



# SUSTAINABILITY REPORT 2022.

## About this report

This report details the Global Sustainability Strategy, commitments, and performance against targets of McCain Foods Limited (we, our or McCain). Unless otherwise stated, reporting boundaries include subsidiaries owned or controlled by McCain, excluding our transportation subsidiary Day & Ross and acquisitions that we have completed within the last 24 months.

This sustainability report is for our fiscal year ended June 30, 2022. Our performance data tables include previous years' data, where relevant.

All currency reported is in Canadian Dollars (CAD), unless otherwise stated.

## GRI - statement of use

McCain has reported the information set out in the GRI content index, attached as an appendix to this sustainability report, for the period from July 1, 2021 to June 30, 2022 with reference to the GRI Standards.

Our GRI content index uses the requirements and principles of 'GRI 1: Foundation 2021' and is available on page [69](#).

## External assurance

McCain seeks external assurance of our CO<sub>2</sub> emissions data to support our CO<sub>2</sub> emissions reduction strategy. The British Standards Institution (BSI) conducted limited assurance of our 2022 CO<sub>2</sub> emissions inventory and our alignment with ISO 14064. The latest statement will be made available [here](#), along with previous limited assurance statements from 2017 - 2021.

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# A message from our President & CEO.

As the world emerged from COVID-19, the events of 2022 once again exposed the fragility of global food systems. The climate crisis intensified, with drought in Europe and North America, flooding in Pakistan and other extreme weather events being felt around the world. The situation in Ukraine caused further disruption to supply chains, leading to food, energy and cost-of-living crises in many regions. At the time of writing, leaders at the COP27 Summit in Egypt have signaled that urgent action is needed to avert irreversible 'climate chaos.'

Never has the case for making our food systems more sustainable and resilient been more compelling or clear. We need to tackle these challenges now, but also for the future, and we believe agriculture can, and must, be a core part of the solution. This is both our opportunity and our responsibility.

At McCain, sustainability goes to the heart of our purpose as a business. That purpose is to celebrate real connections through delicious, planet-friendly food, which means putting agronomy at the forefront of all we do to ensure healthier soils which lead to more sustainably sourced food. It means reducing our climate impact and supporting the communities where we operate. By delivering on our purpose and commitments, we aim to grow our business while helping to strengthen food and agricultural systems for a more sustainable future.

## The year in review

In 2022, we continued to grow our business in line with our values, through investments in innovation. By investing in companies like Strong Roots and GoodLeaf we aim to meet consumer demand for healthier food options. We also acquired the predictive crop intelligence portfolio of analytics technology firm Resson, with the goal of helping growers improve productivity. We also increased our operational capacity in key markets such as Brazil. At the same time, we reduced our environmental footprint, decreasing our absolute



CO<sub>2</sub> emissions by 6% (Scope 1 and 2) and increasing our use of renewable electricity, which now accounts for almost 20% of our total electricity usage.

We also stepped up our efforts to promote regenerative agriculture, which we believe holds the key to sustainable farming and food production. By adopting practices that improve soil health, increase water quality and protect biodiversity, we're building farmer resilience to climatic and economic shocks. To further prove our commitment to regenerative farming practices, we launched our second Farm of the Future, in Africa, which is designed to showcase and trial new regenerative agriculture practices with learnings that will be scaled globally. We also implemented the McCain Regenerative Agriculture Framework, a pathway to progress and guide for our farmers to enable their evolution toward a regenerative farming model. To support these efforts, we've established new training and financing partnerships to assist our growers as they embark on this exciting transition.

As part of our community efforts, we held our first-ever global Chips In volunteering day, with over 1,200 employees from over 19 countries engaging in community-based activities. I was one of those taking part and was delighted to have the opportunity to help Second Harvest, the largest food rescue operation in Canada.

Having supported our people through COVID-19, we distilled key lessons from the pandemic, sharpening our focus on mental health and wellbeing for all. We also advanced our Diversity, Equity and Inclusion (DEI) agenda, as we work to build a sense of belonging and enable our employees to be their authentic selves.

## The journey ahead

As part of our commitment to sustainability, we've begun to evolve our environmental, social and governance (ESG) reporting strategy, starting with a refresh of our materiality assessment. This has led to a more explicit and integrated approach to food safety, as well as a more formal alignment to the Global Reporting Initiative (GRI).

As you'll see from the stories in this report, we are not in this alone – we're on a journey with our people, partners and our growers to a more sustainable future. We've made good progress so far, but we know there's still a long way to go and much still to do – as a company, as individuals, and in collaboration with others.

As we move forward together, we'll continue to innovate and engage with the issues that matter, delivering healthier and diverse products for consumers, while working to meet our commitments to communities, society and the environment.

I look forward to continuing this journey and sharing more with you.



**Max Koeune,**  
President & CEO



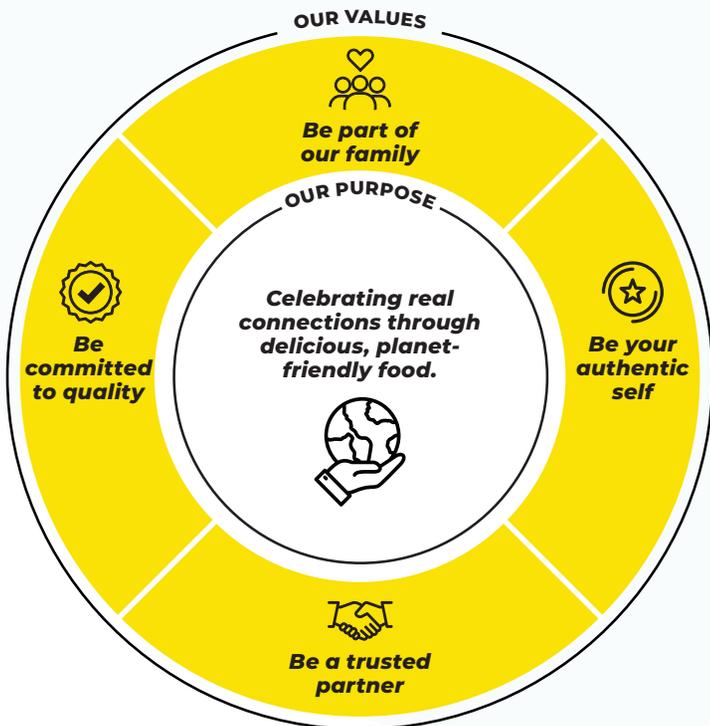
# Our purpose & values.

## Our purpose

We know the importance that food plays in people's lives – the power it has to bring people, families and communities together. And our purpose speaks to our belief in connecting people through delicious, planet-friendly food.

We also know that our consumers want food that is produced in a sustainable way. That's why we set our company purpose towards producing food responsibly to ensure a sustainable future – making a difference today, tomorrow and for generations to come.

But we can't do this alone. We do this by succeeding together with our teams, our growers and our business and community partners around the world. Because we know that when we work and grow together, we succeed together.



## Our values

McCain is proud to be a family-owned and values-driven company. Our values are integral to our culture, shaping how we operate, how we work together and the choices we make. They're a big part of what makes us unique.

### Family

We know that nothing matters more in life than family. We take care of our business and each other like a family. Above all, the health and safety of our people always comes first.

### Authentic

We're a diverse team of more than 20,000 people across six continents who collaborate and drive for results together as ONE team. We're shaping an inclusive culture – a place where everyone can be themselves, have the courage to speak up, have their ideas heard, and feel that their contributions count.

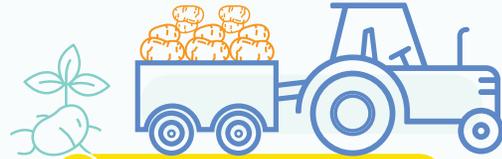
### Trusted

McCain is built on relationships and real connections with colleagues, farmers, customers, communities and beyond. We take accountability for driving results and show resilience in every situation.

### Quality

From the food we make to the work we do, we take pride in delivering consistent quality every day. Because that's what leaders do.

# Our business at a glance.



## 1 AGRICULTURE

We partner with over 3,500 growers across 5 continents.

3,500  
growers



## 2 PROCUREMENT

We also work with over 25,000 other suppliers around the world.

close to  
6.6M  
tonnes of  
potatoes



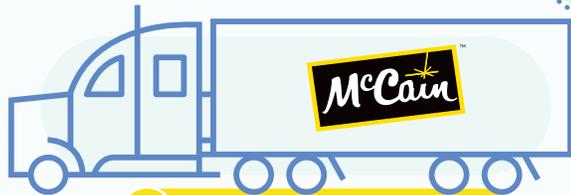
## 3 PRODUCTION

We operate 51 plants globally, supported by 14 research and development facilities.

1:4  
fries in the world  
is a McCain  
Foods fry!

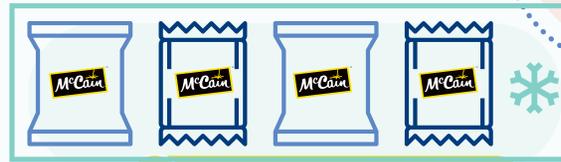
20,000+  
employees

51 plants  
95% located  
in rural  
communities



## 6 TRANSPORT

We distribute most of our products by truck to local storage facilities. In some places, we also use rail and ocean freight.



## 5 COLD STORAGE

On an average day, we store over 500,000 tonnes of French fries in cold storage throughout the world.

## 4 PACKAGING

We package our French fries, potato specialties, appetizers, entrées, vegetables, pizzas, and desserts.



## 7 SALES/CUSTOMERS

We serve millions of customers every day, in restaurants, homes, and outlets in over 160 countries.



## 8 CONSUMPTION

Families everywhere share our delicious food during mealtimes.

sales in  
160  
countries

over  
\$11B  
CAD  
revenues

# Sustainability at McCain.



## Our Sustainability Pillars

## Our Commitments

### SMART & SUSTAINABLE FARMING



- Implementing regenerative agriculture practices on 100% of our potato acreage by 2030
- Operating three Farms of the Future in different growing regions around the world by 2025
- Developing research partnerships and leverage collective action to advance regenerative agriculture

- Reducing CO<sub>2</sub> per tonne from potato farming, storage and freight by 25% by 2030
- Improving water-use efficiency by 15% in water-stressed regions by 2025
- Training, knowledge & technology transfer to our farmers

### RESOURCE-EFFICIENT OPERATIONS



- 50% absolute reduction in CO<sub>2</sub> emissions (Scope 1 & 2), move out of coal and 100% renewable electricity by 2030
- 30% reduction in CO<sub>2</sub> emissions intensity (Scope 3) by 2030
- 15% improvement in water-use efficiency in seven priority plants by 2025

- Zero waste to landfill
- Making 100% of our packaging recyclable, reusable or compostable by 2025
- 50% reduction in food waste intensity across McCain operations by 2030

### GOOD FOOD



- Using simple ingredients that customers recognize and expect
- Removing palm oil from our frying operations for McCain-branded products by 2025
- 15% reduction in sodium in our potato and appetizer products by 2025
- Expanding healthier food offerings
- Providing clear and transparent nutritional information
- 100% GFSI certification at all McCain-owned facilities and tier 1 ingredient suppliers
- 100% use of cage-free eggs by 2025

### THRIVING COMMUNITIES



- Supporting farmers and families by donating 200 million meals to food banks and NGOs by 2025
- Supporting farmers and families with 50,000 hours of employee volunteering by 2025
- Improving livelihoods of 10,000 vulnerable farmers and families by 2025

Our Alignment to the United Nations' Sustainable Development Goals (SDGs)



# Materiality.

## Focusing on the issues that matter

We developed our Global Sustainability Strategy in consultation with our stakeholders. Understanding their views and the topics they value helped to shape our strategic pillars and focus areas. These conversations took place in 2019 as part of our initial materiality assessment, during which we asked a diverse group of stakeholders the following question: “What does it take to become a sustainability leader?” The stakeholder engagement process involved McCain’s Senior Leadership Team, employees and shareholders, as well as diverse external stakeholders such as academics, customers, NGOs and impact investors. This assessment was conducted in accordance with Global Reporting Initiative (GRI) guidelines and aligned with the United Nations Sustainable Development Goals (SDGs).

Periodically, we review our sustainability strategy and material topics. The McCain Global Sustainability Team monitors sustainability issues, trends and our organizational impacts. As part of this process, we consider our stakeholder consultations and work with research partners and industry forums. The Global Sustainability Team also benchmarks against industry standards.



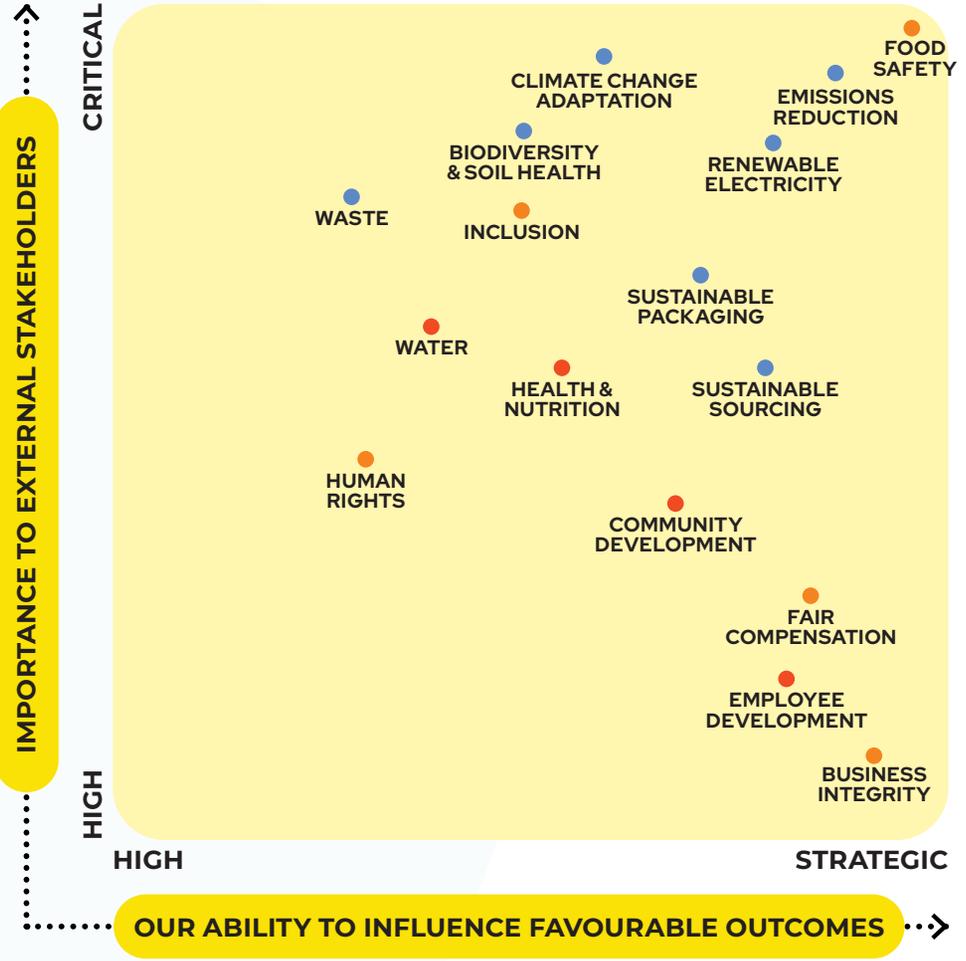
## Sustainable Development Goals

	 <b>SMART &amp; SUSTAINABLE FARMING</b>	 <b>RESOURCE-EFFICIENT OPERATIONS</b>	 <b>GOOD FOOD</b>	 <b>THRIVING COMMUNITIES</b>
 <b>2 ZERO HUNGER</b>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
 <b>6 CLEAN WATER AND SANITATION</b>	<input type="checkbox"/>	<input type="checkbox"/>		
 <b>7 AFFORDABLE AND CLEAN ENERGY</b>		<input type="checkbox"/>		
 <b>8 DECENT WORK AND ECONOMIC GROWTH</b>		<input type="checkbox"/>		<input type="checkbox"/>
 <b>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
 <b>13 CLIMATE ACTION</b>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
 <b>15 LIFE ON LAND</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
 <b>17 PARTNERSHIPS FOR THE GOALS</b>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

In 2022, we undertook a materiality refresh, which involved surveying McCain's debtholders to help confirm and prioritize our material ESG topics from an investor perspective. The majority of respondents were satisfied with our existing material topics and priorities. However, based on the feedback we received we made some minor revisions to the McCain Materiality Matrix. For example, food safety and quality, and diversity, equity and inclusion (DEI), are now more prominent within our sustainability strategy and reporting processes. In this way, we're ensuring that we continue to focus on the issues that matter.



