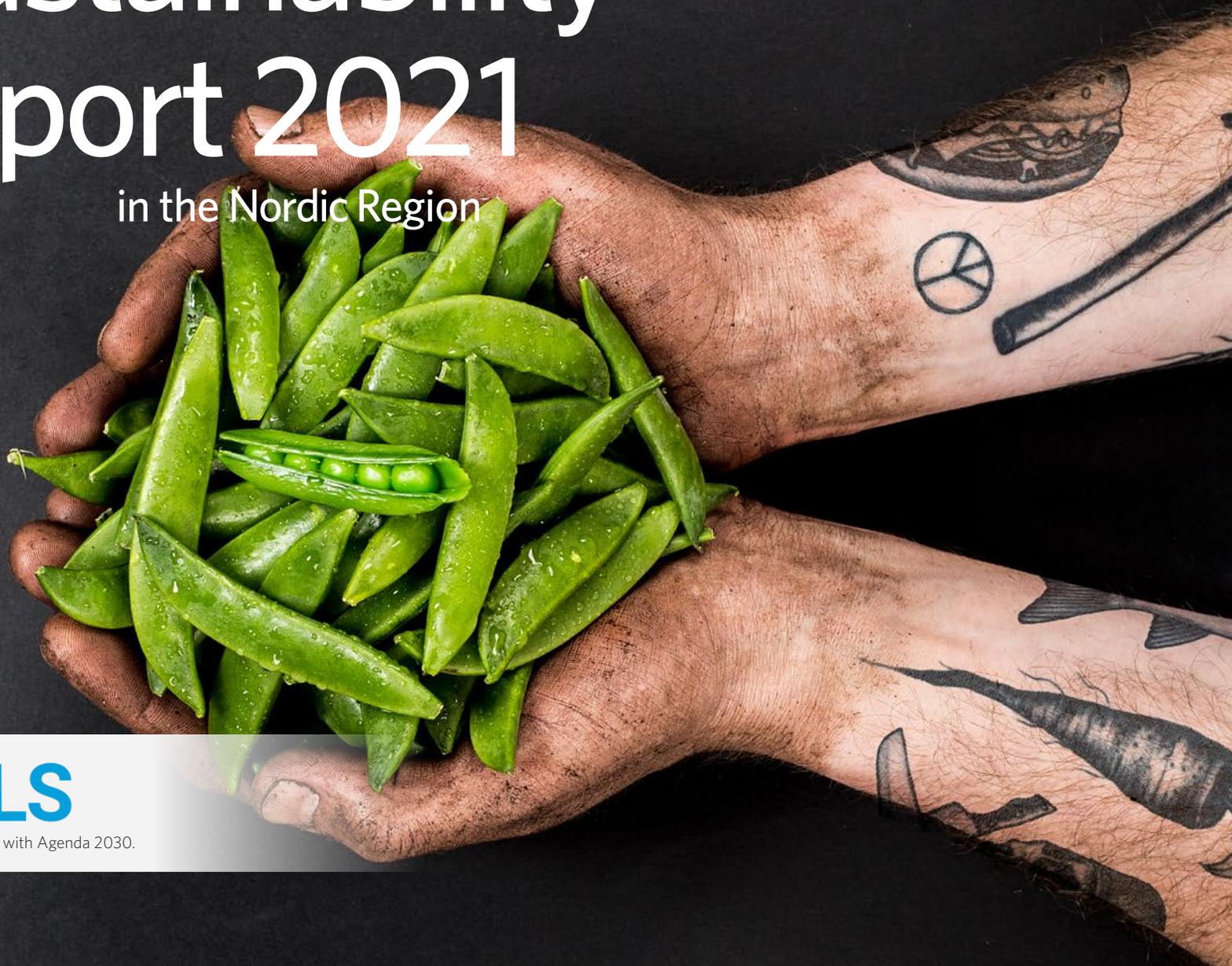




Sustainability report 2021

in the Nordic Region



**SUSTAINABLE
DEVELOPMENT GOALS**

Findus and Nomad Foods' sustainability strategy is aligned with Agenda 2030.

A Nordic report on sustainability

This is a report on the work made by Findus in the Nordic region within sustainability during 2021. In this document, the Board of Directors for Findus Sweden, Denmark, Norway and Finland presents the sustainability report for 2021. The report represents Findus' statutory sustainability report, which has been compiled in accordance with the requirements set forth in Chapter 6 of the Swedish Annual Reports Act.



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Highlights 2021



-17,4%

total edible food waste in factories, Nordic level



Findus became member of **Hållbar Livsmedelskedja** in Sweden (Sustainable Food Chain)



Science Based Targets verified for Nomad Foods in line with Paris Agreement.

100%
MSC & ASC
CERTIFIED FISH PORTFOLIO



26

new products based on green and blue protein - vegetables, plant-based and fish - in the Nordics



Findus' pea "Ebba", certified according to Svenskt Sigill Climate Certification 2.0

100% GREEN
ELECTRICITY

in all factories



MATMISSIONEN

Findus participated as pilot company in the establishment of a digital national food bank in Sweden



All Findus cod production moved to **EUROPE**

**DOW JONES
SUSTAINABILITY
INDEX**

Top 14 percentile with a perfect score of 100 for both *Health & Wellbeing* and *Environmental Reporting*



Signed letter of intent with Swedish Food Retailers Federation to improve packaging recyclability

**COVID
DONATIONS**

Over 370 000 meals donated in the Nordics

Findus in the Nordic region



Findus is one of the leading food companies within frozen vegetables, fish, plant-based and ready meals in the Nordic region. We are committed to make life better in many aspects for everyone who cooks. Whether you cook privately – for yourself, friends or family – or if you cook in your professional role – for school children, restaurant visitors or the elderly – Findus wants to contribute with natural, nutritious and sustainable food every day. Findus in the Nordic region employs approximately 470 employees in Sweden, Norway, Finland and Denmark. Findus is part of Nomad Foods, Europe's largest frozen food company.



Nomad Foods

Nomad Foods is Europe's leading frozen food company. Every day over eight million European households enjoy products from our leading brands, which include Findus, Birds Eye and iglo.

We have a varied portfolio, which includes a range of iconic fish and seafood, vegetable, potatoes, plant-based foods, chicken and ready meal products. Our supply chain stretches from the fields, farms and oceans, where the raw materials for our products grow, to the tables of consumers across Europe.

Nomad Foods operates primarily in 22 major European markets with a factory footprint consisting of 19 sites across 11 European markets. All this is overseen by our team of employees led from our headquarters in Bedfont UK. Nomad Foods has approximately 8 000 employees.

Nordic CEO Statement

Moving forward on our sustainability journey

The demands being placed on food companies today present many challenges, but also provide us with an important drive that may bring about much needed change to our industry. As the food industry plays an important role when it comes to the future of our planet, our consumers and customers rightfully expect us to do better. What we do each day impacts not only on their health, but the health of the planet as a whole and all companies consequently share a responsibility for minimising their negative impact.

Findus' ability to provide sustainably produced food is now a clear expectation among consumers and customers. Every day, our many dedicated and passionate employees are working diligently to ensure that we follow our commitments, in line with the UN's Global Development Goals by 2030. And their efforts are making an impact.

Guided by our group strategy on sustainability, Findus in the Nordic region took significant steps during 2021 across our focus areas Better Sourcing, Better Nutrition and Better Operations. A token sign of this is that Nomad Foods achieved top 14 percentile ranking in the global Dow Jones Sustainability Index. We are also proud to say that, in addition to reaching 100 percent in Nutrition for the third year running, we received a perfect score of 100 for both Health & Wellbeing and Environmental Reporting.

In this report, we present our work and progress, but I would like to take the time to mention a few highlights of particular significance.

Supply chain management plays a key role in the sustainability work of any food company and great efforts were made during the year to further improve our sourcing methods. After having become a member of Hållbar Livsmedelskedja, we are now joining the WWF and other Swedish food producers in the transition to a more sustainable production and consumption within the food chain.

In line with this, Findus' cod production moved during the year away from China to Europe, allowing for shorter transports while at the same time maintaining the highest possible yield from each fish we catch. Moreover, we will also move our sourcing of meat from

Brazil to Denmark during 2022. Both initiatives are based on our strategy to move sourcing closer to home when there exists good alternatives of qualitative and cost-efficient suppliers. Moreover, we are also proud to state that we have reached our goal of a 100 percent MSC and ASC certified portfolio, which guarantees that all fish from Findus is sustainably caught or farmed.

The way we run our own operations also has great bearing on how we manage our impact on people and planet. Particularly noteworthy is that Nomad Foods' emission reduction targets were approved by the Science Based Targets initiative, which ensures that our ongoing efforts are in line with the most recent scientific findings on combating climate change.

As food waste remains high on our agenda, we continued to donate food to city missions across the Nordic countries. During 2021, more than 370 000 meals from Findus found their way to those in need. To help develop the infrastructure for food donations, we also participated as a pilot company in Sweden's first digital national food bank, allowing for smoother administration and distribution to city missions in Scania, Gothenburg and Stockholm.

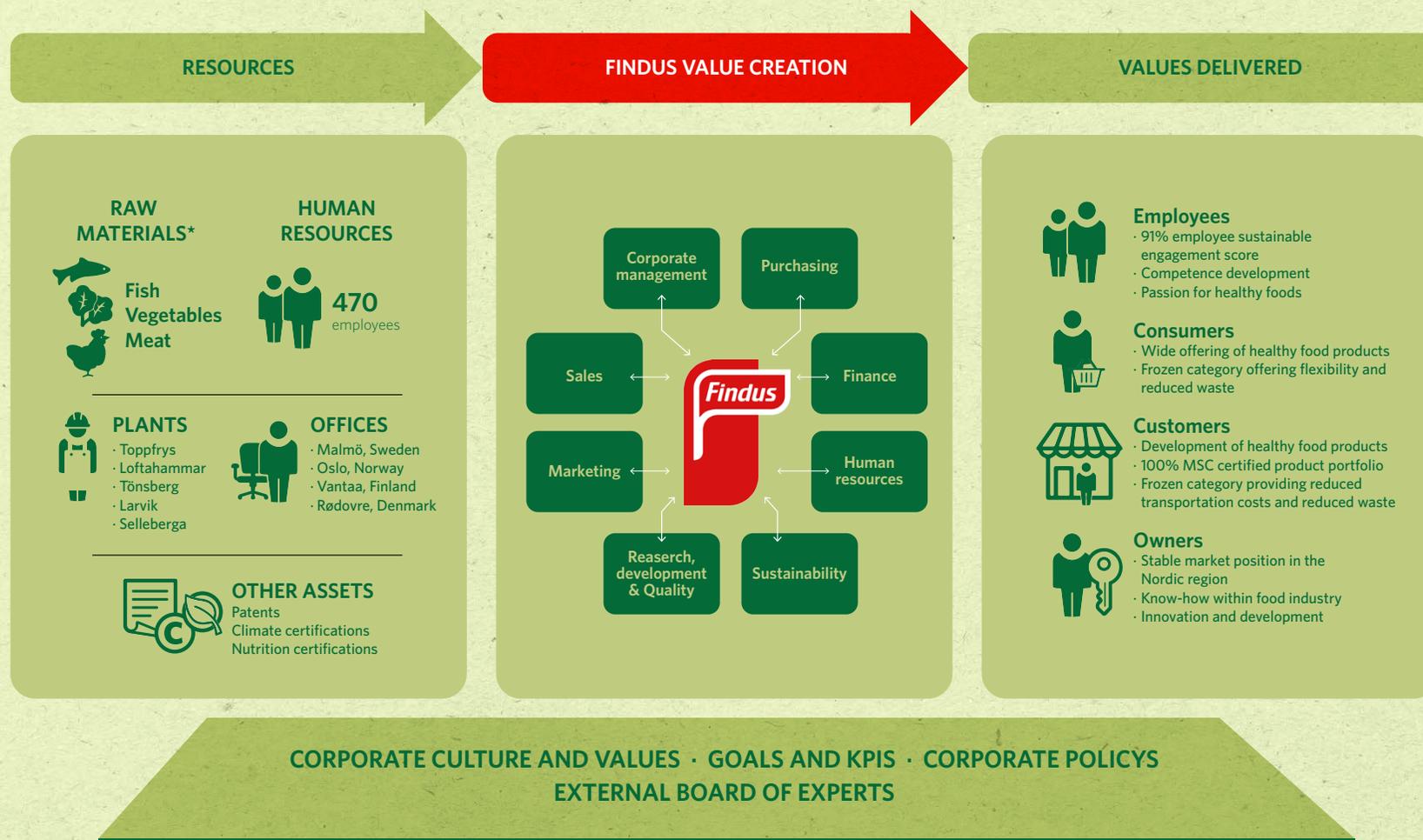
2021 marks a year when we continued to make important headway on providing sustainably produced, healthy, great-tasting food for the Nordic market. Over the following pages, I invite you to read more about how we at Findus are following our strategy of Eating for the Planet, through which we ensure that sustainability remains at the forefront in everything we do on a daily basis.



Kasper Grønnegaard
CEO Findus Nordic

Findus creates value to customers and consumers by providing sustainably produced, healthy, great-tasting food. Thanks to our history and long-standing tradition of producing widely appreciated high-quality products, we are household brand on our Nordic market, creating market success and value to our owners. Our passion for healthy food is manifested by our many dedicated employees, whose well-being and safety are of central importance to our company and market success.

Findus model for value creation





A Nordic report on sustainability

In this report, we report on our work and progress within sustainability across all our Nordic markets.

In the following sections of Findus Nordic Sustainability Report, we describe the context and details of how we are acting as a European food group together with Nomad Foods to contribute to a more sustainable world.

In the first section we give an overview of some of the important sustainability initiatives throughout the Nordic region and then move on to an overview of the major trends affecting our core industry – frozen food – and our company.

Following this, we present our Sustainability Strategy, which we and Nomad Foods have established to address the trends, challenges and demands facing us today. Based on this, we report on the progress being made in the Nordic Region within our three focus areas – Better Sourcing, Better Nutrition, and Better Operations.

Sustainability in the Nordic region

The Nordic region is generally held in high regard when it comes to sustainability. From a developmental perspective, Nordic countries rank at the global top in the UN Development Programme's Human Development Index and consistently stand-out when it comes to GDP per capita, educational attainment, health levels and life expectancy.

Moreover, the Nordic countries rank among the top ten in the Environmental Performance Index, and progress towards combating global climate change is also considered among the highest globally according to the Climate Change Performance Index.

Businesses are increasingly responding to combating climate change, as the adherence to the Science-based Targets Initiative (SBTi) [ref 1] has been on the rise in recent years. At present, 252 Nordic-based companies have committed to validate their climate plans in accordance with the SBTi. [ref 2]

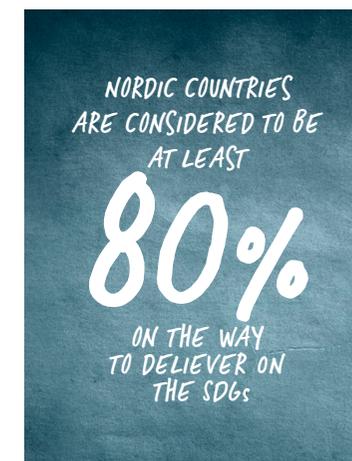
Nordic collaboration towards Agenda 2030

The UN Agenda 2030 has gained wide attention within Nordic society. In 2021, the Nordic countries all ranked among the top five in Europe [ref 3] and the top ten globally in terms of performance on the 17 Sustainable Development Goals (SDGs). The Nordic countries are at present considered to be more than 80 percent on the way to deliver on the SDGs by the end of the decade. [ref 4]

The success in following the Agenda 2030 may be attributed to the high level of Nordic political collaboration on sustainability. The vision of the Nordic Council of Ministers, the official body for inter-governmental Nordic cooperation, is to make the region the most sustainable and integrated region in the world by 2030. In its 'Action Plan 2021-2024', the Council set the promotion of healthy and sustainable food consumption and innovation within the Nordic food sector as one of its main goals.

Sustainability trends impacting the Nordic frozen food market

The widespread interest for sustainability can be noticed in several macro trends permeating the Nordic society, which have a direct impact on the food industry and in particular the frozen food sector. The frozen food market is driven by five macro trends: Convenience, Health & Well-being, Sustainability, Personalisation, Trust & Authenticity. During the pandemic, the frozen food category has grown faster than fresh food, which is largely due to the very same trends. Frozen food from well-known brands is convenient to have at home, where consumers can choose the healthy vegetables of their choice regardless of season. It also has a positive effect on households' food waste and the longer durability of products means that they do not have to shop as often.



Food, health, and the environment

Food production is among the largest drivers of global environmental change and actors at the retail level are responding with own initiatives to limit their impact. Several food retail chains have in an effort to protect biodiversity instituted policies whereby beef purchases from areas exposed to high risk of deforestation are restricted. Effectively, this has meant that meat sourcing is now being brought back to home markets, where environmental as well as animal welfare requirements may be more easily upheld.

A major contributor to the climate impact of the food industry is the production of animal protein sources. As shown by the EAT Lancet Commission, a global shift away from red meat and towards vegetable-based diets is therefore necessary and would not only relieve stress on the environment but also have significant health benefits. [ref 5]

Health has grown to become one of the most significant aspects within the Nordic food market. This can be seen by the tough national restrictions on food health and safety common to all Nordic countries and the wide use of food health labels. One such label is the Nordic 'Keyhole' label, which requires that producers follow shared Nordic Nutrition Recommendations and restrictions on salt, sugar, and fat. The label is carried by more than 4 000 products today and is meant to assist consumers in making healthier food choices and to encourage the development of healthy products. [ref 6]

This is also a sentiment being promoted by public authorities. During 2021, Norwegian authorities renewed its national health goals to increase the intake of vegetables, fruits, berries, coarse grain products, fish and seafood while reducing the consumption of salt, added sugar and saturated fats. Moreover, the Danish Ministry of Food has issued dietary recommendations on decreasing the weekly consumption of red meat from 500 grams to 350 grams, while increasing daily amounts of plant-based food, such as legumes to 100 grams and fruit and vegetables to 600 grams.

Similarly, in responding to increased risks of poor health, the Swedish food retail chain ICA has set a goal that by 2025 its customers will eat 500 grams of fruits and vegetables on a daily basis.

There is a strong interest for plant-based diets in the Nordic countries. Close to one third of Nordic consumers express a growing interest for plant-based proteins, while one in five persons could consider removing animal protein completely from their diets as a step to protect the environment. [ref 7] Among Swedish consumers, two in five persons state that choosing plant-based is a means to reducing their climate impact, while almost as many (36 percent) state health as the main reason. [ref 8]

Frozen food has the potential to play a key role in the diet shift. By freezing food shortly after harvest, important nutrients are preserved and made available for consumption over a longer period of time. Moreover, as the raised interest also drives the development of entirely new types of dishes, plant-based foods are now offered in a wide variety that ultimately could make the shift in diets both easier and more attractive.

Food waste

Food waste exacerbates global climate change and represents a tremendous misuse of resources, given the vast quantities of water, land and energy needed to produce food that is ultimately never consumed. [ref 9] Given that more than 60 percent of food waste is generated by households [ref 10], improving the ability of individual consumers to reduce their waste may consequently be a significant step towards limiting our common environmental footprint.

1/3 OF NORDIC CONSUMERS EXPRESS A GROWING INTEREST FOR PLANT-BASED PROTEINS



Despite their progress, the Nordic countries still face major challenges in reaching SDG 12: Responsible consumption and production, which among other targets include halving global food waste. [ref 11] More than 3,5 million tons of food are wasted in the Nordic countries every year [ref 12] and mitigating such waste would, according to the EAT Lancet Commission, be a crucial measure when combating climate change.



At the national level, the Nordic countries are implementing various cooperative ventures with the food industry to combat food waste. The Norwegian government signed in 2017 a voluntary agreement with 104 companies to cut food waste in half by 2030, whereas the Swedish National Food Agency has developed a plan to reduce food waste throughout the whole food chain.

Cooperation on the matter also exists between the Nordic countries. This involves knowledge-spreading on food waste in primary production, helping producers to date-label food in a way to minimise waste and promoting the safe and effective distribution of surplus food to people in need. As a step to build awareness around the issue, specific national food waste days have also been introduced and food waste is now part of school curriculums.

Moreover, several Nordic food retail chains have started their own respective digital food waste initiatives and mobile applications to highlight how consumers may reduce both their own and the stores' food waste.

According to a study in the British Food Journal, the use of frozen foods has the ability to reduce food waste with as much as 47 percent compared to fresh or chilled alternatives. [ref 13] Given the advantages of vastly extending the shelf life of food, while at the same time maintaining quality and allowing for easy portioning, the frozen food sector could therefore provide an efficient method for using resources that also may limit the impact on the environment.

Findus Sustainability Strategy



Eating for the Planet

At Findus in the Nordic region, we are acutely aware of our role in society and the impact we have as an organisation. With the benefit of being part of a global organisation, we are granted important tools that help us to continuously develop our sustainability agenda. Together with our owners, the European frozen food group Nomad Foods, we put sustainability at the heart of how we do business and how we are working towards a future where both the people and the planet can thrive.

Eating for the Planet

Sustainable eating is critical to the future of the planet. While ensuring a greater well-being for people in general, we know that healthy diets are the most sustainable for the planet. Shifting to a diet that is high in vegetables, plant protein and responsibly sourced fish is proven to have a positive impact on both the health of consumers and the planet.



This notion underpins our sustainability strategy "Eating for the Planet", which also involves efforts to minimise the effects of food production on the environment.

In 2021, Nomad Foods ranked in the top 14 percentile in the global Dow Jones Sustainability Index, achieving a perfect score of 100 for both Health & Wellbeing and Environmental Reporting. Overall, the group scored 54, which is an increase from the 2020 score of 52. Listed on DJSI Europe Index for first time, as one of the top four companies in Europe within the food industry.

Working with the UN Agenda 2030

We at Findus believe in working proactively and collaboratively to ensure we make the greatest contribution possible to the goals set forth in the UN Agenda 2030 and its Sustainable Development Goals (SDGs). Together with Nomad Foods, we have chosen to work specifically with four SDGs that correspond to where our most significant impacts reside. These goals naturally lie at the focus for our sustainability strategy, where they inform our work and act as a further catalyst for change in our business.



To achieve the chosen SDGs, we must look beyond national boundaries and realise that it is only by acting globally that real change may take place. With the strength from being part of Nomad Foods, we have the tools and momentum that ensure a wide impact from our sustainability efforts.

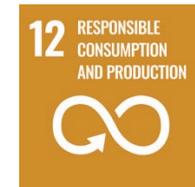
SDG2: ZERO HUNGER

Helping to achieve adequate nutrition for all within planetary limits is at the heart of our purpose: serving the world with better food. Due to the nature of our portfolio, we have a unique role to play in this area.



SDG12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Given our position as Europe's largest frozen food company, we have the ability and responsibility to champion more sustainable consumption and production patterns, particularly in relation to packaging and food waste.



SDG14: LIFE BELOW WATER

As a major purchaser of fish and seafood, this is an area where we can drive significant change, and together with our partners, make a meaningful contribution to global progress towards the goal.



SDG15: LIFE ON LAND

Nomad Foods is a leading provider of vegetables and potatoes across Europe. This gives us the scale and influence to drive holistic, sustainable agriculture practices and help combat soil erosion and deforestation.



Our Strategic Focus Areas

The foundation of our **“Eating for the Planet”** strategy rests on three focus areas - Sourcing, Nutrition and Operations. Each area sets out our ambitions, which are supported by specific, time-bound global commitments to ensure continued progress. Through this, we have built a portfolio to empower consumers to make the right choices with the ambition to make eating for the planet sustainable, healthy, tasty and accessible for all.



BETTER SOURCING

'Better sourcing' captures our stance on how we should treat our oceans, how we operate our fields and what ingredients we choose. Our varied portfolio of fish, seafood, vegetables and chicken is sourced with care and respect for people and for the environment and we endeavour to be transparent as we act to maximise our impact beyond our supply chain. We focus on sustainably sourced fish and seafood by using established and well-known certifications such as MSC and ASC. Through Nomad Foods, we are increasing the adoption of the FSA framework, which ensures that our sustainable farming standards are expanding from regional practices to global standards.



BETTER NUTRITION

'Better nutrition' embodies our view on food nutrition, our approach to additives and our ability to influence both consumers and suppliers for the benefit of our planet. Through our Nutrition Profiling Tool Healthy Meal Choices, we strive to inspire families to eat a more balanced diet and live a healthier lifestyle. With our wide range of fish, vegetables and chicken, we are in a great position to do this. Every day, we work actively to improve the nutritional profile of our portfolio, use our influence to inspire positive choices and implement strict standards on additives and preservatives.



