

Version 1 | Last updated: November 2022



Environmental Policy

Policy No. ESG1



1. Purpose

Upfield's purpose is to make people healthier and happier with nutritious and delicious, natural, plant-based food that is good for you and for our planet. We believe in running our business to meet the needs of our customers and consumers in a responsible and environmentally sustainable manner.

We are committed to identifying and finding effective ways to reduce or eliminate all together our environmental impacts, e.g., eliminating dairy to reduce the methane footprint, reducing plastic waste, setting reduction targets for our carbon emissions and making continuous improvement of our water usage and waste management.

We integrate environmental sustainability into our organisation's activities, establishing and promoting sound environmental practices across our business, e.g., we encourage employees to align their professional goals with our ESG strategy. We are dedicated to making continuous improvement of our environmental performance in all parts of our operations.

We work with like-minded partners to promote environmental stewardship across the value chain, increase understanding of environmental issues amongst our stakeholders and share good practices whilst also learning from other companies.

2. Definitions

Environmental

management system: A method or tool for systematically addressing environmental issues within an organization, which includes concrete objectives, plans of action, and responsibility for dealing with environmental matters.

ESG:

Environmental, Social and Governance standards to evaluate companies on how far advanced they are with sustainability.

3. Policy Statement

Our Sustainability agenda has been globally defined under the Environment, Social & Governance (ESG) framework, to ensure we have a systematic approach to implement sound environment management programs across our business. We report our progress annually against business targets under 4 pillars: Plant Based, Healthier Lives People, Happier People and Better Planet supported by our Manufacturing Performance Continuous Improvement program.

To achieve these objectives and commitments at Upfield:

Environmental Governance

- Environmental aspects are being considered as part of our business strategy and when we make strategic decisions with respect to supply chains, new sites, acquisitions, and product development.

- We comply with all applicable environmental legislation & regulations, applying more stringent criteria than those required by law when we believe this to be appropriate.
- We conduct independent environmental audits and regularly refresh our environmental impact assessments in line with local legislation and internal guidelines
- We have set explicit targets to reduce GHG emissions across all three scopes, focusing on absolute GHG emission reduction targets as we grow our business. We believe this is more impactful than focusing only on emissions intensity
- We manage environmental incidents in a manner that protects all stakeholders (Upfielders, contractors, customers, public, local and indigenous communities) and assets and will take action to prevent recurrence.
- We report regularly and publicly on environmental issues and results against relevant ESG targets

Innovation

- Life cycle assessments on our key products are ISO-compliant and verified by external experts to recognised standards to help us understand the environmental impacts of our plant-based products and to make environmental claims such as carbon labelling.
- We have a target to innovate our packaging to eliminate plastic, ensure recyclability, increase recycled content, and reduce environmental impact. See also our Plastic Free & Better Packaging Policy.

Sourcing

- We implement our ingredient-specific responsible sourcing policies.
- We engage with our suppliers, customers and stakeholders on environmental issues and use our influence within our supply chain to promote sustainable practices industry-wide including the sustainability of our key raw material supply chains via our Responsible Sourcing Policy.

Manufacturing

- We are setting clear annual targets for site performance improvement in areas including but not limited to energy efficiency, natural resource efficiency, GHG emissions, water usage / quality and waste management
- We are maintaining a robust environmental management system at all production sites that we operate, allowing us to monitor overall progress against annual targets.

- We are reviewing annually and as necessary develop new site environmental management plans by implementing environmental and sustainability programs to improve our environmental performance.
- We are managing responsibly our water resources from source to disposal in all our manufacturing operations, with a particular focus on high water stress locations.
- We are implementing an efficient waste management system aimed to minimize waste, sustaining a *Zero-Waste-To-Landfill* target for all manufacturing waste streams

Logistics

- We are focusing on finding opportunities to reduce our carbon emissions from product distribution logistics activities in line with our commitment to Net Zero carbon emissions.

Offices & Corporate functions

- We are ensuring that Upfielders are aware of the Upfield's Environmental Policy, their own responsibilities and receive the necessary training and support to deliver on the requirements.
- We collaborate where practical and applicable with public and private entities, including governments, non-governmental organizations, institutions of learning & research, other businesses, and local communities to increase knowledge, learn best practices and work on practical solutions to promote environmental care.

4. Responsibilities

Upfield's Head of Operations Sustainability & Resilience is responsible for the Environmental Policy and for the spreading of awareness of this Policy and its requirements to all relevant Upfielders. Respective Heads of function are responsible for the implementation of the measures in their function to meet the standards established in this Environmental Policy (Heads of Factory, Chief R&D Officer, Chief People and Organisation Officer, Global Environmental Manager and Global Procurement Responsible Sourcing Manager).

The Compliance Committee is accountable for Upfield's policy framework. The Compliance Committee includes representatives of Upfield's Board and Executive Committee and is involved in the approval process for the Environmental Policy.

5. Scope / Applicability

This policy applies to all our operations, including offices, and the Upfielders and contractors who work in them. Where Upfield does not have operating control, we encourage our partners to demonstrate the commitments reflected in this policy through the contracts we operate with them. Our Responsible Sourcing Policy

includes a set of mandatory requirements which all our suppliers need to meet to be able to do business with us; beyond this we encourage our suppliers to deploy continuous improvement practices towards achieving sustainable business partnerships together.

6. Related Documents

- Upfield Responsible Sourcing Policy
- Upfield Plastic Free and Better Packaging Policy
- Upfield Product Quality Policy
- Upfield statement on Carbon Labelling and Environmental Claims
- Upfield Code of Conduct
- Upfield ESG Disclosures
- Upfield statement on Human Rights
- Upfield statement on Modern Slavery

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