

GREENCORE PREPARED MEALS LIMITED

STRATEGIC REPORT

The directors present their strategic report for Greencore Prepared Meals Limited (the "Company") for the period ended 24 September 2021 in accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

SECTION 172(1) STATEMENT

The Company is a subsidiary of Greencore Group plc (the 'Group' or 'Greencore') and part of the Greencore group of companies. The Company has adopted the Group's extensive processes that are in place to engage with our broad range of stakeholders which are integral to our success.

The Board of Directors of the Company (the 'Board') is committed, both individually and collectively, to promoting the success of the Company through regular engagement with all stakeholders including our colleagues, customers and the wider community. The Board recognises the importance of maintaining strong relationships with each of our key stakeholders and understanding their needs in order to deliver value and build a better, more resilient and sustainable business. When making decisions, the Board ensures that particular regard is given to the following matters set out in s 172(1) (a) – (f) of the Companies Act 2006:

- The likely consequences of any decision in the long term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the company.

The Board is aware that the Company's actions and decisions impact all of our stakeholders and it ensures that there is regular dialogue taking place with stakeholders, which is carried out by those most relevant to the stakeholder group or issue, and discussed appropriately in the boardroom.

Our relationships and regular dialogue with stakeholders continued to be of utmost importance during the period as we navigated our way through the continued challenges presented by Covid-19 together. The table below sets out the Group's and the Company's approach to stakeholder engagement, why stakeholders matter and how these stakeholders influenced key decisions made during the financial year. Our stakeholders can be confident that the contents of our corporate reporting reflect the frameworks for strategy, stakeholder engagement, governance, risk management and culture as established and overseen by the Board.

GREENCORE PREPARED MEALS LIMITED

STRATEGIC REPORT (continued)

SECTION 172 (1) STATEMENT (continued)

| Stakeholder group | Engagement | How this stakeholder group influenced the board agenda and long term decision making (s 172(1)(a)) |
|---|---|--|
| <p>Our people – s172(1)(b)(e)</p> <p>By embedding a safety culture, providing inspiring leadership and having engaging and effective teams, we ensure that people are at the core of our business.</p> | <p>A significant number of engagement activities with colleagues are undertaken each year. These include the annual and anonymous ‘People at the Core’ engagement survey, as well as listening groups, trade union and employee forum engagements and leadership briefings. In addition, managers are encouraged to solicit feedback from their colleagues, both formally and informally.</p> <p>During the prior financial year, the Group appointed a Non-Executive Director to become Workforce Engagement Director in order to further strengthen our engagement activities with our colleagues across the Group.</p> <p>In FY20, the Group announced its commitment to provide all colleagues with the opportunity to become shareholders in Greencore Group plc, (the Company’s ultimate parent). The UK Share Incentive Scheme and Irish Share Award were approved in September 2021 and launched in January 2022 for all colleagues across the business.</p> <p>The Chief Executive Officer of the Group carries out regular Group-wide briefings which the Company’s employees are invited to attend.</p> <p>The Group Code of Business Practice, which applies to the Company as a subsidiary of the Group, also ensures that the work environment is free of discrimination, free of any practices which amount to racial, religious or sexual harassment and ensures that all colleague personal information is secure and remains confidential. The Code of Business Practice is available is read on https://www.greencore.com/investor-relations/governance/policies/</p> <p>In addition to this, the Group Code of Ethics and Business Conduct, which applies to the Company, also sets out the key principle of ‘People at the Core’ and how the safety, health and welfare of all colleagues is fundamental to this principle. It also outlines how a diverse workforce enables us to achieve better business outcomes. The Code of Ethics and Business Conduct is available to read on https://www.greencore.com/wp-content/uploads/2020/10/Greencore-Code-of-Ethics-Business-Conduct.pdf</p> | <p>During FY21, there was progress made in the Group’s colleague engagement initiatives. The results of the annual “People at the Core” survey, the retention and recruitment challenges for the Group and Company and how we plan to further improve colleague engagement going forward.</p> <p>There were also regular updates in relation to the impact of the COVID-19 pandemic on our colleagues, the steps taken to ensure colleague safety, our monthly wellbeing topics and our flexible working arrangements.</p> <p>In September 2021, there was further progress made in relation to the commitment to provide all colleagues with the opportunity to become shareholders in Greencore Group plc, by approving a UK Share Incentive Plan and a similar Irish Share Award. The employees of the Company are part of this plan.</p> |

