



# **Strauss Group**

## **Sustainability Report 2020**



# **GRI Content Index**



## **STRAUSS GROUP 2020 SUSTAINABILITY REPORT - GRI CONTENT INDEX**

This is Strauss Group's 13<sup>th</sup> sustainability report. It describes the impact of the Group's business, social and environmental activities on its stakeholders in 2020. This report was prepared in accordance with standards of the Global Reporting Initiative (GRI): Core Option. Furthermore, the report represents the Group's annual report to the Global Compact project of the United Nations, which it has been a member of since 2008.

The information in the report refers to the 2020 calendar year. Our previous full sustainability report was published in 2020 and referred to 2019. We intend to continue to publish our sustainability report on an annual basis.

In this report, we kept to the same essential framework from 2014. Based on strategic work that was carried out in 2019 and on internal verification, we found that this framework is still relevant today. The parameters of this report are unchanged – the report deals with all the companies in Strauss Group that are under our operational control, including joint ventures that are reported as full entities. No substantial retroactive amendments were made to data that was presented in previous reports. Minor adjustments that were made are indicated alongside the data as they are shown.

This summary, as well as the 2020 Sustainability Report are not part of Strauss Group's financial, immediate or periodic statements. In the event of a discrepancy between what is stated in this report and the aforementioned reports, the wording of the financial statements is the binding one.

We thank you for your interest in this report and welcome your feedback.

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## GRI CONTENT INDEX: GENERAL DISCLOSURES

GRI 102: General Disclosures 2016		See in the Sustainability Report Website
Disclosure	Reporting requirements	
102-1	Name of the organization	<a href="#">About the Strauss Group</a>
102-2	Activities, brands, products, and services	<a href="#">About the Strauss Group</a> <a href="#">Strauss Group's Brands</a>
102-3	Location of headquarters	<a href="#">About the Strauss Group</a>
102-4	Location of operations	<a href="#">About the Strauss Group</a>
102-5	Ownership and legal form	<a href="#">About the Strauss Group</a>
102-6	Markets served	<a href="#">About the Strauss Group</a>
102-7	Scale of the Organization	<a href="#">About the Strauss Group</a>
102-8	Information on employees and other workers	GRI Content Index Page:8
102-9	Supply Chain	<a href="#">Responsible Supply Chain</a>
102-10	Significant changes to the organization and its supply chain	_There have been no significant changes in the boundaries of the Organization since our 2019 Sustainability Report beyond regular merger and acquisitions activities.
		GRI Content Index Page:8
102-11	Precautionary Principle or approach	<a href="#">Managing Sustainability at Strauss Group – Highlights &amp; Looking Towards the Future</a>
102-12	External initiatives	<a href="#">Strauss Sustainability Framework &gt; Material issues</a>
102-13	Membership of associations	<a href="#">Strauss Sustainability Framework &gt; Partnership</a>
102-14	Statement from senior decision-maker	<a href="#">About Strauss Group &gt; Letter from the CEO and Chairperson and VP of sustainability</a>
102-16	Values, principles, standards and norms of behavior	<a href="#">About the Strauss Group</a>
102-18	Governance structure	<a href="#">Ethical Business Behavior</a>
		<a href="#">Corporate Governance</a>
102-40	List of stakeholder groups	<a href="#">Strauss Sustainability Framework &gt; Material issues</a>
102-41	Collective bargaining agreements	GRI Content Index Page: 9



102-42	Identifying and selecting stakeholders	<a href="#">People and Communities &gt; Strauss' Men and Women : People and Communities &gt;Social Justice and Racial Equality ; People and Communities &gt;Diversity, Equity and Inclusion</a>  <a href="#">Strauss 'Framework to Promote ESG &lt;Sustainability Strategy</a>
102-43	Approach to stakeholder engagement	<a href="#">Strauss 'Framework to Promote ESG &lt;Sustainability Strategy</a>  <a href="#">Responsible Supply Chain</a>
102-44	Key topics and concerns raised	<a href="#">Strauss Sustainability Framework &gt; Material issues</a>  <a href="#">Strauss 'Framework to Promote ESG &lt;Sustainability Strategy</a>
102-45	Entities included in the consolidated financial statements	<a href="#">About the Report</a>
102-46	Defining report content and topic boundaries	<a href="#">About the Report</a>
102-47	List of material topics	<a href="#">Strauss Sustainability Framework &gt; Material issues</a>
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	2020 calendar year
102-51	Date of most recent report	2019
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	<a href="#">About the Report</a>
102-54	Claims of reporting in accordance with the GRI Standards	<a href="#">About the Report</a>
102-55	GRI Content Index	This document
102-56	External assurance	This report has not undergone external assurance.



## GRI INDEX: MATERIAL DISCLOSURES USING GRI STANDARDS 2016

GRI Standard	Specific GRI Disclosures	Page	Read more in Sustainability Report website
GRI: 103: Management Approach	103-1; 103-2; 103-3	Letters from Chair, CEO; Managing Sustainability at Strauss Group; Strauss' Framework to Promote ESG;	<a href="#">Vision and Startegy &gt; Strauss Sustaianbility Framework / Vision and Startegy &gt; Sustaianbility Report 2020</a>
GRI 201: Economic Performance	:201-1Direct economic value generated and distributed	Stakeholders sharing our financial success	<a href="#">About Strauss Group &gt; Sharing wealth with our stakeholders</a>
GRI 203: Indirect economic impacts	: 203-2Significant indirect economic impacts	An appetite for better food	<a href="#">People and Communities &gt; An appetite for better food</a>
		Promoting sustainable agriculture	<a href="#">Protecting our Planet &gt; Promoting Sustainable Agriculture</a>
		Creating Impact Through FoodTech Innovation	<a href="#">Practice good business &gt; Creating impact through FoodTech and Innovation</a>
GRI 413: Local communities	:413-1 Operations with local community engagement, impact assessments, and development programs	Extending connection with the communities	<a href="#">People and Communities &gt; Community Engagment /Creating value for the communities around us</a>
		GRI Content Index Page: 24	
<b>Reducing resource consumption and waste generation throughout our supply chain</b>			
GRI 302: Energy	: 302-1Energy consumption within the organization	GRI Content Index Page: 11	<a href="#">Protecting our Planet &lt; Climate Action</a>
	: 302-3Energy intensity	GRI Content Index Page: 11	
	:305-1Direct (Scope 1 GHG emissions	GRI Content Index Page: 11	
	:305-2Energy indirect (Scope 2) GHG emissions	GRI Content Index Page: 11	
GRI 305: Emissions	305-4: GHG emissions intensity	GRI Content Index Page: 12	<a href="#">Protecting our Planet &lt; Climate Action</a>
	: 305-6Emissions of ozone-depleting substances (ODS)	GRI Content Index Page: 11	
	305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	GRI Content Index Page: 11	
GRI 303: Water and Effluents 2018	303-3: Water withdrawal	GRI Content Index Page: 11	<a href="#">Protecting our Planet &lt; Committed to Protecting The Environment</a>



