



# 2020 Sustainability Report

**Nomad Foods**

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## About this Report

This is Nomad Foods' fourth annual Sustainability Report, covering the calendar year from January to December 2020. This report covers all trading subsidiaries of Nomad Foods unless specified otherwise.

The most recent previous report was published in May 2020.

This report is influenced by the Global Reporting Initiative (GRI), and includes standards defined by the GRI guidelines. It meets the requirements of the EU Directive on Non-Financial Reporting.

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# Introduction



# Message from our CEO

## Welcome to Nomad Foods' fourth Sustainability Report.

I am incredibly proud of what our teams have achieved during 2020 which has been a challenging year for all of us. Despite lockdowns, supply chain interruptions and the many other personal and business impacts of the pandemic, our teams have continued to raise the bar and shown amazing resilience and dedication to serving our consumers with the products they know and love.

While there is still some uncertainty about the long term impact of Covid-19 on the workplace, it is clear that pressure for action on climate and societal change has heightened. Retailers and consumers are increasingly interested in sustainable brands, environmental, social, and governance (ESG) criteria are being used more for investment decisions and looking at the food sector specifically, it is now well known that the way food is consumed and produced is taking its toll on nature and the planet. As Europe's leading frozen foods company we are committed to playing our part in transforming the food system, to reduce pressure on resources, including land.

We also have a huge opportunity to help consumers eat sustainably, given our portfolio is made up of high-quality, much-loved brands that millions of consumers choose every day and centred around fish and vegetable products that are affordable and available everywhere.

You will see in our report that we have made good progress across our six key targets, as we strive to bring our purpose of serving the world with better food to life. For example:

- We significantly reduced carbon emissions per ton of finished goods by more than 20% and absolute emissions by close to 11%, despite dramatically increased production volumes as a result of the Covid-19 pandemic
- 97% of the wild captured fish we source for our brands iglo, Birds Eye, Findus and La Cocinera is now Marine Stewardship Council (MSC) certified
- 77% of our total vegetable and potato volumes are grown in line with the Sustainable Agriculture Platform's Farm Sustainability Assessment Silver Level
- At the same time as we have grown our business, we still have 90% of our sales coming from Healthier Meal Choices
- 83% of our packaging is now recyclable, up from 73% last year

In 2020, we also became a signatory to 10x20x30, the global initiative to halve food loss and waste by 2030, following the commitment we made 2019 to set reduction targets for our emissions in line with the Science Based Targets initiative (SBTi) ; a commitment to reduce carbon emissions in line with the Paris Agreement.

In addition, you will see that there are areas where we need to do more, such as water use and inclusion and diversity, and we are undertaking detailed analysis to ensure the actions we are taking deliver positive change.

Stefan Descheemaeker, CEO





# 2020 Sustainability Highlights

Despite a turbulent year for our suppliers, employees, customers and consumers, we are proud of our sustainability achievements at both a corporate and a local level.

We have joined collaborative initiatives to magnify our impact in a number of areas, including fighting food waste, reducing ocean pollution and putting disability inclusion on the business agenda.

And we've continued to deliver action in line with our purpose to "serve the world with better food", through promoting high standards in our supply chain and providing more consumers with convenient plant-based options through our expanded Green Cuisine range.

## Corporate highlights

€3.2M

Donations made to vulnerable groups during the pandemic

Namibian hake trawl and longline fishery became MSC-certified



Nomad Foods  
Serving the world with better food



Shared our sustainable growth strategy at our first Investor Day

## Local highlights



Birds Eye signed up to champion disability inclusion

4.59 tonnes

Equipment reused or recycled through our sustainable IT project

10x20x30

Joined the fight against food waste



Available in 12 markets across Europe



Joined the movement to combat ocean pollution

Launched external Sustainability Advisory Board

Became the first UK farm management group and the first globally in frozen food, to be awarded the FSA gold level\* for our Bird's Eye Pea Harvest



\* FSA refers to The Sustainable Agriculture Initiative Platform's Farm Sustainability Assessment. For more details, see page 19

Pea fields Yorkshire, UK.

# Nomad Foods at a Glance

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

We have a varied portfolio, which includes a range of fish and seafood, vegetables, potatoes, plant-based foods, chicken and ready meal products. Our supply chain stretches from the fields, farms and oceans where the raw materials for our products grow to tables across Europe. As of January 2021, we operate in 14 major European markets, with a factory footprint consisting of 14 sites across 9 European markets. This is overseen by our employee team, led from our headquarters in Bedfont, UK.

## Our Global Supply Chain

Nomad Foods is a €2.5 billion business. Our supply chain includes the purchase of raw material, components, semi-finished goods and ready-made products across a number of categories. Once purchased, materials are transported to our manufacturing sites and warehouses before being distributed to local markets and sold through retailers and foodservice providers, eventually reaching the end consumer. There were no major changes to our supply chain in 2020.

The main areas under our direct influence are vegetables grown by our contracted farmers; the transportation of raw materials between

## Our Brand Portfolio



our sites; all processes that take place within our operating sites; communication with consumers through advertising; product labelling; and our Consumer Care Line. Direct suppliers are subject to our policies, standards and product specifications.

Our influence is limited in areas such as the primary production of raw materials; the processing of goods by third party suppliers; and the transportation of goods to and from retailers and other customers. We also have less direct influence over consumer transportation, preparation, and consumption of our products. Where we have less direct control, we select suppliers who reflect our high standards and agree to strict specifications.

To extend our impact, we collaborate with other businesses, through industry associations and with advocacy organisations such as the Marine Stewardship Council (MSC), the Sustainable Agriculture Initiative Platform (SAI Platform), AIM (the European Brand Association) and the UK Waste and Resources Action Programme (WRAP). In 2020, we also joined the Global Ghost Gear Initiative to fight ocean pollution and the 10x20x30 coalition to halve global food waste.

We also participate in networks and pacts at a national level. For example, in 2020 Birds Eye in the UK joined the Valuable 500 network, dedicated to putting disability inclusion on the global business agenda. We are also signatories of the UK Plastics Pact to address plastic waste; the

Fossilfritt Sverige pledge to achieve fossil-free domestic transport by 2030 and the Peas Please Initiative to support everyone in Britain to eat an extra portion of veg a day.

As part of our work to share information and gather external insights from stakeholders and shareholders, we held our first investor day in November 2020, at which members of our senior leadership team presented on a range of topics related to our business model, our growth strategy and our long-term goal of driving shareholder value.

## Markets Where We Operate



● Nomad Foods' offices  
● Nomad Foods' factories

4800+ employees

# Materiality

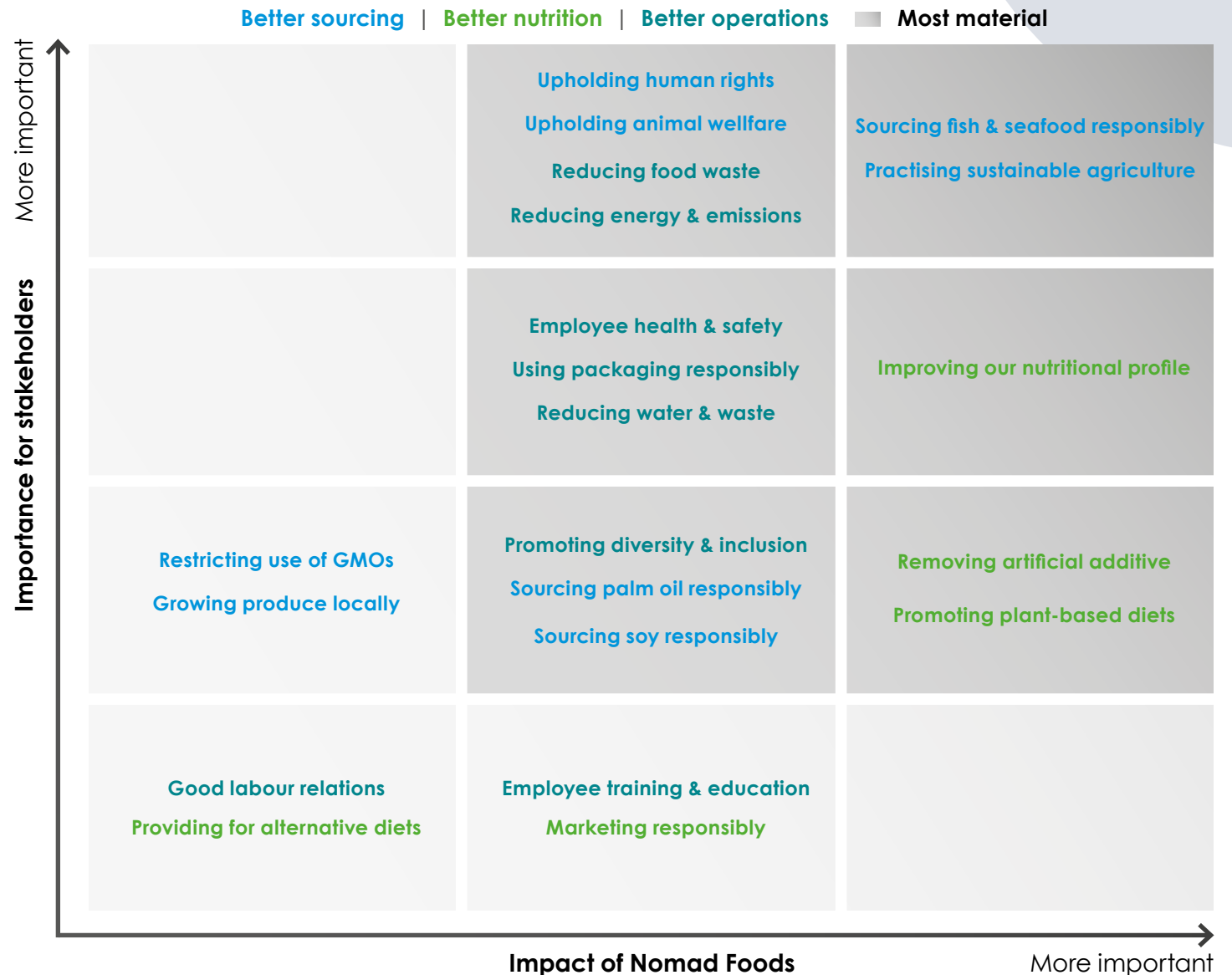
In 2019, we conducted a materiality assessment to explore with internal and external stakeholders whether any issues had increased or decreased in priority since previous years, and to identify any emerging issues.

Our research included a quantitative survey with 600 consumers across four European markets in which we operate, and interviews with internal and external stakeholders including NGOs, retailers and suppliers. We used the insights from this research, the results of our previous stakeholder engagement processes and our knowledge of the impacts of our business to develop our materiality chart.

In 2020, following internal discussions and assessment, we updated the materiality chart to reflect increasing public and retailer interest in promoting plant-based diets and the impact of soy.

The chart is an illustrative representation of the results of our materiality assessment. The most material areas are in the darker boxes and are covered in more detail in the report.

There are also areas, such as upholding food safety and quality and ensuring zero tolerance of corruption, bribery and anti-competitive behaviour, that are fundamental elements of how we do business. These are covered in the final section of the report.





# Managing Risks

Climate change, biodiversity loss and widespread social inequality pose major risks to our planet, our society and our business.

Failure to mitigate the worst impacts of global warming threatens lives and livelihoods across the world. These impacts include unpredictable or extreme weather conditions and scarcity of crucial resources such as water and raw materials, as well as social unrest.

One of the central risks for Nomad Foods is the potential impact climate change could have on our business, including through ocean heating, ocean acidification and lower yields.

Unsustainable food production contributes further to these risks. Depletion of fish stocks due to overfishing and damage to soil health and biodiversity threaten supply chains across the globe, including our own. In addition, rising obesity levels pose a global health challenge, increasing the risk of non-communicable diseases and pressure on health services.

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

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

*“Proactive risk management means we can prepare and assess actions to take in a structured and more informed manner.”*

Annelie Selander,  
Group Sustainability Director

Spinach production Reken, Germany.





# Business for good





# Serving the World in a Pandemic

During the Covid-19 pandemic, we acted fast to protect workers, support families and deliver on our purpose.

Millions of households serve and eat the food we make every day. In unprecedented and difficult times, we have an even greater responsibility towards our consumers, suppliers, and employees.

Our corporate purpose, "Serving the World with Better Food", has directed every aspect of our response to Covid-19. Since the start of the pandemic, we have continued to provide households across Europe with affordable, sustainable and nutritious products.

Keeping our employees safe was our first priority – and central to our ability to continue serving customers and consumers. We acted early and decisively to implement new procedures and strict protocols at all of our sites to reduce the risk of the virus spreading. As a result, all our factories have remained open and operational throughout this pandemic, and we have been complimented by Public Health England on our social distancing measures and our proactive approach to ensuring that our colleagues are safe and well. [For more details, see Employee Health, Safety and Wellbeing.](#)

At the same time as implementing these strict new measures, we faced unprecedented demand for our products. Frozen food provides a convenient option for consumers living under lockdown restrictions, seeking to reduce their shopping frequency and choose products that stay fresh for longer. We've attracted new cus-

tomers during this period, as well as continuing to offer existing consumers a nutritious and affordable way to feed their families.

As well as delivering our purpose through our core corporate activity, during the initial weeks of the pandemic and the pan-European lockdown, we also created a €3 million fund to provide monetary and food donations to local humanitarian and healthcare organisations. A large proportion of this was directed towards food banks helping those in greatest need during turbulent times.

Our teams have worked tirelessly during Covid-19, despite facing ongoing challenges as the impacts of the pandemic continue to be felt in our supply chain. We are persevering in our stringent hygiene protocols to keep employees safe, whilst taking dedicated steps to protect the mental wellbeing of our people. These include resilience training to help managers continue supporting their teams, and wellbeing materials to help colleagues take care of themselves and each other.

We know that we will continue to experience difficulties as we transition back to a new normality, but our beloved products and unique role in supporting everyday life make us well-positioned to continue to "serve the world with better food".

Food donations during the pandemic, iglo Belgium.





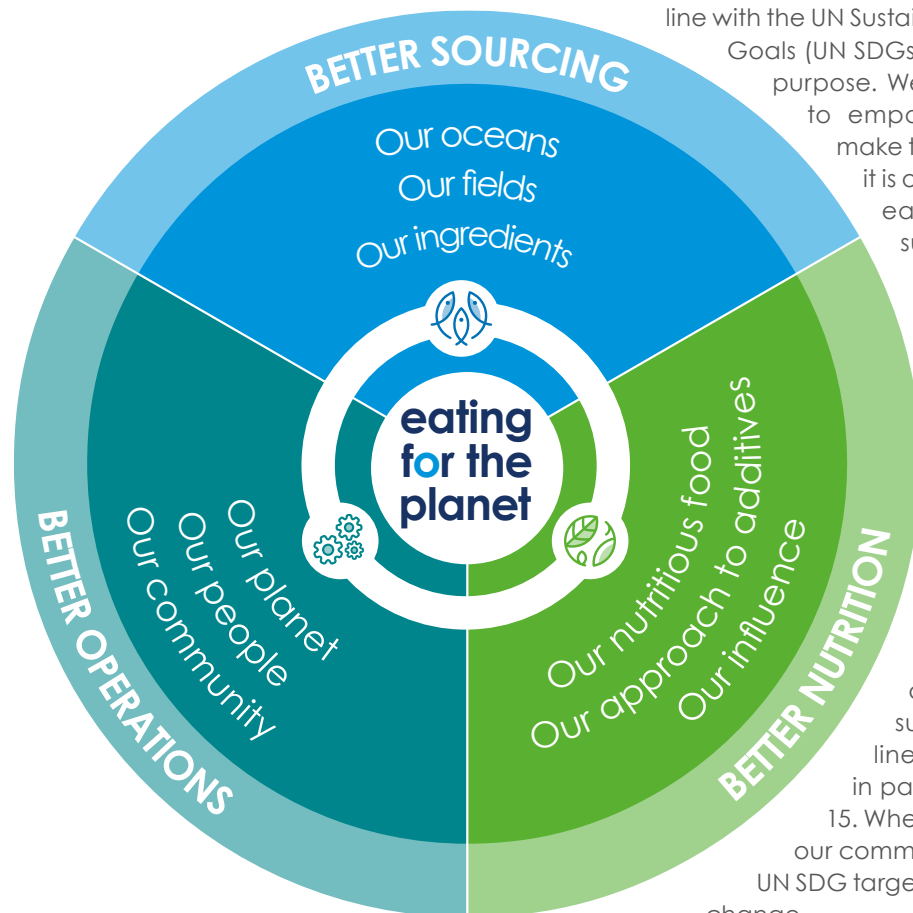
# Eating for the Planet

Sustainable eating is critical to the future of our planet and our business.

