

Together towards a better world



**VEPO
CHEESE**

The Dutch way to say cheese

Sustainability Report 2025

Sustainability Report 2025

Vepo Cheese

Foreword	4
Highlights	5
1. Basis of this report (B1)	10
2. Business model and strategy	11
3. Strategy Vepo Cheese Sustainable Growth+ (C1)	14
4. Transition to a more sustainable economy Vepo Forward (C2)	16
5. Sustainability topics based on the DMA	17
6. Vepo Forward: our roadmap to a future-proof organization (C1)	18
7. OUR 4 VEPO FORWARD PILLARS	21
7.1 Sustainable Assortment, Responsible sourcing and Food safety	22
7.1.1 Sustainable assortment and Responsible sourcing	22
7.1.2 Food safety and Quality	24
7.2 Circularity (B7 – Resource use, Circular economy & Waste management)	27
7.2.1 Sustainable packaging	27
7.2.2 Waste	28
7.3 Climate-neutral organization (B3 Climate)	32
7.3.1 Emissions own operations	32
7.3.2 Emissions in the value chain (Scope 3)	34
7.4 Safety, Well-being and Responsible business conduct	38
7.4.1 Employees: safety, health & well-being, training & development	38
7.4.2 Community engagement - Vepo Cheese	43
7.4.3 Responsible business conduct (B11)	43
8. Future and focus	45
APPENDICES	
Appendix I: Overview of VSME themes	46
Appendix II: SDGs	47



Vepo Cheese N.V.

(opgesteld volgens de VSME Standard – Basic Module en een aantal elementen van de Comprehensive module)





It has been about five years now since I began to take a deeper interest in sustainability. Triggered by many impactful events around the world from the COVID pandemic to climate change and new wars, I increasingly found myself asking how we can turn the tide, both personally and professionally. Through a CSR (Corporate Social Responsibility) program, an entire world of sustainability opened up to me. I became so inspired that I immediately wanted to apply it within our family business. But what was the actual state of Vepo Cheese's sustainability policy.

We have been a family business in the cheese industry for over 100 years, passed down from generation to generation. Each generation has faced or is facing its own challenges, yet a long-term vision has always been the common thread in producing a high-quality cheese product through good employment

practices. Yes, we have always built long-term relationships with our suppliers and customers to ensure continuity, and we have taken good care of our people and the society around us but this has never been formally documented or written down. We did not have a concrete sustainability strategy, let alone a sustainability report.

I quickly realized that creating one would be quite a task, but we took on the challenge. It has been quite a journey, and we are now proud to present Vepo Cheese's first sustainability report a milestone for our company. In this report, we explain Vepo Cheese's sustainability policy. We elaborate on Vepo Forward, our sustainability strategy, describe our DMA, and translate this into concrete ESG objectives. We also share what we have achieved so far and publish our scope calculation.

In this way, we aim to contribute to a more sustainable world. Every day, we strive to do a little better and go the extra mile for today and for future generations.

This report would not have been possible without the dedication and commitment of all Vepo Cheese employees, whom I would like to thank here. In particular, I would like to thank Arzien de Lint, our Sustainability Manager, for her tireless energy and perseverance in writing this report. I hope you enjoy reading it.

Marlou Bink-Verkleij

Key facts

- **Legal form:** Public limited company (N.V.)
- **Number of employees (average):** > 275¹; year-end 2025: 190.77 FTE²
- **Locations:** Bodegraven and Oudewater
- **Sales markets:** export worldwide with focus on EU market
- **Balance sheet total:** €60 million
- **Total revenue 2025:** > €220 million
- **NACE-code:** 1051

1.) Including flexworkers

2.) Under contract Vepo Cheese

Strategic focus 2026–2028

- Focus on CO₂-reduction through sustainable sourcing of cheese (Scope 3)
- Acceleration towards circular packaging (PPWR-compliant)
- Further improvements in energy efficiency and electrification
- Continued investment in employees, safety, and leadership

Sustainable assortment, Responsible sourcing and Food safety 2021-2025 ¹

DMA conducted (2024) - foundation for the Vepo Forward strategy

-16,5% CO₂
per kg of purchased cheese in 2025 vs 2021

Food safety and Quality

- Zero product recalls
- IFS Higher Level certification

Responsible sourcing

Targets 2026-2028:

- Implementing the Sustainable Procurement Policy in 2026
- Achieving a deforestation-free value chain by 2028, in line with the (EUDR)
- Gaining insight into water management at the top 15 cheese suppliers in 2026

Sustainable assortment

Targets 2026-2028:
Ambition: 5% plant-based alternatives by 2028

Targets 2026-2028:

- Maintain zero product recalls
- Maintain IFS Higher Level certification



1.) Baseline 2021, unless mentioned differently.

Circularity 2021-2025

Sustainable packaging

All **cardboard** is **FSC** certified

-112.305 kg CO₂ through thinner APET trays

-3,3% plastic film per kg of cheese

Targets 2026-2028:

We aim for a **recyclable option** per productgroup by 2028

≥60% mono-material packaging

Increase the share of recycled APET film to **30%** by 2027

Roadmap 2030:

Transition towards recyclable alternatives and films with recycled content. Focus on combining optimal product quality with maximum recyclability (multiple tests ongoing).

Waste

Per kg of purchased cheese, the share of high-calorific waste remained stable in 2025 compared to 2024. Total CO₂-emissions from waste compared to 2024: **-3.4%**

Target 2026-2028:

Maintain the level of high-calorific waste per kg of product while continuing to grow cheese sales.



Climate neutral organization 2021 - 2025



Emissions own operations: Scope 1 + 2

+11% volume of cheese purchased

-21,6% natural gas per kg of purchased cheese

-6,6% CO₂-emissions (scope 2) per kg of purchased cheese

Energy consumption

Electricity purchased: +19% (due to site expansion)

Solar energy: +3% generation

Natural gas: -13% (due to insulation, efficient installations, and heat recovery)

Targets 2026-2028:

-80% in Scope 1 and 2 emissions (too ambitious – will be revised)

100% green electricity procurement by 2028

50% own renewable energy generation

Value chain emissions: Scope 3

Packaging impact per kg of purchased cheese:

-3.3% plastic film
+8.4% cardboard

+26% increase in total pack emissions per kg cheese, due to higher emission factor of cardboard

-18% CO₂-emissions due to transition from bleached to unbleached cardboard

Scope 3 accounts for >99% of total footprint (mainly cheese procurement)

Targets 2026-2028:

Reduce Scope 3 emissions by **10%** by 2028 compared to 2021 (already achieved- will be revised)



Safety, well-being and responsible conduct 2021 - 2025

Employees

95,6%
permanent
contracts

18% less workplace
accidents (2025 vs 2024)

Lost workdays: :
45,5 days
(2025) vs 81 (2024)

SMETA
4-pillar
audit conducted



Community engagement

Vepo Cheese supports local **sports clubs**, including tennis & padel clubs in Bodegraven and the football club in Oudewater

Reducing food waste by donating cheese to the **food bank**

Supporting a local **hospice**.

Targets 2026-2028:

Reduce absenteeism to **5%**

-25% workplace accidents per year

100% employee training & personal development plans (POP)

Responsible business conduct

0 cases of fraud (including bribery and corruption)

Targets 2026-2028:

0 cases of fraud or corruption





1. Basis of this Report (B1)

At Vepo Cheese, ESG (Environmental, Social, Governance) and responsible entrepreneurship are intrinsically linked. For more than 100 years, Vepo Cheese has been active in the cheese industry, driven by a passion to deliver honest and tasteful cheese products to customers around the world every single day. This long-standing history as a family-owned business makes us strongly aware of our responsibilities to society in the areas of environmental, social, and economic policy, as well as good governance.

Key facts

- Legal form: Public limited company (N.V.)
- Number of employees (average): > 275¹; year-end 2025: 190.77 FTE²
- Locations: Bodegraven and Oudewater
- Sales markets: export worldwide with focus on EU market
- Balance sheet total: €60 million
- Total revenue 2025: > €220 million
- NACE-code: 1051

1.) Including flexworkers

2.) Under contract Vepo Cheese

This sustainability report has been prepared by Vepo Cheese on a voluntary basis. Although Vepo Cheese is not subject to the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD), we have chosen to report transparently on sustainability to all our stakeholders, as we attach great importance to this. Through this report, we provide insight into our actions and how sustainability is embedded in our daily operations, enabling us to create meaningful impact and contribute to a more sustainable future for the next generation. The report has been prepared in line with the VSME Standard (Basic Module), as developed by EFRAG, specifically intended for micro, small, and medium-sized enterprises.

Scope

This report has been prepared on an individual basis from the head office in Bodegraven and covers all activities of Vepo Cheese in the Netherlands. There are no foreign branches or subsidiaries included within the scope.

Vepo Cheese N.V. certifications

Bodegraven

(sliced, portioned, and block cheese)

- ✓ IFS Food Higher Level
- ✓ COKZ hygienic requirements certificate
- ✓ SKAL Organic certification
- ✓ Halal

Oudewater (grated and diced cheese)

- ✓ IFS Food Higher Level
- ✓ Grated Cheese Quality Controlled
- ✓ COKZ hygienic requirements certificate
- ✓ SKAL Organic certification
- ✓ Halal



2. Business model and strategy (C1)

Business Model

Vepo Cheese is a Dutch processor and packer of cheese products. We add value by working closely with our customers and suppliers to find the best solutions for slicing, grating, portioning, and packaging semi-hard and hard cheeses.

