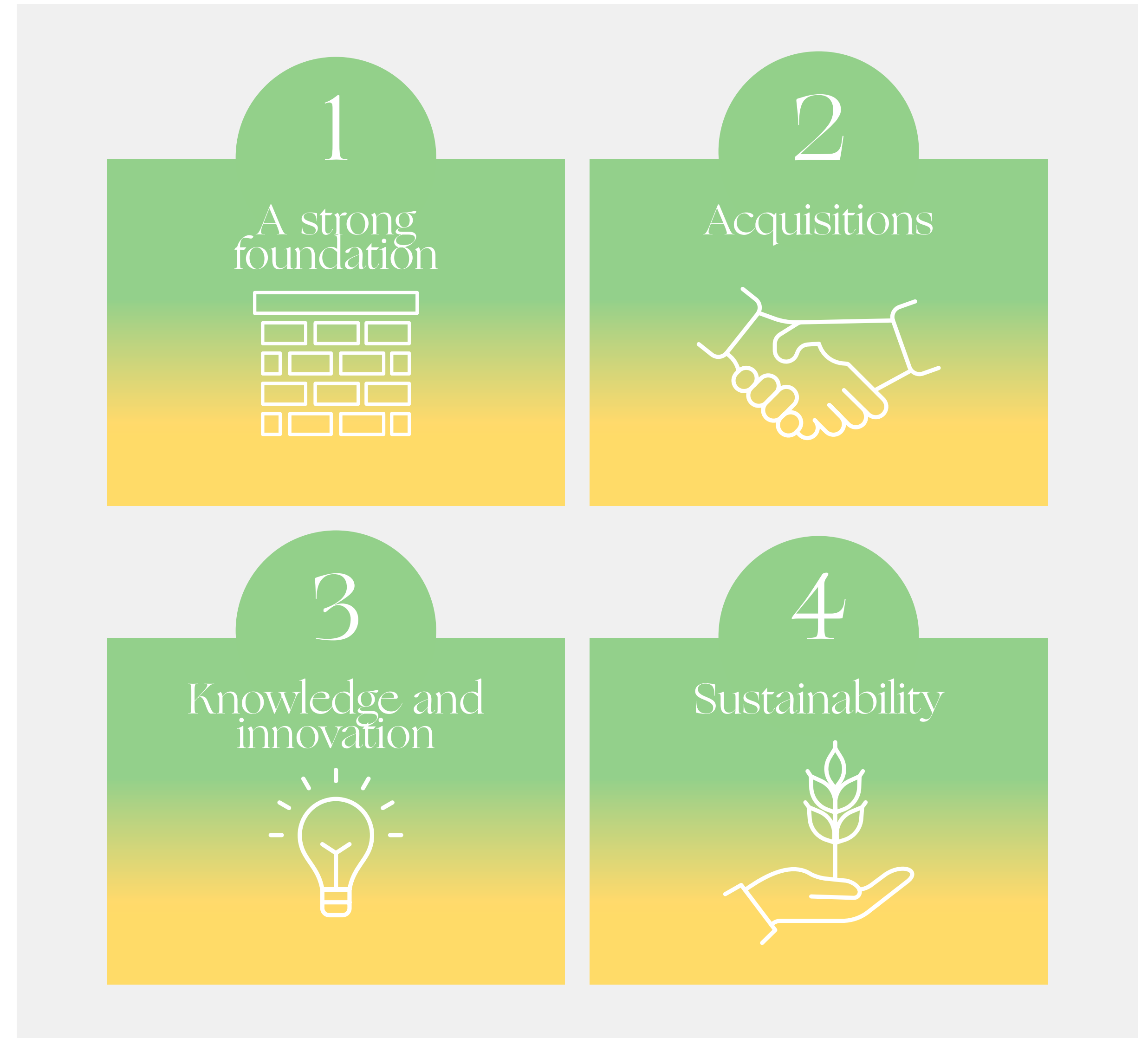
Our corporate strategy

Dossche Mills can consider itself a pioneer in the field of sustainable entrepreneurship. By aiming for healthy, sustainable growth, we are not only investing in the future of our company, but also in nature, the environment and health. Our long-term strategy is based on four important pillars: building on a strong foundation, focus on knowledge and innovation, attention to sustainability and further growth through acquisitions.

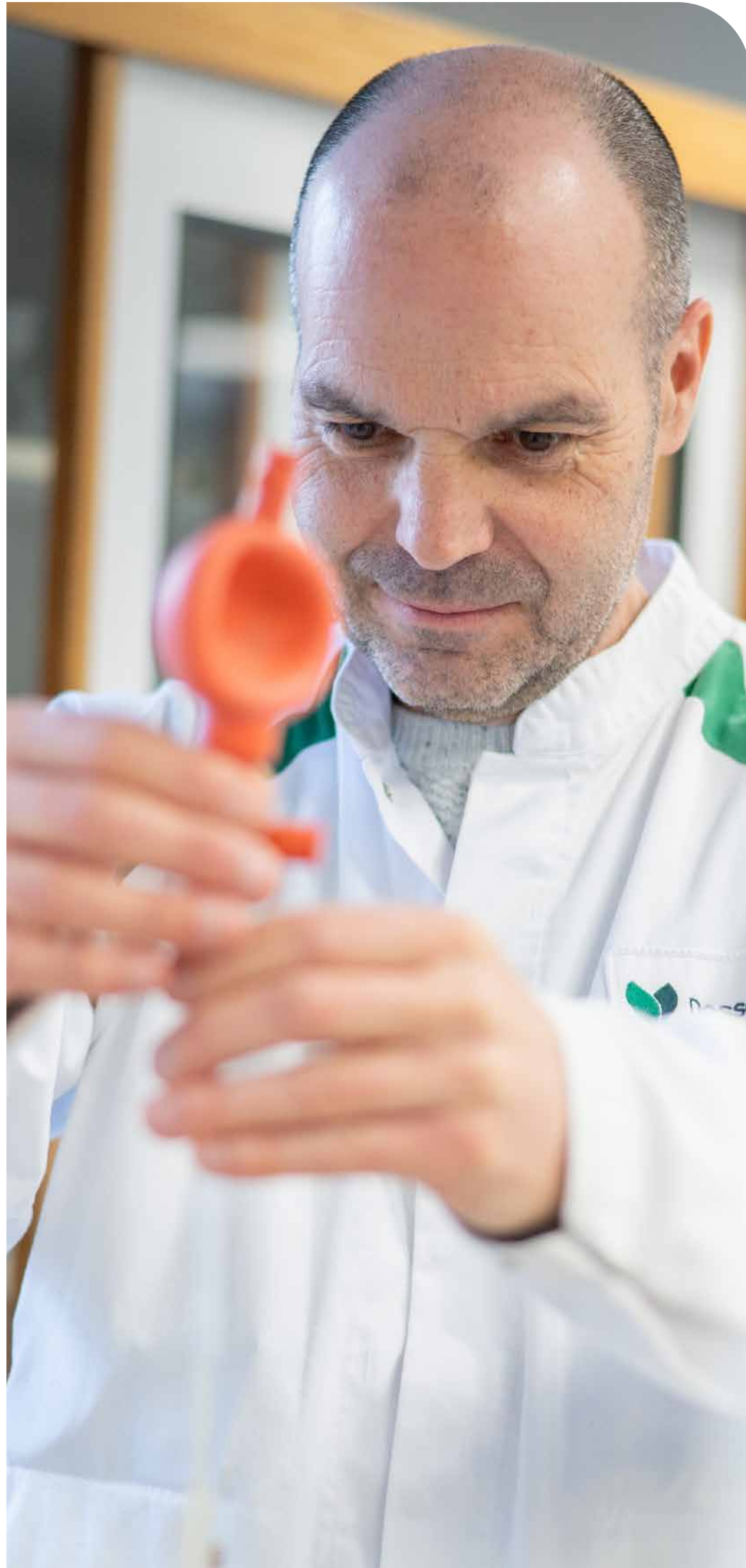
A strong foundation

Dossche Mills is one of the largest mills in Europe and one of the most important producers of high-quality raw materials for bakeries. As a family business, we have been guaranteeing the best wheat products and a personal, tailor-made service for 150 years. Everything starts with our **strong team**. There's a good atmosphere, we work together with respect and integrity, and every employee takes individual steps to raise the bar.

Know-how and quality are our top priorities. All our products are made with the best grains and other high-quality natural raw materials. We supply our products to artisanal and industrial bakeries, the pastry industry and the food industry, at home and abroad.



Our long-term strategy consists of four major pillars



Knowledge and innovation

Dossche Mills is an innovative and knowledge-driven company. Our R&D department ensures that we continue to **improve, renew and make our products and processes more sustainable**. Our customers are our number one priority: by developing new products and services, we continually respond to the needs of the market. Our marketing department and product managers also play a role that should not be underestimated. They provide the necessary support which in turn allows our customers to make a difference to the end consumer.

At the same time, with our Terah Program we are resolutely opting for **sustainable and innovative grain cultivation**. By investing in regenerative agricultural practices and smart agricultural solutions such as innovative fertilisation and alternative fuels, and by entering into the right partnerships, we can reduce emissions and increase biodiversity and soil resilience. This is how we are helping to ensure the future of grain cultivation.

Sustainability

By continuously improving all steps in the sustainable wheat chain, Dossche Mills wants to contribute to the **fight against climate change**. Choosing sustainable cultivation methods makes wheat cultivation more resilient and ensures lower greenhouse gas emissions.

In all our locations we strive for a **rationalised production process**, in which we limit the environmental impact of our activities to a minimum. We pay attention to efficient energy consumption, optimal use of raw materials, reducing dust emissions and noise, and efficient mobility. Thanks to extensive digitalisation of our crucial basic processes, our administration has also become more sustainable and efficient.

Acquisitions

Dossche Mills is a strong growth company with the ambition to become the European market leader. By acquiring other companies, we can consolidate our position in the market and gain access to new markets. In 2024, the acquisition of the German mill Mühle Rünigen will double the size of the company.

One of the most important advantages of acquisitions is the opportunity to achieve **economies of scale**. This can be done, for example, by realising greater purchasing power and spreading our fixed costs over a larger production volume. By investing in more efficient technology and equipment, we can also improve our operational efficiency. At the same time, our customers also reap the benefits of an acquisition because we increase our geographical presence and further expand our product range. By becoming larger, it is possible to spread sustainability efforts, such as the Terah Program, over a larger volume.

By continuously improving all steps in the sustainable wheat chain, Dossche Mills wants to contribute to the fight against climate change.



Our locations

Our strategically located production sites enable us to maintain a continuous and guaranteed supply to our customers.

5 production sites

2 with high capacity

Deinze - Head office

- Test bakery
- Innovation and development of new products

Deinze - Flinn

- Mixes
- Heat treatment of flour

Bossuit

- Wheat flour



Waddenmolen

- Wheat flour

Rotterdam

- Wheat milling and flour production
- Heat treatment of flour
- Specialties
- Test bakery

Merksem

- Wheat flour
- Specialties

5 production sites in the Benelux



Our products

Main product groups and brands

Dossche Mills offers an extensive product range for artisanal and industrial bakeries and the food industry. We offer flour and wholemeal flour, bread and pastries, functional products and nutritional products. Our 'Flour Innovations' or FLINN are innovative solutions in various end applications.

Flour and wholemeal flour

- **Flour:** The largest part of the production at Dossche Mills consists of grinding wheat into flour. Each type of flour has specific properties. We make a distinction between **standard flour and pure flour**. Standard flour is mainly processed into bread, pure flour has wider applications such as Viennese pastries, pastry flour, crust flour, biscuit flour, etc.
- **Wholemeal flour:** Wholemeal flour is the collective name for all types of flour that contain bran. We distinguish between **brown flour and wholemeal flour**.

Bread and pastry

Bread mixes: With our bread mixes we meet the demand for ease of use and time savings in the bakery. They offer a lot of variety: there are bread mixes for brown bread, wholemeal bread, crispy, multigrain, white bread, etc. Some of our mixes contain active bread improvers.

Pastry mixes: Dossche Mills offers a range of pastry mixes for patisserie products. They are very user-friendly and suitable for applications such as roulades, cakes, pies, muffins, etc.





- **Luxury dough:** These ready-to-use mixes are divided into leavened puff pastry mixes (e.g. croissants, chocolate rolls, pastries) and leavened luxury doughs (e.g. brioche, raisin bread, milk buns, sugar bread, etc.).
- **Yellow pastry cream mixes:** Pastry cream is the most familiar filling cream in every pastry shop. Dossche Mills offers both cold and hot yellow cream mixes.
- **Improvers:** Improvers put the finishing touches to the baking process. They optimise the rising and baking process. We offer improvers for brown, white, wholemeal and crispy bread, as well as luxury small bread products and risen puff pastry, and finally process improvers for retarded rising and frozen use.
- **Decorations:** Dossche Mills offers a range of decoration products for bread and pastries. Sunflower seeds, blue poppy seeds, sesame seeds, oat flakes and so on are an upgrade to the bread. These can be offered singly or in a mix.
- **Flinn Bake:** These flour types have undergone a physical treatment which optimises the volume, firmness, tenderness, load-bearing capacity and fineness of industrially produced cake products. They can be used for cakes, Swiss rolls, brownies or muffins, and more.

Functional products

- **Flinn Coating:** During the production of breaded food products such as fish sticks, cheese croquettes, potato croquettes, etc., prebreads and batters are essential for the adhesion between the product and the breadcrumbs. The wheat flour in our Flinn Coating range has undergone a heat treatment which optimises adhesion and makes the crust extra crispy. In addition, Dossche Mills offers extruded breadcrumbs specifically for oven applications.
- **Flinn Texture:** The use of thickeners is essential in the production of sauces, soups and prepared meals (e.g. lasagne). The Flinn Texture flour types and mixes based on heat-treated wheat flour are clean label and help to achieve the desired consistency.
- **Flinn Carrier:** Our Flinn carriers are frequently used in both the food and feed industries to dilute concentrated components and protect sensitive, valuable raw materials. Low microbiological values maximise shelf life.



Nutritional products

Finally, **processed germs and bran** underlie our range of nutritional products. They contain a lot of proteins and fibres, but also important micronutrients such as minerals, vitamins and antioxidants. As a result, they improve the nutritional value of all kinds of products such as cookies, pizza dough, tortilla wraps, etc.

Did you know that ...

Our state-of-the-art portfolio is a result of strong interdepartmental cooperation between all departments within Dossche Mills?