If we are to protect the world from the worst effects of the climate crisis, ensure long-term food security, and promote the widespread adoption of healthy, balanced diets, we need to transform the way that food is produced and consumed at a global level.

Our sustainability strategy, Eating for the Planet, sets out our role in supporting this change in line with the UN Sustainable Development Goals (UN SDGs) and our corporate purpose. We have the portfolio to empower consumers to make the right choices and it is our ambition to make eating for the planet sustainable, healthy, tasty and accessible for all.

Founded in 2017, our strategy is built on sourcing, nutrition and operations. It sets out our ambitions in each area, supported by time-bound commitments. These commitments are designed to deliver sustained progress in line with the UN SDGs, in particular 2, 12, 14 and 15. Where relevant, we align our commitments with specific UN SDG targets to catalyse further change.



**SDG2:** Helping to achieve adequate nutrition for all within planetary limits is at the heart of our purpose: serving the world with better food. Due to the nature of our portfolio, we have a unique role to play in this area. For more information on our activity and progress, [see page 25](#).



**SDG12:** Given our position as Europe's largest frozen food company, we have the ability and responsibility to champion more sustainable consumption and production patterns, particularly in relation to packaging and food waste. For more information on our activity and progress in this area, [see page 33](#).



**SDG14:** As a major purchaser of fish and seafood, this is an area where we can drive significant change, and together with our partners, make a meaningful contribution to global progress towards the goal. For more information on our activity and progress in this area, [see page 15](#).



**SDG15:** Nomad Foods is a leading provider of vegetables and potatoes across Europe. This gives us the scale and influence to drive holistic, sustainable agriculture practices and help combat soil erosion and deforestation. For more information on our activity and progress in this area, [see page 18](#).

**Better Sourcing:** We want to be the recognised leader in fish and vegetable sourcing. This means sourcing our fish and seafood products with care and respect for people and the environment, and ensuring that all our vegetables and potatoes are grown according to third-party verified sustainable agriculture principles.

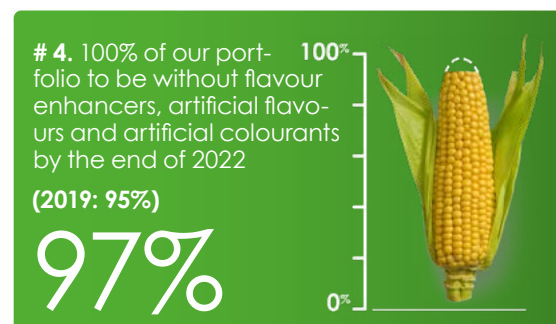
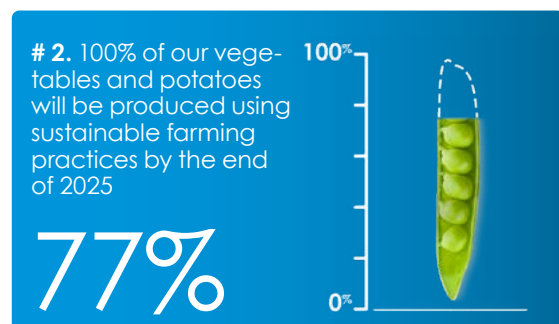
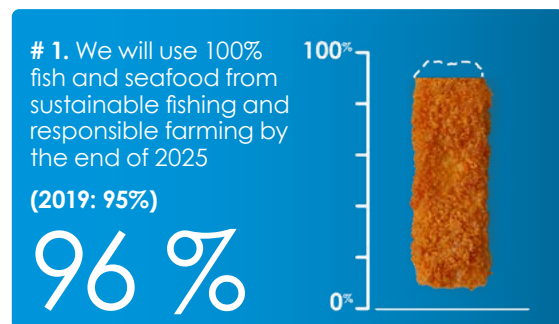
**Better Nutrition:** We help families eat a more balanced diet. This includes improving the nutritional profile of our portfolio, using our influence to inspire positive choices and implementing strict standards on additives and preservatives.

**Better Operations:** We are committed to do better whilst minimising our environmental impact. We continually strive to improve our energy, water and waste management, reduce operational greenhouse gas emissions and actively address the impact of our packaging.

We are now in our fourth year of delivering Eating for the Planet. Thanks to targeted efforts to embed sustainability across all our markets and functions, and despite supply chain and logistical challenges posed by the Covid-19 pandemic, we continued to make progress across all our

commitments. We have also gone above and beyond our commitments in certain areas, most notably nutrition and operational emissions reduction.

As a recognition of our strong performance, we ranked in the top quartile in the global Dow Jones Sustainability Index (DJSI) 2020. We also achieved our second consecutive perfect score of 100 for Health and Nutrition. The DJSI is a globally recognised independent benchmark, conducting thorough analysis across a wide range of sustainability metrics. Overall, we scored 52 in 2020: our highest score yet.



**TOP  
QUARTILE**  
in Dow Jones  
Sustainability Index

\* Per ton of finished goods from our own operations.  
\*\* This figure includes one project which was completed in December 2020 but first went to production in 2021.



# Promoting Plant-Based Foods

Supporting the shift towards a flexitarian diet is central to our purpose of serving the world with better food.

The world's population is predicted to reach almost 10 billion by 2050. In order to provide this growing population with healthy, nutritious food whilst remaining within safe environmental limits, the world must undergo a substantial shift towards more plant-based options. A global switch to a 'planetary health diet' with a higher proportion of plant-based options could also prevent approximately 11 million deaths per year.<sup>1</sup>

Our pan-European Green Cuisine range is designed to offer popular meat-free choices for consumers and empower both meat-eaters and vegetarians to make culinary choices that support planetary health. The Green Cuisine range includes meat-free versions of family favourites, as well as delicious plant-based food that are heroes in their own right, such as falafel and veggie fingers. Our Green Cuisine Pea Protein range has a 5x smaller carbon footprint on average compared to red meat<sup>2</sup>. None of the products contain soy.

2020 was a critical year for the expansion of our Green Cuisine range. It is now the fastest-growing frozen plant-based brand in Europe, available in all 13 markets where we operate, and representing €30 million of revenue in 2020. The launch of our chicken-free range in the UK was a major success, and testament to our expertise in developing tasty, nutritious fam-



Available in more than 25,000 stores across Europe

ily favourites – with or without meat. The Chicken-Free Dippers were voted Product of the Year in the Free-From category of the UK Consumer Survey of Product Innovation in early 2021.

We will continue to champion a more flexitarian diet, helping consumers across Europe to put plants at the heart of every meal through tasty, nutritious food that fits easily into their everyday lives. We will strive continually to innovate and improve our products, and have the goal of tripling our sales from Green Cuisine within the next two years.

# 5X

**lower carbon footprint vs red meat<sup>2</sup>**

1. Summary Report of the EAT-Lancet Commission (2017).  
2. Results are based on a screening Life Cycle Assessment (LCA), which is neither ISO 14040/14044 compliant nor critically reviewed. Primary data are used for the Green Cuisine production. Generic data for the supply chain of main ingredients, distribution, use and end-of-life treatment and for the production of the meat alternatives. The comparison is per kilogram consumed product.



Green Cuisine Chicken-free Southern Fried Strips.



# Better sourcing





# Our Oceans

## Overfishing poses enormous risks to future fish stocks, ecosystems and societies.

Over a third of global fish stocks are now fished beyond biologically sustainable limits<sup>3</sup>. Further damage is being done by careless fishing practices, including avoidable bycatch of non-target species and fishing equipment left in the ocean: a significant contributor to plastic pollution. Seafood supply chains are also at risk of a range of human rights abuses, including modern slavery. These practices, if unmanaged, threaten the future of the oceans and the communities who rely on them.

Sourcing fish sustainably is challenging and requires long-term commitment and collaboration. Given that fully responsible sourcing is multi-faceted, it can never be comprehensively delivered by a single organisation or certification scheme. However, to feed a growing world population and support the many communities who rely on fishing for food and livelihoods, we must find ways to address the challenges and move forward together. Transitioning more fisheries globally to certified sustainable practices is essential to mitigate the risk of depleted fish stocks and to protect the wider health of the ocean. As the world's largest buyer of certified wild caught white fish, we are determined to lead the industry in sourcing fish responsibly.

### Our Approach

Our branded products are purchased by millions of consumers across Europe. This puts us in a strong position to support a generational

shift towards healthier, more sustainable eating. That's why we've committed to using 100% fish and seafood from sustainable fishing or responsible farming by the end of 2025.

Our Fish and Seafood Policy stipulates that we only use sources recognised by The Food and Agriculture Organisation (FAO) or complying with either the FAO Code of Conduct for Responsible Fisheries or the FAO Technical Guidelines for Aquaculture. We do not source illegal, unregulated or unreported (IUU) wild capture fish for any of our markets, nor fish stocks that are depleted or recovering.

We're proud to have been among the first brands to work with independent certification schemes, and continue to believe that certification can have a long-term positive impact in maintaining ocean health. For over 20 years, we have worked closely with the Marine Stewardship Council (MSC): an international non-profit organisation which protects oceans and safeguards seafood supplies. Sourcing our fish and seafood from 'MSC-certified' sources means that fisheries must meet strict requirements around stock management, minimising impact to eco-habitats, bycatch and the use of fishing gear. The MSC works with all types and sizes of fishery, and certification is carried out by independent expert assessment bodies: a pre-requisite for all certification schemes. It has been independently benchmarked for its rigour and credibility and is the most rigorous form of accreditation currently available.

We also actively work with non-certified fisheries to support them in becoming 'MSC-certified'. This is essential to increase the future availability of sustainable, certified fish throughout our indus-

### Supporting fisheries in becoming 'MSC-certified'

Where a fishery is not yet certified, Nomad Foods engages with them to determine on a case-by-case basis whether the fishery is on a credible journey to certification within a maximum of five years. If approved by internal teams, Nomad Foods supports fisheries with:

- Advice
- Market access
- Sharing best practice resources
- Roundtable discussions
- Access to Nomad Foods' network

try and ultimately protect oceans and fish stocks.

In parallel, to reduce the pressure on wild fish stocks, we are increasing the proportion of responsibly farmed fish in our portfolio. Aquaculture—the production of fish and seafood in a farmed, managed environment—is a growing industry and although there is a need to carefully manage its environmental impacts, including the use of wild fish stocks to create feed, we believe that responsible aquaculture has an increasingly important role to play in meeting future demand for protein.

We require the farms we source from to work towards a trusted certification scheme and we work closely with the Aquaculture Stewardship Council (ASC) to ensure this. The ASC standard defines environmental and social criteria that need to be met, to obtain the certification. These include



The importance of protecting marine life is encapsulated in UN SDG 14: Life Under Water. Overfishing and the related issues of illegal, unreported and unregulated fishing, are the focus of UN SDG target 14.4 which aims to restore fish stocks in the shortest time feasible. As the world's largest buyer of certified wild caught white fish, we recognise our responsibility in encouraging fisheries to continuously improve their practices to ensure the health of fish stocks, vulnerable species and ocean habitats.

3. WWF: *Facts, Effects and Overfishing Solutions*.

stipulating that fish farms do not operate in High Conservation Value Areas, that all fish feed is fully traceable to a responsibly managed source and that farm workers' rights are respected.

To make our supply chain more transparent to consumers, our Fish Provenance Tool, launched in 2010, allows consumers to identify the specific catch areas from which we source fish and seafood products.

## Our Progress

In 2020, 96% of our fish and seafood volume was sustainably sourced and held MSC or ASC certification. This was due to our dedicated work with key fisheries to achieve MSC certification, including a Namibian hake fishery. We are currently also supporting a number of Alaska pollock fisheries to progress towards MSC certification.

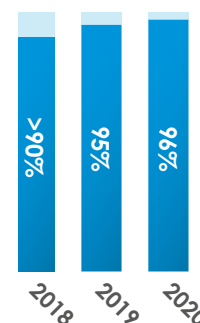
Family favourite with fish fingers, peas and mash.



We are already the largest branded producer of eco-labelled wild-caught fish and seafood globally. As we increase the proportion of certified fish in our portfolio, we are also able to increase the number of products that carry eco-labels. Over the last five years, we have also doubled the sales volume of products which are ASC-labelled. In five of our markets, 100% of our fish and seafood products were eco-labelled with MSC or ASC by the end of 2019.

We are committed to going beyond certification to help prevent and recycle ocean-bound waste. As a first step, in 2020 we became a member of the Global Ghost Gear Initiative (GGGI), which aims to create solutions to the problem of lost, abandoned and discarded fishing gear. One focus of the GGGI is to establish a global baseline of data on ghost gear around the world

## Fish and seafood from sustainable sources:



# 834

MSC or ASC eco-labelled products

by helping local communities to upload photos and geo-locations of ghost gear through its Reporter app. In 2020, our internal Sustainability Ambassador network volunteered to help expand the accessibility of the GGGI Reporter app by translating it into seven European languages.

## Future Plans

Demand for frozen fish and seafood has risen during the Covid-19 pandemic. To ensure we meet this growing demand and achieve our target of sourcing 100% certified fish and seafood by 2025, we have launched a multi-year project to increase the global availability of certified fish. As part of this project, we will allow an increase in fish sourcing from fisheries that have an independently verified plan for achieving MSC certification, but do not currently hold certification. While this represents a small percentage of the total volume of fish we source overall, working with these "Fishery Improvement Projects" (or FIPs) enables us to help them accelerate their path to certification which in the longer term will lead to an overall increase in the availability of certified fish worldwide.

In addition, we are working to increase our volume of aquaculture sourcing by encouraging consumers to incorporate more responsibly farmed fish and seafood into their meals. Our aim is to source 95% of our farmed fish and seafood from certified sources by the end of 2021.

To continue championing greater consumer awareness of responsible fish sourcing patterns, we will re-launch the Fish Provenance Tool, and re-brand it as "Captain's Fish Finder", as well as expanding it to France and Sweden.



# Helping Fisheries to Certification

Restoring fish stocks to biologically sustainable levels is central to UN SDG 14, Life Below Water, and particularly to target 14.4 to regulate illegal, unreported, and unregulated fishing and restore fish stocks. Yet today, one-third of the world's assessed fisheries remain overfished.<sup>4</sup>

Fisheries and fishing companies certified by the Marine Stewardship Council (MSC) must meet strict sustainability criteria, helping to protect ocean life. But to achieve a sustainable fish supply chain at a global level, more fisheries must transition to independently certified sustainable sourcing standards.

**Oliver Spring, Group Sustainability Manager at Nomad Foods**, explains how we work closely with our suppliers to help them achieve MSC certification:

*"Achieving certification from the MSC is a massive undertaking. We know that attaining a fully traceable supply chain end-to-end can be a real challenge. But well-managed fisheries are critical for safeguarding long-term fish supply, so it's definitely worth the effort."*

*"As the world's largest buyer of certified wild caught white fish, we use our influence to engage with fisheries and champion MSC certification. If selecting new non-certified suppliers, we require them to provide a credible, transparent and independently verified plan for achieving certification within a clear time frame. Then we work with them on their journey. Over the years, this approach has led to major successes, including the MSC certification of one of the world's largest whitefish Alaska Pollock fishery in 2005."*

As recently as 2020, with support from us, the Namibian hake trawl and longline fishery became the first fishery in Namibia and only the second in Africa to achieve MSC certification.

