

PROJECT FUTURE

SUSTAINABILITY AT RAPS



PERFORMANCE INSIDE





TOMORROW STARTS TODAY

I believe our actions not only affect our immediate environment, but also have an impact way beyond that. They determine our present but, more importantly, our future.

We have been producing outstanding food for almost 100 years. And the decisions and actions we take today influence more than one million farmers, over 40,000 customers, thousands of partners, suppliers and producers globally and, last but not least, over 980 RAPS employees and their families.

As a member of the founding family, it is my mission to lead RAPS responsibly into a secure and sustainable future. And as a father of four, it is my duty to ensure our business contributes to the health of our planet and its inhabitants – now and for generations to come. That is why our long-term strategy aligns our entrepreneurial endeavours with our ambitions to be socially conscientious at all times.

Yours sincerely,

Frank Kühne
Principal and Chairman of the Advisory Board

I am often asked how it is possible to combine the pursuit of profit with sustainability. My deep conviction is that sustainable action must be a prerequisite for long-term profitability.

As Managing Director of RAPS, the careful use of resources and people is at the top of my agenda. Supported by the values of our shareholders, we are moving forward with determination, because we have an ambitious goal: to prioritize sustainable action in all areas of the company without exception. Although we have already achieved respectable success, we always strive to do more.

We continue to do everything we can to improve our energy efficiency and reduce our environmental impact. We maintain trusted, long-term supplier relationships, secure fair prices and focus on regionality wherever possible. Our social actions not only include our own employees, but are also expressed through social commitment – because some things are even more important than numbers. In the words of Werner von Siemens: "I will not sell the future for a moment's profit."

Yours sincerely,

Florian Knell
Managing Director of the RAPS group

CONTENT

ENERGY MANAGEMENT	04
General information	04
Block-type thermal power station in Kulmbach	05
Heat recovery at RAPS Fresh in Versmold	06
New sausage casing plant in Austria	07
RAW MATERIALS & SUPPLIERS	08
QUALITY MANAGEMENT	10
WASTE DISPOSAL MANAGEMENT	10
EMPLOYEES & SOCIAL ISSUES	11



ENERGY MANAGEMENT

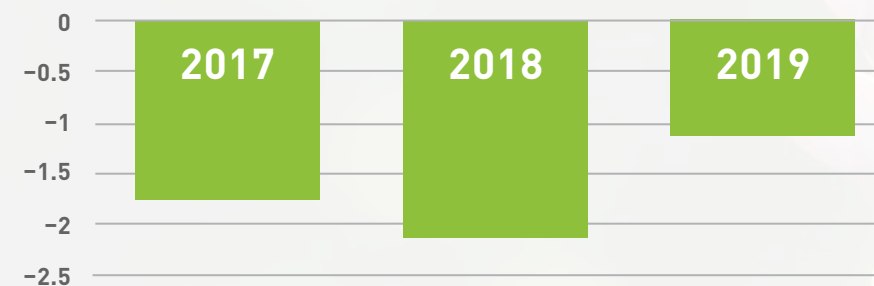
Saving energy and resources and effectively battling climate change: sustainability is the focus of responsible business management. RAPS has an in-house sustainability team with energy management representatives who continuously analyse and evaluate our activities and our progress.

In order to recognize new efficiency advantages and possible savings at an early stage, RAPS is certified according to the energy management norm DIN EN ISO 50001:2018. Regular external energy audits take place to control and update the certification. Our energy management system allows us to take measures to make sustainable savings.

MEASURES

- Use of low-temperature technology, energy-saving construction methods, charging stations and photovoltaics for new building projects such as our new sausage casing plant in Austria
- Heat recovery through utilization of the productive heat from refrigeration units
- Two block-type thermal power stations generated by gas engines for internal energy consumption
- Energy-saving pumps
- Modern and energy-saving LED lighting technology
- The use of a CIP system for automatic cleaning of the production facilities shortens running times and saves water and detergents
- Optimized leasing of company cars – replacement of cars every two years to consistently reduce fuel consumption through new motors and best technology

