

JUELSMINDE, DENMARK, 1ST JULY 2019

Palsgaard achieves total carbon-neutral production

Palsgaard has reached its goal of total carbon-neutral production two years early, describing the achievement as a milestone for the whole ingredients industry.

The Danish company, known as the inventor of the modern plant-based food emulsifier, has a long history of social and environmental responsibility. In 2010, it set itself the goal of completely carbon-neutral production within ten years.

It has achieved this target two years ahead of schedule, reducing its net carbon emissions from 12,029 tonnes in 2010 to zero in 2018. Over that period, it has achieved CO₂ reductions totalling 56,175 tonnes – equivalent to the amount produced by 4885 European (EU) households in a year.ⁱ

The company's six global production sites are now all carbon-neutral, mainly through changing sources of energy. Strategies have included new heat recovery and insulation techniques, a switch from heavy fuel oil to certified biogas, and the use of renewables. At Palsgaard's main site in Denmark, all electricity is sourced from hydro power, and indoor heating is powered by burning home-grown straw rather than oil.

The company's Dutch factory has over 800 solar panels and has run off only renewable energy since the start of 2018. Because changing energy sources is not possible everywhere, Palsgaard has also partnered with the UN and purchases its official carbon credits to offset emissions. As far as the company is aware, it is the only emulsifier manufacturer to achieve carbon neutrality but it hopes others will follow suit.

Jakob Thøisen, CEO of Palsgaard said: "This is a major milestone — not just for Palsgaard but for the whole ingredients industry. The production of emulsifiers is very energy-intensive and when we decided to eliminate our carbon footprint, many thought it couldn't be done. However, we've demonstrated that with ambition and innovation, sustainable ingredient production is possible. Achieving CO₂-neutral status ahead of schedule has given us extra energy to continue making a difference. We hope other companies will be inspired to go on the same journey."

Palsgaard, which is celebrating its centenary this year, is now planning a range of new green initiatives, including a new solar energy park at its headquarters in Denmark.

Anders Brix, Group CEO of the Schou Foundation, which owns Palsgaard, said: "Throughout Palsgaard's hundred-year history, we have been dedicated to meeting challenges and climate change is undoubtedly the greatest challenge facing us now. At the moment, carbon neutrality is a rare achievement, but it will soon be the norm. Manufacturers will be forced to reduce their emissions, not just because it's the right thing to do, but because environmentally conscious consumers demand it."



As well as being manufactured in CO₂-neutral factories, all Palsgaard's emulsifiers are vegetablebased and sourced as sustainably as possible. Where the company uses palm oil ingredients, it relies on RSPO-certified raw materials, enabling it to offer its complete product range as MB- or SGcertified.

For more information, view Palsgaard's 2018 Corporate Social Responsibility Report: <u>Palsgaard.com/CSR2018</u>

Download a full press kit, including photos, here: https://bit.ly/2XcqlvW

About Palsgaard

Emulsifier specialist Palsgaard helps the global food industry make the most of the ability to mix oil and water.

Thanks to the company's specialised emulsifiers (and emulsifier/stabiliser systems), bakery, confectionery, condiments, dairy, ice cream, margarine and meat producers can improve the quality and extend the shelf-life of their products. Just as importantly, they can produce better-for-you products with improved taste, mouthfeel and texture while using less resources.

Since its founder Einar Viggo Schou invented the modern plant-based food emulsifier in 1917, Palsgaard has offered the industry know-how and innovation. From its six application centres around the world Palsgaard's experienced food technologists help manufacturers optimise existing recipes and develop delicious products with better nutritional profiles.

Palsgaard helps manufacturers meet consumer and regulatory demands for greater responsibility, helping them grow and protect their brands. It is currently the world's only commercial source of fully sustainable, emulsifiers based on RSPO SG-certified palm oil and produced by CO₂-neutral factories in Denmark, the Netherlands, Mexico, Brazil, China and Malaysia. The company's products are non-GMO, and meet halal and kosher requirements.

In addition to its food emulsifiers, Palsgaard supplies the polymers industry with a series of plantbased polymer additives, which are particularly suited for preventing fogging and dust on plastic packaging.

Palsgaard is owned by the Schou Foundation and has 549 employees across 16 countries. Its turnover in 2018 was 211 million USD (1.4 billion DKK) with products sold to more than 120 countries.

Press info:

Please download press-kit with photos, infographic and FAQ from this link.

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ⁱ An average EU household, including its transportation emits 11.5 tonnes of CO₂ per year <u>https://iopscience.iop.org/article/10.1088/1748-9326/aa6da9</u>