

Sustainable Sourcing Policy for Finnebrogue Group

INTRODUCTION

At Finnebrogue, doing what's right for people and planet is integral to everything we do. The **Bigger Picture** is our programme to produce food that doesn't cost the Earth. Seeing the Bigger Picture means we are committed to conducting business in ways that respect and preserve the environment, protect human rights, and promote the well-being of all workers in our supply chains. We strive to work with suppliers who share our commitment to ethical conduct, social responsibility, and environmental stewardship.

Finnebrogue cannot be a more sustainable business without working with suppliers who are sustainable themselves, or by supporting suppliers to improve their sustainability performance. As such, this policy guides our sourcing and procurement decisions with a focus on environmental and social responsibility. It sets out the **requirements for sustainable sourcing** and the criteria Finnebrogue use to assess suppliers and their practices, ensuring our products meet customer expectations and comply with all legal requirements. Finnebrogue's Supplier Engagement Team is responsible for implementing and monitoring this policy.

EXPECTATIONS

Finnebrogue has established minimum expectations for all suppliers across ethics and environmental standards. These are detailed in:

- **Annex 1** – Minimum expectations all suppliers must meet.
- **Annex 2** – Future expectations we are working towards collaboratively with our suppliers.

Our broader requirements are set out in the **Finnebrogue Supplier Code of Conduct**. All suppliers must read, understand, adhere to, and sign this document. In addition, suppliers are expected to:

- Comply with all applicable environmental and ethical laws in their country of operation.
 - Ensure their own suppliers comply with relevant environmental and ethical legislation in their jurisdictions.
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ENVIRONMENTAL COMMITMENTS

Finnebrogue is committed to ensure the protection, recovery, and regeneration of the environment that our supply chains operate in. We are actively working with suppliers to improve capability in developing sustainability initiatives, provide carbon training, and integrating environmental footprinting into our new product development (NPD) and carbon management systems to help Finnebrogue achieve net zero by 2040.

Environmental considerations that Finnebrogue's Supplier Engagement team use when selecting suppliers include:

1. **Biodiversity** – Responsible land management that protects and enhances biodiversity, safeguards endangered species, and conserves or restores habitats.
2. **Water Stewardship** – Efficient water management practices that minimise consumption and protect local water resources and ecosystems.
3. **No Deforestation or Land Conversion** – Verified policies and monitoring to ensure forest-risk commodities (e.g., palm oil, soya, timber, cattle products) are deforestation- and conversion-free, with full supply chain transparency.
4. **Low-Impact Production** – Reduced carbon footprint, waste, and pollution through sustainable farming and circular manufacturing methods.
5. **Regenerative Agriculture** – Practices that restore soil health, enhance biodiversity, and capture carbon, such as cover cropping, rewilding, and nutrient runoff prevention.
6. **Low-Carbon Energy** – Measurable actions to reduce greenhouse gas emissions, including transition to renewable or low-carbon energy and reduced reliance on fossil fuels.

Deforestation

As set out in Finnebrogue's **Deforestation and Land Conversion-Free (DCF) Policy for Palm Oil and Forest-Risk Commodities**, and in line with EUDR legislation and customer requirements, Finnebrogue is committed to achieving deforestation- and land-conversion-free (DCF) supply chains. Suppliers of both direct and indirect forest-risk commodities (including palm oil, soya, soya-based animal feed, timber, and cattle-derived products) must:

- Provide evidence and certification verifying deforestation-free status.
- Maintain full traceability for all materials.
- Aim to source from areas that are low-risk for deforestation practices.
- Cease trading with any suppliers found to be engaged in deforestation or illegal land conversion.

More detail on acceptable certification and evidence is located in Finnebrogue's **Deforestation and Land Conversion-Free (DCF) Policy for Palm Oil and Forest-Risk Commodities**.

ETHICAL COMMITMENTS

We recognise that social responsibility is essential for sustainable and equitable supply chains. Finnebrogue's stance on the prevention and mitigation of modern slavery is detailed in our **Modern Slavery Policy**. All suppliers must adhere to its principles.

Ethical Considerations that Finnebrogue's Supplier Engagement team use when selecting suppliers include:

1. **Business Integrity** – High ethical standards, including transparency, honesty, and fair dealings.
2. **Human Rights** – Fair treatment of workers, safe working conditions, and protection from discrimination.
3. **Equity & Inclusion** – Commitment to diversity, inclusivity, and equal opportunities.
4. **No Exploitation** – Zero tolerance for forced labour, child labour, or any form of human rights abuse.

PROHIBITED AND HIGH-RISK AREAS SOURCING

Finnebrogue maintains a regularly reviewed list of prohibited, restricted, and high-risk sourcing countries and regions for the supply of raw materials, to reduce the risk of human rights and environmental violations in the supply chain and to align with customer expectations and requirements. Suppliers are expected to adhere to this list, which clearly outlines locations from which sourcing is not permitted, as well as those where suppliers must provide evidence that appropriate due diligence has been undertaken to mitigate or eliminate identified human rights or environmental risks. Definitions for each category are provided below, alongside tables indicating the countries and regions within each classification.

