



Dēlicia

TOGETHER WE MAKE LIFE DELICIOUS

Sustainability Report 2024

Foreword

Dear reader,

We are proud to present Delicia's first sustainability report. This report provides more detail about our strategy, goals and milestones achieved. Furthermore, we look to the future, in which sustainability will be further integrated in our business operations.

These are the first steps in a great journey in which we have performed our first Double Materiality Assessment (DMA) and publicly endorsed the 10 principles of the UN Global Compact. Thanks to the efforts of the sustainability team and Inge van Gool as Program Manager Sustainability, enormous strides have been made.



We are proud that our sustainability efforts have been awarded a silver EcoVadis medal for the third consecutive year. There is still a great deal of work to do and there are still many challenges to overcome, which we are approaching in the Delicia way: by showing passion and ownership, being transparent and continuously growing together.

The information in this report covers the financial year 2024, which runs from 1 January to 31 December. It includes the achievements of our company Delicia, based in Tilburg, and efforts across the supply chain. This document provides Delicia's management, shareholders, customers and stakeholders with detailed information about our sustainability program.

We will continue to publish sustainability reports on an annual basis. We hope this report inspires and motivates you to join us on our journey towards a more sustainable world: Together we make life delicious.



Peter van Veldhoven
General Manager Delicia bv



THE CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD) AND THE OMNIBUS PROPOSAL: CONSEQUENCES FOR DELICIA

According to the Corporate Sustainability Reporting Directive (CSRD), we originally expected to be subject to its obligations from the financial year 2025. In preparation for this, we had already based our reporting themes on the results of our Double Materiality Assessment, in compliance with the **European Sustainability Reporting Standards (ESRS)**.

However, the Omnibus Proposal published on 26 February 2025 brought changes: the deadline for compliance was postponed to the financial year 2027 (reporting in 2028) and there was uncertainty about whether we fall under the scope of this. Based on the newly introduced threshold of 1,000 employees, we would be exempt from the CSRD requirements.

For companies that may no longer fall under the CSRD, the new **VSME standard** is recommended as an alternative reporting framework. We have therefore used the VSME standard as the starting point for this report and where relevant, included references to the ESRS standards.

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Delicia

TOGETHER WE MAKE LIFE DELICIOUS

2024 in figures



In 2024 our
service level was
98.0%



In 2024 we started
25
new innovation
projects



In 2024 we received
10%
fewer complaints
compared to 2023

Through **ETHOS** we formulated
Delicia's core values

- E** **Empowerment**
Taking ownership for your role, giving
and accepting feedback
- T** **Transparency**
Being visible and approachable
- H** **Heart**
Working together with passion
- O** **Orientation and growth**
Being curious, learning and improving
- S** **Synergy**
Focus on the task, listen carefully, make
agreements and stick to them



More than **230 SKUs**
in more than **16 countries**
in Europe



- Direct CO₂ emissions (scope 1) **reduced by over 25%** compared to 2023
- Production waste **reduced by 15%** compared to 2023



October 2024
Adomfe community declared itself self-reliant after a 3-year intervention!
88% of people in Adomfe trust that they can contribute to change in the community.

A total of **180**
employees



137 men **43** women
and **12** interns



18
employees had a
work anniversary

Sick leave
8.2%
(short, medium and
long-term absence)



Overall
employee
satisfaction
increased by
6%



” Together we make life delicious’, this is our promise to our employees, consumers, cocoa farmers, customers, suppliers and ourselves.

We want to make it better for everyone

2024 is the year in which we regain internal stability after a turbulent period. We all worked hard to achieve this. That may sound boring, but when everything around you is changing, stability is exactly what is needed.

From challenge to stability

We have had to deal with several challenges in recent years, particularly given our service level in 2023. It seemed as if everything happened to us at once: Covid, the war in Ukraine, the tight labour market, higher sick leave, rising cocoa prices and an unexpected halt to the supply of chocolate due to salmonella contamination at our supplier. At the same time, the internal switch from Baan to SAP required a lot of patience and flexibility. This task has now been completed successfully thanks to perseverance and cooperation within Delicia.

This period made one thing clear to us: in order to move forward we first had to establish a strong foundation. And we have succeeded. As a result, this boosted our service level to 98%. Even in difficult times, we continued to deliver reliably. When another supplier was temporarily unable to deliver, we were able to quickly scale up in order to quickly fill our customer's entire chocolate vermicelli shelf with our products. At the same time, we remained financially healthy by keeping a close eye on costs and through smart procurement.

Sustainability first

Despite all these challenges, we continued to focus on sustainability. This produced great results. It led to

us receiving the silver EcoVadis medal, placing us in the top 10 percent of our sector. In addition, we made a huge step towards CO₂ neutral production by installing our add-on heat pump. We also successfully completed the Adomfe project in Ghana. Doing so, we improved education, local economic development and reforestation in ten Ghanaian villages. Nothing is more satisfying than contributing to a better world for the people at the beginning of our (supply) chain.

Working on ourselves

These excellent results were made possible thanks to the dedication and commitment of our colleagues on the work floor. There too, internal rest returned. With a focus on structured administration, SAP now contributes to reliable data within Delicia. And thanks to our all-new ICT team, further work is being done to secure our ICT systems and the reliability of our data.

We invest significantly in education and training in order to encourage the development of our colleagues. Partly due to our new health and safety service, sick leave was reduced and the newly formed Works Council ensured better internal communication and improved cooperation with management.

Digital progress

Significant initial steps have been taken in digitalization. With the introduction of Power BI dashboards, we have access to clear and unambiguous information. Discussions are no longer about the accuracy of data, but about what we do with those data. ►



That saves frustration and time. As a result, we make better decisions faster.

Challenges also offer opportunities

Not everything went right first time, of course. There were considerable challenges with the add-on heat pump in the beginning, and high cocoa prices remain a cause for concern. At the same time, this challenges us to continue innovating. As a result, we are now looking at products containing less sugar, more protein or extra fibre, without sacrificing the delicious taste that our customers have come to expect from us.

Looking ahead to 2025

We have clear goals for 2025. We are improving our service level so that we remain structurally above 98%. In addition, we are further reducing our CO₂ emissions and focusing even more on working data-driven via Power BI. Internally, we continue to work on reducing sick leave. Reducing waste is also a top priority so that we minimise it wherever possible. To top it all off, we are introducing at least two new products that meet the demand for healthier options.

Moving forward together

We can only achieve these ambitions if we continue to communicate well with each other. In 2024, we saw how important it is to discuss matters with an open mind, even if it is difficult sometimes. That is why we will continue to invest in collaboration and open communication in 2025. For us, 'Together we make life delicious' is not an empty slogan. It is our promise to our employees, consumers, cocoa farmers, customers, suppliers and ourselves.

Finally, we want to thank everyone. For the hard work, the trust, the critical eye and a good dose of humour. Without these ingredients, even the most delicious chocolate only tastes half as good. Together let us make 2025 a year in which we continue to grow sustainably, in impact, innovation and fun. ■

Management Team Delicia

Peter van Veldhoven,
Jan Willem Pikaar,
Elise van Wijngaarden,
Kris Matten

1. About Delicia

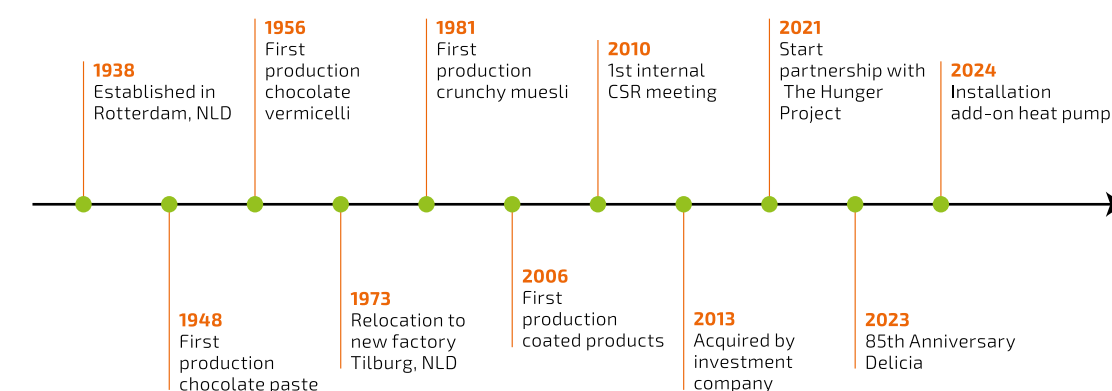
"Together we make life delicious!"

Delicia bv was founded in 1938 with the belief 'Together we make life delicious'. Over 85 years later, this is still our driving force. We want to supply products that are loved by young and old, and build an organisational culture that radiates trust, pride and connection. That is why we invest heavily in our employees' well-being and growth. This enables them, in turn, to fully commit themselves to our customers and consumers.

We strive to make a lasting and positive impact on everyone involved with Delicia. The cocoa farmers in Ghana and Ivory Coast receive a fair price and support with sustainable cultivation methods. We collaborate transparently with suppliers on innovations and create jobs in our local community. We do this by being actively involved in local initiatives.

For our shareholders, this vision results in a healthy and future-ready company in which sustainability is interwoven in every strategic decision. Together, we are on our way to a sustainable and successful future in which our way of working puts a smile on the face of all our stakeholders - from farmer to consumer. ►

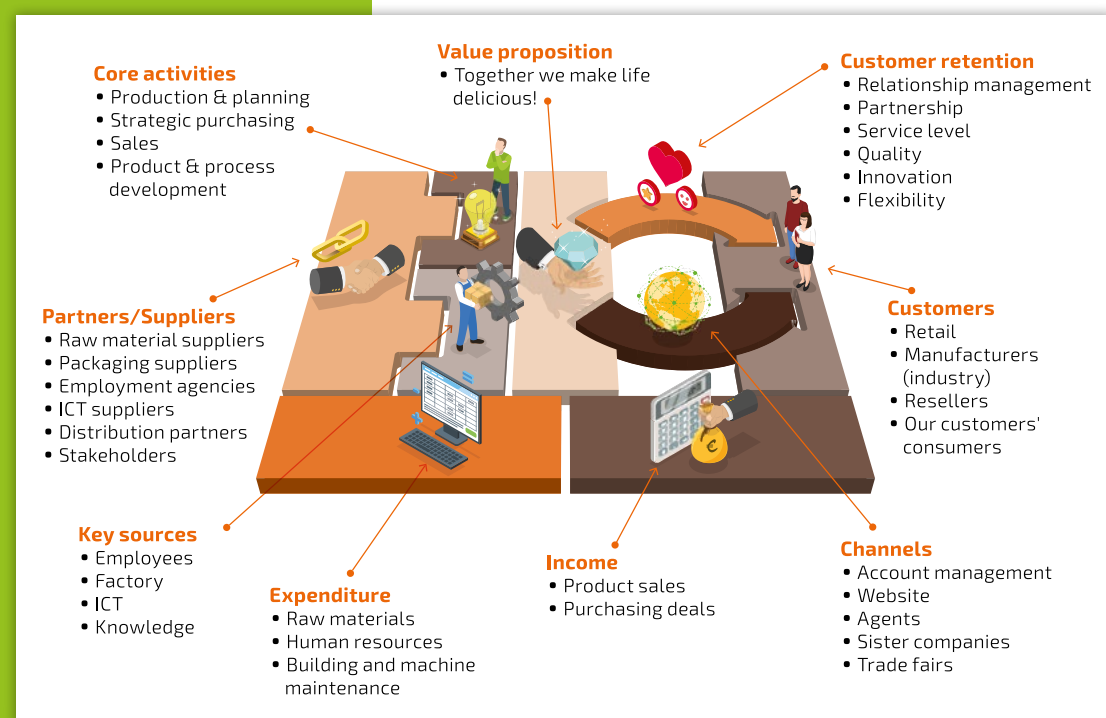
A brief summary of Delicia



That is how we create value



Delicia's business model canvas



Products, services and markets

Delicia makes the most delicious chocolate products. Every day we work passionately together to make the tastiest chocolate vermicelli, flakes, crispies, coated treats, bite-size snacks and much more. Whatever the product is, we add flavour, colour and experience. We do this for our retail customers, but also for industrial players in the bakery and dairy sectors.

