Greencore

Better future *plan*

Sustainability Report 2022
greencore.com/sustainability

Making every day taste *better*

Welcome to the Greencore Sustainability Report 2022.

It's no secret that the food industry is up against it right now. Global challenges are exerting massive pressures across the board, and sustainability is only becoming harder. Whilst Greencore has been making progress on sustainability, we're now facing into bigger, more complex transformations.

Joining the business with a fresh perspective has given me a great opportunity to review and reflect on what Greencore has achieved so far and has done well. The Better Future Plan provides a strong roadmap for the business to deliver on our purpose and contribute to transforming the food system to have a positive impact on people and the planet. We have ambitious goals under each of the three pillars of our plan. Namely, these are:

- By 2030, we will source our priority ingredients from a sustainable and fair supply chain.

- By 2040, we will operate with net zero (Scope 1 and 2) emissions.

- By 2030, we will have increased our positive impact on society through our products.

Whilst these are big goals which will challenge our business to deliver, I'm confident they are guiding us in the right direction. We're clear on what we need to do. Addressing climate change and particularly Scope 3 emissions in our supply chain is a top priority. Supporting healthy and sustainable diets is key to ensuring we can feed the nation with food that is nutritious, desirable, affordable and sustainable. Within our own operations, we need to continue to focus on reducing energy use and reducing waste.

We've made some headway this year, however we still have a lot of work to do. I am disappointed we have missed our targets in relation to energy management of our Scope 1 and 2 emissions and I will look to focus on this with my management team in the year ahead. We have made good progress on our foundations: data; embedding; and risk analysis. We're currently trialling product footprinting

technology with one of our customers, enabling us to understand the environmental impacts of our products at scale by footprinting a large number of products at pace.

However, our Scope 1 and 2 emissions are increasing, our energy use is rising with growing levels of production post-COVID, and we're still trying to make traction with our Scope 3 footprint.

Embedding sustainability into the business and ensuring the right buy-in will be critical if we're to deliver on the commitments we've made. This year we commenced a business restructure, resulting in a revised governance model that will better enable us to embed our strategy at all levels throughout Greencore. We also refreshed our materiality assessment, as part of our two-year review cycle, which highlight the most pressing issues for our business. We have classified these into what we see as transformational, what we feel are strategic, and what are foundational to our strategy – the things we just have to be good at.

- At a transformational level, healthy and sustainable diets are critical, not only for Greencore but as a topic on which many in the food industry are aligned. Rebalancing our product portfolio is central to this endeavour, particularly in addressing our Scope 3 carbon emissions and those of our customers.

- At a strategic level, our manufacturing core needs to focus on energy, packaging, food waste and communities. We will scale up the work we do in supporting our local communities. We see it as our responsibility to actively engage with and support our local communities, particularly in such a challenging economic climate.

- At a foundational level, there are core elements we simply have to be good at and which are expected of us. Addressing human rights risks and upholding ethical business practices are examples of this.

We've got a solid sustainability strategy in place, but we can't take on this fight single-handedly – many of our commitments require solutions we can't deliver on our own. As such, we'll also be ramping up collaboration with our customers and across our supply base to find answers to the most taxing problems and to influence new

levels of innovation that will benefit the whole value chain. There are so many opportunities here – I'm looking forward to seeing how they develop.

My role is to support the team in responding to these near-term issues without losing momentum on addressing longer term challenges. We must find a way to deliver on both fronts in parallel. I – and the whole of Greencore – remain committed to our ESG agenda so that we can drive lasting, positive change.

Dalton Philips
Chief Executive Officer
January 2023

Contents

About Greencore

Greencore Group plc is a leading manufacturer of convenience foods. We are proud to supply a wide range of chilled, frozen and ambient foods to some of the most successful retail and food service customers in the UK.

We are defined by...
Our purpose

Our purpose, making every day taste better, defines and inspires us.

Having a clear purpose and using it as a guiding principle to the way we operate supports the direction we choose to take, inspires our strategy and how we deliver against it.

It benefits our people, our customers, our suppliers, our consumers, our local communities, the wider environment and ultimately our shareholders.

Making every day taste *better*

Which guides on...
Our strategy

Growth
Our leadership positions in attractive and structurally growing food categories underpin a strategy that combines strong organic growth-potential with disciplined strategic investment.

Relevance
Our model of embedded, long-term customer partnerships is the cornerstone of our commercial offering, ensuring we are strategically relevant for our customers.

Differentiation
Our comprehensive capability set provides us with a distinctive and repeatable Greencore way of working, to ensure we exploit potential growth opportunities available to us.

...and creates solid foundations for a consistent, compelling and sustainable investment case.

How do we do that...
By following the Greencore Way

The Greencore Way describes who we are and how we will succeed. It is built on four differentiators.

People at the Core
By embedding a safety culture, providing inspiring leadership and having engaged and effective teams, we ensure that people are at the core of our business.

Great Food
Ensuring food safety, leading on taste and winning on quality are all essential to our continued success.

Sustainability
Sustainability underpins all areas of our business from Sourcing with Integrity to Making with Care and Feeding with Pride.

Excellence
We strive for excellence in everything we do by building capability, driving efficiency and delivering value for all our stakeholders.

Making every day taste *better*

Sustainability · People at the Core · Excellence · Great Food

Bringing to life sustainability through our...
Better Future Plan

Our Better Future Plan is built around three pillars. Each pillar contains a set of priorities — with aspirational goals supported by milestone targets which relate to the most pressing sustainability risks and opportunities facing us as a business and the food system within which we operate.

Sourcing with Integrity
By 2030, we will source our priority ingredients from a sustainable and fair supply chain.

Mapping our plans to the UN Sustainable Development Goals

Making with Care
By 2040, we will operate with net zero (Scope 1 and 2) emissions.

Mapping our plans to the UN Sustainable Development Goals

Feeding with Pride
By 2030, we will have increased our positive impact on society through our products.

Mapping our plans to the UN Sustainable Development Goals

> Read more on **page 7 of this report** here

Our approach to ESG

Managing our impact

This year, we refreshed our materiality assessment as part of our two-year review cycle to ensure we keep pace with the ever-evolving sustainability landscape. Our materiality assessment aims to identify and prioritise the most important environment, social and governance ('ESG') issues for our business.

Our materiality assessment

We have aligned our FY22 assessment with the double materiality approach, satisfying the requirements for both GRI and SASB reporting by considering materiality through two lenses:

- The external impact dimension evaluates Greencore's most significant impacts on the economy, environment and people.

- The business impact dimension considers the financial materiality to Greencore, evaluating issues that have the potential to significantly impact our financial condition, operating performance, risk profile or long-term value.

External impact was assessed by considering the combination of the severity of the impact and the likelihood of occurrence. Severity reflects how grave and widespread an impact would be, as well as how difficult it would be to remediate or put right. This approach draws from the well-established method for identifying and prioritising human rights impacts under the UN Guiding Principles on Business and Human Rights and aligns to the concept of 'salience' – whereby the focus is placed on the risk of most severe harm, rather than on risk to the business.

Our process

The first stage of our process was horizon scanning research to identify topics to consider within the assessment. This involved a review of industry reports, international standards and reporting requirements, customer priorities, peer benchmarks and relevant legislation. Identified topics were grouped and prioritised by prominence in the research to establish a list of topics to be tested with stakeholders.

We engaged 43 stakeholders through a combination of surveys and interviews. The survey asked respondents for their perspectives on the severity and likelihood of Greencore's external impacts, as well as gathering feedback on any additional or emerging topics we had not considered. We also held 18 deep-dive interviews with Subject Matter Experts (SMEs) to gather qualitative insight on the material topics, Greencore's performance and opportunity areas.

During the analysis stage, as a result of stakeholder feedback more granular topics were grouped into larger buckets, resulting in a revised list of 15 topics. Severity and likelihood scores were combined to form an overall external impact score. Internal finance experts were engaged to evaluate the business impact dimension and assign a score to reflect the 'financial materiality' of the topic to Greencore. The final materiality matrix was reviewed and validated with the Greencore sustainability team.

Our findings

Our materiality assessment has resulted in nine topics being identified as material, in terms of both the magnitude of external impact and potential financial impact on Greencore. These are:

- Climate & carbon
- Healthy & sustainable diets
- Nature
- Food safety
- Waste & food waste
- Employee health, safety & wellbeing
- Human rights & labour rights
- Plastic & packaging
- Water

For the full definitions of material topics see our **Better Future Plan** quick read **here**

External impact ↑

Business impact →

1. Climate & carbon
2. Healthy & sustainable diets
3. Nature
4. Food safety
5. Waste & food waste
6. Employee health, safety & wellbeing
7. Human rights & labour rights
8. Plastic & packaging
9. Water
10. Animal welfare
11. Business ethics
12. Data transparency
13. Consumer education
14. Inclusion & diversity
15. Communities

Colour key: ● Top priority   ● Material   ● Important

Our approach to ESG

Through our materiality process we were able to gain valuable qualitative insights from a range of stakeholders, which has helped to inform the continued development of our Better Future Plan and support prioritisation of actions for us across a broad strategy.

Stakeholders emphasised the importance of prioritising action and being clear on the areas where Greencore can lead transformation within the industry. Whilst we acknowledge all topics considered within our materiality process are important to varying degrees – some topics are in crisis and need immediate action. Others are foundational for a responsible business – these are baseline expectations that we are expected to take care of by our stakeholders. Through this feedback, we have prioritised our focus areas into three categories: transformational, strategic and foundational.

Supporting healthy and sustainable diets is a key focus for us. As a leading convenience food manufacturer, we recognise our responsibility to make it easier for consumers to make healthier food choices that have a reduced impact on the environment.

At the strategic level, our manufacturing core needs to focus on energy, packaging, food waste and communities. We will scale up the work we do in supporting our local communities. We see it as our responsibility to actively engage with and support our local communities, particularly in such a challenging economic climate.

At a foundational level, human rights, business ethics, and, inclusion & diversity are core elements which we are expected to address and, more importantly, be good at.

Transformational focus areas:

- Climate & Scope 3 emissions
- Healthy & sustainable diets

Strategic focus areas:

- Sustainable packaging
- Scope 1 & 2
- Food waste
- Communities
- Responsible sourcing

Foundational:

- Human rights
- Ethics & modern slavery
- Inclusion & diversity

Stakeholder engagement

Our stakeholders are of great importance to us. They influence our decision-making and our actions, and they are critical to our sustainable growth.

Through our materiality process we have engaged with a range of stakeholder groups including customers, suppliers, investors, employees, industry groups, SMEs, community groups, non-governmental organisations ('NGOs') and charities. We aimed to gather a diverse range of perspectives from across stakeholder groups, and individual stakeholders were identified where Greencore had existing relationships and contacts.

We also work to engage with the communities around our operations – you can read more about this in the Our community section on .

We work closely with our suppliers and customers to develop, improve and refine our products through collaborative projects, market research and innovation workshops.We consult with NGOs, local community groups and we conduct consumer research, to better understand the contribution we can make to society, especially when improving livelihoods or making healthier food choices.

Distribution of stakeholder groups engaged

- Employee/subject matter expert: 37%
- Customer: 19%
- Supplier: 16%
- NGO/charity: 9%
- Academic/consultant: 7%
- Investor: 5%
- Community group: 3%
- Industry association: 2%
- Board – non exec: 2%

View from our Steering Committee

Our sustainability planning has developed significantly over the last two years, and we're on the journey to embed sustainability as part of everyday business. We have made good progress on our foundations: data; embedding; and risk analysis, but this is not yet following through to absolute reductions in our carbon footprint. We are looking at ways to accelerate delivery, and we also continue to focus on collaboration to drive the systems-level change required.

Our strategy is well-run, and the focus for everyone this year has been making sure we have reliable data, defined KPIs and clear plans to ensure our sustainability strategy remains resilient and actionable.

This year, we refreshed our materiality assessment as part of our two-year review cycle to ensure we keep pace with the ever-evolving sustainability landscape. The development of our Better Future Plan was informed by identifying the areas that are most material to our stakeholders and ensuring alignment to the UN Sustainable Development Goals. Our materiality assessment aims to identify and prioritise the most important sustainability issues for our business. We have aligned our 2022 assessment with the double materiality approach, satisfying the requirements for both GRI and SASB reporting by considering materiality through two lenses, the internal impact on the business, and the external impact on environment and society in general. We engaged 43 stakeholders through a combination of surveys and interviews. We also held 18 deep-dive interviews with SMEs to gather qualitative insight on the material topics and Greencore's performance and opportunity areas. This insight has been used to update our overall materiality assessment and to inform the prioritisation of actions for us across a broad strategy.

We have worked on improving transparency and increasing disclosures in our reporting. We have completed detailed scenario analysis as part of our climate risk analysis, following the Taskforce on Climate-related Financial Disclosure ('TCFD')

guidelines and assessing sustainability risk is an area we have built into our overall assessment of business risk. We are gaining real insights from this analysis which develops our thinking on helping to build a resilient business.

Our total carbon footprint is made up of emissions from our direct operations (Scope 1 and 2), which represents 6% of our total, while our indirect emissions (Scope 3) from the ingredients we source and the products we place on the market represent the majority (94%) of our total footprint. The most significant reductions will therefore come from collaborating with our customers and suppliers to reduce our indirect Scope 3 emissions, notwithstanding this we recognise the importance of Scope 1 and 2 and are continuing to look to accelerate our plans on energy reduction.

We have made good progress on collaborating with customers; the nature of our business means we are significantly influenced by our customers' strategies and behaviours. Our product footprinting trial has been successful and showed us how to eco-score an entire category, rather than an individual product. This has huge potential to give us the data we need to make decisions on product formulations. We recognise that we need deeper conversations with our customers in order to make this happen, and we are preparing for those discussions with detailed market insight and robust internal data.

Looking ahead, we need to move from planning to delivery. Our sustainability initiatives are now

sufficiently matured to allocate ownership to specific roles, and we are embedding accountability with individual executives, which will in turn support a remuneration framework. We have also refreshed our governance model for sustainability to support the next phase of business ownership and delivery.

We are also working to broaden sustainability capability and knowledge across the business, upskilling our teams and exploring avenues to partner with customers to help elevate their expertise too,

which will in turn help to bolster our activities.

