

GREENYARD

Sustainability report 2017-2018



for a healthier future



At Greenyard, we are proud to be active in the healthiest food category: fruits and vegetables. They also require only a fraction of the environmental resources compared to other food categories. Nonetheless, we continuously strive to source fruit and vegetables in a more sustainable way and bring them across the value chain up to the end consumer with a minimal environmental impact and waste. This spirit is reinforced as we witness at “first hand” the consequences of global challenges such as climate change.

Working more sustainably corresponds to who we are as a company and is a joint responsibility across all departments, from Operations over Quality to Human Resources. This holistic approach is also reflected through the various sustainability domains and allows to strike the right balance where complex trade-offs arise (e.g. packaging vs. food waste).

By publishing this first sustainability report, our company aims to provide stakeholders with a comprehensive overview of our sustainability efforts and how they help solve the challenges identified in the food sector. To this end, we have developed a sustainability framework following a participatory process of reflection and consultation throughout our company. Establishing this new sustainability framework provides an opportunity for the company to take a constructive look at where we stand today and where we want to be in the future.

Hein Deprez,
CEO of Greenyard

Greenyard – four divisions at your service

Greenyard wants to make lives healthier by helping people enjoy fruit and vegetables at any moment, easy, fast and pleasurable, whilst fostering nature. The company does this by offering our customers – including some of Europe’s largest retailers – efficient and sustainable solutions using top quality products, market-leading innovations, operational excellence and outstanding service. With a total turnover of more than €4 billion per annum, Greenyard is one of the largest suppliers of fruit and vegetables in the world.

*“We are committed to **grow consumption** of fruits and vegetables for a **healthy future**, by **partnering** with the best partners in the chain from **fork to field** to meet **consumer needs** – creating **value for all**.”*

Greenyard consists of three segments, each a leader in its field. The segments collaborate closely with some of the largest retailers and food service companies in the world, helping them to expand and widen their offerings, develop new markets and successfully anticipate consumer trends.

	Fresh	Long Fresh		Horticulture	Greenyard
		Frozen	Prepared		
Turnover (€m)	3,343	743		90	4,176
Sales volume*	2,000,000 ton	440,000 ton	350,000 ton	3,000,000 m ³	
Employees*	5,700	2,300	1,200	800	10,000
Facilities	32	11	3	14	60
Countries with operations	14	5	2	6	18

* Indicative figures

GREENYARD FRESH

Greenyard Fresh is a global market leader in fresh fruit and vegetables. The world's largest food retailers rely on us every day for a steady, high-quality supply of fresh produce to their stores. Its worldwide network of growers and advanced logistics mean that any type of fresh product can be delivered to customers and consumers at exactly the right moment. Innovation efforts are focusing on even more convenience and diversity for the consumer. With over 500 dedicated ripening rooms, Greenyard Fresh is also one of Europe's largest fruit ripeners.

GREENYARD LONG FRESH

The **Greenyard Long Fresh** segment has two divisions:

Greenyard Prepared processes freshly-harvested fruit and vegetables into preserved and prepared food products catering for the needs of modern-day consumers. The company offers customers – who include retailers, food service companies and the food industry – a wide variety of preserved fruit and vegetables, packaged in glass, cans, pouches or foil for maximum convenience and easy preparation. Greenyard Prepared has also developed an extended range of ready-to-eat food products, including soups, sauces, dips and pasta dishes.

*To make lives
healthier*



*by helping people
enjoy fruit and
vegetables*



Greenyard Frozen is a pioneer and market leader in processing freshly-harvested vegetables and fruit into frozen food products that are easy to store and take little or no time to prepare. State-of-the-art instant freezing technology captures the ingredients at the peak of perfection, preserving colour, texture, flavour and nutrients, until consumers are ready to enjoy them. Packaging is designed for easy portioning: consumers use the quantities they need – for one person or a whole family, a main course or a side dish – with the rest saved for later.

GREENYARD HORTICULTURE

Greenyard Horticulture offers a wide range of growing media and soil improvers for plants, fruit and vegetables to professional growers and retailers. With more than 1,000 substrate blends available, products are tailored to the individual customer, raising both quality and profitability. Horticulture also taps into the emerging trend of urban farming, with an innovative range of products for people growing their own fruit and vegetables. Greenyard Horticulture also helps cities become greener, with solutions for roof gardens and other urban green spaces.



*at any moment,
easy, fast and
pleasurable*

*whilst fostering
nature.*

Stakeholder circle of influence

Greenyard maintains a continuous dialogue with all its stakeholders, seeking to balance their various expectations and interests.

The company is always looking to take the external environment into account when doing business. It is therefore crucially important to understand which aspects of sustainability are the most relevant to each of its stakeholder groups and how to address them in the best way.

There are three circles of influence. The first represents Greenyard's internal stakeholders: employees, social partners and shareholders. The second group of stakeholders is external and has a significant influence on Greenyard's operations. This group consists of customers, growers and suppliers. The final circle symbolises society generally and includes, for example, competitors, citizens, authorities, NGOs, the media and knowledge institutions.



Global challenges in the food sector

Current mega-trends such as increasing population, globalisation, urbanisation and digitalisation lead to significant challenges. With these trends in mind, Greenyard has identified five key global challenges in the food sector on which it can act. This report is structured around these global challenges and the most important aspects of Greenyard's sustainability efforts.

1 Rising obesity levels

The evolution of food systems has been both a response to and has driven changing dietary preferences and patterns of overconsumption. This is reflected in the staggering increase in the prevalence of obesity around the world.

