

Creating positive impact *snack by snack*



Intersnack



Welcome

Welcome to Intersnack's 2023 Sustainability Progress Report, where we showcase how small steps can lead to significant change.

At Intersnack, we believe small steps can add up to big change. In this report, we outline our recent efforts to drive sustainable practices across our operations and supply chain.

This report gathers data from all Management Units within the Intersnack Group unless otherwise stated and covers the years 2022 and 2023.



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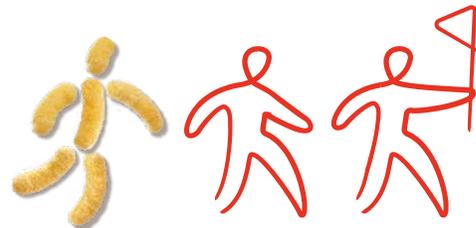
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Welcome from our Executive Board



Fabien Duvilla, Henrik Bauwens, Maarten Leerdam, Johan van Winkel



At Intersnack, the journey to become a more sustainable business began nearly 20 years ago. Since then, we have built on our efforts year by year and are pleased to share our latest updates in this 2023 Sustainability Progress Report.

We're in the business of creating great-tasting snacks that enrich people's lives through small moments of happiness. While consumer satisfaction is crucial, we recognise outstanding snacking involves more than just taste. It requires a steadfast dedication to quality and responsible production practices, which are fundamental to our sustainability mission.

Throughout 2023, we continued to advance against our focus areas, taking decisive action to deliver positive impact, one step at a time.

We were particularly proud that our Science Based Targets initiative (SBTi) targets were approved, taking our commitment to climate action to the next level. We recognise that, like so many industries, our greatest challenge and opportunity for environmental impact today is in addressing Scope 3 emissions. We have therefore successfully launched our sustainable agriculture programme, enabling us to better support farmers and suppliers in transitioning towards regenerative agricultural practices. Achieving our targets will take time and collective commitment from throughout our value chain, but we are ready for the challenge and working hard to continuously reduce emissions.

Ever since we set out on our sustainability journey, people have been at the heart of our efforts. With this comes a firm belief that good, safe working conditions are essential to a successful and responsible business. Considering this, we see the introduction of new European due diligence legislation as a key opportunity to – and an important mechanism for – assuring that decent and safe working conditions are upheld throughout our supply chain.

We have also continued evolving our products to meet consumer needs, making great progress towards delivering more clean-label products that are free from artificial taste enhancers, colours and sweeteners.

With each of these steps, we draw nearer to the responsible, future-ready business we aspire to be. We are proud of our progress to date, and while some areas of our sustainability strategy require renewed focus, we take every learning as an opportunity for improvement.

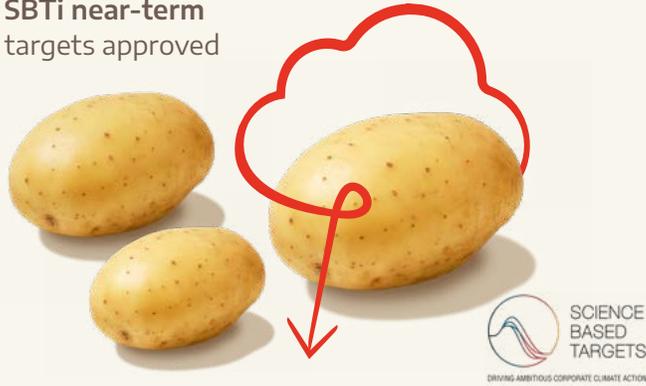
Through it all, we know there will be challenges to face – from climate change and water risks to continually evolving consumer preferences and supply chain issues. We are building the tools and knowledge to address these obstacles head on, supported by our strategic partners and the ongoing passion and dedication of our teams across Management Units and countries to continue creating positive impact, snack by snack.

The Executive Board

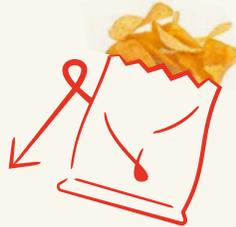
Highlights from 2023

Evolving a more sustainable business isn't about reaching a specific endpoint; it's a continuous journey of growth and improvement. We want to recognise the progress we made in 2023 while understanding there is always more to do.

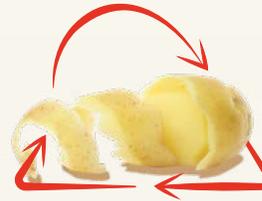
SBTi near-term targets approved



11.8% reduction in flexible packaging (versus 2014)



27% edible waste reduction for chips category (versus 2018)



80% of products free of artificial flavours, taste enhancers, colours and sweeteners



Gold EcoVadis rating in 2023



We have achieved an **80%** completion rate for compliance trainings



Good working conditions through the Honest Cashew initiative – and sharing our story on pack



All our peanut suppliers in Argentina are **FSA-verified**, covering **150,000 hectares** and 670 farms



Launched our **sustainable agriculture** programme across France and the UK



Get to know Intersnack

Great-tasting snacks have the power to make good times even better. At Intersnack, we work hard to deliver responsibly made products that people enjoy.

A global business

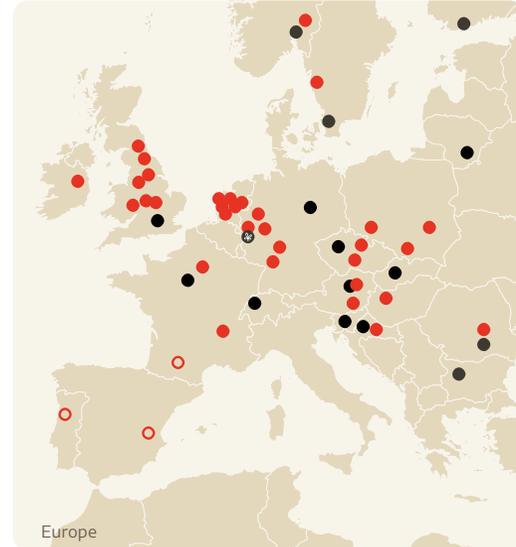
We are one of the leading snack companies, with a presence in over 30 countries across Europe, Australia, New Zealand and beyond. In 2023, we sold over 712,000 tonnes of snacks, generating net sales of more than €4.2 billion.

Intersnack is headquartered in Düsseldorf, Germany, with 43 production sites across Europe, Asia, Australia and New Zealand. Our global workforce, comprising over 14,000 dedicated employees, is instrumental in our success.

Being privately owned, we operate with a long-term view. Intersnack's strength lies in our unique blend of local knowledge and international expertise, our people and teamwork, plus our entrepreneurial spirit and a drive for excellence in everything we do.



