



SUSTAINABILITY REPORT 2024

BECAUSE OUR PETS, ENVIRONMENT,
TEAMS, AND SOCIETY MATTER

ppf.

PETS



Foreword from our Chief Executive Officer

To understand the importance of sustainability, we need to start with our purpose. Our corporate purpose is an aspiration, that defines who we are as a company and the reason we come to work every day.

We believe in our people, and we are passionate about pets. Together, we make tomorrow's world a better place to live in, for people and pets.

Our purpose addresses many stakeholders, including pets, pet parents, customers, suppliers, financial institutions, communities, and society at large. Sustainability derives from our purpose and is embedded in our strategy. As a consequence, we have an engaged workforce, very loyal customers and suppliers, supportive communities, and, as a result, healthy financial outcomes.

Without sustainability at our core, we would not see the financial results that we have achieved. At the end of the day, you need highly engaged people who are driven by like-minded values and a common purpose. Having a North Star helps navigate challenging times.

Let me provide some practical examples of how our sustainable business approach benefits us:

- **Employee Engagement:** Our current employees and the new workforce highly value our commitment to sustainability.
- **Customer Requirements:** Today, customer tenders often include sustainability criteria, which we consistently meet.
- **Lender Evaluations:** Lenders continuously assess our sustainability performance, reflecting its importance in their evaluations.
- **Investor Relations:** Our investors have linked their loans to our sustainability achievements, demonstrating their confidence in our sustainable practices.

Sustainability is going through a slightly challenging period, particularly in the US. Yet, this does not change our perspective or our efforts. Our purpose is the foundation of our sustainability, is at the core of our strategy, and supports the delivery of our financial results. You don't change a winning format, which a few others might not have found yet.

Highlights for 2024

The progress we have made in 2024 outlines our commitment to sustainability. While we have not yet achieved all of our targets, we have dedicated significant effort to our work and will continue to strive towards meeting our goals. Just to highlight a few efforts, this year we have:

- Updated several existing policies, including the Environmental Policy, the Equal Opportunities Policy, and the ESG (Environmental, Social, and Governance) Policy. We also introduced new policies, such as the Anti-bribery and Corruption Policy, the Sustainable Procurement Policy, and the IT Security Policy.
- 69% of our direct suppliers (by value coverage) are committed to implementing waste reduction initiatives.
- Introduced a new governance structure to ensure that we will reach our Science Based Targets Initiative (SBTi) validated near-term emission reduction targets.
- Became the first private label pet food manufacturer who placed pet food in mono-material retort pouch packaging on the European market.
- Achieved a company-wide engagement survey score of 66%.
- Delivered 133 community support initiatives which included the donation of ~1500 pallets (50 trucks) of pet food to shelters and various organizations across Europe.

Detailed list of our highlights for 2024 is available on the next page.

Looking forward to 2025

As we embark on the year 2025, our commitment to sustainability remains unwavering. This year, we are prioritizing our preparations for the Corporate Sustainability Reporting Directive (CSRD)ⁱ, the Hungarian ESG Actⁱ, and the Packaging and Packaging Waste Regulation (PPWR). All these regulations represent significant advancements in promoting transparency, and environmental responsibility in corporate practices.

In preparation for the CSRD, we conducted a double materiality assessment (DMA) to determine the environmental, social, and governance (ESG) topics that are material to PPF. Based on the results, in 2025 we will review and update our PETS strategy and targets to focus on the most significant sustainability matters.

We will continue our decarbonization journey to reduce our direct and indirect emissions. As part of this effort, we will also work on enhancing our greenhouse gas (GHG) emissions calculations to ensure more accurate and comprehensive reporting.

Our efforts will also focus on improving employee engagement through various initiatives that foster a positive and inclusive work environment. We aim to educate our colleagues about sustainable practices and the importance of reducing our climate impact. Additionally, we will continue supporting the local communities by collaborating with local governments and organizations.

Conclusion

Our steadfast commitment to sustainability is more than a strategic decision; it is a core element of our identity. This guiding principle shapes our actions and decisions, ensuring we create lasting value for all stakeholders. By integrating sustainability into our operations, we cultivate a culture of responsibility and innovation that propels our success.

As we reflect on our journey towards sustainability, we are proud of the significant achievements we have made. However, we are also aware that there is a long way ahead of us.

Looking ahead, we are excited about the future. We have set ambitious goals and introduced initiatives to enhance our sustainability efforts, and we are confident that with the support of our stakeholders, we can make significant progress.

We extend our heartfelt thanks to our employees, customers, suppliers, and communities for their unwavering support and collaboration. Together, we can continue to make a positive impact and drive meaningful change.

We invite all our stakeholders to join us in this journey. Let us work together to create a sustainable future, where our shared values and common purpose lead the way.

Gerald Kühr,
Chief Executive Officer



2024 HIGHLIGHTS

Performance

69%

Of our suppliers have waste reduction initiatives (value coverage)

- We updated several existing policies, including the Environmental Policy, the Equal Opportunities Policy, and the ESG Policy. We also introduced new policies, such as the Anti-bribery and Corruption Policy, the Sustainable Procurement Policy, and the IT Security Policy.

- Started the preparation for the CSRD. Conducted a DMA.

- Continued the development of our new internal governance, risk, and compliance framework to reflect our growing business. We developed our action plan. Our first group-level risk assessment was carried out, based on the results country-level action plans were developed.

Environment

5%

Reduction of total Scope 1, 2, and 3 GHG emissions compared to our 2021 baseline

- We became the first private label pet food manufacturer who placed pet food in mono-material retort pouch packaging on the European market.

- We introduced a new governance structure to ensure that we will reach our SBTi validated near-term emission reduction targets.

- We began utilizing intermodal transport options and alternative fuels, resulting in over 43,000 kg CO₂e emissions avoided.

Team

66%

Company-wide engagement survey score achieved marking a 3 percentage point increase from 2023

- Over 1000 actions were taken to increase employee engagement since 2020.

- Continued the emotional health and safety training programme to ensure our factory-based employees understand the importance of safety in the workplace.

- Group-level Wellbeing Week was organized at our offices and plants to promote a healthier and more balanced life for our colleagues.

Society

1500

Pallets (50 trucks) of pet food were donated to shelters and various organizations across Europe to support animal welfare

- Delivered 133 community support initiatives, which is a 5.5% increase compared to last year.

- Started to establish the framework of our cooperation with Greater Good Charities and donated 30 000 EUR for charity programs to be organized within PPF countries in the course of 2025.

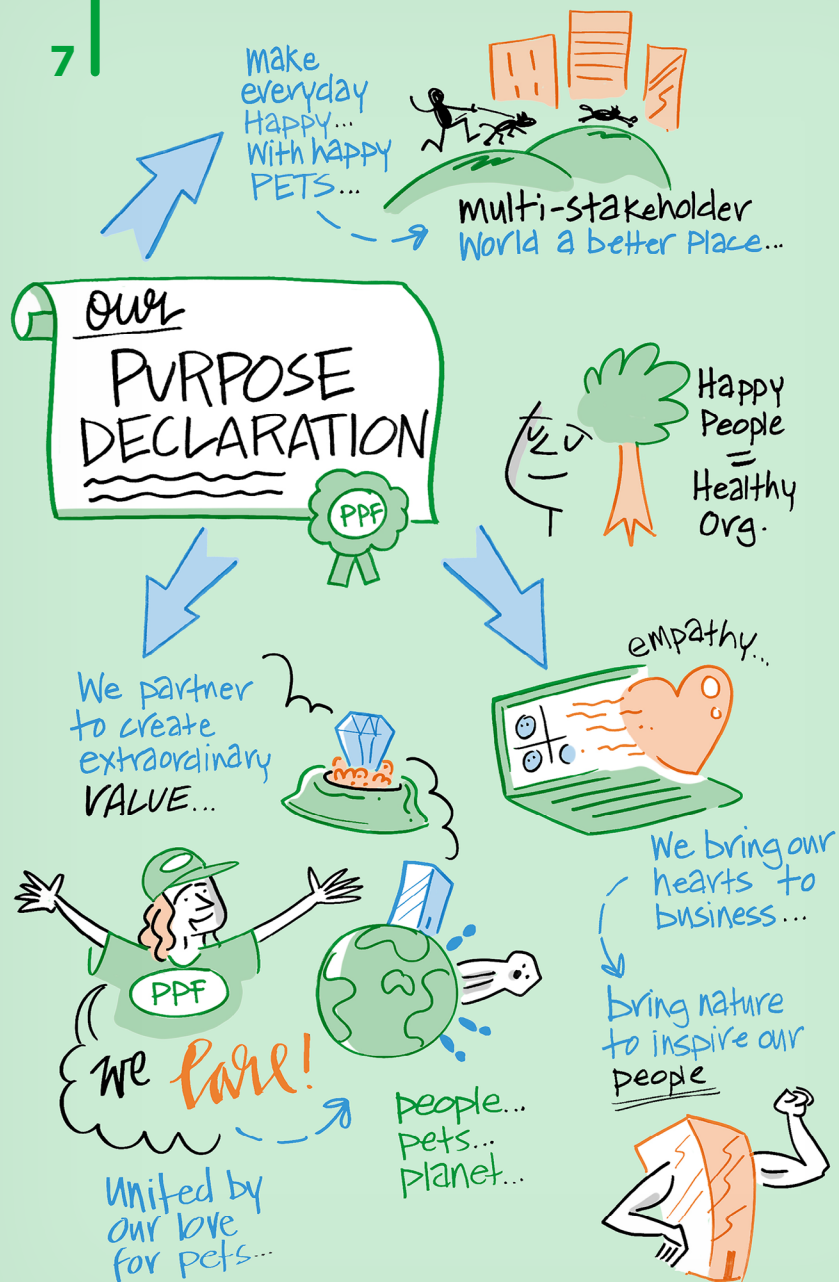
- Supported employees to volunteer at animal shelters, charities, kindergartens, and schools in several countries and locations where PPF operates.

A photograph of two dogs sitting on grass under a large tree. On the left is a brown, curly-haired dog, possibly a Poodle, looking upwards. On the right is a white, curly-haired dog, possibly a Shih Tzu, also looking upwards. The background is a soft-focus green landscape.

ABOUT

ppf.

PARTNER
IN PET FOOD



Our purpose journey

In 2023, with the involvement of nearly 200 colleagues representing all parts of the company, we defined our corporate purpose statement and declaration.

Our ambition is to work in an inclusive, highly collaborative culture where all employees feel empowered to grow and thrive. We are committed to creating an environment where our people feel a genuine sense of belonging. We firmly believe that shared values and clarity of our purpose helps us to successfully progress against this ambition. We are focused on embedding our purpose throughout the business, so that it reflects who we are and where we are headed. To support this and bring our purpose to life, our Purpose Ambassador Team was established to lay the foundations of a purposeful company culture.

Personal purpose sessions were available to the leadership team and to the ambassador team in order to provide support to find their own personal purpose and the connection between that and our corporate purpose. After these, we also had team purpose sessions to strengthen team identity and the team's connection to our corporate purpose, while the PPF values workshop is constantly available for all office-based colleagues to enhance common understanding of our values. We want

to ensure we establish a sense of belonging by our shared purpose and values, helping us to motivate and encourage everyone at PPF to collaborate and engage.

Purpose statement

We believe in our people, and we are passionate about pets. Together, we make tomorrow's world a better place to live in, for people and pets.

Purpose declaration

We, as PPF, are passionate about pets, and we partner with our people, pet parents, customers, and suppliers in caring for every aspect of pets' lives.

We believe in the power of trust and respect, and we bring our passion to our business. We believe in the power of innovation; we see mistakes as learning opportunities. We believe in our people and inspire them to contribute, embrace diversity, and freedom to act. We care because today we make tomorrow's world a better place to live in for people and pets, contributing to the wellbeing of our communities and planet.

Our purpose, mission, and values

ppf.

Purpose.

We believe in our people, and we are passionate about pets.

Together, we make tomorrow's world a better place to live in, for people and pets.



Teamwork.



Sense of Ownership.



Results Driven.



Entrepreneurial Spirit.



Continuous Improvement.

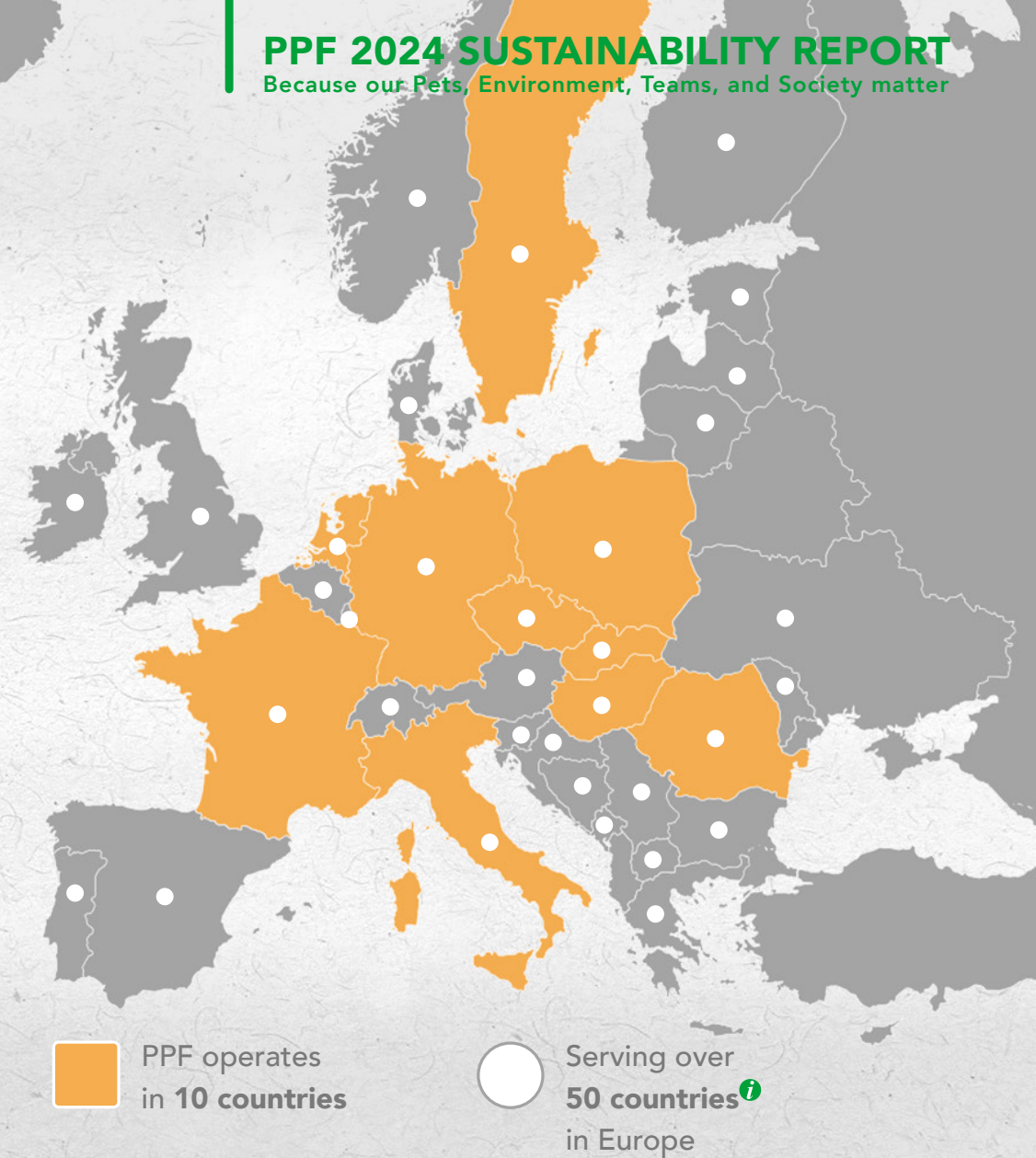
Mission.

To provide our customers, pet parents and their pets, and our passionate team with the best experience so that they choose PPF and stay with us.

Our business

PPF is one of Europe's largest private-label pet food producers, with a unique product offering. PPF is the only pet food producer in Europe offering all product categories across every quality and price tier, in both Retail and own Brands, for all distribution channels. We are relentless in developing and improving our systems and standards to ensure the highest quality and product safety throughout our entire value chain. Our high customer service standards, category management expertise, ability to supply large volumes, superior price to quality ratio, and product development are our key differentiators. In 2024, we produced c.716,000 tonnes of pet food and reported sales of approximately €785 million. PPF operates across 10 countries and distributes products to more than 400 customers, including major grocery retailer, supermarkets, specialist pet shops, and veterinarians across more than 50 countriesⁱ.

With 12 factories and 8 distribution centres across Europe, we are the only private-label pet food market operator with an integrated pan-European production network. This allows us to deliver products quickly and efficiently to our customers. At the end of 2024, we had 2,464 colleagues working across our business. Expanding further into premium products and ranges and allocating additional, dedicated resources to customer teams across our markets are key areas of focus to advance our customer offering.



Our product offering

Our pet parents feel that choosing the right food is one of the most important parts of pet ownership. To meet their evolving needs, we have developed an extensive variety of pouch, can, tetra, snack, and dry food products that range from premium to economy, and from single serve to multi-serve. We also have special ranges for pets with particular needs, including food for junior and senior animals, and pets with special requirements.



WET

DRY

SNACK

Can

Wet, multi-serve, or single-serve products that are offered in various sizes and price points to cover a wide range of pet parent needs and preferences. These products are made for a complete and balanced diet.



Pouch

Wet, single-serve products that are offered for convenience and high quality to pet parents. These products are made for a complete and balanced diet.



Tetrapack

Wet, multi-serve products that cover various types of technologies, including chunks and pate. These products are made for a complete and balanced diet.



Alucup

Wet, single-serve products that are provided for convenience. These products are made for a complete and balanced diet.



Dry

Kibble, multi-serve products that are offered in various sizes and quality points to cover the entire range of pet parent needs. These products are made for a complete and balanced diet.



Snacks

Snacks and treat products that contribute to strengthening the connection between the pet and the owner. They can be functional like the dental sticks or treats for indulgence. These are complementary products.



Novelty in can category

Single serve mini cans

We've officially launched the production of 85g mini can pet food products in 2024. This milestone reflects our commitment to responding to the growing market demand for single-serving wet pet food.

This new product category, manufactured in our Białystok factory in Poland, emphasizes convenience and downsizing trends—key drivers of the expanding mini-can market. These single-serve solutions not only enhance portion control, but also address the industry's need for alternative packaging amid pouch capacity limitations. With environmental protection in mind, we packed our products in aluminium cans, which are 100% recyclable. This ensures they can continuously remain part of the recycling cycle.

We're excited to deliver more options that pet owners love while expanding our reach in the premium segment.



Our Brands | Available at Pet Stores

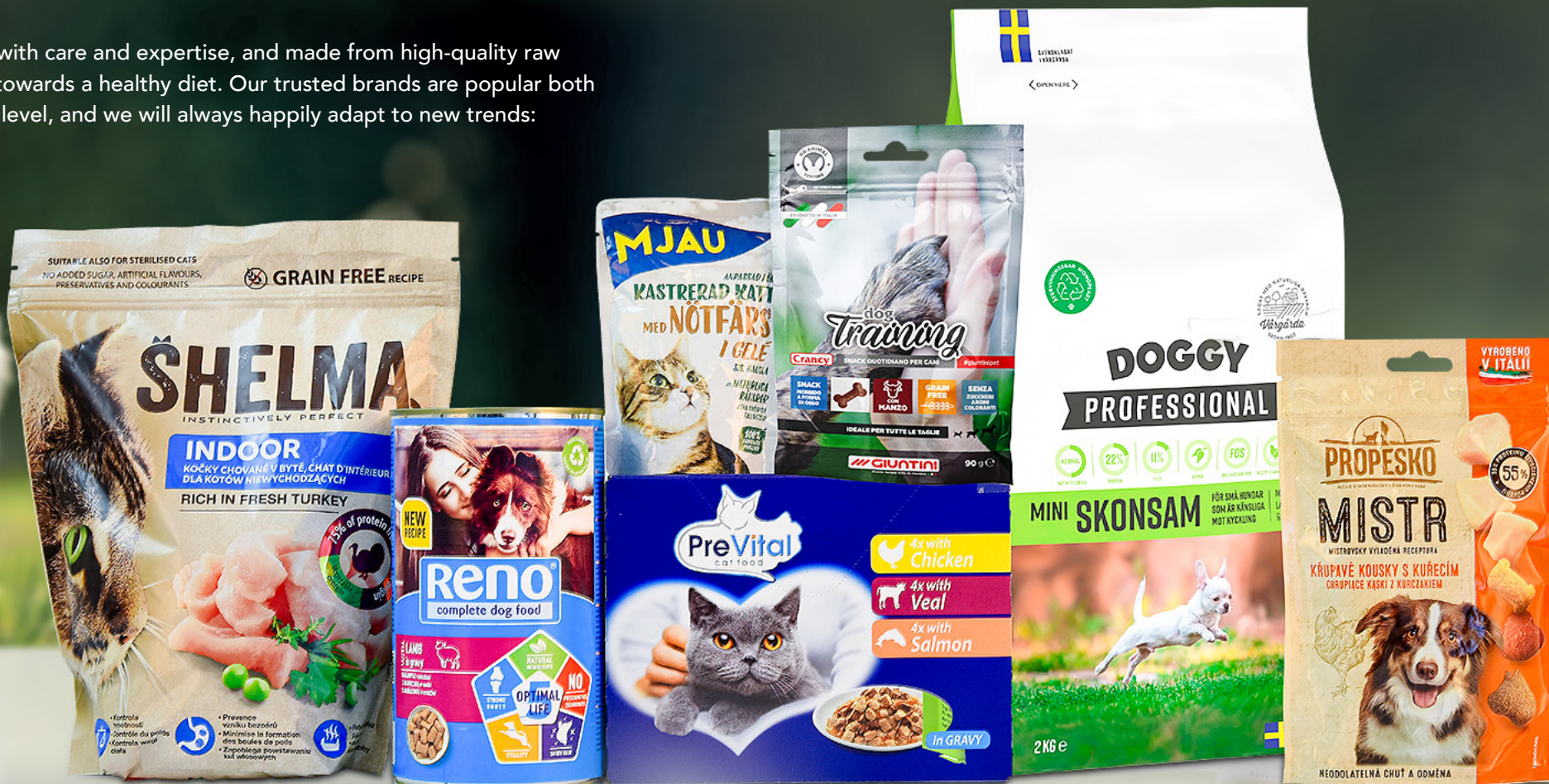
PPF offers food, produced with care and expertise, and made from high-quality raw materials, that contributes towards a healthy diet. Our trusted brands are popular both on a local and international level, and we will always happily adapt to new trends:



Our Brands

Available at
Retail Stores

PPF offers food, produced with care and expertise, and made from high-quality raw materials, that contributes towards a healthy diet. Our trusted brands are popular both on a local and international level, and we will always happily adapt to new trends:





OUR PETS STRATEGY

Our sustainability strategy

The launch of our PETS strategy was a major milestone for our sustainability ambitions. The strategy covers our four key pillars: Performance, Environment, Team, and Society. Each pillar has its own strategic focus areas that correspond with the topics that are most material to our business and stakeholders. See [page 17](#) for our list of targets that underpin each strategic focus area.