*"The Namibian Hake fishery had been on the path towards MSC certification for over ten years, and was due to begin MSC assessment in 2016. However, it was facing delays, in part due to the complexity of balancing deep-sea and shallow-water hake stocks across fisheries."*

*"Nomad Foods worked closely with the fishery throughout the process, liaising with the Namibian Hake Association, the MSC in South Africa, as well as with stakeholders in Brussels. We contacted the Ministry of Fisheries and Marine Resources in Namibia to spur on progress and emphasise the importance of this landmark for the Namibian fishing industry. This collaboration and togetherness was essential."*

*"Waiting for the results of the MSC certification was like being in the last minute of the World Cup Final! Everyone was on tenterhooks. But we achieved the result we wanted."*

As a result of this collaboration, the Namibian Hake fishery will add up to 160,000 tonnes of sustainable hake into the sustainable seafood supply chain<sup>5</sup>. The fishery is now working closely with the South African hake trawl fishery to compare stock assessments and rebuild fish stocks together.

<sup>4</sup>. WWF: Overfishing.

<sup>5</sup>. Saving Seafood: Namibian fishery is second in Africa to be certified as sustainable (2020).



*"While our first priority is to source 'MSC-certified' fish whenever possible, we are also proud of our work with non-certified fisheries, supporting them on their certification journey. This is essential to increase the future availability of certified fish throughout our industry."*

Stefan Descheemaeker,  
CEO Nomad Foods

# Our Fields

Sustainable and resilient agriculture is essential for maintaining global ecosystems – now and in the future.

Food businesses today face major challenges: providing nutritious food while protecting natural resources, ecosystems, biodiversity, land and soil quality, and the communities and workers connected to agriculture and farming. Failing to achieve progress in this space means that farmers will be increasingly impacted by the effects of climate change, which in turn may result in reduced yields.

## Our Approach

We are committed to sourcing 100% of our vegetables and potatoes through sustainable farming practices by the end of 2025. This target, and our Policy for Sustainable Agriculture, apply to all the vegetables, potatoes, fruit and fresh herbs we use (in the form of raw materials, ingredients or finished goods). Over half of these are sourced from farmers with whom we have a direct relationship and a long-term contract, and the remainder are sourced from trusted third-party suppliers. Ingredients covered by topic-specific sustainability schemes, such as palm oil or soy, are not covered in this scope. Our Policy covers the economic, environmental and social impacts of our agricultural practices, and stipulates that all potatoes and vegetables will be grown using verified sustainable farming methods.

We joined the Sustainable Agriculture Initiative Platform (SAI Platform) in 2018. We use the

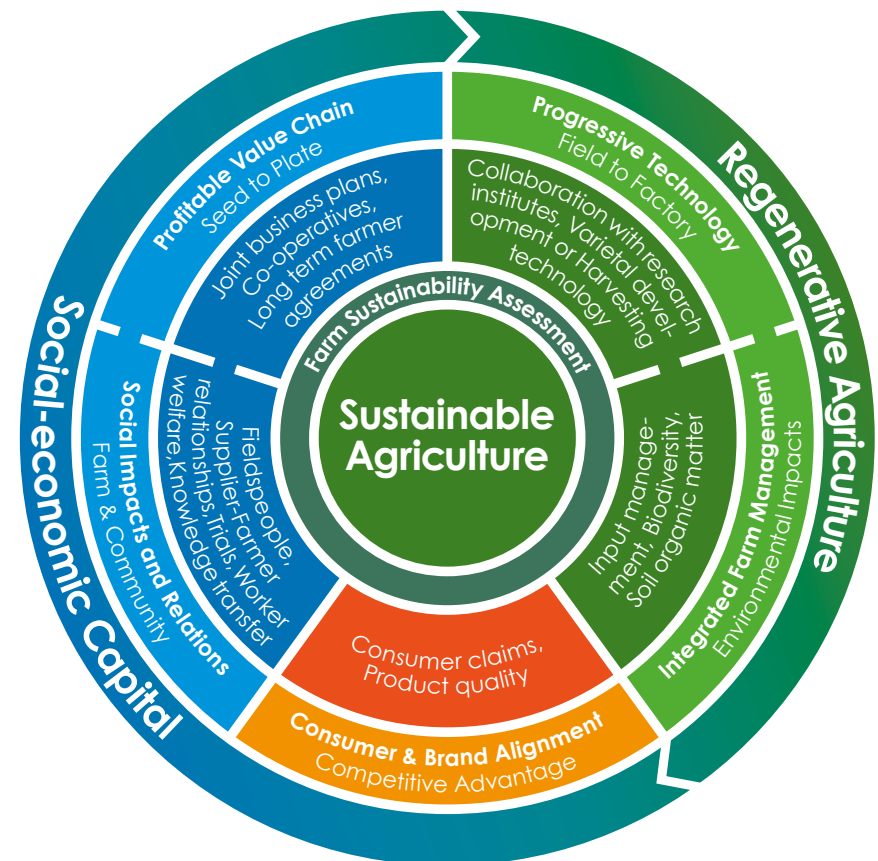
SAI Platform's Farm Sustainability Assessment (FSA) Framework to assess the profile of our suppliers and farmers. The FSA Framework covers 10 fundamental components of sustainable agriculture, including soil management, biodiversity and labour conditions. Farms or farm management groups are awarded bronze, silver or gold depending on which threshold of requirements are met. Our target is for all of our suppliers to achieve a minimum FSA silver verification by 2025.

Our FSA project team is responsible for driving progress towards our target. This is a cross-functional team made up of representatives from functions including Sustainability, Research and Development, Data Management, Supplier Assurance, Procurement, Agriculture and Marketing. The team meets once a month to track progress against our roadmap and identify priority areas for action. To implement the roadmap, our Fieldstaff of agricultural experts focus on building long-term, trusted relationships with our direct suppliers and work with them as part of a continuous improvement process in line with FSA recommendations. In 2020, we introduced our "sustainable agriculture model" to our suppliers to help them understand our holistic approach to sustainability in our vegetable supply chain.

Beyond our own supply chain, we also sit on two SAI Platform working groups: "Tools and Guidance" and "Assurance". In 2020, our contribution included assisting the SAI Platform with the development of version three of the FSA Framework, which will be launched in 2021. This reflects our determination to lead in this area and ensure we drive change within the farming industry.



UN SDG 15 underlines the necessity of protecting and restoring natural ecosystems. This includes combatting desertification and soil degradation in line with target 15.3 and halting biodiversity loss as set out in target 15.5. As a major provider of nutritious vegetables and potatoes across Europe, we want to lead the way towards a system in which agriculture is more resilient, productive and sustainable.





Water risk is increasingly important for companies to assess, especially in agriculture supply chains. We are working towards ensuring that none of our crops are sourced from very scarce water areas. In addition, the FSA Framework includes questions about water management, where two mandatory questions cover legal compliance and the remaining eight are optional depending on silver or gold level.

Under our FSA gold ambition for all direct growers, all farms will as a minimum have a water plan to optimise water usage and reduce loss. This will cover approximately 50% of our vegetable and potato supply. Likewise, many of the FSA silver or gold benchmarked schemes, including Red Tractor in the UK and Vegaplan in Belgium, have requirements around water usage.

## Our Progress

77% of our vegetables and potatoes are now FSA silver or gold level. This is the result of ongoing engagement with key suppliers, as well as targeted focus on specific crops. In 2020, we conducted a full assessment of all our suppliers, mapping all procured volumes back to farms or farm groups using supply chain mapping software, and asking whether they had FSA verification or an equivalent benchmarked scheme.

Using these results, we identified approximately 20 key suppliers, based on their production volume and strategic importance, to prioritise for setting clear FSA implementation plans. Many of these suppliers already had existing benchmarked schemes in place for all or part of their portfolio and we have met regularly with these key suppliers to discuss and drive progress towards full FSA verification. As a result, we were

the first UK farm management group and the first globally in frozen food, to be awarded the FSA gold level for our Birds Eye Pea Harvest. In addition, iglo Germany was verified as FSA Gold for all “own grown” spinach, herbs and autumn vegetables.

Biodiversity has been a focus area of ours for many years. In the UK, 70% of our farmers already have unique biodiversity action plans in place, and our goal is to reach 100% by the end of 2022. These plans consist of tangible actions for farmers to enhance biodiversity on their farms, such as delaying hedge cutting until late winter to prolong feeding opportunities for farm birds, and introducing floral species to grass margins to provide a source of nectar for insects. We continued our collaboration with the Department of Agricultural and Forestry Sciences at Tuscia University focusing on increasing biodiversity across farms in Italy.

## Future Plans

Our primary goal remains achieving 100% FSA silver or gold verification for all our vegetables and potatoes by 2025. To achieve this requires continuing our targeted focus on specific crops and regions. In line with the Nomad Foods value “Always Striving”, we are also developing a best practice framework in our agricultural supply chain, recognising that we can always do better and that gold verification should not be a final destination.

Procured vegetables account for just under half of our vegetable volume. Driving awareness and ensuring deeper understanding of the importance of sustainable agriculture, particularly amongst third-party suppliers, is critical to

*“My proudest moment from 2020 was achieving gold FSA verification for our Birds Eye Pea Harvest in the UK and iglo Germany site. It shows the world that, even for a large group of farmers, gold FSA verification is possible.”*

Megan McKerchar,  
Agriculture  
Sustainability  
Manager

**77%**  
FSA silver or gold  
level

achieving our ambitions. To make this happen, we will continue engaging with third-party suppliers and work with our key suppliers to create a roadmap for achieving 100% FSA silver or gold verification. We will publish a quarterly newsletter sharing success stories and setting out clear objectives for all suppliers.

We will also implement strong governance procedures to help us monitor FSA verification and report publicly on our FSA status. Internally, we will also set interim targets to drive ongoing improvement, and regularly share our progress with specific crops and key suppliers towards our 2025 target.

Beyond driving FSA verification, we will also launch a one-year pilot in 2021 across ten sites (with corresponding controls) to investigate the practicalities of planting wildflower margins annually in our UK pea fields. We will be working with Yorkshire Wildlife Trust to measure the diversity of pollinators and birds by these margins, and use the results to guide our future activity.

# Preserving and Enhancing Soil Health

95% of the planet's food relies on soil. But one-third of the world's arable soils are now degraded, with 30 football pitches' worth of soil being lost every minute due to degradation.<sup>6</sup>

Some industrial farming practices including monocropping and synthetic fertilisers can damage soil health over time. In contrast, regenerative agriculture contributes to healthy soil with improved carbon sequestration, greater water retention and less need for pesticides and synthetic fertilisers. This is central to combatting desertification and restoring degraded land and soil in line with UN SDG 15.3.

In 2020 our **UK Agriculture Manager James Hopwood** led an ambitious pilot in the Humber region of East England, to improve soil health and capture carbon through cover crops.

*"Soil is absolutely critical for feeding a growing population. And maintaining and rejuvenating soils is also fundamental for our business. At Nomad Foods, we've been growing Birds Eye peas in the UK for 75 years. This long heritage is based on our strong relationships with the farmers, as well as our longstanding sustainability credentials."*

*"All the peas we grow in the UK fall within 40 miles of Hull: a very small radius. In 2020, we partnered with Yorkshire Water, Future Food Solutions and 40 of our farmers in this area to measure the impact of cover crops on the health of the soil."*

Cover crops, James explains, are known to have a host of benefits for soil health:

*"Cover crops store nutrients, including nitrogen, reducing the need for fertiliser and preventing nitrates from contaminating nearby water supplies. They increase the levels of organic matter in soils, and sequester carbon from the atmos-*

*phere by holding it in their leaf and root mass."*

*"We planted 1,000 acres of cover crops, both before and after pea production, and assessed the nutrient and carbon content to measure the impact of these catch crops on the fertility, nitrogen content and carbon capture of the soil."*

*"Results from the pilot showed that planting cover crops after pea production has the potential, with the appropriate time and conditions, to significantly benefit soil health and carbon capture. Data from samples taken from the post-pea cover crops showed that these crops accumulated an average of 136kg of carbon dioxide equivalent per hectare per day, as well as storing valuable nutrients such as nitrogen and potassium. This could be critical to helping us achieve our zero carbon ambitions as a business."*

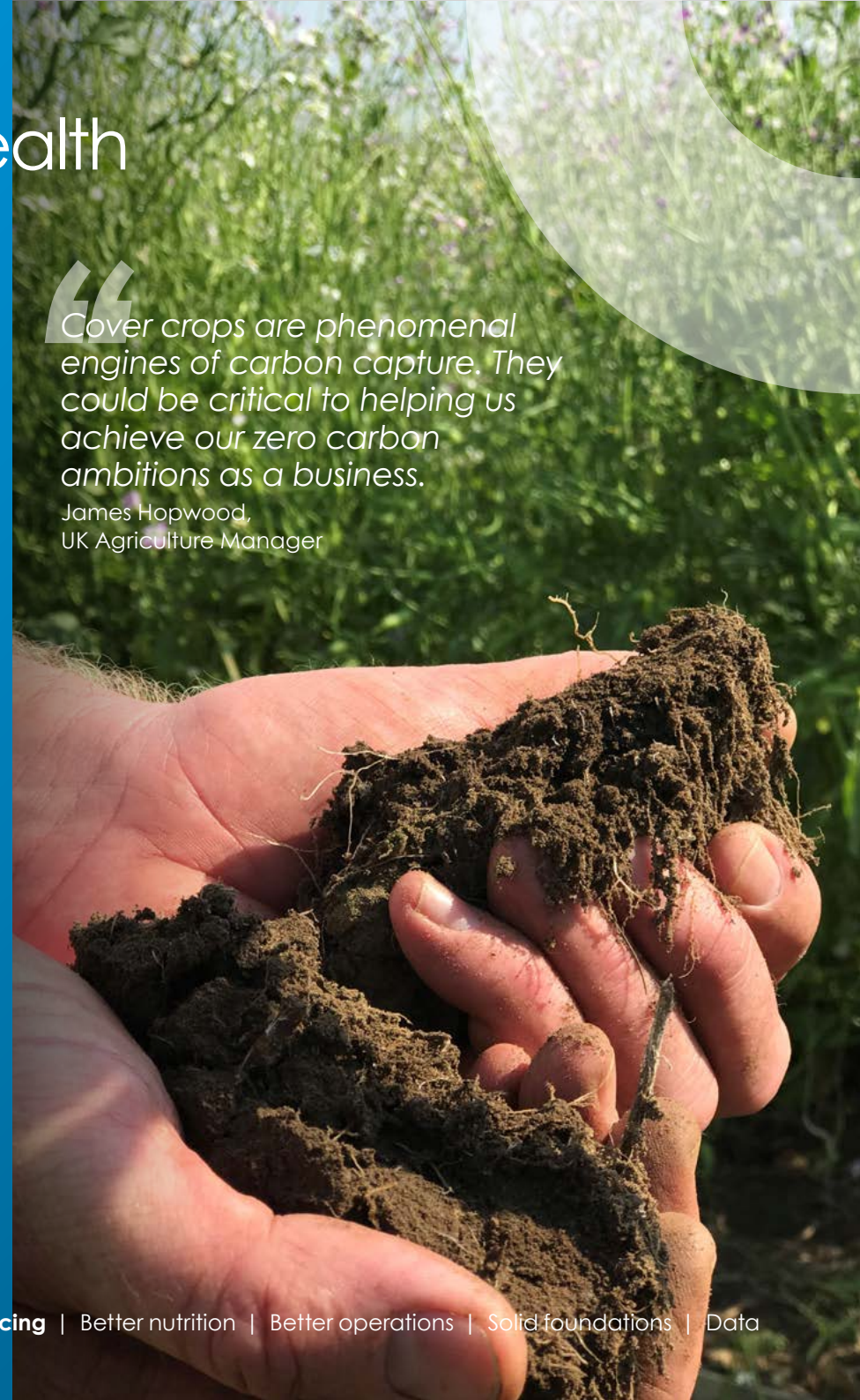
Close relationships with growers and partners, the agility to learn and adapt, and Nomad Foods' size and geographical spread are all critical ingredients for the success of this project – and its future growth.

