



Annual Report

2024



Food that **Matters**

Contents

Foreword



Foreword: Vions newly appointed CEO "a strong foundation for the future"

Strategy development



Strategy development: our strategy regarding a sustainable future and highlights of 2024

Management review



Management review: a deeper dive into our consolidated results for 2024, including a review of the results per Business Unit, plus the outlook for 2025

Report of the Supervisory Board



Report of the Supervisory Board: the work of the Supervisory Board and its committees in 2024

Sustainability statement



Sustainability statement: sustainability at Vion – Shaping the future of meat, together

Financial statements 2024



Financial statements 2024: an overview of Vion's financial position as of 31 December 2024

4
Company profile →

7
Foreword →

9
Strategy development →

13
Key figures →

14
Management review →

33
Corporate governance →

38
Risk management →

48
Report of the Supervisory Board →

53
Remuneration →

56
Sustainability statement →

132
Financial statements 2024



Company profile

Headquartered in Boxtel, the Netherlands, Vion is an international food company with production sites in the Netherlands and Germany as well as sales support offices and representatives around the globe. We supply fresh pork and beef, meat products and plant-based alternatives for the retail, food service and meat processing industries.

At Vion, we believe that everyone deserves access to food that is produced responsibly – in partnerships with the best regional farmers and in line with the values of our society.

Working in strong, demand-driven chains we connect everybody involved and create a fair pricing model that keeps high-quality products affordable. What sets us apart is being recognized by our stakeholders for how we do our business: fairly, transparently and with integrity. We meet the needs of our partners and consumers – and take responsibility for our people, sustainability and long-term future of our industry. We are proud to lead our sector in animal welfare and continue to raise the bar every day. Together with our chain partners, we bring Food that Matters to the tables of millions – today and for the future.

Vion's sole shareholder, Stichting Administratiekantoor SBT, is a trust office that has issued depository receipts for its shares to NCB Ontwikkeling, the investment fund of ZLTO (Zuidelijke Land- en Tuinbouworganisatie). The association's approximately 11,500 members are agricultural entrepreneurs in Noord-Brabant, Zeeland and the southern part of Gelderland, all in the Netherlands.

Vion Holding N.V. is a Dutch public limited liability company. Although we are not listed on the stock exchange, Vion adheres to the Dutch Corporate Governance Code as much as possible to ensure transparency to our stakeholders.



8,383*

Employees (FTEs),
including flex workers



4,770

Own employees



3,613

Flex workers



4.6*

Revenue for 2024
(in billions of euros)



Over 100 million

consumers enjoy our meat each day



Locations country units

6 Benelux

5 Germany



Locations business units

3 Food Service

3 Ingredients

*including continuing and discontinued operations

Our Country and Business Units¹

	 Country unit Benelux	 Country unit Germany	 Business unit Food Service	 Business unit Ingredients
Products	Fresh pork and beef, incl. raw materials, semi-finished and finished products, meat alternatives	Fresh pork and beef, incl. raw materials, semi-finished, and finished products	Freshly frozen meat products (beef, pork and chicken) and vegetarian and vegan products	Valorising all parts of the animal, so we use every animal from head to tail
Customers	Food processors, retail, foodservice	Food processors, retail, foodservice	Food service and quick service restaurants, catering, home delivery services	Animal food processors and industrial processors
Regions	Europe, Asia, North America, Oceania, Africa	Europe, Asia, North America	Germany and neighbouring countries	Europe, Asia, Africa, Canada
Plants	Tilburg, Enschede, Boxtel, Scherpenzeel, Groenlo, Apeldoorn, Leeuwarden*, Zottegem****	Emstek**, Perleberg***, Ahlen***, Hilden, Altenburg***, Furth im Wald, Crailsheim, Landshut***, Vilshofen ***, Buchloe, Waldkraiburg	Holzwickede, Großostheim	Twist, Memmingen, Eching-Weixerau
Employees (FTEs)	6,020 (incl. flex-workers)	2.942 (incl. flex-workers)	622 (incl. flex-workers)	215 (incl. flex-workers)
Headquarters	Boxtel (NL)	Buchloe (DE)	Großostheim (DE)	Twist (DE)
Corporate	Vion's operating business units are supported by 185 employees (2024), mainly based in Boxtel, the Netherlands, providing the following corporate services:	• Leadership and Strategic Planning • Information Management and Technology (IM&T) • Finance (Group Control, Treasury, Legal and Tax, and Credit Risk Management) • Communications • Human Resources • Quality Assurance • Transformation office (responsible for strategic changes for sustainable growth) • Internal Audit		

* from 1-1-2024 part of Food Service

¹ ESRS 2, SBM-1

** closed in 2024

*** Sold in 2024

**** Sold in 2025

Production locations



-  Activities **Beef**
-  Activities **Pork**
-  Activities **Food Service**
-  Activities **Retail**
-  Activities **Ingredients**

- * Sold or closed in 2024
- ** from 1-1-2024 part of Food Service
- *** Sold in 2025
- **** Contemplated transaction in 2025





Foreword

Message from CEO

2024 marks a pivotal transition year for Vion, as announced last year and in line with our long-term strategy. We are undergoing a profound transformation, reshaping our company, redefining how we operate, adapting to market realities, and strengthening our foundation for sustainable success.

At Vion, we recognise that our success is built on strong and long-term partnerships with our farmers and customers. As we continue our transformation, we remain committed to being a reliable partner who stands by your side. For our farmers, we understand the challenges and uncertainties of today's agricultural landscape and the impact on their own business. For our customers, we know that quality, availability, and responsible production are key criteria. That is why we continue to invest in strong, demand-driven chains, making fair pricing, sustainability and animal welfare a shared commitment.

It is my privilege to present our first annual report, that voluntary includes our CSR statement, a first step towards full integration under the Corporate Sustainability Reporting Directive (CSRD). We truly believe this level of transparency helps all our stakeholders to achieve their own sustainability goals.

Market Developments

Throughout the year, we faced volatile and challenging market conditions. After record-high pig prices in 2023, the European market saw some relief in 2024. We observe that animal farming is moving towards geographies with lower sustainability and animal welfare standards. Global competition, especially from North and South America, remained fierce due to their lower cost structures. Export of meat products from Germany to the Asian market continued to be restricted. These factors led us to concentrate more of our sales activities within Europe, a market that remains highly competitive with tight margins.

However, we also saw encouraging trends that align with our long-term strategy. The European market is proving to be increasingly resilient, being able to absorb livestock prices more effectively than the global markets. Additionally, we are witnessing strong demand growth for sustainable and animal welfare-focused products, such as those within our Good Farming chains. This confirms that our investment in responsibly produced high-quality food solutions is the right path forward.

Executing our Commitments

We have delivered on our commitments. All actions we set out to achieve are being executed, with completion expected in 2025. Over the past year, we have addressed underperforming activities through two key levers:

- **Improvement:** We launched our "Change That Matters" programme in 2022, designed to embed a culture of continuous improvement and operational excellence. This continued programme is delivering measurable financial results, setting the foundation for long-term success.
- **Divestment & Portfolio Focus:** We continue the transformation with a clear strategic focus on sourcing and production in the Benelux region. In 2023, we made the pivotal decision to divest most of our German business. In 2024, we successfully executed parts of our plan. In June 2025, the German Federal Cartel Office issued a decision to block the proposed share deal between Vion Food Group and Premium Food Group (formerly Tönnies Group). The signed SPA remains in effect. The strategy with regards to Germany Beef South to date remains unchanged. This decision does not immediately affect our day-to-day operations.

However, external challenges continue. Consumers are facing higher meat prices, driven mainly by rising labour costs and high beef prices. This puts additional pressure on household budgets.

A Strong Foundation for the Future

Taking on the role of CEO during such a turbulent time is both a challenge and an opportunity. I firmly believe in Vion's potential and the commitment of our people to drive continuous improvement. I am proud to work alongside a strong and experienced Leadership Team we have set up at the beginning of 2025. Together, we bring the company back to profitability by focusing on operational excellence, commercial capabilities, cost discipline, and aiming at future sustainable growth. We continue our contributions to the long-term strength of the pork and beef sectors. We will increase practical and scientific support to our farmers to meet market and regulatory demands. And we continue our work on setting standards that bring a level playing field.

To enhance transparency, our consolidated income statement distinguishes between continuing and discontinued operations. This provides a clearer picture of Vion's financial position in 2024 and reflects the progress we are making.

Despite the challenges, including the FMD outbreak, 2025 is developing positively, demonstrating the resilience of our business and the dedication of our teams. In May 2025, we have refinanced by an amend and extend of our working capital facility with our current lenders. With this strong foundation, we look optimistically to the future. We have already taken important steps, and our full focus will be on proximity to the farmers and customers. Our ambition is to lead the transition towards responsible and resilient food systems in Europe – raising standards in our industry, being a frontrunner in animal welfare and making high-quality meat and plant-based products affordable and accessible for millions. We are doing this together with our people, our farmers, customers, and all other partners in the chain.

Tjarda Klimp

CEO Vion Food Group

Strategy development

“We are stronger together to provide Food that Matters.”

With 2024 marking the second full year of transition for Vion, we have focused on delivering on our promises by executing strategic decisions and have also taken a closer look at our strategy. Consumer and customer expectations, regulatory requirements, and market dynamics are advancing, and we are adapting to stay ahead. By refining our strategic goals and positioning, we are strengthening our role as a trusted and reliable partner, creating value for customers, farmers, and communities. We believe that by working together in demand-driven chains, we can build a stronger, more resilient food system in Europe.

Following the resizing and refocusing of our company in 2024, we have updated our vision: A future where people have access to responsibly produced food – in partnerships with the best regional farmers and in line with the values of our society. While global markets will continue to play a role in valorisation, we are shifting our focus towards Europe. To bring this vision to life, we have sharpened our mission, reinforcing our role as a connector in the food chain. By bringing together partners across the industry, we deliver Food that Matters.

At the same time, our ambition is clear: We aim to lead the transition towards responsible and resilient food systems in Europe – raising standards in our industry, being a frontrunner in animal welfare and making high-quality meat and plant-based products affordable and accessible for millions. Our sustainability goal is to be leading in sustainable food production by 2030. The concrete steps we are taking to achieve this are outlined in the Sustainability Statement of this report.

Our Role for Farmers and Customers

At Vion, we believe in the power of collaboration and long-lasting partnerships. As a company founded and governed by farmers, we have a deep understanding of their challenges and goals. We recognise and honour the crucial role farmers play in feeding the world and driving the agricultural industry forward. Our mission is to work closely with farmers to support them in achieving their goals and supporting a long-term perspective, whether it is enhancing sustainability practices, improving animal welfare, or adapting to new market demands. We can provide them with the digital tools and knowledge they need to secure a strong long-term future and gain a market advantage they can benefit from.

We also work closely with our customers, ensuring we meet their expectations at every stage. Food safety, animal welfare, sustainability, affordability and transparency are at the core of everything we do, which has earned us the trust of those we work with. Operating in the Benelux region gives us access to high agricultural standards and efficient food production systems keeping our products affordable. With decades of experience in these areas, we are proud to be pioneers in the industry.

Moreover, our diverse product portfolio and expertise in multi-protein solutions allow us to meet the growing and diverse needs of customers across multiple markets. By focusing on effective valorisation, we ensure that every part of the animal is used, minimizing waste and maximising value. Our supply chains and presence all over Europe make us an ideal supply chain partner. These strengths enable us to continue raising the bar in the food industry.

Our Strategic Focus: Building a Resilient and Sustainable Future

To reach our ambitious goals, we have developed a clear strategic roadmap that will guide our actions over the next five years. It is built on five key priorities:

- Develop higher standards – Working closely with farmers, feed producers, suppliers, customers and our own workforce to create a level playing field and lead sustainability.
- Strengthen partnerships – Expanding and deepening our relationships with farmers, customers and other chain parties across the Netherlands, Belgium, and beyond.
- Reduce exposure to volatility – Shifting focus from global commodity markets to regional and local value chains to build greater stability and secure our supply.
- Optimise operations – Streamlining our cost structure, steering on performance and improving efficiency to remain competitive and resilient in a rapidly evolving market.
- Enhance value creation – Investing in innovative, high-quality value-added products and services by expanding and improving our downstream processing capabilities.

Chain Concepts Remain Core

We believe that the future business model of the meat industry lies in establishing and developing demand-driven, robust chains between farmers, meat producers and customers. Whilst keeping our high food safety and integrity standards in all our production steps, this approach allows us to develop tailored concepts for each customer need. Our Good Farming principles focus on high-quality production, sustainability, and animal welfare. We are committed to constantly improving and growing these partnerships, so we can deliver the best products while meeting the changing demands of the market.

Our Pork Chain Concepts

In 2024, we strengthened our organisational model by fully integrating livestock purchase into our concepts. This supports better alignment between customer demands and farming practices while ensuring seamless integration across all stages of meat production and distribution.

The **Good Farming Star** concept, launched in 2010, focuses on animal welfare and sustainability. It involves around 10% of our farmers in the Netherlands and partners with Dutch retailers. The meat carries the 1-star Beter Leven (Better Life) quality mark and is produced under stricter standards than regular pork farming: pigs have more space, live in enriched environments, and are raised as intact males. The program also ensures sustainable practices like green energy and RTRS certified soy. Good Farming Star offers DNA-traceable, high-quality meat from a trusted group of farmers in a transparent supply chain.

Good Farming Balance, introduced by Vion in 2017, is a flexible supply chain concept designed to meet the specific demands of international markets. It offers three supply modules—Basic, Wide, and Robust—giving pig farmers the freedom to choose which module best suits their production style. This ensures that we can deliver the exact products our customers require, in the right quantities and specifications. Vion's certificates open access to nearly every global market, and our long-term pricing agreements (PIG Guarantee Fund) provide stability for both us and our customers.

Several sub-concepts have emerged under Good Farming Balance, including:

- **Robusto:** High-quality cuts with the right fat content for products like Parma and Serrano hams, and bellies for the Korean market.
- **Good Farming Sustainability:** Focused on reducing CO2 emissions, this initiative offers sustainability incentives for pig farmers meeting certain performance standards.

- **Good Farming World:** In line with California's Proposition 12, this sub-concept ensures our farmers meet new animal welfare standards, with certified farms supplying pork to California's market.
- **Good Farming Welfare:** This pork meat is complying with the specific welfare requirements of the UK retail market and approved by major retailers, such as Tesco and Sainsbury's.

Good Farming Organic is a demand-driven concept focused on providing high-quality organic meat, from farm to plate. Pigs and cows are fed organic feed, given ample space to grow, and are allowed to roam outdoors throughout their lives. This results in meat with the highest Beter Leven and EKO label ratings—three stars for quality and sustainability.

De Groene Weg, Vion's subsidiary, is a leader in the Dutch organic meat market, focusing on high-quality organic beef and pork. Since its founding in 1981, it has grown alongside the expanding European organic market and now also exports and sources outside the Netherlands.

The company ensures fair pricing and long-term collaboration with farmers, enabling stable relationships and the distribution of earnings within the supply chain. Thanks to this close cooperation, De Groene Weg guarantees traceability and high-quality, delicious organic meat, meeting the growing demand for ethically sourced products.

Our Beef Chain Concepts

Simmental PUR with Geprüfte Qualität Bayern (GQB) is a regional beef programme developed by Vion in collaboration with two farmers' organisations and the food retail sector. It combines beef from Simmental and Bavarian origins, certified under the GQ-Bayern ("Geprüfte Qualität Bayern") standard, ensuring high-quality, regionally sourced meat.

The "**Landbauern Ochse**" and "**Landbauern Rind**" concepts were developed by Vion in collaboration with farmer organisations and the food retail sector. They focus on producing and marketing cattle from Bavarian livestock farmers, with the meat available in Bavarian supermarkets. The ox and beef meat carries the "Geprüfte Qualität Bayern" certificate, making sure it comes from cattle born, raised, fattened, slaughtered, and processed in Bavaria. The cattle are raised with higher welfare standards, including 40% more space, GMO-free feed, and a requirement for farmers to grow at least half of the feed used themselves.

ESG Topics and CSRD Implementation

Since launching our first CSR report in 2017, we have built a strong foundation for implementing the new Corporate Sustainability Reporting Directive (CSRD). In 2024, we focused on intensive preparations, including a double materiality analysis, defining material topics, refining policies, reviewing KPIs, and validating data. Years of tracking ESG KPIs, along with the work done in 2024, have put us in a strong position to integrate the CSR report into our Annual Report as a first step towards our ambition of having a compliant CSRD report with limited assurance over 2025. This allows us to provide a clear and honest view of our progress, challenges, and ongoing efforts in responsible food production.

We are also actively engaged in scientific research and are proud to be a partner in the European Animal Welfare Indicators at the Slaughterhouse (aWISH) project. Through this initiative, we are helping to develop innovative, digital animal welfare solutions in meat production. Furthermore, all our Good Farming Star farmers are now connected to our blockchain-supported data infrastructure, enabling the precise calculation of carbon footprints based on real farm data. At the same time, we continue to drive progress in DNA traceability, digitalisation, and AI-driven solutions across various areas of our business.

Change that Matters delivers results

Change the Matters remains a strong and effective improvement programme, delivering high-impact results. In 2024, we launched 896 new ideas, showcasing a high level of creativity and initiative across our teams. These ideas formed the foundation for our projects, providing a solid base for future progress. With 425 initiatives fully implemented — around 47% of the total — Change that Matters has demonstrated significant momentum. However, despite these positive outcomes, the bottom-line impact is tempered primarily by high inflation, in particular labour inflation and increased cattle prices.

Outlook: Continuous Improvement and Innovation

2025 is the year where the transformation programme will deliver a company culture of continuous improvement that keeps us ahead of changing market conditions.

Change that Matters has been executed by our own employees. They have driven real change with passion and commitment. This ability to improve daily, to innovate, and drive change, addressing the challenges of our sector will be the core of Vion's DNA. This improvement mindset applies not just to cost efficiency, but also to commercial and ESG progress.

Strengthening our relationships with farmers remains a key priority. We deepen our partnerships and attract new farmers to our chain concepts. Vion has a lot to offer — helping farmers improve their livestock offerings in line with consumer needs, increasing transparency, reducing CO2 emissions, improving animal health and welfare with supporting data-driven decision-making. We have a team of veterinarians and scientists that can support individual farms in their journey to innovate or adapt. This is how we see our role and the added value we bring to our farming partners.

For our customers, we are working on a more aligned commercial approach across both business units – Food Service and Benelux – to better meet their individual needs. While most of our business is still trade-driven, we are expanding our offering with tailored solutions that include innovations in meat and plant-based products, as well as increasing transparency through digital data and sustainability insights.

Looking ahead, 2025 will be a decisive year. Livestock availability in Europe remains tight, with new regulations on the horizon – including ongoing discussions in the Netherlands about the future role of temporary employment agencies – and consumers continuing to be price-sensitive when it comes to meat products. The foundation we have built must now deliver lasting results. By making continuous improvement part of our culture, strengthening our partnerships, and embedding sustainability and animal welfare, we are positioning Vion for a strong and stable future. Challenges remain, but we have the right people, and the right strategy to move forward successfully.

Key figures

Amounts in millions of euros	2024	2023
Results from continuing operations		
Revenue	3,126.4	3,321.6
Normalised EBITDA ¹	34.7	45.5
Impairment of non-current assets and restructuring costs	29.7	34.9
Earnings before interest and taxes	(41.1)	(36.1)
(Loss)/profit for the year	(44.5)	(44.5)
Cash Flow		
Net cash flow from operating activities	30.0	(25.5)
Net cash flow from investment activities	4.4	(47.8)
Balance Sheet		
Group Equity	194.5	276.4
Balance sheet total	889.6	1,062.8
Net debt ²	244.7	283.2
Ratios		
Staff Costs as % of revenue	14.2%	13.3%
Normalised EBITDA as % of revenue	1.1%	1.4%
Normalised EBITDA as % of added value	4.2%	5.3%
Solvency	21.9%	26.0%
Return on average capital employed ³	(1.1%)	(3.0%)
Employees		
Number of employees (FTEs) at year-end from continuing operations	3,247	3,353
Total number of employees (FTEs) at year-end	4,770	7,001
Total number of employees (FTEs) including flex workers at year-end	8,383	10,711
Average number of employees (FTEs)	5,658	7,356
Average number of employees (FTEs) including flex workers	9,205	11,183

¹ Excluding impairments, restructuring costs, acquisition costs, results from disposals and divestments of group companies.

² Total long term and current interest-bearing loans and borrowings and other non-current financial liabilities less cash and cash equivalents.

³ Normalised earnings before interest and taxes divided by average capital employed (intangible assets, property plant & equipment, investment properties, right of use assets, working capital excluding interest bearing loans and borrowings).



-5.9%

Revenue
compared to last year



-23.8%

Normalised EBITDA
compared to last year



-21.7%

FTE at year-end
compared to last year

Management review

2024 fiscal year reveals the net of Vion's efforts to address underperforming activities and contractual agreements, the relatively inflation especially in labour costs and increased beef prices. Strategically 2024 is the year where we have made all our pivotal choices and have executed upon them. 2025 will be the year to complete on these already made agreements.

In our external markets a number of effects were impactful; some of which are multi-year trends. First, the herd size reduction in Germany and the Netherlands continues driven by regulation and related uncertainty resulting in the farmers' assessment of their future operating model. Second, pig prices were at record high levels in 2023 and saw some relief in 2024 while the availability of beef is limited compared to the demand driving up the beef price particularly in the latter half of 2024. Thirdly, (labour) inflation and cost of living increases have impacted both our cost structure as well as consumer spending patterns.

Compared to 2023, both our Pork and Beef business saw improvement in their performance both in the Netherlands and Germany while our Food Service business saw a decline compared to 2023 performance driven by the higher beef prices for hamburgers finding its way into the market at a delay which puts pressure on margins.

In 2023 and beginning of 2024 Vion took decisive action to review our portfolio for which we saw benefit in 2024. By addressing activities and contracts that were underperforming we managed to increase operational performance as well as reduce slaughter capacity to market developments. The decisions made in 2023, which positively impacted 2024 normalised EBIT, were the discontinuation of our Retail operation in Germany and the February '24 closure of the slaughterhouse in Emstek. In Q2 we sold our sites Ahlen, Perleberg and Altenburg. In Q3, we concluded on the sale of Landshut and Vilshofen. During 2024, we also negotiated the sale of our remaining Beef operations in southern Germany as well as the Adriaens beef site in Belgium. While the Adriaens deal was completed on February 1 2025, the envisaged sale to Premium Food Group (formally Tönnies Group), announced on 9 August 2024, was very near to completion, but has been blocked by the German competition authorities. The strategy with regards to Germany Beef South to date remains unchanged.

In the Benelux, the investments in the Groenlo production plant and new stables area in Tilburg have improved animal welfare standards and supported the growth of organic chains. Through sub-concepts such as Good Farming Sustainability and Good Farming World, Vion continues to make steps in CO2 reduction while leading in international welfare standards. Vion Groenlo specialises in processing the sustainability concepts Good Farming Star and De Groene Weg.

Our Food Service business experienced a difficult second half of 2024 driven by rapidly escalating purchase price for hamburger beef which need to find its way into the market. Consumer behaviour in the out of home market was cautious driven in part by cost inflation and a VAT adjustment in Germany. Despite these factors, volumes increased by 4.5%.

In 2023, we started our Change that Matters programme to structurally improve performance. During 2024, we again generated significant impact with the programme which is now in a more mature phase as it is addressing the more complex improvements after reaping the faster benefits in 2023. 2025 is the final year of the original 3-year plan for the programme and will be all about embedding the spirit of the programme into a continuous improvement culture within the company. The Change that Matters programme improvement initiatives that were executed across all business units by our people supported our bottom line. Regarding overall performance, the 2024 Food Service performance is affected by escalating beef purchase prices which offset the improvements made in the continuing business. EBITDA from continuing operations was subdued as it reduced from €45.5 million in 2023 to €34.7 million in 2024.

Financial review

Results

<i>(in millions of euros)</i>	2024	2023
Revenues	3,126.4	3,321.6
Other operating income	13.1	11.8
Total operating costs	(3,104.8)	(3,287.9)
Normalised EBITDA	34.7	45.5
Depreciation and amortisation	(46.0)	(46.7)
Normalised EBIT	(11.3)	(1.2)
Impairment of non-current assets and restructuring costs	(29.7)	(34.9)
Earnings before interest and taxes (EBIT)	(41.1)	(36.0)
Financial income and expenses	(11.9)	(11.7)
Income taxes	8.6	2.3
Share of profit of associates and joint ventures	(0.0)	1.0
Loss for the year from continuing operations	(44.5)	(44.5)
Loss after tax for the year from discontinued operations	(36.9)	(45.2)
Loss for the year	(81.3)	(89.7)
Attributable to non-controlling interests	(2.7)	0.8
Attributable to equity holders of the parent	(78.7)	(90.5)

The 2024 results from continuing operations were impacted by the improved Benelux business in Pork and Beef while our Food Service business saw a

decline compared to 2023 performance driven by continuing rising beef prices for hamburgers with raw material pricing finding its way into the market at a slight delay as per contractual terms, which put pressure on performance. This led to a deterioration of normalised EBITDA from €45.5 million in 2023 to €34.7 million in 2024.

Throughout 2024, we executed a number of transactions which followed the Management Board's decision to divest our German portfolio on a piecemeal basis. The majority of our German business is now reflected as discontinued operations with the exception of Food Service for which no suitable buyer was found. Results from discontinued operations remained at a loss but saw an improving development driven by the improvements in the German beef business, the exit of our convenience business and the completion of the divestment of our Pork sites in northern-Germany.

Inflation in 2024 had a significant impact on our costs. In particular labour costs have taken away a significant part of the improvements made. Total variable and fixed costs were € 183.1 million lower in 2024 than 2023, mainly driven by lower pig prices which were at a record level in 2023.

To compensate for the negative market dynamics and inflation, the Change that Matters programme continues to deliver. Throughout 2024, the program

delivered savings and was also enhanced by several rounds of company-wide ideation sessions.

Throughout 2024, we incurred significant restructuring costs which were driven by the advisor fees needed to complete various proposed divestments and prepare business for sale as well as support for the Change that Matters programme.

Depreciation and amortization decreased slightly by €0.7 million to €46.0 million (2023: €46.7 million). Impairment losses of €7.7 million (2023: €9.7 million) were mainly the result of a write off in intangible assets for our centralised IM&T system that will cover a smaller footprint as well as a write off on the Belgian business related to its decreased outlook following the conclusion of the divestment.

Financial income and expenses remained flat and only increased €0.2 million to €11.9 million. The average monthly Euribor increased from 3.2% in 2023 to 3.6% in 2024 and was offset by lower usage of the working capital facility.

Financial position

<i>(in millions of euros)</i>	2024	2023
Balance sheet		
Non-current assets	316.9	423.6
Current assets, including assets held for sale	572.8	639.2
Total equity	194.5	276.4
Provisions	50.0	96.5
Long term liabilities	99.5	119.7
Current liabilities	451.4	568.1
Balance sheet total	889.6	1,062.8
Net debt	244.7	283.2
Solvency ¹	21.9%	26.0%
Liquidity ²	1.3	1.1

1 Total equity / balance sheet total

2 Total current assets / total current liabilities

Intangible fixed assets were down by €12.7 million, at €68.2 million (2023: €80.9 million). In 2024, Vion invested €10.4 million in software-related projects to support its strategy, including ERP integration, time access control systems and business intelligence. Software amortisation amounted to €11.8 million and impairments on software were €4.0 million. Other effects relate to the goodwill impairment for the Belgian business.

Provisions of €50.0 million predominantly relate to the net employee-defined benefit obligations, amounting to €39.2 million at year-end (2023: €84.5 million).

These include pension plans, pre-pension and early retirements schemes, plus other long-term benefits (anniversary and leave arrangements). Pension plan obligations apply fully to the defined benefit pension schemes of the employees and former employees of our German companies. The decrease in the year was a result of the asset held for sale classification of the majority of the German business. The remaining liability consists of the Food Service business related benefit obligation and the obligations that were not transferred as part of the executed and planned transactions. A comparatively minor effect was the actuarial revaluation of the liability.

Apart from these, the balance sheet includes provisions for reorganisation and restructuring costs of €3.5 million (2023: €7.1 million).

Following the improved operational cash flow driven by lower working capital and restructuring costs as well as the benefits from the divestments, Vion reduced the use of the working capital facility and ended 2024 with a facility drawn of €140 million and a positive bank balance of €5.6 million. Other interest-bearing loans at year-end mostly related to the €67.5 million Schuldschein facility and further includes €47.0 million lease liabilities that are accounted for under IFRS 16.

As a result of the weaker financial performance partially offset by lower liabilities, the solvency

ratio decreased to 21.9% (2023: 30.8%) whereas the liquidity ratio improved to 1.3 driven by all assets deemed held for sale classified as current assets.

Net debt

<i>(in millions of euros)</i>	2024	2023
Non-current interest bearing loans and borrowings	67.5	80.4
Non-current lease obligations	27.4	39.0
Current interest bearing loans and borrowings	139.5	153.1
Current lease obligations	11.4	14.9
Other non-current financial liabilities	4.5	0.3
Cash and cash equivalents	(5.6)	(4.5)
Net debt	244.7	283.2

End of 2024, Vion had a committed €200 million sustainability-linked working capital facility. The facility highlights Vion's efforts to align our funding with the company's commitment to sustainability ambitions. Through this facility, we have linked our borrowing costs to achieving our ambitions in animal welfare, carbon footprint, product integrity and renewable energy. Furthermore, Vion has a €67.5 million Schuldschein facility which is also sustainability linked of which €7.5 million was paid off in August 2024.

Cash flows

<i>(in millions of euros)</i>	2024	2023
Cash flow statement		
Net cash flow from operating activities	30.0	(25.5)
Net cash flow from investment activities	4.4	(47.8)
Net cash flow from financing activities, including foreign exchange differences	(33.2)	73.0
Increase / (decrease) in cash and cash equivalents	1.3	(0.1)
Cash and cash equivalents at year-end	5.6	4.5

Positive operational cash flows resulting from EBITDA performance were partially offset by the higher restructuring cost to execute on the divestments and the transformation. Total working capital improved on lower pig prices helped by Change that Matters initiatives around optimizing stock levels, improving invoice processes and optimization of payment terms.

Cash flow from investment activities was significantly better than last year. We continued to carefully evaluate our capital expenditure in light of our strategic footprint choices. Other investment cash flows were significantly impacted by the cash impact of the deals related to the divestment of Pork North, our share in Topigs Group and various smaller divestments of non-current assets such as land and buildings.

Financing cash flow 2024 relates mostly to repayments to our working capital facility and Schuldschein. Furthermore, this amount includes €17.5 million for lease repayments (2023: €18.3 million). The number for 2023 was impacted by additional financing needs arising from the increase in working capital driven by higher pig prices and capital expenditures.

Investments and operational improvements

During 2024, Vion continued to develop and operate its Change that Matter programme. End of 2024, the program is largely driven by own dedicated staff. Throughout 2024, we did incur costs for external support for our transformation process. In 2024, Vion generated over €60 million of in-year benefits from the program corrected for our divestments. While the program is subject to changes due to the pending and executed divestments, we continue to keep the program rigour in place for all our entities

Vion continued to invest, such as the adjustment to the stables in Boxtel to comply with the latest Animal Welfare regulations. We also did some smaller capex to allow for useful machinery from our previously closed sites to be repurposed in our operations.

IT investments continued to be made that will increase efficiency in our operational processes and enable investment in software and artificial intelligence tooling to maximise the valorisation

of each animal and reduce waste. An important investment worked on in 2024 that went live Q1 2025 is our ERP developed for the Pork Farming organization in the Netherlands.

From an organisational point of view, the decision to divest our German beef operations have now yielded an adjustment in the organisational set up. We have clustered the business we intend to divest into one business unit. This also effectively means our Ingredients business unit would only have a Dutch entity and we therefore merged that unit back into the Benelux.

Outlook

2025 will also mark the completion of our 3-year Change that Matters programme. During 2025 we will take the learnings and processes of Change that Matters and design a programme that builds on the continuous improvement culture that we created.

Vion evaluated where to invest time, effort and money, and has come to the conclusion that the German market is not yet mature enough to build integrated chains at the speed and size required to meet Vion's ambition to be the most sustainable player in the industry. Therefore, Vion will continue to shift its focus and attention to the business unit Benelux, as we feel that the market is mature enough to build on this strategy. We expect to complete the final transactions of this Agenda as soon as possible.

No transactable bid was received for our foodservice business. The set up of our foodservice business allows for a more arm's-length approach while we still leverage the team's commercial capabilities.

Vion has developed extensive knowledge of sustainability and animal welfare. In the coming years, the Company's strategy emphasizes further enhancing welfare and sustainability standards in partnership with farmers, customers, and other stakeholders. As a market leader in pork, beef, and plant-based products in the Benelux, Vion aims to strengthen relationships with retail and food service customers while expanding value-added products and services. By leveraging our strong relationships with Dutch farmers and our successful chain concepts, we will further advance our sustainability strategy.

To date, 2025 is developing positively despite the additional challenges of the Foot-and-Mouth disease outbreak in Germany. We have refinanced our Working Capital Facility by an amend and extent, we conclude on going concern as included in section 2.1 Basis of preparation of the Financial Statements.

Benelux

Profitability in the business unit Benelux improved compared to last year even though our business continues to experience challenges and volatility. Volume decline continued driven by reduced herd sizes and limited export. This resulted in a sales volume reduction of 3.2% Demand in Europe remained robust with demand shifting towards products with a high standard in sustainability and animal welfare

Driven by the reduced volumes and further efficiency, our FTE number reduced by 2.3% which will reduce further in 2025 as we completed our overhead reduction in the Benelux early 2025. The lower volume in combination with the decreased pig price resulted in a 7.6% reduction in revenue.

 **-3.2%**
Sales volume
compared to last year

 **-7.6%**
Revenue
compared to last year

 **-2.3%**
FTE
compared to last year



Market developments

Markets volatility remained in 2024. Beef prices escalated in the second half of 2024 while pig prices saw relief from the record levels in 2023. Herd size decline in Benelux continues and is accelerated by future regulatory uncertainty. Animal farming is moving towards areas where sustainability and animal welfare have different standards. Global competition from these areas that have lower cost structures is impacting our export positions particularly outside Europe. Compared to most commodity world markets we see in Europe there is a higher willingness to pay for topics like sustainability, locally produced meat and higher animal welfare standards.

Pork market

In 2024, The Pork market remained challenging. While pig prices came down, we continued to see reduced export of Pork products. Overall, pork production in the Netherlands declined as the impact of the government buy-out programme begins to show. Globally herd expansion has been slow, with the sow herd marginally increasing in China, Brazil, and Mexico but decreasing slightly in the EU and the US. The Dutch pork export market has shown resilience and adaptability over the years, maintaining its position as a key player in the global pork industry. Nevertheless, Vion is investing in more stable chain concepts that include fair pricing, better animal welfare standards and a higher level of sustainability

9

Production locations

2023: 10

1,010

Sales volume

(in millions of kg)

2023: 1,043

2,776

Revenues

(in millions of euros)

2023: 3,003

5,829

FTEs

2023: 5,966



Beef market

Beef production in the European Union was up last year with exports increasing as well, driven by higher demand in emerging markets. The share of the Benelux in the global export market remained stable. The Benelux region saw a modest increase in beef consumption from 2023 to 2024, driven by higher disposable income and changing consumer preferences. Consumer preference changed to higher-quality and sustainably sourced beef, which drove the consumption increase. Beef price levels have increased significantly in the second half of 2024 in both the Dutch and Belgian markets.

For Vion, the volume of beef remained relatively stable in the Netherlands and has decreased in Belgium. In Belgium we have sought to optimize our plant and addressed activities and contracts that were underperforming. This culminated in the completion of a deal to sell our Adriaens site on February 1, 2025.

Beef farmers continue to experience uncertainty on future EU regulations and local country initiatives in the Netherlands. This is impacting their willingness to invest.

Retail Market

In 2024, the retail market for fresh pre-packed meat products, cold cuts, and plant-based alternatives was marked by continued pressure on volumes and margins. Price level adjustments followed their way

into the market albeit at a delay. At the same time, sustainability remained a key theme, with growing demand for transparency and animal welfare. The rise of hybrid products (meat blended with plant-based ingredients) opened new opportunities to assist in the protein transition. Plant-based product development also supported volume growth in our Leeuwarden site. For Vion, retail volumes were stable in 2024 compared to earlier years and we saw a positive development in our plant-based business due to consolidation in the market.

Demand-driven supply chains

In May 2024, Vion was the first to be able to calculate the CO2 footprint of pork from a large group of pig farmers at the farm level using actual data. We are the initiator and commissioner for the development of the CO2 footprint calculator, which was developed in collaboration with the data company ImpactBuying. The calculation method for pork published by Wageningen University & Research (WUR) was used for this. With this calculator, Vion makes the total CO2 emissions in the production chain of pork products transparent, from the seed for the animal feed to the transport of the final product to the store. This allows us to work together with pig farmers, transporters, and retail organizations to implement measures to reduce the CO2 footprint in the chain.

After starting a chain of organic beef from the Netherlands two years ago, the butcher shops of De Groene Weg started selling organic beef from their own region. With this, the chain of De Groene Weg is officially complete and, like the other chains of Vion, it offers all links a fair price and long-term perspective. This move addresses the growing demand for organic beef of Dutch origin and the need among organic dairy farmers to raise and market their calves organically..

In November 2024, we celebrated the 100-year anniversary of our Tilburg site, which was an important milestone for our flagship beef slaughterhouse in the Netherlands.

Operational investments and improvements

Change that Matters continues to be our vehicle to enhance bottom-line performance and serves also to offset the size-ably impact of (labour) inflation which impacted our performance improvement in 2024.

Important Change that Matters initiatives that contributed to 2024 performance related to: overhead reduction, reducing transportation costs and creating specific plant focused continuous improvement plans at our major sites. Specifically, the Bortel improvement plan has already delivered significant value and is expected to contribute more throughout 2025.

As part of our regular investments, the Benelux team continued to invest in keeping up machinery and adjusting our operation in line with the latest HSE guidelines. As an example, our stables in Bortel are adjusted to group live pigs per social group rather than larger groups, which necessitates a change in our stable layout to less pigs per stable.

During 2024, we started working in the new organisational model whereby we work in a chain set up. Chains are built up from specific sourcing positions. All relevant production steps and selling channels in a chain are in direct scope of the chain managers, increasing transparency while decreasing complexity. While, the development and roll out of the chain approach and strategy is an ongoing process, working with the chain approach has enabled in 2024 a more customer centric approach to business. The ability to coordinate from sourcing position to customer has allowed for this.

Outlook

As we have agreed on divesting our beef business in Germany in 2024, our strategy reset has focused on primarily the Benelux. Please refer to the strategy section for more on the strategic outlook for 2025 and beyond.

2025 has started off well in Benelux as we could benefit from both the impact of some core performance improvement activity in our main plant

in Bortel as well as the outbreak of foot and mouth disease in Germany. This latter has given some opportunistic export opportunities. For the latter half of the year, we expect the decrease in Herd sizes (particularly in pork) to continue. This in combination with continued strong demand will possibly affect purchase prices for livestock which will need to find a way into the market.

For 2025 all our investments that are not part of the regular maintenance of our asset base are now part of the Change that Matters programme and will relate to improve efficiency, product quality, sales performance or CSR. The Netherlands, with Vion as market leader, remains at the forefront of animal welfare and sustainability, which is why Vion has chosen to focus on this area.

Food Service

The Food Service Business Unit (BU Food Service) grew in volumes by 4.5%, although consumer behaviour was still cautious in the out-of-home sector. Starting 2024, the beef price was at a lower level than 2023 which impacted overall revenue by 1.1% compared to 2023. Beef raw material makes up a large proportion of the raw material required for our product range. Contrary to early 2024, the raw material costs, particularly from beef changed course and have been substantially rising since mid-2024 due to shortages and availability. This trend is expected to continue throughout 2025 and will need to find a way into the market. The increase in FTE was driven mainly by the change in ownership of the Leeuwarden plant.

 **+4.5%**
Sales volume
compared to previous year

 **+0.6%**
Revenue
compared to previous year

 **+12.8%**
FTE
compared to previous year



Market developments

Like 2023, 2024 was characterised by constrained consumer spending. Increased prices in the out-of-home market impacted visits and spending. Costs for energy, packaging or logistics have stabilized or even slightly declined, while raw materials, especially in the beef segment, are rising sharply again in 2024 after falling until the end of 2023.

The increased raw materials price adjustments have taken into account the change in costs of raw materials and other services. Margins decreased compared to 2023, but BU Food Service's performance is still above the level of pre-COVID-19.

3

Production locations

2023: 2

416

Revenues

(in millions of euros)

2023: 413

72

Sales volume

(in millions of kg)

2023: 69

710

FTEs

2023: 629



Vion has a strong Food Service brand: Salomon FoodWorld. Until 2023, Vion was still active on the market with two brands (Salomon Food Service and FVZ Convenience), the sales teams were bundled, as planned. FVZ Convenience with its product brand has been retained under the Salomon FoodWorld umbrella. Bundling the sales team of Salomon FoodWorld and FVZ Convenience and focusing on the markets by combining both sales and marketing activities led to added value for the customer and the BU Food Service. Salomon FoodWorld as brand and sales company serves two channels of the out-of-home sector: Regional and international wholesalers who supply restaurant and catering operators and the channel for direct key accounts.

Salomon FoodWorld is an international brand, recognized as a leading partner and an innovative convenience foods company. The company is positioned to face an altered market situation and the change in consumer behaviour and is characterized by market-leading capabilities supported by an innovative and complete product portfolio, reliable and agile supply chain and production and customer-centric sales & marketing.

In Germany, Vion is market leader in the business unit's three business segments, which comprise of Schnitzel & More (schnitzel and mince-based products), Finger Food (e.g. buffalo chicken wings and appetisers), and Burger & Wraps (mainly hamburgers).

A relaxation and decline in the purchasing prices of particular raw materials in 2023 led to adjusted sales prices. Since mid-2024 purchase prices of beef for hamburgers are rising sharply again and put pressure on margins. The price trend will exceed the all-time high of 2022. Also for poultry and cheese-based products we are experiencing a strong price increase and adjusted our sales prices by the end of the year.

Since the beginning of the year, operational responsibility for the Leeuwarden site, the Netherlands has been transferred to BU Food Service, while commercial activities and responsibility for retail customer business of Vion's plant-based meat replacement product range remain with BU Benelux. A fire in the energy centre at the factory in Holzwickede only had a brief impact on operations.

A well-functioning network prevented significant out-of-stock situations. Under the strategic Change that Matters programme, BU Food Service was able to continue pursuing its strategic goals.

Operational investments and improvements

In 2024, BU Food Service invested in optimising our production technology. The implementation of a uniform ERP system for the Großostheim and Holzwickede locations (Salomon & FVZ) made it possible to merge the processes and achieve efficiencies, especially in the areas of logistics and

warehousing. The new meat-alternatives product category continues to develop well and sales are in line with expectations. This range will be expanded further.

Outlook

BU Food Service has strong sales and innovation capabilities, and these help to strengthen our position in the market. In particular, our focus is on expanding national and international key accounts and on our international business. We invested in our sales force in southern and eastern Europe, both areas we want to concentrate on. We foresee growth opportunities for the meat-alternatives product category.

While the factory in Großostheim continues to specialise in the production of hamburger patties, the factory in Leeuwarden on plant-based meat replacements, the factory in Holzwickede was able to concentrate on product groups and increase its efficiency and production capacity and will continue to expand this, because of the separation of the sales activities of FVZ Convenience.

Discontinued operations

2024 proved to be a pivotal year for our Germany unit. The year was characterized by restructuring processes and divestments. The consolidation of the German Vion activities affected the key quantitative figures.

The remaining Beef business showed strong production volumes and was able to compensate for the further decline in livestock numbers. The consistent reduction in herd size led to higher animal prices (beef). The higher purchasing costs were offset by ongoing strong customer demand for beef products and higher sales prices.

Our improvement initiatives clearly delivered but were offset by significant (labour) inflation.

 **-46.0%**
Sales volume
compared to previous year

 **-32.9%**
Revenue
compared to previous year

 **-57.4%**
FTE
compared to previous year



Market developments

The German Pork market remains impacted by ASF, labour inflation and regulatory pressure. Pork consumption in Germany has remained steady compared to prior years while pork production continued its decline. After recording high pig prices in 2023, the market experienced some moderation in 2024. The herd size reduction is ongoing.

Beef demand continues to be strong while availability of livestock is decreasing which is creating a tension that is reflected throughout 2024 with a continuous increase in the price of livestock. The overall beef production in Germany slightly increased by 1.2%.

On the farming side, the development of Livestock is impacted by structural decreases for both beef and pork, which are driven by demography and animal welfare regulations. In 2024, this was enhanced by Blue tongue disease impacting cow fertility

12

Production locations

2023: 12

344

Sales volume
(in millions of kg)

2023: 637

1,424

Revenues
(in millions of euros)

2023: 2,122

1,581

FTEs

2023: 3,755



In 2023, we started with classifying part of our German business unit as discontinued operations. For 2024, we anticipated on completing the majority of our divestment plan regarding BU Germany and therefore classified the majority of our German business as discontinued. For a full overview of our discontinued operations, we refer to disclosure note 13 Discontinued operations in our Financial Statements. We have made a restatement on our 2023 numbers to create a proper comparison.

Pork market

The German pork market continues to suffer from overcapacity and herd size reduction. The high price levels we experienced in 2023 came down to somewhat lower levels. Overall slaughter numbers for the total German market remained steady compared to 2023. Despite the easing of the pork purchase prices and our improvement measures taken we delivered on our strategic choice to exit our German operations. Our largest pig slaughterhouse in Emstek was sold and closed in Q1 2024. The sites in Perleberg and Ahlen were sold to competitors in Q2 2024, where operations continue. End of Q3, 2024, we completed a divestment deal with our joint venture partner EGB Erzeugergemeinschaften-Beteiligungs GmbH and Erzeugergemeinschaft Südbayern eG for our remaining stake of the Pork Slaughter and deboning operations in Landshut and Vilshofen.

After these divestments, our remaining pork slaughtering plant is based in Crailsheim and was part of the intended divestment to Premium Food Group (formally Tönnies Group).

Beef market

After years of decline, overall beef production in Germany saw a modest increase of 1.2%. Vion's beef business continued to perform well in 2024. In line with the overall market trend, organic meats and premium regional demand improved driven by chains such as Bayerische Ochse. Vion has been able to capitalize on that trend in our southern Germany stronghold. In the course of 2024, the purchase price for beef livestock increased significantly which needed to find its way into the market.

In Q1 2024 we divested our Altenburg Beef plant. The envisaged sale to Premium Food Group (formally Tönnies Group) announced on 9 August 2024, was very near to completion, but has been blocked by the German competition authorities. The strategy with regards to Germany Beef South to date remains unchanged. The beef facility in Furth im Wald will stay within Vion.

Finally, in Q2 2025, we divested our remaining Zucht- und Nutzvieh GmbH (ZuN) locations to Raiffeisen Viehzentrale (RVZ) and to Vermarktungsgemeinschaft für Zucht- und Nutzvieh ZNVG eG.

Convenience

With the disposal of the Altenburg pre-packed meat plant Q2 2024 we reduced our footprint in convenience to the Otto Nocker Fleischmärkte. In Q4 2024, we continued delivery on our divestment plan and started a process to sell of the Fleischmärkte. As of mid-2025, the Fleischmärkte divestments have been concluded in piecemeal for all but one.

Operational investments and improvements

The ongoing divestment process has not stopped our commitment to continue with the transformation programme, Change that Matters, which is delivering substantial performance improvements through one-offs as well as recurring EBITDA improvements. The focus of the plan for BU Germany in 2024 was concentrated on the Southern Beef plants. Measures taken related to resizing our overhead in light of divestments and further optimizations as well as measures geared toward improving efficiency, reducing variability in personnel use, optimizing logistics.

Outlook

Current trading is developing positively. We experienced comparatively limited impact from the foot and mouth disease outbreak as we had strategically already reoriented ourselves on our European position.

The signed SPA is currently in effect and we are reviewing our options to continue our strategy. In the meantime, the Beef south business will continue to contribute positively to our cash flow.

Furth im Wald and NWT have meanwhile been transferred into the Benelux organisation.

Composition of the Leadership Team



From left to right: Boi Snellaars (CTO), Patrick van den Langenberg (CHRO), Simon Morris (COO Food Services), Mattijn Bak (CFO), Tjarda Klimp (CEO), Leon Cuypers (COO) and Veronika Weber (CSO)

Personal details of the members of the leadership team as at 27 June 2025

Tjarda Klimp

1972, Dutch nationality

Member of the management board and Leadership Team

Tjarda Klimp has been appointed Chief Executive Officer of Vion per 1 January 2025 and had previously been Chief Financial Officer of Vion since 1 November 2021.

Former positions

Senior Vice President of strategic development Corbion, various financial management positions at AkzoNobel and various financial and operational management roles at GE

Other main positions

Member of the Supervisory Board of Wageningen University & Research, Member of the Supervisory Board of Topigs Group B.V.

Mattijn Bak

1968, Dutch nationality

Member of the management board and Leadership Team

Mattijn Bak has been appointed Chief Financial Officer of Vion per 1 January 2025. He started his career at Vion in 2015 as Group Treasurer and had been Chief Transformation Officer since Jan. 1, 2023.

Former positions

Before Vion, Mattijn worked in several management positions for Sperwer Group / Plus Retail, Nutreco, Royal Friesland Foods NV and ING

Leon Cuypers

1979, Dutch nationality

Member of the management board and Leadership Team

Leon Cuypers has been appointed Chief Operating Officer of Vion per 1 January 2025 and had previously been Chief Operating Officer Pork and later Benelux of Vion since 1 September 2022.

Former positions

Joined Vion in 2015 and worked in various roles: Director Business Development, Director of Vion's northern Pork companies, Director Supply Chain and COO business unit Pork. Former employers include akzoNobel, Bolletje, DFE Pharma and VolkerWessels

Other main positions

Executive board member at Centrale Organisatie voor de Vleessector (COV), board member at Stichting CBS and board member at Vlees.nl

Simon Morris - COO Food Services

1970, dual Canadian and British nationality
member of the Leadership Team

Principal position

As of July 2020, Simon Morris has assumed the position of Chief Operating Officer Food Service. Simon joined Vion in March 2019 as Chief Sales Officer SALOMON FoodWorld

Other main positions

Vice Chairman and board member of the German Frozen Food Association (Deutsche Tiefkühlinstitut)

Dr. Veronika Weber – CSO

1993, German nationality
Member of the Leadership team

Principal position

Dr. Veronika Weber has been appointed Chief Sustainability Officer of Vion per 1 January 2025.

Boi Snellaars – CTO

1985, Dutch nationality
Member of the Leadership Team

Principal position

Boi Snellaars has been Chief Transformation Officer at Vion since 1 January 2025.

Patrick van den Langenberg - CHRO

1978, Dutch nationality
Member of the Leadership Team

Principal position

Patrick van den Langenberg has been Chief Human Resource Officer at Vion since 1 January 2025.

Corporate governance¹

Vion Holding N.V. is a public limited liability company under Dutch law with its registered office in Best, the Netherlands. As an international holding company, Vion is exempted from applying the Dutch large company regime (structuurregime). Vion has a two-tier board. The Management Board is responsible for managing the company, while the Supervisory Board oversees the policies set by the Management Board and the general affairs of the company. The Management Board is supported by the Leadership Team. Vion's corporate governance structure is based on Dutch legislation, its articles of association, the Dutch Corporate Governance Code, and Vion's own code of conduct.

Management Board

The Management Board is responsible for the continuity of the company and its business. The Management Board focuses on sustainable long-term value creation for the company and develops a view on the relevance of value creation. The Management Board is accountable to the General Meeting.

