

Sustainability Summary 2025



Hero

Sustainability Summary

Working to deliver what is good for our planet, products, and people.
You can find the details of our actions and projects in our four implementation pillars.

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Sustainability Summary

Introduction

2025 unfolded against a backdrop of intensifying international challenges. Scientific assessments confirmed that six of the nine planetary boundaries, critical thresholds for Earth's stability, have now been transgressed, including climate change, biodiversity loss, and ocean acidification.

At the same time, the sustainability agenda faces mounting political confusion, and mixed public sentiment. These developments have reshaped the landscape in which companies operate, challenging the pace and consistency of progress with sustainability.

Despite these headwinds, the Hero Group remains firmly committed to sustainability. As a global company with a shared mission, values, and goals, we continue to embed ecological, social, and governance (ESG) principles into our strategy, business decisions, functional responsibilities, and operational duties.



Leopold Oetker

Hero Group Board of Directors
Vice-Chairman and
Sustainability C sponsor

“As a family-owned business, we think in terms of generations, and thus have a long-term perspective that is essential for achieving our sustainability goals. Even amid political backlash and global uncertainty, Hero remains committed to ongoing efforts and continuous improvement. Sustainability is not a trend for us; it’s a principle we live by.”





Sustainability Summary

For Hero, sustainability is not a theoretical ambition but a reality we live daily. We are directly affected by supply chain disruptions, rising input costs, and climate-related impacts such as extreme weather and crop volatility. These challenges reinforce the relevance of our long-term sustainability strategy.

We believe that resilience is built through consistency, transparency, and integration. That is why we continue to align our operations with science-based targets, strengthen our governance structures, and invest in actions on our defined material topics. This **Sustainability Summary** offers a crisp and engaging overview of our progress, priorities, and ambitions. It complements our detailed **Sustainability Statement** in reference to the ESRS Exposure Draft disclosure framework of the Corporate Sustainability Reporting Directive (CSRD), providing stakeholders with a concise yet meaningful view of how the Hero Group is navigating complexity while staying true to its purpose.



Mita Sen

Chief Strategy Officer Hero Group
and Sustainability Lead

“Sustainability is not a stand-alone project – it must be embedded into each part of our corporate management. It means thinking long-term, acting with broader responsibility, and making decisions that reflect environmental, social, and governance priorities. At Hero, we continue to integrate ESG into our strategy and operations because we are creating a company not only for this generation but for generations to come.”



Sustainability Strategy

Our sustainability commitment is at the center of our Group mission to delight Consumers through honest Goodness in every Bite. We have developed our strategy to operationalize material topics within our organizational structure, embedding sustainability into dedicated functions, decision-making processes, and everyday work along our value chain: Through **Responsible Sourcing**, we use **Minimal-impact Production** to make **Better Product Design** by and for **Purposeful People**.

Our One Hero ambition reflects our commitment to integrate sustainability into categories, countries, functions, and brands, fostering a cohesive and collaborative mindset across the entire Hero Group. Our sustainability actions drive local and global efforts led by functions to one global strategy led by functions supported by Group experts and implemented in all countries.

Strategy & Governance

We manage sustainability with a long-term, future-oriented approach, taking responsibility for environmental, economic, and social aspects across the entire value chain. Our organizational structure ensures that we meet external regulatory obligations and fulfill our decarbonization plans in line with our SBTi commitment.

1 Responsible Sourcing

We work in partnership with our suppliers on emission reduction, resilient agriculture, fair labor conditions and transparent supply chains.

Under our bee careful initiative, we promote regenerative agriculture practices on and around our partners' farms.

2 Minimal-impact Production

We continuously improve the efficiency of our production, switch to renewable electricity, conserve energy and water, and reduce waste.

We optimize our transport and deploy technologies for decarbonization.

3 Better Product Design

We design our products to be better for people and the planet - with more of the 'good' like fruits and vegetables, whole grains and fiber, and less of the 'bad' like refined sugar.

We are also working towards less environmental impact of product packaging.

4 Purposeful People

We grow and develop our team by fostering a values-led culture. We ensure our employees feel engaged, included, and motivated.

We prioritize personal development, health, and safety in our workplaces, and actively engage with local communities.

Grounded in data and insights, we work to support the United Nations Sustainable Development Goals, particularly:



Sustainability key figures

Our corporate carbon footprint

tCO ₂ eq	FY25	FY24
Total carbon footprint (SC 1-2-3)¹	617,656	649,086
reduction versus previous year	-5%	
Scopes 1-2 (market-based)	31,775	32,919
reduction versus previous year	-3%	
Scope 3	585,881	616,167
reduction versus previous year	-5%	
GHG emissions intensity (tCO₂eq/mCHF)	520	543

¹ Data reported in 2024 has been restated due to: overall methodological refinements, improved activity data accuracy and external/supplier emission factor updates

Other strategic initiatives

1 Responsible Sourcing



- 92% of Hero's ingredients sourced from GFSI-certified tier 1 supplier facilities
- 100% Third Party Manufacturing products sourced from supplier facilities with GFSI certification
- 47% of all core and strategic suppliers (direct and indirect) have EcoVadis rating (171 out of 362)