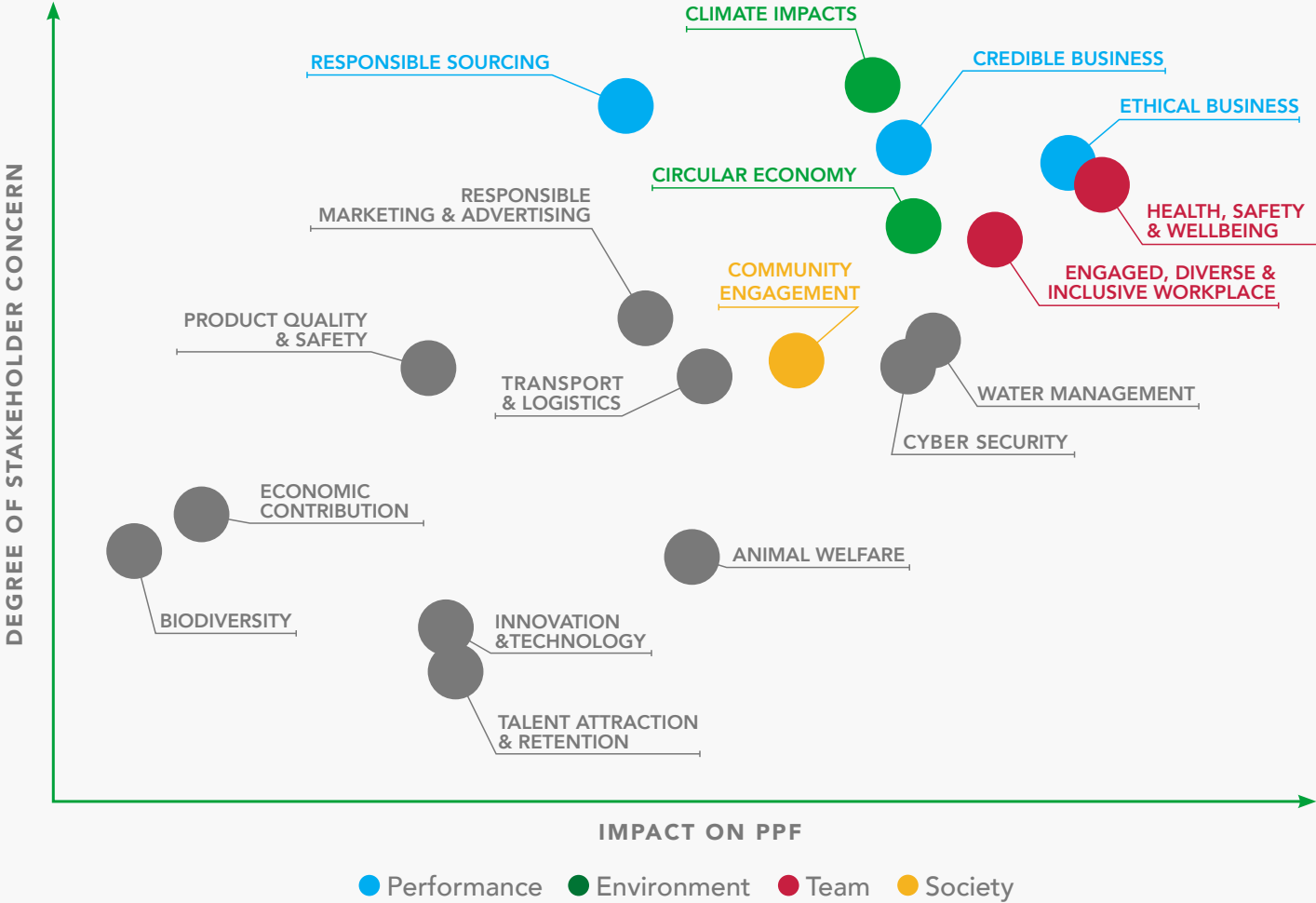
This strategy was valid during the reporting period (2024 FY) of this Sustainability Report.

Our materiality assessment

Our PETS strategy was informed by our first materiality assessment, conducted in 2022, to ensure that we focus on the sustainability topics most critical to our business. The materiality assessment was conducted according to GRI and used inputs from external and internal stakeholders, as well as key external resources. The assessment was supported by global sustainability consultancy Environmental Resources Management (ERM).



The first step in our materiality assessment was to develop a list of topics using desk-based research that incorporated peer reviews, industry association materials, sustainability trends, and publicly available materiality assessment resources. Once the list of topics was completed, we held a series of internal and external stakeholder engagements to validate and prioritize the topics. For internal stakeholders, we conducted surveys with our employees and leadership team. For external stakeholders, we conducted a customer and supplier survey, as well as interviews with customers and members of the financial community. The final assessment shows our material sustainability topics against their potential impact on PPF and the degree of stakeholder concern. This matrix is a simplified version of our final matrix that incorporates views from nearly 700 stakeholders and was presented to our Sustainability Steering Committee (further details on [page 20](#)) for validation in 2022.



PPF’s materiality matrix which details our material sustainability issues, measuring them against their potential impact on PPF (x-axis) and the degree of stakeholder concern (y-axis).



Strategy overview

In alignment with the results of our materiality assessment, we developed our PETS strategy with core targets and clear action pathways to create a positive impact across our business, society, and the environment. This year, we have connected our PETS strategy to relevant United Nations Sustainable Development Goals (SDGs) Targets which represent a universal action plan for the long-term prosperity of the planet and society. Our strategy is intended to support the protection of the environment and society, manage our impacts in the supply chain, and demonstrate our appetite for sustainability progress. As we reach individual targets, we plan to review and update them to assess how we can elevate our ambition. The targets and commitments were developed with the support of our topic leaders and were approved by our Executive Committee.

Meaning of symbols¹:













Completed



On-going

PPF 2024 SUSTAINABILITY REPORT

Because our Pets, Environment, Teams, and Society matter

PILLAR	STRATEGIC FOCUS AREA	UN SDG TARGETS	TARGETS & COMMITMENTS	STATUS
PERFORMANCE	ETHICAL BUSINESS		We are committed to zero tolerance towards bribery, corruption, and anti-competitive behavior: ▶ 100% of our permanent office-based and factory-based employees completing anti-bribery and anti-corruption training annually. ▶ 100% of our new employees receiving anti-bribery and anti-corruption training on day 1.	81% ➔
	CREDIBLE BUSINESS		We are committed to: ▶ Being fully transparent with all of our stakeholders across PPF, by providing annual quantitative updates on our progress towards our ESG ambitions and targets. ▶ Deploying and cascading adequate and relevant actions stemming from the industry recognised GRC framework, notably within the field of internal control assessment and compliance monitoring systems over the course of 2024 and 2025.	✓ ➔
	RESPONSIBLE SOURCING	 	We are committed to: ▶ Reaching 90% direct supplier acceptance of our Sustainable Sourcing Policy by the end of 2024. ▶ Educating our suppliers on Sustainability, to reach at least 50% (value coverage) of our direct suppliers having waste reduction initiatives by the end of 2024.	89% 69%
ENVIRONMENT	CLIMATE IMPACTS		▶ We are committed to decreasing our Scope 1, 2, and 3 GHG emissions by 42% by the end of 2030 on a 2021 baseline in accordance with our SBTi validated near-term emission reduction target.	5%
	CIRCULAR ECONOMY		▶ Ensuring 100% of our dry portfolio's own sourced packaging material is recyclable by the end of 2024. ▶ Initiating development projects for all externally sourced packaging materials that are not recyclable by the end of 2025. ▶ Ensuring 100% of our pouch packaging is recyclable or made from recycled materials by the end of 2030. ▶ Reducing operational food waste by 30% by the end of 2025 and 50% by the end of 2027 against a 2021 baseline.	60% ➔ ➔ 11%
TEAM	ENGAGED, DIVERSE, AND INCLUSIVE WORKPLACE	 	We are committed to ensuring that our employees can be themselves in the workplace, free from bias or discrimination: ▶ Reaching employee engagement levels of 75% by the end of 2025. ▶ Reaching a minimum of 40% female representation within our leadership team by the end of 2030.	66% 23%
	HEALTH, SAFETY, AND WELLBEING		We are committed to ensuring our people feel safe, healthy, and supported within the workplace by: ▶ Having zero fatalities. ▶ Strengthening our zero accidents culture and aiming for zero injuries. ▶ Keeping our operations employee absence rate below 7%.	✓ ✓ 7.4%
SOCIETY	COMMUNITY ENGAGEMENT		We are committed to: ▶ Implementing local community support initiatives across 100% of our factories in accordance with our Community Support Policy. ▶ Cooperating at Group level with an international charity by the end of 2024. ▶ Establishing a fund to support people and pets around us by the end of 2025.	✓ ✓ ➔



Preparing for CSRDⁱ

In 2024, PPF took several steps towards preparing to meet the new requirements outlined in the Corporate Sustainability Reporting Directive (CSRD).

One of the requirements of CSRDⁱ is to conduct a double materiality assessment (DMA) to determine the environmental, social, and governance topics that are material to PPF and therefore should be included in the sustainability reporting. We completed the assessment with the support of Environmental Resources Management (ERM). See [pages 79-80](#) for detailed information regarding the DMA.

Based on the results of the DMA, in 2025 we will review and update our PETS strategy to focus on the most significant sustainability matters. Details on our updated strategy will be available in our next Sustainability Report.

In 2025, the European Commission introduced a new package of proposals, known as the Sustainability Simplification Omnibus Package, aimed at reducing the regulatory burden for companies. As a result, PPF's reporting requirements were postponed by two years. Therefore, we will publish our first CSRD-aligned report in 2028.

GOVERNANCE



Governance

PPF’s Executive Committee, led by our Chief Executive Officer (CEO) Gerald Kühr, is responsible for progress against our business objectives and performance. Delivery against our objectives is overseen by the Board of Directors.

In 2024, there was major change in our shareholder structure. PPF’s majority stakes were transferred to CVC Capital Partners – however minority share still belongs to Cinven – therefore the composition of our

Board changed for the last quarter of 2024. Now it is made up of one executive and seven non-executive directors versus the previous three executive and five non-executive directors.

Our Head of Sustainability, Márta Zincsenko-Záhorszki, plays a pivotal role in developing our sustainability strategy and coordinating our business practices related to sustainability. This includes tracking our sustainability targets and delivering our annual

Sustainability Report. The Head of Sustainability reports directly to our CEO, who holds overall responsibility for the progress of our sustainability strategy.

In addition to bi-weekly progress updates with the CEO, the Head of Sustainability provides formal updates to our Sustainability Steering Committee, which oversees progress against our PETS strategy. The Committee, comprising five internal and four external members, meets twice a year.

Members of our Governance Bodiesⁱ

SUSTAINABILITY STEERING COMMITTEE
Gerald Kühr, Chief Executive Officer, PPF (M)
Stéphane Re, Chief Financial Officer, PPF (M)
Torsten Jacobs, Chief Operations Officer, PPF (M)
Marieke Hoorneman, Chief People Officer, PPF (F)
Márta Zincsenko-Záhorszki, Head of Sustainability, PPF (F)
Xavier Belison, Chairman of the Board, PPF (M)
Marco Bartholdy, Sustainability Director, CVC (M)
Jenny Wassenaar, Chief Sustainability Officer, Trivium (F)
James Bone, Partner, ERM (M)

BOARD OF DIRECTORS
Caroline Georgen, CVC (F)
Carmen André, CVC (F)
Guido Zanchi, CVC (M)
Jakub Canda, CVC (M)
Matteo Corà, Cinven (M)
Dominic Robinson, Cinven (M)
Xavier Belison, Chairman of the Board (M)
Gerald Kühr, PPF (M)

INTRODUCTION TO PERFORMANCE



"Ensuring business resilience and ethical operations builds trust, loyalty, and sustainability, while mitigating risks and fostering innovation. This approach benefits all stakeholders, contributing positively to society and enhancing long-term success."

Stéphane Re, Chief Financial Officer



PERFORMANCE

Ensuring that our business is resilient and operates according to principles that benefit all of our stakeholders.

ETHICAL BUSINESS

Ensuring strong internal governance processes are in place and upheld as a foundation for ethical business practices and to protect the integrity of our business.

We are committed to zero tolerance policies towards bribery, corruption and anti-competitive behaviour:

- 100% of our permanent office-based and factory-based employees completing anti-bribery and anti-corruption training annually.
- 100% of our new employees receiving anti-bribery and anti-corruption training on day one.

CREDIBLE BUSINESS

Transparently and regularly communicating our sustainability activities and progress to our key internal and external stakeholders and considering ESG within our risk framework.

We are committed to:

- Being fully transparent with all of our stakeholders across PPF, by providing annual quantitative updates on our progress towards our ESG ambitions and targets.
- Deploying and cascading adequate and relevant actions stemming from the industry-recognized GRC framework, notably within the field of Internal Control Assessment & Compliance monitoring systems in the course of 2024 and 2025.

RESPONSIBLE SOURCING

Establishing and implementing policies to support socially and environmentally responsible sourcing, to ensure compliance with regulation and our standards within our entire supply chain.

We are committed to:

- Reaching **90% direct supplier acceptanceⁱ** of our Sustainable Sourcing Policy by the end of 2024
- Educating our suppliers on Sustainability, to reach at least **50% (value coverage) of our direct suppliersⁱ** having waste reduction initiatives by the end of 2024.

2024 HIGHLIGHTS

Ensuring that our business is resilient and operates according to principles that benefit all our stakeholders.

We updated several existing policies, including the Environmental Policy, the Equal Opportunities Policy, and the ESG Policy. We also introduced new policies, such as the Anti-bribery and Corruption Policy, the Sustainable Procurement Policy, and the IT Security Policy.

Started the preparation for the CSRD. Conducted a DMA.

69% of our direct suppliers have waste reduction initiatives (value coverage).

Continued the development of our new internal governance, risk, and compliance framework to reflect our growing business. Our first group-level risk assessment was carried out, based on the results, country-level action plans were developed.

Our Executive Committee holds overall responsibility for ensuring we uphold our policies, while the Human Resources (HR) and Legal teams oversee their implementation. To maintain high standards, we are committed to zero tolerance towards bribery, corruption, and anti-competitive behaviour:

- ## Policies

Our ethical business performance is guided by our Group ESG Policy, introduced in 2020, which addresses topics such as anti-bribery, anti-corruption, anti-competitive behaviour, anti-discrimination, freedom of association and right to collective bargaining, whistleblowing, and human rights. The ESG Policy was updated this year to ensure its compliance with the latest legal requirements, stakeholder expectations, and industry standards.

In 2024, we reviewed and refreshed several other policies to strengthen our commitments, including the Environmental Policy, the Equal Opportunities Policy, and the Modern Slavery Policy. We also introduced new policies, such as the Supplier Code of Conduct and Sustainable Sourcing Policy, the Anti-bribery and Corruption Policy, the Sustainable Procurement Policy, and the IT Security Policy. The list of relevant policies is available on the next page.

ETHICAL BUSINESS

OUR POLICIES TOWARDS SECURING THE RIGHT ETHICAL STANDARDS

POLICY NAME	SCOPE	SUMMARY	KEY ISSUES COVERED	PUBLISH DATE	DATE OF LAST UPDATE
Supplier Code of Conduct and Sustainable Sourcing Policy	Direct suppliers of PPF Group	The Policy includes PPF’s sustainability requirements which all our suppliers need to meet to be able to do business with us.	<ul style="list-style-type: none">• Human rights• Ethical business• GHG emissions• Packaging	23 Dec 2022	20 Dec 2024
Sustainable Procurement Policy	All PPF companies and employees, contractors, etc.	The Policy establishes our commitment to fair and safe labor practices, ethical sourcing, and responsible supply chain management, it outlines the measures and objectives that PPF commits to ensure supplier compliance, assessment, and diversity.	<ul style="list-style-type: none">• Ethical business• Responsible sourcing	1 Nov 2024	–
Anti-bribery and Corruption Policy	All PPF companies and employees, contractors, etc.	The Policy sets out the requirements and standards of lawful and ethical business practices.	<ul style="list-style-type: none">• Ethical business	1 Nov 2024	–
Environmental, Social and Corporate Governance (ESG) Policy	All PPF companies and employees, contractors, etc.	The Policy establishes the ethical norms and compliance requirements, standards, and protocols considered to be essential to successful and compliant operations, both within and outside PPF companies.	<ul style="list-style-type: none">• Ethical business• Employment practices• Human rights• Community support	1 Sep 2020	1 Nov 2024
Environmental Policy	All PPF companies and employees, contractors, etc.	The Policy aims to improve and develop our business in order to have a less negative impact on the local and global environment and build a more sustainable world for people and pets.	<ul style="list-style-type: none">• Climate impacts• GHG emissions• Circular economy• Packaging	1 June 2023	1 Nov 2024
IT Security Policy	All employees, contractors who have access to PPF’s IT systems and data	The Policy aims to protect PPF’s IT assets, data, and resources while ensuring compliance with legal regulations.	<ul style="list-style-type: none">• IT security• Ethical business	21 Nov 2024	–
Whistleblowing Policy	All PPF companies and employees, contractors, etc.	The Policy sets out the ethical norms and procedures, standards, and protocols for raising concern about suspected wrongdoing or immoral, unethical behaviour.	<ul style="list-style-type: none">• Ethical business	1 Apr 2019	1 Nov 2024

ETHICAL BUSINESS

OUR POLICIES TOWARDS SECURING THE RIGHT ETHICAL STANDARDS

POLICY NAME	SCOPE	SUMMARY	KEY ISSUES COVERED	PUBLISH DATE	DATE OF LAST UPDATE
Code of Business Conduct	All PPF companies and employees, contractors, etc.	The Code establishes and prescribes generally acceptable behaviors at PPF.	<ul style="list-style-type: none">Ethical business	1 Nov 2022	30 Nov 2024
Labor and Human Rights Policy	All PPF companies and employees, contractors, etc.	The Policy represents PPF's commitment to creating a safe, diverse and empowering working environment for all our team members to thrive in the long term.	<ul style="list-style-type: none">Employment practicesHuman rights	1 Nov 2024	–
Equal Opportunities Policy	All PPF companies and employees, contractors, etc.	The Policy sets out the principles and standards considered essential to ensure the highest possible level of equal opportunities and to prevent any form of discrimination in employment relations and selection processes.	<ul style="list-style-type: none">Employment practicesHuman rights	15 Jul 2023	1 Nov 2024
Modern Slavery Policy	All PPF companies and employees, contractors, etc.	The Policy represents PPF's commitment to acting ethically and with integrity in all our business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.	<ul style="list-style-type: none">Employment practicesHuman rights	15 Jul 2023	30 Sep 2024
Community Support Policy	All PPF companies and employees, contractors, etc.	The Policy outlines the different ways in which PPF supports the people and pets in our value chain and the communities around us.	<ul style="list-style-type: none">Community support	1 Jun 2023	1 Mar 2024
Quality Policy	All PPF companies and employees, contractors, etc.	The Policy alongside our company values aim to foster a culture of excellence and continuous improvement.	<ul style="list-style-type: none">Quality	10 Jan 2016	1 Feb 2025
Data Protection Policy	All PPF companies and employees, contractors, etc.	The Policy aims to ensure the lawful and proper treatment of personal data.	<ul style="list-style-type: none">Data protection	1 Aug 2018	1 May 2023

Ethical business

Whistleblowing

At PPF, we are highly committed to conducting our business with honesty and integrity. We guide and expect all employees and suppliers to maintain high standards in accordance with our policies and procedures. However, all organization faces the potential risk of possible wrongdoing and misconduct from time to time, or of unknowingly harboring illegal or unethical conduct. We believe that a culture of openness and accountability is essential in order to prevent such situations from occurring, or should they occur, to address them appropriately. Our whistleblowing processes were designed to provide an internal mechanism for reporting, investigating, and remedying any wrongdoing within the organization. Our approach to whistleblowing is outlined in our Whistleblowing Policy.