The sustainability statement provides a more detailed explanation of the Management Board's view on sustainable long-term value creation, the strategy to realise this, the formulated objectives and how the interests of stakeholders have been considered. For

details, please read our sustainability statement on page 56.

Management Board decisions must be taken by absolute majority. The Supervisory Board oversees the policies pursued by the Management Board. To do so, the Management Board provides the Supervisory Board members with all the information its members need to perform their duties properly. Important Management Board decisions are subject to approval by the Supervisory Board.

The Supervisory Board evaluates the performance of the Management Board as a whole and that of the individual Management Board members. It does this at least once a year in a session that is not attended by the members of the Management Board. The Management Board likewise evaluates its collective and individual performance at least once a year.

The Management Board's rules on its composition and performance are laid down in its rules of procedure. For details, please visit our website.

Appointment, composition and conflict of interest

Management Board members are appointed by the General Meeting following a binding recommendation of the Supervisory Board. The

General Meeting may only ignore the binding recommendation of the Supervisory Board with the

consent of at least two-thirds of the votes cast, which in turn represents at least half of the issued capital. The Management Board members are appointed for an indefinite period of time.

The composition of the Management Board will be such that the required expertise, background and competencies are represented so the Management Board members can fulfil their duties properly. Vion aims for diversity within the Management Board, with one of our diversity aims being to achieve a reasonable gender balance.

Vion's Supervisory Board has adopted a diversity policy for the composition of the Management Board, Supervisory Board and Executive Committee (Diversity Policy). For details, please visit our website. The Diversity Policy contains the following specific objective with regard to gender diversity within the Management Board namely that if the Management Board consists of at least two members it should maintain gender diversity by ensuring that at least one member of the Management Board is female and one member of the Management Board is male. At 31 December 2024 the Management Board had one male and one female member, which means

¹ ESRS 2, GOV-1 paragraph 20 & 21

this objective was met in 2024. As from January 1, 2025 Management Board has one female and two male members.

Should a conflict of interest arise regarding a particular topic, the Management Board member in question will not take part in the discussion or the decision-making on that topic.

Remuneration

The Supervisory Board determines the remuneration of the Management Board and the other employment terms for the Management Board members. It does this within the parameters of the general remuneration policy adopted by the General Meeting.

Executive Office

The Executive Office supports the Management Board in achieving Vion's objectives and implementing the strategic objectives set out in the strategy and business plan. The Executive Committee has been renamed as of 1 January 2025 to Leadership Team. Along with the Management Board members, the other members of the Leadership Team currently are the Chief Operating Officer (COO) of the Food Service Business Unit, the Chief Sustainability Officer (CSO), the Chief Human Resources Officer (CHRO) and the Chief Transformation Officer (CTO). The Management Board is ultimately responsible for the actions and decisions taken in the Leadership Team and for the overall management of Vion. The COO, CSO, CHRO

and CTO provide regular updates on their lines of business in meetings of the Supervisory Board.

Vion's Diversity Policy contains the following specific objectives with regard to gender diversity within the Executive Committee namely if the Executive Committee consists of seven or more members at least two members of the Executive Committee should be female. At 31 December 2024 the Executive Committee had one female and six male members, which means this objective was not met in 2024. Currently the Leadership Team has two female and five male members. This means this objective has currently been met. Gender diversity will continue to be an important element in the profile for future vacancies on the Leadership Team. Initiatives will be further developed to strengthen the internal pipeline of female talent, including coaching, feedback surveys and specific activities. In addition, if a vacancy in a senior position needs to be filled, specific attention is paid to female talent.

Supervisory Board

The Supervisory Board oversees the policies pursued by the Management Board and the general affairs of the company. The Supervisory Board offers advice and assistance to the Management Board. The Supervisory Board also supervises how the Management Board develops and implements its view on sustainable long-term value creation. In doing this, the Supervisory Board focuses on the interests of the company and its

business. Important Management Board decisions are subject to approval by the Supervisory Board.

Examples of important decisions include decisions on the nature and scale of its business operations, and decisions affecting the company's capital structure.

All decisions of the Supervisory Board must be taken by absolute majority. Decisions by the Supervisory Board are only valid when the majority of the Supervisory Board members are either present or otherwise represented. The Supervisory Board may only take decisions outside its meetings if all the Supervisory Board members have expressed themselves in favour of the proposal in question.

The Supervisory Board discusses its performance, the performance of its committees and that of the individual Supervisory Board members at least once a year in a session in which the members of the Management Board are not present. For more information, please read the Report of the Supervisory Board on page 48.

The Supervisory Board's rules on its composition and performance are laid down in its rules of procedure. For details, please visit our website.

Independence

The Supervisory Board aims for the majority of its members to be independent in the sense

of best practice provision 2.1.7 of the Dutch Corporate Governance Code. The Report of the Supervisory Board on page 48 includes information on the independence of the members of the Supervisory Board.

Appointment, composition and conflict of interest

Supervisory Board members are appointed by the General Meeting following a binding recommendation of the Supervisory Board. The General Meeting may only ignore the binding recommendation of the Supervisory Board with the consent of at least two-thirds of the votes cast, which in turn represents at least half of the issued capital. Supervisory Board members are appointed for a term of four years and may be reappointed for another four-year period.

A Supervisory Board member may subsequently be reappointed for a further period of two years and this appointment may be extended by another period of not more than two years. In the event of reappointment after eight years, the reasons for reappointment should be set out in the Report of the Supervisory Board.

The General Meeting may grant a fixed remuneration to the Supervisory Board members. For details on their remuneration see the section on Remuneration on

page 53. In addition, the Supervisory Board members are reimbursed for all reasonable costs.

The composition of the Supervisory Board will be such that the combination of experience, expertise and independence are represented so the Supervisory Board members can fulfil their duties properly. Vion aims for diversity within the Supervisory Board. This diversity includes a broad range of aspects such as personal qualities, nationality, age, gender, education, expertise and experience. One of Vion's diversity aims is to achieve a reasonable gender balance in the Supervisory Board.

Vion's Diversity Policy contains the following specific objective with regard to gender diversity within the Supervisory Board namely if the Supervisory Board consists of fewer than six members diversity is maintained by ensuring that at least one member of the Supervisory Board is female. At 31 December 2024 the Supervisory Board had five male members, which means this objective was unfortunately not met in 2024. For 2025 gender diversity will continue to be an important element in potential profiling for Supervisory Board vacancies. When a position becomes vacant the search criteria will emphasise that the candidates should preferably be female. For this purpose specialist headhunters will be consulted.

Should a conflict of interest arise regarding a particular topic, the Supervisory Board member in

question will not take part in the discussion or the decision-making on that topic.

The Supervisory Board has appointed an Audit Committee and a Remuneration, Selection and Appointment Committee from among its members. These committees advise the Supervisory Board on matters relating to their respective areas of interest and therefore do not take on the responsibilities of the Supervisory Board.

Audit Committee

The Audit Committee prepares the Supervisory Board's decision-making on the supervision of the integrity and quality of the company's financial and sustainability reporting and the effectiveness of the company's internal risk management, control systems and sustainability disclosures. The Audit Committee's rules on its composition and performance are laid down in its rules of procedure. For details, please visit our website.

Remuneration, Selection and Appointment Committee

The Remuneration, Selection and Appointment Committee prepares the Supervisory Board's decision-making on the selection, appointment and remuneration of the company's Management Board members and Supervisory Board members. The Remuneration, Selection and Appointment Committee's rules on its composition and performance

are laid down in its rules of procedure. For details, please visit our website.

For more information about the Supervisory Board and its committees see the Report of the Supervisory Board on page 48.

General Meeting of Shareholders

The annual General Meeting of Shareholders is held once a year to adopt the annual accounts. Other General Meetings of Shareholders may be convened whenever the Management Board or the Supervisory Board feel this is necessary. Shareholders representing at least 10% of the issued share capital are entitled to ask the Management Board or the Supervisory Board to convene a General Meeting of Shareholders. When convening a General Meeting of Shareholders, the topics to be discussed must be stated. Each shareholder is entitled to attend the General Meeting of Shareholders, to address the meeting and to exercise their voting rights. The chair of the General Meeting of Shareholders is appointed by the Supervisory Board.

All decisions of the General Meeting of Shareholders must be taken by absolute majority, unless the law or articles of association stipulate a larger majority of votes for a particular decision. The articles of association stipulate that an amendment to the articles of association or the dissolution of the company requires a two-thirds majority of the votes

cast, representing at least two-thirds of the issued capital if the initiative to do so was taken by the General Meeting of Shareholders and is not supported by the Management Board or the Supervisory Board. Important Management Board decisions are subject to approval by the General Meeting.

Examples of important decisions include decisions on a material change to the identity or nature of the company's business.

Stichting Administratiekantoor SBT

Stichting Administratiekantoor SBT (SBT) is the sole shareholder of Vion. SBT has issued depositary receipts for its shares in the company. The depositary receipts have been issued without the cooperation of the company. All depositary receipts are held by Noordbrabantse Christelijke Boerenbond, Rooms-Katholieke Vereniging van Boeren en Tuinders-Ontwikkeling (NCB-Ontwikkeling). The board of SBT has five members. In accordance with the articles of association of SBT three of the five board members are appointed by NCB-Ontwikkeling. The two remaining board members are appointed by NCB-Ontwikkeling in its capacity as the holder of all depositary receipts. Three board members of SBT are currently also members of the board of NCB-Ontwikkeling. NCB-Ontwikkeling is related to Zuidelijke Land- en Tuinbouworganisatie (ZLTO), mainly because the board of NCB-Ontwikkeling has the same members as the board of ZLTO and the

members of NCB-Ontwikkeling are also members of ZLTO. ZLTO is an association for entrepreneurs working in agricultural sectors and has approximately 11,500 members in Noord-Brabant, Zeeland and the southern part of Gelderland.

Audit of the financial statements

Every year the Management Board draws up financial statements and a management report. The financial statements are approved by the signatures of both the Management Board and the Supervisory Board and are presented to the General Meeting of Shareholders for adoption. Vion engages an external auditor for the audit of the financial statements.

The General Meeting is primarily responsible for the appointment of the auditor.

The General Meeting can choose to fully or partially release the Management Board from all liability for its management and the Supervisory Board from liability for its supervision

Registered office and principal office

The company has its registered office in Best, the Netherlands. Vion's principal office is in Boxtel, the Netherlands.

Dutch Corporate Governance Code

Vion is not listed on a stock exchange, which means that the Dutch Corporate Governance Code does not

apply to Vion. Nevertheless Vion applies the code as its provisions provide a sound and transparent system of checks and balances for a company to regulate relations between the Management Board, the Supervisory Board and the General Meeting of Shareholders. This instils confidence in the proper and responsible management of companies and their integration into society.

In accordance with the code's "comply-or-explain" principle Vion explains where it does not follow the code's principles and best practice provisions. Generally speaking, this is the case where the provisions are not compatible with Vion's legal structure and the nature of its business, or are specifically written with broadly-owned listed companies in mind.

Vion does not, or not fully, comply with the following principles and best practice provisions of the Dutch Corporate Governance Code for the reasons set out below.

Provision 2.2.1

(Appointment of Management Board)

Best practice provision 2.2.1 of the code states that a member of the Management Board is appointed for a period of a maximum of four years. The Management Board members of Vion are appointed

for an indefinite period of time given the importance of their long-term commitment to the company.

Provision 2.2.4

(Succession)

Best practice provision 2.2.4 of the code states that the Supervisory Board should ensure that the company has a sound plan in place for the succession of Management Board and Supervisory Board members that is aimed at retaining the requisite balance of expertise, experience and diversity. Vion has a plan in place for the succession of the members of the Management Board and Executive Committee. A plan for the succession of the Supervisory Board members has yet to be implemented.

Provision 2.3.2

(Supervisory Board key committees)

The remuneration committee and the selection and appointment committee have, for practical reasons, been combined into the Remuneration, Selection and Appointment Committee.

Best practice provision 3.4.1

(Pay ratio within the company)

In our remuneration report the pay ratio within the company is described as the consolidated annual remuneration of the CEO and CFO (instead of the individual annual remuneration of the CEO) and the annual remuneration of the employees of the company.

Provisions 2.8.1-2.8.3, 3.3.3, 4.1.7, 4.2.2-4.2.6, 4.3.1-4.3.8, 4.5.1-4.5.8 and 5.1.1-5.1.5

These provisions do not apply to Vion as it is not listed on a stock exchange and all shares in its capital are held by a sole shareholder.

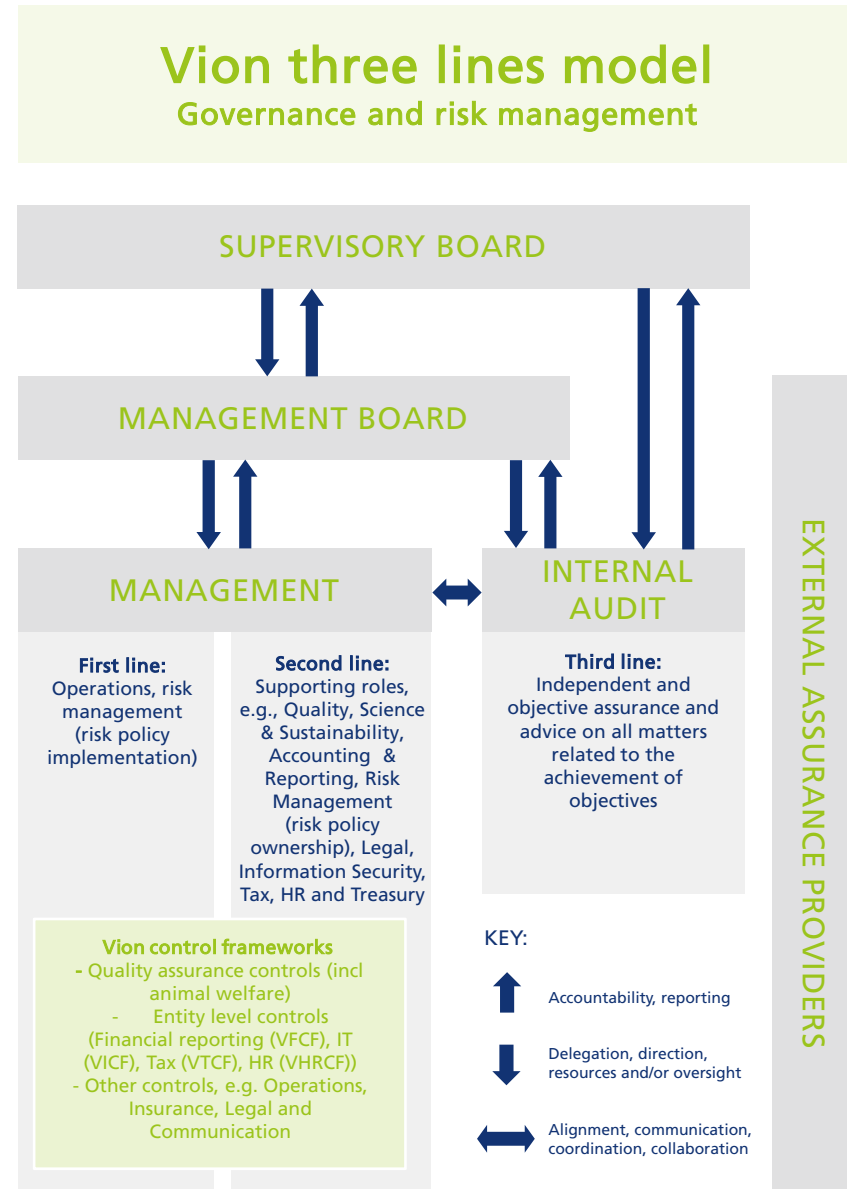
Risk management

Risk management is an integral part of doing business. While we want to make the most of the opportunities our markets offer, we also need to be conscious of managing the associated risks. This section explains Vion's approach to risk management, the nature of the main risks we face, and how we deal with them.

Risk management approach

Our approach to risk management aims to achieve a reasonable level of assurance that we will reach our objectives. It is based on the 2013 Enterprise Risk Management framework adopted by the Committee of Sponsoring Organisations of the Treadway Commission (COSO). Using this model, we can identify both the principal risks we face and how to respond to them. We aim to embed risk awareness and risk management at all levels of our organisation to ensure that decisions reflect calculated risks that are in line with our risk appetite. Risk management is the responsibility of the Management Board but has been delegated to the first and second lines.

Our risk management approach is illustrated by the Vion three lines of defense model. The model shows that we view risk management as the responsibility of all business units and corporate support departments. As part of the second line, a risk and compliance committee facilitates and coordinates risk management and oversees compliance with relevant laws, regulations and policies. This committee is chaired by the Chief Financial Officer (CFO), who is assisted by specialists in the different risk areas.



The duties of the risk and compliance committee include:

- Providing input to and assisting the Management Board in defining and communicating the company's risk appetite and strategy.
- Overseeing and facilitating the company's enterprise risk management activities, and taking a consistent approach to identifying, assessing, mitigating, monitoring and reporting key business risks throughout Vion.
- Advising the Management Board in setting the "tone" regarding risks within the company, developing a risk-conscious culture and promoting an open debate about risks so that people at all levels manage the (key) risks in accordance with the company's risk appetite and strategy.
- Monitoring on the company's risk profile, i.e. Vion's ongoing and potential exposure to risks of various types, including reporting on the actions taken to keep the risk profile within an acceptable range and capturing of the learnings regarding incidents and risk materialisation.
- Ensuring that adequate internal controls are in place and that self-assessments are being performed, including the remediation of any deficiencies.
- Overseeing the company's compliance efforts with respect to the relevant laws, regulations and policies, including a quarterly internal certification process.
- Assisting the Management Board in informing the Audit Committee of the Supervisory Board on matters concerning risk management, internal control, compliance with the relevant laws and regulations and the effectiveness of the code of conduct.

Vion's internal audit department (IAD) is the third line. Its objective is to provide independent and objective assurance to the organisation's board and senior management, as well as recommend on adding value and improving the organisation's operations.

Vion considers risk management to be very important. However, we are also aware that there are limits to each form of risk management and internal control. Management systems and procedures will never be able to prevent all inaccuracies or errors from occurring, or every instance of fraud or non-compliance.

Sustainability-related risks and opportunities¹

Following our partial pre-implementation of the CSRD in 2024, we assess sustainability-related risks and opportunities as part of our yearly double materiality assessment. Our approach to risk management and the double materiality assessment are interlinked as they both focus on managing risks and opportunities. Sustainability-related risks and opportunities use a scoring system similar in structure to our regular risk assessment approach. A comprehensive description of the identified material sustainability-related risks and opportunities are included in the Sustainability Statements. Through incorporation of these material risks and/or opportunities into our regular risk reporting process we assure that they are part of our periodic risk monitoring process.

¹ ESRS 2, GOV-1 paragraph 22c iii, GOV-5

Risk appetite

The definition of risk appetite is an important aspect of our risk management approach. Our risk appetite is the level of risk we are willing to accept to achieve our strategic goals. Deciding this calls for adequate understanding and awareness of potential risks and their possible implications for Vion.

Vion is transparent about risk and our risk appetite differs per risk area. Based on current circumstances, the Leadership Team has approved a more balanced risk appetite. Our top priorities continue to be product quality and safety, animal welfare, worker safety and compliance with laws and regulations. This means that food and worker safety and meeting legal and statutory obligations take priority over any other business objectives. We distinguish between strategic, operational, financial and reporting and compliance risks. Our risk appetite is as follows:

	Risk appetite				
	Low				High
	Averse	Prudent	Balanced	Considerable	Seeking
Strategic risks Vion pursues strategies throughout the supply chain to create value for the farmer and the customer, and to strengthen Vion's results. The company accepts the risks inherent to these strategies.					
Operational Managing Vion's product quality and safety, worker safety and animal welfare has the highest priority. Procedures are in place, which are monitored and audited by both internal and external parties.					
Financial and reporting With respect to financial risks, Vion follows a prudent financing strategy, including a balanced combination of self-insurance and commercial insurance coverage.					
Compliance Vion complies with the applicable laws and regulations in all jurisdictions in which the company operates.					

Risks

Vion has identified various risk categories. In the following section we describe the risks in each category, how we mitigate them and what the general trend (increasing, stable or decreasing) is regarding that risk.

Strategic

Risk	Description	Trend	Mitigation
<i>Decrease in supply of animals</i>	Agriculture-related policy discussions around climate change and environmental issues, plus the future economic outlook for farmers, lead to a decline in livestock numbers, price volatility and the movement of pigs and cattle to other geographies with less regulation, resulting in a decrease in Vion's sourcing base for production.	↑	We aim to offset the effects of a reduced supply of animals and volatility in prices by developing demand-driven initiatives that focus on value rather than volume, and by adjusting our footprint accordingly. We will continue to develop unique concepts with our partners in order to build future-proof protein value chains. In addition we need to work on realizing a lean and mean organisational setup and footprint for our slaughterhouses.
<i>Access to markets</i>	Losing access to a market is a major risk and can arise for various reasons, such as an outbreak of African Swine Fever or Foot and Mouth Disease (FMD), breaches of statutory requirements or supply chain errors. Currently the German region is mainly at risk due to the recent outbreak of FMD.	=	The risk of an outbreak of an animal disease remains high, where the increase in risk is derived out of the German region with respect to Foot and Mouth Disease. We therefore have measures in place to mitigate the consequences as much as possible. We also manage the customer supply chain in a standardised and controlled manner to prevent documentation errors and/or the delivery of sub-standard products. We closely monitor geopolitical developments, and we are prepared for different scenarios. Through our access to global markets, we are confident that we can adapt quickly to changing circumstances.
<i>Changing meat consumption patterns</i>	While meat is advised as part of a healthy, balanced diet, consumer behaviour regarding meat consumption is changing. In north-western European markets, consumers increasingly prefer nutritious, local, smaller-portion and plant-based products that have less impact on the environment and which are offered at a fair price. At the same time, we expect that the economic climate will drive an increase in demand for affordable meat products.	↑	We acknowledge these trends and constantly adapt our product portfolio to the changing preferences of the market. Examples include the balanced supply chains we are building with major retailers to provide local meat offerings, such as the creation of new, demand-oriented supply chains for beef. Also, Vion is expanding its organic supply chain via De Groene Weg. The demand for 'hybrid products' - consisting of meat and plant-based ingredients - is increasing, further shaping the protein transition. Finally, we are expanding our plant-based meat replacement product range in our dedicated plant in Leeuwarden, the Netherlands for retail markets and Food Service.

Operational

Risk	Description	Trend	Mitigation
Geopolitical choices	An imbalance between supply and demand of the four main manufacturing blocks (North America, South America, Europe, China) plus differences in legislation and different paces in applying sustainability demands, leading to uneven playing fields for the Netherlands and EU in particular, and so impacting the size of the market and the market price.		We continuously monitor the changes in the political landscape. In reaction to the developments (like e.g. the current US-tariffs discussions), we are building differentiated protein chains that generate a differentiated position with regard to consumer choices and the future of farmers. By doing so, we aim to escape the commodity trap created by worldwide competition. In addition, we are working on more partnerships inside the EU, as the playing field here is more level. This, combined with our differentiated chains, will also make us less dependent on the European commodity trade.
Food safety	Producing food that is wholesome and safe is a top priority. We adhere to high standards. A quality issue, or even a change in the quality perception of our customers or the authorities, could have major consequences for our reputation and market position. Demographic changes, such as an ageing population, also impact on consumer requirements for food safety.		Food safety and quality are part of the codes of practice at all Vion facilities. All Vion facilities are ISO 9001-certified as a way to manage our processes to ensure customer satisfaction and operational excellence. In addition to adhering to the Vion-HACCP and the quality standards within our operations, all Vion facilities are certified under at least one of the food safety and quality schemes recognised by the Global Food Safety Initiative (GFSI), such as IFS and BRC. Food safety is an inherent risk in our sector. In addition to following the Vion-HACCP procedures, we will continue to emphasise the importance of food safety, provide training, and pursue continuous monitoring at local and central level. Compliance with regulations is becoming more complicated as the interpretation of European and international rules becomes stricter.
Traceability and product integrity	Vion recognises that product and process integrity are essential to being a trustworthy supplier and preventing public health issues. Traceability is also key to improving sustainability in the supply chain. Consumers and customers expect our products to have the attributes we communicate, and that we can demonstrate this anytime and anywhere.		Vion implements process integrity schemes at our operations to assure product integrity. Product integrity and full transparency are viewed as important challenges today. To professionalise our integrity schemes, we are working with standard-setting bodies to move to an internationally recognised and accredited standard, such as IFS-PIA. We make these efforts to ensure a fair chain of custody around supply. We will continue to implement product integrity schemes with standards-setting bodies. Together with partners in the supply chain, we have implemented modern DNA technology for pork and beef. The idea here is to control product integrity throughout the supply chain, including involving consumers. These efforts also help to protect the level playing field among supply chains for high-end market schemes.

Risk	Description	Trend	Mitigation
Environmental	Vion could face reputational risks and significant penalties if it is accused of negative climate impacts, such as involvement in deforestation, emissions-intensive activities or irresponsible use of natural resources.		We execute and monitor supply chain due diligence. We have clear supplier agreements that include statements on the negative climate impact of our suppliers. It is our goal to secure an audited code of conduct and value chain transparency from all our suppliers, and to monitor for changes. We use our own resources responsibly as we work continuously on improvements to reduce, reuse, recycle and renew our resources. We execute our ESG agenda, which includes activities under Environmental (as part of the CSRD guidelines) that help us to reduce our negative impact on climate and the environment. Our CO2e footprint targets and reduction plans are therewith in line with the Science Based Targets initiative (SBTi). Next to that we measure the footprint of our supplying farms, which we use as input to help them reduce their footprint.
Animal welfare in transportation and slaughtering	Only healthy livestock can produce wholesome and safe animal products. There is a strong correlation between the welfare and health of livestock. Vion is committed to animal integrity.		Our approach to handling livestock in the food supply chain is integrated into our company's quality schemes. The goal is to ensure that animals are treated humanely at farm level, during transport, and at meat processing plants. We demand that intermediaries and transporters in the supply chain also adopt these standards. Every Vion meat processing plant has several animal welfare officers. They monitor the handling of animals to ensure that our animal welfare standards are met. Our animal welfare standards go beyond statutory requirements. We operate Artificial Intelligence systems at critical points in the lairage in our slaughterhouses to improve the supervision of animal welfare. We are also successfully piloting a system to monitor tail-length and the tail quality of pig carcasses, and this will be rolled out to other slaughterhouses. Actively sharing the information gathered with the supplying farmers fuels farm management changes, enabling further improvements within this topic. A number of government schemes feature programs to monitor animal welfare at slaughter, either directly by assessing the live animals antemortem, or indirectly by ensuring carcasses do not contain residues of certain substances, such as pain relief substances, which can influence the assessment during an antemortem inspection. Detection of residues inevitably leads to an order to dispose of all products from any animals affected. In addition to separating and storing the carcasses until laboratory results are available, we mitigate this risk by taking an active part in the national and international stakeholder dialogue concerning animal welfare with farmers, governments and NGOs. We further promote the sharing and use of relevant data in the production chain. Achieving regulatory compliance is becoming more complicated given the increasingly stricter interpretation of European and international rules. Further evolution of European legislation is to be expected soon.
Catastrophes at production facilities and/or animal diseases	Despite our continuous efforts to prevent them, there is always a risk that a catastrophe might occur. It could be an outbreak of animal disease, fire, long-term disruption of the water or electricity supply or failures of integrated IT systems. Another risk is that of people intruding into our facilities to interfere with our business continuity.		Vion's efforts to reduce so-called catastrophic risks include preventative measures at farms, fire safety management at production and other facilities, strict access control and safety inspections. In the event of a catastrophe, the loss of animals or substantial production capacity could cause a major disruption throughout our product supply chain. This possibility is mitigated by having alternative capacity arrangements, business continuity plans, emergency plans that are continuously tested and improved, and insurance cover. African Swine Fever (ASF) spread through eastern Europe, reaching Germany in 2020 and in 2025 there was a case of FMD. Measures have been taken in the German pig supply chain to minimise the impact and assure market access for German pork in the EU. We have also taken precautionary measures at our Dutch locations, and we are in close contact with the Dutch authorities, who are monitoring the situation. The aim is to act quickly if needed.

Risk	Description	Trend	Mitigation
Health, safety and environment	Vion is firmly committed to the health, safety and environment (HSE) of all employees. Unlikely scenarios can result in major incidents with a high impact on the company's internal organisation. This can cause business continuity risks, adversely affect our financial performance and lead to reputational damage. Vion is firmly committed to the health, safety and environment (HSE) of all employees.	=	We take a systematic approach to HSE management that aims to help us achieve our demanding goals. This approach is designed to (i) maintain and promote our workers' health and employability, (ii) improve the working environment and ensure that workplace practices are conducive to safety and health, and (iii) to develop work organisations and working cultures in ways that are conducive to health and safety at work. HSE risks are inherent in a labour-intensive industry. Based on our systematic approach to HSE, we will continue to roll out the Vion Operating System (VOS), which focuses among other areas on safe working conditions. Worker Safety procedures, including monitoring and reporting, have also been embedded in all levels of the organisation, from local meetings to Supervisory Board, in our systems to ensure focused attention, ownership and support. This includes extensive internal auditing and benchmarking.
Attracting and retaining human capital	Our success depends on employing the right people with the necessary skills, experience and mindset. Regulations and labour shortages will see labour costs continue to increase. Along with changing skill requirements, this will make it even more difficult for us to find qualified people.	=	Our people strategy is to be an employer of choice, create engagement among our people and to attract the right talent to produce Food that Matters. It is vital that we hire and retain suitably qualified personnel for the right positions (despite the tight labor market for both direct as indirect personnel), and that we keep our employees motivated so they continue to make a meaningful contribution to the company's success. We further seek to streamline our processes (including introducing automation, where possible) to balance production needs and the availability of qualified staff. Investing in staff development is key to retaining and engaging our human capital. We facilitate individual competence development and employee training in order to grow and embed the right level of skills within the company. We have further formed our recruitment team which is key to finding and selecting the right talent. In 2025, we will invest in modules to train on being a meat master. Social integration and improved communication via our internal 'field' coaches (native intermediaries between our foreign workers, HR representatives and local management) is proving to be a key asset.
Cyber security	The threat of unauthorised access to IT systems and the misuse of sensitive information or disruption to our operations continues to exist. Unauthorised access or misuse could impede our business operations in a number of ways, potentially causing disruption to our sales and production processes.	=	Vion is committed to continuously improving its cybersecurity posture in line with its midterm privacy & security roadmap. Over the course of 2024, the security office made substantial steps to increase our cyber resilience. We continued our periodic phishing test campaigns as part of our ongoing security awareness program. We have contracted a service provider for a managed Security Operation Center (SOC) for which the rollout is currently in progress. In accordance with our security by design principle we performed a security assessment as part of the ERP go-live process showing no critical and high risk findings. Vion is a founding member of the cyber resilience initiative for the agri-food sector, which is now an official Information Sharing and Analysis Center (ISAC). Through this, we lead in setting the standards for cybersecurity in our sector and ensure optimal and direct communication with the Dutch National CERT and other authorities.

Financial and reporting

Risk	Description	Trend	Mitigation
Financing	Vion uses equity and external financing to finance its operations. This exposes the company to capital markets and financial risks. As Vion also conducts transactions in currencies other than the euro (our functional currency), we are exposed to foreign currency risks as well.		Vion is adequately financed with a committed working capital facility and a Schuldschein. The five-year working capital facility was renewed in 2020 and extended in 2025, while the Schuldschein was issued in 2021 and matures in three, five and seven years. We prefer to have committed credit facilities that put us in a strong liquidity position. Our potential to raise loans from financial institutions and investors depends mainly on Vion's financial position, our outlook, and our reputation. The variable interest rate of the working facility has been partially hedged by an interest rate cap, whereas the Schuldschein is mostly based on fixed interest rates. We have a professional credit risk management function in place to reflect both the industries in which we operate and the significant amount invested in working capital. We use financial instruments to hedge our exposure to foreign currency risks arising from our operational, financing and investing activities. Based on the current financial position and sector developments, Vion foresees an increased risk on future financing. This is already being mitigated by various options to increase profitability and liquidity in future, as well as options to secure unpledged assets or sell non-core assets. A detailed explanation of the measures taken or to be taken is set out in the going-concern assessment in note 2.1 of the financial statements.

Compliance

Risk	Description	Trend	Mitigation
Non-compliance risk	This is a risk that Vion is found to be non-compliant with applicable laws and regulations. This may adversely affect our reputation and expose the company to financial losses. In general, the trend is towards increasing and more complex legislation.		We are committed to complying with the rules and regulations in every country in which we operate. We have adopted policies and procedures aimed at ensuring we comply with the applicable legislation and regulations, and we believe in sharing our corporate social responsibility policies with the public. We also have a code of conduct that goes beyond the statutory requirements for employee conduct. The Vion whistle-blower policy demonstrates our commitment to being compliant with applicable laws, to integrity in financial management, to ensuring a healthier and safer work environment, and to effective corporate governance. Any employee can report something with the assurance of confidential treatment.

Vion control frameworks

To ensure the effectiveness of our financial reporting, Vion operates a Financial Control Framework. In addition, a Tax, IT, and HR Control Framework are in place. Each of these frameworks is subject to a quarterly self-assessment. If controls are found to be inadequate, measures are taken to solve this. Internal Audit verifies the effectiveness of this process as part of its audits.

As part of the CSRD program we are currently progressing well with the incorporation of an ESG control framework¹. We are currently assessing risks associated with incomplete or inconsistent sustainability reporting, including risks related to the accuracy of data and manual errors when consolidating data from different systems. To mitigate the risks we are defining and embedding relevant controls for various processes and subprocesses. These controls are assigned to their respective control owners, integrated into our internal control framework as stated above, and expected to be fully implemented and reviewed for operational effectiveness in 2025. For value chain information, we engage in dialogue with our suppliers and chain partners to ensure a common understanding of the data needs and data quality.

¹ ESRS 2, GOV-5

Vion's business principles, core values, code of conduct and whistle-blower policy have been formalised in the company's Good Business Practice Guide. In 2024, the company received five reports under the whistle-blower policy (2023: ten). Three were HR-related, one customer related and one related to working practice. Every report was followed up and appropriate action was taken.

Transparency

Vion is subject to demanding quality requirements across its production locations. Food safety, animal welfare, product integrity and workers' safety are all key elements. Vion takes full responsibility for these aspects of doing business. To underline this, Vion has, for the first time, created an integrated report where Environmental, Social and Governance (ESG) topics are included in this annual report. These topics cover everything important that relates to ESG, based on the defined materiality matrix.

Vion runs two transparency websites: → www.vion-transparenz.de and → www.vion-transparantie.nl.

The videos, text, photographs and charts illustrate the facts regarding the production and processing of meat, and we provide a platform to hold a dialogue with visitors.

Management statements

The Management Board is responsible for managing the risks inherent in the company's objectives and for the reliability of the internal and external financial and non-financial reporting. The Management Board is also responsible for evaluating the effectiveness of all risk-management measures. To fulfil its responsibilities, the Management Board relies on the following information:

- Letters of representation signed by the management of the operating companies, business units and functional management.
- Internal control framework self-assessments.
- A fraud-risk analysis that maps the risks of fraud relating to misappropriation of assets and financial reporting, based on the fraud triangle.
- Reports by the internal audit and quality assurance departments on reviews and audits, with follow-ups being tracked and reported upon.
- Management letters from the external auditor containing findings and comments on the internal control measures.

On the basis of this evaluation, and to the best of its knowledge and belief, the Management Board is of the opinion that, at the end of the 2024 financial year, and at the date of this annual report, the internal risk management procedures and controls

were sufficiently effective to provide a reasonable degree of assurance that:

- The internal and external reporting provide an adequate understanding of any significant failings in the effectiveness of the internal risk management and control systems.
- The financial statements do not contain any material misstatements.
- Based on the current situation, it is justified that the financial statements have been prepared on a going-concern basis. Please refer to the going concern paragraph in section 2.1 of financial statements.
- The annual report specifies all material risks and uncertainties that are relevant to the company's expected ability to continue as a going concern for the period of 12 months after the preparation of this report.

All procedures and reports relating to the risk management and internal control systems, along with the resulting findings, recommendations and measures, have been discussed with the Audit Committee and the Supervisory Board.

Report of the Supervisory Board

The Supervisory Board operates independently. It is responsible for supervising and advising Vion's Management Board and overseeing the company's general affairs, long-term sustainable value creation and operational performance. In performing its duties, the Supervisory Board is guided by the interests of Vion, focusing on the overall good of the company and the relevant interests of all its stakeholders.

This report gives an overview of the activities of the Supervisory Board and its committees in 2024.

Supervisory Board activities

Principal item in 2024 was Vion's transformation to ensure a sustainable and competitive future with a clear strategic focus on sourcing and production in the Benelux region. In line with the strategic decision made in 2023 to divest most of Vion's German business the transactions of the German sites concerned were after extensive discussions with the Management Board approved by the Supervisory Board in 2024.

The Supervisory Board was also informed periodically about the preparation for corporate sustainability reporting under the CSRD Directive among which the Double Materiality Assessment. Sustainability is an important topic for the Supervisory Board that requires continuous attention.

The Management Board regularly updated the Supervisory Board on the progress of the successful Change That Matters transformation programme. This programme continues to compensate for the negative market dynamics and inflation.

Next to the financial performance of the company, key developments in the fields of worker safety, workforce management and risk management were further recurring themes for the Supervisory Board in 2024. In 2024, the Supervisory Board initiated an independent investigation into the matter highlighted by the NVWA in November 2023. Other topics the Supervisory Board discussed with the Management Board included the IT and HR strategy.

The Supervisory Board visited the Boxtel facility in November 2024. This gives the Supervisory Board the opportunity to meet with local management and employees and offers valuable insights.

The findings and recommendations arising from the annual evaluation of the Supervisory Board, its committees, and individual members were discussed during a dedicated session in November 2024. These outcomes were acknowledged by the Supervisory Board. As part of the annual review in 2025, the Board intends to assess whether the proposed recommendations have been implemented.

The Supervisory Board concluded that the Board is functioning well and that its composition is in line with the required profile. The Supervisory Board agreed that the next time a vacancy arises the search criteria will again emphasise that the candidates should preferably be female. Specialist headhunters will be used to support this search.

The Supervisory Board discussed the action plan to achieve the gender targets of Vion's Diversity Policy in the December meeting of the Supervisory Board.

In March 2025 the Supervisory Board discussed and approved the internal audit department's annual plan for 2025.

Composition of the Supervisory Board

The composition of the Supervisory Board did not change in 2024.

The Supervisory Board has the following five members: Theo Koekkoek (chair), Rogier Jacobs (vice-chair), Peter Broeckx, Peter van Deursen and Cis van Doninck.

Composition of the Management Board

The composition of the Management Board did not change in 2024.

The members of the Management Board were Ronald Lotgerink (CEO) and Tjarda Klimp (CFO). Ronald Lotgerink stepped down as CEO at the end of 2024. The Supervisory Board would like to thank him for his commitment and leadership.

As of 1 January 2025 Tjarda Klimp succeeded Ronald Lotgerink as CEO, Mattijn Bak succeeded Tjarda Klimp as CFO and Leon Cuypers joined the Management Board as COO. Given the fact that Ronald Lotgerink would leave Vion as of 1 January 2025 the Management Board did not evaluate its own performance and effectiveness in 2024 and the Supervisory Board only evaluated the performance of Tjarda Klimp in 2024.

Executive Committee

The Management Board is supported by the Executive Committee in achieving the objectives of the company and implementing the strategic objectives set out in the strategy and business plan.

In 2024 along with the Management Board members, the other members of the Executive Committee were Leon Cuypers (COO Business Unit Benelux), Philippe Thomas (COO Business Unit Germany), Simon Morris

(COO Business Unit Food Service), Freek van den Eijnden (COO Business Unit Ingredients/Chief Science and Sustainability Officer) till 1 August 2024, Binne Visser (CHRO) and Mattijn Bak in his role as Chief Transformation Officer.

As of 1 January 2025 the Executive Committee has been renamed to Leadership Team and the composition has changed.

Along with the Management Board members the other members of the Leadership Team currently are Simon Morris (COO Business Unit Food Service/ Chief Commercial Officer) and Veronika Weber (Chief Sustainability Officer). Patrick van den Langenberg succeeded Binne Visser as Chief Human Resources Officer and Boi Snellaars succeeded Mattijn Bak as Chief Transformation Officer.

The members of the Executive Committee other than the Management Board members are regularly invited to inform the Supervisory Board about the opportunities and risks they face in their lines of business.

Independence

The Supervisory Board confirms that all Supervisory Board members were independent within the meaning of best practice provision 2.1.7 of the Dutch Corporate Governance Code during the reporting period and up to 26 June 2025.

Corporate governance

The members of the Supervisory Board do not receive any remuneration that is linked to the company's financial performance. In the event of a conflict of interest regarding a particular topic, the Supervisory Board member in question will not take part in the discussion or the decision-making on that topic. The Supervisory Board has rules of procedure regarding the performance of its duties and its tasks.

Supervisory Board meetings

The Supervisory Board held 35 meetings in 2024 in the presence of the CEO and CFO. With a limited number of exceptions, which occurred for valid reasons, all Supervisory Board members attended every meeting.

The chair of the Supervisory Board interacts regularly with the CEO, the chair of the Remuneration, Selection and Appointment Committee and the chair of the Audit Committee.

In 2024, the Management Board and the company's external auditors provided the Supervisory Board with all the information it needed to perform its duties.

The agendas of the Supervisory Board meetings were drawn up by its chair, in discussion with the Management Board and the company secretary.

Remuneration, Selection and Appointment Committee

The composition of the Remuneration, Selection and Appointment Committee did not change in 2024.

The members of the Remuneration, Selection and Appointment Committee are Peter van Deursen (chair), Theo Koekkoek and Peter Broeckx.

The Remuneration, Selection and Appointment Committee met six times in 2024 in the presence of the CHRO. The CEO was invited to attend parts of the Committee meetings, depending on the topics being discussed. The Committee prepared the appointment procedure and remuneration with respect to the new composition of the Management Board as of 1 January 2025.

Audit Committee

The composition of the Audit Committee did not change in 2024.

The current members of the Audit Committee are Cis van Doninck (chair) and Rogier Jacobs.

The Audit Committee met eight times in 2024 in the presence of management, including the CFO and the officers responsible for the relevant corporate services departments. Both the external auditor and the internal auditor attend the Audit Committee meetings. The members of the Audit Committee meet in an executive session to discuss the agenda before

each meeting of the Audit Committee. The chair of the Audit Committee is in regular contact with the chair of the Supervisory Board, the CFO and the internal and external auditor.

The Audit Committee pays ongoing attention to risk management (including those related to ESG challenges, sector developments and going concern), compliance and internal control and these are fixed items on the agenda.

Each year the Audit Committee discusses the Internal Audit Plan and advises the Supervisory Board accordingly. At each meeting the internal auditor reports to the Audit Committee on the audit findings and the progress on follow-up actions arising from earlier findings. The Audit Committee is also informed about the effectiveness of the internal control framework, including fraud prevention, and the improvements being implemented in this area. In 2024, the Audit Committee was also briefed on the outcome of an analysis of key business risks and the measures being implemented to mitigate these risks. The treasury officer provided an update on working capital developments and insurance cover. Regarding IT special attention was given to cybersecurity.

Financial statements

The annual report and financial statements for 2024 were first discussed by the Audit Committee and subsequently by the Supervisory Board in the presence of the Management Board and EY, the external auditor. The financial statements were then approved by the Supervisory Board. The Supervisory Board proposes that the General Meeting of Shareholders adopts the financial statements for 2024.

The Supervisory Board would like to thank Vion's management and all its employees and especially Vion's departing German employees for their efforts over the past year.

Boxtel, the Netherlands, 26 June 2025

On behalf of the Supervisory Board, Theo Koekkoek, chair

Personal details of the members of the Supervisory Board as at 16 October 2024

Theo Koekkoek

Chair
1971, male, Dutch

Principal position

Agricultural entrepreneur

Main other positions

Member of Advisory Board Coöperatie Cosun,
Member of Advisory Board Aeres and Chair of
Supervisory Board Efteling B.V.

Rogier Jacobs

Vice-chair
1960, male, Dutch

Principal position

Programme Owner ASML

Former positions

CIO ASML, CIO Cofco International, CIO Cargill Animal
Nutrition and various management functions at
amongst others Océ, Toyota, Ericsson and Capgemini

Main other positions

Sounding board IT Defensie

Peter Broeckx

1963, male, Belgian

Principal position

Dairy farmer

Main other positions

-

Peter van Deursen

1966, male, Dutch

Former positions

Various international management positions at Cargill
among which CEO Asia Pacific (Cargill Singapore) and
President Global Starches, Sweeteners & Texturisers
(Cargill Singapore/Mechelen)

Main other positions

-

Cis van Doninck

1961, male, Belgian

Former positions

CFO Cargill's Food Agricultural & Supply Chain
platform (United States), various CFO roles at Cargill
in Europe and also country manager Belgium, after
acquisition Provimi by Cargill CFO Cargill's Animal
Nutrition and Global CFO Cargill's Food Ingredients
& Bioindustrial.

Main other positions

Member of Supervisory Board Cargill B.V. and Cargill
Bioindustrial B.V.

Rotation plan of the Supervisory Board

	Commencement date first appointment	Current term expires in	Commencement date of latest term	Reappointment possible
Theo Koekkoek	27 November 2017	2025	18 March 2021	Yes ¹
Peter Broeckx	18 March 2021	2025		Yes
Cis van Doninck	1 June 2021	2025		Yes
Peter van Deursen	1 January 2023	2027		Yes
Rogier Jacobs	15 May 2019	2027	28 June 2023	Yes

¹ Theo Koekkoek was a member of the Supervisory Board of Vion from 9 May 2007 to 9 September 2010.
Allowance will be made for this period when determining his maximum appointment period.

Remuneration

Summary of remuneration policy

The objective of Vion's remuneration policy is to attract, motivate and retain experienced executives with an international outlook and to reward them appropriately for their ability to achieve stretched performance targets.

Policy Adoption and Implementation

The remuneration policy, adopted by the General Meeting of Shareholders on 1 March 2021, remained unchanged in 2024. For detailed information, please visit our website.

The Supervisory Board ensures the implementation of the remuneration policy aligns with Vion's general objectives. A significant portion of the remuneration package is variable, linking it to the short-term performance of individual board members and the company. Performance targets are set to be both realistic and challenging. The Supervisory Board ensures a correlation between performance criteria and strategic objectives, as well as between awarded remuneration and performance, through thorough reviews and assessments.

Scenario Analyses and Benchmarking

In compliance with the Dutch Corporate Governance Code, the Remuneration, Selection, and Appointment Committee conducted scenario analyses before setting targets, which were then presented to the Supervisory Board for adoption. These scenarios considered

possible outcomes based on different performance levels and their impact on the total remuneration package of Management Board members.

An independent remuneration expert was engaged to apply an industry benchmark, reviewing the impact on pay differentials within the company. This was considered by the Supervisory Board when determining overall remuneration. Additional benefits or allowances are reviewed for market competitiveness.

Remuneration Levels and Market Comparison

Remuneration levels for the Management Board are set in accordance with statutory requirements, corporate governance guidelines, and best practices in the Netherlands. The total executive remuneration package is benchmarked against the median of the peer group in the labour market. Vion aims to offer a competitive total remuneration level to attract and retain highly skilled executives, comparable to other Dutch and European companies of similar size, complexity, and industry.

Variable Compensation

Variable compensation, a significant part of the total remuneration package, is linked to measurable, predetermined targets. These targets and performance conditions reflect key drivers for the company's value creation and growth in shareholder value, aligning closely with Vion's strategies.

Remuneration components

The remuneration for Management Board members includes:

- A base salary, reviewed annually by the Supervisory Board
- A short-term cash incentive, ranging from 0% to 67.5% of the base salary, based on performance target achievement
- Pension contributions
- Termination benefits (if applicable)

Additional Benefits

Management Board members are entitled to additional benefits such as expense reimbursement, health insurance premium contributions, and a company car.

Base salary in 2024

Upon joining the Management Board, members receive a base salary aligned with the median of the peer group in the labour market. The base salary may be adjusted by the Supervisory Board based on external and internal developments, with the reference date being 1 January each year. The base salary was adjusted with an annual market correction as of January 2024.

Amounts in €	Base salary in 2024	Base salary in 2023
Management Board	1,480,961	1,417,730

Short-term cash incentives in 2024

The short-term incentive plan (STIP) rewards the Management Board for operational performance in a competitive environment. 60% of the target incentive is linked to Vion’s financial results, and 40% to strategic and personal objectives, including Corporate Social Responsibility¹. The STIP objectives are set at a challenging level each year, considering market trends. Financial target incentives are awarded only if minimum targets are met. For 2024, the financial objective (60%) was not met and will not be paid out.

STIP objectives are revised annually to ensure they are up-to-date, challenging, and realistic. Targets are influenced by Vion’s operational and strategic direction and ambitions, determined by the Supervisory Board at the beginning of each year for each Management Board member. Achieving all targets, results in an incentive of 50% of the annual base salary, with outstanding financial performance potentially increasing the STIP level to a maximum of 67.5%. The Supervisory Board has reviewed and approved the extent to which targets were met in 2024: achievement is set discretionarily, allocation takes place under agreed payment terms. (*)

¹ ESRs 2, GOV-3

Short-term cash incentives

Amounts in €	2024	2023
Management Board	*	647,658

Changes in remuneration

The Supervisory Board has the authority to adjust variable remuneration components if the regular result determination produces an unfair result. Variable remuneration can be clawed back if awarded based on incorrect data. No bonuses awarded for the 2023 financial year were revised or clawed back in 2024.

Pensions

Vion offers the following pension provisions to Management Board members:

- Participation in the Group defined contribution plan, with Vion contributing an average of 19.15% for all Management Board members. Members contribute 6% of their base salary, up to the maximum tax-facilitated amount for 2024 of €137,800 (2023: €128,810) per annum, starting from €17,545 (2023: €16,322).

- An allowance of 20% of the base salary exceeding €137,800 (2023: €128,810) per annum, which is taxable.

Pay ratio

Vion discloses the pay ratio between Management Board members and other staff on the company’s own payroll, defining the total Vion population as the average number of FTEs during the year, excluding flex-workers.

The table below shows the average cost of executive remuneration for the past two years:

	2024	2023
Pay ratio (A/B)	22.2	20.7

The ratio between the annual total executive remuneration and the average annual total compensation of employees was 22.2 in the reporting period and 20.7 in the 2023 financial year.

These figures are based on annual base salary, including social security contributions, variable remuneration, and pension benefits.

Management Board contracts

Agreements with Management Board members are for an indefinite period. The notice period for termination by the board member is three months, while the company must observe a six-month notice period. Members typically retire in the year they reach statutory retirement age.

Contract termination

Employment contracts for Management Board members include severance pay, determined in accordance with best practice provision 3.2.3 of the Dutch Corporate Governance Code (equivalent to the annual base salary). This has been effectuated accordingly. We refer to note 33 of the Financial Statements.

Remuneration of the Supervisory Board

The remuneration package for the Supervisory Board includes an annual fixed fee and an annual committee membership fee.

Remuneration awarded to the Supervisory Board in 2024

The annual remuneration for Supervisory Board members was determined by the General Meeting of Shareholders on 19 February 2024. The total remuneration for Supervisory Board members amounted to € 0.4 million in the reporting period (2023: €0.4 million).

Loans

The company does not provide any loans to the members of the Management Board or the Supervisory Board.