## Materiality Matrix



● GLOBAL PRIORITY
● GLOBAL STANDARD
● CONTINUOUS IMPROVEMENT

# Stakeholder engagement.

## Engaging, listening and responding

Stakeholder engagement is a core part of our approach to sustainability. We're committed to actively consulting our stakeholders through meaningful conversations and interactions. Our stakeholders' opinions and perspectives inform our Global Sustainability Strategy, helping us to identify areas where we can deliver the greatest impact, as well as areas where we can improve.

Throughout 2022 we engaged with



Growers



Suppliers



Local Communities



Government



Customers



Employees



Consumers



Industry Coalitions

**“By listening to our stakeholders, we gain insight into their needs and concerns, which ensures the work we do is relevant and responsive. We can’t achieve our sustainability goals alone, so working closely with our stakeholders is essential to our present and future performance.”**

Charlie Angelakos

VP Global External Affairs and Sustainability

### “ GROWERS

**It's crucial we communicate and engage with our growers as they transition to regenerative agriculture around the world. Through dialogue, guidance and relevant business cases structured through our Regenerative Agriculture Framework, we aim to support them every step of the way.**

Philippe Thery  
Chief Agriculture Officer

### “ EMPLOYEES

**We engage regularly with our employees on a range of sustainability issues via diverse media and channels. Through education, training and regular communication, we work to unite our people around our Purpose, Values and sustainability commitments.**

Alison DeMille  
Chief Human Resources Officer

### “ LOCAL COMMUNITIES

**Our sustainability programs need to reflect the needs and wishes of the local communities where we operate. By meeting and talking with local community members, we make sure our work is targeted, supportive and impactful.**

Sonja Davisson  
Thriving Communities Global Lead

# Governance.

## Supporting our sustainability goals

To achieve our sustainability goals, strong governance is essential. Our governance structures, combined with our Purpose and Values, link to and support the success of our Global Sustainability Strategy.

## Board committees and structure

McCain's Board of Directors (the Board) is comprised of 10 members, including McCain's President & Chief Executive Officer (CEO), highly experienced independent and outside Directors and McCain family members. The experience and expertise of the Board of Directors of McCain as a whole includes specialist knowledge of sustainability and climate matters in the agriculture and food industries.

The CEO has accountability for sustainability at McCain, with oversight from the Safety & Sustainability Committee of the Board (the Safety & Sustainability Committee). The Safety & Sustainability Committee meets at least three times a year and has oversight for matters affecting:

- Consumers of our products, such as nutritional and food safety;
- Our employees, such as occupational health & safety;
- The agricultural and rural communities in which we work; and
- The environmental impacts of our business.

The Safety & Sustainability Committee is responsible for:

- Reviewing policies, practices (e.g. McCain's Global Sustainability Strategy, programs related to food safety, environmental management, health and safety), and management reports on performance against targets;
- Reviewing the identification, monitoring and mitigation of significant risks;

- Reviewing the metrics McCain uses to assess its sustainability performance and McCain's external communication plans;
- Making recommendations to the Board; and
- Evaluating the functioning of the Safety & Sustainability Committee.

The importance of sustainability within our business is reflected in the integration of sustainability performance into executive compensation. This includes metrics on carbon emissions reduction and gender diversity.

## Management structure

Our Global Sustainability Team reports directly to the VP of External Affairs and Sustainability, who in turn reports to the CEO with respect to sustainability matters. Sustainability performance is integrated into quarterly Senior Leadership Team meetings and is reported to the Safety & Sustainability Committee at least three times a year. We have also established executive-level leadership for each of the four pillars within our sustainability strategy.

Around the world, we have dedicated Sustainability Leads in Great Britain, Continental Europe, Australia, Latin America, India, China, South Africa and North America. These Sustainability Leads are responsible for developing implementation roadmaps and reporting regularly on progress. This structure enables us to continuously improve regional performance, as well as explore how we incorporate sustainability considerations into our commercial, manufacturing, sourcing and innovation activities.

# F22 sustainability progress at a glance.

## Smart & Sustainable Farming

 Farm of the Future Africa launched.

 Global Regenerative Agriculture Framework implemented.

 New regenerative financing partnerships established.

 **8%** reduction in CO<sub>2</sub> emissions per tonne from potato farming, storage, and freight.

 Water stress-tolerant potato varieties – **21.5%**.

 Water-use efficiency improved by **11%** (in water-stressed regions).

## Resource-Efficient Operations

 Renewable electricity up to **18.5%**.

 **98%** of paper packaging and 90% plastic packaging designed for recycling.

 **17%** improvement in water use efficiency in priority plants.

 **17%** reduction in CO<sub>2</sub> per tonne of product produced (Scope 1 and 2).

## Good Food

 Plant-forward product innovations through partnerships with Strong Roots, The Simple Root and GoodLeaf.

 **100%** of McCain-owned facilities and 95% of Tier 1 ingredient suppliers GFSI certified.

 Sodium reduction and artificial ingredients removed in key products.

 **100%** voluntary implementation of:

- Nutriscore on retail products in   
- Health Star Rating system for McCain-branded products in  

## Thriving Communities

 **10.9 million** meals donated.

 **6,432** hours of employee volunteering completed.

 **2,921** new beneficiaries reached.

 **14** new community projects launched.

# Smart & Sustainable Farming.



# Shaping the future of sustainable farming and food production.

Worldwide, the agriculture sector is responsible for approximately 23% of greenhouse gas (GHG) emissions<sup>1</sup>. At the same time, it is also highly vulnerable to the effects of climate change. In our growing regions, we're increasingly seeing drought, extreme temperatures and flooding. It is clear that food systems both drive, and are threatened by, climate change. This situation, combined with population growth, soil degradation, biodiversity loss and supply chain disruptions, makes it essential that we take action to improve our growers' resilience.

At McCain, taking action means being smart and sustainable in the way we grow our raw agricultural ingredients and produce our products. It's a process that starts with the soil and our commitment to regenerative agriculture. Healthy soils capture and store carbon, prevent floods, filter water, protect against drought and nourish the crops that feed us. The shift to regenerative farming is the key to our future, and our growers are at the heart of this transition.

We work in direct partnership with our 3,500 growers, providing a unique opportunity to collaborate, build resilience and help preserve and enhance yields in the long term. By developing local knowledge, investing in research and technologies, and implementing new regenerative techniques, we're helping to build the future of sustainable farming.



## Our approach

Our approach to Smart & Sustainable Farming is shaped by the following commitments:

1. **Accelerating the adoption of regenerative agricultural practices**
2. **Mitigating on-farm climate impact**
3. **Promoting the efficient use of water**



# Accelerating the adoption of regenerative agricultural practices.

**Our commitment: implement regenerative agriculture practices across 100% of our potato acreage by 2030**

Regenerative agriculture holds the key to Smart & Sustainable Farming. We define regenerative agriculture as an ecosystem-based approach that improves farmer resilience by enhancing soil health, protecting biodiversity, improving yields and reducing dependency on synthetic inputs.

In 2021, we set a commitment to implement regenerative agriculture practices across 100% of our potato acreage by 2030. In 2022, we made strides in sharing our vision with our growers and helping them understand what we need to do to move forward. Across our identified priority countries – Canada, Great Britain, France and New Zealand – we focused our efforts on three core components:

## **a. Regenerative Agriculture Framework – measurements and baseline assessments**

In 2022, we launched the [McCain Regenerative Agriculture Framework](#). The Framework is a pathway to progress and a science-based guide for our farmers to support their adoption of regenerative practices. We know there is no ‘one-size-fits-all’ approach, and the Framework aims to set a minimum, credible standard for the industry, while allowing for flexibility across regions and farms. It provides measurement criteria for the achievement of our goals across progressive levels: Onboarding, Beginner, Master and Expert. As the first of its kind in the potato industry, built in partnership with growers and experts, the Framework is a clear demonstration of our commitment to leadership and transparency.

In 2022, we made good progress. Initial assessments across our four identified priority countries – Canada, Great Britain,

France and New Zealand – show that as a proportion, growers representing 47% of our global acreage have implemented at least one indicator from the Beginner level of the McCain Regenerative Agriculture Framework. Soil health assessments are underway, and our priority is to ensure these are performed to the highest standard, leveraging quality data on organic matter, biological, physical and chemical properties, and GPS position. In 2023, we'll continue to progress this journey with assessments in other regions.

## **b. Training**

As part of the Onboarding level, growers must have completed training on regenerative agriculture. The aim is to help growers build an understanding of what regenerative agriculture means for them and their farms and recognize its benefits and opportunities. Regenerative agriculture is a fast-evolving, context-specific topic, so it's vital we collaborate with agriculture and industry experts to share knowledge and best practices that are grounded in science.

In 2022, we conducted extensive training among our field representatives, agronomists and growers in our priority countries. To date, over 360 growers have been trained on the McCain Regenerative Agriculture Framework, including the principles of soil health.

Where possible, we moved from online sessions to practical in-field training and education. We worked with the Soil Health Institute in North America to develop a new program, which includes training, soil health assessments and tailored action plans. In France, we built on our existing partnership with Earthworm, demonstrating through eight reference farms and 55 satellite farms how regenerative techniques can be implemented. We also developed a new training program



in Great Britain, which incorporated expert advice from local potato production scientists. In Australia and New Zealand, McCain agronomists provided various training initiatives to our growers. We look forward to expanding our training programs in 2023.

### **c. Contracting and financing**

We want to help create a positive ecosystem for our growers as they progress towards, and benefit from, regenerative agriculture. Shifting to a regenerative model will ultimately make them more resilient, but we recognize extra assistance is needed now. This includes contracting and financial support to enable the necessary economic transition, which is especially important given the current inflationary environment and global supply chain disruptions.

In 2022, we made strong progress in identifying the right local financing approaches and mechanisms, which started with an understanding of the estimated costs and investments required. By partnering with leading agricultural banks that serve our growers in a number of countries, we co-created new financial products to help incentivize growers and reduce risk in the transition to regenerative agriculture. This process included establishing long-term contracts – for example in France, where we launched a voluntary six-year regenerative agriculture contract for our 800+ growers, the first of its kind. Multi-year contracts ensure long-term revenues for farmers, giving them visibility and capacity to invest in the transition to regenerative agriculture.

Moving forward, we're exploring a new partnership with Farm Credit Canada to incentivize growers to meet the requirements of the McCain Regenerative Agriculture Framework. We're also working with customers, for example, developing a new \$1 million Future of Potato Farming Fund with McDonald's Canada to help Canadian growers improve soil health. This journey is a collective one; by encouraging investments across the value chain through partnerships, we aim to share costs and maximize impact at scale.

## **6 PRINCIPLES OF REGENERATIVE AGRICULTURE**



**ENSURE FARM RESILIENCE**



**ENHANCE CROP AND ECOSYSTEM DIVERSITY**



**AMOUR SOIL, PREFERABLY WITH LIVING PLANTS**



**MINIMIZE SOIL DISTURBANCE**



**REDUCE AGRO-CHEMICAL IMPACTS AND OPTIMIZE WATER USE**



**INTEGRATE ORGANIC AND LIVESTOCK ELEMENTS**



# CASE STUDY

## Bridging the finance gap for growers in Continental Europe

In May 2022, we developed a new regenerative agriculture financing partnership in France with GAPPI (Potato Growers Representatives Association for Industry) and Crédit Agricole, the leading agricultural bank in France which serves four out of every five growers. **Together, we launched an unprecedented 'regenerative agriculture transition loan' to financially support growers implementing regenerative farming practices.** This product offers preferential borrowing rates, financed by McCain, access to capital for eligible growers who want to invest in equipment, and technology to advance regenerative practices.



# Farms of the Future.

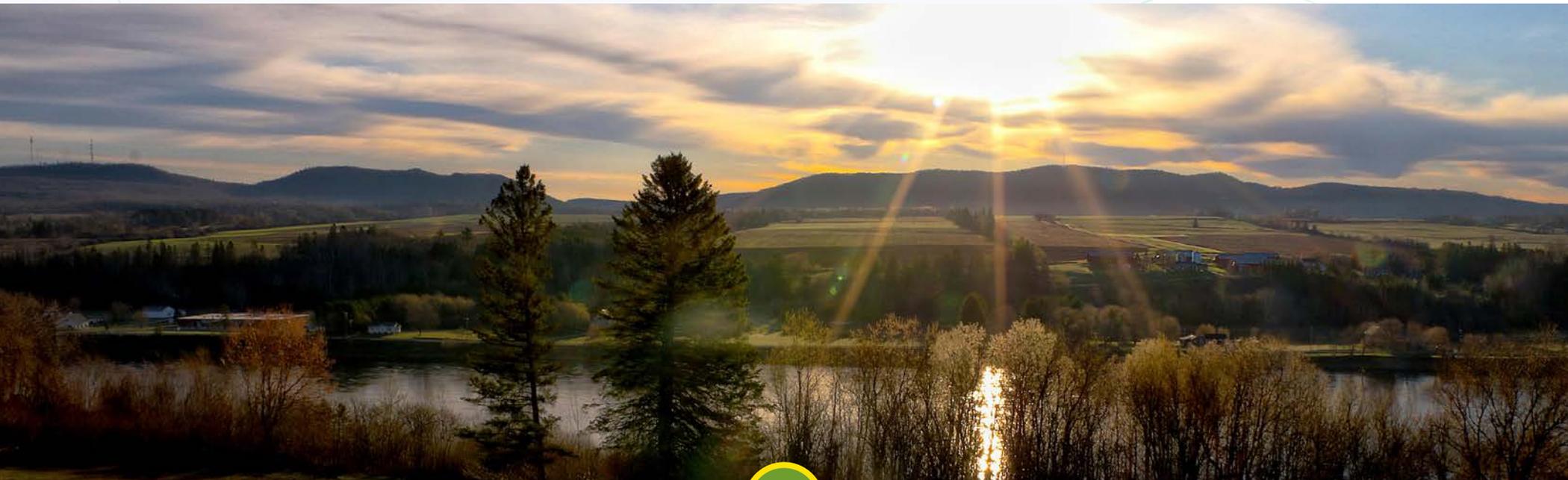
**Our commitment: operate three Farms of the Future by 2025, dedicated to developing regenerative agricultural practices**

Our Farms of the Future program demonstrates our commitment to regenerative agriculture. Enabling us to trial new methods, technologies and techniques, it's helping us to see how whole-farm systems work and understand the benefits. It's a key part of our efforts to scale-up the transition to regenerative agriculture and share learnings globally.

In June 2022, we launched Farm of the Future Africa, located in Lichtenburg, South Africa, in line with our target of developing three McCain-managed, commercially operated farms across three regions by 2025. The farm is now operational, with the first potato crop planted in November 2022. Many of the processes and learnings we develop in South Africa

(especially in soil management, ecosystem biodiversity, water use and inputs efficiency) will be applied to other Southern Hemisphere countries in which we operate, such as Australia, New Zealand, Brazil, Colombia and Argentina, as well as countries like India and China.

In what was the second season at our Farm of the Future Canada, we benefited from good yields and quality from the previous year. In 2021, we were able to reduce fertilizer application by nearly 17% while maintaining yields, and in 2022 we continued to build on these achievements. As we move forward, we'll continue to focus on reducing our agrochemical impact, establishing a baseline for soil organic matter increase, and mapping soil health from a physical, chemical and biological perspective. We also plan to test precision agriculture and decision support systems.



# Research partnerships.

**Our commitment: develop research partnerships and leverage collective action to advance regenerative agriculture**

We're developing research partnerships on a number of key issues to help accelerate the transition to regenerative agriculture. We're also documenting our advances scientifically. During 2022, we established partnerships with the following four institutions:

- University of Guelph, focusing on biodiversity and the use of DNA barcoding.
- Agriculture and Agri-Food Canada, documenting the transition from conventional farming to regenerative agriculture.
- Dalhousie University, looking at technological solutions to improve our use of nutrients, pesticides and raw materials.
- Cornell University, exploring potential concepts for the capture and storage of carbon in soils.

