

# SUSTAINABILITY REPORT 2018-2020



**culinor food group**



**Culinor Food Group**

Houtstraat 46  
9070 Destelbergen  
Belgium

+32 9 229 05 11

[info@culinor.com](mailto:info@culinor.com)

[www.culinor.com](http://www.culinor.com)

A member of the ORIOR Group



# ABOUT THIS REPORT

This sustainability report has been prepared in accordance with the GRI Standards: Core option. It covers the sustainability performance of Culinor Food Group for the years 2018, 2019 and 2020.

## Reporting period

Publication of report in 2021

Reporting for the financial years 2018-2020, reference year 2018

## Scope

Culinor Food Group

This includes the sites in Destelbergen, Ghent, Olen and Herselt.

## Contact details

Guy De Vos, Operations Director

Vincent Merks, General Manager Sites Olen & Herselt

Cristel Van Laer, Management Assistant

CSR@culinor.com

## Advice

Deborah Huber, Corporate Sustainability Manager ORIOR AG

deborah.huber@orior.ch

## Ownership structure and legal form

Culinor Food Group is part of ORIOR AG, a listed company headquartered in Zurich (Switzerland) and leading Food & Beverage Group. ORIOR products are mainly found at retailers, food service channels and specialised traders.

Culinor Food Group, part of ORIOR Europe NV, is located in Belgium and consists of several companies, whereby the activities are mainly concentrated in Culinor Food Group NV and Culinor NV. Culinor Food Group has four production sites and one logistics site.

## Activities

Culinor Food Group develops, produces and markets chilled ready meals and meal components. The raw materials are purchased mainly in Belgium and neighbouring countries, but also internationally. Production takes place in one of the four production plants in Ghent, Destelbergen, Olen and Herselt.

The sales channels can be divided into three groups:

- Retailers (supermarkets) in Belgium, the Netherlands and France who offer a range of chilled meals and meal components, mainly under their own brand. Culinor Food Group supplies hundreds of articles to this channel.
- Out-of-Home customers consisting of small and large restaurant chains as well as collectivities such as schools and care centres. Tailor-made products are usually developed for these customers.
- Home Delivery to seniors living at home in Belgium, where chilled meals are delivered to their homes.





## CERTIFICATIONS AND MEMBERSHIPS

International Food Standard Higher Level, version 6.1,

Score: Higher level

Organic production (TÜV certified)

Beter Leven Keurmerk

Aquaculture Stewardship Council

### Culinor Food group is a member of:

- Brema, sector federation prepared meals, in turn member of European Chilled Food Federation
- Fevia, Federation of the Belgian Food Industry
- Flanders Food
- Pack4Food
- Fost Plus
- Val-I-Pac

Culinor Food Group processes raw materials with the sustainable characteristics of Marine Stewardship Council, Fair Trade and Earth Friendly.

Culinor Food Group works according to the standards of

- IWAY Charter for healthy, balanced, and sustainable school meals
- Seasonal calendar 'Velt' for maximum use of seasonal fruit and vegetables
- Seasonal calendar "Lekker van bij ons"
- Vlarema



## CEO STATEMENT

In the fast-evolving market of ready-made meals, the demand for better quality, finer flavour and healthy recipes is increasing. Sustainable raw materials and production methods cannot be lost sight of in this regard. After all, as a producer we must be aware of the social challenges and search proactively for solutions. Sustainability is so much more than saving energy and creating less waste. It also means continuously striving to improve our products and achieve a healthy corporate growth, which helps us to create and maintain jobs. With this first sustainability report, we are taking the next step in improving the transparency about our sustainable "foodprint".

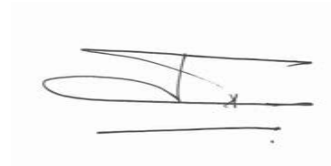
Culinor Food Group has long been committed to sustainability. Increased awareness and responsibility contribute to more transparent production processes, despite the more difficult market conditions and pressure on food prices. It is important to let all our stakeholders know what steps we have already taken in this direction. Defining sustainability goals, taking the necessary actions and reporting about the ongoing process are essential elements in this communication. The ORIOR Group we have been part of since 2016, published a sustainability strategy in 2018. With its three pillars of product responsibility, environmental responsibility and social responsibility, this forms the basis of this report, adapted to our own initiatives.

## "SUSTAINABILITY FOR A HEALTHY AND LIVEABLE FUTURE"

Consumers are more aware than ever of the importance of healthy food and play an important role in promoting sustainability throughout the food chain. We can only welcome this and do all we can to meet these new expectations.

We are aware that there is still much room for improvement and will evaluate this in our daily business and in our further reports. We look forward with confidence because sustainability ensures a healthy and liveable future.

**Filip De Spiegeleire, CEO**




## INFO ABOUT CULINOR FOOD GROUP



**450**  
employees (FTE)

preparation of



**200.000**  
ready meals/day

### Our house brands



Natural Healthy Meals



Le Patron



home**cuisine**

### Our locations and main markets

- ① Hot Cuisine Gent
- ② Depot Destelbergen
- ③ Culinor Destelbergen
- ④ Vaco Herselt
- ⑤ Vaco Olen



Home market

Further markets





## THE VALUES OF CULINOR FOOD GROUP



We create added value for employees, customers and suppliers.



We continue to focus on innovation and growth to meet rapidly evolving consumer needs and preferences.



Motivated and competent employees, who happily come to work with pride day after day, are the key to our success.



Every employee is responsible for his or her behaviour and the work done. High ethical standards and respect are at the core of everything we do.



Sustainable growth and at the same time remaining profitable is only possible if we constantly strive to guarantee quality and make progress in our daily work.



Open, honest and transparent communication is the basis for successful team work.



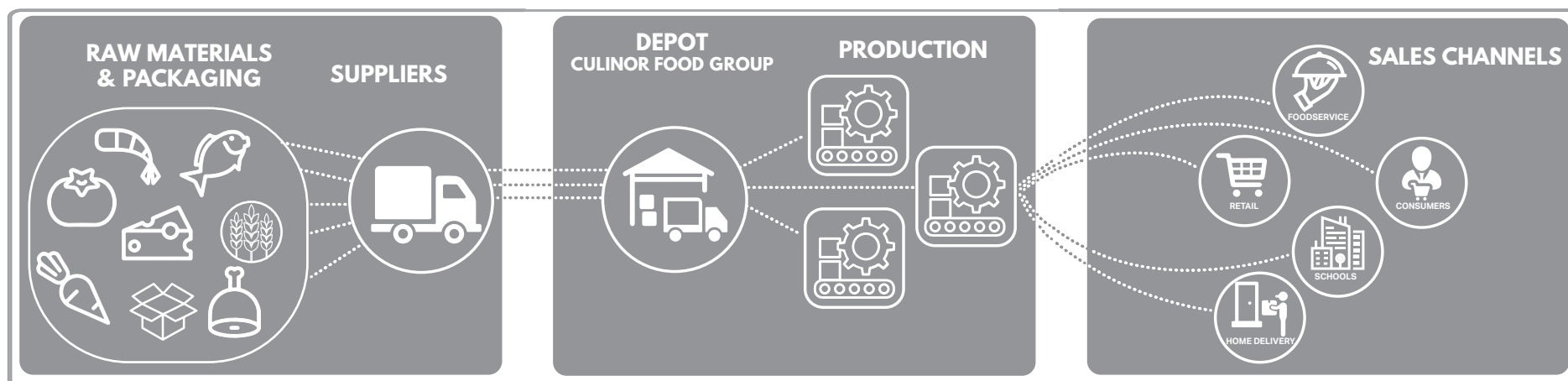
Sustainability is an integral part of our core business.



## A RESPONSIBLE VALUE CHAIN

The path of our products to the consumer is divided into three major steps: our suppliers deliver the raw materials and packaging, which are then processed in our production and packaging facilities to finally be delivered to our customers.

We want to align our strategic ambitions to where we can deliver the biggest contributions to sustainable development. Targets and measures will be implemented in those areas we can make a difference and where negative impacts can be prevented.





# SUSTAINABILITY STRATEGY AND CONTRIBUTION TO SDGs



Sustainability is central to our culture and an absolute requirement to guarantee premium quality and excellence in food.

Culinor has integrated sustainability into its strategy and distinguishes three main areas, each of which has a sustainable ambition, based on the ORIOR sustainability strategy.

As the Belgian subsidiary of the ORIOR Group, we have built upon or refined these ambitions, taking into account the market situation, the product range, our sustainability impact and the Belgian legislation.

It is our goal to focus on the areas where we as an organisation can have the greatest impact in terms of sustainability. In doing so, we do everything we can to minimise our negative impact and maximise our positive impact at the same time.