Our role goes beyond simply delivering a high-quality cheese product. It encompasses our position within the entire value chain and our relationships with all stakeholders. Our long-term strategy focuses on the continuous investment in our employees, customers, suppliers, and partners. This commitment is embedded in our core values, the Vepo Values: reliability, continuity, entrepreneurship, flexibility, and sustainability.



Vepo Cheese today



Export to
> 40 countries



Annual volume
of > 40,000 tons



Revenue > €220 million
>90% export



> 275
employees

Vepo Values

The Vepo Values are the principles embedded in our business operations.



Reliability

We keep our promises and act with integrity.



Continuity

We invest in long-term relationships with all our employees, customers, and suppliers to ensure the continuity of our company.



Entrepreneurship

We are ambitious, strive to improve, take responsible risks, and empower our employees with responsibility.



Flexibility

We respond to our customers' needs and market developments. We are here for the customer.



Sustainability

We continuously seek new sustainability initiatives to reduce our impact on the climate and the environment.

Our Vision

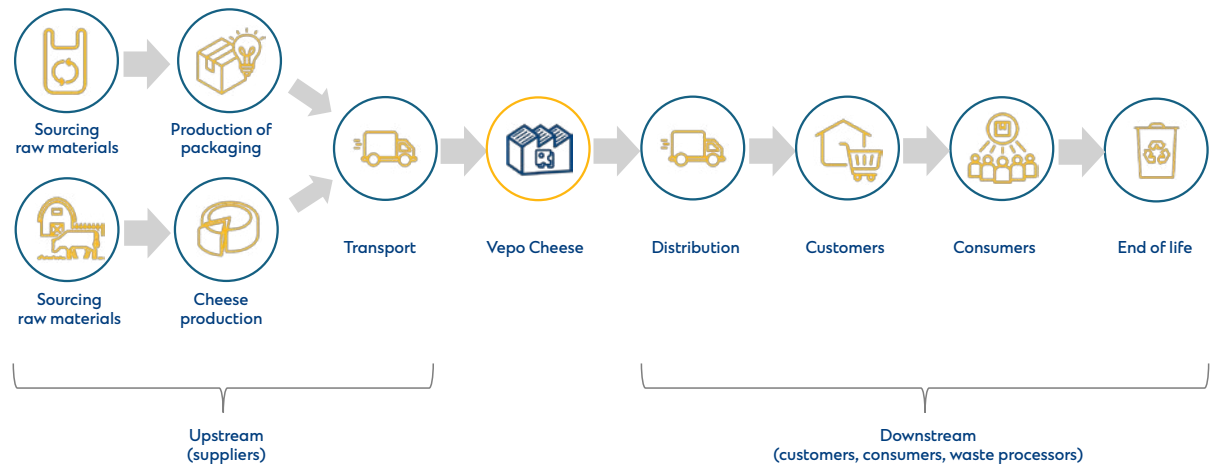
As a cheese family, our ambition is to actively contribute to a world where food supply is fairer, better and futureproof. We strive to be an innovative partner to our customers by delivering high-quality and sustainable solutions for all cheese packaging needs. This is not just something we say, it is something we actively pursue. Our vision supports healthy financial returns, contributing to the long-term continuity of Vepo Cheese.

Raw Material Sourcing

Our journey begins with the procurement of raw materials. Cheese is our primary input. Vepo Cheese does not produce cheese itself but sources it from cheese producers across Europe.

We work in partnership with our suppliers of cheese, packaging materials, and other goods to optimize our supply chain, grow together, and improve sustainability. Our procurement policy incorporates both quality and sustainability considerations.

Value chain Vepo Cheese



Vepo Cheese Production & Distribution

At our two production sites, purchased cheese is processed from whole blocks into a diverse product range, including sliced cheese, grated cheese, mini cubes, and portions. These products are distributed worldwide through our distribution center.

We process approximately 40 million kilograms of cheese annually and provide employment to around 190 FTE permanent staff, supported by a flexible workforce of temporary employees. Good employment practices, along with the development and well-being of our employees, are firmly embedded in our values.

Customers

We serve customers in more than 40 countries worldwide across Retail, Industry, and Foodservice sectors with EU as our home market. Our success lies in going the extra mile for our customers and acting as a full-service partner that takes responsibility. We collaborate closely with our customers to initiate actions aimed at reducing the CO₂-footprint across the value chain.

Consumers

We aim to contribute to a good, fair, sustainable, and affordable food supply for all. With our packaged cheese products, consumers can add variety to their daily diet and support a healthy lifestyle.

Markets

-  Foodservice
-  Retail
-  Industry
-  Other



3. Strategy Vepo Cheese Sustainable growth + (C1)

Every three years, we define our corporate strategy to clearly articulate our ambitions and vision for the future of Vepo Cheese. Our Sustainable Growth+ strategy outlines how we achieve sustainable growth and long-term stability in a constantly changing world. Since 2019, when the *House in Order* strategy was leading, followed by Sustainable Growth in 2020, these strategies have guided us through turbulent times marked by geopolitical developments, the COVID-19 pandemic, and periods of high inflation.

Our new sustainability strategy stands for :

- going the extra mile for our customers
- building on the successful strategy of the past years
- continuing to make processes more sustainable
- enhancing the quality of our organization
- further strengthening our position in the market

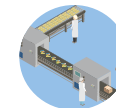
We will achieve this growth based on four fundamental pillars on our agenda:



Profitable growth
in volume and continuity



Organization
ensuring future resilience



Future Fit
ready for the next step



Sustainability
for the next generation



Profitable growth

We aim to strengthen our market position in a focused and ambitious way. This includes targeted customer segmentation, product portfolio optimization, and strategic partnerships. We enhance continuity and efficiency through data-driven decision-making and strong collaboration with customers and suppliers.

Future fit

We are preparing our organization for the future with a strong focus on automatization, robotization, and digitalization. Our goal is to increase productivity, reduce manual labor, and move towards a paperless environment. Through efficient processes and collaboration with strategic partners, we are building a flexible organization ready to meet future challenges.

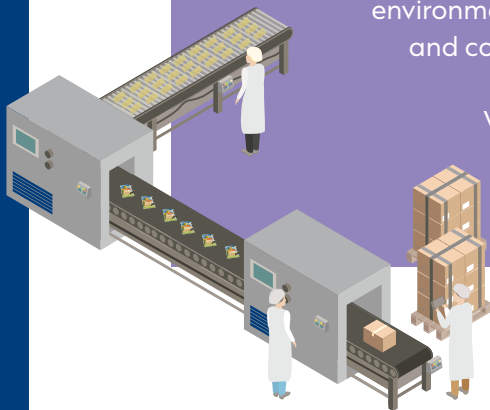
IT security and cybersecurity

Protecting our business data, systems, and customer information is crucial for the continuity of our operations. Maintaining the trust of our customers and partners is a top priority.

Organization

A future-proof organization starts with our people. We aim to strengthen our teams by clearly defining roles, responsibilities, and development opportunities. This creates a working environment where employees can learn, grow, and collectively drive the organization forward.

Within our open company culture, we take responsibility and demonstrate leadership and initiative.



Sustainability

Societal challenges such as climate change, the protein transition, and plastic usage are highly relevant to Vepo Cheese. While we are proud of our products, we are also aware of the impact of cheese, packaging, and our operations on the climate and environment.

Our sustainability strategy, Vepo Forward, is our response to these challenges. It enables us to take concrete action and set clear sustainability objectives.

4. Transition to a more sustainable economy (C2) Vepo Forward

With the introduction of Vepo Forward in 2021, we have taken further steps towards a sustainable and future-proof way of doing business. Sustainability is an integral part of our strategic agenda Sustainable Growth + for 2026–2028 and serves as the link between quality, innovation, and responsibility throughout the entire value chain.

With Vepo Forward, we are driving the transition toward more sustainable sourcing, circular processes - particularly in our packaging - climate measures within our own organization and beyond, and a safe and fair working environment that offers room for employee development.

As we were initially expected to report in accordance with the CSRD, we conducted a Double Materiality Assessment (DMA) in 2024 in collaboration with the agency 2BHonest.

Within the DMA, we assessed both the impact of Vepo Cheese’s activities on people and the environment (impact materiality) and the financial impact - positive or negative - of these themes on the company (financial materiality). This analysis confirmed the key priorities of our Vepo Forward strategy, which we have continued into our Vepo Forward 2026–2028 strategy with sharpened objectives.