- **Prohibited countries:** These are countries identified by Finnebrogue or our customers as posing severe human rights concerns, or that are conflict-affected, occupied, or disputed. Sourcing ingredients or sub-ingredients from these countries is strictly prohibited.
- **Restricted countries:** These countries have been flagged by customers as presenting high levels of human rights risk. Sourcing is only permitted if an enhanced due diligence process is completed and the customer's Technical compliance team grants approval.
- **Other High-Risk countries:** These countries have been identified as high risk internally using Finnebrogue's HRDD Risk Assessment Tool (based on WWF data), which evaluates risks related to resource scarcity (food, water, air), labour/human rights, and financial inequality. Sourcing is only permitted if an enhanced due diligence process is complete, and the Supplier Engagement Team grants approval.

Prohibited Countries		
Afghanistan	Iraq	South Sudan
Belarus	Israel - West Bank, Gaza Strip, Golan Heights	Sudan
Central African Republic	Libya	Syria
China - Xinjiang Region	Myanmar	Venezuela
Cuba	North Korea	Western Sahara
Democratic Republic of Congo	Russian federation	Yemen
Iran	Somalia	Zimbabwe

Restricted Countries		
Albania	Haiti	Montenegro
Burundi	Kosovo	Nicaragua
Guinea	Lebanon	Serbia
Guinea-Bissau	Mali	Ukraine

Other High-Risk Countries		
Abeyi (disputed)	Equatorial Guinea	Philippines
Angola	Eritrea	Rwanda
Bahrain	Eswatini	Saudi Arabia
Cambodia	Israel	Togo
Cameroon	Laos	Turkey
Chad	Mozambique	Turkmenistan
China	Oman	Uganda
Congo		

COLLABORATION AND CONTINUOUS IMPROVEMENT

Achieving Finnebrogue's sustainability goals depends on active cooperation from all stakeholders - especially suppliers. To foster this, Finnebrogue commits to:

- Clearly communicating sustainable sourcing expectations to all current and potential suppliers.
- Requiring all suppliers and vendors to acknowledge and adhere to the **Finnebrogue Supplier Code of Conduct**.
- Conducting annual **Supplier Environmental and Social Assessments** (SESA) to monitor ongoing supplier alignment to Finnebrogue expectations.
- Supporting suppliers through guidance and corrective action plans to improve and maintain compliance.
- Encouraging innovation and adoption of sustainability best-practice throughout the supply chain.
- Evaluating new suppliers rigorously through pre-acceptance questionnaires during the New Product Development (NPD) stage, to ensure alignment with Finnebrogue's environmental, social, and safety standards.
- Use results from the SESA score to inform cross departmental supplier scorecards to ensure higher performing supplier are considered as preferential suppliers.

Finnebrogue maintains continuous oversight by monitoring sustainability alignment at the new product development phase and annually thereafter, ensuring all suppliers meet the company's standards and contribute to collective progress toward a more sustainable future.

COMPLIANCE AND REPORTING

Finnebrogue is committed to complying with all relevant laws and regulations regarding sustainable sourcing and procurement. We will be transparent in reporting our progress and challenges in implementing this policy, both to our stakeholders and the public.

By adhering to this Sustainable Sourcing Policy, we aim to play our part in protecting the environment, promoting social well-being, and driving positive change in the food industry. We believe that through conscious sourcing and procurement decisions, we can contribute to a more sustainable and ethical future for all.

This policy will be regularly reviewed and updated to reflect evolving best practices and industry standards in sustainable sourcing.

Signed



Andrew Nethercott
Chief Executive Officer

ANNEX 1

Current Sustainability Expectations
All suppliers have fully calculated annual Scope 1 & 2 carbon emissions and set carbon reduction targets.
All suppliers must be registered on SEDEX.
All suppliers have a Human Rights policy (covering internal and supply chain workers).
All suppliers have an Anti-Modern Slavery Policy (externally published).
All suppliers have an Environmental Monitoring System (monitoring at a minimum waste, energy use, and water consumption).
(For ingredients containing animal products) All suppliers must be on track to achieve deforestation-free livestock feed within their supply chains by the end of 2025
(For suppliers of direct forest risk commodities) All suppliers must have a target to achieve verified or certified deforestation- and conversion-free products and EUDR compliance by 2025
All primary and secondary packaging to be recyclable (minimum at front of store) by 2026.
All plastic components must have a minimum of 30% recycled content (verifiable through HMRC-acceptable plastic origin certification).
Paper and card packaging must be FSC, PEFC, or FLEGT certified.
All suppliers to commit to sharing specifications for all packaging items (required for Extended Producer Responsibility and Plastic Packaging Tax reporting).

ANNEX 2

New Sustainability Expectations
Sustainability Transparency: To share product LCA data and calculated emission factors with Finnebrogue.
All meat suppliers to collect an agreed quantity of farm-level data annually, provided to Finnebrogue, to calculate the environmental impact of raw materials (including carbon emissions and other environmental indicators).
All suppliers to have calculated Scope 3 carbon emissions.

All suppliers to have conducted a Human Rights Risk Assessment within their key supply chains.

All suppliers to have a formal policy to promote and protect biodiversity at farm (primary production) level, with evidence of actions.

All ingredient suppliers to have signed up to WRAP's Food Waste Reduction Roadmap (to reduce food waste intensity by 50% by 2030).

All suppliers have an accessible grievance and whistleblowing mechanisms available for their employees.