Product innovations and developments are not only driven by our colleagues from R&D or innovation within Dossche Mills. Our product managers also keep their finger on the pulse. Based on market insights, they determine the strategy for our various product groups. In this way, our ranges can continuously evolve in line with the needs of the market. Our quality department ensures that these products meet our strict requirements.



The markets and customers we serve

Dossche Mills serves a wide range of markets and customers, with a focus on BENEFRALUX (Belgium, Netherlands, France, Luxembourg) and Germany as core markets. In addition, we also supply high added value solutions, such as the Flinn range, to the rest of Europe and export worldwide to areas where wheat is not grown.

Our main customer segments are:

- **Artisanal bakeries** and chain bakeries;
- **Industrial bakeries** and semi-industrial;
- **Food industry**, such as manufacturers of biscuits, gingerbread, pizza bases, tempuras and applications for croquettes and potato products;
- **Export customers** in regions without local wheat cultivation.



Our value chain





Engaging with our stakeholders

We maintain good relationships with all our stakeholders: colleagues, customers, suppliers, etc. Each target group is approached in a customised manner.

Colleagues: Our people are central to the success of our company. We protect their physical and mental health and ensure that they feel valued and involved. We use various communication channels to engage with our employees: the intranet, our company newspaper The Daily Mills, town hall meetings, various staff events, family days, participation in sporting events, etc. For an *employer branding* exercise in 2023, we also organised specific interviews and workshops. Colleagues were interviewed at all our locations. Out of that specific process we distilled our new employer brand story, with the slogan: "Working at Dossche Mills, satisfaction guaranteed!"



Working at Dossche Mills, satisfaction guaranteed!





Customers: Customer satisfaction is the foundation of Dossche Mills' growth and success. We deliver top quality products to meet our customers' needs and strive to be their *preferred partner*. Because each target group has different needs, we offer different types of support. For example, we organise inspiring masterclasses and networking events for our artisanal customers, we support them with commercial campaigns, and we inform them via various (digital) channels about the latest trends and how to respond to them. We support our industrial customers more individually, although we also organise targeted events to inform and inspire them. For example, there was the Terah Footprint Summit in June 2024.

Suppliers: Good value chain management is essential for sustainable and responsible purchasing. We build strong relationships with our suppliers and encourage an ethical approach that supports our sustainability goals. Our suppliers have various points of contact within our organisation: in addition to our purchasing department, colleagues from R&D and the Terah Program are also familiar faces.



Local communities: We maintain close ties with the communities in which we work. We take measures against dust and noise pollution and contribute to a healthy community and a thriving economy. Local residents can contact us with questions and comments, via our general email address or anonymously via a whistleblower system.

Partners: Knowledge is crucial for the development and production of sustainable and high-quality grain products. We maintain close ties with sector organisations and collaborate with universities and other knowledge institutions around internships, research projects and innovation such as the Terah Program.

We maintain close ties with the communities in which we work.

Sustainable trading, successful entrepreneurship? *Dossche Mills meets the growing demand for sustainable wheat*

Terah — Dossche Mills Footprint Program

Across the entire production chain, from farmers to retailers, crop cultivation has the largest impact on total CO₂ emissions. That is why Terah supports the implementation of sustainable techniques for producing wheat.

The measurable savings in the field also yield tangible gains in other areas. From reduced emissions to increased biodiversity and healthier soil that keeps on getting stronger. In addition, the Terah Program will realise this smaller footprint in larger volumes to respond to the growing demand from the market.

50% CO₂ reduction in wheat cultivation in 2030. That is the goal. We are tackling the global climate challenge today by working on progress for everyone: nature, food sector and society. Together we can make ambitious goals achievable and efficient measures scalable.

"With Terah we are creating breathing space for a sustainable future for both our agriculture and the entire food industry."

— Kristof Dossche, CEO Dossche Mills



26%

The food industry is responsible for 26%* of global emissions, a large part of which comes from arable farming. Furthermore, agriculture also has an impact on biodiversity.

*Source: Our World in Data, ILVO, IPCC, greenhouse gas emission statistics - emission inventories

Growth that also feeds the next generation? *Terah turns ambition into action*

The holistic Terah Program stimulates teamwork throughout the value chain, especially now that the food industry is under increasing pressure due to more extreme weather, mandatory legislation and demanding consumers. We actively share our knowledge and innovative know-how, driven by scientific research. At Dossche Mills, we are building a diverse team of professionals and an active network for impact, objectively measurable and tangibly better.



“

Shoulder to shoulder as partners,
supported by research and technology

Marloes Vandersteene,
Customer Care Director

FARMERS

Implementing
cost-effective
measures

Terah rewards

SUPPLIERS

Making wheat
cultivation more
sustainable in every way

Terah facilitates

OUR CUSTOMERS

Processing
high-quality,
CO₂-reduced flour

Terah empowers

As an active hub, we work together with both cooperatives and suppliers, offering farmers the information and flexibility to decide which measures to implement. In doing so, we jointly weigh the impact against the costs to define and develop the most efficient levers. Together, we are taking the right measures to grow more wheat that emits less carbon – a high-quality, CO₂-reduced product for our customers.



Legume crop rotation fixes nitrogen from the air into the soil.

Biochar leads to stable carbon storage in the soil.

Low-carbon fertilisers, biostimulants & inhibitors reduce, regulate, restore and strengthen.

Biofuel limits CO₂ emissions from agricultural machinery.

Reduced tillage to retain more carbon.

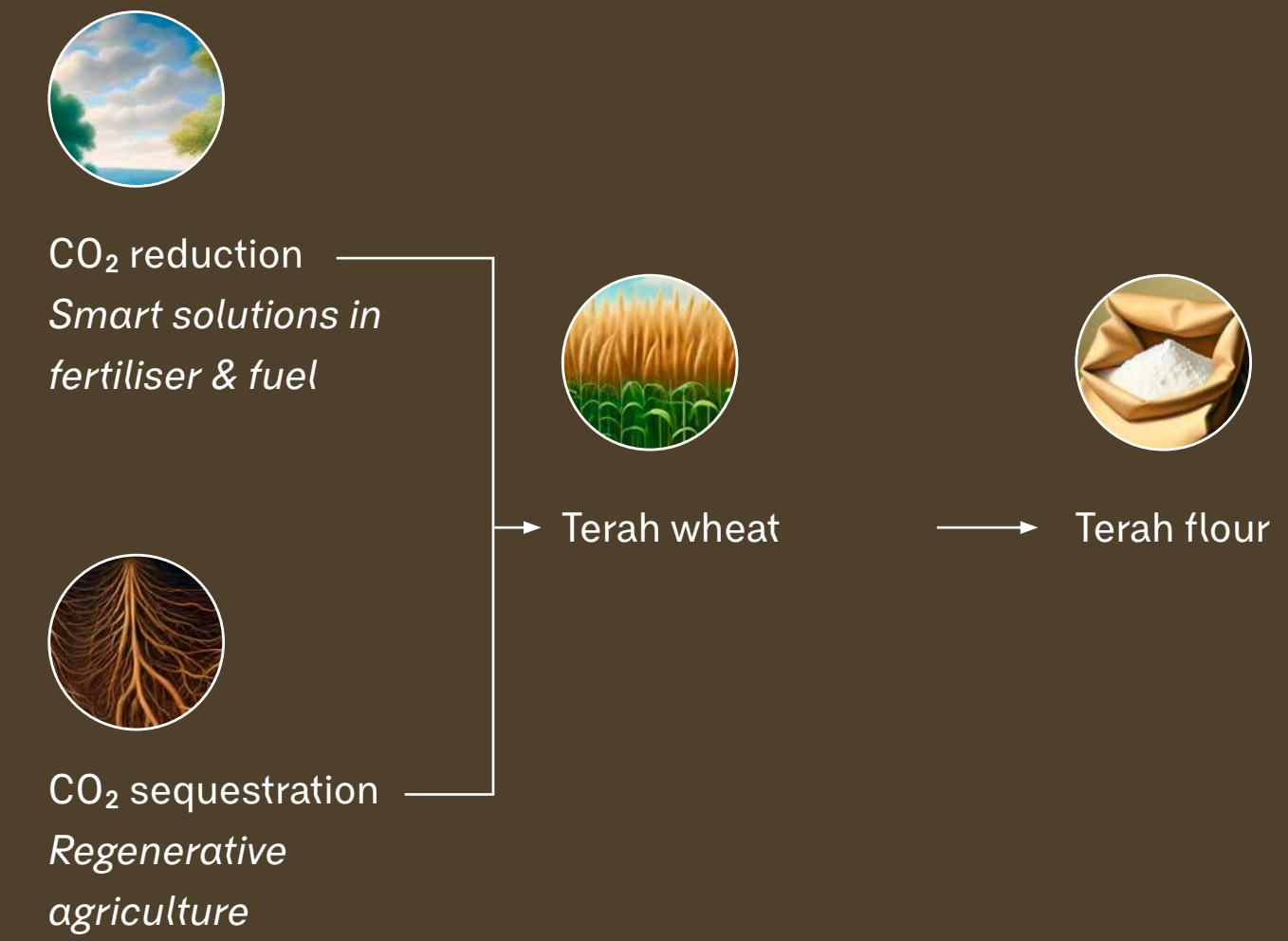
Catch crops reduce soil degradation outside the season.

**Long-term and large-scale solutions?
*Harvest becomes profit***

Calculations show that the food industry is responsible for 26% of global emissions. But we also see that agricultural activities play a role in declining biodiversity. With the Terah Program, we combine a wide range of proven techniques and innovations that both limit and store CO₂ and stimulate soil fertility and resilience.

A complete approach to a complex challenge.

To mitigate global warming, decarbonisation is needed. With Terah, we focus on both reduction and sequestration. The programme supports a combination of measures that we group within two pillars: innovations in fertilisation and fuels on the one hand and regenerative agricultural techniques on the other. In practice, this involves a diverse range of methods and actions that ensure lower emissions, more capture of greenhouse gases and a soil that is teeming with life. Together, these diverse solutions achieve a greater impact. From clean air to fertile soil, Terah stands for more than reduced CO₂.



Of course, as a company we also take measures in the areas of energy, packaging and logistics, but to really make a difference, we are focusing on that part of the process with the greatest impact on sustainability: growing our wheat. The first results of Terah flour already confirm our approach.

From dynamic programme to sustainable range? *From farmer to baker*

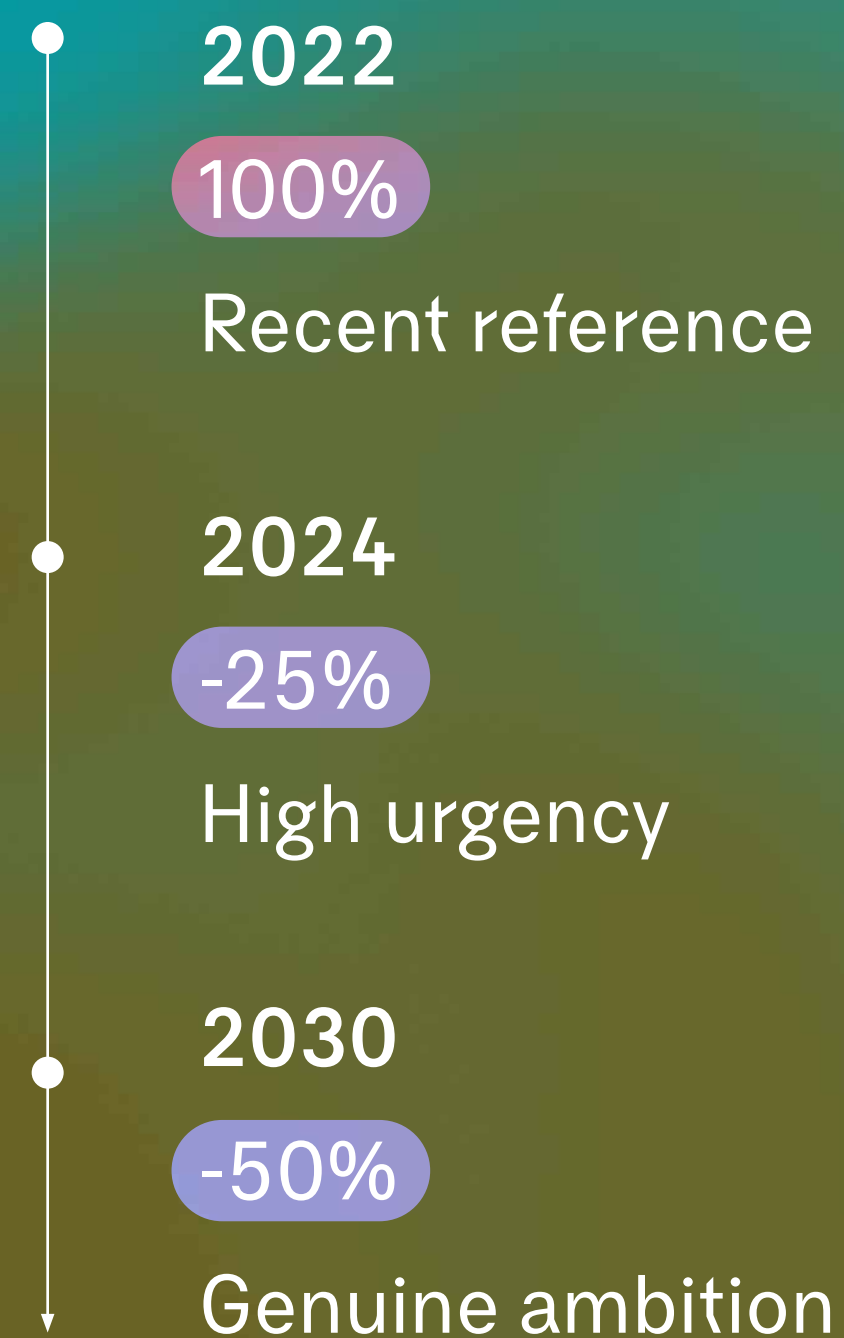
The Terah Program offers all parties involved a platform that works in the real world. We fulfil a connecting role between suppliers, farmers, cooperatives and buyers. We not only map out all efforts, we also tailor them to the needs of our customers. In doing so, we weigh the impact against the costs in order to determine the most efficient measures. Step by step, we are setting the sustainable transition in motion.

"The collaboration within Terah not only fits seamlessly with the questions we receive from our customers, but also with our own ambitions to reduce our footprint while continuing to strengthen our position as a dough specialist, which, by the way, is an important asset for our prospects."

— Teun van Genugten, Managing Director Euro Pizza

Terah raises the bar for more impact: our wheat with a limited footprint offers the same high quality.