Our sites and offices



● Offices ● Factories ○ Joint ventures ● Headquarters



Some of our iconic snack brands



Our product categories



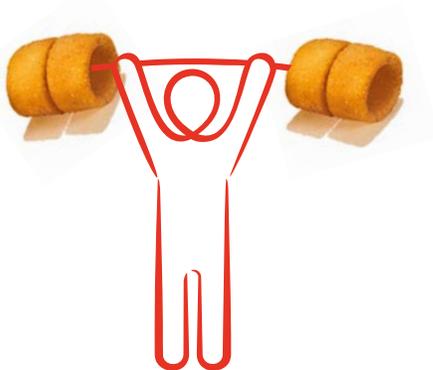
Guiding our efforts

At Intersnack, we are guided by a clear purpose: creating happy snacking moments.

Our purpose drives our actions to develop great-tasting snacks in sustainable ways. This purpose is underpinned by our company vision, mission and values – the fundamental elements that make Intersnack who we are.

The Intersnack vision

We are passionate about enriching people's lives with the right choices of great-tasting savoury snacks.



The Intersnack mission

Our strength is being both proudly local and truly international. We create value with our products, our innovations and our iconic brands. We strive for excellence in everything we do. Being privately owned enables us to operate our business with a long-term view. We are fully committed to a more sustainable world.

The Intersnack values

Our core values guide our daily work with our employees, our consumers, our business partners and other stakeholders.



Creating positive impact snack by snack

Our sustainability manifesto

Our aim is to create positive impact, one snack at a time – using our influence to help build an ethical sustainable food system that supports better futures for everyone involved.

We know this is only achievable through determination and collaboration. That's why we're on a journey with our teams and business partners to create snacks people love and trust.

We're working to ensure every action we take is better than the last, benefitting customers, consumers, employees and people throughout our supply chains.

For every crop grown with less water, every packet made with less plastic, every employee empowered to realise their full potential and every artificial flavour swapped for the real deal, we get that bit closer to being the business we want to be, snack by snack.

Aligning with the UN SDGs

We are working to contribute to a better world by adapting what we do and how we do it. As part of this, we are supporting global efforts to drive progress against the United Nations Sustainable Development Goals (UN SDGs) we can have the greatest impact on.

SUSTAINABLE DEVELOPMENT GOALS



We promote safe and secure working environments for all employees. Additionally, we implement measures to ensure decent working conditions throughout our supply chain.



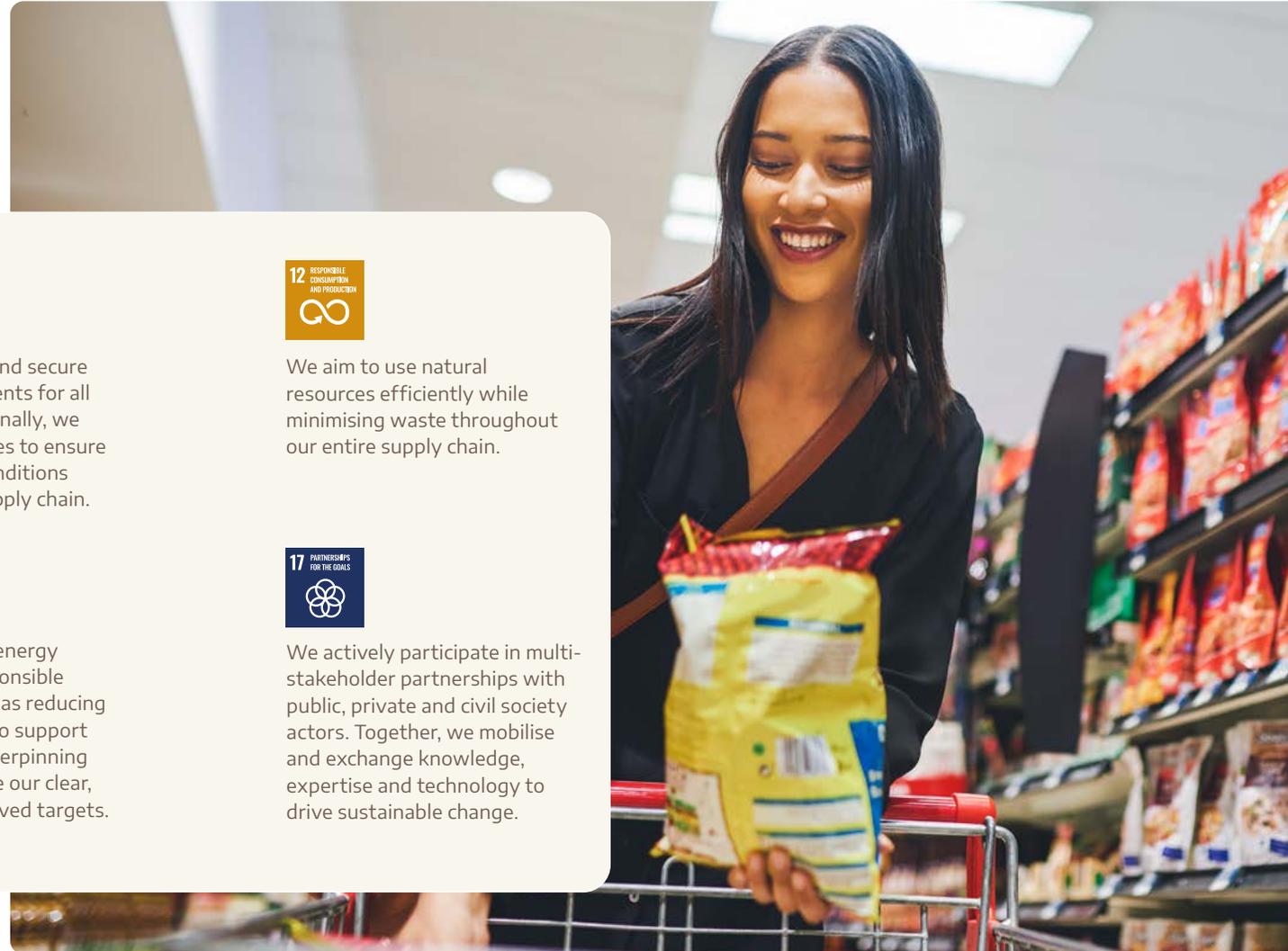
We are advancing energy efficiency and responsible agriculture, as well as reducing packaging impact to support climate action. Underpinning all these efforts are our clear, robust, SBTi-approved targets.



We aim to use natural resources efficiently while minimising waste throughout our entire supply chain.



We actively participate in multi-stakeholder partnerships with public, private and civil society actors. Together, we mobilise and exchange knowledge, expertise and technology to drive sustainable change.



Sustainability at Intersnack

Sustainability is fundamental to Intersnack’s operations, integrated into every area of our business through our sustainability strategy.

To create an effective strategy, we first had to understand the topics that matter most to our business. That’s why we have undertaken a robust double materiality assessment, which we update on a regular basis.

The assessment includes a combination of research and stakeholder engagement to better understand the areas where Intersnack can have the greatest influence. The resulting material issues form the key focus areas of our four-pillar strategy.