Given the current wider global difficulties, we recognise that we are likely to face a very challenging macro-economic environment for several years to come, but believe that it is because of these challenges that sustainability is more important now than ever. We are confident that Greencore's sustainability strategy will play a crucial role in the long-term and continued success of the business.

Our Better Future Plan

At Greencore, great food is at the heart of what we do, and we recognise that as a major player in the UK food industry, we have a critical responsibility in improving food outcomes, not only for consumers, but for wider society and the planet as a whole.

What we eat matters. By making products that are nutritious, affordable and taste great, we make it easier for people to make choices that are good for their health and wellbeing, support local communities, and reduce the impact of food choices on the natural world. This is why we have named our sustainability strategy our Better Future Plan.

Our Better Future Plan is built around three pillars: Sourcing with Integrity, Making with Care, and Feeding with Pride. Each pillar contains a set of priorities – with aspirational goals supported by milestone targets which relate to the most pressing sustainability risks and opportunities facing us a business and the food system within which we operate. Our strategy house encompasses the key delivery plans we need in order to progress our overall strategy – our seven areas of focus. In addition to that, our climate transition journey and how we look after our people along the way reach across all three pillars. Beneath that, we have four foundations: governance, risk management, transparency and embedding, that uphold the strategy and are fundamental to our transformation journey.

Planning for a better future, the Greencore Way.

View our **quick read on our Better Future Plan here**

Better Future Plan

Strategic Pillars

Sourcing with Integrity

By 2030, we will source our priority ingredients from a sustainable and fair supply chain

Making with Care

By 2040, we will operate with net zero (Scope 1 and 2) emissions

Feeding with Pride

By 2030, we will have increased our positive impact on society through our products

Delivery Plans

Responsible sourcing

We will source sustainable ingredients with transparency by holding ourselves and our suppliers to the same high standards of integrity.

Human rights

We respect the human rights of everyone who works for, and with us.

Net zero

We will use less to make more by becoming more resource-efficient and operating a net zero business.

Food waste

We will halve food waste within our operations and work with others to minimise waste into our supply chains.

Community

We will invest in our local communities by working to alleviate food poverty and providing economic opportunity.

Healthy and sustainable diets

We will design products with health, affordability and sustainability in mind; by identifying where the best opportunities are to meet all three requirements, while not compromising taste.

Sustainable packaging

We will ensure our packaging has the lowest planetary impact by making it easier to recycle and eliminating single-use plastic.

Climate transition

People at the Core

Foundations

| Governance | Risk management | Transparency (data and reporting) | Embedding (communications and upskilling) |

Our stories

Stepping up in challenging times

> Read more on **page 9** of this report <u>here</u>

Collaborating on healthy and sustainable diets

> Read more on **page 10** of this report <u>here</u>

Product footprinting — Tesco x Mondra x Greencore

> Read more on **page 12** of this report <u>here</u>

IGD inclusion & diversity reverse mentoring programme

> Read more on **page 13** of this report <u>here</u>

Stepping up in challenging times

Our community partnerships play an important role to our purpose of 'making every day taste better'. We recognise we have a key role to play in improving the food landscape in our local areas, and we want to be a force for good within the communities in which we operate.

With the current economic climate driving up energy bills, food prices and fuel costs, these communities need our support more than ever before.

Supporting our communities

Greencore already works with a number of food partners, but in the run-up to winter 2022 we decided to step-change our relationship with mobile food club The Bread and Butter Thing ('TBBT').

We've supplied TBBT with over 200 tonnes of edible surplus since we began working with the company in 2019. However, TBBT is now unable to meet demand for its services, with CEO Mark Game sharing that the company has seen a 150-200% growth in demand since the start of 2022.

Our new strategic partnership will see Greencore's surplus food used as a core element of TBBT's affordable food scheme. This is a mobile food club that brings nutritious and low-cost food straight into the heart of struggling communities, providing essential produce for healthy family eating, including fresh fruit and veg, chilled goods and cupboard staples.

In addition to the supply of surplus food, our partnership will focus on maximising food waste reduction through site support visits, raising awareness of the cost-of-living crisis amongst our colleagues, and providing volunteer support.

TBBT's model is unique in that it creates bespoke solutions for food companies and works with technical managers and operations teams to explore solutions for surplus food that others would consider too complex to manage. TBBT's affordable food scheme is currently supporting over 40,000 members across 75 locations in the north of England. Greencore is proud to be a part of this vital work.

You can read more about our community engagement work on **page 22 of this report here**.

> At present, nobody knows the true extent of the cost-of-living crisis as things are moving too quickly. During COVID, The Food Foundation estimated that between 12% and 21% of the UK population were food insecure. This is in addition to the 4% that are in crisis; the 4% that food banks are there to help.
>
> Food clubs such as The Bread and Butter Thing look to provide support to the growing proportion of UK families that seem to get overlooked. These are the amazing families that truly know how to stretch a budget but this comes at a cost.

Mark Game
CEO, The Bread and Butter Thing

Collaborating on healthy and sustainable diets

Sustainable diets are essential to reducing the environmental impact of the average shopping basket and transitioning to a net zero, nature-positive future.

Ali Morpeth (RNutr)
Sustainable Diets Manager, WWF

As a leading manufacturer in the UK, we have a responsibility to use our influence to drive positive system change and improve food outcomes for consumers and the wider society.

In September 2022, we undertook a sustainability materiality assessment with key stakeholders who made clear their expectation for us to prioritise healthy and sustainable diets, and to act as innovators in this space. We listened and are taking this forward into FY23, with significant focus on value chain collaboration to create system-level change.

Our Healthy and Sustainable Diets Policy has four key action areas:

* **Product reformulation** – no compromise reformulation to improve the nutrition and sustainability of our existing products, whilst maintaining quality.

* **Positive health** – adding specific ingredients (such as vitamins, minerals, pro/prebiotics and fibre) to improve the overall health of our products.

* **Future of protein** – rebalancing our product ranges to use more plant-based protein and reduce the carbon footprint associated with animal proteins.

* **More veg** – increasing the vegetable content of our products and changing the balance of our portfolio to include more vegetable-based products.

We recognise that what gets measured gets managed, so this year we have developed a new approach to collating data that enables all our customer teams to have full sight of product ingredients and nutritional composition. This scale of data capture and ingredients accountancy is highly complex, requiring the support, collaboration, and alignment of the full value chain.

We want to transform the food system, but we must be smart about how we embed the change – how we sequence, how we collaborate, and the tools we choose – in order have the most effective and efficient impact possible.

You can read more about our approach to healthy and sustainable diets on **page 25 of this report here**.

Collaborating on healthy and sustainable diets

With our customers

As a business to business organisation, it is imperative that we work closely with our customers, on our respective policies, to deliver joint goals. To enable this, we're focusing on the following:

- Prioritising important and challenging conversations with senior customer stakeholders to ensure we have engagement from customer leadership.

- Developing joint category action plans with customers to progress areas of shared interest and priority.

- Bringing sustainability strategies and teams together to ensure we're all on the same page for transformation.

With our internal teams

This agenda involves teams from across our internal value chain, from our food developers to our insight colleagues, through to our sales teams working with our customers. A key focus for us this year is upskilling our colleagues in this space, ensuring they have the confidence to lead change day-to-day, making decisions to help us move the dial to a more environmentally friendly portfolio.

With industry

We are not the only ones working hard in this space – industry collaboration will be vital to developing the tools and insights we need to progress our ambition. We will continue to partner with organisations such as the WWF, WRAP and the IGD to ensure we are working towards a common goal and positive change for the wider food system.

With suppliers

To deliver strong ingredient innovation we are working with both current suppliers and new suppliers of nutrition enhancing ingredients, plant-based proteins and vegetables to help us on our journey to a decarbonised portfolio.

With third parties

Sustainability specialists play an important role in our journey alongside our customers and suppliers. We're focused on strengthening our relationships with sustainability specialists who provide targeted support in key technical areas, such as product footprinting and eco-labelling.

Collaboration in action: With our customers, With suppliers, With third parties, With industry, With our internal teams

Key insights on the journey so far

- We have a great baseline for building engagement – our food and customer teams are curious and motivated.

- We must provide our teams with clear direction – the asks for each product portfolio may differ depending on the nature of the products within.

- Embedding into the end-to-end product design – strategic considerations and key performance indicators ('KPIs') must be considered throughout the product design lifecycle – just as high technical standards and food safety should be.

Product footprinting – Tesco x Mondra x Greencore
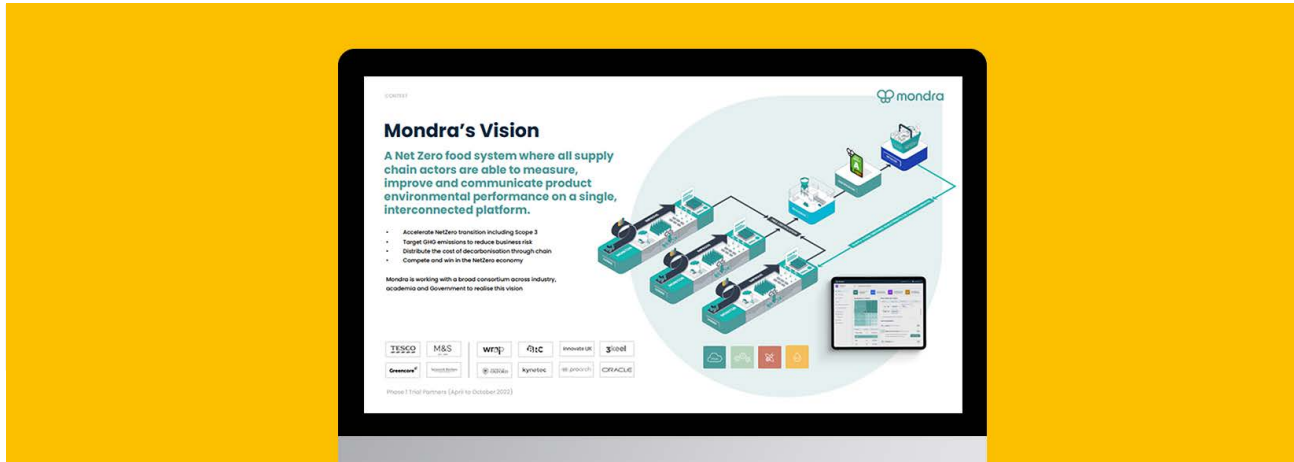
Achieving net zero will only be possible through collaboration. Success will require an aligned, coordinated approach with businesses across the food system working together to overcome common challenges. For the food industry, having full sight of supply chains and understanding the impact of the ingredients we use is one such challenge, particularly in tackling our Scope 3 emissions.

There are two ways we can lower these emissions. Firstly, by working with our suppliers to decarbonise ingredients at the primary producer level, and secondly, by reformulating our products to amend the ingredients we use. However, due to a lack of transparency across value chains and the huge volumes of complex data involved, this level of lifecycle product footprinting has historically been unachievable. Until now.

Digging into the data

Together with Tesco and data-driven food insights platform provider, Mondra, we have been involved in an Innovate UK funded trial to complete product footprinting 'hypermodelling' at scale. This software solution offers the granular data and insights needed for meaningful Scope 3 action by surfacing the full 'farm to fork' impacts of any given product, including carbon emissions, biodiversity loss, water usage and water pollution.

The platform allows us to see the impacts of individual products, as well as the amalgamated impacts of total products within a category. This will allow us in future to model alternative recipes and to determine whether ingredient changes have a positive or negative effect on the product's overall impact. Furthermore, it allows the future capability for our supply chain to be able to measure, improve and communicate product environmental performance within the single, interconnected platform, helping us to obtain data at pace.

Next steps

In 2023, we will continue to assess the value of this platform as a tool to progress the healthy and sustainable diets agenda with customers.

We have seen an increase in our customers asking us to measure, improve and share our product performance, but to date there has been no consistent and scalable solution for doing so. We anticipate this trial will roll out to additional categories in the near future.

"

This has really shown us the power of hypermodelling at pace. The translation of data to impact lets us engage our food teams and reformulate products, giving us the ability to ensure whole product ranges and categories are in line with Science Based Targets.

Andy Wright
Head of Sustainability, Greencore

Mondra is working with British Retail Consortium members and their suppliers to enable a step change in the quality and speed of product footprinting, at scale. Mondra's platform enables supply chain collaboration to accelerate decarbonisation, de-risk businesses in an ever-regulated market, and enable a prosperous transition to a net zero economy.

Jason Barrett
CEO, Mondra

At Tesco we are taking strong action on climate change, with a commitment to be carbon neutral in our own operations by 2035 and net zero across our whole footprint by 2050. We are delighted to collaborate with the Greencore team on this important eco-labelling project and believe that it is a great step forward on our zero carbon pathway. We are now looking forward to progressing with Phase 2 of the project, and to continue to learn together.

Emily Rout
Sustainable Food and Innovation Manager, Tesco

IGD inclusion & diversity reverse mentoring programme

With people at the core of everything we do, it's essential for us that everybody at Greencore feels heard, supported and included in all of our activities and has a sense of belonging.

In summer 2021, we were approached by Institute of Grocery Distribution ('IGD') – which works to bring together commercial insight and social impact within the food industry, to create a cross-industry reverse mentoring programme. While we had already made plans for a similar internal initiative as part of our Inclusion & Diversity ('I&D') strategy, we felt that partnering with IGD would give us wider reach and create a richer experience for everyone involved.

The programme, which we built and piloted in conjunction with 12 other major food companies, aims to create a safe and collaborative space for leaders to hear about the experiences of those from underrepresented groups. Two key facets of our I&D strategy are around helping our leaders to be inclusive in their approach to leadership and to help colleagues be heard, so this unique opportunity enabled us to move the dial forward on both.

Across three hour-long mentoring sessions, drop-in sessions and a wrap-up event, senior mentees and their reverse mentors from different, non-competing companies partnered up for open and authentic discussions on I&D. The initiative enabled reverse mentors to grow a senior external network, and created the opportunity for senior people who can impact the business culture (typically at level of Director, General Manager or Head of) to hear diverse perspectives, to obtain better awareness and understanding of inclusion, and to ultimately inspire action within their own organisations.