Through our work and continuous improvement in the nine sustainable ambitions, we want to contribute in our own way to the Sustainable Development Goals (SDG)



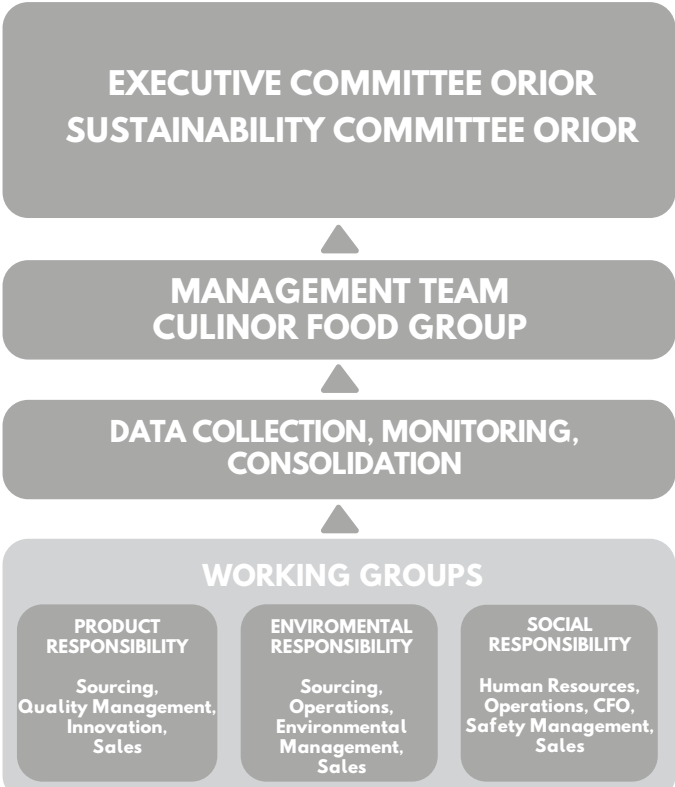
# ANCHORING IN THE ORGANISATION

We have defined who is responsible for implementing the sustainability policy in our organisation.

All initiatives, targets and measures are discussed in an annual workshop in different working groups.

There are three working groups which are composed around the three pillars of our sustainability strategy. They bring together managers of different areas to develop common solutions and exchange experiences and expertise. The proposals for action coming from these workshops are collected and consolidated before being submitted to the management team of Culinor Food Group and final approval from the ORIOR Sustainability Committee.

The main task of the ORIOR Sustainability Committee is oversight and ongoing discussion concerning every sustainability related issue. They also involve and report to the ORIOR Executive Committee.



# MEMBERS OF THE WORKING GROUPS

## PRODUCT RESPONSIBILITY



**Stefanie Vanwelsenaers**  
Key Account  
Manager



**Kristel Ketels**  
Purchase Manager



**Vincent Merks**  
General Manager  
Olen & Herselt



**Pieter Beyens**  
I&D Manager  
Destelbergen & Gent



**Nicolas Pczycki**  
Key Account  
Manager



**Gorryt De Ruyck**  
QA Manager  
Destelbergen & Gent

## ENVIROMENTAL RESPONSIBILITY



**Guy De Vos**  
Operations Director



**Alex Faes**  
HSE Manager  
Olen & Herselt



**Miet Jacobs**  
QA Manager  
Olen & Herselt



**Steven Van de Velde**  
HSE Manager  
Destelbergen & Gent



**Cristel Van Laer**  
Management  
Assistant

## SOCIAL RESPONSIBILITY



**Romain Dewael**  
Plant Manager  
Olen & Herselt



**Daisy Clonen**  
HR Manager  
Olen & Herselt



**Mario De Rijck**  
Plant Manager  
Destelbergen



**Natalie Van Gheluwe**  
HR Manager  
Destelbergen & Gent



**Bart Serras**  
CFO



# STAKEHOLDER CONSULTATION

Our aim is to take maximum account of the expectations of all our stakeholders.

In developing our sustainability strategy, we used stakeholder mapping to identify our main stakeholders and their importance in sustainability issues (see also materiality matrix on next page).

We engage in ongoing communication with our employees, customers, suppliers and ORIOR shareholders by means of personal discussions and meetings. We receive direct feedback from consumers via digital media or indirectly via our customers.

We also exchange information with other stakeholders such as associations, public authorities and labor unions for example during personal discussions, at conferences, or when involved in cross-sector projects.