Chair of the Supervisory Board (including membership of the remuneration, selection and appointment committee)	€85,000
Vice-chair Supervisory Board	€60,000
Member Supervisory Board	€55,000
Chair Audit Committee	€10,000
Member Audit Committee	€8,000
Chair Remuneration, Selection and Appointment Committee	€10,000
Member Remuneration, Selection and Appointment Committee	€8,000

Sustainability statement

Topic	Page
General disclosures	57
Environment	75
Social	95
Governance	120



General disclosures

Topic	Page
Introduction	58
Sustainability at Vion – Building responsible food systems, together	60
Value chain	62
Vion's sustainability focus and alignment with DMA	63
Double materiality assessment	66
Basis for preparation	64
Statement on due diligence	73
Interest and views of stakeholders	73



Introduction

We are proud to present Vion's first sustainability statement, covering the year 2024. The structure of this statement has been carefully prepared as a step towards aligning with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) framework. No assurance has been provided on this 2024 sustainability statement but we have the ambition to obtain limited assurance on our statement covering 2025.

Our sustainability statement contains the following elements:

- General disclosures
- Environmental topics
 - E1 - Climate change
 - E4 - Biodiversity and ecosystems
 - E5 - Resource use and circular economy
- Social topics
 - S1 - Own workforce
 - S4 - Consumers and end-users
- Governance topics
 - G1 - Business conduct

The sustainability topics and related disclosure requirements covered in this report have been identified through a Double Materiality Assessment (DMA) (learn more about our DMA on page 66).

The following pages include tables providing an overview of the disclosure requirements addressed in our sustainability statement. In some cases, specific disclosure requirements are covered in other sections than the sustainability statement in the integrated report. These instances are clearly marked with page references indicating where the relevant information can be found.

Disclosure requirements covered in Vion's sustainability statement:

IR ¹	ESRS 2 - General disclosures	Page
	BP-1 General basis for preparation of the sustainability statement	64
	BP-2 Disclosures in relation to specific circumstances	64
■	GOV-1 The role of the administrative, management and supervisory bodies	33, 39, 72
	GOV-2 Sustainability matters addressed by management	72
■	GOV-3 Integration of sustainability-related performance in incentive schemes	54
	GOV-4 Statement on due diligence	73
■	GOV-5 Risk management and internal controls over sustainability reporting	39, 46
■	SBM-1 Strategy, business model and value chain	5, 62
	SBM-2 Interests and views of stakeholders	73
	SBM-3 Material IROs and their interaction with strategy and business model	60, 66, 77
	IRO-1 Double materiality assessment process	70
	IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	58

IR ¹	E1 - Climate change	Page
■	GOV-3 Integration of sustainability-related performance in incentive schemes	54
	E1-1 Transition plan	77
	SBM-3 Material IROs and their interaction with strategy and business model	60, 66, 77
	IRO-1 Double materiality assessment process	70
	E1-2 Policies	77
	E1-3 Actions and resources	78
	E1-4 Targets	80
	E1-5 Energy consumption and mix	81
	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	82
	E1-8 Internal carbon pricing	82

IR ¹	E4 - Biodiversity and ecosystems	Page
SBM-3	Material IROs and their interaction with strategy and business model	60, 66, 77
IRO-1	Double materiality assessment process	70
E4-2	Policies	89
E4-3	Actions and resources	91
E4-4	Targets	91
IR ¹	E5 - Resource use and circular economy	Page
IRO-1	Double materiality assessment process	70
E5-1	Policies related to resource use and circular economy	93
E5-2	Actions and resources in relation to resource use and circular economy	94
E5-3	Targets related to resource use and circular economy	94
IR ¹	S1 - Own workforce	Page
SBM-2	Interests and views of stakeholders	73
SBM-3	Material IROs and their interaction with strategy and business model	60, 66, 77
S1-1	Policies	99
S1-2	Processes for engaging with own workforce and workers' representatives about impacts	97
S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	97
S1-4	Managing impacts on own workforce	100
S1-5	Targets	100
S1-6	Characteristics of the undertaking's employees	103
S1-7	Characteristics of non-employees in the undertaking's own workforce	103
S1-14	Health and safety metrics	108

IR ¹	S4 - Consumers and end-users	Page
SBM-2	Interests and views of stakeholders	73
SBM-3	Material IROs and their interaction with strategy and business model	60, 66, 77
S4-1	Policies	111, 116
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	99
S4-4	Managing impacts on consumers and end-users	110
S4-5	Targets	113, 118
IR ¹	G1 - Business conduct	Page
■ GOV-1	The role of the administrative, management and supervisory bodies	33, 39, 72
IRO-1	Double materiality assessment process	70
G1-1	Business conduct policies and corporate culture	122, 130
G1-2	Management of relationships with suppliers	130
G1-6	Payment practices	130

¹ Disclosure requirements marked with a green dot "■" before their ID are disclosed by reference, meaning that they are covered in other parts of the integrated report than the sustainability statement.



Sustainability at Vion – Building responsible food systems, together

At Vion, sustainability means taking responsibility in our own operations but also at every step of the value chain. As one of Europe's leading meat producers, we recognise both the impact we have and the important role we play—a role that we embrace not just out of duty, but out of choice. Every day, we are committed to producing safe, nutritious meat while simultaneously reducing our environmental footprint and promoting fair, transparent practices across the entire value chain.

We believe that sustainable food systems can only be achieved together. Farmers, (feed) suppliers, retailers, employees, and consumers – all are part of the solution. This belief guides our partnerships, investments, and ambition to become the leading sustainable meat and plant-based company in Europe. We want to lead by example and show that responsible meat production is possible, necessary and already underway.

This sustainability statement is a voluntary report based on the CSRD and ESR5. It provides a transparent overview of our sustainability strategy and how we act on our most material topics which are part of the ESG dimensions.

Our Sustainability strategy – From vision to action

Our approach is structured, data-based, and continuously evolving. We focus on the areas where we have the greatest (financial) impact: producing safe, healthy, traceable food; strengthening animal welfare; ensuring safe working conditions whilst further reducing emissions; protecting biodiversity; and using resources efficiently.

Environmental responsibility (E)

We actively work to reduce our environmental footprint. One of our main goals is to lower greenhouse gas emissions for transportation, animal husbandry, and start

to finish processing. We are investing in energy-efficient technologies in our own facilities but also aim to reduce the environmental footprint of the animals that we take in by cooperation within the entire upstream value chain.

To meet our goals, we address the impact of land use and air pollution on biodiversity. By promoting better farm management, phase out of land-use change in feed and more circular feed components, we contribute to more sustainable agriculture. Circular thinking is part of our strategy: we aim to obtain the most value out of every animal, reduce waste, and promote by-product utilisation.

Social commitment (S)

We want to create value for people – both inside and outside our company. This starts with our workforce, as safe and healthy working conditions, fair wages, and continuous learning and development advancements are key priorities. Regular audits and clear policies help us uphold these high standards.

Our responsibilities also extend to consumers. We ensure that our products are safe, traceable, and can be part of a balanced diet. Transparency is crucial – we want people to know where their food comes from and how it was produced.

Good governance (G)

Responsible business practices are the foundation of our work. This includes how we treat animals, how we work with our suppliers, and how we make decisions. We set clear rules and expectations, from fair payment terms to ethical sourcing practices. Animal welfare is non-negotiable: we apply strict standards across our supply chain to ensure animals are treated with care and respect, and we are proud to be leading in our sector in this matter.

Our sustainability strategy is also our management tool: we monitor our progress with clear Key Performance Indicators (KPIs), as we continuously assess emerging impacts, risks and opportunities, while updating and adjusting our targets, goals,

and actions accordingly. In this way, we can assure ourselves that we are on track and provide real impact on our material topics.

Securing responsible meat production for the future

Sustainability will always be a journey of continuous learning, innovation and collaboration. While we are taking important steps, new regulations, shifting consumer expectations, customer goals, and climate-related risks will continue to further change food production practices.

A key part of our long-term ambition is to become climate-neutral over the full supply chain by 2050. This will require targeted investments, innovation across our operations and even closer cooperation within resilient food chains. Together, we can provide Food that Matters – meat and plant-based solutions produced with respect for people, animals and our planet.

Resilience of strategy and business model

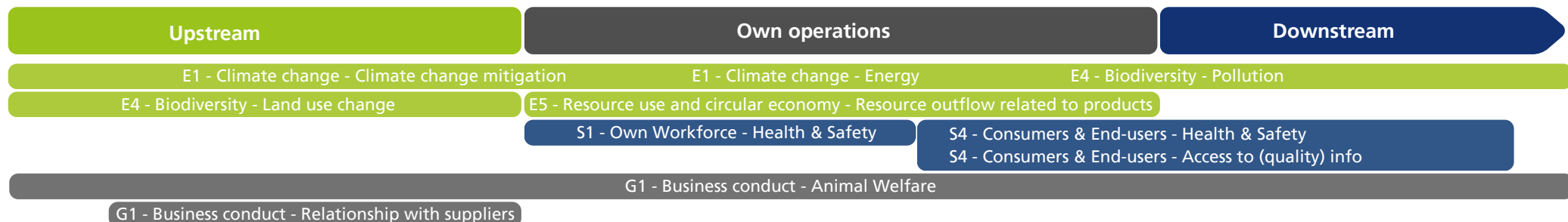
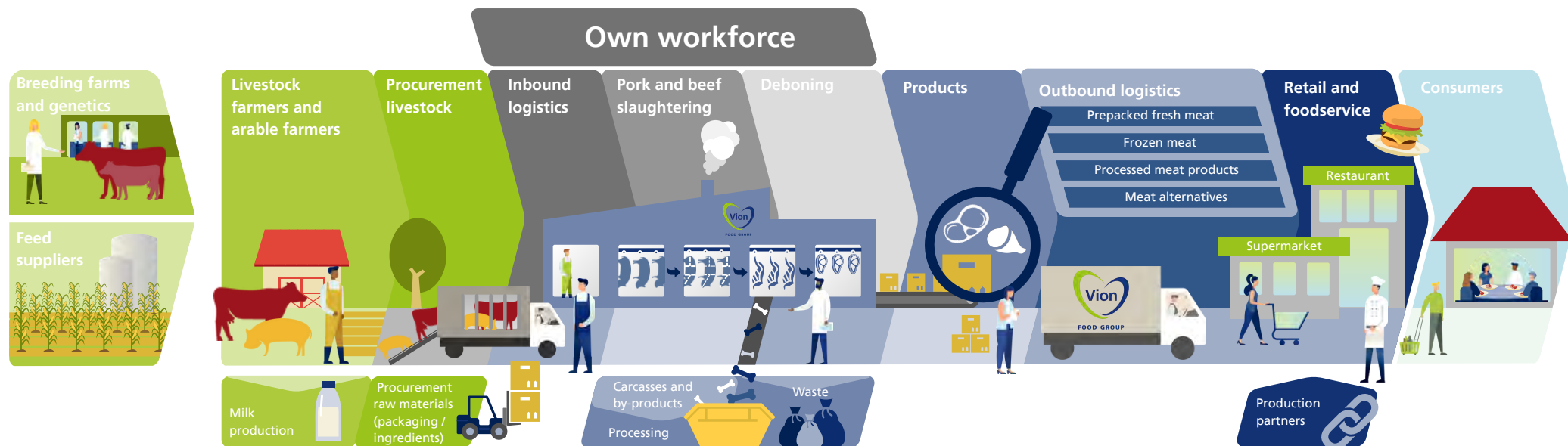
Our strategy and business model are both designed to be resilient, focusing on building strong, demand-driven chains while improving upon sustainable practices. Through addressing material impacts and risks, we aim to mitigate potential disruptions and capitalise on emerging opportunities. This resilience is critical for maintaining our competitive edge and ensuring the sustainability of our operations.

Our contribution to the SDGs

Vion supports the United Nations Sustainable Development Goals (SDG). We have mapped the most relevant SDGs to our material topics – including climate action, responsible consumption and production, decent work, and partnerships for the goals. This alignment guides our decisions and strengthens the positive impact of our ESG initiatives. More information can be found on page 63.



Value Chain



Upstream

Vion collaborates with farmers for the procurement of animals (pigs and cattle). As we aim for the best performing animals we participate in genetics and feed improvement programs. We outsource the logistics to transport the animals from the farmers to the slaughterhouses. We create partnerships with suppliers of raw materials (non-food) to produce best in class products.

Own operations

In our own operations we produce high quality meat products by slaughtering, deboning and packing pork and beef. Besides cuts for industrial partners, retail and foodservice products, including plant-based items, are produced and packed for end consumers. We extract value from by-products and waste, promote resource optimization and therewith reduce overall waste generation. Cooling, storing and some transport to our customers is also part of our own operations.

Human Resources (HR) plays an important supportive role in Vion's value chain by workforce management, enforcing workforce policies and promoting personal health, safety, diversity and inclusion within the company.

Downstream

Many of our products are further processed downstream, creating different types of products. Finally, the end consumers buy these products, mainly at retailers, wholesalers and foodservice outlets.

By-products are converted into food ingredients like gelatine, medicines like insulin, and energy such as biogas. Next to this they are processed into high quality petfood.

Vion's sustainability focus and alignment with DMA

	Environment			Social		Governance	
	We produce sustainable , together			We produce sustainable , together		We produce sustainable , together	
Our strategic ESG pillars	...on Climate Change (E1)	...on Biodiversity (E4)	...on Circular Economy (E5)	...for our own Workforce (S1)	...for Consumers & end-users (S4)	...on Animal Welfare (G1)	...on Business Conduct (G1)
	We ensure our supply chain's greenhouse gas emissions align with the Paris agreement and set green standards to limit the temperature increase to 1.5°C throughout our value chain.	We assure land-conversion-free supply chains with farmers that produce responsibly in local ecosystems.	We assure to use our resources responsibly by reducing usage and minimizing waste. Within our value chain we recycle and renew resources where possible.	We offer a stable, safe, inclusive workplace for our own employees and flex workers and aim to become an empowering employer of choice.	We offer wholesome foods for a balanced diet in a healthy lifestyle according to the highest food safety norms that we safeguard by strict traceability and product integrity standards.	We improve Animal Welfare throughout our value chain by ensuring that animals are treated according to 'Five Freedoms' and strive for a positive emotional state for the individual animal.	We manage the relationship with our livestock suppliers and ensure a fair profit sharing and fair income for all.
Our material sub-topics	- Climate change mitigation - Energy	- Land-use change - Climate Change - Pollution	- Resource outflows related to products and services	- Health & safety	- Health & safety (Food safety) - Access to (quality) info (Product integrity)	- Animal welfare	- Management of relationships with suppliers
Our material impacts, risks and/or opportunities	+ Frontrunner in reducing GHG emissions - Escalation of energy prices - Greenhouse gas emissions in the value chain - Cost increases when mitigating climate change	- Air pollution from nitrogen and hydrogen in the value chain - Feed ingredients coming from deforestation or habitat destruction plots	+ We ensure that all parts of the animals are utilized and aim to extract higher value from the animal related (by)products & waste streams	- Our workforce faces significant safety risks due to the nature of their work, including accidents with dangerous tools.	+ Contribution to a wholesome and nutritious diet + Promoting the health and safety of our products + Thorough integrity monitoring - Contamination of our products - Failure in traceability	+ Support scientific projects and chain collaborations - Handling and slaughtering of live animals, restriction of animals' freedom - Noncompliance to good practice standards	+ A fair and clear payment policy
Our link to the SDG	   	 				 	
Achievements so far	Significant Co2 emission reduction in scope 1, 2 & 3 and on track to meet our SBTi commitment. We achieved this by upgrading our system amongst others by installing heat pumps, and replacing cooling's. Scope 3 benefitted from the reduction in livestock. We implemented a Powerchain technology to calculate the actual CFP of our farmers and conducted a pilot for lower emission feed, which already showed promising results.	Formalizing our biodiversity strategy, including drafting of KPIs. This allows us to expand the sustainability quantification from CFP to biodiversity impact at farm level, to support our farmers in data-based sustainability improvements. A first pilot was conducted to phase out land-use-change in feed.	Waste reduction per animal and optimizing the value of animal by-products. New policy to further focus on waste reduction, innovation, and cooperation with external partners.	Significant improvement in workplace health and safety by having a stronger focus, conducting training and enhancing compliance with regulations. Implementation of a H&S culture in operations. Increase in our internal Health & Safety Audit score and a decrease in the number of Lost Time Injuries Frequency for the Netherlands (LTIF).	We retained our reputation as trusted partner regarding high food safety standards for our products. There were no public recalls. For product integrity we further optimized the data flow in our pork production plants.	We continue to be industry frontrunner by setting animal welfare standards above legal requirements. We train our people with new technologies like virtual cow and pig googles to ensure correct handling. We work on new technologies such as alternatives for CO2 stunning or the roll out of digital data measurements to improve animal welfare also at farm level (e.g. behaviour or tail length measurements).	Reduction in extreme price volatility and fluctuations by implementing and working in chain structures. This allows us to steer the whole chain from primary and end product dynamic to market developments. In particular we drive to have short payments terms and on time payment which is important to farmers as it helps to alleviate their working capital challenges.
Our goals for 2030	We have an SBTi commitment to reduce 42% in GHG emissions (scope 1, 2 and 3) by 2030 which we aim to realize via e.g. replacement of Freon cooling systems and reduction on feed and manure emissions at farm level. New pilots for further emission reductions are planned for 2025 onward.	We will have quantified the biodiversity impact of our suppliers and set meaningful targets in 2026 to be reached in 2030, in dialogue with relevant supply chain partners. Where possible land use change free feed is used.	We aim to reduce the total waste per animal. We also have the ambition to show a decrease of hazardous waste and maximize the waste recovered. Our science and product development teams focus on techniques for shelf life extension to decrease food waste in the full supply chain. Also, pilots to drive circular use, e.g. usage of manure to fertilizers will be conducted.	In the coming years, we aim to continue this positive trend. Our goal is to achieve a minimum score of 4 out of 5 on the internal Health & Safety Audit and a maximum Lost Time Injury Frequency (LTIF) of 10.	Food safety is continuously improved, monitoring (re)emerging hazards and utilizing new developments such as vision systems and artificial intelligence. We aim to have no recalls. On product integrity we will continue to develop and implement the DNA product traceability system and aim to increase our IFS PIA certification. Furthermore, we will keep track of new (sensor) technologies to stay ahead with our food safety standards.	Animal welfare will be continuously improved, by co-developing with stakeholders and utilizing new developments such as vision systems and artificial intelligence where such systems are accepted and/or requested in the market.	Continue to get farmers into the chain programs to assure a fair profit sharing within the value chain including long term conditions. Keep having payment policy for livestock suppliers in accordance with market standards as we have already for many years.

Basis for preparation

General basis for preparation

This sustainability statement has been developed in preparation towards compliance with the CSRD and ESRS and covers Vion's operations for the financial year ending 31 December 2024, including all entities under Vion's operational control. Our reporting is guided by the double materiality principle, addressing both the impacts of Vion's operations on the environment and society, and the sustainability-related risks and opportunities potentially affecting our financial performance.

Forward-looking statements regarding Vion's sustainability goals are based on current expectations and subject to risks and uncertainties. We remain committed to improving our sustainability performance and reporting practices in alignment with regulatory developments and stakeholder expectations.

Scope of consolidation

The scope of consolidation in Vion's sustainability statement is aligned with the Consolidated Financial Statements and follows the same control principles as outlined in sections 2.1 and 2.2 of the Financial Statement.

For sustainability data, the consolidation is identical to that of the Financial Statement, however, unlike the Financial Statement, no distinction is made between continued and discontinued operations. Sustainability data is presented at a total and/or country level. This approach enhances the relevance and clarity of sustainability disclosures in relation to both our operations and sustainability initiatives. Alignment with the Science Based Targets initiative (SBTi) applies specifically to disclosures under ESRS E1 (Climate change).

Time horizon

Our definitions of short-, medium-, and long-term align with the ESRS framework and our financial reporting periods:

- Short-term: Less than 12 months
- Medium-term: Between 1 and 5 years
- Long-term: Beyond 5 years

Limitations

Limitations to our sustainability statement

The 2024 sustainability statement marks Vion's first year of voluntary reporting developed in preparation for alignment with the ESRS and CSRD, but it has not yet been subject to limited assurance. Several inherent limitations have influenced the preparation and presentation of our sustainability information:

- **Use of estimates and assumptions:** As this is our first sustainability statement, we have relied on assumptions, estimates, and professional judgment where precise data was unavailable. These estimates, based on Vion's operational data, industry benchmarks, and reasonable proxies, are essential to ensure the completeness and relevance of our reporting. While we have applied rigorous internal processes to support the reliability of these figures, future updates or improved methodologies may lead to adjustments, especially in key areas like scope 3 greenhouse gas emissions (E1-6).
- **Measurement uncertainty:** Quantitative metrics and monetary values in this statement involve uncertainties due to data limitations, methodologies, and estimates—including benchmarks, approximations, and methodological judgments. Vion updates these estimates as new information and standards emerge, with changes reflected in the relevant period to ensure transparency. See the quantitative ESG data tables for details.
- **Developing internal systems:** Our internal systems for collecting, managing, and validating sustainability data are still being improved. We are investing in the development of robust governance and control mechanisms to enhance the consistency and reliability of future sustainability reporting.

- **Value chain data limitations:** A significant portion of our sustainability impact occur upstream in our supply chain. However, many of our suppliers are not yet subject to mandatory sustainability reporting, limiting the availability and quality of data we can currently access. As reporting obligations expand across the value chain, we expect to improve the completeness and accuracy of our disclosures.
- **Lack of industry-specific guideline:** The meat and food processing sector currently lacks detailed industry-specific ESRS guidance. This may result in differences in interpretation, metrics, and methodologies used by companies in our sector, limiting comparability.
- **Connection to the financial statement:** CSRD and ESRS require that information presented in the sustainability statement is connected with the information presented in the financial statement. Since the target setting for our material topics, especially related to climate change, recently took place, there has not yet been a translation of these targets into the financial statement. We are currently assessing the short- and medium-term impact of the targets regarding e.g. investments and useful life of the investments.

Despite inherent limitations, this sustainability statement faithfully reflects our performance and is closely aligned with the ESRS, based on our best current knowledge.

Limitations of the double materiality assessment process

In 2024, we conducted our first Double Materiality Assessment (DMA) in accordance with the ESRS and CSRD requirements. This process was designed to identify the most significant ESG topics relevant to our business and stakeholders. While we have taken a structured and inclusive approach, the following limitations apply:

- **First-time implementation:** Although we have conducted periodic materiality analyses before, this was our first DMA. As a result, the process faced the same limitations as our broader sustainability reporting, including reliance on estimates, evolving methodologies, and limited data availability.

- **Internal and external input:** The assessment was based on internal workshops and stakeholder engagement through surveys and interviews. While we engaged a broad range of stakeholders, we reached out to a subset within each group to ensure fair representation. The scope and depth of input are expected to evolve in future cycles as we refine our engagement strategies.
- **Methodological development:** Our scoring methodology and thresholds for materiality were developed in line with ESRS guidance but may be further refined as best practices emerge and industry benchmarks become available.
- **Integration into governance:** The DMA process is being embedded into our broader risk management and due diligence frameworks. As this integration matures, we expect to enhance the robustness and strategic alignment of our materiality assessments.

Changes to the previous report and reporting errors

As this is our first report aimed at aligning with the CSRD and ESRS, there are no prior reports for comparison. However, we have established a robust framework to track future changes and improvements. Most KPIs in this sustainability statement were also included in last year's CSR reports, and any corrections or adjustments from those years are disclosed where relevant.

EU Taxonomy

The EU Taxonomy Regulation (EU) 2020/852 is designed to provide well-defined, harmonised criteria for when economic activities can be considered to be sustainable. It sets specific reporting obligations related to an organisation's revenue, operating expenditure (OpEx), and capital expenditure (CapEx), requiring assessments of both eligibility and alignment. At present, the food and beverage manufacturing sector is not yet covered, which means Vion has no eligible revenue under the current framework. We therefore decided to not yet apply the EU Taxonomy methodology ahead of its mandatory implementation. As such, no EU Taxonomy disclosures are included in this year's sustainability statement.

Double materiality assessment

In 2024, we undertook a comprehensive Double Materiality Assessment (DMA) to identify and address the most significant ESG topics impacting our operations and stakeholders. This assessment aligns with the ESRS and CSRD with the goal to ensure transparency, accountability, and continuous improvement in our sustainability practices.

Our DMA evaluates how our activities impact both people and the environment, and how sustainability issues affect our financial performance. This process involves representatives from various departments and extensive stakeholder engagement through surveys and interviews.

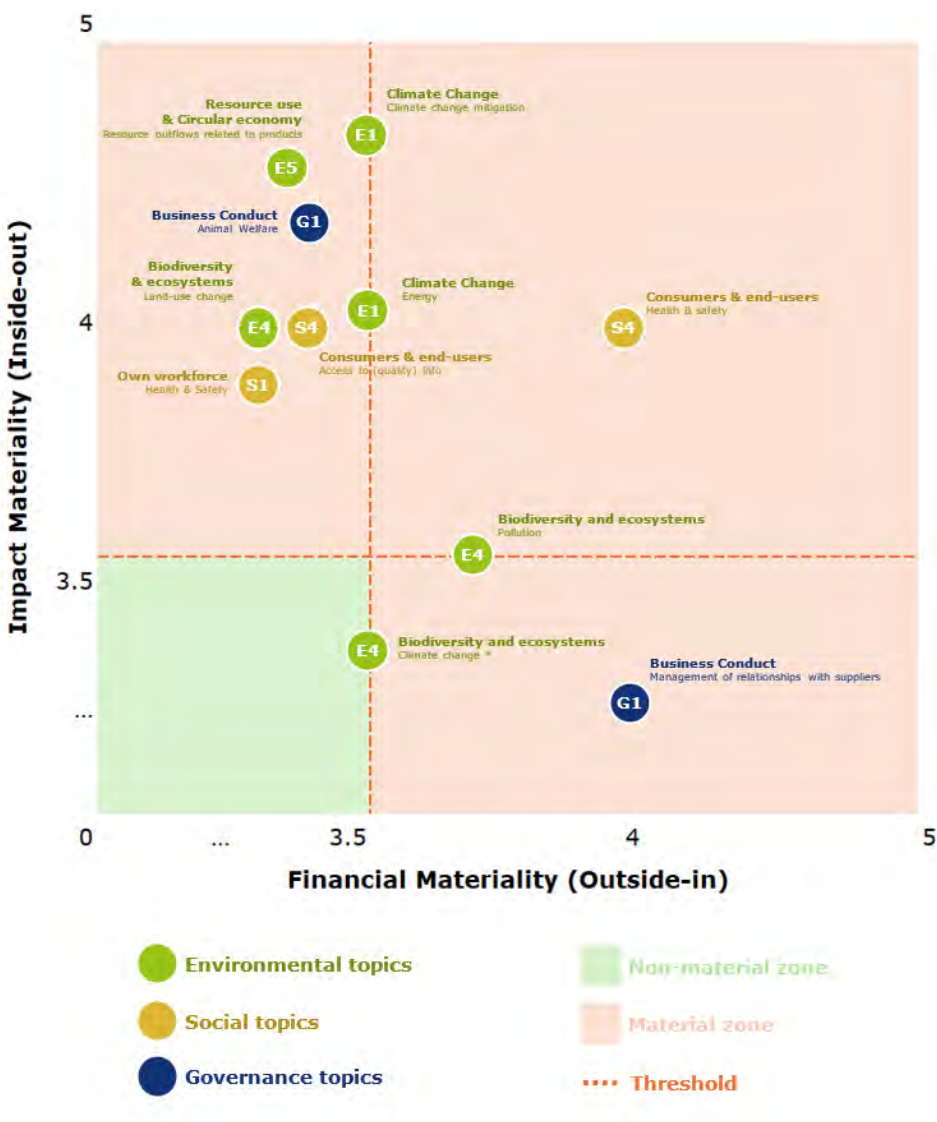
The material topics identified through our DMA are the following:

- E1 - Climate change
- E4 - Biodiversity and ecosystems
- E5 - Resource use and circular economy
- S1 - Own workforce
- S4 - Consumers and end-users
- G1 - Business conduct

The impacts, risks, and opportunities for each topic are displayed in tables on the upcoming pages.

Negative materiality assessment of omitted topics

The topics E2 - Pollution, E3 - Water and marine resources, S2 - Workers in value chain, and S3 - Affected communities, are excluded from the final list of material topics due to their lower direct impact on our business model, financial performance, and stakeholder relationships.



* "E4 – Biodiversity – Climate change" is addressed under the section dedicated for "E1 – Climate change – Climate change mitigation"

Impacts, risks, and opportunities

Environmental topics¹

IRO name	IRO type	IRO description	Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L ²
E1 - Climate change								
Energy	Risk	The escalation of energy prices, coupled with a shortage of renewable energy resources and potential network congestion, poses a significant risk for Vion.	◀	▼	▶	●	●	◐
Climate change mitigation	Actual negative impact	Vion's value chain (with e.g. its transport, animal production, and processing activities) is a major contributor to greenhouse gas emissions (split into scopes 1, 2 and 3) and therewith global warming.	◀	▼	▶	●	●	◐
	Risk	Investments aimed at mitigating climate change impacts in Vion's operations could lead to increased meat prices. This in combination with concerns about the industry's contribution to climate change could potentially reduce consumer demand and impact profitability.	◀	▼	▶	●	●	●
	Opportunity	Vion positions the company as a leader in sustainable meat and convenience production by reducing GHG emission in our value chain. Hence, we align with the increased focus of key accounts on sustainability and evolving consumer preferences. This should give Vion a competitive advantage.	◀	▼	▶	●	●	◐
E4 - Biodiversity and ecosystems								
Land-use change	Actual negative impact	Animals in Vion's supply chain can be fed with feed ingredients sourced from plots that might have been subject to deforestation or habitat destruction.	◀			●	●	◐
Pollution	Actual negative impact	The overall pollution impact from Vion leading to biodiversity loss includes air pollution from nitrogen (ammonia) and hydrogen sulphides, released during livestock production, meat processing, and transportation activities.	◀	▼	▶	●	●	●
E5 - Resource use and circular economy								
Resource outflows related to products and services	Actual positive impact	We aim to extract higher value from our animal related by-products/waste streams. The continuous focus on resource recovery and upgrading products is fundamental for this strategy. These measures are instrumental in ensuring that all parts of the animals are utilised to their fullest potential, generating the maximum value and focusing on minimising waste.		▼		●	●	●

¹ This table concerns the environmental IROs of Vion, which type of IRO it is (actual or potential, negative or positive), where in the value chain (upstream, own operations or downstream) it becomes material, and if it is material short-term (S), medium-term (M) or long-term (L). More information regarding material topics in our value chain and time horizons can be found on page 62 and 64 respectively.

² The green ◐ marking refers to the scenario when a time horizon is 'maybe' long term. As some techniques are developing fast, current obstacles may be resolved within 5-10 years, these long-term time horizons are indicated as maybe.

Social topics¹

IRO name	IRO type	IRO description	Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L ²
S1 - Own workforce								
Health and safety	Actual negative impact	Vion's workforce experiences significant safety incidents due to the nature of our work, including accidents with dangerous tools.		▼		●	●	●
S4 - Consumers and end-users								
Health and safety-Food safety	Actual negative impact	Microbiological, chemical or physical contamination of our products can pose a food safety risk to our consumer.			►	●	●	●
	Actual positive impact	Vion-products contribute to a wholesome and nutritious diet, supporting the health and satisfaction of consumers.			►	●	●	●
	Opportunity	If meat or meat alternatives are recognised as essential components of a healthy diet, it would establish a consistent demand for Vion's products.			►	●	●	●
Access to (quality) information-Product integrity	Potential negative impact	Failure of traceability results in legal issues, while negatively impacting consumer and customer trust. Consequences can be loss of customer, (temporary) closure of production facility and/or loss of export market.			►	●	●	●
	Actual positive impact	We continuously monitor our integrity performance in the supply chain. This encompasses aspects such as CSRD initiatives, annual reports, label details, internal and external audit scores, and DNA monitoring systems. Vion also maintains a transparency website dedicated to sharing extensive process-related information, like audit results. This information reaches a considerable portion of Vion's customer base, influencing their perceptions and decisions.			►	●	●	◐

1 This table concerns the social IROs of Vion, which type of IRO it is (actual or potential, negative or positive), where in the value chain (upstream, own operations or downstream) it becomes material, and if it is material short-term (S), medium-term (M) or long-term (L). More information regarding material topics in our value chain and time horizons can be found on page 62 and 64 respectively.

2 The green ◐ marking refers to the scenario when a time horizon is 'maybe' long term. As some techniques are developing fast, current obstacles may be resolved within 5-10 years, these long-term time horizons are indicated as maybe.

Governance topics¹

IRO name	IRO type	IRO description	Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L
G1 - Business conduct								
Animal welfare	Actual negative impact	Vion's value chain involves the handling and slaughtering of numerous live animals, subjecting them to stressful conditions prior to slaughter when under our direct control in the case of non-compliance to ethical practice procedures.	◀	▼	▶	●	●	●
		Actions such as dehorning, detaining, caging, and transportation restrict the animals' freedom, infringing upon their welfare according to the five freedoms principle.	◀	▼	▶	●	●	●
		Instances of (incorrect) stunning and/or slaughtering also contribute to the adverse impact on animal welfare.	◀	▼	▶	●	●	●
	Potential negative impact	In Vion's value chain, potential negative impacts on animal welfare can occur in case of non-compliance to good practice standards including examples such as loading unfit animals for transportation, prolonged waiting times during transportation, and exposure to harsh weather conditions or instances of animal abuse during handling, such as beating, and the omission of tail-docking practices for pigs may lead to increased risks of injuries and infections.	◀	▼	▶	●	●	●
	Actual positive impact	Vion actively supports scientific projects and collaborates with stakeholders to improve animal welfare. This includes sharing data gathered from smart camera systems and publicly disclosing welfare information on our websites. These efforts have a notable positive impact on animal welfare within Vion's operations and across the industry.	◀	▼	▶	●	●	●
Management of relationships with suppliers	Opportunity	A fair and clear payment policy in accordance with the law might have a positive influence in the relationship with livestock suppliers which could result in loyal suppliers during supply shortages.	◀			●	●	●

¹ This table concerns the governance IROs of Vion, which type of IRO it is (actual or potential, negative or positive), where in the value chain (upstream, own operations or downstream) it becomes material, and if it is material short-term (S), medium-term (M) or long-term (L). More information regarding material topics in our value chain and time horizons can be found on page 62 and 64 respectively.

Double materiality assessment process

Our DMA process is a comprehensive and structured approach designed to align with the ESRS and Vion's risk management framework. This process ensures that we accurately identify and address the most significant ESG issues impacting our business and stakeholders. It is important for Vion to annually perform (an update of) the DMA process to continuously comply with CSRD requirements. The different steps of our DMA process will now be presented.

Preparation and context understanding

Determine thresholds

A scoring methodology has been developed in accordance with ESRS 1 (section 3.4 and 3.5) and thresholds have been established for impact and financial materiality. The scoring boundaries range from 0 to 5, where 0 corresponds to the lowest impact.

Identify value chain

Analysing Vion's business context in relation to our operations and the entire value chain—upstream and downstream, including our products, services, and business relationships—was essential for identifying sustainability-related risks and opportunities. This analysis provided a clear understanding of the areas where our activities have the most significant impacts (see page 62 for our value chain).

Create long list

In line with ESRS guidelines (ESRS 1 Application Requirement 16), we compiled a comprehensive list of potential ESG material topics. This list was further enriched with additional sustainability matters identified through our previous materiality assessments and input from external stakeholders. To ensure completeness and relevance, the final list was validated by internal subject matter experts, confirming that all significant issues with potential impact on our business and stakeholders were addressed.

Training employees

To ensure a thorough understanding of the DMA methodology, we conducted training sessions with expert groups within the organisation. These sessions equipped our teams with the knowledge and skills needed to effectively participate in the assessment process.

Identify and assess impacts, risks, and opportunities

Conduct workshops

We conducted extensive workshops to identify the impacts, risks, and opportunities associated with each potential material ESG topic, with full consideration of our value chain. Every topic on the list underwent both a qualitative assessment and quantitative scoring. For each, we also captured its level of involvement—whether Vion is causing, contributing to, or merely linked to the issue—as well as its position in the value chain (upstream, own operations, or downstream). These workshops brought together subject matter experts from various departments, ensuring a holistic and inclusive evaluation informed by relevant expertise.

Impact materiality assessment

The impact materiality assessment identifies sustainability matters that have actual or potential effects on people or the environment. For actual negative impacts, materiality is determined by severity. For potential negative impacts, both severity and likelihood are considered. Severity is assessed based on scale, scope, and the irremediable nature of the impact. In line with OECD and ESRS 2 guidelines, severity is given priority over likelihood when assessing potential human rights impacts.

For positive impacts, materiality is based on scale and scope for actual impacts, and scale, scope, and likelihood for potential impacts. Topics that receive a score of 3.5 or higher out of 5 in the impact assessment are classified as material and proceed to external stakeholder validation.

Financial materiality assessment

The financial materiality assessment applies an outside-in perspective, assessing whether a topic generates risks or opportunities that have a material impact on Vion’s financial position, performance, cash flows, access to finance, or cost of capital over the short-, medium-, or long-term. To ensure alignment with Vion’s existing risk management processes, the workshops began with utilising Vion’s current risk reports, incorporating their associated risk assessments. The materiality of each risk or opportunity are based on a combination of its likelihood of occurrence and the potential magnitude of its financial impact.

Sustainability matters scoring 3.5 or higher out of 5 in the financial materiality assessment are classified as material and included for external stakeholder validation.

Validation, external engagement, and determination

Validation session

The findings from our internal assessment were validated through sessions with the CSRD Steering Committee, Executive Committee, and Supervisory Board. This validation step ensured the accuracy and relevance of our results, providing confidence in our identified material matters.

Stakeholder engagement

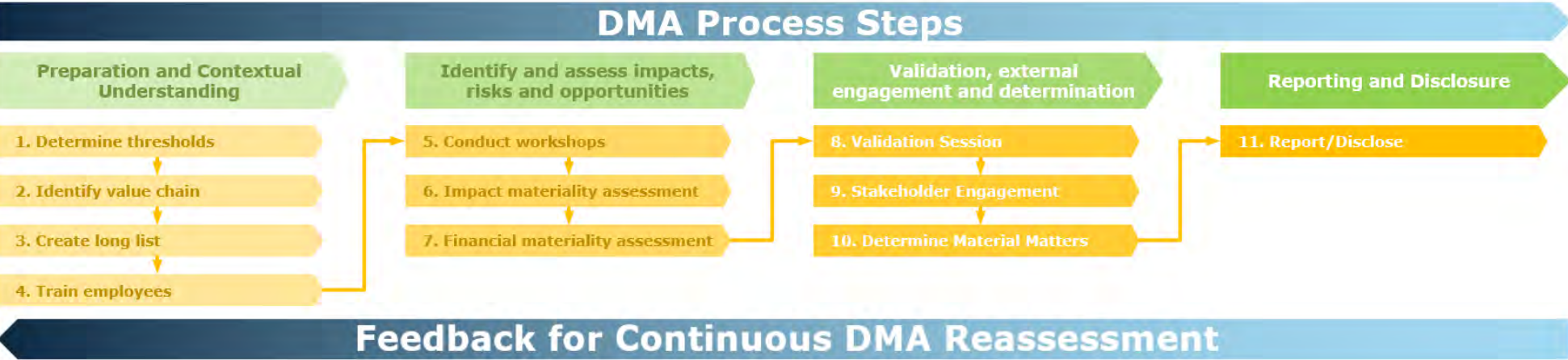
Engaging with stakeholders through interviews and surveys provided valuable feedback on ESG impact matters. A broad range of stakeholders were chosen to provide input (for details, see page 73). This engagement ensured that our internal assessment was enhanced with the perspectives of those most affected by our activities.

Determine material matters

Using the established thresholds and the inputs from the external stakeholder engagement, we identified the most material ESG matters. This step was critical in prioritising the issues that require most attention and resources. The list of our most material topics was endorsed by the CSRD Steering Committee and approved by the Management Board.

Reporting and disclosure

Finally, we reported on the validated material matters in line with ESRS 2, ensuring transparency and accountability. This reporting process helps us communicate our sustainability efforts and progress to our stakeholders clearly and comprehensively.



Management of material impacts, risks and opportunities

Vion's material IROs are identified through our annual DMA process. The IROs that are significant for reporting in 2024 are detailed within our sustainability statements on page 67. Prior to 2024, Vion managed sustainability-related risks within our existing risk management framework. With the adoption of the CSRD in 2024, Vion has strengthened the governance and processes for managing ESG risks. Our sustainability governance is anchored with our Management Board and cascades through Vion's overall corporate governance structure.

Vion's administrative, management, and supervisory bodies, along with their relevant committees, actively address a comprehensive list of material IROs. These include environmental impacts such as carbon emissions, social impacts like own workforce's health and safety, and governance-related risks including regulatory compliance and ethical business practices. Each of these elements are systematically reviewed and managed to ensure alignment with Vion's sustainability strategy and objectives. The detailed disclosure of these IROs are presented within our sustainability statements, reflecting our commitment to transparency and responsible business practices.

The Management Board defines and maintains oversight of the organization's strategy and sustainability matters, including the management of sustainability-related IROs. The Vion Leadership Team approves initiatives to achieve the sustainability strategy, and monitors progress. These initiatives are driven by experts within the organization who lead cross-functional teams across Vion.

The Audit Committee oversees the sustainability reporting framework and supervises the sustainability risk management framework and process, including ongoing risk identification, monitoring, mitigation, and reporting on all levels.

This structure ensures that all members of the governance bodies have access to the necessary sustainability expertise to oversee Vion's key topics, as well as material IROs.

Implementation of policies

There are various bodies within Vion who assures that our different sustainability topics are translated into policies and incorporated into our daily procedures. The Quality Assurance, Science and Sustainability team (QS&S) guides Vion through our ESG journey in order to reach our ambitions. The QS&S team reports to the Chief Sustainability Officer - who is part of the Vion Leadership Team. The design and implementation of the sustainability related policies lies within several teams such as the QS&S team, Human Resources, and the Legal department. The Vion Leadership Team is responsible for setting targets, monitoring progress, and ensuring compliance with policies as well as providing regular updates to the Management Board and other stakeholders on our sustainability performance.

Review and continuous improvement

Our different sustainability policies are reviewed annually to ensure they remain relevant and effective. We are committed to continuous improvement and update our strategies and actions as necessary to achieve our sustainability goals. Feedback from stakeholders are actively sought and incorporated into our policy reviews.

Communication

We communicate our sustainability efforts and progress to all stakeholders through regular reports (e.g. our annual integrated report), websites (www.vionfoodgroup.com and www.vion-transparency.com), and other communication channels. Transparency is key to building trust and demonstrating our commitment to sustainability. The relevant policies and procedures are managed in our online Quality handbook and, where relevant, published on our website.

Statement on due diligence

At Vion, our due diligence process for sustainability identifies and addresses negative impacts on both the environment and people. Our goal is to minimise these impacts and manage associated risks effectively. In line with the CSRD, we conducted a comprehensive DMA (detailed on page 70) to evaluate the impacts of our operations and business relationships within the value chain. This process is essential to our sustainability strategy and embedded across our organization, ensuring compliance with regulatory requirements and commitment to responsible business practices. The table below outlines the core elements of our due diligence process and their locations in our integrated report.

Core elements	Sections	Paragraph
Embedding due diligence in governance, strategy, and business model	Corporate governance	• GOV-2 • SBM-1 • SBM-3
Engaging with affected stakeholders in all key steps of the due diligence process	Stakeholder engagement	• SBM-2 • IRO-1
Identifying and assessing adverse impacts	Risk management	• SBM-3 • IRO-1
Taking actions to prevent, mitigate, and address those adverse impacts	Action section of each topic	• E1-1 - E1-3 • E4-1 - E4-3 • E5-1 - E5-3 • S1-1 - S1-4 • S4-1, S4-3 and S4-4 • G1-1 - G1-2
Tracking the effectiveness of these efforts and communicating results	Metric and target section of each topic	• E1-1 - E1-9 • E4-4 - E4-5 • E5-4 - E5-5 • S1-5 - S1-7 and S1-14 • S4-4 - S4-5 • G1-6

Interest and views of stakeholders

We considered the interests of our stakeholders as highly important when defining the material topics. Therefore, we sought their valuable input to better understand their view on the positive and negative impacts we have regarding various sustainability topics, as well as how these topics influence the future (financial) value of our business. A broad range of stakeholders were chosen to provide input.

We identified stakeholder groups who can affect or are affected by our business activities, such as our farmers (associations), customers, suppliers and service partners, financial stakeholders, science institutes, and non-governmental organisations.

Our key stakeholders were approached for either an interview or a survey. Stakeholders were asked to identify the topics where Vion has the largest inside-out (material) impact and the largest outside-in (financial) impact. Based on the inputs from our stakeholders, a final list of material topics was determined. This list was presented and endorsed to our Executive Committee and Supervisory Board after which the Vion Management Board approved the material topics.

In the table presented on the next page, Vion’s engagement with a sub-set of key stakeholders is explained with additional information detailing purpose of the engagement (besides gathering input for setting up CSRD), how we engaged, value created from these engagements, and how they are incorporated in our decision-making.

Stakeholder	Purpose of engagement	How we engage				Value created	Incorporation into decision making
		Interview (DMA)	Survey (DMA)	Ongoing dialogue	Ad-hoc engagement		
Employees	Incorporating employee perspectives via representatives.			✓	✓	Improved employee engagement and satisfaction.	Employees feedback influences policies and practices.
Customers	Understanding their needs and preferences for sustainable products.	✓	✓	✓		Enhanced customer satisfaction and loyalty.	Customer feedback informs product development and marketing strategies.
Suppliers	Ensuring sustainable sourcing and improving supply chain transparency.	✓	✓	✓		Improved supply chain resilience and sustainability.	Supplier collaboration helps optimise sourcing practices and improve transparency.
Farmers and farmer associations	Promoting sustainable farming practices, ensuring fair pricing, representing farmers' interests, and facilitating collective action on sustainability.	✓	✓	✓		Increased adoption of sustainable farming practices, fair economic returns, stronger advocacy for farmers, and better alignment with sustainability goals.	Farmer input shapes agricultural policies and sustainability initiatives.
Financial stakeholders	Providing transparency on sustainability performance and attracting responsible investment.	✓		✓		Increased investor confidence and access to sustainable financing.	Financial stakeholder insights guide investment strategies and reporting practices.
NGOs	Addressing social and environmental concerns and gaining external perspectives.		✓		✓	Improved social and environmental impact and stakeholder trust.	NGO feedback informs social responsibility initiatives and environmental policies.
Labour unions	Ensuring fair labour practices and improving working conditions.		✓		✓	Better working conditions and employee satisfaction.	Union input influences labour policies and workplace improvements.
Science institutes	Innovating and developing new sustainable technologies and practices.		✓		✓	Advancement in sustainable technologies and practices.	Research findings guide innovation and development of sustainable solutions.
Public authorities	Complying with regulations and contributing to public sustainability goals.		✓	✓		Compliance with regulations and contribution to public sustainability objectives.	Regulatory input ensures compliance and informs public sustainability strategies.
Others	Engaging with stakeholders to address sustainability challenges, share best practices, align with policies, develop solutions, ensure compliance, enhance credibility, influence standards, and improve efficiency.	✓	✓	✓	✓	Industry wide sustainability improvements, enhanced policy alignment, collaborative solutions, increased product credibility, higher standards, improved efficiency, and tailored solutions.	Diverse stakeholder feedback drives targeted initiatives, benchmarking fosters innovation and best practices, NLTO's guidance ensures compliance, round table outcomes drive collaboration, certification shapes standards, trade insights influence advocacy, and partner collaboration enhances efficiency and projects.

Environment

Topic	Page
E1 - Climate change	76
E4 - Biodiversity and ecosystems	88
E5 - Resource use and circular economy	92





E1 - Climate change

The effects of climate change pose significant challenges to nature, society, and the global food system. As a key player in the agri-food industry, we are committed to reducing our environmental footprint. Food production emits greenhouse gases such as methane, nitrous oxide, and carbon dioxide. Our share of total supply chain emissions from our own operations is estimated at under 2%. Our Life Cycle Assessment (LCA) shows the importance of feed production and animal husbandry in our supply chain emissions. Through making our carbon footprint transparent, we help our partners better understand emissions and make more sustainable choices. We collaborate with farmers, suppliers, and industry peers to drive emissions reductions across the value chain. Climate risks and opportunities are integrated into our strategy to support effective mitigation.

Through climate plans, we support SDGs on wastewater treatment (6.3), water use efficiency (6.4), renewable energy (7.2), energy efficiency (7.3), sustainable resource use (12.2), informed lifestyles (12.8), and climate action (13.3).

E1 - Climate change

IRO name	IRO type	IRO description	Value chain			Time frame		
			Upstream	Own operations	Downstream	S	M	L ¹
Energy	Risk	The escalation of energy prices, coupled with a shortage of renewable energy resources and potential network congestion, poses a significant risk for Vion.	◀	▼	▶	●	●	◐
Climate change mitigation	Actual negative impact	Vion's value chain (with e.g. its transport, animal production, and processing activities) is a major contributor to greenhouse gas emissions (split into scope 1,2 and 3) and therewith global warming.	◀	▼	▶	●	●	◐
	Risk	Investments aimed at mitigating climate change impacts in Vion's operations could lead to increased meat prices, this in combination with concerns about the industry's contribution to climate change could potentially reduce consumer demand and impact profitability.	◀	▼	▶	●	●	●
	Opportunity	Vion positions the company as a leader in sustainable meat and convenience production by reducing GHG emission in our value chain. Hence, we align with the increased focus of key accounts on sustainability and evolving consumer preferences. This should give Vion a competitive advantage.	◀	▼	▶	●	●	◐

¹ The green ◐ marking refers to the scenario when a time horizon is 'maybe' long term. As some techniques are developing fast, current obstacles may be resolved within 5-10 years, these long-term time horizons are indicated as maybe.

Transition plan

At Vion, we are deeply committed to being a responsible company. As a leading meat (alternatives) company in the EU, we understand the significant impact our industry has on the environment. Climate change is one of the most pressing challenges of our time, and we are dedicated to play our part in mitigating its effects. At Vion we are committed to a science-based transition towards a low-carbon, climate-resilient future. Our climate transition plan aligns with the Paris Agreement, the EU Green Deal, and the CSRD, integrating ambitious targets and emission reduction strategies across our operations and value chain.

Decarbonisation strategy

We have set science-based targets (SBTs) to reduce Scope 1, 2, and 3 emissions, focusing on:

- **Energy transition:** Increasing renewable energy use and improving energy efficiency
- **Sustainable supply chain:** Engaging suppliers to reduce upstream emissions and improve sustainable sourcing
- **Circular economy:** Reducing waste, optimizing resource use, and promoting product life-cycle innovation

Mitigation and resilience

Within our materiality assessment we concluded that within Vion we need to focus on climate change mitigation and not adaptation. By mitigating the climate effects within the full supply chain we should give value to the sustainable efforts and therewith make not only ourselves but also our chain partners more resilient.

Policies

Our Climate Change policy reflects a comprehensive approach to sustainability, guided by the ESRS E1 and our commitment to the SBTi. To ensure our emission reduction targets are science-based and aligned with the Paris Agreement, Vion has committed to the SBTi. Our approved target is to reduce absolute greenhouse gas (GHG) emissions by 42% across scopes 1, 2, and 3 by 2030. Building on these near-term targets, we are preparing a roadmap toward achieving net zero. Lastly, we are exploring ways to monetize our efforts, enabling us to invest even more in the upstream supply chain, to further reduce these scope 3 emissions.

Scope

This policy covers all aspects of our operations—from our production facilities to the entire supply chain, involving all employees and stakeholders. It addresses Scope 1 (direct emissions), Scope 2 (indirect from purchased energy), and Scope 3 (other indirect emissions in the value chain). With under 2% of emissions in scopes 1 and 2, tackling scope 3 is critical. Our holistic approach ensures that all business areas contribute to our climate goals.