2 Loss of biodiversity and degradation of natural resources

Resource-intensive farming systems have caused massive deforestation, water scarcities, soil depletion and high levels of greenhouse gas emissions and have been unable to deliver sustainable food and agricultural production. Sustainable systems that protect and enhance the natural resource base are needed, at the same time as increasing productivity. Producing more with less, while preserving our ecosystems and biodiversity, is a key challenge for the future.

3 Future food availability

The world population will pass 8 billion by 2030 with most of this growth coming from low-income countries. At the same time, the population is growing older. This is set to boost agricultural demand by some 50 % compared

to 2013. Substantial innovation and product development will be needed globally to meet growing and changing food demands.

4 Social standards in the supply chain

Some food supply chains have lengthened as the physical distance from farm to plate has increased and these supply chains have also become more and more complex. Many global companies now explicitly recognise that they bear responsibility for their supply chains and the potential social and environmental issues, such as labour conditions and the materials used. Companies need to improve the transparency, oversight and management of their supply chains.

5 Pressure on the agriculture sector

Agricultural environmental performance has become vitally important during the past few years, and producers are expected to take action to reduce the harmful effects of inputs related to intensive agriculture. Finding and implementing synergies within the sector, including interplay with regulations and standards, will become an even bigger challenge in the future.

Sustainable Development Goals



In September 2015, the United Nations adopted the 2030 Agenda for Sustainable Development to guide the world in shaping a better future. The 2030 Agenda is a plan of action for our planet centred around people and their prosperity, peace and justice.

The UN’s 17 Sustainable Development Goals (SDGs) define global sustainable development priorities and aspirations for 2030 and seek to mobilise global efforts around a common set of goals and targets. The SDGs call for worldwide action within government, business and civil society to end poverty and create a life of dignity and opportunity for all.

As one of the world’s largest suppliers of fruit and vegetables, Greenyard is deeply committed to implementing the 2030 Agenda.

The image above is a graphical representation of the SDGs to which Greenyard currently contributes. The bigger the square, the bigger the company’s contribution. In broad terms, there are three SDGs that appear to be most aligned

to Greenyard’s ambition to develop product ranges that appeal to modern customers and inspire them to live a healthier life:

- **SDG 3 Good health and well-being** is very important to Greenyard since it closely relates to the ‘make lives healthier’ mission statement. This goal is about ensuring healthy lives and promoting well-being for all.
- **SDG 12 Responsible consumption and production** alludes to sustainable and new consumption and production patterns which have a close link with health and well-being and are thus of key importance in Greenyard’s strategy. The goal also implicates how Greenyard processes fruit and vegetables and how waste is managed.
- **SDG 17 Partnerships for the goals** is reflected in Greenyard’s partnerships with growers, suppliers, employees, clients and end consumers. Growers and suppliers are vital in the drive towards a sustainable and responsible value chain, while long-term relationships with employees and clients are essential if Greenyard is to continue to be a trusted supplier for end consumers.

Greenyard's contribution to solving the global challenges

By publishing this first sustainability report, Greenyard aims to provide a more comprehensive overview of its sustainability efforts at local level and how they help solve the challenges identified in the food sector.

To this end, the company has developed a sustainability framework based on five pillars and twelve drivers, following a participatory process of reflection and consultation. During the coming months, Greenyard will use this framework to set up concrete sustainability targets and associated indicators.

Establishing this new sustainability framework provides an opportunity for the company to take

a constructive look at where Greenyard is now and where Greenyard wants to be in the future. Through the five pillars and twelve strategic drivers, it is now taking meaningful steps to achieve the sustainable development agenda.

The strategic framework outlines the direction that Greenyard will take and serves as the foundation for planning, budgeting, mobilising resources, crafting partnerships and delivering results. Greenyard is looking forward to implementing the framework together with its partners and for the benefit of all stakeholders. The five pillars – People, Planet, Prosperity, Peace and Partnership – of the 2030 Agenda for Sustainable Development will guide Greenyard's work.





PEOPLE: Promoting people's well-being

The Greenyard ambition

A **healthier future** for everyone is the Greenyard mission, amid worldwide challenges such as rising obesity and the lack of physical activity among many populations. Promoting the well-being of employees, customers and end consumers is therefore one of the company's key ambitions.



The Greenyard approach

Greenyard encourages everyone to follow a healthy diet by offering a broad range of nutritious, convenient and tasty products, available year-round. This is underwritten by total adherence to stringent food safety standards, which is a top priority for Greenyard. The company is also fully committed to safeguarding employee well-being, health and safety, while empowering everyone working at Greenyard by encouraging and supporting them to develop their knowledge, skills and talents.



A healthy diet

The Greenyard impact

Fruit and vegetables are the basis of a healthy and balanced diet. Although they contain fibre, minerals and vitamins beneficial to health, research shows that on average people eat only 60% of the recommended daily allowance. As a major provider of fruit and vegetables, Greenyard has great potential to lift this percentage. By working closely with retailers, the company aims to offer consumers healthy, convenient products which are a pleasure to eat. The **Greenyard Prepared** and **Greenyard Frozen** divisions ensure that fruit and vegetables are available year-round, independent of the season. Additionally, nutritional values are adjusted, where possible, by reducing the salt and sugar content in prepared foods, making products healthier without compromising taste.