GRI 306: Effluents and Waste	:306-1 Water discharge by quality and destination	GRI Content Index Page: 11	<a href="#">Protecting our Planet &lt; Committed to Protecting The Environment</a>
	: 306-2 Waste by type and disposal method	GRI Content Index Page: 11	
	306-3: Significant spills	GRI Content Index Page: 11	
	306-5: Water bodies affected by water discharges and/or runoff	GRI Content Index Page: 11	
<b>Clear product labeling and responsible marketing</b>			
GRI 417: Marketing and Labeling	:417-1 Requirements for product and service information and labeling	GRI Content Index Page: 25	<a href="#">Practicing Good Business &gt; Responsible Marketing</a>
	417-2: Incidents of non-compliance concerning product and service information and labeling	GRI Content Index Page: 25	
	417-3: Incidents of non-compliance concerning marketing communications	GRI Content Index Page: 25	
<b>Ethical sourcing and supply chain</b>			
GRI 205: Anti-corruption	:205-3 Confirmed incidents of corruption and actions taken	Corruption prevention and privacy protection	<a href="#">Practicing Good Business &gt; Preventing Corruption</a>
		GRI Content Index Page: 10	
GRI 414: Supplier Social Assessment	414-1: New suppliers that were screened using social criteria	Responsible supply chain	<a href="#">Ethical Business Management &gt; Responsible Supply Chain &gt; Item: Screening new suppliers according to social criteria</a>
		GRI Content Index Page: 24	
<b>Diversity in everything we do</b>			
GRI 405: Diversity and Equal Opportunity	:405-1 Diversity of governance bodies and employees	Diversity and inclusion GRI Content Index Page: 22	<a href="#">People and Communities &gt; Strauss Men and Women &gt; Diversity, Equity and inclusion</a>
	:405-2 Ratio of basic salary and remuneration of women to men	GRI Content Index Page: 22	
<b>Engaging and developing employees</b>			
GRI 401: Employment	401-1: New employee hires and employee turnover	GRI Content Index Page: 19	
GRI 404: Training and Education	: 404-1 Average hours of training per year per employee	GRI Content Index Page: 21	Data does not include coffee workers in Germany, the Netherlands and Romania
	:404-2 Programs for upgrading employee skills and transition	Training and employee development	<a href="#">People and Communities &gt; Strauss Men and Women &gt; Employee Training and Development</a>



	assistance programs		
	404-3: Percentage of employees receiving regular performance and career development reviews	GRI Content Index Page: 22	
<b>Employee health, safety and well-being</b>			
GRI 403: Occupational Health and Safety	403-2: Types of injury and rates of injury	GRI Content Index Page: 20	<a href="#">People and Communities &gt; Strauss People&gt; Occupational Safety and Health</a> *The data does not include non-salaried employees

## TOPIC-SPECIFIC DISCLOSURES

### 102-2: Activities, Brands, Products and Services

Our main areas of activity include, among others: savory snacks, fresh vegetables, coffee, dairy products, chocolate, sweets, and water. Our main brands include Elite, Tapuchips, Gamadim Cups, Yotvata, Tami 4, Achla, and many others.

Employees By Region and Gender		2017	2018	2019	2020
Women	Israel	2,935	2,962	3,251	3,154
	Americas	2,376	2,424	2,669	2,874
	Europe and the rest of the world	643	660	720	664
	<b>Total</b>	<b>5,954</b>	<b>6,046</b>	<b>6,640</b>	<b>6,692</b>
Men	Israel	2,845	2,928	3,262	3,222
	Americas	4,418	4,772	5,335	5,678
	Europe and the rest of the world	914	911	1,004	950
	<b>Total</b>	<b>8,177</b>	<b>8,611</b>	<b>9,641</b>	<b>9,850</b>
All Employees	Israel	5,780	5,890	6,513	6,376
	Americas	6,794	7,196	8,004	8,552
	Europe and the rest of the world	1,557	1,571	1,764	1,614
	<b>Total</b>	<b>14,131</b>	<b>14,657</b>	<b>16,281</b>	<b>16,542</b>

For more information about our areas of activity, products and services, see <https://www.strauss-group.com/brands/>



## 102-8: Information on Employees and other Workers

\*Reporting based on the workforce as stated in the financial statements.

## 102-9: Supply Chain

Our global supply chain includes more than 14,000 suppliers of materials, products and services, totaling about \$1 billion annually, and is an integral part of our ability to offer delicious, nutritious foods and beverages that meet our consumers' expectations every day. Most of our manufacturing is carried out at our 26 factories worldwide and is supported by an operational network of warehouses, logistics and distribution, to supply our products to our consumers.

