

Thoughts of our management

We asked the four members of the Henry Lamotte Oils top management: What is your first thought when you hear the word "sustainability" in relation to our company?



Hermann Bosse joined the company ten years ago as the first representative of the fourth generation of the founding family. As a managing partner, his responsibilities include Purchasing and Supply Chain & Operations.

"Family businesses generally stand for a sustainable, cross-generational style. It is about developing the company with passion for our business, whilst always keeping an eye on the long-term perspective, and in particular on the next generation.

By this, we explicitly mean beyond our shareholders the next generation of <u>all</u> stakeholders – that is, employees, customers and suppliers. Our constructive and critical self-reflection in this report thus enables long-term development <u>for</u> people and <u>for</u> the environment. Thereby, Henry Lamotte Oils contributes to positive changes in our society."



Albert Lamotte started working at Henry Lamotte Oils in 2018. Today, as a managing partner, his responsibilities include the fields of Sales, Quality and Communication.

"We are convinced of the functionalities that our raw materials and products from nature deliver. Our basic understanding is to transmit to our customers anew every day the versatile application possibilities in formulations in cosmetics and medicines, in nutrition as well as for animal welfare.

The protection of nature and the sustainable use of its resources ensure the origin of our products tomorrow. With this in mind, we have firmly anchored sustainability in our corporate strategy. It covers a wide range of topics arising from our activities and serves as an innovative force to present new product solutions to our customers."

A. Lawoth



Sonja Peinemann has been with the company since the summer of 1991 and is now Head of Food Industry and Food Retail Sales.

"Sustainability – first of all, I am honestly still amazed at the dynamics with which this topic has developed recently. 'Sustainable business' has become a key concept and it is impossible to imagine our society without it, although the term seems relatively new – having a very long history, because the sustainable use of vital resources has always been part of the survival strategy in all cultures on this planet.

In relation to our company, I find it exciting to experience how many things that have been important to us right from the start are being turned inside out, so to speak, because making them visible is now becoming a necessity. I'll give you just one example: Dealing with our business partners in a respectful manner. Long-term supportive – that is, sustainable – connections, always at eye level with our suppliers and customers, have always been part of our daily practices and success.

It remains important that we continue our efforts and pursue and shape our ideas. We are all responsible for developing the three-dimensionality of sustainability."



Arne Schwoge started working for Henry Lamotte Oils 32 years ago. Today, he is the Commercial Manager of our Oil Mill Lipos and is responsible for Purchasing of Seeds.

"For me, sustainability is a word that reflects many elements in my 32 years of work. It stands for reliability, considerate and respectful treatment of people and the environment, and cost-conscious and responsible use of resources. Sustainability is not really anything new and has always been part of what we do. Against the backdrop of the current issues facing our society, our self-evident principles stand out more clearly. Thusly, they enhance our awareness of our responsibility in our daily actions."

7. Sloop

2



2021: This winter poppy grows in a field in Hambergen (Lower Saxony), and we plan to press it in our Oil Mill Lipos – more details on p. 17.

Table of contents

Thoughts of our management

Filled with passion: What we do and for whom

Out business: natural products – Services and customers – What moves us – Our values

Corporate management and sustainability

Family business with high standards – Structures for sustainability

Value creation with appreciation: our suppliers and 10 supply chains

Partnership with our suppliers — Structure of our supply network and our role — How we promote and demand sustainability in our value chains — On-site visits and own audits — External audits and certifications — Supplier questionnaires and assessment — Our Code of Conduct — People in the value chains of our products

Sustainability in our range

Our products: overview — Sustainable product prices — **15**For variety in agriculture and for regional value creation
— For environmentally friendly processing and as vegan product alternatives — For the people and societies behind our products

What working at Henry Lamotte Oils is all about

Our colleagues – How we interact – Staff development 20 – Vocational training: our offering – Work-life balance and compatibility between career and family – Remuneration and fringe benefits

Environmental management at our sites

Our relationship with nature – Environmental impacts and their minimization – Carbon footprint and climate protection – Green electricity

Henry Lamotte Oils for its home region

Our 90,000 bee colleagues: hard at work for biodiversity – Year after year: our Christmas campaign – Cycling for a good cause

Clicking on a title leads to the desired chapter.

Filled with passion: What we do and for whom



45.000 t annual sales



130+ million € turn over



48 countries of origin



211 employees

Our business: natural products

Sustainability is inseparable from the Henry Lamotte Oils GmbH business model, as our products come directly from nature – they are based on hemp seed, shea nuts, sunflower seeds and many other **natural raw materials**. In close cooperation with **partners based across the world**, we gain oils and related products such as vegetable butters, waxes, protein flours and oleoresins from nature's plenty.

Our product variety includes conventional and organic qualities as well as certified vegan, fairtrade or kosher goods. Using **over 90 raw materials**, we create **several hundred products** through, for example, pressing, refining and aromatization.



Our assortment



Oils, Fats & Waxes



Organic Range



Maritime Products



Press Cakes, Flours and Proteins



Oleoresins



Pharmacy Range



Services and customers

Our corporate management is based on our aspiration to be a **leading quality supplier** of natural oils and related products. As an integral and coordinating partner in our value chains, we ensure **high availability** of top-quality products.