Employees or any person can report concerns about suspected wrongdoing or unethical behavior. There are three main ways a whistleblower can proceed with reporting an incident:

1. Verbally to their line manager via a physical box (part of the current **idea box system**ⁱ for confidentiality),
2. Via e-mail at compliance@ppfeurope.com,

3. Via the whistleblowing reporting system on the www.ppfeurope.com webpage.

PPF is dedicated to protecting the identity of whistleblowers and maintaining the confidentiality of their reports. We are also committed to ensuring that individuals are not disadvantaged in any way for raising concerns about suspected reportable behavior, particularly through discrimination, harassment, dismissal, or loss of benefits. All investigations will be conducted sensitively, and as fast as possible. PPF aims to keep the reporting person informed of the investigation's progress and its likely timescale (if the report is not anonymous). In 2024, PPF had no significant instances of non-compliance with our policies or any relevant laws and regulations.

Collective bargaining

We fully support our employees' right to form and join groups that represent their interests, ensuring there are no negative consequences or retaliation. In Sweden and Italy, collective bargaining agreements are in place, covering all our colleagues in these countries. As a result, in 2024, 15% of our total workforce was covered by a collective bargaining agreement.

Ethical business

Training programmes

To uphold our commitment to ethical business practices, we are continuously enhancing our anti-bribery and anti-corruption training program. All permanent office and factory employees are required to complete this training annually.

Our office-based employees can complete the anti-bribery and anti-corruption training via our online e-learning platform, while our factory-based employees receive the training through videos managed by our local HR representatives. The videos explain the relevance of anti-bribery and anti-corruption measures and include real-life examples to enhance understanding. We use two different approaches to deliver the training to ensure the broadest possible reach, considering the target audience and the availability of equipment.

In 2024, 81% of our employees completed the mandatory anti-bribery and anti-corruption training, which is available in ten languages. Although we fell short of our 100% target, this was primarily due to changes in internal policies and processes, as well as challenges in delivering the training to factory-based employees on their first day. To improve completion rates moving forward, we plan to standardize the onboarding process across all our plants.

Additionally, we have a mandatory sustainability training program for our office-based employees. This program, available in eight languages, introduces our approach to sustainability and our PETS strategy. We also offer several non-mandatory sustainability training programs for our office-based colleagues, covering topics such as the circular economy and waste, climate impacts and energy management, responsible sourcing, and diversity and inclusion. These programs are available only in English. For our factory-based colleagues, we created a video that introduces them to sustainability and explains its importance. This video can be watched alongside their anti-bribery and anti-corruption training and is available in local languages.

Looking forward

In 2025, we plan to launch a new training program focused on anti-competitive practices and implement a competitor interaction guideline for key employees. Our onboarding process for our office-based and factory-based employees will also be synchronized, ensuring that mandatory training is a key part of the first days to secure ethical business practices. We will also continue educating our colleagues about various sustainability topics. We will launch a webinar series focusing on the UN Sustainable Development Goals (UN SDGs) and PPF's role in advancing them.

Credible business



Our PETS strategy outlines a clear ambition to drive positive impact across our key sustainability topics. We measure performance against our targets and are taking steps to embed this strategy throughout the business. To credibly demonstrate our sustainability performance, we are committed to regular and transparent communication with all our stakeholders. We are also focused on developing our internal governance, risk, and compliance framework to reflect our growing business. To hold ourselves accountable to these ambitions, we are committed to:

- Being fully transparent with all of our stakeholders across PPF by providing annual quantitative updates on our progress towards our ESG ambitions and targets.
- Deploying and cascading adequate and relevant actions stemming from the industry-recognized GRC framework, notably within the field of Internal Control Assessment & Compliance monitoring systems in the course of 2024 and 2025.

Governance, risk, and compliance framework

This year, we continued the development of our governance, risk, and compliance framework to promote a culture of

integrity, ensure regulatory compliance, and effectively manage risks. The framework uses a digitalized questionnaire for self-assessment with a simplified rating approach, reflected in a 4-level scale, enabling a fair and consistent evaluation of each market's operational risk exposure. It covers 17 key themes, including regulatory affairs, human resources management, finance, information systems and technology, as well as health, safety, and environmental practices. Our first group-level risk assessment mapped all risks and controls for all 17 themes and for each market allowing us to define a prioritization plan. Based on the results of the assessment, action plans are being developed for each market prioritizing exposure with a high likelihood of risk occurrence and high financial impact.

Audits and certificates

Audits and certificates are crucial for PPF as they ensure compliance with safety and quality standards, protecting both pets and their owners. They help build consumer trust by demonstrating that our products meet regulatory requirements and industry best practices. Additionally, these certifications can enhance our reputation and marketability.

Credible business

EcoVadis



EcoVadis is a globally recognized assessment platform that evaluates business performance in four categories: environment, labor and human rights, ethics, and sustainable procurement. Companies receive a score out of 100 in each category, reflecting the quality of their sustainability management systems at the time of assessment. In 2023, we completed our assessment and earned our first bronze medal, placing PPF in the top 50% of companies rated by EcoVadis.

In 2024, we thoroughly analyzed our results and worked closely with colleagues from various departments, along with an Ecovadis certified consultant, to pinpoint actions and create a robust improvement plan. The company's management

has committed to dedicating sufficient time and energy to this plan to ensure optimal outcomes. As a result, we were not assessed in 2024.

Looking forward

Based on the risk heat map that was developed this year, in 2025 we will implement new controls in areas with the highest risk scores and in areas where controls have not previously met satisfactory levels. We will appoint responsible persons and set deadlines for the implementation and the development of these controls.

Next year we also plan to complete the EcoVadis assessment with the aim of seeing our scores increase.

Responsible sourcing

As a leading private-label pet food manufacturer, we are committed to upholding the highest standards of ethical and responsible sourcing throughout our supply chain. To support this commitment, we have established comprehensive sourcing policies and compliance tools that guide our procurement activities. Our primary directly sourced materials include packaging and raw ingredients, which are predominantly procured from suppliers within Europe.

In line with our sustainability objectives and regulatory compliance obligations, we remain dedicated to promoting socially and environmentally responsible sourcing practices across our entire supply chain. To achieve these goals, we are committed to:

- Reaching **90% direct supplier acceptanceⁱ** of our Supplier Code of Conduct and Sustainable Sourcing Policy by the end of 2024.
- Educating our suppliers on Sustainability, to reach at least **50% (value coverage) of our direct suppliersⁱ** having waste reduction initiatives by the end of 2024.

We are actively engaging with and assessing our direct material suppliers, evaluating their capabilities across environmental and social topics. This approach will help us support our suppliers in improving their sustainability practices, such as reducing greenhouse gas (GHG) emissions and maximizing the use of renewable energy sources.

Supplier code of conduct and sustainable sourcing policy

In 2024, we updated our Supplier Code of Conduct and Sustainable Sourcing Policy to ensure continued alignment with evolving stakeholder expectations and industry best practices. By the end of the reporting period, we successfully secured acceptance of the policy from 89% of our direct suppliers by value coverage, representing an 11 percentage point improvement compared to the previous year. While this result falls slightly short of our 90% target, we remain confident that this objective will be achieved in the upcoming period. On top of direct suppliers, we engaged the top 20 transport and warehousing suppliers to accept the Code.



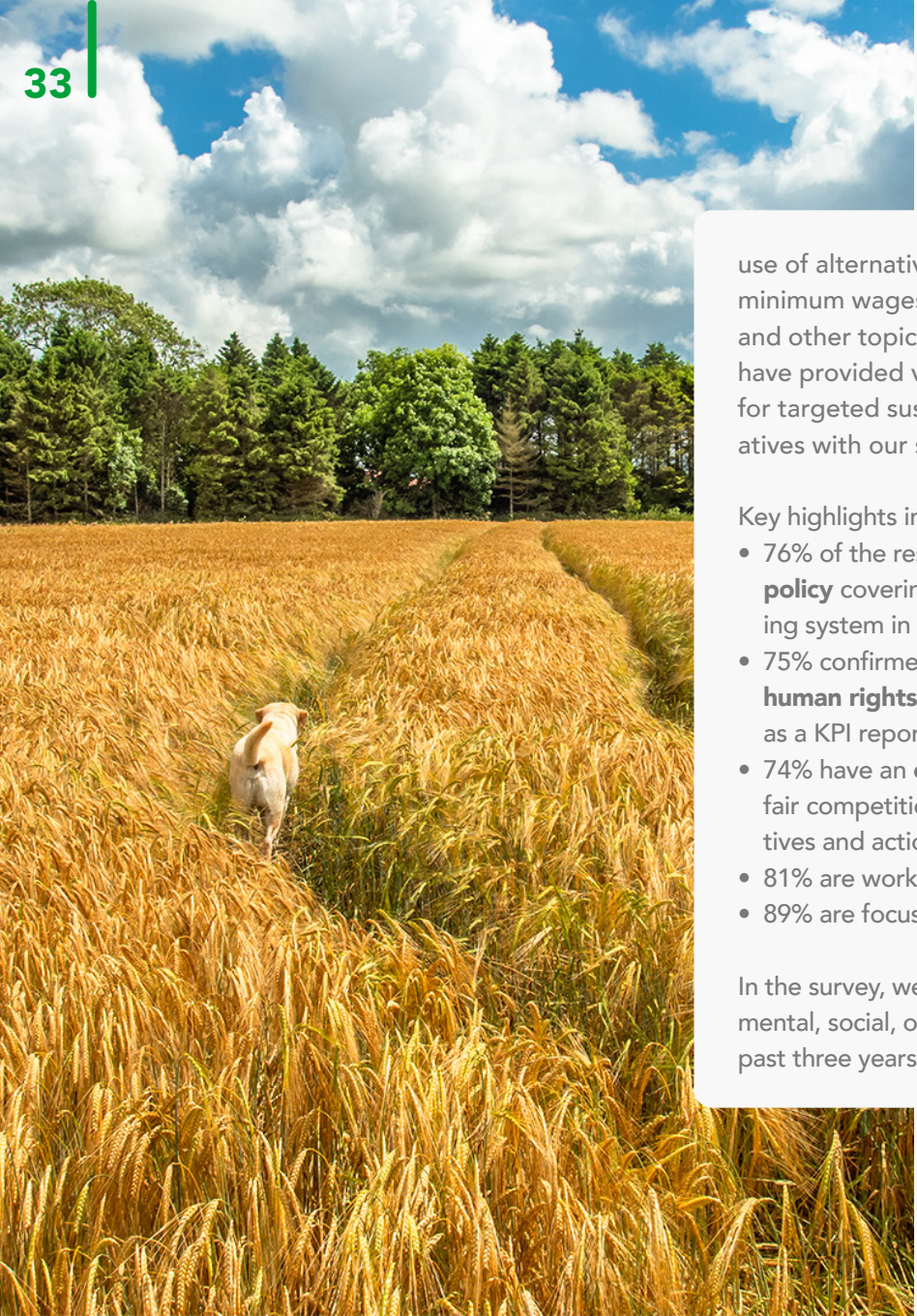
Responsible sourcing

We continue to collaborate closely with our supplier network to advance their maturity in sustainability topics, with a focus on both environmental and social performance. As part of this effort, we hold regular discussions with suppliers to encourage alignment with the key principles of our PETS strategy. These initiatives have yielded significant progress, with 69% of our direct suppliers (by value coverage) committing to implement waste reduction initiatives, thereby surpassing our initial target of 50% by the end of 2024. We remain dedicated to strengthening supplier relationships and driving measurable improvements in sustainable sourcing practices, ensuring long-term value creation for our stakeholders and contributing positively to environmental and social outcomes.

Supplier sustainability survey

In continuation of our efforts to strengthen supplier engagement and advance sustainability within our value chain, we conducted a comprehensive Supplier Sustainability Survey in 2024, following the successful implementation of this initiative in the previous year. This year, we expanded the scope of the assessment by developing a tailored questionnaire for both our direct suppliers and our transportation and warehousing partners, further reinforcing our commitment to responsible sourcing and logistics.

In the questionnaire, we asked about their environmental governance (e.g., topics covered in their Environmental Policy), waste management (e.g., reduction of total waste volume (%)), GHG emissions (e.g., annual GHG emissions, reduction targets), energy usage (e.g., reduction targets,



use of alternative energy sources), ethics (e.g., child labour, minimum wages, safe working environment, legal actions), and other topics, such as audits. The findings from this survey have provided valuable insights and will serve as a foundation for targeted sustainability discussions and improvement initiatives with our supplier network.

Key highlights include:

- 76% of the respondents have a formalized **environmental policy** covering objectives and actions as well as a KPI reporting system in place.
- 75% confirmed the existence of a formalized **labor and human rights policy** covering objectives and actions as well as a KPI reporting system in place.
- 74% have an **ethics** (anti-corruption, anti-conflict of interest, fair competition, information security) policy covering objectives and actions as well as a KPI reporting system in place.
- 81% are working on GHG **emissions reduction initiatives**.
- 89% are focused on **reducing their energy usage**.

In the survey, we also asked our suppliers about any environmental, social, or ethical investigation or prosecution from the past three years. The follow-up on these matters is still ongoing.

Looking forward

In 2025, we plan to launch regenerative agriculture projects in collaboration with two to three selected suppliers. These initiatives will promote farming practices that enhance biodiversity, restore degraded soils, reduce water usage, and strengthen ecosystem services, contributing to more resilient and sustainable agricultural systems.

In addition, although our production facilities currently utilize the Supplier Ethical Data Exchange (Sedex) platform, we will expand this approach by requiring our top 150 suppliers to actively maintain and share data on their ethical and responsible business practices starting in 2025. This initiative will provide greater transparency and allow us to proactively manage and strengthen ethical standards throughout our supply chain. We remain committed to working closely with our partners to drive continuous improvement, foster innovation in sustainable practices, and create long-term value for all stakeholders.

INTRODUCTION TO ENVIRONMENT



“The establishment of the new climate impacts governance structure will enable us to make significant progress towards our environmental goals.”

Torsten Jacobs, Chief Operations Officer

ENVIRONMENT

Meeting today’s demand for our products whilst minimizing our impact on the environment for future generations.

CLIMATE IMPACTS

Reducing our GHG emissions in accordance with the Paris Agreement.

We are committed to decreasing our Scope 1, 2, and **3 GHG emissionsⁱ** by 42% by the end of 2030 on a 2021 baseline in accordance with our SBTi validated near-term emission reduction target.

CIRCULAR ECONOMY

Minimizing our impact on the environment by managing our operational waste and optimizing our packaging solutions through cross-industry collaboration to improve product circularity.

We are committed to:

- Ensuring 100% of our dry portfolio’s own sourced packaging material is recyclable by the end of 2024.
 - Initiating development projects for all externally sourced packaging materials that are not recyclable by the end of 2025.
- Ensuring 100% of our pouch packaging is recyclable or made from recycled materials by the end of 2030.
- Reducing operational food waste by 30% by the end of 2025 and 50% by the end of 2027 against a 2021 baseline.

2024 HIGHLIGHTS

ENVIRONMENT



Meeting today's demand for our products whilst minimizing our impact on the environment for future generations.


Methodology for GHG emissions calculations was further improved. The total reduction of Scope 1, 2, and 3 GHG emissions is 5% compared to our 2021 baseline.

We became the first private label pet food manufacturer who placed pet food in mono-material retort pouch packaging on the European market.

We introduced a new governance structure to ensure that we will reach our SBTi validated near-term emission reduction targets.

We began using intermodal transport options and alternative fuels, resulting in over 43,000 kg CO₂e emissions avoided.

Climate impacts



In 2023, SBTi validated our near-term targets to reduce our absolute GHG emissions across Scope 1, Scope 2, and our applicable Scope 3 categories by 42% by the end of 2030, against a 2021 baseline. Our Scope 3 target covers purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, upstream leased assets, and downstream transportation and distribution. This year we continue to focus on a wide variety of projects to reduce our GHG emissions, including product development, factory-based emissions, packaging and transportation.

The following approaches are key to reducing our GHG emissions:

- Creating a Net-Zero 2050 roadmap for two of our manufacturing plants, Citta di Castello and Sopronhorpács.
- Examining recipes to determine the possibility of replacing raw materials that have a higher carbon footprint with more sustainable alternatives.
- Reducing our energy consumption and using renewable energy in our factories.

- Optimizing the steps of our manufacturing process to reduce fuel and energy consumption.
- Reducing emissions from transportation by minimizing transport distances and avoiding extra handling steps.
- Using transportation modes with lower emissions.
- Improving the circularity of our products to reduce waste and packaging-related emissions.

Our primary focus remained the same: identifying opportunities and reducing our Scope 1, 2, and 3 GHG emissions. Further detail on this is outlined in the following sections.

In 2024, we further updated and improved our GHG emissions accounting methodology to increase the accuracy of our GHG emissions calculations. Details of our Scope 1, 2 and 3 GHG emissions between 2021 and 2024 can be found on [pages 44-45](#). See [page 83](#) for a full description of the improvements and changes that have been integrated into our GHG emissions calculations.



Working groups

In 2024, four working groups were established to support PPF’s sustainability journey and help achieving its climate-related targets. The working groups are focused on our greatest GHG emission sources: operations, raw materials, packaging, and transportation. We believe the enhanced coordination will ensure more effective and comprehensive decarbonization approaches.

Here is what the working groups are concentrating on:

- **The Sustainable Production Working Group** is focused on reducing our Scope 1 and 2 emissions.
- **The Sustainable Product Development Working Group** aims to reduce emissions from ingredients and optimize product development.
- **The Sustainable Supply Chain Working Group** is focused on lowering the transportation- and distribution-related emissions.
- **The Sustainable Packaging Working Group** intends to decrease emissions from packaging and identify alternative packaging materials.

The members of the working groups are from different departments of PPF, including Product Development, Procurement, Packaging, Engineering, Supply Chain, EHS, and Sustainability. This cross-functional approach helps to utilize diverse expertise that leads to more innovative and effective solutions.

Steering Committee

In 2024, the Climate Impacts Steering Committee was also established to oversee the activities and achievements of the workings groups, provide feedback, and share their valuable knowledge and input. The Committee helps to coordinate sustainability initiatives across different departments, ensuring that efforts are aligned with PPF’s company-level targets. The members of the Committee are the Product Development Director, Supply Chain Director, Head of Procurement, Head of Engineering and Lean Manufacturing, and Head of Sustainability.

Starting from 2025, during the regular Climate Impacts Steering Committee meetings, the workings groups will present the progress of their sustainability initiatives, including activities, results, and challenges as well as the roadblocks which are stopping them from moving forward.

Climate impacts

Energy consumption

Energy is consumed at various stages of pet food manufacturing, including sterilization, mixing, extrusion, cooking, drying, packaging, and storage. In 2024, we remained committed to reducing energy consumption and enhancing energy efficiency throughout these processes to minimize our environmental impact. We also continued to look for opportunities to transition to renewable energy sources.

To reduce energy consumption, we implemented energy-saving projects within our factories. These projects mainly focused on the optimization of the production process and the installation of adequate equipment to increase energy efficiency.

The solar panels installed at our Dunajský Klátov factory generated 71 MWh of renewable energy in 2024. This is 4.1% of the factory's total electricity usage and is equivalent to a 12 tCO₂e reduction in GHG emissions.

At the end of 2024, we started installing solar panels at our manufacturing site in Veselí nad Lužnicí. The project features 1,359 solar panels that will be installed across the rooftops

covering an impressive 3,500 m² of active surface area.

The photovoltaic power plant will generate 740,713 kWh annually, supplying nearly 8% of the factory's total energy needs with 100% green energy. This project is a significant step towards sustainability in pet food production, helping to avoid 637 tCO₂e emissions every year.

We also conducted a thorough review of our other factories to assess the feasibility of installing onsite solar power. New roof solar panels are expected to become operational during the upcoming years at several of our sites.