We believe we have the knowledge, skills and dedication to be even more ambitious than the European Union's targets. By 2030, we want to produce CO₂-reduced wheat with 50% less emissions in scope 1, 2 and 3. We are deliberately choosing not to take the easy way. Terah uses the most recent data from 2022 as a reference. In addition, with Terah we are also strongly focusing on improving biodiversity and soil resilience, which is crucial for making and keeping agriculture sustainable.



Growing Terah with confidence: our unique approach sets a new standard.

Transparency is decisive for the alliances that Terah supports. We want to be able to objectively demonstrate the results of all efforts by accurately tracing the flour and wheat throughout the entire process. In the sustainable transition, data is crucial. Since existing standards are not aligned with our progressive and integrated approach, we have developed a new standard, verified and certified by an independent partner. This new standard guarantees an overview and insight at every step in the value chain of wheat production. Thanks to the Terah Standard, an external auditor can confirm the results. With Terah, you are therefore opting for undisputed impact.

The Terah Standard...

- collects primary data from farmers
- is based on the 'mass balance' principle
- makes information transparent and traceable
- facilitates verification by an external party
- is based on ISO 14064 & GHG Protocol

Sustainable production, continuous evaluation

Things are moving fast with Terah. As the driving force behind the sustainable transition, we closely monitor developments and continuously evaluate the operation and results of our programme. So regularly consult terahprogram.com to stay informed!



02

Corporate governance

- ♥ Our leadership team
- ♥ Sustainability governance
- ♥ Risk management





Our leadership team

Family holding

Dossche Mills is part of Dossche Group, a family-owned private company active in the agri-food industry. Dossche Group was founded in 1911, but the origins of Dossche Mills go back to 1875. With the current CEO Kristof Dossche, the fourth generation is currently at the helm.

Board of Directors

The Board of Directors is the **highest management body** within Dossche Mills. It supports the CEO and management in business operations and in developing strategies for the various Business Units. In addition, the Board monitors corporate governance and the financial performance. The Board of Directors acts on behalf of Dossche Group, which, in addition to Dossche Mills, also includes Mexma Food and Gourmand Pastries.

Seven directors have been appointed, supplemented by secretary Marc De Bleser, CFO of Dossche Mills.

Since the end of 2022, the Board has had the following members:

- Rik Jacob BV, represented by Rik Jacob - chairman
- DW Kruishoutem NV, represented by Kristof Dossche
- D&B NV, represented by Axel Dossche
- Jagios BV, represented by Frank Dossche
- Patrist Holding NV, represented by Stephan Bostoën
- LVW Int BV, represented by Dirk Lannoo
- Genaxis NV, represented by Yves Willems

Currently, all members of the Board are men. There are 2 executive and 5 non-executive members, each with relevant experience and the same level of responsibility. Three members are independent directors. In addition to their roles as directors, Yves Willems, Stephan Bostoën and Dirk Lannoo are also members of the Audit Committee. The directors in the Remuneration Committee are Rik Jacob and Dirk Lannoo.



The executive management of Dossche Mills

The topic of **sustainability** is regularly put on the agenda of the Board of Directors. The directors do not actively participate in developing the sustainability strategy or the Terah Program, but they are kept informed of progress.

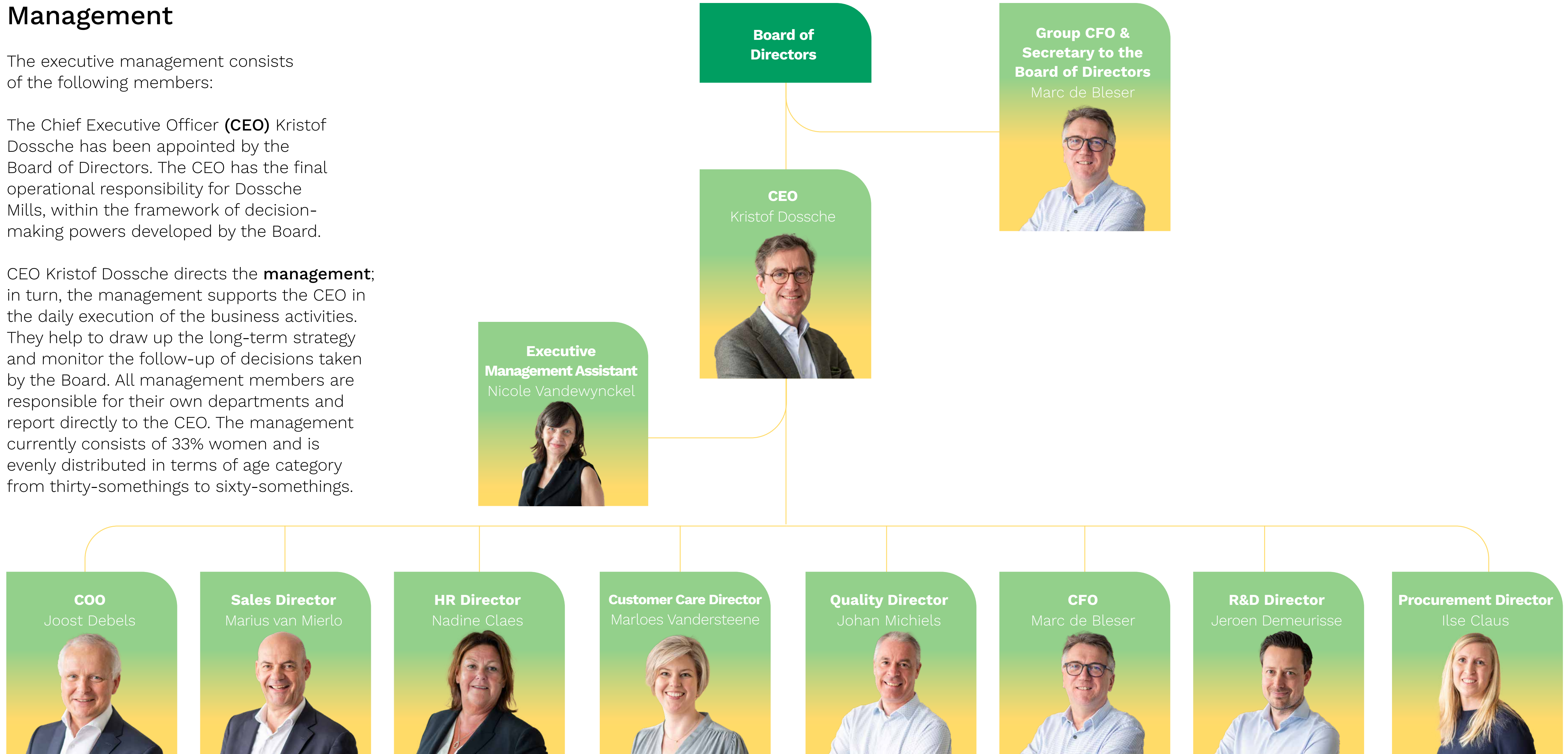


Management

The executive management consists of the following members:

The Chief Executive Officer (**CEO**) Kristof Dossche has been appointed by the Board of Directors. The CEO has the final operational responsibility for Dossche Mills, within the framework of decision-making powers developed by the Board.

CEO Kristof Dossche directs the **management**; in turn, the management supports the CEO in the daily execution of the business activities. They help to draw up the long-term strategy and monitor the follow-up of decisions taken by the Board. All management members are responsible for their own departments and report directly to the CEO. The management currently consists of 33% women and is evenly distributed in terms of age category from thirty-somethings to sixty-somethings.




Board of Directors

Group CFO & Secretary to the Board of Directors
Marc de Bleser



CEO
Kristof Dossche



Executive Management Assistant
Nicole Vandewynckel



COO
Joost Debels




Sales Director
Marius van Mierlo



HR Director
Nadine Claes



Customer Care Director
Marloes Vandersteene



Quality Director
Johan Michiels



CFO
Marc de Bleser



R&D Director
Jeroen Demeurisse



Procurement Director
Ilse Claus





Sustainability governance

Our sustainability approach is incorporated into everything we do. We have firmly anchored sustainability in our governance, with management bearing clear responsibilities.

Our strategy focuses on seizing opportunities and limiting risks, always with sustainability in mind. We set **ambitious goals** to reduce our impact on the environment and strengthen our social responsibility. We report transparently on our progress and work closely with our stakeholders to take their expectations into account in our decisions. In this way, we are building a sustainable future together.

How we do business sustainably

The Board of Directors and our management are closely involved in determining our sustainability strategy. They are also responsible for the annual report of Dossche Mills and the progress of our sustainability KPIs. The Board is informed of the results at least once a year.

In 2024, we set up a dedicated **sustainability team**. The new Sustainability Manager plays a central role in our organisation and follows up on various projects. She is also the project manager of the Terah Program and is assisted by the Market Development Manager Sustainability, the Category Manager Sustainable Wheat and various R&D experts. In the future, the reporting will be handled by a Sustainability Controller. The sustainability team is actively supported by employees from many other departments such as R&D, procurement, marketing & communication and the quality department.

All sustainability initiatives have a **project sponsor** in the management team. The Sustainability Manager reports monthly on progress. The Terah Program is monitored in a monthly Terah Steering Committee, which also includes the CEO and several members of the management.



The sustainability team of Dossche Mills

We set ambitious goals to reduce our impact on the environment and strengthen our social responsibility.



Risk management

Dossche Mills is a financially healthy company. In the midst of an economically volatile situation, we remain true to our roots. We know our core product inside and out, work in a stable supply chain and deliver grain products with consistent quality.



Our years of experience in the grain market give us a good insight into the **risks specific to the sector**: disruptions in the supply chain, geopolitical tensions, fluctuating grain prices, exceptional food safety issues, etc. We are also aware of the safety and health risks for our employees, such as allergic complaints after exposure to grain and flour dust. As a production company, we are also alert to general risks around creditworthiness, cybersecurity and compliance with laws and regulations.

In 2023, we paid specific attention to **ESG risks** for the first time during a double materiality exercise. We take the known risks into account and discuss them in the relevant consultation bodies within our company. A Risk Management Meeting takes place monthly. Topics such as the market position of Dossche Mills and our suppliers, supply chain concerns, financial fluctuations, quality risks and other matters are discussed and addressed here. We continue to challenge ourselves and think critically to detect risks and address them.



In our Environmental Policy Statement, we commit to conducting a proactive due diligence exercise annually in the future.



Joost Debels,
COO

In our Environmental Policy Statement, we commit to conducting a proactive *due diligence* exercise annually in the future. The aim: to identify any **environmental impacts** and take corrective or improvement measures where necessary. In the area of cybersecurity, the necessary efforts are also made to limit and cover the risks. Dossche Mills takes cybersecurity seriously, through staff training and a recent crisis simulation exercise.

03

Sustainability statement

- ♥ Our sustainability strategy
- ♥ Double materiality assessment
- ♥ Our 9 commitments





Our sustainability strategy

Our sustainability agenda is strongly determined by our company baseline and purpose: 'Together we get the best out of grain'. This motto is the basis of all our strategic decisions, it connects our people and is the driving force behind our innovations.



Action for environment and climate

Climate action

- Own emissions
- Energy efficiency
- Renewable energy
- Sustainable transport

Sustainable agricultural practices

- Emissions in the value chain
- Water use in agriculture
- Water and soil quality
- Care for biodiversity

Raw materials management

- Food losses
- BOM* use and waste management

Healthy living environment

- Dust
- Noise



Care for our people and the consumer

Personal development

- Training
- Commitment

Safety, health and well-being

- Safety
- Mental health
- Physical health



Working on ethical business operations

Ethical behaviour

- Compliance
- Human rights
- Business ethics



Development of innovative and high-quality products and processes

Safe and high-quality products

- Safe products
- High-quality products

Innovation

- Technological development
- Innovation of products
- Broadening of activities
- Digitalisation

We treat and process our grain with respect. Our production is also done as sustainably as possible. We base this on a series of strategic priorities, each of which belongs to one of our nine commitments.


*Bills of Materials



We have defined **9 major commitments**:

- innovation;
- climate action;
- sustainable agricultural practices;
- raw materials management;
- healthy living environment;
- personal development;
- health and well-being;
- safe and high-quality products;
- ethical behaviour.

All commitments contain at least one clear target to which we commit ourselves as Dossche Mills. In our upcoming reports we will transparently report on the progress regarding each of the targets. The overview of our targets can be found in the appendix  ['Our sustainability targets'](#).

These commitments are interconnected and mutually reinforcing. For example, innovation cannot be viewed separately from climate action or sustainable agricultural practices, but can also have an impact on safety, product improvement and quality. Ethical conduct can have an impact on people and the environment. That is why it's important that we approach sustainability in an integrated manner. That is also the starting point of our progressive Terah Program, which you can read more about on  [page 21](#).

With our sustainability strategy, we are preparing for the reporting obligations of the **CSRD**. This first sustainability report is an important step, with which we are making our ambitions known externally for the first time and presenting our performance in a structured manner. To prepare ourselves for the CSRD, we have taken other **actions** as well:

- we carried out our first double materiality assessment, according to the ESRS standards;
- we assigned managers to oversee each of our commitments;
- we entered into dialogue with peers around shared sustainability challenges, including in the context of our Terah Program;
- we appointed a Sustainability Manager and a sustainability team.

This work will continue in the coming years. Here are some of the **actions** we have planned:

- consolidate our strategy and commitments at group level;
- perform a gap analysis regarding the maturity of our commitments;
- further systematise our KPI monitoring.





Double materiality assessment

In 2023, Dossche Mills completed its own double materiality exercise, based on the principles of the ESRS. For this exercise, we had our core team assisted by an external partner. Management was closely involved in the entire process.



STEP 1 Context and approach

The starting point of our materiality assessment was to define the **scope**. This exercise was done at the level of Dossche Mills, not the Dossche Group. After determining this demarcation, we were able to map out our context: we analysed our company's activities, strategy, our value chain and business relationships, etc. Internal documentation served as input for this, as did desk research and interviews with key figures such as the CEO, CFO, HR Director, R&D Director, Sales Director and COO.

STEP 2 Longlist

The combination of the ESRS and our own company information led to a longlist: an extensive list of **potential material topics** and impacts, risks and opportunities (IROs). A benchmarking among industry peers ensured validation and some additional IROs. The entire list was structured according to the ESG pillars and then discussed at management level.

STEP 3 Stakeholder survey

We approached stakeholders from different target groups to **assess our longlist**. Internally, the management and our employees gave their feedback. External stakeholders who shared their insights with us were suppliers, customers, financial institutions and consultancy firms. Respondents could choose a Dutch, English or French version of the survey.

