



Sustainability Report 2020



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About This Report

This report covers the global operations of Griffith Foods. Unless otherwise noted, performance data corresponds to the financial year ending September 30, 2020.

We have prepared this report in accordance with the GRI Standards: Core option.

The full GRI Content Index can be found in the Appendix.

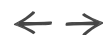
How to Use This Report

This interactive PDF is designed to help you easily navigate the report and find the information you are looking for. For full functionality, open this PDF in Adobe Reader or Adobe Acrobat Pro.

There are three ways to navigate the report:



Click section headers to jump to specific sections.



Click arrows to go to the previous or next page.



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TO OUR STAKEHOLDERS

Executive Chair's Letter



Brian Griffith
Executive Chair

When I was ten years old, my father and I had a conversation I'll never forget. Sitting together on a lake dock one beautiful late summer afternoon in Wisconsin, Dean explained how he viewed our business not only as a maker of quality food ingredients but also—and even more importantly—a “vehicle for greater good.”

My father's perspective made a profound and lasting impact on me. Even now, decades later, I continue to be inspired and motivated by his view of Griffith Foods as a way to serve families and communities, enrich society and make our world a better place.

In fact, these concepts inform and undergird our Purpose: we blend care and creativity to nourish the world. Moreover, I believe that Griffith Foods, as a privately held family business, has a unique opportunity—and an obligation—to show just how effective a purpose-powered, sustainable enterprise can be.

For years, I've seen “business as a force for good.” Today, I believe we can and must do more. I look around the world, see what's happening and where the trend lines are headed.

And I know Griffith Foods can make a larger and lasting difference by reshaping our business and governance structures for maximum impact. Together, we're making this shift a reality.

2014 marked a watershed moment in our journey, as we began organizing our business for impact around a Sustainability platform committed to serving a triple bottom line of People, Planet and Performance. In the years since, we've continued to evolve and expand this work to fulfill our Purpose.

Now we're beginning an exciting new chapter. As you'll see in this report, we're launching a 2030 Sustainability Plan to grow 1) our business and 2) the societal value we create.

As a company, we will continue to be guided by the North Star of our Purpose. But we will do more and be more. To do so, we are organizing for impact across four key pillars where we can make the most difference: Health & Nutrition, Sustainable Sourcing, Climate Action & Environmental Management and Wellbeing & Fulfillment. These pillars were created by our four new Board Committees, each of which will be responsible for achieving progress toward our 2030 goals.

In these reshaped committees, we've brought together our ownership, our directors and members of our Sustainability Advisory Council (SAC) along with our operational leaders. This was all done to reduce the organizational friction and barriers to progress across purpose, strategy and market execution.

Executive Chair's Letter / Continued

With this novel approach, we're advancing a more sustainably focused and integrated governance model—one that aligns with my family's values and our company Purpose, leverages the expertise of our outside directors and SAC members, and improves execution by our operating team.

Ultimately, I believe we're all here to make a difference and make our world a better place.

Today, the challenges before us are significant—as a business, an industry and a global community—from climate change to malnutrition to inequality.

But, given the importance of food and food production, we can be optimistic about our ability to make a larger positive impact in the years to come. As a new product development company, we are focused on sustainably and equitably sourced raw materials that enable the transition to more nutritious, accessible and planet-friendly diets.

Moreover, we are committed to driving transformation that transcends sustainable, “do no harm” thinking and embraces a regenerative mindset. We must enable our social and environmental systems to heal and thrive, in part by advancing the circular economic innovations increasingly needed by the world and valued by the market.

We can also take heart in the fact that we are not alone. We are joined by an entire ecosystem of like-minded and diverse partners. Many other businesses, in the food industry and beyond, are on parallel journeys. Governments, universities, NGOs and nonprofits are also working together, along with the private sector, to meet the challenges of today and build a brighter tomorrow.

For our part, Griffith Foods is committed to helping advance the goals of the UN Global Compact, working in tandem with others through the World Business Council for Sustainable

Development, The Ellen MacArthur Foundation, CEO Action for Diversity & Inclusion, Sustainable Spice Initiative, Sustainable Agricultural Initiative and other partners.

Looking back on 2020, I'm deeply appreciative of all that our people did to deliver for our customers, suppliers and consumers while staying safe and building our sustainability momentum. Even in the face of a global pandemic, our teams kept us up and running and gaining ground.

I'm so encouraged by our progress in creating a Sustainability Plan that gives new depth of focus, structure and discipline to accelerating Griffith Foods as a “vehicle for greater good.” Thank you for your partnership in this journey, as we work together to realize the full transformative potential of our business.

Brian L. Griffith

Executive Chair, Griffith Foods

TO OUR STAKEHOLDERS

CEO's Letter



TC Chatterjee
Chief Executive Officer

In 2020, the global COVID-19 pandemic took a heavy toll on families and communities around the world. And this widespread disruption and loss of life continues to impact our personal and professional lives.

Today, we remain grateful to our associates and their families for taking care of themselves, each other and those around them.

Thank you all for showing care and creativity in meaningful ways and demonstrating our value of Working Together Globally!

In response to the pandemic, we developed and implemented our **Respond, Recover and Build** plan this past year, and these efforts will continue in the years to come. Our Respond plan included implementing stringent protocols for workplace health and food safety in all our facilities. In late March 2020, we announced to all our employees that their jobs and compensation would be protected through the rest of the fiscal year. We

took action to ensure the safe operation of our supply chain, protecting the livelihoods of farmers and other suppliers. Meanwhile, our product development teams, including food science, culinary and consumer insight—along with all those who help procure, develop and produce our products—continued to meet our customers' needs while planning for the Recover phase. And we want to thank our manufacturing, food safety and quality systems teams for their outstanding work to ensure availability of products and services to our customers.

During these trying times, our teams around the world have consistently demonstrated an impressive level of caring for each other and the communities we serve. Our teams have produced and collected food for local food banks, including the Greater Chicago Food Depository, Atlanta Community Food Bank, Bangalore Food Bank and others. Our Southeast Asia team created masks for first responders, hospital staff and other essential workers. To help vulnerable elderly residents, our team in Mexico worked with ecosystem partners to donate vegetable soup

concentrate to “Nada nos Detiene” (Nothing Stops Us!). And similarly inspiring efforts were undertaken at other Griffith Foods locations around the world.

As we enter the Recover and Build phases, our Purpose and Sustainability platform is guiding our efforts and driving innovation toward healthier, more sustainable, good-for-the-planet foods. In 2020, we continued to enhance our expertise and capabilities as a product development partner with the use of novel ingredients, sustainable sourcing and upcycling.

2020 was the first full year of operations for Terova. This new member of the Griffith Foods family of companies was established with the primary purpose of scaling impact through sustainable sourcing. Terova is enabling us to provide our customers with sustainably sourced spices, herbs, botanicals and other ingredients while advancing regenerative agriculture. And we're working with our farmers to ensure sustainable cultivation practices, enable full traceability from seeds to plants to products, and

TO OUR STAKEHOLDERS

CEO's Letter / Continued

achieve Rainforest Alliance certification for spices and herbs including red chilies, black and white pepper, paprika, turmeric and sage.

Last year, we also launched our newest endeavor, Nourish Ventures. This business was established as a purpose-driven strategic investor and partner to the food ecosystem, focused on

accelerating food innovations and businesses that will advance human and planetary health. Nourish Ventures is working in the startup and venture space as an engine of new business innovation, growth and impact focused on areas material to our purpose. In addition, Nourish Ventures acts as a collaborative innovation partner with deep capabilities in insight, culinary,

sensory, R&D, product development and commercialization. Primary focus areas include alternate proteins, food waste commercialization, food tech and agri-tech.

Griffith Foods strives to be a contributing member of the global food ecosystem and believes strongly in partnerships as a powerful way to create and scale meaningful impact. We are intentional about collaborating with other businesses in our industry and beyond as well as NGOs, public agencies and other stakeholders. We're committed to diversity, inclusion, belonging and equity in our company and communities, joining more than 1,100 signatories of last year's CEO Action for Diversity & Inclusion. We also signed the UN Global Compact with an ongoing commitment to advance its principles on human rights, labor and environmental protection, and anti-corruption practices.

2020 was a year of great challenges and great opportunities. Out of tragedy and loss came renewed calls for racial justice and equality, which we fully support and are actively seeking to enable. At Griffith Foods, we know there is much yet to be done to advance our Purpose of nourishing the world. We are proud of the meaningful progress we have made and deeply grateful to our People and partners for advancing our journey.

We remain optimistic about the future as we continue Creating Better Together!

TC Chatterjee

Chief Executive Officer, Griffith Foods



ABOUT US

Our Purpose:

***We Blend Care
and Creativity to
Nourish the World***

ABOUT US

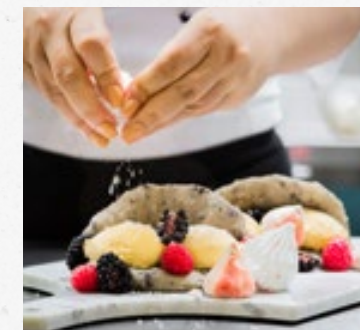
Who We Are

Griffith Foods is a product development partner for foodservice professionals, processors, distributors and retailers worldwide, specializing in developing delicious, healthy and sustainable food ingredients. We collaborate with customers and suppliers to create new products, technologies and capabilities to meet the evolving demands of consumers and achieve our Purpose of nourishing the world.

Founded in 1919 and now in the fourth generation of family leadership, Griffith Foods has always been a Purpose-driven company.

Today, the Griffith Foods family of companies operates in more than 30 countries on six continents, employing over 4,800 people, including more than 40 chefs and 340 food scientists.

While we are proud of our heritage and our achievements, we are a company focused on the future. Our ambition is to create a more sustainable future for food, using our position as a product development partner and collaborator to deliver healthy and affordable food through healthy producer relationships, for a healthy planet.



30+

OPERATE IN MORE THAN 30
COUNTRIES ON SIX CONTINENTS

40+

CHEFS

4,800+

EMPLOYING 4,800 PEOPLE

340+

FOOD SCIENTISTS

ABOUT US

Our Business Units



Griffith Foods is a global product development partner specializing in food ingredients. From farmers to customers, the relationships it forms with its partners allow Griffith Foods to create better products that are delicious and nutritious for consumers, and foster a better, more sustainable world.



Custom Culinary® specializes in providing foodservice and food processing professionals with real, authentic branded and proprietary culinary flavor systems.



TEROVA™ was established in 2019 to deliver premium, sustainable ingredients and products grown with a farmer-first approach and full traceability.

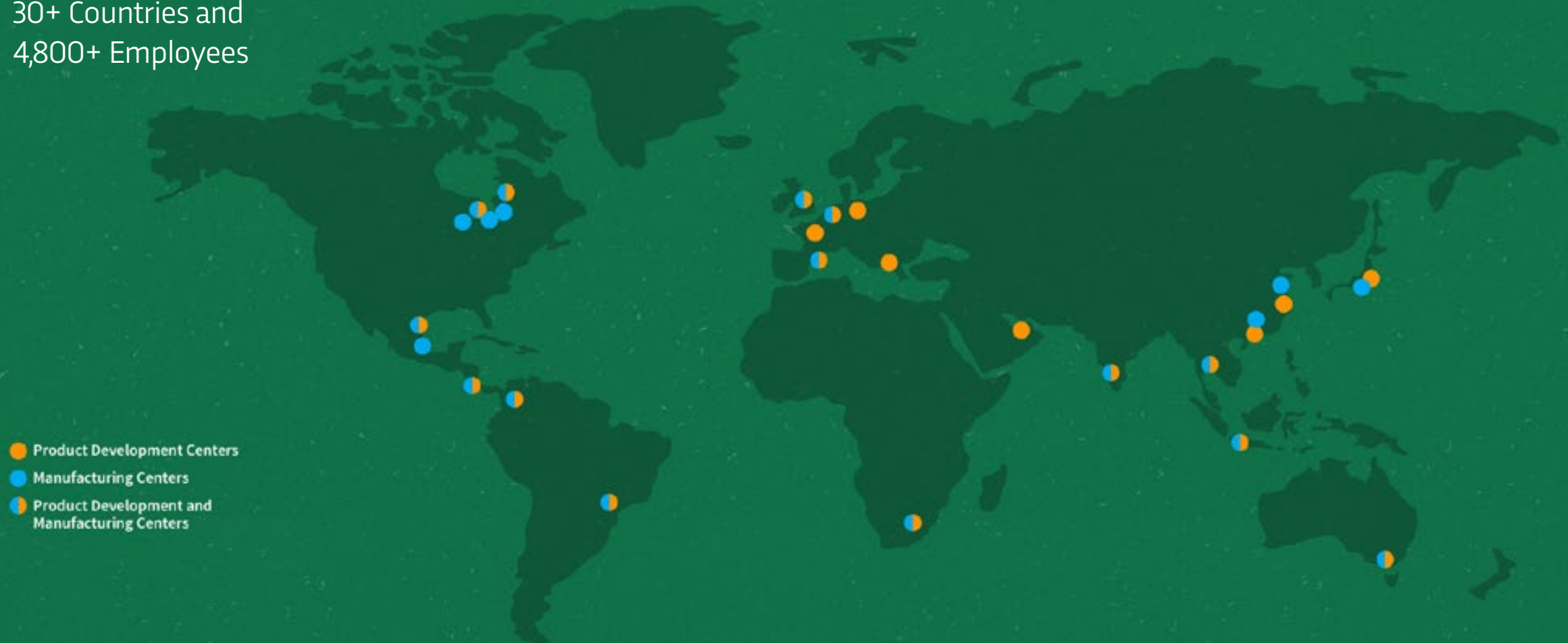


Launched in 2020, Nourish Ventures™ serves as a strategic partner to new ventures—accelerating their ability to scale and grow while focusing on creating the food system of the future: delicious, nutritious and sustainable.

ABOUT US

Where We Operate

30+ Countries and
4,800+ Employees



ABOUT US

Our Areas of Expertise

Griffith Foods is more than a product developer.

We offer our customers expertise and added value in these areas:



Consumer Insight

Uncovering deep consumer insights from around the world for the highest market adoption, consumer preference and enhanced profitability.



Culinary

Monitoring the latest global food and flavor trends, innovative cooking techniques and leading-edge development styles to deliver chef-inspired culinary innovation.



Food Science

Employing strict safety and quality programs to protect customer brands from development to delivery.



Sensory Science

Navigating the intricacies of human interaction with food to help our customers delight consumers.



Health & Nutrition

Meeting and applying evidence-based standards for health and nutrition to deliver the most nourishing product solutions.



Partnerships & Ecosystems

Building a global network of People to deliver on the promise of good food.



Leveraging Technology

Pairing culinary legacy with the newest technologies to pioneer the future of food.



Shared Value

Serving People, Planet and Performance to create the most overall value.

ABOUT US

Our Customers

Our goal is to help our customers delight consumers with products that are tasty, healthy and sustainable.

Our product categories include: Protein Seasonings, Binders & Applications; Sauces, Gravies, Glazes & Marinades; Flavors & Bases; Snack seasonings; Food safety ingredients; as well as other customized ingredients. We serve customers in four main areas:



Foodservice

We work with foodservice professionals, including those at quick-service restaurants, to develop consistent flavors and attributes that help menu items stand out with consumers.



Retailers

We develop competitive signature products and prepared food offerings that drive revenue for retailers.



Processors

We work with protein processors and food and snack companies to develop unique and healthy products authentic to their brands.



Distributors

We offer customized and branded products that align with distributors' brands and enhance product performance.

ABOUT US

Our Products

With a wide array of flavorful solutions spanning distinct food categories, our product portfolio has been thoughtfully designed to solve your unique operational and manufacturing challenges while providing health and nutrition attributes.

Seasonings

Our robust seasoning blends enhance flavor, functionality, appearance and aromatics for any protein or base. Products include rubs, marinades, glazes and internal seasonings.



Sauces and Dressings

We take a chef-driven approach to developing new and exciting sauces, dressings, gravies, salsas, condiments and sweet toppings. Our blends can be used in any liquid, dry or concentrate medium.



