

Annual report 2023

**We are
Royal Swinkels**



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Foreword

Passing on our company to the next generation even better, healthier and more sustainable, that is and will remain our mission. And in this – despite the challenging circumstances in 2023 – we have achieved great results and taken important steps.



As CEO Peer Swinkels phrased it: “COVID-19, geopolitics, war, inflation, energy crisis and climate effects are creating tremendous turbulence in the world and the market. This decade simply cannot be compared to the previous decade from a business-wise point of view. There is no longer any predictability. This requires enormous adaptability from companies, and in 2023 we showed, again, to have that in abundance. A great compliment to our staff is in order here. Together we are a strong company and reap the benefits of – what we call – our winning family culture.

Our ambition is to be a healthy, circular and customer-driven company. The needs of consumers and customers in local markets are key. Our company has what it takes to supply a wide variety of quality beers, soft drinks, malt and malt extracts using efficient and circular processes. We are well on our way in this regard. You can read more about it in this annual report.

We are proud of what we, as Royal Swinkels Family Brewers, have achieved in 2023, and we will continue to build confidently on the future. As of 2024, we will be doing that under a new name: Royal Swinkels. Shorter and more powerful. A better fit to the breadth of our activities. And with the pride, moxie and entrepreneurship of our wonderful family business. There is, after all, a reason why this annual report is titled: “We are Royal Swinkels.”

In this annual report we still, of course, refer to Royal Swinkels Family Brewers, the name under which we conducted our activities throughout 2023.

Strategy: Healthy and sustainable business

Royal Swinkels Family Brewers developed a strategy for the coming years with the ambition of growing into a circular company. To this end, the company develops a large number of initiatives that are accurately measured and monitored using the Swinkels Circularity Index. The results appear further on in this annual report.

For us, circular entrepreneurship also means providing consumers the best offer at all times and doing so in the most effective and efficient way possible. Consumer demand in developed markets is characterized by a great need for variety and experience. We respond to this with an extensive portfolio of lager, specialty, craft and non-alcoholic beers. In 2023, we continued to build a network of breweries through which it controls all four beer fermentation processes. This puts the company in a unique position with grip on the chain via its own (specialized) malting plants.

Well on our way towards a circular company

However, offering a wide variety of beers adds a lot of complexity to operations. To efficiently produce and effectively market its various beer varieties, we commit to leveraging smart technology. One prominent program contributing to this digital transformation is the Intelligent Brewery program that, based on data, enables smart steering throughout the entire (international) organization. The program will bring great benefits in improving productivity and anticipating market opportunities. The rollout to the beer division and Holland Malt will be completed in 2025.

The great change that comes with this program does sometimes have a stop/start effect. Thanks to the tremendous effort of many employees working on the program, however, we are able to remodel our house while business continues as usual.

Peer Swinkels: "Moreover, the Intelligent Brewery is the technical underpinning for 'One Swinkels.' It allows us to collaborate effectively with our network of production and commercial locations. The entire company will soon run on a single platform. All functional areas in the company will start working as much as possible with the latest and most advanced cloud-based technology. As most work processes in the company are changing, we also spend a lot of time educating and training our employees. In addition to this technology, we also have one culture program and one leadership program with strong uniform values. This is how we are building one strong Swinkels."

The Divisions

Swinkels Family Brewers: A great result

In the beer division, we faced challenging market conditions in 2023. Thus, inflation, reduced purchasing power and consumer confidence, put pressure on volumes throughout the beer market. Weather conditions with heavy rain in the spring and fall also caused a negative impact. Through a combination of effective pricing policies, cost control and portfolio management, we were able to limit the effects.

We brought focus to our assortment and market approach. In Japan, for example, we launched a successful new distribution model for our non-alcoholic beers. In this way we increasingly produce locally, which has a positive impact on efficiency and sustainability. In South Africa, for example, and in collaboration with a local brewery, we realized the production of a number of alcoholic and non-alcoholic beers close to the market. We also broadened distribution in our focus countries by including channels in which we were not previously active.

With these and more initiatives, we managed to increase our market share in several countries in 2023. This ensured an increase in turnover compared to 2022 and a positive profit contribution to the company. A great result in a difficult market.

Holland Malt: Big step in circularity

Holland Malt also shows a positive contribution in 2023. The division's turnover increased, as did the return. Despite a major rebuild at the Eemshaven malting plant,

we achieved high efficiency in production with the malting plant in Lieshout focusing primarily on the production of a variety of malts for specialty and craft beers, among others, and the malting plant in Eemshaven focusing in particular on higher volume production. As the malting process is energy-intensive, Holland Malt committed to an energy transition at the end of 2021. A transition plan has been prepared for both malting plants.

The conversion of the Eemshaven malting plant into the “world’s first emission-free malting plant” began in 2023. The conversion process, with hyper-efficient

heat pumps providing the heat supply, was intensive and drastic. For example, in 2023, production was stopped twice to complete a phase of the project. The conversion process for the world’s first emission-free malting plant will be completed by the end of the first quarter of 2024. This offers great advantages in terms of energy efficiency given the increased cost of energy, and is above all a sustainable step that fits the ambition to develop the company into a fully circular company. Our customers have joined this project, resulting in this investment also contributing to making the chain more sustainable. The Holland Malt team shows that we are ready for the future.

Photo from L to R: Robbie Pastoor (Chief People & Culture Officer), Jos Jennissen (Chief Executive Officer Holland Malt), Pieter Swinkels (Chief Supply Chain Officer SFB), Mark van de Vijver (Chief Transformation Officer), Stijn Swinkels (Chief Growth Officer), Peer Swinkels (Chief Executive Officer), Arnoud van Schaik (Chief Executive Officer Cuba), Omo Ohiwerei (Chief Executive Officer Habesha) and Gijs Swinkels (Chief Commercial Officer SFB).

Executive Team



Habesha: Growth despite challenges

After a period of civil war, the situation in Ethiopia is more stable in 2023, although parts of the country remain restless, particularly in the region of our brewery. An annoying consequence of this situation is that it leads to hyperinflation. This causes decreased purchasing power among the population and erratic prices for (raw) materials. Despite these circumstances, however, the brewery proved able to record growth. The Habesha brand has shown a solid growth in turnover for many years, partly due to the development of Habesha on tap. Our non-alcoholic malt beverage Negus is also doing very well. The diversification strategy to four brands also contributed to the increase in sales. Thanks to an excellent commercial apparatus, a differentiated pricing policy and the passion for our various brands, the Habesha team manages to perform well.

Cuba: The move to local production

Cuba has been an important export market for Royal Swinkels Family Brewers for decades. That remained unchanged in 2023. In line with the strategy, the ambition arose to create a local production facility as well. After a period of exploration and planning, the new brewery was realized in 2023 in the town of Mariel, Cuba, on schedule and within budget. The brewery became operational in the second half of 2023, but is still in the start-up phase. To strengthen the start-up, its own local brand was developed and launched under the name Parranda (which stands for a well-known celebration in Cuba).

Swinkels Real Estate: Joining forces

In 2023, Royal Swinkels Family Brewers added the Swinkels Real Estate business unit. Activities in real estate already existed and, after acquiring a large portfolio of on-trade properties in Belgium, have now been brought together in a separate division. This provides benefits for effectively managing the real estate portfolio of on-trade locations in the Netherlands and Belgium and elsewhere. Swinkels Real Estate aims to further develop the portfolio in terms of visibility, profitability and sustainability.

Looking to the future

Peer Swinkels: "We are continuing on the chosen path and working meticulously to execute our multi-year strategy. This is how we work toward fulfilling our ambitions, step by step. In this, technology has an important role to play. We are digitizing and steering on data to optimize productivity and create market opportunities. Only the commitment and dedication of our people can make this a success. As we have a strong team and close-knit company culture, I look forward to the future with confidence."

Our year in key figures

Our financial key figures

Turnover
(in millions of euros)

1,128.2

1,032.4 (2022)
835.5 (2021)
773.2 (2020)
897.0 (2019)

EBITDA
(in millions of euros)

127.1

109.2 (2022)
88.2 (2021)
70.0 (2020)
94.2 (2019)

Investments in fixed assets
(in millions of euros)

118.0

136.7 (2022)
47.4 (2021)
38.5 (2020)
71.2 (2019)

Solvency

46.0

45.9 (2022)
52.1 (2021)
47.2 (2020)
46.8 (2019)

Liquidity

0.95

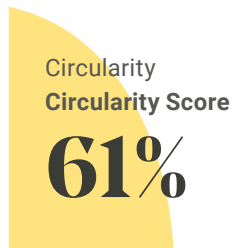
0.89 (2022)
0.92 (2021)
1.04 (2020)
1.52 (2019)

Net debt/EBITDA

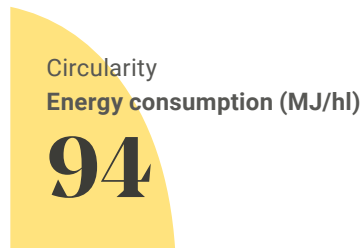
0.7

0.5 (2022)
-0.3 (2021)
0.8 (2020)
1.6 (2019)

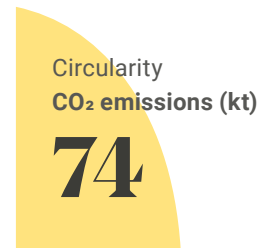
Our CSR key figures



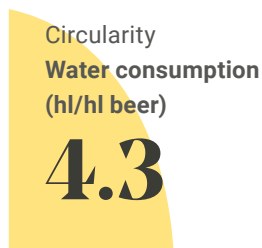
59% (2022)
56% (2021)
52% (2020)



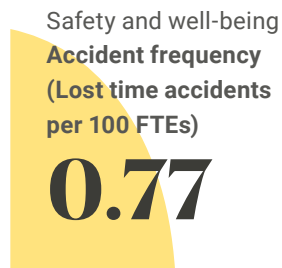
90 (2022)
99 (2021)
108 (2020)



79 (2022)
83 (2021)
82 (2020)



4.0 (2022)
4.2 (2021)
4.1 (2020)



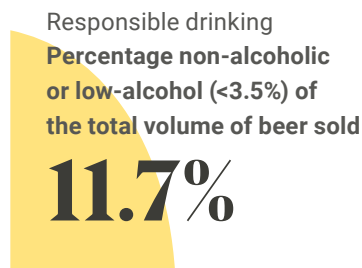
0.61 (2022)
1.9 (2021)
1.00 (2020)



3.5% (2022)
4% (2021)
3.4% (2020)



1,714 (2022)
1,702 (2021)
1,736 (2020)



11.8% (2022)*
13.0% (2021)*

* Figures 2021 and 2022 have been corrected due to bringing more breweries into scope.

About us

Royal Swinkels Family Brewers Holding N.V. is the holding company of the Swinkels Family Brewers Group, a 100% independent family business. For eight generations and well over three hundred years.

As the Swinkels family, we now lead a group of companies. This group includes various brewery locations; brewery Bavaria in Lieshout (The Netherlands), brewery De Molen in Bodegraven (The Netherlands), Uiltje Brewing Company in Haarlem (the Netherlands), brewery Palm and brewery De Hoorn in Steenhuffel (Belgium), brewery Rodenbach in Roeselare (Belgium), brewery Habesha in Debre Birhan (Ethiopia) and brewery Cerveceria Cubana in Mariel (Cuba). The family also collaborates closely with beer brewery De Koningshoeven in Berkel-Enschot (The Netherlands). We also have a minority stake in the Georgian brewery Argo. Combined, these breweries accounted for the production of 6.9 million hectoliters beer and 618,000 hectoliters soft drinks in 2023.

Bier&cO, distributor of specialty beers, adds a large portfolio of traditionally brewed specialty beers to our range. In addition to the breweries and Bier&cO, the malting plants of Holland Malt in Lieshout and Eemshaven also form part of the group. In 2023, these malting plants accounted for the production and sale of 405,000 tons of malt. In addition, business unit CereX produces around 2,000 tons of malt extracts and compounds each year. The focus of CereX is on upgrading residual flows. In 2023, Royal Swinkels Family Brewers added a business unit: Swinkels Real Estate. In this business unit, we manage the real estate of on-trade, distribution and production locations.

As an independent family of brewers and maltsters we now employ more than 1,865 employees worldwide. Daringly, we have sailed our own independent course for over 300 years. This means consistently delivering quality, where all of our premium malts, beers and non-alcoholic beverages are concerned. We make this happen through operational optimization and constant innovation. In doing so, we think beyond today; our long-term vision inspires us in everything we do. Our goal? Passing on an even more beautiful company to future generations.

Purpose, vision and strategy

We are Royal Swinkels Family Brewers, and we encourage a culture where we value people for who they are. We combine proactivity with operational excellence and together strive for a better, healthier and more sustainable business for future generations.

We treat the world around us as our own. As a family business, we believe in entrepreneurship and lasting relationships. We are conquering the world by working together as one family and embracing everyone's talent.

We are pioneers; we see opportunities and seize them, push boundaries and adapt to new circumstances. We take responsibility for results, and what we start, we finish. This is how we get better every day.

As maltsters and brewers, we have a passion for beer and pursue the highest standards of quality and craftsmanship. As a family business, we think in generations rather than years and, as a result, we do many things a little differently. With our spirit of discovery, we consciously opt for sustainable growth through new activities and acquisitions.

Our ambition is to become a fully circular company. We do not waste raw materials and energy and ensure that they retain as much value as possible. By using data and technology in smart and sustainable ways, we create lasting value for everyone in our family; customers, employees, business contacts, shareholders and the world around us. In this way, we contribute to a more sustainable world and pass on an even more beautiful company to future generations.

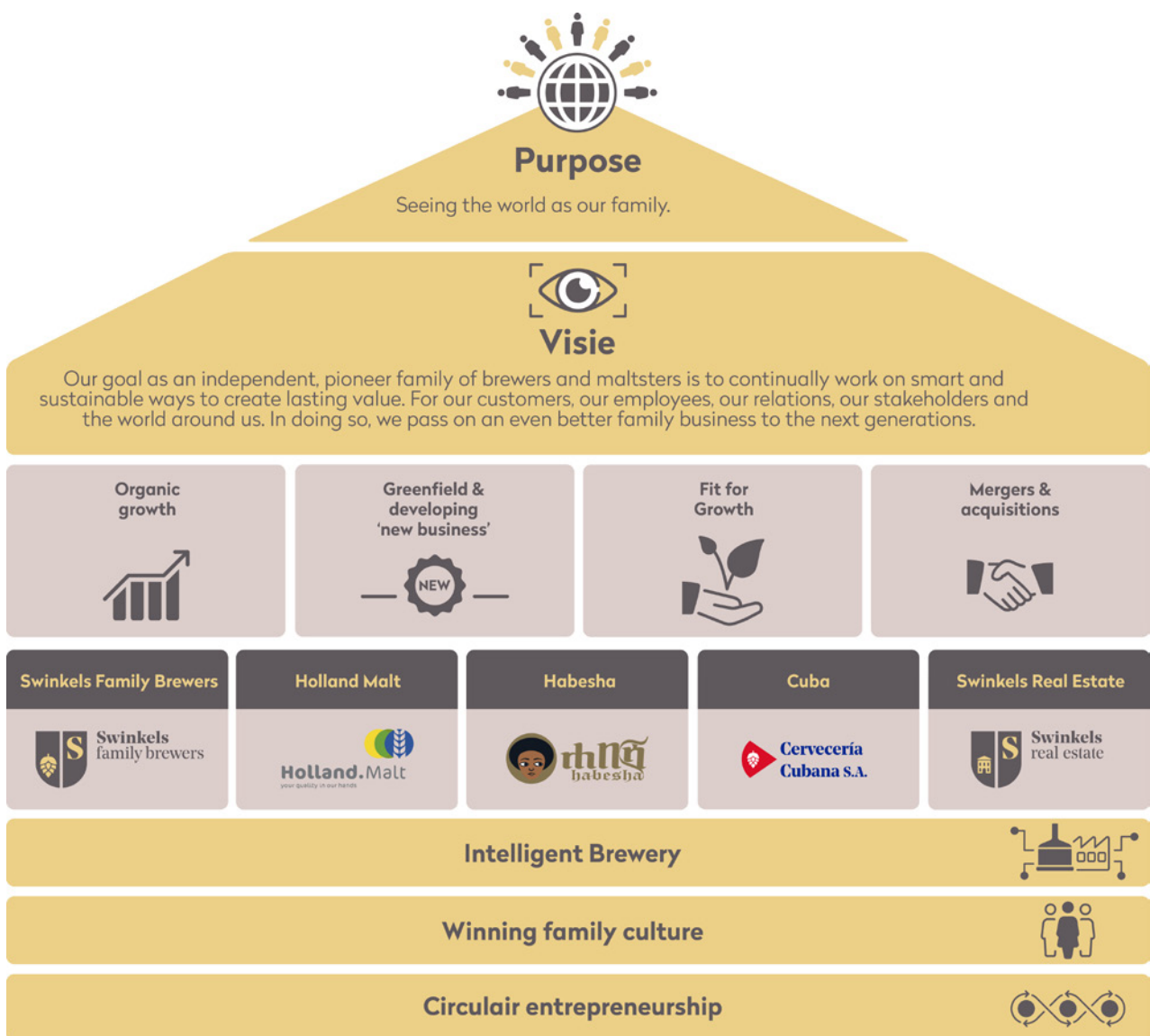


Figure: Our strategy house

Our focus and ambitions

To make our activities and the topics on which we report more targeted, we have formulated five focal points based on our strategy, stakeholder interests and material themes. Until 2025, the topics we will focus on are the following:



Sustainable growth

We want to be able to pass on a financially sound company to future generations. We would like to grow, but only in a responsible and sustainable manner.

Ambition

- Further growth of the turnover and EBITDA
- A healthy solvency and improved liquidity

Achievements 2023

- EUR 1,128.2 million in turnover
- EUR 127.1 million EBITDA
- Liquidity 0.95
- Solvency 46.0



Circular business model

For us, nothing beats caring for a healthy and sustainable world to live in. That is why we want to operate on the basis of a fully circular business model. To achieve this we focus on circular procurement, circular production and high-quality reuse.

Ambition

- Fully circular business operations (according to our own calculation method)

Achievements 2023

- Achieved 61% circular business operations in 2023 (according to our own calculation method and based on the most recent data)



Safety and well-being

We find it important that our staff and partners can travel to work and go back home again safely and healthy every day, as well as work safely, but also that they feel involved and appreciated.

Ambition

- Zero lost time accidents and less than 3% absenteeism due to illness by 2025

Achievements 2023

- 17 lost time accidents
- 2.7% absenteeism due to illness



Responsible drinking

We want consumers to enjoy our beers responsibly. That is why we encourage responsible drinking. For this we enter into collaborations and pursue a clear alcohol policy. In addition, we continue to develop alcohol alternatives, such as tasty 0.0% beers.

Ambition

- Full compliance with our international Responsible Marketing and Communication Code and an annually growing volume of non-alcoholic and low-alcohol beers

Achievements 2023

- 11.7% non-alcoholic beers and low-alcohol beers of total beer volume sold



Local involvement

Everywhere in the world, it should be mainly the society that benefits from our presence. That is why we collaborate with surrounding residents to find ways to add value locally. Thus, we ensure that local communities can find enjoyment in what we build and brew.

Ambition

- Each brewery location has a program with local projects in line with the circularity requirements and CSR policy

Achievements 2023

- All brewery locations are involved in local projects

Sustainable growth

Ambition

We want the world to enjoy our beers. Providing consumers with the right beer at the right time and surprising them with different malts. That was, and still is, our ambition. And it often comes with challenges. In 2023, these were in resource scarcity and rising energy and raw material prices. Still, we present nice figures, thanks to proactive cost management.

In 2023, we actively managed working capital. This made investments possible, for example in our new brewery in Cuba and in our emission-free malting plant. This underlines how healthy Royal Swinkels Family Brewers is. And we are committed to passing on a financially strong organization to future generations.

Turnover 2023
(in millions of euros)

1,128.2

1,032.4 (2022)

Results per division

Swinkels Family Brewers

The SFB-division includes sales from all breweries in the Netherlands and Belgium. Here, important sales channels are supermarkets, web shops and on-trade locations in Western Europe but also exports to customers and distributors in the rest of the world. Important suppliers are energy companies and all suppliers of raw and packaging materials.

The 'beer division' is experiencing challenging market conditions. Presumably bad weather in the spring and fall also led to a lower beer consumption. Still, compared to 2022, we see an increase in turnover in the beer division.