Meat-alternative pulses are the nutritious seeds of the future

Pulses are important and sustainable meat alternatives, rich in proteins, amino acids, B vitamins, phosphorus, iron and calcium. By offering this healthy meat alternative, Greenyard is promoting a balanced diet for consumers.

In the wake of the United Nations 'International Year of Pulses' in 2016, **Greenyard Prepared** put in place a number of developments to double pulse processing capacity, and future-proof their installations. As well as improving efficiency, the changes have led to reduced wastage and water savings.

PREPARED



Contribution to the SDGs





FRESH

Meal kits: a convenient and healthy solution for consumers

Meal kits is a new segment that has been developed by the Fresh entity, **Bakker Barendrecht**, in co-creation with a Dutch retailer. Since 2011, the concept has grown significantly and Greenyard now wants to expand it to other key customers in Europe.

The concept is simple: a meal in kit form which contains the recipe and all the ingredients (except for some basic ones) you need to cook a fresh and healthy meal at home. The aim is to make it simple for people to add some variety to their weekly eating routine. Moreover, the kit contains only what you need, so it helps prevent food waste.

Smart meals: quick, yet nutritious

As well as consumer demand for ease and convenience, there is also a growing call for good nutrition and clearer labels.

Greenyard Frozen fulfils these needs with its line of smart meals, combining fresh vegetables with protein-rich ingredients (meat, fish or meat alternatives) and healthy carbohydrates such as pastas, bulgur, rice or quinoa.

The smart meals are ready-to-heat, perfectly-portionable and clearly indicate health and nutritional claims, such as 'seasonal product', 'source of calcium', and 'balanced meal'.

FROZEN



Food safety

The Greenyard impact

Greenyard has a fundamental responsibility to ensure that consumers can trust the safety and quality of all their products. All Greenyard sites comply with the most stringent international food quality standards (IFS, BRC, QS or ISO 9001).

Greenyard's focus on food safety and quality covers the entire production chain, starting in the fields with the raw materials, where all farmers and growers have to comply with strict 'product specifications'. From that point onwards, Greenyard assures quality via a combination of advanced control systems and inspection equipment, and by carrying out visual inspections.

Fresh.Point helps Greenyard monitor food safety

Fresh.Point is a ground-breaking online residue-monitoring platform for the European fruit and vegetable sector. The platform was developed by **Greenyard Fresh**, in conjunction with two German fresh produce companies and the German Fruit Traders Association (DFHV). The aim is to be able to cope more effectively with the demanding residue standards of European retail customers. The platform means that importers, wholesalers and retailers can ensure the quality and safety of fruit and vegetables, and thus safeguard the well-being of consumers. Fresh.Point is already being used by 13 companies with 600 registered users managing an average of 17,000 residue tests each year. Greenyard Fresh remains the largest single user with about 5,500 residue tests annually.



Contribution to the SDGs





FRESH

OPTIVEG improves quality of fresh-cut vegetables

Fresh-cut vegetables are characterised by a relative short shelf life. In recent years micro-perforated packaging, allowing the vegetables to ‘breathe’ while packed, has been able to extend the shelf life while maintaining quality. A better understanding of the fluctuations in the cold chain allows to further improve both quality and shelf life. In this light **Greenyard Fresh Belgium** participated in a scientific project in cooperation with Flanders Food and the University of Ghent along with retail customers, packaging manufacturers and other fresh-cut produce processors. The project provided better insights into the product temperature throughout the entire supply chain and extensive knowledge of the microbiological and quality developments in the product packaging. The project results including software tools will allow to further improve product quality in short term.

A safe and healthy work environment

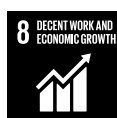
The Greenyard impact

Greenyard values its employees as its most important asset. It is the commitment of its more than 10,000 employees that has made Greenyard the thriving company it is today. In turn the company is deeply committed to providing a safe and healthy working environment for every one of them.

Greenyard creates a safe working environment by actively preventing workplace accidents and encouraging all staff to take the initiative and improve the safety of the organisation in any way they can. In 2017, Greenyard registered 396 working accidents with lost time, and aims to move this figure as close to zero as possible.

By encouraging all staff to maintain a healthy diet and take regular exercise, Greenyard aims to have a positive effect on their lives, not just at work, but at home too.

Contribution to the SDGs



Vitality project stimulates employees to exercise more and eat healthier

FRESH

To stimulate employee vitality and increase involvement in sustainability and local engagement through joint activities, Fresh entity **Bakker**

Barendrecht embarked in 2010 on its Vitality project. The project included various initiatives, such as:

- Sporting activities (Marathon Rotterdam, Ladies Run, Mud Masters, Bruggenloop and Ride for the Roses).
- Local truck runs (truck drivers taking part in local truck events with handicapped people).
- Joint education to stop smoking.
- Introduction of a green counter in the staff restaurant (offering fresh fruit juice, smoothies, salads, and healthy snacks etc.).
- Basic employee health checks, in cooperation with a health insurance company, and a pilot scheme testing an expanded health check system.

Adiabatic cooling creates a more comfortable working environment

PREPARED

In 2014, **Greenyard Prepared** started to use adiabatic cooling in its work premises. The installations use the cooling force of water evaporation, which is more environmentally friendly and cost efficient than traditional cooling methods.

Workplace cooling in summer provides greater comfort to employees who often work in thermal processes and have to wear specific hygienic clothing.

This kind of cooling, with minimal impact on the environment, avoids the very high energy consumption of air-conditioning installations and requires no refrigerants. Because of the positive results, Greenyard is now looking at further opportunities to install adiabatic cooling.