Consumer

Innovating for better, tasty choices

- Great taste at the highest quality
- Enabling better choices
- Honest communication




Environment

Reducing our footprint through our zero-loss approach

- Climate action
- Circular solutions
- Sustainable agriculture




Social

Leading with responsible value chain practices

- Responsible sourcing
- Partnerships for impact
- Supplier support
- Engaging with local communities




Employee

Inspiring our people to reach their full potential

- Health and safety
- Diversity, equity and inclusion
- Engaging colleagues
- Nurturing talent



Progress towards our 2025 targets¹

Achieving meaningful progress requires both a long-term strategy and clear, short-term targets. We have set defined targets that (unless otherwise stated) will guide our efforts towards 2025.

Consumer

	2022 Progress	2023 Progress
100% of products free of artificial flavours	78%	82%
100% of products free of artificial taste enhancers	90%	95%
100% of products free of artificial colours	96%	99%
100% of products free of artificial sweeteners	96%	99%
100% of products use sunflower/rapeseed oil low in saturated fats	92%	97%

Environment

	2022 Progress (compared to baseline)	2023 Progress (compared to baseline)
50% reduction in Scope 1 and 2 CO ₂ e emissions by 2032 versus 2021 ²	- 2%	+4%
30% reduction in Scope 3 CO ₂ e emissions of categories in SBTi target scope by 2032 versus 2021 ³	+6.4%	+9%
Achieve 100% renewable electricity by 2032	25%	38.5%
Reduce food waste by 50% (2032 target) versus 2021	-14%	-14%
Reduce non-edible waste by 10% versus 2018	-2%	-0.5%
Reduce use of packaging materials by 15% by 2025 versus 2014 ⁴	-10.9% Flexible packaging	-11.8% Flexible packaging
	-11% Cardboard packaging	-12.5% Cardboard packaging
Achieve 100% recyclability for plastic consumer packaging by 2025	9/11 ⁵ Packaging types	9/11 Packaging types
Reduce water consumption by 20% per tonne of product versus 2018	-4%	-2.8%

¹ Data does not include our recently acquired Management Units in Australia and New Zealand unless otherwise indicated.
² The CO₂ target for Scope 1, 2 and 3 is approved by SBTi and includes emissions from Australia and New Zealand.
³ The CO₂ target for Scope 1, 2 and 3 is approved by SBTi and includes emissions from Australia and New Zealand.

Social

	2022 Progress	2023 Progress
100% of priority-1 suppliers signed our Responsible Sourcing Policy	94%	98%
100% of priority-1 volume sourced from processors assessed against Ethical Trading Initiative (ETI)/Sedex Members Ethical Trade Audit (SMETA) criteria or equivalent	91%	91%

Employee

	2022 Progress	2023 Progress
100% of plants are health and safety certified (ISO45001)	97%	94%
100% of plants have completed valid ethical assessments (ETI/SMETA)	89%	80%
80% of eligible employees at IWS ⁶ sites have a Work Development Plan	45%	78%



⁴ The flexible packaging and corrugated packaging categories cover a majority of Intersnack's packaging portfolio.
⁵ 9/11 packaging types are recyclable.
⁶ Intersnack Work System.



Consumer focus topics

Great taste at the highest quality

Enabling better choices

Honest communication



Consumer

Innovating for better, tasty choices

We're constantly innovating to deliver great-tasting, high-quality snacks that address sustainability and health considerations for people around the globe. We share transparent information with our consumers, so they know exactly what they get when they choose one of our snacks.

Consumer needs are changing, with more demand for products that fit a health-conscious, sustainable lifestyle. We are leveraging our expertise and investing to reformulate, innovate and improve in everything we do – offering a full range of appealing, sustainably produced products with enhanced nutrition profiles. And so consumers can make informed choices, we're providing clear, honest and relevant product information.

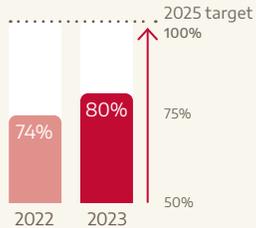
To support consumer choice wherever we have a presence, we must ensure everyone across the Group is working towards the same goals. Our consumer responsibility policies are implemented by each Management Unit, driving regional alignment. We also maintain cross-company compliance with internal product quality and safety policies through our quality management teams, while marketing teams continuously enhance our consumer communications, with a key focus on product labelling.

Great taste, high quality, better choices

People want to enjoy snacks that complement their balanced lifestyles without compromising on taste. We're always developing our portfolio, reformulating recipes with a focus on clean, natural ingredients that deliver the flavours consumers love while reducing saturated fat and salt. It's what we call Mindful Indulgence.

Targets and progress

100%
of products free of artificial flavours, taste enhancers, colours and sweeteners



Delivering more natural products

We are enhancing our ingredients and gradually removing all remaining added artificial taste enhancers, colours or sweeteners from branded products by 2025. Across the board, we've shown tremendous progress year after year, and just 0.2% of our products still include artificial colours or sweeteners while 91% of our branded net sales don't contain any taste enhancers. In France, we are proud to have achieved 100% on all our targets already; across Ireland, the Netherlands, Poland, the Baltics, the Nordics and Austria, we're between 90% and 100%.

Enhanced nutritional profiles

(% of net sales of branded products in 2023)

- 99%** without artificial colours
- 99%** without artificial sweeteners
- 97%** using sunflower/rapeseed oil, low in saturated fat
- 82%** without artificial flavours
- 95%** without artificial taste enhancers

Less (saturated) fat

While fat is an essential macronutrient, we want to create products that help consumers reduce their intake of less-healthy fats by moving to oil types with lower saturated fats profiles. We have worked progressively to deliver against this.

Since 2020, we mostly use sunflower and rapeseed oils for our frying processes, reaching 97% coverage based on net sales of branded products in 2023. Where we still use palm oil, we are ensuring it is RSPO certified. We have also achieved a 1.6% reduction in fat per kilogram of branded products sold, thanks to continuous reformulation efforts.

One example of our efforts in action, our Lentil Chips are available across various markets, and the level of consumer uptake has been promising, indicating the widespread appeal of this lower-fat option. In 2023, we introduced Popchips, already a successful proposition in the UK, across several countries including Germany and the Netherlands. Made by applying heat and pressure to 'pop' the chips, rather than traditional frying methods, Popchips are lower-calorie and lower-fat chips that still offer great flavour.



A portfolio to meet varying needs

We want to develop a portfolio of snacks that meets many different needs. This includes creating various options that are natural sources of protein, fibre and vitamin E, as well as products with a lower salt content.

For example, our ulti roasted and salted peanuts provide 24 g of protein, while our deluxe mix contains 100% of daily recommended vitamin E⁷. We have also recently launched Felix Lightly Salted Peanuts, which contain 30% less salt while still delivering great taste and a high-protein snacking choice.

