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Sustainable Wheat Initiative Europe

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CHIEF COMMUNICATION & SUSTAINABILITY OFFICER
LA LORRAINE BAKERY GROUP



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There is a need to create a ***shared vision on sustainable agriculture*** as key driver of our industry’s sustainability transition

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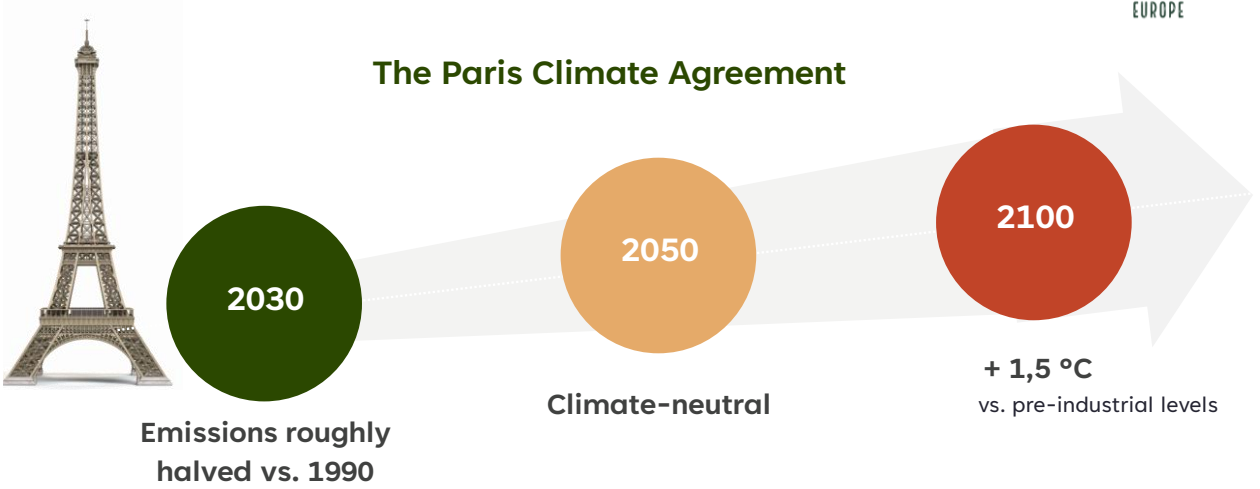
- In the form of a ***Manifesto*** that states our commitments as a sector towards farmers
- And that involves the wider ecosystem as a ***‘coalition of action’***