BETTER OPERATIONS

Our focus area 'Better operations' represents our approach to how we treat our planet, the people within our organisation and the wider communities in which we operate. We are committed to do better, whilst minimising our negative impact. By working innovatively, we are actively addressing key issues such as food waste and packaging that ultimately help us to improve our energy, water and waste management and reducing our greenhouse gas emissions. As sustainability is of key importance to our employees, we take our role as a responsible employer seriously and strive towards equality and diversity in our workforce.

Our Global Commitments

Our three focus areas – Better Sourcing, Better Nutrition, and Better Operations – are embedded across Nomads Foods’ businesses and guide us in our joint strife to ensure that sustainability is central in all operations both globally and locally. For each focus area, we have set two ambitious commitments that set out the specific direction for how we should follow our strategy.

Over the following pages, we present examples on how Findus in the Nordic region is contributing locally to our focus areas and six global commitments.

For a more detailed account on how we are making progress on a global level, please see Nomad Foods’ Sustainability Report 2021, which you will find at the end of this report.

BETTER SOURCING

1. We will use 100% fish and seafood from sustainable fishing and responsible farming by the end of 2025

100%



0%

2. 100% of our vegetables and potatoes will be produced using sustainable farming practices by the end of 2025

100%



0%

BETTER NUTRITION

3. We will grow the healthier meal choices in our portfolio every year



4. 100% of our portfolio to be without flavour enhancers, artificial flavours and artificial colourants by the end of 2022

100%



0%

BETTER OPERATIONS

5. We will reduce our green house gas emissions intensity year after year



6. 100% of our consumer packaging will be recyclable by the end of 2022

100%



0%

Our progress in the Nordic region

A top-down view of a bowl of food on a pink plate. The bowl contains a variety of ingredients: cooked salmon pieces, sliced avocado, cherry tomatoes, leafy greens like spinach and basil, and small green peas. The bowl is placed on a light grey textured surface. To the right of the bowl, there are a few fresh green peas in their pods and some loose peas. A pair of wooden chopsticks with a decorative pattern is placed to the left of the bowl.

With our "Eating for the Planet" strategy as a foundation, we are working actively to make healthy, sustainably produced frozen food accessible across the Nordic region. To guide our efforts, we are working with our three focus areas - Better Sourcing, Better Nutrition, and Better Operations - to address specific topics within our sourcing methods, our view on nutrition and how we run our operations.

In this section, we present examples on how Findus in the Nordic region is working with these areas and contributing to Nomad Foods' global commitments in general.

BETTER SOURCING



As Europe's largest frozen food company, the way we source our ingredients has a significant impact on the world. Consequently, responsible sourcing is one of our key sustainability priorities, which extends to how we source our fish as well as our vegetables.

The state of the oceans

Fish and seafood make up a large portion of our portfolio. For this reason, safeguarding the health of fish populations is essential, not only for our ability to provide nutritious food today but also for coming generations to enjoy the many benefits from diets rich in fish and seafood.

The oceans produce half of our planet's oxygen and are essential to our health and supply of food. Despite this, our oceans are under severe threat. According to the UN Food and Agriculture Organisation (FAO), over 34 percent of global fishing is being carried out in an unsustainable way. [Ref 1] At Findus, we believe we have an important role to play in raising awareness and changing consumer attitudes and behaviour concerning the state of today's fish populations.

Fish and seafood for the future

By working closely with the MSC and ASC, we are actively driving the transformation within the fish and seafood industry. With the MSC and ASC certifications, our consumers are provided with a simple, credible shortcut to knowing that the product they are enjoying has been sourced in a sustainable and responsible way.

During 2021, we reached our goal of 100 percent of our Nordic wild-caught fish portfolio sourced from MSC-certified fisheries as well as full ASC-certification for farmed fish.

Moving cod fish closer to home

All our wild-caught cod fish are fished in Norwegian waters by MSC-certified fisheries, who clean and freeze the fish onboard the boats before arriving to land. Until recently, the cod fish was transported to our suppliers in China for filleting, which ensured the highest possible level of meat extraction from each fish.

As recent technological developments now make it possible to reach equal extraction levels through automated processes, we have been able to move our entire cod production to Europe during 2021. As processing now takes place in Europe instead of China, we are able to serve our European customers without the need for lengthy transports as well as reducing our environmental footprint.



The Marine Stewardship Council (MSC) is an international non-profit organisation promoting sustainable fishing practices for wild-caught fish. The MSC manages a far-reaching certification and labelling programme by issuing demands on fisheries to meet strict requirements around stock management, discards, minimising impact to eco-habitats, by-catch and the use of fishing gear. Findus has been working closely with the MSC for over 20 years.



The Aquaculture Stewardship Council (ASC) is a non-profit organisation that manages the world's leading certification and labelling programmes for responsible aquaculture. The ASC standards define environmental and social criteria that need to be met to obtain certification.



Global Ghost Gear Initiative

Lost, abandoned and otherwise discarded fishing gear present a serious threat to the health of marine ecosystems, animals and human livelihoods. According to Greenpeace such gear makes out as much as 10 percent of ocean plastics. Nomad Foods and Findus are part of the Global Ghost Gear Initiative (GGGI) - an initiative seeking to remove all ghost gear and preserve the health of our oceans in order to ensure that future generations also may enjoy the fruits of the seas.

Responsible farming

As a major provider of tasty, nutritious vegetables in the Nordic Region and across Europe, it is crucial to Findus and Nomad Foods and our “Eating for the Planet” strategy that all our vegetables and potatoes are sourced through sustainable farming practices. From 2021, we are only using 100 percent cage-free eggs and certified sustainable palm oil in our products.

Important progress is being made in this area throughout our operations. A key tool is the SAI Platform’s Farm Sustainability Assessment (FSA), which helps us assess the profile of suppliers and farmers.

In Sweden, we are using the climate certification standard ‘Svenskt Sigill’ for our Ebba peas. After having reached FSA Silver-level verification in 2020, we chose to intensify our efforts during 2021 to raise production to the FSA Gold-level, which involves specific production requirements regarding biological diversity, the use of soil and water, working conditions and local community involvement. Together with Svenskt Sigill, a benchmark study was performed to identify the measures necessary to achieve this higher verification level. The study resulted in a 15-point program, which has guided our work throughout the year leading up to the successful verification of our Ebba pea production as FSA Gold standard.

During 2021, all our Norwegian suppliers became verified according to the FSA Silver-level. With the recent FSA standard update we are currently exploring the work required to reach our goal of Gold-level verification by 2023 for Norway as well.



CASE STUDY **Circularity within the fishing industry**

Circular approaches to fishing has been underway for some time within the global fishing industry. Motivations have largely been driven by environmental concerns, but importantly also by economic incentives through fish biproducts.

Historically, on average 27 – 30 percent of caught fish was used for human consumption and ended up as the final product at retailers. The remaining parts have previously been discarded, representing a considerable loss of revenue and resources. Nowadays, previously discarded fish parts are supplying a growing number of complementary industries with resources, which ensures that each kilogram of fish is put to good use. For example, fish bones and cartilage are used for fish meal production and animal feed, collagen from fish skins are used in the cosmetic industry, and fish enzymes are used in the pharmaceutical industry.

The fisheries and fishing boats we use are paying great attention to minimising waste throughout their whole supply chain and we are supporting them in many ways. By transforming caught fish into fish blocs with exact measurements, we work with our suppliers to tailor the raw materials to our various products. Consequently, by cutting our fish sticks directly from the fish blocs delivered to us, we ensure the highest possible level of resource utilisation and minimal waste during production. In addition to this, by gathering the fish meat residues from the cutting of fish blocks and occasionally uneven blocks, we create products such as Fish figures in the shape of sea creatures for the public sector, thus adding another way of optimising our resources.

IN BRIEF

Sustainable food chain (Hållbar livsmedelskedja)



Sustainable food security is a key issue in enabling a sustainable society within the planet’s borders. Research shows that food accounts for about a quarter of man’s climate impact and causes a number of environmental problems, such as deforestation, reduced biodiversity, eutrophication and depletion of natural resources. In addition, social aspects such as health, nutrition and working conditions can also be added.

Today, human consumption exceeds the planet’s limited supply of natural resources and in order to reverse this trend, market participants, politicians and consumers need to act.

To speed up the pace of the transition to a more sustainable food production and consumption in Sweden, Findus has joined with the WWF, and several other companies from the food industry, in the Sustainable Food Chain initiative.

The initiative currently includes 15 well-known companies: Arla, Axfood, Coop Sweden, Fazer, Findus, HK Scan, ICA, Lantmännen, Löfbergs, Martin & Servera, Orkla, Paulig, Polarbröd, Pågen, Unilever and WWF. The goal is to contribute to a significantly more sustainable food production and consumption in the Swedish food chain by 2030.



CASE STUDY Aiming for FSA 3.0 Gold in Norway

With the recent update of the FSA standard – FSA 3.0 standard – Findus Norway is now aiming to reach Gold-level certification by 2023. Having reached FSA 2.0 Silver certification during 2021 – an important milestone in itself – we are currently surveying the work needed to reach our goal.

As all Norwegian suppliers are required to follow the Norwegian agricultural quality certification KSL (Kvalitetssystem i landbruket), we are using this as a basis for a benchmark study, whereby we seek to understand what additional efforts are required in order to reach the FSA 3.0 Gold-level certification.

After having established this, our intention is to pilot-test the supplementary requirements on a select number of suppliers in Norway, with the goal of rolling out a full standards requirement scheme for all our producers during 2023.



KSL 
**Kvalitetssystem
i landbruket**



REFERENCES

1 FAO, 'The State of World Fisheries and Aquaculture', 2020, p47.

BETTER NUTRITION



Each day, thousands of people are enjoying our products with their friends, families and their loved ones. The popularity of our many products presents us both with a great responsibility and an opportunity to make sure that our consumers and customers may enjoy healthy and sustainable foods. For this reason, we focus particularly on developing nutritious food keeping a high level of vitamins while excluding the artificial additives.

The challenge of nutrition

According to the EAT Lancet Report, unhealthy diets pose a greater risk to morbidity and mortality than the use of alcohol, drugs, and tobacco combined. Moreover, it also has a negative effect on quality of life and long-term well-being. Part of the problem is the wide availability of unhealthy foods coupled with the perceived difficulties in finding and preparing nutritious meals. With the wide use of additives and enhancers, it has also become increasingly difficult for consumers to navigate among the many offerings and alternatives.

Providing Healthier Meal Choices

Nutrition sits at the centre of our 'Eating for the Planet' strategy, and we are working through our Nutrition Manifesto to make healthier and sustainable food choices convenient to consumers. This involves inspiring people to choose healthier diets by actively promoting blue and green proteins – marine and plant-based food sources – and developing well-tasting nutritious products. A crucial part of this is also to provide relevant nutrition information, staying updated on the latest scientific research and adopting local labelling schemes. In doing so, we are ensuring that our colleagues and customers are well informed and enabling our consumer to make easy well-informed decisions about their food.

The implementation of the Nutrient Profiling Tool (NPT) has been successful and was instrumental for our achieving of the score of 100 for both Health & Nutrition in the most recent Dow Jones Sustainability Index. During 2021, Healthier Meal Choices represented 90 percent of our sales in the Nordic Region. Best in class is Norway, where Healthier Meal Choices represented 95 percent of our sales.

Among the Healthier Meal Choices launched in 2021, three new products from our product line Green Cuisine found their way to the shelves offering enjoyable ways to enjoy plant-based food: Chili sin carne, Vegetable sticks and Schnitzel. A sustainable choice with great variety that makes it easy to eat green plant-based food while making a good contribution to the planet. The products are made from either pea protein, wheat protein or flavorful vegetables and come in several forms.



IN BRIEF

Healthier Meal Choices

Our Nutrient Profiling Tool (NPT) is an important part of our product development and Healthier Meal Choices – our pursuit to help consumers choose healthier diets.

Implemented across all Nomad Food's operations, the NPT uses an externally verified scoring system to assess the overall nutritional profile of our products. It takes into account positive ingredients and nutrients such as fruit, vegetables, fibre and protein, as well as nutrients of public health concern – sugar, salt and saturated fat. Products receiving the highest scores are classified as Healthier Meal Choices, while any product that does not meet these criteria is redeveloped before launch.

The interest for Healthier Meal Choices has especially grown in Norway during recent years. This has likely been propelled by the national goal of increasing the consumption of fish and vegetables, as well as the increased focus on blue and green protein in Findus Norway's marketing and product development during the year.

Clean recipes

One of our important goals is to minimise the use of artificial additives and enhancers. Today, all our products sold in the Nordic Region are considered clean recipes, which means that they have little to no artificial additives. In fact, all our products sold in Norway today are now completely free from flavour enhancers as well as artificial flavours and colorants.

We have for some time participated in the Norwegian Salt Partnership to actively reduce the national consumption of salt. Initiated by the Norwegian Health Ministry, the partnership involves that members use specific targets on salt content in their product development and report total reductions back to the programme.

Due to the previously high levels of cardiovascular disease in Finland, the use of salt has been an issue of great public concern and surrounded by tough national restrictions. In the Food Service market, salt levels must be below 1 percent. As a result, it has been a priority for us to monitor salt levels particularly in our Finnish products and we have for almost a decade worked actively with minimising the use of additives.

IN BRIEF

Vision Zero in brief

Today, more than half of the Swedish population over the age of 65 risks malnutrition, causing both severe human suffering and significant treatment costs to society. Diseases, medicine, a changed sense of taste and loneliness may lead to that appetites wane with age, causing people to eat less and as a result lose out on important nutrients.

Combating malnutrition among the elderly is an important issue for us at Findus, and for almost 40 years Findus Special Foods has been working with food adapted texturally to suit individuals with difficulties in chewing and swallowing.

During 2021, Findus continued its work together with several other food companies within the initiative "Vision Zero against elderly malnutrition". The initiative was founded by the Swedish Food Academy and is financed by the Swedish Innovation Department Vinnova. The purpose is to develop a model whereby malnutrition among the elderly population may be prevented, which can be used by Swedish municipalities.



CASE STUDY Green and Blue proteins

According to the EAT Lancet Report, unhealthy diets pose a greater risk of morbidity and mortality than the use of alcohol, drugs, and tobacco combined. Moreover, it also has a negative effect on quality of life and long-term well-being. One way of improving your diet is to increase green and blue proteins - fish, vegetables and plant-based - while reducing the red ones. As a consequence, Findus Nordics is on a regular basis actively introducing new products within fish, vegetables and plant-based to contribute to a more balanced diet and in 2021 we presented 26 new products for the category.

One of our sustainability targets that we measure continuously is the annual expansion of the volume of green and blue products in our already vast portfolio. Despite our efforts, we failed in this target during 2021, mainly due to supply constraints, the move of cod production from China to Europe and portfolio changes related to vegetables. Nevertheless, we have high hopes of being back on track during 2022 strengthened by the current health trend in the Nordics fuelled by both our customers' sustainability targets and national regulation.



BETTER OPERATIONS



At Findus, we are committed to do better for our planet, the people within our organisation and the wider communities in which we operate. This is why we are working innovatively to address our footprint in terms of how we run our operations in an environmentally sound way and how we take our social responsibility for the people both within and outside our organisation.

Limiting our climate footprint

Findus and Nomad Foods have set ambitious emissions reduction targets as a step to further curtail our footprint and climate impact. We are part of the UN-backed campaign 'Race to Zero', working for a healthy, resilient, zero carbon recovery.

By 2025, we aim to reduce our greenhouse gas emissions intensity by 45 percent with 2019-levels as a baseline and reach net-zero emissions across our value chain before 2050. During 2021, Nomad Foods' corporate emissions reduction targets were approved by the Science Based Targets initiative, ensuring that our work is aligned with the most recent scientific findings concerning climate change. Through this, we are determined to take our responsibility in limiting global warming to well-below 2 degrees Celsius above pre-industrial levels and pursuing efforts to limit warming to 1.5 degrees Celsius.

Shifting to renewable energy is another crucial step to reduce our footprint, ameliorate climate change, and ultimately to improve living conditions by healthier air quality for the people in the communities where we operate. In addition to our production facilities in the Nordic countries, all Nomad Foods facilities have now transitioned to green electricity, which is an important step towards reducing our group's emissions.

Transportation

A key advantage of working within the frozen food category is the extended durability resulting from freezing our products. As this means that our products are able to sustain longer transportation times, we are subsequently allowed greater freedom when choosing means of transportation. We always seek the solution with the lowest climate impact, such as by train, truck or boat.

We joined the Transportation Challenge by the organisation Fossil Free Sweden in 2020 and the Transport Initiative by DLF Sweden in 2021. Already in 2020, we transitioned to fossil free fuel for our domestic transport going to and from our factories as well as to our customers. Our current focus is now to work actively to reduce our transport-related emissions globally as part of our overall corporate emissions reduction targets.



IN BRIEF

Employee engagement for sustainability

Integrating sustainability into all aspects of our organisation is business critical to reach our ambitious sustainability targets. As an important step in this regard, three sustainability goals - reduce food waste, increase the portion of blue and green proteins in diets and drive inclusion and diversity - were added to each employee's Performance Development Goals for 2021, ensuring that sustainability is always at the forefront in everything we do on a daily basis.

During the year, the results show that we have had progress in establishing new partnerships to decrease food waste in Sweden together with Ecoloop (see page 24) and as pilot company in Sweden's digital food bank. (see page 26) Food waste from our factories

and market units remain stable. Green and blue proteins have unfortunately slightly decreased in volume as a result of mostly supply constraints related to the pandemic (see page 21). Several new activities within Inclusion & diversity have been kicked off with the purpose of engaging managers to, for example, increase their searches when recruiting new candidates. In general terms, engaging employees in sustainability and integrating targets as part of Performance Management Goals is a positive thing that will continue in 2022.





Our packaging

Packaging serves many purposes, but first and foremost it ensures that the product is protected against contamination, while also maintaining the quality of products for the duration of their shelf life to reduce food waste.

Our approach to packaging innovation is encapsulated by our sustainable design principles and our goal is for 100 percent of our packaging to be recyclable at the end of 2022.

Today, 90 percent of our packaging is recyclable. This is a significant increase from last year and has resulted from our innovation with packaging materials, investigation into new methods of heat-sealing plastic packaging and identification of new coating and plastic lamination techniques that do not impact the recyclability of cartons. We endeavour to use recycled materials as far as possible, and when virgin paper is required, it must be from sources that are certified in responsible forest management. All new packaging development is assessed for sustainability and must meet our recyclability criteria in order to be approved. Exceptions are only made to ensure food safety.

Our aim is to find new materials with full recyclability that also are suitable for our frozen food portfolio, including performing trials on circular packaging. During 2022, we will continue to launch recyclable plastic packaging across all our factories in a number of categories including vegetables, soups, and poultry. For the Nordics, that includes all products being produced at our factories in Tønsberg, Larvik and Loftahammar.

Since 2019, we have been part of the Swedish 'Plastinitiativet' by DLF - an initiative calling upon producers to ensure that all plastic packaging will be fully recyclable by 2022. In 2019, we also joined the Norwegian initiative 'Plastløfte' to reduce the of plastic used in our packaging. In general, the initiative calls upon us to minimise the use of plastics in

CASE STUDY Using technology to reduce food waste

At Tønsberg, we are producing French fries according to customer specifications and we handle vast quantities of potatoes on a yearly basis. Previous production methods tended to incur significant amounts of materials not suitable for production due to defects and off-cuts. To reduce this waste, the new technology Pulse Electric Field (PEF) was introduced. Developed together with potato suppliers, the PEF method strengthens the structural integrity of cut potatoes, which improves processing and allows for more of the potato to be used. This results in higher yields and fewer off-cuts, but also savings in terms of water, energy and other resources.

In addition to this, advanced optical sensors are being used at Tønsberg to sort out defects during the handling of vegetables. The high precision of the sensors ensures that the risk of accidentally sorting out good resources is significantly minimised, which not only means that resources of the highest quality are used in production, but also that unnecessary food waste is reduced.

our packaging process, such as replacing plastics containers with paper, and increase our usage of recycled plastic. It also involves that we introduce recyclability early in the product design process, where we take steps to replace plastic with recyclable alternatives as far as possible.

Committed to reducing food waste

Food waste represents a significant misuse of resources and a burden to the environment. As a company within frozen foods, reducing food waste is by nature a key focus area for us. Studies show that frozen food actually reduces food waste by as much as 47 percent compared to fresh or chilled alternatives.

As we believe that collaboration is critical to drive societal change, Nomad Foods joined the ground-breaking 10x20x30 initiative in 2020. This brings together the world's largest food retailers and providers, each of whom commits to engaging at least 20 suppliers to halve food loss and waste by 2030, in line with SDG target 12.3.

Minimising food waste through innovation and partnership

Food waste consists of both edible and inedible food waste that for some reason does not end up in the final product. As edible food waste normally results from losses along the course of production, it can therefore be avoided through different methods.

Together with Lantmännen Agroetanol, our bakery production facility in Loftahammar, Sweden, has been running a project whereby edible food waste is being put to good use. By delivering excess dough, Findus is supplying Lantmännen Agroetanol with resources for the production of ethanol fuel and animal feed. As ethanol has a significantly lower climate impact than fossil fuels, the 112 tonnes of excess dough delivered during 2021 has contributed to lowering the amount of greenhouse gases in the atmosphere with 76 tonnes of CO².

Inedible food waste, on the other hand, is considered unavoidable as it is composed of organic materials that are not suitable for human consumption, such as stems, roots, peels or eggshells. Some of these organic materials can, however, be used for animal feed.

Our intention as a food company is to minimise the amount of food waste and loss. Still, as certain parts of what we produce is lost during production, we believe that repurposing this material as animal feed is more consistent with a circular approach to production. During 2021, repurposed organic material constituted 10 250 tonnes, on a Nordic level, the majority of which was used as animal feed.

During 2021, total edible food waste on a Nordic level decreased by 17.4 percent compared to 2020, despite a 1.6 % production volume increase which has led to an edible food waste ratio of 3.0% in 2021 coming from 3.7%. A result that can be attributed to the substantial efforts being made in terms of efficiency improvements, product innovations, and use of technological developments with the aim to ensure that food is not lost unnecessarily.



IN BRIEF

Ecoloop – circular waste pilot

The company Ecoloop is conducting a Vinnova (Swedish Innovation Agency) project together with, among others the Swedish University of Agricultural Sciences (SLU) in Uppsala to find a new circular method for food waste. The purpose of this project is to identify how food waste from local grocery stores and households can be used as a resource in the form of fish feed in an aquapony system. In so doing, the use of non-renewable resources in food production, and by extension food transport from producer to end customer may be reduced.

Findus engagement in the project involves providing food waste to feed soldier and gun fly larvae, which will then be used as fish feed for aquapony plants (combination of fish farming with crop cultivation). Our involvement with Ecoloop includes two different waste streams: one is coming out of our factory Toppfrys, where waste from our pea plants is used, and the second one concerns frozen food from our warehouses that have expired and is not fit for human eating.

ecolooop

Donating food for greater good

Findus has a standing tradition of donating food. Mislabelled products or food with short expiration dates that are still fit for consumption cannot be sold due to regulations, but instead of going to waste we choose to donate the products to those in need.

During the pandemic, the need for food donations escalated while at the same time our food surplus increased due to the closing of many restaurants and schools. As a result, we were able to donate significant amounts of food, which during 2021 amounted to over 370 000 meals in the Nordic countries.