Two of Greencore's senior leaders – our Chief Operating Officer and Chief Transformation Officer – took part in the pilot, as well as four of our colleagues from across the business. All feedback received was exceptionally positive, reporting that they had gained personally from the experience, that the time they invested in it had been worthwhile, and that they would recommend the programme to others.

We believe that making the initiative available to more underrepresented colleagues will not only support their career development and growth, but will play a vital role in helping us further engage leaders and colleagues in our commitment to I&D. Our aim was to continue building on the programme, with a target of eight leaders and eight colleagues throughout each year, but we have already exceeded that, with colleagues and leaders from across the business engaged and excited about the opportunity. We intend to support the programme year on year.

> Being a part of the IGD reverse mentoring programme has been a great experience — I was able to give an insight into a different perspective in a safe space.
>
> Myself and my mentee were both able to learn a lot about how our organisations approach I&D, sharing best practice between us, and I was able to make my mentee more aware of the unconscious bias that still exists.

Monique Munro
Business Improvement Coordinator

Sourcing *responsibly* supporting our supply base and safeguarding human rights within our supply chain

Sourcing with
Integrity

In summary

Sourcing with
Integrity

**We're clear on our
direction of travel**

... guided by our targets

... to ensure we are protecting both people and planet

**... but we're excited
about what's next**

Sourcing responsibly by ensuring we minimise our environmental impacts

Our ambition

By 2030, we will be a business that sources our priority ingredients from a sustainable and fair supply chain

by 2022 – 100% responsibly sourced palm oil in core operations.

Target: 100%
100%

by 2022 – 100% responsibly sourced tuna.

Target: 100%
100%

by 2025 – 100% soy deforestation-free.

Data collection in 2023

by 2026 – 100% cage-free eggs.

Target: 100%
79%

by 2030 – 42% reduction in Scope 3 carbon emissions per tonne against FY19 baseline.

Target: 42% reduction
8% reduction

We launched our new Responsible Sourcing Code of Conduct, which sets out the behaviours, practices and standards we expect from our suppliers.

We were one of the first signatories of the UK Soy Manifesto – a collective industry commitment to ensure all physical shipments of soy to the UK are deforestation and conversion-free by 2025.

We have established a Soy Policy and working group and we will be working with suppliers to set individual transition plans to ensure we meet this commitment.

We have completed assessments to show that approximately 50% of our ingredient carbon footprint relates to ingredients supplied by 13 suppliers, enabling us to concentrate on fewer, key suppliers for maximum impact.

Trialling a collaborative partnership model with a handful of suppliers representing key 'impact' ingredients.

Supporting and monitoring our supply base against our Responsible Sourcing Code of Conduct.

Continuing to build internal and external engagement and progress against our Soy Policy.

Respecting the human rights of everyone who works for, or with us

Our ambition

By 2030, we will be a business that sources our priority ingredients from a sustainable and fair supply chain
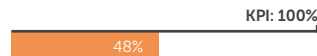
KPIs:

% suppliers registered on Sedex.

KPI: 100%
99%

of our Tier 1 ingredients and packaging suppliers are linked to us on Sedex.

% 'higher-risk' suppliers with a SMETA audit.

KPI: 100%
48%

of our suppliers deemed high-risk have undergone a Sedex Members Ethical Trade Audit ('SMETA') within the last two years.

We continue to dedicate significant resources to our key partnerships with both the Food Network for Ethical Trade ('FNET') and the Modern Slavery Intelligence Network ('MSIN').

We have embedded human rights as an agenda item for discussion in supplier performance meetings for areas of concern.

We have completed a detailed risk assessment of our global supply chains using the FNET Tool, Sedex and internal data.

We conducted a deep dive audit of our chicken supply chains in Thailand to better understand worker welfare and labour exploitation risks.

We have mapped our exposure to the UK Seasonal Agricultural Workers Scheme in our supply chains and remain close to developments in this area.

With the current economic climate expected to continue, we are expecting increased case management which will challenge our ability to work on proactive projects.

Further focus on collaborative industry-led programmes that allow us to work with a much greater reach.

Continue to improve our human rights risk assessment programme for all purchased food items, triggering liaison with key suppliers.

Colour key: Achieved   On track   Providing a challenge

Responsible sourcing

Sourcing with Integrity

Having visibility of our supply chain enables us to minimise our impact on the planet, and manage risks and opportunities that come with increased global demands on the food system.

Our products are made from ingredients sourced from around the world. We have a significant global supply chain so we want to know where our ingredients come from, how they are produced, the impact they have on the environment, and the long-term challenges their use may pose to the business.

Making progress

100%
of our cold-water prawns are from MSC fisheries

100%
of our warm-water prawns are Best Aquaculture Practices 4-star

79%
of our eggs are cage-free

Wild-caught seafood

- From certified fisheries: 65%
- From a Fishery Improvement Project: 15%
- Uncertified: 20%

Percentage of tuna sourced from pole and line fishing, MSC-certified fisheries or from those with a Fishery Improvement Project in place

FY22	100
FY21	99
FY20	96

Taking action

We aim to responsibly source 100% of our priority raw materials by 2030. In order to achieve this aim, we define what both 'responsibly sourced' and 'priority raw materials' mean, determined through a process of risk assessment.

It's not possible to take a 'one-size-fits-all' approach to ingredients – each individual supply chain comes with its own challenges around biodiversity, climate change, water scarcity, deforestation and animal welfare – and we have different levels of control over each, depending on whether they are a primary raw material or a traded commodity. However, our sustainability risk assessment model helps us to identify and take action on hotspots throughout our supply chains. We are focusing on priority ingredients that carry the greatest sourcing risks from three areas: forests, fisheries and field.

Forests, fisheries and field

For forests, we are committed to eliminating deforestation and ecosystem conversion in the sourcing of soy, palm oil and timber. For palm oil ingredients within our core operations, 100% are from Roundtable on Sustainable Palm Oil ('RSPO')-certified sources. In addition to our core business, we also own a subsidiary business, Trilby Trading Ltd, whose core activity is vegetable oil trading in Ireland. The majority of the oils Trilby trade are palm oils, of which 10% are from RSPO-certified sources (segregated and mass balance combined). For soy, we were one of the first signatories of the UK Soy Manifesto – a collective industry commitment to ensure all physical shipments of soy to the UK are deforestation and conversion-free by 2025. We have established a Soy Policy and we are working with suppliers to set individual transition plans to ensure we meet this commitment.

For fisheries, we aim to source all our wild fish sustainably, with 100% of our tuna sourced from pole and line fishing, Marine Stewardship Council ('MSC')-certified fisheries or from those with a Fishery Improvement Project in place. Meanwhile, 100% of our cold-water prawns are from MSC

fisheries and 100% of our warm-water prawns are Best Aquaculture Practices 4-star.

In the field, 100% of our fresh produce raw materials are grown in accordance with Red Tractor (UK) or GLOBAL G.A.P. (rest of the world) standards for good agricultural practice. Our growers demonstrate that they are meeting these standards through independent third-party audits conducted by accredited providers. These schemes ensure our fresh produce raw materials do not have unnecessary impacts on the environments in which they are farmed.

Supply chain Scope 3 emissions

Scope 3 refers to indirect greenhouse gas emissions, that occur up and down the value chain as a result of the company's activities (but are not produced by the company directly). For Greencore, one of our key Scope 3 areas is emissions in the supply chain from the sourcing of ingredients. To keep us on course with emissions reduction, we're committed to Science Based Targets externally verified by the Science Based Targets initiative ('SBTi'). Under this programme, we have pledged to reduce Scope 3 emissions from purchased goods and services, and upstream transport and distribution, by 42% per tonne of product sold by 2030, from a 2019 base year. Read more about our Scope 1 and Scope 2 Science Based Targets in the **net zero section of this report here**.

Our baseline Scope 3 footprint has been determined using carbon factors from published average carbon footprint data for individual raw materials. We intend to continue refining our Scope 3 footprint by replacing industry carbon factors with specific live data for key hotspots within our supply chain. This will involve working closely with suppliers on data management to best understand our hotspots and to develop action plans.

Supplier engagement

This year we launched our new Responsible Sourcing Code of Conduct. This Code sets out the behaviours, practices and standards we expect from our suppliers. The Code of Conduct is being piloted alongside a supplier data gathering exercise to understand where suppliers are in their sustainability journey and if our suppliers meet the fundamental principles set in the Code of Conduct.

We recognise that responsible sourcing is a collaborative, network-wide effort, so we want to put a focus on partnerships and shared learning. Although we have a very broad supply base, assessments show that approximately 50% of our ingredient carbon footprint relates to ingredients supplied by 13 suppliers, enabling us to concentrate on fewer, key suppliers for maximum impact.
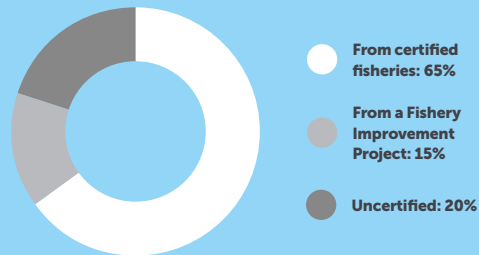
Looking ahead

The complexity and volume of data around our ingredients is significant, so we will continue to focus on refining data transparency, implementing systems to better collate data for ever-increasing KPIs, and working with suppliers to identify key hotspots where action will have the greatest impact on our targets.

Our supplier engagement efforts will focus on establishing sustainability plans with three key suppliers in the next 12 months, including the roll out of our requirements to establish soy transition plans.

View our **quick read on responsible sourcing here**

Read more on our **GRI disclosures for responsible sourcing here**

Human rights

Sourcing with Integrity

We're committed to championing internationally recognised human rights standards and safeguarding the people who work for us, with us, and who are affected by our activities around the world.

Child, forced, and compulsory labour remains a serious concern in many of the countries where our ingredients originate. Such cases are often hidden due to the complexity of global supply chains, and while we have not been made aware of specific cases to address within our operations, this does not mean that the problem does not exist.

Human rights challenges do not occur in isolation. Economic and societal pressures increase the likelihood of worker vulnerability and the risk of criminal exploitation, and as such we foresee a period of heightened global human rights risks across many geographies, including the UK. Our operations are not immune to this, and we are determined to safeguard our colleagues and workers. We will work collaboratively with our peers and the relevant authorities to address these risks.

Taking action

We have established six Sustainable Business Management Groups ('SBMGs') that provide a cross-functional forum to develop and steer our sustainability strategy at an operational level. Our progress on human rights is reviewed across two management groups: our Responsible Sourcing SBMG reviews risks associated with our supply chains, and our Ethics SBMG reviews risk associated with our own operations.

Under the UN Guiding Principles on Business and Human Rights, companies are expected to actively demonstrate that they do not infringe on human rights through their operations or business relationships. As such, we undertake ethical risk assessments of our raw materials to identify areas within our supply chains that are most at risk of

human rights abuses, including modern slavery. This model is based on outputs from the FNET Risk Assessment Tool and is applied in a 'double-analysis' approach that considers the country of manufacture for all the food that we buy, including the country of origin for the ingredients. This data is used as part of our supplier engagement work to ensure we focus on high-risk areas. For example, this year we have worked with a number of customers and suppliers to understand the impacts on worker welfare of our supply chains in Thailand and China.

Acting on human rights issues requires a collaborative effort from everyone in the food industry, which is why we have joined a number of initiatives including the MSIN, FNET, and Stronger Together, so we can actively help prevent and disrupt human rights abuse

and/or worker exploitation at its source. To support those who have experienced modern slavery, we have partnered with the Bright Future programme to help survivors access safe, secure work at a Greencore site of their choice.

We use the Sedex collaborative platform for sharing responsible sourcing data to manage and improve working conditions in global supply chains. We use the Sedex Member Ethical Trade Audit (SMETA), the most widely used social audit in the world, to enable us to assess our sites and suppliers to understand working conditions in the supply chain.

Looking ahead

While human rights typically falls under the scope of 'materiality', we have decided to explore the approach of 'salient human rights issues', as laid out in the UN Guiding Principles Reporting Framework. We believe this better identifies the human rights at risk of the most severe negative impact through the company's activities and business relationships. During the coming year, we will use this UN Framework to assess the benefit and value of applying a human rights saliency assessment to Greencore's operations.
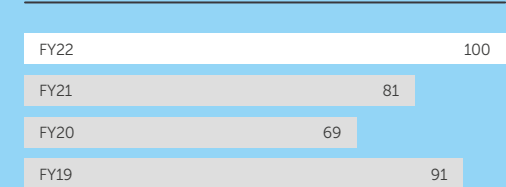
Collaborative programmes are at the heart of our approach, so we will continue to support our key partnerships with FNET and MSIN. Our work with high-risk supply chains will continue to identify those areas where human rights improvements can be made and where we can actively disrupt exploitation and modern slavery. We will be working with colleagues throughout the business to strengthen the insights and support that we offer them to defend our company from those who seek to profit from exploitation.

Making progress

99%
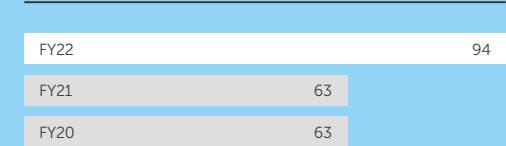of our Tier 1 ingredient and packaging suppliers are linked to us on Sedex

48%
of our high-risk suppliers have undergone a SMETA in the last two years*

69%
of our sites are Stronger Together business partners and we are working to achieve 100% at pace**

Percentage of non-conformances resolved within agreed timescales at Greencore sites

FY22	100
FY21	81
FY20	69
FY19	91

Percentage of Greencore manufacturing sites with independent ethical audits in the last two years

FY22	94
FY21	63
FY20	63

📖 View our **quick read on human rights** here

GRI   Read more on our **GRI disclosures for human rights** here

*   Last two years is the two full years to the end of FY22. High-risk suppliers are those identified as having at least one high-risk ingredient on the human rights risk assessment covering FY22. Where we do not have visibility on Sedex of supplier sites they are assumed to have not undergone an audit in this time period. Where a supplier has multiple sites, the audit may not have taken place at the site the high-risk ingredient is produced.