Urgent action is needed to limit climate change

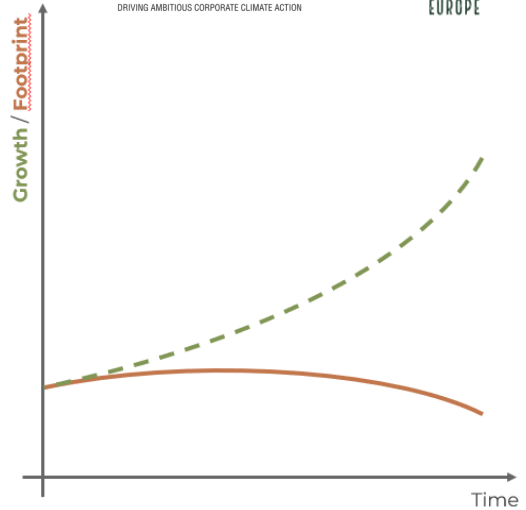


The Paris Climate Agreement

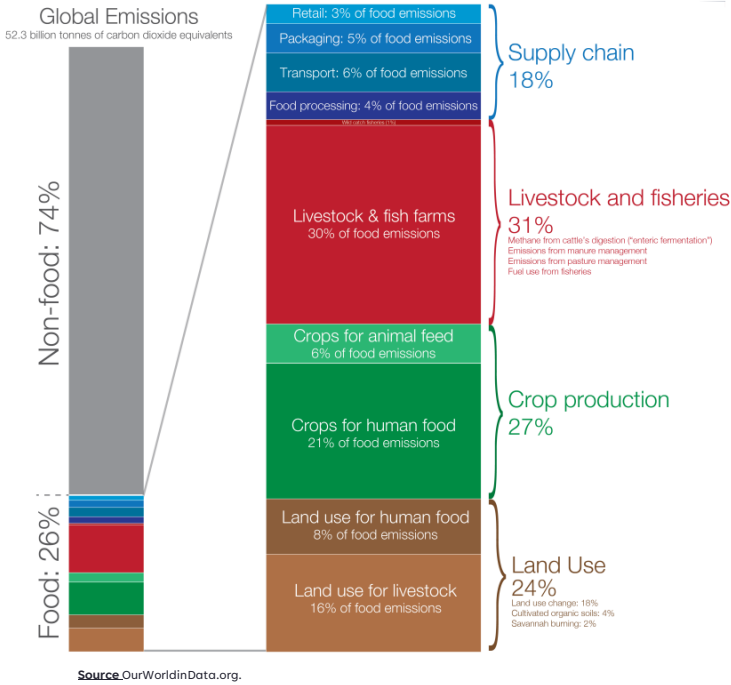


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The objective is clear:
Decouple growth from emissions



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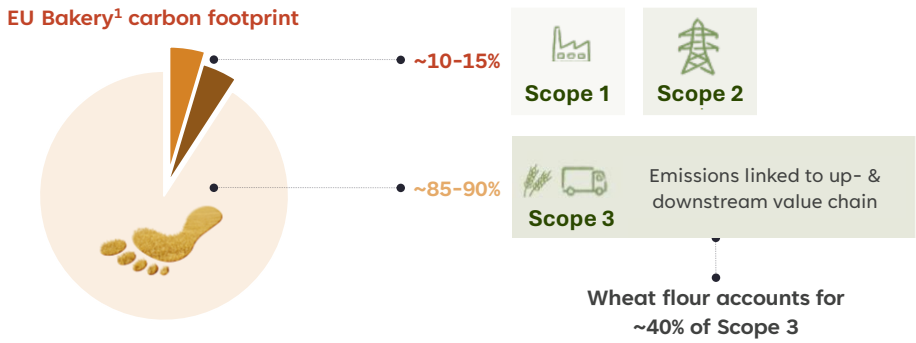
FOOD
drives **25% to 35%** of global GHG emissions

Agriculture is the main driver

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The bakery sector has a **significant footprint**, mainly in its value chain and driven by wheat



(1) industrial bakeries

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SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

-30% BY 2030
vs 2022 baseline



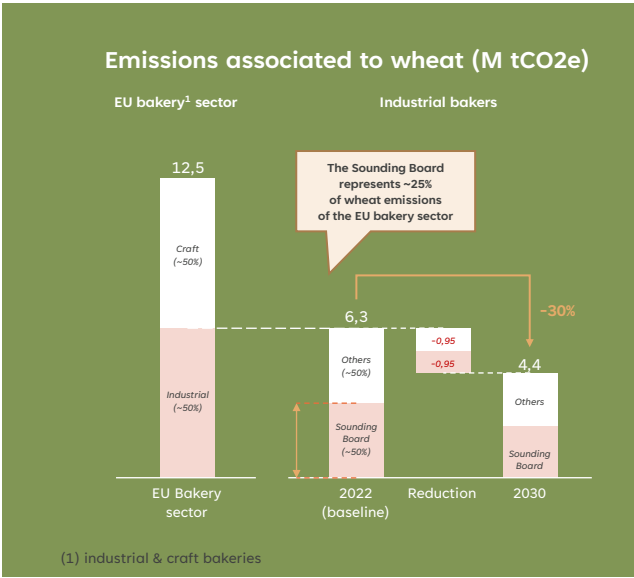
SUSTAINABLE
WHEAT INITIATIVE
EUROPE

To be in line with climate science, Scope 3 emissions of our industry need to reduce by 30% by 2030

