



**Holland.Malt**  
your quality in our hands

# Sustainability Report 2021





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## Introduction

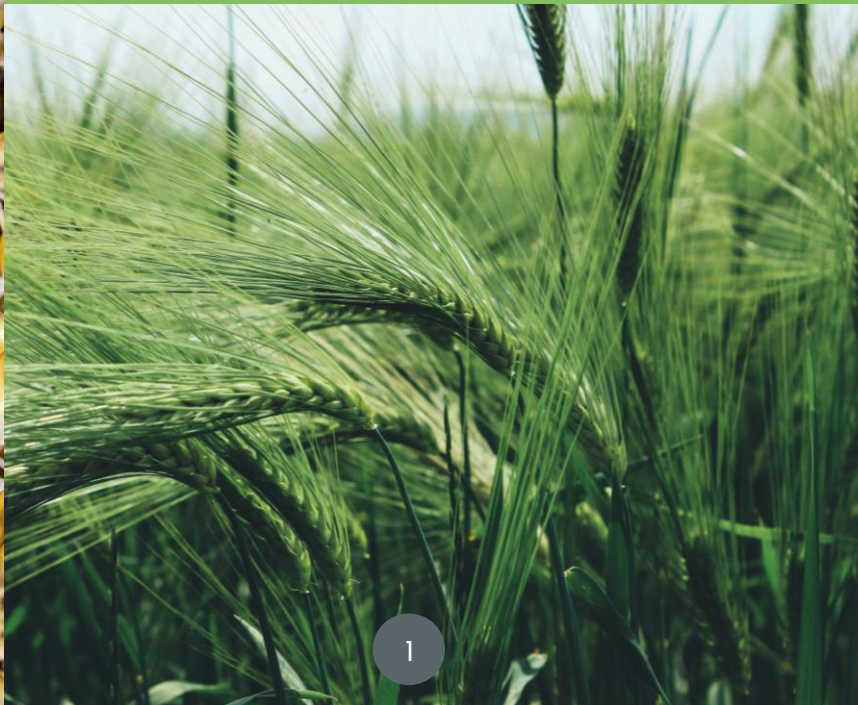
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# Foreword from our CEO

“ As a family business, we think in terms of generations, not years. We want to pass on an even better company. That is why we are constantly working on smarter and more sustainable entrepreneurship. “

**Jos Jennissen, CEO Holland Malt**

## Working on our environmental footprint

At Holland Malt we are aware of our sustainability impact. Companies in so-called 'conversion industries' like ours turn raw materials into usable products. This generally requires large amounts of natural resources, such as water, electricity and gas. As a result, the limits of linear production systems become very clear. With the increasing global consumption patterns, industrial processes need to be reinvented to be more environmentally sustainable. This also applies to us. The malting process is energy-intensive, particularly the drying of malt requires a lot of heat. Heat that is currently generated by burning fossil fuels or biomass. And that is where we see the opportunity to become

more sustainable. Together with our energy provider we installed a hot water buffer at Lieshout maltings. Waste heat can be stored there. It functions like a battery from which the heat can be withdrawn later. In 2020 we also procured green electricity, another step in reducing our CO<sub>2</sub> emissions.

## World's first Zero Emission Malthouse

In December 2021 we were happy to announce a unique project within the industry: World's first emission free malthouse. From 2022 onwards the entire system of our malthouse in Eemshaven will be in development and under construction. As a result, our malting will be completely emission free in 2024.

By completely closing the gas valve, our malthouse reduces its CO<sub>2</sub> emissions, comparable to the emissions of 14,000 households per year. Our renewed electrified heat system must of course be supplied with energy. This energy is entirely obtained from sustainable energy sources such as wind and solar energy. In this way, we first save and then become more sustainable. The next step for Holland Malt is to look beyond our own malting process and investigate how we can make the chain even more sustainable."



## Joining forces for sustainable agriculture

Breweries are increasingly asking for sustainable barley. In part, because the end consumer has started to pay attention to sustainability, but also because the sector is realizing that this is necessary to keep its 'license to grow'. If agriculture does not change, farmlands will become depleted. Global grain production is not developing at the rate it used to, whereas the global population and consumption are growing fast. As a sector, we need to engage with and support farmer communities to create a win-win and facilitate the change into a future-proof sector that can deliver the large volumes needed to meet demand, sustainably.

At Holland Malt we aim to source 100% sustainable barley in 2025. One of the ways we increase the amount of sustainable barley sourced is through the Sustainable Agriculture Initiative, SAI. SAI assesses and certifies farmers based on their sustainable practices and provides certification on bronze, silver or gold level. SAI is increasingly embraced in European malting barley areas, which also means that we are increasingly able to source the sustainable volumes we need. In 2021, we achieved 56% sustainable barley sourced. We also focus our efforts on regionally grown barley in the Netherlands with the projects Farmer Beer Water and a local growing project around brewery De Koningshoeven, known from the La Trappe beers. In the coming period, we will work on obtaining SAI gold certification for the project. We believe that our initiative can become a frontrunner and bring Dutch agriculture to a higher level. Our ambition for the future is to make sustainability part of the contracts with breweries, farmers and cooperatives around the globe. We can truly tackle this challenge if we work together as a sector.

## Sustainable progress

We have also continued making progress towards our sustainability ambitions, as shown on the right.

