



PREFACE

The corona crisis has shown us that people, environment and economy are closely intertwined on a global scale. This realisation had already motivated us years ago to contribute to this beautiful planet so we can all live and work together. We are therefore extremely proud that we can say that our operations have been climate neutral since 2020* (on scope 1 & 2).

Inproba B.V. doesn't just want to create the best oriental value for money products - we also want to produce them in a responsible manner. With natural, sustainable raw materials and in a safe way. Whilst paying attention to people and the environment. Here and in the countries where our raw materials come from. We consider that to be Fair Oriental: fair for the consumer, friendly for the environment and with care for society.

In addition to our food safety and quality policy, we see social responsibility as a matter of course, which is why we have drawn up a complementary CSR policy upon which we work with great ambition. That drive is derived from our understanding that we form part of society. As a producer of high-quality products, and as a good employer for people in the Netherlands and countries where our raw materials come from. We regard this corporate community investment as an essential part of our reason to exist. A good example of how we are already putting this into practice can be seen in our Inproba brand: we use 100% Rainforest Alliance certified chili peppers from sustainable agriculture for our sambals and chili sauces, fill them in fully recycled PET bottles, and apply FSC certified paper labels in our CO₂ neutral* factory in Baarn.

Inproba BV focuses on four pillars: environment, raw materials, corporate community and safety. Together we have set CSR goals that relate to these pillars.

Rob Libbenga

Inproba director



SUSTAINABLE DEVELOPMENT GOALS (SDGS)

As previously stated, we are very ambitious when it comes to Corporate Social Responsibility, and we focus on four pillars: **environment**, **raw materials**, **social involvement** and **safety**.

In addition, we use the UN Sustainable Development Goals (SDGs) as a guideline.

In the words of the United Nations in its proposal for a new global agenda; **the Sustainable Development Goals define 17 goals** and **169 targets** to make the world "a better place in 2030". The goals and targets are intended to put an end to poverty, inequality and climate change. Achieving the Sustainable Development Goals is a matter of cooperation between companies, the government, civil society organisations and citizens.







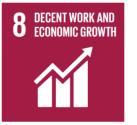




























When we look at the 17 SDGs, our focus homes in on the following objectives:

- 1. No poverty
- 2. No hunger
- 3. Good health and well-being
- 6. Clean water and sanitation
- 7. Affordable and sustainable energy

- 12. Responsible consumption and production
- 13. Climate action
- 15. Life on land
- 17. Partnership to achieve objectives



CONTENTS

Foreword and sustainable development goals

CSR pillar 1: Care for the environment

CSR pillar 2: Use of sustainable raw materials

CSR pillar 3: Social involvement

CSR pillar 4: Focus on safety

Closing words

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PILLAR1 CARE FOR THE ENVIRONMENT

Contributing to a beautiful, clean and healthy living environment for future generations is of great importance to us. This is why we focus on working in an environmentally aware manner within the company and we are reaching agreements with our customers and suppliers in relation to complying with environmental requirements deriving from the ILO guidelines etc. We have signed the Baarn Climate Covenant 2030 and, as the only production company in Baarn to do so, will contribute to reduce the CO₂ footprint of the Municipality of Baarn in 2020 through a climate-neutral organisation* (scope 1 & 2).









PILLAR 1 CARE FOR THE ENVIRONMENT







GOALS ACHIEVED

- Climate neutral operations: by investing in a reforestation project in Borneo, together with FSC Netherlands and The Borneo Initiative; we have managed to compensate the Inproba residual CO₂ emissions (scope 1 & 2) by planting meranti trees. Of course, this was externally verified and certified by FSC. Inproba is therefore climate neutral* on scope 1 & 2, which was the final piece.
- Less pollution: despite increasing production volume, the number of pollution units is still proportionally decreasing. In 2019, we achieved a reduction of 22% compared to 2014. We were able to maintain this trend during 2020.
- Fuel saving: the purchase of 8 hybrid passenger cars now contributes to further fuel savings for commuting and business trips. A nice side effect of lock-down is the reduction in business travel, which has had a positive effect on our CO₂ balance. Inproba's car policy states that newly purchased passenger cars should only emit a maximum of 120 grams of CO₂ per kilometre driven (standard value ex works).
- Wind energy: from January 2016, all our electricity requirements were transferred to 100% Dutch wind energy. Inproba's annual energy requirement is generated by the equivalent of one wind turbine.