STEP 4 Validation of double materiality

The results of the stakeholder survey were critically discussed in our core group. We confirmed a **threshold value** to distinguish the material from the non-material IROs. In total, we considered 46 IROs to be material. We grouped these into 26 material topics, which we further clustered into 9 commitments, fitting within 4 major ambitions (action for the environment and climate; care for our people and the consumer; working on ethical business operations; development of innovative and high-quality products and processes).





Our 9 commitments

Our sustainability strategy consists of four strategic pillars, encompassing our nine commitments.



Action for environment and climate

Climate action

- Own emissions
- Energy efficiency
- Renewable energy
- Sustainable transport

Sustainable agricultural practices

- Emissions in the value chain
- Water use in the value chain
- Water and soil quality
- Care for biodiversity

Raw materials management

- Food losses
- BOM* use and waste management

Healthy living environment

- Dust
- Noise



Care for our people and the consumer

Personal development

- Training
- Commitment

Safety, health and well-being

- Safety
- Mental health
- Physical health



Working on ethical business operations

Ethical behaviour

- Compliance
- Human rights
- Business ethics



Development of innovative and high-quality products and processes

Safe and high-quality products

- Safe products
- High-quality products

Innovation

- Technological development
- Innovation of products
- Broadening of activities
- Digitalisation

*Bills of Materials



1. Climate action

Why this is important to us

Climate change is a major challenge worldwide, resulting in more extreme and unpredictable weather conditions. As a company in the food sector with strong ties to agriculture, we are directly impacted by climate change. Disappointing grain harvests and more difficult to predict harvest quality can disrupt our value chain and lead to food shortages. We are already noticing the effect of climate change in our logistics planning today: inland waterway transport is increasingly being confronted with water levels that are too high or too low. Rising energy prices and potential CO₂ taxes can also pose a threat.

We must therefore all emit **less CO₂** to slow down climate change and mitigate its effects. With Dossche Mills, we are taking action to reduce all our emissions. For our own scope 1 and 2 emissions, we are mainly working on energy efficiency, green energy and the efficiency of our production process. The emissions in our value chain – the scope 3 emissions – are divided into FLAG and non-FLAG (emissions linked to Food, Land and Agriculture).

Within the scope 3 non-FLAG category, transport and – to a lesser extent – packaging play a role. Our scope 3 FLAG emissions weigh the heaviest. We are tackling these emissions in our commitment 'Sustainable agricultural practices'. Of course, both commitments go hand in hand to a large extent.

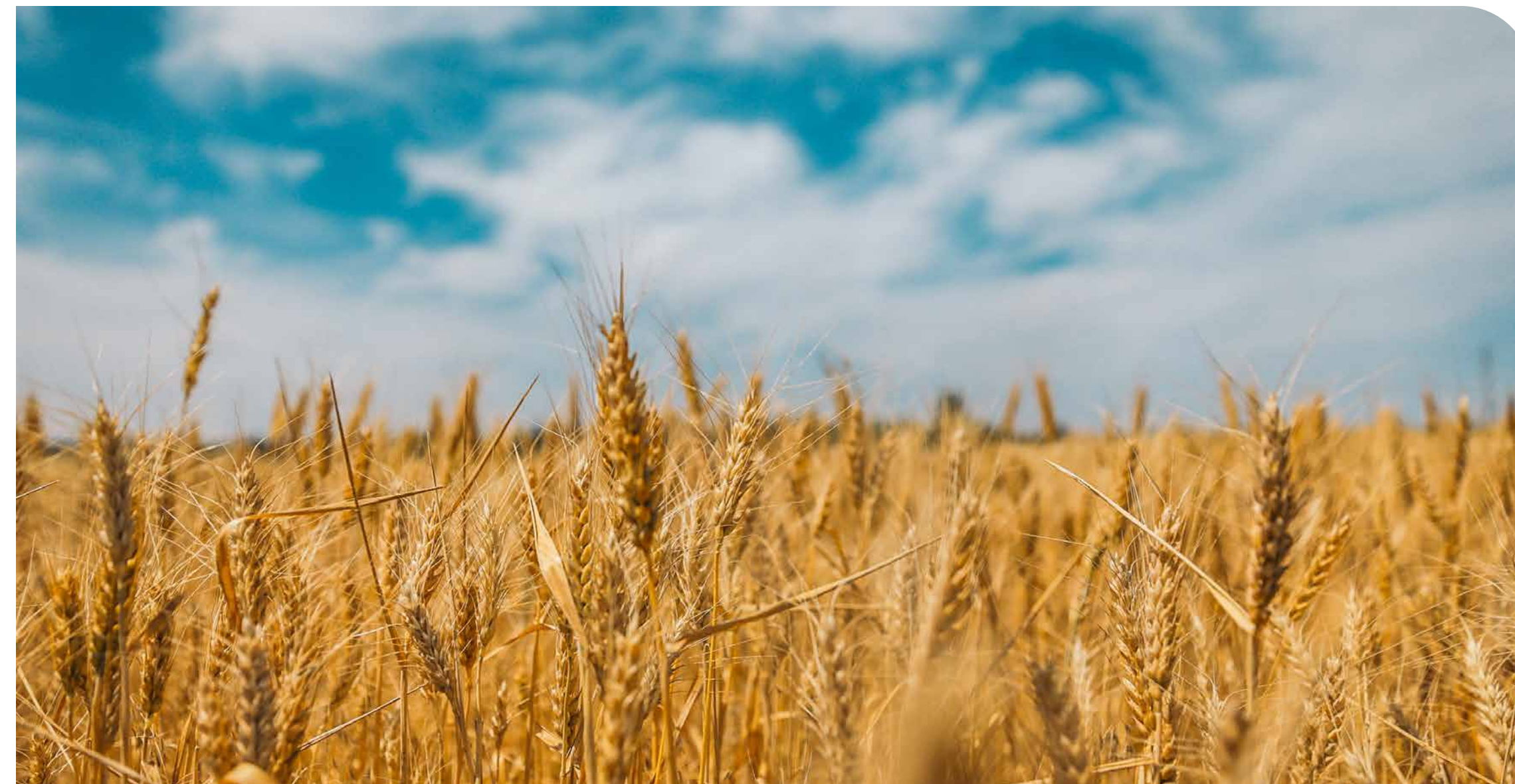
Our approach

In January 2024, we drew up an **Environmental Policy Statement**. In this policy statement, we pinpoint important actions such as reducing our CO₂e footprint and continuously improving our environmental management system. We consider different domains, such as energy consumption, pollution, waste,



Within procurement, we clearly see the impact of climate change: harvest yields and harvest quality are often more difficult to predict and also in terms of logistics, aspects such as fluctuating water levels have an impact on inland shipping.

Ilse Claus,
Procurement Director





natural resources and product losses, ecosystems and biodiversity, environmental laws and regulations, etc. The policy statement is a document that covers several of our ESG commitments, such as Climate action but also Sustainable agricultural practices and Raw materials management.

Dossche Mills also has an **Energy Policy Statement**. In this statement we explain how we are systematically reducing

the specific energy consumption per processed tonne of wheat. We apply the BATNEEC principle, which is self-explanatory as an acronym for Best Available Technology Not Enhancing Excessive Costs. To reduce our energy consumption, we are optimising our processes and investing in energy-efficient buildings. We are also opting for renewable energy. In the coming years we will steadily expand our solar panel installations. Because we cannot generate sufficient renewable energy for our production processes, we are also investigating the purchase of green energy. By 2030, we want to run on 100% green energy.

Our production sites are often strategically chosen near a port. For our **transport** we therefore opt entirely for transport via waterways. We have loading and unloading areas along the water, so that we can organise the supply of wheat and the transport of flour by ship. If truck transport is necessary, we provide maximum solutions: we load trucks efficiently and plan further optimisation of our logistics planning to avoid empty (return) trips as much as possible. In addition, we encourage our logistics providers to use electric trucks, alternative fuels such as HVO (Hydrotreated Vegetable Oil) and hydrogen.

Did you know that ...

Transport on waterways produces fewer emissions per tonne than truck transport? 96% of the wheat at Dossche Mills is currently already transported by water!

An inland vessel can transport larger volumes in one transport movement and thus takes a lot of trucks off the road. Expressed in tonne-kilometres, a unit of measurement used to measure the transport of one tonne of goods over a distance of one kilometre, the share per ship represented no less than 73% of our inbound tonnages in 2022. At the same time, inland shipping produced only 9.1% of our upstream transport emissions.



Our goals

Commitment: We will reduce greenhouse gas emissions from our own activities. By focusing on green energy and sustainable transport, we will reduce our CO₂e footprint.

Targets

- By 2030, we will reduce our CO₂e emissions for Scope 1, 2 and 3 FLAG* by 50%.
- By 2030, we will reduce our CO₂e emissions for Scope 3 non-FLAG** by 25%.

* For activities that belong to Forest, Land and Agriculture (FLAG)

** For activities that do not belong to Forest, Land and Agriculture (FLAG)

Our actions

In 2023-2024 we calculated our **CO₂e footprint** for the second time. The 2022 greenhouse gas inventory will serve as our baseline measurement from which we will draw up an action plan with reduction targets. The following six sites are represented in the study: our head office in Deinze and the five production centres in Rotterdam, Merksem, Deinze Flinn, Bossuit and Waddenmolen. The latter was only taken over at the end of 2022, but to make the baseline as representative as possible, Waddenmolen was included in the calculation for the sake of completeness.

Based on our greenhouse gas inventory, we will draw up an **action plan** with reduction targets for the coming years. This plan includes objectives regarding energy consumption, the share of green energy, measures regarding transport and especially measures to reduce our emissions linked to the purchase of wheat. After all, this purchase of wheat is responsible for 70% of our total footprint. With our Terah Program, we are therefore focusing our climate action plan where the impact is greatest.

Results from our CO₂e footprint

Using the Greenhouse Gas (GHG) protocol, we calculated our scope 1, 2 and 3 emissions. In 2020, our first CO₂e calculation ever, Dossche Mills accounted for emissions of 452,205 tonnes of CO₂e. In 2022, these absolute emissions fell to 423,040 tonnes of CO₂e, despite the expansion of Dossche Mills with the new Waddenmolen site.

The so-called **scope 1 and 2 emissions**, coming from sources that we control ourselves and purchased electricity, make up the smallest part of our emissions. In 2022, they were together responsible for 6.6% of our footprint. With 5,286 tCO₂e, scope 1 accounts for exactly 1.2% of our emissions. With 22,651 tCO₂e, our scope 2 claims 5.4% of the total. Within this, electricity takes the lead with 81.1% of our combined scope 1+2 emissions. Our planned investments to generate green energy, for example via solar panel parks, and switching to purchasing green energy are important steps towards reducing our scope 2 emissions.

The vast majority of our emissions – with 395,102 tCO₂e no less than 93.4% of our emissions – are in **scope 3**, i.e. with other players in our supply chain. The most important source of emissions for Dossche Mills is the purchased goods and services. This source includes all purchased wheat, other ingredients and packaging materials. The commitments we are making to reduce these emissions are described under 'Sustainable agricultural practices'. Transport and logistics are also important factors. Upstream transport makes up 10% of our footprint, downstream transport 4%.



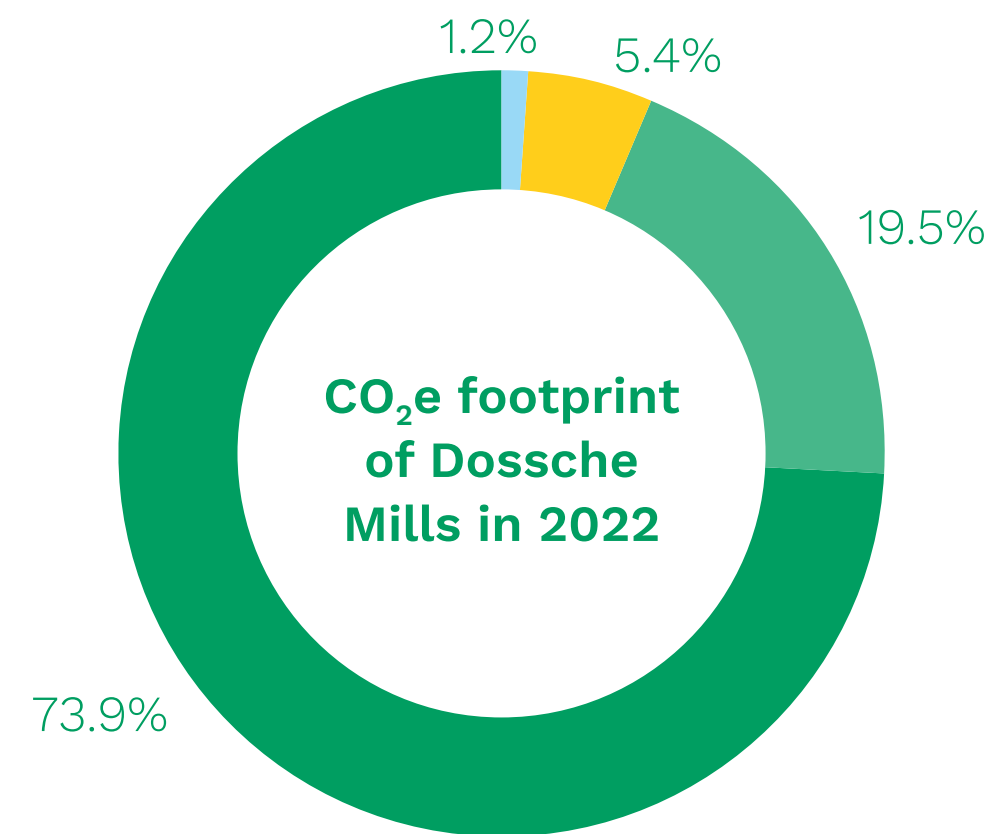
Did you know that ...

Wheat is a sustainable product in itself?

Wheat is a versatile crop with a significant yield per hectare. Growing wheat requires minimal water use compared to other grain crops such as rice or corn and can make a substantial contribution to soil health through crop rotation. Wheat-based products have a relatively low carbon footprint, especially compared to animal food products. At Dossche Mills, we consciously choose to further improve the sustainability of our raw material thanks to our Terah Program.

