



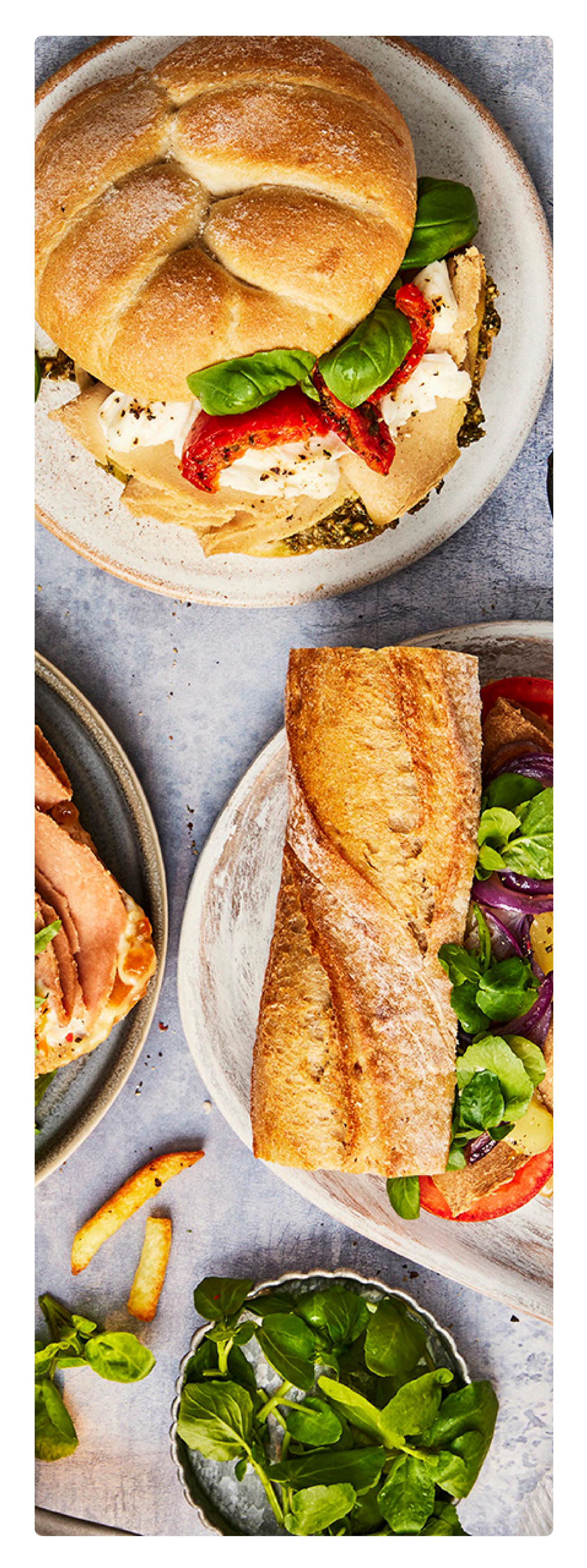


marlou ingredients

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Welcome to Quorn Foods' Net Positive report 2024, covering our progress since 2022, as well as our plans for the future.

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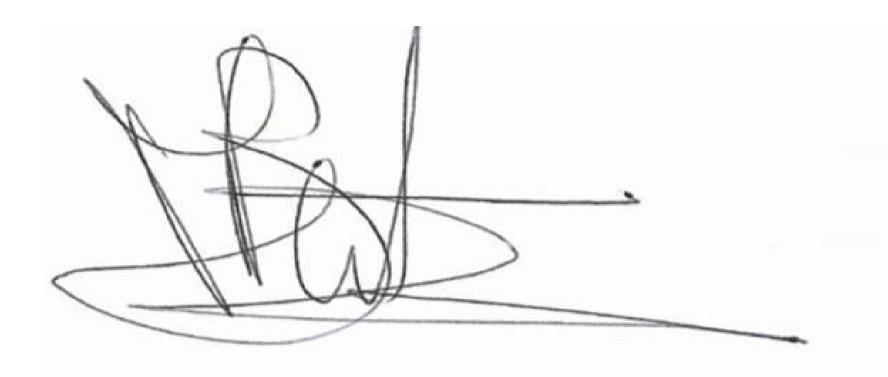
A MESSAGE FROM OUR CEO

"The Only Constant in Life is Change" - Heraclitus, born 535 BC

After the turmoil brought about by the COVID-19 pandemic at the turn of the decade, Russia's invasion of Ukraine was the catalyst for further global turbulence over the last couple of years. Like most other businesses, we have had to adapt to the economic challenges this has presented, most notably the impact on our input costs and on consumer spending. During the same time, we have seen continued evidence of the effect of climate change, which is increasing the incidence of floods, fires and droughts, causing misery for communities all over the world.

Ingredients, a new business division that makes our unique mycoprotein available to other food producers. This move will accelerate the adoption of mycoprotein as an alternative protein source. With proven nutrition credentials, and a climate impact much smaller than that of meat, mycoprotein will become one of the solutions to both our climate change and global nutrition challenges. While change will continuously require us to adapt, new opportunities also continue to present themselves. As we embark on the journey of making our mycoprotein available to the world, I am looking forward to our company achieving more great things in the years ahead, with our Net Positive ambition at the heart of everything we do.

In this context, it is vital that Quorn Foods remains steadfast in our ambition to be a Net Positive organisation by 2030. This means that our company will have a positive impact on the environment, on society, and on the economy. And we have made good progress since our last report in 2022, as you will read in this report. "It is vital that Quorn Foods remains steadfast in our ambition to be a Net Positive organisation by 2030"



Marco Bertacca

CEO at Quorn Foods

I believe our success as a Net Positive company is important for our planet's future. Why? Because mycoprotein - the super-protein at the heart of all Quorn products – can make a big contribution to tackling two of our world's biggest problems: climate change and poor human health. The over-consumption of meat contributes to both these issues. Most of the world understands that eating less protein from animals would be a good thing for the environment and for improving nutrition - and we see individuals and organisations taking steps in the right direction. But changing diet is difficult, and so the shift to better protein that the world needs is not happening fast enough, or with enough scale.



This is one of the reasons why, in 2023, we launched Marlow

PURPOSE AND AMBITION

PURPOSE

At Quorn Foods, our purpose is our guiding light and sets the direction for everything that we do. Our purpose of providing Healthy Food for People and the Planet is the starting point for



everything we do around sustainability, and it puts the planet at the heart of everything we do.

Our food choices can create a healthier planet, and at Quorn Foods, we make those choices available.



AMBITION

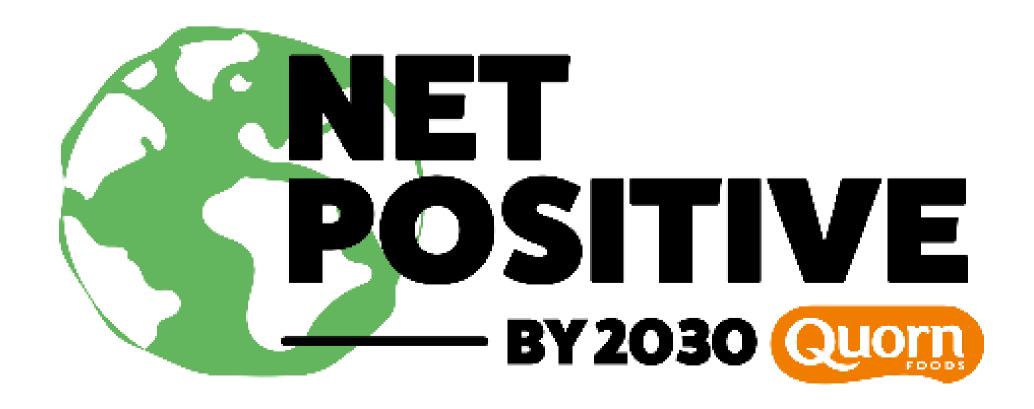
Our ambition is huge. By 2030, we want to be producing eight billion servings of healthy, tasty and nutritious food every year.

Also, by that time, we aim to develop our company into a Net Positive organisation.

NET POSITIVE BY 2030

This is the sustainability part of our ambition.

Net Positive is our approach to building a sustainable business that has a positive impact on the planet, society, and the economy.



VALUES AND BEHAVIOURS





- We are one team united in delivering our purpose.
- We will celebrate winning together along the way.
- We treat each other with care and respect and are always honest in our feedback.
- We are accountable for what we do and trust each other to deliver.
- We believe great food does good things.
- We put people and society at the heart of everything we do.
- We are driven to be sustainable, we want to save the planet now for all the generations to come.
- We care for our colleagues' health and wellbeing to help them flourish.



- We focus on things that make a big difference.



• We will disrupt oursleves and be willing

- Food is what we do and it needs to be the best.
- We will improve every day and look for ways to do things better.
- To achieve our goals we will strive for soultions, even to difficult problems.
- to change.
- We need to act now, be bold, don't fear failure, but learn from it.
- We are brave enough to be different, so we can lead the change we want to see in the world.
- We should always be looking outside and seeking to learn from others.

QUORN'S STORY

Quorn Foods was the original pioneer in alternative protein and is now a global market leader, with over 10 billion portions of food served since 1985.

The fear of global food shortages in the 1950s and 1960s, following the post-war global population boom, was the catalyst for the British industrialist and philanthropist, Lord J. Arthur Rank, to task his scientists with finding a new source of protein. They analysed over 3,000 soil samples from around the world and discovered Fusarium venenatum, a microscopic member of the fungi family, which, in the right conditions, could turn plentiful starch into high quality protein. This new protein was given the name mycoprotein, and its neutral taste and meat-like texture, as well as strong nutritional credentials, made it an excellent ingredient for making meatfree products.