- Reduction of biomass waste: optimising biomass capture increased the production of biogas. The research into better cleaning technologies resulted in the purchase of new boilers, pipework, and new technology that is expected to yield even greater savings.
- Reduction of CO₂ footprint: by switching to 100% wind energy, the CO₂ footprint can be reduced by approximately 60%. The total gas consumption is compensated through "Gold Standards": a "Cook Stove" project in Ghana with AFS. These wood-fired cooking stoves produce 40% fewer CO₂ emissions resulting in cleaner air, fewer respiratory complaints, and more employment in Ghana where these eco-efficient stoves are built.
- Less food waste: we have minimised food waste by improving the metal detection systems for unpackaged products, investing in 3 end-of-line metal detectors for packaged products, and donating surplus batches of packaged food to the food bank.
- Reduction of residual waste, plastic, paper and cardboard: External research (by Milgro waste management) showed a recycling percentage of more than 84%, a good score within our sector.



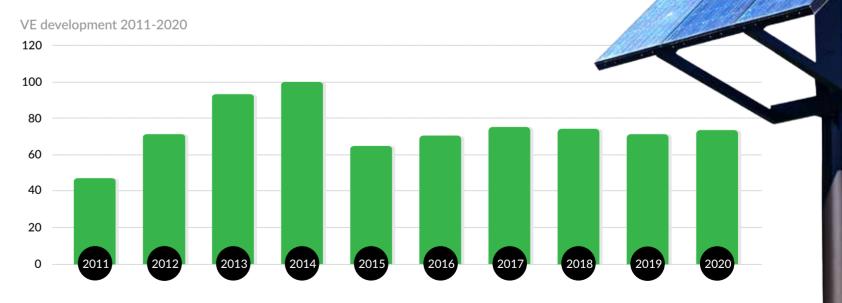
ON SCHEDULE FOR 2021

- Reduction of CO₂-footprint: In 2020, Inproba operations will be guaranteed to be climate neutral (scope 1 & 2). At our product level, we want to go a step further and research whether we can make products scope 3 climate neutral. This would mean Inproba not only neutralises its own direct CO₂ emissions, but emissions before and after delivery to customers and consumers.
- Solar energy: in terms of the Baarn Climate Covenant, research has been going on for some time into making (part of) the Inproba roof available for the installation of solar panels for external parties i.e., the residents of Baarn. This in the form of a PostCodeRoos scheme (PCR). The Municipality of Baarn, POB Baarn, Energiek Baarn and the Baarnse Climate Alliance are all involved in this idea. External research into the roof of the Inproba buildings shows that some of the roofs can support up to 1,700 solar panels. The PostCodeRoos scheme has been adapted by the Ministry of Economic Affairs and Climate into a subsidy scheme providing fixed payments for generated electricity. It should become clear over the coming months whether there is sufficient interest and support within the municipality of Baarn for the new scheme to realise a solar panel installation on the part of the Inproba roof that is suitable.
- Reduction of biomass waste: our biomass will be reduced even further through additional investment in specific cleaning technologies, new hot water boilers and piping, and the



introduction of the CEVA box as a replacement for IBC containers. The investment in more end-of-line metal detectors will ensure optimal balance between food safety and as little food waste as possible.

• Residual waste reduction: Despite the high percentage of our waste that is already recycled, we continue to look for even better ways to separate recyclable materials and to reduce residual waste even further. We expect a further contribution to this reduction from new research into bulk packaging, as well as by making agreements with suppliers, sometimes via innovative solutions.



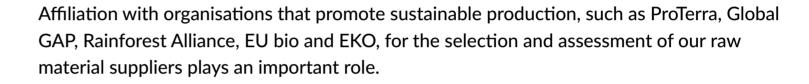


PILLAR 2 USE OF SUSTAINABLE RAW MATERIALS

Our products come from nature. Inproba believes the way our raw materials are handled and produced must be sustainable. The focus is therefore on making our most important raw materials more sustainable, like our chili peppers, for example, which have now been awarded Rainforest Alliance certifications. Watch our Rainforest Alliance video here.

We already started to make the chili pepper chain transparent 5 years ago. Partly because of this, Inproba is regarded by the Ministry of Foreign Affairs as a "frontrunner" in the field of CSR. As such, at the beginning of 2020, Inproba was asked by Minister Kaag to provide input into the research called "ICSR in Perspective". The ultimate aim of this is to arrive at Dutch and European "Due Diligence" ICSR legislation.