**   Stronger Together is a not-for-profit organisation working to ensure that all workers are recruited responsibly and have fair work free from exploitation. Its Business Partner programme allows companies and sites to publicly demonstrate its commitment to tackling hidden labour exploitation.

Reducing our impact on the planet and being a force for *good* in the communities in which we operate

Making with *Care*

In summary

Making with
Care

We're clear on our direction of travel

... guided by our targets

... to ensure we are protecting both people and planet

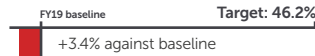**... but we're excited about what's next**

Use less to make more and operate a net zero business

by 2030 – absolute Scope 1 and 2 energy reduction target of 46.2% against FY19 baseline.

FY19 baseline   Target: 46.2%

+3.4% against baseline

Our total gross Scope 1 and 2 carbon emissions have increased from our base year and will be a focus for management in the coming year. The obvious challenge in the last 12 months has been the ongoing impact of production change post-COVID, and as our production levels have increased our energy use has increased also.

To help support us getting back on track, we are conducting energy audits across our manufacturing sites.

We are working with our logistics team to deliver our fleet decarbonisation roadmap.

Further embedding of energy management practices across all sites.

Upskilling our teams to drive business ownership of this focus area.

Our ambition
By 2040, we will be a business that will operate with net zero emissions

Reduce and redistribute food waste

by 2030 – 50% reduction in food waste, measured as % of waste handled against FY17 baseline.

Target: 50%

11% reduction

Waste mapping exercises identified opportunities to reduce food waste by 57 tonnes within a single product line.

We're working on a new animal feed project that will further maximise the usefulness of our inedible food waste.

Establishing waste hurdle rates within our product development processes.

Upskilling our operational, commercial and food teams.

Progressing our animal feed project to next stage.

Our ambition
Reduce and minimise our operational waste whilst also ensuring unavoidable surplus is put to good use

Invest locally to help communities thrive

Ensuring all our sites have a community plan in place.

Establishing community partnerships for all our surplus food and increase food redistribution by identifying harder-to-reach surplus.

Surplus redistribution (meals equivalent)

FY22	1,637,879
FY21	2,094,130
FY20	1,657,824
FY19	2,292,424

Our 10-year partnership with FareShare has enabled us to support nearly 9,500 charities and community groups and donate nearly four million meals to those in need.

Establishing a strategic partnership model with a surplus partner to step up our support.

Better understanding of where we have food surplus volume we can 'unlock' from sites to get to our community partners.

Developing a Community Engagement Tracker to proactively use data and insight to improve our support model.

Our ambition
We want to be a force for good in our communities

Colour key: ● Achieved   ● On track   ● Providing a challenge

Climate & net zero

Making with *Care*

Reducing carbon emissions is critical if we're to avoid the worst effects of climate change, and our communities, customers and shareholders expect committed action in this area. Greencore is committed to achieving net zero (for our Scope 1 and 2 emissions) by 2040.

Our total carbon footprint is made up of emissions from our direct operations (Scope 1 and 2), which represents 6% of our total, while our indirect emissions (Scope 3) from the ingredients we source and the products we place on the market represent the majority (94%) of our total footprint. The most significant reductions will therefore come from collaborating with our customers and suppliers to reduce our indirect Scope 3 emissions, notwithstanding this we recognise the importance of Scope 1 and 2 and are continuing to look to accelerate our plans on energy reduction.

We have committed to Science Based Targets to help guide us to succeed, and we are monitoring our use of energy and water to assess our progress.

The obvious challenge in the last 12 months has been the ongoing impact of production change post-COVID, and as our production levels have increased our energy use has increased also.

We have set bold carbon reduction targets in line with the Science Based Targets initiative ('SBTi'). These include committing to reducing absolute Scope 1 and Scope 2 emissions by 46.2% by 2030 against a 2019 baseline year. Our Scope 1 (direct) emissions come from the energy needed to power our manufacturing and distribution operations, and our fleet of company cars, while our Scope 2 (indirect) emissions are associated with our electricity consumption.

Our Scope 3 emissions – those associated with our supply chains – are harder to address, but we have made a firm commitment to reduce emissions from purchased goods and services, and upstream transport and distribution, by 42% per tonne of product sold by 2030 from a 2019 baseline year.

Taking action

Our Net Zero plan has focused on three areas of activity that each help populate our overall delivery plan:

- Data and insights: ensures we have the right data and KPIs in place helps to focus activity and drive improvement. It also involves the auditing of our sites to ensure we are identifying the right projects to implement.

- Brilliant basics: ensures we have the right information available to our site teams to enable best practice actions to be implemented, and ensures we are sharing information on how best to manage energy.

- Step change projects: defines Group-wide projects for delivery, including the scoping of significant projects on solar technologies.

Scope 3 footprint

We complete an annual carbon footprint analysis across our business. This data enables us to determine more granular emissions profiles across our product categories to inform our strategy and risk management process. Our baseline Scope 3 footprint has been determined using carbon factors from published average carbon footprint data for individual raw materials. We intend to continue honing our Scope 3 footprint by refining supply chain carbon data with a view to replacing industry carbon factors with specific live data for key hotspots. This will involve working closely with suppliers and customers to best understand our hotspots and to develop hotspot action plans.

In connection with Greencore's restructuring activities, we will now be exploring ways each business area can approach the Scope 3 challenge, with the view to setting specific targets for each of our three product portfolios.

Carbon-related climate risk

Whilst we are progressing on our commitments to reduce the impact of our business on the climate, we are aware that climate change is going to have an impact on our business, presenting risks and opportunities over the short, medium and long-term. To further our understanding of this, we have completed detailed analysis on climate-related financial disclosures, consistent with the recommendations of the Task Force on Climate-Related Financial Disclosures ('TCFD'), to strengthen our climate resilience.

We have completed scenario analysis to model climate-related issues and a full report is available in our **Annual Report FY22**. While predicting the exact timing and scale of physical climate change risks is impossible in the short-term, conducting scenario analysis will help us to estimate the potential impact of material climate risks in the medium and long-term.

It is critical for organisations to understand and evaluate the business implications of climate-related risks and opportunities to be able to shape future strategic thinking and design appropriate risk management strategies in response to these risks. Fundamentally, scenario analysis will allow us to test our current strategies against a set of scenarios. The outcomes of the analysis will inform our climate transition planning, as well as help in developing contingency plans in response to possible future risks and opportunities.

View our **climate transition quick read here**

GRI Read more on our **GRI disclosures for energy here,** and for emissions **here**

Total Scope 1 and 2 emissions

FY30 target	48,208
FY22 gross	92,655
FY22 net	73,092
FY21 gross	90,278
FY21 net	69,236
FY19 gross	89,606
FY19 net	60,982

Energy intensity ratio

FY22	1,254
FY21	1,315
FY19	1,235

In FY22, our total gross Scope 1 and 2 carbon emissions increased from the previous year from 90,278 tonnes to 92,655 tonnes, an increase of 2.6%, and from our base year of 89,606 tonnes an increase of 3.4%. While FY22 did not see us reduce our Scope 1 and 2 emissions, we remain committed to achieving net zero by 2040.

In contrast, as a relative measure, as our overall production levels increased our manufacturing energy intensity ratio (kWhp/tonne) decreased from 1,315 kWhp/tonne to 1,254 kWhp/tonne, an improvement of 4.6% in our efficiency.

Our total Scope 3 footprint for FY22 is 1.48 (million tonnes of CO2e), an increase on the previous year (1.33 (million tonnes of CO2e)) which was impacted by lower production volumes during COVID, but a decrease from our FY19 base year of 1.61 (million tonnes of CO2e) by 8.1%.

Looking ahead

Energy management will be our primary area of focus in the coming year and we've been working hard to mobilise teams across the business to support this agenda.

- We are now completing a series of energy audits at our most energy intensive sites, and building on existing data platforms to give greater granularity of information at sub metering level. We will then use this insight to refine our plans and our operational governance to deliver change at pace.

- We are completing a total fleet review in order to produce a fleet decarbonisation plan for our Direct to Store ('DTS') network.

- We are working on creating a best practice guide for energy management to support colleagues throughout the business in our emissions reduction efforts.

- We also have a number of pilot projects in progress, including air handling unit upgrades. Once complete, we will review our findings to determine how best these technologies can be integrated into the business, and identify opportunities to expand the projects further.

Food waste

Making with Care

We are committed to reducing food waste by 50% by 2030. Food waste is a global problem and highly material to our business. By reducing food waste, we can help improve food security and mitigate the effects of climate change, while driving efficiency benefits for the business.

According to the Food and Agriculture Organization of the United Nations ('FAO'), one third of all food produced for human consumption is wasted. In the UK alone, we throw away 6.6 million tonnes* of household food every year – almost three quarters of which could have been eaten. Tackling food waste has been identified as one of our most material issues where we can make a big difference and are in a position to impact change.

We measure food waste as a KPI against our total food handled. This data is used to evaluate performance and review progress against our UN SDG Friends of Champions 12.3 commitment, which will see us targeting a 50% reduction in food waste by 2030 against a 2017 baseline. Our reporting is transparent and consistent with the international Food Loss and Waste Accounting and Reporting Standard. Our food waste baseline year of FY17 differs from our Scope 1, 2 and 3 carbon emissions baseline year of FY19 due to reporting in line with the food industry collaborative programme, the UK Food Waste Reduction Roadmap.

In FY22, our food waste, measured as a percentage of the product and ingredient handled, was 8.48%. This is an increase from last year's performance at 8.06%, primarily due to the simplification of ranges during the period of COVID. However, to date we have achieved an 11% reduction from our base year (FY17) in food waste as an overall percentage of food handled.

Food waste as a percentage of the product and ingredient handled (WRAP)

FY30 target	4.76
FY22	8.48
FY21	8.06
FY20	8.44
FY19	8.54
FY18	9.38
FY17	9.52

Food waste (tonnes)

FY22	36,737
FY21	31,521
FY20	33,636

Taking action

We have carried out a comprehensive whole chain mapping exercise with one of our suppliers and customers to better understand where food waste occurs within the supply chain of one of our ready-meal lines. By monitoring process flow, we identified waste hotspots that accounted for an estimated 57 tonnes of food waste from this product. We are now working to reduce this, and are applying the lessons learned in this exercise to other production lines.

All of our operational waste streams are segregated so that we can maximise reuse and recycling, and avoid the use of landfill. Food waste that's not fit for human consumption is used for animal feed or to create green energy to power homes and businesses. We believe food waste has value, and we'll do as much as we can with what we create.

Wherever possible, we aim to redistribute food surplus so that it doesn't become food waste. We work in partnership with food banks, regional charities and community food sharing groups to help feed people in need by redistributing food to local communities. Surplus edible food is redistributed to organisations such as FareShare, The Felix Project, The Bread and Butter Thing, and The Trussell Trust – read more about our food donation efforts in the Our community section on **page 22 of this report here**.

Making progress

11%

reduction in food waste from our base year, measured in food waste as a percentage of food handled

57 tonnes

of food waste reduction within a single product line identified by our mapping exercise

Looking ahead

We are continually looking for innovative ways to reduce our food waste, and for the waste that's unavoidable, to ensure we maximise the social benefit of its distribution. For inedible food waste, converting it into animal feed is one way that we do this.

We are now in the early stages of a new trial that will help us produce animal feed from inedible food waste materials that aren't currently used for this purpose. If successful, this will support the WWF's and the UK ambition to reduce the amount of soy imported for animal feed. The resulting product will feed fish which in turn feed humans – without the need for arable land – with some by-products of the process turned into fertiliser. Once scaled up, this project will be a great example of the circular economy at work.

We recognise that the data shows progress has stalled on our food waste reduction target; significant attention is required in order to drive the reductions needed.

View our **quick read on food waste here**

GRI   Read more on our **GRI disclosures for food waste here**

*   In 2018 **WRAP research** showed we threw away 6.6 million tonnes of household food waste.

Our communities

Making with *Care*

Our business depends on the communities in which we operate. We see it as our responsibility to actively engage with and support our local communities however we can.

Taking action

Food donation continues to be a central focus for our community engagement efforts. We work with a number of food redistribution organisations – including FareShare, The Felix Project, The Bread and Butter Thing, and The Trussell Trust – in order to ensure our surplus food reaches those who need it. Through these partnerships we are able to redistribute short shelf life, chilled, frozen, and bulk products, as well as any surplus from new product trials. In FY22, we redistributed the equivalent of 1.6 million meals.

In 2022, we passed a milestone of the redistribution of the equivalent of four million meals to FareShare during our partnership and were awarded FareShare's 'Leading Food Partner' status, celebrating businesses who have shown commitment to diverting surplus food to FareShare to provide meals for people in need.

This year has also seen us continue our partnership with Ingredients for Life in collaboration with Causeway (previously called City Hearts). This initiative teaches cookery to survivors of modern slavery, equipping them with life skills, self-confidence and providing a safe space in which to build trust in others.

Surplus redistribution (tonnes)

FY22	688
FY21	886
FY20	669
FY19	950
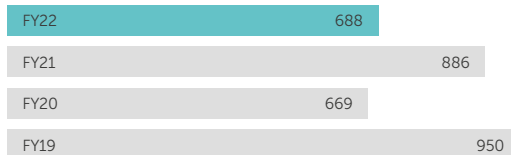
📖 View our **quick read on Our communities** here

Making progress

4 million

meals created from surplus food we have donated to FareShare during our 10-year partnership

1.6 million

meals redistributed in FY22

> "We're so grateful to the commitment and effort from Greencore to help deliver the equivalent of four million meals to the charities and community groups we support. Their impact is testament to this long-standing partnership which has made a huge difference to people in need across the country."
>
> Lindsay Boswell
> FareShare Chief Executive Officer

Looking ahead

In FY23, we're concentrating on building a more proactive communities strategy so we can evolve our relationships and mature our role in supporting our colleagues, their communities and wider UK society. This plan will focus on 'brilliant basics', providing a clear understanding of our opportunities by each site and their specialities, and committing to resolving any roadblocks that might prevent us from unlocking these opportunities across our networks.