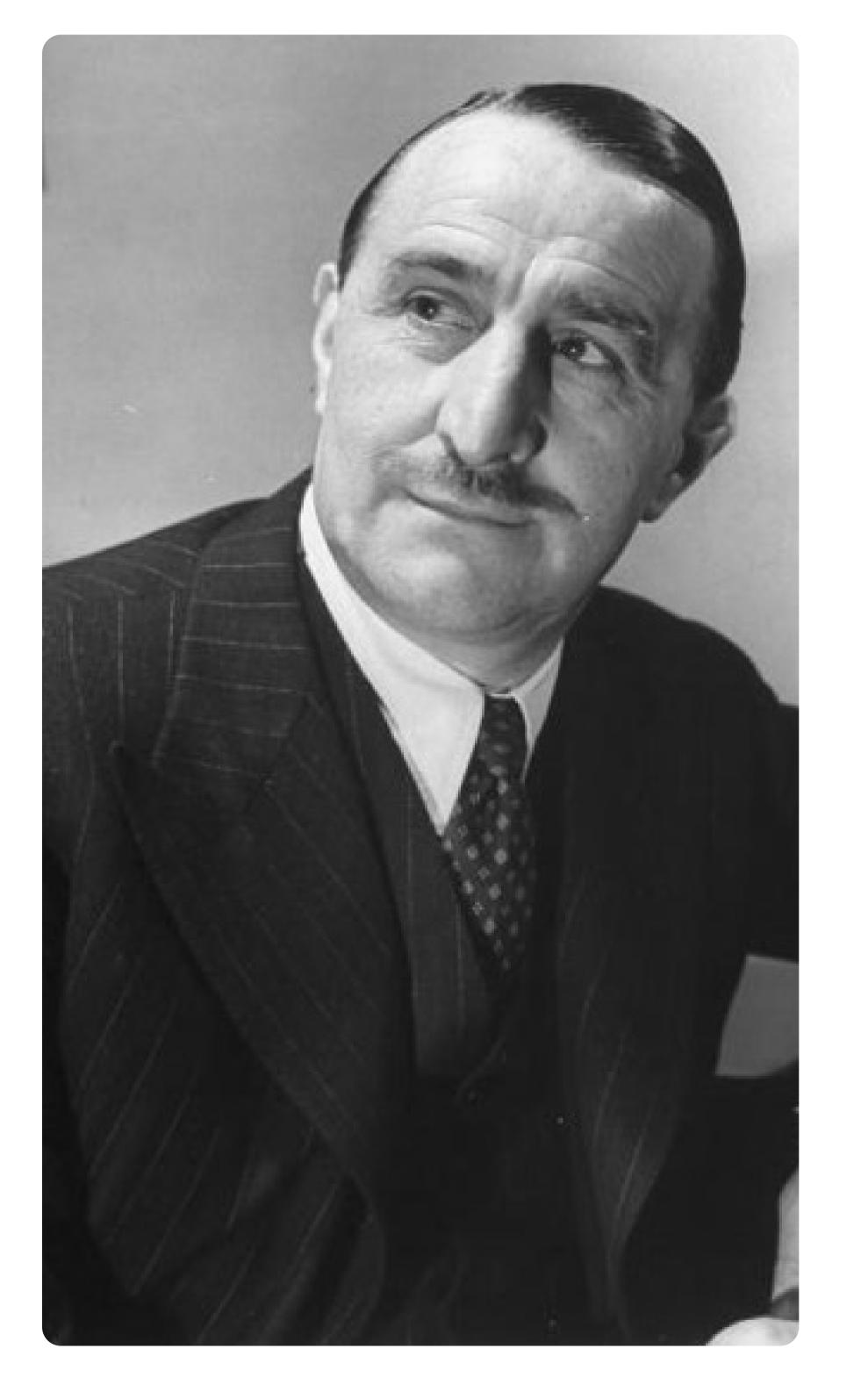
over the next couple of decades, entering new markets right around the world, introducing vegan as well as vegetarian products, and in doing so helping those people who, mainly concerned about animal welfare, decided to stop eating meat. since 2011 to calculate the carbon footprints of our key products. We are proud to be the first global meat alternative brand to achieve product carbon footprint verification by a third party. Over 70% of our global sales have got their carbon footprint verified. The full list of global products with verified carbon footprint can be found on the Quorn website.

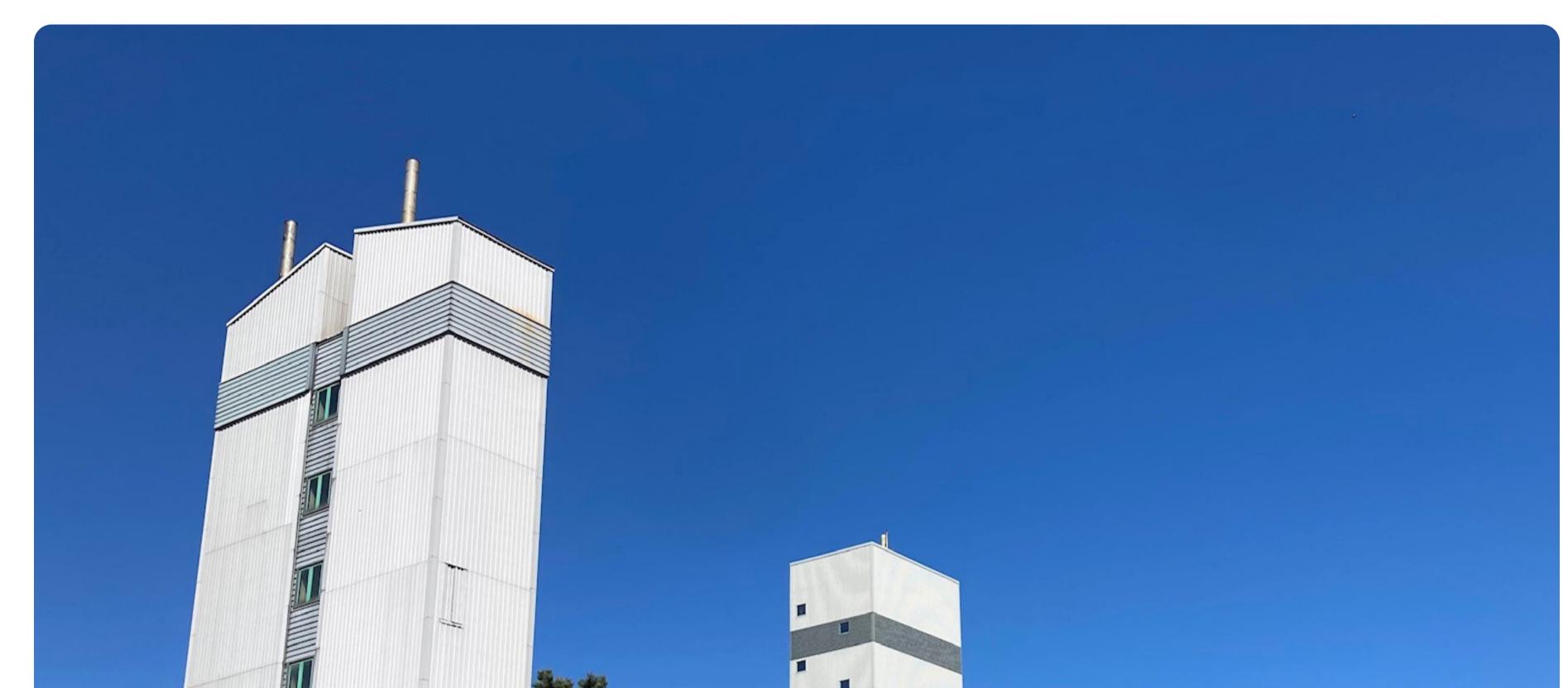
In 1985, the first consumer products in the world containing mycoprotein were launched in the UK under the Quorn brand, becoming the first major consumer brand for vegetarians. The Quorn Foods business grew steadily At the turn of the 21st century, the world began waking up to the realities of climate change, despite much earlier warnings from scientists. Our food system produces around a third of global greenhouse gas emissions, with animal agriculture responsible for about half of those.¹⁻² So, eating less meat is one of the measures the world knows we can take to combat climate change, and this has driven the development of a new category of consumers – flexitarians – who

now make up the majority of people who buy our products. To help our consumers and customers understand the climate impact of Quorn products, we have worked with the Carbon Trust In the past, Quorn Foods' role was to help a few people eat no meat. We have now evolved into a company that helps *everyone* eat less meat.



The first consumer product made with Quorn mycoprotein





Lord J. Arthur Rank

Belasis factory - the home of mycoprotein

OUR MYCOPROTEIN

<u>Mycoprotein</u> is the super-protein at the heart of all Quorn products. Quorn mycoprotein is proven to be both healthy and sustainable, and it is like no other protein source.

Quorn mycoprotein is cultivated vertically via a fermentation process in 40-metre-high airlift fermenters, making it one of the most land-light proteins on the planet. The production of our mycoprotein requires two main sources of energy: steam and electricity. At least 85% of what we use at our fermentation site is classified as renewable, bringing the already-low carbon footprint of mycoprotein even lower.



Compared to rearing livestock, growing mycoprotein produces 80% fewer greenhouse gas emissions and requires 60% less land and 65% less water.³ A study delivered by the Potsdam Institute for Climate Impact Research in 2022, showed that by replacing only one-fifth of global beef consumption with microbial protein (like Quorn mycoprotein) within the next 30 years, we could halve deforestation and avoid greenhouse gas emissions associated with rearing animals for food.⁴

Quorn mycoprotein is a high-quality and complete nonanimal protein source, providing all nine essential amino acids, and unlike animal protein it is high in fibre and low in saturated fat. It is also a good source of key vitamins and minerals, including zinc, riboflavin, manganese, phosphorus and choline.

Environmental impacts of mycoprotein against comparative proteins ^{3,5}

	Mycoprotein	Beef	Pork	Chicken	Soy Protein Concentrate	Pea Protein Concentrate
Carbon footprint (kgCO ₂ e/kg)	0.53	32.13	11.09	4.96	1.21	1.91
Land footprint (m²/kg)	1.67	68.3	17.28	12.01	5.17	1.41
Blue water footprint	31	1048	320	73	83	76





OUR PARTNERSHIPS

Quorn Foods is proud to work with key organisations in sustainability and nutrition. They have supported us in shaping our Net Positive journey, advocating for fungi protein, and exploring its health and environment credentials. We are also proud to work with charities in the UK and overseas to tackle food insecurity and promote equity, diversity and inclusion.

Working together for food systems change



The Good Food Institute (GFI) is our not-for-profit partner in fungi protein advocacy. ensa

We are a corporate member of the European Plant-Based Food Association (ENSA).

 FUNGI

 ASSOCIATION.

We are a founding member of the Fungi Protein Association (FPA) since launch in 2022.



We are a founding member of the Alternative Protein Association (APA) since launch in 2022.



We are a corporate partner of RegenFarmCo for BioHub regenerative agriculture project.



We are a corporate partner of Forest

Green Rovers, the greenest football club in the world, helping them to become the world's first vegan football club.

Partnerships for responsible supply chains

Sector Na baye been a Sedex member of the Bound We have been a member of the Bound We

We have been a Sedex member since 2020.

We have been a member of the Round Table on Responsible Soy Association (RTRS) since 2018.

We have been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2014.

Corporate memberships







We are a corporate member of the British Dietetic Association (BDA).

We are a corporate member of the British Nutrition Foundation (BNF).

We are a member of the Food and Drink Federation (FDF).

OUR PARTNERSHIPS

Our commitments









As a signatory of the UK Plastics Pact, in 2018, we committed to eliminating problematic plastics, increasing the use of recycled content across all plastic packaging, ensuring plastic packaging to be reusable, recyclable or compostable and effectively recycled or composted.