At Henry Lamotte Oils, quality encompasses both the safety of our products and our responsibility for people and the environment – each along the entire value chain, because the natural raw materials for our products come from 48 countries of origin. The implementation of our holistic understanding of quality is comprehensively and regularly checked by **independent auditors** (see p. 8).

At our company headquarters in Bremen, Germany, we have our **own laboratory** with state-of-the-art equipment and a **department for quality assurance and product development**. This is where the research for new products happens, including legal implications, innovative and customized formulation developments, product use

studies and much more. Our various products are filled and bottled at **seven filling stations** for end consumers and for industrial purposes. The packaging options range from glass bottles to cans and lidded jars to canisters, buckets, barrels, containers and tankers. The capacity of our **tank farm** is constantly being expanded and currently amounts to over 1,000 tonnes.

In the company's own Oil Mill Lipos in Bremen, we press around 8,000 tonnes of raw material per year, around 90 percent of which is certified organic. At our subsidiary **Oleum in Bremerhaven**, we produce, blend and bottle an array of (edible) oils since 1965.

Our **B2B customers** come from the sectors foods, cosmetics, pharmaceuticals, animal nutrition and care as well as chemistry and technology around the world. Everyone chooses the elements that suit them from our range of services.

Our Services Our Oil Mill Lipos Quality Assurance Worldwide Sales Product Development Our business activities extend to all levels of the value chain. Private Label

What moves us

We call our philosophy "Hanseatic reloaded". It combines modern corporate management principles with the best of Hanseatic tradition and a close alliance with our fellow human beings. Bearing corporate responsibility in a value-oriented manner has always been part of our self-image. Today, it has become an elementary component of modern sustainability agendas. One example: Our company is a reliable and competent business partner.

This enables us to ensure safe workplaces that comply with social principles, both at Henry Lamotte Oils and at our suppliers. We contribute to the United Nations Sustainable Development Goal (SDG) 8: Decent Work and Economic Growth.

Our values

The handshake counts.

Trust and reliability are key to our business activities – within the team and towards partners.

We rely on agility.

Agility characterizes how we work closely with our customers.

Curiosity drives us.

Pleasure in innovative products and technologies ensures the growth and success of our partners.

We are entrepreneurs.

Personal initiative and passion determine our work.

Teamwork takes us further.

Together, we are strong and successful. We think global and in networks.

We create security.

We stand for security in delivery capability and quality. Whatever the weather.





Corporate management and sustainability

Family business with high standards

The management of Henry Lamotte Oils is in the hands of Hermann Bosse and Albert Lamotte from the fourth generation of the company's founding family. Together with the directors Sonja Peinemann and Arne Schwoge, they form the management team of our company. The management of Henry Lamotte Oils is stable and secured for the long term, not least through the active **contributions** of the family members. Together with our committed employees, the management will carry our corporate values into the future.

In the context of periodic certifications, independent auditors regularly confirm that our processes meet high standards. Our quality and management system is based on the ISO 9001 and ISO 14001 standards. Thereupon, we implement sector-specific standards as well as product-focused standards (see p. 13).



Our current management (from left): Albert Lamotte, Sonja Peinemann, Hermann Bosse. Arne Schwoae















Selection of our process-related standards

Structures for sustainability

The number of sustainability-related topics for Henry Lamotte Oils and their complexity have increased over the years. To ensure that we give precedence to the most important, we systematically captured and prioritized the issues for Henry Lamotte Oils in 2019. Among other things, ISO 26000 served as an orientation. The management and departmental representatives played a leading role in the whole process. Moreover, a survey among all employees was conducted. A long-term staff member completed a one-year sustainability training course and managed the selection and prioritization of topics together with an external consultant. Our corporate policy Sustainable Management, which is available to all colleagues, describes all our material topics. We are currently **updating** the policy as well as our materiality matrix and will complete this in the first half of 2022.

In 2020 and 2021, we conducted an in-house analysis of our most sustainability-relevant processes procurement (purchasing), sales and innovation: To what extent do they already contribute to our material topics, and how can we improve this even more in the future? By means of a target-actual comparison, we have reviewed our current sustainability activities for their match with the policy and adjusted the planning. In the coming years, we will increasingly interweave the material topics and corresponding targets with the corporate processes.

Structurally, a core sustainability team currently coordinates sustainability at Henry Lamotte Oils. It consists of a managing director, the head of the purchasing department and two colleagues who also work to a small extent in purchasing respectively communication. This way, we want to ensure the best possible integration of sustainability into our daily business, even if working on second fields of activity is challenging at times.





Value creation with appreciation: our suppliers and supply chains

Partnership with our suppliers

Since the company was founded in 1925, our goal has been creating **long-term** cooperation with our suppliers based on **trust**. **Open-mindedness and respect** for the different cultures of the world, for their (traditional) knowledge and their innovations is a tremendous asset for us.