## 102-10: Significant changes to the organization and its supply chain

none

## 102-12: External Initiatives

- **UN Global Compact (UNGC) Initiative:** Strauss Group signatory since 2008.
- **The Valuable 500:** A venture as a member of the WEF, incorporating CEOs of leading companies in the world as a catalyst for promoting the influence of international corporations to reduce inequality for people with disabilities through their business operations. The move was launched in Davos and consists of 250 CEOs from 26 countries.
- Member of the **Consumer Goods Forum:** A global organization supporting collaboration between manufacturers and retailers to ensure consumer confidence and motivate positive change.
- **The Economic-Social Forum:** Leading a workforce to promote employment in Arab society led by Eyal Dror, CEO Strauss Israel. The aim of the team is to formulate national and multi-sectoral solutions to reduce socio-economic gaps between the Arab society and the labor market, to contribute to the increased productivity of the Israeli economy.
- **Ma'ala Organization:** Strauss is a member of Ma'ala, an organization that promotes business responsibility activities in Israel, and has participated in annual business responsibility rating for public companies since 2006. These last seven years, Strauss has received the highest rating: Platinum Plus .Strauss has joined the OUTSIGHT venture of the Israel-America Chamber of Commerce aiming to help the residents of Israel adapt to the rapidly changing labor market. This is part of the Chamber's SCR member's forum.





### 102-13: Membership of Association

- DSF: Dairy Sustainability Framework
- Food Industries Association of Israel
- The Israeli Marketing Association
- Strauss Coffee: The Global Coffee Platform (GCP)
- The Co-Impact Initiative: Established in 2013 to bring about a breakthrough in appropriate employment in Arab society.

### 102-41: Collective Bargaining Agreements

Workers with collective bargaining agreements	2017	2018	2019	2020
	60%	62%	63%	61%

### 102-42: Identification and Selecting Stakeholders

The stakeholders with whom we hold a regular dialogue are selected based on their relationship with Strauss, the degree of impact they have on our operations, and the degree of impact we have on their decisions. Our official engagement process with stakeholders takes place mostly in Israel.

### 102-43: Approach to Stakeholder Engagement

Stakeholder dialogue is conducted with relevant groups throughout the year via various channels: meetings, surveys and conferences. In 2018, we conducted an extensive survey among our stakeholder groups, focusing on the issue of trust - the Strauss Trust Survey. This survey has been conducted every few years, and the insights gained from it in 2018 are valid and relevant to date. In 2019, we expanded our work in collaboration with our stakeholders in accordance with the Trust Survey conducted in 2018. A detailed description of the activity can be found on the report's website under the topic "Trust and Practical Listening."

In addition, in 2019, we held the Strauss Israel Suppliers Conference, focusing on small, women-owned companies. Additional information about the conference can be found on the full report's website under the topic the "Responsible Supply Chain."



### **102-44: Key Topics and Concerns Raised**

The report on the topic "Trust and Practical Listening " extensive general feedback can be obtained from our stakeholders, and specific feedback based on the Strauss Trust Survey.

### **205: Anti-Corruption: Disclosure on Management approach**

As a global company active in more than 20 countries and employing more than 16,000 employees, the Strauss Group has a broad reach. Therefore, we are committed to ensuring that our business activities around the world are conducted in accordance with the highest ethical standards and avoid possible risks related to corruption. The Strauss Group complies with all anti-corruption and anti-bribery laws and regulations, including the US Foreign Corrupt Practices Act (FCPA) 1977, and the UK Bribery Prevention Act (2010), as well as with national laws and regulations in the countries where we operate. Violation or apparent violation of anti-corruption laws may damage the reputation of the Strauss Group and its employees, and incur regulatory penalties, including fines or imprisonment. Violation of the anti-corruption laws will lead to disciplinary action against employees, which may include termination of employment.

### **205-3: Confirmed incidents of corruption and actions taken**

In 2020, there were no corruption cases to be reported.

### **Committed to Protecting the Environment: Disclosure on Management Approach**

As a responsible food and beverage manufacturer with a global footprint, we respect our natural environment and strive to minimize our impacts on climate change and global resource consumption. We believe we can continue to grow our business and meet our consumers' needs for healthy and nutritious products while exercising control and monitoring our environmental impact. It is important to note that our consumers, our employees and many others, expect us, as a responsible corporate organization, to care for Mother Earth and ensure that future generations may continue to thrive. For more than a decade, we have publicly accounted for our environmental activities, and will continue to do so. We carry out these activities through comprehensive environmental management that include, among others:

- We comply with all environmental laws and regulations in all markets in which we operate.
- We operate our facilities in accordance with an Environmental Management System (EMS) requiring our careful attention to all our practices and the control of



our environmental impacts. Several sites are certified under EMS quality standard ISO14001 and undergo periodical audits for recertification. On non-certified sites, we strive to practice similar standards of environmental management. In all aspects of environmental practices, we strive for continuous improvement.

- We take a precautionary approach to climate change, in the belief that risks to humanity are real if no global warming and mitigation of climate change impacts are achieved. Therefore, we focus on reducing our energy consumption throughout our operation, by adopting effective environmental practices and investing in energy-efficient equipment. **We are constantly exploring improvement options and reviewing our impact on other circles of influence.**
- We strive to minimize our water consumption and recycle water as much as possible in our operations.
- We practice a Reduce, Reuse and Recycle method in all our facilities, and conduct regular site assessments to evaluate new opportunities to reduce waste production.
- Employees, whose roles have an impact on our environmental performance, undergo targeted training to help them perform their job while conserving resources and minimizing waste generation.
- Environmental managers, or, in some cases, factory managers, at all Strauss Group sites, are responsible to ensure the implementation of environmental policies and practices, and monitor these topics' progress and performance, reporting to operations managers and the overall Strauss Group Supply Chain Management.
- Environmental indices reported:
  - 302-1: Energy consumption within the organization
  - 302-3: Energy intensity
  - 303-3: Water withdrawal
  - 305-1: Direct (Scope 1) GHG emissions
  - 305-2: Energy indirect (Scope 2) GHG emissions
  - 305-4: GHG emissions intensity
  - 305-6: Emissions of ozone-depleting substances (ODS)
  - 305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions
  - 306-1: Water discharge by quality and destination
  - 306-2: Waste by type and disposal method
  - 306-3: Significant spills
  - 306-5: Water bodies affected by water discharges and/or runoff

### 302-1: Energy Consumption Within the Organization

Energy Consumption (GJ)	2017	2018	2019	2020
Natural Gas	592,396	727,167	795,177	819,895