As a Courtauld 2030 signatory, in 2016, we made a commitment to reduce food waste and greenhouse gas emissions by 50% by 2030 and continue to increase our water use efficiency.

We made a commitment to implement a workforce nutrition programme at the Nutrition for Growth Summit in 2021.







NET POSITIVE OBJECTIVES

Our People are the most important asset in achieving the company's Net Positive ambition by 2030. We will only become a Net Positive business with the passion of every one of our colleagues, and so in 2023, with the full support of our management team, we launched Net Positive objectives. This means every colleague at Quorn Foods sets themselves one objective aligned with the 11 Net Positive goals through the personal development review system.

83%

OF COLLEAGUES UNDERSTAND WHAT WE MEAN BY NET POSITIVE.

The project implementation was supported by a robust two-way communications plan from the Sustainability Team to ensure

the clarity of message about what Net Positive means, and what an effective Net Positive objective might look like. Our colleagues' Net Positive objectives in 2023 varied from waste reduction, to implementing reusable packaging alternatives, to leading an equity, diversity and inclusion colleague group, and to volunteering at their local food charity. In fact, setting a Net Positive objective was a catalyst for many of the achievements in this report.

76% OF COLLEAGUES UNDERSTAND HOW THEY CAN CONTRIBUTE TO NET POSITIVE ACTIONS.

Research has demonstrated that when employees are engaged with a company's purpose, they become happier, more productive, and open to ideas, among other benefits.⁶ It is the same case for Quorn Foods. A year after the launch, our employee survey shows a positive increase in our colleagues' trust in what the business is doing in terms of sustainability, their understanding of our Net Positive ambition and what they can do to help the business reach that ultimate goal.



Our team is aiming to achieve a 50% CO_2 reduction impact per head vs 2019

 I will deliver guest lectures at 3 universities to help future generations understand sustainability issues from an industrial perspective

I will create a carbon footprint tool for packaging and product development to embed sustainability into decision making process

I will organise an employee wellness day, inviting people from across the business

56 I will sign up to become a STEM ambassador to

> I will redistribute high-quality products to those in need by connecting logistic, planning and charity partners

into careers in science, technology, engineering and maths

encourage teenagers

We will reduce factory food waste by 40% vs last year

SOME OF OUR COLLEAGUES' NET POSITIVE

My team will roll out lightweight pallet wrap to the Methwold site



and launch a Supplier's Code of Conduct to ensure our suppliers are aligned with our Net Positive vision

OBJECTIVES

I'll speak at six schools about
 sustainability to encourage young
 people to think about food and
 the planet

I will launch NaviLens QR code on pack to help visually impaired shoppers

I plan to support at least one student placement in my team

We will organise volunteering days for our teams with a charity partner, such as FoodCycle, BioHub Regenerative Farm, That Bread and Butter Thing, The Felix Project

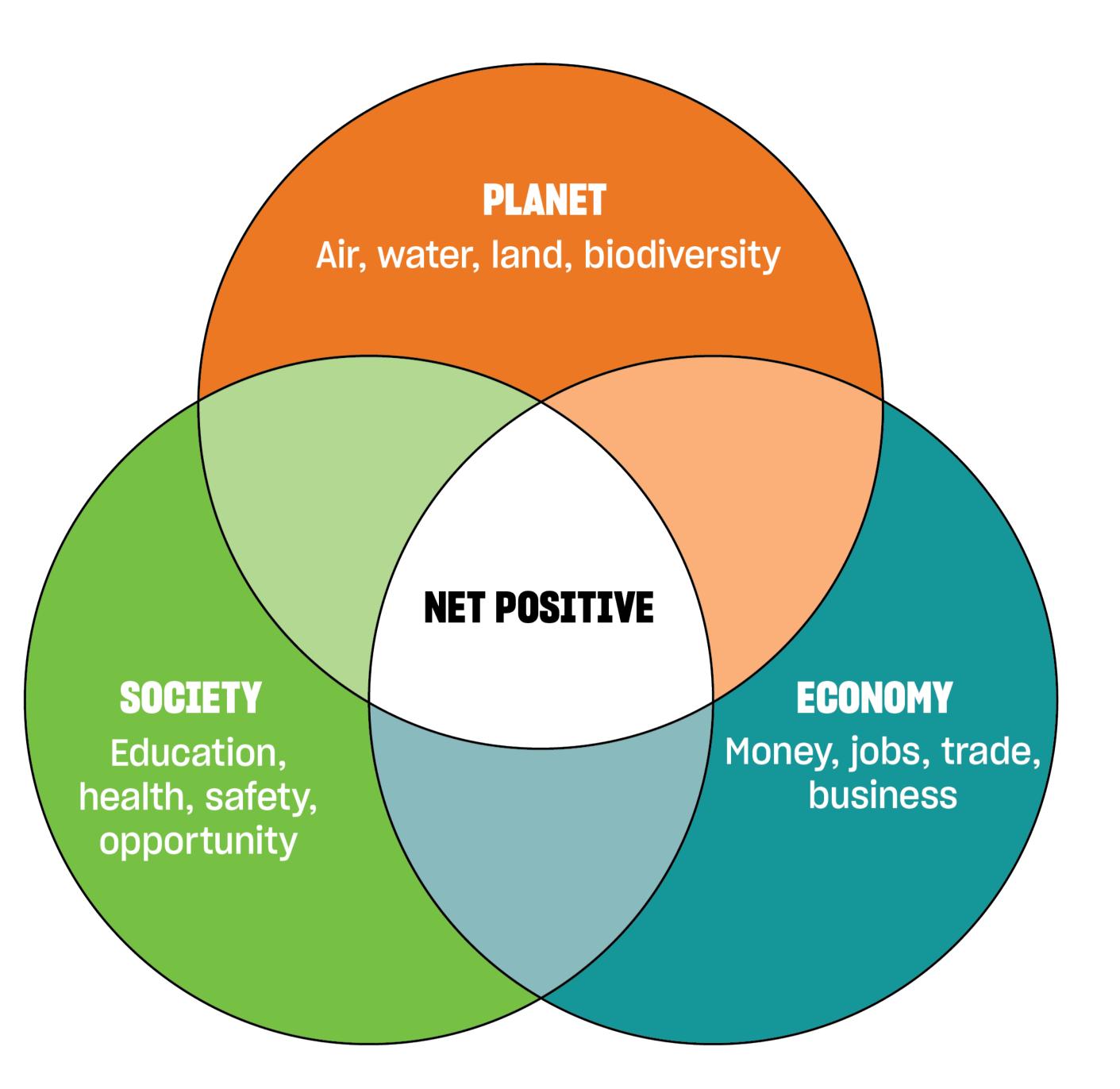
••• This year I will reduce the number of printers at all sites and set up secure printing to reduce paper waste and energy use

My team will increase circularity in IT further, to reduce our carbon footprint – using refurbished laptops and phones and donating to schools and social enterprises when they end their lifespan at Quorn Foods

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NET POSITIVE

Net Positive is our approach to building a sustainable business that has a positive impact on



the planet, society, and the economy.

OUR NET POSITIVE 2030 GOALS

Our Net Positive approach was shaped using the ten principles of the UN Global Compact and the UN's Sustainable Development Goals, our North Star.

Within our original four-pillar strategic approach, we have again reviewed our goals to ensure they keep us on track to achieve our ambition of being a Net Positive organisation by 2030, and that we focus on the areas that will make the biggest difference to our impact on the planet, society, and the economy.

POSITIVE SUPPLY

POSITIVE PRODUCT

100% of what we buy is responsibly sourced.

We have achieved a 30% reduction in Scope 3 emissions.

Our product portfolio is nutritious and responsibly formulated.

100% of our packaging is recyclable or reusable and we have eliminated the use of virgin fossil-fuel based plastic.

POSITIVE OPERATIONS

We promote diversity & equity, value difference and everyone in the business feels included.

POSITIVE SOCIETY

We have educated, supported and empowered the next

generation to act as sustainable food systems champions.

Our own operations generate zero waste.

Our business operations are carbon net zero.

We have reduced our water consumption and are actively repurposing or reusing it.

All our people understand the value of good nutrition and its contribution to wellbeing.

We donate at least one million portions of food every year to people who need it.

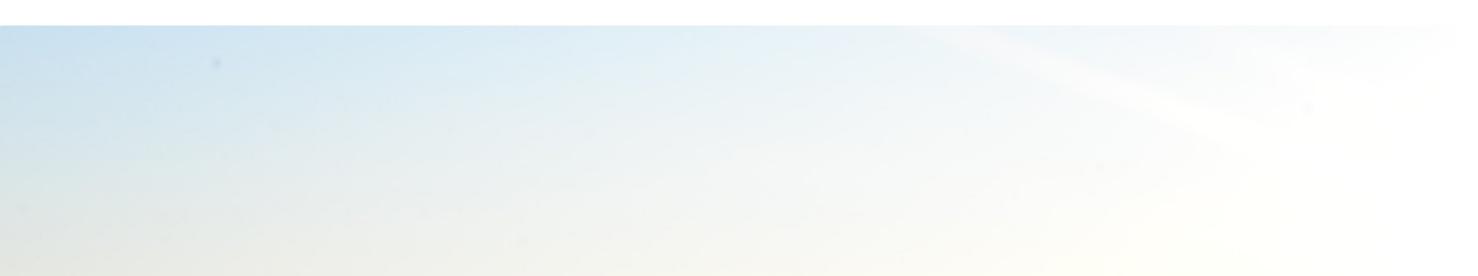
POSITIVE SUPPLY

Since sustainability is at the heart of Quorn Foods, we aim to work with like-minded suppliers who share our values.

That is why responsible sourcing and reducing Scope 3 emissions are crucial to our Net Positive agenda.

Supplier Code of Conduct

In April 2024, we published our new Supplier Code of Conduct (SCC)



and started to engage our supply partners with the framework that will underpin all our supply relationships moving forward. As a global leader in the alternative protein sector, we are committed to responsible corporate citizenship in all our business activities, and we expect this commitment to be reflected by our suppliers. The SCC sets out 16 core, zero tolerance principles and clear parameters for protection, monitoring, and impact for breaches. Our SCC covers a wide spectrum of ethical, legal, social, environmental and financial requirements.



Responsible Sourcing Policy

Alongside our Supplier Code of Conduct, we have our Responsible Sourcing Policy which is part of the action plan to help us reach the Net Positive goal, '100% of what we buy is responsibly sourced'.

Besides requirements on human rights and anti-corruption, the policy upholds responsible sourcing practices for high-risk commodities like palm oil, soya, packaging and animal-derived products.