Dossche Mills' CO₂e footprint in 2022

- Scope 1
- Scope 2
- Scope 3 non-FLAG
- Scope 3 FLAG



Breakdown of our CO₂e footprint

Category from the GHG Protocol	Tonnes CO ₂ e	% of total
Scope 1 emissions		
1.1 Stationary combustion	4,646	1.1
1.2 Mobile combustion	577	0.1
1.3 Volatile emissions	64	0.0
Scope 2 emissions (location-based)		
2.1 Electricity	22,651	5.4
Significant (*) scope 3 emissions		
3.1 Purchased goods and services	328,936	77.8
Wheat	296,860	70.2
3.4 Upstream transport and distribution	42,253	10.0
3.9 Downstream transport	16,945	4.0

(*) Emissions that account for at least 1% of our emissions



2. Sustainable agricultural practices

Why this is important to us

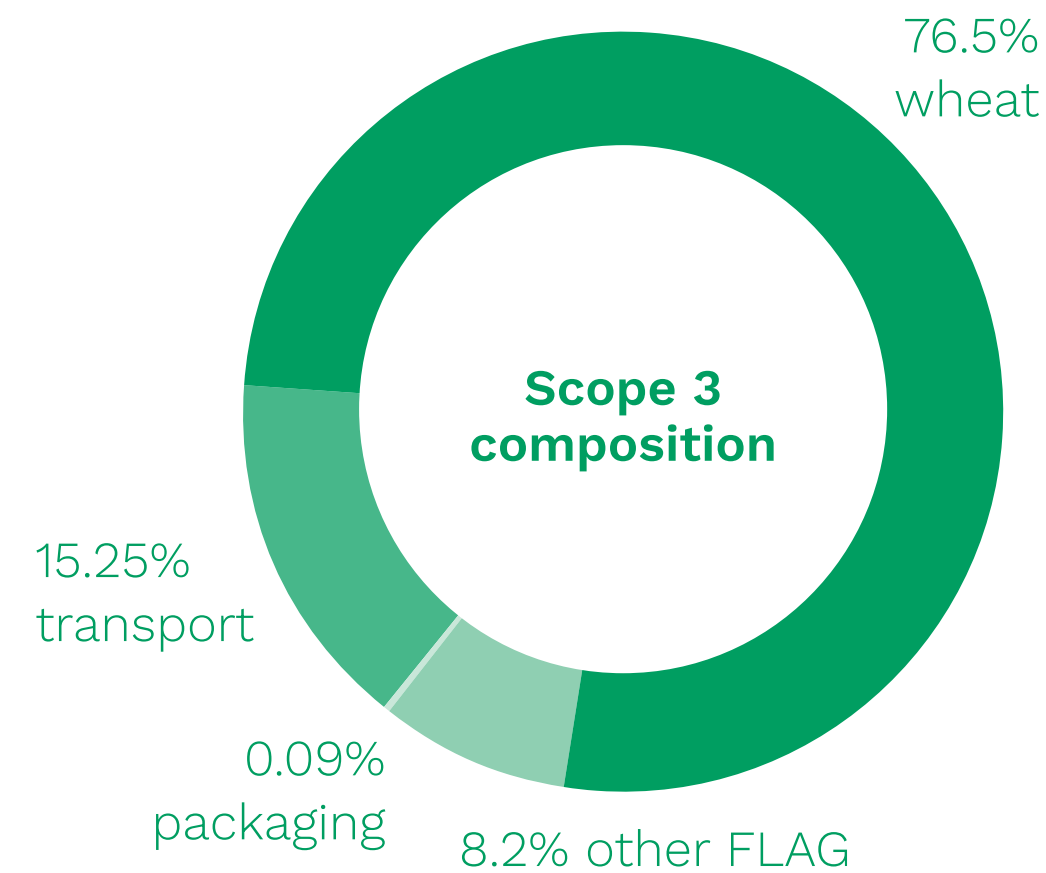
Research shows that our food industry is responsible for 26% of global emissions of **greenhouse gases** (Our World in Data, ILVO, IPCC). A significant part of this is directly attributable to agriculture, although the production of vegetable protein sources such as wheat emits fewer greenhouse gases than products made and derived from animals.

In any case, the agricultural sector is not only experiencing the consequences of accelerated global warming and the associated challenges and risks, it is also having a clear impact on our climate and our **environment**, such as the soil, biodiversity or water quality and availability.

As a mill, we are positioned after the agricultural activities in the wheat chain. Emissions linked to agriculture are therefore part of our scope 3 emissions. Although we have no direct influence on them, these emissions make up the largest part of our business emissions. At the same time, as a player in the food chain, we bear an important responsibility for the environment and the surroundings.

We therefore consider it important to, **together with farmers**, strongly focus on sustainable agricultural practices. On the one hand, to reduce emissions from the wheat chain, and on the other hand, to work together to create a healthy and climate-robust environment. We want to ensure that agriculture in our regions remains sustainable, feasible and profitable in the long term.

93.4% scope 3
395,102 tonnes



“

With our Terah Program we are showing that we mean business: if we work together with all actors in the wheat chain, we can reduce net emissions and improve soil quality and biodiversity.

Laura Jonckheere,
Sustainability Manager



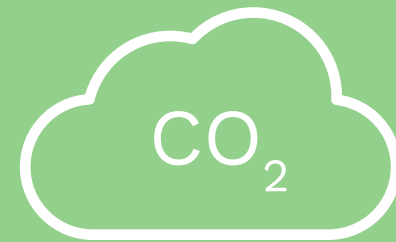


Our approach

As part of our reduction strategy, we have our CO₂ footprint calculated annually. In 2022, 74% of our CO₂ emissions came from the cultivation of our raw materials, the majority of which was wheat. These greenhouse gas emissions are included in our Scope 3 FLAG, where FLAG stands for greenhouse gases from Food, Land & Agriculture. With the **Terah Program** we are investing in sustainable agricultural practices that reduce our footprint and improve soil and water quality.

Dossche Mills is the largest mill in the Benelux region. In 2024, we will complete a takeover that will put us in the top 3 in Europe. This scale will ensure that we can process large quantities of grain in our neighbouring countries. We want to use our leverage effect to make **wheat cultivation as sustainable as possible**. In doing so, we will apply a number of basic conditions, such as: maintaining the yield per hectare, keeping the agricultural activity profitable and guaranteeing traceability to the end user. We will link the following focus actions to these criteria:

Focus actions on sustainable agricultural practices



CO₂ reduction

through smart agricultural techniques such as innovative fertilisation choices and the use of alternative fuels.



Regenerative agriculture

which aims for CO₂ capture (sequestration), more biodiversity and a more resilient soil.

Our goals

Commitment: We will stimulate sustainable agricultural practices that reduce the CO₂ footprint of the wheat chain and contribute to greater biodiversity.

Targets

- We will reduce our CO₂e footprint 3 FLAG by 50% by 2030 (compared to base year 2022).
- We will promote biodiversity and soil quality within our sustainable agricultural projects. We will map its impact by measuring annual progress.

Our actions

Over the past year, we have drawn up a menu of feasible measures and presented them to our **farmers**. They apply the measures that are feasible and cost-efficient for them. The impact of this is accurately measured and translated into real reductions in the CO₂ footprint. With the Terah Standard, developed by Dossche Mills and approved by an independent third party, these reductions are implemented in our milling process and passed on to the customer. This transparent approach is based on the mass balance system, which accurately records how much sustainable wheat is converted into sustainable end products. For more details, see the Terah Program appendix and our website [Terahprogram.com](https://www.terahprogram.com).





Dossche Mills
Footprint Program

Investing in a sustainable wheat chain



Climate change is making agriculture more difficult worldwide. More extreme weather conditions threaten the food supply and complicate harvest forecasts. At the same time, agriculture itself contributes to the problem by emitting a significant portion of global greenhouse gases. With the **Terah** Program, an anagram of Earth, Dossche Mills wants to create leverage for sustainability in the wheat chain. We strive to reduce our CO₂ footprint and help improve soil and water quality.

Sustainable agriculture

Terah focuses on 2 types of measures: innovations in fertilisation and fuels on the one hand and regenerative agricultural techniques on the other. In practice, this involves a diverse range of methods and actions that ensure lower emissions, more capture of greenhouse gases and a soil that is teeming with life. Because we work with many farmers, we can make the investments in this area profitable.

Secondly, we stimulate farmers to apply regenerative agriculture, with techniques that retain more CO₂ in the soil, such as crop rotation and less ploughing.

Our Terah Standard

Because a direct switch to 100% sustainable flour is not possible, we are doing this in steps. According to the **mass balance** principle, sustainable and less sustainable wheat can be mixed in the supply chain, as long as the accounting documents the share of sustainable wheat. This keeps the ratio clear. The aim is to stimulate the market for sustainable wheat, without tracing each grain separately. Because there is no certification system for this yet, we are developing our own **Terah Standard**.

In 2023, Dossche Mills purchased 9,000 tonnes of sustainable wheat. In 2024, this should already be 35,000 tonnes. In the long term, we want to scale this up further, both in terms of volume and reduction.



3. Raw materials management

Why this is important to us

In the coming decades, global demand for wheat will **increase** due to population growth and economic development. We must therefore avoid food loss and waste as much as possible to prevent food insecurity from becoming a risk. That is why we manage our raw materials as efficiently as possible. We purchase in a targeted manner, **optimise our processes** and can count on our well-trained employees with expertise to ensure that our processes are under control.

We accurately map out all the raw materials and quantities required for our products and make optimal use of our raw materials. The milling losses that still occur create side streams that we try to optimally valorise in our own products, as animal feed or in one of our ambitious innovation projects. In addition, we opt for recyclable or biodegradable packaging where possible to reduce **waste**.

Our approach

For Dossche Mills, raw material management largely comes down to managing our **wheat stocks**. This grain makes up 95% of the raw materials we purchase. Our purchasing practices are based on a number of clear requirements: food quality and safety, critical quality parameters such as the protein content that each customer requires, security of the supply and fair pricing. We prefer to purchase our raw materials in Western Europe. Climatic conditions determine the wheat harvest, both in terms of quality and quantity. By focusing on R&D and sustainability, we can provide an answer to this and continue to meet the high quality requirements and expectations of our customers.

Dossche Mills has been investing in technological progress and process optimisation for years. In our **Environmental Policy** we set out the outlines of our sustainable approach. Our machines are designed to last and are designed for optimal use. With our state-of-the-art mixers and grinders, we minimise food losses.



Did you know that ...

More than 70% of the flour we sell is delivered in bulk?

This means that all that flour is delivered to our customers without any packaging and with the best possible transport. Of course, we never compromise on quality or food safety.



In our improved processes, we also need less pure water for rinsing.

Our food products are primarily intended for **human consumption**, and the strict requirements ensure that a high bar is set. We compensate for minor quality differences with the right additives, which guarantees the quality of our raw materials. Thanks to **Bills of Materials (BOMs)**, we can accurately estimate how much and which raw materials and packaging materials we need to purchase. The amount of packaging remains limited because we usually supply food processing companies in bulk. Only 26% of our volume is still sold in bagged packaging or big bags. In addition, we have reduced the thickness of our stretch film to produce less **waste**.

Our goals

Commitment: We make optimal use of our raw materials and materials, and take steps to prevent waste and stimulate reuse.

Targets

- We strive for optimal use of raw materials and equipment. Improvement initiatives are taken annually for this purpose.
- We ensure sorted waste management at all sites and stimulate or improve the circularity of materials where possible.



Within raw materials management, we are strongly focusing on an efficient chain, where optimisation of our processes is paramount and the side streams are optimally utilized.

Jeroen Demeurisse,
R&D Director



4. Healthy living environment

Why this is important to us

With a milling capacity of 1 million tonnes per year, Dossche Mills is one of the largest mills in Europe. As a result, we can potentially have a major impact on our environment. Some of our sites are also located close to residential areas. For these locations, it is even more important than for factories in industrial zones to listen to and respect the concerns of the neighbourhood.



Our Environmental Policy Statement declares, among other things, that we want to prevent environmental pollution from our own business operations at all times. By carrying out a proactive *due diligence* exercise every year, we can identify and assess any **environmental impacts**. We keep our finger on the pulse and provide corrective and/or improvement actions if necessary.

The greatest impact on our direct environment is **dust and noise**. We reduce the impact with targeted measures. In this way we create a healthy living environment for the neighbourhood and a safe and pleasant workplace for our employees. We pay extra attention to the risk of dust explosions, because they may not only cause injuries and material damage, but also environmental damage. With preventive measures, we reduce the risk of dust explosions and keep our sites and the surrounding area safe.

Our approach

In our Environmental Policy Statement, we describe how we protect the living environment.

Thanks to the use of advanced dust filters, our **dust emissions** remain well below the legal standard. Our corporate goal is to remain below 15 µg/Nm³ at all sites: this is in line with the WHO advisory value (2021) and well below the EU limit value of 40 µg/m³. In 2023, we achieved this target at all sites.

Loading and unloading takes place in closed sheds, so that employees in the mills are not affected by airborne dust and no dust is released into the surrounding area. In addition, we provide our employees with high-quality dust masks and use good extraction systems, sensors and alarm systems to reduce the risk of dust explosions.

We also remain well below the legal standards in terms of **noise pollution**. We regularly replace our soundproofing and continuously monitor the noise level, so that we can intervene quickly if problems arise. To protect our employees and any visitors, hearing protection is provided at critical locations in our production areas.

Our goals

Commitment: We care for our environment and take targeted measures to prevent or limit nuisance caused by dust and noise as much as possible.

Targets

- We intend to halve the number of complaints from residents about noise pollution by 2030.
- Our dust emissions are less



5. Personal development of our people

Why this is important to us

At Dossche Mills, we attach great importance to the personal development of our employees. By creating a good **learning culture** and stimulating permanent development, we can remain agile as a company. That is why training and development are central to our corporate strategy.

Investing in training not only leads to more knowledge and better skills, but also to **motivated employees** who feel valued, which promotes loyalty. This plays a crucial role in attracting and retaining talent. Good **leadership** is also essential, because managers play an important coaching and inspiring role.

Our approach

We aim to have every Dossche Mills employee participate in 3 training days per year. From 2025, this will be expanded to 4 days and later to 5 days, in line with legal requirements. Our **training procedure** describes the content and target groups of various training courses, so that employees can shape their own

path. We offer both formal training courses and internal sessions in which colleagues share their knowledge.

For Dossche Mills, like for many other companies, it is a challenge to find the right profiles in a competitive market. That is why we take targeted measures to attract and retain **new talent**. New employees can count on an extensive **onboarding programme**, including a multitude of internal training courses. These can be both function-specific and general, such as a factory visit, a day helping out in our bakery, or riding along with one of our drivers or sales reps.

Good leadership is essential to inspire employees and improve their engagement and performance. That is why all our managers follow a **leadership course** based on the Insights model. In this way, they can discover their leadership style and improve their soft skills to strengthen their coaching role. In addition, this leadership trajectory strengthens ties between different managers throughout the organisation, who are in close contact with each other thanks to this process.

