



HOW TO FEED THE FUTURE?)

About this report

BP-1 — General basis for preparation of the sustainability statements

This eighth Ardo Corporate Sustainability Report is the product of a journey that began in 2010. With this report, we aim to give external and internal stakeholders insight into our performance, strategy and material aspects regarding sustainability. The report discusses the social, environmental and economic aspects of sustainability for RIWARD NV, Ardo Foods NV and any of its subsidiaries, hereafter referred to as “Ardo” and covers the fiscal year 2023-2024 (01/07/2023-30/06/2024) period.

If you have any suggestions, comments or questions about this report and the sustainability strategy of Ardo, do not hesitate to let us know via e-mail: info@ardo.com.

Find out more about our sustainability approach on our website's sustainability pages. www.ardo.com



Foreword by the CEO



As the new CEO since a few months, I am very proud to present our 8th CSR report and especially to lead a company where **sustainability is engrained in its DNA**. I am excited about the achievements we have made, the initiatives we are implementing, and our ambitions for the future.

We must take **climate change very seriously**. Recent events in Valencia and many other exceptional climate events, along with declining yields per hectare, highlight the urgency for action! To scale up individual initiatives, **building partnerships** and securing support from governments are essential for us to succeed as a society. That is why Ardo fully embraces partnerships with organisations such as SAI¹, The Shift and "Het Wortel Collectief", along with a growing number of partnerships with our customers and other value chain partners.

Sustainable agriculture is crucial, not only for ensuring long-term food security for our children, but also for maintaining the sustainability of our business in the long run. This enables us to continue providing healthy frozen vegetables, herbs, and fruits. Our approach to working with farmers is exceptional and exceeds all standards. Every day,

our 68 agronomists **support farmers** with advice on cultivating their land in the most efficient and sustainable way, leveraging the latest technologies. Initiatives like MIMOSA+ aim to make crops more resilient to climate change while simultaneously reducing CO2 emissions. Daily efforts focus on soil fertility, water conservation, biodiversity, crop rotation and the responsible use of water and fertilisers.

Ardo is, and aspires to remain, a **pioneer in promoting regenerative agriculture**, reducing CO2 emissions in our factories, and setting high standards for our suppliers. The recent addition of The Nest as a shareholder can only bolster or even accelerate our sustainability initiatives.

As part of our commitment to sustainability, I am proud to announce that, starting in 2025, Ardo will provide **financial incentives to farmers adopting regenerative agricultural practices**. This initiative underscores our dedication to fostering a resilient and sustainable food system by empowering farmers to improve soil health, water management, and climate resilience.

At the heart of our passion are, of course, our high-quality frozen vegetables, fruits, and herbs, which bring health, convenience, affordability, and sustainability to consumers and customers alike. It is important to note that frozen vegetables contribute to over 80%² less waste at the retailer level and an additional 20 to 40%³ less waste at the consumer level. Furthermore, the CO2 footprint of vegetables and fruit is inherently lower than that of most other foods.

We are proud of the positive impact our initiatives have delivered over the past few years:

- We achieved 39% reduction in CO2 emissions in Scope 1 and 2 compared to our 2020 baseline.
- We increased the share of products sold without pesticide residues from 56% to 76%, despite challenging climatological conditions.
- We secured a sustainability-linked loan and completed numerous initiatives to enhance circularity in our plants and promote biodiversity.

Furthermore, we have also signed the STBi commitment letter at the end of 2023, and we are actively developing our targets and roadmaps.

I would like to conclude by addressing our employees: amidst all these efforts, we genuinely care about your safety and well-being. **Thank you for your dedication and hard work** in helping us achieve our shared vision.

Sabine Sagaert, CEO Ardo

¹ SAI = Sustainable Agriculture initiative

² Pacific Coast Food Waste Commitment (2021) United States, Heller and Keoleian (2017) United States

³ Study from Wageningen University in Dutch households



“We understand the environmental challenges our industry faces and the responsibility we bear to tackle them.”

Emilie Haspeslagh Sustainability Director

I am thrilled to share Ardo’s latest sustainability report with you. Sustainability is not achieved overnight—it is built step by step. **This report provides a clear and honest look at what we have accomplished, the challenges we have faced, and how we are preparing for the future.**

At Ardo, sustainability is not merely a commitment; it is at the heart of who we are and what we do. Ardo stems from a family farm, and **this deep-rooted agricultural background continues to drive our approach to sustainability today**, particularly in agriculture. Growing up close to the land has instilled in us a profound respect for nature and the importance of preserving it for future generations.

As one of Europe’s leading suppliers of frozen vegetables, fruits, and herbs, we understand the environmental challenges our industry faces and the responsibility we bear to tackle them.

This year’s report showcases the progress we have made over the past years and highlights the road ahead. We have continued to integrate **regenerative agricultural practices** into our supply chain, improving soil health and building long-term climate resilience. At the same time, we have worked to **reduce the environmental footprint** of our packaging by enhancing recyclability and using fewer materials—all in line with our commitments.

A key focus this year has been evaluating **Science-Based Targets (SBTi)** as part of our decarbonisation strategy. Achieving significant reductions in greenhouse gas emissions is particularly complex for our sector. For vegetables, fruits, and herbs, much of the emissions originate from agricultural practices such as soil management, fertiliser use, and energy use during cultivation and harvesting. While initiatives like regenerative farming and input optimisation are helping, these areas are still tough to decarbonise without affecting yields or quality. Nonetheless, we are committed to driving innovation and collaborating with our growers and other value chain partners to find scalable solutions to decrease the climate impact of our activities.

None of this would be possible without the passion and expertise of our incredible team. From agronomists working side by side with farmers to engineers and factory teams cutting energy and water use, to the members of our “We are Ardo” working groups, and everyone who integrates sustainability into their daily work—your efforts make all the difference.

We are also deeply grateful to our customers and partners who continue to support and challenge us in our sustainability efforts. Your trust and collaboration motivate us to keep raising the bar and finding solutions that benefit everyone—both now and in the future.

Emilie Haspeslagh, Sustainability Director

WE ARE ARDO

SBM-1 — Market position strategy, business model(s) and value chain

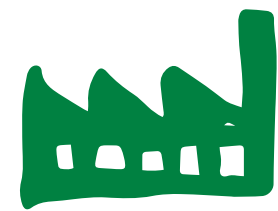
Step into the world of Ardo, **a family company that produces a diverse range of fresh frozen vegetables, herbs, and fruit.** We believe in preserving nature's gifts for future generations by providing fresh frozen, plant-based food while minimising our impact on the planet.



We preserve nature's gifts

1. Ardo in numbers

These figures showcase our global leadership in fresh frozen vegetables, herbs, and fruit.



Operating across **16 sites in 7 countries**



Generating an annual revenue of **€1.4 billion**



Distributing over **859,000 tonnes** of frozen produce annually



Exporting to **100+ countries**



Working together with more than **3,200 colleagues**



Partnering with **3,500 growers**

2. Ardo's history

Sustainability in our DNA



Edouard Haspeslagh

Ardo's history traces back to the pioneering spirit of two visionary brothers: Edouard Haspeslagh (Ardo), who initiated vegetable cultivation at the family farm in Ardooie and his brother Richard Haspeslagh (Dujardin), who started a parallel journey in Koolskamp.



Richard Haspeslagh

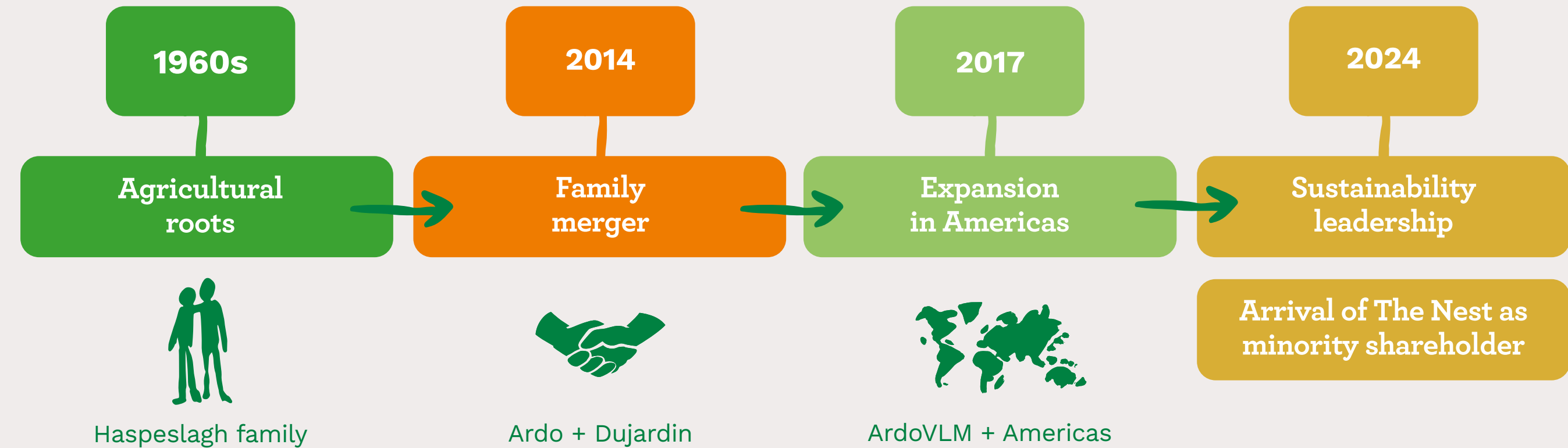
In 2014, the Haspeslagh family united, paving the way for the formation of Ardo as we know it today. Just three years later, Ardo achieved a significant milestone with the **acquisition of VLM Foods**, marking our entry into the United States and Canada and expanding our portfolio of local markets.

The Nest (TNFO), the family office of Els Thermote's family, joined Ardo as a minority shareholder in 2024. With the involvement of the Thermote family and a more active role for the third generation of the Haspeslagh family, we are combining stability with strong ambition. Together, we will drive Ardo's continued growth as the sustainable frontrunner in the industry. Today, Ardo extends its reach to **over 100 countries worldwide**, establishing itself as a worldwide leader in the production of fresh frozen vegetables, herbs, and fruit.

Throughout our history, we have always been committed to sustainability, as we have a strong belief that **we need a healthy planet to provide us with healthy food.** 'We preserve nature's gifts' has been our tagline for many years, and we take it seriously. Freezing vegetables, herbs, and fruit preserves them for later consumption. For Ardo, it goes further than that. **We want to limit the impact our operations have on the environment.** By doing so, we will help guarantee our planet's survival for many generations to come.

Within this context, Ardo introduced the 'MIMOSA+ programme', emphasising **Minimum Impact, Maximum Output and Sustainable Agriculture.** This programme enables us to take further steps in making our crops more resilient to changing climate conditions, whilst minimising the carbon footprint of the growing of our crops.

From family farm to industry leader



“We are delighted to partner with the Haspeslagh family and the whole team at Ardo to continue building the leader in sustainable, healthy food. The vision of The Nest blends in with Ardo’s vision. We have a shared belief, focus and expertise that provides the perfect foundation for a long-term collaboration. We love the company’s relentless search for and implementation of initiatives that push the needle for a more people and planet friendly food production.”

Els Thermote The Nest

3. Our gift to the world

Our purpose

People need vegetables and fruit.

We are committed to meeting the growing demand for nutritious, plant-based food. Both now and in the future.

We believe in preserving nature's gifts for future generations by providing fresh frozen, plant-based food while minimising our impact on the planet.

Our values

To realise our ambitions, we have embedded four fundamental Ardo values into our daily practices. These values serve as our guiding light towards a sustainable future. As the frontrunner in our industry, we are committed to feeding the future, paving the way for a sustainable journey that others can embrace. This commitment forms the basis of our purpose.



We are committed to our customers

Based on our diverse product portfolio, we strive to provide our customers with solutions that best meet their requirements.



We are passionate

We believe in the products we make and the values that our company represents. We approach our work with energy and enthusiasm, striving to ensure Ardo's long-term viability.



We have a sense of ownership

We work with responsibility and pride, always looking for opportunities and improvements that will benefit Ardo. In our collaborative model, we support our colleagues across the group by working together as one team. We all keep the same goal in mind: to make Ardo succeed, now and in the future.



We are authentic

We are pragmatic, feel comfortable being ourselves and have a down-to-earth mentality. We are respectful of others, communicate openly and value each contribution made at every stage of the chain.

We strive for a double positive impact

By supplying the world with healthy, fresh frozen vegetables, herbs, and fruit, **we commit to a nutritious, plant-based global food transition.**

We accomplish this by **ensuring that our environmental impact is as limited as possible**, while keeping future generations' needs in mind.

From field to plate

Explore the journey of our fresh frozen vegetables, herbs and fruit - from the field to your plate. That's how we feed the future!



Agriculture

3,500 farmers grow our fresh vegetables, herbs, and fruit in **open fields** during the most **optimal growing seasons**. Our **68 agronomists** guide farmers in implementing **MIMOSA+** practices



Procurement

We partner with ca. **10,000 global suppliers**



Production

Operating across **16 sites** in **7 countries**, with over **3,200 colleagues**



Bulk storage

We store our products in bulk during the short production season to **optimally allocate them to our customers throughout the year**



Packaging

We adapt our product packaging to meet customer specifications, while ensuring **optimal transportation and storage**



Cold storage

Our packed goods are stored before shipping to our customers



Transport

We distribute over **859,000 tonnes** frozen produce annually



Sales / Customers

Exporting to **more than 100 countries** and serving customers in **Food Industry, Food Service** and **Retail**



Consumption

People are enjoying our **innovative, high-quality, plant-based** products all over the world

4. Thinking global, acting local

At Ardo, we are driven by a global vision, as we aim to make nutritious food accessible to people worldwide. To realise this ambition in a sustainable way, we embrace the principles of proximity:

Close to our crops

We operate 16 production, packaging and distribution facilities in 7 countries across Europe's most fertile crop-growing regions. By keeping our factories close to our fields, we minimise the time between harvesting and preserving the natural goodness of our products in our freezers.

Close to our customers

We have sales offices in Europe and in the Americas. In this way, we ensure our customers always have a local Ardo representative nearby. This approach enables us to be proactive and respond quickly to the rapidly evolving needs and desires of our customers.

Global vision

Whilst having a local approach for growing our crops and serving our customers, we still aim to take advantage of our scale and enable the sharing of best practices across the group. Moreover, we try to leverage our geographical spread as part of our climate adaptation so that when one region is hit by extreme weather, production in other regions can compensate for the associated impact. Over the past few years, we have expanded our global reach through strategic mergers and acquisitions. **In 2014, Ardo merged with Dujardin Foods** when the second generation of these two companies, founded by two brothers, decided to join forces.

Three years later, we acquired VLM Foods, establishing our presence in the United States and Canada and, simultaneously, securing **a substantial stake in Compañía Frutera La Paz**, the leading processor of fresh frozen pineapple in Costa Rica. In 2024, La Paz transitioned back to being fully owned by its founders as a Costa Rican family enterprise. La Paz will continue as an important strategic supplier of frozen tropical fruits and root crops to Ardo and ArdoVLM.



Our headquarters and production site in Ardoie (Belgium)



Our sales office in Montreal (Canada)

Belgium



ARDOOIE headquarters
vegetables



KOOLSKAMP
vegetables



GEER*
vegetables, rice, pasta, potatoes, pulses



KORTEMARK

France



SAINT-SEVER
vegetables



GOURIN
vegetables, purees, soups,
prepared vegetables



LA GARDE-ADHÉMAR
mediterranean herbs



VIOLAINES
vegetables, fried vegetables



LE MOUSTOIR
herbs

United Kingdom



ASHFORD



EYE
herbs

Spain



BENIMODO
mediterranean vegetables



BADAJOZ*
mediterranean vegetables,
fried & grilled vegetables

Portugal



ALPIARÇA*
mediterranean vegetables

Austria

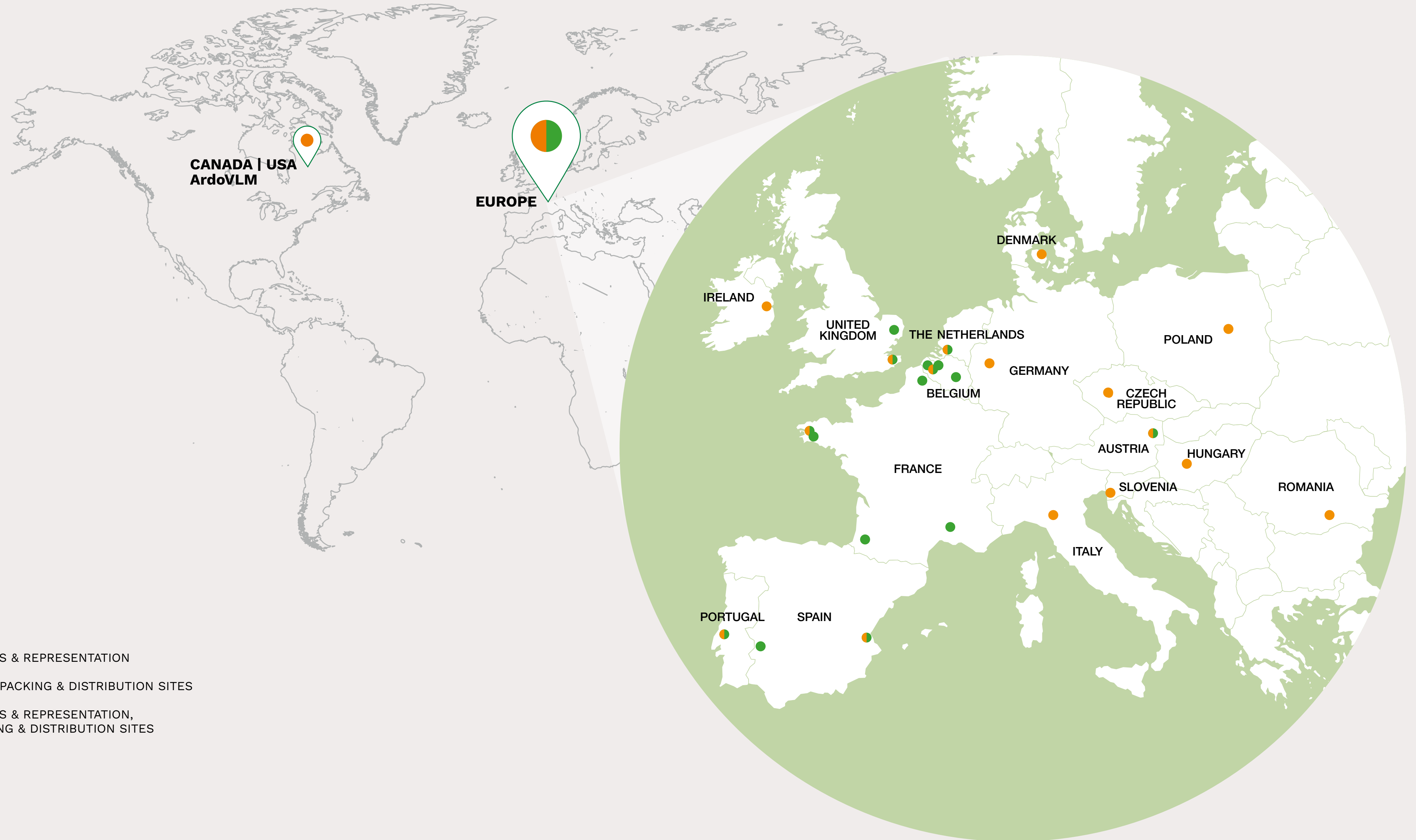


GROSS-ENZERSDORF
vegetables, prepared vegetables,
fried vegetables

The Netherlands



ZUNDEERT
leaf and prepared vegetables



- ARDO SALES OFFICES & REPRESENTATION
- ARDO PRODUCTION, PACKING & DISTRIBUTION SITES
- ARDO SALES OFFICES & REPRESENTATION, PRODUCTION, PACKING & DISTRIBUTION SITES

5. Providing a vast range of nutritious products

We provide an extensive variety of 100% natural fresh frozen vegetables, herbs, and fruit, all grown, harvested and processed with care and dedication.

Based on our diverse product portfolio, we strive to provide our customers with solutions that best meet their requirements. Thanks to our global presence, we stay attuned to emerging trends and evolving market needs.

At our core, we offer vegetables, herbs, and fruit in their pure form, preserving their inherent vitality. We want to support the transition to a nutritious plant-based diet by offering **fresh frozen vegetables, herbs, and fruit, in pursuit of a healthier future.**



6. Servicing customers in various industries

Our product offering caters to the diverse needs of consumers across various sectors:



Food Service

We actively monitor consumer trends to develop products for our Food Service customers, bringing great taste, convenience and ease of preparation all under the Ardo brand. This results in a broad product range to fit all the culinary needs.



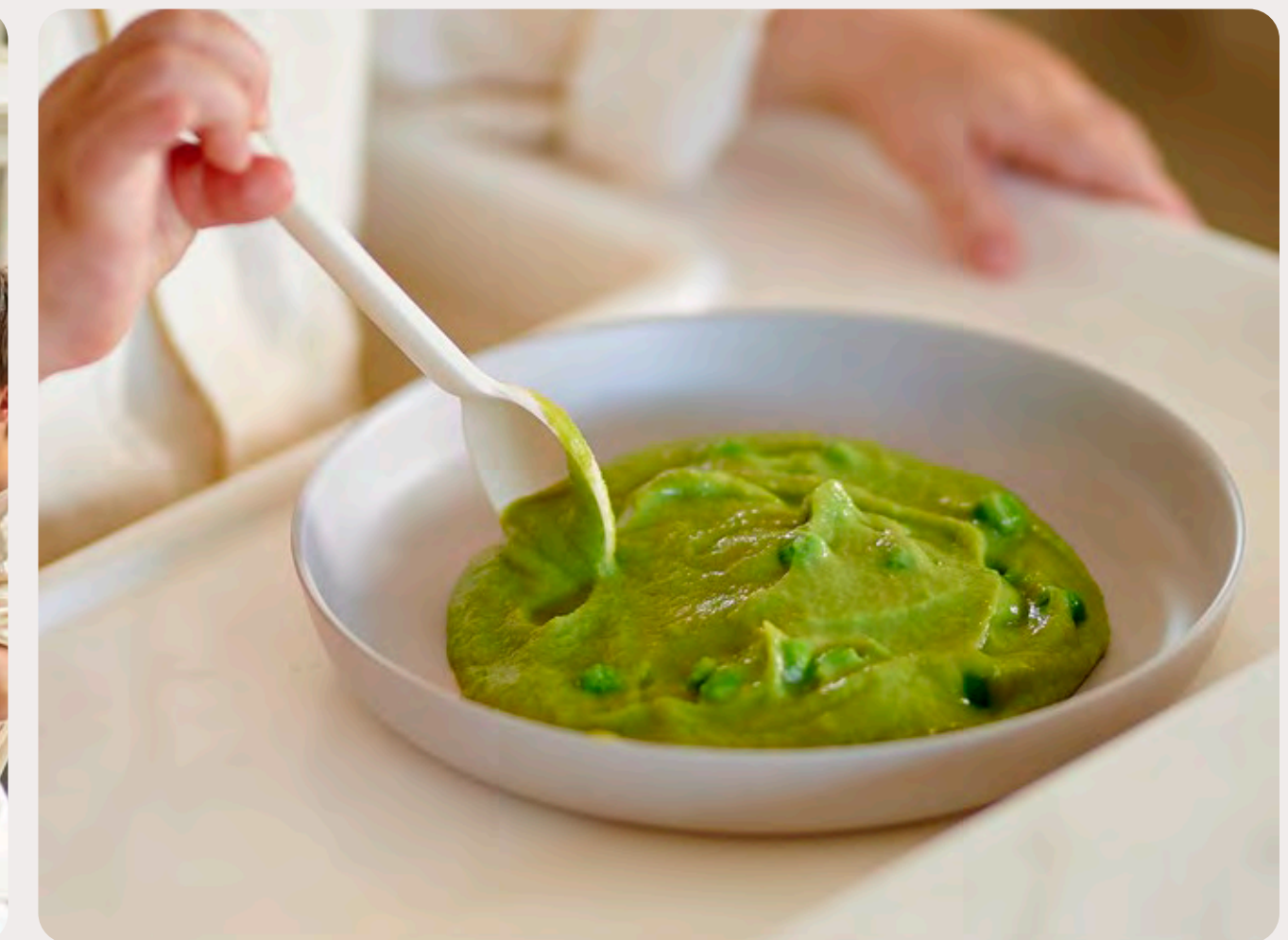
Retail

Retail customers can count on Ardo for a broad range that fits in perfectly with the consumer's lifestyle and constantly changing habits.



Food Industry

Our customers in the Food Industry segment rely consistently on Ardo's top quality and freshness, all produced to be compliant with the most stringent HACCP-standards.



THE PATH TO A MORE SUSTAINABLE FOOD SYSTEM

At Ardo, we are determined to play our part in putting our global food systems on a sustainable path. We see it as our purpose to **meet the growing demand for nutritious, plant-based food, while preserving nature's gifts** for future generations.



We preserve nature's gifts

1. Committing to a more sustainable future

SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model(s)

Climate change is impacting us all, from farmers to consumers. Droughts and floods have hit our farmers' field yields, causing product shortages and disruptions in our supply chain. Additionally, rapid human development is pushing the planetary boundaries, putting pressure on the use of land and water, and increasing chemical pollution. We recognise our role in these evolutions and are committed to building resilience in our supply chain.

Currently, global food systems are both contributors and victims of climate change. Global food production and distribution is responsible for nearly a third of global greenhouse gas emissions, it consumes large amounts of natural resources and contributes to loss of biodiversity.¹

Simultaneously, the global food systems are **faced with the impacts of climate change** in the form of droughts or extensive periods of excessive rain, leading to reduced agricultural yields. Global warming has reached 1.55°C², and with current policies and actions in place, we are heading towards even greater increases in global temperatures. While historically field yields increased thanks to modern

agricultural practices, we notice the opposite trend driven by the impact of climate change. Our farmers are faced with more frequent and severe weather events, such as extended periods of floods and droughts, causing on average a 20% decrease in field yields between 2018 and 2022 versus 2013 and 2018. These drops in field yields have led to **product shortages and increased production costs**, causing disruptions in our supply chains, and subsequently harming our service levels.



Fully flooded fields in West-Flanders, Belgium

Besides climate change our agricultural activities face additional challenges:

- **Soil health is declining.**
- **Availability of land** for agricultural purposes is **reducing**.
- **Water** resources are becoming **scarcer**, especially in drier regions where demand can surpass availability.
- **Loss of biodiversity** remains a pressing issue, with a 70% decline over the past 50 years.
- **Excessive nitrate levels** in surface water.

A fundamental transition is required to feed the world's future ten billion people whilst respecting planetary boundaries.

¹ [Fast Facts on climate, food and agriculture, UN Feb. 2022](#)

² [Climate change indicators reached record levels in 2024: WMO](#)

2. Ardo's answer to climate change is threefold


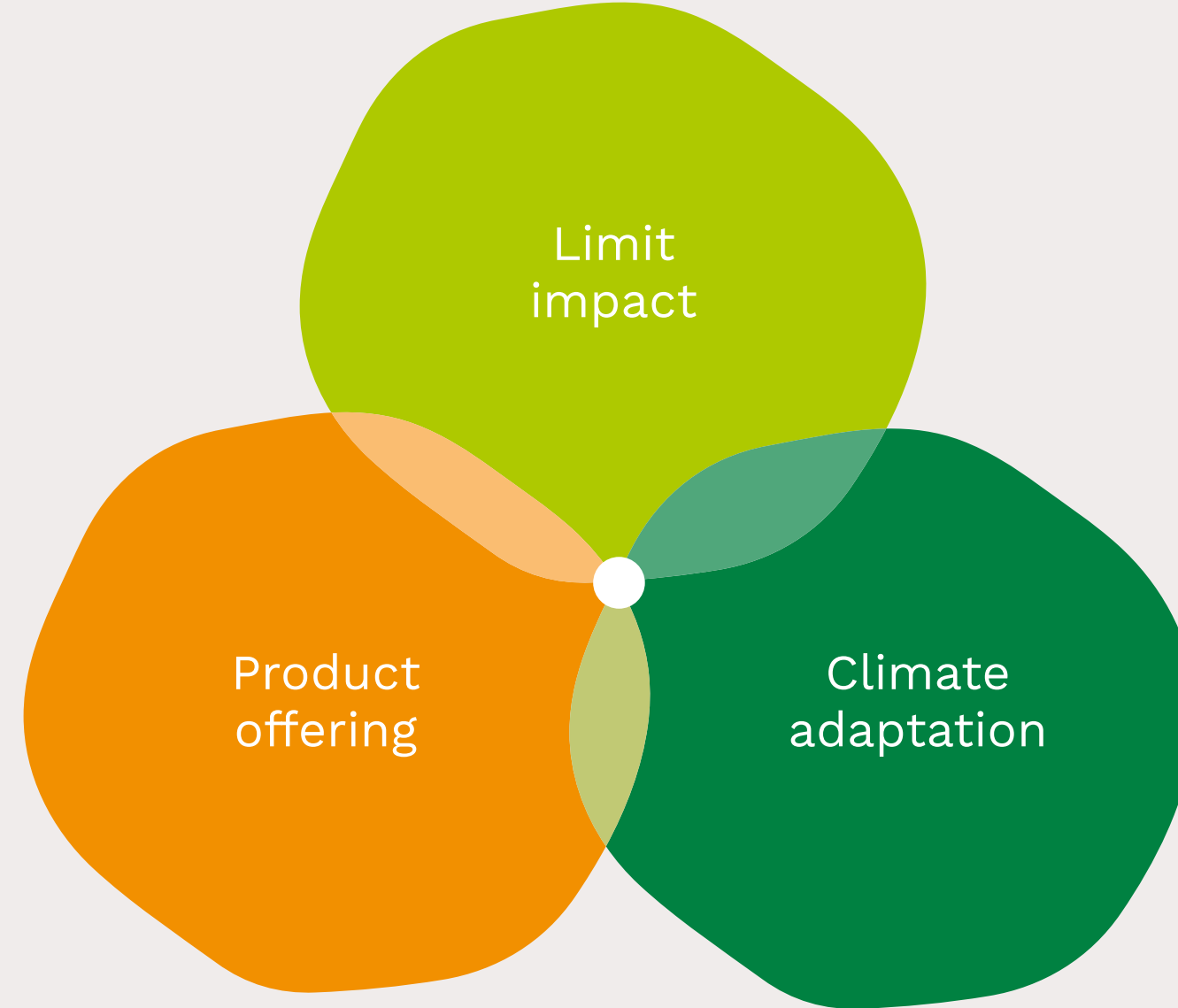
E1-2 — Policies related to climate change mitigation and adaptation

At Ardo, we strive to provide an answer to address climate change, by supporting a transition to **more plant-based diets**, **minimising carbon emissions** across our food supply chain, and working on **regenerative agricultural practices** in the fields through our MIMOSA+ programme.