OF PALM OIL SOURCED BY OUR ORGANISATION IS CERTIFIED THROUGH THE ROUNDTABLE ON SUSTAINABLE PALM OIL (RSPO) **SUPPLY CHAINS AS SEGREGATED.**



carbon footprint lies, for the baseline year of 2022. Our goal is to reduce our Scope 3 emissions by 30% by 2030 when compared to the 2022 baseline. To achieve this, we intend to focus on four categories with the highest proportion of our Scope 3 emissions, namely purchased goods and services, upstream transportation and distribution, fuel and energy related activities, and waste generated in operations.



4-0366-13-100-00

ALL EGG INGREDIENTS ARE SOURCED FROM

FREE RANGE FARMS

Scope 3 emissions baseline

With the support of **Normative**

we have calculated our Scope 3 emissions, where most of a corporate 60,722 TONNES CO,e

IS OUR SCOPE 3 EMISSIONS BASELINE FOR THE YEAR 2022.

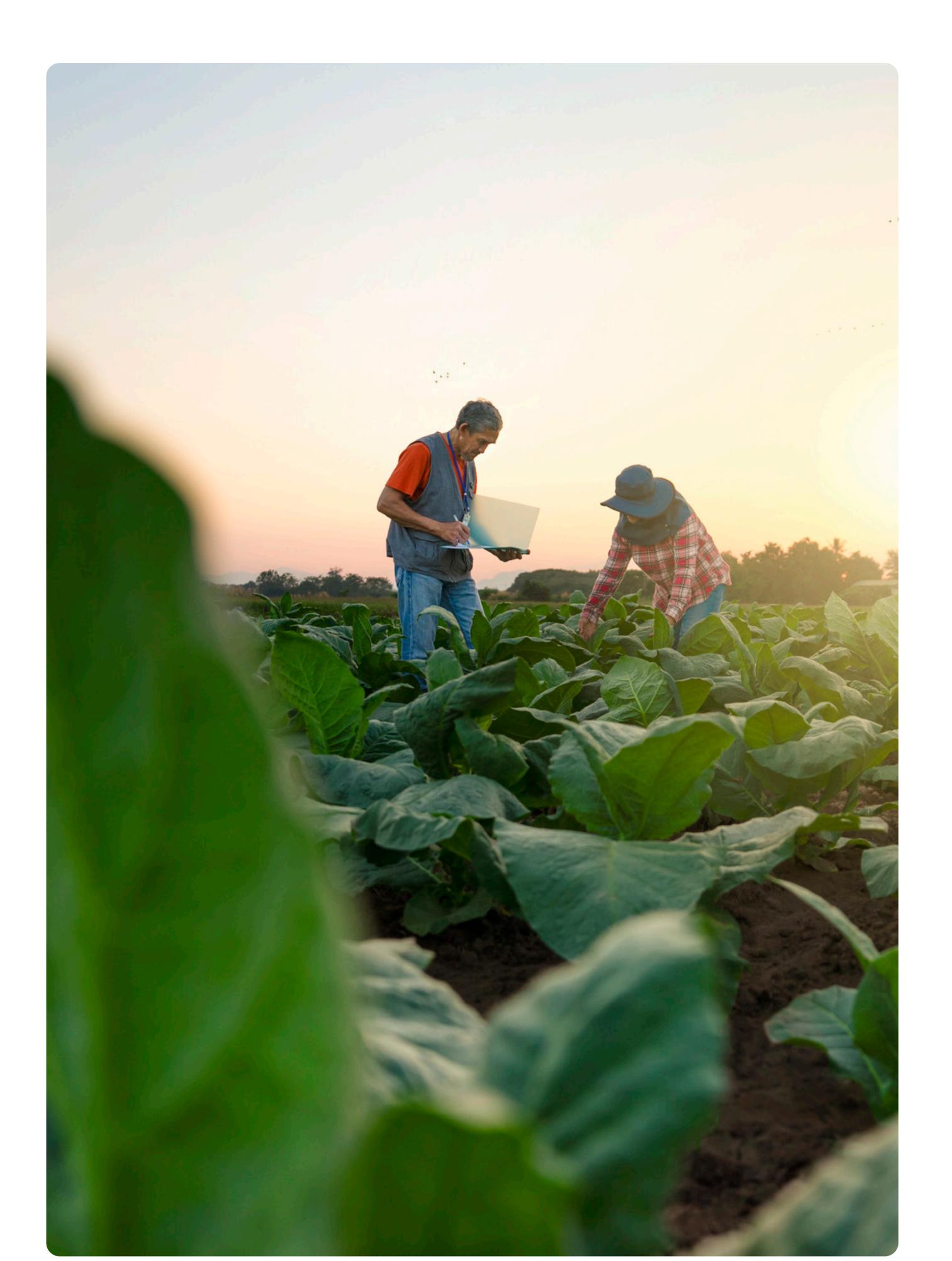
POSITIVE SUPPLY

What We Will Do Next

Supplier engagement is pivotal to the accomplishment of our Positive Supply pillar.

Supplier Code of Conduct

The Supplier Code of Conduct (SCC) will become an



important component of supplier selection and evaluation. We will only work with suppliers who are willing to commit to an appropriate sustainability agenda to drive towards becoming zero carbon or net positive in the future. Getting commitment to our SCC across our whole supply base will take time, but the process of engagement is already underway, starting with our biggest suppliers whose actions will have the greatest impact on our company's journey to becoming Net Positive.

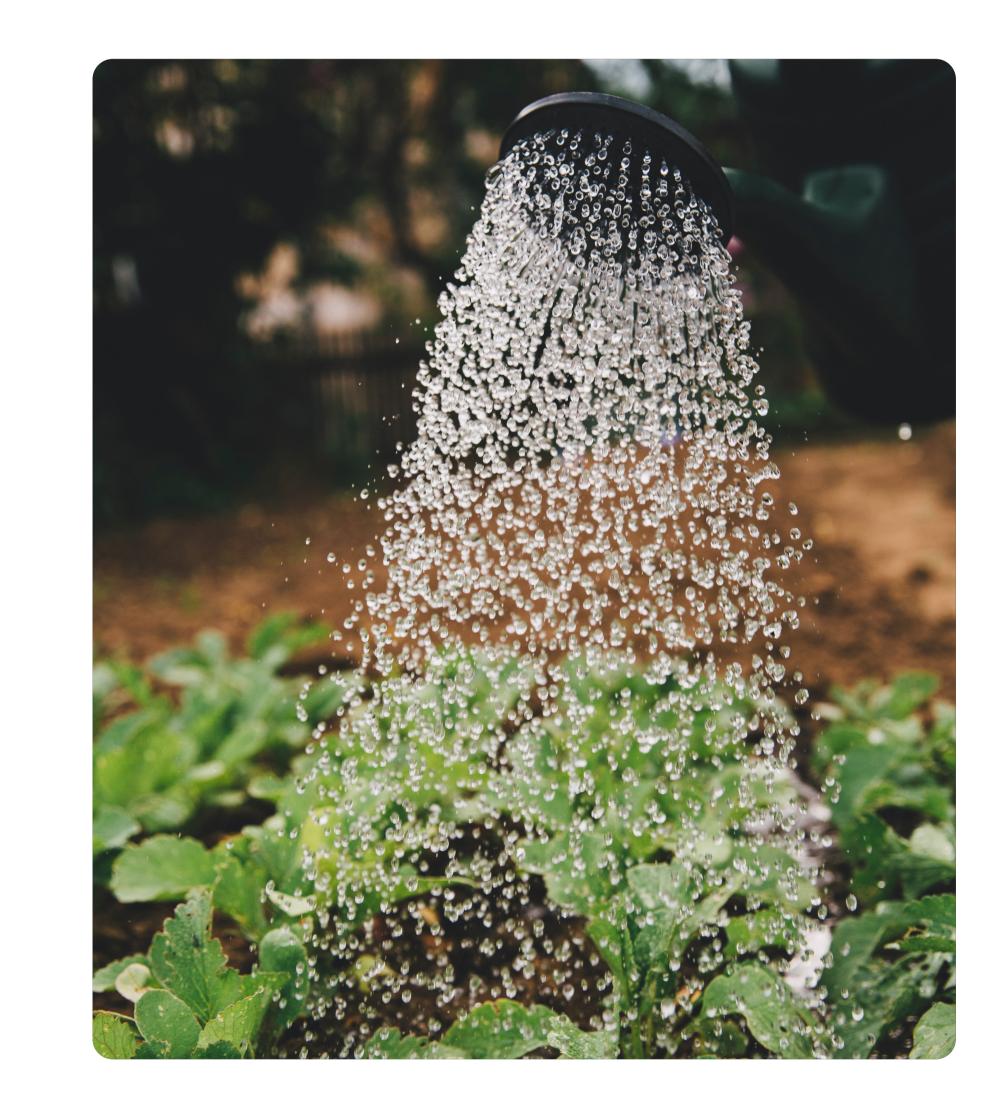
OUR 2030 POSITIVE SUPPLY GOALS

100% of what we buy is responsibly sourced.

Scope 3 emissions reduction

The Supplier Code of Conduct sets a requirement on sustainability including carbon emissions reporting, which is helpful for supplier-level data collection of our Scope 3 emissions. Our baselining exercise was based on a hybrid evaluation where 79% data was from activity evaluation and 21% spend data. This is high data accuracy this early in baselining as it builds on the supplier-specific emissions data we have developed over years of product carbon footprinting.

Using the baseline data, we have identified hotspots including egg albumen and products produced by our manufacturing partners. The cornerstone of our approach to reducing Scope 3 emissions will be engagement with those suppliers to drive environmental efficiencies. We are also building capability in our New Product Development teams to allow them to minimise the emissions of a product from the earliest stages of development or reformulation.





Deforestation-free compliance

We have always taken deforestation risks seriously. This is demonstrated through our Soya, Palm Oil and Responsible Sourcing policies, as well as only sourcing high-risk commodities through recognised certification schemes like RSPO, Proterra and FSC. We would like to take one step further to ensure a thorough understanding of the origin of these commodities, which will mean establishing a due diligence system if required and mitigating any non-compliant risks.

Resource efficiency is the cornerstone of sustainability.