Employee safety during the pandemic

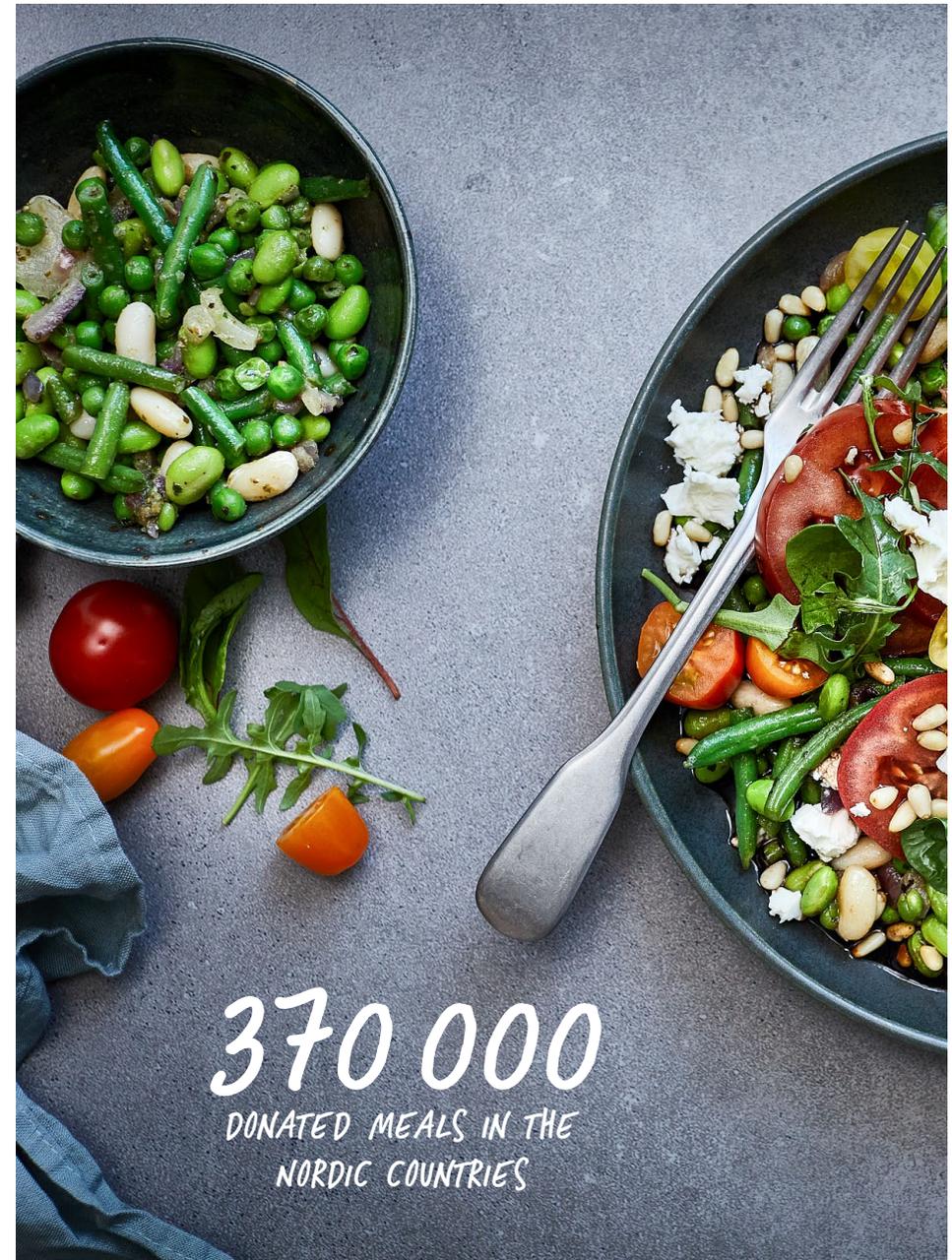
Our people are integral to everything we do at Findus and Nomad Foods. Keeping our employees safe and healthy during the Covid-19 pandemic and taking steps to protect their mental wellbeing has been our number one priority. Our business and ability to deliver on our purpose rely on healthy, engaged and productive people and we have a responsibility to support and help them.

At the beginning of the pandemic in March 2020, we were quick to act decisively to implement stringent protocols across all areas of our business. For our factory workers, strict measures were implemented, including additional sanitisation and facility cleans at our production facilities, floorspace segregation, the use of thermal infrared cameras to detect signs of high temperature, use of Perspex barriers and the mandatory wearing of face masks.

During high virus peaks, we chose, in dialogue with our customers, to have our retail field staff work digitally in order to minimise exposure to our employees, to our customers and to the consumers in the shops.

For our office workers, travel bans were introduced, and all employees were encouraged to work from home wherever possible. This naturally meant that our responsibility for a safe and healthy working environment became extended to the homes of our employees, where we sought to support them in coping with the situation as well as possible, with for example elevating tables and office chairs.

During 2021, we maintained a high level of internal communication and digital get-togethers to keep employees up to date on safety measures but also to support the engagement, motivation and sense of belonging to a team.





CASE STUDY Introducing a digital food bank in Sweden

Findus has a long-standing collaboration with the city missions in Scania, Gothenburg and Stockholm, which entails supplying them with food that may be donated to people in need. The collaboration has meant that potential food donations are discussed and separate transportations planned with each individual city mission, resulting in substantial administrative work and logistics.

Upon establishing dedicated city mission stores – Social Supermarket – to increase access and availability of donated food, discussions began to centralise food collection and distribution in order to allow for a smoother supply of products through a digital solution. Findus and the Swedish producer Arvid Nordqvist became pilot companies to trial the digital solution ‘Stockfiller’, where surplus food could easily find its way to city missions in a collected set-up.

By having companies log their food surplus in the platform, the different city missions are able to order the food directly, thereby removing various administrative hurdles. The pilot was successful and based on the results the city missions of Sweden, Svensk Dagligvaruhandel (Swedish Grocery Trade association) and DLF (Trade Industry association for suppliers of food and other groceries) have established a national digital food bank platform that will improve the ability for surplus food to finding its way to those in need. New food producers are continuously signing up and all involved parties are happy with the established cooperation that is addressing sustainability from all three perspective – environmentally by reducing waste, socially by helping those in need and financially by saving money through donating expensive resources that might otherwise have been discarded.

Sustainability Governance





Strong governance is essential in driving progress towards our sustainability targets. As part of the Nomad Foods group, Findus' sustainability work is guided by and driven according to the group governance structure.

The overarching group sustainability strategy is led by the Nomad Foods Executive Committee. The committee meets regularly to monitor current progress, discuss gaps and agree on further activities. Through this process, the Committee develops the sustainability strategy, governance, targets and resource allocation, and continually reviews any sustainability risks.

In addition to this, the Nomad Foods Sustainability Advisory Board provides an external perspective on strategy and progress, supporting and challenging the Executive Committee to drive further sustainability improvement. The Advisory Board combines broad sustainability expertise with industry and issue-specific skills and experience, and reflect academic, not-for-profit and commercial interests.

During daily operations, the group sustainability strategy is led and implemented by the Group Sustainability Director, who reports directly to the Chief Marketing Officer, on the Executive Committee.

A set of public and internal policies are in place to lay out the group's approach and to ensure compliance with the sustainability strategy and that expectations are communicated widely. All material areas are covered in one or more business policies and internal Subject Matter Experts are responsible for drafting policies, which are then approved by the Policy Review Group made up of senior representatives from Legal, HR, Internal Audit

and Corporate Affairs before being signed-off by our Executive Committee. Policies are supported by internal documents, such as codes of practice or procedures. Compliance with policies are ensured by the group's copackers and suppliers through annual supplier questionnaires as well as risk-based audits.

Food safety and quality – Our top priority

As a global food company, food safety lays the foundation for everything Nomad Foods does. The group's customers deserve nothing less than the highest standards of food safety, and the business depends on upholding these.

All products supplied by Nomad Foods are compliant with regulatory requirements in the EU and the country of sale and adhere to requirements on safety and quality consistency. The group's Quality and Consumer Safety Policy outlines the steps required to identify, control and monitor points of potential safety risk. It covers every stage of the supply chain and applies to all operating sites and product categories, including anything manufactured by third parties.

When selecting new suppliers, high standards for food safety and quality are set. Formal risk assessments are conducted on all food and packaging suppliers, using an assurance scheme compliant with the Global Food Safety Initiative (GFSI). Suppliers are assessed continually to ensure they are tackling any non-conformances the group might have identified, and the information is used to determine whether the cooperation should continue. All new suppliers are expected to be accredited to the BRC Global Food Standard at A grade or a GFSI-equivalent standard, and certification statuses are reviewed yearly.

All raw material ingredients must be provided with signed supplier specifications, which ensure the absence of chemical, microbiological and physical contamination of materials. Moreover, an extensive Food Fraud and Adulteration Prevention programme is used, which includes horizon scanning, intelligence sharing with other food business and laboratory testing of raw materials. The supply chain is audited extensively and the group carries out hundreds of traceability challenges every year, where results are used to for improving the quality of the products that suppliers deliver to the group.

Although the pandemic restricted the ability to physically audit suppliers during 2020 and 2021, the group's approach to Supplier Assurance was extensively modified through remote auditing and teleconferencing to maintain a strong presence in the supply chain and ensure that high standards were maintained.

Making sure that ingredients are fully traceable is a critical part of food safety, as well as a legal requirement. It also enables the group to respond to questions from customers about the provenance of food, ensure high-quality ingredients and promote sustainability in the supply chain. With certain key ingredients, an even stricter standard is set on traceability, e.g. the group's MSC- and ASC-certified fish. RSPO-certified palm oil is supplied through a chain of custody schemes, which guarantees that they have been sourced in a fully sustainable way.

Once food is placed on the market, the group and its subsidiaries operate a Consumer Care Line to ensure that consumers feedback is regularly received and responded to.

Preventing business misconduct

Corruption, bribery and anti-competitive behaviour are unethical, illegal and go against the group's ethics and values. Nomad Foods is committed to conducting its operations fairly, honestly and lawfully throughout all business dealings and relationships.

Nomad Foods comply with all applicable international and local legislation on corruption and bribery, and have strict policies in place. These include an Anti-Bribery and Corruption Policy, Code of Business Principles, Gifts and Hospitality Policy, Conflicts of Interest Policy and our Supplier Code of Conduct. The Anti-Bribery and Corruption Policy applies to all Nomad Foods colleagues across all countries, including any contractors working on the group's behalf or premises and sets out a zero-tolerance approach to bribery and corruption.

Enhanced controls are in place around certain higher-risk functions, which include operating transparent and clearly documented hiring processes and prohibiting any payments to politicians or political parties. In the supply chain, suppliers are demanded to confirm their compliance with the Supplier Code of Conduct and the group actively follows up on any identified gaps. A helpline – Safecall – is also operated for employees to share any concerns about misconduct and is run by an independent third party, who gives employees the option to speak out anonymously.



Anti-competitive behaviour is covered in the group's Competition and Anti-Trust Policy and Code of Business Principles, which sets out Nomad Foods' commitment to protect consumers by following all applicable competition laws and regulations. The Code of Business Principles also incorporates the group's stance on Inclusion and Diversity, Discrimination and Harassment, Financial Integrity, Insider Trading and Anti-Money Laundering.

A range of control procedures are in place to ensure that these policies are being followed, such as a Competition Law e-learning. The course is designed to raise awareness of anti-competitive conduct and practices and to ensure that colleagues act in compliance with the law and the group's internal guidelines.

Managing risks

Nomad Foods operates a Risk Heat Map, which lists current and emerging sustainability related risks. This covers areas such as environmental and ethical matters, as well as for example animal welfare, where risks are scored according to their potential impact and probability of happening. These two scores are then multiplied together to give an overall risk exposure score, which indicates if a risk is red, amber or green. The Ethical Compliance Manager is responsible for maintaining the Risk Heat Map.

Risks considered Red and Amber are assigned an owner, who is responsible for ensuring the required actions are completed within the agreed timescales. The Risk Heat Map is reviewed monthly and aligned with the Quality Standards Forum at a minimum twice a year, before being signed off by the Executive Committee.

Sustainability risks

Climate change, biodiversity loss and widespread social inequality pose major risks to our planet, our society and our business. Failure to mitigate the worst impacts of global warming threatens lives and livelihoods across the world. These impacts include unpredictable or extreme weather conditions and scarcity of crucial resources such as water and raw materials, as well as social unrest.

One of the central risks for Nomad Foods is the potential impact climate change could have on our business, including through ocean heating, ocean acidification and lower yields. Un-sustainable food production contributes further to these risks. Depletion of fish stocks due to overfishing and damage to soil health and biodiversity threaten supply chains across the globe, including our own. In addition, rising obesity levels pose a global health challenge, increasing the risk of non-communicable diseases and pressure on health services.

Across the markets in which we operate, consumer demand for healthy, responsibly produced products is rising rapidly. In addition, media scrutiny, heightening governmental regulation and mounting pressure from NGOs bring financial and commercial risks for businesses who fail to act in accordance with high environmental and ethical standards.

The importance of these risks cannot be overstated, and we place these at the heart of our business practices. We work to manage and mitigate risks through a range of measures, which include implementing clear policies and procedures across all material sustainability areas, as detailed throughout this report, and continually assessing risk through our Risk Heat Map. In 2020, we also established a Business Risk Committee, responsible for assessing and monitoring the major risks facing us as a business.





Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Findus Sverige AB, corporate identity number 556006-4361

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 1 January 2021 to 31st December 2021 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Malmö 11th May 2022
PricewaterhouseCoopers AB

Eric Salander
Authorised Public Accountant

This sustainability report is provided for information purposes only and does not constitute an invitation to invest. Any investment decision should only be made on the totality of information, including full details of risk factors, in our Nomad Foods Annual Report.

We do not accept any responsibility or liability for any loss or damage, whether or not arising from any error or omission in compiling the information in this report or as a result of any reliance on or use of any such information. The targets stated in this report are targets only. Any estimates, expectations and other forward-looking statements are based on our views and assumptions at the time of publication and the actual results, performance or events could differ materially. It is our ambition to report accurate and truthful data and where feasible, we use actual data but in some cases we have to make assumptions and estimations. As data availability and quality improve, we might review and change the way we collect, calculate or report data in which case we will do our utmost to clarify this, should it be significant.

Findus Sverige AB | Nordenskiöldsgatan 8 | SE-211 19 Malmö | Sweden
Registered in Sweden under company number 556006-436

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CONTACT

If you have any questions concerning Findus' sustainability report or our sustainability work in general please contact our Nordic Marketing and Sustainability Director **Henrik von Lowzow**, henrik.von.lowzow@se.findus.com



Nomad Foods

2021
Impact
Report

Serving the World
with Better Food



Contents

About this Report

This is Nomad Foods' fifth annual Sustainability Report. It covers the calendar year from January to December 2021. This report covers all trading subsidiaries of Nomad Foods excluding new acquisitions from 2021 (except where specified). The most recent previous report was published in April 2021. This report is influenced by the Global Reporting Initiative (GRI), and includes standards defined by the GRI guidelines. It meets the requirements of the EU Directive on Non-Financial Reporting.

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Introduction



CEO Foreword

As I write this introduction to Nomad Foods fifth sustainability report which covers work undertaken in 2021, we are all deeply concerned by the war in Ukraine and the worsening humanitarian crisis there.

While Nomad Foods has no sales to either Russia or Ukraine and no manufacturing footprint in either country, we are supporting global relief efforts and have made a donation to organisations assisting on the ground in Ukraine. We are also continuing to review any short- or longer-term supply chain impacts.

There is no doubt that the situation in Ukraine brings additional complexity to an already volatile operating environment and at a time when many consumers are facing higher food and energy bills, we remain committed to providing great tasting, high quality, nutritious and sustainably sourced frozen food, at an affordable price.

Against this backdrop, the global momentum for climate action has never been stronger and it is clear that 2022 needs to be a year when we continue to push forward on ambitions to create a food system that is more inclusive and resilient.

I am incredibly proud of the progress that is happening across the Nomad Foods business as we strive to bring our purpose of "Serving the World with Better Food" to life. As Europe's leading frozen foods company, we have a huge opportunity to help consumers eat sustainably because our portfolio is centred around great

tasting fish and vegetable products that are good for people and good for the planet thanks to the unique benefits of frozen food, such as reduced food waste and natural preservation of nutrients

As you will see in this report, our teams have reached new milestones in a number of important areas such as nutrition and sourcing. For example,

- 92% of our products are categorised as a healthier meal choice (HMC) and over the last four years as we have grown our business we have increased sales from HMC by +€440m.
- 98% of our fish is sourced to Marine Stewardship Council (MSC) or Aqua Stewardship Council (ASC) certification standards
- 99% of vegetables sourced through our agriculture operations are grown in line with the Sustainable Agriculture Platform's Farm Sustainability Assessment Silver Level or above and during 2021 we also launched agricultural projects with WWF focused on critical agendas such as biodiversity

I am particularly pleased that the Science Based Targets initiative (SBTi) has validated our ambitious emission reduction targets which will see us almost halve emissions per ton of product and ensure the top 75% of our suppliers by emissions have science-based reduction targets in place by 2025 as part of our wider Net Zero journey. We are already well on the way, having reduced our emissions intensity by 22% since 2019.

I am also delighted that we have been included in the Dow Jones Sustainability Europe Index for the first time, as one of the top four companies in Europe within the food and beverages industry group.

Of course, there are also areas where we have not progressed as quickly as planned. This includes recyclable packaging where we have reached over 90% of our volumes but face technological, regulatory and some consumer acceptance challenges. Inclusion and diversity is also an area where we need to improve, supported by enhanced governance and reporting.

While we have achieved a lot, we know there is still much more to do and no company can achieve systemic change on its own. We are part of a sector that represents over 30% of global greenhouse gas emissions and so collaboration with our peers, suppliers and expert partners will be key to deliver the widespread transformation that is required and at the same time deliver on our promise of long-term sustainable growth for shareholders.

As we progress through 2022, we are very aware of both the challenges and opportunities that lie ahead and look forward to keeping you updated on the next stages of our sustainability journey.

Stefan Descheemaeker, CEO
Nomad Foods



Nomad Foods at a Glance

Nomad Foods is Europe's leading frozen foods company, with a portfolio of iconic brands including Birds Eye, Findus, iglo, Aunt Bessie's and Goodfella's.

Our product range covers fish and seafood, vegetables, plant-based foods, chicken and ready meal products. Nomad Foods is headquartered in the United Kingdom. For more details on our ownership and legal form, major product categories and scale, see our 2021 annual report.

Our value chain includes the purchase of raw material, components, semi-finished goods and ready-made products. Purchased materials are transported to our production sites and warehouses for manufacturing. They are then distrib-

uted to local markets and sold through retailers and foodservice providers to reach the end consumer.

There were two major changes to our business 2021. In January, Nomad Foods acquired Findus Switzerland, the leading frozen food brand in Switzerland with products across categories including fish, vegetables and ready meals. In September, Nomad Foods acquired Fortenova Frozen, with a leading European frozen food portfolio operating in Croatia, Serbia, Bosnia & Herzegovina, Hungary, Slovenia, Kosovo, North Macedonia and Montenegro. Its two anchor brands, Ledo and Frikom, offer a broad range of frozen food products including fish, fruits, vegetables, ready meals, pastry and ice cream. Sustainability information for these new acquisitions is not covered in the main body of this report, as we are still working to assess their status against our performance indicators. However, key performance indicators for Findus Switzerland are covered in an appendix [here](#). Our ambition is to include acquisitions once we have a full calendar year of data, or as soon as the initial mapping and integration allows.

€2.6bn

net revenues includes 2021 acquisitions

+8000

company employees includes 2021 acquisitions

Markets Where We Operate



- Nomad Foods' offices
- Nomad Foods' factories
- New markets

We participate actively in external initiatives and membership associations to increase our impact.

Table 1: Key Partnerships, Projects and Associations

Organisation	Objectives	Impact Area
Marine Stewardship Council	Promote and accelerate the global transition to sustainably sourced certified wild-capture fish and seafood	Sourcing: Fish and Seafood
Aquaculture Stewardship Council	Transform the world's seafood markets and promote the best environmental and social aquaculture performance	Sourcing: Fish and Seafood
Global Ghost Gear Initiative	Work across sectors to solve the problem of lost and abandoned fishing gear worldwide	Sourcing: Fish and Seafood
Sustainable Agriculture Initiative Platform	Create a sustainable, healthy and resilient agricultural sector whilst creating strong and secure supply chains	Sourcing: Crops
WWF	Addressing the triple challenge of feeding a growing population while tackling the climate crisis and reversing biodiversity loss, focusing on our own operations	Sourcing: Crops
Roundtable on Sustainable Palm Oil	Transform markets to make sustainable palm oil the norm	Sourcing: Crops
Round Table on Responsible Soy	Promote the production, trade, and usage of responsible soy	Sourcing: Crops
Sedex	Manage and improve working conditions in global supply chains	Social Impact of Supply Chain
AIM European Brands Association	Create an environment of fair and vigorous competition for brands, fostering innovation and guaranteeing maximum value to consumers now and for generations to come	Responsible Marketing
Science-Based Targets initiative	Lead the transition to a net-zero economy by setting emissions reduction targets grounded in climate science	Climate Change and Greenhouse Gas Emissions
10X20X30 Initiative	Halve food loss and waste in food supply chains by 2030	Waste
Forestry Stewardship Council	Promote responsible management of the world's forests	Packaging Lifecycle
Programme for the Endorsement of Forest Certification	Promote sustainable forest management through independent third-party certification	Packaging Lifecycle



Our Purpose

As a leading European food company, we play an important role in the lives of our consumers. Every day millions of households across Europe serve and eat the food we make.

This simple fact carries a responsibility with it, especially as we know the world is changing around us. We all have a part to play in solving some of the challenges the world is facing.

Our purpose, serving the world with better food, defines our role as a company. It is our compass but also a call to action.

Nomad Foods

Serving the world with better food



Nomad Foods is a young company but our brands have a long history of serving the world with better food. They have built the frozen category on great tasting, convenient and nutritious food.

Our purpose has been built on three principles: Better Food, Food for All and Eating for the Planet.

Better Food

At the heart of what we all do every day is making the food we produce better; better for our consumers and better for the planet. Our focus is always on better taste and better nutrition, underpinned by the quality of our ingredients and recipes.

Food for All

We make products that are at the centre of everyday family mealtimes. They are affordable, available in supermarkets across Europe and in homes 24 hours a day, ready to cook at your pleasure. Our focus is on ease of use and our products can be prepared using a variety of cooking methods.

Eating for the Planet

We are mindful of the way we source and make our food and we aim to offer healthier meal choices to our consumers. Our focus is on a sustainable diet because the healthiest diets are often the most environmentally sustainable. What is good for me should also be good for the planet.

Our Brand Portfolio



Risk and Resilience

Robust risk management processes are crucial to ensure sustainable business practices. We assess and monitor strategic, operational, financial, climate, and nature-related risks.

A detailed exploration of risk factors is available in our 2021 annual report. Nomad Foods employs the common three-step risk management approach. The first step is to identify actual or potential new risks, the second step is to assess these risks, and the third step is to decide on action to accept, mitigate or eliminate the risks.

We operate a Sustainability Risk Heat Map which lists current and emerging sustainability-related risks. The Map is managed by the Ethical Compliance Manager, who ensures new and existing risks are discussed with functional technical areas (including Regulatory, Research Development and Quality, and Procurement) on a quarterly basis. Risks are regularly shared with the Executive Committee as part of our Governance, which supports progress and mitigation (see [Governance section](#) for more details).

Risks are scored against potential impact and probability of happening which are multiplied together to give an overall risk exposure score, coded from red (high-risk) to green (low-risk). Red-rated sustainability risks are fed into the corporate risk register and assessed against total business risks by the Corporate Risk Committee. This committee consists of members from Legal,

Internal Audit, Risk, Group Finance, HR, Corporate Affairs as well as technical functional expertise areas. The Corporate Risk Committee meets quarterly, and the outcome is shared with the Executive Committee.



Sustainability Strategy and Reporting

Our sustainability strategy works together with our purpose to accelerate our progress towards transforming the food system for the better.

It sets out our commitment to provide affordable, nutritious food that is responsibly sourced and produced.

Impact Assessment and Materiality

Our strategy is informed by the perspective of internal and external stakeholders and reflects the changing world around us. This ensures we focus on the social, environmental and governance issues that matter most to our stakeholders and to our long-term business success.

Our materiality process builds from the foundations provided by focused research we conducted in [2019](#). This included qualitative and quantitative research with consumers, employees, NGOs, retailers and suppliers.

In 2021, we drew on additional sources and processes to ensure our approach is up-to-date and comprehensive. These included:

- Detailed diagnostics work on key ESG ratings and indexes, to identify gaps in issues, strategy and/or reporting
- Peer benchmarking and research into best practice from sustainability leaders, and the expectations expressed by NGOs
- Nomad Foods Risk Heat Map, including [climate change risk](#)
- Ongoing stakeholder engagement across multiple touchpoints and groups, as summarised

Table 2: Stakeholder Engagement Process

Stakeholder group	Engagement mechanisms	Focus of discussion
Investors	Calls with investors and investor relation firms	<ul style="list-style-type: none"> • Understand focus areas • Answer questions and explain strategy • Identify gaps
Customers	Calls, meetings and collaboration sessions with strategic global customers and multiple local customers	<ul style="list-style-type: none"> • Understand focus areas • Answer questions and explain strategy • Discuss learnings and outcomes • Collaborate on life cycle assessments (with a small number of customers)
Suppliers	Strategic supplier meetings, supplier training and an annual supplier event	<ul style="list-style-type: none"> • Discuss areas of interest and focus • Upskill and explore specific areas • Explain the strategy and align on areas of shared interest
Farmers	Annual event/s per growing region	<ul style="list-style-type: none"> • Explain the strategy and align on areas of shared interest • Gain feedback on specific initiatives
Subject matter experts	'Future of' workshops with experts, webinars for employees, expert input on strategic positions and policy papers	<ul style="list-style-type: none"> • Challenge and future proof strategy • Build knowledge, understand concerns • Upskilling and horizon scanning

Key Impact Areas



▶ identified as a top priority for impact out. ◀ identified as a top priority for impact in.

in the table above. In December 2021, we conducted a workshop with a cross-functional set of senior internal stakeholders to further stress test our issue list. We assessed the relative importance of the issues in terms of the significance of our impact on the world, considering the scale, scope and likeli-

hood of actual and potential impacts, both positive and negative. We also analysed the relative importance of the issues in terms of the degree to which they are likely to affect our business. This included a consideration of factors including access to materials, costs, access to talent, reputational risk and loss of sales.