* This supplier classification revised compared to last year

2 Minimal-impact Production



- 11% reduction in CO₂ /mt per kg produced in manufacturing emissions
- 8% reduction in water intensity
- 100% renewable electricity at all production sites

3 Better Product Design

- Mono-material pouch fully recyclable with 20% average weight reduction
- 78% snack bar offerings claimable 'source of fiber' (3g/100g)



4 Purposeful People

- Half of our employees overall performance rating driven by values-based behaviors
- 46% of senior leadership are women





Sustainability Strategy

Science Based Target Commitment and Carbon Footprint

Hero has a strong commitment to reduce emissions along the full value chain. In 2021, we formalized our pledge and joined the Science Based Target initiative (SBTi). Our near and long-term targets were approved by SBTi in 2023, confirming they are in line with the SBTi's 1.5°C mitigation pathways to reach net-zero emissions by 2050. They also align with the global goal set of the UN Climate Change Conference of the Parties (COPs).

Our corporate carbon footprint (CCF), conducted in accordance with the Greenhouse Gas (GHG) Protocol Corporate Standard, forms the foundation for evaluating our emissions across the entire value chain. To calculate our footprint, we prioritize primary emission factors from suppliers whenever possible and supplement this with global data sources such as ecoinvent, Defra, and EXIOBASE. In 2025, a methodology review was performed in close collaboration with one of the leading climate consultancies, Climate Partner. Additionally, we disclose our climate data through the ESG rating platform EcoVadis.





Sustainability Strategy

Our science-based emissions reduction targets



Overall net-zero target

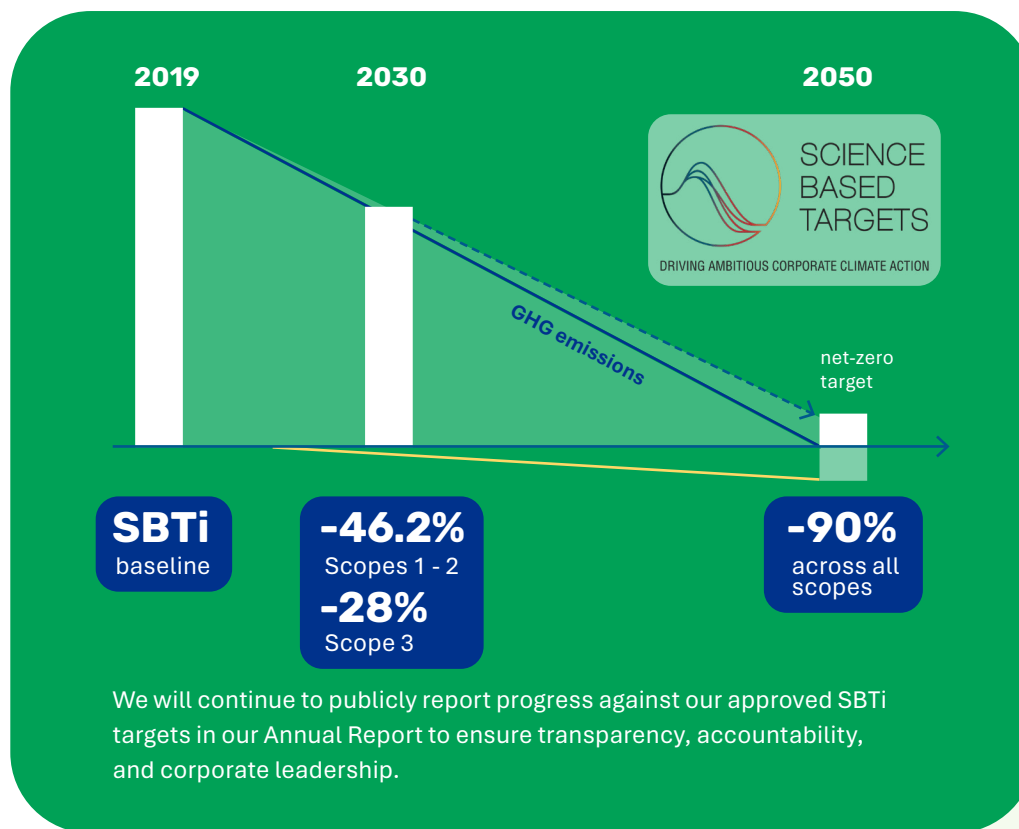
The Hero Group commits to reaching net-zero GHG emissions across the value chain by 2050.

Near-term targets

The Hero Group commits to reducing absolute Scopes 1 and 2 GHG emissions by **46.2%** by 2030 from a 2019 baseline*. The Hero Group also commits to reducing absolute Scope 3 GHG emissions by **28%** within the same timeframe.

Long-term targets

The Hero Group commits to reducing absolute Scopes 1 and 2 emissions by **90%** by 2050 from a 2019 baseline*. The Hero Group also commits to reducing absolute Scope 3 GHG emissions by **90%** within the same timeframe. The remaining emissions will be neutralized in line with SBTi criteria before reaching net-zero emissions.



* The target boundary includes land-related emissions and removals from bioenergy feedstocks.