Holland Malt

The malting division consists of the Lieshout malting plant and the Eemshaven malting plant, which will be emission-free by March 15, 2024. This means that the malting plant runs entirely on green electricity and thus emits no greenhouse gases. This is of great value from the viewpoint of sustainability, but also given rising energy costs.

Holland Malt's turnover and profits grew in 2023. We owe this to an efficient production and by buying and selling at the right time, and at good prices. Holland Malt purchases high quality malting barley from farmers (cooperatives) and exports the malt produced to breweries and distilleries around the world.

Habesha

Together with local shareholders, we brew the beers Habesha, Kidame, Feta and malt beverage Negus in Ethiopia. Habesha purchases premium ingredients from local farmers and malting plants. Local distributors and traders are regular customers of Habesha.

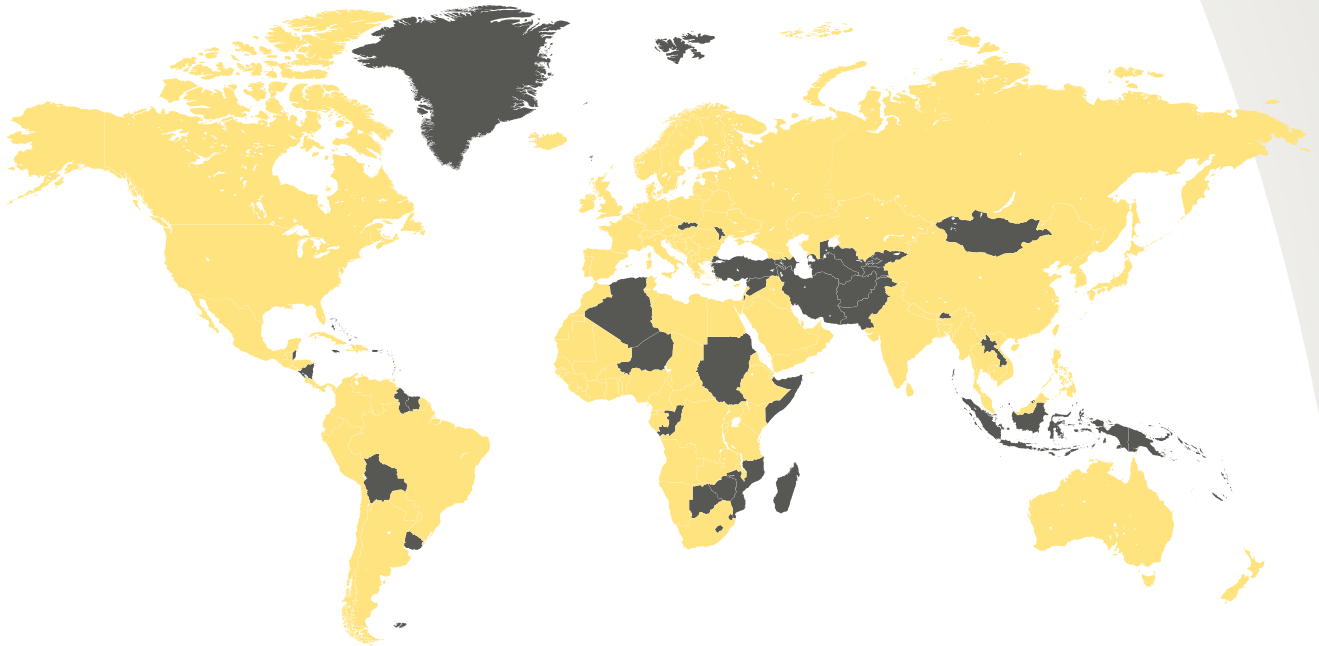
The Habesha division shows great figures. We are seeing an increase thanks to the expansion with draft beer and the popular non-alcoholic malt beverage Negus. We also managed to implement price increases to compensate for increased raw material prices in Ethiopia.

Ethiopia has an economy with hyperinflation. This greatly affects the purchasing power of the population. Therefore, Habesha was forced to apply hyperinflation accounting to the figures. Because of accounting rules, we have revalued Habesha's figures because the assets have become worth more due to strong inflation.

Cuba

In Cuba, we invested in the construction of a new brewery and launched the Parranda brand. Sales of this Cuban beer began in July 2023.

Results by region



● Countries where we generate turnover ● Countries where we do not generate turnover

Western Europe
(in millions of euros)

595.5

Rest of Europe
(in millions of euros)

144.4

Middle East and Africa
(in millions of euros)

238.2

Canada and USA
(in millions of euros)

15.8

Rest of America
(in millions of euros)

95.2

Asia Pacific
(in millions of euros)

39.1

Developments in the organization

In 2023, there were four major developments in our organization:

- The advent of the **Intelligent Brewery**, a program focused on digital transformation. The goal is to collect uniform data, generate better information and optimize workflows. A digital platform supports the Intelligent Brewery. This platform was optimized in 2023 and is now entering its final phase.
- The **brewery in Cuba** opened in the summer of 2023. We launched the Parranda brand and started sales.
- The transformation to Holland Malt's **emission-free malting plant** in Eemshaven. The transformation is completed in March 2024.
- Ethiopia's financial figures have been adjusted for **hyperinflation**. Inflation for 3 years totaled over 100%. As a result, we applied hyperinflation accounting for 2023.

Grants

In financial year 2023, Royal Swinkels Family Brewers received EUR 2.7 million in grants from the Dutch government. DEI (Demonstration Energy and Climate Innovation) is the largest grant. Malting company Holland Malt received this grant for the investments in the emission-free malting plant in Eemshaven. Thanks in part to these grants, we have been able to make a positive contribution to Dutch sustainability investments.

Liquidity

In 2023, we expanded several working capital projects. Examples include adding more suppliers to our supplier finance programs and introducing the receivables finance program to more customers. This focus on working capital resulted in considerably more investment capital in 2023. Thanks to these investments, our liquidity ratio improved to 0.95 (2022: 0.89).

Cash flow

The net cash flow of the company was positive (EUR 0.8 million). Incoming cash flows from operating activities (EUR 101.6 million) and financing activities (EUR 14.3 million) were used for investments (EUR 115.1 million). In the statement of cash flows, we see the following developments:

- The incoming cash flow from operating activities was higher than the previous year due in part to a higher net result and a lower negative change in working capital.
- The outgoing cash flow from investing activities was lower than in 2022 due to investments in on-trade locations in Belgium the previous year.
- The incoming cash flow from financing activities was lower than the prior year due to higher repayments on both our ongoing revolving credit facility and credit institutions in Ethiopia.

Taxes

As a family business, we do our part for society. An obvious example is paying taxes. We strive for a transparent relationship with the tax authorities at home and abroad. We are also committed to paying the right amount of tax in the right place at the right time. You can read how we do this in our tax policy on our website.

All of Royal Swinkels Family Brewers' internal transfer prices are set "at arm's length" and documented according to OECD (Organization for Economic Cooperation and Development) Transfer Pricing principles. We also endorse the OECD's Base Erosion and Profit Shifting (BEPS) program.

The applicable weighted average tax rate is 25.8% (2022: 27.6%). We calculate this rate on the basis of results before taxes in the various tax jurisdictions. The tax charge in the profit and loss statement for 2023 amounts to EUR 23,887K, or 35% of the result before taxes (2022: 30.1%).

In 2023, we paid EUR 14.7 million in corporation tax, EUR 154.4 million in excise duties and EUR 137.1 million in other taxes.

	2023		2023		2023
Corporation tax		Excise duties		Other taxes	
Western Europe	10.9	Western Europe	106.9	Western Europe	105.4
Rest of Europe	0.4	Rest of Europe	14.8	Rest of Europe	13.3
Middle East and Africa	3.4	Middle East and Africa	27.6	Middle East and Africa	15.2
Canada and USA	0.0	Canada and USA	5.1	Canada and USA	3.2
Total	14.7	Total	154.4	Total	137.1

Other taxes amount to EUR 91.3 million from VAT, EUR 43.5 million from payroll taxes and social security charges and EUR 2.3 million from other taxes.



Project story

Full of confidence ahead: The Intelligent Brewery is up to speed



The Intelligent Brewery? “Everyone at our company gets to experience it,” says Rick van de Mortel; one of the leaders of the program. “It is part of the largest IT development in the history of Royal Swinkels Family Brewers, as it changes virtually all of the company’s systems and processes. From brewery De Koningshoeven to the sales organization in Turin.” So, a big operation. Together with Rick, we look back at 2023 as well as cautiously looking ahead.

A new balance

In Lieshout, we had already switched over as early as October 2022. So at that location, we now have over one year experience with the new system. Rick: “Despite the major changes, our production processes continued as usual and we were able to supply our customers on time. I think we did that very successfully. At the same time, such a change makes everyone put in a lot of blood, sweat and tears. First you lose your balance, and then you have to find it again. We took time this year to let our people master the new processes. Something that continues to require attention. Fortunately, it also immediately produces great results. A new dashboard with real-time information for the Maintenance Department is a good example of how we are improving existing processes. In this way we are working together to bring more intelligence to our entire operation.”

Preparations for 2024

In 2023, we laid a good foundation for rolling out the process across the rest of the company. In early 2024, the transition to the Intelligent Brewery took place at brewery De Koningshoeven, Uiltje Brewing Company and brewery De Molen. A rollout in France and Italy will immediately follow. Rick: “We learned a lot this year and did a good job of mapping out what needs to be done in 2024. We are up to speed. And I’m confident that we’ll stay that way.”

Project story

Introduction Parranda in Cuba



After over a year of building and pioneering, 2023 became a year to remember for our brand-new brewery Cervecería Cubana in Mariel, Cuba. Here, we introduced our Cuban beer brand Parranda this summer. A Parranda is a party, for and by Cubans. We celebrated this ourselves with small parties – parranditas – in the on-trade and retail sector and, of course, with a grand opening of the brewery itself.

Our brewery has been operational since this summer. We are still optimizing production and focusing particularly on positioning the Parranda brand and improving distribution. Parranda is a light and refreshing lager with an alcohol content of 4.8%, perfect for the Cuban climate. Parranda is available in two volumes: PET bottles of 500 ml and 1500 ml, ideal for sharing with friends and family. At home and, of course, at parties. Parranda is also the first beer brand in Cuba with an ambitious recycling goal, introducing a deposit system.

Parranda is drunk and especially shared with each other. This aligns nicely with our brand mission; “unidos por la cerveza,” or “united by beer.”

Project story

First step in Japan with Bavaria 0.0%



When thinking of Japan, sake comes to mind. There are, however, many Japanese between the ages of 20 and 40 who also like beer, says Export Manager Mark Knoblen. Bavaria 0.0% Original can now be bought there. And it doesn't stop there.

Since early 2023, we have our own office in the Japanese port city of Kobe with, by now, a local team of five colleagues. And they are really needed, shares Mark. “The non-alcoholic beer market in Japan is growing rapidly. The Japanese are critical though, they want to know what they are buying. That's why we indicate on can and box what ingredients were used and what makes us special; our malting and brewing method, for example, and the use of mineral water.”

Two family businesses

As the Japanese culture is so different, we are working toward a complete portfolio, step by step, starting with Bavaria 0.0% Original. Its registration took three years and required consultation all the way to Japan's Ministry of Public Health. Mark: “With regards to distribution, we collaborate with local sake brewer Sawanotsuru. Like us, an ambitious family business (from 1717). A collaboration that offers opportunities, because of the market knowledge and the existing distribution network.”

Enthusiastic tasters

Mark: “Buyers or people tasting blind respond enthusiastically to Bavaria 0.0% Original. It is available in many supermarkets, stores and at other retail outlets. And next year? We want to continue to grow substantially.”

Project story

A new look for Palm, Rodenbach and Bavaria Export



We, at Royal Swinkels Family Brewers, took the time to take a hard look at our portfolio in 2023. We again looked at what we stand for and how we want to present ourselves to the world. Among other things, it resulted in a fresh new look and feel for three of our brands!

20

For Palm, for example; a beer that is still popular after almost 100 years. Its appearance though, no longer matched the increasingly broader target group. Therefore, this year we introduced three new variants in addition to the familiar Palm: Palm WeissAss, Palm 8 Horsepower Blonde and PalmTree TropicAle. The new flavors appear in a fresh contemporary look with recognizable visual elements.

We also needed a new brand identity at Rodenbach. We chose for a more specific positioning that embraces the beer's special flavor: The sour brew for the happy few. Central are the traditional brewing method and aging in oak casks that give the beer extra character. A positioning that is fully in line with our international growth ambitions.

To conclude, with the new positioning and brand campaign Family Brewed, Bavaria Export is now focusing on its roots as a family brewer. This emphasizes the artisanal nature of our brand and the story of our family history. A great balance between the brand's history and its modern freshness.

Key introductions

Based on the wish to offer a suitable beer for every occasion and at every location, we will continue to further expand our beer portfolio. In 2023, we introduced these new products to the market and implemented the following product innovations.



De Molen Balcones

Barley Wine edition
2023 Barrel Aged.
Temporarily introduced
in the Netherlands.

New



De Molen Pina & Colada

Milkshake IPA special.
Temporarily introduced
in the Netherlands.

New



De Molen Bar & Bok

Bock. Introduced
in the Netherlands.

New



De Molen Koel & Krachtig

First De Molen beer
introduced in cans
in the Netherlands.

New



Palm Palmtree

Mexican style beer.
Introduced in the
Netherlands and Belgium.

New



Palm WeissAss

Weizen. Introduced
in the Netherlands
and Belgium.

New



Palm Horse Power Blond

Powerful blond.
Introduced in the
Netherlands and Belgium.

New



Uiltje Wit

White beer. Introduced in
cans in the Netherlands.

New



Uiltje Blond

Light blond.
Introduced in
the Netherlands.

New



Uiltje Smokey the Pear

Pale ale. Introduced
in the Netherlands.

New



Uiltje Craftbeer Cookout

IPA. Introduced
in the Netherlands.

New



Rodenbach Vintage 2021

Sour ale. Introduced
in the Netherlands
and Belgium.

New



Rodenbach Evolved Grand Cru

Sour ale. Introduced
in the Netherlands
and Belgium.

New



Cornet Oaked

Powerful blond.
Introduced in
the Netherlands.

New



8.6 Original 6-pack

Powerful blond.
Introduced in
two countries.

New



Circular business model

Ambition

Passing on our company and all that goes with it more beautifully to the next generation. That succinctly describes our ambition. We consider it our duty to contribute to a more beautiful world. This is why we are committed to a circular business model. This means that we will not let raw and other materials, as well as energy, go to waste. We make sure to use as little of it as possible and that what we do use, retains as much value as possible.

Our approach: SCI

To determine our measure of circularity, we use the Swinkels Circularity Index (SCI). In the absence of an appropriate and accurate circularity model in the market, we developed our own measurement tool in 2018 and continued to refine it over the years. The SCI is based on three pillars; circular procurement, circular production and high-quality reuse. Within each pillar, different parameters are measured and monitored. The Swinkels Circularity Index provides an accurate overall picture of our performance in the field of circularity.

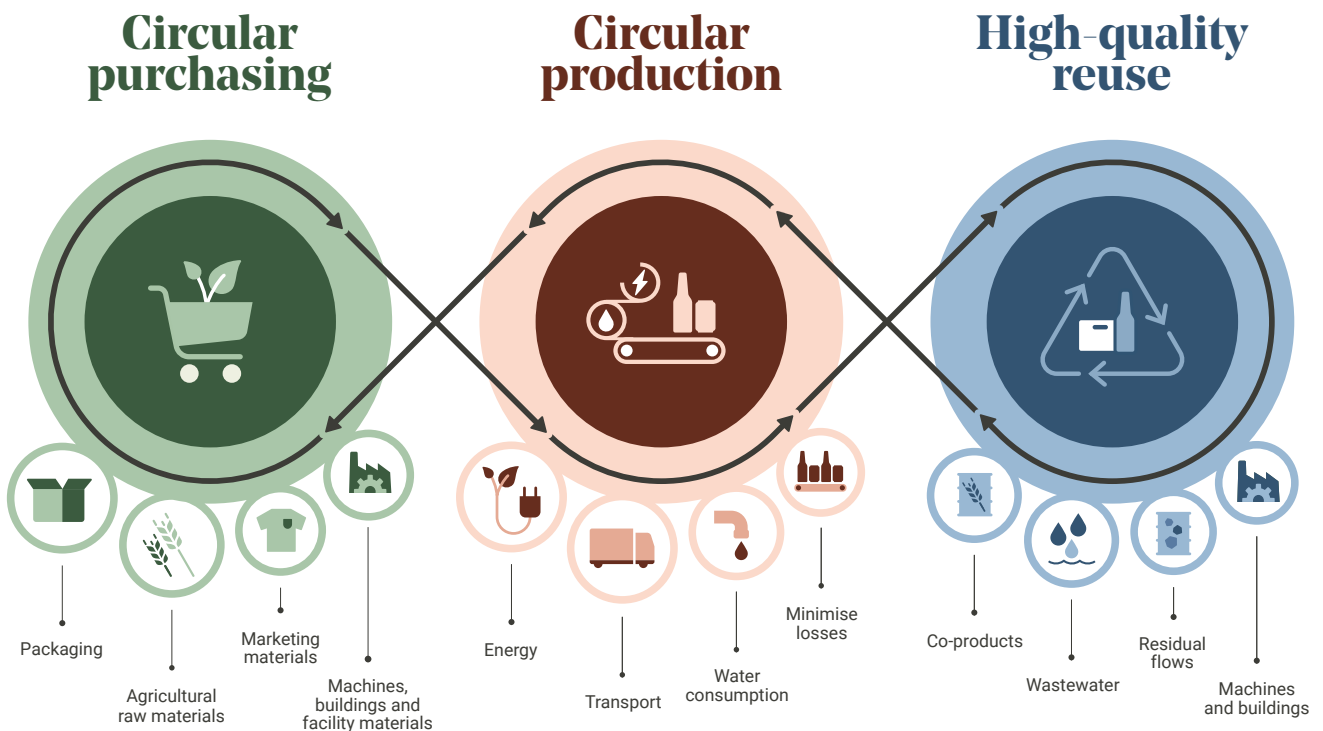


Figure: Swinkels Circularity Index

Our climate ambition


In addition, we committed ourselves in 2022 to the Science Based Targets initiative (SBTi). In doing so, we aim to limit global warming to no more than 1.5 degrees by 2050, in line with the Paris Climate Agreement. As part of the SCI, Scope 1 & 2 CO₂ emissions were already mapped annually. A methodology to map Scope 3 was developed in 2023. This allows Royal Swinkels Family Brewers to monitor progress on its net zero target. Our CO₂ reduction targets* were submitted to SBTi in 2023 and are being validated at the time of writing. After validation and approval, we will start reporting on this as well.

Marthijn Junggeburth, Sustainability Manager: "In my view, the SBTi approach is going to make the difference as it's based on strong standards. SBTi requires data from the entire chain. This means that supplier, producer and customer need each other to understand their performance and achieve objectives. What's more, the data is public. This commitment appeals to intrinsic motivation and thus goes far beyond that what is enforced by laws and regulations."


* SBTi calculates separate targets for certain sectors, such as the agricultural sector (Forest, Land, Agriculture, FLAG). Since our company has a value chain that consists largely of agricultural raw materials, the source of a significant portion of our CO₂ emissions, it also applies to our company.

Climate ambition

Why



Pass on to following generations in even better state



Legislation

Paris Climate Agreement


- 2050 max. 1,5 °C warming

EU Green Deal

- 55% CO₂ reduction (compared to reference year 1990)
- 2050 climate neutral

Climate policy NL

- 2030 60% CO₂ reduction



Local and social involvement

Ambitions

Objectives	2030	2050
	CO ₂ reduction	Net zero in complete chain
Scope 1 CO ₂ emissions	-46%	-100%
Scope 2 CO ₂ emissions	-97%	-100%
Scope 3 CO ₂ emissions	-33% agriculture * -28% other	-72% agriculture * -90% other

The above objectives are based on the reduction of CO₂ emissions compared to 2019.

Current emissions	kt CO ₂ € 2023
Scope 1	74
Scope 2 (market-based)	0
Scope 3 (total)	642
• Scope 3 (agriculture)	313
• Scope 3 (other)	329

* For certain sectors, the Science Based Targets initiative sets different objectives for agricultural activities that apply to our business.

The calculation of our scope 3 emissions is in line with the GHG Protocol and with respect to this year, we only report on 2023. The 'Reporting manual non-financial information, March 2024' states which criteria we applied and which assumptions were made.