At Delicia, we believe in growth through partnerships and innovation. We invest in long-term relationships with our suppliers and customers. Our sales department works closely with them and builds sustainable partnerships for the long-term. In addition, the innovation sessions with our customers

are an important factor in guaranteeing customer satisfaction. By sharing trends and promoting co-creation, we inspire our customers to develop new ideas and concepts that lead to innovative products. We believe that transparency is key to this.

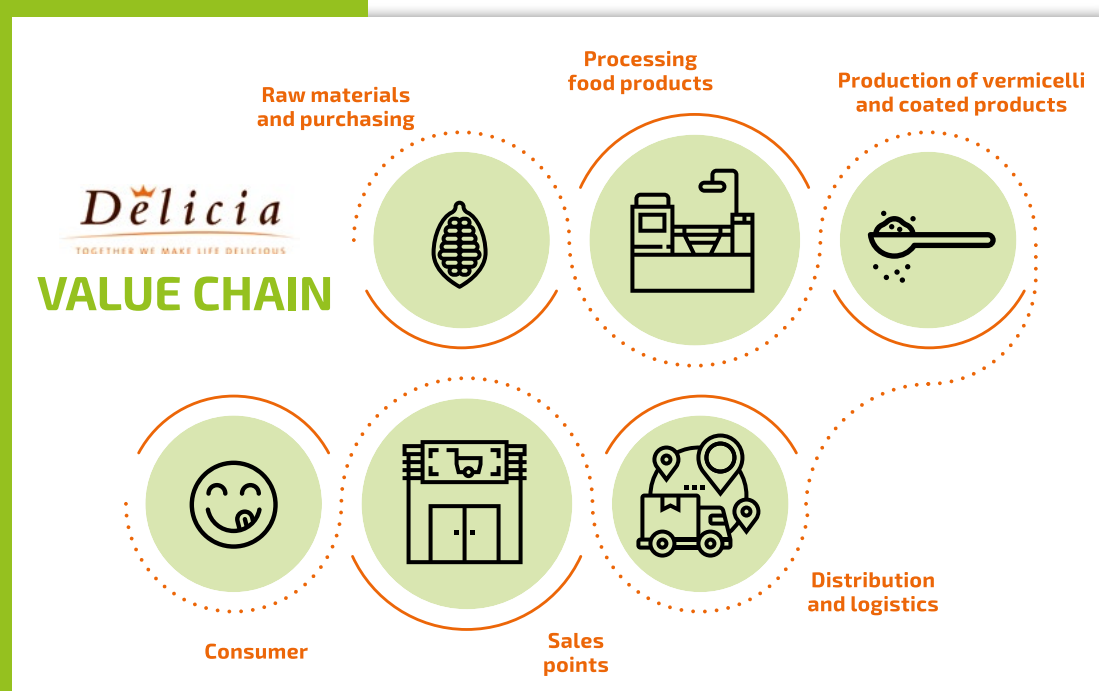
The R&D team (Research & Development) is the driving force behind developments and innovations. The team combines customer requirements with market insights and expertise. As a result, new ideas and concepts are developed, both proactively and at the customer's request. Our multidisciplinary account teams then implement ongoing projects in order to meet the customer's needs. Together we achieve the best results. ►



We formulated **Delicia's core values** as follows

- E Empowerment**
Taking ownership for your role, giving and accepting feedback
- T Transparency**
Being visible and approachable
- H Heart**
Working together with passion
- O Orientation and growth**
Being curious, learning and improving
- S Synergy**
Focusing on the task, listening properly, making agreements and fulfilling them

Delicia's value chain



Delicia & SDGs

Delicia is consciously working on its sustainability program. We are committed to the United Nations Sustainable Development Goals (UNSDGs) and in 2023, we joined the UN Global Compact program. In 2024, we linked our sustainability program to the relevant SDGs. We communicate our progress in our annual reports. ■



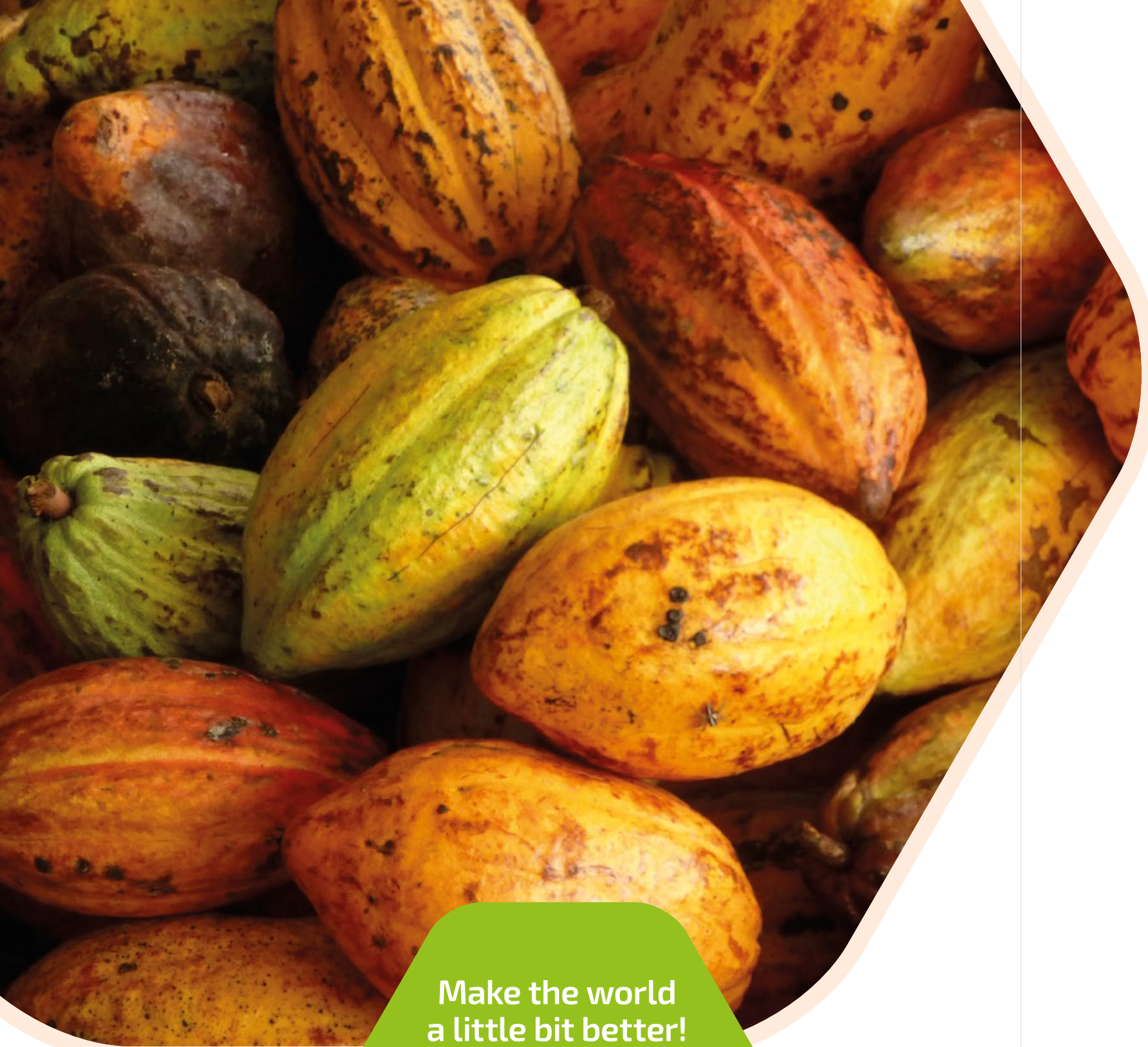
Delicia & Sustainability

For nearly 20 years, sustainability and socially responsible business have been important for Delicia. A lot has changed in that time. Society's expectations are growing and legislation and regulations are becoming increasingly stricter. At the same time, Delicia faced some major challenges with a global pandemic, rising raw material prices and a war on European territory. In 2023, we decided to expand the sustainability team by appointing a Program Manager Sustainability. The aim is to have more focus, control and commitment in terms of implementing our sustainability objectives.

The sustainability team developed a future-proof sustainability strategy together with representatives from Procurement, Technical Service, Risk Management, HR and Communication. The basis for this strategy is the Double Materiality Assessment that has been carried out. This assessment shows what material themes are important for our sustainability policy in the coming years. With our dedicated sustainability team, we will continue to lead the way in sustainability and corporate social responsibility in the future.

For its sustainability program, Delicia collaborates with www.slidingdoors.be.





Make the world a little bit better!

Our sustainability journey begins with the cocoa farmers in Ghana and ends with our consumer's smile, who enjoys our delicious products.

2. Sustainability strategy



"Delicia is highly aware of its impact on the whole supply chain."

Inge van Gool,
Program Manager Sustainability

In 2023, Inge van Gool was appointed Program Manager Sustainability at Delicia. Her first responsibility was to draw up a Double Materiality Assessment. It was an excellent way to get to know our company well. We asked her about her findings.

A sector at a turning point

"The chocolate industry is facing major challenges: climate change, deforestation and social inequality. At the same time, demand is growing for sustainable products. Delicia does not see this as an obstacle, but rather as an opportunity to take the lead and contribute to the responsible use of raw materials. As an heir to a rich tradition and a pioneer in green innovations, we are writing a new chapter - where tradition and innovation combine, and every chocolate flake tells a story about positive change."