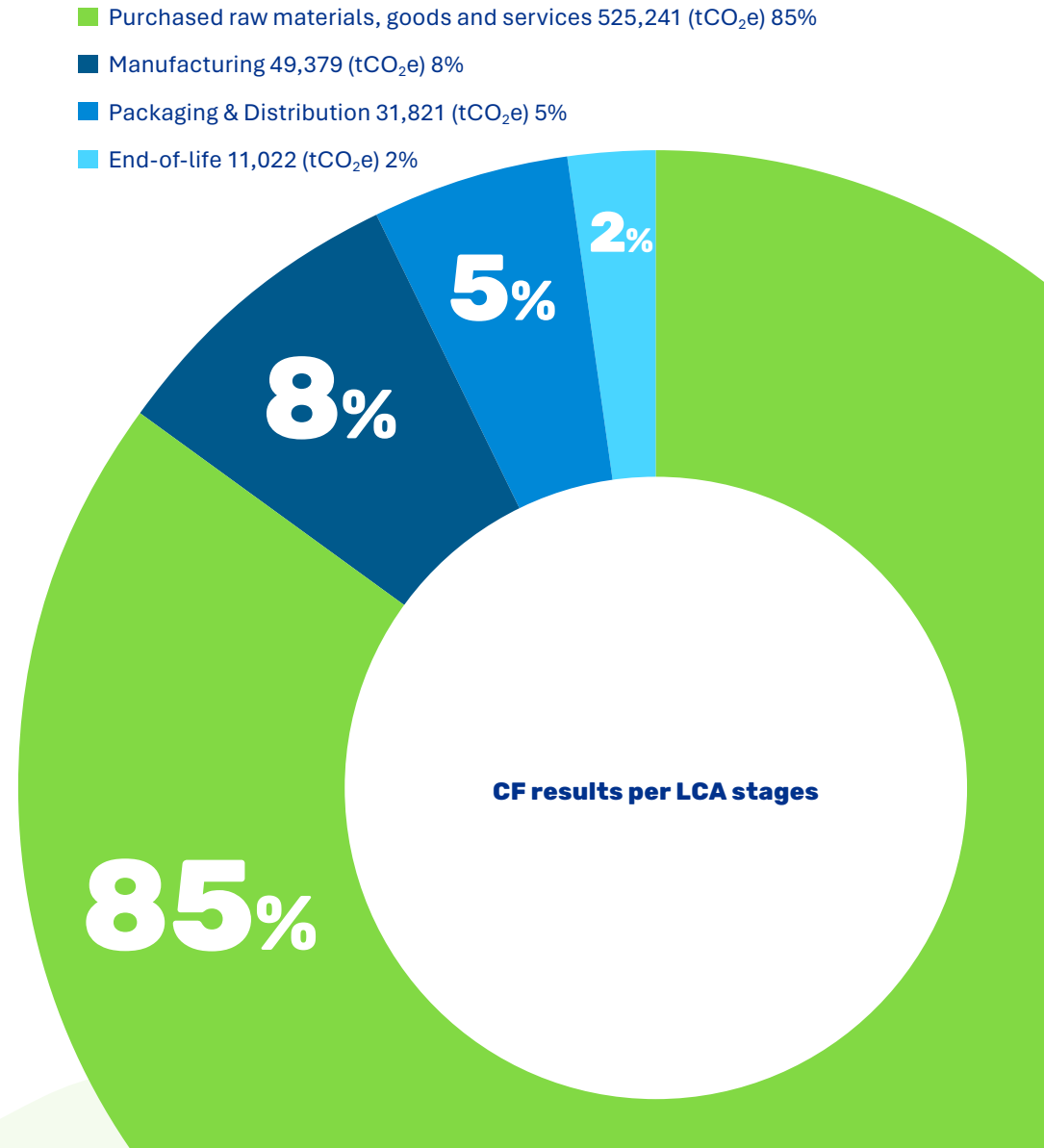


Sustainability Strategy

Hero Group corporate carbon footprint	2025
Scope 1 emissions (tCO ₂ e)	31,573
Scope 2 emissions (tCO ₂ e) (market-based)	202
Scope 3 emissions (tCO ₂ e)	585,881
Total (tCO ₂ e)	617,656
GHG emissions intensity (kg CO ₂ e per kg product sold)	2.7

The Hero Group’s carbon footprint amounted to 617,656 tons of carbon dioxide equivalents (CO₂e) in the reporting year. Compared to the previous year, we reduced our total emissions by 5%, while nominal company Net Sales decreased by -1%. Compared to our baseline year (2019), we have reduced our total emissions by 22%, while Net Sales increased by +4.8%. We aim to maintain this trend of healthy growth alongside decreasing greenhouse gas emissions.

The reduction compared to our baseline reflects actions taken to address our hotspots, including supplier engagement – particularly targeting high GHG-intensity commodities such as cocoa and glass – portfolio changes whereby high-emissions products have been deprioritized, and energy consumption optimized, including the use of 100% renewable electricity at all Hero Group manufacturing sites. External pressures, including inflation, taxation, and geopolitical challenges, have resulted in lower production volumes and a corresponding decline in sales volumes. To further reduce emissions across our entire value chain, we have identified four key hotspots and developed a reduction roadmap for each: ingredients, finished goods, packaging, and transport and logistics.