Empowering the employees

The Greenyard impact

Continued learning is crucial for well-being. Greenyard invests in its employees by bringing them together and encouraging everyone to work on their personal development. To support this, the company offers various formal and informal training and development programmes. In 2017, Greenyard provided a on average 10 hours of training per employee.

Greenyard’s workforce is socially diverse with more than 80 different nationalities working in the various divisions. Recruiting the right people with the right skills and mindsets is a priority in the human resources strategy. Greenyard recognises its role in society and aims to be an active provider of social employment.

The NextGen programme prepares young employees for the future



Through the NextGen programme, Greenyard gives young talent the opportunity to take on specific projects strategically important to the group. Participants work in international teams across divisions and functions. They also take ownership of their project right from the start and see beyond the boundaries of their discipline. At the end of the programme, participants present the challenge, action plan, and possible solutions to the Leadership Team. 75 young employees have taken part in the programme since 2014.

Social employment is part of Greenyard’s DNA



Greenyard is an active provider of social employment. For example, **Greenyard Prepared** is working with Bewel, an organisation that helps people who find themselves estranged from the labour market to enter employment. In 2017, the division won the ‘Integration Prize’ from the City of Bree for employing more than 50 people with disabilities to carry out specialised packaging tasks.

Greenyard Frozen works closely with Alimento, an organisation that groups sectoral services for food companies. Following a training session, the Frozen division took on three new packaging operators and a product line manager, all former refugees.

Contribution to the SDGs





PLANET: Responsible use of resources

The Greenyard ambition

One of the most valued suppliers at Greenyard is nature. Without it, the company would just not be able to do business. This is why Greenyard is always conscious of its vision of 'fostering nature'. The company believes in the responsible and sustainable production of food and agricul-

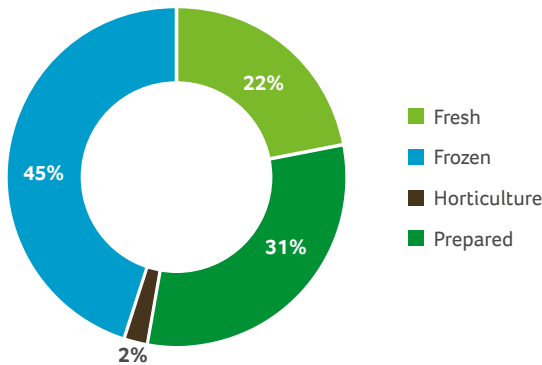


tural products. But this is only possible if it handles its natural resources responsibly.

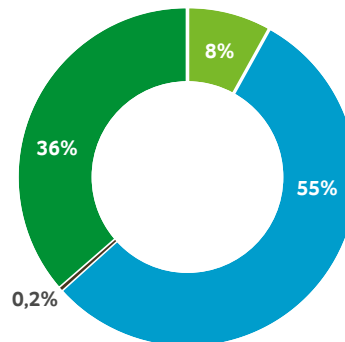
The Greenyard approach

The drivers in this pillar focus on water and energy efficiency in all Greenyard operations, closing the loop through an effective waste policy, the responsible use of land, and maintaining biodiversity.

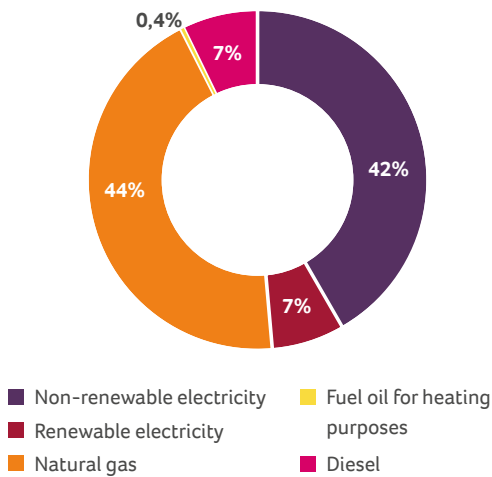
Energy consumption



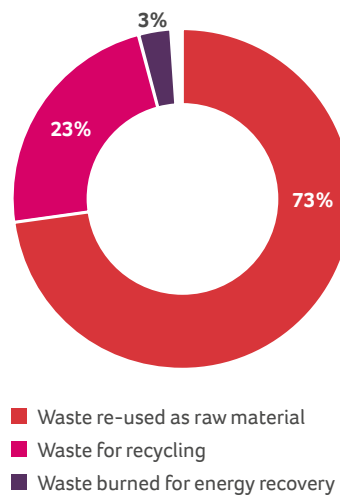
Water consumption



Energy sources



Waste per disposal method *



* Less than 1% of Greenyard waste is disposed to landfill

Water and energy efficiency

The Greenyard impact

To process fruit and vegetables, Greenyard needs a lot of water, energy and other resources. The use of these raw materials is optimised by measuring and careful monitoring.

The company pays special attention to the water used when washing fruit and vegetables. Advanced water treatment installations and water collectors measure exactly how much water is used in each process. By purifying and reusing water, consumption can be decreased significantly. In total, Greenyard consumed 4,4 million m³ water in 2017.

Energy is also needed in large quantities. Last year, Greenyard used 2,5 million GJ of energy. To reduce energy use, the company continues to actively seek alternative energy sources. Solar panels and biomass production mean that a proportion of total energy needs can now be produced internally. The introduction of more efficient processing solutions through investment in the latest technologies, warehousing, intermodal transport and logistics is also leading to reduced energy use.