From cocoa bean to community

"Our sustainability journey begins with the cocoa farmers in Ghana and ends with our consumer's smile, who enjoys our delicious products. We don't just buy cocoa; we invest in lives. Together with The Hunger Project, we work to achieve better incomes, reforestation and

education for local communities. Since 2020, 100% of our cocoa (cocoa mass, cocoa powder and cocoa butter) has been certified by Fairtrade or Rainforest Alliance and we have purchased 100% RSPO-certified palm oil. These are important steps on the way to 100% sustainable chocolate in the future."

Innovation in Tilburg

"Our factory in Tilburg, the beating heart of Delicia, runs on green electricity and in 2024, our add-on heat pump went into operation as part of our sustainable energy strategy. We have also developed products with less and even no sugar, so that everyone can enjoy them. We are currently working on fully plant-based milk chocolate vermicelli in order to reduce our environmental impact. In recent years, production waste has fluctuated between 2% and 3%. By improving our production processes, we want to reduce this to below 2% on a structural basis so that we minimise waste of high-quality raw materials as much as possible. In this way, we not only improve our immediate surroundings, but also put Tilburg on the map as a breeding ground for sustainable innovation." ►



An employer with a heart for people

"Delicia's sustainable mission begins close to home, with good employment practices. With 180 employees - many of whom have been part of our 'family' for years - we invest in safety, vitality and growth. Because sick leave in 2024 was above the sector average, reducing that has been given top priority. By continuing to work on creating a good and safe working environment, while also focusing more on supporting both the sick employees and their managers. Our vitality program and social committee also promote the health and solidarity of our employees."

Looking forward with courage and ambition

"The plans for the coming years are ambitious. We want to make our process and our supply chain even more sustainable. Fully certified raw materials and the development and implementation of a CO₂ reduction program play a significant role in this. Inspired by our own resilience - and supported by collaborations with universities and investments in circular processes - we are continuing to innovate, communicate openly and raise the bar higher and higher. Because at Delicia, sustainability is ultimately about one question: How do we make life not only more delicious, but also better for everyone? The answers lies in every step we take. **Together we make life delicious.**"

Double Materiality Assessment

In this report for 2024, we present our non-financial data for the first time. We determined our material topics through the Double Materiality Assessment, **in line with CSRD guidelines**. We conducted this assessment in preparation for our legal obligation in 2028. As a consequence of the Omnibus proposal, we used the VSME standards as a framework in this report.

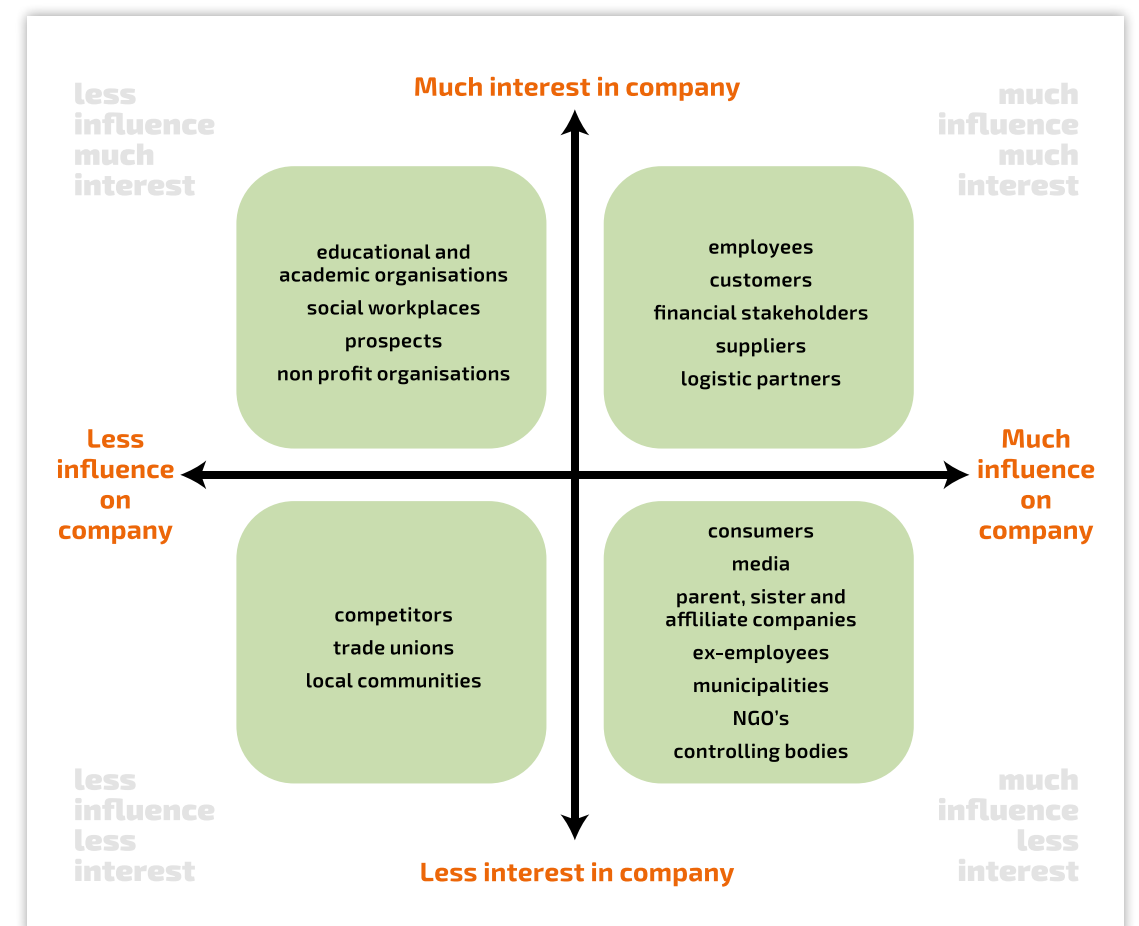
As a first step, our stakeholders were **identified and classified**. Consequently, our internal and external stakeholders

were mapped on a power vs. interest matrix. A representative selection of stakeholder categories were interviewed. The questions asked were:

1. What is your ESG impact and what risks and opportunities do you see?
2. How do you think Delicia performs in the area of sustainability?
3. What risks and opportunities do you see for Delicia?

A schematic overview of our stakeholder assessment is displayed in the table below. ►

Stakeholder mapping



Results stakeholder interviews

Employees	<ul style="list-style-type: none">• Fair compensation and benefits• Job security• Development and career opportunities• Safe working environment, healthy working conditions
Suppliers	<ul style="list-style-type: none">• Good and safe working conditions in the value chain• Transparent procurement process, without corruption• Reduce biodiversity loss and stop deforestation• Reduce water usage
Customers	<ul style="list-style-type: none">• Climate mitigating actions• Reduce waste, circular resource use• Gender equality, no discrimination for own workforce• Contribute to health and ensure safety of consumers
Logistics	<ul style="list-style-type: none">• Reduce climate impact• Reduce air pollution• Good working conditions for their own work force
NGO	<ul style="list-style-type: none">• Stop biodiversity loss,• Good working conditions in the value chain (absence of child labour, living income)• Respect rights of indigenous people

Desk research was also conducted to:

- benchmark against industry standards;
- measure performance against sustainability indices;
- learn from industry peers.

In addition, the enterprise risk assessment over the last calendar year was taken into account. As a result of all collected and analysed inputs, a shortlist of topics was created.

Sector standards, sustainability reports from peers and sector organisations were consulted for sustainability themes that are relevant in the industry.

The findings have been recorded in the list of relevant topics and impacts, risks, and opportunities.

Overview of relevant sustainability topics

Environment	Social
<ul style="list-style-type: none">• Climate change• Climate adaptation• Climate mitigation• Scope 1 emissions• Energy• Water and marine resources• Water consumption• Biodiversity and ecosystems• Direct impact drivers of biodiversity loss• Land-use change (deforestation)• Resource use and circular economy• Waste	<ul style="list-style-type: none">• Own workforce• Working conditions• Health and safety• Equal treatment and opportunities for all• Workers in the value chain• Child labour• Forced labour• Consumers and end-users• Personal safety of consumers and end-users
Governance	Delicia specific
<ul style="list-style-type: none">• Business conduct• Corporate culture• Corruption and bribery	<ul style="list-style-type: none">• Certification• Traceability

The impact and financial materiality were determined in a combined workshop with the cross-functional sustainability team.

The **impact materiality** was determined based on the severity of the impact and the likelihood of occurrence. If any of the impact measures (scale, scope or remediability) scored a 3, the results of the formula were overridden and the level of preliminary impact materiality of this topic was set as critical.

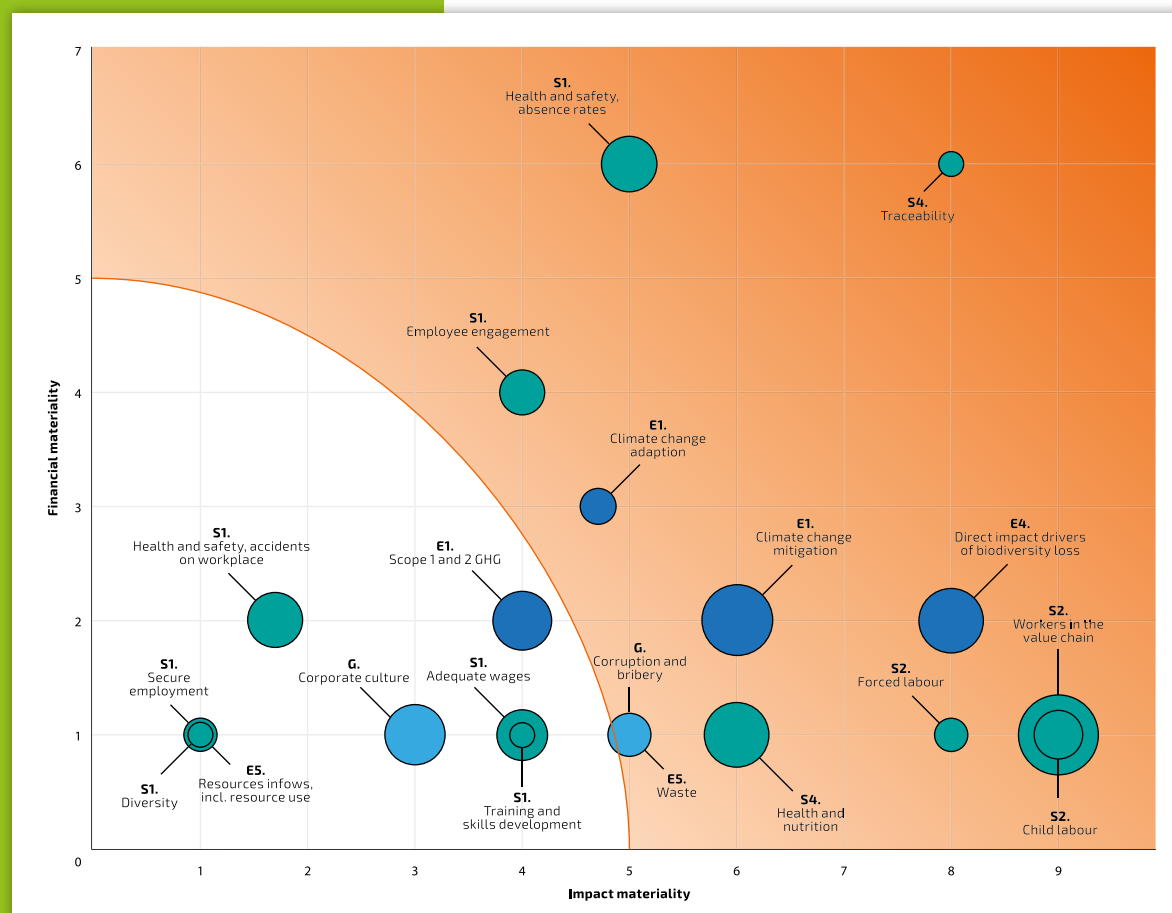
* For the full list of criteria, see tables on page 50 and 51.