Textures and Coatings

To help your protein, vegetable, side dish or topping products stand out in terms of appearance, mouthfeel and shelf life, our cereal- or flour-based coatings can be customized with added flavors.



Functional Blends

We formulate our high-performance ingredient blends specifically for red meat, poultry, seafood and plant-based offerings to optimize flavor, color, binding capabilities and preservation.



Soups and Sides

From satisfying consumer favorites to globally inspired recipes, we offer a unique range of kettle-cooked soups along with grain- and vegetable-based side dishes.



Dough Blends

Our bakery and dough systems are designed with ingredients that improve taste, texture and performance—which means exceptional pizza dough, pancake mixes, biscuits and more.



ABOUT US

Our Values



Make the Future Better

We are optimistic and courageous while making choices in pursuit of our dreams. Sustainability informs our curiosity, imagination and innovation. We are passionate about leaving our planet a better place for future generations. We believe **the best is yet to come**.



Build Customer Success

Recognizing that our success depends on our customers' success, we work to create value and ensure success by understanding, anticipating and prioritizing customer needs. We build a mutual commitment to derive sustainable long-term value.



Work Together Globally

We recognize our diversity creates a unique strength, and we learn from our colleagues and partners globally. By collaborating, communicating, sharing and learning, we create better together.



Deliver Results

We take personal responsibility for meeting our commitments. We are focused on achieving objectives aligned to our **triple bottom line of People, Planet and Performance**. We execute with excellence, measure results and reward success.



Behave Like Owners

We are passionate about creating long-term value. We believe that we are part of something bigger than ourselves and strive to **make a difference**. We **trust each other** and treat talent as a valuable resource. We believe in strategic risk-taking and in **doing the right thing, especially when it is hard to do**.



Act Like Family

We are a caring family company where everyone has the opportunity to grow, follow their own **personal “Purpose” and find fulfillment** in their work. We support each other and demonstrate mutual respect. We **nourish people’s wellbeing** – physical, mental and financial.

ABOUT US

Corporate Governance

Our Board of Directors brings together leaders with rich, diverse backgrounds and a shared commitment to Griffith Foods' Purpose. Over the past two years we added five new board members who share our vision of a sustainable future. We are proud to have this dynamic group of leaders helping to usher us into a exciting new era of Purpose-driven business.

The Board meets quarterly and oversees all of our corporate activities, including alignment between the various committees of the Board. This year, we set up several new Committees involving our Board Directors, Global Vice Presidents (VPs) and Sustainability Advisory Council members. Each Board Committee is responsible for setting the direction against our most material sustainability issues, signing off on our goals and targets, monitoring global and regional performance, and overseeing the implementation of our strategy and delivery against the goals and targets. The Board Committees of our directors, Global VPs and Sustainability Advisory Council members (see **Sustainability Governance**) meet at least once per

quarter. In addition to our traditional governance structures, the Board Committees include:

Our Board Committees

- Health & Nutrition
- Sustainable Sourcing
- Wellbeing & Fulfillment
- Climate Action & Environmental Management

As a family-owned company, Griffith Foods takes inspiration from Executive Chair Brian Griffith, the fourth generation of his family to guide the company. CEO TC Chatterjee and other senior leaders are also dedicated to our shared Purpose and responsible stewardship of our company, guided by our Purpose and commitment to sustainability.

More information on our senior leadership and board members can be found on our [website](#).



Brian Griffith
Executive Chair



TC Chatterjee
Chief Executive Officer



Matt West
Executive Vice President
and CFO



Jose-Luis Bretones
Board Member



Dean Carter
Board Member



Sonia Lo
Board Member



Joseph Maslick
Board Member



Joseph Schmieder
Board Member



Mary Wagner
Board Member

ABOUT US

Enterprise Risk Management

Our enterprise risk management (ERM) approach is embedded into our strategic planning process, annual budgets and day-to-day operations. We use multiple techniques and sources to identify potential risks to our business—including strategic, operational, financial, legal, environmental and more—and to evaluate and prioritize these based on the likely severity, speed of impact and likelihood of occurrence. Appropriate risk management plans are developed, implemented and monitored for all risk issues, and additional corrective actions taken as needed.

Our approach gives People at every level of the organization responsibilities for managing risk. Our ERM policy provides guidance on decision-making and management practices relating to risk. Functional and business unit leaders take

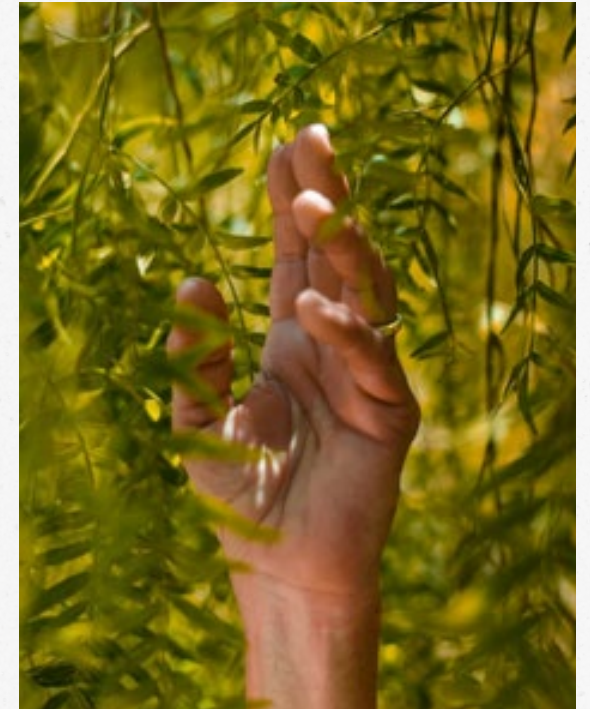
responsibility for developing and executing action plans for specific risks, while executive leadership have ultimate oversight responsibility. This year, we are establishing a specific ERM committee of the Board to oversee the further development of our risk management approach, including our management of sustainability- and climate-related risks and opportunities.



Ethics & Compliance

We are committed to conducting business in accordance with the highest ethical standards and in compliance with all applicable laws and regulations. Applying to all employees and partners, our Code of Ethics and Business Conduct details our ethical expectations with regard to People, Planet and Performance. The Code is available in 10 languages on our [website](#). In addition, our Human Rights policy details our commitment to protecting the Human Rights of our employees and all those connected to our supply chain.

We ask our employees to sign an agreement that they have read and understood the Code, and we expect them to report any suspected code violations with their manager, a named individual as specified in our Code of Conduct or via an anonymous third-party hotline. If any improper behavior or violation is discovered, we will take appropriate action, up to and including termination of employment. In 2020, we received 13 reports of suspected violations via our hotline. All were addressed and the cases closed.



ABOUT US

Strategically Sustainable

Sustainability is at the core of our business strategy and our Purpose as a company. Our triple bottom-line approach to doing business is embedded in everything we do, guiding us to think about People, Planet and Performance at all times. Our sustainability mindset not only informs our decisions but also provides the lens through which we view the future of our entire business and our role in creating a better nourished world.

Around 1.9 billion adults are overweight and 650 million—around 13% of the adult population—are obese throughout the world.¹ Meanwhile, almost 690 million went hungry in 2019.² As a result, an estimated 1 in 5 global deaths are related to diet.³ With the world's population projected to grow to about 10 billion by 2050, resource needs for food, water and energy are expected to grow even faster. We believe the food industry has a critical role to play in addressing these systemic challenges.

¹ <https://www.who.int/news-room/fact-sheets/detail/obesity-and-overweight>

² <https://www.who.int/news/item/13-07-2020-as-more-go-hungry-and-malnutrition-persists-achieving-zero-hunger-by-2030-in-doubt-un-report-warns>

³ <https://www.sciencedaily.com/releases/2019/04/190403193702.htm>



ABOUT US

Strategically Sustainable

Our Triple Bottom-Line Business



People

We take care of our employees and the communities in which we do business.



Planet

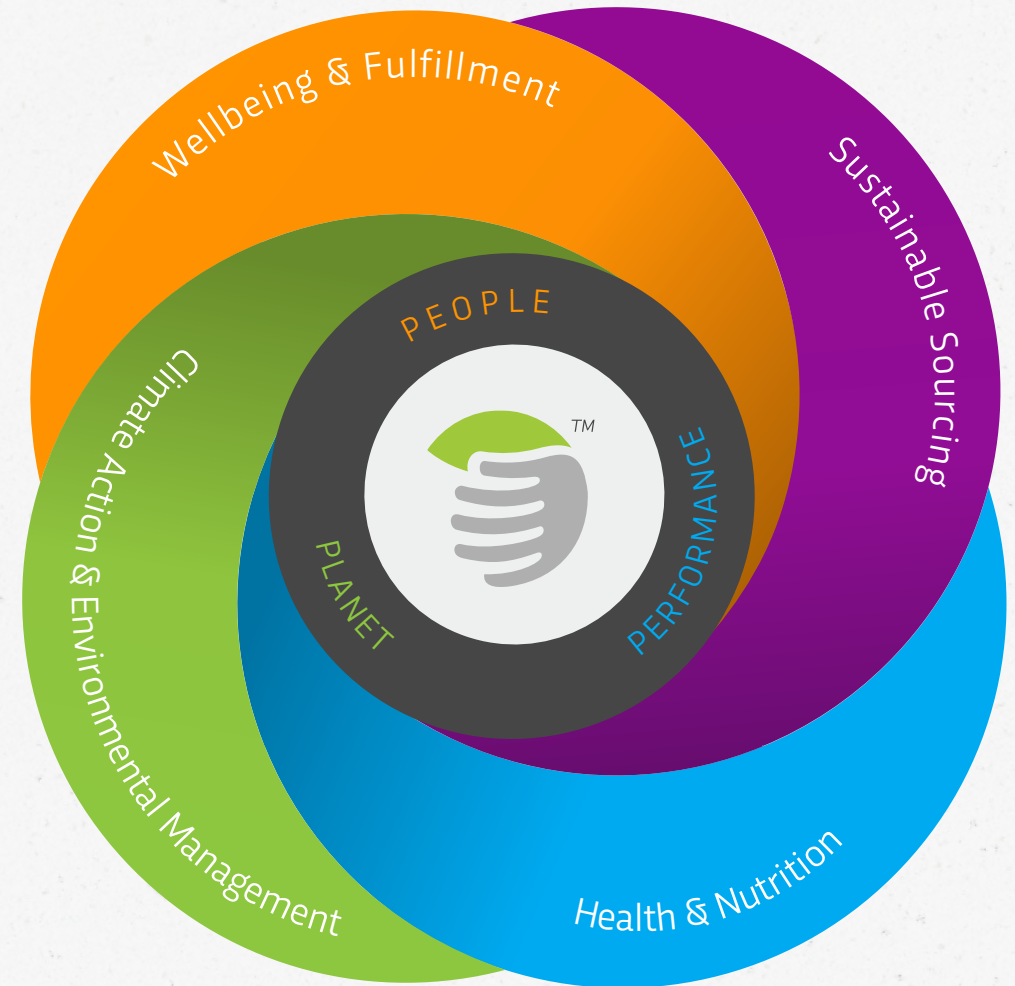
We all share one Earth, and we take environmental action to responsibly care for it.



Performance

We operate ethically and strategically to create a positive impact for our business and all those connected to our business.

We know we can't achieve our Purpose alone. Instead, we're building an ecosystem of partnerships—with customers, suppliers, new business ventures, community organizations and others—to help us build new capabilities, share our innovations and learn from one another, redefine industry norms, and enhance our ability to bring healthier products to market and improve the lives of consumers.



ABOUT US

Strategically Sustainable

Partners in Purpose

We are signatories and partners in a number of key sustainability initiatives including:



UN Global Compact

As a signatory organization, Griffith Foods is committed to reporting annually on our actions and achievements related to human rights, labor protection, environmental stewardship and anti-corruption measures.



World Business Council for Sustainable Development

We are part of WBCSD's FReSH project, focused on sustainable food system transformation, and a signatory of WBCSD's CEO Call to Action for Business Leadership on Human Rights.



Ellen MacArthur Foundation

The Ellen MacArthur Foundation (EMF) brings together businesses, academics, policymakers and institutions to accelerate the transition to a circular economy. As members of the Foundation's Network and Food initiative, we aim to collaborate with the EMF's experts and industry partners to deliver solutions for a healthy, regenerative food system.



CEO Action for Diversity & Inclusion

We have pledged to advance diversity and inclusion in the workplace.



Sustainable Spices Initiative

We are on the steering committee of SSI, which is working to sustainably transform the mainstream spices sector, thereby securing future sourcing and stimulating economic growth in producing countries.



Sustainable Agriculture Initiative

We are members of SAI's Farm Sustainability Assessment steering committee and part of the Crops working group, which aims to drive sustainability into row crops such as corn, wheat and soy.

2030 PLAN

Our Vision

2030 Sustainability Plan



2030 PLAN

2030 Sustainability Plan

Sustainability has always been part of our identity. However, over the past two years, we have challenged ourselves to look again at everything we do and ask ourselves how we can take our sustainability commitment to the next level. With direction from Executive Chair Brian Griffith, we are placing sustainability at the core of our identity—and setting bigger ambitions and bolder commitments than ever before.

To do so, we have carried out a comprehensive analysis of where we are now and identified new priority areas with goals and targets, based on a materiality assessment and extensive internal engagement with senior leadership from every part of our business. From this process, we have developed a Sustainability Plan for the next 10 years that will guide and inform future business initiatives, plans and decisions.

Wellbeing & Fulfillment

Empower and support our People, ensure fair pay and equitable working practices, and create opportunities for underrepresented and marginalized groups.

Health & Nutrition

Be the leading nutritious and sustainable product development partner for our customers, developing industry-leading solutions that enable the transition to planet-friendly, nutritious diets.

Climate Action & Environmental Management

Reach net-zero carbon in our own operations by 2030 and partner with suppliers to reduce their climate impacts.

Sustainable Sourcing

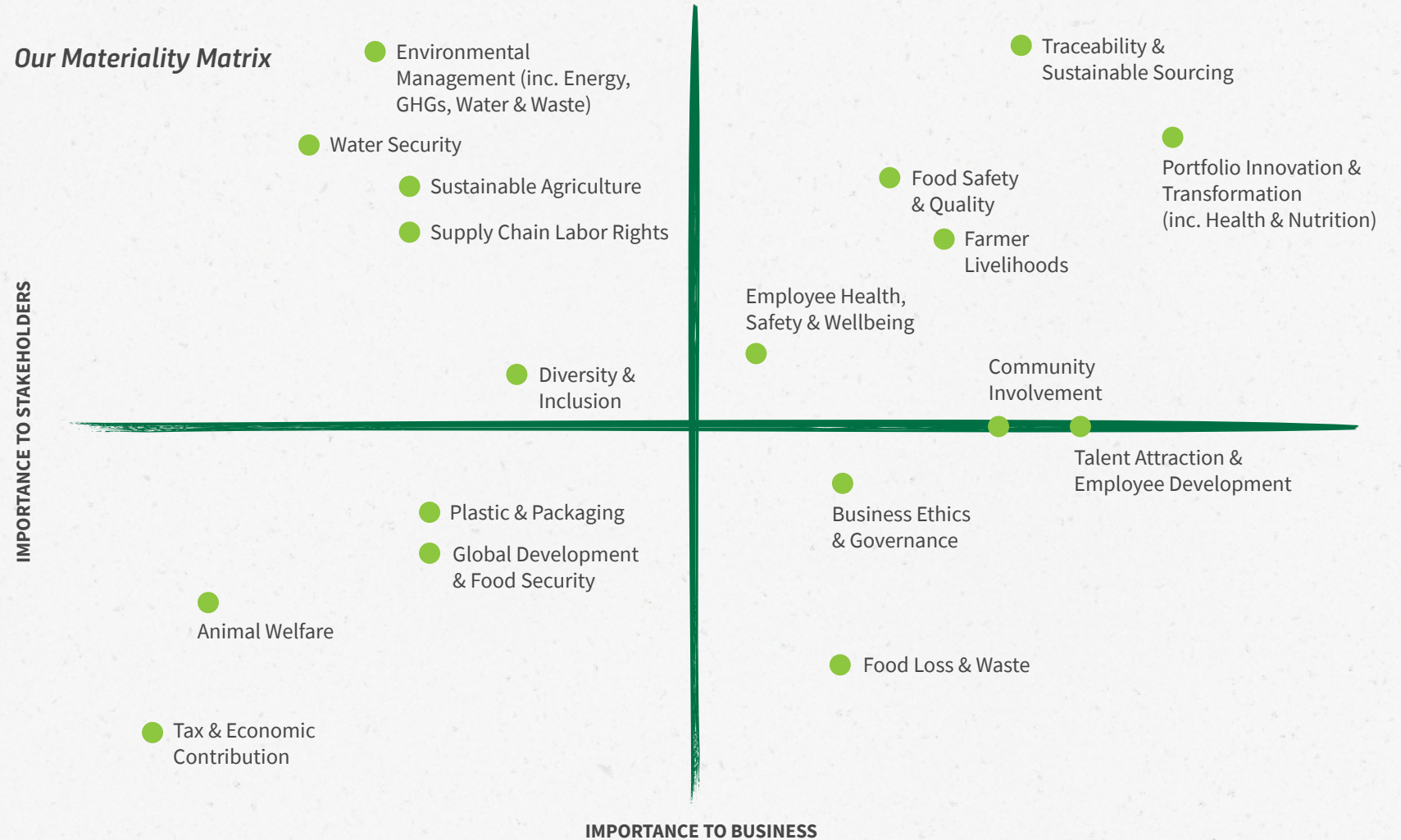
Purchase our raw materials from sustainable sources, improve farmer livelihoods and work with our industry to scale regenerative farming practices.