Limit Ardo's climate impact by **reducing food waste and CO2 emissions** in the whole value chain.



Support transition to plant-based by offering **fresh frozen vegetables, herbs, and fruit**.

Ensuring more resilience in our supply by selecting the **best agronomical regions** and implementing **regenerative agriculture** through MIMOSA+.



Feeding the growing global population while respecting planetary boundaries requires a dietary shift towards **healthy, plant-based** diets by 2050. It is our ambition to support this transition with our plant-based product portfolio. Embracing healthier options, such as fruit, vegetables, and pulses not only benefits the environment but also promises significant health advantages for our consumers. As part of our sustainable innovation journey, we are discontinuing the use of fish and meat products in our factories, opting for vegetarian alternatives and plant-based choices. Currently, almost more than 99% of our sold products are vegetarian.

We are working to reduce our direct **GHG emissions** by prioritising energy efficiency, focusing on reusing, reducing, and regenerating energy. We are dedicated to reducing **food waste** by selling frozen food which ensures less food loss at both distribution and consumption level. We collaborate with our farmers to reduce CO2 emissions from contracted farming and ensure responsible sourcing of goods and services through our 'We CARE' programme.

More information:

- [Minimal Environmental Impact – resource efficiency > 2. Reducing the Ardo carbon footprint](#)
- [Agronomy MIMOSA+ > 1. MIMOSA, optimising crops and ensuring continuous improvement](#)
- [Relationship with our stakeholders](#)

We have launched the MIMOSA+ programme to collaborate with farmers to adopt **regenerative agricultural practices**. This includes improving soil health, implementing soil cover for more than 240 days a year, reduced use of synthetic fertilisers, smart irrigation and allocating land to biodiversity development. This way we aim to limit the climate impact of our growing activities while ensuring optimal yields.

More information:

- [Agronomy MIMOSA+ > 2. MIMOSA+, regenerating and revitalising the soil and ecosystems](#)

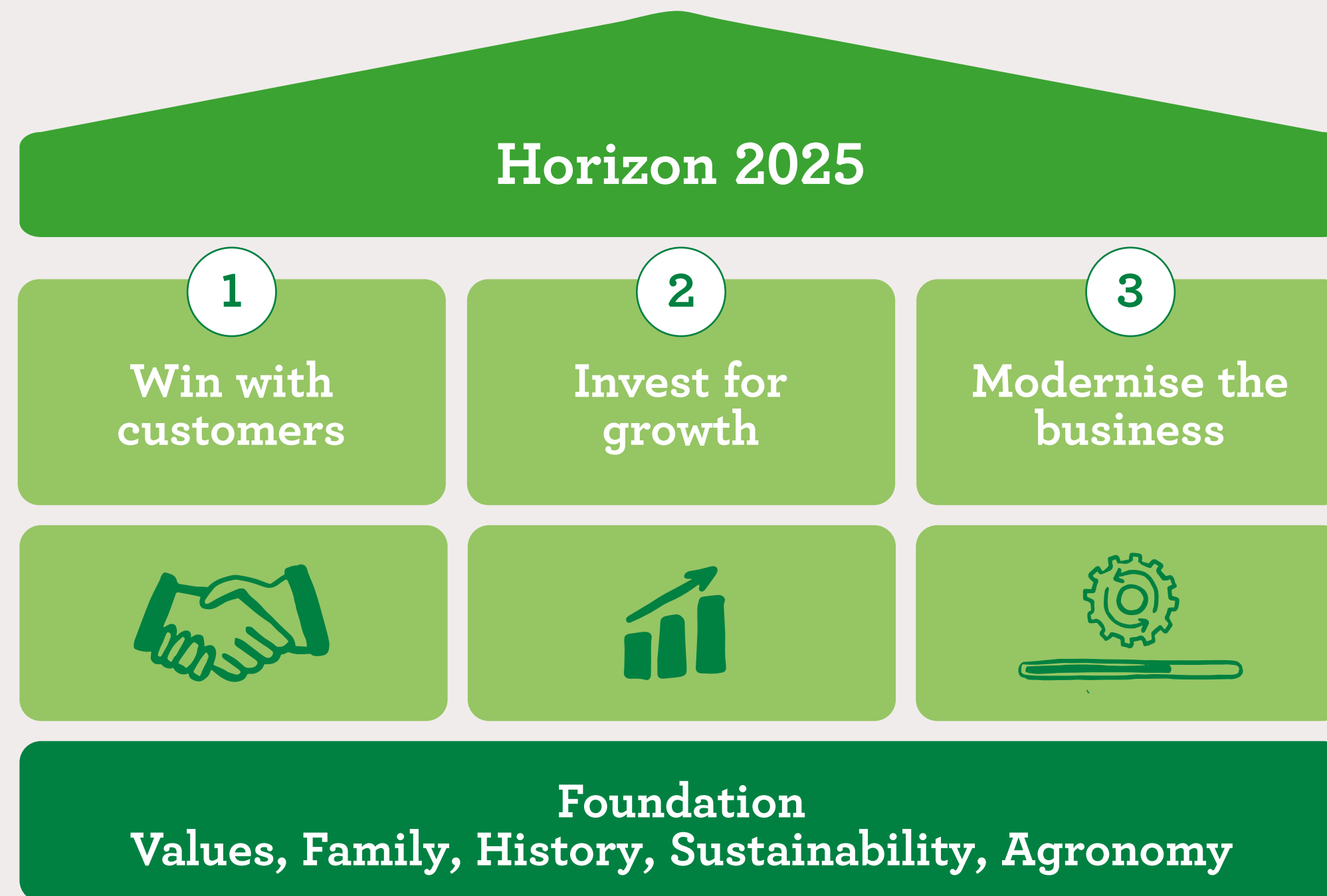


3. Founding our strategy on sustainability

Corporate strategy

SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model(s)

Sustainability is deeply ingrained in our corporate strategy, Horizon 2025, which is based on three essential pillars: winning with customers, investing for growth, and modernising our business. These pillars are firmly built on the foundation of our core values, family heritage, sustainability, and agronomy. Without a solid foundation, the pillars of our strategy would not hold strong.



1 Win with customers

We foster lasting partnerships with our customers, focusing on reliability and durability. We enhance customer engagement while streamlining the effectiveness of our customer value chain. We align with partners who share our commitment to sustainability.

2 Invest for growth

We rely on state-of-the-art machinery, sustainable technology and green energy to expand our business. We invest in knowledge, technology, and infrastructure to deliver high-quality products. We also acknowledge the need for retrofitting some of our older facilities to meet current food safety and resource efficiency requirements and specialising production in efficient sites, while optimising access to raw material, especially in a context of climate change.

3 Modernise the business

We empower our workforce with continuous learning, expertise, and skill development. We are faced with a need to accelerate digitalisation and automation to optimise operations, driving operational efficiency.



With Horizon 2025 nearing its conclusion, we are actively preparing to shape our **future strategy towards 2035**, which will integrate our business and sustainability strategies.

4. Turning our sustainability ambition into reality

Ardo's commitment to sustainability is built on five foundational pillars.

1 Minimal environmental impact Resource efficiency	Absolute reduction in scope 1 & 2 GHG emissions (T CO2eq)	40% intensity reduction in scope 1 & 2 GHG emissions (T CO2eq / T prod) from FY19/20 to FY29/30	Reduction in scope 3 non-FLAG ⁷ GHG emissions (T CO2eq)	Minimum 30% of electricity consumption from dedicated renewable energy systems by 2030
	Improve water-use efficiency (m ³ / T prod) in our plants through less usage and more circularity	Reduce plastic packaging weight as share of packed products with 10% from FY22/23 to FY29/30	100% use of recycled and/or minimal FSC/PEFC material for secondary corrugated packaging by FY29/30	100% of paper-based packaging is recyclable
	100% of plastic packaging is technically recyclable by FY25/26			
2 Agronomy MIMOSA+	100% of Ardo's farmers are FSA gold or silver certified	Number of farmers and hectares onboarded on Ardo's MIMOSA+ programme for Regenerative Agriculture	Reduction in scope 3 FLAG GHG emissions (T CO2eq) from crop cultivation of Ardo's direct purchased fresh produce	Minimum 80% of planned production volume ¹ with residues less than the detection limit (<0.01 ppm) by 2027
3 Food safety, quality, and innovation	Maximum 2.5 foreign material complaints / 1000 tons packed by FY30/31 (incl. externally purchased products)			
4 Respect for our employees	Reduce the risk of accidents ² : Injury Frequency Index (IFI) ³ of 10 by FY29/30	Ensure gender balance in Leadership & Management (% of male/female/X managers)	Ensure gender balance in the Executive Committee (% of male/female/X executives)	
5 Relationships with our stakeholders	Minimum 80% of externally sourced fruit is GLOBALG.A.P ⁴ and/or FSA ⁵ certified by FY25/26	100% of frozen food suppliers are SMETA ⁶ audited in high risk countries by FY25/26	Reduction in scope 3 non-FLAG GHG emissions (T CO2eq) from Ardo's externally purchased products	Reduction in scope 3 FLAG GHG emissions (T CO2eq) from crop cultivation of Ardo's externally purchased products

¹ vegetables & herbs - own production

² subcontractors are included since FY22/23

³ IFI = number of occupational accidents per million working hours

⁴ GLOBALG.A.P = GLOBAL Good Agricultural Practices

⁵ FSA = Farm Sustainability Assessment

⁶ SMETA = Sedex Members Ethical Trade Audit

⁷ FLAG = Forest, Land and Agriculture



MINIMAL ENVIRONMENTAL IMPACT

RESOURCE EFFICIENCY

Ardo's sustainability efforts align with our commitment to environmental stewardship and operational excellence. Supplying people all over the world with nutritious food requires a healthy planet. Therefore, we aim to **minimise our ecological footprint as much as possible**, starting with our processing and production activities. By adopting state-of-the-art technologies and implementing circularity principles, we strive to use all natural resources to their full potential, while minimising our carbon emissions and waste. In this way, **we hope to build a sustainable future for generations to come.**



We preserve nature's gifts

How does Ardo make a difference?

- **Cutting carbon emissions**

Ardo is actively trying to reduce its carbon footprint, aiming for a 40% reduction in operational emissions (Scope 1 & 2) by FY29/30 compared to its 2020 baseline. Ardo's most significant Scope 3 emissions stem from purchased food, transport, agriculture, and packaging, highlighting our responsibility from farm to fork.

- **Advancing water resilience**

Ardo prioritises reducing water use, reusing treated wastewater, and addressing risks at high water stress sites.

- **Innovating in sustainable packaging**

By reducing packaging weight, increasing the use of sustainable materials, and enhancing recyclability, Ardo aims to support a circular economy for its packaging materials.

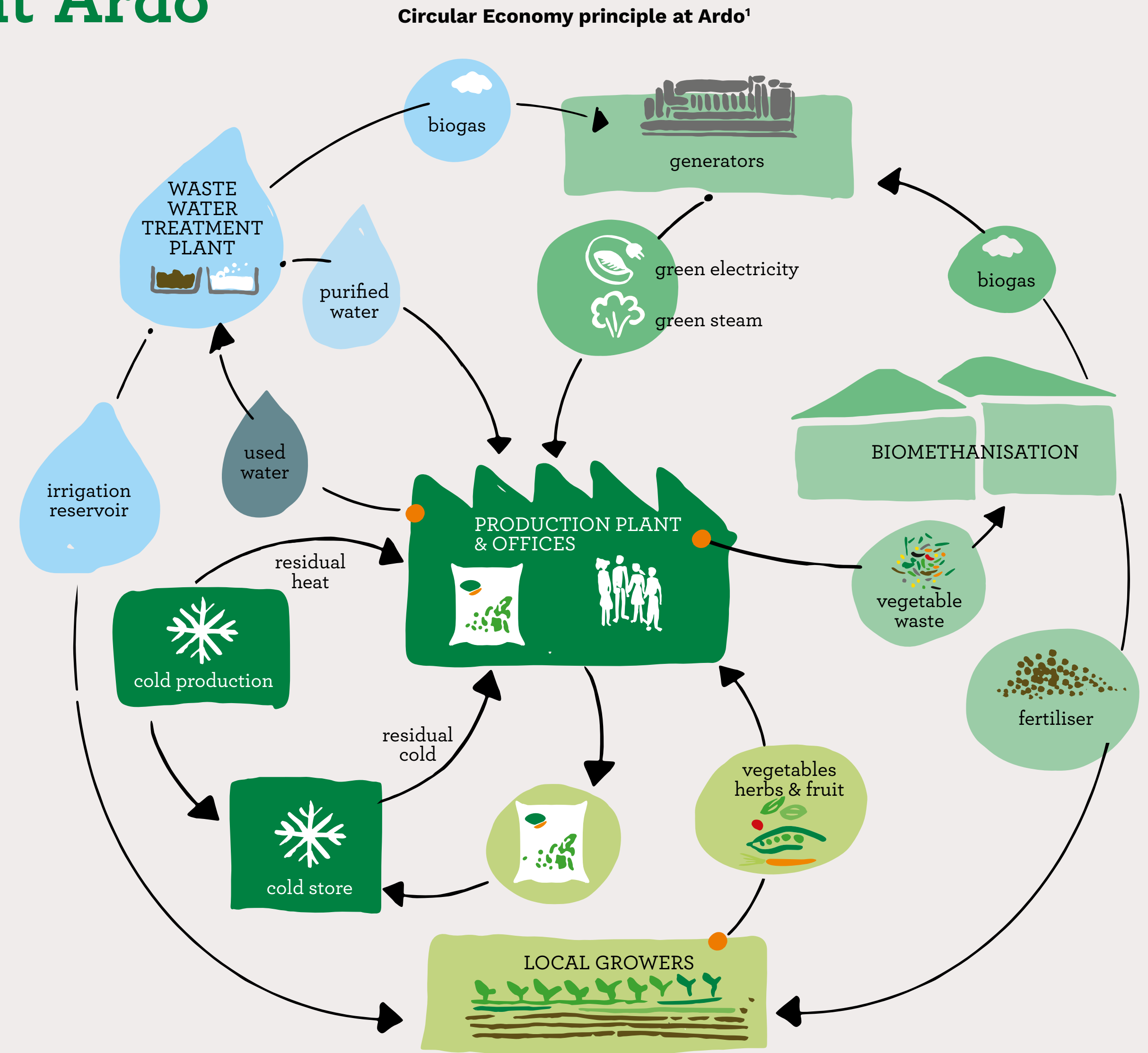


1. Circular Economy principle at Ardo

Producing fresh frozen vegetables, herbs, and fruit inevitably generates various waste streams. Our first priority is to **minimise vegetable waste and maximise the yield from the raw materials** that pass through our processing and production facilities. Any remaining waste is valorised as much as possible. For example, vegetable waste is converted into energy through our own biomethanisation installations or processed at external sites. Additionally, the by-products of our anaerobic digestion processes are valorised as organic fertilisers, which are used by farmers to cultivate crops for the next growing season.

Beyond optimising vegetable waste streams, we are committed to **reusing energy and water waste streams wherever possible**, further enhancing the efficiency and sustainability of our operations.

Sustainable packaging is another key pillar of our circular economy approach. We prioritise **reducing packaging materials**, improving recyclability, and incorporating sustainable or recycled content in our designs. These efforts help us minimise our environmental footprint while maintaining high standards for food quality and safety.



¹ Fully or partially implemented in our different production sites

2. Reducing the Ardo carbon footprint

E1-2 — Policies related to climate change mitigation and adaptation

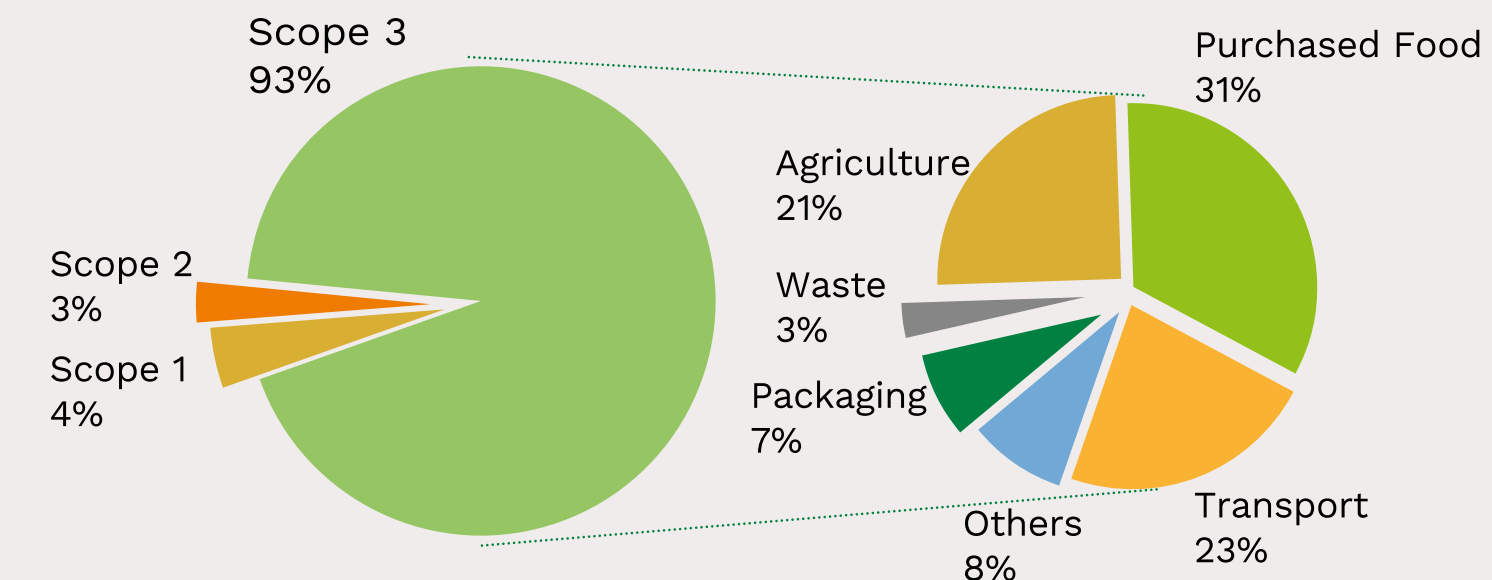
E1-3 — Actions and resources in relation to climate change policies

To reduce our greenhouse gas (GHG) emissions, we first need to understand the full scope of our carbon footprint impact. This is why we have been calculating the carbon footprint Scope 1 & 2 of our European production entities since 2019, and Scope 3 since 2021.

According to the Greenhouse Gas Protocol, emissions are categorized into three scopes based on their origin and the level of control an organization has over them:

- **Scope 1** includes all direct emissions from Ardo’s processing plants in Europe. These are emissions generated from sources owned or controlled by Ardo, with natural gas combustion being the primary contributor.
- **Scope 2** encompasses indirect GHG emissions from the generation of purchased energy, such as electricity, heat, and steam we procure for use in our European operations.
- **Scope 3** involves all other indirect emissions that occur throughout the entire value chain of our products. This includes emissions from agricultural activities, procurement of raw materials, transportation, packaging, distribution, consumption, and end-of-life disposal—essentially, **emissions from "field to plate."**

GHG inventory Scope 1,2,3 - Emission hotspots (FY23/24)



Within **Scope 3** emissions, we further categorize emissions into FLAG (Forest, Land, and Agriculture) and non-FLAG emissions, as guided by the Science-Based Targets initiative (SBTi).

- **FLAG emissions** are associated with land-use activities such as agriculture, deforestation, soil management, and livestock production. These emissions are particularly relevant for Ardo, given our reliance on agricultural practices for crop cultivation.
- **Non-FLAG emissions**, on the other hand, include all other emissions in Scope 3 that are not directly related to land use or agriculture. Examples include emissions from transportation, manufacturing processes from suppliers, and waste management.

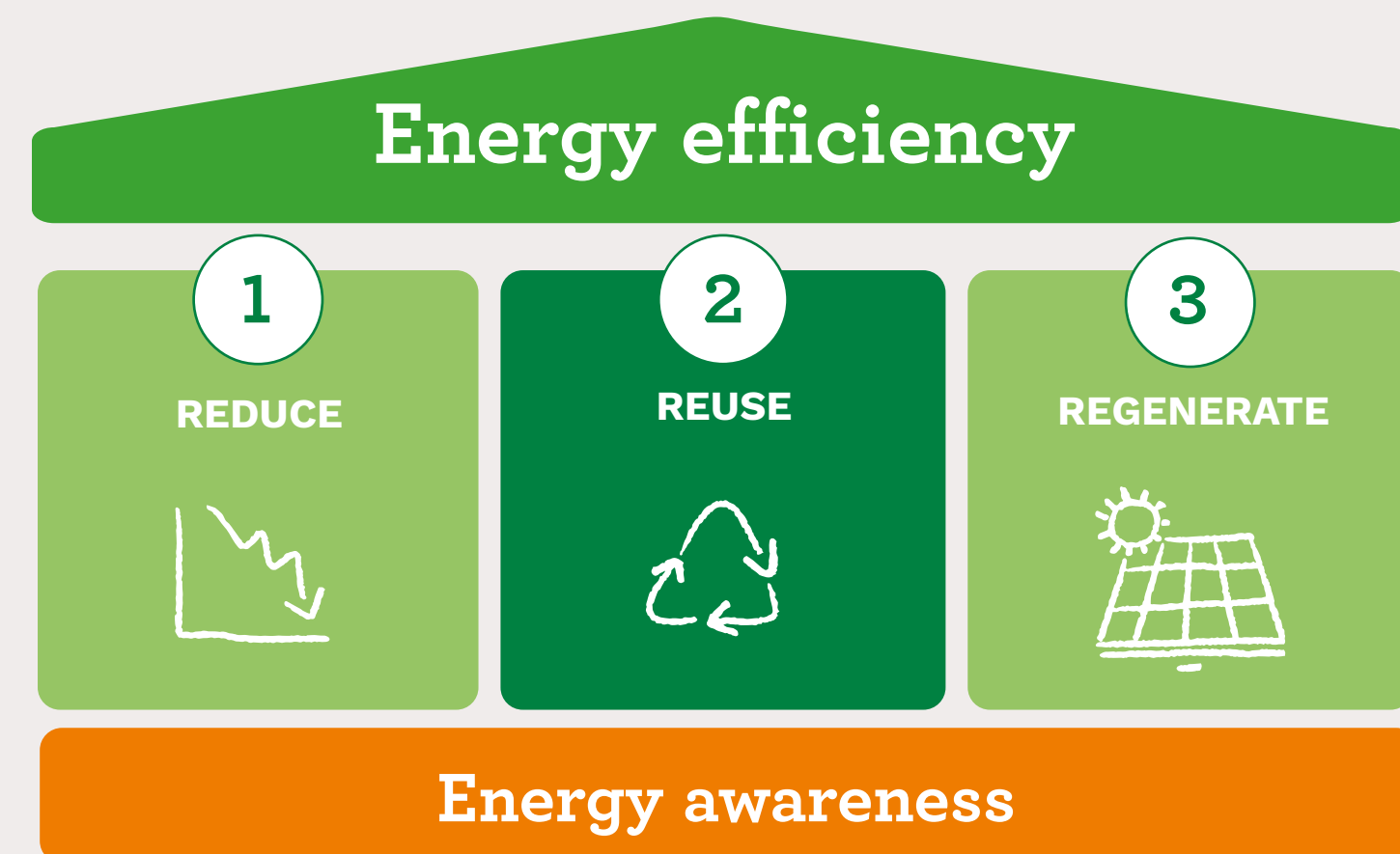
Examining the evolution of our hotspot Scope 3 categories from FY22/23 to FY23/24 ([see E1-6 — Gross scopes 1, 2, 3 and total GHG emissions](#)), we observe an **overall decrease in Scope 3 emissions**. This can be attributed to several factors, including specific efforts, such as the phase-out of animal-based proteins, as well as improved calculation methodologies. These methodologies have been adapted to enhance accuracy, incorporating higher-quality data and improved emission factors compared to the previous year. These methodological improvements led to a few unexpected decreases or increases in some specific categories. However, we still observe that the contribution shares of the categories remain largely consistent with last year.

¹ SBTi = Science-Based Targets initiative

Energy efficient operations

To reduce our direct GHG emissions, we have committed to a series of energy efficiency measures based on three key principles: we start by **reducing** our energy consumption, then **reusing** energy wherever possible and finally **regenerate** by investing in green energy. Our specific target is - measured against our 2020 baseline - to achieve a 40% reduction in Scope 1 & 2 carbon emissions (T CO₂-eq / T prod) in our own operations by FY29/30. We believe that implementing various actions and programmes across our operations will enable us to accomplish even more ambitious sustainability goals, aligned with our SBTi commitment.

These energy efficiency measures have clearly borne fruit as we have already reduced our Scope 1 & 2 emissions (T CO₂-eq / T prod) in our own operations by **28%** since FY19/20.