Our goals

Commitment: We create a strong learning culture and stimulate personal development with an extensive range of training courses and inspiring leadership.

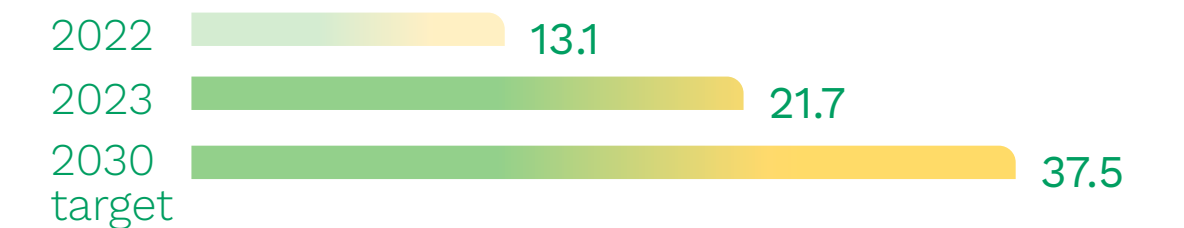
Targets

- We provide targeted training days (internal and external) per type of function for all employees. We will gradually increase the number of training days to at least 5 training days per year per employee.
- We organise annual career development interviews for all our employees.

PERFORMANCE 2023

Average number of hours of training per employee

28.5



In our next report, we will report the number of hours of training per employee broken down by gender.



Our actions

You continue to learn throughout your life. **Training** is therefore very important in our organisation, as is its follow-up. During the annual performance review, personal skills and knowledge are fixed topics of conversation, from which proposals for new training courses can be made. Our training offer is broad, from function-specific training and safety training to language courses and leadership training.

In 2023, we translated our manifesto into a 'company bible', which states who Dossche Mills is and what we stand for. We also brought innovation to our **employer brand** story with the tagline 'Working at Dossche Mills: satisfaction guaranteed!'. With this new branding, we are launching positive recruitment campaigns to attract the right people.



“

Dossche Mills is a warm company of skilled and passionate employees. Our people are given the opportunity to develop within a stable and sustainable workplace.

Nadine Claes,
HR Director

Did you know that ...

Dossche Mills will be 150 years old in 2025?
Our years of experience, loyal employees and long-term relationships with our customers are very important to us.



Working at
Dossche Mills,
satisfaction
guaranteed!



6. Safety, health and well-being in the workplace

Why this is important to us

A lack of **safety, health and well-being** in the workplace can have serious consequences. It increases the risk of chronic diseases and occupational accidents, and reduces productivity. It can also undermine employee motivation, leading to less engagement and higher staff turnover.

At Dossche Mills, we strive for a work culture based on trust, safety and well-being. We offer people **equal opportunities**, regardless of their origin, sex/gender, sexual orientation, health, place of residence or socio-economic position. By prioritising our employees and monitoring their health and safety, we can increase the **resilience** of our organisation and profile ourselves as a committed and reliable employer.

Our approach

We strive for zero occupational accidents and evaluate all **safety procedures** annually to further improve them. We use, among other things, the Lock Out, Tag Out, Try Out (LOTOTO) procedure

to keep machines and equipment safely switched off during repairs or maintenance. We also promote a default safety culture, in which employees protect each other and dare to address unsafe behaviour. The processes and procedures are described in our HSE policy.

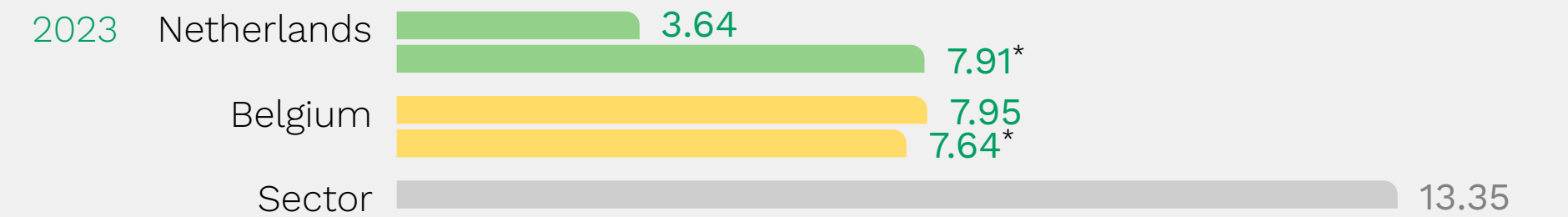
We also place strong emphasis on **ergonomics**. Since 2023, our Belgian branches have had an 'ergonomics action plan', in line with legal obligations. Such a plan has been mandatory in the Netherlands for some time. We invest in technology to move or stack flour bags and carry out at least one ergoscan of physically taxing tasks every year, with special attention to the prevention of musculoskeletal disorders. Where possible, we provide solutions, such as automation or tools.

Dossche Mills has an **open door policy** to promote well-being and to quickly identify problems. In order to optimally reach all our employees, we communicate in an accessible way and through various channels.

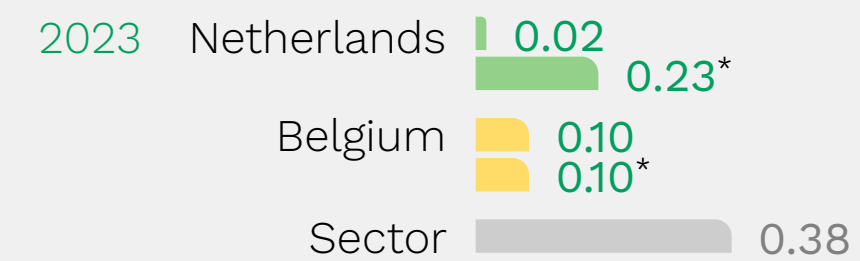
PERFORMANCE 2023

Our frequency rate, actual and global severity rate. For each of these categories, our figures are below the sector average

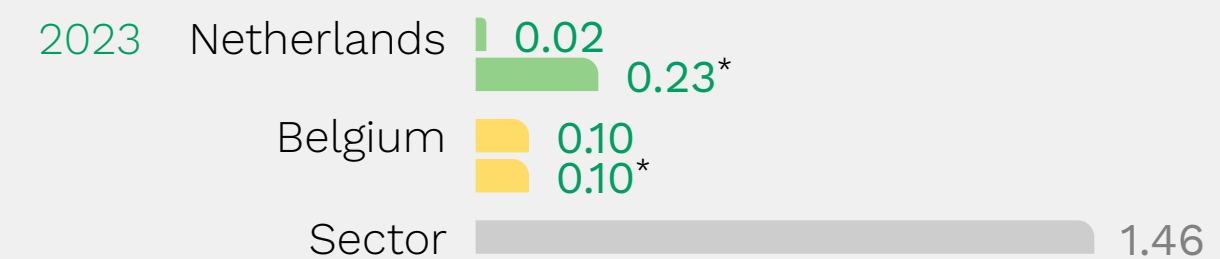
Frequency rate, indication of the number of occupational accidents



Actual severity rate



Global severity rate



■ Dossche Mills Netherlands
■ Dossche Mills Belgium
■ Manufacturing of mill products sector (figures for 2022)
 * incl. temporary workers



We strengthen the sense of togetherness through team and social activities. We strive for a balanced male-female distribution and welcome various **nationalities**. For those who do not yet speak Dutch, there are language courses to improve safety in the workplace. Our diversity and inclusion policy formalises the principles and procedures for this.

Our goals

Commitment: We strive for a safe and healthy working environment, where people feel good and have equal opportunities.

Targets

- We strive for 0 occupational accidents, including by strictly adhering to the LOTO(TO) procedure.
- We provide at least 1 ergoscan annually to analyse ergonomically demanding workstations and propose improvements.

Our actions

In the field of **safety**, various additional measures were introduced in 2023. For example, a new internal prevention advisor was appointed for our Belgian

locations. Actions were taken at all sites to improve emergency and safety lighting, which is important in the context of accident prevention. A lot of attention was also paid to safety training, such as a refresher course in first aid, fire drills or separate training on working with a lifting platform or on topics such as dust and physical strain. In addition, the necessary guidance was provided when starting up the extrusion line, with specific attention to safety instructions, ergonomics, and fire and explosion safety.

We also put our new '**ergonomics radar**' into use. With this tool from our external service IDEWE, we can evaluate our ergonomics policy and formulate possible improvements. Special attention is paid to involvement, consultation, risk analyses, the implementation of measures, attention to ergonomics in the purchasing policy and so on.

We organise fun **events** that contribute to social contact and promote interaction between our employees. Think of a back to school/back to work event, an after-work party, a New Year's event or a tasty treat from a food truck. Such moments promote the sense of cohesion between people and the different departments.





7. Good corporate governance

Why this is important to us

Good **corporate governance** is essential for sustainable growth and the success of Dossche Mills. It is the foundation for looking ahead, without losing sight of environmental and social aspects. By investing in good governance, including solid codes of conduct and effective anti-fraud rules, we can limit our risks and improve our performance.

Business ethics must be central at all times – there is no room for any form of bribery, corruption or other unethical practices. This vision is formalised in our codes of conduct. If something nevertheless goes wrong in the collaboration, customers, suppliers, employees and other stakeholders can express their questions or concerns via our whistleblowing procedure.

In recent years, the number of **legal requirements** has increased considerably. This rapidly changing legislation is a challenge for the business community, and therefore also for us. It goes without saying that as an important link in the food industry, we implement the latest rules as quickly as possible, whether it concerns food quality, sustainability, legal legislation or other matters.



At Dossche Mills, ambition and tradition form a beautiful symbiosis. We are focused on growth and entrepreneurship, without losing sight of our family values.

Kristof Dossche,
CEO





Our approach

Through a sound **policy**, Dossche Mills can develop a healthy and honest corporate culture. Our codes of conduct – an internal code for our employees and an external one for suppliers – and our whistleblowing procedure are a key part of this. We base ourselves on international agreements on human rights.

All employees sign our **ethical code – the Business Code of Conduct** – and must adhere to it. In this way, we ensure correct behaviour among ourselves and towards external partners, such as customers or suppliers. Anyone who notices irregularities or feels uncomfortable about something can contact a confidential advisor or manager. You can also submit a report anonymously via our **whistleblowing procedure**.

We are proud of our stable supply chain. We have been working with many of our suppliers for decades. We know each other well and there is great trust in the working relationship. Nevertheless, contacts with our suppliers are also formalised in a **code of conduct: the Supplier Code of Conduct**.

It describes important general principles for mutual cooperation: trust, safety, respect, integrity and social responsibility. Today, 79% of our purchased volume is covered by the Supplier Code of Conduct. Our purchases are also guided by our policy for (socially and environmentally) sustainable purchasing and our policy for the purchase of palm oil.

An important clause in the code of conduct concerns **traceability**: we expect our suppliers to maintain adequate administration and to follow up their own direct suppliers properly, so that all delivered volumes are traceable. This traceability is also part of the BRC certification, a standard that we comply with ourselves and that we also impose on our FLAG suppliers. The BRC standard builds transparency and traceability into food chains, which benefits the entire chain.

Dossche Mills has not detected any incidents of **fraud or bribery** to date. There is therefore no separate policy on this, although our codes of conduct do explicitly

Did you know that ...

Wheat is not just wheat, and flour is not just flour?

We have 1,200 different types of flour and related products in our portfolio, all of which meet our strict quality requirements.

state that personal gifts to employees are not permitted. We will continue to monitor and report on this statistic.

Our goals

Commitment: We will increase the number of suppliers that comply with our code of conduct.

Targets

- 100% of our direct suppliers will sign our code of conduct by 2027.



8. Safe and high-quality products

Why this is important to us

Dossche Mills guarantees high-quality, tasty and safe grain products. Every day, 20 million families consume products that come from our production sites. That means that we have a great responsibility. We set the bar very high in terms of quality and food safety, every single day. Our thorough **quality policy** starts with targeted grain purchasing, based on in-depth knowledge of grains, applications, the market and advanced milling and processing techniques. This allows us to be the best supplier of flour and wholemeal flour for our customers all year round.

In addition to our purchasing policy, the mindset of our people also plays a crucial role. By taking just as good care of our **processes** as we do of our products, we achieve more efficient production, less waste and lower costs. To support and further develop our know-how, we have modern facilities such as grain and flour laboratories and test bakeries. This is how we guarantee intensive quality checks during all phases of the production process.

Our approach

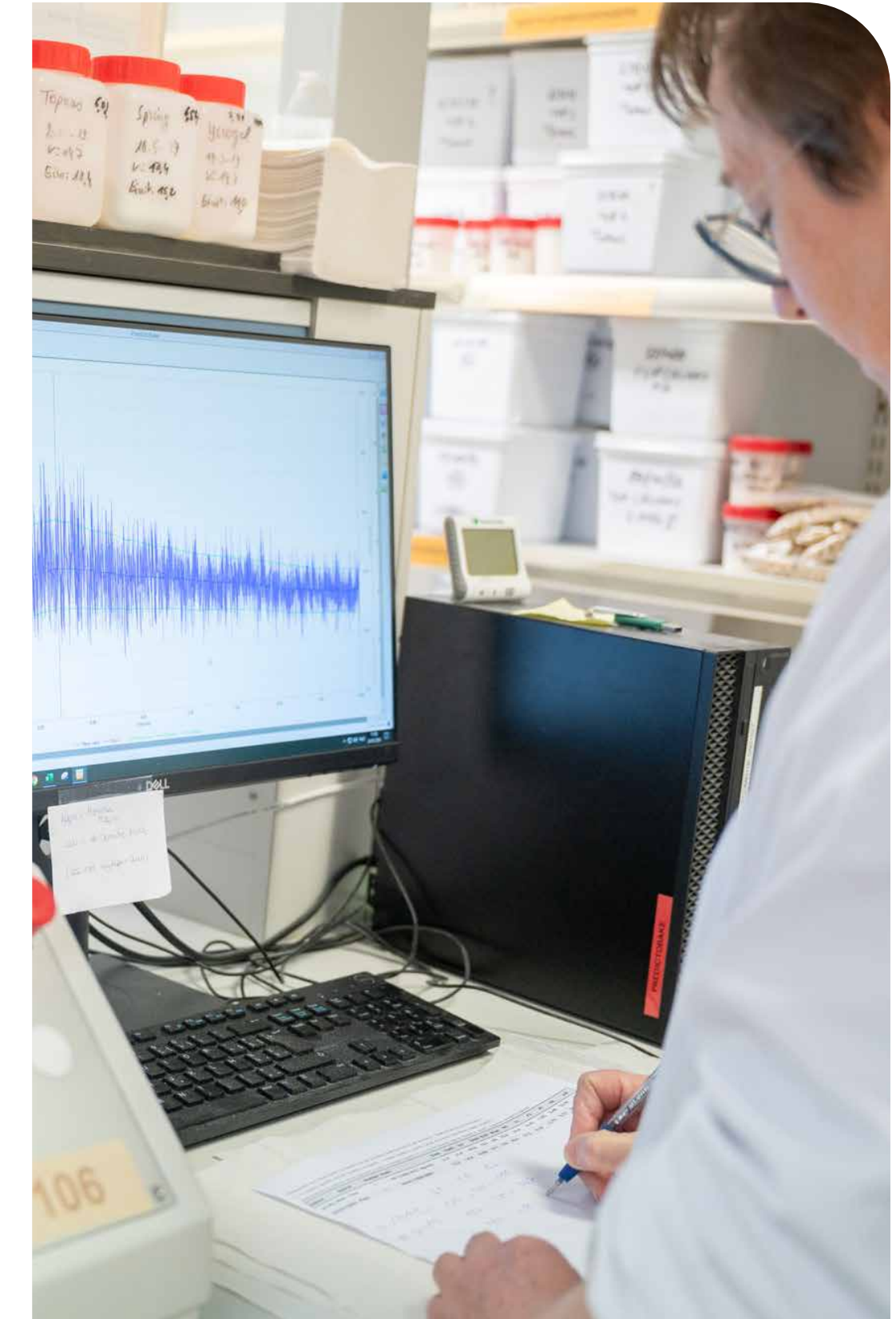
The Dossche Mills quality system meets the strictest **national and international standards**. Our factories have been certified for many years according to one of the internationally recognised standards of the Global Food Safety Initiative (GFSI): FSSC 22000 for our Uithuizermeeden site (Waddenmolen) and BRCG for our other sites. Furthermore, our quality system responds to the expectations of our customers in the area of sustainability and health.

