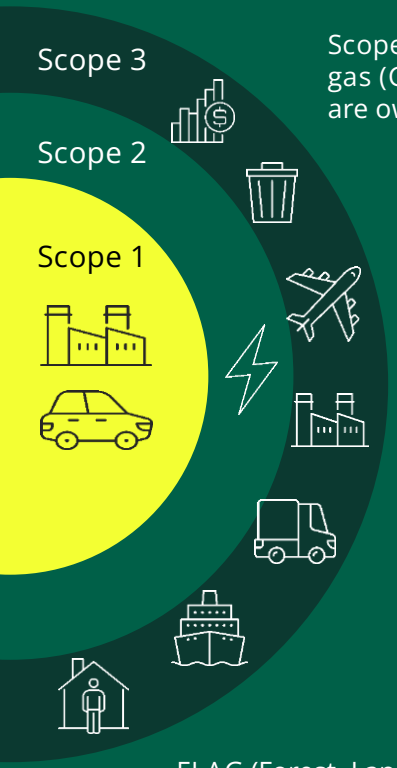
SBTi PROGRESS REPORT

2025 Analysis of 2021 vs 2024

Our targets

The Premium Food Group is using 2021 as baseline year for its Scope 1,2 and 3 targets.



Scope 1 refers to direct greenhouse gas (GHG) emissions from sources that are owned or controlled by a company.

Scope 2 refers to indirect greenhouse gas (GHG) emissions from the generation of purchased energy, such as electricity, steam, heating, or cooling, that a company uses.

Scope 3 refers to all other indirect greenhouse gas (GHG) emissions that occur in the value chain of a company, both upstream and downstream. These are emissions the company does not directly control, but that are related to its activities.

FLAG (Forest, Land and Agriculture) emissions are reported separately because they involve both emissions and natural carbon removals (e.g. trees absorbing CO_2).

BASELINE AND LATEST YEAR GHG EMISSIONS SUMMARY

Emissions Type	Baseline emissions 2021 tCO2e	SBTi-Target emissions 2024 tCO2e	Latest emissions 2024 tCO2e	Progress (compared to the baseyear)
Scope 1	206,420		176,365	-14 %
Scope 2	102,380		97,007	-5 %
Scope 1 & 2 total	308,800	265,565	273,372	-11 %
Scope 3 non-FLAG	785,970	720,420	720,004	-8 %
Scope 3 FLAG	11,472,155	10,313,353	10,188,541	-12 %

25 % reduction
in Scope 3 (non-FLAG) emissions
by 2030 from a 2021baseline

42 % reduction
in Scope 1 and 2 emissions by
2030 from a 2021 baseline

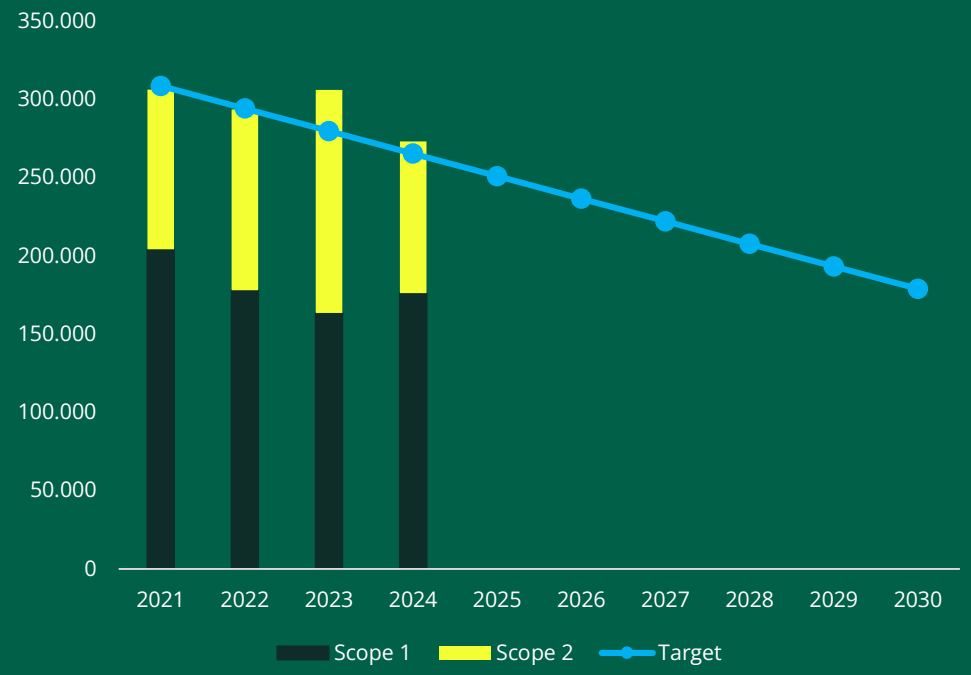
30.3 % Reduktion
in Scope 3 FLAG (Forestry, Land-Use and Agriculture) emissions by
2030 from a 2021 baseline