Contribution to the SDGs



New freezer tunnel at Frozen Belgium uses less energy

In 2017, **Greenyard Frozen's** Westrozebeke site in Belgium invested in a new freezer tunnel. The state-of-the-art tunnel is capable of freezing the same volume of vegetables as the tunnel it replaces but uses 10% less energy for cooling.



Continuous efforts to decrease water consumption

PREPARED

Thanks to a strong focus on water consumption, **Greenyard Prepared** has been able to reduce groundwater usage by 37% compared to 1997. It is the equivalent of a yearly groundwater reduction of 650.000 m³. Continuous improvements of the operations, including reuse loops, are the leading factors of this decline. Doing so, Greenyard Prepared comes closer to the objective of a yearly 2% reduction.

Optimised heat processes lead to energy savings

PREPARED

Heat is an essential element in the production process of prepared products, such as pasteurisation at 90°C which ensures a shelf stable product for 2-3 years. Recent optimisation initiatives in the control systems of heat peeling installations have led to energy savings of 18,000 GJ gas, equivalent to 700 ton of CO₂.

Recuperating energy from waste water at Greenyard Frozen UK

Greenyard Frozen UK recently installed a 600 kW biogas engine at its King's Lynn wastewater treatment plant. Biogases recovered from wastewater can now be used by the Combined Heat and Power (CHP) package to generate electricity and provide heat to run the plant. In addition, a new wood chip line has been installed to provide an alternative form of fuel for the CHP package, reducing the cost of electricity for heating and chilled water. The wood chip line cuts and splits logs, and then processes them into wood pellets after kiln-drying. The CHPs in Boston and King's Lynn each deliver 800,000 kW of electricity and 2,400,000 kW of heating and cooling for production processes.

FROZEN



Waste management

The Greenyard impact

Greenyard sees it as its duty to manage its resources in a responsible manner, reducing waste to a minimum. The company recognises different waste streams related to its business, including paper, plastic and metals. As a food producer, the company also has a major impact on preventing food waste, both during production and at the consumer end.

Since most waste is generated during the consumption phase, Greenyard faces the important trade-off between packaging and food shelf-life. By making careful use of packaging only when it is necessary, and by designing it to be recyclable, reusable and lighter in weight, Greenyard protects and extends the life of products, while helping to reduce overall food waste at the consumer end.

Greenyard implements a waste management system in its operations, focused on closing waste loops. There are five levels of action:

PREVENT

Where possible, Greenyard prevents waste occurring by valorising resources. In the Long Fresh range, fruit and vegetables can be stored for longer periods. Frozen products allow consumers to use only the quantities they need, keeping the rest for later, and with no need to throw anything away. The company is also constantly reviewing its Fresh segment and, through continuously investing in R&D, has been able to extend fruit and vegetable shelf-life.

REDUCE

Where waste cannot currently be prevented, Greenyard focuses on reducing the amount of waste. Through its advanced ripening centres and logistic tools, Greenyard delivers products to the consumer at just the right time. Regular quality checks and process improvements also help reduce any waste generated in the production phase.

REUSE

Waste generated from operations is reused where possible. For example, food residues that are still good for consumption are offered to food banks. In addition, some non-edible fruit and vegetable residues are processed by Greenyard Horticulture to make fertilizer for potting soils. Greenyard also uses plant-based waste as the basis for animal feed, while blanching water from mushroom processing goes on to contribute towards the umami taste.

RECYCLE

Much of the packaging is made from tin, aluminium and glass, all three of which are easily and almost indefinitely recyclable. Other waste materials such as wood, cardboard and plastic are also collected and sorted for recycling.

ENERGY RECOVERY

Finally, when no other option is available, the remaining waste is burned for energy recovery.

Contribution to the SDGs



MicroNOD ensures useful biomass

HORTI CULTURE

As part of Greenyard's ambition to reduce waste, the company has launched the Microbial Nutrients On Demand project (MicroNOD). The project repurposes nutrients from side streams to produce high-quality fertilizer. Waste water from industrial food processes still contains useful carbons and nutrients. Using microorganisms, it is possible to transform these particles into useful biomass. As part of this joint project between **Greenyard Horticulture**, Avecom, AgrAqua and the Universities of Ghent and Antwerp, Greenyard is researching the possibility of using this biomass in fertilizers and how to scale up the process. In the project's second phase, Greenyard plans to work closely with the Fresh, Frozen and Prepared divisions to reuse the waste nutrients in food processing water streams as fertilizer.

Cauliflower rice and Wonky produce reduce food waste



FROZEN

In vegetable growing, there are always parts of the plant that are not ideal for direct consumption. However, these elements are still produced with the same care that Greenyard takes for all its products. For example, traditional cauliflower production makes use only of the florets. In **Greenyard Frozen's** new cauliflower rice, much more of the cauliflower plant is used and transformed into a high-quality product.

FRESH

Another example is the ever-increasing range of Wonky products launched by the Fresh division. **Greenyard Fresh UK** and a leading UK retailer launched a 650 g net of Wonky avocados in May 2017, providing a low-cost solution for consumers. The avocados are perfect on the inside but don't meet standard cosmetic quality specifications. Through this kind of initiative, Greenyard is strengthening its commitment to reducing food waste.



