



# NovaTaste

# Environmental & Climate Policy

**Description:** Environmental & Climate Policy applicable to all NovaTaste entities

**Version:** 1.0 / Q1 2025

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## Table of Content

1. Overview.....	3
2. Governance .....	3
3. Scope.....	3
4. Decarbonization .....	3
5. Energy .....	4
6. Food Waste .....	4
7. Operational Waste .....	4
8. Logistics.....	4
9. Planetary Health.....	4
10. Biodiversity and Nature .....	5
11. Packaging.....	5
12. Deforestation .....	5
13. Sourcing .....	5
14. Continued Improvements .....	5

## 1. Overview

- 1.1. The NovaTaste Group recognises its responsibility to positively contribute to the environment in which it operates by driving sustainable development and promoting environmental stewardship. We have committed to fully integrating the ambitions laid out in our sustainability strategy into our business practices as well as meeting our legal & regulatory obligations.
- 1.2. NovaTaste's Environmental and Climate Policy (ECP) covers our broader environmental goals beyond climate change and greenhouse gas (GHG) reduction. Therefore, the topic of climate change is addressed as part of the broader environmental strategy alongside biodiversity and nature-based topics.
- 1.3. Our ECP addresses both climate change mitigation and adaptation topics, recognizing that the majority of initiatives in the first phases of our strategy will prioritize climate change mitigation anchored in our GHG reduction and decarbonization actions.
- 1.4. The policy reflects our commitment to action and brief evidence of how this commitment will materialize in the years to come.

## 2. Governance

- 2.1. We have a robust system of governance in place. All NovaTaste employees are committed to our environmental standards. However, ultimate responsibility for our ESG strategy lies at the Executive Committee (EC) on Group level and is overseen by our Chief Executive Officer (CEO). Our Group Sustainability Director chairs the ESG Committee, which is formed of direct reports to the Executive team and includes Procurement, Operations, R&D, HR, IT and Finance – as well as Regional General Managers (GM).
- 2.2. Planning and progress made against Environmental KPIs are monitored through internal functional leadership teams. The necessary personnel, information, and financial resources will be allocated to assist the company in meeting its environmental objectives which is to reduce its impact on the environment through a process of continual improvement.
- 2.3. We will be transparent and publicly publish our ESG-Report as per the EU Corporate Sustainability Reporting Directive (CSRD).

## 3. Scope

- 3.1. This policy covers all NovaTaste sites, laying out our commitment to minimising our effect on the environment and to tackling material issues including decarbonisation, food waste, water scarcity, plastic packaging, and deforestation. These topics are the outcome of the EU-defined Double Materiality Analysis (DMA). Our DMA topics are: climate change, energy, biodiversity, employee health & safety, fair labour conditions in the value chain and product quality and food safety. We engage with suppliers on these topics and policies spanning environmental, social and governance actions.
- 3.2. The NovaTaste Group and its subsidiaries will control and manage its activities to ensure risks to the environment are identified, and action taken to reduce adverse effects. We continue to monitor the changing domestic and European regulatory landscape to ensure we uphold the highest level of compliance.

## 4. Decarbonization

- 4.1. This Policy will guide us to reduce our environmental impact and transition our business to a low carbon future.
- 4.2. Aligned to a 1.5°C rise in global temperature and verified by science-based targets, we have committed to operating with Net Zero emissions across our value chain by 2050. We conducted our carbon footprint global analyses as per the international standard based on the Greenhouse (GHG) Protocol. We plan to do this by adopting science-based targets to achieve a reduction across Scope 1 and 2, and 3 by 2030, and being Net Zero across Scope 1 and 2 and Scope 3 by 2050. These commitments are in line with and in support of our customer's decarbonization ambitions.

- 4.3. We will re-baseline our targets as per current and planned future M&A activities and acquired and divested entities.
- 4.4. We plan to set targets as per international climate policy for a reduction in GHG emissions. These sustainability KPIs will be reported to the executive board and will be a means of measuring environmental performance to drive continuous improvement.
- 4.5. We are evaluating and planning carbon emission reduction initiatives and concrete actions. We are committed to implementing targeted measures to achieve meaningful reductions in our GHG emissions to be measured and tracked annually.
- 4.6. We will set & manage short and long-term GHG emission reduction targets. We will update our GHG inventory at least once per year.

## 5. Energy

- 5.1. We will optimize Energy Management through demonstrating efficiency in energy use, transition to renewable energy, and reduction in greenhouse gas emissions.
- 5.2. We will improve energy efficiency through reduction in energy, technology, optimized processes and operations. We will also track and reduce energy consumption at site level across the Group.
- 5.3. We will continue to review our strategy for energy optimization – including electricity use, increase renewable energy use and purchasing green energy where available across our sites in line with our decarbonization commitment. We will explore additional decarbonization opportunities across our portfolio and entities.

