

FY24

Sustainability Report



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ACKNOWLEDGEMENT OF COUNTRY

The Arnott's Group would like to acknowledge the Wangal people of the Dharug Nation in Western Sydney, NSW; the Yorta Yorta people in Shepparton, Victoria; the Kaurna people in Marleston, South Australia; the Turrbal and Jagera peoples in Virginia, Queensland; and the Bunurong and Wurundjeri peoples of the Kulin Nation in Rowville, Victoria who are the Traditional Custodians of the lands where each of our Australian sites are situated.

We recognise that the lands on which we operate have, for thousands of years, been cared for by the Traditional Custodians who live there. We pay our respects to all First Nations Elders, both past and present. Our business started in the Newcastle region over 159 years ago and stretched out from there as love for our products grew and our business expanded. We recognise that this is the ancestral lands of the Awabakal and Worimi peoples and would like to extend our respects to them also.





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Our FY24 Sustainability Report covers the reporting period of 1 August 2023 to 28 July 2024.

Taking steps towards a more sustainable future, together.

It has been our long-held belief that operating responsibly and sustainably requires more than quick fixes. If we're going to make a difference and ensure that our business practices are not causing harm to our communities or the planet, we need to think creatively, invest in change, and be determined. Which is why, over the past twelve months, we have remained laser focused on embedding sustainability into the core of our business.

By proactively creating a sustainability-based business strategy, we have empowered our people to find commercial solutions to our sustainability challenges and vice versa – sustainable solutions to our commercial challenges.

These yearly reports are about providing transparency and an opportunity for reflection for our team – looking back to look forward, as they say. I am exceptionally proud of the strides we've made and what is shared in this report, but there is still much to be done and as a regional food manufacturer, we have a responsibility to keep our foot on the accelerator.

We are already seeing the ways in which our business is vulnerable to the impacts of climate volatility, with adverse weather events impacting agricultural resources and supply chains in Australia and around the world.

We need to continue to work with our partners to redefine our sector, to work with government to better support local communities, and our value chain to increase resilience and ensure that we can continue to deliver the delicious products our consumers love.

While it is complex and bigger than just us, we know that the decisions we make now can help secure a stronger future for both our business and the planet.

George

George Zoghbi
Chief Executive Officer,
The Arnott's Group



We are learning and evolving to make, source and connect in more sustainable ways.

It has been a significant year for The Arnott's Group as we continue to reflect on where our ingredients are sourced, how our products are made and the ways we support and connect with consumers and local communities.

I'm pleased to say that we are on track, ahead, or have achieved a great number of the targets we set for ourselves. We continued to implement cleaner energy sources at our bakeries and in our sales network, we improved the nutritional attributes of parts of our product portfolio, and we worked with local charity partners, like Foodbank, to support our communities in what has been a year of increased demand.

The Arnott's Group has been able to remain in operation for over 150 years by being adaptable and uncompromising when it comes to the quality of our products, and that is how we're approaching our sustainability journey.

Progress does not come easily, but, with perseverance, it does come. Whether it's switching on solar at our bakeries, investing in agriculture emissions trials

or continuing to create more nutritious choices for consumers, we're really proud of this progress. We also know that there is more to do and that by reflecting on our achievements we can better understand where we must focus our attention next.

But we also know that we can't do it alone, which is why we need to continue to collaborate with our partners across our value chain so that together we can identify more sustainable ways of operating.

Making our food and distributing it in a way that is climate neutral is complex; it requires prompt action and careful planning, but we are clear in our targets and the steps required to get there – and while our targets are ambitious, I remain confident that we have the right people and mindset to achieve our sustainability targets.



Matt Palmer

Chief Transformation Officer,
The Arnott's Group





WHO WE ARE

The Arnott's Group's portfolio of brands continues the 159-year legacy of the Arnott family, creating great tasting food and delicious moments for millions of consumers.

We employ more than 3,700¹ people in markets across the Asia Pacific region. We are headquartered in Sydney, Australia with manufacturing sites in New South Wales, Queensland, Victoria, South Australia, New Zealand, Malaysia and Indonesia.

The Arnott's Group is divided into three business units: ANZ, Good Food Partners, and Asia. Our ANZ business comprises the suite of Arnott's, 180 Degrees, Campbell's and V8 products. Our Good Food Partners business operates in Australia and includes brands such as Freedom Foods, Sunsol, Messy Monkeys, Sam's Pantry, Arnold's Farm and Heritage Mill. Our Asia business includes Nyam Nyam, Good Time, Kimball and Prego brands.

