



ENVIRONMENTAL & ENERGY POLICY

LORENZ GROUP



At Lorenz, we believe that we have a responsibility to protect the environment and thereby the livelihood of people. Keeping nature intact is crucial for our business as well as for future generations and we recognize that our activities and global value chains can potentially cause a negative impact. Therefore we are committed to continuously improving our environmental and energy performance by reducing the negative impact on the environment and taking actions to combat climate change and biodiversity loss.

This policy is based on environmental and energy legislation and regulatory requirements, the international standards ISO 14001 and ISO 50001 as well as our core values and the Lorenz Code of Conduct. It provides a framework for our environmental and energy actions and targets in combination with the economic continuity of our business.

SCOPE

This Environmental & Energy Policy (hereinafter referred to as the „Policy“) applies to all companies and all employees, managers, executives and governing bodies of the Lorenz Group. It supplements other existing guidelines and policies of the Lorenz Group and serves as a starting point and reference document for possible sector-specific additions. Each company of the Lorenz Group must comply with the legal provisions of the jurisdiction in which it operates.

Acting in an environmentally friendly manner is the responsibility of every employee of the Lorenz Group. This should include the careful use of resources and the application of state-of-the-art environmental and energy practices in daily business operations and decision-making. In line with this policy, we expect our business partners to demonstrate their commitment, as reflected in the Code of Conduct for Business Partners, and to impose similar requirements on their own supply chains.

OUR COMMITMENT

- Management holds overall responsibility for implementing and ensuring the effectiveness of environmental and energy management and delegates specific responsibilities to designated personnel with the necessary knowledge and resources.
- Management designates the necessary human and financial resources to monitor and implement the environmental and energy measures effectively.
- We comply with all applicable laws and regulatory requirements concerning environment and energy in our business.
- We monitor regulatory changes and technological innovations, assess opportunities, risks as well as stake-holder requirements and develop appropriate measures.
- We regularly track and monitor our consumption of water, waste, energy and calculate greenhouse gas (GHG) emissions generated by our operations. Along our value chain, we calculate GHG emissions – where possible directly based on primary data or indirectly based on industry data.



- We consider environmental and energy aspects in our product design.
- We use resources such as energy, water and raw materials efficiently and responsibly.
- We set company-wide targets for the reduction of GHG emissions, energy and plastic usage to drive continuous improvement. In other areas, such as water and waste, processes and targets are currently managed locally at our locations, and we are working toward standardization.
- We engage with our suppliers, employees, customers and other stakeholders to share information and collaborate on common challenges.
- We conduct annual reviews and report on our environmental and energy performance internally and externally.
- We foster a culture of responsibility for environmental and energy management among all employees by raising awareness and through training.
- We actively participate in sustainability initiatives such as the UN Global Compact, the Science Based Targets initiative (SBTi), the Sustainable Agriculture Initiative Platform, the Sustainable Nut Initiative, and local energy efficiency networks.

OUR ACTIONS:

**ENERGY
OPTIMIZATION
& USAGE
OF RENEWABLE
ENERGIES**

**MITIGATION
& ADAPTATION
TO CLIMATE
CHANGE**

**REDUCING
WASTE &
PROMOTING
A CIRCULAR
ECONOMY**

- We incorporate energy efficiency criteria into the procurement of new equipment and the design of new processes.
- We continuously enhance the energy efficiency of existing processes, reduce energy consumption, and increase the use of renewable energy sources.
- We strengthen our energy independence through our own renewable energy production where feasible.
- We conduct an annual comprehensive assessment of our GHG emissions, following the GHG Protocol, a globally recognized standard. This enables us to accurately measure our impact and identify areas for improvement.
- We implement targeted measures to reduce the climate change impact of our activities and those of our business partners. This includes addressing emissions related to land use changes, land management, energy consumption in own and external production processes, transportation, and other company-level emissions.
- We acknowledge the crucial role of soil as a natural carbon sink. We prioritize actions that enhance soil health and promote carbon sequestration within our supply chain. This includes adopting sustainable land management practices and supporting regenerative agriculture techniques to promote carbon storage in the soil.
- We reduce waste generation at all stages of our operations, optimize resource use, and contribute to a circular economy.
- We track our by-product and waste streams and sort them by specific categories to identify and increase the proportion of recyclable and reusable material.
- Hazardous waste is managed using specialized processes that ensure its safe storage, transportation, handling, and disposal, protecting both people and the environment.
- We work closely with our suppliers to reduce primary, secondary and tertiary plastic packaging while maintaining product quality and protection.
- We are continuously working to further enhance the recyclability of our packaging and optimize material usage wherever possible.
- We exclusively use FSC® Mix certified material for our wood-based packaging, primarily composed of recycled fibers and fully recyclable (FSC®-C133957).
- We support educational campaigns aimed at reducing food waste at the consumer level.

WATER CONSERVATION & RESPONSIBLE WASTE WATER MANAGEMENT

- We recognize water as a valuable resource and continuously work to optimize its usage across our operations.
- We monitor and manage our water consumption and waste water discharge in a responsible and sustainable manner.
- We comply with local regulations and standards, ensuring that our waste water is properly treated and meets the required quality standards before being released into the environment.

PROMOTING EFFICIENT TRANSPORT & DISTRIBUTION

- We collaborate with our logistic partners and customers to continuously enhance transport and distribution processes, increase efficiency and reduce fuel consumption.
- We maximize the utilization of the trucks to minimize empty trips and improve resource efficiency.
- We work on sustainable transport solutions, such as using alternative fuel trucks and promoting eco-friendly technologies.

PRESERVING BIODIVERSITY & ENDING DEFORESTATION

- We avoid the conversion of land classified as critical habitats to preserve biodiversity and reduce GHG emissions.
- We encourage our agricultural and forestry partners to adopt sustainable farming practices such as regenerative agriculture and agroforestry to maintain soil health and enhance biodiversity.
- We support the phasing out of „extremely hazardous“ and „highly hazardous“ crop protection substances defined by the World Health Organization (WHO) and promote reducing the overall use of agrochemicals and fertilizers where applicable.
- We promote resilience in our supply chains. This includes implementing measures to adapt our raw materials to changing climate conditions, mitigating risks, and enhancing the long-term sustainability of our business practices.

REDUCING NON-GHG AIR EMISSIONS & ATMOSPHERIC POLLUTANTS

- We prevent and reduce non-GHG emissions such as nitrogen oxides (NOx), volatile organic compounds (VOC) and particulate matter (PM), as well as odor and noise by optimizing our production processes, improving equipment efficiency, and implementing noise protection measures. Where necessary, we use advanced exhaust air purification technologies such as thermal post-combustion or UV-ozone treatment.

PREVENTING ACCIDENTAL POLLUTION

- We implement preventive measures, such as regular equipment maintenance, employee training and the use of advanced technologies to reduce the risk of accidental pollution affecting water, air, or soil. Strict protocols for handling, storage, and disposal of hazardous substances are enforced to prevent environmental contamination.

This policy is reviewed and updated annually to assess its continued relevance and ensure its completeness.

In the event that you become aware of an incident or suspect a violation of laws, regulations or material aspects of our environmental and energy policy within the Lorenz value chain, and are unable to bring this information to a direct contact person within the Lorenz Group, you can use our whistleblowing portal Tell us! (www.bkms-system.com/lorenz) to report the issue.

„Lorenz Group“ means Leithart Holding GmbH and all companies affiliated with it according to Section 15 AktG (Ger) | Bahnhofstraße 34 | A-9020 Klagenfurt



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