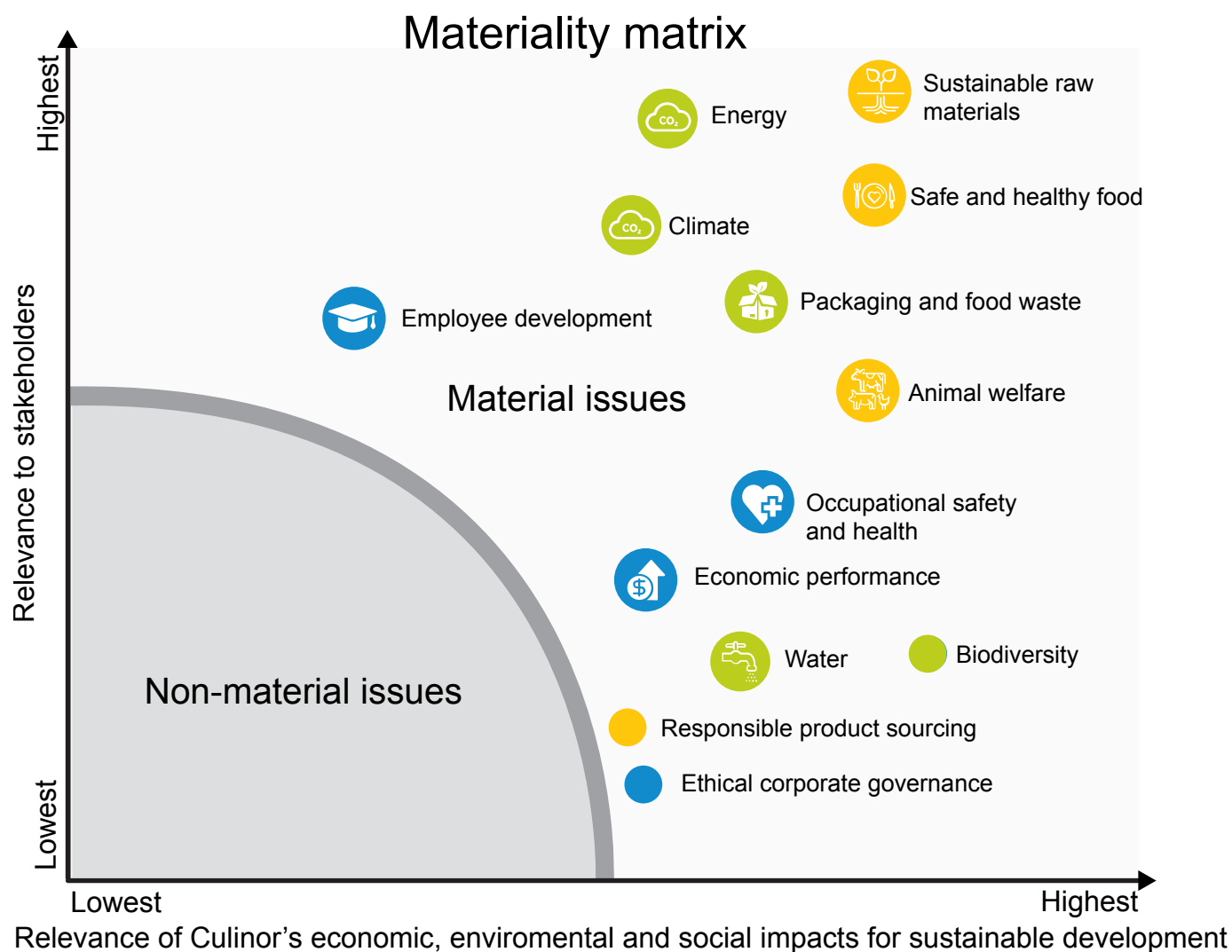




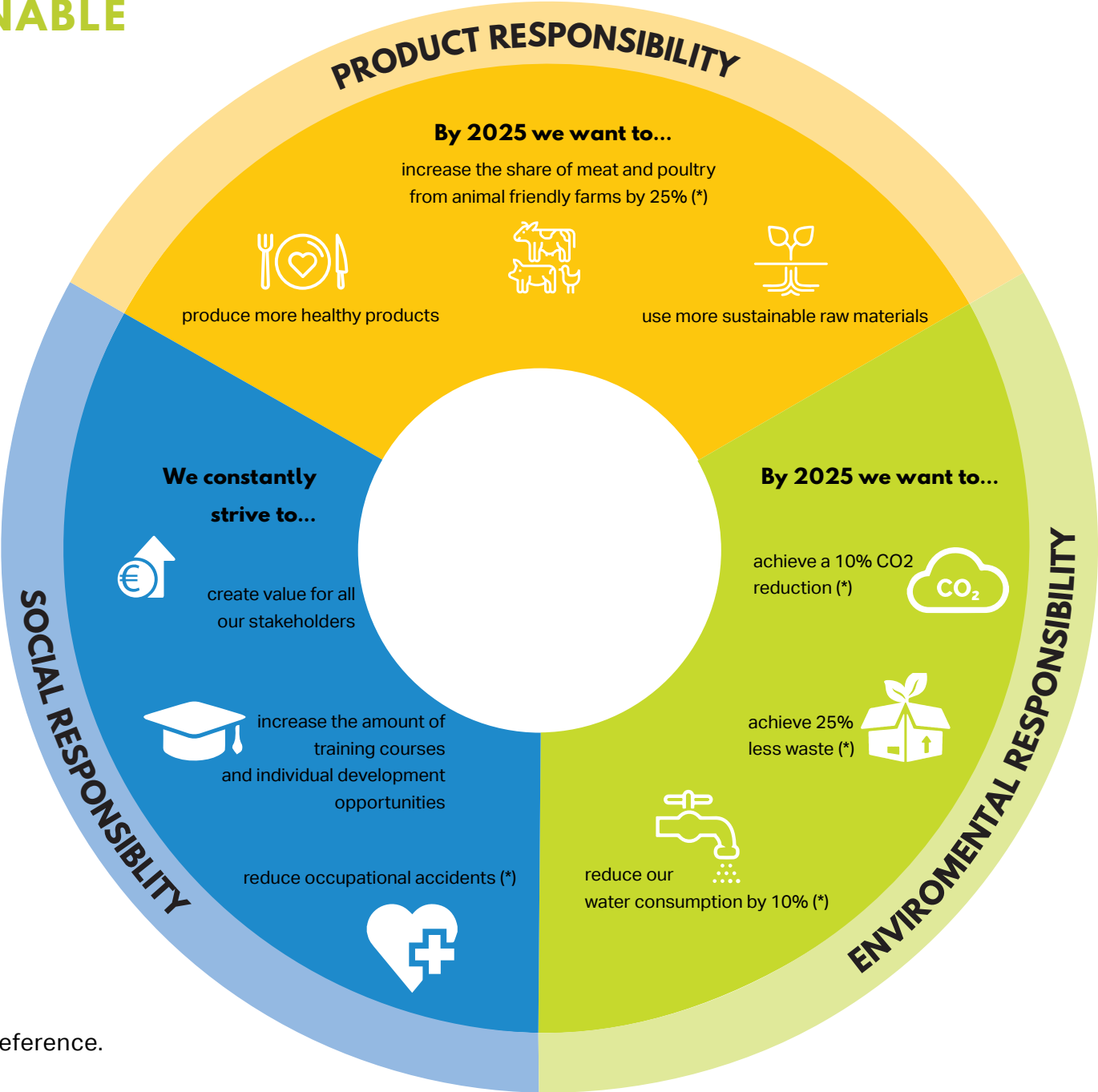
# MATERIALITY MATRIX

In 2018, ORIOR Group created a materiality matrix to define the relevant sustainability issues (see ORIOR Group sustainability reports 2018 and 2019).

Culinor Food Group used this materiality matrix as a basis to define the areas of activity, adapting them slightly to fit the local context.



# OUR SUSTAINABLE AMBITIONS



\* We use 2018 as the point of reference.



## PRODUCT RESPONSIBILITY

We consciously purchase sustainable raw materials because they have a positive impact on social and environmental aspects further down our value chain. We also attach specific importance to the welfare of the animals bred for our products. Finally, we also take responsibility for producing healthy meals that taste delicious. The safety of our meals is a self-evident requirement that is guaranteed by our processes and the IFS certification.

### SAFE AND HEALTHY FOOD

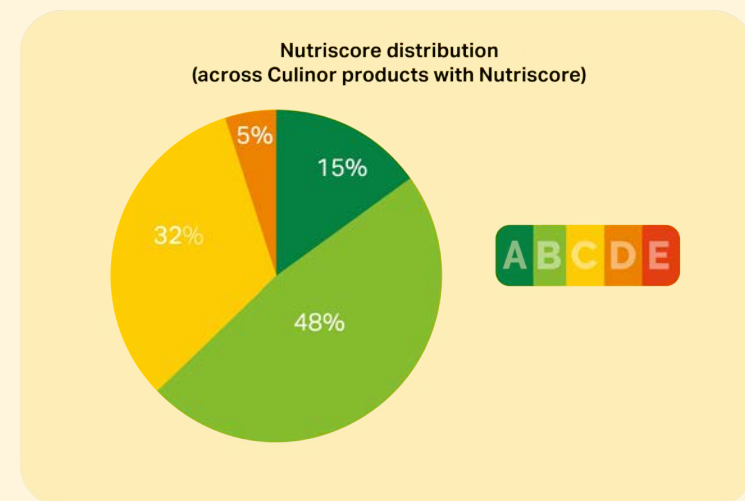
Achieving continuous improvement in the production of safe and healthy food is part of Culinor Food Group's commitment to responsible business practices. This objective is already embedded in how we think and act and therefore must be included in our sustainability reporting. A healthy and balanced diet is crucial to our well-being and health. Product range and availability, diversity and eating habits pose new challenges for consumers. Our mission and responsibility is to continuously improve our products in every way, including quality, culinary excellence and nutritional value.

Product quality and safety are an absolute basic requirement in the food industry. Culinor Food Group has been IFS certified for many years. IFS is a set of international standards that ensure the implementation of the latest requirements in terms of quality, transparency and efficiency for production and retail companies. This certification demonstrates that Culinor Food Group's processes are suitable for guaranteeing food safety at which listeria control and microbiological checks are obvious.

**Academic partners:** Culinor Food Group works closely with Prof. Em. Dr. Ir. Johan Debevere, member of the advisory board of Culinor, highly cited researcher (Thomson Reuters) and former director of the laboratory of UGent for food microbiology and conservation.

Prof. Em. Dr. Ir. Johan Debevere advises us on the bacteriological analyses of raw materials and end products and gives us expert advice on the handling, packaging and storage of food products. His know-how and experience in the field are essential for creating a reliable product.

**Nutriscore:** In our products, we make great efforts to systematically limit the use of salt, fats and sugar. The Nutriscore, a five-letter scale that summarises the nutritional value of a product for consumers, is used to support the composition of our meals. It's also very important for consumers that we provide clear and reliable information about the allergens on the packaging.



Of all the meals that have such a Nutriscore, 63% already have Nutriscore A or B. Culinor Food Group also takes great efforts to make other products, where the Nutriscore isn't mentioned, healthier and more nutritious.

For example, we conducted research into the composition of school meals, meals for day-care centres and meals for senior citizens. In doing so, we took into account the Dietary Recommendations of Belgium (version 2019), as well as the guidelines of the new food triangle of the Flemish Institute for Healthy Living. In this way, we can implement the nutritional recommendations (such as the recommended energy intake, optimisation of macro-nutrients (proteins, fats, carbohydrates, etc.)) to the specific target groups and the different age categories.



**Allergens:** With regard to allergens, Culinor Food Group works according to the VITAL risk assessment system.

According to this system, we determine what the threshold values are, when there is a risk for consumers with certain allergies and when we have to put a warning on the label. This system is applied worldwide and we are very strict about it.

Continuous improvement of our recipes, IFS certification of all our production sites and a rigorous quality management are the foundation of our success as a company. We have developed and implemented quality systematics that will continue to guarantee this in the future.



## SUSTAINABLE RAW MATERIALS

We care about the raw materials we buy and process. As a food processor, we have a big impact on this part of our value chain. The use of biological and Fair Trade raw materials, short transportations and animal welfare are all increasingly important on this behalf. We have implemented an internal responsible sourcing charter.

### CHARTER CULINOR FOOD GROUP RESPONSIBLE SOURCING

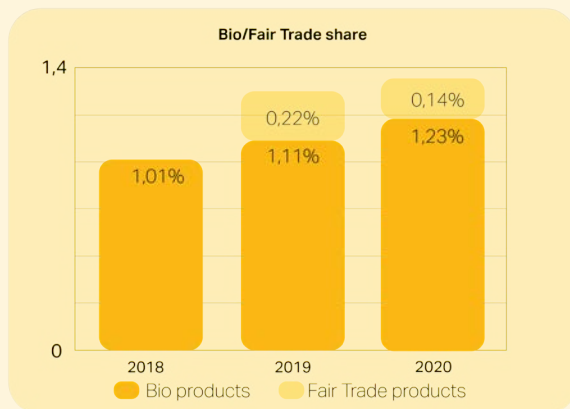
- We comply with all applicable European legislation on animal welfare, the use of e-numbers and other applicable rules and standards.
- We distance ourselves from genetically modified organisms (GMOs)
- When sourcing our raw materials, we always respect the agreements made with the customer regarding the country of origin.
- We only use eggs of free-range quality or better in the preparation of our products.
- We aim to source all soy products of European origin.
- From 2025 onwards, we will no longer allow palm oil in our products and screen all ingredients for the absence of palm oil.
- We strive to buy as many vegetables of Belgian or Dutch origin as possible.



**Seasonal vegetables and fruit:** During the composition of our meals, we attach great importance to variety and the use of seasonal vegetables and fruit. Therefore, we use the seasonal calendar of Velt and Lekker van bij ons.

**Biological products and Fair Trade:** we aim to increase the proportion of biological and/or Fair Trade raw materials.

For some of its customers, Culinor Food Group purchases certain raw materials (e.g. wholemeal and white rice, quinoa) in Fair Trade quality.