## Biodiversity

Through our work on regenerative agriculture, we're looking at habitats, farm biodiversity and soil health through DNA meta-barcoding. In 2020, we began collaborating with University of Guelph in Ontario, Canada, using their bespoke DNA meta-barcoding technology to assess soil and field insect biodiversity on farms. The next step will be to see how we can use our findings to improve soil biodiversity, functionality and productivity.



# CASE STUDY

## Promoting good agricultural practice

As part of good operating practice, we've set a target for 95% of our global potato volume to be certified for Good Agricultural Practices (GAP) by 2025. **In 2022, we were delighted to reach 97%.** This means our growers have implemented good practices around biodiversity, soil health and environmental sustainability, as well as food safety and traceability, in line with regional standards.



# Mitigating on-farm climate impact.

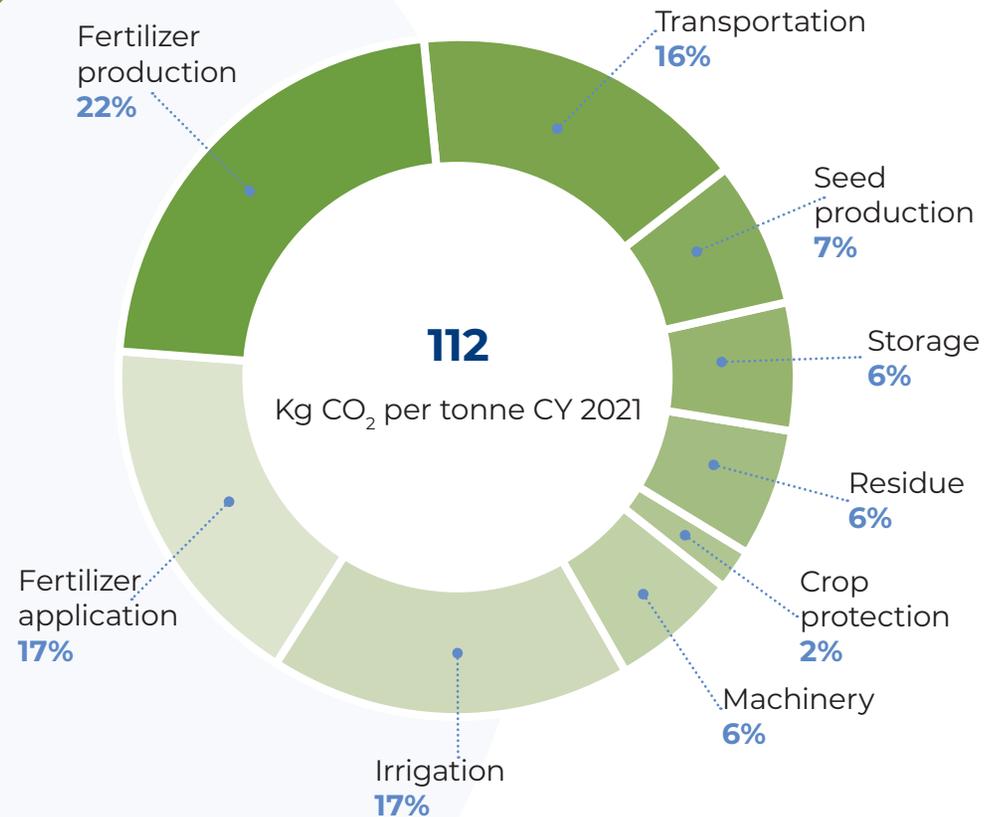
**Our commitment: reduce CO<sub>2</sub> emissions by 25% per tonne from potato farming, storage and freight by 2030**

To reimagine the future of farming, we also have to ensure we mitigate on-farm climate impact and minimize carbon emissions. While potatoes overall have one of the lowest carbon footprints across all food categories<sup>2</sup>, we need to step up our efforts to achieve a 25% carbon emission reduction by 2030.

In 2022, we carried out important work to inform our strategy. We completed a study with Regrow to understand the potential for sequestering carbon in soil and reducing emissions through regenerative agriculture. The study showed that, while there is potential for sequestration, major changes in the production system are required. For now, we're focused on increasing the cycling of carbon in our soil to support key biological and ecological functions.

To further reduce our GHG emissions, we'll be exploring different sources of fertilizer (the biggest driver of on-farm emissions) and alternative energy. We're also establishing a new global working group to drive more effective carbon reduction strategies and actions across our regions.

McCain on-farm carbon footprint  
(% contribution of processes)



# Promoting the efficient use of water.

**Our commitment: deliver 15% improvement in water-use efficiency in water-stressed regions by 2025**

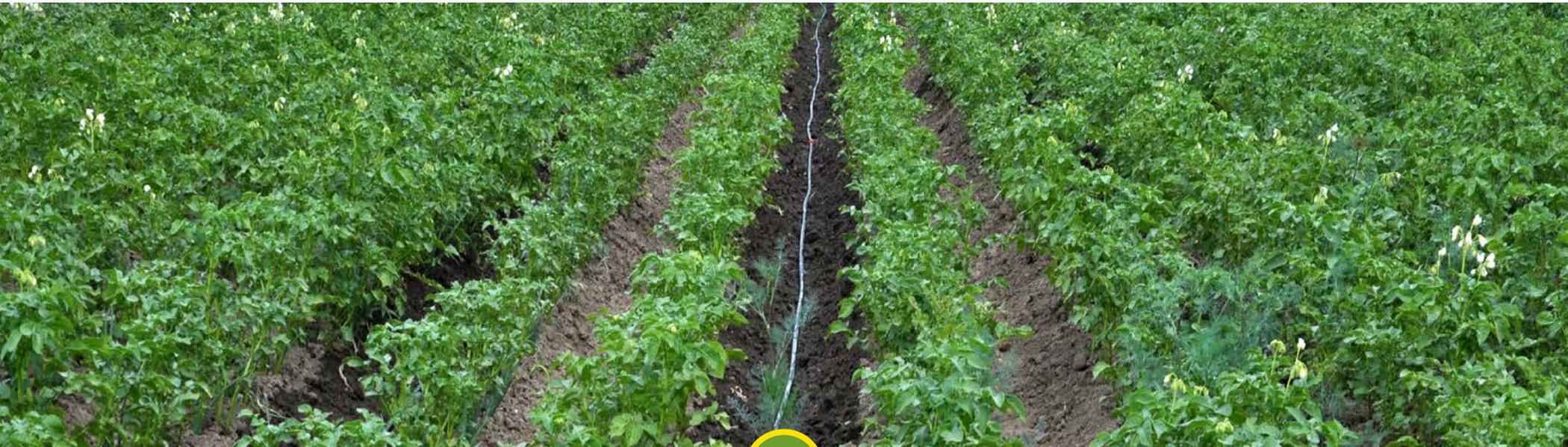
Nearly 40% of our global potato volume is grown in communities that are currently identified as medium-to-high water stress. While we promote sustainable water practices with all our growers, we partner directly with growers experiencing water stress and shortages to improve their water-use efficiency.

To date, we have improved water-use efficiency by 11% in water-stressed regions. This progress is the result of the continued roll-out of drip irrigation, which provides water directly to plants and prevents evaporation. We also continue to promote water stress-tolerant potatoes and have met our 20% target to increase usage of such varieties. In 2022, 21.5% of all potato crops grown for McCain were water stress-tolerant, a 4% increase since 2017.

## Knowledge and technology transfer

Our growers are important partners and we're committed to supporting their long-term development through the transfer of knowledge and technology. We work to support success and to inspire the growers of the future. In 2022, we delivered nearly 29,176 hours of training through our team of 264 agronomists.

We also work to enhance our growers' productivity by developing and sharing the latest technological innovations.



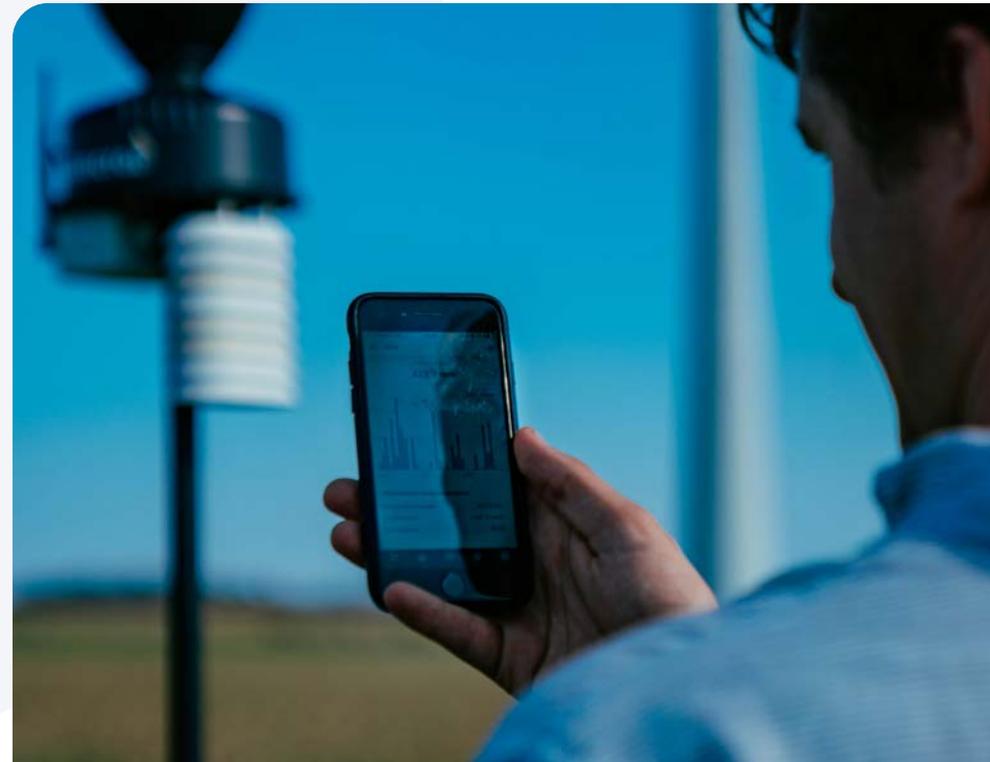
# CASE STUDY

## Exploring new technologies and possibilities

New technologies, partnerships and equipment help growers improve productivity, while minimizing their carbon footprint. In June 2022, we acquired a predictive crop intelligence portfolio from Resson, an analytics technology firm that helps farmers work more efficiently and sustainably.

Through these AI capabilities and satellite imagery technology, we can digitally study soil and crop growth, predict yields and provide productivity enhancements to our growers by leveraging real-time insights from field data.

**This acquisition is pivotal to our ambition to use digital technology to transform agriculture, reimagine the future of farming, and equip our growers with game-changing innovations.** We plan to apply these capabilities across our acreage and share learnings across the industry.



# Progress towards our commitments.

OUR COMMITMENTS	OUR PROGRESS IN 2022	ON TRACK / OFF TRACK
<p><b>1</b> Implementing regenerative agricultural practices across 100% of McCain potato acres by 2030</p>	<p>McCain Regenerative Agriculture Framework implemented in identified priority countries.</p> <p><b>362 growers trained</b> on the McCain Regenerative Agriculture Framework, including principles of soil health. Training delivered through expert training partnerships in North America, France and Great Britain.</p> <p><b>47% of global acreage<sup>3</sup> implemented</b> at least one indicator from the 'Beginner' level of the McCain Regenerative Agriculture Framework.</p> <p>Soil health assessments underway to gather high-quality data on organic matter, biological, physical and chemical properties, and GPS position.</p> <p>New financing <b>partnerships established in France</b> and under development for other key regions.</p>	
<p><b>2</b> Operating three farms of the future by 2025, dedicated to developing regenerative agricultural practices</p>	<p><b>Farm of the Future Africa launched in June 2022</b>, with first crop planted in November 2022.</p> <p>Farm of the Future Canada into second year of operation.</p>	
<p><b>3</b> Developing research partnerships and leverage collective action to advance regenerative agriculture</p>	<p>Research partnerships with the University of Guelph, focusing on biodiversity; Agriculture and Agri-Food Canada, documenting the transition to regenerative agriculture; Dalhousie University, looking at technological solutions to improve our use of nutrients, pesticides and raw materials and Cornell University, exploring carbon sequestration potential.</p> <p>Ongoing efforts with key multi-stakeholder initiatives including the Sustainable Markets Initiative (SMI), Sustainable Agriculture Initiative (SAI), One Planet for Business Biodiversity (OP2B), Food Collective.</p>	
<p><b>4</b> Reducing CO<sub>2</sub> per tonne from potato farming, storage, and freight by 25% by 2030</p>	<p><b>8% decrease in CO<sub>2</sub> emissions</b> per tonne of potato (2017 – 2022) due to deployment of new varieties requiring less nitrogen and increased use of renewable energy to power storage.</p> <p>Study completed with Regrow into the potential of carbon sequestration from regenerative practices.</p>	
<p><b>5</b> Improving water-use efficiency by 15% in water-stressed regions by 2025</p>	<p><b>11% reduction in water-use intensity</b> [m<sup>3</sup>/tonne] in water-stressed regions since 2020.</p> <p>Water stress-tolerant potato varieties increased to 21.5% of total portfolio.</p>	
<p><b>6</b> Training, knowledge and technology transfer to our farmers</p>	<p><b>More than 29,000 hours</b> of grower training delivered.</p>	

ON TRACK  MONITORING  NEEDS ATTENTION 



# Resource-Efficient Operations.



# Making efficient use of natural resources.

Globally, the food system, including agriculture, production, packaging and distribution, is associated with approximately one-third of GHG emissions<sup>4</sup>. Our planet is already past one degree of warming and we're increasingly feeling the effects of climate change, with extreme weather events now becoming the norm. Working with an agricultural product that is dependent on the land and climate, it is critical we play our part in addressing this issue and helping to shape a sustainable future.

In line with the ambitions of the Paris Agreement and the UN Sustainable Development Goals (SDGs), our focus is on producing more food with less natural resources. We must reduce and be efficient in our use of energy, water, waste and packaging. As a leader in the potato processing industry, we have the scale and opportunity to innovate, tackle challenges and drive positive change for our business, people and planet.



## Our approach

Our approach to Resource-Efficient Operations is shaped by the following commitments:

1. **Mitigating our climate impact**
2. **Promoting the efficient use of water**
3. **Targeting zero waste**
4. **Making sustainable use of packaging**

# Mitigating our climate impact.

Our commitments: 50% absolute reduction in GHG emissions (Scope 1 and 2) by 2030; 100% renewable electricity by 2030; cease use of coal by 2025; 30% intensity reduction in GHG emissions (Scope 3) by 2030 (baseline 2017)

Reducing CO<sub>2</sub> emissions and transitioning to renewables is key to the future of our planet and food production. As an organization, our carbon reduction targets have been verified by the Science-Based Targets initiative (SBTi) in line with a 1.5 degree trajectory and are supported by clear roadmaps for delivery. As a sign of our commitment to progress, absolute reduction in CO<sub>2</sub> emissions (Scope 1 and 2) is now one of five non-financial metrics linked to performance-related pay across the business.

We have concrete plans for how we're going to achieve our existing goals, but we're also exploring future targets and assessing our ability to make a net zero commitment. In 2022, we were one of 84 companies to participate in a road-test of the new global Net-Zero Standard, released by SBTi. As we review industry guidance to help shape a credible approach and pathway, our short-term priority remains meeting our 2030 targets.

In 2022, we achieved a 6% reduction in absolute CO<sub>2</sub> emissions compared to our 2017 baseline by driving a **17% reduction in emissions intensity**, despite the operational challenges caused by COVID-19. This reduction has been driven by a 6% improvement in energy efficiency, and by a switch to cleaner energy sources. For example, at our plant in Timaru, New Zealand, a new energy recovery system, and conversion from coal to biomass fuel, has eliminated 29,000 tonnes of CO<sub>2</sub>. Based on our pipeline of planned projects and expected growth forecast, we believe we're on track to meet our 50% reduction target.