Ministerie van Buitenlandse Zaken



Major steps towards making prawn crackers more sustainable are currently being taken before the launch in 2021 of a completely shrimp-free (vegan) prawn cracker range that retains the characteristic taste of prawn crackers. The launch of a 100% organic Oriental line with national distribution in 2019 was seen as a sustainable milestone in Inproba's history.

















PILLAR 2 USE OF SUSTAINABLE RAW MATERIALS









- Non-GMO: Inproba does not use genetically modified organic products. Read more about our non-GMO policy.
- RSPO-certified palm oil: Since 2014, we have only been using sustainable palm oil from 'Roundtable on Sustainable Palm Oil' (RSPO) certified suppliers. Moreover, since mid-2016 we have only used sustainable certified palm oil at SG (segregated) level. After all, there are still disadvantages for people and the environment associated with palm oil despite RSPO, and so Inproba has chosen to limit the use of palm oil to a minimum (two raw materials).
- Benchmark research in which the CO₂ footprint of our chili sauce (700 ml in PET bottle) with the same chili sauce in a glass bottle from Thailand shows the Inproba version of the chili sauce causes 41% fewer CO₂ emissions. The research was carried out by LuTz Consulting based on an environmental impact LCA. In the near future, further research will be carried out to see whether other products are eligible for a similar CO₂ environmental impact measurement, and if so, which products.
- FSC®-certified paper and cardboard: Inproba only purchases paper and cardboard that is 100% FSC certified and therefore comes from responsibly managed forests. This applies to all forms of packaging forms (labels, boxes, paper foil, outer boxes, trays, etc.) as well as to letter and copy paper. Read more about our FSC policy.
- Organic products: In 2016, Inproba obtained SKAL EU organic certification, while the beginning of 2017 saw the first production and supply of organic sambal. Jumbo

- Supermarkets decided to sell Inproba's organic range in June 2019, and this product range is now available nationwide.
- Rainforest Alliance certified chili peppers for our sambals, chili sauces and curries: Since 2019, all chili peppers we produce for the sambals and chili sauces under our own Inproba brand have been Rainforest Alliance certified. Watch our Rainforest Alliance video here. Curries have also been added in 2020. Working with our current suppliers, we will work on further scaling up in the coming years with the ultimate goal of not only having 100% of the annually increasing volume of sambal, chili sauce and curry Rainforest Alliance certified under our Inproba brand, but also under all the other brands for which we produce these products. And of course, we are also looking at possibilities to purchase other raw materials that have the same Rainforest Alliance certification.
- Cage-free eggs only: For the past few years, Inproba has been using only raw materials (or their derivatives) for which cage-free eggs are used.
- Participation in the Transparency about Sustainability pilot project: the pilot project, Transparency about Sustainability, commissioned by Min. LNV, is being carried out by The Questionmark in collaboration with Wageningen UR and The Sustainability Constium. As one of the twelve leading companies participating in this project, Inproba has submitted its sambal product group for analysis. Read more.
- We want raw materials to travel as few kilometres as possible.









PILLAR 2 USE OF SUSTAINABLE RAW MATERIALS











- Soya: RTRS/ProTerra: Inproba purchases only non-GMO products. Because we also want to contribute to sustainable cultivation of soya beans in a way that protects people and the environment, we only purchase soya from Asia, Europe or North America (where the major problems associated with soya production hardly play a role) or we buy soya from South America under the ProTerra quality mark. This quality label goes a step further than RTRS and guarantees both an environmental and human friendly crop and a strictly non-GMO crop. Read our soya policy here.
- CSR in the supply chain: More and more customers are asking Inproba to sign the amfori BSCI code of conduct regarding social and environmental criteria. At the moment, Inproba cannot guarantee 100% compliance with the ILO, OECD and UNGP, because the chain is too intransparent for many composites, as well as many single raw materials. In anticipation of the "Due Diligence" legislation (national and European), Inproba has started an internal project to make the most important and critical raw materials in the supply chain transparent. For this, "Due Diligence" is exercised and any abuses identified, followed up by an attempt to resolve them in collaboration with suppliers and subsuppliers. For us, that is "The taste of Fair Oriental". Our aim is to realise what has been achieved with chili peppers (through RA certification) for other important raw materials. Once extensive research identifies the challenges presented by these, and for us the most important, commodities, Inproba will once again consider joining amfori BSCI. The internal "Due Diligence" project has now started and a number of important raw materials for Inproba have been named.