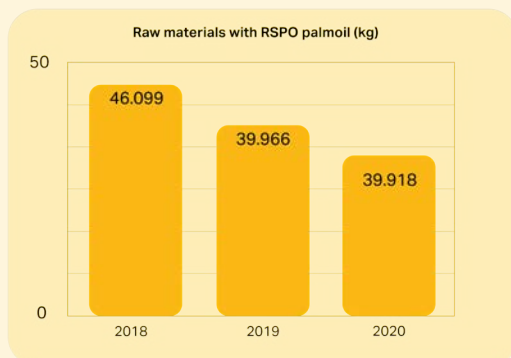
Fair Trade not only takes into account the financial aspect of the farmers in the South, but their welfare and health. The label guarantees that farmers look after the environment: water, soil, vulnerable areas, waste management. When we take a look at all raw materials we purchase, only a small amount is from biological origin or has the Fair Trade label. Nevertheless and compared to 2018, this share has been increasing (+31,68% in 2019 and +35,64% in 2020). We are striving to keep up with this positive evolution in the coming years. This, of course, depends on the wishes of our customers. We will suggest biological and/or Fair Trade raw materials to our clients where possible. We are fully aware of our environmental impact and work daily to

reduce it. We recently launched our new, healthy and sustainable meals under the brand "Natural Healthy Meals". It is one of the many initiatives we are taking to reduce our environmental product footprint.

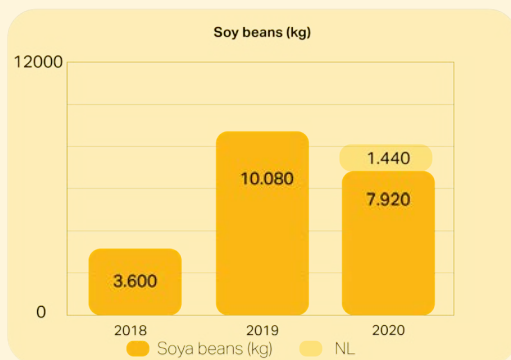
**Short transportation:** We try as much as possible to purchase our raw materials from Belgian and Dutch suppliers, of whom we know that their raw materials are also of Belgian or Dutch origin or cultivation. A company based in the Netherlands or Belgium, but which, for example, supplies meat or fish that is caught, processed and imported elsewhere, is not considered local. Although it is not a "short chain" in the strict sense of the word, it shows that we place local products and suppliers at the centre of our sustainability strategy. When Belgian and/or Dutch products are not available, we strive to work as much as possible with products of Western European origin. Sometimes, our customers also determine the origin of certain raw materials.



**Sustainable fats:** Culinor Food Group avoids the use of palm oil. However, palm oil may occur as an ingredient in some raw materials. In this case, it always concerns certified RSPO palm oil (according to the SG "segregated" system). Since 2018 we decreased the use of raw materials containing RSPO palm oil by 13,41%. By 2025, we aim to no longer allow palm oil in our products and to replace it with vegetable oils, such as sunflower oil, rapeseed oil or extra virgin olive oil.

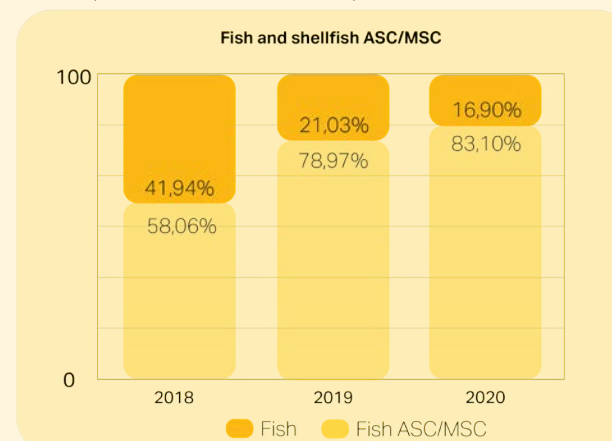


**Soybeans and derived soy products (e.g. soy flour):** Since 2018, there is an increased demand for soybeans and derived soyproducts. We try to reduce the ecological footprint of the vegetable proteins and started looking for alternatives. In 2020, we've partially (15,38%) sourced soybeans (edamame beans) in the Netherlands. Edamame beans are immature soybeans which have been harvested when they are still soft green (common soybeans only are harvested when they are ripe and hard).



By buying edamame beans close to home, we avoid the more common but less sustainable soybeans from Asia or South America. By 2025, we aim to buy all soyproducts of European origin.

**Sustainable fishing:** Culinor Food Group works with ASC and MSC certified fish for its products wherever possible.



In 2018, 58,06% of the fish we purchase was ASC/MSC certified. In 2020, this share was already 83,10%. We strive to increase this share in the coming years, by replacing non-certified fish in our meals by ASC/MSC fish, where possible and, of course, after agreement with our clients.

Another sustainable initiative is our search for herbivorous fish, which is less harmful to the environment than carnivorous fish, a good example of this is the omega perch. This fish is herbivorous and is farmed in East Flanders in a completely circular system, without wasting water. Tomato greenhouses are located next to the fish farm. The water drained from the greenhouses is used to fill the omega perch basins. The heat produced by the tomato greenhouses is used to heat the water in the basins.



The omega perch's fish feed is 100% vegetable and consists of locally grown grains and seeds. The waste water is in turn purified in reed beds and the manure is suitable as field fertiliser or energy source for biogas installations. By buying this fish, we want to help further develop and support this eco-friendly protein production initiative.

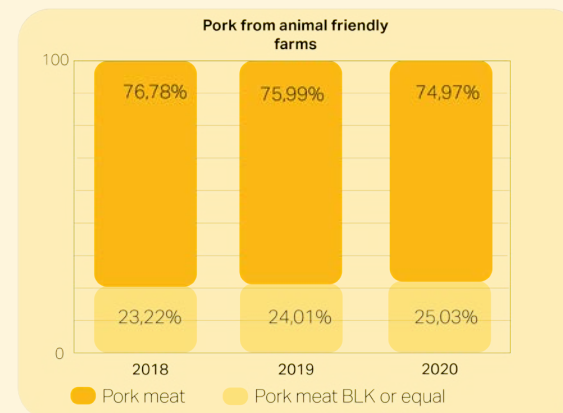
We are confident that we will reach our goals but we are aware that there is still work to do. Some challenges over which we have little influence will confront us as we go forward (limited availability of some raw ingredients, rise of procurement cost, pressure on food prices, for example). Reporting about these issues will increase the awareness from our customers and consumers which we clearly welcome.

## ANIMAL WELFARE

Respect for farm animals, with responsible and humane breeding, husbandry and slaughter methods are basic principles that must be fulfilled. Bigger awareness and understanding of the value of responsible and sustainable raw materials, increase the customer appreciation of a fair trade-off between product cost and benefits.



**Meat (pork/beef):** When selecting our suppliers, it is of decisive importance that they comply with all applicable European legislation, rules and standards on animal welfare. Specifically for pork, we also pay attention to the impact of castration of piglets on their welfare.



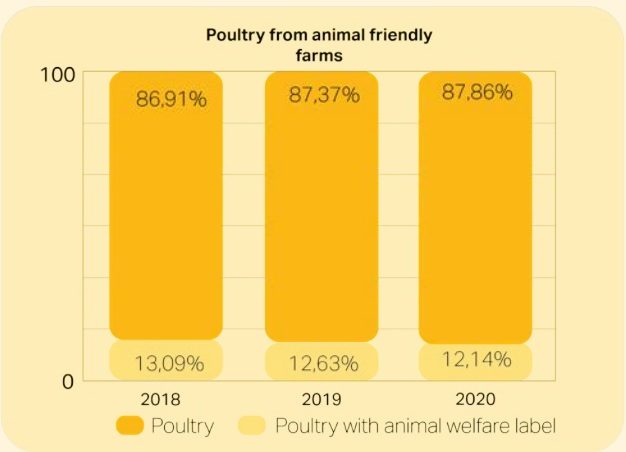
Since 2018, we have increased the share of pork originating from animal friendly farms by 7,80%. By 2025, we want an increase of 25% compared to 2018. Therefore, we will continue to promote this with our clients.

Culinor Food Group works with meat and animal products with the Beter Leven Keurmerk (BLK, Better Life Certificate) for various products and customers, which is important for the welfare of millions of consumer animals. Minimum standards are imposed on companies in the primary and processing sector, which they must immediately meet in order to qualify for one or more stars. Culinor Food Group is already BLK certified today for the processing of pig 1 star, dairy 3 stars and eggs 3 stars and buys BLK chicken 1 star for certain customers.



**Poultry:** For the purchase of poultry products, we choose suppliers who are actively involved in animal welfare and who work according to the current European and national legislation. British Retail Consortium (BRC) certification and/or Integral Chain Control (IKB) provide guarantees about the way of producing.

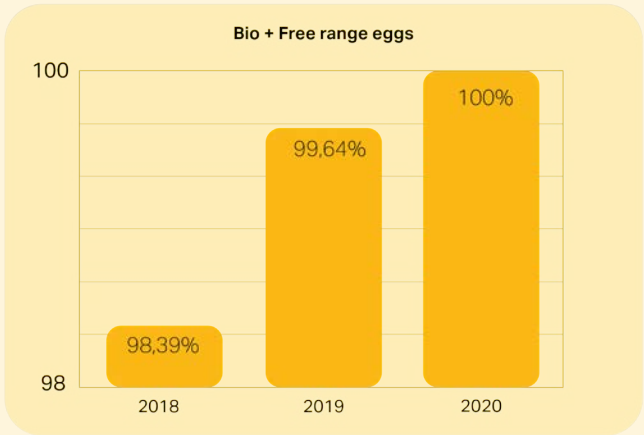
Some customers require additional efforts in the area of animal welfare (NSK, customer-specific quality skins, BLK, QS (= German standard)). All standards are audited by independent institutions. Looking at the share of poultry originating from animal friendly farms, there still is much work to do.