Additionally, one of our biggest challenges has been establishing the right systems to connect our food surplus to our partners, and having a robust and consistent process across sites to locate, track and distribute. Our ambition to make the greatest impact with our support means we will focus on understanding what support our partners need, having full sight of where our food surplus is going, and being flexible to change our support offer as our partners' needs change.

Leading on the manufacture of food that is better for both people and the *planet*

Feeding with
Pride

In summary

Feeding with Pride

We're clear on our direction of travel

... guided by our targets

... to ensure we are protecting both people and planet

... but we're excited about what's next

Designing products that are both healthy and sustainable

Our ambition

By 2030, we will have a positive impact on society through our products

by 2030 – 42% reduction in Scope 3 carbon emissions per tonne against FY19 baseline.

Target: 42% reduction

8% reduction

by 2030 – 85% products classified as 'healthier' <4 NPM* rating.

Target: 85%

70%

by 2030 – 60% products with no red traffic light on-pack.

Target: 60%

46%

Protein disclosure
Animal-based protein (as tonnes sold) from FY22 baseline.

Animal = 14,814 tonnes
Plant = 116 tonnes

*   'NPM' - UK Government's Nutrient Profiling Model.

We're building joint category plans with key customers to ensure alignment on priorities and drive collaborative change.

We've now established a nutritional database on product health to guide our change agenda. As a result, we are now in a position to report more transparently on protein, nutrition and other KPIs.

We're currently trialling product footprinting technology with one of our customers, enabling environmental modelling not previously accessible at unit level. We have updated our data in relation to healthy and sustainable diets from that reported in our Annual Report published in November 2022 based on supplemental information now available to us.

We have decided to disclose our overall protein volume, but we are reviewing our target setting for animal protein reduction to determine the market acceptance with key customers. We continue to explore protein reduction as an active workstream with our food teams.

We're a business to business organisation that needs value chain and consumer alignment to change our products.

Expansion of product footprinting work to other customers and categories.

A programme of upskilling for our teams.

Building customer-specific plans and ensuring alignment.

Using less and better packaging

Our ambition

Our packaging will have the lowest planetary impact by removing, reducing and recycling

by 2025 – 100% packaging recyclable**.**

by 2025 – 30% average recycled content.

Not currently available, packaging database system coming online in FY23.

Our ability to review packaging data is currently hampered by the strength of our systems and a focus for improvement as we cannot currently track our status against and progress towards KPIs. This is also preventing us from creating a clear roadmap for change.

We have redesigned our existing salad trays to use less plastic while adding additional strength, saving the equivalent of 30 tonnes of material per year.

Our microwaveable trays now comprise the same formula as our oven-safe trays, making them more detectable for recycling and incorporating an average of 68% recycled plastic per unit.

We have created a new hybrid sushi pack that incorporates a cardboard tray.

Increasing the amount of food grade recycled plastic in our products.

Ability to track our KPI progress through improved data systems.

Colour key: Achieved   On track   Providing a challenge

Healthy and sustainable diets

Feeding with Pride

Food is at the heart of what we do, and we recognise that as a convenience food leader we have an important role to play in improving food outcomes for both people and planet.

What we eat matters. Changing our product portfolio is central to this endeavour, particularly in addressing our Scope 3 emissions and those of our customers. We are predominantly an own-brand manufacturer, producing products on behalf of our customers and therefore it is imperative that we work closely with our customers on their own policies to deliver joint goals. Collaboration is key in moving forward and enabling the development of lower impact products.

Our purpose aligns with the ambitions laid out by both the WWF Better Basket initiative, and the National Food Strategy, which details the changes needed to meet critical health, climate and social targets. Greencore is committed to transparent reporting on the volume of our products that are high in salt, sugar and saturated fat; the amount of protein sold; the volume of vegetables, fruit and fibre sold; and the way we handle our surplus food and manufacturing waste. We have been vocal in calling for mandatory reporting, so that everyone in the industry can move forward in this important area.

Making progress

70%

of sales from healthier products (percentage of sales volume with a NPM score of <4)

46%

of products with zero red traffic lights

Taking action

Data and reporting

Healthy and sustainable diets have been a key focus for us this year, in particular the use of data to help guide our delivery plans. Our data collection is evolving in this area and accuracy will continue to improve as we mature our processes.

Our health score is based on the UK Government's Nutrient Profiling Model ('NPM'). The NPM was developed to review the composition of foods, balancing the value of nutrients that are important to the diet against those deemed not to be. Whilst the Government's approach is specifically linked to certain categories, we have applied this against our total portfolio of products and have classified products with a NPM <4 as 'healthier'. Our analysis shows that 70% of volume sales are from products with a NPM score of <4.

In addition, this year for the first time we are able to report on animal and plant-based protein, in line with the WWF protein disclosure guide. The WWF Basket tracks retailers' progress towards halving the environmental impact of the average UK shopping basket by 2030. Our analysis on protein disclosure shows us in FY22 we sold 14,814 tonnes of animal protein, and 116 tonnes of specifically plant-based protein. In future, we will look to increase the granularity of our data. The principal way Greencore

can rebalance protein is not simply through increasing sales of vegan products, but by reducing animal protein content within existing products, and rebalancing our ranges across meat, vegetarian and vegan products. However, we will need to be able to measure the change in protein content in each product for this to be visible, rather than the overall amount of products that fall into a category.

Product footprinting

Product footprinting is central to our work within healthy and sustainable diets. We are currently trialling product footprinting technology with Tesco and Mondra, enabling us to conduct eco-accounting at scale through the footprinting of a large number of products at pace. We are able to model sustainability impacts across carbon, water usage, water pollution and biodiversity for an entire category. In addition, the software allows us to create a formulation footprint for each individual product, and then creates a 'digital twin' of that product, allowing us to experiment with different ingredients and formulations to see the potential impacts of different recipes. In addition to our work on product footprinting, we also sit on the steering group for the IGD programme to create a harmonised approach to environmental labelling for the UK food industry. This work has involved a collaborative project to test a series of prototype labels with consumers in a virtual reality environment.

Turning analysis into action

Our nutrition database and product footprinting analysis gives us the insight we need to allow us to make changes to our products through reformulation. We continue to explore protein reduction and alternative proteins and ways to engage different consumer groups with these choices. Responsible sourcing, innovative farming and above all, great taste, are at the top of our agenda in this area.

During FY22, we have relaunched a small number of reformulated products focusing on improved health and sustainability measures, which we are monitoring closely for consumer sentiment. We have also been working with suppliers to identify opportunities for dairy reduction through alternative ingredients. Concentrated cream, for example, is a natural product that retains the flavour and mouthfeel of cream whilst having lower dairy content.

Finally, both internal and external engagement continues to underpin all our efforts here. We hold a quarterly Healthy and Sustainable Diets Committee meeting, which allows us to monitor progress and developments with the relevant senior leaders, and then cascade the key outputs from these sessions to all colleagues that play a key role in this agenda.

Looking ahead

Looking ahead, we recognise sustainable diets as a key part of Greencore's future and, hence, we wanted a platform that helps us future-proof our business, quantify and translate future macro trends, support and enable complex cross-functional workstreams and bring robust, sustainable, insight-led innovation to our customers – part of this new platform is our newly established Future Food team.

Healthy and sustainable diets are a key enabler to their team strategy, working in partnership with the Sustainability team to ensure every new project or material we bring into Greencore has been through our 'sustainable diets' rule set, ensuring we have clarity and visibility of the alignment with our broader plan in this space. From a food perspective, we have four key pillars we are working on:

- Ingredient innovation – creating future ingredient toolkits and strong supplier partnerships.

- Future proposition pipelines – driving insight-led product propositions for our key categories.

- New opportunities – influencing new opportunities outside existing customers and categories.

- Looking after the planet – driving change to achieve our healthy and sustainable diets ambitions.

Reliable, quality data is critical to ensure we're on the right path. We have developed a bespoke database to report against our nutrition and sustainability goals, which we now have live. Meanwhile, we are continuing our trial of product footprinting software to understand the capability to roll this out to further categories.

We need business alignment when it comes to ensuring all our products are as sustainable and nutritious as they are delicious, so we're honing in on upskilling our colleagues with the skills and knowledge they need to help us accelerate change together. We're currently in the process of cascading the strategy, working on the plan evolutions and building knowledge – this will be key to ensuring everyone is on the same page about our ambition and the key ask for FY23.

View our **quick read on healthy and sustainable diets** here

Sustainable packaging

Feeding with *Pride*

Consumers increasingly expect retailers and manufacturers to take bold action on packaging, so it is up to us to find solutions in which performance, cost and sustainability work together.

Our industry needs to do things differently when it comes to sustainable packaging, and this involves a raft of new considerations and challenges. Not all viable solutions currently exist at a scalable level, and cost remains a key consideration – while consumers expect packaging to be sustainable, they're not always willing to pay a premium for it. We must keep in mind that the ultimate purpose of food packaging is to keep products fresh and protected, and to avoid food waste where possible. There is a fine balance between sustainability, performance and cost, and as a leading food manufacturer it's our responsibility to find it.

We're working hard to change the way we package our products, looking at what we use to make our packaging, and what happens to it after it's done its job. Our Sustainable Packaging Policy helps define our actions and ensures that we support the UK Plastics Pact, which brings together customers, businesses, UK government bodies and organisations, to tackle plastic waste. Our policy focuses on #less&better and is made up of three main focus areas: remove, reduce and recycle. We are targeting 100% of our plastic packaging to be reusable or recyclable by the end of 2025. However, our data management needs improvement to allow us to track successfully towards this.

#less&better

Remove	Remove all unnecessary packaging and hard to recycle materials
Reduce	By cutting down how much packaging we use and light weighting where possible
Recycle	Ensure all packaging we use is fully recyclable and maximise the use of recycled content

Taking action

This year, we have made improvements across all of our product categories. Within our salads business, we have redesigned our existing salad trays with a ribbing feature that uses less plastic, while adding additional strength. This change equates to 30 tonnes of material savings per year.

Within our ready meals business, all of our oven-safe meal trays are detectable for recycling and contain a high degree of recycled plastic – on average 68% of each packaging unit – and this year, where possible, we switched our microwaveable meal packaging to this formula. This delivers a significant plastic tonnage saving through the change of lidding film and rigid thermoformed trays. The reduction of more than 5.5 million bowls from a customer range is a great example of this switch, which will save eight tonnes of plastic a year.

Our sushi offer presents a unique set of challenges as these products are often regarded as a premium choice by consumers who want to be able to see the individual sushi pieces before purchase. As such, any changes to the product's lid need to be carefully considered. While the existing lid is made with at least 50% recycled plastic, we have now created a hybrid pack that includes a cardboard tray. We'll be pursuing other options in the future as we continue to explore consumer expectations with this line.

We are continuously scoping out opportunities to make our moulded plastic soup and sauce pots lighter in weight, as well as exploring new technologies to incorporate food-grade recycled plastic into this packaging line.

Making progress

30 tonnes

of material saved per year through salad tray redesign

Looking ahead

While we have a clear responsibility to change our own packaging, we recognise the opportunity we have to influence the wider packaging and recycling industry. As such, we're researching eco-labelling, working on effective consumer messaging and exploring ways to push the UK recycling industry in the right direction, so that infrastructure is more cohesive across the country. We believe that a more consistent and unified approach to recycling throughout the UK will empower consumers to better act on their sustainability values and make it easier for manufacturers to pursue packaging innovations that will have the most meaningful impact.

In addition, through innovation and in partnership with our colleagues and suppliers, we are driving initiatives within Greencore for continuous improvement. This supports our objective of ensuring our working practices are the most efficient in energy usage, supports our investment in machinery to give optimum output, and actively encourages new approaches to deliver on our packaging sustainability strategy.

View our **quick read on sustainable packaging** here

GRI Read more on our **GRI disclosures for packaging** here

Protecting and enhancing the welfare of those who work for us within an inclusive and diverse *workforce*

Our *Foundations*

Health & safety

Our Foundations

The health, safety and wellbeing of our colleagues and visitors is a top business priority. We are continually working to improve the safety of all our working environments, and we are committed to developing a culture that puts physical and emotional wellbeing at the heart of the business.

Our colleagues' health, safety and wellbeing is critical to the success of our business and we pursue a comprehensive health and safety strategy which includes priorities, action plans and performance objectives for every area across the business, and accounts for legal occupational health and safety requirements.

Our Chief Operating Officer and our Director of Health, Safety and Environment are responsible for the overall delivery of our health and safety strategy. Performance against the strategy is reviewed and monitored by our senior leadership team and our health and safety Compliance Manager, and is also subject to regular review and external auditing across our business units.

Reducing risk

While advancements in automation and engineering are helping to reduce associated risks, manual handling remains necessary in many of our operations. In FY22, we engaged with a world-leading manual handling solutions specialist to make training more engaging by introducing the science of Olympic weightlifting techniques to our tasks. Initial feedback has been very promising, with colleagues enjoying this fun, targeted and simple approach.

We have also continued to focus on reducing the risk around workplace transport, looking at process and production flows, layouts and storage capacity, segregation, technological solutions, and additional training and coaching to enable us to change behaviours and reinforce new ways of working. Ensuring the health and safety of our drivers in our commercial fleet operation is also a key priority. This year, we placed strong emphasis on driver risk assessment and training along with continued investment in telematics which has led to a 8.9% reduction in our road collisions per 1000 journeys completed. Machinery and work equipment safety is also improving due to the continued investment in new machines and safety training, driving behavioural and cultural change.

Our performance

Overall, our Reportable Accident Frequency Rate ('RAFR') has shown a slight improvement from 0.37 in FY21 to 0.33 (per 100,000 hours) in FY22.

We conduct cultural maturity assessments at each of our sites through our Hearts and Minds programme. Leaders within our business, both at Group level and at individual site level, rank performance against set criteria to determine how evolved their safety culture is, which helps support the development of our action plans. Safety achieved a 94% total favourable score in our People at the Core survey completed in FY22, indicating that engagement, reinforcement of our safety message and a culture of putting people at the heart of our business has driven an appetite of improvement from everyone.