Objectives

We are committed to achieving a 42% reduction in GHG emissions across Scope 1, 2, and 3 by 2030 compared to our base year 2021. Aiming for net zero in our own operations (scope 1 and 2) by 2040 and the full supply chain by 2050. This ambitious target reflects our dedication to significant and measurable climate action.

We will continuously improve energy efficiency in our operations, investing in state-of-the-art technologies and processes to reduce energy consumption and enhance productivity. We will implement and promote sustainable practices throughout our supply chain, ensuring our partners share our commitment to environmental stewardship. Additionally, we will actively engage with stakeholders, including suppliers, customers, and employees, to foster a culture of sustainability and collective action against climate change.

Actions and resources

To achieve the ambitious target of a 42% reduction in GHG emissions by 2030, we will launch a series of initiatives and investments aimed at reducing GHG emissions. This includes actions as upgrading to energy-efficient equipment, optimising our logistics to reduce fuel consumption, and implementing footprint reduction programs with our farmers and other suppliers.

Actions

Scope 1: Direct emissions

To reduce our direct emissions we look at 3 main steps: First, we focus on energy-efficient equipment where we will upgrade to energy-efficient machinery and equipment in our production facilities as well as regularly maintain and optimise existing equipment to ensure it operates at peak efficiency. Second, we will focus on fuel switching by transitioning from fossil fuels to cleaner alternatives such as electricity, biogas or hydrogen for our operations and (lease) fleet. Third, we will also implement continuous route optimisation to reduce fuel consumption of our fleet.

Scope 2: Indirect emissions from purchased energy

Our scope 2 emission reduction plans also consists of 3 main actions: First is considering energy efficiency measures, meaning that we implement energy-saving measures such as LED lighting, energy-efficient heat exchanging systems, and smart building technologies to reduce electricity consumption. Second, we will create a plan to install more solar panels or other renewable energy sources on-site to generate clean energy at our facilities. This will not only help the reduction of our scope 2 footprint, but also reduce the risk of potential net congestion, rising energy prices and shortage of renewable energy. Last but not least, our final step is to switch to 100% procured renewable energy by the latest of 2030. Our purchased electricity will then be from renewable sources such as wind, solar, or hydroelectric power.

Scope 3: Other indirect emissions

As stated before, scope 3 accounts for the majority of emissions. Within these emissions the upstream emissions are the ones making up more than 80% of our total scope 3 emissions. This means that we need to focus on sustainable sourcing: Vion will focus on working with suppliers that ensure they adopt sustainable practices. We will prioritise suppliers who have low carbon footprints and use the product carbon footprint as a new dimension within our tendering processes. Additionally, we will help our farmers with data analysis and advice to reduce their emissions over the years.

Most of our transport is outsourced, meaning that we need to work together with our logistic partners to optimize logistics and transportation within our supply chain to reduce emissions. This includes, for example, consolidating shipments, using more efficient transportation modes, and reducing travel distances.

Within our product portfolio we design products with sustainability in mind, focusing on reducing emissions throughout the product lifecycle. This includes using recyclable materials, reducing packaging, and improving shelf life.

To become more sustainable by the year we also need to look at our employees. Thousands of employees travel daily to our factories and offices to use our facilities. We encourage our employees to adopt sustainable practices both at work and at home. We are therefor currently developing incentives for cleaner commuting options, such as public transportation or cycling to work.

Farm footprint calculation method

Within an integrated supply chain model it is of essence that the data used is trustworthy. Therefore, we use a calculation methodology for GHG developed by Wageningen University that is:

- Based on internationally accepted standards (the PEFcr and LCA ISO)
- Scientifically accurate
- Transparent to customers, consumers and governments
- Accepted by authorities
- Based on primary data from farms and their suppliers, and extrapolates this for comparable companies
- Able to provide information on measures for footprint reductions in the supply chain, and especially on farms
- Aligned with methodologies already implemented – or to be implemented in the future – in the food industry

Our objective is to have transparent and reliable data that we can use to calculate and communicate an accurate CO2 footprint. On top of this, the calculations themselves must be auditable. To share outcomes with different partners in the agricultural supply chains, we need agreements and authorisations to guarantee safety and trust.

Monetizing footprint

Low carbon supply chains

A lower footprint should be the effort of the total value chain. This means that everyone within the chain has a role to play and a responsibility to take. Within Vion we find ourselves in the middle of the supply chain; right between the supplying farms and further processors/retailers. We feel that this is a very responsible position as we need to manage supply and demand. We also recognise that our customers are increasingly concerned about the environmental impact of the products they purchase. To align with their values and to enhance our market position, we will continuously setup and improve integrated supply chain

models that include carbon footprint calculations and reductions. In this model, the customer invests in the supply chain to receive a product with a guaranteed low(er) footprint. This money is used to further improve the supply chain and setup initiative programs at the farm level. Through this approach we continuously keep improving the footprint of the products sold by Vion.

Farm calculations and advise

With the available data on the farms, we can calculate their CO2 footprint. These outcomes can be used to educate/show the farmers where steps can be made to lower their CO2 footprint. By using an incentive model next to the data insights, we can help the farmers to make more sustainable choices.

Resources

To achieve our ambitions, Vion allocates dedicated resources and expertise. Our team includes specialists in sustainability and science, working both at the corporate and farm levels. This team supports both our organisation and farmers in taking the necessary steps in our journey towards 42% CO2 reduction by 2030.

Next to that we developed a roadmap per production site to reduce its scope 1 and 2 emissions in line with our ambitious targets.

All investments that are needed for this reduction roadmap will be added into our systems to keep track on them and on the CO2 reductions. This list of investments will be updated at least once a year with the latest figures and, when necessary or possible, latest techniques and investments.

Targets

Greenhouse gas reductions

To assess our current position, we collected comprehensive data from all our entities in 2021, covering scopes 1, 2, and 3 emissions in accordance with the GHG Protocol Corporate Standard. We used this information to calculate what we need to do as a company to stay in line with the Paris Agreement. To have this scientifically checked we committed ourselves to the SBTi and received approval in 2023 on our targets.

For the SBTi commitment we used only significant categories in scope 3 which were category 1 FLAG (where we included from the FLAG side 80% of our pig supply and 55% of our cattle supply), category 1 non-FLAG (only packaging) category 4 (upstream transportation and distribution), category 5 (waste generated in operations), and category 12 (end-of-life treatment of sold products). To get to the absolute reduction of GHG emissions Vion has made action plans on how to get there. These plans include at least the following specific targets for 2030:

Scope 1

- Replacement of all Freon cooling systems by 2030
- Replacement of gas-afterburners by electric solutions by 2030
- First Gas and fossil fuel free production locations by 2030
- 30% of own and leased trailers electric by 2030

Scope 2

- 100% green electricity by 2030
- 5% of green electricity produced by Vion itself by 2030
- 25% of green electricity in NL from NL production and in DE from DE production in 2030

Scope 3

- 35% feed reduction at pig farms within the GFS chain calculated from the power chain model

- 35% manure reduction at pig farms within the GFS chain calculated from the power chain model
- 35% total reduction on (dairy) beef farms by steering on methane and feed intake calculated from the power chain model

Monetising footprint

To monetise our footprint, we have set targets per chain. It is our ambition to have at least 25% of our total volume, sold with a calculated carbon footprint in 2030.



Metrics

Energy consumption and mix

Our absolute energy consumption, both fuel and electricity, has declined, mainly as a result of our energy-saving projects described above, the closing of our site in Emstek, and the sale of several German operations. However, the energy intensity in tonne sold has increased due to declining sales volumes. Due to higher sales prices, the energy intensity per million EUR sold has dropped. In the coming years, we will continue investing in more energy-efficient operations and renewable energy sources to further reduce our energy intensity.

Total absolute energy consumption (in MWh)

				Base year	% difference
	2024	2023	2022	2021	2021-2024
Absolute energy consumption	379,300	447,200	446,900	460,100	-18%
Total electricity consumption	176,900	211,400	216,900	218,700	-19%
Total fuel consumption	202,400	235,800	230,000	241,400	-16%
Energy purchased for consumption	379,200	447,000	446,000	449,100	-16%
Self-generated renewable energy consumption	200	200	100	100	100%
Non-renewable electricity	146,100	168,600	216,000	218,600	-33%
Renewable electricity	30,800	42,800	900	100	30700%
Non-renewable fuel	195,800	226,900	222,200	233,900	-16%
Renewable fuel	6,700	8,900	7,800	7,500	-11%
Self-generated energy sold	-	-	-	-	-

Energy intensity (in MWh / tonne sold)

				Base year	% difference
	2024	2023	2022	2021	2021-2024
Energy intensity	0.27	0.26	0.24	0.23	15%
Energy intensity - Electricity consumption	0.12	0.12	0.00	0.11	13%
Energy intensity - Fuel consumption	0.14	0.13	0.12	0.12	17%
Non-renewable energy intensity	0.24	0.23	0.23	0.23	6%

Energy intensity (in MWh / Million EUR sold)

				Base year	% difference
	2024	2023	2022	2021	2021-2024
Energy intensity	83	82	85	101	-18%
Energy intensity - Electricity consumption	39	39	41	48	-19%
Energy intensity - Fuel consumption	44	43	44	53	-16%
Non-renewable energy intensity	75	72	83	99	-25%

Greenhouse gas emissions

Green House Gas (GHG) emissions in CO2 equivalents (CO2e)

GHG emissions are calculated and reported in CO2 equivalents (CO2e). To ensure accuracy, we collect primary data directly from our operations and supplement it with secondary data from external databases. Total GHG emissions are calculated by combining usage or expenditure data across various categories with corresponding emission factors. The total GHG emissions are structured according to the three standard scopes:

Scope 1

In scope 1, new steps have been made to reduce emissions, aligning with our 2030 SBTi targets. Although part of the reduction is caused by reduced production numbers, it is also driven by multiple investments such as installation of heat pumps at different locations, partial or complete replacement of cooling systems, replacement of heating systems, and changing from diesel forklift trucks to electric. Additionally, we implemented operational efficiency measures across our sites, such as optimising flame oven settings and consistently powering shunting trailers with electricity instead of diesel.

Scope 2

For scope 2, new steps were also taken to reduce emissions, aligning with our 2030 SBTi targets. Despite that, part of the reduction is caused by reduced production numbers, it is also driven by new PPAs for the two foodservice plants in Germany, now running on 100% German green electricity. For ME-AT Leeuwarden and Vion Groenlo, we have switched to 100% Dutch green energy. Additionally, we invested in improved operational housekeeping, such as, LED lighting; retrofitting of frequency converters on cooling systems; new timers; and programs to optimize cooling settings and demand; and refurbishment of machines.

Scope 3

In scope 3, we made important improvements to our calculations, including adjustments to past years based on new insights and better primary data. As a result, our overall footprint—also for the base year—is now lower than initially estimated. These updates provide clearer insights into key emission categories and their impact on our SBTi targets. To ensure alignment with these new findings, we plan to submit updated values of the SBTi in 2025. Despite these changes, we remain on track with our scope 3 SBTi goals.

In general for scope 3, we observe a drop over almost all categories mainly driven by reduced slaughtering numbers. As with the new calculations, our bought animals are making up over 70% of our total scope 3 emissions, which is in line with expectations. To further reduce that footprint we are running programs with farmers to give better insights in their CO2e emissions and how they can reduce these even more in the upcoming years. Lately, we are implementing CO2e data in our tenders towards our non-food suppliers. This is the next step to get more awareness across our full supply chain. It enables us to compare them not only on offered price and service but also on the (financial) impact of their footprint. For calculating the value of CO2e we use the website carboncredits.com.

Impact of operational footprint adjustment on CO2e emissions

As mentioned in our Strategy chapter, Vion has taken the strategic decision to concentrate sourcing and production in the Benelux – a region where we see strong potential and greater ability to invest in ESG initiatives – we have therefore taken several important steps to support this shift. As part of our transformation, Vion has sold and is about to sell several operations. Our scope 1, 2 and 3 emissions were not corrected for these changes, meaning that the data shown is still the total output of Vion over 2024. Also our SBTi base year was not updated yet with the mentioned change. Over 2025 we will adjust our base year (including for SBTi) and the output of CO2e emissions to the new footprint.

Monetisation

Some of our customers are already involved within the end to end supply chain. Together we look how we can reduce the footprint of our products; not only with improvements within our factories but also at the farms. For these customers we calculate the footprint within this specific value chain and give guarantees on the outcomes. This ensures that the customer can claim the reductions and continued reduction efforts can be made within the value chain. In the past year 4% of our slaughtered volume was sold with this guaranteed footprint.

Sources of GHG emissions (in tonne CO₂e)

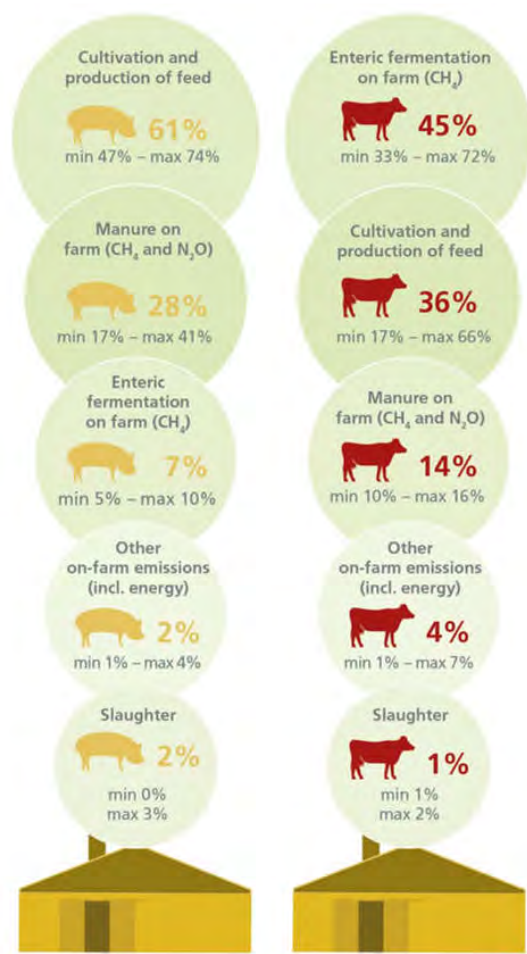
The target, as compared to base year 2021, is 42% reduction by 2030				Base year	% difference
	2024	2023	2022	2021	2021-2024
Scope 1 - Absolute direct GHG emissions (in tonne CO₂e)					
Total scope 1 emissions	54,500	67,900	67,500	68,200	-20%
Stationary combustion	36,500	42,800	43,500	45,400	-20%
Mobile combustion	8,400	11,800	11,000	12,000	-30%
Fugitive emissions	9,600	13,300	12,900	10,800	-11%
Scope 2 - Absolute indirect GHG emissions (in tonne CO₂e)					
Market-based Tank-To-Wheel (scope 2)*	45,000	59,800	52,800	60,900	-26%
Location-based Tank-To-Wheel (scope 2)	50,900	71,900	74,600	56,800	-10%
* Used in our scope 2 calculation and target setting					
Scope 3 - Estimated GHG emissions (in tonne CO₂e)					
Total scope 3 emissions	7,514,500	9,563,700	10,703,700	11,249,600	-33%

GHG intensity (in kg CO₂e / tonne sold and in kg CO₂e / Million EUR sold)

	2024	2023	2022	2021	% difference 2021-2024
Scope 1 - GHG emissions intensity					
GHG emissions intensity in kg CO ₂ e / tonne sold	38	39	36	34	12%
GHG emissions intensity in kg CO ₂ e / Million EUR sold	11,900	12,400	12,800	15,000	-21%
Scope 2 - GHG emissions intensity (Market-based Tank-To-Wheel)					
GHG emissions intensity in kg CO ₂ e / tonne sold	32	30	32	31	3%
GHG emissions intensity in kg CO ₂ e / Million EUR sold	9,900	9,600	11,300	13,400	-26%
Scope 3 - GHG emissions intensity					
GHG emissions intensity in kg CO ₂ e / tonne sold	2,700	5,000	5,100	5,200	-48%
GHG emissions intensity in kg CO ₂ e / Million EUR sold	853,900	1,595,600	1,817,600	2,296,600	-63%

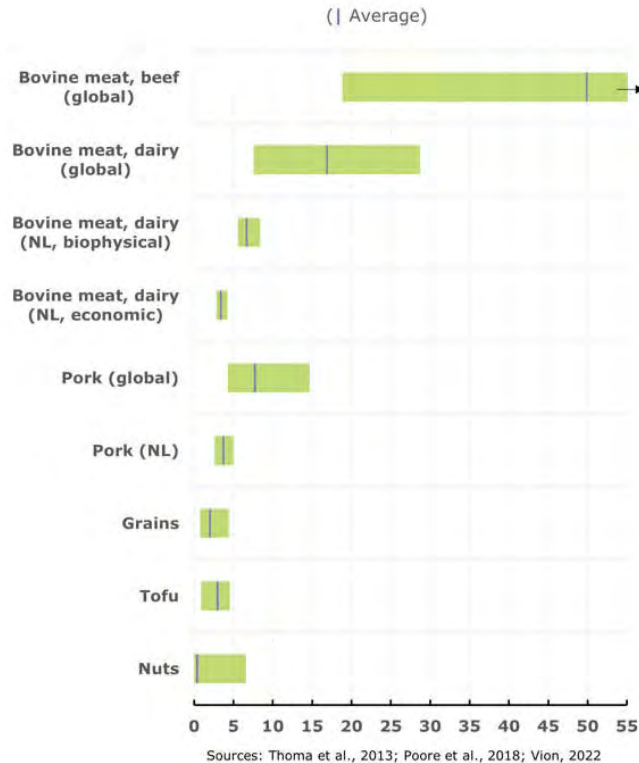
Variability in CO2e emissions for different foods

The visual below illustrates a breakdown of emissions per animal (pig and cattle) on the farm, including the contribution of the slaughtering process. It shows that for pigs, feed and manure are the major contributors to CO2e emissions. For Cattle these are the enteric fermentation and the feed. This breakdown, and the variability therein, gives us and the farmers good insights on what impact areas we need to focus on for substantial footprint reductions.



CO2e emissions throughout the animal supply chain

The second visual illustrates the footprint in CO2e emission for several food items calculated back to 100 grams of protein, making products with different amounts of protein comparable with each other. On the top of the visual, the footprint results for global numbers of beef and dairy beef compared to the animals slaughtered by Vion are showcased. Below that is the equivalent for pork. This shows that Dutch farmers belong to the top-producers in the world. The bottom of the visual shows three plant-based items (grains, tofu and nuts). Dutch pork and these plant-based products overlap in the variability range, suggesting a comparable footprint. By continuously focusing on footprint reductions, we aim to ensure that meat in the future remains a relevant component of a balanced, nutritious and sustainable diet.



Accounting policies

Energy consumption

Energy consumption for Vion's own operations is measured as the consumption of power, heat, and fuel, monitored by building-specific meter readings or invoice and an estimation (>1%) where primary data is unavailable. Renewable consumption is measured as consumption from the power purchasing agreement, certificates of origin, and supplier information. The share of renewable sources in total energy consumption is calculated based on the percentage of the total renewable energy consumption relative to total energy consumption.

Energy intensity

Vion's energy consumption and revenue, from the financial statement, are derived from activities in high climate-impact sectors. Vion is engaged in the production and sale of meat, meat alternatives and fingerfood, classified under NACE section C: manufacturing of food and mostly in processing and preserving of meat. The energy intensity is reported as MJ/annual revenue in € million and in MJ/annual sold volume in tonnes.

Scope 1 GHG emissions

Direct scope 1 emissions include greenhouse gas (GHG) emissions related to the consumption of (natural) gas, heating oil, and refrigerants used in production (e.g., emissions associated with fuel combustion in flame ovens, boilers and vehicles). All consumed energy is monitored by building-specific meter readings or invoices and an estimation (>1%) where primary data is unavailable. The quantity of consumed energy sources is multiplied by relevant emission factors provided by www.CO2emissiefactoren.nl and the UK Department for Environment, Food & Rural Affairs (DEFRA 2024). Emissions data from Vion's owned or leased vehicle fleet is calculated based on consumed fuel (provided by lease company or fuel card data) multiplied by relevant emission factors. The scope 1 intensity is reported as tCO₂e/annual revenue in € million and in tCO₂e/annual sold volume in tonnes.

Scope 2 GHG emissions

Scope 2 emissions include all indirect emissions related to the generation of acquired and consumed electricity and heating. All consumed energy is monitored by building-specific meter readings, invoices, or an estimation (>1%) where primary data is unavailable.

Scope 2 GHG location-based

The emissions are reported as location-based and are derived from consumed energy multiplied by relevant location-based emission factors provided by either the European Environment Agency or DEFRA 2024. The scope 2 location-based intensity is reported as tCO₂e/annual revenue in € million and in tCO₂e/annual sold volume in tonnes.

Scope 2 GHG market-based

The emissions are reported primarily as market-based emissions, where consumed scope 2 energy is multiplied by market-specific emission factors provided directly from the energy supplier. Where market-specific emissions are unavailable, the best available location-based emission factors provided by the European Environment Agency are used for the reporting in line with the GHG Protocol hierarchy. Vion purchases bundled certificates of origin derived from our PPA agreement that covers 100% of the electricity consumption for our Foodservice sites in Germany (two sites). Furthermore bundled certificates of origin were bought covering 100% of the total electricity consumption of ME-AT Leeuwarden B.V. The total of bundled certificates constitutes 10.2% of the total energy consumption in scope 2. Next to that unbundled certificates of origin were bought to cover 100% of the electricity use of Vion Groenlo B.V. The unbundled certificates constitute 4.7% of the total energy consumption in scope 2. The scope 2 market based intensity is reported as tCO₂e/annual revenue in € million and in tCO₂e/annual sold volume in tonnes.

Scope 3 GHG emissions

Scope 3 includes and accounts for other indirect emissions within Vion's value chain that are not accounted for elsewhere. Vion has identified four significant categories out of the 15 defined by the GHG Protocol for scope 3 emissions. The significant categories are: Category 1: 'Purchased Goods and Services' and within this category specific the animals we buy (FLAG) and the packaging we use (non-FLAG), Category 4: 'Upstream Transportation and Distribution', Category 5: 'Waste generated in operations' and Category 12: 'end-of-life treatment of sold products'. These scope 3 emissions categories align with Vion's SBTi targets. The total reported number for scope 3 is including all 15 categories with the exception of category 11, as food is in the indirect use phase and therefore optional within the GHG protocol, Vion chose not to report on this category. The scope 3 intensity is reported as tCO₂e/annual revenue in € million and in tCO₂e /annual sold volume in tonnes.

Scope 3 GHG Forest Land and Agriculture (FLAG)

Upstream CO₂ emissions from Forest Land and Agriculture (FLAG) are related to purchased foodstuff and within Vion mainly in the form of animals and meat. Over 92% of all Vion scope 3 emissions result from these FLAG emissions (under category 1 of the GHG protocol). For purchased meat, Vion uses procurement data, and multiplies the number of kilograms bought by emission factors from external databases like RIVM (2024). For animals, emissions are calculated using Vion's carbon footprint calculator, developed with Wageningen UR. Farmers provide farm-specific data to Impact Buying (IB) and authorize IB to collect supply chain data via Joindata. Feed information (including country of origin) is also submitted by farmers and suppliers. Vion adds slaughter data to complete the dataset. From this, farm-specific carbon footprints are calculated and averaged per animal/species. These values are extrapolated to Vion's total number of slaughtered animals. In total 6% of the data in this category is based on primary emissions data reported by pig farmers and 0.2% by dairy farmers.

Scope 3 GHG non-FLAG

Upstream and downstream non-FLAG CO₂ emissions include all purchased goods, services, and related activities within Vion's full supply chain—such as packaging, logistics, third-party manufacturing, employee commuting and housing, end-of-life treatment of sold goods, etc. Emissions were calculated using the spend-based method. A supplier spend list was compiled and categorised according to the GHG Protocol. Top suppliers, representing over 60% of total spend per category, were asked to report product details and associated CO₂ emissions, including data sources and third-party verification status. This input was checked for completeness and measured as a percentage of total spend in each category. Emissions were then extrapolated to reflect the full category spent.

Where supplier-specific CO₂ data was unavailable, external databases were used. Data gaps were addressed through extrapolation or best-available assumptions. For categories without suppliers—like employee commuting—Vion's internal data and public datasets were applied. Overall, 31% of upstream non-FLAG data in this category is based on supplier-reported emissions. These inputs were aggregated to calculate the final gross Scope 3 emissions output.

Total GHG emissions

Total GHG emissions, expressed in tonnes of CO₂ equivalent (tCO₂e).

GHG intensity

GHG intensity is reported as tCO₂e/annual revenue in € million and in tCO₂e/annual sold volume in tons. The annual revenue and volume sold are disclosed as part of the Group's Financial Statements.

Variability in CO2 emissions for different foods

The category Pork meat (NL/DE)' represents the estimates based on actual data from multiple participating pig farmers in the Netherlands and Germany. The kg CO2 -equivalents emissions per 100g protein are recalculated from the carcass weight, with an estimated 65% meat on a carcass and 16% protein content. Estimates of global pork, grains and tofu originate from the scientific paper by Poore¹.

CO2e emissions through the animal supply chain

This data is an average from calculations made from multiple farms in 2021 and include the pre-fattening, fattening and slaughter phases. Greenhouse gases other than CO2 that are measured (methane and nitrous oxide) are recalculated based on global warming potential in kg CO2 - equivalents per 100g of protein.

Monetisation

Monetisation is reported as the volume that is sold with a calculated footprint. It is expressed as a % of the total annual volume produced by the slaughterhouses.

¹ Poore J, Nemecek T. 2018. Reducing food's environmental impacts through producers and consumers. Science 360 987-92



E4 - Biodiversity and ecosystems

The nature of our supply chain means Vion is linked to a potential negative impact on biodiversity. There is a risk of deforestation caused by land use change when producing crops, especially soy, for livestock feed. In addition, transportation by us and our supply chain partners results in nitrogen emissions. Moreover, our operations contribute to global warming, which may further impact biodiversity. These climate-related impacts are addressed in detail under the chapter covering ESRS E1 topics.

On the other hand, by offering organic meat, we are working towards agricultural practices that help ensure sustainable food production and maintain ecosystems (SDG target 2.4). With our commitment to deforestation-free soy supply chains, we work, with farmers, on halting deforestation (SDG target 15.2).

E4 - Biodiversity and ecosystems

IRO name	IRO type	IRO description	Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L ¹
Land-use change	Actual negative impact	Animals in Vion's supply chain can be fed with feed ingredients sourced from plots that might have been subject to deforestation or habitat destruction	◀			●	●	◐
Pollution	Actual negative impact	The overall pollution impact from Vion leading to biodiversity loss includes air pollution from nitrogen (ammonia) and hydrogen sulphides, released during livestock production, meat processing, and transportation activities.	◀	▼	▶	●	●	●

¹ The green ◐ marking refers to the scenario when a time horizon is 'maybe' long term. As some techniques are developing fast, current obstacles may be resolved within 5-10 years, these long-term time horizons are indicated as maybe.

Policies

Every food chain—whether plant based or animal based—begins with planting a seed and growing a crop, a process that inevitably impacts biodiversity. As part of this system, we at Vion acknowledge our contribution to actual negative effects on biodiversity. One area of concern is the risk of deforestation associated with using soy and palm-derived products in our supply chain. In addition, through the livestock farms supplying us, we are indirectly linked to the risk of biodiversity loss due to, for instance, excess depositions of nitrogen and phosphate, driving monoculture and promoting soil acidification due to sulphur depositions. Transportation also contributes to nitrogen emissions, further affecting ecosystems. On the positive side, by offering organic meat, Vion stimulates agricultural practices that promote sustainable food production and help protect ecosystems—aligning with SDG target 2.4.

Scope

Vion distinguishes two main scopes of biodiversity impact within our supply chain. The first involves local biodiversity impacts directly related to our own production sites. The second encompasses supply chain biodiversity impacts, which stem from the farms that supply us with animals and plant based ingredients, including crop cultivation for animal feed. We have excluded purchased meats and ingredients from this assessment, as they represent a relatively small volume and therefore contribute

minimally to our overall direct and indirect impact on biodiversity.

The main biodiversity impacts from our supply chain relate to deforestation and land-conversion, and nitrogen emissions. The former occur specifically during the culturing of fodder crops, in particular soy in South America and palm trees in Asia. The latter occurs locally on farms from the Netherlands, Germany, and Belgium who supply animals to Vion in the Netherlands.

Our policy, commitment and objectives

Vion recognises the vital role of biodiversity in sustaining life and maintaining a healthy planet, which is also essential for a secure and stable food supply for future generations. Conservation efforts, sustainable practices, and global cooperation are imperative to ensure the preservation of biodiversity and to cultivate a planet that consists of the required diverse biological ecosystems.

Vion currently operates at seven locations in the Netherlands and at five locations in Germany. We do not own pig or cattle farms, and no forests or other land types have been converted for the construction of these sites within the past 20 years.

Nitrogen emissions at our production sites primarily result from fossil fuel combustion, the possible processing of organic waste, and the transportation

of animals and products. These emissions are regulated by environmental legislation, including nitrogen deposition monitoring, with which Vion is fully compliant.

The table below presents the distance between Vion production locations and protected areas or key biodiversity areas (defined as Natura2000 areas). As none of our sites are located within 1 kilometer of such areas, we expect this local biodiversity to be negligible compared to the supply chain impact. As such, our policy focuses on the latter for the short- to mid-term targets to have the biggest impact. Vion has a unique and essential role in the meat supply chains to drive change via stakeholder dialogues and by developing valorisation models across the supply chain to cover any additional costs for biodiversity improvements.

Farm management

Part of the supply chain impact occurs on the farms and is influenced by the farmers' management practices. These consist mostly of direct and local emissions, occurring via ammonia from manure. The amount of emission is primarily determined by the stable type, presence of functioning air washers, and the duration of manure storage on-farm.

Deforestation

Soy plays a distinct role in Vion's biodiversity strategy, as sourcing soy from regions such as Brazil and

Argentina can contribute to deforestation. To address this risk, we advocate the use of soy certified by the Round Table on Responsible Soy (RTRS)—an organisation Vion has been a long-standing member of. RTRS certification enforces strict requirements for the preservation of natural forests and ecosystems. We accept every customer demand for RTRS-labelled soy, and all pigs raised under our Good Farming Star programme are fed with RTRS-certified soy. In line with our commitment to deforestation-free soy supply chains by 2030, we collaborate with farmers and feed suppliers to halt deforestation—SDG target 15.2 on halting deforestation and promoting sustainable forest management.

Organic

As another approach to protect biodiversity, we are committed to stimulating the production of organic meat by taking a leading position within the countries we operate. Additionally, we are committed to set up organic supply chains for both pork and beef in these countries. De Groene Weg, market leader in organic meat in the Netherlands and second biggest player in Europe, processes over 100,000 organic pigs per year. De Groene Weg is certified by Skal, according to the European organic legislation and is also certified with the Better Life 3-star label.

Vion location	Prime activity	Closest Natura2000-area	Estimated distance (km)
Apeldoorn	Pig slaughter	Veluwe	5-10
Boxtel	Pig slaughter, pork processing, storage and distribution	Kampina & Oisterwijkse Vennen	1-5
Enschede	Beef processing	Lemselermaten, Lonnekermeer	5-10
Groenlo	Pig slaughter, pork processing	Korenburgetveen, Wooldse Veen	1-5
Leeuwarden	Production of vegan meat alternatives	De Oude Venen, Leeuwardermeergebied	5-10
Scherpenzeel	Pork processing	Binnenveld	1-5
's-Hertogenbosch	Storage and distribution	Bossche Broek	1-5
Tilburg	Cattle slaughter, beef processing	Loonse en Drunense Duinen & Leemkuilen, Kampina & Oisterwijkse Vennen	10-15
Buchloe	Cattle slaughter, beef processing	Wiedergeltinger Wäldchen	1-5
Crailsheim	Pig and cattle slaughter	Crailsheimer Hart und Reusenberg	1-5
Eching	Byproducts processing, production of leather and leather fibre fabric	Isarrauen, Gelbbauchunken-Habitate um Niedererlbach	1-5
Furth im Wald	Cattle slaughter	Chamb, Regentalau und Regen zwischen Roding und Donaumündung	1-5
Grossostheim	Food service processing	In den Rödern bei Babenhausen, Extensivwiesen und Ameisenblüte Aschaffenburg, Streuobstwiesen zwischen Erbig und Bischberg	5-10
Hilden	Beef processing	Hilden Spörkelbruch, Ohligser Heide	1-5
Holdorf	Cooling storage and distribution	Dammer Berge	5-10
Holzwickede	Food service processing	Vogelschutzgebiet Hellwegbörde	5-10
Landshut	Pig slaughter, pork processing	Leiten der unteren Isar, Isarrauen, Klotzmühlbach, Bucher Graben	5-10
Memmingen	Byproducts processing production of leather and leather fibre fabric	Benninger Ried	1-5
Twist	Byproducts processing	Dalum-Wietmarscher Moor, Georgsdorfer Moor, Ems	5-10
Vilshofen	Pig slaughter, pork processing	Unteres Vilstal, Donauauen, Neuburger Wald und Innleiten bis Vorbach	1-5
Waldkraiburg	Cattle slaughter	Innauen und Leitenwälder	1-5

Actions

In 2025 we will proceed with several actions attempting to halt deforestation in our supply chain. These actions include:

- Developing a methodology to calculate the land-use change component in the carbon footprint calculation of beef and pork
- Setting the benchmark for our SBTi-reference year of 2021
- Estimating the annual reduction percentages until 2024
- Having dialogues with feed companies to examine ways to reduce the land-use change component of pig feed
- Starting pilots to assess the reduction potential and additional costs

Regarding nitrogen emissions, we will continue in 2025 with developing the calculation methodology and finishing before Q3 in 2026. We will complete the same tasks for farm-specific nitrogen emissions.

Targets

Targets were not defined in 2024 for biodiversity. We expect to set near-term and mid-term targets in 2025.





E5 - Resource use and circular economy

At Vion, responsible resource management is deeply rooted in the nature of our business—handling animal based products and by-products with the highest regard for efficiency and sustainability. Our circular economy strategy centers on maximising the value of every part of the animal, minimising waste, and creating closed-loop systems throughout our operations. To meet CSRD requirements and support the SDG on responsible consumption and production (12.2), we track key indicators such as material intensity, waste generation, and recycling rates. We actively work with suppliers and industry partners to develop sustainable sourcing practices and improve waste stream separation, treatment, and valorisation. By embedding circular principles into our value chain, we reduce dependence on virgin resources and mitigate environmental impacts associated with animal production and waste disposal. Through ongoing innovation and stakeholder engagement, we aim to contribute to a regenerative system that supports environmental sustainability and long-term business resilience.

E5 - Resource use and circular economy

IRO name	IRO type	IRO description	Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L
Resource outflows related to products and services	Actual positive impact	We aim to extract higher value from our animal related by-products/waste streams. The continuous focus on resource recovery and upgrading products is fundamental for this strategy. These measures are instrumental in ensuring that all parts of the animals are utilised to their fullest potential, generating the maximum value and focusing on minimising waste.		▼		●	●	●

Policies

Vion processes animals to produce high-quality protein products and aims to contribute to the UN SDGs through our ESG policy—particularly SDG 12: Responsible consumption and production—and by taking responsibility in advancing a circular economy. We do this, among other things, by focusing on the optimal utilisation of processed pigs and cattle, and valorisation of animal by-products from our meat production processes.

Our Resource Use and Circular Economy policy focuses on material outflows, specifically on the valorisation of animal by-products in accordance with Moerman's Ladder and the legislation surrounding by-products, as established by the Dutch Food and Consumer Product Safety Authority (NVWA). It describes the categorisation of animal by-products (Category 1, 2 and 3) according to Regulation (EC regulation) No. 1069/2009 and the European ESRS E5. Total waste related to processing of pigs and cattle are the animal by-products, which are divided into 3 categories based on the risks they pose:

- **Category 1** – are classified as highest risk
- **Category 2** – are classified as high risk
- **Category 3** – are classed as low risk

Category 1 material presents the highest risk to human and animal health and is qualified as hazardous (E5-5_09 §DR-37c). Category 1 animals or parts of animals are considered specified risk material,

for example, bovine spongiform encephalopathy (BSE) in cattle. Category 1 material is incinerated.

Category 2 animal by-products are considered high risk and not fit for human consumption. These include:

- Manure and digestive tract content
- Animals and parts of animals which die by means other than slaughtering
- Animal tissue collected when treating wastewater from category 2 processing plants

Category 3 materials are considered low risk. They include parts of animals that have been passed fit for human consumption in a slaughterhouse, but which are not intended for human consumption. Category 3 also includes products of animal origin, or foodstuffs containing products of animal origin which are no longer intended for human consumption for commercial reasons, or due to manufacturing, packaging defects or other defects that do not pose a risk to public or animal health. Category 3 by-products can be used as pet food ingredients and are recovered to be used in a circular production chain.

We are committed to embedding circular economy principles into our operations by maximising the use of animal by-products generated in our production processes. This approach is a cornerstone of our strategy to minimise resource outflows, avoid waste, and contribute to sustainable resource management.

Vion recognises the value of these materials and their potential to drive economic and environmental benefits when repurposed effectively. Sustainable processing of these animal by-products is therefore essential to limit waste, maximise economic value, and comply with legal guidelines.

When processing a pig or a cow there will be a certain percentage of hazardous waste (category 1 and 2) and non-hazardous waste (category 3). All waste that does not end up in a landfill or is incinerated is recoverable waste.

Vion's main policy is to minimise the percentage hazardous waste per processed animal as required to guarantee proper food and health safety levels. While at the same time optimising the percentage recovered waste by sustainable processing, improving circularity of the production chain and positively increasing business results.

Actions

Reducing waste and enhancing efficiency

Total waste reduction is executed by benchmarking production sites to identify and implement best practices. This process involves tracking key KPIs such as production efficiency, waste categories, and product quality across all locations which assists us in identifying underperforming sites and implementing the best practices from high-performing ones.

Additionally, Vion will collaborate on innovative circular economy projects with universities, research institutes, and industry partners, which support the development of new solutions for waste reduction and resource optimisation. With these factors, Vion has established a robust benchmarking strategy that improves production efficiency while aligning with our corporate sustainability goals.

Improving practices across the supply chain

Our efforts to reduce waste produced per animal extends to our entire supply chain. We work closely with farmers to improve production practices and identify innovations. In collaboration with our pig suppliers, we have introduced strategies to optimise the feed withdrawal period before slaughter. This reduces the intestinal content in carcasses, which reduces waste and faecal contamination, improving product hygiene and quality, and reduces the need for additional cleaning and disposal.

Furthermore, immature manure is being recognized as a valuable input for renewable biofuel generation. By converting manure into biofuels, Vion contributes to a circular energy model, decreasing reliance on fossil fuels. This approach transforms manure from a disposal issue into a resource, lowering greenhouse gas emissions and contributing to the creation of a sustainable, closed-loop system.

Innovating manure processing: The NURTURE project

Vion is partnering with Wageningen University & Research (WUR) on the NURTURE project, aimed at enhancing sustainability in manure treatment and the broader agricultural sector. The project focuses on a key innovation that converts a mixture of manure and sawdust into two valuable products: hydro-gel and liquid fertilizer. These sustainable alternatives to synthetic fertilizers have diverse applications in agriculture and offer farmers effective, sustainable solutions. The potential for on-site processing would allow Vion to manage manure and sawdust locally. This not only reduces transportation emissions and logistical costs, but also minimises reliance on external suppliers—making the process more energy- and cost-efficient.

Valorising animal by-products

Through innovative strategies at our pig and cattle processing sites, we are identifying ways to transform by-products into valuable resources. Valorisation of animal by-products and recover waste that is otherwise incinerated or ends up in a land fill is a continuous process at Vion.

The volume of hazardous waste will never be zero but by adjusting quality assurance (QA) procedures at the cattle processing sites, Vion can turn certain by-products into pet food ingredients. This approach helps reduce hazardous waste and provides a new revenue stream by producing pet food. By identifying these opportunities, Vion is effectively reducing the amount of waste that ends up in landfills and finding profitable, sustainable alternatives.

Targets

As part of Vions commitment to sustainability, resource efficiency, and value extraction from animal (by-)products, we are in the process of setting targets for waste reduction and recovery by 2030. These targets will support our broader strategy of resource recovery, minimising environmental impact, and promoting circular practices across the supply chain. The 2030 targets are expected to differ for pigs and cattle.

Social

Topic

Page

S1 - Own workforce

96

S4 - Consumers and end-users

110

Health and safety-Food safety

111

Access to (quality) information-Product integrity

116



S1 - Own workforce

We are committed to promoting the health and safety of our workforce, contributing to safer and more secure working environments in line with SDG 8.8. Our actions to improve worker safety have a positive impact on employees' daily working conditions. At the same time, we remain mindful of the potential negative impact associated with workplace injuries and illnesses, which can result from both organisational practices and individual behaviour.

In 2024, we made meaningful progress in reducing the number of workplace accidents—a clear step forward in ensuring a safer work environment. With the launch of a renewed safety team bringing fresh energy and focus, we are actively addressing safety challenges and preparing for the years ahead with a proactive approach.

S1 - Own workforce

IRO name	IRO type	IRO description	Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L
Health and safety	Actual negative impact	Vion's workforce experiences significant safety incidents due to the nature of our work, including accidents with dangerous tools.		▼		●	●	●

Our people

Our people are the foundation of Vion's success. We are proud of our dedicated and diverse workforce, and we are committed to fostering an environment where everyone can thrive, grow, and contribute meaningfully to our collective goals.

Our people make the difference

Despite the many economic challenges, which also impact our people, their families and our business, our way of working has consistently proven to provide a solid basis. Our approach is defined by three core identities: Sharp, Connected, and Brave. Sharp reflects our commitment to excellence and innovation, encouraging our people to continuously refine their skills and embrace new challenges with precision and agility. Being Connected means that we value collaboration and open communication, creating an inclusive environment where every voice is heard, and every team member feels a part of the Vion family. Lastly, Brave signifies our courage to push boundaries and pioneer new paths in our industry, empowering our colleagues to take bold steps and lead with confidence. We work closely together based on trust and respect.

At Vion, we don't just develop products; we develop people. We raise expectations, while at the same time facilitating and stimulating the personal development of our employees. The nature of our business requires significant craftsmanship and discipline. By focusing on the growth and professional development of our team, we ensure that our skills continue to be exceptional, and our collective potential knows no bounds. Together, we are more than a company; we are a community, working together to shape the future of food.

How do our people make the difference?

Our strength lies in our people. As a workforce comprising of individuals from more than 60 different cultures, we embrace diversity and recognise the unique contributions that each of our colleagues brings to the table.

When making their decisions, our people have to deal with a complex set of parameters: Purchase prices depend on herd sizes and slaughtering numbers. Our sales prices in 100+ markets are dependent upon a demand that is influenced by import needs, consumption, religious choices and exchange rates. For this reason, we need strong leaders and talents who can deal with a high number of variables to make crucial business decisions, such as resource allocation and management of the business mix. As our strategy is focused on building integrated demand driven supply chains, our way of working supports this by heart. Across all levels of the company our own people and associated people throughout our value supply chain, work collaboratively to achieve our vision: Stronger together we provide Food that Matters.

Vion; an employer of choice

In the current labour market, in which it is a challenge to attract and retain new talents, experts and experienced people in all disciplines, Vion wants to be an employer of choice. We try to achieve this by continuously investing in our people and by providing a safe and welcoming working environment.

Having the right people in the right place taking the right leadership responsibility is highly important for the future of our company. One example of how we support this is our extensive, longer-term Culture and Leadership programme: 'People Matter'. This programme focuses both on senior and operational management in order to strengthen our Way of Working, encourage good employment practices, and value diversity and inclusion. Another example which makes us proud is our 'Young Vion Club'. This is a broad, multi-disciplinary international community of enthusiastic and ambitious colleagues under age 35 who inspire each other and bond through Vion-oriented and broader learning sessions and engaging social activities.

We dare to say that our people make the difference, not only because of their knowledge and skills, but also for their pride, professionalism and – last but not

least – for their service to the consumer. Our people are passionate about our food solutions and understand the importance of our far-reaching corporate social responsibilities. We are stronger together to provide Food that Matters!

Engaging with our workforce

In 2025, we are taking an important step forward by launching a company-wide engagement survey. This initiative reflects our belief in open dialogue and employee involvement. The results will help us better understand the experiences and expectations of our workforce. Based on the outcomes, we will conduct regular follow-up 'pulse measurements' to monitor developments, identify areas for improvement, and ensure continuous feedback loops. Our Whistleblower policy will also be updated in 2025, ensuring it continues to meet the highest standards of confidentiality, accessibility, and trust. We want every employee to feel safe and heard, and to be confident in raising concerns when necessary.

Our HR policy focuses on attracting, developing, and retaining talent through a strong learning culture, leadership development, and a commitment to wellbeing and inclusion. Through initiatives such as the Vion Academy, cultural integration programmes, and tailored leadership development, we empower our employees and prepare them for the future.

Employee wellbeing is further supported through clear safety standards, social engagement initiatives, and transparent communication. We believe that when people feel supported and engaged, they perform at their best—driving both individual and organisational success.

More detailed data about our workforce, including demographic information, retention figures, and training participation, can be found in the metrics section at page 103.



Workers' safety

Our policies

As a leading food company in the meat industry, we place great importance on the safety and well-being of our employees. With approximately over 8.000 employees in our production environment, ensuring a safe workplace is a top priority. The Workers' Safety policy has been developed in line with the CSRD and serves as a guideline to reduce the number of accidents and promote a culture of safety. The people who work at our production locations matter most to us. Improving, maintaining, and promoting the health and safety of our people is therefore an important goal. We are committed to being a frontrunner in our industry when it comes to working conditions.

Scope

This policy applies to all employees, including permanent and temporary workers, agency staff, and external partners performing tasks at our production sites. It covers all activities within our production environments and focuses on identifying, controlling, and minimising safety risks.

Objectives

The objectives of our Workers' Safety policy are as follows:

- Creating a work environment where employee safety and well-being are central
- Continuously reducing workplace accidents and incidents

- Complying with national and international labour safety laws and regulations
- Strengthening a safety culture through training, awareness, and employee engagement

Governance

We have several procedures and regulations in place to create and maintain a safe working environment. Each German and Dutch production location has a Safety Officer. In Germany, we also employ regional Safety Managers. In the Netherlands, we have also defined an additional separate role for the HR Manager: that of Prevention Officer.

We carry out internal occupational safety audits systematically. Plant managers regularly review occupational safety KPIs as part of their management review. At every Vion location, we pay attention to working conditions through an improvement cycle. The improvement cycle is based on the Deming Circle (Plan, Do, Check, Act).

Review and continuous improvement

This policy is reviewed annually and adjusted as needed based on incident reports, employee feedback, and regulatory developments. Additionally, monthly reports are prepared with KPIs such as the number of accidents, near-miss reports, and compliance scores.

Communication

We communicate with workers through health and safety campaigns organised at least twice a year. The central topics of these campaigns are determined by incident analyses. We use posters, table displays, the Vion-app and TV screens in canteens to reach our people. With the Vion (Beekeeper) app we connect with our workforce, update them on important issues, or ask their opinion on several topics. Early 2024, we finalised the roll out of this app over the whole Vion organisation. Via Safety Alerts (notice board and TV screen announcements), we inform employees about possible risks in response to recent incidents. We translate every important document into the native language of each worker. However, we also face illiteracy among our flex workers. This led us to introduce the Field Coaches who act as a language, social and problem solving 'bridge' between the local Vion teams and our flex workers by enabling them to ask questions in their own language. We often work with pictograms (icons). Workers can raise concerns about issues affecting their rights, such as health and safety conditions, by reporting them to their line manager or HR manager. The local works council can also play a role here. If that is insufficient, employees can use the whistleblower tool to make a report. All whistleblower reports are registered. An independent officer is appointed to assure full confidentiality who will report out after investigation to the board.

Our actions and resources for workers' safety

Actions

In order to continuously provide our workers with a workplace and environment that is as safe as possible. We undertake several actions to achieve this.

Internal Safety Culture Ladder

The Internal Safety Culture Ladder is a valuable tool that helps measure and improve the safety culture within our organisation. It provides structured insight into employees' safety awareness and encourages continuous improvements. All Vion locations are annually assessed on their internal safety culture.

Training

Training and instructions play a crucial role in improving safety. They increase awareness, reduce accidents, ensure compliance with regulations, and promote a proactive safety culture. At Vion, new employees must complete this training within three months of their start date. Throughout the year, regular assessments are conducted to monitor progress.

Safety team

A strong safety team, consisting of qualified and well-trained members, is essential for effective risk management, regulatory compliance, rapid incident response, and promoting a strong safety culture. This team is active at all Vion locations and is working towards achieving their goals by the end of 2025.

Risk analyses

Risk analyses are an important part of safety management. They help identify hazards, prevent accidents, ensure compliance, and proactively improve workplace safety. All Vion locations conduct these analyses annually to ensure a safe working environment.

Resources

One of our key investments for the workplace and our workers' safety is the Health, Safety, and Environment (HSE) investments. In addition to HSE-specific initiatives, we undertake other workplace safety investments; however, these are not included in this overview. Replacements and/or improvements are risk-driven and are implemented at that time through the applicable approval process.

A RACI matrix has been developed for workers' safety, clearly outlining roles, tasks, and responsibilities required to meet our safety targets. If the RACI is not implemented as intended, achieving the targets will not be realistic and the Safety team would have to be strengthened with additional FTEs.

Targets

By 2030, Vion has set ambitious goals to further improve safety within our organisation. We aim to achieve an average score of 4.0 on the Internal Safety Culture Ladder by 2030. This score reflects a high level of safety awareness and a strong safety culture within the organisation.

Another target is to keep the number of fatal accidents at zero each year. Vion is committed to creating a work environment where no lives are lost due to work-related incidents. This requires continuous attention to safety, training, and risk management.

Finally, the goal for LTIF (Lost Time Injury Frequency) is evaluated and adjusted annually, meaning that we continuously strive for improvement and adapt to new insights and circumstances to ensure the safety of our employees.

Learning and development

At Vion, we strongly believe in the power of continuous learning and development. We encourage all employees to expand their personal and professional skills, ensuring they are equipped to succeed in a rapidly evolving environment.

A key focus of our training is on health and safety, as well as animal welfare. Employees who work with animals receive specialised training to guarantee the highest standards in animal care. These efforts are closely aligned with our values and commitment to responsible operations. Language and cultural training are also vital pillars in our development offering. By enhancing communication and mutual understanding across teams, we foster an inclusive and collaborative workplace.

Our approach on development is rooted in our Way of Working – Sharp, Connected, and Brave – and reflects our People Strategy. We offer targeted learning programmes in operational leadership, diversity management, cooperation, and employee engagement, helping us move towards a common leadership style across Vion.

Through our digital learning platform (Vion Academy) employees can access hundreds of courses and training modules in German, Dutch, English, and Polish. These include both mandatory and voluntary courses, ranging from soft skills (like conflict management, time management, and communication) to Vion-specific workshops in craftsmanship and meat expertise, compliance (e.g. Competition Law), and emergency response.

In addition, we run an intensive and engaging traineeship programme to attract and develop future talent, and we regularly welcome interns into our organisation. Health and safety remain a top priority, with structured training such as leadership awareness, hazardous substances expertise, X-ray safety, prevention officer training, and safe equipment operation (e.g. EPT and shunting).

Work force management

All temporary workers at Vion fall under an industry collective labour agreement (CAO), either the ABU or NBBU CAO. Part of the CAO for the meat sector includes the agreement that temporary workers (after working for five years through a temporary agency at a Vion location) will receive an offer from Vion to become a

permanent employee. Several conditions are set in the CAO for this. One of them is that a temporary worker must have their own housing. In practice, this is a high threshold due to the significant shortage of affordable housing in the Netherlands. Vion supports lowering this requirement from five years to two years.