Progress against Targets

Scope 1 und 2

In 2024, Premium Food Group saw a 14% reduction in Scope 1 and 2 emissions compared to its baseline year. A 5.1% decrease per year is required to reach the 2030 target of a 42% reduction.

PROGRESS AGAINST SCOPE 1 AND 2 TARGETS



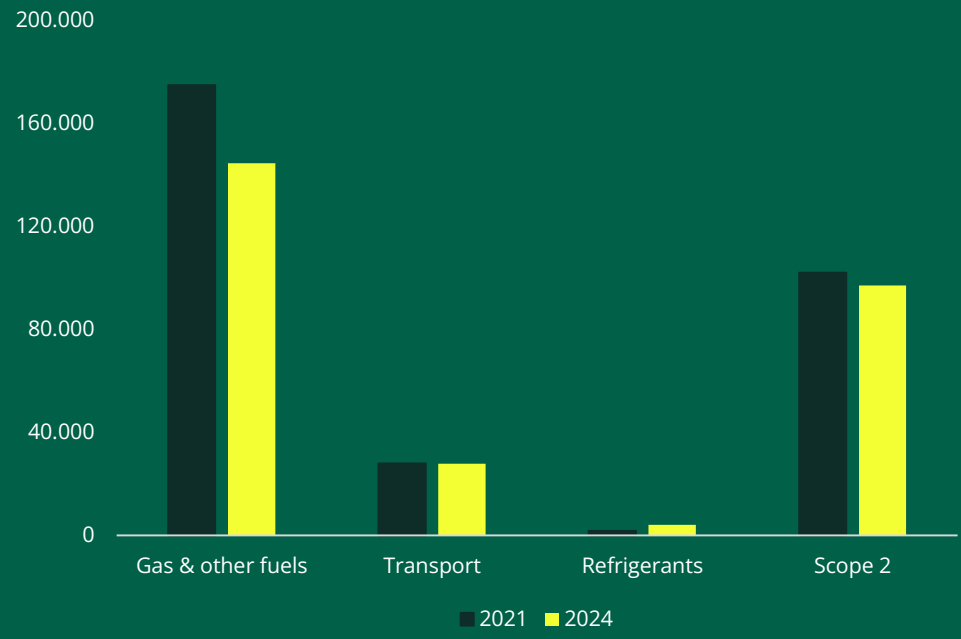
Scope 1

Fuel and energy consumption: reduction due to increased electrification of sites
Transport: lorry fleet was also electrified to a greater extent

Scope 2

Despite higher rates of electrification through out our locations, a reduction was achieved by an increased purchase of hydropower. This covers 20% of our total electricity demand in Germany.