DECREASE OF ENERGY CONSUMPTION FROM 2017 TO 2019



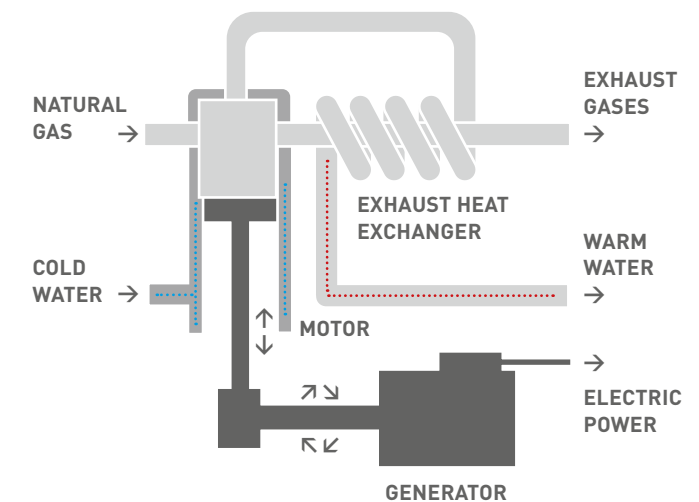
- Reduced by **1.8%** from 2016 to 2017
- Reduced by **2.2%** from 2017 to 2018
- Reduced by **1.1%** from 2018 to 2019

■ DECREASE OF ENERGY CONSUMPTION IN %

IN-HOUSE POWER PRODUCTION – BLOCK-TYPE THERMAL POWER STATIONS IN KULMBACH

The **block-type thermal power stations** used in Kulmbach are particularly efficient as they generate electrical and thermal energy at the same time. This is environmentally worthwhile because there are fewer losses in comparison to generating electric power and heat separately. Block-type thermal power stations function according to the principle of cogeneration of heat and power. In large power plants, the waste heat generated when producing electricity is lost. Block-type thermal power stations use this heat e. g. for efficiently heating water.

OPERATING PRINCIPLE



The principle is simple: the burning of natural gas drives a generator producing electric power, which can be used. In addition to electricity, heat is generated, which is then stored and used to heat radiators and water in the company. The synchronous generation of electricity and heat in our block-type thermal power stations reaches an efficiency rate of more than 90 per cent.

“We have been using two block-type thermal power stations in Kulmbach since 2016. They generate sufficient power to cover the base load of the company. Additionally, we have been able to reduce CO₂ emissions because we can take advantage of the generated electricity and all of the heat.”

Harald Schischeg, Energy Management Representative RAPS Kulmbach



COLD TURNS INTO WARMTH – HEAT RECOVERY AT RAPS FRESH

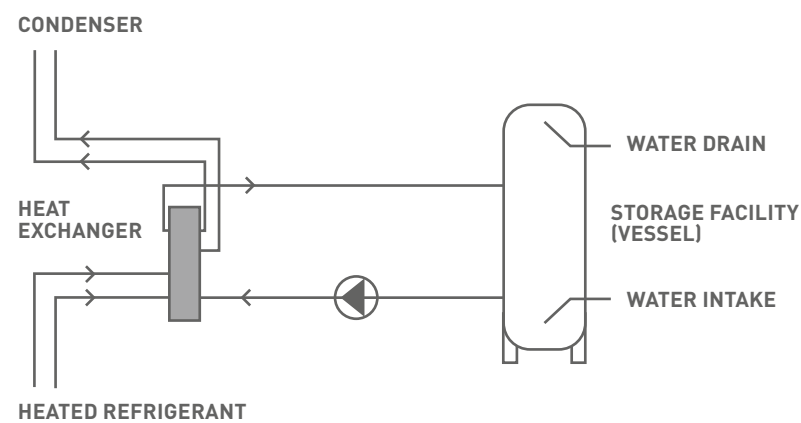
In food processing companies, cold and warmth go hand in hand. At RAPS Fresh in Versmold, we need refrigeration systems for our products, as well as large quantities of warm water at the same time, e.g. for washing and rinsing. With **heat recovery**, the waste heat generated during refrigeration is used for heating the building or water.

“Thanks to heat recovery and optimal utilization of waste heat, we have been able to considerably reduce energy consumption and CO₂ emissions. We use up to 80 per cent of the waste heat, saving energy in an economical way and increasing our ecological effectiveness.”

Michael Bosch, Plant Manager RAPS Fresh



OPERATING PRINCIPLE



A heated refrigerant runs through a heat exchanger against the flow of the water (which in turn is heated). Thus, the waste heat of the refrigeration is first led to a vessel and then through a condenser to the outside air. The waste heat recovery of refrigeration systems has the advantage that water does not have to be exclusively heated by a condensing boiler. This means waste heat recovery saves large amounts of energy.