This is how **resilient partnerships** have been and are being formed that have lasted for decades or even generations. This enables us to find the best possible solutions

for all participants in the value chains, while harvests, availabilities, prices and qualities are subject to ever greater fluctuations. During the coronavirus pandemic, we experienced how viable many of our supplier relationships are even in such challenging times. This reliable basis ensures **high availability of top-quality products** for our customers. At the same time, all companies in the value chain act as employers, creating **livelihoods** for their employees and their families.

"Closeness is an important part of our cooperation. We are close to the needs of our customers and equally close to our suppliers and partners. Trustworthy and reliable - hanseatic."

> Hubertus Thost, Head of Markets / Purchasing



Structure of our supply network and our role

The cooperation with our **roughly 100 German and 200 international suppliers** forms the basis for our wide range of products. We carry several hundred products made from natural raw materials with around 50 different countries of origin worldwide.

Securing our supply chains is our core competence and the heart of our business model. **Maintaining value chains** also means maintaining jobs and the family incomes that depend on them. We consciously spread risks for our company and its employees as well as for our customers, if possible, across several climate zones and continents. Therefore, we have always adhered to

the principle of **multi-sourcing** with a correspondingly high level of effort for our **demanding**, **value- and quality-driven supplier management**.

As a link between customers and suppliers, we are in intensive dialogue with both. By providing **information at the earliest possible stage**, for example, on developments in raw material and end consumer markets, we create beyond **transparency** room to design and implement **solutions**. Against this backdrop, we are currently working more closely with selected partners on new, tamperproof information platforms such as blockchain.

How we promote and demand sustainability in our value chains

Our value chains present both great opportunities and great challenges in terms of sustainability and the SDGs of the United Nations. Our **understanding of quality** encompasses both product safety and our responsibility for people and the environment. We pursue quality assurance and its further development along the entire value chain. In order to meet the high demands on ourselves and on our suppliers, we build on **knowledge exchange** as well as on **control and evaluation instruments**, which we equally apply in our own company.

Our toolbox for sustainability in our value chains currently contains as core elements:

- On-site visits and own audits
- External audits and certifications
- Supplier questionnaires and assessment
- Code of Conduct

We aim to progressively identify and assess social and environmental risks and opportunities for <u>all</u> our products. In line with our materiality analysis, we currently give the highest priority to social issues (see p. 14).



On-site visits and own audits

During the coronavirus pandemic, if not even earlier, virtual meetings established themselves as a common, efficient and low-carbon meeting format. We would like to combine it again as soon as possible with regular on-site visits all over the world, as they are tradition in our company.

Direct contact promotes exchange with our partners in an inimitable way. Moreover, in our experience, we get an extremely multi-faceted picture of the growing and production conditions of our oils and of the working conditions. This enables us to verify crop forecasts and other information from our suppliers. An additional element of our quality controls may be audits at suppliers accompanied by a specialist from our internal quality department. Such audits are carried out as part of our risk-based audit plan.



"Transparency and quality in the value chain are created by personal talks and conversations at eye level - whether in the field of a Ugandan farmer in Gulu or during an exchange with German farmers in Osterholz-Scharmbeck."

Arne Schwoge - Director, Commercial Management Oil Mill, Purchasing of Seeds

External audits and certifications

In addition to our own on-site visits, we also rely on audits and certifications by independent third parties to meet our sustainability demands in the value chain in a verifiable manner. Product labeling with logos is often possible, so that the added sustainability value becomes visible to the end consumer.



We ourselves have manifold certifications (see adjacent figure and p. 8), both at product and company level. Among others, our audit in accordance with the **SMETA** 4-pillar standard (Sedex Member Ethical Trade Audit) explicitly addresses our dealings with suppliers. In 2022, we received a gold medal from the rating agency **EcoVadis**. This puts us among the top seven percent of the more than 90,000 companies whose sustainability is assessed by EcoVadis. One of four thematic fields considered is sustainable procurement.

Supplier questionnaires and assessment Our Code of Conduct

We are systematically integrating sustainability deeper and deeper into our quality management system inaccordance with ISO 9001. For example, our digital quality management manual specifies in the *Procurement* procedural instruction the purchasing department's task to check sustainability aspects with suppliers. For this purpose, we use among other things the answers given in the supplier questionnaires from our quality management manual. The questionnaires represent a structured self-assessment of our suppliers on how they deal with social and ecological issues. The results of this selfassessment are taken into account in the annual supplier assessment by our purchasing managers.

For suppliers based in or delivering raw materials from a risk country according to the amfori BSCI (Business Social Compliance Initiative) classification, we weight social responsibility in the supplier assessment at 20 percent (see also the section People in the value chains of our products on p. 14).

Since July 2021, our Code of Conduct has bindingly defined how we understand and realize responsible interaction with people and nature in our value chains. Among other things, our Code of Conduct is based on the core labour standards of the International Labour Organization and on the principles of the amfori BSCI Code of Conduct.

Suppliers of Henry Lamotte Oils undertake to comply and to obligate their direct sub-suppliers to comply with all applicable laws and regulations as well as with the guidelines on social responsibility, ethical business conduct and ecological responsibility defined in the Code of Conduct.