In 2020, 12,14% of the poultry we used was sourced from animal friendly farms. By 2025, we want to increase this share to 25%. Therefore, we will continue convincing our clients to choose poultry from animal friendly farms.



**Eggs:** Already since 2018, Culinor Food Group has emphasised the purchase of organic and/or free-range eggs. We are therefore proud to have used no other eggs in 2020 and strive to continue this in the coming years.



**Vegetarian and vegan products:** Since 2019, Culinor Food Group has committed to collaborate with the city of Ghent on the Cool Food Pledge. This is the pledge to reduce food-related greenhouse gas emissions by 25% by 2030. As described later in this report, we want to reduce these emissions by 10% by 2025. Our commitment in this context works around four action points:

- The reduction of the volume of meat or animal products in favour of the proportion of vegetable proteins.
- Improving the quality of vegetarian meals.
- Improving communication about vegetarian school meals for the City of Ghent.
- Increasing the volume of vegetarian meals.



# ENVIRONMENTAL RESPONSIBILITY

We are aware of our ecological footprint. This section outlines how we implement and promote environmental responsibility. We focus on "climate and energy", "packaging and food waste" and "water" and pay particular attention to the environmental impact of our production processes, as this is where we can exert the biggest influence.

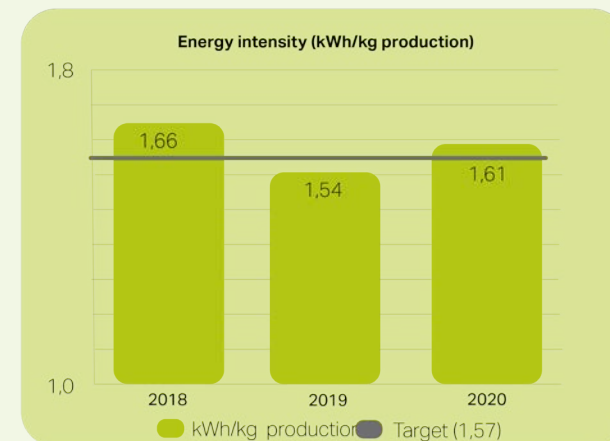
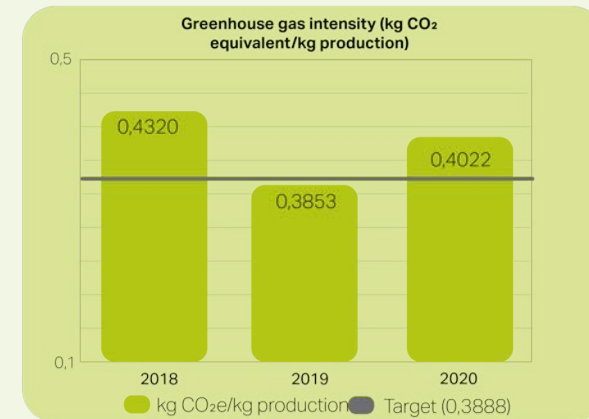
## CLIMATE AND ENERGY

**CO<sub>2</sub> reduction:** As a food producer, we have an impact on the climate as a result of our greenhouse gas emissions. It is our duty to take responsibility for this impact. We are therefore continuously working on improving our energy efficiency and reducing greenhouse gas emissions.

This concerns emissions on 3 levels:

- Direct CO<sub>2</sub> emissions from our combustion plants, CO<sub>2</sub> emissions from vehicles under our control and CO<sub>2</sub> equivalent emissions from refrigeration plant leakage losses (scope 1).
- The indirect emissions for the production of the electricity we consume (scope 2).
- Emissions caused by third parties due to purchase of raw materials, consumption of our products, transport of our products by third parties (scope 3).

Initially, we focus on measuring and reducing emissions in scope 1 and 2, but we do not lose sight of the reductions we can achieve within scope 3. We want to reduce our scope 1 and 2 by at least 10% by 2025.



To this end:

- We have drawn up a plan for the replacement of refrigeration systems with the highest greenhouse warming potential refrigerants.
- As a trial, an energy monitoring system was installed at one site where we, in cooperation with the KU Leuven, are trying to build a system to predict our electricity consumption through artificial intelligence and to detect deviations quickly. This will help us gain a better understanding of our electricity consumption and get it better under control in the coming years.
- We are working on the further development of recovering residual heat from our cooling installations,
- We strive to optimise our deliveries and load the trucks optimally.
- We focus on fuel efficiency; Our drivers regularly receive personal training and education to analyse and improve their driving style; In addition, for fine-meshed city distribution at certain customers, we have deliveries made by an external carrier using environmentally friendly Compressed Natural Gas (CNG) vans.

We encourage our employees to come to work by bike instead of by car. There is an increased bicycle allowance for commuting and a group purchase of electric bicycles was realised for employees and their families.

Despite a downward trend in 2019, we saw a slight increase of our greenhouse gas and energy intensity in 2020. This was mainly due to a strong growth in our door-to-door deliveries and higher electricity consumption due to the use of additional ventilation because of corona measures and higher outdoor temperatures in spring and summer. We work hard to turn this trend around in 2021.



## PACKAGING AND FOOD WASTE

**Preventing food waste:** Culinor Food Group is governed by the general philosophy of waste prevention. Because monitoring is an important tool to measure waste, both the outgoing waste streams and the internal causes of waste creation are reported on a weekly basis. Culinor Food Group has an extensive waste measurement in order to identify anomalies so that they can be corrected. Whatever measures are taken and regardless of the improvements that we will make in the future, it is inevitable that there will be waste flows in our production activity. Therefore, it is not only important to reduce the waste flows, but also to channel the flows that still exist in such a way that they can be (re)used usefully.

In terms of raw materials, too, it is our aim to minimise wastage. For example, we buy our raw materials periodically to avoid the risk of surpluses. When a certain range of products is discontinued, we always look for a solution for the surplus stock. We try, always in consultation with the customer, to use the stock in other end products.

The waste flow of unpacked and discarded packaged food is given a useful application. It goes to bio-energy plants for fermentation. The packaged food is first unpacked before it can be processed further.

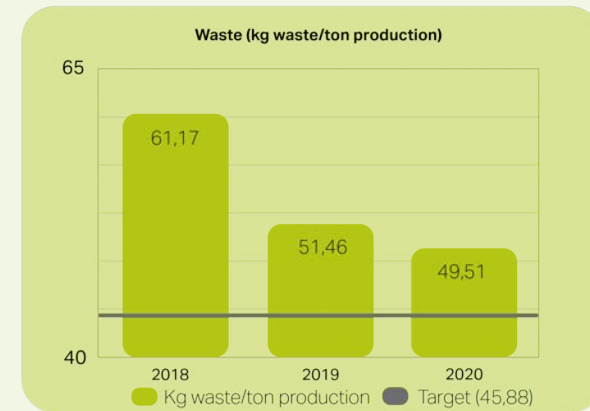
Culinor Food Group also applies strict waste separation to other waste flows in order to reduce its ecological footprint as much as possible.

Below is an overview of the destination of our waste flows (a number of waste types are added together for the sake of the legibility of the graph):

DESTINATION	TYPE
Bioenergy	Non-packed food
	Fatty waste
	Water treatment
Energy	Wood waste
	Residual waste
Unpacking and composting	Packaged foods - expired
Recycling	Discarded plastic crates, bins, pallets
	Batteries
	(Clean) films
	Glass
	Wood waste
	Metal
	Paper
	PMD
	White & brown goods
Food bank	Packaged foods - not expired

For the processing of the above flows, Culinor Food Group works together with specialised waste processors as well as with the Food Bank for non-expired packaged food. This concerns products that are perfectly suitable for consumption but can no longer be sold through the usual channels due to their limited remaining shelf life.

Culinor Food Group wants to maximise the reuse and recycling of the packaging it puts on the market. To promote this and meet our obligations in this respect, Culinor Food Group is a member of the packaging management organisations FostPlus and Val-I-Pac. These organisations are actively looking for solutions to reduce the amount of waste. Moreover, we make maximum use of returnable crates and pallets as well as secondary and tertiary packaging.



Despite a higher production volume and more complex product mix (launch of new products for new customers with smaller production batches, which would normally implicate higher waste volumes), we were able to achieve a significant reduction of 19,06% since 2018 due to the following measures.

- Daily waste monitoring in multicomponent products and follow-up regarding scrap percentage in bill of material.
- Optimization of production planning and promotion planning.
- Daily automatic mail from the ERP system with list of finished products close to expiring and follow-up.
- Regular training of employees in correct use of FIFO (First in first out principle).
- Analysis of packages with open seal and implementation of corrective actions.
- Implementation of technical measures to reduce waste on different production lines.
- Optimisation of product mix where products with ongoing negative effects on waste flows were stopped.
- Optimisation of waste reporting with consequently faster implementation of long term solution.