The **financial materiality** was assessed by scoring the 'time horizon', the 'size of the financial impact' and the 'likelihood of occurrence'.

The **Double Materiality Matrix** was constructed based on the impact materiality and the financial materiality. The highest scoring topics on the financial materiality axes and the impact materiality axes were identified as material for Delicia.

For each material topic, a definition and justification were formulated (see page 62-63). This sets a clear priority for Delicia's sustainability program, in line with the most pressing issues for the company as well as the industry. ▶

The results were presented to the Board of Directors, who endorsed the results.



Double Materiality Matrix

From reporting year 2024 onwards, Delicia will cover these topics in the annual sustainability report.

This report covers the 'upstream' value chain, including sustainable procurement, preparation for the deforestation regulation (EUDR) and our project Adomfe in collaboration with The Hunger Project. Our efforts in our own operations (and highlights) and our collaboration with clients is also covered. ■



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We are taking our sustainability ambitions to the next level.



3. Raw materials

We use a variety of raw materials in our production facility. Each of these raw materials has its own impact on the sustainability of our products. The most important risks to take into account are deforestation, child labour and a living wage. These themes play a role early on in our value chain and are considered 'material' according to the Double Materiality Assessment.

Delicia takes its responsibility seriously and wants to make a concrete contribution to finding a solution. Our efforts are objectively acknowledged through various certifications. But our fight does not end here. Risks such as deforestation and child labour

remain part of cocoa cultivation. Due to a lack of traceability, it is difficult to establish whether any form of forced labour is used in this process. We therefore remain alert and continuously evaluate our procurement process. Our commitment goes beyond what certification requires of us. We are intrinsically motivated to contribute to a sustainable (and delicious) product, from farm to table.

Cocoa is strongly linked to deforestation and therefore a loss of biodiversity and climate change. This leads to unpredictable weather conditions that have a direct influence on the quality and volume of cocoa. ►



The Hunger Project

From 2021 to 2024, Delicia was involved in a project developed by The Hunger Project in Adomfe, Ghana. This four-year project aimed to strengthen the Adomfe community on their journey to self-reliance. Self-reliance means that inhabitants work together so well - with one another and their local government - that they can independently work to end hunger and poverty. They are able to effectively tackle new challenges together, without further support from The Hunger Project.

The local economy in Adomfe relies heavily on cocoa production. Within the project, inhabitants developed and implemented their own plans, in terms of improved agricultural techniques, access to healthcare and education, combatting child labour and creating new economic opportunities for example. These community-driven initiatives lay a solid basis for continuing growth and development.

This ambitious project is a perfect fit for our social responsibility efforts, aimed at direct, meaningful impact and autonomy.

We are proud that we have contributed to the framework conditions with which people in Adomfe can make a difference themselves - now and in the future.

How it began

In 2021, Delicia started funding a long-term project developed by The Hunger Project in Adomfe, Ghana - in a region where the economy is largely dependent on cocoa production. During the four-year partnership, we received regular updates about the community's progress towards self-reliance. As a result, agricultural methods were improved, efforts were made to improve access to healthcare and education, and the community-led initiatives were launched to end child labour and build economic resilience.

Delicia's three key goals within the partnership:

1. Reforestation;
2. The elimination of child labour;
3. A living wage. ▶

Our certifications and accreditations



Rainforest Alliance

An international organisation that is dedicated to a more sustainable world, with a focus on preserving nature and better livelihoods for farmers and forest communities.

Fairtrade

Together we are dedicated to a fair world with equal opportunities for everyone. Audits are used to establish whether we meet the requirements for accreditation.



Roundtable on Sustainable Palm Oil (RSPO)

We are committed to a sustainable palm oil industry. An annual audit checks whether we use only RSPO-certified sustainable palm oil.

We want to address these risks and therefore raise our sustainability ambitions to a higher level

What we are doing:

- Buying certified raw materials, like Rainforest Alliance, Fairtrade and Roundtable on Sustainable Palm Oil.
- Building long-term relationships with reliable suppliers.
- Investing sustainably in the communities where our raw materials come from.

We are also involved in other developments, like tighter sustainability legislation. Upcoming sustainability legislation (for example EUDR, CSRD, CSDDD) forces us to take responsibility in the value chain and to ensure advanced traceability and transparency. In addition, we have to deal with sharp price increases in the most important raw materials, such as cocoa, through fierce speculation in the market.



EUDR

At the end of 2025, the European Deforestation Regulation comes into effect. Amongst other things, this means that only verifiable deforestation-free chocolate, cocoa products and palm oil can be brought into the European market. Furthermore, all cocoa and palm oil must be traceable to their geographic origin.



A report from our visit to Adomfe

In 2024, Inge van Gool (Program Manager Sustainability) went to Ghana to visit Adomfe. She saw with her own eyes how the Delicia-financed project run by The Hunger Project has made a clear difference for the local community.

Getting to Adomfe

"We flew from Accra to Kumasi in the Ashanti region, the heart of Ghanaian cocoa. After a two-hour car journey, we arrived in Morso, part of the Adomfe community. We were warmly welcomed by the Queen Mother, village elders and 'animators' – volunteers from the community."

"During our conversations, the animators told us how their life has changed thanks to The Hunger Project's trainings: cocoa farmers have learned better ways to fertilise and harvest their land, resulting in a more than doubling of yields in three years. Another priority was female emancipation. Women express themselves more, have stronger positions in the community and have sometimes even acquired land rights. It's something that everyone there is justly proud of – us included."

"In Adomfe, we visited the epicentre of The Hunger Project. Once again, we were received with enormous hospitality and we gave the inhabitants the chance to tell us what the partnership meant to them. As a small

Dutch surprise, we had taken along chocolate vermicelli, which led to hilarious and positive reactions."

Local clinic and maternity care

"One of the big changes in Adomfe is the setting up of a local clinic, which has made medicines and medical care much more accessible now. There's also a maternity clinic, where women can give birth under the supervision of a midwife instead of at home. This makes an enormous difference to the safety of mother and child. The midwife is doing her job so well that she has won several awards for it."

"We also visited the so-called 'cocoatree cutter' – a project implemented together with the government. Here, farmers can get cuttings from cocoa trees that are more resistant to climate change and produce a higher yield. It's great to see how government and community work together here. What's been achieved in Adomfe in just three years is absolutely amazing: better harvests, greater independence for women and better access to healthcare."

"For Delicia, it's essential to invest sustainably in communities where our raw materials come from. This visit has shown that we can make a real difference – and that we are far from finished yet. We're looking forward to continuing to build the future."



Highlighting a few results

In four years, The Hunger Project has had a great impact: from improving healthcare to training farmers to make fertiliser. Here are a number of examples.

Indicator		Mid-term evaluation 2021	Final evaluation 2023
Children going to school: • girls • boys		92% 89% 95%	94% 94% 95%
Households with access to clean water		75%	100%
Households with access to sanitary facilities		64%	72%



Self-reliance epicentre



88%
of people in Adomfe trust that they can contribute to change in the community.

Adomfe epicentre:

- has achieved a self-sufficiency score of 90.2 (the minimum was 80);
- is registered as an independent organisation;
- is connected to the electricity grid;
- has a title deed for the land on which the epicentre building stands;
- earns enough income for the epicentre through its own social enterprises.

Shea, the power of women in the supply chain

Delicia supports its palm shea suppliers' sustainability programs. Shea nuts are one of Delicia's raw materials. The shea butter in the CBE (Cocoa Butter Equivalent) is derived from shea nuts from the shea tree. This tree grows mainly in the so-called shea belt that runs from Guinea to Uganda. Ghana is an important producer of shea.

About 16 million women work in this industry. Their activities vary from harvesting to processing the shea nuts. We support the sustainability programs of both our palm shea suppliers by paying a premium price.

By participating in these programs, we emphasise our commitment to corporate social responsibility and sustainable

procurement. This is how we contribute to improving the ergonomic, social and financial conditions for the women who collect shea nuts. These partnerships are crucial for driving positive change in the global supply chain.

AAK: direct purchasing of shea

By paying a premium price, we enable our palm shea supplier AAK to commit to reducing poverty and increasing the self-reliance of more than 240,000 women. AAK does this through direct trade, interest-free microcredits and training for the women (from the women's group Kolo Nafaso) who collect shea in West Africa. The result in 2021: 100% traceability and a completely separate supply chain at the point of origin.

Bunge: Where Life Grows program

Palm shea supplier Bunge uses our contribution for its 'Where Life Grows' program. This program was set up with three objectives:

1. Empowerment of women, so that they can build a sustainable livelihood for future generations, improve their health and well-being, secure stable income opportunities and receive education and training.
2. Create socio-economic value for communities by developing a sustainable shea industry, strengthening the shea infrastructure and supply chain, supporting local crushers and shea collectors, and improving working conditions and economic opportunities.
3. Conserve and protect the shea landscape, minimise environmental impact in the supply chain, conserve and regenerate savanna landscapes and ecosystems and reduce CO₂ emissions in the shea supply chain. ■

The women of the Nasia and Nakpaya communities work with (Delicia-sponsored) shea rollers. By rolling these along the ground, they 'catch' the nuts between the iron wires so the women do not need to bend over in order to pick them up with their hands. Something that is also dangerous due to snakes and scorpions.



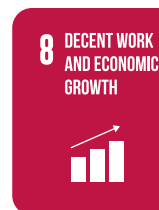


Spread a smile!



” Job satisfaction for everyone: that is what we believe in!

