



# Sustainability Report 2022



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# Overview of 2022

Roald Heinsbroek — Financial Director

In my second year as Financial Director, I am pleased to report that 2022 was a year of significant milestones, and not only because I am entering my 20th year at Luiten Food. Although the effects of the pandemic were no longer a challenge, the rising costs created the next hurdle to manage. Despite this, we were able to increase our revenue by a notable margin, meeting our goals and surpassing our expectations.

Our success in revenue growth can be attributed to a number of factors. Of course, the inflation of prices in Europe should not be underestimated, but nevertheless, our continued focus on quality products and effective sourcing contributed to a steady foundation to build upon. We also made strategic investments in our footprint in the UK, which allows us to grow locally in a post-Brexit environment. This, in turn, will help us to reduce administrative hurdles and increase our presence across Europe.

I am also proud to report that our company has surpassed 100 employees in 2022, a significant milestone that reflects our commitment to creating jobs and supporting our local community. We believe that our success is due in large part to the talented and dedicated team that we have assembled, and we remain committed to providing our employees with the support and resources they need to thrive in their roles.

Finally, I am pleased to report that we have continued to accelerate our efforts towards sustainability, both in terms of our operations and our products. We understand the importance of minimizing our environmental impact, and we have taken concrete steps to reduce waste, increase energy efficiency, and promote responsible sourcing. We have also expanded our offerings of meat alternatives, responding to the growing demand for eco-friendly and vegan/vegetarian products. Our partnership with Orbillion Bio will further solidify our position in the future of meat as their products will give consumers a more sustainable alternative to traditional meats.



From left to right: Jan Kunz, Lennert Luiten, Roald Heinsbroek

# Our Company

## The History

Luiten Food has been active in the trade of game and poultry since 1938. In its current form, the company has grown into one of the biggest European players in the import of beef, lamb, game, poultry, Iberico, fish & seafood. Luiten Food is proud to be the supplier of various companies active in food service, food processing, wholesale, catering, retail, and specialty stores.

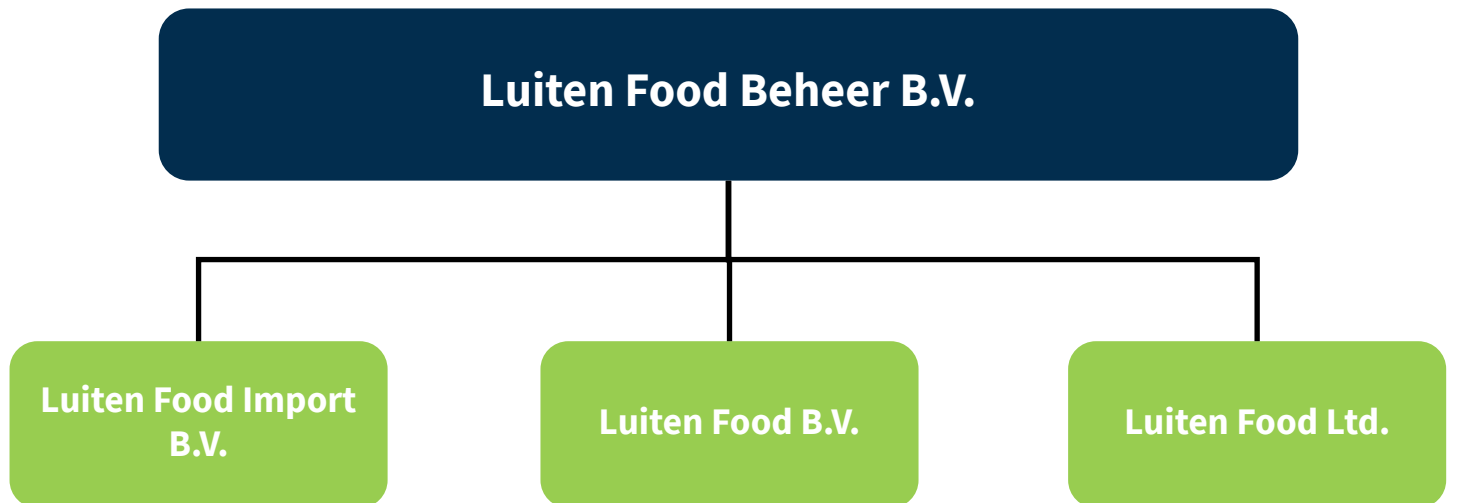
The Luiten Food team has been working together for years and attaches great importance to personal contact with its customers and suppliers. Therefore, loyalty and trust are among the key principles. This ensures high-quality products and a good relationship with customers.