2030 PLAN

Materiality Assessment

In 2019, we carried out an extensive materiality assessment to identify the ways in which priorities and expectations may have shifted since our previous review five years earlier. We conducted 28 interviews with internal and external stakeholders. We also reviewed peer and other external standards to identify global priority issues. From this process, we identified our top priority areas that are the focus of our 2030 Sustainability Plan.

Our Materiality Matrix



2030 PLAN

2030 Sustainability Goals

Following extensive consultation and internal discussions, we have identified the following 2030 Sustainability Goals across our priority areas. Our strategies for each of these areas are described in more detail in the relevant sections of this report.

Wellbeing & Fulfillment

Empower and support our People, ensure fair pay and equitable working practices, and create opportunities for underrepresented and marginalized groups.

Empower and support our People, families and communities by providing the necessary resources—physical, mental, and financial—to help them thrive inside and outside of work.

Create and sustain an inclusive culture, achieve gender parity at the management level globally, and ensure equal representation, equal pay and equitable working practices throughout our value chain.

Ensure living wages for 100% of employees, proactively address human rights across our operations and value chain, and create opportunities for underrepresented and marginalized groups.

Climate Action & Environmental Management

Reach net-zero carbon in our own operations by 2030 and partner with suppliers to reduce their climate impacts.

Become net-zero carbon in our own operations by achieving a science-based 42% reduction in Scope 1 & 2 emissions from a 2020 base year, and using verified offsets to cover the remainder.

Procure 100% renewable electricity (RE100) for our global operations.

Achieve a 23% reduction in our value chain (Scope 3) emissions per ton of product from a 2020 base year.

Achieve zero waste to landfill across all sites by 2025.

Ensure 100% reusable, recyclable or compostable packaging by 2025.

Reduce unsustainable water use by 50% by 2025 and achieve sustainable water use in all water-stressed areas by 2030.

Health & Nutrition

Be the leading nutritious and sustainable product development partner for our customers, developing industry-leading solutions that enable the transition to planet-friendly, nutritious diets.

Align 60%+ of our portfolio with globally recognized nutritional science and sustainability criteria.

Develop industry-leading portfolio that combines the benefits of being both planet-friendly and nutritious to become the healthy and sustainable product development partner of choice for our customers.

Sustainable Sourcing

Purchase our raw materials from sustainable sources, improve farmer livelihoods and work with our industry to scale regenerative farming practices.

Purchase 100% of our major raw materials from fully traceable, certified sustainable sources.

Work directly with 10,000 smallholder farmers to implement sustainable practices, advance technology and access to finance, and support living incomes.

Increase the number of farms owned by women and other underrepresented and marginalized groups in our supply chain by 50%.

Partner with key customers and suppliers to scale regenerative farming practices and develop net-zero supply chains, and work with our broader industry to advocate for market transformation.

2030 PLAN

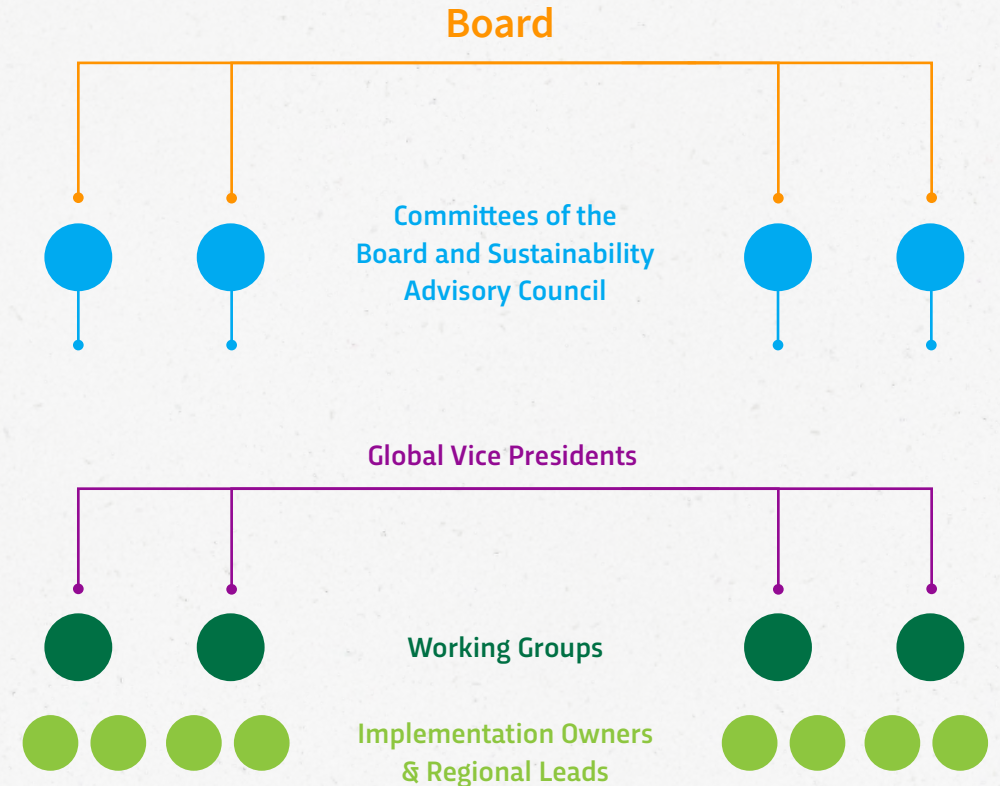
Sustainability Governance

Once we identified our priority areas, we created new Board Committees to set our direction in each area, oversee the development of our goals and targets linked to Key Performance Indicators, establish policies and practices, and monitor our progress and implementation.

As described in our Corporate Governance section, our strategic focus on sustainability is driven from the top of our organization and embedded throughout our business. To ensure accountability, we have developed a tiered governance structure, headed by the Board of Directors, to manage our ongoing performance. Our second tier is represented by our restructured Committees of the Board, which were formed following a materiality assessment and the identification of our priority areas, along with our Sustainability Advisory Council.

Each committee is co-led by one of our Global VPs. In turn, they lead teams of functional and regional leads who work to implement our goals and targets by establishing management and performance monitoring systems, identifying and addressing any gaps, and ensuring we are aligned with key external standards.

In 2020, in partnership with our Vice President of Global Sustainability, the committees worked on developing long-term ambitions in each area, identifying the key areas where we want to achieve change and setting our 2030 goals and targets. Over the next year, they will be overseeing the development of roadmaps to achieve each target, measurement and governance systems to track, manage and report progress.



2030 PLAN

The Sustainability Advisory Council

Formed in 2020, the Sustainability Advisory Council is made up of external experts who supplement our worldview of global needs—and the roles we can play in helping to address them. The council includes six distinguished leaders, each of whom brings a wealth of experience and knowledge to our organization.



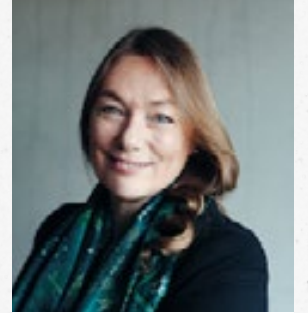
With backgrounds in business, government, NGOs and beyond, the members of our Sustainability Advisory Council bring different perspectives and new insights to our sustainability work, as we strive to grow our business and the societal value we create.



Matthew Arnold
SAC Member



Stuart Hart
SAC Member



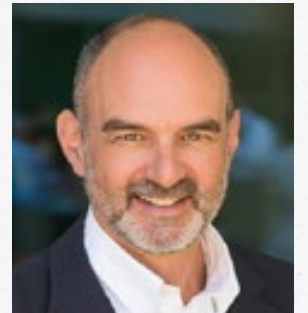
Jane Nelson
SAC Member



Don Seville
SAC Member



Ambassador Melanne Vermeer
SAC Member



Simon Winter
SAC Member

2030 PLAN



This has been an important year for Griffith Foods in terms of developing a sustainability strategy that is aligned with the company's Purpose-driven corporate strategy and that sets a clear vision and timebound goals and targets for the future. The implementation of a robust materiality process and the establishment of joint working groups comprising Board directors, senior executives and external sustainability advisers has been an important foundation for determining the way forward. The priority areas identified in the sustainability plan—Health & Nutrition, Sustainable Sourcing, Wellbeing & Fulfillment and Climate Action—are areas where **Griffith Foods can harness its core business capabilities and relationships to help achieve a transformative impact for people and communities where it operates, while also supporting its customers and partners with their own sustainability or ESG goals and investing in future value creation opportunities for the business.** As Griffith Foods works toward these 2030 sustainability goals, new models of partnerships and transparent performance updates and communication with stakeholders will be a key element of its success."

Jane Nelson

Director of the Corporate Responsibility Initiative at Harvard's Kennedy School and Griffith Foods Sustainability Advisory Council Member

2030 PLAN

2020 Progress

In addition to identifying our priority areas and setting related goals and targets, our sustainability strategy development process also helped us identify more general areas for improvement. For example, looking at best practice expectations from external standards and ratings such as EcoVadis, we realized we were not transparent enough in reporting our policies. In 2020, we codified and disclosed several new global policies. These included a Supplier Code of Conduct, Human Rights Policy, Environmental Policy and Workplace Health & Safety Policy.

We have also realized that we need to do more to track our KPIs consistently across regions, and we have begun working to fill this gap, including through the completion of our first global environmental footprint. We are also working to define ownership over sustainability issues and performance management structures on an organization-wide level. We will have more on this in our next report.

So that we can be held accountable for our performance in this area, we will participate in sustainability performance surveys and ratings including EcoVadis and CDP. As noted above, we have also joined the UN Global Compact. Over time, we will align all our reporting with best practice standards.

We believe sustainability is the responsibility of everyone at Griffith Foods. Our People see our company embedding sustainability in all we do and understand the importance of our Purpose and values to our business. As part of our new Sustainability strategy, we will seek ways to formalize and incentivize ownership of sustainability issues by each of our employees during the coming year. To help our employees develop understanding of and ownership for sustainability in our business, we have developed a robust eight-week training program. Over the past year, we've trialed this program with four cohorts, and in total 50 leaders completed the training, including senior leaders. We will be refining and continuing this program over the coming years.



2030 PLAN

Awards and Recognition

In 2020, Griffith Foods and our employees around the world received external recognition and validation of our sustainability performance. Below are a few examples of our achievements.

Global Recognition



In 2020, we made our second company-wide submission to EcoVadis, a globally recognized assessment of sustainability performance. We were delighted to be ranked in the 92nd percentile of all companies assessed by EcoVadis, and to receive a Silver Medal as a result. See the [Sustainable Sourcing](#) section for details of how we are using EcoVadis to assess the sustainability performance of our suppliers.



We also responded for the first time in 2020 to CDP, the global disclosure platform for climate, forests and water impacts. We look forward to sharing details of our new 2030 Sustainability Goals with CDP and continuing to engage with our customers through the platform.

Regional Recognition



Crain's Chicago Business named Jennifer Convery, Group President of Griffith Foods North America, as one of Chicago's Notable Women Executives. Jennifer is responsible for almost 1,400 employees and is a member of the Global Executive Team. Jennifer's commitment to developing and advancing women at Griffith Foods and across the food industry is evidenced through the mentorship she provides and programs she has spearheaded, including Griffith Women Leaders (see the [Wellbeing & Fulfillment](#) section).



Griffith Foods Mexico was recognized by Grupo Expansión and Top Companies México as a Súper Empresa 2020 in the category of companies with fewer than 500 employees.



Griffith Foods Thailand was named Team of the Year – International at the Redzone Community Awards 2020. See the [Food Safety & Quality](#) section for further details.

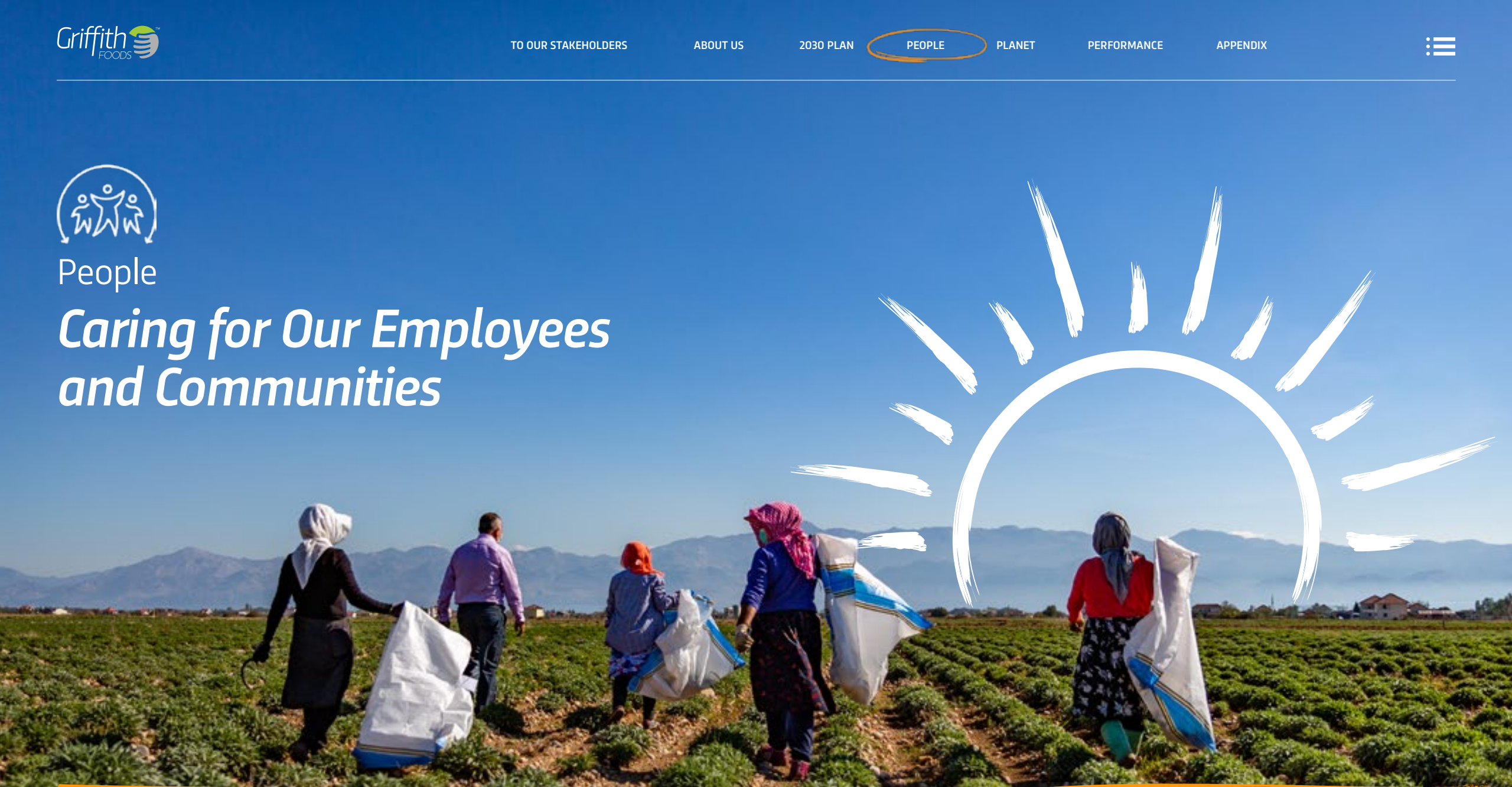


Griffith Foods Canada was again recognized as one of Greater Toronto's top employers in 2020.