4. Own workforce



“A sharp focus on the vitality of our employees”

Elise van Wijngaarden,
Head of HR

‘Delightfully energetic’ is the name of Delicia’s vitality program. That means: everything for energetic employees who feel good on the work floor. In 2024, the sub-theme was ‘measuring = knowing’, an accessible check-up where employees could voluntarily have their metabolic age measured. Delicia also took further steps to better manage the health of its employees.

Head of HR, Elise van Wijngaarden is committed to this on a daily basis. Sick leave was a cause for concern. A new approach led to a number of effective measures. “First of all, we switched to a new health and safety service provider. Sick leave at production companies turned out to be a specific expertise after all. Our new health and safety service provider has earned its stripes in this area. They can support us more effectively in guiding employees who are sick and also in helping us focus on preventing sick leave,” says Elise. “An example of this is preventing, where possible, so-called ‘week-fillers’ whereby an employee who has almost fully recovered agrees with their manager on Thursday, for example, to return to work on Monday. In every way,

- Sick leave dropped by 14% compared to 2023.
- Sick leave in last quarter < 6%.
- Employee satisfaction score raised with 6% to 7.2.
- Themes: Trust in the organisation and health & wellbeing.

we want to motivate our employees to come to Delicia, unless of course it really isn’t possible. The starting point here is always: sick is sick.”

Sick leave prevention [VSME B9 – Employees – Health and safety]

Concerns in someone’s personal life can also lead to calling in sick. Delicia therefore offers staff a budget coach or an informal care provider for example. “When you have concerns or other matters that upset your life, it’s often difficult to continue working to the best of your ability. That’s why, as a confidant at Delicia, my door is always open to everyone. I offer a listening ear and advice. I can also help determine what intervention may be appropriate to help the employee. We are now seeing positive effects from this new approach to sick leave.” ▶



In 2024
we welcomed
17 new employees
to Delicia...



...and
16 employees
left Delicia.



In 2024, there were
10 trade union members
at Delicia.

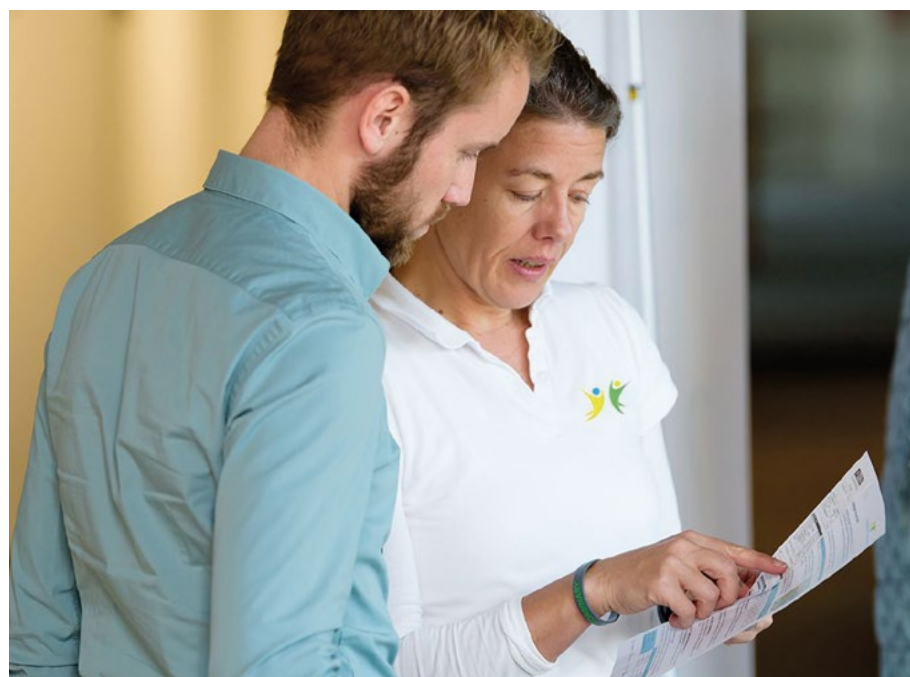
Spread a smile

Employee satisfaction for everyone: something Elise firmly believes in. That is why Delicia commissions an independent external agency to conduct an employee satisfaction survey every year. Based on the results, which are discussed in various working groups, HR can make changes where necessary. Elise: "This program, called 'Spread a smile', is ultimately focused on implementing improvements that increase employee satisfaction. This again has a positive impact on sick leave."

And we do even more

[VSME B10 – Workforce – Remuneration, collective bargaining and training]

We attach great value to education, development, coaching and training in order to constantly encourage staff. "We listen to everyone and invest in our employees who want to advance their career at Delicia," explains Elise. "Our development and learning program 'Demonstrate how to do it - Do it together - Do it by yourself' is almost always the starting point. In addition, everyone can get a discount on a sports membership and, depending on the distance between work and home, they can participate in our bike scheme in a tax-friendly manner. This is how we take a preventive approach to employee health. Even for those who are never sick. Being healthy is one thing, but staying healthy is even more important." ■



The Works Council

[VSME B10 – Workforce – Remuneration, collective bargaining and training]

The Works Council had an intensive year. At the beginning of 2024, a practically new Works Council went to work with the motto 'Together for each other'. Later that year, one member left and no fewer than four new members joined. One of the most important priorities for 2024 was promoting the Works Council's work. Part of this involved a personal

round of introductions on the intranet. In addition, the quarterly report (Works Council signal) was once again produced and publicised.

The organisation was undergoing many changes, with the Works Council actively involved in discussions and decisions. For example, the council was closely involved in the transition from Bernd Postma to Peter van Veldhoven as General Manager. Since this change Peter van Veldhoven and Elise van ►

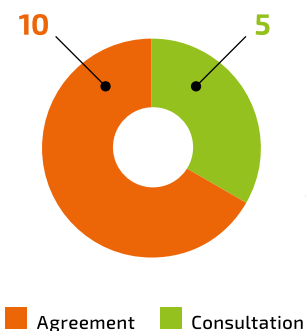
Wijngaarden as members of the board attend Works Council meetings. The Works Council was also involved in a number of important changes related to health and safety. For example, sick leave in 2024 was higher than the sector average. Unfortunately there was less and less of a fit with the health and safety service provider's approach to this. Delicia sought and found a new provider. The Works Council was closely involved in this process and posed critical questions in order to understand what was changing and how it would affect employees. After approval by the

Works Council, Delicia started working with a new health and safety service provider. The Works Council continues to monitor the sick leave rates and noted at the end of 2024 that a decline had begun.

According to health and safety legislation, the Works Council must consent to the employment of new prevention officers. The Works Council gave Safety Coordinator Jeske van Dongen permission to hire three new prevention officers in 2024. This completes the prevention team. ■

Total number of Works Council applications in 2024

- Appointment of prevention officers (3x)
- Change of health and safety service provider
- Adjustment working hours Inpak 54 dept.
- Corporate calendar 2025
- Change to special provisions relating to marriage
- Introduction of ADM policy
- Change of provider for supplementary incapacity insurance and partial incapacity insurance



- End of mandate statutory board member
- Appointment of new CEO
- Change to sales team organisation
- Change to warehouse workers' tasks
- New function: Inventory administration



"Aiming for a safe workplace for everyone"

Jeske van Dongen,
Safety Coordinator

[VSME B9 – Workforce – Health and safety]

Accidents happen, and the trick is to minimise and maintain the risk of accidents. This is the daily business of Safety Coordinator Jeske van Dongen and her colleagues in the prevention team. And because the work, people, machines and procedures can change, safety is a hot topic at Delicia.

Employee awareness and behaviour are perhaps the most important factors when it comes to working safely. Excessive and prolonged physical strain also fit that scenario. Big and small accidents are lying in wait and that is what Delicia wants to prevent in every situation. Jeske van Dongen is constantly focused on this: "An unsafe situation is reported to me or the prevention team and we ensure that the situation is made safe. But there's more."

Proactive thinking

In every production department there is a member of the prevention team to whom colleagues can address questions about safety. According to Jeske, it means: "Safety isn't about sitting back, it's about thinking proactively with your colleagues about what you're doing. We do this rigorously and together at Delicia."

- 42 In-house first aid response workers
- 1 x Prevention day per month
- 4 Toolboxes on safety

Monthly prevention day

And so the company organises a monthly prevention day on which colleagues discuss safety with one another. A critical tour of the factory is a standard feature of the day. Delicia strives for 100% safety. Jeske: "For this reason, everyone has access to an online and practical toolbox with tools and training to make people more aware of safety. It's used well and a lot."

In-house emergency number

Jeske continues: "At the same time, an external, professional company updates our in-house emergency response trainings to the current situation annually. In 2024, 10 new in-house first aid responders came on board, bringing the total at Delicia to 42. That's the number we need, given our shift schedules. This allows us to meet our requirement that there's always an in-house emergency responder on duty, 24 hours a day. He or she is recognisable to everyone by a green cap. If necessary, there's an in-house emergency number that employees can use to contact the emergency responder on duty." ►

Corporate emergency plan

In 2025, Delicia once again performs the nationally mandatory Risk Inventory and Evaluation (RI&E). Here, an external organisation assesses noise and physical strain for example. "We actually do a lot and increasingly more to ensure safe working. And everything we do and everything that's important to know is recorded in the so-called Delicia Corporate Emergency Plan," says Jeske. "This plan was updated again in 2024 and is easy for everyone to find on our sharepoint site. This way, we stay alert and strive for a safe workplace for everyone." ■



5. Our factory

[VSME B3 - Energy and GHG emissions] Climate action

Since 2016, Delicia has actively worked to reduce its CO₂ footprint. In 2019, we made a big step forward by switching to 100% green energy, generated by wind turbines and certified by CertiQ. In 2017, solar panels were installed on our roof enabling us to generate 4.1% of our energy consumption ourselves.

A large part of our energy consumption consists of natural gas. In 2020, a

project was set up to end natural gas consumption by installing an add-on heat pump. In 2023, this led to adapting the infrastructure in our factory and in the first quarter of 2024, an add-on heat pump was installed. By installing the heat pump and purchasing green energy, we have taken a major step towards at least halving our direct emissions and the emissions from purchased and consumed electricity (scope 1 and 2) in 2030, and becoming climate-neutral in 2050. ►



"Our heat pump contributes to a more sustainable world"

Maichel Franke,
Manager Technical Service

By 2030, 1.3 million homes and commercial buildings in the Netherlands will no longer use natural gas. The ultimate goal is to be completely natural-gas-free by 2050. This is the way to a more sustainable world. Delicia therefore started an early search for numerous alternatives to natural gas.

It has been an interesting journey with surprising choices and unexpected pitfalls. But we have achieved a result: since mid-July 2024, Delicia no longer runs on natural gas, but on an add-on heat pump.