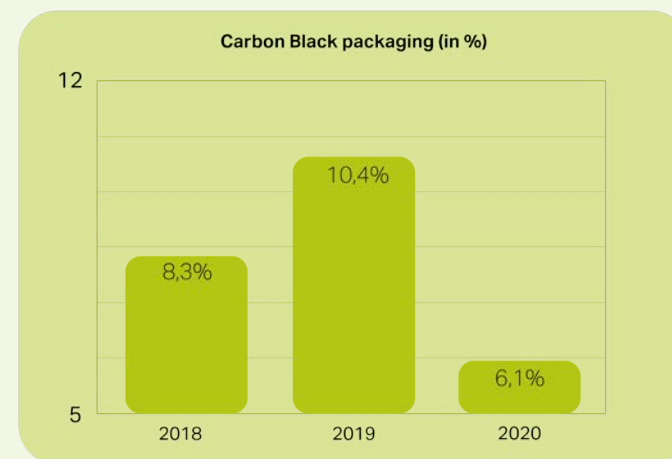
We are therefore confident that we will obtain our goal of a 25% reduction by 2025.



**Packaging:** Reducing the amount of packaging, especially plastic packaging, is a crucial point in Culinor Food Group's sustainability strategy.

Since 2018, for example, we have been actively working on reducing the proportion of carbon black packaging. Unlike other plastic packaging, carbon black packaging cannot be recycled. The problem lies in the pigment used, i.e. soot, which gives the packaging its black colour. This means that the scanners cannot identify the type of plastic when sorting them from recycling. These scanners use the reflection of the infrared spectrum and this pigment absorbs all light, even infrared. As a result, packaging waste from this material ends up in the incinerator or in landfill. There are alternative pigments that also make plastic black and that can be detected. These alternatives are more expensive and thus have an impact on the cost price of our products, which means that competitors, who still make full use of this type of cheaper packaging, have a better price position. These efforts have resulted in a reduction of 26,51% since 2018, but as of now, not all customers are convinced yet that carbon black packaging should be reduced. We see it as our duty to promote more sustainable packaging types and solutions and therefore keep working on this topic.

Among other things, we will be working with monolayer packaging that is up to 100% recyclable, as well as, from September 2021, a new type of film which is 20% thinner and 100% recyclable.

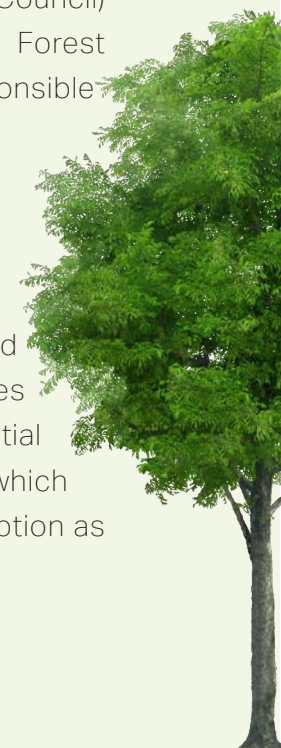


We are therefore convinced that we will be able to continue this positive evolution in the use of more sustainable types of packaging.

Our cardboard suppliers are FSC (Forest Stewardship Council) and/or PEFC (Programme for the Endorsement of Forest Certification Schemes) certified, which guarantees responsible and sustainable forest management.

## WATER

Water is a global concern as it is vital for every person and ecosystem on earth. Pressure on freshwater resources has been rising over the years due to increasing substantial amounts of water during production cleaning processes, which results in an important influence on global water consumption as well.



The water reserves in Flanders, where our sites are located, are under great pressure. The main cause of this low water availability is the high population density in Flanders and the great variety of activities in a small area. The available water must be distributed over a large number of inhabitants, while the surface area is limited.

Therefore, we see it as our duty to contribute to improving water efficiency. Culiner Food Group obtains its fresh water from intermunicipal companies. The responsibility for optimising water usage lies with the operations managers. Together with the technical managers, they are responsible for the succesful implementation of our water reduction programme.

Culiner Food Group aims for a 10% reduction in water consumption at each of its sites by 2025. Since 2018, we have only been able to realise a decrease of 0,75%. To achieve our goals, we will have to change up a gear.

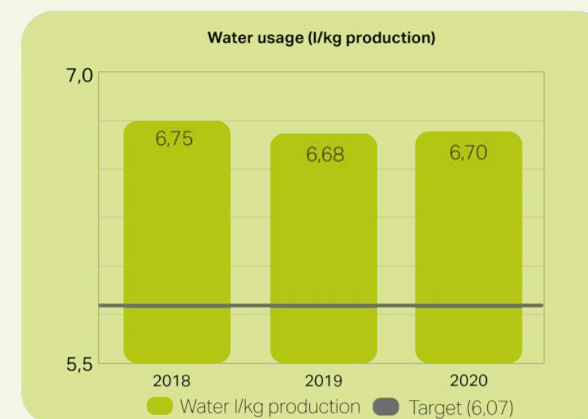
To reach our target of -10%, we will focus on:

- Activating a water reduction programme.
- General reduction of water consumption in cleaning activities.

It all starts with mapping the main causes of water consumption in our operations. A strict monitoring of the water usage enables us to take immediate action if disproportionately high water consumption is suddenly detected. There are three main causes, namely cleaning, steam generation and production (water as an ingredient or medium). The first two causes are the focus of our measures.

We inform our employees on a regular basis, more specifically the employees who perform cleaning tasks. We do this by means of specific training to reduce water consumption in manual cleaning tasks. There is also a daily follow-up (recording of total and partial flows) with a monthly report to the management. An important parameter here is the water consumption in l/kg of produced products.

On our sites in Ghent and Destelbergen, we have our own biological water purification system where we already purify the waste water to surface water quality(\*). In addition to daily checks by our own employees, there are weekly checks by an independent lab. The sludge from the wastewater treatment plant is reused to generate bio-energy.



(\*)in Destelbergen we have a cooperation agreement on water treatment with our neighbours, negating the need for our own.





# SOCIAL RESPONSIBILITY

## SOCIAL VALUE CREATION

Good economic performance is vital to ensure the long-term survival of our group.

We are passionate about our products, our people and our planet, and our ambition is to keep these three elements in balance. We realise that everything we do is done by and for people. We are convinced that our group has a broad social responsibility, first and foremost to our employees, but also to the surrounding community and to society as a whole. We believe in the future of our market by providing safe and nutritious products with as little environmental impact as possible. By doing so, we create added value for all our stakeholders and this in line with the guidelines of SDG 8 (Fair Work and Economic Growth).

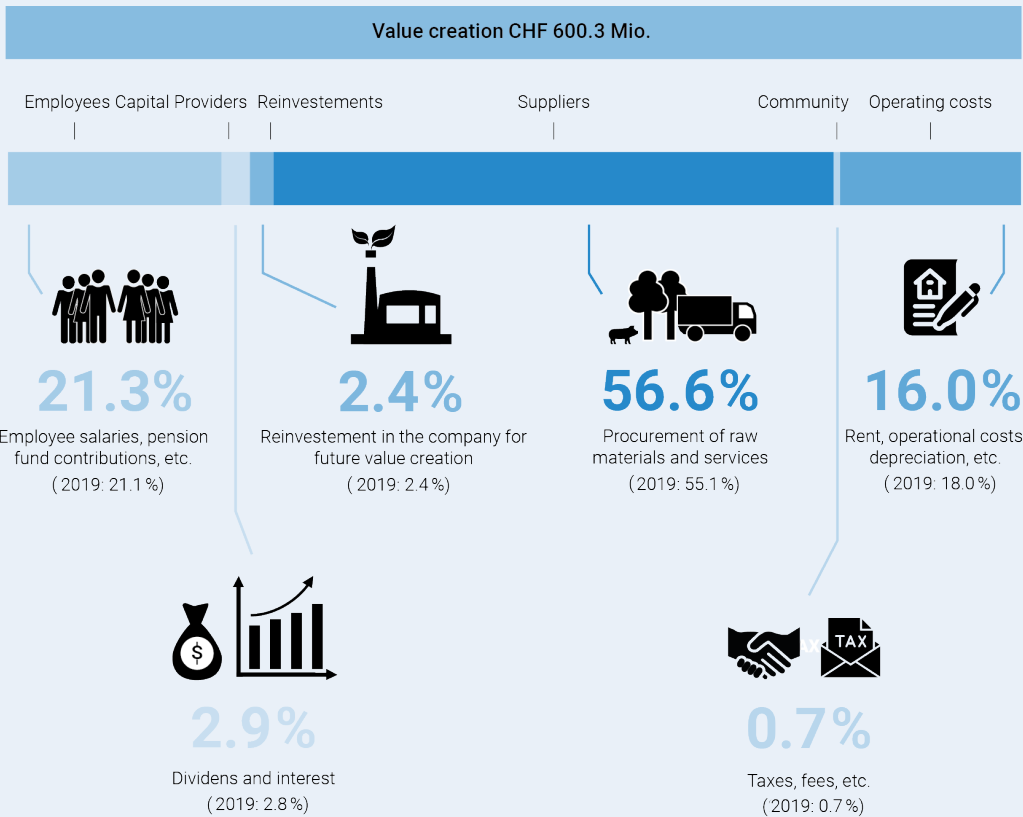
We want to do this through:

- A sustainable growth of our turnover and profitability: this is necessary to be able to continue investing in our facilities, machines, automation and production processes. This enables us to continue to fulfil our pioneering role as a leading food producer.
- Reaffirm and strengthen our commitment to our sites so that we can protect existing jobs and create new ones.