SCI and CSRD

We use the SCI to actively monitor and report our material flows giving circularity a major focus within our operations. Circularity is also one of the topics of the Corporate Sustainability Reporting Directive (CSRD) where many data points are mandated in the Resource Use and Circular Economy (ESRS E5) standard. Currently, we are reporting in accordance with GRI standards and thus we are already on the way towards reporting according to CSRD. In 2024, we will work on the topics that require even more understanding.

**Results circular
business operations: 61%**

SCI results in 2023

Our circular business operations' score in 2023 was 61%. Compared to 2022, this is a 2%-point improvement. Initially, we targeted a 3%-point improvement by the end of 2022. In mid-2022 we updated that ambition. The main reason being to embrace a new way of working. Previously, we achieved part of our score through offsetting; compensating for CO₂ emissions by participating in CO₂ positive activities such as planting trees and realizing a wind farm.

In 2023, however, we explicitly opted for insetting as in reducing CO₂ through changes in our processes and practices. Insetting, in our view, is a fairer way to achieve circularity with a structural approach for now and the future. As the cost of reduction is much higher than of compensation, we chose to make reductions with available resources and lower the target slightly. You can read more about insetting and offsetting in "Project story insetting vs offsetting."

New governance regarding circularity

To be better able to achieve our circularity goals, we changed the organizational structure in 2023. Each sub-area of the SCI (such as transportation, buildings, procurement) now has its own workstream with a project leader. Each workstream also has a sponsor in the Management Team. This structure makes analyzing, developing and deciding on circularity initiatives easier and faster.

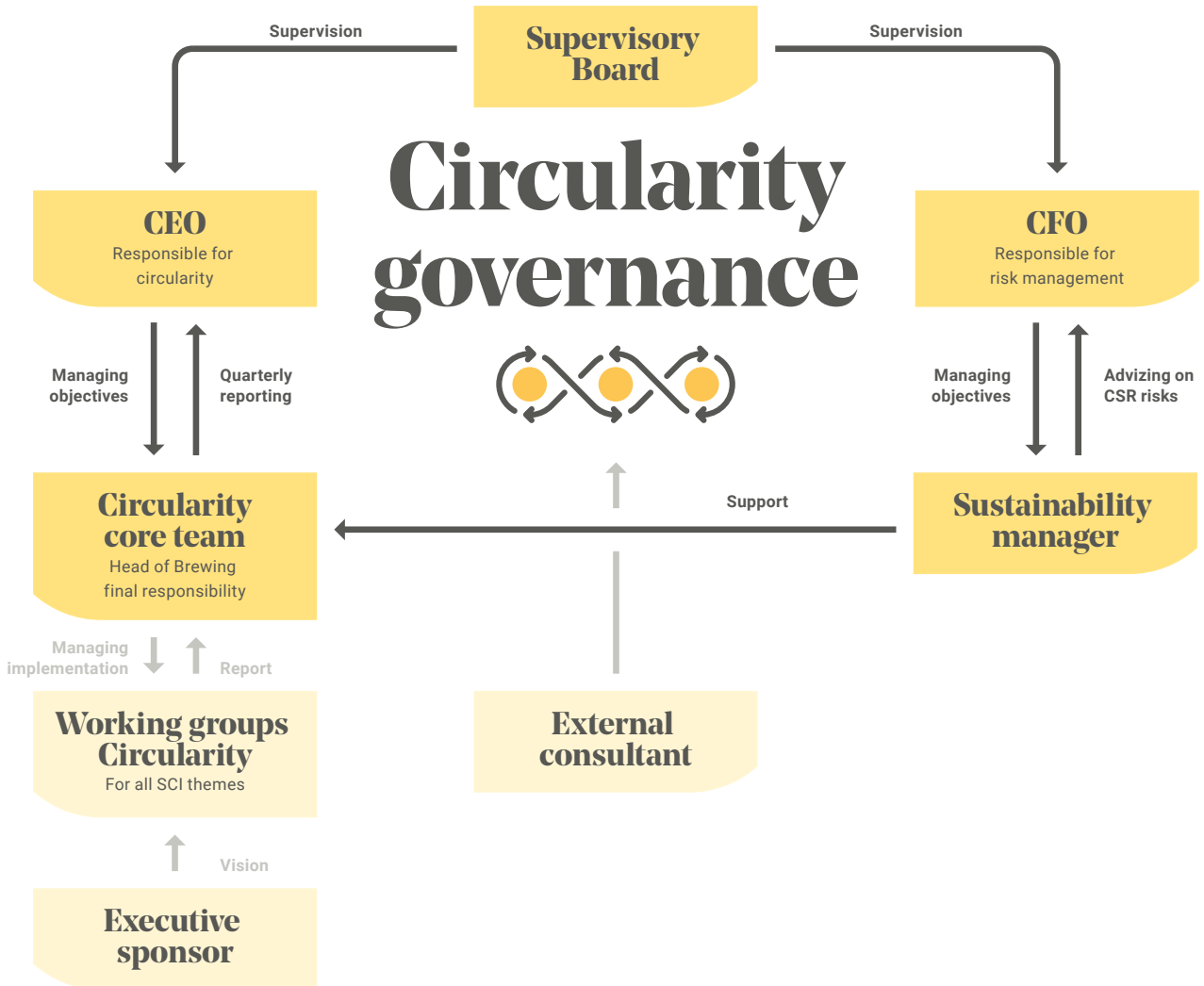


Figure: Our organizational structure

Managing using Trias Familias

To develop and test circular initiatives, we use the Trias Familias model. In this model, we manage hierarchically by:

1. Avoiding, reducing and saving
2. Making it more sustainably
3. Minimizing environmental impact

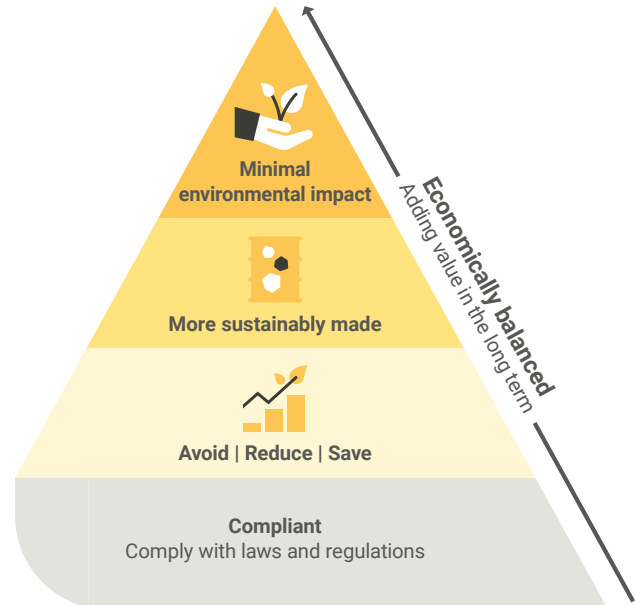


Figure: Trias Familias



Circular procurement

Ambition

We want to procure the goods and services we use as circularly as possible and apply strict sustainability requirements. By doing so, we encourage our suppliers to also take steps in the fields of sustainability and circularity. Together with our partners in the chain, we increase our impact.

**In 2023 we scored
29.5% on circular
procurement**

Image of 2023

In 2023, we scored 29.5%; a slight improvement from 28.9% in 2022. Among the components, we see a changing image. After several years of growth, the limits of packaging improvement are well within sight. The same can be said for agricultural raw materials, especially barley. Regarding our marketing materials, we expect to make good strides in the coming years. The purchase of large quantities of materials, especially steel for the construction of our new brewery in Cuba, depresses the score of the machinery section, as the demonstrability of the proportion of recycled content is still proving to be very difficult.

Agricultural raw materials

73% circular

In 2023, we see small improvements in circular procurement across the line. We were able to achieve a slight improvement in the share of sustainable agricultural raw materials; however, this still requires additional effort. Climate change is evident in all the locations where we produce. Increasingly extreme weather effects (both wet and dry) are affecting crop production. We are therefore increasingly diverting to other areas (e.g. Scandinavia) to purchase sustainably-grown grain.

Machines, buildings and facilitating materials

39% circular

We added the facilitating materials category to our machines and buildings procurement category in 2023. Even in this complex area of many different products and services from many different providers, we aim for sustainable procurement as well. Together with suppliers, initial steps have been taken to make items measurable. For example, we are now collecting data on corporate clothing and office furniture. The achievements are included in the SCI and contribute to our circular operations. We will expand the measurement and data collection in 2024 to include cleaning supplies, IT hardware and personal protective equipment. In terms of procuring machines, we look closely at reusability. In doing so, we steer toward reusing entire machines within our own brewery or reusing parts. To close the circle, we map machine materials using a material passport. This promotes reuse in the future, inside or outside the company.

In 2023, we accelerated the complete mapping of our buildings. In 2024, we expect to complete all our buildings at our production locations. The buildings at other locations will follow afterwards. In this respect, we look at materials, energy use and opportunities for repurposing. Basically, what follows from the analyses is primarily the improvement of the energy management of buildings and, ultimately, smart and meaningful repurposing. Repurposing is not evident everywhere. For example, hygiene requirements for production facilities have increased significantly, making repurposing for production purposes not always possible. In 2023, we transformed an old bottling plant building in Lieshout into an R&D lab (ITEC). To this we will add a tasting room in 2024, again within the existing construction. Our existing malting plant in Eemshaven is being transformed into the world's first emission-free malting plant and will be ready for use in early 2024.

Marketing materials

56% circular

Making Point-of-Sale (POS) materials more sustainable can depend on the attention and enthusiasm of our staff. Together with suppliers, more and more manifestations (such as signboards, displays and flags) are being made circular. For example, Cornet's entire signage at all of our

outlets is done in recycled material. In 2023, our score for circular POS material is 56.5%, an increase of nearly 10% over 2022. This share will continue to increase in the coming years, as we receive sustainability information of more and more products and are able to discuss this with our suppliers.

In-depth

Packaging: Optimizing at the limits

Thinner, lighter, more recycled content and reusable; these are the starting points for our packaging concepts. For years, we have been working to make packaging more sustainable through a variety of optimizations. We continued that trend in 2023. Patrick Blom, packaging technologist: "We have long since picked the low-hanging fruit, so it is becoming increasingly challenging to implement further sustainability. We have almost reached the limits of what is technically possible and/or sound and safe. Market conditions can also create constraints, such as erratic availability of recycled materials, fluctuating prices and quality. Still, we managed to achieve great results again in 2023. Small optimizations through high volume translates into significant savings on packaging materials."

Result 2023

In 2023, the contribution of packaging to our circularity index has risen from 76.8% to 77.2% percent.

All our packaging is now 100% recyclable.

An overview of the results by packaging material:

Plastic

Patrick: "The total volume of plastic increased compared to 2022, with less recycled plastic packaging material purchased. However, we continue to improve the use of plastic. For example, we have conducted a series of trials to increase the proportion of recycled plastic in our printed and unprinted foils. These foils have now gone from 50% to 70% recycled plastic. The first trays and sixpacks with this foil found their way to retail outlets in 2023; in 2024 the rollout will take place and we will have permanently switched over. We have made our single-use barrels (Dolium) 80 grams lighter and used recycled plastic in the material for the first time. The barrels now consist of 18% recycled plastic, saving 18,000 kg of material.

Finally, we are looking at ways to replace plastic with cardboard or paper.

Total plastic savings in 2023: 129,000 kg.

Glass

Glass packaging has long had a high proportion of recycled material. In the current glass we use, this is about 75%. Here, we have not been able to make any further improvement in 2023. The limit is determined by the availability of recycled glass and the processing capabilities of suppliers. Through ongoing dialogue with the chain, we aim to further increase the proportion of recycled glass in our packaging in the coming years, striving for increasingly lighter bottles.

Paper and cardboard

Since 2020, all of the corrugated cardboard and folding cardboard we use carries the FSC® or PEFC® quality mark. The cardboard is made of wood from sustainably managed forests and recycled material. To reduce usage, we are engaged in several projects to make packaging as light as possible. In 2023, we achieved some great results.

We transferred some products to trays with a lower edge in 2023. This, when the rollout is complete, will save 132,000 kg of cardboard on an annual basis. Furthermore, in 2024, we will be able to reduce the thickness of some of our boxes while maintaining carrying capacity. This will save 50,000 kg of cardboard. One notable sustainability project involves our labels. For a long time we used an aluminum layer on paper labels to create a nice glossy look. We are phasing out that aluminum layer. Eventually, we will only use all-paper labels.

Total paper and cardboard savings: 132,000 kg per year.

Metal (steel and aluminum)

Since 2019, we have made big steps in saving on metal by using lighter cans. We continued to optimize this method in 2023 as well. In the Dutch market, for example, we work exclusively with aluminum cans. By definition, these are lighter than steel cans, which has a positive impact on transportation. Furthermore, we made our 25 cl cans thinner, saving 36,000 kg of aluminum per year. We are also working on similar optimization in the area of crown caps. In 2023, we did the first tests with 0.18 mm crown caps instead of 0.22 mm. If everything goes according to plan, this will allow us to save about 100,000 kg of steel annually starting in 2024.

Total aluminum savings: 36,000 kg per year.

Innovations

Because we are approaching the limits of technology (and sometimes availability), further sustainability of packaging is primarily a matter of innovation. Together with our suppliers, we develop new sustainable packaging concepts. Some examples of developments:

- Cask caps: Following the example of brewery De Koningshoeven, our breweries in Steenhuffel have also completely switched to cask caps made from 100% recycled plastic.
- After introducing single-use casks with 18% recycled plastic, a project is underway to bring them to 31% recycled material in 2024.
- For some products, we want to start working with so-called "sleek cans." Thanks to their dimensions, these cans can be made comparatively lighter, which allows for advantages in use of material and transportation.
- Despite previous disappointing results, we are investigating whether we can include some recycled plastic in our pallet foil. This will allow us to further reduce the proportion of plastic. The condition, of course, is that it can be done safely and responsibly.

Circular production

Ambition

Circular production touches the heart of our business. We have been working for 300 years on the improvement of our production processes to make them more efficient and effective. Making processes more sustainable is a logical element in this. Here, we focus on saving energy and water, reducing CO₂ and making our transportation more sustainable.

**In 2023 we scored
14.9% on circular
production**

Image of 2023

The score for circular production remained almost the same as last year (14.8% in 2022, 14.9% in 2023). Small improvements we were able to make in the areas of energy and water were countered by reduced efficiency due to decreased production. However, this laid the foundation for further improvement, in terms of water consumption and the use of renewable energy. We are proud of the results achieved in the area of transportation in which we expressly involved our partners in the value chain.

Energy

17% renewable

In the area of energy, we have made some important changes. Following in the footsteps of our malthouse in Eemshaven, we are also putting a lot of effort into heat pump technology in Lieshout in 2023. It continuously evaluates what has a beneficial effect on the applicability to our processes. For example, the latest heat pumps achieve a top temperature of 90 degrees Celsius; this allows us to significantly reduce the amount of natural gas. The heat pumps, along with heat buffers, serve various processes in the malting plant, bottling plant and brewery. This means we have adjusted our calculations (energy per hectoliter of beer) to continue to accurately monitor energy consumption.

Water use

61% circular

In 2023, we see that our water use has increased slightly from 2022. The cause is a declining market demand. This results in a start-stop movement in production, making it less efficient and resulting in higher water use for the cleaning and flushing of boilers and pipes. We did start a study in 2023 in Lieshout on using a different water quality for cleaning equipment. For some rinses, we can use reused water; thereby saving on the use of mineral water from our wells. In addition, a number of smaller water projects were executed in 2023.

Transport

13% circular

Of course, when it comes to circular production, we look beyond our own operation. For example, we achieved significant results with our sustainability actions in the area of transportation (scope 3). You can read more in the in-depth article “Smarter and cleaner: Step by step to sustainable transportation” below.

Smarter and cleaner: Step by step to sustainable transportation

Over the past year, we have taken considerable steps to make the transportation of our products more sustainable. More importantly, we do so with measures that will make a difference in the long run.

Sustainable transportation is mainly about reducing CO₂ emissions. We deliberately opted for a more in-depth route in 2023. The easiest way to reduce CO₂ emissions without burdening the operation is to counterbalance the emissions. For example, by planting trees or constructing a wind farm. Yet we do not believe this is sufficiently consistent with our circular ambition. This is why we choose to make sustainable investments regarding our transportation.

For example, we shifted some of the transportation from road to rail or water transportation; the so-called “modal shift.” Comparatively speaking, trains and barges emit much less CO₂ than trucks. We have been doing this for about ten years. Another method is the smarter loading of pallets, allowing them to hold more products, thus reducing transport movements.

One step further through collaboration

In 2023 and in collaboration with partners, we have also implemented transportation sustainability measures in a number of areas. For example, in collaboration with Barge Terminal Tilburg (BTT), we are deploying an electric truck to transport containers from the brewery in Lieshout to the inland shipping terminal. This means that we are performing this section of transportation emission-free. In addition, with our partner Simon Loos, four trucks for retail transport have been converted to biodiesel (HVO). This number will be expanded in the coming years, so that soon all domestic retail road transport will be running on biodiesel. Steps have also been taken in overseas exports. For example, we purchase Sustainable Marine Fuel (SMF) for part of our export containers. As a result, ships reduce emissions by up to 85%.

In the coming years, we will continue to invest in making transportation more sustainable. So these measures go beyond offsetting CO₂ emissions and represent sustainable change. To this end, a roadmap has been drawn where each year we go one step further to achieve our transportation goal of 30% CO₂ reduction by 2030.

Project story

Emission-free malting plant Eemshaven



With glass, more effort is needed. After a solid trend of one-way glass, we see a significant increase in the proportion of returnable glass. Producing glass takes a relatively large amount of energy. On the other hand, you have to transport returnable glass and clean it thoroughly. That takes energy, lots of water and produces a stream of dirt that you have to process. The costs versus benefits per bottle are enormously difficult to quantify. Still, I am convinced that they outweigh one-way glass. At Royal Swinkels Family Brewers, over 80% of our bottles are part of a return system.”

The year 2023 marked Holland Malt’s conversion to the world’s first emission-free malting plant. In Eemshaven, where the malting plant is located, a new, innovative heat system was installed last year. Due to this accomplishment, Holland Malt will no longer use fossil fuels, biomass or other energy sources that create harmful emissions during its malting process as of March 2024.



Challenge

Deposit vs. water/energy use

The advent of cans in the deposit system for Dutch consumers has caused quite a stir. Consumers and retailers perceive it as inconvenient because of the many formats and the easy creasing of empty cans, among other things. However, collecting cans prevents a lot of litter and there are benefits to reusing the material.

Marthijn Junggeburth, Sustainability Manager: “The expansion of our deposit system to include cans has brought complexity to the chain. That takes some getting used to. Still, this complexity is preferable to disposable cans as far as I am concerned. The chain is relatively short, the returnable cans are collected by the supplier and after shredding are easily processed into new cans. Apart from shredding, the residual material follows the same process as new material, so the effort is relatively minor.

High-quality reuse

Ambition

There is no such thing as waste. We look for high-quality reuse of each residual flow. In doing so, we want to return the residual flows of food, such as brewers' grain, as high up the food chain as possible. In this way, they retain as much value as possible.

In 2023 we scored 17.0% on high-quality reuse

Image of 2023

The score for high-quality reuse has increased from last year's score (15.9% in 2022, 17.0% in 2023). We see that more and more colleagues are enthusiastic about getting started with high-quality reuse. For new applications, we often develop new value chains, in which different parties, such as engineers, growers, producers and processors, participate. This increases the awareness of reuse as well as our impact. What complicates rapid adaptation of new applications are laws and regulations. According to the letter of the law, we are creating industrial waste. Reuse must comply with many regulations, audits and scientific assessments. Despite these barriers, we again managed to achieve a number of results and start off new initiatives in 2023.

Co-products

99% circular

Sludge

Around our plant in Ethiopia, we initiated large-scale trials of growing crops on sludge released from residual water (which contains many valuable nutrients). The results are positive. In 2024, we will be using mostly sludge on a large scale. In the Netherlands, the BierBrickz project is ongoing. In the process, we treat the sludge and use it for pressing "compost blocks" intended for the growing of plants.

Residual water

35% circular

We clean the water, after being used in our production processes, in our own water treatment plant for reuse. In 2023, we conducted trials to use this effluent for a number of rinses of our boilers and pipes. Reuse of residual water comes with a number of challenges. First, contaminants present in the water accumulate, making reuse difficult. Furthermore, reuse of residual water means that we do not release it into the surrounding area for the benefit of farmers. Read more about this in the challenge "Reuse or return residual water?" This leads to the conclusion that you should not necessarily reuse residual water, but that there is flexibility to choose the right application; either use it for the cleaning process or release it into the surrounding area.