Sustainability Strategy

Governance and Compliance

As Hero continues to grow as an international company with a shared mission, values, and goals, our sustainability governance and compliance structures have become increasingly harmonized and centrally managed – reflecting our commitment to operating as One Hero.

Oversight of environmental, social, and governance (ESG) matters is anchored at the highest level, with the Board of Directors responsible for strategic direction, the Finance and Audit Committee monitoring compliance with non-financial reporting obligations and the Human Rights Committee monitoring social compliance. The Executive Board, led by the Chief Strategy Officer, drive ESG implementation across the organization. They are supported by a dedicated core sustainability team, and functional leads, who are accountable for specific disclosure and operational topics.

The Sustainability Steering Committee, composed of members of the Executive Board and senior leaders from key functions, meets regularly to review progress, identify emerging risks, and steer strategic decisions that safeguard compliance and accelerate ESG performance across the organization. Where needed, external experts are engaged to support methodological robustness, such as in our corporate carbon footprint compliance frameworks. This integrated governance approach ensures that sustainability matters are not only a strategic priority, but a shared responsibility across all levels of the Hero Group.



General Management Meeting 2025

In addition, ESG targets are embedded in our Long-Term Incentive (LTI) program, linking executive remuneration to climate and diversity goals.



Sustainability Strategy



ESG Governance

Board of Directors
Overall strategic direction, oversight, and accountability.

Board of Directors (BoD)

Senior Executive Sponsors
Steer and lead the transformation. Approval of strategies, investments, and ESG roadmap.

Senior Executive Sponsors (EB)

ESG risks & compliance committee (FAC): Chief Financial Officer

ESG operational & steering committee: Chief Strategy & Transformation Officer

Functional Leads
Define targets per function. Deliver and manager actions and policies aligned with business objectives.

Finance, reporting, and compliance

Business function execution

Core Sustainability Team

Setting ambition, roadmap and strategy. Subject matter expertise.
Responsible for overall implementation.



Sustainability Strategy

Material Topics and Risk Management

Extreme weather and resource volatility in 2025 underscored why ESG risk management is critical for business resilience. Severe drought and spring frosts across Europe caused sharp declines in fruit yields, while Türkiye faced its harshest drought in over 65 years, threatening water security and agricultural output. At the same time, global cocoa prices surged by more than 200% due to climate change and biodiversity loss, disrupting supply chains and increasing cost pressure. These events illustrate how environmental risks translate into financial and operational challenges, reinforcing the need for proactive management.

Risk management is embedded in the Hero governance system through an annual Enterprise Risk Management (ERM) process, which identifies and mitigates risks early. Building on the double materiality assessment conducted in 2023, the Hero Group carried out a comprehensive Impact, Risk, and Opportunity (IRO) Assessment in 2025, aligned with CSRD and ESRS standards. This process evaluated 89 potential IROs and identified 21 material matters as most relevant to the Hero Group business model. Critical risks are escalated to the highest management level, with responsibilities assigned and countermeasures implemented to avoid, remedy, or mitigate impacts.

Impact, Risk, and Opportunity Assessment 2025

# of potential IROs assessed	89
# of IRO evaluators	27
# of material IROs identified	21
# of material IROs on environmental matters	12
# of material IROs on social matters	9
# of material IROs on governance matters	0

Topic-specific assessments and action plans are developed under the guidance of functional leads and subject-matter experts. Our sourcing process enforces ethical standards and human rights protection through mandatory criteria and external supplier ratings, supported by the Hero Code of Conduct. Key and strategic suppliers must maintain a sustainability rating via EcoVadis or Sedex, and SMETA audits are conducted for high-risk suppliers. In 2025, we strengthened this framework with a comprehensive human rights impact assessment and the rollout of our Human Rights Policy. This structured approach ensures continuous oversight and informs short, medium, and long-term planning.



Sustainability Pillars

Strategy & Governance

We manage sustainability with a long-term, future-oriented approach, taking responsibility for environmental, economic, and social aspects across the entire value chain.

Our organizational structure ensures that we meet external regulatory obligations and fulfill our decarbonization plans in line with our SBTi commitment.

1 Responsible Sourcing

Transform how we work with supplier.

2 Minimal-impact Production

Optimize and clean our own house: carbon, water and waste.

3 Better Product Design

Redesigning the products and packaging we sell.

4 Purposeful People

Through people across our full value chain.

Grounded in data and insights, we work to support the United Nations Sustainable Development Goals, particularly:





Sustainability Pillars



1 Responsible Sourcing

Our supply chains are vital to our business. While most raw materials are sourced regionally for our processing facilities, some materials such as cocoa and tropical fruits come from more distant regions, making our supply chains complex and multi-tiered.

The Hero Group [Code of Conduct](#) and Hero Group [Human Rights Policy](#), based on the principles of the UN Global Compact (UNGC) and the International Labor Organization (ILO), underpin all sourcing activities. We expect our entities and partners to align with these standards and require employees worldwide to uphold them daily. To improve transparency and identify areas for improvement, we monitor supplier performance on environmental, social, and governance topics. This includes using EcoVadis ratings, Sedex assessments, SMETA audits, and tailored questionnaires to evaluate supplier maturity in managing key sustainability issues.