So do emissions of wheat and wheat flour, bakeries' main ingredient

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The climate impact of wheat for the bakery sector in Europe accounts for 12 to 13 million tons of CO2e



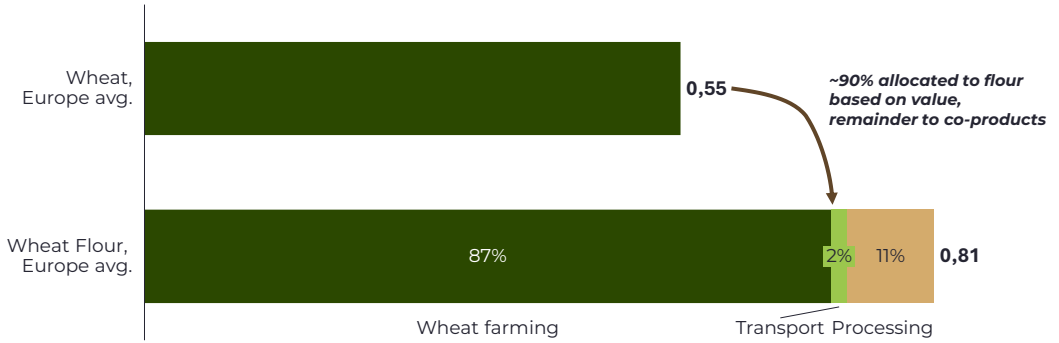
PLANT BAKERS REPRESENTING 50% OF CO2e FOR WHEAT HAVE A RESPONSIBILITY...

... AND AN OPPORTUNITY TO ACCELERATE THE ADOPTION OF LOW-CARBON WHEAT GIVEN OUR COMBINED BUYING POWER

Sounding Board companies account for **~25% of total EU wheat emissions** related to bakery products

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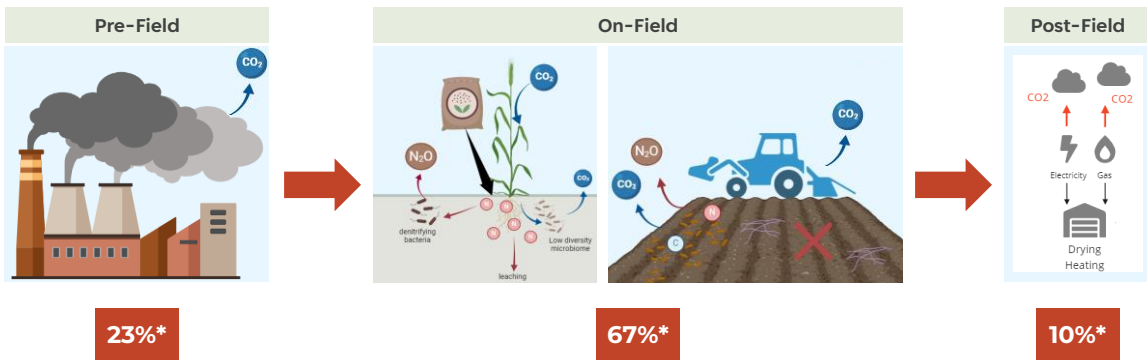
We know that over 80% of flour’s footprint are driven by agricultural production activities of wheat



* Source: CarbonCloud, based on economic allocation method

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How wheat’s footprint is built up:
Two thirds of wheat emissions are generated on-field



SOURCE: CarbonCloud emission database; * Approximate values, can vary depending on country / chemicals; drying is not always done

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The action levers to reduce emissions