## Our sustainability ambitions



Source **100% sustainable barley** in 2025



Create a **100% safe work environment** in 2025



Reduce **35% CO<sub>2</sub> emissions** by 2025 and 70% by 2030



Operate **circular** by 50% in 2025 and by 100% by 2030





## We make the source sustainable

In 2021 we decided to let sustainability become part of our identity. By reminding us of the role of malt in beer. Malt as key ingredient of beer acts as the source of starch to the brewer who will use it to create fermentable sugars during the mashing process. This source, our malt is where we want to limit our environmental impact to a minimum. We may not be able to reverse climate change, but we can help stop it by starting at the source of beer. Our malt. We make the source sustainable.

With our actions we are not only working on our CO<sub>2</sub> ambition, we are also making our operations more circular. The challenge is to do this in a cost-efficient way. Therefore, we need the support of our stakeholders, including the government, to realise this transition. Let's pull together! Safety remains a top priority and we are striving for zero safety accidents. People should feel and be safe when they are at our malting plants. Many things have been achieved, but there is still a lot of work to do in the coming years:

## Towards a sustainable & circular future

**Holland Malt Sustainability Report 2021**

## Looking to the future

Besides our ambition to reduce our footprint, we will investigate additional ways to increase the circularity of our business. I look forward to it. Looking back on 2021, I would like to very much thank our customers and partners. A special word of thanks to our employees, who stood their ground in a strange and challenging year and who make a great team!

Please enjoy Holland Malt's CSR report 2021.

Jos Jennissen, CEO Holland Malt

*J. Jennissen*



# About this report

This is our CSR report 2021. The report focusses on 2021, however the presented data covers the activities of Holland Malt during the period 1-1-2019 to 31-12-2021. We have two locations with production facilities, in Lieshout and Eemshaven. All locations, including the head office, are included in the scope of this report.

The content of this report has been developed through interviews with various internal stakeholders, such as the CEO and the CSR/QT manager. Furthermore, interviews were held with selected external stakeholders. Their stories are presented in the chapter 'Our CSR Performance'.

Data presented in this report and appendices are based on data from Holland Malt's management systems and reports. KPMG has provided limited assurance on selected CSR indicators in the Royal Swinkels Family Brewers integrated annual report of 2021, which include CSR indicators for Holland Malt. Some of those data indicators are included in the section 'environmental performance' and 'health and safety'.

Due to the fact that our malting plant in Lieshout is located next to a brewery of Royal Swinkels Family Brewers, some of the data of this production facility are presented in the Annual Report of Royal Swinkels Family Brewers. In some situations, we have not been able to separate the data for the brewery and the malting towers. In those cases, we only report for our malting facility in Eemshaven. This is applicable for the waste data in this report. This data is marked with an asterisk \*.

The report has been drafted in line with the Global Reporting Initiative Standards (GRI). Specifically, the GRI Principles for Defining Report Content and for Defining Report Quality are incorporated in this report. However, we do not report 'in accordance' with the GRI.





**We are Holland Malt.** From the heart of Europe we supply breweries and distilleries throughout **the world** with the **highest quality** malt. And we've been doing it **for decades**. We are **pioneers** who always look to the **future**.





# Our values



## We create

We create the **sole of beer**. Our malt.

We are **passionate craftsmen** with **generations of experience**.

Combining **artisanal** malting techniques with the **newest technologies**.

**Pure taste. Premium quality.**

## We care

We care about the most important resource for life. **Our environment.**

From **sustainable farming** to **eco-friendly production**. We dare to change. Today, we are on the verge of becoming **world's first zero emission maltings**. Building a better future for next generations.

**We make the source sustainable.**

## We guarantee

We guarantee premium quality malt.

**Delivered worldwide.**

Fast and smart. Sourcing the finest malting barley. Carefully selected to ensure **constant quality**. **Optimizing our processes**, day by day. Resulting in the **purest malt**.

**Your quality lays in our hands.**



# Our purpose & ambitions

## Our purpose

Your quality in our hands. Holland Malt was founded over 100 years ago with the goal to deliver quality malt at all times, now and for future generations. Our purpose is to deliver high quality malt at all times. As a family-owned business, we are determined to reduce our environmental impact in our production, create a safe work environment and take responsibility for our products and in our supply chain to safeguard the well-being of future generations.