Strong partnerships

value creation

with appreciation

Code of Conduct Henry Lamotte Oils GmbH

Access to the complete

Code of Conduct:

Sustainable evidence with reference to suppliers or raw materials



BSCI



COSMOS





marin Trust















People in the value chains of our products

The ever-expanding implementation of social responsibility has traditionally been one of our most material sustainability topics. In this, we agree with our customers and now with the German *Lieferkettengesetz* [Supply Chain Act] ¹. Of our 300 suppliers, around 20 percent are based in a risk country with regard to social issues. When classifying as a risk country, we follow the list of **amfori BSCI**, where we have been a member since 2012. Another roughly 35 percent are based in the EU or other countries with low social risks, but source the raw materials for products supplied to us from BSCI risk countries.

It is our declared **objective** to analyze our entire product range for social risks in the coming years according to a refined system. We will increase the number of products that come from socially certified or audited origins, or from a country of origin with a low risk of violating social standards (for example, core EU).

For suppliers based in or delivering raw materials from BSCI risk countries, we already record the social standard to which they are certified or audited. We have defined internally which standards are considered equivalent with regard to social issues. These standards include all BSCI requirements (thusly including ILO core labour standards) and require a third-party audit at least every three years. During on-site visits to our suppliers, our purchasing managers use the *amfori BSCI Buyers Checklist*. We discuss potentials for improvement with our suppliers and follow up on their implementation.

¹Gesetz über die unternehmerischen Sorgfaltspflichten in Lieferketten [Act on business due diligence in supply chains] of July 2021

With all these demands on our suppliers, the **idea of** "value creation with appreciation" is key, and we are ready to provide support. It is in line with our self-image to see people and their families behind the term "social risks"!



A collector in Colombia cracks nuts for our Paradise Nut Oil.



Sustainability in our range

Our products: overview

Our wide range of natural oils, fats, vegetable butters, waxes, protein flours, algae and oleoresins includes **several hundred products**. They are produced from **over 90 raw materials**, for example, through pressing, refining, aromatization or stabilization. They include (exchange-traded) **commodities** such as Rapeseed, Sunflower and Soybean Oil, as well as **widely used oils** and fats such as Linseed oil, Coconut Oil, Shea Butter and Hemp Oil. In addition, there are rather **unknown and innovative specialty products**, such as Paradise Nut Oil or Cupuaçu Butter.

Our company started with marine oils, which are still an integral part of our range today. Over 95 percent of our products originate from plants.

Sustainable product prices

"Agricultural growth in low-income economies can reduce poverty by half".² From this statement made by the FAO (Food and Agriculture Organization) of the United Nations, we at Henry Lamotte Oils gather a great opportunity – and at the same time an immense responsibility.

What we experience: It is a difficult balancing act to find prices that are viable and adequate in the long term for our suppliers as well as for our customers and for our own company. Our supplier visits around the world show us again and again that prices are closely linked to good jobs, families' household incomes and their standard of living, as well as to ecological investments and working methods.



How our product range offers added value in sustainability

For regional value creation

· Regional (contract) cultivation and processing in Bremen

Example Hemp Range, p. 17

For the people and societies behind our products

- · Community-based product line
- · (Donation) projects at the raw materials' origin

Example Community-based line, p.19

For variety in agriculture

- Promotion of special crops
- Dialogue with farmers

Example Hemp Range, p. 17

To **ensure** and **increase** high sustainable quality

is part of our passion since 1925.

On-site visits and own audits

Supplier questionnaires and assessment

Code of Conduct

External audits and certifications

For environmentally friendly cultivation and processing

- Products with Naturland and EU organic certification
- RSPO-certified Palm Oil and Palmkernel Oil*
- · Soybean Oil with ProTerra certification
- · Products embodying the upcycling idea

Example Press Cakes and Flours, p. 18

For socially compatible supply chains

· Products which demonstrably comply with social standards. e. g., with Fair for Life certification or BSCI audit**

For more animal welfare

- Fish products with MarinTrust, MSC, ASC and, in the future, Friend of the Sea certification
- · In progress: mulesing-free lanolin
- Vegan product alternatives

Example Press Cakes and Flours, p. 18

* More on the sustainability certifications: lamotte-oils.de/en/Sustainability

RSPO stands for Roundtable on Sustainable Palm Oil. We have been certified for the Identity Preserved (IP), Segregated (SG) and Mass Balanced (MB) supply chain models since 2011. For our product range, the following applies:

- Organic Palm Oil 100 percent RSPO-IP since 2014, organic fractions since 2019
- Palm Oil and fractions for food exclusively RSPO-SG since 2017
- Palm Oil fractions for all customer industries at least RSPO-SG since 2020
- Palmkernel Oil completely converted to RSPO-SG in 2021
- For palm-based Glycerin and MCT Oil, all purchases via our warehouse since 2021 RSPO-MB

For variety in agriculture and for regional value creation

Our Hemp Range as an example

"Hemp - that's what the conversation between local farmers and I as the manager of our Oil Mill Lipos came to in 2015, at the Christmas market in my hometown of Hambergen. For years, we had sold Hemp Products made from Canadian hemp at Henry Lamotte Oils. I thought: "For our oil mill in Bremen, hemp from Germany would be ideal: regional all around!" Thought, said, done. In 2016, the first Hambergen harvest went through our oil press. Challenges included the failed harvest of a variety of hemp with 3.5-metre stems and fibers that made threshing impossible.

