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## Sustainability at Erlenbacher – Tangible, Encompassing and Alive (12-2017)

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Erlenbacher Backwaren GmbH in Groß-Gerau is one of the leading manufacturers and distributors of deep-frozen premium cakes, cream products and desserts in Germany and Europe for the out-of-home market. On the market, the company is considered to be a quality leader.

For many years now, erlenbacher has been striving to live the idea of sustainability as a **widely applied corporate culture and quality strategy** across all the departments in the company. As a medium-sized company, erlenbacher has been able to root sustainability firmly in its corporate philosophy and its aspirations have helped it to make a lot more progress than many other major corporations. The implementation of sustainability goals is regarded as an ongoing process of learning, involving **the entire staff and all the partner enterprises**.

From the **control and management of the supply chain to the development of strategic partnerships** – the question of sustainability and the related projects are a fixed component of the **Operational Master Plan (OMP)**, not only in purchasing but also in all the business units. A **Sustainability Operational Master Plan (OMP)** has been put in place, into which the ideas of the staff to be implemented by the relevant sustainability teams and sustainability ambassadors flow every financial year.

In 2010 already, erlenbacher backwaren GmbH joined the partner network of the **German Centre for Sustainable Corporate Management (ZNU)** and subjected itself to a sustainability analysis. Ideas for concepts were outlined and specific sustainability goals defined. Regular sustainability checks ensure that further

development remains a continuous process. erlenbacher is also engaged in intensive dialogues and exchanges of information with other producers operating in the food industry through the ZNU. Besides, four erlenbacher employees were trained to qualify as **sustainability managers** as early as in 2010, and in 2012 erlenbacher apprentices were all given training to become **sustainability ambassadors** in order to create a standard in the company. The question of sustainability is to be spread out through all the departments as well as being continuously lived from the time when staff get their career off to a start and throughout their entire working life. In this context, new employees are all already informed about **current sustainability projects and options for their own involvement** when they receive their **welcome folder**.

erlenbacher been the first and only manufacturer of deep-frozen bakery products to be **certified according to the ZNU standard** since 2015. The all-round commitment of erlenbacher was again **certified with best marks** by the ZNU and by testing institute Lacon in accordance with the **ZNU Sustainable Operation (Food) standard**. In addition to a comprehensive **quality assurance system** and **all the customary certifications**, erlenbacher also submits itself to the **Code of Conduct** of its customers as a supply partner in the food service sector.

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### A. Balanced Diet

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Since as early as 2009, erlenbacher backwaren has focused on addressing the questions of **Nutrition, Health and Wellness**, and the company is endeavouring to lower the content of salt, sugar and fats in its products. erlenbacher has **refrained from using artificial flavours and declarable colourants** and well as **hydrogenated fats and oils** since 2008. The **proportion of trans fatty acids** is at **less than 1%**.

## **B. Environment – Responsibility for Nature**

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The company has undertaken to cut down on more energy and resources every year than it did in the previous year.

In 2017, the specific consumption of energy and water was reduced by more than the goal that had been set: the **consumption of drinking water** decreased by **16.2%** and the **consumption of energy by 5.7%** in comparison to the previous year. And since 2017 the relevant certificates have ensured the **100%** consumption of **green electricity** according to the **renewable plus standard**. erlenbacher also achieved record environmental figures for **gas (-9.8%)** and **refrigeration (-10.6 %)**.

Sustainability efforts also include keeping environmental pollution as low as possible by **reducing the consumption of resources** as much as possible while at the same time **using modern production technologies**. At the end of 2010, this saw a conversion from heating oil to **heating and operation with gas**, and the **emission of CO<sub>2</sub>**, at **790 tons**, had been reduced by **25%** a year. The conversion to a **condensing boiler** also **saved on another 340,000 kWh of natural gas and 34 tons of CO<sub>2</sub>**. Furthermore, the optimisation of a crate washing system in 2017 resulted in cutting down the consumption of **fresh water** by **826 m<sup>3</sup>**. This meant that in 2017, around **2,490 m<sup>3</sup> less fresh water** was used than in the previous year.