As a strong company, you want to be on time, but also take responsibility early on. Delicia was one of the pioneers in this area. Manager Technical Service Maichel Franke explains: "The process started with a series of internal discussions and extensive research by an external consultancy firm. When you decide to source energy in a different way, there's no room for error. You must make the right choice. After installing the alternative, there's no going back."

Selection process

After extensive exploration of several options – Delicia also investigated connecting to 'Ennatuurlijk', Tilburg's heat network – Delicia opted for its own add-on heat pump. This ultimately proved to be the most sustainable

- Reduction in energy consumption 27% per GJ/ton.

option. It was also relatively easy to implement on the premises. Although there were the usual snags.

Hurdles along the road

Maichel: "The biggest obstacle was that it proved impossible to connect the heat pump to our cooling system. This was because the heat pump needs a continuous flow of residual heat, which the old cooling compressor was unable to provide. So we had to replace this old compressor. A significant investment yes, but necessary and unavoidable for the proper functioning of the heat pump. All's well that ends well, in other words. The entire system is now installed on our roof. In four or five years, we'll have earned back our investment, partly due to the subsidy we get from the government."

Working perfectly

Fortunately, the transition to a heat pump caused few additional problems for Delicia's daily operations. "The cleaning process took a bit longer, but that was the only one," Maichel recalls. "It was exciting when the gas was cut off and the heat pump was switched on, of course. Extensive testing has certainly been carried out. But when you've

reached that point, it has to work properly. We also got through that okay. Now everything is functioning perfectly and we are working more sustainably than ever before. It has also resulted in a reduction in the amount of ammonia from about 1,500 kg to 300 kg."

Happy with the change

Looking back, Maichel is happy: "As implementation team, with five people from our Technical Service, and internal client Jan Willem Pikaar, Production Manager, we can be proud of the transition process and the final result. Of course, we are learning from this whole process and realise that we often had to make many difficult choices under time pressure. But we're very happy that we undertook this process, and that ultimately, we were able to achieve this step together. For us, the add-on heat pump is quite simply the best alternative to natural gas. Both in terms of cost and, even more importantly, our contribution to a more sustainable world." ■



SBTi

In 2024, we measured our CO₂ emissions during the previous year (2023) for the first time. Our CO₂ emissions are divided into three elements, also called scopes.

- **Scope 1:** Direct emissions from our factory/premises, for example from natural gas consumption.
- **Scope 2:** Purchased and consumed electricity.
- **Scope 3:** Emissions from the entire value chain, so from purchased goods and services to the final product use by the customer.

In addition, our customers are increasingly asking us to reduce our emissions. They themselves are also obliged to lower their emissions in line with the Paris agreement. As a supplier, we are part of our customers' scope 3 emissions.

It is therefore important to reduce our emissions in stages, based on our reduction targets. Our intentions are serious and as a result, we registered with the Science Based Targets initiative (SBTi) in 2024. Through this initiative, we will set company-wide emission-reduction targets so that we remain within 1.5°C warming of the planet. Our SBTi ID is 40016507.

In 2025, we will submit our targets for validation in order to demonstrate that our program meets these requirements.

Reducing production waste

[VSME B7 – Material use, circular economy and waste management]

Reducing production waste

In the coated department, we cannot rework waste from the production process. As a result, we dispose of these production residues as animal feed. However, due to sharp increases in cocoa raw material price, this is becoming an increasing cost item. For this reason, this topic is high on our Operational Excellence agenda. To make an impact.

Research into the cause of production waste

The amount and source of the waste depends on the product combined with the production line used. In order to take targeted action, the amount of waste per product and per production line was assessed in the first quarter of 2024. This proved to be a challenging puzzle. Nevertheless, we identified which products cause the greatest losses and decided to tackle these first.

Results

In the second quarter of 2024, an improvement team was set up. The goal: To reduce loss of cocoa granulate during production. The team used the so-called 15-step Kaizen method, with the following main steps:

- Making the problem comprehensible based on measurements, or where and how much product waste occurs during the production of a batch.
- Restoring basic conditions. This largely means maintaining the machine in good condition, but also focusing on the factors Manpower, Material and Method. Restoring basic conditions resulted in a 50% reduction in waste compared with the initial situation.

A saving which, based on the current price of cocoa, was immediately apparent. In the third quarter, restoring basic conditions proved to have added value for other products too.

Next steps

In the fourth quarter of 2024, the focus was on maintaining the results achieved and further improvement:

- Establishing and securing basic conditions on two production lines.
- Automatically display the amount of waste in the coated department, so that operators can respond immediately.
- Rolling out the above approach to another product.

Through these initiatives and the increased awareness amongst employees, in 2024 we disposed of 15% less waste as animal feed compared to 2023. This is a significant step, but we are by no means finished. In 2025, we want to reduce production waste even further. Our aim for the future is to continue to reduce the amount of waste in a structural manner. ■



Gertjan Lok
Manager Innovation & Improvement



” In 2024, we disposed of 15% less waste as animal feed than in 2023.

6. Honest products



"Consumer safety is paramount to us"

Hedwig Kaastra,
Manager Risk Management



High standards in terms of suppliers and raw materials, as well as: Safety, Hygiene, Quality and Reliability. Every Delicia vermicelli strand is subject to these. And 24 hours a day, our other products go through a quality control system based on these four words. After all, consumer safety is paramount. They must always be able to enjoy our products with complete confidence. As Manager Risk Management, Hedwig Kaastra has been in charge of this for 14 years.

Throughout the entire production process, Delicia constantly checks its products in order to manage all risks. Hedwig Kaastra explains some of the quality controls: "Most of the work is done before it comes to our factory. For example, we have the Delicia Supplier Code for all suppliers, we manage allergens, monitor the risks for each raw material and carry out tests on every delivery."

Quality assurance

"Controlling what comes in is one aspect," Hedwig continues. "But tests and checks, quality assurance and error prevention are also a priority during our own processes. Everything that leaves our factory must pass every quality

- In 2024, 100% of employees passed the annual food safety training.
- In 2024, Delicia once again received 2 food safety certificates: BRC-A and IFS higher level.
- Colleagues from 6 different departments carried out internal audits.

check and be 100% safe. After all, in many cases, we do produce consumer products for major retailers and A-brands. And it is their name on the packaging. That involves extra responsibility."

Everyone is responsible

Because human error is the weakest link in the production process, Delicia invests heavily in training existing and new staff. Hedwig: "Here, we start with four pillars: Safety, Hygiene, Quality and Reliability, and also with ETHOS which is part of our food safety culture, based on which we carry out annual evaluation interviews with employees. ETHOS stands for Empowerment, Transparency, Heart, Orientation & growth and Synergy. The guiding principle at our company is: Everyone is responsible for their own workstation."

External control

"We not only check ourselves and our suppliers, we are also subject to external inspections, such as those carried out by the renowned British Retail Consortium, an organisation that recently certified us again. Furthermore, we are regularly assessed for our compliance with all HACCP guidelines, which are fully integrated in our processes," says Hedwig.

Focus remains important

Since 2024, Delicia's production controls and product specifications have been integrated into a single new system which also prevents errors. "Sometimes new risks suddenly arise that you

didn't see coming," adds Hedwig from experience. "As a result, focus is and remains very important. Of course, there are rules and regulations we need to comply with, but our view of risks goes a whole lot further. Everyone at Delicia is alert to the risks and especially to the consequences of them. We simply cannot allow ourselves to relax when it comes to risks, because that might have a direct impact on the end product. Everyone knows this and acts accordingly: Together we have to strive for zero risk, 24 hours a day." ■





"We partner with our customers in sustainability too"

Ellen Moonen and Casper Speijer,
Sales

Sustainability is high priority at Delicia. Not only amongst employees but also management and shareholders. It runs through the entire organisation. Partly necessitated by legislation and regulations, partly by our own initiative. Even in the sales department, it is no longer possible to ignore sustainability. To reach your goals, it is preferable to work with your customers, and strong partnerships are a big help with this. Sales Executive Ellen Moonen and Sales Manager Benelux Casper Speijer are committed to this every day.

Delicia does not want to wait for what is coming. We prefer to think proactively and at an early stage about all the possibilities surrounding corporate social responsibility. Casper Speijer gives an example: "Before one of our major customers requested it, we decided to have our sustainability achievements assessed by EcoVadis. That's since turned out to be a really good move, because more and more customers are asking for this or are going to. We currently have the EcoVadis silver medal. Rock solid confirmation that we're on the right road."

Responsible production

By meeting the Science Based Targets initiative (SBTi), Delicia is also ahead of the curve. This is simply because Delicia wanted to commit to the SBTi's CO₂ reduction targets through its own

- Innovation: replacing animal proteins with plant-based alternatives.
- 165 tons of 'reduced sugar' vermicelli sold.

intrinsic motivation. Casper: "We aim to produce sustainably and constantly think ahead. That's precisely why we are always able to think along with our customers. That way we avoid any surprises. As a result, we constantly strive for more transparency with one another for all parties in the supply chain. We're always looking for the right balance between the products we supply and sustainability. A great example of this is the customer who wanted a plastic window in their product packaging. Ultimately, the customer was responsive to our arguments - it was more expensive and harmful to the environment - and opted for more sustainable packaging."

Take the next steps

Long-term relationships therefore play an important role. Supporting each other with an eye for cost reductions, finding cocoa alternatives or reducing the carbon footprint and much more. During innovation sessions with customers, we discuss how we can make the next steps towards sustainability and corporate social responsibility. "At Delicia, we're all on the same page in that respect," says Ellen. "Everyone, including management and shareholders, is well aware that within the

possibilities available, we want and have to contribute to a better world."

Sugar reduction

As a leader in the chocolate vermicelli market, Delicia is also looking at reducing the sugar content in its products, for example. This involves significant investment and an exciting process, because the big question remains: Will the consumer accept the 'new' product? Casper: "We do make 'indulgence' products after all. Nevertheless, we also like to think ahead here too. Possible cocoa or sugar alternatives, monitoring developments in the field of protein transition, all of this is daily practice for us. Of course, we can completely focus

on the products we make. But we want to share our successes fairly with the people we work with and for."

Accepting responsibility

In the coming period, Delicia aims to improve how it showcases its sustainable vision and activities. "Without wanting to pat ourselves on the back - because no one's waiting for that - we do believe we could show the market even more clearly how we take responsibility when it comes to sustainability," says Ellen. "It's a responsibility that's only going to get bigger in the coming years." ■



Sustainability Statements

ESRS BP-1 – General basis for preparation of the sustainability statements

VSME B1 – Basis for preparation

This document is Delicia's Sustainability Report.

Delicia bv is located at Zevenheuvelenweg 53-55, 5043AN Tilburg, the Netherlands.
Geolocation: 51.58792 / 5.04630;
NACE sector classification code: 1082 – Manufacturing of chocolate and sugar confectionery.

Like the financial reports, this report covers the calendar year, from 01-01-2024 until 31-12-2024. It covers the impact, risks and opportunities of our activities in the whole value chain.