The effort is worth it! This was expressed by several "hemp brothers of the early years" from Hambergen at Henry Lamotte Oils' Hemp Day in January 2020. 20 German farmers personally exchanged views on opportunities and challenges in the cultivation and processing of hemp. More and more farmers are now supplying our Oil Mill Lipos under contract. Also thanks to the cooperation with Naturland, (organic) hemp plants for hemp oil, meal and press cake from Lipos are now growing on several hundred hectares of land in Germany. In 2021, we pressed Naturland hemp for the first time. And: We test poppy **cultivation and pressing** together with one of the hemp brothers. The **University of Bonn** scientifically records the added values for sustainability and biodiversity."

Arne Schwoge – Director, Commercial Management Oil Mill, Purchasing of Seeds

Our Hemp Products contribute to these SDGs of the United Nations, for example:

Working in partnership for innovation and development



- Continuous close exchange with farmers, e.g., on quality aspects
- Hemp Day at the beginning of 2020

Favorable carbon footprint



- Short distances: Hemp cultivation and the production of many hemp products can take place in northern Germany within a 300-kilometre radius.
- Good carbon footprint in cultivation. as hemp rarely needs to be chopped or harrowed

Contributions to insect protection and thus to biodiversity



- Abundant pollen as a food source for insects
- No need for plant protection products with potential negative effects on insects and on groundwater



Back to the table of contents

For environmentally friendly processing and as vegan product alternatives Flours and Press Cakes as an example

The gentle cold pressing of oil seeds, for example, produces oils and press cakes. Fine grinding of the press cakes produces flours. Press cakes and flours with a common residual oil content of five to ten percent are often rich in protein and fibers. Depending on the raw material, they have a variety of other nutritionally valuable ingredients. The flours are a popular source of protein in foods such as shakes, bars and baked goods. Press cakes enrich pet food with omega fatty acids and amino acids.

Press cakes and flours mean extra sustainability:

- They stand for the main idea behind (food) upcycling, the complete and thus environmentally friendly use of raw materials. By processing the flours and press cakes as well as the oils according to the highest quality standards, we use all components of the raw materials.
- They can (partially) replace meat as a traditional source of protein in human and animal nutrition. As plant-based sources of protein, flours and press cakes are free from the negative emotions and ethical conflicts associated with factory farming and slaughter. At the same time, they contribute to resource conservation and climate protection, because: Animal proteins in the form of meat are produced when farm animals convert vegetable proteins into animal proteins by digestion. There are conversion losses in the process, which is one of the reasons why meat has a signifi-

cantly worse ecological footprint than plant-based alternatives. In a study by the ifeu Institute from Heidelberg in 2020, the **carbon footprint** of one kilogram of beef was given as a good 13 kilograms, while less than one kilogram of carbon was calculated for protein flour.

A few years ago, soy protein was the strongly predominant base for meat substitutes in the food market. Nowadays, there are far more plant-based protein sources available for both humans and pets that can meet many needs.

Our flours and press cakes contribute to the following SDGs of the United Nations, for example:



Conservation of resources: using all the constituent parts of raw materials in the sense of the main idea behind upcycling

Positive income effects for all participants in the value chain when all components of the raw materials are processed into high-quality products



Minimizing the carbon footprint when flours or press cakes are used instead of animal protein sources

For the people and societies behind our products

Our community-based product line as an example

With our *community-based* product line, we have been striving to make visible the contributions to nature and people in the value chains of products since mid-2021, some of which we have had in our range for many years. The products have special **added sustainability values**:

- People in the countries of origin of the raw material use or manufacture the products traditionally, which makes them particularly authentic.
- The products provide local people with a fair income and thus with a better standard of living.

"Involving smallholders with an added value in sustainability" – this claim stands for the **criteria** we apply to our *community-based* products.

The cultivation or wild collection of the raw material is done by smallholders.



In addition, each product reinforces at least three sustainability aspects and related SDGs of the United Nations.

How our *community-based* products strengthen the SDGs

Contribution to the SDG



Job and income opportunities are created in economically underdeveloped regions.



Knowledge is exchanged during harvesting in the village community, which can improve the quality or the negotiating power vis-à-vis purchasers, among other things.



Women empowerment takes place, especially when it comes to *handcrafted quality*, since the processing of nuts is traditionally 'a woman's job', and their income often benefits children.



People receive **training** on quality- and conservation-oriented wild harvesting. The trees can thus be used in the long term.



The trees are preserved for native **biodiversity**: The economic importance gained enhances protection against deforestation. The wild harvesting of marula kernels has been certified by the Certification of Environmental Standards GmbH.