Fuel Oil	90,850	90,765	111,199	115,305
Diesel Fuel	159,032	142,614	178,986	223,865
Ethanol	323	840	1,007	1,076
LPG	262,930	164,124	147,428	144,550
Gasoline	130,194	134,181	158,032	116,076
Flared methane from wastewater	19,120	31,377	17,168	17,168*
Biomass/biofuels	50,688	43,742	27,824	27,824*
Coffee biomass	2,873	2,190	3,122	3,122
<b>Scope 1 (Fuel and gas mix)</b>	<b>1,308,407</b>	<b>1,337,000</b>	<b>1,439,943</b>	<b>1,468,787</b>
<b>Scope 2 (electricity purchased)</b>	<b>594,496</b>	<b>629,036</b>	<b>630,652</b>	<b>668,265</b>
<b>Energy produced by the organization itself</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>793</b>
<b>Total Scope 1 + Scope 2</b>	<b>1,902,903</b>	<b>1,966,036</b>	<b>2,070,594</b>	<b>2,137,845</b>

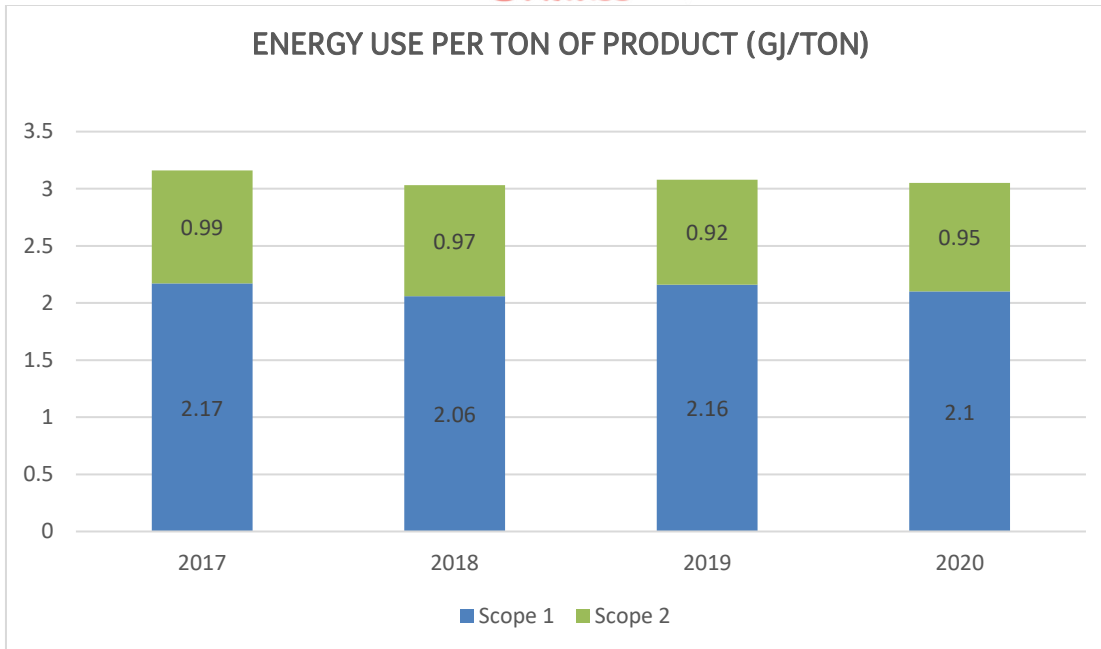
\*Minor changes in compare to 2019

- Fuel emission factors are taken from the Ministry of Environmental Protection - DEFRA (British Office for the Environment, Food and School Areas), supplier data and the emissionfactors.com website
- In 2019, a change was made in the way methane emissions are calculated due to a change in the accepted coefficients.
- 2019 data underwent minor updates (less than 5% per data) in light of data improvement in the company.

### 302-3: Energy Intensity

Energy consumption per ton of product (GJ/ton)	2017	2018	2019	2020
Scope 1	2.17	2.06	2.16	2.10
Scope 2	0.99	0.97	0.92	0.95
<b>Total energy intensity</b>	<b>3.16</b>	<b>3.02</b>	<b>3.08</b>	<b>3.05</b>

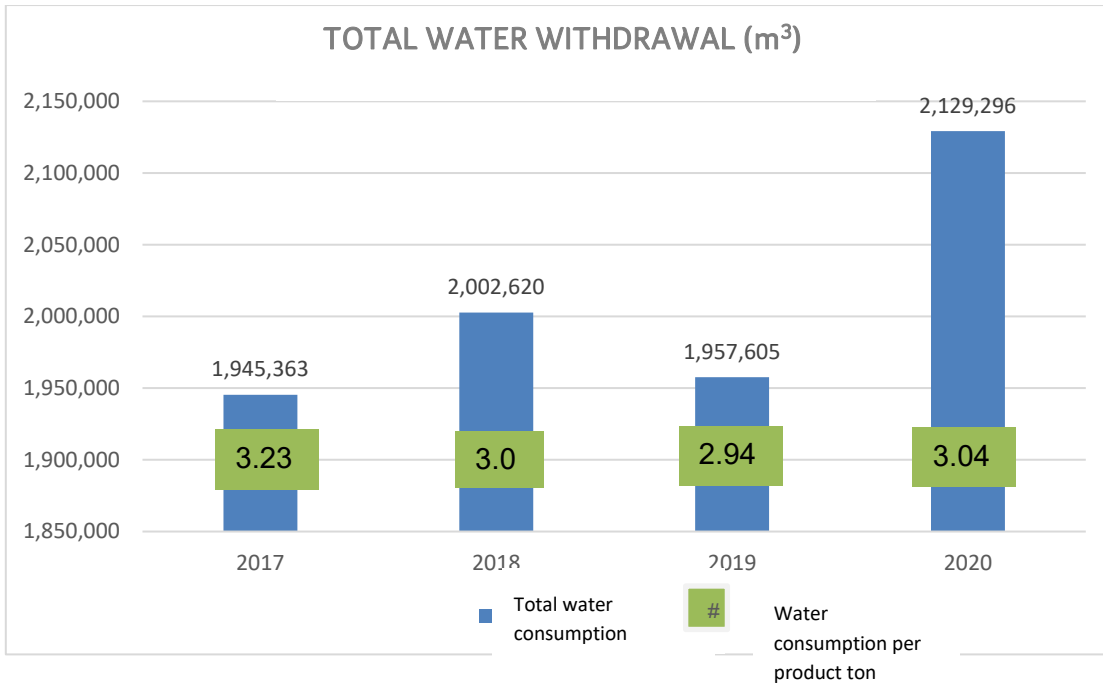
\*2019 data underwent minor updates (less than 5% per data) in light of data improvement in the company.