Based on this iterative process, we launched the latest version of our prioritised material impact assessment, summarised [here](#).

We provide further detail on these issues and what is covered under each of them in the table [here](#).

The main areas where we have direct impact are vegetables grown by our contracted farmers; the transportation of raw materials between our sites; all processes that take place within our operating sites; communication with consumers through advertising; product labelling; and our Consumer Care Line. Direct suppliers are subject to our policies, standards and product specifications and we select suppliers who reflect our high standards and agree to strict specifications.

Our impact is more limited in areas such as the primary production of raw materials; the processing of goods by third party suppliers; and the transportation of goods to and from retailers and other customers. We also have less direct influence over consumer transportation, preparation, and consumption of our products.

Our Sustainability Strategy

Our sustainability strategy, Eating for the Planet, is built around three pillars: better sourcing, better nutrition, and better operations. The fourth section, 'solid foundations', covers issues such as product safety and quality that are fundamental elements of how we do business. The strategy sets out our ambitions in each area, supported by timebound targets. It is linked to, and is designed to help us deliver progress towards, the [Sustainable Development Goals](#).

For more information on our strategy, see our [2020 sustainability report](#).

Our Sustainability Reporting

Nomad Foods is committed to providing stakeholders with up-to-date performance information. We publish an annual report on progress against our sustainability strategy, targets and key performance indicators.

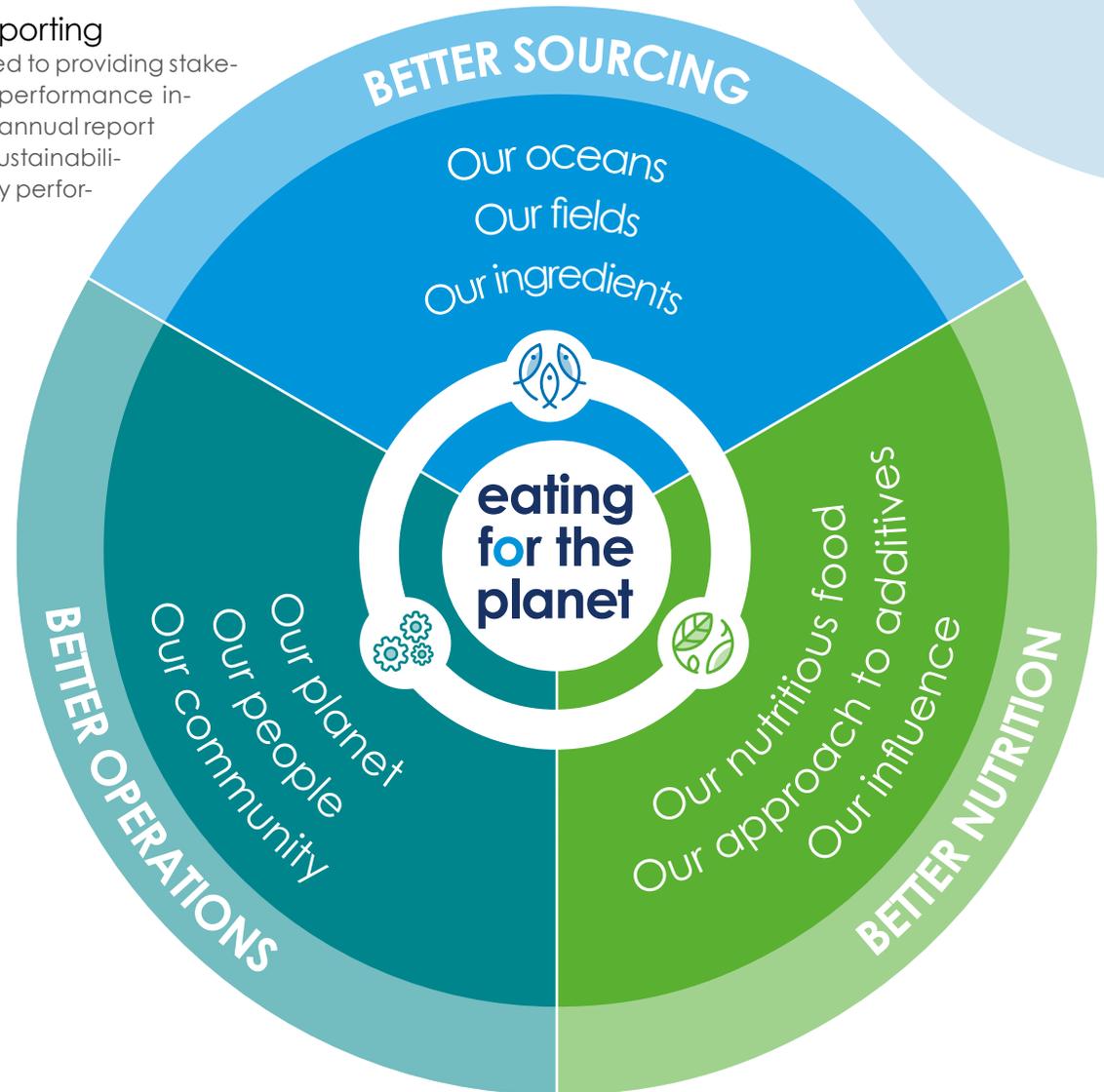


Table 3: Issues covered in this report

Foundations	Issue area	Overview	Key topics	Priority
	New taxes and regulation	Measures to respond to a changing regulatory environment, including approach to taxation	Regulatory compliance, taxes and sanctions	Very high priority
	Governance	Measures to ensure clear, comprehensive and ethical governance processes, including governance of ESG issues, upholding transparent reporting standards	Corruption & bribery, lobbying, tax, anti-competitive behaviour, executive pay and governance, ESG and sustainability governance, integration of sustainability into the business, sustainability audits and standards	High priority
	Resilience and risk	Measures to analyse, mitigate and respond to risks	Risk analysis and reporting; risk mitigation and financial evaluation of risks	High priority
Better Sourcing	Issue area	Overview	Key topics	Priority
	Sourcing: fish and seafood	Measures to ensure sustainable fishing and responsible aquaculture along our value chain	Fish stocks, overfishing, bycatch, lost fishing equipment, minimising environmental impact, pollution, ocean ecosystems, traceability, certifications and standards, feed, water management	Very high priority
	Sourcing: crops	Measures to ensure we source crops and other ingredients, including palm oil and soy, in a sustainable way	Biodiversity, species loss, deforestation, habitat destruction, land and soil quality, fertiliser use, regenerative agriculture, traceability, certification and standards, water management	Very high priority
	Social impact of supply chain	Measures to ensure people are treated fairly and with respect throughout our supply chain	Child labour, modern slavery, supplier wellbeing, promoting community wellbeing, traceability, certification and standards	Very high priority
	Sourcing: animal protein	Measures to monitor and manage the treatment and wellbeing of animals through the supply chain	Breeding, rearing, living conditions, antibiotics usage, transport, humane slaughter	High priority
Better Nutrition	Issue area	Overview	Key topics	Priority
	Health and nutrition	Measures to promote the production and promotion of nutritious products	Nutritional profile of food, additives/preservatives, artificial ingredients, sugar, fibre, salt, saturated fat, ultra-processing, nutritional signposting	Highest priority
	Product safety and quality	Measures to ensure high standards of food safety and quality across all products	Product liability and standards, allergies	Very high priority
	Responsible Marketing	Measures to empower consumers to make informed, healthy and sustainable choices	Labelling, marketing towards children, shift towards sustainable nutritious products	High priority

Better Operations



Issue area	Overview	Key topics	Priority
Climate change and greenhouse gas emissions	Measures to reduce the greenhouse gas emissions associated with our business and supply chain	Impacts of climate change, operational GHG emissions, renewable energy, product carbon footprint	Highest priority
Operational water	Measures to ensure the responsible withdrawal, consumption and discharge of water	Water use, stress and pollution, flooding	Very high priority
Diversity, equity and inclusion	Measures to attract, develop and retain diverse talent and build a diverse and inclusive business	Working culture, composition of workforce, inclusion, diversity	Very high priority
Packaging lifecycle	Measures to minimise the environmental impacts of packaging	Recycled material, recyclability, circularity, light-weighting, secondary/tertiary packaging, design	High priority
Waste	Measures to reduce waste consumption and promote better management of waste materials	Food waste, waste management	High priority
Employee health, safety and wellbeing	Measures to protect employees' physical and mental health and create a safe working environment	Health and safety, human capital development, advancement, employee wellbeing, labour management	High priority



Targets and Progress

This year, we joined the Race to zero, with new and ambitious emissions reduction targets across our supply chain, which have been approved by the Science Based Targets initiative.

We are now in the fifth year of delivering our sustainability strategy, using our time-bound commitments to track and drive progress, regularly reviewing and updating where relevant. In 2021, we therefore updated our greenhouse gas emissions commitment to reflect our new Net Zero targets.

In 2021, we made progress against all our targets. We are ahead of schedule on our fish and seafood, sustainable agriculture and emissions reduction targets. We achieved particular success in sustainable agriculture, delivering an 11 percentage point increase in the proportion of vegetables sourced from sustainable farming practices. This places us significantly ahead of schedule.

Despite increasing the percentage of our consumer packaging that is recyclable by 7 percentage points, we are slightly behind schedule on our packaging target partly driven by technological, regulatory and consumer acceptance challenges.

In 2021, Nomad Foods was included in the Dow Jones Sustainability Europe Index (DJSI Europe) for the first time: a testament to our strong performance. We achieved a score of

Table 4: Progress on commitments

Target	2021	Status
100% fish and seafood from sustainable fishing or responsible farming by the end of 2025	98%	Slightly ahead
100% of our vegetables from sustainable farming practices by the end of 2025	88%	Ahead
Increase the healthy meal choice part of our portfolio year after year	91.5%	On track
100% of our portfolio to be without taste enhancers, artificial flavors and artificial colorants by the end of 2022	98%	On track
Reduce our operational greenhouse gas emissions intensity by 45% from a 2019 baseline and reach net-zero emissions well before 2050	-22%	Slightly ahead
100% of our consumer packaging will be recyclable by the end of 2022	90%	Slightly behind

54 out of 100, well above the industry average of 25, and were ranked as one of the top four companies in Europe within the food and beverages industry group. For more information, see [Deep-Dive: DJSI Europe Inclusion](#).



Sustainable Development Goals

Table 5: Our progress towards the UN Sustainable Development Goals

We align our strategic pillars and commitments with UN Sustainable Development Goals and specific targets to catalyse further change.

Sustainability Priorities	SDG	SDG sub-targets	Targets	Results	Further Information
Better Sourcing		2.4, 2.5 12.2 14.1, 14.4 15.2, 15.5	<ol style="list-style-type: none"> 1. We will use 100% fish and seafood from sustainable fishing and responsible farming by the end of 2025 2. 100% of our vegetables and potatoes will be produced using sustainable farming practices by the end of 2025 	98% of fish and seafood is sourced from sustainable fishing and responsible farming 88% of our vegetables and potatoes are produced using sustainable farming practices	see page 17.
Better Nutrition		2.1	<ol style="list-style-type: none"> 3. We will grow the healthier meal choices in our portfolio every year 4. 100% of our portfolio to be without flavour enhancers, artificial flavours and artificial colourants by the end of 2022 	91.5% of our total net sales are from healthier meal choices 98% of our portfolio is without flavour enhancers, artificial flavours and artificial colourants	see page 25.
Better Operations		12.3, 12.4, 12.5	<ol style="list-style-type: none"> 5. We will reduce our greenhouse gas emissions intensity across our operations by 45% from a 2019 baseline 6. 100% of our consumer packaging will be recyclable by the end of 2022 	We have reduced our greenhouse gas emissions intensity across our operations by 22% from a 2019 baseline 90% of our consumer packaging is recyclable	see page 33.
Partnerships		17.7	n/a	We participate actively in external initiatives and membership associations to increase our impact.	see page 6.

Governance

Introduction

Strong governance is essential for achieving our sustainability targets. Failure to act fairly, honestly and lawfully would also carry significant risks for our business including but not exclusively related to long-term reputational damage; loss of shareholder and consumer trust; fines; legal action against Nomad Foods; and negative impacts on our supply chain and on our access to third party financing.

Details of our governance structure, board composition and diversity, board independence, taxation and taxation risks, executive pay, conflicts of interest, compliance, and workforce governance can be found in our 2021 annual report.

We have a three-stage approach to governance, which begins with setting clear requirements. Internal Subject Matter Experts are responsible for drafting policies. Policies are then approved by our Policy Review Group, made up of senior representatives from Legal, HR, Internal Audit and Corporate Affairs, before being signed-off by our Executive Committee. Policies are supported by additional guidance documents, such as codes of practice and procedures. Further details of policies, supporting

documents and processes for monitoring and assuring compliance are provided in the relevant sections of this report.

Sustainability Governance Structure

Our Group Sustainability Director is responsible for the day-to-day management of our sustainability strategy and reports directly to our Chief Marketing Officer. Executive oversight on sustainability issues is provided by our Executive Committee typically five or six times a year, though additional meetings may be called to respond to specific issues. Specific governance decisions for product development projects sit within our wider dual governance process (see 2021 annual report for more information).

In addition, we have a Nomad Foods Sustainability Advisory Board, which provides an external perspective on our strategy and progress. Board composition combines broad sustainability expertise with industry and issue-specific skills and experience, and reflects academic, not-for-profit, and commercial interests. Our ambition is to regularly rotate board membership to ensure we have access to up-to-date expertise and we will be rotating two of the members for

2022. The Board meets annually, providing independent advice and constructive feedback. In 2021, the Board specifically provided advice on our approach to environmental disclosure and supporting sustainable diets, which then influenced our approach to carbon labelling. For more information on our stakeholder engagement processes, see [Sustainability Strategy and Reporting](#).

Policies and Approach

Our governance approach is underpinned by two Codes: our Code of Business Principles and our Supplier Code of Conduct.

Our [Code of Business Principles](#) sets out our commitment to act fairly, ethically and in line with our purpose. The Code applies to all Nomad Foods employees, part-time and permanent, as well as the Executive Committee and the Board of Directors.

Assurance approach

Setting requirements

Monitoring compliance

Assuring compliance

- Policy
- Code of Practice
- Procedure
- Commitments and Targets

- Specifications
- Questionnaires
- Information gathering

- Audits
- Certifications

The Role of Nomad Foods' Sustainability Governance

- Identify and manage Nomad Foods' material environmental and social sustainability impact areas
- Maintain good corporate governance and embed sustainability within Nomad Foods' wider corporate strategy
- Approve sustainability targets and commitments, and monitor their implementation and progress
- Ensure effective mitigation of material sustainability risks

Our [Supplier Code of Conduct](#) sets out the standards we expect from all direct suppliers of Nomad Foods, whether raw material suppliers, service providers, co-packers, contractors or agents.

These codes are supported by a set of public and internal policies. All material ESG areas are covered in one or more business policies, which are described in the relevant sections in this report. Specific policies to ensure ethical and lawful governance practices include:

- **Anti-Bribery and Corruption Policy:** this policy applies to all Nomad Foods colleagues, including any contractors working on our behalf. It sets out our zero-tolerance approach to bribery and corruption and our key principles for upholding this. These include never giving or accepting valuable items that might confer an improper business advantage, avoiding situations that could create the impression of bribery, and reporting any suspicions of bribery and corruption through our reporting process.
- **Competition and Anti-Trust Policy:** this policy sets out our commitment to fair competition and to protect consumers by following all applicable competition laws and regulations.
- **Whistleblowing Policy:** this policy provides our employees with guidance on how to report suspected wrongdoing. It also emphasises that employees should feel safe to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken. All reports received in 2021 were HR grievances. These were fully investigated and resolved to the satisfaction of our Compliance Committee.

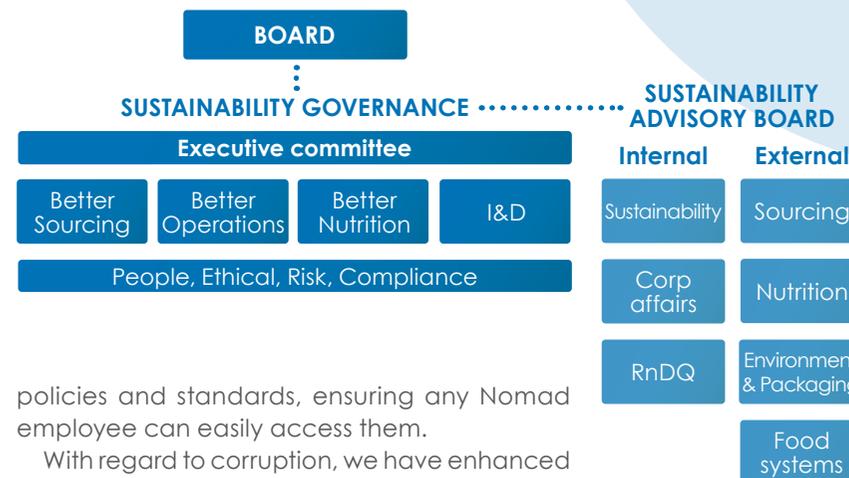
We have a Gifts and Hospitality Policy and a Conflicts of Interest Policy. Our [Group Tax Strategy](#) sets out our policy and approach to conducting tax affairs and dealing with tax risk. We disclose lobbying in line with relevant government regulations on public websites¹.

See below for guidelines and our latest entries. Ireland lobbying register: Guidelines <https://www.lobbying.ie/> Nomad Foods latest entry <https://www.lobbying.ie/return/79192/nomad-foods-europe-ltd> EU Transparency Register: Guidelines <https://ec.europa.eu/transparencyregister/public/homePage.do> Nomad Foods latest entry <https://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=314891743101-96>

We have a range of control procedures to ensure that these codes and policies are being followed. Compliance to topics that are material to our sustainability agenda are reported annually in our sustainability report.

We have a strict governance model for assessing all new products in all markets according to our high nutritional, environmental and ethical standards. Products that do not comply are automatically flagged by the system and brought to the central decision forum to be discussed. Approval to launch might still be given provided certain criteria are fulfilled.

We train all Nomad Foods employees on corruption and bribery, and ensure that all employees, especially those involved in Sales, Marketing, Procurement or other commercial functions, are made familiar with applicable competition laws. In 2021, we re-designed and re-launched our Policy House intranet which houses all our



policies and standards, ensuring any Nomad employee can easily access them.

With regard to corruption, we have enhanced risk-management controls in place around certain higher-risk functions. These include operating transparent and clearly documented hiring processes and prohibiting any payments to politicians or political parties. In our supply chain, we review compliance through annual supplier questionnaires as well as risk-based audits. We also request that suppliers confirm compliance with our Supplier Code of Conduct and follow up on any non-compliances.

We operate a helpline – Safecall – for employees to share any concerns about misconduct. This is run by an independent third party and gives employees the option to speak out anonymously.

In 2022, we are expanding our Compliance Committee to broaden the views and perspectives represented. This will be achieved by inviting two senior colleagues, a MU General Manager and a SU Factory Manager, to join the Committee for 2022. Additionally, we will review our internal Governance rules and processes and update our Governance Manual.

¹. In this report period, the only registers we are listed on directly for are Ireland and the EU.

Better sourcing



Sourcing: Fish and Seafood

Overfishing poses enormous risks to current and future fish stocks, ecosystems, and communities.

Further damage is being done by careless fishing practices, including avoidable bycatch of non-target species and fishing equipment left in the ocean (known as Ghost Gear), which is a significant contributor to plastic pollution. Seafood supply chains are also at risk of a range of human rights abuses, including modern slavery.

Overfishing risks are compounded by the negative consequences of climate change, including ocean heating and acidification. These pose a risk to seafood supply chains, including our own.

Policies and Approach

Our policy on [Fish and Seafood Sourcing](#) stipulates that we only use suppliers recognised by The Food and Agriculture Organisation (FAO), or that comply with either the FAO Code of Conduct for Responsible Fisheries or the FAO Technical Guidelines for Aquaculture. We do not source illegal, unregulated or unreported (IUU) wild capture fish for any of our markets, nor fish stocks that are depleted or recovering, and are committed to sourcing 100% of our fish and seafood from sustainable fishing or responsible farming by the end of 2025. We use independent third-party certification schemes with full end-to-end oversight to validate the sustainability credentials of our suppliers. All parties involved across our supply chain must be certified annually against the schemes' standard.

In particular, we work closely with the Marine Stewardship Council (MSC) and the Aquaculture Stewardship Council (ASC). The MSC focuses on wild capture fisheries, while the ASC focuses on aquaculture practices for farmed fish & seafood. Certification for both schemes is carried out by independently accredited expert assessment bodies. We have dedicated initiatives to increase transparency and minimise our impact on ocean ecosystems and have been members of the Global Ghost Gear Initiative (See Deep dive: GGGI [here](#)) since 2020. Our [Captain's Fish Finder tool](#) (launched in 2010) also allows consumers to see the specific geographic regions we source seafood from.

Progress

In 2021, 98% of our fish and seafood volume was MSC- or ASC-certified, an increase of 2 percentage points from 2020. This was the result of significant shifts in our Italian fish and seafood portfolio, with 2200 tons more eco-labelled products sold than in 2020. Our Spanish and Portuguese markets have also improved, with 100% of Portuguese fish and seafood products now certified by the MSC or ASC. Six of our markets now have 100% MSC-certified products in their wild-capture fish and seafood range, and eight of our markets now have 100% ASC-certified products in their aquaculture fish and seafood range.

Nomad Foods is the largest branded producer of MSC-labelled fish and seafood products globally. As we increase the proportion of certified fish in our portfolio, we also aim to increase the number of products that carry ecolabels. We now offer more than 880 certified products.

Target	Indicator	2019	2020	2021
100% by 2025	% Purchased fish and seafood volume that is MSC- or ASC-certified	95	96	98
	% Purchased fish and seafood volume that is MSC-certified	96	97	98
	% Purchased fish and seafood volume that is ASC-certified	75	82	96
	% Nomad Foods sales volume that is MSC or ASC labelled	89	95	95.5
	Number of MSC- or ASC-certified products across our global portfolio	812	834	883



Future Plans

Our goal is to continue to increase the proportion of our fish and seafood from MSC- or ASC-certified sources by the end of 2022. Our iglo Portugal and Findus Nordic portfolios are both on track to become 100% MSC- and ASC-certified in Q1

2022, and our Belgian iglo portfolio by summer 2022. We will also continue to increase the proportion of certified fish and seafood products in our Spanish portfolio.

As part of our multi-year project to increase the global availability of certified fish, we are

working together with colleagues in our 2021 acquisition Findus Switzerland to support their remaining non-certified suppliers towards certification.

Responsible sourcing standards

MSC Standard

The MSC Fisheries Standard has been independently benchmarked for its credibility. It is the most rigorous form of accreditation currently available and reflects the most up-to-date understanding of internationally accepted fisheries science and management. It is regularly and openly reviewed by scientists and other stakeholders to account for new knowledge and developments. The MSC Standard is based on three principles:

Ensuring sustainable fish stocks

- Fishing operations must be conducted in a manner that ensures healthy fish stocks now and in the future, and does not lead to over-fishing or unsustainable depletion of populations.
- Where populations have been depleted, fishing operations must be conducted in a manner that demonstrably leads to their recovery, ensuring operations can continue indefinitely.

Minimising environmental impact

- Fishing operations should support the structure, productivity, function and diversity of

the ecosystem on which the fishery depends.

- This includes measures such as minimising bycatch, ensuring endangered, threatened and protected species are not negatively affected, ensuring all involved habitats remain healthy and minimising potential loss of fishing gear.

Effective fisheries management

- Fisheries must have effective management systems that respect local, national and international laws and standards, and incorporate frameworks that ensure responsible and sustainable operations.
- This includes establishing harvest management strategies, avoiding any Illegal, Unregulated & Unreported (IUU) Fishing, conducting regular risk assessments, and having robust compliance systems in place.

The MSC Chain of Custody Standard ensures full-end-to-end chain of custody. For products to carry the MSC label, every company in the supply chain must have a valid Chain of Custody certificate.

ASC Standard

The ASC Standard includes criteria to minimise environmental and social impacts in the following area of aquaculture:

- Legal compliance (ensuring farmers obey the law and have the legal right to be there)
- Preservation of the natural environment and biodiversity
- Preservation of water resources and water quality
- Preservation of diversity of species and wild populations (e.g., preventing escapes which could pose a threat to wild fish)
- Responsible use and sourcing of animal feed and other resources
- Good animal health and husbandry (e.g., preventing unnecessary antibiotic and chemical use)
- Social responsibility (e.g., preventing child labour and ensuring health and safety of workers, freedom of assembly, and positive community relations)

“98% of our fish and seafood volume is now MSC- or ASC-certified. These rigorous certification processes ensure traceability, providing a full end-to-end chain of custody for our fish and seafood products.”

Oliver Spring,
Group Sustainability
Manager

Deep Dive: Global Ghost Gear Initiative (GGGI)

In recent years, the problem of lost, abandoned and otherwise discarded fishing gear (Ghost Gear) has become a well-known issue associated with ocean pollution.