Luiten Food is a modern and professional company. Outstanding quality control and service are our main priorities. The customer can be assured that we will do everything in our power to tailor a custom solution for every request. We try to find a solution for every technological issue and are happy to take on any challenge for product and chain optimization or innovation. Service and flexibility are of paramount importance at Luiten Food.

Luiten Food recognizes the importance of corporate social responsibility. Based on a sense of social commitment and a clear vision, we are constantly looking for the perfect balance between social, environmental, and economic interests. By doing this, we do everything in our power to take care of people and the environment, in the short-, but also in the long term. Our CSR policy is divided into social (people), environmental (planet), and economic (profit) aspects. The overview of the policy can be found in the policy section of this document.



# Our Structure



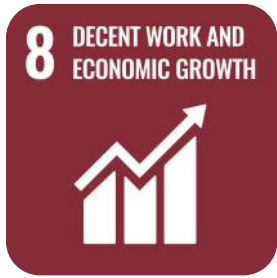
The reporting company for this sustainability report is Luiten Food Beheer B.V., unlike previous reports. This change has been made due to the increasing staff size at Luiten Food Ltd., as well as the upcoming EU Corporate Sustainability Reporting Directive (CSRD). This change will enable Luiten Food to better comply with the auditing requirements of the CSRD.

The reporting period remains linked to the financial statements due to future integration. This annual report contains information about Luiten Food's sustainability performance in the period 1 January 2022 until 31 December 2022





# Our People



As a family company, our employees are the most important aspect of our operation. We value an informal and pleasant working environment where people can develop, learn, and grow to their highest potential. That is why we prefer to promote people internally to fill vacancies. This gives them the opportunity to use their prior expertise in a new role which might yield new insights. Our corporate values are an important pillar on which we build and do business.

We are pleased that after two years of COVID we are finally able to get together in a normal fashion again. The “company outing” and the annual barbeque were a great success and gave new colleagues the opportunity to experience the company culture in a less formal manner. After COVID it was also time to pick up some projects which had been left in abeyance. Training opportunities were given to all employees. Some colleagues took the opportunity to improve their English whereas our non-Dutch speaking employees got the opportunity to attend physical Dutch classes.

The rising inflation has been a serious problem for many employees across the Netherlands. Therefore the board has decided on a raise in remuneration for all employees as well as a one-time compensation for the high energy prices in December 2022. More generally, an employee is free to voice their concern regarding remuneration at any time with the board.

	Total	Male	Female
<b>All employees</b>	81.22	61.24	19.98
<b>Permanent</b>	64.02	49.29	14.73
<b>Temporary</b>	17.20	11.95	5.25
<b>Non-guaranteed hours</b>	12.03	9.32	2.72
<b>Full-Time</b>	60.25	48.96	11.28
<b>Part-Time</b>	8.94	2.96	5.98

\* Figures are based on average FTEs. Example: If an employee with a full-time contract joined Luiten Food on the 1st of July 2022 they are counted as 0.5 FTE over the whole year.

# Our stakeholders

We see our stakeholders in the broadest sense of the word as a crucial part of the organization. Stakeholders are selected and assessed on their power on, and interest in Luiten Food. The influence of stakeholders differs and the interest they have in Luiten Food is not always equal. By making a distinction here, we hope to gain insight into how we should approach and/or involve the various stakeholders.