Residual flows

77% circular

At our headquarters, and in the MFGO building, we have started separating waste using multi-purpose waste bins. These consist of four different waste bins where a distinction is made between cans, residual waste, plastic and organic waste. It is important to separate waste properly so that it can also be recycled properly.

Machines and buildings

99% circular

In 2023, we have standardized the use of our material passports and made them part of our procurement process. We also hired an additional FTE; this employee will assess our existing buildings for circularity.



Challenge

Insetting vs. offsetting

Royal Swinkels Family Brewers is working hard to become a fully circular company. This means the constant scrutiny of activities and processes and implementing sustainable improvements. The workstream transportation has embraced a new work philosophy in 2023; insetting.

Jasper Lipsch, Program Manager Sustainability: "The easiest way is to just continue your activities in the way you are used to and then offset your CO₂ emissions. This can be done by buying CO₂ certificates from activities such as tree planting or wind farm construction. This

method of compensation is called offsetting. However, this ultimately changes nothing in CO₂ emissions.

A better path to a sustainable operation is reduction; adjusting your production methods and practices so that you produce less CO₂. This method is called insetting. As a result, things actually change. CO₂ emissions drop and remain lower over the long term. Big disadvantage is that insetting is much more expensive, up to 8x more expensive than offsetting. This leads to an ongoing consideration within the company as to whether the additional costs are manageable.

We explicitly choose insetting and introduce it gradually. For example, we transport more via rail and inland waterway, one of our transport partners transports our containers with an electric truck, 8% of our carriers drive on biofuel and we purchase Sustainable Marine Fuel for part of our sea freight. We expand this share of sustainable transportation every year. By 2030, we want our Scope 3 emissions, of which transportation is an important part, reduced by 25% (compared to our base year 2019)."

 **Challenge**
Reuse residual water or return it to the surrounding area?
An enduring dilemma

In Lieshout, through a pilot at our water treatment plant, we are reusing residual water as process water in our brewery. For example, for cleaning our brewing kettles or rinsing our deposit bottles. Good news, because a successful pilot means we need to pump less water and use less water per hectoliter of beer. Yet it appears that we run into an enduring dilemma with this. When we reuse our residual water, it automatically means that less residual water is returned to the area surrounding our brewery.

For years, through the Farmer Beer Water project, we have been giving treated residual water back to the surrounding area. Farmers near the brewery use this water to grow their crops, and streams, ponds and ditches are filled with it. This current system is in balance; farmers have enough water to grow their crops during dry summers, and streams around the brewery do not run dry, benefiting biodiversity. If any part of this system changes, for example because we reuse our

residual water for our brewing process, it could mean that the system becomes unbalanced and has negative effects on the surrounding area.

So we are well aware that we are part of an ecosystem in which the area surrounding us depends on our residual water. On the other hand, we want to use as little water as possible to brew our beer, so we try to reuse as much water as possible. Therefore, the search for a new balance is on; how can we reduce our water footprint and still ensure that the surrounding area has sufficient water available? This is a dilemma we will be dealing with in the time ahead.

In addition to this dilemma, we see water challenges in the area anyway. Due to climate change, we've noticed that summers are getting drier and it is becoming more difficult to keep streams filled, and groundwater levels up. So how can we ensure that water remains available in the environment for nature development and biodiversity? This will require us to look for other solutions for water conservation or, for example, large-scale rainwater harvesting. We can only achieve this by working with governments and local nature conservation organizations.

Safety and well-being

Safety

Ambition

Our people guarantee the quality products and services we deliver every day at Royal Swinkels Family Brewers. And, as a company, we ensure that our employees also experience quality and safety day in and day out. We see safety as a constant factor in a world that is constantly changing. That is why the Safety Health Environment (SHE) Department is turning its gaze inwards. Together with all employees, the department focuses on achieving a safe and familiar working environment. A workplace with minimal risk of accidents and absenteeism, so that everyone can go home healthy at the end of the day. Our ambition in the fields of safety and well-being is well-defined. The policy follows the road to zero. This means zero lost time accidents. After all, every accident is one too many.

2023 Safety results

Practice shows us how ambitious the road to zero is. In 2023, we had a total of 17 lost time accidents. In 2022, we counted 2 lost time accidents in Lieshout; this year, 5. Despite policies and efforts remaining the same, we do see an increase. We deeply regret this result and development. Therefore, we give safe work top priority and continue to focus on safety awareness and safe practices.

In 2023, we counted 1 lost time accident in Ethiopia; in 2022, the count stood at 4. Our policy in this respect is proactive to promote safe and responsible practices. We observe employees and provide tips and guidelines

for turning risky behavior into desirable behavior. At our office in France we experienced 1 lost time accident this year.

The severity of accidents

The average number of accidents over recent years has remained about the same. We intensified the recording of accidents in 2023 as we now also record accidents without absenteeism. We record what and when this happens, and whether it involves temporary or in-house employees. By documenting all this, we can better interpret the accidents, make improvements and eliminate causes.

Raising awareness of own behavior

Many accidents and incidents were partly the result of human behavior. Therefore, with behavior-focused leadership, we implement proactive policies to promote safe and responsible actions. We observe employees and provide tips and guidelines for turning risky behavior into desirable behavior. A variety of safety programs are ongoing, on fire safety, for instance, working with chemicals, working safely at heights and responding appropriately in emergency situations.

Greater focus creates greater safety

In addition to the above programs, the SHE Department gives substance to working safely through various activities. For example, by focusing on toolboxes, work permits, Safety Champions (Safety Ambassadors) and signage in the workplace. And above all, by creating a broad base of support for all these activities. After all, only by working together can optimal safety be ensured.

Parameter	2023	2022	2021	2020
Lost time accidents excl. contractors (LTA)	17	12	30	18
Lost time accidents contractors (LTAc)	6	5	1	3
Accident frequency (lost time accidents per 100 FTEs)	0.77	0.61	1.90	1.00
Fatal accidents	0	0	0	0
Severity rate of accidents	18	12	67	28
FTE (average all entities)	1,865	1,714	1,702	1,736
FTE (reference date Dec. 31, 2023, used to calculate accident frequency at production sites and offices in France, England and Italy)	1,749	1,522	1,580	1,569

Table: Accidents

Work permits

As in previous years, the focus in 2023 was on working with work permits when executing projects. With a work permit, we map out the safety aspects of a project in advance. We meticulously describe the risks involved, the PPE to be used and the facilities to be secured. The various disciplines discuss this thoroughly with each other beforehand.

Work permits are becoming more commonplace in our workplace, yet there is still room for improvement. In particular, by making all employees aware of the contents of a work permit.

Toolboxes

Another initiative to ensure our safety is the toolbox. A toolbox is an information session on a specific topic, such as hearing protection. The toolbox includes a brief presentation with all relevant information on this topic. In the case of hearing protection, we name all the mandatory standards and at what number of decibels you must wear it. We also describe the possible consequences if you don't, such as permanent tinnitus.

The SHE Department is in close contact with all departments in order to organize more toolboxes. We were therefore able to add several new toolboxes in 2023. These are available via our intranet so that any employee can view and engage in them.

Safety Champions

The introduction of Safety Champions also promotes safety awareness. Safety Champions are employees who briefly leave their own departments to make observation rounds in other departments. They monitor how safety is handled there and where they feel there are areas for improvement. By sharing these insights and learning points with each other, different departments learn from each other increasing the overall level of safety together.

ATEX zones and hazardous materials

Another point of attention is ATEX zones. These are locations with an increased risk of dust explosions. We made these zones more visible in 2023 so that everyone handles these locations with care. By always using spark-

free equipment, for example, and making sure the room is left dust-free after use. This is especially crucial in breweries or malting plants as the work processes there create a lot of dust.

The storage of hazardous materials (detergents and disinfectants) also has our full attention. The brewery in Lieshout commissioned a new storage area that meets the strictest legal requirements including fire safety measures. New secure storage for the bottling plant will follow in 2024.

Extra attention for brewery Habesha in Ethiopia

Of all our locations, brewery Habesha in Ethiopia gets special attention. Ethiopia is in a conflict situation and much energy goes into ensuring the safety of both employees and property. This requires effective risk assessments that we conduct on an ongoing basis and on which we adjust working conditions. In addition, brewery personnel receive quarterly safety training and coaching sessions.

Well-being

Ambition

At Royal Swinkels Family Brewers, we stand by our people. One of the main ways in propagating this, is through our focus on the well-being of our employees. We want everyone to be able to do their best, feel valued and contribute to the results we achieve as an organization. Good leadership, genuine connection, having the honest conversation, listening to each other and making improvements together are paramount. In 2023, we launched a leadership program. The reason being that the quality of leadership has a positive impact on everything that makes an organization a pleasant, successful place to work.

Leadership program

This program is about the impact of leadership on culture and results. A total of 180 managers from the Netherlands and Belgium are following the Dutch-language version and 60 managers in other countries are following the English-language version. The program, which began in June 2023, will run for nearly two years. This investment in our leaders helps us achieve the winning family culture.

During the program – which takes about six to eight months – managers learn about leadership; who you are, what style suits you, how do you shape your leadership and how do you get results. Another part is about how to connect with your team and other stakeholders. Leaders gain tools and insights into how leadership affects culture in the organization.

Many issues that affect employee well-being are a direct result of good leadership. Good leadership goes hand in hand with having “the honest conversation.” When you engage in the honest conversation together, you see and hear each other, make each other better, express expectations, address issues at hand and make improvements. Through this conversation, you will move forward together. Therefore, “having the honest conversation” is an important part of the leadership program.

Behind the scenes

In 2023, we worked behind the scenes to further improve the structure, arrangements and processes within HR. We worked on a system that is less error-prone, more user-friendly and future-proof.

Remuneration

The remuneration policy of Royal Swinkels Family Brewers is inextricably linked to our business strategy and is based on transparency and balance. We reward on the basis of performance and in line with the market. Through job evaluation, we strive for an objective and balanced remuneration for our employees. Growth in development and performance are important measures of this remuneration. We regularly conduct comparative studies to ensure that we maintain a middle position in the labor market. For us, this is an important pillar of being a good employer.

The variable remuneration within Royal Swinkels Family Brewers is linked to the company’s results and is largely determined by them. The objectives are based on our company’s multi-year strategic plan. In addition, a smaller portion of the variable remuneration is based on the department’s and employee’s annual individual performance.

The above principles also apply to the Executive Board (EB). The remuneration of the EB is determined by the Supervisory Board (SB). Once every two years, the remuneration, both the target remuneration and the actual remuneration, is compared to that of a relevant peer group. This peer group includes organizations that are similar in nature, such as size, number of employees, complexity and international footprint. Based on these objective data, the SB sets the target level of remuneration. Again, a middle position in the peer group is the goal here. In respect of variable remuneration (short- and long-term), the SB sets the targets based on the multi-year strategic plan. This translates the interests of the organization into objectives for the members of the EB. When the results are known at the end of the year, the payment of the variable remuneration of the EB is determined by the SB. The realization of the stated objectives are the starting point for this.

Pulse measurement

The Pulse measurement is a short questionnaire for all our employees that we send out twice a year. The measurement also includes one or a few targeted questions about a current topic in our organization. With the questions from the questionnaire, we measure employee satisfaction.

In 2023, additional attention was given to the importance of pulse measurements by the HR and Communication departments. As a result, the response rate to the measurements was higher than in 2022.

We believe that, based on the results of pulse measurements, we can start the conversation with our people. Together we can look for targeted and structural improvements. We encourage managers to challenge their teams and staff to come up with improvement activities to which they themselves can also contribute. Improvements suggested by teams, and implemented, have a great effect on the impact this tool has on our organization.

We expect to further increase employee satisfaction in 2024. We already saw some nice, successful examples of this in 2023 at some parts of our organization, such as the warehouse in Lieshout. The warehouse scored low at the first measurement of 2023, but significantly higher at the second measurement after a number of improvement actions.

Winning family culture

The winning family culture is one of the foundations of Royal Swinkels Family Brewers' strategy house. This manifests itself in different ways within the different parts of our organization. The difference between a family culture and a winning family culture is the result-orientation of our organization. In order to continue this winning streak, it is important to set clear, ambitious and realistic goals and focus on them. We derived individual goals, departmental goals and corporate goals from the strategic long-term plan. Our employees' variable remuneration is determined on the basis of the results at all three levels. The focus we provide this way leads to better results.

Leadership development

Winning is easier when you have good leaders in your organization as well as employees who are result-oriented in their work. Hence, leadership, and its further development and improvement, is very high on the agenda, as are performance rewards to reward result orientation.

Challenge and develop

A family cares for each other, but also challenges each other to keep evolving. To move forward. This is why we are also becoming more development-oriented; we give employees clarity about their strengths and about their opportunities for advancement. If you know what you are good at, and what you can get even better at, you can also develop and show your best side. That makes for a win as well.

In all these ways, when we add the element of "winning" to our well-known and cherished family culture, we create great added value.

Our new values: The 5 Cs

A winning family culture comes with values. Values and principles that suit us, that guide us, that characterize us and bring us the future. In 2023, we closely examined our existing values of "entrepreneurship," "collaboration" and "focus on results." We involved employees, managers, the Works Council and the Executive Team in several sessions. Together we looked at what drives and makes us, as an organization, and where we want to go in the future. We also talked about what exactly desirable leadership behavior is. Matters that emerged included having the honest conversation, taking initiative, finishing what you start and celebrating successes. All input from the sessions was clustered and filtered. This process resulted in five new values, the five Cs; be curious, be collaborative, be committed, be courageous and be cheerful. These are values with which we confidently head into the future. These are the leadership behaviors as well as the behaviors of the people in the workplace. In 2024, these values will be further introduced to the organization.

Diversity

We strive to maintain an inclusive recruitment and selection process. Furthermore, we are aware that our organization employs a proportionately high number of men. To make us attractive as an employer to a diverse group of applicants, we choose inclusive job postings.

The leadership program launched in 2023 includes a module called "Me and My Team." In it, we pay attention to trust within teams, inclusive thinking and psychological safety. It is important to us that everyone feels welcome in our organization and that everyone knows that their contributions are valued. We also believe it is important to discuss behavior that does not feel right.

Notifying Compliance Officers and Confidential Adviser

No concerns were raised on the international SpeakUp platform regarding Royal Swinkels Family Brewers. The internal confidential advisers received three notifications relating to the internal Code of Conduct. Talks were held with those involved and agreements were made to prevent a recurrence.

Sustainable employability

In the new collective bargaining agreement (CAO), we took measures to reduce the burden on employees with heavier work and older employees. We believe it is important for our employees to reach retirement age in a healthy way and are working with our people to find smart ways to do this. In the coming years, our population will continue to age and we will continue to pay attention to this.

Looking at 2024

Continuation leadership program

The leadership program, kicked off in 2023, will continue in 2024, where we will start phase 2 after the summer. In February 2025, the last group of leaders will complete this course. In this leadership program, leaders are challenged to take a step forward on a number of current topics such as GenZ, strategy and diversity. Managers from our locations abroad will also engage in this process in two groups.

Employee development higher on the agenda

We are becoming more development-oriented; the group of employees who are given goals for the year will also be given a development challenge starting in 2024. In this way, we make the personal development of our people even more part of the conversation between managers and their teams, and employees gain more insight into their development opportunities.

Parameter	2023	2022	2021	2020
FTE (average all entities, excl. temporary workers and trainees)	1,865	1,714	1,702	1,736
Absenteeism due to illness (%)	2.66	3.5	4.0	3.4
Joined/left	324 joined 230 left	276 joined 320 left	213 joined 245 left	110 joined 219 left
Women employed (%)	23	19	18	19

Table: Employees and well-being



Challenge

How do we ensure that the winning family culture remains palpable within our organization, even as we expand?

In 2023, we opened our brewery in Cuba. This means expanding our organization with a new group of colleagues and a new country on our location list. A great step that we are proud of and very pleased with. At the same time, it does require something in terms of our culture. After all, how do we ensure that the winning family culture remains palpable within all the different cultures, locations and colleagues?

Robbie Pastoor, Chief People & Culture Officer: “Our new core values apply to the entire organization, throughout the world. Therefore, in 2024, we will introduce, explain and integrate these core values in our branches outside the Netherlands. It is important that they be felt and experienced. If colleagues know what we stand for and what we want to go for, they can start contributing to it in their own way.”

The winning family culture is in our DNA and is felt and known within all the different parts of our organization. It is also a reason for new employees (and new locations and countries) to join Royal Swinkels Family Brewers. As is the case with Nina Michele Ouandji, for example. She started in 2023 as Marketing Lead Central and West Africa. “One of the things that immediately appealed to me about Swinkels was the familiar and comfortable atmosphere within the company,” she says. “I feel at home here. Never before during a job interview has anyone asked me about my private situation. Here they did. Family is very important to me, at Swinkels I find that value in my work as well.”

Project story

Leadership program: Building even stronger teams



Research shows that the quality of leadership in an organization positively affects employee performance and makes employees feel more valued.

Of course, as a manager, you are focused on results; you should be. But in addition, being close to your team, genuinely connecting and having the honest conversation, is just as important. In order to give managers within Royal Swinkels Family Brewers a handle on this, we started a new program in 2023. In recent years – in part because of COVID-19 – no such program was realized.

The honest conversation

Robbie Pastoor: “All our managers and board members go through the program. It involves 180 leaders in the Netherlands and some 50 to 60 abroad. In a six- to eight-month process, we tackle matters such as the impact of leadership on the organization’s culture, the company’s bottom line, inclusiveness and building bridges. A big element within the program is “having the honest conversation.” We are a family business, it’s in our DNA. Sometimes we are “too nice” to each other as a result. This just makes having that honest conversation so important. To put on the table what’s going on, to really get to grips with things and therefore be able to continually improve yourself and your team. This is what establishes that familiar family culture in our organization, but also a winning family culture. That distinction, that extra step, is important for our results, for continuity but especially for our people.”

Creating a flow

“Culture is the sum of behavior in an organization,” Robbie continues. “You can influence employee behavior through managers. What behaviors do we want to see in our organization? What will take us forward? When you think about that and provide your leaders with good tools, you create momentum and a flow that you, as an organization, want to experience.”

Buddies

So far, participants in the leadership program have been enthusiastic. “Everyone goes through the same program. We work with teams and a buddy system; we pair up people who don’t know each other very well yet, but who can teach each other something. Through that system, we are building even stronger teams within our organization. Teams that can really start to apply our core values and bring them to life.”

Project story

Proostival: For each other, with each other



There is always cause for celebration. Just a little bit more this year as the Intelligent Brewery, COVID-19 and other world crises have put extra pressure on our staff in recent years. By organizing mini festival “Proostival,” we thanked everyone for their tremendous commitment, loyalty and flexibility.

Brewery Bavaria was transformed into a genuine festival site. Proostival consisted of several areas, each with a variety of artists, entertainment and delicacies. We welcomed some 2,300 colleagues, retirees and their partners.

Connect and enjoy

According to co-organizer Fabienne van Thiel, Proostival was successful in every way: “It was a joy to be together again as before. To connect and enjoy each other, the music and, of course, our delicious beer. It was old-fashioned fun on a sun-drenched day.

It is extra special that Proostival was made possible for and by our employees. Several project groups joined forces to organize the celebration. That common goal resulted in a lot of positive energy and commitment. Both before, during and after the party.

Talking about our own staff contributing: Peer Swinkels showed his spinning skills as DJ Bier on the main stage. That’s when the crowd really went wild. It was one big party.”

Watch the after-movie video on https://www.youtube.com/watch?v=A5dj_HgcBek.

Responsible drinking

Ambition

As a family business, we feel responsible for the world around us. The responsible handling of alcohol is inextricably linked to this. The importance of responsible drinking is something we actively communicate to all our employees, business partners and customers. In this, we collaborate closely with other parties and sector associations, such as STIVA. As an enterprising brewer, we also innovate in the fields of non-alcoholic and low-alcohol beers and offer an impressive range.

Responsible Marketing and Communication Code

We find it self-evident to work according to our internationally applicable Responsible Marketing and Communication Code, which we introduced in 2019. This code continued to form the basis of all our manifestations anywhere in the world in 2023. The Responsible Marketing and Communication Code states, among other things, that we provide all our packaging with clear pictograms warning of the dangers of alcohol consumption. In addition, we only aim our campaigns at those who are of

legal age (minimum 18 years) and permitted to consume alcohol. Even in countries where no minimum is set. We believe it is important to adhere to our own, sometimes stricter principles in addition to local laws and regulations.