Vegetarian- and vegan-suitable options

We continue to broaden our range of products that are suitable for vegetarians and vegans. This includes reformulating some 'meat'-flavour snacks – such as McCoy's Flame-grilled Steak, Sizzling King Prawn and Thai Sweet Chicken chips. Many of our 'dairy'-flavour snacks are also suitable for vegans, for example, our Swedish range of Estrella Lentil Chips.

Many of our brand websites offer the option to filter snacks by dietary requirements, making it quicker and easier for consumers to find the products they want.

⁷ All figures are per 100 g of product.

Safety and quality: the cornerstones of Intersnack products

100%

of sites maintain at least one food safety scheme accredited by GFSI

While flavour and nutritional profile are key product development considerations, our first priority, always, is ensuring everything we produce meets the strictest food safety standards.

All Intersnack sites maintain at least one food safety scheme accredited by the Global Food Safety Initiative (GFSI) and are externally audited annually to assure ongoing compliance. Each site also submits to a voluntary American Institute of Bakery (AIB) audit of their manufacturing practices.



Listening to our customers

We work with a third party to conduct annual retail customer satisfaction surveys to gather valuable insights on our cooperation. Since 2016, we have noted marked progress, with top-tier customer satisfaction rankings increasing from 26.7% (2016) to 94.1% (2023).

Top-tier customer satisfaction ratings⁸

94.1%
In 2023

76.5%
In 2022

26.7%
In 2016



⁸ Based on survey results from retail partners who work with Management Units to identify potential improvements.

Honest communication

Responsible, informative and transparent communication is key to helping consumers make informed choices. We're going beyond regulatory requirements, enhancing the nutrition and sustainability information we share.

We maintain a responsible approach to marketing as signatories of the EU Pledge, a voluntary initiative that establishes parameters for responsible food and beverage advertising to children.



Our stories on pack

Several of our brands have developed on-pack messaging with updates on key sustainability initiatives.

Przysnacki:

In Poland, we're leveraging packaging as a platform for sharing that, by reducing Przysnacki packaging size, we've cut plastic use by up to 14% per pack.



Vico:

Vico is spotlighting the growers behind their snacks with on-pack codes and a supporting website that lets people explore the journey from farm to pack.



Vico Pop:

In France, Vico has launched a new microwave popcorn range – Vico Pop – with packaging that highlights the sustainable farming practices used to cultivate the corn.



Estrella:

To introduce more people to our Honest Cashew initiative, Estrella Cashews' packaging displays the initiative logo, inviting consumers to explore how our cashews are sourced and processed.





Environmental focus topics

- Climate action
- Circular solutions
- Minimising water use
- Sustainable agriculture



Environment

Reducing our footprint through our zero-loss approach

We're committed to lowering our environmental footprint, driven by a zero-loss mindset and a dedication to efficiency. It's why we're working across our operations to find ways to do more with less – from reducing waste and increasing material use efficiency to redesigning our packaging. We've now also extended our actions into our supply chain to address our Scope 3 CO₂ emissions. During 2023, our Science Based Targets initiative (SBTi) targets were approved, taking our commitment to climate action to the next level.

Healthy ecosystems are vital for safeguarding the future of our business. Issues like climate change, biodiversity loss and natural resource depletion represent challenges for everyone.

Achieving lasting progress demands joint action from across the Intersnack Group. Our working groups connect with Management Unit representatives to exchange information, leverage regional insights and enhance collective understanding and learning as we embed sustainability further into the fabric of our business.

With a large proportion of Intersnack's environmental footprint occurring in our supply chain, we also seek partnerships with our suppliers to initiate joint improvement initiatives. We collaborate to amplify our efforts, partnering strategically and promoting sustainable agriculture practices.

Climate action

While vulnerable to climate change impacts, global agri-food systems are also significant emissions contributors. To support global climate action, we are looking to reduce our emissions footprint both from our direct operations and our supply chain. With the approval of our SBTi targets, we are proud to take our commitment to climate action to the next level.

Our SBTi roadmap to 2032

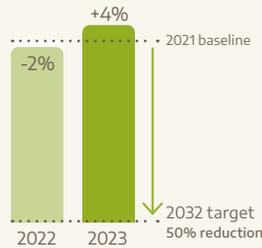
To keep global warming below 1.5°C, we all have an important role to play in helping halve global emissions before 2030. Achieving the targets will require a multifaceted approach, focusing on several key improvement areas and supported by various delivery workstreams.

To address Scope 1 and 2 emissions, we are focusing on the reduction of gas consumption, increasing energy efficiency and transitioning to renewable sources. For Scope 3 emissions, we will continue to optimise transport logistics while engaging with suppliers to promote sustainable farming practices and address our packaging footprint through reduction and recyclability.

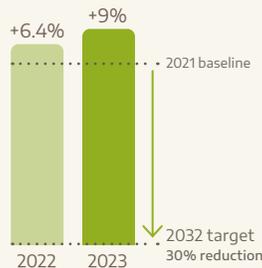


Targets and progress

50% reduction in Scope 1 and 2 CO₂e emissions versus 2021



30% reduction in Scope 3 CO₂e emissions of categories in SBTi target scope by 2032 versus 2021



Intersnack operations (Scope 1 and 2)

Since 2010, we have achieved a 25%⁹ reduction of emissions per tonne of product in Scope 1 and 2. In 2023, we raised the bar, updating our climate targets in line with the SBTi standards, and introducing absolute reduction targets for both our operations and supply chain.

Our absolute Scope 1 and 2 emissions did increase by 4% in 2023 versus the 2021 baseline. Besides the growth of our business, this increase was partly caused by the transition from biogas to conventional natural gas in Sweden, brought on by supply issues.

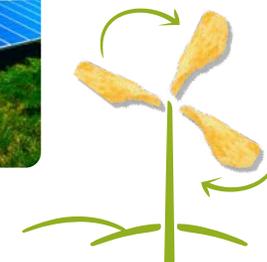
Our relative Scope 1 and 2 emissions, meaning emissions per tonne of product, increased by 2% vs 2021. Despite the switch from biogas to conventional gas, the emissions per tonne of product related to natural gas use (Scope 1) remained constant vs 2021. The emissions per tonne of product related to the use of electricity (Scope 2), however, increased by 11%. This was primarily due to a change in national CO₂ factors in Germany.

Making a switch to renewable electricity

Critical to achieving our SBTi targets will be the switch to renewable electricity. We have committed to reaching 100% renewable electricity by 2032. By the end of 2023, we have increased our share of electricity from renewable sources to 38.5% from 25% in 2022.

In support of this, several of our sites have introduced photovoltaic (PV) panels to generate solar electricity. For example, in Austria we have built photovoltaic power systems at the plants in both Vienna and Feldbach. Since the installations, we have been able to produce 1,200 megawatt-hours of electricity at both sites (Vienna in June 2022, and Feldbach in June 2023). Over their run-time, this has amounted to 410 tonnes of CO₂ saved (up to June 2024), and new projects to expand the power systems are already under inspection. Meanwhile in Poland, Nysa's wastewater treatment plant features PV panels that generate around 54 megawatt-hours of electricity annually.