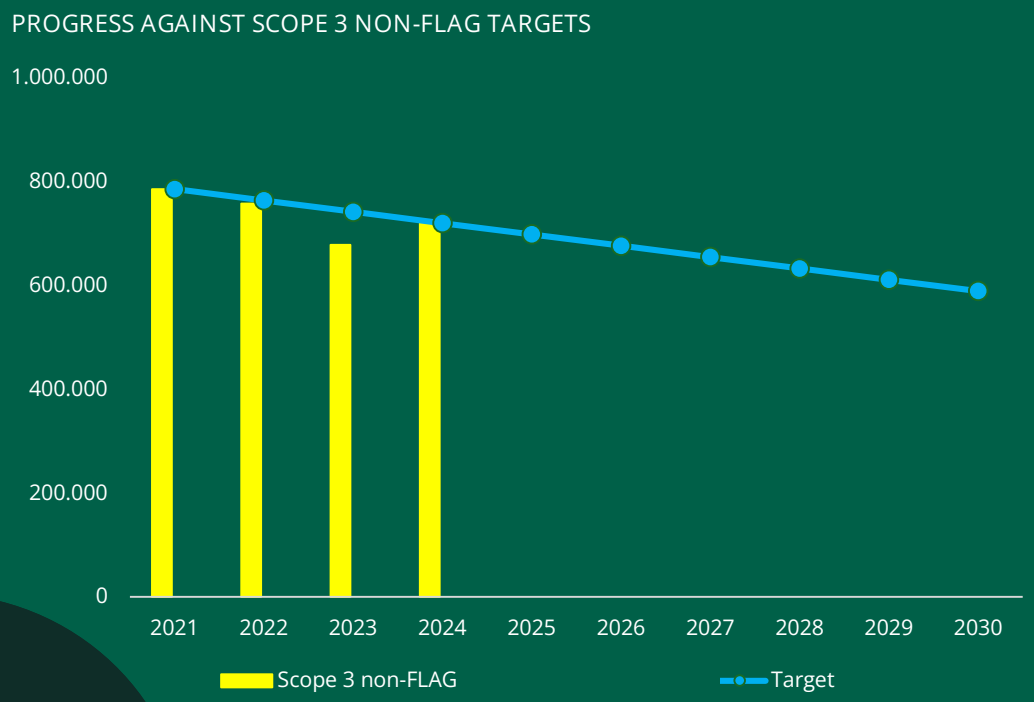
SCOPE 1 AND 2 EMISSIONS BREAK DOWN FOR THE BASELINE AND THE LAST YEAR



Progress against Targets

Scope 3 – non-FLAG

In 2024, Premium Food Group recorded a reduction of 8% compared to the base year. To achieve the target of 25% in 2030, an annual reduction of 2.8% is required.



Progress against Targets

Scope 3 – FLAG

In 2024, the Premium Food Group had achieved a 12% reduction in FLAG-based emissions compared to the base year. This exceeds the target progress of a 2% reduction in 2024. To achieve the 2030 target of a 30.3% reduction, an annual decrease of 3% is required.

Development Scope 3 – FLAG

In 2022 and 2023, the decline in production figures led to a greater reduction than planned. In 2024, production figures rose again, which led to an increase in emissions. By switching to deforestation- and conversion-free soya in animal feed, we have been able to benefit from a steady reduction in our land use change emissions since January 2024.

Measures for reduction

To continue our progress towards achieving science-based targets, the Premium Food Group is focussing on a portfolio of initiatives aimed at reducing emissions across our value chain, covering both direct and indirect emissions to ensure a comprehensive and measurable approach.

Green Energy Procurement

Since 2024, we have been sourcing green electricity from a hydropower plant on Lake Chiemsee in Bavaria. This contract covers around 20% of our total electricity consumption in Germany. From 2025, we will procure additional green electricity from other sources, such as wind power, in order to reduce our Scope 2 emissions. Our English sites will also be fully covered by green electricity from 2025 thanks to a green electricity contract.

Heat Decarbonisation

The transition from fossil fuel-based heating to electric systems is pivotal for reducing Scope 1and 2 emissions. By adopting technologies such as electric boilers and heat pumps, we aim to significantly cut emissions. This transition is complemented by improvements in energy efficiency, which will be maximised through site-level optimisations.

Reduction in FLAG Carbon

Emissions from forestry, land use and agriculture (FLAG) are a key focus area due to their importance in our supply chain. Strategies include evaluating alternatives in feed supply, promoting sustainable land use practices and working with suppliers to implement lower impact solutions. Initiatives such as soya substitution and improving data monitoring are essential to achieving our 2030 target.

Supplier Engagement

As Scope 3 emissions constitute a large share of our carbon footprint, robust supplier engagement is critical. We will intensify collaboration with key suppliers, particularly those linked to high-emission commodities, to enhance data quality, promote sustainable practices, and address deforestation risks. This process includes defining clear expectations, fostering transparency, and support suppliers in adopting more sustainable practices.