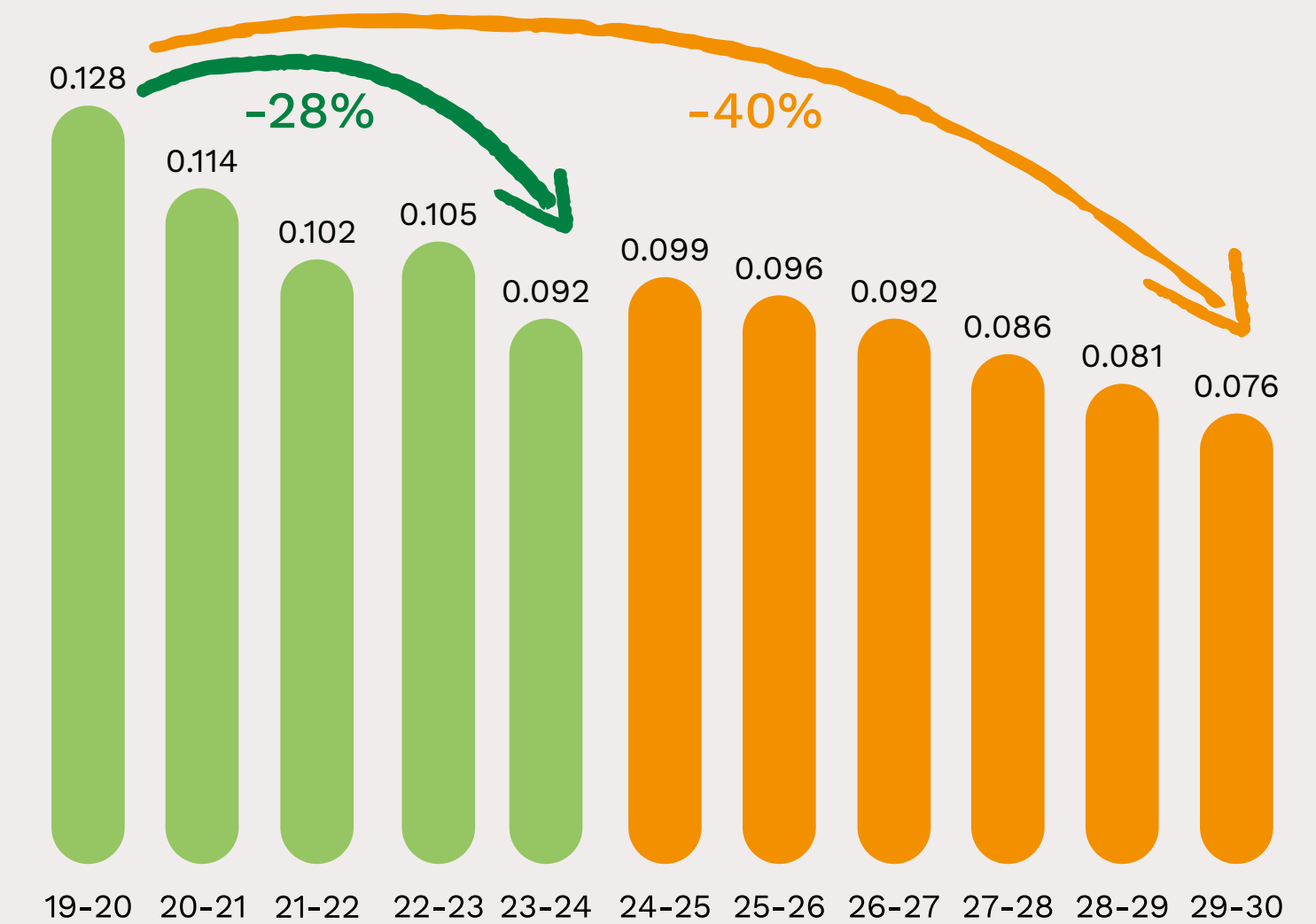


Achieving this target has been challenging in the last years, as extreme weather events have disrupted our harvests and our freezing activities, resulting in lower production volumes compared to historical production volumes. It is difficult to adapt our factories to these fluctuations and unpredictability. Lower and more irregular production resulted in less efficient energy use and increasing therefore our energy consumption per T produced compared to historical efficiency of our factories. We managed to compensate and even reduce our CO₂ per T produced thanks to investments in green energy production and procurement of green energy.

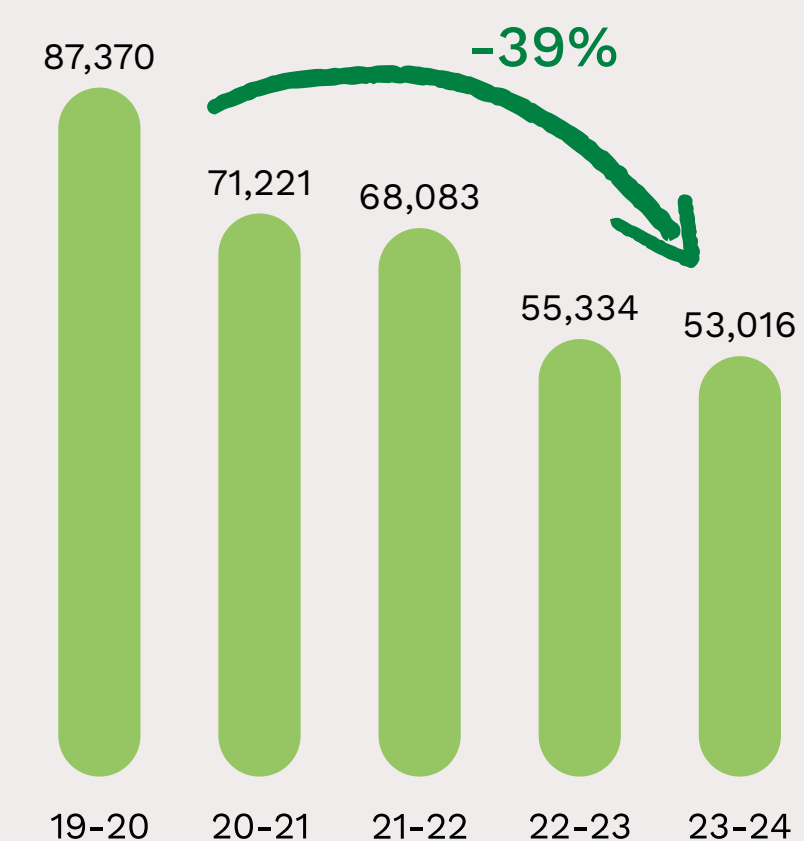
In absolute terms (T CO₂-eq), we have already decreased our scope 1 & 2 emissions by **39%** since FY19/20, which is mainly a combined result of lower production due to climate change impacts and green energy production and procurement.

By implementing regenerative agriculture practices and limiting the impact of climate change on our crops, we should **further strengthen our energy efficiency in production**. Combined with the ongoing implementation of various actions and programmes across our operations, this should enable us to accomplish our GHG reduction commitment.

Scope 1 & 2 Intensity (T CO₂eq / T prod) per financial year



Scope 1 & 2 absolute (T CO₂eq) per financial year



1 Reduce

A first way to reduce our carbon footprint is by **reducing energy consumption in our core operations**, such as blanching, freezing and storage. To concentrate our efforts and investments, we have launched an internal audit programme. This programme focuses on refining equipment settings, providing training to operators to enhance their understanding of the impact of their actions on energy efficiency, and implementing other measures to improve energy efficiency throughout our organisation.

For the entire Ardo Group, we are actively exploring and implementing retrofitting and upgrading projects to enhance sustainability, increase resource-use efficiency and adopt cleaner and environmentally sound technologies and industrial processes. Our goal is to **implement best practices across all our sites**, facilitated by regular knowledge exchange between factories.

2 Reuse

We consistently **invest in projects aimed at energy recovery, valorising waste heat and harnessing other residual energy streams**. Producing the cold temperatures needed to freeze and store our products inevitably generates residual heat. In most of our plants, we capture and reuse this residual heat to produce hot cleaning water, as well to heat our offices.

3 Regenerate

While we strive to use energy as efficiently as possible, our operations still require a substantial amount of energy. To address this, we are actively investing in dedicated green energy projects for Ardo and complementing these efforts with the purchase of green energy.

Over the past four years, we have already made substantial progress, increasing our production of green electricity from biomethanisation and solar panels covering almost 15% of our total electricity consumption.

Ardo's Green Energy Policy

Ardo is dedicated to advancing its green energy initiatives, focusing on reducing carbon emissions and increasing renewable energy sourcing. **By 2030, Ardo aims to generate 30% of its electricity consumption from dedicated renewable energy systems.**

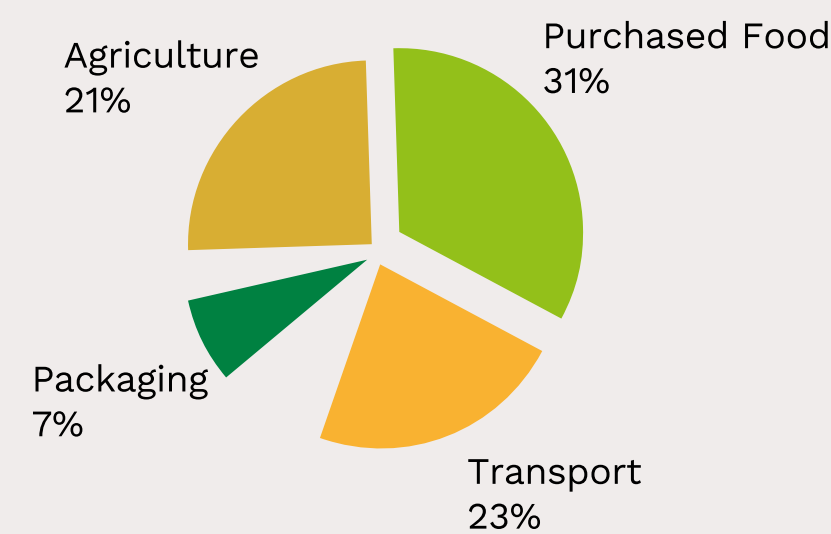
To achieve these goals, Ardo prioritises a mix of energy sourcing methods:

- first, **on-site renewable energy generation** on company premises;
- second, **direct investments in off-site renewable projects** like solar farms and wind turbines
- and third, engaging in long-term **Power Purchase Agreements (PPAs) to purchase electricity directly from dedicated renewable energy projects.**



Taking responsibility from farm to fork

Looking at Ardo's scope 3 emissions, the most significant impact arises from the categories **purchased food (31%), transport (23%), agriculture (21%) and packaging (7%).**



Adhering to sustainable farming practices

Farming practices are often associated to carbon emissions related to soil cultivation, fertiliser use, machinery operation, and land-use changes like deforestation.

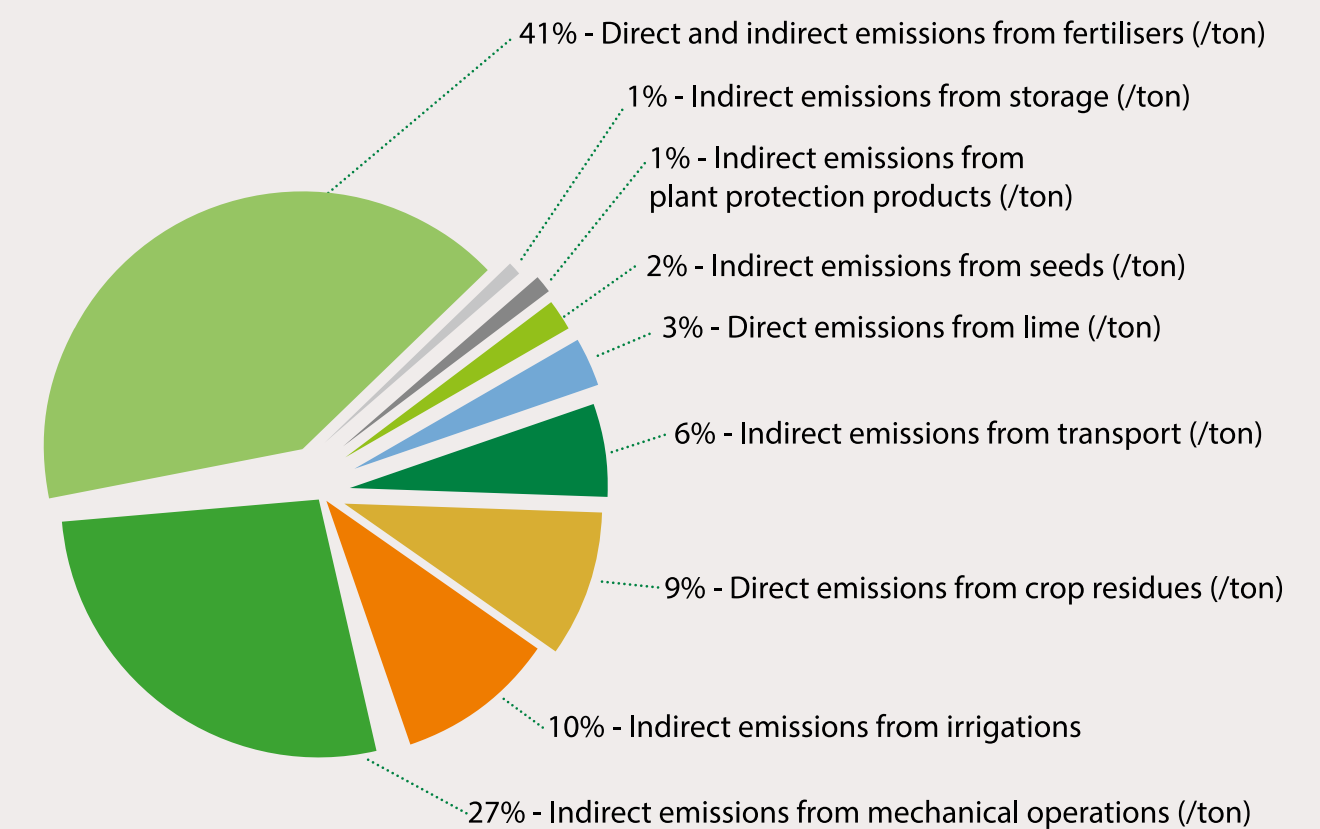
Based on an internal study from FY22/23 examining the average farming practices for our major vegetable crops across various growing regions, we found that **fertilisers** have the most significant impact on greenhouse gas emissions.

However, more than 50% of the acreage cultivated for Ardo are **leguminous crops**, such as peas and beans, which naturally fix nitrogen from the air through a symbiotic relationship with soil bacteria. This reduces the need for synthetic nitrogen fertilisers, lowering emissions per hectare associated with these crops. Additionally, leguminous crops play a valuable role in crop rotations, enriching soil fertility and reducing the need for fertiliser in subsequent crops, further contributing to sustainable farming practices.

In addition to fertilisers, one of the primary contributors to the emissions of our crops is the **yield in the field**. For instance, we observe that the carbon footprint of carrots is considerably lower than that of other vegetables, primarily due to the high average field yield.

In adherence to our **MIMOSA+** principles and our ambition to reduce our impact on climate change, we are fully committed to reducing the carbon footprint of our crop growing activities by implementing emission-reducing measures and promoting carbon sequestration wherever possible. However, we acknowledge that achieving significant greenhouse gas (GHG) reductions comes with inherent challenges due to the nature of our operations.

Source of GHG emissions for Ardo contracted Agriculture



At Ardo, we focus on vegetables, fruits, and herbs, which are already among the **lowest food emission** categories. This limits opportunities for substantial reductions and excludes the option of using diet shifts to decrease Ardo's carbon emissions. Additionally, climate change itself poses complications, as its effects on yields can increase GHG emissions per ton of product, especially in years with reduced harvests per hectare.

Together, these factors make achieving emission reductions in our growing activities a challenging task for Ardo and its farmers. However, they push us to take bold actions, such as advancing **regenerative agriculture practices**, to drive meaningful reductions and set-up **cross-value chain collaborations** in order to achieve our ambitions.

Starting in 2025, Ardo will start to implement an **incentive programme** to support and reward farmers who adopt regenerative practices, as part of our MIMOSA+ ambition. This commitment reflects our dedication to enhancing the resilience of both farming systems and our business, despite the challenges in reducing carbon emissions in the cultivation of vegetables and fruit.

Carbon sequestration

Farming can also have a positive impact on the environment, particularly when activities are introduced that support the capture of carbon in the soil, a process known as carbon sequestration.

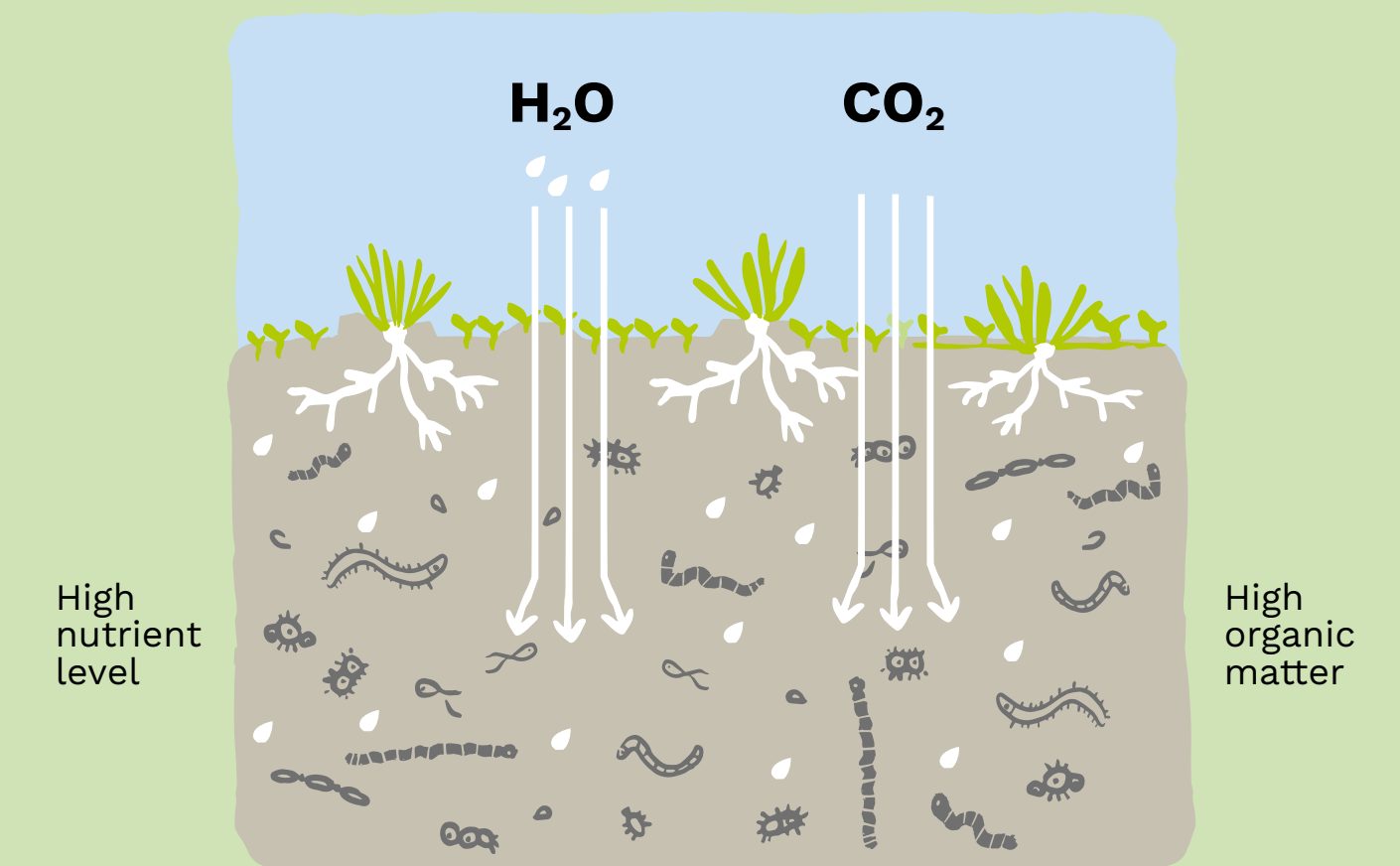
The agricultural practices performed by our farmers during crop production for Ardo can play a crucial role in enhancing carbon sequestration. However, even more impactful are the farming practices carried out during the intervening years of crop rotation (such as cover crops) before a field returns to producing vegetables, fruit, or herbs.

Through our MIMOSA+ programme, we want to support our farmers in implementing practices that can induce carbon sequestration. We take soil samples to measure the soil's current carbon content, track its evolution and provide data points for monitoring progress and evaluating the impact of different farming activities. This will help steer the focus of our MIMOSA+ programme in the coming years.

More information:

→ [Agronomy MIMOSA+](#)

→ [Relationship with our stakeholders > 1. Adhering to sustainable farming](#)



Soil carbon sequestration is the process of capturing and storing atmospheric carbon dioxide in the soil through the incorporation of organic matter, playing a vital role in mitigating climate change and improving soil health.

Sourcing responsibly

Ardo has recently launched the **‘We CARE’ programme**, integrating sustainability into every aspect of our purchasing strategies and aiming to create positive social and environmental outcomes across our supply chain, including greenhouse gas reduction. To further minimise Ardo's impact on climate change, we are actively engaging with our **key suppliers**, to encourage them to implement measures that **reduce both their own carbon footprint and of their growers**. Insights gained from these engagements will be integrated into our own reduction roadmaps, enabling us to define ambitious yet achievable targets for Scope 3 emissions reduction.

More information:

→ [Relationship with our stakeholders > 2. Sourcing responsibly](#)



We Collaborate to Action, Responsible sourcing & reduce Environmental impact

Sustainable Food Innovations

At Ardo, we believe sustainability doesn't stop at our operations, it should be on the plate, too. In 2024, our teams focused on embedding sustainability into food innovation strategies, resulting in the development of two pioneering “sustainable products.”

Vegan Creamy Spinach

We introduced a vegan alternative to our classic Cream Spinach: Creamy Spinach. By replacing dairy ingredients, **the product's carbon footprint is reduced by 54%**. A simple yet impactful solution for our clients to make their food offerings more sustainable! With these innovations, we demonstrate that sustainability and food innovation go hand in hand, helping our customers achieve their own environmental goals.



Broccoli cuts

To address significant food waste from broccoli stems, traditionally discarded when only florets were sold, our team developed a new broccoli mix that includes both stems and florets. This innovative product **reduces food waste by approximately 33%** compared to the previous floret-only mix. As a result, the mix requires less CO₂ and water per kilogram—delivering “More taste, less waste!”



3. Closing the hydrological cycle

E3-2 — Actions and resources related to water and marine resources

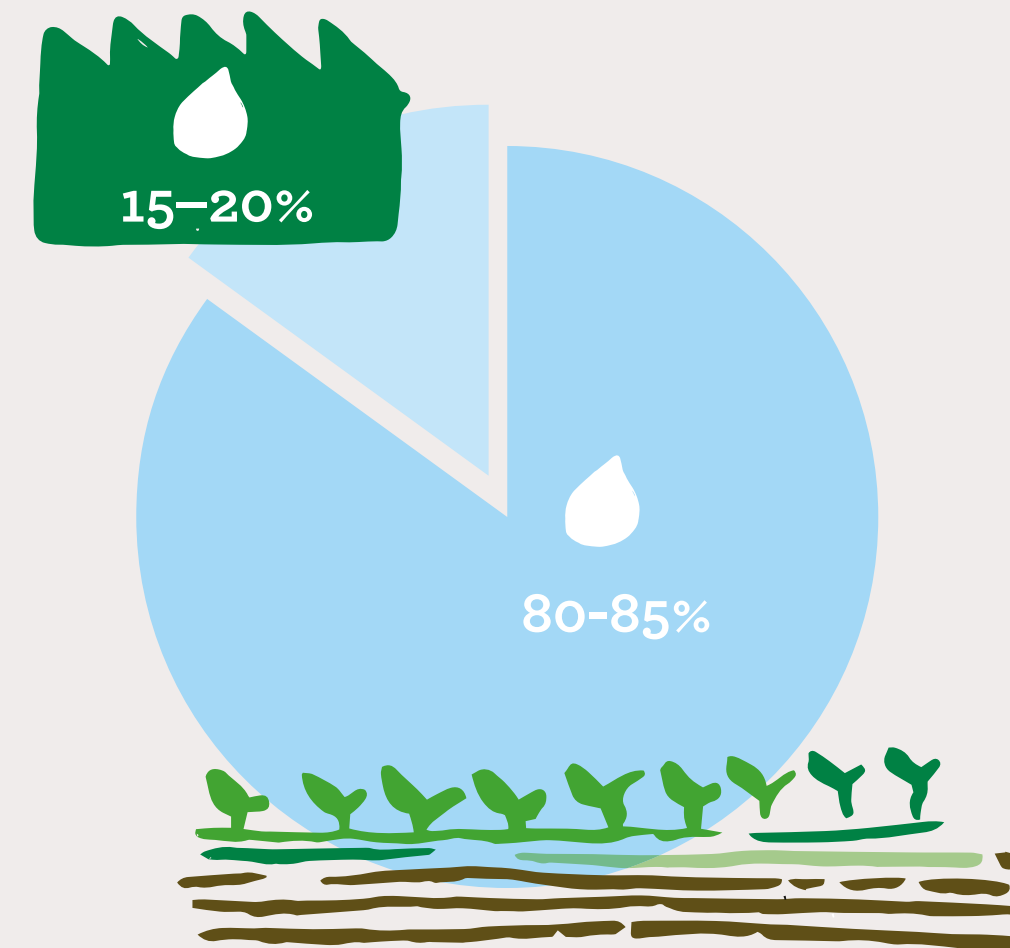
Water is the largest raw material we use, with production activities accounting for 15–20% of our total consumption. However, the majority of our water use, approximately 80–85%, occurs in the field during irrigation activities. To address this, we are not only **improving water efficiency within our production facilities but also optimising irrigation practices**. By leveraging scientific insights and technological tools, we aim to manage water consumption on the field more effectively.

More information:

→ [Agronomy MIMOSA+ > 2. MIMOSA+, regenerating and revitalising the soil and ecosystems > Water – Optimising irrigation](#)

Our approach to water management in our production sites is straightforward: first, we work to reduce overall water usage, and second, we focus on recycling and reusing water from our wastewater treatment plants. This includes on-site reuse for processes like washing and off-site reuse for agricultural irrigation.

We actively monitor and benchmark our water consumption across all sites, allowing us to gain insights into water usage patterns and identify opportunities for improvement. Given the diverse conditions and infrastructure across our locations, we tailor our **water-saving strategies** accordingly, prioritising sites facing the greatest water stress and aiming to reduce reliance on costly tap water.



Water Resilience Analysis

In our recent water resilience analysis, which examined both current and projected conditions up to 2050, several of our sites and growing regions were identified as facing severe water stress¹. Water stress indicates competition for water resources, defined as the ratio of demand by human society to the available water supply.

By identifying high-risk areas early, we can develop targeted strategies for sustainable water management, ensuring long-term resilience for our operations. Currently, three of our sites are under extremely high water stress, with a fourth site experiencing high stress. These four sites are projected to remain at high risk towards 2050, while all other locations are expected to face medium or low stress, both now and in the future. These insights will guide our efforts as we continue to adapt to changing conditions.

¹ [Aqueduct 4.0: Updated Decision-Relevant Global Water Risk Indicators | World Resources Institute](#)

4. Sustainable packaging

E5-1 — Policies related to resource use and circular economy

E5-2 — Actions and resources related to resource use and circular economy

E5-3 — Targets related to resource use and circular economy

Packaging is essential for the preservation of the quality of our products, transportation and for communicating product specifications of our fresh frozen products. However, packaging has an impact on Ardo’s use of natural resources and production of waste.

Our sustainable packaging policy is built on three key pillars: reducing packaging weight, improving the recyclability of packaging materials, and incorporating sustainable or recycled materials wherever feasible.



1 Reducing packaging weight

We have already made progress in reducing standard plastic film thickness while maintaining strength and appearance. Our goal by FY29/30 is to decrease plastic packaging weight as a share of packed products¹ by 10% compared to FY22/23, achieved through downsizing the dimensions and thickness of the packaging.

2 Improving recyclability

We are actively assessing the recyclability of our packaging. All our paper-based packaging has been 100% technically recyclable since 2019. Approximately 96% of our foil packaging for frozen products uses mono-material plastics, making them recyclable. To improve recyclability, we have been transitioning from non-recyclable to recyclable laminates since 2020. Our objective is to have all our foils technically recyclable by FY25/26.

3 Using sustainable materials

Ardo is increasing the recycled and sustainable content in its packaging materials. All corrugated cardboard boxes are made from recycled and/or sustainable certified materials (FSC/PEFC). PEFC (Programme for the Endorsement of Forest Certification) and FSC (Forest Stewardship Council) are certification systems that ensure wood and paper products come from responsibly managed forests that meet strict environmental, social, and economic standards. For plastic foils, we actively explore options to incorporate or increase recycled content where feasible, ensuring that product safety remains a priority.

¹ Products that are packed in an Ardo site.

Key performance table

	Target	20/21	21/22	22/23	23/24	
Scope 1 & 2 GHG emissions	Absolute reduction in scope 1 & 2 GHG emissions (T CO2eq)	71,221	68,083	55,334	53,016	On track
	40% intensity reduction in scope 1 & 2 GHG emissions (T CO2eq / T prod) from FY19/20 to FY29/30 ²	0.114	0.102	0.105	0.092	On track
Scope 3 GHG emissions non-FLAG¹	Reduction in scope 3 non-FLAG GHG emissions (T CO2eq)			407,635	380,301	Attention needed
Scope 3 GHG emissions FLAG¹	Reduction in scope 3 FLAG GHG emissions (T CO2eq) from crop cultivation			359,487	338,378	Attention needed
Renewable electricity	Minimum 30% of electricity consumption from dedicated renewable energy systems by FY29/30			12%	15%	On track
Efficient water use - withdrawal	Improve water-use efficiency (m ³ / T prod) in our plants through less usage and more circularity			15.00	13.46	Accelerate progress
Packaging weight reduction	Reduce plastic packaging weight as share of packed products with 10% from FY22/23 to FY29/30			base	+2.44%	Attention needed
Secondary packaging	100% use of recycled and/or minimal FSC/PEFC material for secondary corrugated packaging by FY29/30			100%	100%	Target achieved
Paper-based packaging recyclability	100% of paper-based packaging is recyclable	100%	100%	100%	100%	Target achieved
Plastic packaging recyclability	100% of plastic packaging is technically recyclable by FY25/26		91%	93%	96%	On track

All figures include Joint Ventures at 50%

¹ FLAG = Forest, Land and Agriculture

² Subject to annual limited assurance as part of our Sustainability Linked Loan (SLL)

AGRONOMY MIMOSA+

We, and our farmers in particular, are experiencing the effects of **climate change** first-hand. Extreme weather conditions have resulted in **lower yields per hectare** over the last few years. Whilst we have always maintained a strong focus on our agricultural activities, the need to intensify our efforts in adopting practices that enhance the **climate resilience of our crops** has become increasingly evident. This has led to the launch of our **MIMOSA+ programme**, (MIMOSA: Minimum Impact, Maximum Output, Sustainable Agriculture) which encourages the implementation of **regenerative farming practices**. Practices that promote soil health, enhance biodiversity, protect water resources, and limit climate impact, all while ensuring optimal yields.