## Our CSR ambitions

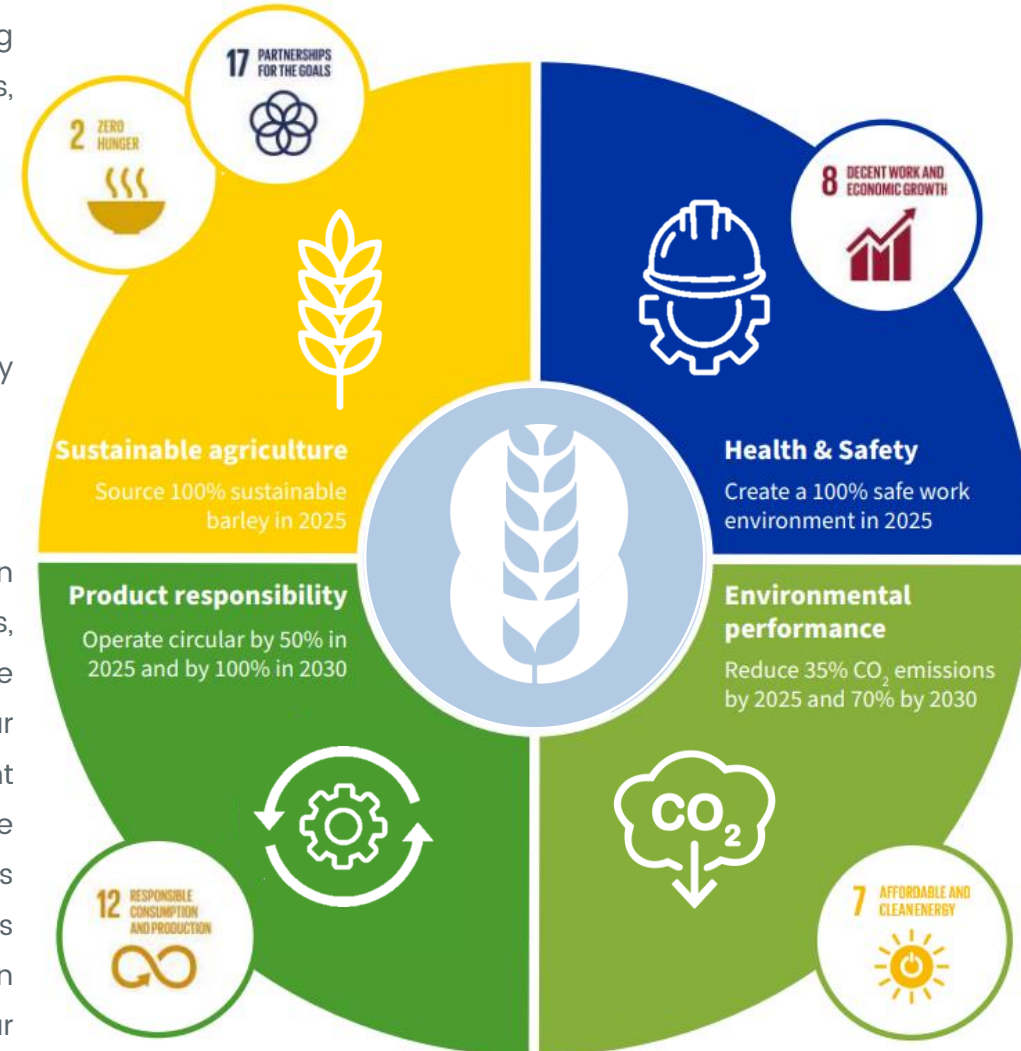
We have been dedicated to sustainability for years and have concrete, measurable ambitions in place that focus on four big impact areas:

- Sustainable agriculture
- Environmental performance
- Health and safety
- Product responsibility

These four pillars form the basis of our CSR strategy. We are working on the following ambitions, benefitting farmers, employees, clients, consumers and our environment:

- Source 100% sustainable barley in 2025
- Create a 100% safe work environment in 2025
- Reduce 35% CO<sub>2</sub> emissions by 2025 and 70% by 2030
- Operate 50% circular in 2025 and 100% by 2030

All of our commitments have a wider impact on our value chain and benefit farmers, employees, clients, consumers and our environment. We see our efforts in a broader perspective and align our ambitions to the UN Sustainable Development Goals (SDGs). As shown in the visualisation on the right, each of the four pillars and ambitions contributes to a specific SDG. These are the SDGs to which we can contribute the most. In the section Our CSR Performance, we share our efforts and our performance by means of KPIs for each CSR pillar.





# Our CSR performance



## Sustainable Agriculture



56%  
of sustainably  
sources barley



2/3  
was SAI Silver  
or higher



## Health & Safety



LTA



Fatalities



## Environmental Performance



123 kg  
CO<sub>2</sub> per ton  
malt



2,8 m<sup>3</sup>  
water per ton  
malt



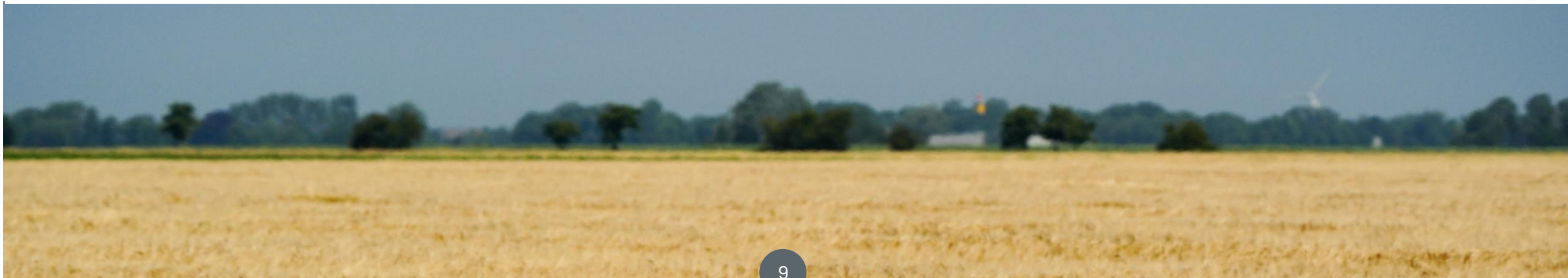
## Product Responsibility



20 years  
Quality  
Management  
Excellence  
LRQA



99% of our  
co-products  
is circularly  
re-used





# We care about: Sustainable Farming



Barley is a rain fed crop, but has a relatively strong resistance to heat and drought. It is often a rotation crop. For example, a farmer will first grow potatoes and then barley. This rotation improves soil quality and yields by giving the soil a period of rest from the intensive use. As a result, soil life and biodiversity can recover. Most of the barley we source is grown in Western Europe; the largest share comes from The Netherlands, France, the UK and Scandinavia. This reduces cost and environmental impact of transport.