## 6. Food Waste

- 6.1. We will reduce food waste and continue to work with global partners such as Too Good to Go (TGTG.com) and local civil society organizations for waste reduction and awareness raising among customers and end consumers.

## 7. Operational Waste

- 7.1. We will reduce operational waste and will report on waste reduction programs, recycling initiatives and responsible disposal methods across the Group.
- 7.2. We are actively working to reduce our general waste and in-process food waste and identifying recycling opportunities available through greater segregation. We will continue to collaborating with others to reduce, recycle and reuse our waste and water resources.
- 7.3. We are also working on a reduction of water usage in our production and are committed to reuse water used in production for other purposes (where possible) to reduce our impact on water usage.

## 8. Logistics

- 8.1. We will reduce our GHG footprint through efficiencies across our logistics network and harmonizing routes globally through a reduction of overall distance travelled and / or overall optimization.
- 8.2. We will innovate continuously for optimization and decarbonization including reviewing and improving load management, vehicle type and utilizing renewable fuels where available to reduce our GHG footprint.

## 9. Planetary Health

- 9.1. We aim to align and improve our products and ingredients in compliance with planetary health, namely considering human health choices within environmental systems as per the global framework from the Lancet Commission on Planetary Health.
- 9.2. Actively innovate to continuously improve our consumers' access to plant-based choices and alternative protein options.
- 9.3. Grow our plant-based offering and increasing our volume of bio-protection food products.

- 9.4. We will innovate and prioritize planetary health in our product development processes and decision making.

## 10. Biodiversity and Soil Health

- 10.1. We want to play our role in creating a regenerative food system and rebalancing the relationship between business and nature.
- 10.2. We aim to engage with suppliers and farming communities of our ingredients sourced to foster sustainable farming practices for soil health and restoration of local ecosystems and natural resources, while supporting community livelihoods.
- 10.3. We are committed to responsible sourcing of the food ingredients we procure. We also aim to diversify the types of plant and hybrid proteins beyond animal-based proteins in our ingredients and recipes, as per the Planetary Health global standard.

## 11. Packaging

- 11.1. NovaTaste is committed to supplying and offering more sustainable packaging as defined by efficiencies in material-use, recyclability and re-use & re-purposing opportunities where possible per material availability and legally permissible.
- 11.2. We aim to eliminate problematic or unnecessary single-use packaging and opting for reusable, recyclable and/or compostable alternatives where possible and legally permissible.
- 11.3. We will incorporate more recycled and reusable materials in line with the Extended Producer Responsibility (EPR) regulations.

## 12. Deforestation

- 12.1. We want to play our role in creating responsibly sourced food systems that are free from deforestation. In compliance with the EU Deforestation laws (EUDR). We remain aware of changing regulatory landscape and are working with our suppliers and to ensure compliance. Where in-scope, materials supplied will need to be compliant to meet these regulations.
- 12.2. We commit to no-deforestation or conversion across its primary deforestation-linked commodities. This means that clearance of natural forest after 2020 renders the affected area, and the commodity produced there to be non-compliant with our no-deforestation and no-conversion commitments. This includes impacted products like packaging and oils.

## 13. Sourcing

- 13.1. NovaTaste's sourcing strategy outlines our intention to reduce impact, mitigate risk and improve performance, while committing our suppliers that good labor practices are adhered on the entire supply chain. Our commitments strengthen this direction by further integrating material environmental issues in supply chain management. To embed sustainability within the Procurement function, our commitments sit within our supplier strategy.
- 13.2. Will will actively engage with suppliers on traceability to origin, including proving their products' origins and/or sourcing from an independent sustainability certification standards.
- 13.3. We will provide regular training to category buyers on key social and environmental issues to improve climate and ethical literacy across the department.
- 13.4. We will work towards agreeing on key suppliers' performance environmental KPIs and actively support in ensuring their direction is aligned with our overarching commitments.
- 13.5. We will also work towards taking prospective supplier's sustainability commitments and performance into consideration as per the Supplier Code of Conduct process and strategic decision making.

## 14. Continued Improvements

- 14.1. We will undertake strategy reviews and updates, continuing to embed physical risk analysis into our annual Group Risk analysis and risk management process.

- 14.2. We will provide appropriate information, communication and training to build internal and external understanding, concerning the Company's environmental and climate impact.
- 14.3. We will encourage our suppliers and customers to use sustainable resources wherever possible.
- 14.4. This policy will be reviewed annually to ensure that it remains relevant and appropriate to the organization.

## Table of Changes