We preserve nature's gifts

How does Ardo make a difference?

- **Optimising crop practices**

Ardo collaborates with 3,500 farmers, supported by 68 agronomists, to implement sustainable practices such as precision sowing and crop rotation. Our goal is to increase the proportion of pesticide-residue-free products to 80%, with 76% of our frozen vegetables already meeting this standard in 2024.

- **Enhancing soil health and resilience**

Regenerative practices focus on improving soil structure, increasing humus content, and using cover crops to reduce erosion and retain nutrients. These efforts bolster crop yields while enhancing long-term soil vitality.

- **Cover crops**

Ardo advocates for the use of cover crops, a practice that improves soil structure, enhances soil health, reduces fertiliser usage, minimises erosion, and cuts greenhouse gas emissions.

- **Efficient water and nutrient management**

Ardo aims to tackle water scarcity by developing and testing better irrigation methods. At the same time, Ardo encourages the use of soil analyses to improve the nutrient management of the crops.

- **Collaborative initiatives for sustainability**

The Let's Meet in the Field events and partnerships like the SAI Platform's Regenerating Together programme foster collaboration, enabling farmers to transition towards regenerative agriculture with tangible support and incentives.



1. MIMOSA, optimising crops and ensuring continuous improvement

In 2011, we launched our MIMOSA programme (Minimum Impact, Maximum Output, Sustainable Agriculture), with the help of our 68 field agronomists, who provide active field management support to 3,500 farmers. Each year, hundreds of trials, benchmarks, and technical meetings are organised to challenge and improve our growing techniques, allowing us to reduce the use of crop protection products.

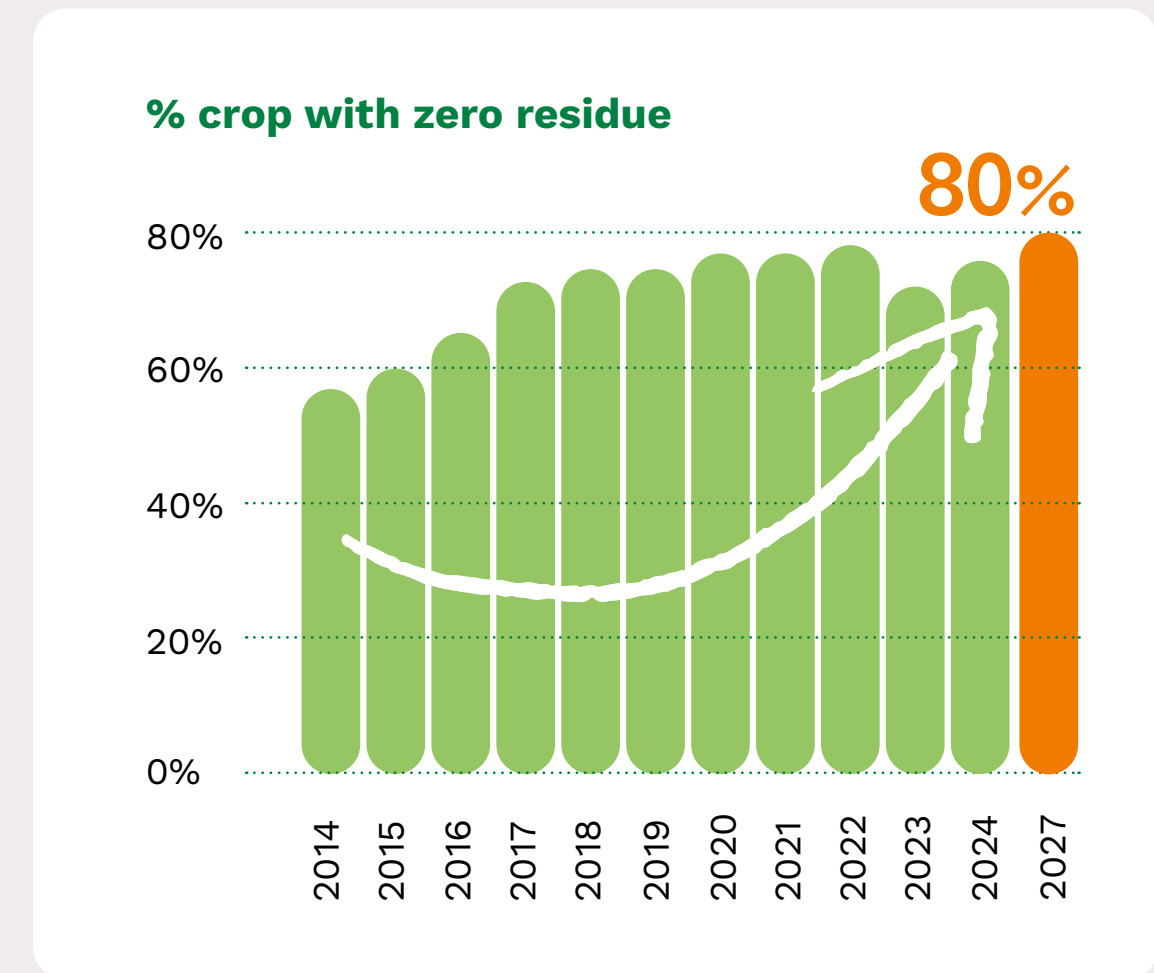
Our MIMOSA programme enables us to implement best practices on the field, such as crop rotation, and responsible input use. These best practices are formalised in crop protocols that are employed and applied by farmers and agronomists throughout the season. They ensure an aligned approach to crop management, reducing the inputs and ensuring that many Ardo-grown products are **free of pesticide residues**.

Year after year, we prioritise new crop varieties and use precision sowing techniques to establish an optimal plant population, optimise the quantity of seeds used through optimal seed density

and create an open and aerated growing environment for our vegetables and herbs. As a result, we have significantly reduced the use of plant protection products on our crops.

One of the primary KPIs for measuring the success of our MIMOSA programme is the percentage of planned production volumes with residues less than the detection limit (<0.01 ppm). Every year, our quality departments conduct over 1,200 random pesticide residue analyses on our frozen products.

In 2024, **76% of our frozen vegetables** were found to be **free of quantifiable pesticide residue** (below the detection limit of 0.01 ppm) at the group level, an increase from 56% in 2014. After a challenging 2023 season, we are back on track with positive progress in 2024. Despite tough growing conditions and an evolving regulatory landscape, our agronomists' close field monitoring ensures continuous improvement. We remain committed to ensuring that by 2027 80% of Ardo-grown produce will be residue-free.



¹ Calculation based on super-developed area treated

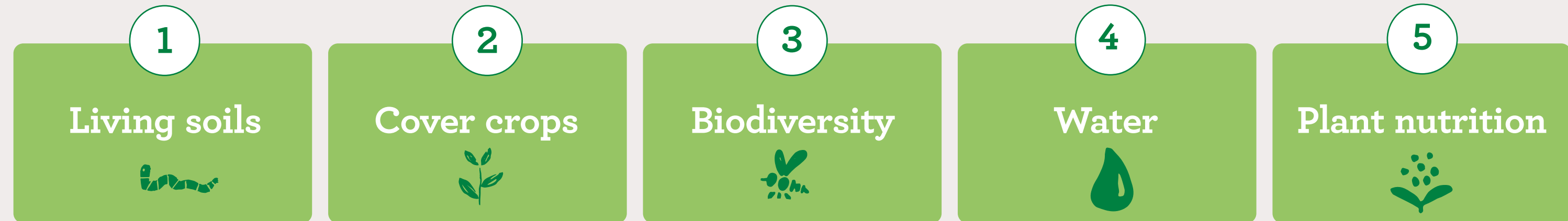
2. MIMOSA+, regenerating and revitalising the soil and ecosystems

E4-3 — Actions and resources related to biodiversity and ecosystems

Over the past five years, we have witnessed significant climate change impacts on our crops, with more variability in the yields across our growing zones and an overall decrease in harvested volumes per hectare. Recognising that climate change and soil erosion have increasingly disruptive impacts on the harvests, we have decided to step up our efforts by introducing **MIMOSA+**. This is our proactive response to enhance climate resilience across our growing zones, in line with the widely accepted principles of regenerative agriculture.



Minimum Impact, Maximum Output
Sustainable Agriculture - Ardo



MIMOSA+ represents our commitment to advancing sustainable agriculture beyond the crop itself. Our focus extends to regenerating and revitalising the soil and surrounding ecosystems, contributing to a more comprehensive and holistic approach to sustainable agriculture. Moreover, these actions play a crucial role in reducing our agricultural emissions, or scope 3 FLAG¹ emissions.

The **Farm Sustainability Assessment (FSA)** developed by the SAI Platform has been a key tool for enhancing environmental and social sustainability in agriculture. After four years of collaboration with FSA, we are proud that **100% of our farmers have achieved either gold or silver status since 2021.**

Building on this success, our next goal is to guide farmers towards adopting regenerative agriculture practices through our MIMOSA+ programme.

The **SAI Platform has recently launched the Regenerating Together Programme** to address the need for a unified approach

to regenerative agriculture, introducing a global framework. This framework focuses on 4 critical environmental impact areas: **soil health, water, biodiversity, and climate.** Our aim is to align our MIMOSA+ programme with the Regenerating Together Programme as well as to set up collaborations with other food industry players to support the needed transition to regenerative agriculture. By 2030, Ardo aims to support the adoption of regenerative agriculture practices by our farmers, acknowledging the critical role they play and helping to mitigate the associated risks. To enable this, Ardo will start including specific **incentives** in 2025 for farmers who are committing to implement regenerative agriculture practices. From next year onwards, we will be able to report the number of farmers onboarded in this transition.



¹ FLAG = Forest, Land and Agriculture

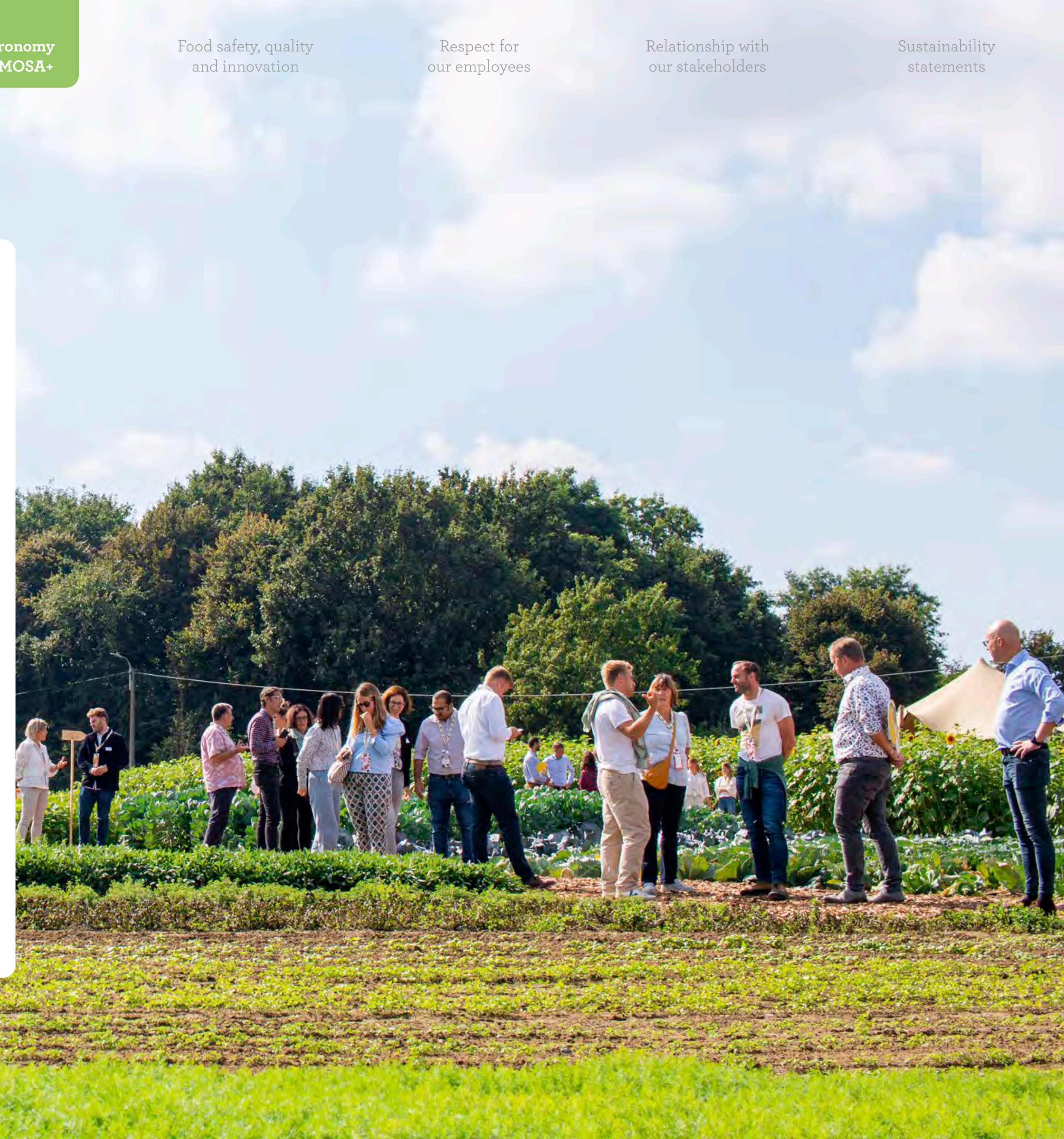
Let's Meet in the Field: Embracing regenerative agriculture

In September 2023, we hosted the second edition of our “Let's Meet in the Field” event in Ardoonie. Among the key attendees were our farmers, whom we invited to discuss pressing environmental concerns. Central to this event and our overarching mission was the demonstration and discussion of our MIMOSA+ programme, our response to the changing climate, focusing on regenerative agricultural practices such as improving soil health and supporting biodiversity. During the event, we conducted an in-depth exploration of five topics relevant to our MIMOSA+ programme on our demonstration field:

- living soils
- cover crops
- biodiversity
- water
- plant nutrition

In July 2024, we hosted a local edition in Zundert (NL) specifically to involve our Dutch farmers and customers.

[▶ Watch the Let's Meet in the Field video](#)



1 Living soils – Improving soil health and humus content

The soil's structure is crucial in withstanding extreme weather conditions, and it is essential to recognise that our agricultural practices significantly influence it.

The soil is a dynamic ecosystem which hosts 59% of life including everything from microbes to mammals, making it the single most biodiverse habitat on Earth¹.

This biological activity plays a crucial role in creating a healthy and well-structured environment for growing crops, more specifically **root penetration, water infiltration and nutrient availability**. The zone between 0 to 30 cm, which is impacted by farmer activity, requires careful management. The first consideration is to prevent damage to the **soil structure**, as structural challenges like compacted layers hinder the efficiency of biological activity and root penetration, as well as reduce the soil's water retention capacity.

The timing of vegetable harvesting, particularly in wet conditions with heavy machinery, can impact soil structure. **Organic matter**, especially humus, is essential for improving soil structure. Soils with higher organic content exhibit greater resilience to extreme conditions. This is why our primary target is to enhance the soil humus content, thereby improving the soil structure of the fields on which we conduct agricultural activities.



Increased levels of biological activity, organic matter and enhanced soil structure are key to living soils, providing greater resilience to extreme weather conditions.

¹ Anthony, M. A., Bender, S. F., & van der Heijden, M. G. A. (2023). Enumerating soil biodiversity. PNAS, 120(33), e2304663120.

2 Cover crops – Implementing soil cover for more than 200 days a year and optimising cover crop mixes

As part of our MIMOSA+ programme, we encourage our farmers to grow cover crops and cover the soil for more than 200 days a year, as well as optimise the mix of varieties used in the cover crop. These practices offer numerous advantages to soil health and the resilience of our crops.

Cover crops are plants grown primarily to protect and improve the soil between periods of regular crop production. They are not typically harvested but are **used to achieve various benefits, such as improving soil health by reducing erosion, enhancing soil structure, and increasing organic matter to ensure stability.**

More specifically, they add a wide variety of benefits to field management:

- Cover crops **provide essential nutrients to the soil** through the addition of organic matter and root exudates, fostering both aeration, infiltration, and water storage.
- They also **facilitate nutrient recovery**, preventing nitrogen leaching and enhancing the availability of elements like potassium, magnesium, calcium, and ammonium for subsequent crops.
- Certain cover crops, such as legumes, fix nitrogen, **reducing the need for synthetic fertilisers** and supporting nutrient (re)cycling, thus offering long-term economic benefits for farmers.
- Growing cover crops **promotes biodiversity** by introducing more plant species, thereby increasing microbiological diversity, and reducing pressure from soil pathogens and weeds. Additionally, they provide habitat for beneficial wildlife.
- Furthermore, cover crops **could enhance drought resistance**, diversify crop rotations, and reduce soil compaction.
- Finally, combined with short-cycle vegetable crops, they stabilise or increase organic matter, contributing to **long-term carbon sequestration in the soil.**



3 Biodiversity – Allocating surface to biodiversity development

Biodiversity loss is another alarming issue, with 70% decline globally over the past 50 years¹. At Ardo, we are keen on making a positive contribution to restoring the biodiversity surrounding our 40,000 hectares of vegetables. Our goal is to support farmers in allocating a share of agricultural land to biodiversity through flower beds or other types of biodiversity infrastructures. We have already implemented several biodiversity improvement projects across our growing zones.

Increasing biodiversity on farms has various benefits:

- Biodiversity **helps control pests** through the presence of for example predators that regulate pest populations, reducing the need for pesticides.
- Biodiversity **will attract various pollinators**, enhancing the pollination of certain crops and increasing yields.
- Flower strips, trees and shrubs in the landscape will contribute to the cultural identity of communities and provide aesthetic value in traditional agricultural landscapes.

We encourage our farmers to allocate 4% of arable land to biodiversity or other practices having a positive effect on soil health, climate, or water in line with European regulation.

Ardo joins The Biodiversity Shift

Ardo is proud to join The Biodiversity Shift, a new initiative led by The Shift and WWF-Belgium, aimed at fostering action on biodiversity and aligning with Business for Nature's global 'Now for Nature' campaign. This collaboration marks a significant step in shaping Ardo's own biodiversity strategy as we work alongside peers committed to addressing the decline in biodiversity and contributing to a nature-positive world by 2030.

For Ardo, biodiversity is an important aspect of ensuring long-term business success. Healthy ecosystems provide vital services, such as clean water, fertile soils, and pollination, all of which are essential for our agricultural activities. By participating in The Biodiversity Shift, we are taking concrete steps to work in harmony with nature, aiming to ensure that our operations do not harm the environment and, where possible, contribute positively to it.

THE
SHIFT



Extension of the Haut-Geer nature reserve

Close to our site in Geer (BE) is the unique 35 ha nature reserve Haut-Geer. It was originally founded in 2017 by Hesbayefrost, Ardo's site in Geer, Belgium. The Nature reserve is home to over 200 bird species and simultaneously serves as a water storage basin for irrigation. It exemplifies how business, nature, and farming can harmoniously collaborate to benefit everyone. At HesbayeFrost, we purify used water through our treatment plant before transferring it to the reserve. This reserve has already been expanded by 8 hectares, and this year, we will expand it by 20 hectares in partnership with Nestlé.



¹ Source: Living Planet Index WWF Six charts that show the state of global biodiversity loss | World Economic Forum (weforum.org)

4 Water – Optimising irrigation

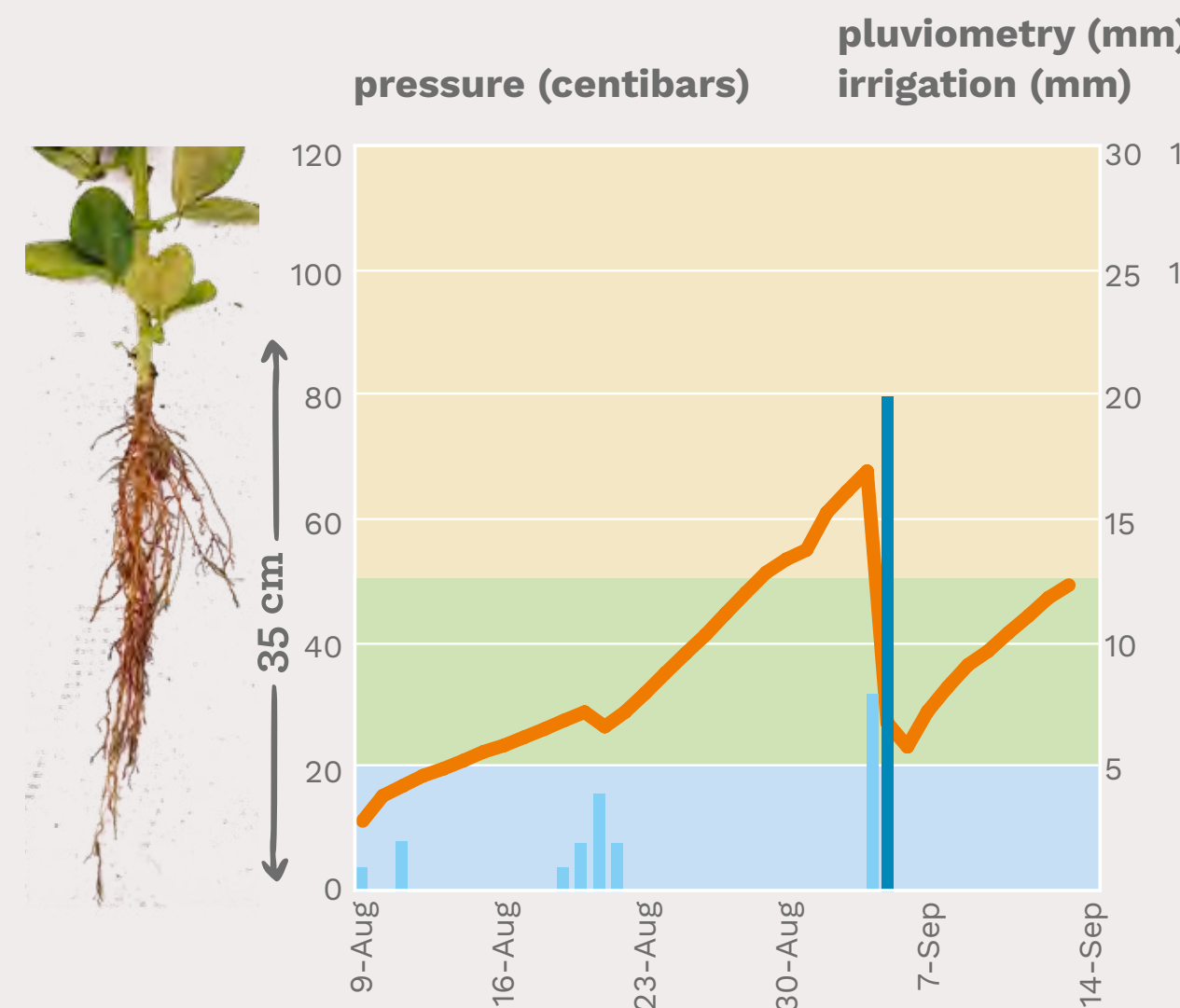
E3-2 — Actions and resources related to water and marine resources

The availability of water for irrigation, whether from regular rainfall or water reserves, has become increasingly unreliable in recent years. In our northern growing regions, shifting rainfall patterns driven by climate change have led to longer periods of drought and more intense rainfall at other times. Meanwhile, southern Europe has experienced a significant decline in water reserves traditionally relied upon for irrigation.

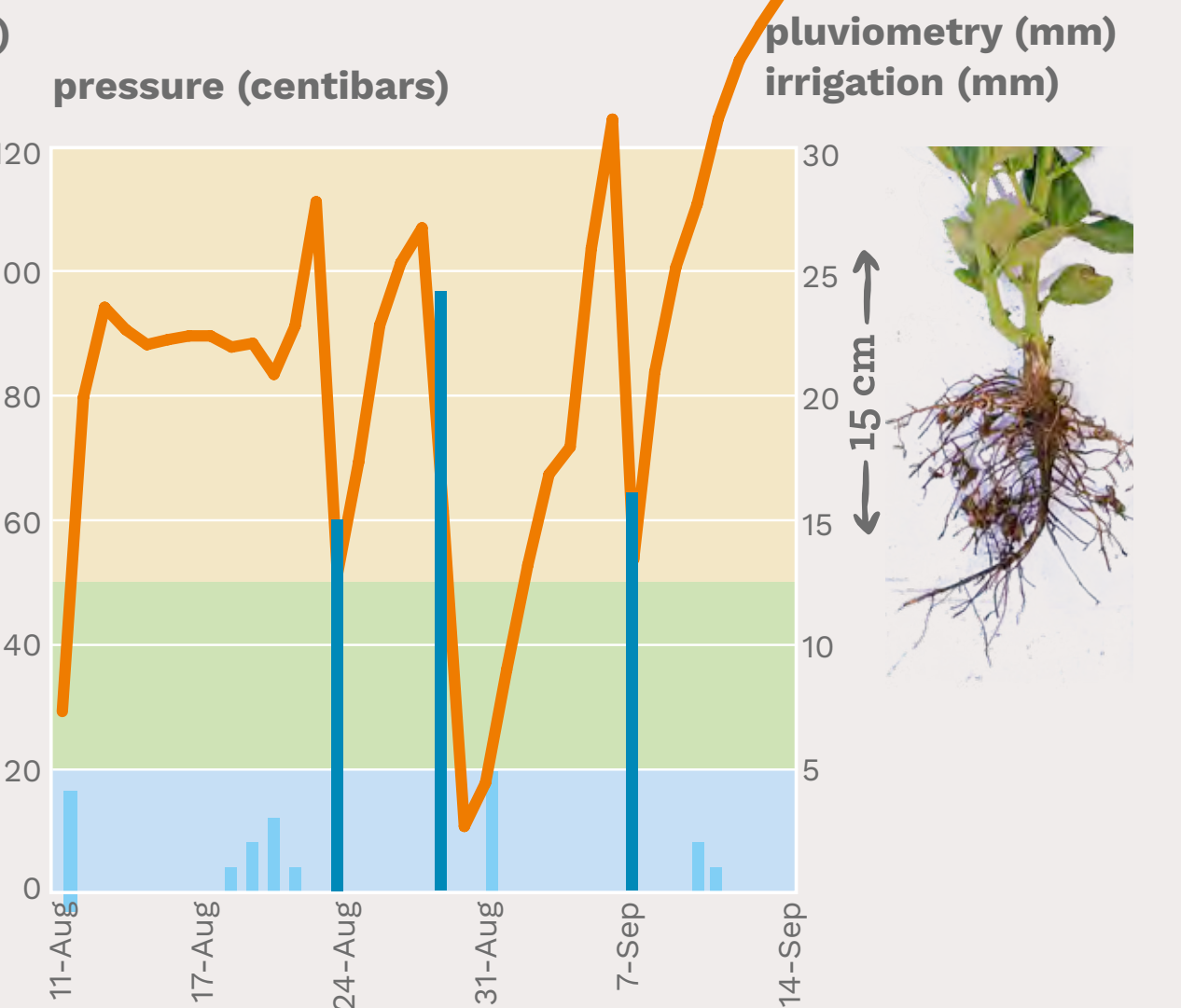
In 2024, record-high rainfall brought some relief to the South of Europe, replenishing water reserves. However, in the North, excessive rainfall caused challenges, highlighting the urgent need to conserve water and optimise its use to adapt to increasingly unpredictable situations.

Water is crucial for the growth and development of plants through the **photosynthesis** process, which converts the CO₂ that is captured in the air by plants into oxygen and energy-rich organic compounds such as sugars. Without water being absorbed by plants through the root system, the photosynthesis cannot take place and plant development is hampered.

Good structure



Bad structure



— WATER PRESSURE AT 25CM DEPTH — PLUVIOMETRY — IRRIGATION — WATER EXCESS — COMFORT ZONE — WATER STRESS

A bad soil structure characterised by underdeveloped root systems restricts their depth and creates an increased need for irrigation. A good soil structure has the opposite effect and saves water from being wasted.

Soil structure plays a crucial role in both water capture and infiltration. Well-structured, healthy soil supports deeper root development, enabling plants to access stored water and reducing the need for irrigation. In contrast, poorly structured or unhealthy soil stores less water, restricts root growth, and leaves plants more vulnerable to drought.

