

A person wearing a blue and white horizontally striped shirt is holding a single, ripe red apple in their cupped hands. The background is a soft-focus green field.

Sustainability compact 22|23

We get the best of fruit

Zentis is one of Europe's leading fruit-processing companies. Founded in Aachen in 1893, we are still family-owned and proud of our long tradition. In addition to the two Aachen manufacturing facilities, we operate production sites in North America, Poland, and Hungary, each with its own specialization. Our expertise lies in refining fruits and other natural raw materials, transforming them into our products. Our activities are divided into business with end consumers (B2C) and business with the

processing industry (B2B), where we supply customers from the dairy, bakery, and confectionery industries, including the food-service sector (non-dairy). We also produce sweet spreads and confectionery for end consumers. Some of these are sold under the Zentis brand, but they're also distributed under the private labels of business partners, which is reflected in our five strategic fields of business: dairy, non-dairy, sweet spreads, confectionery, and other (including logistics).

OUR PRODUCTION SITES

- Germany
- USA
- Hungary
- Poland

- Dairy industry
- Non-dairy*
- Sweet spreads
- Confectionery
- Other, incl. logistics

*Non-dairy: Mainly the bakery and confectionery industry as well as the food-service sector



Our responsibility

We have defined four key action areas to provide the framework for Zentis' sustainability strategy and seamlessly integrate it into our corporate strategy. With our goals set therein, we make a positive contribution to achieving the 17 Sustainable Development Goals (SDGs) of the United Nations because, for us, one thing is certain: Sustainable development is non-negotiable. That's why we work closely with the stakeholders in our value chain.

Our clear and agile structure helps us to effectively shape sustainability; for example, the Corporate Social Responsibility (CSR) department is in charge of implementing sustainability projects, managing our sustainability strategy, and reporting on overall commitment. As a specialist team, it reports directly to the Executive Board, which bears overall responsibility. The Zentis Sustainability Council, consisting of managing directors and heads of business units as well as relevant departments, rounds out the structure of sustainability management. It is tasked with further developing the sustainability strategy by ensuring its implementation in the various departments, allowing our organization to not only take sustainability into account in strategic decisions, but embed it into our processes. A total of 269 Sustainability Ambassadors from a wide range of sectors and regions have been appointed to help anchor the Council's comprehensive efforts.

You can find our detailed Sustainability Report here:



We have set clear targets to achieve our sustainability strategy.

CLIMATE PROTECTION AND RESOURCE CONSERVATION

- Reducing global Scopes 1 & 2 emissions by 30% by 2030 compared to 2019
- Identifying a Scope 3 reduction target according to the criteria of the Science Based Targets initiative (SBTi)
- Globally reducing our food waste by 50% by 2030
- Making an additional contribution through investments in climate protection projects

RESPONSIBLE SOURCING OF RAW MATERIALS

- Improving social and environmental standards in our supply chain above and beyond the norm
- Implementing three pilot projects for more biodiversity in our supply chain by 2026
- Providing on-site support for sustainability projects at our suppliers by our Fruit Scout
- Further specifying targets and measures as part of our sustainable sourcing strategy

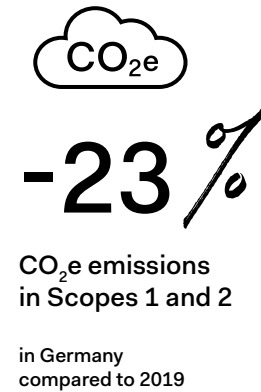
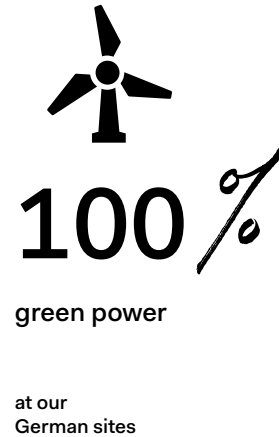
NATURAL PRODUCTS