In order to guarantee our quality and food safety policy as much as possible, we have described all operational processes in a quality manual. This contains all procedures, instructions and documents with which we continuously manage and improve our processes. All policies are based on the three pillars of our quality policy: quality and safety; audits and controls; traceability.

a Quality and safety: Dossche Mills offers high-quality and tasty products that are absolutely safe. All raw materials meet the strictest requirements and are extensively tested upon receipt. Our production lines are equipped

with advanced technologies, such as optical sorters and metal detectors, to minimise foreign objects and health risks. Outgoing products are systematically checked by our own laboratories as well as external laboratories. In addition, we invest in the awareness and training of our employees to ensure that safety processes are followed closely.

Our quality guarantee is based on craftsmanship, modern production facilities and a strong quality system. Under the motto 'Together we get the best out of grain' we work closely with employees, customers and suppliers. We choose sustainable suppliers who innovate together with us, while quality managers at the various sites carry out strict checks to guarantee the highest product quality. In the event of any quality problems, our technical baking advisors provide our customers with advice and assistance. At the same time, our policy on allergens is receiving extra attention: cross contamination is kept to a minimum thanks to strict procedures and thorough training of our employees.





b Audits and controls: Dossche Mills has committed to obtaining multiple quality and safety certificates, for which external audits are carried out **annually**. We have certificates from BRC, FSSC 22000, Riskplaza+, Feed Chain Alliance (FCA) and Good Manufacturing Practices in Feed Production (GMP+). We are also proud of our silver EcoVadis medal. At the request of customers, we can offer kosher or halal products, and a range of flour and grain products with a BIO/EKO or 100% wholemeal certificate. In addition, we have set up a legally required auto-control system (ACS) and in 2024 we aim to renew our SMETA certification in Rotterdam.

c Traceability: Traceable processes are important to continuously monitor our wheat deliveries and guarantee a stable quality of each milling. This also allows us to influence the taste of our products through authentic wheat varieties and products with a specific origin. Together with our suppliers, we guarantee traceability from farm to fork, as laid down in our Supplier Code of Conduct.

Dossche Mills has various quality and safety certificates. This is the overview per site.

Site Standard	Merksem	Bossuit	Deinze (Flinn)	Deinze warehouse	Rotterdam	Uithuizermeeden (Waddenmolen)	France warehouse
BRCG Food	X	X	X		X		
FSSC 22000						X	
Risk Plaza+ (raw materials)	X	X	X		X		
ACS (auto-control system)	X	X					
FCA (feed BE)	X	X	X				
GMP+ (feed NL)					X	X	
RSPO (sustainable palm oil)	X	X			X		
BIO / EKO				X (trading only)		X	X (trading only)
100% wholemeal	X				X	X	
Kosher	X	X	X		X		
Halal			X		X		



Our goals

Commitment: We strive for consistent quality and take measures to guarantee this every day.

Targets

- All our existing sites will switch to unannounced GFSI audits by 2027 at the latest.
- New production sites will have a GFSI certificate within 2 years of start-up or takeover.



Performance 2023

Within the GFSI audit system, each site will receive an unannounced auditor once every three years. In 2023, unannounced audits took place at all Dossche Mills sites (100%). From 2024 to 2026, the auditors will carry out both announced and unannounced inspections. From 2027, we will voluntarily switch to unannounced annual audits, in which the auditor critically examines the production areas within half an hour of arrival.

Our actions

We launched a **strategic 'Food Safety & Quality Culture' plan** to sharpen quality awareness and structure our approach. From this basis, an action plan was drawn up and implemented per production site. At all levels in the organisation, **customised training** was provided to increase general awareness of quality and food safety.

We have taken important steps in our research into **allergens**, and in particular into possible **cross-contamination** in raw materials and during production processes. These studies are being done partly in the context of the European

obligation to map and quantify cross-contamination with allergens. In 2024, we will further raise awareness and guide customers and suppliers. The aim is to further increase awareness of allergen management and the prevention of cross-contamination.

We organised customised training courses to achieve continuous improvement of the quality and food safety culture. This allowed all our production managers and quality managers to follow a **Green Belt training**, which focuses on operational excellence. To further stimulate the involvement of all employees, quality

topics are regularly discussed in our **internal communication**, such as newsletters and information sessions.

In addition to the actions in the area of quality management, the focus of our sustainability strategy is on the certification and transparency of our sustainable wheat and flour flows. To ensure this transparency and to substantiate our sustainability efforts, we have developed the **Terah Standard**, which has been validated and certified by an independent certification body.



9. Innovation

Why this is important to us

The needs of the market are continuously changing. The demand for sustainable and healthy products is increasing, and scientific developments are following each other in rapid succession. In order to offer products that meet the needs of the customer, we focus strongly on knowledge and innovation. Our efforts fit within **four global trends**:

- **Sustainable agriculture:** Our motto is 'healthy food on a healthy planet'. We help farmers to improve soil biodiversity and reduce CO₂ emissions from wheat cultivation. In this way, we also support the fight against climate change.
- **Protein transition:** By (partly) replacing animal proteins with vegetable proteins, we can reduce the environmental impact of our food and make the global food supply more sustainable. Wheat flour can play an important role in this transition.
- **Eat more fibre:** Most people eat less dietary fibre than the recommended daily amount. By consuming more vegetables, fruit, whole grains and other fibre-rich foods, we can close this 'fibre gap'. Dossche Mills wants

to contribute to this by developing more fibre-rich grain products and by encouraging our customers to promote fibre-rich end products.

- **Functional flour types:** Dossche Mills provides innovative solutions tailored to the customer. Within our FLINN range, which stands for Flour Innovations, we offer products that take our customers' end products to a higher level, in terms of taste, texture, shelf life and profitability.

Our approach

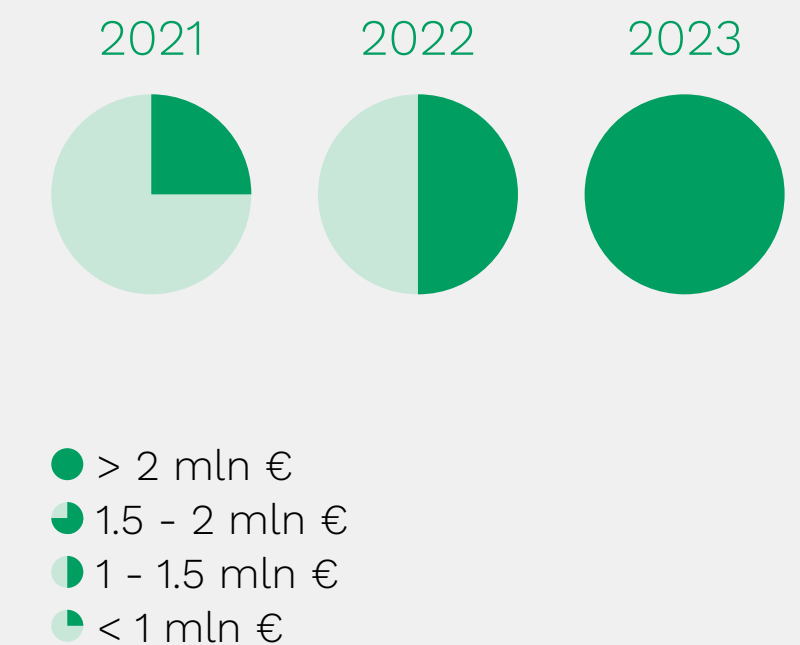
Dossche Mills does more than just process wheat into flour. We contribute to healthy and sustainable food and meet the needs of the market. Innovation is one of the four building blocks of our long-term strategy.

Our innovation projects focus on various strategic themes, such as a sustainable wheat chain, the valorisation of side streams, healthy and plant-based food, special types of flour, operational excellence, saving raw materials, etc. We always focus on three research horizons:

- **Horizon 1 ('Core projects'):** Optimising existing products is part of our core activities.
- **Horizon 2 ('Adjacent projects'):** We develop new technologies and products for our existing and new markets (new for Dossche Mills).
- **Horizon 3 ('Transformational projects'):** We look for breakthroughs or inventions that generate completely new markets (new for the world).

In addition to sustainable raw materials and products, Dossche Mills also focuses on innovative **processes**. We explore new technologies, broaden our activities and improve existing products. With our R&D and product management teams, we are constantly looking for relevant innovations in the products and services we offer. Extensive **digitalisation** also ensures greater transparency, better inventory management and an error-proof purchasing and production process.

Expenditure (OpEx and CapEx) on research and development





Our goals

Commitment: We are developing innovative wheat products, tailored to the customer.

Targets

- Each year, we invest at least €2,000,000 in research and development, a significant share of which is devoted to sustainability projects.
- We score all new R&D projects in terms of sustainability and impact on sustainability via a new rating system.

Our actions

Environment and climate

Dossche Mills takes various measures to increase soil biodiversity and combat climate change. In 2023, we laid the foundation for what would later become our Terah Program, with which we want to bring together all chain partners to achieve sustainably grown wheat. We help farmers, among other things, to reduce the **CO₂ emissions from wheat cultivation**, focus maximally on research into regenerative agricultural techniques and conduct research into smart fertilisation techniques and new cultivation techniques. At the same time, we look at how agriculture can respond to the existing consequences of climate change, such as extreme weather conditions and new diseases.

Collaborations

Dossche Mills is working with various knowledge partners on a dozen **external projects** to develop sustainable and healthy food products. The table below lists some of these projects.

Digitalisation

We are digitising our processes to avoid errors and provide more transparency. We are **streamlining our basic administrative processes** by using a variety of digital tools. Artificial intelligence (AI) is also a game changer for the entire business operations. We are critically examining where the major opportunities of this technology lie and are already using AI in several domains such as sales, marketing, customer service, etc. Finally, far-reaching automation makes our production processes more efficient and reduces the physical tasks of our employees.



With our grain products, we are making a tangible contribution to a healthy diet and the food patterns of the future. Grain products contain a lot of proteins and fibre, which means we are contributing to the protein transition and helping close the so-called 'fibre gap'.

Jeroen Demeurisse,
R&D Director



Did you know that ...

The by-products from our sites in the Netherlands and Belgium can close the 'fibre gap' of 13 million people?

That's why we have many innovation projects underway to valorise the side streams in food. Our main concern is to process the grain into products for human consumption. If that does not work, we put the products into circulation for animal feed.

Dossche Mills is an active partner in various research projects. These are some of the most important ones:

Partner	Project name	Project type	Description	Strategic R&D theme
Wageningen	Dutch baking wheat - Going for local grain	Public-private partnership	Significantly increasing the share of Dutch baking wheat in bread by removing a series of bottlenecks in the entire chain that currently prevent this	Sustainability
Wageningen	Fiberme	Public-private partnership	Predicting the response of the microbiome to the consumption of specific fibres using AI	Healthy food
Flanders Food / KUL	PulseFlour	Strategic basic research	Gaining insights into digestive, techno-functional and sensory aspects of legume-based flours	Sustainability & healthy food
Soil Service of Belgium, UGent, HoGent, Inagro	Optitarwe	Vlaio agriculture (LA) trajectories	A more efficient use of nitrogen in wheat	Sustainability
UGent, HoGent	PulseBake	Vlaio TETRA	Legumes and derivatives as promising ingredients in the grain and bakery sector	Sustainability & healthy food
UGent, ILVO, KUL, Flanders Food, Thomas More	ProFuNu	Strategic basic research	Alternative protein sources for meat (analogues) - from functionality to nutritional value	Sustainability & healthy food

04

Financial information

♥ Interview Marc De Bleser,
Group CFO





Interview with Marc De Bleser, Group CFO

In 2023, the European economy experienced a moderate recovery, despite high inflation and geopolitical tensions. Dossche Mills has used this favourable climate to continue growing and take steps in expanding its strategy. CFO Marc De Bleser analyses the progress and looks ahead to the future.

How would you describe 2023 financially?

Are you satisfied with the results?

Marc De Bleser: "In both 2022 and 2023 we saw an improvement in our results. This growth is mainly due to internal optimisations and strategic acquisitions. Because our market has shown stable demand for years, organic growth is limited and acquisitions are the only way to increase our market share."

Which internal optimisations have had the greatest positive impact?

Marc De Bleser: "Over the past year, we have strengthened our focus in three areas. An important first step was to professionalise our pricing, whereby we took more account of the evolution of our most important costs. We also professionalised our product formulations and made improvements where possible, without compromising on quality. Finally, we continued to work on our security of supply by better hedging ourselves against market fluctuations in wheat prices."

Were there also economic challenges in 2023?

Marc De Bleser: "Like many other companies, we were confronted with persistent inflation, which caused our energy, wage and transport costs to increase. We were largely able to pass on these rising costs in our sales prices. In addition, our fixed costs increased through additional investments in new infrastructure and in the development of sustainable products. We expect these investments to pay off in the short term."