Exploring circularity in our production

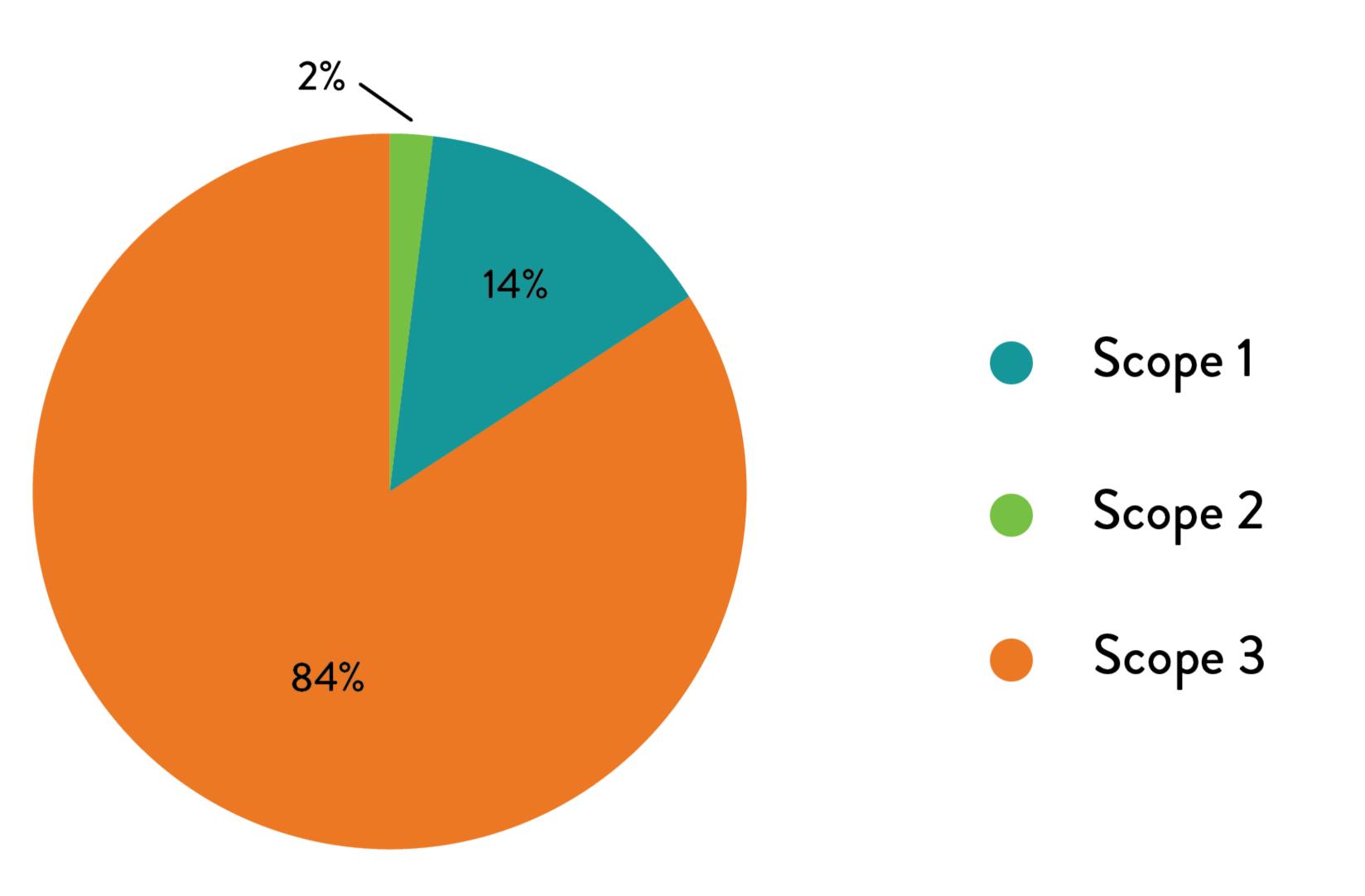
The next frontier of manufacturing will be to embrace radical circularity, and we are already well on our way. The expert scientists at our Fermentation Development Centre, along with PhD students at King's College London, are exploring ways to produce nutritious proteins through the fermentation of abundant carbohydrate-rich byproducts from other industries. While waste products from our processes are already used to create biogas through anaerobic digestion, we are also conducting a byproduct valorisation workstream that ensures every resource is used to maximum efficiency, in as circular a way as possible.

Cutting down our Scope 1 and 2 emissions

Our goal is to be Net Zero in our own operations by 2030. We have already made some good progress – we reduced Scope 1 and 2 emissions by 84% between 2012 and 2023, and in 2023, used a total of 61.8% renewable energy across our manufacturing sites.

84% RFNICTION

Quorn Foods' corporate emissions in 2022



IN SCOPE 1 & 2 EMISSIONS BETWEEN 2012 AND 2023

Partnerships for our goals

We are still aware that being net positive by 2030 is an ambitious target and so have enlisted help from academic experts in the field to support us. For example, among other academic partnerships, a postgraduate researcher from De Montford University completed an Accelerated Knowledge Transfer Partnership exploring routes to decarbonisation for our Methwold site.

Partnerships are important to help us achieve our goals faster. We recently collaborated with suppliers in our value chain on a project that increased water cycles from two to five on our air compressors, by treating the pH of our cooling water. This also saves 700MWh per year in energy and is an example of the cross-industry collaborative approach we are seeking to drive towards resource efficiency

and Net Zero.

OUR STRATEGY

FOR NET ZERO IS TO PROACTIVELY SEEK OUT OPPORTUNITY RATHER THAN WAITING FOR TECHNOLOGY TO CATCH UP.



Our people are the backbone of Quorn Foods. We make it our mission to ensure every team member understands the value of good health and wellbeing, and the role of nutrition in this, as well as ensuring everyone feels included.

Colleague-led working groups

At Quorn Foods, we strive to create a company culture where colleagues are empowered to lead on topics that are close to their hearts. In the past few years, multiple colleague-led working groups were established and have continued growing, including Women in Quorn, the Menopause Meet-Ups Group, Wellbeing Champions, a Youth Ambassador Programme, a Sustainability Champion Network, and the Quorn Runners Club.



These group activities are fully supported by the business through training and funding. They help our employees get closer to each other, feel included and improve our understanding of these topics.

TREATED WITH RESPECT AT WORK.

82% COLLEAGUES AGREED 'I CAN BE MYSELF AT WORK.'

*based on 2023 annual colleague survey with EDI % figures





First ED&I maturity self-assessment completed

Equity, Diversity and Inclusion (ED&I) is a top priority at Quorn Foods, a company with a diverse workforce based across numerous geographies.

To help us understand our workforce, we have conducted our first ED&I maturity self-assessment, in partnership with GroceryAid, which has allowed us to compare those results to industry benchmarks to help us identify key focus areas. This analysis has helped define our strategies and actions regarding ED&I, helping us to focus on the areas that will have the biggest impact on our colleagues. A measure of the success will be an improvement in our maturity score in 2025, but also an improvement in our ED&I related scores in our annual colleague survey.

Successful inaugural 'Quorn Cup' charity football tournament

2023 marked the start of a new initiative at Quorn Foods, our annual 'Quorn Cup' charity football tournament. Teams representing our sites and functions went head-to-head in exhilarating matches in aid of Andy's Man Club, a men's mental health charity.



The tournament brought players and spectators together, including our colleagues from Methwold, some 200 miles away from our headquarters in North Yorkshire. This was a unique opportunity for us all to know each other outside of work, come together to share our support, enthusiasm and participation in a joyful day. The Quorn Cup event showcased our teams' talent and spirit and demonstrated the incredible power of being 'Stronger Together' for a meaningful cause.



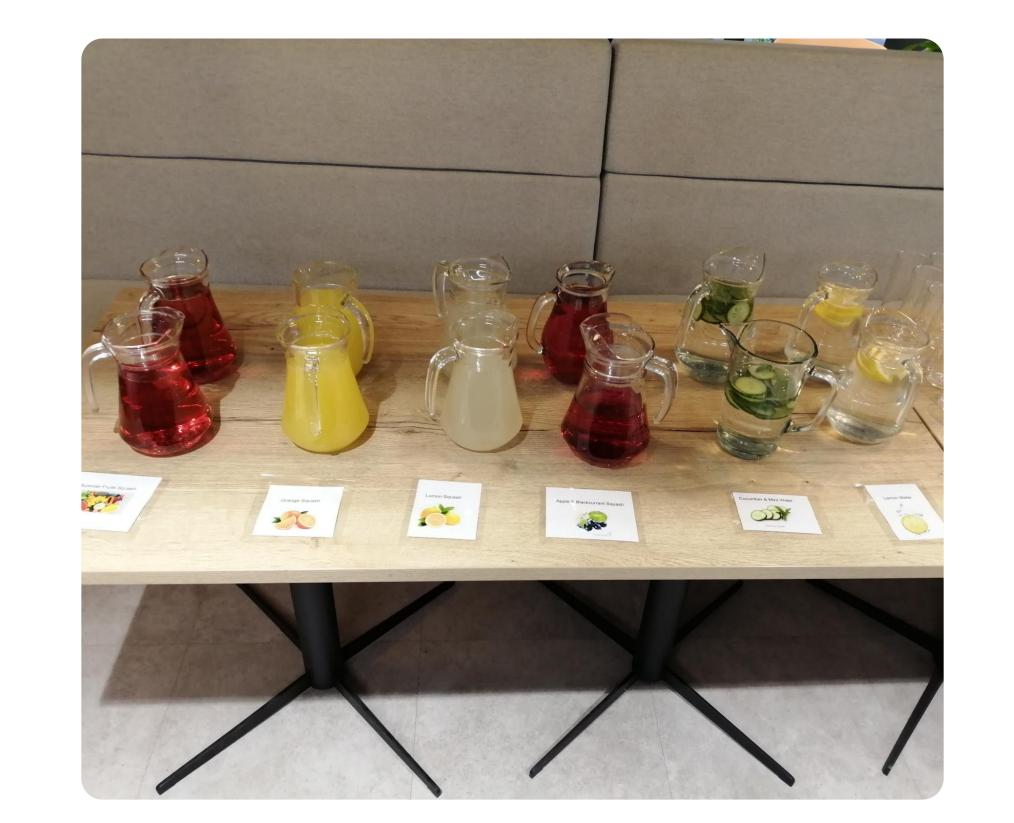
Very first wellness day at Quorn Foods

Another event highlighting the importance of better health and wellness. The first trial at Leeds office included multiple activities across four zones: mind, body, diet & nutrition, and social connection. Colleagues were encouraged to silence their mailbox for a day and put themselves first. Everyone could get involved in a yoga session, a mindful walk, learn about food swaps for a healthy diet, support local charities and listen to personal stories about mental health challenges.

This series will be rolled out at all our sites in the coming years because at Quorn Foods, we believe your health should always come first.

Healthy eating week

Every year in June, we take part in Healthy Eating Week – an annual event coordinated by the British Nutrition Foundation – to raise awareness about the importance of healthy diets and lifestyles, and to encourage us all to make healthier food choices. Activities over the years have included sharing additional fruit across all our sites, setting up hydration stations, educational card games and hosting live webinars on healthy and sustainable diets with external nutrition experts.





Fresh fruit and 'Food for our People', an initiative with freezers full of Quorn products, are offered at all sites to encourage our colleagues to have healthy snacks at work and take some Quorn products home to share with their loved ones.