Our sustainability framework 'Source, Make, Connect' was developed following the completion of a materiality assessment, as informed by the Global Reporting Initiative. Our assessment stands as a benchmarking tool for the organisation and as a way to integrate sustainability as a guiding principle across each business function.

We also take direction in our sustainability agenda from the critical targets laid out under the UN Sustainable Development Goals.

The Arnott's Group strives to increase standards of transparency and accountability in sustainability reporting each year, which we intend to review and improve over time.

AT THE ARNOTT'S GROUP, WE STAND FOR:

Fostering equality, diversity & sustainability



High performance, with integrity



Balancing decisions from our head & heart



Delighting our customers every time





OUR APPROACH

Our sustainability strategy continues to target the three key focus areas across our supply chain which are:



SOURCE

Sustainable Ingredients

Grow and source 100% of our key ingredients (wheat flour, sugar, oils, dairy and cocoa products) sustainably by 2035.

 **PROGRESS: AHEAD OF TARGET**



MAKE

Net-Zero Emissions

Achieve net-zero emissions in our operations (scope 1 and 2) by 2040 and across the value chain (scope 3) by 2050.

 **PROGRESS: ON TRACK**

Circular Packaging

By 2025, we will reduce, reuse or repurpose (upcycle) ANZ plastic packaging by 10% and meet Australia's 2025 National Packaging Targets.

 **PROGRESS: ON TRACK**



CONNECT

Thriving Communities

Increase choice, opportunity and wellbeing by promoting inclusion and belonging, supporting communities and providing more diverse food options and guidance on nutrition.

 **PROGRESS: ON TRACK**

OUR HIGHLIGHTS

99%

of **packaging** by weight & 91% by SKU in our ANZ business is **recyclable**.



\$2m

invested into developing a **recyclable mono polymer film** that makes packaging easier to recycle.

+1.2m

meals donated to Australian families in need via our Foodbank partnership.



Energised solar panels at our **Huntingwood** and **Virginia** bakeries.



+50%

of the products in our ANZ & Good Food Partners businesses have **positive nutrition attributes**.

+99%

of Australian ingredients & packaging suppliers commit to our **Responsible Sourcing Supplier Code**.



6

better-for-you products recognised in the **2024 Healthy Food Guide Awards**.

32%

reduction in fuel usage per car by transitioning our New Zealand sales team's fleet to **hybrid cars**.



Became a founding partner of Cargill's SustainConnect **sustainable canola program**.



Delivered on the commitments outlined in our **Reflect Reconciliation Plan**.



OUR PROGRESS

TARGET	DUE DATE	PROGRESS	PROGRESS SUMMARY
Locally source (Australia or New Zealand) key ingredients (namely flour, sugar, oils, dairy and cocoa), wherever possible and commercially feasible to do so.	2035	Ahead ²	<ul style="list-style-type: none"> ■ 100% Australian and New Zealand-grown and processed wheat flour. ■ More than 99% Australian or New Zealand dairy products. ■ 100% Australian-grown sugar. ■ 100% Australian-grown and refined canola oil. ■ Palm oil and cocoa are not grown in Australia or New Zealand in commercial quantities.
Procure key ingredients (namely flour, sugar, oils, dairy and cocoa) only through certified, audited or industry-led sustainable programs.	2035	On Track ³	<ul style="list-style-type: none"> ■ 15% of cocoa sourced is Rainforest Alliance Certified. ■ 100% of our Australian dairy suppliers are Australian Dairy Industry Sustainability Framework suppliers. ■ Continued to source Segregated and RSPO Certified Sustainable Palm Oil for products we make in Australia and Mass Balanced RSPO Certified Sustainable Palm Oil for products we make in New Zealand. ■ Continued participation in Cargill's PalmWise Program.
Develop strong collaborations and partnerships with suppliers to deliver lasting benefits to farming communities in our supply catchments.	2025	On Track ⁴	<ul style="list-style-type: none"> ■ Invested in green urea fertiliser trials for soft wheat production. ■ Became a founding partner of Cargill's SustainConnect sustainable canola program. ■ Continued to invest in Australian soft wheat crop research together with Allied Pinnacle. ■ Worked with our flour suppliers to further 'on farm' projects, including continued support for the Cool Soil initiative (covering approximately 25% of our soft wheat). ■ Continued work with suppliers on uptake of SEDEX. Around 98% (by spend) of our ANZ direct suppliers now hold SEDEX membership connection and around 82% of our ANZ direct suppliers have completed a self-audit questionnaire. ■ Continued to require our <i>Responsible Sourcing Supplier Code</i> to be adhered to across our supply base and achieved compliance across more than 99% of our ANZ direct spend.