- Expanding the NaturRein range of products with our Fair to Nature philosophy
- Further developing sugar-reduced fruit preparations to minimize sugar content in the end product by 10%
- Converting additional fruit preparations to Clean Label concepts
- Expanding our organic product portfolio
- Developing a sustainability roadmap for our product development

OUR EMPLOYEES

- Assisting, protecting, and qualifying our employees
- Maintaining a trusting and respectful corporate culture
- Promoting a diverse workforce with people of different nationalities and age groups, as well as a balanced ratio of women and men
- Expanding the global orientation of the employee development program
- Training 300 Sustainability Ambassadors by 2025

Responsibility for the environment



We obtain our raw materials almost exclusively from nature; as such, we have a special responsibility to act in a conscious and conserving manner. Protecting the environment and its resources is therefore central to our company's success and firmly enshrined in our corporate philosophy.

The environmental focus at Zentis is on climate protection. We want to consistently reduce our **emissions** along science-based targets as part of the Science Based Targets initiative (SBTi). Our central control instrument is the CO₂e footprint in accordance with the Greenhouse Gas (GHG) Protocol. Across Zentis Group, 90% of our corporate carbon footprint is generated in the upstream supply chain

(Scope 3). Production materials and consumables, mainly our purchased raw materials, and logistics make up the largest share. Nevertheless, our CO₂e emissions in Scopes 1 and 2 are a decisive factor in our climate protection strategy because we can directly influence them. Most of them originate from the German sites, where the majority of our products are manufactured. All of our energy costs are generated from natural gas and electricity. For processing in our main manufacturing facility, we purchase raw materials in various processing forms, which then require various production steps accounting for over 90% of our total energy consumption in Germany. Total electricity consumption is made up of the amount of purchased green power and the

amount we produce ourselves through our combined heat and power plants, including our photovoltaic system. In 2023, the proportion of electricity generated in-house was 50.3%.

We have already achieved a significant reduction in our emissions in Scopes 1 and 2 by working with our own logistics company, Zentis Logistik Service GmbH, to transport goods to our customers in an environmentally friendly manner. We also design our production processes to be as efficient as possible. The ISO-50001-certified **energy management** at the Aachen manufacturing facilities plays a pivotal role, from which numerous

MOST IMPORTANT SUCCESSES OF 2022/23

- Reduction of CO₂e emissions by 23% in Scopes 1 and 2 in Germany compared to 2019
- Development of our own climate protection project with bamboo reforestation in Nicaragua
- Financial climate contribution to offset 84,572 t CO₂e in the reporting period
- Purchase of 100% green power at our German locations
- Introduction of further efficiency measures in our production in Germany:
 - Commissioning of our first photovoltaic system at our main manufacturing facility in Aachen
 - Introduction of intelligent control for our LED lighting
 - Energy-efficient refurbishment of our finished goods warehouse
 - Further reduction of our water consumption by 7.5% compared to 2021
 - Reduction of our food waste by 25% compared to 2021

measures were derived. We equipped our data centers with new technology and were able to reduce energy consumption by 80% compared to the previous year—increasing performance at the same time. We started using LED systems with intelligent control in 2022. Furthermore, the finished goods warehouse was renovated to make it more energy efficient, the pump control of the refrigeration systems was optimized, and an automated shutdown of ventilation systems was set up during non-production times, all resulting in an annual savings potential of at least 746,000 kWh.

We use **water** mainly for cleaning the production equipment and only in very small

quantities as an ingredient in our products. To help us work as efficiently as possible, a team regularly analyzes the Overall Equipment Efficiency (OEE) in the fruit preparations/jams sector. For example, it developed a solution to prevent certain recipes from sticking during the cooking process, significantly reducing the amount of cleaning required.

We also keep the generation of **waste** to a minimum, which we achieve through an effective product development process, improved sales forecasts, optimal demand planning, and sensible inventory management. Zentis recycles any residual waste in the most environmentally friendly way possible or disposes of it safely and properly.