Industry research shows that irrigation decisions are often based on farmers' experience and intuition. However, accurately assessing irrigation needs requires insight into conditions beneath the soil surface, combined with information regarding rainfall. Over the past two years, we have tested various systems

to provide reliable guidance to farmers, including water balance calculations, personalised recommendations, tensiometers, and capacitive sensors. **By 2025, we aim to scale up a comprehensive solution to support more farmers in optimising their water use.**

5 Plant nutrition – Reducing fertilisation

The use of nitrogen-based fertilisers in agriculture is associated with various environmental issues, including greenhouse gas emissions, soil degradation and water pollution. Following our MIMOSA+ principles, we assist our farmers in optimising crop yields and product quality while minimising the use of mineral fertilisers.

Plant life and growth is based on the availability of 14 elements, including nitrogen, potassium, phosphate and many more. To optimise plant growth, we need to find a **good balance between these nutrients**. However, the needs for these elements vary in time. Therefore, the challenge of fertilisation is to coordinate nutrient availability with plant needs. Soil mineralisation is especially difficult to predict and influenced by many factors (organic matter content, pH, type of soil, humidity, etc.).

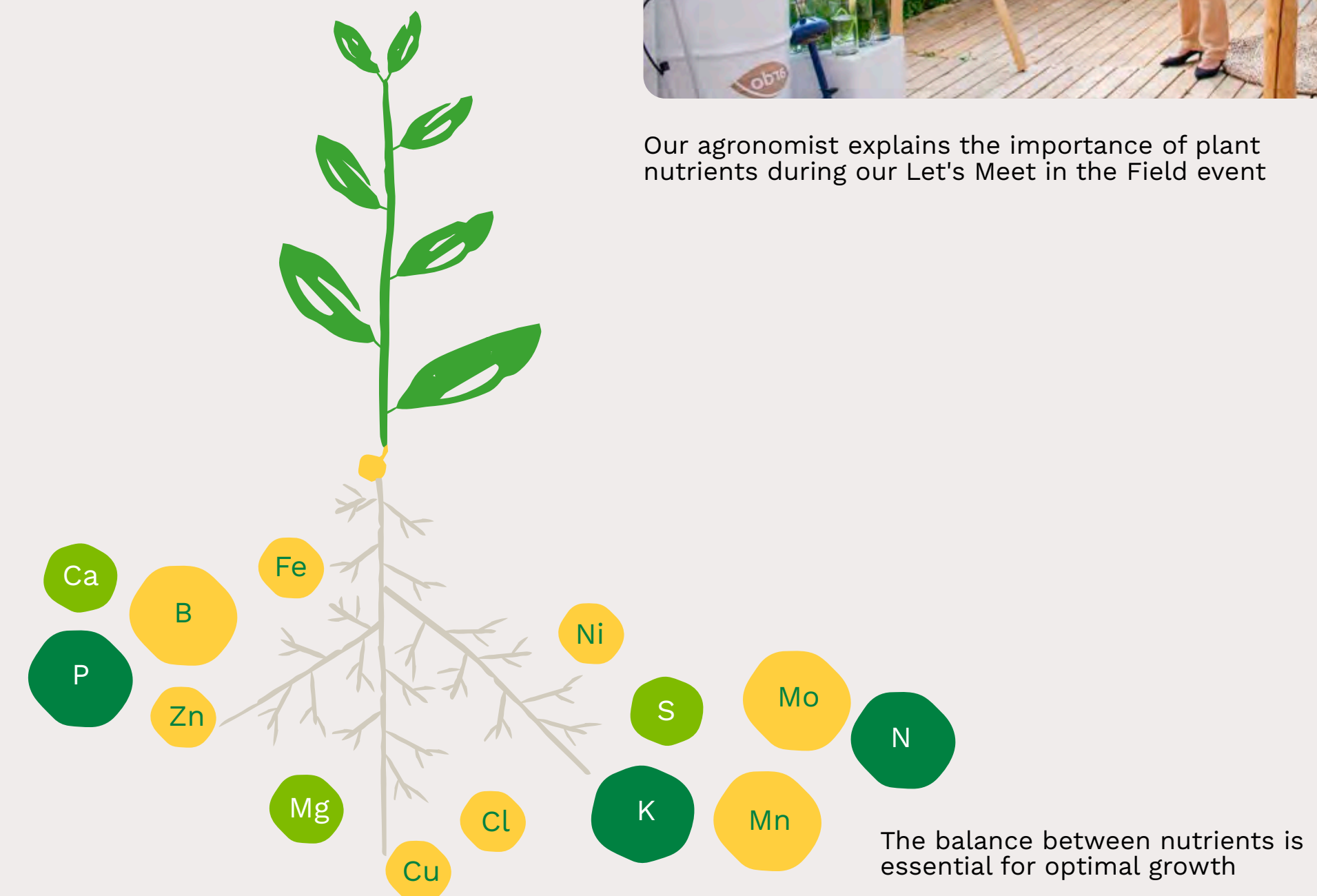
Conducting regular **soil analyses** and adapting fertilisation based on the nutrients already available in the soil, can help optimise plant growth and avoid unnecessary nutrient supply caused by uncoordinated fertilisation.

At Ardo, over half of our growing area is dedicated to peas, beans, and soybeans. These **leguminous crops are considered environmentally friendly** for several reasons. Leguminous reduce the risk of excess nitrogen polluting the soil and groundwater. They require little or no nitrogen-based fertiliser, indirectly impacting our CO2eq emissions, as the production of such fertilisers relies heavily on fossil energy. Additionally, the nitrogen-fixing bacteria in the root nodules of these crops allow them to convert atmospheric nitrogen into ammonia. It nourishes the plant and, in turn, enriches the soil with nitrogen for subsequent crops.

Ultimately, it is our ambition to reduce the use of fertiliser on all our crops to minimise the carbon impact while still maximising crop yields.



Our agronomist explains the importance of plant nutrients during our Let's Meet in the Field event



Key performance table

	Target	19/20	20/21	21/22	22/23	23/24	
SAI¹ - Farm Sustainability Assessment (FSA)	100% of Ardo's farmers are FSA gold or silver certified		100%	100%	100%	100%	Target achieved
Regenerative Agriculture	Number of farmers and hectares onboarded on Ardo's MIMOSA+ programme for Regenerative Agriculture					new	New target
GHG emissions Scope 3 FLAG² from Ardo's direct contracted crop cultivation	Reduction in scope 3 FLAG GHG emissions (T CO ₂ eq) from crop cultivation of Ardo's direct purchased fresh produce				142,748	164,990	Attention needed
Residue free (MIMOSA)	Minimum 80% of planned production volume ³ with residues less than the detection limit (<0.01 ppm) by 2027	76%	76%	77%	72%	76%	Accelerate progress

All figures include Joint Ventures at 50%

¹ SAI = Sustainable Agriculture Initiative

² FLAG = Forest, Land and Agriculture

³ vegetables & herbs - own production, measured per calendar year

FOOD SAFETY, QUALITY AND INNOVATION

S4-1 — Policies related to consumers and end-users

S4-4 — Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

Ardo prioritises food safety and quality, ensuring that our fresh frozen vegetables, herbs, and fruit meet the highest standards across every stage of the value chain. By combining innovative technologies, and robust quality management systems, **we consistently deliver safe, high-quality products to our customers.** From the field to our factories and external suppliers, Ardo implements rigorous processes to maintain compliance with global standards while addressing emerging challenges such as climate change and evolving consumer needs.



We preserve nature's gifts

How does Ardo make a difference?

- **First Time Right and Active quality management**

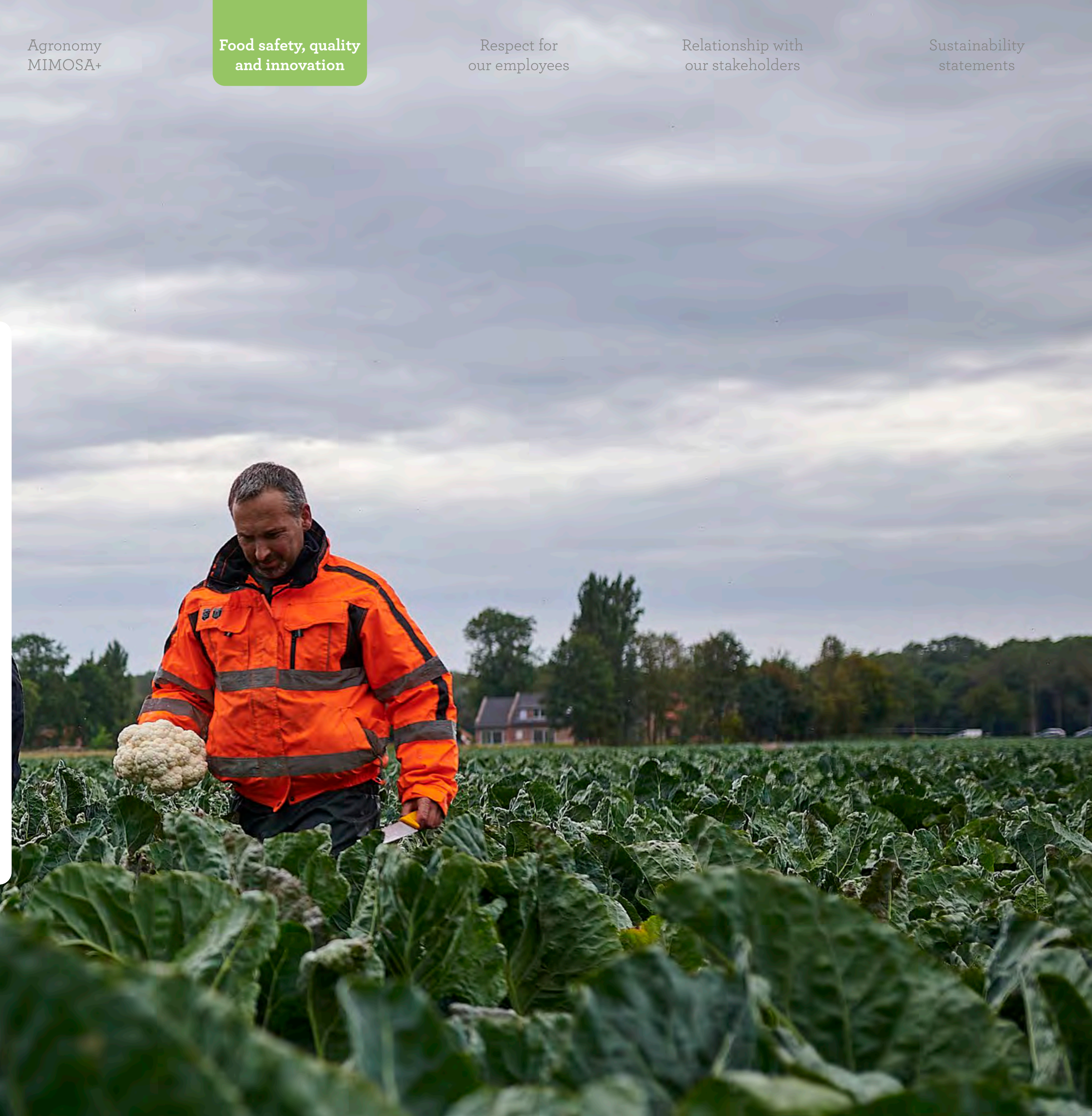
All Ardo production, packaging, and distribution sites hold GFSI certifications, undergoing annual audits. The PURE and SHINE projects ensure strict adherence to food safety, operational hygiene, and contamination prevention.

- **Supplier assurance programme**

A robust system ensures the safety, quality, and sustainability of externally sourced goods. More than 80 supplier audits are conducted annually, with a focus on aligning all partners with Ardo's high standards.

- **Promoting sustainable fresh frozen products**

Ardo's fresh frozen offerings minimise food waste, and maintain maximum nutritional value, thanks to immediate freezing close to harvest. These products also provide year-round convenience and stable pricing. By constantly innovating our product offering, we contribute to the necessary shift towards plant-based diets to feed the growing world population in a sustainable way.



1. Ensuring food safety and quality across our operations

Quality is one of our main priorities, influencing every aspect of our operations. From the field to our factories and external suppliers, we prioritise high-quality products, services, and processes. This dedication is reflected in our GFSI certification, representing the result of our daily commitment to quality.

Our dedication to quality is recognised by the **GFSI¹ certification of all our production, packaging, and distribution sites**. All our sites undergo annual IFS² or BRC³ audits (or both⁴) and, as part of our ongoing commitment to quality, we are transitioning from announced to unannounced audits.

The GFSI certification demonstrates the day-to-day dedication to quality by our teams and the robust support provided by our Quality Department. Ardo's quality team members ensure strict adherence to the numerous procedures outlined in the quality manual and provide comprehensive reporting on the Group's quality performance, covering aspects such as complaints handling and incidents.

We also prioritise **active quality management**, including thorough complaint follow-up, strict incoming goods inspections, robust supplier assurance processes, and swift response to any issues to ensure consistent product quality. Since we work with natural products, **strong coordination between the agronomy, procurement, quality and production**

teams is essential to ensure both the quality and quantity of raw materials, while also aiming for a more solution-focused approach. Building on the results of a survey conducted across our local sites, we plan to enhance knowledge sharing, further leverage technology (e.g., optical sorting), and work towards achieving the optimal balance between customisation (to meet specific customer requirements) and harmonisation for more efficient operations.

Our commitment to food safety and quality extends across every layer of our organisation, ranging from the field to factory. Ardo is focused on achieving **First Time Right**, reducing the need for rework through improved planning and coordination between harvest and production.

¹ GFSI: Global Food Safety Initiative

² IFS: International Featured Standard

³ BRC: British Retail Consortium

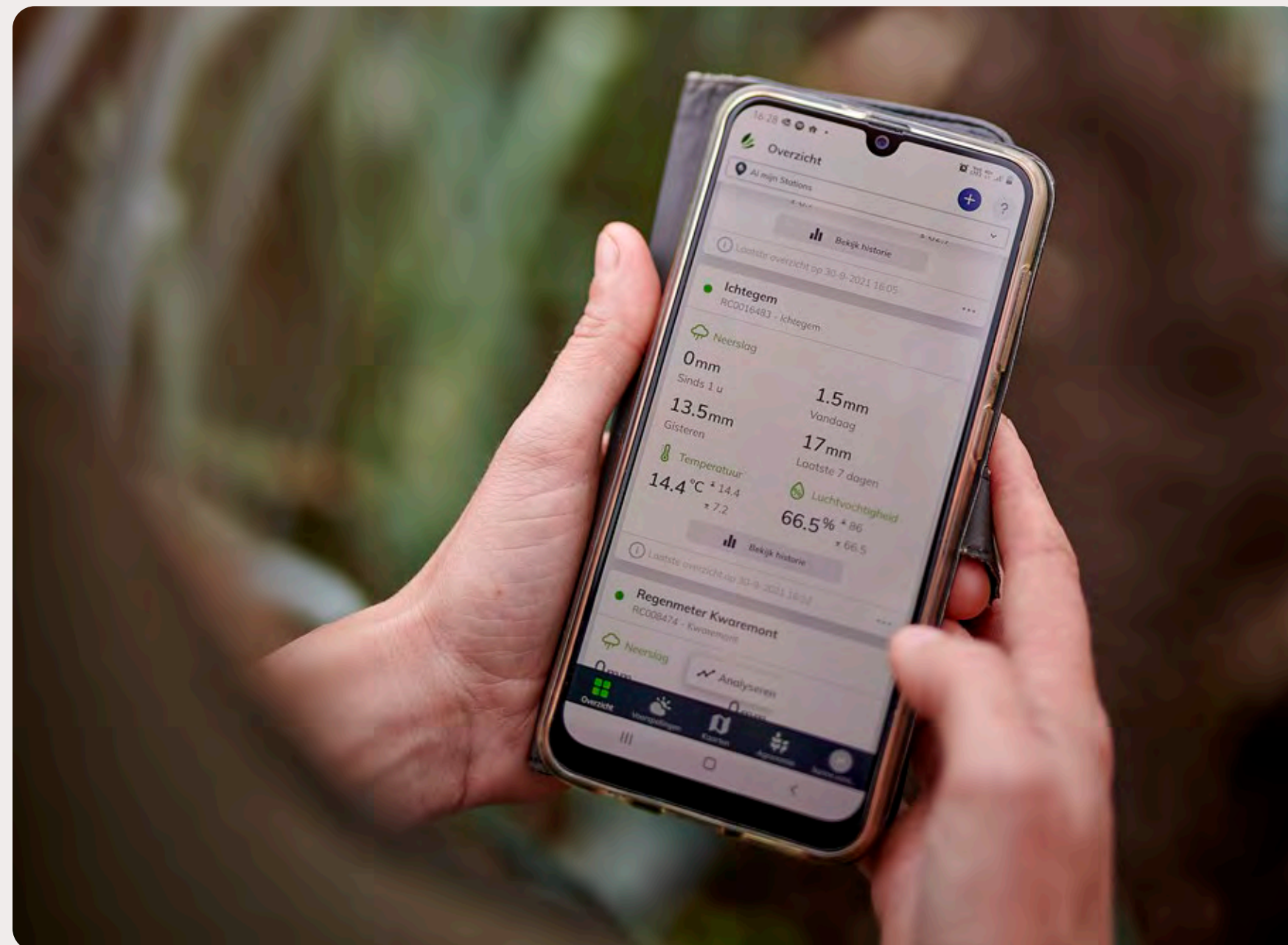
⁴ Both IFS and BRC are internationally recognised Food Safety standards which have been benchmarked by GFSI.



1 On the field

Our **PURE** project (**P**revent, **U**ncover, **R**educe, and **E**liminate foreign bodies), preventing foreign bodies in our final products, starts by eliminating them in the field. Before harvest, an agronomist conducts a thorough inspection to ensure optimal field maturity and appropriate product quality before authorising the release of the field. This field release is done based on a traffic light principle to avoid receiving products in the factory that are not acceptable and to anticipate extra measures to avoid rework. The real-time “Field release” report is accessible through Agreo, our agro-IT platform, enabling the quality and production departments to assess whether any additional actions are needed during the production process.

At some of our sites, we implement the use of drones together with artificial intelligence to inspect our fields for contaminants, such as foreign objects or toxic weeds. After image processing, a map is generated and transmitted to a designated individual responsible for removing the contaminants before the harvest machines collect the products. A final report is then sent to the farmer.



2 In our factories

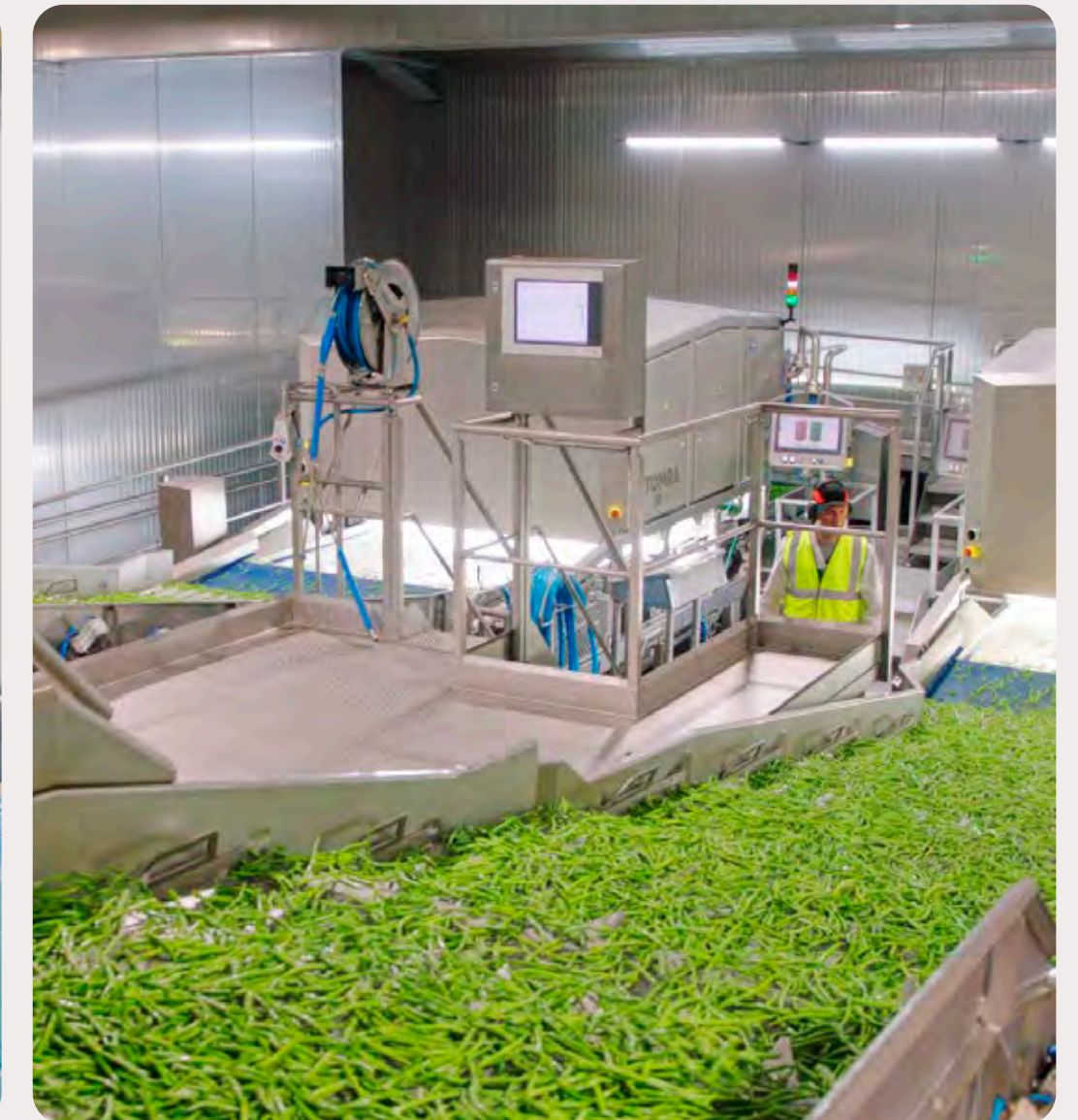
As part of our commitment to deliver the finest fresh frozen vegetables, herbs, and fruit to our customers, we uphold the highest standards of food safety and operational hygiene across the production chain. To translate this ambition into concrete actions, we have initiated two projects.

Starting in the field, our **PURE** project (Prevent, Uncover, Reduce and Eliminate foreign bodies), is further implemented in our factories, aiming at preventing foreign objects (items consumers do not expect in purchased products) from entering our end products. Our aim is to achieve 100% contamination-free products.

One concrete initiative was the implementation of a line integrity procedure to prevent foreign objects from remaining on the line after maintenance or cleaning activities.

The **SHINE** project (Food **S**afety and **H**ygienic **I**n **E**volution) raises the bar for Good Manufacturing Practices (GMP) and daily operational hygiene at our production sites. As global leader in the production of fresh frozen vegetables, herbs, and fruit, we want to ensure hygienic production conditions to limit the risk of Listeria or other contaminations.

Within Ardo, we collaborate closely with cleaning chemical suppliers and invest in the hygienic design of our lines to enhance cleaning practices. Additionally, we provide a **Shine Handbook**, offering guidance on implementing hygienic design for specific parts of the production line.



3 With our external suppliers

In addition to our quality assurance efforts in the field and in our own factories, we established our **Supplier Assurance Programme** to oversee the quality and food safety of externally procured products. The close proximity of Ardo’s officers to our suppliers across diverse geographical regions allows us to comprehend the entire supply chain and effectively manage risks, including ethical and sustainability compliance for our sourced product portfolio. At Ardo, we want our purchased products to adhere to the same elevated standards of food safety, quality, sustainability, and ethical compliance as those that we produce ourselves.

Climate change has introduced new challenges to raw material availability, requiring us to diversify our supplier base to mitigate supply risks effectively. However, working with a broader range of suppliers brings increased complexity in ensuring food safety and aligning with our sustainability goals. Managing variability in practices and standards across a larger network requires robust traceability systems, enhanced monitoring, and continuous engagement to maintain the highest quality standards.

Our newly launched **‘We CARE’** programme addresses these challenges by integrating food safety, climate resilience, and sustainability into supplier partnerships to tackle this challenge head-on.

More information:

→ [Relationship with our stakeholders > 2. Sourcing responsibly](#)

Together with the centralised purchasing of goods at group level, we have developed a standardised policy for approving and managing group suppliers. By using a classification system based on various criteria, we maintain a comprehensive record of approved suppliers on our digital platform, including details regarding their food safety and quality management procedures. Furthermore, our officers conducted more than 80 food safety compliance audits to ensure alignment with Ardo's objectives.

Following this classification system, existing suppliers are categorised into three tiers. As part of our strategy to mitigate food safety and quality risks, we are gradually phasing out tier three suppliers while cultivating robust relationships with our tier one suppliers, designating them as strategic partners.



Philippe Thomas in Ecuador



Ji Li in China

2. Promoting fresh frozen products

Fresh frozen vegetables, herbs, and fruit have a range of benefits and are ideal to enable a more sustainable diet for our consumers.

Complete convenience

Enjoy complete convenience in the kitchen with our fresh frozen vegetables, herbs, and fruit as everything is **pre-washed and pre-cut!** And because our fresh frozen products are easy to divide into portions, you can be sure you're using the right amount every time. **Ardo's fresh frozen products not only save energy, but also a lot of time in the kitchen!**



Grown in open fields in the natural season

We grow our vegetables, herbs, and fruit during the 'right' season. This **minimises our impact on the environment** as they grow in the best possible conditions and use less water and energy.

Less food waste

At Ardo, our products are already pre-washed and pre-cut, and we process the residual waste left behind in our own biomethanisation plant. This means you can be sure that the weight you buy actually ends up on your plate. Moreover, according to various university studies, frozen vegetables can lead to more than 80%¹ lower waste at the retailer level and an additional 20 to 40%² less waste at the consumer level.

¹ Pacific Coast Food Waste Commitment (2021) United States, Heller and Keoleian (2017) United States
² Study from Wageningen University in Dutch households

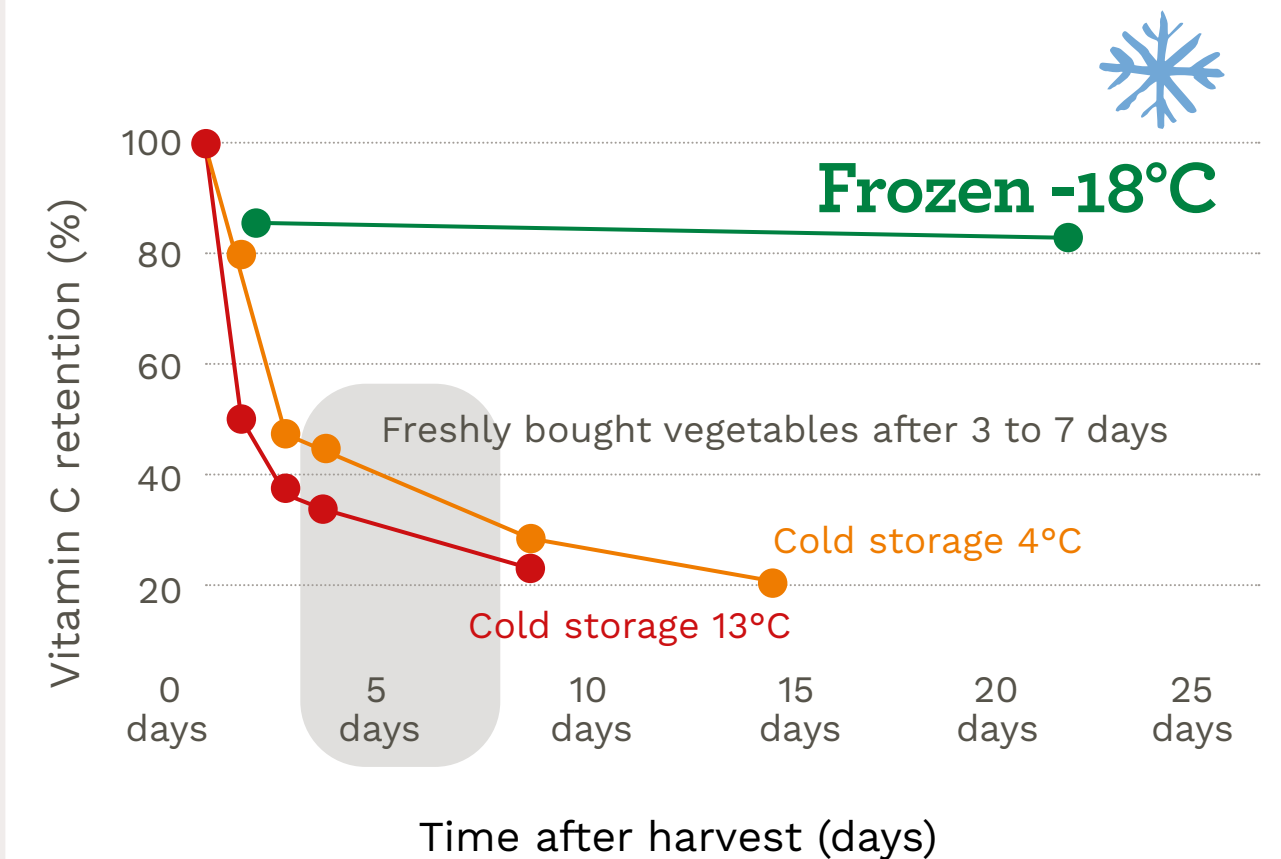
Packed full of vitamins

The nutritional value of vegetables, herbs and fruit starts to fall straight after they're harvested. At Ardo, they are frozen in factories close to the fields in the country of origin, immediately after harvesting, **so they retain their maximum nutritional value.**

Cost-effective

Our fresh frozen products allow you to **save on costs in the kitchen** by enjoying fresh frozen vegetables, herbs, and fruit day in, day out, **at stable prices that don't change depending on the season.**

Higher vitamin C retention in fresh frozen beans



Myth or fact: are fresh vegetables more nutritious than fresh frozen vegetables?