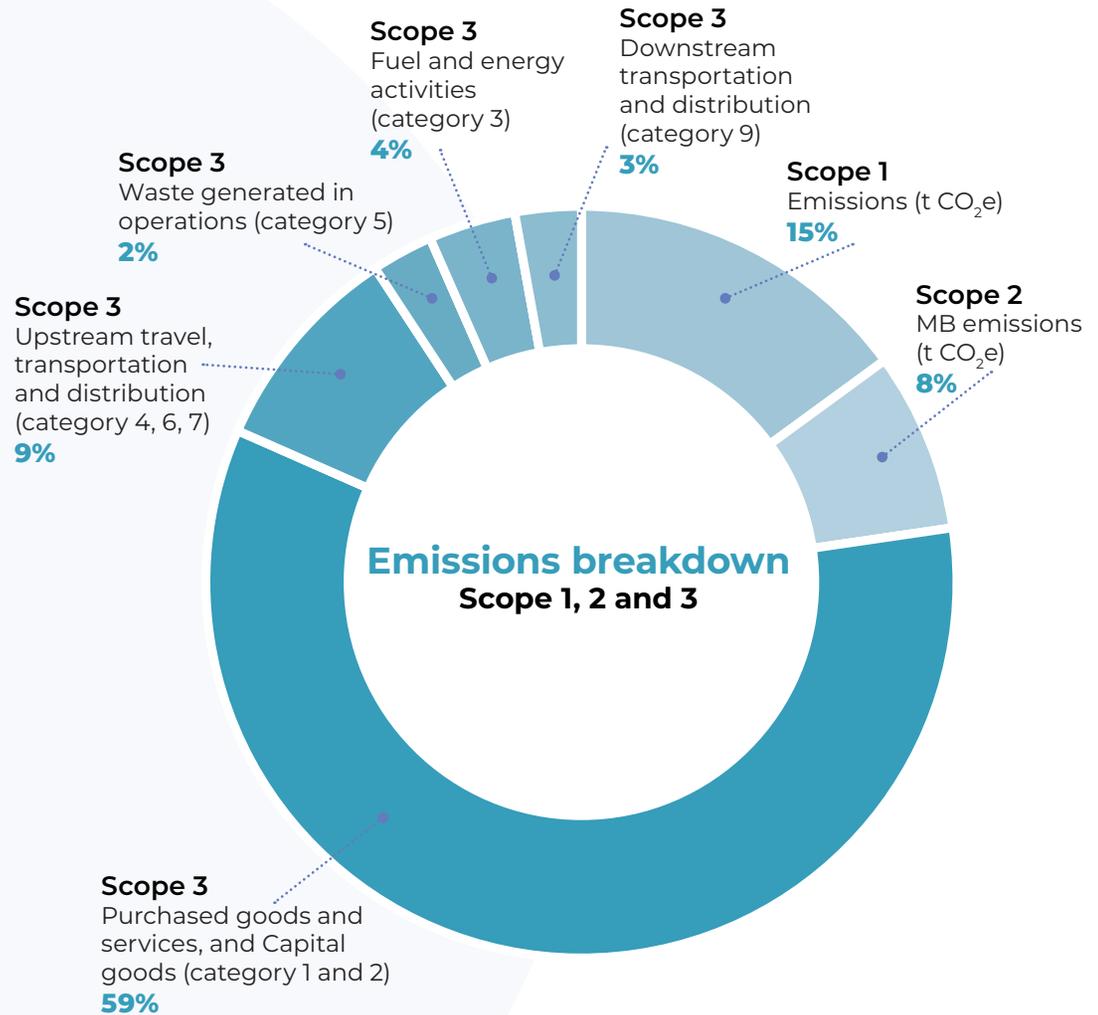
GHG Emissions Intensity  
(kg CO<sub>2</sub>e / tonne)



All our sites now have a Resource Efficiency Action Plan in place to reduce their energy, water usage and waste. This is helping to provide clear visibility and accountability; during 2022, over 320 actions were identified, with over 80% completed. These action plans are supported by a series of best operating practices, recently developed to drive operational excellence in our plant energy systems.

When it comes to our Scope 3 carbon reduction target, we face a number of challenges due to the difficulty in collecting reliable emissions data from suppliers. We're currently working on solutions to improve and standardize Scope 3 emissions data collection by becoming a CDP Supply Chain member. As our emissions reporting matures, we have continued to expand our Scope 3 inventory, and this now includes all upstream emission categories through to product delivery. We plan to complete our downstream Scope 3 emissions inventory within the next 12 months.

In 2023, we'll continue to deliver carbon reductions in our own operations by implementing new technologies – for example, our first mechanical vapour recompression device, which acts as a key heat recovery tool. We plan to use these technologies broadly throughout our plant network to reduce our Scope 1 emissions. We also expect to finalize several large power purchase agreements with a view to further tackling Scope 2 emissions. Reducing our Scope 3 emissions across our value chain will remain a priority focus.



# Investing in emissions reductions.

While we do not use offsets to meet our targets, we recognize the importance of supporting the reduction of carbon around the world, and in particular among communities most vulnerable to the effects of climate change. In 2022, we finalized our €6 million commitment to Livelihoods Carbon Fund 3. The Fund invests in ecosystem restoration, agroforestry and rural energy projects that support livelihoods in local communities impacted by climatic shocks and extreme weather events.

**We expect our investment will contribute an average of 60,000 tonnes of CO<sub>2</sub> reductions globally per year.**

*Photo credit: Livelihoods Funds*



# CASE STUDY

## Accelerating towards renewable electricity

In 2022, around the world we made significant progress with renewable electricity, which accounted for 18.5% of our total electricity usage, up from 14% in 2021. We also made headway in negotiating various power purchase agreements.



Six solar farms under construction near our Easton facility in Maine will provide over 50% of the site's electricity needs. The solar farms are scheduled for completion in 2023.

Our Balcarce plant in Argentina moved to almost 100% renewable electricity through the purchasing of wind power.

In South Africa, Delmas and Springs progressed their onsite solar initiatives, and our plants in India continued to use purchased wind energy.

In Poland, our Strzelin plant came online with its solar energy project, which now provides approximately 25% of the site's electricity needs, with renewable electricity certificates accounting for the remaining 75%.



Ballarat in Australia and Timaru in New Zealand introduced biogas cogeneration and a biomass steam system respectively.

# Promoting the efficient use of water.

**Our commitment: 15% improvement in water-use efficiency in seven priority plants by 2025**

With water scarcity worsening as a result of climate change, we recognize our responsibility to increase water-use efficiency across our production processes. In 2022, at seven priority sites we saw a 17% improvement in water-use efficiency compared to 2017, achieving our target three years ahead of schedule. As water remains a pressing concern for many of our facilities, we are now in the process of setting an even more ambitious target for our plants. At the same time, we're continuing to focus on those plants in high or extremely high-water-stress areas.

We also conducted total plant water audits at several facilities in partnership with Ecolab. These audits help us to identify opportunities to further reduce water usage. So far, the audits have been completed at our Carberry (Canada), Delmas (South Africa), Bethune (France), Grand Falls (Canada), and Balcarce (Argentina) manufacturing sites. This process has resulted in significant improvements. For example, in Carberry our team has reduced water consumption per tonne of product by 17% in the 12 months since the water audit was conducted. These savings not only reduce water usage, but also energy and CO<sub>2</sub> emissions.

# Targeting zero waste.

**Our commitment: zero waste to landfill by 2025**

**Our commitment: 50% reduction in food waste intensity in operations by 2030**

Making food without generating waste is key to our progress as a sustainable organization. In 2022, we took a major step forward by calculating and publishing our baseline, drawing on waste data from 2020 and 2021. This enabled us to begin developing a roadmap to reach our zero-waste target. By scrutinizing, standardizing and understanding the data, we've been able to set waste reduction targets for every single site – a first for McCain. All of our sites now have waste reduction initiatives as part of their action plans, and many have already attained zero waste to landfill. We expect all remaining sites to follow in line with our 2025 targets.

Food waste reduction is another key priority, with most of our food waste being potato waste from our manufacturing sites. During the year, we achieved a 12% reduction in food loss and waste intensity compared to 2020, and we're working on plans to accelerate further with site-based targets for 2023. We're also tackling on-farm losses in priority locations. For example, in India we're exploring improved land preparation methods such as pre-harvest moisture maintenance and optimum planting depth.

Working collaboratively across value chains is critical to tackling food waste. Our CEO is the co-sponsor of the Consumer Goods Forum (CGF) Food Waste Coalition of Action, which aims to reduce waste through the industry-wide implementation of the Target-Measure-Act approach.

# Making sustainable use of packaging.

**Our commitments: ensure 100% of our packaging is recyclable, reusable or compostable by 2025 with a focus on 100% paper and plastic packaging designed to be recycled by 2025**

McCain has a responsibility to produce and package food in a way that is better for the environment, while optimizing the safe and secure delivery of our products.

Since 2015, we have been working to reduce our packaging footprint by identifying optimal sizing and thickness of material. This has allowed us to eliminate unnecessary materials and develop a best-in-class packaging portfolio. Between 2021 and 2022, we replaced 443 tonnes of problematic plastic and eliminated a further 1,634 tonnes of plastic.

While our vision remains unchanged, following an evaluation of our different packaging materials and their impact potential, we're focusing on ensuring that 100% of our plastic and paper packaging materials are designed to be recycled. In 2022, 98% of our paper packaging and 90% of our plastic packaging was designed to be recycled. This was achieved by working with each region to identify gaps and develop clear roadmaps, resulting in soon-to-be-implemented changes.

To close the 2% gap on paper, our North America teams are working on replacing Polykraft with LDPE flexible packaging, and with folding cartons coated with alternative, recyclable paper structures. In the coming year, we also expect several countries, including Canada, to make changes to regional collection schemes which will enable our flexible packaging, used in retail products, to be recycled.

At the same time, we're working collaboratively with other businesses to support increased recycling rates, in particular to tackle the challenge of developing dedicated infrastructure and partnerships to help improve the collection, sorting and recycling of flexible plastic packaging. These efforts have included supporting initiatives such as the Flexible Plastic Fund in Great Britain and Vision 30/30 in Colombia. We're also members of the Ellen MacArthur Foundation and the Consumer Goods Forum (CGF) Plastic Waste Coalition of Action.

Looking forward, we'll keep evaluating technologies to include a percentage of post-consumer recycled, food grade-approved plastics in our flexible packaging products. We'll also explore circular solutions, such as returnable, reusable and/or refillable systems.



# CASE STUDY

## Developing planet-friendly packaging guidelines

We want to make it easy for our marketing, packaging engineering and procurement teams to identify which materials are recyclable. That's why we've developed internal sustainable packaging design guidelines, **aligned with the principles of The Consumer Goods Forum Golden Design Rules.**

In 2022, we endorsed two key papers supporting a proactive industry stance to deliver constructive recommendations on guiding principles and design parameters. By helping to promote clarity on recyclable materials and design, we aim to achieve planet-friendly packaging for McCain and the wider industry.



# Progress towards our commitments.

OUR COMMITMENTS	OUR PROGRESS IN 2022	ON TRACK / OFF TRACK
<b>1</b> 50% absolute reduction in CO <sub>2</sub> emissions (Scope 1 & 2), move out of coal and 100% renewable electricity by 2030.	<b>6% decrease in absolute CO<sub>2</sub> emissions</b> from 2017 baseline. (Scope 1 & 2 Market Based). <b>Use of renewable electricity increased to 18.5%, up from 14.6% in 2021.</b> Onsite solar plant at our site in Strzelin, Poland is operational, while those in Delmas and Springs (South Africa), and Easton (USA) are under construction. Coal consumption as a percentage of non-electrical energy use <b>reduced by 3.5% pts</b> since 2017.	
<b>2</b> 30% reduction in CO <sub>2</sub> emissions intensity (Scope 3) by 2030.	<b>1% decrease in Scope 3 CO<sub>2</sub> emissions intensity</b> from 2017 baseline. <b>Exploring</b> new supplier emissions measurement and tracking tool.	
<b>3</b> 15% improvement in water-use efficiency in seven priority plants by 2025.	<b>17% improvement in water-use efficiency</b> in seven priority plants in water-stressed regions from 2017 baseline.	
<b>4</b> Zero waste to landfill by 2025.	<b>1.3% waste to landfill</b> , down from 2% in 2021.	
<b>5</b> 50% reduction in food waste intensity across McCain operations by 2030	<b>12% reduction in food waste intensity</b> since 2020, mainly driven by improvements following COVID-19 inefficiencies reported in baseline year. <b>Co-Sponsor</b> of Consumer Goods Forum (CGF) Food Waste Coalition of Action.	
<b>6</b> Making 100% of our packaging recyclable, reusable or compostable by 2025.	<b>97% of packaging technically recyclable.</b> <b>98% of paper packaging</b> and <b>90% of plastic packaging</b> were designed to be <b>recycled.</b> <b>95% of paper for packaging from certified sources</b> , with <b>59% recycled content</b> up from 48% in 2017.	

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# Good Food.



# Simple, responsible and sustainable food.

At McCain, we believe food plays an important role in our lives, with the power to bring people, families and communities together. We're proud that our products are served every day in more than 160 countries around the world. With this wide-reaching global presence comes a great opportunity to help drive positive change. At McCain, we're committed to doing our part for both people and planet.

Through our trusted brands, we're on a journey to provide Good Food – food that's simple, responsible and sustainable; food that enhances moments of togetherness and meets the needs of increasingly health- and planet-conscious consumers. Whether it's a moment of indulgence or a meal shared with family, we'll continue to earn our place at the table by offering a range of products fit for a variety of occasions.



# Our approach.

To help drive a food system's transformation, we're continuously improving both what we do and how we do it. Throughout 2022, we made changes to our global Good Food strategy. While staying true to our ambition of producing food that's simple, responsible and sustainable, we will be updating our commitments, indicators and data management systems to ensure we can efficiently track and communicate positive change moving forward.

First and foremost, to be a leader in our industry, we must be leaders in food safety and quality. As a responsible food manufacturer, supplier and partner of choice, we'll never lose sight of the people who consume our products and the trust they place in us. To this end, we'll be reporting key metrics on food safety and quality as part of our Good Food strategy.

We also know that customers and consumers expect us to provide options that make it easier to choose our products as part of a healthier diet and lifestyle. That's why we continue to provide transparent product information on-pack, enabling consumers to make informed decisions. We use simple and responsibly-sourced ingredients as per our new Global Ingredients policy. We're also continuously improving the nutritional profile of our products, guided by science-based public health recommendations and our internal nutrition criteria.

At McCain, we understand that a balanced diet looks different for everybody. We believe that all foods can be part of a healthy diet, as long as they are responsibly consumed. We aim to provide a portfolio full of choice. To deliver against this commitment, we innovate to provide product solutions that address consumer needs, while investing in partnerships with companies that are also driving change and reshaping the food industry.

As part of our Good Food journey, we're prioritizing continuous improvement of our products across cross the following key areas:



# Prioritize food safety and quality.

**Our commitment: 100% GFSI certification at all McCain-owned facilities and tier 1 ingredient suppliers**

Our strategic plans are set to enhance food safety and quality, underpinned by world-class quality systems, people and capabilities. In 2022, we maintained 100% Global Food Safety Initiative (GFSI) certification at all McCain-owned facilities and achieved 95% for tier 1 ingredient suppliers. Moving forward, we'll work with these suppliers to close the gap to 100% GFSI certification.

In 2022, there was one public recall in our South Africa operations due to the presence of a foreign material in a small and limited batch of finished product. Actions were taken to assure the safety of products and to ensure learnings inform our focus on continuous improvement.

During the year, we focused on driving continuous improvements in product quality, listening to consumer feedback and customer performance metrics. Overall, our aim is to consistently deliver high-quality products of which we can be proud. We're confident in our plans and will continue to build strong foundations, focusing on quality management, effective leadership and core capability development.



# Help consumers make informed decisions.

## Our commitment: implement voluntary front-of-pack nutrition labelling initiatives

We want everyone to enjoy our food while understanding the nutritional content of our products. That's why we actively support voluntary front-of-pack (FOP) labelling that is based on scientific evidence, aligned with public health goals and supported by consumer education.

In 2022, we continued to advance our commitment to helping consumers make informed decisions. In Europe, we achieved 100% voluntary implementation of Nutriscore on all retail products in Germany, France and Belgium, where 80%, 83% and 95% of our retail products respectively display the highest scores of A or B.

In Australia, we're proud to say that the Health Star Rating system is displayed on 100% of our McCain-branded retail products with an average score of 3.8 stars out of 5. In addition, 79% of our retail products in Australia achieve 3.5 stars or above, which is a recognized indication of a healthier option.

Lastly, in India, we have started voluntarily implementing a front-of-pack energy logo across all retail products.



## Our commitment: 100% compliance with our 'Responsible Marketing to Children' policy

With regard to responsible marketing, we're committed to communicating about our products in an honest and ethical manner, consistent with our tradition and values as a family business.