Together with EcoPlanet Bamboo, we developed our own climate protection project in eastern Nicaragua. About 1,000 hectares of existing forest are being protected and around 3,000 hectares of land reforested and cultivated with bamboo on the former Ixtin cattle farm. By reducing deforestation, the project is helping to curb global warming. At the same time, it promotes adaptation to climate change by lowering temperatures, creating microclimates, enabling low-emission economies, and supporting vulnerable communities—all to the direct benefit of the people in the region.

From the field to the product

For our products, we use natural raw materials of the highest quality from all over the world, buying them where they grow and ripen best. As part of our purchasing strategy, we consolidate our forces internationally through lead buying, rely on long-term relationships for sourcing raw materials, and closely collaborate with suppliers and producers for certified natural products from sustainable cultivation. To this end, we have established strict supplier checks and approvals. They include quality, social, and environmental aspects going far beyond the norm for legal requirements regarding food, even encompassing the manufacture, packaging, and transportation of raw materials. We give preference to suppliers with certifications recognized in Europe, such as Global GAP, ISO 14000, and Sedex/SMETA. Our annual supplier evaluation covers around 80% of our purchasing volume, and we pay

special attention to new suppliers and products. We are committed to treating people and the environment respectfully and responsibly. However, every business activity comes with some risks. We carried out a comprehensive analysis to identify the risks that arise specifically in the sourcing of our raw materials. Many of the social and environmental issues can only be addressed together with other stakeholders, making a regular exchange with stakeholders along our entire value chain paramount to our sourcing. We organize Supplier Days just for this purpose. Memberships and certifications are two key instruments of our sourcing strategy. With the Roundtable on Sustainable Palm Oil (RSPO), the Rainforest Alliance, and Fairtrade®, we want to reduce deforestation, contribute to the preservation of biodiversity, and improve the living conditions of rural communities in producing countries.

RAW MATERIALS 2023

White sugar

Strawberries

Raspberries

Apricots

Apples

Peaches

Sour cherries

Blueberries

Blackberries

Almonds

Cocoa

Hazelnuts

WITH
59%
OF OUR SOURCES
FOR RAW MATERIALS,
WE HAVE BEEN
WORKING TOGETHER
FOR OVER 10 YEARS

FROM AROUND
24%
OF OUR RAW-MATERIAL SUPPLIERS,
WE PURCHASE OVER
94% OF OUR RAW MATERIALS

35,7%
OF OUR SOURCING AT THE
MAIN GERMAN SITE IN
AACHEN IS LOCAL

MOST IMPORTANT SUCCESSES OF 2022/23

- Carrying out comprehensive risk analyses for our raw materials
- Implementation of our third international Zentis Supplier Day
- Implementation of a pilot project to promote biodiversity in the supply chain
- Continued use of > 99% RSPO (SG) certified palm oil
- Continued use of > 99% certified cocoa for our own brand

Together with FONAP, we aim to significantly increase the proportion of sustainably produced palm oil and derivatives on the German, Austrian, and Swiss markets as quickly as possible, while at the same time improving existing standards and certifications.

Zentis also supports the Food for Biodiversity industry initiative because without biodiversity, there is no fertile soil; it's an essential basis for

food production, making it an essential aspect for Zentis. The Supplier Ethical Data Exchange (Sedex) also maintains a web-based database for companies, ensuring greater transparency and sustainability in the supply chain.

When it comes to certifications for our products, we rely on seals such as organic, Naturland, GMO-free food, and vegan and vegetarian products.



Zentis supports selected projects to preserve and promote biodiversity.



In 2022, a pilot project was launched together with Food for Biodiversity for the development and implementation of biodiversity standards at an apricot supplier of Zentis, helping us highlight the added value of diversified farmland and natural habitats for agricultural production.

The pilot project was successfully implemented and completed, and more campaigns are planned for the coming years.