- Transportation of **as few kilogrammes as possible** (such as unnecessary transportation of water, for example).
- Sustainable packaging: internal research into the possibilities of making packaging more sustainable is currently ongoing. Inproba already meets a number of the objectives of the Covenant on Sustainable Packaging 2025 drawn up by FNLI (the Dutch food industry federation) and CBL (the Dutch food retail association). In 2019, for example, a start was made with offering r-PET bottles. We now only use 100% r-PET bottles for the Inproba brand, an initiative that has been in place since the end of last year. Black plastic packaging has already been phased out. In addition, this year research will be conducted into the sustainability options for incoming bulk packaging so that a reduction in packaging can also be achieved there. This year, a 9% reduction in packaging will be achieved with the PP trays used for Inproba satay sauce.

For each retailer, research will be carried out on a project basis to see to what extent **Private label products** can achieve the **ambitions of the FNLI**. For one retailer, this has already resulted in a **40% weight drop of glass** over 700,000 packages per year as a result of choosing an alternative model. In addition, research will also be carried out this year into the options for making incoming **bulk packaging more sustainable in order** to reduce our footprint in this area as well.

Please click this link for details of Inproba's MOSH/MOAH policy.



PILLAR 3 SOCIAL INVOLVEMENT

HEART FOR THE CONSUMER

Stimulate **healthy food**: Even though we encourage healthy food among our staff, we also strive for our products to be as pure natural as possible. We try to limit the amount of sugar and salt as much as possible and to keep the use of allergens to a minimum. And we do all this without compromising on taste.







PILLAR 3 SOCIAL INVOLVEMENT











Achieved:

- **Sugar reduction:** We have managed to achieve significant sugar reductions in two of our largest products: In 2018, we introduced Chilli Sauce Sweet with 50% less sugar (compared to similar sweet chilli sauces). This product was also one of the winners in the 'Chosen Product of the Year 2019' competition. **Read more.** And in 2020, we introduced the Ketjap Manis with 30% less sugar.
- **Honest ingredients:** As much as possible, Inproba works with natural ingredients and without artificial additives. In addition to reducing sugar and salt, Inproba has paid a lot of attention to this in recent years.
- Read more about honest ingredients and the reduction of sugar and salt.
- Inproba organic: In June 2019 we introduced our organic range with EU organic & EKO quality mark. Read more. Jumbo Supermarkets has now completed national distribution for the Inproba organic line.
- Gluten-free products: Our Inproba Ketjap Manis is completely gluten-free and bears the official NCV* quality mark. *Dutch Celiac Association

Objectives for 2021:

• Salt/sugar reduction: we want to encourage a further reduction in the use of salt and sugar. We will look at each recipe to determine the extent to which the quantity of salt and sugar can be further reduced within microbiological and organoleptic limits.

• More nature: We will use natural fragrances, colourings and flavourings as far as possible and strive to achieve Clean Label where possible.

• Further restriction of allergens: If possible, we will further restrict the use of allergens.



PILLAR 3 SOCIAL INVOLVEMENT

HEART FOR SOCIETY

We buy the ingredients for our products from different countries - often countries where the population is having a harder time than in the Netherlands. We like to demonstrate our corporate community investment in these regions in particular. We also support regional projects and organisations, both in the form of a financial contribution and in the form of products.







SOCIAL INVOLVEMENT











Outside The Netherlands:

- Agricultural support for Nepal: Inproba entered into a partnership with Icfon/ISARD in Nepal in 2016 and currently sponsors one of their projects in Northern Nepal. The aim is to educate and train families from different villages to help them earn a permanent income from agriculture and cattle breeding. 2020 saw 1,100 farming families able to grow fruit and vegetables on their own land. They grow at least enough for their own needs, with some surplus that they sell at market to build a financial buffer for leaner times. The new kitchen gardens, greenhouses and terraces with irrigation systems, initiatives designed to fertilise the land, the purchase of seeds and farming training programmes (including the efforts of Junior Technicians in Agriculture) have significantly boosted the harvest and therefore the farmers' income. Read more about ICFON.
- Structural partnership with FSC Netherlands: in 2021, Inproba became a partner of FSC Netherlands. A decision has been made to invest in a reforestation project in Borneo/ East Kalimantan. Here, in an area of 72,000 ha of FSC certified rainforest, an area of 3,500 ha is being developed by the forest manager and meranti trees are being planted in collaboration with The Borneo Initiative. This project has been running since 2016 and can be continued in the coming years thanks to financial support from Inproba. For the storage of CO₂ that has already been achieved from this project, Inproba has been awarded "carbon capture verification" certificates. In addition, natural regeneration in combination with the planting and maintenance of new meranti trees will lead to a doubling of CO₂

- storage in the area over the coming years. The area has already been verified and certified for biodiversity in 2020 by WWF Japan & the Kyoto University assigned by the FSC certified forestry company.
- In 2019 we became a **Business Supporter** of the **WWF**. Our donation is being used as a contribution to their programme of early detection of deforestation in Borneo (Southeast Asia), a region where the expansion of palm oil plantations, among other things, leads to large-scale deforestation. Read more.