At Vion, in the Netherlands, every temporary agency is certified through industry agreements, SNA, and SNF. Certifying bodies conduct various audits for this purpose. Vion also conducts additional audits several times a year on payments to temporary workers (payroll checks) and the liveability of housing. Any deficiencies must be resolved immediately by the temporary agencies and proof must be provided.

In 2024, Vion was one of the leading companies (and therefore early adopters) of the BMIP (Brabant Migration Information Point), later converted to WIN (Work In NL). WIN consultants in Brabant have weekly access to the canteen of the largest Vion location in Boxtel, providing objective information to our temporary workers, which has been a great success. Vion will focus on rolling out WIN points as quickly as possible at all necessary Vion locations in 2025.

In 2024, Vion was the first employer in the meat sector to start discussions with the FNV union about access to the canteen. This stemmed from national discussions with the Minister of Social Affairs and Employment about initiatives to improve the position of labour migrants. At the beginning of 2025, FNV actually started a pilot in the canteen at Vion in Boxtel.

Because the implementation of the WTTA at the national level has been postponed, Vion will also make agreements with its largest agencies about the early implementation of the WTTA module from the SNA regulation. Initial discussions for this started at the end of 2024.

To better manage the high turnover of temporary workers in the first phase within Vion, various initiatives were started in 2024, such as the 'Social Buddy' project, which will give temporary workers more direct attention in the first weeks after starting at Vion. Additionally, there is an initiative to improve the recruitment of temporary workers in their home countries by providing more targeted information about work, living, and travel.

To further restore the balance between permanent employees and temporary workers within Vion, various initiatives are underway, including targeted recruitment of employees who work in the reception of live animals. Additionally, preparations began in 2024 for a project to structurally place status holders in our production organisation.

Diversity and inclusion

We are committed to a workplace environment that promotes diversity and inclusion and creates an open and inclusive culture where everyone feels valued and respected. We believe that embracing equality and diversity in the workplace benefits not just the organisation but also the individual employee, (cooperation in) teams and in the end our consumer. As is also pointed out by scientific research that diverse teams perform better.

Inclusion, including correct ethical behaviour, sincerity, trustworthiness, and integrity are guiding principles within Vion.

We practice our diversity values by providing equal opportunities and ensuring that no job applicant, employee, client, or business relation is discriminated against by receiving a different treatment due to their background or personal characteristics.

We select people for roles in light of their qualifications, skills and experience. In addition to subjective (soft) job requirements, we use objective selection criteria. These objective criteria are hard job requirements that are transparent and leave

little room for unconscious bias. We continuously assess and adjust our practices, offering the right levels of support and resources to achieve a fair outcome of those involved.

We strive to ensure that all internal communications reflect the diversity of our employees in the language and images we use. In the same way, we strive to ensure that our external communications also reflect the diversity of our customers, business partners and other stakeholders. Vion acts in accordance with Human Rights legislation and will make all reasonable efforts to ensure that no-one working for Vion is subject to modern slavery or human trafficking. We are similarly committed to equal and fair payment for equal work.

Vitality

Sustainable employability means ensuring that employees can work at Vion in an effective and sustainable way, until they reach retirement age. Sustainable employability is considered in the context of a person's position, rights and responsibilities. Yet, there is no legislation on sustainable employability in our home markets. We stimulate sustainable employability and job satisfaction by offering modern working conditions.

Metrics

The characteristics of Vion's employees

From 2022 to 2024, Vion's total workforce decreased from 13.310 to 9.371 and in parallel, the number of own employees decreased. This development is correlated with the divestments of German parts of the organisation. However, the number of own employees in the Netherlands also decreased but due to lower volumes and a rightsizing of the indirect organisation.



Employee headcounts and demographics - Vion total (in number of persons)

	2024	2023	2022
Total number of workers own + flex	9,371	11,923	13,310
Total number of own employees	5,312	7,710	8,420
* Male	3,670	5,453	5,993
* Female	1,642	2,257	2,427
Total number of Vion's own employees with a permanent employment contract	4,304	6,287	6,825
* Male	3,065	4,587	4,986
* Female	1,239	1,700	1,839
Total number of Vion's own employees with a temporary employment contract	1,008	1,423	1,595
* Male	605	866	1,007
* Female	403	557	588
Total number of full-time employees	3,878	6,248	6,975
* Male	2,948	4,714	5,241
* Female	930	1,534	1,734
Total number of part-time employees	1,434	1,459	1,433
* Male	722	737	740
* Female	712	722	693
Total number of flex workers	4,059	4,213	4,890
* Male	2,894	3,087	3,725
* Female	1,165	1,126	1,165

Employee headcounts and demographics - Vion Netherlands (in number of persons)

	2024	2023	2022
Total number of workers own + flex	6,412	6,694	7,229
Total number of own employees	2,580	2,711	2,707
* Male	1,718	1,866	1,861
* Female	862	845	846
Total number of Vion Netherlands's own employees with a permanent employment contract	2,088	2,194	2,256
* Male	1,484	1,607	1,608
* Female	604	587	648
Total number of Vion Netherlands's own employees with a temporary employment contract	492	517	451
* Male	234	259	253
* Female	258	258	198
Total number of full-time employees	1,688	1,871	1,918
* Male	1,276	1,429	1,446
* Female	412	442	472
Total number of part-time employees	892	839	789
* Male	442	435	415
* Female	450	404	374
Total number of flex workers	3,832	3,983	4,522
* Male	2,687	2,873	3,381
* Female	1,145	1,110	1,141

Employee headcounts and demographics - Vion Germany (in number of persons)

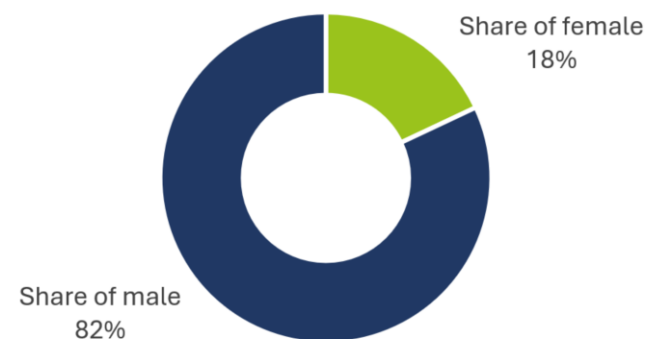
	2024	2023	2022
Total number of workers own + flex	2,826	5,101	5,934
Total number of own employees	2,666	4,927	5,636
* Male	1,899	3,531	4,072
* Female	767	1,396	1,564
Total number of Vion Germany's own employees with a permanent employment contract	2,150	4,021	4,492
* Male	1,528	2,924	3,318
* Female	622	1,097	1,174
Total number of Vion Germany's own employees with a temporary employment contract	516	906	1,144
* Male	371	607	754
* Female	145	299	390
Total number of full-time employees	2,124	4,309	4,996
* Male	1,619	3,231	3,750
* Female	505	1,078	1,246
Total number of part-time employees	542	618	640
* Male	280	300	322
* Female	262	318	318
Total number of flex workers	160	174	298
* Male	160	174	298
* Female	-	-	-

Employee headcounts and demographics - Vion Belgium (in number of persons)

	2024	2023	2022
Total number of workers own + flex	133	128	147
Total number of own employees	66	72	77
* Male	53	56	60
* Female	13	16	17
Total number of Vion Belgium's own employees with a permanent employment contract	66	72	77
* Male	53	56	60
* Female	13	16	17
Total number of Vion Belgium's own employees with a temporary employment contract	-	-	-
* Male	-	-	-
* Female	-	-	-
Total number of full-time employees	66	68	61
* Male	53	54	45
* Female	13	14	16
Total number of part-time employees	-	2	4
* Male	-	2	3
* Female	-	-	1
Total number of flex workers	67	56	70
* Male	47	40	46
* Female	20	16	24

Gender diversity in management positions

At Vion, we are committed to fostering a diverse and inclusive workplace. Currently, 18% of our management positions are held by women. We recognize the value of diverse leadership and have set a clear ambition to increase the representation of women in management roles in the coming years. Diversity, Equity & Inclusion (DEI) will be a key focus area within our HR strategy, driving meaningful progress across the organisation.



Plant with independent supplier workplace certification

Customer and social audits play a vital role in monitoring and improving working conditions across our operations. These audits provide transparency and help ensure that our practices align with international labour standards and customer expectations. We see a growing focus from our customers on social compliance and responsible employment practices. As such, these audits are becoming an increasingly important tool to demonstrate our commitment to ethical working conditions, employee well-being, and continuous improvement.

External sold volume produced by plants with independent supplier work place certification (in % of total external sold volume)

	2024	2023	2022
External sold volume produced by plants with independent supplier work place certification	78.9%	37.3%	42.9%

Employees and flex workers (Covered under collective bargaining agreements)

In the Netherlands, all operational employees and flex labour workers are covered by collective bargaining agreements. In Germany, we also work with collective bargaining agreements for different locations. Most of the workers who are not covered by collective bargaining agreements in the Netherlands are corporate staff.

Employees covered by collective bargaining agreements (in number of persons and in % of workforce)

Vion total (in number of persons and in % of workforce)

	2024	2023	2022
Number of own employees covered by collective bargaining agreements	3,879	5,619	6,201
Percentage of total own employees covered by collective bargaining agreements	73%	73%	74%
Number of flex workers covered by collective bargaining agreements	3,776	3,943	3,924
Percentage of total third-party workers covered by collective bargaining agreements	93%	94%	80%

Vion Germany (in number of persons and in % of workforce)

	2024	2023	2022
Number of own employees covered by collective bargaining agreements	1,438	3,030	3,632
Percentage of total own employees covered by collective bargaining agreements	54%	61%	64%
Number of flex workers covered by collective bargaining agreements	-	-	-
Percentage of total third-party workers covered by collective bargaining agreements	0%	0%	0%

Vion Netherlands (in number of persons and in % of workforce)

	2024	2023	2022
Number of own employees covered by collective bargaining agreements	2,441	2,589	2,504
Percentage of total own employees covered by collective bargaining agreements	95%	95%	93%
Number of flex workers covered by collective bargaining agreements	3,776	3,943	3,924
Percentage of total third-party workers covered by collective bargaining agreements	99%	99%	87%

Vion Belgium (in number of persons and in % of workforce)

	2024	2023	2022
Number of employees covered by collective bargaining agreements	-	-	65
Percentage of total employees covered by collective bargaining agreements	0%	0%	84%
Number of flex workers covered by collective bargaining agreements	-	-	-
Percentage of total third-party workers covered by collective bargaining agreements	0%	0%	0%

New employee hires

We integrated our German flex workers into our direct-employee workforce, therefore the number of new hires in Germany was much higher than in the Netherlands. In the Netherlands, we see lower new hires in 2024, mainly due to lower volumes.

New employee hires (in number of persons and in % of own workforce)

	2024		2023		2022	
	# New hires	% Own workforce	# New hires	% Own workforce	# New hires	% Own workforce
Vion total	1,057	19.9%	1,660	21.5%	1,900	22.6%
The Netherlands	425	16.5%	627	23.1%	690	25.5%
Germany	625	23.4%	1,022	20.7%	1,202	21.3%
Belgium	7	10.6%	11	15.3%	8	10.4%
Female	380	23.1%	605	26.8%	710	29.3%
Male	677	18.4%	1,055	19.3%	1,190	19.9%
Age <30	485	9.1%	698	9.1%	838	10.0%
Age 30-50	429	8.1%	745	9.7%	829	9.8%
Age >50	144	2.7%	217	2.8%	233	2.8%

Employee turnover

The high turnover rate in Germany was mainly the result of high turnover among our Eastern European workforce. A considerable number of newly recruited employees continue to leave after a short period of time. Lastly, due to the tight labour markets in Germany and the Netherlands, the general lack of workers means some are lured away by competitors or other industries. For the same reasons, the turnover rate in the Netherlands increased.

Employee turnover (in number of persons and in % of own workforce)

	2024		2023		2022	
	# Turnovers	% Own workforce	# Turnovers	% Own workforce	# Turnovers	% Own workforce
Vion total	3,618	68.1%	2,233	29.0%	2,232	26.5%
The Netherlands	566	21.9%	558	20.6%	491	18.1%
Germany	3,046	114.3%	1,664	33.8%	1,730	30.7%
Belgium	6	9.1%	11	15.3%	11	14.3%
Female	1,169	71.2%	701	31.1%	702	28.9%
Male	2,449	66.7%	1,532	28.1%	1,530	25.5%
Age <30	961	18.1%	712	9.2%	791	9.4%
Age 30-50	1,749	32.9%	1,052	13.6%	1,003	11.9%
Age >50	908	17.1%	469	6.1%	438	5.2%

Health and safety

In recent years, we have made significant progress in the Netherlands towards improving workplace health and safety. By placing a stronger focus on health and safety and enhancing compliance with laws and regulations through clearer and more standardized instructions, we have achieved an increase in our internal Health & Safety Audit score (expressed within the Safety Culture Ladder KPI) and a decrease in the number of lost time injuries (LTI). There were no fatalities in 2024.

In Germany, workplace health and safety has been considerably improved as indicated by the Safety Culture Ladder score which increased from 1.7 in 2022 to 3.2 in 2024.

Lost time injuries with absence of at least one scheduled work day (in # of incidents)

	2024	2023	2022
Vion total	214	424	600
The Netherlands	80	128	148
Germany	125	294	447
Belgium	9	2	5

Lost time injuries frequency (in # LTIs per million hours worked)

	2024	2023	2022
Vion total	12.4	19.8	37.7
The Netherlands	7.7	12.2	42.4
Germany	18.3	27.1	36.3
Belgium	93.5	20.6	47.5

Main drivers for this outcome are the increased management focus on health and safety in terms of several workshops and on-site trainings conducted by our HSE managers, and investments in state-of-the-art protection gear which reduced stabbing and cutting wounds significantly. Furthermore, most of our plants are already scored above the average Safety Culture Ladder score, contributing to our confidence in achieving a score of 4.0 soon. We have now also introduced a new H&S management system (DIN ISO 45001) which will be implemented in a pilot project in one plant by the end of 2025.

In the upcoming years, we aim to continue this positive trend. Our goal towards 2030 is to achieve a minimum score of 4.0 on the internal Health & Safety Audit and a maximum Lost Time Injury Frequency (LTIF) of 10.

Illness Rate (in % of total working days)

	2024	2023	2022	Target 2024
The Netherlands	6.3%	5.5%	6.7%	5.4%
Germany	5.0%	5.3%	5.8%	5.0%
Belgium	5.7%	5.5%	3.6%	5.5%

Safety Culture Ladder (in step level from 1-5)

	2024	2023	2022	Target 2024
Vion total	3.9	3.4	2.5	
The Netherlands	4.0	3.9	3.8	3.8
Germany	3.6	3.0	1.8	2.0

Accounting policies

All calculations for own workforce cover both own employees and flex workers except for illness rate which only takes into account our own employees.

Employee headcounts and demographics (characteristics of employees)

Measures the total number of employees and key demographic data (e.g., age, gender, ethnicity, employment type). Supports diversity, equity, and inclusion efforts and helps track workforce composition over time.

Gender diversity in management positions

Tracks the representation of different genders in management and leadership roles. Supports efforts to promote gender equality and inclusive leadership across the organization.

Plant with independent supplier work place certification (in % of total external sold volume)

Externally sold volume from our plants certified by an independent supplier workplace certification as a percentage of the total externally sold volume from all our plants.

Employee and third-party workers (covered under collective bargaining agreements)

Measures the number of employees and third-party workers covered by collective bargaining agreements. Reflects the organization's commitment to fair labour practices and workers' rights.

New employee hires

Absolute number (headcounts) of new employees in the reporting period. To calculate the rate of new employee hires, we use the total employee numbers at the end of the reporting period.

Employee turnover

Absolute number of employees (headcounts) who left Vion in the reporting period voluntarily or due to dismissal, retirement or death. To calculate the rate of employee turnover, we use the total employee numbers at the end of the reporting period.

Lost-time injuries (LTIs)

Injuries with an absence of at least one scheduled work day.

Lost-time injuries frequency (LTIFs)

Injuries with an absence of at least one scheduled work day per million hours worked.

Illness rate

The actual days of absence with continued remuneration (the first two years of each sickness in the Netherlands, the first six weeks in Germany, the first four weeks in Belgium), expressed as a percentage of the total days scheduled to be worked by these workers in the same period.

Safety culture ladder

Each plant is scored on a scale of one to five on six subjects (eg. policy & organization, risk identification & evaluation, incident management, instruction & competence, implementation & execution, control & act). The average score for each of these six subjects is calculated for each plant. The final Vion score is the average score (on scale of one to five) of all Vion plants.



S4 - Consumers and end-users

In animal-based food production, there is a constant risk of contamination if hygiene standards are not met. Animals may carry harmful microorganisms, and each processing step adds potential for exposure. Vion, along with customers and consumers, plays a role in ensuring food safety. We continuously monitor hygiene and safety performance to support year-round access to safe, nutritious food (SDG 2.1). Our traceability and product integrity systems build a transparent, trustworthy supply chain. By connecting farmers and consumers, we highlight the craftsmanship behind our products. Any failure to meet regulations or provide accurate information could impact stakeholders—making vigilance essential.

S4 - Consumers and end-users

IRO name	IRO type	IRO description	Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L ¹
Health and safety-Food safety	Actual negative impact	Microbiological, chemical or physical contamination of our products can pose a food safety risk to our consumer.			►	●	●	●
	Actual positive impact	Vion-products contribute to a wholesome and nutritious diet, supporting the health and satisfaction of consumers.			►	●	●	●
	Opportunity	If meat or meat alternatives are recognised as essential components of a healthy diet, it would establish a consistent demand for Vion's products.			►	●	●	●
Access to (quality) information-Product integrity	Potential negative impact	Failure of traceability results in legal issues, while negatively impacting consumer and customer trust. Consequences can be loss of customer, (temporary) closure of production facility and/or loss of export market.			►	●	●	●
	Actual positive impact	We continuously monitor our integrity performance in the supply chain. This encompasses aspects such as CSRD initiatives, annual reports, label details, internal and external audit scores, and DNA monitoring systems. Vion also maintains a transparency website dedicated to sharing extensive process-related information, like audit results. This information reaches a considerable portion of Vion's customer base, influencing their perceptions and decisions.			►	●	●	●

¹ The green ● marking refers to the scenario when a time horizon is 'maybe' long term. As some techniques are developing fast, current obstacles may be resolved within 5-10 years, these long-term time horizons are indicated as maybe.

Health and safety-Food safety

Policies

In food production, particularly preparing foods of animal origin, there is a continuous risk that the way of working will have a negative impact on food safety. Animals carry microorganisms that can infect humans upon exposure to such bacteria. Furthermore, the processing of animals and products along the supply chain comprises multiple occasions at which the probability that products become contaminated with unwanted materials increases if the way of working falls below the required hygienic standard. As such, Vion, our customers, and consumers have the potential to cause contamination that could lead to a food-borne infection or intoxication for consumers. Therefore, we continuously monitor so that our hygienic way of working and our performance levels regarding food safety procedures remain stable and effective. In this way we contribute to people's access to safe and nutritious food all year round (SDG target 2.1).

We aim to have a positive impact on food safety in our industry. Vion therefore shares the results from food safety research through scientific publications, at scientific conferences, and via national meetings organised by branch organisations. We also provide industry partners with support conducting quantitative microbial risk assessments.

Scope

For Vion, food safety is a top priority to ensure safe and healthy products, and that the reputation of our customers is safeguarded. Vion controls the collection, the processing and storage of all products and other activities that are necessary to produce healthy and safe food.

We operate as a business-to-business industry partner in an extensive supply chain involving various suppliers and partners. Ensuring food safety across the entire supply chain is essential for maintaining confidence in the quality of raw materials and finished products.

Representatives of the consumers of our products are our customers. As part of long-lasting partnerships with our customers, we share information on food safety performance, metrics and food safety certification throughout the supply chain. Our Food Safety policy focuses on all consumers of our products. Subgroups of consumers, including young children, pregnant women, the elderly and immunocompromised people are specifically vulnerable to foodborne diseases if they eat contaminated foods. As it is unknown to Vion which consumers ultimately eat our products, we aim to assure food safety at the highest level that is reasonably achievable for all our products.

Our policy, commitment and objectives

Food safety and quality assurance are embedded in our practices across all production sites and compliance with international food safety standards is essential for accessing global markets. Furthermore, many countries have strict import regulations and adherence to these food safety standards is necessary for Vion to compete in the global market.

All Vion facilities are ISO 9001 certified, reflecting our commitment to quality and customers can contact us if products do not meet their expectations. Our multi-site ISO 9001 certification, supported by annual third-party audits, ensures that customer requirements and complaints are addressed consistently and effectively.

Our work on food safety covers diverse areas and processes:

- High standards of hygiene during daily operations
- Training personnel
- Equipment used
- Daily cleaning and disinfection of production areas and equipment
- Raising the bar for food safety standards by being board members of standard-setting organisations
- Conducting scientific research to obtain the latest information and to study possibilities for improvement

Furthermore, all our sites have incorporated the Vion-HACCP system, which is globally accepted in all relevant food markets. Vion follows closely the principles laid down by the Codex Alimentarius in this respect. Furthermore, Vion's HACCP- and Food Safety Management-system is developed such that the relevant national and international legislation is automatically complied with. The system includes for instance automatic compliance to the leading British Retail Consortium (BRC) and International Featured Standards (IFS).

The Vion-HACCP system starts with identifying and prioritising relevant hazards: how often does a hazard occur and how serious is the potential hazard to humans? Given the nature of our products, several of these hazards consist of bacteria that occur in animals and can cause consumers illness. Such bacteria are called zoonotic bacteria and the subsequent human illness known as 'zoonosis'. When it comes to slaughtering, there are two key principles for assuring food safety related to these zoonotic hazards. We prioritize these in our daily operations:

- Ensuring hygienic processing, with zero-tolerance on contamination from digesta
- Preventing micro-organisms from multiplying by controlling the temperature at every stage of production

In further processing of meat into retail products, Vion additionally identifies high risk products for

additional food safety measures. Products intended to be cooked prior to consumption are expected to undergo sufficient heating to kill microorganisms, thereby eliminating any foodborne risk. In contrast, products that are ready-to-eat are not. For the ready-to-eat product, Vion adds another layer of safety by testing all batches on relevant bacteria. The batches are released to customers only when no microorganisms are found (i.e., a 'negative release' procedure).

In case products are non-conform due to e.g. contamination or misspecification (e.g., allergen information lacking on the product label), we have strict procedures in place to either retract products from the market when products have not entered retail shelves or do a public recall otherwise. Our tracking and tracing system enables proper coverage of the volumes and locations that our products go to and ensures that all products under consideration are traced back. We perform such activities in close collaboration with the relevant customers and authorities.

The relevant policies and procedures are managed in our online quality handbook 'Quality Online'. Particularly important for food safety are the documents covering our hazard analysis, prerequisite requirements, critical control points in our operations, and crisis management procedures, including product recalls.

Actions and resources

Actions

KPI-related actions

All Vion production locations follow the relevant quality assurance procedures to assure we produce in compliance with all relevant legislations and customer demands, and according to the highest level of food safety as reasonably achievable. The hygienic way of working is continuously monitored by analysing samples on microbial indicators. When non-compliances are observed, then a root cause analysis is initiated to solve the issue. Furthermore, internal and third-party audits, announced and unannounced, are performed multiple times per year on all production locations to assure that we operate according to all our requirements, as laid down in our quality handbook. This way of working ensures that we keep our Global Food Safety Initiative (GFSI) certification.

Non-KPI related actions

We have established comprehensive quality assurance systems that encompass all aspects of meat processing, from sourcing to distribution, with regular internal and third-party audits as well as government supervision and assessments. We also engage with our suppliers to ensure they adhere to food safety standards and implement relevant quality assurance programs.

Continuous training is provided to employees on hygiene practices, proper handling procedures, and

the importance of food safety. This includes training for workers in various roles, from specific processing to higher management.

We steer on stringent sanitation and hygiene standards in processing facilities through our daily standardised sanitary operation procedures (SSOPs) conducted before starting and during production, including daily cleaning and disinfection, sanitizing the equipment used, and ensuring a clean and dry working environment.

Regular testing is conducted on raw materials, finished products, and the production environment to detect contaminants, pathogens, and other potential hazards. We maintain 10- to 100-fold stricter internal norms than those required by law, supplemented with continuous monitoring of production processes and hygiene to identify and address any deviations from those norms.

In 2024, there were no food safety issues that required us to initiate a public recall on any of our products.

Resources

The hygienic way of working is part of daily operations. To continuously improve and stay a frontrunner on the topic, Vion engages in various research projects. One such project focuses on the added value of using hyperspectral imaging to assess

microbial contamination on our products. This project runs from 2025 until 2028 and requires in total k€45 (divided over four annual contributions) and in-kind capacity of Vion employees. Another project focuses on transmission of pathogens through the supply chain conducted in Groenlo, requiring only an in-kind contribution via the capacity of Vion employees.

Targets

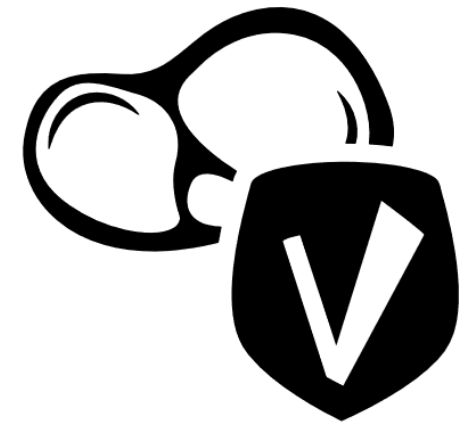
Microbial compliance

Products of animal and plant origin inevitably carry bacteria. Part of these bacteria are pathogenic and impact food safety, the majority are not. In general, the higher the total number of bacteria in products, the greater the probability that pathogenic microorganisms are among those. We monitor a bacterial family called 'Enterobacteriaceae', which includes a large group of bacteria, many of which are part of the normal microbiota in the human/animal gut and play an important role in digestion. As such, the majority of bacteria within the Enterobacteriaceae family are non-pathogenic. We monitor these bacteria daily on production locations and set strict internal limits on the daily average bacterial count. The targets for pork and beef for 2025 are set to 90% of the daily averages falling below the limit. The targets for 2030 are >95% for both pork and beef.

Sales volume from GFSI approved plants

Vion has developed and implemented recognised monitoring systems to demonstrate compliance with

hygienic processing requirements and the control of relevant hazards. To verify compliance with food safety and customer requirements, all production sites are audited and certified when in compliance according to the rules of the Global Food Safety Initiative (GFSI). The two private food safety standards we use are the International Featured Standards Food (IFS Food) and the British Retail Consortium (BRC) standard. By showing compliance to their requirements through third-party audits, we show that we comply with a high standard of food safety. The compliance is formally registered through certificates with expiration dates, issued by the third party. The target for the percentage of sales volume from such GFSI-approved plants for 2025 is set at 97%. The target for 2030 is 100%.



Metrics

Volume produced in sites

Vion production sites are all certified according to either IFS or BRC. Only a small proportion of purchased food items originate from production sites that are not certified according to a GFSI standard. Some specific products that we support in our market outlets, or of specific regional origin, are hard to obtain from a production site that is certified. Vion aims to keep this volume to a minimum, without jeopardising various products to be offered on the shelf.

With respect to the origin of the animals that we slaughter, almost all pigs originate from farms that are certified with a good agriculture standard. Within beef, Vion mainly slaughters dairy cattle. Dairy producers work largely with good agriculture standards but not all of them are certified through a third-party audit process.

Produced by Vion sites certified according to internationally recognised food safety management system standard (in % of sales volume or % of slaughtered animals)

	2024	2023	2022
% sales volume from GFSI approved plants	95.9%	96.7%	97.1%

% compliance with internal Vion microbiological standards for product hygiene

Products of animal and plant origin inevitably carry bacteria. Part of these bacteria are pathogenic and impact food safety, the vast majority however are not. We can make use of these non-pathogenic (or ‘good’) bacteria as proxy for food safety since the higher the total number of bacteria on products, the greater the probability that pathogenic microorganisms are among those. We uphold very strict norms on the levels of these ‘good’ bacteria, to limit the probability that a pathogenic bacteria could be in our products. Given these strict norms, it is unlikely that all samplings will always comply. However, by striving for a percentage that is as high as possible, we achieve continuous improvement in food safety. For both pork and beef, we saw such an increase in 2024 compared to 2023. We aim to continue this increasing trend in 2025.

Compliance with internal Vion microbiological standards for product hygiene (in % of days with Enterobacteriaceae exceedance per total days sampled)

	2024	2023	2022	Target 2024
Vion - Total	89.4%	86.7%	88.1%	90.0%
Pork	91.3%	88.0%	88.1%	90.0%
Beef	84.2%	82.7%	88.2%	90.0%

Accounting policies

% sales volume from GFSI approved plants

Externally sold volume from our plants that are IFS or BRC certified as a percentage of the total externally sold volume.

% of slaughtered pigs from a third-party Good Agricultural Practice Scheme

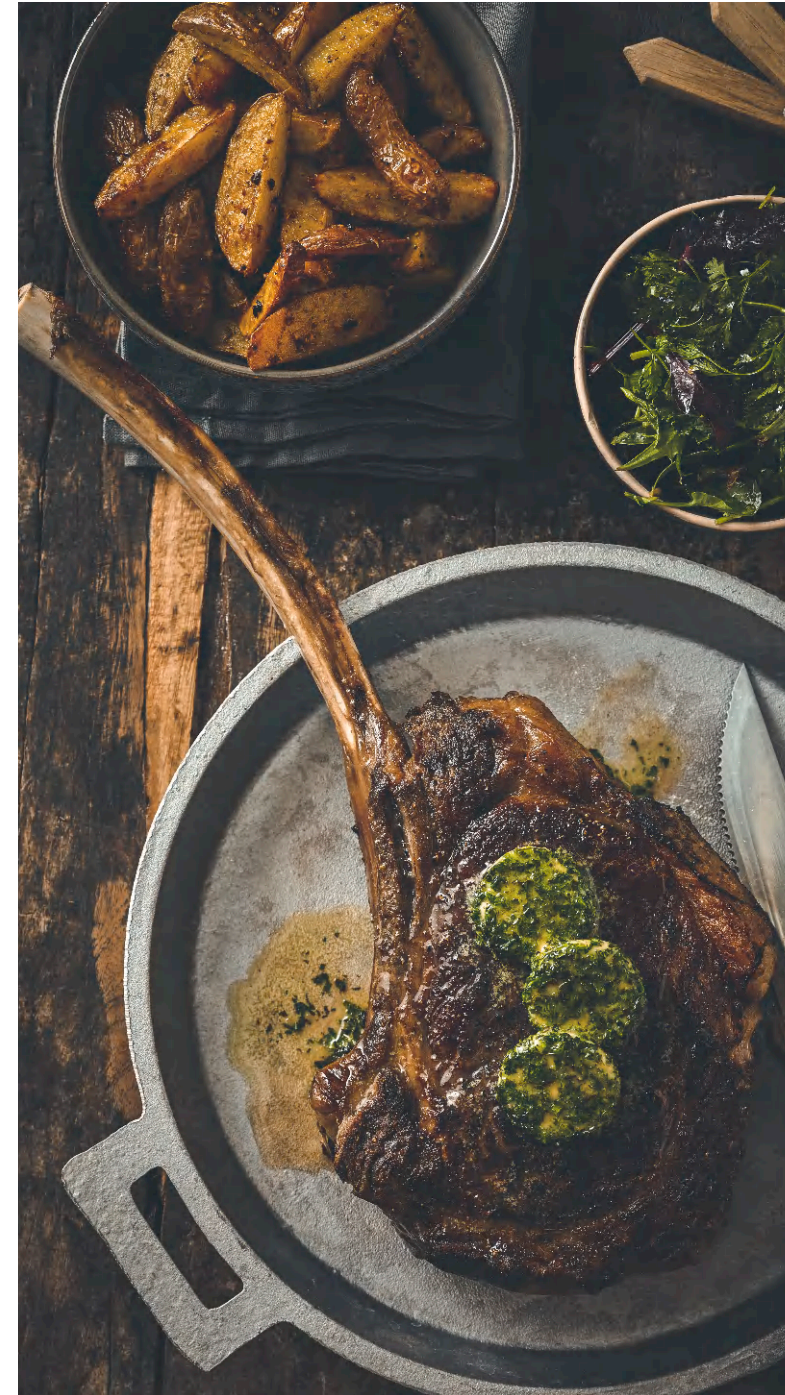
Slaughtered pigs raised and certified to conform to IKB, QS, GlobalGAP or organic as a percentage of all slaughtered pigs.

% of slaughtered cattle from a third-party Good Agricultural Practice Scheme

Slaughtered cattle raised and certified to conform to QS or organic as a percentage of all slaughtered cattle.

% compliance with Vion internal microbiological standards for product hygiene

The number of days, per production site, on which the day-average *Enterobacteriaceae*-count on trimmings exceeds the internal Vion threshold, divided by the total number of days on which trimming samples are examined for *Enterobacteriaceae*.



Access to (quality) information- Product integrity

Policies

With our traceability and product integrity system, we have a positive impact on our stakeholders by building a trustworthy and transparent supply chain. Through our standards, we pave the way to the creation of new, state-of-the-art standards within our industry. However, Vion might cause a potential negative impact if we fail to comply with laws, regulations, and voluntary standards, or through incorrect product information. Trust in food depends on having a high degree of transparency and by connecting farmers and consumers through specific supply chains, information about who is responsible for the food production becomes more accessible. This gives the farmer and their family a recognisable face and shows consumers that our food supply chain is a work of craftsmanship, from farmer to butcher or from vegan-food producer.

Traceability

Companies that produce food items with complicated supply chains face a significant challenge to ensure that their products can be traced both upstream and downstream. We can trace all our food items, whether derived from plants or animals, to their originating farms and we are committed to being transparent about product origin, which we achieve by providing full traceability.

Traceability relevant information for all plant products and other non-animal ingredients processed at Vion is documented and delivered with the product, either on paper or digitally. Animals are individually marked using, for example, ear tags for cattle or individual number markings for pigs. The underlying databases enable us to trace all slaughtered pigs and cattle to their places of birth. Following meat inspection, all carcasses are given an individual identifier linked to the ear tag, tattoo number or an RFID chip. When carcasses or parts of the carcass are processed, typical batch specifications include the processing site, slaughter site, origin of

the animal, quality programmes (e.g. organic, 'Geprüfte Qualität Bayern', Good Farming Star), breeds and production dates.

Relevant information is included on the consumer packaging labels, which offers the consumer guidance when making their choices. The consumer product is always traceable to a group of farmers in the supply chain and we can trace all meats and processed products to the day of slaughter. For the processing plants, where we slaughter up to 4,000 cattle or up to 20,000 pigs a day, this means that we can immediately trace, on a daily basis, the product to the group of farms which delivered the animals. For retailers and similar customers, we provide a traceability code on the package that shows the farms which supplies that specific retailer. This in turn, allows the consumer to scan a QR code which enables them to see where the product was produced, at which plant the animal was slaughtered and when this took place.

Product integrity

Product integrity involves organising production, processes, and supply chains to create and manage a transparent, honest, and reliable chain of custody. It further guarantees the consumer that the product inside the packaging is what is shown on the label. Our quality standard includes a description of our physical and administrative processes (a product integrity risk assessment). This assessment results in the identification and quantification of various risks related to product integrity which forms the basis of the control programme for product integrity within Vion. Part of this programme involves the monitoring and verification of all procedures which concern product integrity. In addition, the product integrity control programme is subject to an internal peer review audit, second-party audits carried out by our customers, and third-party audits carried out by independent, accredited certification bodies.

Over the past 10 years, the relevance of having systematic control of product integrity has increased substantially. There are several drivers: First, it is the result of

several scandals in the food sector, such as the one involving horse meat. Second, it has become especially important for participants in consumer product supply chains to meet changing consumer demands regarding product integrity, such as animal welfare and environmental impact. Having systematic control of product integrity throughout the supply chain is of utmost relevance to the consumer and everyone in the supply chain should be able to operate on a controlled level playing field.

As with food safety and animal welfare, we recognise that product integrity is primarily the responsibility of all supply chain partners. Based on this, we began to develop a Dutch Chain of Custody standard for pork, certified under the 'Beter Leven' standard of the Dutch animal welfare trust. This was launched in 2015 with the retail-wide introduction of 'Beter Leven' pork in the Netherlands. This Chain of Custody standard was developed with the Dutch Retail Association and several certifying bodies. In 2017, IFS (International Featured Standards, Berlin) joined this initiative and developed the new IFS PIA (IFS Product Integrity Assessment) with its stakeholders in the global retail, food industry and certification bodies. Through this initiative, we and our relevant stakeholders took the control of process and product integrity to the next level. We now assess our production sites under this IFS Product Integrity.

Assessment scheme (IFS-PIA).

Our procedures require mandatory and extra product related information on labels. These include:

- Sourcing (country of origin, country of slaughter)
- Content (type of animal, breed, specific part of the animal)
- Storage guidelines (temperature)
- Animal welfare certification
- Local origin certification

Actions

During 2024, we further implemented the latest software systems and cloud solutions in our pork production plants. We did this to optimise the data flow, making it more precise and efficient, and to be able to perform more detailed product balance calculations. The daily product balance calculation involves comparing the number of animals delivered that day to the number of products made out of them. These figures must correspond.

Separate supply chains for specific retailers

Consumers and customers in the north-western European market increasingly demand knowledge about the origin of their meat. This reflects both the discussion concerning the regionality of food sourcing and the provision of guarantees concerning animal welfare. For example, several Dutch and German retailers demand meat from a limited number of pig farms. There are groups of Dutch pig farms, certified as Beter Leven 1-star, which are associated with a specific retailer. We ensure that these individual supply chains are dedicated to one customer. These retailer specific supply chains are also a good opportunity to demonstrate full transparency to consumers and society as a whole. The retailer's website details all the actors in the supply chain to the consumer. This means that bacon, say, is no longer an anonymous product, but instead connected to the faces of the farmer and the butcher. This is in line with our ambition to develop demand-driven, sustainable, and transparent supply chains.

Integrity of Vion Good Farming Star pork verified by DNA

In the last few years, the integrity of our products and processes has become more important to our customers and consumers. By 'integrity', we mean that all attributes associated with the product, including animal welfare, carbon footprint and origin can be 100% verified. We have already implemented process integrity control systems involving verification by product, balanced throughout the supply chain. In addition, we have now added the monitoring of product integrity through the DNA testing of consumer products.

From pig to sausage: Identity preserved

The process is organised so that DNA from all Good Farming Star sows is collected, analysed, and stored in a DNA data bank. As a result, the DNA of the maternal line of all Good Farming Star pork is available for scrutiny. Vion sells Good Farming Star pork as consumer goods and to other customers that produce fresh and processed meat. DNA tests are conducted to verify that consumer goods such as pork chops, fresh sausages, cooked meat products and pork meal components all comply with the pig of origin. Samples are taken throughout the supply chain to confirm that they comply with the origin of the animals.

In short, DNA is the ultimate consumer care check and an instrument to show the integrity of all our processes. Through DNA checking, we can demonstrate that we are actively ensuring the integrity of our products from Farm to Fork, and that these Vion products are so-called 'identity preserved'. In addition to this DNA integrity system for the Good Farming Star pork concept, we have begun to establish the same DNA monitoring system for the organic pork supply chain. We are currently in the final stage of developing DNA traceability for this supply chain. And as well as DNA integrity systems for sustainable pork market concepts, we have developed DNA traceability for our cattle slaughtered in our Dutch slaughterhouse.

IFS product integrity assessment

In 2024, all Vion production sites that have been part of the Vion family for more than three years were assessed by IFS PIA. Dutch retailers require IFS PIA for all producers in the private label pork supply chain. This is a clear sign for the meat processors involved to comply with the IFS PIA standard.

Outlook and improvement plan

- All Vion production sites that have been part of the Vion family for more than three years will be assessed by IFS PIA
- We will continue to develop and implement the DNA product traceability system

KPI-related actions

We assess the number of plants with IFS PIA product integrity standard, for this KPI we calculate the externally sold volume from plants which have passed the IFS PIA product integrity assessment as a percentage of total externally sold volume. Our expected outcome is that the target for the KPI of plants with IFS PIA product integrity standard will be achieved. All Vion production plants are in scope and we carry out quarterly intermediate updates for progress monitoring.

Non-KPI related actions

We have established comprehensive quality assurance systems that encompass all aspects of meat processing, from sourcing to distribution, with regular internal and third-party audits government supervision and assessments. Additionally, we engage with our suppliers to ensure they adhere to integrity standards and implement relevant quality assurance programs.

Vion provides continuous training to employees on integrity, identification, proper handling procedures, and the importance of product integrity. This includes training for workers in various roles, from specific processing to key employees and higher management.

We steer on stringent implementation of the integrity and identification procedures in processing facilities, including daily monitoring and verification of these procedures.

Targets

The targets for the percentage of sales volume from plants certified to conform to IFS PIA product integrity assessment are 92% for 2025 and 95% for 2030.



Metrics

The IFS Product Integrity Assessment (IFS PIA) builds trust between suppliers and their customers. It aims to raise awareness and manage risks related to product integrity and food fraud within the supply chain. IFS PIA assesses the production processes, the administrative procedures, the supply chain, and the company's handling of raw material-related risks. As a food producer we can show how we identify and protect our company and customers against fraud risks and maintain food integrity.

In 2024 Vion Crailsheim had the first IFS PIA assessment. Due to this, the percentage of sold volume from plants with IFS PIA increased to 92,3% in 2024.

External sold volume (in % of external sold volume)

	2024	2023	2022
% external sold volume originating from plants certified according to a specific integrity standard (IFS PIA, Orgainvent, LQB herkunft)	92.7%	92.6%	86.8%
% external sold volume from plants with IFS PIA product integrity standard	92.3%	85.5%	67.5%

Accounting policies

% externally sold volume from plants with IFS PIA

Externally sold volume from plants certified to conform to IFS Product Integrity Assessment, German Orgainvent or LQB- Herkunft integrity standard as a percentage of total externally sold volume.

% externally sold volume with a specific integrity standard

Externally sold volume from plants certified to conform to IFS Product Integrity Assessment, German Orgainvent or LQB-Herkunft integrity standard as a percentage of total externally sold volume.

Governance

Topic	Page
G1 - Business conduct	121
Animal welfare	122
Management relationship with suppliers	130





G1 - Business conduct

We prioritise animal health, welfare, and local origin. Through third-party certification schemes and practices like stunning before slaughter, we work to minimise risks and improve animal welfare (SDG 12.2 and 15.5). Still, we acknowledge the ethical impact of meat production.

We value fair, transparent relationships with livestock suppliers. Our payment and pricing policies support farmer sustainability and a stable supply chain (SDG 15.6).

G1 - Business conduct

			Value chain			Time horizon		
			Upstream	Own operations	Downstream	S	M	L
Animal welfare	Actual negative impact	Vion's value chain involves the handling and slaughtering of numerous live animals, subjecting them to stressful conditions prior to slaughter when under our direct control in the case of non-compliance to ethical practice procedures.	◀	▼	▶	●	●	●
		Actions such as dehorning, detaining, caging, and transportation restrict the animals' freedom, infringing upon their welfare according to the five freedoms principle.	◀	▼	▶	●	●	●
		Instances of (incorrect) stunning and/or slaughtering also contribute to the adverse impact on animal welfare.	◀	▼	▶	●	●	●
	Potential negative impact	In Vion's value chain, potential negative impacts on animal welfare can occur in case of non-compliance to good practice standards including examples such as loading unfit animals for transportation, prolonged waiting times during transportation, and exposure to harsh weather conditions or instances of animal abuse during handling, such as beating, and the omission of tail-docking practices for pigs may lead to increased risks of injuries and infections.	◀	▼	▶	●	●	●
	Actual positive impact	Vion actively supports scientific projects and collaborates with stakeholders to improve animal welfare. This includes sharing data gathered from smart camera systems and publicly disclosing welfare information on our websites. These efforts have a notable positive impact on animal welfare within Vion's operations and across the industry.	◀	▼	▶	●	●	●
Management of relationships with suppliers	Opportunity	A fair and clear payment policy in accordance with the law might have a positive influence in the relationship with livestock suppliers which could result in loyal suppliers during supply shortages.	◀			●	●	●

Animal welfare

Policies

Our animal welfare policies

Animal welfare stands as a cornerstone of ethical and sustainable practices within Vion, reflecting a deep commitment to responsible stewardship and the humane treatment of animals. Recognising that the welfare of animals is inseparable from the health and sustainability of our food systems, we have implemented a comprehensive framework to ensure the well-being of the livestock under our care.

Vion operates within a framework shaped by national and European animal welfare legislation, as well as the requirements set out in national guides to good agricultural practice (Farm Assurance Schemes). In addition to meeting these regulatory obligations, we have chosen to adopt higher welfare standards that go beyond compliance. Our approach is guided by the five freedoms established in the Brambell Report, which form the foundation of many animal welfare policies. Building on this, Vion also recognises farm animals as sentient beings—capable of emotions and possessing intrinsic value. In line with this belief, we have adopted the six guiding principles for humane livestock farming as published by the Dutch Council on Animal Affairs (RDA.2021.076). These principles emphasise the importance of fostering positive emotional states in animals, not just minimising negative ones. We aim to keep animals free from fear and distress by fostering conditions and treatment that prevent psychological suffering and promote a positive mental state. All of these efforts are rooted in our respect for the intrinsic value of every animal.

Control of and transparency around animal welfare are key in our strategy to create trust in our products and supply chain. We want to take the lead in animal welfare discussions, and we take responsibility for controlling the welfare status in the supply chain. Our goal is to scale up our animal welfare programmes so that by

2025, at least 25% of the meat we sell (measured by sold value) is certified under a recognised animal welfare standard, and to increase this figure to 50% by 2030.

Our Animal Welfare strategy consists of several levels of control allied to several objectives. The underlying philosophy is that transparency in the supply chain improves animal welfare. We are therefore committed to gathering and sharing information on animal welfare aspects via digital systems with the rest of the supply chain. By collecting and sharing all relevant data, farmers can improve their management systems, including reducing their use of medicines and improving animal welfare.

Our policy extends beyond the slaughtering process, encompassing animal welfare at both the farm level and during transportation. Within this framework, we aim to ensure the welfare of each individual animal, and support farmers in their ongoing efforts to improve animal welfare practices. We provide hauliers with the necessary information, training, and continuous education to evaluate and enhance animal transportation standards. Additionally, we strive to offer assurance to customers, consumers, and society by maintaining strong control over animal welfare throughout the supply chain. Ultimately, our goal is to foster trust by upholding a professional approach to animal welfare and promoting transparency with all stakeholders.

Animal-Friendly Husbandry policy

The demand for animal-friendly meat is a constantly growing market. In order to meet the expectations of our customers, we collaborate with farmers, customers, researchers and other stakeholders as well as by promoting quality labels with high standards for animal welfare. Additionally, we collect and share welfare data with our supply chain through digital systems in order to improve transparency and animal welfare.

We follow several independent quality schemes for Good Agricultural Practice, including QS, IKB, and Belbeef Organic and work closely with our supply chain stakeholders to further define and implement them. These schemes integrate compliance with legal standards for animal welfare in livestock handling across the food supply chain and adherence to them is ensured through independent audits of all certified farms.

We have developed several brands and supply chain concepts to actively support farmers who invest in advanced animal husbandry practices, prioritising spacious and comfortable living conditions for livestock. Our Good Farming Star concept is built on the standards of the Beter Leven Keurmerk 1-star label, and today, over 140 Dutch pig farms in our Good Farming Star supply chain are certified to this level. De Groene Weg goes even further—meeting the European organic standard and possessing Beter Leven Keurmerk 3-star certification. In line with these high welfare standards, tail docking is not practiced on organic piglets within the De Groene Weg program.

Animal welfare is closely linked to livestock health. We encourage investments in robust breeds, such as dual-purpose Simmental cattle, which provide flavourful beef and support sustainable production. Their robustness contributes to better health and longevity. Around one-third of our cattle are dual-purpose or crossbreeds; the remainder are primarily dairy breeds.

In Germany, we are involved in working groups that aim to increase animal welfare at farm level in line with the concepts of German retailers, such as “Initiative Tierwohl” for both pork and beef. Additionally, customers and consumers are very important in our development of animal welfare in the beefmarket. Together with our German customers we developed higher husbandry standards compliant with the Haltungsform 3 concept, such as WellFarming, Bayerisches Bauernrind, Bayerischer Ochse. The qualification of weidegang (access to pasture) is also actively stimulated in the supply chain.

EU antibiotics policy

Antibiotic resistance poses a serious threat to both human and animal health. Over the past decade, the EU has implemented several measures to restrict antibiotic use, the most significant being the 2006 ban on antibiotics as growth promoters. This policy led to a substantial decline in antibiotic use. Under the EU Farm to Fork strategy, the goal is to reduce total antimicrobial sales for farmed animals and aquaculture by 50% by 2030, compared to 2018 levels.

The use of medicines in livestock husbandry is strictly regulated and only permitted when indicated and prescribed by a veterinarian following a clinical examination. Once administered, legal withdrawal periods must be observed to ensure that the meat is free of residues. These periods are crucial to food safety and are enforced by the responsible veterinary authorities. Hence, monitoring programmes for antibiotic residues in pork and beef are in place in Germany, Belgium, and the Netherlands to verify compliance with these regulations. Both the farmer and the veterinarian must document all medicinal use in detail.

To combat antibiotic resistance, the World Health Organisation (WHO) identified critically important antibiotics for human health, including 3rd and 4th generation cephalosporins. Their use in animals is strictly controlled and permitted only as a last resort for serious diseases, following a clinical examination and the preparation of an antibiogram. These uses are regulated and monitored by both public authorities and private industry standards.

Vion's antibiotics policy

We take our responsibility for food safety and human health very seriously. With respect to antibiotics, there is a clear dilemma between the needs of animal welfare and the use of antibiotics. While sick animals at times need antibiotics to not compromise their welfare, the transmission of antibiotic resistance must also be considered in food safety assurance schemes. Vion has banned antibiotics that are considered to be critical for humans in all our pork supply chain programmes, such

as Good Farming Star in the Netherlands. Additionally, in 2022 we explored the possibility of expanding the list of banned antibiotics to also cover antibiotics that are designated as critical to humans by the WHO.

Through several projects with universities, customers and ZLTO, we now know that Vion pork plays a minimal role in the transmission of antibiotic resistance to humans. Nevertheless, we are determined to remain vigilant and are developing a monitoring system to ensure that our products do not contain any antibiotic-resistant genes that could affect human health. Such genes form the essence of the problem around antibiotic resistance.

To ensure that our suppliers work according to our policy, we use a combination of the Dutch and German governmental monitoring programme as well as our own to check for veterinary drug residues in animals slaughtered in the Netherlands. With this risk-based programme, we can ensure that legal withdrawal periods are respected and that the animals in our supply chains do not contain any noncompliant substances. The results confirm very low levels of residues in fattening pigs and cattle. Every year we collect and analyse the results of all tests carried out at our Vion slaughterhouses (total company). Only 0,02% of the samples were above the limits and were tested positive for the antibiotic groups Aminoglycoside, Tetracycline and Penicillin.

Transportation policy

How animals are transported is critical to their welfare since they are handled and placed in unfamiliar settings. Vion has strict guidelines to minimise the stress animals experience and to ensure animal welfare and we collaborate closely with suppliers, providing training and support to uphold the highest standards of care. The two important aspects with regard to transport are the distance and the circumstances in which the animal is transported.

Vion's policy is that animals that are in a poor condition must not be transported. The transporter must also fulfil the regulatory requirements for animal transportation. We use our decentralised network of appropriately sized locations to ensure that transport distances for the animals are as short as possible. In the vast majority of cases, the maximum transport distance is 200 km, which is equivalent to a maximum of four hours in transport. Good route planning helps to keep transport times below the legal maximum of eight hours. We publish data about the origin of livestock for each plant on our transparency website. In 2023 we ran several online and face-to-face training programmes in Germany for transporters of pigs and cattle, covered the correct handling and fitness of animals to be transported.