While COVID has not disappeared, in FY22 we moved into a new chapter of 'living with COVID'. This has allowed us to remove many of our controls, however, we have continued to practise enhanced personal hygiene. We also recognise that COVID and the cost-of-living crisis has taken a toll on mental health and wellbeing. We continue to support GroceryAid, a charity offering emotional, financial and practical help to colleagues in the grocery industry. Site-specific information, advice, guidance and counselling is provided to colleagues who may need it via a specially developed internal resource called Talk2Us, and we also run quarterly wellbeing webinars which have been very well received by those attending.
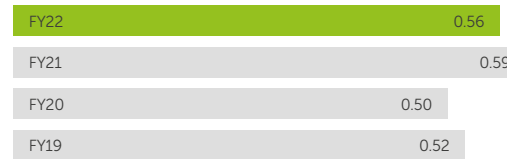
Occupational health & safety

Accident Incident Rate, accidents per 100 employees
(All accidents including minor)

FY22	0.56
FY21	0.59
FY20	0.50
FY19	0.52

Accident Frequency Rate, RIDDOR accidents per 100,000 hrs
(RIDDOR only)

FY22	0.33
FY21	0.37
FY20	0.32

94%

total favourable score in our People at the Core survey completed in FY22

8.9%

reduction in our road collisions per 1000 journeys completed
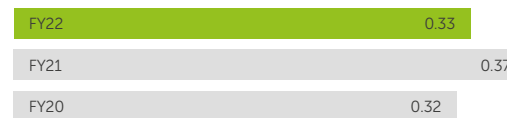
GRI Read more on our **GRI disclosures for health and safety** here

Inclusion & diversity

Our Foundations

We believe we can ultimately differentiate our business through our colleagues, so it's important to us that we create a culture where our people can be themselves and fulfil their potential.

By focusing on Inclusion & Diversity ('I&D'), we can make better business decisions informed by diverse perspectives. We can better reflect our customer and consumer needs, and therefore better anticipate change and respond with agility. We can rely on a capable, cohesive colleague base, which feels valued and motivated to progress and drive our business.

Greencore is already an incredibly diverse organisation, and it is important for us to ensure that everyone's experience of working with us is an inclusive one.

Our I&D strategy sets our agenda. In 2021, we undertook a significant review of our cultural environment, exploring the diversity of our colleagues along with their lived experience of inclusion at Greencore. We spent time with over 1,000 colleagues – 100 in greater depth – across 20 listening groups, hearing stories, experiences and feelings about Greencore. This led to the creation of the strategy, sponsored by our Chief People Officer, and led by our Head of Talent, Development & Inclusion, supported by our Inclusion Manager.

By 2025, we aspire to:

- Have a workforce that is at least as diverse as the communities in which we operate, the customers we serve and the consumers who buy our products, at every hierarchy level.

- Be a culture where people can be themselves at work.

- Be an organisation that creates opportunities for our people to fulfil their potential at work.

- Operate a business that has I&D hardwired into everything we do, where every colleague understands how important it is to us and we demonstrate that every day.

At the end of FY22, 39% of all colleagues were female. Our male-to-female percentage ratio is 40/60 at Board level, 71/29 at Group Executive level, and 56/44 at the Group Executive team's direct report level. While the Group remains committed to gender diversity, as a result of a challenging labour market and the delivery of an organisational restructuring, our gender diversity statistics have decreased since FY21 across the Group and at Group Executive team level in particular. The Group continues to review gender diversity as a key metric. Our former chair, Gary Kennedy (RIP) was a co-founding member of the 30% Club – which strives for 30% of leadership positions to be held by women. We commit to keep driving progress in this area, paying particular attention to understanding and tackling unconscious biases.

Gender diversity				
	FY21		**FY22**	
Across the Group	60% male	40% female	61% male	39% female
At Board level	45% male	55% female	40% male	60% female
At Group Executive team level	57% male	43% female	71% male	29% female
At Group Executive team direct report level (-1)	54% male	46% female	56% male	44% female

📖 View our **quick read on inclusion & diversity here**

GRI Read more on our **GRI disclosures for inclusion & diversity here**

Attracting and retaining young talent is a focus for us and we aspire to bring more young talent into Greencore through our investment in both early careers and entry level roles. We're pleased to have been accepted as part of the Good Youth Employment Charter, through which we have pledged to create more opportunities for young people and support those in underprivileged areas.

We have also partnered with IGD to build and pilot a reverse mentoring scheme, enabling senior mentees and their reverse mentors from different, non-competing companies to open authentic discussions on I&D. Read more about this initiative – which we aim to expand in the coming months – on **page 13 of this report here**.

We make sure that everyone at Greencore is aware of our I&D initiatives through our company-wide annual Inclusion Calendar, which included seven focus events across the year. These recognised key moments and awareness days are reflective of the variety of cultures among our colleague population and include a variety of activities and events ranging from social media posts and webinars through to celebrations and get-togethers.

We understand that our colleagues are the ones best placed to determine our I&D performance, so we continue to engage with our colleagues through our annual 'People at the Core' engagement survey. More than 10,739 of our colleagues (76%) participated in the latest survey and our engagement rate increased further this year, from 74% in FY21 to 76% in FY22. We have seen further increases in all our inclusion and belonging measures with our efforts to become a more inclusive organisation continuing to be recognised by colleagues.

Defining I&D at Greencore

Inclusion at Greencore means that we are proud of and celebrate the difference that we have, it is what makes us successful.

This means we value everyone, we support, celebrate, recognise and engage with all our colleagues, and enable everyone to be themselves at work.

We should all feel like we belong at Greencore, and Greencore belongs to us all.

We want everyone to achieve their potential.

At Greencore **diversity** means we are made up of many, different people.

That may be visible differences such as gender, ethnicity or nationality, but it might also be non-visible differences for example, sexual orientation, faith/religious beliefs, family background, disability, thinking styles and perspectives, educational background and age.

Our diversity isn't just about protected characteristics, it's about social inclusion, making sure that we are open for everyone, no matter what your background is.

Governance

Our Foundations

How we govern our Better Future Plan is fundamental to its success, ensuring alignment, support, ownership and progress tracking. Every year we look to continuously improve our approach in line with the maturing of our strategy within the business. We revisit our governance structure on an annual basis, making sure we have the right forums at the appropriate frequency. Having the right voices around the table is vital for continuous improvement and ensuring our approach remains relevant.

Oversight

Greencore's corporate purpose and sustainability strategy are set by the Board. Our Board monitors our overall sustainability performance against our stated ambitions and targets. The Board also reviews potential risks and opportunities associated with our sustainability strategy, and sets and monitors progress against our climate related metrics.

In addition, the Board oversees our Better Future Plan, which includes climate-related matters, which is one of our core strategic business priorities. A sustainability update is provided at each scheduled bi-monthly Board meeting by the Head of Sustainability, where climate impact and action, a core element of our sustainability strategy, is discussed, along with progress towards targets and key performance indicators.

Responsibility

The Chief Executive Officer has responsibility for overall performance of the Group, which includes sustainability governance. Non-Executive Director, Helen Rose, is the Group Sustainability Engagement Director and is the Board's sustainability champion. Helen is responsible for reviewing the Group's sustainability objectives and performance, including the delivery of the Group's sustainability strategy, as well as providing updates on progress on sustainability matters to the Board.

The Group has established a Sustainability Steering Committee, which was chaired by the Company Secretary in FY22. The Committee is comprised of leaders from various functions within the Group, and has overall responsibility for the delivery of our sustainability strategy, and specific oversight of our overall climate strategy. The Committee feed into the bi-monthly Board update provided by the Head of Sustainability, and review climate related performance objectives.

Reporting into this Committee are six Sustainable Business Management Groups ('SBMGs') that provide a cross-functional forum to develop and steer our strategy at an operational level. The SBMGs cover responsible sourcing and human rights, ethics, energy and environment, packaging, communities, and healthy and sustainable diets. These steering groups are chaired by senior leaders. Performance reviews and key decisions are passed up the governance hierarchy, initially to the Sustainability Steering Committee, and then to the Board via bi-monthly reviews. The SBMGs meet at least four times a year to exchange knowledge and best practice, to align strategic thinking and to provide recommendations for the Sustainable Steering Committee to consider. Each SBMG is made up of senior executives and functional teams who are responsible for driving action across all tiers of the business through the implementation of specific improvement plans. The day-to-day management and coordination of activities in relation to climate risk is carried out by the Head of Sustainability and the wider sustainability team.

Progress to date

FY22 was the second year of the full sustainability governance schedule, having all six management groups up and running. Each SBMG is made up of a cross section of senior leaders who are responsible for driving action across all tiers of the business through the implementation of specific improvement plans. These sessions are the main mechanism to drive and monitor change and hold the business accountable. As such, we will be reviewing and resetting the management groups chairs and members at the end of each financial year to ensure they reflect the needs of the programme.

We are also reviewing how we govern between the SBMGs and the Board for FY23. This change will reflect the maturity of the programme, the pace of change needed as we face into the next phase, and raising sustainability on the business agenda. Bi-monthly meetings between our Head of Sustainability and Non-Executive Sustainability Director will remain a critical part of our overall structure, ensuring Board-level support for our activities and a valuable pathway to address roadblocks as well as successes.

Risk management

We have developed a sustainability risk assessment model that enables us to see and take action on hotspots in our supply chains. The outputs from the sustainability risk assessment are utilised to complete the sustainability risk register, directly feeding into the Group risk management process. The Group has identified the overall impact of climate change as a principal risk. The most significant areas of risk relate to the potential impacts on raw material availability through changes in global weather patterns or extreme weather events, meeting our carbon reduction targets, consumer demand leading to adjustment in product portfolio, and the disruption of manufacturing and logistics operations.

Looking ahead

We need to move from planning to delivery. We believe our sustainability initiatives are sufficiently matured and we will now engage suitable teams to move the agenda forward and we have introduced specific sustainability objectives for executives, which are linked to the remuneration framework. We have also refreshed our governance model for sustainability to support the next phase of business ownership and delivery.

Greencore Group plc Board

Sustainability Steering Committee

Non-executive Sustainability Engagement Director

Sustainable Business Management Groups ('SBMGs')

Responsible sourcing and human rights	Ethics
Energy and environment	Communities
Packaging	Healthy and sustainable diets

"

Our governance structure is the primary tool we have to drive ownership, elevate the agenda and ensure the right stakeholders are engaged in key topics. I'm always looking to continuously improve our approach in this space as the programme matures.

Fran Haycock
Sustainability Programme Manager, Greencore

Read more about our **TCFD report** here

Read more on our **GRI disclosures for ethics and governance** here, and for **anti-corruption** here, and **anti-competitive behaviour** here

Embedding sustainability

Our *Foundations*

Sustainability needs to be part of our DNA and considered in everything we do, from our strategic planning to everyday operations. All of our colleagues have a vital role to play in delivering our sustainability ambitions.

Greencore is aiming for change at scale, and this cannot be delivered by our Sustainability team alone – we need our circa 14,000 strong workforce to believe in and help us drive the agenda. Our success depends on our ability to clearly communicate our strategy, upskill colleagues across the business, and get everyone excited about the opportunity they have to make a meaningful difference. We know our people care about sustainability, so it is our responsibility to help them take ownership of the task at hand, and confidently lead in their respective areas.

Embedding with people

This year we set up a Sustainability Champions network – a selection of leaders from across the business to help our Sustainability team engage all colleagues in our activities. Our Sustainability Programme Manager has worked closely with these champions, upskilling them, supporting their respective plans and ensuring they have what they need to lead the agenda in their areas. We are confident this network will add significant value to our strategy and our colleagues, so we plan to build and develop this group in the year ahead.

Looking forward, we are working with the Executive Board to ensure individual C-suite executives have ownership for each target within their role profiles and objectives. We are also looking to provide targeted training for a selection of colleagues, starting with our management group members across our six sustainability committees. It is important that these groups understand our specific commitments in detail and what it means for their areas, customers and supply base, as well as what we need them to deliver. Complementing this is our work on embedding sustainability commitments into our remuneration and Grow with Greencore processes, which will ensure colleagues at multiple levels are formally measured and incentivised on their ability to drive the strategy forward.

Embedding with process

We also recognise that driving change at scale means embedding externally with stakeholders across our value chain. Our customers in particular play a crucial role in helping us progress on our public commitments, so we've started the work to build joint plans and partnerships that will help us collaborate effectively. We are currently working to establish two joint plans under a pilot framework, which we will be monitoring closely in the coming months and using lessons learned to refine our approach for other customers.

Our 'Better Greencore' change programme in FY22 has enabled the onboarding of a new business planning process that will drive all key decision-making. This reset has provided a great opportunity for the Sustainability team to build our programme deliverables into the appropriate forums, documents and conversations so that sustainability is central to all of our engagement and communications, now and into the future. We recognise that embedding through all core processes will take time, but we are committed to making this a focus for the coming year.

Investing in the future

We understand that transitioning to a net zero food business is not the sole responsibility of our Sustainability team.

To inspire and give future leaders the confidence to proactively work with our colleagues, suppliers and customers on key climate and sustainability issues, Greencore invested in **Future Food Movement's** Accelerator learning programme by putting forward two senior leaders to participate.

Through live masterclasses with expert coaches on topics including net zero,

regenerative agriculture, climate risk, human rights and more, participants deepened their understanding on the way food systems impact on people and planet.

Participants also became Ally Community Members of the Future Food Movement, joining other food and drink organisations in a digital space to access on-demand masterclasses, live events, networking forums, ask-the-expert sessions and the latest news on food and climate action, to help build their sustainability knowledge and embed climate competency into their roles.

Transparency

Our Foundations

Data and reporting against our commitments allows our stakeholders to keep track of our progress and hold us accountable. We are committed to building transparency in our reporting and evolving our data management systems to best reflect and support the demands of our sustainability programme.

Sustainability is now expected to form the foundations of any business, with stakeholders up and down the value chain, using sustainability (or ESG) metrics as a barometer for how well companies are managed, and how prepared they are to manage future business threats. They expect transparency, quality data and consistency in reporting.

Meanwhile, data is key in business decision-making, risk assessment and progress tracking, and it keeps us accountable by providing visibility of our performance. Data, transparency and reporting is therefore fundamental to the success of our sustainability strategy in every area.