This reduces cost and environmental impact of transport. In these regions we can find commitment towards sustainable farming and initiatives like SAI, relatively close to our home base. An add-on is the diversity of the regions in combination, which enables us to balance qualities depending on the harvest outcome. As a consequence, we can guarantee the quality of our products and stick to our word: Your quality in our hands.

“

Our business depends on the availability of barley. **No barley, no malt.** Our goal is to work with quality, sustainable barley only. Carefully selected to ensure constant quality.

“

**Martijn van Iersel,**  
Quality Manager Holland Malt





# We care about: Sustainable Farming

## Climate impact on barley

Climate change is a global development that also impacts our sector. On the one hand there are longer hot and dry periods in summer. That is not always a bad development, because heat and dry periods are needed for the ripening of the quality of barley, especially in countries like Denmark and Sweden. However, in the

Netherlands, most of the barley comes from Drenthe, where barley is grown on drought sensitive land. Towards Southern Europe, droughts and dehydration of the land is also a risk. Farmers are able to manage this impact through irrigation, although using ground water in dry periods is challenging as certain ground water levels need to be maintained.

The intensity of extreme weather events increased over the last years and are predicted to increase further with a rise in temperature. The last seven years have been the warmest since weather records began. As such these extreme weather events already reached our sourcing areas in the summer of 2021.

A giraffe stands in a dry, open landscape with mountains in the background. The text "What happens if we do not change?" is overlaid on the right side of the image.

## What happens if we do not change?



# We care about: Sustainable Farming

## Our performance

We are committed to sustainable agriculture and are part of multiple platforms that certify and enable farmers. For that reason, we are a member of the Sustainable Agriculture Initiative (SAI). In addition, we are involved with local initiatives, such as 'Farmer Beer Water' at Lieshout maltings and local sourcing at the Koningshoeven Brewery, described in detail below. And specifically for our craft brewers located in The Netherlands we produce a pilsner malt from 100% 2-row barleys grown in The Netherlands, viz. Authentic Dutch Pilsner Malt.

With these initiatives, we tackle the various ambitions that sustainable agriculture has, such as safeguarding biodiversity, ensuring healthy soils,

protecting crop sustainability, using green energy, empowering farmers and sharing knowledge.

The ambitions and efforts of large and small breweries to source sustainable malt are important, because our clients amplify our performance. When they demand sustainable barley, we are able to source it.

We are very proud of what we have achieved together: we have made a significant step in both the quantity and the quality of our sustainable sourcing. Our ambition is to source 100% sustainable barley in 2025. In 2021, we achieved 56%. A key driver was the focus on finding and developing new supply chains.





# We care about: Sustainable Farming

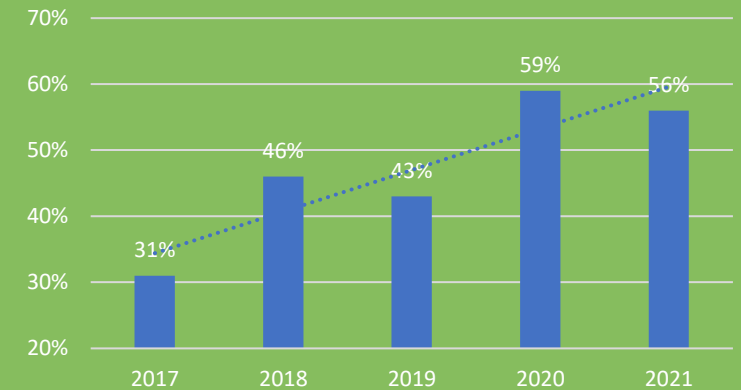


## Increasing sustainably sourced barley

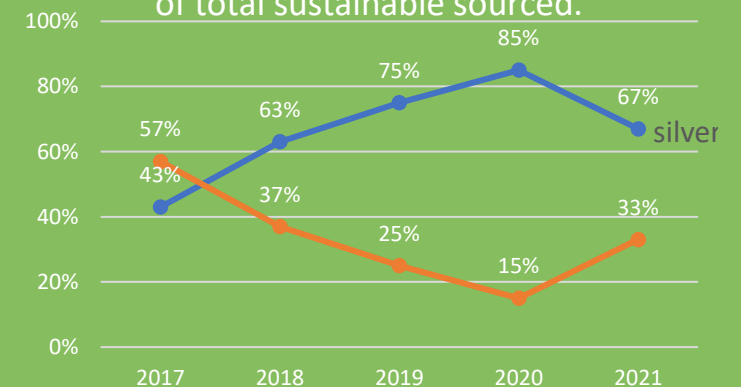
SAI stimulates sustainable agricultural practices and production systems that preserve future availability of resources and enhance their efficiency. It is one of the most used and respected standards for sustainable agriculture. SAI also offers a benchmark for farmer cooperatives to become 'SAI certified'. This certification indicates that farmers work according to sustainable practices. In the past years we worked on helping our Danish, Swedish and French suppliers to become certified. After carrying out the Farm Sustainability Assessment, they have become SAI certified on bronze, silver or gold level. From all our barley suppliers, 56% is now SAI certified, a slight decrease compared to 2020. However, we are focused to continue the enlargement of our supply with sustainable barleys in order to reach 100% in 2025.