We also have an expert veterinary team evaluating the performance of the individual farms and transporters concerning animal welfare and animal health. This team also leads research and development projects to define and develop the future of animal welfare control.

We take a broader responsibility with respect to the welfare of animals delivered to us. In addition to having official (external/independent) veterinarians performing live animal inspection we ourselves also conduct standardised checks at every unloading of animals. These checks include verifying that the individuals handling animals are specifically trained to recognise all relevant aspects of animal welfare as well as examining every animal to assess whether animal welfare is assured. If any doubt about the animal's welfare arises, resources are in place to restore its welfare or, when necessary, stunning according to best practices. Additionally, data concerning the welfare of animals delivered to Vion is shared with both the animal transporter and the originating farm. This data supports animal health and welfare improvements at the farm and during transport.

Data concerning the condition of animals received by us is not only reported to farmers and transporters, but also published every quarter on our transparency website: www.vion-transparency.com.

Our policy during extreme temperatures

Animals may only be transported when weather conditions allow them to be moved with minimal distress. Since 2018 we have been working according to a protocol to prevent heat stress during transport. This protocol takes effect when a temperature above 27°C is forecasted. The protocol prescribes measures such as changing at what time animals are loaded, delivered and slaughtered. Furthermore we assure to have additional ventilation and cooling in the lairage area and have cooling measures in the truck waiting area. For Germany specifically we reduce the transport duration to a maximum of 4.5 hours, when the outside temperature is 30°C or above and stop animal transportation and slaughter if the outside temperature reaches 35°C or above.

Animal Welfare policy at slaughter

To ensure animal welfare, prevent pain, and minimise distress, our employees handle all live animals in accordance with six guiding principles of humane livestock farming and provide a strong framework to uphold animal welfare standards. These principles are embedded in modern Farm Assurance Schemes, under which 100% of our animals are raised. Our firm commitment to stun 100% of animals prior to slaughter reflects these principles since, in line with Vion's policy, no animal is slaughtered on our premises without prior stunning. We also follow the best practices outlined in the handbook developed by the German institute bsi Schwarzenbek, aligning our procedures to a large extent with its criteria.

Examples of our policies

In order to minimise discomfort for the animals, our slaughterhouses have animal-friendly infrastructure and the unloading area, lairage, stunning, and bleeding areas are designed to calm the animals and to familiarise them to the new

environment. The lairage is designed and operated to provide a rest period between 1.5 and 2 hours before slaughter, and the animals have room to lie down. Here, the animals are also showered after transport. Additionally, CCTV is present in all areas containing live animals as well as Artificial Intelligence (AI) systems. This advanced monitoring solution analyses every minute of CCTV footage and pinpoints anything worthy further investigation. The selection is reviewed daily, and potential corrective actions take place. By continuously assessing and responding to behavioural cues, Vion aims to create an environment that minimises stress and optimizes the handling of animals. Our goal is to continuously add AI in more areas of our processes.

We also have several animal welfare officers in each of our slaughterhouses who are specifically trained to assess the slaughter process and ensure compliance with all animal welfare guidelines. Additionally, all employees who interact with live animals receive continuous education in animal welfare and only trained staff are allowed to handle live animals.

Furthermore, we monitor the outcome of our Welfare Standard Operating Procedures, and the effectiveness of stunning and bleeding for all individual animals by trained Vion staff. We also consolidate and report animal welfare KPIs and additional relevant observations to the executive committee. In the case of non-compliance with internal standards, corrective and preventive actions are applied. This is mandatory for each of our production sites.

Stunning policy

We stun every animal in our care before slaughtering. Our aim is to achieve proper stunning at the first attempt and we report the figures to the executive committee every month. Regarding the slaughtering process, our 2024 target is for 99.9% of animals to be properly stunned at the first attempt and hence, to not requiring a re-stunning.

The stunning methods used at our plants comply with the regulations, such as EU regulation 1099/2009. All animals are individually examined by trained staff between stunning and bleeding. For each sign (e.g. eye reflex) that could indicate sub-optimal stunning practices, it is mandatory to immediately re-stun the animal. In almost all pig slaughterhouses, the animals are stunned using high concentrations of CO₂, to make sure a pig falls unconscious within 15 seconds. In our beef slaughterhouses we use a restraining box which restricts the movement of the animals' head to ensure a precise shot with a pneumatic penetrating captive bolt and therefore improve the effectiveness of stunning.

Scope and boundaries of our policies and targets

Animal-friendly and organic husbandry, and use of antibiotics occur at the farms. The whole value chain, including our production locations, is involved in the process to market products under a specific animal welfare, as organic, or with a local origin label.

The transport of live animals from the farms to the Vion plants is done by external transportation companies and sometimes by Vion itself. However, slaughtering happens within our own operations. All these stages do have an impact on the welfare of animals. Husbandry, transport companies, and our own operations are all taken into account when setting and measuring our targets:

- We aim to increase our sales of certified animal welfare products by 50% by 2030
- All plants will have camera surveillance with AI for monitoring animal welfare handling in 2025
- Our yearly target is for 99.9% of animals to be properly stunned at the first attempt and hence, requiring no re-stunning
- Our ambition is to halt all pigtails docking by the end of 2030

We have animal welfare KPIs for the animal-friendly husbandry, transportation, handling and stunning of animals, and we monitor these on a daily basis.

Actions

At Vion, we are deeply committed to ensuring the well-being of the livestock under our care. Our dedication is reflected in the various actions we undertake across our production locations. Here are our key initiatives:

Working towards non-castration of pigs

In our higher welfare pork concepts, non-castration is a key requirement. Our goal is to achieve the target for the KPI on 'the number of uncastrated boars as a percentage of the total male pigs slaughtered', aiming for 100% of all male pigs slaughtered to be uncastrated. This initiative covers all Vion production locations where we slaughter animals, with assessments conducted annually and intermediate updates per quarter.

Pig tail length

The challenge of tail biting lies in the multifactorial causes. Tail biting occurs when pigs feel uncomfortable. The cause can be disease, porkfarm management, the pig's housing or a mismatch between its genetics, housing, or management. Farmers therefore need to follow a tailor-made approach to ensure that any decision to cease docking entirely is the correct one. This is why we believe in taking an incremental approach to increasing the length of the pig's tail, which have been shown to be working since the average tail length has increased.

Nevertheless, we still see that tail lengths clearly differ from farm to farm. We need more objective information to persuade farmers to abide by this aim and we need to measure every pig's tail if we are to know exactly what the average length is at every farm. To do this, we have developed a fully automatic measuring system. Using a so-called 'vision' system, we measure the tail length of each individual pig. This gives us an insight into the performance of the whole farm. We can then compare farms and get farmers to learn from their peers. We believe that by starting a conversation about tail size that is based on actual information, we can get the remaining farmers to alter their tail docking practices.

Vion is participating in a European programme called 'Developing a system for the automated measuring of tail length and tail lesions of pigs at the slaughter line'. The project is coordinated by a good professional contact from Animalia, a Norwegian Research Institute. Our ambition is to remove all pigtailed docking by the end of 2030.

Animal welfare improvements in our supply chains

Our production locations follow all relevant quality assurance programs (QS) and animal welfare standards to ensure compliance with legislation and animal welfare requirements. The target for the KPI on 'the number of certified higher animal welfare products sold as a percentage of total products sold' will be achieved. This initiative covers all Vion production locations where we do not slaughter animals, with assessments conducted annually and intermediate updates per quarter. Vion participates actively in the Horizon Europe project WISH (Animal Welfare Indicators at the Slaughterhouse) where automated welfare monitoring of animal based indicators at the slaughterhouse is being developed. The aim is then to use this data to give feedback and advice on best practices to those responsible for the pigs throughout their lifetime. This project will run till 2026.

Improving animal welfare for animals we slaughter

All Vion production locations adhere to relevant quality assurance programs (QS) and animal welfare standards to ensure compliance with legislation and animal welfare requirements. The target for the KPI on 'the number of certified higher animal welfare products sold as a percentage of total products sold' will be achieved. This initiative covers all Vion production locations where we do not slaughter animals, with assessments conducted annually and intermediate updates per quarter.

Optimizing animal transport routes

At Vion, we plan the transport of livestock to ensure animals are taken to the closest slaughterhouse possible, ideally within a radius of 200 km from the start

of transport. Our target is to achieve 96% of cattle originating from a farm within a radius of 200 km from the slaughterhouse, based on the total number of slaughtered cattle. This initiative covers all Vion production locations where we slaughter animals, with assessments conducted annually and quarterly updates for progress monitoring.

Additionally all our German pig and cattle transporters were trained online and face-to face to focus on correct handling and fitness of animals to be transported by Vion and an external animal welfare institute.

Targets

Animal welfare will be continuously improved, by co-developing with stakeholders and utilizing new developments such as vision systems and artificial intelligence where such systems are accepted and/or requested in the market. No re-stun needed is set to 99,9%.

Metrics

Transport

We strive for the animals' transport distances to be as short as possible. In the vast majority of cases, the maximum transport distance is 200 km. Good route planning helps to keep transport times below the legal maximum of eight hours. The transport distance from the farmer to the slaughtering facility is measured using a radius. This is because we have the location data of the farmers that deliver to us, but not the actual transport distance travelled by road. The percentage of animals transported 200 kilometers or less has remained stable over the last few years.

Animals transported ≤ 200 km (in % of total slaughtered)

	2024	2023	2022
Pigs transported ≤ 200 km - Total	97.4%	96.2%	96.2%
Pigs transported ≤ 200 km			
- Netherlands	100.0%	100.0%	100.0%
Pigs transported ≤ 200 km - Germany	90.5%	91.4%	91.3%
Cattle transported ≤ 200 km - Total	94.3%	94.5%	92.4%
Cattle transported ≤ 200 km			
- Netherlands	94.3%	94.4%	94.7%
Cattle transported ≤ 200 km - Germany	93.6%	93.9%	91.1%
Cattle transported ≤ 200 km - Belgium	100.0%	100.0%	100.0%

No re-stun needed

For all animals, the percentage not requiring a second stunning attempt remained consistently high, with a performance of 99.96% in 2024.

No re-stun needed (in % of total number of slaughtered animals)

	2024	2023	2022	Target 2024
Total animals (%)	99.96%	99.94%	99.96%	99.90%
Pigs (%)	99.97%	99.94%	99.97%	99.90%
Cattle (%)	99.90%	99.90%	99.77%	99.90%

Total boars (not castrated) of all male pigs slaughtered

Certain standards prescribe raising entire boars and other farmers voluntarily choose to raise entire boars.

Entire boars (not castrated) of all male pigs slaughtered (in # of animals and % of total number of slaughtered animals)

	2024		2023		2022	
	Number	%	Number	%	Number	%
Total	1,711,000	40.4%	1,899,600	33.2%	2,135,000	34.8%
Netherlands	1,652,900	52.6%	1,696,800	51.3%	1,808,700	50.1%
Germany	58,100	5.3%	202,800	8.4%	326,300	12.9%

Animals raised under certified higher animal welfare requirements

In Germany in 2024 we saw again a higher demand in the market for Haltungsform 3, and in the Netherlands some higher welfare farmers stopped due to stimulation of the government.

Animals raised under certified higher animal welfare requirements (in # of animals and % of total number of slaughtered animals)

	2024		2023		2022	
	Number	%	Number	%	Number	%
Total	1,824,000	19.0%	2,059,000	16.1%	2,221,000	15.9%
Netherlands	1,720,900	26.1%	1,962,400	28.5%	2,136,500	28.5%
Germany	101,500	3.4%	95,300	1.6%	84,100	1.3%
Belgium	1,200	2.2%	1,100	1.7%	700	1.1%

Accounting policies

% animals transported ≤ 200 km

Number of pigs/cattle originating from a farm within a radius of 200 km from the slaughterhouse as a percentage of the total number of slaughtered pigs/cattle.

No re-stun needed

The number of animals for which the first stun succeeded as a percentage of the total slaughtered animals.

Entire boars (not castrated) of total male pigs slaughtered

Number of uncastrated boars as a percentage of the total number of male pigs slaughtered.

Animals/pigs/cattle raised under certified higher animal welfare requirements

The number of animals/pigs/cattle raised and certified to conform to EU Organic, Beter Leven or Für Mehr Tierschutz slaughtered as a percentage of the total number of pigs/cattle slaughtered.

Number of slaughtered animals

All animals slaughtered at Vion (including animals slaughtered at Vion on commission from other slaughterhouses), and animals slaughtered at other slaughterhouses on commission from Vion.

Management relationship with suppliers

Policies

Management of our supplier relationships is a crucial process for us, especially with regards to our livestock suppliers given the criticality of the availability of livestock for our own operations. Supplier Relationship Management is a key business initiative aimed at mutually beneficial partnerships between buyer and supplier.

Our payment practices are designed to ensure fair and transparent conditions for our farmers when settling invoices. This encompasses everything from secure payment processing to clear communication with financial institutions. Ensuring fair pricing is paramount; it involves setting prices that are acceptable for both buyers and suppliers, reflecting market realities. Prices are determined by factors such as performance, quality, delivery time, and supply, ensuring suppliers can cover costs and achieve reasonable profits.

To manage the risks and opportunities that arise, especially regarding the payment practices towards our livestock suppliers, and to contribute to the proper functioning of the food commodity markets, we have developed the policies described below.

Fair pricing and payment practices

Cattle prices are volatile, and pig prices are even more so, influenced by short-term demand and supply fluctuations with traders dominating the market. A more predictable supply of animals and less price volatility are in the interests of all parties in the supply chain, as it enables them to better manage their risks.

Vion's initiatives on fair pricing aim to stabilise food commodity markets and reduce extreme price volatility. We also promote equitable sharing of benefits from genetic resources, positively impacting SDGs. While pricing is a key aspect of business negotiations, Vion strives to minimise any negative impacts through policies and actions that support fair pricing across the supply chain. Farmers are crucial to Vion's operations, and their well-being is a priority.

Increased environmental demands on farmers pose a risk to Vion, as these demands lead to farmers stopping their operations. This could disrupt the supply chain and impact Vion's ability to maintain stable pricing and supply levels. Possessing favourable payment policies is an opportunity to build trust and loyalty with our farmers.

Vion supports short payment terms and values on-time payment, which is important to farmers as it helps to alleviate their working capital challenges.

We are also committed to improving our pricing and contracting models to support a fair distribution of value in the supply chain and to avoid volatility related to the traditional pig cycle. This includes the price paid for animals, which supports the success and continuity of farmers' businesses. However, the price paid to farmers depends heavily on the international meat market paying a fair price and, consequently, on the willingness of customers to accept those prices.

Vion believes that fair pricing benefits the entire supply chain and wider society, contributing to the proper functioning of food commodity markets. Farmers are essential partners in this process, and Vion is committed to ensuring their success and sustainability. Below are examples of our fair pricing initiatives.

Good Farming Balance

The Good Farming Balance concept encourages farmers to focus on producing premium products for international markets. This concept includes various delivery modules and pricing systems tailored to meet the specific demands of international customers. Delivery weight and fat thickness, among other factors, vary per module.

Suppliers can choose between two pricing systems: 'The Vion weekly price', which fluctuates based

on supply and demand, and 'The Vion Price Index Guarantee' (PIG), a price average based on a benchmark derived from a portfolio of representative national and international prices.

PIG Pricing System

The PIG system offers more stability for all parties in the supply chain. Despite facing continuous challenges due to disruptions in certain countries and markets, the PIG system guarantees an average price change based on a basket of primarily representative national quotations and have a regular notice period of one year.

Since the start of 2023, we have developed and improved the PIG system to better support demand-driven supply chains in international markets. This system also includes a sustainability component to encourage farmers to invest in CO2 reduction by rewarding actions that reduce climate impact on their farms.

De Groene Weg

Our pricing strategy for De Groene Weg is also an example for our commitment to enhancing value distribution across the supply chain. This approach aims to secure long-term commitments from all involved parties, reducing volatility and providing a stable foundation for continuity. We set prices quarterly, ensuring they remain fixed for the entire quarter.



Financial statements 2024

1 Consolidated Financial Statements	133	9 Impairment of non-current assets	168	34.2 Financial liabilities	216
1.1 Consolidated Income Statement	133	10 Other operating expenses	168	34.3 Hedge accounting and derivatives	217
1.2 Consolidated Statement of Comprehensive Income	134	11 Finance costs and income	169	34.4 Fair values	218
1.3 Consolidated Statement of Financial Position	135	12 Income taxes	170	34.5 Financial risk management objectives and policies	221
1.4 Consolidated Statement of Changes in Equity	137	13 Discontinued operations	172	35 List of principal subsidiaries	226
1.5 Consolidated Statement of Cash Flows	138	14 Property, plant and equipment	176	36 Subsequent events	227
		15 Investment properties	179		
2 Notes to the Consolidated Financial Statements	139	16 Intangible assets	180	3 Company Financial Statements	228
1 General information	139	17 Investment in associates and joint ventures	183	3.1 Company Statement of Financial Position	228
2 Accounting policies	139	18 Non-controlling interests	185	3.2 Company Income Statement	229
2.1 Basis of preparation	139	19 Other financial assets	189		
2.2 Basis of consolidation	140	20 Deferred tax assets and liabilities	189	4 Notes to the Company Financial Statements	230
2.3 Summary of material accounting policies	141	21 Inventories	193	1 Accounting policies for the company financial statements	230
2.4 Changes in accounting policies and disclosures	158	22 Trade and other receivables	193	1.1 General information	230
2.5 Standards issued but not yet effective	158	23 Cash and cash equivalents	195	1.2 Significant accounting policies	230
2.6 Restatement of items	160	24 Equity	195	2 Subsidiaries	231
3 Significant accounting judgements, estimates and assumptions	160	25 Interest-bearing loans and borrowings	197	3 Deferred tax assets	231
3.1 Judgements	160	26 Other financial liabilities	199	4 Equity	232
3.2 Estimates and assumptions	162	27 Provisions	200	5 Commitments and contingencies	233
4 Acquisitions and disposals	164	28 Net employee defined benefit liabilities	201	6 Auditors' remuneration	233
5 Revenue from contracts with customers	165	28.1 Pension commitments	201	7 Proposed appropriation of profit and loss	234
5.1 Disaggregated revenue information	165	28.2 Jubilee benefit commitments	205	8 Subsequent events	234
5.2 Contract balances	166	29 Trade and other payables	206		
5.3 Customer bonuses	166	30 Leases	207		
6 Other operating income	166	31 Commitments and contingencies	211	5 Other information	236
7 Employee benefits expenses	167	32 Related parties	213	5.1 Profit or loss appropriation according to the articles of association	236
8 Depreciation and amortisation	167	33 Remuneration of management board	214	5.2 Independent auditor's report	237
		34 Financial risks and financial instruments	215		
		34.1 Financial assets	215		

1 Consolidated Financial Statements

(in thousands of euros)

1.1 Consolidated Income Statement

for the year ended 31 December 2024

	note	2024	2023
Continuing operations			
Sale of goods		3,092,886	3,278,895
Rendering of services		33,545	42,671
Revenue from contracts with customers	5	3,126,431	3,321,566
Other operating income	6	13,056	11,846
Raw materials and consumables used		(2,297,691)	(2,464,660)
Subcontracted work and external costs		(359,473)	(376,385)
Employee benefits expenses	7	(444,743)	(442,494)
Depreciation and amortisation	8	(46,038)	(46,743)
Impairment of non-current assets	9	(7,730)	(9,743)
Other operating expenses	10	(24,888)	(29,444)
Total operating expenses		(3,180,563)	(3,369,469)
Earnings before interest and taxes		(41,077)	(36,057)
Finance costs	11	(12,883)	(12,323)
Finance income	11	938	616
Share of profit of associates and joint ventures		(0)	1,013
Loss before tax from continuing operations		(53,022)	(46,751)
Income tax expense	12	8,567	2,301
Loss for the year from continuing operations		(44,455)	(44,450)
Discontinued operations			
Loss after tax for the year from discontinued operations ¹	13	(36,873)	(45,202)
Loss for the year		(81,328)	(89,652)
Attributable to:			
Equity holders of the parent		(78,664)	(90,475)
Non-controlling interests		(2,664)	823
Total		(81,328)	(89,652)

1 Result from discontinued operations is fully attributable to equity holders of the parent.

1 Consolidated Financial Statements

(in thousands of euros)

1.2 Consolidated Statement of Comprehensive Income

for the year ended 31 December 2024

	note	2024	2023
Loss for the year		(81,328)	(89,652)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss (net of tax):			
Exchange difference on translation of foreign operations		113	93
Net (loss)/gain on cash flow hedges		(786)	(336)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods		(673)	(243)
Items that will not be reclassified subsequently to profit or loss (net of tax):			
Remeasurement (loss)/gain on defined benefit obligations	28	2,918	(4,749)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		2,918	(4,749)
Other comprehensive (loss)/income for the year, net of tax		2,245	(4,992)
Total comprehensive loss for the year, net of tax		(79,083)	(94,644)
Attributable to:			
Equity holders of the parent		(76,419)	(95,467)
Non-controlling interests		(2,664)	823
Total		(79,083)	(94,644)

1 Consolidated Financial Statements

(in thousands of euros)

1.3 Consolidated Statement of Financial Position

as at 31 December 2024

Assets	note	2024	2023
Non-current assets			
Property, plant and equipment	14	175,388	254,407
Investment properties	15	353	816
Intangible assets	16	68,202	80,910
Right of use assets	30	36,602	50,739
Investment in associates and joint ventures	17	330	333
Other non-current financial assets	19	665	611
Deferred tax assets	20	35,337	35,740
Total non-current assets		316,877	423,556
Current assets			
Inventories	21	148,144	197,049
Trade and other receivables	22	247,192	377,580
Prepayments		14,043	14,166
Other current financial assets	19	638	16,065
Income tax receivable		492	1,716
Cash and cash equivalent	23	5,649	4,485
Current assets		416,158	611,061
Assets held for sale	13	156,611	28,143
Total current assets		572,769	639,204
Total assets		889,646	1,062,760

1 Consolidated Financial Statements

(in thousands of euros)

<i>Equity and liabilities</i>	note	2024	2023
Equity			
Issued share capital	24	2,285	2,285
Share premium	24	372,716	372,716
Legal reserves	24	23,269	35,621
Retained earnings		(130,616)	(58,224)
Result for the year		(78,664)	(90,474)
Equity attributable to equity holders of the parent		188,990	261,924
Non-controlling interests	18	5,467	14,504
Total equity		194,457	276,428
Non-current liabilities			
Interest-bearing loans and borrowings	25	94,938	119,397
Other non-current financial liabilities	26	4,527	281
Provisions	27	1,726	2,985
Contract liability		1,333	-
Net employee defined benefit liabilities	28	43,330	84,461
Deferred tax liabilities	20	52	2,107
Total non-current liabilities		145,906	209,231
Current liabilities			
Trade and other payables	29	296,145	396,277
Interest-bearing loans and borrowings	25	150,910	168,002
Other current financial liabilities	26	2,684	3,026
Contract liability	5	1,333	128
Income tax payable		317	628
Provisions	27	4,885	9,040
Total current liabilities		456,274	577,101
Liabilities directly associated with the assets held for sale	13	93,009	-
Total liabilities		695,189	786,332
Total equity and liabilities		889,646	1,062,760

1 Consolidated Financial Statements

(in thousands of euros)

1.4 Consolidated Statement of Changes in Equity

for the year ended 31 December 2024

Attributable to the equity holders of the parent										
	Issued share capital	Share Premium	Cash flow hedge reserve	Legal reserves		Retained earnings	Result for the year	Total	Non- controlling interests	Total Equity
				Foreign currency translation reserve	Other legal reserves					
Balance at 1 January 2023	2,285	372,716	727	651	29,059	60,084	(108,132)	357,390	13,804	371,194
Appropriation of net result	-	-	-	-	-	(108,132)	108,132	-	-	-
(Loss)/profit for the year	-	-	-	-	-	-	(90,474)	(90,474)	823	(89,651)
Other comprehensive income	-	-	(336)	93	-	(4,749)	-	(4,992)	-	(4,992)
Total comprehensive income	-	-	(336)	93	-	(4,749)	(90,474)	(95,466)	823	(94,643)
Dividends	-	-	-	-	-	-	-	-	(123)	(123)
Correction non-controlling interest ¹	-	-	-	-	-	3,485	-	3,485	(3,485)	-
Transfer of fair value reserve of other financial assets	-	-	-	-	2,102	(2,102)	-	-	-	-
Transfer to legal reserves	-	-	-	-	3,325	(3,325)	-	-	-	-
Balance at 31 December 2023	2,285	372,716	391	744	34,486	(54,739)	(90,474)	265,409	11,019	276,428
Appropriation of net result	-	-	-	-	-	(90,474)	90,474	-	-	-
(Loss)/profit for the year	-	-	-	-	-	-	(78,664)	(78,664)	(2,664)	(81,328)
Other comprehensive (loss)/income	-	-	(786)	113	-	2,918	-	2,245	-	2,245
Total comprehensive (loss)/income	-	-	(786)	113	-	2,918	(78,664)	(76,419)	(2,664)	(79,083)
Dividends	-	-	-	-	-	-	-	-	(1,878)	(1,878)
Release of legal reserves related to the sale of other financial assets	-	-	-	-	(8,852)	8,852	-	-	-	-
Transfer from legal reserves	-	-	-	-	(2,827)	2,827	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	-	-	-	(1,010)	(1,010)
Balance at 31 December 2024	2,285	372,716	(395)	857	22,807	(130,616)	(78,664)	188,990	5,467	194,457

¹ This adjustment follows the allocation of results as defined in the underlying contractual agreements

1 Consolidated Financial Statements

(in thousands of euros)

1.5 Consolidated Statement of Cash Flows

for the year ended 31 December 2024

	note	2024	2023
Operating activities			
Loss before tax from continuing operations		(53,022)	(46,751)
Loss before tax from discontinued operations		(24,856)	(43,083)
Loss before tax		(77,878)	(89,834)
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation and impairment of property, plant and equipment	14	34,728	57,689
Depreciation and impairment of right-of-use-assets	30	17,342	18,566
Depreciation and impairment of investment properties	15	-	3
Amortisation and impairment of intangible assets and impairment of goodwill	16	21,360	14,814
Gain on disposal of property, plant and equipment	6	(12,180)	(6,914)
Loss on disposal of consolidated shareholdings	6	1,514	-
Finance income	11	(993)	(684)
Finance costs	11	16,323	16,153
Net foreign exchange differences	11	15	200
Share of profit of associates and joint ventures	17	-	(1,013)
Movement in provisions and pensions		(9,745)	(5,913)
Working capital changes:			
(Increase)/decrease in trade and other receivables and prepayments		72,271	55,458
(Increase)/decrease in inventories		18,081	72,768
Increase/(decrease) in trade and other payables		(35,173)	(141,113)
Cash generated from operating activities		45,665	(9,820)
Interest received		943	825
Interest paid		(14,059)	(13,091)
Income tax paid		(2,507)	(3,378)
Net cash flows from operating activities		30,042	(25,464)

	note	2024	2023
Investment activities			
Proceeds from sale of property, plant and equipment		50,136	3,818
Purchase of property, plant and equipment		(28,814)	(36,925)
Purchase of intangible assets	16	(182)	(88)
Development expenditures	16	(10,227)	(11,815)
Proceeds from sale of financial assets		(55)	-
Acquisition of subsidiaries - net of cash acquired		-	(5,570)
Disposal of subsidiaries - net of cash disposed		(6,439)	-
Proceeds from sale of associates		(3)	2,828
Net cash flows from/(used in) investment activities		4,416	(47,752)
Financing activities			
Proceeds from borrowings		-	94,633
Repayments of borrowings		(13,295)	53
Payment of principal portion of lease liabilities		(17,524)	(18,303)
Repayment of non-bank debts		(526)	(1,460)
Dividend paid to non-controlling interests	18	(1,878)	(1,883)
Net cash flows from/(used in) financing activities		(33,223)	73,040
Net (decrease)/increase in cash and cash equivalents		1,235	(176)
Net foreign exchange differences		43	67
Assets held for sale		(114)	-
Cash and cash equivalents at 1 January		4,485	4,594
Cash and cash equivalents at 31 December		5,649	4,485

2 Notes to the Consolidated Financial Statements

1 General information

The Consolidated Financial Statements of Vion Holding N.V. and its subsidiaries (collectively, Vion or the company) for the year ended 31 December 2024 were authorised for publication by the management board of the company following the approval by the supervisory board on 26 June 2025.

The financial statements will be submitted to the general meeting of shareholders for adoption.

Vion Holding N.V. is a public limited liability company under Dutch law incorporated and domiciled in the Netherlands. The registered office is located in Best, the Netherlands. Vion has one shareholder and ultimate controlling party: Stichting Administratiekantoor SBT. Vion Holding N.V. is registered with the Dutch Trade Register under number 17053901.

Vion Holding N.V. is a holding company. Vion's product portfolio consists of fresh pork and beef and derived convenience food products.

2 Accounting policies

2.1 Basis of preparation

Statement of IFRS compliance

The Consolidated Financial Statements of Vion have been prepared in accordance with part 9 of the Book 2 of the Dutch Civil Code, IFRS as adopted

by the European Union and accounting standards as issued by the International Accounting Standards Board (IASB).

The financial statements comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statements of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the Consolidated Financial Statements.

The Consolidated Financial Statements have been prepared on a historical cost basis, except for deferred receipts and derivative financial instruments that have been measured at fair value. The Consolidated Financial Statements are presented in euros and all values are rounded to the nearest thousand (€000), unless stated otherwise. Due to rounding, amounts may not add up precisely to the totals provided in this report.

Going concern

Management has prepared the annual financial statements on going concern basis. Its assessment and measures are described below.

Current financial situation and performance

In 2024 Vion reported a net loss of €81.3 million (2023: €89.7 million), of which €36.9 million loss (2023: €45.2 million loss) is attributable to business

classified as Discontinued Operations. The results allocated to Discontinued Operations relate to entities sold and agreed to be sold in 2024, including both our Pork and Beef operations in Germany. The cash flow in 2024 is positively driven by working capital, but offset with capex, interest spend and restructuring payments. The operating cash flow was mainly used for settlement against the working capital facility (commonly referred to as the ABL) and a payment of a tranche (€7.5 million) of the Schuldschein. The cash received from divestments (€50.1 million) supported a further improvement of the net debt position. At the end of 2024 the net debt position of the Company amounted to €244.7 million (2023: €283.2 million). The total equity at 31 December 2024 was €194.5 million, a decrease of €82.0 million compared to €276.4 million at 31 December 2023.

All financing covenants were met as per 31 December 2024. In February 2025, the working capital facility was lowered per agreement to €175m. Due to the rising purchase prices there was an increase in the facility utilized. We agreed in Q2 2025 a temporary uplift until February 2026 of the €175 million limit in that facility to €195 million. We also agreed with our existing lenders an extension of the working capital facility until August 2026 which aligns to the maturity date of our Schuldschein loans.

2 Notes to the Consolidated Financial Statements

Expectations around profitability and financing

In 2023, Vion made the strategic decision to focus on production and sourcing in the Business Unit Benelux and to divest its German slaughterhouse operations. Major steps have been taken and Vion was able to successfully divest its businesses commonly referred to as Germany North, Germany Pork South, Otto Nocker and Adriaens. The final major deal still pending is the sale of our German Beef South activities. The envisaged sale to Tönnies, announced on 9 August 2024, was near to completion, but has been blocked by the German competition authorities. Vion's strategy towards Germany remains unchanged. It was agreed with the lenders that the forecasted cash flows from this divestment would be utilized to further improve the net debt position. Due to the block by the German competition authorities, this specific agreed additional repayment is no longer applicable.

Looking forward to the financial years 2025 and 2026, we see that many of the market risk factors impacting our industry may continue. This could continue putting pressure on results, which in turn may lead to a higher use of our financing arrangements. Forward looking a significant improvement of EBITDA is forecasted as the Change that Matters programme yields further improvement. Based on the latest projections, results are in line with forecasts. However, fluctuations in purchase and sales prices can

negatively impact Vion's forecasted EBITDA, working capital and liquidity headroom.

The current situation with regards to the German Beef South divestment is under discussion which means that the company is dependent on third parties with regard to the future divestment.

Overall the market risks, the risks of not realising forecasted EBITDA, impacting cash flow and working capital, and the dependency on third parties regarding divestments and refinancing, result in a material uncertainty regarding the company's going concern assumption.

Despite the material uncertainty we conclude on the application of the going concern assumption, for a number of reasons including:

- We have increased our Working Capital Facility until 1 February 2026 and extended the facility until August 2026. Covenants have remained in place with current performance trajectory in line with expectations.
- Based upon our assessment of our position with (potential) lenders, we expect that we will be able to obtain alternative financing or a (partial) continuation with current lenders beyond August 2026.
- Completion of the divestment of Germany Beef South, which we expect to deliver positive cash flows.

- The business' projections of expected future financial performance improvements.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of Vion Holding N.V. and its subsidiaries as at 31 December 2024. Control is achieved when Vion is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, Vion controls an investee if, and only if, Vion has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when Vion has less than a majority of the voting or similar rights of an investee, Vion considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- Vion's voting rights and potential voting rights

2 Notes to the Consolidated Financial Statements

Vion re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when Vion obtains control over the subsidiary and ceases when Vion loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date Vion gains control until the date Vion ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of Vion and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with Vion's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of Vion are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If Vion loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities,

non-controlling interests and other components of equity, while any resultant gain or loss is recognised in Consolidated Income Statement. Any investment retained is recognised at fair value.

2.3 Summary of material accounting policies

The material accounting policies as generally applied throughout the financial statements are described below. Material accounting policies relating to specific financial statement items are included in the respective notes to the financial statements.

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, Vion elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses in Consolidated Income Statement.

When Vion acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and

pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the Consolidated Income Statement in accordance with IFRS 9.

Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, Vion re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

2 Notes to the Consolidated Financial Statements

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Consolidated Income Statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of Vion's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b) Investment in associates and joint ventures

The group holds an interest in a joint venture and several interests associates. The financial statements of these joint ventures and associates are prepared for the same reporting period as Vion and the accounting policies are aligned with those of Vion.

Therefore, no adjustments are made when measuring and recognising the Vion's share of the profit or loss of the investees after the date of acquisition.

An associate is an entity over which Vion has significant influence.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. Vion's investments in its associate and joint venture are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in Vion's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit of an associate and a joint venture' in the Consolidated Income statement.

The Consolidated Income Statement reflects Vion's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of Vion's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, Vion recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between Vion and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of Vion's share of profit or loss of an associate and a joint venture is shown on the face of the Consolidated Income Statement outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

After application of the equity method, Vion determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, Vion determines whether there is objective evidence that the investment in the associate or joint venture is to be impaired. If there is such evidence, Vion calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises

2 Notes to the Consolidated Financial Statements

the loss as Share of profit of associates and joint ventures in the Consolidated Income Statement.

Upon loss of significant influence over the associate or joint control over the joint venture, Vion measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in Consolidated Income Statement.

c) Current versus non-current classification

Vion presents assets and liabilities in the Consolidated Statement of Financial Position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in the normal operating cycle

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Vion classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) Fair value measurement

Vion measures certain financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by Vion.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Vion uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

2 Notes to the Consolidated Financial Statements

- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, Vion determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Vion determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement.

External valuers are involved for valuation of significant assets and significant liabilities.

Involvement of external valuers is decided upon annually by Vion. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Vion decides, after discussions with Vion's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, Vion analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per

Vion's accounting policies. For this analysis, Vion verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Vion, in conjunction with Vion's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On a periodical basis, Vion and Vion's external valuers present the valuation results to Vion's independent auditors. This includes a discussion of the major assumptions used in the valuations. For the purpose of fair value disclosures, Vion has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

e) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which Vion expects to be entitled in exchange for those goods or services. Vion has generally concluded that it is the principal in its revenue arrangements, except for the rendering of services as disclosed below, because it typically

controls the goods or services before transferring them to the customer.

Regarding the recognition of revenue from contracts with customers, there are no specific significant judgements, estimates or assumptions made by Vion.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the products is transferred to the customer, generally on delivery of the goods.

Rendering of services

Revenue from rendering of services mainly concerns slaughtering fees. Vion acts as an agent for some slaughtering contracts, where Vion has no inventory risk and receives a fixed fee for the slaughtering services. Revenue is recognised over time when the control of the services has been transferred to the customers.

Vion considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the rendering of services, Vion considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

2 Notes to the Consolidated Financial Statements

i) Variable consideration

If the consideration in a contract includes a variable amount, Vion estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts provide customers with a right for bonuses. These customer bonuses give rise to variable consideration.

Vion provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. To estimate the variable consideration for the expected future customer bonuses, Vion applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one threshold, based on contract terms and the goods or service delivered. The selected method that best predicts the amount of variable consideration is primarily driven by the number of thresholds contained in the contract. Vion then applies the requirements on constraining estimates of variable consideration and recognises a liability for the expected customer bonus.

ii) Significant financing component

In certain situations, Vion receives short-term advances from its customers. Using the practical expedient in IFRS 15, Vion does not adjust the prepaid amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be less than one year.

Contract balances

Trade receivables

A receivable represents Vion's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section p) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which Vion has received consideration from the customer. If a customer pays consideration before Vion transfers goods or services to the customer, a contract liability is recognised when the payment is received.

f) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where Vion operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Consolidated Income Statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements,

2 Notes to the Consolidated Financial Statements

when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, Vion relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity

and the same taxation authority. Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in Consolidated Income Statement.

Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of sales tax included

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

g) Foreign currencies

Vion's Consolidated Financial Statements are presented in euros, which is also the parent company's functional currency. For each entity, Vion determines the functional currency and items included in the

2 Notes to the Consolidated Financial Statements

financial statements of each entity are measured using that functional currency. Vion uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to Consolidated Income Statement reflects the amount that arises from using this method.

i) Transactions and balances

Transactions in foreign currencies are initially recorded by Vion's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of Vion's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial

transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Consolidated Income Statement are also recognised in OCI or Consolidated Income Statement, respectively).

ii) Group companies

On consolidation, the assets and liabilities of foreign operations are translated into euros at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI.

On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to Consolidated Income Statement.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

h) Non-current assets held for sale and discontinued operations

Vion classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and expect the sale to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

2 Notes to the Consolidated Financial Statements

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Cash flows from discontinued operations are included in the consolidated statement of cash flows and are disclosed separately in note 13 Discontinued operations. The Group includes proceeds from disposal in cash flows from discontinued operations.

Additional disclosures are provided in note 13 Discontinued operations. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

i) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price and other directly attributable costs. When significant parts of plant and equipment are required to be replaced at intervals, Vion depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Consolidated Income Statement as incurred. The present value of the expected cost for the decommissioning of

an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on property plant and equipment is charged to Consolidated Income Statement and is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Land: indefinite, no depreciation
- Buildings: 25 to 30 years
- Machinery and installations: 8 to 15 years
- Other equipment: 3 to 15 years

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Income Statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) Leases

Vion assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys

the right to control the use of an identified asset for a period of time in exchange for consideration.

Vion as a lessee

Vion applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. Vion recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

Vion recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Plant and machinery 3 to 15 years
- Motor vehicles and other equipment 3 to 5 years

If the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2 Notes to the Consolidated Financial Statements

The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, Vion recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments, excluding payments for service components related to the asset classes land and buildings and other equipment) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by Vion and payments of penalties for terminating the lease, if the lease term reflects Vion exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, Vion uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if

there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

Vion applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases of office equipment that are considered to be low value (individual asset value below €5,000). Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Vion as a lessor

Leases in which Vion does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in other Income in the Consolidated Income Statement due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis

as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

l) Investment properties

Investment properties are initially and subsequently measured at cost, including transaction costs. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Consolidated Income Statement in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use.

2 Notes to the Consolidated Financial Statements

Depreciation of investment properties is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Land: indefinite, no depreciation
- Buildings: 25 to 30 years

m) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in Consolidated Income Statement in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits

embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Income Statement in the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Income Statement when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when Vion can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Software: 3 to 5 years
- Other, including concessions and trademarks: 10 to 15 years

n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's

2 Notes to the Consolidated Financial Statements

contractual cash flow characteristics and Vion's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which Vion has applied the practical expedient, Vion initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which Vion has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Vion's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by

regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that Vion commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI (debt instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to Vion. Vion measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in Consolidated Income Statement when the asset is derecognised, modified or impaired.

Vion's financial assets at amortised cost includes trade receivables and loan to an associate included under other non-current financial assets.

Financial assets at fair value through OCI (debt instruments)

Vion measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Consolidated Income Statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to Consolidated Income Statement.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily

2 Notes to the Consolidated Financial Statements

required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the Consolidated Income Statement.

This category includes derivative instruments. Dividends on listed equity investments are also recognised as other income in the Consolidated Income Statement when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial

assets) is primarily derecognised (i.e., removed from the Vion's Consolidated Statement of Financial Position) when:

- The rights to receive cash flows from the asset have expired; or
- Vion has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) Vion has transferred substantially all the risks and rewards of the asset, or (b) Vion has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When Vion has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, Vion continues to recognise the transferred asset to the extent of its continuing involvement. In that case, Vion also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that Vion has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at

the lower of the original carrying amount of the asset and the maximum amount of consideration that Vion could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Note 3 Significant accounting judgements, estimates and assumptions
- Note 22 Trade and other receivables

Vion recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that Vion expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required

2 Notes to the Consolidated Financial Statements

for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, Vion applies a simplified approach in calculating ECLs. Therefore, Vion does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. Vion has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at fair value through OCI, Vion applies the low credit risk simplification. At every reporting date, Vion evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, Vion reassesses the internal credit rating of the debt instrument. In addition, Vion considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. Vion considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, Vion may also consider a financial asset to be in default when internal or external information indicates that Vion is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements

held by Vion. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition, measurement and presentation

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Vion's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Vion classifies financial liabilities that arise from supplier finance arrangement within Trade and other payables in the statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in Vion's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not

part of the arrangement. Cash flows related to liabilities arising from supplier finance arrangements that are classified in Trade and other payables in the consolidated statement of financial position are included in operating activities in the consolidated statement of cash flows.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by Vion that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Consolidated Income Statement.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria

2 Notes to the Consolidated Financial Statements

in IFRS 9 are satisfied. Vion has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

This is the category most relevant to Vion. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Income Statement.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to note 25 Interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in

the respective carrying amounts is recognised in the Consolidated Income Statement.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

Vion uses forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Consolidated Income Statement, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to Consolidated Income Statement when the hedged item affects profit or loss.

For the purpose of hedge accounting, the hedges Vion uses classify as cash flow hedges, as Vion is hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, Vion formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how Vion will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that Vion actually hedges

2 Notes to the Consolidated Financial Statements

and the quantity of the hedging instrument that Vion actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Consolidated Income Statement.

Vion uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in other operating income or expenses. Amounts recognised in OCI are transferred to Consolidated Income Statement when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately

in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

p) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for, as follows:

- Raw materials: purchase cost on a first-in/first-out basis
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Inventory is reduced for estimated losses due to obsolescence. This reduction is determined based on sales in recent past and/or expected future demand.

q) Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- Note 3 Significant accounting judgements, estimates and assumptions
- Note 14 Property, plant and equipment

- Note 16 Intangible assets

Vion assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, Vion estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Vion bases its impairment calculation on detailed budgets and forecast calculations, which are prepared

2 Notes to the Consolidated Financial Statements

separately for each of Vion's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the Consolidated Income Statement in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, Vion estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Consolidated Income Statement unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually at 31 December and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

r) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above, net of outstanding bank overdrafts as they are considered an integral part of Vion's cash management.

s) Provisions

General

Provisions are recognised when Vion has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to

settle the obligation and a reliable estimate can be made of the amount of the obligation. When Vion expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Consolidated Income Statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Restructuring provisions

Restructuring provisions are recognised only when Vion has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and an appropriate timeline, and (ii) the employees affected have been notified of the plan's main features.

Onerous contracts

If Vion has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. An onerous contract is

2 Notes to the Consolidated Financial Statements

a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less (when appropriate) cumulative amortisation recognised in accordance with the requirements for revenue recognition.

t) Pensions and other post-employment benefits

Vion holds besides defined contribution plans, a defined benefit pension plan in Germany and several multi-employer plans and a jubilee plan in the Netherlands.

Defined contribution plan

According to this pension scheme, defined contributions are paid to independent pension funds. Besides the defined contributions, Vion has no obligation to make additional payments to the scheme to make up for deficits resulting from actuarial or investment risk.

The regular contributions in the defined contribution schemes qualify as net periodic costs in the year in which they are due and are recognised within the employee benefits expense. Employee contributions are deducted from this expense.

Defined benefit plan

Vion holds defined benefit pension schemes for employees and former employees of the German group companies. The schemes are not open to new participants. A part of the schemes will be funded using a so-called 'Unterstützungsfonds', while liabilities are direct.

The net liability related to these schemes are calculated annually by an independent actuary according to the projected unit credit method and discounted with a maturity corresponding to the time of benefit payments to the members.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements of the net liabilities comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the statement of

financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Consolidated Income Statement in subsequent periods.

Past service costs are recognised in Consolidated Income Statement on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that Vion recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Vion recognises the following changes in the net defined benefit obligation under 'Employee benefits expense' and 'Finance costs' in the Consolidated Income Statement:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

Multi-employer plan

Vion participates for its employees in the Netherlands in several multi-employer pension schemes, which are all under the supervision of an independent pension administrator. Participation to these multi-employer plans is obligatory by law. Vion can only exit these

2 Notes to the Consolidated Financial Statements

multi-employer plans if it would start its own pension plan or collective labour agreement.

As these plans qualify as a defined benefit plans, IFRS requires these plans to be accounted for as such. However, as Vion is not able to obtain sufficient information for defined benefit accounting the exception of IAS 39.34 is applied by which the plans are accounted for as defined contribution plans. The pension benefits are based on a moderate career-average scheme. Based on the contributions paid to these plans and the number of participants, it can be concluded that Vion has a limited to low level of participation in these plans.

Premiums owed in the financial year to the pension administrators are recognised as costs.

Jubilee benefit commitments

The liability and cost of providing benefits under the jubilee benefits plan are determined by actuary using the projected unit credit method. Actuarial results are recognised in the Consolidated Income Statement.

2.4 Changes in accounting policies and disclosures

New and amended standards and interpretations

Vion applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless

otherwise stated). Vion has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback: The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on Vion's financial statements.
- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current: The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
 - What is meant by a right to defer settlement
 - That a right to defer must exist at the end of the reporting period
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments have not had an impact on the classification of Vion's liabilities.

- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7: The amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As a result of implementing the amendments, Vion has provided additional disclosures about its supplier finance arrangement. Please refer to note 29 Trade and other payables.

2.5 Standards issued but not yet effective

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is

2 Notes to the Consolidated Financial Statements

expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on Vion's financial statements.

Amendments to IFRS 9 Classification and measurement requirements and IFRS 7 Disclosures

The IASB issued amendments to IFRS 9 classification and measurement requirements and IFRS 7 disclosures. The amendments include:

- The amendments clarify that a financial liability is derecognized on 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- The classification of financial assets with ESG linked features has been clarified via additional guidance on the assessment of contingent features.
- Clarifications have been made on non-recourse loans and contractually linked instruments.
- Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.

The amendments are effective for annual periods starting on or after 1 January 2026. Early application is permitted, with an option to early adopt the amendments for contingent features only.

Vion is currently assessing the impact the amendments will have on current practice.

Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity

The IASB issued amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments include:

- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted, but limited to reporting periods beginning after the issue of the amendments and will need to be disclosed. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be

applied prospectively to new hedging relationships designated on or after the date of initial application.

Vion is currently assessing the impact the amendments will have on current practice.

Annual Improvements Volume 11

The IASB has published nine narrow-scope amendments to five IFRS accounting standards as part of its periodic maintenance of IFRS accounting standards. The amendments apply to annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

Vion is currently assessing the impact the amendments will have on current practice.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

2 Notes to the Consolidated Financial Statements

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure

requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

Vion is currently assessing the impact of the amendments and has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

2.6 Restatement of items

No significant restatements in the consolidated financial statements or notes to the consolidated financial statements were made. The comparative figures have been adjusted, where necessary, for comparability.

3 Significant accounting judgements, estimates and assumptions

The preparation of Vion's Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to Vion's exposure to risks and uncertainties includes:

- Note 34 Financial risks and financial instruments
- Sensitivity analyses disclosures: Notes 16 Intangible assets, 28 Net employee defined benefit liabilities and 34 Financial risks and financial instruments

3.1 Judgements

In the process of applying Vion's accounting policies, management has made judgements, as described in the paragraph estimates and assumptions, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements. Judgements included in our going concern assessment have been disclosed in the going concern paragraph in note 2.1 Basis of preparation.

2 Notes to the Consolidated Financial Statements

Determining the lease term of contracts with renewal and termination options – Vion as lessee

Vion determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Vion has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, Vion reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Vion included the renewal period as part of the lease term for leases of plant and machinery with shorter non-cancellable period (i.e., three to five years). Vion typically exercises its option to renew for these leases because there will be a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of plant and machinery with longer non-cancellable periods

(i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, the renewal options for leases of motor vehicles are not included as part of the lease term because Vion typically leases motor vehicles for not more than five years and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably.

Refer to note 30 Leases for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Assets held for sale / Discontinued operations Disposal group held for sale

During 2023, the Supervisory Board approved the disposal of the German operations footprint and Vion expects to sell or abandon this component "piecemeal" and such piecemeal transactions are expected to occur at different times in 2023, 2024 or 2025. Approval by the Supervisory Board is required for each specific disposal/abandoning of each "piecemeal" separately.

During the first half of 2024, Vion sold/closed the northern Germany based pork operations, sold its Altenburg retail operation, closed the operations in

Bamberg and sold its majority shares in Landshut and Vilshoven to the minority shareholder EZG (October 1st 2024).

During Q4 2024, Vion entered into a signed SPA with Premium Food Group (formally Tönnies Group) with respect to the beef locations in Southern Germany and entered into several individual agreements to sell assets of the Otto Nocker Fleischmärkte and Zucht- und Nutztvieh locations. As per balance sheet date, Management believed that the transaction with Premium Food Group was highly probable within 12 months and therefore qualifies as presentation as assets and liabilities held for sale and as part of the discontinued operations. The envisaged sale to Premium Food Group, announced on 9 August 2024, was near to completion, but has been blocked by the German competition authorities. The strategy with regards to Germany Beef South remains unchanged.

Management has applied judgement in the assessment that this development after balance sheet date did not affect the presentation of the Beef South business as assets and liabilities held for sale and as part of the discontinued operations.

In parallel, a selling process was initiated for Vion's Belgium operations Vion Adriaens at Zottegem. In December 2024, Vion Adriaens reached an agreement to sell its non-current assets to Slachthuis Velzeke. This is an asset deal and includes staff, land, building,

2 Notes to the Consolidated Financial Statements

and machinery & equipment of the Belgium site. Vion Adriaens is part of the Benelux Business Unit.

Disposal group held for sale comprises the envisaged share deal with Tönnies Group and the non-current assets for Otto Nocker Fleischmärkte and Zucht- und Nutzvieh locations located in Germany, and in addition the non-current assets for Vion Adriaens located in Zottegem, Belgium.

Management considered the disposal group to meet the criteria to be classified as held for sale at 31 December 2024 for the following reasons:

- They were available for immediate sale and could be sold to the buyer in its current condition;
- The actions to complete the sale were initiated and expected to be completed within one year from the date of initial classification;
- Potential buyers had been identified and negotiations were at an advanced stage at the reporting date

Discontinued operations

During 2023, the Supervisory Board approved the disposal of the German operations footprint and Vion expects to sell or abandon this component "piecemeal" and such piecemeal transactions are expected to occur at different times in 2023, 2024 or 2025. The disposal of geography "Germany" was considered as a single coordinated plan.