5. Sustainability topics based on the DMA

For the Double Materiality Assessment process, we followed the steps below:



1. Baseline Measurement & Longlist
Internal and external analysis and identification of ESG topics



2. Stakeholder Engagement
Validating and prioritizing ESG topics with stakeholders



3. Assessment
Determining impact and financial materiality



4. Documentation
Documenting the process and preparing for audit

Step by step

- Identification of potential ESG topics through a baseline assessment and value chain mapping, resulting in a longlist
- Stakeholder engagement: validation of topics with peers and internal and external stakeholders
- Assessment of impacts, risks, and opportunities in terms of impact materiality and financial materiality
- Documentation of the DMA process in an audit trail
- Further refinement through additional interviews

The following topics have been identified as material:

Double materiality matrix

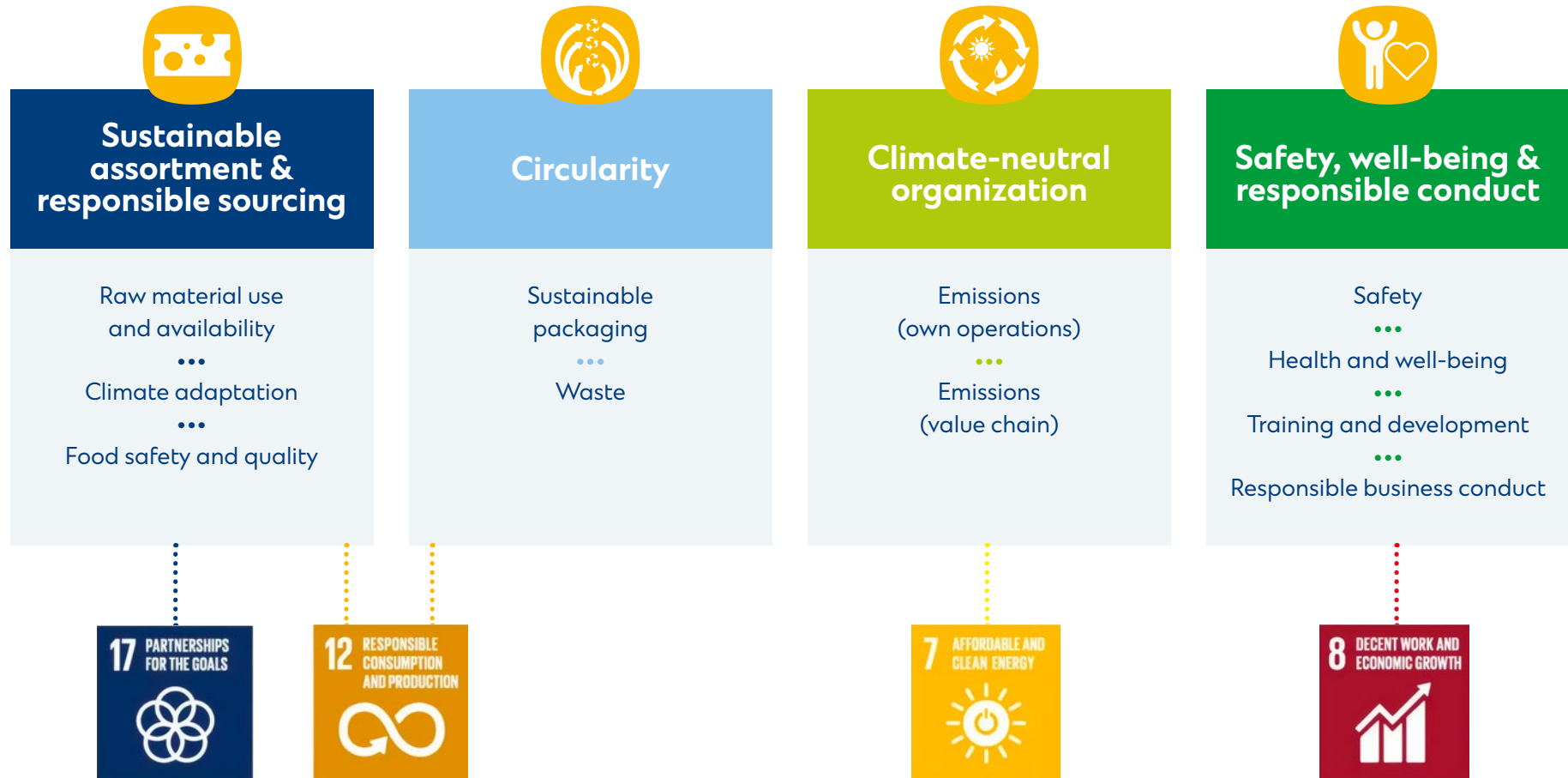
	<ul style="list-style-type: none"> • Safety • Waste 	<ul style="list-style-type: none"> • Emissions (own operations) • Emissions in the value chain • Food safety and quality • Sustainable packaging • Raw material use and availability • Health and well-being
Impact materiality	<ul style="list-style-type: none"> • Responsible product assortment • Biodiversity • Animal welfare • Diversity and inclusion • Workers in the value chain 	<ul style="list-style-type: none"> • Training and development • Climate adaptation • Responsible business conduct

Financial materiality

The material ESG themes form the foundation of the Vepo Forward strategy for 2026–2028.

6. Vepo Forward: Our Roadmap to a Future-Proof Organization (C1)³

Our Vepo Forward strategy is built on four pillars:



We have linked our 4 pillars of Vepo Forward to the Sustainable development goals of the United Nations. See Appendix II.

3.) Air, water, and soil pollution, biodiversity, water usage, and affected communities are not included in this report, as these topics have not been identified as material for Vepo Cheese

Themes explained:



Sustainable assortment & responsible sourcing

At Vepo Cheese, we focus on developing an assortment that is more healthy and more environmentally conscious. We are working towards a sustainable procurement policy, expanding our range of plant-based alternatives (like our hybrid pizza-mixes), and contributing to a value chain that is free from deforestation. In addition, we aim to gain better insight into water management and drought risks among our key suppliers. In this way, we make increasingly conscious choices from cow to consumer.



Circularity

At Vepo Cheese we see packaging as a resource. That is why we aim to become a leader in sustainable packaging by 2028. This means offering a recyclable option for every product group. With a focus on mono-materials and recycled APET, we are taking steps towards a closed-loop system without compromising on quality or food safety.



Climate-neutral organization

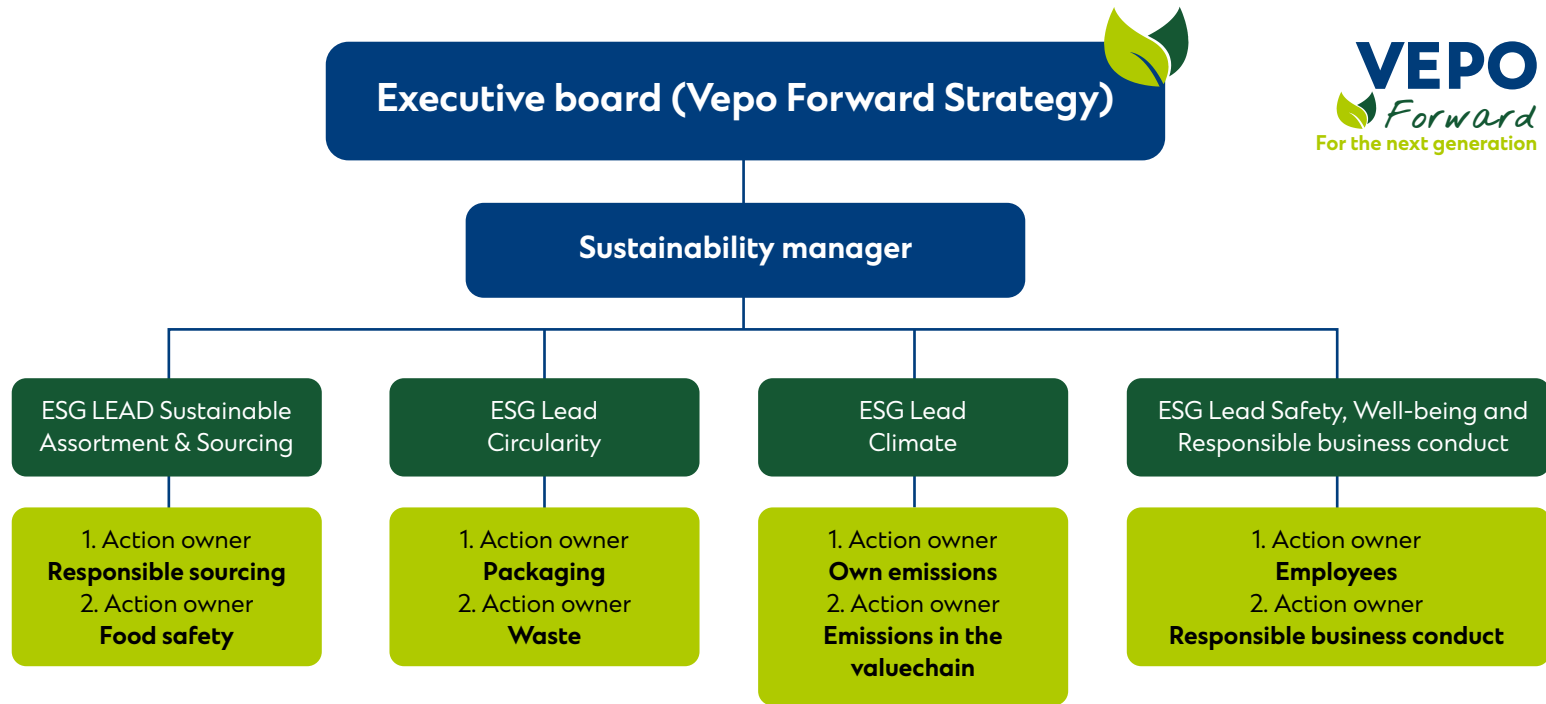
Our ambition is clear: we aim to structurally reduce our Scope 1, 2, and 3 emissions. We do this, among other things, by fully transitioning to green electricity and generating more renewable energy through our solar panels. In addition, we collaborate with value chain partners to further reduce our overall scope 3 impact.



Safety, well-being & responsible conduct

A safe and inspiring working environment forms the foundation for sustainable growth at Vepo Cheese. We aim to become a leader in employee health, well-being, and development. That is why we invest in personal development plans and annual training programs. We focus on reducing absenteeism and minimizing the number of incidents in our production facilities. At the same time, we are building a culture in which taking responsibility comes naturally - both within and beyond Vepo Cheese.

Governance



Our sustainability strategy starts at the Executive Board, where direction and ambition are defined. The Sustainability Manager then ensures the coordination and progress of the projects. ESG leads are each responsible for one pillar of the Vepo Forward strategy and translate these into concrete actions. With the support of designated action owners, execution is secured and progress is continuously monitored.

Our strategy is built on trust: in our people, in our value chain partners, and in the power of continuous improvement. We look beyond our own organization and take our role in the value chain seriously. Whether it concerns developing more sustainable products or reducing our environmental footprint, we are working together to build a more sustainable future for the next generation.