The general perception is that fresh vegetables are far more nutritious than their fresh frozen counterparts. But are they really?

A study from Ghent University revealed significant differences in vitamin C levels between fresh and frozen green beans.

Source: Ghent University

Key performance table

	Target	20/21	21/22	22/23	23/24	
PURE¹ (foreign material reduction)	2,5 PURE complaints / 1000 tons packed by FY30/31 (incl. externally purchased products)	4.0	3.0	3.4	3.5	On track

All figures include Joint Ventures at 50%
¹ PURE = **P**revent, **U**ncover, **R**educe, **E**liminate foreign material

RESPECT FOR OUR EMPLOYEES

At Ardo, our commitment to sustainability extends to the heart of our organisation – our employees. As a family business, **we strive to ensure our people thrive in their work environment** by prioritising their health, safety and development. Through initiatives like "We Are Ardo," tailored health and well-being programmes, and a robust safety culture, we create a workplace where employees feel valued, secure, and empowered to contribute to our shared objectives.



We preserve nature's gifts

How does Ardo make a difference?

- **Prioritising safety at work**
Comprehensive safety initiatives, including High Impact Weeks, safety ambassador trainings, and intercompany collaboration, aiming for a zero-accident workplace.
- **Extending our dedication to safety to the field**
Updated safety protocols, machinery improvements, and field inspections ensure safe practices during planting and harvesting activities.
- **Fostering employee connection through “We Are Ardo”**
This employee-driven programme strengthens workplace culture with initiatives focused on social gatherings and engagement, a healthy mind in a healthy body, and environmental action.
- **Promoting health and well-being**
Expanding the "Vitality, Health, and Well-being" programme provides tailored workshops on stress management, energy balance and better sleep, fostering a resilient workforce.



1. Taking care of our people

S1-4 — Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

To ensure our employees' health and wellbeing, we support them on multiple levels and provide them **with opportunities for self-development**, empowering them to collectively achieve our shared goals.

We Are Ardo

The **“We Are Ardo”** programme offers our employees easy ways to connect with colleagues from different departments, aiming to cultivate a positive work environment that contributes to the company's overall success.

The initiative consists of three working groups, each with a unique focus: **“Friends@Ardo”** brings colleagues and their families together through fun and social activities outside the workplace. Building connections in a relaxed environment fosters a feel-good atmosphere, leading to stronger understanding and collaboration at work.

“Fit@Ardo” encourages every employee to get moving and stay active, promoting health and well-being. The team organises a variety of sports activities—individual and group—at all levels, spreading a sporty vibe throughout the organisation. **“Green@Ardo”** inspires employees to embrace sustainability by raising awareness of our impact on the planet. By thinking and acting green, we aim to reduce our environmental footprint together—at work, at home, and during commutes.

What sets **“We Are Ardo”** apart, is that **it was established by employees, for employees**. Work should be more than just a job – it is an opportunity to meet new people and engage in extracurricular activities that boost energy levels.

Vitality, Health, and Well-being

Ardo's **“Vitality, Health and Well-being”** Programme is now being expanded to more countries, with voluntary participation from employees. Currently, the programme features a keynote session, four main workshops and four additional specialised workshops. In the future, this programme will offer even more personalised choices and flexibility to better suit participants' needs. Topics include priority and energy management, stress handling, focus improvement, heart coherence, boundary setting, better sleep and understanding personality-driven stress responses. The programme aims to foster a healthier, more resilient workforce with tailored tools and insights.



2. Safe and healthy employees

Our Commitment to Safety

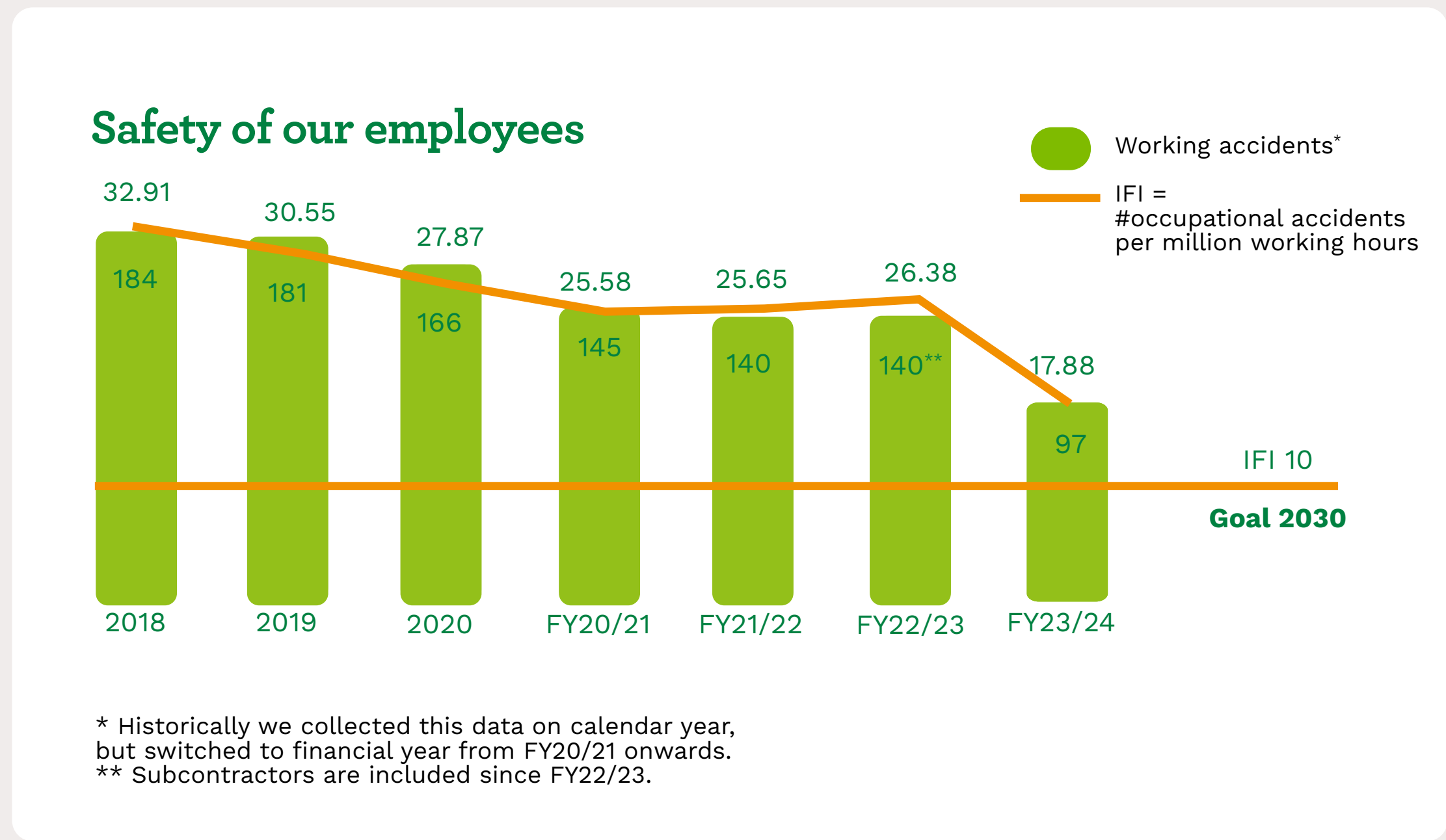
The safety of our employees is our top priority, and we are committed to providing a safe working environment for everyone. To uphold this commitment, we focus on a range of **initiatives aimed at minimising the risk of accidents**. Our mid-term ambition is to achieve an Injury Frequency Index (IFI)—the number of occupational accidents per million working hours —of 10 by FY29/30, with the ultimate long-term goal of reaching zero accidents across the entire production chain.

Safety Leadership and Accountability

To ensure accountability, all accidents resulting in more than five days of lost work time are reviewed by the Executive Committee. Additionally, accident reports (Safety Flashes) are shared throughout the organisation, and Health & Safety (H&S) managers hold monthly calls to discuss accidents, corrective actions, best practices, and new ideas.



Safety in Agro and Factory Every day



Promoting Safety across our factories

Ensuring a safe work environment heavily relies on people's **behaviour**. At Ardo, our safety cardinal rules clearly define the behaviours expected from our employees and everyone present on our sites.

To strengthen our commitment to safety, we launched an ambitious safety behaviour programme in collaboration with an external partner. A key element of the programme is the **High Impact Weeks**, during which our external partner conducts intensive visits to our sites. To date, eleven sites have participated in two such visits, with more planned for FY24/25. During these visits, on-site observations, workshops tailored to specific groups (such as departments or management), and group discussions focus on identifying unsafe situations and developing strategies for improvement. The insights gained are used to create tailored one-to-two-year roadmaps aimed at improving safety conditions. Our ultimate objective is to empower sites to independently identify and resolve safety issues, achieving a maturity level comparable to an independent model on the Safety Culture scale.

The safety behaviour programme is reinforced through **training** and empowerment of a select group of **Ardo Safety Ambassadors**. Their role is to share their knowledge across various roles, including field and factory workers, temporary employees, and contractors. This 'train-the-trainer' principle ensures the entire workforce is engaged in creating a better **Safety Culture**.

To strengthen this Safety Culture across our sites, we proactively **share good safety practices** and improve communication among H&S managers. Intercompany visits have been organised to facilitate

the exchange of best practices, and Group H&S practices have been enhanced to better support local teams.

Every spring, we host **Safety Days**. This year's programme focused on a variety of topics, with increased emphasis on incident analysis. It included sessions on commissioning new installations and covered major risks such as handling frozen products, managing internal traffic, and implementing LOTOTO (Lock Out, Tag Out, Try Out) procedures.

In addition to behavioural improvements and trainings, we continue to check the **technical safety** of our new and existing equipment. Where necessary, we collaborate with machine manufacturers to eliminate potential safety hazards.

Field Safety Initiatives

The safety of workers in the field is an integral part of Ardo's safety programme, considering the heightened risks associated with the size and speed of the mechanised equipment involved.

To address this, we have implemented various safety initiatives in recent years. These include the distribution of updated safety booklets, the organisation of regular safety meetings, the provision of high-visibility jackets and the modification of machinery to enhance safety features.

Two years ago, we updated our safety procedures. An additional safety training session was introduced at the beginning of planting and harvesting activities. Site Health & Safety managers now conduct field inspections to collaboratively identify unsafe situations and devise effective solutions. These measures underscore our commitment to fostering a secure working environment in the field.



Key performance table

	Target	20/21	21/22	22/23	23/24	
Accident Frequency¹	Reduce the risk of accidents: Injury Frequency Index (IFI) ² of 10 by FY29/30	25.58	25.65	26.38	17.88	On track
Gender balance in Leadership & Management	Ensure gender balance (% of male/female/X managers)		68% / 32% / 0%	67% / 33% / 0%	68% / 32% / 0%	On track
Gender balance in the Executive Committee	Ensure gender balance (% of male/female/X executives)		76% / 24% / 0%	50% / 50% / 0%	44% / 56% / 0%	On track

All figures include Joint Ventures at 50%

¹ Subcontractors are included since FY22/23

² IFI = number of occupational accidents per million working hours

RELATIONSHIP WITH OUR STAKEHOLDERS

At Ardo, we believe sustainability needs **strong relationships and partnerships** across our stakeholders. By working closely with farmers and suppliers, we foster responsible sourcing and sustainable agricultural practices. From implementing the **Farm Sustainability Assessment (FSA)** with our farmers and external suppliers to advancing **regenerative agriculture practices**, we ensure that environmental and social considerations are integral to our operations. Our collaborative efforts with stakeholders, including initiatives like "Het Wortel Collectief," demonstrate our **commitment to innovation and sustainability**. Through ethical sourcing and our **'We CARE'** programme, we extend our own sustainability commitments to our supplier partners, aiming for **long-term partnerships and mutual success**.



We preserve nature's gifts

How does Ardo make a difference?

- **Advancing sustainable and regenerative farming practices**
With 100% of our farmers achieving gold or silver status via the Farm Sustainability Assessment, Ardo and its farmers laid the groundwork for transitioning towards regenerative agriculture practices.
- **Collaborative regenerative projects**
Ardo's commitment to regenerative farming shines through initiatives like "Het Wortel Collectief", showcasing our leadership in fostering cross-sector collaboration for a more resilient and sustainable future.
- **Commitment to climate action with 'We CARE'**
The 'We CARE' programme integrates sustainability into procurement strategies, initially focusing on Scope 3 GHG emissions reductions and fostering meaningful supplier partnerships.



1. Adhering to sustainable farming

Managing the sustainable cultivation of over 60 different crops across twelve distinct areas is a complex task. To tackle this challenge, we decided to use the Farm Sustainability Assessment (FSA) from the Sustainable Agriculture Initiative Platform (SAI Platform) to thoroughly assess our farmers' practices. This framework helps us identify local challenges and find appropriate solutions.

The **Farm Sustainability Assessment (FSA)** has been instrumental for enhancing environmental and social sustainability in agriculture. After four years of collaboration with FSA, we are proud to have achieved a significant milestone: since 2021, **100% of our farmers** have attained either gold or silver status under this programme.

Building on this foundation, our next objective is to transition towards regenerative agriculture practices.

The **SAI Platform's newly launched Regenerating Together Programme** responds to the need for a coordinated approach in agriculture to introduce a global definition and approach to regenerative agriculture.

Successfully implementing regenerative agriculture requires action at the farm level, but scaling these practices depends heavily on cross-value chain collaboration within each growing zone. A prime example is the **"Wortel Collectief"** (see following page for more information), which showcases the potential of such partnerships. We are actively fostering similar collaborations in our various growing regions, recognising that cooperation across the value chain is vital for driving meaningful change.



Supporting farmer Producer Organisations

We highly value our close relationships with our farmers, as they play a crucial role in the quality of our vegetables, herbs, and fruit. To reinforce this partnership, we have actively established and supported farmer producer organisations across our various growing regions for many years. These organisations serve as a platform for collaboration, enabling us to co-invest in mechanisation, advanced technologies, and research initiatives that drive innovation and sustainability in agriculture.

Ardo strengthens the SAI Platform

Emilie Haspeslagh, our Sustainability Director, has been elected in June 2024 as **member of the Executive Committee of the Sustainable Agriculture Initiative (SAI) Platform**. Her role underlines Ardo’s commitment to a sustainable food system and strengthens our ties with the SAI Platform.



Unilever, Jumbo, Agrifirm and Ardo launch “Het Wortel Collectief”

In Zundert (NL), we are collaborating with Unilever, Jumbo, Agrifirm, and our farmers on a **regenerative farming project** called "Het Wortel Collectief" (“The Carrot Collective”), named after the first crop we are focusing on: carrots. Through suppliers Agrifirm and Ardo, the carrots ultimately end up in Unilever products, such as the Unox soups, while frozen carrots are sold in Jumbo stores.

The four partners are working closely together and, over the coming years, will **contribute to broader knowledge development on regenerative agriculture**. In the future, this initiative should be integrated into a broader cross-industry collaboration such as the Regenerative Innovation Portfolio¹, as this is needed to drive adoption of regenerative agricultural practices at farm-level.



¹The Regenerative Innovation Portfolio is an ecosystem collaboration launched as part of the Food Innovation Hub Europe initiative by the World Economic Forum, funded by EIT Food and delivered by EIT Food and Foodvalley NL. It brings together a wide range of actors across Europe to drive the critical systemic changes needed to transition our food system towards greater sustainability and equity, while producing healthier food for the future.

2. Sourcing responsibly

Sourcing responsibly is a collective commitment. That is why we establish trust-based relationships with our supplier partners. By working closely together, we believe we can achieve mutual success and contribute to a healthy environment and the well-being of local communities.

We carefully select our supplier partners to reflect our commitment to responsible sourcing. All suppliers are required to adhere to the principles outlined in our [Supplier Code of Conduct](#). We conduct spot checks during supplier visits or on-site audits, evaluating aspects such as production processes, company policies and working conditions.

We request our suppliers to complete ethical audits via the **Sedex platform** (Supplier Ethical Data Exchange). This ensures that ethical risks throughout the supply chain are addressed and assessed, particularly for food suppliers in high-risk

countries. The **SMETA** (Sedex Members Ethical Trade Audit) ethical assessment evaluates four pillars: Labour, Health and Safety, Environment and Business Ethics.

To evaluate the sustainability of our externally sourced frozen products, we use **FSA (Farm Sustainability Assessment), GlobalG.A.P. (Good Agricultural Practices) or equivalent certification programmes**, which ensure product safety, quality, and promote responsible and sustainable farming practices.



Ardo's 'We CARE' programme

The 'We CARE' programme reflects Ardo's commitment to sustainability, focusing on **Collaboration, Action, Responsible sourcing**, and reducing our **Environmental impact**. This programme integrates sustainability into every aspect of our sourcing strategies, aiming to create positive social and environmental progress throughout our supply chain.

Key components of 'We CARE' include:

- **Sustainable procurement:** We incorporate social and environmental considerations when selecting products, vendors and materials. This approach not only reduces risks but also promotes positive impacts, ensuring alignment with our sustainability strategy.
- **Supplier engagement:** We are transitioning from a compliance-based approach to fostering meaningful, positive impact through partnerships with vendors.

In 2024, we identified key suppliers in areas such as food, packaging and transport to include in our supplier engagement programmes. Our initial supplier assessment highlighted those with the highest impact, enabling us to prioritise targeted actions for 2025 and beyond, with a strong focus on reducing Scope 3 carbon emissions in line with our sustainability commitments.

As part of the 'We CARE' programme, we have set **clear goals for 2025** while continuing to develop longer-term objectives. Specifically, for the coming year, we aim to:

- Achieve 100% of our frozen foods, ingredients, packaging and transport suppliers signing our **Supplier Code of Conduct**, reinforcing our shared commitment to ethical and sustainable practices.
- Ensure 100% of our frozen food suppliers in high-risk countries are **SMETA-audited**, with actionable plans in place to address any identified high-risk non-conformities.
- Establish clear **compliance targets for FSA / GlobalG.A.P.** across all product groups
- Collaborate with our top 10 and top 20 suppliers to set defined **carbon reduction and safety targets**, driving measurable progress in these critical areas.

These initiatives reflect our dedication to fostering responsible sourcing practices, strengthening supplier partnerships, and advancing our long-term sustainability ambitions.

More information:

- [Food safety and quality > 1. Ensuring food safety and quality across our operation > With our external suppliers](#)
- [Sustainability statements > ESRS 2 > GOV-4 Statement on sustainability due diligence](#)



We Collaborate to Action, Responsible sourcing & reduce Environmental impact

Key performance table

	Target	21/22	22/23	23/24	
Responsible sourcing - sustainable farming	Minimum 80% of externally sourced fruit is GLOBALG.A.P ¹ and/or FSA ² certified by FY25/26	64.0%	71.3%	70.0%	On track
Responsible sourcing - social compliance	100% of frozen food suppliers are SMETA ³ audited in high risk countries ⁴ by FY25/26		74% in high risk countries	92% in high risk countries	On track
			56.5% worldwide	63.0% worldwide	
'We CARE' - GHG emissions Scope 3 non-FLAG from external procurement	Reduction in scope 3 non-FLAG GHG emissions (T CO2eq) from external procurement (including Packaging and Transport activities)		231,677	195,423	Attention needed
'We CARE' - GHG emissions Scope 3 FLAG from external procurement related to crop cultivation	Reduction in scope 3 FLAG GHG emissions (T CO2eq) from crop cultivation of Ardo's externally purchased products		216,740	173,888	Attention needed

All figures include Joint Ventures at 50%
¹ GLOBALG.A.P = GLOBAL Good Agricultural Practices
² FSA = Farm Sustainability Assessment
³ SMETA= Sedex Members Ethical Trade Audit
⁴ as classified by amfori BSCI

We are Ardo

The path to a more sustainable food system

Minimal environmental impact

Agronomy MIMOSA+

Food safety, quality and innovation

Respect for our employees

Relationship with our stakeholders

Sustainability statements

SUSTAINABILITY STATEMENTS

These Sustainability Statements reflect Ardo's reporting under the European Corporate Sustainability Reporting Directive (CSRD), serving as a foundation for achieving full compliance by 2026.



We preserve nature's gifts

1. ESRS 2: General disclosures

Basis for preparation

BP-1 — General basis for preparation of the sustainability statements

This sustainability statement discusses the social, environmental and economic aspects of sustainability for Riward NV, Ardo Foods NV, and any of their subsidiaries, hereafter referred to as “Ardo”. Besides our own operations and business relations, we also cover our upstream and downstream value chain.

More information:

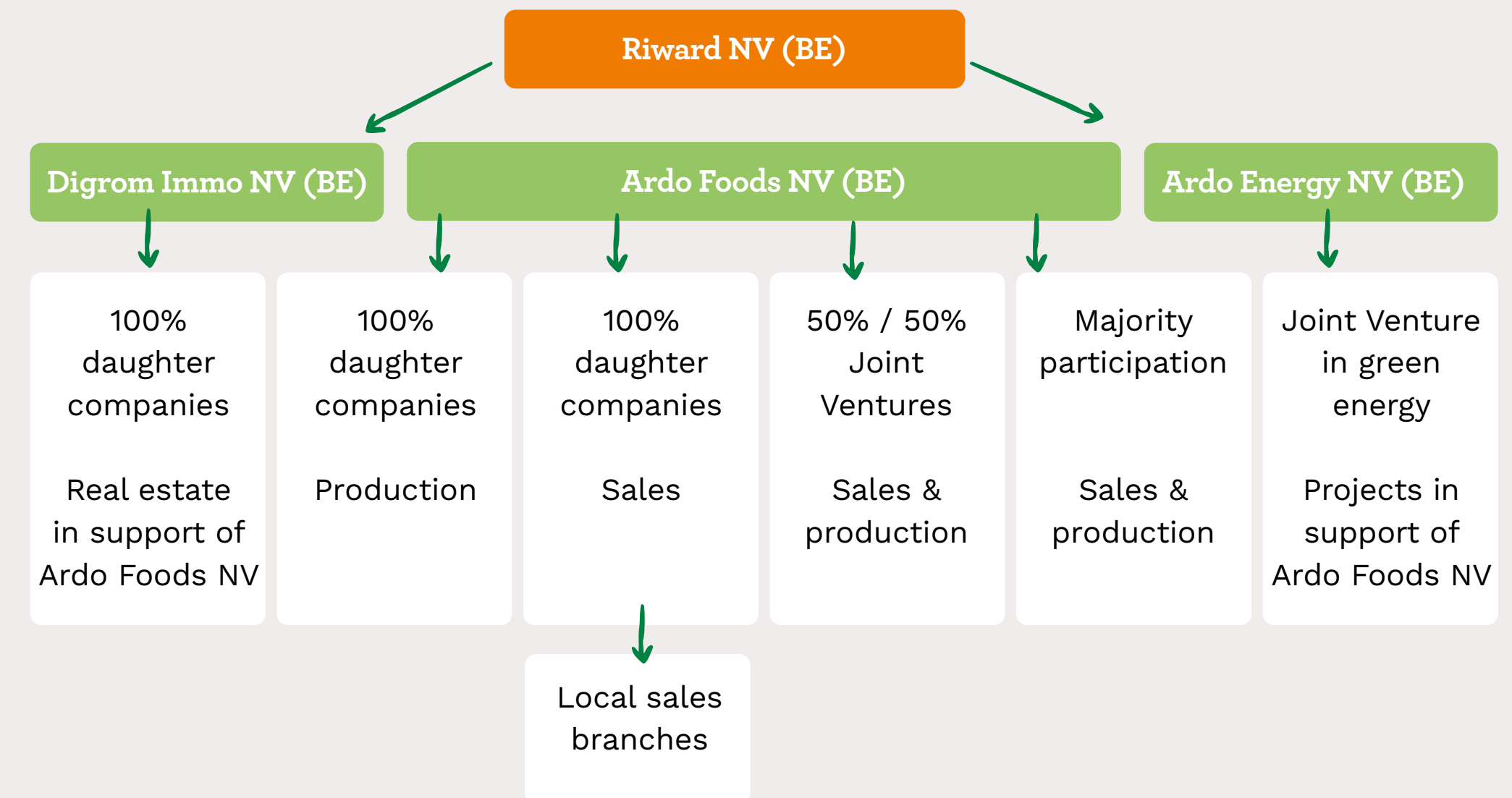
→ [‘We are Ardo’ > 3. Our gift to the world > From field to plate](#)

BP-2 — Disclosures in relation to specific circumstances

In 2024, **The Nest** (TNFO), the family office of Els Thermote’s family, joined Ardo as a minority shareholder in 2024. With the involvement of the Thermote family and a more active role for the third generation of the Haspeslagh family, we combine stability with strong ambition. Together, we will drive Ardo’s continued growth as a world leader in the industry.

La Paz transitioned back to being fully owned by its founders as a Costa Rican family enterprise in 2024. La Paz will continue as an important strategic supplier of frozen tropical fruits and root crops to Ardo and ArdoVLM.

This sustainability statement has been prepared on a consolidated basis.



Governance

GOV-1 — The role of the administrative, management and supervisory bodies

1. Board of Directors

A team with long standing experience

The Board of Directors is our ultimate decision-making body. It oversees the CEO and the Management on behalf of the shareholders. To ensure a balanced composition of the Board of Directors, we pursue a mix of people with diverse skill sets, backgrounds, knowledge, experience, and age.

The Board consists of 9 directors:

- 4 independent directors from different industries
- 5 representatives of the shareholders

In 2021, Ardo appointed Jules Noten as its first external Chairman of the Board.

He ensures the efficient preparation, deliberation, and decision-making of the Board, fostering an atmosphere of trust that promotes open discussions and constructive criticism. This approach enhances support for the decisions made by the Board.

The primary goal of the Board of Directors is to preserve and continue the development of the company by creating long-term value. The main responsibilities of the Board include:

- Providing strategic direction
- Appointing and evaluating the group's top management (CEO & Executive Committee)
- Monitoring performance and risks
- Communicating the group values
- Evaluating and improving the organisation

All members of the Board of Directors think and govern in the interest of the company, regardless of whether their background is familial, shareholder or external.



From left to right:
 Top: Michel Haspeslagh, Stefaan Decraene, Jan Haspeslagh
 Middle: Jules Noten, Liesbeth Haspeslagh
 Bottom: Conny Vandendriessche, Bernard Haspeslagh
 Missing: Jan Vander Stichele, Anouk Schoors

Independent directors

Jules Noten Chairman of the Board since 2021 - Board member since 2020.

Until 2020, Jules served as the CEO of Vandemoortele. Prior to that role, he held the position of CEO at Balta and at Massive. Previously, he had an 18-year career at Unilever. Based on his experiences at Unilever and at Vandemoortele, Jules is well acquainted with the challenges of producing and selling frozen products. He has a strong track record of clarifying strategic focus and improving performance. Jules is deeply committed to the theme of sustainability and is passionate about food product innovation. Jules is also a member of the Board of Sioen, LRM, Bpost and Serax.

Jan Vander Stichele Board member since 2021 - Jan is the family chairman and director of Lotus Bakeries.

Before becoming a Board Member at Ardo, Jan served as the Technical Director of Verlipack, General Manager of Lotus France and General Manager of Operations at Lotus Group. He also holds directorship positions at Beaulieu international Holding, Frigilunch, Connect+ and the Onze-Lieve-Vrouw Hospital in Aalst. Jan also serves as the Chairman of Flanders FOOD, Team Industries and Fost Plus.

Conny Vandendriessche Board member since 2021 - Conny is a serial entrepreneur.

Conny started her career in 1995 as co-founder and co-CEO of Accent Jobs, which merged into The House of HR in 2012, where she currently serves as an active shareholder and director. In 2014, she established 'Stella P', which focuses on promoting diversity in boards of directors. In 2019, she founded 'We are Jane', a private equity fund dedicated to supporting female entrepreneurs. Conny is also a board member at Allia, Van Marcke and PIA Group.