Packaging innovation reduces consumption of plastics

FRESH



In 2017, Fresh entity **Bakker Barendrecht** launched a new top seal packaging for Dutch soft fruit. Berries are now packaged in a transparent container sealed with transparent foil. Not only does this enhance the visibility of the product, it also eliminates the risk of the lids being dislodged during transportation. This new form of packaging results in a 33% reduction in the use of plastics. In 2017, 158,000 kg of plastic was saved in this way, equivalent to the material used in 6.3 million 1.5-litre PET bottles.

In other product segments, packaging innovation has also helped to reduce the consumption of plastics. **Greenyard Fresh Belgium** has invested in new sealing technology for its fresh-cut vegetable packaging. Ultrasonic sealing instead of traditional heat sealing at both ends of the packaging has resulted in a weight reduction of 12%, corresponding to 9,500 kg of plastic foil.

Biodiversity and responsible land use

The Greenyard impact

The process of delivering high-quality fruit and vegetables to consumers starts in the fields, and that's also where the focus on responsible resource use begins. Greenyard's aim is to take good care of the land so that it can continue to produce healthy food without becoming exhausted. As part of everyday operations, measures to safeguard natural balance and biodiversity are put in place, including educating and supporting growers to work efficiently and effectively. For example, growers are expected to comply with strict 'product specifications' with respect to responsible land use.

Greenyard Flowers receives 'Best Contribution to Environmental Growth' award

Fresh entity **Greenyard Flowers UK** grows around 3,000 acres of mainly daffodil and Cornish flowers in the UK, working closely with local suppliers to assure the environmental protection of the areas where the flowers are produced. Action includes improving soil health and measures to increase flora diversity. More than 10% of the land is used as wildlife corridors, pollinator strips or for tree planting.

In December 2017, Greenyard Flowers was recognised for its biodiversity efforts with the CSA award for 'Best Contribution to Environmental Growth'. Greenyard Flowers is also the first UK grower to achieve the LEAF Marque Standard for sustainable farming and continues to be annually audited to meet this standard.



Contribution to the SDGs



Pesticide reduction conserves field biodiversity

FRESH

Beginning in 2018, Fresh entity **Bakker Barendrecht** is participating in various test cultivations in collaboration with growers, a Dutch environmental NGO and a Dutch retailer. The aim is to make fruit and vegetable production more sustainable by finding organic alternatives for insect and fungus control.

Early indications show that several green options are available which can be used in combination with more traditional methods. These test projects are in line with Greenyard's aims to preserve biodiversity in the fields.

Responsibly produced peat protects natural peatlands

Greenyard Horticulture has set itself the objective of selling 100% certified peat in 2018. Through the Responsibly Produced Peat certification, Greenyard is focusing on increasing the positive effects of peat extraction while minimizing any related negative effects.

The aim is to protect the conservation value of the peatlands. About 80% of peat is extracted from Greenyard's own peatbogs, and by maximising peat production from degraded peatlands, natural peatlands are left untouched. In the final stage of extraction, Greenyard restores sites to their natural state.

HORTI
CULTURE





PROSPERITY: Assuring food availability

The Greenyard ambition

One of the main challenges for global agriculture is rising demand. Driven by a growing world population, a higher average life expectancy and land scarcity, agriculture needs to find solutions to ensure that enough high-quality food is accessible for everyone. Greenyard's ambition is to support new alternatives, such as innovative techniques, technologies and infrastructure, which will be key enablers for future food security.



The Greenyard approach

As a global market leader in fresh, frozen and prepared fruit and vegetables, Greenyard's approach is to stimulate efforts that lead to innovative techniques and products. The company supports research and development, aligned with circular economy models, leading to prosperous progress in harmony with nature and the limits of our planet.



Innovation & product development

The Greenyard impact

Greenyard focuses on innovative growing techniques which help to ensure quality fresh products all year round without having to rely on skilled labour, favourable weather, pesticides, high soil fertility or excessive water usage. For instance, by producing food in vertically stacked layers, on vertically inclined surfaces, or integrated within other structures, less land is needed to produce the same quantities of fruit and vegetables. Greenyard is also developing new varieties of fruit and vegetables that are more resilient to the external environment.



Urban farming: green areas providing local food in cities

City farming makes it possible to reduce dependence on food shipped in from rural areas. **Greenyard Horticulture** helps cities to make this transition by stocking a wide range of products for creating green spaces, and by actively supporting research and projects such as Ferme Abattoir, an initiative of BIGH, who are creating a network of sustainable aquaponic urban farms in major cities. Located in Brussels, Europe's largest urban farm has a surface area of 4,000 m² and provides organic fruit and vegetables to local restaurants and shops all year round.

New banana varieties create alternatives for the future

FRESH

In February 2017, **Greenyard Fresh Germany** launched its special focus on banana resilience. By investing in new varieties of banana, Greenyard is mitigating the possible threat that Cavendish bananas will be eliminated by the TR4-fungus. New varieties will not only help to secure the future availability of bananas, but could also have a different, and possibly better, taste. At this point in the project, the company is in the multiplication phase for the selected varieties. In the second half of 2018, the behaviour of the varieties under different climatic and soil conditions will be tested in various countries. Trial plots will be set up at the end of the year.

Contribution to the SDGs



Research into vertical farming boosts supply

In September 2017, **Greenyard Horticulture** partnered with Urban Crop Solutions, a vertical farming solution provider, and the University of Ghent in a four-year project to develop vertical farming on organic soil. Today, hydroponics technology, also known as 'off-land farming', is increasingly prevalent. However, the inorganic material on which the plants grow makes it difficult for a good microbial root balance to develop. With a major focus on organic cultivation, Greenyard attaches high importance to biologically managed soil to improve quality, taste and disease-resistance.