GREENCORE PREPARED MEALS LIMITED

STRATEGIC REPORT (continued)

SECTION 172 (1) STATEMENT (continued)

| Stakeholder group | Engagement | How this stakeholder group influenced the board agenda and long term decision making (s 172(1)(a)) |
|--|---|--|
| <p>Our customers – s172(1)(c)(d)(e)</p> <p>Central to our commercial success is a relentless focus on our customer relationships.</p> | <p>The Group, on behalf of the Company, interacts with our customers on a daily basis at multiple levels. We work closely with our customers to develop, improve and refine our products through collaborative projects, market research and innovation workshops. We welcome feedback from our customers in relation to changing consumer demands and carry out ongoing work to apply this in a manner that helps our customers win throughout the supply chain.</p> <p>The Group Code of Business Practice, which applies to the Company as a subsidiary of the Group, also outlines the fundamental principles of integrity, confidentiality and legality when engaging with our stakeholders, including our customers. The Code of Business Practice is available on https://www.greencore.com/investor-relations/governance/policies/</p> <p>In addition to this, the Group Code of Ethics and Business Conduct, which applies to the Company, outlines our focus on ethical and fair trading and how we strive to deal fairly and honestly with our customers to sustain our competitive advantage through the provision of excellent products and services. The Code of Ethics and Business Conduct is available to read on https://www.greencore.com/wp-content/uploads/2020/10/Greencore-Code-of-Ethics-Business-Conduct.pdf.</p> | <p>We will build on the resilience of our customer relationships as we progress further on to rebuild the food to go and convenience food offerings of our major partners.</p> <p>We will also progress further on the product and channel expansion journey, in many cases through partnerships with existing customers.</p> <p>Our customers tell us they need support to help them grow their businesses profitably and sustainably. They seek support from us in particular to differentiate their offering and help them win in the marketplace. More recently, our customers are looking for support from us in the area of sustainability, including initiatives to reduce plastic packaging and food waste. As a result, we have developed a number of sustainability initiatives which were launched in 2020 and which we have issued updated reporting on in in the Group’s Sustainability Report 2021 which can be found on www.greencore.com.</p> |

GRENCORE PREPARED MEALS LIMITED

STRATEGIC REPORT (continued)

SECTION 172 (1) STATEMENT (continued)

| Stakeholder group | Engagement | How this stakeholder group influenced the board agenda and long term decision making (s 172(1)(a)) |
|---|--|---|
| <p>Our suppliers – s172(1)(c)(e)</p> <p>The integrity of our suppliers is as important as the ingredients we source.</p> | <p>The Group, on behalf of the Company, interacts with our suppliers on a daily basis given the level of ingredients and packaging purchases we make. In particular, key suppliers with whom we have more strategic relationships are identified by the Group. From time to time, we hold detailed workshops with these key suppliers to drive strategies for mutual benefit to reassure suppliers of our stability, share our strategy on growth and sustainability and request support on ramp up volumes and quality.</p> <p>The continued focus on sustainability with our suppliers has seen the Group, which includes the Company, work with suppliers to source in ways that protect ecosystems, reduce emissions and enhance livelihoods. We also engage with suppliers on climate-related issues by setting minimum requirements and including climate performance in supplier selection and management processes. The ethical treatment of workers in the supply chain is also an increasing area of focus. We carry out rigorous ethical assessments of our raw materials to identify areas within our supply chains that are most at risk of modern slavery and human rights abuses.</p> <p>The Group Code of Business Practice, which applies to the Company as a subsidiary of the Group, also outlines the fundamental principles of integrity, confidentiality and legality when engaging with our stakeholders, including our suppliers. The Code of Business Practice is available to read on https://www.greencore.com/investor-relations/governance/policies/</p> <p>In addition to this, the Group Code of Ethics and Business Conduct, which applies to the Company, details the ethical behaviour standards required to be met by our suppliers. To ensure these standards are met, we carry out audits on high-risk suppliers and work with them to continually improve standards towards ensuring the human rights of workers in our supply chain are protected. It also outlines our focus on ethical and fair trading and how we strive to deal fairly and honestly with our suppliers to sustain our competitive advantage through the provision of excellent products and services. The Code of Ethics and Business Conduct is available to read on https://www.greencore.com/wp-content/uploads/2020/10/Greencore-Code-of-Ethics-Business-Conduct.pdf</p> | <p>We recognise that there is an increasing focus on sustainability with our suppliers, particularly in the areas of sustainable sourcing, and working sustainably with our suppliers is a critical part of our strategy. Specifically, the Group is committed to ensuring that by 2030 we will be a business that sources every ingredient from a sustainable and more fair supply chain. In order to do this, we will continue to work with our suppliers to learn as much as we can about where our ingredients come from and how they are produced. The Group issued an updated Sustainability Report for 2021 which updates on our progress in achieving our goals and objectives against our three pillars of Sourcing with Integrity, Making with Care and Feeding with Pride.</p> <p>Delivering our sustainability goals will make us more purposeful, make us a better business to work with, make us all prouder to be part of the Company and will ultimately ensure that we make every day taste better by making great food for all, that is accessible, healthier and sustainable going forward and in the long term.</p> |

