

Title: Environmental Policy

Scope

This policy applies to all Total Sweeteners Inc. (dba Batory Foods) employees and Batory-operated facilities.

Policy

I. Overview

Batory Foods will act in compliance with applicable environmental laws in every locale where we operate. In addition, we are committed to working sustainably across our operations and supply chain.

We aim to conduct our business in a way that reduces environmental impact, particularly regarding emissions, energy use, waste, and water consumption. We also strive to reduce the footprint of our supply chain by selecting partners who prioritize sustainability.

II. Emissions/Energy

Energy Efficiency

We are continuously looking for ways to reduce our Scope 1 & 2 emissions by making our facilities more energy efficient.

Most of our facilities have LED lights installed and we aim to reach 100% LED lights by the end of 2024. We have switched from gas-powered forklifts to electric-powered forklifts, eliminating fuel use and the risk of toxic fumes, and are committed to only using electric forklifts moving forward.

Over time, we will strive to implement additional initiatives, such as:

- Installing electric vehicle charging stations
- Upgrading facility assets to be more energy-efficient - windows, HVAC systems, refrigerators, etc.
- Installing meters to better track facility energy use

We are also planning to create and implement environmental criteria for any new facilities that Batory Foods purchases or leases.

Renewable Energy

When possible and financially feasible, we will look for opportunities to invest in renewable energy solutions. Options include:

- Signing up for a physical or virtual Power Purchase Agreement (PPA)
- Purchasing Renewable Energy Credits (RECs) to cover our electricity use

Scope 3 Emissions

As an ingredient distributor, a significant proportion of our total emissions come from our supply chain. As such, measuring these Scope 3 emissions will be critical for measuring and reducing our overall carbon footprint.

While we currently calculate our Scope 1 and 2 emissions, we plan to start tracking emissions from Scope 3 categories, such as:

- Purchased goods & services
- Waste generated in operations
- Fuel- and energy-related activities (FERA)

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- Business travel
- Employee commuting

III. Waste

Food Waste

We recognize that food waste creates a multitude of negative environmental and social consequences, and we are committed to doing our part to reduce food waste throughout our facilities.

Batory Foods diverts food waste from landfill as much as possible by donating or selling damaged, expired, or surplus ingredients. We currently track a portion of our diverted food waste and aim to track this metric for 100% of our facilities.

Non-Ingredient Waste & Recycling

We strive to reduce the non-ingredient waste produced in our facilities, including plastic, wood pallets, and paper products.

For the waste we do produce, we aim to recycle as much as possible in every facility.

IV. Water

In addition to complying with all local, state, or federal water regulations, Batory Foods will work to minimize our water consumption, particularly in our facilities that have a manufacturing component. We will also dispose of any wastewater product safely and responsibly.

V. Ingredient Portfolio

Our ingredient portfolio includes a variety of sustainably certified products, including:

- Roundtable on Sustainable Palm Oil (RSPO)
- Rainforest Alliance Certified (RAC)
- Fairtrade

We are committed to offering a wide selection of sustainable ingredients and will continually strive to expand these offerings.

VI. Sustainable Procurement

Batory Foods aims to create a more sustainable supply chain by building relationships with partners who share our commitment to sustainability.

We will ensure that all our suppliers adhere to our [Supplier Code of Conduct](#), which includes sections on labor and human rights, anti-corruption, and the environment.

In addition, we will pursue the following initiatives:

- Use EcoVadis to launch an annual supplier campaign, encouraging suppliers to complete an EcoVadis assessment and share their scorecards with us

Policy



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- Sending an annual survey to suppliers to gather data on their sustainability practices
- Engage in meaningful conversations with partners about sustainability

VII. Reporting

Batory Foods completes an annual EcoVadis assessment in order to understand and track our sustainability performance. Our scorecard can be shared with our partners through the EcoVadis platform upon request.

Regulations and Other Standards

Regulation or Standard Name	Satisfies Clause

SOPs and Forms

Document #	SOP or Form Name	Satisfies Clause

Revision History

Revision	Date	Description of changes	Requested By
Orig.	10/17/23	Initial Policy Creation & Release	Sustainability