Data quality and digital energy management systems are also key to efficiently tracking, and subsequently reducing, energy use. 86% of fully owned Intersnack plants are therefore also aligned with ISO 50001 (energy management) standards.



38.5% of electricity purchased from renewable sources

⁹ A 25% reduction was recorded in 2022 using 2010 as the baseline.

Intersnack's supply chain (Scope 3)

Scope 3 emissions are indirect emissions that occur along our upstream and downstream value chain. They represent the largest share of our footprint – at around 85% – which is why we are working to reduce absolute Scope 3 emissions by 30% by 2032. The emissions from our selected Scope 3 categories (set in line with our SBTi target) have actually increased by 9% this year versus our 2021 baseline. This was due to the fact that, in the last two years, we have focused on improving data collection and reporting quality while continuing to achieve business growth.

However, throughout 2023, we launched several supply chain initiatives designed to address our Scope 3 emissions. One example is our newly launched sustainable agriculture programme, from which we expect to see initial positive results in the next two years. Additionally, we have continued our efforts in reducing emissions from waste and packaging.



Encouraging shared action

We recognise achieving our SBTi target will take concerted efforts from Intersnack, but we also know we need buy-in from our complex network of suppliers, service providers and partners. As we move forward, we will work collectively to drive day-to-day improvements for efficiency in line with our zero-loss philosophy; we will also continue exploring new solutions and innovations that can help us achieve more significant improvements.

Achieving our SBTi target will not be a linear process. As we grow our business, as well as leverage new insights, we will continue to evolve our approach by continuously improving data and learnings. The reduction initiatives that have been kick started in 2023 will take time to deliver results. We are up for the challenge, uniting everyone at Intersnack around our 2032 climate target.

Circular solutions for waste

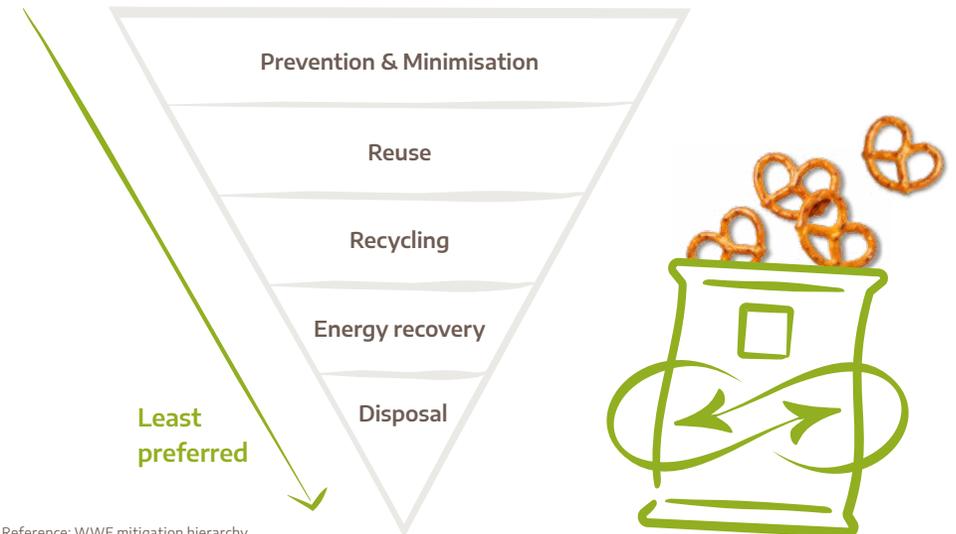
To enable circular solutions, we are optimising our material use, eliminating waste and innovating our packaging for recyclability.

Our waste management approach follows a clear hierarchy, with prevention as our number one priority. Where waste can't be avoided, we leverage reuse, recycling and energy recovery to give materials a second life. Disposal is the final option.

Optimising material use and eliminating waste is deeply embedded in our day-to-day processes and is reflected in our zero-loss journey mindset.



Intersnack mitigation hierarchy*



* Reference: WWF mitigation hierarchy.

Closing the loop on packaging

We believe packaging should keep our products fresh and safe without harming the planet or becoming waste. To achieve that, we need a transformation towards a circular economy that is efficient in material use, minimises environmental impacts and drives value throughout the supply chain. That is why we established our Packaging Pledge.

Evolving our packaging footprint

Circular packaging starts with packing more products with less materials. Across our packaging portfolio, we continuously look to eliminate unnecessary materials, reduce packaging where possible and assure the most optimal solutions to protect our products.

We use flexible packaging – a lightweight, highly efficient solution with a relatively low environmental footprint compared to alternatives – for many of our products. By the end of 2023, we have been able to reduce flexible packaging material use by 11.8%.

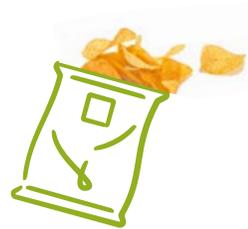
As well as reducing volume, we are continuously researching new ways to enhance the recyclability of our plastic consumer packaging.

To further support the transition towards a more circular economy, Intersnack has an ambition to increase the use of recycled materials in our packaging. We are striving to use 20% recycled materials in our plastic packaging, if and when it becomes commercially available and the functionality can be guaranteed.

Packaging progress against our targets to date



9/11
packaging types
are recyclable



11.8%
reduction in flexible
packaging (versus 2014)



12.5%
reduction in cardboard
(versus 2014)

Lightweighting multipacks

In the UK, KP Snacks is reducing flexible packaging by cutting the amount used for the packs of the brands Discos, Roysters and Frisps multipacks. The switch has decreased packaging volume of those 3 packs by 35%.



Reducing packaging impacts across the Tyrrells range

During 2023, Tyrrells reduced packaging across its entire UK product range by 25%. This will help save 113 tonnes of plastic every year. The brand is also running a UK pilot to incorporate 25% post-consumer recycled (PCR) plastic into 135–150 g packs.



Designing for recycling

Across Sweden and Austria, we apply the Design for Recycling (D4R) principle to advance packaging recyclability. Whereas previously, film for our chips bags was made with three plastic types, we have now updated our design to use only one. This mono-material packaging is now fit for recycling after use and contributed a 35% reduction in material use as of 2022 – saving 108 tonnes of plastic.

Partnering for progress

Advanced waste infrastructure is required to achieve a circular economy. However, today, that infrastructure varies from country to country, with some still lacking the facilities required for proper segregation and recycling. That is why a key focus of our Packaging Pledge is partnering to advance waste collection, sorting and recycling. We also collaborate with expert organisations and engage in sector initiatives to enhance the quality of recycled packaging materials. Our partners currently include CEFLEX and WRAP UK.



Supporting Holy Grail 2.0

Since 2021, Intersnack has been a member of HolyGrail 2.0 – an initiative to introduce invisible digital watermarks to consumer packaging, enabling better sorting into the correct recycling stream. The result is more efficient sorting and higher-quality recycled material.

