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Paniflower, Paulig and BAT Agrar start partnership that aims to reduce climate impact of wheat for tortillas up to 35%

Paulig, Paniflower and BAT Agrar take action towards a more sustainable and lower carbon food chain. The partnership focuses on developing regenerative farming practices for the wheat that Paniflower transforms into flour and that Paulig uses to produce tortillas at its Roeselare factory in Belgium. This partnership aims to reduce the climate impact of wheat by as much as 35 percent. Consumers in European markets may expect the first tortillas with lower climate impact in 2025.

As part of the collaboration, farmers in Germany will adopt more sustainable agricultural methods. Together with wheat supplier BAT Agrar, specific measures to reduce the climate and nature impact from cultivation will be carried out by contracted farms. The actions include precision farming, the use of bio stimulants, nutrient optimizing, cover crops and flower strips to enhance biodiversity. The farm's greenhouse gas emissions will be assessed separately for each farm and crop rotation, and the reductions in emissions will be scientifically traced. The wheat with a lower carbon footprint will be ready to harvest in the summer of 2025.

This venture marks another major Paulig-project that aims to reduce its impact on nature and climate. In 2023, Paulig launched a unique Climate Fund to accelerate climate emission reductions. The fund enables Paulig to further drive actions that have the biggest value chain climate impact. With tortillas being Paulig's biggest product category, this collaboration will be highly impactful from a sustainability perspective. The flour can be used to bake up to 500 million tortillas annually at Paulig's factories in Belgium.

"At Paulig, we are driven by a resolute ambition to be a sustainable frontrunner in the food and beverage industry. We firmly believe that the food sector holds a key role in addressing climate challenges, and we recognize that transforming agriculture is vital for building sustainable food systems. Through collaborative efforts with our partners and suppliers across the food value chain, we choose to provide consumers with more sustainable choices. Our impactful collaboration with Paniflower and BAT Agrar represents a significant step towards realizing Paulig's science-based climate targets, envisioning a tangible 50 percent reduction in greenhouse gas emissions from our value chain by 2030," says **Rolf Ladau, CEO of Paulig**.

BAT Agrar is set to provide Paniflower with 35000 tons of wheat the next 3 years to produce flour for Paulig. It is a part of Paniflower's ambition to decrease their own emissions by 50% by 2030 and towards net zero in 2039. This in addition to reducing their carbon emissions from the value chain by 25% in 2030. BAT Agrar has also an ambitious goal to reach climate neutrality in own emission by the reduction or if necessary, compensation of GHG-emissions in 2030.

Marc Vanherpe, CEO Paniflower: *"The quality of our flour depends on the quality of wheat, and this is something that only a healthy planet can safeguard. To reduce our ecological footprint, we have to switch to more sustainable farming practices. Through the partnership with Paulig and BAT Agrar, we are creating an ecosystem to join forces and build our knowledge in the field, involving all partners in the value chain – farmers, agricultural trading houses like BAT Agrar, mills and food production companies. That's how, step by step, we'll be making the transition towards a more sustainable food system, creating sustainable value for all involved partners."*

More information

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About Paulig

Paulig is a family-owned food and beverage company, growing a new, sustainable food culture – one that is good for both people and the planet. Paulig provides all things tasty; coffees and beverages, Tex Mex and spices, snacks and plant-based choices. The company's brands are Paulig, Santa Maria, Risenta, Poco Loco and Zanuy. Paulig's sales amounted to EUR 1,1 billion in 2022. The company has 2,300 passionate employees in 13 different countries working around the purpose For a life full of flavour. www.pauliggroup.com

About Paniflower

Paniflower is a division of La Lorraine Bakery Group (LLBG). LLBG is a 100% family-owned Belgian milling and bakery company offering a wide range of authentic, fresh bakery products. Every day, more than 4,800 dedicated employees produce and sell high-quality bakery products to consumers, supermarkets and the foodservice sector around the world.

We are building a leading international company operating in more than 35 countries and producing bakery products in 9 countries. We are passionate about growth and have the ambition to transform the bakery market with our long-standing expertise, new technologies and motivated and talented employees. The company operates in four business areas: Frozen Bakery, Fresh Bakery, Store Concepts and Milling.

Our main financial objectives are long-term value creation and qualitative growth through innovation and entrepreneurship. The Group reported revenue of 1.17 billion EUR in 2022. We aim to remain sustainable and entrepreneurial for many generations to come, with a passion for quality and innovation and truly embodying the spirit of a company that does well for all its stakeholders – so that we become not only a bigger, but above all a better company.

www.llbg.com

About BAT

BAT Agrar is a privately owned agricultural trading company with a presence in Germany, Denmark, Poland and Austria. In Germany, BAT Agrar is the only company with a nationwide presence. It serves more than 17.000 BAT farmers with agricultural inputs like seed, fertilizers, agrochemicals. BAT Agrar is a major player on the compound feed market and a collector of grain, oilseeds and pulses, both conventional and organic. BAT Agrar employs around 1,500 people and has a turnover of about 3.0 billion euros. Under the umbrella of BAT Holding GmbH, the company consolidates companies like BAT Tiernahrung GmbH & Co. KG, BAT Agrar GmbH & Co. KG, BAT Logistik GmbH, foreign subsidiaries, as well as other companies and investments.

<https://bat-agrar.de>