In addition, some stakeholder groups are monitored to a further extent for various reasons. For example, suppliers are assessed on the professionalism and origin of products and/or services to exclude any corruption or malpractice. In this way, we provide insight into whether its stakeholders are already engaged in socially responsible practices. From 2023 onwards, suppliers will be further assessed on multiple CSR topics including deforestation, ethics and environmental policy.

Stakeholders are selected on their interest in Luiten Food as well as the power they can exert on the company. This is interpreted in the broadest way possible. A power-interest matrix is then created to identify the most important stakeholders. The list on the right contains the most important stakeholders as well as the stakeholders the CSR performance ladder identifies as obligatory.

Management	Certification institutions
Employees of Luiten Food	NGOs
Foodservice customers	Retail customers
Employment agencies	Residents in the vicinity
Suppliers of meats	Shareholders
Competitors	National and European government
Bank	Suppliers of misc. services
Municipality	Branch organisation



8 DECENT WORK AND  
ECONOMIC GROWTH



# Employee wellbeing

Occupational health and safety are of utmost importance at Luiten Food. Especially our operational employees are subject to cold working environments. As a result, it is crucial that they are provided with good clothing to endure the cold. Furthermore, our production staff works with sharp cutting equipment. Therefore it is crucial to provide the necessary tools for them to safely handle this equipment. Furthermore, yearly food safety training is provided to all employees handling our products. This ensures the safety of the products and gives our employees confidence they have the skills necessary to handle our meat products with great care.

2022 was the first full year of operation of our works council. The council has convened on a regular basis to discuss relevant topics both internally and with the board.

Starting in 2022, all employees were offered educational opportunities to expand their skill sets. While some employees chose to update their knowledge in their own respective fields, other chose to diversify by following language courses. Furthermore, all non-Dutch speaking employees have started following weekly Dutch courses provided by Luiten Food

At Luiten Food, occupational safety is embedded in policy as required by the IFS food standards in addition to national and European law. This policy includes all workers working at and for Luiten Food and is based on a yearly risk assessment carried out by the quality department.

Sick leave percentage 2022:

**2.06%** (2021: 2.24%)

Number of serious\*  
occupational injuries 2022:

**0** (2021: 0)

\*Serious injuries include fatalities, high-consequence and recordable injuries.