This report outlines our goals. Some have already been achieved, while others may require adjustment. We will revisit our goals and update them where necessary. In addition, achieving many of our objectives depends on technological developments, changes in laws and regulations, and acceptance by our customers and suppliers.

In the following sections, we further elaborate on our current position for each pillar.

Our 4
Vepo
Forward
pillars



7.1 Sustainable assortment, Responsible sourcing and Food safety



Sustainable assortment & responsible sourcing

- Raw material use and availability
- ...
- Climate adaptation
- ...
- Food safety and quality

7.1.1 Sustainable assortment and Responsible sourcing

Introduction

Vepo Cheese recognizes its responsibility for the careful use of natural resources throughout the entire value chain. As a processor and packer of cheese products, we occupy an important position between producers and customers. From this position, we focus on responsible sourcing and the gradual development of a more sustainable product assortment. In doing so, we aim to reduce our environmental impact and contribute to a future-proof food system.

Policy

Our procurement and assortment policy is combined in the Sustainable Procurement Policy. This policy serves as the foundation for supplier selection and evaluation and focuses on relevant ESG themes such as deforestation-free raw materials, sustainability certifications, animal welfare, climate impact, and social responsibility. From 2026 onwards, the Supplier Code of Conduct will also be implemented. This includes minimum standards for the environment, human rights, working conditions, and ethical business practices. The code forms the framework for collaboration with our suppliers.

Actions

Since 2024, we have conducted supplier surveys on topics such as deforestation-free value chains, sustainability certifications, water management, and social responsibility. In 2025, an ESG screening of suppliers was

completed. This showed that many of our suppliers are already advanced in implementing ESG measures, while others have not yet fully implemented certain measures. The results form the basis for our Sustainable Procurement Policy and the Supplier Code of Conduct and support the ongoing dialogue with suppliers on making the value chain more sustainable. In addition, more sustainable milk streams such as organic cheese and pasture-based milk - have become an integral part of our product assortment.

Value Chain Responsibility

We expect our suppliers and partners to operate in line with the same standards regarding human rights, working conditions, and ethical business conduct **Code of Conduct**. Through audits and collaboration, we continuously work towards greater transparency and improvement within the value chain.

Completed ESG screening of our supplier base in 2025, forming the foundation for our Sustainable Procurement Policy and Supplier Code of Conduct.

Redmar Baars (Sales) and Hans HoEVERS (Sourcing)



Targets 2026–2028:

Responsible Sourcing

- Implementing the Sustainable Procurement Policy based on ESG criteria in 2026.
- Achieving a deforestation-free value chain by 2028, in line with the requirements of the EU Deforestation Regulation (EUDR).
- Gaining insight into water management at the top 15 cheese suppliers (based on procurement value) in 2026.

Sustainable assortment

Our ambition is that 5% of the total sales volume will consist of plant-based alternatives by 2028.

Food safety and quality

Maintaining zero product recalls and consistently achieving the IFS Higher Level certification for both production sites.

Future Initiatives

A key focus is the implementation of the Sustainable Procurement Policy and the introduction of the Supplier Code of Conduct. We aim for at least 90% of our suppliers (based on procurement value) to demonstrably comply with this code within 24 months. For suppliers who do not yet meet the requirements, we will engage in dialogue to initiate improvement plans where necessary.

In addition, we are committed to further improving the sustainability of our value chain. In line with the EU Deforestation Regulation (EUDR), we are working towards deforestation-free supply chains. As part of this effort, we request our suppliers to use

certified raw materials, such as for palm oil, soy, and paper & cardboard. We also ask our key cheese suppliers to provide insight into their water management practices and related reduction targets, enabling us to take joint steps towards a more sustainable chain.

Finally, we explore opportunities with suppliers for plant-based alternatives that have a lower carbon footprint, remain affordable, and do not compromise on taste and quality.

Monitoring Progress

Progress on these targets will be monitored annually through supplier surveys, document reviews, interviews, and internal evaluations within the framework of *Vepo Forward*.



7.1.2 Food Safety and Quality

Introduction

Food safety and product quality are essential components of Vepo Cheese's operations. Through clear procedures, regular quality controls, and compliance with applicable quality standards, we ensure that our products meet the highest requirements in terms of food safety.

Policy

Vepo Cheese applies a food safety and quality management system based on the standards of IFS, SKAL, and Halal. These requirements are embedded in the quality manual and related procedures, including hygiene protocols, work instructions, and quality control documentation. We comply with relevant laws, regulations, and obligations in the field of sustainability, including EED and ODMH requirements. In addition, we are certified for SCI Scope 10 and SCI Scope 12, ensuring compliance with applicable safety and inspection standards for our electrical installations.

Actions

Through employee training, we ensure that product and process controls are carried out with care and that employees actively contribute to identifying potential improvements.

Various periodic quality controls, including internal audits, hygiene inspections, and

environmental monitoring, Vepo Cheese ensures ongoing compliance with established quality standards. In 2025, both production sites once again achieved IFS Higher Level certification, and no product recalls occurred.

Between 2021 and 2025, several improvements were implemented in the areas of quality and food safety. The quality manual has been further professionalized, with all documents reviewed for relevance and updated where necessary to align with current legislation and certification requirements.



In addition, several work instructions have been simplified through the application of the 5S methodology⁴ and the use of visual instructions. Increased attention has also been given to the correct implementation of hygiene rules.

Within production, further steps have been taken to improve hygiene, order, and cleanliness. For example, shadow boards have been introduced, where tools and materials are visually organized and differentiated per area using color coding. This approach has been implemented across all locations.

4.) *The 5S method is a practical approach to maintaining order, efficiency, and safety in the workplace*



Shadow boards

In addition, hygiene inspections at both production locations have been digitized and standardized. This has led to improved insight into performance in the areas of hygiene, order, and cleanliness. In 2025, the system was expanded to include line audits, which are also recorded digitally. Reporting now provides clear insight into areas that require additional attention.

Through the implementation of a new ERP system, complaints, product specifications, incoming goods inspections, and product holds are now recorded digitally. This system enables faster reporting and allows for better analysis of relationships between different data points. As a result, there is improved

insight into bottlenecks, enabling more targeted management of structural improvements.

An important advantage is that trends in customer complaints become visible more quickly, allowing corrective actions to be taken sooner to prevent future deviations.

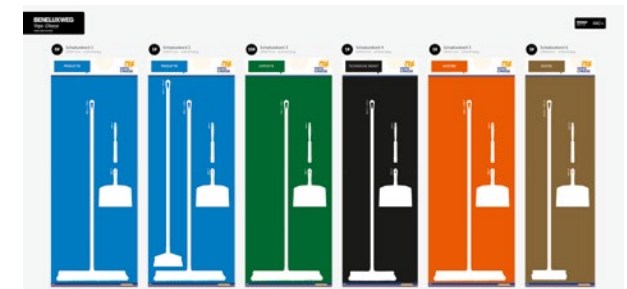
Targets 2026-2028:

- Maintain IFS certification without critical non-conformities.
- Provide periodic training for employees⁵ on food safety and hygiene.
- Follow up on audit findings within the deadlines set by the certification body.
- Maintain zero product recalls per year.

Future Initiatives

New developments in the field of food safety and quality are continuously monitored by the quality department. These developments are gathered through industry publications, training sessions and seminars, company visits, and the knowledge and experience of colleagues.

Where necessary, procedures and work instructions are updated or further refined, and employees are trained accordingly, ensuring continued compliance with current (quality) standards.



Shadow boards

5.) A distinction is made between employees requiring basic training and operators responsible for CCP metal detection on designated production lines



7.2 Circularity (B7 – Resource Use, Circular Economy & Waste Management)



Circularity

Sustainable packaging
...
Waste

7.2.1 Sustainable packaging

Introduction

Packaging plays a crucial role in maintaining the quality, shelf life, and food safety of our cheese products. It also contributes to efficient logistics and helps prevent food waste. For this reason, Vepo Cheese uses packaging materials with the appropriate barrier⁶ properties for each product.

At the same time, societal and regulatory expectations regarding sustainable packaging are increasing. The challenge lies in combining optimal product protection with packaging

that is fully recyclable or made (partly) from recycled materials. This requires continuous innovation, close collaboration with suppliers, and careful testing of new materials.

Policy

We continuously strive to use thinner films for packaging our cheese, while maintaining product specifications such as taste and shelf life. As part of our Sustainable Procurement Policy, we have developed a

roadmap towards 2030, outlining how we will transition to recyclable alternatives and packaging films containing recycled content.

Actions

Starting in 2021 Vepo Cheese has taken significant steps to reduce the material usage of its packaging. By optimizing the film thickness of the APET trays from 350 microns to 300 microns, we have achieved the following:

Productgroup	Before (kg/yr)	Reduction (%)	Saving (kg/yr)
Slices 1 kg – 1 row	50.000	14%	7.000
Retail slices / small packs	225.000	14%	31.500
Total annual savings (film)(kg)			38.500

This results in a CO₂-reduction of 112,305 kg for these product groups

Targets 2026–2028

- We aim for a recyclable packaging option per product group by 2028.
- At least 60% of all packaging consists of mono-materials by 2028.
- Increase the share of recycled APET film to 30% by 2027.

6.) In the context of cheese packaging, a barrier refers to the protective properties of a packaging material that prevent external influences from affecting the quality and shelf life of the product

Future Initiatives

Testing, testing, testing

Our focus is on combining optimal product quality with maximum recyclability. We actively encourage our packaging suppliers to test new alternatives together with us at our production sites, enabling us to jointly identify the best solutions that are both more sustainable and maintain product quality and shelf life. Currently, products from three testing rounds are in storage to assess whether these new alternatives meet our required specifications. We have first started with the transition of our retail packaging for grated cheese and sliced cheese to mono film.