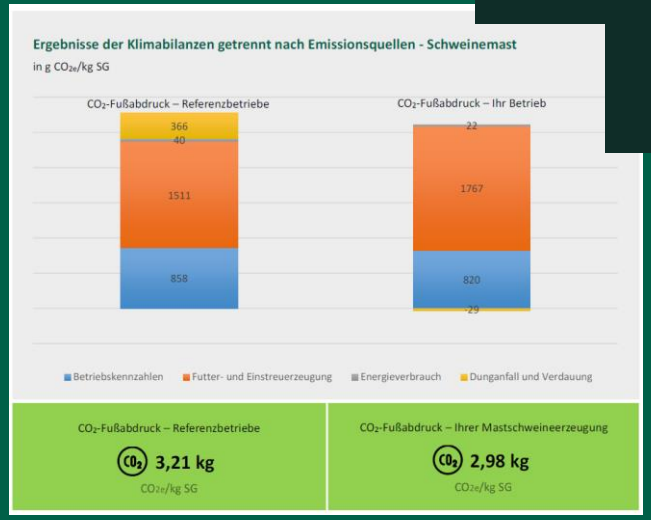
Transport and Logistic Optimisation

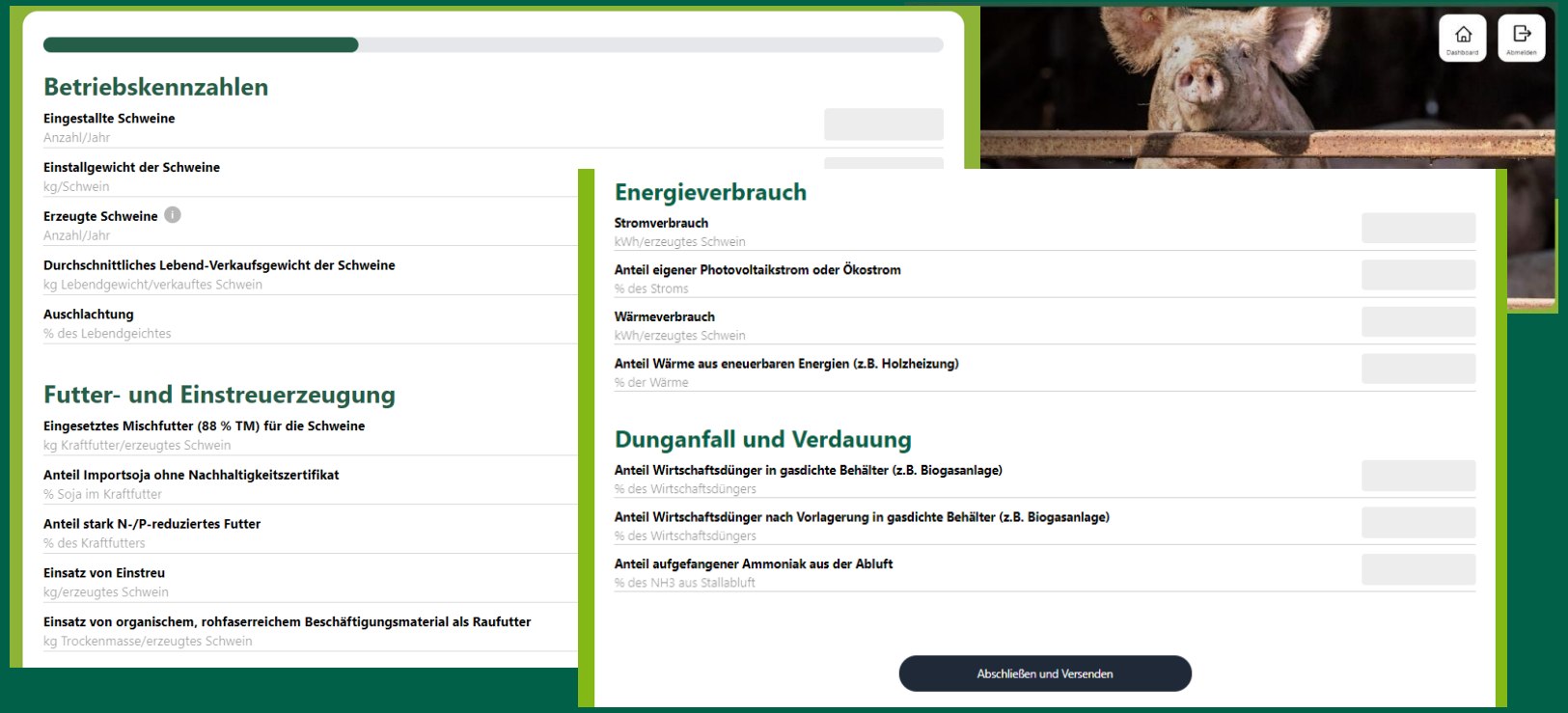
Transportation contributes significantly to our emissions. We are mapping both inbound and outbound logistics to identify areas for improvement, such as route optimisation and alternative fuel adoption.