### 303-3: Water withdrawal

Water withdrawal (cubic meters)	2017	2018	2019	2020
Municipal water supplies or other water utilities	1,945,363	1,893,777	1,854,457	2,033,910
Surface water	-	830	1,694	1,680
Ground water	-	108,012	101,454	93,706
<b>Total water withdrawal</b>	<b>1,945,363</b>	<b>2,002,620</b>	<b>1,957,605</b>	<b>2,129,296</b>
<b>Water consumption per ton of product (m<sup>3</sup>/ton)</b>	<b>3.23</b>	<b>3.08</b>	<b>2.94</b>	<b>3.04</b>

\*The calculation of the intensity data for 2016-2018 has been updated in light of data improvement in the Company.



### 305-1: Direct (Scope 1) GHG emissions

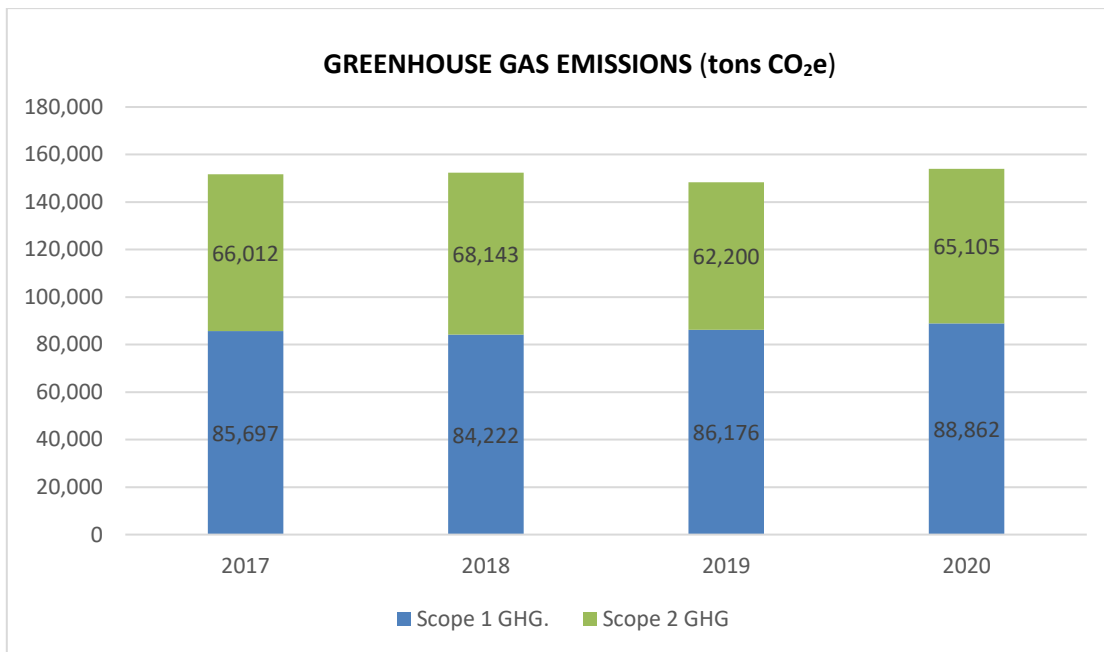
### 305-2: Energy indirect (Scope 2) GHG emissions

Greenhouse gas emissions (tons CO <sub>2</sub> e)	2017	2018	2019	2020
Natural Gas	33,345	40,937	41,372	43,037
Fuel Oil	7,583	8,222	8,812	9,115
Diesel Fuel	11,844	10,622	13,518	16,874
Ethanol	23	60	73	62
LPG	17,014	10,620	9,486	9,258
Gasoline	9,263	9,539	10,586	8,243
Flared methane from the wastewater facility	1,785	1,718	940	940
Other methane emissions from equipment and wastewater	109	109	108	108
Biomass/biofuels	4,732	2,395	1,524	1,524
Coffee biomass	0	0	0	0



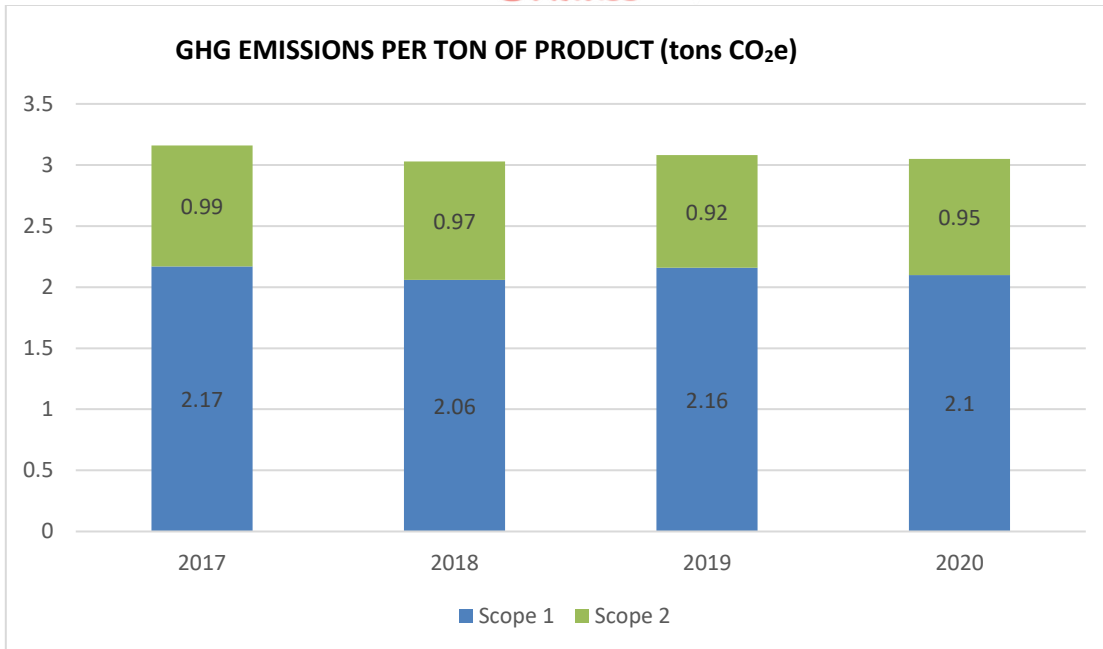
Carbon offsetting due to external CO2 consumption	-	-	(242)	(300)
<b>GHG emissions Scope 1</b>	<b>85,697</b>	<b>84,222</b>	<b>86,176</b>	<b>88,862</b>
<b>GHG emissions Scope 2</b>	<b>66,012</b>	<b>68,143</b>	<b>62,200</b>	<b>65,105</b>
<b>Total Scope 1 + Scope 2</b>	<b>151,709</b>	<b>152,365</b>	<b>148,376</b>	<b>153,965</b>