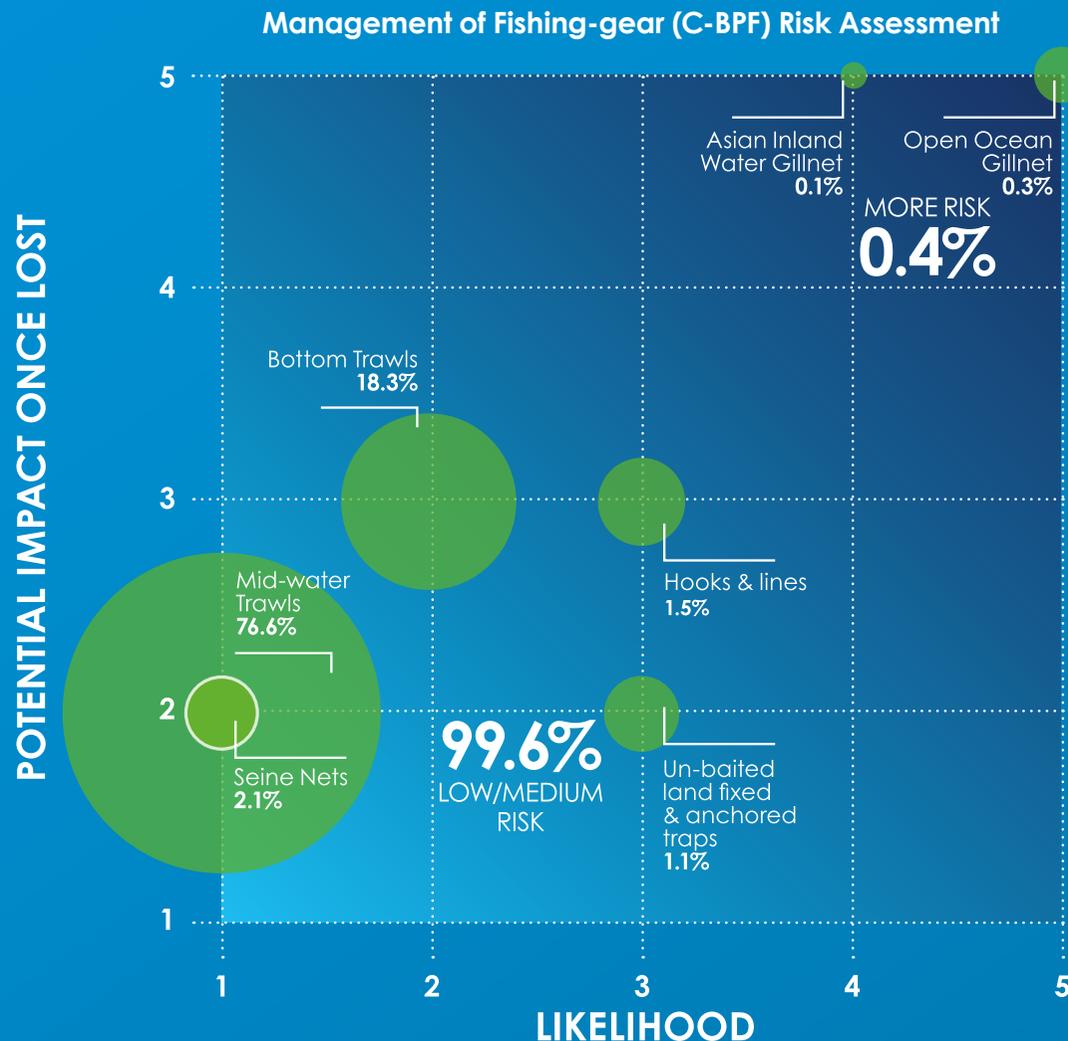
In April 2020, Nomad Foods joined the GGGI, the world's largest cross-sectoral alliance committed to tackle the problem of Ghost Gear at a global scale. The GGGI has three key aims: improving the health of marine ecosystems, safeguarding human health and livelihoods, and protecting marine life from harm.

In 2020, Nomad Foods voluntarily translated the GGGI Reporter App into seven European languages so local communities could use it more effectively. Following this, we worked with the GGGI to apply the Best Practice Framework for the Management of Fishing Gear (C-BPF) Risk Assessment Tool² to our supply chain.

In late 2021, we completed the first phase of the assessment which evaluated our suppliers' susceptibility to gear loss. The results showed that 79% of fish sourced for Nomad Foods is caught by mid-water trawls or free-school purse seine nets¹. Both of these have relatively low likelihood of gear loss and low impact once lost. An additional 18% of our fish is caught by bottom trawl, which is also at the lower end of the C-BPF risk assessment table in terms of Ghost Gear likelihood and impact. Overall, the findings suggested that more than 99% of the seafood we source is at a low to low/medium risk of gear loss.

For the second phase of this analysis, we will develop a strategy – in partnership with GGGI – to address the minimal proportion of our fish supplies that are potentially more susceptible

to gear loss. This will initially focus on gillnet usage, both in Turkish inland waters and by open ocean gillnet fisheries in the Atlantic Ocean.



1. While many purse seine fisheries employ the use of drifting fishing aggregating devices (d-FADs), Nomad Foods' tuna purse seiners do not use d-FADs.
2. The C-BPF Risk Assessment Tool is unique in that it narrowly focuses on supporting GGGI's audience to address lost fishing gear. The tool is not intended for use as an overall fisheries sustainability tool; rather it is a preliminary risk assessment tool for identifying potential vulnerability to gear loss associated with specific gear classes relative to one another

Sourcing: Crops

Food businesses today must provide nutritious food while protecting natural resources, ecosystems, biodiversity, land and soil quality, and the communities and workers connected to agriculture and farming.

If they do not, farmers risk being negatively impacted by climate change and biodiversity loss. This in turn may result in reduced yields. Crops such as palm oil and soy pose particular environmental risks, including deforestation of native forests, biodiversity loss and habitat destruction.

Policies and Approach

We have a target to source 100% of our vegetables, potatoes, fruit and fresh herbs through sustainable farming practices by the end of 2025. Our [Agriculture Policy](#), and supporting documents, cover the economic, environmental and social impacts of our agricultural practices. They also set out our commitment to the responsible use of pesticides and fertilisers and that we do not use genetically modified ingredients in our products.

Our policy and target apply to all the vegetables, potatoes, fruit and fresh herbs we use (in the form of raw materials, ingredients or finished goods). Over half of these are sourced from farmers with whom we have a direct relationship and a long-term contract. The remainder are sourced from trusted third-party suppliers. In-

redients covered by topic-specific sustainability schemes, such as palm oil or soy, are not covered in this scope, but we have separate certification targets for these commodities (see box).

The Sustainable Agriculture Initiative

We joined the Sustainable Agriculture Initiative Platform (SAI Platform) in 2018. We use SAI Platform's Farm Sustainability Assessment (FSA) to measure our suppliers' and farmers' progress towards our target. The FSA framework covers ten fundamental components of sustainable agriculture, including soil management, water management (for more information, see [Climate Change and Greenhouse Gas Emissions section](#)), air quality and greenhouse gas emissions, biodiversity and labour conditions. Farms or farm management groups are awarded bronze, silver or gold depending on which threshold of requirements are met. To meet these requirements, suppliers must be externally verified either through a benchmarked assurance scheme or an independent FSA verification audit. Within our 100% 'sustainable farming practices' target, we require minimum silver FSA verification.

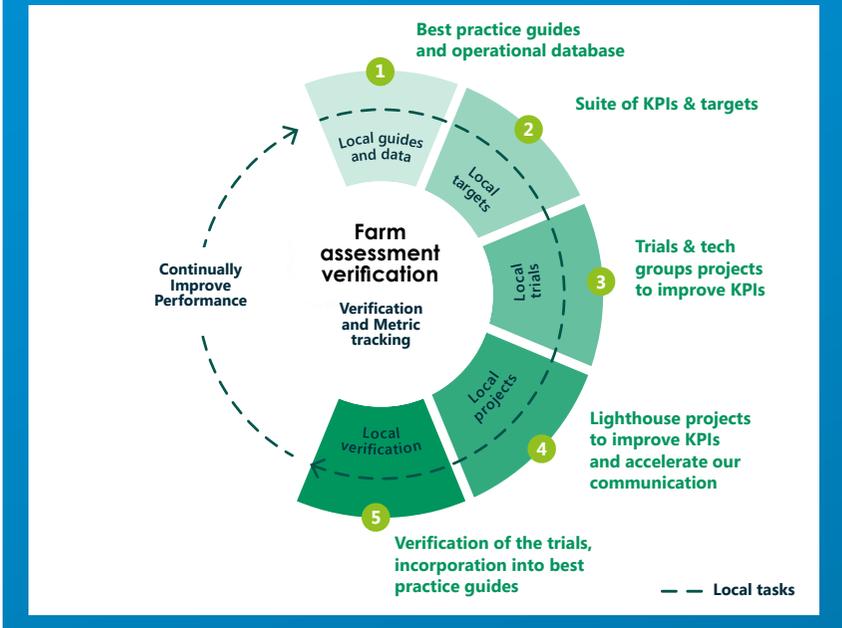
Our FSA project team is responsible for driving progress towards our target. This is a cross-functional team including representatives from Sustainability, Research and Development, Data Management, Supplier Assurance, Procurement, Agriculture and Marketing. The team meets once a month to track progress and identify action priorities. Our Fieldstaff of agricultural experts work with our direct suppliers to deliver continuous improvement.

Beyond policies, we have specific initiatives to support biodiversity, carbon reduction and

Nomad Foods' Agricultural Purpose and Ambition (NAPA) Framework

Our NAPA Framework, launched in 2021, sets out how we work with our contracted growers to create a more sustainable and resilient agricultural system, in line with our Agriculture Policy.

- We provide Fieldstaff and growers with best practice guides on how to grow crops for Nomad Foods. These are updated annually to account for any internal and external developments.
- We run on-farm pilot projects related to key areas such as biodiversity, soil management and water management. Through these projects, we trial new technology or agriculture methods to optimise our sourcing practices. They also provide baseline data to inform target development.
- Data from these trials are used to inform best practice guides, driving continual improvement.



regenerative agriculture. We also sit on two SAI Platform workstreams: 'Tools and Guidance' and 'Assurance'.

Progress

In 2021, 88% of our vegetables were sourced from sustainable farming practices: a significant increase of 11 percentage points from 2020. 99% of our direct growers are now at FSA silver verification or above. A major contributing factor was our work to benchmark existing supplier certification schemes against the FSA Framework. We used this information to identify and plug gaps within these schemes, to ensure farmers are fully aligned with the FSA criteria. We also worked with suppliers to encourage greater take-up of external certification schemes.

To further our agricultural ambitions, in 2021 we ran a project with WWF to scope agricultural solutions to the "triple challenge" of feeding a growing global population, while tackling the climate crisis and reversing biodiversity loss, focusing on our agriculture operations in the UK and Italy.

As part of addressing this "triple challenge", we launched Project Echo: a set of initiatives to raise the bar on sustainable agriculture. Most of these are currently in the pilot phase, but once trialled can be scaled across a larger number of growers. One such initiative is a collaboration between Hull University and Nomad Foods to identify and analyse how and where carbon emissions arise within the pea growing process.

This allowed us to establish a carbon baseline for our pea production. As part of Project Echo, in 2021 we also increased the number of pea farmers using cover crops, which now cover 600 hectares of land. This builds on the success of Bird Eye's 2020 trial in the Humber Region of England, which used cover crops to improve soil health and carbon sequestration.

Supporting biodiversity is a major priority for Nomad Foods and we have a range of national initiatives to deliver this. In Italy, we have a long-running collaboration with the Department of Agricultural and Forestry Sciences at Tuscia University to increase biodiversity across farms in Italy. In the UK, we now have bespoke biodiversity action plans in place with 80% of our UK pea grower base, covering over 60,000 hectares of land. Our target is to support our farmers to fund and deliver farm-specific biodiversity action plans for every pea grower by 2023.

Future Plans

We will continue working towards achieving 100% FSA silver verification by 2025. Where volumes are procured from 100% FSA verified or equivalent sources, we have already started adding minimum FSA silver into our specifications.

In line with our NAPA framework, we are also continuing to launch and analyse pilot projects on regenerative agriculture. We will then scale and share successful initiatives with our wider supplier base.

Target	Indicator	2019	2020	2021
100% by 2025	% Vegetables produced using sustainable farming practices*	-	77	88
100%	% Purchased volume of palm oil for in-house production RSPO-Certified segregated**	87	99	100**
100%	% Purchased volume of soy that is 'responsible' as per policy	N/A	12.0	17

*Defined as contracted suppliers that achieved FSA silver level, and bulk & co-pack that achieved FSA silver level after self-assessment.

**Applies to sourced volumes as of 31 December 2021.

High Risk Ingredients

We have specific policies governing our use of ingredients at high risk of causing deforestation. Our [Soy Policy](#) sets out our commitment to work towards using responsibly sourced soy across our supply chain. It covers all brands and all soy used to produce Nomad Foods' products, whether directly as an ingredient or indirectly through feed. We commit to verifying that the soy in our supply chain is neither from legally nor illegally deforested land and is sourced from relevant certification schemes wherever possible. Where this is not yet possible, we compensate through the Roundtable on Responsible Soy credit scheme.

In 2021, 17% of our purchased soy was 'responsible' as per our policy. We are now working to collect soy data across all categories to allow us to map our soy supply chain, and separate mass balance and segregated supply chains. Short-term, our target is for all our suppliers to use mass balance or segregated supply chains. We will continue to engage with our industry peers and other stakeholders to accelerate progress towards verified zero deforestation areas.

Our [Palm oil Policy](#) states that we will only purchase palm oil that has Roundtable for Sustainable Palm Oil (RSPO) Segregated certification, meaning it can be traced back to RSPO-certified mills. By 31 December 2021, we had moved to using 100% RSPO-Certified segregated palm oil in in-house production, recognising there may still be very small amounts of non-certified palm oil still in warehouse stock.

Sourcing: Animal Protein

Sourcing animal protein responsibly is important for animal and human wellbeing.

Consumers expect transparency and high standards. Legislation, retailer standards, and codes of practice are also placing increased focus on animal welfare. Major risks associated with failing to source animal protein responsibly include poor animal welfare standards such as inhumane living conditions, and prophylactic use of antibiotics on healthy animals, which may also pose a risk to human health.

Approach and Policies

Fish and seafood is the largest animal protein source in our portfolio and is covered by specific policies and procedures (see [Sourcing: Fish and Seafood](#)). Our Policy on Animal Product Sourcing sets out our approach to sourcing other animal products, including meat (beef, lamb, pork, chicken), dairy products, and eggs. The policy covers all Nomad Foods products and brands, and our suppliers are required to comply with it. It ensures that all animals used for meat production are humanely slaughtered and stunned prior to slaughter. It also states that Nomad Foods does not permit the use of antibiotics deemed critically important to human health (CIAs as determined by The World Health Organisation), prophylactic or growth-promoting antibiotics, or hormones in any animal protein products. Regarding eggs or products derived from eggs (which represent less than 1% of our portfolio), the policy stipulates they must be sourced from barn-reared animals as a minimum.

Wherever we operate, all suppliers to Nomad Foods meet national legal requirements on animal welfare. We support the Animal Welfare Committee's (AWC) 'Five Freedoms of Animal Welfare'.

1. Freedom from hunger and thirst
2. Freedom from discomfort
3. Freedom from pain, injury or disease
4. Freedom to express normal behaviour
5. Freedom from fear and distress

We are also signatories of the Better Chicken Commitment (BCC) and are committed to working to improve welfare standards by 2026 across our entire portfolio. This set of standards to ensure the welfare of broiler chickens was developed by 25 animal welfare and animal rights organisations from across Europe, and significantly exceeds regulatory minimums for animal welfare. 100% of the chickens we source are cage-free and stunned before slaughter, and none are kept in tiered housing. We have a cross-functional Chicken Working Group to drive progress.

Progress

In 2021, we repeated the 2020 mapping of our chicken supply chain performance against the KPIs identified by our cross-functional Chicken Working Group. We are currently working with our suppliers to improve opportunities for chickens to express natural behaviours, as well as extending access to natural light. As of 2021, one third are fully compliant to our enrichment standard with a further one third being partly compliant.² These results represent an increase from 2020. Two fifths of our suppliers provide natural daylight to all their poultry stocks, with another two fifths providing natural daylight to some of their stocks.

Indicator	2019	2020	2021
Purchased volume of poultry from non-cage reared chickens (%)	100	100	100
Percentage of egg volume from non-cage reared chickens (%)		92	100
Total purchased volume of animals by breed type (Tons)	131,592	146,167.5	146,654
% Purchased volume that is fish and seafood	73.4	73.7	74.2
% Purchased volume that is poultry	16.4	16.8	17.0
% Purchased volume that is red meat	10.2	9.6	8.8

In 2021, we extended our supplier audit process to include welfare audits with several of our key chicken suppliers. These audits include detailed virtual site assessments and a review of relevant certifications, processes and procedures. Results of the welfare audits are currently being analysed and will give us a more robust and detailed understanding of the current situation and areas for improvement.

We have also intensified internal communication and training to further increase knowledge and understanding of animal welfare throughout the business.

Future Plans

In 2022, we will continue to work actively with our suppliers to further improve the welfare of the chickens we source. We will maintain close engagement with suppliers in order to better understand where further improvements are needed and make progress in achieving our goals. We will also complete the remaining welfare audits with key suppliers.

2. Enrichment requirement: 1 bale/box and 2m of perches or platforms and 1 pecking object per 1000 birds / Natural light requirement: Natural light available (1% of floor area)

We are committed to improving welfare standards for the animal protein products we source through close engagement with our suppliers and demonstrating year-on-year improvements.

Imogen English,
Group Sustainability
Manager, Agriculture

Social Impact of Supply Chain

The complex nature of global supply chains in the food industry creates a risk of human rights abuses, particularly when buying from indirect suppliers in countries with limited protections for workers.

Managing the social impact of our supply chain means ensuring all workers are fairly treated and taking all possible steps to prevent modern slavery, human trafficking, and child labour.

Policies and Approach

Our [Supplier Code of Conduct](#) sets out our expectations for suppliers. These include:

- Upholding human rights, not employing child workers and taking all possible steps to prevent any instances of modern slavery
- Providing a safe and healthy workplace for all workers, including having a health and safety policy freely available to all employees
- Upholding the stronger of either the International Labour Organization standard or applicable local social and collective action rights of workers
- Managing community impact resulting from company and factory operations

The Supplier Code of Conduct also covers our requirements in relation to fair business practices, trade regulation, environmental impacts, supply chain responsibility and traceability. It applies to all our supply chain partners.

Our Ethical Compliance Manager is responsible for ensuring our suppliers meet our expectations on all issues relating to human rights. We use Sedex to monitor direct supplier compliance. Sedex is a membership organisation which helps deliver transparency in supply chains. We require 100% of direct suppliers to register on Sedex and fully complete the Sedex self-assessment questionnaire, which covers labour rights, health and safety, environment, and business ethics.

We also conduct third-party ethical audits to ensure the requirements in our Supplier Code and local laws are met. Strategic and high-risk suppliers are required to complete a third-party ethical audit every two years which is uploaded onto Sedex. Our preferred format is a Sedex Members Ethical Trade Audit, but we also accept [specified alternatives](#). Non-compliances are expected to be resolved within the given timelines and verified by the auditor either through a follow-up audit or a desktop review. New suppliers are not approved until they comply with these requirements.

We use the information from Sedex to risk assess our suppliers on an annual basis and create improvement plans for those identified as high-risk.

Progress

In 2021, we have maintained our target of 95% of tier 1 suppliers being registered with Sedex, and 100% of our new suppliers were screened using the Sedex risk assessment tools. We also successfully completed our 2021 audit programme for strategic and high-risk sites (both new and existing). We completed 131 audits, exceeding

Indicator	2019	2020	2021
% Tier 1 suppliers registered with Sedex	76	95	95
% New suppliers (including indirect suppliers) screened using social criteria	100	100	100

the audit programme's annual target. This progress took place against the backdrop of continued Covid-19 related restrictions and delays which impacted our supply chains and audit programme in several ways – for example by requiring us to move to virtual assessments.

Future Plans

In 2022, we will develop implementation plans with timelines for when suppliers from our new acquisitions will be onboarded onto Sedex. The list of strategic suppliers and the risk assessment to identify high-risk suppliers for the 2022 audit plan have already been completed to mitigate against continued delays and audit availability caused by Covid-19. To ensure completion of these objectives, we track progress and report against them in monthly cross-functional forums with the relevant stakeholders.

“We are pleased with the progress of our Ethical Compliance programme, which includes screening all new suppliers using the Sedex risk assessment tools. These processes are vital in mitigating risks and upholding ethical standards in our supply chain.”

Sam Brown, Ethical Compliance Manager

Better nutrition



Health and Nutrition

Promoting healthy diets and lifestyles, combatting obesity and making nutritious food affordable and accessible to all, are areas of enormous importance, high on the agenda of governments, NGOs, the media and, increasingly, consumers.

Policies and Approach

Our Nutrition Manifesto sets out our eight key commitments to empower positive choices. These include providing clear and simple consumer nutrition information, making healthier and sustainable choices more convenient, and nutritionally optimising our products. Our [Nutrition Policy](#) outlines our approach to labelling and product optimisation and has been reviewed by our independent expert Nutrition Advisory Board. Both our manifesto and our policy apply to all Nomad Foods brands and territories.

Our Nutrient Profiling Tool



Our Nutrient Profiling Tool

To deliver on our policy, we assess all our products against our [Nutrient Profiling Tool \(NPT\)](#). This uses an externally-verified scoring system to assess the nutritional profile of products to determine whether they constitute a Healthier Meal Choice (HMC). It assesses positive ingredients and nutrients, including fruit, vegetables, fibre and protein, and nutrients of public health concern such as sugar, salt and saturated fat. For more details on our NPT, see [page 25 of our 2020 report](#). All our research and development experts, including our chefs, are trained in applying the NPT.

We operate a strict gate-keeping process for new products. Any product not classified as a HMC is automatically challenged and may be rejected or redeveloped before we launch.

In 2021, we increased our focus on salt reduction, setting a new internal target for 100% of our top 20 bestsellers in each market to contain locally competitive salt levels. If a product's salt level is above the average competitor level, we implement an action plan to reduce salt content over the next 12 months. Our Nutrition Team monitors and accelerates the delivery of these plans in collaboration with our Salt Reduction Working Group.

Nutritional Labelling

We use on-pack nutritional labelling in every market we operate in to enable informed choices for our consumers. This currently includes traffic light labelling in the UK and Ireland, Nutri-score labelling in France, Belgium Germany, Austria, Portugal and Spain, the Keyhole symbol in Sweden and Norway, and the Heart Mark symbol in Finland.

Target	Indicator	2019	2020	2021
Year-on-year improvement	% Total net sales from branded products assessed and classified as Healthier Meal Choices (HMC)*	89.8	90.0	91.5
	% New product innovations that are assessed and classified as HMCs	-	95.0	95.0
	% Total net sales from nutritionally optimised non-HMC products as % of total non-HMC net sales	-	8.0	9.5

*In 2019 and 2020, this refers to all markets except CH, H, GR, RUS. In 2021, this refers to all markets except CH.

Progress

In 2021, we increased the proportion of our net sales from HMC products to 91.5%. To deliver this increase, we focussed efforts on our biggest-selling non-HMC products. We identified the best-selling non-HMC products for each market and assessed opportunities to improve the nutritional profile of each one. This included benchmarking their salt levels against competitor products to identify salt reduction opportunities. Our bestselling products across Nomad Foods are now HMC.

Product launches, renovations and rollouts to new markets are crucial opportunities to drive nutritional improvement. In 2021, 100% of our existing products rolled out to new markets and 95% of new product innovations were HMC. When existing products were renovated, no product regressed in its NPT band. Across 2021, 18.3% of total net sales came from nutritionally improved products.

We also improved products even where it was challenging to achieve an HMC NPT score in the short-term. 9.5% of our non-healthier meal choice volumes sold in 2020 came from nutritionally optimised products: an increase from 8% last year.

€440m
more net sales from HMCs since 2017

Our 2021 performance adds to a strong legacy of nutritional improvement. Since launching our nutritional commitment in 2017, we have increased our net sales from HMC products by over €440m.

Beyond improving our own product offering, we also seek to influence a wider shift towards healthier, more sustainable diets. We participate in external partnerships including [Peas Please](#): a UK group of retailers, farmers, restaurant chains, caterers, manufacturers and other food industry stakeholders seeking to increase vegetable consumption. In 2021, our Nomad Foods team of expert registered nutritionists authored a range of publications, including a chapter of the British Standards Institution report focused on healthy sustainable diets. As part of the Peas Please partnership, we also participated in an expert panel at the global Nutrition 4 Growth conference.