TARGET	DUE DATE	PROGRESS	PROGRESS SUMMARY
100% of our packaging will be reusable, recyclable or compostable (our target based on the APCO targets established in 2018).	2025	On Track ⁵	<ul style="list-style-type: none"> 99% (by weight) / 91% (by SKU) of the packaging used in our ANZ business is recyclable.
50% average recycled content to be included across all packaging by 2025 (our target based on the APCO targets established in 2018).	2025	On Track ⁶	<ul style="list-style-type: none"> 73% average recycled content (by weight) across our ANZ packaging, driven by recyclable fibre cartons and cases (contains 100% Post Consumer Recycled (PCR)) and recyclable steel cans (contains 10% PCR). For completeness, our plastic packaging (trays and bottles) is a work in progress and currently does not contain any PCR content.
Problematic and unnecessary single use plastic packaging will be phased out (our target based on the APCO targets established in 2018).	2025	Target Achieved ⁷	<ul style="list-style-type: none"> The only problematic and unnecessary single use plastic packaging (as identified by APCO) we use is PVDC (a type of non-recyclable plastic), which has been eliminated from our ANZ business' product packaging.
Achieve net-zero emissions in our operations (Scope 1 and 2).	2040	On Track ⁸	<ul style="list-style-type: none"> Solar panels have been energised and a battery installed for power generated from panels in our Huntingwood bakery in NSW. Solar panels also energised at our Virginia bakery in QLD and expected to provide 18% coverage of the site's electricity usage. Currently installing rooftop solar panels at Good Food Partners' site in Rowville, VIC which are expected to meet 30% of site's electricity usage. Our New Zealand sales team have transitioned their fleet to hybrid cars, seeing a 32% reduction in fuel usage per car compared to the previous combustion engine fleet cars.
Achieve net-zero emissions across our value chain (Scope 3).	2050	On Track ⁹	<ul style="list-style-type: none"> Mapped Scope 3 emissions. Decarbonisation roadmap in development across Scopes 1, 2 and 3.

TARGET	DUE DATE	PROGRESS	PROGRESS SUMMARY
Provide a truly inclusive and safe working environment where our employees have the equal opportunity to thrive; Develop and implement an Inclusion and Diversity Strategy; and promote greater representation and diversity across marketing initiatives.	2025	On Track ¹⁰	<ul style="list-style-type: none"> Completed the commitments outlined in our Reflect Reconciliation Plan. Launched and supported three Connect Impact Groups, which are employee-led communities to amplify our support of issues that matter to our people. The groups are Gender Equity, First Nations and Pride.
Evolve and amplify our Arnott's Foundation partnerships and investment in local communities.	2025	On Track ¹¹	<ul style="list-style-type: none"> The Arnott's Foundation donated \$175,000 to Camp Quality and \$75,000 to Fairy Sparkle, and continued its product donations to the Driver Reviver initiative. We donated 1,225,000 meals to Australian families in need through our Foodbank partnership (in 2023). We donated snacks to support children in need through Good Food Partners' continued partnership with Eat Up. In New Zealand, we donated product to KiwiHarvest, Kindness Collective and Christchurch City Mission and partnered with Plunket New Zealand's annual fundraising appeal. In Asia, we donated to local community groups and charities.
Half of The Arnott's Group products in Australia and New Zealand will have positive nutrition attributes through the presence of whole grains, fibre, protein, and/or a reduction in sodium, saturated fat or added sugar.	2025	Target Achieved ¹²	<ul style="list-style-type: none"> As of April 2024, 50.2% of products in our ANZ and Good Food Partners businesses have some positive nutrition attributes through the presence or increase in one or more of: whole grains, fibre, protein and/or a reduction in sodium, saturated fat or added sugar.
Increase The Arnott's Group range of portion control snacks in Australia and New Zealand by 20%.	2025	Target Achieved ¹³	<ul style="list-style-type: none"> We achieved this target in 2023 by increasing our range of portion control snacks¹⁴ by 41% (compared to FY21), including Arnott's biscuits and flavoured snacks and Good Food Partners bars and snacks.
One third of our products in Australia and New Zealand with 3.5+ Health Star Rating	2025	Target Achieved ¹⁵	<ul style="list-style-type: none"> As of April 2024, over one third (approx. 35%, by SKU) of our product portfolio in Australia and New Zealand has a Health Star Rating of 3.5 or higher



SOURCE



MAKE



CONNECT



SOURCE



WHAT WE DID & WHY

The most impactful way we can have a positive effect on the environment as a food manufacturer is by ensuring our ingredients are grown sustainably and sourced ethically.