*"We grow our pea crops across 10,500 hectares of land. Understanding how cover crops can be incorporated into cultural rotations is really important. As our in-house agriculture teams work continuously with our farmers to apply the same data-driven approach across their farmed area, our influence could in time extend beyond 250,000 hectares. That's why projects like this are so essential."*

<sup>6</sup>. Soil Association: Save Our Soil.

*"Cover crops are phenomenal engines of carbon capture. They could be critical to helping us achieve our zero carbon ambitions as a business."*

James Hopwood,  
UK Agriculture Manager





# Our Approach to Specific Ingredients

Forests help to stabilise the climate and are vital for biodiversity, so we must monitor ingredients that pose a deforestation risk.

Soy is the second largest agricultural driver of deforestation worldwide<sup>7</sup>. It poses significant environmental risks unless proper safeguards are in place. Soy is present in many food products as soybean oil, and soybean meal is widely used in animal feed.

The deforestation of native forests for palm oil production is associated with loss of biodiversity and significant carbon emissions.

In order to limit our impact and risks as a business, protect forests and conserve biodiversity, we must use deforestation-free soy and sustainable palm oil or palm oil alternatives.

## Our Approach

Our total soy footprint is largely derived from feed for animal-based ingredients used in our products. Launched in 2020, our Soy Policy sets out our belief that all soy should be responsibly sourced, and our commitment towards using 100% responsibly sourced soy across our supply chain whether it be for indirect or direct use. We commit to verifying that the soy in our supply chain is deforestation free. This means it is neither from legally nor illegally deforested land, and is sourced from relevant schemes, wherever pos-

sible. Where this is not possible, we compensate through a credit scheme.

In many of our recipes, we have replaced palm oil with healthier alternative oils or removed it altogether. Where we do use palm oil, it's because it provides the optimal physical properties needed for our products. Our new dedicated Palm Oil Policy states that we will only purchase palm oil that has Roundtable for Sustainable Palm Oil (RSPO) Segregated certification, meaning it can be traced back to RSPO-certified mills and plantations. We do not use the Book & Claim model, whereby an organisation purchases RSPO credits to support the production of certified sustainable palm oil but does not use physically certified palm oil.

## Our Progress

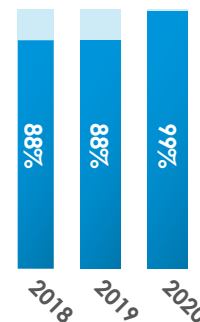
The vast majority of our soy usage is indirect, with animal feed representing approximately 98% of our footprint. Soy for poultry feed accounts for roughly half of our soy footprint, so working with our chicken suppliers to promote responsibly sourced soy is a major priority. To provide external expertise on governing and controlling soy certification within our supply chain, in 2020 we conducted an internal training session with an external consultant. We also conducted a full assessment of all our chicken suppliers and used the results to purchase credits for the uncertified soy in our supply chain. By the end of 2020, 12% of our soy was deforestation free, in line with our Soy Policy.

In 2020, we successfully transitioned the vast majority of our palm oil to RSPO-certified Segregated. 99% of the palm oil we buy is now RSPO-certified Segregated, with the remaining 1% to be completed by the end of Q2 2021.



Check our progress at [www.rspo.org/members/455](http://www.rspo.org/members/455)

## RSPO segregated palm oil



**12%**  
deforestation-free  
soy

## Future Plans

In 2021, we are determined to increase the proportion of responsibly sourced soy in our portfolio. To help achieve this goal, we will conduct a deep-dive into the results of our chicken supplier assessment process to identify which changes will have the biggest impact in the shortest time. Based on this analysis, we will create a soy roadmap for moving towards 100% responsibly certified soy, focusing on our chicken supply chain. This will include supplier engagement support and detailed governance processes. In line with our Soy Policy, we will also continue to buy credits for all uncertified soy in our supply chain.

Achieving 100% RSPO-certified Segregated palm oil is a priority for 2021.

<sup>7</sup> WWF: *The story of soy*.

# Our Animal Welfare Standards

We work with global suppliers and stakeholders to ensure the animals from which we source our meat are raised responsibly.

Animal welfare is an area of concern for us and with key stakeholders, including consumers who are increasingly interested in knowing where their food comes from and how it is produced. Major risks to animal welfare include poor living conditions and prophylactic use of antibiotics on healthy groups may also have subsequent risk to human health.

## Our Approach

Our portfolio consists mainly of fish, seafood, vegetables and vegetarian foods. Besides fish, our other main source of animal proteins is poultry. We support safe and responsible sourcing, which includes traceability and animal welfare, as well as environmental and ethical concerns. We are committed to going beyond regulatory standards when sourcing poultry and eggs.

In addition to EU laws, Our Policy on Animal Product Sourcing covers requirements for humane slaughtering. It also specified the responsible use of antibiotics to prevent suffering and that prophylactic use of antibiotics is not allowed. In addition, we set further specific requirements for beef, eggs and honey products.

Our Policy places particular focus on chicken sourcing as it is the second largest source of protein in our portfolio, including requirements for improved conditions that are now being implemented. We have fully eliminated cage-reared

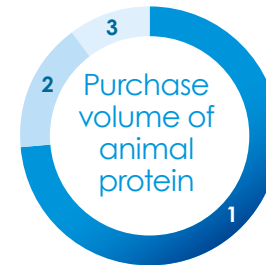
chicken from our supply chain and are working to provide more enriched environments for animals, limit transportation time and reduce antibiotic usage. We are signatories of the Better Chicken Commitment: a set of criteria for broiler chickens going significantly beyond legal minimums, developed by 25 animal welfare and animal rights organisations from across Europe. As part of our commitment, we have created a cross-functional Chicken Working Group and work actively with our suppliers to continue to improve the welfare of the chickens we use, with a goal to meet the requirements of the commitment by 2026 across our entire portfolio.

Eggs represent less than 1% of our portfolio, but where we do use eggs or products derived from eggs, our policy stipulates they are sourced from barn-reared animals as a minimum.

## Our Progress

Over the past year, we have continued to drive progress towards our target for 100% of our eggs to originate from cage-free sources. We experienced some delays partly due to the Covid-19 pandemic which means 92% of our supply is cage-free with plans in place to complete the transition to 100% by mid-2021, as we remain committed to remove cage-reared eggs across our portfolio.

In 2020, we conducted a full welfare assessment of all our chicken suppliers. This covered a range of topics, including stunning methods, antibiotic use, environmental enrichment and stocking density. The results confirmed that in addition to being fully cage-free, 100% of our chickens are stunned prior to slaughter: an important step in improving their welfare.



1. 74% fish and seafood
2. 17% poultry
3. 10% red meat

**92%**  
cage-free egg  
supply chain

## Future Plans

Following our supplier assessment process, we will conduct a deep-dive into the results to better understand where further improvement is needed. Our new cross-functional Chicken Working Group will be responsible for developing a clear action roadmap to improve chicken welfare and identifying key performance indicators to assess our progress. This will enable us to work with suppliers to address these issues.

We will extend our supplier audit process to include welfare audits with ten of our key chicken suppliers. These will include detailed virtual site assessments and a review of relevant certifications, processes and procedures. This will give us a more robust and detailed understanding of the current situation and areas for improvement.

We will also intensify internal communication to further increase knowledge and understanding of animal welfare throughout the business.



# Our Supply Chain Ethics

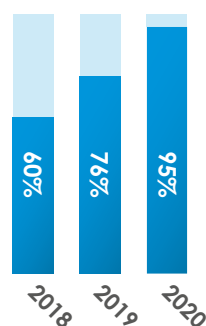
The complex nature of global supply chains in the food industry creates a risk of human rights abuses.

At At Nomad Foods, we expect our suppliers to apply the same standards of ethics and behaviours that we follow ourselves. This includes treating all workers fairly, supporting equal opportunities and taking all possible steps to prevent modern slavery, human trafficking or child labour. Forced labour and poor working conditions both pose a risk within our global supply chain, particularly when we are buying from indirect suppliers in countries with limited protections for workers.

## Our Approach

Our Ethical Compliance Manager is responsible for making sure that our suppliers meet our expectations on all issues surrounding human rights. Our approach to achieving this is outlined in the diagram below. Our Supplier Code of Conduct (Supplier Code) outlines our requirements to treat all workers with respect and dignity, not employ

Tier 1 suppliers registered with SEDEX



child workers, and provide a safe and healthy workplace for all workers. The Supplier Code also covers our requirements in relation to fair business practices, trade regulation, environmental impacts, supply chain responsibility and traceability.

We use Sedex to monitor our direct supplier compliance to our ethical requirements. Sedex is a membership organisation for transparency in supply chains which requires suppliers to provide data on labour rights, health & safety, environment and business ethics, through a self-assessment questionnaire and audit. The information from Sedex is used to annually risk assess our suppliers and create improvement plans for those identified as high risk. We require all suppliers to register on Sedex and fully complete the Sedex self-assessment questionnaire.

Third-party ethical audits will be used to ensure the requirements in our Supplier Code and local laws are met. We require all suppliers to complete a third-party ethical audit every two years and for this to be uploaded onto Sedex. Our preferred format is a Sedex Members Ethical Trade Audit but other formats are also accepted.

New suppliers are required to comply with these requirements before they can be approved to supply.

## Our Progress

The Covid-19 pandemic affected our supply chain in a number of ways, which led to some timelines and objectives being delayed. In particular, travel restrictions, working restrictions and limits on external visits means conducting ethical audits has been postponed until 2021. We also had to delay our deadline for 95% supplier registration on Sedex to the end of 2020, rather than

in the first half of the year as originally intended.

Despite these issues, we accomplished the majority of our objectives by the end of 2020. We achieved our target for 95% of suppliers to be registered on the Sedex platform, this represents an increase of 19 percentage points from 2019.

We also completed the first risk assessment of all our suppliers, using data from the Sedex Risk Assessment Tool, the Sedex Self-Assessment Questionnaire and existing ethical audits. A small percentage were classified as high-risk, so our next step is to audit and manage these high-risk suppliers to mitigate the risks.

## Future Plans

Having achieved our target of 95% supplier registration, we want to maintain and build on this success in 2021.

Going forward, we will complete our supplier risk assessment on an annual basis. We will conduct an ethical audit programme, using the information from the risk assessment process to prioritise suppliers. Suppliers that are new, rated high risk or within our top 50 in terms of spend will be required to have a third-party ethical audit that has been completed within the last two years and uploaded onto Sedex. We will use the completed audits to create a time-bound corrective plan, identifying and following up on any non-compliances identified until these are resolved.

We expect that Covid-19 may continue to pose disruptions to our supply chain, but we are determined to continue driving progress on our ethical roadmap. We therefore also intend to draw on the recent availability of virtual assessments, which will enable us to continue our audit programme even if in-person travel is restricted.

## Sustainability Assurance Approach

Setting requirements

Monitoring compliance

Assuring compliance

Policies and Code of Conduct

Specifications, questionnaires and information gathering

Audits and certifications



# Better nutrition





# Our Nutritious Food

Supporting sustainable, healthy diets is a critical challenge of our time.

Combatting obesity and promoting nutritionally balanced diets are issues of enormous importance across Europe, high on the agenda of governments, NGOs, the media and, increasingly, consumers.

## Our Approach

We are committed to growing the healthier meal choices in our portfolio every year and empowering consumers to make better choices for themselves and their families. Our Nutrition Manifesto sets out our eight key commitments to empower positive choices, including through providing better consumer information, making healthier and sustainable choices more convenient, and promoting a more plant-based diet. This helps us deliver on our business purpose: to serve the world with better food. Our Nutrition Policy specifically sets out our approach to labelling and product optimisation. Both our Manifesto and our Policy apply to all Nomad Foods brands, and our Nutrition Policy has been reviewed by an external Nutrition Advisory Board.

Nomad Foods is directly responsible for the nutritional profile of our branded food, from recipe creation and ingredient selection to communicating product information to our consumers. We apply stringent and objective nutritional assessment to all our recipes, based on an internationally recognised and independently verified method, and regularly assess our products for



Creating a food system that ensures adequate nutrition for all within natural limits is central to UN SDG 2: Zero Hunger, and in particular target 2.1, which aims to ensure access by all people to safe, nutritious and sufficient food all year round. Given that millions of consumers choose our products to feed their families each day, inspiring healthier diets, crafting healthier foods and enabling consumers to make informed decisions about what they eat is central to our nutrition and sustainability agendas and our purpose.

opportunities to nutritionally optimise.

Our Nutrient Profiling Tool (NPT) uses an externally verified scoring system to assess the overall nutritional profile of products and determine whether they constitute a healthier meal choice (see pull-out box).

When developing new products, we operate a strict gate-keeping process whereby any product not classified as a healthier meal choice is automatically challenged and can be rejected and redeveloped before we allow it to launch.

## Our Nutrient Profiling Tool

Our Nutrient Profiling Tool comprises of a simple scoring system that allocates points on the basis of the nutrient content of 100g of the food. Points are awarded for:

'A' nutrients of concern:	Positive 'C' nutrients/ ingredients:
<ul style="list-style-type: none"><li>• Energy (kJ)</li><li>• Saturated fat</li><li>• Total sugar</li><li>• Sodium</li></ul>	<ul style="list-style-type: none"><li>• Fruit, vegetable and nut content</li><li>• Fibre</li><li>• Protein</li></ul>

The total 'C' points score is subtracted from the 'A' points score, to give a final nutrient profile score. Importantly, if 'A' points total 11 or more, protein 'C' points cannot be subtracted, unless the food or drink contains >80% fruits, vegetables and/or nuts. This 'protein cap' is to avoid high protein contents masking high levels of nutrients of concern, ensuring we always develop products with integrity.

In 2020, we have also implemented strong new governance procedures to measure the potential impact of launches that were not healthier meal choices on our net sales, making it easier for our R&D teams to flag and reject recipes of concern.

Credible, easy to understand and relevant nutrition labelling is a powerful enabler for our consumers to make informed choices and choose healthier products. We use on-pack nutritional labelling across every market we operate in and adopt labelling schemes which are evidenced to positively

Nutrient profile scores are then allocated to categories:



In 2020, we conducted a detailed internal audit of our Nutrient Profiling Tool, benchmarking the tool against equivalent rating systems in other major food companies. This revealed that Nomad Foods is the only major European food company to assess all products against the same nutritional criteria (rather than implementing a category-specific approach) and to measure nutritional progress by net sales of healthier products rather than the proportion of healthier products in a product portfolio, meaning that we prioritise nutritionally improving our biggest sellers, which will have the greatest impact on consumer health.

impact health in relevant local markets. This currently includes traffic light labelling in the UK, the Keyhole symbol in Sweden and Norway, the Heart Mark symbol in Finland and Nutri-score labelling in France, Netherlands, Belgium and Germany.

## Our Progress

In 2020, 90% of our total net sales came from healthier meal choices. This equated to an increase in net sales from healthier meal choices of more than €369 million versus 2019. This achievement is the result of sustained efforts, in innovating new products, rolling out products to new markets, and renovating existing products. 95% of our new product innovations were healthier meal choices; all of our product roll-outs to new markets were healthier meal choices, and when existing products were renovated, no product regressed in its nutrient profile scoring band compared to before renovation.

Our Findus France and iglo Germany businesses have been leading the way in delivering great tasting, nutritious food, with over 95% of net sales coming from products with a green Nutri-Score rating in both markets. In 2020, we particularly focussed on our foodservice portfolios: nutritionally optimising our biggest-selling products and driving improvements in amber and red-rated products. We also made progress on improving products even where it was challenging to achieve a green NPT score in the short-term. These included more indulgent products such as Goodfella's Gluten Free Pepperoni and Margherita Pizzas. 9% of our non-healthier meal choice volumes sold in 2020 came from nutritionally optimised products.