Our products

Paradise Nut Oil Marula Oil

Shea Butter Paradise Nut Oil

Shea Butter

Marula Oil

Shea Butter
Marula Oil
Paradise Nut Oil

More about our
Green Ingredient
Award Winner
Paradise Nut Oil

More about our communitybased products including product videos on our website:



in-cosmetic global Green Ingredient Award 2020



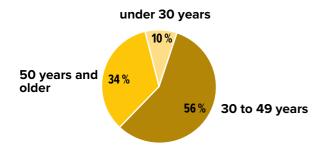
^{*} More about food upcycling and the complete use of raw materials through our products: lamotte-oils.de/en/Sustainability/Upcycling

³ ifeu – Institut für Energie- und Umweltforschung Heidelberg gGmbH (2020), Ökologische Fußabdrücke von Lebensmitteln und Gerichten in Deutschland [Ecological footprints of food and dishes in Germany], ifeu.de/fileadmin/uploads/Reinhardt-Gertner-Wagner-2020-Oekologische-Fu%c3%9fabdruecke-von-Lebensmitteln-und-Gerichten-in-Deutschland-ifeu-2020.pdf, p. 13 [only in German]

What working at Henry Lamotte Oils is all about

Our colleagues

Our staff of **211 employees** makes Henry Lamotte Oils what it is today: a leading quality supplier of natural oils and related products in an international environment. For this purpose, the colleagues combine their individual competences into a **common whole**. 52 employees work in our state-of-the-art production facility: They fill and decant, stabilize products, pick and load. In the adjacent office buildings, including the laboratory, the commercial colleagues are busy with the purchase of our products, quality assurance, sales and much more. Our Oil Mill Lipos in Bremen and our subsidiary Oleum in Bremerhaven (see p. 6) together employ 16 people. 96 percent of all persons mentioned are in **permanent employment**.



Age structure of employees at Henry Lamotte Oils in December 2021. The average length of service is a good 11 years.

How we interact

At Henry Lamotte Oils, we have been committed to sustainable relationships since 1925 – with our employees as well as with customers, suppliers and service providers. We want to be **fair and transparent** with each other, even when things are stormier.

Our colleagues stand out - each in their own way thanks to their competence, motivation, team spirit and identification with the family-run company. We promote this attitude with flat hierarchies and short decision-making processes, opportunities to have a say and individual further training opportunities. Open, respectful and proactive **communication** is one of our central concerns. It is key for facing the daily changing challenges of our diverse business with pleasure and commitment. We strive for this kind of interaction within the teams and with the management. This applies to the daily work routine as well as to the one-on-one meeting between each employee and his manager, which takes place at least once a year. The conversation serves as an open exchange about tasks, targets, cooperation and development in the past year and for the coming year. At Lamotte Team College, we have been working intensively on the further development of our leadership culture since October 2021.

Staff development

Our comprehensive **market knowledge** is our pride and at the same time our great commitment, especially to our renowned customers. In our daily activities, we take responsibility for the **safety of our products**, which is why **training** is of utmost importance to us. At least once a year, the one-on-one meeting between the manager and the employee provides the opportunity to talk about **individual development needs and wishes**.

Vocational training: our offering

Enthusiasm for our high-quality products and innovations, comprehensive market knowledge and our commitment to responsible, sustainable action – we want to convey all that to our trainees. That's why we involve them in the **company's activities** right from the start. They get to know all the areas that are important for our business activities. Over time, this includes participation in quality audits, customer meetings in and outside the company, and trade fairs. The trainees are supervised by qualified trainers, and our contact person from the human resources department is always available for assistance. Specialist training courses, seminars for personal development and in-house instruction are further components of the training with us. We offer interested applicants the opportunity to study alongside their training. For several years now, Lamotte trainees have repeatedly taken part in the **business simulation** *playbizz*, which is organized by the Bildungswerke der Wirtschaft [Education Workshop of German Commerce and Industry] in Germany.

This means: They lead a (business simulation) company as a manager and thus deal with business basics from a praxis-oriented perspective.

In 2021, **six trainees** were working at Henry Lamotte Oils as prospective wholesale and foreign trade management assistants. We are always interested in the cooperation proving its worth and continuing after the training – as in the case of several current sales managers who completed their training with us.



Lamotte Made: Under their brand, created in 2020, our trainees develop products from raw materials in our range. They donate the proceeds from staff sales to charitable institutions of their choice in and around Bremen.



Work-life balance and compatibility between career and family

Depending on the options of the area of responsibility and after individual arrangement with team members and the manager, our offers supporting a work-life balance and the compatibility of career and family include:

- Flexible working hours by arrangement
- Taking children to the office in the event of an unforeseen lack of childcare
- External confidential social counselling, for example, in case of stress, burnout or family problems
- Financial support for childen holiday care
- Support for employees who are carers, for example, for elderly family members



Excellent family friendly

The state of Bremen together with the Impulsgeber Zukunft e.V. [Impulse Generator Future] awarded us the seal excellent family-friendly. It stands for the recognition of our achievements to date in reconciling work and family life. In addition, we regularly commit ourselves to further measures.

Due to the coronavirus pandemic, many colleagues are working from home, often to a considerable extent. In the course of our ongoing *HL-Collaboration* project, we are making our **IT working environment** future-proof: Mobile IT workplaces and modern software solutions will enable us to work efficiently from any location to a new extent. We are accompanying this technical conversion by a

Mobile Working Team, who, for example, tests concepts with pilot groups in the company and uses the results to develop guidelines and recommendations for everyone.