In recent years, we have strengthened sustainability within procurement by investing in tools, clear targets and KPIs, knowledge sharing, and standardized processes.

Our procurement team leads our responsible sourcing efforts, working closely with Quality, R&D, Packaging, and Legal.



Strategic Plans and Priorities

- **Ethical sourcing:** Select and partner with responsible suppliers aligned with our Code of Conduct and ESG standards.
- **Climate action:** Cut Scope 3 GHG emissions across operations and the value chain.
- **Supply chain resilience:** Reduce exposure to climate-related risks like extreme weather, water scarcity, and soil erosion.
- **Human rights:** Ensure no child labor, forced labor, and unsafe working conditions in supply chains.
- **Biodiversity and regenerative agriculture:** Grow the bee careful initiative to promote biodiversity, soil health, and water stewardship.





Sustainability Pillars

1 Responsible Sourcing

Engaging suppliers on sustainability

Our suppliers vary in their ESG maturity, so we tailor our approach accordingly. With advanced partners, we exchange primary emissions data, collaborate on holistic programs, and address key drivers for improvement. For those at the start of their sustainability journey, we focus on building awareness and fostering equitable dialogue through our internal supplier engagement model.

To strengthen this process, we have introduced the Hero Group Procurement Guidelines, a comprehensive framework designed to ensure fair, transparent, and efficient procurement practices aligned with our sustainability commitments. These guidelines will be rolled out across the Group in the coming year, reinforcing our ambition to integrate sustainability into every stage of sourcing.

Packaging: AI-driven glass innovation

To reduce CO₂e emissions in packaging, our packaging development and procurement teams partnered with a glass supplier to redesign our 340g jam jars using AI digital twin modeling. This technology allowed us to create thinner yet stable glass, reducing jar weight by 13% without compromising safety or durability during production and transport.

The initiative began in 2022 with digital simulations and progressed to practical tests at our supplier and on our production lines. In 2025, the new lighter jars were successfully rolled out for Hero spreads in multiple markets. This change is projected to save 700 tons of CO₂e in the first year, excluding transport benefits, and we plan to expand the approach to other glass formats, markets, and suppliers within our platforms.

73 tons

expected of CO₂e
removal in 2025



Ingredients: Biochar in oat cultivation

At Hero, we believe nature-based solutions are essential for mitigating climate change and strengthening ecosystems. That's why we are pioneering the use of biochar in oat cultivation in Germany. Biochar is a charcoal-like material made from plant biomass. It not only stores carbon, but also improves water retention, soil health, and biodiversity by creating habitats for beneficial microorganisms.

In 2024, we launched our first pilot with a German oat farm, achieving 35 tons of CO₂e removal through certified insetting. In 2025, we scaled up to two additional farms and achieved an expected 73 tons of CO₂e removal. The project uses EBC-certified biochar, the process follows DIN ISO 14064-2, and aligns with our validated Science Based Targets initiative (SBTi) commitment.

Oats grown with biochar are now used in our Corny Haferkraft BIG bars in Germany. This is an important step toward climate protection, regional partnerships, and agricultural innovation.



Sustainability Pillars

1 Responsible Sourcing

bee careful: An initiative to promote Regenerative Agriculture Practices

Our focus on pollinator health is longstanding. In 2014, we launched the bee careful initiative to raise awareness of the vital role bees and other pollinating insects play in food systems and to support their habitats. Over time, this program has evolved beyond pollinator protection to include actions that promote healthy soils and encourage regenerative agriculture practices on and around our partner farms.



Our goal is to conserve natural resources

As a food company, our success depends on healthy soils, clean water, and the essential services provided by thriving ecosystems such as pollination, nutrient cycles, and humus formation. We recognize the need to protect and nurture a diverse range of fruits, vegetables, cereals, and other crops to ensure the goodness of nature for future generations.

The challenges facing the Forest, Land, and Agriculture (FLAG) sector require a holistic approach. At Hero, we are continuously looking to go beyond carbon reduction to safeguard biodiversity, soil health, and water stewardship across our value chain. We recognize the link between deforestation, biodiversity loss, and climate change. Eliminating deforestation is a must within our sustainability commitments. As a major driver of land-use emissions, deforestation will be addressed through our externally validated SBTi Forest, Land and Agriculture (FLAG) target.

In recognition of our efforts to strengthen supply chain resilience, the German government awarded Schwartauer Werke, one of the Hero Group's entities, the Corporate Social Responsibility Award in the 'Effective Protection of Climate and Biodiversity' category in April 2025. This achievement underscores our commitment to climate protection, biodiversity, and sustainable agriculture.





Sustainability Pillars



2 Minimal-impact Production

Our manufacturing operations remain central to both our business success and our commitment to responsibility. To deliver on this, we set ambitious goals for our global community of production, maintenance, and logistics experts.

We are building a fully integrated supply chain that connects locations and functions, enabling a streamlined manufacturing footprint. Our dedicated Supply Chain Excellence team continues to drive operational improvements across the network.

Aligned with our Science Based Targets initiative (SBTi), we set an annual CO₂e intensity reduction target of 6% per ton produced, contributing to our goal of reducing Scopes 1 and 2 emissions by 46.2% by 2030 (vs. 2019 baseline).