The taste of nature



We combine the craftsmanship of a traditional family business with the innovative strength of a globally active Group to yield the highest quality—and you can taste it in our natural products.

We meet the individual customer requirements of the processing industry quickly and flexibly in our product development, combining the extensive know-how of our employees across various divisions. As part of our sustainable product concepts, we focus on the use of natural ingredients, including sustainable and nature-promoting raw materials, and Sugar Reduction.

To this end, we have created five international platforms that strengthen global structures in product development, making internal data exchange efficient and transparent while reflecting the growing demand for sustainability and naturalness.

1. Clean Label: This is a concept for avoiding additives and reducing ultra-processed ingredients. For example, some recipes contain 100% fruit, while others don't contain any color additives, flavorings, or stabilizers.

2. Sugar Reduction: Approaches to reducing the sugar content are tested in Sugar Reduction, the aim being to reduce the sugar content in the end product by an average of 10%.

3. Plant Based: This platform develops products and technologies for the growing market of milk alternatives, including, for example, the sale of organic oat raw materials as a basis for applications in vegan drinks, and yogurt alternatives for customers in the processing industry. Specifically for Plant Based, we established the joint venture V-Comp Pro.

4. Daredevil: This includes the collection and documentation of ideas and innovation

projects that cannot be assigned to any other platform.

5. Indulgence: This transnational exchange revolves around trends, products, raw materials, and processes with a focus on enjoyment.

We sell spreads and confectionery to end customers via food retailers under the Zentis brand. These include Zentis classics such as the breakfast jam, Nusspli, and marzipan potatoes. During the reporting period, we modernized our core range of products and introduced new products to tap into trends and markets: The fruit spreads in the Less Sugar line were expanded to include the Triple Zero range of products, and we introduced the Fruit Bruschetta spread in the NaturRein line. Now, our traditional Nusspli and Belmandel products are available in palm-oil-free versions, and the Fine Marzipan Pralinés with Original Aachener Pflümli is a first-time combination of two product worlds.

MOST IMPORTANT SUCCESSES OF 2022/23

- For our traditional products Nusspli and Belmandel: Addition of palm-oil-free varieties and switch from plastic to glass packaging
- Successful implementation of five customer projects for the development of sugar-reduced fruit preparations
- Development of numerous Clean Label fruit preparations without additives or highly processed ingredients
- Successful establishment of the joint venture V-Comp Pro to provide oat raw materials for the production of plant-based milk alternatives



We ensure highest quality through our time-tested culture of food safety and quality at all sites. We rely on certifications, internal process audits, active information, measures against food fraud, our HACCP concept, incoming and outgoing goods inspections, foreign body detection, and in-process controls.

Over the next few years, we want to continue to position ourselves internationally in terms of quality, and standardize processes.

Packaging becoming more sustainable is seen as increasingly important by retailers and consumers. At Zentis, we are working on the new and further development, as well as the continuous optimization and harmonization of packaging systems.

In the B2B sector, around two thirds of the fruit preparations we produce are currently transported in reusable stainless steel containers.

Because nature is our most important supplier, we want to give something back by actively contributing to the preservation of natural habitats. That is why Zentis' NaturRein acts strictly according to our Fair to Nature philosophy.

This is based on four pillars:



With our **natural recipes**, we follow the Clean Label approach with just three classic ingredients: Fruit, gelling sugar, and lemon juice. We only use **aromatic fruits from controlled cultivation**, guaranteeing hand-picked, sun-ripened field and forest fruits from nature-promoting cultivation—all traceable back to the original field. Zentis stands for the **promotion of climate protection projects**. We support a forest conservation project in Peru. We also launched Zentis' own Fruit Tree Farm project in Nicaragua in 2022. As part of the **Fair to Nature Initiative**, we are committed to projects for maintaining and preserving orchards and flower meadows as habitat and food sources for insects. These include the Blütenparadies Aachen Projekt and Natur- und Kulturinitiative Streuobstwiesen Kottenheim e. V.