NEW AND SUSTAINABLE – NEW SAUSAGE CASING PLANT IN AUSTRIA



Right from the inception of the new sausage casing plant located at our Austrian facilities in Obertrum (which has been up and running since 2020), aspects such as sustainability and economical use of resources have played a decisive role. When building the new plant, all machines and units were upgraded to the latest technical standard or we purchased new equipment. Ventilation and air conditioning run on recovered heat and lighting systems use energy-saving LED technology. Photovoltaic systems feed electric power into the local grid. We also actively support electromobility by providing charging stations for electric vehicles for our employees.



“Flow of goods and the building technology in Obertrum were planned according to the best possible economic and ecological criteria. Of course, as an industrial consumer, we also use local providers, e.g. a biomass energy plant and waste water and separating systems in order to efficiently contribute to a sustainable capacity utilization of local providers. These measures gained us the “Klimabündniszertifikat” (a certificate for active climate protection) in 2009.”

Jürgen Ranetbauer, Member of the Executive Board RAPS Austria

RAW MATERIALS & SUPPLIERS

Excellent raw-material quality, fair and respectful cooperation with our business partners, and trusting, long-term delivery relationships characterize our entrepreneurial activities for the future.

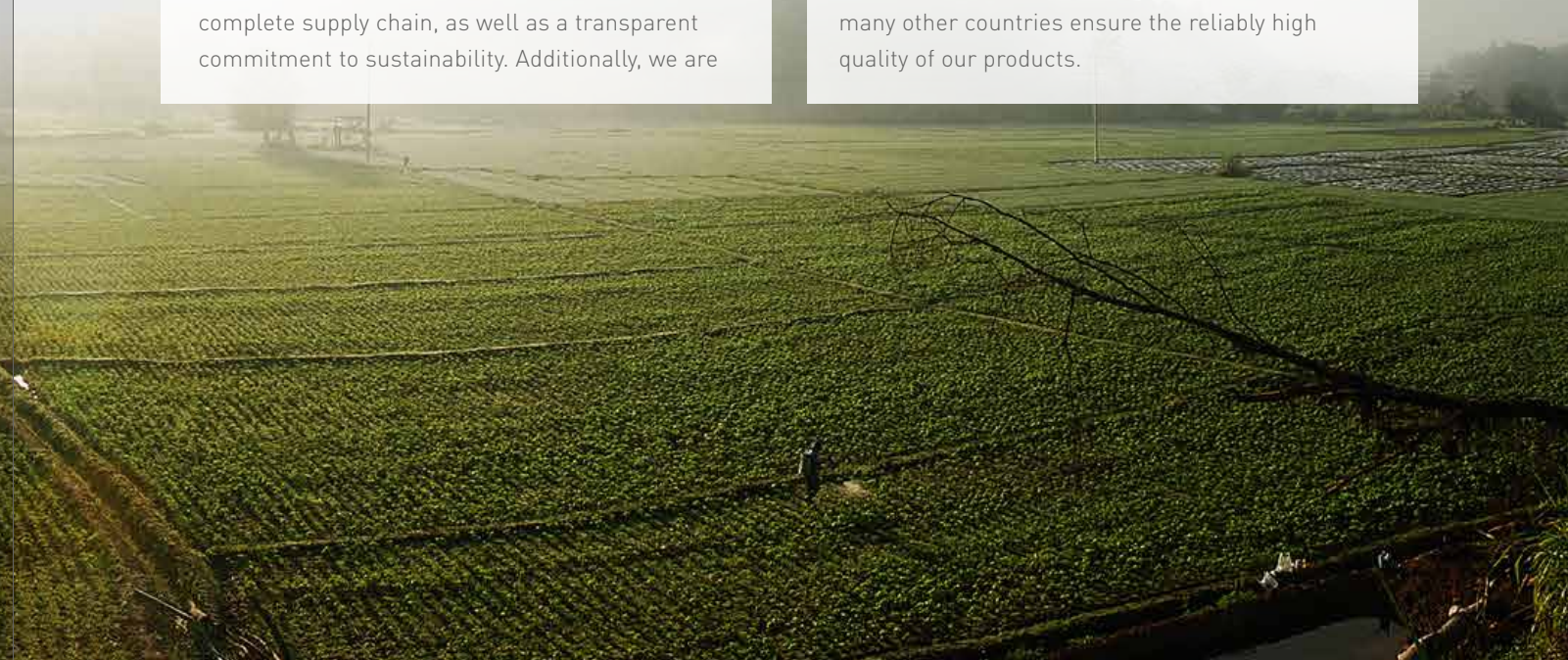


RAPS processes more than 1,700 raw materials from all over the world. We can trace back every material to its origin. Strict adherence to the law in terms of pesticides and food products is a matter of course for us. We also intend to forego palm oil and prefer to work with partners with an RSPO (Roundtable on Sustainable Palm Oil) certificate.