Future Plans

Our new [Future of Nutrition strategy](#) will be launched in January 2022 (see 'Deep-Dive: Future-Proofing our Nutrition Leadership'). To deliver on this strategy, we will set up a Sugar Working Group to accelerate understanding and progress on sugar reduction.

In advance of new UK regulations, we are continuing to increase our proportion of non-HFSS products in the UK (see call out box). We have also pledged to increase fibre content across

our UK brand portfolios, as part of our Action on Fibre external commitment. This includes 'Fibre February' events to share information and best practice with colleagues across the Nomad Foods group, as well as raising awareness of fibre amongst our UK consumers via our brand websites and social media.

We will also continue onboarding colleagues from our new acquisitions, Findus Switzerland, Ledo and Frikom, to ensure adherence to our Nutrition Policy and delivery against our commitments.

“For the third consecutive year, Nomad Foods achieved a perfect score of 100% in the Dow Jones Sustainability Index (DJSI) Health and Wellbeing category. This reflects the strength of our nutrition policies, governance and ambitions, and our dedication to serving consumers with better food every day.”

Lauren Woodley, Senior Nutrition Manager

UK business High Fat, Salt and Sugar (HFSS) restrictions readiness

At the end of 2022, the UK Government will introduce further rules on advertising and promoting products that are HFSS according to the UK Government Nutrient Profiling Model. These restrictions cover digital, TV, in-store and e-commerce.

Nomad Foods is taking a range of steps to ensure our UK business is ready for these restrictions. A non-HFSS product categorisation is equivalent to HMC status on our NPT. Therefore, this is also an opportunity to accelerate progress towards our existing commitment.

In 2021, we undertook renovations to improve the nutritional profile of key branded UK products, so they are no longer classified as HFSS. Our goal is for >90% of our Goodfella's pizza portfolio to be HMC (non-HFSS) by 2022, from a baseline of 41% in 2020. In 2021, we focussed on our Thin and Takeaway ranges, identifying opportunities to reduce saturated fat and salt, and increase fibre, without impacting taste. By the end of 2021, 57% of Goodfella's recipes in production were HMC.

We also undertook renovations in other UK branded products, including moving Aunt Bessie's Stuffing Balls and Homestyle Mash, and Birds Eye Crispy Pancakes and Garlic & Herb Chicken Kievs from HFSS to non-HFSS.

Understanding and buy-in across the business is critical to successful nutritional improvement. We ran internal engagement programmes to explain our nutritional targets, track progress and share best practice. These included frequent sessions with the entire UK business, and quarterly sessions with all our Research, Development and Quality (RDQ) colleagues. We also developed and delivered bespoke in-depth nutrition trainings for both our RDQ and marketing teams, highlighting opportunities for nutritional improvement and driving HMC sales.

Deep Dive: Future-Proofing our Nutrition Leadership

The Challenge

Globally and across Europe, obesity levels are rising and populations are consuming inadequate intakes of vegetables, fruits, fibres, essential fatty acids and certain micronutrients. This comes with an enormous health, wellbeing and financial toll for individuals and societies. The world needs a transformed food system: one that supports sustainable, nutritionally balanced diets for all. Nomad Foods has long been a frontrunner in delivering this change. We have achieved three consecutive 100% scores for Health and Nutrition in the Dow Jones Sustainability Index, and over 90% of our net sales come from healthier meal choices (as defined by the Nomad Foods Nutrient Profiling Tool).

We are committed to retaining this position of nutritional leadership as our product portfolio and footprint evolves. Recent acquisitions mean our portfolio now includes occasional foods, such as pizza and ice cream, alongside our core everyday foods products such as vegetables, fish, plant-based foods and chicken. It is, therefore, essential to drive nutritional improvements across our portfolio, in addition to growing our healthier meal choice sales. As we continue to promote healthier meal choices, we acknowledge that recommended consumption frequencies of foods vary, and thus so do the nutrition standards they should meet.

Our Solution

From 2022, we are introducing a refreshed nutrition strategy, broadening our commitments to both grow net sales from healthier meal choice

products year-on-year, and to grow sales from nutritionally improved products year-on-year.

As part of this refresh, we have nutritionally segmented our portfolio into Everyday Foods, Occasional Foods and Special Purpose Foods, based on externally recommended frequencies of consumption of the food categories we offer. Everyday Foods are subject to our highest nutrition standards. For Occasional Foods, which can be more indulgent, our priority is nutritional improvement with the goal of making these healthier meal choices wherever possible. Special Purpose Foods target consumers with specific nutritional needs such as dysphagia, and thus need to be specially crafted to meet these.

To achieve our commitments, we are setting different nutrition ambitions and key performance indicators (KPIs) for each segment. For example, for Everyday Foods we have set a target for 100% product rollouts to be healthier meal choices and 95% of product innovations to be healthier meal choices, with the ambition of reaching 100%. When acquiring new businesses, we will drive opportunities to make the portfolio 'better' nutritionally. As with our existing portfolio, we will do this by decreasing salt, saturated fat and sugar, and increasing fibre content. We have also launched a new Responsible Sugar Strategy to drive sugar reduction and the avoidance of 'hidden sugars'.

Impact

This change reflects Nomad Foods' determination to continue to serve the world with better

food whilst expanding and bringing in new businesses and product categories, and so helps to future-proof our nutrition strategy and nutrition leadership for the long-term.

Segmenting our portfolio through a nutrition lens also provides a clear framework for our product developers, and allows us to focus on fewer, more impactful nutritional renovations as we target our most-consumed products.



Additives

Consumers increasingly expect food brands to create products without artificial additives.

Using certain additives and less familiar ingredients (such as phosphates, E-numbers, MSG, artificial colours and flavourings) risks reputational damage with policymakers, governments, civil society groups, the media, and, ultimately, consumers.

Policies and Approach

Our Clean Labelling Policy, which has been in place since 2003, outlines our approach to ingredient selection. Based on consumer research, we categorise all ingredients into four categories to assess whether they meet consumer demand for familiar, natural ingredients:

- **A – Optimum:** Natural, unprocessed ingredients. Examples: Eggs, Milk
- **B – Accepted:** Natural ingredients, perceived to be generated in a simple and/or traditional process. Examples: Egg powder, Skimmed milk powder.
- **C – Used by Exception:** Ingredients with a level of adverse perception, but which are natural in origin and/or traditionally used. Examples: Natural flavours, Yeast extract, Whey protein.
- **D – Unacceptable:** Artificial additives. Examples: MSG, Hydrogenated fats.

We use these standards to determine our ingredient selection when developing new products or reformulating existing ones. We aim to maximise our use of 'Optimum' ingredients, and do not allow 'Unacceptable' ingredients to be used

in any of our products.

Our Clean Label Steering Committee monitors our progress and drives ongoing improvement. We have a strong governance process to ensure that 100% of our new products are free from flavour enhancers, artificial flavours and artificial colourants.

Freezing food delays spoilage, reducing the need for other preservatives. Therefore, we do not add preservatives to our frozen food products, except where these are necessary for food safety or where the traditional method of creating a product involves adding preservatives (for example, ham).

At the end of 2021, 98% of our portfolio was without flavour enhancers, artificial flavours and artificial colorants. Despite the ongoing impact of the Covid-19 pandemic, we continued to modify and enhance our recipes and achieve a percentage point increase from 2020. This progress is a testament to recipe improvements in four markets. For example, in Spain, we achieved a 50% decrease of products containing additives.

Future Plans

We remain on track for 100% of our portfolio to be free from flavour enhancers, artificial flavours and artificial colorants by the end of 2022. In 2022, we will focus on removing artificial ingredients from the remaining 2% of our portfolio, whilst also understanding the status of products within our newly acquired businesses.

Target	Indicator	2019	2020	2021
100% by end of 2022	% Products without flavour enhancers, artificial flavours and artificial colorants	94.8	97.0	98.0*

*For branded products alone

“This year, we are proud to have more products than ever without artificial additives. This success is partly due to a 50% decrease in products containing these respective additives in our Spanish portfolio.”

Barbara Schausberger, Head of RDQ, Western Europe



Responsible Marketing

Transparent marketing and labelling help consumers make informed food choices.

Marketing and labelling can also help to shift consumers towards a more sustainable, nutritious diet, increasing consumption of plant-based foods and promoting regenerative agriculture.

Policies and Approach

Transparent nutritional labelling is central to our approach. Our [Nutrition Policy](#) sets out our internal standards on the use of nutritional on-pack claims, which go above and beyond statutory minimums. We use nutritional labelling on pack in all our markets, which includes information on all key nutrients. We use front-of-pack nutritional labelling where possible, and we voluntarily label fibre.

Our Marketing Policy specifies our intention to promote positive values and behaviour when promoting our products, especially when marketing to children. Before release, all advertisements and promotions that may appeal to children are reviewed by the project leader against our Policy.

As well as using nutritional labelling to encourage healthy consumer choices, our Green Cuisine product range is designed to shift consumers towards plant-based options. It offers popular meat-free choices for consumers, including meat substitutes such as Chicken-Free Nuggets.

In Italy, we partner with organisations including the World Food Programme to teach younger

generations about sustainable agriculture. To date, more than 125,000 children aged 8-11 have taken part in this programme. As part of our initiative with [WWF](#), we also used on-pack communications to share Nomad Foods' work on regenerative agriculture and biodiversity conservation.

Progress

In 2021, Nomad Foods became signatories of the EU Code of Conduct on Responsible Food Business and Marketing Practices. This was one of the first deliverables to support the European Farm to Fork Strategy and an integral part of our action plan. We also became signatories of

2M
new households
tried Green Cuisine



the World Federation of Advertisers (WFA) Planet Pledge, supporting the belief that communication has a key role to play in achieving Net Zero.

In 2021, we made significant progress on our plant-based initiatives. This was spearheaded by our Green Cuisine brand, which offers delicious, affordable and easy-to-prepare plant-based alternatives to popular products. Our success is largely down to our strategy of inviting new consumers, particularly flexitarians and those who want to reduce their meat intake, to try our plant-based products. During the course of 2021, we recruited more than two million additional house-

holds across Europe to try out these products.

In early 2021, our Green Cuisine Chicken-Free Dippers were voted Product of the Year in the Free-From category of the UK Consumer Survey of Product Innovation.

We are also investigating ways to better communicate the sustainability credentials of our products to consumers. In Germany, we are piloting carbon labelling and have developed a label to place on our fish finger product packaging encouraging consumers to join us in reducing carbon emissions. For 2022, we will extend the trial to our Blubb cream spinach product.

Letting wildflowers bloom in Germany

In Germany, we worked with the Blooming Landscape Network (Netzwerk Blühende Landschaft, NBL), which aims to inspire people to create and care for habitats of flower-visiting insects. The partnership focused on improving consumer understanding of biodiversity, and how they can protect it. As part of this work, we ran a promotional campaign, planting a new flowering area for every pack of BLUBB spinach purchased. This led to the creation of 250,000 square metres of flowering areas across Germany with our partner NBL in 2021. We created a consumer-facing microsite to share tips for protecting wildlife at home. We educated people about the work we have been doing at our manufacturing site Reken for more than 20 years already, including planting more than 75 kilometres of flowers strips alongside our vegetable fields to support biodiversity. To draw further attention to biodiversity preservation, we also launched an activation to let an entire district town within our spinach sourcing region bloom with flowers.



Product Safety and Quality

Food safety is essential for the success of our business and the health of our customers.

Concerns about the safety or quality of our products risk damaging our reputation, increasing our operational costs and decreasing demand for our products.

Policies and Approach

Our Quality and Consumer Safety Policy outlines our commitment to ensure product safety, and the steps required to identify, control and monitor points of potential safety risk. This policy covers every stage of the supply chain. It applies to all operating sites and product categories, including anything manufactured by third parties.

When selecting new suppliers, we set high standards for food safety and quality. We require all new suppliers to be accredited to the BRC Global Food Standard at A grade or a GFSI-equivalent standard, and we review their certification status every year. We also demand that all raw material ingredients are provided with signed supplier specifications. These specifications ensure the absence of chemical, microbiological and physical contamination of materials.

With certain key ingredients, we set stricter standards on traceability. Products such as our MSC- and ASC-certified fish, and our RSPO-certified palm oil are supplied through a chain of custody scheme (see Sourcing: [Fish and Seafood](#) and Sourcing: [Crops](#) sections for more details). This guarantees that they have been sourced in accordance with enhanced sustainability standards.

We take numerous steps to ensure compliance

with our policy and specifications. We run an extensive Food Fraud and Adulteration Prevention programme. This includes horizon scanning, intelligence sharing with other food businesses and laboratory testing of our raw materials.

We conduct formal risk assessments on all our food and packaging suppliers, using an assurance scheme which complies with the Global Food Safety Initiative (GFSI). If we identify instances where suppliers fail to meet our standards, we reassess them after an agreed period to ensure non-compliances are being addressed. We then use this information to determine whether we continue using the supplier.

We also conduct regular product audits within our supply chain. Our audits cover a wide range of factors that include but are not limited to: food safety systems; hygiene standards; traceability; operational procedures; maintenance; security; training; and food fraud prevention. Traceability is an important part of our audit process, and we carry out hundreds of traceability challenges every year. Our audits also test emergency response procedures to ensure product safety. Audit results are used to drive corrective action on the quality of the products suppliers deliver to us. Although the pandemic restricted our ability to physically audit our suppliers, we modified our approach to Supplier Assurance through remote auditing and teleconferencing to ensure our standards were maintained.

We train employees regularly on product safety. Our auditors and quality staff receive training in specialist subject that include but are not limited to: hygiene design; food safety systems; allergen management; and microbiology. We view professional development an ongoing process

Indicator	2019	2020	2021
% Supplying sites within Nomad Foods supply chain operating to an international food safety system	97	98.5	98
Number of incidents concerning food safety and quality	10	4	10

and assess individuals' training needs using our HR capability matrix tool. Once food is placed on the market, we also operate a Consumer Care Line to receive and respond to feedback from consumers.

For more details on our food safety procedures, see our 2021 annual report.

Despite the added pressure of Covid-19 on supply chains, all our own sourcing units maintained or improved their GFSI grades. This is due to sustained execution of quality control processes, an agile approach to supplier and materials management and ongoing engagement with consumers. In 2021, we also extended our web presence to process more consumer feedback and drive continuous improvement.

Future Plans

We have set stretch targets for 2022 to reduce consumer complaints and developed a programme of work to deliver these. The programme will be rolled out by a multi-functional team, and progress will be reported internally at our Quality and Standards Forum. We are also developing a three-year plan to formalise our approach through deploying a Quality Management System based on ISO9001 methodology.

“In 2021, food businesses faced global supply chain pressure driven by material shortages, increased energy and transport costs, and the impact of Covid-19 on human resourcing. At this challenging time, I am proud that Nomad Foods continued to uphold stringent quality, product integrity and food safety standards.”

Adrian Augustine, Head of Supplier Assurance

Better operations



Climate Change and Greenhouse Gas Emissions

Failure to mitigate the worst impacts of climate change threatens lives and livelihoods across the world.

Risks include unpredictable or extreme weather conditions, scarcity of raw materials, and resulting social unrest.

Greenhouse gas emissions from food systems are a major contributor to climate change. Global food supply chains are also at risk from the effects of climate change through decreased land availability, local water scarcity, soil health deterioration, and ocean heating and acidification. For more detail on the risks posed to our business by climate change, see our 2021 annual report.

Policies and Approach

Our [Safety, Health and Environment Policy](#) sets out our commitment to measure, manage and mitigate our environmental impact.

Since 2018, we have had a target to reduce our greenhouse gas (GHG) emissions per ton of finished goods each year. We are also members of the UN's Race to Zero campaign, the largest ever alliance committed to achieving net-zero carbon emissions by 2050 at the latest.

To assess progress against our targets, we measure our corporate carbon footprint annually by calculating our total Scope 1, Scope 2 and Scope 3 emissions and converting them into equivalent tons of carbon dioxide. Our footprint covers our own operations (i.e. all factories operated by Nomad Foods, excluding co-packers),

GREENHOUSE GAS EMISSIONS

Scope 1	
Direct emissions from owned and controlled sources	<ul style="list-style-type: none"> • Gaseous Fuels: Natural gas, biogas, and propane • Diesel / petrol • Wooden pellets* • Lubricating oils • Liquid CO2 and dry ice • Air conditioning <p>* added to scope as of 2020</p>
Scope 2	
Indirect emissions from the generation of purchased energy	<ul style="list-style-type: none"> • Purchased electricity • District heating • Purchased steam
Scope 3	
Indirect emissions that occur in our value chain	<ul style="list-style-type: none"> • Materials for Reuse and waste • Diesel / petrol / electricity from leased vehicles • Liquid nitrogen • Propane • Fertiliser • Fresh and waste water • Electricity in external warehouses of finished goods • Inbound logistics of finished goods

all owned and third-party warehousing, and inbound logistics of finished goods. Data is calculated and reported in line with the GHG Protocol, and externally audited.

We collaborate with others to maximise our impact. In 2020, we joined the global fight against food waste initiative, 10x20x30, which unites the world's largest food retailers and providers to reduce food waste. Each member commits to working with at least 20 suppliers to halve food loss and waste by 2030, in line with UN SDG target 12.3. Some of our markets have also signed pacts or pledges on a national level to help reduce food waste.



Progress

In 2021, we reduced our absolute operational emissions by 14.1% and our emissions intensity by 22.0% from a 2019 baseline. This is slightly ahead of our SBTi target trajectory. We also reduced absolute emissions by 3.8% and emissions intensity by 1.1% since 2020.

We successfully maintained the significant emissions reduction achieved in 2020. This was mainly through completing the transition to 100% renewable electricity across all our sites. It was also driven by maintaining our management of waste and materials for re-use and sustaining efficiencies in production.

Our absolute carbon footprint in 2021 was 290.02 kilotons CO₂e. The primary sources of carbon-related emissions within our operations were waste, energy (including gaseous fuels), water and effluent.

Waste

Waste and materials for re-use make up the largest proportion of our emissions. In 2021, we maintained the reduction in GHG emissions from waste and materials for re-use that we achieved in 2020. There has been an increase in absolute volumes of waste compared to 2019, in part due to increased production volumes. However, due to better waste management, GHG emissions from waste have decreased each year since 2019. We have also delivered a 32% reduction in edible food waste since our 2015 baseline, meaning we are on track to achieve our 50% edible food waste reduction target in line with 10x20x30.

“We are excited that the Science Based Targets initiative has validated our emissions reduction targets. By focusing first on our 2025 milestones, we will almost halve emissions per ton of product and ensure the top 75% of our suppliers by emissions have science-based reduction targets in place. This will ensure we reach net-zero well before 2050.”

Stéfan Descheemaeker,
Chief Executive Officer

22%
reduction in
emissions intensity
since 2019

32%
reduction in edible
food waste since
2015³

3. Edible food is food initially intended for human consumption and does not include inedible food waste or materials for re-use

Target	Indicator	2019	2020	2021
Reduce by 25% from a 2019 baseline by 2025	Scope 1 GHG emissions (kilotons CO ₂ e)	67.3	92.48	91.97
	Scope 2 GHG emissions (kilotons CO ₂ e)	47.5	16.73	7.04
	Scope 3 GHG emissions (kilotons CO ₂ e)	223.0	192.11	191.01
Reduce by 45% from a 2019 baseline by 2025	GHG emissions intensity (kgCO ₂ e per ton of finished goods)	614.5	484.7	479.6
	Absolute volume of waste generated (tons)*	51,521	54,683	52,557
	Volume of freshwater consumption (metres cubed)	4,741,312	5,185,407	5,956,822
	Volume of effluent water discharged (metres cubed)	4,058,960	4,321,274	4,431,797

* Any materials that are repurposed for animal feed and surplus food (sent to food charities) are neither considered waste, nor included in waste reporting.

Science-Based Targets

In 2021, we set ambitious targets to reduce our emissions, which have been approved by the Science Based Targets initiative (SBTi). These targets are consistent with the reductions required to keep global warming to 1.5°C, the most ambitious goal of the Paris Climate Agreement.

By 2025, we are committed to reducing our scope 1, 2, and 3 GHG emissions per ton of product by 45% from our 2019 baseline, equal to a 25% absolute reduction. This target covers some purchased goods and services, upstream transportation and distribution, waste, and upstream leased assets.

Collaborating with suppliers to decarbonise our supply chain will be essential for success. Therefore, we have also committed to ensuring that the top 75% of our suppliers by emissions covering purchased goods and services develop their own science-based targets by 2025 at the latest.

Energy

In 2021, we completed the transition to 100% renewable electricity across all our manufacturing sites (excluding new acquisitions). This was the main driver behind our GHG emissions reduction in 2021. We also launched a dedicated workstream to reduce consumption of both gas and electricity to mitigate the risk of rising energy prices and minimise our environmental impact. For more details, see [Deep Dive: Roadmap to Net Zero](#).

Water

In 2021, our freshwater consumption and effluent discharge increased in absolute terms compared to 2020. Both of these increases were primarily driven by a single site, which is now being investigated to agree mitigating actions to reduce water consumption.

Supplier Engagement

Collaboration with suppliers is critical to deliver emissions reduction across our operations. In 2021, we kicked off a supplier engagement workstream as part of our Supplier Excellence programme. This included holding supplier conferences and training sessions with our top suppliers to explain our supplier SBTi target and its strategic importance for Nomad Foods. For more details, see [Deep Dive: Roadmap to Net Zero](#).

Future Plans

Our priority is delivering emissions reduction in line with our Race to Zero commitment and our science-based targets. For more information on our detailed SBTi delivery roadmap, see [Deep Dive: Roadmap to Net Zero](#).

Water Management

Sourcing

Our [Supplier Code of Conduct](#) stipulates that suppliers must manage water in a way that complies with all relevant environmental laws and regulations, and does not negatively impact natural resources. As localised water scarcity is an increasingly important issue in agriculture supply chains, it is one of the criteria of our Restricted Sourcing List. Our goal is for none of our ingredients to be sourced from water scarce areas in the future.

Primary Production

Under our FSA Gold ambition for all direct growers, all farms will have a water plan to optimise water usage and reduce loss. This will cover approximately 50% of our vegetable supply. The Aquaculture Stewardship Council (ASC) standard covers water management of aquaculture systems (see [Sourcing: Fish and Seafood](#) for more information).

Operations

We have specific long-term and short-term operational water reduction initiatives. We target, measure, track, and report both freshwater consumption by source and effluent discharge on an on-going basis as part of our responsible water management approach. Targets are site-specific as they are related to local conditions.

Location of facilities

Extreme weather and natural disasters pose risks to manufacturing and distribution facilities. None of our current sites are placed in current water scarce areas. However, some of our sites are situated in areas prone to flooding, including our Lowestoft and Bremerhaven manufacturing facilities. This is managed locally as part of site-specific safety routines and regularly assessed.



Deep-Dive: Roadmap to Net Zero

The Challenge

Limiting global warming to 1.5°C in line with the Paris Agreement requires swift action from all businesses. In 2020, Nomad Foods committed to reach Net Zero greenhouse gas emissions well before 2050. We have since set ambitious targets to reduce our emissions, which have been approved by the Science Based Targets initiative (SBTi). By 2025, we are committed to reducing our scope 1, 2, and 3 greenhouse gas emissions per ton of product by 45% from our 2019 baseline, equal to a 25% absolute reduction. This target covers purchased goods and services, upstream transportation and distribution, waste, and upstream leased assets. In addition, we have committed to ensuring that the top 75% of our suppliers by emissions covering purchased goods and services develop their own science-based targets latest by 2025.

Our Solution

In 2021, we built a roadmap of seven operational workstreams, underpinned by strong governance and a focus on engaging our employees, containing concrete actions to reach these 2025 milestones (see infographic). These workstreams use data to identify and address our biggest emission drivers. They are underpinned by robust governance and an engagement programme to ensure short-term as well as long-term focus.

Operational Waste Workstream

Operational waste accounted for 47% of our corporate carbon footprint in our 2019 baseline. Hence, reducing waste generation and optimising waste management is key if we are to achieve our target. As a start, we are launching

a pilot project in our main fish site, Bremerhaven, to trial a standardised data collection system that can then be rolled out across all our sites. This will provide line-level waste loss information and allow us to identify production lines with high-carbon waste loss. We will use this information to identify opportunities to reduce carbon emissions across our waste streams, with a particular focus on food waste.

Energy Efficiency Workstream

We must continuously optimise utility consumption from our operations to achieve our target. In our 2019 baseline, natural gas accounted for 18% of our group carbon footprint. We have already switched to 100% renewable electricity, but reducing consumption of both gas and electricity is essential to mitigate the risk of rising energy prices, as well as minimising our environmental impact. After conducting initial third-party energy audits to assess current efficiency and potential opportunities, we will create and validate an action plan to implement energy optimisation projects.