Product Passport (2026)

In 2026, Vepo Cheese will develop a packaging product passport, containing information per material type on composition, recyclability, origin, and environmental impact. This document will inform customers and other stakeholders about the environmental footprint of the product and support transparency, internal decision-making, and compliance with future legislation such as the PPWR.

Mono-materials

To improve recyclability, the use of mono-materials will be further scaled up. This means transitioning, where possible, to a single material type per packaging format, thereby improving the quality of recycling.

We are preparing for a commercial test with a retail customer and aim to transition our own brand (sliced cheese) to mono-material packaging by the end of 2026.

The ongoing test with more sustainable packaging options for retail grated cheese will be completed in 2026. This includes evaluating thinner films, alternative materials, and the impact on product quality and shelf life.

7.2.2 Waste

Introduction

We apply three circular principles: reduce, reuse, and recycle. We do this by preventing waste as much as possible, reusing materials and raw materials wherever possible, and recycling residual streams at a high value. In addition, we strive for a production process with optimal material and product efficiency, ensuring that raw materials are used to their fullest potential and waste is minimized.

Policy

Since 2020, we have had a waste separation plan in place. In addition to properly separating waste for recycling, this plan also identifies opportunities to reduce high-calorific waste by sourcing thinner films and minimizing waste during film changes on the machines. Furthermore, Vepo Cheese must comply with EU legislation on packaging, including the PPWR, which came into effect in February 2025.

Vepo Cheese monitors the volume of high-calorific waste per production site and relates this to the total production volume. This allows us to determine whether the share of high-calorific waste remains stable despite production growth. The data is provided, among others, by waste processor Rondo and internal registrations. High-calorific waste is particularly relevant, as it accounts for more than 50% of our total waste stream and cannot be recycled at a high value; therefore, we aim to keep this stream as small as possible.



Actions

Optimizing Waste streams

The level of waste separation per material type (including cardboard, plastics, and hazardous waste) is measured annually in kilograms. Progress is monitored through periodic reporting and internal audits on waste separation.

Optimizing Production processes

Process data such as line efficiency, number of product changeovers, cutting losses, and internal rejects are continuously monitored. Through process optimizations, we aim to structurally reduce residual streams and improve material efficiency. KPIs are evaluated quarterly during production and managementteam meetings.

In addition, we have transitioned to unbleached cardboard boxes for selected products, minimized plastic packaging materials, and optimized consumer packaging, outer packaging, and pallet loading.

Logistical optimizations have also been implemented, including delisting low-volume products, encouraging orders of at least two pallets, and actively steering towards full truckloads. Products with a higher risk of food waste have also been removed from the assortment.

These measures have contributed to more efficient material use, fewer transport movements, and a further reduction of waste throughout the value chain.

Waste streams- Vepo Cheese 2024	Recycled (kg)	Non recycled kg		
Cardboard and paper	339.530,00			
Plastics		12.665,00		
High-calorific waste (mainly plastics)		427.020,00		
Hazardous waste		240		
Waste steams- Vepo Cheese 2025	Recycled (kg)	Non recycled kg	kg vs 2024	%
Cardboard and paper	337.910,00		1.620,00	-0,5
Plastics		13.320,00	655,00	5,2
High-calorific waste (mainly plastics)		411.300,00	15.720,00	-3,7
Hazardous waste		231	-9	-3,8

7.) The table above shows the distribution between recycled and non-recycled materials. 2021 figures are not reliable, since we worked with another waste processing company and other categories. That is why we compare 2025 with 2024.

Per kilogram of purchased cheese, the share of high-calorific waste⁸ remained stable in 2025 compared to 2024. The total CO₂-emissions from our overall waste stream decreased.

Total CO₂-emission 2024:	2132,5 tCO₂
Total CO₂-emission 2025:	2054,8 tCO₂
Diff:	72,8 tCO₂ which represents 3,6%

Target 2026–2028:

The share of high-calorific waste per kg product produced, will remain stable over the period 2026 – 2028 vs 2025.

8.) High-calorific waste is waste with a high energy value when incinerated and, in our case, is used in cement production, which requires large amounts of energy.

9.) Mono material consists of a single type of plastic, unlike laminates, which are made up of multiple very thin layers of different plastics and are therefore not recyclable.

Future Initiatives

In the coming years, Vepo Cheese will focus on further optimizing waste streams and production processes. A key initiative is the separate collection of clean plastic waste at both production sites, enabling higher-quality recycling of these materials.

In addition, we focus on improving line efficiency, for example by reducing the number of product changeovers, which in turn leads to lower volumes of high-calorific waste⁸. High-calorific waste is partly generated during product changeovers.

Finally, we will increase the use of recyclable materials (such as mono-materials⁹), in order to structurally reduce the volume of high-calorific waste and circularity within our packaging streams is enhanced. We do this in close collaboration with our packaging suppliers. In the coming period, we will also intensify our cooperation with cheese suppliers to deliver cheese in packaging that is more recyclable. In doing so, we are proactively preparing for the phased implementation of the PPWR.





7.3 Climate neutral organization (B3 Climate)



Climateneutral organization

Emissions (own operations)



Emissions (value chain)

Category	tCO2e	Percentage
Scope 1	359,9	0,10%
Scope 2	1.624,10	0,40%
3.1 Purchased goods & services	377.354,20	95,20%
3.2 Capital goods	1.028,80	0,30%
3.3 Fuel- and energy-related activities	351,1	0,10%
3.4 Upstream transport & distribution	5.178,30	1,30%
3.5 Waste generated in operations	2.059,80	0,50%
3.6 Business travel	13,6	0,00%
3.7 Employee commuting	148,7	0,00%
3.9 Downstream transport & distribution	6.194,60	1,60%
3.12 End- of- Life treatment	2.078,30	0,50%
total tCO2	396.391,60	100%
CO2 emission per Kg of purchased cheese	9,92	

Fig. A

7.3.1 Emissions own operations

Introduction

The processing and packaging of cheese require energy, particularly for cooling, grating, slicing, and packaging. We monitor our energy consumption and continuously explore opportunities to reduce it where possible (Scope 1 and 2). Scope 1 and 2 together account for 0.5% of our total footprint. Our largest CO₂ impact lies in the procurement of goods and services; >99% of our total footprint falls within Scope 3, primarily related to the purchase of cheese.

Policy on emissions in own operations

For all investments and renovations, we systematically assess which measures can be taken to reduce energy consumption and improve efficiency. This means that we consistently select energy-efficient solutions when purchasing equipment and prioritize maximum insulation when modifying buildings.

In addition, we carry out periodic maintenance on installations and machinery. This ensures that systems remain in optimal condition and prevents unnecessary increases in energy consumption due to wear or reduced performance.

All investment decisions are supported by multi-year plans. These plans enable us to phase out outdated installations and replace them with more energy-efficient alternatives. In this way, we combine operational continuity with structural sustainability improvements.

In 2021 we had just a few company-owned cars.¹⁰ This has since changed, with vehicles now in use for, among others, our commercial and management roles. Our policy is to purchase only hybrid or fully electric cars¹⁰.

10.) Disclaimer: 2021 and 2025 are not comparable in terms of total Scope 1 emissions, as in 2021 we had significantly fewer company-owned vehicles and there was substantially more remote working due to COVID-19.

Actions and resources related to emissions-own operations

In recent years, we have taken important steps in reducing our Scope 1 and Scope 2 emissions by investing in energy-efficient installations and more sustainable operations. A key investment is the implementation of a CO₂-cooling system that works with cold water. Within this system, the offices at Frankrijweg are heated using residual heat from the refrigeration system, while cooling is integrated into the same system. As a result, traditional air conditioning and heating systems have largely become redundant. In addition, heat recovery units (HRUs) have been installed on the ventilation systems to recover heat from exhaust air.

We have also implemented energy-saving measures in other areas. Fast roll doors have been installed that open and close automatically to reduce energy loss, charging stations have been installed at all locations to support electric mobility, and lighting has been replaced with LED fixtures equipped with motion sensors. Furthermore, six new production lines have been introduced that consume less electricity per kilogram of processed cheese compared to previous installations.

With these measures, we have laid the foundation for further CO₂-reduction and achieved a structural decrease in natural gas consumption of 21.6% per kg of purchased

cheese. Process emissions have increased with 3%, since 2021. At the same time, we also observe an increase in purchased electricity of 7.4% per kg of purchased cheese. This is due to the expansion of our facility by 2,200 m², including a new cooling installation, the deployment of new robots, increased production hours, the installation of charging

stations for our vehicles, and the use of more lithium batteries for forklifts, enabling longer operation, improved lifespan, and enhanced safety.

Looking at emissions per kg of purchased cheese, Scope 2 emissions have decreased by 6.6% per kg since 2021, driven by a change in the energy mix.

Disclosures B3 – Energy and Greenhouse Gas Emissions			
Energy consumption – Total energy in MWh (renewable vs non-renewable), 2021-2025			
Category	Component	Value 2021	Value 2025
Energy consumption	Electricity usage	3,289,828 kWh	3,923,001 kWh
Energy consumption	Natural gas usage	53,942 m ³	46,951 m ³
Energy consumption	Solar panels (generation)	770,983 kWh	793,526 kWh

Targets emissions own operations

- 80% reduction of Scope 1 and Scope 2 emissions by 2028 compared to 2021.
- Increase the share of renewable energy generated through solar panels from 20% to 50% by 2028.
- 100% of purchased electricity to be green by 2028.