We see our employees as key contributors to our success, because they are working day after day on big and small things that ultimately all contribute to the overall development of our group.

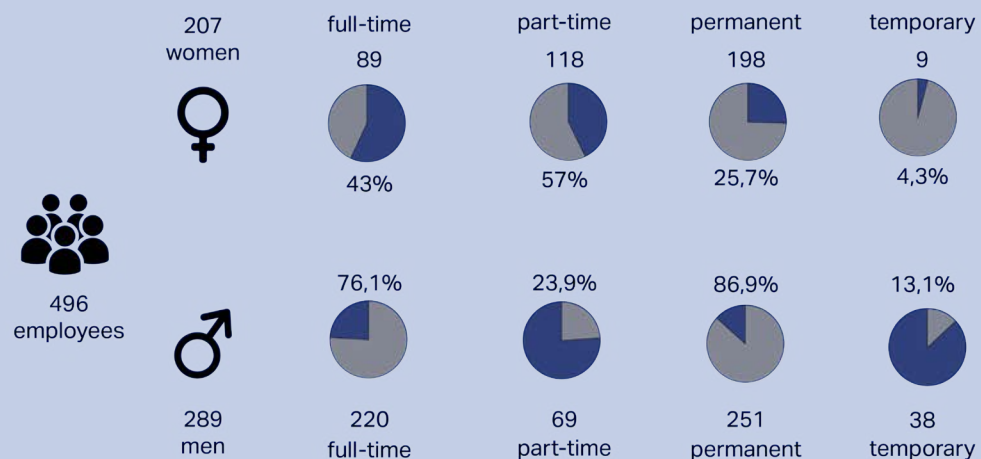


Based on the developments mentioned earlier, the distribution of the societal worth creation of all the stakeholders from the ORIOR Group looks as such. (For more details, see ORIOR Sustainability Report 2020, page 79).

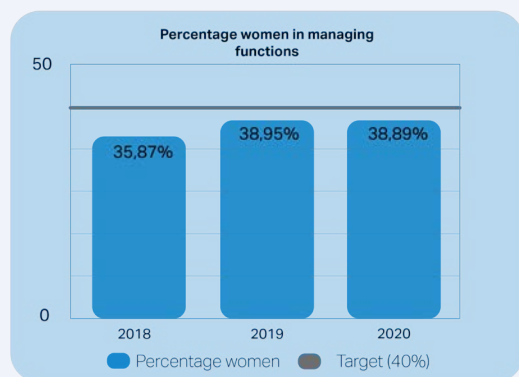


**Our employees:** Culinor Food Group attaches great importance to happy and dedicated employees. They are the heart of our organisation and deserve our appreciation and respect. Therefore We continue to invest in them so that they can give their best every day. We offer them a stable and safe working environment in which they can further develop themselves.

Our workforce is very diverse: we have both generalists and managers, unskilled workers and masters, immigrants and natives on board. We are a company that looks at our employees' learning capacity and their motivation. We encourage employees to grow internally and give opportunities to every employee who wants to take responsibility. We have different nationalities amongst our workforce. As per 31/12/20, 27% of our employees were born abroad. Culinor Food Group employed 496 people (headcount) as of the reporting day 31/12/20.



Culinor Food Group is a company in full development. Therefore, there are regularly opportunities in the company for employees to grow into other positions. When we have a vacancy in the company, we first publish it internally so that employees have the opportunity to apply as a priority. Since 2018, a total of 89 people have progressed internally in this way, 38.89% of whom are women.



**Recruitment and selection in a diverse company:** Every year, new workers join Culinor Food Group. Many come on board via our in-house temporary employment agency. Most are people who start up via temporary contracts to cover certain peaks. All our managers are trained and focused to quickly detect the potential of the temporary workers present. They look at motivation, speed of learning, reliability and other factors that are important for employees to function well within Culinor Food Group. In this way, 64 employees have been recruited in the last 4 years, 53 of whom were not born in Belgium. Furthermore, we participate in the ESF project of the Ugent "Open Hiring® (= a job without a long recruitment process).

**What will the future bring?** 2020 was an atypical year. The coronavirus also had an impact on us. As a food producer, we were obviously less affected than other sectors, but some of our sales channels (such as food service) did experience a partial decline.

2021 also turns out to be a challenging year, but we are confident that we can continue to be a successful, innovative food producer that offers a stable work environment

## EMPLOYEE DEVELOPMENT

Our employees are our most valuable resource, we rely on their skills and motivation to be successful today and in the future. Therefore, we invest in our employees development to provide them with learning opportunities and to make sure our talents are up to date for future trends and necessary knowledge. Culinor Food Group has its own training centre where groups of up to 15 people can receive training (e.g. HACCP, first aid, etc.).

External training courses are mainly organised in cooperation with training partners from IPV (the sector fund that gets its operating subsidies from extra employer contributions). The main focus of these training courses is on safety (e.g. first aid, fire fighting, internal transport means, managerial skills and knowledge (e.g. Dutch, social legislation or quality).

In 2018, there were more training hours due to a general refresher course on internal transport equipment and Excel. It was not necessary to repeat these courses in 2019. Almost all planned training courses in 2020 were cancelled by corona or, where possible, replaced by digital courses.





It goes without saying that some courses could not take place digitally at all and were postponed. We therefore hope to be able to systematically offer more training to our employees in the near future so that we can achieve our target of 30.4 hours per person by 2025.



For certain, mostly operational or quality functions, a personal development plan is drawn up within Culinor Food Group. Through annual performance reviews and interim coaching interviews, this personal development plan considers the wishes of the concerned employees. Indeed, since 2019, Culinor Food Group has been working with a "competence" engine to manage the various competence and job profiles within the company.

The competence engine consists of four parts:

- The competence matrix,
- The training plan,
- The training checklist
- The evaluation document.

With the help of this competence engine, we can more quickly determine what our training goals are in the company. In this way, we succeed in guiding and training employees to the desired level.

## OCCUPATIONAL SAFETY AND HEALTH

Our employees are the key to our success. Supporting and promoting their health and safety are highly important to us. We aim to ensure a safe and healthy workplace through ongoing improvement projects.

By 2025, the ORIOR Group aims to implement a comprehensive management system for occupational safety and health for the entire group. Currently, at Culinor Food Group, the focus lies on implementing the following aspects of this management system:

- Consistent accident and absence management
- Regular hazards and safety-enhancing measures
- Employee training and involvement

These initiatives are the responsibility of our health and safety executives and HR managers. Every month there is an evaluation in the Committee for prevention and protection at work, where employer and employee representatives sit together and actively discuss every possible improvement for the health, well-being and safety of the employee at work.



Preventing accidents and safeguarding good health also depend on each individual employee's personal condition, correct working methods and how alert they are to their surroundings. We aim for a working environment where everyone takes responsibility in avoiding accidents, safeguarding their own health and that of others and respecting the safety rules. In this way, we implement the personal responsibility of all our employees.

**Consistent accident and absence management:** Culinor Food Group continuously works on the safety and health of its employees and aims for zero accidents at work. We use two parameters for this: severity and frequency rate. The severity rate is a measure of the seriousness of accidents and is determined by the number of calendar days lost in relation to the number of hours worked. The frequency rate gives the ratio of the number of accidents compared to the numbers of hours worked. In 2019, we were able to realize a significant decrease compared to 2018. Unfortunately, in 2020, there were three more, luckily small, accidents than in 2019, but with an immediate impact on the severity and frequency rate. We hope to be back on track as of 2021. Therefore, we keep on working even more on the prevention of accidents.



### Regular hazard analyses and safety-enhancing measures:

Within the framework of accident prevention, proactive reporting by all employees is extremely important. To this end, we organise toolbox meetings and tours. Toolbox meetings are short talks on the production lines by supervisors or team leaders about certain safety topics. In this way, the explanation to the employee can also be conveyed visually.

These are an addition to a broader framework to improve the safety of work equipment and the well-being of employees. Risk analyses of the workstations also contribute to this.

Quality work with attention to the wishes and needs of each individual is in our DNA. This is demonstrated by all the actions we have taken in recent years in the area of agile and "workable" work, as well as the well-functioning consultation structure with the trade union partners. In 2018, we concluded a collective labour agreement (CLA) with the social partners on "flexible and workable work". The approach to this was: "How can we as a company ensure that employees want to and are able to stay at work longer?". We did not only focus on the over-50s, but on all employees. This resulted in many initiatives in the field of health and safety in the workplace.

Some examples:

- Ergonomics: analysis made, tools tested, ergonomics scan; automatic machine guards and emergency stops.
- Customised hearing protection.
- Introduction of a telephone with a security protection in frozen food warehouses.
- Organisation of various training courses (first aid, lifting of loads, electrical safety, etc.).
- Survey/risk analysis of psychosocial aspects with subsequent steps if necessary.







**Employee training and involvement:** Each month, there is a safety theme that is specially highlighted and put in the spotlight, this to raise the awareness of our employees on safety issues.

New employees undergo an onboarding and training session concerning the safety rules at their workplace.

There are also regular forklift and firefighter team training sessions, first aid and fire evacuation exercises.

Sometimes small things can become safety risks during work, e.g. water on the floor, or placement of certain equipments. These things are discussed during the monthly committee meeting for safety and prevention.