Our commitment to innovate and renovate



**of our net sales  
came from healthier  
meal choices.<sup>8</sup>**

**€369**

**million more net  
sales came from  
healthier meal  
choices in 2020 vs  
2019.<sup>8</sup>**

*I am pleased  
we achieved  
our second per-  
fects score for  
Nutrition in the  
Dow Jones Sus-  
tainability Index*

**Lauren Woodley,  
Senior Nutrition  
Manager**

our Goodfella's Pizza portfolio to comprise at least 50% healthier meal choice recipes, was another priority focus for the year, which we achieved ([see case study](#)).

We also worked on supercharging our salt reduction efforts and increasing the amount of fibre in our portfolio. We created a Salt Reduction Working Group, which will monitor and accelerate the delivery of our salt reduction strategy. To support our R&D teams in different markets, we launched a Salt Reduction Toolkit and a Fibre Toolkit sharing best practice guidelines for driving targeted product improvements.

We are extremely proud that in 2020, we achieved our second consecutive perfect score of 100% on the Dow Jones Sustainability Index (DJSI) for Health and Nutrition. For the Health and Nutrition area, the DJSI Food Industry average is 29%, and the DJSI European members average is 88%, so we comfortably exceeded both of these. This result is a testament to the healthiness of our portfolio, our ongoing commitment to nutrition optimisation, and the rigour of our policies and commitments. We also achieved a number of other external successes, including our first publication in the peer-reviewed journal Nutrition Bulletin, and our Senior Nutrition Manager being awarded the Food and Drink Federation Registered Dietitian/Nutritionist of the Year 2020 award. This is the only award of its kind to exist: a marker of our team's high levels of nutritional expertise.

Internally, we continued to champion our research and development mantra 'Go for Green' through ongoing engagement, to promote continual striving for a green score, equivalent to a healthier meal choice, on our NPT. As part of this work, we relaunched our R&D Nutrition Acade-

my to ensure that 100% of our R&D colleagues are trained in our NPT and provided additional training for dedicated Nutrition Ambassadors. The Academy delivered a series of face-to-face and virtual training sessions, which in total had over 500 attendees.

To support colleagues home schooling young children during the first national lockdown in the UK, we created a ten-part 'Birds Eye Learning Series' on a range of topics related to Nomad Foods and the national curriculum, including health and nutrition. The series received a huge amount of positive feedback, engaging colleagues and their families across all our markets in energetic discussion about the benefits of nutrition. During the autumn national lockdowns across Europe, we tailored our support towards Nomad Foods colleagues, sharing practical nutrition advice and physical and mental wellbeing tips through a weekly wellbeing email series that will continue to run through to summer 2021.

## Future Plans

Our primary focus for 2021 is continuing to drive year-on-year improvement in net sales from Healthier Meal Choices. However, we will also continue to nutritionally optimise those products where core ingredients make it challenging to achieve a green score on our NPT.

We will continue to accelerate our salt reduction efforts across our portfolio, as well as further improving the way we communicate our nutritional strategy and progress to our investors and other stakeholder groups. We will also continue to support Nutri-Score as a standard across Europe.

8. Including Branded Retail, Branded Foodservice and recent M&A.



# Optimising our Pizza Portfolio

At Nomad Foods, we have an ambition to promote better diets and empower consumers to make positive choices. Our **Senior Nutrition Manager Lauren Woodley** explains how our Research and Development team delivered on these goals through an ambitious project to optimise our Goodfella's Pizza portfolio, following Nomad Foods' acquisition of this brand in 2018:

*"At the start of 2020, 58% of Goodfella's Pizza recipes were not classified as Healthier Meal Choices. Nomad Foods has a strong legacy of promoting health and nutrition, with a portfolio of mainstream brands that consumers trust to deliver nutritious, balanced meals for the whole family. We are determined to live up to that reputation across all Nomad Foods brands, so we set an ambitious target of making at least half of Goodfella's Pizza recipes Healthier Meal Choices by the end of 2020."*

*"To deliver this goal, we focussed on both innovation and renovation. When creating new products – such as a new cheeseburger pizza – the first question we asked was: can we make this a Healthier Meal Choice? At every step of the innovation process, we took steps to nutritionally optimise the recipe, particularly through reducing or limiting saturated fat and salt, and increasing or maximising fibre."*

*"We also made recipe improvements to existing products. This was a tricky process, because the technical makeup of pizzas is so complicated. The base, the sauce and the toppings are all comprised from different recipes – so it's not a question of just optimising one or two ingredients. You need to reformulate every component of a pizza to make it as healthy as it can be."*

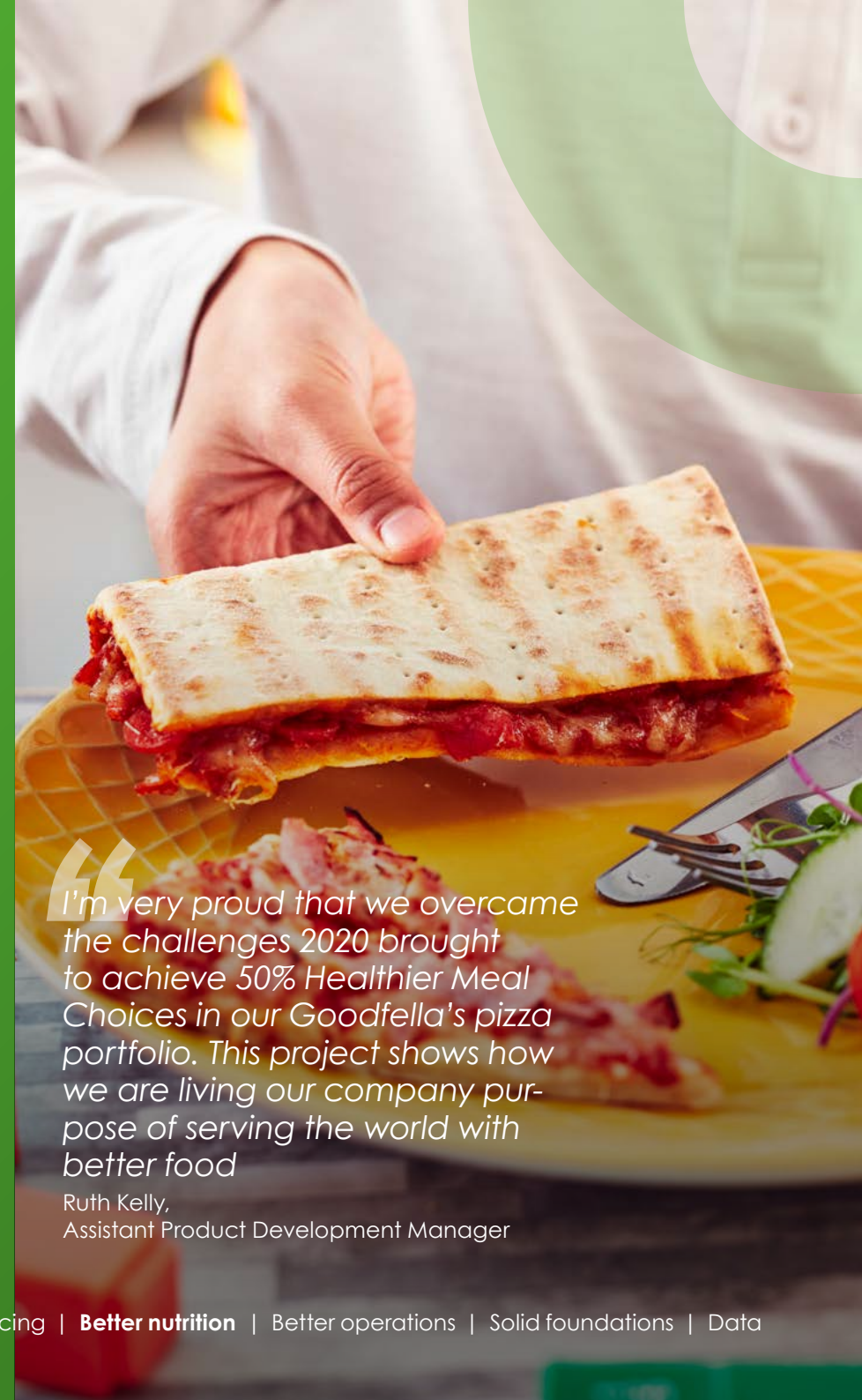
*"We also know that whilst consumers are increasingly seeking healthier choices, they don't want to compromise on taste and quality, and still want to eat the foods they love. When innovating or renovating existing products, it was clear that the final product still had to deliver on the product experience consumers would expect."*

Despite these challenges, the team persevered and managed to deliver some amazing results.

*"We achieved our target for 2020, meaning that over 50% of Goodfella's pizza recipes are now classified as Healthier Meal Choices – even the indulgent cheeseburger pizza!"*

*"Our recipe improvements to the Deep Pan pizza range, which will go to production in 2021, will deliver on average a 22% fat reduction and a 12% salt reduction. The salt reduction might not sound like a lot, but in general it's really hard to reduce salt by more than 10% without people noticing a taste difference – so it's definitely ahead of the curve in the industry."*

This project has shown us yet again that it is possible to deliver healthier versions of family favourites without compromising on taste. In 2021, we will continue to apply what we have learnt, with a particular focus on bestselling products and those that are more advertised and promoted. In this way, we'll make sure our nutritional optimisations have the biggest impact possible.



*"I'm very proud that we overcame the challenges 2020 brought to achieve 50% Healthier Meal Choices in our Goodfella's pizza portfolio. This project shows how we are living our company purpose of serving the world with better food"*

Ruth Kelly,  
Assistant Product Development Manager

# Our Approach to Additives

Our consumers expect us to produce delicious meals without using artificial additives.

There are widespread concerns amongst policymakers, governments, civil society groups and the media about the use of certain additives and less familiar ingredients such as phosphates, e-numbers, MSG, artificial colours and flavourings. With more consumers choosing Nomad Foods to provide their families with convenient, nutritious meals during a turbulent year, addressing these concerns has never been more important.

Consumers expect food brands to lead the way in creating products from simple, familiar ingredients. Our ambition is to produce great tasting food from ingredients that consumers could find in their own store cupboard.

## Our Approach

Our target is for 100% of our portfolio to be free from flavour enhancers, artificial flavours and artificial colorants by the end of 2022.

We have been active in this area for over 15 years, and we keep spurring progress. We are directly responsible for the composition of our foods, and our responsibility stretches across our supply chain, from our choice of ingredients and recipes to the marketing and labelling of our products.

Our Clean Labelling Policy has been in place since 2003. As specified in this Policy, we categorise all ingredients into four categories, based

Products without flavour enhancers, artificial flavours and artificial colorants



9. Data includes all branded SKUs, except for those branded foods sold by Nomad Foods International owing to data availability.

on consumer research, to assess whether they meet consumer demand for familiar, natural ingredients. These range from 'Optimum' ingredients such as eggs, pasta and milk, to ingredients that we do not accept in any products, such as MSG and hydrogenated fats. We use these standards to determine our ingredient selection when developing new products or reformulating existing ones.

In 2018, we established a central Clean Label Steering Committee to monitor our progress and drive ongoing improvement. We have also instated a strong governance process to ensure that 100% of our new products are free from flavour enhancers, artificial flavours and artificial colorants.

Freezing is nature's way of preserving food as well as locking in nutrients and flavour without the need for preservatives. Therefore, we do not add preservatives when creating new products, except where these are necessary for food safety or where the traditional method of creating a product involves adding preservatives (for example, ham).

## Our Progress

At the end of 2020, 97% of our portfolio was free from flavour enhancers, artificial flavours and artificial colorants. Despite the Covid-19 pandemic, we continued to modify and enhance our recipes and achieve a percentage point increase from 2019. This progress is a testament to recipe improvements across our business, but particularly in our Nordic markets. In Sweden, for example, we began the year with 85 recipes to renovate and have now completed all but 11 of these renovations.

## Future Plans

Following the extension of our target deadline in 2018, we are now on track for 100% of our portfolio to be free from flavour enhancers, artificial flavours and artificial colorants by the end of 2022. In 2021, we are aiming to achieve this target for 98% of our recipes by actively working to improve our portfolio, especially that of our new acquisitions, renovating existing recipes and maintaining a strict governance process for new ones.



# Better operations

# Our Emissions

Climate change is one of the defining issues of our time – in need of immediate action from all sectors of society.

Global warming is already having significant impacts, and these are likely to dramatically increase over the coming decades. Examples include changing weather patterns, extreme weather such as drought and flooding and the warming of our oceans – and these will have implications on how we operate as a business. Reducing and mitigating the impacts of climate change is at the heart of many of the UN Sustainable Development Goals, including goals 7, 12 and 13.

Emissions from food systems are one of the major contributors to climate change, estimated to contribute to between 20-40% of global greenhouse gases each year. Global food supply chains are also at risk from the effects of climate change through decreased land availability, local water scarcity, soil health deterioration and ocean acidification.

Combatting climate change means changing the way businesses operate today: taking action to reduce emissions, protect the environment, end deforestation, safeguard biodiversity and ensure precious resources such as water are used in an efficient way with a long-term focus. As a food business we have an important role to play in supporting the delivery of these actions.

## Our Approach

We are committed to reduce the intensity of our greenhouse gas emissions every year in line with recent climate science, as set out in our Safety, Health and Environment Policy.

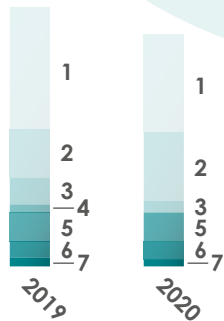
We measure our corporate carbon footprint annually, by calculating our total Scope 1, Scope 2 and Scope 3 emissions (see table for more detail) and converting them into equivalent tons of carbon dioxide. Our footprint covers our own operations (i.e. all factories operated by Nomad Foods excluding co-packers), all owned and third-party warehousing and inbound logistics of finished goods. The data is calculated and reported in line with the GHG Protocol, and externally audited. Based on the results, we set annual emissions reduction targets.

As a food business, waste, energy and water are the primary sources of carbon related emissions within our operations, which is why we place specific focus on managing those areas, with both long-term and short-term reduction initiatives. None of our sites are placed in current water scarce areas, with a few in areas prone to flooding. This is managed locally as part of our site-specific safety protocols.

We believe collaboration is critical to drive societal change, which is why in 2020, we joined the ground-breaking global fight against food waste initiative, 10x20x30. This brings together the world's largest food retailers and providers, each of whom commits to engaging at least 20 suppliers to halve food loss and waste by 2030, in line with UN SDG target 12.3. Some of our markets have also signed pacts or pledges on a national level to help reduce food waste.

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

## Our Emissions Drivers



1. Waste & materials for reuse
2. Gaseous Fuels
3. Purchased Electricity in factories
4. Purchased Steam
5. Inbound Logistics & Warehousing of finished goods
6. Fresh & Waste Water
7. Other



## Our Progress

In 2020, we significantly reduced the intensity of our carbon emissions per ton of finished goods by 21%. Our absolute carbon emissions decreased by more than 10% despite dramatically increased production volumes, mainly as a result of the Covid-19 pandemic. The main causes of our intensity reduction were:

1. Better management of waste and materials for re-use
2. Efficiencies in production
3. Increased usage of renewable energy

These three causes will be the focus of this section.

### Better Management of Waste and Materials for Re-Use

The largest proportion of our emissions occur as a result of waste and materials for re-use which is why we put a specific emphasis on addressing this area.

In 2020, carbon emissions related to waste and materials for re-use reduced by 30% per ton of finished goods. This was due to four of our factories successfully implementing processes to segregate food materials containing animal ingredients from those containing non-animal ingredients.

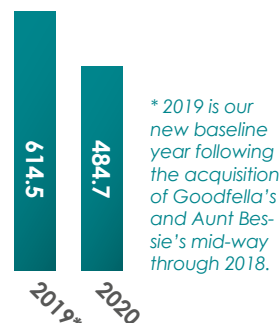
Our absolute volume of waste generated increased by 6% due to higher production volumes.