## SAI development at Holland Malt

% sustainable sourced of total production (target KPI)



% SAI Bronze vs Silver or higher of total sustainable sourced.





# We care about: Sustainable Farming

## Local Heroes: Working together with De Koningshoeven

Brewery De Koningshoeven is based in Berkel-Enschot in the Netherlands. It is known for the Trappist beers named 'La Trappe'. De Koningshoeven is one of the few breweries that can produce under the label 'Authentic Trappist Product'. To reduce transport emissions, we have been managing a supply chain together since 2012, focusing on the regional production of malting barley for the various Trappist beers. This "Local Heroes" project has been very successful as it stimulates farmers to be part of a sustainable, local value chain and guaranteeing the demand for their barley. Below a snapshot of the participating farmers visiting the Trappist Abbey.



## Authentic Dutch Pilsner Malt

Next to our focus on sustainable barley, in 2020 we also developed a malt that is distinctive, local and sustainable. There has been increasing demand for such a malt, especially from Dutch craft breweries who are looking to create local, sustainable beers. The new Authentic Dutch Pilsner Malt is produced using the best quality Dutch brewing barley. Malting barley in the Netherlands is mainly grown in Zeeland, West-Brabant, and in the North of the Netherlands.



## Authentic Dutch Pilsner Malt





# We care about: Water Resources

## Less water

Since the construction of our malthouse in Eemshaven in 2004 our site offers an innovative water-recycling-system which allows us to limit our water footprint. We are proud of this performance and are looking for ways of achieving the same results in our second malthouse in Lieshout.

## Boer Bier Water

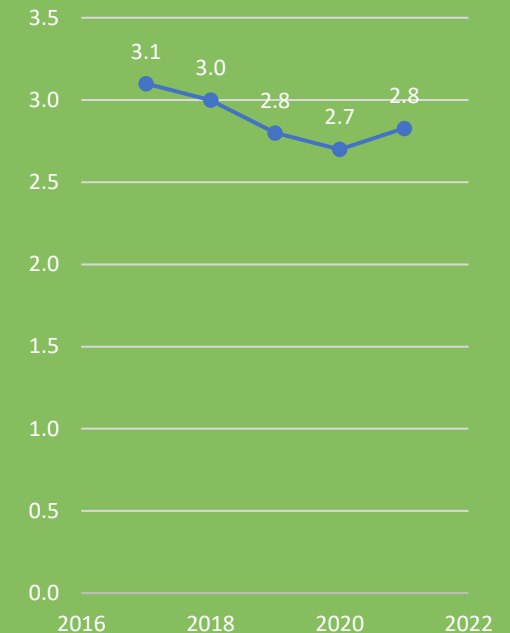
The project Farmer-Beer-Water is located in Laarbeek and aims to ensure a good quality of the soil and surface water in the area, with minimal drought damage for the farmers. It is a collaboration of the municipality of Laarbeek, Water Boards Aa and Maas and de Dommel, ZLTO (department of the Dutch Federation of Agriculture and Horticulture), Rijkswaterstaat, the province of North Brabant and Rabobank and local farmers.

Holland Malt is involved as a partner to educate farmers on how to secure the quality of the barley with minimal use of fertilisers. This is important to have a minimal negative impact on the ground water quality.



## Water reduction

M3 water per ton malt





# We care about: Energy & CO<sub>2</sub> Emissions



Since the energy crisis of the seventies, energy efficiency has been a focus for us, and over the past years we have taken significant steps. After significant decreases in the past years, in 2021 we maintained our performance on energy and CO<sub>2</sub> emissions. Total CO<sub>2</sub> emissions are at the level of 2017 when at same time production capacity has doubled. Procuring green electricity has enabled us to decrease our CO<sub>2</sub>. Our long-term focus on energy reduction resulted in a concrete project: the realization of 100% electrification in our malthouse in Eemshaven by 2024 which is possible due to an energy reduction of 67%.

## **First save, then become sustainable**

By completely closing the gas valve, the malthouse reduces its CO<sub>2</sub> emissions, comparable to the emissions of 14,000 households per year.

Jos Jennissen, CEO of Holland Malt: "Malt is one of the main ingredients of beer. The malting process is energy-intensive, particularly the drying of malt requires a lot of heat. Heat that is currently generated by burning fossil fuels or biomass. And that is where we see the opportunity to become more sustainable." The biggest innovation in the energy transition of the malthouse is the reuse of its own residual heat and the energy savings this produces by using heat pumps. Jennissen: "We capture the residual heat from our drying process at 23 degrees and can upgrade it to the required 85 degrees by means of the heat pump. This way, we can reuse it for the next drying process. The use of the heat pump results in an energy saving of 67%. The heat system must of course be supplied with energy. This energy is entirely obtained from sustainable energy

sources such as wind and solar energy. In this way, we first save and then become more sustainable."