Stefaan Decraene Board member since 2016

Stefaan has over 30 years' international banking experience, at both an operational and a managerial level. He is the Chairman of the Managing Board of Rabobank and is part of the Executive Committee of the World Business Council for Sustainable Development. In his previous roles, he was CEO of Dexia Bank Belgium and a member of the Dexia Group Executive Committee, responsible for retail and commercial banking. For the past ten years, Stefaan served as a member of the Executive Committee of BNP Paribas Fortis, where he was responsible for international retail and commercial banking.

Representatives of the shareholders

Jan Haspeslagh Second generation family member

Jan is the former Chief Executive Officer of Ardo. He devoted his entire career to building Ardo into a leading food company and establishing its commercial strategy.

Bernard Haspeslagh Second generation family member

Bernard was the Chief Operations Officer of Ardo until June 2023. He has a longstanding experience in operations and agronomy. He is at the foundation of Ardo's sustainable agriculture and production programmes.

Anouk Schoors Board member since 2024

With a commercial engineering degree and a huge respect for nature, Anouk leads The Nest's (TNFO) food and agricultural investments and represents The Nest in the board of directors of Ardo. Formerly in strategy consulting, with solid experience in both the non-profit world and family advisory, she focuses on bringing the corporate and philanthropic worlds closer together to drive profound shifts in our food system.

Michel Haspeslagh Third generation family member and board member since 2022

After gaining experience at ING, Michel developed Ardo's herb business as Business Unit Director for Herbs & Ingredients (2018–2022). He then pursued his dream of running an art trading company, Yesbutno. In 2024, he joined Belfius Bank as a wealth manager for family businesses in Flanders. Michel also serves as a board member at Buro Project and advises SMEs as an independent board advisor.

Liesbeth Haspeslagh Third generation family member and board member since 2024

Liesbeth began her career in late phase clinical research roles as a pharmacist by background. She later joined MSD where she has worked in the department of early phase clinical research and for the last 2 years in marketing & sales. After shadowing the board for 1.5 years, she serves as a board member at Ardo representing the family since 2024.

2. Advisory committees

True to the principles of good corporate governance, we instated two advisory committees that support the Board of Directors in monitoring and evaluating financial and non-financial risks, as well as the nomination and remuneration of the management team.

Audit Committee

The Audit Committee assists and advises the Board and monitors:

- The internal control and risk management systems
- The soundness and reliability of financial reporting
- Compliance with the statutory provisions and regulations, internal procedures, and corporate business principles
- The appointment, performance, and independence of Ardo's external auditors and the performance of any internal audit operations.

To perform its task, the audit committee may request information from any director, manager, or employee. The board and management will urge these people to cooperate.

Supported by management, the Audit Committee also assesses non-financial risks and evaluates the 'double materiality' impact for our company, considering the company's business plan as well as its influence on society and the environment.

Given the growing emphasis on climate in both business and society, Sustainability Risk Management (SRM) is gaining significance. At Ardo, we use SRM to maintain the proper balance between our corporate

sustainable growth goals, the preservation of nature's gifts and the environment. SRM ensures alignment between our business strategy and sustainability strategy.

The Audit Committee will monitor the reduction and avoidance of any negative environmental impact of our activities. For example, by reducing the use of natural resources, cutting carbon emissions, and carefully controlling the use of plant protection products. The Audit Committee's evaluation demonstrates a close alignment between our sustainability objectives and profit targets and endorses the sustainability goals that we are working towards.

In November 2022, we successfully concluded our first sustainability-linked loan (SLL), with the main objective of harmonising and simplifying the company's debt structure and making the company's financing future proof. This deal fits well with our "Horizon 2025" strategy, which is based on a value-driven approach, focusing on sustainable growth, and improving profitability. Based on our dual ambition to feed the future while preserving nature's gifts, sustainability is strongly embedded throughout our corporate strategy and day-to-day decision-making. With this deal, we incorporate sustainability into our finance strategy, an approach that was well-received by the lenders.

The setup of this SLL is linked to two environmental KPIs: Carbon footprint reduction (Scope 1 & 2) and residue-free products, impacting the financing margin grid.

The Audit Committee consists of five members:

- Stefaan Decraene, Chairman
- Jules Noten, Member
- Jan Haspeslagh, Member
- Louis Dhondt (TNFO), Member
- Liesbeth Haspeslagh, Member

The Committee's agenda is prepared by the Chairman in cooperation with the CFO.

Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee consists of assisting the Board in all matters relating to the (re)appointment and performance review of members of the Board and the management, as well as in all matters in which the board is looking for advice.

On the other hand, their role is to lay down the general principles of remuneration policy for staff and to fix the remuneration of the members of the daily management.

The Nomination and Remuneration Committee consists of three members:

- Connie Vandendriessche, Chairwoman
- Jan Vander Stichele, Member
- Els Thermote (TNFO), Member
- Michel Haspeslagh, Member

3. Leadership team

Ardo's daily operations are overseen by a dedicated team, led by CEO Sabine Sagaert. Sabine is further supported by a skilled and diverse management team, comprised of specialists in various domains of expertise. Together, they bring a wealth of knowledge and experience to ensure effective leadership within the organisation.

Sabine Sagaert CEO since 2024

On the 2nd of September 2024, Sabine Sagaert started as the new CEO of Ardo, bringing extensive experience across B2B and B2C industries. Renowned for driving growth and transformation, Sabine began her career at CBR Cement Bedrijven in logistics and commercial roles. She later joined Interbrew/ABInBev, holding various commercial roles before becoming GM France during the Interbrew/AmBev merger and, subsequently, BU President Belux. In 2011, Sabine joined Cargill, leading its global Malt business and EMEA Oils and Seeds division. From October 2020, she served as Managing Director of Vandemoortele's Frozen Bakery division before joining Ardo. Sabine also contributes as an independent board member at NMC International, Van Genechten Packaging, and the NGO Spullenhulp. Her diverse background underpins her strategic leadership expertise.

Eveline Maertens Chief Financial Officer since 2024

Before joining Ardo, Eveline spent six years at Deloitte as a financial auditor. She then worked for three years at Omega Pharma and eleven years at Roularta Media Group, gaining experience in various areas of internal audit and finance. Eveline joined Ardo in 2019 as Finance Manager for Belgium but soon transitioned to Programme Manager, where she oversaw the implementation of Ardo's ERP transition programme. From March 2024, Eveline has taken over the role of CFO.



Margot Haspeslagh, Eveline Maertens, Tijnl Goens, Sabine Sagaert, Jeff Preston, Klaas Mouton, Pieter Verschraegen, Olivia Verbeke and Emilie Haspeslagh

Tijl Goens Chief Operations Officer since 2023

As a COO, Tijl is responsible for plant operations including group quality, agronomy, engineering, procurement, safety, and continuous improvement. Tijl started his career at Deloitte and, four years later, he joined Ardo in the financial department. Since then, he has taken up several roles at Ardo. In 2018, Tijl took the responsibility of Regional Director for Benelux and Germany. He was responsible for sales and operations in both those countries.

Klaas Mouton Chief Commercial Officer since 2020

As a CCO, Klaas is responsible for marketing, innovation, and product development as well as sales. Before joining Ardo, Klaas gained almost twelve years of experience at Cargill, covering multiple commercial roles within their Food Ingredient business.

Pieter Verschraegen Chief Human Resource Officer since 2022

As a CHRO, Pieter focuses on the transformation of HR to a future proof department. He started his career as Management Trainee at Carrefour. He then he became HR Manager at Imtech NV (Construction/ telecom technology) for almost four years, after which he joined the EOC Group for ten years as a Global HR Director.

Margot Haspeslagh Third generation family member, Group Supply Chain Director since 2018

Prior to joining Ardo, Margot worked for almost five years at Solutia. She was responsible for scheduling and planning and joined the family business in 2012 as a project manager. After becoming Group Supply Chain Director, Margot is responsible for overseeing the long-term production planning, inventory management as well as logistics and distribution.

Olivia Verbeke Director Corporate Development since 2017

Olivia started her professional career as General Manager in her own family business, after which she worked for seven years at Greif, first as Group Controller and later as Transformation and Integration Manager. Responsible for Corporate Development, Olivia oversees the development of Ardo's corporate strategy as well as executing our Merger & Acquisition projects.

Jeff Preston Managing Director Americas since 2017

As Director Americas, Jeff oversees the growth strategy for Ardo in North and Latin America. Jeff joined the Ardo business when Ardo acquired VLM in 2017, creating ArdoVLM. He has been with the VLM organisation since 2002 in various commercial and leadership roles.

Emilie Haspeslagh Third generation family member, Sustainability Director since 2023

Prior to joining to Ardo, Emilie worked two years at Vestas, a Danish wind turbine manufacturer. She joined the family business in the sales department, first in Germany and later in Spain. Prior to her current role, she was Business Unit Director for Fruit and Grilled & Fried products. As a Sustainability Director, Emilie is responsible for developing and implementing a comprehensive sustainability strategy and oversees environmental and social responsibility initiatives.

GOV-2 — Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

To implement our sustainability strategy and achieve our sustainability goals, we have created a governance structure that oversees our sustainability efforts at Group level.

Our corporate sustainability programme is governed by:

Group Sustainability Director, Emilie Haspeslagh, active since 2011 within Ardo mainly in commercial and business unit roles. She took on the responsibility of Sustainability Director on 1st of January 2023.

Group Sustainability Coordinator, Stephanie Cobbaert, joined the team in 2023. She is fully committed to harmonising our sustainability strategy throughout the Ardo Group and supporting the implementation of Ardo's sustainability strategy.

Sustainability Working Group comprises members of the HR, agronomy, engineering, procurement, and marketing departments. This working group is responsible for implementing our sustainability strategy and overseeing various actions and campaigns.

The monthly Sustainability Committee focuses on:

- KPI tracking: Monitoring and evaluating sustainability KPIs.
- Project management: Overseeing and following-up the progress of sustainability projects such as double materiality assessment, carbon footprint measurements or decarbonisation roadmap.
- MIMOSA+ implementation: scaling up the regenerative agriculture practices in our supply base.
- Fostering awareness: Promoting a culture of responsibility.
- CSR Reporting.

The members of the Sustainability Committee are:

Emilie Haspeslagh (Sustainability Director), Tijn Goens (COO), Sabine Sagaert (CEO), Pieter Verschraegen (CHRO), Emmanuel Jadin (Agronomy Director).

Our global sustainability strategy is integrated into our commercial and operational strategies. We encourage our various sites and countries to set up local sustainability programmes, focusing on key local priorities and challenges. To ensure our sustainability strategy is embedded across all levels of our organisation, we launched the Sustainability on Tour initiative in 2024. Our sustainability team visited all but one of our production sites to share the global sustainability strategy, empowering local teams to create tailored programmes that address site-specific challenges in line with Ardo's priorities.

GOV-3 — Integration of sustainability-related performance in incentive schemes

Ardo integrates sustainability into performance metrics, aligning incentives with key environmental goals. From FY24/25, Executive Committee bonuses will include targets for reducing Scope 1 & 2 CO2 emissions, lowering pesticide residues, and advancing regenerative agriculture. At the operational level, each factory is tasked with specific energy and water efficiency goals, ensuring measurable progress across our sites.

GOV-4 — Statement on sustainability due diligence

In the ever-evolving landscape of our family business, we have always applied sound corporate governance. We conduct our business with transparency, fair remuneration, respect for human rights, and environmental responsibility, encapsulating a commitment to ethical business behaviour. We have embedded this business approach in our governance framework, based on the guiding principles of the Belgian Code of Corporate Governance for non-listed companies, to formalise our long-term commitment to sustainability and ethical conduct.

1. Principles of Good governance

The Ardo family business has evolved significantly over the last six decades. Following the merger of the two family-branches by the second generation in 2014, the family has consistently worked towards establishing a professional governance structure and preparing for the transition to the third generation.

Our corporate governance adheres to the principles outlined in the 2020 Belgian Code of Corporate Governance for non-listed companies, ensuring the highest standards of integrity, transparency, and efficiency. Central to this is a clear governance structure that enables our Board of Directors to operate effectively, always making decisions in the best interest of the company.

We maintain a strict and transparent process for appointing Board members, evaluating their contributions, and ensuring their commitment and integrity. To support this, we have established specialised committees, including an audit committee and a nomination and remuneration committee, both chaired by independent Board members. Additionally, our executive management structure is clearly defined, and we provide fair and responsible remuneration for both directors and executive managers.

Equal treatment of shareholders and respect for their rights are core to our governance approach. We also prioritise transparency and public reporting, ensuring adequate disclosure of our corporate governance practices. Finally, our codes of conduct, policies, and charters reflect our commitment to ethical behaviour across all interactions with associates, directors, suppliers, customers, and business partners.

2. Code of Conduct for employees

At Ardo, we take responsibility together. We actively promote a culture centred on respect for business ethics, human and labour rights, safety and environmental sustainability. This commitment is twofold: it fosters a harmonious atmosphere among our colleagues internally and we extend these principles to our valued supplier partners externally.

Our guiding principles: People – Product – Planet

Ardo is a leader in the market with a clear ambition to feed the future while preserving nature's gifts.

People - Ardo is building reliable & long-term relations with all stakeholders: customers, farmers, suppliers, local communities, and industry. Ardo is respecting its employees and communities in all relevant aspects (diversity, safety, health, well-being, empowerment, and social commitment).

Product - Ardo supports a healthy, plant based global food transition by offering safe & high-quality fresh frozen vegetables, fruits & herbs covering both today's and tomorrow's needs. Ardo has a clear ambition to continuously improve the quality KPI's of its products.

Planet - Ardo is minimising environmental impact in growing and processing vegetables, fruits & herbs through initiatives like MIMOSA¹, promoting organic production & biodiversity, increasing use of green energy, reducing water consumption, optimising packaging, minimising waste, and reducing our carbon footprint.

3. Safeguarding integrity

Since the very beginning, our business practices have been guided by integrity, honesty, fair dealing, and strict adherence to all applicable laws. Consequently, every Ardo employee is required to fully understand and adhere to our Code of Conduct in their daily work. The primary objective is to promote a culture of respect for business ethics, human and labour rights, safety, and the environment.

We foster a transparent business culture by encouraging employees to report potential instances of fraud, bribery, corruption, or other unethical behaviour promptly. This implies that they should not be concerned about retaliation. Whistle-blowers are assured that they will be treated fairly, and their allegations will be investigated thoroughly and objectively.

To ensure awareness, we regularly inform our employees about our anti-bribery, fraud, and corruption policy. This information is distributed in various ways, including our onboarding information package, company posters and our intranet. Moreover, an excerpt from the whistleblowing procedure is accessible on our website to inform third parties and provide direct access to our grievance mechanisms.

4. Supplier Code of Conduct: Together we take responsibility

The [Supplier Code of Conduct](#) compels our supplier partners to endorse the core values that need to be embedded in every aspect of conducting business. By adhering to these values, we jointly commit to achieving ethical business conduct. This ensures that we meet our business objectives while creating a positive social impact and reducing our ecological footprint. It fosters a harmonious atmosphere among our colleagues internally and we extend these principles to our valued supplier partners externally.

One of the main objectives of our Supplier Code of Conduct is to stimulate responsible sourcing. It establishes conditions and expectations for our suppliers, producers, external manufacturers and other supply chain stakeholders regarding labour, ethical and legal compliance, environment and (food) safety, based on the following guiding principles:

1. Obey the law.
2. Conduct business with integrity.
3. Keep accurate and honest records.
4. Honour business obligations.
5. Treat people with dignity and respect.
6. Protect Ardo's information, assets, and interests.
7. Minimise environmental impact.
8. Ensure quality and food safety.

Our goal is to build trusting relationships with carefully selected suppliers and partners who adhere to these eight principles, ensure that all parties have a long-term, sustainable, and successful future.

GOV-5 — Risk management and internal controls over sustainability reporting

To ensure the integrity and reliability of our sustainability reporting, we implement a multi-layered verification process based on the four-eyes principle. This process is designed to validate the completeness and accuracy of the data by identifying and resolving any inconsistencies or anomalies. Each set of current year data is compared to the figures from the previous year by our sustainability team, highlighting outliers, unexpected deviations, or missing values to confirm data stability and consistency over time. The data then undergoes an internal review within the originating department, ensuring thorough oversight and quality control.

Strategy

SBM-1 — Market position, strategy, business model(s) and value chain

More information:

→ [‘We are Ardo’](#)

SBM-2 — Interests and views of stakeholders

More information:

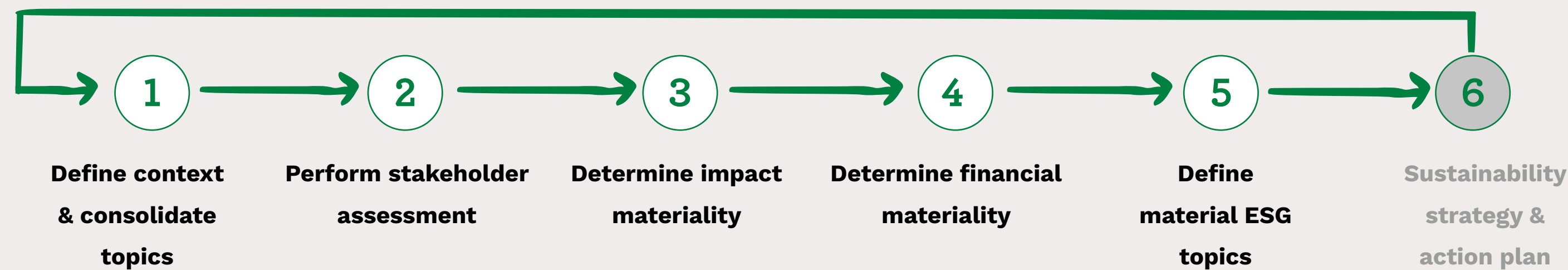
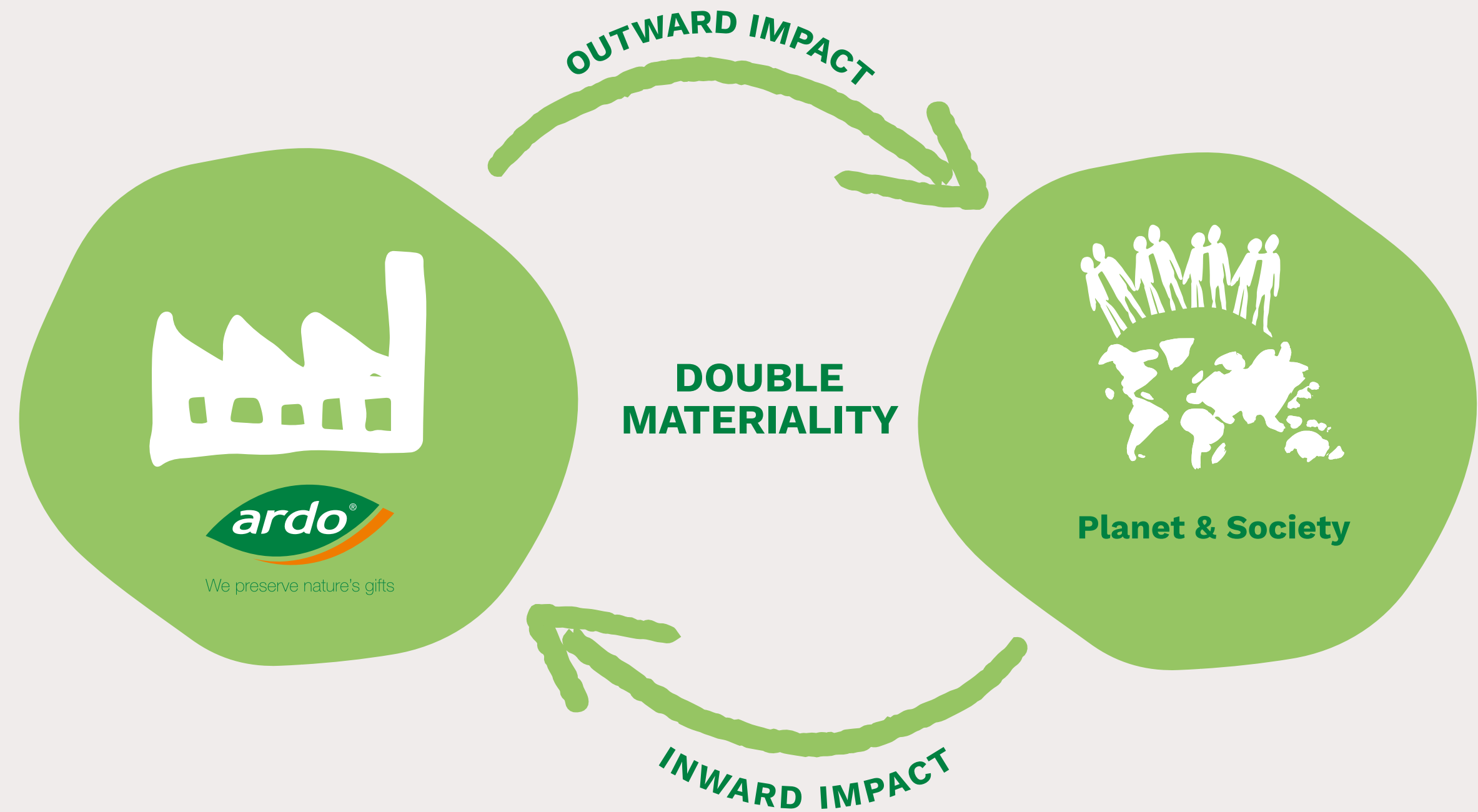
→ [IRO-1 > 2. Perform stakeholder assessment](#)

Double materiality

The Corporate Sustainability Reporting Directive (CSRD) requires Ardo to undertake a double materiality assessment for identifying its key material topics. These topics are essential as they influence Ardo's ability to generate, maintain, or diminish economic, environmental, and social value for itself, its stakeholders, and society broadly. Material topics encompass two aspects: impact materiality, which focuses on Ardo's effect on the environment and society, and financial materiality, concerning the influence of sustainability issues on Ardo's financial, reputational, and operational performance.

This double materiality assessment was conducted towards the end of 2023. The outcomes of this assessment shape Ardo's reporting themes in alignment with the European Sustainability Reporting Standards (ESRS).

IRO-1 — Description of the processes to identify and assess material impacts, risks and opportunities



1 Define context and material topics

This step involved assembling a **comprehensive list of relevant topics** through a combination of **adherence to relevant standards and peer review**. Ardo's list incorporated elements from various **standards** such as SASB's guidelines for Processed Foods and Agricultural Products, MSCI's criteria for Packaged Foods & Meats, Agricultural Products & Services, Food Distributors, and the European Sustainability Reporting Standards (ESRS). This extensive list was then cross-referenced with the material topics identified by Ardo's industry peers and competitors to pinpoint the most prevalent sustainability issues in the sector.

Subsequently, the topics were aligned with **Ardo's established sustainability pillars**. The process continued with the refinement and narrowing down of these topics, taking into account their significance based on the research and internal stakeholder perspectives. Topics with similarities were grouped together for better coherence.

Ultimately, this procedure led to the **identification of 17 key sustainability topics** for Ardo. These topics, along with their definitions, received formal endorsement from Ardo's former CEO, Gabrielle Kalkwijk, and the Sustainability Director, Emilie Haspeslagh.

2 Perform stakeholder assessment

To successfully execute the stakeholder consultation as an integral part of the double materiality assessment and as requested by the Corporate Sustainability Reporting Directive (CSRD), stakeholder mapping was done in close collaboration with Ardo.

Type of stakeholder	Affected stakeholder	User
Farmers / cooperatives	x	
External Suppliers	x	(x)
Employees at factories, headquarters, sales offices	x	(x)
Board members	x	x
Distribution centers & external warehouses	x	
Customers	x	(x)
External regulators		x
Nature	x	
Sector organisations	x	(x)
Local communities	x	

(x): partly

As part of the materiality assessment, an **online survey** was sent to internal stakeholders (board members, shareholders, and employees) and connected/external stakeholders (customers, farmers, suppliers, NGOs, and neighbours). The results give insight into how different stakeholders perceive the importance of sustainability topics for Ardo. We received 752 responses.

The survey results of different stakeholder groups were weighted differently by assigning each group a weight as follows: Board members 10%, Shareholders 15%, Employees 15%, External suppliers/ warehouses/ distribution centres 10%, Farmers 20%, Community (NGOs, neighbours) 5%, Retail customers 10%, Foodservice customers 7.5%, Industry customers 7.5%.

Additionally, **comprehensive interviews** were conducted with four customers, two suppliers, two members of the Board, a farmer, a representative from a SAI (Sustainable Agriculture Initiative), and a representative from Profel, the European organisation representing the processed fruit and vegetable sector.

3 Determine impact materiality

The impacts of Ardo on the planet and society were identified and scored by Greenfish (part of Accenture) Subject Matter Experts for a first objective point of view. The scoring was done based on the severity of the impact (Scale, scope, irremediability) multiplied by the likelihood. The final scoring was then reviewed by Ardo's Subject Matter experts given their deeper understanding of Ardo's performance to score the likelihood of occurrence of these positive/negative impacts.

Five out of 17 material topics were scored as having the biggest positive/negative impacts on planet & society, with the majority being positive impacts, except for Carbon footprint. Out of the five most impacting material topics, two are social topics (**Innovative & nutritional food and Food quality & food safety**) and three are environmental topics (**Regenerative agriculture, Food waste, and Carbon footprint**).

4 Determine financial materiality

The risks and opportunities Ardo is exposed to were identified by Greenfish (part of Accenture) consultants while taking into account Ardo's risk assessment. Financial risks and opportunities were split into five categories (Reputational, Business, Operational, Financial, and Regulatory), and scored by Ardo's Finance Directors. This scoring was done based on the size of the potential financial effect (Revenues/Costs, Assets/Liabilities, Cost of Capital/Risk profile) multiplied with the likelihood. The final scoring was then reviewed by Ardo's Subject Matter experts given their deeper understanding of Ardo's performance to score the likelihood of occurrence of these Risks/Opportunities.

The top **four opportunities** that Ardo should potentially pursue are related to **Carbon footprint, Regenerative agriculture, Energy management, and Food quality & safety**. The top **four risks** that Ardo should potentially mitigate are related to **Climate change impact & adaptation having 2 risks, Regenerative agriculture, and Energy management**.

5 Define material ESG topics

The double materiality assessment enables us to prioritise key sustainability topics based on three dimensions: the importance to stakeholders, the biggest impacts of Ardo on the planet and society and the biggest financial impacts on Ardo. Combining these three dimensions resulted in the final double materiality matrix for Ardo.

Using materiality thresholds of ≥ 6 for financial materiality and ≥ 7.5 for impact materiality, we identified eight double-material sustainability topics. Ardo's Board of Directors and Audit Committee were actively involved in the process and approved the results and material topics by the end of May 2024. The materiality thresholds were defined based on an industry benchmark and an average of the scores of all topics.

Based on the priorities outlined in the materiality matrix, we have confirmed our sustainability strategy which will be incorporated in the corporate strategy towards 2035. Moving forward, we will further refine our focus and enhance our reporting on these key material topics.

More information:

→ [The Path to a more sustainable food system > 4. Turning our sustainability ambition into reality](#)

SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model(s)

More information:

→ [The Path to a more sustainable food system > 3. Founding our strategy on sustainability & 4. Turning our sustainability ambition into reality](#)

Ardo's double materiality matrix



*Financial includes potential reputational, regulatory, and operational risks/opportunities

● ENVIRONMENTAL TOPICS - ● SOCIAL TOPICS - ● GOVERNANCE TOPICS

Environment

- 1 Energy management
- 2 Carbon footprint
- 3 Climate change impact & adaptation
- 4 Water management
- 5 Sustainable packaging
- 6 Waste management
- 7 Food waste
- 8 Responsible sourcing
- 9 Regenerative agriculture

Social

- 10 Health & well-being of local communities
- 11 Food quality & food safety
- 12 Innovative & nutritional food
- 13 Inclusion & diversity
- 14 Employee well-being & safety
- 15 Employee engagement

Governance

- 16 Corporate governance
- 17 Human rights & ethics

The size of the circles represent the importance of material topics to stakeholders: how stakeholders think Ardo is currently performing on ESG topics and what these stakeholders think should be future priorities for Ardo.