"Although geopolitical instability was an important factor, it also brought opportunities for us. By not purchasing grain from Ukraine and thanks to the favourable location of our factories, we were able to continue to guarantee all our contractual agreements and we were even able to help other players out of trouble during the start of the Ukraine crisis in 2022."





In 2024, you will publish your first sustainability report, in accordance with the principles of European regulations (Corporate Sustainability Reporting Directive – CSRD). What are the benefits and challenges of this reporting?

Marc De Bleser: "Transparent sustainability reporting is primarily a way to show our stakeholders what we have already achieved in terms of sustainability and where our focus lies for the future. This can increase the trust and loyalty of customers, investors and other stakeholders, which benefits our corporate value. By reporting proactively, we also are complying with current and future laws and regulations. This first report focuses exclusively on Dossche Mills. In the coming years this will be expanded to a joint report for the entire Dossche Group."

What does the future look like for Dossche Mills?

Marc De Bleser: "The grain market has been changing for some time. We are seeing a shift from small, artisanal bakers to industrial bakeries and retailers. This presents us with new challenges: we will have to adapt our way of working to the new market structure."

"In the coming years, we will focus on four strategic pillars. We will protect and strengthen our core activities, invest extra in innovation, pay more attention to sustainability and investigate possible acquisitions. In the latter case, we are not taking into account the sustainability performance of the companies to be acquired for the time being, because potential acquisition candidates are scarce and small grain mills often make few sustainability efforts. After an acquisition, we do implement our ESG standards immediately. In addition, we are reducing our debts and taking steps to link our financing to our sustainability targets."

In the coming years, we will focus on four strategic pillars. We will protect and strengthen our core activities, make additional investments in innovation, pay more attention to sustainability and continuously investigate possible acquisitions.

05

Appendices

- ♥ Our sustainability targets
- ♥ ESRS content table (CSRD)
- ♥ Material and non-material IROs
- ♥ Memberships
- ♥ Our contribution to the SDGs





Our sustainability targets



Action for environment and climate

Climate action

- By 2030, we will reduce our CO₂e emissions for Scope 1, 2 and 3 FLAG* by 50%.
- By 2030, we will reduce our CO₂e emissions for Scope 3 non-FLAG** by 25%.

Sustainable agricultural practices

- We will reduce our CO₂e footprint 3 FLAG by 50% by 2030 (compared to base year 2022).
- We will promote biodiversity and soil quality within our sustainable agricultural projects. We will map its impact by measuring annual progress.

Raw materials management

- We strive for optimal use of raw materials and equipment. Improvement initiatives are taken annually for this purpose.
- We ensure sorted waste management at all sites and stimulate or improve the circularity of materials where possible.

Healthy living environment

- We intend to halve the number of complaints from residents about noise pollution by 2030.
- Our dust emissions are less than 15 µg/Nm³ at all sites.



Care for our people and the consumer

Personal development of our people

- We provide targeted training days (internal and external) per type of function for all employees. We will gradually increase the number of training days to at least 5 training days per year per employee.
- We organise annual career development interviews for all our employees.

Safety, health and well-being in the workplace

- We strive for 0 occupational accidents, including by strictly adhering to the LOTO(TO) procedure.
- We provide at least 1 ergoscan annually to analyse ergonomically demanding workstations and propose improvements.

Working on ethical business operations

Good corporate governance

- 100% of our direct suppliers will sign our code of conduct by 2027.



Development of innovative and high-quality products and processes

Safe and high-quality products

- All our existing sites will switch to unannounced GFSI audits by 2027 at the latest.
- New production sites will have a GFSI certificate within 2 years of start-up or takeover.

Innovation

- Each year, we invest at least €2,000,000 in research and development, a significant share of which is devoted to sustainability projects.
- We score all new R&D projects in terms of sustainability and impact on sustainability via a new rating system.



ESRS content table (CSRD)

European Sustainability Reporting Standards (ESRS) covered by the sustainability statement of Dossche Mills

In this first report, we are already taking some steps towards the CSRD, but we will fully complete the requirements in our next report.

General standards		Page	Additional information
Reporting requirements			
ESRS 2 General disclosures			
BP-1	General basis for preparation of the sustainability statements	2	
BP-2	Disclosures in relation to specific circumstances	2	
GOV-1	The role of the administrative, management and supervisory bodies	26-27	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	26-27	
GOV-3	Integration of sustainability-related performance in incentive schemes		Apart from safety metrics, no sustainability-related performance is included in incentive or bonus schemes
GOV-4	Due diligence statement		No due diligence exercise has been carried out at this time. However, we have committed to doing so in our Environmental Policy Statement.
GOV-5	Risk management and internal controls over sustainability reporting		This information will be supplemented later
SBM-1	Strategy, business model and value chain	12-18	
SBM-2	Interests and views of stakeholders	19-20	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	31-34	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	33	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	61-65	
Environmental standards		Page	Additional information
Reporting requirements			
ESRS E1 Climate change			
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes		This information will be supplemented later
E1-1	Transition plan for climate change mitigation		This information will be supplemented later
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	31-34	
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	33	



E1-2	Policies related to climate change mitigation and adaptation	35-36	
E1-3	Actions and resources in relation to climate change policies	37	
E1-4	Targets related to climate change mitigation and adaptation	37	
E1-5	Energy consumption and mix		
E1-6	Gross scope 1, 2, 3 emissions and total greenhouse gas emissions	38	
E1-7	Greenhouse gas removals and greenhouse gas mitigation projects financed through carbon credits		Not applicable
E1-8	Internal carbon pricing		Not applicable
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		This information can be omitted in the first reporting year

ESRS E2 Pollution

ESRS 2, IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	31-34	
E2-1	Policies related to pollution		This information will be supplemented later
E2-2	Actions and resources related to pollution	21-24	
E2-3	Targets related to pollution		This information will be supplemented later
E2-4	Pollution of air, water and soil		Not material
E2-5	Substances of concern and substances of very high concern		Not material
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities		This information can be omitted in the first reporting year

ESRS E3 Water and marine resources

ESRS 2, IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	31-34	
E3-1	Policies related to water and marine resources		This information will be supplemented later
E3-2	Actions and resources related to water and marine resources		This information will be supplemented later
E3-3	Targets related to water and marine resources		This information will be supplemented later
E3-4	Water consumption		This information will be supplemented later
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities		This information will be supplemented later

ESRS E4 Biodiversity and ecosystems

E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	21-24	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		This information will be supplemented later
ESRS 2, IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	31-34	



E4-2	Policies related to biodiversity and ecosystems		This information will be supplemented later
E4-3	Actions and resources related to biodiversity and ecosystems	21-24	
E4-4	Targets related to biodiversity and ecosystems		This information will be supplemented later
E4-5	Impact metrics related to biodiversity and ecosystems change		This information will be supplemented later
E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities		This information can be omitted in the first reporting year

ESRS E5 Materials use and circular economy

ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	33	
E5-1	Policies related to resource use and circular economy	42	
E5-2	Actions and resources related to resource use and circular economy	42	
E5-3	Targets related to resource use and circular economy	43	
E5-4	Resource inflows		This information will be supplemented later
E5-5	Resource outflows		This information will be supplemented later
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities		This information can be omitted in the first reporting year

Social standards**Page****Additional information****Reporting requirements****ESRS S1 Own workforce**

ESRS 2, SBM-2	Interests and views of stakeholders	19	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	31-34	
S1-1	Policies related to own workforce	45;47	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	19	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	45	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	46	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	45;48	
S1-6	Characteristics of the undertaking's employees		Full information may be omitted in the first reporting year
S1-7	Characteristics of non-employee workers in the undertaking's own workforce		This information can be omitted in the first reporting year
S1-8	Collective bargaining coverage and social dialogue		Not material. Our employees have the right to join an association. The agreements made with the trade union are described in the collective bargaining agreement.



S1-9	Diversity metrics		Not material
S1-10	Adequate wages		Not material
S1-11	Social protection		Not material
S1-12	Persons with disabilities		Not material
S1-13	Training and skills development metrics	45	Full information may be omitted in the first reporting year
S1-14	Health and safety metrics	47	Full information on cases of occupational diseases and on days of absence due to injuries, accidents at work, deaths and occupational diseases, as well as non-employee workers may be omitted in the first reporting year
S1-15	Work-life balance metrics		This information can be omitted in the first reporting year
S1-16	Compensation metrics (pay gap and total compensation)		Not material
S1-17	Incidents, complaints and severe human rights impacts		Not material

ESRS S2 Workers in the value chain

Dossche Mills has not identified any material IROs linked to workers in the value chain. The reporting requirements linked to this standard are therefore omitted.

ESRS S3 Affected communities

ESRS 2, SBM-2	Interests and views of stakeholders	20	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	31-34	
S3-1	Policies related to affected communities	41	
S3-2	Processes for engaging with affected communities about impacts	20	
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	20	
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	41	
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	41	

ESRS S4 Consumers and end-users

ESRS 2, SBM-2	Interests and views of stakeholders	20; 33	
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	31-34	



S4-1	Policies related to consumers and end-users	51-53
S4-2	Processes for engaging with consumers and end-users about impacts	20
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	20
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	53
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	53

Governance standards**Page****Additional information****Disclosure requirements****ESRS G1 Business conduct**

ESRS 2, GOV-1	The role of the administrative, management and supervisory bodies	26	
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	33	
G1-1	Corporate culture and business conduct policies	49-50	
G1-2	Management of relationships with suppliers	50	
G1-3	Prevention and detection of corruption and bribery		Not material
G1-4	Confirmed incidents of corruption or bribery		Not material
G1-5	Political influence and lobbying activities		Not material
G1-6	Payment practices		Not material



Material and non-material IROs

This is the overview of the impacts, risks and opportunities that were assessed during our double materiality assessment.

ESG domain	Impacts, risks and opportunities examined	Category	Materiality assessment	Final material topics within our reporting
Environment				
Action for environment and climate				
Climate action	Sustainable transport	Impact	Material	
	Energy efficiency and renewable energy	Impact	Material	Own emissions
	Climate change	Risk	Material	Energy efficiency Renewable energy
	Rising energy prices	Opportunity	Material	Sustainable transport
	Energy transition	Opportunity	Material	
Sustainable agricultural practices	CO ₂ emissions in agriculture	Impact	Material	
	Sustainable agricultural practices	Impact	Material	
	Water consumption	Impact	Material	
	Biodiversity loss	Impact	Material	Emissions in the value chain
	Water, soil and air quality	Impact	Material	Water use in agriculture Water and soil quality
	Increasing drought	Risk	Material	Care for biodiversity
	Insufficient availability of land for wheat cultivation	Risk	Non-material	
	Dependence on fertilisers and pesticides	Risk	Non-material	
	Stricter environmental legislation	Opportunity	Non-material	
Raw materials management	Raw materials management and food losses	Impact	Material	Food losses Use of Bills of Materials Waste management
Healthy living environment	Dust and noise	Impact	Material	Dust
	Stricter environmental legislation	Opportunity	Non-material	Noise



ESG domain	Impacts, risks and opportunities examined	Category	Materiality assessment	Final material topics within our reporting
Social				
Care for our people and the consumer				
Personal development	Personal growth and training of employees	Impact	Material	Training Employee engagement
Safety, health and well-being	Employee safety	Impact	Material	Safety
	Physical and mental health of employees	Impact	Material	Mental health
	Diversity and inclusion	Impact	Non-material	Physical health
Attractive employer with attention to ESG	Dossche Mills as an attractive employer	Impact	Non-material	
	War for talent	Risk	Non-material	/
	Expectations of employees and applicants	Opportunity	Non-material	
Collaboration and stakeholder management	Collaboration in the chain	Impact	Non-material	/
	Farmers not getting on board with the sustainability story	Risk	Non-material	
Good governance				
Working on ethical business operations				
Ethical behaviour	Ethical behaviour	Impact	Material	Compliance
	Preventing human rights violations	Impact	Material	Human rights
	Transparency, communication and reporting	Impact	Non-material	Business ethics
Management of ESG impacts and risks	Management of ESG risks	Impact	Non-material	/
	Cyber security	Risk	Non-material	



ESG domain	Impacts, risks and opportunities examined	Category	Materiality assessment	Final material topics within our reporting
Innovation				
Development of innovative and high-quality products and processes				
Innovation	Innovation	Impact	Material	Technological development Innovation of products Broadening of activities Digitalisation
	Automation and digitalisation	Opportunity	Material	
	Technological developments	Opportunity	Material	
	Genetic breeding of crops	Opportunity	Non-material	
Safe and high-quality products	Food quality and food safety	Impact	Material	Safe products High-quality products
	Healthy food	Impact	Material	
	Demand for healthier diets	Opportunity	Material	
	Demand for more plant-based foods	Opportunity	Material	
	Protein transition	Opportunity	Non-material	
	Nutrition claims and labels	Opportunity	Non-material	
Sustainable growth and resilient business	Healthy and sustainable growth of the company	Impact	Non-material	/
	Sustainable investments	Impact	Non-material	
	Volatility of the wheat market	Opportunity	Non-material	
	Dependence on one commodity	Opportunity	Non-material	
	War in Ukraine	Risk	Non-material	
	Economic crisis	Risk	Non-material	



Memberships

Our good business practices are substantiated by various memberships and certificates. To name a few:



- **BRC:** We have various certificates that are relevant to the food industry. The BRC certificate is the most important among these.



- **EcoVadis:** EcoVadis is a sustainability assessment that provides insight into how companies deal with various ESG themes. In 2023, we achieved a silver medal with a score of 69. This places us in the top 14% of companies in our industry, a result we are quite proud of.



- **European Flour Millers:** We are a member of European Flour Millers, an association representing the European wheat, rye and oat milling industry at the European and international level.



- **Fevia:** We are a member of Fevia, the federation of the Belgian food industry

- Several other initiatives, including (alphabetical): AGF Detmold, BAF Arvalis, CGO (Culture and Use Value Research for Plant Varieties), Cool Farm Alliance, Regenacterre Academy, Regenerative Innovation Portfolio, Vlerick Sustainability Center



Our contribution to the SDGs

With Dossche Mills, we actively support the Sustainable Development Goals (SDGs). These international goals have been developed to achieve a more just, sustainable, peaceful and prosperous world by 2030. We are focusing our efforts on the goals on which we believe we can have the greatest impact by 2030.

Our highest priority SDGs are:

- SDG 3: Good health and well-being
- SDG 12: Responsible consumption and production
- SDG 13: Climate action
- SDG 15: Life on land





Dossche Mills

Together we get
the best out of grain