GEOGRAPHICAL SOURCING OPTIMIZATION



SUPPLIER OPTIMIZATION

SUSTAINABLE WHEAT FARMING PROGRAMS

RECIPE & PROCESS OPTIMIZATION

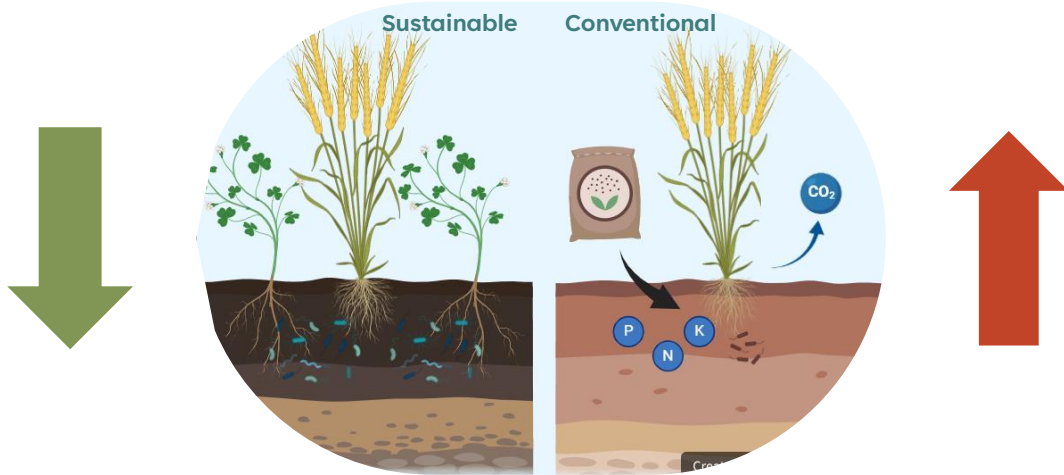
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Sustainable farming is the key lever to tackle wheat's footprint by simultaneously **reducing emissions & increasing soil carbon**



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Sustainable systems 'pump' atmospheric carbon & nitrogen into soil, Conventional systems 'pump' GHGs into the atmosphere



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Sustainable Agriculture aims to **mimic natural ecosystems**. Farmers have a toolbox of practices at their disposal



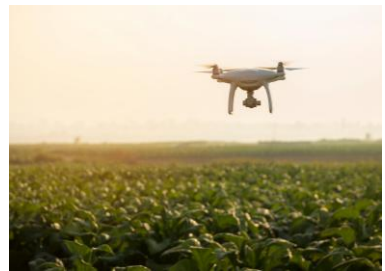
Carbon Farming Practices



Soil Health Practices



Low (Carbon) Input Practices



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Coming back on our ambition

Reduce our wheat & wheat flour emissions by 30% by 2030 compared to 2022, in line with the latest climate science.

This ambition represents **a gradual shift of conventional wheat & wheat flour volumes to sustainable wheat & wheat flour** with a -30% carbon footprint per kg on average by 2030.



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Bakeries need to **shift gradually from CONVENTIONAL to SUSTAINABLE wheat & wheat flour**

with a -30% per kg wheat/flour on average by 2030

Pilot projects focused on reducing fertilizers & moving to sustainable agriculture projects show that reducing the carbon footprint of wheat by 30% is realistic...



...yet the share of these sustainable wheat projects in the total purchased wheat volumes is very low still (<5%)

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FROM:

Individually scattered efforts by bakery companies & farmers.

Many initiatives are still experimental and tactical, with difficulty to create a roadmap and valorization model for the transition.

TO:

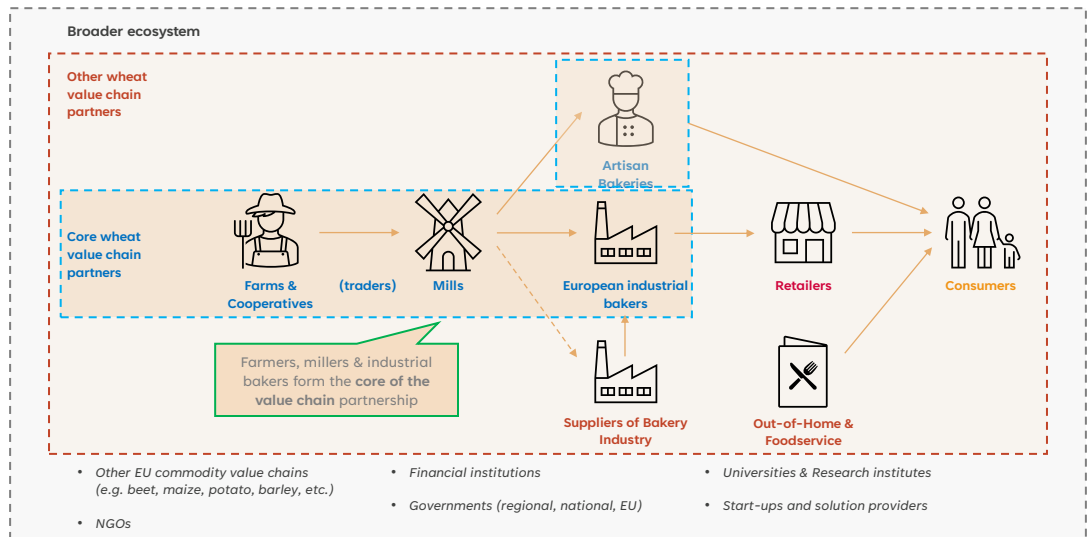
A clear vision for the sustainable transition shared by the bakery value chain.

With overarching targets, mutual trust and a joint approach to move in a more efficient and orchestrated way.

**IT IS
AMBITIOUS**

**BUT CAN BE
DONE**

We can't make such a transition alone. We need to forge **strong partnerships with our partners** across the wheat value chain



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The Manifesto will form the basis of our wheat ecosystem partnership



We*, undersigned, (*CEOs of major European Bakeries, national federations of large bakeries, artisanal bakeries, millers – all tbc) believe that **sustainability is essential for the resilience of the sector and our credibility with consumers & other stakeholders.**

We firmly believe that the transition to low-carbon wheat & wheat flour produced with **sustainable agricultural practices, such as regenerative agriculture**, is the most important pillar to achieve this.

We want to make this transition in a **trusting, pre-competitive, efficient and coordinated way** with a correct rhythm and transparent roadmap, so that farmers and other value chain actors can plan accordingly.

The entire European bakery sector consumes ~25 million tons of wheat, representing 12,5 million tons of CO₂-equivalent emissions. As the federation of industrial bakeries (AIBI) including a significant part of their large bakeries' CEO's, **we represent a critical mass of ~50%** and have a responsibility and opportunity for change.

That's why, as bakery sector*, we express our ambition to **reduce our wheat & wheat flour emissions by 30% by 2030** compared to 2022, in line with the latest climate science. This ambition represents **a gradual shift of conventional wheat & wheat flour volumes to sustainable wheat & wheat flour** with a -30% carbon footprint per kg by 2030.

Ultimately, we want to support European wheat farmers and millers so that this transition can happen in a way that is fair for the whole value chain and the bakery sector can purchase **sufficient volumes and the right quality** of sustainable wheat flour **in a predictable and cost-effective manner.**

We sign up for a sustainable future of bakery in Europe:

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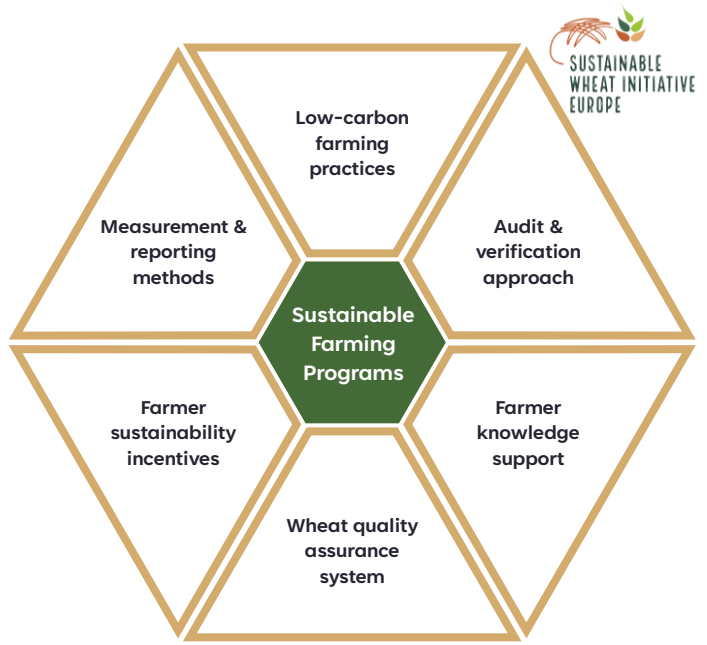


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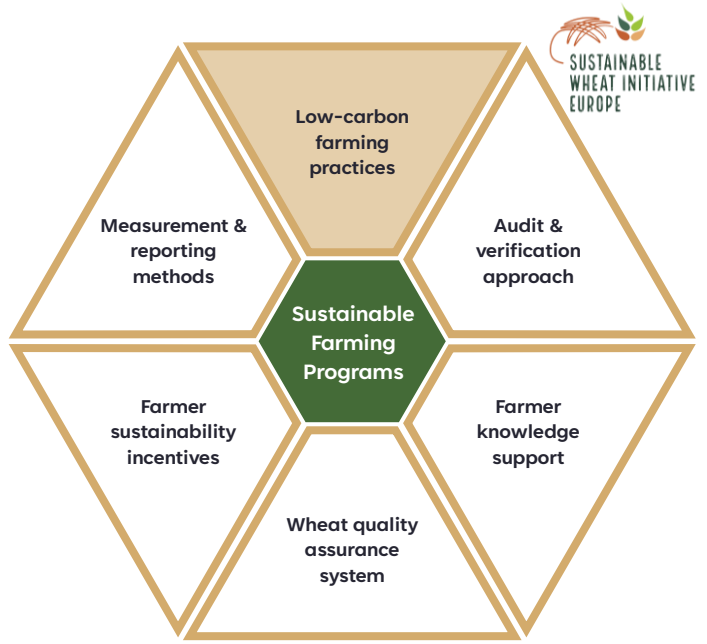
6 components for sustainable wheat farming programs



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6 components for sustainable wheat farming programs

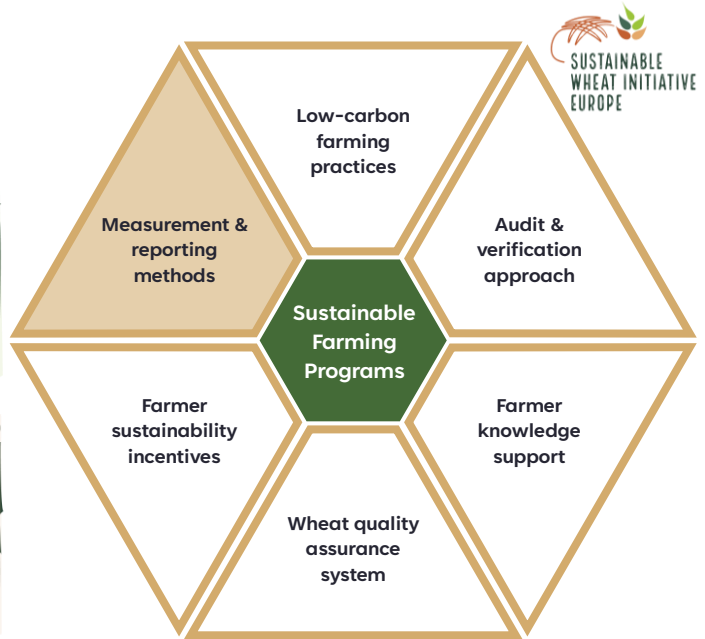
- A **'toolbox' of practices** exists with potential to reduce or remove carbon
- Farmers need to **carefully select** practices and **ramp up progressively**
- The 'ideal' set of practices depends on the **farmer's context & starting point**