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

11. Per ton of finished goods since 2015.

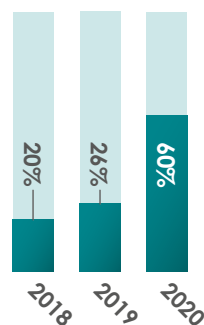
12. Figures are self-calculated; not included in auditor sign-off.

kgCO<sub>2</sub>e per ton of finished goods



31%  
reduction in edible food waste<sup>11</sup>

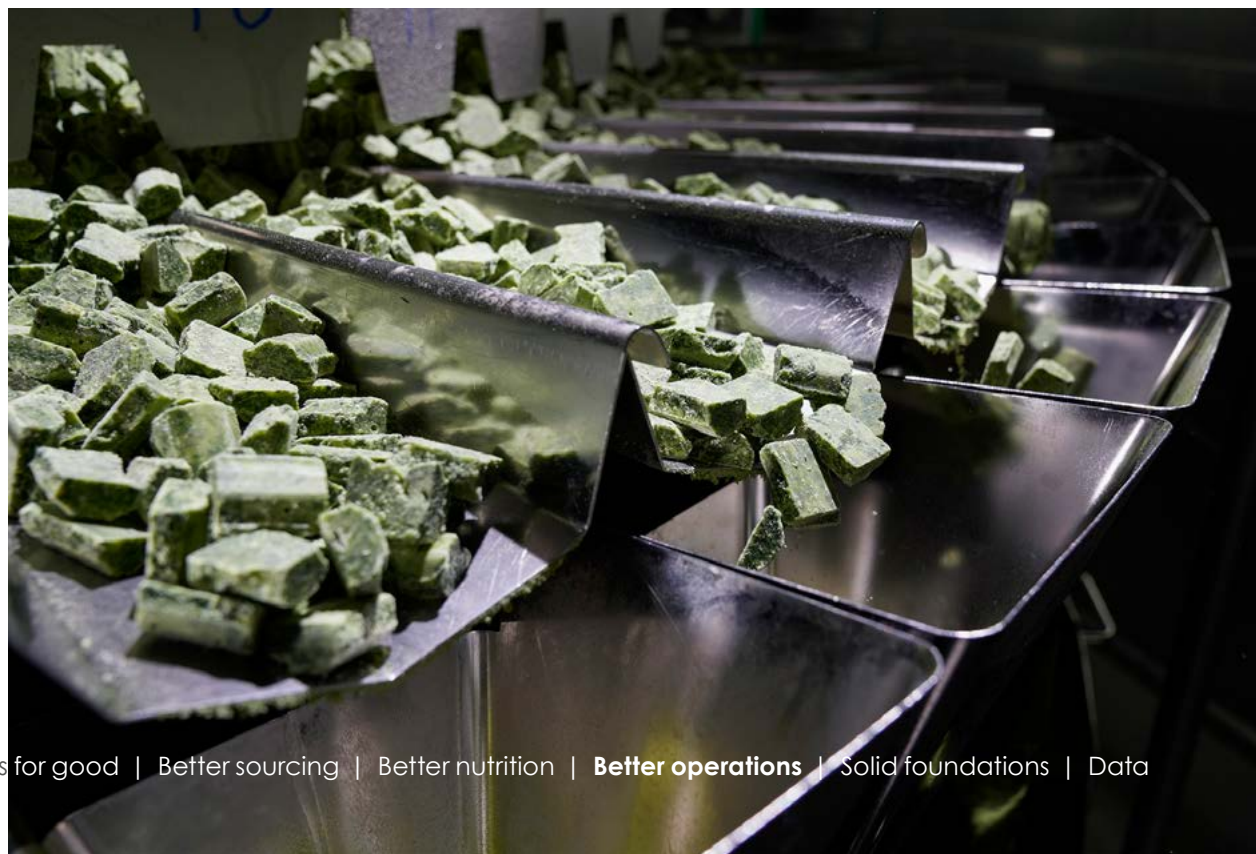
Total Scope 2 Energy Consumption from renewable sources



We have also made strong progress towards our ambition of halving edible food waste<sup>10</sup> by 2030 under the 10x20x30 initiative. We have already reduced edible food waste per ton of finished goods by 31% compared to our 2015 baseline. To support vulnerable people during the Covid-19 pandemic, as well as preventing surplus edible food from being wasted, we donated approximately 1.7 million meals to food banks in 2020.

Beyond surplus food, we also launched a sustainable IT project to help us extend the life of unwanted IT assets and dispose of unusable assets responsibly and ethically. We implemented the

Cream spinach pellet production in our Reken site in Germany.



pilot project in August before rolling it out to seven additional sites, with a further three to follow in 2021. So far, we have reused or recycled approximately 4.6 tonnes of IT equipment, equivalent to 71 tonnes of carbon dioxide equivalent<sup>12</sup>.

### Efficiencies in Production and Increased Usage of Renewable Energy

Another major driver of carbon emissions is energy usage, including from gaseous fuels and purchased electricity. In 2020, the carbon emissions from energy used to produce our products in our own operations decreased by 16% per ton

of finished goods, despite an increase in total energy consumption due to higher production volumes. We achieved this by successfully transitioning six of our factories to 100% renewable electricity, bringing the total proportion of our electricity sourced from renewables from 26% in 2019 to 60% in 2020.

To achieve more clarity on our energy consumption, in 2020, we adapted our reporting methodology to capture the energy needed to generate steam and electricity. This resulted in an uplift in energy usage, and an increase in absolute emissions from gaseous fuels in 2020.

Efficiencies in production also enabled us to reduce the emissions intensity of our energy usage. In order to meet increased consumer demand for 'hero products' during the pandemic, our factories switched their focus to high-demand products and therefore reduced the number of machine changeovers. This enabled us to produce more finished products whilst using less energy per ton.

In addition to corporate carbon emissions reduction, local initiatives help to reduce energy usage at a market level. 100% of the 4,000 customer deliveries made by Findus Sweden every year are now powered by fossil-free fuels. All trucks are powered by renewable fuels, fossil-free diesel fuels or hydrogenated vegetable oil, thereby reducing vehicle emissions by 84%.

### Water Management

Due to higher efficiencies and fewer machine changeovers, our water consumption per ton of finished goods reduced by 4%. However, our absolute freshwater usage increased by 9% due to higher production volumes.

### Freshwater consumption per ton of finished goods



### Future Plans

In 2019, we signed a commitment letter to the Science Based Targets initiative (SBTi) stating our intention to set new carbon reduction targets in line with limiting global temperature rise to 1.5°C versus pre-industrial levels.

This was delayed due to the joint challenges posed by the Covid-19 pandemic and the UK's exit from the European Union. We now aim to submit a proposal before the end of June 2021, within the two-year submission window.

In addition, we will continue our efforts to decrease our emissions intensity in line with our current commitment, including moving to 100% renewable electricity across all our factories by the end of 2021 at the latest. We are also committed to continue reducing edible food waste in line with the 10x20x30 initiative ambitions. However, where we do have surplus food, we will continue to put this to the best use possible through our partnerships with food charities.

While waste initiatives and transitioning to green electricity can be applied across most sites, water management targets are specific by site and related to the local conditions of that factory. We track and report a number of emissions drivers quarterly to allow us to take either mitigation actions or share and reapply successful local initiatives.

*I am proud that we significantly reduced both our absolute emissions and the intensity of our carbon emissions across our supply chain, despite increased production volumes due to the Covid-19 pandemic.*

Oliver Spring, Group Sustainability Manager



# Our Packaging

Packaging protects the safety and quality of our products, but we need to minimise its impact on the planet.

Our packaging protects the product against contamination, it is designed to optimise logistics, it helps with portion sizes, carries information for customers, and, by maintaining the quality of products for the duration of their shelf life, it also helps to reduce food waste.

However, packaging, in particular plastic packaging, has been in the spotlight because of its environmental impacts. Poor management of recycling or waste disposal of plastic packaging can result in plastic leaking from the waste management cycle into the ocean, threatening the lives of sea birds and marine animals, and disrupting ecosystems.

## Our Approach

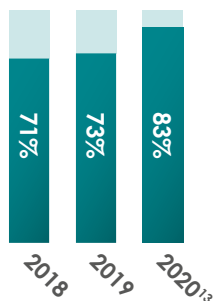
We primarily design our packaging around food safety needs and environmental impact concerns, ensuring that the packaging protects the product but does not waste natural resources. Our sustainable design principles encapsulate our approach to packaging innovation. Our goal is for 100% of our packaging to be recyclable at a minimum by the end of 2022.

Our Policy on Packaging covers all our packaging elements, from the box or bag protecting our food to the packaging that transports our products. When virgin paper is used, it must be from sources that are certified in responsible forest management. We use recycled materials



Minimising the negative impacts of packaging on the environment is central to UN SDG 12, and particularly target 12.5: by 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. Increasing recyclability, as well as reducing packaging where we can, are central elements of our sustainability strategy, and part of driving a circular economy for packaging across Europe.

## Packaging used that is recyclable



where possible, although we face challenges in all our markets due to legislation on using recycled content from mainstream mechanical recycling in food contact. All new packaging development is assessed for sustainability and not approved unless it meets our recyclability criteria or, rarely, by exception to ensure food safety.

The Policy also stipulates how we can help our consumers to tackle packaging waste. This includes using labelling systems to raise consumer awareness of recycling and recovery systems across Europe (e.g. the On-Pack Recycling Label Scheme in the UK).

In some places, we do need to use flexible materials such as plastic. In these cases, innovation in material composition is required to minimise their environmental impact. We are actively working with suppliers as part of our Technical Innovation Pipeline to develop new materials with full recyclability that will be suitable for our frozen food portfolio. In the UK, Birds Eye is also a founding signatory of the UK Plastics Pact. The Plastics Pact is a collaboration between businesses, NGOs and the UK government to eliminate unnecessary plastics and deliver against ambitious targets for increasing recycling and reducing single-use packaging.

## Our Progress

In 2020, we have taken concerted action on packaging to increase recyclability and reduce the overall volume of packaging we use.

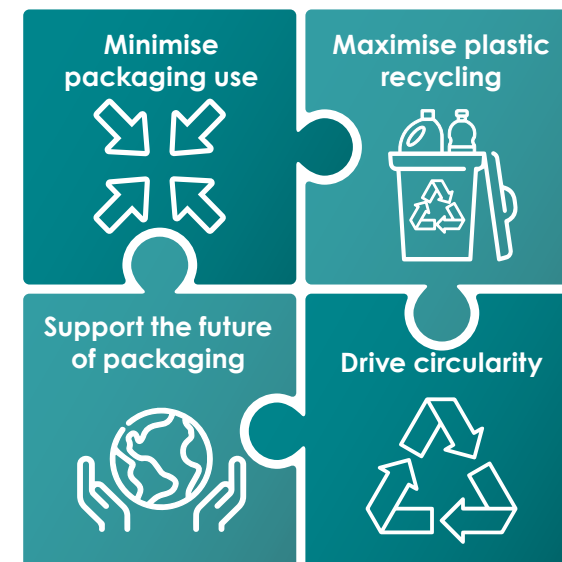
83% of our packaging is now recyclable: a significant increase from last year<sup>13</sup>. This is the result

13. This figure includes one project which was completed in December 2020 but first went to production in 2021.

of innovation within our packaging materials, including developing and trialling new materials, investigating new methods of heat-sealing plastic packaging and identifying new coating and plastic lamination techniques that do not impact the recyclability of cartons. In collaboration with our copackers, we also trialled new recyclable film for use in our vacuum packaging, with the intention of rolling this out across more factories if successful.

While we are pleased with this progress, the Covid-19 pandemic and the Brexit transition process in the UK did result in delays to packing improvements, primarily due to disrupted working patterns, increased factory demand and the

## Sustainable design principles



need to minimise supply chain disruption after the UK's withdrawal from the European Union. One significant focus for recyclability - the development and introduction of recyclable, resealable packaging for natural vegetables and peas in the UK and Italy - also faced technical and

engineering issues. However, through strong collaborative engagement across different functions we were ultimately able to complete this project and are completing the roll-out of the new packaging within the first three months of 2021.

Flavourful falafel wrap.



*“Our 100% recyclability target is only the first step in our packaging journey. Our ultimate goal is to move towards a circular economy for packaging.”*

Tim Matthews,  
Head of R&D  
Implementation

Reducing the amount of packaging used for our products is also an important part of minimising our impact on the environment. One example of this is an initiative to reduce the total weight of packaging material for our UK resealable vegetable products. This has resulted in a 6% weight reduction in vegetable packaging and 7-8% on pea packaging.

### Future Plans

Our focus for 2021 will remain on accelerating progress towards our 100% recyclability target. In 2021, we will continue to trial and launch recyclable plastic packaging across all our factories in a number of categories including vegetables, soups, ready meals and poultry. Innovation is also central to our progress, so we will develop and trial new technologies that will enable us to reduce or eliminate features that impact recyclability, including plastic lining on carton 'cook in pack' products.

We will also continue to support our copackers in introducing recyclable packaging, and will place more focus on fewer, larger projects to allow us to maximise our impact and minimise disruption as a result of Covid-19.

To ensure we remain ahead of regulation and drive improvements wherever we can, we will also seek to improve our reporting capabilities for packaging data as well as developing potential solutions to incorporate recycled content in our plastic packaging.



# Rethinking packaging

At Nomad Foods, we have a long-held ambition to make 100% of our packaging recyclable by 2022. It's an important element of our contribution towards UN SDG 12: Responsible Consumption and Production. But it's only one step on our journey towards sustainable packaging.

The majority of our packaging is paper-based, but for some products we need to use flexible materials such as plastic. Therefore, it's important that we understand the issues posed by plastic packaging and use it as responsibly as possible. **Bradley Eels** is part of the Futures team at Nomad Foods, tasked with researching the future of sustainable packaging, and how Nomad Foods can contribute:

*"At the start of 2020, we convened colleagues from across our business and beyond to unpack the advantages and disadvantages of different packaging materials. These included packaging experts from Touch Design agency and sustainability experts from the Grantham Centre for Sustainable Futures at Sheffield University."*

*"In these discussions, we concluded that despite the many issues around plastic packaging, it also has a host of benefits. It can have a comparatively small carbon footprint, because it's generally lightweight compared to other packaging materials like cardboard<sup>14</sup>. This means it can take less energy to produce all the necessary product packaging, as well as less fuel to transport it."*

*"But to make sure plastic isn't leaking into ecosystems and causing damage to wildlife, we need to create a 'closed loop' system in which plastic is infinitely recycled. That's a challenge, because right now, most EU markets do not have*

*the infrastructure to recycle flexible plastics in a cost-effective way. And it's not just an end-of-life issue. Most plastics are made from fossil fuels, which are a finite natural resource, so there are challenges around making plastic production sustainable too: another reason to increase the use of recycled content."*

Nomad Foods has already begun work to minimise the impacts of our plastic packaging. In the UK and Italy, two of our largest markets, we have focussed particularly on making our natural vegetable portfolio easier to recycle. In the UK, we have transitioned our resealable vegetable products into fully recyclable packaging by changing to a "press to close" resealing method – replacing the zips that made the packets hard to recycle. We have also reduced the total weight of packaging material by 6% on vegetable packaging and 7-8% on pea packaging.

Bradley notes some of the challenges:

*"Packaging manufacturers face challenges around, for example, regulation that limits the use of recycled content in flexible plastics. We need to work directly with recycling companies to explore how we can increase the uptake of recycled content in packaging – and we've already begun this process. It's a complicated issue, but by working together we can and will push the agenda forward."*

14. WRAP: Creating a circular economy for flexible plastic packaging (2020).



*“It's not as simple as saying one material is good and another is bad. All materials have an impact, and should be looked at holistically.”*

Bradley Eels,  
Packaging Technology Development Manager

# Employee Health, Safety and Wellbeing

During turbulent circumstances, we've intensified efforts to protect our employees' physical and mental health.

Throughout the Covid-19 pandemic, keeping our 4800+ employees healthy and taking steps to protect their mental wellbeing was our highest priority.

