

The Arnott's Group advances sustainability agenda: 2022 Report

Sydney, 09 June 2022: The Arnott's Group has today released its second annual Sustainability Report which highlights its achievements and continued momentum, both internally and across the industry, to achieve key sustainability obligations for the planet, its people, and the community.

Over the past 12 months, the Arnott's Group's has created a more accountable and transparent supply chain, committed to renewable energy solutions, widely adopted the Australasian Recycling Label (ARL), and provided a wider choice of food options and more guidance on nutrition to consumers.

Arnott's Group CEO, George Zoghbi said creating a more sustainable future is critical. That's why we haven't and will not waiver from our commitments even when there are challenges like those we've seen in the past year — COVID-19, global supply constraints, international conflict and closer to home extreme weather conditions.

"We have a responsibility, across our entire supply chain, from how we source and make our products, to how we connect with the community. Sustainability is at the heart of everything we do as a business, and it's an imperative we continue to drive progress."

Arnott's Group Chief Transformation Officer, Simon Lowden said the business has approached its sustainability agenda this past year with enthusiasm and a desire to continue to do more and do better.

"We have spent the past year taking stock of our processes, measuring our outputs, and working closely with the industry, our customers and our partners on emerging technologies, new materials and collective challenges. We have listened to the repeated calls from consumers worldwide, demanding greater accountability from companies, and we have acted."

The report comes 12 months after The Arnott's Group set itself four ambitious targets, namely to;

- 1. Grow and source 100 per cent of key ingredients, namely flour, sugar, oil, dairy, and cocoa products, sustainably by 2035.
- 2. Achieve net zero emissions in operations (scope 1 and 2) by 2040 and across the value chain (scope 3) by 2050.
- 3. Reduce, reuse, or repurpose Australian and New Zealand (ANZ) plastic packaging by 10 per cent by 2025 and meet Australia's 2025 National Packaging Targets set by Australian Packaging Covenant Organisation (APCO).
- 4. Increase choice, opportunity, and wellbeing by promoting inclusion and belonging, supporting communities, and providing diverse food options and guidance on nutrition.

Some of the Arnott's Group's achievements highlighted in its Sustainability Report this year include:

Source - Sustainable ingredients

- Securing the commitment of 90 per cent of suppliers of ingredients and packaging to responsible supply chain management in line with the Arnott's Group Responsible Sourcing Supplier Code.
- Implementing an ethical standards framework for suppliers, with 96.3 per cent compliance by ingredient and packaging suppliers.
- Successfully developing a new soft wheat variety, created in partnership with Longreach
 wheat breeders and Allied Pinnacle, that has a better overall yield, greater drought tolerance
 and resilience against pests. The new variety will be aptly named 'Scotch' as a nod to the
 longstanding partnership between the companies and the role that The Arnott's Group plays
 in supporting the soft wheat industry as the largest individual purchaser.

Make - Net Zero emissions

- Implementing plans to install solar power systems across the Arnott's Group's bakery sites in Australia by the end of 2022.
- Refining waste management practices across manufacturing sites including reducing landfill waste, diversifying recycling options, and implementing better waste infrastructure.

Make - Circular packaging

- Adopting the Australasian Recycling Label on 72 per cent of our product portfolio, with a goal to achieve 100 per cent by 2024, one year ahead of the national target.
- Transitioning all point-of-sale displays in Australia to 100 per cent recyclable alternatives.
- Committing to transition the entire Arnott's soft plastic packaging portfolio in ANZ to mono material by the end of 2023, removing 9 tonnes of plastic from the environment each year and improving recyclability.

Thriving communities

- Donating 794,600 products via Foodbank and 100,000 via EatUp to Australians in need.
- Donating \$250,000 to Camp Quality and \$100,000 to Fairy Sparkle, through the Arnott's Foundation, to help kids with cancer.

To mark the release of the second Sustainability Report, the Arnott's Group has released a video celebrating its longstanding connection with the soft wheat industry of Australia. The video is available here.

The full Sustainability Report can be viewed <u>here</u>.

Media Contacts: Chelsea Lahav, media@arnotts.com

About the Arnott's Group

The Arnott's Group portfolio of brands continues the 157-year legacy of the Arnott family, providing quality, great-tasting food to create delicious moments for consumers around the world.

The Arnott's Group is headquartered in Sydney and employs over 4,000 people across Asia Pacific. This includes manufacturing sites in NSW, Queensland, Victoria, South Australia as well as New Zealand, Malaysia, and Indonesia. The Arnott's Group portfolio includes the iconic Arnott's brands along with Campbell's products in Australia, Malaysia, Hong Kong and Japan, gourmet crackers from 180degrees in New Zealand, and cereal and snacks division, Good Food Partners based in Victoria.