The next steps: primary data instead of estimated values

Climate platform meat – CO_2 balance sheet based on real primary data

Until now, the industry has been reliant on secondary data, which does not realistically reflect the performance of farmers. As early as 2023, the Premium Food Group embarked on a journey to replace these estimates with concrete data from our supply chain with the Meat Climate Platform. We have now managed to establish this climate platform as an industry-wide solution that makes primary data from farmers usable for the calculation of CO_2 emissions for the first time. The platform collects realistic data on animal husbandry, feeding and management directly at the source - for well-founded carbon footprints, reliable certifications and measurable progress along the entire value chain.





Towards primary data

With the Meat Climate Platform, we are working together with our farmers to base our analyses on primary data. This allows us to improve our carbon footprint in a targeted manner - directly at the source of the emissions.

Methodology

Scope 1

Scope 1 emissions are calculated by considering all direct emissions that occurred in the various Premium Food Group plants/sites in the reporting year. Those data were provided in quantifiable units (e.g. kwh, cubic meter, tons, liter, ...).

Scope 2

For calculating the emissions associated with electricity usage, we utilized the IEA emission factors, while for steam consumption, we applied the DEFRA emission factors.

Scope 3 – non FLAG

3.1 Purchase Goods and Services

The calculation includes all upstream emissions from cradle to gate. Due to limited activity-based data, the Premium Food Group used the expenditure-based method as per the GHG Protocol (2013, p. 33). Emissions were estimated by multiplying the economic value of purchased goods and services (EUR) with relevant emission factors (kg CO_2e/EUR), based on USEEIO and EXIOBASE datasets. Although EXIOBASE was discontinued in 2019, it remains the most accurate dataset for Europe. Values were adjusted for inflation to improve accuracy.

3.2 Capital Goods

The calculation includes all upstream emissions (cradle-to-gate) from purchased capital goods such as plant, machinery, buildings, equipment and vehicles that have a longer service life and are used by the Premium Food Group for the production, provision of services or sale of goods, as defined in the financial accounting.

3.3 Fuel and energy related activities

The calculation includes all upstream cradle-to-gate emissions from purchased fuels and electricity, including transmission and distribution (T&D) losses, but excluding combustion. Activity data is based on fuel and electricity consumption from Scope 1 and 2. Upstream emissions were calculated using DEFRA Well-to-Tank (WTT) emission factors, which cover fuel and power production, transmission, and distribution. Total emissions per item were derived by summing upstream and T&D-related emissions.

3.4 Upstream transportation and distribution

The calculation includes Scope 1 and 2 emissions of third-party transport and distribution providers. Due to missing distance-based data, the spend-based method was applied in line with the GHG Protocol (2013, p. 65). Emissions were calculated by multiplying the Premium Food Group' transport spend (by mode) with emission factors (kg CO_2e/EUR) from USEEIO and EXIOBASE datasets.

Methodology

3.5 Waste generated in operations

The calculation includes Scope 1 and 2 emissions from waste treatment by third-party providers, optionally including transport emissions. The Premium Food Group used a mixed approach (Average Data and Spend-based methods) per the GHG Protocol (2013, p. 76), depending on data availability. Activity data includes waste mass and related costs across all sites, categorized by disposal method. DEFRA emission factors were used for mass-based data, and EXIOBASE for spend-based estimates. This aligns with the proxy data method (GHG Protocol, p. 83) where specific data is lacking.

3.6 Business travel

The calculation includes emissions from business travel in third-party vehicles. Due to missing distance-based data, the spend-based method was used in line with the GHG Protocol (2013, p. 86). The Premium Food Group's travel expenses (EUR), broken down by transport mode and travel type, were multiplied by emission factors (kg CO_2e/EUR) from the EXIOBASE dataset.

3.7 Employee commuting

The calculation includes Scope 1 and 2 emissions from employee commuting and transport provider vehicle use. Emissions were estimated by multiplying average commuting distances with emission factors by transport mode. Data was based on:

- A sample of 11,000 employees used to determine average commuting distance for all staff
- Transport mode shares from Eurostat
- Workdays adjusted for holidays per country

DEFRA emission factors were used. Where specific data was lacking, national statistics and the GHG Protocol's proxy method (p. 83) were applied.