IRO-2 — Disclosure Requirements in ESRS covered by the undertaking’s sustainability statements

Topic	Impacts, risks and opportunities		Time horizon	Value chain	Link to ESRS
Energy management	Innovations in production practices result in increased resource efficiency	Positive impact	Medium term (1-5 years)	Own operations	E1
	Financial risks related to potential increases in energy costs due to unoptimized energy use or price increases in fossil fuels.	Risk	Medium term (1-5 years)	Own operations	
	Implementing energy-efficient practices and technologies can lead to cost savings through reduced energy consumption and lower utility bills.	Opportunity	Medium term (1-5 years)	Own operations	
Carbon footprint	(Contribution to climate change (and thus temperature rise) through high indirect CO2e emissions (scope 3 upstream) from agricultural practices & logistics of intermediate products and goods (e.g. crops)	Negative impact	Medium term (1-5 years)	Upstream	E1
	Implementing carbon reduction measures can lead to financial benefits through reduced operational expenses (OPEX). This includes lowering ongoing costs associated with energy consumption, utility bills, and initiatives such as reducing travel expenses and employee mobility.	Opportunity	Medium term (1-5 years)	Own operations	
Climate change impact & adaptation	Support and educate farmers to implement climate-resilient farming practices and thus protecting farmer communities for the physical impacts of climate change, ensuring stable income and reduce price volatility.	Positive impact	Medium term (1-5 years)	Upstream	E1
	Supply chain interruptions caused by climate-related events, such as crop failures, can lead to increased procurement costs or production delays.	Risk	Short term (< 1 year)	Upstream	
	Extreme weather circumstances impacting volumes and quality of the harvested raw materials, floods impacting production (facilities), utilities (eg, ammonia to freeze), etc...	Risk	Short term (< 1 year)	Upstream	
Water management	Use of alternative water consumption sources (water circularity, reusing of water, grey water,...) contributes to increased access to safe and affordable drinking water and sanitation for local communities	Positive impact	Medium term (1-5 years)	Upstream/ Own operations	E3
	Potential financial risks related to water scarcity (which results in a quality risk for vegetables and fruits cleaning), including increased costs for water procurement and treatment, which can impact operational expenses and profitability.	Risk	Long term (> 5 years)	Own operations	

Topic	Impacts, risks and opportunities		Time horizon	Value chain	Link to ESRS
Sustainable packaging	Enablement of higher recycling rates for customers through recyclable packaging and/or packaging return programmes, resulting in reduction of waste generation	Positive impact	Short term (< 1 year)	Own operations / Downstream	E5
	Adequate packaging helps maintain the safety and quality of frozen food products, reducing the risk of contamination, spoilage, and foodborne illnesses. Consumers can have confidence in the products they purchase.	Positive impact	Long term (> 5 years)	Own operations / Downstream	
	Costs associated with disposing of packaging, including transportation and disposal fees, which can impact operational expenses.	Risk	Short term (< 1 year)	Own operations / Downstream	
Regenerative agriculture	Soil regeneration by improving soil health leading to improved soil structure, water retention, and nutrient cycling	Positive impact	Medium term (1-5 years)	Upstream	E4
	Over the long term, regenerative practices can lead to cost savings through improved soil health, reduced inputs, and increased crop resilience.	Opportunity	Long term (> 5 years)	Upstream	
	Decreasing yield and increasing effort in crop soil health recovery because of conventional methods.	Risk	Medium term (1-5 years)	Upstream	
Food Quality & Food Safety	Compromised food quality & food safety results in public health concerns (harm to the health of consumers e.g. harmful pathogens or contaminants)	Negative impact	Short term (< 1 year)	Across the value chain	S4
	Proactive compliance with food safety regulations and standards (like BRC and IFS) can enhance the company's reputation, potentially leading to increased customer trust and preference.	Opportunity	Short term (< 1 year)	Across the value chain	
Employee well-being & safety	Unhealthy (physical and/or mental), unhappy and insecure work force (e.g. because lack of work-life balance)	Negative impact	Medium term (1-5 years)	Own operations	S1
	Risk of increased stress given the important impact of Horizon (Strategy and Cost out) on the workload on top of the day-to-day, combined with uncertainty of change (eg, the previous Covid pandemic situation).	Risk	Medium term (1-5 years)	Own operations	

2. ESRS E1: Climate change

E1-1 — Transition plan for climate change mitigation

Ardo’s commitment to the Science-Based Targets initiative

Recognising the need to mitigate Ardo’s climate impact and minimise our carbon footprint across the entire value chain, we decided to align our emission reduction targets with the latest climate science. In December 2023, we formalised our dedication to climate mitigation by signing the Science-Based Targets initiative (SBTi) commitment letter. Specifically, for our scope 1 and 2 emissions, we follow the pathway aimed at limiting global warming to 1.5°C. For our scope 3 emissions, we follow the pathway well below 2°C. As part of our SBTi roadmap, we will distinguish between FLAG (forest, land, agriculture) and non-FLAG emissions.

We are currently in the process of developing our science-based reduction targets and decarbonisation roadmaps.

Related to ESRS 2 SBM - 3

Material impacts, risks and opportunities and their interaction with strategy and business model:

- [The path to a more sustainable food system](#)
- > [1. Committing to a more sustainable future](#)

Related to ESRS 2 IRO-1

Description of processes to identify and assess material climate-related impacts, risks and opportunities:

- [Sustainability statements](#)
- > [ESRS 2 > Double materiality](#)



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

The Science-Based Targets Initiative (SBTi) is a non-profit and multi-stakeholder climate initiative, led by CDP, the UN Global Compact, the World Resources Institute and the World Wildlife Fund. It provides a comprehensive methodology for companies to establish carbon reduction targets aligned with the scientific imperatives outlined in the Paris Agreement.

Carbon Disclosure Project (CDP)

Engaging with CDP enables Ardo to reinforce its sustainability and climate strategies. The CDP is a global non-profit organisation that runs a leading environmental disclosure system, helping companies measure and manage their environmental impact. Ardo's participation to CDP will support the identification and assessment of material climate-related risks, opportunities and impacts by enhancing transparency, improving data-driven decision making and aligning sustainability efforts with global best practices.



Climate risk assessment

As part of our climate risk assessment¹, we observed a significant trend: **mean temperatures are projected to increase by 15 to 20% across all our growing regions and seasons**. This rise in temperature will have wide-reaching impacts on crop production, pest management and water availability, demanding proactive measures to adapt and mitigate risks.

One of the most concerning outcomes of this temperature increase is the **intensification of extreme weather conditions**, especially the number of days with temperature above 35°C. In particular, regions in the South of Europe are expected to experience two to four times more days with temperatures exceeding 35°C. These extreme heat days can place **stress on crops, reduce yields and affect crop quality**. In winter, higher temperatures mean fewer frost days across all sourcing areas, leading to an **increased risk of pests**, as colder weather traditionally helps control pest populations.

While average yearly precipitation in our main growing regions is expected to remain relatively stable, seasonal fluctuations will likely intensify. We also anticipate a slight increase in consecutive dry days, especially in southern regions, which will further challenge water availability and soil health. Meanwhile, Northern Europe may see an increase in heavy precipitation events lasting up to five days, while Southern Europe faces a decrease in such occurrences.

E1-2 — Policies related to climate change mitigation and adaptation

More information:

- [The path to a more sustainable food system > 1. Committing to a more sustainable future](#)
- [Minimal Environmental Impact > 2. Reducing the Ardo carbon footprint](#)
- [Minimal Environmental Impact > 2. Reducing the Ardo carbon footprint > Regenerate > Ardo Green Energy Policy](#)
- [Agronomy MIMOSA+ > 2. MIMOSA+, regenerating and revitalising the soil and ecosystems](#)

E1-3 — Actions and resources in relation to climate change policies

Scope 1 and 2 emissions:

- [Minimal Environmental Impact > 2. Reducing the Ardo carbon footprint](#)

Scope 3 emissions:

- [Agronomy MIMOSA+ > 2. MIMOSA+, regenerating and revitalising the soil and ecosystems](#)
- [Relationship with our stakeholders](#)

E1-4 – Targets related to climate change mitigation and adaptation

Following our SBTi commitment in December 2023, we are developing emission reduction targets in line with SBTi ambitions for our scope 1 and 2 emissions, as well as for our scope 3 FLAG and non-FLAG emissions. This way, we aim to contribute to limiting global warming to 1.5°C, in accordance with the Paris Agreement.

Achieving significant GHG reductions in our crop growing activities (FLAG emissions) is a challenging task for Ardo and its farmers.

More information:

- [Minimal Environmental Impact > 2. Reducing the Ardo carbon footprint > Taking responsibility from farm to fork > Adhering to sustainable farming](#)

Our specific target for Scope 1 & 2 emissions - measured against our 2020 baseline – is to achieve a 40% reduction in carbon emissions (T CO₂eq / T prod) by 2030.

- [The path to a more sustainable food system > 4. Turning our sustainability ambition into reality](#)

¹ Source of information used for climate assessment: IPCC climate scenario RCP 8.5, Baseline: 1981-2010, Period: Medium term 2041-2060 and [Aqueduct 4.0: Updated Decision-Relevant Global Water Risk Indicators | World Resources Institute](#)

E1-5 — Energy consumption and mix

Energy consumption and mix	Fiscal year 2023-2024
(a) Fuel consumption from coal and coal products (MWh)	0
(b) Fuel consumption from crude oil and petroleum products (MWh)	7,615.55
(c) Fuel consumption from natural gas (MWh)	155,286.02
(d) Fuel consumption from other fossil sources (MWh)	0
(e) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	180,175.93
Total fossil energy consumption (MWh) (the sum of lines (a) to (e))	343,077.50
Share of fossil sources in total energy consumption (%)	77.48%
Total consumption from nuclear sources (MWh)	0
Share of consumption from nuclear sources in total energy consumption (%)	0%
(f) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	38,871.33
(g) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	54,611.44
(h) The consumption of self-generated non-fuel renewable energy (MWh)	6,232.71
Total renewable energy consumption (MWh) (the sum of lines (f) to (h))	99,715.48
Share of renewable sources in total energy consumption (%)	22.52%
Total energy consumption (MWh) (sum of lines (a) to (h))	442,792.98
Energy intensity per net revenue (MWh / €)	0.33

E1-6 — Gross scopes 1, 2, 3 and total GHG emissions

Gross scopes 1, 2, 3 and total GHG emissions	Fiscal year 2022-2023	Fiscal year 2023-2024	% N / N-1
Scope 1 GHG emissions	Target 2030 scope 1 & 2: -40% tCO2eq / t produced from FY19/20 baseline		
Gross Scope 1 GHG emissions (tCO2eq)	32,363	32,176	-0.58%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	NA
Scope 2 GHG emissions	Target 2030 scope 1 & 2: -40% tCO2eq / t produced from FY19/20 baseline		
Gross location-based Scope 2 GHG emissions (tCO2eq)	22,972	20,300	-11.63%
Gross market-based Scope 2 GHG emissions (tCO2eq)	0	0	0%
Significant scope 3 GHG emissions			
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	767,122	718,679	-6.31%
(a) Purchased goods and services	494,172	460,880	-6.74%
(b) Capital goods	10,671	10,671	0.00%
(c) Fuel and energy-related activities (not included in Scope1 or Scope 2)	19,009	17,742	-6.67%
(d) Upstream transportation and distribution	137,529	148,794	8.19%
(e) Waste generated in operations	30,284	24,311	-19.72%
(f) Business traveling	637	637	0.00%
(g) Employee commuting	3,835	3,835	0.00%
(h) Upstream leased assets	0	0	NA

Gross scopes 1, 2, 3 and total GHG emissions	Fiscal year 2022-2023	Fiscal year 2023-2024	% N / N-1
(i) Downstream transportation	24,567	29,113	18.50%
(j) Processing of sold products	8,931	8,931	0.00%
(k) Use of sold products	Optional for food companies		NA
(l) End-of-life treatment of sold products (Food incl. Packaging)	32,459	9,468	-70.83%
(m) Downstream leased assets	4,297	4,297	0.00%
Total GHG emissions			
Total GHG emissions (location-based) (tCO2eq)	822,457	771,695	-6.17%
Total GHG emissions (market-based) (tCO2eq)	799,485	750,855	-6.08%
GHG intensity per net revenue			
Total GHG emissions (location-based) per net revenue (tCO2eq/Monetary unit)	0.00062	0.00057	-8.36%
Total GHG emissions (market-based) per net revenue (tCO2eq/Monetary unit)	0.00060	0.00055	-8.28%

Examining the evolution of our hotspot Scope 3 categories from FY22/23 to FY23/24, we observe an overall decrease in Scope 3 emissions (minor categories have not been recalculated this year). This can be attributed to several factors, including specific efforts, such as the phase-out of animal-based proteins, as well as **improved calculation methodologies**. These methodologies have been adapted to enhance accuracy, incorporating higher-quality data and improved emission factors compared to the previous year, leading to a few unexpected decreases or increases in specific categories.

Specifically, we have observed the following changes:

- Purchased Goods and Services: Animal-based proteins have been phased out, resulting in a reduction of approximately 38k T CO₂e_q in emissions. Additionally, transport of purchased food, which was previously included under this category, is now reported under Upstream transportation and distribution.
- End-of-life emissions have significantly decreased as we changed cardboard emission factors to a FEFCO emission factor, from cradle to grave, thus accounting for cardboard EOL in the Purchased Goods and Services category.
- Waste generated in operations: We observe a decrease as a combination of local efforts, improved data quality and more accurate emission factors compared to last year.

E1-7 — GHG removals and GHG mitigation projects financed through carbon credits

Ardo currently does not engage in GHG removals or storage through projects within its own operations or across its upstream and downstream value chains. Additionally, we do not finance or purchase carbon credits to support GHG emission reductions or removals from climate change mitigation projects outside our value chain.

E1-8 — Internal carbon pricing

Ardo plans to include an internal carbon price in its CAPEX approval tool to support our decision making and incentivise the implementation of climate-related policies and targets.

E1-9 — Potential financial effects from material physical and transition risks and potential climate-related opportunities

Ardo chooses to omit the information prescribed by ESRS E1-9 for the first year of preparation of its sustainability statement.

3. ESRS E3: Water and marine resources

E3-1 — Policies related to water and marine resources

E3-2 — Actions and resources related to water and marine resources

More information:

- [Minimal Environmental Impact > 3. Closing the hydrological cycle](#)
- [Agronomy MIMOSA+ > 2. MIMOSA+, regenerating and revitalising the soil and ecosystems > Water – Optimising irrigation](#)

E3-3 — Targets related to water and marine resources

At our production sites, we focus on reducing water consumption and maximizing reuse to promote sustainable practices.

Due to significant differences in infrastructure, water availability, and costs across our locations, we have not yet set group-wide water reduction targets. However, we actively monitor and benchmark water consumption across all sites to understand usage patterns and identify areas for improvement. While group-wide targets are not in place, local water reduction targets have been established, tailored to the specific circumstances and challenges of each location. Our water-saving strategies are designed to address the unique conditions of each site, with a particular focus on those experiencing the greatest water stress.

We also aim to minimize dependence on expensive tap water.

Looking ahead, we plan to enhance measurement processes, establish consistent monitoring, and set clear, SMART targets to guide and harmonize our water management efforts.

E3-4 — Water consumption

More information:

- [Minimal Environmental Impact > Key Performance Table](#)

We plan to implement improved tracking and reporting systems to disclose water consumption accurately from next year onwards.

E3-5 — Potential financial effects from water and marine resources-related impacts, risks and opportunities

Ardo chooses to omit the information prescribed by ESRS E3-5 for the first year of preparation of its sustainability statement.

4. ESRS E4: Biodiversity and ecosystems

E4-1 — Transition plan on biodiversity and ecosystems

E4-2 — Policies related to biodiversity and ecosystems

E4-4 — Targets related to biodiversity and ecosystems

Ardo will join The Biodiversity Shift in 2025, a new initiative led by The Shift and WWF Belgium, aimed at fostering action on biodiversity and aligning with Business for Nature's global 'Now for Nature' campaign. This collaboration marks a significant step in shaping Ardo's own biodiversity strategy, as we work alongside peers committed to addressing the decline in biodiversity and contributing to a nature-positive world by 2030.

We have assessed the limited impact of the **European Deforestation Regulation** on our product offerings and are preparing towards compliance. We prioritise sustainability and regulatory compliance in all our operations. Our teams are continually monitoring regulatory developments to ensure that our products meet the highest standards of environmental responsibility.

THE
SHIFT



E4-3 — Actions and resources related to biodiversity and ecosystems

More information:

→ [Agronomy MIMOSA+](#)

E4-5 — Impact metrics related to biodiversity and ecosystems change

E4-6 — Potential financial effects from biodiversity and ecosystem-related impacts, risks and opportunities

Ardo chooses to omit the information prescribed by ESRS E4-6 for the first year of preparation of its sustainability statement.

5. ESRS E5: Resource use and circular economy

E5-1 — Policies related to resource use and circular economy

More information:

→ [Minimal Environmental Impact > 4. Sustainable packaging](#)

E5-2 — Actions and resources related to resource use and circular economy

More information:

→ [Minimal Environmental Impact > 4. Sustainable packaging](#)

E5-3 — Targets related to resource use and circular economy

More information:

→ [Minimal Environmental Impact > 4. Sustainable packaging](#)

E5-4 — Resource inflows

E5-4 Resource inflows	Fiscal year 2023-2024
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials in our plastic packaging	0%
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials in our paper-based packaging	Not yet available

E5-5 — Resource outflows

Products and materials	Fiscal year 2023-2023	Fiscal year 2023-2024
The rates of recyclable content in plastic packaging	93%	96%
The rates of recyclable content in paper-based packaging	100%	100%

E5-6 — Potential financial effects from resource use and circular economy-related impacts, risks and opportunities

Ardo chooses to omit the information prescribed by ESRS E5-6 for the first year of preparation of its sustainability statement.

6. ESRS S1: Own workforce

S1-1 — Policies related to own workforce

Ardo's Code of Conduct

The Code of Conduct defines Ardo's core values. Our core values are embedded in every aspect of Ardo's business and are to be considered as minimum requirements to be respected, by all our employees, partners and intermediaries. The overall goal is to encourage respect for business ethics, human and labour rights, safety and the environment.

Specifically in relation to working conditions, human rights and safety, our Code of Conduct states:

Human and labour rights

Ardo and each party involved in doing business with Ardo shall support and respect internationally declared human rights and treat its employees fairly, equally and with respect.

Freedom of association – Ardo recognises the right of each employee to form or join trade unions and the right of their representatives to negotiate collectively, without the risk of suffering any disadvantage or discrimination as a result thereof.

- Working hours – Working hours, breaks and vacations must comply with (inter)national legislation and agreements.
- Fair compensation – Wages, benefits and overtime compensation shall at the very least comply with national legislation, industry standard and collective agreements.
- Forced labour – No form of forced labour, physical abuse or labour linked to any form of punishment is permitted.
- Child labour – Every child needs to be protected from economic exploitation. Ardo does not employ any individual who has not reached the mandated school-leaving age or the minimum age set for employment as defined in the concerned country.
- Equal treatment - No discrimination, intimidation, oppression or harassment shall be accepted, no matter in which form.

Safety at work

The safety of our employees and contractors is Ardo's highest priorities. Ardo strives to take a leading role in an industry that poses real risks.

Safety policy statement

Ardo places the highest priority on the safety and well-being of its employees, customers, contractors, suppliers and visitors, aiming for a zero-accident workplace. Emphasising a family-like approach, Ardo commits to a safety culture where everyone is responsible for their own safety and that of others, and where feedback for improvement is encouraged. Key measures include providing essential safety training, following best industry practices and collaborating closely with contractors under mutually agreed health and safety plans.

More information:

→ [Respect for our employees > 2. Safe and healthy employees](#)

S1-2 — Processes for engaging with own workers and workers' representatives about impacts

Ardo ensures that every local site has a CPPW (Committee for Prevention and Protection at Work), which plays a vital role in safeguarding the health, safety and well-being of our employees. The CPBW focuses on identifying workplace risks, proposing preventive measures and fostering a safe working environment through regular consultation and collaboration.

Ardo's European Works Council (EWC) acts as a platform for dialogue between management and employee representatives from various countries. Its role is to facilitate information exchange and consultation on cross-border matters affecting employees, ensuring a unified approach to addressing workforce issues across Ardo's European operations.

Ardo recognises the importance of employee engagement in shaping sustainable business practices and assessing the company's material impact on its workforce. While conducting the double materiality assessment, we involved more than 450 employees to gain insights into both positive and negative impacts that may affect employees, directly or indirectly. Through their insights, Ardo has been able to define key material topics more accurately, ensuring that the voices of its workforce are reflected in its sustainability and business strategies.

In addition, Ardo has scheduled an employee engagement survey for FY24/25. This survey will be instrumental in gathering deeper insights into the experiences and views of its workforce, informing future policies.

Health & safety risk analysis per site includes a detailed assessment and scoring, implemented at all sites since September 2020. The evaluation is based on exposure, severity and likelihood and defines and prioritizes the necessary actions. Both frequent minor incidents and rare but severe incidents are classified as high-risk.

S1-3 — Processes to remediate negative impacts and channels for own workers to raise concerns

The instalment by Ardo of a whistleblowing procedure is an important element in detecting corrupt, illegal, or other undesirable behaviour. Ardo wants to encourage employees or third parties to report any such suspicion and to provide a secure and trusted platform to do so.

The basic rules of Ardo's whistleblowing policy are defined as follows:

- 1/ Any person that has reasonable grounds to believe that fraud or serious misconduct has taken place (or will take place), needs to be able to report his or her suspicions;
- 2/ Any report regarding possible fraud or serious misconduct must be investigated in an independent and highly confidential manner;
- 3/ The investigations must be performed within a reasonable time;
- 4/ If the reporting has been done in good faith, the reporting person shall not suffer any unfair treatment or reprisal because of the reporting;

5/ The rights of the person(s) subject to the reporting will be equally respected;

6/ Ardo encourages its employees to first try to resolve the matter internally by addressing the usual reporting lines (manager, HR or union representative).

S1-4 — Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

More information:

- [Respect for our employees > 1. Taking care of our people](#)
- [Respect for our employees > 2. Safe and healthy employees](#)

S1-5 — Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Accident Frequency Target

Reduce the risk of accidents: Injury Frequency Index (IFI) of 10 by 2030 (IFI = #occupational accidents per million working hours)

More information:

- [Respect for our Employees > Key Performance Table](#)

S1-6 — Characteristics of the undertaking’s employees¹

	Number of employees (head count)
Ardo employees: fixed and seasonal employees including blue collar, white collar and contractors	2787
Employees from Joint Ventures (at 50%): fixed and seasonal employees including blue collar, white collar and contractors	437
Total employees as a sum of Ardo employees and Joint Ventures at 50%	3224

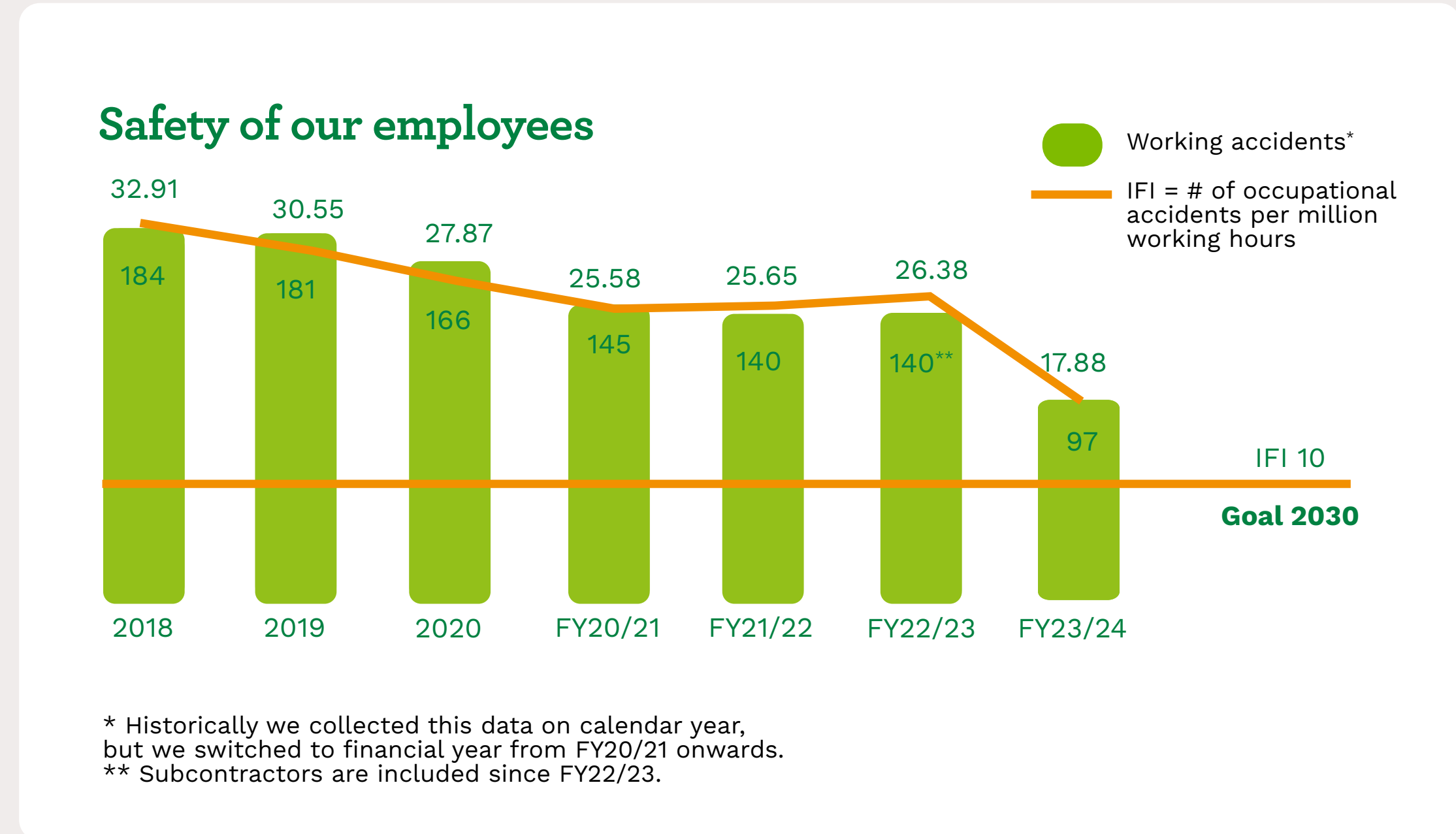
Employee head count in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees:

Countries	Number of employees (head count)
Belgium	1285.5
France	718
Spain	375

Information on employees by contract type (head count or FTE):

Employees by contract type	Total
Number of employees (head count)	3224
Number of temporary employees (FTE) incl. JV at 50%	579

S1-14 — Health and safety indicators



S1-15 — Work-life balance indicators

(a) the percentage of employees entitled to take family-related leave	100%
(b) the percentage of entitled employees that took family-related leave	10%

¹ Cut-off date 30/11/2024 instead of 30/06/2024 due to new central HR data management platform.

7. ESRS S4: Consumers and end-users

S4-1 — Policies related to consumers and end-users

Ardo supports a healthy, plant-based global food transition by offering safe and high-quality fresh frozen vegetables, fruits and herbs that meet both today's and tomorrow's needs. Ardo's clear ambition to continuously improve the quality KPIs of its products is one of our guiding principles, as outlined in our Code of Conduct.

This responsibility means ensuring our products meet strict product quality standards, as poor food safety can directly impact consumers' right to health. We also prioritize transparency, providing accurate information about our products and processes to support informed, safe choices for our customers. Through rigorous standards across our supply chain, we strive to consistently deliver safe and reliable products. Fresh frozen vegetables and fruits make food more affordable for households by offering stable, year-round pricing, unaffected by seasonal fluctuations. They also help reduce food waste, as they are portionable and pre-prepared, meaning consumers only use what they need, leading to fewer leftovers and spoilage.

More information:

→ [Food safety, quality and innovation](#)

S4-2 — Processes for engaging with consumers and end-users about impacts

S4-3 — Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

In a B2B context, Ardo generally does not have direct contact with consumers or end-users (except to a limited extent under its own brand). Consumer inquiries or complaints are relayed through our B2B clients and handled by Ardo's Food Safety and Quality department.

S4-4 — Taking action on material impacts on consumers and end-users, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

More information:

→ [Food safety, quality and innovation > 1. Ensuring food safety and quality across our operations](#)

S4-5 — Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

PURE Target (Foreign material reduction): Achieve a maximum of 2.5 PURE complaints per 1,000 tons packed by FY30/31 (including externally sourced products).

PURE = **P**revent, **U**ncover, **R**educe, **E**liminate foreign material.

More information:

→ [Food Safety, Quality and Innovation > Key Performance Table](#)

Our link with United Nations Sustainable Development Goals

At Ardo, we align our ambitions with the United Nations' Sustainable Development Goals (SDGs)—a framework of 17 global objectives adopted in 2015 to create a fairer and more sustainable world by 2030. The SDGs are an integral part of our sustainability programme, guiding us in making decisions that ensure the future resilience of our business across our integrated value chain. From responsible sourcing and sustainable operations to delivering healthy and nutritious food to the consumer's plate, we take responsibility for reducing our impact and driving positive change throughout our activities.

Guided by our five **sustainability pillars**—Minimal Environmental Impact, Agronomy and MIMOSA+, Food Safety, Quality and Innovation, Respect for Our Employees, and Relationship with Our Stakeholders—we focus on the SDGs where we can make the most substantial impact. This targeted approach enables us to deliver added value and drive meaningful progress toward shared global goals.

To contribute to the UN goal of achieving a fairer and better world by 2030, we focus on 8 SDGs.





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We preserve nature's gifts