To demonstrate our commitment to integrity in communications, we have a clear global policy on advertisement to children. Through this policy, we ensure we do not create advertising, advergames, promotional activities or other communications targeted directly to children and do not unfairly or inaccurately represent the nutritional value or benefits of our products.



# Use simple ingredients, responsibly sourced.

## Our commitment: Use simple ingredients that consumers recognize and expect

For our world-famous French fries, we use high-quality potatoes that are washed, peeled (unless they're skin-on), cut, prepared, cooked, frozen and packed.

We're continuously improving our core portfolio so that consumers can feel good about choosing our products as part of a healthy, balanced diet. This means using ingredients that are simple and responsibly-sourced.

To help achieve our commitment to remove certain ingredients, such as artificial flavours and colours, we've developed an internal Global Ingredients policy. This policy guides and informs our product innovation and renovation.

In 2022, there were a number of regional highlights:

- In Europe, we removed artificial additives from our Just au Four brand.
- In Latin America, we replaced artificial flavours in our Noisettes Finas Hierbas and Noisettes Jamón y Queso.
- In India, we implemented a 'no added preservative' claim for 58% of our retail products.

## Our commitment: remove palm oil from our frying operations

Overall, in 2022 our global palm oil usage rate was 13% of all oil used. This figure is consistent with 2021, with progress impacted by global supply chain disruptions for palm oil alternatives linked to events in Ukraine. For responsible oil sourcing, it's important that we stay informed about changes in oil production and supply and adopt local and global sustainability best practices. Therefore, we will continue to purchase 100% of our palm oil from RSPO-certified suppliers.

## Our commitment: 100% use of cage-free eggs by 2025

As part of our commitment to responsible sourcing, we made good progress in reducing our use of caged eggs, and we're on target to achieve our 2025 commitment. In 2022, 92% of our eggs came from cage-free chickens.



# Improve the nutritional profile of our products.

**Our commitment: reduce sodium by 15% in potatoes and appetizers by 2025**

We're committed to serving consumers the delicious products they know and love, while also improving their nutritional profiles. Our work in this area is guided by science-based public health recommendations and our own internal nutrition criteria.

In 2022, across our regions we successfully improved the nutritional profile of a number of products:

- In Europe, we achieved up to a 30% sodium reduction across 20 products in our Just au Four brand.
- In Great Britain, we achieved a 10% and 20% sodium reduction in our Pickers-branded Mozzarella Sticks and Halloumi products respectively.
- In India, we achieved a 5% sodium reduction in our Veggie Nuggets.
- In Australia, we achieved a 12% sodium reduction in our Pub-Style Extra Crispy fries and 11% in our Pub-Style potato wedges. We also reduced saturated fat in a number of our pizza products, including a notable 20% reduction in our Cheese & Bacon Pizza.
- In Latin America, as part of ongoing reformulations, we achieved between 13% and 30% sodium reductions in key potato products across Argentina and Brazil. We also recorded a notable 52% sodium reduction in our Colombian Empanadas since 2020.

We recognize that our journey to reduce sodium is still in progress, and we're taking action to maximize our impact. As part of these efforts, we're re-evaluating our global Good Food strategy to ensure we're prioritizing products that are highest in sodium and most frequently consumed. This re-evaluation will include clearly defining distinct sodium reduction targets and metrics for different product categories.



# Grow for good.

We offer a diverse portfolio that provides a range of product choices across a variety of eating occasions. This means innovating to provide product solutions that meet consumer needs, as well as investing in companies that are also driving change in the food industry.

In 2022, we delivered the following innovations:

- In Canada, we launched McCain 9-Minute Breakfast Patties and 9-Minute Onion and Potato Patties, which are trans fat-free and free from artificial colours and flavours.
- In the US, we launched McCain Quick Crinkle, Straight-Cut and Waffle Fries, which are made with no artificial flavours, are low in saturated fat and trans fat-free.
- In Europe, we expanded McCain Crunchy Petals, our food service favourite, into retail. This product achieves Nutriscore A and contains 3g of fibre per serving.
- In South Africa, we extended our Stir Fry and Mixed Vegetables line by launching four new products.
- In China, we launched McCain Oat Hash Browns, which contain over 3g of fibre per 100g.

In 2022, through our investments in Strong Roots, GoodLeaf and The Simple Root, we met rising consumer demand for healthier and more plant-forward food.

The mission of Strong Roots, a certified B. Corporation, is to provide plant-based, environmentally responsible, positive food choices for everyone. By partnering with Strong Roots, McCain has gained an expanded product portfolio that caters to consumers seeking simple, plant-forward products. We're proud to say that, through our support, Strong Roots products are now more accessible, with the company expanding its business in Europe, Australia and the US.

We also continued to support Canadian company GoodLeaf in their construction of new indoor vertical farms in Calgary and Montreal. Once completed, these facilities will sustainably grow local microgreens and leafy greens year-round, free from pesticides, herbicides and fungicides. In 2022, in addition to expanding product distribution across major grocery outlets in Ontario from its Guelph farm, GoodLeaf partnered with Well Juicery Canada Ltd. to create a greens-based cold-pressed juice. This product is now available in Starbucks outlets across Ontario.

The Simple Root's mission is to make eating veggies exciting and easy by crafting simple and delicious plant-based foods made from root vegetables. With 100% of its products certified by the Plant Based Foods Association, The Simple Root provides sustainable dairy alternatives. In 2022, the company expanded its product offerings through a plant-based line of dips and cheese-style spreads, with products available soon across the US and UK.



# Elevating Good Food.

To help guide our journey to provide food that's simple, responsible and sustainable, we evaluate new scientific evidence and public health recommendations. We know that driving positive change requires collaboration. We're also looking to organizations such as the Access to Nutrition Index (ATNI) and the World Benchmarking Alliance (WBA) to inform our strategy.

With the insights gained, we're elevating our Good Food strategy and profile. In April 2022, we launched a Global Good Food Steering Committee to champion nutrition within the organization. Through the Committee, we've developed a cross-functional forum to oversee strategy development and ensure Good Food is a shared responsibility, starting at the very top. We're also developing Regional Good Food Steering Committees, aiming to drive action and progress locally. These efforts are helping to further embed Good Food into McCain's DNA by translating global strategy into regional actions.



# Progress towards our commitments.

OUR COMMITMENTS	OUR PROGRESS IN 2022	ON TRACK / OFF TRACK
<p><b>1</b> <b>Prioritize food safety</b> 100% GFSI certification at all McCain-owned facilities and tier 1 ingredient suppliers</p>	<p><b>100% GFSI certification maintained</b> at all McCain-owned facilities and <b>95% achieved for tier 1 ingredient suppliers.</b></p>	
<p><b>2</b> <b>Support informed decisions</b> Help consumers make informed choices through voluntary front-of-pack nutrition labelling initiatives 100% compliance to our 'Responsible Marketing to Children' policy</p>	<p><b>100% voluntary implementation of Nutriscore</b> on all retail products in France, Belgium and Germany. <b>100% voluntary implementation of the Health Star Rating system</b> on McCain-branded retail products in Australia (79% of products achieving 3.5 stars or above). <b>Voluntary implementation of front-of-pack energy logos</b> initiated across all retail products in India. Continued <b>adherence to our 'Responsible Marketing to Children' policy.</b></p>	
<p><b>3</b> <b>Use simple ingredients, responsibly sourced</b> Remove palm oil from our frying operations 100% use of cage-free eggs by 2025 Use simple ingredients that consumers recognize and expect</p>	<p><b>Palm oil represents 13% of total oil used – reduced from 14% in 2017.</b> Progress towards alternative oils has been impacted by supply chain disruptions. In the short term, any palm oil purchased will be from RSPO certified suppliers. <b>92% of our eggs came from cage-free chickens.</b> <b>Artificial ingredients removed</b> from key products in both Europe and Latin America. Continued removal of preservatives in India, with <b>58% of retail products now having no added preservatives.</b></p>	
<p><b>4</b> <b>15% reduction in sodium in our potato and appetizer products by 2025</b></p>	<p>We recognize that our journey to reduce sodium is still in progress and we're taking action to maximize our impact. Progress includes: In Europe, <b>up to a 30% sodium reduction achieved</b> across 20 products in our Just au Four brand. In Great Britain, a <b>10% and 20% sodium reduction</b> in our Pickers-branded Mozzarella Sticks and Halloumi products respectively. In India, a <b>5% sodium reduction</b> in our Veggie Nuggets. In Australia, a <b>12% sodium reduction</b> in Pub-Style Extra Crispy fries and by <b>11% in Pub-Style potato wedges.</b> In Latin America, <b>13-52% sodium reduction</b> in key products.</p>	
<p><b>5</b> <b>Grow for good</b> Expanding our healthier products and plant-forward offerings through innovation and investment</p>	<p><b>Increased our capacity to produce nutritious and environmentally sustainable microgreens and baby greens</b> through continued expansion of our GoodLeaf vertical farms. <b>Continued growth in plant-forward product innovations</b> through investments in Strong Roots and The Simple Root. <b>Continued Good Food innovation</b> around the globe.</p>	

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# Thriving Communities.



# Supporting local farmers, families and economies.

As a family-owned business, everything we do is grounded in community and family. With more than 3,500 growers globally, and nearly all of our 51 facilities located in rural areas, we're often the largest employer and an integral part of many communities. We're proud of the role we play as an employer and partner.

We strive to create sustainable livelihoods for farmers and their families and contribute to an inclusive local economy, supported by local development programs, donations and volunteering. Individually and collectively as a business, we're committed to contributing to the competitiveness and resilience of these communities, now and for generations to come.



## Our approach

Our approach to Thriving Communities is shaped by the following commitments:

1. **Supporting farmers and families through donations and volunteering**
2. **Transforming livelihoods through community projects and partnerships**



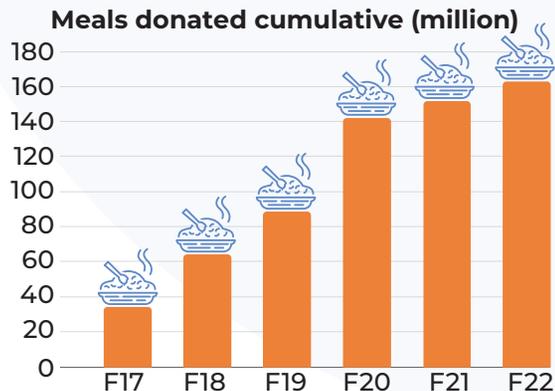
# Supporting farmers and families through donations and volunteering.

**Our commitment: donate 200 million meals to food banks and NGOs by 2025**

In 2022, we donated just over 10.9 million meals across all our regions. Our vision is to help vulnerable communities to become self-sufficient, but we recognize there will always be a need for food donations as poverty and hunger persist around the world. Our partnerships with local NGOs and food banks ensure we play a role in hunger relief through regular product donations. This work also supports our commitment to reduce food waste, ensuring good quality, surplus food is redistributed locally rather than being discarded.

In addition to food donations, we also assist communities impacted by natural disasters or humanitarian crises. In 2022, we donated \$200,000 to the Canadian Red Cross to assist with relief efforts in Ukraine. These funds were deployed to provide life-saving essentials, such as food and medical assistance.

We also continue to support the McCain Foundation which is funded solely by McCain Foods Limited. The Foundation supports a wide variety of projects across the country with a particularly strong focus on communities in Atlantic Canada.



**Our commitment: provide 50,000 hours of employee volunteering by 2025**

Volunteering resonates strongly with our family values and is an opportunity for our people and teams to give their time to local causes. It enables them to have a positive impact in the communities where they live and work.

We launched our Chips In volunteering program in 2021. Chips In allows every employee to take one paid day off each year to participate in volunteering activities. Volunteering with colleagues during company time serves the dual purpose of giving back to our communities as well as building team spirit and engagement. In 2022, we made great progress, completing 6,432 hours of volunteering, including our first-ever global Chips In Volunteering Day during our annual Sustainability Week in June.



# CASE STUDY

## Going global with Chips In

In 2022, our first-ever global Chips In Volunteering Day provided an opportunity to unite and galvanize people across the business. **In total, more than 1,200 employees from over 19 countries got involved.** Focused on local community beneficiaries, volunteering activities ranged from cleaning local parks to packing food parcels. McCain leaders also played an active role, signaling that this is an important ongoing commitment that will continue to drive engagement while making a difference in our communities.

”

**Volunteering through the McCain Chips In program gave me a sense of purpose. I was able to help others, gain a better insight into the challenges faced by my community and connect with colleagues in a meaningful way.**

Charlotte Pick  
Corporate Communications  
Business Partner, GB

”

**Community is key to McCain and I'm proud to have spent time within my local community and give back to those that need it most.**

Alyssa Brown  
Office Experience Manager,  
Toronto, Canada



# Transforming livelihoods through community projects and partnerships.

**Our commitment: Improve the livelihoods of 10,000 vulnerable farmers and families by 2025**

We're committed to the development, education and support of farmers and families in our local communities. As part of this commitment, we invest in long-term, sustainable community development projects (CDPs) and provide support to local NGOs.

A CDP is a project that improves the health and safety of a community or enhances its social and cultural wellbeing, based on local needs and priorities. We measure the effectiveness of these projects by the number of people whose lives are directly affected and improved. We also want to help communities become self-sufficient and self-sustaining, and this is an integral part of any CDP.

In 2022, we established Planet-Friendly Champions at each of our 14 manufacturing sites in the US and Canada. We also

launched a new CDP at each of these sites, reaching 1,508 new beneficiaries in total. These programs benefit farmers and families, for example by addressing food insecurity, building career skills and promoting local employment opportunities.

In South Africa, we launched two new food gardens in partnership with Food & Trees for Africa in Delmas and Springs. The aim of these gardens is to promote self-sufficiency through vegetable production, and we look forward to seeing the projects progress in 2023.

During 2022 we also started work to better understand the socioeconomic conditions in the community around our new plant in Araxa, Brazil. We have partnered with the Yunus Foundation to identify and develop a social enterprise in the region, with a view to launching the new project in 2023.



## Our flagship programs

Our flagship community programs are our largest long-standing partnerships. So far, we have developed four, with an ambition to establish one in every operating region. In 2022, all four programs – Campo Vivo in Colombia, Sembrando Futuro in Argentina, and Shakti and Utthan, both in India – successfully navigated the impact of COVID-19 and maintained momentum.

### Campo Vivo

Campo Vivo is a social business in Colombia committed to alleviating rural poverty and improving quality of life for smallholder farmers through technical assistance, commercial support and training. Since the project was established in 2014, it has positively impacted the lives of 1,412 Colombian farmers, with over 8,600 training hours delivered in 2022 alone. During the year, Campo Vivo launched its first branded consumer product, Cassava Sticks, as it continued to build its consumer brand, forming alliances with multiple stakeholders. The product is currently sold through local retailers, with the intention of increasing distribution across Latin America to further generate income for farmers and their families.

### Sembrando Futuro

Sembrando Futuro, meaning ‘sowing for the future’, is a youth employability program launched in 2017 in partnership with the Forge Foundation.

Supporting young people from low-income families in the communities near our Balcarce plant in Argentina, it provides skills, training and professional guidance. In 2022, 91 students graduated from the program, bringing the total number of graduates to 449 since 2017. Just over 20,000 training hours were delivered during the year.

### Project Shakti

Project Shakti drives social change and improves the livelihoods of women through entrepreneurship, skills development and knowledge transfer. The project was launched in 2017 in the state of Gujarat, India, close to our Mehsana plant. By the end of 2022, project Shakti had enabled 64 self-help groups to be formed, up from 18 in 2019, with 844 members in total. Nineteen new women’s groups (256 new members in total) were established in 2022, with beneficiaries realizing developmental gains from credit and savings. During the year, the project also won the Women’s Empowerment Category at the 7th CSR Impact Awards, co-hosted by Dalmia Bharat Foundation and CSRBOX India.

### Project Utthan

Project Utthan, meaning ‘upliftment’, is located in northern Gujarat, where more than 90% of rural communities are largely dependent on agriculture and animal husbandry for income. The program is a collaboration between McCain and the BAIF Development Research Foundation. Its aim is to improve agriculture production, soil and water conservation and overall quality of life for small-scale farmers and their families. The project reached 478 direct beneficiaries in 2022, with a total of 1,129 families positively impacted since the start of the program in 2019.