What We Will Do Next

Decarbonising our supply chain

We have recently completed a study with the Net Zero Industrial Innovation Centre at Teesside University into a novel carbon capture solution for our fermenters and are excited to explore the opportunities identified.

OUR 2030 POSITIVE OPERATIONS GOALS

We promote diversity & equity, value difference and everyone in the business feels included.

Our own operations generate zero waste.

Our business operations are carbon net zero.

Continuous training on good nutrition and sustainability

In 2024, all our colleagues will be trained in principles of sustainability and healthy eating to help ensure we can live and breathe the principles of Net Positive in our daily lives, inside and outside of work.



We have reduced our water consumption and are actively repurposing or reusing it.

All our people understand the value of good nutrition and its contribution to wellbeing.



Health kiosks coming to Quorn Foods

At Quorn Foods, we are committed to fostering a healthy work environment. From 2024, we are bringing health kiosks to all four of our sites, providing a convenient and accessible way for everyone to check their health metrics, gain valuable insights, and take proactive steps towards better health.

Health kiosks are part of our broader initiative to support employees' overall wellbeing and ensure everyone has the

resources to maintain a healthy lifestyle.

RESPONSIBLE PENSION FUNDS

QUORN FOODS AUTOMATICALLY ENROLS NEW EMPLOYEES TO RESPONSIBLE PENSION FUNDS THAT ARE COMPLIANT WITH THE UN GLOBAL SCREENING AGENDA.

OUR PEOPLE

















POSITIVE PRODUCT

Healthy, tasty food is at the centre of all product development at Quorn Foods. The company established its first dedicated nutrition team in 2021, and many initiatives have been launched since then.

The launch of global nutrition profiles

In 2021, we committed to establishing a set of global nutrition profiles to guide product launches and reformulation in line with government health improvement targets. These nutrition profiles, covering the wide range of food categories in the Quorn and Cauldron ranges, were officially launched in February 2023, as part of Quorn Foods' wider Global Product Guidelines.

The nutrition profiles set category specific maximum levels for calories, total fat, saturated fat, sugar and salt, in line with government reformulation targets and minimum levels of fibre and protein. Profiles also take into consideration nutrient profiling scores to ensure as much of the portfolio is non-HFSS as possible (HFSS = high fat, salt, sugar food). We are now monitoring our progress on meeting these nutrition profiles.

Nutrition claims on pack

Many products within our portfolio are a source of protein, source of fibre and/or are low in saturated fat. We believe in using nutrition and health claims responsibly, so even if we are permitted to, we do not make such claims on products which carry red traffic lights. In 2023, we updated our packaging so that all Quorn products which are a source of fibre, are labelled as such.

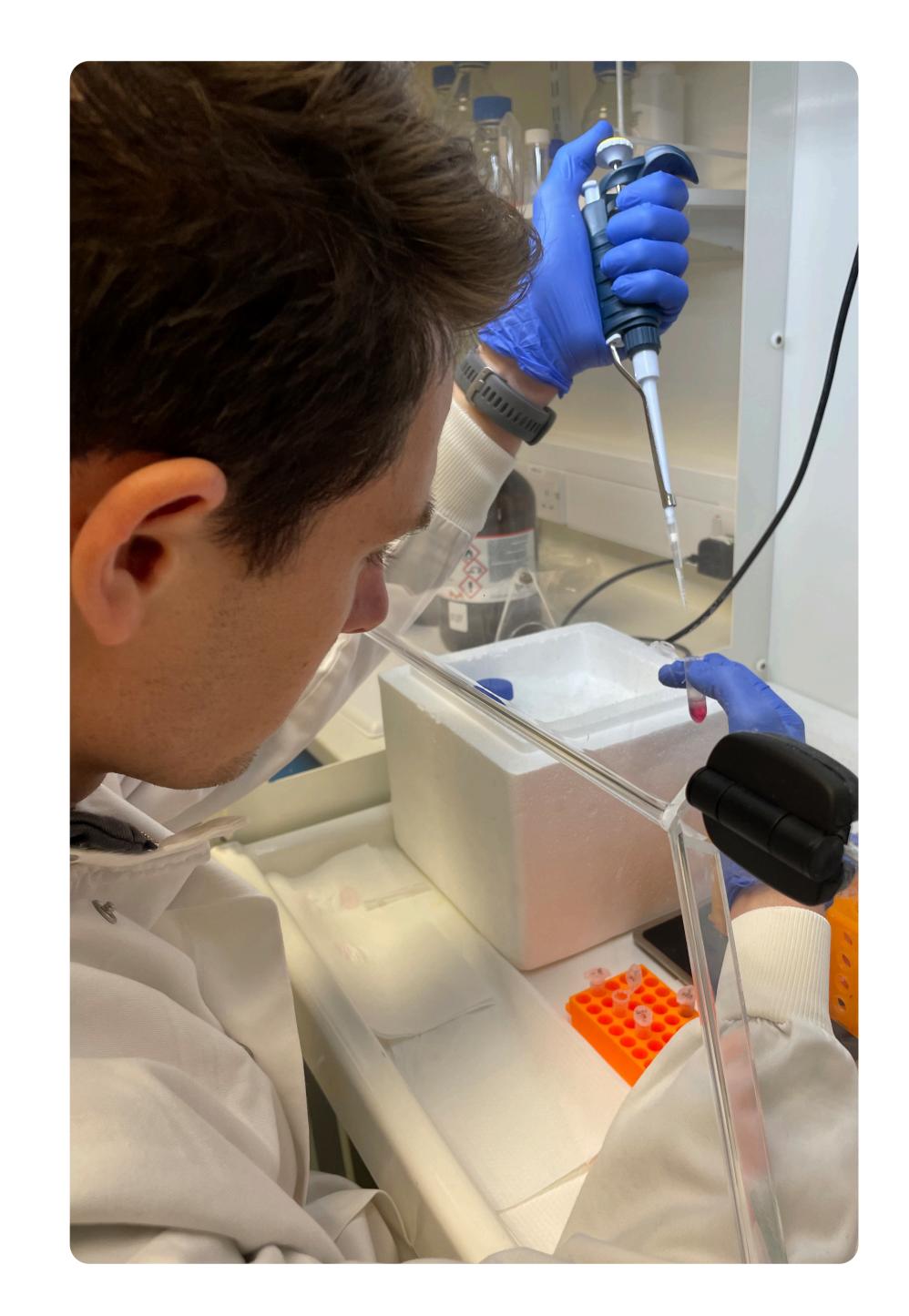


We hosted three sponsored symposia at nutrition conferences around the world to share our research on the role of mycoprotein in healthy, sustainable diets and advocate for the role of

Collaborating with leading universities on mycoprotein research

As the original pioneer in growing mycoprotein, we have always been committed to supporting researchers to study the health benefits of our unique protein. Significantly, researchers at University of Exeter have demonstrated that mycoprotein, as part of a vegan diet, stimulates muscle protein synthesis to the same extent as animal proteins as part of an omnivorous diet, in both younger and older adults.⁷ Furthermore, scientists at Northumbria University have shown that substituting red and processed meat with mycoprotein increases the abundance of beneficial microbes in the gut.⁸

fungi and mycoprotein in supporting healthy food systems.



Through our university and academic partnerships, in just the last three years there have been **over 20 peer-reviewed publications** on the topic of mycoprotein, health and nutrition.

POSITIVE PRODUCT

In 2021, we committed to delivering the target of '100% of our packaging is reusable or recyclable and has maximised the use of recycled content by 2025,' aligned with the UK Plastics Pact. Since then, we have been working hard to ensure Quorn Foods stays on track to deliver against this target, while at the same time, identifying opportunities to decrease the overall amount of packaging we use to further reduce our environmental footprint.

Plastic remains a focus. Whilst we know plastic plays an important role in delivering safe products with the quality our consumers expect, as well as reducing food waste by helping to maximise shelf life, the elimination of unnecessary plastic and move towards recyclable and recycled plastic are where we have concentrated our efforts.

Eliminating unnecessary plastic

In 2021, we replaced the plastic tray in our roast products with a cardboard tray which is 100% recyclable and made from renewable resources, which has enabled us to remove over five million pieces or 35 tonnes of plastic since then.

In 2023, we optimised Quorn Peppered Steak plastic tray, reducing the weight by 25%. This will remove over three tonnes of plastic annually, as well as improve supply chain efficiencies. Improving recyclability and increasing recycled content in plastic

As well as reducing the amount of plastic we use, we have also made good progress increasing the recyclability of our packaging. In 2023, 72% of Quorn and Cauldron's consumer facing packaging was recyclable at home with an additional 14% of packaging able to be recycled at supermarkets (plastic bags for our frozen products). In addition to our focus on plastic, we have also looked to increase pallet efficiency through the optimisation of our outer transit cases, with the objective of maximising the number of products we can distribute on a pallet. This piece of work resulted in an annual saving of 519 pallets which is the equivalent of removing 16 full truckloads from the roads.



We also reduced the thickness of our

NEARLY 90%

pallet wrap and optimised the way in which we wrap our pallets, which has contributed a further reduction of nearly six tonnes of plastic per year.

OF OUR CONSUMER FACING PACKAGING IS RECYCLABLE.





7 PICNIC EGGS POWERED BY MYCO-PROTEIN F HIGH IN F PROTEIN SATURATED FAT



OF PLASTIC WERE AVOIDED BETWEEN 2021 AND 2023.



We have also continued to increase the amount of recycled plastic we use, reducing our reliance on virgin fossil fuel-derived plastic. In 2023, we introduced 30% recycled content into our shrink wrap.

Although our RPET rigid trays contain on average 50% recycled plastic, the soft plastic used in our frozen bags is 100% virgin plastic due to a lack of food contact approved recycled material. Overall, our usage of recycled plastic is 22% which is slightly behind our 2025 target of 30%, as set out by the external WRAP UK Plastics Pact that Quorn Foods signed up to in 2018, but we are still working towards it.





POSITIVE PRODUCT

What We Will Do Next

Nutrition

In addition to following our nutrition profiles for new product launches, we will continue to look at nutrition improvement. We will undertake a standalone salt reduction programme (we have been reducing salt on a case-by-case basis when products reformulation allows), targeting our largest selling products first. We are also exploring the technical feasibility of fortifying our ingredient products with vitamin B12 and iron, which are nutrients sometimes lacking in the diets of vegetarians and vegans.



Our product portfolio is nutritious and responsibly formulated.

100% of our packaging is recyclable or reusable and we have eliminated the use of virgin fossil-fuel based plastic.

We believe that familiarity of fungi proteins, such as mycoprotein, is essential for consumer acceptability in support of a transition to a diet less reliant on animal proteins. We will focus on raising awareness of mycoprotein as a sustainable and nutritious protein source and advocate for its inclusion in sustainable, food-based dietary guidelines around the world.