People

Caring for Our Employees and Communities



PEOPLE

We believe our culture makes us unique in the food industry. We see everyone connected to our business—employees, partners, customers, suppliers and our communities—as a family united around a common Purpose to nourish the world.

Griffith Foods recognizes and embraces human diversity among our employees and workers—our People.

We use the language of “People” intentionally throughout our policy documents to represent the diversity of identities among our employees and workers. And we support our People by adopting policies and programs that are mindful of their different needs and experiences based on their race, ethnicity, gender identity/expression, sexual orientation and ability.



PEOPLE

Our Response to COVID-19

The wellbeing of our People and our communities is of paramount importance to Griffith Foods. We are committed to protecting our People and providing the best to our customers at all times, including during the unprecedented COVID-19 pandemic. By responding quickly, developing strong protocols and working together we were able to maintain continuity of service with the highest level of food safety for our customers, while protecting the health and wellbeing of our People.

We formed a Global Crisis Management team to oversee and manage our response to the pandemic on January 31, 2020, the day after the outbreak was declared a global health emergency by the WHO. Led by CEO TC Chatterjee and Executive Chair Brian Griffith, the team includes senior representatives of all our key business units and locations. They meet weekly to review the situation, discuss the actions necessary going forward and ensure a consistent global approach.



PEOPLE

Our Response to COVID-19

Protecting the Health, Safety and Wellbeing of Our People

In January 2020, we began taking safety measures to stop transmissions in China, and extended these globally as the pandemic spread. In order to ensure a consistent approach globally, Communication Protocols and Action Plans were issued to regional and local teams to implement. These include avoiding all but critical travel and working from home for those who are able to.

For those who must come in to work in order to ensure continuity of service, we require thorough health and safety measures including frequent handwashing and sanitizing, body temperature checks upon arrival and maintaining social distance. We have been communicating with our People weekly to keep them apprised of the situation, remind them of the safety measures they must take, and provide them with resources for their health and wellbeing. In addition, reminders about safety measures are displayed across our facilities.

All work stations go through deep sanitation every morning and repeated every four hours; high-risk areas are sanitized every two hours. Transport vehicles are sanitized before every dispatch.

We know that the pandemic has taken a mental toll on many people, so we have been providing resources for our People to maintain a healthy and positive mindset. For those working from home, we have been encouraging them to maintain a healthy work-life balance by ensuring they take breaks, go outdoors for exercise and fresh air, and turn off their computers at the end of the day to enjoy family time. If anything feels like it's becoming too much, we encourage them to speak with their manager, HR representative, mental health first aider or call our Employee Assistance Program line.

In late March 2021, we began a global education and awareness program on the importance of vaccination against COVID-19, in order to motivate and inspire our employees to get vaccinated. In countries where there are costs associated with receiving a vaccine, we will pay for any out-of-pocket costs for employees choosing to receive the vaccine.



PEOPLE

Our Response to COVID-19

Helping to Provide Nourishment to Communities at a Time of Need

The pandemic has resulted in many more people relying on food banks to meet their nutritional needs. At the same time, food banks have fewer volunteers available and fewer food donations. We are a long-time supporter of [The Global FoodBanking Network](#), and engaged with them and others on the front lines of battling food insecurity to understand what they needed most during this crisis and how we could best help them. In those conversations, we learned that in addition to food donations, the organization urgently needed monetary gifts to help them mobilize their operations to efficiently and effectively feed as many people as possible. As a result, we released 100% of our pledged multiyear grant contributions to immediate, unrestricted financial gifts—meaning the food bank has the freedom to immediately apply the funds to its most pressing needs. They not only had money sooner than scheduled, but they were able to leverage our donation and get matching funds as a result. Our donations were used to help food banks in the U.S., India, Mexico and Colombia.



PEOPLE

Wellbeing & Fulfillment 2030 Goals

Empower and support our People, families and communities by providing the necessary resources—physical, mental and financial—to help them thrive inside and outside of work.

Create and sustain an inclusive culture, achieve gender parity at the management level globally, and ensure equal representation, equal pay and equitable working practices throughout our value chain.

Ensure living wages for 100% of employees, proactively address human rights across our operations and value chain, and create opportunities for underrepresented and marginalized groups.

PEOPLE

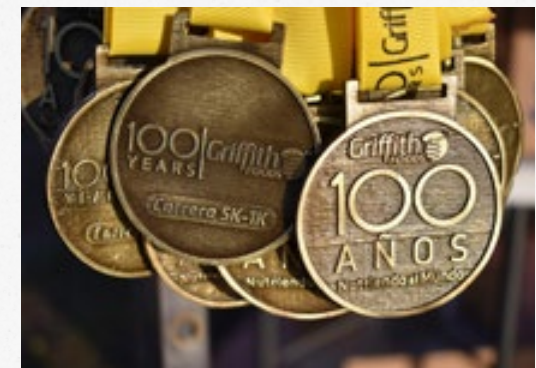
Wellbeing & Fulfillment

To achieve our Purpose of nourishing the world with care and creativity, we must start with our own People. We want them to thrive both inside and outside of work by supporting their physical, mental and financial wellbeing. As such, we prioritize Health & Safety at work and provide fulfilling employment with competitive rewards and benefits. We nurture an inclusive workplace, where each person's unique needs are supported, diversity is valued and everyone has an opportunity to grow and develop. This approach supports not only our People's holistic wellness but also our company's long-term success. When People of all backgrounds feel safe, fulfilled, respected and enabled to succeed, we are building a culture of innovation that allows us to elevate our business and drive results.

Wellbeing & Fulfillment is a priority area for us, identified during our materiality assessment and sustainability strategy development. Its importance is reflected by the recent creation of our Board Committee for Wellness & Fulfillment,

which ensures our People's best interests are at the heart of our decision-making. Over the past year, we have also established consistent global data collection and reporting for our People metrics, which will provide better performance insights going forward and help us identify areas and approaches for improvement.

We also aim to gather data on our performance through regular employee engagement surveys. In January 2021, we conducted our first global engagement survey, OurVoice2021, with three key indices—Engagement, Belonging and Fulfillment. We achieved 84.2% participation rate globally. Initial results indicate that 75% of our employees moderately or strongly feel a sense of belonging at Griffith Foods, 79% moderately or strongly feel fulfilled, and 80% feel a moderate or strong sense of engagement. We are currently working to more closely analyze the results and identify areas for improvements.



PEOPLE

Wellbeing & Fulfillment

2020 Highlights



WOMEN IN THE GLOBAL WORKFORCE

2019
29%

2020¹
29%

Women in management positions

2019	2020 ¹
38%	39%

Women in executive positions

2019	2020 ¹
22%	23%

¹ All reporting is for the financial year ending September 30.

² Includes all sites in Europe, Costa Rica, Colombia and U.S.

³ Excludes UK, France, Spain and Italy.



EMPLOYEES FROM MINORITY GROUPS (WHERE TRACKED²)

2019
24%

2020¹
25%

Employees in management positions from minority groups (where tracked)

2019	2020 ¹
n/a	12%

Employees in executive positions from minority groups (where tracked)

2019	2020 ¹
24%	22%



AVERAGE TRAINING HOURS PER PERMANENT EMPLOYEE³

2019
22%

2020¹
21%



% OF PERMANENT EMPLOYEES RECEIVING REGULAR PERFORMANCE REVIEWS

2019
84%

2020¹
84%



NUMBER OF LOST-TIME INJURIES PER 1,000,000 HOURS WORKED

2019
11.64

2020¹
7.74



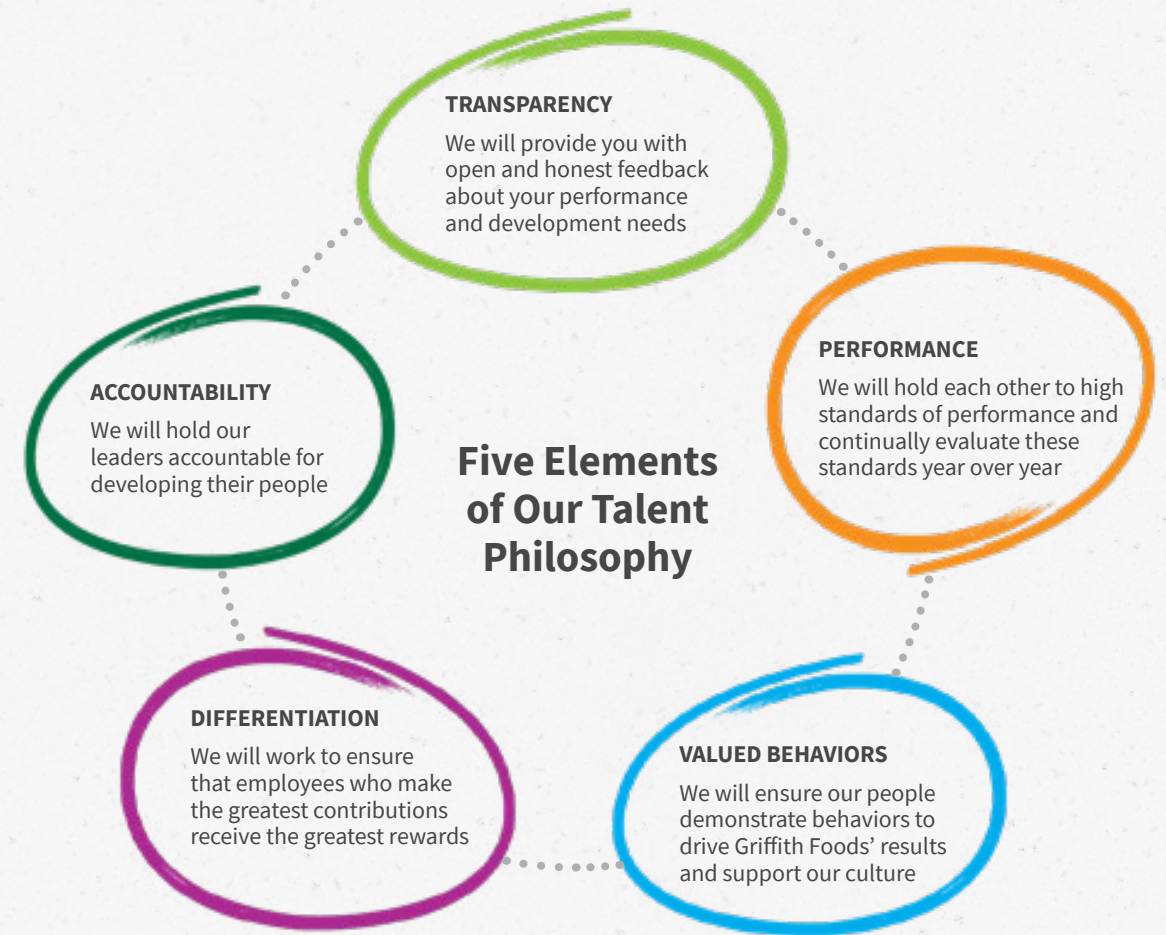
PEOPLE

Wellbeing & Fulfillment

Talent

At Griffith Foods, we are all leaders. Whether we manage People, projects or individual deliverables, we are all responsible for delivering for our customers, both internal and external. We want to equip all our leaders with the skills needed to achieve our Purpose and accelerate their development so they are able to make an optimal contribution to our business and find the most fulfillment from their roles. To do this, we have implemented a global People & Organization Plan that allows us to consistently assess and develop talent across our organization, support the development of people's potential for greater responsibility, ensure the right People are in the right roles and invest in accelerating leader development.

Our People & Organization plan reflects our Talent Philosophy of holding ourselves and one another to high standards, holding our leaders accountable for developing their teams, providing differentiated recognition based on contribution, and being transparent about our approach and performance reviews. In order to make expectations clear and tangible, Valued Behaviors objectively define what our values mean in practice.



PEOPLE

Wellbeing & Fulfillment

Learning & Development

Our People are able to own their development plans and create their own personal and professional development journey, with the support of the company and their managers. Twice a year, employees are able to contribute to their performance reviews through an integrated online system where they can set goals, self-assess, ask for colleague feedback and view manager appraisals. This is followed by a discussion with their manager to help identify gaps and learning opportunities, and develop and fulfill individual aspirations and goals. In 2020, 84% of our global workforce received regular performance and career development reviews.

While each individual has accountability for ensuring ongoing skills development, our People can count on support from their direct managers. We provide opportunities to help our People develop their skills, such as stretch assignments to different regions or functions if appropriate. As they move toward roles with

greater responsibility, we also connect them with mentors and create opportunities that allow them to be exposed to more senior levels.

In addition to personalized development opportunities, we also offer several training courses that develop the skills of our People. In 2020, more than half of our People participated in career and skills-related training. One example is our Purpose Journey course, an optional 8- to 10-week program to help employees connect with their personal Purpose, clarify how that connects with our company's Purpose and a larger societal Purpose, and finally identify how to activate that Purpose and bring it to life through a Purpose Plan. Employees connect weekly in facilitated online sessions to develop their personalized Purpose plans, and have access to digital platform tools such as supplemental videos and articles, e-learning courses, discussion forums, learning in action assignments, and journaling opportunities to help accelerate development and increase

understanding. Over the past year we've been testing this program globally and will be applying learnings to improve the offer further in 2021. We are in the process of rolling out further e-learning programs globally to support our People with their individual development goals.



Benefits

We provide competitive employee rewards and benefits around the world, based on a universal job evaluation framework. We benchmark our compensation practices against the market.

We take pride in knowing our employees work hard each day, and provide quality employment standards and satisfying work environments that encourage their dedication.



PEOPLE

Wellbeing & Fulfillment

Diversity, Inclusion, Belonging & Equity

Griffith Foods recognizes and embraces human diversity among our employees and workers—our People. We use the language of “People” intentionally throughout our policy documents to represent the diversity of identities among our employees and workers. And we strive to support our People with policies and programs that are mindful of varied needs and experiences based on race, ethnicity, gender identity, sexual orientation, ability and neurodiversity.

Different perspectives and experiences make our company stronger, more innovative and more competitive. By attracting and retaining diverse talent, and fostering inclusion, we harness new vantage points and innovative ideas. By including, challenging, championing and leveraging the best ideas, Griffith Foods is able to develop better solutions to support our Purpose.

To augment our performance in this area, we established a Global Diversity, Inclusion & Belonging Council of senior executives from relevant functions in 2019. We also created a European Diversity, Inclusion & Belonging

Council to focus on the continent’s most pressing issues. The committees meet quarterly to review our progress, set goals and ensure that diverse voices are incorporated into company decisions.