This year we forged ahead with our commitment to procuring our ingredients, packaging and services both sustainably and responsibly, with a sustained focus on transparency of supply, accountability of the supplier and reduced environmental impact. We also continued our work on investments in agriculture innovations and improved practices, with the goal of helping some of the farmers and growers who supply us to maximise food production while limiting environmental impact.

Green Urea trial use, reducing emissions in soft wheat production

In 2023, The Arnott's Group partnered with our flour supplier Allied Pinnacle, the Irrigation Research and Extension Committee, and the Cool Soils Initiative, to fund urea fertiliser research trials for soft wheat crops. Two growers participated in the trial with two types of Green Urea - nitrification inhibitors which work by slowing the conversion of urea into nitrate, and urease inhibitors which slow the conversion of urea into ammonium.

These then in different ways improve the utilisation and efficiency of fertiliser use, reducing emissions from both the production and use of fertiliser.

The nitrification inhibitor trial showed the potential to reduce irrigated soft wheat paddock emissions from urea fertilisers by 26% per tonne of wheat produced, or around 10% of total paddock emissions, as compared to conventional urea fertiliser use. The urease inhibitor trial was inconclusive due to weather conditions, however further research showed the potential to improve nitrogen use efficiency, in particular, to reduce fertiliser use per tonne of wheat produced.

Urea fertilisers are the largest contributor of on-farm wheat emissions (approximately two thirds)¹⁶ which is why testing Green Urea is a meaningful step as we look to reduce Scope 3 emissions from flour. Following these promising initial results and enthusiastic grower engagement, further larger scale trials are planned in the coming growing season.



Scotch: new wheat, new benefits

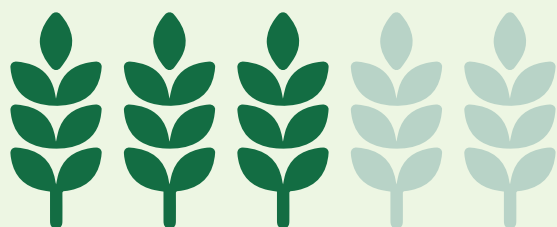
The Arnott's Group is the largest single purchaser of soft wheat in Australia and is committed to reducing its Scope 3 net emissions from its key crops, including wheat.

In 2023, we took part in the commercial release of a new wheat variant, Scotch. The Scotch variant offered improved agronomic traits, including greater resilience to disease, better adaptability to climactic variance and increased yield as compared to the dominant variation currently grown.¹⁷

Approximately 30% of growers of Arnott's wheat participated in the trial, using Scotch for the first time in commercial crops.

Growers experimented by using the Scotch variant in approximately a quarter of total soft wheat planted. While this contributed to less than 10% of the total volume of soft wheat grown by our suppliers, the outcomes were positive, with growers continuing to utilise this variant.

The growers who participated in the trial have indicated that as much as 60% of the soft wheat crop they plant in 2024 will be the Scotch variety. Whilst not all new wheat varieties launched are successful, Scotch has certainly grown into a winner.



60%
of crops planted in 2024
will be the Scotch variety



More sustainable sourcing of oats & nuts

Good Food Partners is working closely with its suppliers Blue Lake Milling and Olam to sustainably source oats and almonds. Blue Lake Milling operates a biogas plant to deliver 70% self-reliance on their electricity demand and Olam operates a well-established 'almond trail' ensuring transparency and traceability for the almonds used in our Good Food Partners products. These are two examples of the importance of sustainable practices being integrated across the supply chain and the value that this can deliver for The Arnott's Group.

Cargill SustainConnect™ sustainable canola partnership

Canola oil is a common ingredient in our biscuit products and like other agricultural commodities, constitutes a marked contribution to our Scope 3 net emissions. The Arnott's Group worked exclusively with our main oil supplier, Cargill, as the launch partner for their

SustainConnect™ Program in Australia. The program incentivises growers to build carbon insets through a number of interventions, such as no till, reduced till, cover crops, stubble retention, variable fertiliser application and others. These interventions help to reduce emissions and build the resilience of the soil.

The Cargill SustainConnect™ Program measures, reports and verifies carbon outcomes using in-field data, remote sensing and crop and soil health modelling. It also equips participating farmers with the necessary tools, resources and market access to support the transition toward sustainable agriculture which may open new revenue streams for Australian growers.

After an initial successful pilot season in 2023 with 25 growers, the program has now expanded to hundreds of growers for the 2024 growing season.