# Emissions

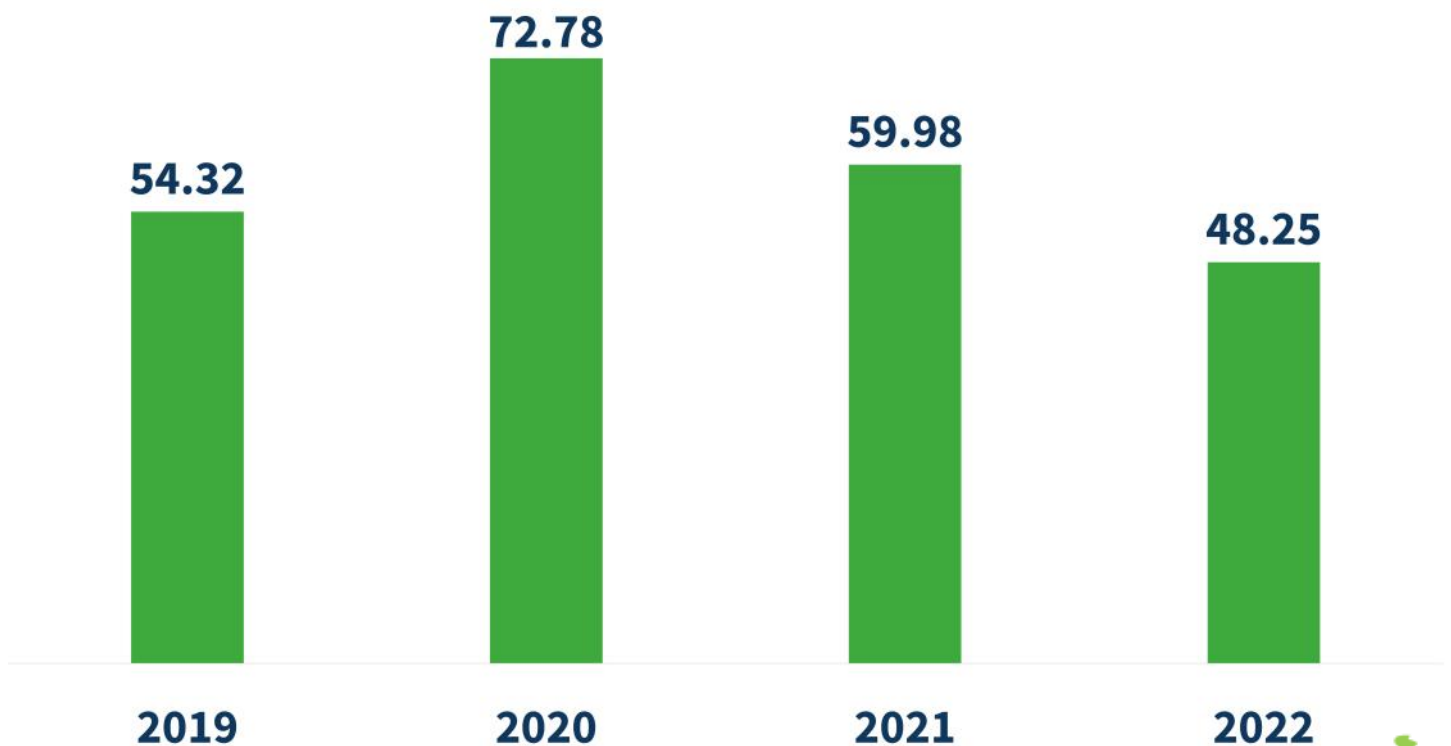


CO<sub>2</sub> and other greenhouse gasses contribute significantly to global warming, which is one of the most pressing environmental issues of our time. By monitoring our CO<sub>2</sub> emissions, Luiten Food can identify areas where they can reduce their carbon footprint and take steps to become more sustainable. In short, tracking CO<sub>2</sub> emissions is crucial to maintain a strong commitment to sustainability, reducing our environmental impact, and maintaining our competitiveness in an increasingly environmentally conscious market.

Currently, our reduction efforts are focused on our internal processes and consequent emissions. Within our new traceability project we will also focus on gathering relevant emissions data from our suppliers to be able to accurately measure our scope 3 emissions, as this is where most of the environmental impact is being made.

Our scope 1 and 2 emission reductions are on target to hit net-zero by 2030. The goal is to achieve this by energy reduction, production of green energy, and switching to biofuels as much as possible without compensating large portions of our emissions.

## KG of CO<sub>2</sub> emitted per tonne of sold product (Scope 1 & 2)



MWh of non-renewable energy used in 2022:  
980 MWh (-17% 2021)



Liters of diesel used for own fleet:  
52352 liters (-11% 2021)



# QA management

At Luiten Food, the main tasks of the quality department include: monitoring production processes, inspecting products, and implementing quality control measures to prevent contamination and ensure that products meet European and national standards. In addition, Luiten Food ensures that its QA management system is certified against various IFS standards as well as other certifications for animal welfare such as “Better Life Label”, MSC and ASC.

Despite the ongoing challenges with employee shortages, Luiten Food has managed to uphold a high standard of customer satisfaction. In fact, the number of complaints and food safety issues has decreased in recent years, indicating that the efforts of the quality department are paying off. Further improvements and actions will ensure that the quality system of Luiten Food will be continuously improving.

In order for Luiten Food to continue this success it is important keep innovating in technology to further streamline QA processes. A more in-depth traceability system will be implemented in the coming two years to enforce tighter control on product quality, as well as being able to ensure suppliers comply with international ethics and environmental standards. Other projects focus on improving efficiency and reducing waste, while also ensuring that all products meet the necessary quality and safety standards.