## Our Approach

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

Our company leadership teams are accountable for the health and safety practices within our business. Our Group Health and Safety Manager is responsible for ensuring health and safety processes are in place throughout all of our systems and for continuing to raise awareness of clear processes for reporting and escalating incidents and injuries.

In 2020, we launched "Vision Zero": our ambition to cause zero harm to people and the environment. Our newly implemented Safety, Health and Environment Team will be central to delivering on this vision. We have also updated and re-launched our incident investigating and report-

ing standard to help us better track and respond to health and safety incidents, as well as implementing a dedicated environmental standard and incident reporting procedure. To measure our progress towards Vision Zero, we track the number and rate of incidents per million hours worked each year in our factories. Despite added pressure on our factories due to increased consumer demand during the pandemic, we have reduced the number of injuries from 105 Total Recordable Cases in 2019 to 73 in 2020<sup>15</sup>.

Alongside their physical health, the mental wellbeing of our employees is of huge importance to us. We offer employees a global health

and wellness toolkit under the framework of 'our well way', which is delivered across our markets by local champions. In addition, we provide a wide range of employee benefits, which vary according to the needs of specific markets and exceed statutory minimums, such as an employee assistance programme, life assurance and private healthcare to eligible employees in specific markets.

We measure employee satisfaction and sustainable engagement through our annual culture survey, 'our voice', which is open to all employees. It covers multiple topics across eight areas including Communication, Learning &

**90%**  
of employees  
participating in 'our  
voice' culture survey

15. For factory employees and workers who are not employees but work in Nomad factories.

Production of Green Cuisine in our Lowerstoft site in the UK.





Development and Safety & Wellbeing. Scores from key questions are combined to an aggregated “sustainable engagement score” measuring our employees’ overall connectivity with Nomad Foods.

Recognition is an important aspect of our culture at Nomad Foods, including our well-established Nomad Foods People Awards. We also have group-wide learning and development programmes for leaders and managers, as well as extensive online and other face-to-face learning and development opportunities.

## Our Progress

The Covid-19 pandemic poses risks to the health, safety and wellbeing of our employees, so we acted quickly and decisively in March 2020 to implement stringent protocols across all areas of our business. For office workers, we introduced travel bans and working from home wherever possible. For our factory workers, we implemented strict measures including additional sanitisation and facility cleans to our production facilities, floorspace segregation, the use of thermal infrared cameras to detect signs of high temperature, use of Perspex barriers and the mandatory wearing of face masks.

We continue to follow and exceed the guidance of national health authorities. If a factory worker contracts the virus, we thoroughly clean the area where the person was working, confirm that social distancing was in place and apply our own track and trace procedure to identify co-workers who also need to go into isolation. Any employees needing to isolate due to having symptoms, or contracting the virus, continue to receive full pay. Each month, we hold region-

al Safety, Health and Environment meetings to identify trends and develop improvement plans in collaboration with our supply units.

We also continue to monitor other workplace risks and accidents. Through increased training and safety programmes, alongside stronger incident investigating and reporting standards, we achieved our target of reducing total recordable cases from 105 in 2019 to 73 in 2020. This represents a 31% decrease from 2019. Slips, trips and falls were the biggest cause of injury, so we have launched a dedicated programme to drive down this specific form of injury. We also reduced our Lost Time Injury Frequency Rate (LTIFR) from 18.33 per million hours worked to 9.52 per million hours worked, despite an increase in working hours due to increased demand.

To assess our employees’ broader wellbeing, we conducted employee surveys in March and November 2020 for our office-based colleagues. We achieved very high employee participation, with more than 90% of our office-based employees participating in the 2020 surveys<sup>16</sup>. The results demonstrated ongoing improvement in employee levels of sustainable engagement. Our sustainable engagement score of 90 is 5 points higher than in 2018, with particularly positive responses to questions on living our purpose and remaining focussed on our goals despite the pandemic. Results also revealed strong engagement with and support for our actions during the Covid-19 pandemic

To further support employee engagement, we also updated our intranet platform, Nomad&Me, to include new sections on inclusion

<sup>16</sup>. Due to Covid-19 restrictions we were unable to run the surveys with our factory (non-office) teams.

**9.52**  
Lost Time Injury Frequency Rate (LTIFR)  
per million hours worked (all factories)

Sustainable Engagement score



and diversity, our company purpose and sustainability. We held a range of virtual events to respond to employees’ desire for virtual connection whilst working from home. These included virtual town hall events in all locations, and bulletins on a range of topics, including physical and mental wellbeing. In addition, we rolled out e-training for managers to help them look after themselves and their teams as the pandemic continues.

## Future Plans

Our first priority for 2021 is continuing to protect our employees’ physical and mental health from the ongoing impacts of Covid-19. This includes maintaining stringent hygiene protocols, as well as broader initiatives such as resilience training.

We are also escalating efforts to prevent accidents where they occur. In 2021, we will roll out a Nomad Foods minimum standard on incident investigation, to help us identify and prevent future risks, and implement a training programme to ensure employees are aware of these processes.

To maintain and improve employee wellbeing, we are conducting a detailed review of working practices based on the feedback from the 2020 employee surveys, our experiences during Covid-19 and benchmarking against external best practice. We are currently setting our Nomad Foods vision for future work practices, assessing how we can make our travel and working practices more sustainable (for example, by reducing international travel where possible) whilst recognising the importance of team connection.

# Inclusion and Diversity

We believe a diverse and inclusive business makes us, and society, stronger.

We serve millions of households every day with our products and to stay relevant to our consumers and communities we need to reflect the diverse world that they live in. We must attract, develop and retain the best and most diverse talent, wherever we operate, because it will help us to make better decisions, keep challenging ourselves and continue to grow. There must be no barriers to our people being able to bring their whole self to work, to give their best performance and achieve their full potential.

## Our Approach

In September 2020, we conducted a detailed strategic review of our approach to, and progress on, inclusion and diversity.

Following this review, we recognised that there was considerable scope to expand and accelerate our efforts and strengthen governance. Our Nomad Foods Sustainability Executive Committee is comprised of our full Executive Team and representatives from Sustainability, Corporate Affairs, Procurement, Operations, R&D and Quality, and HR. The committee will now govern, track and report progress publicly, whilst our Enterprise Leadership Team will support local markets to translate strategy into action.

The new I&D strategy we have developed for 2021-2023 is founded on extensive evidence that focussing on inclusion will lead to greater and more sustained business diversity<sup>17</sup>. We are tak-



1. 64% male
2. 36% female

*In 2020, we launched a new inclusion and diversity strategy to make I&D a key performance driver and take positive action in the areas proven to have the biggest impact.*

*Sarah Sturton, Inclusion and Diversity Lead*

ing positive action in four areas proven to make the biggest impact: inclusive leaders, inclusive culture, inclusive hiring and a focus on facts (see pull-out box).

## Our Progress

Following the creation of our new I&D strategy, in 2020, we developed an I&D communication and employee engagement plan in partnership with the Nomad Foods Communications Team. The goal of this plan is to reinforce how I&D is critical for the continued growth of our business and celebrate positive role models from inside and outside our organisation.

Our employee-led Women in Nomad Network has run a range of virtual events featuring internal and external speakers, including a webinar on 'Empowering Beliefs' which attracted over 200 attendees from across the business. Externally, we ensure our marketing communications are also representative of and celebrate our diverse society.

In 2020, while the proportion of female employees remained the same at a total company level, at senior leadership level, 28% of our Enterprise Leadership Team and Executive Committee was female, which is 2 percentage points higher than in 2019. This is due in part to efforts with our recruitment partners to ensure gender-balanced candidate lists for senior positions.

## Future Plans

In 2021, we will focus on implementing and embedding our new strategy, and developing targets and KPIs to measure our progress. This data will be critical for informing the evolution of the strategy and allowing us to scale and replicate

## Nomad Foods I&D Strategy

**Inclusive Leadership:** Develop a rolling programme of inclusive leadership development starting with a focus on senior leaders and the HR Team.

**Inclusive Culture:** Invest in a rolling plan of conscious inclusion training available to all employees. We will also continue to support the formation of employee networks who will help to identify and support the specific needs of their communities.

**Inclusive Hiring:** Audit our recruitment processes and invest in ongoing inclusive hiring training for Line Managers and HR to build capability and embed I&D in all recruitment processes.

**Focus on Facts:** Create a dynamic I&D data capture process that provides greater transparency for all employees.

initiatives that are proven to succeed.

We will continue to expand our employee networks and our existing Women in Nomad Network is also expanding its focus to become more inclusive and international ([see case study](#)). Starting in early 2021, we will run our first international development programme, Shine for Women, supporting 40 female employees across Nomad Foods through a four-month coaching and training programme that aims to unlock faster career progression.

17. Deloitte: The diversity and inclusion revolution (2018).



# Stepping up Focus on Inclusion

Promoting and furthering inclusion and diversity are central to our sustainability ambitions and to many of the UN SDGs, including 5, 8 and 10.

For the past three years, we have focussed primarily on increasing diversity through initiatives such as unconscious bias education and our Women in Nomad Network. In 2020 we stepped up our focus on inclusion.

**Sarah Sturton, Organisation Development Director** and the Inclusion and Diversity Lead at Nomad Foods, explains why:

*"At Nomad Foods, building a culture of inclusion means actively promoting diversity of thought and lived experience: giving everyone a voice and a seat at the table."*

*"Inclusion is essential for allowing our employees to bring their whole selves to work. It's also important for long-term business success. Researchers have found that inclusive organisations are over eight times more likely to achieve better business outcomes and six times more likely to be innovative and agile<sup>18</sup>. And that if you start with inclusion, diversity will flourish."*

In 2020, Nomad Foods employees instigated or expanded a number of initiatives to promote greater inclusion across the business:

*"We've expanded our Women in Nomad Network (WINN) to place greater focus on inclusion and allyship. The network was initially aimed at female employees in the UK, but is now an international network open to a wider range of participants, including male employees who want to learn how they can better support women or under-represented groups in Nomad."*

*"Our brands are piloting new approaches to being more inclusive, with the goal of expand-*

*ing the most successful initiatives across the wider business. For example, Birds Eye UK joined the Valuable 500: a global movement to help unlock the potential of the 1.3bn people living with disabilities around the world. Birds Eye has also signed up to the UK government's Disability Confident scheme and launched a programme of internal disability education and awareness events. In addition, to support our pledge to invest in authentic and inclusive advertising, our Aunt Bessie's 'caring is the hardest thing we do' campaign, which first aired in October 2020, features real life stories and a blind actress."*

Sarah acknowledges that, to accelerate progress, a global-local mindset and approach will be key:

*"As a European business, our markets have different social contexts. Our employee networks can be valuable for promoting fair representation of all groups and ensuring we understand the situation in each market and respond in ways that are locally appropriate."*

*"That's why our inclusion and diversity strategy offers 'freedom within a framework' - inviting different markets to focus their efforts where inequality is greatest while staying aligned with Nomad's overall ambition. And we're seeing a huge increase in international engagement as a result."*

*"The next step is to gather data so we can evaluate the impact of our positive action and share insight across the business. Doing this will help our initiatives to spread, evolve and have an even greater impact."*

18. Deloitte: The diversity and inclusion revolution (2018).



*"Research has shown that if you start with inclusion, diversity will flourish"*

Sarah Sturton,  
Inclusion and Diversity Lead.



# Solid foundations





# Governance

Strong governance is essential in driving progress towards our sustainability targets.

In 2020, we updated our governance structure to increase Executive oversight on sustainability and provide external challenge to help strengthen our strategy for the long term. Our sustainability strategy is led by our Nomad Foods Sustainability Executive Committee, chaired by our Sustainability Director and consisting of Executive Committee members. The committee meets four times a year to monitor current progress, discuss gaps and agree further activity. Through this process, the Committee develops our sustainability strategy, governance, targets and resource allocation, and continually reviews any sustainability risks.

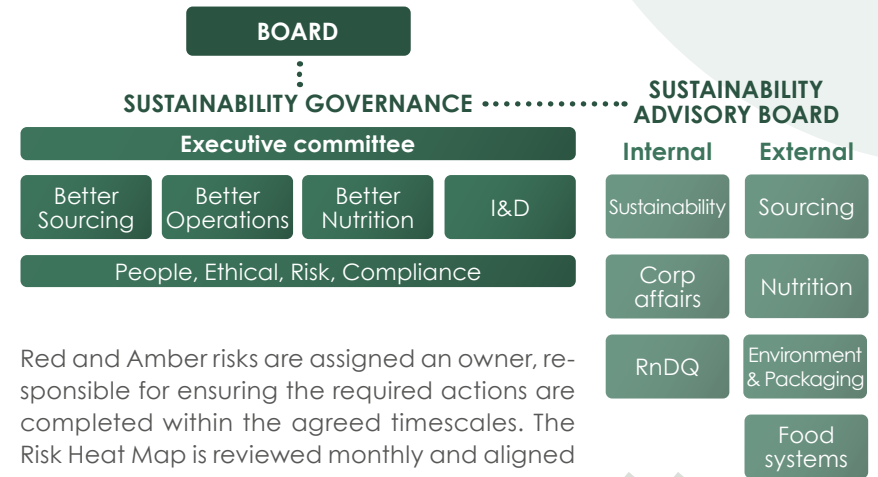
In addition to this, we have also founded Nomad Foods Sustainability Advisory Board, which will meet twice a year. The Advisory Board will provide an external perspective on our strategy and progress, supporting and challenging the Sustainability Executive Committee to drive further sustainability improvement. The Advisory Board met for the first time in November 2020. Our ambition is for the board to consist of 6-8 individuals who, as a whole, combine broad sustainability expertise with industry and issue-specific skills and experience, and reflect academic, not-for-profit and commercial interests. We plan to regularly review and rotate individual members of the board to ensure continued access to relevant knowledge. Ensuring that the Advisory Board is properly briefed and

on-boarded and that we harness their experience fully is a priority for 2021.

Day-to-day, our group sustainability strategy is led and implemented by the Group Sustainability Director. From January 2021, the Group Sustainability Director will report directly to the Chief Marketing Officer, who sits on the Executive Committee.

To ensure compliance with our sustainability strategy and communicate expectations widely, we have a set of public and internal policies which lay out our approach. All material areas are covered in one or more business policies. Internal Subject Matter Experts are responsible for drafting policies, which are then approved by our Policy Review Group made up of senior representatives from Legal, HR, Internal Audit and Corporate Affairs before being signed-off by our Executive Committee. Policies are supported by internal documents, such as codes of practice or procedures. We ensure compliance to policies by our copackers and suppliers through annual supplier questionnaires as well as risk-based audits. Compliance to topics that are material to our sustainability agenda are reported annually in our Sustainability Report.

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



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

As part of living our values, we operate a European network of Sustainability Ambassadors. These are Nomad Foods employees who champion sustainability internally by initiating and coordinating activities in their markets. Activities centre around areas such as tackling food waste, promoting healthy eating and championing ocean health. Initiatives are shared across the business with an emphasis on inspiring others.

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

*Our new governance structure will help us enhance our understanding of sustainability issues and future-proof our strategy by providing an important external lens.*

Annelie Selander,  
Group Sustainability  
Director

# Food Safety, Quality and Traceability

## The safety and quality of our food is our top priority.

As a global food company, food safety lays the foundation for everything we do. Our customers deserve nothing less than the highest standards of food safety, and our business depends on upholding these.

We have implemented processes across our entire supply chain to ensure the safety and quality of our food. All products supplied by Nomad Foods are compliant with regulatory requirements in the EU and the country of sale as well as being safe for use with consumers and consistent in quality. Our Quality and Consumer Safety Policy outlines the steps required to identify, control and monitor points of potential safety risk. It covers every stage of the supply chain and applies to all operating sites and product categories, including anything manufactured by third parties.

When selecting new suppliers, we set high standards for food safety and quality. We conduct formal risk assessments on all our food and packaging suppliers, using an assurance scheme which complies with the Global Food Safety Initiative (GFSI). Following an agreed trial period, we reassess suppliers to make sure they are tackling any non-conformances we identified, and use this information to determine whether we continue to use the supplier. We expect all new suppliers to be accredited to the BRC Global Food Standard at A grade or a GFSI-equivalent standard, and we review their certification status every year.