“As farmers, we’re passionate about growing food with a lower carbon footprint, however, it’s not always easy to navigate. Cargill’s SustainConnect™ program gives us a chance to be rewarded for our sustainable practices and knowing that our canola is in demand from iconic brands like Arnott’s makes us even more delighted to be part of this positive change.”

TIM GAINSFORD, NSW CANOLA FARMER



Tim on his canola farm in NSW



WHAT WE LEARNED & WHERE TO NEXT

Sourcing sustainable ingredients is where The Arnott's Group has the potential to make the biggest difference, so this is where we've prioritised a lot of our investment and action. It is also where we will need to focus our efforts as we work to accelerate our impact and reduce our Scope 3 net emissions.

More than 70% of our forest, land and agriculture Scope 3 net emissions come from cocoa, oil (palm and canola), dairy and wheat production, and these will remain our priority areas. We have made good initial steps and will continue to strengthen these programs through to 2035, and work to extend these programs to our operations in Asia.

We are also extending our direct engagement with suppliers to increase delivery of responsible sourcing across our value chain. In our ANZ business, SEDEX membership connection across all direct materials suppliers is now

around 98% (of spend), with around 82% of our direct suppliers having completed a SEDEX Self-Audit Questionnaire (SAQ). Additionally, more than 99% (of spend) of direct material suppliers to our ANZ business have committed to our *Responsible Sourcing Supplier Code* (or an equivalent responsible sourcing code), and we have established a high-level of compliance across over 60% of our ANZ indirect spend.

We will now set our ambitions for the future, as we extend our commitments across all our business units. We will lift our certification across all business units and build out our supply partnerships to deliver lasting sustainability benefits to our Good Food Partners and Asia businesses. In line with this approach, we will continue to implement SEDEX participation and *Responsible Sourcing Supplier Code* compliance for suppliers to our Asia business (with this work having commenced in August 2024).





SOURCE



MAKE



CONNECT



MAKE





WHAT WE DID & WHY

A lot goes into making our products – and it's not just the quality ingredients we use. Making, baking and sharing our food requires a lot of energy.

We know collectively that we need to do more with less, so any actions that help us reduce energy use and prevent emissions, while still delivering the products you know and love, are a key priority for The Arnott's Group. This means identifying clean energy sources and finding ways to use less energy overall.

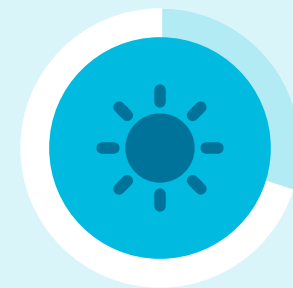
Energy efficiency and cleaner power

To meet our target of net-zero emissions in our operations (Scope 1 and 2) by 2040, The Arnott's Group looks for opportunities to transition to lower emissions options. In New Zealand we commenced the transition (from August 2023) of our car fleet from instantaneous combustion engines to hybrid engines, following the previous successful transition of our Australian car fleet. The new hybrid models use 32% less fuel per car than the previous combustion engine models.

We have also continued our investments in renewable energy. The solar panels we installed last year at our bakery in Virginia, Queensland were energised this year and are expected to generate 18% of the site's electricity usage. We are also in the process of installing solar panels at the Good Food Partners site in Rowville, Victoria, which is expected to provide 30% of the site's electricity usage.

Huntingwood battery installation

Last year we installed solar panels on our Huntingwood, NSW, facility, which were energised this year. In addition, we have also bolstered the value we can gain from these solar panels this year by adding a storage battery onsite. The rooftop system has a capacity of 4 megawatts and the battery storage has an additional 11 megawatt-hour capacity. Including battery storage means that we can continue to use solar power after the sun goes down.



30%

of our Rowville site's electricity will be solar powered



WHAT WE LEARNED & WHERE TO NEXT

Our transition is well underway, with decisive action being taken. We are working on understanding our emissions profile, both up and down stream, mapping Scope 1, 2 and 3 net emissions. We now have a better understanding of our total emissions profile. Reducing Scope 3 net emissions requires extensive supplier engagement, and we continue to work with our suppliers to identify opportunities for Scope 3 emissions reductions. These actions together will form the basis of our emissions reduction roadmap. The Arnott's Group remains committed to a future submission of Science Based Targets for validation in due course.

The Arnott's Group continues to review activities underway and plan our future steps. Solid progress has been made on renewables but there is still room to build on our work in this space. We will look at how best to harmonise all sites and operations into a renewable energy roadmap over time. We use gas in our bakery ovens, and it is challenging to replace that use but we are working to identify efficiencies or possible alternatives.