# CASE STUDY

## Improving lives through Campo Vivo

Public-private partnerships are a great way to drive positive and lasting change in rural communities. In 2014, in partnership with Yunus Social Business, we launched Campo Vivo in Colombia. Campo Vivo strives to improve the livelihoods of local smallholder farmers and their families by providing education and support services. **Through these efforts, the partnership aims to increase yields and improve market access, thereby supporting higher and more stable incomes.**

In 2019, McCain and the German Development Finance Institution (DEG) developed a three-year public-private partnership, which enabled the program to scale and increase positive impact with Colombian smallholder farmers. The program retained accreditation from the Colombian Government as a Beneficio e Interés Colectivo (BIC)\* company, and was selected as one of the top 100 social businesses globally by Acumen/World Economic Forum. The BIC certification represents huge recognition of Campo Vivo's evolution and associated achievements through the years, bringing the business one step closer to gaining B Corp status.

\* A collective benefits and interests company



# Progress towards our commitments.

OUR COMMITMENTS	OUR PROGRESS IN 2022	ON TRACK / OFF TRACK
<b>1</b> Supporting farmers and families by donating 200 million meals to food banks and NGOs by 2025.	<b>10.9 million meals donated</b> through ongoing partnerships with NGOs and food banks in the regions. <b>\$200,000 donated to the Canadian Red Cross</b> to assist with relief efforts in Ukraine. These funds were deployed to provide life-saving essentials, such as food and medical assistance.	
<b>2</b> Supporting farmers and families with 50,000 hours of employee volunteering by 2025.	<b>6,432 hours</b> hours of volunteering undertaken. <b>First-ever global Chips In Volunteering Day</b> held during Sustainability Week in June.	
<b>3</b> Improving the livelihoods of 10,000 vulnerable farmers and families by 2025.	<b>2,921 new beneficiaries.</b> <b>A new community project launched</b> at each of our 14 plants in the US and Canada. <b>Momentum maintained</b> across the existing four flagship projects.	

ON TRACK  MONITORING  NEEDS ATTENTION 



# Strong Foundations.



# Safety.

## Putting safety at the heart of everything we do

At McCain, the safety and wellbeing of people are at the heart of our business. This commitment encompasses our employees, contractors and visitors, and the partners with whom we work. Our dedication to safety has helped us achieve an over-30% reduction in incident rate since 2019, with continued improvement throughout 2022.

We believe that nothing we do is worth getting hurt for. While the results we've achieved are impressive, safety is about what we do today, tomorrow and the next day to ensure every person goes home safely to their families. Visible leadership is a critical part of this process, and our leaders remain fully committed and involved in achieving an injury-free workplace.

We're mindful of the need for continuous improvement and have a zero-tolerance approach to safety incidents. Despite driving improvement each day, we know that we need to learn from past events. We're deeply saddened to report that in 2022 there was a fatality at one of our storage facilities. In response to this tragic event, we conducted an in-depth investigation and developed a plan focused on improving conditions and behaviours. We also brought in external support to help identify further opportunities, from a technical and leadership perspective, to ensure such an incident never happens again.

## Our approach

Our approach to achieving zero incidents, and our entire Health & Safety (H&S) System, are based on our Health & Safety principles and objectives.

### Our Health & Safety principles:

- **Nothing we do is worth getting hurt for.**
- **Safety can and must be managed.**
- **Every injury could and should be prevented.**
- **We owe ourselves and each other a safe place to work.**

### Our Health & Safety objectives:

- **Create a culture where we work safely because we want to – so that we can go home safely to our family and friends.**
- **Ensure McCain employees are 100% engaged with their own safety and that of others, inside and outside the organization.**
- **Embed H&S concepts in all employees regarding their day-to-day activities.**
- **Develop self-sufficient teams with strong H&S capabilities at every level.**

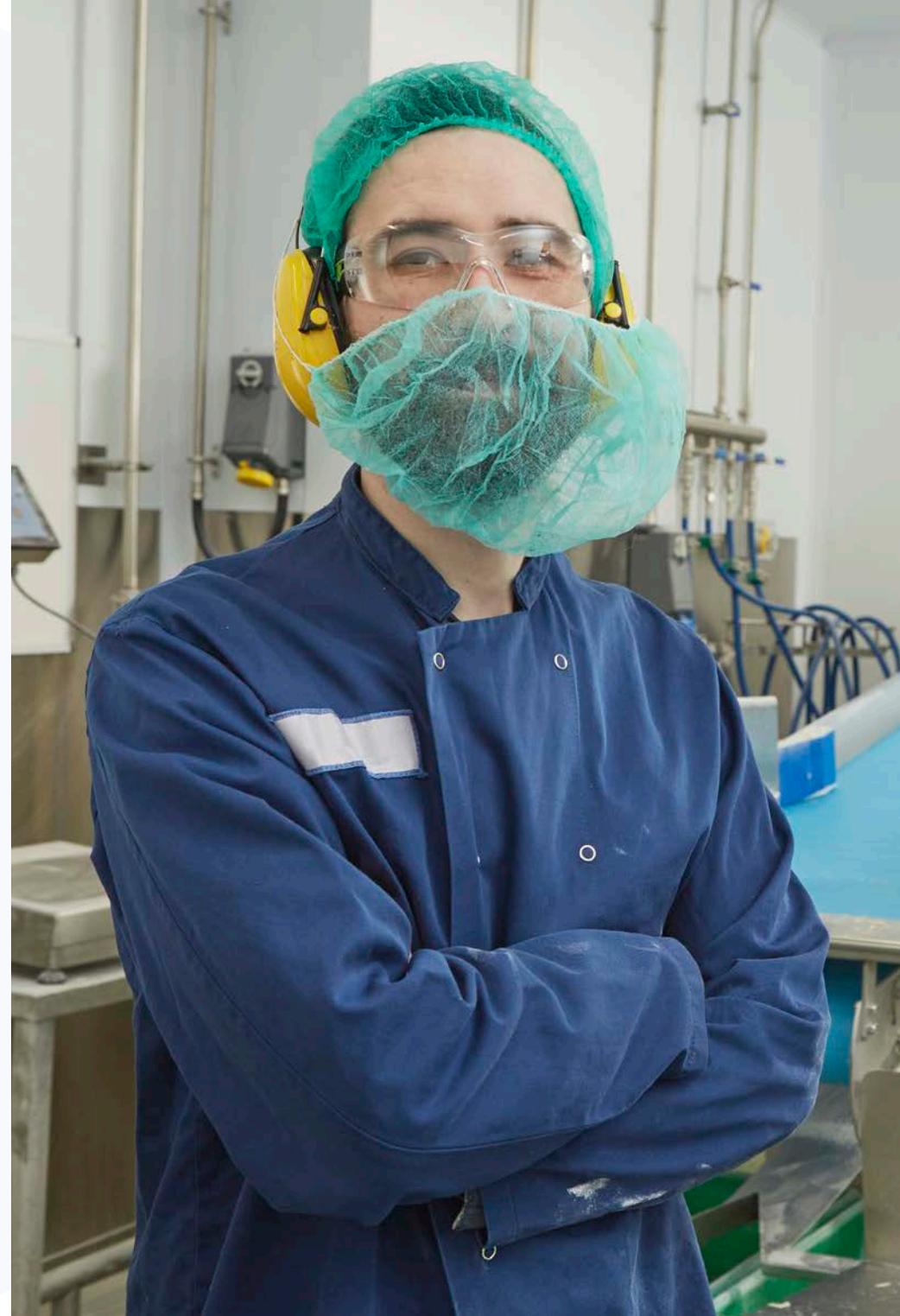
These objectives are supported by a robust H&S training approach. This approach includes safety awareness and expectations as part of employee orientation and annual training requirements. Tailored training is also provided for specific roles, for example among our operations staff.

## Our progress in 2022

In 2022, we made good progress on our H&S journey, recognizing the needs of individuals as COVID-19 restrictions were lifted and we transitioned to post-pandemic working. We continued to support our colleagues, working to ensure that safety becomes central to everyone's role across the organization – not just within technical operations.

During the year we focused on compliance and technical safety, as well as our overall safety culture. In particular, we restarted the connections and conversations that are so critical to H&S, but that were disrupted during the pandemic. Key activities included reintroducing town halls, facilitating group discussions and enabling face-to-face interactions. Through these efforts, we were able to achieve a deeper engagement with individuals on the ground. Our leaders were also able to 'get back out in the field', visibly supporting our H&S efforts and engaging with colleagues.

Distilling lessons from COVID-19 was a priority in 2022, with mental health and wellbeing becoming key focus areas. We developed professional and caring resources to support mental wellbeing, in particular providing opportunities to talk. We also continued to extend support to employees and their families outside of the workplace through our Employee & Family Assistance Program (EFAP).



## Targeting zero incidents

Our goal is always zero incidents. We set progress indicators to ensure we're continually improving our total recordable incident rate (TRIR), as defined by the Occupational Safety and Health Administration (OSHA) reporting requirements. In 2022, our efforts resulted in a reduction in the frequency of incidents at our plants. Our overall TRIR for the year was 0.69, down from 0.85 in 2021 and 0.90 in 2020. Since 2019, we've seen a 34% reduction in total recordable incidents.

To recognize the progress being made, we proudly identify those sites that have reached significant safety milestones. In 2022, 23 sites received a McCain GOLD Level Safety Award. The criterion for this award is for a site to achieve zero employee TRIR and zero fryer fires for one or more years. In addition, 21 sites received a McCain DIAMOND Level Safety Award, which requires three or more years meeting the above requirements.

As part of our efforts to increase awareness and capabilities, teams are encouraged to recognize safe behaviours, and 'safety moments' are discussed at the start of meetings. Leaders also have safety goals included within their objectives.

## Looking ahead

Targeting further reductions in 2023, we're expanding our H&S capability at all levels – not just within the H&S community, but across our executive leadership team and all functions. This involves building knowledge with leaders and cross-functional teams to enable them to improve safety performance. We remain committed to increased risk reduction, and we'll continue to implement additional protections to reduce the severity of incidents if they occur. We're on a journey of continual improvement, and we're committed to putting safety at the heart of everything we do.

## Enhancing our capacity for safety assessments

As we continue to work to improve our safety performance and protect our people, in 2022 we developed our internal capacity to undertake assessments of safety culture and create supporting action plans. A cross-regional team, together with external specialists, have now trained assessors in multiple regions, including North America, Latin America and Great Britain. With each assessment, action plans are created to help move each site to a mature safety culture, where people feel empowered to act as needed to ensure workplace safety and wellbeing.

# Inclusion.

## Building a sense of belonging

At McCain, we have a Diversity, Equity and Inclusion (DEI) Promise that guides our work in this area:

**We are committed to becoming an employer of choice for diverse employees; where leaders, structures and interactions enable individuals to thrive while being their authentic selves. Now, and for generations to come.**



## Our approach

Our approach to delivering on this Promise is shaped by the following commitments:

- **Deliver on a Bigger, Broader, Bolder DEI agenda that looks beyond gender and location of work**
- **Cultivate belonging and psychological safety across McCain**
- **Embrace our differences while creating conditions for fairness and opportunity**

# Our progress in 2022

## Strengthening representation & inclusion

As part of our work to promote representation, inclusion and belonging, in 2022 we leveraged the results from our RE:PRESENT employee self-identification survey. These results are helping to inform our global approach and strategy and shape regional DEI plans.

Specifically, we decided to focus on representation, or the demographics of under-represented employee groups at McCain, and inclusion, which is about what it feels like to work at McCain. These focus areas were a direct result of the hundreds of verbatim comments written by employees in various surveys.

We continue to maintain our RE:PRESENT database by inviting new employees to self-identify through the survey. In addition, we're analyzing recruitment and retention trends to monitor our progress toward becoming an employer of choice.

Since 2016, women in global leadership roles at McCain (Director level and above) have increased to 33% from 19%. We've made this progress by setting and exceeding interim goals. Our recently revised target of women in 40% of global leadership roles by 2026 reflects our ongoing ambition in this area. We're also considering targets to measure and track representation of other historically under-represented groups, looking to ensure that teams benefit from a greater pool of knowledge, perspective, experience and skill. In March 2022, Our Voice, our annual employee engagement survey, featured an expanded Inclusion Index designed to measure feelings of belonging at McCain. Using the Index, we analyzed data to determine if difference makes a difference at McCain and directed actions towards creating a more balanced experience for all employees.

## Inclusive leadership

In inclusive environments, individuals are appreciated for their unique characteristics and feel comfortable sharing their points of view and other aspects of their authentic selves. They feel respected, accepted and encouraged to fully participate in the organization around them.

Leaders are responsible for creating environments where people feel safe offering new perspectives and sharing information about their personal lives, and where they are recognized for their unique contributions. As such, inclusive behaviour is an essential modern leadership skill.

Using results from the RE:PRESENT and Our Voice surveys, in 2022 we developed the Inclusive Leader Curriculum, which is designed to define and demonstrate effective inclusive leadership behaviours. The curriculum is delivered via five two-hour-long workshops, with field work between sessions. In addition, it has a post-training accountability network structure to ensure that classroom learning translates into inclusive actions.

We also delivered the Leadership Accelerator for DEI and Anti-Racism program. This bespoke learning opportunity enables senior leaders to meaningfully engage with our DEI agenda and, through personal projects, become visible ambassadors and DEI role models.

As part of our global DEI leadership structure, we launched our Global Diversity, Equity and Inclusion Council, which helps regional teams to incorporate inclusion indices and KPIs into local structures and strategies. Collaboration with local leaders also ensures that strategies are implemented in ways that are authentic and culturally appropriate.

## Communicating DEI

To extend our DEI learning, commitments, and activities with our teams around the world, we've created a range of opportunities to share progress across different platforms.

The global DEI keynote speaker series, for example, brings renowned speakers and thought leaders to the McCain virtual stage. Through technology, we're able to provide our programming in multiple languages, in real time, to celebrate events like International Women's Day, World Cultural Diversity Day, World Mental Health Day, and other key observances.

## Creating an inclusive environment

### DEI development, education and support

DEI learning that reaches deeper into the organization includes the Courageous Leaders Summit, which is open to non-leadership personnel as well as leaders, and personal leadership development programs. We also run Inclusive Teams Workshops, Confidence Code Coaching Circles and Unconscious Bias Workshops, among other initiatives.

Our Employee Resource Groups (ERGs) galvanize action and engagement in key DEI areas, such as LGBTQIA+, women, racialized people and more. In 2022, our Women in Agriculture and Women in Continental Europe ERGs began to gain traction. Two Leadership Accelerator alumni also collaborated with two racialized women leaders to create and coach a support network for racialized women.

## Looking ahead

In 2023, our priorities are to build on the foundations we've established to assess and monitor diversity at McCain. We'll also continue to look at talent and recruitment from a DEI perspective. To measure success, we'll focus on our leadership talent pipeline, our experience and inclusion indices, and our ability to recruit and retain in line with organizational needs.

# Exploring representation and experience among racialized women

In 2022, two racialized DEI McCain coaches collaborated with two alumni and 'allies' from the Leadership Accelerator course. Together, these partners worked with a group of 16 women from McCain North America, facilitating conversations about representation and experience. Over the course of the year, the McCain Racialized Women Confidence Code Coaching Circle met eight times. The conversations focused on a book called *The Confidence Code*, by Katty Kay and Claire Shipman, which participants considered from a racial perspective.



**Meeting as part of this Coaching Circle is always the highlight of my day, as we explore *The Confidence Code* through the lens of racial diversity.**

Fareena Khan, Director, PMO Deployment



**The power of women. The positivity, strength, support and allyship this group provides is refreshing. This week, we committed to being #powerful together and pushing each other out of our comfort zone.**

Jasdeep Deol, Senior Director, Finance Operations & Strategy, North American Appetizers



# Ethics.

## Doing the right thing

As a family business, McCain cares deeply about our name, our reputation, and our impact on the world around us. One of the company's founding statements, 'good ethics is good business', continues to resonate today, informing our business decisions and compliance programs.

At McCain, ethics and business are always aligned. Our leaders set high expectations for doing the right thing, and we expect nothing less than ethical and lawful conduct throughout our operations and supply chain. We also engage with our suppliers, industry, governments and NGOs to help drive positive change on a wider scale.



## Our approach

Our approach to ethics is shaped by the following commitment:

- **Zero tolerance for corruption or human rights abuses.**

We require our employees and suppliers to uphold the high standards we set for ourselves and to conform to our global codes of conduct. These codes, which include the Global Code of Conduct and the Supplier Code of Conduct explained below, set out our expectations for ethical and lawful conduct within the business and across our value chain.