Reducing food waste

We believe good food shouldn't be wasted. Where possible, we avoid food waste, reusing what we can and sending edible waste for use in animal feed.

We measure our food waste according to the Food Loss and Waste Protocol and have a target to reduce total food waste by 50% by 2032. We have also set a target to reduce non-edible waste by 10% by 2025. During 2023, we observed an increase in non-edible waste versus the previous year, primarily a result of improved reporting in some markets as well as procedural updates.

Targets and progress

50%

reduction in food waste versus 2021



10%

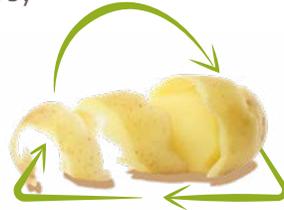
reduction in non-edible waste versus 2018



In the chips category, we reduced edible waste by

27%

versus 2018



Keeping food out of the bin with Estrella



Not far from the Estrella factory is a social supermarket, Mat Rätt. In 2023, Estrella began reporting and working with Mat Rätt to ensure any functional waste – snacks that can't be sold in regular stores but that are still good to eat – goes to the store instead of being thrown away. By doing so, Estrella is keeping quality food from going to waste while helping reach people in vulnerable situations with enjoyable snacking moments.

Minimising water use

Water is a valuable resource we all share. It is also becoming increasingly scarce as climate change impacts put a strain on clean, safe water sources. As such, we all have a responsibility to use it efficiently to protect and preserve valuable supplies.

Targets and progress

20%

reduction in water consumption per tonne of product versus 2018



Targeting continued progress

We follow a two-pronged approach to enhance our water use efficiency. First, we look to minimise water use, with a goal to reduce consumption by 20% by 2025. Where we cannot avoid use – for example, in production processes where water is a key input – we are increasing reuse in line with food safety regulations.

Throughout 2023, we continued in our efforts to increase water use efficiency, reducing water use by 2.8% versus 2018. Our consumption is calculated as average water use per tonne of product, and while we maintain an ongoing focus on efficiency, 2023 progress was influenced by increased production of more water-intensive products. Moving forwards, we will explore more ways to reduce water use in our factories without impacting product quality or safety.

Recycling water to reduce overall use

In one of our UK chips plants, we updated onsite wastewater treatment to improve water quality. By filtering and cleaning more of the water that is used in our processes, we can now recycle over 500,000 m³ of water annually. This helps cut water use in the plant by over 70%.



Sustainable agriculture

We are working with farmers to find better ways of growing crops that are good for the farmer – and for the planet.

Sustainable agriculture serves as a key lever for achieving Scope 3 emissions reductions while securing food production in the long term. We are participating in a number of initiatives that support suppliers and farmer groups in improving soil health, safeguarding biodiversity and reducing emissions through regenerative agricultural practices.

Our sustainable agriculture programme integrates field-based learning and knowledge transfer alongside online tools and innovative solutions tailored to suppliers’ unique needs. To advance practices throughout our supply chain, we are focusing on potatoes as they are our main commodity. There are also additional activities in place for peanuts, sunflowers and corn.

Reducing emissions in the potato supply chain

We take a local-for-local approach to potato sourcing, closing the distance between field and factory. In fact, most potatoes we use are sourced directly from farms within 150 km of our factory sites. Not only does this help support local economies; it also plays a key role in reducing related emissions.

In Germany, our funny-frisch Chipsfrisch products highlight, on pack, that the potatoes used are from German contract farmers.



Encouraging cover cropping

In the UK, Tyrells have supported one of their potato farmers to introduce cover cropping on 11 hectares of farmland in a bid to enhance the soil, improve potato yield and increase carbon sequestration. As well as preparing the land for spring potato planting, the cover crops led to improved soil structure and reduced erosion. They also helped produce nearly 30 tonnes of fresh matter per hectare. This increase in organic matter resulted in the soil acting like a sponge, soaking up rain through improved water infiltration and therefore preventing surface flooding.



A climate-smart sustainable agriculture project for peanuts

One of the largest peanut-producing countries, Argentina, represents a significant proportion of Intersnack’s peanut supply chain. Through our Sustainable Agriculture Initiative (SAI) Platform membership, we’re joining a project to explore the role sustainable agriculture can play in mitigating emissions and building sector resilience.

The project will engage 25 regional farms to establish their emission and sustainable agricultural practice baselines, using the [Cool Farm Tool](#) and the SAI Platform’s [Regenerating Together Framework](#). This will inform transition support roadmaps for each farm, with data anonymously aggregated for wider sector insight.

“For Intersnack, sustainable agriculture is a key lever in our efforts to tackle emissions while securing a long-term future for food production. We are honoured to be participating in the Argentina Peanuts Climate Smart and Regenerative Agriculture project – advancing our own understanding while contributing to greater industry awareness and farmer adoption of responsible, resilient farming techniques.”

Yann Quéméneur
Food Purchasing Director, Intersnack



Social focus topics

Responsible sourcing

Supplier support

Partnerships for impact

Engaging with local communities

Social

Leading with responsible value chain practices

Behind every one of our products is a complex global network of value chain partners – from suppliers to local communities. We’re committed to driving best practice responsible sourcing standards, building supplier capacity and giving back to the communities we call home.

We use our expertise and resources to drive change in the global supply chains where we have influence and the communities where we have a presence.

Intersnack is committed to preventing and addressing social risks that may arise in the supply chain. Through our Supplier Code of Conduct and Responsible Sourcing Policy, we drive compliance across our supply chain. Through targeted audits, projects and supplier development, we are continually contributing to assuring good supply chain labour standards.

We make social impact and sustainability everyone’s responsibility every day – from category managers dealing directly with suppliers to vendor assurance teams assuring the quality of our products.

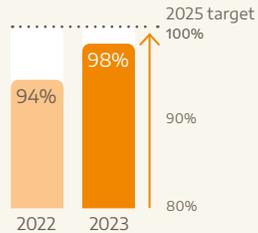
Responsible sourcing

Sustainable products start with responsible sourcing practices. As a company with a complex, diverse and global supply network, we aim to work with suppliers who share our commitment to upholding human rights and providing safe and decent working conditions.

Targets and progress

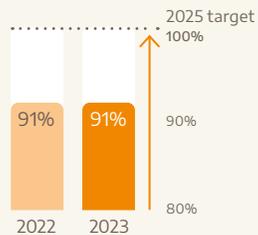
100%

of priority-1 suppliers signed our Responsible Sourcing Policy



100%

of priority-1 volume sourced from processors assessed against ETI/SMETA criteria or equivalent



Understanding supply chain risks

We work diligently to understand the potential risks our supply chain poses, following a due diligence approach based on the UN Guiding Principles for Business and Human Rights and the Organisation for Economic Cooperation and Development Due Diligence Guidance for Responsible Business Conduct.