## **Passing on a better company**

"We cannot ignore the fact that, as an industry, we will have to make other choices to combat global warming. We choose to contribute by setting up an emission-free malting process. Our project can also serve as inspiration for other companies. That way, we can make a difference together. As a family business, we think in terms of generations, not years. We want to pass on an even better company. That is why we are constantly working on smarter and more sustainable entrepreneurship. The next step for Holland Malt is to look beyond our own malting process and investigate how we can make the chain even more sustainable."



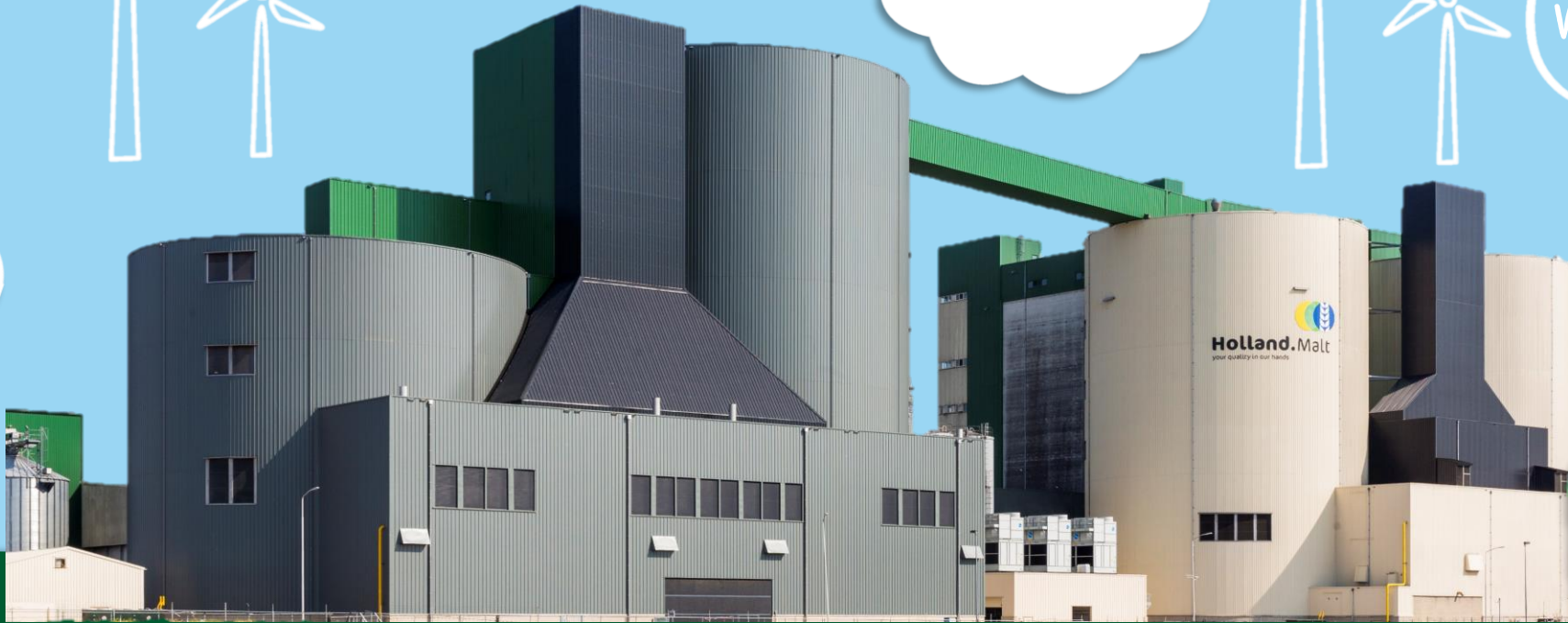


**Holland.Malt**  
your quality in our hands

67%  
energy  
reduction

100% electrification  
heat pumps

100% green  
wind & solar energy

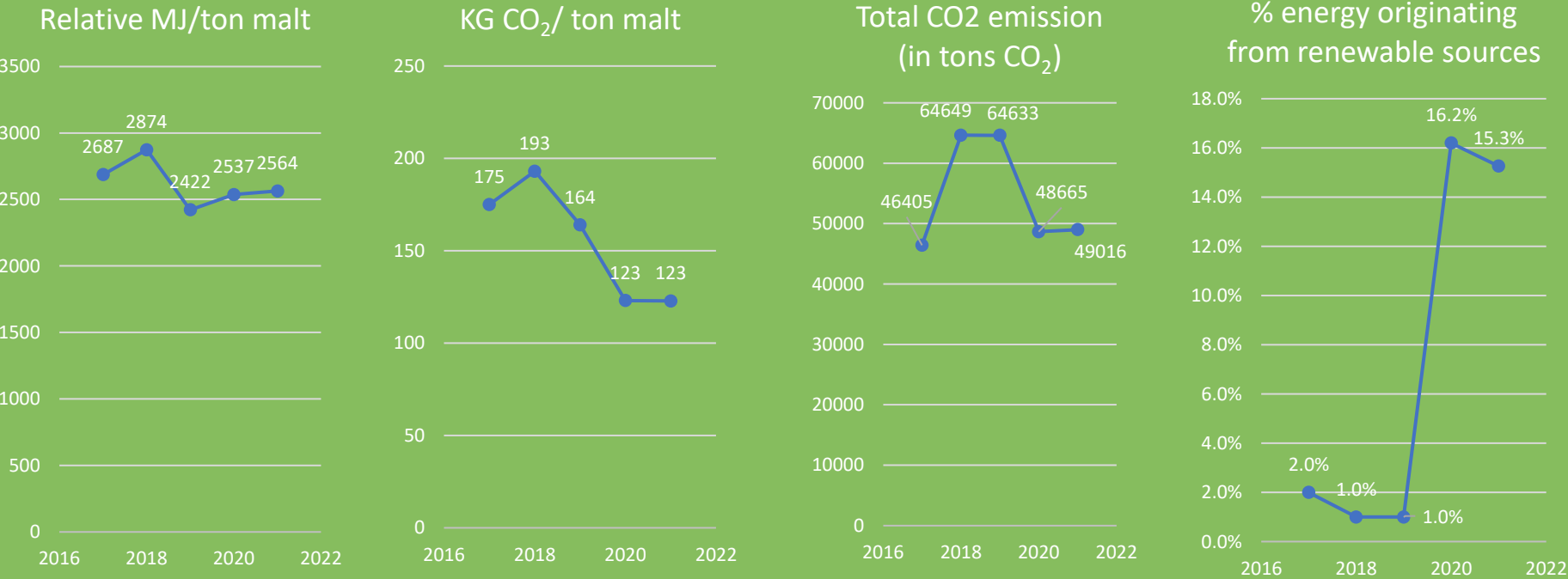


World's first emission free malthouse



# We care about: Energy & CO<sub>2</sub> Emissions

## Energy performance at Holland Malt





# We care about: Health & Safety



High-quality employment conditions and a healthy and safe working environment are very important to Holland Malt. We are proud to have longstanding relationships with many of our employees. Offering opportunities for continuous personal development and giving attention to ideas are key elements in our policy. We ensure a safe environment with measurements from our 'Safety Master Plan': we eliminate industry risks, educate employees, provide and repeat safety trainings and obligate personal protection equipment. Our ambition is to create a 100% safe work environment.