At McCain, good ethical behaviour is a condition of employment. Our Global Code of Conduct (Code of Conduct) requires all employees to help us build a compliant, safe and respectful environment. We do not tolerate inappropriate, illegal or unethical behaviour of any sort. The Code of Conduct sets out our expectations for how we conduct business, including how we treat others internally and externally, how we interact with the markets in which we operate, and how we work internally to protect assets, safeguard privacy, and put safety first. The Code of Conduct also addresses areas such as conflicts of interest and anti-bribery and corruption.

We offer multiple channels to encourage employees to report possible Code of Conduct violations. Employees can raise concerns to a manager, to our Human Resources department or Legal team, or anonymously through a dedicated email account, confidential third-party web page or third-party call centre. We also require all employees of McCain and its subsidiaries to complete Code of Conduct training during onboarding and annually, and to declare any potential conflicts of interest they may have.

As part of our Supplier Code of Conduct, suppliers must adopt all necessary measures to ensure compliance with applicable laws and regulations. In addition, the Supplier Code of Conduct also prohibits any type of forced or compulsory labour, child labour, discrimination, inhumane treatment, abuse or harassment.

## Our progress in 2022

In 2022, our annual employee Code of Conduct recertification rate was 94%. We continued to strengthen our training efforts, with new modules developed for employees who require more in-depth knowledge on specific topics. For example, some employees who routinely work with external parties received additional guidance in anti-bribery and corruption, conflicts of interest, and competition/antitrust matters, as well as how to anticipate and address considerations in these areas.

For our supply chain, we reviewed the processes in place to screen and filter suppliers, including due diligence checks proportionate to assessed risks. Meanwhile, we're working on a new responsible sourcing program to assess suppliers on their social and environmental performance, and to resolve issues if they arise.

This year, McCain also responded to the pressures and challenges being felt around the world, and following the events in Ukraine, we ceased our operations in Russia.

### Looking ahead

In 2023, our priorities are to launch an updated version of our Global Code of Conduct, to strengthen our internal Code of Conduct training plan and to continue providing relevant, targeted training for specific groups of employees. We also look forward to launching our refreshed Supplier Code of Conduct and further improving our supplier monitoring and selection processes.



# Security.

## Helping our employees to work and live well

Our employees are the foundation of the McCain global family, with many having worked for us for decades. We greatly value these long-term connections and aim to ensure that our employees have income security to be able to work and live well. We also know how important opportunities for development and progression are as part of the employee experience, as well as access to benefits, including healthcare and wellbeing support. That's why we have incorporated wider efforts into this space and will be exploring new commitments in the future.



## Our approach

Our approach to security is shaped by the following commitment:

- **Ensure income security and fair compensation for all McCain employees**

# Our progress in 2022

## Fair wage

We want all our employees to have income security and to be compensated fairly for their valued work and contributions. By this, we mean a wage and benefits that enable employees to afford a decent standard of living for themselves and their families.

In 2022, we explored a range of approaches to ensuring fair wages by working to understand what employees need in order to provide for their families and save for the future. To this end, we conducted annual global pay reviews for our salaried employees, began looking at fair remuneration for our hourly employees, and considered how to protect everyone who works at McCain against wage erosion.

These measures were and continue to be particularly important given the inflationary environment in many parts of the world. During the year, we also established targeted interventions across the globe based on local market conditions, and we continue to assess and evolve our programs based on market practice.

## Employee support and benefits

In the wake of COVID-19, in 2022 we maintained our focus on wellbeing and mental health as a priority. Our aim is to ensure every single employee has access to mental health support and is aware of the benefits available to them and their families.

During the year, we expanded benefits in various markets, basing our programs on local conditions to ensure competitiveness and help employees and their families access the services they need. These measures included exploring a new global Employee and Family Assistance Program and digital wellbeing platform, increasing health coverage in several markets, and launching 'Hinge Health' in the US, a successful program targeting back and joint pain. We also

reviewed and updated our parental policy in Australia and New Zealand, which offers more flexibility for a changing workforce and better supports our employees and their families.

## Enabling flexible working

Enabling flexibility and hybrid ways of working is part of our effort to create a supportive environment so employees can work in ways that suit them.

Flexible working was key during the pandemic and is something we have continued to practice and explore further. This has included renovating and reimagining many of our offices, creating collaborative and private space. We have also empowered leaders to work with their teams to define the best working arrangements, while exploring opportunities for flexibility at our plants where workers are required to be on site.

## Development, training and education

At McCain, we're committed to creating a culture of continuous learning that ensures our people and teams are future-ready. With the pace of change accelerating, in 2022 we made significant investments in our employee development program.

In March, we implemented a new digital learning platform called Degreed, which has allowed us to pivot to new ways of learning across McCain. Degreed uses AI technology to provide quality training content and support for employees looking to upskill in specific areas, including sustainability. The shift to Degreed is part of our Winning Culture strategy, which has a focus on building new mindsets and skill sets to enable digital transformation.

Throughout the year, we also provided a range of training and development opportunities. Key highlights include the launch of our Great People Leader Program, designed to elevate

# CASE STUDY

manager capability, with 300 employees taking part. We also offered mental health training, which was completed by over 4,600 employees, and implemented our Mindful Leaders Program to 180 leaders globally. In addition, in partnership with the Ivey Academy in Canada we continued to run NEXT, a condensed, global executive MBA program. Designed for high-potential talent looking to move into more senior roles, NEXT broadens leadership skills and helps individuals understand how they can drive performance across the business.

We also continued to deliver our Global Agriculture Internship & Graduate Program, which aims to develop our future agriculture workforce and ensure the sustainability of our operations.

## Looking ahead

In 2023, we'll be refining our approach on fair wage, including targeted interventions based on local need and context. We'll also be reviewing our broader commitments on employee health, benefits and development.

Meanwhile, through Degreed, we aim to centralize all functional and leadership curriculums under a common framework, called GrowU. For the next phase of content development, we'll be expanding available learning pathways, including training modules on regenerative agriculture, climate action and sustainable packaging.

“ **The Mindful Leaders Program is a tremendous program that offers both personal and professional growth. We are truly fortunate to have this course at McCain. It will add to our toolkit to be better leaders as we navigate the pulls and takes of our ever-demanding work-life balance.**

Scott McInnis, Sustainability Manager, North America, East Manufacturing

## Growing talent in Great Britain

The McCain Manufacturing Academy in Great Britain provides formal training and development opportunities to help strengthen our talent pipeline, recruitment and retention within manufacturing.

The scheme takes new employees through varying apprenticeship levels, covering topics from food safety and hygiene through to technical compliance, audit compliance and co-ordinated engineering activity. In 2022, 60 apprentices were enrolled into the Academy. By creating clear development pathways for careers in manufacturing, the Academy is helping us build an organization that's future-focused and fit-for-purpose.



“ **The Great People Leader Program imparts a modern way of interacting with your team and navigating through challenges...[it] also facilitates invaluable networking between peers at other locations, which allows you to understand how other leaders deal with the same situations you encounter.**

Jennifer Hadley, Training Supervisor, Portage La Prairie

# Partnerships & collaboration.



## Smart & Sustainable Farming

SAI Platform

Global Good Agriculture Practice (GAP)

Research & implementation partners: The Soil Health Institute, Earthworm, University of Guelph, Agriculture and Agri-Food Canada, University of Dalhousie, Cornell University

Financial institutions and banks

Coalitions including Sustainable Markets Initiative, One Planet for Business Biodiversity (OP2B), the Food Collective



## Good Food

Consumer Goods Forum Workforce Nutrition Alliance

Institute of Food Technologists (IFT)

Alliance for Potato Research and Education (APRE)

American Oil Chemists Society (AOCS)

National Association of Food Industries (ANIA)

Food Drink Europe (FDE)

American Society of Nutrition (ASN)

Leading nutrition academics and universities



## Resource-Efficient Operations

Science-Based Targets initiative (SBTi)

RE100

Livelihoods Carbon Funds

Consumer Goods Forum (Food Waste and Plastic Waste Coalitions of Action)

Ellen MacArthur Foundation



## Thriving Communities

Yunus Social Business

German Development Finance Institution

Fundación Bancolombia

Federal Ministry for Economic Cooperation and Development of Germany

Forge Foundation

Cohesion Foundation Trust

BAIF Development Research Center

Feeding America

Second Harvest

Food & Trees for Africa



# Appendix.



# Performance tables.



## Smart & Sustainable Farming

COMMITMENT	INDICATOR	F17	F18	F19	F20	F21	F22	PROGRESS (F17 - F22)
Implementing regenerative agricultural practices across 100% of McCain potato acres by 2030 (baseline F22)	% potato acres	-	-	-	-	New target	TBC	Data being validated
Operating three Farms of the Future by 2025, dedicated to developing regenerative agricultural practices (baseline F20)	# Farms of the Future launched	-	-	-	1	0	1 <sup>5</sup>	2
Developing research partnerships and leverage collective action to advance regenerative agriculture	# active research partnerships and coalitions	-	-	-	-	3	4	4
25% reduction in CO <sub>2</sub> emissions per tonne from potato farming, storage, and freight by 2030 (Scope 3) <sup>6</sup> (baseline F17)	CO <sub>2</sub> emissions intensity (kg CO <sub>2</sub> / tonne raw potato)	122	123	124	124	120	112	-8.2%
15% improvement in water-use efficiency in water-stressed regions by 2025 (baseline F17)	Water-use efficiency in water-stressed regions (m <sup>3</sup> /tonne raw potato)	56.2	53.6	62.7	56.4	53.7	50.0	-11%
20% of all potato crops grown for McCain to use stress-tolerant varieties by 2025 <sup>7</sup> (baseline F17)	% water stress-tolerant varieties	17.3%	17.1%	18.1%	19.1%	19.7%	21.5%	4.1%
Training, technology and knowledge transfer to growers	# training hours transferred to growers (baseline F18)	N/A	<34,000	<32,500	<27,500	<21,000	<29,000	38% (21-22)
	# technologies transferred to growers (baseline F18)	146	210	237	257	273	243	-11% (21-22)



## Resource-Efficient Operations

COMMITMENT <sup>a</sup>	INDICATOR	F17	F18	F19	F20	F21	F22	PROGRESS (F17 - F22)
50% absolute reduction in GHG emissions (Scope 1 & 2) by 2030 (25% reduction by 2025)	Absolute Scope 1 & 2 emissions (t CO <sub>2</sub> e)	1,439,847	1,441,274	1,424,099	1,352,171	1,315,739	1,356,256	- 5.8%
100% renewable electricity by 2030 (60% by 2025)	Renewable electricity (% of total electrical energy)	~1%	~1%	~1.2%	~3.7%	~14.6%	18.56%	17.5%
Ceasing use of coal by 2025	Coal consumption (% of total non-electrical energy)	8.3%	8.7%	7.9%	7.8%	5.7%	4.8%	- 3.5%
60% intensity reduction in GHG emissions (Scope 1 & 2) by 2030	GHG emissions intensity (kg CO <sub>2</sub> e / t finished product)	341	328	325	322	302	283	- 17%
30% intensity reduction in GHG emissions (Scope 3) by 2030 <sup>a</sup>	GHG emissions intensity (kg CO <sub>2</sub> e / t finished product)	972	1004	980	966	908	963	-0.9%
15% improvement in water-use efficiency in 7 priority plants by 2025	Water-use intensity in 7 priority plants (m <sup>3</sup> /T finished product)	8.52	8.26	8.23	7.58	7.10	7.07	- 17%
Zero waste to landfill by 2025 <sup>10</sup>	Waste to landfill (%)	2.3%	2.8%	1.8%	1.2%	2.0%	1.3%	-1%
50% reduction in food waste intensity in operations by 2030 (baseline F20)	Food waste intensity (kg / t finished product)	-	-	-	173	167	153	- 11.6% (F20-F22)
100% of our packaging recyclable, reusable or compostable by 2025	Recyclable packaging materials (%)	96%	96%	97%	97%	97%	97%	1%
100% paper packaging designed to be recycled by 2025	Paper packaging (%)	97.7%	97.7%	97.9%	97.9%	98.4%	98.2%	0.5%
100% plastic packaging designed to be recycled by 2025	Plastic packaging (%)	85.6%	85.7%	85.7%	85.8%	85.9%	90.2%	4.6%



## Good Food

COMMITMENT	INDICATOR	F17	F18	F19	F20	F21	F22	PROGRESS (F17 - F22)
Removing palm oil from our frying operations for McCain-branded products by 2025 <sup>11</sup> (baseline F17)	Palm oil (% total oil usage)	14%	14%	14%	13%	13%	13%	-1%
15% reduction in sodium (sales-weighted average) in our potato and appetizer products by 2025 <sup>12</sup> (baseline F18)	% change in sodium SWA (mg/100g) in potato products	-	-	4.2%	4.6%	6%	7.5%	7%
	% change in sodium SWA (mg/100g) in appetizer products	-	-	0.5%	-0.6%	-0.3%	-2.7%	-3%
Providing clear and transparent nutritional information (baseline F19)	# countries where McCain participates in voluntary retail FOP labelling <sup>13</sup>	-	-	-	16	17	18	+1 (India)
100% use of cage-free eggs by 2025	Cage-free usage (%) (baseline F21)	-	-	-	-	84%	92%	+8%
100% Global Food Safety Initiative (GFSI) certification at all McCain-owned facilities and tier one ingredient suppliers	Facilities GFSI certified (%) (baseline F17)	100%	100%	100%	100%	100%	100%	100%
	Tier one ingredient suppliers GFSI certified (%) (baseline F22)	-	-	-	-	-	95%	95%



## Thriving Communities

COMMITMENT	INDICATOR	F17	F18	F19	F20	F21	F22	PROGRESS (F17 - F22)
Supporting farmers and families by donating 200 million meals to foodbanks and NGOs by 2025 (baseline F17)	# meals donated	34.8 million	30.1 million	24.2 million	53.6 million	9.8 million	10.9 million	163.4 million meals donated to date
Supporting farmers and families with 50,000 hours of employee volunteering by 2025 (baseline F22)	# hours of employee volunteering	-	-	-	-	Launched Chips In volunteering program	6,432	6,432
Improving the livelihoods of 10,000 vulnerable farmers and families by 2025 (baseline F18)	# beneficiaries	-	3,769	3,991	5,203	6,077	5,708 <sup>14</sup>	5,708 beneficiaries to date

# GRI content index.

GRI No.	Disclosure Title	Response
<b>General Disclosures</b>		
2-1:	Organizational details	McCain Foods Limited ('McCain') is a family-owned, private corporation existing under the laws of New Brunswick, Canada.  The business of McCain is global in nature. See ' <i>Our business at a glance</i> ' (Sustainability Report page <a href="#">4</a> ). The principal corporate offices of McCain are located in Toronto, Ontario, Canada.
2-2:	Entities included in the organization's sustainability reporting	Unless otherwise stated, this report's boundaries are consistent with our internal financial reporting and includes all companies owned and controlled by McCain Foods, excluding our transportation subsidiary Day & Ross and acquisitions we have completed within the last 24 months.
2-3:	Reporting period, frequency, and contact point	McCain follows an annual reporting cycle. This sustainability report is for the period July 1, 2021, to June 30, 2022, which is aligned to McCain's financial reporting period. This report was published on January 25, 2023.  If you have questions or comments about this report, please contact <a href="mailto:sustainability@mccain.com">sustainability@mccain.com</a> .
2-4:	Restatements of information	No restatements of information contained in our 2021 Sustainability Performance Data Tables have been made in this report, except for the target '30% intensity reduction in GHG emissions (Scope 3) by 2030'. This was due to measurement methodology changes. See Resource-Efficient Operations Data Table (Sustainability Report page <a href="#">66</a> ).
2-5:	External assurance	McCain's GHG emissions data has been externally assured by BSI Assurance UK Ltd, a firm which is independent of McCain Foods. Their statement is available <a href="#">here</a> , and contains details of the basis of preparation, assurance obtained and relevant details regarding the assurance process.
2-6:	Activities, value chain and other business relationships	McCain is a multinational leader in the frozen food industry, manufacturing quality products including French fries, appetizers, pizzas, vegetables, desserts and prepared meals, which are sold in over 160 countries.  See McCain's value chain in ' <i>Our business at a glance</i> ' (Sustainability Report page <a href="#">4</a> ).
2-7:	Employees	McCain employs over 20,000 people worldwide, of whom approximately 65% are male and 35% female. See ' <i>Our business at a glance</i> ' (Sustainability Report page <a href="#">4</a> ). Further breakdown by contract type, employment type, region and gender are not reported at this time.