VSME B1 - Basis for preparation	2023	2024
Employees (number)	160	180
Employees (FTE)	176.0	175.3

Delicia bv is a member of the United Nations Global Compact (UNGC) and endorses the 10 principles of the UNGC in the field of human rights, labour, environment and anti-corruption.

In 2024, Delicia bv again obtained the EcoVadis Silver score and committed, via the Science Based Targets initiative, to set near-term company-wide emission-reduction goals in line with the 1.5°C scenario for global warming. SBTi ID is 40016507.

In 2024, Delicia bv received its Rainforest Alliance certificate and RSPO certificate. Delicia bv is certified by the following organisations:

- Rainforest Alliance, ID RA_00034342108;
- Fairtrade, FLO ID 32677;
- RSPO, membership number 9-0850-14-000-00.

ESRS GOV-1 to ESRS GOV-3

VSME C9 – Gender diversity ratio in the governance body

Delicia bv's Executive Board consists of 4 members. With complementary talents and shared ambitions, they work together to maintain a strong, future-proof organisation.



Peter van Veldhoven – General Manager
responsible for company policy and strategy
Ensures all divisions contribute to the corporate direction established.



Jan Willem Pikaar – Operational Director
responsible for operations and investments
Translates strategy to the work floor, guided by the continuous improvement principles.



Elise van Wijngaarden – Head of HR
responsible for employee policy
A pivotal discussion partner for directors and line managers.



Kris Matten – Financial Director
responsible for financial controls and administration
Maintains a solid and future-proof financial basis.

VSME C9 Gender diversity ratio in the governance body	2023	2024
Gender diversity in the Executive Board	0.25	0.33

Sustainability indices directly linked to remuneration scheme:

- KPI related to sick leave,
- KPI related to waste reduction.

Strategy

ESRS SBM-1 to SBM-3 / IRO-1, IRO-2

VSME C1 – Strategy: Business model and sustainability

See chapter 1. About Delicia, page 11-13.

Sustainability Governance

See chapter 2. Sustainability Strategy (page 17 and further).

The ultimate responsibility for sustainability lies with the General Manager. He works closely with the Program Manager Sustainability to assess and address sustainability-related risks, opportunities and threats. The Program Manager Sustainability is responsible for composing and complying with Delicia's sustainability strategy within the overall company strategy. The Program Manager Sustainability reports to the General Manager.

IMVO-team Delicia 2024

**Inge van Gool-
van der Pas**
Program Manager Sustainability

**Maichel
Franke**
Manager
Technical Service

ESRS - E1
Climate Change

**Mark
Doorakkers**
Procurement
Manager

ESRS - S2 Workers
in the value chain

**Hedwig
Kaastra**
Manager
Risk Management

ESRS - G1
Governance

**Elise van
Wijngaarden**
Head of HR

ESRS - S1
Own Workforce

**Ellen
Moonen**
Sales Executive

Internal/External
Communication

IMVO-sponsor

Peter van Veldhoven
General Manager

Double Materiality Assessment

See chapter 2. Sustainability Strategy (page 19 and further).
Over the course of 2023 and 2024, Delicia bv conducted its first Double Materiality Assessment.

All results have been collected and analysed. The insights were recorded in the list of relevant topics and impacts, risks and opportunities.

Impact	Risk	Opportunities
Child labour	Climate change	Traceability of raw materials
Living wage	Deforestation	Direct sourcing
Consumer health	Food waste	Sustainability in the 'war on talent'
	Health & safety own workforce	

Disclaimer

The ESRS IRO 1 requires identification of whether a matter is of impact materiality or financial materiality, as well as of the qualitative or quantitative thresholds/criteria, without assessing the extent of materiality. No universal scale for comparing matters is defined or required by ESRS. As such, the scores provided are purely indicative and serve to inform the decision as to whether a theme is material. The scoring method is not designed to compare themes, such as emissions versus safety incidents for example, since objective comparison is impossible due to the different bases for materiality.

The **impact materiality** was determined based on the severity of the impact and the likelihood of occurrence.

Preliminary Impact Materiality = Scale of Impact + Scope of Impact (+ Remediability)

Scale of Impact	Scope of Impact	Remediability
3. High	3. Global/total	3. Very difficult to remedy (on long-term)
2. Medium	2. Widespread/partial	2. Remediable with effort (time & cost)
1. Low	1. Local/limited	1. Relatively easy to remedy (short term)

Preliminary impact materiality was described using the following table:

Preliminary impact materiality – Score	Preliminary impact materiality – Name
≥ 6	Critical
4.5 – 6	Important
< 4.5	Minimal

If any of the impact measures (scale, scope or remediability) scored a 3, the results of the formula were overridden and the level of preliminary impact materiality of this topic was set as critical. Finally the impact materiality was calculated with the following formula:

Impact materiality = Preliminary impact x Likelihood of occurrence

The **financial materiality** was assessed by scoring the 'time horizon', the 'size of the financial impact' and the 'likelihood of occurrence'.

Time horizon	Size of financial impact without taking into account the mitigating measure	Likelihood considering the mitigating measure
3. Long term (>5 years)	3. High effect	3. High (66% - 100%)
2. Medium (1-5 years)	2. Medium effect	2. Medium (33% - 66%)
1. Short term (<1 year)	1. Low effect	1. Low (0% - 33%)

The financial materiality was calculated with the following formula:

Financial materiality = Preliminary impact x Likelihood of occurrence

Based on the impact materiality and the financial materiality, the double materiality matrix was constructed.

VSME C8 – Revenues from certain sectors and exclusion from EU reference benchmarks

VSME C8 – Revenues from certain sectors and exclusion from EU reference benchmarks	2023	2024	Unit
Weapons	0	0	euro
Tobacco	0	0	euro
Fossil fuels	0	0	euro
Pesticides and agrochemical products	0	0	euro
Excluded from any EU Paris-aligned benchmarks	0	0	euro
Coal	0	0	euro
Oil	0	0	euro
Gas	0	0	euro
Electricity with > 100 g CO ₂ e/kWh	0	0	euro

ESRS MDR-P

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

VSME C2 – Description of practices, policies and future initiatives for transitioning to a more sustainable economy

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy						
VSME C2 – Description of practices, policies and future initiatives for transitioning to a more sustainable economy						
	B2	C2	B2	B2	C2	C2
	Existing sustainability practices/ policies/ future initiatives?	If YES, briefly description along with their consequent actions	Are they publicly available?	Does the policy have any targets?	If you answered YES to future initiatives/ targets, please specify	Highest senior level in the undertaking accountable for implementing them
Climate change	Y	See page 36-38	Y	Y	See page 36-38	General Manager
Pollution	Not material					
Water and marine resource	Not material					
Biodiversity and ecosystems	Y	See page 23-28	Y	Y	See page 23-28	General Manager
Circular economy	Y	See page 40	Y	Y	Reduction of food waste to animal feed with 110 kg vs 2024	Operational Director
Own workforce	Y	See page 30-35	Y	Y	See page 30-35	General Manager
Workers in the value chain	Y	See page 23-28	Y	Y	Start new project in cocoa country of origin, EUDR compliant	General Manager
Affected communities	Not material					
Consumers and end-users	Y	See page 42-45	Y	Y	New product development that contribute to climate- and protein transition	General Manager
Business conduct	Y	See text General Manager	Y	Y	Revise supplier code and work towards NIS 2 certification	General Manager

ESRS E1 - 1 to ESRS E1-6

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

VSME C2 –Description of practices, policies and future initiatives for transitioning to a more sustainable economy

Delicia bv has an environmental policy to guide our environmental objectives, including:

- Reduction of Delicia's energy consumption and reduction of greenhouse gas emissions (GHG) in the value chain.
- To combat deforestation and actively promote recovery of biodiversity loss in our value chain.
- Waste reduction in our production process and reduction of food waste.

The objectives of our environmental policy have been broken down per material topic.

VSME C3 – GHG reduction targets and climate transition

In October 2024, Delicia bv committed, via the Science Based Targets initiative, to set near-term company-wide emission-reduction goals within the 1.5°C scenario for global warming, in line with scientific data. SBTi ID is 40016507.

VSME C3 – GHG reduction targets and climate transition

Under development at the time of publication of this report.

VSME B3 – Energy and greenhouse gas emissions

VSME B3 –Carbon footprint	2023	2024	Unit
(Scope 1 + location based Scope 2)	3,136	2,827	ton CO ₂ e
Scope 1	748	554	ton CO ₂ e
Scope 2	3,237	3,719	ton CO ₂ e
Location based	2,388	2,273	ton CO ₂ e
Market based	3,237	3,719	ton CO ₂ e
Total (Scope 1 + 2 + 3)	210,065	188.714	ton CO ₂ e
Scope 3	206,929	185,887	ton CO ₂ e
Upstream	206,930	184,683	ton CO ₂ e
Downstream	0	0	ton CO ₂ e
Purchased goods and services	205,842	178,749	ton CO ₂ e
Cloud computing and data centre services	N/A	N/A	ton CO ₂ e
Capital goods	N/A	N/A	ton CO ₂ e
Fuel and energy-related activities	N/A	N/A	ton CO ₂ e
Upstream transportation and distribution	715	851	ton CO ₂ e
Waste generated in operations	168	204	ton CO ₂ e
Business travel	4	3	ton CO ₂ e
Employee commuting	201	146	ton CO ₂ e
Upstream leased assets	N/A	N/A	ton CO ₂ e
Downstream transportation	N/A	N/A	ton CO ₂ e
Processing of sold products	N/A	N/A	ton CO ₂ e
Use of sold products	N/A	N/A	ton CO ₂ e
End-of-life treatment of sold products	N/A	N/A	ton CO ₂ e
Downstream leased assets	N/A	N/A	ton CO ₂ e
Franchises	N/A	N/A	ton CO ₂ e
Investments	N/A	N/A	ton CO ₂ e

ESRS E4-1, E4-2 and E4-5

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

VSME C2 – Description of practices, policies and future initiatives for transitioning to a more sustainable economy

The following objectives in the field of biodiversity have been established in the environmental policy:

- Delicia acknowledges its role and responsibilities in relation to deforestation in the cocoa value chain.
- Delicia does not process any cocoa for which land was deforested after 30 December 2020 (in line with EUDR).
- Delicia is actively engaged in countering deforestation in the value chain and is working on biodiversity recovery in cocoa-producing countries.
- Delicia processes 100% certified cocoa raw materials.
- Delicia purchases 20% more certified chocolate compared to 2023.
- Delicia only works with suppliers that are committed to conducting sustainable business.

In 2025, Delicia bv continues to prepare for EUDR implementation, which includes:

- Creating a due diligence statement,
- Ensuring Delicia only works with suppliers that meet EUDR requirements,
- Setting up traceability systems in line with EUDR guidelines,
- Including biodiversity/reforestation as a KPI in the COCODEP project in collaboration with Agriterra.