Remuneration and fringe benefits

We are guided by the principle of performance-based pay. In addition to the monthly salary, all employees at Henry Lamotte Oils receive one additional, that is, a **13th, monthly salary**. Other benefits include, amongst other things, bonus payments and company pension schemes, depending on the company's success and the employee's length of service.

We bear the majority of the costs when employees train in one of over 3,000 sports and health facilities in Germany via a **company fitness program**. Since 2019, we also offer business bicycle leasing.

When it comes to health, we regularly offer vaccinations, which are given by our company doctor directly on our premises, and support participation in regional (company) sports events, amongst other things. Employees of Henry Lamotte Oils have been taking part in the *Cycle to Work* initiative of the Allgemeiner Deutscher Fahrradclub e.V. [German Bicycle Club] and the health insurance provider AOK for around 15 years. We provide free bicycle checks on this occasion, and the company makes a donation to charitable institutions for each kilometer ridden (see p. 27).

Environmental management at our sites

Our relationship with nature

For us, the desirability of **nature in balance** is directly reflected in our core business: Our suppliers tell us every day about weather conditions and weather phenomenon from all over the world, reporting on how **crops are impacted**. The climatic conditions are decisive for the quantity and quality of the harvest, and the harvest is the raw material, from which we extract our products.



We are constantly minimizing our environmental impact, also as part of our environmental management system in accordance with ISO 14001.

Environmental impacts and their minimization

We know that a large part of our environmental impact lies in our value chains. Our approach includes **certifications** for environmentally friendly cultivation methods (see <u>p. 16</u>) and the **commitment of our suppliers** to the conscious use of resources in our **Code of Conduct** (see <u>p. 13</u>).

At our own sites in Bremen and Bremerhaven, we use our immediate sphere of influence. We are continuously modernizing our **production facilities** and reviewing them for potential for ever more far-reaching environmental protection – even beyond the obligations set out in our environmental management system, which has been certified according to **ISO 14001** at our company head-quarters since 2016.

Our measures include the following, for example:

- In 2021, we reviewed the concept for flushing our production facilities and applied innovations since September. According to our projections, we will save several tens of thousands of kilograms of vegetable oils in 2022 by replacing flushing cycles with modified residual draining processes, for example.
- We have switched to LED lighting in half of our production buildings at the company's headquarters in 2021, which will result in energy savings of around 25 percent. The remaining buildings will follow in 2023.
- In an ongoing project, we are testing the machinability of **lightweight glass bottles**, which would mean 20 to 30 percent carbon savings compared to conventional glass bottles.
- Since 2008, we have commissioned the Bremer Radkurier, a local bicycle courier, to transport our mail and small parcels within Bremen.



We address the **environmental awareness of our employees** through, for example,

- the annual participation in the Cycle to Work campaign (see p. 27)
- the offer of company bicycle leasing and digital payroll accounting
- charging stations for e-cars at the company headquarters
- our Lamotte bees, which have been living at the company headquarters since 2019 and are looked after by employees (see p. 26).



31 employees took advantage of our company bicycle leasing offer in the first three years.

Carbon footprint and climate protection

For 2018, an external consultancy carried out a **CO₂ bal- ance** of our sites in Bremen and Bremerhaven following the *Greenhouse Gas Protocol* (corporate carbon footprint). It was accounted for:

- all emissions in scope 1 that is, caused by heating oil, natural gas, fuel consumption of our pool cars and refrigerants; including related upstream emissions in scope 3
- all emissions through scope 2 that is, caused by our electricity consumption including upstream emissions

as well as the categories commuting and business travel from scope 3 based on estimated data.

Thanks to this balance, we know that of our total emissions in scope 1 and 2 including upstream emissions, around 40 percent each are attributable to our heating oil consumption and our electricity consumption.

To reduce our heating oil consumption,

- we have optimized settings especially for an older oil heating system. This resulted in around 30 percent less oil consumption by the system in 2019 compared to the previous year, which corresponded to twelve percent less heating oil overall,
- we will replace one of our older heating systems with air source heat pumps in 2022. This will eliminate around 30 percent of our total heating oil consumption from 2020 as from the first full year of operation of the pumps in 2023, which corresponds to around 235 tonnes of carbon savings. We will cover the electricity demand of the heat pumps with 100 percent climate-neutral green electricity (see following section).

In 2022, we will have our corporate carbon footprint calculated for the base year 2021, pay **compensation for our emissions** and plan further **reduction measures**.

Green electricity

According to our corporate carbon footprint for 2018, 40 percent of our carbon emissions were caused by our electricity consumption. Since 1 January 2022, we have been covering over 97 percent of our electricity needs with **100 percent green electricity** from Elektrizitätswerke Schönau [Power Stations Schönau], abbreviated EWS.