GRI No.	Disclosure Title	Response
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2-8:	Workers who are not employees	Information not available. McCain uses temporary workers and subcontractors in our processing facilities. These workers and subcontractors are included in our Occupational Health & Safety data. See ' <i>Strong Foundations – Safety</i> ' (Sustainability Report page <a href="#">52</a> ).
2-9:	Governance structure and composition	McCain is led by its Senior Leadership Team (consisting of McCain's Chief Executive Officer and senior officers of McCain and its subsidiaries who report directly to the Chief Executive Officer), with oversight being provided by the Board of Directors of McCain and the Board of Directors of McCain Foods Group Inc., a family holding company which owns all the common shares of McCain.  The directors of McCain include independent and outside directors, members of the McCain family, and the President and Chief Executive Officer of McCain. See ' <i>Our governance</i> ' (Sustainability Report page <a href="#">9</a> ).
2-10:	Nomination and selection of the highest governance body	The new Director selection process for McCain is overseen by the Boards of Directors of McCain and McCain Foods Group Inc. Specialized external consultants are used to assist with this process.  The following non-exhaustive factors are taken into consideration during the process: leadership experience, governance experience, diversity considerations, and experience related to areas such as consumer packaged goods and retail businesses, the food and agriculture sector, digital considerations, environment, social and governance experience, the industrial sector, supply chain and logistics considerations and other areas.
2-11:	Chair of the highest governance body	The Chairperson of the Board of Directors of McCain is not an executive officer of McCain Foods. The Chairperson of the Board of Directors of McCain Foods Group Inc. is not an executive officer of McCain.
2-12:	Role of the highest governance body in overseeing the management of impacts	For details of the role that the Board of Directors of McCain plays in overseeing the management of sustainability and organizational impacts, see ' <i>Our governance</i> ' (Sustainability Report page <a href="#">9</a> ).
2-13:	Delegation of responsibility for managing impacts	The President & Chief Executive Officer of McCain (CEO) has accountability for sustainability at McCain, with oversight from the Safety & Sustainability Committee of the Board of Directors of McCain ('Safety & Sustainability Committee'). McCain's Global Sustainability Team reports directly to the VP External Affairs and Sustainability, who reports to the CEO with respect to sustainability matters.  McCain has established executive level leadership for each of the Global Sustainability Strategy pillars. Sustainability performance is integrated into quarterly Senior Leadership Team meetings, and ultimately reported to the Safety & Sustainability Committee at least three times per year.

GRI No.	Disclosure Title	Response
2-14:	Role of the highest governance body in sustainability reporting	<p>The CEO reviews and approves McCain's sustainability report.</p> <p>McCain management provides regular updates on McCain's Global Sustainability Strategy and reporting to the Safety &amp; Sustainability Committee, as noted above.</p>
2-15:	Conflicts of interest	<p>Conflicts of interest, and the related expectations and requirements of McCain, are addressed in McCain's Code of Conduct (Code of Conduct). All potential conflicts of interest are required to be disclosed under the Code of Conduct.</p> <p>For Directors of McCain, any potential conflicts of interest are identified and appropriately addressed as part of the Director selection process or as they arise.</p> <p>For employees, there is an internal process to declare potential conflicts of interest. Potential conflicts are assessed and addressed, with input from appropriate internal stakeholders according to the nature of the conflict.</p>
2-16:	Communication of critical concerns	<p>Critical concerns about McCain's potential and actual negative impacts on stakeholders are raised through grievance mechanisms and other processes. McCain has several policies in place to support this, including the Code of Conduct, the McCain Supplier Code of Conduct, the McCain Global Environmental Policy, the McCain Global Anti-Corruption Policy, and regional programs such as McCain's UK and Australian modern slavery programs.</p> <p>There are several internal and external channels available for reporting of concerns. These include directly to management and to Compliance, Human Resources or Legal personnel. Anonymous reports can be made directly to a dedicated compliance email address, as well as through an external website and call center provider. Allegations are investigated by Human Resources, Legal, Compliance or Internal Audit, as appropriate based on the nature of the allegation. Matters of critical concern are communicated to the Corporate Governance Committee of the Board of Directors of McCain.</p> <p>Refer to section 2-25 for an overview of McCain's grievance mechanisms and 2-26 for an overview of McCain's whistleblowing mechanisms.</p>
2-17:	Collective knowledge of the highest governance body	<p>The experience and expertise of the Board of Directors of McCain as a whole includes specialist knowledge of sustainability and climate matters in the agriculture and food industries.</p>
2-18:	Evaluation of the performance of the highest governance body	<p>The Board of Directors of McCain completes a self-evaluation process every other year. As part of the self-evaluation, directors consider and evaluate, among other things, overall Board and Committee effectiveness, functioning and communications, Board objectives, the expertise and skills of the Board as a whole and Board succession considerations. This includes a review of the effectiveness of the Safety and Sustainability Committee against its mandate with respect to McCain's Global Sustainability Strategy.</p>

GRI No.	Disclosure Title	Response
2-19:	Remuneration policies	<p>The CEO and other senior executives, remuneration packages includes objectives and performance linked to McCain's Global Sustainability Strategy.</p> <p>The McCain Board compensation is determined through an external benchmarking process.</p>
2-20:	Process to determine remuneration	<p>The Human Resources Committee of the Board of Directors of McCain oversees the process for determining remuneration. The Senior Leadership Team's remuneration and annual incentive plan criteria is reviewed by this Committee of the Board.</p> <p>Employee and senior leadership remuneration packages are based on external benchmarking done by independent external remuneration consultants, as well as internal benchmarking.</p>
2-21:	Annual total compensation ratio	Information not available.
2-22:	Statement on sustainable development strategy	<p>We have identified and prioritized the most material issues that contribute to McCain's sustainable development. Our Global Sustainability Strategy, commitments, and targets, which are linked to the United Nations' Sustainable Development Goals (UN SDGs), are periodically reviewed to ensure they remain appropriate for the changing contexts. For more details, see 'A message from our President and CEO' (Sustainability Report page <a href="#">1</a>).</p> <p>For more information on our strategy, see 'Our Global Sustainability Strategy' (Sustainability Report page <a href="#">5</a>), and for a view of our commitments and performance against targets, please see 'Performance tables' (Sustainability Report page <a href="#">65</a>).</p>
2-23:	Policy commitments for responsible business conduct and human rights	<p>McCain is committed to responsible business conduct and has zero tolerance for human rights abuses.</p> <p>Our Code of Conduct sets expectations around responsible business conduct, including compliance with local laws and regulations. The Code of Conduct is read and acknowledged by employees when they join McCain, and adherence to the Code is a condition of employment. Training and recertification are required each time the code is redistributed. In addition, all employees are required to participate in an annual recertification.</p> <p>Our Supplier Code of Conduct outlines that suppliers must act in accordance with applicable law and international standards such as the core conventions of the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights. The Supplier Code of Conduct is attached to supplier contracts.</p> <p>Please refer to our <a href="#">Code of Conduct</a> and <a href="#">Supplier Code of Conduct</a> for more details, and Sustainability Report page <a href="#">58</a>. These policies have been approved by the CEO.</p>

GRI No.	Disclosure Title	Response
2-24:	Embedding policy commitments for responsible business conduct	All employees and suppliers are made aware of the expectation that they will familiarize themselves with – and comply with – applicable policies. The Code of Conduct and Supplier Code of Conduct are part of operational procedures across the business, including in Human Resources, Procurement and Agriculture, who are responsible for embedding these commitments into the organization and supply chain. Training is provided to employees on McCain’s policies.
2-25:	Processes to remediate negative impacts	Stakeholders can raise grievances by reporting details to McCain management, including the Compliance Lead, Chief Legal Officer, or the CEO. Anonymous reporting to third parties can be made via a toll-free call center or the online portal - <a href="#">McCain EthicsPoint</a> .  Allegations are investigated by Human Resources, Legal, Compliance or Internal Audit personnel, as appropriate based on the nature of the allegation. Corrective actions are taken when complaints are substantiated.
2-26:	Mechanisms for seeking advice and raising concerns	There are several internal and external channels available for reporting of concerns related to non-compliance with the Code of Conduct. These include directly to management and to Compliance, Human Resources or Legal personnel. Anonymous reports can be made directly to a dedicated compliance email address, as well as through an external website and call center provider. All reports received by the external service provider are reported to McCain’s Director, Global Legal & Compliance, and are investigated as required. Refer to page 42 of <a href="#">Code of Conduct</a> for more details. McCain has a strict no retaliation policy.  Allegations are investigated by Human Resources, Legal, Compliance or Internal Audit personnel, as appropriate based on the nature of the allegation. Corrective actions are taken when complaints are substantiated.  Employees can seek advice on implementing McCain’s policies and practices for responsible business conduct by referring to the relevant contacts on page 40-41 of McCain’s <a href="#">Code of Conduct</a> .
2-27:	Compliance with laws and regulations	Information not available.
2-28:	Membership associations	See ‘ <i>Our partnerships &amp; collaborations</i> ’ (Sustainability Report page <a href="#">63</a> ).
2-29:	Approach to stakeholder engagement	McCain has described our process for identifying relevant stakeholder groups and how we engage with them. See ‘ <i>Stakeholder engagement</i> ’ (Sustainability Report page <a href="#">8</a> ). Outcomes of this engagement have formed the basis of our Global Sustainability Strategy, including the ongoing identification and monitoring of our most material sustainability risks and opportunities.
2-30:	Collective bargaining agreements	Information not available.

GRI No.	Disclosure Title	Response
<b>GRI 205: Anti-Corruption</b>		
3-3	Management approach disclosures	See ' <i>Ethics</i> ' in Strong Foundations (Sustainability Report page <a href="#">58</a> ).
<b>GRI 301: Materials</b>		
3-3	Management approach disclosures	See ' <i>Making sustainable use of packaging</i> ' in Resource-Efficient Operations (Sustainability Report page <a href="#">30</a> ).
<b>GRI 302: Energy</b>		
3-3	Management approach disclosures	See ' <i>Mitigating our climate impact</i> ' in Resource-Efficient Operations (Sustainability Report page <a href="#">25</a> ).
<b>GRI 303: Water and Effluents</b>		
3-3	Management approach disclosures	See ' <i>Promoting the efficient use of water</i> ' in Smart & Sustainable Farming (Sustainability Report page <a href="#">20</a> ). See ' <i>Promoting the efficient use of water</i> ' in Resource-Efficient Operations (Sustainability Report page <a href="#">29</a> ).
303-1	Interactions with water as a shared resource	See ' <i>Promoting the efficient use of water</i> ' in Smart & Sustainable Farming (Sustainability Report page <a href="#">20</a> ). See ' <i>Promoting the efficient use of water</i> ' in Resource-Efficient Operations (Sustainability Report page <a href="#">29</a> ).
303-2	Management of water discharge-related impacts	See ' <i>Promoting the efficient use of water</i> ' in Resource-Efficient Operations (Sustainability Report page <a href="#">29</a> ).
<b>GRI 304: Biodiversity</b>		
3-3	Management approach disclosures	See ' <i>Accelerating the adoption of regenerative agricultural practices</i> ' in Smart & Sustainable Farming (Sustainability Report page <a href="#">13</a> ).
<b>GRI 305: Emissions</b>		
3-3	Management approach disclosures	See ' <i>Mitigating our climate impact</i> ' in Resource-Efficient Operations (Sustainability Report page <a href="#">25</a> ).

GRI No.	Disclosure Title	Response
<b>GRI 306: Waste</b>		
3-3	Management approach disclosures	See <i>'Targeting zero waste'</i> and <i>'Making sustainable use of packaging'</i> in Resource-Efficient Operations (Sustainability Report page <a href="#">29</a> ).
306-1	Waste generation and significant waste-related impacts	See <i>'Targeting zero waste'</i> and <i>'Making sustainable use of packaging'</i> in Resource-Efficient Operations (Sustainability Report page <a href="#">29</a> ).
306-2	Management of significant waste-related impacts	See <i>'Targeting zero waste'</i> and <i>'Making sustainable use of packaging'</i> in Resource-Efficient Operations (Sustainability Report page <a href="#">29</a> ).
<b>GRI 403: Occupational Health and Safety</b>		
3-3	Management of material topics	See <i>'Safety'</i> in Strong Foundations (Sustainability Report page <a href="#">52</a> ).
403-1:	Occupational health and safety management system	See <i>'Safety'</i> in Strong Foundations (Sustainability Report page <a href="#">52</a> ).
403-2:	Hazard identification, risk assessment, and incident investigation	See <i>'Safety'</i> in Strong Foundations (Sustainability Report page <a href="#">52</a> ).
403-3:	Occupational health services	See <i>'Safety'</i> in Strong Foundations (Sustainability Report page <a href="#">52</a> ).
403-4:	Worker participation, consultation, and communication on occupational health and safety	See <i>'Safety'</i> in Strong Foundations (Sustainability Report page <a href="#">52</a> ).
403-5:	Worker training on occupational health and safety	See <i>'Safety'</i> in Strong Foundations (Sustainability Report page <a href="#">52</a> ).
403-6:	Protection of worker health	See <i>'Security'</i> in Strong Foundations (Sustainability Report page <a href="#">60</a> ).

GRI No.	Disclosure Title	Response
403-7:	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not Applicable to McCain.
<b>GRI 404: Training and Education</b>		
3-3	Management of material topics	See 'Security' in Strong Foundations (Sustainability Report page <a href="#">60</a> ).
<b>GRI 405: Diversity and Equal Opportunity</b>		
3-3	Management of material topics	See 'Inclusion' in Strong Foundations (Sustainability Report page <a href="#">55</a> ).
<b>GRI 413: Local Communities</b>		
3-3	Management of material topics	See 'Thriving Communities' (Sustainability Report page <a href="#">43</a> ).
<b>GRI 416: Customer Health and Safety</b>		
3-3	Management of material topics	See 'Food Safety' in Good Food (Sustainability Report page <a href="#">36</a> ).

# References.

- 1 Source: <https://www.polytechnique-insights.com/en/braincamps/planet/agriculture-can-we-lower-emissions-whilst-feeding-the-world/how-to-reduce-greenhouse-gas-emissions-from-agriculture/>
- 2 Source: <https://ourworldindata.org/environmental-impacts-of-food#:~:text=Food%20production%20accounts%20for%20over,are%20used%20for%20agriculture2>
- 3 Based on acreage of our four priority countries – Canada, Great Britain, France, New Zealand – as a proportion of global acreage
- 4 Source: [https://www.un.org/en/climatechange/science/climate-issues/food?gclid=CjwKCAjwzY2bBhB6EiwAPpUpZj3eBXRT5uO4ngtso7YXOp8Ck1sX4qM5MuG4i3QAAI9LzzCezIKCkRoCuUcQAvD\\_BwE](https://www.un.org/en/climatechange/science/climate-issues/food?gclid=CjwKCAjwzY2bBhB6EiwAPpUpZj3eBXRT5uO4ngtso7YXOp8Ck1sX4qM5MuG4i3QAAI9LzzCezIKCkRoCuUcQAvD_BwE)
- 5 Farm of the Future Africa identified in F21 and launched in F22
- 6 Change in measurement methodology. Expanded the scope of our analysis and applied a correction factor on electric grid emissions. Scope 3 inventory expanded to now include all upstream emission categories through to product delivery.  
Consistent with previous years, on-farm Scope 3 emissions are also measured and reported as part of our Scope 3 emissions intensity target in our Resource-Efficient Operations pillar.
- 7 Lutosa not included
- 8 Baseline F17 unless otherwise stated
- 9 Change in measurement methodology. Expanded the scope of our analysis and applied a correction factor on electric grid emissions. Scope 3 inventory expanded to now include all upstream emission categories through to product delivery.
- 10 Van Geloven not included
- 11 Van Geloven, CelaVita and Lutosa not included
- 12 Van Geloven and Lutosa not included
- 13 Van Geloven, CelaVita and Lutosa not included
- 14 Cumulative totals stated as some CDPs impact beneficiaries over multiple years



We welcome any feedback.  
Contact us at [sustainability@mccain.com](mailto:sustainability@mccain.com)