GREENCORE PREPARED MEALS LIMITED

STRATEGIC REPORT (continued)

SECTION 172 (1) STATEMENT (continued)

| Stakeholder group | Engagement | How this stakeholder group influenced the board agenda and long term decision making (s 172(1)(a)) |
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| <p>Local communities– s172(1)(d)(e)</p> | <p>The Company’s operating facilities are generally significant operations in the context of the local communities in which they are located. Colleague representatives from each site have regular dialogue with local representatives and local business groups on relevant matters. The Group, on behalf of the Company, also seeks to support local communities through supporting local education, food donations and charitable giving.</p> <p>One of our milestone goals as part of our sustainability strategy is to increase our positive impact on society through our products and community engagement by 2030. We believe that by working with our customers and suppliers, we can better support the redistribution of unsold food to benefit more communities in need.</p> <p>The Group Code of Business Practice, which applies to the Company as a subsidiary of the Group, also ensures that the Company’s activities are not harmful or detrimental to the natural environment in which they operate. It also ensures compliance with all relevant environmental legislation. The Code of Business Practice is available to read on www.greencore.com/investor-relations/governance/code-business-practice/.</p> <p>In addition to this, the Group Code of Ethics and Business Conduct, which applies to the Company, also outlines how we interact with our communities and the environment around us in a responsible and sustainable manner. The Code of Ethics and Business Conduct is available to read on https://www.greencore.com/wp-content/uploads/2020/10/Greencore-Code-of-Ethics-Business-Conduct.pdf.</p> | <p>During FY21, the Group, which the Company is a part of continued to step up our engagements at national, regional and local level by continuing to work with charities and local community initiatives throughout the UK. We reviewed the Group’s #StartswithFood plan and Community Policy which supports the management of community engagement across the business.</p> <p>During FY21, there was continued progress made in relation to the sustainability objectives with the Group’s sustainability Report for FY21 being published and available on www.greencore.com.</p> |
| <p>Our shareholder and parent – s172(1)(f)</p> | <p>As a subsidiary of Greencore Group plc, the Company engages regularly with its parent company and has adopted the Group’s extensive processes in order to promote the success of the business.</p> <p>The Group Code of Ethics and Business Conduct, which applies to the Company, also outlines our responsibility to protect shareholder value and to be transparent about our operations and performance. The Code of Ethics and Business Conduct is available to read on https://www.greencore.com/wp-content/uploads/2020/10/Greencore-Code-of-Ethics-Business-Conduct.pdf.</p> | <p>The Board in its decision making process takes into account the impacts of the decision on the return to the Group on its capital investment in the Company. The Board also regularly considers whether a dividend should be paid from surplus capital.</p> |