VSME B5 – Biodiversity

Delicia bv is not located in or near biodiversity-sensitive areas.

ESRS E5-1 and E5-5

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

VSME C2 – Description of practices, policies and future initiatives for transitioning to a more sustainable economy

The following objectives in the field of waste have been established in the environmental policy:

- Delicia strives to handle the lowest possible weight and volume of packaging, without compromising product quality and food safety.
- Delicia stays abreast of the latest developments in the area of environmentally friendly packaging materials and continuously reduces the environmental impact of packaging materials.
- Delicia encourages the use of recycled packaging materials.
- Delicia combats food waste by reducing animal feed by 110t kg in 2025 compared to 2024.

VSME B7 – Resource use, circular economy and waste management

VSME B7 - Resource use and circular economy	2023	2024
Total waste	417 ton	443 ton
Non-hazardous	416 ton	442 ton
Diverted to recycle or reuse	252 ton	251 ton
Directed to disposal	164 ton	191 ton
Hazardous	1 ton	0.53 ton
Diverted to recycle or reuse	TBC	TBC
Directed to disposal	TBC	TBC

ESRS S1-01, S1-6 to S1-10, S1-13, S1-14 ans S1-17

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

In Delicia's general policy and company booklet for employees, the social topics related to its own workforce include:

- We strive for sustainable employability, by providing our employees with a safe and healthy work environment.
- We encourage employees to take responsibility and empower them by giving them as much autonomy over their work as possible.
- Delicia's employees have the right to participate in corporate decisions. The Works Council represents their interests.
- We facilitate our employees personal development and educational needs.
- Delicia provides a work environment where everyone feels welcome and they can be themselves, regardless of background, gender or religious beliefs.
- Expectations regarding employees' attitude and behaviour is assessed using the ETHOS methodology: Empowerment, Transparency, Heart, Orientation & growth and Synergy.
- We assess our employee engagement annually through the employee engagement survey and take action to further improve employee engagement.

VSME C2 – Description of practices, policies and future initiatives for transitioning to a more sustainable economy

See chapter 4. Own workforce, page 30-36.

VSME B8 – Workforce – General characteristics

VSME B8 – Own workforce	2023	2024
Total employees	160	180
Contract type		
Permanent	126	169
Temporary	34	11
Gender		
Male	128	137
Female	32	43
Employee turnover rate	6.3	8.9
Number of interns	8	12

VSME C5 – Additional (general) workforce characteristics

VSME C5 – Additional (general) workforce characteristics	2023	2024
Non-employee workers		
Self-employed	0	0
Interim	15	23

VSME B10 – Workforce – Remuneration, collective bargaining and training

VSME B10 – Workforce – Remuneration, collective bargaining and training	2023	2024
Collective bargaining coverage	100%	100%
Trade union members	13	10

VSME C5 – Additional (general) workforce characteristics

VSME C5 – Additional (general) workforce characteristics	2023	2024
Gender diversity of management	0.4	0.5
Male	10	8
Female	4	4

VSME B9 – Workforce – Health and safety

VSME B9 – Workforce – Health and safety	2023	2024	Unit
Number of recordable work-related accidents	10	13	
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	3.2	4.4	days
Rate of recordable work-related accidents	6.3	7.2	accidents/ 100 empl.
Number of fatalities as result of work-related injuries and work-related health issues	0	0	

VSME B10 – Workforce – Remuneration, collective bargaining and training

VSME B10 – Workforce – Remuneration, collective bargaining and training	2023	2024
Total number of training hours	3,669	4,036
Average number of training hours per employee	23	20

VSME C6 – Additional own workforce information - Human rights policies and processes
VSME C7 – Severe negative human rights incidents

VSME C6 – Additional own workforce information - Human rights policies and processes						
VSME C7 – Severe negative human rights incidents						
Hman rights	Child Labour	Forced Labour	Human traffic- king	Discrimina- tion	Accident prevention	Other
Code of conduct or human rights policy own workfor- ce?	Y	Y	Y	Y	Y	
Grievance mechanism own workforce?	Y	Y	Y	Y	Y	
Confirmed incidents own workforce?	N	N	N	N	Y	
Actions taken to address these incidents?	See page 23-28/30-35	See page 23-28/30-35	See page 25-27/31-32	See page 30-31	See page 34-36	
Confirmed incidents invol- ving workers in the value chain, affected communities or consumers and end- users?	N	N	N	N	N	

ESRS S2-1 and S2-4

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

Delicia bv endorses the 10 principles of the United Nations Global Compact (UNGC). This is also included in our company policy. In addition, our company policy includes:

- Our Sustainability vision: Everyone in our value chain can live a decent, healthy and enjoyable life in a safe context, in which the planet and all its resources are respected and maintained for our generation and all those that follow. Our Sustainability mission: We promote fair products and take into account the impact of our business on people and planet in every investment we make.
- We strive for sustainable, transparent partnerships with our customers and suppliers.
- We only do business with partners that have ethical business practices.
- We strive for healthy working conditions in the value chain and adopt initiatives to counteract child labour.
- In 2025, Delicia will processes 100% certified cocoa raw materials (UTZ, Fairtrade, Rainforest Alliance, RSPO).
- We do not process genetically modified raw materials.

A human rights policy is being developed at the time this report's publication.
The Delicia supplier code is being revised at the time of publication.

VSME C2 – Description of practices, policies and future initiatives for transitioning to a more sustainable economy

See chapter 3. Raw materials, page 23-28.

ESRS S4-1 and S4-4

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

Delicia has included in its company policy:

Regarding customer satisfaction

- We fulfil agreements made with customers.
- We deliver quality.
- We develop new applications, which makes us our customers' chocolate division.

Regarding food safety

- We produce products according to HACCP requirements and we are GFSI certified.
- Management sets the standard (VHKB), sets expectations regarding behaviour (ETHOS) and raises awareness relating to food safety throughout the organisation.
- Management is represented in the HACCP team.
- The food safety manual is up to date and will be tested by the HACCP team at least once a year.
- Food safety verification (CCPs and the prerequisites program) will be reviewed by the whole management during the annual management review.
- We sell animal feed flows according to GMP+ requirements.
- All new employees start with a food safety and food defense training and test. This is repeated annually for all employees.
- We discuss all complaints and products put on hold with employees of the divisions concerned. Management, the board and shareholders receive monthly reports about trends.
- The HACCP ticketing system is an accessible and easy-to-use system for all employees to report changes related to food safety.
- Management of the food safety system is the responsibility of the Risk Management team. The Manager Risk Management is responsible for the design, implementation, monitoring and reporting of the management systems related to quality, occupational health and safety, and environment.

VSME C2 – Description of practices, policies and future initiatives for transitioning to a more sustainable economy

See chapter 6. Honest products, page 42-45.

ESRS G1-1 to G1-4

VSME B2 – Practices, policies and future initiatives for transitioning to a more sustainable economy

VSME C2 –Description of practices, policies and future initiatives for transitioning to a more sustainable economy

The management is responsible for Delicia's corporate policy, which aims to conduct business in the most effective, profitable and socially responsible way. Delicia's policy on business operations is based on the pillars identity, mission and strategy.

Delicia uses a whistleblowing system to report abuses anonymously. Each year, this system is highlighted to all employees. We believe in an open corporate culture, so employees feel safe to report abuses non-anonymously.

In addition, we have a company booklet for all employees which details the promises we make to each other:

- You provide a safe work environment.
- You respect and support your own development as well as your colleagues' development.
- You flag and anticipate when something is wrong.
- You do your best.

Every supplier of Delicia bv has signed the Delicia supplier code.

- Delicia has a core team General Data Protection Regulation.
- Code of conduct and training for sensitive functions.
- In 2025, we will work to achieve NIS 2 certification.

VSME B11 – Conviction and fines for corruption and bribery

VSME B11 – Conviction and fines for corruption and bribery			
Corruption and bribery	2023	2024	Unit
Number of confirmed incidents	0	0	
Convictions	0	0	
Fines	0	0	Euro
Whistleblowers	2023	2024	Unit
Number of reported incidents	0	0	
Data security	2023	2024	Unit
Number of confirmed incidents	1	0	

Appendix with page 21 – Double Materiality Assessment

	Topic	Subtopic	Justification	Definition
E1	Climate change	Climate change mitigation and scope 3 GHG emissions	Climate change leads to erratic weather patterns, potentially resulting in a decrease in both the yield and the quality of harvests. Scope 3 emissions are huge for Delicia, reduction strategy is required.	The process of reducing GHG emissions and limiting the increase in the global average temperature to 1,5 °C above pre-industrial levels, in line with the Paris Agreement. Scope 3 = Emissions in our value chain.
E4	Biodiversity and ecosystems/opportunities	Direct impact of biodiversity loss/trace-ability	Deforestation is a big problem in Western Africa, causing a significant risk to maintain sustainable volumes and quality of cocoa through changing weather patterns. The introduction of the EUDR makes traceability of cocoa/ chocolate a legal requirement, with potential financial consequences.	Climate change as a consequence of deforestation: causes unpredictable weather conditions in Western Africa. The EUDR requires that critical raw materials be traceable to their geographic origin.
S1	Own workforce	Health and safety, absence rates	Continuity is under threat due to an ageing workforce and the loss of qualified employees upon retirement. Delicia therefore focuses strongly on healthy working conditions and reducing absenteeism due to illnessHealthy working conditions and absence is a focus area for Delicia.	Implementing and rigorously enforcing strict health and safety regulations to ensure that the workplace is safe and free from hazards, includes health, wellbeing, safety, overall employee 'satisfaction', equal treatment, training.

	Topic	Subtopic	Justification	Definition
S2	Workers in value chain	Child labour and forced labour	In Ghana and Ivory Coast, an estimated two million children worked on cocoa plantations during the 2013-2014 season. Child labour is a major reason why these children do not have access to education.	Working conditions in the value chain, in particular: child labour, living wage, equal opportunities/women empowerment. Child labour: Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. Forced labour: Any work or service which is exacted from any person under the threat of penalty and for which the person has not offered himself or herself voluntarily.
S4	Consumers and end-users	Health and safety, healthy nutrition	Our products currently do not contribute sufficiently to a healthy diet, which requires a rethink within our range.	Our choice of recipes and ingredients—opting for reduced salt, lower fat content, and natural flavors—directly influences the nutritional quality of our product. There are potential health risks associated with the products we offer, such as obesity and diseases related to overconsumption.
E5	Circular economy	Waste	Focus for Delicia on valorisation of food waste. This is a 'high value' waste stream and raw materials are becoming more scarce. Packaging waste becomes increasingly relevant due to regulation.	Waste generation includes both food loss during production processes both process derived food waste and by products such as packaging materials.



Delicia

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