We will continue to invest in research into the health benefits of mycoprotein and foods made from mycoprotein, through academic partnerships supporting early-career researchers and through grant funded university research. We will also continue to disseminate our research findings, including through Quorn Nutrition, our website and social media platforms dedicated to sharing the latest science on mycoprotein with healthcare professionals.



WE WILL LAUNCH OUR FIRST EVER

RESPONSIBLE ADVERTISING AND MARKETING POLICY

Packaging

As well as working towards all our packaging being recyclable or reusable by 2025, we have stretched our Net Positive goals out to 2030 to include the ambition of eliminating the use of virgin fossil fuel-based plastic, further reducing our environmental footprint and driving towards more sustainable packaging choices.

To achieve this ambitious target, we will:











Ensure all new packaging conforms to our Global Product Guidelines.

Continue to increase the recycled content in our plastic trays.

Explore alternatives to virgin fossil fuelbased plastics such as bio-based plastics and paper-based materials for our bagged products.

Work with external partners such as WRAP, and with our packaging suppliers, to push for widespread home collection of soft plastic in order to generate recycled material that can be used to replace virgin plastic.



A key condition of achieving our Net Positive ambition is that our business must deliver positive impact in our communities, particularly among those who can benefit most from what we can offer through our food, regular stakeholder engagement, and by sharing our expertise.

Tackling food insecurity



to empower cooks to use alternative proteins in local projects aimed at tackling hunger and food poverty.

Apart from providing food, we were delighted to support FoodCycle to publish their first of a now annual report, Your Place at The Table, on the benefits of community dining to wider society and the barriers and enablers to these initiatives succeeding. The intention is for the series to shine a light on social dining projects for policymakers and other stakeholders, as well as driving awareness and engagement amongst the public. You can read the full report <u>here</u>.

We believe that access to good nutrition is a human right, and that hunger should not exist when as a society we produce enough calories to feed the world.

"Quorn Foods first partnered with FareShare over five years ago, offering a much-valued source of meat-free protein to the charity. Since then, Quorn Foods has donated an incredible amount of good-toeat surplus food to charities and community centres in FareShare's network - the equivalent of more

This required several cross-functional teams from Quorn Foods and major redistribution charities to work together to more than double our food donations in the years 2022-2023.

Furthermore, we have pledged to



than 250,000 meals!"

- Jeannie Williamson, Commercial Manager, FareShare

2.3 MILLION PORTIONS OF FOOD

WERE DONATED BY QUORN **FOODS TO GLOBAL CHARITIES** IN 2023

*one portion = 75g; figure includes UK, EU and USA food donations

donate a minimum of one million portions of food every year to people who need it. The purpose-led innovation and C-Suite sponsorship of this programme was commended at the Yorkshire Sustainability Excellence Awards 2024, winning the Social Impact in Sustainability category and contributing to our recognition as the Overall Winner.

Beyond food donation

Food security is far more nuanced than just having access to sufficient calories - eating a healthy and sustainable diet requires a level of knowledge, skill, motivation, and the right environment. That is why we proudly continue to invest in partnerships that address diverse and complex needs, such as FoodCycle's UK community dining projects which target social isolation and food waste, and by running plant-based cooking workshops

"Our partnership with Quorn Foods has evolved and deepened since we began working together in 2021. In addition to supporting our core programme delivery, donating Quorn products to cook with at our meals and turning out to volunteer, they also funded our inaugural research report 'Your Place at the Table'. This proved invaluable in evidencing the social and health benefits of eating communally, something in which FoodCycle and Quorn Foods share a common passion."

- Sophie Tebbetts - CEO, FoodCycle

By taking up this challenge within our business, we began a programme of work in 2021, to identify hotspots of surplus in our operations and create new processes, products and partnerships that enable us to redistribute more nutritious food, more often, to more people.

Empowering future food leaders

Everyone in our business has a role to play in achieving our Net Positive ambition, but we especially need to invest in the next generation of leaders and innovators, who will take our company and food system at large, forwards beyond 2030. To give these individuals greater focus, we launched our first Youth Ambassador Programme in 2023, designed to engage and develop our top talent, aged 30 years and under. Fifteen colleagues were engaged over the year to raise the profile of youth-related issues and receive public speaking and leadership development training through the Youth Ambassador Programme. Several of them now regularly represent the business at public events and have been recognised in internal and external award schemes.





Volunteering at Quorn Foods

As one of our company values is Make Lives Better, we also recognise our role in supporting every colleague to feel part of and benefit from the positive impact we have in society. In 2023, colleagues across the business took part in initiatives that benefitted their local communities, including volunteering with our food redistribution charity partners, mentoring, coaching local football teams, delivering school presentations, and helping their local environmental projects. By sharing and celebrating volunteering opportunities and colleague stories more regularly with our people, we have seen an increase in teams organising team building and charitable activities connected to our purpose and ambition.

OVER 1,000 HOURS

WAS THE AMOUNT OF TIME OUR COLLEAGUES VOLUNTEERED AT FOOD REDISTRIBUTION AND REGENERATIVE FARMING PROJECTS IN 2023.

The Mycoprotein Summit

In a world-first conference of its kind, Quorn Foods, in collaboration with The Good Food Institute Europe, a non-profit think-tank, led an expert gathering at The Royal Botanic Gardens, Kew in London to discuss the evidence behind fungi protein in healthy and sustainable diets. The exclusive event brought together academic, industry, nutrition and sustainability experts, to showcase the groundbreaking mycoprotein research conducted by PhD and postdoctoral early career researchers, 11 of whom presented their study findings on the day.

"This was an eye-opening event, where I learnt a lot about the benefits of mycoprotein in human health. My challengequestion as a mycologist now is: Can we diversify on the sources of mycoprotein? How many other fungi could be explored?"

These students, supervisors and affiliated institutions are pioneering new insights and shaping the future of alternative proteins, and we were proud to be able to support the dissemination of their work by platforming their subject expertise at a world-leading centre for fungal research and in front of thought leaders from across the world of food systems transformation.

Dr Ester Gaya, The Royal Botanic
Gardens, Kew Senior Research Leader,
Mycology



#MycoSummit The Mycoprotein Summit: EXPLORING THE ROLE

OF FUNGI PROTEIN FOR A HEALTHIER AND MORE SUSTAINABLE FOOD FUTURE



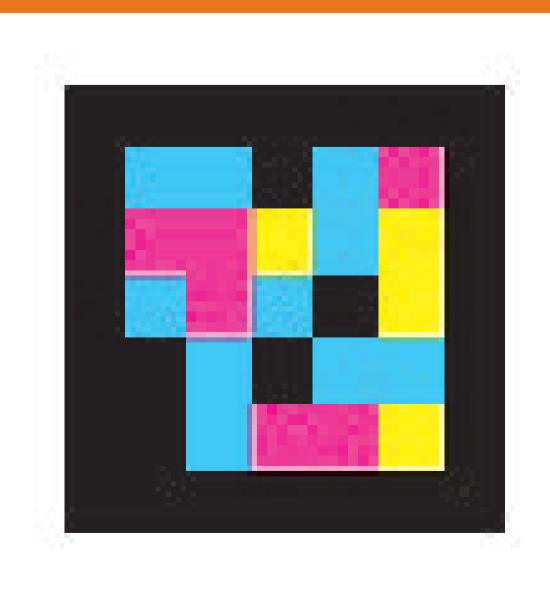




NaviLens QR code on Quorn packaging

Quorn Foods is proud to be the first meat-free brand to adopt revolutionary NaviLens technology, assisting visually impaired shoppers. In the summer of 2023, Quorn launched two new products with NaviLens barcodes, which allow product information on pack to be read out loud through a mobile device. These barcodes can be recognised by smartphones up to 12-times further away compared to standard QR codes. These latest additions are the first of 42 Quorn products that will be rolled out with the technology in 2024-2025.

The ground-breaking NaviLens technology is a huge step in our journey towards making the weekly food shop a more inclusive and smoother experience for people living with sight impairment.







What We Will Do Next

We are committed to providing a minimum of one million portions of healthy food every year to people who need it. We will continue to find new ways to provide healthy food through innovation and partnerships.

Providing cooking skills to young chefs

Healthy meals start with healthy products and basic cooking skills. That is why we are currently piloting projects that give food skills to young people in the UK and Belgium. Meanwhile, we will continue our support of existing breakfast, holiday hunger, and other school meal initiatives

OUR 2030 POSITIVE Society Goals

We have educated, supported and empowered the next generation to act as sustainable food systems champions.

We donate at least one million portions of food every year to people who need it.



that are delivered through our partnership activities.



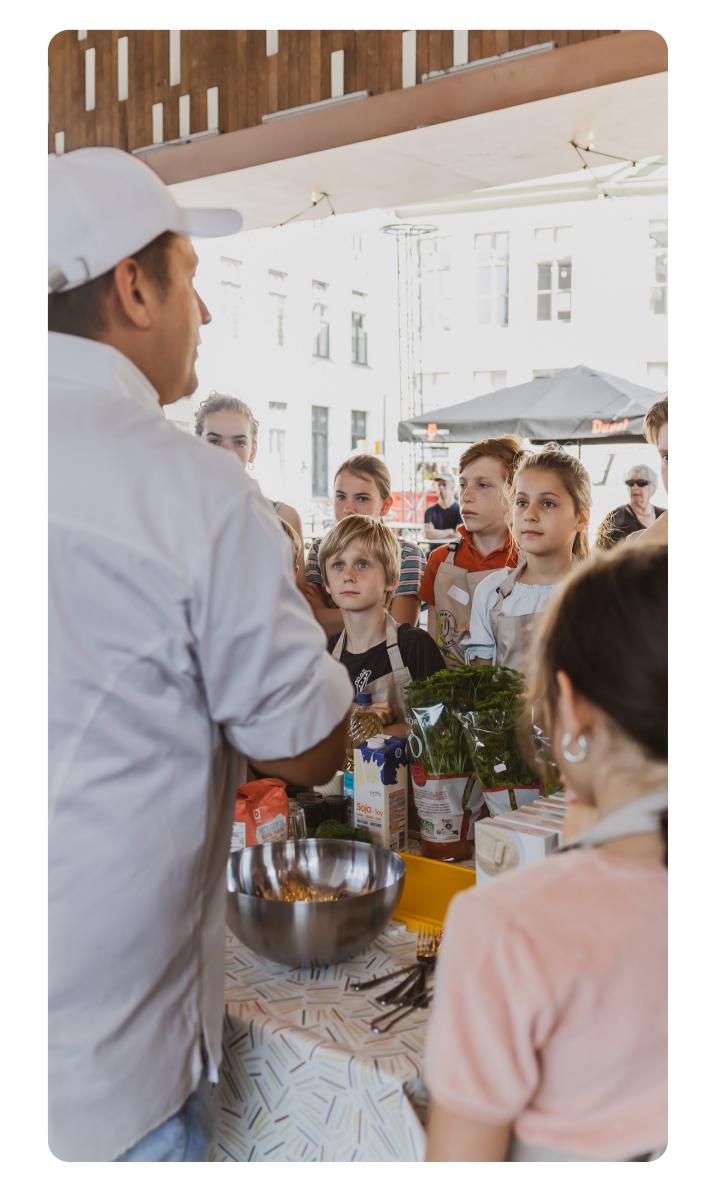
Nurturing future leaders

We believe that investing in our early-career leaders is the key to unlocking a better food future, and we will continue to develop our engagement with youth networks to make our business the best it can be for the next generation. As part of this we are proud to be an industry partner of the Good Food Institute's 'Alt Protein Project', connecting us into a global network of university student-led groups interested in our sector.