The **heat recovered** from the refrigeration plant at Nordfrost, our neighbouring storage service provider and deep-frozen shipping company, cuts on erlenbacher **heating energy** by **1.476 MWh** a year. **Heat exchangers** are also in operation, also for the purpose of using exhaust air from the burner to heat up water. Annual **cuts: 1.1 million kWh**, equivalent to **99,000 m<sup>3</sup> of gas**.

In 2013 erlenbacher launched an **Energy Data Management System** for checking on the flow rates of water, natural gas, electricity and compressed air, and for identifying problems.

Measures carried out in this connection for the treatment of water for the steam boiler resulted in a **water saving** of around **700 m<sup>3</sup>**.

Other products are regularly implemented to result in saving on resources – for example from the change when defrosting the freezers (**- 330.000 kWh of electricity a year**), reconstructing the measuring of conductivity on the steam boiler (**- 420 MWh of natural gas and - 4300 m<sup>3</sup> of water a year**), to insulating the oven in the floor line and measures for the output of steam (**- 110,000 kWh p.a.**).

Ideas for more sustainable concepts do, however, extend beyond those for production technology.

**Collection service buses** pick up employees from a temporary employment agency and bring them to the company, where they are collected again at the end of their working day – which contributes towards a reduction in the emission of **CO<sub>2</sub>**.

**Battery collection boxes** for the staff, **motion sensors** and **energy-saving LED lights** in the corridors are other successful initiatives.

In the **Water Filters for Water Dispensers** project, all the water dispensers in the company were done away with and replaced with filtered tap water of a drinking water quality at the 19 points where water is available.

erlenbacher also pays attention to sustainability in **purchasing** and only does business with audited suppliers. In this context only **fresh full eggs from hens kept on the floor in barns** are purchased from selected producers. **Certification by KAT**, the German Association for Controlled Animal Husbandry, ensures full traceability back to the farm and is a guarantee of the husbandry method. Suppliers who use egg as a component of ingredients used by erlenbacher all use fresh full egg from hens kept on the floor in barns.

erlenbacher is the first company in the food industry to be launching a pilot project in cooperation with chicken farms and egg producers with a focus on **animal welfare**. **Raising male chicks** is

encouraged in the **Hen and Rooster** project, with erlenbacher making this possible by **accepting higher purchase prices**. In addition to **UTZ-certified cocoa**, the **Segregated RSPO variation of palm oil** is used almost exclusively. Every day erlenbacher purchases **almost 100%** of the **German dairy products** it uses on a daily basis in 5 different production lines. **Nuts** are mainly purchased in Europe, where the suppliers are also certified. Today only **UTZ-certified hazelnuts** are purchased. erlenbacher uses only **beet sugar** for sweetening, and most of the **cereal products** originate from domestic production.

For the company it is very important that **packaging of any kind** is always resealable, recyclable and as thin as possible to cut down on plastic. Printed paper is almost exclusively produced with wood from sustainably managed forests and is **FSC or PEFC** certified. This also includes environmentally friendly varnishes and printing methods. The textiles used all comply with the **Bio Tex Standard 100**. Attention is paid to modularity, reusability, recycling and sustainability for trade fair constructions. **Plastic tarpaulins** are converted to **erlenbacher bags** – unique bags that are very much in demand.

### C. Society – Responsibility for People

For erlenbacher, sustainable action is more than combining ecology and economy. **Social sustainability** and the involvement of all our staff in corporate processes, professional development and the securing of jobs also play a major role. In 2017, staff members were once again called upon to support the project for the future of children in Bosnia and Romania by donating gift packages in the **Boxing Day** social project.

Another Information Day was held in 2017 in cooperation with the German Red Cross (DRK). The theme this time was blood donations. The possibility to register as a donor of bone marrow at the **DKMS** (German Bone Marrow Donor Centre ) was also available.

The company offers a wide variety of **health initiatives** and **precautionary measures** to protect the health of its staff. These include free **flu vaccinations**, adapted **hearing protection**, **eyesight tests** and **vein screenings**, as well as an examination for the **prevention of coronary heart diseases**.

Regular **training courses on nutrition** introduce erlenbacher employees to the topic of conscious nutrition. As an example, fresh fruit is also offered at the exhibition stand. For many years now attention has been paid to ensuring that employees all drink enough fluids every day. The company handed out a **reusable 0.5-litre drink bottle** made of recyclable, food-safe plastic to each of its employees. The company is also thinking about introducing a **drink app** to remind users to drink fluids regularly.