In 2024, PPF has entered into a 12-year Heat as a Service ("HaaS") agreement with Brenmiller Energy, one of the most experienced thermal energy storage developers worldwide. Through this agreement, Brenmiller will provide steam to our operations at the Dombóvár manufacturing plant and offer grid-balancing services to the local transmission system operator (TSO) Mavir. This system will replace the current fossil fuel boilers, significantly reducing the plant's energy cost. The switch from gas to electricity will also allow an easier transition to green energy later. The development is expected to be completed by the beginning of 2026.

Climate impacts

Procurement & recipe development

In 2024, purchased goods and services accounted for approximately 67% of our total GHG emissions, with the largest contributors being the packaging and raw materials used in pet food production. Detailed information on our Scope 3 emissions can be found on [pages 44-45](#).

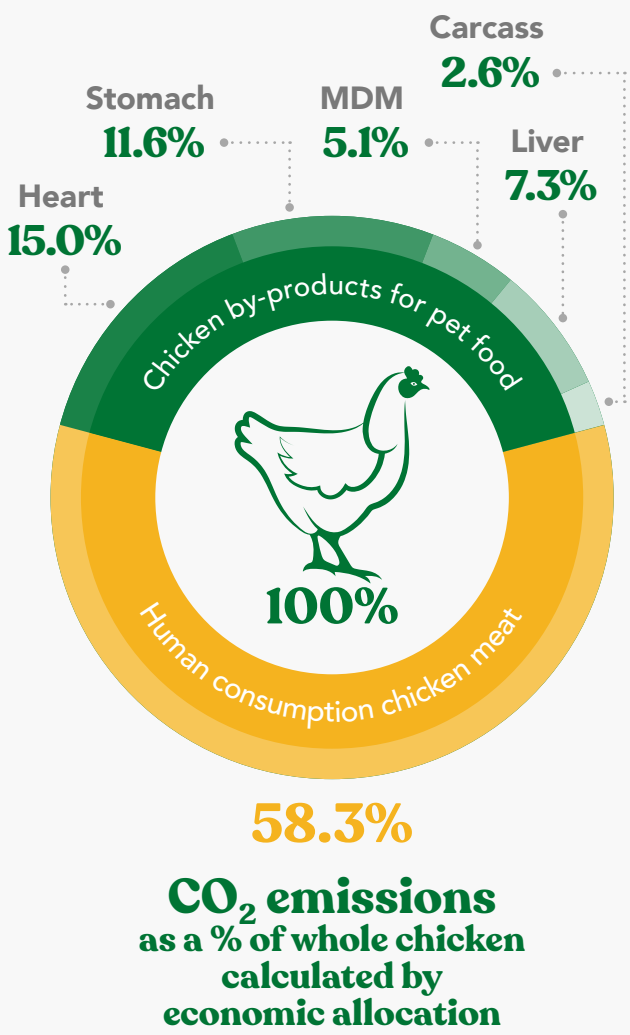
As part of our commitment to understanding and reducing our environmental impact, we focused on gaining deeper insights into emissions associated with raw materials, particularly Category 3 animal by-products. These materials include parts of animals that are fit for human consumption but are not intended for human consumption for commercial, cultural, or other reasons. These materials, which might otherwise be discarded, are upcycled by us into nutrient-rich pet food, thereby contributing to circular economy practices and reducing waste.

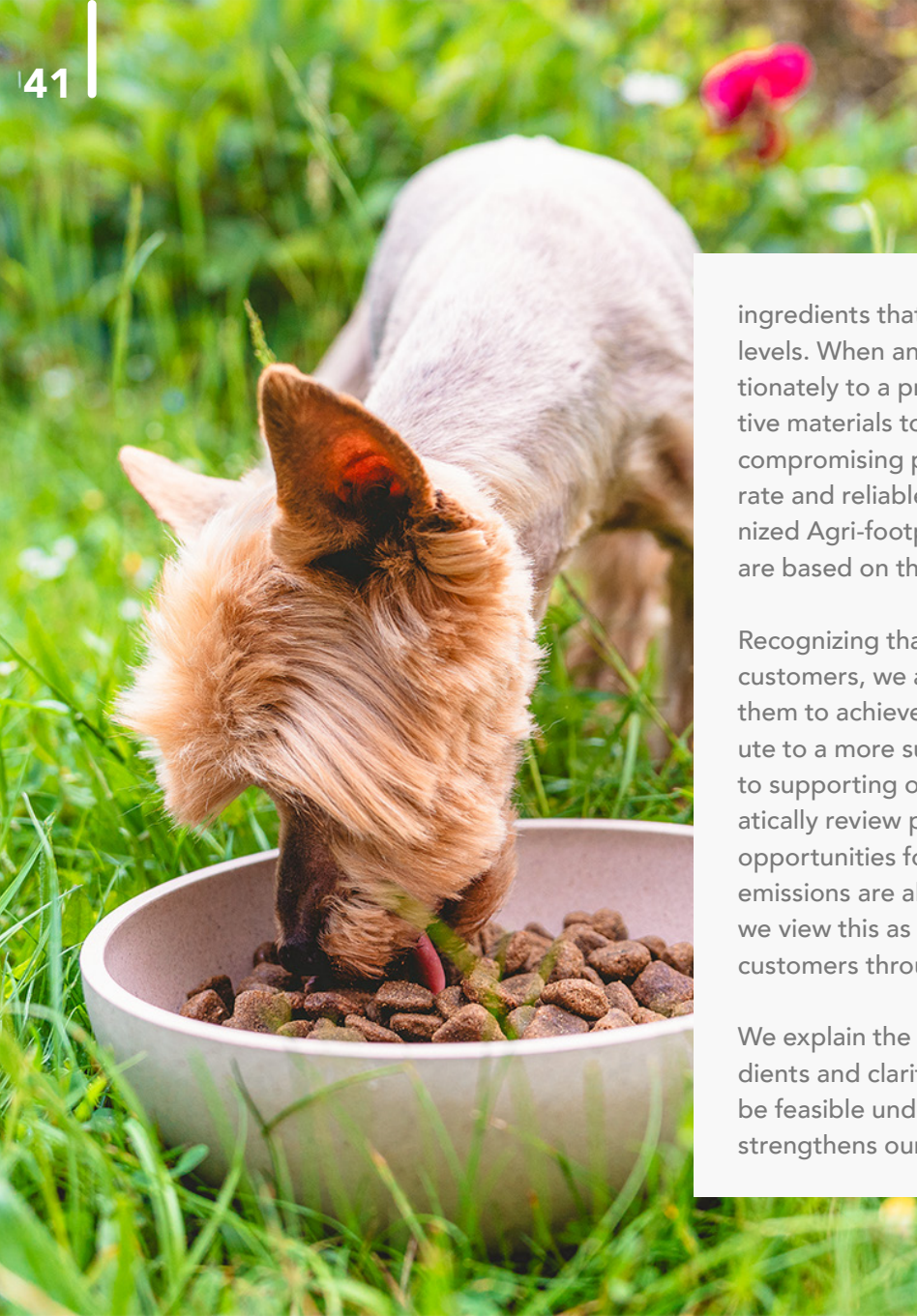
While animal by-products typically have lower associated emissions compared to primary meat products, they still contribute to our overall carbon footprint. To accurately

reflect their environmental impact, we apply the economic allocation method when calculating emissions for Category 3 by-products. Under this approach, emissions are proportionally assigned based on the economic value of the by-products, ensuring that each product’s share of emissions accurately reflects its relative market value. This methodology is widely recognized by European authorities as the most appropriate approach for determining the environmental impact of meat and by-products from food-producing animals, such as cattle.

In addition, we are actively collaborating with our suppliers to collect more precise emission factor data for a broad range of raw materials, including chilled meats (e.g., beef, lamb, poultry) and pet food premixes. These efforts are integral to enhancing the accuracy of our carbon footprint calculations and guiding future emission reduction strategies.

We leverage our advanced formulation software to calculate the carbon emissions associated with our product portfolio, enabling us to proactively identify and recommend emission reduction strategies to our customers. This tool provides valuable insights by highlighting products with comparatively lower emissions within a given range and identifying specific





Climate impacts

ingredients that have a significant impact on overall carbon levels. When an ingredient is found to contribute disproportionately to a product's carbon footprint, we assess alternative materials to help mitigate the climate impact without compromising product quality or nutritional value. For accurate and reliable emissions data, we use the industry-recognized Agri-footprint database, ensuring that our calculations are based on the latest verified environmental data.

Recognizing that sustainability is a growing priority for our customers, we are committed to collaborating closely with them to achieve shared environmental goals and contribute to a more sustainable future. As part of our commitment to supporting our clients' sustainability efforts, we systematically review product formulations to identify potential opportunities for reducing carbon emissions. In cases where emissions are already low and further reductions are limited; we view this as an important opportunity to engage with our customers through education and transparency.

We explain the environmental contribution of individual ingredients and clarify why additional emission reductions may not be feasible under current conditions. This approach not only strengthens our partnerships but also informs and shapes our

future product development strategies, ensuring that sustainability remains a key consideration in our innovation pipeline.

In 2024, we also focused on developing new recipes with sustainability in mind. We started a project to review alternative protein sources that are currently available on the market. These materials could be advantageous from an emissions perspective. Additionally, we are considering them as substitutes in case of shortages caused by animal health issues (such as bird flu or foot-and-mouth disease) or increased demand for animal by-products (e.g., used to produce sustainable fuel). Many of these ingredients are new to the market and are available only in small quantities. However, this presents an opportunity for us to collaborate from the outset to develop solutions that better meet our factories and nutritional needs.

We also launched products that include insect-based ingredients, such as meals and oils. Successful trials were conducted using sunflower meal in a dry, grain-free recipe, as well as protein fermented with bacteria (methanogens) in can products. Additionally, we are collaborating closely with a cultivated meat company to explore how this ingredient can be incorporated into our formulations.

Climate impacts

Transport & logistics

Transportation and logistics are crucial elements of PPF's entire supply chain. They encompass the processes required to safely and efficiently transport raw materials from manufacturers to our plants, and to deliver the produced pet food products from our manufacturing sites to our customers. These products are manufactured, stored, and delivered to customers, primarily across Europe.

The emissions from our transport and logistics operations mainly stem from two sources: the electricity used in the warehouses and the fuel consumed by freight transport. Transportation is the third largest contribution to our overall emissions. Further details on our Scope 3 emissions can be found on [pages 44-45](#).

In 2024, we maintained a proactive approach to managing carbon emissions within our supply chain. Our efforts included minimizing transportation distances by sourcing materials from nearby suppliers, maximizing truck load utilization, and reducing order frequency. We have implemented

sustainability policies that integrate environmental considerations into supply chain decision-making.

We also use reusable pallets designed to withstand multiple trips. These pallets help reduce waste, lower resource consumption, and promote a circular economy. In 2024 alone, their use enabled us to save 753 trees, avoid 2,284 tonnes of CO₂e emissions, and prevent 77.6 tonnes of waste.

To further decrease our climate impact, we utilized inter-modal transport options, which, despite having longer delivery lead times, result in lower emissions. This approach led to the avoidance of 43,411 kg CO₂e emissions on the Netherlands-Hungary route alone in 2024.

To reduce warehouse emissions, we analyzed demand and supply patterns to consolidate internal and third-party logistics warehouses. Underutilized locations were closed or downsized, and we minimized storage requirements by adopting "only what is needed" inventory practices and reducing obsolete storage. Furthermore, we lowered our dependency on warehouses by utilizing consolidated shipments and optimizing transport routes.



Case study

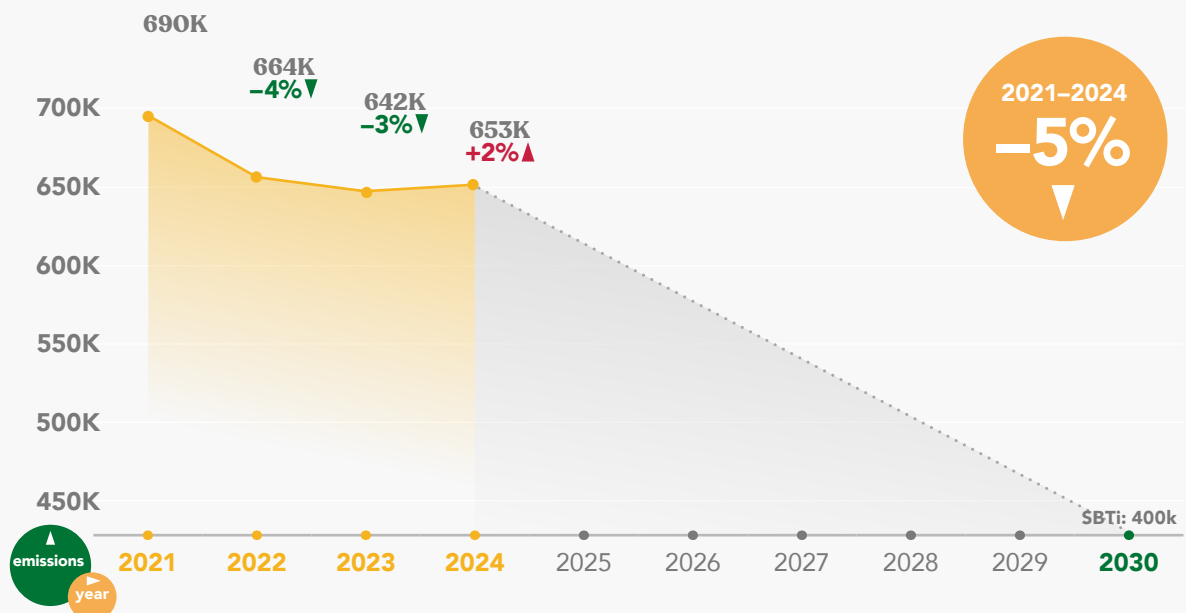
In alignment with Nature 2000 regulations and our company's environmental impact reduction goal, our factory in Doetinchem has implemented a project to significantly reduce its nitrogen emissions associated with truck unloading. Previously, trucks unloaded raw materials using their diesel-powered engines, which led to high nitrogen emissions and disturbing noise levels for residents. Now, the plant provides power and air directly to the trucks, allowing unloading with engines off. The results are remarkable:

- **Zero Nitrogen Emissions:** Truck engines are no longer running during unloading, eliminating nitrogen emission.
- **Noise Reduction:** The new system reduces noise pollution, fostering better relationships with the local community.



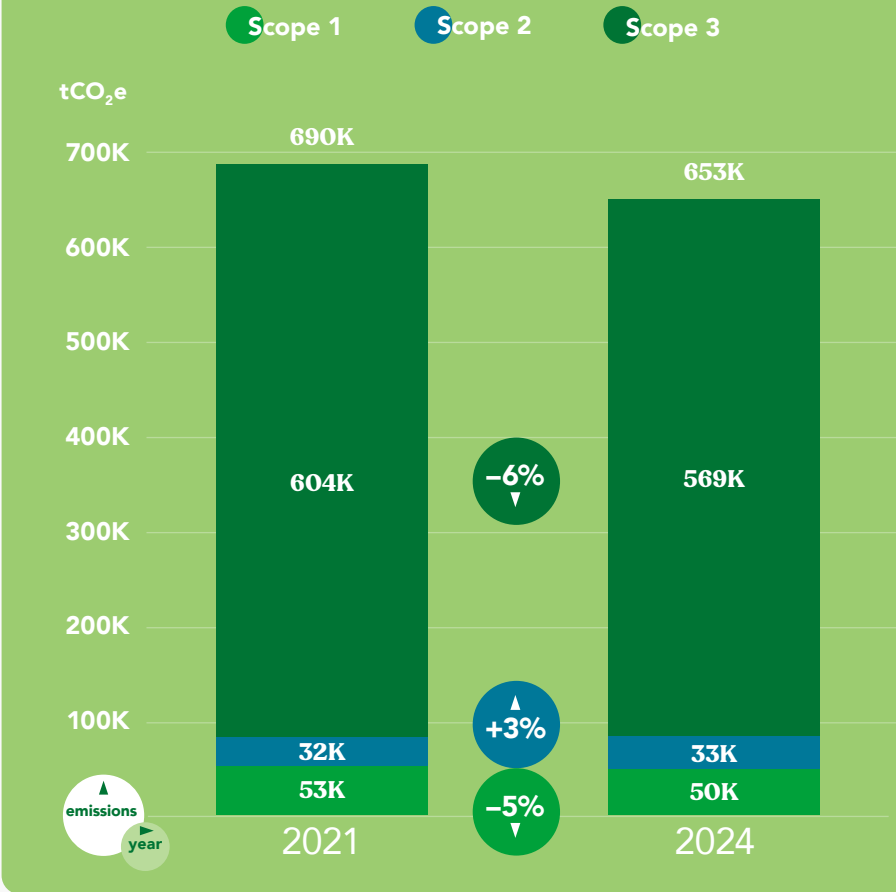
Progress against our emissions reduction target

Emissions (tCO₂e) by Year

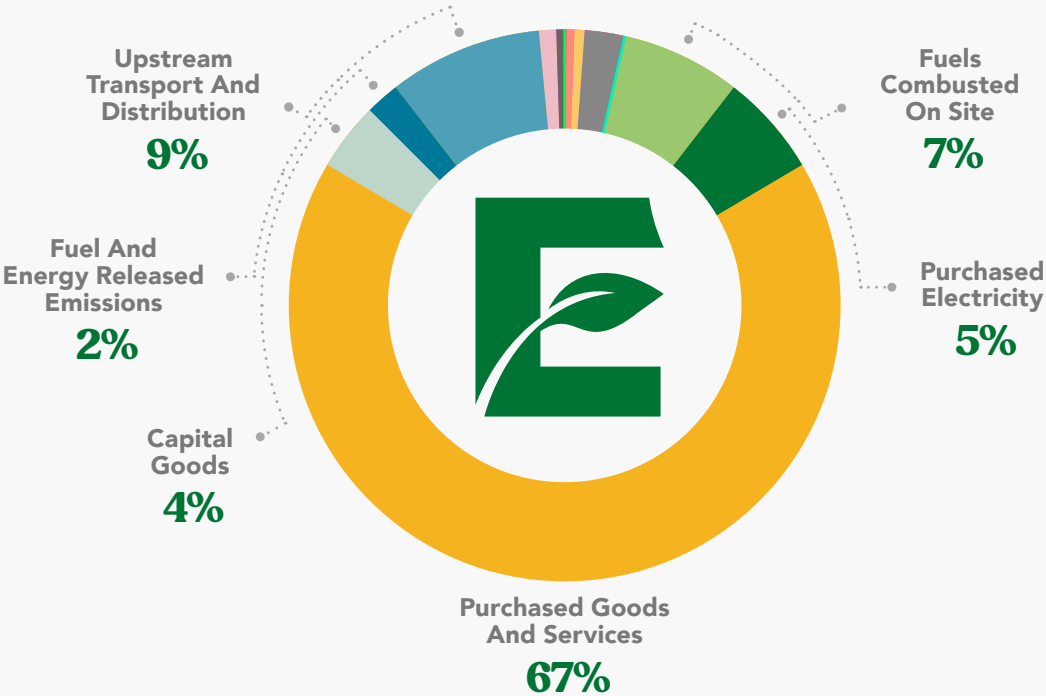


The line graph displays the overall (Scope 1,2 and 3) yearly GHG emissions (measured in tCO₂e) against our SBTi validated reduction target. The dashed line represents the expected annual emissions if the progress in implementing the transition plan for climate change mitigation continues in the upcoming years.

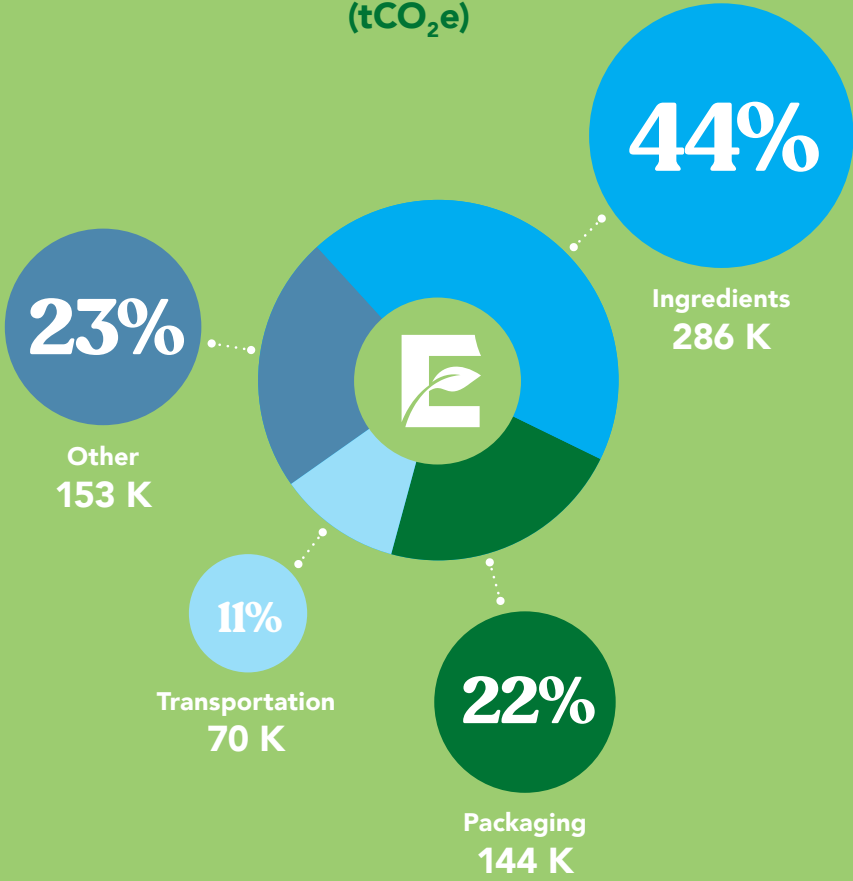
Emissions changes by Scope between 2021 and 2024



Emissions share (%)
by category in 2024



Largest sources
of emissions in 2024
(tCO₂e)



Climate impacts

Looking forward

In 2025, we will continue to implement emissions reduction initiatives across our production processes, transportation, logistics, and product development. This includes installing new solar panels on the roof of our manufacturing sites in Hungary, Poland, and the Netherlands in the upcoming years. The solar panels at our manufacturing site in Veselí nad Lužnicí will be operational in the first half of 2025.