Since 2017, Fresh entity **Bakker Barendrecht** has been working with the same Urban Crop Solutions on the development of innovative cultivation methods for fruit and vegetables. Employees of Bakker Barendrecht were able to visit one of the FarmFlex containers to introduce them to the newest high-tech methods in vertical farming systems.



courtesy of Urban Crop Solutions



PEACE: Stimulating sustainable trade

The Greenyard ambition

Worldwide, food chains are becoming longer and more complex. Greenyard views this as an incentive to generate social, economic and environmental benefits through the entire chain and is also committed to the highest standards of business ethics and compliance.



The Greenyard approach

On the supply side, Greenyard actively focuses on social standards, responsibility, transparency and traceability by working in close collaboration with its growers and suppliers. Internally, the company is taking measures to maintain an ethical business spirit by updating its own Code of Conduct.



Responsible supply chain

The Greenyard impact

Throughout the value chain, ensuring social standards is of utmost importance. For this reason, the Group has established the ambition to conduct business with suppliers that are certified according to Global Social Compliance Initiative (GSCI) equivalents in high risk countries. To foster a responsible supply chain, Greenyard works in close collaboration with its suppliers and provides direct training and support.

Trusted suppliers: Greenyard Fresh and Frozen UK and the Ethical Trade Programme



As part of its Ethical Sourcing Strategy Plan, **Greenyard Fresh UK** and **Greenyard Frozen UK** have developed an ethical trade strategy for the period 2018-2020. Supported by five strategic pillars, the divisions have set themselves a goal “to become the trusted supplier of fresh and frozen produce, by developing a robust ethical sourcing programme that satisfies and exceeds all requirements of our diverse customer base”. To achieve this goal, the programme focuses on policies and procedures, relationships of trust, supply-chain mapping, risk-based supplier assessment, and the fight against modern slavery. Progress on the strategy will be tracked via a detailed action plan and a set of KPIs for each strategic pillar.

Aiming for 100% sustainable procurement



In an effort to guarantee human rights and good working conditions, Fresh entity **Bakker Barendrecht** has set itself the ambitious goal of 100% sustainable procurement by 2020. This is in line with the Sustainable Trade Initiative Covenant for fruit and vegetables (Initiatief Duurzame Handel - IDH) to which Bakker is signatory. The covenant is a Dutch initiative seeking to guarantee to consumers that all fruit and vegetables will be sustainably produced by 2020 in high risk countries. Many major Dutch growers and supermarkets have already signed up to the covenant. Through working closely with its partners in a unique long-term collaboration, Bakker is making good progress to achieve the objective.

Contribution to the SDGs



Greenyard invests in the healthcare of growers in Ecuador

To improve access to timely and high-quality healthcare for plantation workers in Ecuador, **Greenyard Fresh Germany** and **Greenyard Fresh Austria** have donated a new ambulance to the Ecuadorian Red Cross. The four-wheel drive vehicle, handed over in 2017, was specially-equipped for the challenging conditions to be found in Ecuador. In many rural areas of the country, medical care is rudimentary and emergency rescue services are not comparable to those found in Western Europe.

FRESH



Greenyard's own operations

The Greenyard impact

The basis of sustainable trade is present in Greenyard's own operations. Through its 2017 Code of Conduct, the company now has a set of rules outlining the unified social norms and responsibilities for all Greenyard operations. It explains and details company commitment in the areas of diversity, human rights, fair employment, fraud, anti-corruption, environment, health and safety, and privacy.

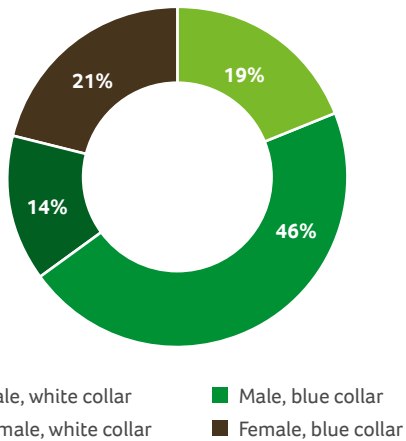
Every person working at Greenyard is subject to the code. The whole of management has signed up to it, and it provides employees with guidance and solid principles to follow, even in complex situations. The company has made a special effort to reach all employees by translating the code into 12

languages. In 2018, Greenyard aims to develop an e-learning programme to fully embed the Code of Conduct within the whole organisation.

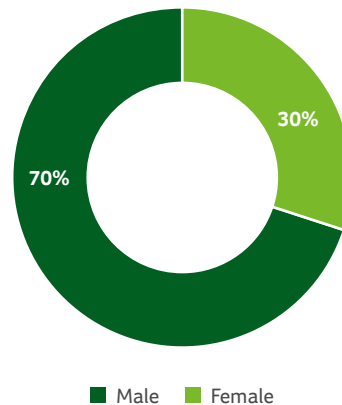
Diversity (cultural, between generations, linguistic, between men and women, etc.) and equal opportunities are important values for Greenyard. The company focuses on the evolution towards a gender balance at all levels and retaining older, experienced employees, by providing a supportive work environment. In 2017, 16 % of the employees were over the age of 54.

This year, the Group has not registered any lawsuits regarding non-compliance with human right, anti-corruption and fraud regulations.