To advance our decarbonization roadmap in manufacturing, we follow the 3 Rs principles:

- **Reduce energy consumption wherever possible**
- **Re-use heat and energy**
- **Replace fossil fuels by switching to electric processes and green thermal energy sources**

These efforts are supported by continuous optimization of energy monitoring, location-specific action plans, targeted CAPEX investments, and dedicated site representatives who own local roadmaps. Progress is tracked monthly via our Integrated Supply Chain dashboard, and we have introduced long-term incentives for leadership, including Supply Chain leaders, to drive reductions in Scopes 1 and 2 emissions. In addition, all of our sites run on 100% certified renewable electricity.

Strategic Plans and Priorities

- **Efficiency improvement:** Optimize processes, resource use, and equipment.
- **Climate Action:** Cut Scope 1 and 2 GHG emissions across own operations.
- **Water resource protection:** Minimize withdrawals and consumption.
- **Waste management:** Advance circular solutions, improve waste segregation, and minimize food waste.



Sustainability Pillars

2 Minimal-impact Production

Minimizing our production impact is a shared responsibility across key functions. Manufacturing, maintenance, and logistics teams play critical roles in driving sustainable practices in our own operations. By working collaboratively, these teams ensure that operational processes, investment decisions, and distribution strategies are aligned to reduce environmental impact and advance our sustainability objectives.

Hero Excellence Program: Embedding sustainability in operations

The Hero Excellence Program is our framework for operational excellence across the supply chain. It builds capabilities, drives zero-loss initiatives, and ensures full frontline ownership supported by leadership commitment. Using structured methods like the PDCA cycle, we standardize processes, improve efficiency, and integrate sustainability into daily operations.

Energy, water, and waste management are key parts of this approach, with protocols applied across all sites and technology used to reduce environmental impacts while improving overall production efficiency. By leveraging the global manufacturing excellence community, we continuously share learnings and insights, enabling all sites to accelerate improvements and embed best practices throughout the organization.



Long-term incentives driving decarbonization

The Hero Group's long-term incentive (LTI) program links leadership accountability to emissions reduction. Initially focused on Scopes 1 and 2 intensity per ton produced, the framework expanded to include Scopes 1, 2, and 3 per ton sold in 2025.

Governance is embedded in the Hero Excellence Program and supported by monthly Decarbonization Community meetings, site-level roadmaps, and performance tracking via the Integrated Supply Chain Scorecard. Progress is reinforced through annual objectives, internal CO₂e pricing in investment decisions, and CAPEX for energy efficiency, electrification, and renewable sourcing. These measures ensure decarbonization is integrated into operations and incentivized at all leadership levels.





Sustainability Pillars

2 Minimal-impact Production

Driving circularity and waste reduction across sites

Hero sites in Spain and Germany maintain ISO 14001 certification for environmental management, ensuring compliance through annual audits and continuous improvement. Beyond standard measures, we implement innovative circular solutions across our large sites: Hero Spain converts olive pits into biodiesel, while Schwartauer Werke annually upcycles over 80 tons of cherry pits into oils, protein flours, and biobased plastics.

In Brazil, we reuse plastic bags and divert 20 tons of non-compliant products from landfill to reinforce waste reduction. Our US site focuses on process optimization and recycling, while Hero MEA in Egypt has achieved zero landfill waste through full recycling and energy recovery partnerships. These actions reflect our commitment to minimizing waste and advancing resource efficiency across all operations.





Sustainability Pillars

3 Better Product Design

Strategic Plans and Priorities

- **Food safety and quality:** Ensure all products and packaging are safe and free from harmful materials, reducing any risk to consumer health and wellbeing.
- **Product development and marketing:** Create products that delight consumers through honest goodness in every bite - better for people and planet.
- **Circular packaging:** Promote responsible packaging by designing for increased recyclability and recycled content and minimizing waste.

Our consumers expect products of the highest quality; crafted to be good for both people and planet. At the Hero Group, we uphold rigorous Food Safety and Quality standards, including compliance with the Global Food Safety Initiative (GFSI). Comprehensive risk assessments are conducted regularly to identify and mitigate potential issues. We actively engage with consumers to address concerns and continuously improve product quality. By monitoring metrics such as non-conformance rates and product recalls, we ensure ongoing improvement and effective risk management related to food contamination.

Compliance across our global supply chain is maintained through stringent third-party audits and certifications. Internally, we conduct regular audits, crisis



management training, and quality reviews to strengthen our food safety systems. Externally, we undergo certification audits for Rainforest Alliance, organic, kosher, and halal standards, meeting customer expectations for sustainable products and diverse dietary needs.

Better Product Design is a collaborative effort. Creating products that are healthier, more sustainable, and loved by consumers requires cross-functional collaboration between Quality, Category, R&D, and Countries. Together, these teams make better product design a reality; combining safety, sustainability, and consumer satisfaction.



Sustainability Pillars

3 Better Product Design

Food safety and quality: A shared responsibility

A dedicated Food Regulatory function and Quality team work closely with local experts to maintain compliance and proactively manage risks across our categories and countries.