We will take steps to further reduce gas and electricity consumption in our plants by improving our sterilization and drying processes, which represent 60-70% of our total energy consumption.

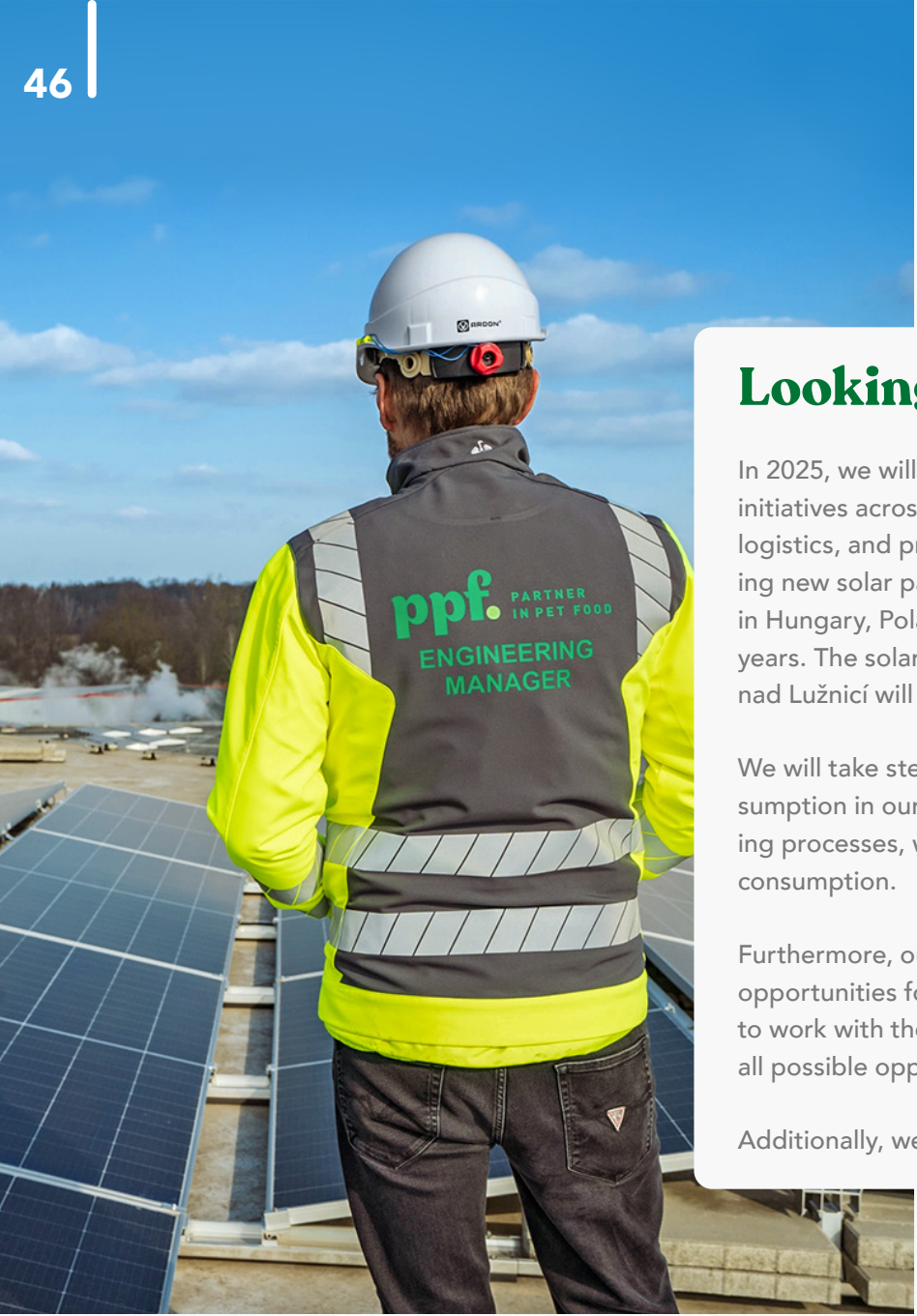
Furthermore, our recipe revisions will continue to identify opportunities for emissions reductions. We will also continue to work with the supply market on novel proteins to capture all possible opportunities.

Additionally, we aim to decrease transportation-related

emissions by increasing truck load utilization and improving pallet management. We will emphasize low-carbon transportation options, such as electric trucks, and explore the use of hydrogenated vegetable oil (HVO) fuel.

We will reduce warehouse emissions by expanding the use of renewable energy, improving processes (e.g., reducing movements), and optimizing our distribution network. Additionally, we will explore the possibility of opening new locations that are more efficient in terms of sustainability, efficiency, and cost.

In 2025, we will conduct an analysis to assess climate and nature related risks and opportunities at all of our manufacturing plants and offices. The analysis will include physical and transitional climate risks such as extreme heat, flood, wildfires, and increased pricing of GHG emissions. The assessed biodiversity risks will cover topics including threatened species and critical habitats. We will also review climate related opportunities such as the shift in customer preferences for low carbon products alternatives. Based on the result, we will determine our responses to mitigate risks.



Circular economy



Transitioning to sustainable packaging and managing our operational waste are two of our focus areas. By embracing circular economy practices, we can significantly reduce carbon emissions and other environmental impacts. This approach not only helps us comply with the strengthening regulatory requirements, but also meets the increasing customer demand for sustainable and eco-friendly products. Our pouch packaging target is aligned with the European Union's Packaging and Packaging Waste Regulation (PPWR), which was approved by the Council of the European Union in December 2024.

To pursue our objectives on this topic, we have set several targets relating to packaging and operational food waste. We are committed to:

- Ensuring 100% of our dry portfolio's own sourced packaging material is recyclable by the end of 2024.

- Initiating development projects for all externally sourced packaging materials that are not recyclable by the end of 2025.
- Ensuring 100% of our pouch packaging is recyclable or made from recycled materials by the end of 2030.
- Reducing operational food waste by 30% by the end of 2025 and 50% by the end of 2027 against a 2021 baseline.

We firmly believe that we need to collaborate as an industry, working with our partners and customers to improve the circularity of the products we offer. This commitment drives us to continuously seek new opportunities for cooperation, ensuring we make meaningful progress towards sustainability together.

Circular economy

Packaging

As a responsible Fast Moving Consumer Goods (FMCG) manufacturer, we are committed to managing the end-of-life of various packaging materials. Our wet food packaging portfolio includes pouches, retortable carton packages, salamis, and metal cans, while our dry food portfolio features recyclable mono-materials and other complex laminates. The packaging used for our wet products, such as metal cans and certain shrink-and-stretch foils, is already 100% recyclable. Additionally, approximately 90% of our paper packaging volume is certified by the Forest Stewardship Council. In 2024, we remain dedicated to transitioning our dry and pouch packaging to fully recyclable materials.

For our dry product portfolio, we are collaborating closely with our partners to transition to recyclable packaging alternatives. This effort includes using laminates made from a single type of plastic, ensuring that the packaging is fully recyclable. As of December 2024, 60% of our active dry packaging materials (by quantity) was recyclable.

Unfortunately, we did not meet our target of 100% recyclability

by the end of 2024 due to timeline constraints. We are aligning the switch to recyclable packaging with recipe changes to avoid wasting usable packaging. We continue our effort to switch all own-sourced packaging to recyclable materials.

For our pouch packaging, we have completed the development of a single-serve monomaterial packaging designed to be recycled. This innovative packaging provides an effective barrier and guarantees the quality our customers expect. The product has a shelf life of up to 18 months based on intensive testing, and we anticipate further extending it to 24 months next year. One of our Western European partners was the first to successfully switch to this new packaging material in 2024. We will also start using it for our own brands starting from 2025.

We communicated the legislative background and deadlines to our clients and held presentations on various packaging options. However, we noticed caution and even resistance to the new materials from several clients. As a result, reaching our packaging targets is challenging. Nevertheless, we remain hopeful that changing customer expectations and strengthening regulatory requirements will support our efforts.



Case study

After nine months of work, by the end of 2024, we developed new single-serve monomaterial pouches designed to be recyclable. This innovation responds to EU regulations and, more importantly, reflects our commitment to making a positive impact. The project was a true collaboration, involving not only our internal experts but also our packaging suppliers, international retailers, and external verifiers.

The new packaging will first be introduced for PPF products under our cat food brands, Shelma and PreVital, with promotions starting in Q1 2025. The Shelma product's slogan is "The Earth Doesn't Have Nine Lives.", while PreVital's is "Together for the future". A special design has also been developed to help consumers easily distinguish between the regular product and those designed for recycling.

The innovative packaging has a reduced carbon footprint compared to standard packaging, as verified by an independent third-party, The Carbon Trust. The Carbon Trust is a global expert partner for businesses, governments, and organizations, helping them decarbonize, increase energy efficiency, and accelerate NetZero targets. Additionally, they work to futureproof businesses and strengthen their climate action and reporting.

Both initiatives reflect our dedication to creating a better environment for people and pets. We are proud to take these significant steps towards a more sustainable future. We hope the promotions will be a success!



Circular economy

Operational food waste

Reducing our operational food waste offers significant economic and environmental benefits. To achieve this, we aim to use our raw materials efficiently by optimizing our factory processes to minimize food waste. Operational food waste includes waste generated during production start-up and shut-down, production changeovers, cleaning processes, and quality control. The majority of our operational food waste is produced during key production processes. While some level of waste is unavoidable due to the technologies used, we are actively working to optimize these processes to minimize and avoid operational waste as much as possible.

In 2024, we continued our waste reduction initiatives that were previously identified through 'waste walks' in our factories. We also conduct a bi-weekly 'zero waste call' which serves as a platform to share ideas, cross-facility progress, and achievements. The calls are focusing on several topics, including operational food waste.

This year, we reduced our operational food waste by 11% compared to our 2021 baseline. We are unlikely to achieve

our interim target of a 30% reduction by 2025 due to technological challenges. However, we remain committed to reaching our final goal of a 50% reduction by 2027.

Looking forward

Our target for 2025 is to further reduce our operational food waste. The upcoming improvements will be focused on production process optimization, pet food recipe improvements, raw material waste reduction, and waste recycling rate increase.

In 2025, we will maintain our focus on transitioning our dry and pouch packaging to fully recyclable materials. We will invest in new production technologies and processes to ensure that our packaging is not only recyclable but also safe for our products and compliant with standards. PPF is committed to adapting all its packaging designs and materials to be 100% recyclable by January 1, 2030, in accordance with the European Union's Packaging and Packaging Waste Regulation.

INTRODUCTION TO TEAM



"Empowered employees are more motivated and engaged, which can lead to increased productivity and better performance."

Marieke Hoorneman, Chief People Officer

TEAM

Creating a safe, diverse, and empowering working environment for all our team members to thrive in the long term.

ENGAGED, DIVERSE, AND INCLUSIVE WORKPLACE

Creating a working environment that attracts, engages, and retains diverse talent, by empowering our people to feel motivated, respected, appreciated, and accepted.

We are committed to ensuring that our employees can be themselves in the workplace, free from bias or discrimination:

- Reaching employee engagement levels of 75% by the end of 2025.
- Reaching a minimum of 40% female representation within our leadership team by the end of 2030.

HEALTH, SAFETY, AND WELLBEING

Maintaining a safe working environment for all of our people and supporting a healthy and balanced lifestyle.

We are committed to ensuring our people feel safe, healthy, and supported within the workplace by:

- Ensuring we have zero fatalities.
- Strengthening our zero accidents culture and aiming for zero injuries.
- Keeping our employee absence rate below 7%.

Shelma

2024 HIGHLIGHTS



TEAM



Creating a safe, diverse, and empowering working environment for all our team members to thrive in the long term.


We achieved a company-wide engagement survey score of 66%, marking a three percentage point increase from 2023. The participation rate was an impressive 91%.

Over 1000 actions were taken to increase employee engagement since 2020.

Continued the emotional health and safety training programme to ensure our factory-based employees understand the importance of safety in the workplace.

Group-level Wellbeing Week was organized at our offices and plants to promote a healthier and more balanced life for our colleagues.

Engaged, diverse, and inclusive workplace



We aim to create a workplace that attracts, engages, and retains diverse talent by promoting an inclusive and supportive workplace culture and providing a secure environment for our colleagues. In 2024, as part of our PETS strategy, we continued working on ensuring that our colleagues can be themselves in the workplace, free from bias or discrimination. To support this, we set two specific targets:

- Reaching employee engagement levels of 75% by the end of 2025.
- Reaching a minimum of 40% female representation within our leadership team by the end of 2030.

Employee engagement

At PPF, we consider employee engagement as a key component of our organizational success. Since 2020, we have been conducting an annual employee engagement survey across the company.

The survey was distributed to all employees in September 2024, with a data collection period spanning three weeks. After collecting the responses, our service provider processed the data while ensuring the confidentiality of individual responses was maintained. This year the survey covered 49 six-point scale items (with five additional items for white collar employees and six additional items for managers) and two open-ended questions addressing topics such as career development, cross-departmental collaboration, diversity and inclusion, rewards and recognition, and work-life balance and wellbeing. We utilize the survey results as a crucial internal indicator to understand what is important to our colleagues, identify any challenges they may be encountering, and determine how PPF can best support them.

We set a target of reaching employee engagement levels of 75% by the end of 2025. In 2024, we achieved an engagement level of 66%, an increase of three percentage points from 2023. The participation rate was an impressive 91%.

Engaged, diverse, and inclusive workplace



Once the data from the survey was analyzed, it was shared with the Executive Committee, leadership teams, and managers. Later, the leaders presented the results to their teams to gather additional insights before determining the actions to take.

As a result of our 2023 survey, in 2024 we took several actions, including:

- Improving work environment to provide modern and comfortable workspaces.
- Introducing new benefits for employees.
- Implementing safety enhancements across our facilities to ensure a secure working environment for all employees.
- Starting new employee recognition program to celebrate our employee achievements.
- Promoting knowledge sharing and collaboration across departments.
- Enhancing internal communication channels, (e.g., town hall meetings, Facebook, and Viber groups) to keep employees informed and engaged.
- Offering numerous training programs to support employee growth and development.
- Offering specific programs for mid-level leaders and shift leaders to enhance leadership skills.

Over 1000 actions were taken to increase employee engagement since 2020 as a result employee engagement increased

from 47% in 2020 to 66% in 2024.

We utilize a variety of communication channels to ensure an open line of communication with our employees. This includes town halls, in-person and virtual meetings, and a range of visual and online communication tools. By leveraging these diverse methods, we aim to keep our employees well-informed and engaged, fostering a transparent and connected workplace.

Purpose ambassadors

We are on a journey to embed a strong sense of purpose within our organization, aligning our goals and values with our employees' aspirations. In 2024, we had 20 ambassadors across PPF who lead different initiatives in four Task Forces: Ongoing Communications, Leading by Example, Compelling Impact Stories, and Purpose Sessions. Their aim is to shape the future of our company, where purpose isn't just a statement but a lived experience. The initiatives include the improvement of internal communication in Czech Republic, implementation of a new employee recognition program in Sopron, and the creation of pet-friendly offices in Veseli.

Case study

In November 2024, our Polish factory hosted a photo contest themed “How I Care for the Environment,” which ran from November 1 to 30. The contest aimed to raise employee awareness about environmental protection and educate participants on eco-friendly practices. Employees were encouraged to express their creativity freely in their submissions, and the enthusiastic participation highlighted their commitment to the cause. The competition committee faced a tough challenge selecting the top entries, ultimately awarding shopping vouchers for a local store chain to the winners. The winning photos covered topics such as reuse, recycling waste segregation, and waste reduction. The contest not only celebrated creativity but also reinforced the importance of adopting sustainable practices in everyday life.



1st Place Jacek Juszcak, for his initiative in creating eco-friendly shoes from repurposed materials, demonstrating how objects can be given a second life.



2nd Place Łukasz Wojtaś, who showcased family teamwork in waste segregation and cleanup efforts, instilling environmental values in his children from a young age.



3rd Place Joanna Małyjasiak, for her photo promoting healthy eating and eco-friendly methods of storing fruits and vegetables, emphasizing the connection between nutrition and sustainability.



"How I Care for the Environment"



Engaged, diverse, and inclusive workplace

Diversity & inclusion

With our extensive presence across Europe, our company brings together over 35 nationalities, fostering daily communication and collaboration among a diverse group of colleagues. As a fast-growing business that regularly acquires new sites into the PPF family, we expect this number to continue to rise in the future. The expansion of our team enriches the work environment, promoting a broad exchange of ideas and perspectives that drive innovation and growth. We are focused on effectively integrating new colleagues into PPF to ensure that they feel welcomed and are aligned with our purpose, values, and culture.

We provide training sessions on a variety of important topics, including cultural awareness, company values, and feedback culture. By offering these comprehensive training programs, we aim to equip our employees with the knowledge and skills needed to thrive in our diverse and dynamic workplace.

We also regularly organize Induction Days at our locations to help new employees transition smoothly into their roles by providing them with essential information about the PPF and its operations and culture.





Engaged, diverse, and inclusive workplace

Another key focus for us is improving gender diversity across our organization. PPF's gender balance is 60% male and 40% female, a slight improvement compared to last year's gender balance of 61% male and 39% female. This trend is primarily due to the historical predominance of men in factory positions. To address this imbalance, we are actively working to attract more women to specific factory roles.


We are also aiming to improve the gender balance within our leadership team, which is currently 23% female and 77% male. To achieve our goal of 40% female representation within our leadership team by 2030, we have integrated diversity characteristics into our hiring processes. However, we always aim to find the most competent candidate for every open position, ensuring our hiring approach is productive and effective. We are also actively promoting diversity and inclusion among our leadership team and through our training programs.

Additionally, we are planning to reexamine our definition of leadership to reflect our changing organizational structure. This may also have an influence on the female representation within our leadership team.

Looking forward

In 2025, we plan to further increase our employee engagement by improving work-life balance, reducing workload, providing more opportunities for professional development, and increasing rewards and recognition. We will also work on enhancing cross-departmental collaboration, which will ultimately boost our growth and increase customer satisfaction. This ambition will be supported by an external consultant company. Regarding diversity and inclusion, we will continue to focus on fostering a working culture where all our colleagues feel equally involved and supported.

Health, safety, and wellbeing



As a pet food manufacturer, we must maintain a safe working environment and enable our colleagues to lead healthy and balanced lifestyles. To support this ambition, we are committed to:

- Having zero fatalities.
- Strengthening our zero accidents culture and aiming for zero injuries.
- Keeping our employee absence rate below 7%.

Factory health & safety

We believe that health and safety should be a top priority for everyone, especially our factory-based colleagues. All of our factories comply with the relevant local and European health and safety standards, and each factory has a dedicated H&S manager.