Progress on these targets is periodically monitored based on energy consumption and CO₂-emissions data. Based on current insights, the 80% reduction target for Scope 1 and 2 appears too ambitious to achieve by 2028. We will revise this target in the coming year.

Future initiatives

Climate policy – Energy reduction plan

In our investment decisions and replacement programs, we incorporate multi-year plans to phase out installations in a timely manner and replace them with more efficient systems. In the coming years, we will take further steps to improve the sustainability of our buildings and installations. In 2026, new energy-efficient compressed air compressors will be installed, and existing air dryers will be replaced with more efficient systems. In addition, between 2026 and 2028, the refrigeration system will be renewed in phases. This includes phasing out old boilers, better utilization of residual heat, and replacing existing air conditioning systems by connecting them to a central chilled water system. Part of the roof will also be renovated with sustainable roofing materials and improved insulation.

Solar panels – investment plan

At the same time, we will continue to invest in renewable energy by further expanding the number of solar panels and working towards a full transition to green electricity. In doing so, we take into account external developments, such as the phasing out of net metering schemes and the risk of overproduction during weekends. The technical and economic feasibility of this investment is currently being further assessed.

Up to and including 2027, we will make use of green electricity certificates; from 2027/2028 onwards, we expect to fully transition to the procurement of green electricity.

Monitoring of the energy reduction plan

All relevant energy consuming installations within our organization have been mapped, providing a complete overview of our main energy sources and flows. Our energy consumption has been measured and analyzed for several years. During the reporting year, we made additional investments in a new digital monitoring system. This system records both main and sub-monitoring data and enables real-time and historical monitoring through a centralized digital environment. The system offers analytical capabilities to identify trends, peak loads, and deviations. Through this systematic monitoring, we have established a data-driven foundation for managing energy efficiency and CO₂-reduction. The measurement results also support tracking our reduction targets within Scope 1 and Scope 2.



7.3.2. Emissions in the value chain (Scope 3)¹¹

Introduction

The largest climate impact of Vepo Cheese lies within Scope 3: the upstream and downstream activities in the value chain. This primarily concerns emissions from purchased goods and services. For an overview of the relevant emission categories, see Figure A¹². The other categories are not considered material for Vepo Cheese.

Within our carbon footprint, Scope 3.1 (purchased goods), and in particular the procurement of cheese, has the largest impact. The calculation of these emissions is based on the purchased volume in kilogram multiplied with an average validated emission factor.

Following cheese procurement, transport and distribution (both upstream and downstream) represent the next largest contributors to Scope 3 emissions. Together, these account for approximately 3% of our total carbon footprint.

11.) The carbon footprint has been calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard

12.) The remaining emission categories under the GHG Protocol are not considered material for Vepo Cheese

11. Use of sold products

13. Downstream leased assets

14. Franchises

15. Investments

The waste generated within our operations mainly consists of high-calorific waste. This waste is incinerated for use in the cement industry. While this is not a major contributor to our footprint, it is a category where Vepo Cheese has a relatively high level of influence.

Policy on Value Chain Emissions

At the end of 2025, we started developing a Sustainable Procurement Policy and the associated Supplier Code of Conduct. In the first quarter of 2026, this Sustainable Procurement Policy will be launched alongside the sustainability report. This formally defines the sustainability criteria we apply towards our suppliers and value chain partners. The focus includes climate measures, sustainable sourcing of raw materials, animal welfare,

human rights, and responsible business conduct.

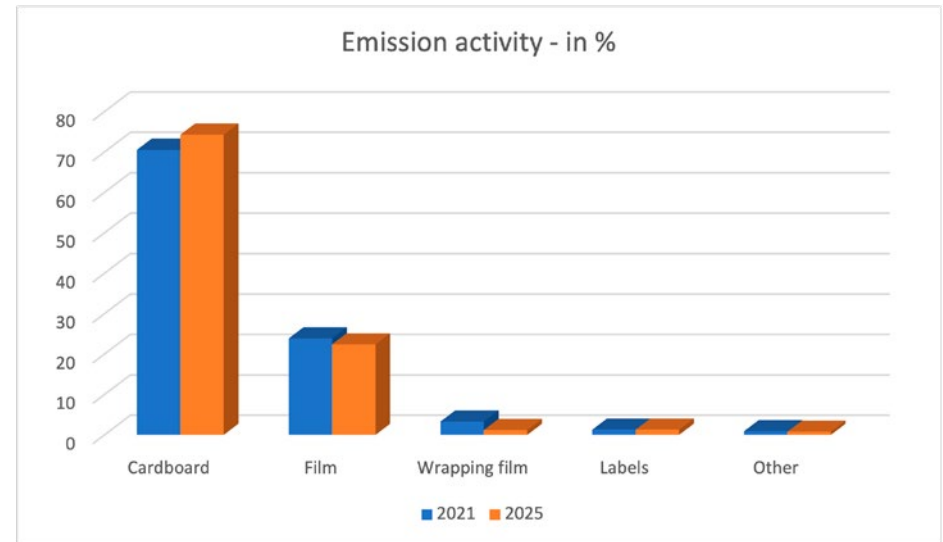
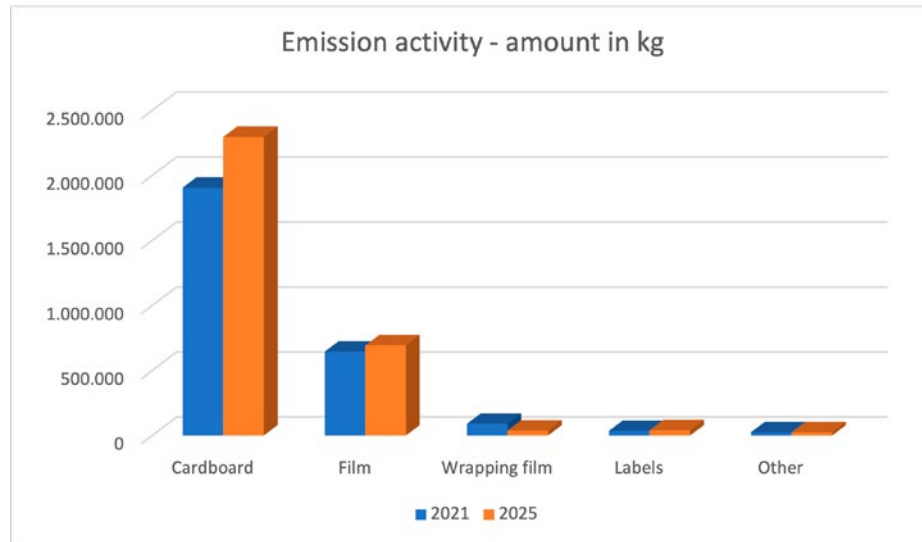
Actions

In recent years, our Scope 3 efforts have primarily focused on improving the sustainability of packaging materials. Of our purchased packaging materials (in kg), approximately three-quarters consist of cardboard and nearly one-quarter of film. In 2025, we purchased 11% more cheese and 4% more cardboard compared to 2021. When looking at packaging per kg of cheese, we used 3.3% less plastic film per kg of cheese and 8.4% more cardboard per kg of cheese. Our total packaging-related emissions per kg of cheese increased by 26,4%. This increase is explained by the higher use of cardboard

and a 46% rise in the emission factor for cardboard.

We have transitioned to unbleached cardboard to lower our footprint, which has helped to partially mitigate the increase in the emission factor.

To achieve our reduction targets, the focus for the period 2026–2028 will not only be on further improving the sustainability of packaging materials, but primarily on sourcing cheese with a lower CO₂-footprint.



Scope 1–2–3 direct and indirect emissions

		2021 tCO ₂ --eq	2025 tCO ₂ --eq	
GHG-emissions	Scope 1	329,1	359,9	Direct emissions
GHG-emissions	Scope 2	1566	1624,1	Indirect emissions from purchased energy
GHG-emissions	Scope 3	420.590,6	394.407,40	Indirect value chain emissions
CO ₂ -footprint/ kg cheese		11,75kg CO ₂	9,92 kg CO ₂	-16%



While the total volume of purchased cheese increased by 11%, the CO₂ footprint per kg of purchased goods and services decreased by 16.5% (mainly cheese).

Targets for Scope 3

We have set a target to reduce Scope 3 emissions by 10% by 2028 compared to 2021. This means that CO₂-emissions per kg of sold packaged product in 2028 will be reduced by 10% compared to 2021. This target has already been achieved in 2025, mainly due to a reduction in emission factors for Gouda and Edam, our largest product categories.

In the coming years, we will actively implement policies focused on sourcing cheese with a lower CO₂-footprint and revise our target upwards. Progress on this target will be monitored through annual CO₂-calculations of the value chain.

Future Initiatives in the Value Chain

The implementation of the Sustainable Procurement Policy will begin with KPI's for the procurement department. The year 2026 will focus on obtaining signed commitments to the Supplier Code of Conduct from our suppliers.

We will actively engage both existing and new suppliers to explore more sustainable product alternatives. Based on these discussions, materials or products with a lower carbon footprint will be implemented where possible.



This includes a focus on:

- Cheese with a lower carbon footprint
- Recyclable films containing a percentage of recycled material (PCR)
- Hybrid cheese products or plant-based alternatives
- Demonstrable environmental policies from suppliers aimed at reducing their CO₂-footprint, thereby positively impacting our Scope 3 emissions

This approach supports the achievement of our Scope 3 reduction targets and contributes to the objectives of Pillar 1; Sustainable Assortment and Sustainable Sourcing and pillar 2 Circularity.