Working with sustainability data involves collecting very large and often complex data sets from a broad range of data owners across the business. As such, we have initiated a broader data project throughout Greencore to explore transparency, accessibility and data quality across all areas of our sustainability strategy. We are working in close partnership with our IT colleagues to better understand how we connect our existing systems and how we can then empower our colleagues with the insight they need to drive progress against their targets. These targets are primarily monitored through our SBMGs with each having a KPI dashboard to monitor and measure progress against relevant metrics.

More specifically, in FY22 we made significant progress with data in the healthy and sustainable diets space (see the Feeding with Pride section on **page 25 of this report here** for more information on this) and kickstarted a robust and detailed review of our energy data given the increasingly challenging operating environment.

Reporting and disclosure

Greencore is committed to the highest level of transparency in our reporting. Being transparent holds us to account, inspires others and encourages an industry-wide shift towards positive action.

Benchmarks / disclosures	Description	Our performance
CDP	The Carbon Disclosure Project ('CDP') is a not-for-profit charity that runs the global disclosure system for investors, companies, cities and regions to manage their environmental impacts.	Climate Change: C Forests – palm oil: B- Forests – timber: C Forests – soy: C Forests – cattle products: C Water security: C
Sustainalytics	Sustainalytics provide an ESG risk rating for companies that helps investors identify and understand financially material ESG risks.	At our last update in October 2022, Greencore Group plc received a rating of 33.8 (high-risk), with an overall risk management rating of 48.3 (average risk).
MSCI	MSCI provides ESG performance ratings using publicly available information to help investors make broader responsible investment decisions.	At our last update in March 2022, Greencore Group plc received an MSCI ESG rating of AA, reflecting 'a company leading its industry in managing the most significant ESG risks and opportunities'.
Better Food Index	The Better Food Index scores food companies on key metrics from transparency to nutrition and environmental impact.	Greencore Group plc was ranked 12th out of 30 companies on the index. View the **full details here.**
TCFD	The Task Force on Climate-related Financial Disclosures ('TCFD'), established by the Financial Stability Board, is a reporting framework based on a set of consistent disclosure recommendations for use by companies as a means of providing transparency about their climate-related risk exposure.	Greencore Group plc reports in line with the TCFD framework. View our **report here.**
SASB	The Sustainability Accounting Standards Board ('SASB') is an ESG guidance framework that sets standards for the disclosure of financially material sustainability information by companies to their investors.	Greencore Group plc reports in line with the SASB framework. View our **SASB index here.**
GRI	The Global Reporting Initiative ('GRI') is an international independent standards organisation that enables all companies and organisations to report their ESG performance.	This report has been prepared in accordance with the GRI Standards: Core option. View our **GRI index here.**

Industry engagement and partnerships

Creating a future-fit food system that works for everyone requires collaborative and collective action, so Greencore works closely with others in the sector to address both our own material topics and those of the wider food industry.

THE UK PLASTICS PACT	The UK Plastics Pact brings together businesses from across the entire plastics value chain with the UK Government and NGOs to tackle the issue of plastic waste.
CERTIFIED SUSTAINABLE SEAFOOD MSC	The Marine Stewardship Council ('MSC') is a global non-profit organisation that works to end overfishing around the world.
CFA CHILLED FOOD ASSOCIATION	The Chilled Food Association ('CFA') represents many of the UK's biggest chilled food manufacturers in the UK. They champion best practice across the industry, providing their members with chilled prepared food expertise in areas including sustainability, research and training.
CERTIFIED SUSTAINABLE PALM OIL RSPO	The Roundtable on Sustainable Palm Oil ('RSPO') aims to transform markets to make sustainable palm oil the norm.
FNET	The Food Network for Ethical Trade ('FNET') is a forum for sharing issues and best practice, and developing practical solutions to human rights issues.
CHAMPIONS 12.3	Champions 12.3 is a coalition of executives from governments, businesses, organisations and research institutions dedicated to accelerating progress toward achieving SDG Target 12.3 by 2030.
STEP UP TO THE PLATE STOP FOOD WASTE	The UK Government's 'Step up to the Plate' initiative calls on key players within the food industry to drastically reduce food waste in five steps.
GroceryAid	Industry charity GroceryAid offers crisis support and financial assistance to those working within the grocery industry.
IGD	The Institute of Grocery Distribution ('IGD') operates two interconnected communities – commercial insight and social impact – to drive positive change within the grocery industry.

Appendix

GRI index

Pillar	Material topic	GRI disclosure
Introduction		GRI 102: General Disclosures 2016
Sourcing with Integrity	Nature	GRI 304: Biodiversity 2016
		GRI 308: Supplier Environmental Assessment 2016
	Human rights & labour rights	GRI 408: Child Labour 2016
		GRI 409: Forced or Compulsory Labour 2016
		GRI 412: Human Rights Assessment 2016
		GRI 414: Supplier Social Assessment 2016
Sourcing with Integrity	Climate & carbon	GRI 305: Emissions 2016
		GRI 302: Energy 2016
	Waste & food waste	GRI 306: Waste 2020
	Water	GRI 303: Water and Effluents 2018
Feeding with Pride	Healthy & sustainable diets	GRI 303: Water and Effluents 2018
	Plastic & packaging	GRI 306: Waste 2020
	Food safety	GRI 301: Materials 2016
Foundations	Employee health, safety & wellbeing	GRI 403: Occupational Health and Safety 2018
	Additional disclosures	GRI 205: Anti-Corruption 2016
		GRI 206: Anti-Competitive Behaviour 2016
		GRI 207: Tax 2019
		GRI 202: Market Presence 2016
		GRI 401: Employment 2016
		GRI 405: Diversity and Equal Opportunity 2016
		GRI 406: Non-Discrimination 2016

> View our **full GRI index here**

SASB - Processed food standard

Topic	Code	Disclosure	Location or direct response
Energy management	FB-PF-130a.1	1. The entity shall disclose the total amount of energy it consumed as an aggregate figure, in gigajoules (GJ). 2. The entity shall disclose the percentage of energy it consumed that was supplied from grid electricity. 3. The entity shall disclose the percentage of energy it consumed that is renewable energy.	1. 1,623,961.24 GJ of energy consumed. 2. 23.3%. 3. 22.8%. Includes Selby biogas from AD plant and renewable electricity from Ørsted contract.
Water management	FB-PF-140a.1	1.The entity shall disclose the amount of water, in thousands of cubic meters, that was withdrawn from all sources. 2. The entity may disclose portions of its supply by source if, for example, significant portions of withdrawals are from non-freshwater sources. 3. The entity shall disclose the amount of water, in thousands of cubic meters, that was consumed in its operations. 4. The entity shall disclose its water withdrawn in locations with High or Extremely High Baseline Water Stress as a percentage of the total water withdrawn/consumed.	1. 2,709.12 thousand m³. 2. 863.42 thousand m³ groundwater (borehole) (Selby and Warrington) 31.9% of total water consumption. 3. 2,709.12 thousand m³. 4. 5.0%.
	FB-PF-140a.2	The entity shall disclose the total number of instances of non-compliance, including violations of a technology-based standard and exceedances of quantity and/or quality-based standards.	There were zero incidents of non-compliance in FY22.
	FB-PF-140a.3	1. The entity shall describe its water management risks associated with water withdrawals, water consumption, and discharge of water and/or wastewater. 2. The entity shall discuss its short-term and long-term strategies or plan to mitigate water management risks. 3. For water management targets, the entity shall additionally disclose: a) Whether the target is absolute or intensity-based, and the metric denominator if it is an intensity-based target. b) The timelines for the water management plans, including the start year, the target year, and the base year. c) The mechanism(s) for achieving the target.	1. Water is an essential part of our food manufacturing processes, used in cleaning and hygiene for food safety, cooling processes, steam raising plants and as a raw ingredient. Most manufacturing sites import potable water from their respective regional wholesaler, but two of our sites abstract borehole water from an aquifer and manufacture potable water themselves. We have sites within the East Anglia region that are subject to Maximum Daily Demand (MDD) restrictions, whereby water consumption needs to be closely monitored. Borehole abstractions are regulated by licence with the Environment Agency (EA) and subject to certain restrictive clauses to ensure conservation of this natural resource. The vast majority of our manufacturing sites discharge trade effluent direct to sewer, with the only exception being our Selby site, which uses the services of a third-party to manage the on-site effluent treatment plant and then discharge to river. For borehole abstraction, the relevant sites measure on a continuous basis the water abstracted, and measure the impact on aquifer levels in observation boreholes, as agreed and jointly monitored by the EA. The water usage MDDs are closely monitored by both site (water loggers) and water wholesaler – Anglian Water. Any potential breaches would trigger alerts and appropriate actions. The introduction of Group Environmental Standards details each site to conduct an individual water balance, to ascertain more accurately their site impact on water consumption. In relation to discharge, we employ the professional services of a third-party to manage the effluent treatment plant and subsequent discharge to river, which includes the provision of permanent operators on-site. One of the key stakeholders is the EA. The majority of our sites have Environment Permits with specific reporting requirements, including water consumption metrics. In addition, two of our sites closely liaise with the EA in regard to the terms of water abstraction licences. Our key retail customers also require us to report on water consumption on a regular basis. We also complete the annual Carbon Disclosure Project (CDP) Water Security disclosure. We have eight sites situated within regions of the country that are subject to concern regarding water stress as classified by the EA. For the five sites within the Anglian Water region, this results in close monitoring of their water usage MDD by the business and relevant retailer. Sites with abstraction licences have had the appropriate investment in measurement and monitoring equipment to facilitate abstraction management. 2. At policy level, water management is a key element of our Operational Environmental Policy. The policy is owned and managed via our sustainability governance structure, specifically our Environment Committee. Water management standards are built into our Safety, Health & Environmental Management System to ensure a consistent approach to the management of water across our manufacturing base. We have annual water intensity targets in place and monitor our site water usage closely. We have a target to reduce relative water consumption by 25% by FY30 from a baseline of FY19. In FY22 water consumed per tonne of product increased from 6.70 m3/tonne to 6.96 m3/tonne, an increase of 3.8%, driven primarily by lower production volumes during COVID period and a recovery in production volume post-COVID. 3. Our water management targets are based on relative consumption per unit of production and consider both past performance and relevant capital investment to influence that consumption. Water consumption is a key metric for our business as effectively we pay for incoming water twice via our Trade Effluent Discharge consents and use of the Mogden Formula by the water wholesalers. Our water management plans will be aligned to Environment Permit changes following publication of the revised Best Available Techniques (BAT) reference document. Methods already deployed include re-use of water in CIP processes (use of final rinse water as pre-rinse water to remove initial heavy soiling). Many of our manufacturing sites deploy CIP cleaning systems, which use an array of instrumentation to optimise the quantity of detergent chemicals and water consumed to ensure managed rinse times, efficient use of water, avoidance of 'over-cleaning' and minimisation of effluent loading. Food industries need to be mindful of food hygiene priorities, and there is a balance to be struck between resource consumption and food hygiene.

SASB - Processed food standard

Topic	Code	Disclosure	Location or direct response
Food safety	FB-PF-250a.1	1. The entity shall disclose its facilities' non-conformance rates with Global Food Safety Initiative (GFSI) recognised food safety certification programmes for (a) major non-conformances, and separately, (b) minor non-conformances. 2. The entity shall disclose the corrective action rates associated with its facilities' (a) major non-conformances, and separately, (b) minor non-conformances.	1. Of 24 audits conducted, 11 scored an AA rating (i.e. less than five minor non-conformances), two scored A+, and six scored A for BRCGS Global Food Safety Standard version 8. We reverted to unannounced BRCGS audits post-COVID in May 2022. Four BRCGS Global Food Safety Standard storage and distribution audits at our distribution picking sites were all AA grade. All minor non-conformances are completed. The rate of major non-conformances is 0. The rate of minor non-conformances is 5.46 per site on average. 2. 100% of corrective actions are completed.
	FB-PF-250a.2	The entity shall disclose the percentage of food ingredients sourced from Tier 1 supplier facilities that are certified to a Global Food Safety Initiative (GFSI) recognised food safety certification programme.	Total number of raw materials suppliers that hold GFSI accreditation = 700. Total number of raw material suppliers = 720. Percentage with GFSI accreditation = 97%. Total number of packaging suppliers that hold GFSI accreditation = 104. Total number of packaging suppliers = 101. Percentage with GFSI accreditation = 97%. Remaining suppliers are approved using self-assessment questionnaires as deemed as low-risk for all stages of the Greencore risk assessment which takes into consideration micro, allergens, foreign body controls, use in Greencore sites, spend, claims and risk of substitution and fraud. Supplier deemed high-risk for micro or foreign bodies are also audited by Greencore.
	FB-PF-250a.3	1. The entity shall disclose the total number of notices of violation received that substantiate a violation of advisory and administrative code(s), statute(s), or other requirement(s) related to food safety. 2. The entity shall disclose the percentage of notices of violations received related to food safety that was corrected.	No violations.
	FB-PF-250a.4	1. The entity shall disclose the total number of food safety-related recalls issued.	FY22: three product recalls: 1. Salmonella contamination of cooked chicken from Cranswick Foods. Resulted in multiple industry recalls, implicated a wide range of products in FTG and Salads. Supplier responsible. 2. Pasta salad recalled for incorrect date code application. The printers have been password protected with fixed product shelf life to avoid a reoccurrence. 3. Ready meal recalled due to incorrect allergen information. All instances were recalled voluntarily and corrective actions put in place to prevent a reoccurrence. No reported illness or injured parties and only customer costs for loss of sale and product removal from sale have been incurred. All costs related to the salmonella issue have been claimed back from the supplier.
Health & nutrition	FB-PF-260a.1	The entity shall disclose the total revenue from the sales of its products that are labeled and/or marketed to promote health and nutrition attributes.	Greencore is a predominantly own label provider to our customers' brands. We do not currently gather data on revenue of sales from products labeled and/or marketed to promote health and nutrition attributes. We use our nutrition database – a measure based on the UK Government's Nutrient Profiling Model (NPM) – to track the healthiness of our products, and will look to disclose data in future.
	FB-PF-260a.2	1. The entity shall discuss its process to identify and manage products and ingredients related to nutritional and health concerns among consumers. 2. The entity shall discuss its efforts to identify concerns, the products and ingredients related to those concerns, and resulting risks and opportunities. 3. The entity shall discuss how identified concerns and risks are managed and communicated. 4. The entity shall discuss its use of certification programmes that address consumer concerns and preferences over ingredients, additives, and potential allergens. 5. The entity shall discuss any significant complaints, such as those resulting in significant lawsuits, relating to nutritional and health concerns associated with products and/or ingredients, and any efforts to mitigate the related future risks.	**Measuring healthy products** We use our Health Score – a measure based on the UK Government's NPM – to track the healthiness of our products. To help minimise unhealthy ingredients, this model assesses a product's fat, salt and sugar content. And to help promote healthy ingredients, it gauges the fibre, fruit and vegetable content. Greencore measures progress against specific policy objectives and KPIs via our governance structure; specifically our Healthy and Sustainable Diets Committee. Our Committee meets quarterly to monitor our progress and alignment against our commitments and to proactively challenge, identify and manage products and ingredients that are related to nutrition, health and wellness among consumers. **Reformulation** We have a challenging ongoing programme of reformulation, reducing salt and calories from our products, in order to improve the nutrient profile of our products without compromising on quality or taste for our customers. In addition, our product development teams are working with our Subject Matter Experts (SMEs) to find new ingredients that are healthy but help add flavour to our recipes – e.g. salt alternatives. We work closely with our retail customers and industry organisations to ensure that we support consumer concerns and are aligned to their respective nutritional and allergen policies. As part of our development process, we ensure that no allergens are unnecessarily developed in our recipes. With the support of our SMEs, we actively support and work with industry leads and follow their guidelines to ensure that we're sourcing best possible ingredients to develop the 'cleanest' possible recipes e.g. The Vegan Society, Marine Stewardship Council. We have had no significant complaints regarding health or nutritional concerns.