Intersnack conducts an annual risk assessment of our procurement categories, using the findings to update our policy. To help identify and prioritise measures for suppliers, we have established priority categories, with the priority 1 category being high risk and the priority 2 category being high volume. To ensure wider teams understand our supply chain risks and product categories, we have developed a due diligence e-learning course. We also offer an online whistleblowing channel for anyone who wishes to report concerns or feedback.

A targeted approach to enhanced procurement

We maintain a Responsible Sourcing Policy to ensure our suppliers comply with our social and environmental expectations. This policy has been developed with reference to the ETI Base Code, an internationally recognised code of good labour practice.

We also support improvements in labour-related and environmental issues through targeted projects and supplier developments.

Our key levels of intervention are:

- Implementation of the Responsible Sourcing Policy
- Supplier development and projects
- Origin and sector development

In 2023, we continued to increase the number of suppliers who had signed our Responsible Sourcing Policy, reaching 98% of priority 1 suppliers by the end of the year. We also took steps throughout the year to enhance and strengthen the policy, making this progress particularly noteworthy.



Providing a brighter future with Honest Cashew

Through our Honest Cashew initiative, we're advancing transparency, strong farmer relationships and 100% in-house production with our single-roof processing. Learn more about our initiative at www.honest-cashew.com.



Assessing compliance

Our suppliers are required to complete the Sedex self-assessment questionnaire. For our priority 1 and 2 categories, we also require a third-party assessment of processing facilities which covers four areas: Labour, Health and Safety, Environment, and Business Ethics. For third-party assessments, the Sedex social auditing methodology, SMETA, is being used.

During 2023, we were proud to maintain a 91% compliance level for processors from priority 1 categories, while also updating our Responsible Sourcing Policy with stricter requirements that bring it in line with international supply chain due diligence requirements.

Zero-deforestation supply chains

As global populations grow and demand for food rises, this may also lead to more forest clearing to create agricultural space. We are committed to zero-deforestation supply chains and conduct an annual risk assessment of our key commodities.

Supplier support

Long-standing partnerships are vital to building supply chain capacity, knowledge and profitability. To ensure our suppliers grow alongside us, we conduct due diligence that protects labour rights, and we pursue supply chain improvements that drive quality and sustainability globally.

We engage various partners and industry peers in actions to improve supply chain working conditions, crop yields, product quality and farmer livelihoods. We also collaborate with organisations that promote human rights and sustainable agriculture. This includes maintaining active memberships with organisations and initiatives such as Rainforest Alliance and SAI platform.

In the last 10 years, we have supported approximately

20,000

smallholder farmers to improve their incomes, providing training in agricultural practices that aim to improve crop yield and quality.



Rainforest Alliance

In Turkey, we're working with Rainforest Alliance to improve livelihoods of workers in the hazelnut supply chain. In partnership with suppliers, and in collaboration with local authorities and civil society organisations, the project provided training for 940 farmers and workers on preventing child labour. Additionally, over the past two years, the project has provided a safe place for over 300 children of seasonal workers to play at the project's summer schools.



Partners for social responsibility



Competitive Cashew Initiative

The Competitive Cashew Initiative supports the African cashew value chain to increase competitiveness in production, processing, market linkages and sector organisation.



Forest Stewardship Council (FSC)

The FSC is an international, multistakeholder non-profit that promotes responsible management of global forests through timber certification. We source FSC®-certified materials for our cardboard packaging.



Rainforest Alliance

Rainforest Alliance collaborates with traders and manufacturers to protect nature and improve the lives of farmers and forest communities.



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Roundtable on Sustainable Palm Oil (RSPO)¹⁰

Intersnack is a member of the RSPO to make sure the palm oil that we use is RSPO-certified.

¹⁰ Check our progress at www.rspo.org/members/15024.



Sustainable Agriculture Initiative (SAI)

Almost 120 member companies collaborate to improve sustainable agricultural practices. Intersnack is part of the SAI Crops working group and is a participant in the SAI Argentina Peanuts Climate Smart and Regenerative Agriculture project.



Sustainable Futures

Sustainable Futures links global brands, food processors and farmers to deliver more resilient, sustainable food and drinks in the UK and beyond.



Sustainable Nut Initiative (SNI)

Intersnack is a founding member of the SNI, a precompetitive collaboration platform committed to a more sustainable nut sector.



Sustainable Spices Initiative (SSI)

The SSI is an initiative to transform the mainstream spices sector, sustainably secure future sourcing and stimulate economic growth in producing countries.

Engaging with local communities

Our communities are more than just places – they’re our neighbours, employees and partners. We want to be an active community member, engaging with community stakeholders on locally relevant initiatives.

Our community support in action

During 2023, our Management Units continued finding ways to give back to their communities, donating time, resources and expertise to support those they call neighbours.

Championing equality in sports with Estrella

Estrella is fostering inclusive and joyful moments – and that extends beyond the snacks they create. In line with their motto ‘An open society for all and joyful moments together’, Estrella promotes social engagement and nurtures inclusive environments built on acceptance, mutual respect and dedication.

In 2023, Estrella teamed up with the Gothia Cup, the world’s largest youth football tournament, to drive action against SDG 5: Gender Equality with the Cup’s ‘Play Equally’ initiative. Through the initiative, Estrella sponsored a girls’ football team, providing more girls opportunities to get involved with football.

Becoming community heroes at KP Snacks

At KP, every employee is invited to get involved in the brand’s ‘Community Heroes’ scheme by taking a day of paid leave to support community action.

In Tanfield, employees supported Heel & Toe Children’s Charity, an organisation that provides therapies to children with physical disabilities and complex needs. The team raised funds through various fundraising activities, from dog walking to raffles.

For the second consecutive year, employees in Uttoxeter supported the Midlands Air Ambulance Charity (MAAC). The team not only made product donations to the MAAC shop in Newcastle under Lyme, but also actively raised funds for this cause.



Estrella Gothia Cup event



Employee focus topics

Health and safety

Diversity, equity and inclusion

Engaging colleagues

Naturing talent



Employee

Inspiring our people to reach their full potential

Everything we achieve as a company is thanks to the more than 14,000 passionate people in over 30 countries who work across our Group. We believe – to support current and attract future talent – we must offer safe, inclusive environments where employees can thrive and build long-lasting careers. This starts with creating workplaces where diversity is embraced and where people feel supported to reach their full potential.

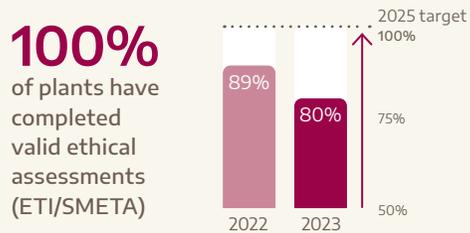
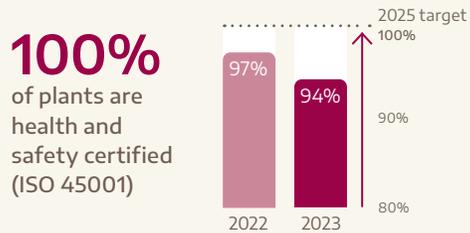
We are targeting greater representation in our global workforce, implementing inclusive hiring processes that enable us to reach a wider pool of new talent. We're also working to retain people with development and training opportunities that enable meaningful career progression.