3.8 Upstream leased Assets

This category is EXCLUDED from the Premium Food Group's overall footprint, as Premium Food Group does not own any Upstream leased assets.

3.9 Downstream transportation and distribution

The calculation includes Scope 1 and 2 emissions from downstream transport by third-party providers, distributors, and retailers. Using the Average-data method, emissions were calculated by multiplying tonne.km data with secondary emission factors. The activity data reflects inbound transport (not paid by Premium Food Group) using the logistics provider's fleet.

Methodology

3.10 Processing of sold products

The calculation includes Scope 1 and 2 emissions from downstream processing of sold goods, including intermediate products. Activity data is based on the weight of intermediate products sold by Premium Food Group, broken down by category. Emissions were estimated using average emission factors from comparable processing companies, multiplied by the quantity sold.

3.11 Use of sold products

This category is excluded from Premium Food Group's overall footprint, as it mainly produces and sells meat products for consumption as food, resulting in no direct Scope 1 use phase emissions. While indirect use phase emissions exist, these are optional to report and difficult to calculate due to a lack of emission factors and high effort for little benefit. For these reasons, Premium Food Group chose to exclude this subcategory from the calculation.

3.12 End of life treatment of sold products

The calculation includes scope 1 and scope 2 emissions from waste management companies during disposal or treatment of sold products. Packaging material disposed of after product consumption is included, as is the portion of products not sold to end consumers and subsequently disposed of. The source used to estimate the amount of disposed product is: "Measures of the German food trade to reduce food losses" (8).
Activity data for this category is based on the weight of finished products shipped by Premium Food Group within the year, broken down by product category. To estimate packaging waste, the amount of plastic approved by the government through the Green Point program per kg of final product sold was used as a proxy. This proxy was multiplied by the total products sold to estimate total plastic waste.
For disposal of unsold products, incineration was assumed as the main treatment method. For packaging material, country-specific statistics on waste treatment methods were applied to estimate the distribution among different disposal methods.

3.13 Downstream leased Assets

The calculation includes scope 1 and scope 2 emissions from lessees during the operation of leased assets, primarily from energy use.
Premium Food Group rents some properties to employees, who pay a flat rate for energy needs. Activity data for this category is provided in euros; to estimate the associated energy consumption, national or European statistics (e.g., EUROSTAT) were applied.
Emissions are calculated using the spend-based approach: the amount spent is used to estimate natural gas, electricity, and oil consumption based on average fuel prices per kWh. The estimated consumption is then multiplied by the relevant emission factors.

Methodology

3.14 Franchises

This category is EXCLUDED from the Premium Food Group overall footprint as it is considered not relevant for the calculation.

3.15 Investments

This category is EXCLUDED from the Premium Food Group overall footprint as it is considered not relevant for the calculation.

Scope 3 – FLAG (Forest, Land and Agriculture)

The calculated emissions from land use change and land management in tCO_2e for livestock and agricultural products were taken into account on the basis of annual activity data. The most important criteria for the calculation includeEmissions from:

- livestock farming (enteric fermentation, manure management): Calculated using national inventories from countries where emissions per animal are reported, either based on the number of animals slaughtered or the kilograms of meat purchased.
- Premium Food Group purchases live animals for slaughter: FLAG emissions include enteric fermentation, manure management and feed production. Animal transport to the slaughterhouse is included in Scope 3, Category 4.
- The Premium Food Group buys fresh meat: FLAG emissions include enteric fermentation, manure management, feed production, slaughter and transport from the farm to the slaughterhouse. Transport from the slaughterhouse to the Premium Food Group is included in Scope 3.4. Refrigeration/freezing emissions are not included, as it is assumed that the meat is delivered fresh immediately after slaughter.
- Agricultural products (vegetables): Emissions are calculated using the emission factors in the LCA database based on the kilograms of products procured.
- Feed production: Emissions are calculated using literature data to determine the composition of feed and the total quantity per animal species.

The most important data, including emission factors and statistics, are calculated in the background from various sources. As the FLAG methodology for calculating emissions is still under development and frequently updated public emission factors are not yet available, the calculations rely heavily on national inventories, scientific reports and LCA datasets.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