Health initiatives at erlenbacher in 2017 also included **measuring the humidity in offices and conference rooms**, **setting up air humidifiers** for a pleasant indoor climate and giving employees the option of **leasing an e-bike**. erlenbacher supports a subsequent purchase with a **subsidy of 25 % of the purchase price** in accordance with the transfer agreement. In the area of **fitness**, cooperation is in place with two regional fitness studios and leisure sport groups are organised.

More **information events and training courses** on different themes in the area of health, hygiene and job safety are part of the health initiatives.

erlenbacher invests in the **professional training and development** of its employees by way of **internal and external training courses** and it also grants subsidies for **advanced training**. **Table displays made of recycled plastic in the company restaurant**, **notices in sustainability display cabinets**, an **intranet** and the **erlenbacher facebook page**, as well as changing **pop-ups** on the screen savers serve to provide information on, among other things, the question of sustainability.

erlenbacher initiated the idea of a **sustainability ambassador** in its own company in 2012 already (**see Introduction**). Three teams are formed from five project groups: the **Internal Communication**

**team**, the **Energy & Environment team** and the **Social team**. Each team defines for itself projects which are to be jointly and continuously worked on. In order to have all the staff members participate in the projects and to inform them about what sustainability means at erlenbacher, the individual **sustainability teams** draft information brochures titled "**erlenbacher employee information – about us**". **Ten brochures** have been published since 2012.

**Troubleshooter culture** in the company is also very important to erlenbacher. Employees are offered tools to help with living and developing this culture. Standard tools for solving problems call themselves, for example, **Fishbone** or **5 x Why, Everyday Coaching** and **GoSeeThinkDos**.

As a bakery producing on an industrial scale, and at times producing on demand, personnel planning would not be possible without taking on **temporary agency workers** in addition to permanent staff when production volumes are high. The initiative to train the workers professionally, offer them attractive jobs and keep them in the company in the long term originated at erlenbacher as long as ten years ago with the **Temporary Employment Perspective System**.

## D. Reliability of the Products

**Quality and product reliability** are among the most important company targets at erlenbacher. Good quality is the result of practising corporate philosophy, a reliable control system and continuously working on improvement processes. Quality is more than simply buying the best ingredients. The focus must also be on treating the environment with care and on transparency in the supply chain. erlenbacher has undertaken to document without exception each production step, involving different materials and products, and to be able to evidence these

steps. For many year erlenbacher has worked with selected producers who had already been certified according to the **British Retail Consortium (BRC)** or the **International Features Standards (IFS) Audit**.

**From Farm to Fork** - for erlenbacher, sustainability begins as early as in cultivation, which is why cooperation with farmers all over the world has been intensified. The company uses a major proportion of freshly harvested, immediately delivered fruit, such as in some cases frozen, freshly harvested berries that are not heated when processed and are frozen using the **Individually Quick Frozen (IQF)** = method.

The aim of this measure is as far as possible to give **comprehensive training** to the entire staff in the country of origin of the fruit – from the harvesters in the field to packers at the packing station. To achieve this, **posters, stand-up displays** and a training folder in altogether six languages have been created, in addition to a lot more. Maintaining the extremely high standards required for maximum product security is to be guaranteed in the countries of origin with the help of the **Code of Conduct** and appropriate support for checklists, information, training courses, and educating the fieldworkers and pickers.

This targeted **intensified cooperation with the farmers** is in future to culminate in **contract farming** and farm and plant audits through the supplying partners, for example the **SMETA audit (responsible sourcing)**: working conditions which are also requested by suppliers) are included.

erlenbacher never delivers anything that does not comply with **high erlenbacher product standards**. The products are all regularly comprehensively and conscientiously checked - also in **60/40 tasting**. The high level of customer satisfaction and the **large number of awards** – erlenbacher received the award of the **European Coffee Award** as the **Best Food Supplier – Europe** in 2017 - are confirmation of the effective erlenbacher corporate philosophy, based on the maxim of: **Natural, honest, passionate**.