In 2020, we ran a series of Diversity, Inclusion & Belonging “sprint” workshops for executives focused on developing our goals in the areas of talent, partnerships, suppliers and workplace. We invited an external expert to share best practices and challenge our thinking. A representative from each workshop shared outcomes with our Diversity, Inclusion & Belonging Council, where goals were further discussed and refined. As part of this workshop, we helped participants understand how they can be allies to marginalized or underrepresented groups by serving as supporters and advocates who champion others’ sense of belonging. Our CEO, TC Chatterjee, is committed to being an ally to underrepresented groups. In 2020, TC signed the CEO Action for Diversity & Inclusion™ pledge as part of his personal commitment to advancing diversity and inclusion at Griffith Foods.

Allies engage in Allyship and elevate our culture by:

- Educating themselves through research, asking questions and striving to more deeply understand the experiences of this group in order to better advocate on its behalf
- Inspiring others to become vocal and active allies
- Courageously taking action by calling out biases, exclusion and inequities, especially in difficult circumstances and when personal risk is involved
- Offering and implementing solutions that ultimately drive change
- Supporting the mission and vision of Employee Resource Groups (ERGs), such as Griffith Foods Women Leaders (GWL)



PEOPLE

Wellbeing & Fulfillment

Supporting Women Leaders

On a global level, we have gender parity at the professional level in terms of number of employees, but we are committed to doing all we can to support women leaders—and replicate this performance—at all levels. Our Griffith Foods Women Leaders ERG aims to advance and empower women & men in their development and leadership at Griffith Foods with resources and education to drive competencies development, networking and volunteering opportunities, and global communication and collaboration. Established in the U.S., the group is now expanding globally and includes members from across the world.

As part of our commitment to gender diversity, we sponsored The World Business Council for Sustainable Development (WBCSD)'s 2020 Leading Women Awards, which recognize outstanding female leaders and showcase their contributions toward achieving the Sustainable Development Goals (SDGs).



At Griffith Foods, we want to see a more gender-balanced world, not only because it's right, but because equity and inclusion are the only way to ensure we have the diverse perspectives necessary to innovate and fully anticipate and meet future needs. ***We have incredible women working at Griffith Foods, and as a company we want to do all that we can to ensure that these women have every opportunity—equal opportunity—to succeed and prosper.*** Through our Griffith Foods Women Leaders ERG, we want to inspire and provide every woman at Griffith Foods the skills and knowledge to find their own path to success.”

Jennifer Convery

Group President

North America and GWL's Executive Sponsor

PEOPLE

Wellbeing & Fulfillment

Workplace Health & Safety

Just as we ensure the health and safety of our food products, we're also committed to nurturing and protecting the health and safety of our People. Our approach to Health & Safety begins with recognizing that safety is everyone's responsibility. As such, we work to foster a culture of workforce behaviors directed toward safety, health, incident and accident prevention through regular communication and trainings that equip employees to safely fulfill their duties. All employees complete a Health & Safety induction training upon starting work with Griffith Foods.

In addition, our systematic Workplace Health & Safety Management Program (WHS) ensures the health and safety of everyone who works for us or visits our sites. Each facility must maintain detailed procedures and response plans, testing them regularly. All facilities conduct risk assessments and hazard identification walkthroughs at least monthly. Audits are conducted at least annually.

In 2020, employee health and safety assessments were conducted at a 100% of our sites.

Our internal audit standard is aligned with ISO 45001 Occupational Health and Safety Standard. We meet or exceed all applicable Health & Safety laws and regulations in the countries where we operate.

In the spirit of continuous improvement, we monitor our performance and review our processes and practices to search for any opportunities to enhance our approach. In 2020, we updated our [Health & Safety Policy](#) to ensure its continued relevance.

Most of the facilities have a Health & Safety Committee and Coordinator, responsible for implementing our policy and program, identifying site-specific challenges and opportunities, collecting data and leading local training. They report to our Global Workplace Health & Safety Committee, which meets monthly, and our WHS Community comprising regional and facility-level WHS leaders and Global Supply Chain Leader and Manufacturing Services leaders, which meets quarterly.

2020 brought many new Health & Safety concerns to all of us (see Our Response to COVID-19). In addition to protecting on-site employees from COVID-19, we also had the unexpected challenge of ensuring the Health & Safety of employees working from home. With many Griffith Foods associates working in less than ergonomically optimal home offices, we wanted to help them work as safely as possible. We provided training on issues ranging from work-life balance at home to electrical safety to desk optimization.



PEOPLE

Wellbeing & Fulfillment

Health & Wellness

We take a holistic approach to employee wellbeing that incorporates employees' physical, mental, social and financial health. We provide our People with a number of tools to help them manage their health in each of these areas, and we offer 24/7 access to MD Live doctors, which allows our People to be seen within minutes when they have any concerns. Since the start of the COVID-19 pandemic, we've provided additional support and resources to help them navigate this difficult time, as detailed in that section of this report.

We have an ongoing communication program to bring focus to different aspects of health and wellness such as heart health, stress, back pain and ergonomics, fitness and many more. Our monthly global newsletter "Heartbeat" provides tips and reminders of the resources available to our People, including free e-learning courses and webinars offering advice on issues such as work-life balance, in-depth articles, videos and more.

From February 2021, employees in the U.S. can access the Blue Cross Blue Shield Fitness Program with no enrollment fee. The Fitness Program offers flexible options and access to a nationwide network of fitness locations, as well as access to thousands of digital fitness videos, live classes and fitness programs that can be used at home. In addition, members can access other benefits such as access to discounted complementary and alternative medicine services.

We remind our People to prioritize their mental wellbeing by taking breaks, doing simple exercises and protecting their personal time. At this time when social interactions are more difficult, social connection is more important than ever. That's why we've been providing our People with tips on using technology to stay connected.

Human Rights

We are committed to protecting the human rights of our employees and all those connected to our global value chain, including our suppliers and partners. Our [Human Rights Policy](#) is guided by the Universal Declaration of Human Rights, the International Labour Organization's Fundamental Principles and Rights at Work and the Convention on the Elimination of All Forms of Discrimination Against Women. We endorse the UN Guiding Principles on Business and Human Rights and are signatories of the UN Global Compact and the World Business Council for Sustainable Development (WBCSD)'s CEO Call to Action for Business Leadership on Human Rights. In addition, we are part of the WBCSD's FReSH project, focused on sustainable food system transformation.

All of our employees are free to join labor unions, workers' councils or other collective bargaining organizations, and our entire workforce is represented in formal joint management-worker Health & Safety committees. In 2020, 100% of our employees received training on preventing discrimination and human rights violations, and 81% of company sites have been subject to human rights reviews or impact assessments.



PEOPLE

Local Communities

Griffith Foods is committed to serving, enhancing and creating value for our communities. Through our Sustainable Sourcing program and our Shared Value partnerships (see Performance section), we have significant impact on local communities. For example, through our partnership with chili farmers in India, farmers gain better cultivation practices to increase crop yields, improve soil management and reduce crop waste. Because we purchase directly, the farmers are better compensated for their crops. In addition, we provide clean water filtration and support local schools, benefiting the entire community.

Beyond this, all business units donate 1% of operating income to local charities in the communities they serve.



PEOPLE

Local Communities

Feeding Local Communities in India

Since 2014, Griffith Foods India and Middle East (IME) has partnered with the Global FoodBanking Network on the Bangalore Food Bank—the first food bank in Southern India. During 2020, employees at Griffith Foods IME contributed one day of salary to a relief fund administered by the Bangalore Food Bank to provide food to families in need. The funds were used to distribute meal kits to 270 families across the city.

Each meal kit contained ingredients such as wheat flour, rice, oil, dal, sugar, masala powder and vegetables that could be used to cook enough meals for a family of four for a week. Griffith Foods IME worked with the Bangalore Food Bank to help ensure the kits were responsibly distributed, adhering to social distancing guidelines while helping some of those hardest hit by the global pandemic.



PEOPLE

Local Communities

Supporting Entrepreneurship and Employment in Chicago

In our hometown of Chicago, Griffith Foods supports entrepreneurs at [The Hatchery](#), a start-up food incubator for local food and beverage entrepreneurs. Like all of our business operations, this partnership is designed to achieve more than financial success. The Hatchery's mission is to remove growth barriers for food entrepreneurs and create good jobs in the City of Chicago. The nonprofit estimates that 900 jobs will be created over the next five years, with space for 75 to 100 entrepreneurs in the new food production and innovation hub.

Our partnership means we can continue to create shared value for more stakeholders by aligning our business opportunities with solutions for broader social issues. The partnership includes opportunities for entrepreneurs to grow and share insights with Griffith Foods' employee experts (as COVID-19 restrictions begin to ease), including a yearly internship program, educational sessions, panel discussions, workshops and entrepreneur mentorship.

We also work with the Greater Chicago Food Depository's workforce development program to train unemployed and underemployed adults to gain employment in the food industry. The program, called [Chicago's Community Kitchens](#), is a free, 14-week training course that gives students hands-on experience in a variety of culinary techniques and events, including preparing lunch every day and participating in catering opportunities.

Under the program, 90% of graduates have found employment in the field, going on to work in some of Chicago's leading professional kitchens.

During the pandemic, we also supported Chicago-area food pantries with financial and product donations, and in partnership with entrepreneurs at The Hatchery, we hosted our annual December Day of Giving by providing over 100 meals and kid-friendly crafts to families across five Ronald McDonald House Charities of Chicagoland & Northwest Indiana.





Planet

Driving Responsibility Toward Environmental Action

PLANET

Griffith Foods is committed to the conservation of the earth's resources, the sustainable sourcing of materials and the responsible operation of our facilities.

Much of our environmental impact comes through our supply chain, and we work to ensure that our sourcing practices have a positive impact on the environment through our Griffith Foods Sustainably Sourced (GSS) program (for more information on how we do this, see Performance section). In early 2021, we published a [Global Environmental Policy](#), which sets out our approach, including our commitments and objectives, what we require of our facilities, and how we ensure compliance and manage responsibilities and oversight.

In our own operations, we have taken significant strides forward over the past two years in developing an environmental roadmap. We set a performance baseline by calculating Griffith Foods' first global carbon (Scope 1+2), water and waste footprint for 2019, and repeated the process for 2020. We have used the data we collected to identify hotspots and define our 2030 goals. We also made our findings public on our website, and began to check our progress and align with customer expectations through participation in external initiatives including EcoVadis and CDP.

Our 2030 Sustainability Plan makes clear the scale of our environmental ambition—doing our part to keep global warming below 1.5°C by becoming net-zero carbon in our own operations and partnering with suppliers to reduce their climate impacts. These will require fundamental changes in the way our business operates, from the energy we consume to the agricultural raw materials we source to the products and services we offer customers. In 2021, we plan to further develop our environmental roadmap by aligning our approach with the Science Based Targets Initiative methodology, analyzing the indirect (Scope 3) emissions in our value chain and identifying our biggest opportunities for carbon reduction.



PLANET

2020 Highlights



TOTAL ENERGY CONSUMPTION (MWH)
Includes natural gas, stationary fuels and electricity consumption

2019
201,026

2020¹
179,507



TOTAL GREENHOUSE GAS EMISSIONS Total gross Scope 1 & 2 greenhouse gas (GHG) emissions (market-based) (metric tons CO₂e)²

2019
55,231

2020¹
45,870



GHG EMISSIONS INTENSITY (Scope 1 & 2, market-based) (metric tons CO₂e per metric ton of product)

2019
0.13

2020¹
0.12



TOTAL WATER WITHDRAWALS (M³)

2019
919,485

2020¹
820,780



TOTAL WASTE GENERATION (METRIC TONS)

2019
27,927

2020¹
24,590



LANDFILL DIVERSION RATE

2019
89%

2020¹
91%

¹ All reporting is for the financial year ending September 30.

² Calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, including its revised Scope 2 Guidance, using 2019 emission factors from sources including IEA, BEIS, AIB and Green-e. The reporting boundary includes all entities over which we have operational control. Emission sources include natural gas, stationary fuels, electricity, company-owned vehicles and refrigerants (fugitive emissions).

³ Following the location-based method, our Scope 2 emissions were 23,823 tCO₂e in 2019 and 20,736 tCO₂e in 2020.

Scope 1 GHG emissions (metric tons CO₂e)

2019
26,605

2020¹
24,610

Scope 2 GHG emissions (market-based) (metric tons CO₂e)³

2019
28,626

2020¹
21,259

Waste to landfill

2019
2,945

2020¹
2,290

Waste to recycling

21,341 **17,991**

Waste to incineration

3,640 **4,310**

PLANET

Climate Action 2030 Goals

Become net-zero carbon in our own operations by achieving a science-based 42% reduction in Scope 1 & 2 emissions from a 2020 base year, and using verified offsets to cover the remainder.

Procure 100% renewable electricity (RE100) for our global operations.

Achieve a 23% reduction in our value chain (Scope 3) emissions per ton of product from a 2020 base year.

Achieve zero waste to landfill across all sites by 2025.

Ensure 100% reusable, recyclable or compostable packaging by 2025.

Reduce unsustainable water use by 50% by 2025 and achieve sustainable water use in all water-stressed areas by 2030.



PLANET

Climate Action

Our Carbon Footprint

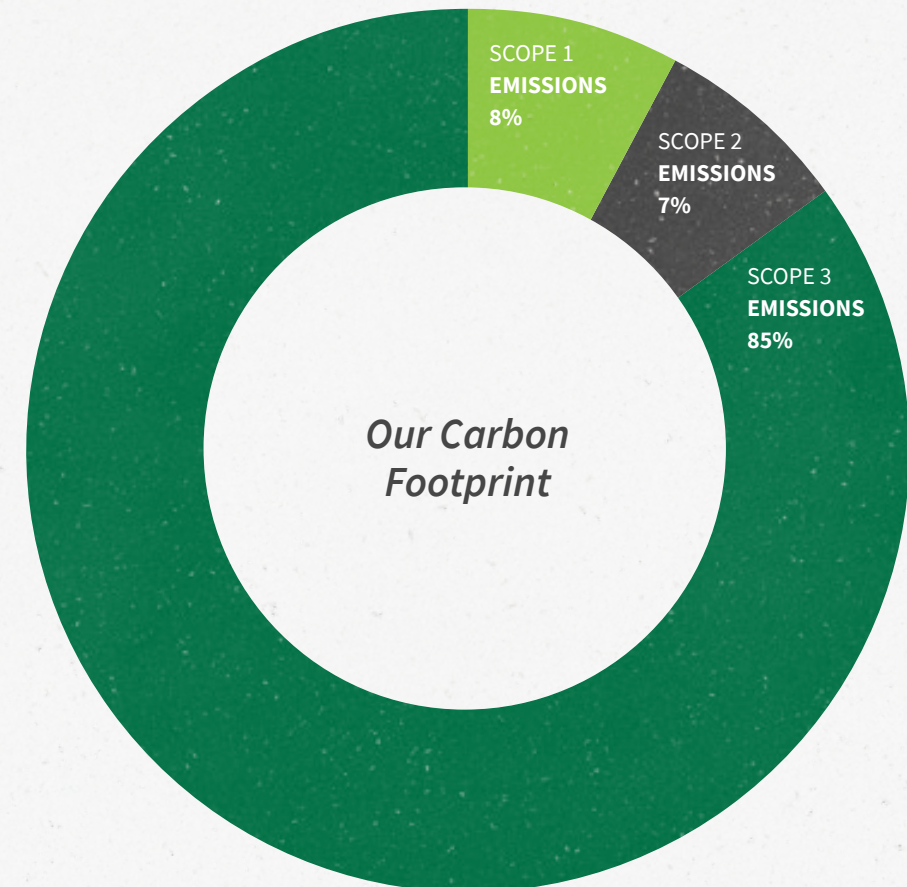
We look to reduce our direct climate footprint through our own operations by investing in on-site renewable energy and reducing our energy use. In 2018 and 2019, we completed several emissions reduction initiatives including a roof insulation upgrade at our Alsip facility, and installing solar panels at our Colombia and Bangalore facilities. In 2021, we will be establishing a baseline for our renewable energy use and putting together a roadmap to achieving 100% renewable electricity procurement.