	2019	2020	2021	2022
<b>Total number of complaints to suppliers</b>	1136	939	930	951
<b>Number of complaints per tonne of product sold</b>	0.079	0.075	0.06	0.06
<b>Total number of complaints from customers</b>	636	566	606	673
<b>Total number of food safety complaints from customers</b>	277	196	217	218

# Waste management

9 INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



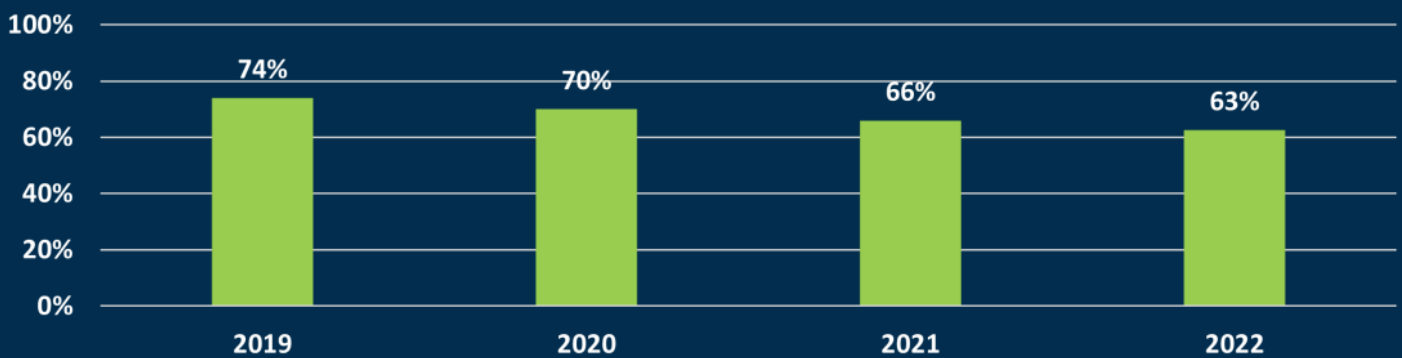
Packaging and in-company waste contribute significantly to our indirect emissions and to the unsustainable usage of resources. Luiten Food is bound by a large number of regulations mandating the use of virgin plastics when the packaging is in direct contact with meats. This makes the use of fully recycled plastics quite difficult. However, Luiten Food has been looking at ways to make its own packaging more easily recyclable whilst also focusing on in-house waste streams.

One of the initiatives implemented in 2022 was the investment in new machines that can recycle plastic film. These machines can convert film and wrap into small plastic pellets that can be reused for manufacturing new plastic products. This investment was a significant step in Luiten Food's effort to reduce plastic waste.

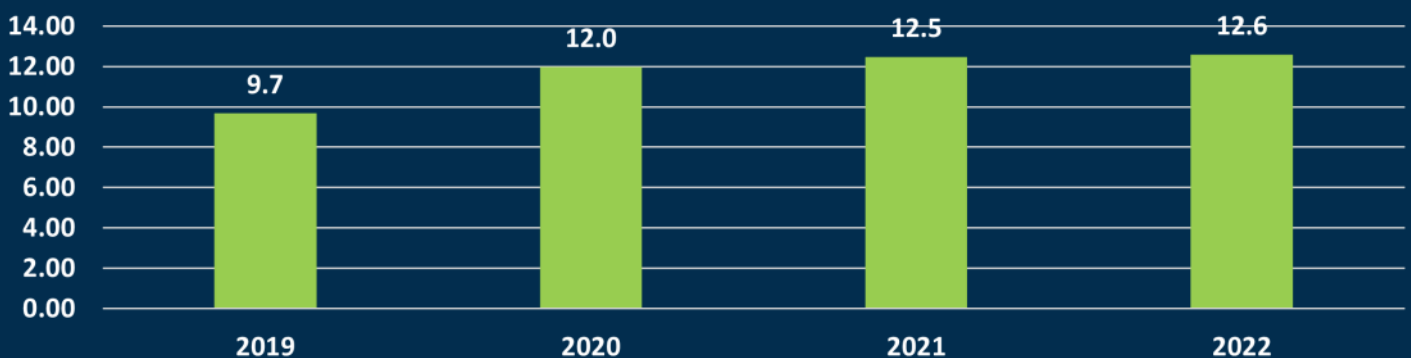
Another critical aspect of Luiten Food's waste management plan was the onboarding of a new waste collector is better suited to recycling and processing various types of waste, including paper, and plastic. This partnership ensures that there is a higher guarantee that waste is carefully recycled.