Innovations and investments in our non-alcoholic and low-alcohol portfolio

In 2020, we invested in a brewing installation that allows us to brew a wide range of non-alcoholic and low-alcohol (specialty) beers. Without compromising on taste, aroma or the quality of the foam head. In 2023, the results are once again pretty good; we introduced Rodenbach Fruitage 0.0% in the Netherlands and ran the successful Bavaria Fruity Rosé summer campaign. Uiltje Superb-Owl (0.2%) won three awards in leading beer competitions.

Our portfolio now includes a wide range of non-alcoholic and low-alcohol beers; from 0.0% white to IPA, from Trappist beer to Radler and from low-alcohol blonde to amber. In this way, we offer the beer lover a fully-fledged alternative in the non-alcoholic and low-alcohol segment, even when it concerns specialty beers.

Parameter	2023	2022*
Non-alcoholic or low-alcohol beers hl compared to total hl sold (<3.5 vol. %)	11.7	11.8

* Number 2022 has been corrected due to bringing more breweries into scope.

Table: Percentage of non-alcoholic or low-alcohol beers



International Responsible Drinking

In the various countries in which we are active, we encourage and work on responsible drinking. We do this both independently and in collaboration with other brewers. It feels that we have a mutual responsibility in letting consumers experience that there are good alternatives for alcoholic beers. People must be provided with the right information enabling them to make a responsible choice themselves. By doing this as a sector our impact will be greater.

Every market in which we operate is different. As a result, our approach to responsible drinking varies per country. We will continue to innovate; based on the need we will respond to the market with these non-alcoholic and low-alcohol innovations.

Belgium

Back in 1990, brewery Palm was the first to launch the non-alcoholic specialty beer Palm Green, later known as Palm 0.0. From this expertise followed the launch of Estaminet 0.0 and Cornet Alcohol-free. In the spring of 2024, Fruitage by Rodenbach 0.0% will also make its appearance in Belgium.

Based on our belief that non-alcoholic beers fit a healthy lifestyle, we are further committed to promoting them. We are part of the Dutch Brewers who support the "BOB" campaigns. We also prominently display our non-alcoholic beer range at the Great Breweries Marathon, the gravel event Gravalhalla and Horeca Expo, the professional trade show for on-trade entrepreneurs, among others.

France

In France, we are present with our beers at festivals and events. Our non-alcoholic beers are always part of our assortment there.

Ethiopia

In Ethiopia, we still have a long way to go in terms of responsible drinking. We are working hard to create awareness around alcohol use and its consequences. Especially driving, or going to work, after drinking alcohol is something that is still common in Ethiopia. Through social media, emails and information boards, we inform our employees about this issue.

We also provided training on driving and working under the influence to drivers and other employees in 2023. We also conduct alcohol testing of drivers, forklift drivers and brewery employees. If the test is positive, employees will not be allowed to get behind the wheel or into the site to work. We provide the packaging of all our products with clear pictograms warning of the dangers of driving under the influence, drinking while pregnant or drinking under the age of 21.

Exporting our beers

In March 2023, we entered the non-alcoholic beer segment of the Japanese market with Bavaria 0.0%. We meet the needs of the increasingly health-conscious Japanese consumer with this beer.

We made preparations to further expand our position in the United Kingdom with Bavaria 0.0% beer.

In several export markets we expanded our Bavaria 0.0% portfolio with the Ginger Lime and Fruity Rosé variants in 2023.

As part of our partnership with Comrades Ultramarathon, South Africa's largest sporting event, we were also present at the marathon in 2023 with Bavaria Malt.

Finally, in China, we are committed to fighting excessive alcohol consumption as the non-alcoholic category doesn't actually exist yet. Through shelf promotions at retailers, we are trying to introduce Chinese consumers to non-alcoholic beer.

Local involvement

Ambition

Seeing the world as our family. Based on that purpose, we brew and malt and let people all over the world enjoy our beers. We are closely connected to the world around us and feel involved in the environment of our breweries and malting plants, wherever they may be. We give shape to that commitment in a variety of ways; for example, we support projects, events, organizations and people in the immediate vicinity of our locations and beyond. For us, these great initiatives, collaboration and support, are prerequisites for responsible growth.

Steenhuffel

Gravallhalla, the Great Breweries Marathon and Parkies



Brewery De Hoorn-Palm enjoys sponsoring events in the area. In 2023, for example, some 500 participants rode a brisk gravel bike ride during the first edition of Gravallhalla. Our brewery in Steenhuffel was the start and finish location. On Sunday, May 7, Steenhuffel was the scene of the Great Breweries Marathon. With 5,200 participants, the experience marathon and half marathon for runners and walkers between 3 breweries was again a great success. This year, for the 31st time, "the biggest smallest festival in Flanders" took place: Parkies. There were about 135 free concerts to enjoy, in 19 Flemish municipalities, and visitors obviously also enjoyed Cornet.

Steenhuffel

AEHT Cornet Trophy



In 2023 as well, breweries De Hoorn-Palm and Rodenbach supported the AEHT Cornet Trophy. A competition for Belgian hotel and tourism schools and the preselection for the European AEHT competition. The AEHT Cornet Trophy focuses on 4 disciplines: Culinary Art, Restaurant Service, Pastry and Tourist Destination. The breweries want to give students following an on-trade program the opportunity to hone their skills in beer and gastronomy and learn about the rich beer culture of Belgium.

Roeselare

About a cycling event, carnival, the Batjes and summer bar



As is the case every year, brewery Rodenbach sponsored the cycling spectacle Na-Tourcriterium in Roeselare. Jasper Philipsen won this 13th edition. We also sponsored the Rodenbach Carnival as always. In addition, beer lovers were again welcome last summer at the summer bar in the brewery's courtyard in Roeselare. The summer bar was open every Tuesday evening where visitors enjoyed Rodenbach beers and live music.

Rodenbach beer also flowed richly from the huge cask “t Vat van Rodenbach” on Roeselare’s Grote Markt in June. Already for the 35th time, the cask was filled with 3,400 liters Rodenbach. In this way, beer lovers traditionally celebrated the start of the Batjes; Roeselare’s summer sales.

Bodegraven

A collaboration of color and flavor



The brewers at Brewery De Molen are convinced that unexpected combinations add more color and flavor to life. This is reflected in the surprising ingredient combinations of De Molen beers, as well as in the long-standing partnership with the Philadelphia Foundation in the Netherlands. A care facility for those that are mentally disabled. Philadelphia has its own workshop at the brewery, where a total of 25 participants help the brewery with a variety of tasks.

In 2023, the collaboration produced a delicious beer: Stoof & Peer. The flavor was devised by Philadelphia participants. “Tasty? Super tasty!” according to participant Wim.

Berkel-Enschot

Charitable donations



Brewery De Koningshoeven enjoys contributing to many great causes and organizations through donations. In 2023, for example, we donated to the Food Bank and to Made Blue, for clean drinking water in developing countries. We also contributed to BuyWorld through proceeds from La Trappe Puur. BuyWorld is buying up land so that nature and biodiversity in that area can be restored. In addition, we donated a portion of the proceeds from Isid’or in the Dutch on-trade industry to the construction of a bamboo factory and school in Uganda. This project focuses on promoting employment and self-reliance in the region.

Berkel-Enschot

Quiet Tilburg



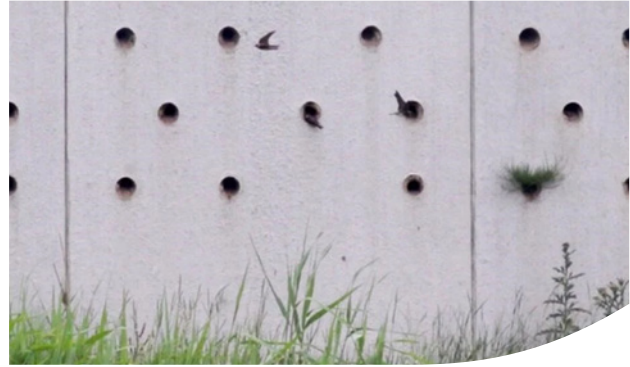
To combat food waste, the Tasting Room has been offering “leftover meals” to colleagues at De Koningshoeven starting this year. With the money we raise this way, we support Quiet Tilburg; a foundation focused on fighting poverty in the Tilburg region. By offering the leftover meals, we simultaneously create awareness around the Tasting Room’s overall food waste. We also donated EUR 1 from every tasting board sold to Serve the City, a foundation committed to counteract loneliness among the elderly, among other things.

Berkel-Enschot
North Sea Foundation



This year, more than 30 colleagues and their partners helped clean the beach in Noordwijk. In addition, we made a donation to the North Sea Foundation. The North Sea Foundation is the organization par excellence when it comes to the protection and sustainable use of the North Sea.

Lieshout
Swallow wall for biodiversity



In Lieshout, we have been collaborating with IVN (Institute for Nature Education and Sustainability) for many years. The staff monitors nature development on our property and maintains the swallow wall found there. At the beginning of the year, IVN provides fresh sand for the swallow wall. Every year we see more of these beautiful birds using the wall and building their nests in the fresh sand.

Berkel-Enschot
The Kleiklooster and Caritas



With donations to the Kleiklooster and Caritas Belgium, we contributed to the wonderful work they do. Proceeds from the limited edition beer, La Trappe Traditionair, went to the Kleiklooster shelter. Women and their children can stay there temporarily and take time to recover. Cordaid's Belgian equivalent, Caritas, is committed to fighting poverty, supporting victims of climate disasters and supporting refugees. They, too, received a donation.

Lieshout
A good cause instead of a Christmas hamper



In December 2022, instead of receiving a Christmas hamper, we offered our employees the opportunity to donate money to a good cause. This allowed us to donate a nice amount to an orphanage and nursing home near our brewery in Ehtiopia in 2023. Both homes were in great need of food and other materials such as beds, cribs, wheelchairs and wheeled walkers. Through the donations of our colleagues, we were able to fulfill those wishes.

Debre Birhan

A fire brigade of significance



Our brewery Habesha in Ethiopia has its own fire brigade. The firefighters guard the safety of our people, the brewery and the environment. On average, the brigade helps put out about four fires a year in the city of Debre Birhan. Also in 2023, the brigade was of great significance to the city and its residents.

Debre Birhan

Supporting unions



In the vicinity of brewery Habesha, Royal Swinkels Family Brewers supports eight unions; farming communities of a number of member farmers. We divide our brewers' grain among the unions. They use the product to feed their livestock and for trade. This is also how the union generates revenue. In addition to brewers' grain, we provided clean drinking water, treated wastewater for irrigation and free electricity for the community in 2023. Youth from the union received Hi Viz vests for their work in the parking service. Furthermore, we constructed 2 watering places for livestock and contributed to the renovation of the homes of 6 persons in need.

Haarlem

Movember



In November 2023, Uiltje Brewing Company paid special attention to Movember with the beer "Hug a bro." Movember aims to make a difference in the areas of mental health, suicide prevention and prostate and testicular cancer in men. Through the "Hug a bro" beer, Uiltje Brewing Company encourages beer lovers to ask their "bro" how they are really doing and put their arms around each other. Through a social campaign, Uiltje drew attention to this.

Governance structure

Royal Swinkels Family Brewers Holding N.V. is an unlisted Dutch family-run business based in Lieshout and the holding company of Swinkels Family Brewers N.V., Holland Malt Holding B.V. and Bavaria Overseas Breweries (B.O.B.) B.V., Swinkels Family Brewers Spain S.L.U., Scover B.V. and Swinkels Real Estate B.V. For the indirect participating interests reference is made to the notes to the financial fixed assets in the Separate Financial Statements.

Royal Swinkels Family Brewers Holding N.V., a public limited company under Dutch law, has a two-tier governance structure. This means that the company is managed by the Executive Board under the supervision of a Supervisory Board.

These two bodies are independent of each other. Both bodies account for their actions to the General Meeting of Shareholders ("the General Meeting"). Royal Swinkels Family Brewers Holding N.V. is also subject to the full two-tier board structure described in Sections 2:158 to 2:164 of the Dutch Civil Code. Among other things, this means that important decisions of the Executive Board require the Supervisory Board's approval and that the Supervisory Board is entitled to appoint and dismiss the members of the Executive Board.

Executive Board (EB)

The Executive Board is charged with managing the company and is responsible for, among other things, realizing the objectives, the strategy and result development of the company. In this respect, the Executive Board is accountable to the Supervisory Board and the General Meeting.

Pursuant to the Articles of Association, certain resolutions of the Executive Board require the approval of the Supervisory Board and/or the General Meeting. In fulfilling its duties, the Executive Board focuses on the interests of the company and its affiliated businesses.

Since 2019, Royal Swinkels Family Brewers Holding N.V. has an Executive Board, and three underlying divisions, each with its own Management Team, responsible for the implementation of the strategy within the divisions as

well as the results of the relevant division. The Executive Board consists of:

- Mr. P.-J.J.M. (Peer) Swinkels, CEO and responsible for the realization of the maximum potential of the company for all stakeholders and focused on sustainable, long-term value creation, also responsible for HR and Communications.
- Mr. M.P.-J. (Mark) Rutten, CFO and responsible for the financial strategy and operations of the company, and for Finance, Legal, IT, Facilities and Real Estate (from 3/1/2024).
- Mr. G. (Geert) van Iwaarden, CFO and responsible for the financial strategy and operations of the company, and for Finance, Legal, IT, Facilities and Real Estate (up to 12/31/2023).

Supervisory Board (SB)

The role of the Supervisory Board is to supervise the policy of the Executive Board and the general course of the company's affairs and its affiliated businesses and to advise the Executive Board. In fulfilling its role, the Supervisory Board focuses on the interests of Royal Swinkels Family Brewers Holding N.V. and its affiliated businesses.

To that end, it considers the relevant interests of parties involved in Royal Swinkels Family Brewers Holding N.V. In 2023, the Supervisory Board consisted of the following persons:

- Mr. J. (Jurgen) van Breukelen - Chairman
- Mrs. A.T.J. (Annemiek) van Melick
- Mr. E.C.R. (Eric) Lauwers
- Mrs. C.W.N. (Caroline) van Nieuwkerk
- Mr. M. (Maarten) Abbenhuis

The members of the Supervisory Board are appointed by the General Meeting, on the nomination of the Supervisory Board. The Supervisory Board has drafted a profile of its composition, taking into account the nature and activities of the company and its affiliated businesses and the required expertise and background of the supervisory directors. This profile can be changed after consultation at the General Meeting and with the Works Council. The Supervisory Board has set up various committees, including the Audit Committee and the Remuneration Committee.

Audit Committee

The Audit Committee advises the Supervisory Board in relation to its supervisory role regarding financial matters and financial reporting, including the financial statements of Royal Swinkels Family Brewers Holding N.V..

Remuneration Committee

The Remuneration Committee advises the Supervisory Board on the remuneration of the Executive Board and plays a role in the realization of the remuneration policy on behalf of the Executive Board. Changes are submitted to the General Meeting for adoption. The Supervisory Board stipulates the remuneration of the individual board members on the proposal of the Remuneration Committee, within the limits of the remuneration policy stipulated by the General Meeting.

Shareholder

Ambrig B.V. is the sole shareholder of Royal Swinkels Family Brewers Holding N.V. The sole shareholder of Ambrig B.V. is the Ambrig Trust Office Foundation (hereinafter referred to as "the foundation"). This foundation has issued depositary receipts for all the shares it holds in Ambrig B.V. The depositary receipts are held by (descendants of) the Swinkels family. The foundation is the sole director of Ambrig B.V. and can cast a vote on all shares in the capital of Royal Swinkels Family Brewers Holding N.V. The board of the foundation consists of seven natural persons.

Currently, the board consists of six members of the Swinkels family and one independent chairman. The General Meeting is held annually, within six months

after the end of the financial year. All depositary receipt holders of Ambrig are also invited to this General Meeting. At the annual General Meeting, the annual report is discussed, the financial statements and dividends are adopted, resolutions are passed about granting discharge to the members of the Executive Board in respect of their management and to the members of the Supervisory Board in respect of their supervision.

External auditor

The General Meeting issues an instruction for the audit of the Annual Report drawn up by the Executive Board. The current external auditor is PwC Accountants N.V., who has been appointed for the period up to and including the 2025 financial year. PwC also reviews the CSR information in the Integrated Annual Report.

Code of Conduct

The Executive Board has adopted a code of conduct that documents the most important core values and principles.

This code of conduct includes topics such as; responsible drinking, health and safety, respectful manners, conflicting interests, operating assets, confidential information and privacy, truthful communication, social media, fraud, business gifts, entertainment, bribery, the environment and sustainability, customers, suppliers and competitors, good business practices and trade embargoes.

The code of conduct is available to all staff on the intranet.

Circularity and CSR

For Royal Swinkels Family Brewers, CSR consists of various pillars, on which we provide information in this report. The strategy was determined in collaboration with the CEO. Circularity is one of the three strategic business objectives.

The CEO, Peer Swinkels, is responsible for CSR within the Executive Board. He informs the Supervisory Board about circularity and sustainability. Our Sustainability

Manager chairs the circularity and sustainability core team. This core team meets monthly and reports to the CEO. The core team is responsible for monitoring and evaluating the progress of the strategy, policy and functioning of the workstreams. Eight workstreams have been named, each responsible for different components of SCI and SBTi and the implementation of related initiatives. In addition, the members of the workstreams map the risks and financial impact of certain circular considerations.

Brouwerij Bavaria Lieshout (NL)



Risk management

Entrepreneurship involves taking risks. In order to realize our ambitions, it is essential to identify these risks and reduce them to an acceptable level. Internal and external factors that pose a risk to our operations are in focus and measures to control these risks have been taken. The next step is to identify whether these measures are sufficient. In addition, we want a clear organizational structure regarding risk management. This means that, in 2024, we will further define which individuals or working groups are responsible for the control measures and measuring their effectiveness. Below is a summary of the main risks and control measures by category. The risks discussed are divided into six categories.

Operational and technical risks

Risk	Explanation	Control measure
Quality fluctuations in our products and product liability	Violation of the quality of our products can lead to health risks, which can damage our reputation. It could, for instance, be caused by an error in the production process, sabotage or quality deviations in ingredients.	As food safety is one of our top priorities, we have a robust and certified assurance process in place. The same applies to the safety and protection of our buildings and land. Employees are required to follow training in order to be aware of the food safety risks.
Failing strategic transformation programs	The Intelligent Brewery program is a “Greenfield” ERP system implementation, with completely new business processes and is therefore crucial in preparing our brewery for the future. The program involves a significant investment, is complex and has a profound impact on the internal organization.	The Intelligent Brewery program has a Program Board, with sufficient mandate within the organization, which supervises the realization of the desired quality within budget and allocated time. We use experienced experts to guide us in this process. In addition, the organization is being prepared for the change by setting up a strong “organizational change” workstream that is supported by the Executive Board.
Availability of facilities	Business continuity may be jeopardized due to water, gas or electricity failure.	For all (production) locations, we have emergency plans and a crisis management process in place that explains what to do in the event of failures of facilities. The continuity of our business processes comes first here.
Availability of raw materials and packaging materials	Large conflicts and extreme weather conditions can affect the availability, quality and price of our raw materials and packaging materials.	We continuously liaise with suppliers to ensure that they can keep supplying stable raw materials and packaging materials, both qualitatively and quantitatively. We strive for long-term procurement contracts. We also hold supplier sessions and have further refined our sustainable procurement policy to increasingly procure sustainable alternatives, such as SAI certified barley.
Insufficient groundwater	The availability and quality of groundwater can decrease due to over-consumption. Water is, however, essential for our product and the environment in which we live.	All breweries have a water permit. In order to protect our spring water and use it indefinitely, we take mitigating measures to guarantee water availability. For example, Royal Swinkels Family Brewers fulfils an important role in the Farmer Beer Water project, in which our residual water is redistributed amongst farmers.