Success lies in teamwork

2,172 
EMPLOYEES WORK GLOBALLY
IN ZENTIS GROUP

EMPLOYEES FROM
39 
NATIONS
WORK AT ZENTIS

With their commitment, flexibility, and innovative spirit, our employees are the key to our company's success. As a modern medium-sized company, we promote an open, trusting, and respectful corporate culture and pursue a value-based, future-oriented HR policy. Sustainability is a natural and actively practiced part of Zentis' corporate culture. We want to encourage our employees to promote sustainability both at work and in their private lives. This is why we have our Sustainability Ambassadors program to efficiently impart knowledge, skills, and values. By the end of 2023, 269 employees had already received their ambassador certificates. There are also four initiatives where employees can work on sustainability issues. For example, through the commitment of the working groups, deposit bowls and cups were introduced in our company canteen, and a bicycle leasing was initiated.

Diversity among our employees is an inspiration and promotes innovation. We work with employees from 39 different nations and form teams together across all age groups. We are continuing to work towards a balanced ratio of women and men in the workforce and management. Here, we rely on flexible work schedules, mobile work, and the Female Empowerment program. During the reporting period, six workshops were held on topics such as rhetoric, mindfulness, and conflict management. In addition, internal exchange was intensified through a monthly meeting among women in order to strengthen networking, among other concepts. Zentis also offers people with disabilities or health issues permanent employment opportunities.

We want to contribute to the satisfaction, motivation, and health of our employees by showing our appreciation with a plethora of

collectively agreed-upon company and fringe benefits. The development and further education of our employees as well as their occupational safety and health are key priorities for us. Our employees need specialist knowledge and a repertoire of personal and methodological skills. With a variety of programs, we develop and qualify employees in a targeted and comprehensive manner. In addition to essential information about the company—including sustainability—we provide support to the departments through the onboarding online portal. All employees also have access to an extensive training catalog, which is supplemented by training and seminars offered by their departments.

Occupational safety has a high priority in our company and is regulated in various guidelines. Occupational safety in Germany is governed by the Occupational Safety Act

MOST IMPORTANT SUCCESSES OF 2022/23

- Another BEST PLACE TO LEARN® award for our vocational training
- Expansion of our Female Empowerment program
- Further expansion of occupational health management at our German locations
- Bicycle leasing for all employees in Germany as part of the Zentis AKTIV program
- Increase in the number of qualified Sustainability Ambassadors to 269



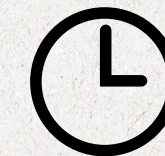
(ASiG), the Industrial Safety Act (ArbSchG), the Industrial Safety Ordinance (BetrSichV), and the regulations of German Statutory Accident Insurance (DGUV). To ensure constant improvement, all workplaces in Germany are examined based on a risk assessment, trainings are offered, instructions are carried out, and, if necessary, additional risk reduction measures are developed — employees are involved, consulted, and included in communications regarding those processes. Employees in Germany have access to the

Zentis health program Healthy & Fit, which includes:

- Eye check-ups
- Health checks
- Measuring heart-rate variability for possible stress levels
- Bicycle leasing (Zentis AKTIV)
- Free offer of annual flu and coronavirus vaccinations
- Ready-to-eat porridge in employee catering
- Self-defense courses

4.563

HOURS OF FURTHER
EDUCATION IN GERMANY



Our training is officially recognized and has been awarded the cross-industry **BEST PLACE TO LEARN®** seal of approval, with a rating of “very good.”



We provide needs-based training with the aim of subsequent employment of apprentices. In the reporting period, we continued to retain a high number of apprentices. Zentis also received the **LEADING EMPLOYER** award at the beginning of 2024, firmly putting us in the top 1% of German employers. Based on an annual meta-analysis, the selection is carried out independent of any specific commission and is the most comprehensive study of employer quality in the country.





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