7.4 Safety, Well-being and Responsible business conduct



Safety, Well-being & Responsible Business Conduct

Safety



Health and well-being



Training and development



Responsible business conduct

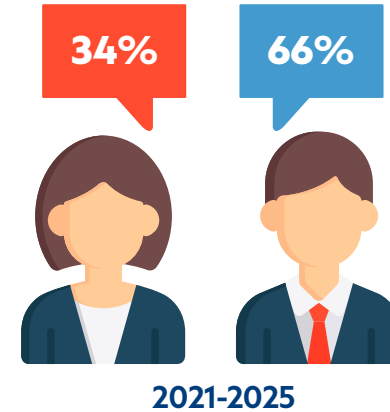
7.4.1 Employees: safety, health & wellbeing, training & development

Introduction

At Vepo Cheese, we believe that sustainable growth starts with our people. Our employees are at the heart of everything we do. That is why we continuously invest in a safe working environment, employee well-being, and personal development. With clear responsibilities, practical policies, and measurable goals, we aim to create

a workplace where people feel safe, stay healthy, and have the opportunity to grow and thrive. Vepo Cheese has approximately 190 FTEs. We have grown from 168 FTEs in 2021, driven by strong revenue growth in recent years, which has led to an increase in our workforce.

The male-to-female ratio has remained stable over the years. Men are in the majority within the two production sites and our logistics center.



Temporary contracts:
4.4%

Permanent contracts:
95.6%

Annual worker turnover in % Number of workers leaving in last 12 months (% of average total number of workers on site over the year).	Last quarter (90 days)	1,66	Lost day work cases (per 100 workers) Calculated as (number of lost days due to work accidents and work related injuries * 100) / number of total workers	(2025)	45,5 days total	(2024)	81 days total
	Last year (2025)	11		Oudewater:	45,5 days	Oudewater:	68 days
	Previous full calendar year (2024)	9,12		Bodegraven:	0 days	Bodegraven:	13 days

Policy and principles

Our employee-related policies are laid down in the Vepo Guide, the employee handbook applicable to all staff. This document includes agreements on employment conditions, safety, (food) safety regulations, ethical conduct, the whistleblower policy, confidential advisors, and the prevention of inappropriate behavior. The handbook is updated annually and is accessible to all employees.

Human rights & non-discrimination

We are committed to a respectful and inclusive working environment, where there is no place for discrimination based on origin, gender, age, religion, sexual orientation, or any other personal characteristic. Equal opportunities and respect for human rights are an integral part of our policies and daily operations. See our [Ethical business principles](#) Vepo Cheese.

Actions

Safety

Safe working conditions are a continuous priority. In 2025, a new safety structure was implemented. A central safety coordinator oversees action owners across all operational disciplines, such as production, technical services, and logistics. Each discipline has its own action plan.

Progress is reviewed bi-weekly, and quarterly meetings are held with department management. This ensures that safety remains a structural priority and that improvements are actively followed up.

In 2025, there were 18 work-related accidents, none of which were fatal. These incidents resulted in 45.5 lost workdays at the Oudewater facility.

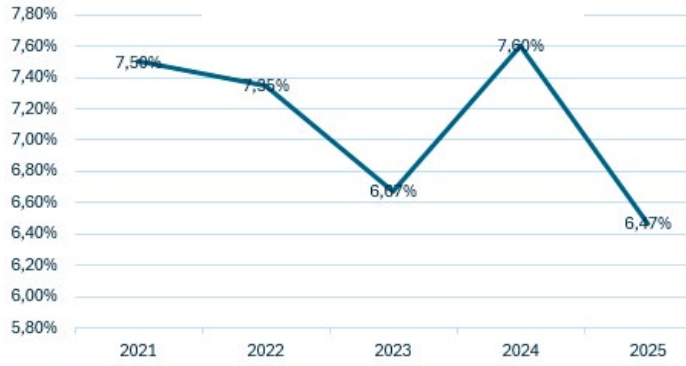


In recent years, greater emphasis has been placed within our organization on reporting incidents. This improved reporting culture is clearly reflected in the figures. Now that the reporting process is well established and actively used, the focus is on structurally reducing the number of incidents and further improving a safe working environment.

Health and wellbeing

We take a preventive approach to creating a healthy work environment. Each year, we develop a vitality plan tailored to the needs of our organization, focusing on topics such as mental fitness, physical activity, posture, and nutrition.

Absentee percentage



In addition, we conduct a Preventive Medical Examination (PME) every four years to identify health risks at an early stage. Our absenteeism rate has decreased over the past year, although further reduction remains a key objective.

Training & development

In 2025, we implemented a new Learning Management System (LMS), bringing all learning and development activities together in one central platform. Employees have access to an online learning library, and internal knowledge is captured in digital learning modules.

Training and development are embedded in the annual performance cycle. We actively encourage employees to pursue training and aim for a situation where every employee has a Personal Development Plan (PDP).

In addition, we have introduced a talent management program for employees with growth potential. Tailored development paths are created based on both individual ambitions and the future needs of Vepo Cheese.

Niek

Niek Sluijs joined Vepo Cheese right after finishing secondary school, starting as an on-call production worker. What began as a side job quickly grew into something more. During his studies in Entrepreneurship & Retail Management, Niek stayed connected to Vepo Cheese - working as a forklift driver during the week and as a cleaner in the weekends. Step by step, he got to know the organization from the inside out.

After graduating, Niek moved into the office, contributing to the ERP implementation at our Oudewater production site while also working in a sales role in Bodegraven. His drive and curiosity led him to his current position as Project Manager for ERP and MES (Manufacturing Execution System).



In this role, he plays a key part in preparing Vepo Cheese for the future, with the new system scheduled to go live in September 2026. Niek's journey reflects the opportunities within Vepo Cheese - growing from the floor into a role as projectmanager.

Employee engagement

Between 2021 and 2025, Vepo Cheese has taken significant steps to structurally improve communication, development, and employee engagement.

A new intranet platform (Plek) has been introduced, providing a central hub for internal communication and information. This has improved accessibility of information and strengthened collaboration between departments.

In addition, we have introduced an onboarding program and developed a new employee handbook (Vepo Guide), which is updated annually. Strategic workforce planning has been implemented to better anticipate future staffing needs. The employee satisfaction survey (MTO) is used as a standard tool to gather feedback and drive improvements. This has led to initiatives such as the implementation of a Leadership Management System, a talent management program, Vepo Vitality Program to support employee wellbeing, and internal communication via a dedicated platform: Plek.

We follow the Collective Labour Agreement for the Private Cheese Warehousing Industry and comply with applicable employment conditions and safety agreements within the sector.

In 2021 and 2024, we conducted SMETA 4-pillar audits, assessing areas such as working conditions, health & safety, and environmental performance. This demonstrates our commitment to transparency, continuous improvement, and managing ethical and social risks in line with international standards.

The 2024 SMETA audit identified the need to assess employees’ understanding of the Ethical Code. We developed a test using Google Forms and distributed it among Sales, Procurement, and Management.

At the time, there was no Ethical Supplier Code in place; this has since been developed and shared with our suppliers.

Finally, it was recommended to establish a procedure for monitoring employment agencies. This procedure has now been implemented and is actively applied.



Targets and monitoring

To monitor progress, we have defined clear objectives:

- 25% annual reduction in workplace incidents
- 100% employee participation in training and development
- Every employee has a Personal Development Plan (PDP) by 2028
- Reduce absenteeism rate to 5%
- Integrate the employee satisfaction survey into the HR cycle (every 5 years), including an annual system that enables us to send out targeted surveys on specific topics at any time
- Strengthening leadership and ensuring continuity in critical roles

Progress on these targets is periodically monitored and adjusted where necessary.

Every employee has a Personal Development Plan (PDP) by 2028

Future Actions

Reduction in workplace accidents

To further improve safety within production and structurally reduce the number of accidents, we are strengthening the involvement of operational management by organizing targeted sessions and clearly defining responsibilities. The current safety meetings will be transformed into action-owner meetings, with a coordinator overseeing progress and individual action owners responsible for their respective disciplines. Each action owner will develop an action plan with clear objectives and KPIs and take the lead in implementation. In addition, a safety meeting will take place every four weeks to monitor progress, evaluate the project structure and lessons learned, and define improvement measures based on results and monitoring of near misses and incidents. In this way, we systematically work towards continuous improvement of our safety culture.

For the coming period, we are focusing on further structuring and strengthening absenteeism management. Every four weeks, a meeting will be organized in which FTE absenteeism figures are reported back to managers, both at organizational and departmental level. During these meetings, we monitor progress towards set targets, evaluate the project structure, and discuss lessons learned. Based on results and

monitoring of absenteeism rates, targeted improvement measures are defined and implemented. This enables us to structurally reduce absenteeism and strengthen the sustainable employability of our employees.

In addition, we focus on prevention and promoting a healthy working environment, with specific attention to employee wellbeing and engagement. The results of the employee satisfaction survey (MTO) serve as the basis for targeted actions and improvements. A new Preventive Medical Examination (PMO) for all employees is also planned for 2026. We also invest in leadership development through the implementation of a Performance

Management & Engagement system. The training focuses on strengthening communication skills across all management levels, from factory management to team leaders and deputy team leaders. This aims to promote open communication, engagement, and the timely identification of issues. The system also ensures the structural measurement of employee satisfaction.

In 2026, the SMETA audit will take place again, demonstrating that we operate responsibly and in line with international standards such as the ETI Base Code and ILO labor standards.



7.4.2 Community Engagement – Vepo Cheese

At Vepo Cheese, we believe it is important to give back to the communities in which we operate. As part of our social commitment, we support local sports clubs, initiatives, and events in and around Oudewater and Bodegraven.