- The coefficients for fuel emission are taken from the Ministry of Environmental Protection, from DEFRA (the British Department for Environment, Food & Rural Affairs), from supplier data and the website: emissionfactors.com.
- In 2019, changes were made in calculating methane emissions due to changes in standard coefficients.



#### 305-4: GHG emissions intensity

Greenhouse gas emissions (tons CO <sub>2</sub> e/ton)	2016	2017	2018	2019	2020
Scope 1	0.147	0.142	0.130	0.129	0.126
Scope 2	0.115	0.110	0.105	0.093	0.0926
<b>Total Scope 1 + Scope 2</b>	<b>0.263</b>	<b>0.252</b>	<b>0.234</b>	<b>0.222</b>	<b>0.219</b>



**305-6: Emissions of ozone-depleting substances (ODS)**

Emissions of ozone-depleting substances (ODS) (tons CO <sub>2</sub> e)	2017	2018	2019	2020
R-22	1,093	3,285	1,236	5,105
R-12	0	0	0	-
R-134A	97	681	345	4,338
424A	5	5	12	-
407c	82	5	11	204
507	20,722	3,256	7,404	4,184
R504	--	--	47	47
R-410A	356	7	27	80
R-404	--	--	86	55
R32	--	--	3	1
CO <sub>2</sub> (consumed refrigerant) as	--	--	5	4
<b>Total ODS</b>	<b>22,355</b>	<b>7,239</b>	<b>15,520</b>	<b>13,957</b>

**305-7: Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions**



NO <sub>x</sub> , SO <sub>x</sub> and other air emissions (tons)	2017	2018	2019	2020
Nitrogen Oxides (NO <sub>x</sub> )	71	103	125	112
Sulfur Oxides (SO <sub>x</sub> )	63	78	83	29
Floating particulate matter (PM)	14	16	24	55
Carbon monoxide (CO)	68	48	64	67
<b>Total other air emissions</b>	<b>216</b>	<b>245</b>	<b>295</b>	<b>263</b>

### 306-1: Water discharge by quality and destination

Water discharge (tons)	2016	2017	2018	2019	2019
TSS	546	469	363	683	718
COD	1,789	1,806	1,443	1,276	1,419
BOD	1,146	949	969	1,856	2,041
<b>Total</b>	<b>3,481</b>	<b>3,224</b>	<b>2,775</b>	<b>3,815</b>	<b>4,178</b>

A database was changed from 2019 onwards due to the expansion of the sources of measurement to additional sites.

### 306-2: Waste by type and disposal method

Non-hazardous waste by disposal type (tons)	2017	2018	2019	2020
Landfill	11,618	10,432	11,067	9,720
Reuse	44,493	44,184	45,369	49,287
Recycling	28,423	32,005	23,440	28,741
Composting	3,410	4,451	7,626	5,191
Recovery (including energy recovery)	1,822	2,025	2,235	1,807
Incineration	0	8	299	195
<b>Total non-hazardous waste</b>	<b>89,766</b>	<b>93,105</b>	<b>90,036</b>	<b>94,941</b>
Hazardous waste by disposal type (tons)	2017	2018	2019	2020
Landfill	22	7	10	39
Reuse	0	0	0	0
Recycling	54	15	5	11
Composting	0	0	0	0



Recovery (including energy recovery)	0	0	8	0
Incineration	0	26	6	12
<b>Total hazardous waste</b>	<b>76</b>	<b>38</b>	<b>29</b>	<b>62</b>
<b>Total Waste</b>	<b>89,842</b>	<b>93,143</b>	<b>90,065</b>	<b>95,004</b>

*The figure for hazardous waste for fire reported for 2019 in the previous report (1914 tons) was found to be an error, corrected in the table below, due to the data recovery procedures in the company.*

### **306-3: Significant spills**

There were no significant spills in our operations during 2020.

Although this is only a minor incident, we would like to update that during 2020 the coffee company in Brazil C3 received a fine of 5,000 Brazilian reais (approximately \$ 1,000) which was closed by the authorities in the country (Administrative Procedure No. 19894 of 24.4.2020). The fine was issued following an inspection carried out by the CAERN (Rio Grande do Norte Water Supply and Sewage Company) at the Três Corações Alimentos S / A plant - Natal / RN. The audit found a flow of sulphate effluent (sulfuric acid salts) above the permitted amount. C3 filed a letter of defense alleging that a sewer system had been installed at the sewage treatment plant but had ceased operations due to the freezing of suppliers' work with the outbreak of the corona plague. The fine was paid, and the lawsuit was closed. No similar cases are expected in the future following the launch of the new sewage treatment system at the plant.

### **306-5: Water bodies affected by water discharge and/or runoff**

No water bodies were affected by water discharges from our factories during 2019.