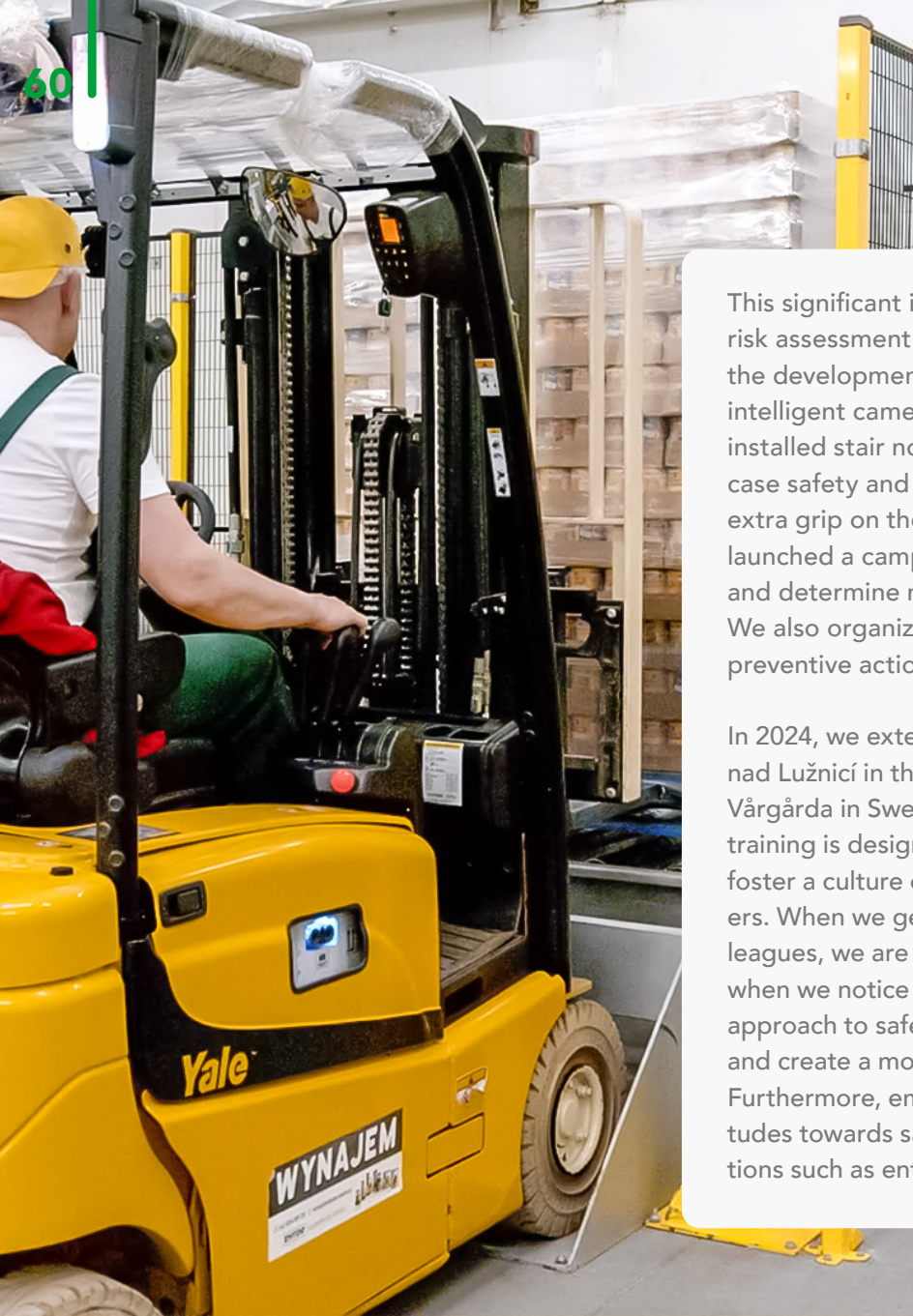
Our H&S managers consistently hold monthly committee meetings to monitor and evaluate progress on our key H&S risks and opportunities. These meetings are driven by our H&S standards and by ensuring full risk assessment on machines

and jobs and avoiding risk from the start. We will also train our people to understand their impact on incidents via a dedicated “Emotional Safety Training” at each site until 2026.

Our six gold H&S standards are:

- Personal Protective Equipment (PPE);
- Lockout tagout (LOTO);
- Permit to work;
- Working at height;
- Workplace transport; and
- Contractor management.

This year, we achieved our target of ensuring zero fatalities and aim to continue strengthening our health and safety (H&S) culture and mitigation measures to maintain this achievement. We also continued to learn from our lost time injuries (LTIs) and encouraged our colleagues to report all near misses. Colleagues can submit near misses via email, a physical form, or an online form. This year, we recorded 9,677 near misses, an increase of 58.6% compared to last year. We had 22 LTIs in 2024, representing a 31% decrease compared to the previous year.



Health, safety, and wellbeing

This significant improvement is the result of our enhanced risk assessment tool and implemented H&S actions, including the development of forklift safety measures by integrating intelligent cameras to detect and prevent collisions. We also installed stair nosings at most of our plants to improve staircase safety and reduce the risk of slips and falls by providing extra grip on the edge of individual stairs. Additionally, we launched a campaign to identify pinch points at the plants and determine mitigation actions to prevent safety incidents. We also organize monthly EHS calls to discuss incidents and preventive actions, aiming to avoid future occurrences.

In 2024, we extended our emotional safety training to Veselí nad Lužnicí in the Czech Republic, Città di Castello in Italy, Vårgårda in Sweden, and Białystok and Kalisz in Poland. The training is designed to trigger empathy and compassion to foster a culture of teamwork and mutual support among workers. When we genuinely care about the well-being of our colleagues, we are more likely to intervene and offer assistance when we notice unsafe behaviors or conditions. This proactive approach to safety can prevent accidents before they occur and create a more resilient safety culture within our factories. Furthermore, emotions play a significant role in shaping attitudes towards safety protocols and regulations. Positive emotions such as enthusiasm and pride can motivate workers to

adhere to safety guidelines and take ownership of their own well-being. Emotions are far from irrelevant in the context of factory safety – they are integral to creating a workplace culture where our colleagues are look after each other.

Employee wellbeing

Creating a supportive environment for the wellbeing of our colleagues is essential to our success. We are committed to enhancing employee wellbeing by providing comprehensive physical and mental health support. By prioritizing these aspects, we aim to ensure that our colleagues feel valued and cared for, which in turn contributes to a more productive and positive workplace.

Our Training and Development Manager leads wellbeing-related initiatives in collaboration with our Wellbeing Committee, which is composed of colleagues from various PPF countries. Together, they implement programs and activities that promote the overall health and wellbeing of our employees.

In 2024, PPF took several actions to increase the overall employee wellbeing, following a plan by the Committee.



We launched several wellbeing programs such as office massages, wellbeing webinars, and sports activities to promote a healthy work-life balance.

We also partnered with YuMuuv, an employee wellness app for organizing workplace sport challenges. In 2024, over 200 employees across ten European countries took part in an initiative designed to promote physical activity through a distance-based challenge involving walking, running, and cycling. Together, participants covered an impressive 55,000 kilometers. Even more inspiring, for every kilometer covered, a donation was made to Greater Good Charities, amplifying the positive impact of the initiative beyond personal wellbeing.

In October 2024, we celebrated Wellbeing Week by focusing on important topics that promote a healthier, more balanced life for ourselves and our colleagues. We covered ways to manage stress more effectively, explored a holistic approach to wellbeing, and engaged in breathwork exercises to help bring calm and focus to our daily routines. Additionally, we had meaningful conversations about the culture we aspire to build – one where we not only care for our own mental and physical health, but also support the wellbeing of those we work with. A central part of this discussion was the Ways We Work guide, which offers valuable insights on how we can foster a supportive, collaborative environment that prioritizes wellbeing in all its forms. We

also organized several events at our factories to promote employee wellbeing. These included yoga sessions and massages, aimed at reducing stress and enhancing physical health. Furthermore, we encouraged healthier eating habits by sharing informative posters and providing fresh fruits for our employees.

Looking forward

In 2025, our goal is to continue enhancing our health and safety culture and strengthening mitigation measures to consistently meet our PETS targets. The installation of forklift anti-collision systems is planned to be finalized. The campaign to identify pinch points will be continued. We will continue our EHS trainings on the importance of safety practices and the proper use of personal protective equipment. We will also extend our emotional safety training to ensure that all factory-based colleagues can participate in the program.

We will improve the coordination between the Health and Safety team and the Wellbeing Committee to better promote a healthy work-life balance. Next year we will continue several of our initiatives including team building events (e.g., family day, Christmas party), sport and recreational activities (e.g., hiking tours, sports day, office massage, fruit days) to further enhance employee wellbeing.



Case study

PPF has been awarded the "Family-Friendly Company" title at the 2024 Family Friendly Company Awards hosted by the Three Princes, Three Princesses Foundation in Hungary. This award honors our commitment to fostering a balanced and supportive workplace that welcomes everyone—pets included!

As a pet food producer, we know that family extends beyond people, and we're proud to provide a space where pet parents can bring their furry loved ones to work, adding a little extra joy and comfort to the day.

This year's theme emphasized that work and family (whether two- or four-legged) are not competing priorities but can enhance one another when employees are truly balanced.


Together with 58 exceptional Hungarian companies, our achievements also stood out to the jury, and we're proud to have earned this title through our dedication to work-life harmony.

PPF Hungary also participated in the Responsible Employer of the Year Competition in 2024. The Competition gathers and rewards domestic employers that engage in outstanding and pioneering activities in the field of employment. PPF was awarded the Responsible Employer Candidate certification which shows a strong commitment to responsible employment.





INTRODUCTION TO SOCIETY



"We can only create a better world by showing responsibility and care for everyone who lives in it – people, pets, and nature alike."

Márta Zincsenko-Záhorszki, Head of Sustainability

SOCIETY

Taking care of the people and pets in our value chain and the communities around us.

COMMUNITY ENGAGEMENT

Taking care of the people around us by cooperating with governments and social organisations to support local communities.

We are committed to:

- Implementing local community support initiatives across 100% of our factories in accordance with our Community Support Policy.
- Cooperating at Group level with an international charity by the end of 2024.
- Establishing a fund to support people and pets around us by the end of 2025.

2024 HIGHLIGHTS

<p>Taking care of the people and pets in our value chain and the communities around us.</p>	<p>SOCIETY</p> <p>S</p>	<p>Delivered 133 community support initiatives, which is a 5.5% increase compared to last year.</p>	<p>Started to establish the framework of our cooperation with Greater Good Charities and donated 30,000 EUR for charity programs to be organized within PPF countries in the course of 2025.</p>	<p>In 2024, PPF donated over 1500 pallets (50 trucks) of pet food to shelters and various organizations across Europe to support animal welfare.</p>	<p>Supported employees to volunteer at animal shelters, charities, kindergartens, and schools at several countries and locations where PPF operates.</p>
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Community engagement

We aim to make a positive impact on the communities around us by collaborating with local governments and organizations that support local initiatives. As a diverse business with a presence in several European communities, we currently operate 12 factories across Europe and employ 2,464 people from over 35 different nationalities. PPF's factories are significant contributors to local economies, both directly and indirectly, through the raw materials we purchase, including animal products and cereals.

As a result, we believe that community engagement and support and animal welfare are crucial for the growth and longevity of our business. To support this, we are committed to:

- Implementing local community support initiatives across 100% of our factories in accordance with our Community Support Policy and Guidance.
- Cooperating at group level with an international charity by the end of 2024.
- Establishing a fund to support people and pets around us by the end of 2025.

Local community support

In 2024, we delivered 133 local community support initiatives, ensuring that each country where PPF has a manufacturing plant benefited from at least one initiative. This is a 5.5% increase compared to the previous year. These initiatives are dedicated to assisting adults and children in need, promoting sports, cultural events, education, and animal welfare.

In this report, we highlight a selection of initiatives that reflect our ongoing commitment to supporting the communities around us. Due to the report's length, we are unable to detail all actions taken; however, additional information can be found on our social media pages. We take pride in the dedication and effort of all volunteers who contributed their time and energy to these projects.

Colleagues from the Sopronhorpács factory took part in two volunteer efforts, spreading kindness and lending a hand in two local communities. Some employees volunteered to help renovate the local football field. Others cleaned up a local kindergarten's yard; among other tasks they dismantled an old wooden boat, trimmed the hedge along the fence, and cleared away the trimmings.



Community engagement

Local community support

During the Christmas season, our teams in Hungary came together to bring joy to children in need through shoebox charity drives at three of our locations. A total of 28 shoeboxes filled with toys, sweets, and essentials were donated to local families in need.

Our Polish team engaged in a heartfelt charity initiative at our factory in Białystok. The campaign, focused on collecting bottle caps for a 5-year-old boy named Max who struggles with Down syndrome, concluded with a heartwarming handover of all collected items to his mother. The team managed to gather an impressive 43 kilograms of bottle tops. This initiative aimed to raise funds for Max's rehabilitation, with the money obtained from selling the collected bottle caps contributing directly to his efforts learning to speak.

The Italian team sponsored a theatre evening, with the proceeds benefiting an association dedicated to providing guide dogs for the visually impaired.

PPF Brniště supported local development and cultural events with financial contributions, benefiting the municipalities of Brniště and Velký Valtinov. PPF Veselí was the main sponsor of the Veselské slavnosti, the biggest cultural event of the year.

In 2024, the French team funded the specialized training of an assistance dog named Utop, to provide support and companionship to individuals in need.

Animal welfare

Supporting pets and pet parents is a core business value for us. Within the communities we serve, we regularly donate to and volunteer at local animal shelters, rescue organizations, and charities. In 2024, we donated over 1500 pallets – which equals to approximately 50 trucks – of pet food to various organizations across Europe to support animal welfare. PPF is a steadfast supporter of several international organizations, including the National Animal Protection Foundation in

Hungary, DierenLot Foundation in the Netherlands, and the Jedno Serce Nie Da Rady Foundation in Poland.

A group of our dedicated colleagues from our Budapest office volunteered at Noah Animal Shelter Foundation. The team spent the day raking leaves, cleaning outdoor areas, and learning about the shelter's operations. Our Kalisz Team in Poland engaged in a team-building activity by constructing dog houses, which were later donated to the Gołuchów Animal Shelter.

PPF took significant steps in establishing a meaningful partnership with Greater Good Charities, an organization that helps people, pets, and the planet by mobilizing in response to need and amplifying the good. We are in the final stages of establishing the framework of our cooperation. Additionally, we donated 30,000 EUR to the organization for charity programs to be organized within PPF countries throughout 2025. With this, we have achieved our goal of collaborating at the Group level with an international charity by the end of 2024.





Case study

Since 2024, PPF Czech Republic has collaborated with Kočky Praha, an organization dedicated to raising awareness and establishing a legal framework for felinotherapy. This groundbreaking form of animal-assisted therapy uses interactions with cats to improve the mental and physical health of individuals, particularly seniors. Spending time with cats can enhance well-being by improving fine motor skills, reducing stress, combating loneliness, and aiding with memory and communication.

The goal of this collaboration is to introduce felinotherapy to the public, educate breeders, and support its development as a recognized treatment method. The project also includes training new felinotherapists, who will bridge the gap between theory and practice, thereby expanding the positive impact of this therapy.



Looking forward

In 2025, we will further strengthen our cooperation with Greater Good Charities and implement the agreed-upon activities for each country. Our goal is to continue supporting pets and people in need in a well-organized and governed manner. We believe that collaborating with a renowned international partner with a presence in multiple regions will facilitate this effort. We will also aim to expand our contributions and explore additional partnership opportunities.

While in 2025 we plan to review our PETS strategy and establish new targets, we remain committed to supporting pets and communities throughout this year, as we always done.

FURTHER MATERIAL TOPICS



There are several additional topics covered within our materiality assessment that are core to our business performance but do not fall within our current sustainability strategy. Our approach to these topics is outlined in detail below.

Cyber security

We place a high emphasis on responsible information management and maintaining a robust and secure IT environment. We achieve this through the application of industry best practices and the implementation of comprehensive security measures. Our approach includes regular system updates and patches, rigorous testing of our infrastructure, and continuous monitoring for potential threats and vulnerabilities. We have several policies and procedures to control our security framework, including an Antivirus Policy, a Data Centre Access Policy, and computer & software deployment procedures. These are regularly reviewed and updated, as a minimum, once per annum. The policy updates are regularly communicated to the entire user community. Key recurring procedures which govern our cyber security management are:

- Annual disaster recovery testing;
- Annual prohibited software review and regular user account reviews, including a privileged user account review on a monthly basis;
- Regular backup checks; and
- Issuance of a monthly IT operations report, with a strong focus on security measures.

In 2024, regular security updates were applied to enhance the security of all of our IT systems. Notable security improvement projects included:

- Implemented tools to provide comprehensive live view of the complete domain and server environment, in addition to real-time e-mail alert to Security and IT Management in case of suspicious activity.
- Increased focus on operational cyber security.
- Extended our real-time network traffic monitoring and pattern behavior detection.
- Increased our real-time alertness of security breaches and accelerated our reaction time.
- Started to use external databases to check our exposure and enhance our remediation protocols.
- Launched weekly cybersecurity calls for focused discussion on vulnerability mitigation processes and security projects.

At PPF, we believe in the importance of education and awareness. We provide ongoing training for our staff to ensure they are up to date with the latest cyber security threats and prevention techniques. We refreshed our mandatory, annual IT Security Awareness Training and included the latest threats and best practice materials. We continually strive to protect our systems and data through a combination of best practices, proactive measures, and awareness. In 2025, we plan to greatly increase our information security posture by establishing a Security Operation Center (SOC) for 24/7/365 monitoring and expanding the PPF Cybersecurity Team.

Product quality & safety

As a business specialized in pet food production, our goal is to manufacture products for our customers that meet all their needs and preferences as well as the quality and safety specifications. A key component of achieving this is ensuring that our operations meet high product quality & food safety standards. We comply with all pet food-related local and EU regulations, which are regularly reviewed by veterinarians and local authorities. Due to our continuous efforts, we did not encounter any significant product quality or food safety issues in 2024.

Most of our factories are certified by the Global Food Safety Initiative (GFSI) audits, according to the International Food Standard (IFS). Our factories follow unannounced audit principles, ensuring compliance and demonstrating the high standards of food quality and safety in our products and operations. To meet the expectations of our customers we will also work towards obtaining British Retail Consortium (BRC) certifications for some of our plants in 2025.

In 2024, our Veseli plant successfully implemented Infor, a quality and traceability modules software to ensure the availability of reliable data for all levels. We plan to roll it out to our other plants in 2025.

To maintain legislative compliance, we have optimized raw material specifications using our expertise and our suppliers' knowledge. Combined with our robust monitoring program, this ensures high quality and food safety standards. We also monitor market risks and incorporate preventive measures into our processes.

To be compliant with our current and future customer expectations, we applied a premiumization approach in all our processes which has a direct effect on customer satisfaction. This covers quality culture promotion in our manufacturing plants (e.g., regular quality meetings, involvement of plant teams in the internal GMP/GHP audits, quality training). In 2024, we have initiated Quality Day celebration in one of our plants, to build up quality mindset and support premiumization. Our goal is to celebrate it again next year in other plants.

As well as prioritizing safety, product quality is of the utmost importance to PPF. Pets rely on their owners for a balanced diet, which should include all essential nutrients in one meal. This requires creating recipes that meet daily nutrient needs (energy, protein, vitamins, etc.) in a single serving. In addition to meeting pets' nutrient requirements, at PPF, we also regularly conduct palatability tests to ensure our products are not only healthy for customers' pets but appetizing as well.

Our certificates are the evidence of high ethical, environmental and quality standards

FACTORY	CATEGORY	IFS	BRC	ASC	MSC	BIO	ISO 22000	ISO 9001	ISO 14001	SEDEX REGISTERED	SMETA AUDITED
Sopronhorpács	wet (cans)	✓		✓	✓					✓	
Dombóvár	dry	✓								✓	
Pécs	snacks	✓								✓	
Brniště	dry	✓		✓	✓					✓	
Veselí nad Lužnicí	wet (pouch)	✓	✓	✓	✓	✓				✓	✓
Białystok	wet (pouch, cans)	✓		✓	✓					✓	✓
Kalisz	wet (cans)	✓								✓	
Ittervoort	wet (cans)	✓	✓	✓	✓	✓				✓	✓
Doetinchem	dry	✓								✓	
Vårgårda	wet (cans, pouch, tetra), dry	✓					✓			✓	
Citta di Castello	dry, snacks	✓		✓	✓			✓	✓	✓	✓
Dunajský Klátov	dry	✓								✓	

✓ Certificates PPF obtained or held in 2024. ✓ Certificates PPF obtained in 2025.

Water management

The environmental issues of water use and waste-water generation are relevant for PPF as a manufacturer. Water is used extensively in various stages of pet food processing, including preparation and formulation. Water is also used in the cleaning and sanitation processes we undertake to ensure we maintain the high quality and safety standards of our products.

Pet food production generates significant amounts of wastewater containing organic materials, fats, oils, and grease. Proper treatment of this wastewater is essential to prevent environmental pollution and reduce our environmental impact.

We actively comply with regulations regarding water quality & usage and wastewater management. PPF's approach to water and wastewater management is aligned with international and local legal requirements, ensuring that all sites analyze and report their water use and discharge in compliance with these standards.

Minimizing water use and increasing our water recycling rate are connected to our zero-waste initiatives. These include decreasing our steam consumption and reusing the water from sterilization procedures where feasible. We are also assessing the efficiency of our cleaning measures within our factories and streamlining cleaning measures to reduce water waste.