Measurement Systems and Reporting Workstream

Achieving Net Zero also requires improvements to our measurement systems to enable the right corrective mindset and actions. These improvements will allow us to monitor progress and respond appropriately to challenges. Currently, most data used in our carbon footprint calculations is manually acquired and uploaded. This is time- and resource-intensive. Our measurement systems and reporting workstream will increase visibility, speed, and reliability of our data collec-

tion by automising the metering of utilities and waste in our operations. We will train users to ensure optimal implementation. The system will be integrated into our reporting requirements to ensure an immediate feedback loop of data to users.

Procurement Workstream

Procurement manages the contracts and relationships with our external warehousing and logistics partners. Hence, a focus on procurement is key if we are to achieve our target, which involves reducing Scope 2 emissions. Activities within this workstream include switching our third-party warehouses to a green electricity supply, working with logistics partners to help them reduce their emissions, and ensuring maximised loads to optimise deliveries.



We are also creating a roadmap for supplier engagement and mapping potential reduction processes. This includes holding supplier conferences and training sessions with our top tier suppliers to explain our supplier SBT target and its strategic importance for Nomad Foods. Combined, these suppliers cover 75% of our scope 3 footprint. During 2022, we are meeting with all strategic suppliers and asking them to present a joint business plan to Nomad Foods, which include details of their plans to set SBTs.

Communication and Engagement Workstream

To achieve our target, we must ensure our employees understand the part they play in the journey to Net Zero. A clear communication and education program will be critical to success. This workstream will facilitate shared understanding of what we are doing, how we are doing it, why it is important, and what our employees can do to support emissions reduction efforts. We are developing a long-term engagement plan, to be launched spring 2022. This includes a Net Zero training programme, sharing milestone moments, driving engagement, and celebrating achievements.

Net Zero: Beyond 2025 Workstream

Whilst short-term emissions reduction is key, our work so far has highlighted the importance of planning ahead. This requires us to anticipate future initiatives, skills, and capabilities, and identify the resources needed to drive them. We will deliver technical analyses to help identify and prioritise projects which will deliver our commitment to reach Net Zero emissions across our

value chain well before 2050. This will include a high-level cost estimate, allowing us to take decisions which ensure we remain competitive. We have commissioned a remote energy maturity assessment of our manufacturing sites in addition to on-site engineering studies of our biggest gas and electricity consumers.

Mergers and Acquisitions Workstream

Our Net Zero target also requires us to account for emissions from our mergers and acquisitions (M&As), and to re-baseline our emissions data if additional emissions from M&As exceed 5% of our reported baseline emissions. This workstream therefore focuses on establishing emissions data and onboarding M&As in a timely manner to our SBTi roadmap. To do this, we will conduct a carbon reduction opportunity study in our newly acquired Adriatic region sites, which will allow verified carbon data from the region to be integrated into our SBTi delivery roadmap. We will initiate all Adriatic sites to our carbon reporting standard, supplying a 'blueprint' to standardise ways of working. Each new site will also complete a mandatory physical carbon footprint audit in 2022.

The roadmap is underpinned by a rigorous governance process. Each workstream has a project charter that sets out its objectives, deliverables, governance processes, project team, interim milestones, and deadlines. A description of relevant material and financial risks is integrated into each workstream to ensure appropriate risk management. Progress on each workstream is reviewed monthly by the project lead and quarterly by the Supply Co Executive team to ensure we stay on track.

Impact

This robust delivery roadmap enables us to deliver against our ambitious interim targets and maintain this focus over time. It also leaves us well-prepared to meet new regulatory changes around emissions reduction and to play our part in reaching a Net Zero economy.

“We have a diverse supply chain that spans from fisheries to farming and accounts for almost 80% of our greenhouse gas emissions. I'm very proud of the work we are doing to collaborate with suppliers and deliver the wider change needed to help consumers eat sustainably.”

Stéfan Descheemaeker,
Chief Executive Office

Packaging Lifecycle

Packaging protects the safety and quality of products. However, when poorly managed it can have negative environmental impacts on ecosystems.

As consumer and media scrutiny of packaging issues increases, poor packaging lifecycle management could also pose a reputational risk for Nomad Foods.

Policies and Approach

Our Policy on Packaging dictates our approach. It sets out our commitment to reduce packaging volumes, use recyclable packaging materials and promote reuse and circularity. We aim to use sustainably managed virgin paper and FSC or PEFC-certified suppliers to package Nomad Foods products. We also use recycled materials wherever possible. However, legislation in all our markets that limits the use of recycled content from mainstream mechanical recycling for food packaging makes this challenging.

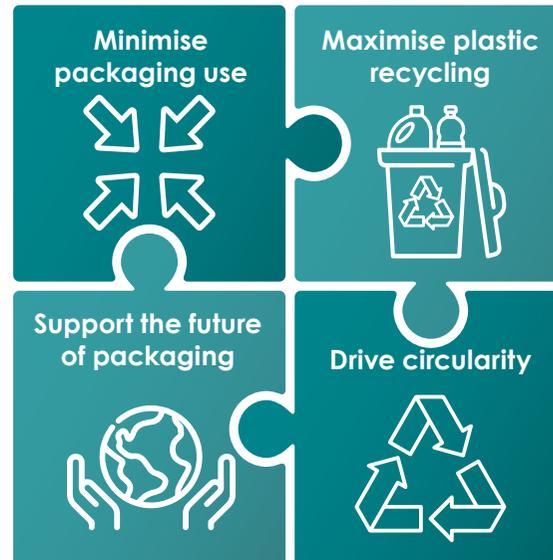
The policy covers all packaging elements within our product supply chain. This includes:

- Primary packaging: Packaging in direct contact with an individual product
- Secondary packaging: Packaging used to group products into stock-keeping units
- Tertiary packaging: Bulk or transit packaging used to transport larger volumes of products

As set out in our policy, all new packaging development is assessed against sustainability criteria. It is not approved unless it meets our recyclability criteria or (in exceptional cases) to ensure food safety or product quality. Within our Packaging Code of Practice, we have key design guidelines for maximising packaging recyclability that is shared across all Nomad R&D Packaging teams.

To help consumers reduce packaging waste, we use on-pack waste and recycling labelling systems in 14 markets. In the UK, Birds Eye is also a founding signatory of the UK Plastics Pact: a collaboration between businesses, NGOs and the UK government to eliminate unnecessary plastics and increase recycling.

Sustainable design principles



Progress

In 2021, 90.4% of our packaging was recyclable. This was an increase of 7 percentage points from 2020: the result of innovation within our packaging materials and processes. In 2021, we developed and trialled new materials including new polyethylene-based flexible plastic films. We also pioneered a new sealing technology (patent pending) that works with recyclable films. 100% of our UK&I vegetable products are now in recyclable packaging, and our Italian factory uses over 99% recyclable packaging materials.

Alongside recyclability, packaging reduction remains an important focus. In 2021, we launched targeted initiatives to reduce our packaging footprint. These included removing trays and reducing carton volumes from our Fish Chargrills range, minimising pizza film volumes and working with our copackers to reduce plastic packaging on UK potato products. These initiatives saved a combined 193 tonnes of packaging per annum.

We have strengthened our collection and reporting processes to make data more granular and accurate. Our total 'recyclability' figure now includes packaging that meets national 'recyclability' criteria, as well as Nomad Foods' group definition. We also launched a project to assess the volume of recycled plastic within our packaging, with the goal of increasing circularity and use of sustainable packaging materials.

Future Plans

To achieve our 100% recyclability target, we are concentrating focus on packaging formats where recyclability is most challenging, such as vacuum bags and cook-in-tray products. We

are working with third-party experts and our suppliers to develop new solutions for modifying or replacing these formats. We will complete the technology scouting process by June 2022, and any potential solutions will be trialled in the following months.

Target	Indicator	2019	2020	2021
100% by end of 2022	% Packaging material that is recyclable	73	83.4	90.4
N/A	% Packaging material that is renewable	35	47.2	61.2

We have made major strides towards our 2022 target, with 90% of our packaging now recyclable. Balancing recyclability with consumer safety and product protection was a challenge, but through targeted collaboration between different functions, we made significant progress.

Tim Matthews,
Head of R&D Implementation



Deep-Dive: Life Cycle Analysis of Frozen Food

Reducing the Impact of Food

Food waste is known to be one of the major drivers behind global warming with as much as one third of all food produced being wasted. This places unnecessary stress on valuable resources and leads to incremental emissions throughout the supply chain. It's therefore vital that food manufacturers and retailers fully understand this important topic in order to meet their sustainability targets.

We know that frozen food can reduce food waste and improve food security, but we wanted to understand whether this fully negates the impact from energy requirements of freezing, transporting and storing. To better understand the real environmental impact of frozen food and identify carbon hotspots, Nomad Foods enlisted an independent sustainability agency with expertise in Life Cycle Assessment (LCA) to conduct peer reviewed LCAs on 22 of our most popular branded products. The results of this work mean that, for the first time ever, we can draw scientific conclusions about the product carbon footprint of frozen foods compared to their non-frozen alternatives.

Significance

This is the most extensive frozen food LCA study ever published, covering a wide range of frozen food products in a consistent methodological manner.

The LCA results show that frozen food products are generally as good in carbon emissions as the equivalent products using other preservation methods. In 8 of the 24 comparisons analysed, frozen products outperformed alternative meth-

ods from an environmental perspective. For example, frozen spinach is a clear winner when compared to fresh spinach preservation methods. This is because frozen spinach is produced through more efficient agricultural practices, is more efficient from a packaging and storage volume perspective, and results in lower levels of food waste.

These results show that the production of frozen food products can have a lower carbon footprint than the production of alternatives. Freezing food is also economically beneficial as it facilitates portionability and keeps food fresh for longer - making frozen food an easy choice for environmentally conscious consumers.

A One-of-a-Kind LCA Study

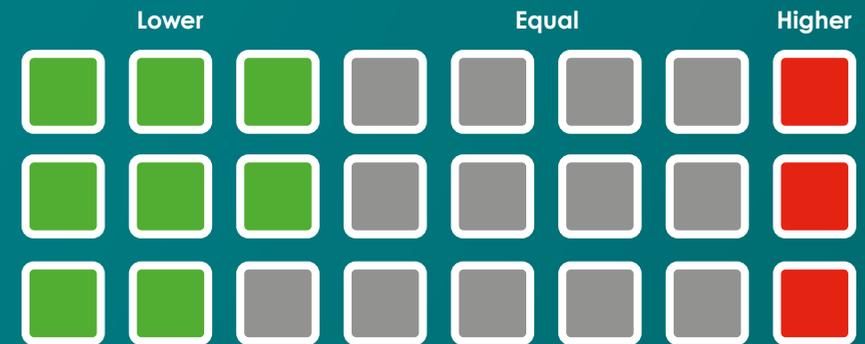
The scientific method used to conduct the LCA study follows ISO standards 14040 and 14044 and best practice methodology. A panel of three independent experts in LCA studies and Food Waste peer-reviewed the study, ensuring transparency and external validation of the process and results.

For each LCA, a Nomad Foods frozen product was compared with relevant alternatives, including readily made products and products to be prepared at home. For example, Nomad Foods' frozen garden peas were compared with canned, jarred, and fresh garden peas to provide an accurate LCA across alternative product options. Comparisons were made in a consistent methodological manner across the entire product lifecycle, from sourcing to consumer preparation, storage and waste. The scope and ambition of this study is further demonstrated by

the scale of data collection, as large amounts of primary production data, as well as detailed food waste data from retailers and consumers, were included in the analysis.

The products selected for LCA covered a wide range of frozen food products and their alternatives, including fish, vegetable, and meat alternative categories.

Carbon Footprint of Frozen Food vs Non-Frozen (kg CO2e/kg finished product)



Employee Health and Safety

Throughout the Covid-19 pandemic and beyond, keeping our employees safe has been our highest priority.

Failure to promote high standards of health and safety poses a risk to our ability to function as a business.

Policies and Approach

Our Policy sets out our goal to use the best available technology, training and leadership, and continually challenge ourselves to improve. This policy covers all Nomad Foods manufacturing facilities, offices, operational locations and all employees. It also encompasses contractors, visitors, local communities, potential mergers and acquisitions, and any other third parties that may be affected by our business operations.

In 2020, we launched "Vision Zero": our ambition to cause zero harm to people and the environment. To measure our progress, we track the number and rate of incidents per million hours worked each year in our factories. In 2020, we updated and re-launched our incident investigating and reporting standard to better track and respond to health and safety incidents. We also implemented a dedicated environmental standard and incident reporting procedure.

Our company leadership teams are accountable for the health and safety practices within our business. Our Group Health and Safety

Manager is responsible for ensuring health and safety processes are in place throughout all our systems and for continuing to raise awareness of processes for reporting and escalating incidents and injuries.

We continue to follow and exceed the guidance of national health authorities on Covid-19.

Progress

In 2021, we decreased the number and rate of recordable work-related injuries. We also decreased our lost time injury frequency rate. Slips, trips and falls were the biggest cause of injury, so we ran a dedicated programme to drive down this specific form of injury.

To help us identify and prevent future risks, we began rolling out a Nomad Foods minimum standard on incident investigation. We also began implementing a training programme to ensure employees are aware of these processes. Both of these will continue into 2022.

Future Plans

In 2022, we are deploying a new programme, 'Activate Safety Now', to drive operational excellence within our factories. Manufacturing sites will be expected to meet a series of 'maturity levels' across categories including health and safety. Requirements for maturity level 1 include forming an operational excellence steering group to identify short-term milestones. All sites are currently working to meet the first level, and two have already passed. Assessments will take place throughout 2022 to monitor progress.

Indicator	2019	2020	2021**
Lost time injury frequency rate (number of lost-time injuries per million hours worked)*	12.01	7.56	7.39
Number of total recordable work-related injuries*	107	73	71
Rate of total recordable work-related injuries (number of recordable work-related injuries per million hours worked)*	15.87	9.52	8.33

*All data refers to factory employees only. Data from 2019 and 2020 was incorrectly reported.

**Data for 2021 includes Findus Switzerland but excludes Fortenova Frozen



Employee Wellbeing and Development

Supporting our employees to nurture their health and wellbeing and providing opportunities for everyone to develop and grow is essential to their success, and the success of our business.

Policies and Approach

Our Learning and Development (L&D) Policy sets out our commitment to investing in the continued development of our people. It outlines our ambition to build a learning culture that inspires and empowers all employees to drive their own development. This policy applies to all Nomad Foods employees.

Our UK-based L&D team co-ordinates Nomad Foods' L&D annual plan and investment. This plan is delivered through an international network of functional capability leads, HR Business Partners, internal subject matter experts, and external partners.

We have group-wide [L&D programmes](#), and online and face-to-face L&D opportunities available for all employees. For key L&D programmes, employee and Line Manager feedback is collected both pre- and post-programme to evaluate impact.

We measure employee satisfaction, development and sustainable engagement through our annual 'Our Voice' survey, which is open to all employees. It covers eight areas including communication, L&D, and safety & wellbeing. Scores

from key questions are combined to an aggregated "Sustainable Engagement Score". This is used to inform continuous improvement of L&D planning, delivery, resources, interventions and technology solutions including Nomad Food's Learning Management System.

Progress

In 2021, we achieved a sustainable engagement score of 85. This was a decrease of five points from last year, but on a par with our 2019 score. The participation rate in our culture survey 2021 was also lower than in 2020 and 2019. 2020 was an exceptional year because, due to Covid-19 restrictions, we ran a shortened online survey with our office teams only. In 2021, we returned to a full-length survey, but continued restrictions limited the opportunity to run surveys for non-office-based employees in some locations.

We continued to develop our leadership and management programmes. This included creating a new leadership capabilities framework to clarify what Nomad Foods expects from its Enterprise Leadership Team. We have also focused on ensuring that employees in different functions are receiving appropriate function-specific skills development opportunities. These include negotiation skills training for commercial and procurement teams, support for professional finance qualifications, and investment in operational excellence.

To ensure L&D opportunities are relevant to peoples' needs, we invested in new e-learning content which is made accessible to employees via the Nomad Foods' Learning Management System, and are seeing good uptake.

Indicator	2019	2020	2021
Sustainable Engagement Score	85	90	85
% Employees participating in 'our voice' culture survey	88	90*	81

* Due to Covid-19 restrictions we were unable to run the surveys with our factory (non-office) teams in 2020. *All data refer to factory employees only

Employee Development Plans

We identify and assess our employees' individual L&D needs through the following processes:

- **Business Strategic Planning Process:** L&D needs are informed by Nomad Foods' overarching strategic ambitions – helping us identify the capabilities we need now and in the future.
- **Annual Performance and Development Cycle:** during annual performance reviews, the employee and their Line Manager discuss the employee's performance and identify development opportunities. They then jointly set individual performance and development goals, ensuring these are in line with Nomad Foods' strategic needs.
- **Career Development Planning:** between PDPs, the employee and their Line Manager discuss career development goals and development support the employee needs to fulfil their potential. This can include using benchmark profiles to help employees assess themselves against capabilities required in future roles.
- **Capability Assessments:** these self-assessments are completed by employees. Line Managers then validate employees' professional, technical and core capabilities against benchmark standards to identify and agree priority areas for development.
- **Change and Transformation projects:** formal analysis of change impact is used to identify capability needs and inform training plans and investment.

Based on these assessments, individual development plans are created. Development plans define and describe the goals in question, set out timelines for achievement, and highlight relevant learning activities. Where available, development plans also address gaps identified by Capability Assessments against benchmark job profiles.

Future Plans

In 2022, we will continue to invest in building leadership and Line Manager capability. This will include using the newly created leadership ca-

pabilities to inform Enterprise Leadership Team.

We will also continue to build L&D resources that support core business capabilities, such as presentation skills training.



“This year, Covid-19 continued to limit the opportunity for face-to-face development opportunities. To overcome this challenge, we organised and promoted virtual learning sessions, ensuring employees had access to relevant technology to participate. These solutions contributed to our high employee sustainable engagement score of 85.”

Sarah Sturton, HR Director and Inclusion & Diversity Lead

Deep-Dive: DJSI Europe inclusion

The Challenge

Nomad Foods has been included in the Dow Jones Sustainability Index (DJSI) since 2018. We have improved our score for four consecutive years, and in 2021 we were included in the Dow Jones Sustainability Europe Index for the first time. We ranked as one of the top four companies in Europe within the food products industry group and in the top 14 percentile globally. Our score of 54 out of 100 was well above the industry average of 25. We also received 100 in two categories: health and nutrition (our third consecutive perfect score) and environmental reporting.

We use external assessments and benchmarks such as the DJSI to drive continuous improvement. They provide an independent assessment of our ESG performance, challenging us to go further and helping us identify targeted areas of focus. In 2021, our emphasis on steady and sustained progress led to improvement in 16 out of 29 categories. These included environmental reporting, customer relationship management and supply chain management. A particular focus area in 2021 was human capital development: furthering our efforts to develop and invest in our people, and to better understand and communicate the value of these investments.

Our Solution

In 2021, we ran a range of programmes to further develop our employees, including our Nomad Foods Management and Leadership Programme and 'The Complete Skilled Negotiator' Programme with The Gap Partnership.

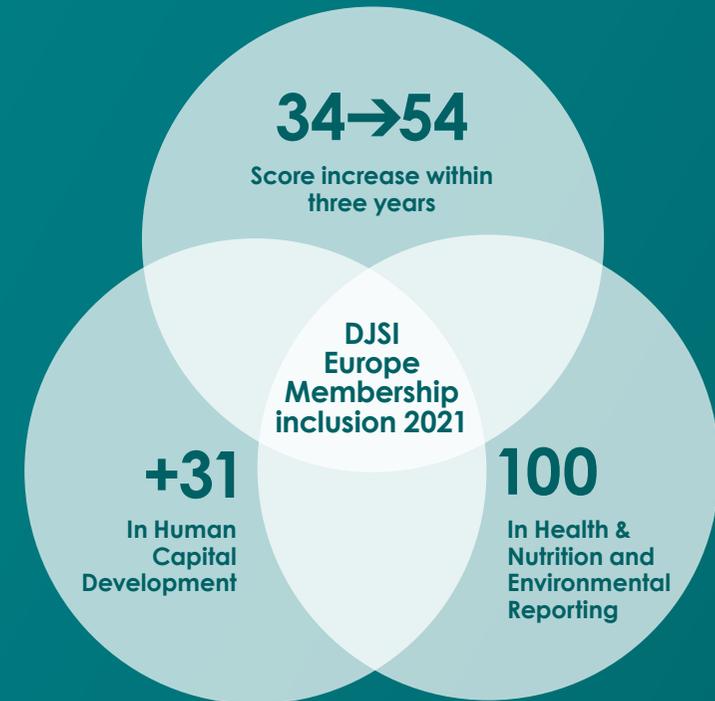
Our Nomad Foods Management and Leadership Programme is available to managers and leaders nominated by local teams. Through the programme, participants better understand their leadership style and impact on others and learn strategic and developmental tools to drive team and business performance. The programme builds line manager and leader skills, embeds a consistent approach and employee experience, and provides a solid foundation for Nomad Foods to build talent for the future.

Within the Complete Skilled Negotiator Programme, employees in senior sales and procurement roles learn to adapt their negotiation skills to different situations and commercial contexts. Negotiators learn to plan, question and execute negotiations, trade concessions and maximise the value available from every deal – growing the category and our share of it.

These programmes, and our efforts to quantify their impact, led to a score of 70 for human capital development in 2021. This was an increase of 30 points from 2020, making human capital development our greatest area of improvement in DJSI.

Impact

The increase in our human capital development score is just one example of how we use independent stakeholder feedback to drive continuous improvement. The strong DJSI results provide external recognition of Nomad Foods' ongoing efforts and the sustainability credentials of frozen food.



Diversity, Equity and Inclusion

Championing diversity, equity and inclusion is vital to overcome systemic unfairness, challenge discrimination, and create a society where everyone is valued.

Attracting, developing, and retaining diverse talent is also crucial for business success.

Policies and Approach

Our Inclusion and Diversity (I&D) Policy explains our commitment to creating an inclusive workplace. It also highlights our expectation that all Nomad Foods employees role model inclusive behaviour, drive their continuous professional development in the broad topic of I&D, apply their insight and learning into everyday practice and hold themselves and others accountable to be consciously inclusive.

Our I&D strategy for 2021-2023 is designed to expand and accelerate inclusion and diversity at Nomad Foods and strengthen governance. It is founded on extensive evidence that focusing on inclusion will lead to greater and more sustained diversity and business performance. We are taking positive action in the four areas proven to make the biggest impact:

- Inclusive Leadership: a rolling programme of inclusive leadership development starting with a focus on senior leaders and the HR Team.
- Inclusive Culture: an annual calendar of I&D events co-ordinated by our employee networks, designed to engage all colleagues, raise

awareness and inspire positive action. Underpinning this programme is our Conscious Inclusion curriculum, a curated selection of bite-size videos and materials in all Nomad languages, designed to build baseline knowledge of key I&D topics such as allyship and bias.

- Inclusive Hiring: ongoing inclusive hiring training for Line Managers and HR to build capability and embed I&D in all recruitment processes.
- Focus on Facts: an I&D data capture process that provides greater transparency for all employees and enables the company to track and report progress.

The Nomad Foods Executive Committee governs, tracks, and reports I&D progress. It is comprised of Executive Committee members supported by representatives from Sustainability, Corporate Affairs, Procurement, Operations, R&D and Quality, and HR for sustainability topics. Our Enterprise Leadership Team then supports local markets to translate strategy into action.

In addition to our internal efforts, our engagement in external I&D networks and partnerships is crucial. These include Boom!, a network for women in supply chain roles, PSALT, a network for black talent in UK FMCG, and Valuable500, a global disability network supported by our UK entity.

Progress

In 2021, 36% of our employees and 28% of our Enterprise Leadership Team and Executive Committee were female. This is the same proportion as in 2020. However, we achieved significant improvement in female representation in our Executive Committee from 10% in 2019 to 20% in 2020 and 40% in 2021.

Indicator	2019	2020	2021
Gender distribution amongst employees (Female) %	36.0	35.9	36.0
Gender distribution amongst employees (Male) %	64.0	64.1	64.0
Gender distribution amongst employees by work level 4-7 (Female) %*	25.7	28.2	28.0
Gender distribution amongst employees by work level 4-7 (Male) % *	74.3	71.8	72.0
Age distribution across employees (<30) %			12.1
Age distribution across employees (30-50) %			50.5
Age distribution across employees (>50) %			36.5
Number of employees who have attended inclusive hiring training			164

* Examples of roles at each work level (WL): WL1 & WL2 = e.g., administration, factory worker, professional junior manager; WL3 = e.g., Manager, Head of; WL4-7 = Executive Committee and Enterprise Leadership Team.

We recognise there is more we can do to support women to realise their full potential and ultimately ensure fair representation of women in senior management and leadership roles. This is why we have chosen to invest in programmes such as Shine – an international programme to develop high-potential female employees.