We will continue to evolve our approach to reporting against our broader climate-related risks and opportunities, in line with emerging legislation and industry standards.





WHAT WE DID & WHY

We have continued to accelerate initiatives to reduce, reuse and repurpose plastic packaging.

Reducing the impact of our packaging remains a key area of focus for The Arnott's Group and the expectations of governments and communities for industry-wide solutions are increasing. We remain on track to meet or exceed our 2025 packaging targets but have more to do.

In addition to our efforts to deliver against our APCO targets, we are also working on other initiatives to reduce the amount of packaging used, optimising transportation of products and other measures to reduce the carbon footprint of distribution. We are working with our partners to identify solutions that would enhance the incorporation of post-consumer recycled materials in our packaging.

The transition from multi to mono polymer film wrap

In partnership with our film wrap suppliers, we have developed a recyclable mono polymer alternative that meets recyclability standards and works with our production line.

Mono polymer film is made from one type of polymer, typically PE or PP, and are much easier to recycle compared to multi polymer films made from different types of plastics and materials, which are difficult to separate. This alternative has been made available to any business that wants to use it, benefitting the broader industry.

The initiative required more than \$2 million in investment by The Arnott's Group and will be implemented across our manufacturing sites in New South Wales, Queensland and South Australia in 2025. This will address the remaining percentage of non-recyclable film in our portfolio in our ANZ business.



\$2m
investment into
recyclable mono
polymer film



Recyclable mono polymer alternative



Collaboration to develop alternatives to recycle plastic and increase the use of recycled content in our packaging

The Arnott's Group is working in partnership with the University of New South Wales and Paco Industries, together with its supplier Tacca Plastics, to address the ongoing challenge of plastic packaging for food. The collaboration is backed by FP Paradigm and Future Food System.

Paco Industries is seeking to develop an innovative approach to recycling using organic solvents with PET (Polyethylene terephthalate). The solvent is designed to break down PCR plastic into its primary chemical chain with the aim to eliminate contaminants such as organic material stuck to packaging. The innovation has the potential to create closed-loop recycling solutions for food-grade plastics.

Through this partnership, The Arnott's Group is supporting a future where environmental stewardship and technological

innovation will hopefully converge and permit circular packaging options.

Creating shared value through our partnerships

We're working with our supplier base to encourage greater collaboration and innovation, particularly when it comes to sustainability. We are using our commercial contracts to drive supplier contributions and have seen positive reception in these endeavours.

One such example is a recent partnership with Integrated Recycling, part of the Pro-Pack Packaging Group, in which we have jointly donated eleven benches or picnic settings constructed from roughly 80% recycled plastic to local communal organisations. In doing so, we help support the market for recycled plastic end products, promoting the circular economy that is so critical for addressing plastic recycling, and provide the necessary infrastructure to these communal institutions.

The benches and picnic settings were donated in September 2024 to organisations that support First Nations Australians and that operate near our facilities, including: Kimberwalli, an educational institution supporting the development of Aboriginal and Torres Strait Islander people in Western Sydney; Warriappendi, a secondary school for Aboriginal students in Marleston, South Australia; Rumbalara Co-operative, a health care facility in Shepparton; and the National Indigenous

Culinary Institute which runs programs to train highly skilled Indigenous chefs in Sydney.

We intend to continue to identify opportunities to support the communities in which we operate and to leverage the support of our suppliers to do so.



Celebrating the launch of our partnership with UNSW, Paco Industries and Tacca Plastics



WHAT WE LEARNED & WHERE TO NEXT

We continue to look for ways to incorporate post-consumer recycled content in our plastic packaging.

To do this we must overcome the challenge of sourcing food grade alternatives. Working to improve the sustainability of packaging must include consideration of how to use minimal packaging, while still protecting food safety and quality and minimising food waste.

We will continue to build on our progress to date by expanding our initiatives to incorporate all business units.

We will start by better understanding our packaging material supply chains across our markets and incorporate these markets into future targets and planning.