## Our performance

In 2021 a total of six accidents were reported within Holland Malt, 2 of these 6 accidents resulted in a period of absence. In all cases incidents were discussed with responsible persons in order to come to an effective root-cause analysis and solution.

To realize our ambition we will strengthen the culture around safety. This is done by appointing Safety Champions and regularly observation rounds to identify any unsafe situations. Awareness among operators needs to be increased, this is done by straightforward pictures and videotapes 'like this / not like that'.

## Table safety data

	Lieshout	Eemshaven
Accidents with leave	0	2
Accidents without leave	1	3
Incident	1	1
Near accident	1	2
Dangerous situation	2	2



# We care about: Circularity

## Responsible production: Circularity

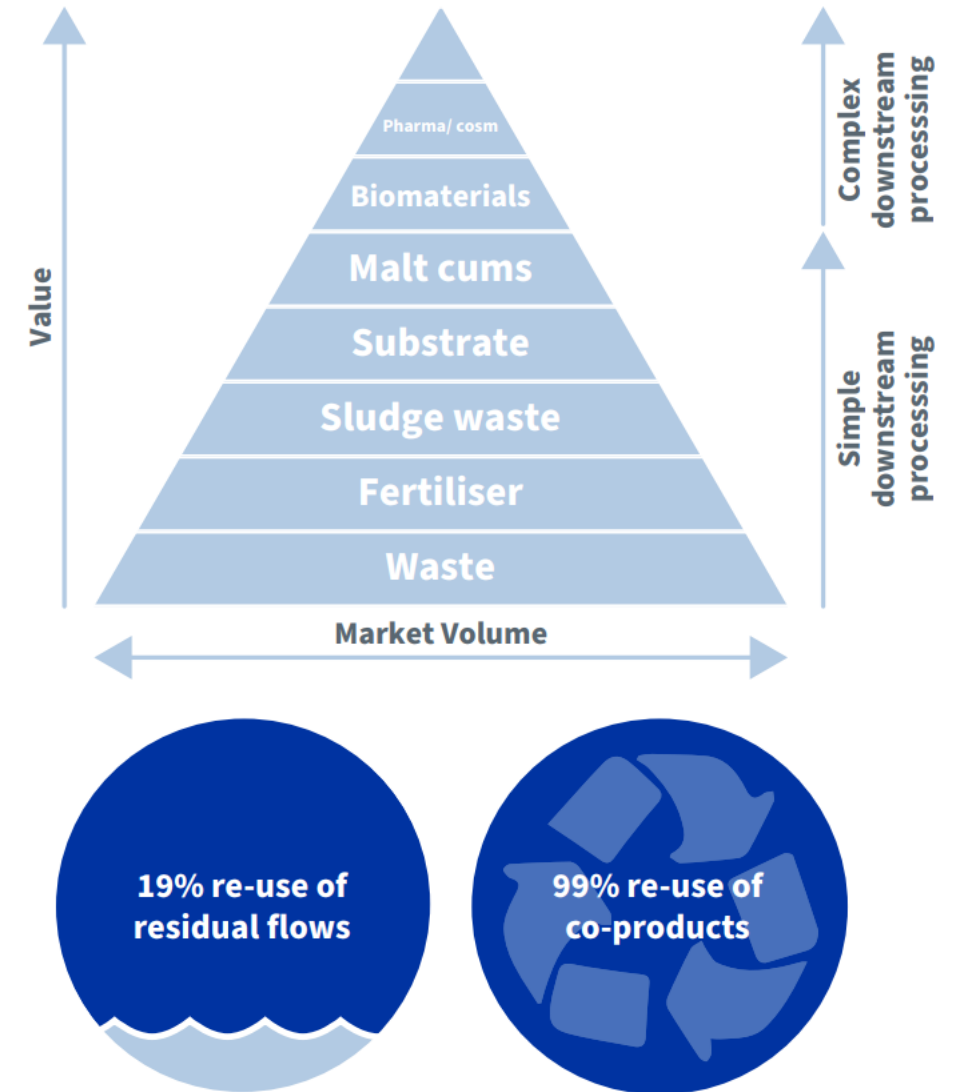
Our approach for circularity focuses on procurement, production and high-quality reuse. The malting barley is our primary raw material, for which we focus on sustainable and local sourcing, primarily through sourcing SAI certified barley. 'Greening our energy use and making it more efficient is a key focus point. We are also working to green our logistics, for example by finding ways to make sure trucks do not drive back without load after delivery. When it comes to product packaging, recently a new kind of packaging was introduced at our Lieshout plant, thanks to which the total amount of packaging used, has decreased by 33%.