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6 components for sustainable wheat farming programs

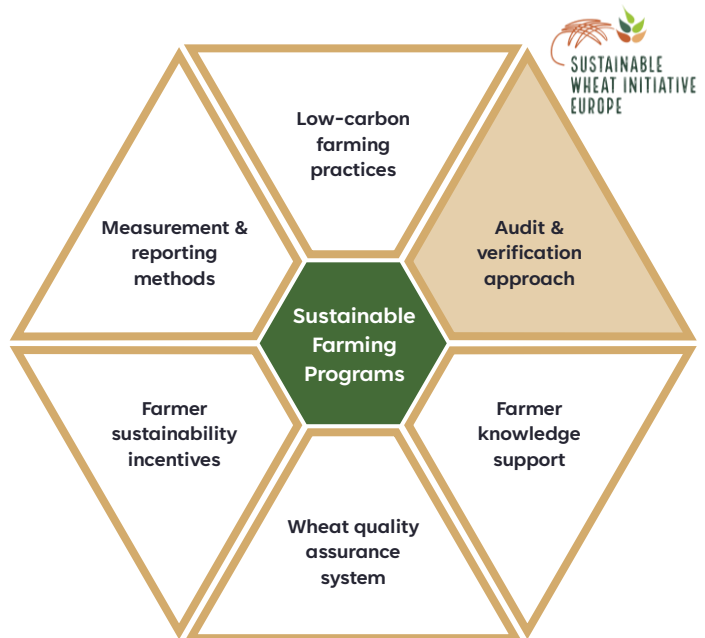
- To avoid 'greenwashing', **robust measurement methods** are needed
- Calculating climate impact requires **significant primary data** from farms
- Impact accounting needs to be done **diligently, in line with key standards**



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6 components for sustainable wheat farming programs

- For bakeries, **credibility** of farming programs is **critically important**
- **Independent verification** ensures methods are consistent across supply chains
- Program audits may **help to create trust** across all stakeholders

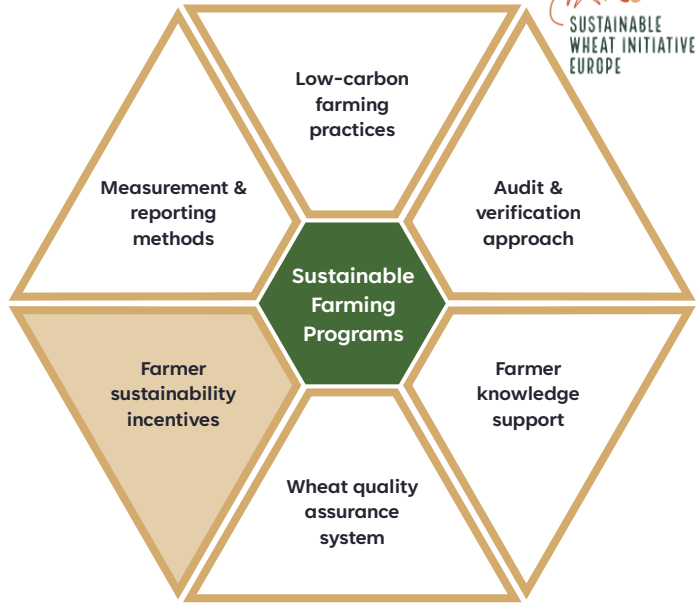


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6 components for sustainable wheat farming programs