As well as setting a high bar for our suppliers,

we demand that all raw material ingredients are provided with signed supplier specifications. The specifications ensure the absence of chemical, microbiological and physical contamination of materials, that could result in legal action, recall of products and damage to consumer trust. We require that all raw material ingredients are provided with signed supplier specifications, and we have an extensive Food Fraud and Adulteration Prevention programme that includes horizon scanning, intelligence sharing with other food business and laboratory testing of our raw materials. We also audit extensively within our supply chain, and carry out hundreds of traceability challenges every year. These results are used to work with suppliers on improving the quality of the products they deliver to us. Although the pandemic restricted our ability to physically audit our suppliers in 2020, we extensively modified our approach to Supplier Assurance through remote auditing and teleconferencing to maintain a strong presence in our supply chain and ensure that our high standards were maintained.

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

Once food is placed on the market, we operate a Consumer Care Line to ensure we regularly receive and respond to feedback from our consumers.

A Nomad Foods fieldsman inspecting a spinach field outside Reken Germany.





# Corruption, Bribery and Anti-Competition

Corruption, bribery and anti-competitive behaviour are unethical, illegal and go against our ethics and values.

At Nomad Foods, we are committed to conducting ourselves fairly, honestly and lawfully in all our business dealings and relationships, and to preventing corruption and anti-competitive behaviour amongst our employees and suppliers at all operating sites. Corruption, bribery and anti-competitive behaviour run contrary to our belief that a level playing field provides more protection as well as choice to consumers. Non-compliance with laws and regulations would also carry significant risks for our business including long-term reputational damage; loss of shareholder and consumer trust; fines; legal action against Nomad Foods by private parties as well as public bodies and regulators; and negative impacts on our supply chain and on our access to third party financing.

We comply with all applicable international and local legislation on corruption and bribery, and have strict policies in place to make sure we act fairly, ethically and in line with the law. These include our Anti-Bribery and Corruption Policy, Code of Business Principles, Gifts and Hospitality Policy, Conflicts of Interest Policy and our Supplier Code of Conduct. Our Anti-Bribery and Corruption Policy applies to all Nomad Foods colleagues across all countries, including any contractors working on our premises or on behalf of Nomad Foods. It sets out our zero-tolerance approach to bribery and corruption and

our key principles for enforcing this, which include never giving or accepting valuable items that might confer an improper business advantage, avoiding situations that could create the impression of bribery and reporting any suspicions of bribery and corruption through our reporting process. Anti-competitive behaviour is covered in our Competition and Anti-Trust Policy and our Code of Business Principles, which sets out our commitment to protect consumers by following all applicable competition laws and regulations.

In 2020, we have updated our Code of Business Principles to incorporate our new business purpose and to include enhanced or additional sections on Inclusion and Diversity, Discrimination and Harassment, Financial Integrity, Insider Trading and Anti-Money Laundering. We will fully roll out this updated Code in February 2021, including publication on Nomad Foods' website.

We have a range of control procedures to ensure that these policies are being followed. We aim to train all Nomad Foods employees regularly on corruption and bribery, and to ensure that all employees, especially those involved in Sales, Marketing, Procurement or other commercial functions, are made familiar with applicable competition laws. To achieve this goal, in 2020, we delivered a new Competition Law e-learning to all our office-based employees. This training is available in all our operating languages and is designed to raise awareness of anti-competitive conduct and practices and ensure that colleagues act in compliance with the law and our internal guidelines.

With regard to corruption, we have enhanced controls in place around certain higher-risk func-

tions. These include operating transparent and clearly documented hiring processes and prohibiting any payments to politicians or political parties. In our supply chain, we demand that suppliers confirm compliance with our Supplier Code of Conduct and actively follow up on any identified gaps. We also operate a helpline – Safecall – for employees to share any concerns about misconduct. This is run by an independent third party and gives employees the option to speak out anonymously.

*“2020 has been an extremely busy year for Nomad Foods, but we have made sure that compliance stayed on the agenda and on everyone's minds. I'm proud that we were able to roll out the new Competition Law e-learning, with the Nomad Foods Executive Team fully backing our efforts in this area.”*

Stephan Weber, Compliance Officer

# Responsible Marketing and Labelling

Transparent marketing and labelling help consumers make informed food choices.

Consumers deserve and expect to be provided with clear information about the products they enjoy. Transparent marketing communications allow our customers to understand the nutritional content and ingredient profile of our products, empowering them to select the right product for themselves and their families. Certain labelling requirements, such as ingredient information,

are also a legal obligation. Failure to clearly label our products risks negatively impacting the health of our consumers, as well as exposing our business to criticism from NGOs and the media.

Our Nutrition Policy sets out our internal standards on the use of nutritional on-pack claims, which go above and beyond the law. We believe in helping consumers make informed food choices and use clear labelling on pack, including of all key nutrients. We use front-of-pack nutritional labelling where possible, to help advise consumers how much our food contributes to their daily reference intakes, and voluntarily la-

bel fibre to assist consumers in making sure they consume a balance of nutrients across the day. Where appropriate, we also adopt nationally recognised schemes, such as Nutri-score labelling in EU markets, to enable consumers to identify healthier meal choices.

As well as providing clear information at the point of sale, we apply high ethical standards to all our marketing, PR and communications. We operate a strict policy for marketing to children to help parents and guardians make informed choices and discourage excessive food consumption. This policy specifies our intention to promote positive values and social behaviour through our product promotion. Before release, all advertisements and promotions that may appeal to children are reviewed by the project leader against our Marketing Policy.

We are investigating ways to better communicate the sustainability credentials of our products to consumers and empower them to make more sustainable purchases. We will use our websites to share information on the sourcing practices of our vegetables, and how we work with farmers to protect local habitats and wildlife. We will also trial the inclusion of carbon footprint information on-pack in Germany, with the aim of expanding this further once there is an EU-agreed methodology for consistent carbon footprint calculation.

*We want to help our consumers make positive, well-informed and sustainable product choices.*

Sandra Brand,  
Head of Regulatory

Findus Italy promoting a PEFC certification project.





# Data





# Data Tables

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

## SCALE OF THE ORGANISATION

	Unit	2018	2019	2020
Total employees in workforce*	People	4380	4,766	4,822
Employees working in factories*	People	2,500	>3,300	2,500
Total employees by region				
Austria	People	-	74	79
Belgium	People	-	35	38
Denmark	People	-	7	7
Finland	People	-	29	27
France	People	-	344	343
Germany	People	-	1401	1374
Ireland	People	-	420	412
Italy	People	-	478	479
Netherlands	People	-	30	28
Norway	People	-	238	222
Portugal	People	-	27	26
Spain	People	-	276	278
Sweden	People	-	184	175
United Kingdom	People	-	1222	1333
United States	People	-	1	1

\* Includes full time and part time employees

## BUSINESS FOR GOOD

Markets where Nomad Foods is engaged in reducing food waste eg through donations to food banks or charities	Number	9	8	13
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## BETTER SOURCING

### Our Oceans

MSC- or ASC-certified products across our global portfolio	Number	703	812	834
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(Our Oceans)	Unit	2018	2019	2020
Nomad Foods sales volume that is MSC or ASC labelled	%	80	89	95
Purchased fish and seafood volume that is MSC- or ASC-certified	%	>90	95	96
MSC	%	-	96	97
ASC	%	-	75	82
Markets where Fish Provenance Tool has been implemented	Number	8	8	8

### Our Fields

Vegetables produced using sustainable farming practices*	%	-	-*	77
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\* Defined as contracted suppliers that achieved FSA silver level, and bulk & co-pack that achieved FSA silver level after self assessment.

### Our Approach to Specific Ingredients

Purchased volume of palm oil which is verified by standard:	%	98.5	99.3	99.3
RSPO-Certified segregated	%	87.5	88.0*	99.1
RSPO-Massbalance	%	11.0	11.2*	0.2
Purchased volume of palm oil that is uncertified	%	1.5	0.8*	0.7
Purchased volume of soy which is "responsible" as per policy	%	N/A	N/A	12.0

\* Data for 2019 has been updated as a result of improved reliability of data.

### Our Animal Welfare

Purchased volume of animals by breed type	Tons	-	131,592	146,167.5
Fish and seafood	%	76	73.4	73.7
Poultry	%	16	16.4	16.8
Red meat	%	8	10.2	9.6
Purchased volume of poultry from non-cage reared chickens	%	>95	100.0	100.0

### Our Supply Chain Ethics

Tier 1 suppliers registered with Sedex	%	60	76	95
New suppliers (including indirect suppliers) that were screened using social criteria	%	-	100	100

## BETTER NUTRITION

### Our Nutritious Profile

Percentage of total net sales from branded products assessed and classified as healthier meal choices	%	-	89.8	90.0
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The reported total CO2eq emissions were confirmed with reasonable assurance by GUTcert, an accredited verification body and member of the AFNOR Group. The scope of GUTcert's verification includes scope 1, scope 2 and scope 3 of the Greenhouse Gas Protocol "A Corporate Accounting and Reporting Standard" and GUTcert's procedure is based on ISO 14064-3, taking into account ISO 14064-1 and ISO TR 14069.



(Our Nutritious Profile)	Unit	2018	2019	2020
Innovations that are assessed and classified as a Healthier Meal Choice	%	95	-	95.0
Percentage of total net sales from nutritionally optimised non-HMC products as % of total non-HMC NS	%	-	-	8.0

#### Our Approach to Additives

Products without flavour enhancers, artificial flavours and artificial colorants*	%	92.5	94.8	97.0
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\* Data includes all branded SKUs, except for branded foods sold by Nomad Foods International owing to data availability

## BETTER OPERATIONS

#### Our Emissions

Scope 1 GHG emissions*	kilotons CO2e	57.8	67.3	92.48*
Scope 2 GHG emissions*	kilotons CO2e	56.1	47.5	16.73*
Scope 3 GHG emissions	kilotons CO2e	170.5	223.0	192.11
GHG emissions intensity	kgCO2e per ton of finished goods	592.5	614.5	484.7

\* Emissions from steam were included in scope 2 in 2019 but the equivalent emissions have moved to scope 1 in 2020 as steam was generated from natural gas rather than bought from third parties.

#### Waste

Volume of waste materials by waste type*	Tons	48,689	51,521	54,683
Edible food waste	%	41.2	38.8	35.9
Inedible food waste	%	29.9	28.6	29.5
Packaging waste	%	24.4	22.8	25.3
Rest of non-hazardous waste	%	4.3	9.5	9.0
Hazardous waste	%	0.2	0.3	0.3
Weight of hazardous waste	Tons	-	132.7	151.9
Weight of non-hazardous waste, by disposal method	Tons	-	51,388	54,531
Closed loop	%	-	42.0	39.8
Open loop	%	-	46.8	50.2
Incineration for energy recovery	%	-	8.5	7.9
Incineration without energy recovery	%	-	0.0	0.0
Landfill	%	-	2.7	2.1
Sewers	%	-	0.0	0.0

(Waste)	Unit	2018	2019	2020
Meal equivalents of food given to food banks	Meal equivalents	337,420	489,579	1,700,000

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

#### Energy

Total fuel consumption from non-renewable sources, broken down by fuel type	kWh	267,621,332	314,386,613	440,352,559
Natural gas	%	98.7	95.7	97.5
Diesel	%	1.3	1.8	0.6
Petrol	%		0.0	0.0
Propane (owned or controlled by Nomad)	%		2.4	1.9
Total energy consumption from renewable sources, broken down by source*	kWh		51,742,829	113,774,166
Wind	%	-	77.9	43.4
Hydro	%	-	16.7	32.3
Solar	%	-	1.7	0.9
Biomass	%	-	2.9	23.3
Unspecified	%	-	0.9	0.2
Total electricity and steam consumption, by energy source**	kWh	227,675,048	249,102,252	188,349,641
Grid-supplied electricity generated from a variety of fuel mixes	%	69	60.0	39.5
Renewable energy self-generated or purchased	%	8	20.8	60.3
Purchased steam	%	23	19.1	0.0
District heating	%	-	0.1	0.1

\* Excludes biogas

\*\* Non-renewable fuel consumed + Renewable fuel consumed + Electricity, heating, cooling, and steam purchased for consumption + Self-generated electricity, heating, cooling, and steam, which are not consumed - Electricity, heating, cooling, and steam sold

#### Water

Volume of fresh water consumption, by source	m3	4,811,729	4,741,312	5,185,407
Well	%	71	63.5	65.1
Municipality	%	29	36.5	34.9
Volume of effluent water discharged	m3	4,045,593	4,058,960	4,321,274

Packaging	Unit	2018	2019	2020
Packaging material that is recyclable	%	71	73	83.4
Packaging material that is renewable	%	-	35	47.2
<b>Employee Health &amp; Safety*</b>				
Lost time injury frequency rate	Number of injuries per million hours worked	-	18.33 **	9.52
Number of fatalities as a result of work-related injury	Number	-	-	0
Rate of fatalities as a result of work-related injury	Number of fatalities per million hours worked	-	-	0
Number of high-consequence work-related injuries	Number	-	-	0
Rate of high-consequence work-related injuries	Number of injuries per million hours worked	-	-	0
Number of total recordable work-related injuries	Number	-	-	54
Rate of total recordable work-related injuries.	Number of injuries per million hours worked	-	-	10.75

\* All data refer to factory employees only.

\*\* Our 2019 Sustainability report reported the lost time injury frequency rate covering all employees. This was published in error and should have been attributed to factory employees only.

#### Our People

Total employees participating in engagement survey	%	79	88	90**
Scores in engagement survey				
Sustainable engagement score	Number	84	85	90**
Wellbeing, health & safety score	Number	82*	80	87**

\* Wellbeing, health & safety score in 2018 was based on a question set of 4 questions. In 2019, our Wellbeing, Health & Safety score has been updated to a question set of 5 questions, of which 3 were used in 2018.

\*\* Due to the Covid-19 pandemic, the employee engagement survey was only conducted with office-based teams and conducted twice in 2020. In 2018 and 2019, the survey was conducted once with office and factory-based employees.

#### Our Approach to Diversity & Inclusion

Gender distribution amongst employees				
Female	%	35.1	36.0	35.9
Male	%	64.9	64.0	64.1

(Our Approach to Diversity & Inclusion)	Unit	2018	2019	2020
Gender distribution amongst employees by work level* - Female				
1	%	34.0	34.9	34.4
2	%	43.7	45.3	45.7
3	%	27.4	25.0	31.4
4-7*	%	28.6	25.7	28.2

Gender distribution amongst employees by work level* - Male				
1	%	66.0	65.2	65.6
2	%	56.3	54.7	54.3
3	%	72.6	75.0	68.6
4-7*	%	71.4	74.3	71.8

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

## SOLID FOUNDATIONS

#### Food safety

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

\* The figure for incidents concerning food safety and quality in 2019 previously included legal compliance issues and has been amended accordingly.

#### Corruption & anti-competitive behaviour

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



# GRI Index

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## GENERAL DISCLOSURES

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### GRI 301: MATERIALS 2016

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### GRI 302: ENERGY 2016

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### GRI 303: WATER 2018

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<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>				
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FP9	n/a	Percentage and total of animals raised and/or processed, by species and breed type	22, 46	2, 17

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It is our ambition to report accurate and truthful data and where feasible, we use actual data but in some cases we have to make assumptions and estimations. As data availability and quality improve, we might review and change the way we collect, calculate or report data in which case we will do our utmost to clarify this, should it be significant. For 2020 reporting, we have put specific emphasis on co-pack data which has improved accuracy in this area whilst not significantly impacting numbers.

If there are any questions about the report, please contact Annelie Selander, Group Sustainability Director at [annelie.selander@nomadfoods.com](mailto:annelie.selander@nomadfoods.com). We plan to publish our next report covering our 2021 activity in 2022.

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Version: 2021\_v1

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