Love taste, hate waste, make yours Misfits

We will continue to work with and fund research at leading universities globally, to further understand *Fusarium venenatum*; our unique fermentation process; the nutrition and sustainability benefits of mycoprotein and the formulation of our Quorn products.





In 2024, we started making Misfits - big bags of taste, that could have been waste. We bag up the offcuts, misshapes and not-quite-perfects, and give them a new lease of life. They may not look how they were supposed to, but they are still full of nutrition and can still create great tasting meals.

We are working with FareShare, The Felix Project and meal manufacturing partners in the UK to make sure our bags of Misfits can be made into healthy, nutritious meals for people in need. In addition, our Home Economist Team offers cooking sessions to community kitchen chefs, showing them how to create delicious menu items with our Misfits.





Cauldron as a brand sits alongside Quorn and attracts those consumers looking to get more plants and veggies into their diet. At Cauldron, we believe that plants can and should taste great. That is why we use our plant alchemy know-how to make products that burst with flavour.



Our amazing beans

At Cauldron, we make it easy to enjoy the best of plants and veggies. That is why we only use sustainable soya ingredients in our plantpacked products.

All the soya we use is non-GMO and supports zero deforestation practices. The soya beans are also certified against one of these standards:

Proterra Foundation

 Basel Criteria for Responsible Soy Production

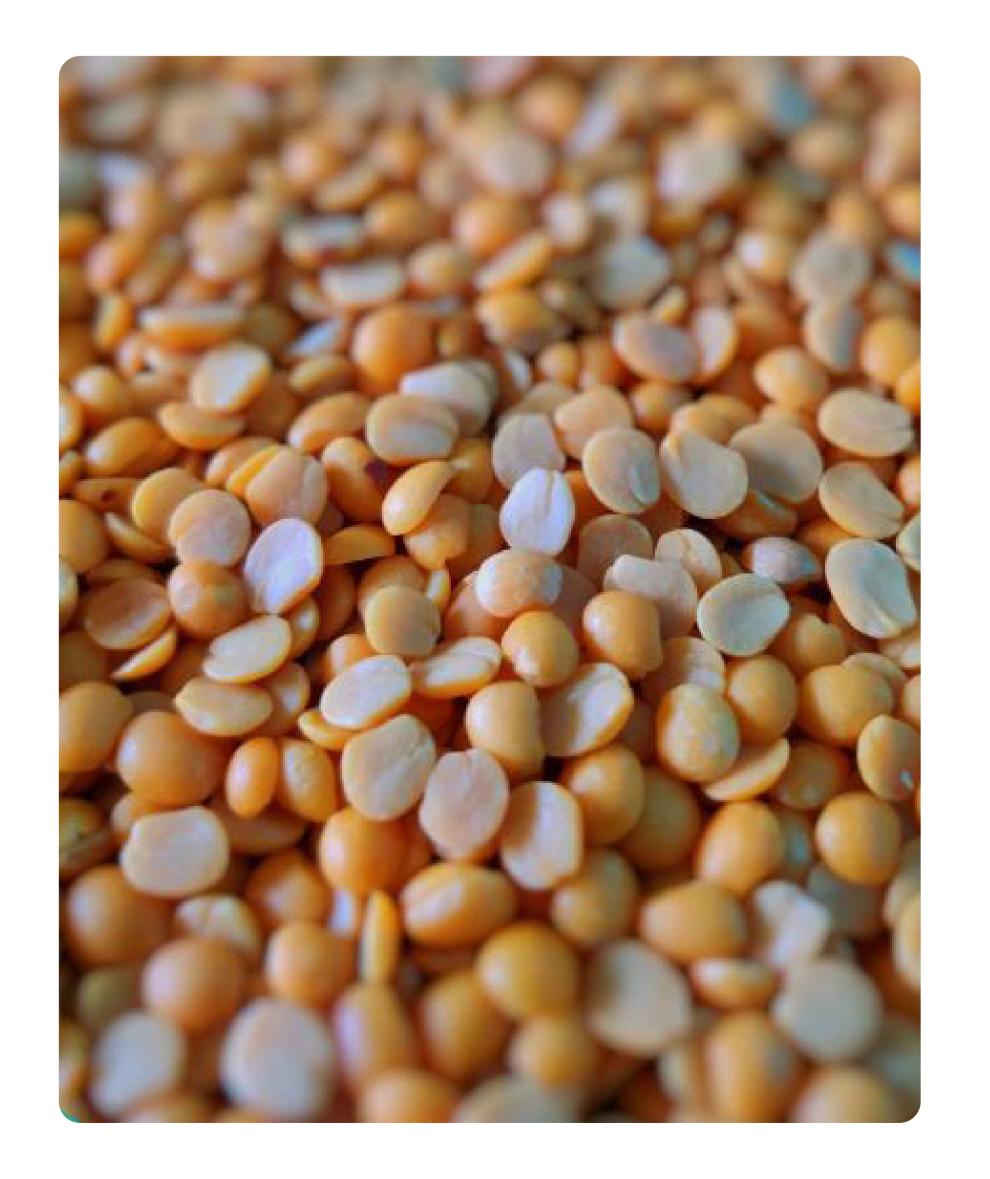
Europe Soya standard

Our footprint on the planet

To enable consumers to understand the impact that choosing our products has on the planet, we have worked with **O ClimatePartner** since 2021 to provide carbon footprint certification for all our core Cauldron products.

Our product carbon footprint calculations include ingredients, packaging, energy required to manufacture the product, transportation and waste treatment.

Our latest product carbon footprints can be found on the Cauldron website.







NOTABLE AWARDS

We are very pleased that our Net Positive efforts have been recognised externally.

Sustainable Supplier Award - Footprint Awards 2023

– Quorn Foods Team

Universal Design Best In Class 2024 Award

- Quorn Foods' UK packaging featuring NaviLens technology

Social Impact in Sustainability - Yorkshire Sustainability Excellence Award 2024 - Quorn Foods

Overall Winner across all categories - Yorkshire Sustainability Excellence Award 2024 – Quorn Foods





2023 DATA

Environmental

Disclosure	Data	Unit
ENERGY CONSUMPTION within Organisation	127,643.67	MWh
1) TOTAL ENERGY CONSUMPTION (NON-RENEWABLE)	48,696.16	MWh

	10,070.10	
Fuel consumption (non-renewable)	44,022.20	
a. LPG	4,591.17	MWh
b. Nitrogen	4,202.44	MWh
c. Carbon dioxide	500.76	MWh
d. Natural gas	30,366.84	MWh
e. Steam	4,360.98	MWh
Electricity consumption (non-renewable)	4,673.96	
a. Grid (non-RE)	4,673.96	MWh
2) TOTAL ENERGY CONSUMPTION (RENEWABLE)	78,947.51	MWh
a. Steam	39,248.82	MWh
b. Electricity consumption (renewable)	39,698.69	MWh
Percentage of renewable energy consumption	62	%
3) ENERGY INTENSITY	13.20	GJ/MT
Total energy consumption	459,517.21	GJ
Total production output	34,812	MT
emissions		
Scope 1 GHG emissions	9,978.91	Tonnes CO ₂ e
Scope 2 GHG emissions	1,765.86	Tonnes CO ₂ e
GHG intensity based on total Scope 1 & 2 GHG emissions	0.34	Tonnes CO ₂ e/MT

2023 DATA

Environmental (cont)

Disclosure	Data	Unit
WATER & EFFLUENTS		
Water withdrawal	775,369.00	m ³
Water intensity	22.27	m³/MT
WASTE		
Waste generated	41,793.84	MT
a. Hazardous	15.00	MT
b. Non-hazardous	41,778.84	MT
Waste diverted from disposal	40,787.06	MT
Hazardous	0.00	MT
Non-hazardous	40,787.06	MT
a. Preparation for reuse	0.00	MT
b. Recycling	1,528.27	MT
c. Other recovery options	39,528.79	MT
Waste directed to disposal	1,006.78	MT
Hazardous - offsite	15.00	MT
Non-hazardous - offsite	991.78	MT
Percentage of waste to landfill	0	%
Total number of non-compliance with environmental laws & regulations	0	Cases
Total amount of monetary fines for non-compliance to environmental laws & regulations	0.00	GBP
CERTIFICATION		
Certified direct soya volume	673	Tonnes
Certified palm oil volume	111.5	Tonnes
Percentage of certified palm and/or palm-based products	100	%

2023 DATA

Social

Disclosure	Data	Unit
EMPLOYEE DATA		
Total number of employees as of Dec 31, 2023	855	Count
a. Number of female employees	322	Count
b. Number of male employees	533	Count
DIVERSITY		
Percentage of women employed in the whole organisation	37.8	%
Percentage of women at top management level	33.33	%
Percentage of women within the organisation's board	16.6	%
Percentage of mean gender pay gap by hourly rate	12.45	%
Percentage of median gender pay gap by hourly rate	1.59	%
Percentage of mean bonus pay gap	38.95	%
Percentage of median bonus pay gap	0	%
TRAINING		
Total training hours	11,637	Hours
Average training hours per employee	15	Hours
HEALTH & SAFETY		
Number of days lost to work-related injuries, fatalities and ill health	8	Days
Number of hours worked	2,093,581	Hours
Number of work-related accidents	5	Cases
Number of work-related fatalities	0	Cases
ETHICS		
Percentage of total workforce trained (e.g. through e-learning) on business ethics issues	80	%
Number of confirmed information security incidents	0	Cases
Number of reports related to whistleblower procedure	0	Cases
CORRUPTION		
Number of confirmed corruption incidents	0	Cases
COMMUNITY CONTRIBUTION		
Number of charities supported in the UK, EU and USA	196	Charities
Number of food portions donated	2,371,340	Portions

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