

Carbon Labelling and Environmental Claims ESG9

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1. Overview

The evidence shows that adopting plant-based diets is essential if we are to feed a growing population in a more nutritious and sustainable way. Rapid global action is needed to improve planetary and human health. We also know that food accounts for 26% of global greenhouse gas emissions, with meat, animal products and dairy accounting for over half of that¹. Moving to a plant- based diets has transformative potential for both planetary and human health.

Upfield shares society's concerns about the climate crisis, land use, water scarcity and biodiversity loss. As a plant-based food company we have an opportunity to help drive this transformation by offering people a range of delicious plant-based foods and by raising awareness of the benefits of plant- based diets. Around the world people are already embracing plant-based foods, whether for their health, ethical or environmental reasons.

Through peer reviewed and published research, we already know that our margarines and spreads have a 70% lower climate impact, occupy 2/3rds less land and use less than half the water when compared to the same amount of dairy butter². We think that is a compelling reason, along with taste, performance and nutrition, for eating more plant-based products. At Upfield we think it is important to find ways to help people understand both the environmental impacts and comparative benefits of different foods. This Statement sets our position on carbon labelling and environmental claims.

2. Our Position

We believe that Upfield has an opportunity to inspire people to make food choices that are better for the planet. One of the ways we can do this is to ensure that our brands share environmental information about our products on our packaging, in our digital content and through engaging marketing. This way we can help influence thousands of people every day to think about the food choices they make.

We have set out the following position to ensure we approach carbon labelling and environmental claims in a responsible way, so that our claims and labels are easy to understand and trusted as accurate and fair and support our wider ambitions to be better for the planet.

- Our target is to share the climate impact of our plant-based products on 100 million packs including margarines, spreads and creams by the end of 2021.
- Where we make environmental claims, they will be based on life cycle assessments completed by external experts to recognised standards.
- We will provide consumers with clear, robust, verifiable information about the most relevant and understandable environmental impacts focusing on climate impact.

¹ Poore, J., & Nemecek, T. (2018). <u>Reducing food's environmental impacts through producers and consumers</u>. Science, 360(6392), 987-992.

² Liao X, Gerichhausen MJW, Bengoa X, et al (2020) Large-scale regionalised LCA shows that plant-based fat spreads have a lower climate, land occupation and water scarcity impact than dairy butter. Int J Life Cycle Assess (weighted averages across products in Europe & North America)



- By sharing the actual impact of our products as well as comparisons to the dairy equivalent we aim to inform consumer choice and inspire a switch to products with lower environmental impacts.
- We will always share clear explanations to support any claims we make so people can understand the basis on which the statement or claim is being made.
- Where we make comparative environmental claims, the analysis will have been subject to a critical review to meet recognised standards for lifecycle assessment and the public disclosure of results.
- We will comply with all relevant advertising and marketing standards and guidance in order to build confidence and trust in our environmental claims.
- Upfield will advocate at national and trans-national level for product environmental labels that help consumers understand and compare the impacts of food products.
- In partnership with leading experts we will explore how labelling can effectively influence consumer behaviours and encourage the choice of more sustainable products.
- Through the sharing of data and best practices we will support the improvement and accuracy of public source information enabling greater collaboration and faster progress to be made.
- We will use lifecycle assessments to inform product innovation, recipe development and our own actions to reduce our own environmental footprint.
- Upfield will use the power of our brands to inspire people to select foods to eat more plants and use more sustainable and diverse ingredients.

3. Implementation Plan

We will track progress against our carbon labelling commitment and periodically publish progress again this target. Furthermore, we will share our learning to encourage others to adopt successful practices that enable more sustainable food choices.

4. Governance

Upfield's Director of Sustainability & ESG is responsible for the Carbon Labelling and Environmental Claims Statement.

The Compliance Committee, including representatives of Upfield's Board and Executive Committee, is involved in the approval process for the Carbon Labelling and Environmental Claims Statement. The Compliance Committee is accountable for Upfield's policy framework.

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