Various options of new packaging technologies as well as plastic alternatives were also explored last year. Luiten Food is actively looking for ways to reduce its reliance on plastic packaging and explore new, more sustainable packaging solutions. These solutions are focused either on plastic reduction or plastic replacements like biodegradable materials.

## Percentage of waste recycled



## KG of waste per tonne of sold product





# Animal welfare

## Increased consciousness

Animal welfare has always been an important topic for Luiten Food, but since the roll-out of the “Better life” certification we have strengthened our control on animal welfare throughout the whole supply chain. We have seen this same trend within the retail space, however, other sectors remained less interested. This has changed significantly in the past years, where we see a large increase in the demand of information on animal welfare. Therefore we are expanding our animal welfare database to include more topics in the coming two years. In this way we are able to respond to a wider variety of questions more quickly.

## Cross-examination

In 2022, the focus for animal welfare was put on reevaluating the cross-examination of the French label rouge standard with regards to the Dutch Beter Leven standard. The Label Rouge standard has once again been approved as being equal to the Beter Leven standard. Furthermore the “Nature and Respect” label has also been cross-examined and approved as being equal to the Beter Leven standard.

Yearly volumes of products with animal welfare certifications (tonnes)

	2019	2020	2021	2022
Better Life Label	2349	2288	2209	2054
Organic	208	81	97	63
Vegetarian / Vegan	-	-	-	151

# Financials

8 DECENT WORK AND  
ECONOMIC GROWTH



In 2022, we saw significant growth in net sales, which increased by €36.02 million from the previous year, reaching a total of €176.31 million. However, the quantity of products sold remained roughly the same at 15 kilotons. This is partly explained by the inflation rates across Europe in 2022. Especially the meat sector has seen serious increases in price across the year.

In 2022, the total equity rose by 3 million, solidifying our financial stability even further and giving us the opportunity to grow more steadily in the future. In terms of debt, our long-term debt decreased from €3.05 million in 2021 to €2.69 million in 2022. Our short-term debt increased by a significant amount, however, this is caused by the large amount of fresh-meat purchases during the Christmas period.

Overall, Luiten Food had a strong financial year in 2022, with significant growth in net sales and profits before taxes, and an increase in total equity.

	2020	2021	2022
<b>Net sales (revenue)</b>	€107.464.319	€140.285.256	€176.305.477
<b>Quantity of products sold</b>	13 kiloton	15 kiloton	15 kiloton
<b>Profit before taxes</b>	€3.086.339	€10.788.661	€12.132.650
<b>Total Equity</b>	€12.849.493	€15.862.803	€18.950.080
<b>Total Debt (long-term)</b>	€3.184.210	€3.052.319	€2.689.287
<b>Total Debt (short-term)</b>	€32.460.464	€32.285.063	€39.063.841

# Management structure

Currently, with a flat corporate structure, the board of directors delegates responsibility and authority to all employees separately without appointing formal senior management positions. C-level positions are mutually exchangeable with the board positions. This keeps the decision making process agile and flexible, adhering to the key fundamentals of Luiten Food's strategy.

3 executive members and 1 non-executive member.
None of the 4 members of the board are considered to be fully independent in their decision-making according to the ICGN Global Governance Principles
2 board members receive a management fee and 1 board member receives remuneration.
One board member holds another significant position as a board member and shareholder at a supplier, which creates a conflict of interest. This conflict of interest is mitigated by removing the executive rights of that member. Thomas Foods International is the relevant party involved in this conflict of interest
The board consists of 4 male members.
Two of the board members have formal responsibilities within the CSR management system and have been trained on CSR and sustainability.