In 2024, management had initiated a divestment process for Food Service which did not result in a transactable offer. Management does not expect that a transactable offer will come in the near future. Furthermore, the Vion location in Furth im Wald cannot be sold based upon the agreement with the minority shareholder. Management is of the opinion that although the exclusion of these operations, the plan is considered as a single coordinated plan for the disposal of the Business Unit Germany.

The conclusion derived that for the explicit purpose of IFRS 5, the use of Discontinued Operations in the 2024 (and comparative data for 2023) Financial Statements can be applied.

The results of discontinued operations are based upon the IFRS 5 guidelines and relate to the combination of external transactions, and the net elimination of intercompany trading transactions from the disposal group with other group affiliates.

For more details on the discontinued operations, we refer to note 13 Discontinued operations.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and

liabilities within the next financial year, are described below. Vion based its assumptions and estimates on parameters available when the Consolidated Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Vion. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that Vion is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are relevant to goodwill recognised by Vion. The key assumptions used to determine the recoverable amount for the different

2 Notes to the Consolidated Financial Statements

CGUs, including a sensitivity analysis, are disclosed and further explained in note 16 Intangible assets. Separately from the annual impairment test, for each CGU to which goodwill is allocated, Vion assesses each year whether there are any indications of impairment for all other classes of assets. Both external as well as internal sources of information are considered when identifying indications that an asset may be impaired. Vion also conducted an impairment test for the assets which has been reclassified to assets held for sale.

Taxes

Deferred tax assets, including deferred tax assets for tax loss carry forward positions and tax credit carry forward positions, are recognised to the extent that it is probable that future taxable income will be available against which temporary differences, unused tax losses or unused tax credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the assets to be recovered. Further details on the recognition of deferred tax assets is included in note 20 Deferred tax assets and liabilities.

Defined benefit plans (pension benefits)

The cost of the defined benefit pension plan and jubilee benefits plan and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The calculation is most sensitive to changes in the discount rate. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an AA rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about pension obligations are provided in note 28.1 Pension commitments.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See note 34.4 Fair values for further disclosures.

Development costs

Vion capitalises development costs for software in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility

2 Notes to the Consolidated Financial Statements

is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At 31 December 2024, the carrying amount of capitalised development costs was €22.8 million (2023: €25.6 million).

The amount includes significant investments in the common design and implementation for the new ERP system for Pork and Beef in the Netherlands and the implementation of a new Vion wide master data management system.

4 Acquisitions and disposals

4.1 Acquisitions

During 2024 no acquisitions occurred.

4.2 Disposals and closures

During 2023, the Supervisory Board approved the disposal of the German operations footprint and Vion expects to sell or abandon this component "piecemeal" and such piecemeal transactions are expected to occur at different times in 2023, 2024 or 2025. This disposal is considered as a single co-ordinated plan.

The first tranche of disposals and closure took place in the first half of 2024 and related to the pork, beef and retail operations in northern Germany. The sale of assets and transfer of headcount occurred for Ahlener Fleisshandel GmbH, Vion Altenburg GmbH (Beef and Retail), and Vion Perleberg GmbH. The assets included land, building, and machinery & equipment. These operations were sold to Tönnies Group and Schlachthof Uhlen. Related restructuring costs were €0.3 million in total.

In addition, Vion's largest pork facility in Emstek was closed as from 15 February 2024. About 750 people were employed at Vion Emstek. Land, building, and machinery and equipment were sold.

A restructuring provision was estimated at €18.6 million in total. Thereof:

- €14.5 million for remaining salary costs and social plan cost;
- €3.1 million for closing costs (cancellation and penalties on early termination of contracts).

As per end of June 2024, Vion stopped its operations at the Bamberg facility. This was a community owned slaughter house and related restructuring costs was estimated at €40 thousands for remaining salary costs.

The second tranche of disposals occurred at 1 October 2024. Vion sold its majority shares in pork activities in South Germany (Landshut and Vilshofen) to the minority shareholder Erzeugergemeinschaft Südbayern.

At December 30, 2024 Vion sold its Otto Nocker Fleischmärkte branch in Günzburg, Germany. This was an asset deal and included transfer of headcount.

Topigs

Following the 2023 signed agreement to dispose Vion's share in Topigs Group, the legal transfer of these shares took place on February 27, 2024.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

5 Revenue from contracts with customers

5.1 Disaggregated revenue information

Set out below is the disaggregation of revenue from contracts with customers by geographical split and by business unit:

	2024	2023
Geographical markets		
The Netherlands	849,290	833,926
Germany	560,608	578,092
Italy	288,608	290,191
United Kingdom	172,790	207,146
Greece	218,177	213,359
Other European countries	695,400	750,667
Total Europe	2,784,873	2,873,381
Asia	272,381	352,485
North America	47,383	38,053
Other countries	21,794	57,647
Total revenue from contracts with customers	3,126,431	3,321,566
Timing of revenue recognition		
Goods transferred at a point in time	3,092,886	3,278,895
Services transferred over time	33,545	42,671
Total revenue from contracts with customers	3,126,431	3,321,566

	2024	2023
Business Units		
Benelux	2,553,674	2,669,793
Germany	73,058	93,907
Food Service	409,816	413,029
Ingredients	89,883	144,838
Total revenue from contracts with customers	3,126,431	3,321,566

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

5.2 Contract balances

	2024	2023
Trade receivables	128,207	156,655
Contract liability	2,666	128

During the year, €0.2 million (2023: €1.2 million) was recognised as provision for expected credit losses on trade receivables.

Generally, invoicing is done at the time the performance obligation is satisfied. Contract liabilities relate to short/mid-term advances received, which will be settled upon delivery of the goods.

5.3 Customer bonuses

	2024	2023
Customer bonuses	15,790	15,003

The customer bonuses are expected to be settled within 3 to 12 months.

6 Other operating income

	2024	2023
Gain on sale of fixed assets	3,273	590
Gain on revaluation of financial fixed assets	-	2,102
Rental income	592	602
Charged out costs	5,764	4,802
Insurance coverage	(7)	723
Other	3,434	3,027
Total other operating income	13,056	11,846

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

7 Employee benefits expenses

	2024	2023
Wages and salaries	192,237	193,194
Social security costs	30,825	29,231
Contributions to defined contribution plans	14,177	14,453
Expenses related to post-employment defined benefit plans	33	82
Post-employment benefits other than pensions	96	30
Termination benefits	2,542	2,470
Temporary staff	197,852	196,292
Other employee benefit costs	6,981	6,741
Total employee benefits expenses	444,743	442,494

An overview of the number of FTEs and flex workers is provided in the Key figures (see page 13).

8 Depreciation and amortisation

	2024	2023
Depreciation of property, plant and equipment	22,338	23,412
Depreciation of investment properties	-	3
Depreciation of right of use assets	12,614	12,387
Amortisation of intangible assets	11,086	10,940
Total depreciation and amortisation	46,038	46,743

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

9 Impairment of non-current assets

	2024	2023
Impairment of property, plant and equipment	1,011	6,070
Impairment of intangible assets	6,720	3,137
Impairment of right of use assets	-	536
Total impairment of non-current assets	7,730	9,743

Impairment losses relate to the announced sale of non-current assets and IM&T related projects.

For information on impairments of non-current assets, please refer to note 14 Property, plant and equipment and 16 Intangible assets.

10 Other operating expenses

	2024	2023
Restructuring expenses	19,468	22,639
Lease costs buildings and non-production equipment	2,298	2,700
Other	3,122	4,106
Total other operating expenses	24,888	29,444

Restructuring expenses

Restructuring expenses include mainly costs related to the disposal of our operations in Germany and legal and consultancy costs that relate to the coordination and execution of the Change that Matters programme.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

11 Finance costs and income

<i>Finance costs</i>	2024	2023
Interest accretion pension provision	(1,139)	(1,392)
Interest and charges financing facility	(8,708)	(8,074)
Finance charges payable under finance leases and hire purchase contracts	(1,872)	(1,694)
Interest accretion jubilee provision	(103)	(118)
Other	(721)	(729)
Total interest expenses	(12,543)	(12,006)
Financing fee	(366)	(290)
Currency exchange loss	26	(28)
Total finance costs	(12,882)	(12,324)
<i>Finance income</i>	2024	2023
Other	938	616
Total finance income	938	616

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

12 Income taxes

On 23 May 2023, the International Accounting Standards Board (the Board) issued International Tax Reform – Pillar Two Model Rules – Amendments to IAS 12 which clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements Qualified Domestic Minimum Top-up Taxes. Vion has adopted these amendments which have no material exposure to Pillar Two income taxes in the jurisdictions where Vion operates due to applicable transitional safe harbours.

	2024	2023
Current income tax:		
Current income tax charge	(2,871)	(999)
Adjustments in respect of prior years	(850)	(422)
Deferred tax:		
Relating to (de)recognition of tax losses	6,202	-
Relating to origination and reversal of temporary differences	2,274	3,722
Adjustments in respect of prior years	3,812	-
Income tax income reported in the Consolidated Income Statement	8,567	2,301

The deferred tax movement is the result of the movement of Vion Beef B.V. into discontinued operations per 2024. Based upon future expectations, it is estimated that tax losses can no longer be settled with future profits resulting in a tax loss under discontinued operations. At the same time, due to legal restructurings Vion managed to optimize the fiscal position of the continuing operations, resulting in a tax gain from continuing operations. For the full overview of the deferred tax movements, we refer to note 20 Deferred tax assets and liabilities.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>Reconciliation between the statutory and effective tax rate</i>	2024	2023
Statutory income tax rate	25.8%	25.8%
Loss before tax from continuing operations	(53,022)	(46,751)
Loss before tax from discontinued operations	(24,856)	(43,084)
Profit from joint ventures for tax purposes	1	2
Loss before income tax	(77,877)	(89,833)
Statutory income tax income	13,679	12,061
Change in valuation of available losses and timing differences	(6,072)	(6,831)
Non-taxable income	-	261
Effect of participation exemption	141	671
Non-deductible expenses for tax purposes	(3,286)	(6,506)
Tax incentives	-	-
Change in the standard rates of taxes	-	-
Effect of different foreign tax rates	1,290	2,162
Adjustment prior years current tax	(997)	483
Adjustment prior years deferred tax	3,812	-
Income tax income from continuing operations as reported in the Consolidated Income Statement	8,567	2,301
Income tax expense from discontinued operations	(12,017)	(2,118)
Income tax income/(expense) of the group	(3,450)	183
Effective tax rate of the continuing operations	16.2%	0.2%

2 Notes to the Consolidated Financial Statements

13 Discontinued operations

During 2023, the Supervisory Board approved the disposal of the German operations footprint and Vion expects to sell or abandon this component "piecemeal" and such piecemeal transactions are expected to occur at different times in 2023, 2024 or 2025. This disposal is considered as a single coordinated plan to dispose of a major geographical area.

Therefore, in the 2023 financial statements this has been accounted for as discontinued operations for the relevant piecemeal items. Approval by the Supervisory Board is required for each specific disposal/abandoning of each "piecemeal" separately.

In 2024, Vion's Supervisory Board approved further execution of the operations included in the single coordinated plan. In 2024, management had also initiated a divestment process for Food Service which did not result in a transactable offer. Management does not expect that a transactable offer will come in the near future. Furthermore, the Vion location in Furth im Wald cannot be sold based upon the agreement with the minority shareholder.

These revisions to the original plan have not impacted the conclusion that a single coordinated plan exists, management believes that the disposal of the Business Unit "Germany", qualifies for the explicit purpose of IFRS 5, and that the use of Discontinued Operations can be applied.

During Q4 2024, Vion entered into a signed SPA with Premium Food Group (formally Tönnies Group) with respect to the beef locations in Southern Germany, and entered into several individual agreements to sell assets of the Otto Nocker Fleischmärkte and Zucht- und Nutztvieh locations. The envisaged sale to Premium Food Group, announced on 9 August 2024, was very near to completion, but has been blocked by the German competition authorities. The strategy with regards to Germany Beef South remains unchanged.

In parallel to the execution of the Germany operations footprint, a selling process was initiated for Vion's Belgium operations Vion Adriaens at Zottegem. In December 2024, Vion Adriaens reached an agreement to sell its non-current assets to Slachthuis Velzeke. This is an asset deal and includes staff, land, building, and machinery & equipment of the Belgium site. Vion Adriaens is part of the Benelux Business Unit.

The sale of Vion Adriaens' assets does not meet the IFRS 5 criteria for Discontinued Operations.

2 Notes to the Consolidated Financial Statements

The following table reports and overview of the operations sold/closed or planned to sale by 31 December 2024. All these transactions were subject to Supervisory Board approval.

Facility	Type of sale	Type of exit	Qualify as Discontinued Operations	Reported as Assets Held for Sale in Financial Statements	Completion period
Vion Bad Bramstadt GmbH	na	abandoned	na	no	Aug-23
Vion Convenience GmbH	na	abandoned	2023	no	Nov-23
Vion Ahlener Fleischhandel GmbH	asset	sale	2023	2023	May-24
Vion Altenburg Beef GmbH	asset	sale	2023	2023	May-24
Vion Altenburg Retail GmbH	asset	sale	2023	2023	May-24
Vion Perleberg GmbH	asset	sale	2023	2023	Mar-24
Vion Emstek GmbH	na	abandoned	2024	no	Feb-24
Vion Bamberg GmbH	na	abandoned	2024	no	Jun-24
Vion SBL Landshut GmbH	share	sale	2024	no	Oct-24
Vion EGN Sudostbayern GmbH (Vilshofen)	share	sale	2024	no	Oct-24
Vion Waldkraiburg GmbH	share	sale	2024	2024	2025 ¹
Trärgesellschaft Schlachthof Minden GbR	share	sale	2024	2024	2025 ¹
Vion Crailsheim GmbH	share	sale	2024	2024	2025 ¹
Vion Move GmbH	share	sale	2024	2024	2025 ¹
CEMO GmbH	share	sale	2024	2024	2025 ¹
BestHides GmbH	share	sale	2024	2024	2025 ¹
Vion Beef BV	share	sale	2024	2024	2025 ¹
Vion GmbH	share	sale	2024	2024	2025 ¹
Vion Hilden GmbH	share	sale	2024	2024	2025 ¹
Vion Beef Süd GmbH	share	sale	2024	2024	2025 ¹
Otto Nocker Fleischmärkte GmbH (Gunzburg)	asset	sale	2024	no	Dec-24
Otto Nocker Fleischmärkte GmbH (Ingolstadt & Traunstein)	asset	sale	2024	2024	2025
Zucht-und Nutzvieh GmbH (several locations)	asset	sale	2024	2024	2025
Vion Adriaens NV	asset	sale	na	2024	2025

¹ At balance sheet date, these operations were subject to the envisaged deal with Premium Food Group which was expected to take place in 2025. Due to the recent FCO decision, the deal has been blocked and estimated completion is unknown. The beef south operations represent 66% of the revenue of discontinued operations in 2024.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

The results of discontinued operations are based upon the IFRS 5 guidelines and relate to the result of external transactions in combination with the effect of the net elimination of intercompany trading transactions from the disposal group with other group affiliates.

These results for the year are presented below:

	2024			2023		
	External transactions	Intercompany eliminations	Total	External transactions	Intercompany eliminations	Total
Revenue from contracts with customers	1,504,201	-	1,504,201	2,228,733	-	2,228,733
Expenses	(1,619,634)	100,035	(1,519,599)	(2,368,497)	115,104	(2,253,394)
Operating income	(115,433)	100,035	(15,398)	(139,765)	115,104	(24,661)
Finance (costs)/income	(3,400)	-	(3,400)	(3,961)	-	(3,961)
Impairment loss recognised on the measurement to fair value less costs to sell	(6,058)	-	(6,058)	(14,461)	-	(14,461)
Loss before tax from discontinued operations	(124,892)	100,035	(24,856)	(158,187)	115,104	(43,084)
Income tax (expense)/income	(12,017)	-	(12,017)	(2,118)	-	(2,118)
Loss for the year from discontinued operations	(136,909)	100,035	(36,873)	(160,305)	115,104	(45,202)

In preparing the consolidated financial statements, Vion applies a policy whereby intercompany transactions between continuing and discontinued operations are eliminated, with additional adjustments made to reflect how these transactions will be treated within continuing operations going forward.

This approach ensures that the financial performance of continuing operations is presented in a consistent and representative manner. It reflects the economic reality of transactions that remain relevant for understanding the ongoing operational results of the continuing business.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

The disposal group assets and liabilities held for sale as at 31 December is as follows:

	2024	2023
Assets		
Intangible assets	2,563	119
Property, plant and equipment	51,792	28,025
Right of use assets	7,668	-
Deferred tax assets	-	-
Inventories	28,647	-
Trade and other receivables	62,424	-
Other current receivables	3,403	-
Cash and cash equivalent	114	-
Assets held for sale	156,611	28,144

	2024	2024
Liabilities		
Non-current interest bearing loans and borrowings	(4,809)	-
Provisions	(1,245)	-
Net employee defined benefit liabilities	(32,969)	-
Trade and other payables	(49,062)	-
Current interest-bearing loans and borrowings	(3,393)	-
Other current payables	(1,532)	-
Liabilities directly associated with assets held for sale	(93,009)	-
Net assets directly associated with disposal group	63,602	28,144

The net cash flow of discontinued operations for the year are as follows:

	2024	2023
Net cash flows used in operating activities	(35,222)	(99,191)
Net cash flows from/(used in) financing activities	44,932	(613)
Net cash flows from/(used in) financing activities	(9,892)	61,279
Net cash flow used in discontinued operations	(183)	(38,525)

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

14 Property, plant and equipment

Cost	Freehold land and buildings	Plant and machinery	Equipment	Construction in progress	Total
Balance at 1 January 2023¹	608,948	596,342	66,357	29,701	1,301,349
Additions	10,441	22,611	2,174	1,688	36,914
Additions through business combinations	1,779	-	927	-	2,706
Disposals	(5,592)	(30,466)	(5,371)	(140)	(41,569)
Assets held for sale	(86,770)	(61,573)	(3,428)	(3,486)	(155,257)
Transfer from construction in progress	5,078	8,330	262	(15,353)	(1,683)
Exchange translation adjustment	-	-	9	-	9
Balance at 31 December 2023	533,884	535,244	60,930	12,410	1,142,469
Additions	3,636	14,587	3,833	6,903	28,959
Disposals	(112,373)	(110,891)	(18,729)	(1,040)	(243,033)
Assets held for sale	(161,904)	(107,159)	(17,881)	(920)	(287,864)
Transfer from construction in progress	812	5,962	1,216	(8,968)	(978)
Exchange translation adjustment	1	-	12	1	14
Balance at 31 December 2024	264,056	337,743	29,381	8,386	639,567

1 The 2023 opening balance was adjusted for identified differences between the asset categories. Impact on the total net book value of the reclassification is nil. The underlying reason of this adjustment follows the frequent internal asset transfers, and alignment to group net book value.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>Depreciation and impairment</i>	Freehold land and buildings	Plant and machinery	Equipment	Construction in progress	Total
Balance at 1 January 2023¹	457,479	485,997	52,828	1,467	997,770
Charge during the year	11,427	21,537	4,281	-	37,245
Impairment	10,497	9,586	531	(84)	20,530
Disposals	(5,336)	(30,036)	(4,805)	(82)	(40,259)
Assets held for sale	(75,521)	(48,507)	(3,204)	-	(127,232)
Reclassifications	31	405	12	(449)	(1)
Exchange translation adjustment	-	-	9	-	9
Balance at 31 December 2023	398,577	438,982	49,652	852	888,062
Charge during the year	9,564	17,911	3,159	-	30,634
Impairment	2,500	-	1,645	84	4,229
Disposals	(97,387)	(109,347)	(15,927)	(26)	(222,687)
Assets held for sale	(129,872)	(92,205)	(13,859)	(138)	(236,074)
Reclassifications	(12)	786	-	(772)	2
Exchange translation adjustment	1	-	12	-	13
Balance at 31 December 2024	183,371	256,127	24,682	-	464,179

¹ The 2023 opening balance was adjusted for identified differences between the asset categories. Impact on the total net book value of the reclassification is nil. The underlying reason of this adjustment follows the frequent internal asset transfers, and alignment to group net book value.

Net book value

Balance at 31 December 2023	135,307	96,262	11,279	11,558	254,407
Balance at 31 December 2024	80,685	81,616	4,700	8,386	175,388

Construction in progress

During the year, the transfer from construction in progress was mainly in relation to development projects across various production sites, as is the position at the 2024 balance sheet date.

Impairment

In 2024, an impairment loss was taken following the anticipated sale of assets. This result followed the valuation of certain property, plant and equipment to the recoverable amount as a result of challenging market circumstances and footprint adjustments. The recoverable amount as at 31 December 2024 was based on the highest of value in use and fair value less cost of disposal and was determined at the level of the CGU. The relevant CGUs are part of the formed business units Benelux and Germany. In determining value in use for the CGU, the cash flows were discounted at a rate of 6.9% on a post-tax basis.

2 Notes to the Consolidated Financial Statements

The applied level of the fair value hierarchy of the fair value measurement of the CGUs is Level 2. The most important technique used is valuation reports for land and buildings. We deem the valuation techniques reasonable for this purpose.

Disposal of assets

The net disposal amount of €20.3 million, represents the net of costs and depreciation and impairment, and relates to those assets that have been sold to third parties following the decision to reduce the German operations footprint. See table in note 13 Discontinued operations.

Assets held for sale

During the year, Vion has classified certain assets as held for sale. The carrying amount of these assets has been reclassified to assets held for sale on the statement of financial position. As part of the assessment of the recoverable amount of assets held for sale, we conducted impairment tests in accordance with IAS 36. These tests involved comparing the carrying amount of the assets held for sale with their fair value less costs to sell. As a result, an impairment loss of €4.2 million has been recognised in the statement of profit or loss for the year ended 2024. Please refer to the table in note 13 Discontinued operations.

For information on impairments of non-current assets, please refer to note 16 Intangible assets.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

15 Investment properties

	2024	2023
Balance at 1 January	816	819
Disposals	(464)	-
Depreciation and impairment charges	-	(3)
Balance at 31 December	353	816

Net book value

Cost	1,184	5,170
Accumulated depreciation and impairment	(831)	(4,354)
Balance at 31 December	353	816

Vion's investment properties consist of several apartments, houses and a storage location in Germany that are leased to third parties. The rental income derived from these properties amounts €0.3 million (2023 €0.3 million). We consider the fair value to be in line with the current book value.

Vion has no restrictions on the realisability of its investment properties and no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

16 Intangible assets

Cost	Goodwill	Software	Software under development	Other	Total
Balance at 1 January 2023	28,646	88,027	23,241	7,876	147,790
Additions – internally developed	-	-	11,815	-	11,815
Additions – separately acquired	-	-	88	-	88
Additions through business combinations	2,863	-	-	-	2,863
Reclassifications	-	11,435	(9,751)	-	1,684
Assets held for sale	-	(531)	-	-	(531)
Disposals	-	(941)	-	(372)	(1,313)
Balance at 31 December 2023	31,509	97,990	25,393	7,504	162,396
Additions – internally developed	-	-	10,227	-	10,227
Additions – separately acquired	-	-	182	-	182
Reclassifications	-	7,534	(6,566)	-	968
Assets held for sale	(662)	(2,927)	-	(5,205)	(8,794)
Disposals	-	(854)	-	(203)	(1,057)
Balance at 31 December 2024	30,847	101,743	29,236	2,096	163,922

Amortisation and impairment

Balance at 1 January 2023	2,384	61,965	252	3,797	68,398
Charge during the year	-	10,849	-	830	11,679
Impairment	-	329	2,808	-	3,137
Assets held for sale	-	(412)	-	-	(412)
Disposals	-	(944)	-	(372)	(1,316)
Balance at 31 December 2023	2,384	71,787	3,060	4,255	81,486
Charge during the year	-	10,945	-	830	11,775
Impairment	5,585	3,115	585	298	9,583
Assets held for sale	-	(2,736)	-	(3,494)	(6,230)
Disposals	-	(796)	-	(98)	(894)
Balance at 31 December 2024	7,969	82,315	3,645	1,791	95,720

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>Net book value</i>	Goodwill	Software	Software under development	Other	Total
Balance at 31 December 2023	29,125	26,203	22,333	3,249	80,910
Balance at 31 December 2024	22,878	19,428	25,591	305	68,202

Reclassifications

The transfer of assets fully relates to assets under development which were brought to use during 2024.

Software

An impairment charge of €3.7 million was taken for software related projects. This impairment relates to the reduced infra structure capacity requirements following the decision to sell Business Unit "Germany".

Goodwill

For impairment testing, goodwill is allocated to groups of cash-generating units (CGUs), which represent the lowest level at which the goodwill is monitored internally for management purposes.

Goodwill acquired through business combinations is allocated to CGU Beef and Food Service (no change compared to previous years).

Impairment testing procedures were performed at 31 December 2024.

In 2024, an impairment charge of €5.6 million goodwill was taken on CGU Beef. This charge follows the decision to sell the German - and Belgium related beef operations. Management doesn't foresee that the goodwill will derive future business synergies and economic benefits. The remaining €0.6 million goodwill is included in assets held for sale.

	2024	2023
Beef	-	6,247
Food Service	22,878	22,878
Total	22,878	29,125

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Food Service

The recoverable amounts of the CGU Food Service, has been determined through a value in use calculation. During the annual impairment test performed in the first quarter of 2025, based on the financial position as per 31 December 2024, the estimated recoverable amounts of the cash-generating unit Food Service exceeded the carrying value at their CGU level, therefore no impairment loss was recognised.

Procedures were based on a 5-year financial Long Term Plan, which includes the financial impact of Change that Matters initiatives, the Group restructuring plans, and takes into account expected market developments. The financial impact of only those initiatives that have been committed to and/or started before the end of the year have been included in the impairment analysis for 2024. However, still certain assumptions used in determining the financial impact of the initiatives and the expected market developments are surrounded by uncertainty.

As the strategic plan, expected market developments and the financial impact of initiatives are partly dependent on developments in the future, and these might be impacted by unforeseen circumstances causing deviations in the assumptions used, the actual results of those market developments and initiatives might be different from the assumptions used in the strategic plan. This means the actual future financial results from those initiatives, and other assumptions used in the strategic plan and long term financial plan, might differ from the foreseen results used in the impairment analysis at the end of 2024.

The key assumptions used in the impairment test are set out below. The post-tax cash flow projections were determined using the management's internal forecasts that cover an initial period from 2025 to 2029, after which a terminal value was calculated. Management believes that this period is justified due to the long-term development of the concerning markets and past experiences. The values assigned to the key assumptions represent management's assessment of future trends in the food service industry and have been based on historical data from both external and internal sources.

	2024	2023
Discount rate Food Service (pre-tax)	9.9%	8.6%
Budgeted EBITDA growth rate (average of next five years) Food Service	10.5%	0.5%

The budgeted EBITDA growth rate has been calculated using the reporting year as the base line. The cash flow projections included financial budgets approved by senior management covering a five-year period.

The estimated recoverable amount of Food Service exceeded its carrying amount by approximately €222.9 million (2023: €347.3 million).

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Sensitivity

Management has identified that a reasonably possible change in key assumptions could cause the carrying amount to exceed the recoverable amount. The following changes to the key assumptions could, individually, cause the value of the estimated recoverable amount to become equal to the carrying amount:

	2024	2023
Food Service		
Increase discount rate, basis points	32.0%	36.8%
Decrease forecasted EBITDA growth rate (average of next five years), basis points	-16.9%	-19.3%

Management considers the likelihood of these changes considerably low. Given Food Service's extensive headroom, management does not consider the growth rate for Food Service a key assumption.

17 Investment in associates and joint ventures

	2024	2023
Interest in associates	307	310
Joint ventures	23	23
Balance at 31 December	330	333

Associates

Immaterial associates

Vion has interests in a number of individually immaterial associates. The following table analyses, in aggregate, the carrying amount and share of profit and OCI of these associates.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

	2024	2023
Carrying amount of interest in immaterial associates	307	310
Vion's share of:		
Profit from continuing operations	-	1,013
Total Comprehensive Income	-	1,013

This relates to the following participating interests with a share of 20% or more:

	2024	2023
LQB Landwirtschaftliche Qualitätssich. Bayern GmbH (Germany)	24.4%	24.4%

Joint ventures

Immaterial joint ventures

Vion has interests in a number of individually immaterial joint ventures. The following table analyses, in aggregate, the carrying amount and share of profit and OCI of these joint ventures.

	2024	2023
Carrying amount of interest in immaterial joint ventures	23	23
Vion's share of:		
Profit/(loss) from continuing operations	-	-
Total Comprehensive Income	-	-

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

18 Non-controlling interests

Non-controlling interests relate to material partly-owned subsidiaries amounting to €5.5 million (2023 €14.5 million).

		2024		2023	
	Country	Percentage held by Non-controlling interests	Accumulated balances of material non-controlling interests	Percentage held by Non-controlling interests	Accumulated balances of material non-controlling interests
Vion SBL Landshut GmbH	Germany	0%	-	49%	1,030
Vion EGN Südostbayern GmbH	Germany	0%	-	49%	4,217
Best Hides GmbH	Germany	40%	5,023	40%	5,369
SFB Fleisch- und Kühlcentrale GmbH&Co KG	Germany	37.5%	433	37.5%	414
Vion FKM Furth im Wald GmbH	Germany	30%	11	30%	(90)
Ahlener Fleishhandel GmbH	Germany	0%	-	12.5%	80
Total			5,467		11,019

During 2024, Vion acquired the 12.5% in Ahlener Fleishhandel GmbH and sold its 51% majority interest in Vion SBL Landshut GmbH and Vion EGN Südostbayern GmbH.

Profit allocated to material non-controlling interest:

	2024	2023
Vion SBL Landshut GmbH	(2,200)	-
Vion EGN Südostbayern GmbH	(921)	-
Best Hides GmbH	700	700
SFB Fleisch- und Kühlcentrale GmbH&Co KG	(583)	-
Vion FKM Furth im Wald GmbH	339	-
Ahlener Fleishhandel GmbH	-	-

The losses for SBL Landshut and EGN Südostbayern are included for a 10 months period. These amounts are significant when compared to previous years and this follows the cancellation of the Profit and Loss Tax Agreement ("PLTA") with their shareholder.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Proportion of equity interest held by Vion:

	Country	2024	2023
Vion SBL Landshut GmbH	Germany	0%	51%
Vion EGN Südostbayern GmbH	Germany	0%	51%
BestHides GmbH	Germany	60%	60%
SFB Fleisch- und Kühlcentrale GmbH&Co KG	Germany	62.5%	62.5%
Vion FKM Furth im Wald GmbH	Germany	70%	70%
Ahlener Fleishhandel GmbH	Germany	100%	87.5%

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised income statement 2024	Vion SBL Landshut GmbH	Vion EGN Südostbayern GmbH	Best Hides GmbH	SFB Fleisch- und Kühlcentrale GmbH&Co KG	Vion FKM Furth im Wald GmbH	Ahlener Fleishhandel GmbH
Revenue	89,905	162,690	40,895	64	101,883	50,176
Raw materials and consumables used	(79,496)	(141,167)	(27,798)	641	(91,672)	(46,634)
Other operational expenses	(14,736)	(23,344)	(11,847)	(2,156)	(9,184)	(5,125)
Finance costs	(173)	(64)	(693)	(12)	(518)	(185)
(Loss)/profit before tax	(4,500)	(1,885)	557	(1,463)	509	(1,768)
Income tax	(20)	(6)	(203)	2	(171)	(1)
(Loss)/profit for the year from continuing operations	(4,520)	(1,891)	354	(1,461)	338	(1,769)
Total comprehensive (loss)/income	(4,520)	(1,891)	354	(1,461)	338	(1,769)
Attributable to non-controlling interests	(2,200)	(921)	700	(583)	339	-
Dividends paid to non-controlling interests	122	718	700	-	339	-

The part of comprehensive income attributable to non-controlling interests is based on existing agreements regarding the distribution of result and therefore does not reflect the share of ownership.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Summarised income statement 2023	Vion SBL Landshut GmbH	Vion EGN Südostbayern GmbH	Best Hides GmbH	SFB Fleisch- und Kühlcentrale GmbH&Co KG	Vion FKM Furth im Wald GmbH	Ahlener Fleishhandel GmbH
Revenue	165,144	206,153	43,913	(21)	92,597	141,332
Raw materials and consumables used	(150,623)	(179,801)	(31,555)	(23)	(83,214)	(130,508)
Other operational expenses	(17,833)	(33,526)	(11,276)	333	(8,651)	(15,628)
Finance costs	(2,862)	(290)	(700)	(258)	(595)	(138)
(Loss)/profit before tax	(6,174)	(7,464)	382	31	137	(4,942)
Income tax	6	(132)	(129)	(16)	(140)	-
(Loss)/profit for the year from continuing operations	(6,168)	(7,596)	253	15	(3)	(4,942)
Total comprehensive (loss)/income	(6,168)	(7,596)	253	15	(3)	(4,942)
Attributable to non-controlling interests	-	-	700	-	-	-
Dividends paid to non-controlling interests	122	718	700	2	341	-

The part of comprehensive income attributable to non-controlling interests is based on existing agreements regarding the distribution of result and therefore does not reflect the share of ownership.

Summarised statement of financial position as at 31 december 2024	Vion SBL Landshut GmbH	Vion EGN Südostbayern GmbH	Best Hides GmbH	SFB Fleisch- und Kühlcentrale GmbH&Co KG	Vion FKM Furth im Wald GmbH	Ahlener Fleishhandel GmbH
Total non-current assets	-	-	3,622	1,659	2,331	0
Total current assets	-	-	13,704	1,394	6,527	571
Total current liabilities	-	-	(4,453)	(2,312)	(8,454)	178
Total non-current liabilities	-	-	-	-	-	-
Total provisions	-	-	(659)	(171)	(27)	(108)
Total equity	-	-	12,214	570	378	640
Attributable to:						
Equity holders of the parent	-	-	7,191	137	367	640
Non-controlling interest	-	-	5,023	433	11	-
Total	-	-	12,214	570	378	640

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Summarised statement of financial position as at 31 december 2023	Vion SBL Landshut GmbH	Vion EGN Südostbayern GmbH	Best Hides GmbH	SFB Fleisch- und Kühlcentrale GmbH&Co KG	Vion FKM Furth im Wald GmbH	Ahlener Fleishhandel GmbH
Total non-current assets	5,636	6,306	4,566	1,520	2,166	1,544
Total current assets	9,854	16,544	14,811	2,489	4,627	6,888
Total current liabilities	(2,692)	(9,776)	(5,856)	(2,689)	(6,740)	(7,726)
Total non-current liabilities	(10,500)	(2,370)	-	-	-	-
Total provisions	(233)	(2,096)	(874)	(165)	(16)	(68)
Total equity	2,065	8,609	12,648	1,155	37	638
Attributable to:						
Equity holders of the parent	(3,450)	5,390	7,279	741	128	559
Non-controlling interest	5,514	3,218	5,369	414	(90)	80
Total	2,064	8,609	12,648	1,155	37	638

Summarised cash flow information for the year ended 31 December 2024	Vion SBL Landshut GmbH	Vion EGN Südostbayern GmbH	Best Hides GmbH	SFB Fleisch- und Kühlcentrale GmbH&Co KG	Vion FKM Furth im Wald GmbH	Ahlener Fleishhandel GmbH
Cash flow from operating activities	(4,517)	803	451	(1,397)	(56)	(5,495)
Cash flow from investing activities	(532)	(7,045)	(271)	(288)	(489)	3,207
Cash flow from financing activities	3,730	2,461	(1,969)	311	544	2,285
Net movement in cash and cash equivalents	(1,319)	(3,781)	(1,788)	(1,373)	(1)	(3)

Summarised cash flow information for the year ended 31 December 2023	Vion SBL Landshut GmbH	Vion EGN Südostbayern GmbH	Best Hides GmbH	SFB Fleisch- und Kühlcentrale GmbH&Co KG	Vion FKM Furth im Wald GmbH	Ahlener Fleishhandel GmbH
Cash flow from operating activities	(10,102)	(3,750)	1,599	827	(1,825)	(5,213)
Cash flow from investing activities	(445)	(652)	(181)	(73)	(458)	(211)
Cash flow from financing activities	11,815	4,877	(1,452)	(9)	600	5,375
Net movement in cash and cash equivalents	1,268	475	(34)	745	(1,683)	(49)

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

19 Other financial assets

	2024	2023
Non-current other financial assets		
Deferred receipts	-	-
Loan to third parties	665	611
Total non-current other financial assets	665	611
Current other financial assets		
Derivatives	638	1,065
Investments	-	15,000
Total current other financial assets	638	16,065

Investments relates to our minority interest of 22.5% in Topigs Group B.V. This investment was sold to Topigs Group on February 27, 2024.

No provision for expected credit losses has been recognised related to the other financial assets, as the risk of default is assessed to be minimal.

Derivatives

Derivatives designated as hedging instruments reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast sales.

20 Deferred tax assets and liabilities

	2024	2023
Deferred tax assets	35,337	35,740
Deferred tax liabilities	(52)	(2,107)
Total deferred tax	35,285	33,633

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>Deferred tax assets and liabilities 2024</i>	Net balance at 1 January	Recognised in profit or loss	Recognised directly in equity	Net balance at 31 December
Property, plant and equipment	13,170	914	-	14,084
Intangible assets	739	260	-	999
Provisions	10,540	(1,675)	-	8,865
Loans and borrowings	9,271	(7,002)	-	2,269
IFRS 16 - lease liabilities	14,441	(1,871)	-	12,570
Other temporary differences	186	(183)	-	3
Tax losses and tax credits	280,099	17,094	-	297,193
Total gross deferred tax assets	328,446	7,537	-	335,983
Unrecognised deductible temporary differences, tax losses and tax credits	(268,210)	(18,385)	-	(286,595)
Subtotal net deferred tax assets	60,236	(10,848)	-	49,388
Offsetting	(24,496)	10,445	-	(14,051)
Net deferred tax assets	35,740	(403)	-	35,337
Property, plant and equipment	(4,273)	3,056	-	(1,217)
Intangible assets	(1,024)	341	-	(683)
Derivatives	(27)	(22)	49	-
Provisions	-	-	-	-
Loans and borrowings	(7,630)	7,225	-	(405)
IFRS 16 - right of use assets	(13,578)	1,810	-	(11,768)
Other temporary differences	(71)	41	-	(30)
Total gross deferred tax liabilities	(26,603)	12,451	49	(14,103)
Offsetting	24,496	(10,445)	-	14,051
Net deferred tax liabilities	(2,107)	2,006	49	(52)
Total deferred tax movement	-	1,603	-	-
Attributable to continuing operations	-	12,288	-	-
Attributable to discontinued operations	-	(10,684)	-	-

Vion offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>Deferred tax assets and liabilities 2023</i>	Net balance at 1 January	Recognised in profit or loss	Recognised directly in equity	Net balance at 31 December
Property, plant and equipment	22,821	(9,651)	-	13,170
Intangible assets	736	3	-	739
Provisions	10,350	190	-	10,540
Loans and borrowings	14,478	(5,207)	-	9,271
IFRS 16 - lease liabilities	14,933	(492)	-	14,441
Other temporary differences	11	175	-	186
Tax losses and tax credits	245,352	34,747	-	280,099
Total gross deferred tax assets	308,681	19,765	-	328,446
Unrecognised deductible temporary differences, tax losses and tax credits	(246,619)	(21,591)	-	(268,210)
Subtotal net deferred tax assets	62,062	(1,826)	-	60,236
Offsetting	(30,598)	6,102	-	(24,496)
Net deferred tax assets	31,464	4,276	-	35,740
Property, plant and equipment	(2,629)	(1,644)	-	(4,273)
Intangible assets	(1,184)	160	-	(1,024)
Derivatives	(92)	(29)	94	(27)
Provisions	(3)	3	-	-
Loans and borrowings	(12,504)	4,874	-	(7,630)
IFRS 16 - right of use assets	(14,232)	654	-	(13,578)
Other temporary differences	19	(90)	-	(71)
Total gross deferred tax liabilities	(30,625)	3,928	94	(26,603)
Offsetting	30,598	(6,102)	-	24,496
Net deferred tax liabilities	(27)	(2,174)	94	(2,107)
Total deferred tax movement	-	2,102	-	-
Attributable to continuing operations	-	3,722	-	-
Attributable to discontinued operations	-	(1,625)	-	-

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>Overview tax losses and other carry forwards 2024</i>	Indefinite	Total
Expiring term deferred tax assets unused tax losses and tax credits		
Unused tax losses	1,588,799	1,588,799
Unused tax credits	146,803	146,803
Total unused tax losses and tax credits	1,735,602	1,735,602
Gross deferred tax assets on unused tax losses and tax credits	297,580	297,580
Unrecognised deferred tax assets unused tax losses and tax credits	(279,735)	(279,735)
Recognised deferred tax assets on unused tax losses and tax credits	17,845	17,845
Recognised deferred tax assets deductible temporary differences		31,543
Netted deferred tax liabilities		(14,051)
Net deferred tax assets		35,337

<i>Overview tax losses and other carry forwards 2023</i>	Indefinite	Total
Expiring term deferred tax assets unused tax losses and tax credits		
Unused tax losses	1,553,734	1,553,734
Unused tax credits	113,636	113,636
Total unused tax losses and tax credits	1,667,370	1,667,370
Gross deferred tax assets on unused tax losses and tax credits	280,099	280,099
Unrecognised deferred tax assets unused tax losses and tax credits	(253,466)	(253,466)
Recognised deferred tax assets on unused tax losses and tax credits	26,633	26,633
Recognised deferred tax assets deductible temporary differences		33,603
Netted deferred tax liabilities		(24,496)
Net deferred tax assets		35,740

Vion has €1,736 million (2023: €1,667 million) of tax losses carried forward and tax credits. This represents a gross deferred tax asset of €298 million (2022: €246 million). These losses relate to subsidiaries that mainly have a history of losses and may not be used to offset taxable income elsewhere in Vion. The subsidiaries have not sufficient taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. Hence, Vion has determined that it cannot recognise deferred tax assets on the tax losses carried forward and tax credits for the amount of €1,666 million (2023: €1,569 million). This represents a write-down of the deferred tax asset for €279 million (2023: €253 million). The total amount of unrecognised losses do not expire.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

The deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that there will be future taxable profits against which they can be utilised.

21 Inventories

	2024	2023
Finished Goods	116,198	156,995
Raw materials and consumables	29,920	37,240
Work in progress	2,026	2,814
Total	148,144	197,049
Allowance for obsolete inventory	(7,030)	(6,742)

Raw materials and consumables include packaging materials and spare parts amounting to €24.1 million (2023: €28.6 million).

22 Trade and other receivables

	2024	2023
Trade receivables	224,791	340,264
VAT receivable	16,651	30,686
Interest receivables	174	125
Other receivables	5,576	6,505
Total	247,192	377,580

Trade receivables are non-interest bearing and are generally on terms of 15 to 45 days.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

All receivable balances are within terms with the exception of certain trade receivables which are past due and are detailed below:

	Days past due					
	Total	Current	1-7 days	8-14 days	15 - 30 days	> 30 days
2024	224,791	180,482	22,496	10,871	6,617	4,324
2023	340,264	271,918	47,162	13,730	5,385	2,068

See note 34 Financial risks and financial instruments on credit risk of trade receivables, which explains how Vion manages and measures credit quality of trade receivables that are past due but not impaired.

Vion has provided full securities for two credit facilities with pledges on its trade receivables. At 31 December 2024, an amount of €140.0 million (2023: €145.9 million) was drawn under the credit facilities.

As at 31 December 2024, trade receivables with an initial carrying value of €0.4 million (2023: €1.2 million) were impaired and fully provided for. See below for the movements in the provision for individually impaired receivables:

	Total
Balance at 1 January 2023	1,490
Charge for the year	784
Utilised	(934)
Unused amounts reversed	(143)
Balance at 31 December 2023	1,197
Charge for the year	203
Utilised	(407)
Assets held for sale	(175)
Unused amounts reversed	(597)
Balance at 31 December 2024	221

No provision for expected credit losses has been recognised related to the other receivables, as the risk of default is assessed to be minimal.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

23 Cash and cash equivalents

	2024	2023
Total cash and cash equivalents	5,649	4,485

The cash and cash equivalents does not include any restricted cash.

24 Equity

Issued share capital

The authorised share capital of Vion Holding N.V. amounts to €4.5 million divided into 100,000 ordinary shares with a nominal value of €45 each. Vion Holding N.V. holds 3,566 shares (2023: 3,566, no movements during 2024). On 31 December 2024, there were 50,784 (2023: 50,784) allotted, called up and fully paid ordinary shares of €45 each amounting to €2.3 million (2023: €2.3 million, no movements during 2024) issued to third party.

Vion does not actively manage the outstanding number of shares or share capital and has no capital management objective or policy to do so. As a result, the number of issued shares did not change during 2024 and 2023. The current financing facility and the loan from credit institutions include a minimum equity requirement. Vion complied with this covenant in 2024 and 2023. More information about liquidity and capital management is stated in the section liquidity risk, as part of chapter financial risk management.

Share premium

The share premium reserve consists of the income from share issues insofar as this income is higher than the nominal amount of the shares.

All other reserves are as stated in the consolidated statement of changes in equity.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Legal reserves

<i>As at 31 December 2024</i>	Cash flow hedge reserve	Foreign currency translation reserve	Other legal reserves	Total
Currency forward contracts	(395)	-	-	(395)
Foreign exchange translation reserve	-	857	-	857
Fair value reserve of other financial assets	-	-	-	-
Reserve for not free distributable profits and reserves of shareholdings	-	-	-	-
Reserve for capitalised internally developed software	-	-	22,807	22,807
Total	(395)	857	22,807	23,269

<i>As at 31 December 2023</i>	Cash flow hedge reserve	Foreign currency translation reserve	Other legal reserves	Total
Currency forward contracts	391	-	-	391
Foreign exchange translation reserve	-	744	-	744
Fair value reserve of other financial assets	-	-	2,102	2,102
Reserve for not free distributable profits and reserves of shareholdings	-	-	6,750	6,750
Reserve for capitalised internally developed software	-	-	25,634	25,634
Total	391	744	34,486	35,621

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

25 Interest-bearing loans and borrowings

<i>Non-current interest-bearing loans and borrowings</i>	Interest rate	Maturity	2024	2023
Loans from credit institutions	2.14% weighted average interest rate (fixed) / based on 6 month Euribor (variable)	2026-2028	67,500	67,500
Loans from minority shareholders	5.00%	no end date	-	12,870
Lease liabilities	0.03%-6.0% (0.03% - 6.0%)	2026-2035 (2024-2035)	27,438	39,027
Total non-current interest-bearing loans and borrowings			94,938	119,397

Current interest-bearing loans and borrowings

Secured asset based financing with a maximum facility of €200 million (2023: €250 million)	based on 1 month Euribor	running finance till August 2026	139,371	145,591
Loans from credit institutions	2.14% weighted average interest rate (fixed) / based on 6 month Euribor (variable)	2024	120	7,500
Lease liabilities	0.03%-6.0% (0.03% - 6.0%)	2025 (2024)	11,419	14,911
Total current interest-bearing loans and borrowings			150,910	168,002

Total interest-bearing loans and borrowings			245,848	287,399
--	--	--	----------------	----------------

Secured asset based financing

On 17 September 2020 Vion closed a committed €250 million sustainability linked Working Capital facility (WCF), refinancing its existing facility. The facility is provided by ABN AMRO Commercial Finance, NIBC, UniCredit, Deutsche Bank and Rabobank. The facility had a duration of 5 year. The usage of the total facility, of originally €250 million, is further maximized by the calculated borrowing base, which is based on the amount of receivables and frozen stock. Due to this effect, the facility is presented as short term. The original expiration date was December 2025. The effective interest rate is 4.61% (2023: 4.69%). The interest rate is based on Euribor plus a margin.

In October 2024, we have updated our agreements with the WCF lenders, this includes an amendment to the maximum facility amount (from €250 million to €200 million), the maturity date (from 17 September 2025 to 1 December 2025) and an update on the covenant levels. The facility contains customary covenants including a minimum

2 Notes to the Consolidated Financial Statements

guarantee capital, minimum interest cover ratio and maximum capital expenditure. The minimum interest cover ratio is 2.5 per Q4 2024, minimum guarantee capital is not less than € 200 million per Q4 2024 and the aggregate Capital Expenditure of the Group for the financial year ending as of 31 December 2024 shall not exceed 125% of the amount as set out in the Business Plan. The covenants are tested on a quarterly basis. During 2024, Vion was in compliance with these covenants. If there would be non-compliance, there is no automatic repayment obligation on Vion, but if lenders together representing two-thirds of the outstanding amount agree, they may terminate the facility and demand that Vion repay all outstanding amounts. In practice, what typically happens is that Vion would then enter into discussions (ahead of that moment) to obtain a waiver or re-set, which will likely imply more strict terms and/or higher pricing for the financing going forward. Details on our going concern assessment and the latest developments on our debt agreements have been disclosed in note 2.1 Basis of preparation.

Following the extension of the maturity date, Vion concluded that the impact of the amended conditions is not material on the net present value of the facility. Following IFRS9, this classifies as an amendment to the existing contract and no further adjustments are required.

In 2025, a refinancing process was successfully completed. As part of this refinancing, the maturity date has been extended to August 2026 and customary covenants were agreed upon, relating to minimum group equity, interest coverage ratio (ICR), and capital expenditure limits (Capex). Based on the current financial forecasts, there are no indications that any of the covenant thresholds will be at risk of being breached.

At 31 December 2024, an amount of €140.0 million (2023: €145.6 million) was drawn under the credit facility. Vion has provided full securities for both facilities with pledges on its land and buildings, property, plant & equipment and trade receivables.

Schuldschein loan

On 11 August 2021 Vion Financial Services B.V. successfully completed its first-ever sustainability-linked debt issue in the form of a Schuldschein, an unlisted bond loan. The unsecured €75 million Schuldschein loan holds a portfolio with mixed interest rates (fixed and variable) and mixed durations, with a maximum maturity date of November 2028.

A Schuldschein loan is a bullet loan and typically needs to be repaid at the end of its duration. The Schuldschein loan contains customary covenants including a minimum guarantee capital and a minimum interest cover ratio. The minimum interest cover ratio is 2.5 and the minimum guarantee capital is not less than €200 million per Q4 2024. The covenants are tested on a yearly basis. During 2024, Vion was in compliance with these covenants. If there would be non-compliance, there is no obligation on Vion to redeem the Schuldschein as a whole at once. Individual investors may require repayment, while others may continue their investment and/or seek a waiver fee. Details on our going concern assessment and the latest developments on our debt agreements have been disclosed in note 2.1 Basis of preparation.

The pricing of the loan is linked to Vion's performance on three strategic sustainability targets, i.e. animal welfare, product integrity and renewable energy.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

At 31 December 2024, an amount of €67.5 million was drawn under the Schuldschein loan, €7.5 million has been repaid in 2024. The fair value of the Schuldschein loan is estimated at €64.1 million based on current market interest rates.

In October 2024, we have updated our agreements with the Schuldschein investors, this includes an amendment to the repayment terms and an update on the covenant levels. The repayment terms anticipate on the completion of the Beef South transaction with the Premium Food Group (formally Tönnies Group) and that part of the proceeds will be used for early repayment. Following the adjusted repayment, Vion concluded that the impact of the amended conditions is not material on the net present value of the Schuldschein loan. Following IFRS9, this classifies as an amendment to the existing contract and no further adjustments are required.

Loans from minority shareholders

Loans provided by the minority shareholders of group companies relates to their proportional share in investments made in these group entities. Vion sold its 51% majority interest in Landhut and Vilshofen to the provider of these loans. It was agreed that the loan liability remains with the new shareholder.