We recognize that our largest climate impacts occur beyond our own operations. Our value chain (Scope 3) carbon footprint encompasses everything from the upstream impacts of our

agricultural raw materials (see Sustainable Sourcing), through transportation and cold storage, to use and disposal by customers. As a first step, we have undertaken a Scope 3 screening exercise to estimate the size of our footprint and identify the biggest areas for us to tackle.

The exercise has shown us that Scope 3 emissions represent about 85% of our total footprint, the majority of which is associated with the raw materials we buy.

Through our 2030 Sustainability Plan, we are committing to working with farmers, processors and other key suppliers to reduce these impacts.



PLANET

Climate Action

Climate Impacts of the Chili Supply Chain

Indian chilis are, by volume, the spice/herb that we source the most of. All of it is Rainforest Alliance Certified. In March 2020, our Terova subsidiary commissioned a study by the Confederation of Indian Industry (CII) ITC Centre of Excellence for Sustainable Development to measure the carbon footprint of our supply chain for chilis from India's Telangana state.

The study looked at the complete 27-month cycle of production, from land preparation in March 2018 through to delivery in May 2020. The study calculated the GHG emissions intensity of the supply chain at 6.5 metric tons CO₂e per kilogram of chili powder. Over 60% of emissions are associated with farm operations, including fertilizer application, fuel consumption and burning of crop residue. A further 30% of emissions were from electricity consumption by our upstream processing partner.

The study identified a number of opportunities for reducing the climate impact of our chili supply chain, both via steps to reduce emissions—including reducing chemical fertilization and investing in solar power—as well as measures to increase soil carbon sequestration—including shredding farm residue to return it to the soil and avoid burning, crop rotation and no-till farming techniques, and planting of trees and border crops. To start with, we aim to reduce emissions intensity within the

next cycle by 2%, followed by a further 3% in the following cycle. We will be working with our suppliers to implement these actions, and with the CII to track progress and identify further activities for improvement.



PLANET

Water & Waste 2030 Goals

A thick green arrow originates from the left side of the page and points towards the list of goals.

Become net-zero carbon in our own operations by achieving a science-based 42% reduction in Scope 1 & 2 emissions from a 2020 base year, and using verified offsets to cover the remainder.

Procure 100% renewable electricity (RE100) for our global operations.

Achieve a 23% reduction in our value chain (Scope 3) emissions per ton of product from a 2020 base year.

Achieve zero waste to landfill across all sites by 2025.

Ensure 100% reusable, recyclable or compostable packaging by 2025.

Reduce unsustainable water use by 50% by 2025 and achieve sustainable water use in all water-stressed areas by 2030.

PLANET

Water & Waste

Freshwater is important for our own operations, both for direct use in wet products and for cleaning of equipment. We have installed wastewater treatment plants at a number of sites and are currently investing in further facilities. We have also begun a transformation of our production processes, with reduction in water usage as one of the focus areas. For example, by reducing the number of changeovers between products on the production lines, we are able to reduce the number of necessary cleanings, thus reducing water and chemical use.

We also work to minimize our waste impact, reducing total manufacturing waste to landfill by 41% since 2014 by introducing recycling and repurposing programs, in particular, for packaging materials that are used in our processes. For example, by changing the way we clean and introducing new mixing technology, we're able to diminish waste. As a result, 13 of our facilities send zero waste to landfill and our overall waste

to landfill diversion rate is 89%. In addition, focus on enhancing our cleaning processes has reduced water and chemicals usage, while the gradual introduction of new mixing technology will lead to less residual waste at the blending stage. The global introduction of our lean programs throughout our factories is enhancing our efforts to reduce waste in different ways daily from the shopfloor up. This year, we also started collecting data on hazardous waste globally for the first time. In Bangalore, we also started a project to convert food waste into biogas.



PLANET

Water & Waste

Circular Economy

Our ambition is to embrace circular economy principles throughout our business—considering the complete lifecycle impacts of our products across sourcing, production, packaging, transportation, consumption and waste management. We actively encourage customers to increase the amount of sustainably sourced materials in existing and new products. We also provide training and tailored communication materials to our sales teams to help them understand and communicate the benefits of sustainable sourcing to customers.

We use paper or fiber-based packaging for bags and corrugated boxes. In 2020, 92% of this material was FSC certified. We aim to reach 100% FSC certified while continuing to ensure 100% recyclability. In addition, we have set a target for 100% of all our packaging to be reusable, recyclable or compostable by 2025.



PLANET

Environmental Management

We are committed to managing, measuring and minimizing our environmental impacts across all facilities including energy use; greenhouse gas and other air emissions; local pollution; materials use and waste; and water use and disposal. Currently, each facility is responsible for establishing and implementing its own environmental management system, consistent with our global approach and reflecting local requirements and context. Our ambition is for all facilities to achieve certification to ISO 14001, the international standard for environmental management systems. So far, five of our facilities—in Herentals, Belgium; Medellín, Colombia; Qingdao, China; Somercotes, UK; and Zhongshan, China—have been certified to ISO 14001 by independent accreditors. We intend to continue increasing the number of certified sites.

This year, we have made improvements to our systems, establishing teams at each facility responsible for reporting data and identifying areas for improvement. In 2021, we will continue to work toward a more unified global environmental management system, including implementing a data platform for tracking performance across our sites. We have also launched a new Global Environmental Policy. Applying to all facilities, this updated policy is available on our [website](#).





Performance

*Operating Ethically and
Strategically to Provide
Delicious, Nutritious and
Sustainable Products*



PERFORMANCE

At Griffith Foods, we are honored to connect producers with big food brands and innovative startups that can innovate at scale and drive change. Our unique position in the value chain allows us to be a partner and collaborator with customers, suppliers and others in the food industry. This enables us to approach our Purpose from the ground up. Rather than starting with a product offering and looking for ways to make it healthy and sustainable, we can turn the process on its head—looking first at nutritional and sustainability needs and finding ways to bring products to market that serve these needs.



We are proud to partner with respected companies such as Tyson Foods, who share our values of sustainability and nutrition, and even prouder when they recognize the value of our contribution:

“Griffith Foods was critical to our supply continuity that helped feed millions at a time when it was truly needed. Tyson Foods wants to thank Griffith Foods and all your team members for your service in 2020. We could not have done it without you!”

Melanie Russell
SVP Procurement,
Tyson Foods

PERFORMANCE

Innovation

To nourish the world and meet the needs of our customers, consumers and planet, we need to be innovative—and work with innovative partners. This is something that Griffith Foods has known from the start, and one of the reasons for our success. Innovation is not new to us, but with global food demands and nutritional challenges rising, innovation has never been more important.

Established in 2016, our Global Innovation Council (GIC) sets innovation priorities and leads our innovation strategy for portfolio transformation across all areas of our business. The Council includes 23 global leaders from across our business, allowing us to leverage knowledge and drive change in multiple regions. The GIC also works closely with other internal groups to innovate across their priority areas.

In 2017, we also set up a Global Culinary Council (GCC), which drives innovation in culinology and ensures we are at the cutting edge of culinary trends. The GCC's objective is to help Griffith Foods be recognized as the culinary authority within the food industry. Using our global network of culinologists, chefs, food and sensory scientists and consumer insight experts, we identify exciting and innovative trends and develop culinary products that reflect and shape dining and purchasing preferences, creating lasting competitive differentiation for our customers.

PERFORMANCE

Innovation Priorities

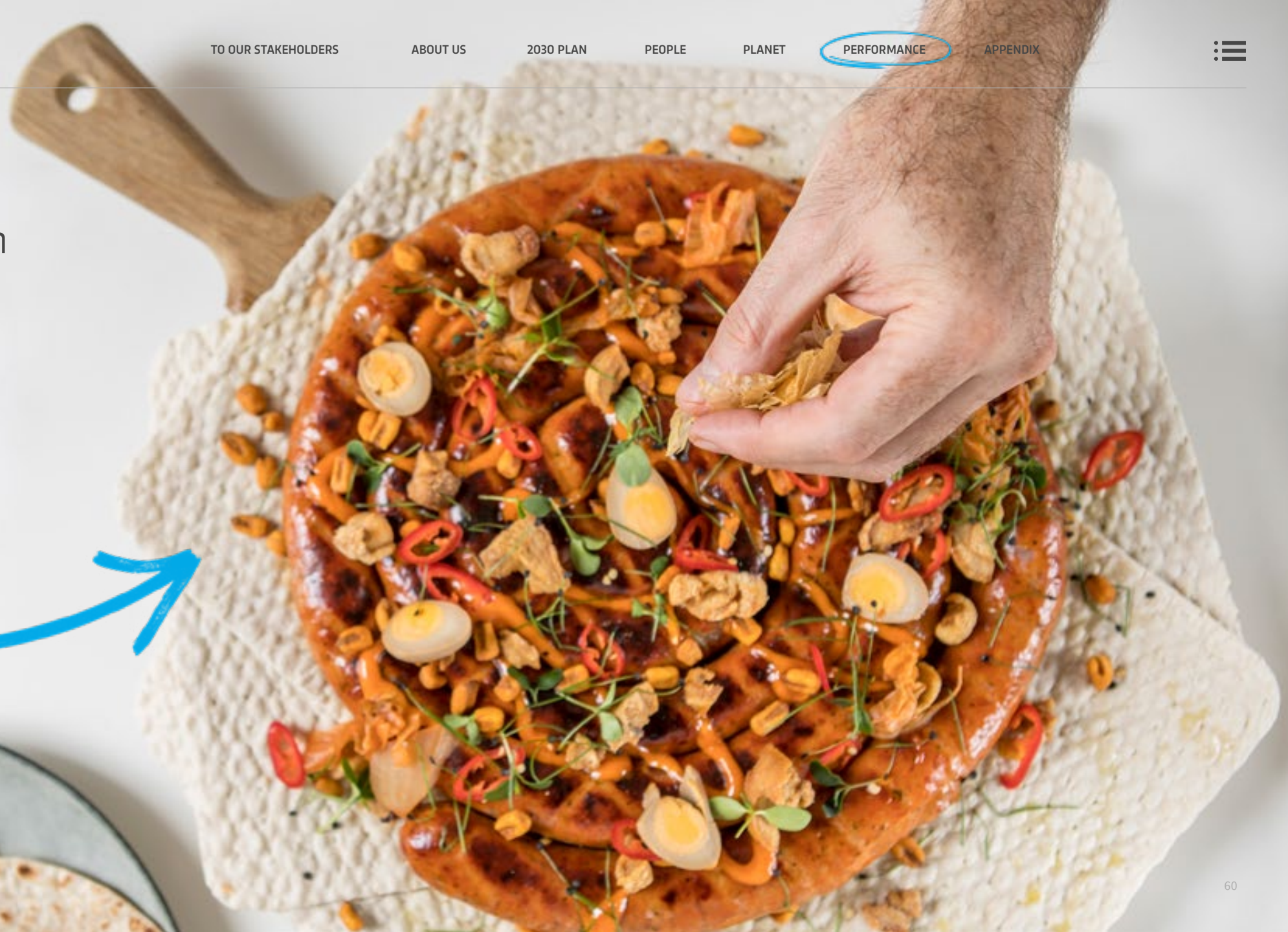


PERFORMANCE

Health & Nutrition 2030 Goals

Align 60%+ of our portfolio with globally recognized nutritional science and sustainability criteria.

Develop industry-leading portfolio that combines the benefits of being both planet-friendly and nutritious to become the healthy and sustainable product development partner of choice for our customers.

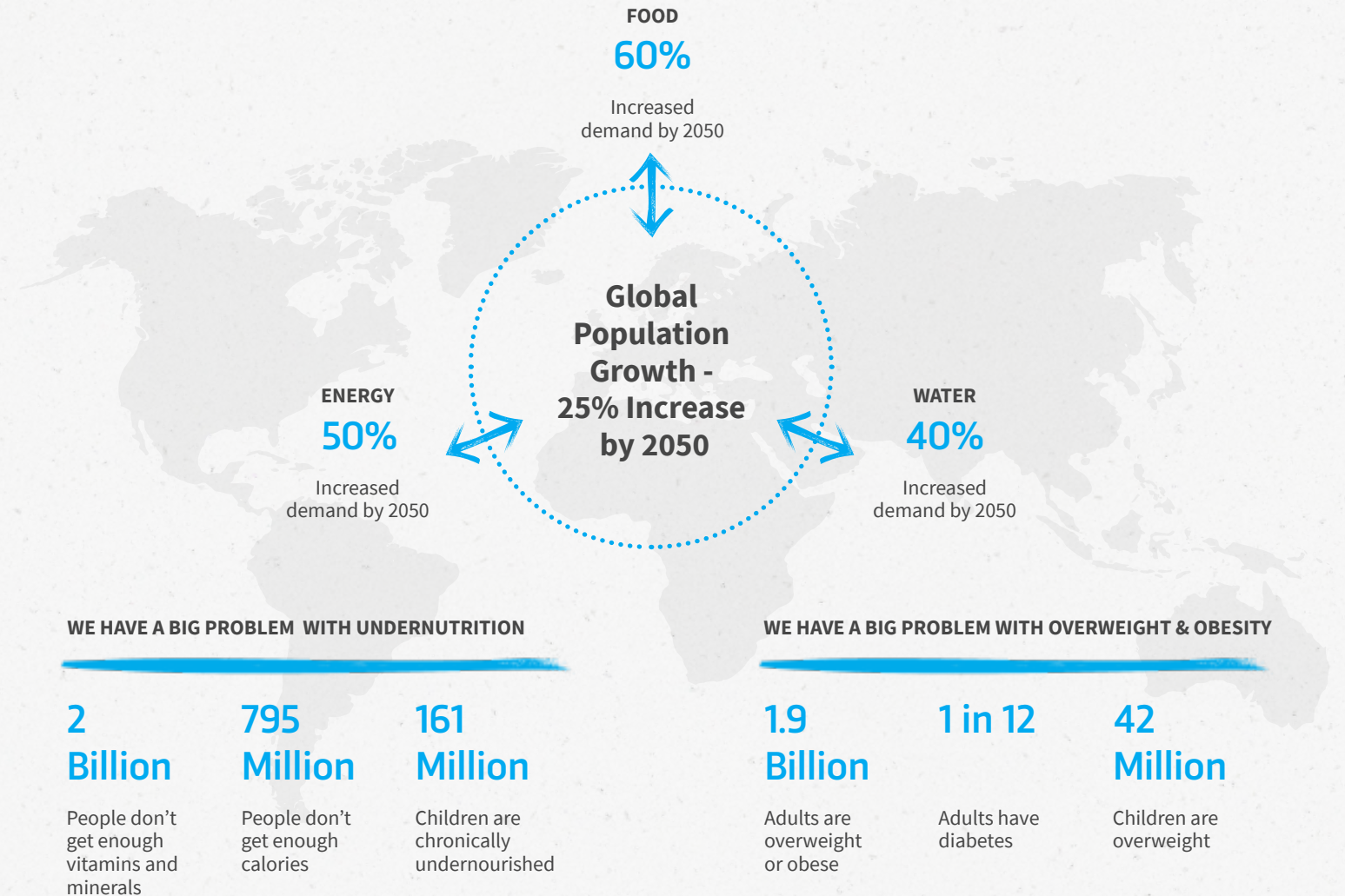


PERFORMANCE

Health & Nutrition

Our Global Innovation Council (GIC) and Global Culinary Council (GCC) bring together internal technical expertise from cross-functional areas of the business to look at new ingredients and processes that can provide customers and consumers with great-tasting food that also supports healthy lifestyles. In 2020, we also put together a Health & Nutrition Advisory Council (HNAC) of industry leaders to work with the GIC and our internal Nutrition working group to provide expert guidance on our Health & Nutrition strategy. Through discussions within and between these groups, we have identified our nutritional focus areas and begun to set relevant goals.

In March 2021, we hired a Director of Global Nutrition to provide global nutrition leadership, guide our continued focus in this area, evolve our portfolio to be healthier for our consumers and our planet, and champion our efforts to build Nutritional Expertise as a new core capability.



PERFORMANCE

Health & Nutrition

Health & Nutrition Five Categories of Focus

With societal needs as our starting point, we have identified five categories of focus for our Health & Nutrition innovation efforts:



Reduction

Products that allow the finished product to make a claimable reduction in fat, sugar or sodium content.