The EWS are certified with the **ok-power-plus seal** of the non-profit association EnergieVision, which is carried by the Oeko-Institut and the Hamburg Institut. The following applies to EWS electricity:

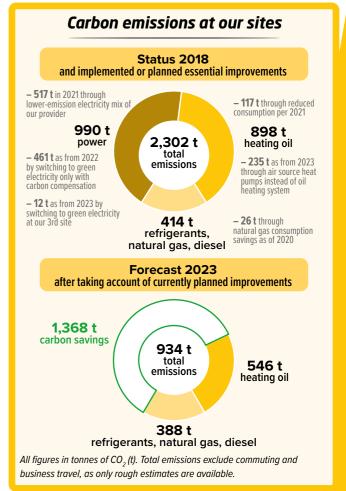
- All electricity offered comes exclusively from renewable sources such as hydro- and wind power. The EWS electricity mix does not contain any nuclear or coalfired electricity.
- At least 70 percent of the electricity comes from new facilities that are no more than six years old, which promotes the expansion of renewable energies.
- The EWS are heavily involved in projects where citizens' initiatives generate electricity from renewable energies.

By switching suppliers, we are minimizing a significant environmental impact of our sites, and we are working towards switching our small site in Bremerhaven to green electricity as well.

Our electricity supplier switch in figures:

One kilowatt hour of EWS electricity for Henry Lamotte
 Oils causes an average of 8 grams of carbon emissions. The electricity mix consists of 90 percent hydropower and 10 percent wind power. The German electricity mix produces around 370 grams of carbon per kilowatt hour.

- By switching suppliers, our electricity-related emissions will fall by around 461 tonnes of carbon in 2022, which corresponds to the average emissions of 43 people in Germany per year.
- The approximately 15 tonnes of carbon that are attributable to EWS electricity, for example because emissions are produced during the construction of hydropower plants, are offset by EWS via Verified Emission Reductions (VERs) in the gold standard.





Henry Lamotte Oils for its home region

For us, sustainability means, above all, acting responsibly for people and nature in our core business. Furthermore, as a **traditional Bremen company**, we have a strong connection to our home region and are actively involved there. The following pages show some examples of our commitment.

Our 90,000 bee colleagues: hard at work for biodiversity

Bees are considered the **third most important livestock** in Germany after cattle and pigs. Through their pollination activity, they ensure the survival of 80 percent of native wild and cultivated plants, and thus contribute significantly to both **biodiversity** and **human food production**.

We want to support and witness this invaluable work directly at our company headquarters. In 2019, the first bees

moved into a hive on our premises. The bee mentors among our employees are now looking after three colonies. In 2021, we harvested **70 kilograms of honey**, which went into staff sales in 300 jars. Both harvests were sold out in no time at all!

This benefited the following projects:



In the wild meadow project Kaemena blüht [Kaemena blooms], organized by a local farming business, we took over a four-year-sponsorship for 100 square meters of flowering meadow area. The farmers of the Kaemena farm seek advice from a recognized wild bee expert to establish species-appropriate flowering areas in their fields as habitats, refuges and nesting areas for endangered wild bees.

kaemena-blueht.de [only in German]

• •The Wünschewagen [wish-fulfilling vehicle] of the ASB (Arbeiter-Samariter-Bund; German Workers' Samaritan Federation) for Bremen and Bremerhaven helps fulfil a special heartfelt wish for people during their final stage of life and drives them once again to their favorite place together with their families and friends. The fully medically equipped vehicle and at least one accompanying paramedic ensure care in an emergency.

<u>asb-bremen.de/angebote/wuenschewagen-bremen</u> [only in German]



Year after year: our Christmas campaign

Christmas is all about taking care of your fellow human beings: With this in mind, financial support for a non-profit organization in Bremen is one of our firm traditions in the Christmas season.

In 2020, some employees came up with the idea that they could fulfil children's Christmas wishes, which were sent to us by the non-profit institution Petri & Eichen, Diakonische Kinder- und Jugendhilfe Bremen gGmbH. Petri & Eichen is a well established children's and youth welfare organization. From the end of November, 120 wishing cards were displayed in our office corridors. After only two weeks, each card had found a "wish **sponsor**". Everyone went to the (virtual) shop to make an unknown young person happy, for example with a pair of sweatpants or with a very specific game. Just before Christmas 2021, we presented 120 gifts and a corporate donation to Petri & Eichen. With its work in Bremen and the greater area, the institution aims to give children and young people the confidence to **overcome challenges** on their own.

<u>petriundeichen.de</u> [only in German]

Cycling for a good cause

For over 15 years, employees of Henry Lamotte Oils have participating in the annual *Cycle to Work* initiative of the Allgemeiner Deutscher Fahrradclub e.V. [German Bicycle Club] and the health insurance provider AOK. For every kilometer ridden, the company donates to a local charitable organization, which our employees suggest.

In 2021, € 2,000 went to the Kinder- und Jugendfarm Habenhausen [Habenhausen Children and Youth Farm] in Bremen, which offers children and young people experience spaces that are difficult to find in a densely populated environment, and shows them a responsible approach to animals and nature. Offers include a free afternoon program for school children and holiday projects, for example, on bees or baking bread rolls.

<u>jugendfarm-bremen.de</u> [only in German]









We welcome questions and comments on sustainability at Henry Lamotte Oils.

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More information on sustainability at Henry Lamotte Oils

is available at <u>lamotte-oils.de/en/sustainability</u> and on our social media channels, accessible by clicking on the respective icon or by scanning the QR codes:



