Operational and technical risks (continued)

Risk	Explanation	Control measure
Employee retention and development	Business continuity may be jeopardized if we do not, in a timely manner, have access to sufficient and properly qualified employees.	Identifying the required competencies and attracting and retaining talent is a strategic priority within Royal Swinkels Family Brewers. In this context, we initiated a leadership program for all managers within the organization.
Cyber attacks	Critical systems and company sensitive information are threatened by hackers, malware, phishing and ransomware.	We take technical and organizational measures to protect our networks and systems. We also have awareness campaigns to ensure that employees are aware of the risks of, for example, phishing. All this is based on a company-wide information security policy and standards.
Economic and socio-political instability	The safety and health of our employees may be at risk as a result of economic or socio-political instability in the area where they live or work.	We continuously monitor the economic and socio-political conditions in the areas in which we operate. To this effect we use national and international sources of information. We take organizational measures to protect our employees.
Climate Change	The structural and irreversible change in weather conditions leads to risks in the cultivation and availability of raw materials (such as barley, hops and sugar) and packaging (such as paper and cardboard).	We recognize the negative impacts of climate change on our society and our business operations. However, what climate change means as a risk to our operations still needs to be further identified. To manage climate risks, we have set up an internal working group that periodically discusses developments in climate change. In addition, the working group assesses whether the CO ₂ objectives of Royal Swinkels Family Brewers are still in line with this.
Acute extreme weather conditions	The increasing frequency of extreme weather conditions such as heavy rainfall, extreme short-term drought, floods or storms due to climate change increases the risk of production disruptions and supply chain interruptions.	We recognize the danger of acute extreme weather conditions that can affect our society and business operations. Last year we took action on this by installing emergency overflows in Lieshout and placing transformers at higher levels in Eemshaven. The risks to our operations still require further identification. A working group has been established to identify these risks and related measures. The risks and measures will be fully determined in 2024.

Compliance risks

Risk	Explanation	Control measure
Claims as a result of violations of laws and regulations or not observing contracts	The growing international character of our company ensures that we will be increasingly confronted with changing and more complex legislation regarding the environment, working conditions, privacy, alcohol consumption, food safety, competition, sanctions policy and packaging/return systems. This increases the risk of non-compliance with laws and regulations.	We employ legal specialists with knowledge of local laws and regulations and, if necessary, engage external advisers. We have a code of conduct, compliance manual and sanctions policy in place. In addition, we have made a number of training courses mandatory for relevant groups of employees to limit specific risks. Last year, no (monetary) sanctions were imposed on our organization.
Failure to comply with changing laws and regulations regarding sustainability	Changing legislation on sustainability, such as legislation regarding reporting (CSRD), environmental requirements and human rights in the chain, leads to an increasing risk that we, as an organization, cannot meet the changing requirements in a timely manner.	We employ legal specialists with knowledge of local laws and regulations. In addition, an internal working group has been established to periodically discuss developments regarding climate change and related legislation, and we engage external advisers when necessary. Last year, no (monetary) sanctions were imposed on our organization.

Financial risks

Risk	Explanation	Control measure
Currency and interest rate risks	Fluctuations in exchange rates and interest rates pose a risk to the profitability of the company.	Where necessary and possible, hedge contracts are entered into to reduce the risk of fluctuations in foreign currencies to an acceptable level. In respect of the interest rate risk, mainly interest caps are agreed upon.
Inflation risk	Rising costs due to inflation pose a risk to the profitability and thus continuity of the company.	We anticipate inflation by making timely adjustments to our purchasing and sales policies.
Credit risk	We serve a large number of very diverse domestic and foreign customers. There is a risk that customers will not be able to fulfil their payment obligations. The COVID-19 crisis and the inflation increased this risk for on-trade customers.	For new customers, the credit risk profile will be identified and appropriate credit limits and payment terms set, e.g. bank guarantees. For certain market segments we have insured against the risk of default.
Insufficient financing capital	It is important to have sufficient financing capital available to finance the growth of our company.	We actively aim to optimize our cash position and reduce our working capital. Investment decisions are only made after a thorough yield analysis. The financing structure is periodically tested and adjusted where necessary.
Climate Change	Rising costs due to transition costs to new energy sources for existing production processes, rising costs in the supply chain (e.g., due to raw material scarcity) and rising costs of emission allowances pose a risk to the company's financial performance.	Within the climate change theme there are the sub-themes of climate mitigation and climate adaptation. To manage financial risks around climate mitigation, we refer to the chapter on our climate strategy. The financial risks related to adaptation and associated control measures are discussed in the risk analysis of operational and technical risks, under the categories of "climate change" and "acute extreme weather conditions."

Safety and well-being risks

Risk	Explanation	Control measure
Business-related accidents	Accidents at work can occur during our business and production processes.	To prevent unsafe situations within the business, we have a safety program, clear work instructions and information about the correct use of resources in place. We also aim to increase the safety behavior and awareness of our employees. We do this by setting a good behavior example and by encouraging calling each other to account regarding potentially unsafe situations.
Violation of labor rights at suppliers	Some of our suppliers are located in countries where there is an increased risk of labor rights violations.	If there is a significantly increased risk of violation of labor rights at the location of our suppliers, external international audit organizations will be appointed to conduct audits.
Irresponsible drinking	Irresponsible drinking of employees and consumers can cause unsafe situations and, in the long term, physical or psychological issues.	To limit the risks for our employees and consumers, we pursue an internal policy for responsible drinking and have laid down these agreements in the company regulations and code of conduct. We also have a responsible marketing and communication policy to sell our beers in a responsible manner.
Quality and food safety	Inadequate quality and food safety (due to incidents) of our products puts us at risk of health damage, reputational damage, financial problems, supply chain disruption and product recalls.	Through our quality and food safety system, incidents are detected in a timely manner and we can take appropriate measures in time to prevent further damage. Almost all employees receive training on the topic of Food Safety.

Market risks

Risk	Explanation	Control measure
Price risks (incl. raw materials and energy)	Due to scarcity of natural sources and climate developments, among other things, raw materials, packaging materials and energy become more expensive.	To limit the impact of price increases, we pursue a multiple origin sourcing strategy, which reduces dependency. In addition, price risks for commodities are covered by long-term contracts (hedging), if necessary and where possible.
Industry consolidation	Competitive relationships are changing as a result of the consolidation within the sector. This may put pressure on our position.	In order to continue to compete with our larger competitors as well, we believe it is important to work as smart and efficiently as possible. The Intelligent Brewery program, with completely new business processes, helps us prepare our brewery for the future.
Economic and socio-political instability	Reduced consumption and/or production possibilities due to economic and socio-political instability or a pandemic, such as COVID-19.	We continuously monitor the political and socio-economic conditions in the markets in which we operate and, if necessary, take appropriate measures together with local management. We establish a crisis team if there is the potential for a significant impact on our business activities.
Changing customer requirement	Due to changing customer requirements, our beer portfolio may be less in line with future market demand.	We focus on offering a suitable beer for every occasion by responding to results from consumer and market research, through innovations and through targeted investments in a diverse portfolio, that includes non-alcoholic products.
Various, sometimes conflicting interests of stakeholders	We occasionally receive conflicting feedback from stakeholders on social issues such as responsible drinking and bottle deposit systems. It is not always based on facts, but may have consequences for our reputation.	To fine-tune our CSR policy documents, we conducted various analyses and spoke to experts to arrive at measures that are realistic and actually contribute to a positive social impact.
Increasing demand from stakeholders for sustainable operations and value chains	The changing interests that stakeholders attach to our operations and value chains increase the risk of growing competition from sustainable brands and products, rising costs of renewable resources and potential reputational damage.	We have committed to a Net Zero target, in line with SBTi expectations and European climate goals. Our ambition to be climate neutral by 2050 is our way of taking responsibility for our impact on the environment. In addition to our climate strategy, we are also highly committed to circularity. This is how we adapt to changing stakeholder needs. This strengthens our brand and makes us more future-proof in a world increasingly focused on sustainability and circularity.

Sustainability and circularity risks

Risk	Explanation	Control measure
Climate risks	Global warming can entail risks such as extreme weather changes and natural disasters. This also entails risks for our business continuity.	To manage climate risks, we have set up an internal working group that periodically discusses developments in climate change and related legislation. In addition, the working group assesses whether the CO ₂ objectives of Royal Swinkels Family Brewers are still in line with this.
Various, sometimes conflicting interests of stakeholders	We occasionally receive conflicting feedback from stakeholders on social issues such as responsible drinking and bottle deposit systems. It is not always based on facts, but may have consequences for our reputation.	To fine-tune our CSR policy documents, we conducted various analyses and spoke to experts to arrive at objectives and actions that are realistic and actually contribute to a positive social impact.

Report of the Supervisory Board (SB)

The year 2023 was again challenging. Inflation, declining purchasing power and declining consumer confidence, war in trading areas, ongoing unrest and hyperinflation in Ethiopia, erratic raw material prices. Each of these are elements that touch the business of Royal Swinkels Family Brewers. Despite that, the company proved able to post solid results. The clear multi-year strategy that the company meticulously executes is paying off. Accordingly, the SB expresses great satisfaction with the performance and results of the past financial year.

Financial results

In terms of both turnover and profit (EBITDA), Royal Swinkels Family Brewers is doing well given the difficult market situation. In the process, through good cost control and working capital management, the company managed to increase the scope for investment, development and innovation in 2023. The SB is very pleased with this result of good entrepreneurship and a longer-term vision.

Ethiopia

During the SB's visit to brewery Habesha, the country's challenges were once again evident. After a period of civil war, the situation in the north of the country is again unsettled. In addition, Ethiopia suffers from hyperinflation. This affects cash management and various other aspects of operations. The SB noted that, despite the challenging situation, the team was able to achieve strong results through, among other things, a well-functioning organization.

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Photo from L to R: Eric Lauwers, Caroline van Nieuwkerk, Jurgen van Breukelen, Maarten Abbenhuis and Annemiek van Melick.



Royal Swinkels Family Brewers becomes Royal Swinkels

By the end of 2023, Royal Swinkels Family Brewers recalibrated its corporate brand strategy. The SB is positive about the choice and sees in the short and powerful name of “Royal Swinkels” a profile that better suits the versatility of the family business in which the rich history, craftsmanship and entrepreneurship are clearly expressed. Also, the new name better covers the broad portfolio of activities.

The Intelligent Brewery

The implementation of the Intelligent Brewery program was a major topic on the SB’s agenda in 2023. Because of the “conversion during occupancy” implementation, there were quite a few operational challenges to overcome. The SB is positive about the benefits of this major digital transformation that provides far-reaching real-time insight into global operations. Among other things, this makes it possible to focus even more on efficiency, costs and market opportunities.

Winning family culture

As Royal Swinkels Family Brewers grows in internationality and versatility, the need for a strong corporate culture increases. The SB sees that the company, traditionally, has had a strong family culture and is able to effectively translate the values that stem from it into (international) business units. Among other things, with a leadership program to be further strengthened in the future. The SB also concludes that it is important to widely promote the “winning family culture” among stakeholders such as depositary receipt holders and family members who are not active in the company. This is what the company paid attention to at various times in 2023. The SB thanks all employees for their efforts.

Circularity through and through

The SB believes that Royal Swinkels Family Brewers is leading the industry in terms of circularity and also the associated reporting. This makes for a favorable starting position for the new European regulations that will come into force in the next few years. The company is preparing for the advent of the Corporate Sustainability Reporting Directive (CSRD) where the company will adapt sustainability reporting to increase transparency and comparability. This calls for reporting more data points.

Change of guard

As of January 1, 2024, Chief Financial Officer (CFO) Geert van Iwaarden stepped down. The SB thanks Geert for his commitment and the keen insight he was able to bring to all financial facets of the business. Together with the nominating committee, and in close consultation with the Executive Board (EB), the SB has recruited a suitable new CFO in the person of Mark Rutten who has taken office on March 1, 2024. This maintains the effective two-tier board structure (EB) at Royal Swinkels Family Brewers.

Looking to the future

The SB notes that the current market challenges will not be over in 2024. At the same time, it has confidence in the future. Working from a multi-year growth strategy and focusing on brand and business unit returns helps Royal Swinkels Family Brewers maintain and expand its current position.

Interactions and meetings

The SB convened nine times in 2023, including four online and five physical meetings. The meetings took place at various company locations, including at brewery Habesha in Ethiopia and brewery Palm in Belgium. The Audit Committee convened three times and the Remuneration Committee twice. Furthermore, SB members visited board meetings of shareholder Ambrig, depositary receipt holder meetings and the General Meeting of Shareholders, is chaired by SB Chairman Jurgen van Breukelen: “Putting out feelers regularly is good and for me personally, new to the position, very enjoyable to do.”

On behalf of the SB also a special thank you to Jan Willem Baud, former Chairman of the SB for two statutory terms, for his commitment and all he was able to do for Royal Swinkels Family Brewers.

Independent auditor's report

To: the management board and the supervisory board of Royal Swinkels Family Brewers Holding N.V.

Report on the translated financial statements for 2023

Our opinion

In our opinion, the accompanying translated financial statements for 2023 of Royal Swinkels Family Brewers Holding N.V., are consistent, in all material respects, with the audited financial statements, in accordance with the basis described in the general notes to the translated financial statements.

The translated financial statements

The translated financial statements of Royal Swinkels Family Brewers Holding N.V., Lieshout ('the company'), derived from the audited financial statements for 2023, comprise:

- the report of the executive board;
- the report of the supervisory board;
- the financial statements for 2023;
- the Other information; and
- appendices.

The audited financial statements and the translated financial statements do not reflect the events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our auditor's report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 28 March 2024.

Responsibilities for the translated financial statements and the audit

Responsibilities of the management board for the translated financial statements

The management board is responsible for the preparation of the translated financial statements in accordance with the basis described in the general notes to the translated financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the translated financial statements are consistent, in all material respects, with the audited statutory financial statements based on our procedures, which we conducted in accordance with Dutch Law, including the Dutch Standard 810 'Engagements to report on summary financial statements'.

Eindhoven, 18 April 2024

PricewaterhouseCoopers Accountants N.V.
J. Dekker RA

Provisions in the Articles of Association governing the appropriation of profit

In accordance with Article 25 of the Articles of Association:

1. The company may only make a distribution to the shareholders and other parties entitled to the profit available for distribution if the company's equity exceeds the amount of the paid-up and called-up part of the company's capital, increased by the reserves required by law.
2. Profit can only be distributed after adoption of the financial statements which show that it is allowed. The profit as established in the financial statements is at the disposal of the General Meeting of Shareholders.
3. The company may only make interim distributions if the requirement of Article 25.1 has been met, as evidenced by an interim statement of assets and liabilities as referred to in section 2:105 paragraph 4. Dutch Civil Code and the preceding approval of the Supervisory Board has been obtained.
4. No distribution shall be made to the company on shares in its capital acquired by the company or on shares for which the company holds depositary receipts.
5. For the calculation of the profit distribution, the shares on which no distribution is made for the benefit of the company pursuant to the provisions of Article 25.4 shall not be taken into account.
6. Any claim a shareholder may have to a distribution shall lapse after five years, to be computed from the day on which such a distribution became payable.

Branch offices

The company has a branch office in South Africa.

Appendix

Our value chain

Our value chain can be divided into three segments; procurement, production and transport, and sales and distribution. We made them visual for a quick and clear overview of the routes across our organization.

Our value chain

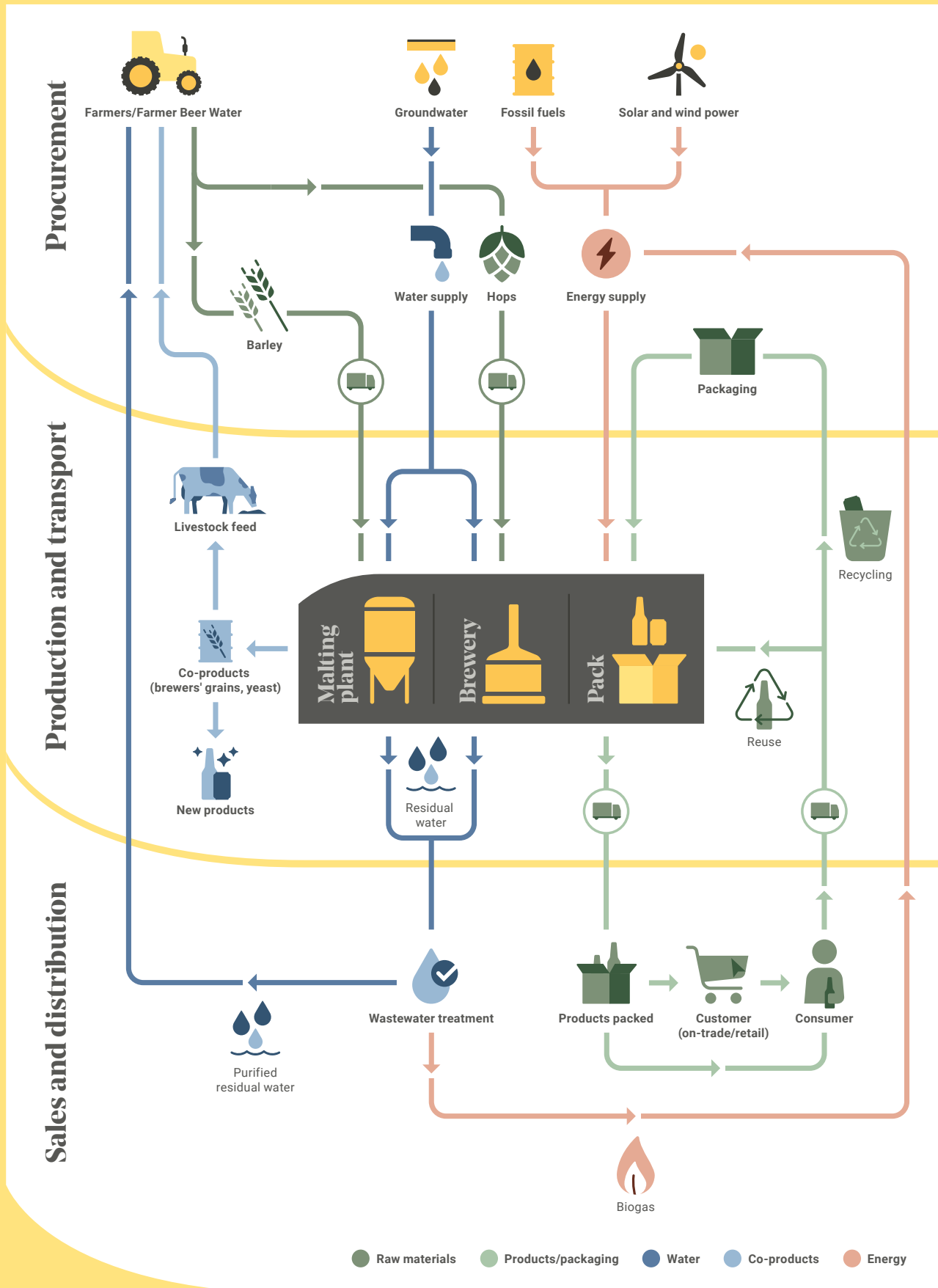


Figure: Our value chain



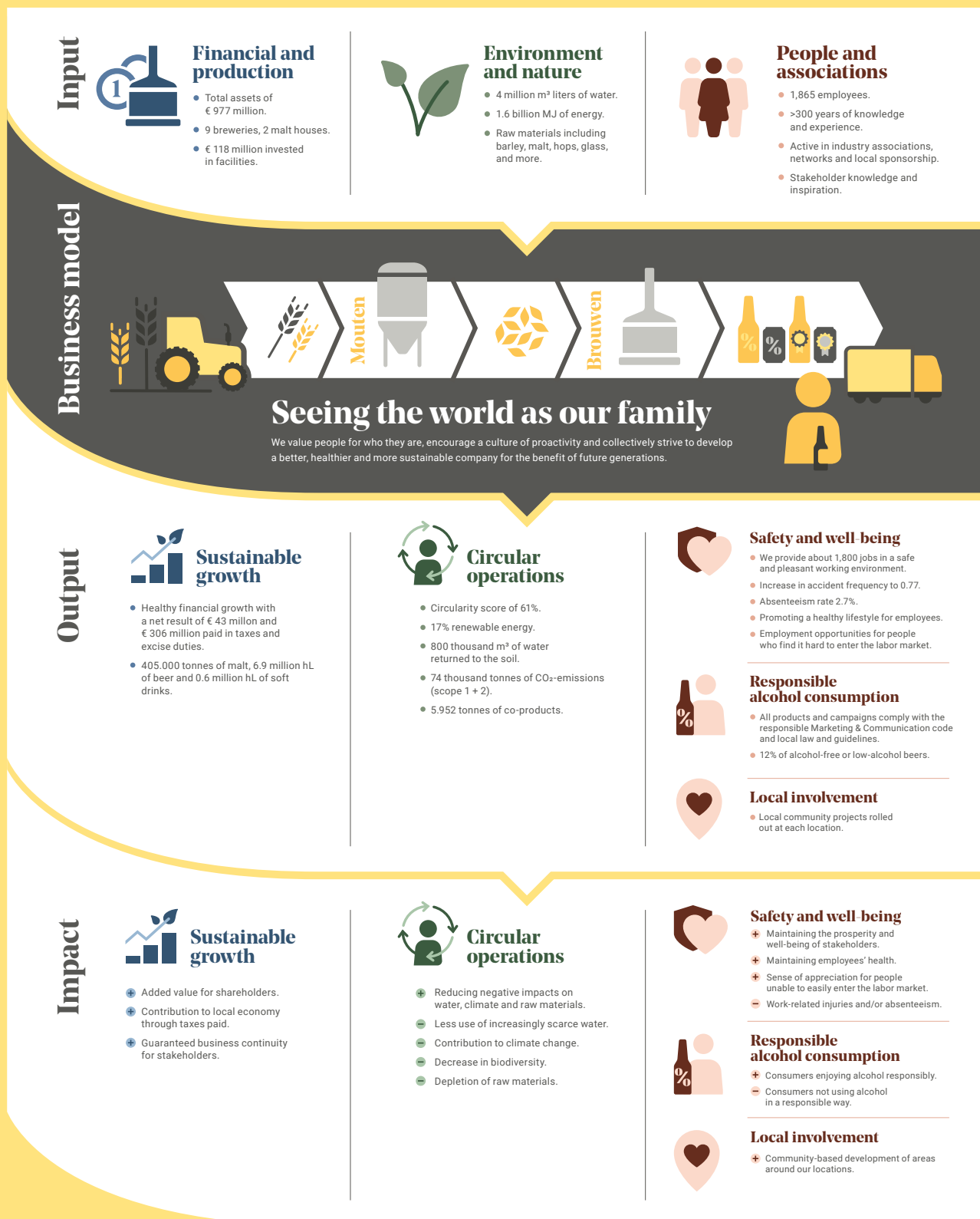
Appendix

Value creation model

Through strategic focus, we want to actively contribute to the Sustainable Development Goals, i.e. the sustainable goals of the United Nations, to end extreme poverty, inequality, injustice and climate change.