We cooperate with the best suppliers all over the world to ensure that we process only high-quality raw materials. As a member of SEDEX, we promote fair working conditions and salaries along the complete supply chain, as well as a transparent commitment to sustainability. Additionally, we are

committed to the principles of convention 182 of the International Labour Organization (ILO) to effectively combat child labour.

Furthermore, we have personally selected all suppliers we are cooperating with on-site according to our quality and sustainability requirements. Many of our partners in Germany and Europe have short supply chains. We prefer local and regional products, own cultivation and contract farming. Quality is the only criteria justifying long transport routes. Regular audits at suppliers in China, India and many other countries ensure the reliably high quality of our products.



LOCAL PARTNERS

Our local suppliers provide quality, regional advantages and short delivery distances, e. g. the **only German dry-onion producer in Regensburg**. Without middlemen and with an outstanding ecosystem, we benefit from the local soil quality, thus reducing residue levels in the fresh product. Furthermore, regular rainfall in the region saves additional watering. All local farmers in our supplier network are certified according to GlobalGAP and have high standards of quality control and sustainable agriculture.



INTERNATIONAL SUPPLIERS

To guarantee the best quality of spices, we purchase directly from the countries of origin and we take great care that our global partners meet our requirements regarding sustainability and quality. For example, we purchase the raw material chilli from an **Indian supplier from Kerala, with whom we have been cooperating for more than 30 years** – from cultivation to processing. Besides numerous certifications, our supplier is committed to sustainable utilization and development of resources and dynamic biological cropping for protection of biodiversity and local vegetation. The cooperation is also focused on natural pest control and water saving, as well as efficient and sustainable use of technology in all processes.



QUALITY MANAGEMENT

In order to keep quality at a high and sustainable level, we have implemented comprehensive measures with regular audits for quality management.

MEASURES

- State-of-the-art raw-material processing plant to ensure purity of our products
- Strict hygiene regulations beyond legal requirements
- Numerous quality certificates: IFS, RSP0, halal and kosher, organic, riskplaza
- Allergen management with regular audits
- Comprehensive sensory, analytical and microbiological controls from the raw spice to the finished product



EMPLOYEES & SOCIAL ISSUES

Sustainability in a company starts with respectful personal relations and raising awareness among employees. As an employer, we have a keen sense of social responsibility – within the company and beyond. The contentment of the personnel is reflected in the low attrition rate.

MEASURES

- Support for additional qualification and professional training programmes
- Health and internal re-entry management
- Company pension plan
- Regular training on occupational safety, handling of hazardous material, energy management and hygiene standards
- Adaption of workplaces to latest ergonomic standards
- Supporting workplaces for employees with disabilities following government guidance
- Regular audits on handling hazardous substances
- Implementation of weekly operation reviews to assess hazards and introduce preventive measures
- Proactive improvement of work aids that support working processes and protect the health of employees
- Active promotion of the working atmosphere through team building measures and joint leisure activities
- The high quality of apprentice positions secures the future of the company: diverse training opportunities ensure sufficient well-trained junior staff

WASTE DISPOSAL MANAGEMENT

Environmentally friendly packaging, waste prevention and efficient disposal of waste are central aspects of sustainability in companies. Many measures for the reduction of packaging material and correct disposal of waste have been implemented at RAPS to protect the climate and the environment.

MEASURES

Disposal

- Implementation of our own sewage works for waste water treatment
- Elimination of thermal post-combustion in favour of an activated charcoal filter
- Increased recycling efficiency through disposal of spice waste in biogas plants
- Optimal sorting of waste and recycling

Packaging

- Use of foils made from sorted plastics for better recycling
- Continuous reduction of composite films
- Use of easily recyclable polypropylene for our products in tubs/buckets
- Utilization of reusable folding crates for liquid marinades at RAPS Fresh in Versmold