We continued working towards implementing and embedding our new strategy, and creating an I&D dashboard so we can begin to track, measure and accelerate our progress. We engaged local HR teams to ensure all our employees could access and understand our I&D plan, translating content where appropriate. We also encouraged local teams to complement our global plan with local activities, including events to recognise International Women's Day. More than 600 colleagues joined our first ever Nomad Foods I&D day in September 2021.

4X
female representation on Executive Committee since 2019

Our employee networks also grew from two to five, bringing together people from different countries, functions and locations, based on their shared identities and experiences. Our employee networks also include allies who are willing to take positive action on behalf of underrepresented groups – to break down barriers and promote inclusion.

These efforts led to high levels of employee engagement in I&D, which was the highest scoring category in the 'Our Voice' survey at 82 index points.

Future Plans

We will use insights from our Gender Pay Gap reporting in 2022 to identify areas of improvement. We have already identified a need to increase focus on inclusive hiring and will integrate I&D best practice into our recruitment processes to ensure we are attracting and hiring the best and most diverse talent. For example, we are engaging a recruitment agency with I&D expertise to help us attract more women into supply chain leadership roles. Within our new I&D strategy, we will also introduce gender representation goals for 2025.

In 2022, we will continue to roll out our I&D education programmes. These include conscious inclusion, inclusive leader, inclusive hiring, and Shine programmes. We will also add 'conscious inclusion' as a Leadership Capability for all senior leaders, including those on the Enterprise Leadership Team. These programmes will be available in all Nomad Foods languages.

We will also conduct a review of our company policies, such as our Parental Leave Policy, to ensure they are inclusive in their language and application.



Findus Switzerland

In January 2021, Nomad Foods acquired Findus Switzerland: the leading frozen food brand in Switzerland with a portfolio of frozen products across categories including fish, vegetables and ready meals.

Sustainability information for 2021 acquisitions is not covered in the main body of this report, as

we are still working to assess their status against our performance indicators. Our ambition is to include both Findus Switzerland and our Adriatic's region within the main report once we have a full calendar year of data, or as soon as the initial mapping and integration allows.

Better Sourcing

We are committed to responsible sourcing practices, with a particular focus on fish, seafood and vegetable crops. 99% of fish and seafood sourced by Findus Switzerland in 2021 was MSC or ASC certified⁴. 46 stock-keeping units carry

Switzerland



- Offices
- Factories

eco-labels, helping consumers to identify and choose responsibly sourced products.

100% of our spinach is grown within Switzerland, and we also use Swiss suppliers for a range of other vegetable products. We use independent certification programs to assess key growers and have worked with many of them for generations. 100% of the palm oil we source is RSPO Certified segregated, meaning it can be traced back to RSPO-certified mills.

We use [Sedex](#) to monitor supplier compliance on all issues related to human rights. 45% of our Findus Switzerland suppliers are currently registered on Sedex, and we aim to close the gap to our Nomad Foods level of 95% by the end of 2022.

Better Nutrition

In 2021, we began onboarding colleagues from Findus Switzerland to ensure adherence to our Nutrition Policy and commitments. 75% of Findus Switzerland's new product innovations in 2021 were healthier meal choices according to our [Nutrient Profiling Tool](#).

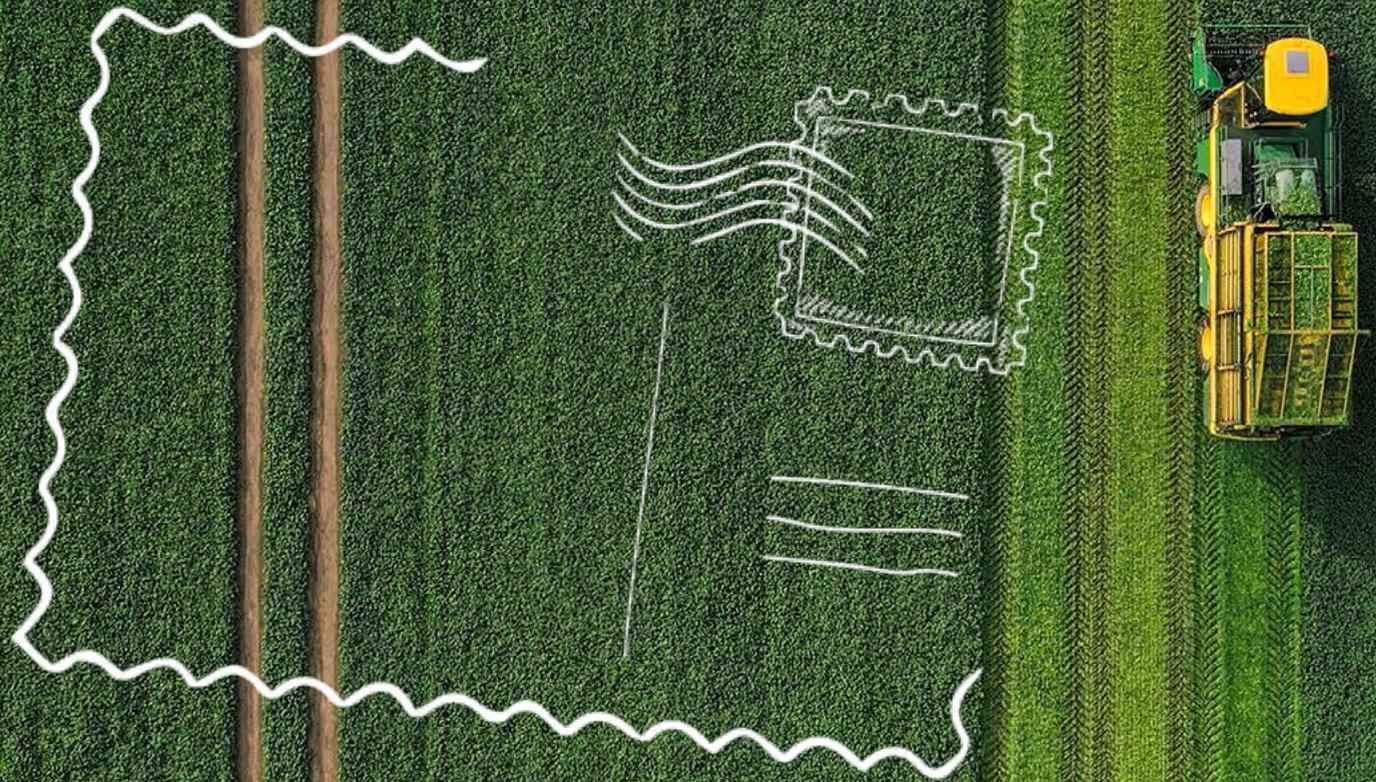
Better Operations

We are committed to reducing both our carbon emissions per ton of finished goods and our absolute emissions, including those produced by our acquisitions. In 2021, Findus Switzerland's absolute greenhouse gas emissions across scope 1, 2 and 3 were 3.32 kilotons CO₂e. This is equivalent to approximately 1% of Nomad Foods' operational carbon footprint.

⁴ Based on raw material volumes



Data



Data Tables

Data for 2021 and 2020 in this report is inclusive of all trading subsidiaries of Nomad Foods as of 31st December 2020 but excludes new acquisitions in 2021 (Findus Switzerland and Fortenova). Data for 2019 (excluding palm oil) in these tables and published in previous sustainability reports exclude Aunt Bessie's and Goodfella's Pizza, which were acquired part-way through 2018.

SCALE OF THE ORGANISATION	Unit	2019	2020	2021
Total employees in workforce*	People	4,766	4,822	4538
Employees working in factories*	People	>3,300	2,500	3075
Total employees by region				
<i>Austria</i>	People	74	79	79
<i>Belgium</i>	People	35	38	39
<i>Denmark</i>	People	7	7	6
<i>Finland</i>	People	29	27	23
<i>France</i>	People	344	343	321
<i>Germany</i>	People	1401	1374	1192
<i>Ireland</i>	People	420	412	402
<i>Italy</i>	People	478	479	448
<i>Netherlands</i>	People	30	28	25
<i>Norway</i>	People	238	222	209
<i>Portugal</i>	People	27	26	25
<i>Spain</i>	People	276	278	261
<i>Sweden</i>	People	184	175	155
<i>United Kingdom</i>	People	1222	1333	1347
<i>United States</i>	People	1	1	1

* Includes full time and part time employees

GOVERNANCE	Unit	2019	2020	2021
Confirmed incidents of corruption	Number	0	0	0
Confirmed incidents in which employees were dismissed or disciplined for corruption	Number	0	0	0
Confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	Number	0	0	0
Public legal cases regarding corruption brought against Nomad or its employees	Number	0	0	0
Legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation	Number	0	0	0
Number of whistleblower reports received	Number			2

BETTER SOURCING

Fish and Seafood	Unit	2019	2020	2021
MSC- or ASC-certified products across our global portfolio	Number	812	834	883
Nomad Foods sales volume that is MSC or ASC labelled	%	89	95	95.5
Purchased fish and seafood volume that is MSC- or ASC-certified	%	95	96	98
MSC	%	96	97	98
ASC	%	75	82	96
Markets where Fish Provenance Tool has been implemented	Number	8	8	10

Crops

Vegetables produced using sustainable farming practices*	%	-*	77	88.09
Purchased volume of palm oil for in-house production which is verified by standard**	%	99.3	99.3	100**
RSPO-Certified segregated	%	86.5	99.1	100**
RSPO-Massbalance	%	12.7*	0.1	0**
Purchased volume of palm oil that is uncertified	%	0.8	0.8	0**
Purchased volume of soy footprint which is "responsible" as per policy	%		12.0	17.0

*Defined as contracted suppliers that achieved FSA silver level, and bulk & co-pack that achieved FSA silver level after self assessment.

**2019 and 2020 data updated to reflect only volumes purchased for in-house production. 2021 data applies to volumes sourced as of 31 December 2021.

Animal Protein

Purchased volume of animals by breed type	Tons	131,592	146,167.5	146,654
Fish and seafood	%	73.4	73.7	74.2
Poultry	%	16.4	16.8	17
Red meat	%	10.2	9.6	8.8
Purchased volume of poultry from non-cage reared chickens	%	100.0	100.0	100
Percentage of egg volume from non-cage reared chickens	%		92	100

Social impact of supply chain	Unit	2019	2020	2021
Tier 1 suppliers registered with Sedex	%	76	95	95
Percentage of tier 1 suppliers risk-assessed against Code of Conduct and Ethical criteria	%			100
New suppliers (including indirect suppliers) that were screened using social criteria	%	100	100	100
Number of audits of ethical standards completed for 2021 priority suppliers	Number			131

BETTER NUTRITION

Health and nutrition

Percentage of total net sales from branded products assessed and classified as healthier meal choices*	%	89.8	90.0	91.5
Innovations that are assessed and classified as a Healthier Meal Choice	%	-	95.0	95.0
Percentage of total net sales from nutritionally optimised non-HMC products as % of total non-HMC NS	%	-	8.0	9.5

*In 2019 and 2020, this refers to all markets except CH, H, GR, RUS. In 2021, this refers to all markets except CH.

Additives	Unit	2019	2020	2021
Products without flavour enhancers, artificial flavours and artificial colorants	%	94.8	97.0	98.0*

*For branded products alone.

Product safety and quality

Supplying sites within Nomad Foods supply chain operating to an international food safety system	%	97	98.5	98
Incidents concerning food safety and quality	Number	10	4	10

BETTER OPERATIONS

Climate change and GHG emissions		Unit	2019	2020	2021
Scope 1 GHG emissions	kilotons CO2e		67.3	92.48	91.97
Scope 2 GHG emissions*	kilotons CO2e		47.5	16.73	7.04
Scope 3 GHG emissions	kilotons CO2e		223.0	192.114	191.01
GHG emissions intensity	kgCO2e per ton of finished goods		614.5	484.7	479.6

*100% market-based

Waste & Materials for re-use

Volume of waste materials by waste type*	Tons	2019	2020	2021
Edible food waste	%	38.8	35.9	37.17
Inedible food waste	%	28.6	29.5	27.26
Packaging waste	%	22.8	25.3	26.06
Rest of non-hazardous waste	%	9.5	9.0	9.16
Hazardous waste	%	0.3	0.3	0.35
Weight of hazardous waste	Tons	132.7	151.9	186.3
Weight of non-hazardous waste, by disposal method	Tons	51,388	54,531	52,371
Closed loop	%	42.0	39.8	43.02
Open loop	%	46.8	50.2	48.56
Incineration for energy recovery	%	8.5	7.9	6.96
Incineration without energy recovery	%	0.0	0.0	0.01
Landfill	%	2.7	2.1	1.45
Sewers	%	0.0	0.0	0.00
Meal equivalents of food given to food banks	Meal equivalents	489,579	1,700,000	668,347
Markets where Nomad Foods is engaged in reducing food waste eg through donations to food banks or charities	Number	8	13	11

* Edible food waste is food disposed of that was edible for human consumption prior to disposal. Inedible food waste covers materials arising from food or drink preparation that is not edible under normal circumstances (e.g. red cabbage stems, pea pods, leaves, potato peeling). Any materials that are repurposed for animal feed and surplus food (sent to food charities) are neither considered waste, nor included in waste reporting.

Energy	Unit	2019	2020	2021
Total fuel consumption from non-renewable sources, broken down by fuel type	kWh	314,386,613	440,352,559	444,962,250
Natural gas	%	95.7	97.5	97.6
Diesel	%	1.8	0.6	0.7
Petrol	%	0.0	0.0	0
Propane (owned or controlled by Nomad)	%	2.4	1.9	1.7
Total energy consumption from renewable sources, broken down by source*	kWh	51,742,829	113,774,166	154,777,593
Wind	%	77.9	43.4	20.1
Hydro	%	16.7	32.3	48.1
Solar	%	1.7	0.9	2.8
Biomass	%	2.9	23.3	25.7
Unspecified/other	%	0.9	0.2	3.3
Total scope 2 energy consumption, by energy source**	kWh	249,102,252	188,349,641	188,343,508
Grid-supplied electricity generated from a variety of fuel mixes	%	60.0	39.5	17.7
Renewable energy self-generated or purchased	%	20.8	60.3	82.2
Purchased steam	%	19.1	0.0	0
District heating	%	0.1	0.1	0.1

* Excludes biogas and wooden pellets for heating

**The scope of this row was incorrectly reported in 2020

Water	Unit	2019	2020	2021
Volume of fresh water consumption, by source	m3	4,741,312	5,185,407	5,956,822
Well	%	63.5	65.1	69.4
Municipality	%	36.5	34.9	30.6
Volume of effluent water discharged	m3	4,058,960	4,321,274	4,431,797
Packaging Lifecycle				
Packaging material that is recyclable	%	73	83.4	90.36
Packaging material that is renewable	%	35	47.2	61.2

Employee Health & Safety*	Unit	2019	2020	2021
Lost time injury frequency rate	Number of lost-time injuries per million hours worked	12.01	7.56	7.39
Number of fatalities as a result of work-related injury	Number	0	0	0
Rate of fatalities as a result of work-related injury	Number of fatalities per million hours worked	0	0	0
Number of high-consequence work-related injuries	Number	0	0	0
Rate of high-consequence work-related injuries	Number of high-consequence injuries per million hours worked	0	0	0
Number of total recordable work-related injuries	Number	107	73	71
Rate of total recordable work-related injuries	Number of recordable injuries per million hours worked	15.87	9.52	8.33

*All data refers to factory employees only. Data from 2019 and 2020 was incorrectly reported.

**Data for 2021 includes Findus Switzerland but excludes Fortenova Frozen

Employee Wellbeing and Development

Total employees participating in engagement survey	%	88	90**	81
Scores in engagement survey				
Sustainable engagement score	Number	85	90**	85
Wellbeing, health & safety score	Number	80	87**	78

*Due to Covid-19 restrictions we were unable to run the surveys with our factory (non-office) teams in 2020.

Diversity, equity and inclusion	Unit	2019	2020	2021
Gender distribution amongst employees				
Female	%	36.0	35.9	36
Male	%	64.0	64.1	64
Gender distribution amongst employees by work level* - Female				
1	%	34.9	34.4	34
2	%	45.3	45.7	46
3	%	25.0	31.4	36
4-7*	%	25.7	28.2	28
Gender distribution amongst employees by work level* - Male				
1	%	65.2	65.6	66
2	%	54.7	54.3	54
3	%	75.0	68.6	64
4-7*	%	74.3	71.8	72
Age distribution across employees				
Under 30 years old	%			12.1
30-50 years old	%			50.5
Over 50 years old	%			36.5
Number of employees who have attended inclusive hiring training	Number			164

* Examples of roles at each work level (WL): WL1 & WL2 = eg. administration, factory worker, professional junior manager; WL3 = eg. Manager, Head of; WL4-7 = Executive Committee and Extended Leadership Team.



The reported total CO₂eq emissions were confirmed with reasonable assurance by GUTcert, an accredited verification body and member of the AFNOR Group. The scope of GUTcert's verification includes scope 1, scope 2 and scope 3 of the Greenhouse Gas Protocol "A Corporate Accounting and Reporting Standard" and GUTcert's procedure is based on ISO 14064-3, taking into account ISO 14064-1 and ISO TR 14069.

GRI Index

GRI Standard	GRI re-requirements referenced	Description	Location
GENERAL DISCLOSURES			
GRI 102: GENERAL DISCLOSURES 2016			
102-1		Name of the organization	Nomad Foods Europe Limited
102-2	a	Activities, brands, products, and services	Nomad Foods at a Glance
102-3		Location of headquarters	Nomad Foods at a Glance
102-4		Location of operations	Nomad Foods at a Glance
102-6		Markets served	Nomad Foods at a Glance
102-7	a. i, ii, iii	Scale of the organization	Nomad Foods at a Glance
102-9		Supply chain	Nomad Foods at a Glance
102-10	a.i.	Significant changes to supply chain	Nomad Foods at a Glance
102-11		Precautionary Principle or Approach	Risk and Resilience, Governance
102-12		External initiatives	Nomad Foods at a Glance
102-13		Membership of associations	Nomad Foods at a Glance
102-14		Statement from senior decision-maker	CEO Foreword
102-15		Key impacts, risks, and opportunities	Risk and Resilience, Sustainability Strategy and Reporting
102-17	a. ii.	Mechanisms for advice and concerns about ethics	Governance
102-18	a	Governance structure	Governance
102-19		Delegating authority	Governance
102-20		Executive-level responsibility for economic, environmental, and social topics	Governance
102-21	a	Consulting stakeholders on economic, environmental, and social topics	Sustainability Strategy and Reporting, Governance

GRI Standard	GRI req. referenced	Description	Location
102-22	a. v	Composition of the highest governance body and its committees	Diversity, Equity and Inclusion
102-29		Identifying and managing economic, environmental, and social impacts	Sustainability Strategy and Reporting, Governance
102-31		Review of economic, environmental, and social topics	Governance
102-40		List of stakeholder groups	Sustainability Strategy and Reporting
102-47		List of material topics	Sustainability Strategy and Reporting
102-48		Restatements of information	See footnotes in data tables
102-50		Reporting period	Contents/About this Report
102-51		Date of most recent report	Contents/About this Report
102-52		Reporting cycle	Contents/About this Report
102-53		Contact point for questions regarding the report	Back Page
102-55	a	GRI content index	GRI Content Index

SECTOR-SPECIFIC DISCLOSURES

GRI 205: ANTI-CORRUPTION 2016

103-1	a, b. i	Management approach	Governance, Data Tables
103-2	a, b, c.i, ii, iv, vi, vii		
103-3	a. i, ii		
205-3		Confirmed incidents of corruption and actions taken	Governance, Data Tables

GRI 206: ANTI-COMPETITIVE BEHAVIOUR 2016

103-1	a, b. i	Management approach	Governance, Data Tables
103-2	a, b, c.i, ii, iv, vi, vii		
103-3	a. i, ii		
206-1		"Legal actions for anti-competitive behavior, anti-trust, and monopoly practices"	Governance, Data Tables

GRI Standard	GRI req. referenced	Description	Location
GRI 207: TAX 2019			
207-1	a	Approach to tax	Governance
GRI 301: MATERIALS 2016			
103-1	a, b.i	Management approach	Packaging Lifecycle, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a		
GRI 302: ENERGY 2016**			
103-1	a, b.i	Management approach	Climate Change and Greenhouse Gas Emissions, Deep Dive: Roadmap to Net Zero, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a		
<i>** Disclosure 302-1 was incorrectly included in the GRI index for the 2020 report</i>			
GRI 303: WATER AND EFFLUENTS 2018			
103-1	a, b.i	Management approach	Climate Change and Greenhouse Gas Emissions, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a		
GRI 305: EMISSIONS 2016			
103-1	a, b.i, c	Management approach	Climate Change and Greenhouse Gas Emissions, Deep Dive: Roadmap to Net Zero, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a		
305-1	a, f, g	Direct (Scope 1) GHG emissions	Climate Change and Greenhouse Gas Emission, Data Tables
305-2	a, f, g	Energy indirect (Scope 2) GHG emissions	Climate Change and Greenhouse Gas Emission, Data Tables
305-3	a, d, g	Other indirect (Scope 3) GHG emissions	Climate Change and Greenhouse Gas Emission, Data Tables

GRI Standard	GRI req. referenced	Description	Location
305-4	a, b, c	GHG emissions intensity	Climate Change and Greenhouse Gas Emission, Data Tables
GRI 306: WASTE 2020			
103-1	a, b.i	Management approach	Climate Change and Greenhouse Gas Emission, Deep Dive: Roadmap to Net Zero, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a		
306-2	a	Management of significant waste-related impacts	Climate Change and Greenhouse Gas Emission, Deep Dive: Roadmap to Net Zero, Packaging Life-cycle
306-3	a	Waste generated	Data Tables
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018			
103-1	a, b.i	Management approach	Employee Health and Safety, Data Tables
103-2	a, b, c.i, ii, iii, iv, vii		
103-3	a		
403-9	a.i, ii, iii, iv, e	Work-related injuries	Employee Health and Safety, Data Tables
GRI 404: TRAINING AND EDUCATION 2016			
"103-1 103-2 103-3"	"a, b.i a, b, c.i, ii, iv, vii a"	Management approach	Employee Wellbeing and Development, Deep Dive: DJSI Europe Inclusion, Data Tables
404-2	a	Programs for upgrading employee skills and transition assistance programs	Employee Wellbeing and Development, Deep Dive: DJSI Europe Inclusion

GRI Standard	GRI req. referenced	Description	Location
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016			
103-1	a	Management approach	Diversity, Equity and Inclusion, Data Tables
103-2	a, b, c.i, ii, iv, vii		
103-3	a		
405-1	a.i, b.i	Diversity of governance bodies and employees	Data Tables
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016			
"103-1 103-2 103-3"	"a, b.i a, b, c.i, ii, iii, iv, v, vii a.i, ii"	Management approach	Social Impact of Supply Chain, Data Tables
414-1		New suppliers that were screened using social criteria	Data Tables
GRI 416: CUSTOMER HEALTH AND SAFETY 2016			
"103-1 103-2 103-3"	"a, b.i a, b, c.i, ii, vi, vii a.i, ii"	Management approach	Product Safety and Quality, Data Tables

OTHER MATERIAL TOPICS

Sourcing: Fish and Seafood

103-1	a	Management approach	Sourcing: Fish and Seafood, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a.i, ii		

Sourcing: Crops

103-1	a, b.i, ii	Management approach	Sourcing: Crops, Data Tables
103-2	a, b, c.i, ii, iii, iv, vii		
103-3	a.i, ii		

Sourcing: Animal Protein

103-1	a, b.i	Management approach	Sourcing: Animal Protein, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a.i, ii		

Health and Nutrition

103-1	a, b.i	Management approach	Health and Nutrition, Data Tables
103-2	a, b, c.i, ii, iii, vii		
103-3	a.i, ii		

GRI Standard	GRI req. referenced	Description	Location
Additives			
103-1	a	Management approach	Additives, Data Tables
103-2	a, b, c.i, ii, iii, iv, vii		
103-3	a, i, ii		
Responsible Marketing			
103-1	a	Management approach	Responsible Marketing
103-2	a, b, c.i, ii, vii		



To find out more about Nomad Foods, visit nomadfoods.com

This Sustainability Report is provided for information purposes only and does not constitute an invitation to invest. Any investment decision should only be made on the totality of information, including full details of risk factors, in our Annual Report. Nomad Foods accepts no responsibility or liability for any loss or damage, whether or not arising from any error or omission in compiling the information in this report or as a result of any reliance on or use of any such information. The targets stated in this report are targets only. Any estimates, expectations and other forward-looking statements are based on Nomad Foods' views and assumptions at the time of publication and the actual results, performance or events could differ materially.

It is our ambition to report accurate and truthful data and where feasible, we use actual data but in some cases we have to make assumptions and estimations. As data availability and quality improve, we might review and change the way we collect, calculate or report data in which case we will do our utmost to clarify this, should it be significant.

If there are any questions about the report, please contact: Annelie Selander, Group Sustainability Director at annelie.selander@nomadfoods.com.

We plan to publish our next report covering our 2022 activity in 2023.

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