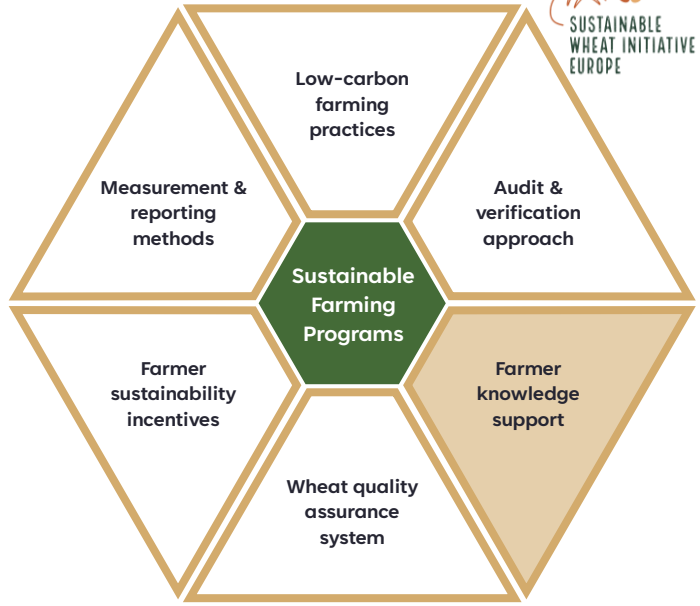
- **Business case** of the transition is often **positive** after reaching steady state
- Farmers perceive risks to be high due to **temporary yield drop & new costs**
- To stimulate farmers to transition, a **'stacked' incentives** model is needed



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6 components for sustainable wheat farming programs

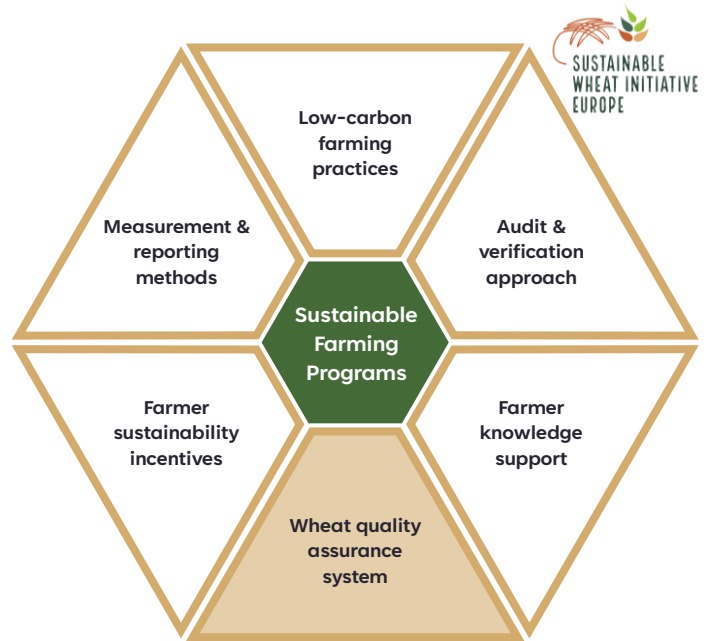
- Shifting away from conventional farming requires a **paradigm shift**
- It is crucial that farmers have the **skills** needed **to work with soil ecology**
- Sustainable farming programs should have **farmer training & support** built-in



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6 components for sustainable wheat farming programs

- Wheat flour is every bakery's most important ingredient
- **Consistency of quality** of sustainable wheat is **non-negotiable**
- Flour mills need to **leverage expert blending** skills to ensure quality level



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Reporting on the initiative



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Reporting in a non-discouraging way **as from 2027** (over 2026)
in line with CSRD requirements and aligned with GHG protocol



Scope 3 Emissions

**ABSOLUTE REDUCTION
% VS BASELINE**



**INTENSITY REDUCTION
% VS BASELINE**

(OPTIONAL)



Wheat / Flour Emissions

**ABSOLUTE REDUCTION
% VS BASELINE**



**INTENSITY REDUCTION
% VS BASELINE**



Thank you to the sustainability expert group!



Every sustainable step we take together rolls into a movement – growing, accelerating, unstoppable.



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