To continuously evolve our efforts, we nurture a culture of open communication, creating various engagement channels so employees can feed back on what they like about working for Intersnack, and where there's room for improvement. We combine this understanding with industry best practices and relevant regulations to help develop the policies, programmes and targets that support our ambitions.

Health and safety

The health and safety of our colleagues is our top priority. Robust policies, internationally recognised accreditation and tailored well-being resources are how we're building a strong safety culture.

Targets and progress



Ensuring we uphold robust health and safety standards – and proactively addressing any related concerns – is vital to supporting overall employee well-being and satisfaction. That is why health and safety is an essential element of our Code of Conduct and features in our Labour and Human Rights Policy too.

During 2023, the ETI/SMETA re-audits for several of our factories were delayed, partly due to limited auditor availability. As a result, 80% of our plants had a valid ethical assessment at the time of reporting, with re-audits scheduled for all remaining plants with outdated assessments for the first half of 2024.

Placing health and safety at the heart of Intersnack

Across our sites, we host regular safety days – two full days of training, hands-on experience and awareness raising. These events serve to emphasise the importance of prioritising safety in everything we do, as well as the shared commitment everyone at Intersnack has for upholding our standards.



Diversity, equity and inclusion

Innovation happens when we bring different perspectives together. We aspire to create an inclusive culture where diversity can thrive, with programmes and training that provide opportunities across our workforce.



Driving diverse representation

Throughout 2023, our UK team continued to lead on their Inclusion and Diversity Strategy. This included introducing training for managers to enhance understanding of key inclusion and diversity topics. They have also launched a Women's Network, creating space for employees to come together in celebrating and empowering the women of Intersnack.

In Ireland, we have also maintained an active focus on diversity. In 2023, we were proud to have this dedication externally recognised by receiving both the Investors in Diversity Award 2023 and the Menopause Workplace of Excellence Award 2023.

Our Management Unit in Australia and New Zealand is taking concerted efforts to nurture a culture of inclusion and belonging, guided by a four-focus model:

- Partnering for participation
- Gender, with a focus on women
- Local culture
- Fit for the future – embracing a multigenerational workforce

Through advancing action against these four focus areas, the Management Unit seeks to evolve a more inclusive workplace where everyone can experience belonging.

Engaging colleagues

Engagement is about developing highly motivated people and team environments that achieve consistently great results. That includes creating a workplace culture that lets people know their opinions matter.

We want to ensure we are always supporting our teams in ways that work for them. To do so, we need to understand how they are feeling, which is why we continue to leverage various strategies for tracking employee satisfaction and engagement. Most recently, we engaged workplace consultant Gallup to help deliver an enhanced employee survey.

In 2023, we began transitioning to Gallup – a leading expert in workplace solutions – to measure employee engagement. During the year, seven countries, as well as our Group functions, conducted their first Gallup engagement survey, receiving a collective 1,748 responses.

Measuring engagement

Since 2015, 33 Intersnack sites have begun introducing our Intersnack Work System (IWS). One of the many tools we use to understand the impact of this is using employee surveys to measure morale and progress against IWS ways of working.

Our 2023 results indicated a 63% average participation rate, with 66% of survey questions receiving answers of ‘strongly agree’ or ‘agree’.

From 2024, this IWS survey will be combined with the Gallup engagement survey.

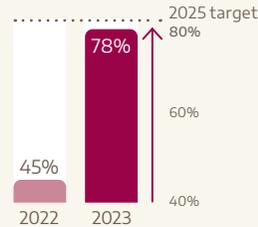
Nurturing talent

One of our core values is ‘growing together’. To realise this, we provide development opportunities that nurture potential talent to build a pipeline of future innovators. Indeed, all our Management Units currently use talent management tools.

Targets and progress

80%

of eligible employees at IWS sites have a Work Development Plan



Supportive leadership

At Intersnack, leading isn’t about taking a top-down approach; it’s about empowering employees with the support they need to do their best work. We call this ‘servant leadership’ because the role of the leader is to ‘serve the operator’ and help remove barriers that employees may be facing, making their jobs easier.

IWS creates an environment where teams become self-sufficient, with all the necessary skills and competencies – as well as the authority – to make their own decisions. Our Leadership Fundamentals set out the behaviours we require from all our leaders.



Our Leadership Fundamentals

Leading with ownership

- Is aware of one’s own leadership style and the influence this has on others
- Takes and makes difficult decisions only after fully considering their impact

Leading change

- Initiates and makes change happen
- Nurtures an entrepreneurial spirit to explore new ideas and is willing to fail and learn to progress

Leading together

- Inspires achievement through collaboration and partners well with others
- Includes people and makes them feel valued

Learning with impact



We pursue several routes to build employee capabilities, including coaching, webinars and online sessions. To streamline our process, we have harmonised our learning resources through a single online training provider. During 2023, we reached a 71% completion rate across 17 countries for our training on key compliance topics.

As well as providing learning sessions and tools, we believe the most effective way to develop talent is to encourage a learn-by-doing mindset. Our managers act as mentors for employees, offering on-the-job coaching that equips people for real-life workplace challenges.

Governance

Trust and transparency

Our Executive Board is committed to applying good corporate governance throughout the Intersnack Group. To support this, we have outlined our business principles and standards in a Code of Conduct, which defines our approach to acting ethically and transparently.

Respect for everyone

Our value chain spans the globe. With that comes the potential for our business to impact farmers, workers, suppliers, processors and local communities. Considering this, we uphold robust human rights standards at every point of this complex partner network to ensure safe, fair conditions for all.

Our commitment to protecting human rights includes tackling hidden labour exploitation, such as modern slavery. To date, we have made training on forced labour and human trafficking available to employees in Germany and across Procurement as part of our operational due diligence. A similar module for all other countries is currently in development.

Our Labour and Human Rights Policy

We maintain a comprehensive Labour and Human Rights Policy that addresses relevant topics. Developed in 2022, we continued to scrutinise our combined labour and human rights commitments, aims and risk reduction mechanisms throughout 2023, fully implementing them by the end of the year.

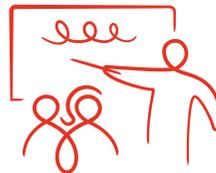
Monitoring compliance

We conduct semi-annual compliance reporting with all our Management Units to identify any risks and cases of non-compliance with relevant laws or internal and external regulations. In the latest reports, there were no significant cases of non-compliance resulting in fines or non-monetary sanctions.

To ensure everyone feels confident speaking up to report grievances or concerns of noncompliance in our value chain, we have also developed a whistleblower policy that details our process and routes for reporting.

Employee training

Intersnack delivers a wide range of compliance training, via both e-learning courses and classroom training. Completion rates are monitored by managers.





Creating positive impact
snack by snack