In terms of waste, malt culms are one of our largest co-product streams which is sold to be used as animal feed. We have started various projects focused on circular reuse of our organic waste streams.

One project that is in the starting phase is to upgrade the sludge waste that remains after water treatment. Currently, the sludge is used as biomass, but we will investigate alternative, higher value uses according to the value pyramid. Research projects together with Wageningen University, look into using organic waste for growing worms or insects.

## Measuring circularity

Since two years we have more detailed waste breakdowns. To measure our circularity performance, we now report the circular application of residual waste flows and co-products (organic waste). At present, nearly all the organic waste is re-used, for example in the form of animal feed, and 19% and of the residual waste, such as paper, plastic, glass, and wood can be re-used.



# We guarantee: Our product responsibility

We have a strong sense of responsibility and distinguish between quality and circularity. Firstly, we strive for excellence in quality and product safety for all products of Holland Malt. As part of the food sector, we are fully aware of our highest responsibility and naturally, we have been HACCP certified for over 20 years. Quality is our license to operate and our mission and as such an intrinsic and integrated part of our business. We stick to our motto: your quality in our hands. We have always been outstanding in quality and food safety in the past, and we will continue to do so in the future. Secondly, we strive for circularity in our business, which focuses on the following points:

- Ensuring local sourcing of sustainably produced barley;
- Using crop types that have the best environmental performance;
- Optimising energy and water efficiency and decarbonising our processes;
- Looking for high-value upcycling of our co-products and waste;
- Improving logistics and packaging.

All these steps together ensure that our business growth decouples from the usage of natural resources and we move towards a circular 'waste free' business. This is where we want to be in the future, we are committed to operate 50% circular in 2025 and 100% by 2030.







# We care about: Our product responsibility

We have had limited external audits in 2021, for example for GMP, ISO 22000, a SKAL audit and visits of the Dutch Food and Consumer Product Safety Authority (NVWA). We passed all audits with positive results. In addition to audits from these various organizations, Holland Malt is also audited by clients. In 2021, this was postponed by most clients due to the COVID pandemic, only remote audits have had been performed and were finalized successfully.

We highly appreciate these external audits from the various organisations as they help us to improve our performance and provide feedback that we are on track in terms of quality.

## Expanding Certification:

### Moving towards FFSC 22000 Certification

We have multiple certificates in place. However, occasionally we evaluate the pros and cons of additional certificates. In 2018 we assessed the potential added value of a FFSC 2200 certification. This certificate provides companies in the food industry with

an ISO-based food safety management system certification that is recognised by the Global Food Safety Initiative (GFSI). Recognition by GFSI would provide us worldwide acceptance from food manufacturers and retailers. FSSC 22000 defines requirements for integrated processes to control and minimise food safety hazards. In 2019 we were recertified for the ISO22000:2018 norm. Given that the FFSC 22000 standard is a globally recognized standard, we have decided for certification according this standard in 2022.

## Involvement variety development

Our head of quality Dr. Martijn van Iersel is chairing the variety commission of NIBEM, the Dutch organization for brewers and maltsters. Key focus of NIBEM is the vertical integration of the value chain from barley growers to beer brewers. At NIBEM, existing and new varieties are tested on malting and brewing quality which finally results in a rating list for international malting barley varieties and the approval of new varieties for the Netherlands.



# We guarantee: Our product responsibility

## Multiple sourcing strategy

Most of the barley we source is grown in Western Europe; the largest share comes from The Netherlands, France, the UK and Scandinavia, which are all located relatively close to our home-base and known as excellent areas for the cultivation of malting barley. The multiple sourcing strategy we handle enables us to balance qualities depending on the harvest outcome. Therefore, we can guarantee the quality of our products and stick to our word:

**“ Your quality in our hands. “**





# Thank you for reading



# Colophon

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## CSR content

Martijn van Iersel, Sustainability Manager at Holland Malt

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### Tell us what you think

We welcome feedback on our sustainability strategy and initiatives, our progress and our reporting. Please contact us at [info@hollandmalt.com](mailto:info@hollandmalt.com)