26 Other financial liabilities

	2024	2023
Non-current other financial liabilities		
Other payables	4,527	281
Total non-current other financial liabilities	4,527	281
Current other financial liabilities		
Dividend payable to minority shareholders	1,420	2,566
Derivatives	1,264	460
Total current other financial liabilities	2,684	3,026
Total other financial liabilities	7,211	3,307

Dividend payable to minority shareholders relate to Vion's minimum dividend agreements with a number of minority shareholders.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

	2024	Financing Cash Flow 2024	Non- cash movements	2023	Financing Cash Flow 2023	Non- cash movements	2022
Interest bearing liabilities	206,991	(13,600)	12,870	233,461	94,975	-	138,486
Lease liabilities	38,857	(19,898)	4,817	53,938	(20,622)	18,948	55,612
Other financial liabilities	7,211	3,904	-	3,307	(3,508)	-	6,815
Less: derivatives	(1,264)	(804)	-	(460)	527	-	(987)
Total financing cash flow		(30,398)			71,372		

27 Provisions

<i>Provisions 2024</i>	Restructuring	Onerous contracts	Other	Total
At 1 January	7,147	1,236	3,642	12,025
Arising during the year	22,218	(17)	401	22,602
Utilised	(25,882)	(20)	1	(25,901)
Unused amounts reversed	-	(425)	(72)	(497)
Disposals	-	-	(372)	(372)
Liabilities directly associated with the assets held for sale	(502)	-	(743)	(1,245)
At 31 December	2,981	774	2,857	6,612
Current	1,984	774	2,127	4,885
Non-current	997	-	730	1,726

<i>Provisions 2023</i>	Restructuring	Onerous contracts	Other	Total
At 1 January	7,965	-	3,749	11,714
Arising during the year	12,888	1,236	(18)	14,106
Utilised	(9,733)	-	(89)	(9,822)
Unused amounts reversed	(3,973)	-	-	(3,973)
At 31 December	7,147	1,236	3,642	12,025
Current	6,095	442	2,503	9,040
Non-current	1,052	794	1,139	2,985

Restructuring

The restructuring provision is recognised for costs, mainly employee related, that occurred following the closure of several production locations in previous years and other restructuring programmes resulting from the Change that Matters programme. Additions in 2024 are mainly related to the closure of Vion Emstek GmbH. The release of the unused provision relates mainly to Vion Emstek GmbH.

Other

Other provisions are recognised for various claims and other obligations.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

28 Net employee defined benefit liabilities

	2024	2023
Pension commitments	38,103	79,405
Jubilee benefit commitments	3,375	3,574
Other	1,852	1,482
Total	43,330	84,461

28.1 Pension commitments

Defined benefit pension schemes

The pension plan liabilities in the balance sheet fully apply to the defined benefit pension schemes for employees and former employees of the German group companies. These schemes are moderate career-average schemes with conditional indexation.

The schemes are not open to new participants. A part of the schedules will be funded using a so-called 'Unterstützungsfonds', while liabilities are direct. Since the provident fund (Südfleisch Unterstützungsfonds – UFO) was closed in 2021, all commitments are direct commitments; where benefits are paid (for reasons of age, disability or death), the Vion Group is thus required to pay benefits to the employee or to his or her survivor(s). The obligations are measured on the basis of actuarial calculations using the Projected Unit Credit method as at year-end and applying a full discount rate curve of high-quality corporate bonds. The curve is based on Towers Watson's Rate, which is comprised of data from corporate bonds rated AA or equivalent. Local mortality table 'Richttafeln 2018G' (2021: Richttafeln 2018G) is used.

An amount of €3.6 million (2023: €6.6 million) of the employee benefits liabilities has a term of less than one year. The anticipated yearly pension payments for the coming 5 years vary between €3.6 million and €2.8 million.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

The following tables summarise the components of net benefit expense recognised in the Consolidated Income Statement and the funded status and amounts recognised in the statement of financial position for the respective plans:

<i>Breakdown of pension commitments</i>	2024	2023
Present value of defined benefit obligations	38,103	79,405
Less: fair value of plan assets	-	-
Total pension commitments	38,103	79,405

<i>Change in present value of defined benefit obligations</i>	2024	2023
Present value as at 1 January	43,512	77,769
Current service cost	39	52
Interest expense	1,315	3,016
Net actuarial gain on financial assumptions	(626)	6,687
Net actuarial gain due to liability experience	(756)	(1,662)
Benefits paid	(3,489)	(6,457)
Transfer out due to disposal of subsidiaries	(1,892)	-
Present value as at 31 December	38,103	79,405

<i>Change in fair value of the plan assets</i>	2024	2023
Present value as at 1 January	-	-
Expected return of plan assets	-	-
Net actuarial gain	-	-
Present value as at 31 December	-	-

<i>Breakdown of investments of the plan assets</i>	2024	2023
Reinsured	-	-

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>Breakdown of pension costs</i>	2024	2023
Current service cost	39	52
Interest cost on benefit obligation	1,315	3,016
Net benefit expense	1,354	3,067

<i>Statement of other comprehensive income</i>	2024	2023
Balance as at 1 January	8,486	20,246
Net actuarial gain on financial assumptions	626	(6,687)
Net actuarial gain due to liability experience	756	1,662
Difference between actual return on plan assets and expected interest income on plan assets	-	-
Balance as at 31 December	9,868	15,222

<i>The main actuarial parameters at year-end</i>	2024	2023
Discount rate	3.25%	3.31%
Salary increase rate	2.50%	2.50%
Pension increase rate	2.00%	2.25%
Weighted average duration of the defined benefit obligation	8.96	9.66

<i>Sensitivity present value of pension obligations 2024</i>	Change in %	
Discount rate +0.5%	36,459	(4.32%)
Discount rate -0.5%	39,701	4.19%
Salary increase rate +0.5%	38,476	0.98%
Salary increase rate -0.5%	38,443	(0.89%)
Pension increase rate +0.5%	39,698	4.19%
Pension increase rate -0.5%	36,446	(4.35%)

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Sensitivity present value of pension obligations 2023

		Change in %
Discount rate +0.5%	75,828	(4.41%)
Discount rate -0.5%	83,133	4.80%
Salary increase rate +0.5%	79,346	0.02%
Salary increase rate -0.5%	79,310	(0.02%)
Pension increase rate +0.5%	82,948	4.56%
Pension increase rate -0.5%	75,957	(4.25%)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

Multi-employer pension schemes

Vion participates for its employees in the Netherlands in several multi-employer pension schemes. As three of these plans qualify as a defined benefit plans, IFRS requires these plans to be accounted for as such. However, as Vion is not able to obtain sufficient information for defined benefit accounting the exception of IAS 39.34 is applied by which the plans are accounted for as defined contribution plans. The reason that the pension funds cannot provide for the required information is that they are unable to allocate the plan assets to the individual entities connected to the pension funds. The pension benefits are based on a moderate career-average scheme. The pension schemes are administered by the industry-wide pension funds 'Stichting Bedrijfstakpensioenfondsen voor Vlees, Vleeswaren, Gemaksvoeding en Pluimvee', abbreviated as VLEP, 'Bedrijfstak Pensioenfondsen Slagers', 'Bedrijfstak Pensioenfondsen Vervoer VLN' and a premium pension institution.

The most important elements of the Dutch pension schemes in place are:

- VLEP runs a defined benefit scheme for pensionable salaries up to €79,252 topped with a defined contribution scheme for pensionable salaries exceeding this, tax driven maximised at €137,800.
- Bedrijfstak Pensioenfondsen Slagers runs a defined benefit scheme for pensionable salaries up to the fiscal maximum of €137,800.
- Bedrijfstak Pensioenfondsen Vervoer VLN runs a defined benefit scheme for pensionable salaries up to €71,628 topped with a defined contribution scheme for pensionable salaries exceeding this, tax driven maximised at €137,800
- For Vion N.V. and ICT personnel a defined contribution pension scheme up to the fiscal maximum of €137,800 is applicable.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

If there are shortfalls in these pension funds, Vion is not obliged to make additional contributions other than in the form of higher future premiums. The expected contribution to the pension funds for 2025 is €12.1 million (2023: for 2024 expected contribution amounted €10.0 million) At year end, there were no shortfalls in the pension funds.

At year end, the coverage ratio was 114.7% for the VLEP pension fund (2023: 112.5%), 126.3% for the Pension Fund for the Butcher's Trade (2023: 126.4%), and 111.4% for the Pension Fund for the Transport Sector (2023: 107.3%).

Risks of future wage increases, price indexations, adjustments to mortality tables and to investment yields of fund assets may lead to future adjustments in the annual contributions to the pension funds. These risks are not provided for.

Other than the premiums due no further liabilities from the Dutch pension schemes occur which need to be provided for.

28.2 Jubilee benefit commitments

<i>Change in present value of jubilee benefit commitments</i>	2024	2023
Present value as at 1 January	3,574	3,449
Current service cost	262	238
Interest addition	103	118
Benefits paid	(659)	(400)
Transfer in/(out)	122	8
Net actuarial results on change in assumptions:		
Mortality rate	-	12
Retirement age	-	-
Discount rate	(27)	149
Present value as at 31 December	3,375	3,574

For the year 2025, the expected cost amounts to €0.4 million and the expected benefits to be paid amounts to €0.3 million.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

<i>The main actuarial parameters at year-end</i>	2024	2023
Discount rate	3.3%	3.2%
Salary increase rate	1.62-2.50%	1.62-2.50%
Dismissal chance	Depending on age, between 1.0-8.0%	Depending on age, between 1.0-8.0%

29 Trade and other payables

	2024	2023
Trade payables	186,155	258,878
Invoices to be received	32,474	40,797
Customer bonuses	20,142	24,038
Employee benefit payables	33,743	41,615
Taxes and social securities	11,360	13,205
Interest payable	15	41
Other payables	12,256	17,703
Total	296,145	396,277

Vion has a reverse factoring facility of which €20.4 million (2023: €22.0 million) is utilized as per year-end. This amount is presented under the trade payables. This facility expires December 2025. The cash flows relating to this facility are presented under operating cash flows.

Vion has established a supplier finance arrangement that is offered to some of Vion's key suppliers. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive early payment on invoices sent to Vion from the Vion's external finance provider. If suppliers choose to receive early payment, they pay a fee to the finance provider, to which Vion is not party. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by Vion. Payments to suppliers ahead of the invoice due date are processed by the finance provider and, in all cases, Vion settles the original invoice by paying the finance provider in line with the original invoice maturity date described above. The payment terms are consistent with those of the Vion's regular trade payables and have not been renegotiated in conjunction with the arrangement. Vion provides no security to the finance provider. All trade payables subject to the supplier finance arrangement are included in trade and other payables in the consolidated statement of financial position and within trade payables in the table above.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

	2024
Carrying amount of trade payables that are part of a supplier finance arrangement	20,400
Of which suppliers have received payment	15,059

There were no significant non-cash changes in the carrying amount of the trade payables included in Vion's supplier finance arrangement.

30 Leases

Group as a lessee

Vion has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 3 and 15 years, while motor vehicles and other equipment generally have lease terms between 3 and 5 years. Vion's obligations under its leases are secured by the lessor's title to the leased assets. Generally, Vion is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

Vion also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. Vion applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Cost	Land and Buildings	Machinery	Motor vehicles	Other equipment	Total
Balance at 1 January 2023	39,277	9,326	45,939	1,767	96,309
Additions	3,539	346	15,658	1,522	21,065
Disposals/early terminations	(3,683)	(1,275)	(10,619)	(318)	(15,895)
Balance at 31 December 2023	39,133	8,397	50,978	2,971	101,479
Additions	3,161	261	10,323	875	14,620
Assets held for sale	(7,689)	(7)	(11,292)	(27)	(19,015)
Disposals/early terminations	(1,022)	(195)	(18,832)	(737)	(20,786)
Balance at 31 December 2024	33,583	8,456	31,177	3,082	76,298

Depreciation and impairment

Balance at 1 January 2023	14,591	5,746	23,578	1,409	45,324
Charge during the year	5,311	974	11,100	400	17,785
Impairment	536	1	-	-	537
Disposals/early terminations	(3,596)	(1,275)	(7,822)	(213)	(12,906)
Balance at 31 December 2023	16,842	5,446	26,856	1,596	50,740
Charge during the year	5,573	805	10,350	599	17,327
Impairment	-	1	244	17	262
Assets held for sale	(5,408)	(2)	(5,915)	(20)	(11,345)
Disposals/early terminations	(1,081)	(105)	(15,534)	(568)	(17,288)
Balance at 31 December 2024	15,926	6,145	16,001	1,624	39,696

Net book value

Balance at 31 December 2023	22,291	2,951	24,122	1,375	50,739
Balance at 31 December 2024	17,657	2,311	15,176	1,458	36,602

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the year:

<i>Lease liability</i>	2024	2023
As at 1 January	53,938	55,612
Additions	15,773	21,660
Accretion of interest	2,374	2,206
Payments	(19,898)	(20,622)
Early termination/disposal	(5,129)	(4,918)
Liabilities directly associated with the assets held for sale	(8,201)	-
As at 31 December	38,857	53,938
Current	11,419	14,911
Non-current	27,438	39,027

The maturity analysis of lease liabilities is as follows:

	2024			2023		
	Future minimum lease payments	Interest	Present Value of minimum lease payments	Future minimum lease payments	Interest	Present Value of minimum lease payments
Less than one year	12,808	0.03%-9.1%	11,419	17,684	0.03%-8.8%	14,911
Between one and five years	24,218	0.03%-9.1%	21,120	33,965	0.1%-9.0%	30,292
More than five years	7,672	1.7%-9.1%	6,318	9,967	0.4%-9.0%	8,735

The carrying value of the related assets amounts to €36.6 million (2023: €50.7 million).

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

The following are the amounts recognised in Consolidated Income Statement:

	2024	2023
Depreciation expense of right-of-use assets	12,614	12,387
Interest expense on lease liabilities	1,872	1,694
Expense relating to short-term leases	3,407	5,961
Expense relating to leases of low-value assets	1,629	1,564
Variable lease payments	8,723	9,494
Total amount recognised in Consolidated Income Statement	28,245	31,101

Vion has lease contracts that contain variable payments based on the usage of the leased assets. These terms are negotiated by management to align the lease expense with the usage of the assets or the revenues earned using these assets. The following provides information on Vion's variable lease payments, including the magnitude in relation to fixed payments:

2024	Fixed payments	Variable payments	Total
Fixed rent	18,717	-	18,717
Variable rent with minimum lease payments	1,181	8,398	9,579
Variable rent only	-	325	325
Total	19,898	8,723	28,621

Vion has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with Vion's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. No termination options are expected to be exercised and therefore not included in the lease term.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within five years	More than five years	Total
Extension options expected not to be exercised	874	22,371	23,245

2 Notes to the Consolidated Financial Statements

31 Commitments and contingencies

Contractual commitments to acquire property, plant and equipment

At the end of 2024 Vion has no contractual commitments to acquire property, plant and equipment.

Rental of assets and service contracts

In 2024, some of Vion companies had long-term liabilities arising from the long term rental of assets and service contracts. The composition of these obligations is as follows:

	2024	2023
< 1 year	€ 11 million	€ 12 million
1 to 5 years	€ 11 million	€ 15 million
> 5 years	€ - million	€ 1 million

Purchase contracts non-food

Vion entered into flexible contracts regarding energy based on expected consumption.

Bank guarantees

For group companies, an amount of €20.6 million was issued in bank guarantees (2023: €20.7 million).

Credit facilities

Commitments and contingencies related to credit facilities are presented in note 25 Interest-bearing loans and borrowings.

Long-term sales contracts

Vion entered into long-term sales contracts with minimum delivery requirements with different customers. The relevant sales prices depend on the market prices of the relevant products at the time of sale.

Claims

Claims have been made against Vion and/or its group companies that are contested by Vion. Although the outcome of these disputes cannot be predicted with certainty, legal advice and the information available leads to the assumption that this will not have a significant adverse effect on the consolidated financial position.

2 Notes to the Consolidated Financial Statements

NVWA investigation

In November 2023, Vion was informed by the NVWA that an investigation was launched against Vion into possible irregularities in our data delivery. In response of this, Vion initiated an internal investigation. Both investigations are ongoing, and the outcome is not yet available.

Anti-Dumping investigation MOFCOM China

In August 2024, the Chinese government (MOFCOM) started an anti-dumping investigation into pork meat related to transactions in 2023. In 2024 Vion has provided the requested information towards MOFCOM. In 2025 Vion received additional (information) requests also for some limited beef shipments for which full cooperation is provided. The investigation has not yielded an outcome yet.

Fiscal unity

Vion Holding N.V. heads the Dutch fiscal unity for corporate income tax. As a result, all entities within the fiscal unity are jointly and severally liable for the corporate income tax for the entire Dutch fiscal unity. However, Vion Beef B.V. and Vion Food North B.V. are not part of this fiscal unity.

Issued joint and several liability statements

With respect to the separate financial statements of the Dutch legal entities included in the consolidation, Vion Holding N.V. availed itself of the exemption laid down in section 403, subsection 1 of Book 2 of the Dutch Civil Code.

Pursuant to section 403, Vion Holding N.V. has assumed joint and several liability for the debts arising out of the legal acts of a number of subsidiaries in the Netherlands, which form part of the consolidation. The names of the subsidiaries for which Vion Holding N.V. has issued 403 are open for inspection at the trade register as managed by the Netherlands Chamber of Commerce.

With respect to the separate financial statements of the German legal entities included in the consolidation, Vion Holding N.V. availed itself of the exemption pursuant to Section 264 (3) German Commercial Code for the subsidiaries Vion Food North B.V. and Vion Beef B.V.

Liquidity guarantees

Vion N.V. holds liquidity guarantees for Vion Food North B.V. and Vion Beef B.V., providing financial resources until 31-12-2025 that it can meet its obligations to its creditors.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

32 Related parties

The following tables provide the total amount of transactions that have been entered into with related parties for the relevant financial year.

<i>Entity with significant influence over Vion</i>		<i>Rendering or receiving of services</i>
Zuidelijke Land- en Tuinbouworganisatie ('ZLTO')	2024	4
	2023	86

Ownership structure

Stichting Administratiekantoor SBT (SBT) is the sole shareholder of the company. SBT has issued depositary receipts for its shares in the company without cooperation of the company. All depositary receipts are held by Noordbrabantse Christelijke Boerenbond, Rooms- Katholieke Vereniging van Boeren en Tuinders - Ontwikkeling (NCB-Ontwikkeling). NCB-Ontwikkeling is related to Zuidelijke Land- en Tuinbouworganisatie (ZLTO). ZLTO is an association for entrepreneurs working in agricultural sectors and has approximately 11,500 members in Noord-Brabant, Zeeland and the southern part of Gelderland. Certain members of ZLTO are suppliers to the company.

This is on an individual basis and is not related to their ZLTO membership.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail at arm's length transactions. Outstanding balances, excluding loans to associates, at the year-end are unsecured and interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2024, Vion has not recorded any impairment of receivables relating to amounts owed by related parties (2023: nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Vion received services from ZLTO. ZLTO carried out a number of projects for, and made facilities available to Vion during 2024 and 2023.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

33 Remuneration of management board

The table below specifies the remuneration of the management board.

<i>Management Board</i>	2024	2023
Short-term employee benefits:		
– Fixed remuneration	1,481	1,418
– Variable remuneration	-	648
Severance payments	973	-
Post-employment pension benefits	287	278
Other	30	28
Total	2,771	2,372

The post-employment pension benefits consist of the premiums paid to the defined contribution plans of the entity.

Supervisory board members' remuneration

Remuneration paid to the supervisory board members amounted to €0.4 million in 2024 (2023: €0.4 million).

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

34 Financial risks and financial instruments

34.1 Financial assets

<i>Financial assets</i>	2024	2023
Derivatives designated as hedging instruments:		
Foreign exchange forward contracts	638	1,065
Financial assets measured at fair value through profit & loss:		
Deferred receipts	-	-
Total financial instruments at fair value	638	1,065
Financial assets at amortised cost:		
Trade and other receivables	247,192	377,580
Other financial assets	665	15,611
Total financial assets at amortised costs	247,857	393,191
Total	248,495	394,256
Total current	247,830	393,645
Total non-current	665	611

Derivatives designated as hedging instruments reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast sales in several currencies, mainly US dollars (USD) and in Japanese yen (JPY).

Financial assets at amortised costs are non-derivative financial assets which generate a fixed or variable interest income for Vion. The carrying value may be affected by changes in the credit risk of the counterparties.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

34.2 Financial liabilities

<i>Financial liabilities</i>	2024	2023
Derivatives designated as hedging instruments:		
Foreign exchange forward contracts	1,264	460
Total financial instruments at fair value	1,264	460
Interest-bearing loans and borrowings at amortised costs:		
Secured financing facility of € 250 million	139,371	145,591
Loan from credit institutions	67,620	75,000
Loans from minority shareholders	-	12,870
Lease obligations	38,857	53,938
Total interest-bearing loans and borrowings at amortised costs	245,848	287,399
Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings:		
Trade and other payables	296,145	396,277
Dividend payable to minority shareholders	1,420	2,566
Contract liability	1,333	128
Other payables (note 26 Other financial liabilities)	4,527	281
Total other financial liabilities at amortised costs	303,425	399,252
Total	550,537	687,111
Total current	451,072	567,433
Total non-current	99,465	119,678

Interest-bearing loans and borrowings

Details regarding interest-bearing loans and borrowings are disclosed in note 25 Interest-bearing loans and borrowings.

Derivatives designated as hedging instruments

Derivatives designated as hedging instruments reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable future sales in several currencies, mainly in USD and JPY.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Dividend payable to minority shareholders

Dividend payable to minority shareholders relate to Vion’s minimum dividend agreements with a number of minority shareholders.

34.3 Hedge accounting and derivatives

Cash flow hedges

Foreign currency risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of forecast sales in foreign currencies where delivery will not take place within one week. This mainly comprise of sales in US dollar and Japanese yen. These forecast transactions are highly probable, and they comprise 100% of Vion’s total sales orders in these currencies.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and changes in foreign exchange forward rates.

	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Foreign currency forward contracts designated as hedging instruments				
Fair value	638	1,264	1,065	460

The terms of the foreign currency forward contracts are in line with the terms of the expected highly probable forecast transactions.

As a result, the hedge ineffectiveness recognised in the Consolidated Income Statement is minimal.

The cash flow hedges of the expected future sales in 2024 were assessed to be effective and a net unrealised loss of €0.04 million (2023: €0.2million gain), with a deferred tax asset of €0.01 million (2023: deferred tax liability of €0.04 million) relating to the hedging instruments, is included in OCI.

The amount removed from OCI during the year and included in the carrying amount of the hedged items as a basis adjustment for 2024 amounts to €0.8 million negative (2023: €0.3 million negative). The amounts retained in OCI at 31 December 2024 are expected to mature and affect the Consolidated Income Statement in 2025.

2 Notes to the Consolidated Financial Statements

34.4 Fair values

Comparison of carrying amounts and fair values

Management assessed that the fair values of Cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use observable inputs in the model, of which the significant observable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant observable inputs and determines their impact on the total fair value.
- Vion enters into derivative financial instruments with financial institutions which all have investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing models using fair value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies.
- The fair values of Vion's interest-bearing borrowings and loans are determined by using the DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2024 and 2023 are as shown below:

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Dividend payable to minority shareholders	Nominal value	Dividend agreements	2024: - 2023: -	The current part of the dividend payable fully relates to the results of the current year. The non-current part relates to pay-out of 2025 and is based on the contractual minimum. Any increase is fully related to next year's performance of the concerning entities.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

Fair value measurement hierarchy

The following table provides the fair value measurement hierarchy of Vion's assets and liabilities:

			Fair value measurement using			
Fair value measurement hierarchy for liabilities as at 31 December 2024	note	Date of valuation	Total	Quoted prices in active markets (level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value						
Derivative financial assets	19					
– Foreign exchange forward contracts USD		31-12-2024	52	-	52	-
– Foreign exchange forward contracts JPY		31-12-2024	410	-	410	-
– Foreign exchange forward contracts other currencies		31-12-2024	176	-	176	-
Assets for which fair values are disclosed						
Investment properties	15					
– Retail properties		31-12-2024	353	-	-	353
Other financial assets	19	31-12-2024	1,303	-	638	665
Liabilities measured at fair value						
Derivatives financial liabilities	16					
– Foreign exchange forward contracts USD		31-12-2024	1,103	-	1,103	-
– Foreign exchange forward contracts JPY		31-12-2024	8	-	8	-
– Foreign exchange forward contracts other currencies		31-12-2024	153	-	153	-
Liabilities for which fair values are disclosed						
Interest-bearing loans and borrowings	25					
– Secured financing facility of € 250 million		31-12-2024	139,371	-	139,371	-
– Loan from credit institutions		31-12-2024	64,075	-	64,075	-
Dividend payable to minority shareholders	26	31-12-2024	1,420	-	-	1,420

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

				Fair value measurement using		
Fair value measurement hierarchy for liabilities as at 31 December 2023	note	Date of valuation	Total	Quoted prices in active markets (level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value						
Derivative financial assets	19					
– Foreign exchange forward contracts USD		31-12-2023	756	-	756	-
– Foreign exchange forward contracts JPY		31-12-2023	141	-	141	-
– Foreign exchange forward contracts other currencies		31-12-2023	168	-	168	-
Assets for which fair values are disclosed						
Investment properties	15					
– Retail properties		31-12-2023	816	-	-	816
Other financial assets	19	31-12-2023	16,676	-	16,065	611
Liabilities measured at fair value						
Derivatives financial liabilities	16					
– Foreign exchange forward contracts USD		31-12-2023	150	-	150	-
– Foreign exchange forward contracts JPY		31-12-2023	234	-	234	-
– Foreign exchange forward contracts other currencies		31-12-2023	76	-	76	-
Liabilities for which fair values are disclosed						
Interest-bearing loans and borrowings	25					
– Secured financing facility of €250 million		31-12-2023	145,591	-	145,591	-
– Loan from credit institutions		31-12-2023	72,921	-	72,921	-
– Loans from minority shareholders		31-12-2023	12,870	-	-	12,870
Dividend payable to minority shareholders	26	31-12-2023	2,566	-	-	2,566

2 Notes to the Consolidated Financial Statements

34.5 Financial risk management objectives and policies

Vion's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance Vion's operations. Vion's principal financial assets include loans, trade and other receivables, and Cash and cash equivalents that derive directly from its operations.

Financial risk management

The management board is ultimately responsible for risk management. Vion has a risk management and compliance committee that advises the management board on risk management. Vion is exposed to a variety of financial risks, such as credit risk, foreign currency risk, interest rate risk and liquidity risk. These risks are inherent to the way Vion operates as a multinational with several local operating companies. Vion's overall risk management policy is to identify, assess and, if necessary, mitigate these financial risks in order to minimise potential adverse effects on its financial performance.

Financial risk management is, except for credit risk of non-financial counterparties, carried out by Group Treasury in line with clearly formalised treasury policies. The treasury policies include the use of derivative financial instruments to hedge certain exposures.

Group Treasury identifies, evaluates and hedges financial risks at corporate level and monitors compliance with its policies within Vion.

The Business Units and operating companies are primarily responsible for identifying and managing financial risks, especially in relation to transactions in foreign currencies. Within the boundaries set in the treasury policies, the operating companies execute appropriate foreign currency risk management activities. Vion does not purchase or hold any financial derivatives for trading purposes, and primarily uses derivative financial instruments to manage its foreign currency risk. These financial transactions are all executed through Group Treasury and for most part qualify for hedge accounting. Therefore, gains or losses arising from changes in the fair value of derivatives relating to these hedged items are included in other comprehensive income (under cash flow hedge accounting) when these changes are compensated by an equivalent change in the fair value of the hedged items.

The capitalisation and funding of operating companies is a responsibility of Group Treasury, but managed in close cooperation with Group Tax as the combination of equity and short term intercompany loans is mostly used as a financing structure. Decisions regarding the debt- to-equity ratio are based on various aspects including minimum regulatory requirements and the flexibility to change the structure. Vion has no restrictions in paying intercompany cash dividends or in repaying intercompany loans.

Group Treasury is responsible for reporting to the management board on Vion's exposure to a number of financial risks, including liquidity, foreign exchange and interest exposure.

2 Notes to the Consolidated Financial Statements

The sensitivity analyses in the following sections relate to the position as at 31 December in 2024 and 2023. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of the hedge designations in place at 31 December 2024.

The analyses exclude the impact of movements in market variables on the carrying values of pension and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant Consolidated Income Statement item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2024 including the effect of hedge accounting.
- The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges at 31 December 2024 for the effects of the assumed changes of the underlying risk.

Credit risk

Credit risk represents the accounting loss that has to be recognised on the reporting date if counterparties fail to perform as contracted. Credit risk is carried out by Corporate Credit Risk Management (CCRM). In line with clearly formalised policies and terms of the agreement with the external credit insurer, CCRM is operating as a credit insurer within Vion. All guidelines and procedures are audited and checked by banks and insurance companies. Vion has a history of very low credit losses.

Vion only trades with creditworthy parties and has adopted procedures to monitor the creditworthiness of these parties. Vion has established guidelines to limit the magnitude of the credit risk for each party. In addition, Vion continually monitors its receivables and uses a strict collection procedure. These measures minimise the credit risk for Vion. There are no significant concentrations of credit risk within Vion.

Foreign currency risk

Vion is exposed to currency risks in the following areas:

- transaction risk on anticipated sales, and on the balance sheet receivables or payables arising from such transactions;
- currency conversion risk arising from currency conversion differences on intercompany and external payables and deposits in foreign currency;
- currency conversion risk on net investments in consolidated foreign entities;
- currency conversion risk on the net result of foreign entities.

Vion makes use of a financial policy to deal with currency risks. This policy states that committed transactional positions should be hedged using forward contracts. In general, the average duration of these contracts is three to four months. Vion generally strives to fund local entities in their functional currency. The currency of the external

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

funding and deposits of Vion is based on the financial policy coupled with the required funding of companies within Vion. This can be either directly by external foreign currency loans and deposits or through currency swaps.

Vion does not hedge the currency conversion risk on net investments in consolidated foreign entities and the net result of foreign entities.

The notional value of the forward exchange contracts to hedge the described currency risks, particularly the US dollar, Japanese yen and British pound, amounted to a total of €122 million net at year-end 2024 (2023: €119 million). The fair value of these contracts at the balance sheet date was an amount totalling €0.6 million negative (2023: €0.6 million positive). The fair values of all financial instruments approximate the book values. All forward exchange contracts are to be settled within 1 year.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and JPY exchange rates, with all other variables held constant. The impact on Vion's profit before tax is due to changes in the fair value of monetary assets and liabilities. As Vion fully hedges these currencies, the impact on the profit before tax is nil.

The impact on Vion's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. Vion's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
2024	+5%	-	+ 3,173
	-5%	-	- 3,507
2023	+5%	-	+ 3,035
	-5%	-	- 3,355

	Change in JPY rate	Effect on profit before tax	Effect on pre-tax equity
2024	+5%	-	+ 843
	-5%	-	- 931
2023	+5%	-	+ 799
	-5%	-	- 883

Interest rate risk

Vion is partly financed with interest-bearing borrowings, but Vion's exposure to interest rate risk has changed due to the increased short-term debt position. Based on the current financial position and sector developments, Vion foresees an increased risk on future financing. This is already being mitigated by various options to increase

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

profitability and liquidity in future, as well as options to secure unpledged assets or sell non-core assets. A detailed explanation of the measures taken or to be taken is set out in the going-concern assessment in note 2.1 of the financial statements.

Vion considers the financial policy to deal with interest rate risk. This policy allows for the use of derivatives. However, no interest rate swaps were held in 2024 (2023: none).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, Vion’s profit before tax is affected through the impact on floating rate borrowings, as follows:

		Increase / decrease in basis points	Effect on profit before tax
2024	Euro	+50	(647)
	Euro	-50	647
2023	Euro	+50	(726)
	Euro	-50	726

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Liquidity risk

The primary objective of liquidity management is to provide sufficient cash and cash equivalents at all times to enable Vion to meet its payment obligations. Management monitors forecasts of Vion’s liquidity reserves on the basis of expected cash flows. Vion has a committed credit facility of €200 million maturing in August 2026, and a remaining €67.5 million Schuldschein loan with mixed durations of which the €62.5 million will be repaid in August 2026 and the remainder on November 2028.

2 Notes to the Consolidated Financial Statements

(in thousands of euros)

The table below summarises the maturity profile of Vion's financial liabilities based on contractual undiscounted payments:

Year ended 31 December 2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings:						
– Secured asset based financing of €200 million	-	-	-	139,371	-	139,371
– Loan from credit institutions	-	-	-	70,862	-	70,862
– Lease obligations	-	3,202	9,606	24,218	7,672	44,697
– Loans from minority shareholders	-	-	-	-	-	-
Dividend payable to minority shareholders	-	-	1,420	-	-	1,420
Other payables (note 26 Other financial liabilities)	-	-	-	4,527	-	4,527
Trade and other liabilities	-	274,936	21,209	-	-	296,145
Contract liability	-	1,333	-	1,333	-	2,666
Derivatives financial liabilities	-	1,223	41	-	-	1,264
Total	-	280,694	32,276	240,311	7,672	560,952

Year ended 31 December 2023	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Interest-bearing loans and borrowings:						
– Secured asset based financing of €250 million	-	-	-	145,591	-	145,591
– Loan from credit institutions	-	-	-	7,607	71,566	79,173
– Lease obligations	-	4,421	13,263	33,965	9,967	61,616
– Loans from minority shareholders	-	-	-	13,514	-	13,514
Dividend payable to minority shareholders	-	-	-	2,566	-	2,566
Other payables (note 26 Other financial liabilities)	-	-	-	-	281	281
Trade and other liabilities	-	370,323	25,954	-	-	396,277
Contract liability	-	128	-	-	-	128
Derivatives financial liabilities	-	419	41	-	-	460
Total	-	375,291	39,258	203,243	81,814	699,606

A portion of Vion's trade payables are included in Vion's supplier finance arrangement and are, thus, with a single counterparty rather than individual suppliers. This results in Vion being required to settle a significant amount with a single counterparty, rather than less significant amounts with several counterparties. However, Vion's payment

2 Notes to the Consolidated Financial Statements

terms for trade payables covered by the arrangement are identical to the payment terms for other trade payables. Management does not consider the supplier finance arrangement to result in excessive concentrations of liquidity risk, and the arrangement has been established to allow trade payables to receive their payment earlier than Vion's standard payment terms. Please refer to note 29 Trade and other payables for further disclosures about the arrangement.

35 List of principal subsidiaries

Proportion of ordinary shares directly held by Vion	%	Country of incorporation
AFH Abwicklungs GmbH ¹		Germany
BestHides GmbH ¹	60	Germany
CEMO GmbH ¹		Germany
De Groene Weg B.V.		the Netherlands
Distrifresh B.V.		the Netherlands
Der Grüne Weg GmbH ¹		Germany
Encebe Vleeswaren B.V.		the Netherlands
FVZ Convenience GmbH ¹		Germany
G.u.P. Salomon GmbH ¹		Germany
Me-at Leeuwarden B.V.		the Netherlands
NWT-CT GmbH ¹		Germany
Otto Nocker Fleischmärkte GmbH ¹		Germany
Salomon Food World GmbH ¹		Germany
Salomon Hitburger GmbH ¹		Germany
SFB Fleisch- und Kühlcentrale GmbH&Co KG	62.5	Germany
Vion Adriaens N.V.		Belgium
Vion Altenburg GmbH ¹		Germany
Vion Apeldoorn B.V.		the Netherlands
Vion Bad Bramstedt GmbH ¹		Germany
Vion Bamberg GmbH ¹		Germany
Vion Beef B.V.		the Netherlands
Vion Beef Süd GmbH ¹		Germany
Vion Boxtel B.V.		the Netherlands

¹ Exemption pursuant to Section 264 (3) German Commercial Code.

Proportion of ordinary shares directly held by Vion	%	Country of incorporation
Vion Convenience GmbH ¹		Germany
Vion Crailsheim GmbH ¹		Germany
Vion Emstek GmbH ¹		Germany
Vion Enschede B.V.		the Netherlands
Vion Farming B.V.		the Netherlands
Vion Farming België N.V.		Belgium
Vion FKM Furth im Wald GmbH ¹	70	Germany
Vion Food International B.V.		the Netherlands
Vion Food North B.V.		the Netherlands
Vion Groenlo B.V.		the Netherlands
Vion Hilden GmbH ¹		Germany
Vion IM&T GmbH ¹		Germany
Vion Move GmbH ¹		Germany
Vion Perleberg GmbH ¹		Germany
Vion Property Emstek GmbH ¹		Germany
Vion Retail Groenlo B.V.		the Netherlands
Vion Retail Nederland B.V.		the Netherlands
Vion Rundvee B.V.		the Netherlands
Vion Scherpenzeel B.V.		the Netherlands
Vion Tilburg B.V.		the Netherlands
Vion Trading B.V.		the Netherlands
Vion Waldkraiburg GmbH ¹		Germany
Vion Zucht- und Nutztvieh GmbH ¹		Germany

¹ Exemption pursuant to Section 264 (3) German Commercial Code.

An entity is assumed to be a principal subsidiary if it is representing more than 5% of either consolidated group sales or operating result (before any intra-group eliminations). In addition, subsidiaries with a legal disclosure requirement are included in the list of principal subsidiaries.

2 Notes to the Consolidated Financial Statements

Consolidated subsidiaries

Unless otherwise indicated, these are wholly owned subsidiaries. The disclosed significant subsidiaries represent the most important subsidiaries based on revenues and operating result, before elimination of intercompany transactions within the Group. The list of companies represents 100% of consolidated net sales. Subsidiaries not important to providing an insight into Vion are omitted from this list. A full list of all subsidiaries part of the Group is laid down at the Dutch Chamber of Commerce.

36 Subsequent events

Divestment of German portfolio

During 2023, the Supervisory Board approved the disposal of the German operations footprint and Vion expects to sell or abandon this component "piecemeal" and such piecemeal transactions are expected to occur at different times in 2023, 2024 or 2025. The envisaged sale to Premium Food Group (formally Tönnies Group), announced on 9 August 2024, was very near to completion, but has been blocked by the German competition authorities. The signed SPA remains in effect. The strategy with regards to Germany Beef South to date remains unchanged.

During the first six months period in 2025, Vion completed the following Assets deals that follows the strategy decision taken; the sale of two branches of Otto Nocker Fleischmärkte GmbH (Ingolstadt and Traunstein) and the sale of Zucht-und Nutzvieh GmbH branches (Neumunster and several sites at the east of Germany).

Divestment of Adriaens

On 31 January 2025, Vion entered into an selling and purchasing agreement with Slachthuis Velzeke to sell the non-current assets of Adriaens (Beef cattle slaughterhouse) and transfer of staff. Adriaens is located in Zottegem, Belgium and the deal includes land, building and machinery and equipment.

Adriaens is part of the Benelux Business Unit.

Amendment on Working Capital Facility Agreement

In the first half of 2025, Vion and its bank lenders agreed a refinancing by an amend and extent of the Working Capital Facility agreement, for further details please refer to the going concern paragraph in section 2.1 Basis of preparation.

3 Company Financial Statements

(in thousands of euros)

3.1 Company Statement of Financial Position

Assets	note	2024	2023
Non-current assets			
Subsidiaries	2	206,376	285,029
Deferred tax assets	3	17,791	16,024
Total non-current assets		224,167	301,053
Current assets			
Income tax receivable		277	1,716
Other receivables		19	-
Total current assets		296	1,716
Total assets		224,463	302,769

3 Company Financial Statements

(in thousands of euros)

Equity and liabilities	note	2024	2023
Equity			
Issued share capital	4	2,285	2,285
Share premium	4	372,716	372,716
Legal reserves	4	23,269	35,621
Retained earnings	4	(130,616)	(54,739)
Result for the year	4	(78,664)	(90,474)
Total Equity	4	188,990	265,409
Current Liabilities			
Payables to group companies		35,466	37,310
Other payables		7	50
Total liabilities		35,473	37,360
Total equity and liabilities		224,463	302,769

3.2 Company Income Statement

	2024	2023
(Loss)/profit from group companies after taxation	(80,898)	(93,221)
Other results after taxation	2,234	2,747
(Loss)/profit for the year	(78,664)	(90,474)

4 Notes to the Company Financial Statements

1 Accounting policies for the company financial statements

1.1 General information

The company financial statements have been prepared in accordance with the provisions of Part 9, Book 2, of the Dutch Civil Code.

The company uses the option of Article 362.8 of Part 9, Book 2, of the Dutch Civil Code to prepare the company financial statements, using the same accounting policies as in the Consolidated Financial Statements. Valuation is based on recognition and measurement requirements of accounting standards adopted by the EU (i.e. only IFRS that is adopted for use in the EU at the date of authorisation) as explained further in the notes to the Consolidated Financial Statements. The company presents a condensed income statement, using the facility of Article 402 of Part 9, Book 2, of the Dutch Civil Code.

A list of consolidated entities, referred to in Articles 379 and 414 of Book 2 of the Dutch Civil Code, has been filed with the Trade Register of the Chamber of Commerce.

1.2 Significant accounting policies

Group companies

Group companies are subsidiaries, associates and joint ventures in which Vion Holding N.V. participates. Group companies are recognised using the equity method of accounting.

Movements in the carrying amounts arising from the share of profit of subsidiaries are recognised in accordance with the accounting policies of Vion Holding N.V. in income statement. The distributable reserves of subsidiaries are recognised in other reserves.

Receivables from and payables to group companies

Positions with group companies are recognised at amortised cost.

4 Notes to the Company Financial Statements

(in thousands of euros)

2 Subsidiaries

	2024	2023
Balance at 1 January	285,029	379,757
Loss for the year	(80,898)	(93,221)
Correction non-controlling interest ¹	-	3,485
Other comprehensive income	2,245	(4,992)
Balance at 31 December	206,376	285,029

¹ This adjustment follows the movement between retained earnings and non-controlling interest as included in the statement of changes in equity

3 Deferred tax assets

	2024	2023
Balance at 1 January	16,024	11,766
Additions	-	-
Deductions	1,767	4,258
Balance at 31 December	17,791	16,024

The deferred tax assets relate to the valuation of losses carried forward concerning the Dutch fiscal unity of which Vion Holding N.V. is the parent company.

4 Notes to the Company Financial Statements

(in thousands of euros)

4 Equity

	Issued share capital	Share Premium	Cash flow hedge reserve	Legal reserves		Retained earnings	Result for the year	Total Equity
				Foreign currency translation reserve	Other legal reserves			
Balance at 1 January 2023	2,285	372,716	727	651	29,059	60,084	(108,132)	357,390
Appropriation of net result	-	-	-	-	-	(108,132)	108,132	-
Loss for the year	-	-	-	-	-	-	(90,474)	(90,474)
Other comprehensive income	-	-	(336)	93	-	(4,749)	-	(4,992)
Total comprehensive income	-	-	(336)	93	-	(4,749)	(90,474)	(95,466)
Correction non-controlling interest ¹	-	-	-	-	-	3,485	-	3,485
Release of legal reserve due to disposal	-	-	-	-	2,102	(2,102)	-	-
Transfer to legal reserves	-	-	-	-	3,325	(3,325)	-	-
Balance at 31 December 2023	2,285	372,716	391	744	34,486	(54,739)	(90,474)	265,409
Appropriation of net result	-	-	-	-	-	(90,474)	90,474	-
Loss for the year	-	-	-	-	-	-	(78,664)	(78,664)
Other comprehensive income	-	-	(786)	113	-	2,918	-	2,245
Total comprehensive income	-	-	(786)	113	-	2,918	(78,664)	(76,419)
Release of legal reserves related to the sale of other financial assets	-	-	-	-	(8,852)	8,852	-	-
Transfer from legal reserves	-	-	-	-	(2,827)	2,827	-	-
Balance at 31 December 2024	2,285	372,716	(395)	857	22,807	(130,616)	(78,664)	188,990

¹ This adjustment follows the allocation of results as defined in the underlying contractual agreements

4 Notes to the Company Financial Statements

(in thousands of euros)

The other legal reserves relate to capitalised internally developed software of €22.8 million (2023: €25.6 million). Further details are presented in note 24 Equity, of the Consolidated Financial Statements.

5 Commitments and contingencies

Vion Holding N.V. heads the Dutch fiscal unity for corporate income tax. As a result, Vion Holding N.V. is jointly and severally liable for the corporate income tax for the entire Dutch fiscal unity. With respect to the separate financial statements of the Dutch legal Entities included in the consolidation, Vion Holding N.V. availed itself of the exemption laid down in section 403, subsection 1 of Book 2 of the Dutch Civil Code. Pursuant to said section 403, Vion Holding N.V. has assumed joint and several liability for the debts arising out of the legal acts of a number of subsidiaries in the Netherlands, which form part of the consolidation. The names of the subsidiaries for which Vion Holding N.V. has issued 403 are open for inspection at the trade register as managed by the Netherlands Chamber of Commerce.

6 Auditors' remuneration

EY charged the following fees for the consolidated and statutory audits of Vion and its subsidiaries:

	2024			2023		
	EY Accountants B.V	EY network firms outside the Netherlands	Total	EY Accountants B.V	EY network firms outside the Netherlands	Total
Annual accounts audit	1,415	386	1,801	1,664	710	2,374
Other audit related services	69	-	69	88	25	113
Non-audit services	65	-	65	-	-	-
Total	1,549	386	1,935	1,752	735	2,487

4 Notes to the Company Financial Statements

(in thousands of euros)

7 Proposed appropriation of profit and loss

With the approval of the supervisory board, the management board has decided that the total net loss for 2023 of €90.5 million should be transferred to the reserves.

	2024
Transfer to reserves	(78,664)
Net result 2024	(78,664)

8 Subsequent events

Divestment of German portfolio

During 2023, the Supervisory Board approved the disposal of the German operations footprint and Vion expects to sell or abandon this component "piecemeal" and such piecemeal transactions are expected to occur at different times in 2023, 2024 or 2025. The envisaged sale to Premium Food Group (formally Tönnies Group), announced on 9 August 2024, was very near to completion, but has been blocked by the German competition authorities. The signed SPA remains in effect. The strategy with regards to Germany Beef South to date remains unchanged.

During the first six months period in 2025, Vion completed the following Assets deals that follows the strategy decision taken; the sale of two branches of Otto Nocker Fleischmärkte GmbH (Ingolstadt and Traunstein) and the sale of Zucht-und Nutzvieh GmbH branches (Neumunster and several sites at the east of Germany).

Divestment of Adriaens

On 31 January 2025, Vion entered into an selling and purchasing agreement with Slachthuis Velzeke to sell the non-current assets of Adriaens (Beef cattle slaughterhouse) and transfer of staff. Adriaens is located in Zottegem, Belgium and the deal includes land, building and machinery and equipment.

Adriaens is part of the Benelux Business Unit.

Amendment on Working Capital Facility Agreement

In the first half of 2025, Vion and its bank lenders agreed a refinancing by an amend and extent of the Working Capital Facility agreement, for further details please refer to the going concern paragraph in section 2.1 Basis of preparation.

4 Notes to the Company Financial Statements

(in thousands of euros)

Boxtel, 26 June 2025

Management Board

Tjarda Klimp, CEO

Mattijn Bak, CFO

Leon Cuypers, COO

Supervisory Board

Theo Koekkoek, chair

Rogier Jacobs, vice-chair

Peter Broeckx

Cis van Doninck

Peter van Deursen

5 Other information

5.1 Profit or loss appropriation according to the articles of association

Article 23 of the Articles of Association reads as follows:

Paragraph 1

The management board, subject to approval by the supervisory board, will reserve amounts from the result as specified in the annual accounts adopted by the general meeting of shareholders. The remaining result is at the disposal of the general meeting of shareholders.

Paragraph 2

The company may only make distributions to the shareholders and other parties entitled to the result available for distribution insofar as the equity exceeds the amount of the issued capital plus the reserves that must be maintained by law.

5 Other information

5.2 Independent auditor's report

To: the shareholder and supervisory board of Vion Holding N.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended Year-end date 2024 of Vion Holding N.V. based in Best.

The financial statements comprise the consolidated and company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Vion Holding N.V. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as adopted in the European Union (EU-IFRSs) and with Part 9 of Book 2 of the Dutch Civil Code
- The accompanying company financial statements give a true and fair view of the financial position of Vion Holding N.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated statement of financial position as at 31 December 2024
- The following statements for 2024: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows
- The notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

- The company statement of financial position as at 31 December 2024
- The company income statement for 2024
- The notes comprising a summary of the accounting policies and other explanatory information

5 Other information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Vion Holding N.V. (the company) in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to the Going concern section in note 2.1 of the financial statements which indicates, amongst others, the market risks, the risks of not realizing forecasted EBITDA, impacting cashflow and working capital, and the dependency on third parties regarding divestments and refinancing. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. We refer to the section Our audit response related to going concern that describes how the going concern assumption and the relevant events and conditions that may cast significant doubt on the company's ability to continue as a going concern were addressed in our audit. Our opinion is not modified in respect of this matter.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our audit response related to going concern

We refer to the section 'Material uncertainty related to going concern' above. Based on our procedures performed, we concluded that a material uncertainty exists which may cast significant doubt about the company's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

5 Other information

Management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future. As disclosed in Note 2.1 to the financial statements, amongst others, the following events and conditions denote a material uncertainty about the going concern assumption for the company:

- The market risks and the risks of not realizing forecasted EBITDA, impacting cashflow and working capital
- Dependency on third parties relating to the divestments and refinancing

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We involved our Turnaround and Restructuring Specialists and specifically focused on, among other things, the impact of the events and conditions that are relevant for the company's ability to continue as a going concern and mitigating factors, significant assumptions, the process followed by management to make the assessment and management bias that could represent a risk.

We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

Furthermore, we evaluated forecasted cash flows and the substantiation for significant assumptions, with a focus on whether the company will have sufficient liquidity to continue to meet its obligations as they fall due. As part of our work we performed the following audit procedures:

- We have held inquiries with amongst others:
 - Management board
 - Members of supervisory board
 - Group controller, business unit CFOs and the Financial planning and analysis team
 - Treasurer
- We have inspected the original and amended financing agreements
- We have assessed the sensitivity of the headroom in the (cashflow) forecast models, including the impact on the maximum asset base for lending).
- We have inspected the agreements relating to the realized divestments.

Finally, we evaluated relevant disclosures and considered whether relevant events and conditions, mitigating factors and significant assumptions related to going concern have been disclosed and particularly whether these disclosures adequately convey the degree of uncertainty.

5 Other information

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes.

We refer to Section Risk management of the management report for management's (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in note 3 "Significant accounting judgements, estimates and assumptions" to the financial statements. This includes estimates relating to the going concern assumption, impairment of non-financial assets and deferred tax assets. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

Additionally, in order to respond to the identified risks of management override of controls relating to forecasting, we specifically obtained and confirmed our understanding of the budgeting process. Furthermore, we have involved specialists to validate the forecast model and certain assumptions used for impairment testing.

5 Other information

Furthermore, in order to respond to the identified risks of management override of controls relating to the covenants, we performed additional procedures on accounts which impact the covenants, including , revenues, interest expenses and on-top consolidation adjustments and eliminations.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We identified a specific revenue recognition fraud risk relating to the sales prices. We designed and performed our audit procedures including data-analytics analyzing sales prices responsive to this presumed fraud risk.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, reading minutes, inspection of internal audit and compliance reports, and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

5 Other information

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRSs and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

5 Other information

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Eindhoven, 26 June 2025

EY Accountants B.V.

Signed by M.H. de Hair

Annual report 2024

Vion

Vion Holding N.V.
Boseind 15
5281 RM Boxtel
The Netherlands

Tel.: +31 88 995 3555
www.vionfoodgroup.com

Chamber of Commerce: 17053901



Food that **Matters**