Three of the board members are also shareholders of Luiten Food and, together, hold a majority share. Therefore the board of directors also represents a majority of the shareholders of Luiten Food. This also resolves conflicts of interest because shareholder goals are automatically aligned with the goals of the executive board.

The fourth board member receives fixed pay and variable pay linked to general company performance. No specific CSR performance indicators are considered in determining the variable pay.

If deemed necessary, additional board members are chosen on the basis of relevant experience, expertise and affiliation with Luiten Food. The support base amongst employees will also be considered when onboarding a new or additional board member.

The board is represented by Lennert Luiten within the sustainability team. The daily operations regarding sustainability are delegated to Jim Pardon and to other employees if necessary. The total board oversees the progress in biannual sustainability meetings. The information published in this report has been reviewed and approved by both Lennert Luiten and Roald Heinsbroek. Responsibility for sustainability due diligence processes is shared equally among the board members and are made in consultation with the relevant employees.

Critical concerns can be directly sent to or shared with the board of directors. For employees, an external, independent grievance mechanism is available if the critical concern involves the behavior or actions of one of the board members. Neither of the two options has been used in 2022 to voice critical concerns.

The performance of the board of directors is not evaluated by an independent party.

# Our policy

- Meet the wishes and demands of customers.
- Take responsibility for the environment, by means of controlling energy, wastewater and waste, e.g. by sorting waste, etc.
- Make use of sustainable raw materials and materials as much as possible.
- Respect all religions and nationalities and try to facilitate religious practices if this has no cost-increasing consequences.
- Do not use products produced with involvement of child labour or other types of human right violations Insofar knowledge of this is available.
- Motivate and involve employees in the decision-making process to improve process, product and organizational conditions
- Maintain a food safety culture, in which ‘teamwork’, ‘commitment’, ‘responsibility’, ‘trust’ and ‘learning’ are the central pillars.
- Prevent situations that could endanger food safety. Starting with the purchase and acceptance of the raw materials up until delivery.
- Perform entry checks, supplier assessments, microbiological checks and other verifications to ensure the quality of the products.
- Comply with the requirements and obligations prescribed by national and European law and certifications.
- Provide the necessary resources to ensure product safety, legality, integrity, and quality.
- Ensure that this policy is also effectively implemented by means of objectives so that we can continuously evaluate and adjust if necessary.
- Specify the (raw) materials, resources and outsourced work to be ordered so that safety and health risks related to the process and product are reduced.
- Declare that product specifications will be made available containing information about ingredient declaration, allergen information, shelf life and directions for use.



# GRI index 1/4

Disclosure	Description	Elucidation	Externally Assured?
2-1	Organizational details	Luiten Food B.V. Klaverblad 11 2266JK Stompwijk Netherlands	No
2-2	Entities included in the organization's sustainability reporting	Luiten Food Beheer B.V.  This includes Luiten Food B.V., Luiten Food Ltd, and Luiten Food import B.V.	No
2-3	Reporting Period, frequency and contact point	CSR report is published annually with information from the previous year.  This report contains information on 2022 and was completed on 01-05-2023  For contact: csr@luitenfood.com	No
2-4	Restatements of information	Information of previous years was solely based on the operations of Luiten Food B.V.  Because of the upcoming EU CSRD, CSR reports will now be encompassing Luiten Food Beheer B.V. and its subsidiaries	No
2-5	External Assurance	No external assurance is sought for the CSR report in 2022. The presence of a CSR report is, however, required by the CSR performance ladder.  Financial Statements are audited as required per Dutch law.	CSR Performance ladder (partial)  Dutch Law
2-6	Activities, value chain and other business relationships	Page 5	No
2-7	Employees	Page 6	No
2-8	Workers who are not employees	The number of workers who are not employees fluctuates significantly during the year. The most common type are workers employed by an employment agency. Other workers include cleaning services, technicians and consultants. These are all contracted by other companies who sell the service to Luiten Food.	No
2-9	Governance structure and composition	Page 14	
2-10	Nomination and selection of the highest governance body	Members of the body are selected by shareholders based on time at the company and whether the candidate has a complementary skillset to the current board members.	No
2-11	Chair of the highest governance body	2 of the board members are also shareholders in the company. This is not viewed as a conflict of interest and considered normal in the Dutch B.V. structure.	No