Fortification

Products formulated to add micronutrients (vitamins, minerals) or other ingredients (e.g., protein, fiber, extract) that improve the nutritional composition of the final product. The level in the final application (at recommended use levels) must be sufficient to allow a product claim.



Organic

Products that can be validated to meet the definition of Organic (or biologique, etc.) in the local regulatory environment.



Clean Label

Products formulated without any artificial colors, artificial flavors, artificial preservatives or synthetic ingredients. In addition, the product must meet any additional ingredient restrictions specified by the customer.



Elimination

Eliminating ingredients that negatively impact some people's health, such as partially hydrogenated oils and gluten.

PERFORMANCE

Health & Nutrition

Nutrition for Non-Nutritionists

Since nutrition is at the core of our business, we believe it's important for everyone at Griffith Foods, regardless of role, to have a foundational understanding of nutritional sciences. We therefore developed a “Nutrition for Non-Nutritionists” course, which is available globally and adapted regionally to reflect local food label laws and customs.

The course covers nutrition facts and fiction, links between food and health, and healthy eating guidelines. So far, more than 1,100 people have completed the course.



Shared Value

A key part of our approach is looking for opportunities for Shared Value: that is, finding partners with innovative ideas and products, such as Kuli Kuli, ReGrained and TechnoServe (see case studies), and working together to develop and scale these innovations and bring them to the market. This creates value for our partners and their suppliers, our planet and local communities growing sustainable products, consumers looking for healthy and nutritious options, and our business.

Nourish Ventures, our newest business unit, was created around this concept of Shared Value. Building on years of engagement by Griffith Foods, Nourish Ventures is developing an ecosystem of partners—including both new and established ventures—around four key priority areas:

- Alternative Proteins
- Food loss commercialization
- Health & Nutrition innovation
- Agricultural technology development

By working with like-minded partners to acquire and develop new capabilities in technology, health and nutrition, we will be able to significantly increase our impact for communities, consumers and enterprise.

PERFORMANCE

Health & Nutrition



Shared value with nutritional benefits

Kuli Kuli is a five-year-old, mission-driven California company that works with women-owned and small family farming cooperatives to pioneer a sustainable supply chain for moringa. High in protein and known for its anti-inflammatory properties, moringa is considered the most nutrient-dense green on the planet, with multiple health benefits. Moringa powder—made by harvesting, drying and milling leaves from the moringa tree—has various commercial applications. It tastes similar to matcha and can be easily substituted for matcha to help reduce cost and boost nutrition.

Our strategic partnership with Kuli Kuli will help both companies elevate moringa as an exciting new ingredient. Leveraging our global scale, consumer insights and culinary expertise to develop nutritious and delicious products and ingredients, Griffith Foods is working with Kuli Kuli to bring moringa powder to new segments in the food industry.

Benefits of Kuli Kuli Moringa

- Moringa is a complete protein boasting 27 vitamins and 46 antioxidants.
- Kuli Kuli's Pure Organic Moringa is the cleanest on the market.
- 52% of farmers and farm employees are women, supporting sustainable livelihoods and women's empowerment in West Africa, Latin America and Southeast Asia.

**Lisa Curtis**

Founder & CEO, Kuli Kuli



"We're thrilled with our partnership with Griffith Foods. Their investment has helped our business expand into new areas, bringing the benefits of moringa to more people, and scaling our impact on women and communities in Africa."

PERFORMANCE

Health & Nutrition

Food loss commercialization

Griffith Foods is investing in innovations to commercialize food loss. In other words, we are seeking nutritional, appetizing ways to upcycle food production byproducts and waste stream materials. The idea is to reduce food loss and landfill waste while finding innovative new ways to add nutritional value to food products. Some prime examples are our recent investments in ReGrained and TechnoServe.



ReGrained

ReGrained is a San Francisco-based startup using a patent-pending process to turn brewer's spent grain (BSG) into nutritious, great-tasting ingredients. Brewers' spent grain is the saturated malt by-product derived from beer brewing. While it has attractive levels of protein and fiber and reduced levels of carbohydrates (sugar), BSG is typically used as animal feed, burned or discarded.

ReGrained is able to rescue BSG to create SuperGrain+ flour, a trademarked flour high in protein and prebiotic fiber. SuperGrain+ serves as the base ingredient for all ReGrained snacks, in a process they call "Edible Upcycling." Our partnership allows us to work together to find more opportunities to incorporate BSG into recipes.



TechnoServe

TechnoServe is an international development nonprofit that helps people in low-income countries harness the power of business to achieve long-lasting improvements to their incomes and their lives. Griffith Foods has partnered with TechnoServe and Walmart Mexico Foundation to develop small farmer networks across Mexico.

Following an initial successful project to source strawberries from smallholder farmers, we kicked off a second project at the end of 2020 to source chili from a newly created producer cooperative. This program will enhance the productive know-how and management capacity of women and men farmers; establish market linkages with Griffith Foods and other formal buyers; and grant access to key inputs and financing. Incentives to adopt regenerative agriculture practices will be embedded throughout the program. Farmers will be better off as a result, with increased profitability and improved resilience thanks to their inclusion in the market system, and the environment will be better off too. By building a strategic inclusive partnership with smallholder

farmers, Griffith Foods and its customers promote a sourcing approach that combines a focus on quality, sustainability and productivity for a more efficient and beneficial value chain.

"We believe that together with the private sector we can support smallholder farmers to access markets directly."

In Mexico, smallholder farmers face supply chain challenges regarding organization, logistics and infrastructure, in addition to knowledge and skills to produce and sell sustainably. Griffith Foods' commitment to sustainability and inclusion has enabled us to co-create, with farmers, a supply chain development program that will help smallholder Mexican farmers overcome their most pressing challenges to become skilled, sustainable and profitable producers. We are delighted to partner with Griffith Foods again to transform the lives of smallholder farmers and establish more sustainable production practices."

Gabriela Campuzano

Country Director, TechnoServe

PERFORMANCE

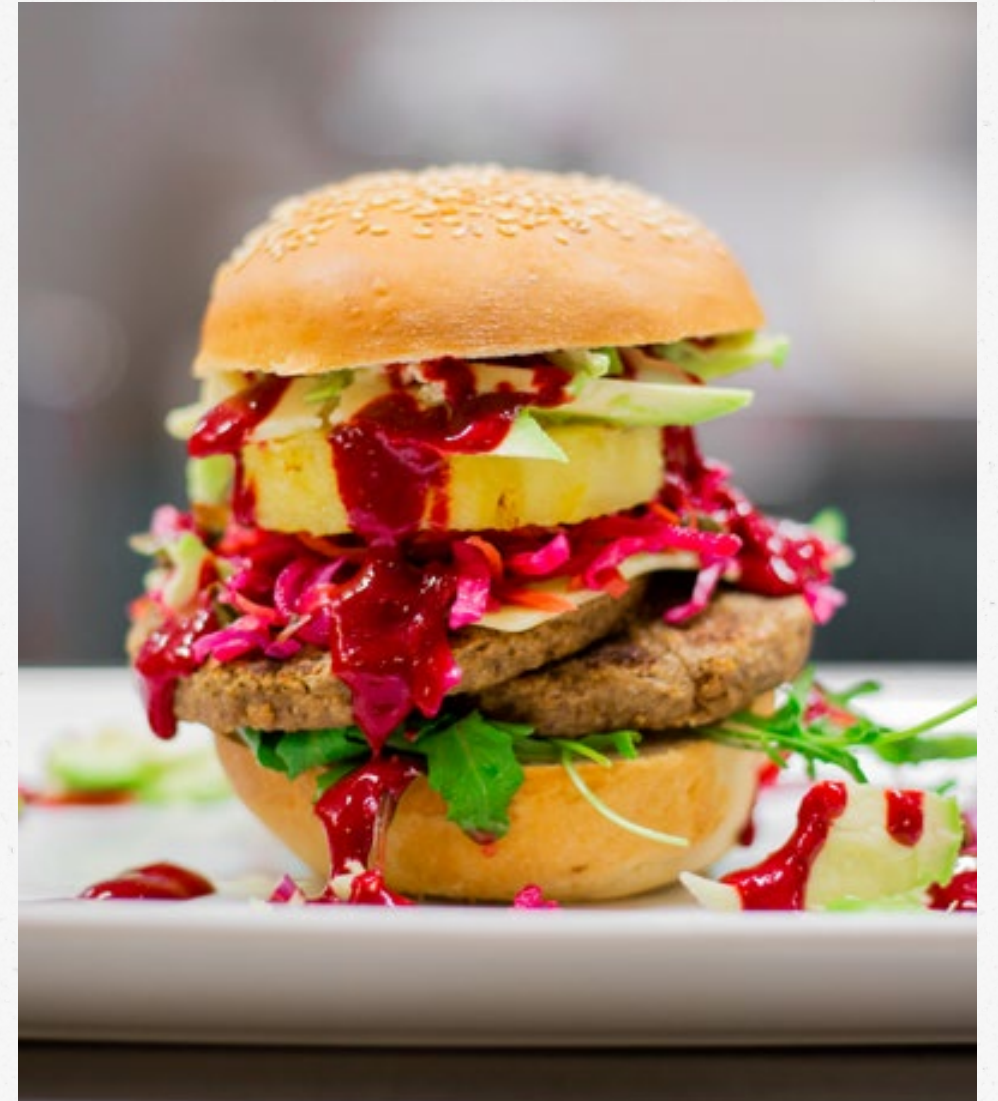
Health & Nutrition

Alternative Proteins

As global populations approach 9 billion, there are not enough natural resources to sustain animal-derived sources of protein. Griffith Foods is seeking ways to meet a growing demand for protein through alternative means such as plants, microorganisms (fermentation), insects or cultured meat. These proteins represent an environmentally friendly and more sustainable way to feed the world's population. For example, plant-derived proteins, such as pulses, are plentiful and require significantly less resources per pound produced than animal-derived protein.

During 2020, we've been partnering with customers across the world to support new plant-based product lines.

For example, in Thailand, we developed seasonings and coatings for “OMG Meat!” a line of plant-based ready meals, and in China we partnered with Cargill to develop flavors for a new line of plant-based protein snacks. In the U.S., we supported Tyson and Starbucks in developing a new Vegan Protein snacking box that included falafel incorporating our coatings and seasonings, and helped Rebellyous extend their line of plant-based offerings with a line of tenders, patties and nuggets using our coatings and seasonings.



PERFORMANCE

Health & Nutrition

An example of our investments in alternative protein sources is our recently announced partnership with BlueNalu, which uses fish cells to create healthy, safe and trusted seafood products that support the sustainability and diversity of our oceans. We will collaborate with BlueNalu to provide product development expertise, especially in food science, culinary arts, market insights and sensory optimization and expect to develop commercially available products in 2021.

Benefits of Alternative Proteins

**Protein Content**

Alternative Proteins deliver a significant amount of protein without using traditionally animal-derived proteins.

**Sustainability**

Increased consumption of Alternative Proteins has a positive impact on the environment and animal welfare, in addition to serving as a Base of Pyramid product opportunity.

**Health & Nutrition**

Alternative Proteins are healthy and nutritious alternatives to animal-derived protein products.

PERFORMANCE

Sustainable Sourcing

2030 Goals

Purchase 100% of our major raw materials from fully traceable, certified sustainable sources.

Work directly with 10,000 smallholder farmers to implement sustainable practices, advance technology and access to finance, and support living incomes.

Increase the number of farms owned by women and other underrepresented and marginalized groups in our supply chain by 50%.

Partner with key customers and suppliers to pilot regenerative farming practices and net-zero supply chains, and work with our broader industry to advocate for market transformation.

PERFORMANCE

Sustainable Sourcing

Our sustainable sourcing program, Griffith Foods Sustainably Sourced (GSS), epitomizes our Shared Value philosophy. The relationships with growers in this program benefits all stakeholders: Griffith Foods receives high-quality raw materials from trusted partners; farmers secure higher yields, community assistance and a consistent buyer; and sustainable agricultural practices also yield environmental benefits.

Because we believe in the value of sustainable sourcing, we invest in supporting our suppliers through the Griffith Foods' GSS Field Team, which provides on-farm and in-community support to help farmers meet our standards. Farmers receive training in principles that sustainably drive higher yields such as integrated pest management, soil condition improvement and irrigation techniques. These actions reduce the use of chemicals and pesticides, decrease carbon emissions, improve soil quality, and reduce soil erosion and runoff into local rivers and streams.

Training also extends to the growers' safety. There are times when it is necessary to use GSS-approved pesticides to ensure the productivity of the fields. In these cases, farmers are provided personal protective equipment (PPE) and trained on proper application and storage.

Driven by the fierce belief in a transparent food system and a deep desire to impact farmers and their communities, we launched Terova in 2019, a new company dedicated to delivering sustainable, fully traceable herbs and botanicals with a farmer first approach. Terova's products include Rainforest Alliance certified sage, black and white pepper, turmeric and paprika.



By demonstrating the benefits of sustainable agricultural practices, helping communities and assisting with farmers' needs, we hope to make participation attractive to more farmers. We also work to increase the amount of raw materials sourced from sustainably certified farms by working with partners like Rainforest Alliance and the Sustainable Spices Initiative (SSI). We

sit on the steering committee of SSI, which aims to sustainably transform the mainstream spices sector. We were the first to apply Rainforest Alliance's stringent practices to the cultivation of herbs and spices, and provide farm-level support to help farmers implement sustainable agricultural practices and meet our certification standards. In 2020, we worked with 1,197 farmers around the world, with nearly 1,000 of those farms Rainforest Alliance-certified. By the end of 2021, Terova is on track to reach nearly 2,000 farmers.

Benefits of Sustainable Sourcing

- Improves the wellbeing and livelihood of farmers
- Increases crop yields and enhances field sustainability
- Enables full traceability from farm to table
- Increases raw materials sourced from Rainforest Alliance Certified™ farms

PERFORMANCE

Sustainable Sourcing

Our Approach to Sustainable Sourcing



Ensure the raw materials we use are sustainable

- Work directly with farmers to ensure sustainable practices
- Partner with suppliers with farm level sustainability programs
- Obtain sustainability certifications for material categories



Work with suppliers with similar sustainability aspirations

- Set sustainability expectations across our entire supply base
- Evaluate suppliers on sustainability practices and drive improvement
- Partner with and reward business based on a balanced approach to quality, innovation, sustainability and cost



Active participation with industry sustainability organizations such as

- Sustainable Spices Initiative
- Rainforest Alliance
- Sustainable Agriculture Initiative



Sustainable Sourcing

- Provide meaningful impact to the communities we source from
- Protect the environment we source from
- Protect Griffith Foods and customer reputations

PERFORMANCE

Sustainable Sourcing

2020 Highlights



SUPPLIERS ACHIEVING BRONZE OR HIGHER IN THE ECOVADIS ASSESSMENT

(% of Direct Material suppliers² by spend)

2019

24%

2020¹

61.6%



SUPPLIERS WHO HAVE SIGNED GRIFFITH FOODS' SUPPLIER CODE OF CONDUCT

(% of Direct Material suppliers by spend)

2019

n/a

2020¹

71%



RAW MATERIALS WITH SUSTAINABILITY CERTIFICATION³

(% of Direct Material suppliers by spend)

2019

11%

2020¹

13.3%



NUMBER OF FARMERS DIRECTLY IMPACTED THROUGH OUR SUSTAINABLE SOURCING PROGRAMS

Includes on-the-ground training, education and support through our Griffith Foods Sustainably Sourced program

2019

840

2020¹

1,197



¹All reporting is for the financial year ending September 30.

²Direct Materials suppliers are defined as suppliers of ingredients and packaging materials that are part of the final product.

³Includes Rainforest Alliance, GLOBALG.A.P., USDA/EU Organic, Muddy Boots, SAI Platform (FSA) Silver, Marine Stewardship Council, Forestry Stewardship Council, RSPO, RTRS and other certifications that meet our sustainable sourcing requirements.