## Employment: Disclosure on Management Approach

Recruitment, development and retention of skilled employees, with proficiency and motivation, are critical to our ongoing success and business growth.

We understand the current competition for employees in the market. We strive to provide our employees around the world a workplace with meaning and values, as part of its design. We consider it important to offer development and growth opportunities and a challenge that promotes excellence. We aim to impart true respect and caring to our employees, and create a respectful, empowering, diverse and inclusive work environment.

### 401-1: New employee hires and employee turnover

New Hires	2017		2018		2019		2020		Recruitment Rate 2020		Total recruitment rate 2020
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	
Below age 30	1,010	1,340	1,146	1,431	1,044	1,331	692	1,100	4.5%	7%	11.5%
Age 30-50	709	994	731	1,139	600	947	513	768	3%	5%	8%
Over age 50	87	79	92	99	60	83	63	86	0.5%	1%	1.5%
<b>Total by gender</b>	<b>1,806</b>	<b>2,413</b>	<b>1,969</b>	<b>2,669</b>	<b>1,705</b>	<b>2,360</b>	<b>1,268</b>	<b>1,954</b>	<b>8%</b>	<b>13%</b>	<b>21%</b>
Israel	920	817	1,170	1,220	1,009	951	536	685	3%	4%	8%
Americas	758	1,378	656	1,243	577	1,187	641	1,111	4%	7%	11%
Europe and the rest of the world	128	218	143	206	120	222	91	158	1%	1%	1.5%
<b>Total by region</b>	<b>4,219</b>		<b>4,638</b>		<b>4,065</b>		<b>3,222</b>		<b>8%</b>	<b>13%</b>	<b>21%</b>

Leaves	2017		2018		2019		2020		Leaving Rate 2020		Total leaving rate
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	
Below age 30	619	827	802	868	919	1,080	709	917	5%	6%	10%
Age 30-50	642	973	579	847	593	998	528	835	3%	5%	9%
Over age 50	107	99	114	132	107	122	110	147	1%	1%	2%
<b>Total by gender</b>	<b>1,368</b>	<b>1,899</b>	<b>1,495</b>	<b>1,847</b>	<b>1,619</b>	<b>2,200</b>	<b>1,347</b>	<b>1,899</b>	<b>9%</b>	<b>12%</b>	<b>21%</b>
Israel	133	350	128	209	951	868	557	614	3.5%	4%	7.5%
Americas	736	1,547	805	688	543	1,120	704	1,122	4.5%	7%	11.5%



Europe and the rest of the world	499	871	29	950	125	212	86	163	1%	1%	2%
<b>Total by region</b>	<b>4,136</b>		<b>2,809</b>		<b>3,818</b>		<b>3,246</b>		<b>9%</b>	<b>12%</b>	<b>21%</b>

### Occupational Health and Safety: Disclosure on Management Approach

The Strauss Group aims to maintain a safe workplace by complying with all applicable safety laws and regulations and more, and by creating a culture of safety, including assessments of current safety and training hazards, as well as a variety of additional tools for creating awareness, safe work practices, and carrying out preventative and corrective actions.

### 403-2: Types of injury and rates of injury

Safety performance - direct (payroll) employees only								
		Injuries			Injury rate per 100 employees			
		2018	2019	2020	2018	2019	2020	
Israel	Men	161	139	111	5.5	4.26	0.71	
	Women	119	102	81	4	3.14	0.52	
	Total	280	241	192	4.8	3.70	1.23	
Americas	Men	94	88	99	1.7	1.65	0.64	
	Women	37	36	34	52.6	1.35	0.22	
	Total	131	124	133	46.2	1.55	0.86	
Europe and the rest of the world	Men	9	38	15	1	3.64	0.10	
	Women	15	6	2	2.3	0.83	0.01	
	Total	24	44	17	1.5	2.49	0.11	
All employees	Men	264	265	225	3.1	2.75	1.45	
	Women	171	144	117	2.8	2.17	0.75	
	Total	435	409	342	2.97	2.51	2.2	



Safety performance - direct (payroll) employees only								
		Lost days			Lost day rate per 100 employees			
		2018	2019	2020	2018	2019	2020	
Israel	Men	3,181	2,848	2,007	108.6	87.3	12.91	
	Women	2,267	1,335	1,802	76.5	41.1	11.59	
	Total	5,448	4,183	3,809	92.5	64.2	24.50	
Americas	Men	2,682	1,423	1,420	56.2	26.7	9.13	
	Women	1,188	546	598	49	20.5	3.85	
	Total	3,870	1,969	2,018	53.8	24.6	12.98	
Europe and the rest of the world	Men	126	248	80	13.8	23.8	0.51	
	Women	297	152	14	45	21.1	0.09	
	Total	423	400	94	26.9	22.7	0.60	
All employees	Men	5,989	4,519	3,507	69.6	46.9	22.55	
	Women	3,752	2,033	2,414	62.1	30.6	15.52	
	Total	9,741	6,552	5,921	66.5	40.2	38	

- We do not have consistent data for all territories regarding non-salaried employees. However, safety incidents among non-salaried employees are investigated in depth and addressed through corrective actions as needed but are not currently reflected in our global reporting systems.
- Injury rates per 100 employees are calculated based on the American Occupational Safety and Health Administration (OSHA) guidelines.

### Training and Education: Disclosure on Management Approach

In our dynamic work environment, it is important our employees have the knowledge and skills necessary to perform their roles.

We provide training and development opportunities to all employees. Moreover, we aim to contribute to the personal growth and professional development of employees and improve their ability to find employment in the future, thereby contributing to overall social development in the areas we operate.