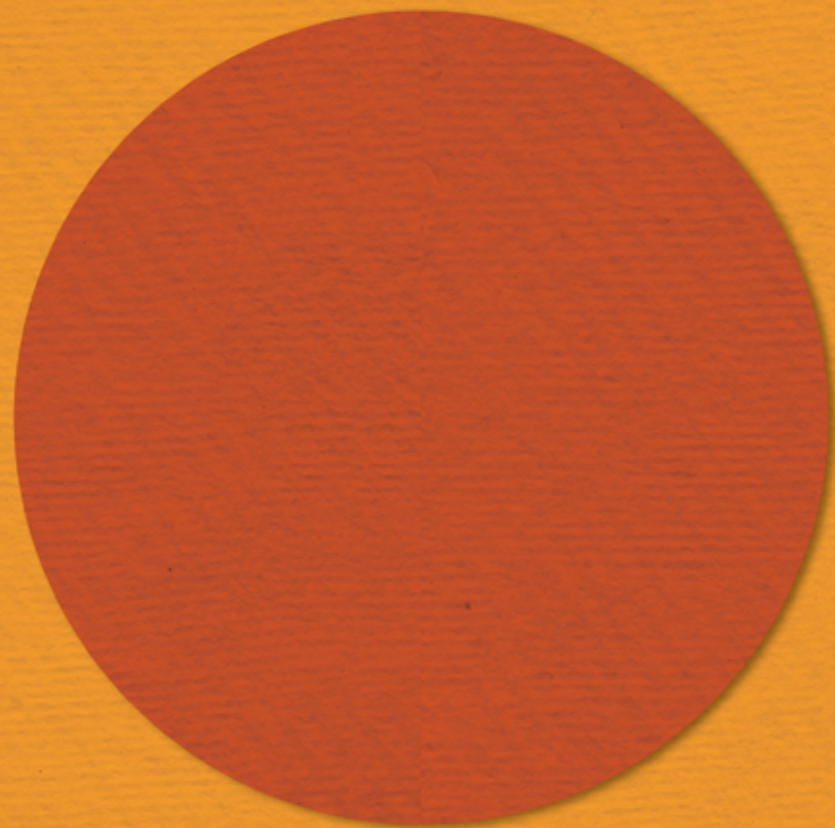
SOURCE



MAKE



CONNECT



CONNECT





WHAT WE DID & WHY

Connection to our people and the community is what will sustain our business now and in the future.

Our values can be understood as what we stand for and who we stand with. These values inform the actions we take to connect with our people and community. We stand with the diverse individuals who together make The Arnott's Group team. We stand with the communities in which we make and sell our products.

Celebrating and supporting The Arnott's Group team through Connect Impact Groups

At The Arnott's Group we have a diverse and vibrant community of employees. Our Connect Impact Groups facilitate us coming together to support and celebrate one another. These groups help to provide a workplace that is safe, welcoming for all and provides an equal opportunity for everyone to succeed.

Our three Connect Impact Groups are:

- 1 Gender Equity Impact Group
- 2 First Nations Impact Group
- 3 Pride Impact Group



Gender Equity Impact Group

The Gender Equity Impact Group aims to enable equitable attraction, retention, development and remuneration of all genders.

Earlier this year we released our *2023 Arnott's Australia Gender Pay Gap Report* which detailed a gender pay gap of 16.6% in our Australia business and 6.1% in our Good Food Partners business, a decrease on prior years. Both results are below the median Australian and manufacturing pay gaps.

We recognise we need to do more to increase female representation in manufacturing and trade roles and in senior leadership positions. We are also still unbalanced on gender when it comes to roles that have overtime and penalty rates attached. We will seek to address this through various initiatives. Work remains underway on our gender equity roadmap, and we will release our *2024 Gender Pay Gap Report* in early 2025.

16.6%

Australia & New Zealand Gender Pay Gap

6.1%

Good Food Partners Gender Pay Gap

[Click here to download our 2023 Gender Pay Gap Report](#)

This year, through the Gender Equity Impact Group, The Arnott's Group became a member of the National Association of Women in Operations which aims to build representation of women across all roles in operations. In addition, employees across our network, connected to celebrate International Women's Day, using the occasion

to shine a light on women breaking barriers across various industries and delve into the role each of us can play in shifting the dial on gender diversity. We also launched our parents @TAG resource, a portal of helpful materials to assist new and returning parents navigate the balance between work and home.



George Zoghbi with IWD guest speaker & elite athlete, Chloe Dalton oAM



NAIDOC celebrations with the National Indigenous Culinary Institute

First Nations Impact Group

The First Nations Impact Group has a vision to help contribute to genuine and lasting reconciliation through the implementation of our Reconciliation Action Plan (RAP).

In 2023, The Arnott's Group agreed our RAP with Reconciliation Australia and has since completed the actions in that RAP.

Over the past year we have established a First Nations RAP working group, developed internal guidance for engaging with First Nations communities and stakeholders, and hosted NAIDOC Week events around Australia.

Pride Impact Group

With a vision to champion LGBTQIA+ diversity and inclusion, the Pride Impact Group helps ensure that our workplaces are safe and inclusive for all.