# GRI Index 2/4

2-12	Role of the highest governance body in overseeing the management of impacts	C-level develops and approves the purpose, values, mission statements, strategies, policies, and goals of Luiten Food together with the relevant employee(s). Top management is always ultimately responsible for all decisions.	No
2-13	Delegation of responsibility for managing impacts	All senior executives are confronted with some aspects of sustainability in their responsibilities. One of the senior executives has ultimate responsibility over the CSR practices of Luiten Food. He takes part in the CSR meetings which are held quarterly.	No
2-14	Role of the highest governance body in sustainability reporting	CEO is responsible for the material topics included in the report. CFO is responsible for the correctness and approval of information.  The CSR manager designs and writes the report after which both the CEO and CFO review and approve the report after one has added an introductory page.	No
2-15	Conflicts of interest	Due to the size of Luiten Food B.V. there are no signs of internal conflicts of interest.  One of the shareholders is cross-shareholding in both Luiten Food B.V. and a supplier. As this strengthens the cooperation between this company and Luiten Food B.V. it is not deemed a conflict of interest.	No
2-16	Communication of critical concerns	External whistle-blower policy is in place and operational. Not used in 2022. Tested both internally and externally in 2022.	No
2-17	Collective knowledge of the highest governance body	Different workshops and masterclasses have been followed by the highest governance body to increase the knowledge and experience on sustainable development.	No

# GRI index 3/4

2-18	Evaluation of the performance of the highest governance body.	The CSR management system and the performance of the highest governance body are externally audited in accordance with the CSR performance ladder. Both are deemed adequate with regards to the requirements of the CSR performance ladder.	Yes – CSR performance ladder level 3 (audited by SGS)
2-19	Remuneration policies	Page 14	No
2-20	Process to determine remuneration	Page 6	No
2-21	Annual total compensation ratio	Due to the size of Luiten Food, information publicised in this disclosure can be traced back to one employee. This is not in accordance with Dutch privacy law and therefore Disclosure 2-21 is omitted.	No
2-22	Statement on sustainable development strategy	Page 3	No
2-23	Policy commitments	Page 15  Due diligence is practiced in accordance with the CSR performance ladder  Human rights are upheld in accordance with the convention on human rights.	Due diligence is audited in accordance with the CSR performance ladder.
2-24	Embedding policy commitments	Luiten Food's policy is shared with all employees, they are asked to read and agree with the policy whenever a change to this policy occurs. The policy is also discussed in the food safety course.  The policy encompasses the fundamental way of working of Luiten Food and is engrained in all processes. All suppliers are asked to read and comment on our policy and are asked if they agree with the content.	No
2-25	Processes to remediate negative impacts	Luiten Food has, together with its stakeholders, identified 6 material themes where it remediates negative impacts. By focusing on continuous improvements on these topics, it is able to guarantee a step-by-step reduction in negative impacts on society and the environment	No

# GRI Index 4/4

2-26	Mechanisms for seeking advice and raising concerns	Stakeholders are able to voice their opinion about our sustainability policy and material themes. They have also been a fundamental part of the determination of material themes. They can raise concerns with the CSR manager or their respective account managers.	
2-27	Compliance with laws and regulations	No instances of non-compliance have been identified.	
2-28	Membership associations	Luiten Food is part of the Dutch Meat Importers Association.	
2-29	Approach to stakeholder engagement	Page 7	Yes – CSR performance ladder level 3 (audited by SGS)
2-30	Collective bargaining agreements	Luiten Food is not bound to any collective bargaining agreement.	No





# Sustainability Report 2022

<b>LUITEN FOOD</b>	<b>THOMAS FOODS<sup>®</sup> INTERNATIONAL</b>
BEEF  LAMB  GAME  POULTRY  SEAFOOD  VEGETARIAN	AUSTRALIA   EUROPE   UK   CHINA   USA   JAPAN