PERFORMANCE

Sustainable Sourcing

Supplier Assessments

In order to ensure our suppliers meet our sustainability standards and have our own assessments validated by a credible third party, we now work with EcoVadis to assess supplier performance. The annual evaluation encompasses labor practices and working conditions as well as environmental practices such as waste, energy and water. In 2020, our first year participating, 61.6% of our suppliers achieved a Bronze or better EcoVadis rating. We are aiming to reach 70% achieving Bronze or better in 2021.

We expect our suppliers to adhere to our Code of Conduct, comply with all legal requirements and act ethically with regard to human rights, the environment and all other practices. This year, we published a Supplier Code of Conduct to detail our expectations. We will require all suppliers and partners to acknowledge their commitment to the Code in writing, and we expect them to hold their own supply chain to the same requirements. So far, 72% of suppliers have signed the code, and we expect to have 80 percent of suppliers signed up by year-end 2021.

80%

WE EXPECT TO HAVE 80 PERCENT OF SUPPLIERS
SIGNED UP BY YEAR-END 2021

61.6%

OF OUR SUPPLIERS ACHIEVED A BRONZE
OR BETTER ECOVADIS RATING



PERFORMANCE

Food Safety & Quality

Food safety and quality is a critical aspect of our business, integrated throughout our processes and culture. Our Global Food Safety Policy outlines our approach, and our food safety programs, systems and protocols that are science- and industry-based, validated by internal audit programs, supplier audits and external third parties. 100% of our production sites are certified to Global Food Safety Initiative (GFSI) Food Safety benchmark schemes including British Retail Consortium Global Standards (BRCGS), Safe Quality Foods (SQF) and FSSC 22000, and are audited annually by these bodies to ensure continued compliance.

84% of sites achieved AA-grade BRCGS certifications in 2020, with the remainder achieving A grades. Almost all of our raw material suppliers also maintain GFSI-recognized food safety certifications.

Our Global Food Safety Council oversees our approach and the implementation of our policy. The council consists of multifunctional, regional and global associates with various Food Safety and Quality Systems accountabilities. They meet monthly using virtual communication platforms, and annually in person to discuss strategy, drive innovation and evaluate our performance. The council is led by the Global VP of Food Safety and is responsible for developing and managing our global Food Safety and Quality Systems strategy, providing guidance to senior leaders and regional teams on priorities and initiatives, and promoting and growing our global Food Safety Culture.

The Food Safety and Quality Systems process development is a cross-functional, collaborative effort that begins with our partner network of suppliers to ensure safe and quality food is the first priority for everyone in our value chain. Supplier selection, approval and onboarding includes risk assessments and audits to ensure ongoing compliance with our high supplier standards. Within our operations, we use a

Hazard Analysis Critical Control Point approach, a systematic, preventative Food Safety approach which assists in identifying and preventing hazards throughout all of our production processes.

Our facilities are also compliant with the FDA Food Safety Modernization Act, which includes the use of Food Safety Plans to identify potential risks in our upstream Supply Chain, and a robust Food Defense program to reduce the likelihood of intentional adulteration of our products. We also have an active Global Food Fraud team that continuously monitors the global environment and works to protect our products from adulteration by assuring all of our raw materials are authentic upon receipt. KPIs are tracked on an ongoing basis to evaluate our performance and ensure continuous improvement.



PERFORMANCE

Food Safety & Quality

2020 Highlights



**PRODUCT
NON-CONFORMANCE RATE**
(number of internal rejects per 100
batches, including product integrity
and foreign material incidents)

2018

1.72

2019

0.76

2020¹

0.74



**% OF SITES ACHIEVING
AA-GRADE BRCGS
FOOD SAFETY CERTIFICATION**

2018

74%

2019

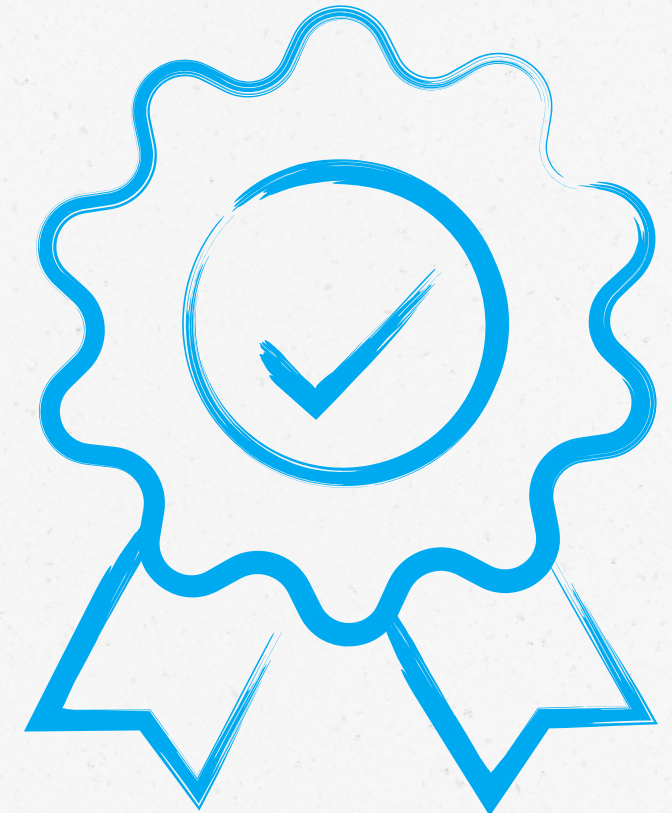
79%

2020¹

84%

Food Safety Memberships and Collaborations
***We view food safety as a noncompetitive area
of our business and collaborate with leading
food companies, academia, and regulatory
agencies on advancing food safety standards
and practices globally.***

- North American BRC board
- Asian BRC advisory board
- North American Food Safety Professional Board
- China National Food Industry Association
- Ontario Food Protection Association
- Guelph Food Technology Centre



¹All reporting is for the financial year ending September 30.

PERFORMANCE

Food Safety & Quality

To promote our Food Safety Culture, we regularly inform and educate our People on food safety issues including during Food Safety awareness events held annually at many of our sites. We use posters, videos and various internal technology platforms as well as direct communications during meetings and shift huddles to regularly remind our People of food safety expectations and the role we all play in ensuring our high standards. Our Food Safety Culture is periodically measured at our sites using various external auditing agencies and tools, and each site maintains a forward-looking plan to improve our Food Safety Culture.

At some of our sites we've been trialing the use of Redzone software to report issues, electronically record our quality checks and measure our manufacturing efficiency on a real-time basis. Using iPads, employees are able to report any issues on the spot and include photos, and all team members are able to view and track issue resolution.

Redzone named Griffith Foods Thailand their International Redzone Team of the Year due to the robustness of their implementation during the pandemic, and a Custom Culinary® facility was also a runner-up for the U.S. award. As a result of the program's success so far, we're currently in the process of implementing Redzone at all our global facilities.



APPENDIX

GRI Content Index

APPENDIX

GRI Content Index

GRI 102: GENERAL DISCLOSURES 2016	Disclosure #	Disclosure Title	Location/Response
ORGANIZATIONAL PROFILE	102-1	Name of the organization	Who We Are
	102-2	Activities, brands, products and services	Who We Are
	102-3	Location of headquarters	Alsip, Illinois
	102-4	Location of operations	Where We Operate
	102-5	Ownership and legal form	Who We Are
	102-6	Markets served	Who We Are and Our Products and Customers
	102-7	Scale of the organization	Who We Are
	102-8	Information on employees and other workers	Who We Are
	102-9	Supply chain	Sustainable Sourcing
	102-10	Significant changes to the organization and its supply chain	Press Release: Griffith Foods Sells Innova Flavors to Synergy Flavors

APPENDIX

GRI 102: GENERAL DISCLOSURES 2016	Disclosure #	Disclosure Title	Location/Response
ORGANIZATIONAL PROFILE	102-11	Precautionary principle or approach	Global Environmental Policy The precautionary approach, as defined by the United Nations in Principle 15 of the Rio Declaration on Environment and Development in 1992, states that “where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost effective measures to prevent environmental degradation.” Our Global Environmental Policy sets out our approach to managing our environmental impacts through our Global Environmental Management system.
	102-12	External initiatives	Partners in Purpose
	102-13	Membership of associations	Partners in Purpose
STRATEGY	102-14	Statement from senior decision-maker	Executive Chair’s Letter and CEO’s Letter
ETHICS & INTEGRITY	102-16	Values, principles, standards and norms of behavior	Our Values
	102-17	Mechanisms for advice and concerns about ethics	Ethics & Compliance

APPENDIX

GRI 102: GENERAL DISCLOSURES 2016	Disclosure #	Disclosure Title	Location/Response
GOVERNANCE	102-18	Governance structure	Our Leadership
	102-20	Executive-level responsibility for economic, environmental and social topics	Sustainability Governance
	102-21	Consulting stakeholders on economic, environmental and social topics	Sustainability Advisory Council
	102-26	Role of highest governance body in setting purpose, values and strategy	Sustainability Governance
STAKEHOLDER ENGAGEMENT	102-40	List of stakeholder groups	Strategically Sustainable
	102-41	Collective bargaining agreements	Human Rights
	102-42	Identifying and selecting stakeholders	Strategically Sustainable
	102-43	Approach to stakeholder engagement	Partners in Purpose and Materiality Assessment
	102-44	Key topics and concerns raised	Materiality Assessment
REPORTING PRACTICE	102-45	Entities included in the consolidated financial statements	N/A As a privately held family business, our consolidated financial statements are not public. A list of entities included in the report can be found in the Who We Are section, under Our Business Units.

APPENDIX

GRI 102: GENERAL DISCLOSURES 2016	Disclosure #	Disclosure Title	Location/Response
REPORTING PRACTICE	102-46	Defining report content and topic boundaries	About This Report and Materiality Assessment
	102-47	List of material topics	Materiality Assessment
	102-48	Restatements of information	N/A
	102-49	Changes in reporting	N/A
	102-50	Reporting period	Fiscal Year 2020 October 1, 2019 - September 30, 2020
	102-51	Date of most recent report	N/A This is our first GRI-aligned report. Previous reporting can be found at https://griffithfoods.com/sustainability/
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	https://griffithfoods.com/contact-us/
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option
	102-55	GRI content index	GRI Content Index
	102-56	External assurance	This report has not been externally assured

APPENDIX

DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
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Note: The material topics listed below correspond to the 14 top material issues shown in the **Materiality Assessment** section of this report.

BUSINESS ETHICS & GOVERNANCE

GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Corporate Governance and Ethics & Compliance
	103-2	The management approach and its components	Corporate Governance and Ethics & Compliance
	103-3	Evaluation of the management approach	Corporate Governance and Ethics & Compliance
GRI 205: ANTI-CORRUPTION 2016	205-2	Communication and training about anti-corruption policies and procedures	Ethics & Compliance
	205-3	Confirmed incidents of corruption and actions taken	Ethics & Compliance

FOOD SAFETY & QUALITY

GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Food Safety & Quality
	103-2	The management approach and its components	Food Safety & Quality
	103-3	Evaluation of the management approach	Food Safety & Quality

APPENDIX

DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
FOOD SAFETY & QUALITY			
GRI 416: CUSTOMER HEALTH & SAFETY 2016	416-1	Assessment of the health and safety impacts of product and service categories	Food Safety & Quality
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Food Safety & Quality - 2020 Highlights
TALENT ATTRACTION & EMPLOYEE DEVELOPMENT			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Talent and Learning and Development
	103-2	The management approach and its components	Talent and Learning and Development
	103-3	Evaluation of the management approach	Talent and Learning and Development
GRI 404: TRAINING & EDUCATION 2016	404-1	Average hours of training per year per employee	Wellbeing & Fulfillment - 2020 Highlights
	404-2	Programs for upgrading employee skills and transition assistance programs	Learning & Development
	404-3	Percentage of employees receiving regular performance and career development reviews	Wellbeing & Fulfillment - 2020 Highlights

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DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
ENVIRONMENTAL MANAGEMENT / WATER SECURITY			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Planet and Environmental Management
	103-2	The management approach and its components	Planet and Environmental Management
	103-3	Evaluation of the management approach	Planet and Environmental Management
GRI 302: ENERGY 2016	302-1	Energy consumption within the organization	Planet - 2020 Highlights
GRI 303: WATER & EFFLUENTS 2018	303-1	Interactions with water as a shared resource	Water & Waste
	303-2	Management of water discharge-related impacts	Water & Waste
	303-3	Water withdrawal	Planet - 2020 Highlights
GRI 305: EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	Planet - 2020 Highlights
	305-2	Energy indirect (Scope 2) GHG emissions	Planet - 2020 Highlights
	305-3	Other indirect (Scope 3) GHG emissions	Climate Action
	305-4	GHG emissions intensity	Planet - 2020 Highlights

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DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
ENVIRONMENTAL MANAGEMENT / WATER SECURITY			
GRI 306: WASTE 2020	306-1	Waste generation and significant waste-related impacts	Water & Waste
	306-2	Management of significant waste-related impacts	Water & Waste
	306-3	Waste generated	Planet - 2020 Highlights
	306-4	Waste diverted from disposal	Planet - 2020 Highlights
	306-5	Waste directed to disposal	Planet - 2020 Highlights
FOOD LOSS & WASTE			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Food Loss Commercialization
	103-2	The management approach and its components	Food Loss Commercialization
	103-3	Evaluation of the management approach	Food Loss Commercialization

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DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
SUSTAINABLE AGRICULTURE / FARMER LIVELIHOODS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainable Sourcing
	103-2	The management approach and its components	Sustainable Sourcing
	103-3	Evaluation of the management approach	Sustainable Sourcing
PORTFOLIO INNOVATION & TRANSFORMATION			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Innovation
	103-2	The management approach and its components	Innovation
	103-3	Evaluation of the management approach	Innovation
TRACEABILITY & SUSTAINABLE SOURCING			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Sustainable Sourcing
	103-2	The management approach and its components	Sustainable Sourcing
	103-3	Evaluation of the management approach	Sustainable Sourcing

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DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Sourcing - 2020 Highlights
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-2	Negative social impacts in the supply chain and actions taken	Sustainable Sourcing - 2020 Highlights
COMMUNITY INVOLVEMENT			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Local Communities
	103-2	The management approach and its components	Local Communities
	103-3	Evaluation of the management approach	Local Communities
GRI 413: LOCAL COMMUNITIES 2016	413-1	Operations with local community engagement, impact assessments and development programs	Local Communities
DIVERSITY & INCLUSION			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Diversity, Inclusion and Belonging
	103-2	The management approach and its components	Diversity, Inclusion and Belonging
	103-3	Evaluation of the management approach	Diversity, Inclusion and Belonging

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DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
GRI 405: DIVERSITY & EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	Wellbeing & Fulfillment - 2020 Highlights
EMPLOYEE HEALTH, SAFETY & WELLBEING			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Workplace Health & Safety
	103-2	The management approach and its components	Workplace Health & Safety
	103-3	Evaluation of the management approach	Workplace Health & Safety
EMPLOYEE HEALTH, SAFETY & WELLBEING			
GRI 403: OCCUPATIONAL HEALTH & SAFETY 2018	403-1	Occupational health and safety management system	Workplace Health & Safety
	403-3	Occupational health services	Workplace Health & Safety
	403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace Health & Safety and Human Rights
	403-5	Worker training on occupational health and safety	Workplace Health & Safety
	403-6	Promotion of worker health	Health & Wellness
	403-9	Work-related injuries	Wellbeing & Fulfillment - 2020 Highlights

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DISCLOSURE BY MATERIAL TOPIC	Disclosure #	Disclosure Title	Location/Response
SUPPLY CHAIN LABOR RIGHTS			
GRI 103: MANAGEMENT APPROACH 2016	103-1	Explanation of the material topic and its boundary	Human Rights
	103-2	The management approach and its components	Human Rights
	103-3	Evaluation of the management approach	Human Rights
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-2	Employee training on human rights policies or procedures	Human Rights

"The best is yet to come."
-Dean Griffith