The value creation model shows how we, through our company, want to create value in the long term and make a social difference. Economically, socially and ecologically. In 2023, we have given the positive and negative impacts we make as a company a more explicit place in our value creation model.

Value creation model



Sustainable Development Goals (SDGs)



Figure: Value creation model

Appendix

Materiality analysis

At Royal Swinkels Family Brewers we remain in constant dialog with our stakeholders; corporate customers and consumers, employees, management teams and shareholders, suppliers, civil society organizations and authorities. We listen to the opinion of our stakeholders and have involved them in determining the most important themes that we have reported on in this report (material themes).

Although we are still reporting according to GRI standards, in 2023 the first steps were taken toward reporting in line with CSRD for financial year 2025. A double materiality assessment was performed that looked at the outward impact of Royal Swinkels Family Brewers on sustainability topics, and the inward impact of sustainability topics on Royal Swinkels Family Brewers. The process included a baseline measurement, interviews with internal and external stakeholders and multiple rounds of validation to arrive at an assessment of the material themes. We will validate this process annually.

The GRI standards include only impact materiality for determining material themes, not financial materiality. Therefore, the selection of material themes is based

solely on the impact axis of the dual materiality analysis. This showed that the current themes are still material (see figure Material themes based on the double materiality assessment for CSRD reporting). Therefore, no changes were made to the selection of material themes.

The material themes are:

- Circular business model
- Water and wastewater
- Climate change
- Employee safety and well-being
- Good governance
- Sustainable innovation
- Chain responsibility

We will also report on sustainable financial growth, responsible drinking and local involvement; matters that are not material, but we and our stakeholders feel are important enough to further explain.

The materiality analysis formed the foundation for structuring and formulating the contents of this integrated annual report. The “GRI index” appendix lists the material themes linked to the related reporting requirements.

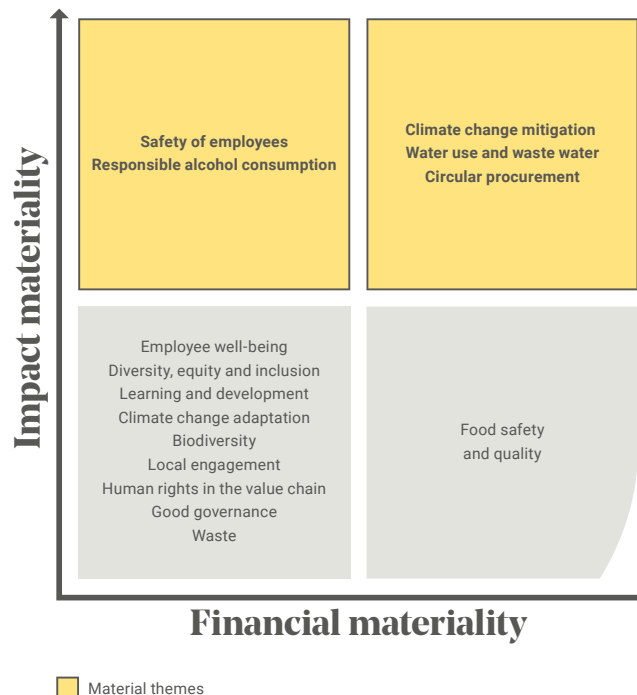


Figure: Material themes based on the double materiality assessment for CSRD reporting

Appendix

Notes to the annual report

Reporting guidelines we comply with:

- The relevant provisions of the Dutch Civil Code.
- Guidelines for Annual Reporting.
- Global Reporting Initiative (GRI) reporting guideline in accordance with GRI standards.
- Internal reporting criteria can be found at <https://annualreport.royalswinkels.com>, please refer to the 'Reporting manual non-financial information, March 2024'.

Building blocks for the report:

- EU Directive on disclosure of non-financial information and diversity.
- International Integrated Reporting Council IIRC.
- Revised Dutch Corporate Governance Code 2016.
- GHG Protocol.

This annual report relates to the 2023 financial year (January 1, 2023 up to and including December 31, 2023). Each year, Royal Swinkels Family Brewers Holding N.V. prepares a report. The previous report on 2022 was published on April 3, 2023.

Reporting scope

The reporting scope of the CSR information differs per chapter and KPI. Sometimes only the operational participations (breweries and malting plants) are included, and sometimes all participations (breweries, malting plants and sales offices). The exact scope of the CSR information per KPI can be found in the 'Reporting manual non-financial information, March 2024'.

The information on well-being and responsible drinking concerns production locations, but also sales organizations. The exact scope of the CSR information per KPI can be found in the 'Reporting manual non-financial information, March 2024'.

To determine the CSR content of the report, we performed a materiality analysis in accordance with GRI standards, which is outlined in the appendix "Materiality analysis". The results of the materiality analysis guided the determination of the topics in this report.

Changes in 2023

The following changes have taken place within Royal Swinkels Family Brewers Holding N.V. in the group structure:

- Beverage Supply Chain Solutions S.L.U. was established
- International Beverage Platform S.L.U. was established
- Kestedemena Beverage Products Import & Export PLC has ceased activities
- Swinkels Family Brewers Japan KK was established

Following mergers and acquisitions, data will, insofar as feasible, be recognized from the first full financial year onwards. Participations we report when there is a majority share, which was not the case this year.

Changes to reporting

CO₂ emission factors are reviewed annually to see if they are still current and, if necessary, revised. For the emission factors used in the calculations in this annual report, please refer to the 'Reporting manual non-financial information, March 2024'.



Appendix

Subsidiary-based CSR data

Consolidated parameters 2023

Materials	Total	% Recycled	Details
Total renewable (tons)	656,181	74%	
Total non-renewable (tons)	62,650	71%	
Energy	Value		Details
Total energy consumption (TJ)	1,627		
Total consumption of fuels renewable (TJ)	37		Biogas
Total consumption of fuels non-renewable (TJ)	1,344		Natural gas, diesel, gasoline, LPG
Total consumption of electricity renewable (TJ)	245		Green-purchased electricity, solar power
Total consumption of electricity non-renewable (TJ)	0.3		
Electricity sold (TJ)	1.8		
CO ₂ emissions	Value		Details
Total CO ₂ emissions scope 1 (kton)	74		
Total CO ₂ emissions scope 2 (kton)	0		
Total CO ₂ emissions beer (kg/hl)	5		Scope 1 & 2
Total CO ₂ emissions malt (kg/ton malt)	115		Scope 1 & 2
Waste	Circular	Non-circular	Details
Total co-products in (ton)	158,257	1,423	Brewers' grain, yeast, sludge, residual beer, ethanol water, malt sprouts, spent barley
Total residual flows (ton)	5,957	1,341	Paper & cardboard, plastic, glass, wood, residual waste, hazardous materials
- Of which hazardous substances	0	6.9	
Total machines removed and dismantled (ton)	45	0	
Total buildings and construction waste (ton)	1,426	16	
Water	Value		Details
Total water use (x1000 m ³)	4,042		Water extracted from spring and purchased
Safety and well-being	Number of hours		Details
Total hours worked	4,388,561		Consolidated data breweries including sales offices

Parameter by location	Brewery and malting plant Lieshout (the Netherlands)		Brewery Berkel-Enschot (the Netherlands)		Brewery Steenhuffel (Belgium)		Brewery Roeselare (Belgium)	
	2023	2022	2023	2022	2023	2022	2023	2022
Energy								
Energy consumption (TJ)	745	763	25	25	70	75	8	11
Energy from sustainable sources compared to total energy consumption (%)	11	12	33	33	26	27	43	38
CO ₂ emissions (kt)	35.0	38.0	0.9	1.0	1.6	3.1	0.2	0.4
CO ₂ emissions beer (kg/hl)	4.0	3.7	10.5	9.7	6.5	6.3	7.7	8.2
CO ₂ emissions malt (kg/ton malt)	127	138	n/a.	n/a.	n/a.	n/a.	n/a.	n/a.
Water								
Total water use (x1000 m ³)	2,686	2,716	73	76	225	238	25	33
Specific water use beer (hl/hl)	3.9	3.7	8.2	7.8	9.4	8.4	8.5	8.6
Specific water use malt (m ³ /ton)	4.4	4.1	n/a.	n/a.	n/a.	n/a.	n/a.	n/a.
Water source	Ground-water	Ground-water	Ground-water	Ground-water	Ground-water	Ground-water	Third-party water	Third-party water
Water stress	Low <10%	Low <10%	High 40-80%	High 40-80%	High 40-80%	High 40-80%	High 40-80%	High 40-80%
Waste water: destination type	Surface water	Surface water	Surface water	Surface water	Surface water	Surface water	Third-party water	Third-party water
Safety and well-being								
Safety								
Lost time accidents (LTA)	5	2	0	1	5	2	4	1
Accident frequency per 100 FTEs (LTAR)	0.54	0.21	0	1.72	5.08	1.95	26.90	5.59
Lost time accidents contractors (LTAC)	3	4	1	0	0	0	0	0
Well-being								
Absenteeism due to illness (%)	4.10	4.77	2.10	4.16	3.00	4.51	1.00	2.39
Women employed (%)	24	21	17	19	16	18	13	0
FTE *	995	861	61	54	135	136	21	22
Number of full-timers	815	738	48	44	119	113	21	22
Number of part-timers	201	184	17	14	36	42	2	2
Turnover: new employees joined	148	181	4	7	20	14	2	3
Turnover: employees left	94	187	6	2	26	24	5	4

* Because the number of working hours per week varies by country, these figures are roughly converted to a 40-hour work week.

Parameter by location	Brewery Debre Birhan (Ethiopia)		Malting plant Eemshaven (the Netherlands)		Brewery De Molen, Bodegraven (the Netherlands)		Brewery 't Uiltje, Haarlem (the Netherlands)	
	2023	2022	2023	2022	2023	2022	2023	2022
Energy								
Energy consumption (TJ)	131	108	639	678	4	4	2	2
Energy from sustainable sources compared to total energy consumption (%)	27	25	21	20	37	31	0	15
CO ₂ emissions (kt)	7.1	5.9	28.7	30.6	0.1	0.2	0.1	0.1
CO ₂ emissions beer (kg/hl)	5.7	5.7	n/a.	n/a.	16.1	20.5	15.5	12.4
CO ₂ emissions malt (kg/ton malt)	n/a.	n/a.	109.3	110.0	n/a.	n/a.	n/a.	n/a.
Water								
Total water use (x1000 m ³)	443	382	558	642	8	8	8	7
Specific water use beer (hl/hl)	3.6	3.3	n/a.	n/a.	8.6	9.2	8.5	8.1
Specific water use malt (m ³ /ton)	n/a.	n/a.	2.1	2.3	n/a.	n/a.	n/a.	n/a.
Water source	Ground-water	Ground-water	Third-party water	Third-party water	Third-party water	Third-party water	Third-party water	Third-party water
Water stress	Low-Medium 10-20%	Low-Medium 10-20%	Low <10%	Low <10%	Low <10%	Low <10%	Low <10%	Low <10%
Waste water: destination type	Ground-water	Ground-water	Third-party water	Third-party water	Third-party water	Third-party water	Third-party water	Third-party water
Safety and well-being								
Safety								
Lost time accidents (LTA)	1	4	1	2	0	0	0	0
Accident frequency per 100 FTEs (LTAR)	0.11	0.51	3.11	5.34	0	0	0	0
Lost time accidents contractors (LTAC)	1	1	1	0	0	0	0	0
Well-being								
Absenteeism due to illness (%)	0.59	0.11	5.50	6.86	0.60	1.40	10.00	3.50
Women employed (%)	17	16	0	0	33	19	16	3
FTE *	448	407	37	31	17	12	20	25
Number of full-timers	407	370	36	31	14	9	14	-
Number of part-timers	0	0	2	0	4	4	11	-
Turnover: new employees joined	97	65	6	4	2	2	2	7
Turnover: employees left	61	100	2	1	2	2	3	3

Appendix

GRI index

Statement of use: Royal Swinkels Family Brewers has reported in accordance with the GRI Standards for the period of January 1st to December 31st, 2023.

GRI 1 used: GRI 1: Foundation 2021.

Applicable GRI Sector Standard(s): No specific sector standard applied.

GRI Standard	Disclosure	Location: Annual report	Location: Website
General Disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	Front page and back page Colophon Financial statement 2023 Our focus and ambitions Governance structure	
	2-2 Entities included in the organization's sustainability reporting	Notes to the integrated annual report	
	2-3 Reporting period, frequency and contact point	Notes to the integrated report Colophon	
	2-4 Restatements of information	Materiality analysis Notes to the integrated report	
	2-5 External assurance	Notes to the integrated report Assurance report of the independent auditor Governance structure	
	2-6 Activities, value chain and other business relationships	Value creation model Our value chain	
	2-7 Employees	Subsidiary-based CSR data	Reporting manual non-financial information, March 2024
	2-8 Workers who are not employees		
	2-9 Governance structure and composition	Governance structure New governance around circularity	Code of Conduct
	2-10 Nomination and selection of the highest governance body	Governance structure	
	2-11 Chair of the highest governance body	Governance structure	Code of Conduct
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance structure	
	2-13 Delegation of responsibility for managing impacts	Governance structure New governance around circularity	
	2-14 Role of the highest governance body in sustainability reporting	New governance around circularity Governance structure	
	2-15 Conflicts of interest	Governance structure	
	2-16 Communication of critical concerns	Governance structure Safety and well-being	Doing business responsibly Doing business responsibly/speak-up
	2-17 Collective knowledge of the highest governance body	Stakeholder dialogue	
	2-18 Evaluation of the performance of the highest governance body	Governance structure Safety and well-being	
	2-19 Remuneration policies	Governance structure Safety and well-being	

Disclosure	(Partial) omission	Reason	Explanation
General Disclosures			
2-1 Organizational details			
2-2 Entities included in the organization's sustainability reporting			
2-3 Reporting period, frequency and contact point			
2-4 Restatements of information			
2-5 External assurance			
2-6 Activities, value chain and other business relationships			
2-7 Employees			
2-8 Workers who are not employees		Information not available/incomplete	Data is not consolidated in a timely manner.
2-9 Governance structure and composition			
2-10 Nomination and selection of the highest governance body	Remuneration and Audit Committee selection process	Information not available/incomplete	We report on the diversity of our highest governing bodies, but not on the selection processes that precede the appointment of these individuals. This will not become a mandatory disclosure requirement, based on our dual materiality analysis, under CSRD. Therefore, for GRI reporting, we have decided not to follow up on this any further as we are preparing for CSRD reporting. This applies to all references to CSRD in the GRI Index.
2-11 Chair of the highest governance body			
2-12 Role of the highest governance body in overseeing the management of impacts	The role of the highest governing body in the due diligence process to identify and manage the organization's impacts.	Information not available/incomplete	Our system regarding due diligence has yet to be set up which means we cannot comply with this this year. In 2026, we want to report on the year 2025.
2-13 Delegation of responsibility for managing impacts			
2-14 Role of the highest governance body in sustainability reporting			
2-15 Conflicts of interest			
2-16 Communication of critical concerns			
2-17 Collective knowledge of the highest governance body			
2-18 Evaluation of the performance of the highest governance body			
2-19 Remuneration policies	Description of the remuneration policy	Confidentiality restrictions	Given the sensitivity of the information, it is not shared in the annual report, but only with relevant stakeholder groups when applicable.

GRI Standard	Disclosure	Location: Annual report	Location: Website
General Disclosures			
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	Governance structure Safety and well-being	
	2-21 Annual total compensation ratio		
	2-22 Statement on sustainable development strategy	Foreword Circular business model	
	2-23 Policy commitments	Stakeholder dialogue Governance structure	Socially Responsible Procurement Policy Code of Conduct Safety and Environment Policy Circularity Policy
	2-24 Embedding policy commitments	New governance around circularity Governance structure Sustainable growth Circular business model Stakeholder dialogue	Socially Responsible Procurement Policy Tax Policy Code of Conduct Safety and Environment Policy Circularity Policy
	2-25 Processes to remediate negative impacts	Safety and well-being	Doing business responsibly Doing business responsibly speak-up
	2-26 Mechanisms for seeking advice and raising concerns	Safety and well-being	Doing business responsibly Doing business responsibly speak-up
	2-27 Compliance with laws and regulations	Risk management	
	2-28 Membership associations	Local involvement Stakeholder dialogue Value creation model	
	2-29 Approach to stakeholder engagement	Materiality analysis Stakeholder dialogue	
	2-30 Collective bargaining agreements		

Disclosure	(Partial) omission	Reason	Explanation
General Disclosures			
2-20 Process to determine remuneration	The outcome of the vote to determine the remuneration of the Executive Board.	Confidentiality restrictions	Given the sensitivity of the information, it is not shared in the annual report, but only with relevant stakeholder groups when applicable.
2-21 Annual total compensation ratio	Disclosure	Confidentiality restrictions	Given the sensitivity of the information, it is not shared in the annual report, but only with relevant stakeholder groups when applicable.
2-22 Statement on sustainable development strategy			
2-23 Policy commitments	Policies focused on due diligence, applying the precautionary principle and specific policies related to human rights.	Information not available/incomplete	Our system regarding due diligence has yet to be set up which means we cannot comply with this this year. In 2026, we want to report on the year 2025.
2-24 Embedding policy commitments			
2-25 Processes to remediate negative impacts	The commitment and process to restore negative impacts. The effectiveness of our reporting systems and stakeholder dialogues to improve them.	Information not available/incomplete	Our system regarding due diligence has yet to be set up which means we cannot comply with this this year. In 2026, we want to report on the year 2025.
2-26 Mechanisms for seeking advice and raising concerns			
2-27 Compliance with laws and regulations			There are no instances of non-compliance described in any of the sections of the annual report.
2-28 Membership associations			
2-29 Approach to stakeholder engagement			
2-30 Collective bargaining agreements		Information not available/incomplete	We do not have this data available nor are we reporting it at this time.