#### 404-1: Average hours of training per year per employee

Training hours	2017		2018		2019		2020		Average per person	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Senior Managers	245	417	3,170	373	3,434	4,739	1,277	1,233	31.15	95
Middle Managers	26,207	15,560	64,039	18,991	24,941	10,187	14,759	6,172	11.65	7



<b>Non-Managers</b>	126,059	71,222	154,107	101,281	192,078	107,692	95,216	65,811	12.17	12.2
<b>Total by gender</b>	<b>152,511</b>	<b>87,199</b>	<b>221,316</b>	<b>120,645</b>	<b>220,453</b>	<b>122,618</b>	<b>111,252</b>	<b>73,215</b>	<b>12.18</b>	<b>11.7</b>
<b>Total all employees</b>	<b>239,710</b>		<b>341,961</b>		<b>343,071</b>		<b>184,467</b>		<b>12</b>	

A decrease in the total training hours was measured due to the corona crisis and the need to formulate remote training solutions (decrease from 21.9 hours of training per employee in 2019 to 12 hours of training per employee in 2020)

#### 404-3: Percentage of employees receiving regular performance and career development reviews

Performance evaluations	2017		2018		2019		2020		% by employee level and gender	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
<b>Senior Managers</b>	46	17	51	15	22	11	42	42	95%	92%
<b>Middle Managers</b>	950	529	1,015	605	583	468	702	702	80%	81%
<b>Non-Managers</b>	693	499	2,517	1,442	2,353	2,446	2,932	2,932	38%	55%
<b>Total by gender</b>	<b>1,689</b>	<b>1,045</b>	<b>3,583</b>	<b>2,062</b>	<b>2,958</b>	<b>2,925</b>	<b>3,676</b>	<b>3,676</b>	<b>44%</b>	<b>59%</b>
<b>Total all employees</b>	<b>2,734</b>		<b>5,645</b>		<b>5,883</b>		<b>7,667</b>		<b>50%</b>	

#### 405: Diversity and Equal Opportunity: Disclosure on Management Approach

At the Strauss Group, we believe that business practices whose aim is the inclusive growth of all employees, encourages innovation, builds trust-based relationships across the supply chain, and enhances our responsiveness to customers and consumers. Thus, we can achieve better business results in the long term and in the right way. For us, multiculturalism and inclusiveness represent both a business necessity and a core belief. They represent a fundamental value and a code of conduct deeply rooted in our everyday interfaces and decisions. Multi-culturalism and inclusiveness are the results of respect, of valuing others and caring about the lives we touch through the thousands of people we employ and the millions we reach every day, through our products and our operations.

##### 405-1: Diversity of governance bodies and employees

At the end of 2020, the Strauss Group Board of Directors consisted of 12 members, of which seven were women (58%).



<b>Board members by age</b>	<b>2019</b>	<b>2020</b>
Below age 30	0	0
Age 30-50	0	0
Over age 50	12	12

<b>Employees by age</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Below age 30	29%	30%	27%	27%
Age 30-50	56%	55%	59%	58%
Over age 50	15%	15%	14%	15%

<b>Employees by gender</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Women	43%	41%	41%	41%
Men	57%	59%	59%	59%

<b>Managers by age</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Below age 30	4%	4%	5%	6%
Age 30-50	80%	81%	80%	77%
Over age 50	16%	15%	15%	17%

<b>Managers by gender</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Women	39%	39%	41%	45%
Men	61%	61%	59%	55%

#### **405-2: Ratio of basic salary and remuneration of women to men**

<b>Ratio of average salary costs of women to men</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Senior managers	99%	95%	98%	116%	99%
Middle managers	76%	81%	82%	87%	86%
Non- managers	84%	77%	85%	86%	84%

The increase in the ratio of average salary costs of women to senior male managers between 2018 and 2019 is due to changes in depreciated currency rates as well as the high bonuses of senior male managers in the Coffee Company in 2018 compared to 2019.

#### **Local Communities: Disclosure on Management Approach**

We see great importance in promoting and maintaining the resilience of our communities. The communities consisting of our employees, business partners and consumers, form the basis of all Strauss Group activities. This activity is based on principles of consideration towards others and the environment, a demonstration of caring towards people and giving attention to the needs of all our stakeholders. We believe that



strong communities foster strong businesses. Our mission is to improve the lives of people, a goal that includes all the communities where we do business.

We aim to maintain a strong connection with local communities, both in the way we operate and through the initiatives we promote. We engage with our communities in several ways, using a variety of approaches, from immediate response to a specific request, to long-term ventures that will impact and significantly improve quality of life.

#### **413-1: Operations with local community engagement, impact assessments, and development programs**

All our operations maintain some form of community investment or engagement through contributions, employee volunteering or strategic social collaborations.

#### **Supplier Social Assessment: Disclosure on Management Approach**

Our extended supply chain, comprising tens of thousands of suppliers who provide us with products and services in our various markets, is an integral part of our ability to offer delicious and nutritious food and beverage products that meet our consumer needs every day. We view our suppliers as partners in our mission. As such, we expect them to adhere to the same standards of ethical, responsible and sustainable business activity to which we, the Strauss Group adhere. We make sure to act with integrity towards our suppliers, and to work with suppliers who share our values and standards, to increase trust at all levels of our operations, and enable our consumers, and all other stakeholders, to believe in our Company and our products.

#### **414-1: New suppliers that were screened using social criteria**

All Strauss Israel suppliers and those of Sabra/Obela were screened carefully using social criteria (Supplier Ethics charter or Supplier Code of Conduct). At Strauss Coffee and Strauss Water, all suppliers are required to sign the Supplier Ethics charter. During 2019, much effort has been invested in working with existing suppliers and their becoming signatories of this charter.

#### **Marketing and Labeling: Disclosure on Management Approach**

As a large global food manufacturer, the Strauss Group is committed to understanding and respecting the needs of its consumers and striving to gain their trust in everything it does. We inform our consumers about new or improved products through advertising and marketing via a variety of digital, print and voice channels. Our products are





comprehensively and clearly labeled beyond legal requirements, where applicable, and always display accurate information regarding the nutritional value of the product enabling consumers to make informed choices. Whenever a change in the composition of the product is made, we include clear information on these changes on the product. We comply with Product Labeling Laws in all markets where we operate, and increase the size and content of our labels, wherever product packaging permits, to make essential information more accessible to consumers.

**417-1: Requirements for product and service information and labeling**

All our food and beverage products comply with labeling and marketing requirements.

**417-3: Incidents of non-compliance concerning marketing communications**

There have been no cases of non-compliance relating to marketing communications.