Biodiversity

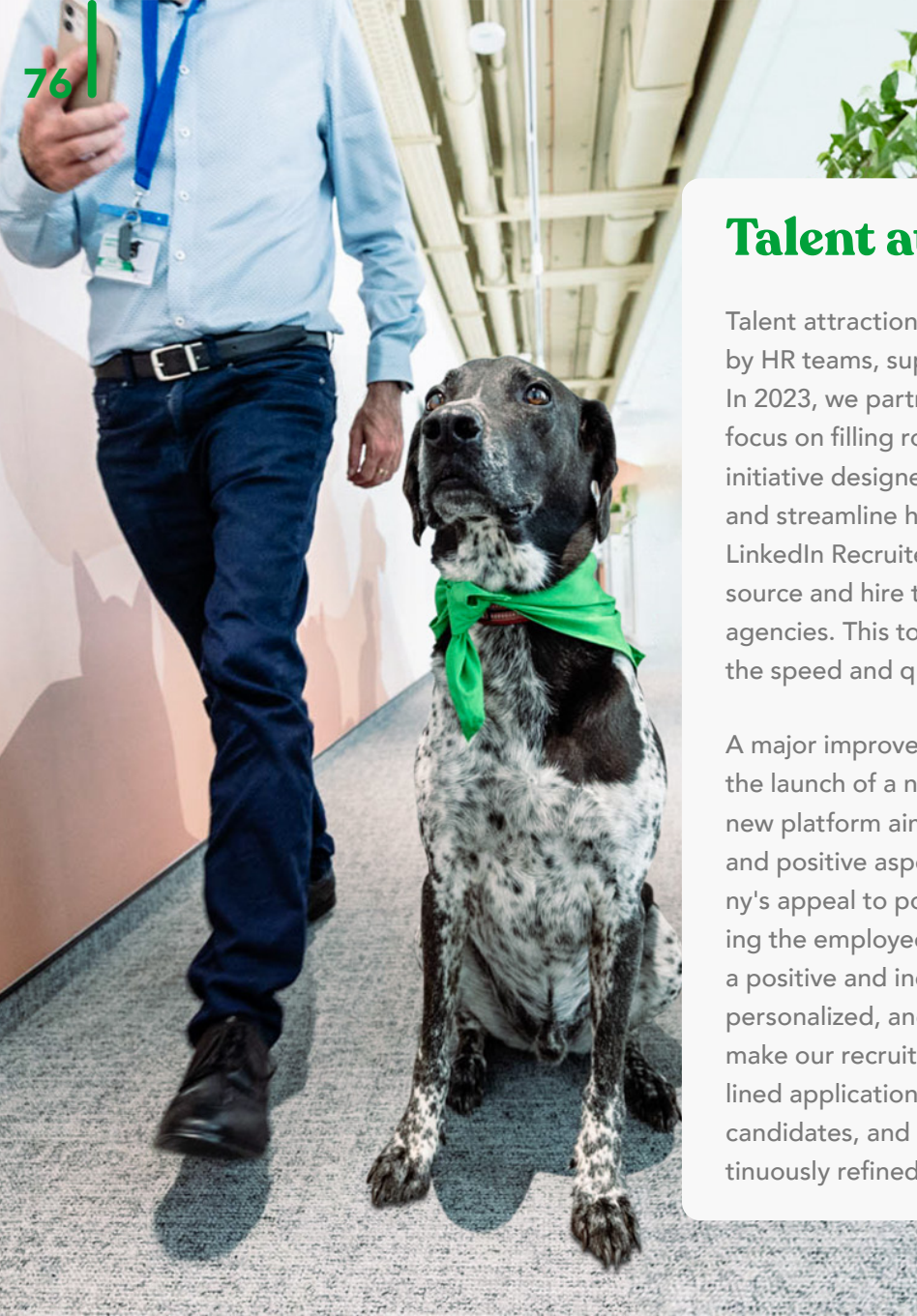
Climate change and the loss of biological diversity are closely interconnected, necessitating a dual approach: reducing emissions and increasing carbon dioxide sequestration. Forests serve as our most vital natural carbon sinks. By planting more trees, which naturally absorb carbon dioxide as they grow, we can help remove additional greenhouse gases from the atmosphere. For this reason, in 2024 we started to implement biodiversity projects. Doggy, PPF's Swedish subsidiary, conducted an environmental project in Sweden in collaboration with Initiativ 1415 to implement climate compensation measures and enhance biological diversity. In Tväråträsk we preserve forest, in Tanum we plant new forest, and in Bålsta we establish an area for pollinators.

Pollution

Pollution prevention is crucial for PPF to maintain regulatory compliance, protect the health of our workers and the surrounding community, and enhance the company's reputation for environmental responsibility.

Air pollution measurements for specific technologies, such as gas boilers, are conducted in accordance with legislation. The pollutants to be measured (e.g., sulphur dioxide, carbon monoxide, nitrogen oxides) and the frequency of these measurements are defined by national authorities or permits, such as the IPPC permit. An accredited third-party company carries out the measurements. We use modern, high-efficiency boilers to reduce the emissions of air pollutants.

Environmental noise measurement is regulated by permits that govern the factory's emission limits for both day and night. In recent years, several noise reduction measures have been implemented, including regular monitoring and maintenance of machinery, as well as the installation of soundproofing insulation on certain equipment.



Talent attraction & retention

Talent attraction and recruitment at PPF are managed locally by HR teams, supported by external agencies when needed. In 2023, we partnered with a dedicated external recruiter to focus on filling roles at our headquarters and in Hungary – an initiative designed to reduce reliance on headhunting firms and streamline hiring. Building on this, in 2024 we adopted LinkedIn Recruiter, significantly enhancing our ability to source and hire talent without the involvement of external agencies. This tool has broadened our reach and improved the speed and quality of our recruitment efforts.

A major improvement in 2024 is the rebranding of PPF and the launch of a new company webpage and career site. This new platform aims to effectively communicate the benefits and positive aspects of working at PPF, enhancing the company's appeal to potential candidates. Efforts also included making the employee referral program more attractive, fostering a positive and inclusive company culture, and creating a great, personalized, and fast candidate experience. We strive to make our recruitment processes efficient by offering streamlined application procedures, timely communication with candidates, and a positive candidate experience, which is continuously refined through our recruitment feedback process.

We are actively working on talent retention by creating a supportive environment that prioritizes employee wellbeing and fosters an inclusive workplace culture. We provide flexible working hours and remote work options to accommodate various lifestyles and needs, including those of parents with young children. The benefits and compensation packages that are offered to all colleagues are competitive and match or exceed industry standards. Our 9-box rating and succession planning process have been designed and are being implemented in some functions. This process supports internal career progression, ensuring that employees have clear pathways for growth within the company. In 2024, employee turnover rate was 19%, which is a four percentage point increase compared to 15% in 2023.

In 2025, we plan to build on our recently introduced practices to ensure a seamless and high-quality experience for candidates. We will aim to manage all recruitment activities internally through our skilled recruiter, providing personalized candidate experiences and efficient processes. Depending on talent needs, we plan to participate in local job fairs to engage directly with the community and showcase career opportunities. Retention will remain a top priority, with a specific focus on developing people leaders and supporting all employees. We will develop a comprehensive blended learning program to equip newly promoted, less experienced leaders with the tools they need to succeed.

Case study

Recognizing that leaders are crucial for retention, PPF has implemented various actions targeting the development of people leaders. These include training programs, mentoring, coaching, and fostering a feedback culture to enhance leadership skills and employee engagement.

One of the most unique development program is the "Becoming a Leader" program which, now in its second consecutive year, combines traditional training methods with horse-assisted learning. The 4-day program is a kick-start of the leadership learning journey of our future leaders by strengthening self-awareness, deepening emotional and social intelligence, identifying the leadership role, and developing the key skills to manage your direct reports successfully. It offers a great blend of different modules, including in-person training, horse-assisted training, and coaching. Additionally, participants are building connections with new colleagues across the organization, thereby strengthening cross-functional relationships.





LOOKING FORWARD TO 2025

Double materiality assessment (DMA)

In 2024, PPF conducted a Double Materiality Assessment in preparation for the upcoming requirements of the CSRD⁹. This assessment determines whether a sustainability topic or information should be included in the company’s sustainability report based on two dimensions: impact materiality and financial materiality.

- **Financial materiality** examines sustainability factors that affect a company’s financial performance.

- **Impact materiality** considers a company’s impacts on people or the environment.

Consequently, a DMA helps us to identify, understand, and prioritize the material impacts, risks, and opportunities (IROs) related to PPF's sustainability topics.

The DMA consisted of 4 phases and each phase included several steps, which are shown in the below

picture. During the assessment, PPF gathered input from internal and external stakeholders on relevant environmental, social, and governance topics and their associated actual or potential impacts, risks, and opportunities. The scope of the DMA covered the entire value chain and all geographic areas where PPF operates. The materiality threshold was aligned with PPF’s internal Enterprise Risk Management framework.

The phases of double materiality assessment (DMA)

Business & value chain review

- Overview of PPF’s activities, business relationships, and external context
- Value chain and stakeholder mapping
- Identification of initial list of impacts, risks, and opportunities (IRO)

Stakeholder engagement

- Internal and external stakeholder engagement via interviews
- Synthesis of IROs
- Topic refinement and definition validation

IRO scoring

- Scoring methodology development based on PPF’s internal Enterprise Risk Management framework
- Definition of materiality threshold
- Initial scoring of IROs

Topic prioritisation & validation

- IRO scoring validation by internal and external stakeholders
- Topic prioritization
- Adopt materiality threshold
- Leadership validation

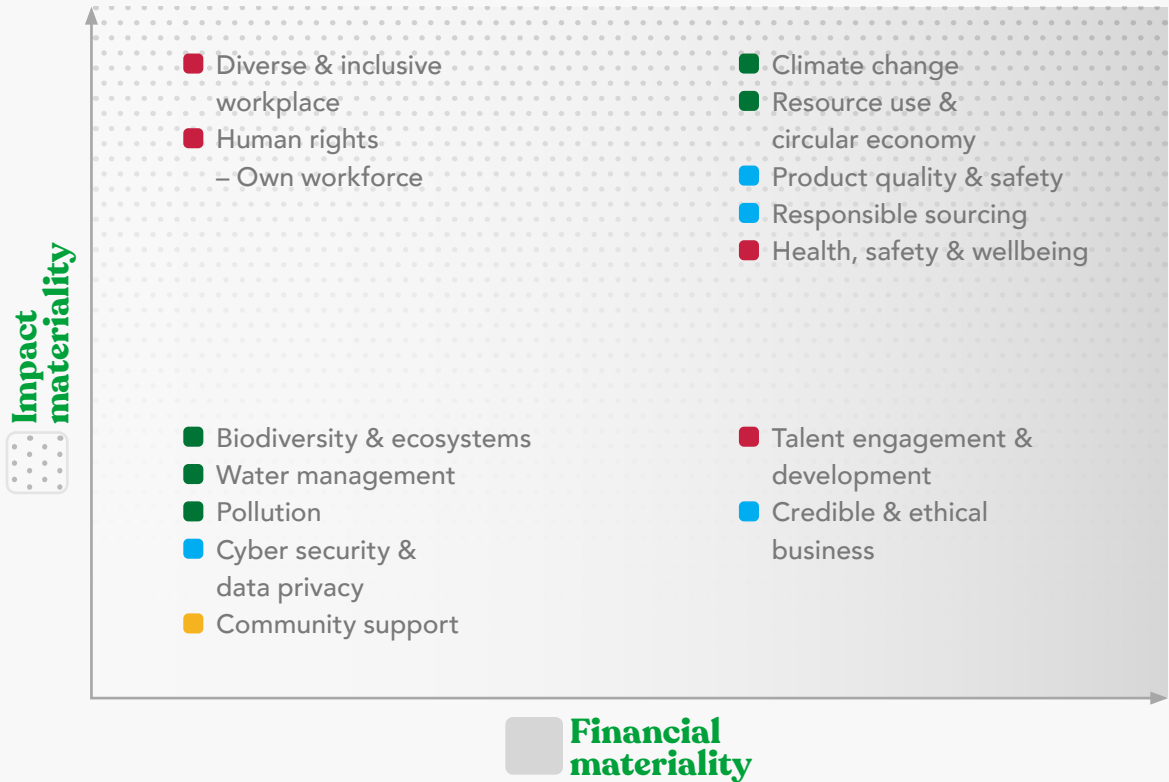
Double materiality assessment (DMA)

In our double materiality assessment, we identified nine sustainability matters as material to PPF. The nine material topics are:

- Climate change
- Resource use & circular economy
- Health, safety & wellbeing
- Diverse & inclusive workplace
- Talent engagement & development
- Human rights – Own workforce
- Product quality & safety
- Credible & ethical business
- Responsible sourcing

The material topics identified in the DMA confirmed the targets of our PETS strategy and identifies areas to improve on specific topics. The material impacts, risks, and opportunities are related to five ESRS⁹ topic standards. In addition, we identified one entity-specific sustainability matters; Responsible sourcing. A detailed list of IROs will be disclosed in our 2025 Sustainability Report.

The result of the DMA forms the basis for our PETS strategy update that is planned for 2025.



ANNEX



ABOUT THIS REPORT

Our 2024 Sustainability Report aims to provide a complete picture of PPF's sustainability activities, which are informed by our material topics, for the year ending 31 December 2024.

If you have any questions regarding this report, please reach out to our Head of Sustainability Márta Zincsenko-Záhorszki at

info@ppfeurope.com



Reporting scope, boundaries, and methodology updates

This report provides an overview of our progress towards the commitments outlined in our PETS strategy. The activities, initiatives, progress, and metrics mentioned in this report encompass all our businesses under PPF as of December 31, 2024. PPF refers to the business activities conducted by Partner in Pet Food Hungária Korlátolt Felelősségű Társaság ('Partner in Pet Food' or 'PPF') and its consolidated subsidiaries. The reporting period covers the financial year 2024 (FY24), from January 1, 2024, to December 31, 2024.

Reporting frameworks

The information in this year's report is aligned, where indicated, with the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) recommendations. We also utilize a wide range of internal KPIs.

Data tables

The data tables section provides our available 2022, 2023 and 2024 data for sustainability performance indicators, developed internally or sourced from relevant ESG frameworks, such as GRI, as indicated in the left column of the tables.

GHG emissions methodology

PPF's GHG emissions are calculated using methodologies consistent with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition, the GHG Protocol: Scope 2 Guidance, and the Corporate Value Chain (Scope 3), Accounting and Reporting Standard. Emissions were calculated by using Denxpert's software tool.

PPF's chosen reporting boundary is operational control. Under the operational control approach, PPF accounts for 100% of emissions from all operations under which it or one of its subsidiaries has operational control, which means that it has the authority to introduce and implement its operating policies. For the calculation, the emission factors are obtained from international databases, such as Ecoinvent, Exiobase, DBEIS, AlBnet, and Agri-footprint.

In 2024, we made some updates to our GHG emissions methodology, including the following:

- Added our newly acquired plant in Pécs to the calculation which triggered a baseline year emission recalculation.
- Added our new office in Malmo to the GHG emission calculation. Since this addition did not result in a significant change (exceeding 5%) to our total emissions, it was not necessary to recalculate the baseline year emissions.

- Between 2021 and 2023, PPF used emission factors from the EEA database to calculate Scope 2 market-based emissions. Starting in 2024, we transitioned to using the CaDI database (Scope 2).
- Included self-generated renewable energy in the data collection and calculation. (Scope 2)
- Added purchased heat in the data collection and calculation. (Scope 2)
- Started to collect and use country-specific emission factors related to services. (Scope 3 Category 1)
- Reviewed the data collection for services in order to avoid any duplication. (Scope 3 Category 1)
- Updated some of the emission factors if 2024 figures were available.
- Reviewed and updated the emission factor for aluminum packaging for 2021-2024. (Scope 3 Category 1)
- We recalculated emissions from purchased cans for the period 2021–2024 using supplier-specific emission factors. The emission factor has shown a decreasing trend over time, primarily due to a 5% reduction in emissions associated with raw materials. This improvement is attributed to advancements in the global tinplate supply chain. (Scope 3 Category 1)

The GHG emissions figures presented in our 2024 Consolidated Financial Statements differ from those reported here. This discrepancy arises from technical issues encountered, the unavailability of certain data at the time, and, in some cases, a methodological shift from using average emission factors to supplier-specific values. In this Report, we have included a complete and comprehensive dataset, offering a more accurate and transparent overview of our emissions.

GENERAL DISCLOSURES

FRAMEWORK	PERFORMANCE INDICATOR	
GRI 2-1	ORGANIZATIONAL DETAILS	
GRI 2-1a	Report its legal name	Partner in Pet Food Hungária Korlátolt Felelősségű Társaság
GRI 2-1b	Report its nature of ownership and legal form;	Limited Liability Company
GRI 2-1c	Report the location of its headquarters;	Budapest, Hungary
GRI 2-1d	Report its countries of operation.	Hungary, Sweden, Slovakia, Poland, the Netherlands, Czech Republic, France, Italy, Germany, Romania
GRI 2-2	ENTITIES INCLUDED IN THE ORGANIZATION’S SUSTAINABILITY REPORTING	
GRI 2-2a	List all its entities included in its sustainability reporting;	Partner in Pet Food CZ s.r.o Partner in Pet Food Hungária Kft. Partner in Pet Food NL B.V. Landini Giuntini S.p.A. Partner in Pet Food Poland S.A. Provimi Petfood SK Doggy AB Kollmax Kft. Kollmax s.r.l.
GRI 2-3	REPORTING PERIOD, FREQUENCY AND CONTACT POINT	
GRI 2-3a	Specify the reporting period for, and the frequency of, PPF’s sustainability reporting;	Page 82–83
GRI 2-3c	Report the publication date of the report or reported information;	15 July 2025
GRI 2-3d	Specify the contact point for questions about the report or reported information.	Page 82
GRI 2-4	RESTATEMENTS OF INFORMATION	
GRI 2-4a	Report restatements of information made from previous reporting periods and explain: i. the reasons for the restatements; ii. the effect of the restatements.	Page 83
GRI 2-5	EXTERNAL ASSURANCE	
GRI 2-5a	Describe its policy and practice for seeking external assurance, including whether and how the highest governance body and senior executives are involved;	This report has not been externally assured.
GRI 2-6	ACTIVITIES, VALUE CHAIN AND OTHER BUSINESS RELATIONSHIPS	
GRI 2-6a	Report the sector(s) in which it is active;	Page 9

GENERAL DISCLOSURES

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 2-7	EMPLOYEES			
GRI 2-7a	Report the total number of employees, and a breakdown of this total by gender and by region;			
	Gender			
	Female	809	916	984
	Male	1 420	1 442	1 480
	Country			
	Italy	143	142	152
	Germany	13	15	14
	Czech Republic	587	537	545
	Hungary	471	536	547
	Netherlands	147	152	173
	Poland	614	717	758
	Sweden	199	198	213
	Slovakia	53	58	57
	France	2	3	5
GRI 2-7b	Total number of permanent employees	2 229	2,358	2 445
	Female	809	916	979
	Male	1 420	1,442	1 466
	Total number of temporary employees	0	0	19
	Female	0	0	14
	Male	0	0	5
	Total number of full-time employees	2 163	2,301	2 409
	Female	763	876	941
	Male	1 400	1,425	1 468
	Total number of part-time employees	66	57	55
	Female	46	40	43
	Male	20	17	12
GRI 2-8	WORKERS WHO ARE NOT EMPLOYEES			
GRI 2-8a	Total number of workers who are not employees and whose work is controlled by the organization	432	426	479

GENERAL DISCLOSURES

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 2-9	GOVERNANCE STRUCTURE AND COMPOSITION			
	Total number of board members	8	8	8
	Number of women board members	0	0	2
GRI 2-9a	Describe its governance structure, including committees of the highest governance body		Page 20	
GRI 2-11	CHAIR OF THE HIGHEST GOVERNANCE BODY			
GRI 2-11a	Report whether the chair of the highest governance body is also a senior executive in the organization		Page 20	
GRI 2-12	ROLE OF THE HIGHEST GOVERNANCE BODY IN OVERSEEING THE MANAGEMENT OF IMPACTS			
GRI 2-12a	Describe the role of the highest governance body and of senior executives in developing, approving, and updating the organization’s purpose, value or mission statements, strategies, policies, and goals related to sustainable development		Page 17 Page 20	
GRI 2-13	DELEGATION OF RESPONSIBILITY FOR MANAGING IMPACTS			
GRI 2-13a	Describe how the highest governance body delegates responsibility for managing the organization’s impacts on the economy, environment, and people, including: i. whether it has appointed any senior executives with responsibility for the management of impacts ii. whether it has delegated responsibility for the management of impacts to other employees		Page 20	
GRI 2-14	ROLE OF THE HIGHEST GOVERNANCE BODY IN SUSTAINABILITY REPORTING			
GRI 2-14a	Report whether the highest governance body is responsible for reviewing and approving the reported information, including the organization’s material topics, and if so, describe the process for reviewing and approving the information		Page 16	
GRI 2-22	STATEMENT ON SUSTAINABLE DEVELOPMENT STRATEGY			
GRI 2-22a	Report a statement from the highest governance body or most senior executive of the organization about the relevance of sustainable development to the organization and its strategy for contributing to sustainable development		Page 17	