Targets:

At the beginning of 2021, Icfon and Inproba agreed that an impact measurement with Social Return On Investment (SROI) will be carried out by an external research agency in collaboration with the Impact Center Erasmus. The aim of this is to objectively test the improvements in farmers' incomes and standard of living over the past 5 years, compared to the investments made in the regions. This impact measurement will help Icfon and ISARD Nepal decide how to bring the projects to a successful conclusion in the final phase (after 4-6 years). Inproba will continue to support Icfon and ISARD in 2021 by starting a number of new projects in a neighbouring region, over the next 4-6 years.







SOCIAL INVOLVEMENT











In the Netherlands:

- Sports clubs and associations in Baarn and its immediate area have received sponsorship money.
- Primary schools and student associations have received sponsorship for projects.
- Events in and around Baarn have received sponsorship in kind and money.
- The Food Bank and Inproba are working more closely together, with Inproba now able to send an increasing number of Private Label as well as its own products to food banks. This works both ways; it combats food waste, while providing people in need with greater variety.

Hoarding behaviour of consumers (as a result of the corona crisis) meant food shortages were registered at large distribution centres in mid-March 2020. As a result, deliveries to the food banks stopped. Inproba was then one of the first to donate more than 46,000 products (such as sauces and mixes) to a total of 26 food banks to alleviate the initial requirements.

Targets:

Solar energy for the benefit of Baarn residents: see page 7.



PILLAR 4 FOCUS ON HEALTH AND SAFETY

Safety for our employees forms a central part of the production process. By registering risks, we have made different bottlenecks visible so action can be taken to make each situation as safe as possible. This risk register will be revised at fairly regular intervals so constant improvements can be made.

Some highlights from our staff health and safety policy:

• Safety measures regarding Corona/COVID-19: Like everyone else, Inproba has been confronted with the challenges posed by the pandemic for the prevention of infections in our production facilities and offices. By quickly taking the appropriate measures, infections in the workplace were prevented. This includes the appointment of a special Corona coordinator who, among other things, monitors compliance with the measures that have been communicated in several languages. Despite an enormous increase in demand for our products from the market, Inproba was able to meet this requirement, taking account of all the appropriate safety measures.

- **Smoking ban:** a ban on smoking in Inproba's building came into effect on 1 April 2019. All employees and agency workers can enrol for a 'quit smoking' course.
- **Integrity Policy:** at the end of 2017, Inproba installed a procedure regarding the integrity policy for employees, which also includes a whistleblower policy.
- **Food Defence:** all operators and team leaders receive regular Food Defence training. In addition to the camera surveillance equipment installed in 2016 (both inside and outside the building) and a new time registration and door security system, a secure fence was installed around the entire site in 2017.
- Socio-medical team: In 2016, we appointed a social-medical team consisting of 2 external professionals, namely an occupational health doctor and an HR specialist, to assist employees and guide them in reintegration.
- **Stimulate healthy food:** healthy food is served in the canteen, while free fruit is made available to the staff every day.









CLOSING WORDS

Inproba proactively enters into dialogue with its stakeholders, especially NGOs. We would like to mention the following NGOs: WWF, CSR Netherlands, FSC Netherlands, Rainforest Alliance & UEBT (Union of Ethical Bio Trade), Icfon/ISARD Nepal and Stg. Just For Good Foundation. In all cases, a common goal is paramount, i.e. to achieve sustainable development of raw materials, environment, organisation and society as a whole in close collaboration.

Inproba is one of more than 120 signatories of the Baarn Climate Covenant 2030, an initiative of the municipality of Baarn, NGOs, citizens and companies in Baarn. This is intended to contribute to the Baarn Climate Covenant and make the municipality of Baarn climate neutral* by 2030. Since 2020, Inproba operations have been climate neutral.

* Scope 1 & 2 climate-neutral means that we take responsibility for our emissions in our immediate scope of influence, and that Inproba can thus control. This concerns parameters such as the use of electricity, gas, water, private cars and trucks and waste-related aspects, including biomass.

Baarn, June 2021

















Questionmark