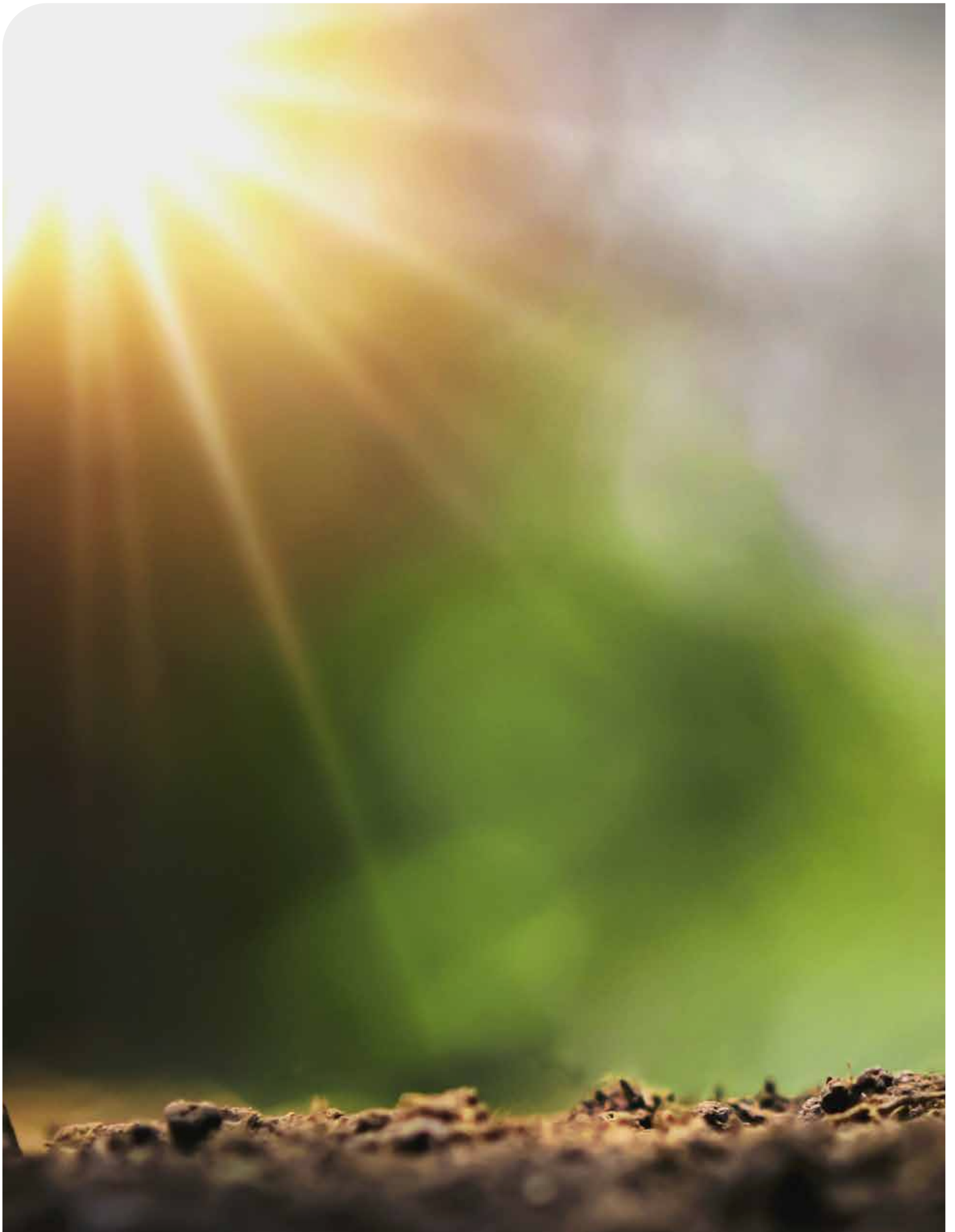
RAPSODY OF SPICES

A project we are particularly dedicated to is "Rapsody of Spices", a seasoning shop on the RAPS premises. The shop is solely managed and coordinated by our apprentices. The idea behind this concept is to enable our junior staff to experience and grasp all areas of work in our company at an early stage.

The Adalbert-Raps-Foundation has been supporting charitable purposes since 1976. It is dedicated to research projects in the food industry in Kulmbach. Founder Adalbert Raps was a pioneer of food research in the early 20th century; his passion lives on in the work of the foundation.



ADALBERT-RAPS-FOUNDATION



www.raps.com · info@raps.com

RAPS GmbH & Co. KG · Adalbert-Raps-Straße 1 · 95326 Kulmbach · Germany