Vepo Cheese sponsors the Tennis and Padel Club Botesa in Bodegraven, tennis club De Heksenmeppers in Oudewater, and football club FC Oudewater. In Oudewater, we also sponsor the Man of the Match and Woman of the Match awards at FC Oudewater, presenting a package to the best-performing player at each home match of both the men's and women's first teams.

In this way, we contribute to physical activity, enjoyment, and community spirit. In addition, we supply cheese to the local food bank, helping to provide nutritious food to those in need while reducing food waste. We also donate to the hospice in Oudewater, supporting people in their final stage of life. By actively engaging with our community, we remain connected to local needs and support initiatives that bring people together.



Mark Verkleij, CEO Vepo Cheese presenting the Man of The Match award

7.4.3 Responsible Business Conduct (B11)

Introduction

At Vepo Cheese, responsible business conduct is one of our core values. We aim to collaborate with employees, customers, and suppliers in an ethical, safe, and responsible manner.

Policy

Vepo Cheese is audited annually by an external auditor. As part of the annual audit, potential risks of fraud or actual cases of fraud are assessed. The findings are reported each year in the management letter.

In addition, Vepo Cheese is audited annually against the IFS standard, which is a key requirement within the food industry for production and supply. Furthermore, various customers conduct ethical and quality audits on an annual basis. These assessments include aspects such as fair remuneration policies and how these are applied in practice.

Vepo Cheese follows the Collective Labour Agreement for the Cheese Warehousing Industry and applies an additional salary scale extension system to remain competitive in the labor market. In this way, we ensure that our operations comply not only with quality and food safety standards but also with social and ethical expectations within the value chain.

Vepo Cheese has an **Ethical Code**, which serves as a guide for safe, ethical, and responsible conduct. It also outlines unacceptable behavior, how such situations are handled, and what employees can do if they observe misconduct. This code has been communicated to all employees and is included in the employee handbook provided at the start of employment.

In addition, Vepo Cheese has a Whistleblower Policy and a Confidential Advisor available to all employees, providing an additional safeguard to enable employees to report misconduct in a safe manner.

Actions

As mentioned before, we conducted a SMETA 4-pillar audit, which assessed not only labor conditions, health & safety, and environmental performance, but also ethical business conduct. Vepo Cheese is registered with Sedex under number: 1042406.

These audits did not identify any indications of corruption or bribery. Furthermore, Vepo Cheese management has not received any reports of corruption or bribery. The results are included in the management reporting and reviewed by our external auditor.

Additionally, the auditor periodically reviews the design and organization of our operations and provides recommendations where necessary to further optimize internal process controls. One of the recommendations in recent years was to improve the segregation of duties within financial processes. We apply the four-eyes principle, and all activities are supported by our new ERP system. Furthermore, during the configuration of roles and permissions in the new ERP system, particular attention has been given to safeguarding the integrity of data (management).

Targets 2026-2028:

- Maintain zero cases of fraud (including bribery and corruption)
- Contract a MDR (Managed Detection & Response) partner
- Implement all auditor recommendations from the 2025 mid-year review
- Ensure all employees complete training via the Studytube platform



Future Initiatives

Vepo Cheese continuously works on strengthening the integrity and reliability of its processes. Recommendations from the external auditor are actively followed up to further improve internal controls.

In addition to external audits by the auditor, our organization is assessed annually through IFS certification and customer audits.

We also continue to evaluate our policies related to good employment practices. Every few years, HR benchmarks our remuneration policy against market data; the next review is scheduled for 2026. At a minimum, we comply with the Collective Labour Agreement for the Cheese Warehousing Industry.

We also provide a training budget to support employee development and invest in strengthening our digital resilience. This includes improving cybersecurity and protecting company data against cyber threats. Through an interactive, gamified approach, employees are trained throughout the year to recognize phishing, hacking, and other cyber risks.

There is still a world to win...

In October 2025, I started as Sustainability Manager at Vepo Cheese, and I was pleasantly surprised by the steps that had already been taken towards sustainability within the organization. Vepo Cheese does not see sustainability as a one-time effort, but as a continuous process of improvement, learning, and collaboration. With Vepo Forward, we have set a clear course since 2021 towards a future-proof organization, where quality, food safety, circularity, emission reduction and good employment practices are closely connected.

For the period 2026–2028, the focus lies on further implementation and deepening of our sustainability strategy. A key step is the rollout of the Sustainable Procurement Policy and the associated Supplier Code of Conduct. In close collaboration with our value chain partners, we aim to further reduce our Scope 3 emissions, with specific attention to sourcing cheese with a lower carbon footprint and developing circular packaging solutions in line with PPWR legislation.

Within our own operations, we will continue to actively manage energy reduction in Scope 1 and 2, where we have the most direct influence. Through our energy reduction plan, monitoring of consumption data, and

targeted investments in installations and buildings, we are working towards a significant reduction by 2028 compared to 2021. At the same time, we are strengthening our approach to waste separation, material use, and process optimization, ensuring that circularity becomes structurally embedded in our operations.

Sustainability can only succeed when it is embraced across the entire organization. That is why we invest strongly in awareness, training, and employee development. With the implementation of our Learning Management System, our talent management program, and the continued professionalization of safety and well-being, we are building an organization where employees feel safe, engaged, and responsible.

At the time of writing this report, we have achieved **EcoVadis Bronze** certification a milestone we are proud of. In 2026 and further we will increase transparency in our ESG performance across all pillars. This aligns with our ambition to report transparently and continuously improve.

With this focus, we continue to build step by step towards the realization of our Vepo



Forward strategy. Vepo Cheese will continue to monitor relevant laws and regulations, market developments, and societal trends, and will adjust its sustainability approach where necessary. In doing so, we keep working towards a future in which we can be proud of our products as well as our positive impact. There is still a world to win, and I am looking forward to be part of this journey.

Arzien de Lint
Sustainability Manager Vepo Cheese

Appendix I

This report provides a fair and accurate view of the sustainability activities of Vepo Cheese N.V. for the year 2025, including a retrospective overview of developments since 2021, and has been prepared in accordance with the VSME Module.



Overview of VSME Topics on which we do and do not report.

Module	Reported	Reporting year
Basic module		
B1 Reporting boundary	✓	2025 vs 2021
B2 Policy, strategy and future initiatives for the transition to more sustainable value chains	✓	2021-2025
B3 Energy and greenhouse gas emissions	✓	2021-2025
B4 Contamination of air, water and soil	X	-
B5 Biodiversity	X	-
B6 Water	X	-
B7 Use of raw materials, circular economy and waste management	✓	2021-2025
B8 Workforce – General characteristics	✓	2021-2025
B9 Workforce – Health and safety	✓	2021-2025
B10 Workforce	✓	2021-2025
B11 Convictions and fines for corruption and bribery	✓	2021-2025
Extended module		
C1 Strategy, policies and sustainability-related future initiatives	✓	2026-2028
C2 Description of practices, policies and future initiatives	✓	2025-2028
C3 Targets for greenhouse gas reduction and climate adaptation	✓	2026-2028
C4 Climate risks	X	-
C5 Additional (general) characteristics of the workforce	✓	2025
C6 Additional information on workforce and human rights policies and processes	✓	2021-2025
C7 Serious negative impacts	X	-
C8 Income and set score and exclusion of EU reference benchmarks	X	-
C9 Gender diversity ratio in the governing body	X	-

Appendix II

Vepo Cheese supports the United Nations Sustainable Development Goals (SDGs) and actively integrates them into its ESG vision and policies.

The selected SDGs are:

Sustainable Development Goals



Partnerships for the Goals

SDG 17 focuses on effective (international) public, public-private, and civil society partnerships for sustainable development.

This SDG reflects the role Vepo Cheese plays within the value chain in the field of sustainability, particularly in areas where collaboration across the chain is essential, such as making our assortment, packaging, and logistics more sustainable.



Responsible Consumption and Production

SDG 12 focuses on the transition towards a circular economy with reduced dependency on raw materials. The aim is to use resources more efficiently (including high-quality reuse of materials), while encouraging waste reduction and reuse.

Reducing food waste is also an important part of this goal. This SDG is closely linked to the core activities of Vepo Cheese, where the use of (plastic) packaging is an essential part of our business. Reducing material usage, driving innovation in collaboration with our partners in recyclable films and mono-material packaging, and minimizing food waste are key priorities in our daily operations.



Decent Work and Economic Growth

SDG 8 focuses, among other things, on making economic growth more sustainable and efficient, with attention to innovation, entrepreneurship, and environmental impact. Progress is measured through indicators such as GDP,

resource efficiency, and employee wages.

This SDG aligns with our ambition to achieve financial growth, promote good employment practices, and further enhance the sustainability of Vepo Cheese.



Affordable and Clean Energy

SDG 7 focuses on energy security, sustainability, and energy efficiency. In the Netherlands, energy security is high, although affordability has not always been guaranteed in recent years. Therefore - and in line with

climate targets—the Netherlands is increasingly focusing on the use of renewable energy and improving energy efficiency.

This SDG is directly linked to Vepo Cheese's own energy consumption and the sustainability of transport, where we aim to make significant progress in the coming years.

*Thank you
for your time*



Contact:

Arzien de Lint
a.delint@vepocheese.com

Date of publication:

May 2026

Design:

De Mediagraaf, Oudewater

Advisory:

2BHonest, Hilversum

Acknowledgements

We would like to thank the colleagues at Vepo Cheese for providing the information and data that made this report possible.

Disclaimer

This sustainability report has been prepared in accordance with the VSME guidelines and is for informational purposes only. The information included is based on available data and may contain estimates. No rights can be derived from this report, and no liability is accepted for any inaccuracies or consequences resulting from its use.

www.vepocheese.com