GRI Standard	Disclosure	Location: Annual report	Location: Website
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality analysis	
	3-2 List of material topics	Materiality analysis	
GRI 200: Topic-specific Standard: Economic			
GRI 3: Material Topics 2021	Sustainable financial growth		
	3-3 Management of material topics	Sustainable growth	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our year in key figures Sustainable growth Consolidated balance sheet	
	201-2 Financial implications and other risks and opportunities due to climate change	Risk management	
Good governance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable growth	Tax Policy
GRI 207: Tax 2019	207-1 Approach to tax	Sustainable growth	Tax Policy
	207-2 Tax governance, control and risk management	Governance structure Independent auditor's report Sustainable growth	Tax Policy Doing business responsibly Doing business responsibly speak-up
	207-3 Stakeholder engagement and management of concerns related to tax	Stakeholder dialogue	Tax Policy
GRI 300: Topic-specific Standard: Environmental			
GRI 3: Material Topics 2021	Water and wastewater		
	3-3 Management of material topics	Circular business model Stakeholder dialogue	Circularity Policy
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Circular business model Subsidiary-based CSR data Stakeholder dialogue	Reporting manual non-financial information, March 2024
	303-2 Management of water discharge-related impacts		Reporting manual non-financial information, March 2024
	303-3 Water withdrawal	Subsidiary-based CSR data	Reporting manual non-financial information, March 2024
	303-4 Water discharge	Subsidiary-based CSR data	
	303-5 Water consumption	Subsidiary-based CSR data	

Disclosure	(Partial) omission	Reason	Explanation
Material topics			
3-1 Process to determine material topics			
3-2 List of material topics			
GRI 200: Topic-specific Standard: Economic			
Sustainable financial growth			
3-3 Management of material topics			
201-1 Direct economic value generated and distributed			
201-2 Financial implications and other risks and opportunities due to climate change	The financial impact of a risk or opportunity before action has been taken. The cost of actions taken to manage the risk or opportunity.	Information not available/incomplete	The concrete impact of climate change and the financial risks to our operations have yet to be identified. To manage climate risks, an internal working group has been established that periodically discusses developments around climate change. Next year the risks will be mapped out better.
Good governance			
3-3 Management of material topics			
207-1 Approach to tax			
207-2 Tax governance, control and risk management			
207-3 Stakeholder engagement and management of concerns related to tax			
GRI 300: Topic-specific Standard: Environmental			
Water and wastewater			
3-3 Management of material topics			
303-1 Interactions with water as a shared resource			
303-2 Management of water discharge-related impacts			
303-3 Water withdrawal	A breakdown of total water withdrawals into "fresh water" and "other type of water" categories.	Information not available/incomplete	The data is not fully centralized and it is not yet possible to report the data at this level of detail. This information is beyond the scope of CSRD reporting which is why we will not report on it this year.
303-4 Water discharge	A breakdown of total water withdrawals into "fresh water" and "other type of water" categories.	Information not available/incomplete	The data is not fully centralized and it is not yet possible to report the data at this level of detail. This information is beyond the scope of CSRD reporting which is why we will not report on it this year.
303-5 Water consumption			

GRI Standard	Disclosure	Location: Annual report	Location: Website
GRI 300: Topic-specific Standard: Environmental			
GRI 3: Material Topics 2021	Climate Change		
	3-3 Management of material topics	Circular business model Stakeholder dialogue	Circularity Policy
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Subsidiary-based CSR data CSR key figures	
	302-2 Energy consumption outside of the organization		Reporting manual non-financial information, March 2024
	302-3 Energy intensity	Subsidiary-based CSR data CSR key figures Circular business model	
	302-4 Reduction of energy consumption	Circular business model	Reporting manual non-financial information, March 2024
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Circular business model Subsidiary-based CSR data CSR key figures	Reporting manual non-financial information, March 2024
	305-2 Energy indirect (Scope 2) GHG emissions	Circular business model Subsidiary-based CSR data CSR key figures	Reporting manual non-financial information, March 2024
	305-3 Other indirect (Scope 3) GHG emissions	Circular business model	Reporting manual non-financial information, March 2024
	305-4 GHG emissions intensity	Subsidiary-based CSR data	
	305-5 Reduction of GHG emissions	Circular business model	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		
GRI 3: Material Topics 2021	Circular business model		
	3-3 Management of material topics	Circular business model Stakeholder dialogue	Circularity Policy
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Subsidiary-based CSR data	
	301-2 Recycled input materials used	Circular business model	Reporting manual non-financial information, March 2024
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Our value chain Circular business model	
	306-2 Management of significant waste-related impacts	Circular business model Our value chain	Circularity Policy
	306-3 Waste generated	Subsidiary-based CSR data Our value chain	Reporting manual non-financial information, March 2024
	306-4 Waste diverted from disposal	Subsidiary-based CSR data Circular business model Our value chain	Reporting manual non-financial information, March 2024
	306-5 Waste directed to disposal	Subsidiary-based CSR data	Reporting manual non-financial information, March 2024

Disclosure	(Partial) omission	Reason	Explanation
GRI 300: Topic-specific Standard: Environmental			
Climate Change			
3-3 Management of material topics			
302-1 Energy consumption within the organization			
302-2 Energy consumption outside of the organization		Information not available/incomplete	Energy consumption outside our organization is part of our scope 3 calculation and will therefore be included herein.
302-3 Energy intensity			
302-4 Reduction of energy consumption			
305-1 Direct (Scope 1) GHG emissions			
305-2 Energy indirect (Scope 2) GHG emissions			
305-3 Other indirect (Scope 3) GHG emissions			
305-4 GHG emissions intensity			
305-5 Reduction of GHG emissions			
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Information not available/incomplete	Reporting nitrogen emissions to local governments is required by law and this requirement is met. We do not consider the annual report as the right medium to address this issue quantitatively but conduct stakeholder dialogue with stakeholders such as local government.
Circular business model			
3-3 Management of material topics			
301-1 Materials used by weight or volume			
301-2 Recycled input materials used			
306-1 Waste generation and significant waste-related impacts			
306-2 Management of significant waste-related impacts	A description of the evaluation of contractual obligations for waste processed by a third party	Information not available/incomplete	We make good arrangements with our partners regarding waste disposal and assume that they comply with laws and regulations as well as our contract. This information is beyond the scope of CSRD reporting which is why we will not report on it this year.
306-3 Waste generated			
306-4 Waste diverted from disposal	The location of circular waste treatment (onsite or offsite)	Information not available/incomplete	The data is not fully centralized and it is not yet possible to report the data at this level of detail. This information is beyond the scope of CSRD reporting which is why we will not report on it this year.
306-5 Waste directed to disposal	The waste disposal method for waste, hazardous waste and the location thereof (onsite or offsite)	Information not available/incomplete	The data is not fully centralized and it is not yet possible to report the data at this level of detail. This information is beyond the scope of CSRD reporting which is why we will not report on it this year.

GRI Standard	Disclosure	Location: Annual report	Location: Website
GRI 400: Topic-specific Standard: Social			
GRI 3: Material Topics 2021	Safety and well-being		
	3-3 Management of material topics	Safety and well-being	Safety and Environment Policy Code of Conduct
GRI 401: Employment	401-1 New employee hires and employee turnover	Safety and well-being, Subsidiary-based CSR data	
	401-2 Benefits provided to fulltime employees that are not provided to temporary or part-time employees		
	401-3 Parental leave		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Safety and well-being	
	403-2 Hazard identification, risk assessment, and incident investigation	Safety and well-being	
	403-3 Occupational health services	Safety and well-being	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safety and well-being	
	403-5 Worker training on occupational health and safety	Safety and well-being	
	403-6 Promotion of worker health	Safety and well-being	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety and well-being	
	403-8 Workers covered by an occupational health and safety management system	Safety and well-being	Reporting manual non-financial information, March 2024
	403-9 Work-related injuries	Safety and well-being	Reporting manual non-financial information, March 2024
	403-10 Work-related ill health	Safety and well-being	
GRI 3: Material Topics 2021	Responsible drinking		
	3-3 Management of material topics	Responsible drinking	Responsible Drinking Policy Internal Responsible marketing and communication code
GRI 417: Marketing and Labelling	417-1 Requirements for product and service information and labelling	Responsible drinking	
	417-2 Incidents of non-compliance concerning product and service information and labelling	Responsible drinking	
	417-3 Incidents of non-compliance concerning marketing communications	Responsible drinking	
Company indicator	Non-alcoholic or low-alcohol beers hl compared to total sold hl (<3.5 vol %)	Responsible drinking	

Disclosure	(Partial) omission	Reason	Explanation
GRI 400: Topic-specific Standard: Social			
Safety and well-being			
3-3 Management of material topics			
401-1 New employee hires and employee turnover			
401-2 Benefits provided to fulltime employees that are not provided to temporary or part-time employees		Out of scope CSRD	This information is beyond the scope of CSRD reporting which is why we will not report on it this year.
401-3 Parental leave		Information not available/incomplete	We do not have this data available nor are we reporting it at this time.
403-1 Occupational health and safety management system			
403-2 Hazard identification, risk assessment, and incident investigation			
403-3 Occupational health services			
403-4 Worker participation, consultation, and communication on occupational health and safety			
403-5 Worker training on occupational health and safety			
403-6 Promotion of worker health			
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			
403-8 Workers covered by an occupational health and safety management system			
403-9 Work-related injuries	Number of hours worked "workers who are not employees"	Information not available/incomplete	This information is beyond the scope of CSRD reporting which is why we will not report on it this year.
403-10 Work-related ill health			
Responsible drinking			
3-3 Management of material topics			
417-1 Requirements for product and service information and labelling			
417-2 Incidents of non-compliance concerning product and service information and labelling			
417-3 Incidents of non-compliance concerning marketing communications			
Non-alcoholic or low-alcohol beers hl compared to total sold hl (<3.5 vol %)			

GRI Standard	Disclosure	Location: Annual report	Location: Website
GRI 400: Topic-specific Standard: Social			
GRI 3: Material Topics 2021	Sustainable innovation		
	3-3 Management of material topics	Notes to the integrated annual report Materiality analysis Long-term value creation Circular business model	
Company indicator	Types of waste streams applied as co-products including the method of application	Circular business model	
Company indicator	% of co-products circularly processed	Circular business model	
GRI 3: Material Topics 2021	Chain Responsibility		
	3-3 Management of material topics	Governance structure New governance around circularity Sustainable growth Circular business model Safety and well-being	
GRI 3: Material Topics 2021	Local involvement		
	3-3 Management of material topics	Local involvement	

Disclosure	(Partial) omission	Reason	Explanation
GRI 400: Topic-specific Standard: Social			
Sustainable innovation			
3-3 Management of material topics			
Types of waste streams applied as co-products including the method of application			
% of co-products circularly processed			
Chain Responsibility			
3-3 Management of material topics			
Local involvement			
3-3 Management of material topics			

Appendix

Stakeholder dialogue

As an organization, you have an impact on your stakeholders and the environment while stakeholders have an impact on our organization. Therefore, it is important to be in dialogue and know the interests of stakeholders. For example, we think it is important to involve all our employees in our circular ambitions, but also to interact with local municipalities to discuss their plans and vision and to collaborate where possible.

Starting in 2025, we will report based on the CSRD guideline. We took the first step toward this in 2023 by conducting a double materiality assessment. The results will be used in 2024 to design the annual report for financial year 2024. An important part of the double materiality assessment was the conversation with stakeholders. These discussions revealed that the topics we report on in the annual report continue to be material. Climate change, dealing with water and circular entrepreneurship are often the topic of conversation.

These are also the themes that are important to our organization and have become tangible through extreme weather events and our commitment to SBTi goals. Explanations of the materiality analysis and an overview of material topics are described in the “Materiality analysis” appendix.

In addition to the conversations we had for the double materiality assessment, we also engaged with our stakeholders in other ways. See the description below and the explanation for each stakeholder group in the table.

Roadshows

This year we organized a series of meetings with employees to share knowledge on CSRD, circularity, sustainability and our climate goals. We did this with our staff from different departments. The feedback from these roadshows led to useful insights into how we can involve employees in our ambitions even more and where we, as a company, can still grow. Among other things, we subsequently held an inspiration session on water.

Sessions, training and programs

Meetings to discuss relevant topics in groups, provide training or impart knowledge also took place in 2023. For example, with Management and the Management team to further outline the climate strategy and with educational institutions to further put knowledge and challenges related to circularity and CSRD into practice. We have also made sustainability an integral part of the onboarding of new employees. They are trained in sustainability in general, and circularity in particular.

An overview of the various activities and relevant topics by stakeholder group:

Stakeholder	Type of dialogue and frequency	Relevant topics
Swinkels family and shareholders	<ul style="list-style-type: none"> Roadshows 	<ul style="list-style-type: none"> Sustainable growth Governance structure Circular business model Safety and well-being Climate change
Executive Board	<ul style="list-style-type: none"> Executive Board Meeting Core team Circularity 10 times a year (results were shared with the Executive Board) 	<ul style="list-style-type: none"> Sustainable growth Governance structure Circular business model Safety and well-being Climate change CSRD
Supervisory Board	<ul style="list-style-type: none"> Management Board meeting with Supervisory Board once a year regarding sustainability 	<ul style="list-style-type: none"> Sustainable growth Circular business model Governance structure CSRD
Customers (On-trade & Retail)	<ul style="list-style-type: none"> Regular commercial consultations Peer analysis Talks on CO₂ objectives with retail partners 	<ul style="list-style-type: none"> Business ethics Customer experience Circular business model Climate change
Employees	<ul style="list-style-type: none"> Roadshows Inspiration session Online questionnaire (Pulse) Work meetings Training and programs 	<ul style="list-style-type: none"> Sustainable growth Governance structure Circular business model Climate change Safety and well-being Responsible drinking
Suppliers	<ul style="list-style-type: none"> Regular consultations, structured collaboration via procurement and supply chain management 	<ul style="list-style-type: none"> Sustainable growth Governance structure Circular business model Climate change CSRD
Consumers	<ul style="list-style-type: none"> Media analysis 	<ul style="list-style-type: none"> Circular business model Responsible drinking
NGOs (Van Gogh National Park), local authorities (Municipality of Laarbeek, Aa en Maas Water Board), civil society organizations, education and science (Avans, Fontys and HAS)	<ul style="list-style-type: none"> Regular consultations on permits and political dossiers Ad hoc consultations on specific social themes Sessions with educational institutions 	<ul style="list-style-type: none"> Sustainable growth Governance structure Circular business model Safety and well-being CSRD Climate change
Local residents, local community	<ul style="list-style-type: none"> Ad hoc consultations on specific social themes 	<ul style="list-style-type: none"> Sustainable growth Circular business model Safety and well-being Climate change
Financial institutions and stakeholders	<ul style="list-style-type: none"> Regular consultations 	<ul style="list-style-type: none"> Sustainable growth Governance structure Circular business model Safety and well-being

Appendix

Definitions and abbreviations

Accident frequency	The number of accidents resulting in absence (LTA) as a ratio of the total number of employees. The exact calculation is included in the internal reporting criteria.
Circular economy	The economic system intended to maximize the reusability of products and raw materials and to minimize the destruction of value.
Circular business model	Acting on the principle where value is preserved. By purchasing products and (raw) materials in a circular way, using resources efficiently and perceiving waste flows as food sources.
Climate change	Take measures to adapt to the effects of climate change and to mitigate further climate change. We do this by reducing CO ₂ emissions in the areas of energy and transport.
CO₂ footprint	The amount of greenhouse gases emitted expressed in tons of CO ₂ .
CO₂ offsetting	The activity in which greenhouse gas emissions are reduced or removed to offset emissions caused elsewhere.
Code of Conduct	Description of standards and values to be met.
Cogeneration	Cogeneration (also referred to as combined heat and power) is the simultaneous production of heat and power using an engine powered by one type of fuel (such as natural gas).
Compliance	Complying with rules such as specifications, policies or laws and regulations.
Consolidated figures	Figures from the parent company that include the results of the subsidiaries. Certain rules apply to the way in which figures are consolidated and whether or not a subsidiary can be consolidated.
Craft beer	Specialty beer brewed by an independent brewery that is honest and transparent about the recipes and origin of the ingredients and produces a maximum of 1 million hectoliters per year.
CSR	Corporate Social Responsibility, also referred to as sustainable business practices.
CSRD	Corporate Sustainability Reporting Directive; EU standard for sustainability reporting.
Discharge	Discharge consists in the appropriately authorized body within the organization confirming that directors have performed all their duties in pursuing their (financial) policy, releasing them from liability for their management. It basically constitutes approval of the policy. Within Royal Swinkels Family Brewers, the shareholders grant discharge.
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization, or the result before interest, income taxes, depreciation, other amounts written off and amortization. This corresponds with the operating result corrected before depreciations and other write-downs of fixed assets.
Effluent	Discharged, purified water that originates from the water treatment plant.
ERP system	Enterprise Resource Planning system, i.e. the software used by the company to support all processes across the company.
FSC®	Forest Stewardship Council. Quality mark for wood from sustainably managed forests.
FTE	Full-time equivalent. A unit that expresses the scope of employment or workforce. 1 FTE is one full 40-hour working week.
Geothermal energy	Also referred to as the earth's internal heat. This is local sustainable heat energy from deep within the Earth and used to heat homes, greenhouses and industrial plants.
GHG Protocol	Green House Gas Protocol. Method to determine greenhouse gas emissions at various points in the chain.
Global GAP	Global Good Agricultural Practices. Certificate for meeting globally recognized standards in quality and sustainability.
Good governance	Company managed with integrity acting on the basis of standards and values, so that the breweries are passed on even more beautiful to the next generations.
Greenhouse gas	Greenhouse gases are gases in the Earth's atmosphere with the ability to absorb and gradually release heat radiation in all directions. In this way they contribute to retaining heat in the atmosphere. The best known greenhouse gas is carbon dioxide (CO ₂).
GRI	Global Reporting Initiative. Reporting standard for sustainability information.
Hedge contracts	Contracts under which a hedge is agreed. By taking out a hedge, financial transactions are hedged against the opposite transactions to reduce risks such as interest rate changes, exchange rate fluctuations or raw material price fluctuations.
Hopfenring	System for making hop cultivation more sustainable based on SAI standards.
HR	Human Resources.

IPA	India Pale Ale. Extra hopped, bitter and refreshing beer.
Irrigation	The use of a range of engineering resources and structures to supply water to agricultural crops in the event of rainfall shortages.
Liquidity	The liquidity ratio indicates the extent to which a company can meet its current payment obligations.
LKvV	Landelijke Kamer van Verenigingen [National Federation of Student Associations].
Lost time accidents	A work-related accident that results in absence on the next working day or shift.
Material Passport	A digital document that shows the materials that make up a product or building.
MJ	Megajoules (1 million joules, the unit for energy).
Net debt	Interest-bearing debts (short-term and long-term) less cash and cash equivalents.
Net zero	Net zero CO ₂ emissions by Royal Swinkels Family Brewers so that the activities within the entire chain have no net effect on the climate in terms of emissions.
PEFC®	Program for the Endorsement of Forest Certification schemes. Quality mark for the promotion of sustainable forest management.
Remuneration	Full pay.
Safety and well-being	Ensuring a healthy and safe working environment where everyone has the opportunity to grow and develop, so that all our employees enjoy working at Royal Swinkels Family Brewers today and in the future.
SAI	Sustainable Agriculture Initiative. Global standard for sustainable agriculture.
SB	Supervisory Board.
SBTi	Science Based Targets initiative; standard for setting targets on greenhouse gas emissions in line with the ambition of the Paris climate agreement.
SCI	Swinkels Circularity Index, calculation methodology to determine the degree of circular business operations.
Scope 1	GHG Protocol-specified CO ₂ emissions from sources owned or operated by own organization, such as emissions from own gas use (e.g., gas boilers, cogeneration plants and furnaces) and emissions from own vehicle fleet.
Scope 2	GHG Protocol-defined CO ₂ emissions by third parties (energy suppliers)
Scope 3	GHG Protocol-defined CO ₂ emissions from sources not owned or managed by own organization, but related to business activities. For example, emissions resulting from the production of purchased materials, transportation, commuting and waste processing.
SDGs	Sustainable Development Goals, established by the United Nations (UN). World goals to end extreme poverty, inequality, injustice and climate change.
Severity rate	It calculates the number of days people have been unable to work because of an accident and thus determines the severity of major accidents.
Solvency	The ratio of equity capital to borrowed capital recognized on the balance sheet. Solvency expresses a company's ability to pay its debts.
Stakeholder	Every party that has an influence on the company or on which the company can have an influence.
STIVA	Stichting Verantwoorde Alcoholconsumptie [Responsible Drinking Campaign].
Volatility	The extent to which the price of a financial product, such as a currency, is subject to fluctuation.
WC	Works Council.
Working capital	Current assets including cash and cash equivalents less short-term liabilities.
ZLTO	Zuidelijke land- en tuinbouworganisatie [Southern Agricultural and Horticultural Organization].



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