Our employees



Diversity of our management



Contribution to the SDGs







PARTNERSHIP: Strengthening collaboration in the chain

The Greenyard ambition

Greenyard recognises that fostering a sustainable and responsible chain is not a path it can take alone. To achieve its ambition to be a responsible supplier of high-quality, healthy and sustainable products, the company needs to have close collaboration with its partners.

The Greenyard approach

Since its inception, Greenyard has always worked closely with its food suppliers and growers. Because of this level of collaboration,



the company can fully focus on sustainability. Greenyard divisions collaborate with business partners who share similar beliefs and strive for partnerships with customers and end consumers. Working together, it is Greenyard's ambition to develop product ranges that appeal to modern customers and inspire healthy lifestyles.

Greenyard's engagement in partnerships also goes beyond the supply chain to include support for local and community projects.



Grower partnerships

The Greenyard impact

Greenyard sources its fruit and vegetables from a worldwide network of hard-working growers and suppliers. The company believes that by providing training, and by building strong, long-term partnerships with this network, it can improve efficiency, availability, sustainability and working conditions. Greenyard's training programme includes components on optimising cultivation, reducing environmental impact, the transition to organic cultivation, and safeguarding nature.

One of Greenyard's closer collaborations is with The Fruit Farm Group, who actively promote the transition to regenerative farming. Compared to conventional farming, regenerative farming focuses on the long-term profitability of the land via natural practices instead of short-term fertility boosts. Biological solutions, such as companion crops, natural predators and compost, lead to biodiverse, strong and healthy croplands.

Contribution to the SDGs



Sharing know-how and increasing production sustainability

Greenyard Fresh Germany has co-funded and participated in several projects of knowledge improvement and capacity-building for small banana farmers in Ecuador, Colombia and Suriname. The initiative involved 330 farm visits, coaching 140 producers, and training 7,825 workers in GAP (Good Agricultural Practices) and social compliance. Since February 2017, Greenyard Fresh Germany has also provided three training sessions in Mali for growers, harvesting teams, exporters, and local institutions covering a variety of topics including tree pruning, fertilizer use, water management, tree nursery, disease control and specifications for European retailers. The sessions were each attended by between 50 and 80 participants.

Long-term relationships with local growers

Greenyard has a long tradition of working closely with growers through its various divisions. The **Long Fresh** segment's partnership model is characterised by contract growing. It is engaged in and with producer organisations to constantly improve agricultural practices, product availability and product quality. **Greenyard Prepared** growers are organised in the producer group BND, whereas a major element of **Greenyard Frozen** suppliers are member of producer organisations in various production regions.

Similarly, the Fresh segment values its close cooperation with local growers, whether organised in producer groups or individually. The cooperation can go as far as joint investments, such as the recent joint venture between **Greenyard Fresh UK** and Bardsley Farms in the UK to further develop and assure local supply of top fruits and stone fruits.

FRESH



Customer partnerships

The Greenyard impact

Greenyard actively seeks to partner with its customers and share expertise and know-how to make sure that its products are ideally suited to customer needs.

In these collaborations, the company mainly works to optimise the product assortment and introduce innovative concepts. The collaboration also allows it to tailor production and logistics to customer requirements, and to operate more time-consciously and efficiently.

Transfer of know-how allows for local supply

Consumers in the Czech Republic are increasingly asking for more local and regional food options. In response, two Dutch growers who work with the Fresh entity, **Bakker Barendrecht**, have extended their cultivation and know-how to the country to help provide the local entity, **Bakker Czech Republic**, with a steady supply of local broccoli for its leading retail customer. 2017 saw the project's first successful season with a field of 35 hectares allowing Bakker s.r.o. to supply 100% of the retail chain's demand.



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Contribution to the SDGs



Grow bag provides the basis to ensure a healthy crop

Greenyard Horticulture has developed the Grow Bag which is a 100% compostable substrate for growing greenhouse vegetables. This substrate comes from sustainable organic raw materials and allows efficient crop steering with maximum results. Because of its organic nature, the Grow Bag contains a perfectly balanced soil life. By supplying Grow Bags to Greenyard's professional growers, the company is able to provide the basis to ensure a healthy crop.

Greenlight Quality Control, the key to reducing quality defects and customer complaints

FRESH

Following testing in 2013, **Greenyard Fresh** rolled out the Greenlight Quality Control initiative at the beginning of 2017. This cloud-based platform transparently centralises product specifications and control results. The chain software strengthens the collaborative link between growers and customers by enabling them to access, process and share information.

In Belgium the Greenlight initiative has resulted in an overall reduction in internal waste of around 30% in 2017 compared to 2013 and has achieved a similar reduction in customer complaints. In 2018, Greenyard will increase the number of participating suppliers connected to the platform.

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About Greenyard

Greenyard (Euronext Brussels: GREEN) is a global market leader of fresh, frozen and prepared fruit & vegetables, flowers, plants and growing media. Counting Europe's leading retailers amongst its customer base, the group provides efficient and sustainable solutions to customers and suppliers through best-in-class products, market leading innovation, operational excellence and outstanding service.

Our vision is to make lives healthier by helping people enjoy fruit & vegetables at any moment, easy, fast and pleasurable, whilst fostering nature.

With more than 10,000 employees operating in 27 countries worldwide, Greenyard identifies its people and key customer and supplier relationships as the key assets which enable it to deliver goods and services worth more than € 4 billion per annum.

Greenyard NV / Strijbroek 10 / 2860 Sint-Katelijne-Waver / Belgium
www.greenyard.group

for a healthier future