To reinforce this culture, we have introduced the One Hero Food Safety & Quality onboarding program, designed to build a shared understanding of food safety and quality across the company. The training covers essential principles, from preventing contamination to ensuring products deliver the highest standards of taste, nutrition, and safety. It emphasizes our commitment to protecting consumer health, maintaining brand trust, and meeting regulatory requirements, while equipping every colleague with the tools and knowledge to uphold these standards. At Hero, food safety is everyone's responsibility, and this program ensures that commitment is embedded in every step of our operations.



Product development and marketing: Embedding sustainability

The Hero Group's product portfolio is designed to meet nutritional needs across all life stages, spanning the Growing Up and Adult organizational units and covering Better Snacking, Naturally Good Food, and Others (heritage) products. Our R&D team acts as a trusted partner and problem solver, creating healthier and better products that consumers love.

To embed environmental aspects into product development, we have enhanced our Innovation Management Tool (IMT) so that sustainability criteria are applied from the earliest concept stage. Starting in 2025, all innovation and renovation projects are assessed for their impact on emissions, packaging, nutrition, and biodiversity. Teams across categories, marketing, R&D, and product change management have been trained on this process, supported by functional experts.

Embedding sustainability also means communicating it responsibly. To achieve this, we provide dedicated training for marketing teams in every Hero country. These sessions cover sustainability fundamentals, helping teams understand the environmental and social impact of our products and messaging, along with guidance on making accurate, transparent, and compliant green claims. They also support each brand in defining and articulating its own sustainability commitments. By equipping our marketing teams with the right knowledge and tools, we ensure consistent, credible communications that reinforce Hero's commitment to sustainability in various consumer touchpoints.



Sustainability Pillars

3 Better Product Design

Circular packaging: Innovating and optimizing

We manage packaging through clear principles and targeted actions to minimize environmental impact. Since introducing our Sustainable Packaging Principles in 2021, we have focused on waste prevention, resource efficiency, circular design, and recyclability. Over the past years, we have conducted comprehensive packaging assessments across multiple materials and categories, including glass and metal, baby food products, and snacking formats. In 2025, we assessed the films and bags used in snacking products, as these will fall within scope in 2026. These assessments guide our transition toward solutions that reduce emissions, improve recyclability, and align with upcoming EU Packaging and Packaging Waste (PPWR) requirements.

13%
lighter jam jars

14%
less foil for
snack bar
packaging

20%
less material for
mono-material
pouches

To track progress, we monitor packaging metrics monthly and prioritize recycled glass, metal, and cardboard wherever possible. Since 2019, we have achieved significant reductions across multiple product lines. Snack bar packaging now uses 14% less foil, jam jars are 13% lighter, and mono-material pouches require 20% less material while being fully recyclable.





Sustainability Pillars

3 Better Product Design

Clean Label and Transparent Declaration

The Hero Group is committed to keeping food real by prioritizing simple processing, clean sourcing, and transparency. Clean Label is not an exception but a consumer-driven expectation that aligns with our sustainability strategy and product development principles. We focus on creating products with recognizable ingredients, minimal processing, and clear communication about quality and safety.

This commitment is exemplified by our US company Beech-Nut, which partnered with the Clean Label Project to provide independent verification of product integrity. In total, 16 of Beech-Nut's top-selling products have earned the Purity Award and Pesticide-Free Certification, confirming compliance with rigorous standards for contaminants such as heavy metals and pesticides. The Clean Label Project uses ISO-accredited laboratories for testing, adding a trusted third-party layer of assurance.

Beech-Nut goes even further through its own ISO 17025-accredited laboratory, testing raw ingredients and finished products more frequently than industry requirements. This rigorous process ensures that only the highest-quality ingredients reach consumers, reinforcing Hero's promise of transparency and safety.



16
of Beech-Nut's
top-selling
products have
earned the **Purity
Award & Pesticide-
Free Certification**

By combining internal expertise with external certification, Hero strengthens consumer trust and demonstrates leadership in clean labeling as part of our broader commitment to sustainability and responsible food production.



Sustainability Pillars



4 Purposeful People

Hero is a multinational company with over 4,000 employees in 20 countries. People from across our businesses come together as one team, sharing best practices and creating synergies that drive growth. Our flat organization design and open, flexible way of working mean every contribution is visible and everyone can make an impact. Opportunities are there to be taken, and ambitions can be realized.

Our people are our greatest asset, and their wellbeing, engagement, and development are essential to our success. This commitment is reflected in the Hero Human Deal, a roadmap designed to empower talent and support our One Hero vision.



4,000+
employees in
20 countries

Strategic Plans and Priorities

- **Talent:** Attract the best talent and provide development opportunities to build future-ready skills and advance career progression.
- **Capabilities:** Promote lifelong learning and build capabilities required to navigate the challenges of a volatile, uncertain, complex, and ambiguous world.
- **Culture:** Safeguard employees' rights by fostering open dialogue with management and ensuring transparent, equitable rewards.
- **Organization:** Promote a culture that encourages innovation and curiosity, empowers teamwork, fosters care and respect, and upholds integrity and accountability in every action.