GENERAL DISCLOSURES



FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 2-23	POLICY COMMITMENTS			
GRI 2-23a	Describe its policy commitments for responsible business conduct		Page 24-26	
GRI 2-23b	Describe its specific policy commitment to respect human rights		Page 24-26	
GRI 2-23c	Provide links to the policy commitments if publicly available, or, if the policy commitments are not publicly available, explain the reason for this	https://www.ppfeurope.com/media/uploads/PPF%20ESG%20Policy%202023.pdf		
GRI 2-23d	Report the level at which each of the policy commitments was approved within the organization, including whether this is the most senior level		Page 24-26	
GRI 2-23e	Report the extent to which the policy commitments apply to the organization’s activities and to its business relationships		Page 24-26	
GRI 2-23f	Describe how the policy commitments are communicated to workers, business partners, and other relevant parties		Page 28	
GRI 2-24	EMBEDDING POLICY COMMITMENTS			
GRI 2-24a	Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships		Page 24-26	Page 31-33
GRI 2-25	PROCESSES TO REMEDIATE NEGATIVE IMPACTS			
GRI 2-25a	Describe its commitments to provide for or cooperate in the remediation of negative impacts that the organization identifies it has caused or contributed to		https://www.ppfeurope.com/compliance	
GRI 2-25b	Describe its approach to identify and address grievances, including the grievance mechanisms that the organization has established or participates in		https://www.ppfeurope.com/compliance	
GRI 2-26	MECHANISMS FOR SEEKING ADVICE AND RAISING CONCERNS			
GRI 2-26a	Describe the mechanisms for individuals to: i. seek advice on implementing the organization’s policies and practices for responsible business conduct ii. raise concerns about the organization’s business conduct		Page 27	

GENERAL DISCLOSURES

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 2-27	COMPLIANCE WITH LAWS AND REGULATIONS			
GRI 2-27a	Report the total number of significant instances of non-compliance with laws and regulations during the reporting period	0	0	0
	Breakdown of this total by:			
GRI 2-27a i)	Instances for which fines were incurred	0	0	0
GRI 2-27a ii)	Instances for which non-monetary sanctions were incurred	0	0	0
GRI 2-27b	Report the total number and monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period	0	0	0
	Breakdown of this total by:			
GRI 2-27b i)	Fines for instances of non-compliance with laws and regulations that occurred in the current reporting period	0	0	0
GRI 2-27b ii)	Fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods	0	0	0
GRI 2-27c	Describe the significant instances of non-compliance;	No significant instance of non-compliance. Instances of significant non-compliance are considered significant if they result in a fine or penalty exceeding €25,000, or if they involve a breach of law or regulation that could materially impact the company's reputation or operations.		
GRI 2-27d	Describe how it has determined significant instances of non-compliance.			
GRI 2-28	MEMBERSHIP ASSOCIATIONS	FEDIAF, ASSALZOO, POLKARMA, FACCO, NPFA, SVPDZ, NVG, FHFI		
GRI 2-28a	Report industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role			
GRI 2-29	APPROACH TO STAKEHOLDER ENGAGEMENT	Page 15-16		
GRI 2-29a	Describe its approach to engaging with stakeholders, including: i. the categories of stakeholders it engages with, and how they are identified ii. the purpose of the stakeholder engagement iii. how the organization seeks to ensure meaningful engagement with stakeholders			
GRI 2-30	COLLECTIVE BARGAINING AGREEMENTS			
GRI 2-30a	Report the percentage of total employees covered by collective bargaining agreements	15%	14%	15%
Internal KPI	WORKING CONDITIONS			
	How working conditions and terms of employment are determined for employees not covered by collective bargaining agreements	Working conditions and terms of employment are determined based on labor law and works council agreement for employees not covered by collective bargaining agreements.		
	Report the percentage of employees who are covered by formal collective agreements concerning working conditions			
		15%	14%	15%



FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 205-1	OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION			
GRI 205-1a	Total number of operations assessed for risks related to corruption	Not available ⁱ	Not available ⁱ	20
	Percentage of operations assessed for risks related to corruption	Not available ⁱ	Not available ⁱ	100%
GRI 205-1b	Significant risks related to corruption identified through the risk assessment		No significant corruption risk.	
GRI 205-2	COMMUNICATION AND TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES			
GRI 205-2a	Percentage of governance body			
	Received communication on anticorruption policies and procedures	100%	100%	100%
	Received training on anti-corruption	100%	100%	100%
GRI 205-2b	Percentage of employees			
	Received communication on anticorruption policies and procedures	100%	100%	100%
	Received training on anti-corruption	33%	94%	81%
GRI 205-2d	Number of governance body			
	Received communication on anticorruption policies and procedures	39	39	39
	Received training on anti-corruption	39	39	39
GRI 205-2e	Number of employees			
	Received communication on anticorruption policies and procedures	2229	2358	2464
	Received training on anti-corruption	736	2217	1996
GRI 205-3	INCIDENTS OF CORRUPTION AND ACTIONS TAKEN			
GRI 205-3a	Total number of confirmed incidents of corruption	0	0	0
GRI 205-3b	Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
GRI 205-3c	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	0	0	0
GRI 205-3d	Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases.	0	0	0

ETHICAL BUSINESS



FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
Internal KPI	ETHICAL BUSINESS CONDUCT			
	Percentage of total workforce trained (e.g. through e-learning) on business ethics issues	33%	94%	81%
	Percentage of all operational sites with an information security management system (ISMS) certified to ISO 27000 (or other equivalent/similar standard)	0%	0%	0%
	Number of AML (anti-money laundering) incidents	0	0	0
	Number of Anti-trust / competition incidents	0	0	0
	Number of cyber security (information security) incidents	0	2	3
	Number of whistleblowing reports	0	0	3
	Report percentage of employees trained on responsible information security and management	68%	83%	74%
	Confirmed ethics-related incidents or legal actions	0	0	0

CREDIBLE BUSINESS

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
Internal KPI	SUSTAINABILITY REPORTING	To ensure we are providing our stakeholders with transparency regarding the sustainable, credible, and ethical performance of our operations, we intend to publish this report on an annual basis.		
	Reporting against sustainability strategy on an annual basis			

RESPONSIBLE SOURCING

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
Internal KPI	DIRECT SUPPLIERS			
	Number of direct material suppliers who have had code of conduct communicated to them	100%	100%	100%
	Percentage (value coverage) of direct material suppliers who have signed on to PPF's Supplier Code of Conduct and Sustainable Sourcing Policy	Not available ⓘ	78%	89%

CLIMATE IMPACTS



FRAMEWORK	PERFORMANCE INDICATOR	2021	2022	2023	2024	UNIT
GRI 302-1	ENERGY CONSUMPTION					
GRI 302-1a	Total fuel consumption from non-renewable sources	318,570,630	303,553,707	297,546,680	303,751,609	kWh
GRI 302-1b	Total energy consumption from renewable sources	23,340,459	19,300,459	23,504,167	24,291,613	kWh
GRI 302-1e	Total energy consumption	341,911,088	322,854,166	321,050,847	328,043,222	kWh
GRI 302-3	ENERGY INTENSITY					
GRI 302-3a	Energy intensity ratio	1,643	1,927	1,884	2,191	t /MWh
GRI 302-3c	Energy included in the intensity ratio	Natural gas, Fuels, Non-renewable electricity, Renewable electricity, Renewable steam, District heating				
GRI 305-1	DIRECT (SCOPE 1) GHG EMISSIONS					
GRI 305-1a	Gross direct (Scope 1) GHG emissions	53,287	50,946	49,392	50,390	tCO ₂ e
GRI 305-2	ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS					
GRI 305-2a	Gross location-based energy indirect (Scope 2) GHG emissions	22,353	21,711	20,357	25,798	tCO ₂ e
GRI 305-2b	Gross market-based energy indirect (Scope 2) GHG emissions	32,165	33,509	32,854	33,157	tCO ₂ e
GRI 305-3	OTHER INDIRECT (SCOPE 3) GHG EMISSIONS					
GRI 305-3a	Gross other indirect (Scope 3) GHG emissions	604,126	579,580	559,792	569,110	tCO ₂ e
GRI 305-3d	Other indirect (Scope 3) GHG emissions categories and activities					
	1. Purchased goods and services	454,225	430,653	432,569	437,821	tCO ₂ e
	2. Capital goods	17,961	16,613	17,012	24,837	tCO ₂ e
	3. Fuel and energy related activities	14,702	14,147	13,808	13,891	tCO ₂ e
	4. Upstream transportation & distribution ⁱ	75,606	80,049	63,575	58,552	tCO ₂ e
	5. Waste generated in operations	4,527	4,893	3,724	3,251	tCO ₂ e
	6. Business travel	75	187	255	289	tCO ₂ e
	7. Employee commuting	3,157	3,202	3,506	3,516	tCO ₂ e
	8. Upstream leased assets	2,457	2,457	2,457	2,276	tCO ₂ e
	9. Downstream transportation & distribution	9,468	7,055	6,337	11,439	tCO ₂ e
	10. Processing of sold products ⁱ	Not relevant	Not relevant	Not relevant	Not relevant	
	11. Use of sold products ⁱ	Not relevant	Not relevant	Not relevant	Not relevant	
	12. End-of-life treatment of sold products	21,947	20,324	16,550	13,237	tCO ₂ e
	13. Downstream leased assets ⁱ	Not relevant	Not relevant	Not relevant	Not relevant	
	14. Franchises ⁱ	Not relevant	Not relevant	Not relevant	Not relevant	
	15. Investments ⁱ	Not relevant	Not relevant	Not relevant	Not relevant	
GRI 305-4	GHG EMISSIONS INTENSITY					
GRI 305-4a	GHG emissions intensity ratio	1,224	1,063	1,059	0,908	tCO ₂ e/t
GRI 305-4c	Types of GHG emissions included in the intensity ratio	Direct Scope 1, indirect Scope 2 (location-based), and indirect Scope 3				
GRI 305-4d	Gases included in the calculation	CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃				

CIRCULAR ECONOMY



FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
SASB Processed Food	PACKAGING LIFECYCLE MANAGEMENT			
SASB FB-PF-410a.1	Total weight of packaging	59,547 t	58,836 t	54,902 t
	Percentage made from recycled materials	35%	11%	12%
	Percentage that is recyclable, reusable, and/or compostable	89%	91%	90%
GRI 306-3	WASTE GENERATED			
GRI 306-3a	Total weight of waste generated, by treatment operations	20,714 t	22,205 t	24,366 t
	Composted	7963 t	8,360 t	10,369 t
	Incineration	4,492 t	601 t	1,415 t
	Landfilling	1,567 t	4,028 t	1,657 t
	Recycled	6,150 t	8,823 t	10,526 t
Internal KPI	OPERATIONAL FOOD WASTE			
	Total weight of operational food waste generated	15,992 t	13,812 t	13,241 t

ENGAGED, DIVERSE, AND INCLUSIVE WORKPLACE:

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 404-1	AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE			
GRI 404-1a	Average hours of training that the organization’s employees have undertaken during the reporting period, by:			
	Gender			
	Female	Not available ⁱ	Not available ⁱ	24
	Male	Not available ⁱ	Not available ⁱ	33
	Employee category			
	Blue-collar	Not available ⁱ	Not available ⁱ	22
	White-collar	Not available ⁱ	Not available ⁱ	37
GRI 404-3	EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS			
GRI 404-3a	Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period, by:			
	Gender			
	Female	Not available ⁱ	Not available ⁱ	49%
	Male	Not available ⁱ	Not available ⁱ	27%
	Employee category			
	Blue-collar	62%	55%	95%
	White-collar	37%	100%	100%

ENGAGED, DIVERSE, AND INCLUSIVE WORKPLACE:

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 405-1	DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES			
GRI 405-1a	Total number of C-Suite (Chief Officer) employees, by:			
	Gender			
	Female	1	1	1
	Male	3	3	3
	Age group			
	under 30 years old	0	0	0
	30-50 years old	1	1	1
	over 50 years old	3	3	3
	Percentage of individuals within the organization’s governance bodies in each of the following diversity categories, by:			
	Gender			
	Female	26%	20%	23%
	Male	74%	80%	77%
	Age group			
	under 30 years old	Not available ⁱ	Not available ⁱ	0%
	30-50 years old	Not available ⁱ	Not available ⁱ	58%
	over 50 years old	Not available ⁱ	Not available ⁱ	42%
GRI 405-1b	Percentage of employees per employee category in each of the following diversity categories, by:			
	Gender			
	Female	36%	39%	40%
	Male	64%	61%	60%
	Age category			
	Under 30 years old	17%	17%	16%
	30-50 years old	55%	57%	60%
	Over 50 years old	28%	26%	24%
Internal KPI	EMPLOYEE REPRESENTATIVES			
	Report the percentage of employees who are covered by formally-elected employee representatives	48%	44%	44%
Internal KPI	EMPLOYEE SATISFACTION			
	Report the percentage of employees included in satisfaction survey	94%	92%	91%
	Report the percentage of satisfaction among employees	58%	63%	66%

HEALTH, SAFETY, AND WELLBEING

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 403-9 GRI 403-9a	WORK-RELATED INJURIES			
	All employees			
	The number of fatalities as a result of work-related injury	1	0	0
	The rate of fatalities as a result of work-related injury	Not available ⁱ	0	0
	The number of high-consequence work-related injuriesⁱ (excluding fatalities)	0	1	1
	The rate of high-consequence work-related injuries (excluding fatalities) based on 1,000,000 hours worked	0	0,204	0,196
	The number of recordable work-related injuriesⁱ	50	37	52
	The rate of recordable work-related injuries based on 1,000,000 hours worked	Not available ⁱ	7,564	10,174
Internal KPI	Lost time injury (LTI) across our operation	20	32	22
	The number of hours worked	Not available ⁱ	4 891 453	5 111 163
	EMPLOYEE HEALTH AND SAFETY			
	LTI rate across our operation	12,7	6,5	4,3
	Average employee absence rate across our operation	7%	6,70%	7,40%
	Report the percentage of employees represented in formal joint management-worker health & safety committees	Not available ⁱ	Not available ⁱ	3,49%
	Report the percentage of sites for which an employee health & safety risk assessment has been conducted	Not available ⁱ	Not available ⁱ	100%

COMMUNITY

FRAMEWORK	PERFORMANCE INDICATOR	2022	2023	2024
GRI 413-1	LOCAL COMMUNITY ENGAGEMENT			
GRI 413-1a	Percentage of operations with implemented local community engagement development programmes	64%	100%	100%

GLOSSARY

TERM	DEFINITION
Anti-competitive behavior	Action of the organization or employees that can result in collusion with potential competitors, with the purpose of limiting the effects of market competition.
Anti-trust and monopoly practice	Action of the organization that can result in collusion to erect barriers for entry to the sector, or another collusive action that prevents competition.
Baseline	Starting point used for comparisons. In the context of energy and emissions reporting, the baseline is the projected energy consumption or emissions in the absence of any reduction activity.
Base year	Historical datum (such as year) against which a measurement is tracked over time.
Business partner	Entity with which the organization has some form of direct and formal engagement for the purpose of meeting its business objectives. Business partners do not include subsidiaries and affiliates that the organization controls.
Carbon dioxide (CO ₂) equivalent	Measure used to compare the emissions from various types of greenhouse gases (GHG) based on their global warming potential (GWP). The CO ₂ equivalent for a gas is determined by multiplying the metric tons of the gas by the associated GWP.
Circularity	Measures taken to retain the value of products, materials, and resources and redirect them back to use for as long as possible with the lowest carbon and resource footprint possible, such that fewer raw materials and resources are extracted, and waste generation is prevented.
Confirmed incident of corruption	Incident of corruption that has been found to be substantiated. Confirmed incidents of corruption do not include incidents of corruption that are still under investigation in the reporting period.
Corruption	Abuse of entrusted power for private gain', which can be instigated by individuals or organizations. Corruption includes practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the enterprise's business. This can include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage, or that can result in moral pressure to receive such an advantage.
CSRD	The Corporate Sustainability Reporting Directive (CSRD) is an EU regulation that mandates large companies to disclose detailed information on their environmental, social, and governance (ESG) impacts. It aims to align sustainability reporting with financial reporting, promoting transparency and accountability.
Direct (Scope 1) GHG emissions	Greenhouse gas (GHG) emissions from sources that are owned or controlled by the organization. A GHG source is any physical unit or process that releases GHG into the atmosphere.
Double materiality	Double materiality has two dimensions: impact materiality and financial materiality. A sustainability matter meets the criteria of double materiality if it is material from the impact perspective or the financial perspective or both.
Dry portfolio	Extruded dry dog and cat food products made for a complete and balanced diet. Extrusion technology cooks the product at high temperatures for a short period of time to guarantee its digestibility and safety.
Employee category	Breakdown of employees by level (such as senior management, middle management) and function (such as technical, administrative, production).
Employee engagement	Engagement is the state of emotional and intellectual involvement that motivates employees to do their best work. We measure employee engagement based on the proportion of employees who score "moderately engaged" or "highly engaged" in our annual employee engagement survey.
Energy indirect (Scope 2) GHG emissions	Greenhouse gas (GHG) emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the organization.

TERM	DEFINITION
ESG	Acronym for Environmental, Social, and Governance.
Governance body	Formalized group of individuals responsible for the strategic guidance of the organization, the effective monitoring of management, and the accountability of management to the broader organization and its stakeholders.
Global warming potential (GWP)	Value describing the radiative forcing impact of one unit of a given greenhouse gas (GHG) relative to one unit of CO2 over a given period of time. GWP values convert GHG emissions data for non-CO ₂ gases into units of CO2 equivalent.
Greenhouse gas	Gas that contributes to the greenhouse effect by absorbing infrared radiation.
Grievance	Perceived injustice evoking an individual's or a group's sense of entitlement, which may be based on law, contract, explicit or implicit promises, customary practice, or general notions of fairness of aggrieved communities.
Grievance mechanism	Routinized process through which grievances can be raised and remedy can be sought.
High-consequence work-related injury	Work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within six months.
Highest governance body	Governance body with the highest authority in the organization. In some jurisdictions, governance systems consist of two tiers, where supervision and management are separated or where local law provides for a supervisory board drawn from non-executives to oversee an executive management board. In such cases, both tiers are included under the definition of highest governance body.
High-potential work-related incident	Work-related incident with a high probability of causing a high-consequence injury (e.g., incidents involving explosions, malfunctioning equipment, vehicle collisions with a high probability of causing a high-consequence injury).
Landfilling	Final depositing of solid waste at, below, or above ground level at engineered disposal sites. In the context of waste reporting, landfilling refers to depositing of solid waste in sanitary landfills and excludes uncontrolled waste disposal such as open burning and dumping.
Leadership team	The leadership team is an internal group of professionals, including managers and executives, who are responsible for the engagement of their teams and for a significant amount of the organization's decision-making processes. It includes executives, general managers, functional leaders, and plant managers.
Local community	Individuals or groups of individuals living or working in areas that are affected or that could be affected by the organization's activities.
Material topics	Topics that represent the organization's most significant impacts on the economy, environment, and people, including impacts on their human rights.
Mono-material	A product which is only composed of a single type of material (e.g. paper, plastic, glass, metal).

TERM	DEFINITION
Non-renewable material	Resource that does not renew in short time periods, e.g. coal, gas, minerals, oil.
Other indirect (Scope 3) GHG emissions	Indirect greenhouse gas (GHG) emissions not included in energy indirect (Scope 2) GHG emissions that occur outside of the organization, including both upstream and downstream emissions.
Operational food waste	Any raw material or finished product that was intended to be sold as pet food but is discarded. It covers: <ul style="list-style-type: none">• All raw materials (animal by-product, cereals, etc.) which enter our production facilities but do not end as finished product fit to be sold.• Semi-finished product not fit to be packed.• Finished product that is not fit to be sold and needs to be handled as waste.
PETS	Acronym for PPF’s ESG strategy - Performance, Environment, Team, Society.
PPWR	The Packaging and Packaging Waste Regulation (PPWR) is an EU legislative framework aimed at reducing packaging waste and promoting sustainable packaging practices. It sets guidelines for minimizing material use, enhancing recyclability, and supporting a circular economy. The regulation impacts various industries, pushing them towards eco-friendly packaging alternatives.
Recordable work-related injury	Work-related injury that results in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness; or significant injury diagnosed by a physician or other licensed healthcare professional, even if it does not result in death, days away from work, restricted work or job transfer, medical treatment beyond first aid, or loss of consciousness.
Regular performance and career development review	Review based on criteria known to the employee and his or her superior. The review is undertaken with the knowledge of the employee at least once per year. The review can include an evaluation by the employee’s direct superior, peers, or a wider range of employees. The review can also involve the human resources department.
Recycled material	Material that replaces virgin materials, which are purchased or obtained from internal or external sources, and that are not by-products and non-product outputs (NPO) produced by the organization.
Renewable source	Material that is derived from plentiful resources that are quickly replenished by ecological cycles or agricultural processes, so that the services provided by these and other linked resources are not endangered and remain available for the next generation.
Upcycled	Use of materials that would otherwise be discarded in such a way as to create a product of higher quality or value than the original.
VPN	VPN is an acronym for virtual private network. It is a mechanism for creating a secure connection between a computing device and a network, or between two networks, using an insecure communication medium such as public internet.
Waste	Anything that the holder discards, intends to discard, or is required to discard. Waste can be defined according to the national legislation at the point of generation. A holder can be the reporting organization, an entity in the organization’s value chain upstream or downstream (e.g., supplier or consumer), or a waste management organization, among others.



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