In 2024, the Pride Impact Group arranged a number of events for the International Day Against

Homophobia, Biphobia, Intersex Discrimination and Transphobia (IDAHOBIT) including an external speaker and LGBTIQ+ advocate to share their experience of sexuality and identity in the sport industry and the importance of creating safe spaces.



Chief Supply Chain Officer, Tim Morgan, with guest speaker, Dion Alexander

The Arnott's Group gives back

In Australia, The Arnott's Group proudly continued our support of Foodbank and donated 1,225,000 meals to families in need. We also continued to donate products to the Driver Reviver initiative. In our FY24, we donated \$175,000 to Camp Quality, which allowed over 175 kids to experience Kids Camps. We further supported Australian kids in need by donating \$75,000 to help Fairy Sparkle continue her work bringing comfort and joy to kids in hospitals.

In New Zealand, we donated products to KiwiHarvest, Kindness Collective and Christchurch City Mission. We also partnered with Plunket New Zealand on their annual fundraising appeal 'Dunk it for Plunket'.

Good Food Partners donated 35 pallets of products to Eat Up, whose mission is to feed hungry kids so they can learn, grow and succeed.

In Indonesia, Arnott's participated in greening Bekasi City by planting trees following a request by

Environment Authority of Bekasi to take part in the program.

We were proud to take part in this activity to improve the local area in which we operate.

Our commitment to better nutrition options across our portfolio

We provide our consumers a range of food types to choose from, including treats and healthier options. We have achieved our 2025 targets of improving the nutritional attributes of some products in our range and in helping people make informed choices through the display of Health Star Ratings on our products.

This year we have commenced planning our future targets and workstreams in this space.

 **1.2m**
meals donated
to families



2024 Food Awards

Throughout 2024, The Arnott's Group received multiple awards for our better-for-you products. In the Healthy Food Guide Special Diet Awards, announced in April 2024, our *Freedom Crafted Blends Cranberry & Buckwheat* and *Messy Monkeys Chicken Wholegrain Bites* were both winners within the Gluten Free category.

In the Healthy Food Guide Awards, announced in September 2024, our *Vita-Weat Pumpkin & Mixed Grain* won best crispbread, our *Sunsol Thins Dark Chocolate, Almond & Sea Salt* won best low-calorie snack, our *Freedom Crafted Blends Blueberry Granola* won best granola, and our *Campbell's Real Stock Unsalted Chicken* won best stock.

These awards help Australian consumers find healthier food products in the supermarket and demonstrate The Arnott's Group's commitment to providing consumers with a wide variety of products that fit with their lifestyle needs.



**Multi-award
winner in 'Better-
for-You' category**



WHAT WE LEARNED & WHERE TO NEXT

We will continue to focus on providing our employees with a workplace that is safe, welcoming for all and provides an equal opportunity for everyone to succeed.

We will also seek out opportunities to support the broader communities in which we operate, including through donations and participating in community events.



We operate through three business units: ANZ, Good Food Partners and Asia.
These notes clarify which targets and results relate to which business.
Our goal is extend all targets to all business units over time.

ENDNOTES

- 1 This includes Good Food Partners and includes permanent, fixed term and casual employees.
- 2 This only applies to our ANZ and Good Food Partners businesses.
- 3 This only applies to our ANZ business.
- 4 This only applies to our ANZ business.
- 5 This only applies to our ANZ business.
- 6 This only applies to our ANZ business.
- 7 This only applies to our ANZ business.
- 8 This applies to The Arnott's Group.
- 9 This applies to The Arnott's Group.
- 10 This applies to The Arnott's Group.
- 11 This applies to The Arnott's Group.
- 12 This only applies to our ANZ and Good Food Partners businesses.
- 13 This only applies to include our ANZ snacking operations and Good Food Partners business but excludes our non-snack products.
- 14 Portion control snacks are defined as biscuits, crackers, savoury snacks and cereal bars that are available in a single serve pack and less than 600kJ per serve.
- 15 This only applies to our ANZ and Good Food Partners businesses.
- 16 Cool Soil Initiative Innovation Case Study 'Green urea use in softwheat in the Murrumbidgee Irrigation Area', April 2024 [Not publicly available].
- 17 Trials were conducted by Long Reach Plant Breeders. This data is not shared publicly but is compiled by Allied Pinnacle. Results have been recorded by farmers growing the 'Scotch' variety large scale and is relayed to Allied Pinnacle.

QUESTIONS?

Please address any questions, comments or feedback to sustainability@arnotts.com.