At Hero, our People Pillar brings together key functions – HR, Health & Safety, Legal, Management, and Communications – to create a workplace where employees feel valued, supported, and empowered. This pillar goes beyond policies, fostering a culture that prioritizes wellbeing, encourages collaboration, and helps every individual reach their full potential. We focus on safe and healthy working conditions, promote mental and physical wellbeing, and provide the tools and opportunities needed for success. At the same time, we strive to motivate and inspire, enabling employees to deliver their best work while maintaining a healthy work-life balance. By investing in our people and embedding these principles across the organization, we aim to build a strong, engaged workforce that drives sustainable growth and reflects Hero's values.



Sustainability Pillars

4 Purposeful People

Enable Hero 2035 strategy through impactful people & culture



Create wow



Everyone Hero



Nourish others



Take responsibility

Talent

Capabilities

Culture

Organization

Insource talent acquisition

Develop middle-management

Best talents in critical roles

Critical advantage capabilities

Lifelong learning

Leading in a VUCA world

Open-source change

Reward & recognition

Inclusion

Set-up for growth

High performing commercial unit

Agile design & ways of working

“I feel valued”

“I feel invested”

“I feel cared for”

“I feel empowered and understood by my management”



Sustainability Pillars

4 Purposeful People



Our values: The foundation of our culture

[Values are at the heart of everything we do](#) at Hero. They guide how we behave, connect us across multiple countries, and unite diverse teams under a shared purpose. Our values shape our culture and are embedded into processes from performance management to recruitment, from induction to ongoing inclusion. They also underpin our commitment to equity, diversity, and inclusion, ensuring that every employee feels respected and empowered.

This strong foundation of shared values also drives our unwavering commitment to ethical business conduct. In 2025, we strengthened this commitment by launching mandatory Anti-Bribery & Corruption (ABC) training for all employees. To protect our business and promote a fair, transparent environment, the course equips everyone with practical tools to identify, prevent, and report unethical practices. It covers how to recognize bribery and corruption risks and provides best practices for compliance. By completing the training, we reinforce our culture of integrity and accountability, safeguard our reputation, and uphold our commitment to ethical business across all markets.

Strive for Zero: Our mission on Health & Safety

Employee health and safety is a core part of our culture and a strategic priority. Through our Strive for Zero approach, we aim for zero accidents, zero occupational illnesses, and zero negative impacts on wellbeing; integrating both physical and mental health into a safe, sustainable work environment.

The Hero Safety Community connects experts across sites to share best practices and harmonize standards. Regular audits, risk assessments, and training on leadership, ergonomics, and mental health reinforce awareness. Digital tools support monitoring and standardized processes. We go beyond legal compliance by embedding advanced safety systems, promoting employee participation, and integrating health and safety into strategic decisions; because all injuries and illnesses are preventable, and safeguarding wellbeing is essential to sustainable success.

Where people thrive: A great place to work

At the Hero Group, we are dedicated to being a great place to work by investing in our people and fostering a culture where everyone can thrive. Our international workforce demonstrates remarkable loyalty and commitment: 42.4% of employees have been with Hero for more than 10 years, especially in Spain, Germany, and MEA, where our largest offices and production sites are located. Nearly 16% have been with us for six to 10 years, 18% for two to five years, reflecting both strong retention and the dynamic growth and renewal of talent across the Group.

Our commitment to creating an outstanding work environment is recognized externally as well. Hero UK&I was ranked #11 on the UK's Best Workplaces™ 2025 list in the medium-sized business category by Great Place to Work® UK, following their certification last year. Similarly, Hero Spain has once again been recognized as one of the country's best employers, earning the Top Employer certification for the third consecutive year - a testament to their dedication to employee wellbeing and professional development, especially during times of transformation.





Sustainability Pillars

4 Purposeful People

We continue to create a motivating environment where everyone can grow and succeed, supported by training opportunities, an inclusive culture, and wellness initiatives that care for employees both inside and outside of work.

By investing in our people, prioritizing wellbeing, and championing diversity and inclusion, Hero continues to build a strong, engaged workforce that drives sustainable growth and truly reflects our values as a great place to work.



Purposeful partnerships and local engagement

At the Hero Group, we believe in using business as a force for good. Our commitment goes beyond delivering quality products; it extends to creating positive impact in the communities where we operate. Through purposeful partnerships, we work closely with local organizations and NGOs to address social needs and foster long-term change.

This includes initiatives such as food donations to local food banks and humanitarian organizations, ensuring that nutritious products reach those most in need. We also encourage corporate volunteering, where employees dedicate time and skills to community projects, from clean-up campaigns to educational and social programs. These efforts strengthen our sense of responsibility and connection.

A great example comes from Hero UK&I, which actively gives back through food donations, volunteering, fundraising, and event support. In 2025, the team launched a long-term partnership with KidsOut, an organization dedicated to bringing joy and happiness to some of the most vulnerable and disadvantaged children across the UK. Together, we share the belief that every child deserves a little sunshine, no matter their circumstances. This partnership reflects our values of inclusivity, care, and spreading positivity, ensuring every child gets the happiness they deserve.

[You can access our Sustainability Statement on page 200 of our 2025 Annual Report.](#)

Hero AG

Karl Roth-Strasse 8

5600 Lenzburg

Switzerland

+41 (0)62 885 51 111

www.hero-group.ch

communications@hero.ch

Hero