SASB - Processed food standard

Topic	Code	Disclosure	Location or direct response
Product labelling & marketing	FB-PF-270a.1	1. The entity shall disclose the percentage of advertising impressions made on children. 2. The entity shall disclose the percentage of advertising impressions made on children that promote products that meet the CFBAI Uniform Nutritional Criteria or equivalent dietary guidelines for children.	Greencore is a predominantly own label provider to our customers' brands. We do not advertise our products directly and therefore we do not advertise products to children.
	FB-PF-270a.2	The entity shall disclose its revenue from products sold during the reporting period that are labeled as (1) containing genetically modified organisms (GMOs), and separately, (2) not containing GMOs (non-GMOs).	Greencore does not use any GMO ingredients, and does not use any non-GMO labelling.
	FB-PF-270a.3	The entity shall disclose the total number of substantiated incidents of non-compliance with labelling- and/or marketing-related regulatory code(s), statute(s), or other requirement(s).	None.
	FB-PF-270a.4	The entity shall disclose the total amount of monetary losses it incurred during the reporting period as a result of legal proceedings associated with marketing and/or labelling practices, such as those related to enforcement of U.S. laws and regulations on nutrient content claims, health claims, other unfair or deceptive claims, and/or misbranded labelling.	The company has not been a party to any legal proceedings in FY22 in relation to branding/product labelling. There is also no provision on balance sheet relating to any legal claim of this nature. To the extent that a provision of this nature did arise in the future, then if deemed material, it would be disclosed in the Group Annual Report.
Packaging lifecycle management	FB-PF-410a.1	1. The entity shall disclose the total weight of packaging purchased by the entity, in metric tonnes. 2. The entity shall disclose the percentage of packaging, by weight, made from recycled and/or renewable materials. 3. The entity shall disclose the percentage of packaging, by weight, that is recyclable, reusable, and/or compostable.	1. Based on calendar year 2021 packaging waste figures: Total weight = 96,557 tonnes. 2. % of total weight that is renewable and/or recycled content (paper, board, steel and glass all included here) = 51%. 3. % of total weight that is recyclable, reuseable or compostable (steel, glass, aluminium and some paper included here) = 78%*. * This figure has been calculated based on recyclability of material types used for packaging, not based on final packaging formats. We are currently working on a system to provide more detailed reporting on recyclability of final packaging.
	FB-PF-410a.2	1. The entity shall discuss its strategies to reduce the environmental impact of packaging throughout its lifecycle, such as optimising packaging weight and volume for a given application or using alternative materials, including those that are recycled, recyclable, reusable, and/or compostable. 2. The entity shall discuss the circumstances surrounding its use of recycled and renewable packaging, including, but not limited to, discussions of supply availability, consumer preferences, and packaging durability requirements. 3. The entity shall discuss the circumstances surrounding its use of packaging that is recyclable and compostable, including, but not limited to, discussions of regulations, packaging end-of-life commitments, consumer demand, and packaging durability.	Packaging plays an important role in protecting our products and reducing food waste – but it shouldn't come at an unaffordable cost to the planet. From the raw materials used, to how it is made and how it is used and disposed of, we need to ensure our packaging isn't a burden to the environment. Our industry needs to do things differently. That's why we've been working to change the way we package our products, what we make our packaging from, and what happens to our packaging after it has done its job. To safeguard resources, protect our natural environment and to minimise waste, we're setting tough goals and targets to reduce the amount and impact of the packaging we use as well as making sure it never becomes waste. Whenever we develop new packaging for products, we continually question whether we are producing it in the best way possible. We want our packaging to have the lowest possible planetary impact, and will rely on science to assess the whole life cycle of our packaging. We have adopted a Group-wide Sustainable Packaging Policy, focused around the delivery of this sustainability strategy commitment. Our policy implementation is delivered through our sustainability governance structure, specifically in this case via our Sustainable Packaging Committee. This is co-managed by our Purchasing team, Sustainability team and Packaging Development teams. Sandwiches & Wraps: Developing a solution to maximise the recyclability of sandwich skillets and wrap boxes that is as economic, efficient and attractive as current in the marketplace is extremely challenging. The plastic liner in the current pack delivers a long-lasting shelf life as well as pack strength and clear visibility, providing the consumer confidence in the product. Finding a solution that it truly 100% recyclable, that offers some visibility and that does not hinder shelf life has been a real journey. As a business we have worked tirelessly to find a solution and we are on the home straight. Sushi: In the sushi category, rPET is commonly used and has excellent recycling credentials, which also offers a high level of recycled content. The only non-recyclable element of these packs are typically labels, work streams are in place to make these recyclable or easily removable as a first step to maximise the recycling of the primary packaging. For the future, the major step change is the plastic trays and the challenge is reducing or even replacing the plastic with an alternative material. These alternatives need to be structurally sound, match life and show the whole product to keep consumer confidence. A real challenge for our development team. Salads: The most common material used within our salads is also rPET which has excellent recycling credentials and offers a high level of recycled content already. However, we are now scoping some opportunities to replace the rigid plastic lids with a much lighter flexible film material that will work towards a plastic reduction goal. Quiches: Over the past few years, we have carried out extensive trials to optimise the size of our quiche cartons together with light weighting the board grades and their PET windows. We are now aiming to remove some of the plastic windows on the core ranges where the enhanced pack photography can work its magic. This will ensure that these cartons are more easily recycled. Soups: We are continuously scoping opportunities to lightweight our current injection moulded pp pots to reduce their plastic usage as well as exploring new technologies to include some recycled content which is an industry-wide challenge at the moment. Ready Meals: Whilst the three most common tray types within our ready meals (cpet, pp and aluminium foils) are considered 'Recycle' by OPRL, we are still challenged with the lack of flexible film waste collection kerbside. Our retailers are doing what they can to extend their flexible film collection channels in store and we are helping them on those journeys by making sure we use mono film materials wherever possible.

SASB - Processed food standard

Topic	Code	Disclosure	Location or direct response
Packaging lifecycle management	FB-PF-410a.2 cont.		Greencore is aligned with the principles of the UK Plastics Pact (through our membership of the Chilled Food Association who are signatories), and are working towards the following commitments, within our Sustainable Packaging Policy: • By 2025, ensure 100% of our plastic packaging is designed to be reusable or recyclable. • By 2025, eliminate problematic or unnecessary single-use plastic packaging. • By 2025, ensure we have an average of 30% recycled content across all plastic packaging. We are also working to make reusable and recyclable plastic packaging the norm so the materials used can keep cycling through the system at their highest possible value. That begins by making it technically possible for all our plastic packaging to be reused or recycled. The assessment of the sustainability performance of new packaging innovations is really important to us to ensure we are developing packaging solutions that help us reach our targets. We use the GaBi Packaging Calculator, an LCA calculator specially designed for packaging. The web-based tool allows us to create life cycle assessments and to simulate alternative packaging designs. This is useful for day-to-day decision making. The challenge with LCA is using a recognised methodology across the industry; this is still a developing area, so we welcome the recent (July 2022) publication of the IGD's 'Best practice guide for packaging life cycle assessments'. When developing alternatives to the sandwich skillet, we undertook external life cycle assessment in order to rank options available to us and to aid decision making.
Environmental & social impacts of ingredient supply chain	FB-PF-430a.1	1. The entity shall disclose the percentage of food ingredients sourced that are certified to a third-party environmental and/or social standard. 2. The entity shall disclose the percentage of food ingredients it sourced that are certified to a third-party environmental or social standard, by standard.	Our Responsible Sourcing Code of Conduct sets out the behaviours, practices and standards we expect from our suppliers. We recognise that responsible sourcing is a collaborative, network-wide effort – we want to put a focus on partnerships and shared learning. We are focusing on priority ingredients that carry the greatest sourcing risks from three areas – forest, fisheries, and field. It is not possible to have a one-size-fits-all approach to ingredients. Each individual supply chain comes with its own challenges around biodiversity, climate change, water scarcity, deforestation and animal welfare. We have differing levels of control and influence on our supply chains, depending on whether it is a primary raw material or a traded commodity. Our approach to each is informed by the results of individual raw materials risk assessments. We are making judgements around what specific issues and levels of risk are important considerations for each ingredient, and how the proposed mechanisms of control mitigate those identified risks. To date, we have made positive progress on some of our higher risk ingredients, for example: 100% of palm oil used in our ingredients coming from Roundtable on Sustainable Palm Oil (RSPO) certified sources, 94% from segregated supply chains (SG) and 6% from mass balance supply chains (MB). 100% of our cold-water prawns are from Marine Stewardship Council (MSC) fisheries, 100% of our tuna is sourced from pole and line fishing, MSC-certified fisheries or from those with a Fishery Improvement Project (FIP) in place.
	FB-PF-430a.2	1. The entity shall disclose its supplier facilities' non-conformance rate with external social and environmental audit standard(s) or internally developed supplier code(s) of conduct for (a) major non-conformances, and separately, (b) minor non-conformances. 2. The entity shall disclose the corrective action rates associated with its supplier facilities' (a) major non-conformances, and separately, (b) minor non-conformances. 3. The entity shall disclose the standards and/or code(s) of conduct to which it has measured social and environmental responsibility audit compliance.	1. Our Responsible Sourcing programme measures our largest and most strategic suppliers on a diverse set of criteria, including social and environmental risk metrics. Our Sustainability team monitors our supply base for social compliance. We take a risk-based approach to supplier management, and as part of the risk mitigation process we may employ an array of interventions. These can include capacity building and awareness raising, second party visits and third-party audits (SMETA audit). 43% of our ingredient and packaging suppliers have undergone a SMETA audit. There were zero incidents of major non-compliance found related to child labour, forced labour or serious health and safety issues, which translates to a non-conformance rate of 0.0. Major non-conformance rate: 0.0. Minor non-conformance rate: 4.31. 2. Major corrective action rate: N/A (no major NCs raised). Minor corrective action rate: 76.34%. 3. The audit standard is SMETA (Sedex Members Ethical Trade Audit) which measures compliance to the Ethical Trade Initiative (ETI) Base Code and local legislation. There is no internally developed code/standard in use.
Ingredient sourcing	FB-PF-440a.1	1. The entity shall disclose the percentage of food ingredients sourced from regions with High or Extremely High Baseline Water Stress. 2. If the entity is unable to identify or collect data pertaining to all Tier 1 suppliers, the entity shall disclose the percentage of agricultural products for which the source region and water risks are unknown.	1. Greencore has not yet conducted a water risk analysis of our supply chain. We have built a sustainability risk assessment model to sit alongside our human rights risk assessment. Our sustainability risk model assesses ingredients for a range of issues and ranks them using known external databases. This provides us with the ability to see hotspots in our supply chain. Our risk assessment process will include an assessment of water risk using the WWF Water Risk Filter, although these have not been completed in full and require additional data and transparency of supply in order to complete. 2. 100%.
	FB-PF-440a.2	The entity shall discuss its strategic approach to managing the environmental and social risks that arise from its highest priority food ingredients.	We are focusing on priority ingredients that carry the greatest sourcing risks from three areas – forest, fisheries, and field. It is not possible to have a 'one-size-fits-all' approach to ingredients. Each individual supply chain comes with its own challenges around biodiversity, climate change, water scarcity, deforestation and animal welfare. We have differing levels of control and influence on our supply chains, depending on whether it is a primary raw material or a traded commodity. Our approach to each is informed by the results of individual raw materials risk assessments. We are making judgements around what specific issues and levels of risk are important considerations for each ingredient, and how the proposed mechanisms of control mitigate those identified risks. By 2030, we aim to responsibly source 100% of our priority raw materials. In order to achieve this aim, we need to define both 'responsibly sourced' and 'priority raw materials'; we do this within our Responsible Sourcing Policy and through a process of risk assessment. We have developed a comprehensive sustainability risk assessment model that enables us to see and take action on hotspots in our supply chains, and to ensure we are minimising our footprint in those areas. Our list of highest priority ingredients includes: Poultry, beef, dairy, cooked meats, rice, vegetables and whole head vegetables, tuna, prawns, herbs & spices.
Activity metrics	FB-PF-000.a	Weight of products sold (in metric tonnes).	389,473 tonnes.
	FB-PF-000.b	Number of production facilities.	23 manufacturing units at 16 locations.

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