Thus, an open climate for discussion and conversation is there for everyone. Experiences are shared and action points planned.

We will continue our efforts in strengthening occupational safety and health in the coming years. In addition to optimisation of processes and infrastructure, we keep on raising awareness for a safety culture among our employees



# GRI CONTENT INDEX

This report has been prepared in accordance with the GRI Standards: Core option.

GRI Standard	Disclosure	Page number(s)	Further information and/or omissions
--------------	------------	----------------	--------------------------------------

GRI 101: Foundation 2016

GRI 102: General disclosures 2016

## 1 ORGANISATIONAL PROFILE

GRI 102: General Disclosures 2016	102-1	Name of the organisation	p. 2	Culinor Food Group
	102-2	Activities, brands, products and services	p. 3, 6	
	102-3	Location of headquarters	p. 2	
	102-4	Location of operations	p. 3	
	102-5	Ownership and legal form	p. 3	Detailed information regarding the legal structure of the ORIOR Group can be found in the 2020 annual report (pp. 16-37).
	102-6	Markets served	p. 3, 6	
	102-7	Scale of the organisation	p. 3, 6	ORIOR Group: breakdown of total capital into equity and liabilities: 18,1% / 81,9%
	102-8	Information on employees and other workers	p. 6, 27	<p>b. This report covers the Culinor Food Group sites in Ghent, Destelbergen, Olen and Herselt. d.e. In order to cope with seasonal fluctuations such as greater workloads before and during holiday periods, CFG hires external staff (on a temporary basis). The number of hours worked by temporary employees in 2020 amounted to 90.903,29. The temporary workers are 100% hired on external agency contracts. However, they are included in the employee figures shown on page 27.</p> <p>f. The data originates from our HR data system.</p>



102-9	Supply chain	p. 8	
102-10	Significant changes to the organisation and its supply chain		No significant changes, as this is the first Culinor sustainability report published
102-11	Description of how the precautionary principle is applied	p. 4, 10	
102-12	External initiatives	p. 9	UN Sustainable Development Goals (SDGs)
102-13	Membership of associations	p. 4	

## 2 STRATEGY

GRI 102: General Disclosures 2016	102-14	Statement from senior decision-maker	p. 5
-----------------------------------	--------	--------------------------------------	------

## 3 ETHICS AND INTEGRITY

GRI 102: General Disclosures 2016	102-16	Values, principles, standards and norms of behaviour	p. 7
-----------------------------------	--------	--	------

## 4 GOVERNANCE GRI 102: 2016

GRI 102: General Disclosures 2016	102-18	Governance structure	p. 10	For more information, see also ORIOR Sustainability Report 2020, p. 6
-----------------------------------	--------	----------------------	-------	---



## 5 STAKEHOLDER ENGAGEMENT

GRI 102: General Disclosures 2016	102-40	List of stakeholders groups	p. 12	
	102-41	Collective bargaining agreements		In 2020, 100% of Culinor Food Group's employees were covered under the conditions of the sectoral collective bargaining agreement.
	102-42	Identifying and selecting stakeholders	p. 12	
	102-43	Approach to stakeholder engagement	p. 12	
	102-44	Key topics and concerns raised	p. 12	

## 6 REPORTING PRACTICE

GRI 102: General Disclosures 2016	102-45	Entities included in the consolidated financial statement	p. 3	
	102-46	Defining report content and topic boundaries	p. 9-13	Reporting principles to define the report's content: - stakeholder engagement: workshop with internal stakeholders and desktop analysis for external stakeholders - sustainability context, materiality, completeness: in 2018, the ORIOR Group prepared a materiality matrix to define the relevant sustainability issues. Culinor Food Group used this materiality matrix as a basis to define its areas of activity, adapting them to fit the local sustainability context.
	102-47	List of material topics	p. 13	



102-48	Restatements of information		As this is the first sustainability report of Culinor Food Group, there are no restatements of information from previous reports.
102-49	Changes in reporting		As this is the first sustainability report of Culinor Food Group, there are no changes in reporting.
102-50	Reporting period	p. 3	01.01.2018 – 31.12.2020
102-51	Date of the most recent report		This is the first sustainability report of Culinor Food Group.
102-52	Reporting cycle		Biennially
102-53	Contact point for questions regarding the report	p. 3	
102-54	Claims of reporting in reference with GRI standards	p. 3	
102-55	GRI content index	p. 32-39	
102-56	External assurance		This report hasn't been externally verified.





# MATERIAL TOPICS

GRI Standard	GRI disclosure	Page number(s)	Further information and/or omissions
--------------	----------------	----------------	--------------------------------------

## 1 PRODUCT RESPONSIBILITY

### Safe and healthy food

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 15	
	103-2	The management approach and its components	p. 15-16	
	103-3	Evaluation of the management approach	p. 15-16	
GRI G4 Food Processing 2014	FP5	Percentage of production volume manufactured at sites certified according to internationally recognised food safety standards	p. 15	100%
CFG-specific indicator		Percentage of products with Nutriscore A & B	p. 15	

### Sustainable raw materials

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 16	
	103-2	The management approach and its components	p. 17-19	
	103-3	Evaluation of the management approach	p. 17-19	
GRI G4 Food Processing 2014	FP2	Percentage of purchasing volume with internationally recognised sustainability standards	p. 17-18	

### Animal welfare

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 19	
	103-2	The management approach and its components	p. 19-20	
	103-3	Evaluation of the management approach	p. 19-20	
CFG-specific indicator		Percentage of meat & poultry sourced from animal -friendly rearing systems	p. 19-20	



## 2 ENVIROMENTAL RESPONSIBILITY

### Climate and energy

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 21	
	103-2	The management approach and its components	p. 21-22	
	103-3	Evaluation of the management approach	p. 21-22	
GRI 302: Energy 2016	302-3	Energy intensity	p. 21	c. Types of energy include electricity, natural gas, heating oil, transportation fuel and losses from cooling gasses. d. Within the organisation. The energy consumption of all our sites is included.
GRI 305: Emissions 2016	305-4	CHG Emissions intensity	p. 21	Scope 1 and Scope 2 All greenhouse gasses have been included

### Food waste and packaging

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 22	
	103-2	The management approach and its components	p. 22-24	
	103-3	Evaluation of the management approach	p. 22-24	
CFG-specific indicator		Kg food waste per Kg of production	p. 23	Due to confidentiality constraints, we publish only relative waste data.

### Water

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 24-25	
	103-2	The management approach and its components	p. 24-25	
	103-3	Evaluation of the management approach	p. 24-25	
CFG-specific indicator		Water intensity in m <sup>3</sup> fresh water per tonne produced	p. 25	



GRI 303: Water 2018	303-1	Interactions with water as a shared resource	p. 24	GRI 303-1: Reason of omission: the organization currently does not have this information available. GRI 303-2: This disclosure is not applicable for Culinor Food Group and is therefore omitted. Water discharge has not been identified as a material topic. GRI 303-5: For confidentiality reasons, Culinor Food Group currently only reports water intensity per tonne produced.
	303-2	Management of water discharge-related impacts	p. 24	
	303-5	Water consumption	p. 24	

### 3 SOCIAL RESPONSIBILITY

#### Social value creation

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 26
	103-2	The management approach and its components	p. 26-28
	103-3	Evaluation of the management approach	p. 26-28

GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	p. 26	These figures are disclosed at ORIOR Group level only in accordance with the accounting principles of Swiss GAAP FER.
------------------------------------	-------	---	-------	---

CFG-specific indicator	Percentage of women in management functions.	p. 28
------------------------	--	-------

#### Employee development

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 28
	103-2	The management approach and its components	p. 28-29
	103-3	Evaluation of the management approach	p. 28-29

GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	p. 29	Culinor Food Group is currently able to report the training hours for overall employees, but not per gender nor per employee category. CFG is working on gathering this data to be able to include it in the next report.
--------------------------------------	-------	---	-------	---



## Occupational safety and health

GRI 103: Management approach 2016	103-1	Explanation of the material topic and its scope	p. 29-31	
	103-2	The management approach and its components	p. 29-31	
	103-3	Evaluation of the management approach	p. 29-31	
GRI 403: Occupational health and safety management system	403-1	Occupational health and safety management system	p. 29-31	403-1 b. The health and safety requirements and measures cover all workers at Culinor Food Group. External agency workers receive training in the basic safety and health rules and prevention guidelines.
	403-2	Hazard identification, risk assessment, and incident investigation	p. 29-31	403-2 d. In the case of a work-related incident, the health and safety executives are called and/or informed, and prepare a detailed report about the incident. These reports are gathered in a general review about work-related incidents and are evaluated twice a year at management level.
	403-3	Occupational health services	p. 29-31	403-3 a. Every production site has a EHBO (first aid) team, that is trained regularly. Their names and pictures are posted clearly visibly in the working areas, so they can be called in case of an incident. Together with the HSE managers, they are also responsible for prevention trainings on monthly focus topics. Culinor Food Group is working on implementing a complete occupational health & safety management system, but does not yet collect data on the percentage of covered workers. We are planning to do so in our next report. Until then, we are reporting our own indicator (see below).
	403-4	Worker participation, consultation, and communication on occupational health and safety		
	403-6	Promotion of worker health		
	403-8	Workers covered by an occupational health and safety management system	p. 29-31	





